

HOUSE BILL No. 5581

January 30, 2002, Introduced by Reps. Lockwood, Raczkowski, Bovin, Plakas, Bernero, Phillips, Callahan, Jacobs, Vander Veen, Spade, Mans, Richardville, Bogardus, Dennis, Wojno, Vander Roest, Neumann, Anderson, Lipsey, Kolb, Minore, Hale, Rich Brown, Frank, Murphy, Garza, Schermesser, Richner, Woronchak, Sheltroun, Voorhees, O'Neil, Waters, Williams, Whitmer, Jannick, Zelenko, Rocca, Basham, Gosselin and Shackleton and referred to the Committee on Insurance and Financial Services.

A bill to amend 2000 PA 499, entitled "Elder prescription insurance coverage act," by amending section 3 (MCL 550.2003).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) The EPIC program shall provide prescription
2 drug coverage, including related supplies as determined by the
3 department in consultation with the advisory committee estab-
4 lished in section 7, to each person to whom all of the following
5 apply:

6 (a) The person is a noninstitutionalized Michigan resident
7 65 years of age or older.

8 (b) The person has a household income at or below 200% of
9 the federal poverty guidelines.

10 (c) The person is not currently a medicaid recipient.

1 (d) Excluding medicare supplemental insurance or a federal
2 program described in section 9(2), the person is not covered by
3 other insurance that provides prescription drug coverage.

4 (2) The department shall give initial enrollment priority to
5 applicants who in the 12 months preceding ~~the effective date of~~
6 ~~this act~~ OCTOBER 1, 2001, participated in the MEPPS. A second
7 enrollment priority will be afforded to applicants with annual
8 household incomes up to 150% of the federal poverty guidelines
9 who received a senior prescription tax credit in former section
10 273 of the income tax act of 1967, 1967 PA 281. Enrollment in
11 the EPIC program for eligible applicants who formerly partici-
12 pated in the MEPPS program shall take effect not later than
13 October 1, 2001. Enrollment in the EPIC program for eligible
14 applicants who formerly received a senior prescription tax credit
15 shall take effect not later than December 1, 2001. Other appli-
16 cants with incomes up to 200% of the federal poverty guidelines
17 will be enrolled contingent upon available money.

18 (3) An individual or married couple meeting the basic eligi-
19 bility criteria established in subsection (1) may apply for
20 enrollment in the EPIC program as follows:

21 (a) Submit an annual application to the department, or the
22 department's designee, that, at a minimum, attests to the age,
23 residence, and household income of the individual applicant or
24 couple, if married. A ~~nonrefundable~~ REFUNDABLE administrative
25 fee must be included with the application AND SHALL BE RETURNED
26 TO AN APPLICANT WHO THE DEPARTMENT DETERMINES IS NOT ELIGIBLE FOR
27 THE EPIC PROGRAM. The administrative fee is \$25.00.

1 (b) Upon notification of eligibility, the enrollee may
2 access the EPIC program by meeting the cost-sharing obligation
3 through a copayment on each prescription that does not exceed 20%
4 of the cost of the prescription being purchased, with a maximum
5 monthly copayment amount calculated based on 1 of the following:

6 (i) If the applicant's household income is at or below 100%
7 of the federal poverty guidelines, the monthly copayment is 1/12
8 of 1% of household income as established during the annual appli-
9 cation process.

10 (ii) If the applicant's household income is at or below 125%
11 but greater than 100% of the federal poverty guidelines, the
12 monthly copayment is 1/12 of 2% of household income as estab-
13 lished during the annual application process.

14 (iii) If the applicant's household income is at or below
15 150% but greater than 125% of the federal poverty guidelines, the
16 monthly copayment is 1/12 of 3% of household income as estab-
17 lished during the annual application process.

18 (iv) If the applicant's household income is at or below 175%
19 but greater than 150% of the federal poverty guidelines, the
20 monthly copayment is 1/12 of 4% of household income as estab-
21 lished during the annual application process.

22 (v) If the applicant's household income is at or below 200%
23 but greater than 175% of the federal poverty guidelines, the
24 monthly copayment is 1/12 of 5% of household income as estab-
25 lished during the annual application process.

26 (4) Subsequent to enrollment in the EPIC program, an
27 applicant who has a household income at or below 100% of the

1 federal poverty guidelines shall be referred to the local family
2 independence agency for assessment of eligibility for medicaid.
3 Nothing in this subsection shall be construed as mandating that
4 an applicant found eligible for medicaid must enroll in that pro-
5 gram in lieu of enrollment in the EPIC program.