

# Fiscal Analysis

## REFUND OF EPIC APPLICATION FEE



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**Bill/Sponsor**                      **HOUSE BILL 4179 (AS INTRODUCED)**, Rep. Scott Shackleton

**House Committee**                Health Policy

**Analysis**                              **Summary**  
House Bill 4179 would amend the Elder Prescription Insurance Coverage Act to require the Department of Community Health to return the \$25 administrative fee to each applicant who is determined to be ineligible for the EPIC program. Under current law, the \$25 administrative fee that must be included with the EPIC application is non-refundable.

**Fiscal Impact**

Enactment of HB 4179 would potentially result in a small decrease in revenue available to finance the EPIC program due to the refunding of application fees to persons who are not eligible for the program. According to the Department of Community Health, its current policy is to refund the \$25 fee to applicants who do not qualify for EPIC.

\$30 million of tobacco settlement revenue is appropriated for the EPIC program in FY 2003-04. If federal officials approve Michigan's Pharmacy Plus waiver request, total funding for the program would increase to \$68 million due to the availability of federal Medicaid matching funds. This would allow for a significant expansion of participants in the program.

EPIC is not open for general enrollment at the present time, and only emergency applications are being accepted. In June of 2003, there were 13,368 persons enrolled in the EPIC program. Presumably, there may be some increase in administrative costs to the Department when enrollment in EPIC is open to all potential applicants if the number of those determined to be ineligible increases significantly.

**Analyst(s)**  
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**FLOOR ANALYSIS - 12/3/03**

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