

Fiscal Analysis

EPIC ELIGIBILITY REQUIREMENTS



Bill/Sponsor **HOUSE BILL 4670 (H-1)**, Rep. Stephen R. Ehardt

House Committee Health Policy

Analysis

Summary

House Bill 4670 would amend the Elder Prescription Insurance Coverage Act to allow persons residing in adult foster homes and assisted living facilities to qualify for the EPIC program. Currently, they are excluded from EPIC eligibility along with those in other institutionalized settings.

In addition, farm losses and business losses would not be considered in determining income eligibility for EPIC for those applicants with less than \$200,000 in assets. In order to qualify for the program the applicant's income cannot exceed 200 percent of the federal poverty level.

Fiscal Impact

If HB 4670 is enacted, state expenditures for senior prescription drug costs through the EPIC program would increase by an indeterminate amount because senior citizens in adult foster care and assisted living facilities would potentially qualify for the program. By excluding farm and business losses from consideration for financial eligibility purposes, some individuals may qualify for EPIC who otherwise would be ineligible. This would also add to EPIC program costs. The potential number of additional seniors who would become eligible and the associated increase in expenditures is unknown.

\$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 EPIC.

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.

Analyst(s)

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