

**ELDER PRESCRIPTION INSURANCE COVERAGE ACT (EXCERPT)**  
**Act 499 of 2000**

**550.2003 EPIC program; provisions; eligibility requirements; enrollment; assessment for medicaid; “institution” explained; business with not more than 1 employee and less than \$200,000.00 in assets.**

Sec. 3.

(1) The EPIC program shall provide prescription drug coverage, including related supplies as determined by the department in consultation with the advisory committee established in section 7, to each person to whom all of the following apply:

- (a) The person is a noninstitutionalized Michigan resident 65 years of age or older.
- (b) The person has a household income at or below 200% of the federal poverty guidelines.
- (c) The person is not currently a medicaid recipient.

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

(2) The department shall give initial enrollment priority to applicants who in the 12 months preceding October 1, 2001 participated in the MEPPS. A second enrollment priority will be afforded to applicants with annual household incomes up to 150% of the federal poverty guidelines who received a senior prescription tax credit in former section 273 of the income tax act of 1967, 1967 PA 281. Enrollment in the EPIC program for eligible applicants who formerly participated in the MEPPS program shall take effect not later than October 1, 2001. Enrollment in the EPIC program for eligible applicants who formerly received a senior prescription tax credit shall take effect not later than December 1, 2001. Other applicants with incomes up to 200% of the federal poverty guidelines will be enrolled contingent upon available money.

(3) An individual or married couple meeting the basic eligibility criteria established in subsection (1) may apply for enrollment in the EPIC program as follows:

(a) Submit an annual application to the department, or the department's designee, that, at a minimum, attests to the age, residence, and household income of the individual applicant or couple, if married. A refundable administrative fee must be included with the application and shall be returned to an applicant who the department determines is not eligible for the EPIC program. The administrative fee is \$25.00.

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

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

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

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

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

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

(4) Subsequent to enrollment in the EPIC program, an applicant who has a household income at or below 100% of the federal poverty guidelines shall be referred to the local family independence agency for assessment of eligibility for medicaid. Nothing in this subsection shall be construed as mandating that an applicant found eligible for medicaid must enroll in that program in lieu of enrollment in the EPIC program.

(5) For the purpose of determining eligibility under this section, an institution is a facility in which an individual resides and receives medical care through the facility, including prescription drugs. An institution may include a hospital, nursing home, convalescent center, mental health or psychiatric facility, or jail, prison, or other correctional facility. An adult foster care home, a home for the aged, or an assisted living facility is not an institution for purposes of determining eligibility under this section.

(6) For an owner of a sole proprietorship whose business has not more than 1 employee and has less than \$200,000.00 in assets or for the owner of a family-owned farm with less than \$200,000.00 in assets, household income for the purposes of determining income eligibility under this section shall be determined after excluding business or farm expenses deducted for federal tax purposes.

**History:** 2000, Act 499, Eff. Oct. 1, 2001 ;-- Am. 2004, Act 57, Imd. Eff. Apr. 12, 2004