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EPIC Program Approved by Senate

Prescription Program to Aid Low-Income Senior Citizens

Nov. 30, 2000 — The Senate approved Michigan's first full-fledged prescription drug program for senior citizens yesterday. Seniors eligible for the Elder Prescription Insurance Coverage (EPIC) program will pay a $25 application fee, a minimal prescription co-payment and a monthly deductible based on household income.

"This program will provide thousands of low-income senior citizens with a comprehensive prescription drug plan," said **Senator John Schwarz** (R-Battle Creek), vice chairman of the Senate Appropriations Committee which approved the legislation Tuesday, Nov. 28. "It will change a lot of people's lives for the better, and that is exciting."

EPIC will replace Michigan's two senior citizen prescription aid programs: the prescription drug tax credit program and the Michigan Emergency Pharmaceutical Program for Seniors (MEPPS).

"The state's current programs have provided assistance to some senior citizens, but access and coverage is limited," said Schwarz.

MEPPS, which can only be accessed for emergency situations, provides up to three months of prescription drugs to older adults not enrolled in Medicaid whose income is at or below 150 percent of poverty. The tax credit is capped at $600 along with other restrictions.

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"EPIC is a long-range prescription coverage program that will be available to a much greater number of low-income senior citizens," Schwarz said.

The EPIC program will be available to seniors who are not currently enrolled in Medicaid. Participants in MEPPS will be given initial enrollment priority, followed by applicants with an annual household income up to 150 percent of the federal poverty guidelines. Applicants up to 200 percent of the poverty guidelines would then be enrolled contingent upon available funds.

Currently, 150 percent of the federal poverty guideline for a two-person family is $16,875. For this household, EPIC recipients would pay a monthly deductible of $42.20. Based on a sliding scale system, a household at 100 percent of the poverty level would pay a monthly deductible of about $9.40. In addition, all households at or below 100 percent of the poverty level will be given an assessment to determine if they are eligible for Medicaid.

The bill stipulates that if the federal government enacts a national prescription program, EPIC will cover only those costs not covered by the federal program for eligible senior citizens.

The program is estimated to cost $60 million and will be funded by $26 million currently used for the tax credit and MEPPS as well as $33 million in state tobacco settlement revenue.

The tax credit program would be repealed one year after EPIC begins. MEPPS will continue to provide a safety net for senior citizens until EPIC has been implemented.

Michigan would be the 16th state to offer a senior citizens prescription program of this magnitude.