



Testimony Presented to the Senate Committee on Health Policy and Human Services

Senate Bills 362 and 363 – Healthy Michigan Plan Work Compliance

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Good afternoon, Chairman VanderWall and members of the Senate Health Policy and Human Services Committee. My name is Gilda Jacobs and I am the President and CEO of the Michigan League for Public Policy. The League, founded over 100 years ago, is a public policy research and advocacy organization that promotes economic opportunity for all. I want to thank you for giving me the opportunity to share our thoughts about Senate Bills 362 and 363 today.

To be clear, the League originally opposed—and continues to oppose—the Healthy Michigan Plan work requirements law. Senate Bills 362 and 363 are small steps in the right direction to mitigate the harms of the work requirements and to provide some flexibility to the reporting requirements, and for that reason we support them. But we know from the experience in Arkansas that overall confusion among beneficiaries—either not knowing they had to report hours or even how to report them—is the main reason for coverage loss. These bills would likely not change that.

Additionally, these tweaks will not turn a bad law into good policy, and we remain deeply concerned that the work requirements will ultimately result in thousands of Michiganders losing vital healthcare coverage, potentially through no fault of their own.

We believe that the following changes would go much further in protecting coverage for vulnerable Michigan residents. The number one way to ensure people do not lose healthcare coverage is to automatically exempt them:

- Michigan—like Arkansas and Ohio—should exempt anyone aged 50 or over from the work requirements. Currently, beneficiaries over 62 are exempt. This leaves out many Michiganders who still regularly struggle to find and maintain work as younger—and often more inexpensive—workers enter the workforce. Lowering the age to 50 would ensure that far fewer people lose coverage.
- Another option would be to exempt parents, caretakers, or beneficiaries residing in the same household as a minor child from the work requirements, as Ohio has done. Our current law exempts parents of children under the age of 6 and caregivers; however, many parents of school-aged children are unable to find affordable high-quality child care for after-school

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hours when they may need to be at work. Exempting caretakers of minors would prevent loss of coverage to people who fall into this category.

- Finally, to mitigate the harm, New Hampshire is proposing to eliminate their work requirements once over 500 people lose coverage or if uncompensated care costs increase due to their work requirements. Michigan should consider implementing a similar policy to ensure that we minimize harm and coverage loss to Michiganders who are already struggling to get by.

We continue to advocate for full repeal of the Healthy Michigan work requirements because the damage they will bring to vulnerable families is enormous. People's very lives are at stake, and we must do everything we can in order to do the least amount of harm. The above recommendations would protect thousands.

Thank you for your willingness to listen to our testimony and suggestions. I am available for any questions you may have.