

Testimony Opposing House Concurrent Resolution 17 House Government Operations Committee Michigan League for Public Policy

March 11, 2020

House Concurrent Resolution 17 urges the United States Secretary of Health and Human Services to defend the 1115 Medicaid demonstration waiver, which allowed for the Healthy Michigan Plan work requirement. For the following reasons, we ask that you oppose this resolution.

A federal judge issued a ruling invalidating Michigan's Medicaid work requirement. The judge ruled that subjecting certain Medicaid enrollees to a work and community engagement requirement is not legal under the Medicaid statute. The work requirement in Michigan does not differ materially from those at issue in Kentucky and Arkansas, which were also vacated by the Court of Appeals. The federal government will inform the United States Supreme Court by mid-May whether it wants the Supreme Court to review those cases. If that happens, the court's decision will control what happens in Michigan. Michigan need not act in order to attain clarity on the issue of legality of Medicaid work requirements. Appealing the latest ruling is not a wise use of state time, money, and resources.

Further, this resolution ignores data that finds the majority of Healthy Michigan Plan enrollees who can work do work. Likewise, data finds that prior to the implementation of the work requirement the percentage of Healthy Michigan Plan enrollees who had jobs or were enrolled in school increased by six points in one year. Certainly such a finding suggests that providing health insurance coverage to those in need is a more effective – and legal – way to promote workforce participation and self-sufficiency than a work requirement.

Lastly, it must be noted that the timing of this proposed resolution comes as concerns about and preparations for Covid-19 are increasing. Our federal and state governments should be focused on reassuring constituents that efforts to protect public health are top priority, not pursuing a path known to jeopardize individuals' access to quality health care. We urge you to vote against House Concurrent Resolution 17.