2022 BUDGET PRIORITY: PROTECT STATE AND FEDERAL FUNDING FOR HEALTHCARE COVERAGE FOR ALL MICHIGANDERS

LEAGUE RECOMMENDATION:

Protect state and federal funding for Medicaid, Healthy Michigan Plan and the Children’s Health Insurance Program. The impacts of COVID-19 have meant lost jobs and income for many, and the state’s Medicaid programs have again proven to be a valuable safety net, helping to prevent spikes in uninsurance rates. Because enrollment growth increases state budget costs, it is imperative that federal and state legislators ensure sufficient Medicaid funding to prevent Michigan from scaling back eligibility or coverage benefits.

BACKGROUND:

The League continues to support all efforts to protect and improve upon the Affordable Care Act. The *Texas v. California* lawsuit seeks to invalidate the ACA, which would mean that more than 840,000 Michiganders could lose their health insurance coverage, including many enrolled in Medicaid and the state’s Medicaid expansion program. Michigan is fortunate to be among the states defending the healthcare law and the millions who are at risk of losing coverage or valuable consumer protections if the ACA is overturned.

**Medicaid and the Healthy Michigan Plan have seen an increase in enrollees as a result of the COVID-19 pandemic.** To accommodate the growing number of people covered by public insurance, Michigan must continue to invest every state dollar needed to qualify for federal support. Continued investments in Medicaid, Healthy Michigan and the Children’s Health Insurance Program (CHIP) are critical to the League’s goal of ensuring that all of our state’s residents are insured and have access to healthcare.

**More Michigan children are uninsured than in recent years.** Historically, Michigan has been highly effective in providing children in the state with health coverage. However the rate of children without coverage has increased for the last three years. Approximately, 78,000 Michigan children were uninsured in 2019 compared to 71,000 in 2016. The League prioritizes examining all of the policies that can be leveraged to improve children’s coverage rates in Michigan.

**Postpartum Medicaid coverage gets an important extension.** In 2020, the Governor and Michigan Legislature agreed to fund an initiative to improve health outcomes and healthcare for Michigan moms. In part, state and federal funds for the *Healthy Moms Healthy Babies* initiative support continuous healthcare coverage for 12 months postpartum for women.

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### Percent Uninsured by Race and Ethnicity, 2019

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Uninsured Rate</th>
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</thead>
<tbody>
<tr>
<td>White, Non-Hispanic or Latino</td>
<td>5.1%</td>
</tr>
<tr>
<td>Asian, Non-Hispanic</td>
<td>5.1%</td>
</tr>
<tr>
<td>Black or African American</td>
<td>6.4%</td>
</tr>
<tr>
<td>Two or more races</td>
<td>6.9%</td>
</tr>
<tr>
<td>American Indian or Alaska Native</td>
<td>13.4%</td>
</tr>
<tr>
<td>Hispanic or Latino (of any race)</td>
<td>13.6%</td>
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</tbody>
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Source: 2019 American Community Survey
enrolled in Medicaid and greater access to behavioral healthcare. Sustaining at least this level of support in the 2022 budget will benefit Michigan families across the state.

**WHY DOES IT MATTER?**

**Access to health insurance has improved outcomes for children and adults.** While access to insurance is not the only influence on health outcomes, it does improve economic security for families, increase the likelihood of regular well-child and primary care visits, expand access to important health screenings and improve access to needed prescription drugs. Individuals who are insured are more likely to receive necessary (and more cost effective) preventive and primary care.

**The Healthy Michigan Plan covers many previously uninsured Michiganders.** The program currently provides comprehensive coverage to more than 800,000 adults and has helped to significantly reduce uncompensated care across the state.

**Extending Medicaid coverage from 60 days to one year postpartum supports maternal health.** Lengthening the time a woman has health coverage after pregnancy ensures that her postpartum care is truly ongoing and access to needed medications and health services are received without disruption.