



MEMORANDUM

TO: Members of the House Appropriations Subcommittee on Health and Human Services

FROM: Monique Stanton, President and CEO

DATE: March 16, 2022

SUBJECT: FY 2023 DHHS Budget Recommendations

I am pleased to share the priorities of the Michigan League for Public Policy for the 2023 Health and Human Services budget. As Michigan continues to experience the impacts of an unpredictable and unprecedented public health crisis, we urge lawmakers to take a forward-looking approach working toward an equitable recovery. This requires putting Michigan's people first and targeting investments to the people and communities most affected by the pandemic and its health, educational and economic impacts, especially our communities of color and families living with low incomes. The League believes that meaningful investment in programs that improve the health and well-being of all Michiganders is critical to recovering from this pandemic and to achieving economic growth and opportunity in our state.

Human Services

Support meaningful improvements to Michigan's basic cash assistance program (Family Independence Program, or FIP) to help families and children living in deep poverty. Stringent policies, such as Michigan's strict 48-month lifetime limit and very low eligibility policies, continue to keep caseloads low, and children represent about 80% of recipients of income assistance in Michigan. Additionally, the cash benefit has not been raised since 2008 and is so low as to not bring families out of poverty or cover basic needs. The FY 2023 budget provides us the opportunity to make the first meaningful improvements to Michigan's cash assistance program in over a decade:

- Support the governor's recommendation to provide families receiving cash assistance a supplemental payment of \$100 per child aged five and younger per month. This recognizes the increased costs families with young children face and helps them better afford necessities such as diapers, groceries or clothing.
- Support the recommendation to allow additional child support payments to "pass through" to families receiving cash assistance so children receiving cash assistance can also benefit from support provided by noncustodial parents.
- Furthermore, the League recommends improving the effectiveness of FIP as a poverty-fighting program by raising the payment standard and increasing it annually.

Use innovative methods to support and expand access to healthy foods for all Michiganders.

Many Michigan residents still experience food insecurity, with 1 in 8 Michiganders going hungry. Food costs and access barriers create disparities based on disability, race and ethnicity, and geography that have persisted during the COVID-19 pandemic. The FY 2023 budget should improve healthy food access through the following methods:

- Support the governor's recommendation to develop innovative food access methods, provide grants to the Food Bank Council of Michigan for food banks and emergency supply, construct a new food distribution center in northern Michigan (where food insecurity rates are highest), and create pilots to better integrate nutritional support into primary care services.
- Fund incentives for more local retailers to accept online purchases from SNAP recipients and cover fees associated with curbside pickup or home delivery. Additionally, support development of a "last-mile" distribution system for home delivery for emergency food to address household obstacles to traditional food pantry access.

Improve access to safe, affordable housing. Many Michigan households still struggle to make ends meet, and rising utility costs due to leaking faucets, running toilets or other home repair needs can make it even harder. The League supports the governor's recommendation for a home repair and plumbing grant program that will make homes safer, healthier and more energy and water efficient.

Health

Support investments to help address racial and ethnic disparities in healthcare access, including the governor's proposals to expand access to Centering Pregnancy, a group-based prenatal care program, and to fund the Healthy Moms Healthy Babies initiative to support doula care services for families with increased risk of adverse birth outcomes. Additionally, the budget should continue to build on the successes of the current year budget by maintaining funding to permanently extend postpartum Medicaid coverage for one year, as anticipated through the State Plan Amendment, and continuing to support evidence-based home visiting programs.

Strengthen connections between fathers and their newborn children, by ending birth cost recovery, the practice of the state collecting money from unmarried fathers to pay for a portion of Medicaid-paid birth expenses.

Support cost-effective policies that allow more children access to healthcare coverage.

Federal law requires lawful permanent residents ("green card" holders) to wait five years before accessing Medicaid or the Children's Health Insurance Program (CHIP). However, states have the Immigrant Children's Health Improvement Act (ICHIA) option to waive this waiting period for Medicaid and CHIP for lawfully residing children (up to 21 years old), allowing them to access healthcare sooner. The FY 23 budget should join 35 other states and take up the ICHIA option and appropriate state matching funds to eliminate the five-year waiting period for children, who are otherwise eligible save for their immigration status, and extend healthcare coverage to 3,000 to 4,000 children who would become newly eligible for these programs.

Recognizing the important work that essential workers in our healthcare facilities provide, increase wages or provide bonus payments for our healthcare workers through the following:

- Improve wages for non-direct care workers in nursing facilities, including food service, custodial and maintenance staff, by raising hourly wages by \$2.35 for non-clinical staff working in nursing facilities.
- Support funding in the current budget year to provide a one-time bonus payment to behavioral health workers and state psychiatric hospital direct care staff.

Provide adequate, dedicated funding for lead poisoning investigations and response by local health departments (LHDs). Following a federal funding slash in budget year 2012, many LHDs in Michigan have had to scale back or discontinue elevated blood lead (EBL) investigations. When a child has been poisoned by lead, an investigation is crucial to identifying the source and preventing future poisonings in the same home. Lead exposure is a serious problem throughout the state but response varies based on the resources individual LHDs can cobble together. A dedicated state-level revenue stream for local EBL investigations and other critical lead response activity would address the patchwork and ensure that all children affected by lead receive the attention they deserve. Implementation of a comprehensive program for lead elimination and response in every LHD in the state would cost an estimated \$86 million to \$100 million annually.

Provide additional support for community public health programming, in particular Essential Local Public Health Services (ELPHS). Michigan's local public health departments protect communities from much more than infectious diseases like COVID-19 alone, as they are mandated to provide seven essential services including preventative care and environmental safety, among others. Yet, over nearly two decades, Michigan has disinvested from local public health, which remains 11% below 2003 levels, when adjusted for inflation, despite increases in 2019 and 2020. The FY 23 budget is an opportunity to increase local public health funding and meet the statutory 50-50 cost-sharing requirement for essential services, bolstering the work of health departments to connect more families to affordable health insurance, prevent foodborne illness and analyze local health data through epidemiology and disease surveillance.

Thank you for your time and consideration.