



Date: October 5, 2023

To: Chair Carter and Members of the House Committee on Insurance and Financial Services

From: Rachel Richards, Fiscal Policy and Government Relations Director

Subject: Support for HB 4740 (Farhat)—Ensuring Ongoing Medical Coverage of Children and Pregnant People

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The Michigan League for Public Policy is pleased to support House Bill 4740, sponsored by Rep. Farhat, which will remove the five-year waiting period for Medicaid and the Children's Health Insurance Program (CHIP) for lawfully-present children and pregnant people.

The League is a nonpartisan research and advocacy organization that promotes economic opportunity for all and analyzes the impact of public policy and budget decisions on the lives of Michiganders who have been systemically left out of prosperity. The League is also the state's Kids Count organization working as a part of a national effort to measure the well-being of children at the state and local levels and to shape efforts that improve the lives of Michigan children.

Federal law requires those who are lawfully residing (including lawful permanent residents also known as "green card" holders) to wait five years before accessing Medicaid or CHIP. However, states have the Immigrant Children's Health Improvement Act (ICHIA) option to waive this waiting period for eligible children (up to 21 years old) and pregnant people, allowing them to access healthcare sooner. The fiscal year (FY) 2023-24 budget that was passed by this Legislature and signed into law by Gov. Whitmer included the necessary funding for this initiative, which will provide necessary, life-saving healthcare coverage to more families sooner. This bill takes the necessary next step to codify it into Michigan law.

With the budget allocation and the passage of this bill, Michigan will join the 34 states (including Minnesota, Wisconsin, Illinois, and Ohio) and the District of Columbia in expanding coverage to lawfully-present children and the 25 states (including Minnesota, Wisconsin and Ohio) that have extended coverage to pregnant people.

With the ICHIA option, Michigan will extend healthcare coverage for 3,000 to 4,000 immigrant children, who are, save for their immigration status, otherwise eligible for these healthcare programs. It will extend coverage to more Hispanic or Latinx children in particular because they represent a large share of those who are themselves foreign born or are a part of immigrant families, are more likely to be income eligible for Medicaid and CHIP and are more likely to be uninsured than children in other racial groups today. This will also provide comprehensive

Using data to educate, advocate and fight for policy solutions that undo historic and systemic racial and economic inequities to lift up Michiganders who have been left out of prosperity.

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coverage for thousands of pregnant people, who may currently be receiving limited benefits under the state's Maternity Outpatient Medical Services (MOMS) program.

This policy will have a significant beneficial impact on Michigan's residents and will make Michigan a more inclusive and welcoming state. When families postpone healthcare for children, pregnant people or those recently postpartum, it is both harmful and costly. This bill will reduce the uninsured rate among noncitizens (a broad group that excludes naturalized citizens) in our state. Healthcare coverage through Medicaid and CHIP can lead to consistent, comprehensive care for children and support financial stability for families through low premiums and limited out-of-pocket spending. Research shows that states that removed the five-year waiting period decreased the probability of immigrant children experiencing unmet healthcare needs and improved access to consistent preventive care. Extending coverage will also ensure more Michigan families are able to meet basic needs and won't have to decide between going to a doctor, buying groceries or paying rent. And it will save our entire health system down the line. When Michigan residents can get preventive care or manage chronic conditions earlier, it not only makes them healthier, but it also reduces the long-term cost of care on our state's entire health care system.

It is time that Michigan made use of this long-standing policy option as we continue to make progress toward providing healthcare coverage for all people who call the Great Lakes State home, which includes immigrants. We thank the bill sponsor and the committee for their work on this important issue and urge its passage.