



Medical Care Advisory Council

ADVISORY COUNCIL TO THE MEDICAID DIRECTOR

March 30, 2025

Rep. Tom Barrett
Rep. Jack Bergman
Rep. Debbie Dingell
Rep. Bill Huizenga
Rep. John James
Rep. Lisa McClain
Rep. Kristen McDonald Rivet

Rep. John Moolenaar
Rep. Hillary Scholten
Rep. Haley Stevens
Rep. Shri Thanedar
Rep. Rashida Tlaib
Rep. Tim Walberg

RE: Protecting Medicaid

Dear Michigan Congressional Delegation:

I am writing on behalf of Michigan's Medical Care Advisory Council (MCAC), a federally mandated council that advises the Michigan Department of Health and Human Services on its Medicaid Program. The council is made up of medical professionals, representatives of provider associations and health systems, family members and advocates.

We understand that the House Committee on Energy and Commerce has been charged with identifying \$880 billion in budget cuts; we also know that some congresspersons have said there will be no cuts to Medicaid. While these issues are being debated, please know that the MCAC emphatically urges each of you to stand united in support of Michigan's citizens and oppose any cuts or significant changes to the Medicaid Program.

Michigan depends on Medicaid. It serves 2.5 million Michiganders, covering 2 in 5 children, 3 in 5 nursing home residents, and 3 in 8 people with disabilities. Healthcare is the largest employment sector in the state, employing more than half a million people and having an economic impact of \$77 billion. Medicaid long-term care programs allow older adults and people with disabilities to receive cost-effective services in their homes, where most individuals prefer to be, and, when necessary, in nursing homes. Medicaid is especially important in rural communities where a higher percentage of citizens receive Medicaid, and rural hospitals and health centers heavily depend on Medicaid funding.

The strategies for saving funds are flawed. Eliminating waste, fraud, and abuse will be a challenge, particularly in Medicaid, which is already the most cost-efficient health insurance program, operating with significantly lower administrative expenses than private insurance and subject to regular audits by both state and federal agencies. Work requirements force states to develop expensive administrative staff and infrastructure for little or no gain in reducing ineligible beneficiaries; 64% of Medicaid beneficiaries are already working, and those not working are in school (7%), ill or disabled (10%), caregivers (12%) or retired, unable to find work or other reasons (7%).

Block grants, per capita limits, FMAP reductions, and provider tax limitations only do one thing: transfer the cost from the federal government to state governments, and we know that Michigan cannot make up billions of dollars in lost federal funding. Michigan's legislators and Governor will be forced to deny services to our most vulnerable citizens, reduce already low provider rates, and put enormous strain on working families. The damage will ripple out into our communities and our economy.

Seventy-one percent of Michiganders want no cuts to Medicaid. The MCAC agrees completely. We want each member of our congressional delegation to stand together in support of Medicaid and the millions of Michiganders who rely on it.

Respectfully,

Alison Hirschel

Alison Hirschel,
Co-chair
Medical Care Advisory Council

Attachments:

Medicaid Fact Sheet

Medicaid/CHIP enrollment by congressional district