

We Support a Healthier Michigan Plan

Nearly a decade ago, the Michigan Legislature created the Healthy Michigan Plan (HMP) that expanded Medicaid eligibility to 138% of the Federal Poverty Level (FPL). This law has proved to be a successful model for other states to follow, **saving tax dollars and driving healthier outcomes for Michigan's most vulnerable populations.**

The goals set by the Legislature when expanding Michigan's Medicaid program were to lower the state's uninsured rate, reduce uncompensated care, save tax dollars, and improve health outcomes. The HMP helped provide health care insurance for an additional 600,000 Michiganders before the Public Health Emergency (PHE). It is estimated that the number of HMP enrollees has increased to nearly 1 million during the PHE.

Since adopting the HMP, Michigan's uninsured and uncompensated care rates have dramatically improved. Additionally, general fund savings have been produced yearly since the program was in place.

- **Uninsured Rates Improved:** Michigan's uninsured rate has plummeted in the past decade, thanks to the HMP. Michigan's 5.1% uninsured rate now stands much lower than the national average (6.6%) and is one of the ten best rates in the country.
- **Uncompensated Care Reduced:** Before the HMP, uncompensated hospital care was roughly 5% of all hospital expenditures in 2013. As of 2020, that number has also been cut in half. Uncompensated care now stands at 2.5% of hospitals' expenditures. Only 1% of hospital patients don't have health insurance. Before the HMP, that number was more than 3% of all hospital patients.
- **General Fund Savings Realized:** Since the passage of HMP, more than 2 billion in state general fund spending has been saved. According to the State Budget Office, in Fiscal Year 2021 alone, realized savings from HMP were \$273 million.

While the goals outlined by the Legislature for the HMP are being met and, in most cases, exceeding expectations, there are coverage and access barriers that must be addressed to improve enrollee outcomes and health equity. Current mandates on enrollee cost-sharing and health risk assessments must be reformed for effectiveness and modernization.

Lastly, statutory repealers in the current HMP Act that threaten the continuation of the program and continuity of coverage for a million Michiganders should be removed.

Building on the success of the Healthy Michigan Plan (HMP), House Bills 4495 & 4496 make program improvements and modernizations to strengthen Michigan's Medicaid program. These changes will help advance healthier outcomes and make health care more equitable.

We support the Healthier Michigan Plan and encourage lawmakers to vote yes on House Bills 4495 & 4496!

