



Leading Healthcare

To: Members, House Health Policy Committee

From: Adam Carlson, Senior Vice President, Advocacy

Date: March 16, 2023

Re: HB 4224

Position: Support

For decades, Michigan hospitals have made significant contributions – both financially and through the investment of time, effort and personnel resources — in helping connect men, women and children throughout the state with healthcare coverage that is appropriate for their particular financial and social situation. Through 2019, Michigan hospitals contributed more than \$7 billion in permanent reductions to Medicare reimbursement to support healthcare coverage expansion, including the Healthy Michigan Plan. The return on this investment is remarkable, with more than one million Michigan residents currently enrolled in affordable healthcare coverage through the Healthy Michigan Plan.

Despite the success of Michigan's Medicaid expansion program, pressures in the healthcare marketplace impact program costs in Michigan and throughout the nation. Many of these pressures — such as growing workforce expenses, insurer premiums for healthcare coverage, or the increasing cost of prescription drugs — are outside of hospitals' control and of the normal financial projections considered when the Healthy Michigan Plan won bipartisan approval in Michigan.

The MHA was relieved by the U.S. District Court ruling that invalidated Medicaid work requirements in Michigan, which posed a threat to the coverage of tens of thousands of Healthy Michigan Plan recipients. The decision showed that attaching additional personal responsibility requirements unrelated to healthcare access fails to fulfill Medicaid's objective of providing healthcare coverage to Michigan's financially vulnerable population

Ensuring coverage and access for our lower-income community members improves the health and wellness of our state, while having a positive effect on securing and maintaining

employment. As a healthcare leader in many of Michigan's communities, our hospitals will continue to work with patients to promote healthy behaviors that improve health outcomes.

To codify this court ruling and ensure continued protection of Michigan's Healthy Michigan Plan, the MHA supports HB 4224 to strike the relevant sections of law from the Social Welfare Act.

If you have any questions, please do not hesitate to contact me at acarlson@mha.org.