



April 30, 2009

To: Members of the Senate Appropriations Subcommittee for the Department of Community Health (DCH)

From: Jack Kresnak, President & CEO

RE: FY 2010 DCH Budget

On behalf of Michigan's Children and its Board of Directors, I am pleased to share with you our priorities as you consider the Fiscal Year 2010 budget for the Department of Community Health. Michigan's Children is a statewide child advocacy organization that provides a voice for vulnerable children from around the state. Michigan's Children is independent; it does not receive any government funding or represent professionals who receive government contracts.

Michigan's Children's work is based on a set of core beliefs, including:

- *Equal opportunity:* We believe *all* children need equal opportunities to thrive.
- *Prevention:* We believe that Michigan can and must prevent problems facing children and families, rather than intervene after children are harmed and families destroyed.
- *Civic engagement:* We believe everyone has a stake in ensuring the success of our future generations and we work to engage a range of stakeholders, including community leaders, parents and youths.
- *Collaboration:* We believe that neighborhood and community partnerships that include both the public and private sectors are critical.

Unfortunately, we again find ourselves in the position of trying to protect basic services for our most vulnerable citizens in the face of devastating economic problems at the state and federal level. We respect the tough choices that you need to make, and ask you to remember that the state budget is the vehicle through which you will express what we value as a state. We trust that you will make decisions that reflect first and foremost the needs of the most vulnerable children who will ultimately determine the state's future.

We have three main concerns with the Governor's budget recommendation that we bring to your attention today, asking you to take the following actions as a Subcommittee:

1. Maintain DCH funding for the Early Childhood Collaborative Secondary Prevention Program (O-3 Secondary Prevention), a critical, community-based prevention program.

The Governor's budget removes \$524,000 in funding through the DCH budget for the Early Childhood Secondary Prevention Program. These funds are combined with appropriations in the Department of Human Services and School Aid budgets, and used by communities to leverage additional local dollars to support families and prevent the abuse and neglect of the most vulnerable infants and toddlers through home visits, and parenting and other services. The research is clear. These local programs have protected children from abuse and neglect and saved Michigan taxpayers an estimated \$49.6 million in the direct costs associated with child abuse and neglect, including foster care payments.

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Jack Kresnak
President and CEO

The House-passed bill provided continuation funding for the Early Childhood Secondary Prevention Program, and we urge you to do the same.

2. Maintain funding for the Michigan Nurse Family Partnership program. The Governor's budget removes more than \$2 million for the Nurse Family Partnership (NFP) program. The NFP program partners vulnerable pregnant mothers with registered nurses who do home visits and ensure healthy births and access to health care for infants and toddlers. State funds for the program are matched by Medicaid and local dollars.

The communities served by the NFP (Berrien, Kent, Oakland, Kalamazoo and the City of Detroit) suffer some of the greatest racial and ethnic disparities in health outcomes for children. There are striking and unacceptable disparities that persist in this state on most health indicators for African American children, including roughly triple the rate of infant mortality; and doubled rates for low birth-weight, asthma-related hospitalizations and childhood deaths.

The NFP has been extensively evaluated, and shows dramatic outcomes, including increased immunization rates, more full-term births, fewer emergency room visits or hospitalizations for infants and toddlers, and reductions in subsequent pregnancies. Further, every dollar invested in NFP programs yields more than five dollars in return, with most of the savings accruing to the government in reduced health care, educational, social services and criminal justice expenditures.

Realizing the critical need for the NFP, the House provided continuation funding for the program in fiscal year 2010. We ask for your support of this program as well.

3. Support the state matching dollars and policy changes needed to ensure that Michigan leaves no low-income child uninsured by turning away new federal dollars for the MICHild program.

Michigan's Children worked with a wide range of partners for a positive reauthorization of the federal Children's Health Insurance program (CHIPRA), and we appreciate the support of Michigan legislators who also urged Congress and the President to move the legislation. CHIPRA provides Michigan with an opportunity to reach out boldly to ensure that all of the state's children are covered and have access to the high quality health care services they need to grow and thrive.

We urge you to move aggressively to provide the funding needed to expand eligibility and outreach efforts and to ensure that Michigan draws down all the federal dollars to which it is entitled. First, although Michigan was a leader in streamlining eligibility and enrollment policies for MICHild, budget cuts over the last 5 years resulted in the loss of funding for community outreach services, and enrollments have remained flat.

The House inserted budget language providing for the automatic enrollment in MICHild of children who meet the income eligibility guidelines for the free breakfast, lunch, or milk under the National School Lunch Act. We ask for your support for the House boilerplate language.

The reauthorization provides other opportunities to expand coverage for children, and some states have already begun to take advantage of the new flexibility and support. For example, in New Jersey two state departments have partnered to collect information on income tax forms regarding any uninsured children in households. If parents indicate that their children are uninsured, the treasury department shares this information with the state human services department, and an "express lane" application is provided to the family within 90 days. Additionally, CHIPRA provides for approximately \$100 million in grants over a five year period to fund outreach and enrollment efforts, and it is important that Michigan be a leader in applying for funds for creative programs to increase health care coverage.

The reauthorization provides flexibility to the states to increase income eligibility guidelines as well as cover pregnant women and legal immigrant children, and we urge you to take advantage of this flexibility. For example, Michigan currently insures children in families up to 200 percent of poverty, while many states have increased eligibility limits up to as much as 300 percent of poverty.

Thank you for this opportunity. I am available to address questions throughout the budget process. Please feel free to contact me at 517/485-3500 or by email at kresnak.jack@michiganschildren.org.