



Public policy in the best interest of children

Date: April 18, 2018

To: Michigan Senate Competitiveness Committee

From: Matt Gillard, President & CEO
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Re: SB 897 – Medicaid Work Requirements and Children

Thank you for the opportunity to provide testimony on SB 897. Michigan's Children is the only statewide and independent voice working to ensure that public policies are made in the best interest of children and youth, from cradle to career, and their families, with a focus on policy solutions that improve equitable outcomes for children.

We know from over two decades of work with children, youth, and families; decades of overwhelming research; as well as common sense, that people are more likely to learn, and more likely to earn, when their basic needs are met. Children and youth who receive regular physical and behavioral health care services reap lifelong benefits: they attend school ready to learn, have stronger health outcomes, are more likely to attend college, and generate more tax contributions as adults. Healthy parents are more likely to be able to keep their children healthy, help in their communities and keep a job. Therefore, we are concerned about SB 897's potential impact on family outcomes and do not support this bill.

Our primary concern with SB 897 is the potential negative impact it could have on children and youth's access to primary health care services, despite exemptions for children and parents of children under age 6. Regardless of whether they themselves are covered, children and youth are far more likely to receive health care services when their parents have health care coverage. According to Johns Hopkins University researchers, when their parents are covered, kids are always more likely to see a medical professional for preventive physical and behavioral health care, which reduces both the need for future services and long-term state costs. It's pretty simple – when parents can go to the doctor, they're more likely to bring their kids. This is true for all children and youth, be they age three, seven or seventeen.

If their parents lose health care under SB 897, not only will children and youth see fewer check-ups, out-of-pocket costs during emergencies may skyrocket, putting their families at financial risk. Medicaid enrollees borrow less money to pay for medical costs, a benefit that kids feel when their parents are more able to afford healthful food or new, safe housing. Under SB 897, children's health will be compromised not only through lost access to services, but also because their family resources will be spread even thinner.

The bill could also have unintended consequences for youth who are transitioning out of the foster care system and working to establish themselves economically and educationally. Foster-affiliated youth often negotiate trauma and other needs. Current work and education requirements for other programs have been crafted around the unique challenges that these young people face far beyond the age of 21. Existing supports include fewer required

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hours than exist in this bill, as well as grace periods, recognizing the personal circumstances that might arise to pull young people temporarily off track without compromising their services for the longer term. Between the many demands of life for foster-affiliated youth, and their higher than average use of physical and behavioral health services, it can be difficult to fulfill the combined work and education requirements in this bill.

Finally, while many have pointed out that child care support would be available for parents, Michigan has one of the worst child care systems in the country, and lacks the capacity to guarantee quality care for every eligible parent or caregiver: state business practices and a history of low investment have driven hundreds of providers out of the system, to the point that 48% of low-income people live in a child care desert, lacking access to licensed care. As a result, one-third of children already eligible for child care assistance in Michigan do not receive it. While many adults are already subject to work requirements and entitled to child care support, and although SB 897 exempts sole caretakers of children under 6 from work requirements, eligible two-parent families and families with children over the age of six already fall through the cracks, and they will continue to do so without systemic reforms. Michigan's child care system needs structural changes in order to be sound enough to consider relying on to implement a health care work requirement policy.

We appreciate your efforts and continued service to make Michigan a place where people want to raise their kids. Please do not hesitate to contact us with any questions. We look forward to working with you to improve the health of our children, youth, families, and our state.

Sincerely,

Matthew Gillard
President & CEO
Michigan's Children