

February 13, 2025

Representative Jack Bergman  
*Sent via email*

**RE: Protect Medicaid**

Dear Representative Bergman:

Michigan's medical assistance program has supported individuals with disabilities, older adults, children and families for generations through efficient and innovative use of federal Medicaid funding. We write to you on behalf of Michigan's healthcare providers, health insurers, nonprofits, service organizations, patient advocacy organizations and employers. **This diverse coalition is united in opposition to harmful changes to Medicaid.** This coalition opposes a conversion to a block grant funding system, instituting per-capita-caps for Medicaid beneficiaries, restricting program eligibility, reducing provider payments and other detrimental measures which may be under consideration for upcoming budget resolutions and reconciliation bills.

Our organizations have had diverse opinions over the years about the best way for Michigan to build on its reputation as a leader in healthcare innovation. Nonetheless, we are united in our recognition of medical assistance as a vital part of Michigan's national-leading healthcare infrastructure. We also agree that these proposals would have a significant negative impact on Michigan's healthcare system, and more importantly, would harm our resident's healthcare statewide.

**Compromising healthcare coverage puts the financial and physical well-being of more than 2.5 million Michiganders in danger.** The stakes of this debate are not just measured in dollars; they will be felt in the lives of our families, friends and neighbors. Through medical assistance, more than 900,000 Michigan children and nearly 500,000 elderly and disabled Michiganders can visit their family doctor to stay well, find medical care when they need it and pay for treatment without fear that their financial security will be at risk. 38,000 of our state's elders find support in nursing home care or in independent living every month thanks to the state's strong Medicaid program.

**A strong healthcare sector is vital for Michigan's economic success.** Healthcare employs more than half a million Michigan residents. Healthcare has a combined direct and indirect impact of more than \$77 billion per year in wages, salaries and benefits, and employs more than the auto and education industries combined. Michigan's healthcare providers are often the largest employers in their communities and key contributors to economic growth and job creation.

**Large cuts to Medicaid funding will put the most vulnerable Michiganders at risk.** Funding reductions to Medicaid will result in cutting coverage statewide, eliminating important benefits, increasing uncompensated care and reducing payments for providers and shifting costs to state and local governments. If faced with a potential drastic decrease in resources, Michigan would be forced to reduce healthcare coverage for sick children, struggling seniors or people with disabilities.

**Brian Peters, Chief Executive Officer**

**Per capita caps and block grants decouple the level of funding for Medicaid from the actual cost of providing healthcare for the most vulnerable Michiganders.** Such a radical change in Medicaid's funding system would place Michigan in a precarious fiscal situation as the state confronts expected and unexpected healthcare crises. Michigan does not have the resources to wholly shoulder the burden of unpredictable cost increases that can arise during public health crises or economic recessions. If the federal government begins funding Medicaid based on current funding levels rather than on future state needs, Michigan will suffer as a result.

**Medical assistance offers a perfect example of how Medicaid already offers states opportunities to innovate and save money without compromising quality.** Michigan was a national leader in "privatizing" our Medicaid program in partnership with our Medicaid Managed Care plans. Michigan's long tradition of bipartisan support for healthcare reform provides an ideal example of how states can embrace innovation and flexibility through the current financing and waiver structure. The severity of proposed cuts would stifle innovation and force providers to cut healthcare services.

We ask that you oppose any major changes to Medicaid policies or funding levels. Any major changes will fundamentally restructure our state-federal Medicaid partnership and end the necessary access to care for millions of Michigan residents.

Respectfully,

Advomas  
American Nurses Association – Michigan  
Arab Community Center for Economic and Social Services  
Blue Cross Blue Shield of Michigan  
Community Mental Health Association of Michigan  
D.A. Blodgett St. John's  
Easterseals MORC  
Gesher Human Services  
Health Care Association of Michigan  
Michigan Association of Health Plans  
Michigan Council for Maternal & Child Health  
Michigan Health & Hospital Association  
Michigan HomeCare & Hospice Association  
Michigan League for Public Policy  
Michigan Osteopathic Association  
Michigan Primary Care Association  
Michigan State Medical Society  
MiSide Community Impact Network  
Orchards Children's Services