

ELIMINATION OF THE EXTENDED FAMILY INDEPENDENCE PROGRAM (EFIP)

House Bill 4409 (H-1)
Sponsor: Rep. Earl Poleski
Committee: Appropriations

Complete to 4-14-15

SUMMARY:

House Bill 4409 (H-1) would repeal Section 57s of the Social Welfare Act (MCL 400.57s) which requires the Department of Human Services (DHS) to pay an individual \$10 per month for six months if he or she no longer qualifies for assistance through the Family Independence Program (FIP), but they continue to meet the federal guidelines for work participation. Section 57s was added to the Social Welfare Act by the enactment of PA 471 of 2006.

In March of 2007, the Department instituted the Extended Family Independence Program (EFIP) to provide the \$10 per month payments for six months to FIP cases that would have been closed because of increased earnings but would remain open for six additional months under the program. The goal of the EFIP program is to provide support to families that are transitioning from public assistance to self-sufficiency. The program allows the individuals to stay eligible for Medicaid, Child Development and Care funding, and other benefits to help them stay in the workforce.

In February 2015, there were 952 cases receiving EFIP benefits – these benefits were being used to help support 2,576 individuals. The table below lists the number of cases and recipients participating in the program in FY 2014-15 through the month of February.

EFIP Cases and Recipients (FY 2014-15)

Month in FY 2014-15	Number of Cases	Number of Recipients
October	1,045	2,888
November	1,041	2,848
December	1,029	2,798
January	1,068	2,884
February	952	2,576

House Bill 4409 (H-1) would eliminate the EFIP program and would take effect on October 1, 2015.

FISCAL IMPACT:

The bill would decrease DHS expenditures by approximately \$116,400 in General Fund/ General Purpose funding annually and would have no fiscal impact on local units of government.

Fiscal Analyst: Viola Bay Wild

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.