

Legislative Analysis



HEALTHY MICHIGAN PLAN REPORTING AND VERIFICATION REQUIREMENTS

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

Senate Bill 362 as passed by the Senate
Sponsor: Sen. Curtis Hertel, Jr.

Analysis available at
<http://www.legislature.mi.gov>

Senate Bill 363 as passed by the Senate
Sponsor: Sen. Mike Shirkey

House Committee: Government Operations
Senate Committee: Health Policy and Human Services
Complete to 8-30-19

SUMMARY:

Senate Bills 362 and 363 would each amend section 107b of the Social Welfare Act to modify reporting and verification criteria for those who must prove their compliance with the workforce engagement requirements of the Healthy Michigan Plan (HMP).

Section 107b, which was added to the act by 2018 PA 208, generally requires able-bodied adults enrolled in the HMP to engage in an average of 80 hours per month of qualifying work activities and to verify their compliance with the Department of Health and Human Services (DHHS). The act defines qualifying activities to include employment, education, job training, and community service, among other activities, and it exempts from the general work requirement such individuals as students, caretakers, and those 63 or older, among others.¹ The section also requires DHHS to enforce the HMP workforce engagement requirements through a compliance review process to identify individuals who, through self-reporting in MiBridges, have misrepresented their compliance.

Senate Bill 362 would revise the time frame within which an applicable recipient must verify through MiBridges that he or she is meeting the workforce engagement requirements. Currently, he or she must make this verification by the tenth day of each month for the previous month's qualifying activities. The bill would require verification by the last day of the month for the previous month's activities. The bill would also provide that a recipient who missed this reporting date could verify compliance up to 60 days after the missed date and that, if he or she did so within those 60 days, the month would not be a noncompliance month.

Senate Bill 363 would provide an exemption from the reporting requirement if DHHS were able to verify the recipient's compliance through other available data.

MCL 400.107b

¹ See the House Fiscal Agency analysis of 2018 PA 208 (Senate Bill 897):
<http://www.legislature.mi.gov/documents/2017-2018/billanalysis/House/pdf/2017-HLA-0897-B8F73E96.pdf>

FISCAL IMPACT:

Senate Bills 362 and 363 would have an indeterminate, but likely minimal, fiscal impact on the Department of Health and Human Services (DHHS).

Extending the reporting window for work compliance for HMP recipients from the first 10 days of the month to the last day of the month would likely result in decreased administrative costs for the department, as work compliance certification workload burdens would be spread over the course of the month rather than frontloaded in the first 10 days of the beginning of the month—thereby reducing personnel costs. Alternatively, the estimated HMP case reduction expected to take place once work requirements are implemented would likely decrease as fewer HMP recipients would likely be determined ineligible due to not submitting workforce engagement certifications on time, resulting in less caseload savings realized.

Allowing DHHS to utilize other data a caseworker is able to review² in order to determine HMP recipient workforce engagement certification would likely decrease administrative costs by reducing the number of monthly workforce compliance certificates caseworkers have to review and thereby reducing personnel costs. Alternatively, the estimated HMP caseload reduction expected to take place once workforce engagement requirements are implemented would likely decrease as fewer HMP recipients would likely be determined ineligible due to not submitting workforce engagement certification on time, resulting from compliance certification by other data the department has access to rather than certification via self-reporting, resulting in less caseload savings realized.

The current average of monthly HMP recipients is approximately 670,000. In June 2018, the House Fiscal Agency³ estimated a reduction of 27,000 to 54,000 HMP recipients once the workforce engagement requirements were fully implemented. These bills would likely reduce this estimate minimally.

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■ 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.

² Such as withholdings data from the IRS or enrollment in other public assistance programs with workforce participation requirements.

³ See footnote 1.