



AARP Michigan T 1-866-227-7448
309 N. Washington Square F 517-482-2794
Suite 110 www.aarp.org/m
Lansing, MI 48933

May 16, 2013

The Honorable Mike Shirkey, Chair, and
Members of the Michigan Competitiveness Committee
P.O. Box 30014
Lansing, MI 48909

Re: ***House Bill 4714***

Dear Chairman Shirkey and Members of the Committee,

We are writing on behalf of AARP Michigan to express our ***support*** for the proposal as set forth in the Governor's FY 2014 budget recommendation to allow Michigan residents with incomes up to 133 percent of the federal poverty line to qualify for health care under Medicaid, and to express our ***opposition*** to those aspects of House Bill 4714 that would prevent Michigan's citizens, and our state budget, from reaping the full benefit of this historic opportunity to provide health care coverage to an estimated 470,000 uninsured Michigan adults under age 65.

This issue is particularly important to Michigan residents who are over age 50 and not yet eligible for Medicare. During the recent economic recession, many older workers lost their jobs and their employer-sponsored insurance coverage. Older adults are particularly vulnerable to deterioration in function and health status if they do not have health coverage, inevitably increasing their need for and use of health care and long term care in the future. Expanding Medicaid to include residents with incomes up to 133 percent of poverty would provide health coverage for an estimated 75,000 Michigan residents aged 50-64 who are currently uninsured.

As the Department of Community Health has testified, allowing these individuals to receive health coverage as proposed in the Governor's FY 2014 budget recommendation would result in a savings of \$206 million in the state budget in FY 2014 alone, plus millions more in the future. On top of that, the Department projects that, by lowering uncompensated care costs across the state, providing this coverage will also lower private insurance premiums for everyone else - individuals and businesses across Michigan - by an estimated 3.06%.

While there are some aspects of HB 4714 that AARP Michigan supports, such as ensured access to primary care physicians and preventive services, other aspects of the bill are extremely problematic. For example, HB 4714 would limit Medicaid eligibility to a maximum of 48 months. Older adults

in particular often have chronic conditions that need to be properly managed for longer than 4 years, such as type II diabetes or high blood pressure.

We appreciate the opportunity to share this information with the committee, and thank you for your work on these important issues. If you have any questions or if there is further information we can provide, please feel free to contact our Associate State Director for Government Affairs, Felicia Wasson, at 517-267-8917 or fwasson@aarp.org.

Sincerely,



Jacqueline Morrison
State Director



Thomas E. Kimble
State President

AARP is a nonprofit, nonpartisan 501(c)(4) social welfare organization that advocates on issues that matter to people aged 50 and over, and their families. More than 1.4 million Michigan citizens are AARP members.