

**OPINION**

## **Rustem: Medicaid is a lifeline, not a loophole**

Bill Rustem

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In 2013, I had the privilege of working alongside then-Gov. Rick Snyder and a coalition of pragmatic leaders — Republicans and Democrats alike — when Michigan chose to expand Medicaid through the creation of the Healthy Michigan Plan.

That decision wasn't driven by ideology. It was grounded in reality, data and fiscal responsibility. Today, as some seek to revive tired tropes of "waste, fraud and abuse" to undermine this essential program, it's time we re-center the conversation on facts — and the real lives at stake.

Let's start with the basics. The 2025 federal poverty line for a family of four is \$32,150, which means a family earning less than \$2,680 a month is considered living in poverty. Now consider this: the median family income in Michigan hovers around \$90,947, but averages and medians can be misleading. Many families — especially parents, hourly workers and young couples — struggle to make ends meet despite working full-time.

Here's what the budget of a working-class Michigan family of four really looks like in 2025:

- Child care for two young kids? Around \$23,000 per year — often more than their rent or mortgage.
- Groceries? Expect \$12,000 to \$16,000 annually.
- Gas and car repairs? More than \$6,000, especially with both parents working. Monthly mortgage? Roughly \$1,400 to \$1,700, depending on location.

Add it all up, and even families making \$60,000 to \$80,000 a year are stretched to their financial limits.

Health care, without Medicaid or subsidies, becomes a luxury they can't afford. This is precisely why these programs matter.

Since its launch, the Healthy Michigan Plan has provided coverage to more than 1 million Michiganders, including working parents, caretakers, and those stuck in jobs that don't offer insurance. It's helped reduce uncompensated care costs in Michigan by 50%, increased preventive care visits and led to better health outcomes — especially in rural and underserved

communities. It has also boosted the economy by supporting jobs in healthcare and reducing financial insecurity.

And, contrary to what some critics suggest, Medicaid is not a runaway train of waste. In fact, it's one of the most tightly regulated and cost-efficient health programs in the country. Michigan's Medicaid program, including the Healthy Michigan Plan, has consistently outperformed expectations, staying well within budget thanks to smart management, federal cost-sharing and innovative care models.

Fraud rates in Medicaid are low, and the state has mechanisms in place to root out abuse swiftly.

I understand the impulse to demand accountability. We should always expect transparency from government programs. But we also must recognize the difference between fiscal scrutiny and ideological scapegoating.

Dismantling or defunding Medicaid doesn't root out fraud — it only hurts the very families trying to keep their kids fed, housed and healthy.

We live in an era where too many working families are one illness, car repair, or missed paycheck away from crisis. In Michigan, Medicaid isn't a handout — it's a hand-up. It helps parents go to work knowing their kids can see a doctor. It keeps rural hospitals open so that everyone in the community can visit. It prevents medical bankruptcies. And yes, it saves lives.

As we move forward, let's choose facts over fear, and people over politics. Medicaid isn't broken, but our perceptions might be. Our congressional leaders need to know: Dismantling the lifeline that is Michigan Medicaid isn't the change that is needed.

Protect Medicaid. Protect our healthcare system. And protect Healthy Michigan.

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