

Parents to senators: Preserve Medicaid for our children, for families

Several Michigan mothers looked senators in the eye Wednesday during a committee hearing to say if not for Medicaid, their children would likely not be alive today.

The experiences of their young children anchored their pleas that lawmakers do what they can to preserve Michigan's Medicaid program if expected deep federal funding cuts winding their way through Congress are enacted.

Melisa Fasburg of Grand Rapids told members of the Senate Health Policy Committee that her son was diagnosed during her 20th week of pregnancy with hypoplastic left heart syndrome, a congenital heart defect in which the left side of the heart does not develop fully and cannot pump blood well. The condition requires the use of medicine but often may require heart surgery or a heart transplant.

"Thankfully I qualified for Medicaid services during my pregnancy, or I would not have been able to receive all the testing and prenatal care that my son and I required," Fasburg said.

Her son needed open heart surgery the day he was born and has had seven surgeries since birth and has a pacemaker. He is 4 years old, Fasburg said, and has made significant progress and started school.

Without the services provided through Medicaid, she said her son would not be alive.

"There is no way our family could afford to pay millions of dollars in hospital bills. Open heart surgeries are not cheap," Fasburg said, adding that hopefully when her son is an adult, he will be able to have a heart transplant. "Will Medicaid be an option then? Will it still be around? Will he have insurance in the meantime to be able to keep seeing (cardiologists) every six months to keep a close eye on his heart function like he's supposed to?"

Fasburg was one of three mothers who told lawmakers they must work to preserve Michigan's Medicaid program if deep cuts being pushed through Congress are signed into law as part of a large budget and tax package. On Wednesday morning, the nonpartisan Congressional Budget Office analysis of the congressional budget bill was released. It estimated the bill would cut taxes by \$3.75 trillion over the coming decade while increasing deficits by \$2.4 trillion.

The CBO also estimated that an additional 10.9 million people nationally would be without health insurance over the next decade under the bill. This was up from the CBO's previous estimate that 8.6 million people would lose health care coverage under the proposal.

Earlier this year, Governor Gretchen Whitmer issued an executive directive to review the potential effects of federal funding cuts to Medicaid. It was estimated that more than 700,000 Michigan residents would lose coverage if the congressional GOP spending plan were implemented (See Gongwer Michigan Report, May 7, 2025).

The report, conducted by the Department of Health and Human Services, estimated the bill would lead to a reduction in federal matching rates for Medicaid of about \$1.1 billion per year to the state's budget.

About 2.6 million Michigan residents are on Medicaid, about one-fourth of the state's population.

Potential changes to provider taxes, the DHHS report said, could lead to a decrease of about \$2.3 billion in payments to hospitals and about \$325 million less in payments to nursing homes.

A possible reinstatement of work requirements for benefits is also possible, which is estimated to cost about \$75 million to \$155 million in additional administrative costs per year. A change in the per-capita funding or the institution of block grants could lead to a loss of \$4.1 billion to \$13.4 billion in federal funding over the next decade.

All three mothers testifying Wednesday wore t-shirts emblazoned with the words: "I am not fraud. I am not waste. I am not abuse."

It was a swipe at the arguments by congressional Republicans and supporters of the bill that there is significant waste, fraud and abuse in the Medicaid system that needs to be addressed.

Each of them said their children are among the faces that lawmakers must think of when making budget decisions related to Medicaid.

Katie O'Neal of Ypsilanti testified on the medical concerns of her adopted son who had been born prematurely.

When he was an infant, he developed RSV, which landed him in the hospital for two months. O'Neal said her son was later diagnosed with subglottic stenosis, or a narrowing of the trachea. This was later addressed through surgery and a tracheostomy.

"I could never have imagined his life having been so stable," O'Neal said of his recovery and progress due to access to Medicaid coverage. "Medicaid has been there for us at every turn, and now there's a public debate about whether families like mine should have this kind of support."

She said if Medicaid cuts like those being pushed through Congress are passed, the consequences will fall onto countless families like hers.

Courtney Gilmore of Grand Rapids spoke of difficulties during childbirth that caused brain damage to her son. Her family has used Medicaid during her son's life, adding it is a very difficult system to navigate.

Gilmore said she and her husband also have relied on private insurance to supplement their son's coverage. Medicaid helped fill gaps in private coverage in providing for their son, who has spastic quadriplegia cerebral palsy and epilepsy and relies on a feeding tube.

Medicaid has been hugely helpful in dealing with health issues for her son. With the rigorous existing process in applying for various Medicaid programs, she scoffed at the notion of trying to scam the system.

"These aren't handouts, it's a safety net," Gilmore said. "Medicaid has been so necessary to cover the gaps in our son's care."

Meghan Groen, state Medicaid director for the Department of Health and Human Services, said about one in four Michigan residents are on Medicaid, as compared to the national rate of one in five.

Michigan's federal match rate is about 65 percent, which is more than most states.

"It also means we have a little bit more to lose here, so if we do make cuts, they will impact Michigan's bottom line a little bit bigger because of that federal match rate," Groen said. "With a total General Fund operating budget of \$14 billion, the state really can't absorb these costs without making deep cuts across the board."

The provider taxes would be capped under congressional bill. Two existing provider taxes in Michigan would also be eliminated, one a nursing home provider tax, Groen said.

"The part that's so challenging about the proposal is that they then eliminate our opportunity to change our taxes and do something that would be compliant," Groen said.

Sterling Area Health Center President and CEO George Olson said about half of his group's patients are on Medicaid.

He said his organization reduced staff by 10 percent late last year. Olson said further reductions in services are already potentially in the works.

"Our community cannot absorb that. Our organization cannot continue to absorb a larger amount of uninsured," Olson said. "Even a 10 or 20 percent increase in the uninsured to Sterling Area Health Center will lead to further cuts."

Olson also shared that his son is on Medicaid and a Social Security stipend due to not being employable. He said he and his wife help their son as best they can, adding that his son has the help that he does because many do not.

Hillsdale Hospital President and CEO Jeremiah Hodshire said the Medicaid program saves lives every day, providing coverage to people of all walks of life in communities across the state. Hodshire said he and his family were enrolled in Medicaid when he was a child.

He called the proposed cuts deep and dangerous, adding they would be devastating to communities, staff and families across the state through reductions or the elimination of coverage.

"This is not fear mongering or peddling inaccurate information: this is what budget and policy experts in Washington, D.C. and beyond are saying will be the impact of this legislation," Hodshire said of the CBO estimate. "Notwithstanding the medical devastation and the deprivation and care deserts and the lack of access to care, local economies across the country, and specifically here in Michigan, will be devastated."

Sen. Kevin Hertel (D-Saint Clair Shores), the committee chair, shared that he himself was born seven weeks early and his lungs collapsed. He said his oldest son was born via emergency caesarian section. He said if he or his son had not been born in facilities capable of quickly providing adequate services, they may not be alive.

"Those stories can be told so many times," Hertel said. "It is detrimental to the health of communities when those facilities close."

– By Nick Smith