

Legislative Analysis



MEDICAID BIRTHS OUT OF WEDLOCK: ELIMINATE UNWED PARENT EXPENSE RECOVERY

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

Senate Bill 928 as passed by the Senate
Sponsor: Sen. Sarah Anthony
Senate Committee: Appropriations [Discharged]
House Committee: Appropriations
Complete to 9-20-24

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

SUMMARY:

Senate Bill 928 would amend the Paternity Act, 1956 PA 205, to eliminate the requirement that unwed fathers pay a portion of the birth expenses for mothers and children covered under Medicaid, if the Office of Child Support makes a request to the court.

MCL 722.712

FISCAL IMPACT:

The bill would increase Department of Health and Human Services (DHHS) costs by \$13.7 million Gross (\$4.8 million GF/GP), which has been accounted for in the FY 2024-25 DHHS budget. The non-GF/GP portion of the cost comes from federal Medicaid reimbursements. For FY 2024-25, the federal Medicaid reimbursement rate is 65.13%.

DHHS notes that average birth expenses charged to unwed fathers for Medicaid births are \$2,057, whereas average collections are \$1,239, as of March 2024. Enacted appropriations could fully cover approximately 6,660 unwed births in the coming fiscal year.

Fiscal Analyst: Kent Dell

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