

Michigan Health Benefits Program: Talking Points for Leaders

- Speaker Dillon's plan to place all public employees—including public school employees—into a state-controlled health insurance plan is in draft bill form. It is called the **Michigan Health Benefits Program**.
- Dillon appointed a bipartisan, 13-member Health Care Reform Committee to hold public hearings on his plan.
 1. The first hearing was held Sept. 3.
 2. The committee is expected to meet at least weekly.
- According to this mandatory government-run plan:
 1. A 13-member board appointed by the governor will determine which health plans will be offered.
 2. Public employees will only be able "bargain" with their employers over which plan to accept, what the cost is to the employee and who will be eligible for benefits.
 3. A politically appointed Control Board will determine which doctors are acceptable and what treatments are necessary.
 4. Those currently not covered by insurance will not be included.
 5. Savings are estimated to be \$900 million, but the draft bills show no proof of how that will happen.
- In order to realize these savings, health benefits will have to be gutted and greater costs will be shifted to employees.
- Collective bargaining with school districts to choose the best and most cost-effective health plans will no longer be possible.
- This plan greatly expands our state government and takes away local control.
- Considering the failure of our state government to pay for and run existing programs, there is no way it can effectively administer a massive health care plan.
- There is no guarantee that school districts will see any savings under this plan. This is a state budget bailout—not a state aid windfall.
- Other states have tried this plan and failed. In North Carolina, the mandated health program required a \$650 million taxpayer bailout to keep the plan solvent.
- Inaccurate financial projections left North Carolina taxpayers on the hook. There is no evidence that this plan will save \$900 million, which could leave Michigan taxpayers in the same bind.
- Regular updates are available at www.mea.org.