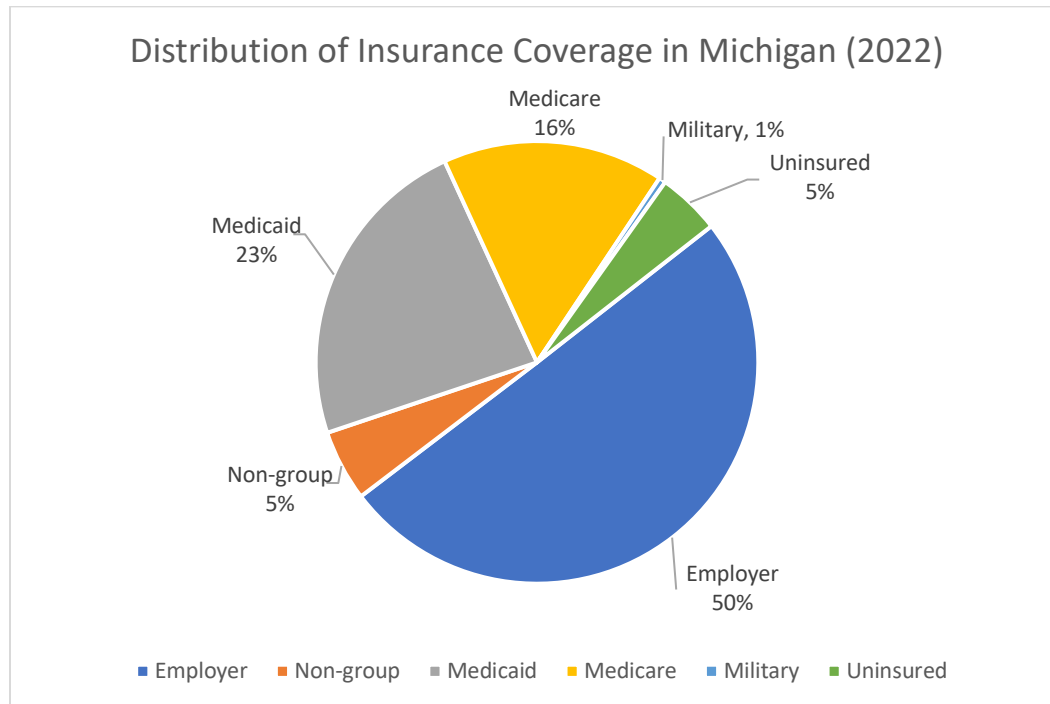


# Michigan

## Sources of Insurance Coverage



\*Source: KFF, *Health Insurance Coverage of the Total Population, 2022*

### Medicare

In Michigan, [1.59 million](#) residents are enrolled in Medicare, 16% of the state's population (2022 data). Of those, [60%](#) are enrolled in a Medicare Advantage plan. For Michigan residents in the traditional Medicare program, the Michigan Department of Insurance and Financial Services (DIFS) regulates Medicare supplemental plans and provides [consumer-facing](#) information about plan benefits and enrollee rights. A list of insurers authorized to sell Medicare supplemental policies is available [here](#).

### Medicaid and the Children's Health Insurance Program (CHIP)

In Michigan, [2.29 million people](#) are enrolled in Medicaid or CHIP, 23% of the population (2022 data). Michigan adopted Medicaid expansion under the Affordable Care Act under a program called "Healthy Michigan." It currently covers almost [1 million](#) low-income adults.

In Michigan, the CHIP program is called "MICHILD" and is operated as both an expansion of Medicaid and a separate CHIP-funded program. Medicaid covers infants up to [195% FPL](#) (up to 160% FPL for older children) and MICHILD fills in for children in households up to 217% FPL. The state also provides CHIP-funded Medicaid expansion coverage for children in families between 212% FPL and 400% FPL that are affected by the Flint water crisis. Approximately [38%](#) of all births in Michigan are covered by Medicaid.

In Michigan, most Medicaid and CHIP enrollees receive benefits via private managed care organizations. These insurers have contracts with the [Michigan Department of Health & Human Services](#).

### Employer-sponsored Insurance

In Michigan, [4.94 million](#) people are covered by employer-sponsored insurance (ESI), or 50% of the total state population (2022 data). Approximately [45.5%](#) of Michigan employers offer ESI. However, offer rates vary significantly by size of firm. In Michigan, 96.6% of large firms (50 or more employees) offer ESI, while only 28.7% of small employers offer ESI.

In Michigan, approximately [39.8%](#) of private sector businesses that offer health insurance self-fund at least one health plan. For large firms (50 or more employees) that offer health insurance, 60.5% self-fund at least one health plan.

### Individual Market Insurance

Approximately [5.2%](#) of Michigan residents are enrolled in the individual market (2022 data). In 2023, [322,273](#) Michiganders selected a plan through the Affordable Care Act Marketplace, which in Michigan is run by the federal government. It is more challenging to ascertain enrollment numbers for off-Marketplace individual market enrollment.

Individual market health insurance (both on- and off-Marketplace) is regulated in Michigan by DFIS, which conducts oversight to ensure compliance with both state and federal health insurance laws.

### Other Coverage

Some Michiganders are enrolled in other forms of insurance coverage, such as coverage for the military (TRICARE or U.S. Veterans Administration), which covers [0.5%](#), or 54,00 residents.

### The Uninsured

Approximately [5%](#), or 453,200 Michigan residents are uninsured (2022 data). Michigan has the [10<sup>th</sup> lowest](#) uninsured rate in the country. Among the non-elderly, people of color are significantly more likely to be uninsured in Michigan than White people. Hispanic residents have the highest [uninsured rate](#) (11.6%), followed by American Indian/Alaska Natives (11.4%) and Black residents (6.4%). Asian American residents have the lowest uninsured rate (4.5%) among all racial groups. Lack of insurance is also highly correlated with income. Approximately [10.2%](#) of people under 100% FPL are the uninsured in Michigan, while just 2.5% of people over 400% FPL are uninsured.

## State Regulators: Michigan

CMS is responsible for the oversight of Medicare Advantage plans. The CMS Regional Office for Michigan is based in Chicago. Media inquiries may be submitted [here](#).

### Michigan Department of Insurance and Financial Services (DIFS)

DIFS regulates the business of insurance in the state of Michigan. For health insurance companies, DIFS is responsible for:

- **Licensure:** All insurers operating in the state must demonstrate that they are financially solvent and capable of paying claims. After initial licensure, companies must file financial information with DIFS on a regular basis. DIFS is also responsible for the licensing and oversight of health insurance agents and brokers.
- **Form review:** DIFS reviews health insurers' contracts and covered benefits to ensure that they comport with state and federal law, including the Affordable Care Act (ACA), Mental Health Parity and Addiction Equity Act (MHPAEA), Health Insurance Portability & Accountability Act (HIPAA), No Surprises Act, as well as state benefit mandates and network adequacy standards.
- **Rate review:** Health insurers offering plans to individuals and small employers (with fewer than 50 employees) must submit proposed premium rates to DIFS, and the agency has the authority to review and require adjustments before rates can be used. Insurers offering plans to large employers (with 50 or more employees) must submit documentation of their premium rates, but DIFS does not have authority to require changes.
- **Marketing:** DIFS is responsible for oversight of insurers' marketing tactics and discouraging unfair or deceptive tactics. The agency also licenses insurance agents and brokers.
- **Enforcement:** DIFS has authority to enforce state and federal insurance laws. Enforcement tools can range from requesting a corrective action, issuing a cease and desist order, imposing fines, or seeking an injunction. DIFS reports the results of company market conduct examinations [here](#). Consumers or providers can file complaints against insurers [here](#).
- **Appeals:** Under the ACA, insurers must provide enrollees with an internal review of adverse benefit decisions and the right to an external, independent appeal. DIFS operates Michigan's external review system, and provides information to enrollees seeking an appeal [here](#).

A list of insurers authorized to sell "major medical" insurance in Michigan is available [here](#). DIFS also maintains a registry of third-party administrators (TPAs) that administer benefits for self-funded employer plans, searchable [here](#).

## Michigan Department of Health & Human Services

Michigan's Department of Health & Human Services (DHHS) runs the state's Medicaid and CHIP programs, and manages the contracts with the managed care organizations (MCOs) that deliver Medicaid and CHIP benefits. A county-by-county list of participating MCOs is available [here](#) and enrollment reports by county are available [here](#).

DHHS conducts quality reviews of MCOs, including assessments of quality, timeliness, and access to care. The results of these reviews are provided in annual reports published [here](#).

DHHS can conduct an enforcement action against an MCO if it fails to meet its contract obligations. Enforcement actions can include requiring the MCO to pay damages or to implement a corrective action plan. The agency can also suspend all or part of new member enrollments or suspend or terminate the MCO's contract.

DHHS has also published several reports evaluating plans under the Healthy Michigan program, including the results of enrollee surveys and assessments of the program's impact on access to services, uncompensated care costs, and health outcomes. These reports can be found [here](#).

## Michigan State Attorney General

The Michigan Department of Attorney General represents the state in court when there is an action against an insurance company, entity, or individuals engaged in potentially fraudulent activity. In addition, the Attorney General's [Consumer Protection Division](#) is responsible for investigating consumer complaints about provider billing practices.

## Other Sources of Information

### Health Insurance Navigators, Agents and Brokers (collectively, "consumer assisters")

Although Michigan's health insurance Marketplace is run by the federal government, CMS provides grants to local organizations called "Navigators" that are tasked with assisting consumers determine eligibility for subsidized coverage programs and helping them with post-enrollment questions. Michigan-based health insurance agents and brokers perform similar consumer assistance functions, and are generally paid on a commission basis. These consumer assisters can be helpful sources of information about health insurance and the challenges consumers face. They can be located through the "[Find Local Help](#)" search portal on HealthCare.gov.

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