



Family Support Subsidy Annual Report

Fiscal Year 2023: Oct. 1, 2022-Sept. 30, 2023



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Family Support Subsidy Program

History

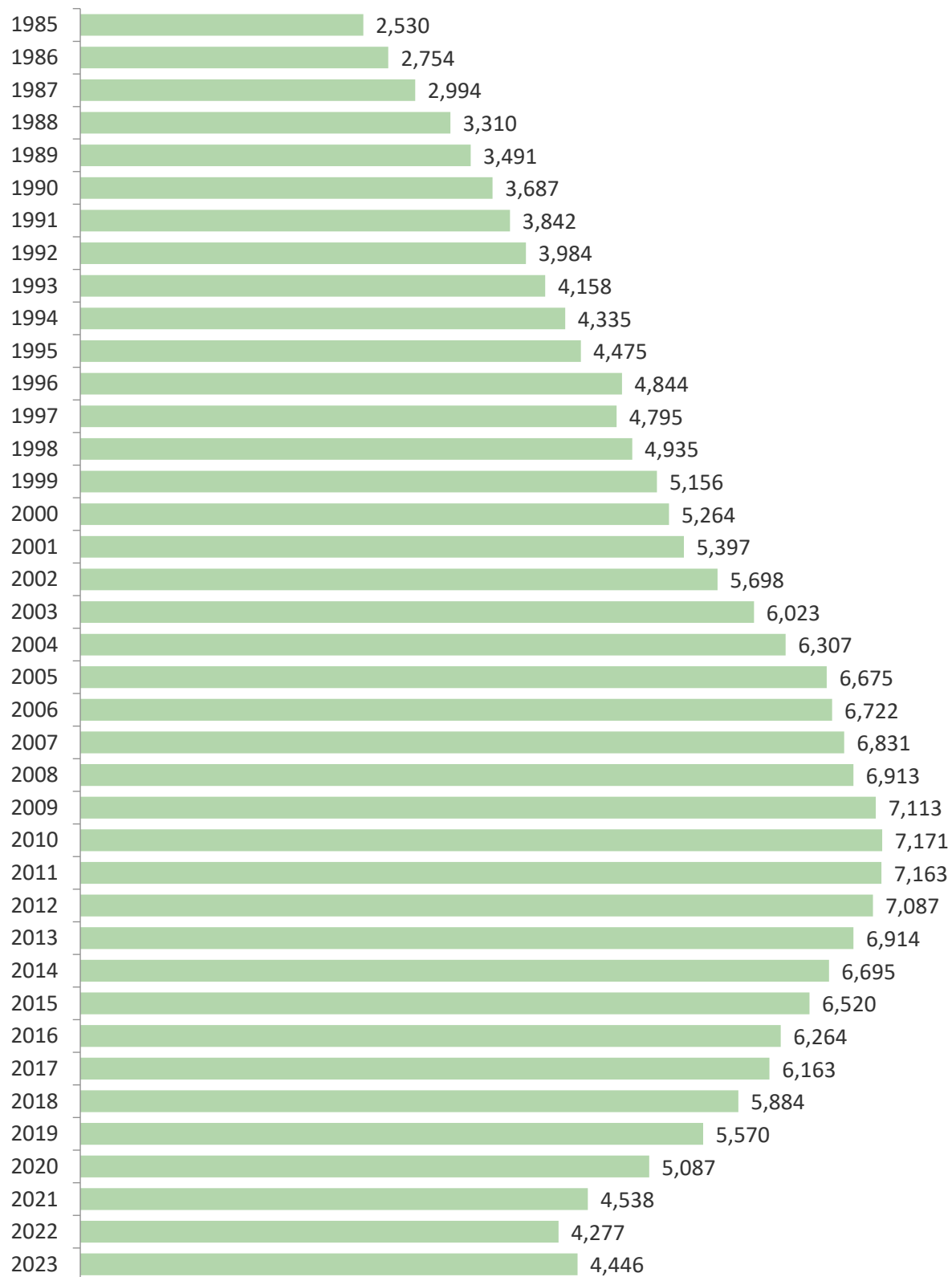
Supporting families is a priority of Michigan's public mental health system, as evidenced by the Family Support Subsidy Program (FSSP). Michigan's philosophy is that children with intellectual and developmental disabilities, like all children, need loving and enduring family relationships. The policy of the Michigan Department of Health and Human Services (MDHHS) is that children should be supported to live with their families. If an out-of-home placement becomes necessary, it should be temporary and time-limited with a goal of family reunification whenever possible or, for some children, adoption. Permanency planning practices within Michigan's public mental health system have supported this guiding principle by enabling families to keep their children out of institutional settings and other out-of-home placements.

The Family Support Subsidy Act, Public Act 249 of 1983, was the beginning of a major shift of Michigan's mental health resources and services toward supporting, maintaining, and establishing permanent family relationships for children with severe intellectual and developmental disabilities. The FSSP provides vital monetary support for families of children with intellectual and developmental disabilities to assist with the extraordinary expenses associated with raising them.

Children with severe intellectual and developmental disabilities often need lifetime support for daily activities such as walking, feeding, or dressing. Often, they have both mental and physical impairments and require 24-hour care. As a result, the families of children with severe intellectual and developmental disabilities incur many expenses that other families do not. The FSSP recognizes that these families have unique needs; it empowers them to decide what is needed to support their child's care, and it allows children to stay at home and out of residential placements.

On the next page, Figure 1 shows the number of children enrolled in the program over time. While program enrollment has increased markedly since 1985, there has been a downward trend after enrollment peaked in 2010. This past year (2023) marks the first time enrollment has increased from the previous year since 2010.

Figure 1. Enrollment peaked in 2010 at 7,171 families.



Eligibility Requirements



Families may be eligible for this program if 1) their Michigan taxable income does not exceed \$60,000, as shown on their most recent state of Michigan tax return, 2) their child lives in Michigan with a birth parent, adoptive parent or legal guardian, 3) their child is under age 18, and 4) their child has been recommended by a public school district's Multidisciplinary Evaluation Team (MET) as meeting the requirements for the special education categories of cognitive impairment, severe multiple impairments or autism spectrum disorder. Children with an eligibility category of cognitive impairment may be eligible if their development is in the severe range of functioning as determined by the local or intermediate school district. Children with autism spectrum disorder must be receiving special education services in a program designed for students with autism spectrum disorder or in a program designed for students with severe cognitive impairment or severe multiple impairments.

I'm extremely grateful for the raise of the Family Support Subsidy program. As a single parent this helps more than words can express. Not only does it help contribute to my child's needs, it [also] helps our/my financial worries when I have to leave work to get said child from school or center two to three days a week.

- Parent from Branch County

The program is advertised on the MDHHS [website](#). Michigan's community mental health services programs (CMHSPs) also perform outreach activities to advertise the program within their geographic locations. CMHSPs target their efforts to local public school systems, CMHSP access centers, Early On®, local MDHHS offices, public health agencies, physician offices, hospitals, and more.

The application process was designed to be simple, logical and include documents already available to families. The application form must be substantiated by a copy of the child's birth certificate to verify age, a copy of the family's most recent Michigan income tax return to verify taxable income, and verification from the local school district of an eligible special educational category. Although it is not a requirement for eligibility, it is strongly encouraged that the family provides the child's social security number. Upon receipt of the completed application, the CMHSP verifies the family's eligibility. Coverage in the program begins the month following the CMHSP's receipt of the completed application and supporting documentation. Each year, in the birth month of their child, the family is required to complete an annual renewal to re-verify eligibility for the program.

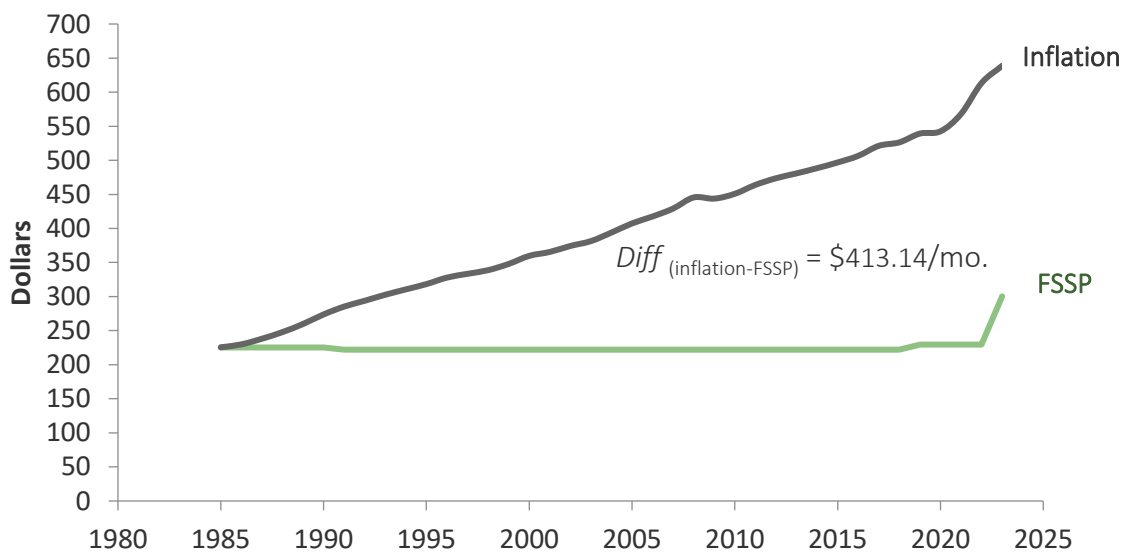
Subsidy Payments



The subsidy is paid to the parent or legal guardian on behalf of the child. Checks are disbursed to families monthly. The subsidy income is not taxable, and families may use the subsidy for any purpose that helps them care for their child. Payments were \$300.36 per month in Fiscal Year 2023. The original payment in Fiscal Year 1985 was \$225.54. MDHHS may decrease the amount after notifying the governor and the House and Senate Appropriations Committees available revenues are insufficient to cover the program's obligations. The department is not permitted to reduce the amount of the monthly payment by more than an aggregate of 25% in one fiscal year without the written approval of the House and Senate Appropriations Committees. FSSP is now funded entirely with federal dollars through the Temporary Assistance for Needy Families (TANF) program.

In Fiscal Year 1991, payments decreased to \$215.66 due to budget restrictions and then increased to \$222.11 per month, where it remained for 27 years. The Senate Appropriation Subcommittee for Community Health/ Human Services increased the FSS amount by \$7.20, bringing the monthly payment to \$229.31 for Fiscal Year 2019. The amount was further increased by \$71.05 to bring the payment amount to \$300.36 in Fiscal Year 2023. The overall purchasing power of these dollars has declined over time (see Figure 2). In 2023, \$638.68 was needed to have the same buying power as \$225.54 in 1985. The rate may be increased annually by legislative appropriation to match the Supplemental Security Income (SSI) rate for an adult living in the household of another (\$618.67 in 2023).

Figure 2. Family Support Subsidy payment amount has not kept pace with inflation.



Note: Inflation based on original subsidy amount of \$225.54 in 1985

Program Evaluation

Data Sources

Each year, the department gathers information from four sources to satisfy the reporting requirements of the Family Support Subsidy Act: (1) outreach activities as reported by CMHSPs, (2) follow-up reports on children leaving the subsidy program due to out-of-home placements, (3) enrollment information from the department's FSSP database, and (4) a family questionnaire sent to parents annually.

Who Receives the Subsidy?

In Fiscal Year 2023, 4,446 families received the subsidy in Michigan. Demographic characteristics of subsidy families are reported in Table 1. The majority of children receiving the subsidy were white (54.9%), male (73.1%), from the lowest income level (71.1%), and had autism spectrum disorder (79.78%). **It is important to note that there were significant changes across the educational eligibility categories and active clients by age as indicated in Table 1, where the current fiscal year percentages are juxtaposed next to the previous fiscal year percentages, in parentheses.** These changes may be attributed to 2022 modifications in diagnostic criterion in the Diagnostic and Statistical Manual (DSM-5).¹

There has been noticeable growth in the proportion of children diagnosed with autism spectrum disorder by the public schools' MET, mirroring the increase in this diagnosis in the United States. However, according to the Michigan Department of Education, the number of students enrolled in Michigan schools who met eligibility as a student with autism spectrum disorder, severe multiple

Table 1. Subsidy recipients predominantly white, male, autistic, and low income.

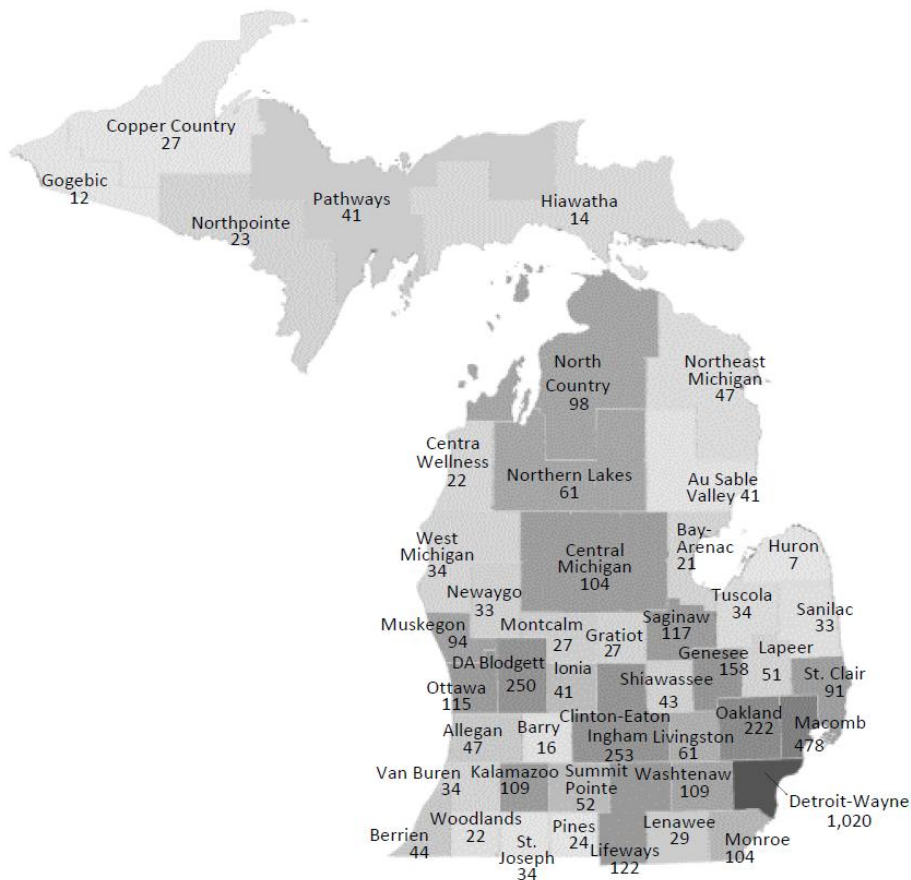
Demographics	% Enrolled Families 2023 (change from 2022)
Educational Eligibility Category	
Autism Spectrum Disorder	79.8 (-17.5)
Severe Multiple Impairments	13.9 (+11.6)
Cognitive Impairment	6.3 (+5.9)
Taxable Income Level	
\$19,999 or less	71.10
\$20,000-\$44,999	23.24
\$45,000-\$60,000	5.64
Greater than \$60,000	0.02
Gender	
Male	73.1
Female	26.3
Unknown	0.6
Age	
0-3 years	4.1 (-9.1)
4-6 years	13.2 (-10)
7-9 years	19.4 (-1.7)
10-12 years	24.9 (+6.5)
13-15 years	22.4 (+7.9)
16-18 years	16.0 (+6.4)
Race	
White	54.9
Black or African American	23.8
Asian	2.1
Native American or Alaska Native	0.5
Native Hawaiian or Pacific Islander	0.1
Another race not included	3.5
Unknown	15.1

¹ Retrieved from autismspeaks.org/autism-diagnostic-criteria-dsm-5#:~:text=In%202022%20the%20APA%20released,and%20clarity%20of%20the%20wording

impairments, or cognitive impairments between the 2019-2020 school year (43,637) and the 2020-2021 school year (42,069), slightly decreased for the first time in decades.² This decrease in enrollment may be attributed to factors related to COVID-19 mandates in schools, such as sensory sensitivities to wearing a mask prevented some children from being able to return to public schools. In the 2021-2022 and 2022-2023 school years there was a significant increase in enrollment across the three educational eligibility categories (42,317 and 44,431, respectively).

These trends in enrollment tracks with reports from the National Center for Education Statistics, where there was a 3% enrollment decrease from fall 2019 to fall 2020, whereas the number of enrollments reached a record peak in the 2022-2023 school year.³ **These changes in rates of enrollment and diagnostic guidelines are indicative of an urgent need to not only ensure funding is secured for families of children with autism in Michigan, but that the stipend provides enough support to families with the increased needs associate with severe multiple impairment diagnoses (see Table 3 on page 14).** Figure 3 shows the geographic distribution of these families across the state, by CMHSP.

Figure 3. Total number of families (FSSP) by Community Mental Health Services Program (CMHSP).



²For additional information go to MI School Data website: mischooldata.org/special-education-data-portraits-disability

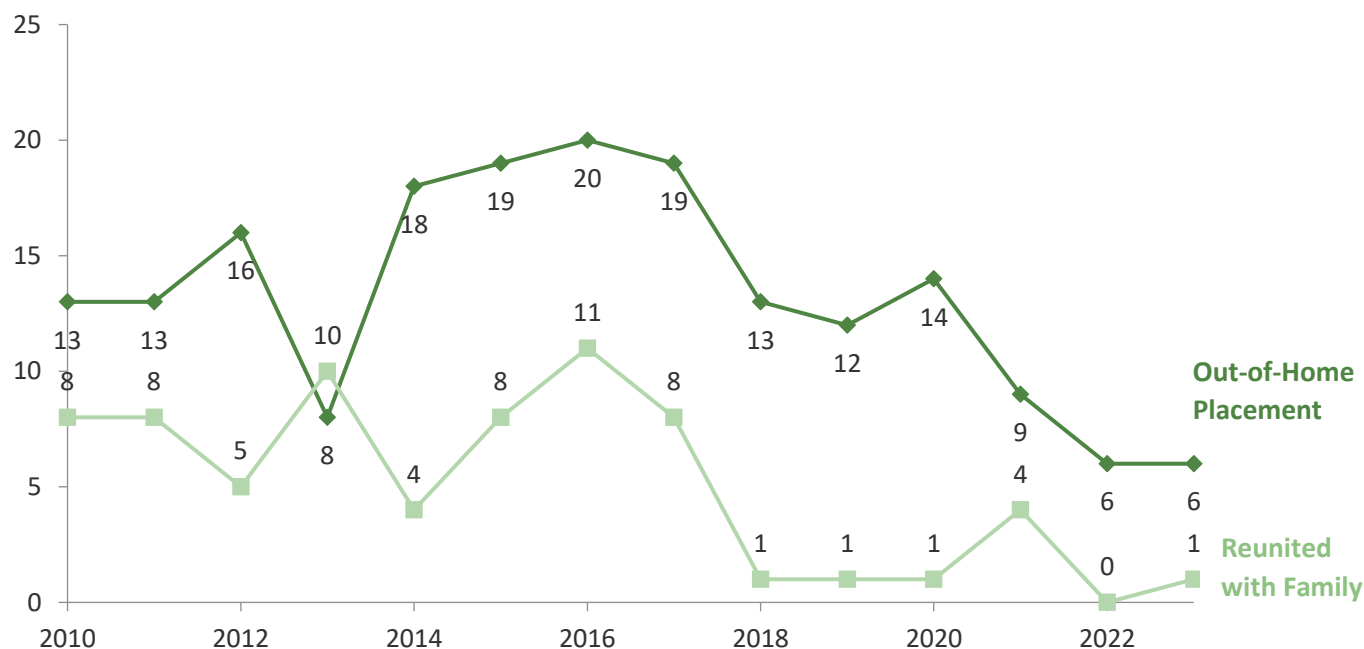
³ National Center for Education Statistics: nces.ed.gov/programs/coe/indicator/cgg/students-with-disabilities

Program Impact: Reducing Out-of-Home Placements



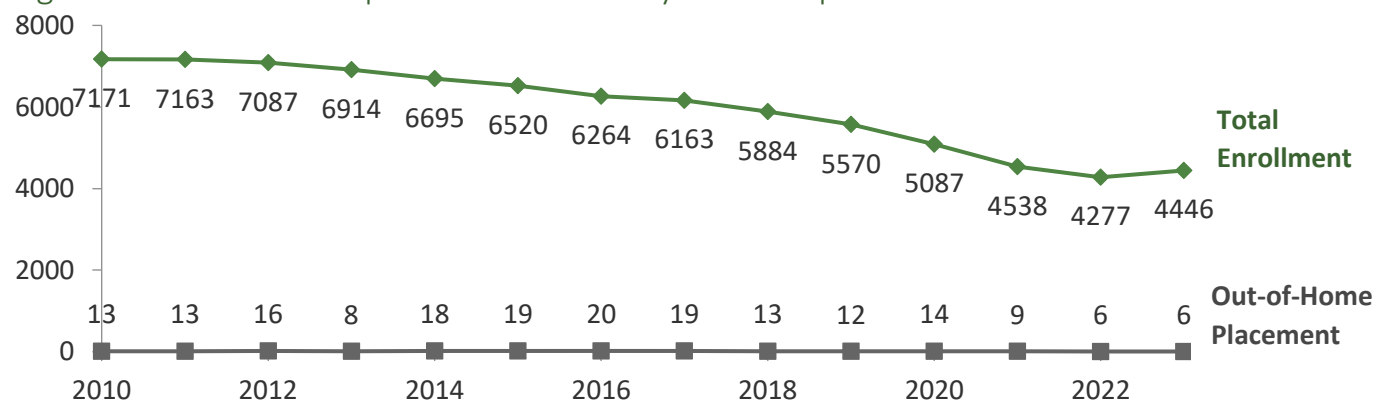
Follow-up at the end of the fiscal year indicated that six children (less than 0.2% of all children in the program) were placed out of home during Fiscal Year 2023. The number of children enrolled in the subsidy program who have been placed out-of-home has dropped from a high of 45 in Fiscal Year 1986. No families qualified for the one-time double subsidy payment (provided to assist in a child's return home from placement). One child was reunited with their family after being placed out-of-home. No children were adopted after being placed out-of-home in 2023. Figure 4 presents the number of children placed out of the home and those reunited with their families since 2010.

Figure 4. Out-of-home placements and reunifications since 2010.



For perspective, Figure 5 shows these same numbers compared to total enrollment, illustrating the very small percentage (less than 0.3% of all children in the program) impacted by out-of-home placement. This reflects the success of the program in keeping children at home with their families.

Figure 5. Out-of-home placements are very low compared to total enrollment.



What Families Say About the Subsidy

Each year, families have the opportunity to provide feedback on the family support subsidy program. In Fiscal Year 2023, 373⁴ families responded to the annual family survey (8.4% response rate compared to last year's 12.3% response rate). Demographic characteristics of survey respondents were comparable to all subsidy families (see Table 2).

Families respond to a series of questions about their satisfaction with various aspects of the subsidy program. Figure 6 shows the levels of satisfaction with various aspects of the program. Approximately 46% of the families report being "Very Satisfied"⁵ with the amount of the subsidy making it the lowest satisfaction rates. Families do report being "Very Satisfied" with the application process (80.6%), information they received about the program (74.7%), and their overall experiences with the program (74.1%).

Families were also asked a series of questions about the impact of the subsidy on various aspects of their lives. As illustrated in Figure 7, parents reported that the subsidy had the most profound impact in helping them meet their child's special needs (62.0%), be able to care for their child (56.7%), meet their family's needs (59.4%), and both helped family do more together and improve their family's life overall (49.1% and 52.0%, respectively).

Parallel to lower satisfaction rates with subsidy amount, families report the least impact of the subsidy on easing financial worries (47.4%) and reducing stress (45.6%).⁶

Table 2. Survey respondents had similar demographics compared to all FSSP families.

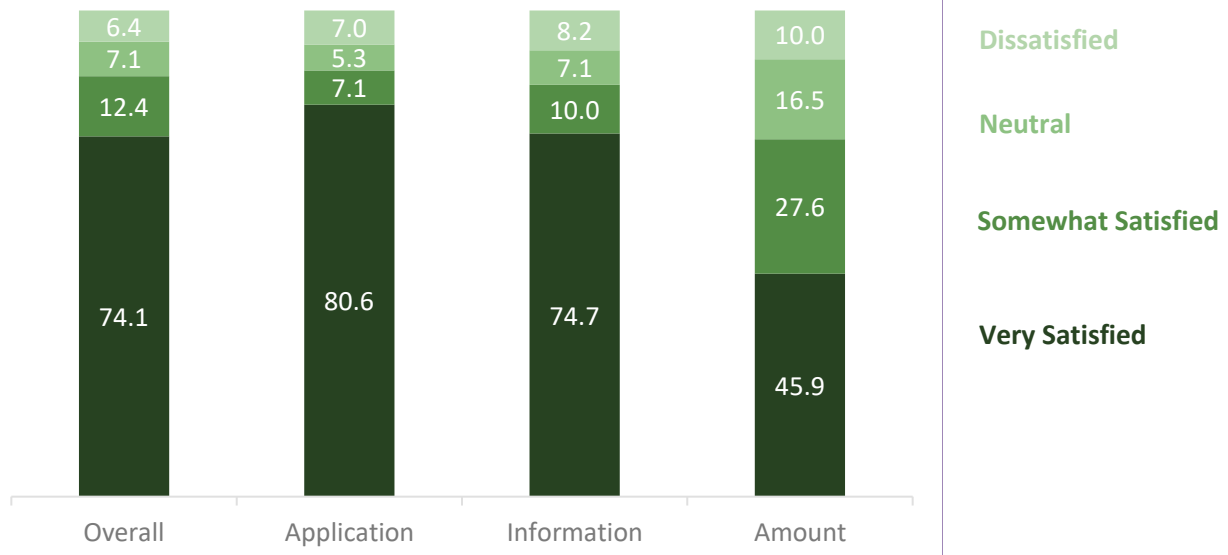
Demographics	% Survey Respondents
Educational Eligibility Category	
Autism Spectrum Disorder	74.5
Severe Multiple Impairments	12.2
Cognitive Impairment	11.6
Unknown	1.7
Time in Program	
1-12 months	23.3
13-24 months	5.8
More than 24 months	69.8
Unreported	1.1
Gender	
Male	70.9
Female	25.0
Non-binary	0.0
Unreported	4.1
Taxable Income Level	
\$19,999 or less	54.6
\$20,000-\$44,999	28.5
\$45,000-\$60,000	14.5
Above \$60,000	2.4
Race/ Ethnicity	
White	70.9
Black or African American	6.4
Asian or Pacific Islander	1.2
Hispanic, Latina/o/x, or Spanish Origin	7.6
Indigenous American or Alaska Native	1.2
Additional Race/ Ethnicity	8.7
Unreported	4.0

⁴ The number of families completing the survey continue to decrease each year.

⁵ Figure 6 reports valid percent (not including % missing).

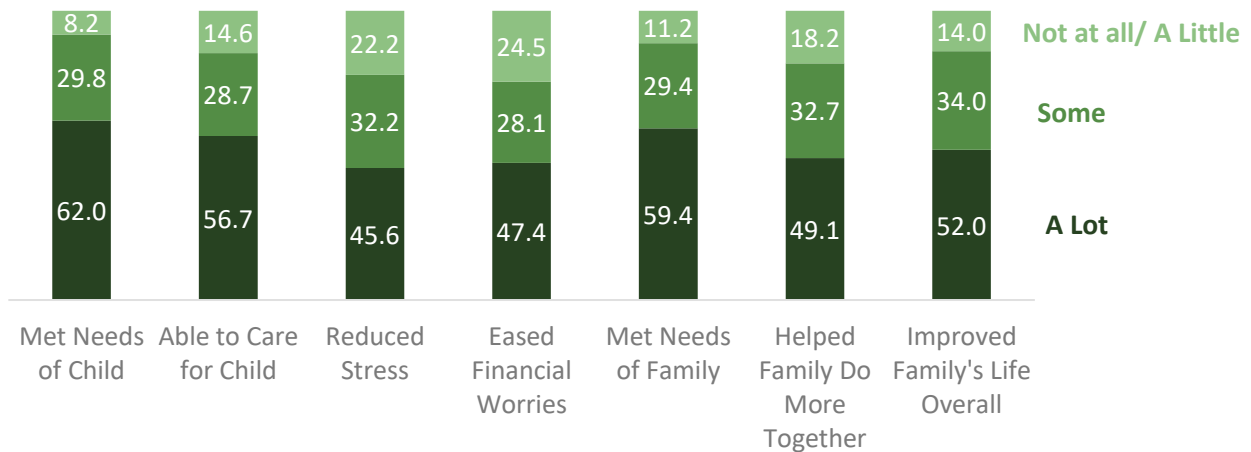
⁶ Figure 7 reports valid percent (not including % missing).

Figure 6. Families are least satisfied with the amount of the subsidy (%)



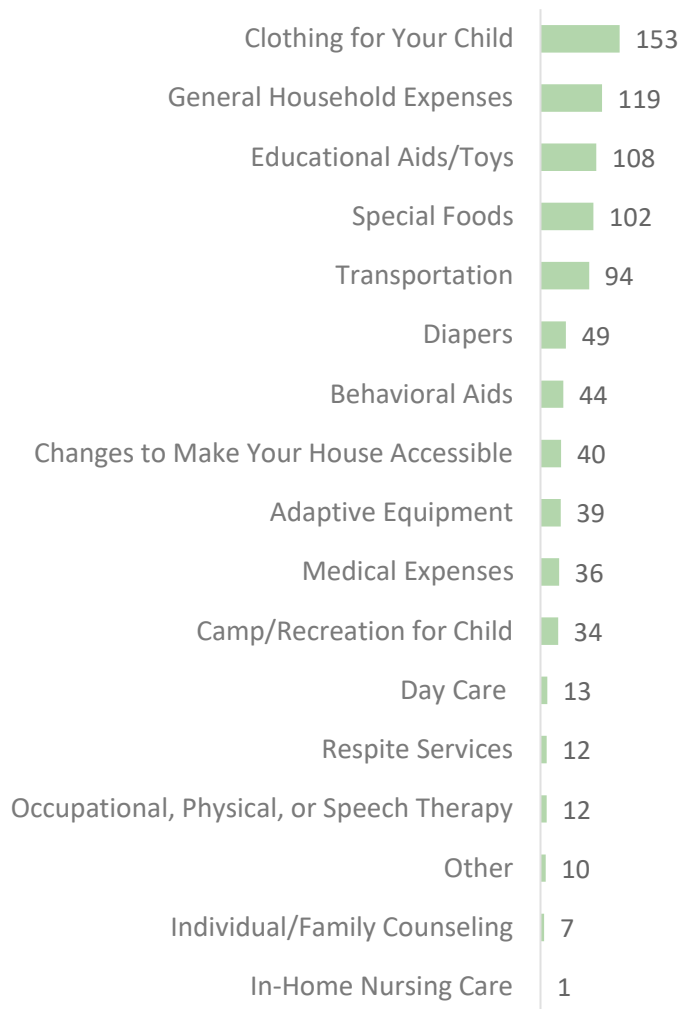
The subsidy had a moderate impact on achieving a better quality of life, reducing overall stress, or easing financial worries. Average satisfaction and impact scores were calculated and used to compare ratings across different family demographic characteristics. Average satisfaction and impact scores did not significantly vary across race, income, or diagnosis groups.

Figure 7. Families reported positive impacts of subsidy on their lives (%)



Over the past year, families reported many uses of the subsidy (see Figure 8). A few families reported using as many as 22 different services; however, on average, families accessed five different services. Some families reported not using the subsidy to access services.

Figure 8. Families accessed many different services with their subsidy.



Given the growing number of subsidy children diagnosed with severe multiple impairments (see Table 1, page 8), it is interesting to note that depending on their child's diagnosis, these families report significantly different rates of use of several service categories (see Table 3).

Only services found to be significantly different by group are reported. Children with autism spectrum disorder were more in need of a wider range of services; including behavioral aids, adaptive equipment, and special foods. Alternatively, families with children with severe multiple impairments or cognitive impairments were more likely to need family and physical supports such as creating a more accessible home (highlighted in bold in Table 3 for each diagnosis).

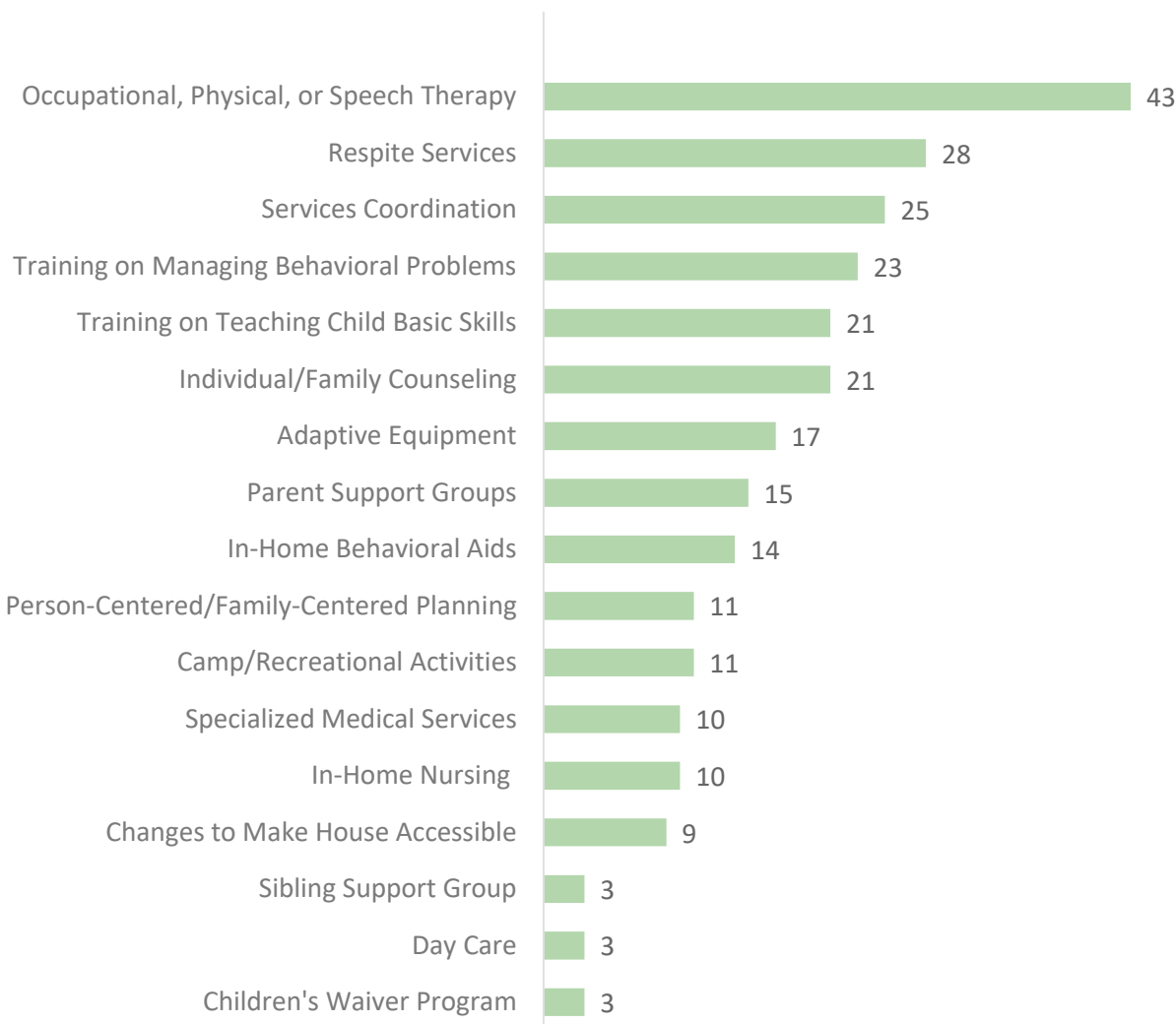
Table 3. Families use the subsidy for different services by diagnosis.⁷

Service	Autism Spectrum Disorder	Severe Multiple Impairments or Cognitive Impairment
Adaptive equipment	15.6%	46.3%
Clothing	89.1%	90.2%
Make house more accessible	18.8%	36.6%
General Household Expenses	70.3%	65.9%
Respite Services	19.5%	3.1%
Educational aids and toys	70.3%	65.9%

Questions regarding services not purchased with the subsidy were also given to families. First, families were asked about other services received from their CMHSP in the past 12 months to support their child with disabilities. From a list of 18 services, therapies (occupational, physical, or speech), respite services, coordination of services, and behavioral management were most frequently reported (see Figure 9). Next, families were shown a list of the services they had not checked and asked to select the top three services they were most interested in receiving that they did not already list as receiving. Occupational, physical, or speech therapy (63.0% of families), day care for children with disabilities (55.3% of families), respite services (42.5% of families), and planning for transition to adult services (40.8%) were listed as the top four unmet needs. However, overall, few families (less than 1%) designated anything as an unmet need suggesting that families were accessing the services they needed.

⁷ Chi-square tests were used. Seventeen tests were performed and the p-values for statistical significance was set at .003 in order to correct for the number of tests conducted.

Figure 9. Services received from CMHSP not paid for with the subsidy



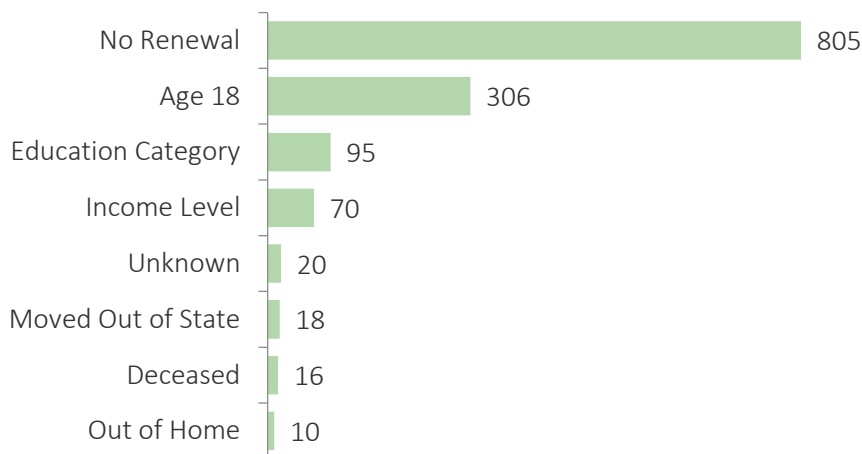
Finally, families were asked to provide feedback about the program which focused on three main themes (specific parent comments organized around these themes are available on page 19):

- 1) Deep gratitude and appreciation for the program
- 2) Examples of how the money was used to enrich their child's life and alleviate stress
- 3) Comments observing that the needs are greater than the amount the subsidy covers

Families Leaving the Program

In Fiscal Year 2023, 1,340 families left the subsidy program. Children leave the subsidy program for several reasons (see Figure 10). Families not renewing was the most frequent reason for leaving the program (60.1%), followed by aging out of the program (22.8%).

Figure 10. 1,340 families left the program in 2023



CMHSP Outreach Efforts

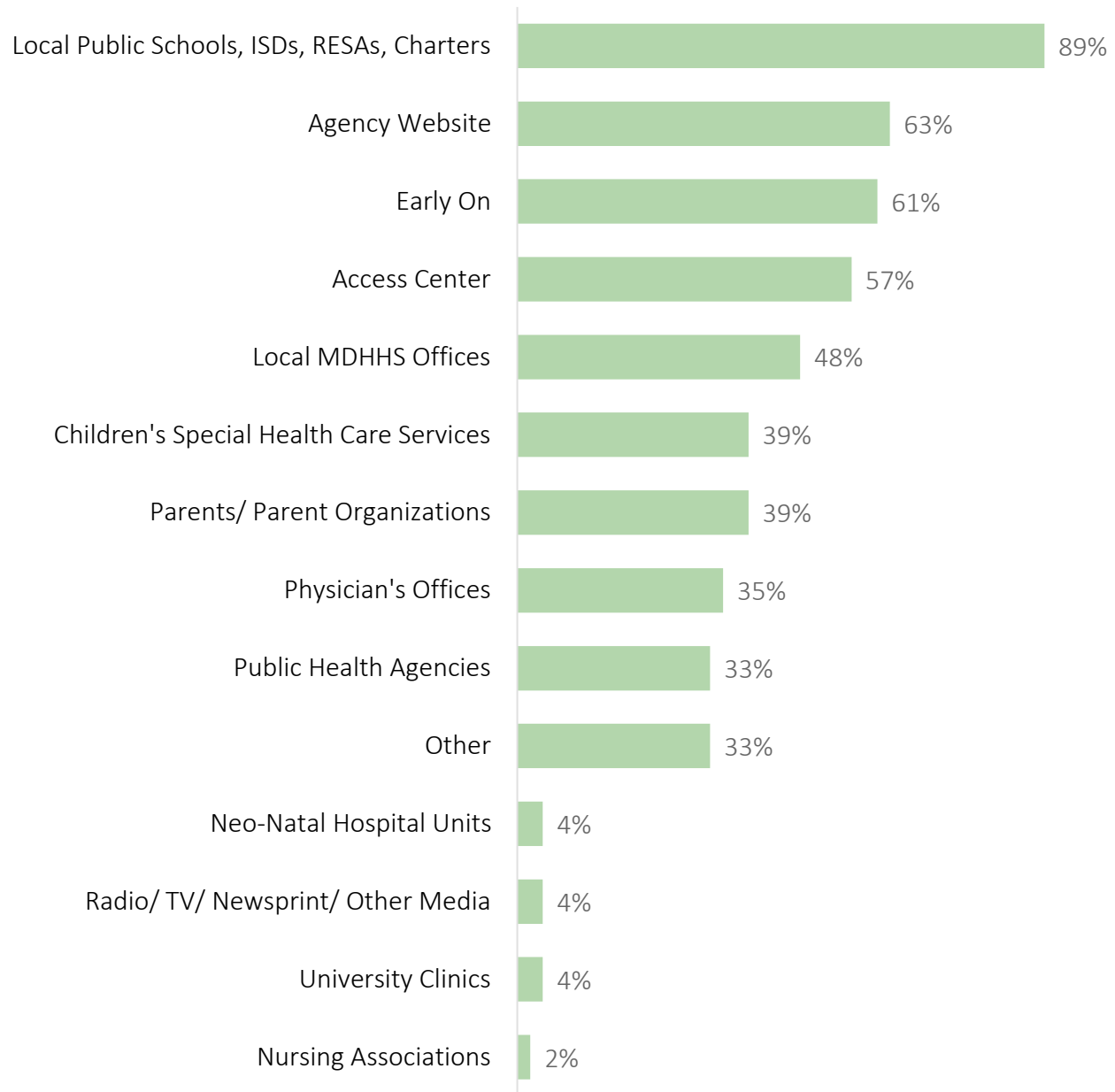
Outreach efforts to encourage program participation were reported by all 46 CMHSPs for Fiscal Year 2023. Agencies reached out to an average of 5.1 organizations (range from 1 to 11). The majority (89 %) were direct outreach efforts to local schools (see Figure 11, on page 17). Most comments about program issues concerned eligibility and logistical barriers faced by parents attempting to access the program. CMHSPs reported that some parents are experiencing issues with accessing and completing the program application. For example, one CMHSP noted that in recent years, parents may not have access to printers and have requested applications that can be filled out online. Eligibility denials at the school level have also been a barrier for families. As in prior years, some parents have expressed frustration that choosing to utilize applied behavioral analysis (ABA) therapy instead of school services for their children makes them ineligible for the FSS. Children are eligible for FSSP if recommended by their public school district's MET only (see page 6 section on *Eligibility Requirements* for more information).

Schools do not always pass along the information to parents at the [Individualized Education Program] meetings.

- CMHSP

Per the Family Support Subsidy Act, CMHSPs are given the responsibility of collecting the required documentation in order to process and approve FSS applications. This process may be delayed due to CMHSPs not having reliable contacts within schools. Additionally, because the applications contain private information, such as social security numbers, most outside agencies send the applications through the U.S. Postal Service, which can also delay approval of applications. This in turn may cause a delay in the initial FSS payment to families. The dynamics between CMHSPs and families applying for the subsidy can be negatively impacted due to this delay (for direct parent quotes, see the Additional Parent Comments section on page 19).

Figure 11. CMHSPs reach out to many different types of organizations.



Conclusions

The main purpose of the FSSP is to provide financial support to assist families who have a child with intellectual and developmental disabilities in keeping their children at home and providing them with the additional supports and services they need. Results of the evaluation validate several conclusions about the efficacy of the program.

- The program is successfully helping to reduce the number of out-of-home placements for children with severe impairments. The number of children affected by out-of-home placements represents less than 0.3% of all subsidy children.
- Families report high satisfaction with the subsidy overall. Families are satisfied with the application process **80.6%**, information they received about the program (**74.7%**); and their overall experiences with the program (**74.1%**). Most families reported that the subsidy assisted them by improving their family's quality of life, ability to care for their child, and in meeting their child's needs.
- Families use the subsidy for a wide range of services. Families reported using an **average of five different services** last year with their subsidy. The **top five services** across all families were: clothing, general household expenses, educational aids or toys, special foods, and transportation. Families with children with autism spectrum disorder are more likely to use their subsidy for behavioral supports while families with children with severe multiple impairments or cognitive impairment are more likely to use the subsidy for physical supports.
- The subsidy payment has not kept up with inflation; therefore, it does not cover as many services as it once did nor is the amount enough to meet families' real needs. The subsidy payment increased from \$229.31 to \$300.36 in Fiscal Year 2023. The two most recent increases in the subsidy prior to this one were in 2019 and 1991. If the original payment of \$225.54 in Fiscal Year 1985 had kept up with inflation, families would be receiving \$638.68 in 2023 to cover the same expenses. Families report lowest satisfaction levels with the amount of the subsidy, with just over **40%** of families reporting the subsidy helps ease financial worries or reduces stress substantially.

Additional Parent Comments

Deep Gratitude and Appreciation

The subsidy has helped reduce the stress on my family's life, so we can focus on the important needs of our children. Thank you!

Charlevoix County

Thank you for making this available. Every little bit helps to provide the needs to my son. As a single mom, I want what is best for my children. This subsidy has helped me provide things that he needs to help him to become successful in achieving his goals.

Gratiot County

We have a number of supplies needed for daily medical and therapeutic care that aren't covered by Medicaid or CSHCS. The subsidy helps purchase those items to provide a stable quality of life for my son.

Antrim County

Childcare is impossible to find for kids with special needs plus you add twins with nonverbal/speech issues and it's 300x worse. The money has allowed me to stay home and give them the time, care and attention that they need and deserve.

Houghton County

Having subsidy income has been a huge help to my children and myself. I was able to get extra school clothes each year with subsidy income. It also helped with bills and also helped with internet payments in order for my son to continue going to school through the COVID pandemic. Family support subsidy has been a huge help to me and my children. I am very thankful that I signed my son up for this and I appreciate the program.

Genesee County

The FSS has helped significantly reduce the financial stress in our household. I no longer worry about not being able to afford pull-ups, adaptive clothing, and therapy, etc. for our ASD son who also has other medical conditions. The relief the FSS provides allows us to use our own income towards his medical expenses and take care of our other child.

Ottawa County

This year has been very hard for us. My job cut down their hours and without the help from this program, I don't know what I would have done to make ends meet. I am very thankful for all of you!

St. Clair County

Direct Participant Response in Spanish: Llevo poco tiempo recibiendo este cheque pero me ayuda en muchas cosas pequeñas. Talvez no es una buena cantidad para completar la mayor parte de las necesidades especiales de mi hijo con autismo no verbal pero si es un apoyo para completar muchas de ellas. **English Translation through AI:** I have only been receiving this check for a short time, but it helps me with many small things. It may not be adequate to cover most of the special needs of my son with non-verbal autism, but it is a support to supplement many of them.

Wayne County

Specific Examples of How the Money Was Used

My son participated in drama club this year and played many roles in the musical earlier this month. There was a lot of extra travel involved for him to participate - this subsidy helped with gas for him to do tremendously. He is excited for next year's performances.	<i>Montcalm County</i>
It has helped us buy all of my son's special foods the most. The only foods he will eat. They are fairly priced, but with a growing boy who only eats that we need more than the average serving size. It has been a life saver to be able to stock up on those items as well as getting him stimulating toys and forever rising priced diapers.	<i>Roscommon County</i>
Able to buy my son a used piano that he loves to play when he is sad and stressed.	<i>Genesee County</i>
My child has wanted to participate in extracurricular activities at school, the subsidy has helped provide things he needed medically to do these things.	<i>St. Clair County</i>
Subsidy has helped us be able to take our daughter to the zoo for the first time ever and helped buy things for the trip.	<i>Midland County</i>
I was able to buy school supplies and medical expenses that my insurance did not cover. He got clothes, shoes and other important necessities that promote his growth.	<i>Sanilac County</i>
This family subsidy helped me fix my ramp so my daughter could get out of our home safely.	<i>Muskegon County</i>
We are using the money for July to go on a camping trip locally, so we can prepare for our camping trip in Kentucky. This is a mother/daughter trip this year. These trips every summer help my daughter learn skills socially and independently such as using a map, driving directions, finding resources and getting more comfortable in new environments.	<i>St. Clair County</i>
Without the subsidy, my 14-year-old daughter would not have been able to have weekly therapeutic horseback riding lessons. Her ASD prohibits her from participating in group sports, she is just too distracted. The subsidy allowed me to afford the lessons.	<i>Otsego County</i>
My child needed equipment that was not covered by insurance and the subsidy helped cover that cost.	<i>Oakland County</i>

The Michigan Department of Health and Human Services will not exclude from participation in, deny benefits of, or discriminate against any individual or group because of race, sex, religion, age, national origin, color, height, weight, marital status, partisan considerations, or a disability or genetic information that is unrelated to the person's eligibility.