

STATE OF MICHIGAN
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September 3, 2025

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This Letter Sent VIA Email Only

Re: *D.D., et al. v. Michigan Department of Health and Human Services, et al.* (f/k/a *K.B., et al. v. Michigan Department of Health and Human Services, et al.*), 18-cv-11795-TLL-PTM (E.D. Mich., Northern Division)

Dear Senators, Representatives, and Directors:

MCL 18.1396 directs that the Attorney General notify you in the event of a settlement or consent judgment in excess of \$200,000. Accordingly, I am notifying you that on August 28, 2025, Eastern District of Michigan Judge Thomas L.

Dear Senators, Representatives, and Directors:

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Ludington issued an order approving a class action settlement agreement (the settlement) in the above-referenced matter.

This class action lawsuit was filed in 2018 by Medicaid beneficiaries under the age of 21. Plaintiffs alleged that the Michigan Department of Health and Human Services (MDHHS) failed to provide them and the class with sufficient Medicaid-funded, intensive home-and-community-based services, in violation of the Social Security Act (42 U.S.C. § 1396a(4)(B), 42 U.S.C. § 1396a(a)(43)(C), and 42 U.S.C. 1396a(a)(3)); Title II of the Americans With Disabilities Act (42 U.S.C. § 12132, *et seq.*); and § 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794, *et seq.*).

The Court granted preliminary approval of the settlement on April 3, 2025. After holding a Fairness Hearing, the Court entered an order granting final approval of the settlement on August 28, 2025. Under the settlement, so long as certain contingencies are met, MDHHS will make system reforms related to screening for, and provision of, Medicaid-funded intensive home-and-community-based services for Medicaid beneficiaries under the age of 21. The settlement also requires payment of \$3.5 million in attorney fees and costs to Plaintiffs' counsel for their work performed over the course of a decade (through December 31, 2027).

The parties engaged in extensive negotiations, resulting in the settlement. Had this matter proceeded to trial, the cost of injunctive relief and attorney fees and costs considerably in excess of the costs to implement the settlement were possible.

Sincerely,

A handwritten signature in blue ink that reads "Ashley Steffen". The signature is fluid and cursive, with the first name "Ashley" and last name "Steffen" clearly distinguishable.

Ashley Steffen
Director, Office of Legislative Affairs
Michigan Department of Attorney General

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