



# FAMILY SUPPORT SUBSIDY ANNUAL REPORT

Fiscal Year 2020: Oct. 1, 2019-Sept. 30, 2020



---

Report Prepared By:  
DaSha Stockton, Senior Research & Evaluation Specialist  
Center for Health Equity Practice  
2479 Woodlake Circle  
Okemos, MI 48864



---

# Table of Contents

Family Support Subsidy Program .....	4
History .....	4
Figure 1. Enrollment peaked in 2010 at 7,171 families.....	5
Eligibility Requirements .....	6
Subsidy Payments .....	7
Figure 2. Family Support Subsidy amount has not kept pace with inflation .....	8
Program Evaluation .....	9
Table 1. Eligible children predominantly white, male, autistic and low income .....	9
Data Sources.....	9
Who Receives the Subsidy? .....	9
Figure 3. Total number of subsidy families by Community Mental Health Services Program .....	10
Program Impact: Reducing Out-of-Home Placements .....	11
Figure 4. Out-of-home placements and reunifications since 2007.....	11
Figure 5. Out-of-home placements are very low compared to total enrollment .....	11
What Families Say About the Subsidy.....	12
Table 2. Survey respondents had similar demographics compared to all FSSP families .....	12
Figure 6. Families are least satisfied with the amount of the subsidy (%).....	13
Figure 7. Families reported positive impacts of subsidy on their lives (%).....	13
Figure 8. Families accessed many different services with their subsidy .....	14
Table 3. Families use the subsidy for different services by diagnosis .....	15
Figure 9. Services received from CMHSP not paid for with the subsidy.....	16
Families Leaving the Program .....	17
Figure 10. 1,909 families left the program in 2020.....	17
CMHSP Outreach Efforts.....	17
Figure 11. CMHSP reach out to many different types of organizations .....	18
Conclusions.....	19
Additional Parent Comments.....	20
Deep Gratitude and Appreciation .....	20
Specific Examples of How the Money Was Used .....	21
Comments Reflecting Growing Needs Relative to FSS Amount .....	22

---

# Family Support Subsidy Program

## History

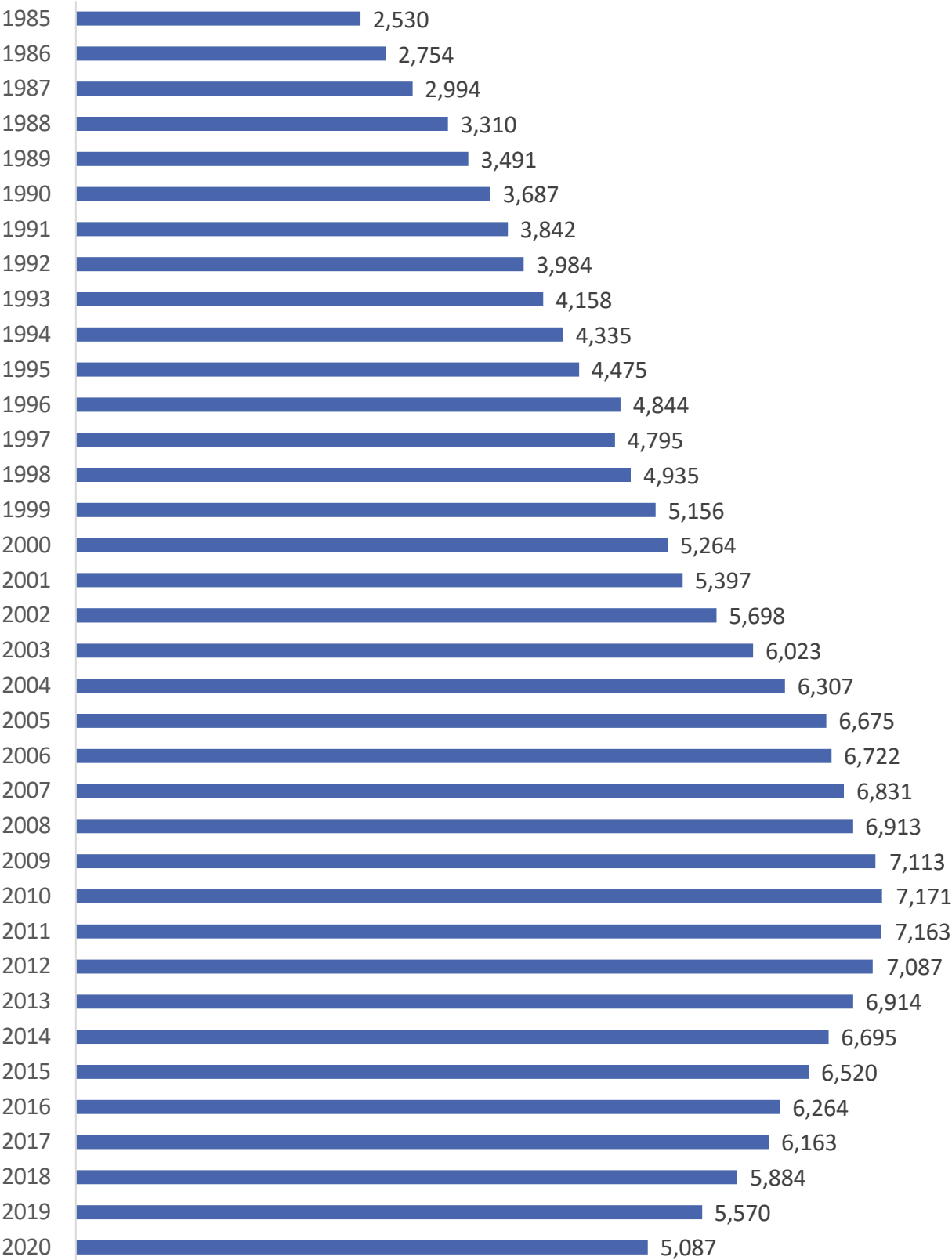
Supporting families is a priority of Michigan's public mental health system, as evidenced by the Family Support Subsidy Program (FSSP). Michigan's philosophy is that children with intellectual and developmental disabilities, like all children, need loving and enduring family relationships. The policy of the Michigan Department of Health and Human Services (MDHHS) is that children should be supported to live with their families. If 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 essentially 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 since 2011.

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 don't know what we would have done without it. I'm a single mom and raising 3 kids with autism and it is not easy. Without the subsidy we would probably go hungry towards the end of the month.*

~Parent from Ottawa County

The program is advertised on the MDHHS website at [www.Michigan.gov/MDHHS](http://www.Michigan.gov/MDHHS) (type *Family Support Subsidy Program* in the search box). 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

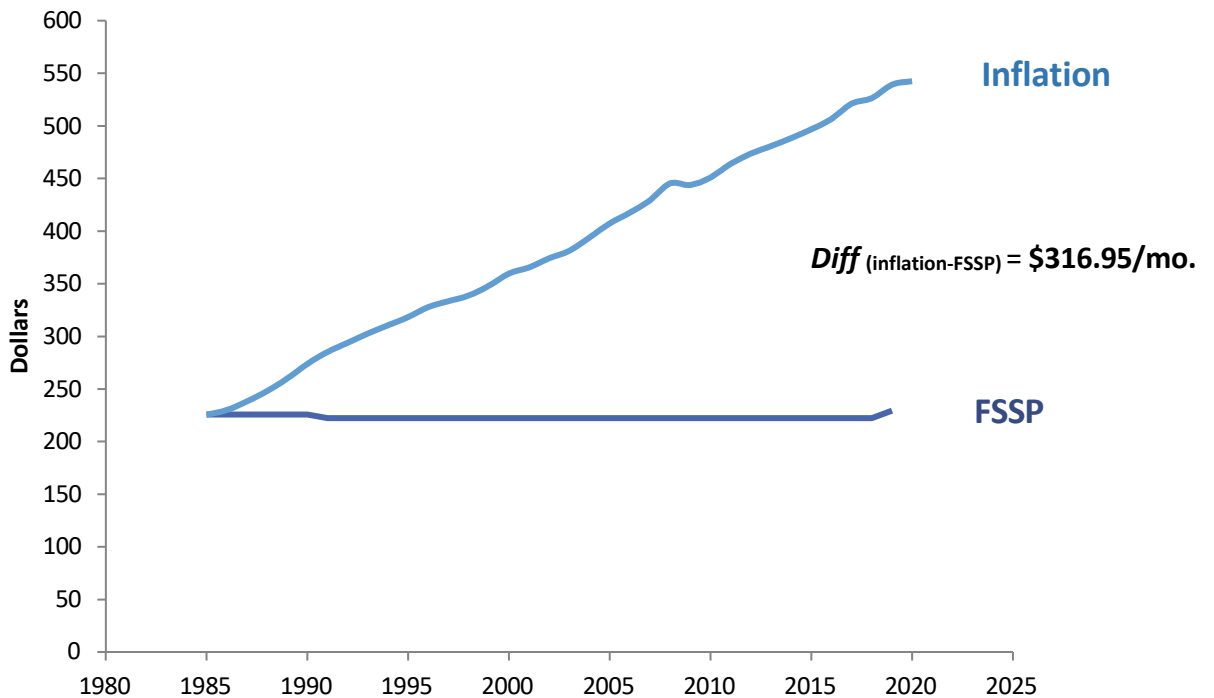
The subsidy is paid to the parent or legal guardian on behalf of the child. Checks are disbursed to families monthly. The subsidy income is not taxable, and families may use the subsidy for any purpose that helps them care for their child. Payments were \$229.31 per month in Fiscal Year 2020. The original payment in Fiscal Year 1985 was \$225.54. The MDHHS may decrease the amount after notifying the Governor and the House and Senate Appropriations Committees that 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 percent in one fiscal year without 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.

*There were times that without the subsidy we would not have been able to get to the store to purchase clothing or food needed at the time.*

~Parent from Sanilac County

In Fiscal Year 1991, payments were decreased to \$215.66 due to budget restrictions and then increased to \$222.11 per month, where it has remained for 27 years. The MDHHS budget conference committee workgroup from the Bureau of Budget Financial Operations Administration inquired about increasing the FSS amount for FY 2019. Effective October 1, 2018, the Family Support Subsidy increased the subsidy amount by \$7.20, bringing the monthly payment to \$229.31. The overall purchasing power of these dollars has declined over time (see Figure 2). In 2020, \$542.49 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 (\$783.00 in 2020).

Figure 2. Family Support Subsidy 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 2020, 5,087 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 (56.5 percent), male (74.7 percent), from the lowest income level (70.6 percent), and had autism spectrum disorder (76.0 percent).

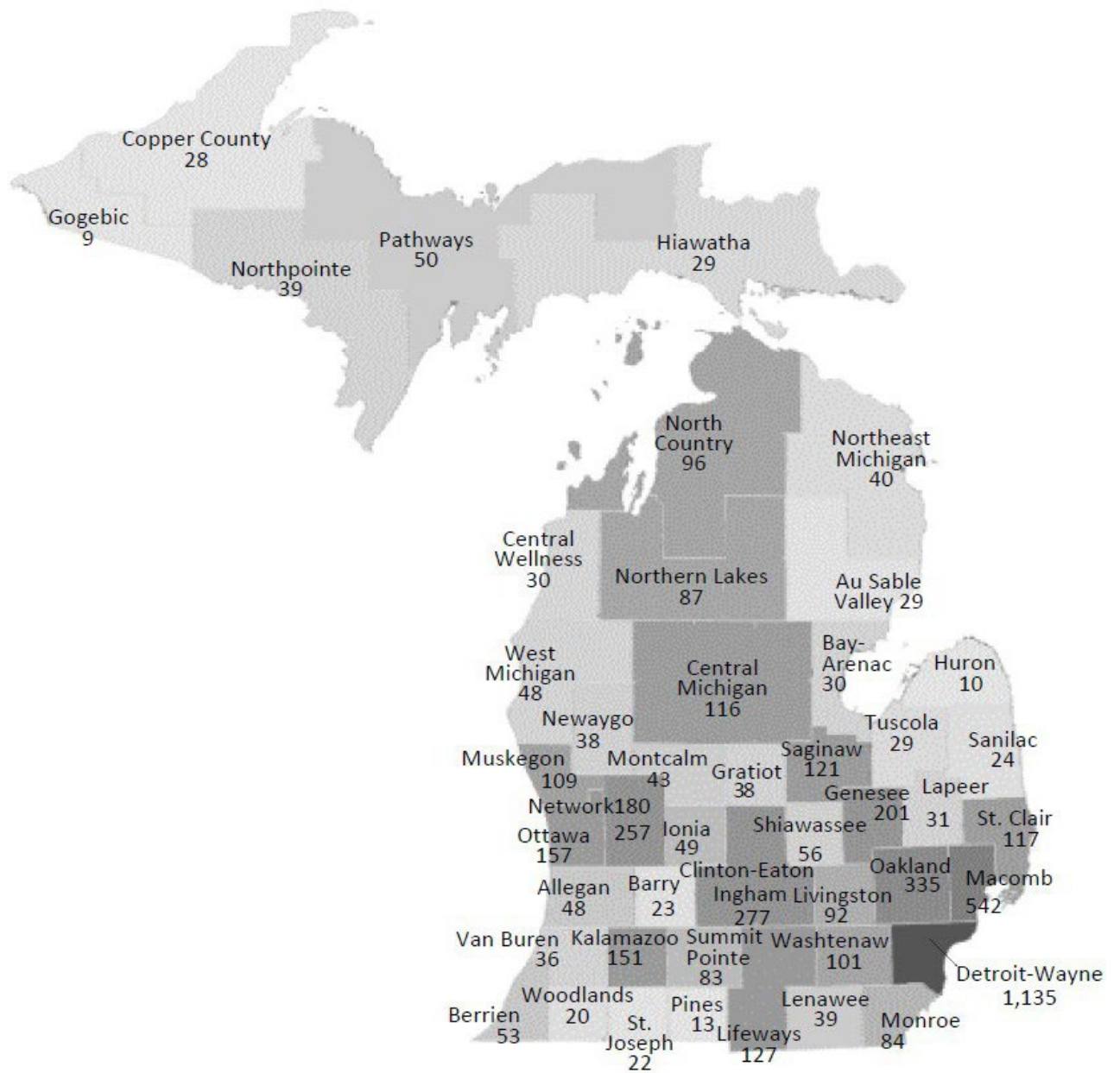
There has been noticeable growth in the proportion of children diagnosed with autism spectrum disorder, mirroring the increase in this diagnosis in the United States. According to the Michigan Department of Education, the number of students enrolled in Michigan schools who met eligibility as a student with autism spectrum disorder between the 2018-2019 school year (22,455) and the 2019-2020 school year (22,455), remained stable.<sup>1</sup> Figure 3 shows the geographic distribution of these families across the state, by CMHSP.

Table 1. Eligible children predominantly white, male, autistic and low income

Demographics	% Enrolled Families
<b>Educational Eligibility Category</b>	
Autism Spectrum Disorder	76.0
Severe Multiple Impairments	18.0
Cognitive Impairment	6.0
<b>Taxable Income Level</b>	
\$19,999 or less	70.6
\$20,000-\$44,999	23.2
\$45,000-\$60,000	6.2
<b>Gender</b>	
Male	74.7
Female	24.9
Unreported	0.4
<b>Age</b>	
0-3 years	2.7
4-6 years	12.6
7-9 years	22.2
10-12 years	22.1
13-15 years	22.7
16-18 years	17.7
<b>Race</b>	
White	56.5
Black or African American	24.4
Asian	2.0
American Indian or Alaska Native	0.6
Native Hawaiian or Pacific Islander	0.1
Other	4.2
Unknown	12.2

<sup>1</sup> For additional information go to: <https://www.mischooldata.org/historical-special-education-enrollment/>

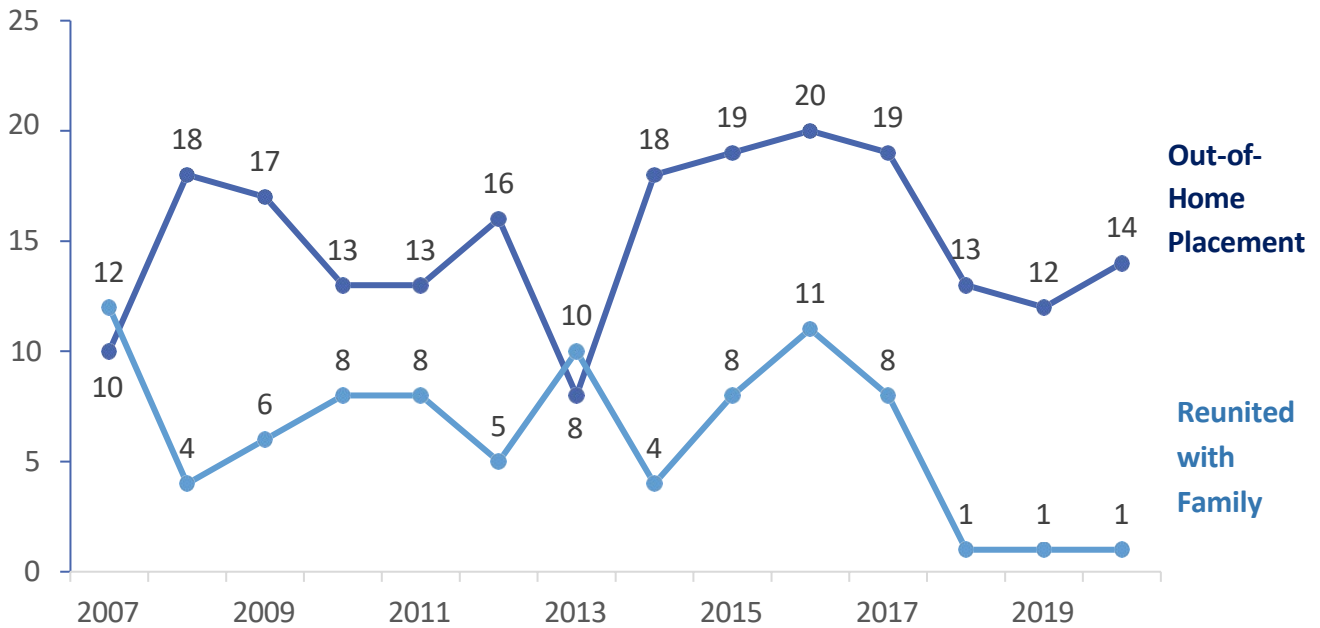
Figure 3. Total number of subsidy families by Community Mental Health Services Program



## Program Impact: Reducing Out-of-Home Placements

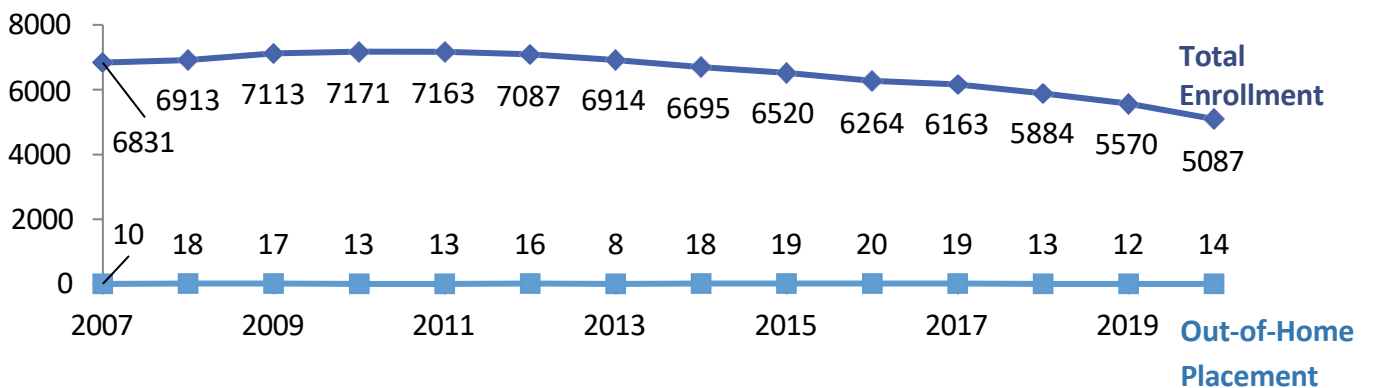
Follow-up at the end of the fiscal year indicated that 14 children (less than 0.5 percent of all children in the program) were placed out of home during Fiscal Year 2020. The number of children enrolled in the subsidy program who have been placed out-of-home has dropped from a high of 45 in Fiscal Year 1986. No families qualified for the one-time double subsidy payment (provided to assist in a child’s return to home from placement). One child went home to his/her family, after an absence, and did not return to the subsidy program. No children were adopted after having been enrolled in the subsidy program and then placed out-of-home. Figure 4 presents the number of children placed out of the home and those reunited with their families since 2007.

Figure 4. Out-of-home placements and reunifications since 2007



For perspective, Figure 5 shows these same numbers compared to total enrollment, illustrating the very small percentage (less than 0.5 percent 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 2020, 832 families responded to the annual family survey (16.4 percent response rate compared to last year 15.7 percent 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. Satisfaction rates are lowest for the amount of the subsidy with only 43.7 percent “Very Satisfied.”<sup>2</sup> Families do report being “Very Satisfied” with the application process (77.4 percent), information they received about the program (73.3 percent), and their overall experiences with the program (77.9 percent). 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 (59.3 percent), meet their family’s needs (55.3 percent), and be able to care for their child (52.4 percent). Parallel to lower satisfaction rates with subsidy amount, families report the least impact of the subsidy on reducing stress (44.6 percent) and easing financial worries (43.2 percent).<sup>3</sup> One family indicated that their child returned home from an out-of-home placement within the year; however the subsidy did not influence that decision.

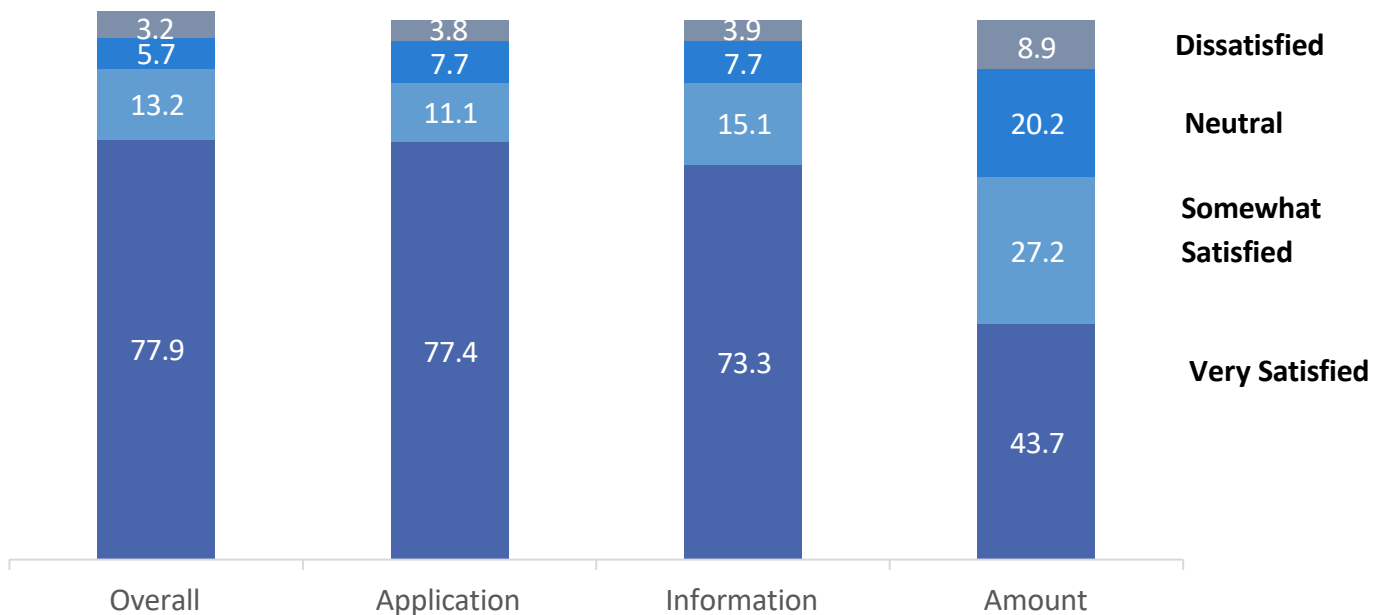
Table 2. Survey respondents had similar demographics compared to all FSSP families

Demographics	% Survey Respondents
<b>Educational Eligibility Category</b>	
Autism Spectrum Disorder	74.4
Severe Multiple Impairments	18.0
Cognitive Impairment	7.5
Unreported	0.1
<b>Time in Program</b>	
1-12 months	13.5
13-24 months	13.2
More than 24 months	72.6
Unreported	0.7
<b>Gender</b>	
Male	72.0
Female	25.6
Unreported	2.4
<b>Taxable Income Level</b>	
\$19,999 or less	52.4
\$20,000-\$44,999	32.6
\$45,000-\$60,000	11.3
> \$60,000	1.0
Unreported	2.7
<b>Race/Ethnicity</b>	
White	61.4
Black/African American	16.7
Asian/Pacific Islander	1.2
American Indian/Alaska Native	1.0
Hispanic	7.6
Multi-racial or other	9.5
Unreported	2.6

<sup>2</sup> Figure 6 reports valid percent (not including % missing). Ns range from 826-831.

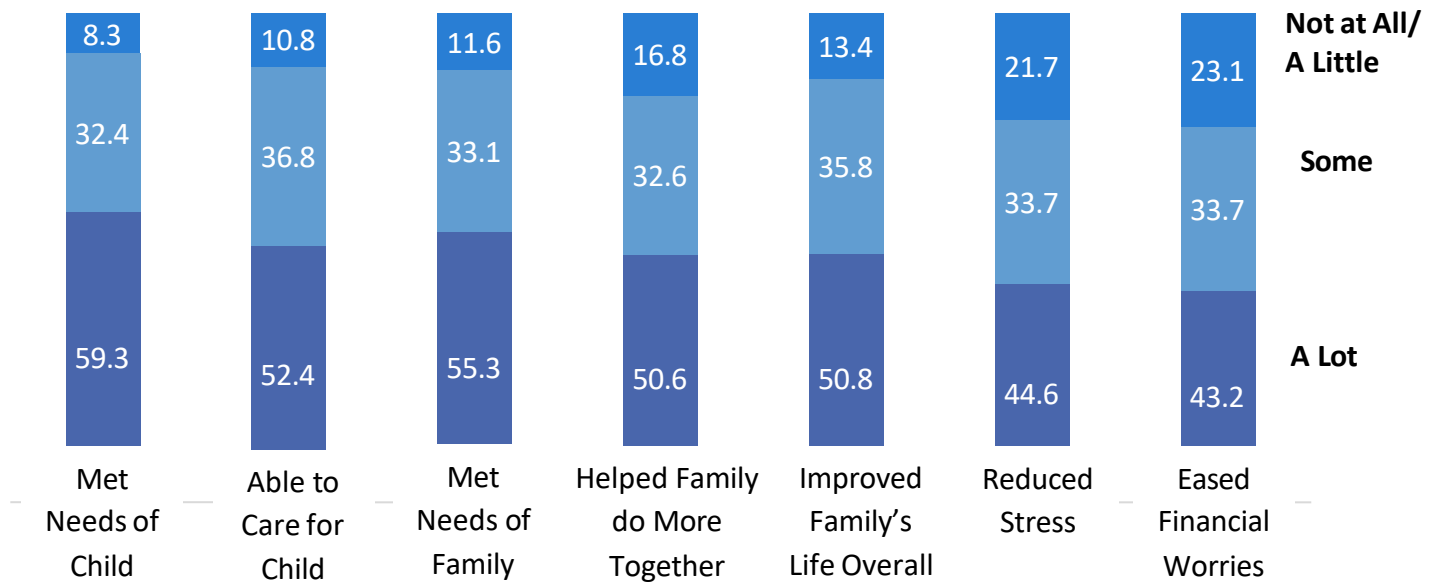
<sup>3</sup> Figure 7 reports valid percent (not including % missing). Ns range from 825-828.

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



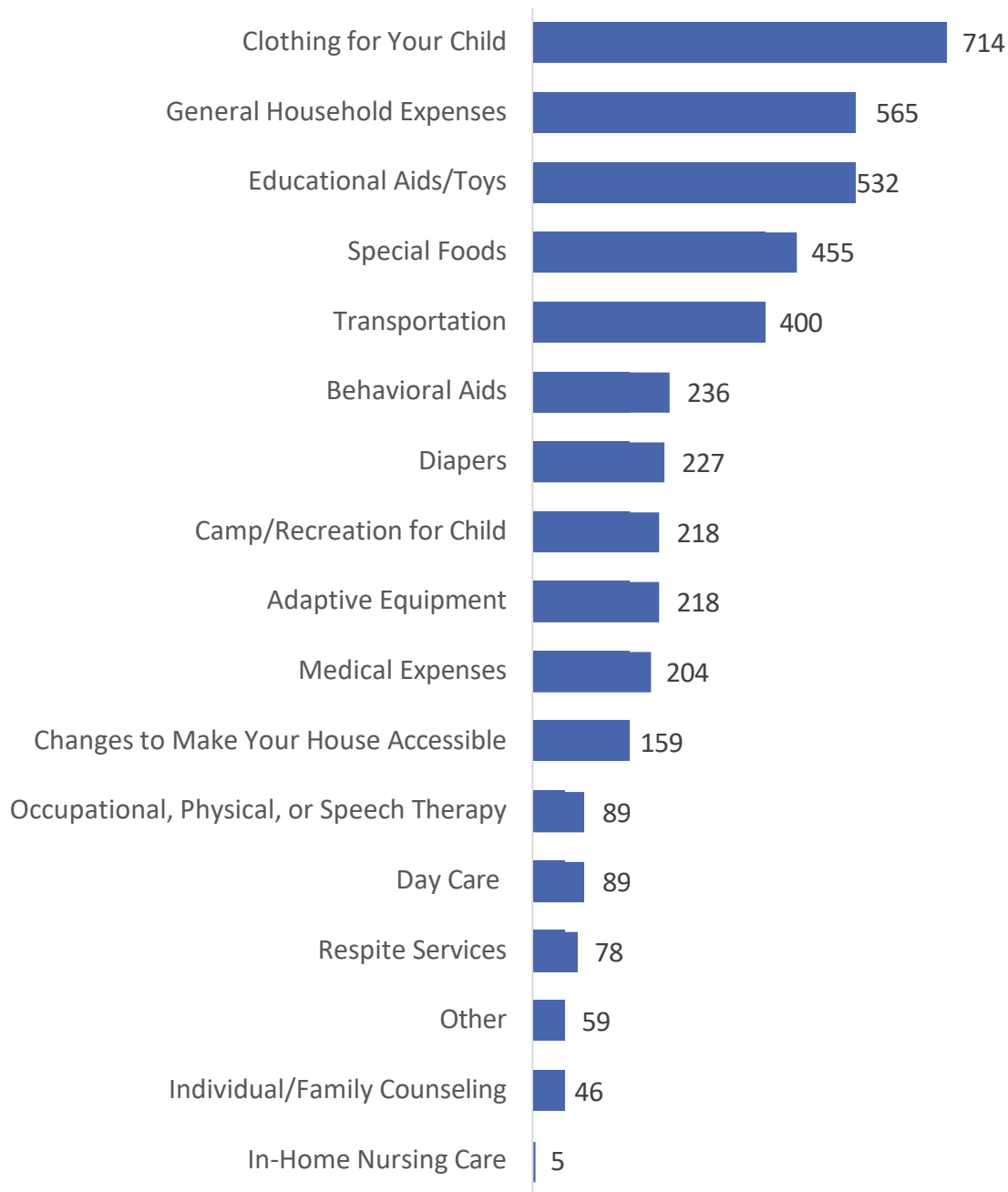
The subsidy had a moderate impact on achieving a better quality of life, reducing overall stress, or easing financial worries. Average satisfaction and impact scores were calculated and used to compare ratings across different family demographic characteristics. Average satisfaction and impact scores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

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



Families report many uses of the subsidy over the past year (see Figure 8). Families reported using their subsidy for an average of five different services (ranging from 0 to 13 services reported).

Figure 8. Families accessed many different services with their subsidy



Given the growing number of subsidy children diagnosed with autism spectrum disorder (see Table 1, page 9), 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 those services found to be significantly different by group are reported.<sup>4</sup> Children with autism spectrum disorder were more in need of a wider range of services, including behavioral aids, accessibility, 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 day care and adaptive equipment (highlighted in bold in Table 3 for each diagnosis).

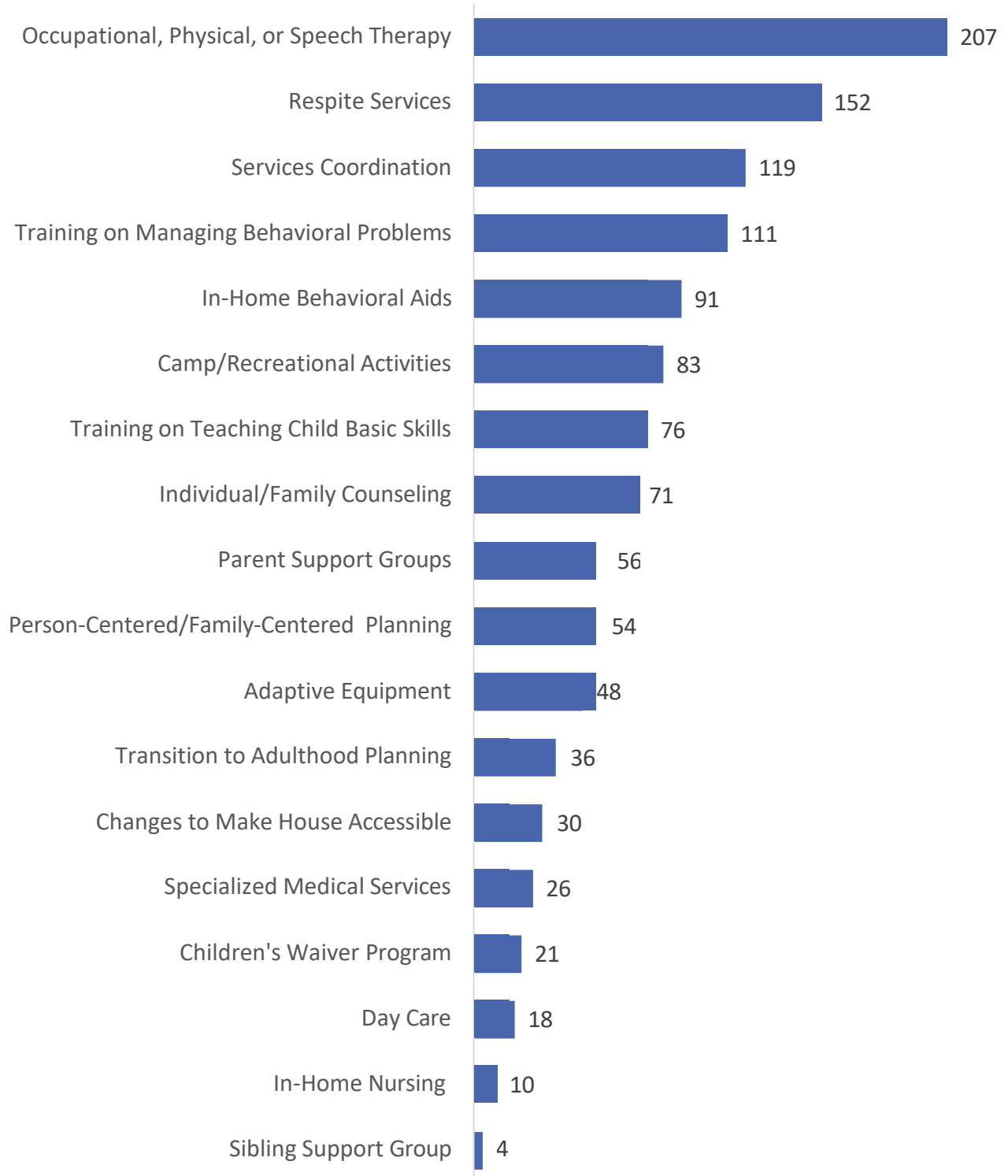
Table 3. Families use the subsidy for different services by diagnosis

Service	Autism Spectrum Disorder	Severe Multiple Impairments or Cognitive Impairment
Day Care	9.0%	15.6%
Adaptive equipment	23.4%	34.4%
Behavioral aides	32.3%	17.0%
Make house more accessible	25.9%	16.8%
Special Foods	58.2%	44.3%

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 that 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 (66.0 percent of families), day care for children with disabilities (59.2 percent of families), respite services (45.8 percent of families), and planning for transition to adult services (45.6) were listed as the top four unmet needs. However, overall, few families (less than 1 percent) designated anything as an unmet need suggesting that families were accessing the services they needed.

<sup>4</sup> 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





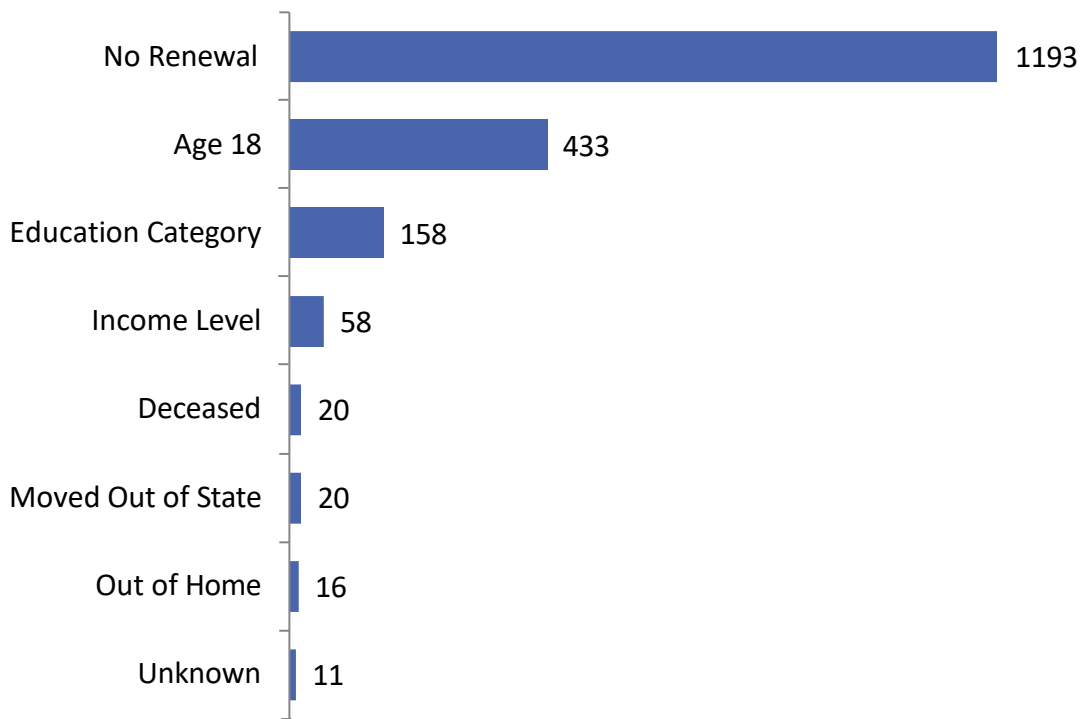
Finally, families were asked to provide feedback about the program which focused on four main themes (specific parent comments organized around these themes are available on page 20):

- 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 2020, 1,909 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 (62.5 percent), followed by children turning 18 years old (22.7 percent).

Figure 10. 1,909 families left the program in 2020

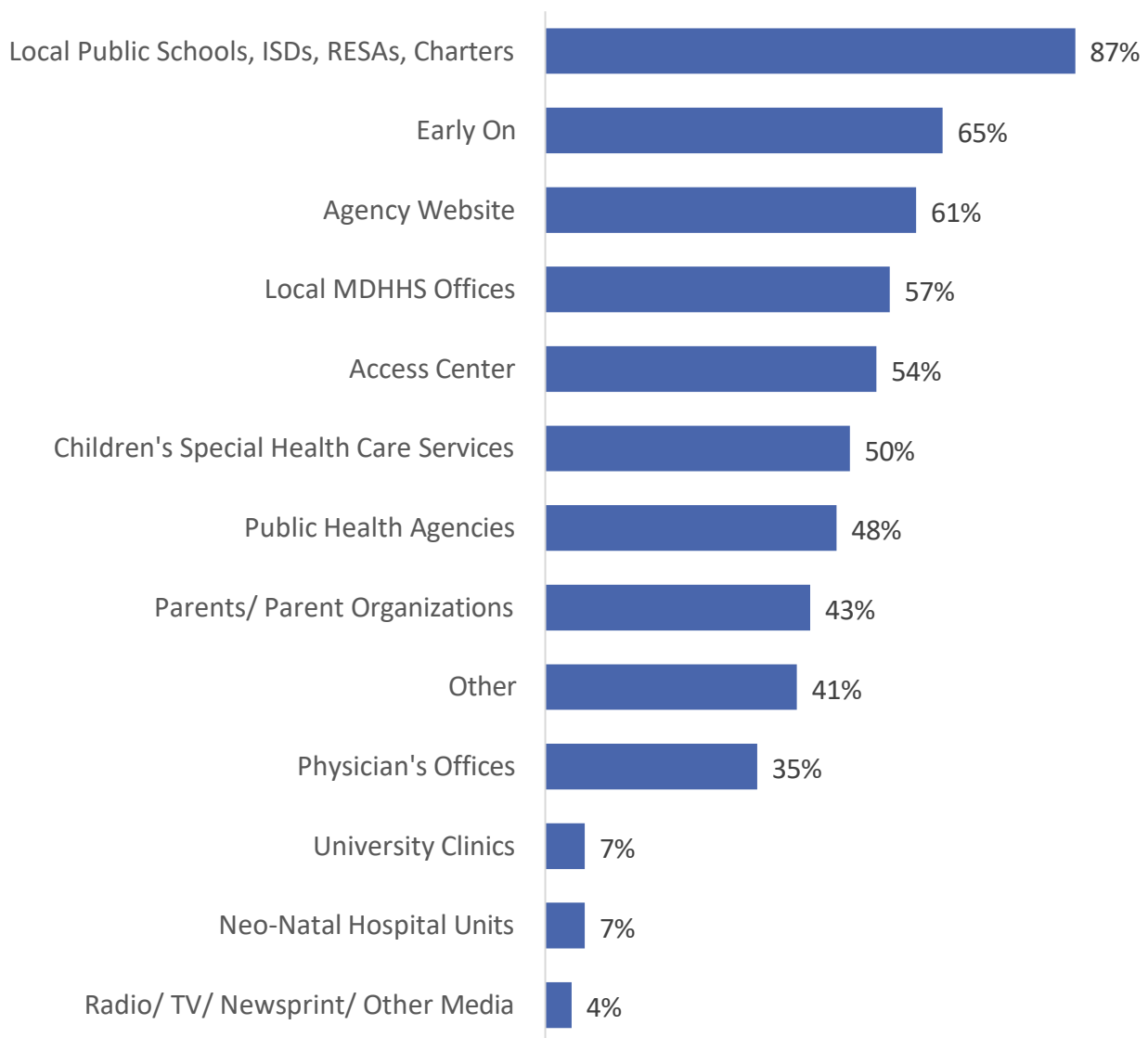


## CMHSP Outreach Efforts

Outreach efforts to encourage program participation were reported by all 46 CMHSPs for Fiscal Year 2020. Agencies reached out to an average of 5.2 organizations (range from 1 to 10). The majority (87 percent) direct efforts to local schools (see Figure 11). Most comments about program issues concerned confusion by parents regarding FSSP eligibility through their public school district, especially during the COVID-19 pandemic. Examples include children with autism spectrum disorder receiving applied behavioral analysis (ABA) therapy instead of educational programming through their public school district and children being diagnosed by a psychologist or physician outside of

the school system. 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). Although the former is an issue that has been consistently reported over the last five years, it is of note that there continues to be a gap in communication between local school district and CMHSPs working in the respective region. CMHSPs must receive documentation to process FSS applications; however the process is typically delayed due to not having reliable contacts within schools. This in turn can significantly delay the initial FSS payment to families which can negatively impact the dynamics between CMHSPs and families applying for the FSS (for direct parent quotes, see the Additional Parent Comments section on page 20).

Figure 11. CMHSP 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 provide 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 0.5 percent of all subsidy children.
- Families report high satisfaction with the subsidy overall. Families are satisfied with the application process (77.4 percent), information received (73.3 percent), and overall experiences with the program (77.9 percent). Most families reported that the subsidy supported their quality of life and ability to care for their child, and assisted them 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 aides 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 \$222.11 to 229.31 in FY2019, an increase that has not occurred since 1991. If the original payment of \$225.54 in Fiscal Year 1985 had kept up with inflation, families would be receiving \$542.49 in 2020 to cover the same expenses. Families report lowest satisfaction levels with the amount of the subsidy, with less than 50 percent of families reporting the subsidy helps ease financial worries or reduces stress substantially. It should be noted that 70.6 percent of families receiving the subsidy have a taxable income of \$19,999 or less.

---

# Additional Parent Comments

## Deep Gratitude and Appreciation

Since my child has received subsidy payments, I have enough in the middle of the month to buy things for my son. I have bought many things for my son with this help, I feel very blessed.

*Kent County*

The extra income helped us get out and experience more.

*Saginaw County*

I lost my job, and the money bought our food every month.

*Ottawa County*

I'm learning of things that can help with everyday tasks. Without this I don't believe I would be able to get them, so I am very thankful to have heard of this service.

*Shiawassee County*

Ever since my family got in the program, the subsidy helps with the extras that were needed for my family.

*Kent County*

We are a single-family income, and that income is part-time. The subsidy is helping me to be able to spend time with my daughter instead of working full time and not see her very much at all. Thank you!

*Ingham County*

This is really the only way we get help. We are offered and or qualify for different sources of help, but it isn't available for some reason. I cannot even begin to explain the trauma and mental breakdowns my son and I have endured.

*Grand Traverse County*

Because we do not qualify for food assistance, the subsidy has helped put food on our table. We are a family of 6, I am a stay-at-home Mom because of my daughter's disabilities and not being able to work to care for her puts a huge strain on our pocketbook.

*Kent County*

Knowing this funding is available is so nice. Throughout the past few years, it has helped to provide special aids and accessories that are up to date or new. It is so nice to have it to rely on in times of struggles. Shoes have always been a struggle, and this subsidy has helped provide them. So grateful! Makes stressful times a bit easier. Thank you!

*Gratiot County*

## Specific Examples of How the Money Was Used

The subsidy allows my son to attend music classes during the fall and winter months. These lessons are provided through the Wayne State Community Music School. The classes are individual, and they help him to focus.

*Wayne County*

My child also suffers from depression and doesn't like to leave his room but likes music. It helped me get him a used guitar to learn to play and lessons. I've noticed he loves to play, and it helps me afford lessons once a week. Thank you!

*Oakland County*

Helped our family afford gas to go to appointments. Helped with aiding behavior therapy with positive reinforcers.

*Hillsdale County*

This past summer we put him in summer camp which he had a lot of fun and educational. We pay with the help of subsidy support. Thanks.

*Washtenaw County*

Helped my child with special accommodations such as sensory items and helped us (the parents) with some of the financial burdens of gas prices when transporting to and from appointments.

*Saginaw County*

The subsidy always helps with basic household expenses, transportation expenses, grooming, medical co-pays, summer camp fees and family activities such as the movies, skating, pumpkin patch, cider mill and a few school activities.

*Wayne County*

Subsidy has helped out a lot with transportation, being able to try things without worrying about the cost if it doesn't work out (Legoland). It has helped with things for school, clothes, food, special needs items like headphones.

*Oakland County*

Helps to provide a babysitter so we can get a break and helps my son get to go out and enjoy more activities.

*Jackson County*

There was a camp held this past summer my child attended that offered ABA therapy. Due to my insurance not covering this type of therapy, I was able to use this subsidy to pay for services which helped my child tremendously. Thank you!

*Oakland County*

We purchased a wagon and took our son on a family vacation to Yellowstone. The wagon helped us keep him safe as he likes to escape and was also a security blanket that helped him stay calm in crowds.

*Crawford County*

## Comments Reflecting Growing Needs Relative to FSS Amount

First, let me start off saying that I am thankful for the subsidy; however, the amount is not enough to make major changes for my family and my child. But it has helped at times. But I always have to add to it. It would be nice if I could receive at least \$350 for school clothes, boots, and gym shoes, then I can buy a decent coat and more.

*Oakland County*

I have 2 small kids with disabilities. Because of this unfortunate situation, my wife is unable to pursue a career because of the in-home therapy services. The FSS program does help in with covering part of the income which she is unable to generate.

*Oakland County*

I appreciate any, and all help with the extra expenses I have, as a result of raising a child with extensive needs. Unfortunately, the subsidy money is only a drop in the bucket of the extra costs, but it is still helpful!

*Iosco County*

FSS is the only assistance my son is receiving. My wife and I both work as much as possible, and we miss a lot of work as one of us has to be with my son full time. There is very little help in the state for families like us who are raising a special needs child and are trying to continue working. We were told by state agencies to not get married and for me to quit my job to manipulate the system to get more help like everyone else does. It is sad that it takes that to get help.

*St. Joseph County*

The subsidy has helped me with my child's medical expenses but I feel like families are still struggling because the subsidy is not enough so the governor and the legislators should increase the subsidy amount for my family and other families!

*Oakland County*

The subsidy is helpful, and I don't want to sound ungrateful, it is just that it's not helping us get out of the struggle we are in.

*Kent County*

---

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.