



# Family Support Subsidy Annual Report

Fiscal Year 2022: Oct. 1, 2021-Sept. 30, 2022



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# Family Support Subsidy Program

## History

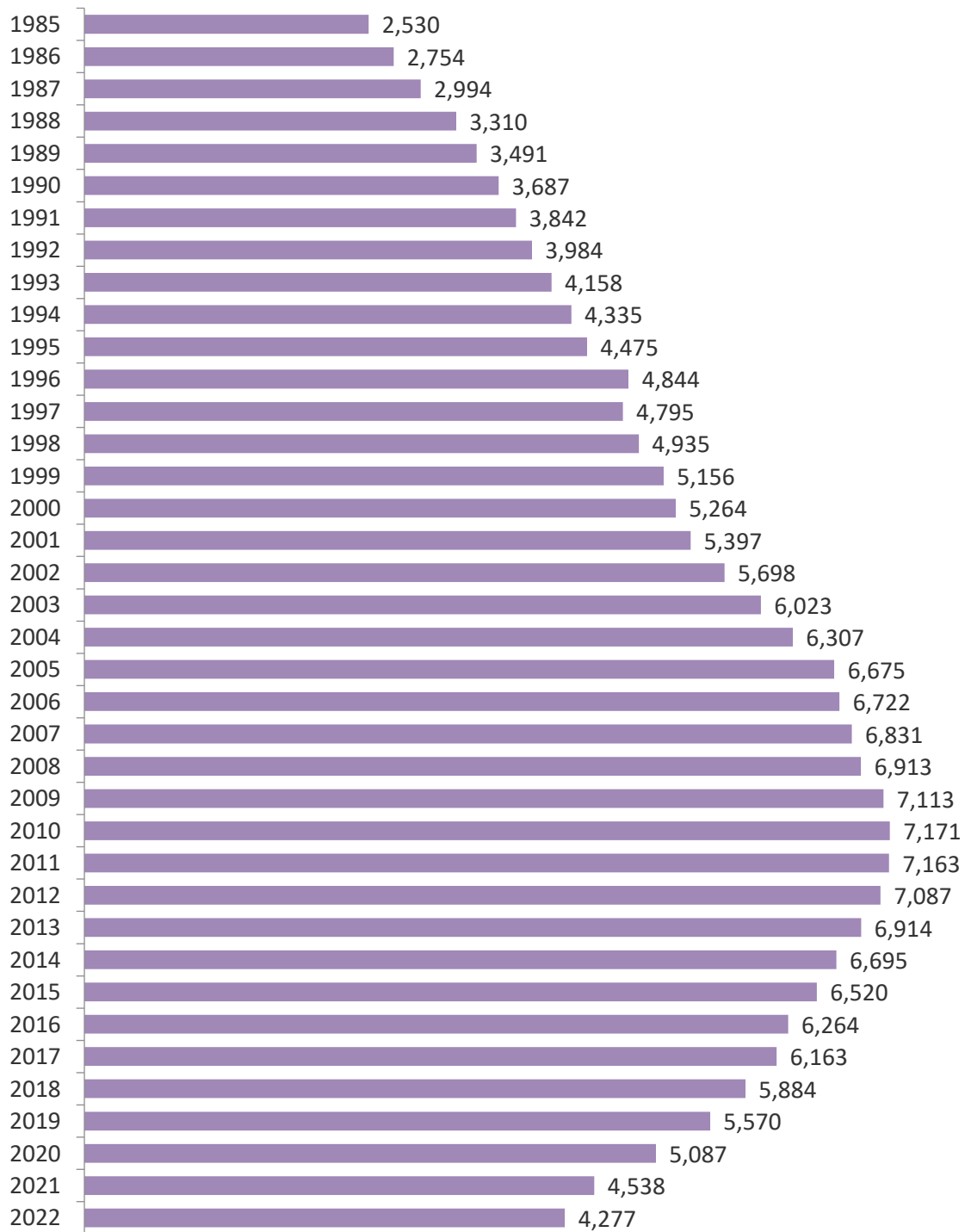
Supporting families is a priority of Michigan's public mental health system, as evidenced by the Family Support Subsidy Program (FSSP). Michigan's philosophy is that children with intellectual and developmental disabilities, like all children, need loving and enduring family relationships. The policy 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 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.

*Thank you very much! The added funds from this program allow us to go shopping and to community outings that were not possible before. We are still limited but are doing more than we were before the program.*

Parent from Clare

The program is advertised on the MDHHS website: [michigan.gov/mdhhs/keep-mi-healthy/mentalhealth/mentalhealth/childrenandfamilies/fssp](https://michigan.gov/mdhhs/keep-mi-healthy/mentalhealth/mentalhealth/childrenandfamilies/fssp). 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<sup>®</sup>, 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 since the program uses this number as an identifier. 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 determine current eligibility for the program.

## Subsidy Payments

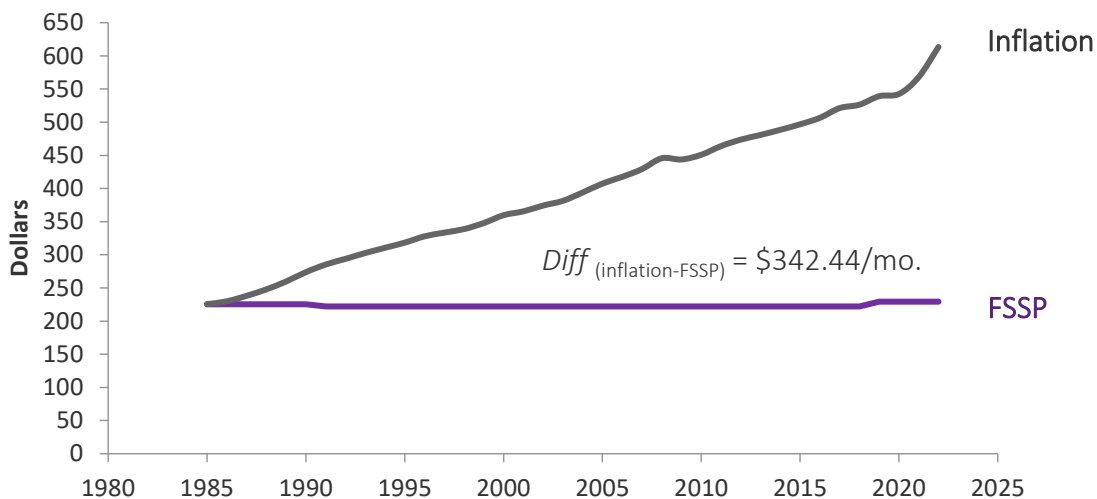


The subsidy is paid to the parent or legal guardian on behalf of the child. Checks are disbursed to families monthly. The subsidy income is not taxable, and families may use the subsidy for any purpose that helps them care for their child. Payments were \$229.31 per month in Fiscal Year 2022.<sup>1</sup>

The original payment in Fiscal Year 1985 was \$225.54. The department (MDHHS) may decrease the amount after notifying the governor and the House and Senate Appropriations Committees those 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 were 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 Health Policy and Human Services increased the FSS amount by \$7.20, bringing the monthly payment to \$229.31 for FY2019. The overall purchasing power of these dollars has declined over time (see Figure 2). In 2022, \$613.43 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 (\$841 in 2022).

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



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

<sup>1</sup> Rate increase effective 10/01/2022 to \$300.36

## 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 2022, 4, 277 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 (55.7%), male (73.6%), from the lowest income level (69%), and had autism spectrum disorder (97.3%).

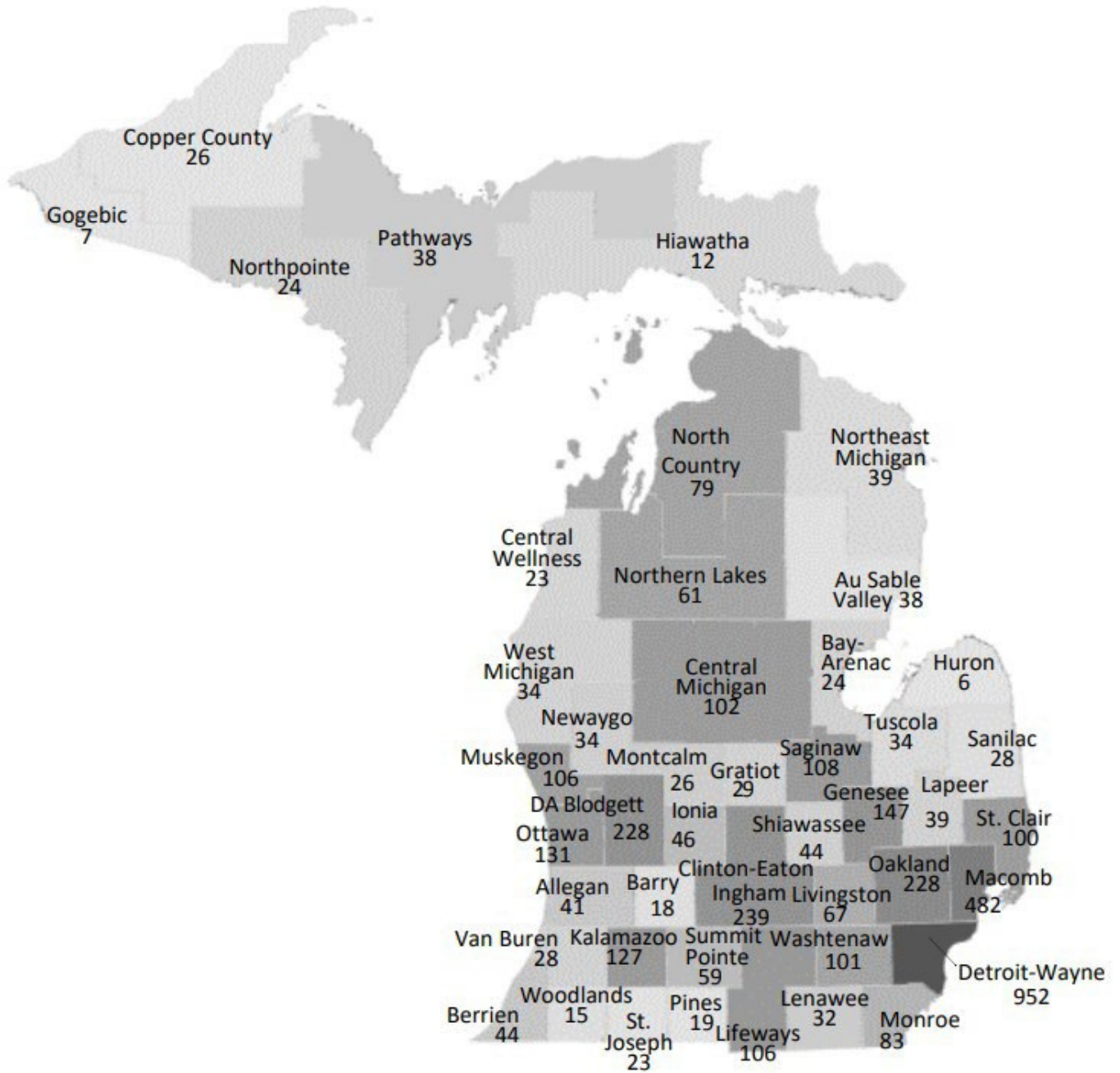
There has been noticeable growth in the proportion of children diagnosed with autism spectrum disorder by the public schools multidisciplinary evaluation team (MET), mirroring the increase in this diagnosis in the United States. However, according to the Michigan Department of Education, the number of students enrolled in Michigan schools who met eligibility as a student with autism spectrum disorder between the 2019-2020 school year (22,455) and the 2020-2021 school year (22,165), slightly decreased for the first time in decades.<sup>2</sup> This decrease in enrollment may be attributed to factors related to COVID-19 mandates in schools, such as sensory sensitivities to wearing a mask. In 2021-2022, there was a significant increase in enrollment (23,092). Figure 3 shows the geographic distribution of these families across the state, by CMHSP.

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

Demographics	% Enrolled Families
Educational Eligibility Category	
Autism Spectrum Disorder	97.3
Severe Multiple Impairments	2.3
Cognitive Impairment	0.4
Taxable Income Level	
\$19,999 or less	69.0
\$20,000-\$44,999	25.2
\$45,000-\$60,000	5.8
Gender	
Male	73.6
Female	25.9
Unknown	0.5
Age	
0-3 years	13.2
4-6 years	23.2
7-9 years	21.1
10-12 years	18.4
13-15 years	14.5
16-18 years	9.6
Race	
White	55.7
Black or African American	23.6
Asian	2.1
Native American or Alaska Native	0.5
Native Hawaiian or Pacific Islander	0.1
Other	3.9
Unknown	14.1

<sup>2</sup>For additional information go to: [Mischooldata.org/historical-special-education-enrollment](https://mischooldata.org/historical-special-education-enrollment).

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



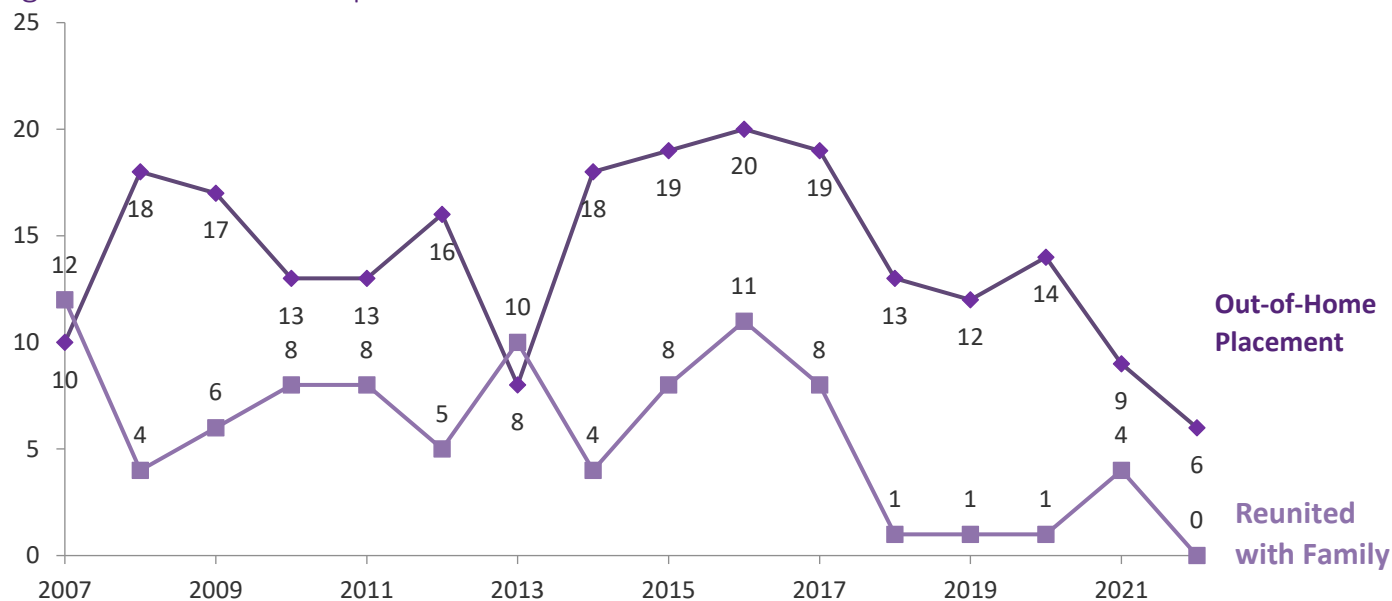
## Program Impact: Reducing Out-of-Home Placements



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 2022. 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

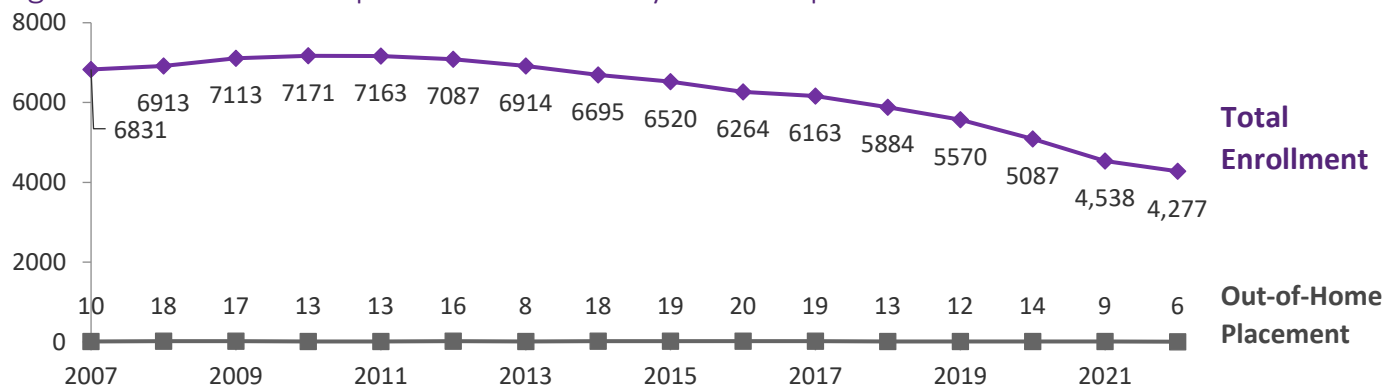
from placement). No children were adopted nor reunited with their families after being placed out-of-home. Figure 4 presents the number of children placed out of the home and those reunited with their families since 2007.

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 0.3% 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 2022, 528 families responded to the annual family survey (12.3% response rate compared to last year's 18.4% 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. Only 40.0% of the families report being "Very Satisfied"<sup>3</sup> with the amount of the subsidy making it the lowest satisfaction rates. Families do report being "Very Satisfied" with the application process (78.5%), information they received about the program (70.6%), and their overall experiences with the program (75.0%).

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 (55.4%), be able to care for their child (54.5%), meet their family's needs (54.2%), and both helped family do more together and improve their family's life overall (53.4 and 53.1%, respectively).

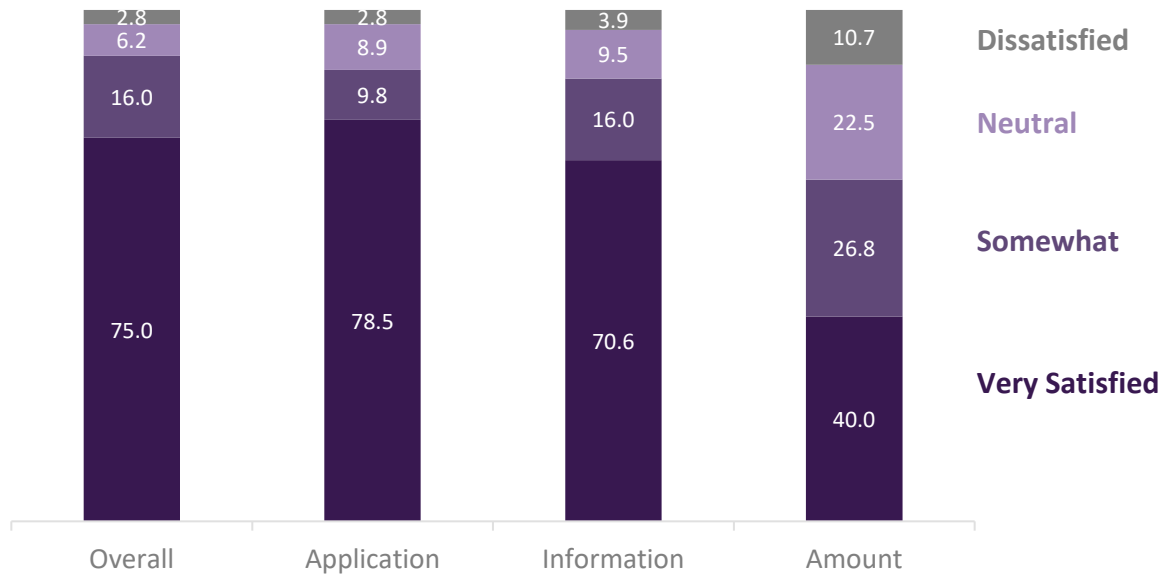
Table 2. Survey respondents had similar demographics compared to all FSSP families.

Demographics	% Survey Respondents
Educational Eligibility Category	
Autism Spectrum Disorder	73.2
Severe Multiple Impairments	13.1
Cognitive Impairment	13.1
Unknown	0.6
Time in Program	
1-12 months	11.9
13-24 months	10.1
More than 24 months	76.5
Unreported	1.5
Gender	
Male	74.7
Female	22.9
Non-binary	0.0
Unreported	2.4
Taxable Income Level	
\$19,999 or less	49.4
\$20,000-\$44,999	37.7
\$45,000-\$60,000	11.3
Above \$60,000	1.6
Race/Ethnicity	
White	73.2
Black or African American	9.1
Asian	0.3
Indigenous American or Alaska Native	1.9
Additional Race/Ethnicity	15.5

<sup>3</sup> Figure 6 reports valid percent (not including % missing). Numbers Range from 516-528.

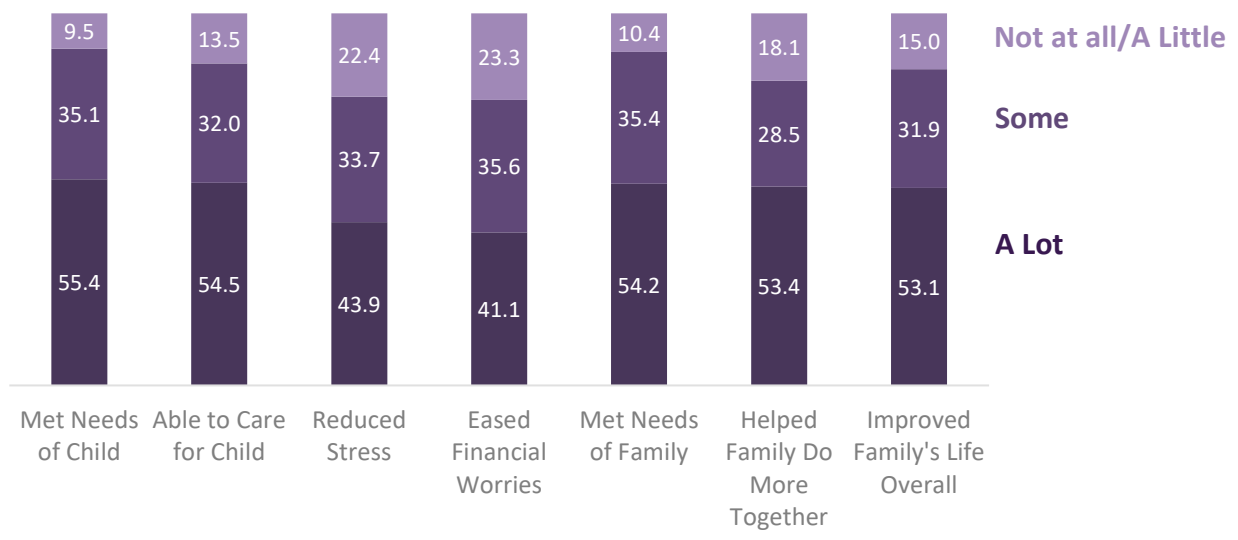
Parallel to lower satisfaction rates with subsidy amount, families report the least impact of the subsidy on easing financial worries (41.1%) and reducing stress (43.9%).<sup>4</sup>

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.

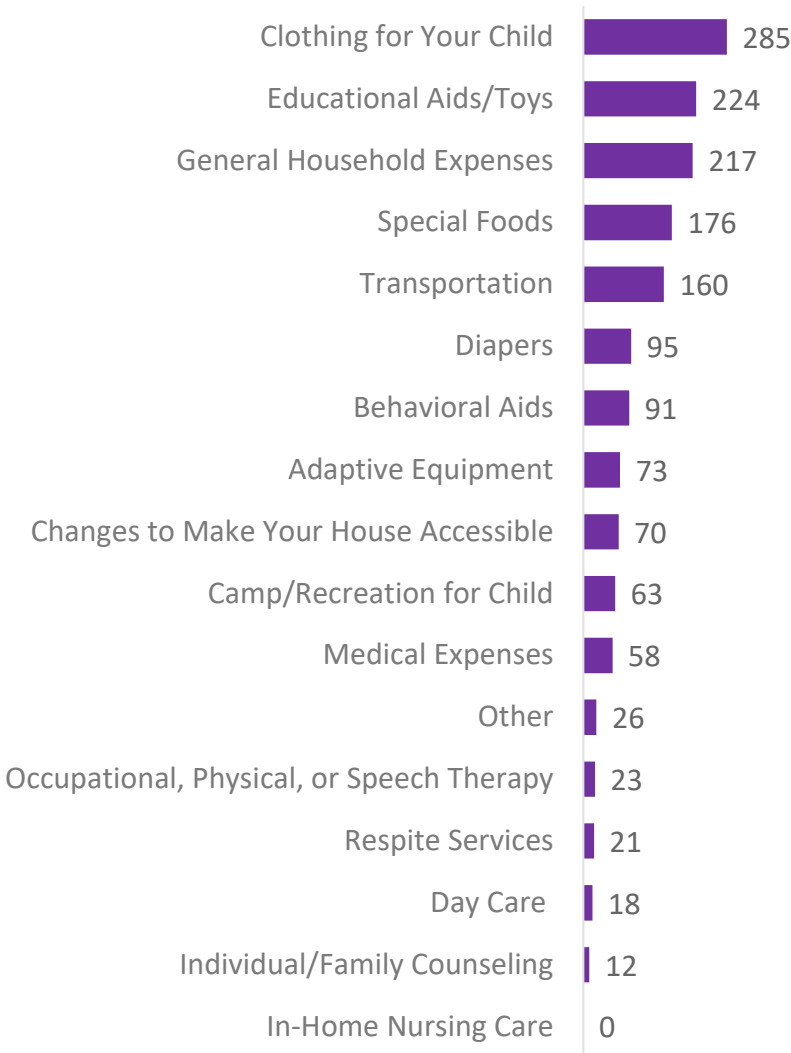
Figure 7. Families reported positive impacts of subsidy on their lives (%)



<sup>4</sup> Figure 7 reports valid percent (not including % missing). Numbers range from 525-528.

Over the past year, families reported many uses of the subsidy (see Figure 8). A few families reported using as many as 16 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 autism spectrum disorder (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 those 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.<sup>5</sup>

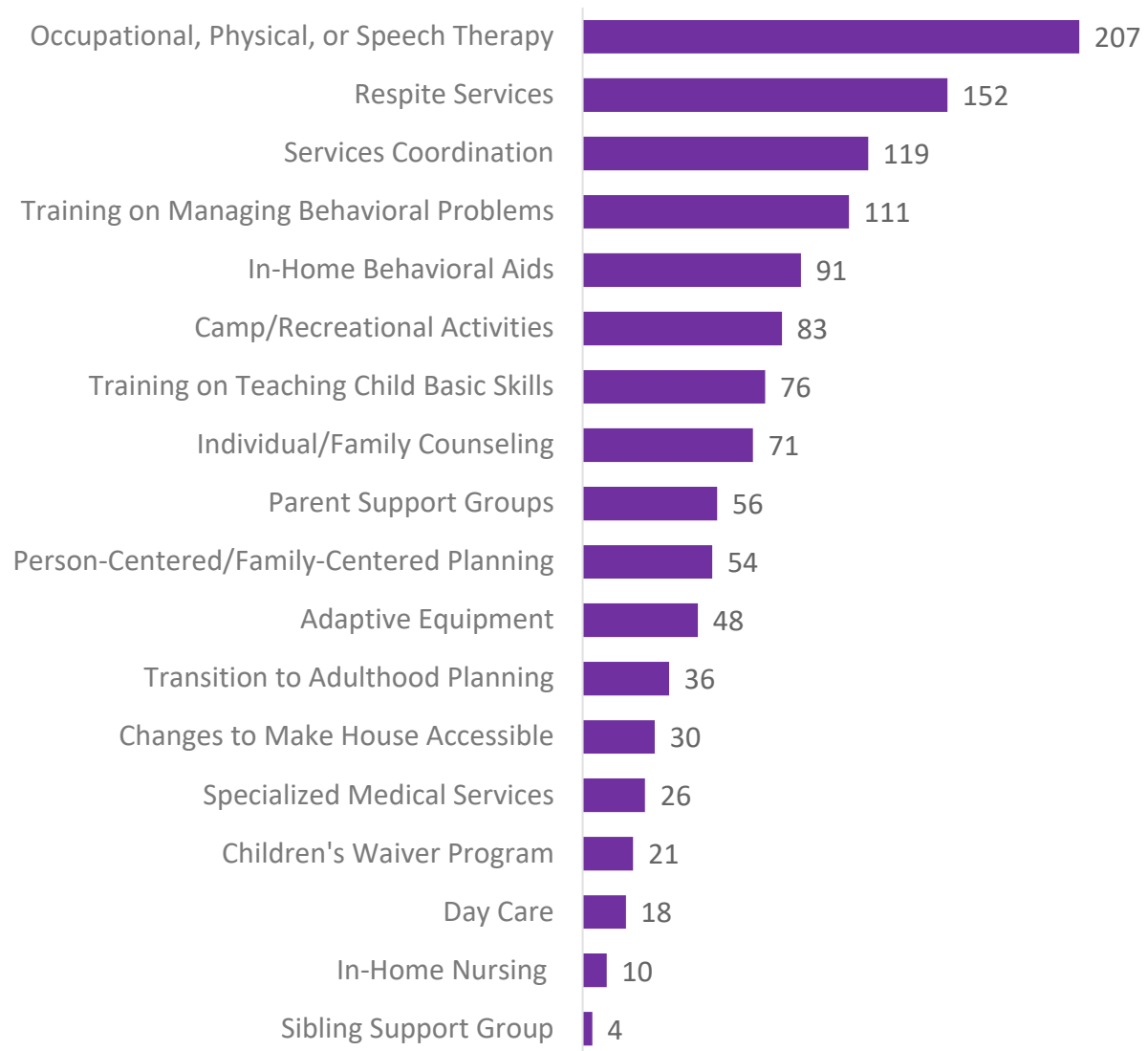
Service	Autism Spectrum Disorder	Severe Multiple Impairments or Cognitive Impairment
Adaptive equipment	18.3%	<b>34.6%</b>
Behavioral aides	<b>28.5%</b>	17.5%
Make house more accessible	25.8%	<b>40.2%</b>
Special Foods	<b>56.3%</b>	40.7%

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 (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.

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<sup>5</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



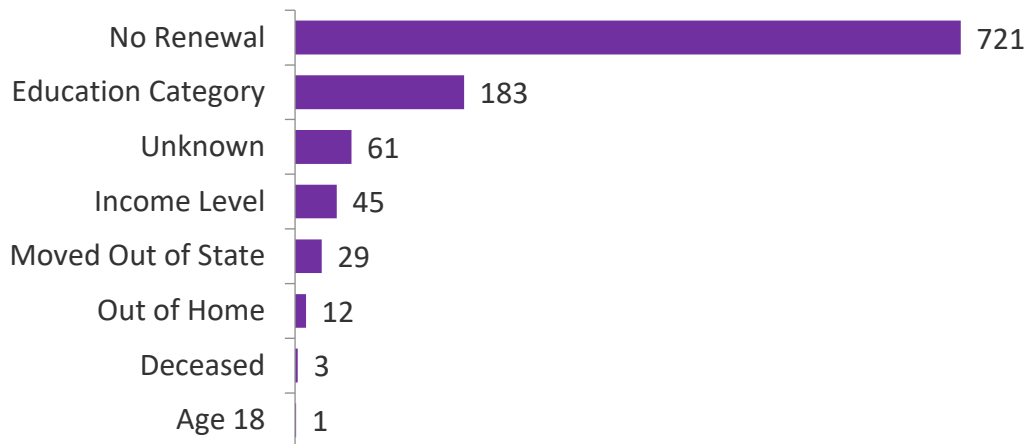
Finally, families were asked to provide feedback about the program which focused on three main themes (specific parent comments organized around these themes are available on page 17):

- 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 2022, 1,055 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 (68.3%), followed by a change in their education category (17.3%).

Figure 10. 1,055 families left the program in 2022.



### CMHSP Outreach Efforts

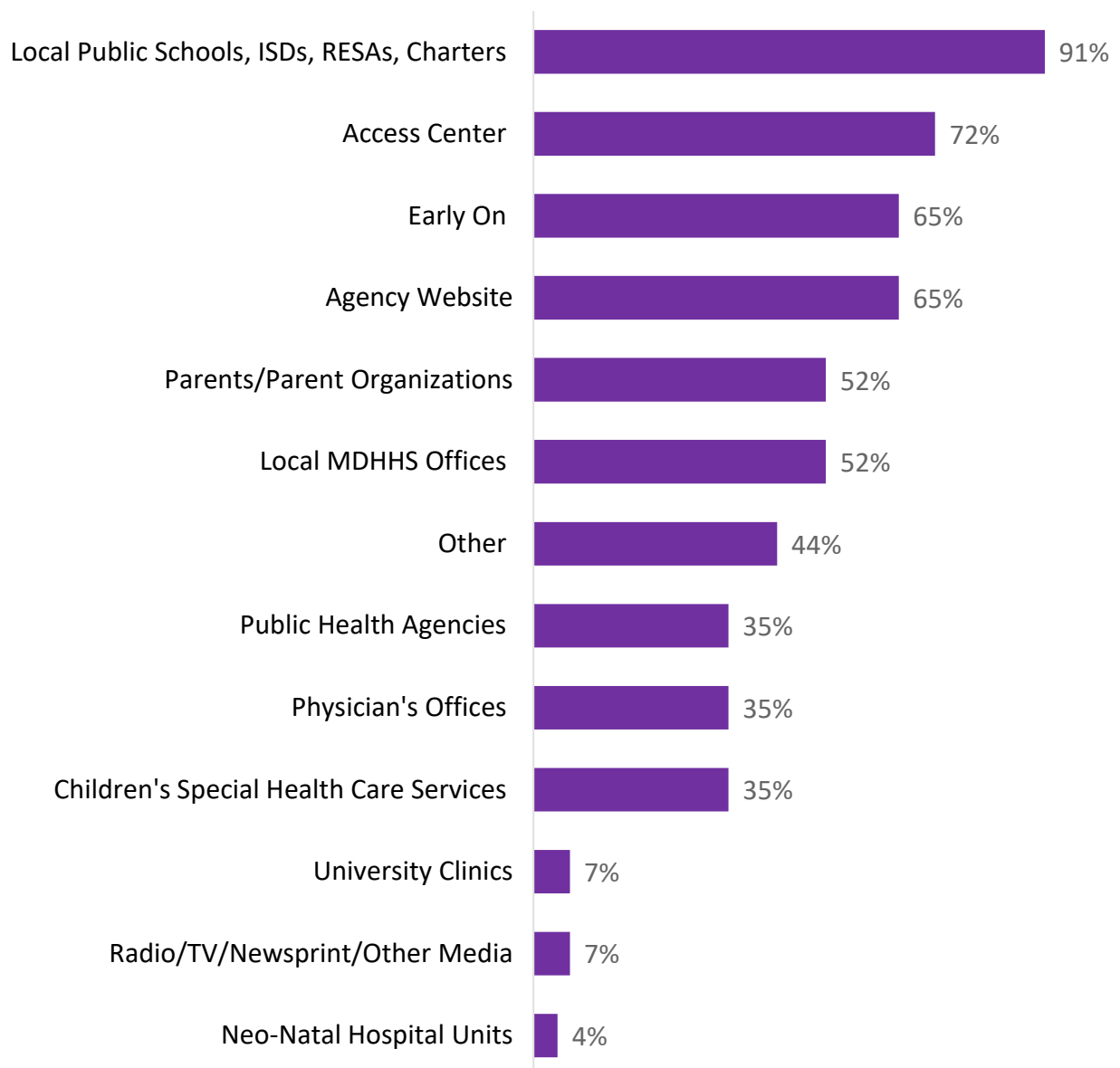
Outreach efforts to encourage program participation were reported by all 46 CMHSPs for Fiscal Year 2022. Agencies reached out to an average of 5.6 organizations (range from 1 to 12). The majority (86%) direct efforts to local schools (see Figure 11, on page 17). Most comments about program issues concerned confusion by parents regarding FSSP eligibility through their public school district. 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 six years, it is noteworthy that in the past it was due to a gap in communication between local school districts and CMHSPs working in the respective region. However, a gap in communication is not the only factor. Families think they are being forced to choose between the subsidy and what they think is the most beneficial assistance for their child.

*The biggest concern my families have mentioned as a barrier to being approved for the program is that once they choose ABA therapy instead of Special Education Services through their public school districts, then they are not eligible for the program. Many insist ABA is more beneficial to their children's development and feel they shouldn't be penalized for opting for what they consider a better option for their children.*

CMHSP

Per the Family Support Subsidy Act, CMHSPs are given the responsibility for 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 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 0.3% of all subsidy children.
- Families report high satisfaction with the subsidy overall. Families are satisfied with the application process (78.5%), information they received about the program (70.6%), and their overall experiences with the program (75.0%). 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 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, 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 FY1985 had kept up with inflation, families would be receiving \$613.43 in 2022 to cover the same expenses. Families report lowest satisfaction levels with the amount of the subsidy, with more than 40% of families reporting the subsidy helps ease financial worries or reduces stress substantially.

## Additional Parent Comments

### Deep Gratitude and Appreciation

In the last year and a half, it helped us move into our new home and free of mold. This has changed the way everybody feels and acts. It has been such a blessing to have the support that we need.

*Jackson  
County*

My son was in the hospital for 17 days. Without the subsidy I would not have been able to eat while he was there or afford gas to get to and from the hospital.

*Washenaw  
County*

Due to the lack of babysitters for children with special needs, this subsidy helps tremendously due to only being able to work very minimal.

*Wayne  
County*

The money has been so helpful to allow us to provide therapy and lessons for our children. While we are grateful for it, it is very expensive to raise a child with special needs. This money fills gaps, but I know many families who still struggle.

*Livingston  
County*

This payment helps to ease some of the burden of the financial costs associated with sensory disorder and non-verbal autism. Thank you!

*Midland  
County*

The subsidy has been very helpful this past year. I have two children with ASD and an older child with mental and behavioral health issues. Due to this, I am unable to work and the subsidy is a big help.

*St. Clair  
County*

My child is in a few different therapies and the subsidy has helped with gas costs to transport him. Childcare is also more expensive because of his special needs. This subsidy has helped us tremendously. Thank you.

*Macomb  
County*

This subsidy has helped with clothing and special foods for my child this past year. I am grateful for this subsidy because it has helped provide additional needed items for my child.

*Leelanau  
County*

My child was diagnosed in the beginning of 2021 with ASD. Caring for him started to get costly due to special diet, sensory toys, etc. To make sure I meet his needs, I applied for this subsidy. I started receiving payments and it took a burden off my finances and I am able to provide for my son's needs. Thank you so much.

*Wayne  
County*

## Specific Examples of How the Money Was Used

We were able to purchase an adaptive car seat so our child can be safe in the vehicle. We also have purchased a custom adaptive bike, which is so helpful for our child. Other travel, food, medial expenses for our child as well.	<i>Manistee County</i>
I used this subsidy for medical equipment for my child. I was able to set up automatic payments for his supplies, it made a lot of things easier.	<i>Wayne County</i>
Our family currently self transports for all services which is a two hour drive minimum. The money from the subsidy helps pay for the gas. Without the help we would not be able to afford transportation.	<i>Wayne County</i>
My child has been excelling in computer programs as a child with autism. So, for Christmas I was able to get him a computer to help him grow in that area.	<i>Charlevoix County</i>
The check allowed us as a family to travel to Illinois to see their grandparents that they haven't seen in years. We also were able to go to Halls Pumpkins and get pumpkins to decorate.	<i>Delta County</i>
My daughter needed a palate extender for all her teeth to come in and braces. The subsidy pays her monthly payment for her to have a beautiful smile. Her dental coverage does not cover orthodontics.	<i>St. Clair County</i>
We use the subsidy to buy vitamins and supplements that help keep him at his best! Just one of his supplements cost \$200/month. Without this subsidy I would have to stoop these supplements. They give him good qualify of life. Thank you so much.	<i>Lapeer County</i>
My son is learning to read because of this money! We use most of it to pay for a tutor that works with special needs kids. Without this extra help, he would not have made so much progress.	<i>Delta County</i>
We are able to live on our own. I am able to make sure he has clothes and for any alterations on them. We do educational field trips as a family.	<i>Midland County</i>
We were able to purchase adaptive equipment to assist his education and improve his ability to communicate.	<i>Kalamazoo County</i>
If it wasn't for this subsidy, my son wouldn't have the diapers he needs or the special sensory items he requires. When this check arrives it is the only time we get to go out and buy special education items too.	<i>Genessee County</i>

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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.