



STATE OF MICHIGAN

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
LANSING

GRETCHEN WHITMER  
GOVERNOR

ELIZABETH HERTEL  
DIRECTOR

**MEMORANDUM**

**DATE:** March 1, 2021

**TO:** Family Planning Coordinators

**FROM:** Deanna Charest, Manager *Deanna Charest*  
Women and Maternal Health Section

**SUBJECT:** 2021 DHHS Poverty Guidelines – FP-4-21

On January 15, 2021, the Department of Health and Human Services (HHS) published an update of the poverty guidelines as shown in the table below. Each agency must change their schedule of discounts accordingly to comply with these updated income guidelines.

According to the Michigan Department of Health and Human Services (MDHHS) Family Planning Standards and Guidelines, Section **8.4.2**, "A schedule of discounts **must** be developed for individuals with family income between 101% and 250% of the FPL to assure that services are billed based on ability to pay (42 CFR 59.5(a) (8)). MDHHS policy requires that the schedule of discounts **must** be developed with sufficient proportional increments to assure services are billed based on ability to pay. Sub-recipients **must** use the mandated quartile proportional increments that MDHHS distributes each year in developing their schedule of discounts. Sub-recipients may request and **must** receive an MDHHS-approved waiver to use other proportional increments.

If you have any concerns related to the implementation of the FY 2021 sliding fee scale and/or issues regarding its application, please contact your agency consultant: Darin McMillan at 517-335-8981, Quess Derman at 517-335-8696, or Jessica Hamel at 517-335-9263. Sliding fee scales are broken down by annual, monthly, and weekly incomes. The new sliding fee scales must be implemented by April 1, 2021.

Family Size	100% Poverty
1	\$12,880
2	17,420
3	21,960
4	26,500
5	31,040
6	35,580
7	40,120
8	44,660
For family units with more than 8 persons, add \$4,540 for each additional person.	