

MSH UPDATES FROM THE CAPITAL

May 16-29, 2026

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HAMILTON
Advocacy & Public Affairs

UPCOMING EVENTS

Friday, May 29th, 2026

2026 Last Day of the Mackinac Policy Conference (Legislature Returns Next Week)

\$370 MILLION OF WORK PROJECT FUNDS RETURNED TO GENERAL FUND IN WHITMER-HOUSE GOP SETTLEMENT

A settlement between Governor Whitmer and House Republicans has been reached regarding the over \$370 million in work project funds canceled by House Republicans last year. The settlement, which was resolved in the Michigan Court of Claims, removed the designated funds for all work projects and instead put them mostly back into the State's General Fund.

The litigation started when Attorney General Dana Nessel issued an opinion, at the request of Senate Democrats, that the original funding blockage was unconstitutional. After this opinion, Governor Whitmer directed the departments to spend the money as appropriated, causing House Republicans to sue in order to block the spending.

The ruling also upheld the rule that allowed a single appropriations committee to act alone in canceling the work project. However, Senate Democrats are interested in working on legislation that would ban this authority.

Both Republican House Speaker Matt Hall (Richland) and Democratic Senate Appropriations Chair Sarah Anthony (Lansing) claimed victory in their statements on the court's outcome. Hall pointed to the \$370.8 million returned to the General Fund as restoring budget flexibility, while Anthony emphasized that only \$370 million of the \$645 million total they had argued was blocked.

BLUE CROSS BLUE SHIELD AND MICHIGAN MEDICINE REACH INSURANCE AGREEMENT

Michigan Medicine and Blue Cross Blue Shield of Michigan (BCBSM) have finally reached an agreement after months of negotiations. Their current deal was set to expire on June 30, removing roughly 300,000 Michiganders from coverage at the health system. The two sides said they will continue working to finalize the details of the new five-year contract as the expiration date approaches.

Blue Cross Blue Shield of Michigan said rising health care costs and affordability concerns drove its position in negotiations with Michigan Medicine. The insurer argued it already reimburses Michigan Medicine at the highest rates in the state and could not agree to higher payments amid increasing medical and prescription drug costs.

Michigan Medicine, however, claimed it has been undercompensated for providing highly specialized and complex care, as well as for its research and innovation role. They also argued that its reimbursement rates from BCBSM are significantly lower than comparable Big Ten academic medical centers.

This comes after Michigan Medicine had already notified patients that BCBSM may no longer be accepted for services they provide, leading many patients to switch providers or delay services until the conflict has been resolved. Patients insured under BCBSM who remained with their Michigan Medicine care teams will no longer be faced to make such decisions.

DUGGAN DROPS OUT, BOARD OF STATE CANVASSERS REMOVES CANDIDATES FROM BALLOT

Two major pieces of election news emerged recently. Independent gubernatorial candidate and former Mayor of Detroit, Mike Duggan, announced he was bowing out of the race. Meanwhile, the Board of State Canvassers also determined that Republican gubernatorial candidate Ralph Rebandt and Democratic candidate Kim Thomas, as well as Republican U.S. Senate candidate Bernadtee Smith had all failed to meet the valid signature threshold required to remain on the August ballot.

Polls showed that Duggan had failed to gain any upward momentum in recent months, and he professed he no longer saw a path to victory. His independent candidacy had complicated this year's gubernatorial race and drew heavy criticism from both the Michigan Democratic and Republican parties.

While all three candidates disqualified by the Board of State Canvassers were considered longshot for their respective races, that didn't stop Rebandt and Thomas from speaking out against the Board's decision. The Board has also reviewed last minute challenges to the GOP Governor frontrunners John James and Perry Johnson, but both had enough valid signatures.

WHITMER SIGNS LEGISLATION PROVIDING FUNDING TO SELFRIDGE AIRBASE

Governor Whitmer recently signed legislation allocating \$152 million for infrastructure upgrades at Selfridge Air National Guard Base in preparation for a new mission. The signing ceremony took place at the 2026 Mackinac Policy Conference, where Whitmer thanked both President Biden and President Trump as well as lawmakers on both sides of the aisle for the effort.

The funding will be used for various upgrades, repairs, and construction projects such as runway improvements and new jet hangars. Whitmer and Brigadier General Daniel Kramer stressed the importance of the investment to both Macomb County and Michigan's broader economy and military future.