



STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

GRETCHEN WHITMER
GOVERNOR

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LT. GOVERNOR

EXECUTIVE DIRECTIVE

No. 2022-9

To: State Department Directors and Autonomous Agency Heads
From: Governor Gretchen Whitmer
Date: September 6, 2022
Re: Lowering Costs for Families with the Inflation Reduction Act

The Inflation Reduction Act (IRA) is commonsense legislation that will lower the cost of prescription drugs, health care, and energy, and create and protect millions of good-paying manufacturing jobs.

Michigan can use the IRA to get things done that make a real difference in people's lives. Building on work that is already underway, we can lower costs for families, expand opportunities for workers, protect our air and water, and make state government more efficient.

Michigan families need real relief right now as they face high prices on everyday essentials. Since I took office, my administration has worked across the aisle to lower the costs of child care, higher education and skills training, car insurance, health care, and prescription drugs.

I have also proposed cutting taxes, offering rebates, and increasing tax credits to put more money in people's pockets. These efforts include my proposal to roll back the retirement tax, send working families rebate checks from our state budget surplus, and triple the Earned Income Tax Credit to directly benefit half the children in Michigan.

We must ensure that Michiganders realize all of the potential for savings made possible by the IRA. For seniors on Medicare, the IRA caps out-of-pocket prescription drug costs at \$2,000 a year and caps the cost of insulin at \$35 a month. It extends critical health-care subsidies, saving 13 million Americans \$800 a year on premiums, including 304,000 Michiganders who will save \$790 a year. It also ensures that 3 million Americans—including 63,000 Michiganders—can keep their insurance.

The IRA will also help American families switch to more affordable, cleaner electricity, cutting their bills by \$500 a year with more efficient household appliances and energy-saving home improvements. All homes, even those that do not make the switch to clean

energy, will see lower prices. Also, middle-class Americans will get thousands of dollars in tax credits to buy new or used electric vehicles made in America.

Acting under sections 1 and 8 of article 5 of the Michigan Constitution of 1963, I direct state departments and autonomous agencies to do all of the following:

1. Departments and agencies should develop consumer-facing material to ensure Michigan residents are aware of the opportunities to lower their costs on home improvements, energy upgrades, electric vehicles and transportation, and prescription drugs and other healthcare costs.
2. The Department of Health and Human Services (DHHS) and the Department of Insurance and Financial Services (DIFS) should ensure that Michigan residents have the information they need to apply for and use the premium tax credits available to offset the costs of purchasing health insurance through Michigan's health insurance marketplace.
3. DHHS should continue efforts to decrease the cost of prescription drugs for Michigan Medicaid recipients, including through the negotiation of additional value-based purchasing agreements.
4. The Department of Environment, Great Lakes, and Energy's (EGLE) Office of Climate and Energy and EGLE's Materials Management Division, should work with the Michigan State Housing Development Authority, the Michigan Public Service Commission (MPSC), and DHHS to build a plan to help Michiganders use dollars from the High-Efficiency Electric Homes Rebates and Home Energy Performance-Based, Whole-House Rebates program to improve their homes and lower their energy costs.
5. MPSC should consider providing information to industries under its regulatory purview to identify opportunities to leverage IRA funds to enhance grid resiliency, reduce costs, and act to improve climate protection and resiliency. MPSC should also consider how credits and other provisions affect the cost-effectiveness of utility plans in future MPSC proceedings.



Gretchen Whitmer
Governor