

EXHIBIT A



STATE OF MICHIGAN

DEPARTMENT OF HEALTH AND HUMAN SERVICES
LANSING

GRETCHEN WHITMER
GOVERNOR

ELIZABETH HERTEL
DIRECTOR

May 22, 2025

Ms. Deborah Greenspan
Special Master in the Flint Water Cases
1825 Eye Street NW
Washington, DC 20006

Dear Ms. Greenspan:

This letter is in reference to the treatment of Flint Water Settlement Awards as they pertain to public assistance benefits administered by the Michigan Department of Health and Human Services (MDHHS).

Based on the forms of the distribution options provided to individual claimants by the Flint Water Settlement, MDHHS has worked with state and federal authorities so that these awards are, in most cases, excluded from income or asset calculations for public benefits that MDHHS administers. This means that the money families receive from Flint Water Settlement Awards will not impact eligibility or reduce public benefits for the specific programs described below. Here is a list of benefits administered by the MDHHS that will not be affected by Flint Water Settlement Awards.

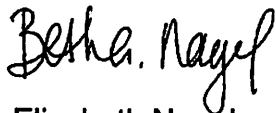
- Medicaid or MICHild (CHIP) health insurance coverage for adults or children in the family. For individuals in Modified Adjusted Gross Income (MAGI) related eligibility groups (*HMP, LIF, MICHild, etc.*), Flint Water Settlement Awards are excluded from income and asset calculations and will not impact eligibility. For individuals in SSI-related groups (*AD-Care, Extended Care, SLMB, etc.*), MDHHS will submit a State Plan Amendment to ensure these Awards will not count as either income or an asset for Medicaid eligibility purposes.
- Food Assistance Program (FAP), also known as the Supplemental Nutrition Assistance Program (SNAP)
- Family Independence Program (FIP), also known as Temporary Assistance for Needy Families (TANF). Flint Settlement Awards do not impact FIP eligibility, nor do they impact family time limits or work requirements for FIP.
- State Emergency Relief (SER), also known as LIHEAP.
- Child Development and Care Program (CDC), child care assistance
- WIC, also known as the Special Supplemental Nutrition Program for Women, Infants, and Children—benefits are protected for families receiving benefits from FAP or Medicaid. **Families on WIC who are not receiving FAP or Medicaid may need to report awards in income calculations for WIC.**

Ms. Deborah Greenspan
May 22, 2025
Page 2

This list is not exhaustive. Other programs administered by the MDHHS may also not count Flint Water Settlement Awards in eligibility determination, but other programs must be determined on a case-by-case basis. The MDHHS cannot speak to benefits eligibility for programs it does not administer. The information in this letter is also subject to change based on changes in policies at the federal and state levels.

The MDHHS is proud to be a partner in protecting public assistance benefits from being impacted by the Flint Water Settlement Awards.

Sincerely,



Elizabeth Nagel
Senior Deputy Director
Policy, Planning and Operational Director
Michigan Department of Health and Human Services



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

AMY HOVEY
CHIEF EXECUTIVE OFFICER
AND EXECUTIVE DIRECTOR

SUBJECT: Flint Water Settlement Payments – Income Exclusions for the MSHDA Housing Choice Voucher Program

This letter serves to detail the exclusion of Flint Water Settlement Payments under the MSHDA Housing Choice Voucher (HCV) Program regulations. The payments and distributions noted in the Flint Water Settlement that would be covered by this income exclusion are as follows:

1) **Minors and Legally Incapacitated Individuals:**

- a. **Structured Settlement for Injury Claims –** The final settlement is used to purchase a structured settlement in the form of an annuity. The claimant may receive cash payments beginning at age 20 in one (1) lump sum, three (3) equal payments, or five (5) equal payments.
- b. **Settlement Preservation Minors Pooled (Irrevocable) Trust -** authorized payments for the Beneficiary's support, education, and welfare upon request so long as the distribution request complies with the Trust criteria. Such payments can be made directly to the Beneficiary's adult representative or to approved third parties.
- c. **Special Needs Pooled [Irrevocable] Trust -** Distributions shall be made upon request for Beneficiary's personal, physical, emotional, spiritual, social, and financial well-being.

2) **Adult Physical Injury:** Adults at the time of fund distribution will receive cash awards.

3) **Property Damage Claims:** The maximum award for property damage is \$1,000 per parcel.

24 CFR 5.609(b) provides the basis for the exclusion, and in particular notes that the following are considered excluded income under the HCV Program:

(2) the following types of trust distributions: (i) For an irrevocable trust or a revocable trust outside the control of the family or household excluded from the definition of net family assets under § 5.603(b):(A) Distributions of the principal or corpus of the trust; and (B) Distributions of income from the trust when the distributions are used to pay the costs of health and medical care expenses for a minor;

(5) Insurance payments and settlements for personal or property losses, including but not limited to payments through health insurance, motor vehicle insurance, and workers' compensation;

(6) Amounts received by the family that are specifically for, or in reimbursement of, the cost of health and medical care expenses for any family member;

(7) Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled; and

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(24) Nonrecurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under this paragraph, even if the source, date, or amount of the income varies. Nonrecurring income includes lump-sum additions to net family assets.

If you have any questions, please contact MSHDA's Rental Assistance and Homeless Solutions Division at 855-MI-MSHDA (1-855-646-7432) or MSHDA-RAHS@michigan.gov.

Thank you,

Deidre Butterworth

Deidre Butterworth
Policy Manager, Housing Choice Voucher Program
Rental Assistance and Homeless Solutions



FLINT HOUSING COMMISSION

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Vice President, Dominique Strong
Commissioner, Sharon Reeves
Commissioner, Geraldine Redmond
Resident Commissioner, Marsu Hussey

July 23, 2025

Ms. Deborah Greenspan
Special Master in the Flint Water Cases
1825 Eye Street NW
Washington, DC 20006

Dear Ms. Greenspan,

This letter addresses the treatment of Flint Water Settlement awards in relation to public housing assistance benefits administered by the Flint Housing Commission (FHC).

After reviewing the distribution options provided to individual claimants under the Flint Water Settlement, the Flint Housing Commission confirms that, in most cases, these awards are excluded from income and asset calculations for public benefit eligibility. This means that the funds received from the Flint Water Settlement will not affect eligibility for or reduce benefits associated with FHC-administered public housing programs. Additionally, according to the guidance provided by the Michigan State Housing Development Authority, these funds will also not impact Section 8 Housing Choice Voucher benefits.

The Flint Housing Commission remains committed to protecting the public assistance benefits of our residents. It is proud to support efforts that ensure families are not penalized for receiving the compensation they deserve.

Sincerely,

David A. Northern Sr.
Chief Executive Officer
Flint Housing Commission

