

**2009-10 Governor's Budget General Fund Proposals: County Human Services Programs
Department of Social Services**

January 2009

Issue Area	Governor's Proposed Current Year Reductions	Governor's Proposed FY 09/10 Reductions	County Impacts
Medi-Cal			
1931(b) Program	Proposed to reduce eligibility for new applicants from 100 percent of the Federal Poverty Level (FPL) to 61 percent of FPL. Also proposed to reinstitute the 100-hour rule which limits eligibility to those working 100-hours or less per month. The proposal would be effective on May 1, 2009 and phased in with new applicants. The proposal would result in \$5.2 million (\$2.6 million GF) in savings in the current year and assumes that 429,000 adults will lose eligibility, phased in over a three year period.	Proposal would result in an estimated savings of \$151.1 million (\$75.6 million GF) in 2009-10.	1931(b) - Parents could lose linkage to 1931(b) and regular MC while the children move to another MC program. If children lose eligibility based on deprivation they would move from a Fed program to a State program. We project approximately 350 new applicants will be impacted each month by the proposed changes. We currently have approximately 11,317 adult recipients of 1931(b) Medi-Cal.
Undocumented Immigrants	Proposed to require undocumented immigrants receiving limited-scope Medi-Cal to reapply on a monthly basis except for pre-natal, long-term care, or breast and cervical cancer services, effective May 1, 2009. 11,400 immigrants would lose coverage in the budget year for savings of \$25.2million (\$12.6 million GF).	The proposal would result in an estimated \$151.1 million (\$75.6 million GF) savings in 2009-10.	The majority of undocumented immigrants receive Medi-Cal due to pregnancy related services which is not impacted by the proposed changes. Currently emergency related services are defined as life threatening. Even if they did not use the benefits this month and were discontinued, they could reapply when needed which would include Retro MC. If the household is already receiving benefits for other eligible household members then their information is already on file so adding them to the case could be minimal paperwork. With the proposed budget, undocumented immigrants may not follow through with reapplying monthly which could impact the population of MEDS eligible's used in determining our funding. The caseloads would remain the same - the number of individuals on MC would decrease. In Santa Barbara County, approximately 21% of our active caseload, or 4,600 active cases, have an undocumented person in the household. The proposed changes would require monthly reports for over 4,600 households. Most of these families would lose coverage due to the stricter eligibility criteria, decreasing the number of county residents with access to healthcare.

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Newly Qualified Immigrants and PRUCOLs	Proposed to reduce benefits from full-scope to limited-scope Medi-Cal for newly qualified immigrants in the country for less than five years and (PRUCOLs) undocumented immigrants living under the color of law for a savings of \$4.3 million (\$9.4 million GF) in current year.	The proposal would result in an estimated \$64.6 million savings in 2009-10.	<p>Newly Qualified Immigrants – Like the undocumented immigrants proposal, this could also reduce the number of MEDS eligibles. Santa Barbara County currently has over 800 beneficiaries that have been in the United States for less than five years. These individuals would have their benefits reduced to limited scope and the same monthly re-application requirements would apply.</p> <p>PRUCOLs - this could also reduce the number of MEDS eligibles. Santa Barbara County has 65 PRUCOL beneficiaries and most of these beneficiaries are in Long Term Care or receiving dialysis services. These individuals would have their benefits reduced to limited scope and the same monthly re-application requirements would apply.</p>
Impose Share of Cost for Aged, Blind and Disabled	Proposal to eliminate no share-of-cost Medi-Cal for aged, blind, and disabled individuals above SSI/SSP income eligibility ceiling for savings of \$87.6 million (\$43.8 million GF) in the current year.	The proposal would result in an estimated \$407.4 million (\$203.7 million GF) savings in 2009-10.	We currently have 3,071 active ABD cases with a SOC. We are unable to quantify how many families of those with no SOC will be impacted by this change. All of the impacted families will be faced with difficult decisions about whether to spend their limited resources to meet their increased share-of-cost or provide for other basic necessities such as food, shelter, and clothing.
Aged and Disabled Federal Poverty Limit Program Eligibility Rollback	Proposal to roll back the Aged and Disabled Federal Poverty Limit Program income levels to the SSI/SSP income levels effective May 1, 2009, for savings of \$28.6 million (\$14.3 million) in the current fiscal year.	The proposal would result in an estimated \$371.6 million (\$185.8 million GF) savings in 2009-10.	This would drop the income level for eligibility from the current \$1,097 for individuals to \$870 for individuals. The eligibility level would remain the same for couples. More specific details are needed to quantify impacts.
SSI/SSP	Proposal to reduce SSP grants to the federal minimum based on the 1983 payment standards for savings of \$180.00 million GF in the current year, effective May 1, 2009.	The proposal would result in an estimated \$1.1billion GF savings in 2009-10.	This proposal would reduce the grant to aged/disabled individuals from \$870 per month to \$830 and to aged/disabled couples from \$1,524 to \$1,407.
Food Stamps			
Base funding	No new proposed reductions.	Proposal continues current year base cut of \$21.0 million (\$8.6 million GF) that resulted in the elimination of funding for 181 eligibility workers providing food stamps benefits to thousands of needy families.	Additional analysis needs to be completed.

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CWS			
No new proposed reductions in current year or 2009-10.			
CalWORKs			
CalWORKs Pay for Performance	No new proposed reductions.	Proposes to suspend the Pay for Performance program for savings of \$40 million.	Counties have never received funding for meeting or achieving these outcomes.
CalWORKs Grants	Proposes a 10 percent grant cut to all CalWORKs families effective May 1, 2009 for a savings of \$46.3 million in the current year.	Proposed to suspend the statutory COLA effective July 1, 2009, for a cost avoidance of \$79.1 million. The 10% grant cut to all CalWORKs families is estimated to save \$301.3 million in 2009-10.	This proposal would reduce the maximum monthly grant for a family of three from \$723 to \$651. CalWORKs grants have been frozen for five years. In real dollar terms, this reduction means that families will receive less money next year than the grant amount 10 years ago. Meanwhile, during the past 10 years, the price of certain basic necessities, such as milk, has doubled. We have over 4,300 families each month that will have less money to make ends meet. This proposal would likely increase homelessness, food insecurity, and place families with children at greater risk of abuse, and neglect, all of which would increase county costs.
Modified Safety Net	Proposes to eliminate benefits for safety-net families not meeting federal work participation requirements effective May 1, 2009 for savings of \$37.4 million in the current year.	Proposal would result in an estimated \$266.7 million savings in 2009-10.	We have nearly 500 families that have either timed out federally or are in the CalWORKs state only safety net program. Elimination of safety-net benefits for time-out families not meeting federal work participation requirements produces a cash aid savings to the state only as the local MOE remains unchanged. This proposal would likely increase homelessness, food insecurity, and place families with children at greater risk of abuse, and neglect, all of which would increase county costs.
Child-only Time-limit	Proposes to impose a 60-month time limit for child-only cases (children of undocumented parents, drug felons, or fleeing felons) for savings of \$39.4 million, effective May 1, 2009. This proposal would have no impact on work participation rates as these cases are not currently counted in the calculation.	Proposal would result in an estimated \$268 million savings in 2009-10.	We have approximately 2,000 active child only cases. Imposing a 60-month time limit for certain child-only cases produces a cash aid savings to the state only as the local MOE remains unchanged. This proposal would likely increase homelessness, food insecurity, and place families with children at greater risk of abuse, and neglect (potentially increasing Foster Care placements), all of which would increase county costs.
Self Sufficiency Review	Proposes a face-to-face "Self Sufficiency Review" every six months for all CalWORKs families who are not meeting federal work	Proposal would result in an estimated \$100 million savings in 2009-10.	We currently experience a 30% work participation rate (whereas, California has a 21% rate), so nearly 70% of our CalWORKs caseload would be subjected

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	participation requirements. Failure to comply would result in being cut off aid. This would be effective May 1, 2009 and would result in current year savings of \$15 million.		to this requirement. That equates to approximately 3,000 families. The increased workload is difficult to quantify without knowing more about what the review process entails, and we already have contact with most of these families at this timeframe. This proposal would likely increase homelessness, food insecurity, and place families with children at greater risk of abuse, and neglect, all of which would increase county costs.
TANF Reserve	No new proposed reductions.	Proposes no TANF reserve.	
Child Care			
Regional Market Rates	No new proposed reductions.	Proposes to decrease the Regional Market Rate (RMR) ceilings from the 85 th percentile to the 75 th percentile in July 2009, to achieve a savings of \$30.9 million.	Additional analysis needs to be completed.
APS			
Funding	No new proposed reductions.	Proposes to continue the 10 percent cut to the APS program for savings of \$11.4 million (\$6.1 million GF).	In FY 08/09 Santa Barbara county took an 11.5% reduction in the APS allocation. This resulted in staff reductions through unfilled vacancies and increased Social Worker caseloads. We would expect the 2009-10 allocation and impacts to be similar.
CFAP			
Benefits	No new proposed reductions.	Proposes to eliminate the program effective July 1, 2009 for a savings of \$37.8 million in 2009-10.	This proposal would eliminate food assistance for aged, blind and disabled immigrants.
CAPI			
Benefits	Proposes to eliminate the program effective May 1, 2009 for a savings of \$20.0 million GF in the current year.	Proposal would result in an estimated \$129.6 million in GF in 2009-10.	This proposal would eliminate benefits for aged, blind and disabled immigrants.