

**Governor's Proposed FY 2010-11 State Budget  
Department of Social Services - Potential Impacts**

Proposal	State Savings		County Impact			
	State Savings 2009-2010	State Savings 2010-2011	Departmental Impact (Loss/Increased Cost to Provide Service)	FTE Impact	Clients Served Impact	Description of Impact to Department
Implement various Medi-Cal changes/reductions	\$294 million	\$750 million	No Impact	We anticipate the need for additional staffing to implement these changes, however the Governor did not include any additional funds for this purpose.	Approximately 40,000 children will be affected by increased eligibility processes related to mid-year status reports. Approximately 1,000 beneficiaries will be impacted by the reductions to benefits for legal immigrants.	<b>Client/Community Impact:</b> Approximately 40,000 children will be affected by increased eligibility processes related to mid-year status reports. Approximately 1,000 beneficiaries will be impacted by the reductions to benefits for legal immigrants. Benefit restrictions such as a temporary six-month moratorium on eligibility screening for the Breast and Cervical Cancer Treatment Program effective 1/1/10 will postpone treatment for these life threatening conditions. <b>Department Impact:</b> Various Medi-Cal changes/reductions have been proposed which will increase the Department's Medi-Cal eligibility determination workload. The requirement to re-determine Eligibility for Children to semi-annually rather than annually will result in 80,000 renewals rather than 40,000. The change from full-scope to limited scope for newly qualified immigrants will require eligibility determinations as frequently as monthly rather than semi-annually. Savings from this proposal is predicated on clients losing benefits during the re-determination process. There is no savings for the eligibility determination component of this program.
Reduce SSI/SSP grants for individuals to the federal minimum	\$21.8 million	\$178 million	There are no additional funds included in the Governor's budget for this additional workload.	We anticipate the need for additional staffing to implement these changes, however they Governor did not include any additional funds for this purpose.	Unknown	<b>Client/Community Impacts:</b> The proposed decrease, effective June 1, 2010, impacts all individuals who receive SSI/SSP, including vulnerable IHSS and APS recipients. SSI has already suffered three cuts in FY 09/10 alone and this will bring grant amounts down to the 1983 level. Elderly or disabled recipients will have less money to meet their basic needs and may face difficult choices on how they budget their monthly income (i.e. - paying rent versus food or medicine). This will have an impact on other community resources and agencies, increasing demands for other services, including Adult Protective Services, Food Banks, emergency rooms and possibly homeless shelters. <b>Department Impacts:</b> Beneficiaries discontinued from SSI/SSP will be transferred to a specialized Medi-Cal caseload which is a new workload for the County. This will be a tremendous impact for eligibility staff and will likely impact our ability to perform at our state-mandated performance levels. There are no additional funds included in the Governor's budget for this additional workload.
Eliminate Cash Assistance for aged, blind and disabled immigrants	\$8.1 million	\$107.3 million	No Impact	Minimal	Approximately 16	<b>Client/Community Impact:</b> Locally, we have a very small number of cases, but there are no other benefits for this population, so they will experience increased food insecurity and could potentially increase to our county-funded General Relief program slightly. This proposal is effective 6/1/10. <b>Department Impact:</b> There are minimal impacts to the Department due to the few number of clients affected.
Eliminate California Food Assistance Program	\$3.8 million	\$56.2 million	Minimal	Minimal	Approximately 6 families	<b>Client/Community Impacts:</b> Santa Barbara County has only a very small number of cases that will be affected by this proposal. However, the lost of food stamps will present a hardship for these clients resulting in an increased need for services provided by local community based organizations. <b>Department Impact:</b> There are minimal impacts to the Department due to the few number of clients affected.
Reduce eligibility for Healthy Families Program	\$10.5 million	\$63.9 million	No Impact	Unknown	Unknown	<b>Client/Community Impact:</b> The Healthy Families program provides health, dental, and vision services to children with family incomes too high to qualify for no-cost Medi-Cal coverage. The children impacted by this proposal will be eligible to Share-of-Cost Medi-Cal. Some of these families may choose not to pursue Medi-Cal due to the high share-of-cost until there is a medical need. Loss of medical coverage can lead to increased use of county health clinics and increased disease transmission, which would increase county costs and negatively affect the health of the community. <b>Department Impact:</b> The children impacted by this proposal will be eligible to Share-of-Cost Medi-Cal which is an increased workload for the County in administering Medi-Cal.

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Reduce CalWORKs grants effective June 1, 2010	\$48.1 million	\$604.5 million	\$5 million	FTE's may need to increase slightly in Food Stamps and Medi-Cal	Approximately 5,000 families including 11,650 individuals, of which over 9,150 are children.	<b>Client/Community Impact:</b> This proposal would reduce the maximum monthly grant for a family of three from \$694 to \$585 plunging CalWORKs families deeper into poverty. This 15.7% cut is in addition to a 4% grant cut that went into effect 7/1/09. There will be over 5,000 families each month that will have less money to pay for basic essentials. In addition, reducing the grant amount reduces the eligibility income limits thus making some current recipients ineligible. This proposal reduces family income and would likely increase crime, homelessness, food insecurity, and place families with children at greater risk of abuse and neglect. <b>Department Impact:</b> The department will continue to perform eligibility determinations on all applications even though they will be denied benefits. This proposal will not reduce workload, in contrast, the Department will see an increase workload in transitional Medi-Cal and Non-assistance Food Stamps caseloads.
Eliminate CalWORKs grants for Recent Non-Citizen Legal Immigrants effective June 1, 2010	\$3.5 million	\$57.6 million	\$500,000	Minimal Impact	95 cases or 240 people	<b>Client/Community Impact:</b> The budget proposes to eliminate CalWORKS grants for Recent Noncitizen Entrants including the following individuals in the U.S. less than five years: 1. Parolees; 2. Conditional Entrants; 3. Legal Permanent Residents; 4. PRUCOL; and 5. Battered Noncitizens. This proposal reduces family income and would likely increase crime, homelessness, food insecurity, and place families with children at greater risk of abuse and neglect, all of which would increase county costs. <b>Department Impact:</b> This proposal has the potential to increase our Child Welfare Services workload as we would anticipate increased child abuse reporting.
Reduce CalWORKs child care provider reimbursements		\$77.1 million	There would be no current financial impact to the Department	No known impact.	200 families may not be able to participate in Welfare to Work activities due to the lack of child care resources	<b>Client/Community Impact:</b> Reducing the Regional Market Rate ceiling to the 75th percentile from the 85th percentile will impact licensed care, while lowering reimbursement rate limits from 90% to 70% will impact license-exempt providers. These cuts equate to a 12% and 22% reduction respectively. Slightly more than half of our Stage 1 child care families utilize licensed care. Families who lose subsidized child care will disrupt their WTW plan activities and self-sufficiency progress. Currently license exempt providers are paid on the average only \$4.50 per hour per child. These large cuts may force child care providers to seek alternate professions in order to provide for their own families which will further limit access to quality child care in our county. <b>Department Impact:</b> This proposal would mean that clients would be on aid longer which will ultimately result in increased costs. In addition, the County shares in the cost of aid payments while there is no County share for childcare expenditures.
Elimination of services to certain IHSS clients	\$77.3 million	\$1.1 billion	\$26.5 million	See Reduction of County Administration for the IHSS program proposal below.	Loss of benefits to approximately 2612 individuals (91% of all current recipients).	<b>Client Community Impact:</b> As Functional Index scores do not take into consideration recipient characteristics such as residing alone, memory, orientation, judgment, the need for protective supervision or paramedical services, there will be a portion of recipients that will be at high risk of self-neglect as they can not physically care for themselves or meet their basic medical needs. This could result in serious injury, institutionalization and even accidental death and will eliminate one of the few safety net programs for the elderly and disabled population. The need for emergency services can be expected to increase. <b>Department Impact:</b> Staffing impacts include fielding calls from nearly all recipients and providers asking for specifics on their functional "scoring". Fair hearing requests will increase. Since IHSS is an entitlement program and the County cannot turn away applicants, applications must be processed regardless of reduced eligibility so many recipients who have been terminated may re-apply. Denials will increase workload, but counties do not receive any funding for processing denials.
Reduction of wages for IHSS workers	\$26.5 million	\$338.2 million	Impact Depends on the Wage paid to providers by Santa Barbara County	No Impact	Unknown	<b>Department Impact:</b> State funding for IHSS Individual Provider (IP) wages will be reduced. Currently the State participates in funding IP wages up to \$11.50 per hour. This proposal reduces it to \$8.00. The level of impact on the County is dependent on the level of wage negotiated with providers. If the County negotiates a rate higher than \$8.00 per hour there will be a major shift of cost from the State to the County. NOTE: There has already been a dramatic shift to the County due to the reduction in sales tax receipts (realignment revenues)

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Reduction of County Administration for the IHSS program.		\$21.4 million	\$2.2 million	86% of the FTE's supporting this program would have to be reduced	Unknown	<b>Department Impact:</b> If IHSS caseload is reduced, a commensurate cut in IHSS Administration is expected but not appropriate. IHSS has been chronically under-funded due to an outdated budgeting and funding methodology. The budget assumes that county workers need only 11.58 hours per client per year to provide a number of services to administer the program, including recipient enrollment into the program, individualized in-home assessments, and coordinating with other service providers for care. This budgeting yardstick was totally inadequate when it was established in 1993 and has remained relatively unchanged despite significant policy changes and increased mandates over the last several years. Additionally, counties have not received any funding to cover increases in the cost of administering the IHSS program for the past nine years ("cost-of-doing-business," or CODB). Note that IHSS denials, which have a significant workload associated with them, are not administratively funded.
Increase funding for the Medi-Cal Administration program due to caseload growth		\$-94.3 million	Santa Barbara County will receive approximately \$1.5 million in additional funds	Funding for at least 15 FTEs to be shifted to Medi-Cal	Unknown	<b>Department Impact:</b> Medi-Cal caseloads are increasing at alarming rates. Funding for caseload growth has been included in the Governor's budget
Increase funding for the Food Stamp Administration program due to caseload growth	\$-20.7 million	\$-56.0 million	Santa Barbara County will receive approximately \$450k in additional funds	Funding for at least 5 FTEs to be shifted to Food Stamps	Unknown	<b>Department Impact:</b> Food Stamp caseloads are increasing at alarming rates. Funding for caseload growth has been included in the Governor's budget
Federal policy will change, effective 6/1/10, to make all foster children federally eligible under Title IV-E	\$7.5 million	\$130.3 million	Appropriations will remain the same. Savings to the County would be approximately \$1.5 M depending on the adoption of other proposals	No Impact	Unknown	<b>Department Impact:</b> Increase Federal participation in all Foster Care cases would be beneficial for both the State and the County. Current program standards for determining program eligibility hold families to a 1996 income eligibility standard, which has resulted in a decline in federally eligible cases. Santa Barbara County is presently holding at about a 63% Federal access rate, with the remaining 37% of cases non-federal which requires a greater GFC contribution.
New County share of cost for children's programs such as Foster Care, Adoptions Assistance, and Child Welfare Services		\$505 million	Appropriations will remain the Same. Would result in a cost shift to the County of approximately \$5 million	No Impact	Unknown	<b>Department Impact:</b> The Department could not operate or meet its mandates without a huge increase from the County General Fund. This would dramatically effect realignment formulas and could have a detrimental impact on funding for both the Public Health Department and the Alcohol, Drug and Mental Health Services Department.

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<b>"TRIGGER CUTS" IF STATE FAILS TO SECURE \$6.9 BILLION IN FUNDING FROM FEDERAL GOVT</b>						
Elimination of CalWORKS Program		\$1 billion	\$17 million	A reduction of between 50-70 FTEs (approximately)	Approximately 5,000 families including 11,650 people, of which over 9,150 are children.	<b>Client/Community Impact:</b> This proposal reduces family income and would likely increase crime, homelessness, food insecurity, and place families with children at greater risk of abuse and neglect, all of which would increase county costs. <b>Department Impact:</b> If CalWORKs was eliminated, many cases would qualify for the county-funded General Relief (GR) program, which would significantly increase costs for the county. In addition, most cases would become eligible for Non-assistance Food Stamps and Medi-Cal requiring separate eligibility determinations for these programs, mostly offsetting the FTE reduction in the CalWORKs program.
Elimination of Health Families Program		\$126 million	Unknown	Unknown	Unknown	<b>Client/Community Impact:</b> The Healthy Families program is the state-administered federal Children's Health Insurance Program, which provides health, dental, and vision services to children with family incomes too high to qualify for no-cost Medi-Cal coverage. Some of these families may choose not to pursue Medi-Cal due to the high share-of-cost until there is a medical need. Loss of medical coverage can lead to increased use of county health clinics and increased disease transmission, which would increase county costs and negatively affect the health of the community. <b>Department Impact:</b> The children impacted by this proposal will be eligible to Share-of-Cost Medi-Cal which is an increased workload for the County in administering Medi-Cal.
Elimination of IHSS Program		\$495 million	\$32.5 million	A reduction of between 20-25 FTEs (approximately)	2,859 IHSS recipients (100%) will lose all services.	<b>Client/Community Impact:</b> These recipients will be at high risk of self-neglect, as they can not physically care for themselves or meet their basic needs, creating unsafe/unclean living environments, resulting in possible injury, institutionalization and even accidental death. Inevitably, health and independence for this population will decline. A shortage of nursing home level of care is anticipated. These recipients are low-income and will not, for the most part, be able to afford board and care. IHSS providers (both independent and contract) will lose their jobs, requiring them to apply for unemployment benefits as low level jobs are not available in this economic climate. This loss of earning power may impact other safety net programs, such as Food Stamps or CalWORKs. This is a complete elimination of one of the few safety net programs for the elderly and disabled population. The need for emergency services, such as Adult Protective Services, fire, law enforcement and hospital emergency rooms can be expected to increase. The safety net is shrinking on all sides for the disabled and elderly.
Require the County to pay a larger portion of the Food Stamp Administration program		\$325 million	Unknown	Unknown	Unknown	<b>Department Impact:</b> Unknown until further details are released.
Reduce Medi-Cal eligibility to the minimum allowed under current federal law and eliminate most remaining optional benefits		\$532 million	Unknown	Unknown	Unknown	<b>Client/Community Impact:</b> Program impacts are: 1) Rolling back the 1931 program, parents may lose their linkage to Medi-Cal and children would need to be placed in another Medi-Cal program; 2) Reducing services for children and pregnant women to 133%, children and women over the 133% FPL will no longer qualify for zero share-of-cost Medi-Cal; 3) Reducing Aged, Blind, and Disabled program to SSI/SSP levels; 4) Eliminating the Medically Indigent program; 5) Eliminating the Medically Indigent Long-Term Care program. Loss of medical coverage can lead to increased use of county health clinics and increased disease transmission which would increase county costs and negatively affect the health of the community. <b>Department Impact:</b> The proposed changes would have a severe workload impact to the department. These are major programmatic changes requiring re-training staff, developing and implementing manual workarounds until the Department's eligibility system is reprogrammed to handle the changes.
Eliminate funding for the Transitional Housing Placement for Foster Youth-Plus Program		\$36 million	Loss of \$332k	None	10 young adults	<b>Client/Community Impact:</b> Elimination of funding for THP-Plus would result in closing the La Morada Transitional Housing Program and the North County Scattered site model displacing at least 10 young adults not only from their homes, but from program services aimed at supporting their successful transition into self-sufficiency. This program is the only one of its kind that assists youth who emancipated from Santa Barbara County foster care with housing and supportive services to ensure that they do not become homeless by supporting their transition not only into self-sufficiency, but to support them in becoming a productive member of our community. Additionally, the Emancipated Youth Stipend was eliminated in the FY 09/10 budget, which was often used to assist emancipated youth with initial housing costs. Therefore, there would be no such programs available to support emancipated youth with housing needs upon leaving foster care.