Human Impact Budget Hearing

Alameda County Supervisor Wilma Chan
Alameda County Quick Facts

• 7th largest county in California
• 14 incorporated cities
• Unincorporated communities
  • Ashland, Castlewood, Castro Valley, Cherryland, Fairview, Happy Valley, Hayward Acres, Livermore-Amador Valley, San Lorenzo and Sunol
• FY 2011-12 Budget - $2.48 billion
Population by Age Group

**Alameda County**
- 0-17 years: 23%
- 18-64 years: 66%
- 65+ years: 11%

**City of Alameda**
- 0-17 years: 21%
- 18-64 years: 66%
- 65+ years: 13%

Total population: 1,514,654
Total population: 73,658

- 65+ population is projected to grow (11% in 2010 and 16% in 2020)

Source: 2010 U.S. Census
Alameda County
Poverty Rates by Age in Years

- 0-17: 218,110 people (16%)
- 18-64: 163,583 people (12%)
- 65+: 128,746 people (8%)
Increased Demand, Lower Revenues

- Economic downturn
  - Raises demand for services
  - Decreases revenue

- State funding decreases

- Authority of County to raise revenue is limited

- Dramatic increase in requests for assistance:
  - California Work Opportunities and Responsibility to Kids (CalWORKs)
  - Food Stamps
  - Medi-Cal
  - In-Home Supportive Services (IHSS)
State and Federal Cuts

State of California
- Shift of Property Tax Revenues
- Cuts to Health & Human Services programs
- Realignment of programs and funding
- Unfunded mandates
- Dissolution of Redevelopment

Federal Government
- Deficit Reduction and trigger cuts
- Impact on spending and funding to key programs
- Proposed Budget: caps on spending; stimulus, higher taxes on wealthy
Alameda County Funding Gaps
(in millions)

- 1993-94: $172.3
- 1994-95: $100.6
- 1995-96: $77.6
- 1996-97: $74.2
- 1997-98: $48.9
- 1998-99: $13.6
- 1999-00: $13.3
- 2000-01: $5.8
- 2001-02: $6.7
- 2002-03: $73.9
- 2003-04: $155.9
- 2004-05: $116.1
- 2005-06: $92.0
- 2006-07: $78.2
- 2007-08: $52.0
- 2008-09: $73.6
- 2009-10: $177.6
- 2010-11: $152.4
- 2011-12: $137.9
FY 2011-12 Final Budget By Service Area

- **Public Assistance**, 26.0% ($645 million)
- **Health Care**, 23.5% ($584.6 million)
- **Public Protection**, 21.6% ($537.4 million)
- **Other**, 28.9% ($715.5 million)

**Other Services**:
- Elections
- Maps and records
- Assessment and tax collection
- Food and agricultural inspection
- Building inspection
- Flood control, road services, transportation planning
FY 2011-12 Final Budget Funding by Source

- **State, Federal and Local Government Aid, 46.8%** ($1.1629 billion)
- **Property Taxes, 13.4%** ($333.1 million)
- **Other Sources, 19.9%** ($492.5 million)
- **Charges for Services, 12.5%** ($309.1 million)
- **Other Taxes, 7.4%** ($184.9 million)
Budget Timeline

- Board of Supervisors adopts Budget Strategy (December)
- **Determine County Funding Needs** (January-March)
  - Funding Gap Determined (early April)
  - Budget Work Group Meetings (April-May)
- Reduction Plans Prepared (May)
- Public Hearings (June)
- Board of Supervisors adopts FiscalY 2012-13 Budget (June)
Overview

• The goal of AAA is to **prevent neglect, elder abuse, premature institutionalization, and negative health outcomes.** AAA provides services to over **41,000 elders**, including:

  • Healthy meals (home-delivered and at group service sites)
  • Caregiver support and information services
  • Access to health, legal, employment and investigative services
Summary of Cuts

• In 2009, the State eliminated or reduced senior services, including:
  • Brown Bag Food program
  • Support services, such as Adult Day Resource Centers, Senior Companion, and Respite services
  • 20% reduction in nursing home home investigations
  • Federal funding has not kept pace with the growing elderly population; existing dollars are spread thinner every year
Human Impacts in Alameda County

• State reductions have affected services to over 1,700 seniors in Alameda County

• The number of poor elders and persons with disabilities continues to grow in the County and AAA funding is not keeping pace

• Each year fewer services are available, further straining the senior care network, and creating disruption and anxiety in seniors’ lives
Overview

• IHSS provides homecare for elderly/disabled persons to allow them to stay in their own homes/communities when possible, as opposed to institutional care settings

• 18,000 Alameda County residents receive IHSS from 17,700 IHSS workers; in the City of Alameda, 600 residents receive IHSS services and 605 IHSS workers reside in the City of Alameda

• Average usage is about 25 hours per week, per person. County pays 18% of IHSS costs, and the remainder is paid by federal and state governments
Summary of Cuts

• In 2011, the State implemented 3.6% across-the-board-cut in hours

• In 2011, the State implemented the requirement that doctors certify clients’ needs for services

• In 2012, the State proposed implementing mid-year “trigger cuts,” including 20% across-the-board reduction in IHSS hours, and the cut was blocked by federal court; State to appeal
Human Impacts in Alameda County

The Governor’s Budget:
• Eliminates chore (as opposed to personal care) services for clients who live with others who are not also IHSS Clients and about 60% of clients would be affected

• Maintains the 20% trigger cut, and these cuts would affect IHSS recipients’ ability to receive basic care and remain in their homes

• Eliminates millions in wages to IHSS workers and the local economy, and many IHSS workers would no longer qualify for employer-based health coverage under IHSS
Overview

Profile of ADHC Alameda County 2011:

• Average number of individual clients served each year: **881**
• Average number of clients daily: **413**
• Gender: **Female: 70%; Male: 30%**
• Medi-Cal Insurance (Average): **90%**
• Age: **Over 70 years: 84%**
• Race/Ethnicity (Average):
  • Asian 61%; African American 28%; Caucasian 7%; Hispanic/Latino 4%; Other <1%
• Non-English Speaking (Average): **61%**
Summary of Cuts

• In 2012, State proposed implementing a 50% funding cut with stricter eligibility

• Currently, State is planning a reduction in enrollment and 10% rate cut

Human Impacts in Alameda County

• 245 current ADHC clients are “ineligible” for new program
• Less medical care: more ED and hospital visits and more institutions
• Families unable to work ➔ economic instability
• Destabilized family and individual health
• Increased cost of care: $1,128 vs institution
• 1 of 7 centers will close
Overview

• APS protects **vulnerable adults** from abuse or neglect, including self-neglect

Eligibility

• Age 18-64 with mental/physical limitations that restrict ability to carry out normal activities or protect own rights
• Age 65+ and suspected of being abused or neglected
• **300 – 400 referrals received per month**
  (70% for those age 65+)
• **500 – 750 open cases at any time**

Summary of Cuts

• State funding has been **reduced 26% in 10 years** forcing **reduction of staffing by 35%**
Human Impacts in Alameda County

• Since 2007, **number of requests have increased 38%**

• **Only half** of all referrals are **opened for in-person response** by APS workers

• Absent new funding, **no improvements can be made to APS capacity**

• **Demand is anticipated to rise** with the aging of the baby boom generation
• **Medi-Cal** is California's Medicaid health care program, which pays for a variety of **medical services for children and adults with limited income and resources**

• **Healthy Families** is low cost insurance for children and teens that provides **health, dental and vision coverage** to youth who do not have insurance and do not qualify for free Medi-Cal
Overview

Current and Newly-Eligible Population Under Affordable Care Act

<table>
<thead>
<tr>
<th></th>
<th>Alameda County</th>
<th>Alameda (estimate)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current # of residents who are eligible</td>
<td>275,000</td>
<td>&gt;13,000</td>
</tr>
<tr>
<td># of residents who will be newly eligible under ACA</td>
<td>62,000</td>
<td>&gt;3,000</td>
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</tbody>
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Economic Factors Driving Up Eligibility

- Recession ➔ large increase in number eligible
- Loss of jobs and employer-based health insurance ➔ increase in number of uninsured residents
  - Almost 200,000 uninsured in Alameda County in 2010*
  - City of Alameda: over 8,000 uninsured*
Summary of Cuts

• In 2012, the State proposed:
  • Movement of many beneficiaries to managed care plans, including 24,000 person with disabilities
  • Reduction in scope of benefits
  • such as the elimination of Adult Dental
  • Beneficiary co-pays for all doctor visits, which includes $50 emergency room co-pays
  • Rate reductions to providers and plans
    • Many Medi-Cal providers have seen rate cuts of up to 10% at multiple levels of care, including doctors, pharmacies and some hospital services
Human Impacts in Alameda County

- Caps on visits
- Coverage limits
- Benefit reductions
  - ADHC
  - Podiatry
  - Optometry
  - Dental
- Reimbursement rate cuts
- Reduction in available medical providers
- Increased wait times
- More ED use ➞ higher cost of care
- Declining health
- Medical debt
Overview

- CalWORKs provides time-limited cash aid and employment services to adults with children to Promote self-sufficiency

- CalWORKs families may also receive MediCal and CalFresh (food stamp) benefits
CalWORKs

Summary of Cuts

• In 2009, State implemented a 4% grant cut
• In 2011, State implemented an additional 8% cut
• In 2011, State implemented reducing time limit for aid to adults from 60 months to 48 months
• In 2011, State implemented suspending funding for the Cal-Learn program for pregnant and parenting teens
• In 2012, the Governor proposed significant changes and cuts to the CalWORKs program
Human Impacts in Alameda County

• The number of clients has risen during the recession from 42,884 in December 2006 to 43,671 individuals in February 2012

• In the City of Alameda during this same period, the number of clients went down slightly from 1,475 to 1,352 individuals

• Current average monthly grant is $453 – too small to provide basic necessities for most families
Potential 2012 Human Impacts in Alameda County

• County CalWORKs clients would lose $32 million in direct aid
  • In the City of Alameda this would mean about $937,000
  • Example: a family with single mom with two children now receives $638 per month. After two years, unless the adult was working over 30 hours a week, the grant would drop to $392 per month

• 2,500 adults would lose aid in October
  • 97 live in the City of Alameda

• 10,580 children would lose 27% of their aid
  • 260 live in the City of Alameda
Overview

- Nearly 11,000 children and youth received behavioral health services in Alameda County over the past 4 years:

- Funded in large part by federal and state pediatric services for low-income children

![Graph showing the number of children receiving services over the past 4 years, with the trend increasing from FY 07-08 to FY 10-11.](image)

- Total Services: $15,806,675
- Leverage: $12,027,941
- County Investment: $3,823,834
• Alameda County School Health Services Coalition
  • Mission is to strengthen and expand school-based behavioral practice, finance, evaluation and policy
  • Mental health service provider to over 150 schools across 12 school districts
Summary of Cuts

- Federal and State expansion cut
- State has failed to reimburse county $35 million
- Alcohol/drug service programs to lose $700,000

Human Impacts in Alameda County

- 22,000 more children to become Eligible for Medi-Cal with NO additional funding from the state
- Programs for foster care and juvenile offenders now on hold
- Burden now shifting to school districts
Overview

• Child care serves economic and social purposes:
  • Support for parental employment
  • Foundation for children’s healthy development

• Over 12,000 Alameda County low-income children (0-12 years) receive child care and preschool services through State subsidies.

• The State Department of Education funds child care and preschool services through:
  • Centers (direct reimbursement)
  • Vouchers from local agencies
    • Ex. Licensed centers, family child-care homes, relative, friend or neighbor
Summary of Cuts

• The Governor proposes cutting child care by $517 million and 61,000 slots statewide, including:
  • Stricter focus on work
  • Lower reimbursement rates
  • More work for single parents
    • 30 hours/week for children over 6 years old
    • 20 hours/week for children under 6 years old
  • Removal of the current “infant” exemption
  • Lower income eligibility threshold
    • $37,060 annually for a family of 3
Human Impacts in Alameda County

• Alameda County:
  • $34 million lost (one-third of slots for low-income children)
  • Nearly 3,500 children would lose care
  • Over 5,700 children are still on the waiting list for child care assistance

• City of Alameda:
  • 392 children currently served
  • 133 children or 34% would lose services
  • 148 children are still on the waiting list for child care assistance
Legislative and Judicial Update

• Overview of climate in Sacramento
• Recent legislative and judicial action
• Highlight advocacy efforts
County of Alameda
FINAL BUDGET 2011-2012

Adopted by the Board of Supervisors
Call to Action

Governor Jerry Brown
http://gov.ca.gov/m_contact.php

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