

Lost Capacity: California Budget Cuts from 2008 through 2011

Over the past four years, California has dismantled much its safety net for seniors and people with disabilities. Many programs have lost all state funding, including cornerstones of the Older Californian's Act. Some programs remain open – at least in some counties – with local and federal funding. Others have vanished completely. For those programs that still receive state funding, budget cuts have reduced access to services.

Here is a summary of cumulative losses over multiple budget cycles:

STATE FUNDING ELIMINATED

- **Alzheimer's Day Care Resource Centers** – state funding eliminated.
- **Brown Bag Nutrition Program** – state funding eliminated.¹
- **Foster Grandparent Program** – state funding eliminated.
- **Linkages** – state funding eliminated.
- **Medi-Cal assistance with paying Part B Premium** eliminated for Medi-Cal recipients with share-of-cost over \$500/month (Part B premiums are about \$96/month).
- **Respite Care** – state funding eliminated.
- **Senior Employment** – state funding cut by \$3.16 million, a 30% cut to total funding.
- **Senior Companion Program** – state funding eliminated.

PROGRAMS ELIMINATED

- **Medi-Cal Optional Benefits** eliminated (dental, podiatry, acupuncture, audiology, optical, chiropractic, psychology, speech therapy, and incontinence supplies).
- **Senior Citizens' Property Tax Assistance Program** eliminated.
- **Senior Legal Hotline** – state funding eliminated; program closed this year.
- **Senior Renters' Tax Assistance Program** eliminated.
- **Senior Citizen's Property Tax Deferral Program** eliminated.

STATE FUNDING CUT

- **Adult Day Health Care** – while the elimination of Medi-Cal coverage for ADHC have not been implemented thanks to court intervention, the 2011 10% provider rate cut lowers an already

¹ Mercy Brown Bag is still operating in Alameda County.

inadequate reimbursement for services, and a court authorized settlement that allows a new category of Medi-Cal coverage, CBAS, is limiting eligibility and access.

- **Education** – cuts and block granting have eliminated special programs for seniors and people with disabilities in most districts.
- **Adult Protective Services** cut 10% or \$11.4 million (\$6.1 million in state funding, the rest in lost federal dollars).
- **Alzheimer’s Research Centers** – state funding cut by over 50%.
- **Cash Assistance Program for Immigrants (CAPI)** – consecutive cuts have lowered individual grant levels by \$77 per month, well below the Federal Poverty Level.
- **In-Home Supportive Services** cumulative cuts include:
 - Reducing participation by requiring a medical provider’s written certification that IHSS services are needed to avert out-of-home placement.
 - An “unspecified” cut of \$128.3 million.
 - 3.6% reduction in hours for the majority of IHSS recipients. Another 20% cut to hours has been blocked by a court injunction; the state is appealing.
 - Subsidy eliminated for IHSS recipients who must pay a monthly share-of-cost.
- **Long Term Care Ombudsman** cut 46% (over \$5 million).
- **Medi-Cal** changes include:
 - Limit doctor visits to seven per year (a “soft cap” that a doctor could overrule).²
 - Limit prescription medications to six per month (except “life-saving drugs”).
 - Most Optional Benefits eliminated (including adult dental, podiatry, speech/physical/occupational therapy). Annual cap on remaining optional benefits (hearing aids, durable medical equipment) and wound care.
 - High patient copayments for services, including doctor visits, pharmacy services, emergency room and hospital visits.
 - No coverage for over-the-counter cough and cold medications and supplements.
- **Multi-Purpose Senior Services Program (MSSP)** - State funding cut by 10% in 2008 and again by 18% in 2011 (a total loss of \$5 million in state funds and \$5 million in federal match).
- **Public Authority for IHSS** – consecutive cuts have reduced PA funding by over 60% and cut funding for IHSS Advisory Committees to \$3,000 per year (a 94% cut).
- **Supplemental Security Income/State Supplementary** – consecutive cuts have decreased individual grant levels by \$77 per month; individual grant levels are now \$830 per month, well below Federal Poverty Level.

² As of today, CMS (Center for Medicare/Medicaid Services) approval is still pending for the state’s limit to doctor visits and medications, new patient copays and provider rate cuts.