

Governor's Budget Proposal and its Impact on Alameda County Seniors

From September of 2008 to today, a series of three State Budget bills have addressed an accumulated shortfall of \$60 billion with borrowing, fund shifts, revenue accelerations and huge cuts. Among the consequences: a full-scale dismantling of the safety net for seniors. No program has been untouched; many have been eliminated or lost all their state funding. Those that remain are at risk as the state faces yet another \$19.9 billion deficit through the current fiscal year and into the next (FY 2010-11).

The Governor's FY 2009-2011 Budget Proposal, released on January 8, targets five critical health and human services programs for cuts: In-Home Supportive Services, the State share of Supplemental Security Income, the Cash Assistance Program for Immigrants (CAPI), Adult Day Health Care and Medi-Cal.

The following summarizes the impact of proposed budget decisions on Alameda County seniors:

In-Home Supportive Services (IHSS)

The Governor's Budget proposes to eliminate IHSS services for recipients with a functional index score less than 4. This could mean that as many as 14,270 elderly and children and adults with disabilities in Alameda County could lose the assistance they need to remain living safely at home.

The Governor also proposes to reduce the state's share of wages and benefits for IHSS workers to the minimum wage of \$8.00, plus \$0.60/hour for benefits. This is a surprising proposal given that in June a federal judge blocked the reduction in IHSS wages and benefits enacted in the February 2009 budget. This would affect over 17,000 dedicated IHSS workers in Alameda County. It is unlikely that counties, including Alameda County, could make up the difference.

Supplemental Security Income (SSI/SSP)

The Governor's budget proposes to reduce the state share of SSI/SSP to the minimum level allowed. This would mean that monthly incomes for individuals on SSI would fall to \$830/month. Grant levels for couples have already been reduced to the minimum level \$1,407 a month.¹ The state Cost of Living Adjustment (COLA) was eliminated in 2009, but the Federal COLA remains in place.

California's SSI Program recipients are disabled, blind and/or aged. Approximately 54,000 seniors and people with disabilities in Alameda County survive on SSI/SSP income. Cuts to SSI/SSP recipients are particularly cruel, as recipients have few options to mitigate a loss of income.

¹ Current federal poverty level for an individual is \$902.50. Before the series of three state reductions in 2009, the income level for an individual SSI recipient in California was \$907 a month.

Cash Assistance Program for Immigrants (CAPI)

The Governor's proposal would eliminate the Cash Assistance Program for Immigrants.² CAPI is the state-funded assistance to elderly and disabled legal immigrants who are not eligible for SSI/SSP. Over 930 Alameda County seniors depend on CAPI.

Adult Day Health Care

The Governor proposes to eliminate Medi-Cal coverage for Adult Day Health Care. The combination of therapeutic care in a safe setting and respite for caregivers makes ADHC programs a viable alternative to nursing home care, especially for those suffering from Alzheimer's and other dementias. Over 1,600 frail seniors and adults with disabilities currently participate in ADHC programs in Alameda County. State-wide over 90% of ADHC participants have Medi-Cal coverage.

Medi-Cal

The Governor's proposal would cut \$1.1 billion from Medi-Cal over the next 18 months, using limits on services and eligibility, increased copayments, and premiums. His plan would eliminate Medi-Cal coverage for immigrants who have been in the U.S. for less than five years. Details are not available to help us assess the impact on the over 34,000 seniors in Alameda County who rely on full-scope Medi-Cal for much of their health care.

What services remain at risk?

If the Governor's proposal to win \$6.9 billion in Federal funding does not succeed, he proposes additional cuts that include eliminating IHSS and eliminating Medi-Cal for aged, blind and disabled with incomes between 100% and 133% of the federal poverty level. The following programs receive state funding, and could also be slated for cuts: Public Authority for IHSS; Alzheimer's Research Centers and Alzheimer's Resource; Multi-Purpose Senior Services Program (MSSP); Adult Protective Services; Long Term Care Ombudsman; and Senior Nutrition (Congregate and Meals On Wheels).

² Individual CAPI recipients have their grants capped at \$10 per month less than SSI grant levels, and couples receiving CAPI receive \$15 per month less than couples on SSI.