



# California Counties

## How Healthy are County Health and Human Services Safety Nets?

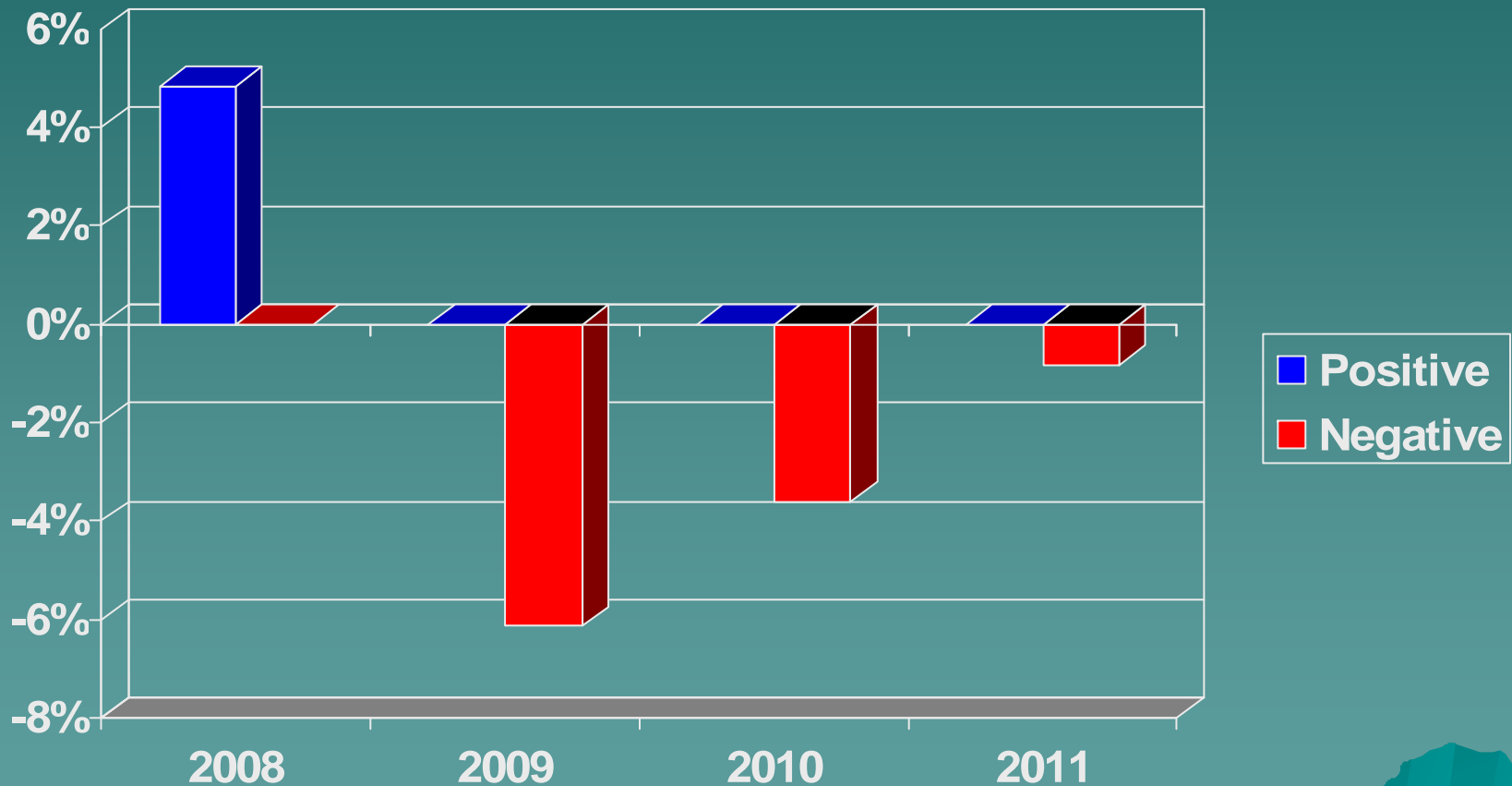
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# Status of County Revenues

- ◆ Fund sources for county health and social services programs are declining: sales tax and Vehicle License Fees are each down about 10% since 2007.
- ◆ Property tax revenues – an important source of county discretionary revenue – are also declining.

# Property Tax Revenue Slump as projected by Beacon Economics



# How Counties Have Addressed Budget Shortfalls

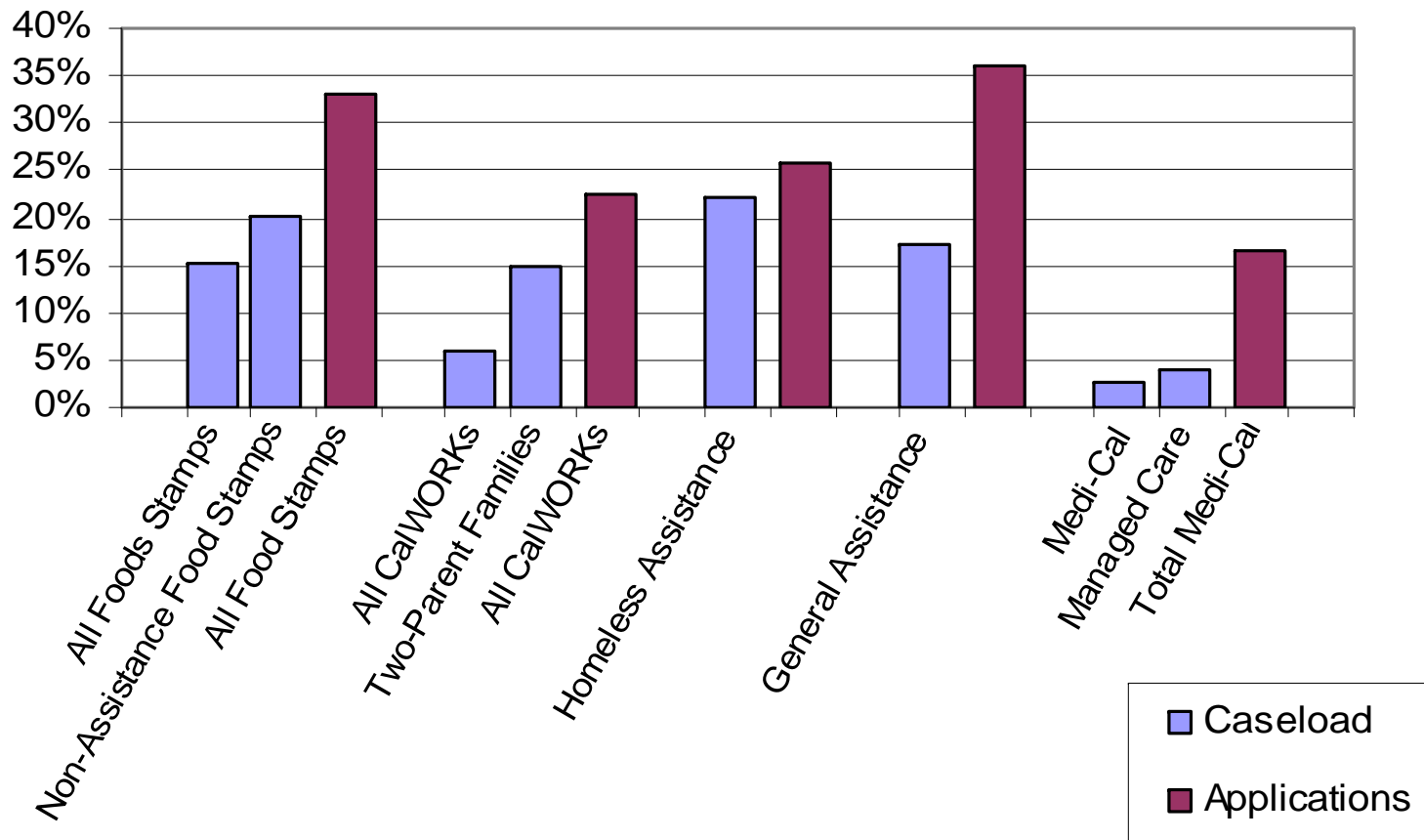
- ◆ Counties have already laid off 5,500 county employees statewide. This does not count voluntary and involuntary employee furloughs and voluntary and involuntary employee pay cuts, as well as any hiring freezes enacted to address state budget cuts and declining local revenues.
- ◆ Counties – which are required to adopt balanced budgets – will be revising their 2009-10 budgets in the coming weeks. We expect more layoffs due to the effects of the July state budget revision and vetoes.

# How HHS programs have fared in the state budget

- ◆ Going into the February budget, the state had failed to fund the administrative costs for running a host of human services programs by about **\$1 billion annually**.
- ◆ This chronic under funding of county-run programs – dubbed the Human Services Funding Deficit – began in 2001. Also, the July budget agreement and Governor's vetoes erased any targeted gains, such as those for Child Welfare Services.
- ◆ Due to the fiscal crisis, the State has also dropped General Fund contributions to other county administered programs, including mental health, alcohol and drug, and health programs.

# Increasing Demand for Services

**Percentage Increases  
in Caseloads and Applications  
Sept. 2007 - Sept. 2008 Statewide**



# Counties from around the state report huge demand increases for HHS services.

- ◆ Marin County, with the lowest unemployment rate in the state, reports huge lines every morning at the human services department.
- ◆ Food Stamp (SNAP) caseload in Contra Costa County has increased 65% since 2007.
- ◆ 25% of the residents in Stanislaus County are receiving some form of public assistance (2008).
- ◆ County hospitals are serving more patients: Santa Clara Valley Health System has seen a 30% increase in new emergency room patients since 2007.

# What should people seeking services from counties expect?

- ◆ Fewer alcohol and drug treatment slots and services.
- ◆ Fewer clinics – both primary health and mental health. Those counties continuing to operate clinics have reduced hours and staff.
- ◆ Fewer social workers to assist abused and neglected children in a timely manner.

# What should people seeking services from counties expect?

- ◆ Reduced child care and employment services for CalWORKs recipients seeking jobs.
- ◆ Longer wait times to apply for services.
- ◆ Longer wait times to receive services, including waiting lists for some employment and child care services.

# Wild Cards

- ◆ Unclear how potential corrections reforms will impact demand for county-delivered health and human services programs. Early release of medically infirm prisoners could drive additional local costs.
- ◆ Will the Governor and Legislature re-open the budget late this year or early 2010?
- ◆ Federal Health Reform may expand Medicaid to childless adults.



# Bio: Farrah McDaid Ting



**Farrah McDaid Ting** is the senior legislative analyst for the California State Association of Counties (CSAC). She specializes in health and human services issues and has worked on behalf of California's 58 counties since 2001.