



## FY10 Arizona Budget Proposals: How Vulnerable Children and Families Fare




As of June 4, 2009, there are three budget proposals circulating at the legislature: The revised House and Senate Leadership Plan, the Joint Democratic Plan and Governor Brewer's Plan.

The House & Senate Leadership Plan is unquestionably the wrong approach for Arizona: reports of child abuse and neglect will go uninvestigated; more children and working parents will have no health insurance; struggling families will go without support or emergency help; and desperate families with nowhere to turn will crowd our emergency rooms and homeless shelters. In comparison, the Joint Democratic proposal restores many of the budget cuts made in FY09 and funds services vital for children and families. Governor Brewer's plan includes some painful spending cuts but uses a comprehensive revenue approach to sustain many health programs and human services.

One clear comparison is the differences among the general fund budget proposals for critical state agencies:





|         | <b>Leadership Plan</b> | <b>Democratic Plan</b> | <b>Brewer Plan</b> |
|---------|------------------------|------------------------|--------------------|
| AHCCCS: | \$ 1,861,000,000       | \$ 1,844,000,000       | \$ 1,887,000,000   |
| DES:    | \$ 665,000,000         | \$ 791,000,000         | \$ 730,000,000     |
| DHS     | \$ 594,000,000         | \$ 648,000,000         | \$ 606,000,000     |

Please refer below for specific cuts in various areas. For more information contact Karen McLaughlin, CAA Director of Budget and Research at (602) 266-0707 x207 or [kmclaughlin@azchildren.org](mailto:kmclaughlin@azchildren.org).

| <b>Revised House and Senate Republican Leadership Plan ~ 6/4/09</b>  | <b>Joint Democratic Plan 5/29/09</b>   | <b>Governor Brewer's Plan 6/1/09</b>   |
|--|--|--|
| <b>KidsCare</b><br>KidsCare provides health coverage for approximately 56,000 children. Under the Joint Leadership proposal, 25,000 kids would be cut off over time.                                       |  |  |
| <br>Eliminates health insurance coverage for 9,000 parents<br>Makes fewer children qualify for KidsCare health coverage | <br>Maintains current KidsCare health coverage for children and parents | <br>Maintains current KidsCare health coverage for children and parents |












# FY10 Arizona Budget Proposals: How Vulnerable Children and Families Fare

| Revised House and Senate Republican Leadership Plan ~ 6/4/09   | Joint Democratic Plan 5/29/09  | Governor Brewer's Plan 6/1/09  |
|--|--|--|
| <p><b>Child Protective Services</b></p> <p>The extensive FY09 cuts made to DES forced CPS to lay off 159 CPS staff and to furlough those who remain. Caseloads are far higher than Arizona's standards, leaving children with too little attention.</p>  |  |  |
|  <p>Continues severe FY09 personnel cuts so some reports of child abuse and neglect go uninvestigated</p> <p>Cuts an additional \$7.0 million (including lump sum reduction) from services to help children remaining in their homes as well as those living in foster care</p> <p>Continues cuts to child abuse prevention programs, services that strengthen families, and substance abuse treatment for parents and guardians</p> <p>Continues elimination of all appropriated funds for Healthy Families prevention program</p> <p>Continues 20% rate cut to foster parents</p> <p>Decreases the monthly stipend back to the rate adopted in 1987 for youth transitioning out of foster care who are working and/or going to school.</p> |  <p>Restores funding so 100% of reports of child abuse and neglect can be investigated.</p> <p>Restores funding for support services</p> <p>Restores funding for prevention and treatment programs</p> <p>Restores all funding for Healthy Families prevention</p> <p>Restores rates paid to foster parents</p> <p>Restores monthly stipends for youth transitioning out of foster care who are working and/or going to school</p> |  <p>Restores funding toward investigation of 100% of reports of abuse or neglect.</p> <p>Restores funding for support services for up to 4,000 families.</p> <p>May partially restore the reduction in foster parent payments</p>  <p>Continues cuts to child abuse prevention programs, services that strengthen families, and substance abuse treatment, <u>but serves 1,800 more substance abuse clients than the Leadership Plan.</u></p> <p>Continues elimination of all appropriated funds for Healthy Families prevention program</p> <p>Continues 10% cut to monthly stipends for youth transitioning out of foster care who are working and/or going to school</p> |













# FY10 Arizona Budget Proposals: How Vulnerable Children and Families Fare

| Revised House and Senate Republican Leadership Plan ~ 6/4/09  | Joint Democratic Plan 5/29/09  | Governor Brewer's Plan 6/1/09   |
|---|--|---|
| <p align="center"><b>First Things First</b></p> <p>First Things First was established by voter initiative in 2006 with a new tobacco tax to fund early childhood health and education programs.</p>   |  |   |
| <p align="center"></p> <p>Sweeps \$7 million in interest from the tobacco tax fund established by voters</p>   | <p align="center"></p> <p>No sweep of First Things First funds</p>  | <p align="center"></p> <p>No sweep of First Things First funds</p>   |
| <p align="center"><b>Child Care</b></p> <p>In February 2009, as a result of a funding shortfall, DES began to turn away all new applicants for child care assistance. As of May 22, 3,195 children were on the waiting list.</p>  |  |   |
| <p align="center"></p> <p>Continues to place new qualified applicants on a waiting list, creating problems for working parents and risking children being placed in unqualified care. Program will sustain an additional \$9.7 million cut due to lump sum reductions.</p>    | <p align="center"></p> <p>Provides the necessary funding to eliminate the waiting list and assist new qualified families</p> | <p align="center"></p> <p>Continues to place new qualified applicants on a waiting list, creating problems for working parents and risking children being placed in unqualified care, <u>but does serve 2,400 more kids than the Leadership Plan.</u></p> |
| <p align="center"><b>Kids with Special Health Care Needs</b></p> <p>The Children's Rehabilitative Services (CRS) program provides specialized medical care for children with special and intensive health care needs. It is often expensive care that may not be covered by private health insurance because the family has exhausted lifetime limits, etc.</p> |  |   |
| <p align="center"></p> <p>Continues the FY 09 budget cuts that withdrew funding to more than 850 children for specialized medical rehabilitation and treatment</p>   | <p align="center"></p> <p>Restores state funds so all children qualifying for help from CRS can get it</p>                  | <p align="center"></p> <p>CRS isn't specified in the Brewer plan, so appears that the FY09 budget cuts continue</p>  |



# FY10 Arizona Budget Proposals: How Vulnerable Children and Families Fare

| Revised House and Senate Republican Leadership Plan ~ 6/4/09   | Joint Democratic Plan 5/29/09   | Governor Brewer's Plan 6/1/09   |
|--|---|---|
| <b>Behavioral Health</b>   |   |   |
|  <p>Cuts \$17 million for behavioral health services for clients who do not qualify for Medicaid</p>  |  <p>Adds \$8 million for behavioral health services</p>  |  <p>Does not include an increase or a cut</p>  |
| <b>Basic Needs</b><br>These programs provide food and shelter for people in crisis situations.   |   |   |
|  <p>Continues FY 09 cuts to food banks, domestic violence shelters, and short-term crisis programs. Lump sum reductions mean an additional \$1.2 million cut to homeless programs and \$400,000 cut to short-term crisis programs.</p>  |  <p>Restores FY 09 cuts for food banks, homeless shelters, domestic violence shelters, and short-term crisis shelters.</p> |  <p>Continues FY 09 cuts to food banks, domestic violence shelters, and short-term crisis programs</p>  <p>Restores \$1 million for homeless programs funded through lottery funds.</p> |
| <b>TANF Cash Benefits</b>  |   |   |
|  <p>Continues the FY 09 20% benefit reduction.</p> <p>Cuts \$1.7 million and allows DES to drug test TANF recipients if the agency has "reasonable cause." No provisions to provide drug treatment for recipients who lose their benefits as a result of testing positive.</p> |  <p>Makes no cuts or additions.</p>   |  <p>Provides \$10 million for caseload growth and to raise the benefit level so that it would be a 10% cut below the pre-FY09 amount.</p>   |