

THE COMMUNITY COMMITMENT

PROVIDING A SAFETY NET TO AMERICA'S SOCIAL SAFETY NET

FACT SHEET - ARIZONA MAY 2013

THE SITUATION - NATIONAL

Funding for social service programs is at an all-time low without any relief in sight. At the same time, the number of people accessing these programs continues to rise. The Budget Control Act (BCA), passed in January 2013, takes aim to reduce the federal deficit by cutting spending nearly \$1.6 trillion. Additionally, "Sequestration" went into effect in March 2013 mandating \$85.3 billion in budget cuts in 2013 and an additional \$109.3 billion each year for the next eight years. Of the \$85.3 billion 2013 cuts, half will come from the non-defense budgeted programs including those for Women, Infants and Children (WIC) and low income housing. (Center on Budget and Policy Priorities, 2011-2013)

WHO IS IMPACTED?

Public assistance programs offer vital support to the most vulnerable populations in American which include (US Census Bureau, 2011):

- Disadvantaged, low income families (146.4 million)
- Seniors (42 million) and Grandfamilies (6.7 million)
- Individuals with Disabilities (46 million)
- Chronic and/or critically ill (133 million)

WHAT SERVICES AND PROGRAMS ARE BEING IMPACTED?

The programs cut most severely include those vital support services for the nation's most vulnerable populations. The program categories impacted include (but are not limited to):

- **Food** – WIC, senior nutrition, food banks, etc.
- **Education** – IEP support, after-school programs, etc.
- **Legal** – Adoption and guardianship programs, etc.
- **Housing** – shelter, affordable housing, etc.
- **Social Supports** – family counseling, crisis outreach, etc.
- **Employment** – training, placement, etc.

THE SITUATION – THE STATE OF ARIZONA

Along with federal budget cuts, states are cutting budgets in several areas including public assistance and social safety net programs. The State of Arizona resolved a \$13.6 billion shortfall in FY09-13 by cutting funding across multiple programs including: K-12 Education (\$633.7 million), Higher Education (\$348.0 million), Public Assistance (\$306.1 million), and Medicaid (\$999.0 million). Arizona has been reducing its budget short fall over the past four years; however, it is still expected to have a budget shortfall of more than \$610 million in FY2014. In addition to state budget cuts, with one exception, the Arizona legislature has passed some type of tax cut every year since 1990. These tax cuts have only served to exacerbate the budget shortfalls. In FY2012, Arizona reduced the corporate income tax to 4.9% from 6.98% and reduced commercial property taxes by 10%. The only relief has come from voters approving a temporary sales tax in 2010. That tax expires in August 2013 and at that time state revenues will fall by \$1 billion, and more than \$600 million a year in tax cuts will then begin to phase in. In addition to ongoing state budget shortfalls, federal budget cuts are going to put Arizona's most vulnerable residents at higher risk for negative impacts. (Fiscal Survey of States, 2010-2012; Center on Budget and Policy Priorities, 2010- 2013; Sunshine Review)

WHO IS IMPACTED?

Public assistance programs offer vital support to the most vulnerable populations in American which include (US Census Bureau, 2011):

- Disadvantaged, low income families (1.1 million)
- Seniors (1 million) and Grandfamilies (167,100)
- Individuals with Disabilities (739,900)
- Chronic and/or critically ill (2.7 million)

WHAT SERVICES AND PROGRAMS ARE BEING IMPACTED?

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- **Food** – WIC, senior nutrition, food banks, etc.
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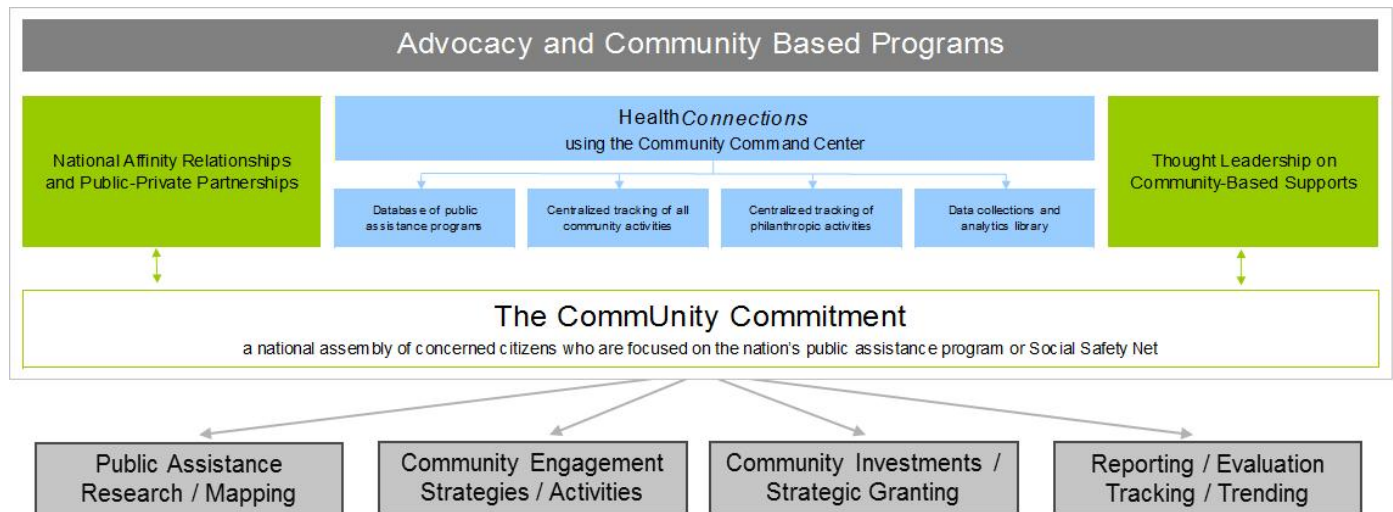
THE RESPONSE

The Social Safety Net is struggling amidst federal and state budget cuts and increased demand for assistance. While private funders have increased their efforts to support public assistance programs, the Social Safety Net is being stretched further than capacity. Public health stakeholders are working locally to create community-based solutions and advocates seek national changes all to reinforce the fabric of public assistance programs.

The CommUnity Commitment is a national assembly of concerned citizens and organizations convened by WellCare Health Plans Inc. in partnership with the National Association of Area Agencies on Aging. The focus of The CommUnity Commitment is to build a comprehensive Social Safety Net resource map through which gaps and risks for gaps are identified. Then, using a locally based community health planning council structure, The CommUnity Commitment focuses on adopting evidence-based community-identified methods for filling those gaps when the need is clearly quantified. The CommUnity Commitment is comprised of public health stakeholders, policymakers, employers and other business representatives as well as other community and civic leaders.

Additional action is required.

WellCare has created a dedicated department to focus on this issue and support The CommUnity Commitment in its efforts to provide a safety net to America's Social Safety Net. Through WellCare's Advocacy and Community Based Programs department, WellCare is focused on linking health outcomes with public health principles – what we call *Managed Public Health* and quantify this positive impact this will help on our members and their communities.



Linking Social Services with Health Outcomes

- Assembling data on the social service network in all states (by zip code).
- Assessing the viability of the social service network in all states.
- Preparing resource analytics to identify social service gaps.
- Implementing community-based, gap-fill solutions.
- Measuring impact of social supports on health.