

THE COMMUNITY COMMITMENT

PROVIDING A SAFETY NET TO AMERICA'S SOCIAL SAFETY NET

FACT SHEET-KENTUCKY

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 KENTUCKY

Along with federal budget cuts, states are cutting budgets in several areas including public assistance and social safety net programs. The State of Kentucky resolved a \$4.0 billion shortfall in FY2010-2013 by cutting funding across multiple programs including: K-12 Education (\$552.2 million), Higher Education (\$275.1 million), and Medicaid (\$887.1 million). Nearly 41 percent of low-income women aged 19 to 44 are uninsured, yet, if Kentucky expanded Medicaid coverage under the Affordable Care Act, these women could gain coverage and improve their health and the health of their babies. One of state's major fiscal concerns is its \$33.7 billion dollar unfunded state pension system liability. State Lawmakers passed a pension reform bill this FY that would provide \$100 million a year to make the state's required contribution to the pension plans of state employees. There is speculation that the state's current revenues may make it impossible to meet this obligation and the Pew Center on the States has determined that Kentucky's tax revenue hasn't kept up with its changing economy, a trend expected to continue in the coming years, leaving the state with a structural deficit that could force additional major cuts to services. If unaddressed, that gap is expected to reach \$1 billion by 2020. In addition to state budget cut and shortfalls, federal budget cuts are going to put Kentucky's most vulnerable residents at higher risk for negative impacts. (Fiscal Survey of States; Center on Budget and Policy Priorities; Kentucky Center for Economic Policy)

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 (811,277)
- Seniors (591,851) and Grandfamilies (97,429)
- Individuals with Disabilities (733,100)
- Chronic and/or critically ill (2.8 million)

WHAT SERVICES AND PROGRAMS ARE BEING IMPACTED?

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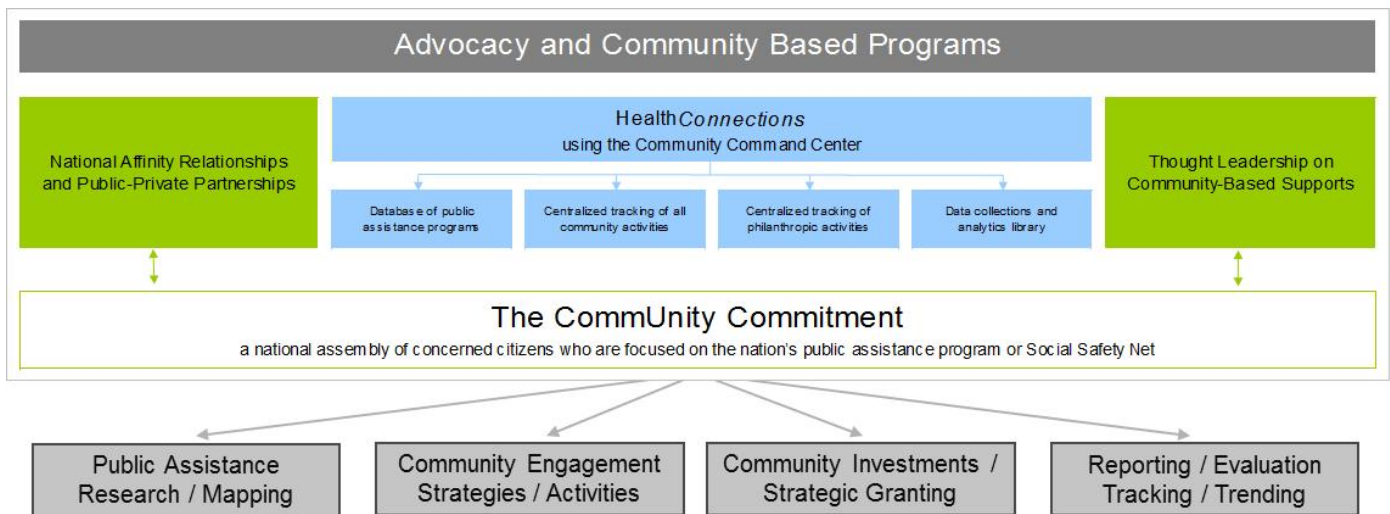
THE RESPONSE

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.