UPDATE

A bi-monthly newsletter of the Solano County Health & Social Services Department.

March, 2006
Volume 3, Issue 2

HELPING THOSE IN NEED

This issue of **UPDATE** looks at the largest component of the H&SS budget — Employment and Eligibility. Whether called public assistance or welfare — this function has undergone major changes over the past decade and will be undergoing even more in the near future. This issue provides an overview of what the division does and summarizes some of the trends in caseloads and services. With the passage of the federal budget bill (*S. 1932*) last month, big changes are in store for the welfare system. A brief overview is provided beginning on Page 3. However, more detail on the changes and what they will mean for Solano County will be included in an upcoming edition of **UPDATE**.

What H&SS Does

The Health & Social Services Department's Employment and Eligibility Services Division promotes self-reliance by assisting low-income families and individuals with finding employment and getting health care. A variety of programs and assistance are available to help those in need.

CalWORKs is the state's basic welfare program that provides cash aid and services to eligible needy California families. The program – which stands for California Work Opportunity and Responsibility to Kids -- was implemented in 1998 as California's response to national Welfare reform. CalWORKs is designed to help people avoid or leave the welfare rolls and become self-sufficient. Cash assistance is available for a limited amount of time – five years over a lifetime with only a few exceptions. Childcare, job training, transportation and job search assistance are among the services offered as part of CalWORKs.

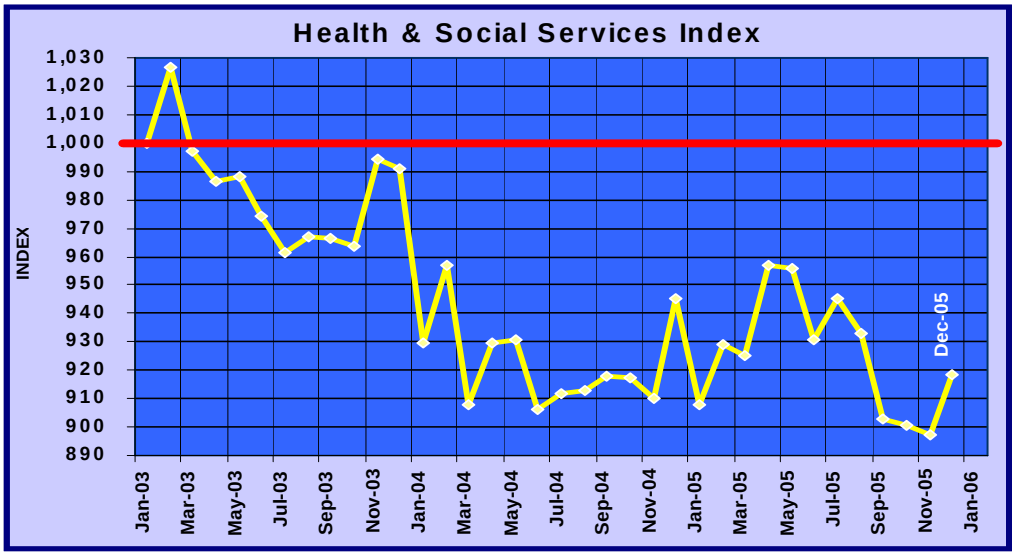
Food Stamps are meant to end hunger and improve nutrition and health. They help eligible low-income households buy the food they need for a nutritionally adequate diet. Eligible families and individuals are issued Food Stamp benefits via Electronic Benefit Transfer (EBT), which is accessed at participating grocery stores with a swipe card. The majority of Food Stamp recipients do not receive CalWORKs cash assistance. Many are working, low-income households for whom Food Stamps help supplement available resources.

(See "What H&SS Does" on page 3)

IN THIS ISSUE

Helping Those in Need 1
H&SS Index 2
The Changing Welfare Landscape 3
Food Insecurity 4
Food Stamp Trends 5
CalWORKs 6
CalWORKs Child Care 7
Success Story: Responsible Fatherhood 8
Mid-Year Fiscal Update 10

H&SS INDEX



The **Health & Social Services (H&SS) Index** combines workload data from 15 key services provided by H&SS, along with data on unemployment in Solano County, to provide a monthly indicator of community demand for health and social services.

All of the monthly numbers — clients served, program caseloads, number of unemployed, referrals, etc. — are added together and then converted into an index score. The January 2003 total serves as the index bench line figure of 1,000. The index scores for subsequent months reflect change from the January level. Like the Dow Jones or NASDAQ, higher scores suggest positive developments — fewer people looking for work or requiring the services that H&SS provides, for example. Falling numbers suggest increasing need for H&SS's safety net services.

Please note: The index is not a direct measure of need. Many socioeconomic factors influence need. At the same time, various factors, such as eligibility guidelines and available revenues, influence the amount of service that H&SS can provide regardless of need or demand for service. (Some Medi-Cal enrollment figures for more recent months are estimates or projections based on historical trends. Other recent data may be preliminary and may change.)

INDICATOR	Jan-03	May-03	Sep-03	Jan-04	May-04	Sep-04	Jan-05	May-05	Sep-05	Nov-05	Dec-05
Number Unemployed	13,800	12,300	12,100	13800	11,800	11,000	12,800	10,400	11,000	11,200	9,900
Number of I&R Calls	2,772	2,596	3,029	2,655	2,059	2,416	2,440	1,420	2,206	1,855	2,179
CalWORKs Cash Assistance Recipients	9,405	9,794	9,968	10,402	11,021	11,135	11,068	11,270	11,561	11,777	12,048
New CalWORKs Applications & Restoration Requests	521	451	521	469	429	474	452	457	514	482	420
Food Stamp Recipients	11,515	12,690	13,106	13,761	15,420	15,773	16,174	16,461	17,588	18,307	18,460
General Relief Recipients	256	323	359	385	374	428	442	505	588	689	718
Medi-Cal Enrollment*	49,059	50,180	51,720	53,268	53,654	54,354	54,836	55,067	57,166	56,499	54,408
CMSP Cases (End of Month)	4,228	4,746	4,941	4,922	5,227	5,529	4,359	3,308	4,125	4,152	4,124
Elder or Dependent Adult Abuse Referrals	98	123	90	106	95	95	108	93	88	93	83
Elder or Dependent Adult Abuse Confirmed	40	35	31	36	26	39	31	29	29	27	22
In-Home Supportive Services (IHSS) Authorized Cases	2,254	2,226	2,278	2,324	2,329	2,347	2,422	2,453	2,487	2,523	2,534
Child Abuse Referrals	390	382	349	387	410	372	333	364	358	275	262
Medical Clinic Visits	2,595	2,664	2,721	2,615	2,571	2,811	2,618	2,460	2,180	2,185	1,950
Dental Clinic Visits	447	434	379	283	315	335	364	378	312	355	262
Mental Health Clients	2,701	2,793	2,784	2,756	2,592	2,620	2,468	2,527	2,620	2,416	2,386
Substance Abuse Clients	699	621	530	566	575	676	628	733	676	713	652

The Changing Welfare Landscape

Significant changes are coming to the nation's welfare system beginning in October. On February 1st, the Congress passed the federal Budget Reconciliation bill that will cut or reduce a wide variety of federal benefit programs. Medicaid, student loans, and child support enforcement are among the programs being cut. A major focus of the bill is the first major change to welfare since the enactment of Welfare to Work in 1996.

The welfare program – known as CalWORKs in California, but as TANF (Temporary Assistance for Needy Families) in most of the rest of the country -- was reauthorized for the next five years as part of the bill. The legislation adds increased work requirements and reduces state flexibility to meet those requirements. Meanwhile, the bill provides little in new federal funding over the five years. By 2007, states must have at least 50 percent of TANF (CalWORKs) adult recipients in single parent families meeting work requirement. Ninety (90) percent of adults in two-parent families must also meet the work requirement.

Although these rates have not changed, the manner in which they are calculated will change. Current law provides a 'caseload reduction credit' that gives each state credit for the percentage point decline in the TANF caseload since Federal Fiscal Year (FFY) 1995 – the year just before Welfare reform went into effect. For California, the caseload has dropped about 46 percent since 1995 (falling most steeply during the first few years). As a result, cur-

(Continued on page 9)

WHAT H&SS DOES

(Continued from page 1)

General Assistance (GA) is a county funded program that provides safety net cash aid for needy individuals who are not eligible for other federal and state programs. Employable GA recipients are eligible for three months of cash assistance every twelve months. This time limit does not apply to unemployable GA recipients.

The **Medi-Cal** program provides medical coverage to families or individuals who are medically needy or medically indigent. Some of those who do not qualify for Medi-Cal may be eligible for **County Medical Services Program** (CMSP). Both Medi-Cal and CMSP may require clients to pay a monthly deductible for health services.

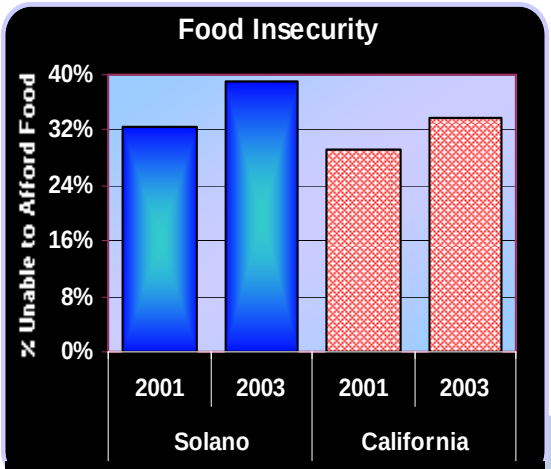
H&SS Main Office, Fairfield

The **Supplemental Security Income (SSI) Advocacy Program** assists clients in the application and reconsideration process for SSI benefits. Advocates assist clients with appointments, complete and submit necessary forms and documentation, and respond to the requests and requirements of the Social Security Administration.

The **Responsible Fathers Program** works with the non-custodial fathers of CalWORKs children to establish a healthy relationship with their children and the mother. The program also works to improve the father's ability to financially support his children and stay out of legal trouble.

Information and Referral services are provided through the 800 Team which provides clients with a linkage to a broad-based referral network. The 800 Team assists callers in accessing needed services. Callers receive referrals to County services and community-based organizations if needed. The Information & Referral Call Center can be reached at **1-800-400-6001**, Monday through Friday between 8:00am and 5:00pm.

Food Insecurity



Asked whether or not they had the ability to consistently afford enough food. Asked only of adults whose income was less than 200% of the Federal Poverty Level. ($36,800 for a family of 4 in 2003.)

- According to the USDA, Food Insecurity is defined as limited or uncertain access to nutritious, safe foods necessary to lead a healthy lifestyle; households that experience food insecurity have reduced quality or variety of meals and may have irregular food intake.
- According to the 2003 California Health Interview Survey (CHIS), 2 of every 5 low income adults in Solano County said that they did not have the ability to consistently afford enough food. Solano County's proportion was 15% higher than for the state as a whole.
- The actual number of adults with "food insecurity" increased by 22 percent between 2001 and 2003 from 23,000 to 28,000. (By comparison, the US Census estimated that the County's overall population increased by 7,000 people or 1.8 percent during the same time period.)
- Interestingly, the proportion of those living below poverty who said that they did not have the ability to afford enough food fell slightly from 44.9% to 43.8% between 2001 and 2003. This suggests that most of the increase was due to growth in the "working poor" — households with low wages that may not qualify for — or be aware of — assistance programs.
- Between December 2004 and December 2005, the number of food stamp recipients increased by 13.2%. (Bottom Graph, Page 5) The decrease in the client count during the summer of 2005 was probably due to data problems during the switch to CalWIN.

" Children in food-insecure households tend to do less well in school … They also tend to have more health problems.

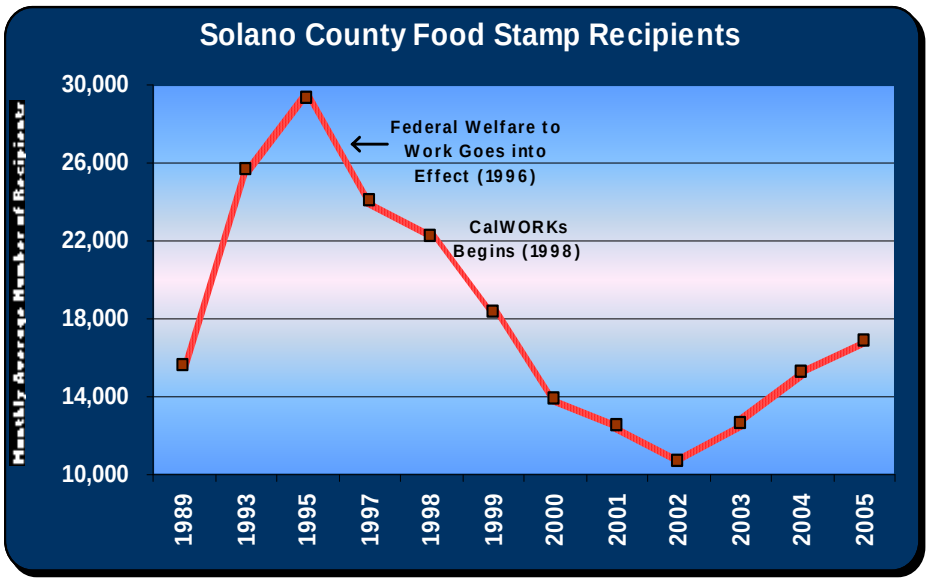
Adolescents … are more likely to have depressive and suicidal symptoms …

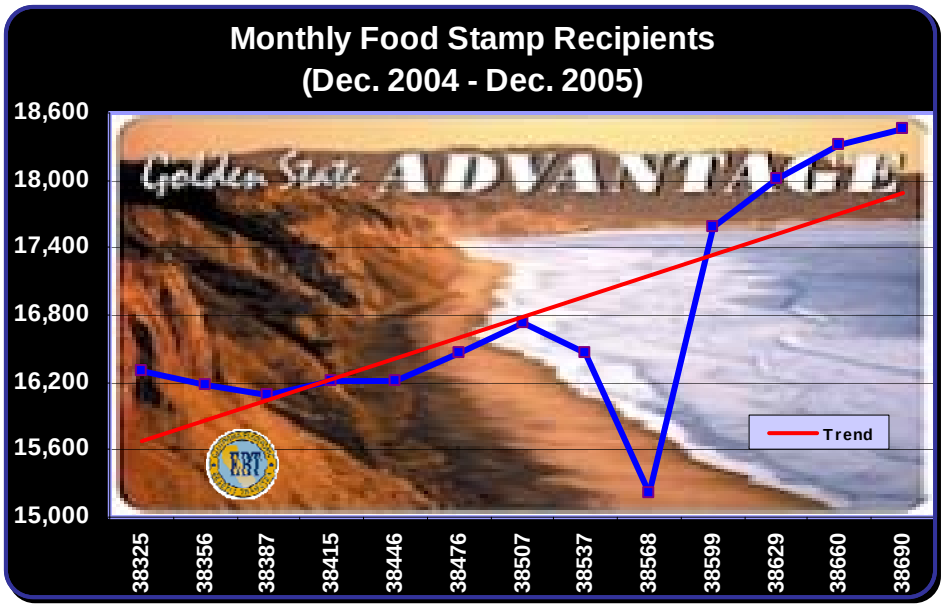
In adults, food insecurity is associated with poorer health …

UCLA Center for Health Policy Research

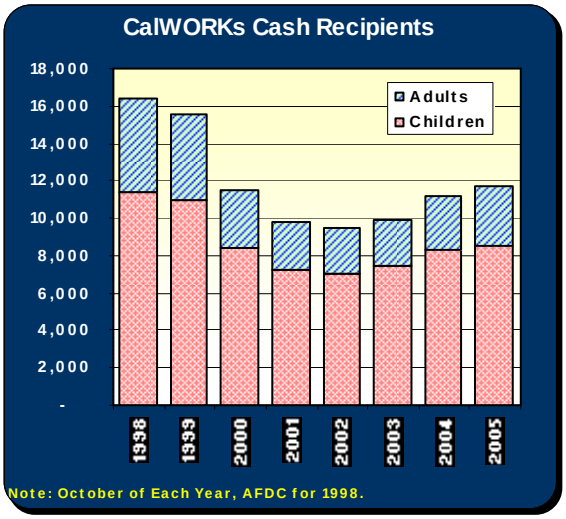
- A recently released survey done by America's Second Harvest — a national network of food banks including the Food Bank of Contra Costa and Solano — found that more than one-third of the households that rely on food pantries or soup kitchens include someone who is employed. For Solano and Contra Costa counties the figure was 43 percent.

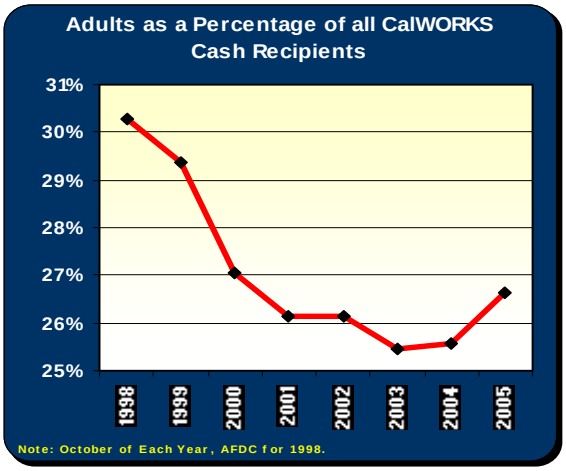
FOOD STAMP TRENDS

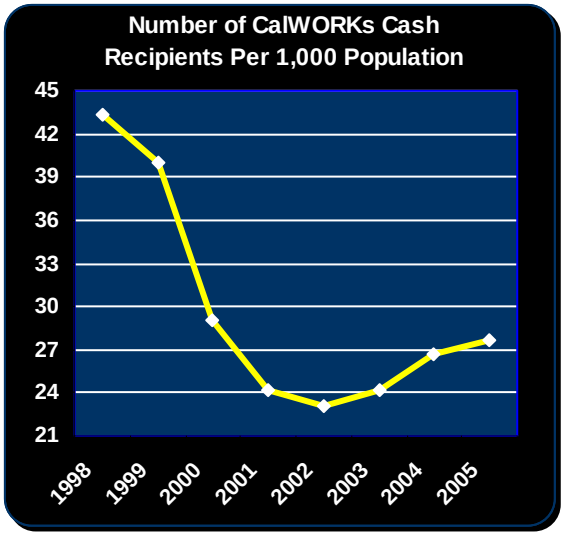




CalWORKs





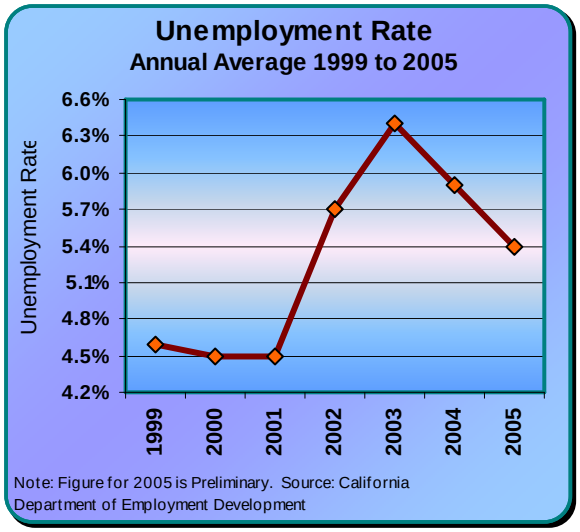


Between 1998 and 2002, the number of persons receiving CalWORKs cash assistance fell by nearly 7,000 from 16,400 to 9,400 — a 42 percent decrease.

As welfare's emphasis shifted towards supporting children and finding employment for adults, the proportion of adults receiving cash assistance relative to children declined from 30.3 percent to 25.5 percent between 1998 and 2003. However, the percentage of adults receiving assistance has risen slightly since then.

The dramatic decreases during the first years of Welfare reform have not only stopped but reversed. The number of CalWORKs recipients has been increasing slightly since 2003. Among the possible reasons: Changes in the economy. Although showing improvement since 2003, Solano County's unemployment rate remains well above the 1999-2001 average.

Over the past three years, the County's unemployment rate averaged 5.9% — 30 percent higher than the 4.5% average during the 1999-2001 economic boom years.



CalWORKs Child Care

Child care is an important component of the CalWORKs program. In order for parents to work or participate in educational or vocational activities, care must be available for their dependent children. Child care is provided with state and federal funds in three (3) stages. In Solano County, all 3 stages are provided by the non-profit Solano Family & Children's Services.

While all CalWORKs child care programs are funded by the State, only Stage 1 is part of the single allocation.

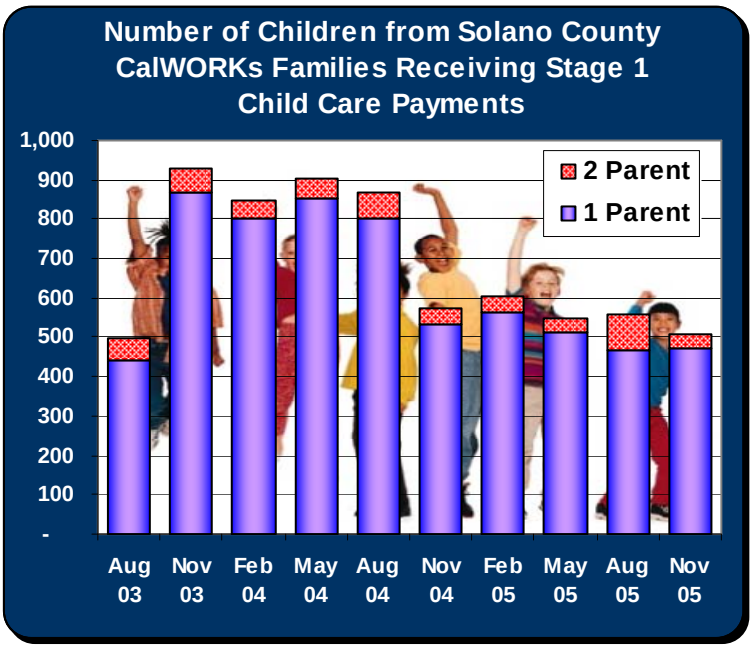
Stage 1 begins when a participant enters the CalWORKs program and engages in activities pursuant to a welfare-to-work plan developed by H&SS for each family. Families are referred to Family & Children's Services for assistance in finding child care providers.

CalWORKs families are transferred into Stage 2 when H&SS deems the family to be stable. Participation in Stage 1 and/or Stage 2 is limited to two years after the family stops receiving a CalWORKs grant. In addition to the services provided through Solano Family & Children's Services, a limited amount of the services in Stage 2 are administered by community colleges for the benefit of students.

A family can move to Stage 3 stage when it has exhausted its two-year limit in Stage 1 and/or Stage 2 (referred to as timing out), and for as long as the family remains otherwise eligible for child care programs.

Stage 2 and Stage 3 are separate from Stage 1 and allocated separately by the State. Recent decreases in Stage 1 child care rolls in Solano County (See accompanying graph) are due in large part to recent increases in the allocation by the State for Stage 2 child care.

The graph also shows how the proportion of children from 2-parent families is much smaller than from single parent families. With increased work requirements for 2-parent families coming in the near future, the number of children from 2-parent families requiring child care is likely to grow even though little additional funding is being made available.



SUCCESS STORY: Responsible Fatherhood

Michael Lawrence* came to the **CalWORKs Responsible Fathers Program** (RFP) through a referral from his Child Protective Services (CPS) Social Worker. During the weekend prior to Mr. Lawrence coming to the RFP Office, he and his wife -- who were living in a local motel with their minor child -- became engaged in a verbal confrontation. Michael could see that the situation was beginning to spin out of control, so he did what he had learned several years before in an anger management class. He removed himself from the motel room to allow his wife time to settle down. While he was away from the room, his wife called CPS and told them she was about to have a break down and was unable to further care for their child. CPS responded and Michael Lawrence's child was placed in foster care.

Mr. Lawrence became aware of what had happened when he returned to the motel. He contacted CPS but was not offered the opportunity to care for his child. The RFP received a referral on Michael Lawrence and within two days he came to the RFP Office. He told the RFP Social Worker that he was unclear about what CPS expected of him and the Social Worker thoroughly went over his CPS Case Plan and answered all of his questions. He provided some more background about himself. He had a domestic violence case on his record from over 10 years ago. He had completed a 52 week Domestic Violence program and had been sober for eight years. He was very concerned about his child's well being.

Michael participated in the RFP Men's Support Group faithfully and consistently. He met all of his CPS and RFP appointments and any time he had a conflict, would notify his RFP Social Worker well in advance. Through his dedication and effort, Michael proved himself to be worthy of consideration for taking custody of his child. Throughout his participation in the Responsible Fathers Program, he kept his focus on his relationship with his child. The bond between Michael and his child continued to grow and that strengthening relationship was clearly observed during visits and court appearances.

There were several incidents when his wife would contact him and attempt to engage him in some form of verbal confrontation. Michael never took the bait. He remained focused and was supported by both his family members and members of the men's support group. Michael obtained a suitable apartment and furnished it appropriately. He went to work at several locations to support himself. Mr. Lawrence made all of his scheduled court appearances and the reports submitted by the social workers from both the Responsible Fathers Program and Child Protective Services indicated that Michael had more than satisfactorily demonstrated his ability to appropriately care and provide for his child. As a result, Michael Lawrence was awarded the custody of his child and their relationship has continued to grow.

As of this time, Michael Lawrence continues to care and provide for his child in a manner that's second to none. Various persons in the community who have observed Michael Lawrence and his child together are often heard sharing positive comments about them. Michael Lawrence's referral to the Responsible Fathers Program was a significant factor that led to him and his child being reunited and having the loving, caring relationship that exists today.

** The story is true but the names and certain details have been changed to protect the privacy of this client and his family.*

The Changing Welfare Landscape

(Continued from page 3)

rently, only about 4 percent of CalWORKs families need to work the minimum hours for the state to meet the 50 percent requirement.

The new base year will be FFY 2005. Since caseloads in California, including Solano County, have stopped their decline and even risen slightly over the past few years, there will be little or no "credit" for past success. As a result more families will have to work for the state to meet its requirement. If the requirements are not met, California will be penalized as much as $173 million in FFY 2006-07.

Another change restricts states' flexibility to set policies for programs funded solely with state "maintenance of effort" (MOE) dollars. Currently, the federal participation rates do not apply to families receiving assistance through state MOE funds. States have established separate programs with flexible requirements for families with significant barriers to employment. For example, in California, two parent families were funded through state MOE funds to avoid penalties for failing to meet the 90 percent participation rate.

The legislation does provide funding to help states to assist families with funding for childcare while the parent is working. However, the funding provided is insufficient to keep pace with inflation. Furthermore, it is anticipated even more families will need these funds if the work requirements are met.

In California, the California Budget Project estimates that approximately 52,000 additional CalWORKs families, including 18,000 two-parent families, will need to meet the new requirements beginning in October 2006.

By applying the new criteria to October 2005 caseloads in Solano County, 290 of the 320 two-parent families, and 991 of the 1,981 one-parent families will need to meet the new work requirement.

States face substantial penalties for not meeting the work requirement goals. It is estimated that 45 of 50 states will not be able to meet these new requirements and therefore would lose federal funds resulting from penalties imposed by the Federal Department of Health and Human Services (HHS). The California Budget Project estimates that California will need to spend more than $400 million each year for employment and child care to meet the new requirements. Failing to meet the work requirements could result in penalties that could cost the state in excess of $173 million in the first year and could exceed $350 million if the state fails to comply for four consecutive years.

The changes to the nation's welfare system are scheduled to go into effect with the start of Federal Fiscal Year 2007 which begins on October 1, 2006. There is some speculation that Congress may modify the regulations based on feedback from the many states that will be negatively impacted or the changes may stand. Because the bill passed only last month, its provisions are still being analyzed by H&SS. An upcoming edition of **UPDATE** will explore the implications for Solano County.

MIDYEAR FISCAL UPDATE

DIVISION	WORKING BUDGET	MIDYEAR REVISION	CHANGE	WORKING BUDGET	MIDYEAR REVISION	CHANGE
	APPROPRIATIONS			REVENUES		
Administration	$1,770,302	$2,738,991	$968,689	$1,764,602	$1,632,773	-$131,829
Public Guardian	1,359,258	1,452,077	92,819	1,359,258	1,309,183	-50,075
Substance Abuse	5,838,343	5,649,917	-188,426	5,838,312	5,646,304	-192,008
Family Health	10,245,241	9,793,758	-451,483	10,095,241	9,156,100	-939,141
Mental Health Managed Care	4,518,079	4,257,789	-260,290	4,518,079	4,256,876	-261,203
Medical Services (CMSP)	12,220,329	12,217,842	-2,487	12,220,329	12,220,329	0
Child Welfare	19,830,945	21,002,666	1,171,721	19,537,396	21,061,911	1,524,515
Older & Disabled Adults	8,914,167	8,822,574	-91,593	8,217,986	8,293,465	75,479
Employment & Eligibility	53,588,932	53,561,852	-27,080	53,552,464	53,626,199	73,735
In-Home Supportive Services	692,721	687,704	-5,017	692,721	686,904	-5,817
Mental Health	41,006,377	42,798,017	1,791,640	40,991,023	43,395,508	2,404,485
Public Health	24,432,980	23,639,674	-793,306	24,431,578	23,589,878	-841,700
Assistance Programs	77,198,136	56,183,696	-21,014,440	76,198,867	55,748,668	-20,450,199
TOTAL	$261,615,810	$242,806,557	-$18,809,253	$259,417,856	$240,624,098	-$18,793,758

Highlights of the Fiscal Year 2005-2006 Midyear Operating Budget

There were no significant changes in the Department's operating budget. Overall, there was a $15,495 improvement in the Midyear from the Department's Working Budget with three (3) major adjustments:

- **Food Stamp benefits issued by the US Department of Agriculture previously budgeted in the Assistance Budget are no longer budgeted or included in the Department's financials since the funding and payments do not go through the County. They are now tracked outside of the budget and financial systems of the County. (The decrease shown in the Midyear revision for assistance programs does not, therefore, reflect a decrease in actual benefits available to clients.)**
- **The cost of the countywide strategic computer initiative and computer refresh plans to help the Agency operate more effectively were added in Administration.**
- **Increases in Mental Health service costs were more than offset by associated revenues generated from other Mental Health revenue sources.**

The changes in the Midyear budget will have no effect on H&SS's ability to provide services or achieve the department's financial targets. The Department is on target to meet or exceed the financial targets submitted to the CAO and Board of Supervisors for the third year in a row.