



## Talking Points

- 1) Health, human services, and early care & education form a critical safety net for Ohioans. These vital public services - for children and families; for seniors and people with disabilities; for basic needs including food, housing, and health care - are essential to supporting our workforce and those looking for employment.
- 2) By improving on what's working, Ohio's human service delivery system can become even more streamlined, efficient, and cost effective.
- 3) Responsible reforms to the state budget - including shifting costs in long-term care - will help maximize taxpayers' investment in a system that is prevention oriented and responsive to people's needs.
- 4) In a recession, the needs of families grow at the same time that states have fewer resources to help them, and while private charities are seeing their own endowments shrink. One in five Ohioans and one in three Ohio children are currently covered by Medicaid, many of them new as a result of the economic downturn.
- 5) Our state budget priorities must take into account the basic needs of the vulnerable and of those struggling because of the current recession.
- 6) If we fail to invest in basic needs, our state will be poorly positioned for when prosperity returns. We need to avoid more cuts to vital services that hurt the long-term health of our families and communities.
- 7) Voters support a budget solution that maintains these critical services at a level that meets people's needs.

### **Advocates for Ohio's Future**

510 East Mound Street, Suite 200

Columbus, OH 43215

Scott Britton 614-602-2463 | Will Petrik 614-602-2464 | Fax 614-228-5150



## Why Health, Human Services, and Early Care & Education Matter

- 1) **The safety net must now support new populations sliding into poverty.**  
 In Ohio, about 200,000 more people entered poverty last year, raising the percentage of state residents in poverty to 15.2% from 13.4%, according to the American Community Survey. That is 1 in 7 Ohioans living at or below the federal poverty level. According to Census data, between 2006-2007 and 2008-09, when the full grip of the recession was felt:
  - The percentage of Ohio children living in poverty rose from 18% to 21%.
  - The percentage of Ohioans living in poverty rose from 12.5% to 13.5%, which was close to the national average.
  - The percentage of Ohioans without insurance rose from 10.9% to 12.9%, but still was better than the national average of 16%.
  - The median household income of Ohioans fell from \$49,811 to \$46,318, which was lower than the national median of \$49,945. The 7% slide in Ohio also was steeper than the 3% drop nationally.
 As family income drops due to the recession, human service programs make a difference for working families, and people looking for employment.
  
- 2) **A streamlined delivery system makes sense.**  
 Cuts sustained in the health and human service sector over the last four years have forced public service leaders to serve an ever-increasing number of vulnerable people on an ever-shrinking budget. In Hamilton County, for example, Job and Family Services office staffing was reduced by 60% while caseloads continued to climb. County and state partnerships have already resulted in streamlining of application and service delivery systems in many human services programs. The goal is to reduce the casework processing time and transaction cost, to expand access to services through online self-service and use of remote sites managed by charities and volunteers (such as the Ohio Benefit Bank), and to reduce the unnecessary and duplicative administrative work needed when eligible Ohioans cycle on an off of programs for no reason other than procedural failures. In addition to cutting the red tape, agencies are looking at new and creative ways to streamline how services are actually delivered so that needy Ohioans get services sooner and when needed, while protecting and maintaining program integrity and accuracy.
  
- 3) **Rebalancing long-term care costs strengthens the system responsibly.**  
 The elderly and disabled make up only 25% of Medicaid enrollees but account for 67% of Medicaid spending. Many of these vulnerable Ohioans receive services in costly nursing facilities when they could be getting much less expensive - and much more desirable - home- and community-based care. Ohio has moved the dial from a 90/10 ratio of nursing home-to-home care use to 58/42 through an effective, efficient regional system of

delivering home- and community-based alternatives. The state can realize cost savings by ensuring access to home care, giving people the right amount of help at the right time, when and where they need it.

**4) In a recession, needs grow while state and private resources shrink.**

The state of Ohio has been hit particularly hard by the current recession. The national banking and housing market collapse of 2008 added to a 20-year erosion of manufacturing jobs in Ohio. Between December 2007 and June 2010:

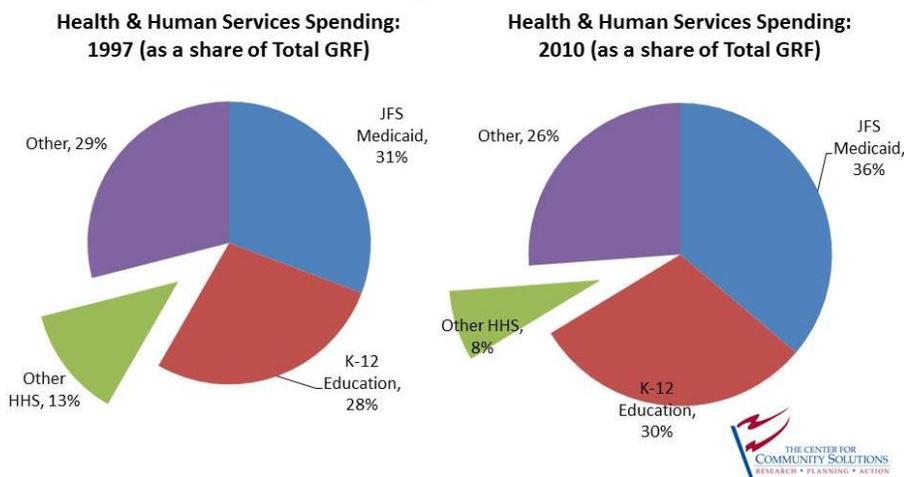
- The unemployment rate in Ohio jumped from 5.8% to 10.4%;
- Food stamp recipients rose from 1.1 million to 1.6 million - 1 in 7 Ohioans;
- Medicaid recipients ballooned from 1.75 million to more than 2 million; and
- The number of Ohioans receiving TANF cash assistance increased from 173,254 to 241,669.

Nearly one in five Ohioans receives Medicaid. Medicaid pays for one of every three births in Ohio. In addition, 42% of Ohio school children are on the federal free or reduced-price lunch program. According to the Center for Community Solutions, the budget shortfall for FY2012 and FY2013 will be at least \$3 billion each year, totaling more than \$6 billion - as much as \$8 billion or more - over the biennium. Nonprofit charities cannot fill the gap. The combination of the economic downturn and reduced private philanthropy hit their bottom line, too, and many have exhausted their reserves to keep their doors open. Funders of nonprofits have failed to meet campaign goals year after year, even when those goals have been set low. The endowments of charitable foundations tied up in the stock market lost value, resulting in fewer grants for already struggling nonprofits.

**5) The state budget must meet people’s basic human needs.**

Cuts made to balance the 2010-11 biennial budget have already affected Ohio’s most vulnerable. And those cuts were merely the last in a decade of devastating cuts to health, human services, and early care & education programs. See the charts below to understand how the share of “other HHS funding” - which has been flat-funded at only \$2 billion - has shrunk over the period from 13% of total General Revenue Fund spending to only 8%.

**Health & Human Services:  
Losing Ground**



The state is not currently meeting basic human needs for its children, families, elderly, and other vulnerable populations. Further cuts will be debilitating.

**6) Invest now in services that support future prosperity.**

There is a sense that as a country we may be bottoming out of the recession, but Ohio is always 18 months to two years behind the rest of the country in recovery efforts. Families continue to lose their homes because of the foreclosure crisis; individuals who never before went without food are lining up at food pantries. And if federal unemployment benefits end before the economy picks up, even more Ohioans will be stranded. Our state must make a commitment to lifting people out of poverty - and preventing working- and middle-class people from sliding into poverty - so that they can be in a position to work and prosper when the economy improves. This means not only meeting basic human needs but also investing in workforce supports (education, job training, child care, transportation) that position low-income people to take advantage of the recovery.

**7) Voters support a budget that protects Ohio's vulnerable populations.**

A poll conducted in 2009 by Garin-Hart-Yang Research Group of Washington, DC, showed that cuts to the following services were considered unacceptable by the general public:

- 92% against cutting services for people with mental illness;
- 90% against cutting services for abused and neglected children;
- 86% against cutting services for food pantries and food program funding;
- 82% against cutting pre-K through 12<sup>th</sup> grade school; and
- 80% against cutting home visits for at-risk infants.