

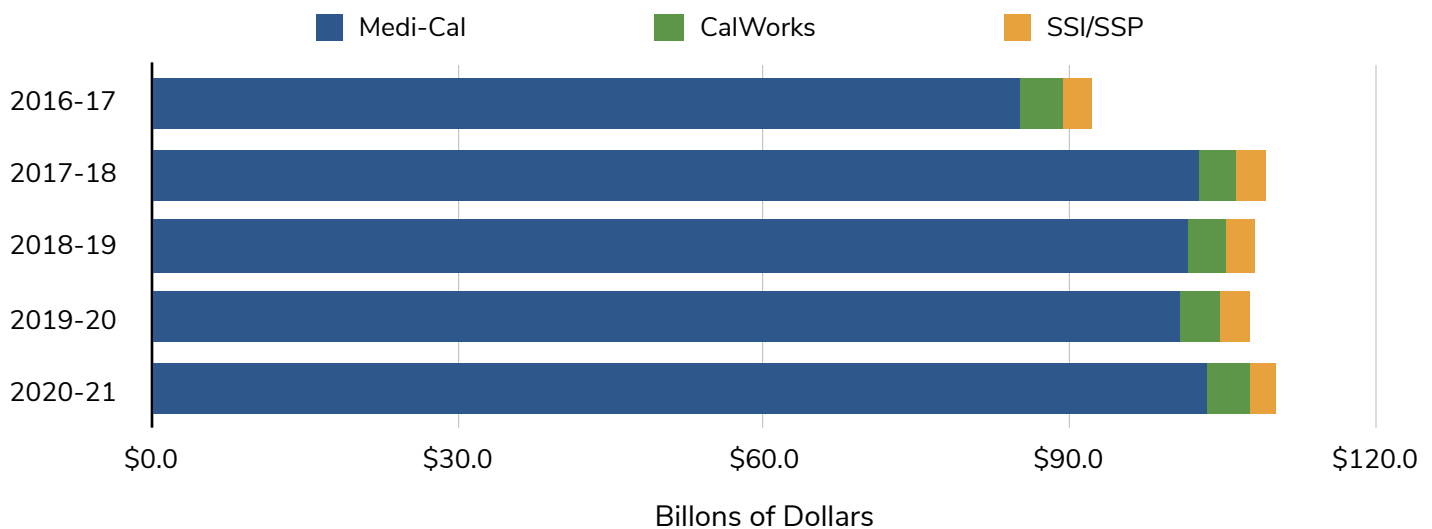


HEALTH & HUMAN SERVICES

Health & Human Services (HHS) programs in California include traditional safety net programs, such as CalWORKs and SSI/SSP, and the state public healthcare system, Medi-Cal, which are funded through a mix of state and federal funds.

The **CalWORKs** program is the state’s version of the federal Temporary Assistance for Needy Families (TANF) program, which provides temporary cash assistance to low-income families with children to help meet basic needs. Supplemental Security Income/State Supplemental Payment (**SSI/SSP**) provides a monthly cash benefit to eligible aged, blind, and disabled persons—who meet the program’s income and resource requirements—to help with basic needs and living expenses. The SSI portion is funded by the federal government, and the state augments that money with the SSP grant. **Medi-Cal**, California’s version of Medicaid, is a public health program that provides comprehensive health care services at no or low cost to low-income individuals.

Total Health & Human Services Funding by Program



Data from the California Department of Finance

The **2020-21 budget includes \$167.9 billion** (\$47.4 billion General Fund and \$120.5 billion other funds) for all health and human services programs—an increase of 3.5% over the 2019-20 level. The proposed total budget for CalWORKs is \$4.1 billion (+2.5% over 2019-20) and \$2.7 billion (-3.5% due to lower caseload) for SSI/SSP in 2020-21. The proposed Medi-Cal budget is \$107.4 billion (\$26.4 billion General Fund), an increase of 2.1% over the 2019-20 level. Federal funds make up approximately two-thirds of Medi-Cal funding.

HHS KEY FACTS

- ✓ **Medi-Cal:** As of 2019, Medi-Cal covered 40% of all children, 50% of all people with disabilities, over 1 million seniors. Total 2020-21 caseload is 13 million Californians
 - ▶ Since the implementation of the ACA, the uninsured rate in California has dropped by more than half to about 7% (or 3 million people), compared to a national average of 13.7%
 - ▶ The state has expanded Medi-Cal eligibility to children and young adults under the age of 26 regardless of immigration status in recent years
- ✓ **CalWORKs:** Caseload is expected to be 358,090 (-1.4%) in 2020-21
 - ▶ CalWORKs recipients are required to work or participate in work-related activities for 20-35 hours per week
 - ▶ The current maximum grant amount is \$888/month, or about 50% of the federal poverty level (FPL)—if indexed to inflation in 2007-08, it would be \$983
- ✓ **SSI/SSP:** Caseload is expected to be 1.2 million people (-1.8%) in 2020-21
 - ▶ Effective January 2020, the maximum grant levels are \$944/month for individuals and \$1,583/month for couples (92% and 115% of the FPL, respectively)
- ✓ **Income Eligibility:** The income cut-offs for eligibility vary by program and depend on household size:
 - ▶ **Medi-Cal:** 138% of FPL, following Medi-Cal expansion under the ACA
 - ▶ **CalWORKs:** Ranges from \$391/month for a 1-person household to \$1,431/month for 8-person household
 - ▶ **SSI/SSP:** Must have little to no income and few resources—value of owned property must be <\$2,000 if single (<\$3,000 for couples), excluding the value of a home or car

\$26,200

FPL for family of four in 2020

NEW IN 2020-21

In October 2019, Governor Newsom announced a series of proposed Medi-Cal reforms now collectively referred to as “CalAIM” in order to improve outcomes for beneficiaries and long-term cost avoidance.

- ✓ The 2020-21 proposed budget includes \$695 million (**\$348 million General Fund**) to begin implementing the initiative January 1, 2021, growing to \$1.4 billion (\$695 million General Fund) in 2021-22 and 2022-23
- ✓ Beginning in 2023-24, ongoing cost would be \$790 million (**\$395 million General Fund**)

The administration also proposes to make additional progress towards universal coverage by expanding Medi-Cal to seniors aged 65+ with qualifying low-incomes, regardless of immigration status, at a cost of \$80.5 million (**\$64.2 million General Fund**) in 2020-21. The expansion is expected to cover an additional 27,000 people in the first year, and full implementation costs are projected to be **\$230 million General Fund** beginning in 2022-23 and ongoing.

For the other health & human services programs, the Governor is proposing to raise the CalWORKs grant level by 3.1%, effective October 1, 2020, at an estimated cost of **\$73.6 million** in 2020-21 and \$98.1 million in 2021-22. The proposal uses special funds to cover the additional cost, so there would be no General Fund impact.

The administration is also going to release formal plans for two proposals to lower prescription drug costs in spring 2020.

*Data from the Governor’s proposed budget, LAO, [Gallup](#), [Santa Cruz Human Services](#), the [U.S. Social Security Administration](#), and the [U.S. Department of Health & Human Services](#) unless otherwise specified.