

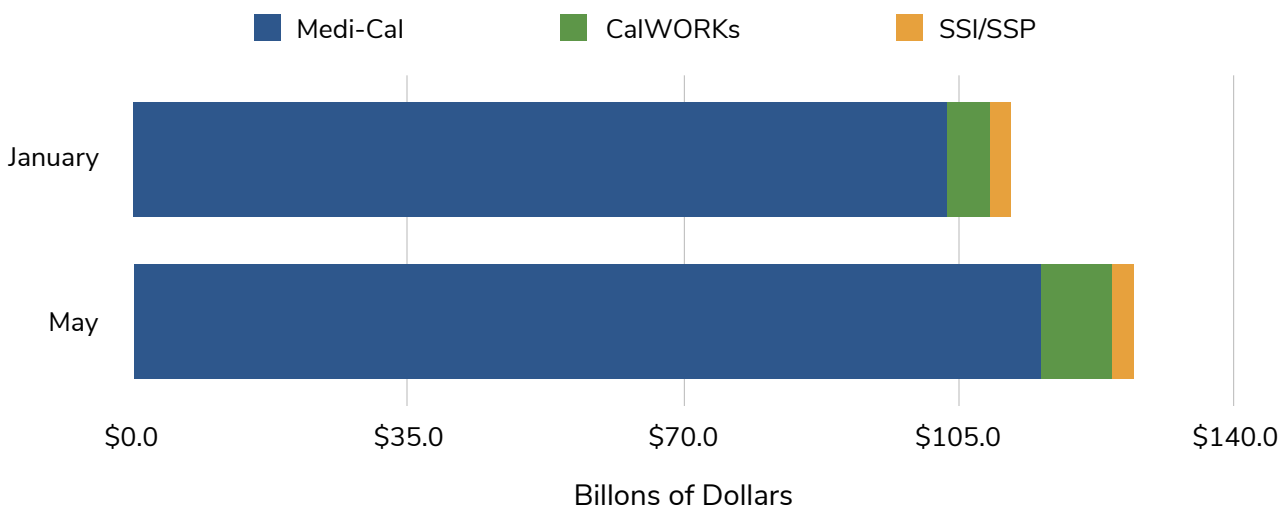


## Health & Human Services

Health & Human Services 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), which provides temporary cash assistance to low-income families with children to 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. The CalHealthCares Program administers loan repayment on educational debt for California physicians and dentists who provide care to Medi-Cal patients.

Comparing January and May Total Funding by Program



Data from the California Department of Finance

The Medi-Cal budget is \$99.5 billion (\$22.7 billion General Fund) in 2019-20 and \$115.4 billion (\$23.6 billion General Fund) in 2020-21. The 16% increase in total cost in 2020-21 compared with 2019-20 is generally attributable to the COVID-19 pandemic, including a projected increase in caseload. This increase is associated with higher projected unemployment. The enacted budget includes \$9 billion in total funding for CalWORKs, and the increase is largely a result of the higher-than-expected caseload. Lastly, the SSI/SSP total budget is largely unchanged from the \$2.7 billion projected in January.

## WHAT'S IN THE 2020-21 BUDGET

**Medi-Cal:** The Newsom administration withdrew its January proposal to expand Medi-Cal to seniors aged 65+ with qualifying low-incomes, regardless of immigration status, which would have come at a cost of \$80.5 million (\$64.2 million General Fund) in 2020-21. The expansion would have provided preventative care to an estimated 27,000 additional persons in the first year. The Legislature called to not withdraw this plan, but would instead shift implementation to 2022. The Governor also called to eliminate access to optional Medi-Cal benefits, such as dental, vision, or diabetes prevention—absent additional federal funding—while the Legislature called to reject these cuts. The enacted budget adopted the Legislature's plan to shift implementation to a future year when adequate state funding is available and maintained ongoing funding to support access to optional Medi-Cal benefits.

**CalWORKs:** The 2020-21 budget increased the lifetime limit for receiving support from the current 48-month time limit to 60 months, which it was prior to 2011 when it was lowered during the Great Recession, while maintaining the current grant amounts. These changes to CalWORKs will be especially important as record job losses have increased pre-existing employment barriers and more parents are now relying on CalWORKs to support their children.

**SSI/SSP:** There are no changes made to this program under the enacted 2020-21 budget.

Lastly, the enacted budget also uses \$450 million in 2020-21 from **Safety Net Reserve**, a reserve account created in 2018-29 to offset General Fund costs for Medi-Cal and CalWORKs, leaving a remaining balance of \$450 million that could be used in future years.

## 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 will peak at 14.5 million in July 2020, or about 2 million above what caseload would have been absent the COVID-19 pandemic.
  - ▶ 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 724,050 in 2020-21, an increase of 102% from the 358,090 projected caseload in January
  - ▶ 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 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

\*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](#), and the [California Budget & Policy Center](#).