

FTF Goal Area	FY09 State Cuts	FY09 State Reductions	Potential Stimulus - AZ	FTF State and Regional Investment	Analysis and Impact
Health Care	\$21,594,600	<p>AzEIP (Early Intervention Program) \$1,641,300 *Operating: travel, purchases *State funding eliminated resulting in contracts for screening, early intervention services and technical assistance reduced by 36% for the remainder of the year. The result is a decrease in screening for developmental delays and 850 children will either experience a reduction or lose access to therapy and other services. *Funding passed through to the Arizona State Schools for the Deaf and Blind will be reduced by 36%.</p> <p>Developmental Disabilities (DD) \$19,953,300 *Operating: staff reductions of 100 State employees and reductions in travel, purchases and furloughs. Results include caseloads that will exceed contract requirements resulting in the Division being unable to comply with timely case management, monitoring, medical, quality management and business deliverable requirements. *Provider Rates: Reimbursement rates for 850 agency and 3,500 independent providers of home and community-based, institutional and acute services will be cut by 10%. *Suspend all non-residential home and community based services to over 4,000 individuals who do not qualify for the AZ. Long Term Care System (AZALCS). Children birth through age 3 rarely qualify for AZLTCS so will lose services such as therapies, habilitation and other supports.</p>	<p>\$9,987,957 IDEA Part C for Infants and Toddlers</p> <p>UNKNOWN</p>	<p>\$7,100,000 Health Screening</p>	<p><i>AzEIP is closely tied with DDD (birth through three). Families currently eligible for DDD (see DD cuts below) without AZ Long Term Care System (ALTCS) may be referred back for AzEIP-only eligibility. AzEIP is currently struggling with capacity issues and is, therefore, ill-equipped to absorb an influx of children turned away from DDD.</i></p> <p><i>Timely service delivery will be a significant issue. Children and families will experience long delays if they receive any service at all. AzEIP is currently in a corrective action plan to come into compliance with the federal government requirements. Decreased funding in AzEIP and DD will exacerbate the problems in the program and negatively impact the compliance agreement which could result in a decrease in future funding.</i></p> <p><i>Contracts for screening, early intervention services and technical assistance will be reduced by 36% for the remainder of the year. This will result in a decrease in screening for developmental delays and 850 children will either experience a reduction or lose access to therapy and other services. In addition, funding passed through to the Arizona State Schools for the Deaf and Blind will be reduced by 36%. Contract providers are reducing their staff contributing to State unemployment rolls.</i></p> <p><i>Young children served through DDD will</i></p>

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	<p>\$12,766,400</p> <p>\$1,130,700 KidsCare and Parents Premium Increase</p>	<p>Medicaid Eligibility *Operating: reductions in staff of about 600 State employees resulting in higher caseloads, increased time determining eligibility and processing application, higher error rates and other problems that may lead to federal sanctions.</p> <p>No service numbers given</p>	<p>\$1,980,000,000 Federal Medical Assistance Percentage (FMAP) or Medicaid (inclusive of Title IV-E foster care and adoption benefits of nearly \$19 million)</p>	<p>\$2,300,000 Health Insurance Outreach</p>	<p><i>experience service reductions and suspensions. An estimated 60% - or 2,400 young children birth through age 5 will be immediately impacted by these cuts.</i></p> <p>The impact of the FMAP on staffing levels is not known at this time, although, the FMAP is a short term measure children's health care needs continue and the stimulus assures that their coverage can continue through the end of 2010. Medical coverage gives families the peace of mind that their children will have access to health care.</p> <p><i>Historically, when premiums increase fewer families can afford to pay for insurance premiums. A similar increase in 2004 resulted in 1,155 fewer children having KidsCare coverage at any given time. Without coverage, more families turn to emergency rooms for non-emergent needs contributing to an increase in the cost of health care for all Arizonans. This trend has been confirmed in national studies. Even small increases in premiums have a disproportionate effect on low-income families since they also pay proportionately higher portions of their income on housing, transportation, food, child care and other costs.</i></p> <p>FTF funding for outreach will reach additional potentially eligible families however, higher premiums may discourage families from applying.</p>

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	<p>\$1,287,238 Newborn Intensive Care Follow-Up</p> <p>\$350,000 Newborn Screening</p> <p>\$2,405,048 Community Health Centers</p> <p>\$771,400 Children's Rehabilitative Services</p> <p>\$250,000 County Prenatal Services Grant</p> <p>\$531,108 Children's Behavioral Health Services</p>	<p>State-Only Programs: High Risk Prenatal Serves *Hospital and transport services for high-risk infants, modify eligibility, and reduce home follow-up visits.</p> <p>Newborn Screening *Full blood screening panel at birth to identify genetic and other threats to the health of newborns</p> <p>Primary Care services *Suspend primary care services for 5,529 individuals. *Suspend CHC contracts.</p> <p>Children's Rehabilitation *Suspend Non-Title XIX Children's Rehabilitative Services for all 2,700 enrollees</p> <p>Prenatal Services *Suspend contracts with counties for prenatal services.</p> <p>Children's Behavioral Health *Reduce the level of children's behavioral health state-only funded services.</p>		<p>\$4,000,000 Child Care Health Consultation & Child Care Mental Health Consultation</p> <p>\$2,419,000 Pre-Natal Support</p>	<p>All State Only Programs: The stimulus will offer no relief for the state-only programs that are reduced or eliminated and that serve non-Medicaid eligible children and their parents. These are programs that support the health and mental health of children without other coverage. (See column 2).</p> <p>Reduction in the home visiting follow-up for high risk infants means that decisions will have to be made regarding children most at risk, leaving behind other infants that benefit from home follow-up services</p> <p>Suspension of primary care services may also increase use of emergency rooms, disrupt care plans and follow-up care for children and adults.</p> <p>Reductions in county prenatal care will likely increase the number of women that deliver without benefit of prenatal care. Late or no prenatal care is associated with higher rates of low birth weight infants and poor birth outcomes</p> <p>Families that earn slightly higher incomes than allowed for KidsCare and Medicaid eligibility levels will lose this safety net for mental health services for their children.</p>

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	<p>\$500,000 Mental Health, Non-title 19</p> <p>\$1,500,000 Substance Abuse, Non-title 19</p>	<p>Mental Health</p> <p>Substance Abuse</p>			<p>Reductions to mental health services impact the children of parents that may require mental health or substance abuse treatment. FTF funding is not dedicated to this purpose.</p>
<p>Family Support</p>	<p>\$7,729,100 TANF</p> <p>\$39,722,300 Child Welfare</p>	<p>Cash Assistance *Cuts will affect 38,500 families in Arizona. Their monthly cash benefit will fall from an average of \$263 to \$210. The majority of these families are single mothers with children.</p> <p>* Tribal Pass Through - General Fund spending for Tribes with own TANF program is passed through and the Tribes use the funding to meet federal maintenance of effort requirements. Six Tribes will realize reductions ranging from \$5,000 to \$155,700.</p> <p>Child Welfare *Operating: Staff reductions, furloughs, overtime, travel, purchasing decreases resulting in high caseloads. Child abuse and neglect cases will not be investigated and all supervised visits will not occur in a timely manner. Some allegations of abuse and neglect will go uninvestigated. *Prevention services provided to families at risk of losing custody of their children and services to families with children in foster care aimed at reunification will be reduced. More than 4,000 families will see reductions or elimination of in-</p>	<p>\$23,900,000 <u>May be used for direct spending on child care</u></p> <p>\$23,093,962 Title IV-E Funding for Child Welfare and Adoption</p>	<p>\$706,000 Parent Kits</p>	<p>Although TANF funding can be used for child care assistance, the federal dollars should be used to restore the cash assistance grants to their original levels (which were set in 1992). <i>Decreases in income have devastating consequences on the health of young children. Families with reduced benefits who have children 3 years of age or younger have greater odds of being food insecure. Reductions are also associated with greater odds of being hospitalized since birth, and of requiring urgent hospitalization upon visits to the Emergency Department.</i></p> <p><i>The budget cuts to Child Welfare programs increase the likelihood that children in Arizona will be abused, neglected and possibly even killed. Prevention services help parents build the skills they need to contribute to the healthy development of their children. Without prevention services for high-risk families, more children will be abused and neglected and will end up in foster care which is much more costly to the state. Failing to provide services that help</i></p>

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		<p>home and supportive services. Of the 9,721 children in out-of-home foster care in March, 2008, 39% or 3,746 were children 5 years of age or younger.</p> <p>*Foster care rates will be cut by 20% from \$910 to \$728, affecting 4,500 children in family foster care. This cut will make it more difficult to recruit foster families. Other allowances and supports will be reduced or eliminated.</p> <p>*Substance abuse treatment for parents working toward reunification will be cut for 1,400 individuals.</p> <p>*Appropriated funding for Healthy Families prevention services for more than 3,500 high risk families across Arizona will be eliminated and contracts cut.</p>		<p>\$8,100,000 Home Visitation</p>	<p><i>families reunify is also more costly and can have untold long-term negative effects on the emotional and psychological health of children. Without needed services such as substance abuse or mental health treatment, children will languish in foster homes since parents have not been given opportunities to gain skills and capacity to resume the care of their children..</i></p> <p><i>With a likely influx of children into the system, reduced rates to foster parents will make it difficult to recruit nurturing foster parents and more children will be placed in group homes or end up homeless or in the juvenile justice system. Even prior to the rate reduction, retaining foster parents has been a challenge for the state. Over one-half of foster parents leave the child welfare system each year. And those that stay, report spending their own recourses to meet the needs of the children in their home (again, prior to the reduction)</i></p> <p>Healthy Families is an evidence-based program serving families with infants and toddlers at high risk. Through home visits, Healthy Families helps prevent child abuse, promotes child health and development and improvement in family functioning. The budget cut for Healthy Families will dismantle much of the infrastructure that exists for this vital program</p>

