

## **2008 Proposed Cuts to Rhode Island Children, Families, People with Disabilities and Elders**

The Governor's proposed budget makes significant cuts to programs that help low-income Rhode Islanders meet their basic needs, protect elders and people with disabilities from slipping further into poverty, and provides a vital safety net for vulnerable children.

### **Family Independence Program (FIP)**

Enacted in 1996 with bi-partisan support, FIP is Rhode Island's cash assistance and work preparation program. The program assists families with parents who are unable to work or maintain employment due to low-skills or other barriers. The Governor has proposed repealing this vital safety net program that protects the state's poorest children, helps families stay intact during times of financial crisis, and provides very low-skilled parents with opportunities to improve their education so they can obtain and maintain employment.



#### ***Proposed cuts include:***

- End children's entitlement to assistance, placing thousands of children at increased economic and social risk
- Reduce lifetime eligibility limit from 60 months to 24 months, making RI one of the most restrictive states in the country
- Implement a "Work First" approach: all parents, regardless of literacy level, English language ability, work history, or vocational skills must look for work as their first activity, and are only eligible for work-readiness services, training or education if they fail to find a job
- Reduce funding for education and training by \$1million, denying FIP parents the promise of better paying jobs and excluding them from the Governor's prioritization of adult education as a key economic development strategy
- Increase sanctions: If a parent fails to attend a meeting or comply with their employment plan the entire case is closed and they experience a gap of at least 30 days in benefits
- "Family cap": No increase in benefit if child is born within 9 months of receipt of assistance
- Legal permanent resident children and parents are barred from receiving assistance for 5 years



### **Health Insurance for Low-Income Families (RIte Care/RIte Share)**

The RIte Care/RIte Share Programs provide comprehensive primary and preventive health care for low-income children and parents. The program has been heralded as a national model.

#### ***Proposed cuts include:***

- Eliminates health insurance for 2,800 non-citizen children, including 1,300 legal permanent residents
- Roll back eligibility for parents on RIte Care from 185% of Federal Poverty Level to 133% FPL resulting in 7,400 parents losing their health insurance
- Impose monthly premium of \$45 on very low-income families for children's insurance
- Increase monthly premiums for families already paying the highest premiums in New England for children's health insurance
- Impose co-pays for non-generic prescriptions and reduce benefit package for parents

## **Early Care and Education**

Starting Right is Rhode Island's child care assistance program created to provide affordable, quality child care for RI's children. State investments were designed to increase the number of quality child care providers for the benefit of all children and to provide low and modest-income families with subsidies to purchase care. The target eligibility level was 250% of the federal poverty level, but eligibility was frozen at 225% FPL until 2007 when budget cuts resulted in significant rollbacks in eligibility levels to 180% of FPL. As a result, upwards of 4,000 children lost their subsidies and many providers had to close their doors.



### ***Proposed cuts include:***

- Eliminate comprehensive child care for 300 children with special health care needs and denying 700 children enhanced services
- Eliminate provider rate increase freezing the rate at 2002 levels
- Eliminate state funding for Head Start denying 400 children these school-readiness services
- Eliminate RIte Care eligibility for certain family home care providers affecting 225 providers and their children and end state health care assistance for center-based providers.
- End reimbursements for child care provided by non-traditional providers affecting 150 children whose parents work third shifts or who prefer not to use family home or center-based care.



## **Affordable Housing**

The Neighborhood Opportunities Program has helped to create more than 1,024 affordable homes in 26 communities. The homes serve families, veterans, the elderly, and those with disabilities. In some cases homes were preserved and made more affordable.

### ***Proposed cuts include:***

- Eliminate funding for Neighborhood Opportunities Program (\$7.5M)
- Reduce Emergency Housing Assistance

## **Elders and People with Disabilities**

Supplemental Security Income (SSI) provides a modest payment to very poor elders and people with disabilities.



### ***Proposed cuts include:***

- Reduce state supplement for SSI payments in January 2009, resulting in no cost of living increase for seniors and people with disabilities.
- Remove more than \$22 million state dollars and \$24 million federal dollars from the long-term care system for seniors as part of a plan to divert placements to community and home based care on a voluntary basis

## **Child Welfare Services**

Children who are abused, neglected, or involved in the juvenile justice system rely on the child welfare system for a host of protective services, residential placements, support, and rehabilitative services.

### ***Proposed cuts include:***

- Cap residential placements at 1,000. Funds saved from the cap would be reinvested in community placement options, such as foster homes.
- Cap enrollment at the Rhode Island Training School at 160 (148 males and 12 females). Half of the savings would be re-invested in community-based alternative diversion programs.