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CABHN FEVER



Health Care Reform Proposals

This year, proposals to reform Connecticut's health care system have been advanced by most of the policy leaders at the state legislature. The Senate Democratic caucus proposal would increase provider rates, expand Medicaid, HUSKY and SAGA coverage, and develop a blueprint for universal coverage based on a system similar to Medicare. The Governor has proposed that insurance companies develop a coverage package costing between \$175 and \$250 a month for individuals who do not have coverage through employers or public programs.

The Universal Health Care Foundation of Connecticut has developed two models for achieving universal coverage in Connecticut. These proposals are outlined in the report "Health Care in Connecticut, Three Routes to Recovery", which is available on their website, www.universalhealthct.org. This report shows that two of the three options studied lower health care costs, have a small positive effect on the state economy, and provide opportunities for improving quality and reducing health care costs.

The Foundation has outlined 7 questions to ask in evaluating any health care reform proposal:



1. Does the proposal cover all state residents?
2. How much does the proposal lower health care costs per insured state resident?
3. How much does the proposal lower employer costs for health coverage?
4. Does the proposal increase household income available for purposes other than purchasing health care?
5. What is the proposal's impact on total spending on health care?
6. What is the proposal's impact on state General Fund spending on health care?
7. What is the net effect on employment in Connecticut and on the state's GDP?

For more information about the campaign for universal health care in Connecticut, go to www.healthcare4every1.org.

Devastating Bill In Judiciary Committee

For the third year in a row, the Judiciary Committee is considering a bill (S.B.591) which greatly increases the risk that tenants who are evicted by a marshal will lose all their property, leaving the very poorest of tenants with literally nothing but the clothing on their backs.

Although the proposal died in

committee in each of the past two years, the risk of passage this year is greater than ever because it is sponsored by Sen. Andrew McDonald [D-Stamford], co-chair of the Judiciary Committee.

S.B. 591 would eliminate the town's obligation to hold the tenant's property

Health & Human Services 2007 Poverty Guideline Update

Size of family	* Poverty Guideline
1.....	\$10,210
2.....	13,690
3.....	17,170
4.....	20,650
5.....	24,130
6.....	27,610
7.....	31,090
8.....	34,570

*Guidelines for Alaska and Hawaii differ from above.

For family units with more than 8 members, add \$3,480 for each additional member. (The same increment applies to smaller family sizes also, as can be seen in the figures above.)

These guidelines went into effect on January 24, 2007. For more information, go to <http://aspe.hhs.gov/poverty/07poverty.shtml>

after an eviction, and would eliminate the 15-day period tenants have to reclaim property after an eviction. S.B. 591 would instead turn the goods over to the landlord, who is unlikely to return them. Indeed, they may well be discarded as garbage before the tenant can even ask.

The bill would affect only about 10% of eviction cases (2,500 per year). But its affect would be on the very poorest of tenants — those with no place to go, no place to move their property to, the least literacy in English, or the least ability to understand that they are about to be evicted.

Existing law allows an evicted tenant to get their property back. S.B. 591 puts the tenant's ability to reclaim property at great risk.

Gov. Rell's Education Plan at a Glance President Bush's National Budget Plan

Governor Rell's proposed budget plan would devote more than \$3.2 billion over the next 5 years to education spending to help Connecticut children from preschool through college. This plan increases the Education Cost Sharing (ECS) grant by \$1.1 billion per year. The state's largest communities such as Bridgeport, Waterbury, New Haven, and Hartford would receive significant increases in their ECS grants. The Governor's proposal would split the cost of education 50/50 between the state and towns.

This plan would also provide preschool for 13,000 children from low income families, create 4,100 new preschool slots and expand the Birth to Three program by providing more early intervention services. The proposal allots an additional \$25 million in student financial aid for both public and private colleges, which would mean 3,600 more awards available from the Connecticut Independent College Student Grant and 9,800 more awards from Connecticut Aid for Public College Students.

CT Health Foundation Brief on Dental Care

A new brief from the Connecticut Health Foundation reviews the importance of dental care, the barriers to dental care faced by HUSKY A participants and effective strategies adopted by other states to improve participation by dental care providers in Medicaid programs. Key findings:

-Because current Medicaid fees to providers are too low, the majority of children on HUSKY A in Connecticut do not have access to dental care.

-Raising Medicaid reimbursement rates significantly has resulted in increased access to dental care in other states.



President Bush's budget proposal for FY 2008, which was released to Congress on February 5th, deals one blow after another to low income residents of America. The budget cuts vital low income support programs on all fronts from healthcare to food stamps.

SCHIP- The Bush budget would reduce federal funds to states under the State Children's Health Insurance Program (SCHIP) for children whose families have an income twice that of the poverty level. This plan would also discourage states from covering children aged 19 and over, resulting in fewer children with health insurance.

Medicaid- Through legislative and non-legislative action, Medicaid would be cut a total of \$25.7 billion over the next 5 years. This would likely result in fewer benefits and eligibility, which would be especially devastating to the low income population.

LIHEAP- Despite a rise in the cost of heating and cooling, the budget cuts home energy assistance roughly 18 percent below this year's expected levels. Bush's budget will dramatically reduce the number of people served by the Low Income Home Energy Assistance Program (LIHEAP), leaving more people out in the cold than in years past.

Child Care and Head Start - Under Bush's budget, 200,000 fewer children would receive child care assistance in FY 2008 than in FY 2006. In addition, if the Head Start program is forced to function at the President's proposed level for another year, it will have to reduce services and enrollment.

Food Stamps- In a proposal rejected by Congress in the last two years, the Bush budget plan would deny Food

Stamps to around 300,000 low-income working families. This will constitute a loss to Food Stamp recipients of more than \$600 million over five years.

Rental Vouchers- The proposed increase of federal funding for rental vouchers for low-income tenants by only one-half of one percent over FY 2007 levels would result in the loss of at least 40,000 vouchers due to inflation. However, the number of lost vouchers could be as much as double that amount depending on how many vouchers the housing authorities utilize this year.

Job training- Bush's budget would also cut community college-style training programs in order to provide funding for the Career Advancement Account, a proposal the administration is seeking to revive. Adult training under the Workforce Investment Act would decline by 17%, and might decline further because of inflation. The Center for Law and Social Policy cited evidence that the use of vouchers such as the Career Advancement Account with disadvantaged adults is ineffective. Additionally, the \$3,000 voucher offered by the Career Advancement Account was judged inadequate last year, because it would not allow funding for counseling and placement services.

More information about Bush's budget and the issues facing low income people is available from the Coalition for Human Needs (CHN) on their website www.chn.org. If you want to be part of work in Connecticut on federal budget issues, contact Jane McNichol at LARCC by e-mail, jm nichol@larcc.org or by phone at (860) 278-5688 ext. 15.

The full brief is available on the Connecticut Health Foundation website: www.cthealth.org under publications.



Governor's Budget Proposal: Major Investment in Education; Increases in Income Tax

Governor Rell's budget proposal included bold new initiatives in state funding of education, from early care through college with a particular emphasis on increasing the state share of local education costs to an average of 50% of total costs. These initiatives would be funded by raising the 5% income tax rate to 5.25% in 2007 and to 5.5% in 2008 and by increasing the tax on cigarettes to \$2.00 per pack (up from \$1.51 per pack). Under the new rates, income tax revenues are projected to increase about \$600 million in the first year of the budget and about \$650 million in the second year. The cigarette tax increase would bring in about \$85 million more in state revenue.


State funding of 50% of local education costs has been a goal of policy-makers and education advocates for many years. In recent years, progress toward this goal stalled and the state contribution to local education costs dropped as low as 38%.

The Governor's proposed spending initiatives are well over the spending limitations imposed by the state spending cap. The Governor recognized that the needs for state revenues and the restrictions imposed by the cap - which is the tightest that it has ever been this year - required that spending exceed the cap.

However, increasing the income tax rate across the board will continue the regressive impact of the Connecticut tax system. A better proposal would raise income tax rates for people with higher incomes. This would help make the state tax system more fair. According to the Institute for Taxation and Economic Policy, in 2002, the poorest 20% of Connecticut residents paid 10% of their income in state and local taxes, while the richest 1% paid about 4% of their income.

The Governor did not make significant new investments in areas

other than education. More details of the proposals in the Governor's budget are summarized in the accompanying article.



The Governor's Budget Proposal: What's In, What's Not

Although significant education initiatives headline the Governor's new budget proposal, many of the programs and services that impact Connecticut's low-income residents were either not addressed, cut or eliminated in her plan. Despite these drawbacks, the Governor's proposal did include some positive responses to low-income issues. The Governor's budget will serve as a starting point as the Appropriations Committee develops its budget bill. Here's a brief summary of some of key points in Governor Rell's budget:

- Eliminates the cost of living adjustment (COLA) for Temporary Family Assistance (TFA), State Administered General Assistance (SAGA) and State Supplement recipients (cost: \$6.1 million in first year; \$10.2 million in second year)

- Reverts back to the state's previous practice of reducing the amount an individual receives in State Supplement income assistance by the amount that the individual receives in the federal SSI cost of living increase (COLA). The result is that State Supplement recipients receive no COLA. Last year, for the first time in many years, the federal COLA was passed through to State Supplement recipients. (cost: \$1.2 million in first year; \$2.3 million in second year)

- Eliminates funding for SAGA Non-Emergency Medical Transportation, which was partially restored in January of this year (cost: \$1.4 million each year)

- Increases funding for the Rental Assistance Program (RAP) to annualize support for the Supportive Housing Initiative. The funding will cover subsidizing 250 housing units and providing services to 75 families. (cost: \$1.9 million each year)

- Carries forward and then annualizes additional funding for RAP certificates (cost: \$1.8 million each year)

- Funds the Governor's Charter Oak Health Plan - Under this proposal, insurance companies will offer basic health insurance to individuals not otherwise covered for a monthly premium of \$250. The state would offer financial assistance for premiums on a sliding scale ranging from \$175 of assistance for those with income less than 150% of the Federal Poverty Limit (FPL), to no assistance for those with income at 300% of the federal poverty level. (cost: \$18.9 million in the first year; \$36 million in the second)

- Increases HUSKY enrollment through requiring parents to inform schools every year whether children have health coverage. (cost of additional enrollment - \$5.4 million in the first year; \$8.4 million in the second)

- Enrolls all uninsured newborns in HUSKY with no premiums for 2 months. (cost: \$2.7 million in first year; \$4.6 million in second year)

- Adds 24 additional eligibility workers to DSS regional offices. (cost: \$1.1 million in first year; \$1.2 million in second year)

- Adds 12 additional DSS staff to conduct data matches to document activity to meet federal TANF work requirements. (cost: \$.4 million in first year; \$.6 million in second year)

- Adds 6 additional DSS staff for citizenship and identity verification required by new federal Medicaid rules (cost: \$.2 million in first year; \$.3 million in second year)

Maintains Medicare Part D wrap-around for ConnPACE and Medicaid participants. (cost: \$5 million in each year)

(See Budget, Page 4)



Save the Dates!

The Latino Conference on Mental Illness will be held on Saturday, March 24 8:00am to 5:00pm at Norwalk Community College. The conference is conducted entirely in the Spanish language and registration is free. The conference counts for 8 hours of continuing/licensing certification. To register, please contact Paloma Dee, NAMI-CT, tel: 860-882-0239 or toll free at: 800-215-3021

Budget (cont. from pg.3)

- Provides funds to maintain current enrollment in Care4Kids. (cost: \$18.8 million in first year)
- Makes no changes in TFA program but reduces projected cost of cash assistance, presumably anticipating continuing reduction in caseload. Funding is reduced from \$120.4 million this year to \$111.2 million in 2007-08.

- Maintains, but does not increase, funding for job services for TFA participants, including the \$6.5 million added last year specifically for education, training and subsidized jobs.
- Maintains, and increases slightly, state funding for food stamps for immigrants.
- Democratic leaders and advocates have proposed a number of initiatives focused on strengthening health care access, quality and affordability that were not part of the Governor's budget. Among these proposals are the expansion of Medicaid eligibility to 185% of the FPL, increases in provider rates and reinstatement of continuous eligibility for HUSKY A children. Advocates will be working to include these issues in the Appropriations Committee budget and subsequent negotiations.

CABHN Meetings held 1st Friday of the month

Upcoming Meetings

(Tentative Date)
CABHN/FESN Meeting
Friday, April 20
9:30-11:30 am
(CRT)
555 Windsor St.
Hartford

The Connecticut Alliance for Basic Human Needs (CABHN) is a statewide network of individuals, community groups and organizations which supports and promotes advocacy on low-income issues. For more information, please call (860) 278-5688.

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