

**FY 2011 State Budget Analysis by
Protecting Arizona's Families Coalition
March 2010**

Health Care cuts passed in Appropriations Committee

- 310,000 individuals proposed to be cut from AHCCCS health care based on the Governor's proposal to significantly scale back AHCCCS voter mandated Prop 204 health care coverage.
- 47,000 children would lose health care with the proposed elimination of KidsCare, proposed for April 1, 2010.
- This is also a cost shift to local governments for first responder services, emergency rooms, and all people and employers paying health insurance premiums as premiums will be forced to be increased.
- For specific detail go to:
http://www.ospb.state.az.us/documents/2010/FY2011_BudgetSummaryFINAL.pdf

Behavioral Health cuts passed

- 17,000 seriously mentally ill adults face dramatic reductions in services. There is some analysis emerging that this number could be understated by half, meaning that the number of people who potentially would lose services could approach 33,000.
- 4,200 children would lose behavioral health services.
- 6,600 people would lose substance abuse services, potentially shifting costs to the child welfare system, jails, emergency rooms and law enforcement. This is both cost shifting to local governments and other employers paying health insurance premiums.
- 11,000 people losing general mental health services except for some very limited medication and medication management services. This is more cost shifting to the local governments and local emergency rooms and the homeless system (already overburdened and being cut too).

Human Services cuts passed

- 10,000 families (most female-headed) with 17,000 children are proposed to lose cash assistance. Results may include increased homeless, desperation, illness, and family dislocation.
- 11,000 children will be placed on the child care wait list with access to child care services permanently closed for the foreseeable future, stopping families from working and putting children at risk.
- Referrals to child protection or adult protection will no longer be investigated at 100 percent. The elimination of family support services will be continued. The system of in-home family services has already been cut severely in the 2009/2010 cuts and will now be cut even with more families losing services and their children potentially going into foster care.
- Reduce emergency services (eviction prevention, homeless prevention, etc) for families in crisis, meaning 1,100 fewer families will receive emergency services.
- Reduce domestic violence services resulting in 1,600 victims of domestic violence being turned away from shelters.
- Reduce aging independent living services impacting hundreds of elderly and people with disabilities.
- Eliminate support for grandparents caring for their grandchildren.
- Eliminate state only supported services for children and adults with developmental disabilities throwing 300 children and 400 adults off services.
- Eliminate the Department of Juvenile Corrections, transferring youth to county detention centers in the counties, putting almost 900 people out of work, and transitioning these youth to local governments already overburdened with their own budget issues.
- Implement many new fees and means testing for programs like adoption services for children with disabilities and services for children and adults with disabilities, potentially leaving many children and adults at serious risk and costing more downstream as high cost services are used.
- A summary of proposed cuts and implications for the Department of Economic Security can be found at
https://egov.azdes.gov/cmsinternet/uploadedFiles/Office_of_Communications/FY11_Executive_Recommendation.pdf?n=1089

- [Click here for a list of major budget cuts proposed to children and families](http://www.azchildren.org/MyFiles/10%20Legislature/Gov_Budget_FY11.pdf) from Children's Action Alliance. http://www.azchildren.org/MyFiles/10%20Legislature/Gov_Budget_FY11.pdf

Other elements in the Governor's budget proposal

- Cut \$218 million for all-day kindergarten and many other k-12 education programs like programs for gifted students, AIMS interventions programs, early education block grants, vocational education block grants, teacher training, cuts in charter school support, and school repairs with only emergency contingency fund.
- Increase the state sales tax by one cent and expand the sales tax to cover repair services The sales-tax hike could generate an estimated \$202 million this year, and both proposals would raise nearly \$1 billion in fiscal 2011.
- Reduce support for universities and community colleges to 2006 level.
- Close a number of state parks.
- Sweep \$23 million of lottery funds that now support public transit for local governments
- Sweep \$20 million of lottery funds from the Heritage Fund, which now supports state parks and the Game and Fish Department.
- Sweep \$124 million in the Growing Smarter fund dedicated to conservation.
- Borrow \$450 million against future lottery proceeds.
- Borrow \$260 million from the First Things First fund.
- Sell and lease back \$300 million in state property.
- Eliminate photo-radar speed enforcement on state highways.