



Shaping Policy...
Creating Opportunities

20 Ways in 20 Days

**CUTS HURT! Balancing the budget by only cutting services means pain...
for Missouri's children, parents, seniors and all of us**

Day 1

Budget cuts hurt children's chances to get a good education.

Elementary and Secondary Education

In the *Outstanding Schools Act*, school districts were promised an increase of \$800 million in state money over 6 years through a planned increase called the Foundation Formula. The yearly increase helps schools' resources keep pace with expenses to assure the opportunity for a good education to every Missouri child.

The Foundation Formula called for \$105 million in additional money in the budget this year, but it was not approved. Of course, \$105 million is a big hole in school districts' budgets! Missouri already provides less funding than most states for elementary and secondary education. We ranked 37th in per capita state and local funding for K-12 education in 2007 (Morgan Quitno Rankings, 2010). We are losing ground in providing a good start in life for Missouri's children.

On June 17 Governor Nixon cut \$70 million in funds for school bus transportation for the more than 565,000 students that ride buses. This reduces funding to school districts by more 40 percent.

Day 2

Budget cuts lessen young adults' opportunities to succeed in work and life

Investment in Higher Education lags

How long can colleges and universities do more with less? Last year public universities agreed to not hike tuition in return for small budget cuts. This year the Governor brokered a similar deal: no tuition hikes in exchange for a 5 percent cut. Frozen tuition is good for cash strapped students, but how is the declining investment affecting the quality of education?

Missouri ranked 42 in State and Local Government per capita spending in 2007 (Morgan Quitno Rankings, 2010). No tuition raises and lowered state investment means Missouri is on a slippery slope in preparing young adults to be competitive in the work force.

The Governor cut \$50 million from the Access Missouri Scholarships that go to students from low and middle income families. He stated that \$30 million in other scholarships might be available from the Missouri Higher Education Loan Authority. Bright Flight Scholarships (based on achievement) were reduced from \$2000 to \$1500 per year.

Day 3

Budget cuts hurt seniors

Meals-on-wheels, transportation, in-home services are likely targets

Budget cuts will significantly impair the ability of Area Agencies on Aging to provide services that enable seniors to live independently and remain in their homes and communities. The AAAs will make the decision about which services will be decreased. But the cuts translate into a potential loss of 883 congregate or home-delivered meals each day, or the inability to provide transportation that takes 438 seniors per day on necessary trips such as medical appointments, senior centers, and grocery shopping.

Day 4

Budget cuts hurt people who have a mental illness

Psychiatric services are a casualty in battle for limited state resources

The state is closing 88 in-patient beds and two of the state's psychiatric hospitals: Metropolitan St. Louis Psychiatric Center and South East Missouri Psychiatric Center in Farmington. As of the time of that budget decision, the Department of Mental Health had no agreements with any community hospitals to take over the acute services that over 4,000 Missourians with a mental illness received last year.

The cuts only save about \$7 million, which will be overshadowed by the huge long term costs to the state and local communities (local law enforcement, jails and prisons, emergency rooms) that will be incurred if Missourians with a mental illness can't count on needed care.

Day 5

Budget cuts undermine children's health

Access to treatment for autism is denied to Missouri's poorest children

At the end of this legislative session, legislators broadly congratulated themselves on passing a bill that requires private insurance companies to provide treatment (specifically Applied Behavioral Analysis) for children diagnosed with autism.

Unfortunately, they backed off providing the same opportunity for treatment to children insured by MO HealthNet. The MO HealthNet Division shows that over 538,000 children were insured by MO HealthNet in April, 2010. There are currently 150 slots to provide the same type of therapy for children insured by MO HealthNet as that required for those with private insurance. The legislature turned down a request for \$2.5 million to expand MO HealthNet treatment for children diagnosed with autism.

Day 6

Budget cuts hurt workers and the economy

More than 2,450 positions eliminated in the last year

The Department of Labor and Industrial Relations reports that unemployment in April 2010 was at 9.4 percent. It has remained virtually flat over the past 12 months, in spite of other indicators that suggest the economy is improving.

Eliminating jobs may help balance the budget in the short term. But swelling the ranks of the unemployed, and the loss of spendable wages that result, will continue to drag down the economy. Often the impact of cutting jobs is downplayed by the fact that the position isn't currently filled. Even if someone doesn't lose their active employment, eliminating the position means that the job isn't there for the college or high school graduate, or for an older adult who has lost a job elsewhere.

In the round of cuts the Governor announced on June 17, two hundred and fifty (250) jobs were eliminated. Ninety-two of these are in the Department of Mental Health, and 70 are in the Department of Social Services.

Looking at the types of services that are being lost by eliminating jobs, it is a very hard sell to describe those services as unnecessary. The cart is driving the horse when jobs are cut to balance the budget rather than because they are legitimately unnecessary or redundant.

Day 7

Budget cuts hurt young children and their families

Parents as Teachers

To succeed in school children must come prepared to learn. Children begin learning from birth, and parents are their first teachers. Parents as Teachers began in Missouri as a program to help parents understand the development of their child, and to learn ways to prepare their children for school and life success. Parents as Teachers (PAT) also is effective in identifying special needs in children early, linking parents to necessary services and saving money in the long run. Parents as Teachers is now a nationally recognized service that has expanded to all 50 states and many other countries.

In 2009, Missouri PAT helped 157,000 young children and their families. Almost half the families had at least one characteristic the Department of Elementary and Secondary Education considers "high risk". These include things

like spousal or family abuse, autism, developmental delays, poverty and being a teen parent. Of the 92,700 children screened, one in six was referred to needed services.

This year, funding for Parents as Teachers was cut by **more than half** in the current budget. Without PAT fewer children will come to school ready to learn, and fewer will get needed services early, when they will be most effective.

Day 8

Budget cuts hurt children's health

Children eligible for MO HealthNet are not enrolled; one in ten school nurses are eliminated

National studies indicate that about two-thirds of Missouri's uninsured children are actually eligible for MO HealthNet. They are not enrolled partly because of lack of outreach to parents and coordination of public programs. Rather than try to identify eligible children and enroll them, \$7.5 million in the current year's budget was not spent, and was then cut in the coming year's budget.

Children without insurance are less likely to get preventive care and more likely to be sick and miss school, needlessly.

The budget cut about 10 percent of funding for school nurse contracts. This means there will be 55 fewer nurses in schools to assist students requiring daily maintenance medications (antibiotics, seizure medication, asthma, psychotropic medications for example). This also means fewer nurses available to manage medical emergencies such as seizures, allergic reactions, overdoses and traumatic injuries.

Day 9

Budget cuts hurt youth and adults individuals with a mental illness

Deep cuts mean unmet needs, more difficult lives, and increased long term costs

Funding for medications was cut by 10 percent. This means that more than 2,700 individuals with a mental illness will not be able to afford their medication. The result is long term costs in hospitalization and sometimes jails.

Cuts in youth programs mean that more than 70 children with severe needs will not receive treatment. Many of these children will likely need to be removed from their home and come under the jurisdiction of the juvenile court. It should never be a crime to be sick. Again, the result is increased long term costs. Cuts to staffing in children's facilities mean it is likely that fewer will be able to receive the inpatient and residential services they need.

One hundred sixty-five adults with a mental illness will lose access to supported housing. This will limit discharge of individuals from in-patient facilities and cause overcrowding in those facilities.

Day 10

Budget cuts hurt children's and adult's health

Tobacco prevention education is axed

Missouri has the 4th highest rate of adult smokers (Kaiser Family Foundation Health Facts) among the 50 states. In 2008, almost twice as many Missouri women died from lung cancer as breast cancer (MO Dept of Health & Senior Services). Missouri has a lower investment in smoking prevention and cessation programs than almost any state, and the Center for Disease Control's study shows that states that put effort into smoking prevention and cessation lower their smoking rates.

Missouri took a step backward by eliminating \$300,000 that funded tobacco prevention activities at 60 schools across the state. This cut was penny-wise but pound foolish. Smoking has tremendous personal costs, as well as health care costs for individuals and for the state.

It is important to discourage children from smoking. The stakes are even higher for pregnant women and their children. In Missouri 31 percent of pregnant women smoke compared to only 18 percent nationally. Smoking by pregnant women leads to pregnancy complications, and their babies are more likely to die before their first birthday.

Missouri now spends \$738 per pregnant woman to treat tobacco-related problems. (U.S. Center for Disease Control)

Day 11

Budget cuts disconnect Missouri

MOREnet funding eliminated

As the world moves toward ever greater connectivity, Missouri severs its connections. MOREnet is the infrastructure that allows its members – K-12 schools, public libraries, institutions of higher learning and the state government - to communicate, enable distance learning and eliminate travel. It helps assure access to technology, particularly in rural areas.

MOREnet's funding was cut by the legislature by almost half. The Governor eliminated the entire budget. This will require increasing the consortium's member fees at a time when those members are already facing their own budget cuts.

Day 12

Budget cuts hurt babies and adults at risk by compromising public health services

Decreasing services for those with a genetic disorder is one of many cutbacks in public health

A \$740,000 cut in services for babies with a genetic disorder will exacerbate already long delays in critical follow-up services. These delays result in poor disease management, resulting in frequent hospitalizations, permanent health damage and premature death. Fewer parents will be counseled on particular genetic disorders and the likelihood of having another child with the same genetic disease.

Other cuts in public health services will result in slower investigation of communicable diseases and elimination of communicable disease education and awareness programs, resulting in higher numbers of Missourians exposed to and infected by communicable diseases.

The Radon and Physician Lead Education programs will be cut back or eliminated. Oversight and case management will be reduced in the Adult Head Injury and the Adult Genetics programs, resulting in delays in providing services, decreased case management and increased hospitalizations. These are just some examples of a much longer list of cuts that undermine public health efforts.

More than half the general revenue was cut in the Adult Head Injury Program. The program currently has a waiting list of 289 individuals with a traumatic brain injury, who have already waited nearly a year to receive services. The cuts will eliminate some services entirely, place caps on other services. The waiting list will be even longer.

Day 13

Budget cuts hurt the quality of life of all Missourians

Core budget cuts eliminate state funding for cultural institutions

No part of the budget was left untouched. Every department from Agriculture to Economic Development to Social Services was cut. But the general revenue that supports the cultural institutions that enrich Missourians lives and provide on-going education were particularly hard hit.

All the general revenue (more than \$4 million) was eliminated for public television grants, public television and radio, the Arts Council and the Humanities Council.

Day 14

Budget cuts hurt people of color and women

Health disparities for minorities are pushed to a lower priority

In Missouri, minorities have significantly poorer health outcomes than non-minorities. The Office of Minority Health is responsible for developing public health interventions and strategies to decrease these disparities. It's funding was slashed by almost two thirds in the budget. This will result in a significant decrease in community outreach projects that translate into decreased awareness, fewer medical screenings and widening the health disparities that already exist.

Significant health disparities exist in Missouri. African American infants are twice as likely to die as white infants. Twice as many African American infants are born with low birth weights.

Asthma is a high health priority for African Americans and emergency room visits for asthma are 5 times as high for African Americans as for white persons. Diabetes is the highest health priority for both African American adults between the ages of 18 and 64, and those ages 65 or older. (Missouri Department of Health).

The Missouri Foundation for Health 2009 report on health disparities showed that African Americans had higher incidence of varied diseases including heart disease, hypertension, strokes, schizophrenia and gonorrhea. Clearly there is much work to be done.

Day 15

Budget cuts hurt seniors and individuals with a disability

Without home and community based services, vulnerable Missourians face nursing homes

Two thousand five hundred (2,500) Missourians were able to stay in their home and live independently because they had home and community based services to support them. These were low income individuals whose income was slightly higher than the eligibility level for Medicaid, individuals who were not eligible for Medicaid because of asset limits, or were not eligible because of particular service based requirements, such as age. Individuals whose income was slightly higher than the Medicaid eligibility level were eligible for home based services because state funds paid their "spend down", the premium they needed to pay each month to bring their income down to the Medicaid eligibility, \$768/month for an individual. On their own, many of these Missourians cannot afford the "spend down" payment. \$768 is simply not enough to pay for rent, utilities, food, medications, and other necessary expenses. Between a rock and a hard place, many of these Missourians will not be able to live independently without support services and will unnecessarily end up in a nursing home.

Day 16

Budget cuts hurt children in foster care and at-risk youth and adults

Funds for training staff, low level of support for foster parents, reunification efforts, mentoring and domestic violence are slashed

Children in foster care have been removed from their homes because of abuse or neglect. The state is responsible to see that their physical, educational and other needs are met. Missouri has worked hard for the Children's Division to achieve national accreditation. But continuing to meet the standards for quality services requires ongoing staff training, especially when staff turnover is high due to high-stress work and low pay. Staff training funds for the Children's Division was cut by 20 percent (as in all other Departments and Divisions). It is likely that program quality will suffer over time.

And for yet another year, no improvement will be made in reimbursements to foster parents for the care they provide for children in their care. According to the Children's Rights' report, Missouri ranks 48th in its reimbursement to foster parents. At \$282/month for a child under the age of 5, reimbursement is much lower than the national average of \$488/month, and less than half of \$629, the minimum adequate monthly reimbursement.

Often when children return to their home after being in foster care, special care and support is necessary to make the reunification with their family work. The Governor slashed funding by half for these critical services, increasing the likelihood that children will needlessly return to foster care.

Cuts of 15 percent were made to domestic violence shelters, and mentoring programs for teen parents and high risk adolescent boys.

Day 17

Budget cuts hurt Missourians with a developmental disability

Deep cuts mean waiting lists, fewer support services and safety concerns

The Division of Developmental Disabilities was cut by 10 percent in the budget. The funds for projected caseload growth were cut by one third. This means that an additional 350 individuals with a developmental disability and who have critical emergency needs may get services in the coming year.

It means that the 5000 Missourians on the waiting list for home and community based services will continue to wait.

Case managers assure that families have the support services needed to allow individuals with a developmental disability to live with their families. Fewer families will be able to count on this since 20 case manager positions are cut in the budget.

As a result of significant client safety issues in 2005-2006, a special task force recommended additional training for direct staff in habilitation centers. The budget allows only about \$70 per staff for training, undermining efforts to assure quality staff client interactions, and safety of both clients and staff.

Regional offices were cut an additional 5 percent by the Governor on June 17, including eliminating another 14 positions.

Day 18

Budget cuts hurt counties

Counties and local government entities are asked to do more with less

As state funded services are cut, some wide-ranging responsibilities that have been that have been shared by the state now fall more heavily on the shoulders of counties, local governments or school districts. Or in some cases, the state will reimburse the counties less for services they provide. Unfortunately, counties' and other local governments' budgets are also strapped for cash, and it will be difficult for them to pick up the slack.

Some examples include funding for elementary and secondary education, school bus transportation, public transportation (funding for public transit in Kansas City was eliminated by the Governor on June 17), monitoring the sale of tobacco products to youth, per diem payments for housing prisoners, and increased responsibility for county health departments to inspect the safety of commercial lodging facilities, restaurants, on-site sewage, and to monitor and report communicable diseases.

Day 19

Budget cuts hurt Missourians struggling with addictions

Efforts to get lives back on track face more hurdles

The whole spectrum of services provided by the Department of Mental Health is compromised in the budget. The Division of Alcohol and Drug Abuse will eliminate at least 2 staff, which will mean less oversight of the hundreds of community-based service providers.

Approximately 1.053 Missourians who do not have insurance and are not eligible for Medicaid will be denied treatment. Many of these are families in crisis, participant in drug courts or individuals who are paroled or on probation. Supporting their efforts to stay clean is a good investment for all of us. Ignoring the needs of these very vulnerable Missourians will often result in higher costs in the justice and or child welfare systems later, and lost wages.

Day 20

June 17 cuts and more?

The Governor made an additional \$301 million in cuts on June 17. These include funds for school buses, large job cuts in the Departments of Mental Health, Social Services, Health & Senior Services and Revenue, as well as the Office of Administration. The cuts include trimming back programs to train veterinarians and loan programs for professionals in the medical field, cuts in technology for schools, lower reimbursement rates for home and community based service providers , a reduction of funds for centers that provide health care for the uninsured, meals and transportation for seniors, mentoring and domestic violence shelters. ***These cuts hurt!***

Having cut the budget repeatedly to balance it, there is no fat left. Workers' jobs are being eliminated at the cost of compromising efficient, effective services, and sometimes safety. The lives of people with a mental illness, development disability, or addiction are made more difficult, often along with the lives of their families. Seniors find it more difficult to live independently and children's health is needlessly compromised.

Are these our priorities?

There is a Better Way

For too long, Missouri has relied only on cuts to critical state services to address budget pressures, harming families who are struggling and undermining our economic future. Missouri needs a more balanced approach with common sense steps to increase revenue, including closing tax loopholes and bringing administrative and tax policies into the 21st century. These steps will ensure Missouri is ready to benefit from the economic recovery and provide the foundation of services and infrastructure to support our families and our economy.

There are ways to close tax loopholes and bring Missouri's tax structure into the 21st century. Click here to read about better ways to balance our budget.

Then talk to your family, your friends, your neighbors and your elected representatives about a balanced approach that includes increasing revenue. The well-being of our families, our communities and our state depends on it!

For more information, go to the Missouri Budget Project web site www.mobudget.org.