



**FOR IMMEDIATE RELEASE**

May 26, 2010

**CONTACT:**

Athan Bezaitis 562-308-2866

[abezaitis@thescanfoundation.org](mailto:abezaitis@thescanfoundation.org)

**THE SCAN FOUNDATION PROVIDES SYNOPSIS OF CUTS TO SENIOR SERVICES IN THE MAY REVISION OF THE 2010-2011 CALIFORNIA BUDGET**

*Governor's May Revision includes current fiscal year and 2010-2011 program reductions as well as new proposals impacting seniors.*

**LONG BEACH, Calif.** — [The SCAN Foundation](#) released today a [fact sheet](#) outlining the senior-related program reductions contained in the May Revision of the 2010-2011 California state budget.

The May Revision, released by Governor Arnold Schwarzenegger on Friday, May 14, proposes significant cuts to health and human services programs that would impact low-income older adults across the state.

Faced with a \$19.1 billion budget shortfall for the 2010-2011 fiscal year, the governor seeks to fill the gap through a combination of expenditure cuts (\$12.4 billion), federal funds (\$3.4 billion), alternative funding (\$1.3 billion) and fund shifts and loans (\$2.1 billion).

“These are difficult times and cuts are inevitable,” said Bruce Chernof, M.D., president and CEO of The SCAN Foundation. “Nevertheless, the availability of health and human service programs are absolutely essential for vulnerable seniors to remain independent and in the community. If this population is forced into nursing homes or ends up seeking long-term care treatment in acute care hospitals, it could end up costing the state much more in the long run.”

The fact sheet, available on The SCAN Foundation [Web site](#), highlights proposed program reductions that would impact seniors and their caregivers.

Major proposals to cut health and human service programs serving older adults include:

- **\$750 Million In-Home Supportive Services (IHSS) Cuts:** IHSS provides in-home assistance to approximately half a million children and low-income adults who are blind or disabled. The May Revision calls for \$750 million in reductions or cost containment measures.

- **Adult Day Health Care (ADHC) Elimination:** ADHC is a community-based day care program that provides health, therapeutic and social services to persons at-risk of nursing home placement. Its elimination would impact approximately 45,000 Medi-Cal beneficiaries at a savings of \$104 million.
- **Payment Reductions to the Supplemental Security Income/State Supplementary Payment (SSI/SSP) program:** SSI/SSP is a federal/state income program that provides a monthly cash benefit to low-income, aged, blind and disabled individuals and couples. Approximately 1 million recipients' monthly payments would be reduced from \$845 to \$830 per month, beginning on October 1st.
- **\$750 Million in Medi-Cal Cost Containment:** Program reductions proposed include limiting prescriptions to six per month (except for life-saving drugs) and physician or clinic visits to 10 per year; eliminating certain over-the-counter drugs; and putting dollar limits on hearing aids, durable medical equipment and other supplies. Increased co-pays and other cost-cutting program changes have also been proposed.

The May Revision removed a “federal trigger” included in the January budget that would have implemented additional program cuts if less than \$6.9 billion in federal funds were received. In place of the trigger cuts, the governor proposed among other things, to scale back County Mental Health Services by approximately 60 percent at a savings of \$602 million.

As the California Legislature considers ways to resolve the budget crisis, The SCAN Foundation developed the May Revision fact sheet to help the public better understand the proposed budget changes and specifically what programs would be affected that serve seniors.

To review the fact sheet in its entirety, visit [www.thescanfoundation.org](http://www.thescanfoundation.org).

#### **ABOUT THE SCAN FOUNDATION**

The SCAN Foundation is an independent nonprofit foundation dedicated to advancing the development of a sustainable continuum of quality care for seniors that integrates medical treatment and human services in the settings most appropriate to their needs and with the greatest likelihood of a healthy, independent life. The SCAN Foundation supports programs that stimulate public engagement, develop realistic public policy and financing options, and disseminate promising care models and technologies. For more information about The SCAN Foundation, visit [www.thescanfoundation.org](http://www.thescanfoundation.org).

# # #