



Travis County Health and Human Services & Veterans Service

ARRA Funds: Critical Support for Health & Human Service Needs Testimony to the Federal Economic Stabilization Funding Select Committee

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As a county health and human services agency working to meet the needs of our residents in this difficult economic time, we support maximum leveraging and utilization of funds available through the American Recovery and Reinvestment Act (ARRA). We hope that Texas will take full advantage of these funds to:

- Help meet the increasing demand for services.
- Partner with local governments to ensure that families have the necessary resources to meet their basic needs and health care needs.
- Implement eligibility system improvements to ensure residents have access to the services for which they are eligible and to allow funds to flow through local economies.

The economic recession has arrived in Travis County and in Texas. Residents will need support to meet their needs during this time of economic downturn and rising unemployment.

While the economic recession may have been slower to reach Travis County and Texas, the current impacts in our state and local communities are clear:

- The unemployment rate in Austin-Round Rock MSA reached 6.4% in January 2009, up from 5.2% in December 2008 and from 4.0% a year ago (January 2008). (Texas Workforce Commission)
- 551 foreclosure postings were filed in Travis County for March 2009; this represents a 56% increase in the number of postings from one year ago. (Austin American Statesman, Foreclosure Listing Service, Inc.)

In Travis County, we are also seeing an increased demand for basic needs and safety net health care services:

- The number of food stamp recipients in Travis County rose by 57% between May and December of 2008. (Travis County Health & Human Services analysis, Health & Human Services Commission [HHSC] data)
- Austin Energy's Customer Assistance Financial Support Program saw a 41% increase in requests for utility assistance between 2007 and 2008. (Austin Energy)
- Collectively, Capital Area Food Bank agencies reported a 32% increase in clients during 2008. (Capital Area Food Bank)
- Enrollment in Travis County Health Care District Medical Assistance Program (MAP) for February 2009 was 18% greater than enrollment in February 2008.¹ (Travis County Hospital District)

¹ MAP provides access to health care through networks of established providers for residents who are at or below 100% (below 200% for elderly or disabled residents) of the Federal Poverty Income Guidelines (FPIG), who meet asset guidelines, and have no other health care coverage (such as Medicaid or Medicare).

In Travis County, we depend on support from and value the partnership of state and federal governments in meeting the needs of our community's residents.

Like many other communities in the state and across the nation, our local community is working hard to identify strategies and resources to meet the needs of our residents. Recently, the Travis County Commissioner's Court allocated an additional \$450,000 for social services funding. Of this additional funding, more than \$350,000 was designated to help meet the demand for basic needs services such as food pantry, rent, and utility assistance.

However, current need is much greater than what we as a local community can meet on our own. In order to ensure the well being of our residents and prosperity for our community, we depend on resources, support and infrastructure from the state of Texas and from the federal government.

In light of the above, we support proposals to utilize American Recovery and Reinvestment Act funds to prevent Medicaid cuts, and to adequately staff the HHSC eligibility system.

In these difficult economic times when need is greater, and fewer resources are available at the state and local levels, we hope that all available federal funds will be used to prevent cutting safety net services from the state budget. For example, much of the \$5.45 billion in Medicaid funding available to Texas can be appropriated to help prevent cuts to vital health care services. Additionally, Temporary Assistance to Needy Families (TANF) funding can be used to directly support families with children facing unemployment and other economic hardship.

We also support prioritizing the use of recovery funds to fill any gaps in our state's health and human services eligibility and enrollment system.

In Travis County, the number of food stamp recipients is rising, yet a roughly estimated 50%² of those eligible for food stamps don't receive them. Hiring additional eligibility staff and making administrative improvements to the eligibility system can help manage growing caseloads, and maximize participation in federally funded nutrition and health care programs such as the Supplemental Nutrition Assistance Program (SNAP) and Medicaid. Maximizing participation in such programs not only connects individuals and families with much needed resources during tough economic times, it also boosts local economies with additional dollars flowing through our grocery stores and health care systems.

² In January 2009, there were 96,077 individuals receiving food stamps in Travis County (HHSC). According to the most recent Census data available (American Community Survey, 2007), there are 186,272 Travis County residents who live in families with incomes below 125% of the Federal Poverty Income Guidelines (FPIG). (Families who are eligible for food stamps must have incomes below 130% of FPIG). Thus the estimated food stamp participation rate is 52%. Note: This methodology for calculating participation rates does not take into account those who may be ineligible based on other considerations such as immigration status or resources.