



John A. Perez, Assemblymember (AD-46) Attends Press Conference at the Weingart Center Association & JWCH Institute Medical Clinic

January 16, 2009

Local Leaders Decry Governor's Proposed Budget Cuts Advocates say proposals will hurt the homeless

Los Angeles, CA - Skid Row: State Assembly member John A. Perez (AD-46) joined homeless health care advocates and community leaders in his district to call attention to state budget proposals forwarded by Governor Arnold Schwarzenegger that if implemented would have devastating and harmful effects on Los Angeles County's homeless population. The cuts include eliminating psychology, adult dental, audiology services, optometry and podiatry from the State Medi-Cal optional benefits. In addition, proposals have been put forward to increase the income level for aged, blind and disabled persons that will result in more than 78,000 in the state having to shoulder co-payments for necessary medical services.

On any given day, there are as many as 80,000 homeless people throughout Los Angeles County with a substantial number concentrated on Skid Row. Three out of four who are homeless are disabled and almost half of them have multiple

disabling conditions. Children comprise 15% of these homeless individuals.

"Thanks to staff of JWCH and the Weingart Center for their leadership in providing a voice for those who are too often not heard, and not seen: Veterans, Mothers, Children, the Disabled who live here on the Streets of our Community - their Community," said Assembly member Perez.

"Sadly, we have a Governor who once again expects these members of our Community to bear the brunt of his proposed Budget Cuts...and why? Because he has refused to take on those in his party who continue to believe that we face only a "spending crisis" here in California. He continues to coddle members of his party who refuse to face that fact that California faces a major fiscal structural problem that can not be solved by taking food out of children's mouths, healthcare from Veterans and medicine for mothers and their kids," added Perez.

The Assembly member continued, "For every dollar we take from healthcare and mental health services that are provide to the folks here on Skid Row by organizations like JWCH and the Weingart Center, the State will spend three times as much in emergency services, hospital and emergency room costs later. When you cut basic preventive care and services from those who need it most, not only do they pay the price, all of California pays the price."

"At a time of increasing economic uncertainty, it is a very sad day in our state when a community's poorest residents are now at risk of losing even more of an already thin but critical safety-net of basic health services because of state budget matters," said Al Ballesteros, CEO of JWCH Institute.

Gregg Scott, President and CEO of the Weingart Center Association added, "we need to be creating more services and ensuring that individuals who are homeless and facing difficult times receive necessary services to allow them to heal."

"The current budget proposal has potentially devastating consequences for our neediest residents," said Elliot Johnson, JWCH Board Member. "We are calling on the Governor and both houses of the legislature to resolve this in a manner that does not balance the budget on the backs of the neediest."

Data collected by JWCH and other community experts working with the homeless document that medical and support services, combined with housing keeps people healthy, out of emergency rooms and enables them to get work. Access to psychology services is critical for the homeless, many of whom have high levels of mental illness as compared to the general population. Dental services are also a critical part of recovery, improving self-esteem and chances for employment while also improving overall health outcomes.

In addition to Medi-Cal recent payment delays, these proposed elimination of benefits would immediately threaten the health services of thousands on Skid Row by affecting the payment mechanisms to treat a very ill population. In an area where homeless are very dependent on publically funded services, the impact would be disproportionate because clinics would have no way to back-fill lost services. Entire systems of care would disappear from the continuum of services.

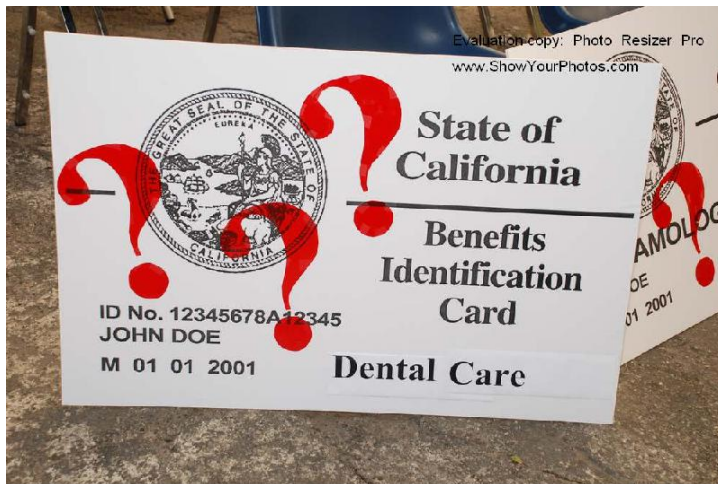
Among the other harmful proposals being floated would be to add a share of cost to the aged, blind and disabled who presently do not have a co-payment for their

medical care because they are living in poverty. The co-payment threshold would likely be lowered to 61% of Federal Poverty or \$957 per month for a family of three - any family incomes above that could potentially qualify that family for a share of cost. Essentially, if enacted individuals and families would have to be "poorer" in California in order to avoid the share of costs payments. It is likely that this proposal would affect more than 78,000 persons in the state and lead to those with severe disabilities and illness making choices between food and paying their living expenses rather than acquiring their medical treatment.

The press conference was attended by patients and consumers of services who held enlarged California MediCal Benefits Cards with large question marks, symbolizing the uncertainty in their continued benefits from the State.



Elliot Johnson, JWCH Board Member & Community Advocate and Residents of Skid Row



Comments: JWCH CEO

Al Ballesteros' Comments on Proposed State Medi-Cal Budget Cuts

"At a time of increasing economic despair, it is a very sobering day in our state when a community's poorest residents are now at risk of losing even more of an already 'thin' but critical safety-net of basic health services as a means of addressing the state budget deficit.

Governor Arnold Schwarzenegger has proposed deep and severe budget cuts to health and human services programs which, if enacted, would disproportionately impact services for the homeless and poor here on Skid Row and throughout our community.

During this time of increasing economic despair and when tens of thousands are losing their homes and their jobs, the Governor has proposed elimination of certain mental health services, dental care, optometry and podiatry from the Medi-Cal list of eligible benefits. Additionally, proposals are being floated to implement a share-of-cost payment that would affect approximately 78,000 aged, blind and disabled persons who are already poor, but, under the proposal "would not be poor enough" to avoid co-payments. This would almost guarantee that many would stay out of the clinics, a recipe for increasing utilization of emergency rooms and leading to increased illness of otherwise treatable conditions. The implementation of a share of cost -would impact thousands of persons with HIV/AIDS, mental illness and the disabled, right here on Skid Row.

Local community providers have maintained a thin healthcare safety-net for men, women and children, with investments from public and private sources, even in light of recent check writing delays that caused them to go without state reimbursement. This because it is in our mission to serve the poor and uninsured.

Today we say to our elected officials that the problems of the economy are already hard enough on the poor, underserved and the homeless. To now to limit access to their critical medical services leaves a lot to be desired in a modern state.

It is clear that the troubles of Wall Street and the national economy are looming large today and being felt everywhere. We are all concerned, but it is likely that in no other place are these economic problems being felt more than in Los Angeles' poor communities, here on Main Street, San Pedro and Sixth Street in Skid Row.