



MAINE EQUAL JUSTICE

Finding solutions to poverty and improving the lives of people with low income in Maine.

Preliminary Analysis of Proposals that will Negatively Impact Maine People Biennial Budget '18-19

Text of Budget Available at <http://maine.gov/budget/documents/2018-2019GeneralFundlanguage.pdf>
All cuts proposed are intended to go into effect July 1, 2017 unless otherwise noted.

The Governor's proposed budget cuts more than \$65 Million dollars from anti-poverty programs that provide health care, food and shelter to Mainers who face steadily rising costs as well-paying jobs that can support a family have dwindled. These deep cuts are proposed while providing thousands of dollars in income tax cuts to some of the wealthiest people in the State.

This proposed budget comes on top of deep cuts made in recent years that have caused more than 35,000 Mainers to lose health care; 16,000 children to lose support meeting basic needs; and 20,000 to lose food assistance (SNAP).

None of these harmful policy changes are necessary. We do **NOT** have a budget shortfall. There is no good reason to increase suffering and leave Maine families and children further behind.

Cuts that will Further Reduce Access to Affordable Health Care:

This budget proposes drastic cuts to MaineCare eligibility that will further limit access to affordable healthcare for working parents and young adults. These proposals come at a time when, according to the America's Health Ratings Annual Report, Maine's overall health ranking compared to other states has dropped from 8th best in the nation in 2010 to 22nd in 2016.

- **Reduction in MaineCare Parent Eligibility from incomes at or below 100% Federal Poverty Level (FPL) to incomes at or below 40% FPL effective July 1, 2018.** For a parent and one child, eligibility would be reduced from an income of about \$1,402 per month to \$561 per month. For a family of 3 people, eligibility would be reduced from about \$1,764 per month to \$706 per month.
- We estimate that as many as, **31,000** parents, many of whom are low-wage workers, will lose their health insurance coverage. They are all in the "coverage gap" which means that they will not have access to ObamaCare subsidies on the Exchange. (Note: The Maine Department of Health and Human Services claims that this number is closer to 18,000 parents. The correct number will be determined soon).
- **Elimination of MaineCare eligibility for 19 and 20 year olds.** Cuts approximately 5,800 young adults from the MaineCare program.

- **MaineCare Temporary Coverage repealed.** Currently, when a MaineCare eligibility decision takes more than 45 days, temporary MaineCare coverage may be granted. This temporary coverage would be eliminated. The proposed change also extends the time the Maine Department of Health and Human Services (DHHS) has to make a disability determination from 45 to 90 days, all others remain at 45 (without temporary coverage).
- **Elimination of Maine Rx.** This program provides discounts on prescription drugs to a small number of people with incomes over the MaineCare eligibility levels.

Cuts to Food Assistance:

The proposed budget seeks to further limit access to food at a time when Maine has the third highest rate of hunger in the nation. While food insecurity is decreasing in the rest of the nation, it is actually *increasing* here in Maine.

- **Eliminates state-funded SNAP coverage for certain lawfully present immigrants, mainly asylum seekers.**
- **Denies SNAP benefits for life to people with a felony drug conviction after 1996.**
- **Prohibits Maine from seeking SNAP waivers from the federal government that would expand benefits, such as geographic waivers for non-disabled people age 18-49 without children that would otherwise be limited to 3-months of SNAP benefits.**

Complete Elimination of the Safety Net of Last Resort:

- **Eliminates the entire General Assistance Program.** General Assistance is provided as a voucher that helps people afford shelter, food and the medicine they need.
- **Eliminates GA for certain lawfully present immigrants, mainly asylum seekers.** General Assistance is currently available to immigrants who are lawfully present or taking steps to apply for immigration relief.

Further Cuts to Assistance for Families with Children:

Since 2011, the percentage of Maine children living in deep poverty—less than \$10,000 a year for family of 3—has increased at a rate 8 times greater than the national average. The proposed budget would further limit supports and services that help families with children meet their most basic needs. Not only would these proposals make it harder for families to pay the rent and keep the lights on, this would also stymie opportunity for families to get ahead and move out of poverty. These cuts will make a serious problem worse.

- **Reduces TANF lifetime limit for benefits from 60 to 36 months beginning January 2018.**
- **Denies TANF benefits for life for any parents with a felony drug conviction after 1996.**
- **Eliminates state-funded TANF for certain lawfully present immigrants, mainly asylum seekers.**
- **Establishes an asset test and time limit for Transitional Child Care.** Establishes a \$100,000 asset test with no apparent exclusions (e.g. for a home or car). Limits enrollment to a maximum of 18 months (currently people can receive transitional child care until the family reaches 85% of median income).
- **Imposes a pre-eligibility job-readiness requirement prior to receipt of TANF.** This means that before a family can get help from TANF, the applicant must attend a job-readiness and vocational evaluation and training program administered by DHHS or its designee. It is not yet clear how long this will delay receipt of needed assistance.

- **Disqualification for Job Quit/Loss.** Creates a job-quit/job loss penalty for receipt of TANF cash assistance if the job was quit/lost without good cause. Penalty is absolute 3-month loss of benefits for the whole family.
- **Bars TANF benefits to *all* family members for 3 months if any family member is sanctioned.** Right now, children do not lose assistance for the first sanction.
- **Limits on Alternative Aid.** AA, which helps working families retain or get employment, will no longer be available to persons that have exhausted their life-time limit on TANF. It will also be available only once in 24-months, rather than every 12-months.
- **Elimination of all Good Cause related to ASPIRE participation, except for domestic violence.** This will result in more families being sanctioned and losing assistance. (While this would repeal all Good Cause reasons for not participating, including disability, the Department acknowledges in a separate initiative that it must comply with the Americans with Disabilities Act by accommodating people in disabilities when applying participation requirements). It is not clear that this will be an effective replacement for the repealed Good Cause disability provision).
- **TANF sanction procedures limited.** Families would no longer receive notice of Good Cause before they are sanctioned so that they have a chance to avoid sanction. This proposal would only tell them about Good Cause when they actually lose their benefits.
- **Limits on ASPIRE participation.** Limits all ASPIRE training programs to no more than 12-months.
- **Increases the number of hours that a Parents as Scholars (PaS) enrollee must participate in work activities.** Under this proposal after the first 12 months of school, a PaS enrollee must work 20-30 hours a week *in addition* to going to school full time. This will make it impossible for many single parents to participate and further their education.
- **Cuts approximately \$1.2 million from the Head Start Program** that provides school readiness of children ages birth to five from low-income families by enhancing their cognitive, social, and emotional development.

Cuts to Family Planning:

- **Eliminates all State funding for the Community Family Planning program** resulting in the loss of approximately a quarter of a million dollars annually for these services throughout Maine.

Elimination of Income Support for Elderly and Disabled Immigrants:

The proposed budget eliminates state-funded SSI coverage for certain lawfully present immigrants, including asylum seekers and individuals who have had a green card for less than five years.