



MASW



Legislative Update 2009

March 27, 2009

MASW Priority: State Funding of Social Services You Don't Even Want To Know How Bad It Is

Turning their backs on the impoverished and the imperiled, the downtrodden and the dispossessed, on our children and our grandparents in need, the Missouri House voted, often along party lines, to cut some \$250 million from the already inadequately funded safety net of vital state services, despite hundreds of million dollars sent from the federal government in an emergency stimulus package designated specifically so states (like Missouri) would not have to make these kinds of draconian cuts in social service and other crucial spending.

These cuts were made from a proposed budget in which [Gov. Jay Nixon](#) had already made significant cuts in authorized appropriations from this year. And the House rejected several increases Gov. Nixon proposed, including an increase in Medicaid spending that would partially restore the 2005 cuts to some 35,000 low-income Missourians – an increase of more than \$140 million that would use ZERO state dollars; hospitals would pay \$50 million in special fees that would be matched by over \$90 million in federal funds.

For additional analysis of the budget cuts, check out [this report from our partners at the Missouri Budget Project](#).

The next step in this process takes place in the Senate Appropriations Committee. Especially if your Senator serves on this committee, this would be a good time to contact them (you can link to their webpage for contact information by clicking on their name): [Gary Nodler, 32nd, Chairman](#), [Rob Mayer, 25th, Vice-Chairman](#), [Tom Dempsey, 23rd](#), [David Pearce, 31st](#), [Chuck Purgason, 33rd](#), [Scott Rupp, 2nd](#), [Kurt Schaefer, 19th](#), [Frank Barnitz, 16th](#), [Joan Bray, 24th](#), [Tim Green, 13th](#), [Yvonne Wilson, 9th](#).

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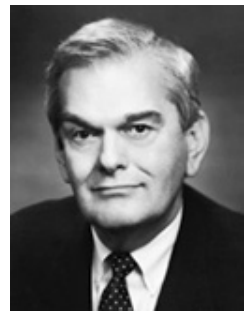
Salus Populi Suprema Lex Esto

MASW Priority: Quality Healthcare

Impact of 2005 Medicaid Cuts

Two new reports published by the [Missouri Foundation for Health](#) present the factual data provided by hospitals and by Federally Qualified Health Centers (FHQC). The simple conclusion is that the 2005 cuts in Medicaid made by the Missouri legislature and then-Governor Matt Blunt did not save Missourians any money, and probably cost more in dollars – and definitely cost more in terms of poorer health and inadequate medical care for thousand of people – than if the state had come up with the additional revenue to keep Medicaid at its pre-2005 levels.

"While the overall changes made at the state level may have saved the state monies, those savings have either been passed on to the private commercial market in increased charges or have been absorbed by the provider market through increases in charity care and/or bad debts. These changes took resources that could have been used to serve the general community and made them meet the needs of those previously covered by the state's Medicaid program," according to the report, which MFH issued in conjunction with the Health Care Foundation of Greater Kansas City and in cooperation with the Missouri Hospital Association and the Missouri Primary Care Association.



[Dr. James Kimmey](#)
[MFH Pres & CEO](#)

The research was conducted, and reports written, by Health Management Associates. Click on these links to read [the Hospital Report](#), the [Appendices](#) for the Hospital Report, and the report based on data from the [Federally Qualified Health Centers](#) (FQHC).

MASW Priority: Economic Justice

CWIP Opposition Steps Up

MASW is one of several organizations working to keep an important economic justice law on the books. The law, adopted overwhelmingly by the voters through the initiative in 1976, states that regulated for-profit monopoly electric utilities can only charge their customers for electricity – more specifically, they cannot charge their ratepayers for the building of a plant that is not yet producing any electricity. Such a charge is called a CWIP charge, for Construction Work In Progress. Missouri's privately owned monopoly utilities want the legislature to overturn this law, led by AmerenUE which is considering building a second nuclear plant in Callaway County.

Our commentary opposing the CWIP legislation was featured in Thursday's St. Louis *Post-Dispatch*. The writing of the piece was a collaborative effort with our partners in the [Missourians for Fair Electric Rates](#) coalition. You can read the commentary by [clicking on this link](#). You can reinforce our message with your own letter-to-the-editor, by [clicking on this link](#).

You may soon be seeing television commercials supporting our view, that electric rate increases of 40% or more to pay for this plant would be economically unjust. [Link here to see the commercial](#) on your computer.

MASW Priority: Decent Housing

Housing Trust Fund Gets Help in House

A bill to increase revenue for the [Missouri Housing Trust Fund](#) (MHTF) has been introduced in the Missouri House by Representatives [Scott Lipke](#) and [Ryan Silvey](#). The MHTF finances the building and rehabbing of affordable housing, emergency assistance to keep people in their homes, and services for those who are homeless.



Because Rep's Lipke and Silvey are members of the majority party in the House, it is thought the bill's chances of enactment are enhanced via their sponsorship.

MHTF gets all its revenue from a one-time fee paid when a real estate transaction is filed with the county recorders office; most typically this is when a house is purchased and the fee is paid as part of the closing costs. The fee was set at \$3 when MHTF was established 15 years ago

and has never been increased. [HB 1020](#) would increase the fee to \$6. A bill to effectively increase the fee to \$9 was [heard in a Senate committee](#) earlier this session.



MASW Priority: Decent Housing

Re-entry and Food Stamps

According to a published report in the Kansas City *Star*, Gov. Jay Nixon is expected to sign an executive order directing all state agencies to coordinate with the [Department of Corrections](#) in assisting ex-offenders with re-entry into society as they leave state custody.



"It costs \$16,432 a year to house an inmate," according to DOC Director George Lombardi. "Every inmate we can turn around to become a taxpayer, rather than a tax burden, is a huge savings to state, city and local government."

MASW applauds these efforts, especially in light of the decision of the Missouri House to cut all state funding for re-entry programs. We urge the Senate to restore this vital funding.

The same *Star* article reports on Sen. Yvonne Wilson's proposed legislation to remove Missouri's lifetime food stamps ban for people who have a drug felony on their record. [Read the newspaper article by linking here.](#)