

Arise Annual Meeting
9:30-3:00 Saturday
September 8
St. John AME Church
807 Madison Av.
in Montgomery
Bring \$5 for lunch

Members will vote to admit new member groups, choose the 2002 policy agenda, approve a budget, and elect the Board of Directors. It's a good way for new members to learn how Arise works.

Mark your calendar

Alabama Poverty Project conference, "Confronting Poverty, Making Change II," 8:00-5:00 Sat, Sept 15, Judson College, Marion.

Arise Tax Caucus 4:30 Mon, Sept 17, at Greater Birmingham Ministries.

Montgomery Arise Cluster, 6:00-7:30 Mon, Oct 1, at the New South Bookstore.

Arise Health Caucus 10:00 Fri, Nov 2, at Greater Birmingham Ministries.

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It's time to decide –

Members to set 2002 issue agenda

Arise's Annual Meeting will complete an agenda-setting process that started with our summer listening sessions. At these sessions members discussed whether to continue the 2001 issue priorities or consider new issues. Last year, for example, members added the moratorium on executions to the three-part agenda they had in 1999.

Three issues have been proposed in addition to last year's top vote-getters. (Last year housing, tax reform, transportation, and the moratorium were on the action agenda; we also agreed to monitor health care, education reform, welfare reform, and unfair lending practices.) The health care proposal has been changed. Here are the new proposals for consideration:

Health insurance for parents

by the Arise health caucus

Alabama has made significant strides toward insuring children in low-income families. About 141,000 low-income children were believed to be without health insurance in 1997. By September of last year, 80,000 previously uninsured children gained health insurance through ALL Kids, the state's Medicaid program, or the Child Caring Foundation. Alabama has in place programs and outreach efforts to continue to reduce the number of uninsured children. ALL Kids and Medicaid staff are working together to reduce complexities in the enrollment and re-enrollment process for these programs. State funding for ALL Kids and Medicaid is stable. The Child Caring Foundation is funded through BlueCrossBlueShield.

However, Alabama has a high number of uninsured low-income working parents. Nationally, 8 out of 10 of the uninsured are in working families, and 91% of those with private insurance coverage get it through the

workplace. But low-wage workers are less likely to be offered coverage on the job. While 9 out of 10 workers earning \$15 per hour or more are offered coverage by their employer, only half of those making \$7 per hour or less are offered coverage. Even when offered coverage, these low-wage workers often have to pay more to take advantage of the offer: Their premiums are usually higher than those of workers in high-wage firms. In 1999, the average premium cost to a worker earning \$7 per hour (\$14,560/year) was \$1,740 (12% of the family's income).

There are an estimated 80,000 working and uninsured low-income parents in Alabama, if low-income is defined as less than 200% of the poverty guideline, or \$29,260 for a family of three. Few working adults qualify for Alabama Medicaid, since earning more than about \$259 a month puts them over the eligibility limit. This policy sends the wrong message to parents leaving welfare and to part-time workers: If you work more hours and earn more money, you will lose your health coverage.

If we extend Medicaid to parents, children will benefit too. Research shows that children are more likely to be covered if their parents are, and they are likely to use services if their parents have access to care.

The federal Medicaid program will pay Alabama 69% of the cost of expanding its coverage to families. By taking this option, Alabama can lower the number of uninsured parents and begin to reverse the negative consequences of families without health insurance. It is a simpler process than obtaining a waiver; it can be done by simply amending the Medicaid State Plan.

The federal Children's Health Insurance Program (CHIP) also offers states an opportunity to insure adults under demonstration waiver programs.

Arise Citizens' Policy Project's health caucus proposes that Arise support extending health insurance coverage to working parents through the state's Medicaid and CHIP programs.

Child care

by Mary Lynn Porter
Auburn First Baptist Church

"Child care assistance is perhaps the most critical work-support measure in which the federal government, states and private sector can invest." (Southern Institute on Children and Families, December, 2000)

A single mother with two children, ages 3 and 7, finds full time work at a plant farm that pays \$7.50 an hour. She cannot pay the full cost of child care (\$160-\$180 a week for two children in her area, up to 60% of a week's income). She applies to her county Child Care Management Agency (CMA) for a child care subsidy. She qualifies for the program and is put on the waiting list. During the months that follow, she struggles each morning to find care for her children with a neighbor or with her grandmother. Both reluctantly agreed to watch the children "when they can." She often misses her ride while trying to arrange care for the day, then arrives at work late. Most days she returns to find that the children have not been adequately supervised. She begins to use the phone at work to check on her older child after school. She struggles to decide the best plan for her family: Should she keep her job and keep worrying about her children? Or quit her job, care for her children and attempt to live on a monthly welfare payment? She calls the CMA office weekly, hoping she has reached the top of the waiting list and can enroll the children in a licensed child care home or center. Meanwhile, the plant farm employer terminates his least productive workers, and this mother is let go because of her appearance of unreliability.

Because of a shortage of dependable, affordable child care, everyone loses. The mother's dreams of financial self-reliance are dashed, the children's self-esteem and heightened opportunity for school readiness are diminished, and the employer and the economy suffer from an apparent lack of a dependable workforce.

How can Alabama solve this problem?

1. Increase state funding for subsidized child care to clear the waiting list. State funds for child care in the 2001-2003 DHR State Plan are \$12.6 million, about \$2 million less than in 1999-2001. The total child care budget for 2001, including federal funds, is nearly \$130 million.

2. Increase the state's income eligibility scale for subsidized child care. Many families who have been waiting for child care for months are slightly over income when their names reach the top of the waiting list. Even DHR's new proposed eligibility scale is too low. Federal regulations permit states to set criteria for the subsidized program at 85% of the state median income. In Alabama, a family of two can earn no more than 43% of the state's median income and be eligible. This level is next to the lowest in the nation.

3. Increase the monthly payment to child care providers. Many providers no longer enroll children from the subsidy program. As the cost of care has risen, boosted by changes in the State Minimum Standards for child care and two minimum wage increases, the monthly subsidy payment to centers and homes has not increased in three years. Providers enrolling subsidized children receive less money – which usually translates into lower quality care, resulting in lack of school readiness and eventual school failure.

Long-term care

by Judy Roy

Birmingham Independent Living Center

Families are in crisis. When support services are needed, there are few choices in the community. Whether a child is born with a disability, an adult has a traumatic injury, or a person becomes disabled through the aging process, they overwhelmingly want services provided in their own homes, not in nursing homes.

In Alabama, family and friends have always provided an informal kind of personal care. This original "Home and Community Care" system was meant to delay an elderly relative's entry into a nursing home as long as possible. Today, families face wrenching choices: Give up their jobs and family life to take care of family members, or put them in nursing homes. Disability is a natural, normal part of human experience that in no way diminishes a person's right to participate fully in all aspects of life, consistent with his or her unique strengths.

We should be promoting a review of Medicaid's heavy institutional bias, since Medicaid is the primary payment source of long term care. In 2000, the long term care expenditures were: 6% for the personal care option, 18% for waivers, 3% for home health care, 58% for nursing homes, and 15% for Intermediate Care Facilities for persons with Mental Retardation. Look where the money goes and you see where older and disabled citizens receive care.

Most older people would do anything to avoid a nursing home. A 1998 survey of Alabama AARP members revealed that "four out of five support state efforts to expand Medicaid coverage to include long-term care services in the home and community." As our aging population increases, so will the need to provide long-term care in their own homes.

We need to change how Alabama Medicaid funds long term care. The first step is to identify the community needs of people facing nursing home placement or living in nursing homes. Second is the development of new or restructured community services to provide a range of options. This could include expansion or consolidation of waivers, creative use of the Personal Care option, separation of housing and supportive services, and improved choices for consumers and their families.

Living wage

by Sister Judy Roy
Sisters of Mercy, Mobile

It is unconscionable that a person who works 40 hours a week can still be in poverty. People who work at full-time jobs should be able to pay for food, clothing, shelter, and transportation. Add in costs for health care and child care, and minimum wage jobs provide little or no chance for people to escape poverty. A living wage would be an incentive for more people to work. When work actually lifts people out of poverty, it empowers workers to take control of their own lives.

We propose that Arise adopt a living wage campaign as one of its 2002 issue priorities.

A few words from Kimble –

Tax reform has moved forward this summer on two fronts. We got a call from Charles McDonald of the Retail Association, inviting Matt Gardner and me to explain the Knight income tax reform plan to the Business Associations' Tax Coalition, 100 leaders who crafted the repair of the franchise tax. We got more time on their agenda than they gave the governor – 40 minutes for our PowerPoint presentation and questions and answers. You may recall that Matt is the policy analyst at the Institute for Tax and Economic Policy (ITEP) in DC who helped us design the Knight Plan.

Episcopal Bishop Henry Parsley convened a meeting in July of leaders from the five faith jurisdictions that passed tax reform resolutions this year: both United Methodist conferences, the Alabama Baptist Convention, the Episcopal Diocese of Alabama, and the Presbytery of Sheppards & Lapsley. Thirteen leaders attended. They now plan to circulate regular updates on tax and education reform issues to inform their members.

If you run across particularly good written materials on tax or education reform, let us know and we will share them with the new group. We especially need materials that help people understand these issues in terms of their faith.

With peace,

Kimble Forrister

Board nominees

Arise member groups elect the Board of Directors at the Annual Meeting. Those marked with an * have not served on the board before.

Nominees representing low-income groups:

Nancy Brennan, United Presbyterians of Wilcox County, Inc.

Jocelyn Cash, Montgomery Transportation Coalition

Lawton Higgs, Church of the Reconciler, Birmingham

Arzula C. Johnson, Rosebud Action Community Center

Fannie Mitchell, Loveman Village Resident Council, Birmingham

Alice Paris, Federation of Southern Cooperatives

***Curstine Smith**, Women As Strength Program (WASP), Birmingham

Deborah Thomas, FOCAL

***Felicia Thompson**, Neighborhood Services, Inc., Birmingham

***Charles Williams**, Citizen Lead Education and Poisoning Prevention (CLEPP), Birmingham

Representing other groups:

Lynn Douglas, Church and Society Committee, North Alabama Conference, United Methodist Church

Tom Duley, Urban Ministry, Birmingham

Ron Gilbert, Alabama Assn of County Directors of DHR

Carol Gundlach, Immanuel Presbyterian Church, Montgomery

Mary Jones, Greater Birmingham Ministries

Sr. Kathy Navarra, Sisters of St. Joseph, Pine Apple

Chris Retan, Aletheia House, Birmingham

Ruthie Sherrill, University Presbyterian Church, Tuscaloosa

Jackie Tipper, League of Women Voters of the Shoals

***Shannon Weston**, National Multiple Sclerosis Society, Alabama Chapter

New member groups

These groups are eligible for election as new members at the Annual Meeting:

Grace United Methodist Church, Auburn

Church Women United, Tuskegee-Macon County

Welcome, Jamie Keith!

Jamie Keith has joined Arise Citizens' Policy Project as Development Director. She will help implement our new strategic plan to expand member support for Arise. Jamie comes to Arise from the Development Department at Huntingdon College. She was also Executive Director of Montgomery Habitat for Humanity from 1994-97. This new position is funded for at least the first year by grants from the Mary Reynolds Babcock Foundation, the Needmor Fund, and the Ford Foundation. Jamie, we're glad you're here!