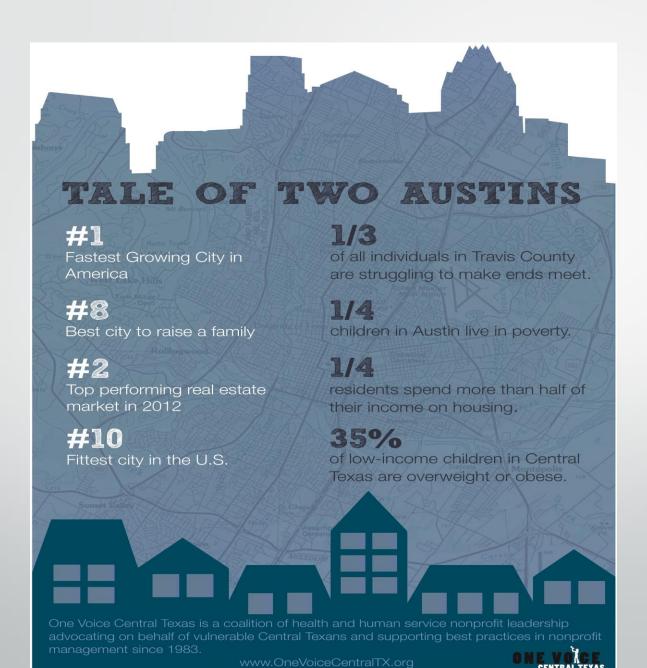
# Put People First

City of Austin Public Health and Human Services Committee

May 27, 2014



#### One Voice Central Texas

- Represents more than 75 local health and human services nonprofit
- Brings in excess of \$100 million to the community in State, Federal, & Foundation funding
- Employs in excess of 6,500 individuals
- Provides a critical network of services for our most vulnerable residents that helps them move out of poverty and avoid more costly emergency, hospital, and institutional care

## Our Message

- Human services are a vital link to creating a safe & sustainable community
- The human service infrastructure is straining from rapidly increasing poverty
- Support nonprofits that demonstrate effectiveness and quality services

## Affordability Gap Growing

- CAN dashboard indicators for number of low income individuals, food insecurity, and housing cost burden have all worsened
- Over the last decade, the number of people living in poverty in Austin grew by 77 percent
- Children under the age of six are the fastest growing group living in poverty
- Between 2001 and 2013, wages in Central Texas fell by 4%, after inflation
- 38% of individuals are housing cost burdened (pay more than 30% of income on housing) and rents have increased 4%-7% for 12 straight quarters(<u>www.realpage.com</u>)
- 18% of individuals live in households with limited consistent access to food

#### Cost to Live in Austin

The Center for Public Policy Priorities estimates a household with a family of four needs to earn \$25.01 per hour to afford to live in the Austin MSA. This assumes no savings and an employer paying toward health care:

Housing \$963

Food \$731

Child Care \$900

Medical \$508 (insurance and out of pocket)

Transportation \$539

Other necessities \$335

Federal Taxes \$193

Poverty rate for same family is \$23,850 or \$1,987.50 per month

## Impact on Social Services

- Increasing demand for all social services
- Individuals moving outside the urban core, more costly to provide services to them and to us
- Increasing cost of doing business, e.g. rents, utilities, ACA requirements to purchase health insurance, etc

#### Social Services Are a Wise Investment

For every dollar invested, national studies have demonstrated an ROI and reduction in more expensive interventions, examples include:

- Early education returns \$2.50 \$17
- Substance abuse treatment returns between \$4-\$7
- Workforce development returns \$1.63-\$2.74
- It costs \$20,000 for a youth to spend a year at Gardner Betts but generally \$1,000 or less for prevention services
- The average monthly cost for nursing home care is \$3,258 but it costs \$96 a month to deliver a meal or approximately \$1,600 to provide in-home supports

## Overall Funding is not Keeping Up

#### Examples include

- Federal funding for food stamps and housing has decreased
- Texas decision not to expand Medicaid
- City social service contracting budget not kept up with overall budget

#### **OVCT** Request

- Increase the overall City investment in social services that support vulnerable residents
- Address the affordability gap
- Support organizations & collaborations that demonstrate effectiveness