

United Way of Illinois



Public Policy: Year in Review

United Way of Illinois Annual Meeting
July 18, 2017



Today's Goals:

1. Understand context and climate for United Way's public policy engagement
2. Review recent achievements and current activities
3. Identify opportunities for member engagement



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Current State of Economy

National

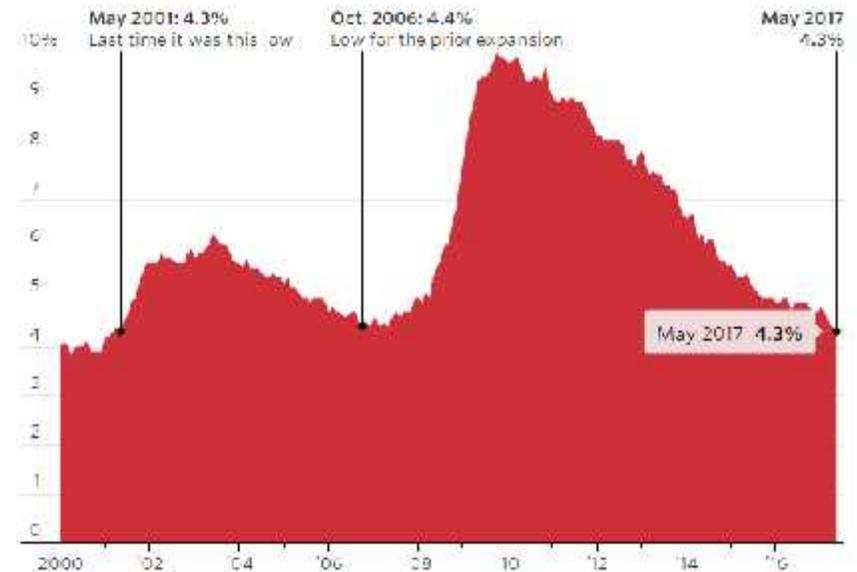
- **222,000 jobs** were added to the economy in June
- **Unemployment rate** rose from 4.3% in May, lowest level since May 2001, to **4.4%** in June
- **7 million** Americans out of work

Illinois

- **4.6% unemployment rate**, down from 5.9% in June 2016

Unusually Low Unemployment

At 4.3%, the May unemployment rate was lower than anything the economy has seen since 2001.



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Current State of Income & Poverty

- 2009 Median Household Income in IL = \$52,967
- 2014 Median Household Income in IL = \$57,458
- 2015 Median Household Income in IL = \$59,588

Federal Poverty Thresholds, 2015*

Family Size	Extreme Poverty (0-49% FPL)	Poverty (0-99% FPL)	Low Income (100-199% FPL)
	\$6,041	\$12,082	\$24,164
	\$7,696	\$15,391	\$30,782
	\$9,436	\$18,871	\$37,742
	\$12,129	\$24,257	\$48,514

- **13.6%** of Illinoisans living in poverty in 2015 = **1.7 million people**
- An additional **16.7%** of Illinoisans are considered “low-income”
- **19% of Illinois children living in poverty in 2015** (up 2% since 2008)
- **21% of Illinois children under age 5 living in poverty in 2015**

UWI Success on Income

Earned Income Tax Credit (EITC)

INCOME
HELPING
FAMILIES.
INCREASING:
INDEPENDENCE.
FINANCIAL STABILITY.
JOB TRAINING.
ACCESSING AFFORDABLE,
HOUSING
ACCESSING INTERVENTION AND
BASIC NEEDS IN CRISIS.
HELPING FAMILIES
MOVE FROM POVERTY
TO POSSIBILITY.



- UWI lead advocacy effort in support of bills proposing a doubling of EITC from 10% to 20% (of federal tax credit) over 5 years.
- The House revenue committee held a subject matter hearing during the spring session at which UW, Voices For Illinois Children and Center For Economic Progress testified.
- State budget includes an increase in EITC from 10% to 14% in 2017 and 18% in 2018

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Current State of Education

State Funding

- \$7.727 billion, an increase of \$266.4 million (3.45%) over FY 2017 levels
- \$50 million increase in early childhood education

High School Graduation Rate

- **86%** for the 2013-2014 school year (up from **83%** in '12-'13)
- **Only 46% of students college ready**

Source: Illinois Report Card

UWI Success on Education

HB3139 – Serving Chronically Absent Students

Develops a system of support for students at risk of reaching or exceeding chronic absence levels with strategies and resources to keep those children in school.

Passed both chambers, awaiting concurrence vote.

HB3691 – IL. Higher Ed Savings Program

EDUCATION
ACHIEVING
POTENTIAL.
PARTNERING:
WITH SCHOOLS.
WITH PARENTS.
WITH MENTORS.
ACCESSING QUALITY,
AFFORDABLE
EARLY LEARNING OPPORTUNITIES.
IMPROVING GRADUATION RATES.
BECAUSE IT REALLY DOES
TAKE A VILLAGE
TO RAISE A CHILD.



- Automatically opens a 529 college savings account at birth for every child born in the state.
- The account will be seeded with an initial \$50.
- Low- and moderate-income families will be encouraged to save through savings incentives – one-to-one dollar match up to \$150 per year.
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Current State of Health

Obesity & Chronic Conditions

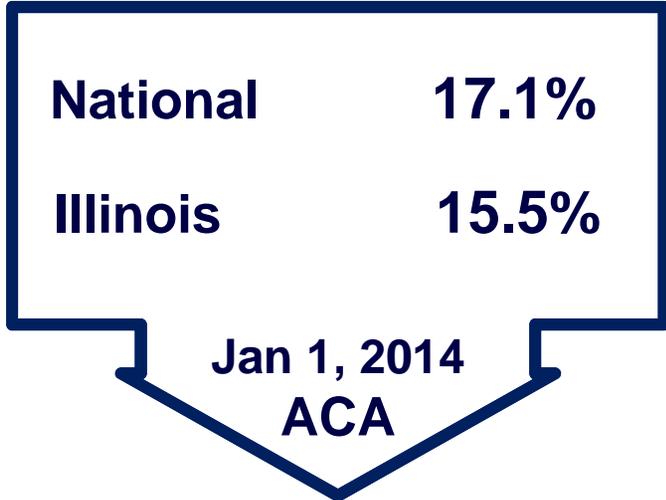
- **30.8%** of Illinois adults are obese, up from **12.1%** in 1990
- Illinois ranks **18th** in adult obesity between North Dakota (17) & Georgia (19)
- **12.6%** of Illinois high school students are obese (Up from 11.6 2014)
- Over **1 million people** in Illinois have diabetes
- **75%** of national healthcare spending goes to treating chronic conditions

The Cost of Obesity

- One of biggest drivers of preventable chronic diseases and healthcare costs, averaging **\$147 billion** nationwide
- Obesity linked to job absenteeism & lower productivity, costing employers **\$506 per obese worker per year.**
- Investment of \$10 per person in community-based programs to increase physical activity & improve nutrition could save U.S. over \$16 billion annually within 5 years, **a return of \$5.60 for every \$1 invested.**

Current State of Health Care Access

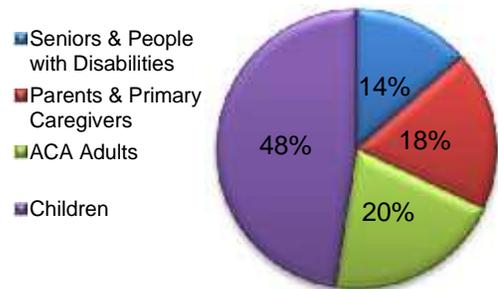
2013 Uninsured Rate



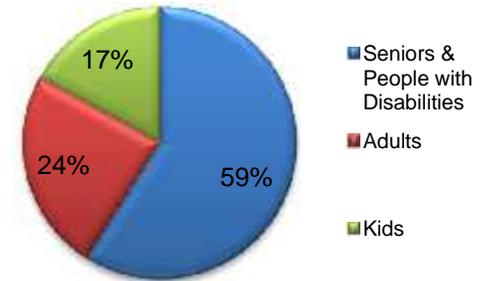
2016 Uninsured Rate



IL Medicaid Enrollees



IL Medicaid Spending by Group



What elephant?



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Threats to Health Access

Legislative

- Reduction of ACA Subsidies
- Weakening of Consumer Protections
- Deregulation of Health Plans
- Medicaid Funding Cuts & Restructuring
- Creation of New Barriers to Health Care Access

Administrative

- 2017 Open Enrollment Period Cut in Half
- Establishment of New Restrictions to Limit Access to Special Enrollment
- Termination of Marketing Campaign
- Executive Actions Taken to Undermine Marketplace Stability

Local

- Illinois ACA Medicaid Expansion Trigger
- Lack of Transparency in Illinois Rate Review Process
- Existing Budget Constraints Put Entire Medicaid Program in Jeopardy Under Per Capita Caps Funding Structure

UWI Success on Health: Defending Health Care Access

Signed on to letter urging Gov.
Rauner to defend Medicaid

Submitted comments to CMS on
proposed changes to ACA

Participated in UWW Health
Advocacy Cohort actions

Created & shared resources with
state partners & UW Network

Met with legislators to offer
UW's unique perspective

HEALTH
IMPROVING
BEHAVIORS.
INCREASING:
ACCESS TO SERVICES.
AFFORDABLE CARE.
EDUCATION & PREVENTION.
HELPING SENIORS AND PEOPLE
WITH DISABILITIES BECOME
INDEPENDENT.
PROTECTION & SUPPORT FOR VICTIMS OF
DOMESTIC VIOLENCE.
HELPING TO MAKE A CLEAR PATH
ON THE ROAD TO
WELLNESS
PHYSICALLY. MENTALLY. EMOTIONALLY.



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UWI Success on Community Strengthening

HB 3110 – Social Services Contract Notice Act

Requires state agencies to provide 30 days advance notice to the General Assembly if they intend to suspend, reduce, or terminate social services as a result of lack of sufficient funds. Bill is designed to ensure level of stability to the agencies providing such services.

Passed both chambers and awaits the Governor's signature.

SB 2046 – Thriving Youth Fund

Creates an incentive tax checkoff with funds to be used for non-Medicaid Services for community-based youth programs.

Passed both chambers and awaits the Governor's signature.



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UWI Public Policy: Creating the Message

What
was the
need?

- Shed light on the sector hardest hit by the budget impasse and the impact it was having on the state's most vulnerable populations

- **Uniquely positioned to collect data** through statewide network of local United Ways
- **Communications capacity** including marketing, media relations and creative design expertise
- **Credibility** based on history, processes, level of investment and non-partisan approach to mission

Why
United
Way?

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UWI Public Policy: Framing the Message

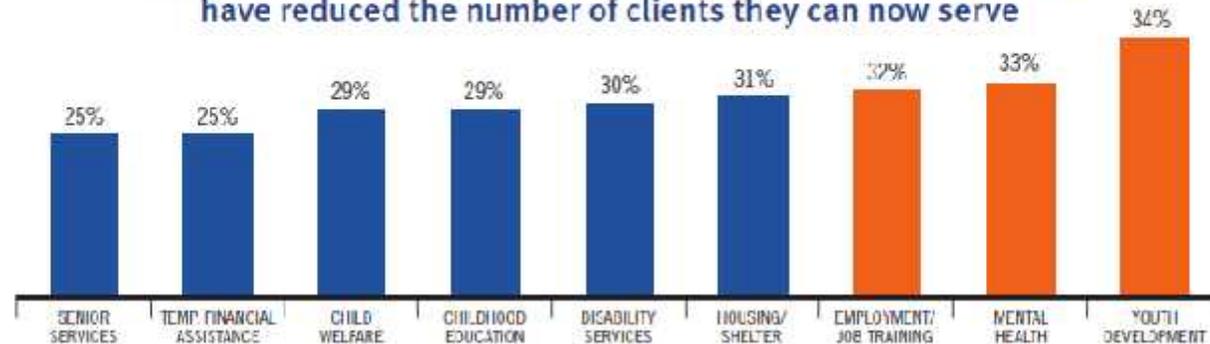
5 surveys
conducted
over
2 years
of **800**
agencies
from
every
social
service
category
& region
across
the state

UNITED WAY OF ILLINOIS POST-STOP GAP FUNDING SURVEY: HIGH LEVEL FINDINGS

The findings below were drawn from 463 responses to a survey conducted March 3 – March 17, 2017, of human service agencies across Illinois. **Twenty-one months into the budget stalemate, and less than three months after a stop-gap budget that released funds from July 1 – December 31, 2016, survey respondents answered questions related to service delivery and organizational stability.** Survey respondents represent every region across the state and every category of social service agency.

Less than 3 months since the stop-gap budget ended, 46% of all agencies surveyed have reduced the number of clients they serve

In some service categories as much as 30% or more of agencies have reduced the number of clients they can now serve



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UWI Public Policy: Advancing the Message



Survey: 1 in 4 human-service agencies have axed programs

“One out of every four human-service agencies in Illinois among more than 450 surveyed has had to shut down programs because of the state’s historic budget crisis, the **United Way of Illinois** reported Thursday.”

“Rep. Greg Harris ticked off a series of reasons why his colleagues should support the bill during a speech on the House floor. **He cited a recent survey from the United Way of Illinois** that detailed widespread cuts to groups that provide mental health, violence prevention and job training programs.”

THE COURIER-NEWS

United Way finds nonprofits struggling due to state budget stalemate

Chicago Tribune

Democratic stopgap budget inches ahead, but a full plan remains elusive

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Illinois State Budget Overview

What's Changed?

- **Personal tax** rate went up from 3.75% to 4.95%
- **Corporate tax** rate went up from 5.25% to 7%
 - Resulting in an **increase in revenue** from \$32bil to \$37bil
- **Expenditures went down** from \$39bil to \$36.5bil
 - Including 5-10% average spending **cut to human services**

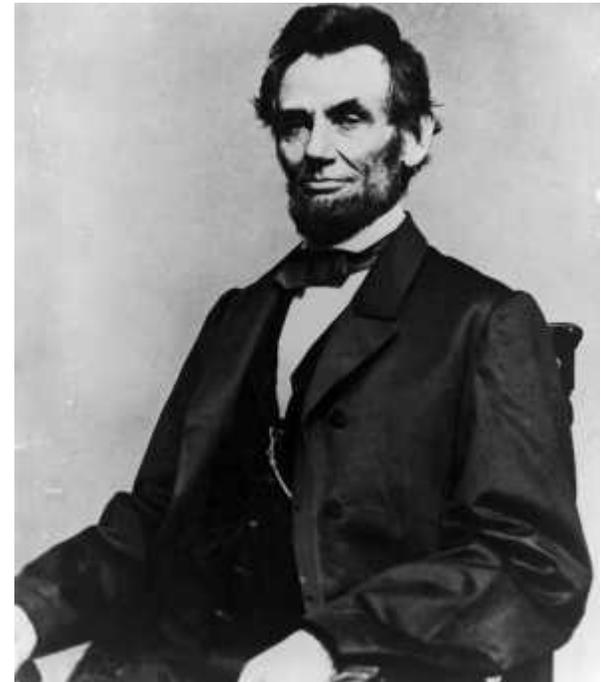
What Hasn't?

- **Annual deficit** remains at \$6.2bil
- **Bill backlog** remains \$15bil
- **Pension liability** remains \$130bil
- **State's credit rating** is unchanged, at one notch above **junk status**

Questions?

“Nearly all men can stand adversity, but if you want to test a man’s character, give him power.”

– Abraham Lincoln



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Thank You!



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