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Human Services predicted to stay at record levels into 2011

Sustained long-term unemployment means demand for food and other assistance will stay high

[Salem]-State forecasters for the Oregon Department of Human Services today released data showing that demand for food and cash assistance will stay at record levels through 2010 and will not peak until January 2011. Need for Supplemental Nutrition Assistance Program food benefits (formerly known as food stamps) is predicted to surpass 750,000 Oregonians, more than 19 percent of the population. Demand for the Oregon Health Plan, long-term care for seniors, and other services is also predicted to increase.

Increases in need for assistance are being driven largely by the economy. With Oregon's unemployment rate at double digits for 11 months in a row, an increasing number of families are finding themselves in the ranks of the long-term unemployed.

"When people lose their jobs, they often lose not only their income, but also their own health insurance and their ability to help support their aging or vulnerable relatives," says Dr. Bruce Goldberg, director of the Oregon Department of Human Services and the Oregon Health Authority.

Here is a summary of some of the most notable caseload predictions:

Due to economic forces, high demand for services will last into 2011

There are currently 675,838 Oregonians counting on the Supplemental Nutritional Assistance Program (SNAP) for food support, an increase of 30 percent over last year, and it is predicted to continue growing to a peak of 756,000 people in June 2011 before demand begins to decline. Demand for the Oregon Health Plan, long-term care, and cash assistance will also continue to increase.

A record number of very low income families are receiving cash assistance for rent and other basic needs through the Temporary Assistance for Needy Families (TANF) program. Currently there are 25,669 families on TANF, and that total should continue to grow to 26,000 families by January 2011. However, the level of increase in the numbers of families relying on TANF began to slow in 2009 due to budget cuts to the program.

The economy is beginning to affect seniors

After four years of steady decline, demand for long-term care is growing in response to the economic downturn and is predicted to increase 2 percent over this forecast period to 27,658 people in June 2011. Not only does this demand reflect the growing demographic of seniors in Oregon, but also, according to survey respondents, the financial crisis is propelling baby boomers sooner to long-term care. Economic problems increase the demand for publicly funded long-term care because of seniors' depleted resources, loss of pensions, loss of health care coverage, and other changes in conditions.

Health care demand continues to be unmet

There are currently 510,590 people enrolled in the Oregon Health Plan, and that number is predicted to rise to 645,200 people, an increase of 26 percent. Some of the new growth will be attributed to Healthy Kids, which provides expanded coverage for children, but much of it is driven by economic factors. Additionally, more than 600,000 Oregonians are currently uninsured and there is unmet need for substance abuse and mental health treatments. Lack of treatment is a major factor influencing other DHS caseloads.

Field surveys tell the story of the recession in Oregon

The DHS caseload forecast includes surveys of public and private providers of services. Respondents say more people need more services

for a longer period of time than ever before, and clients of nearly every economic and demographic group are increasing their demand for services. The most frequently mentioned new clients included two-parent and two-income households, those experiencing the end of unemployment benefits, and seasonal workers. Local providers told of families struggling to meet basic needs such as food, shelter, and health care. They expect clients' anticipated end of unemployment benefits and related uninsured status to increase demand in 2010.

Background

Through the Oregon Department of Human Services, the Oregon Health Authority, and local providers, low-income Oregonians receive basic economic assistance and health care coverage. Seniors and people with disabilities also receive important care and assistance care to help them stay safe and independent. DHS and OHA bundle state, federal and other dollars to pay for the services, most of which are delivered through private partners in the communities.

"As we enter another year of record demand, we will continue to work with our local partners to ensure that we maximize every dollar to get services to the greatest number of people possible," says Dr. Goldberg.

For more detail, click here:

<http://www.oregon.gov/DHS/data/forecasts/2009/fall-review.pdf>