

Budgetary Pressures and Impacts

Update on Federal Government Shutdown

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| **CEO.**

Overview: Federal Government Shutdown

Shutdown began on October 1st after Congress failed to pass the Continuing Resolution bill that would have kept the government open through November 21st.



- Essential services and programs will continue:
 - Social Security
 - Veterans' benefits
 - Air traffic control
 - Military operations
- Other mandatory entitlement payments will continue for the short term:
 - Supplemental Nutrition Assistance Program
 - Temporary Assistance for Needy Families
- Discretionary programs, such as nutritional support for women and children, could be paused if the shutdown lasts more than a few days.
- Reimbursements for County programs funded by Federal grants, as well as pending grant applications and reviews, will likely be delayed if the shutdown is not resolved quickly.



Section 8 Project-Based Rental Assistance Contracts and Housing Choice Vouchers:

- Will continue as long as funds are available.
- If shutdown persists, funding may run out.

Section 8 Housing Assistance Payments:

- LACDA has less than one month of reserves.

Public Housing Operating Fund:

- LACDA has less than one month's reserves to maintain operations/services.
- Repairs and services may be delayed.

Impacts to Safety Net Programs (DPSS)



CalFresh

- The U.S. Department of Agriculture has confirmed CalFresh households will receive their October benefits.
- Administrative costs are funded through October.



Medi-Cal

- The Center for Medicare and Medicaid has confirmed there is sufficient funding for operations through December 2025.



CalWORKs

- The California Department of Social Services has confirmed that CalWORKs payments and services for October and November will not be impacted
- Administrative expenses are funded through December.

Medicaid

- Shutdown may not have an immediate impact on Medicaid funding.
- Past shutdowns have not impacted Medicaid entitlement funds.

Disproportionate Share Hospital (DSH) Payment Allotments

- Delay of cuts to DSH payments expired on September 30th.
- Without Congressional action to extend or make the program permanent, Health Services will have a cash flow problem.

Public Health Programs

- Anticipated delays in communications with the Centers for Disease Control and Prevention on issues related to:
 - emerging threats, surveillance and reporting
 - laboratory testing
 - grant-related draw-down requests
- Potential furlough of CDC-staff embedded at DPH.





Thank you.

Questions?