**The Real Costs of Living in Los Angeles, CA**

According to the federal government, poverty is a single person earning $12,060 or less per year. This equals $1,005 per month. In California,

- 5,473,200 Californians live at or below the Federal Poverty Level
- 7,473,300 Californians live between 100-199% of the Federal Poverty Level

### What “Counts” as Poverty?

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### Who Qualifies for Medicaid?

- In California, individuals with incomes above $16,642 cannot qualify for Medicaid.
- Medicaid is the primary source of health care for people living with mental illness and a growing resource for people living with addiction.

### Reality Check

**Transportation**

- **$450**

**Taxes/Utilities**

- **$469**

**Food**

- **$271**

**Housing**

- **$896**

**Other**

- **Clothing, toiletries, etc**
  - **$564**

- **Total**
  - **$2,650**

**Real Numbers, Hard Math**

<table>
<thead>
<tr>
<th>Federal Poverty Level Income</th>
<th>No Frills Cost of Living</th>
<th>Reality Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>$12,060</td>
<td>($31,800)</td>
<td>-$19,740</td>
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</table>

The cost of living in rural California is $324 less per month, which is still more than twice the federal poverty level.

A no-frills budget, excluding health care costs, for an individual in Los Angeles is $31,800.

In California, individuals with incomes above $16,642 cannot qualify for Medicaid. Medicaid is the primary source of health care for people living with mental illness and a growing resource for people living with addiction.
Many states, including California, have increased cost-sharing requirements for Medicaid recipients. Cost sharing can include copayments, cost-sharing and monthly premiums.

For people with significant health care needs and who are living in poverty, cost-sharing can prevent access to effective and essential services.

After increasing cost-sharing in Oregon and Wisconsin, significant numbers of people left the health care program and resorted to the emergency room for care. Further, the administrative costs of the program may exceed the funds received from enrollees.

**SERIOUS MENTAL ILLNESS AND SUBSTANCE USE DISORDERS**

More than 1 in 5 uninsured adults with an opioid addiction have a serious mental illness.

Nationally, uninsured adults are less likely to have received treatment for addiction than those covered by Medicaid, and drug addiction is the leading cause of accidental death in the U.S.

In California, over 1,438,580 people have a serious mental illness, including schizophrenia, bipolar disorder or depression. These conditions often impact a person’s ability to communicate with others, take care of themselves, and understand the world around them.

By 2015, over 2 million people were addicted to prescription opioids and 591,000 people were addicted to heroin. In California, 4,659 people lost their lives to drug overdoses.

**SUPPLEMENTAL SECURITY INCOME (SSI) AND SOCIAL SECURITY DISABILITY INSURANCE (SSDI)**

People diagnosed with a serious mental illness often qualify for Medicaid through their eligibility for Social Security disability benefits. Individuals who qualify for SSDI receive on average $13,578 per year, and those who qualify for SSI receive up to $8,820 per year. SSDI and SSI are provided to individuals who cannot work due to a serious medical or mental illness, condition, or injury. In most states, eligibility for SSI confers eligibility for Medicaid. Generally, SSDI recipients are eligible for Medicare after two years, but may also qualify for Medicaid.