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*Life on welfare gets tougher amid cutbacks: Study says most states have been reducing benefits for some time*

*By Rick Karlin, Capitol bureau*

**ALBANY — While Wall Street’s recent woes cloud the state’s financial picture, a study released this week by the Rockefeller Institute suggests that welfare recipients have been making do with less for at least two years.**

That’s because most states, including New York, started cutting their social welfare spending in 2002, after federal grants were curtailed.

**Between 2005 and 2006, total spending on each welfare recipient fell by \$427 in New York, according to the study, titled “The New Retrenchment: Social Welfare Spending, 1977-2006.”**

**Based on census data, the study found that much of the recent decline was due to changes in**

**the Medicaid health insurance program for the poor.**

But there’s also been a broader long-term drop in other entitlements, such as child care subsidies and cash grants.

The steepest decline came in outright cash grants, which fell for at least 11 years prior to 2006.

That dates to the welfare reforms initiated during the Clinton administration.

In New York, for example, cash assistance per person fell \$918 between 1996 and 2002, even as other types of grants such as medical assistance were growing.

**“It used to be that cash assistance went up during economic downturns, but that’s no longer true,”** said Tom Gais, co-director at the Rockefeller Institute.

**The recent drop in medical spending — \$285 per person between 2005 and 2006 — is noticeable,** Gais said, since it has historically been