

Illinois Department of Human Services
Division of Mental Health
FY2011 Budget Impact*

The Division of Mental Health's (DMH) FY11 Governor's Introduced budget for Community Services decreased \$90.7 million from the FY10 level. Here are a few facts detailing the impact of this reduction:

Community Services Impact

- The \$90.7 million reduction represents a 23.6% reduction from the FY10 community contracts level. However, these reductions will be compounded by the loss of federal funding (see below) and could result in a reduction of up to 40% from the FY10 community contract level.
- This reduction will prevent DMH from meeting the Maintenance of Effort (MOE) for the Mental Health Block Grant. Over \$16 million in funding will be lost unless a waiver is approved by the granting authority.
- This reduction will result in drastic reductions to fee-for-service non-Medicaid and capacity grants (e.g. residential and community support based capacity grants)
- DMH would anticipate suppressed Medicaid claiming as a result of steep reductions to fee-for-service non-Medicaid and capacity grant funding. Therefore, the projection for Medicaid matching funds available in FY11 would be reduced by up to \$39 million or 35% from the FY10 level.

Consumer Impact

- DMH projects over 70,000 consumers including over 4,200 children will lose access to basic mental health care including medications, psychiatry visits and case management. In addition, over 4,000 consumers will be displaced from their residential settings in the community. Most may be placed into nursing homes.
- These 74,000 consumers will move from the community setting most often to less appropriate, more expensive settings (e.g. nursing facilities, and emergency rooms). Some migration to jails and homeless shelters is anticipated (up to 20-25%) shifting costs to those systems.
- DMH projects 26 to 83 community providers will close its operations due to this reduction. As a result, consumers all over the State will face difficulties in traveling greater distances to locate new providers.

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