

Community Services Department

600 W. 4th St.
Davenport, Iowa 52801



(563) 326-8723 Fax (563) 326-8730

February 21, 2011

TO: Dee F. Bruemmer

FROM: Lori A. Elam

RE: FY12 Budget: Plan of Reductions Proposal for MH/DD Services as developed by the MH/DD Advisory Committee

The MH/DD Advisory Committee met to discuss the FY12 budget and the need for a Plan of Reductions due to the lack of adequate funding from the State and the need to maintain a balanced budget.

The committee has proposed cuts in five service areas, totaling \$702,366. The county's FY12 shortfall could potentially be as much as \$449,269, after using all remaining fund balance. The FY12 MH/DD budget is significantly larger than the FY11 budget for two reasons:

1. The enhanced FMAP is eliminated and the FMAP rate will increase during FY12.
2. The state will start managing the HCBS ID Waiver slots and force the counties to eliminate the waiting lists for those slots. Scott County has approximately 70 people on the waiting list for ID Waiver slots.

If the cuts are implemented and expenditures remain consistent, it would leave the county with a potential fund balance of \$253,097 or 1.5%. The committee reviewed the FY11 and the FY12 projected budget. The committee was informed of the possible legislative changes to the MH/DD system, the possibility of the \$25 million new money (HF 45) and the associated impacts.

Obviously the agencies, consumers and families don't want services to be reduced and/or eliminated. They are willing to help lobby and advocate for mental health funds at the state level. I will have copies of the proposed FY12 Budget Reductions as developed by the MH/DD Advisory Committee for the Committee of the Whole Meeting on March 1, 2011. The committee members have been invited to attend as well.

The reductions will go into effect on July 1, 2011 if MH-DD funding is not increased at the state level for FY12.

SCOTT COUNTY MH/DD SERVICES
FY12 BUDGET REDUCTIONS
MH/DD ADVISORY COMMITTEE PROPOSALS
EFFECTIVE 7/1/11

BUDGET CATEGORY/SERVICE	SAVINGS	# OF INDIVIDUALS EFFECTED	SERVICE CHANGE DESCRIPTION	OTHER SERVICE AVAILABLE ?	IMPACT ON INDIVIDUALS/FAMILIES/AGENCIES/STAFF
<p>#1 Employment Services (VFCMHC)</p>	<p>\$83,100</p>	<p>90 individuals at Job Link and another 200-250 individuals served throughout the year at the Rummage Closet.</p>	<p>Elimination of county funding for employment services - Job Link and the support of the Rummage Closet for FY12.</p> <p>Elimination of the Joblink Employment Program. Closure of the Rummage Closet.</p>	<p>N</p>	<p>Individuals with serious and persistent mental health issues will have to search for employment opportunities independently and maintain employment independently. Individuals will have no assistance in applying for Medicaid programs such as the MEPD program or in maintaining their MEPD. Without MEPD, individuals are no longer eligible for Medicaid which pays for case management, SCL services, and medication management services. The individuals will not be eligible for free or reduced medication costs. Individuals may stop taking their medications, leading to increased hospitalizations for some. The Rummage Closet is a store that supports mentally ill individuals by providing transitional employment, as well as furniture, clothing and other basic needs at a minimum cost to the community. It allows individuals to maintain their MEPD, hence Title XIX, so they can access core services.</p> <p>The Rummage Closet will close. All consumer employees (approximately 28) and VFCMHC staff (4) will lose their jobs.</p>

BUDGET CATEGORY/SERVICE	SAVINGS	# OF INDIVIDUALS EFFECTED	SERVICE CHANGE DESCRIPTION	OTHER SERVICE AVAILABLE ?	IMPACT ON INDIVIDUALS/FAMILIES/AGENCIES/STAFF
<p>#2 Community Support Services-Frontier (VFCMHC)</p>	<p>\$468,599</p>	<p>60-75 Individuals per day</p>	<p>Elimination of county funding for the Community Support Services-Frontier Program.</p>	<p>N</p>	<p>The Frontier Program provides a safe and stable place for many individuals. Vital services such as medication management, money management, skill building, outreach, as well as, laundry, noon meals and socialization opportunities will be eliminated for individuals with severe and persistent mental illness.</p> <p>VFCMHC anticipates an increase in no-show rates for core VF services due to lack of community supports, as well as decompensation since the Frontier nurses will no longer be available to provide medication assistance and injections on site.</p> <p><u>Worst Case:</u> The reduction in funding will result in the closure of the program.</p> <p><u>Best Case:</u> Program will move to a smaller location and be accessible only to persons who have funding, such as Medicaid.</p> <p>Layoffs of up to 15 employees will occur. Layoffs of up to 7 consumer employees will occur. This program is the last community based safety net available in Scott County for adults with severe and persistent mental illness.</p>

BUDGET CATEGORY/SERVICE	SAVINGS	# OF INDIVIDUALS EFFECTED	SERVICE CHANGE DESCRIPTION	OTHER SERVICE AVAILABLE ?	IMPACT ON INDIVIDUALS/FAMILIES/AGENCIES/STAFF
<p>#3 Day Treatment/ Adult Partial Hospitalization Program (VFCMHC)</p>	<p>\$26,565</p>	<p>175 individuals, over 2,800 days of service</p>	<p>Elimination of one month of funding and services.</p>	<p>N</p>	<p>Day Treatment provides intensive day programming services to assist individuals with mental illness to avoid hospitalization, reduce hospitalization length of stays, and teaches skills necessary to end the cycle of repeated hospitalizations. This is a core service.</p> <p>VFCMHC anticipates an increase in hospitalization rates and length of stays. There is a potential for increases in suicide and incarceration rates.</p> <p>Waiting lists would be started for individuals with no funding for this service.</p>

BUDGET CATEGORY/SERVICE	SAVINGS	# OF INDIVIDUALS EFFECTED	SERVICE CHANGE DESCRIPTION	OTHER SERVICE AVAILABLE ?	IMPACT ON INDIVIDUALS/FAMILIES/AGENCIES/STAFF
<p>#4 Vocational Services (HDC)</p>	<p>\$100,000</p>	<p>60 + Individuals</p>	<p>A 52% reduction in county funding for vocational services.</p>	<p>N/Y</p>	<p>Most individuals would not be able to work; some could attend a day program with various activities. Certain individuals would only be able to utilize the Medicaid service HCBS Day Hab.</p> <p>Some individuals will decide not to come to the workshop if they can't work and earn a paycheck. This will dramatically increase the residential rates/budget as some of those individuals will require additional supervision at home.</p> <p>The individuals affected by this reduction are typically the most productive workers at the workshop. Those individuals will no longer earn a weekly paycheck. This will have economic impact as those individuals spend their money at stores and restaurants in the community. Loss of wages may also impact where individuals live as their wages supplement their rent payments.</p> <p>This cut in funding has devastating ramifications for the workshop:</p> <ul style="list-style-type: none"> * A decrease in the number of productive individuals working in the workshop. * A decrease in subcontract jobs and agency revenue (self-support) generated.

BUDGET CATEGORY/SERVICE	SAVINGS	# OF INDIVIDUALS EFFECTED	SERVICE CHANGE DESCRIPTION	OTHER SERVICE AVAILABLE ?	IMPACT ON INDIVIDUALS/FAMILIES/AGENCIES/STAFF
					<p>Some individuals will regress and demonstrate behaviors as they would not be able to work. Individuals' self esteem and confidence may decrease. The frustration of not being able to work may lead to the need for a higher level of care.</p> <p>Ultimately, this budget reduction could very well result in the closing of the workshop.</p>
<p>#5 Community Services</p>	<p>\$24,102</p>	<p>7 Individuals</p>	<p>Elimination of 100% county funding for a workshop services outside of Scott County.</p>	<p>N/Y</p>	<p>The funding for these services would be eliminated. Individuals would need to access Medicaid services or go on the county waiting list.</p>

Two programs/services, Employment Services and Community Support (Frontier) would be completely eliminated from the Vera French budget with these budget cuts. One other program, Day Treatment/Partial Hospitalization, would see the reduction of one month of county funding. The sheltered workshop at HDC would be in jeopardy of closing as county funds are being cut by 52%. The county is only able to cut services and programs that are funded with 100% county dollars. With the budget cuts, fewer individuals would be served, entire programs would be closed and several staff and consumers would be laid off.

If these cuts/reductions are implemented, thousands of Scott County individuals as well as the community will feel the negative impacts. The social and economical impacts will be devastating. Public safety will be compromised as the last remaining “safety net service” provided by VFCMHC will be eliminated. All of the budget cuts create the risk for increased hospitalizations for many individuals.

Scott County has always supported a variety of services and responded to community needs. Scott County has always strived to be a positive and safe place to live, in part, because of the services it has historically offered. The State of Iowa has not lived up to its statutory obligations. Again this year, many counties across the state are being forced to cut services to the most vulnerable population.