

Illinois Human Service Commission

Public Hearing – Chicago

September 8, 2011

9:00am – 12:00pm

Bilandic Building, Room # C-500

160 North LaSalle St.

Commissioners Present:

Ngoan Le, The Chicago Community Trust (co-chair); Dr. Damon Arnold, Illinois Department of Public Health; Denver Bitner, Lutheran Social Services of IL; Pam Heavens, Will-Grundy Center for Independent Living; Jack Kaplan (proxy for Laura Thrall), United Way Metropolitan Chicago; Sharron Matthews (proxy for Julie Hamos), Department of Healthcare and Family Services; Sessy Nyman (proxy for Maria Whelan), Illinois Action for Children; Kathy Ryg, Voices for Illinois Children; Ray Vazquez, YMCA; Jennifer Welch (proxy for Evelyn Diaz), Chicago Department of Family and Support Services

Hearing Attendees:

Hafsa Ahsan, Counseling Center of Lakeview; Nicole Arendt; David Bell, CYC; Leticia Berrera, LSNA; Phalese Binion, Westside Ministries Coalition; Denise Boyd, IDHS; Loren Buford, MYSI; Carrie Callas, St. Vincent de Paul Center; Kenyatta Cathey, Haymarket Center; Wendy Chill, IL Center for Violence Prevention; Alexandra Cooney, CDFSS; Linda Cooney, FCDN; Cynthia Cornelius, The Chicago Academy; Sonia Cortez, LSNA; Andrea Durbin, IL Collaboration on Youth; Danielle Espinoza, Corazon Community Services; Rod Estvan, Access Living; Ann Ford, INCIL; Jacob Gappa, NASW-IL; Laura Garcia, ICIRR; Kirsten Gaspar, CAIRS; Caronina Grimble, DHS; Maureen Hallaga, Marillac Social Center; Hall Hanes, South Suburban Council; Christine Henry, Salvation Army; Richard Jackson, HIS; Will Jamison, Hope Institute; David Johnson, Abraxas Interventions; Eric Johnson, BBF; Joel Johnson, HRDI; Riley Jones, TASC, inc.; Sharon Kayser, Counseling Center of Lakeview; Jennifer Keeling, Chicago Jobs Council; Dana Kelly, Access Community Health; Lorraine Kopczynski, Pioneer Center for Human Services; Wayne Kubrik, Countryside Assoc.; Del Larkin, Salvation Army; Jim Lewis, The Chicago Community Trust; Don Lomax, HRDI; Frank Lowe, Inspiration Corp.; Tony Lowery, Safer Foundation; Amanda Mahoney, United Way; Will Mescall, Adler School; Doug Morton, DHS, Div. of Rehab Services; Bridget Murphy, Logan Sq. Neighb. Assoc.; Crispina Ojeda, Chicago Jobs Council; Rolando Palacios, Center for Economic Progress; Kareem Pender, Family Focus, Inc.; Renee Radosz, Austin CBC; Joel Rubin, NASW-IL; Amy Rynell, IMPACT at Heartland; Steven Saunders, Featherfist; Marilyn Scharko, Salvation Army; Laura Schneider, Lake County Health Dept.; Anne Schmidt, Social Work PRN; Steven Simmons, Chicago Jobs Council; Renee Sinclair, Nia Comprehensive Center; Lisa Snipes, Serenity House; Tom Stamas, Serenity House; Richard Vargas, Salvation Army; Andy Wade, Metro Planning; Evelyn Willis, HRDI; Tom Wilson, Access Living; Esther Wong, CASL; Erika Zacarias, Corazon Community Services

Staff:

Gabriel Sulkes, Office of the Governor; Robbie Dembo, Office of the Governor; Beth Berendsen, Illinois Partners for Human Services; Janice Pacheco, The Chicago Community Trust; Brandon Thorne, The Chicago Community Trust; Simone Weil, The Chicago Community Trust

I. WELCOME

[9:05 am] Co-chair Ngoan Le opened the public hearing of the Human Service Commission (HSC) with a review of the purpose of the meeting: to review the impact of budget cuts on human services and seek input on the budgeting for results process. She reviewed the [agenda](#) and handouts covering the impact of the FY2012 Illinois State Budget and the Budgeting for Results process on all sectors of human services. Through the hearings the HSC will be collecting input to provide to the newly created Budgeting for Results Commission to assist in developing a process for budgeting for results in the human services sector.

Co-chair Le noted that individuals testifying were encouraged to contact the governor's office prior to the hearing and submit written testimony. Individuals were also permitted to register to testify on the day of the hearing. All participants providing testimony were allotted three minutes after which HSC commissioners could ask follow-up questions. Due to the Open Meetings Act all attendees were informed that the meeting may be recorded – those who did not wish to be recorded were asked to notify staff.

(Note: Testimony recorded in the order of received. All written testimony linked and available on HSC website: <http://www2.illinois.gov/hsc/Pages/Reports.aspx>)

II. TESTIMONY

Housing Action Illinois

Bob Palmer

Housing Action Illinois (HAI) provided testimony on the impact of cuts to emergency and transitional housing fund programs throughout the state. For FY2012, the budget line items for these programs were cut by 52% from \$9.1 million to \$4.4 million. Housing Action Illinois reported a dramatic impact across the state. Organizations are providing fewer services. The City of Chicago reduced overnight services. This fall, West Suburban PADS Maywood and Oak Park will open its doors two weeks later than usual to cut costs. Before the state budget was cut, emergency and transitional funds did not cover everyone in need. Close to 56,000 people are turned down every year; yet 42,000 people are served. Agencies are cutting case management and other services at a time when people are suffering because of the recession. Furthermore, the homelessness prevention program will lose federal stimulus funds in 2013. Prevention services in the form of a one-time grant of \$900 per person, per year will likely no longer be available in the coming years. (Individuals are typically only eligible for one grant per year).

Following testimony, commissioners inquired about the specific impact of cuts to homeless prevention funds, which HAI reported a decrease in general revenue from \$11 million in FY2009 to \$1.5 million allocated for in FY2012. Commissioners also inquired about the impact of State payment delays and the payment cycles. HAI reported little impact to the relatively small budgets. HAI advocates budget restructuring and expansion of the sales tax base.

Access Living

Amber Smock

Access Living provided testimony on the impact of the state budget cuts for FY2012 and reflected on the Budgeting for Results process. Access Living reported some success in preserving funding

for the community reintegration program through advocacy efforts in the spring of 2011, however the organization is concerned that the state will not be able to meet its *Olmstead* obligations because of insufficient funding to serve the participants working to leave nursing facilities and enter their own communities through the Department of Human Services Home Services Program (HSP) and Department of Aging Community Care Program (CCA) programs. There have also been cuts in the budgets of Centers for Independent Living (CILs) and Community Reintegration Programs (CRPs) which help the state meet its *Olmstead* obligations. Access Living reported that fellow disability service providers have experienced delayed state contract payments, layoffs and cuts that are impacting service to persons with disabilities.

Access Living commented on opportunities and challenges for the work of the Budgeting for Results Commission. BFR is an opportunity to spend money in a way that makes sense for persons with disabilities. In planning, the state should have significant dialogue with stakeholders, both providers and consumers, to ensure that it is building a budget that fulfills all of the states obligations including enforcing the civil rights of persons with disabilities.

[\(Written testimony submitted.\)](#)

Catholic Office of the Deaf, Archdiocese of Chicago

Reverend Joseph Mulcrone

The Catholic Office of the Deaf provided testimony on the impact of budget cuts which have adversely impacted deaf seniors. Circuit Breaker, Illinois Cares RX and RTA Free Rides programs are now available to fewer seniors and persons with disabilities. At the same time, Social Security payments have had no cost of living increases for three years and the cost for Medicare premiums have increased. The Catholic Office of the Deaf advocated for a restoration of services to seniors, especially deaf seniors who have more challenges to sustain quality of life.

[\(Written testimony submitted.\)](#)

Center for Economic Progress

Rolando Palacios

The Center for Economic Progress (CEP) provided testimony. CEP provides free community-based tax preparation, financial education and asset-building opportunities through Illinois. In 2012 CEP's funding from the Department of Human Services will be reduced by 50% to \$159,918. CEP is closing its sites in Champaign, Decatur, Peoria, and Bloomington; its Rockford tax site will transition to a local partner, Goodwill Industries. Due to the closures, CEP estimates 2,000 taxpayers will not receive assistance. For example, Champaign has no other Volunteer Income Tax Assistance program. The impact will be negative for individuals (who will have to pay tax return preparation fees) and for local communities who will miss out on the reinvestment of dollars recovered from the tax return. Most of the clients are eligible for the Earned Income Tax Credit (EITC); the Brookings Institution estimates that for every \$1 generated by the EITC it results in \$1.33 in economic activity in a community. Other services will be lost too. CEP encouraged tax payers to open 1,269 bank accounts and assisted students in preparing 610 FAFSAs.

Following testimony, commissioners inquired about CEP's transition plan and how it communicates about the loss of service for the programs being phased out. CEP is working with local communities and the IRS to connect previous sites with other free tax preparation resources wherever possible.

[\(Written testimony submitted.\)](#)

Erie Neighborhood House

Celena Roldan

Erie Neighborhood House (Erie) provided testimony on the Immigrant Integration Services budget line which is under the Human Capital Development Division of the Department of Human Services. Programs such as the Immigrant Family Resource Program and the New Americans Initiative Citizenship program help address the growing needs of the immigrants who have accounted for half of the state's total growth in the past decade. Illinois has approximately 450,000 undocumented immigrants, 500,000 legal permanent residents, and 770,000 naturalized citizens. Those 1.7 million individuals can benefit from the education, training, citizenship support and resources that will help them achieve greater self-sufficiency and in turn contribute back to their community and Illinois. Reductions to the Immigrant Integration Services line will deeply impact many individuals and families, like the 17,000 who benefited from services provided through Erie and its partner the Illinois Coalition for Immigrant and Refugee Rights last year.

Following testimony, commissioners inquired about what the cuts could look like for one family. Erie shared that a parent's English language courses could be cut, their child's youth programs helping them stay in school and out of gang activity could disappear, as well as other resources and positive outlets enabling them to have the tools to better integrated the working world and community.

[\(Written testimony submitted.\)](#)

Logan Square Neighborhood Association

Sonia Cortez

The Logan Square Neighborhood Association (LSNA) provided testimony in which they requested restoration of \$61,000 from the Department of Human Services TANF-Special Project budget. This budget reduction of 50% will result in the loss of 90 parent mentor positions which would aid 90 classroom teachers and approximately 2,250 students. The Parent Mentor program is a nationally recognized program that benefits not only students receiving one-on-one support but also parents building jobs skills and furthering their education.

[\(Written testimony submitted.\)](#)

Supportive Housing Providers Association

Lore Baker

The Supportive Housing Providers Association (SHPA) provided testimony. SHPA represents 118 nonprofit members including staff, boards and over 10,100 residents living in supportive housing. SHPA testified about its concerns over the cuts to the Homelessness Prevention and Emergency and Transitional Housing programs which will impact an estimated 21,000 men, women and children. SHPA suggested that the state consider increasing human services during this time of economic challenges and that the state should position itself to take advantage of President Obama's new jobs package. SHPA also recommended that the state should retain and retrain IMD, nursing home and ICFDD employees to meet the need for community-based/home-based services required to meet its legal obligations.

SHPA also thinks the state should thoughtfully consider how best to organize around the re-balancing effort since multiple departments will be involved in moving thousands of Illinoisans from institutions to the community. SHPA suggests the creation of a rebalancing long-term care task force/division with member(s) from each pertinent department within and outside of IDHS.

Furthermore, the Department of Corrections should be engaged in this process because many person with chronic health and mental health conditions cycle in and out of incarceration and homelessness, and they are ill-served by the existing systems at great public expense and with limited improvements.

SHPA recommended that the Budgeting for Results commission consider the current goals and objectives that human service providers are held to by other funders so that providers are not demanded with having to produce multiple reports for similar outcomes required by the federal, state and local funders.

Following testimony, commissioners asked for clarification on recommendations about retraining state workers. SHPA responded that to under various consent decrees, there will be transition of residents from state facilities to community centers. State employees will be impacted by this transition and it would be productive to look at the issue pro-actively. Training people could aid in meeting the upcoming needs for the growing population moving into community-based programs.

Commissioners also inquired about SHPA's recommendation of the re-balancing long-term care division and how SHPA envisions that organization. SHPA responded that they envision a collaborative effort among state agencies affected by the re-balancing care. Departments would coordinate, think innovatively together, and work on procedures and best practices. SHPA added that nonprofits have been able to work on similar model of service planning coordination at the community level.

Commissioners asked about how the 'money follows the person' fits into the above, how it is being implemented. SHPA commented that the model has not worked as well yet, but that there is the potential to make it works better.

Commissioners asked SHPA to describe the scope of the transition plan, whether communities have the capacity to help people transitioning to community living and what is reasonable timeframe for the process. SHPA responded that while the *Williams v. Quinn* is precedent setting, most plans require movement within the 5 to 7 years. There are best practices for assisting people to transition out of nursing homes and into the community. However, it is not clear what the level of funding available to support community-based programs will be. Presently, many community-based organizations have a difficult time maintaining existing programs under the current state financial crisis and some may not be able to make it through this year. Organizations would be reluctant to partner with the state, especially for people requiring high levels of services, because of difficult/complex contracting, payment delays and general long-term uncertainty about payment.

Commissioners asked about the impact on other systems with the budget cuts. SHPA responded that there could be a severe impact on emergency systems such as hospitals, fire and police. Also, jail and prison populations could increase. Currently, the state is at an all-time high for prison population.

[\(Written testimony submitted.\)](#)

Children's Home and Aid (CH+A) at Chase Elementary

Larissa Zageris

CH+A at Chase provided testimony on the \$22,000 cut on its community school program in the Humboldt Park/Logan Square area of Chicago. These cuts will impact a student population that is primarily low-income and speaks English as a second language. The services include afterschool programs for students, parent leadership, weekend field trips, evening literacy courses, parent English as a second language classes, job skill building, and mental health counseling. These programs are made available in coordination with other organizations. The programs for students range from academic support to artistic stimulation. Cuts, however, have made it difficult to engage professionals, such as teaching-artists. Budget cuts have resulted in reduction of services such as security guards to keep the program safe, instructors providing their own supplies, no field trips and higher group sizes. Commissioners inquired what exactly the \$22,000 covers. CH+A at Chase shared that it pays for instructors and programming for 150 students.

Following testimony, commissioners inquired about other funding opportunities. CH+A at Chase responded that other sources such as grants are plugging some holes, but the quality of the programs have been eroded due to the cuts.

Commissioners asked if the types of cuts described were being experienced around CH+A as a whole, or if this is unique to the Chase branch. CH+A at Chase replied that many other community schools are feeling the impact of the cuts to the teen reach programs.

[\(Written testimony submitted.\)](#)

A break was called at 10:01am to accommodate the need to rest by the sign interpreter. The meeting was resumed at 10:07am.

Salvation Army Harbor Light Center

Del Larkin on behalf of Captain Nancy Powers

Salvation Army Harbor Light Center (SAHLC) provided testimony on budget cuts sustained by addiction services and treatment facilities. Cuts in addiction services have caused treatment facilities, including SAHLC to treat fewer clients with fewer staff. SAHLC has sustained a cut of \$150,000. SAHLC clients, seeking treatment for alcoholism and substance abuse, include the unemployed, homeless (often due to mental illness) and ex-offenders. These individuals do not have insurance to go to private or hospital-based programs.

SAHLC's mobile outreach program goes into the community to provide food and services to the program and has referred almost 900 individuals to alcohol, drug treatment, and mental health services in the past two years. However, many of the social services that these individuals need to rebuild their lives are no longer available or are overburdened due to state budget cuts. SAHLC testified that these budget cuts are imprudent in the long-term because of the eventual rise in drug or alcohol related crimes that will result in costly imprisonment and criminal justice system involvement.

[\(Written testimony submitted.\)](#)

Serenity House Counseling Services

Lisa Snipes

Serenity House Counseling Services provided testimony on substance abuse treatment in DuPage County, the state's second most populous county. Serenity House provides outpatient, extended residential recovery program services to thousands of low income, no income, homeless,

unemployed and uninsured adults. Serenity House is the only organization in its county to provide a full continuum of treatment services within the county. Sixteen-percent of adults in the county are considered to be binge drinkers and heroin overdoses among young adults have increased significantly each year since 2007. Serenity House testified that despite these facts, substance abuse treatment and prevention has been cut disproportionately to other human services over the past several years, between 11% and 24% each year. Elimination of the community-based residential treatment centers will mean many individuals are forced back onto the streets, creating an increase in crimes and homelessness. Serenity House closed eight beds two years ago. Future cuts will result in entire programs being shut down and the potential for more lives to be lost.

Following testimony, commissioners commented that DuPage, unlike Chicago, does not have the benefit of a large number of nonprofits providing this care and requested clarification on the unique circumstance of Serenity House. It is the only organization that provides the full continuum of care: outpatient, intensive outpatient, recovery home services.

Commissioners inquired about the fallout of the budget cuts and what outcomes could be achieved when substance abuse service providers are able to provide services. Serenity House shared that many adults can fully recover and become employed, reunify with families, pay child support, and contribute to the tax base. These elements can aide in forming healthier communities. Residential community programs can aid individuals in becoming a part of, instead of apart from, their communities.

Commissioners inquired about the role of county government with Serenity House, whether the county has been able to pick up the work that it is no longer able to provide. Serenity House explained that DuPage County has experienced its own budget set-backs and has not been able to help many of the organizations in the county. DuPage is also feeling the impact of human service cuts from the state.

Commissioners asked whether a cost-benefit analysis has been conducted on the economic impact of these services, for instance the direct economic impact on healthcare by stabilizing people. Serenity House shared that the common accounting is a savings of seven dollars for every dollar spent.

[\(Written testimony submitted.\)](#)

NorthPointe Resources

Karl Kopp

NorthPointe Resources provided testimony on its work with people with developmental disabilities and mental health issues in Lake County. While NorthPointe thinks of itself as a partner with the state in providing care, the uncertainty of not knowing how much will be cut from budgets has made that partnership difficult; the organization has been providing services while not knowing how much it will receive from the state for those services. Further, NorthPointe reported on cuts to Medicaid programs which results in the state losing a federal match of 62% under the current administration's reimbursement rate. One year ago a conversion project with the state captured \$22 million in revenue. The state's cuts in Medicaid programs will mean less revenue for the state.

Community-based providers for developmental disabilities and mental health are struggling financially. They have not received a cost of living increase since 2007. Community-based

providers allow the state to save money: the average cost per person paid when “outsourcing” to community-based services is \$50,000. The same services cost over \$150,000 when provided by the state.

Nonprofits are living invoice to invoice. NorthPointe relies heavily on the state for revenue (95% of its revenues) and it cannot make payroll when the state does not pay its bills. The organization has taken out a line of credit.

Following testimony, commissioners asked for clarification on NorthPointe’s statements on the conversion project. NorthPointe reported that it was a part of the conversion project with about 600 community based providers that enrolled individuals eligible for Medicaid funding.

Commissioners inquired about NorthPointe’s contract with the state. NorthPointe reported that while it has a short-term contract with the state, the state has not agreed on a number of clients NorthPointe can serve. The state’s contract has tentative agreements, but does not spell out when payment will occur. In some instances, the state can pay as late as 18 months after a service is provided. NorthPointe believes that nonprofit organization can provide more cost-effective services for the state, but the nonprofit providers are finding increasing barriers to providing services.

[\(Written testimony submitted.\)](#)

Donors Forum

Laurel O’Sullivan

Donors Forum provided testimony. As the state’s association of foundations and nonprofit, Donors Forum focuses on securing better public policies for a more effective and informed philanthropic nonprofit sector. Its 4,000 foundation members hold \$14 billion in assets and enriched communities with \$2 billion in grantmaking in 2009. The 20,000 nonprofits in Illinois employ nearly half a million people in Illinois, or 10.2% of all public sector employees. Donors Forum expressed support for the Budgeting for Results process while urging caution, inclusiveness and transparency. Donors Forum’s board also formally endorsed the state’s need for more revenue, given in part for its desire that the state pay nonprofits providers fairly, equitably and on time. Donors Forum shared concerns about BFR including the state’s ability to a) create a transparent and accountable process which can b) adequately measure programs (like human services or education) that have proven difficult to measure in other states with similar performance management tools c) with sufficient resources necessary to manage such processes to analysis the concomitant data) while d) effectively engaging nonprofits and foundation stakeholders in a meaningful and transparent way. Donors Forum urged a collaborative process for collecting, sharing and analyzing data for the proper establishment of goals and outcomes. Furthermore, experts from the foundation and nonprofit community should be engaged in the process to provide important knowledge about the sector.

[\(Written testimony submitted.\)](#)

Chicago Jobs Council

Jennifer Keeling

The Chicago Jobs Council (CJC) provided testimony. CJC is a coalition of community-based organizations, advocacy groups, businesses and individuals that work to ensure that employment

and career advancement opportunities are available. CJC testified on the FY2012 budget and the Budgeting for Results process.

CJC highlighted the forthcoming dramatic drop and nearing termination of federal recovery act funds for workforce development will create a service “cliff”. CJC testified that the recent state budget reductions have further weakened service delivery and that the network of supports for those who earn low wages and for those who want to get more training is frayed. To illustrate this point, CJC shared that there are 12,000 work-eligible adults in the state’s TANF program but only funding for workforce services for approximately 2,000, meaning that there are not enough resources available to help 20% of these vulnerable adults who are looking for work. The cuts today will result in fewer people being prepared for the workforce of the future which will require an even higher skilled workforce.

CJC commented that the Budgeting for Results Commission should work to establish recommendations for outcomes, allocations, mandated expenditures while also considering the unique needs and outcomes for the most disadvantaged job seekers in Illinois. CJC’s past experiences has been that policies and performance measures can have unintended consequences for the most vulnerable participants if their needs are not appropriately taken into consideration at the onset. To illustrate this point, CJC shared that the performance measures associated with the Workforce Investment Act (WIA) system, including job attainment, job retention, and average wages, actually favored the job-seekers who were the most work ready. What resulted were perverse incentives for service providers to not serve those who would fail in retaining their first jobs or whose wages would be lower because of limited work history. Oftentimes, the clients served were not those in most dire need of employment-related services.

CJC urged the Budgeting for Results Commission to adequately reflect realistic outcomes for Illinois’ most disadvantaged residents. During this time of scarce resources, it would be all too easy to set outcomes and performance measures for the “average” participant, disregarding those with more complicated needs. These are the very individuals that the system should focus its attention.

Following testimony, commissioners inquired about what specific recommendations for measures BFR should take into account to make sure that the most vulnerable, highest need are better served. CJC responded that it is not easy to craft, but a sort of weighted performance measure that takes into account those who are much less ready to work. Additionally, an incentive structure that emphasized serving those who are harder to serve may help as well as compensation for people with less education and less work experience. Commissioners recommended that CJC could pull together a group of workforce providers to have a conversation about specific recommendations, perhaps to pull together a formula for the BFR commission to make more informed decisions with regard to workforce development.

[\(Written testimony submitted.\)](#)

Children’s Home and Aid

Rebecca Clark

Children’s Home and Aid (CH+A) provided testimony. CH+A protects, educates and counsels more than 40,000 children, youth and families a year to improve their lives. CH+A testified about cuts to the Unified Delinquency Intervention Services (UDIS) program which was eliminated in the DHS FY2012 budget. This budget supported community-based programming that CH+A believes will

save tax-payer dollars down the road. In East St. Louis, the UDIS program boasted a 95% success rate in keeping kids out of incarceration and becoming a ward of the state.

CH+A is a member of Illinois Partners for Human Services, and its President and CEO, Nancy Ronquillo, serves as that organization's chair. The Illinois Partners advocates for quality services, adequate funding and measureable results for human services. CH+A testified that Human Services in Illinois have suffered disproportionate cuts in state funding over the last few years. Beyond the budget cuts, a backlog of unpaid bills is forcing human services providers to serve as lenders to the state. On any given day, CH+A is owed between \$ 1 and \$2 million from the state in past due bills. Larger organizations can handle this backlog but many smaller organizations cannot. CH+A urged the state to get caught up to a responsible payment cycle and that lawmakers must decide on a reasonable restructuring plan to pay the funds owed to the providers. Finally, shared sacrifice in challenging economic times must include examination of all areas of state funding, a refusal to disproportionately cut humans services.

CH+A urged that the Budgeting for Results process be collaborative and transparent and that human services providers should be at the table. CH+A pointed to DCFS performance-based contracting collaborative and administration leadership as a model example.

Following testimony, commissioners inquired about the successful program mentioned in St. Louis, what that program looks like and how the 95% success rate compares to other programs. CH+A testified that when youth commit an offense, the UDIS program in question diverted youth from the criminal justice system, or in other instances the program stepped in when parents were considering locking their children out to the end that those children would have to become wards of the state. The community services workers worked to develop comprehensive case management plan to support and guide youth as well as to coach parents. The East St. Louis program's 95% success rate put it at the top of the pack for performance.

Commissioners asked with regard to the unintended consequences of BFR discussed and the experience of DCFS performance contracting, what perverse incentives may exist in this arena? CH+A shared that the DCFS performance-based contracting took many years to create with a much more limited number of services. There was deep engagement of the provider community around process, system and measures. Commissioners further inquired about how many contracts have been lost over the years of utilizing performance based measures. According to CH+A, the benchmark for intact family services was persistently at the bottom for meeting targets and agencies stopped providing that service.

Commissioners inquired about the DCFS public ranking system. CH+A shared that all providers have access to how every other organization's performance based results.

[\(Written testimony submitted.\)](#)

Inspiration Corporation

Frank Lowe

Inspiration Corporation's provided testimony. Inspiration Corporation's housing and supportive services program works with 120 households, including single and family households totaling 200 individuals. The eligibility criteria for these individuals are having one year of uninterrupted homelessness (or 9 months for families), and that they have special needs, mental illness, chronic

health conditions and/or have suffered abuse. The program works on a vulnerability index, which takes into account issues such as chronic mental health, tuberculosis, and asthma. For example, a mother with those conditions would rank higher on the vulnerability index and be placed first. The program has placed 15 families who are vulnerable and living on the street, and provided them with counseling, case management, life skills and supportive services. Inspiration Corporation testified that IDHS providers have a 1:30 caseload ratio which is well above the nationally recognized best practice of 1:10 or 15 for work with this special population that has high clinical needs.

Inspiration Corporation testified about the detrimental impact that payment delays and partial payment are having on the supportive housing and related services sectors. Because of a four month contract with the state Inspiration Corporation has notified its caseworkers that they do not have job security beyond those four months. Inspiration Corporation commented that this reality makes it difficult for them to responsibly provide services that are ongoing.

Following testimony, commissioners inquired about the partial payment arrangement. Inspiration Corporation and Supportive Housing Providers Association (SHPA) testified that IDHS gave four month contracts that were supposed to end at the end of the fiscal year. When contracts were released on June 27, 2011 projects are only being funded at 31.7% of their yearly funding (instead of 33.3%) as well as a 20% reduction to supportive housing services. Commissioners inquired about the impact of the four-month contract on Inspiration Corporation's personnel. Inspiration Corporation shared that because it cannot guarantee that they will have money to pay their staff after that time, they are obligated to give staff advanced notice. Staff has not yet started to leave. However, the organization has to prepare for the contingency that many of the people its program serves could lose their case manager. In that case, Inspiration Corporation would have to work with the Corporation for Supportive Housing and IDHS on referrals. Inspiration Corporation currently has a 95% retention rate. The people housed would face quality of living issues that go beyond self- sufficiency.

Pioneer Center for Human Services

Lorraine Kopczynski

Pioneer Center for Human Services provided testimony. Pioneer Center is the largest social services agency in McHenry County with a budget of over \$15 million. Pioneer Center provides services to adults with mental illness, adults with developmental disabilities, sexual assault programming, child and adolescent services and the homeless. Pioneer Center provides day programs, group homes, outpatient therapy for children and adults, and psychiatric services to over 2,500 individuals. Pioneer Center testified regarding the loss of \$350,000 due to the cut of the Unified Delinquency Intervention Services (UDIS). The cut in UDIS means Pioneer Center has to make cuts in support for youth to connect to schools, jobs, mentoring and counseling and stay out of the department of corrections. Pioneer Center testified that cuts to the Comprehensive Community Based Youth Services, Delinquency Prevention, and Communities for Youth grants could end many of the intensive supports that prevent and/or interrupt the cycle of youth delinquency and crime. Pioneer Center stated that this comes at a time when the Governor is considering closing juvenile corrections facilities and the result could be more youths on the streets committing crimes with no programs and interventions to halt the cycle of criminal behavior.

Pioneer Center also testified that the state owes \$2.5 and \$3 million in unpaid bills. Because the organizations carried a reserve of over \$1 million, it was not able to get the state to release expedited funds. Once the organization's reserve dipped below \$1 million, the state released the funds.

Following testimony, commissioners inquired about the expedited payment, late payment, and interest payments from the state. Pioneer Center stated that it is a bad time for persons with disabilities in the state of Illinois. Costs for care are increasing at a time when budgets are being cut. Community providers have received continual cuts and many programs are at risk because over time organizations cannot continue to provide services with nonpayment and uncertainty. Payments are erratic and late payments are not received within 120 days. The organization has not received an interest payment in over eight months. Pioneer Center has lost staff because of the uncertainty.

Commissioners inquired about what discussions the organization is having at the board level given these difficulties, including if the board is exploring getting out of providing services for the state. Pioneer Center shared that its board members are concerned with cash flow and cost cutting. It has changed many business practices and supply purchasing to cut costs. The next step would be to cut staff and begin to lose clients due to inability to serve. Pioneer Center would lose 60% of its business if it removed state-based case load, in a way the organization is tied to the state.

[\(Written testimony submitted.\)](#)

Corazon Community Services

Danielle Espinosa

Corazon Community Services (CCS) provided testimony. CCS provides teen outreach services in Cicero. Cicero, while only having a 6 mile radius is home to 16 gangs, which is down from 29 in prior years. The teen reach program runs out of the junior high school reaches 85 youth daily. Because of budget cuts, the organization is projected to only reach 30 youth daily. The organization provides homework assistance, counseling, it supports a youth council, and organizes students and the community to stop and break the violence. The program also keeps students safe during dangerous after school hours.

Following testimony, commissioners inquired about the staffing ratio, which is 15:1. Because of the cuts though, the organization is losing its ability to engage highly qualified inters service providers such as masters and bachelors candidates.

Commissioners inquired about the response from the school, youth and families. CCS reported that more youth desire to participate than slots are available. The host school has been supportive by extending bussing and providing a daily snack. The state budget cuts are impacting staffing, fieldtrips and supplies.

Family Focus

Kareem Pender

Family Focus provided testimony. Family Focus is a nonprofit serving seven communities with family support from birth to give, primary prevention, Teen REACH and 20th Century programs. The communities include, Aurora, Bensenville (DuPage County), Cicero, Englewood, Evanston, Hermosa, Highland Park and Lawndale. Family Focus testified that teen-parent services have

sustained drastic cuts, the Illinois State Board of Education's early childhood program was cut by 5% impacting home child visit services which could result in higher dropout rates for teenage girls. Family Focus stated that teen parent education programs are good for both children and their teen parent, and that these programs provide a 99% non-subsequence of pregnancy. Teens that have not completed have a 75% chance of having a subsequent pregnancy. The cost is \$5,000 per family, per participant. The cost for having a child in the juvenile justice system is \$19,000. Family Focus testified that removing services could result in an increased chance of incarceration.

Family Focus also shared that the state's nonpayment and four month contracts are tough on organizational budgeting. It is difficult for organizations that do long-term casework to not have multi-year contracts.

Following testimony, commissioners inquired about how many people are served each year. Family Focus serves 20,000 per year among all of the sites; this number includes all of the clients. There are 1,500 teen parents who receive home visits twice a month.

Corazon Community Services

Erica Zacharius

Corazon Community Services (CCS) also provided testimony on the development of its work in Cicero. In 2008, it conducted a comprehensive study of adolescent health concerns. The number one concern identified was pregnancy/sexual health. In the year of the survey, there were 120 pregnancies amongst students in the 10th-12th grades. Cicero also has one of the highest incidences of HIV. Based on that study CCS developed and implemented programs that have garnered the support of community partners, town officials, and the school health center. CCS is working through a health ambassador program and peer-to-peer educators to disseminate more knowledge to the community. The number of pregnancies per year has dropped to 81 in the 2009-2010 school year and 75 in the 2010-2011 school year.

Following testimony, commissioners inquired if CCS funding had been totally eliminated. CCS testified that it is only currently guaranteed one quarter of its funding. Because of this precarious position, CCS is not able to hire because it cannot guarantee that there will be funding for the position through the year. Last year through its teen pregnancy prevention program, youth development work and health ambassador program it was able to hire 36 people with IDPH support and reach out to 4,000 people, 170 people got tested and 13% were found to have sexually transmitted diseases.

Lake County Health Department

Lisa Schnider

The Lake County Health Department (LCHD) provided testimony. LCHD is the largest health and human services provider in Lake County, with 950 on staff, a budget of \$70 million, and seven federally qualified health centers. Prior to the economic meltdown many communities already lacked the capacity to meet the needs of the most vulnerable, low income and mentally ill. Lake County's significant support for individuals with these needs comes from the county government which is also dealing with state changes in budgeting and delay of payment. Moreover, payment rates do not cover costs. LCHD has lost over 50 staff in the behavioral health. LCHD is losing highly qualified and skilled staff because of the uncertainty. LCHD has had to cut back on addiction services at a time when 40% of people applying for addiction help are reporting an addiction to

cocaine. Because of the cuts in service and increase in need, emergency rooms, police departments, and jails are all developing contingency plans. The system that has been built over the last few decades is being dismantled. LCHD testified that the payment rates, late payments and continual tweaking of the system without engaging local providers has adversely impacted the local providers. LCHD proposed better communication and more planned time for consulting providers be built into implementation plans.

Better Boys Foundation

Eric Johnson

Better Boys Foundation (BBF) provided testimony. BBF works in North Lawndale providing comprehensive community-based youth services. It has worked with the state to provide more cost effective intervention with families, allowing some to avoid entering the DCFS or criminal justice system. The organization has experienced severe cutbacks. It once had over 200 employees at multiple sites, and now works out of only one site with 32 employees. BBF has demonstrated much success in resolving crises and keeping families intact, out of the 60 recent cases, 55 reunified. The cost is \$3,000 per family. BBF testified that this work is addressing what is at the core of destroying African American and Latino families. BBF made a plea that the state not cut comprehensive community-based services.

Following testimony, commissioners inquired about what the private sector is doing to support the community infrastructure, and if private-public partnerships are underway to bridge needs. BBF shared that although many businesses fled the neighborhood in the 1960s and never returned the organization is able to work with a community of churches. BBF is attempting to build relationships with the small business owners but it is taking time to build good working relationships and trust. One of the areas BBF is seeking to address with these small businesses is the need for jobs in the community. Additionally, it is working on vocational training. This is an area with complex problems and great need. Fifty-percent of the population in this neighborhood is under 21 years old.

Commissioners inquired as to whether or not BBF is working off of a performance-based contract. BBF stated that it is held accountable for how many children are reunited with their families. BBF has a reunification rate of 95% with a staff of four to five people.

Access Living

Rod Estvan

Access Living provided testimony. Access Living shared that it had a presence at the Budgeting for Results hearing the day before the Chicago Human Services Commission Hearing. Access Living expressed that the BFR needs to clarify on how subgoals are going to be used for community-based funders. Access Living is concerned that the subgoals could be used to cut community-based organizations by changing subgoals. Access Living also expressed concern with relation to the 150 mandated budget lines developed by the Governor. Access Living also shared that there was very little about bidding, and expressed skepticism that the bidding for cost reduction or efficiencies may not happen. Additionally, the conversation regarding pension expenditures, a huge issue, was not clear. It also was not clear where Medicaid payments fit into the system even though that affects most human service areas. Access Living urged the members of the HSC to look into the BFR process, in particular to where the decision making will happen.

Human Resources Development Institute

Joel Johnson

Human Resources Development Institute (HRDI) provided testimony. HRDI works with issues of substance abuse, mental health, and gambling. HDRI echoed the testimony that the four month contracting process has been cumbersome and makes planning difficult. HDRI testified that mental health has been defunded by 50%, and within its organization methadone programs have been scaled back. DASA wants HRDI to serve special populations such as intravenous drug users, and expectant mothers, and as a result HDRI has seen an increase in the clients it needs to serve without a funding increase commensurate with the client increase. HRDI testified that adolescent drug use in Illinois is happening earlier, progressing faster, and youth are using more and different types of drugs. It is becoming more difficult to provide services. HRDI urged for those in Springfield to listen to concerns about these problems.

Erie Neighborhood House

Celena Roldan

Submitted written testimony, but did not testify before the commission.

[\(Written testimony submitted.\)](#)

III. CLOSING

Co-chair Le shared that the HSC will be producing a report in November. The meeting was adjourned at 11:33am.

###