

If the state doesn't find a better way to balance its budget, hundreds of community based providers are at risk of closing, thousands of disabled Illinoisans will be displaced and thousands of skilled health care workers will be unemployed.

We need to stop trying to balance a budget on the backs of community based providers:

For every Medicaid cut, 50% is lost from federal matching funds. The match is deposited in the states general operating fund for other legislative priorities – not for the disabled.

Community based providers have not had an increase since 2007 and that was just over 2%. In 2007 the price of gasoline was averaging \$3.00 gallon and states minimum wage \$7.50. As you know, gas is over \$4.00 and minimum wage at \$8.25.

Providers are saving the state money. There are under-funded rates for community based providers; average cost per person paid when "outsourcing" services is \$50,000. States cost to provide same type service is well over \$150,000.

Due to state and local required mandates, providers can't increase capacity in classrooms and group homes to counteract rate cuts.

We live invoice to invoice - the state can not continue to delay payments for services rendered beyond 60 days. Without cash flow you can't stay in business, providers have no profit margins to bank money away so cash flow keeps the doors open. Also the state paid on average \$50,000 in late fees to providers based on \$5 million of services – waste of tax dollars.

Community services and supports for persons with developmental disabilities and mental illness are important to communities. Illinois can't keep disrupting the lives of so many to save so little.

- Don't cut community services for persons with developmental disabilities and mental illness!
- Don't risk layoffs and closures - pay service providers in a timely and consistent manner!

If the state continues on this road of cuts, underfunded mandates and payment delays it will more than like close our agency and many others. So with us hundreds will have to be served by the state at

\$150,000 person, you will have to hire more staff and further strain retirement funding and increase employment benefits beyond now. Also think about how we will be setting the concept of healthy living back decades for the disabled.

We need your support.

Karl Kopp

President/CEO

NorthPointe Resources

3441 Sheridan Road, Zion, Illinois 60099