

**Impact Statement
7.8% Budget Reduction
Mississippi Department of Mental Health**

The total impact of a \$17,848,880 general/healthcare fund cut of our agency (7.8%) would be an additional cut in Medicaid funds of \$17,087,043, a cut in services to 4,830 clients with approximately 520 employees terminated.

This reduction would impact the Department of Mental Health (DMH) Central Office in its funding of community programs through its service budget as well as services provided at the 12 DMH Behavioral Health and Intellectual/Developmental Disability residential programs. A substantial amount of general funds are used to match federal Medicaid dollars, so this cut would be magnified by a reduction in Medicaid revenues.

This summary does not reflect loss of funds due to the probable increase in fees that DMH is assessed by other state agencies that need to ease the impact of their own 7.8% reduction.

DMH Intellectual/Developmental Disability Programs include Boswell Regional Center, Ellisville State School, Hudspeth Regional Center, Mississippi Adolescent Center, North Mississippi Regional Center, and South Mississippi Regional Center. The largest impact of a general fund cut to these programs would be the loss of Federal Medicaid funding due to the loss of matching funds. A summary of the impact is as follows:

GF/HF Reduction	Medicaid Reduction	# of clients impacted by cut	# of employees impacted by cut
\$4,531,585	\$16,421,862	249	362

DETAILS: Close 115 ICF/IID beds, 2.5 Work Activity Centers, 3 Community Group Homes, 4 Adult Day Programs, 2 Employment Prevocational Programs, and one programmatic Department.

Behavioral Health Programs include Central MS Residential Center, East MS State Hospital, MS State Hospital, North MS State Hospital, South MS State Hospital, and Specialized Treatment Facility. A summary of the impact is as follows:

GF/HF Reduction	Medicaid/Medicare Reduction	# of clients impacted by cut	# of employees impacted by cut
\$10,636,527	\$1,208,897	1,243	266

DETAILS: Close 6 Crisis Stabilization unit beds, 16 acute adult psychiatric beds, 16 adolescent Psychiatric Residential Treatment Facility (PRTF) beds, 68 Chemical Dependency Unit beds, 20 Group Home Beds, and 29 Medical Psychiatric Unit beds for a total bed loss of 155.

DMH Central Office Budget and the DMH Service Budget both receive general and healthcare funds. The DMH Service Budget would have to absorb the 7.8% loss of both the Central Office Budget and the Service Budget in order for the Central Office to maintain the minimal staffing levels necessary in obtaining, retaining, and monitoring federal dollars that come into our agency to fund community programs. A summary of the impact is as follows:

GF/HF Reduction	# of clients impacted by cut	# of employees impacted by cut
\$2,680,768	3,258	15

DETAILS: The loss in grant funds would result in a loss of services to 663 Community Support clients, 925 Crisis Residential Clients, 1,342 clients receiving Physician and Nursing Services, 78 Home and Community Based Waiver clients, and 328 children served in Therapeutic Group Homes and family/children groups. Wraparound facilitation trainings as well as programs not providing direct client care would also have to be reduced or eliminated to absorb this cut.

OVERALL SUMMARY - ALL DMH PROGRAMS

The total impact of a 7.8% cut in state support funds would result in:

- 1) A total cut of \$34,935,923 when considering the loss in Medicaid/Medicare funds of \$17,087,043
- 2) 4,750 clients no longer receiving needed services, and
- 3) 643 employees terminated as a result of this reduction of funds