

**Written Testimony**

**Illinois General Assembly, House of Representatives**

**Human Services Appropriations Committee**

**By Christopher Brown, MBA, MPH**

**Assistant Commissioner**

**Chicago Department of Public Health**

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Good Morning, my name is Christopher Brown and I am the Assistant Commissioner of the STI/HIV Division with the Chicago Department of Public Health (CDPH). Thank you for the opportunity to discuss the impact of the state HIV prevention cuts on the residents of the City of Chicago.

In October 2009, CDPH was informed by the Illinois Department of Public Health (IDPH) that we would receive a 62% reduction in our HIV prevention funding for the 2009-2010 fiscal year. This translated into a \$795,000 cut, taking our grant from \$1,250,000 down to \$455,000. IDPH explained the cut resulted from increased costs in the State's AIDS Drug Assistance Program. They also stated the amounts of the HIV prevention cuts varied across the state – with larger cuts being made to agencies with greater budgets and infrastructure. CDPH received a disproportionately large cut.

Shortly after receiving notice of our reduced award amount, CDPH developed a plan for implementing the cuts. We did not cut funding to the delegate agencies in 2009, however we did reduce the amount condoms and HIV test kits purchased. The 2010 plan involved reductions in two main areas of HIV prevention.

First, funding was completely eliminated for a new and innovative HIV prevention strategy aimed at interrupting the transmission of HIV in social and sexual networks. This amounted to a \$250,000 cut to five programs at five different agencies. A total of four staff positions in these agencies were eliminated and a projected 2,113 people will not be reached due to the elimination of this intervention.

Second, funding cuts were made to most of the HIV prevention programs provided by our delegate agencies in Chicago. Agencies that receive less than \$70,000 in prevention program funding were not cut at all. There were four programs in this category. Agencies that received between \$70,000 and \$75,000 received a seven percent cut. There were eight programs in this category. Agencies that received over \$75,000 received a 13 percent cut. Most of our delegate agencies fell into this category. There were 28 programs that received a 13 percent cut in funding.

Let me now provide some information on how the agencies will operationalize these cuts. In 2010, our delegate agencies will be implementing the funding cuts in various ways. In discussions and preliminary

negotiations with our delegate agencies, most agencies have indicated they will be cutting personnel costs and/or reducing their scopes of services. The following is a list of the specific actions that will be taken by the delegate agencies as a result from the cuts:

#### Reducing Personnel Costs:

- Eliminate positions. The agencies providing needle exchange services and agencies funded for multiple programs will be eliminating 1.5 FTEs, on average. This represents about 30 to 40% of the staff for their prevention program.
- Unable to fund employee(s) for the entire year, which may lead to layoffs
- Reduce the hours of the employee(s) working on the grant
- Furlough days
- Eliminate pay raises in 2010
- Reduce the benefits provided to employees

#### Reducing Non-personnel Costs:

- Reduce the scopes of services
- Eliminate or reduce subcontracts
- Reduce non-fixed operating costs
- Eliminate or reduce stipends and incentives to clients

Throughout this analysis, it is important to understand the impact of these reductions will have on HIV prevention services in Chicago. The information below quantifies the reductions in prevention interventions in terms of the services provided and the populations reached in Chicago.

There are three main areas of prevention services currently supported through the prevention funding from CDPH. These are Outreach/Recruitment; HIV counseling and testing; and individual-level, group-level and case management interventions. The reduced funding to the agencies will translate into following reductions in these service areas for 2010:

- Outreach/Recruitment activities – 11,428 fewer people will be reached
- HIV Counseling and Testing – 929 fewer people will be reached
- Individual/Group/Case Management Interventions – 1,373 fewer people will be reached

In terms of priority populations, the following numbers represent the reduced number of people reached in 2010 as a result of these cuts:

- Men who have Sex with Men (MSM) – 8,310 fewer will be reached
- Injection Drug Users (IDUs) – 2,264 fewer will be reached
- People Living with HIV/AIDS – 1,513 fewer will be reached
- High Risk Heterosexuals – 1,252 fewer will be reached
- Special Concerns Populations – 391 fewer will be reached

Overall, without additional prevention funding from other sources, the City of Chicago can expect to experience the following reductions in HIV prevention services in 2010:

- Approximately 15,843 fewer people reached with HIV prevention interventions in the City of Chicago, most of which are individuals at greater risk for acquiring or transmitting HIV
- Agencies across the City will cut approximately 12-16 positions in total
- CDPH-funded HIV prevention budgets will be reduced by almost \$800,000

In addition to the quantity of services, the quality will also be affected. Our delegate agencies are anticipating higher rates of staff burn-out and a reduction in the quality of the prevention services as a direct result of these funding cuts.

Clearly, the network of HIV prevention services in Chicago will be negatively impacted by these cuts in 2010. If there are additional cuts to HIV prevention funding in 2011, we will see even deeper reductions in services, along with decreased ability of our agencies to absorb or mitigate the cuts.

Finally, we know prevention works, as evidenced by the reduction in new cases HIV in the US and Chicago over the past two decades. As fewer people are reached with HIV prevention messages and interventions, we can predict an increase in the transmission of HIV. Increased transmission will inevitably lead to more people living with HIV and AIDS, placing much greater demands on the systems that provide HIV prevention, care, treatment and housing. The State's ADAP crisis will only worsen as more HIV-infected individuals rely on this program for their life-saving medications. Drastic increases in HIV-related costs will be seen at the local, state and federal levels. However, the cost of the epidemic is incurred not only in dollars, but also in human suffering and death. Investing up front in HIV prevention is not only the humane course of action, it is a cost-effective one.

Thank you.