Illinois Budget Impasse Forces Program Closures, Staffing Cuts At Lutheran Social Services of Illinois

Lutheran Social Services of Illinois (LSSI), the largest statewide provider of social services, today announced program closures and staff cuts throughout Illinois due to the state’s inability to pass a budget for the past seven months.

“The state’s budget deadlock has severely challenged LSSI’s ability to provide services to those in need,” said Mark A. Stutrud, LSSI President and CEO. “Over the past months, LSSI has relied on a bank line of credit and available resources from our foundation to compensate for the state’s inability to pay its bills. Currently, we are owed more than $6 million by the state for services delivered. After seven months, we can no longer provide services for which we aren’t being paid.”

The seven-month-long-and-counting budget impasse forced the organization to cut back programs and restructure services as LSSI seeks to bolster resources for the 149-year-old faith-based nonprofit’s continued viability. In consultation with LSSI’s Board of Directors and an independent advisory group, LSSI created a plan to restructure its services and shore up resources for the viability and continuation of the organization.

In all, over 30 programs are closing, and more than 750 positions are being eliminated, or 43 percent of LSSI’s total employees. As a result of these closures, approximately 4,700 people will no longer be receiving services from LSSI. [A list of programs and communities where services were eliminated is attached.]

“We are eliminating spending that is most linked to non-payment of services and redesigning our administrative support around a newly restructured organization,” said Stutrud. “Our plans respond to this year’s budget impasse and an anticipated lingering state financial crisis over the next several years. We’re doing this at a great cost to LSSI and those affected by our services. It has been an agonizing process, particularly its impact on our clients and their families who depend on us for their care, as well as our employees whose jobs were eliminated. Many of our employees are direct care personnel who have built relationships and strong trust with the people they serve.”

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The programs that saw the largest cuts were those helping seniors, including home care. Programs eliminated were case management for seniors, adult protective services, and LSSI’s Adult Day Care Center in Moline. Although LSSI is receiving some payment through Medicaid, the organization has been accruing several hundred thousand dollars a month in unpaid bills for home care services since July 2015, when the state’s budget cycle normally would have begun.

LSSI also has not received payment for programs reimbursed through the state’s general revenue fund and other state agencies. These include residential rehabilitation for adult drug and alcohol treatment in Chicago and Elgin, community counseling services, and prisoner and family programs at several locations.

LSSI is grateful for the support of ELCA churches statewide, other faith communities, and donors. LSSI is committed to continuing services that include: mental health, alcohol and drug treatment; Head Start; services for at-risk families; residential programs for adults with developmental disabilities, foster care, affordable senior housing; home care, and programs that help children maintain connections to their incarcerated parent.

“These decisions were the result of a thorough and painful process,” said Stutrud. “We know this will impact clients, their families, our employees, and communities throughout Illinois. We made these choices with a long-term view of the organization and its mission, and ultimately the ability to continue serving people.”

**About Lutheran Social Services of Illinois**
Founded in 1867, Lutheran Social Services of Illinois (LSSI) is a statewide, nonprofit social service agency of the three Illinois synods of the Evangelical Lutheran Church in America (ELCA). For more information, visit LSSI.org and LSSI’s Facebook page.

**Programs Affected**

**Residential Rehabilitation for alcohol and drug treatment**
- Behavioral Health Housing Opportunities, Chicago
- Elgin Residential Rehab, Elgin
- Men's Residence North, Chicago
- Men's Residence West, Elgin
- Social Detox, Chicago
- Women's Residence, Chicago

**Mental Health Counseling for children, youth, adults and families**
- Community-based Counseling, Berwyn
- Community-based Counseling, Des Plaines
- Community-based Counseling, Downers Grove
- Community-based Counseling, Elmhurst
- Community-based Counseling, Mendota
- Community-based Counseling, Prospect Heights
- Community-based Counseling, Wheaton
Dixon General Counseling, Dixon
West/Northwest Suburban Counseling, Villa Park

Youth Services
School-Based Counseling Services, Sterling
Youth Emergency Shelter, Nachusa

Re-entry Services for former prisoners and their families
Connections, Chicago
Employment Skills School, East St. Louis
Homeward Bound Supportive Housing, East St. Louis
River Bend Re-entry, Alton

In-home Support Services for seniors
Intouch Home Care, Canton (serving Fulton County)
Intouch Home Care, Chicago (serving Chicago South and Southern Cook County)
Intouch Home Care, DeKalb (serving DeKalb, Kendall, La Salle Counties)
Intouch Home Care, Freeport (serving Stephenson, Jo Daviess Counties)
Intouch Home Care, Moline (serving Rock Island, Henry, Mercer Counties)
Intouch Home Care, Peoria (serving Peoria, Marshall, Stark, Tazewell, Woodford Counties)
Intouch Home Care, Rockford (serving Winnebago, Boone, Ogle Counties)

Respite Services supporting veterans and their families
Legacy Corps, Rockford
Legacy Corps, Streamwood

Adult Day Care for seniors and adults 18+ with disabilities
Intouch Adult Day, Moline

Comprehensive Case Management and Protective Services for seniors
Case Coordination, Sterling
Adult Protective Services, Sterling