EXHIBIT 7
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January 17, 2005

Chairwoman Kaufman and Members of the Committee:

For the record, my name is Billie Miller.

I represent 2 agencies that provide family driven, home-based services to families who have children with disabilities and to adults with disabilities. Family Outreach and the Child Development Center are child and family agencies that serve Region IV and V, respectively. We contract with the state to provide family education and support services that are child focused, educational and acknowledge the need for each child to have a supported family. There are 8 child and family service providers across the state. Each of Montana's 5 Regions has either one or two agencies that provide child and family services through various funding sources.

I will not discuss the Mercer project which is now receiving a tremendous amount of energy and financial resources in the developmental disabilities system. Without diminishing the importance of your oversight of that project and its impact on services, I want to emphasize that there is another critical issue that is affecting services to families, and this, too, deserves your attention.

You have heard testimony from families facing the extraordinary demands of having young children and adult children with disabilities. I would like to provide you with some important information from an agency perspective that may give you a greater understanding about recent trends in these services, and how these trends impact families.

To help you understand this system, I will quickly describe two important features of child and family services: (1) the program that is provided to families and (2) the funding sources that pay for the program.

First, the program: Our elemental service is called Family Education and Support (or FE&S). This program is the same no matter what the funding source and it provides:

- Education of children to teach them communication and social skills as well as skills for greater independence in their homes and communities
- Education for families to teach their children, to advocate effectively, to make informed decisions when faced with the situations unique to having a child with a disability
- Support, emotional and financial, to do referrals to appropriate services, to provide access to respite care and educational trainers, to provide the supports necessary to keep children at home, to help keep families intact and to help them negotiate a system that they would likely never enter by choice.

The second feature is about funding sources. There are 3 basic funding sources: (1) General Fund from state General Fund monies, (2) Part C, also known as "Early Intervention", a federal program, and (3) Title XIX, a federal Medicaid waiver program.

Each of these funding sources has its own distinct eligibility criteria and unique guidelines for using its financial resources.

Each of Montana's five regions has a lead agency for providing Part C, or Early Intervention services to children 0 through age 2. (Regions I and III have 2 agencies that share the responsibilities of lead agency). It is part of the federal Individuals with Disabilities Education Act, or IDEA, written by Pat Williams, and is the *only* children's entitlement program in the developmental disabilities system, which means that any child who qualifies must be served immediately. As the state's population grows, so does Part C enrollment. The amount of money allocated to this program, however, has not grown, nor has it been reallocated according to population growth.

Please, refer to the Montana census map. You may be familiar with this information. We have highlighted Region's IV and V. The population growth across Montana has not been uniform and only 31 counties gained population between 1992 and 2002. Of those, 17 are in the 19 county area covered by Regions IV and V. 11 of the 15 fastest growing counties are located in Regions IV and V. The counties with the greatest increases also have the youngest population compared to the counties that are losing population—this means more young families and more children.

What does this mean for families who have children eligible or Part C or General Fund services?

- Since Part C is an entitlement, all eligible children must be served. Child and family agencies are bound by contract to serve all eligible children no matter how many children qualify and no matter what our contract reimburses us. Please, refer to the Part C graphs for Family Outreach and the Child Development Center that show the steady increase in the number of children served compared to the number of units that our contracts allowed and for which we billed.
- In principle and practice, we support this program because we know that early intervention works! As a rule, the more effective the assistance a child receives at a very early age, the less assistance they are likely to need later in school and in life. And, for those families who have children who are severely disabled and may require greater services longer, the more supports a child and family receive, the greater the chance that child has to remain within her/his family and community.
- Because we serve eligible Part C children without additional staff or financial resources, we have had to "overserve" which means we serve without reimbursement. To do this we have to tap into the "slots" set aside to serve those children who qualify under a different set of criteria and under a different funding source-General Fund. General Fund slots are available to accommodate this overserve; Title XIX slots are not. This has meant a steady decrease in the number of families with children over 3 who are able to receive services. In the past, this has been a core funding source of child and family services.
- Please, refer to the graphs we have provided that show the steady decrease in the number of children 3 to 18 that we serve through the General Fund. This cost effective program is less than $5,000 per year per child. The Part C average is

about $5,500 per year per child, and the Title XIX program provides an average of about $16, 500 per year, still less than the cost of a group home.

- Families receiving family education and support services, receive emotional, technical and financial support. With these resources, they are more likely to be able to weather crises that would place additional pressure on other school and community resources or result in placement out of home.
- Of course, along with this shift in the ages of children being served comes the inevitable wait list. Please, refer to FO and CDC graphs that show the growth of wait lists, demonstrating the increasing need for services that are becoming more and more scarce.
- We will be happy to provide you with any other data that you might require in your deliberations.

We recognize that you will be facing some very difficult decisions and there are limited financial resources available--this seems to be the first basic reality of every legislative session. These numbers represent a systems trend that affects the reality of the lives of families and people with disabilities whose testimony you have already heard. Those families are faced with extraordinary circumstances and do better when someone is available to help them negotiate a system of services and the decisions they face. Research show that early intervention means fewer services later in life. Our consumer evaluations consistently show that families with children of all ages value the home-based services that we provide and our experience tell us that our support has a positive impact on the lives of families and children. Please, help us to make this valued service available to all who need it.

Thank you,

Billie Miller

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