

Testimony
House Bill 1012 – Department of Human Services
Aging Services Budget
Senate Appropriations
March 11, 2021

Chairman Holmberg and members of the committee, my name is Brian Arett. I am the executive director of Valley Senior Services providing services for senior citizens in the six counties of southeastern North Dakota. I am also a member of the North Dakota Senior Service Providers, an association of agencies that provide Older Americans Act Services to the senior population of this state.

Attached to my testimony is a copy of a booklet entitled Feeding Grandma 2021. This is the fifth booklet in a series that we have provided during the legislative session. Each session we have updated it to provide the most current and in-depth data on senior hunger, how our programs help prevent this from happening in North Dakota and why it is one of the most cost-effective methods for keeping seniors in their homes.

The basic premise behind this booklet is that providing a stable source of healthy, nutrient dense meals is a key factor in successful aging. And because this service is very cost effective - the cost of providing senior

meals for a year equals two days in the hospital or five days in a nursing home - it makes good fiscal sense for our state and for the people we serve.

But the Senior Nutrition Program is so much more than just a meal. At senior centers, it is a chance for our seniors to engage and socialize with other seniors. And our “Meals on Wheels” programs provide meals to our most vulnerable seniors, those that are unable to leave their homes. Home delivered meals also provide our homebound seniors with a daily well-ness check. Many times, this might be the only human contact our seniors have throughout their day. This happens every day in our most rural communities and in our largest cities.

In the state of North Dakota 49% of our seniors live alone, 67% live in rural areas, 61% are women and 20% live in poverty. Inadequate nutrition and /or limited social contact has direct health consequences that affect the healthcare system and the economy.

The agency I work for – Valley Senior Services – provides about 1,400 Meals a day to the seniors of southeastern North Dakota. The average age

of the people we serve is just over 82. For many of the people that we deliver meals to, their only contact with another person during the day is the volunteer making that delivery. We feel that this connection combined with an incredibly healthy meal provides invaluable support that allows many of these people to continue living independently much later in life than they otherwise would. And the partnership that we have with the state of North Dakota through funding provided by the Department of Human Services Aging Services Division is critical in making this happen.

Over the past few sessions, our senior meal programs have had great support from legislators in adding state dollars to the Aging Services budget to work toward our Associations' goal - to have enough combined Federal Title III and State Funds so that ALL senior meals provided by Title III agencies receive the unit rate reimbursement. The \$4.60 unit rate reimbursement is NOT intended to cover the full cost of the meal. The total cost, estimated to be \$11.02/meal, are covered with participants' program income contributions, required local match, NSIP (Nutrition Services Incentive Program) dollars and additional funds raised locally.

In testimony provided by Nancy Nikolas-Maier, Division Director for the Aging Services Division, she presented a proposed budget for the biennium for Senior Nutrition Services of \$12,036,132. A portion of these funds, the NSIP dollars of \$1,693,820, are distributed to providers separate from the \$4.60/meal reimbursement we receive for the meals we provide to seniors. This leaves a balance of \$10,342,312 in funds designed for reimbursement to providers. Her testimony also noted that meal counts increased dramatically during the pandemic and that we served 103,672 meals in the month of November 2020. If we continue to serve that number of meals it would require funding of \$11,445,389 to provide reimbursement for every meal served – an increase of \$1,103,079 over the budgeted amount. Our first request of this committee is to add this amount to the budget to reimburse providers for every meal served through this program.

It is also important to point out that the unit reimbursement rate of \$4.60/meal has not been increased since July of 2015 – a period of six years at the conclusion of the current biennium. At the same time, costs connected to providing this service have grown by 28.3% (from \$8.59/meal to \$11.02/meal). With that in mind, our second request of this committee is to increase the per meal unit rate to \$5.60/meal. This request would

recognize the impact that inflation has on the cost of maintaining this service and would add an additional \$2,448,128 for the 2021-23 biennium.

These additional funds will help us to continue to keep up with the growth in demand for our services brought on by the ever-growing senior population. It will also assist us to keep up with rising food costs, and the costs associated with attracting, and retaining the employees required for providing our services.

North Dakota Senior Service Provider agencies are dedicated to making our state the best place possible to grow old. We feel that the State of North Dakota is a natural partner in helping us to accomplish this goal and ask that you add \$3,551,207 in state funds to the 2021-23 biennium budget.

Thank you for your time in consideration of this testimony. I would be happy to answer any questions you might have.