



House Appropriations Committee
IN SUPPORT – HB 1012 – DHS Budget – Aging Services
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Chairman Nelson and members of the House Appropriations Human Resources Division, I am Josh Askvig, State Director at AARP North Dakota.

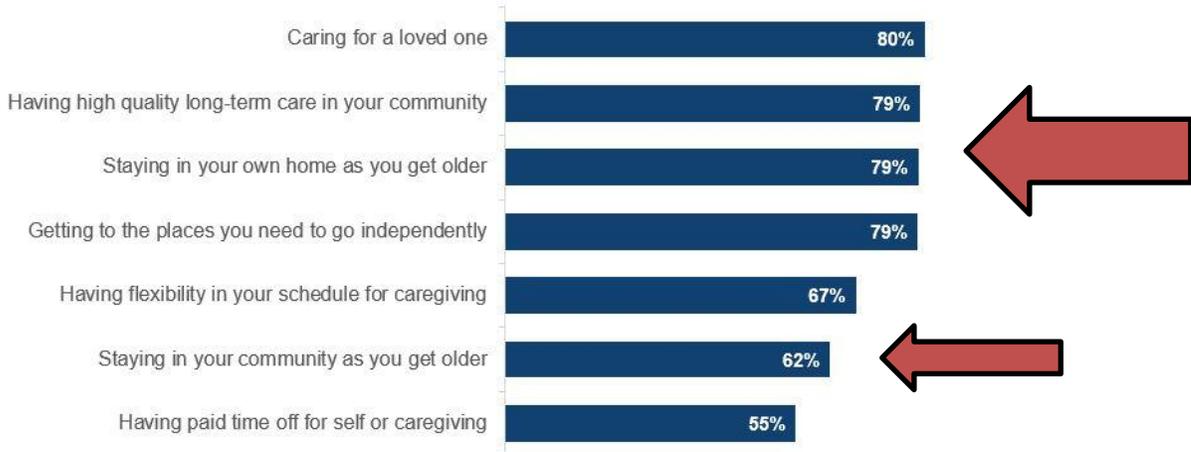
AARP is a non-profit, non-partisan membership organization with more than 84,000 members in North Dakota. Our mission is to empower people to choose how they live as they age.

Our story began when our founder, Dr. Ethel Percy Andrus discovered a former colleague of hers living in a chicken coop. She had run out of money and couldn't find anywhere to get the help she needed. Dr. Andrus decided she would make it her life's work to ensure older adults were given the opportunity to have dignity and purpose and founded what today is AARP.

We appreciate this committee's work to dig into issue important to older North Dakotans and this need will continue to grow. Today our population age 50+ is almost 256,000 and 50% of those households are age 65 or older. Today in North Dakota over 9 counties have a mean age of over 50 and a number of others are right on their heels.

AARP North Dakota supports the intent that DHS Director Chris Jones stated in his budget overview that the Department's effort is to provide services and care as close to home as possible. Below is a chart from our 2020 North Dakota Vital Voices Survey, a state specific survey of issues that impact North Dakotan's 45+ conducted every three years. In our survey last year, 79% indicated that staying in their own home as they got older, getting to the places they need to go and having access to quality long term care in their community was extremely or very important. Also, 62% said staying in their community as they got older was extremely or very important. It was no surprise to us and I am sure it doesn't surprise you.

Important Independent Living Issues



11. For the following list of issues, please indicate how important each is to you personally. (Percent 'extremely important' or 'very important') (n=722)

Knowing this the work to continue to move resources, supports and efforts into delivering services through an HCBS model is commonsense. It also makes dollars and cents. If you look at the chart that was shared during the overview it is very clear that serving individuals in home and community based settings is not only preferred it is cost effective. The chart appears to show about 1/7th of the cost (\$7.9k per client per month for Nursing facilities vs \$1.3k per client per month for HCBS).

HIGHEST PER CLIENT COSTS OCCUR IN INSTITUTIONAL SETTINGS

Expenditures and clients served by program area, SFY20



* Institutional Setting

^ Behavioral Health services are delivered in a manor that does not allow for accurate reporting of clients; reported funds includes administrative dollars.

Based on heating year of October 1 to May 31

Source: DHS Quarterly Budget Insight, Spend downs, and Institutional Reports

Additionally, in line with the efforts to intervene early to stave off long term costs, the changes made last session to access the state funded Service Payments for the Elderly and Disabled (SPED), adding Expanded SPED and centralizing ADRL intake are already paying dividends.

Attached you will find the *North Dakota: 2020 Long-Term Services and Supports (LTSS) State Scorecard*. This is the 4th time the Commonwealth Fund, The Scan Foundation and AARP have teamed up to provide a state LTSS assessment with apples to apples comparisons. If you look at the card you will see North Dakota made substantial improvement in 7 of the 21 indicators. And two of those were in the area of Choice of Setting and Provider dimension. In fact, North Dakota was recognized nationally during the roll out of the 2020 Scorecard for the work it has done to make improvements.

But let's be clear, while we have done good work, we still have plenty of work to do. Specifically, look at the indicators on the back related to Nursing Home Cost, Medicaid LTSS Balance: Spending and Medicaid LTSS Balance: Users, and Successful Discharge to Community where we continue to rank low. Investments in HCBS like those in the Aging and Adults Services area only aid in moving those measures. Again, for AARP and the thousands of North Dakotans we represent, it's about choice. Older North Dakotans deserve to know they have options for care as they age. Overwhelmingly they prefer to stay in their homes and communities and the budget should continue the state moving in a direction that prioritizes Home and Community Based care.

A couple of other notes related to the Aging and Adults Services portion of the DHS budget. The importance of the Long Term Care Ombudsman should be highlighted. During the pandemic, Karla Backman and her team were a critical component to ensuring that the rights of residents and their families were respected and honored. The Ombudsman program was an often needed referral for our team at AARP as the pandemic unfolded.

Finally, we would be remiss not to mention Senior Nutrition funding. The meals programs funded through the Aging and Adults services budget are a critical life line for older adults. They promote good health and as evidenced during the pandemic a critical component to keeping individuals at home and in their communities. The North Dakota Senior Service Providers put together a document every legislative session about their meals funding. I was reading through the 2021 document and understand that it is estimated that 1 year of meals funding is equal to 5 days in a nursing home. And in too many instances malnourishment leads to hospitalization and increased LTC needs. It should also be noted that meals programs also help to combat isolation and loneliness.

Combine these factors with the idea that it appears many of these senior providers will be losing some additional federal supports they received during the pandemic and knowing they

have seen a significant shift in their costs as they have moved to almost exclusively pick up or to go meals, and there is a need for a funding increase. We would encourage you to increase the meals funding to ensure that this critical service can meet the needs.

Again, we appreciate the time to raise issues important to North Dakotans 50+ and would be happy to answer any questions. Thank you.