Testimony

House Bill 1012 – Department of Human Services and Health

Aging Services Budget

House Appropriations - Human Resources Division

February 5, 2025

Chairman Nelson and members of the committee, my name is Roger Reich. I am the executive director of Minot Commission on Aging providing services for senior citizens in the seven counties in North Central North Dakota. I am also a member of the North Dakota Senior Services Providers, an association of agencies that provide federal Older American Act Services to the senior population of this state.

Attached to my testimony is a copy of a Feeding Grandma 2025. This is our seventh 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 program helps 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 handout is that providing a stable source of healthy, nutrient dense meals is a key factor in successful aging. In addition, because this service is very cost effective – the cost of providing senior meals for a year equals the cost of two days in the hospital or ten days in a nursing home – it makes good fiscal sense for our state and for the people we serve.

However, 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 people. In addition, our "Meals on Wheels" programs provide meals to our community's most vulnerable seniors, those that are unable to leave their homes. Home delivered meals also provide our homebound seniors with a daily wellness check. Many times, this might be the only human contact the person may have throughout their day. This happens every day in our most rural communities and in our largest cities.

In the state of North Dakota, the total population of adults age 60+ is 176,929 (22.9%).

- 9% or 14,631 live below the poverty line
- Seniors age 65+ who lack income to pay for basic living needs
 - o Singles: 44.0% and Couples: 21.4%
- 27.9% or 45,932 live alone
- ND state ranking for risk of social isolation at 65+: 17th in the U.S.

Meals save ND Medicaid money. In FFY 23, 212 of the 11,986 home delivered meals clients were nursing home eligible with 3+ ADL (Activities of Daily Living) limitations and were Medicaid eligible. Keeping these people in their homes with meals and services saves the state over \$31.18 million annually.

Across the state the average program income (the part participants contribute) has decreased from a high of \$2.51/meal in 2012 to \$2.30/meal in 2023. More participants are finding it hard to make ends meet and these meals are a place where they can cut expenses, freeing up money to be used for other things like rent and medications.

A <u>BIG</u> thank you is owed to the state. 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 of reimbursement of \$7.62 for congregate and \$8.89 for home delivered meals. This rate is not intended to cover the full cost of the meal. The total cost, estimated to be \$12.98 in 2024, is about a 14% increase from 2021, and is covered with participants' program income contributions, required local match, Nutrition Services Incentive Program (NSIP) dollars and additional funds raised locally. We would like the funding that Aging Services has cut from the budget (\$521,499) to be added back in and we hope that the committee will look at cost of living increases for <u>all</u> of the DHHS agencies as costs continue to increase.

Thank you for your time. I am happy to answer and questions you might have.

Statistics reference: Meals on Wheels America February 2024

Feeding Grandma

We are ND Senior Service Providers, serving older adults across the entire state. THANK YOU to the ND Legislature for working collaboratively in a proactive way so that essential services, such as senior meals can continue to serve a growing, aging population.



19,059 ND seniors ate 1,418,902 meals FFY 23!

- 10,439 people at 375,467 Congregate meals which are served in a social, group setting
- 11,986 people ate 1,043,435 Home Delivered meals which are served to homebound seniors through programs like Meals on Wheels and Home Delivered Meals. This category also includes grab-n-go, take-out and drive-thru meal pick-up.

Senior meals are cost effective!

Senior meals are a cost-effective way to promote good health so that older adults can remain healthy and independent.

*Meals on Wheels America



Meals save ND Medicaid Money!

In FFY 23, 212 of the 11,986 home-delivered meal clients scored with 3+ ADL (Activities of Daily Living) limitations AND were Medicaid eligible. With the average cost of a ND nursing home at \$403/day*, this saves the state over \$31.18 million in Medicaid funding annually. *ND Medicaid LTC Services as of 1/1/2024.

How much does it cost?

The full cost of a senior meal is \$12.98. Funding sources are:

- 38.2% Federal (Older Americans Act and NSIP (Nutrition Services Incentive Program)
- 17.8% State
- 17.7% Suggested contribution from clients
- 26.3% Local Providers required match and additional funding

The cost to produce a meal continues to increase with food, supplies and labor costs increasing 14.1% from 2021-June 2024. (See graph to the right.)

We request the Department of Health and Human Services Cost of Living increases be included in the budget and that the \$520,000 reduction in funding in the Governor's Budget be reinstated.



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