

February 4, 2005

EXHIBIT 24
DATE Fr Feb 4 2005

Honorable Representative Kaufmann and Committee Members,

My name is Bea Ann Melichar, 641 Luther Circle Billings. I live in Senate District 28, House District 55. I have worked for the Yellowstone County Council on Aging for 24 years. For the past 17 years I have served as the Executive Director. I started working with the Older Americans programs in 1976. During this time I have seen a lot of changes in the programs and services offered to the older residents of our state.

The Yellowstone County Council on Aging has provided basic, essential services for the Senior Citizens of Yellowstone County for the past 30 years. ~~(Two brochures are attached)~~ Year after year the requests and needs for these essential services have continued to grow as the elderly population increases. In 1980 there were about 13,000 people over 60 in YC, now there are over 23,000. Across the nation about 17% of the population is over the age of 60. In EVERY town in Yellowstone County people over the age of 60 make up more than 17% of the population.

I want to tell you about a few of our services and about our needs:

In Yellowstone County there are 11 nursing homes and 33 assisted living and personal care homes. There is (1) one nursing home **Ombudsman** or advocate to visit the residents, to meet with family members who have a concern, and to assist in mediating concerns between the facility staff, residents and the family members. They also assist in providing essential education on resident's rights when requested. That one full time person simply cannot handle the workload for this many facilities. Even with two certified volunteers assisting with visiting residents there is still a dire need for another full time Ombudsman. **Approximate cost per year \$40,000.**

Transportation: We have all experienced driving behind the older person who is driving right down the middle of two lanes and in our minds have said... "what are they doing driving... why doesn't their family take that car away from them." In Montana, transportation equals independence and when that vehicle is gone so is the concept of independence. In Billings we are fortunate to have several options for senior transportation, however with the increased costs of fuel, insurance, and health insurance for employees the cost of transportation services rises every year. However, funding from all levels has remained stagnant or decreased. For years we have used some of the state funding to support transportation. Two years ago when the funding for aging services were cut, that decreased funding for transportation by \$22,000. Fortunately that year we had a foundation and an individual step forward to cover that decrease. That source was not there this year. As costs go up, the number of rides we can provide decreases. In 1999 the average cost of a one way ride was \$9.98. This year the average cost per ride was \$13.48. We have been able to continue to provide additional rides because we added \$14,000 of County funds and \$9,060 from the TransADE program. The Laurel Senior Citizens hold spaghetti dinners and bake sales to help match the state TransADE funds. Of the total budget of \$130,000 for transportation, \$54,000 is specifically for medical transportation. We could easily double the amount of funds for medical transportation and still not cover all of the needs. **Cost \$54,000.**

The Resource Center: In 2003 the State Aging Services Division received a special grant that was centered in Yellowstone County as a pilot project. This is a three year project that is set to end in October 2006. The essence of this project is to place an information center where it is easily accessible and where people can connect to all the services that they may be eligible for. This project assists between 450 and 500 individuals each month. In order to adequately serve the community, this center is open 7 days a week and is located in West Park Plaza in Billings. Other agencies in Billings are now referring difficult cases to the staff at the Resource Center. They were one of the lead agencies in assisting people with the prescription benefit cards and they will be very busy with the next program when it goes into effect. This year in addition to assisting seniors, the center will be focusing on assisting physically disabled individuals over the age of 19, and helping connect them to services that they may be eligible for. This is truly a one stop shop. **The cost to fund this program for one year after the grant ends is \$150,000.**

Nutrition: There are two kinds of nutrition services for seniors. Let me first talk about **the congregate or group setting meals.** Over the past five years there has only been an 8% increase in federal funds for this program in Yellowstone County or a total of \$12,000. This hasn't even kept up with inflation. This past year we had only \$4,547 of state funds supporting this program or 8 cents per meal! If we had the funds to advertise this well kept secret we could increase the number of people attending the meal sites. The problem with that is we would not have the funds to continue to provide the quality meals with the funding we receive. In 1999 the average cost for a meal was \$3.45. Today the average cost of a meal is \$5.00. 27% of the cost of the service is covered by contributions for the meals.

Meals on Wheels is the program that most people are aware of. Let me give you some examples of the success of this program in Yellowstone County. The average age of a meals on wheels participant in YC is 84. Our oldest participant is 101 and our youngest is 60. Volunteers deliver the meals in the Worden area, Billings and Laurel. 70% of the recipients make a contribution for the service, 30% are not able to make a contribution.

In July of 2002 there were 243 different people on the Meals on Wheels program in YC. One year later 46 of that original 243 were still on the program. 84 had died or moved into a nursing home and 113 had left the program because they were able to care for themselves. During the year there were 496 different individuals who received 54,522 meals in their homes. The average cost for a meal was about \$4.75.

In July 2003 there were 262 individuals on meals on wheels (a 7% increase over July 2002). One year later 139 of the original 262 were still on the program. 32 had died, 40 had moved into a nursing home or assisted living facility and 51 had left the program because they were able to care for themselves. During the year there were 525 different individuals who received 57,895 meals. The average cost for a meal was \$4.91. Due to budget restrictions we were not able to increase the number of people receiving this service and had to restrict the number of individuals on the service in Billings to no more than 200 per day.

In a recent survey of participants about 60 indicated that they would like to have meals on Saturday. That would equate to 2,600 meals at a cost of \$20,000 per year.

Because of requests for services it would be desirable to add two additional routes in Billings. That would mean 38 – 50 more people would receive about 9,120 meals per year at a **cost of about \$46,000.**

Immediate expansion needs for each year are summarized below:

Ombudsman	40,000	
Medial Transportation	54,000	
The Resource Center	150,000	
Saturday MOW*	20,000	*MOW is Meals on Wheels
MOW* Expanded	46,000	
TOTAL BASIC SERVICE NEEDS:	310,000	

In addition to these basic needs for expanded services there are those items that would make the various programs better for the participants. These include repairs to existing centers in Custer, Laurel and the South Park Senior Center in Billings. Custer needs a separate kitchen/meal preparation area, and Laurel needs a new stove, a new refrigerator and a mixer that meets OSHA requirements and the kitchen cabinets and cupboards need to be upgraded. The floor in the kitchen also needs to be redone. The best estimate on these two projects is about **\$70,000.**

In addition to providing adequate training for staff in their various duties at \$7,000 per year, there is a need to increase the pay rates for all employees so that we can compete with the market place in Billings for staff. If we gave each staff person an average of a 50cent per hour raise that would equate to about **\$30,000** per year. This still does not bring the majority of the staff to a "living wage". The average increase each of the past two years for employee health insurance has been 13% or about **\$19,000** this past year.

The reality is this past fiscal year we ran a deficit of \$26,000 in the Meals on Wheels program and an additional deficit of about \$20,000 in all other programs. Our accessible cash reserves are dwindling.

Already this fiscal year we have had to request that the County Commissioners provide an additional \$20,000 out of the counties senior reserve budget to assist with the various programs and to make sure that we had enough cash on hand each month to meet payroll as we waited for allocated funds to come into the agency. They have no more funds in their senior reserve account.

The programs that are provided for the elderly in our communities are vastly under funded now and as the population continues to grow and the baby boomers are quickly approaching the age when they will be using the services we cannot provide these essential basic services across the state on only one million dollars a year. We all know that there are many needs in this State, however I ask that you do not turn your backs on the people who are the foundation of our state. Please add the additional funding needed to provide adequate services for the "aging network."

Thank you for your commitment of time and energy in serving the residents of the State of Montana in this citizen's legislature.