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Fact Sheet: Supporting Increased Medicaid Meal Rates for Home-Delivered Meals

- Medicaid-funded Home Delivered Meals are provided to homebound older adults and adults with disabilities.
- Missouri's AAAs provide approximately 2.3M Medicaid meals annually
- The current reimbursement rate (\$6.21/meal) was established in FY22
- The current rate (\$6.21) is significantly below the actual meal cost (\$9.97 per meal)
- This cost difference causes a severe financial strain on the AAAs
- The financial strain limits the ability of AAAs to continue this important service – and drains resources from other essential programs for older adults
- The recently released Mercer Rate Study* supports a rate increase to \$10.09 to \$10.99/meal

Home-delivered Medicaid meals provide essential nutrition and support to Missouri's most vulnerable: homebound older adults and adults with disabilities. This program is a crucial investment in their well-being, preventing costly and often unwanted placement in nursing homes. However, years of underfunding have created a severe crisis. The current Medicaid reimbursement rate fails to cover the actual costs of providing these meals, forcing Area Agencies on Aging (AAAs) to operate at a significant deficit. This financial strain is compounded by rising food prices, difficulty hiring and retaining staff due to uncompetitive wages, and the increasing demand from Missouri's growing senior population.

The result? AAAs are being forced to divert resources from other critical programs, and the sustainability of the entire home-delivered meal system is in jeopardy. Failure to address this funding gap will lead to lengthy waitlists for individuals not meeting Medicaid eligibility for home-delivered meals, denying vulnerable individuals access to life-sustaining nutrition. The alternative—costly and often unnecessary nursing home care—will place an even greater burden on taxpayers and diminish the quality of life for our most vulnerable citizens.

Missouri seniors urgently need an increase in the Medicaid home-delivered meal reimbursement rate to ensure the program's viability and protect the well-being of Missouri's seniors and adults with disabilities. (Note: These Medicaid meals are separate from federally funded Older Americans Act Meals on Wheels.)

Action Needed for FY26 HB10

To Increase the Medicaid Meals Rate, an NDI is needed in FY26 Section 10.915 (formerly HB Section 10.815 in FY25 HB10), the Agency Directed Home and Community Based Services Program.
Establish a new rate of \$10.99/meal.
Add GR funding of \$3,773,113 and Federal \$6,902,393.

*MERCER RATE STUDY: DHSS contracted with Mercer Government Human Services Consulting on a rate study to determine whether the Medicaid Home and Community Based Services (HCBS) fee schedule rates being paid to providers are reasonable and appropriate given market conditions. Mercer's comprehensive study considered publicly available market information, stakeholder data and feedback, and other information provided by DHSS to develop modeled rate ranges, including a new rate for Medicaid Home Delivered Meals (HDMs) in the range of \$10.09/meal to \$10.99/meal.

HOME-DELIVERED MEALS SAVE DOLLARS:

- Annual cost of Medicaid-funded long term care facility: \$56,024
- Annual cost of Home Delivered (based on the new Mercer recommended rate) is \$4,000

ONE INCIDENT AWAY...

Many older Missourians are just one incident away from a life-changing event. Whether it's a health diagnosis, a fall, the loss of a spouse, or an unexpected financial crisis, Area Agencies on Aging are here to support those most in need.

MEALS MAKE THE DIFFERENCE

John's wife had always taken care of the household needs. Upon her death, John was alone out in the country with no one to help. He was about 20 miles from the nearest store.

With no transportation, John struggled to take care of himself. When an AAA Care Coordinator went to visit John, he was almost skin and bones. He had a host of chronic health conditions and needed oxygen 24 hours a day.

Medicaid approved two meals per day, which the AAA immediately began delivering.

Within three months of regular meals and friendly visits, John gained about 20 pounds back, no longer required oxygen, and had gained back strength.

With a little help from his Area Agency on Aging, John was able to remain safe and healthy in his own home.

**AAAs are here to help
when no else is**

**FIND YOUR LOCAL AREA AGENCY ON AGING
SENIOR RESOURCE LINE: 1.800.235.5503**



WHAT DO AGENCIES ON AGING PROVIDE?

SERVICES
INFORMATION
ADVOCACY

"SHOW ME" THE NUMBERS

- Annual cost of Medicaid-funded long term care facility: \$56,000
- Annual cost of Home Delivered Meals: : \$4,000

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