

Division of Alaska Pioneer Homes

February 7, 2014



G. Ken Truitt
Department of Health & Social Services

Pioneer Homes Mission

- » **Mission Statement:** “Alaska Pioneer Homes: Providing elder Alaskans a home and community, celebrating life through its final breath.”

- » **Statutory Mission:**
 - ◆ **Maintain and operate . . .** the Alaska Pioneer Homes in Sitka, Anchorage, Fairbanks, Juneau, Ketchikan, and the Alaska Veterans’ and Pioneer Home in Palmer. AS47.55.010 (a)

PRIORITY 1: HEALTH & WELLNESS ACROSS THE LIFESPAN

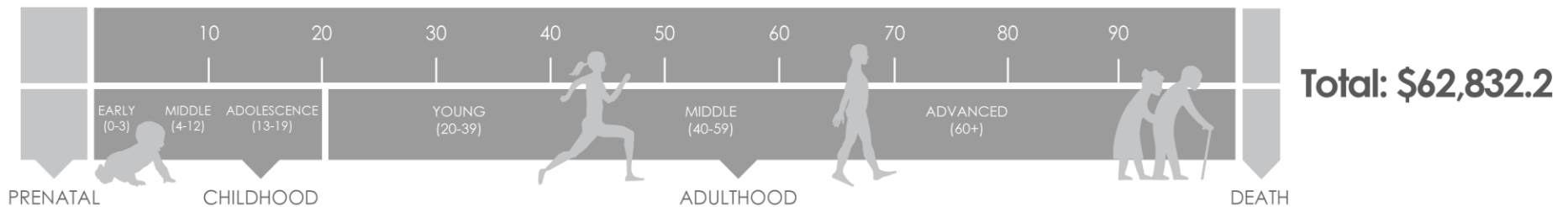
Food Service, Housekeeping, Operations, Utilities, Maintenance,
Administrative Services, Social Services, Activities/Recreation

\$28,052.6 (44.65%)

PRIORITY 2: HEALTH CARE ACCESS DELIVERY & VALUE

Direct Care Staff, Medical Services, Rehabilitation Services,
Education/Risk Management, Pharmacy Services

\$34,779.6 (55.35%)

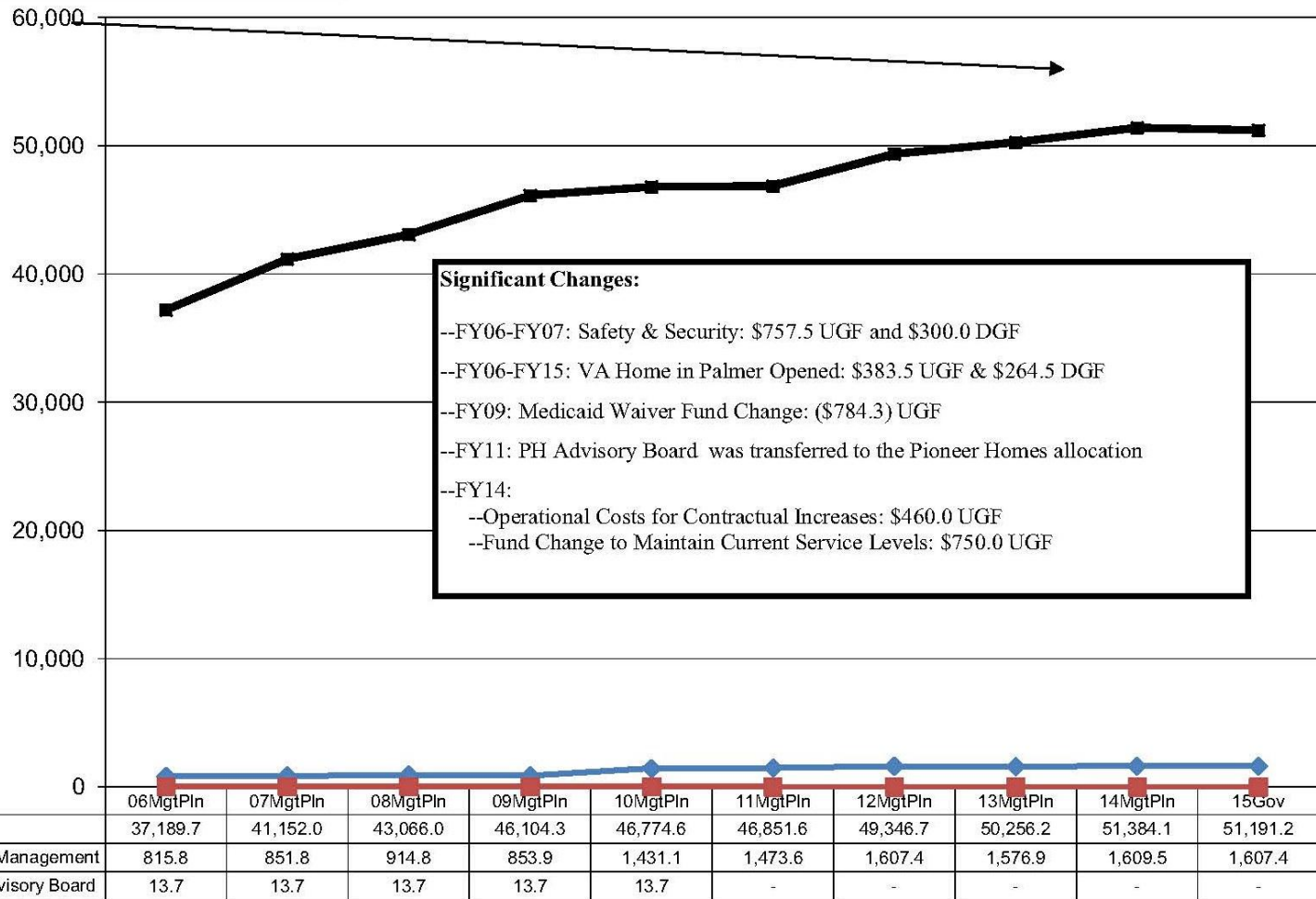


DHSS Pioneer Homes Budget Comparisons by Allocation

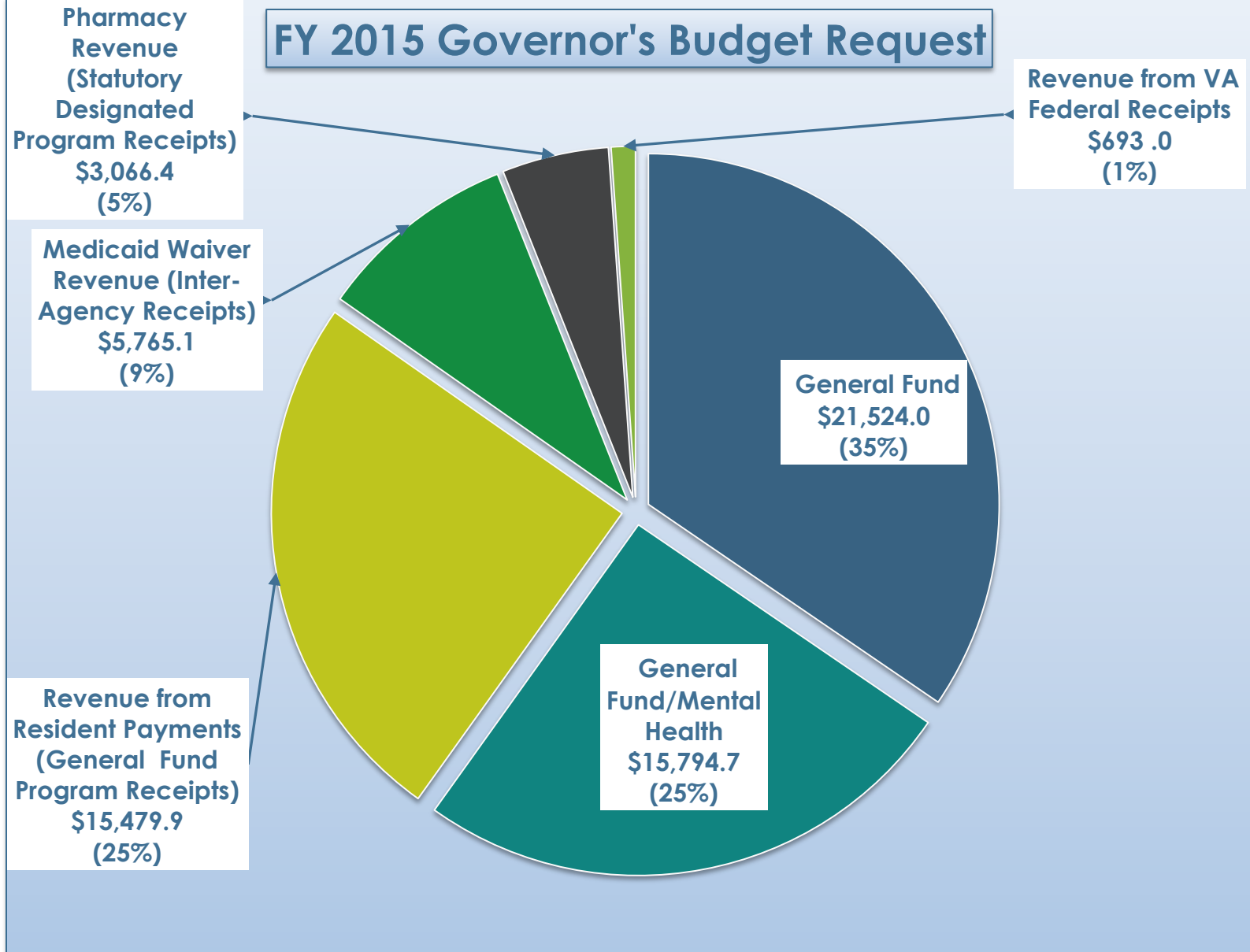
**Formula and Non-Formula
(GF Only)
(\$ Thousands)**

Pioneer Homes Appropriation GF Increase: \$14.8 million (39%)

Salary Adjustments account for \$11.5 million of the GF increase.



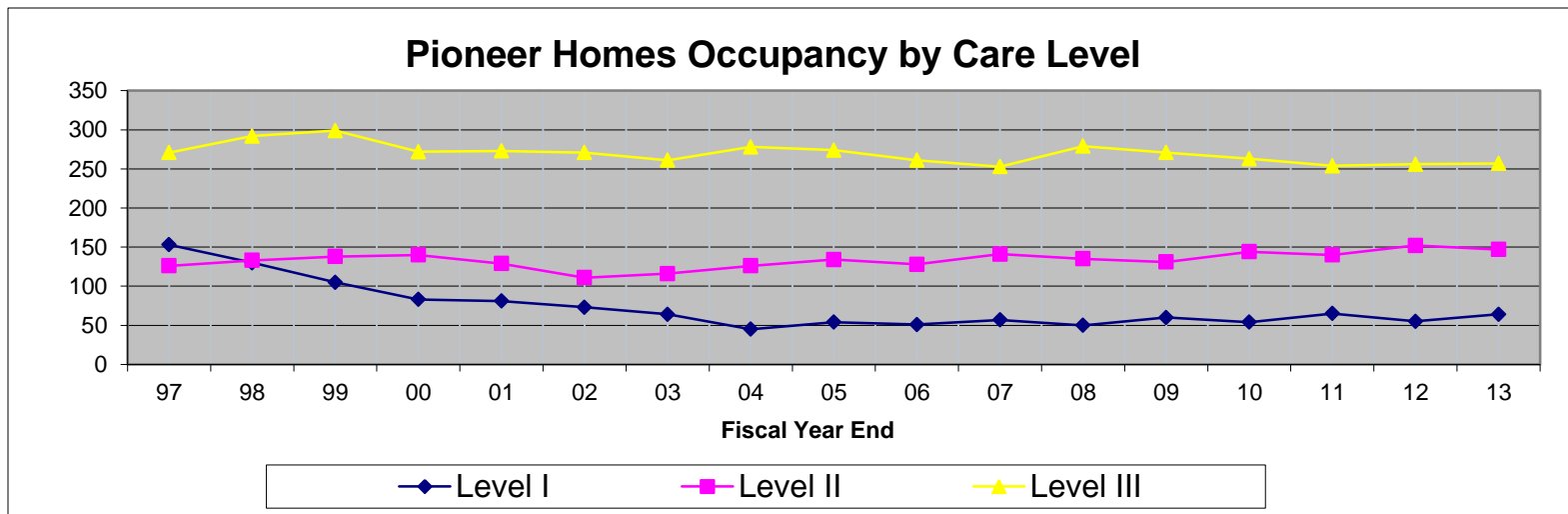
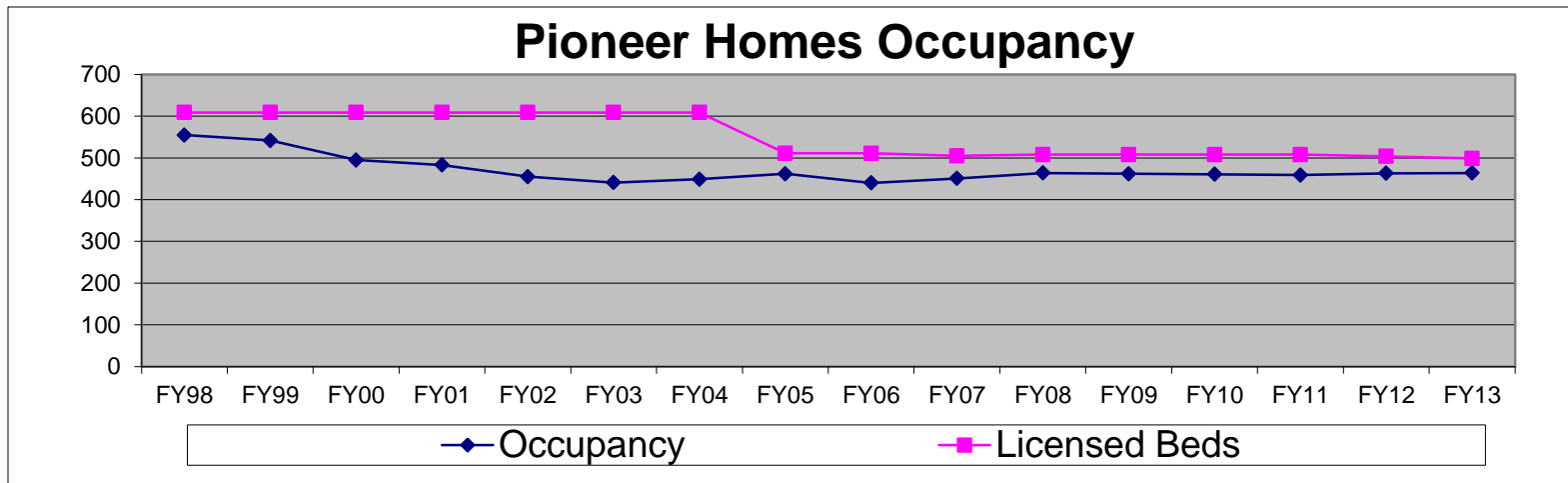
FY 2015 Governor's Budget Request



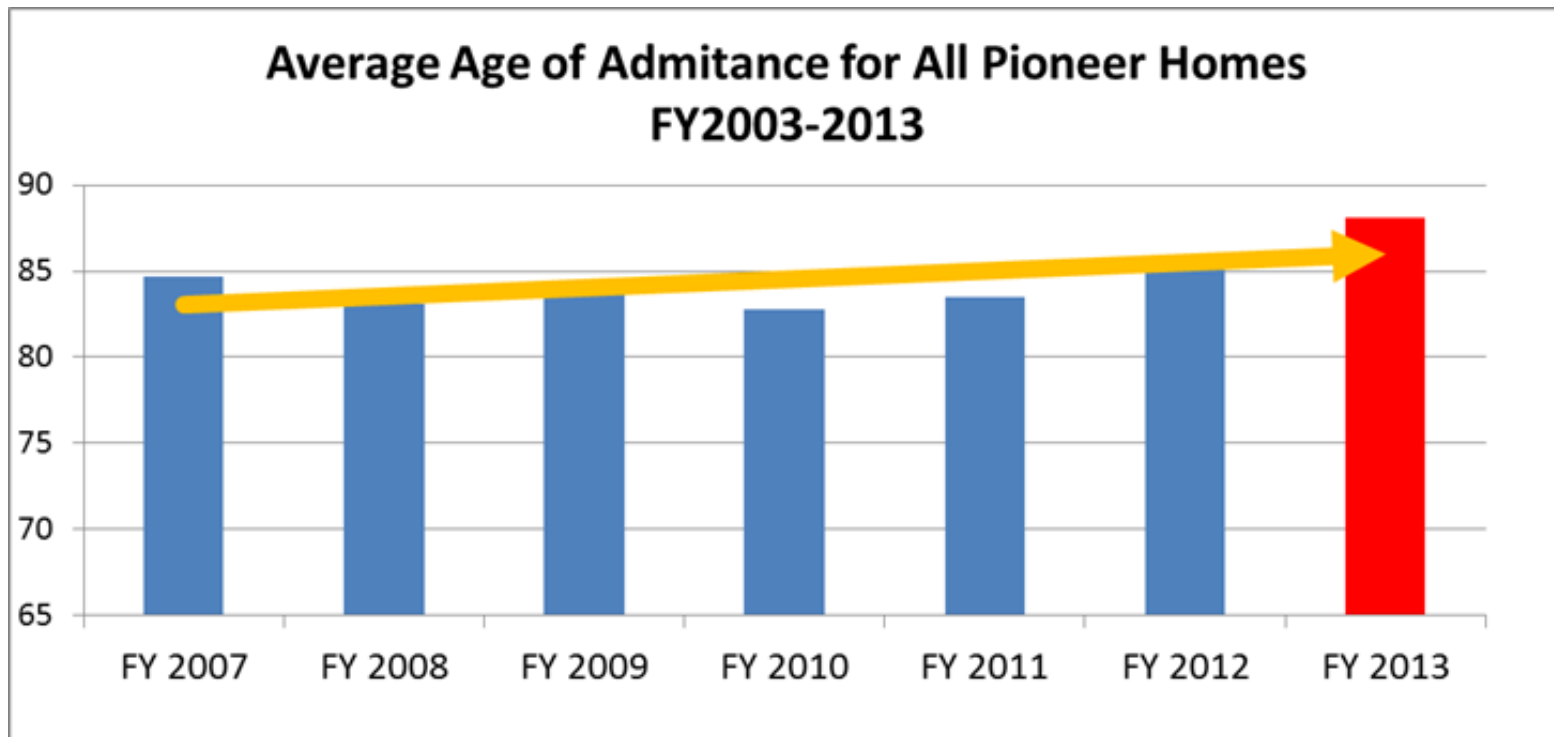
FY2015 Governor's Operating Request

<u>Alaska Pioneer Homes</u>	F14 Mgmt Plan	Adjusted Base	FY2015 Governor	14 Mgmt Plan to Governor	Adjusted Base to Governor
Unrestricted General Funds	\$37,492.1	\$37,424.6	\$37,318.7	(\$173.4)	(\$105.9)
Designated General Funds	\$15,501.5	\$15,479.9	\$15,479.9	(\$21.6)	\$0.0
Federal Funds	\$593.2	\$593.0	\$693.0	\$99.8	\$100.0
Other Funds	\$9,245.4	\$9,231.5	\$8,831.5	(\$413.9)	(\$400.0)
Total	\$62,832.2	\$62,729.0	\$62,323.1	(\$509.1)	(\$405.9)
Position Total (PFT)	575	575	575	0	0

Demographic Changes at the Pioneer Homes

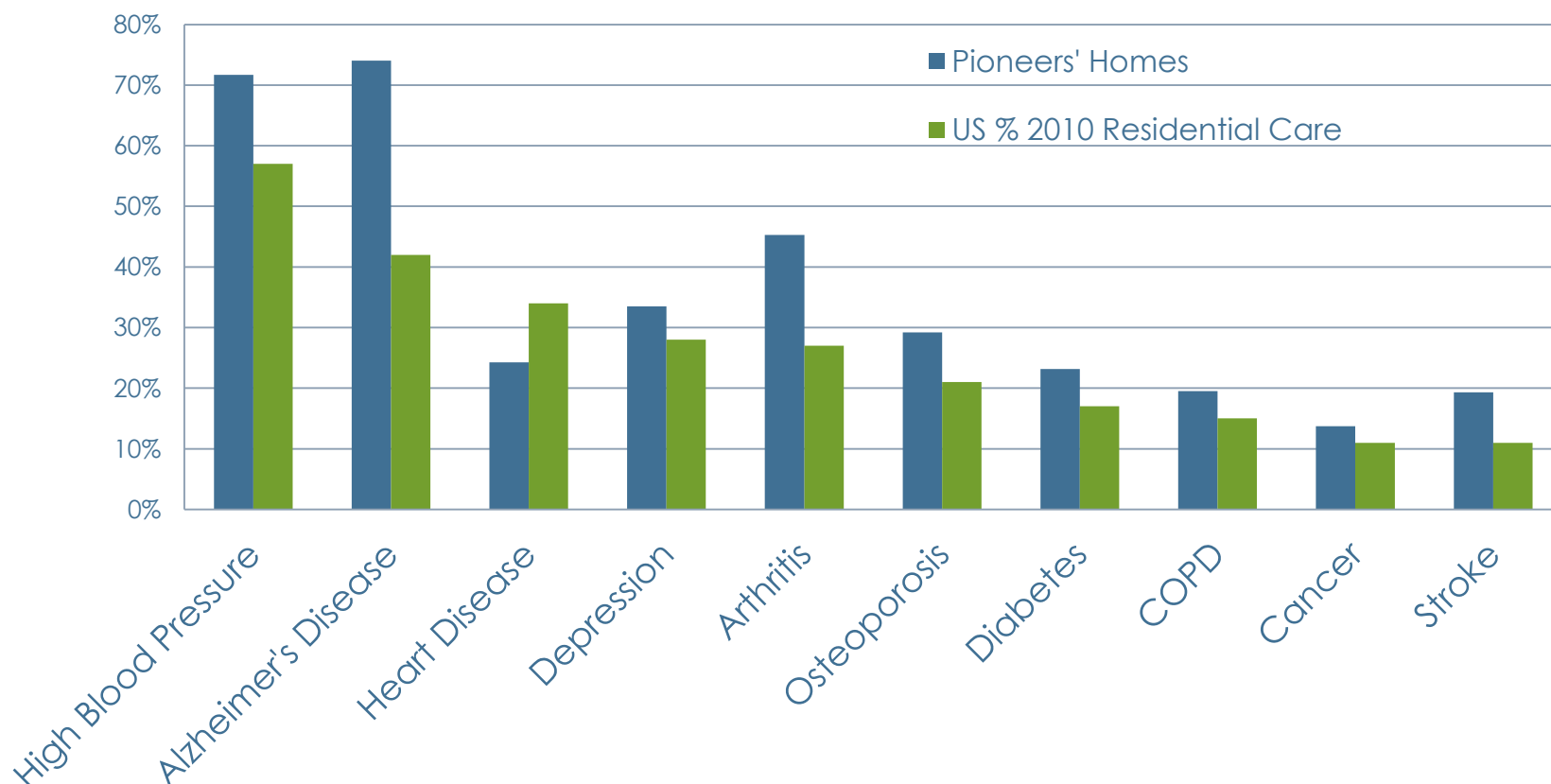


People are older when entering the homes

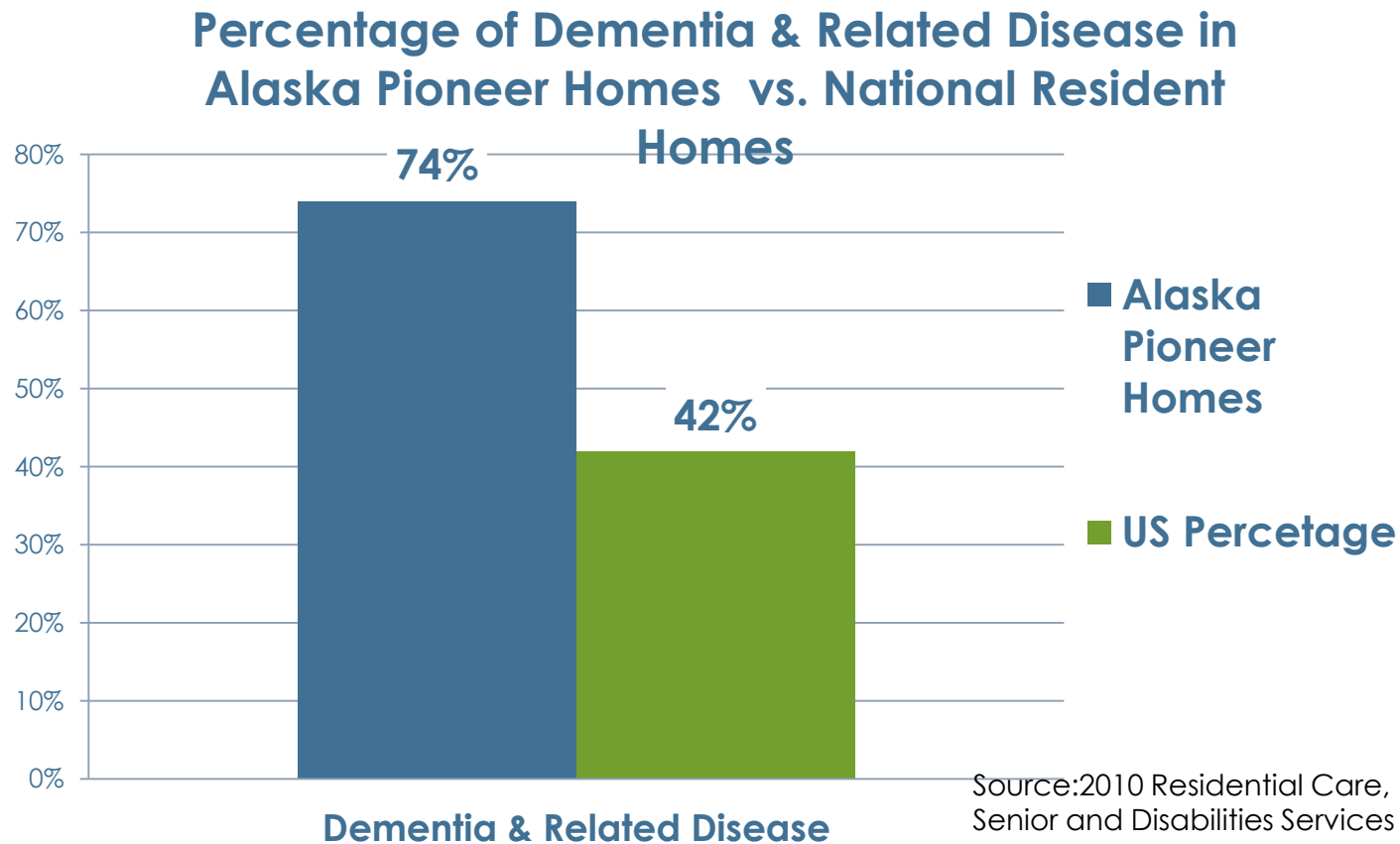


Residents have more chronic conditions

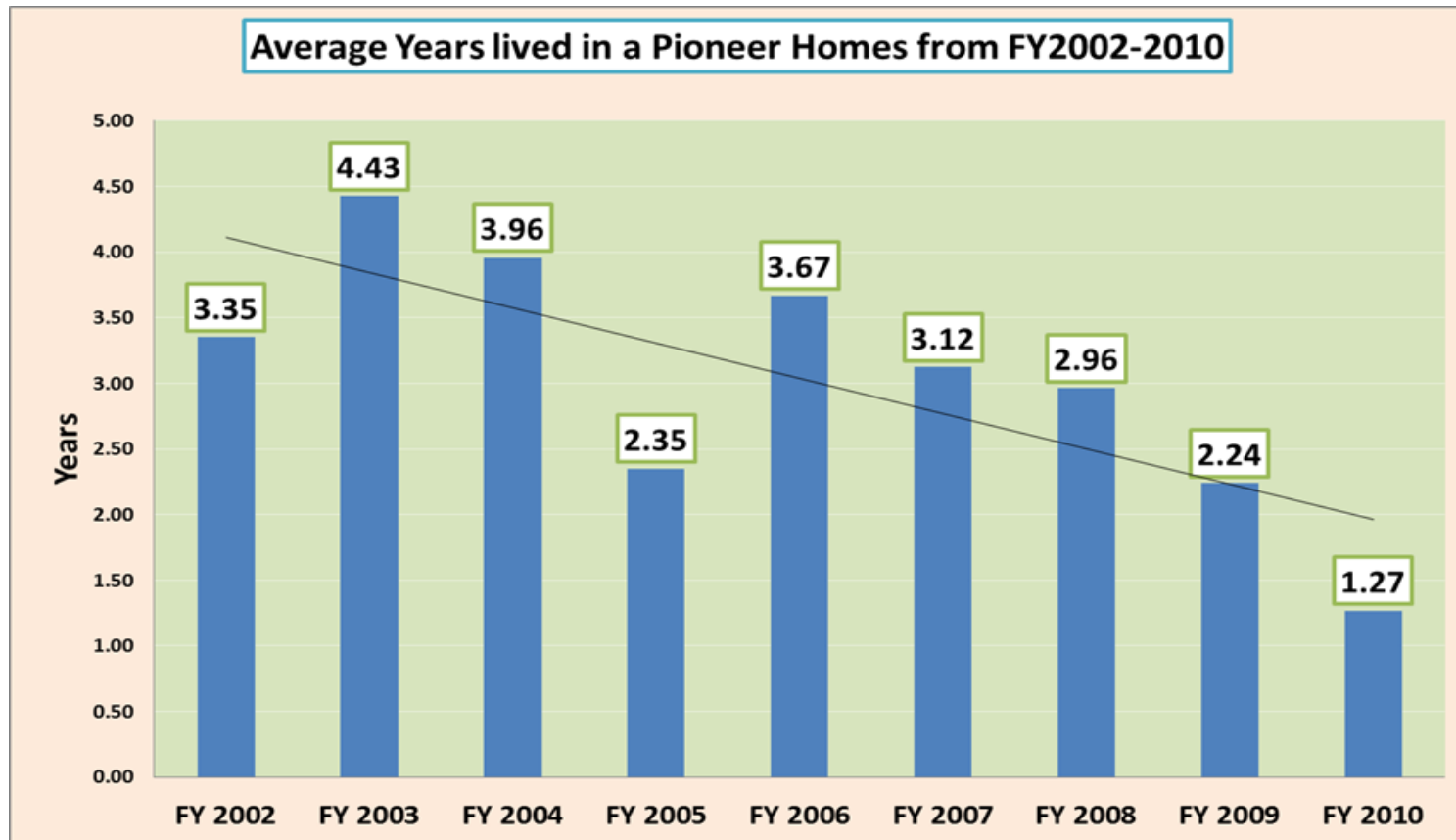
**Chronic Diseases Experienced by
Pioneer Home Residents vs. National Data**



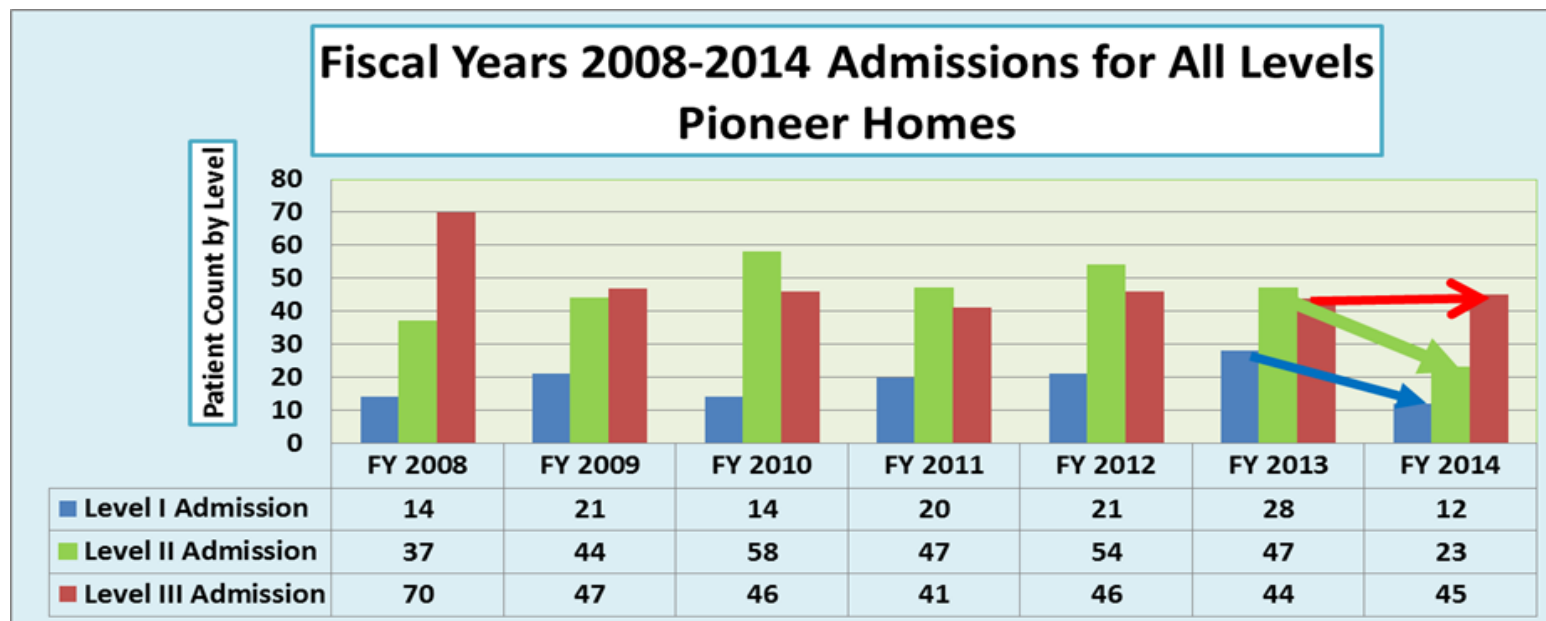
Pioneer Homes Dementia Diagnosis Compared to National Standards



People are staying shorter lengths of time



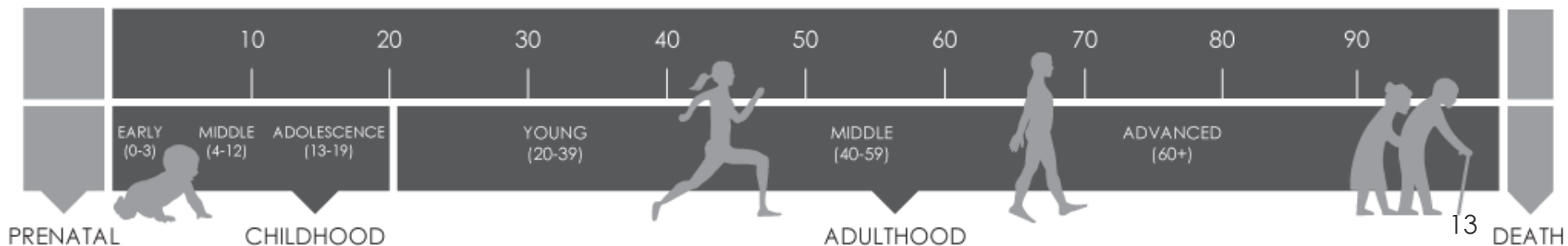
We are starting to serve more people



Half way into FY14 and we have already surpassed FY 13's Level 3 admissions.

Challenges

- » Increasing number of Alaskans 65 and older.
- » Reduce dependence on general fund dollars.



Strategies For Reducing General Fund Dependence

» Modernize Pioneer Homes Rate Policy

- ◆ **Rate Policy is Set in Statute:** The rate charged need not fully compensate the state for the cost of care and support.
AS47.55.030 (b)

- ◆ **Update the Rate Policy—Update the Statute**

» Modernize the Pioneer Homes Payor Mix Philosophy.

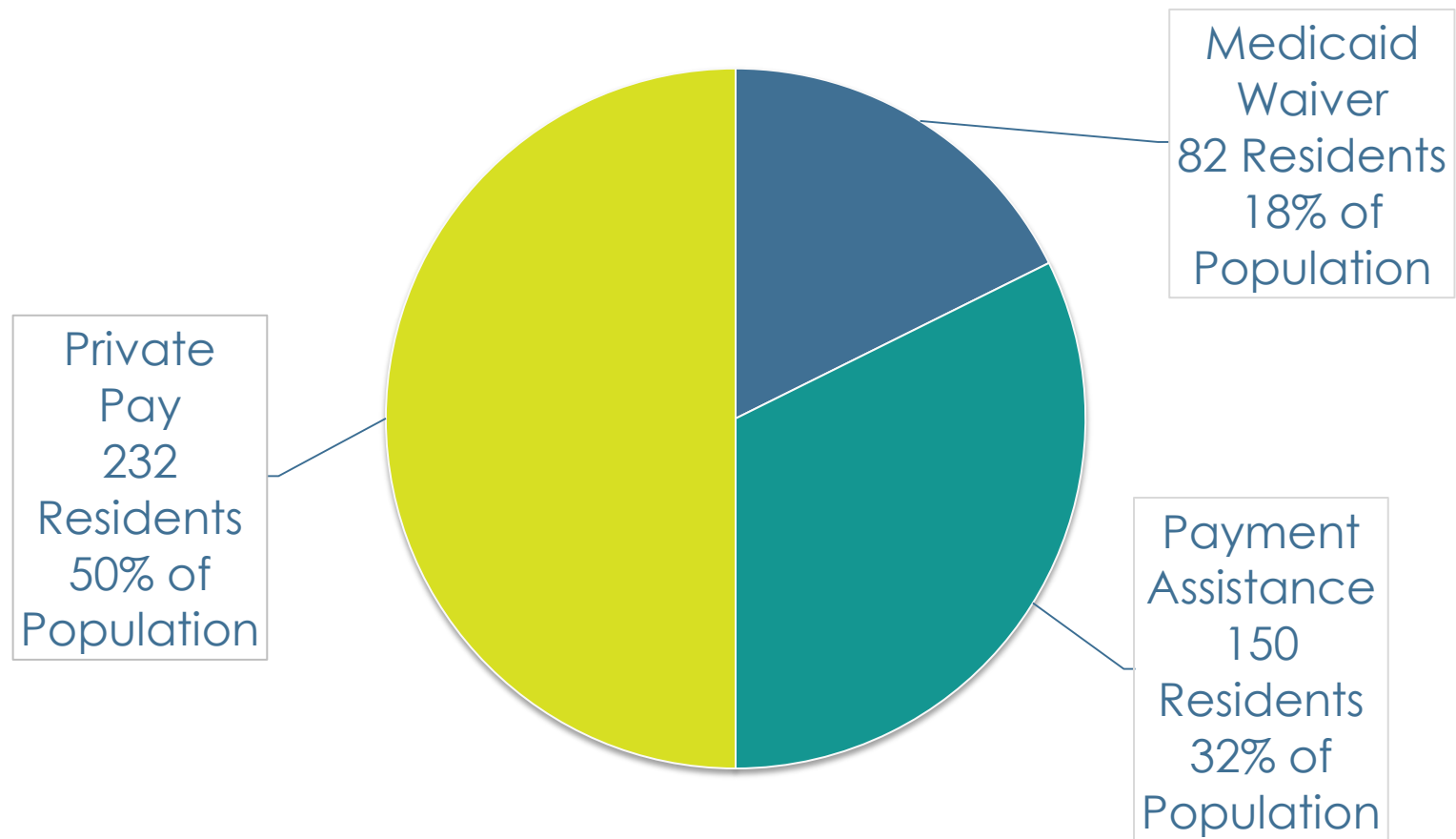
- ◆ **Medicaid Waiver & Payment Assistance :** Two similar programs, that are not aligned. Would require a statutory change. AS 47.55.020 (d)



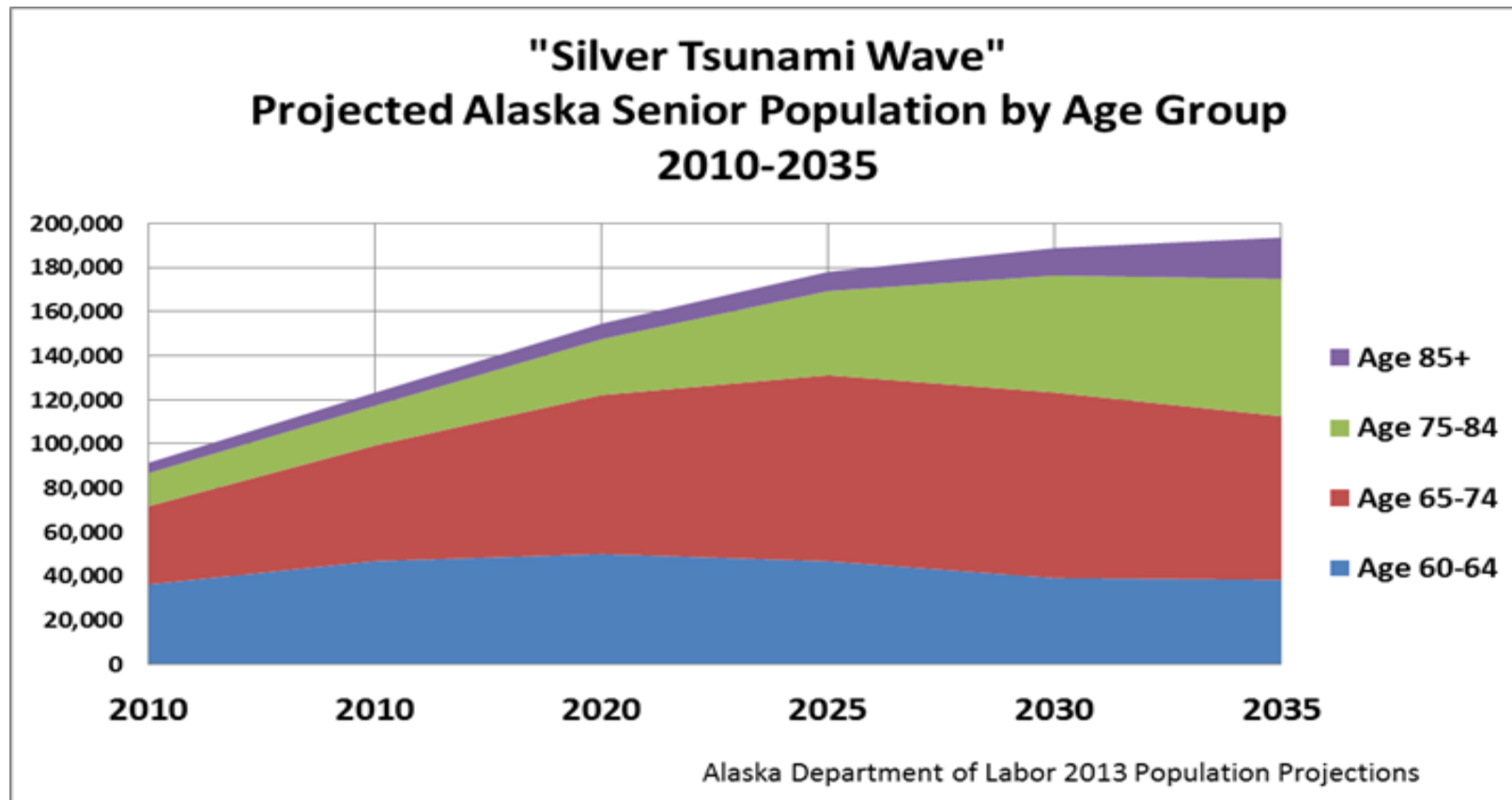
Strategies For Reducing General Fund Dependence

How Residents Pay for Services

February 1, 2014



Strategies for Meeting the Demands of the “Silver Tsunami”



Strategies for Meeting the Demands of the “Silver Tsunami”

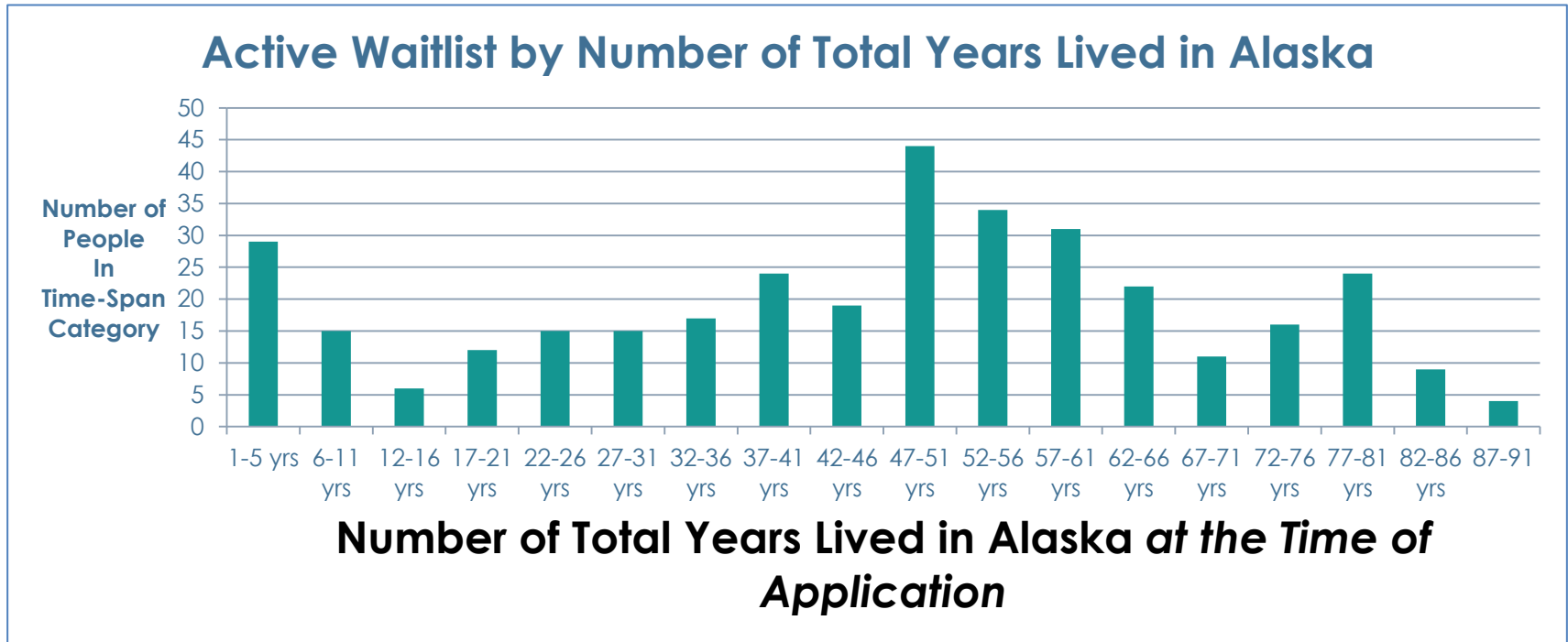
- » Bring existing homes to maximum occupancy given facility limitations.
- » Enter into Public-Private Partnerships to Expand the Pioneer Homes; **Or**
- » Build new Pioneer Homes using traditional public funding methods.

Efficiencies

- » Modernize Supply Inventory Management
- » Reorganize Pharmacy Staffing
- » Modernize/Update Existing Processes:
 - ◆ Admissions
 - ◆ Eligibility renewal
- » Modernize resident information management system



Follow Up Information From Interim Hearing: Pioneer Homes Waitlist



Questions?