State of Alaska
Office of Management and Budget

FY2020 Operating Budget Overview:
Division of Alaska Pioneer Homes
Presentation to the Senate HSS Finance Subcommittee
Tuesday March 8, 2019
Division Director Clinton Lasley, OMB DHSS Admin. Services Director Sana Efird

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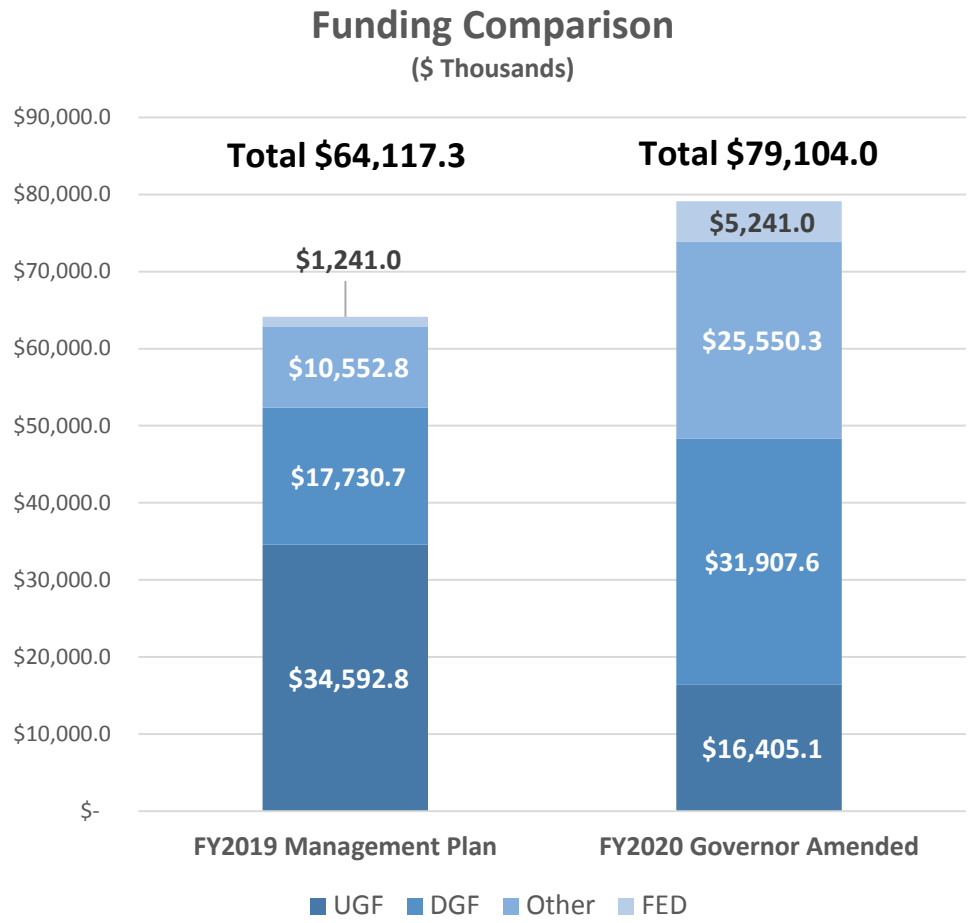
Alaska Pioneer Homes FY2020 Operating Budget: Core Services Alignment

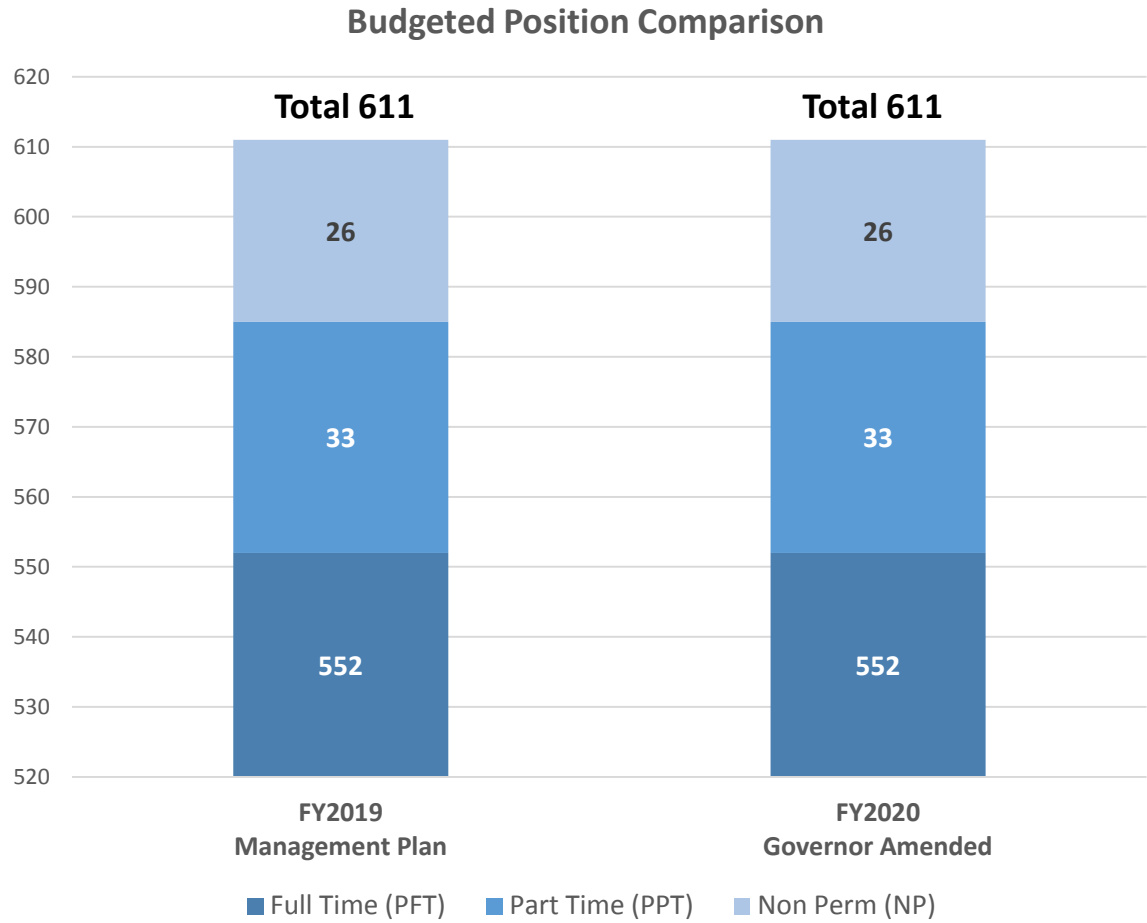
Mission: Providing elder Alaskans a home and community, celebrating life through its final breath

Core Services	Combined General Fund	Other	Federal	Total	% GF
Protect and promote the health of Alaskans	$0.0	$0.0	$0.0	**$0.0**	0.0%
Provide quality of life in a safe living environment for Alaskans	$26,692.9	$9,198.0	$1,886.9	**$37,777.8**	70.7%
Manage health care coverage for Alaskans in need	$7,995.0	$6,132.0	$1,257.7	**$15,384.7**	52.0%
Facilitate access to affordable health care for Alaskans	$0.0	$0.0	$0.0	**$0.0**	0.0%
Strengthen Alaskan families	$5,329.9	$4,088.2	$838.5	**$10,256.6**	52.0%
Protect vulnerable Alaskans	$8,294.9	$6,132.1	$1,257.9	**$15,684.9**	52.9%
Promote personal responsibility and accountable decisions by Alaskans	$0.0	$0.0	$0.0	**$0.0**	0.0%
FY2020 Governor's Amended	**$48,312.7**	**$25,550.3**	**$5,241.0**	**$79,104.0**	**61.1%**

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Alaska Pioneer Homes: Funding and PCN Comparison



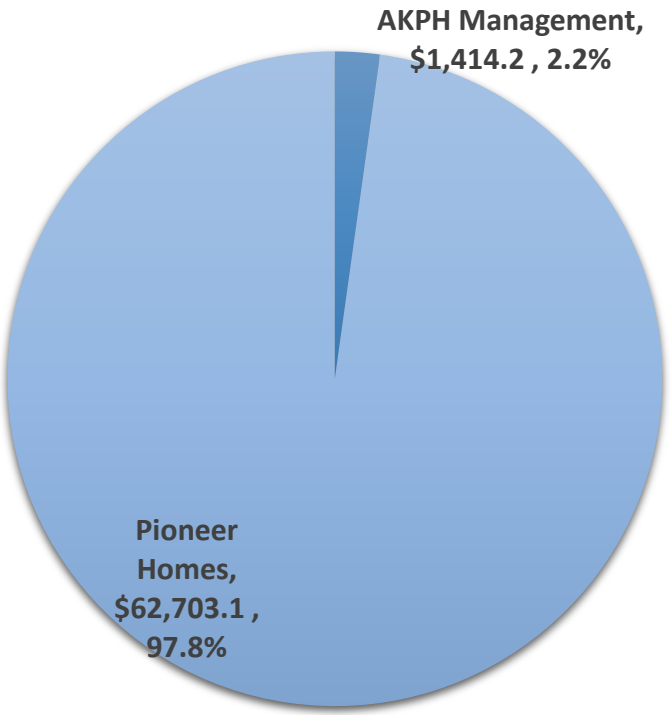


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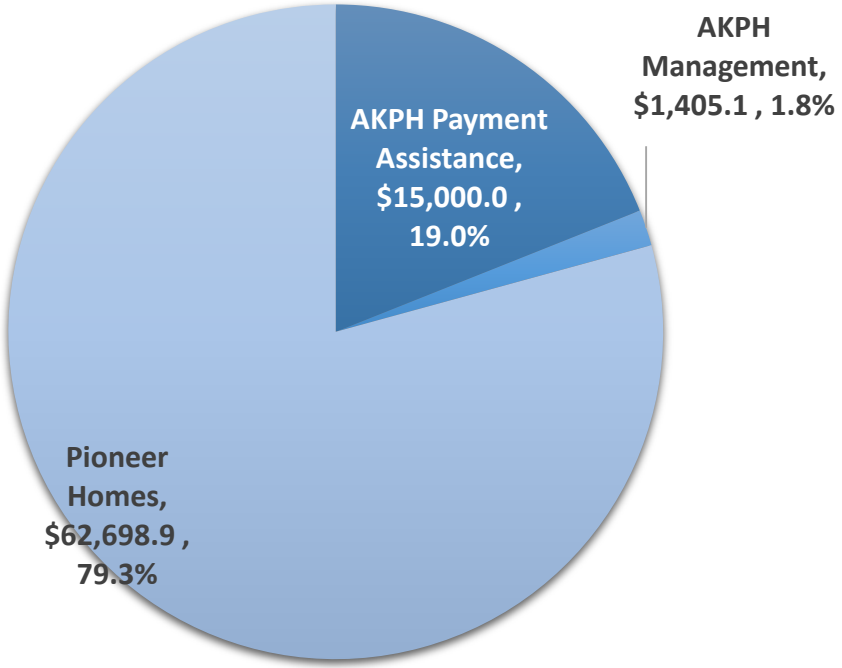
Alaska Pioneer Homes FY2020 Operating Budget: Fiscal Year Comparison

All Funds

FY2019 Management Plan Total: $64,117.3



FY2020 Governor Amended Total: $79,104.0

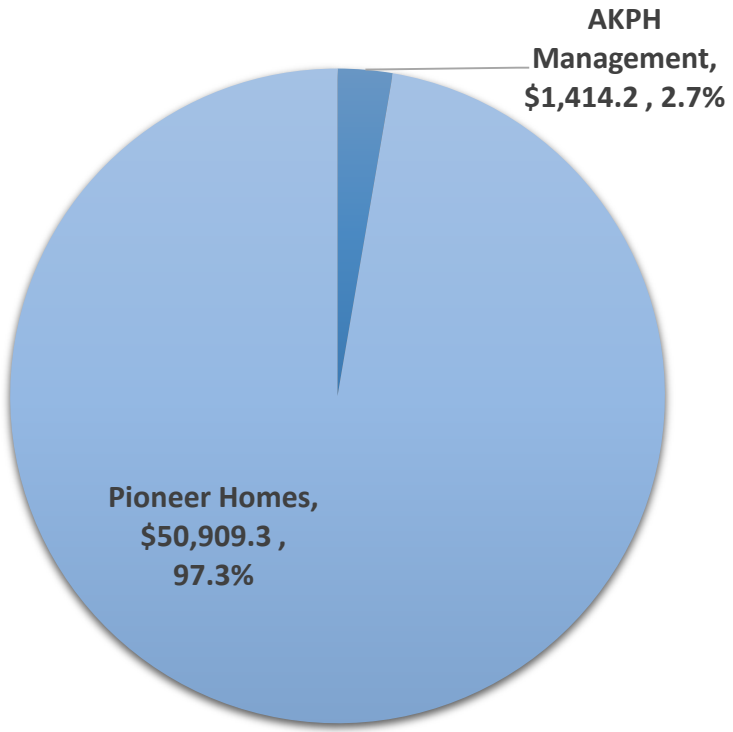


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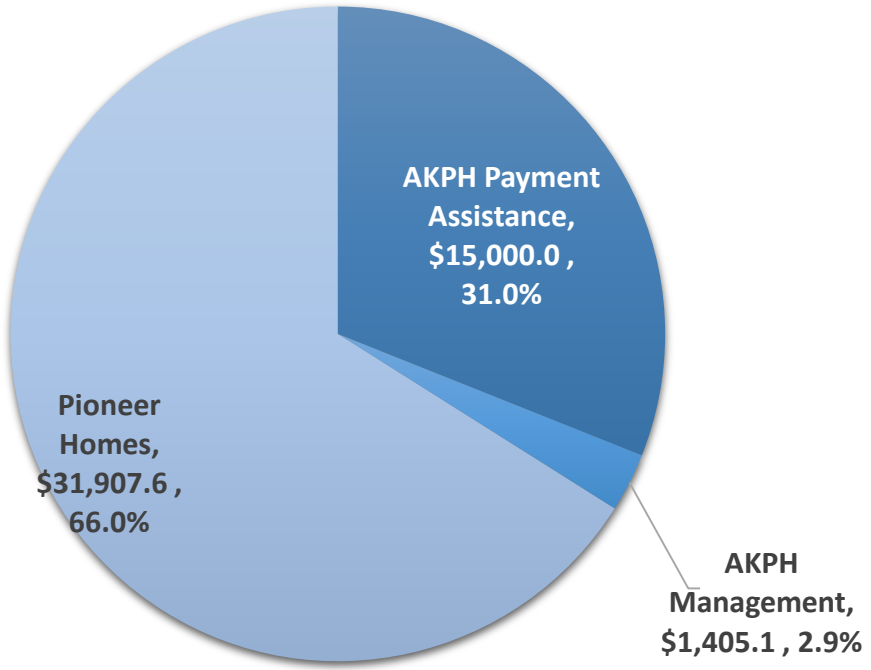
Alaska Pioneer Homes FY2020 Operating Budget: Fiscal Year Comparison

Combined General Funds

FY2019 Management Plan Total: $52,323.5



FY2020 Governor Amended Total: $48,312.7



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Division of Alaska Pioneer Homes FY2020 Operating Budget: Change Summary

	FY2019 Mgmt Plan	FY2020 Gov Amd	Difference	
UGF	$34,592.8	$16,405.1	($18,187.7)	-53%
DGF	$17,730.7	$31,907.6	$14,176.9	80%
Other	$10,552.8	$25,550.3	$14,997.5	142%
Federal	$1,241.0	$5,241.0	$4,000.0	322%
Total Budget	$64,117.3	$79,104.0	$14,986.7	23%

- Alaska Pioneer Homes Payment Assistance $15,000.0 UGF
- 50% Travel Reduction ($9.1) UGF; ($1.7) DGF; ($2.5) Other
- Implement Alaska Pioneer Homes Rate Increase

Alaska Pioneer Homes Payment Assistance Component FY2020 Operating Budget: Change Summary

	FY2019 Mgmt Plan	FY2020 Gov Amd	Difference	
UGF	$0	$15,000.0	$15,000.0	100%
DGF	$0	$0	$0	0%
Other	$0	$0	$0	0%
Federal	$0	$0	$0	0%
Total Budget	$0	$15,000.0	$15,000.0	100%

- Alaska Pioneer Homes Payment Assistance $15,000.0 UGF

Pioneer Homes Management Component FY2020 Operating Budget: Change Summary

	FY2019 Mgmt Plan	FY2020 Gov Amd	Difference	
UGF	$1,414.2	$1,405.1	($9.1)	-1%
DGF	$0	$0	$0	0%
Other	$0	$0	$0	0%
Federal	$0	$0	$0	0%
Total Budget	$1,414.2	$1,405.1	($9.1)	-1%

- 50% Travel Reduction ($9.1) UGF

Pioneer Homes Component FY2020 Operating Budget: Change Summary

	FY2019 Mgmt Plan	FY2020 Gov Amd	Difference	
UGF	$33,178.6	$0	($33,178.6)	-100%
DGF	$17,730.7	$31,907.6	$14,176.9	80%
Other	$10,552.8	$25,550.3	$14,997.5	142%
Federal	$1,241.0	$5,241.0	$4,000.0	322%
Total Budget	$62,703.1	$62,698.9	($4.2)	0%

- 50% Travel Reduction ($1.7) DGF; ($2.5) Other
- Implement Alaska Pioneer Homes Rate Increase

Division of Alaska Pioneer Homes Mission & History

"Providing elder Alaskans a home and community, celebrating life through its final breath."

Alaska Statute: Sec. 47.55.020. - Outlines that the Alaska Pioneer Homes do not admit or evict elders based on the ability to pay

- In 1913 the territory established the use of a Marine barracks in Sitka as a home for indigent men.
- In 1915 the age requirement of 65 years was instituted.
- In 1934 a new building was built in Sitka to replace the Marine barracks.
- The Fairbanks Home opened in 1967
- Palmer Home in 1971
- Anchorage Home in 1977
- Ketchikan Home in 1981
- Juneau Home in 1988.

In 2007 the Palmer Home became the first federally certified state Veterans Home in Alaska.

Current Three Levels of Care

- **Level I** services include housing, meals, emergency assistance, and opportunities for recreation, home activities, and events. Monthly rate: $2,588.00

- **Level II** services include all Level I services plus medication administration, health related services, and staff assistance, including assistance with activities of daily living, supervision, and reminders. Level II does not provide assistance during the night shift. Monthly rate: $4,692.00

- **Level III** services include all the services of Level I and Level II, with 24- hour hands-on assistance provided. Monthly rate: $6,795.00

Proposed Five Level of Care Model

- **Level I** services include housing, meals, emergency assistance, opportunities for recreation, and required transportation for recreation. Monthly rate: $3,623.00
- **Level II** services include level I and assistance with up to two activities of daily living, and the resident performs the majority of the effort. The resident ambulates and is able to transfer independently; a staff member manages the medication. Monthly rate: $6,569.00
- **Level III** services, in which the resident provides the majority of the effort for the activities of daily living; occasional assistance, limited to an average of two times per week may be provided overnight. The level III services include level II and any one of the following:

  a. assistance with an additional 1-3 Assistance of Daily Living (ADLs) (total of 3-5 ADLs) and medication management;

  b. Level II plus behavior management;

  c. Level II plus assist plus daily nursing services;

  Monthly rate: $11,185.00

- **Level IV** services in which assistance provided by a staff member includes hands-on assistance, with the staff member performing the majority of the effort; services will be provided 24 hours a day. The level IV services include level 1 services and assistance with five or more activities of daily living, medication management, and one of the following:

  a. behavior management, excluding complex behaviors; or

  b. daily nursing services;

  Monthly rate: $13,333.00

- **Level V** services include all services that exceed level IV services; Monthly rate: $15,000.00

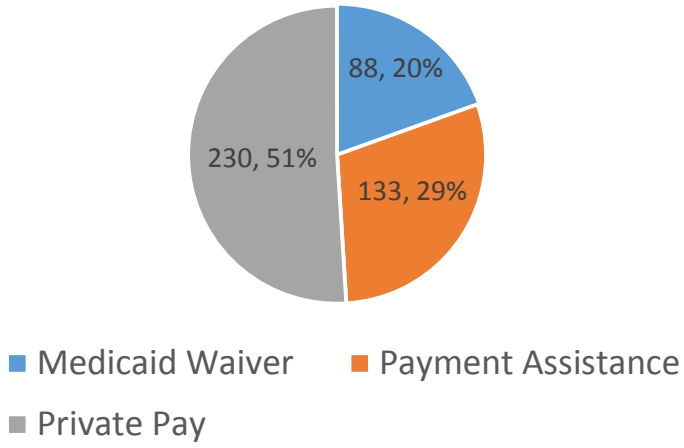
Current vs. Proposed Monthly Rates

Current Level of Care	Current Monthly Rate	Proposed New Levels of Care	Proposed New Monthly Rate	Amount of Increase	Percent of Increase
Level I	$ 2,588.00	Level I	$ 3,623.00	$ 1,035.00	40%
Level II (lower end)	$ 4,692.00	Level II	$ 6,569.00	$ 1,877.00	40%
Level II (higher end)*	$ 4,692.00	Level III	$ 11,185.00	$ 6,493.00	138%
Level III (lower end)*	$ 6,795.00	Level III	$ 11,185.00	$ 4,390.00	65%
Level III (higher end)	$ 6,795.00	Level IV	$ 13,333.00	$ 6,538.00	96%
		Level V	$ 15,000.00	$ 15,000.00	n/a

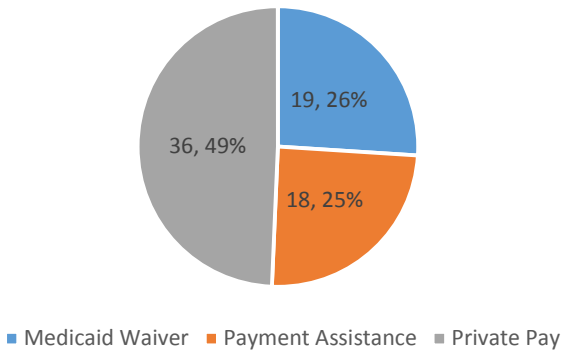
*Under the new rate structure we have created a Level III that captures those individuals that were at a high staffing requirement of the current level II and at the lower level III

Alaska Pioneer Homes Licensed vs. Filled Beds by Payer Source - February 2019

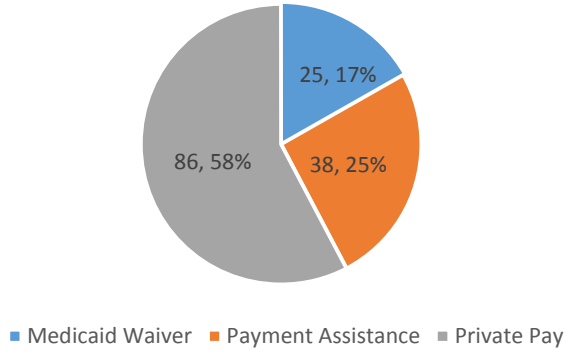
Alaska Pioneer Homes
496 Licensed Beds/451 Filled



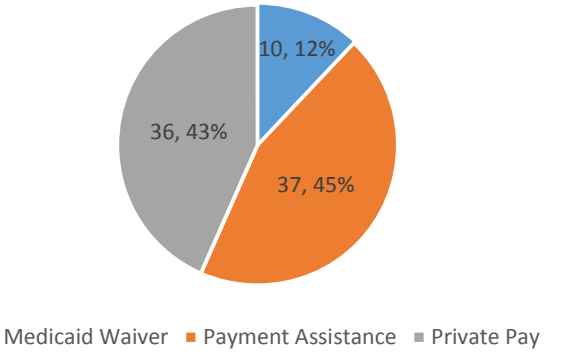
Alaska Veterans & Pioneer Home
79 Licensed Beds/73 Filled



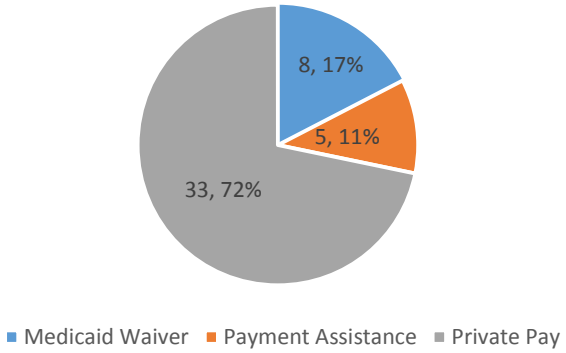
Anchorage Pioneer Home
168 Licensed Beds/149 Filled



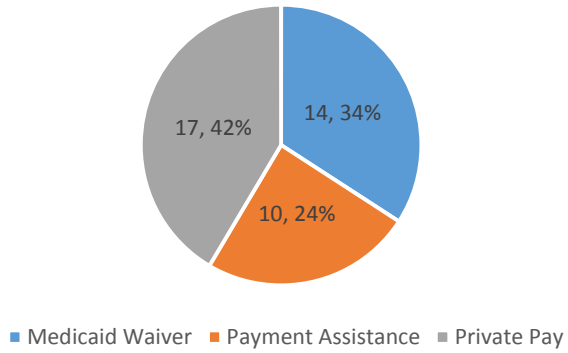
Fairbanks Pioneer Home
91 Licensed Beds/83 Filled



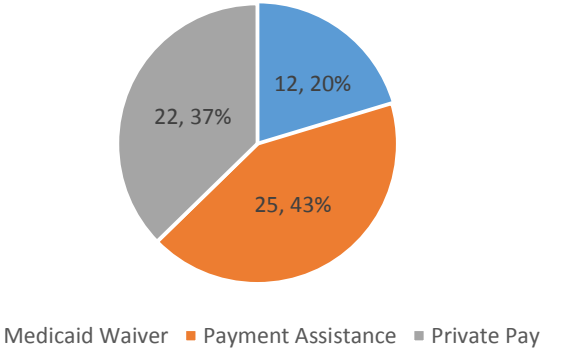
Juneau Pioneer Home
48 Licensed Beds/46 Filled



Ketchikan Pioneer Home
46 Licensed Beds/41 Filled

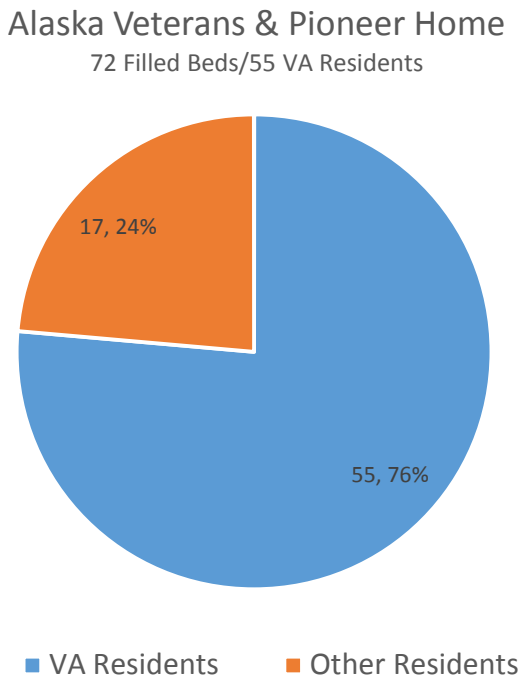


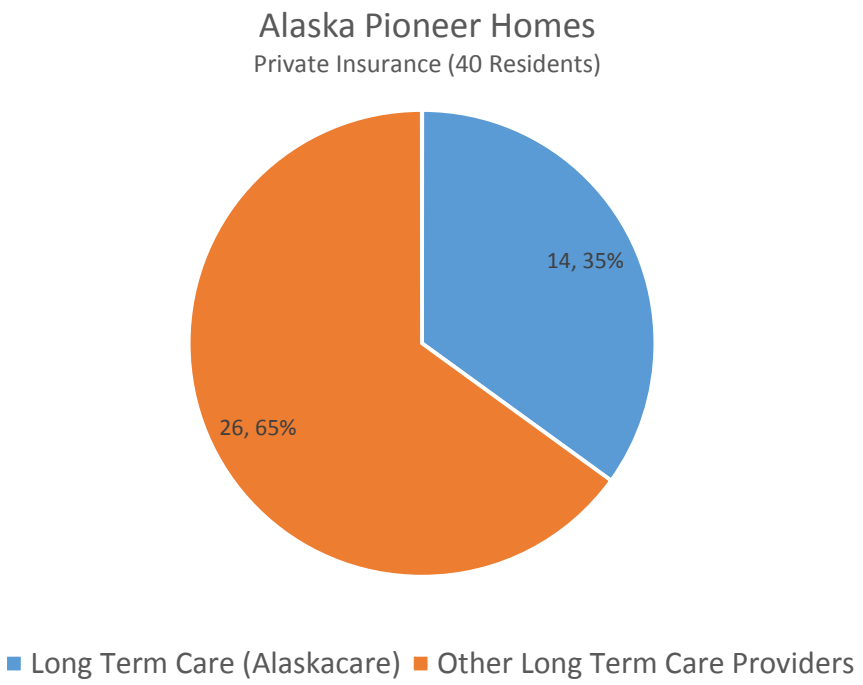
Sitka Pioneer Home
65 Licensed Beds/59 Filled



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Alaska Pioneer Homes Veteran Per-diem and Private Insurance

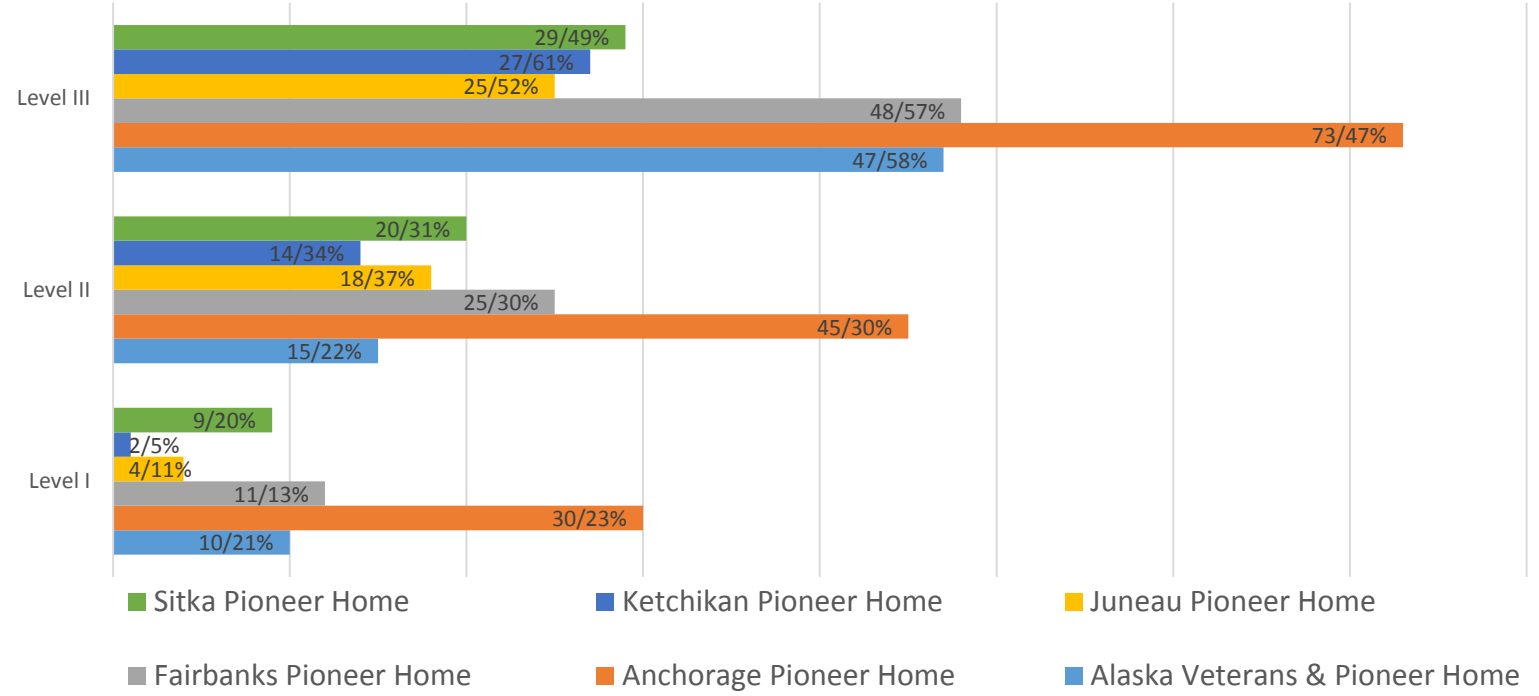




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Level of Care and Percentage by Home

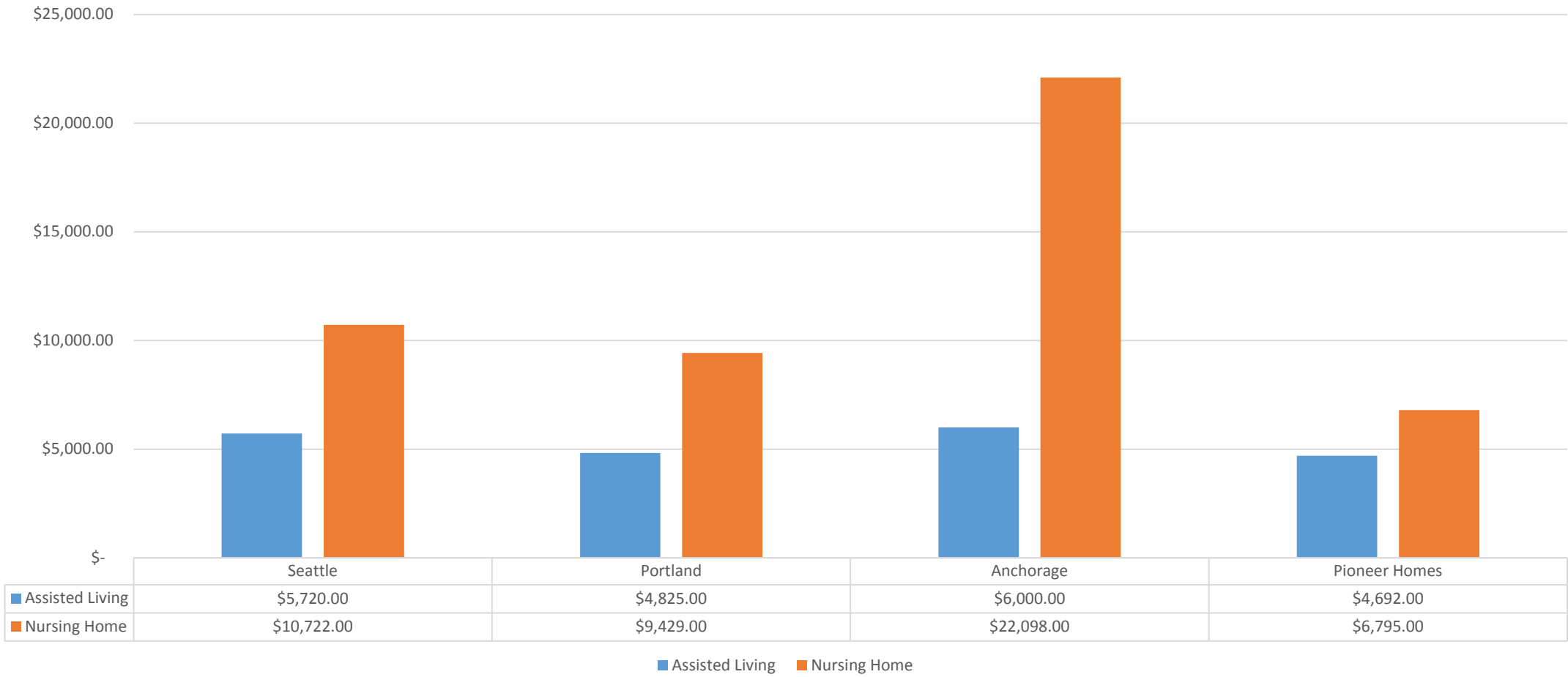
Homes	Level I	Level I %	Level II	Level II %	Level III	Level III %	Grand Total
Alaska Veterans & Pioneer Home	10	14%	15	21%	47	65%	72
Anchorage Pioneer Home	30	20%	45	30%	73	49%	148
Fairbanks Pioneer Home	11	13%	25	30%	48	57%	84
Juneau Pioneer Home	4	9%	18	38%	25	53%	47
Ketchikan Pioneer Home	1	2%	14	33%	27	64%	42
Sitka Pioneer Home	9	16%	20	34%	29	50%	58
Grand Total	66	15%	137	30%	249	55%	451



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Long Term Care Cost Comparison

(2018 Genworth)



	Seattle	Portland	Anchorage	Pioneer Homes
Assisted Living	$5,720.00	$4,825.00	$6,000.00	$4,692.00
Nursing Home	$10,722.00	$9,429.00	$22,098.00	$6,795.00

*Pioneer Rates are current FY19 rates

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Challenges and Successes

Challenges

- Continue to have more elders and families seeking dementia care.
- The acuity of our elders is increasing.
- Maintaining quality care within a safe environment with limited resources.
- Recruitment and retention of health care professionals.
- Rates substantially below what it cost the division to provide services.
- Aging infrastructure that was not designed for the acuity level of todays elders.

Successes

- Served 584 elders in FY2018
- Staffing-Home Utilization Plan- Funded by Mental Health Trust completed November 2018.
- Increased revenues approximately $1,700.0 over FY2018.
- Maintained 75% of elders at the Alaska Veterans and Pioneers Home who are veterans.
- Transitioning 14 beds at the Alaska Veterans & Pioneer Home to VA skilled status.
- Creating a new 9 bed complex behavior neighborhood in the Anchorage Pioneer Home.

Sustainable, Predictable, Affordable