

SENATE CS FOR CS FOR HOUSE BILL NO. 528(RLS)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE

Offered: 5/6/96

Referred: Today's Calendar

Sponsor(s): HOUSE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

**1 "An Act relating to applications for certificates of need and licensing of nursing
2 homes; establishing a moratorium with respect to acceptance of new applications
3 for a certificate of need or for a license for additional nursing home capacity
4 in the state until May 1, 1998; establishing a working group to study and issue
5 a report about long-term care; and providing for an effective date."**

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

7 * Section 1. FINDINGS. The legislature finds that

**8 (1) many nursing home residents would benefit from care that is less intensive
9 and less costly than nursing home care through assisted living facilities or through home care
10 agencies;**

**11 (2) this state has only recently begun to develop a system for providing long-
12 term care for seniors needing care through home care or assisted living facilities so that the
13 long-term care system is not in balance at the present time;**

1 (3) with the unnecessary focus on nursing homes, the long-term care system
2 will remain out of balance until community-based services can be developed;

3 (4) a moratorium on the addition of nursing home beds will encourage the
4 development of home and community-based services, and direct the state's resources toward
5 the services that can best meet the needs of the recipients; and

6 (5) a moratorium on the addition of nursing home beds will facilitate actions
7 to provide a more balanced system of care, more appropriate placement of seniors, and
8 additional client choice, and to avoid new long-term care costs.

9 * **Sec. 2. MORATORIUM FOR CERTIFICATE OF NEED.** (a) Notwithstanding
10 AS 18.07, the Department of Health and Social Services may not accept an application for a
11 certificate of need under AS 18.07, and the department may not grant a certificate of need
12 based on an application filed before the effective date of this Act, except as provided in (b)
13 and (c) of this section, for

14 (1) construction of a health care facility that includes nursing home beds
15 requiring licensure under AS 18.20.020; or

16 (2) conversion of a building or part of a building to include nursing home beds.

17 (b) The Department of Health and Social Services shall consider the findings in sec. 1
18 of this Act when reviewing an application under AS 18.07 that was pending on the effective
19 date of this Act for the addition of nursing home beds or the conversion of existing beds to
20 nursing home beds. The department may grant a pending application only when granting it
21 would be consistent with the policy underlying the findings in sec. 1 of this Act.

22 (c) The Department of Health and Social Services may accept and review an
23 application for a certificate of need for construction of a health care facility that includes
24 nursing home beds requiring licensure under AS 18.20.020 if the construction would
25 commence during the 1998 construction season and the application is submitted after the
26 effective date of this Act or September 1, 1997, whichever is later. The findings in sec. 1 of
27 this Act do not apply to a review of an application for a certificate of need reviewed under
28 this subsection. If a certificate of need is granted for an application reviewed under this
29 subsection, the applicant shall be notified but the certificate of need may not be issued before
30 April 30, 1998.

31 (d) Notwithstanding AS 18.20, the department may not issue a license for

1 (1) construction of a health care facility that includes new nursing home beds;
2 or

3 (2) additional new nursing home beds in a health care facility.

4 (e) In this section, "nursing home bed" means a bed not used for acute care in which
5 nursing care and related medical services are provided over a period of 24 hours each day to
6 individuals admitted because of illness, disease, or physical infirmity; the term "nursing home
7 bed" does not include acute care beds converted to skilled nursing home beds used for
8 transitional short-term care needs.

9 * **Sec. 3. WORKING GROUP; REPORT.** (a) There is established a six-member working
10 group to analyze issues regarding long-term care services in the state. The members of the
11 group are

12 (1) two individuals appointed by the governor who are involved in providing
13 long-term care services, one of whom is a licensed nursing home administrator who operates
14 a community nursing home in this state;

15 (2) two individuals appointed by the governor who are receiving long-term care
16 services, at least one of whom must be at least 60 years of age;

17 (3) the commissioner of administration, or the commissioner's designee; and

18 (4) the commissioner of health and social services, or the commissioner's
19 designee.

20 (b) The working group established under this section may select a presiding officer
21 from among its members.

22 (c) After gathering information through methods considered appropriate by the group,
23 the working group established under this section shall prepare a report that includes the
24 following:

25 (1) a description of the current status and costs of the state's system for long-
26 term care services;

27 (2) the projected number of state residents who will be needing long-term care
28 services through the year 2000, the year 2005, the year 2010, and the year 2015;

29 (3) the projected costs to the state, based on the projection of needs under (2)
30 of this subsection, if no changes are made to the state's present system of long-term care
31 services;

1 (4) an estimated number of state residents who are currently receiving care in
2 nursing facilities that could more appropriately be receiving home- and community-based care
3 outside of nursing facilities;

4 (5) a description of the alternative methods available to provide nursing care
5 for state residents and the relative cost to the state for these methods; and

6 (6) recommendations for principles that should be used to guide the
7 development of the state's long-term care system, including principles that should guide the
8 certificate-of-need process under AS 18.07.

9 (d) The working group shall deliver its report to the governor by the first day of the
10 First Regular Session of the Twentieth Alaska State Legislature and notify the legislature that
11 the report is available.

12 * **Sec. 4.** Section 3 of this Act is repealed on the first day of the First Regular Session of
13 the Twentieth Alaska State Legislature.

14 * **Sec. 5.** Sections 1 and 2 of this Act are repealed May 1, 1998.

15 * **Sec. 6.** This Act takes effect immediately under AS 01.10.070(c).