

HOUSE CS FOR CS FOR SENATE BILL NO. 73(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/24/00

Referred: Today's Calendar

Sponsor(s): SENATORS MILLER, Ellis, Wilken, Taylor, Mackie, Pete Kelly, Elton

REPRESENTATIVES Croft, Masek, James, Dyson, Phillips

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to assisted living homes; and providing for an effective date."

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

3 * Section 1. AS 47.07.070 is amended by adding a new subsection to read:

4 (h) This section does not apply to the minimum daily reimbursement rate
5 specified by law under AS 47.24.017 or AS 47.25.195(f) for assisted living homes.

6 * Sec. 2. AS 47.24.017 is amended by adding a new subsection to read:

7 (d) If the protective services under this section include the placement of a
8 vulnerable adult in an assisted living home at the state's expense, the minimum daily
9 reimbursement rate to the assisted living home for the vulnerable adult is \$50. The
10 department may, under its regulations, provide for a daily rate higher than \$50 if the
11 additional care provided to the vulnerable adult in the assisted living home justifies the
12 additional reimbursement. In this subsection, "assisted living home" means an assisted
13 living home licensed under AS 47.33.

14 * Sec. 3. AS 47.24.017(d) is repealed and reenacted to read:

15 (d) If the protective services under this section include the placement of a

vulnerable adult in an assisted living home at the state's expense, the minimum daily reimbursement rate to the assisted living home for the vulnerable adult is \$60. The department may, under its regulations, provide for a daily rate higher than \$60 if the additional care provided to the vulnerable adult in the assisted living home justifies the additional reimbursement. In this subsection, "assisted living home" means an assisted living home licensed under AS 47.33.

* **Sec. 4.** AS 47.24.017(d) is repealed and reenacted to read:

(d) If the protective services under this section include the placement of a vulnerable adult in an assisted living home at the state's expense, the minimum daily reimbursement rate to the assisted living home for the vulnerable adult is \$70. The department may, under its regulations, provide for a daily rate higher than \$70 if the additional care provided to the vulnerable adult in the assisted living home justifies the additional reimbursement. In this subsection, "assisted living home" means an assisted living home licensed under AS 47.33.

* **Sec. 5.** AS 47.25.195(b) is amended to read:

(b) **Except as provided in (f) of this section, a** [A] health facility receiving a payment under this chapter is subject to the requirements of AS 47.07.070 - 47.07.075.

* **Sec. 6.** AS 47.25.195(c) is amended to read:

(c) **Except as provided in (f) of this section, if** [IF] insufficient money is appropriated to fund medical assistance under AS 47.25.120 - 47.25.300 when taking into consideration projected use and the health facility payment rates established in accordance with (b) of this section, the department may, by regulation, establish at any time in the fiscal year a prospective pro rata reduction of the facilities' established payment rates that will be paid by the department for services provided by facilities under AS 47.25.120 - 47.25.300.

* **Sec. 7.** AS 47.25.195(d) is amended to read:

(d) Notwithstanding (a) - (c) of this section, the department may enter into agreements with a facility to provide services at a payment rate lower than the rate established in accordance with (b) of this section, **except that the department may not enter into an agreement with an assisted living home to provide services at a**

1 **daily reimbursement rate lower than \$50.**

2 * **Sec. 8.** AS 47.25.195(d) is repealed and reenacted to read:

3 (d) Notwithstanding (a) - (c) of this section, the department may enter into
4 agreements with a facility to provide services at a payment rate lower than the rate
5 established in accordance with (b) of this section, except that the department may not
6 enter into an agreement with an assisted living home to provide services at a daily
7 reimbursement rate lower than \$60.

8 * **Sec. 9.** AS 47.25.195(d) is repealed and reenacted to read:

9 (d) Notwithstanding (a) - (c) of this section, the department may enter into
10 agreements with a facility to provide services at a payment rate lower than the rate
11 established in accordance with (b) of this section, except that the department may not
12 enter into an agreement with an assisted living home to provide services at a daily
13 reimbursement rate lower than \$70.

14 * **Sec. 10.** AS 47.25.195(e) is amended to read:

15 (e) For purposes of this section,

16 (1) **"assisted living home" means an assisted living home licensed**
17 **under AS 47.33;**

18 (2) "health facility" includes a hospital, skilled nursing facility,
19 intermediate care facility, intermediate care facility for the mentally retarded,
20 rehabilitation facility, inpatient psychiatric facility, home health agency, rural health
21 clinic, and outpatient surgical clinic.

22 * **Sec. 11.** AS 47.25.195 is amended by adding a new subsection to read:

23 (f) Notwithstanding other provisions of this section and the provisions of
24 AS 47.07, if the assistance provided to a needy person under AS 47.25.120 - 47.25.300
25 includes the initiation or continuation of placement of the person in an assisted living
26 home at the state's expense, the department's minimum daily reimbursement rate to the
27 assisted living home for the person is \$50. This minimum rate is not subject to
28 reduction under (c) of this section. The department may, under its regulations and
29 under the procedures of AS 47.07.070 - 47.07.075, provide for a daily rate higher than
30 \$50 if the care provided to the needy person in the assisted living home justifies the
31 higher reimbursement. A daily rate higher than \$50 for assisted living homes may be

1 reduced under (c) of this section, but not below \$50.

2 * **Sec. 12.** AS 47.25.195(f) is repealed and reenacted to read:

3 (f) Notwithstanding other provisions of this section and the provisions of
 4 AS 47.07, if the assistance provided to a needy person under AS 47.25.120 - 47.25.300
 5 includes the initiation or continuation of placement of the person in an assisted living
 6 home at the state's expense, the department's minimum daily reimbursement rate to the
 7 assisted living home for the person is \$60. This minimum rate is not subject to
 8 reduction under (c) of this section. The department may, under its regulations and
 9 under the procedures of AS 47.07.070 - 47.07.075, provide for a daily rate higher than
 10 \$60 if the care provided to the needy person in the assisted living home justifies the
 11 higher reimbursement. A daily rate higher than \$60 for assisted living homes may be
 12 reduced under (c) of this section, but not below \$60.

13 * **Sec. 13.** AS 47.25.195(f) is repealed and reenacted to read:

14 (f) Notwithstanding other provisions of this section and the provisions of
 15 AS 47.07, if the assistance provided to a needy person under AS 47.25.120 - 47.25.300
 16 includes the initiation or continuation of placement of the person in an assisted living
 17 home at the state's expense, the department's minimum daily reimbursement rate to the
 18 assisted living home for the person is \$70. This minimum rate is not subject to
 19 reduction under (c) of this section. The department may, under its regulations and
 20 under the procedures of AS 47.07.070 - 47.07.075, provide for a daily rate higher than
 21 \$70 if the care provided to the needy person in the assisted living home justifies the
 22 higher reimbursement. A daily rate higher than \$70 for assisted living homes may be
 23 reduced under (c) of this section, but not below \$70.

24 * **Sec. 14.** The uncodified law of the State of Alaska is amended by adding a new section
 25 to read:

26 **APPLICABILITY.** (a) The minimum daily reimbursement rate set under
 27 AS 47.24.017(d), enacted by sec. 2 of this Act, and AS 47.25.195(f), enacted by sec. 11 of
 28 this Act, applies to services provided on or after September 1, 2000, and is not dependent on
 29 the adoption of regulations by the Department of Health and Social Services.

30 (b) The minimum daily reimbursement rate set under AS 47.24.017(d), as amended
 31 by sec. 3 of this Act, and AS 47.25.195(f), as amended by sec. 12 of this Act, applies to

1 services provided on or after July 1, 2001, and is not dependent on the adoption of regulations
2 by the Department of Health and Social Services.

3 (c) The minimum daily reimbursement rate set under AS 47.24.017(d), as amended
4 by sec. 4 of this Act, and AS 47.25.195(f), as amended by sec. 13 of this Act, applies to
5 services provided on or after July 1, 2002, and is not dependent on the adoption of regulations
6 by the Department of Health and Social Services.

7 * **Sec. 15.** Except as provided in secs. 16 and 17 of this Act, this Act takes effect
8 September 1, 2000.

9 * **Sec. 16.** Sections 3, 8, and 12 of this Act take effect July 1, 2001.

10 * **Sec. 17.** Sections 4, 9, and 13 of this Act take effect July 1, 2002.