
Palmer Senior Citizens' Center, Inc.

"Seniors helping Seniors"

February 11, 2009

The Honorable Senator Johnny Ellis
Alaska State Legislature
State Capitol Building, Room #103
Juneau, Alaska 99801-1182

Dear Senator Ellis:

The Palmer Senior Citizens Center, Inc. (PSCC) wanted to express our sincere appreciation for your support and commitment to the seniors in the state of Alaska. PSCC supports your efforts to pass SB32 which will put into statute a regular review of home and community based waiver rates.

Thank you for making the time to meet with Kenneth Anderson, PSCC Board President, and Rachel Greenberg, Office Manager, on Tuesday, January 10th at 2:00.

The Palmer Senior Citizens Center, Inc. hopes that your busy schedule will allow time for you or your staff to visit us. Thank you again.

With Best Regards,

Kenneth A. Anderson

Kenneth A. Anderson
Board President

Richard G. Tubbs

Richard G. Tubbs
Executive Director





The Honorable Senator Johnny Ellis
State Capitol
Juneau, Alaska 99801-1182

Dear Senator Ellis;

I am writing in support of SB 32 on behalf of the membership of the Alaska Behavioral Health Association. The issues of rates and the mechanism and frequency of adjusting those rates are the primary issue for our membership this year.

We support the effort to put into place rate setting mechanisms for the home and community based services and that this model will be applied to the other providers that contract with the State of Alaska to deliver services. It is difficult to manage a business that is focused on delivering health care services when the cost for reimbursement does not keep pace with inflation and cost of living. Fixed costs don't go away and agencies have been trying to meet their grant obligations while keeping the business solvent. Employers are not able to offer competitive wage and benefit packages because of insufficient reimbursement rates.

Please let me know what else our members can do to support your legislation.
Thank you.

In Health,

Steve Horn
Executive Director

Attachment



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February 3, 2009

The Honorable Bettye Davis, Chair
Senate Health, Education and Social Services Committee
Alaska State Capitol, Room 30
Juneau, AK 99801-1182

RE: SB 32-Ellis--Support

Dear Chair Davis:

On behalf of the members of AARP in Alaska, we encourage you and your colleagues on the Senate Health and Social Services Committee to support SB 32, authored by your Committee colleague Senator Johnny Ellis and co-sponsored by you.

SB 32 would allow annual rate reviews of all home and community based services similar to the process for hospitals. Rates for HCBS services under Medicaid have remained the same for several years, discouraging needed providers from entering the field and forcing current providers to reduce their services and cut back on clients.

As we age, many of us would prefer to stay at home or with our families but sometimes we need extra help to do so. With the growing numbers of older people who need support to live on their own, private and public organizations now offer many different options to allow us to "age in place" in our homes and communities. These options form the continuum of home and community based services, ranging from meals on wheels to adult day care. In addition to meeting our personal preferences to remain home and in our communities, HCBS services are much less expensive than institutional care.

Younger persons with disabilities are also primary users of HCBS services to allow them to continue their education, work and participate as full citizens in their communities and with their families.

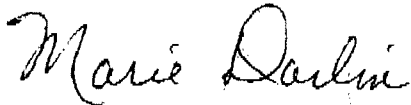
We cannot expect the providers of HCBS to continue to operate on rates often set years ago. It makes sense to review HCBS rates every year just as we do with hospitals.

AARP requests an "AYE" vote on SB 32.

Should you have any questions about our position, please feel free to contact me (586-3637) or Patrick Luby, AARP Advocacy Director (907-752-3314).

Thank you for your consideration.

Sincerely,



Marie Darlin, Coordinator
AARP Capital City Task Force
415 Willoughby Avenue, Apt. 506
Juneau, AK 99801
586-3637 (voice)
463-3580 (fax)

CC: Vice-Chair Joe Paskvan
Senator Johnny Ellis
Senator Joe Thomas
Senator Fred Dyson



Establish a Regular and Periodic Schedule of Rate Reviews for Home and Community-Based Services

The Governor's Council on Disabilities and Special Education, Alaska Mental Health Board, Advisory Board on Alcoholism and Drug Abuse and the Alaska Commission on Aging, in collaboration with the Alaska Mental Health Trust Authority, the Alaska Brain Injury Network and the Alaska Suicide Council, have identified the establishment of a regular and periodic schedule of rate reviews for home and community based services one of their four legislative priorities for 2009. Regular and periodic rate reviews, for both Medicaid and grant-funded services, are imperative to maintaining the systems of care that serve Alaska's most vulnerable populations. The provisions for this legislation are in SB 32, sponsored by Senator Ellis.

- Before last year's rate rebasing for FY09, most home and community-based services providers had been over a decade without a rate review or increase. This resulted in an erosion of the system, as frozen rates resulted in a diminishing pool of resources – reducing the quality and availability of services.
- In FY07, home and community based services were provided to nearly 57,000 people who would have otherwise been served by costly institutional or nursing home care.
- In order for the Department of Health and Social Services (DHSS) and the State of Alaska to create and maintain a 10-year fiscal plan that adequately budgets for the costs of home and community-based services, a schedule of rate reviews is necessary.
- Our system of care for Alaskans with special needs is based on a network of non-profit providers. Without adequate funding, our providers cannot continue to provide quality services. Without our providers, we have no system of care.

Overview

Home and community-based services include a wide range of Medicaid and grant-funded services for Trust beneficiaries and other vulnerable Alaskans. Mental health care, infant learning, personal care attendant services, assisted living services, senior care, substance abuse counseling, and services for Alaskans with developmental disabilities are all examples of services provided at home or in our communities. These services maintain individuals' quality of life and reduce the need for more costly institutional, emergency and nursing home care.

For more that 10 years, providers have struggled to meet the demand for services while maintaining an acceptable quality of service because there has been no structure for reviewing the rates paid for those



February 23, 2009

Senator Bettye Davis
Chair, Senate Health and Social Services Committee

Senator Johnny Ellis
Sponsor, SB32

Senator Hoffman, Co-Chair – Senate Finance Committee
Senator Stedman, Co-Chair – Senate Finance Committee
Senator Elton, member - Senate Finance Committee
Senator Huggins, member - Senate Finance Committee
Senator Olson, member - Senate Finance Committee
Senator Thomas, member - Senate Finance Committee

I am writing this letter in support of SB32, a bill which I believe will strengthen Home and Community Based (HCB) Providers like Access Alaska and many others. We HCB providers form the backbone of Alaska's long-term care system. We HCB providers are not only the current backbone, but given our cost-effectiveness and desirability – consumers want to age in place – we are the state's answer to the long-term care dilemma.

Like hospitals and nursing homes, we are businesses with actual costs – we pay rent or mortgages, insurance, and personnel. As these costs have grown while reimbursement rates stay flat, our ability to pay workers a living wage has decreased to the point that in many communities, direct service workers can earn more working at a fast food restaurant than they can helping to care for our elders. This has limited our ability to attract workers and in some cases is creating a crisis in the long-term care system.

This is but one example of the ravages of the current rate-setting regime.

In the larger view, it is important to keep in mind that a strong HCB provider system is critical to the state's ability to meet the coming wave of long-term care users. Policy groups from the National Conference of State Legislatures to the AARP have all recommended states rebalance their Medicaid spending in favor of HCB and take advantage of new waiver and partnership opportunities, in order to meet the growing demand for Medicaid long-term care services. In many cases, Alaska has not taken advantage of these opportunities.

Alaska has the envious position of being one of the top states in the nation in terms of balanced spending between institutional (nursing home) care and HCB care. However, the system has been strained to the point of breaking over the last several years, primarily because of the inattention to Medicaid reimbursement rates. Therefore, it makes sense that the state should do everything it can to strengthen the system.

I believe SB32 goes a long way toward doing just that. We greatly appreciate your leadership on this issue and stand ready to support its passage and implementation.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jim Beck".

Jim Beck
Executive Director
Access Alaska, Inc.

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Opening Doors to Independence
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February 3, 2009

Senator John Ellis
Senator Bettye Davis
via email

Dear Senator Ellis and Senator Davis,

I am writing to support SB 32, which establishes periodic rate reviews for home and community-based services. Ensuring consistent rate increases for providers enables less expensive care for the elderly and develops a workforce aimed at the medical field.

As the second largest provider of in-home care services, we are intimately familiar with the associated challenges. The cost of doing business has increased while rates have been flat. Without entrepreneurial incentive, providing direct care may rest on the more expensive option; state-managed assisted living facilities and state-managed skilled nursing facilities

Workforce development for the medical field starts with our in-home care staff. Our Personal Care Assistants (PCA's) can receive certification and provide low level care for the elderly. Many family members and college-age PCA's get their first glimpse at the medical field.

Thank you for your support of SB 32. Please contact me with any questions. My direct line is extension 104 at (907) 336-3365.

Best regards,

A handwritten signature in black ink, appearing to be "BR" with a large, stylized flourish.

Brian Richardson
Chief Executive Officer