

House Finance DHSS Subcommittee Report

September 5, 2013
Wasilla, Alaska



Alaska Pioneer Homes

Mission

To provide the highest quality of life in a safe home environment for older Alaskans and Veterans.

Purpose

Provide subsidized residential elder care.

Current law

The Department . . . shall adopt regulations establishing a monthly rate for the compensation a resident is to be charged. . . . **The rate charged need not fully compensate the state for the cost of care and support.**

AS 47.55.030(b).

“Provide acceptance and use of the United States Marine Barracks buildings at Sitka, Alaska, as a home for indigent prospectors and others who have spent their years in Alaska and become dependent. . . .”

Original enabling legislation:
H.B. 94, First Territorial
Legislature.

Signed into Law April 30,
1913

Program

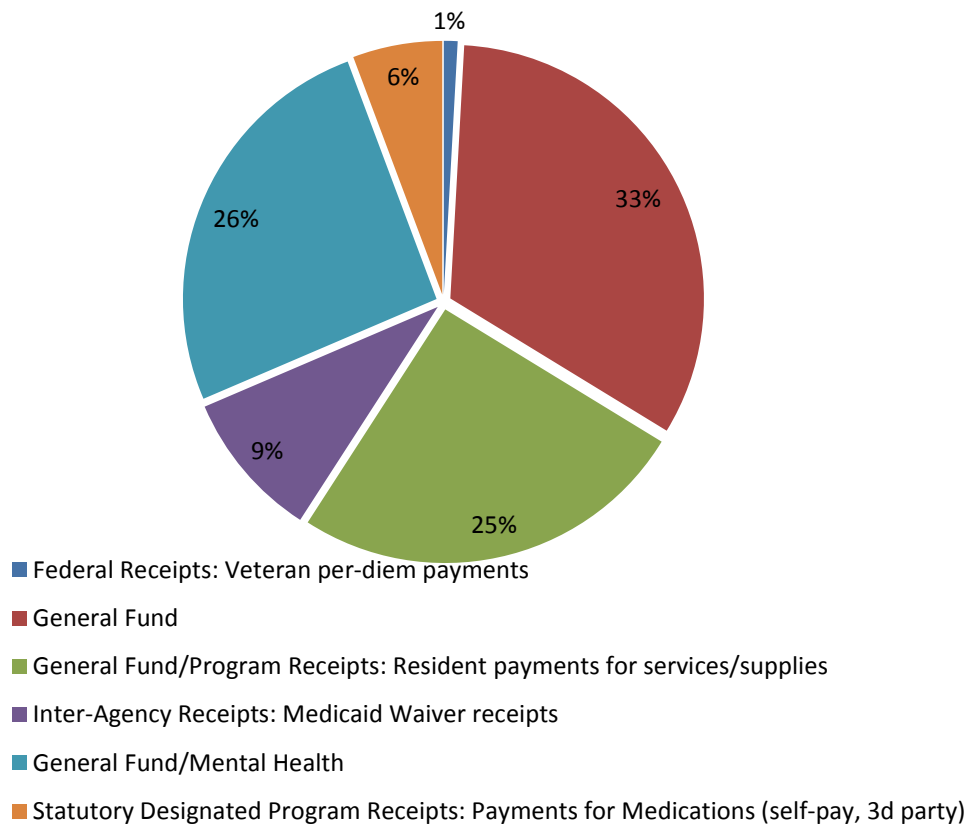
The Division maintains and operates five Pioneer Homes and the Alaska Veterans and Pioneer Home:

- The services provided over time have ranged from room and board to skilled nursing care.
- The focus today is residential assisted living under The Eden Alternative™ care concept.
- All six facilities are licensed as assisted living homes.
- Any Alaskan age 65 or over that has been an Alaska resident for at least one year immediately preceding application for admission and is in need of aid is eligible for admission.

Funding

FY 2014 Conference Committee Funding	Pioneer		Pioneer Home			
All Funds	Homes	%	Management	%	Total	%
Federal Receipts	531.0	1%	61.5	4%	592.5	1%
General Fund	19,964.0	33%	1,524.3	92%	21,488.3	34%
General Fund/Program Receipts	15,431.3	25%		0%	15,431.3	25%
Inter-Agency Receipts	5,732.3	9%		0%	5,732.3	9%
General Fund/Mental Health	15,633.8	26%	64.2	4%	15,698.0	25%
Statutory Designated Program Receipts	3,466.4	6%		0%	3,466.4	6%
Total	60,758.8	100%	1,650.0	100%	62,408.8	100%
General Funds						
Undesignated General Fund	35,597.76	59%	1,588.50	96%	37,186.26	60%
Designated General Fund	15,431.3	25%	-	0%	15,431.3	25%
Total General Fund	51,029.06	84%	1,588.50	96%	52,617.56	84%

FY 2014 Conference Committee Funding



Current Rates

- Do not cover costs of delivering care:

	Charge to Residents/month	Cost to State/month
Level I	\$2,352	\$6,666
Level II	\$4,263	\$8,332
Level III	\$6,174	\$12,884

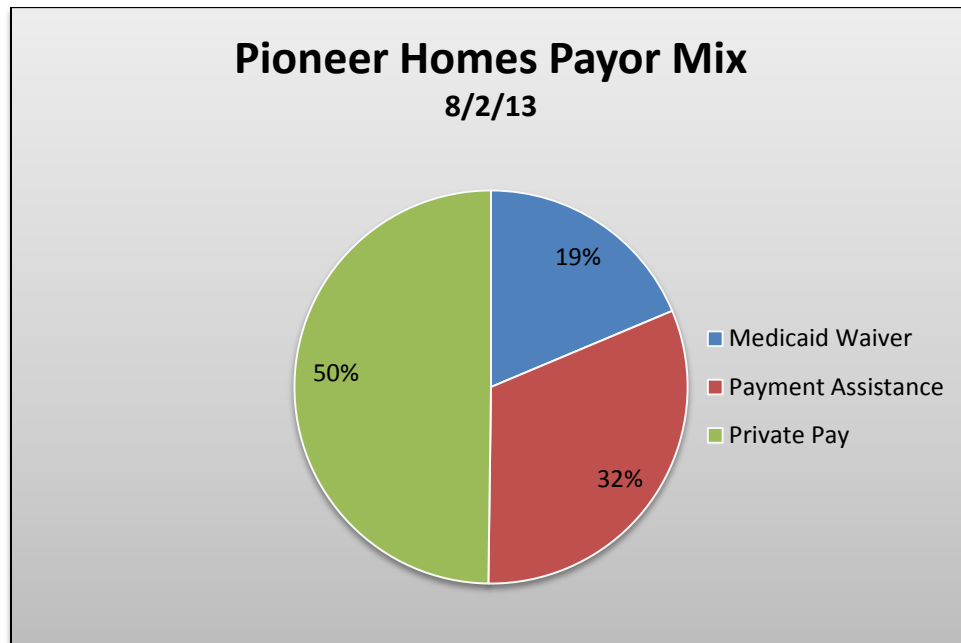
Rate History

Effective Date	Residential	Assisted Living	Skilled Nursing
1954	\$150		195
July 1966	\$180		225
July 1976	\$225		275
October 1983	\$425		525
December 1989	\$525	\$630	800
February 1993	\$600	\$700	880
February 1994	\$665	\$780	975
February 1995	\$735	\$860	1100

Effective Date	Coordinated Services	Basic Assisted Living	Enhanced Assisted Living	Alzheimer's & Dementia Related Disorders	Comprehensive Care
July 1996	\$934	\$1,289	\$1,553	\$1,579	\$1,864
July 1997	\$1,140	\$1,720	\$2,140	\$2,200	\$2,630
July 1998	\$1,340	\$2,150	\$2,730	\$2,815	\$3,395
July 1999	\$1,540	\$2,580	\$3,315	\$3,430	\$4,160
July 2000	\$1,735	\$3,005	\$3,905	\$4,040	\$4,920
July 2001	\$1,935	\$3,435	\$4,490	\$4,655	\$5,685
July 2002	\$2,135	\$3,865	\$5,080	\$5,270	\$6,450
July 2003	\$2,135	\$3,865	\$5,080	\$5,270	\$6,450

Effective Date	Level #1	Level #2	Level #3
July 2004	\$2,240	\$4,060	\$5,880
July 2005	\$2,240	\$4,060	\$5,880
July 2006	\$2,240	\$4,060	\$5,880
July 2007	\$2,240	\$4,060	\$5,880
July 2008	\$2,240	\$4,060	\$5,880
July 2009	\$2,350	\$4,260	\$6,170
July 2010	\$2,350	\$4,260	\$6,170
July 2011	\$2,350	\$4,260	\$6,170
July 2012	\$2,350	\$4,260	\$6,170

Payment/Payor Mix



Payor Mix Definitions

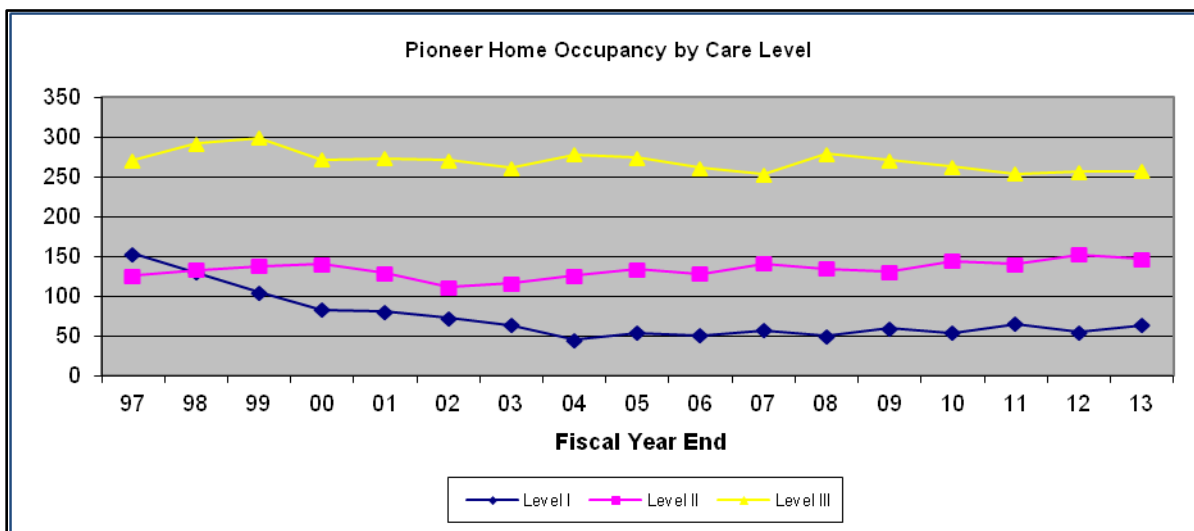
- Private Pay
 - ✓ Either person's own assets/savings or long term care insurance;
- Medicaid Waiver
 - ✓ Alaska's waiver created December 1993
 - Applicant must meet nursing home level of care to qualify
 - Primarily Level II & III residents for Pioneer Homes
 - ✓ 87: Current Pioneer Homes residents on the Medicaid waiver
 - ✓ 2,800: Medicaid waiver recipients statewide
- Payment Assistance
 - ✓ The original Pioneer Homes benefit
 - ✓ Sliding scale benefit based on ability to pay
 - ✓ Amount of payment assistance becomes a debt to the state
 - ✓ No other state provides assisted living in quite the same way
 - 29 states: Medicaid Waiver
 - 10 states: Combination of Medicaid waiver and Medicaid state plan; or
 - 6 states: Medicaid state plan only

Occupancy

Current occupancy as of July 31, 2013

Service Level	Sitka	Fairbanks	Palmer	Anchorage	Ketchikan	Juneau	Total
Level I	5	10	5	39	3	2	64
Level II	25	28	15	49	12	18	147
Level III	31	39	54	80	27	26	257
Total	61	77	74	168	42	46	468
No. Residents Licensed For Non-Occupied	65	93	79	168	46	48	499
Unavailable	4	16	5	0	2	2	31
	0	0	0	0	2	0	2
% Occupied	93.8%	82.8%	93.7%	100.0%	95.5%	95.8%	94.2%

Historical Occupancy



Pioneer Homes Admission and Wait List

Individuals apply for admission to an Alaska Pioneer Home or the Alaska Veterans and Pioneer Home by completing and submitting an application.

- The date and time of the application's submission determine the order of admission into the Pioneer Home system.
- An applicant chooses to move onto the "active" wait list when they are willing and ready to move into a Pioneer Home within 30 days of an offer.
- Invitations to enter a Pioneer Home are only offered to those on the active wait list.
- When a bed becomes vacant in a particular level of service, the applicant offered admission is the person whose name is listed on the active wait list as having the earliest date of application.
- The applicant is admitted if the level of service the applicant requires matches the level of service of the available bed.

Average Days on Waitlist – FY 2011 Data

	Sitka	Ketchikan	Juneau	Fairbanks	Palmer	Anchorage
Number of Days on the Active Waitlist	70	123	98	136	123	87

Average Days on Waitlist – Current Data Division-Wide Sample

212 Days: Sample survey—most recent 3 admissions at each home.

Division of Alaska Pioneer Homes

Component	Service	Eligibility Criteria	Challenges	Funding & Position Count	Statutes & Regulations	Potential Programmatic Changes? Savings?
Alaska Pioneer Homes	Provide residential assisted living services.	<p>Alaska resident.</p> <ul style="list-style-type: none"> Resident of Alaska continuously for at least one year immediately preceding application and maintaining residency in Alaska while on a Pioneer Home wait list In need of the aid, benefit or safety of a Pioneer Home 65 years of age or older 	<ul style="list-style-type: none"> Managing quality assisted living services for an aging population with complicated and difficult health care needs and behaviors. Finding psychiatric services and geriatric psychiatric residential care facilities for residents that have mental health problems or dementia-related behaviors beyond the scope the Pioneer Homes can manage. Reducing the general fund requirements to operate the Pioneer Home system. Recruiting and maintaining adequate number of health care personnel. Meeting evolving Medicaid, Medicare, Veteran Administration, Licensing and Occupational Safety and Health Association (OSHA) documentation requirements. Meeting the Veteran and Pioneer Home transition plan of 75% Veteran occupancy in the Alaska Veterans and Pioneer Home in Palmer. Fully utilize existing homes capacity; several homes (Anchorage, Sitka) currently licensed for less residents than the homes have capacity for; 	<p>FY 2014 Funding Conference Committee:</p> <p>GF: \$19,963.9 GF/MH: 15,633.8 GF/Prg Rec: 15,431.3 Inter-Agency Rec: 5,732.3 Statutory Designated Prg Rec: 3,466.4 Fed Rec 531.0</p> <p>Total: \$60,758.7</p> <p>FY 2014 Management Plan Positions:</p> <ul style="list-style-type: none"> 562 Full Time 41 Part Time 32+ Non Perm 	<p>AS 47.55 Alaska Pioneers' Home and Alaska Veterans' Home</p> <p>7 AAC 74 Alaska Pioneers' Homes</p>	<ul style="list-style-type: none"> Manage the waitlist more actively; currently a static list, with minimal work or analysis beyond receiving an application and putting names on a list; Ex: work to prequalify applicants for Medicaid waiver with the goal of increasing the Medicaid payor mix and capturing more federal dollars for the same service; Ex: Other pre-screen analysis to determine wait list members' acuity level; With this information could consider a new level of care, lower than current level 1 and consider a lower rate. Potential rate increases.
Alaska Pioneer Homes Management	Provide management, programmatic and technical assistance to all the Alaska Pioneer Homes.	N/A	See above.	<p>Funding:</p> <p>GF: \$1,524.3 GF/MH: 64.2 Fed Rec: 61.5 Total: \$1,650.0</p> <p>Positions:</p> <ul style="list-style-type: none"> 13 Full Time 2 Non Perm 	See above.	