



**VISION**

ALASKA INDIVIDUALS, FAMILIES AND COMMUNITIES ARE SAFE AND HEALTHY

**MISSION**

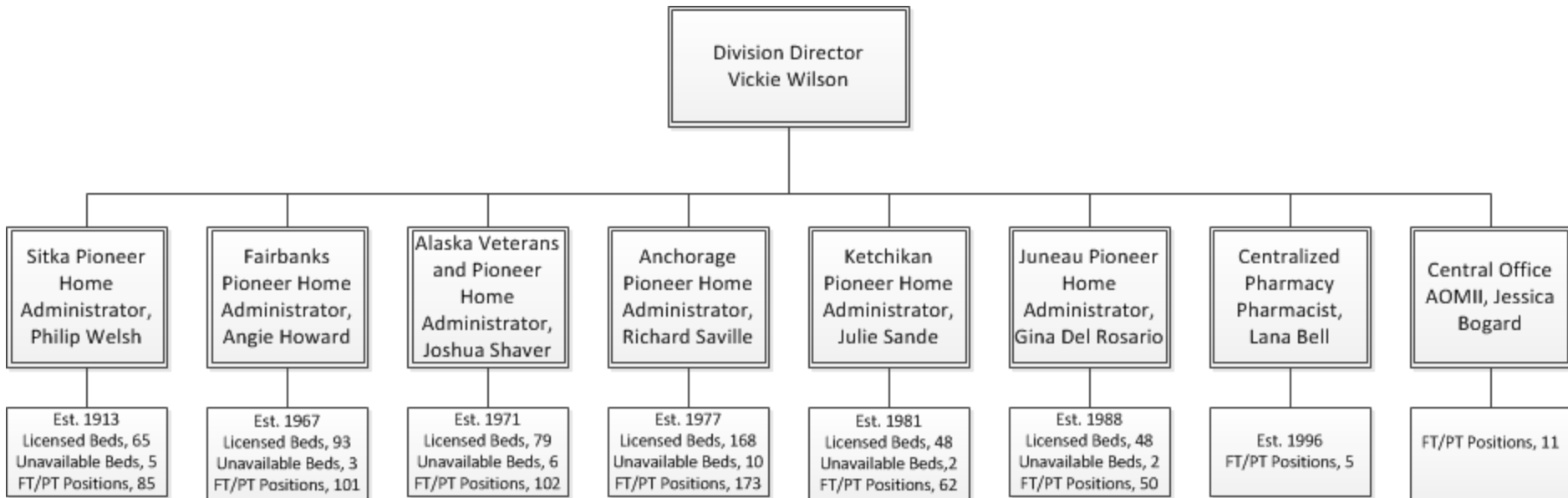
TO PROMOTE AND PROTECT THE HEALTH AND WELL-BEING OF ALASKANS

Senate Finance DHSS Budget Subcommittee | FY2017 Presentation

**Vickie Wilson** | Director  
**Division of Alaska Pioneer Homes**

**February 26, 2016**

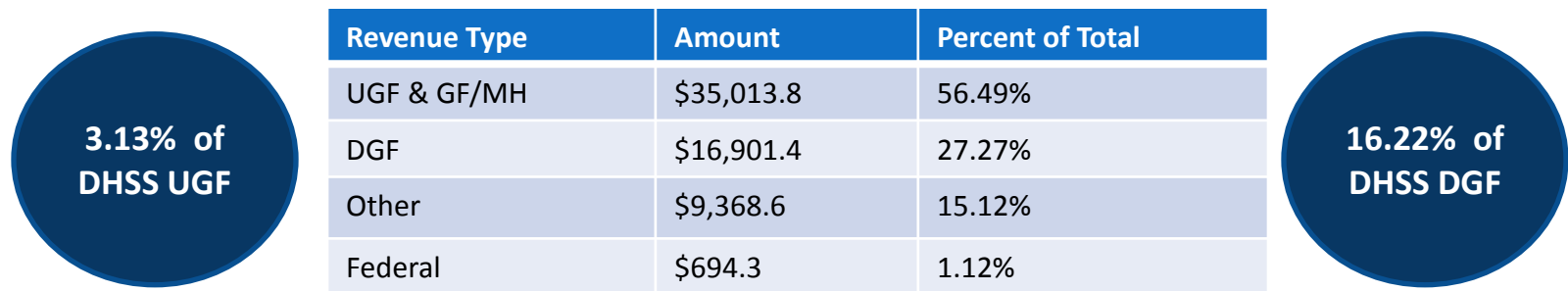
# Alaska Pioneer Homes Organization Chart



# Alaska Pioneer Homes

## Overview

- **Mission:** Providing elder Alaskans a home and community, celebrating life through its final breath.
- **554 FT/ 35 PT Positions** (53.99% Employees in Longevity Status)
- **\$61,978.1** FY2017 Governor's Amended Operating Budget Request



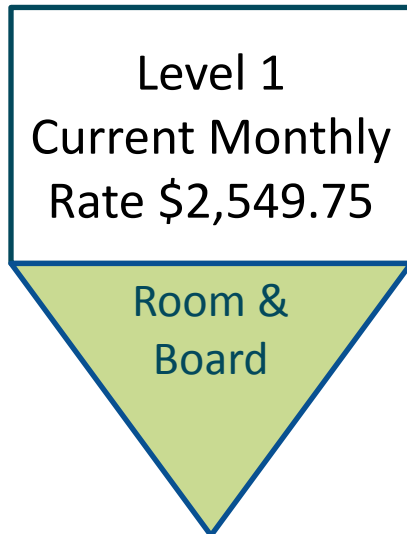
- **2.26%** of DHSS FY2017 Governor's Amended Operating Budget Request
- Total service population (unduplicated) is **535 residents** during FY 2015 along with **325 on the active waiting list** and **4,093 on the inactive waiting list**.

# Alaska Pioneer Homes

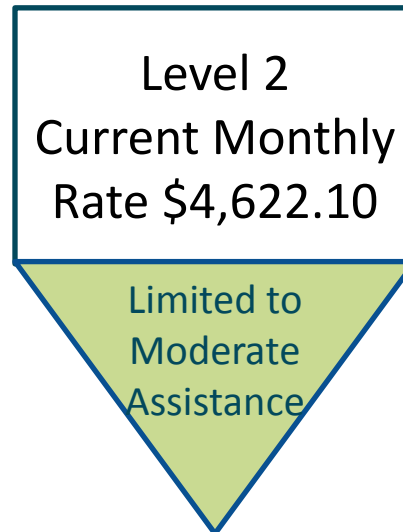
## Continuum of Care

Residents receiving  
Levels 1 & 2 care do  
not meet the nursing  
facility level of care  
required for  
Medicaid Waiver.

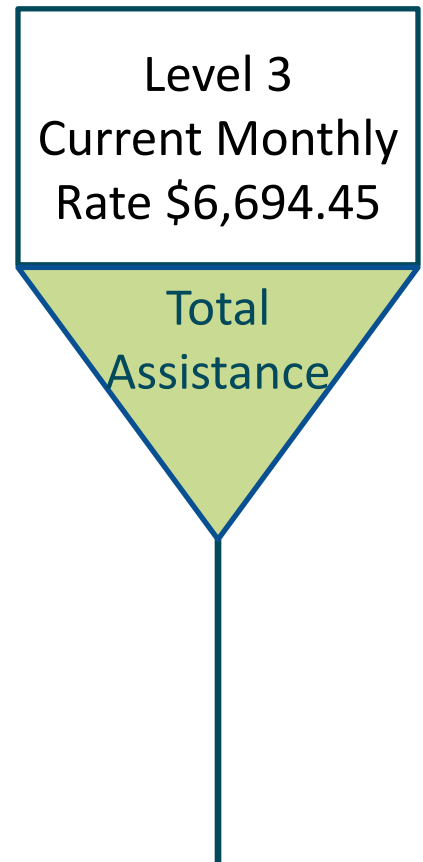
0 Medicaid Waiver  
22 Payment Assistance (37.93%)  
36 Private Pay (62.07%)  
**Total: 58**



0 Medicaid Waiver  
68 Payment Assistance (50.37%)  
67 Private Pay (49.63%)  
**Total: 135**



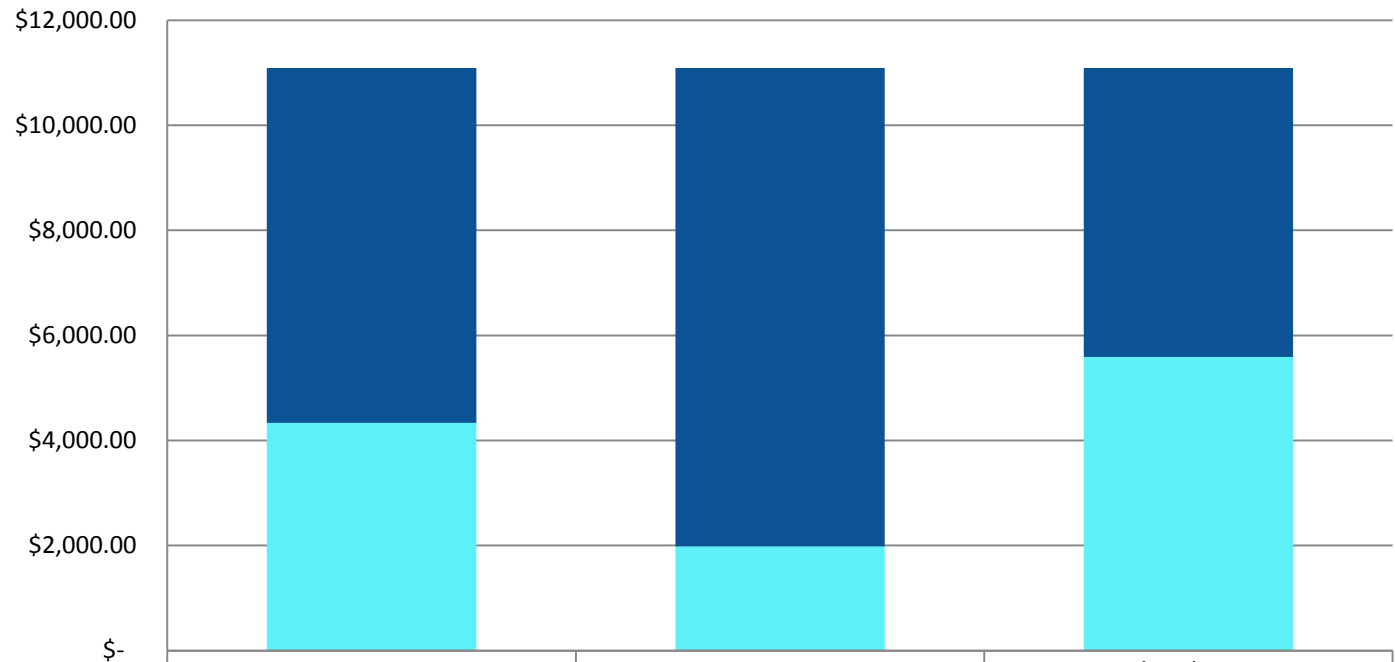
82 Medicaid Waiver (32.93%)  
64 Payment Assistance (25.70%)  
103 Private Pay (41.37%)  
**Total: 249**



Resident Data Pulled for January 2016

# How Do Residents Pay For AKPH Services?

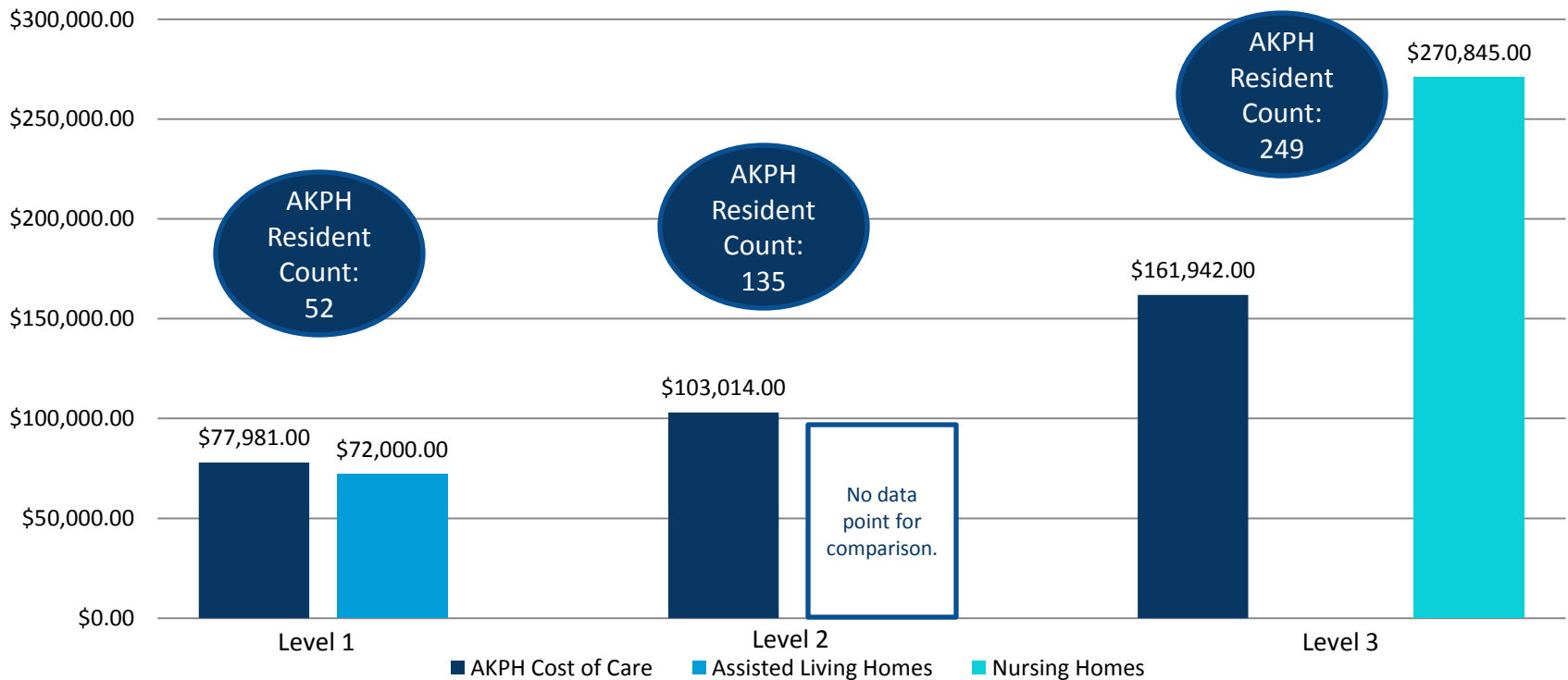
**Resident Payment Portion Within Cost of Providing Care**



■ Average UGF Portion	\$6,756.48	\$9,104.12	\$5,499.00
■ Average Monthly Received Revenue	\$4,333.52	\$1,985.88	\$5,591.00

# Comparable Service Provision Costs

## AKPH Total Annual Cost of Providing Services vs. Median Annual Cost for Comparable Services



Source: [https://www.genworth.com/dam/Americas/US/PDFs/Consumer/corporate/Alaska\\_gnw.pdf](https://www.genworth.com/dam/Americas/US/PDFs/Consumer/corporate/Alaska_gnw.pdf)

Resident data pulled from AKPH database for January 2016

Cost of care calculated by AKPH staff consistent with Office of Rate Review rate setting calculation standards

# Alaska Pioneer Homes Budget Impacts FY 2016

<b>Alaska Pioneer Homes Management</b>	(240.7) UGF (2) PFT	Delete 2 positions, reduce travel, services, and commodities.
<b>Pioneer Homes</b>	(1,673.4) UGF (10) PFT (3) PPT (4) NP	Delete 17 positions, reduce travel, services, commodities, capital outlay, and grants.

- Unduplicated resident count reduced.
- Longer wait times for admissions.
- No funding appropriated for deferred maintenance has resulted in deterioration of aging buildings.

# Alaska Pioneer Homes Budget Impacts FY 2017

<b>Pioneer Homes</b>	(720.0) UGF (8) PFT (3) PPT	Reduce Pioneer Homes Staffing Levels
	(21.1) UGF	Reduce Supplies and Cable Television Services
	(250.0) UGF (3) PFT	Delete at Least Three Positions in Pioneer Home Facilities

- Total resident count reduced.
- Longer wait times for admissions.
- Delaying repairs and maintenance.
- Requests for letters of interest regarding privatization released.



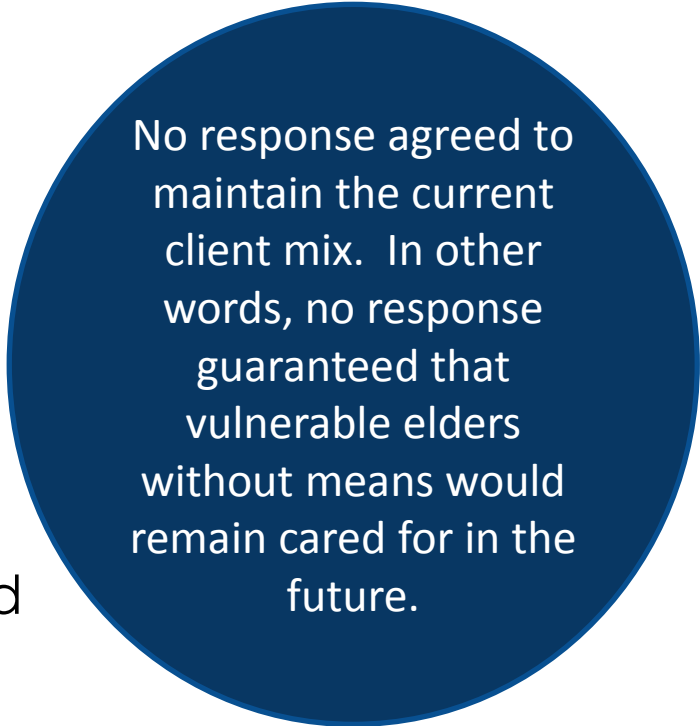
# FY 2017 Governor Amended

Alaska Pioneer Homes	FY 2016 Mgmt Plan	FY 2017 Governor Amended	Change
<b>Unrestricted General Funds</b> (UGF and GF/MH)	\$35,999.4	\$35,013.8	(\$985.6)
<b>Designated General Funds</b> (Payments from Residents)	\$16,901.4	\$16,901.4	
<b>Federal Funds</b> (Veterans Per Diem)	\$694.3	\$694.3	
<b>Other</b> (Medicaid Waiver and Pharmacy Receipts)	\$9,368.6	\$9,368.6	
<b>Division Total</b>	<b>\$62,963.7</b>	<b>\$61,978.1</b>	<b>(\$985.6)</b>

# Request for Letters of Interest

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- Responses ranged from;
  - NANA Management Services (Alaska): Provide housekeeping, food service and maintenance services until they can find a partner to buy AKPH.
  - Retirement Housing Foundation (California): Manage the operations.
  - Marathon Development, Inc. (Washington): Manage operations and then lease assets if determined to be profitable.
  - Southeast Alaska Regional Health Consortium (Alaska): Purchase Pioneer Homes system.



No response agreed to maintain the current client mix. In other words, no response guaranteed that vulnerable elders without means would remain cared for in the future.

# Recent Audit Highlights

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## **Alaska Pioneer Homes Special Audit**

- AKPH management should allocate resources to actively pursue collection of past due amounts.
- DHSS' commissioner should annually review the pioneer homes' monthly rates.

## **HB 30 Long Term Care**

- **An Alaska Pioneer Home** should be devoted to becoming a center of excellence for Alzheimer's disease and related dementia (ADRD) services in the state. Since there is a need for AKPH higher level services (Level III) and ADRD services, Alaska would be able to provide better care to individuals with high acuity and issues with ADRD.
- The department should upgrade the AKPH in Palmer to provide both domiciliary and veteran skilled nursing home care. This will allow the Pioneer Home to receive a higher average per diem rate than the domiciliary-only rate currently received from the VA.

## **HB 30 Administration and Organization**

- Privatization or an alternative, called managed competition, should be considered for the Alaska Pioneer Homes.
- Evaluate the reasons for higher monthly costs per resident, including administrative overhead, maintenance staffing, travel, and other expenses.
- Increase rates for Pioneer Homes to private market rates.

# Staffing Ratios

Exhibit 4

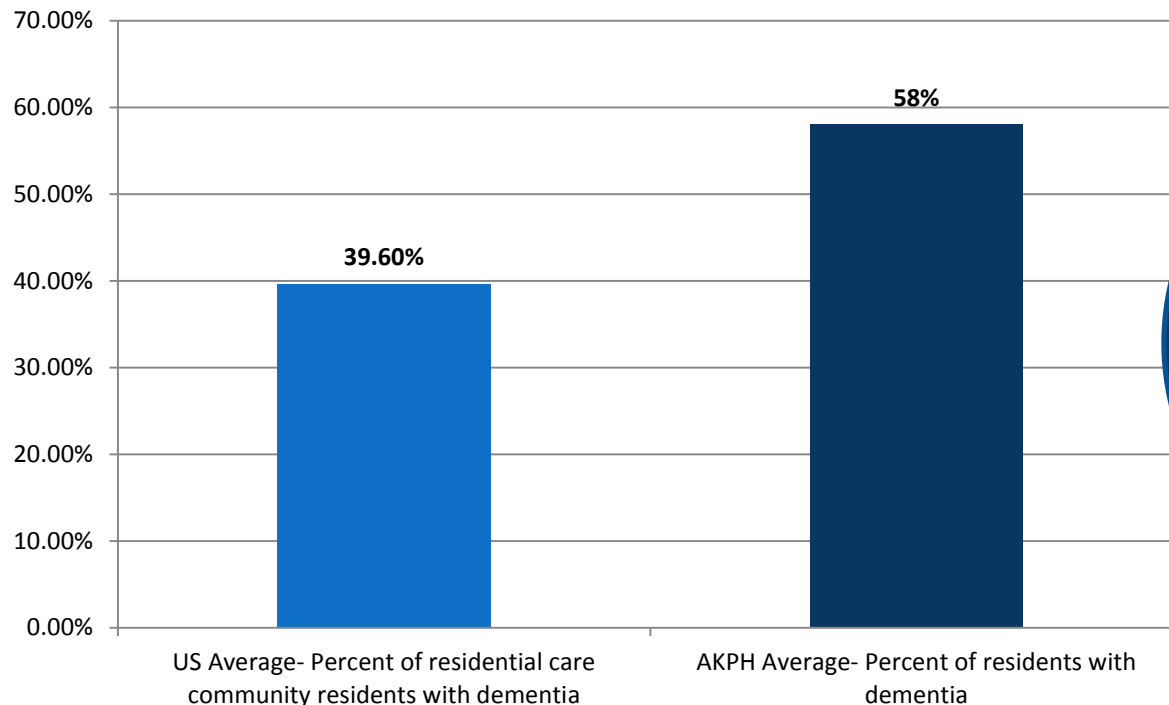
Alaska Pioneer Homes Daily Hours of Care per Resident (by Location) Compared to National Benchmarks				
	Registered Nurse	Licensed Practical Nurse	Certified Nurse Assistant/ Assisted Living Aides	Social Worker
<b>Pioneer Home</b>				
Anchorage	0.38	0.49	2.55	0.02
Palmer	0.85	0.40	3.28	0.06
Fairbanks	0.50	0.24	3.31	0.06
Juneau	0.33	0.46	3.82	0.11
Ketchikan	0.49	0.27	3.77	0.11
Sitka	0.82	0.09	3.19	0.16
<b>Average Pioneer Home</b>	<b>0.56</b>	<b>0.32</b>	<b>3.32</b>	<b>0.08</b>
<b>National Residential Care Communities</b>	<b>0.27</b>	<b>0.19</b>	<b>2.16</b>	<b>0.05</b>
<b>National Nursing Facilities</b>	<b>0.52</b>	<b>0.85</b>	<b>2.46</b>	<b>0.08</b>

“A staffing analysis may lead to recommendations for adjusting staffing levels...”  
(Legislative Audit, pg. 14)

- Legislative Audit created Exhibit 4 for the special audit of the Division of Alaska Pioneer Homes.
- Legislative Audit concluded that Alaska Pioneer Homes had a higher than average staffing level. However, they also noted that “there may be valid reasons for the differences such as a high number of pioneer home residents with Alzheimer’s or other dementia diseases.” (Legislative Audit, pg. 13)

# Acuity Levels Within Resident Population

- Prevalence of Alzheimer's Disease and Related Dementia Diagnosis



Per Alaska's Roadmap to Address ADRD by 2020 there is projected to be over 8,000 Alaskan seniors with ADRD

Source: <http://www.cdc.gov/nchs/fastats/alzheimers.htm>

Resident data pulled from division's electronic health record system.

# Successes

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- The Pioneer Homes care for residents with ADRD at a rate of 58% of residents, higher than the national average of 39.6%. Residents receive high quality Memory Care.
- Reached 70% Veterans occupancy rate at the Palmer Alaska Veterans Home, highest rate to date.

# Present Challenges

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- Increasing need for higher levels of care.
- Rate increase process.
- Maintaining quality care within a safe environment with decreasing personnel.
- Waitlist numbers are growing.

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# QUESTIONS?

## Thank You



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