

Alaska State Legislature

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"An Act relating to home- and community-based services under the medical assistance program; and providing for an effective date."

Alaska's rapidly growing senior population has created a shortage of trained direct care workers. In rural areas, home care is often the only option because of lack of access to other care programs. To address this shortage, legally responsible individuals such as spouses and parents of minor children should be allowed to provide, and be paid to provide, personal care services to recipients of medical assistance (Medicaid).

Currently, because of the strain imposed under the COVID pandemic, in 2020, the Centers for Medicare and Medicaid Services (CMS) allowed legally responsible individuals to provide personal care services:

"Pursuant to section 1135(b)(1)(B) of the Act, CMS approves a waiver to temporarily allow payment for 1905(a) personal care services rendered by legally responsible individuals (which could be inclusive of legally responsible family caregivers) providing that the state makes a reasonable assessment that the caregiver is capable of rendering such services. This waiver will ensure that medically necessary services are furnished in the event the traditional provider workforce is diminished or there is inadequate capacity due to the public health emergency."

However, the 1135 waiver only lasts as long as the Public Health Emergency. The Public Health Emergency is set to end on May 11, 2023.

Senate Bill 106 asks the State of Alaska to amend its Medicaid state plan and ask for federal approval to allow this care option for families receiving personal care services through the state's participation in the Social Security Act's "1915(k) option," also known as Community First Choice. Not only will it provide more patient choice and satisfaction, but it has the potential to save the state millions of dollars in nursing home care costs.

Alaska's population of those aged 60 and older increased by 56.4% between 2010 and 2020, and the state is predicted to experience one of the highest increases of people aged 65 and older with Alzheimer's in the nation. The growing demand for in-home, long-term healthcare services is coupled with a decline in workforce numbers. Because of this, home care workers are predicted to be the fourth-most demanded profession on the state.

Currently, an estimated 85,000 Alaskans provide unpaid care to family members or friends, which has an estimated worth of \$1.2 billion per year. This reliance on unpaid family caregivers is keeping thousands from realizing their full economic potential, and many caregivers are forced to reduce their work hours, or even quit their jobs altogether. Paying family caregivers a living wage reduces the reliance on public assistance programs and helps them maintain their economic independence.

SB 106 would allow legally responsible individuals to provide personal care services to recipients of medical assistance (Medicaid) through the 1915(k) state plan option. It would help alleviate Alaska's direct care workforce shortage. This policy change would enable more Alaskans to maintain their independence and dignity in their lifelong homes, especially in rural areas where home care can be a family's only option.

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