

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

No. 1
Bill Version: SB59
(S) Publish Date: 3/16/99

Revision Date: _____
Title: An Act relating to certificates of need for nursing home beds and providing an effective date
Sponsor: HES Committee
Requestor: SENATE (HES)

Dept. Affected: Health and Social Services
BRU: Administrative Services
Component: Health Planning and Facilities Management
COMPONENT SERIAL NO. 2020
See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY00	FY01	FY02	FY03	FY04	FY05
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	1.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	25.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.5	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS						
TOTAL OPERATING	26.5	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGES IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts	13.3	0.0	0.0	0.0	0.0	0.0
1003 GF Match	13.3	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (please specify)	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	26.5	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	none	none	none	none	none	none
PART-TIME	none	none	none	none	none	none
TEMPORARY	none	none	none	none	none	none

Estimate of any current year (FY99) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

This bill is a cost saving measure designed to avoid potential future costs to the state general fund of up to \$9.8 million annually due to construction of up to 234 new nursing home beds in the next 5 to 15 years. Chapter 84, SLA 96 placed a moratorium on nursing home beds and established a working group on long-term care. The Legislative Working Group on Long-Term Care (established by Chapter 84, SLA 96) recommended development of a State long-term care facility plan that outlines the existing and future desired number of nursing home beds by region. Certificate of need applicants would be required to demonstrate that their proposals for new nursing home beds fit into these plans. This plan would also outline trends in nursing home use, senior population growth by community, define service areas, identify barriers to the use of home and community based services; develop nursing bed need projections, by service area and develop plans for better distribution of nursing home beds. The plan would ideally be an appendix to the Division of Senior Services annual plan.

Most of the plan can be written in house at no cost, however, a study needs to be completed to determine the amount of less costly and less restrictive, home and community based services and assisted living beds that need to be in place before new nursing beds are approved. Currently, there are no data available on the inter-relationship between these services. The \$26,500 would go for contractual research, travel and supplies to develop a standard for construction of new nursing beds.

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Date: 02/18/99

Approved by Commissioner: Karen Perdue, Commissioner
Agency: Department of Health & Social Services

Date: 2/19/99

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