

FISCAL NOTE

No: 8

STATE OF ALASKA
2000 LEGISLATIVE SESSION

Bill Version: HCS CSSB 73 (FIN)
 (H) Publish Date: 4/24/00

Revision Date/Time (Note if correction): Apr. 20, 2000 2:29pm
 Title: An Act Related to Assisted Living Homes
 Sponsor: Senator Mike Miller
 Requestor: House (FIN)

Dept. Affected: Health and Social Services
 BRU: Community Mental Health Grants
 Component: Gen Community Mental Hlth Grants
 COMPONENT SERIAL NO. 307
 See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006
OPERATING						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	921.7	1,588.0	2,081.8	2,081.8	2,081.8	2,081.8
MISCELLANEOUS						
TOTAL OPERATING	921.7	1,588.0	2,081.8	2,081.8	2,081.8	2,081.8

CAPITAL EXPENDITURES						
CHANGES IN REVENUES ()						

FUND SOURCE

(Thousands of Dollars)

	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	462.7	1,129.0	2,081.8	2,081.8	2,081.8	2,081.8
1037 GF/Mental Health	459.0	459.0				
1092 MHTAAR	921.7	1,588.0	2,081.8	2,081.8	2,081.8	2,081.8
TOTAL						

Estimate of any current year (FY2000) cost: \$0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Assisted Living Homes (formerly known as Adult Residential Care) are a cost-effective alternative to institutional care for individuals choosing to remain in their home communities. The FY 2000 budget is \$622.2. 7AAC 47.450-470 governs the fee structure for Assisted Living Homes and has not been revised since 1982. The lack of cost of care adjustments to the ALH's fee structure jeopardizes the health and safety of residents and the future of ALH's options. This bill would require the Department of Health & Social Services, Division of Mental Health & Developmental Disabilities (DMHDD) to increase the rate paid to ALHs under the existing general relief assistance program for 131 consumers to a base rate of \$50/day starting Sept 1, 2000, \$60/day in FY 2002, and finally to \$70/day in FY 2003. The number of individuals receiving support for ALH services varies each year. This fiscal note would include a geographic cost of living differential. An augmented rate of \$35/day would be paid for 26 (20%) of consumers from the total population of 131 consumers. The augmented rate covers care of consumers with increased service needs. A personal needs allowance would be paid at \$100/month for all consumers. Both DMHDD and the Division of Senior Services are requesting this increase in the personal needs allowance from \$75/month.

Prepared by: Anne Henry
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 Date/Time: 4/20/00 2:32 PM

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

Date: 4/24/00

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With Geographic Index Applied:

current rate	client portion	state portion	total	daily
(\$862 sid monthly allowance x 11 mo) - (\$75 pers needs x 12 mo) x 131 c			\$1,124,242	\$23.61
			\$622,200	\$13.01
			\$1,746,442	\$36.52
TOTAL				
proposed \$50/day	\$50/day x 303 days x 131 clients (w/geogr index and spread)		\$2,049,747	\$51.84
	client portion		\$865,298	\$22.30
	state portion		\$1,184,449	\$29.54
	TOTAL			
proposed \$60/day	\$60/day x 365 days x 131 clients (w/geogr index and spread)		\$2,963,000	\$81.97
	client portion		\$1,084,942	\$28.69
	state portion		\$1,878,058	\$49.28
	TOTAL			
proposed \$70/day	\$70/day x 365 days x 131 clients (w/geogr index and spread)		\$3,458,833	\$92.30
	client portion		\$1,084,942	\$28.69
	state portion		\$2,371,891	\$61.61
	TOTAL			

calculations, ALH fiscal notes (with geographic index applied)

location	% of service	geographic index	RATE		
			\$50/day, 10 mo	\$60/day, 12 mo	\$70/day, 12 mo
Arch	77%	1.00	\$1,528,181	\$2,209,053	\$2,577,229
Palmer/Westlife	5%	1.04	\$103,202	\$149,183	\$174,047
Southeast	5%	1.00	\$99,233	\$143,445	\$167,353
Northern	7%	1.15	\$159,764	\$230,946	\$269,436
Western	5%	1.33	\$131,979	\$190,782	\$222,579
NWestern	1%	1.38	\$27,388	\$39,591	\$46,189
			\$2,049,747	\$2,963,000	\$3,458,833
			\$1,016,298	\$1,242,142	\$1,242,142
			\$131,000	\$157,200	\$157,200
			\$885,298	\$1,084,942	\$1,084,942
			\$1,164,449	\$1,878,058	\$2,371,891
			\$518,500	\$622,200	\$622,200
			\$645,949	\$1,255,858	\$1,749,691
			\$275,730	\$332,150	\$332,150
			\$921,679	\$1,588,008	\$2,081,841
			\$921.7	\$1,588.0	\$2,081.8

Costs of Providers' Standard Service

client contrib of \$862 sid rate x 11 mo x 131 clients

less: proposed pers needs allowance \$100/mo x 12 mo x 131 clients

portion of Costs Paid by Clients

Proposed State's Portion of Costs

current state costs budgeted

Proposed increase to Current State Costs

AUGMENTATION, \$35/day x 26 clients x 365 days

Proposed increase including Augmentation

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