

**HOUSE BILL NO. 258**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES JAMES AND COGHILL

Introduced: 1/10/00

Referred: Health, Education and Social Services, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to assisted living homes; and providing for an effective date."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 \* **Section 1.** AS 47.07.070 is amended by adding a new subsection to read:

4 (h) This section does not apply to the minimum daily reimbursement rate  
5 specified by law under AS 47.24.017 or AS 47.25.195(f) for assisted living homes.

6 \* **Sec. 2.** AS 47.24.017 is amended by adding a new subsection to read:

7 (d) If the protective services under this section include the placement of a  
8 vulnerable adult in an assisted living home at the state's expense, the minimum daily  
9 reimbursement rate to the assisted living home for the vulnerable adult is \$50. The  
10 department may, under its regulations, provide for a daily rate higher than \$50 if the  
11 additional care provided to the vulnerable adult in the assisted living home justifies the  
12 additional reimbursement. In this subsection, "assisted living home" means an assisted  
13 living home licensed under AS 47.33.

14 \* **Sec. 3.** AS 47.24.017 is repealed and reenacted to read:

15 (d) If the protective services under this section include the placement of a

1 vulnerable adult in an assisted living home at the state's expense, the minimum daily  
 2 reimbursement rate to the assisted living home for the vulnerable adult is \$75. The  
 3 department may, under its regulations, provide for a daily rate higher than \$75 if the  
 4 additional care provided to the vulnerable adult in the assisted living home justifies the  
 5 additional reimbursement. In this subsection, "assisted living home" means an assisted  
 6 living home licensed under AS 47.33.

7 \* **Sec. 4.** AS 47.24.017 is repealed and reenacted to read:

8 (d) If the protective services under this section include the placement of a  
 9 vulnerable adult in an assisted living home at the state's expense, the minimum daily  
 10 reimbursement rate to the assisted living home for the vulnerable adult is \$100. The  
 11 department may, under its regulations, provide for a daily rate higher than \$100 if the  
 12 additional care provided to the vulnerable adult in the assisted living home justifies the  
 13 additional reimbursement. In this subsection, "assisted living home" means an assisted  
 14 living home licensed under AS 47.33.

15 \* **Sec. 5.** AS 47.25.195(b) is amended to read:

16 (b) **Except as provided in (f) of this section, a** [A] health facility receiving  
 17 a payment under this chapter is subject to the requirements of AS 47.07.070 -  
 18 47.07.075.

19 \* **Sec. 6.** AS 47.25.195(c) is amended to read:

20 (c) **Except as provided in (f) of this section, if** [IF] insufficient money is  
 21 appropriated to fund medical assistance under AS 47.25.120 - 47.25.300 when taking  
 22 into consideration projected use and the health facility payment rates established in  
 23 accordance with (b) of this section, the department may, by regulation, establish at any  
 24 time in the fiscal year a prospective pro rata reduction of the facilities' established  
 25 payment rates that will be paid by the department for services provided by facilities  
 26 under AS 47.25.120 - 47.25.300.

27 \* **Sec. 7.** AS 47.25.195(d) is amended to read:

28 (d) Notwithstanding (a) - (c) of this section, the department may enter into  
 29 agreements with a facility to provide services at a payment rate lower than the rate  
 30 established in accordance with (b) of this section, **except that the department may**  
 31 **not enter into an agreement with an assisted living home to provide services at a**

1        **daily reimbursement rate lower than \$50.**

2        \* **Sec. 8.** AS 47.25.195(d) is repealed and reenacted to read:

3                (d) Notwithstanding (a) - (c) of this section, the department may enter into  
4                agreements with a facility to provide services at a payment rate lower than the rate  
5                established in accordance with (b) of this section, except that the department may not  
6                enter into an agreement with an assisted living home to provide services at a daily  
7                reimbursement rate lower than \$75.

8        \* **Sec. 9.** AS 47.25.195(d) is repealed and reenacted to read:

9                (d) Notwithstanding (a) - (c) of this section, the department may enter into  
10                agreements with a facility to provide services at a payment rate lower than the rate  
11                established in accordance with (b) of this section, except that the department may not  
12                enter into an agreement with an assisted living home to provide services at a daily  
13                reimbursement rate lower than \$100.

14        \* **Sec. 10.** AS 47.25.195(e) is amended to read:

15                (e) For purposes of this section,

16                        **(1) "assisted living home" means an assisted living home licensed**  
17                        **under AS 47.33;**

18                        **(2)** "health facility" includes a hospital, skilled nursing facility,  
19                intermediate care facility, intermediate care facility for the mentally retarded,  
20                rehabilitation facility, inpatient psychiatric facility, home health agency, rural health  
21                clinic, and outpatient surgical clinic.

22        \* **Sec. 11.** AS 47.25.195 is amended by adding a new subsection to read:

23                (f) Notwithstanding other provisions of this section and the provisions of  
24                AS 47.07, if the assistance provided to a needy person under AS 47.25.120 - 47.25.300  
25                includes the initiation or continuation of placement of the person in an assisted living  
26                home at the state's expense, the department's minimum daily reimbursement rate to  
27                the assisted living home for the person is \$50. This minimum rate is not subject to  
28                reduction under (c) of this section. The department may, under its regulations and  
29                under the procedures of AS 47.07.070 - 47.07.075, provide for a daily rate higher than  
30                \$50 if the care provided to the needy person in the assisted living home justifies the  
31                higher reimbursement. A daily rate higher than \$50 for assisted living homes may be

1 reduced under (c) of this section, but not below \$50.

2 \* **Sec. 12.** AS 47.25.195(f) is repealed and reenacted to read:

3 (f) Notwithstanding other provisions of this section and the provisions of  
4 AS 47.07, if the assistance provided to a needy person under AS 47.25.120 - 47.25.300  
5 includes the initiation or continuation of placement of the person in an assisted living  
6 home at the state's expense, the department's minimum daily reimbursement rate to  
7 the assisted living home for the person is \$75. This minimum rate is not subject to  
8 reduction under (c) of this section. The department may, under its regulations and  
9 under the procedures of AS 47.07.070 - 47.07.075, provide for a daily rate higher than  
10 \$75 if the care provided to the needy person in the assisted living home justifies the  
11 higher reimbursement. A daily rate higher than \$75 for assisted living homes may be  
12 reduced under (c) of this section, but not below \$75.

13 \* **Sec. 13.** AS 47.25.195(f) is repealed and reenacted to read:

14 (f) Notwithstanding other provisions of this section and the provisions of  
15 AS 47.07, if the assistance provided to a needy person under AS 47.25.120 - 47.25.300  
16 includes the initiation or continuation of placement of the person in an assisted living  
17 home at the state's expense, the department's minimum daily reimbursement rate to  
18 the assisted living home for the person is \$100. This minimum rate is not subject to  
19 reduction under (c) of this section. The department may, under its regulations and  
20 under the procedures of AS 47.07.070 - 47.07.075, provide for a daily rate higher than  
21 \$100 if the care provided to the needy person in the assisted living home justifies the  
22 higher reimbursement. A daily rate higher than \$100 for assisted living homes may  
23 be reduced under (c) of this section, but not below \$100.

24 \* **Sec. 14.** The uncodified law of the State of Alaska is amended by adding a new section  
25 to read:

26 **APPLICABILITY.** (a) The minimum daily reimbursement rate set under  
27 AS 47.24.017(d), enacted by sec. 2 of this Act, and AS 47.25.195(f), enacted by sec. 11 of  
28 this Act, applies to services provided on or after July 1, 2000, and is not dependent on the  
29 adoption of regulations by the Department of Health and Social Services.

30 (b) The minimum daily reimbursement rate set under AS 47.24.017(d), as amended  
31 by sec. 3 of this Act, and AS 47.25.195, as amended by sec. 12 of this Act, applies to services

1 provided on or after July 1, 2001, and is not dependent on the adoption of regulations by the  
2 Department of Health and Social Services.

3 (c) The minimum daily reimbursement rate set under AS 47.24.017(d), as amended  
4 by sec. 4 of this Act, and AS 47.25.195, as amended by sec. 13 of this Act, applies to services  
5 provided on or after July 1, 2002, and is not dependent on the adoption of regulations by the  
6 Department of Health and Social Services.

7 \* **Sec. 15.** Except as provided in secs. 16 - 17 of this Act, this Act takes effect July 1,  
8 2000.

9 \* **Sec. 16.** Sections 3, 8, and 12 of this Act take effect July 1, 2001.

10 \* **Sec. 17.** Sections 4, 9, and 13 of this Act take effect July 1, 2002.