

CS FOR SENATE BILL NO. 73(HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 3/30/99
Referred: Finance

Sponsor(s): SENATORS MILLER, Ellis, Wilken

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14 * **Sec. 3.** AS 47.24.017 is repealed and reenacted to read: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7 * **Sec. 4.** AS 47.24.017 is repealed and reenacted to read: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.** APPLICABILITY. (a) The minimum daily reimbursement rate set under
25 AS 47.24.017(d), enacted by sec. 2 of this Act, and AS 47.25.195(f), enacted by sec. 11 of
26 this Act, applies to services provided on or after July 1, 1999, and is not dependent on the
27 adoption of regulations by the Department of Health and Social Services.

28 (b) The minimum daily reimbursement rate set under AS 47.24.017(d), as amended
29 by sec. 3 of this Act, and AS 47.25.195, as amended by sec. 12 of this Act, applies to services
30 provided on or after July 1, 2000, and is not dependent on the adoption of regulations by the
31 Department of Health and Social Services.

1 (c) The minimum daily reimbursement rate set under AS 47.24.017(d), as amended
2 by sec. 4 of this Act, and AS 47.25.195, as amended by sec. 13 of this Act, applies to services
3 provided on or after July 1, 2001, and is not dependent on the adoption of regulations by the
4 Department of Health and Social Services.

5 * **Sec. 15.** Except as provided in secs. 16 - 17 of this Act, this Act takes effect July 1,
6 1999.

7 * **Sec. 16.** Sections 3, 8, and 12 of this Act take effect July 1, 2000.

8 * **Sec. 17.** Sections 4, 9, and 13 of this Act take effect July 1, 2001.