

**CS FOR SENATE BILL NO. 73(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 3/15/00

Referred: Rules

Sponsor(s): SENATORS MILLER, Ellis, Wilken, Taylor, Mackie, Pete Kelly, Elton

REPRESENTATIVE Croft

**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 \$42.25. The  
10 department may, under its regulations, provide for a daily rate higher than \$42.25 if  
11 the additional care provided to the vulnerable adult in the assisted living home justifies  
12 the additional reimbursement. In this subsection, "assisted living home" means an  
13 assisted living home licensed under AS 47.33.

14 \* **Sec. 3.** AS 47.24.017(d) is repealed and reenacted to read: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 \$51. The  
3 department may, under its regulations, provide for a daily rate higher than \$51 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 47.25.195(b) is amended to read:

8 (b) **Except as provided in (f) of this section, a** [A] health facility receiving  
9 a payment under this chapter is subject to the requirements of AS 47.07.070 -  
10 47.07.075.

11 \* **Sec. 5.** AS 47.25.195(c) is amended to read:

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

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

20 (d) Notwithstanding (a) - (c) of this section, the department may enter into  
21 agreements with a facility to provide services at a payment rate lower than the rate  
22 established in accordance with (b) of this section, **except that the department may**  
23 **not enter into an agreement with an assisted living home to provide services at a**  
24 **daily reimbursement rate lower than \$42.25.**

25 \* **Sec. 7.** AS 47.25.195(d) is repealed and reenacted to read:

26 (d) Notwithstanding (a) - (c) of this section, the department may enter into  
27 agreements with a facility to provide services at a payment rate lower than the rate  
28 established in accordance with (b) of this section, except that the department may not  
29 enter into an agreement with an assisted living home to provide services at a daily  
30 reimbursement rate lower than \$51.

31 \* **Sec. 8.** AS 47.25.195(e) is amended to read:

1 (e) For purposes of this section,

2 **(1) "assisted living home" means an assisted living home licensed**  
 3 **under AS 47.33;**

4 **(2)** "health facility" includes a hospital, skilled nursing facility,  
 5 intermediate care facility, intermediate care facility for the mentally retarded,  
 6 rehabilitation facility, inpatient psychiatric facility, home health agency, rural health  
 7 clinic, and outpatient surgical clinic.

8 \* **Sec. 9.** AS 47.25.195 is amended by adding a new subsection to read:

9 (f) Notwithstanding other provisions of this section and the provisions of  
 10 AS 47.07, if the assistance provided to a needy person under AS 47.25.120 - 47.25.300  
 11 includes the initiation or continuation of placement of the person in an assisted living  
 12 home at the state's expense, the department's minimum daily reimbursement rate to  
 13 the assisted living home for the person is \$42.25. This minimum rate is not subject  
 14 to reduction under (c) of this section. The department may, under its regulations and  
 15 under the procedures of AS 47.07.070 - 47.07.075, provide for a daily rate higher than  
 16 \$42.25 if the care provided to the needy person in the assisted living home justifies the  
 17 higher reimbursement. A daily rate higher than \$42.25 for assisted living homes may  
 18 be reduced under (c) of this section, but not below \$42.25.

19 \* **Sec. 10.** AS 47.25.195(f) is repealed and reenacted to read:

20 (f) Notwithstanding other provisions of this section and the provisions of  
 21 AS 47.07, if the assistance provided to a needy person under AS 47.25.120 - 47.25.300  
 22 includes the initiation or continuation of placement of the person in an assisted living  
 23 home at the state's expense, the department's minimum daily reimbursement rate to  
 24 the assisted living home for the person is \$51. This minimum rate is not subject to  
 25 reduction under (c) of this section. The department may, under its regulations and  
 26 under the procedures of AS 47.07.070 - 47.07.075, provide for a daily rate higher than  
 27 \$51 if the care provided to the needy person in the assisted living home justifies the  
 28 higher reimbursement. A daily rate higher than \$51 for assisted living homes may be  
 29 reduced under (c) of this section, but not below \$51.

30 \* **Sec. 11.** The uncodified law of the State of Alaska is amended by adding a new section  
 31 to read:

1           APPLICABILITY. (a) The minimum daily reimbursement rate set under  
2 AS 47.24.017(d), enacted by sec. 2 of this Act, and AS 47.25.195(f), enacted by sec. 9 of this  
3 Act, applies to services provided on or after July 1, 2000, and is not dependent on the  
4 adoption of regulations by the Department of Health and Social Services.

5           (b) The minimum daily reimbursement rate set under AS 47.24.017(d), as amended  
6 by sec. 3 of this Act, and AS 47.25.195(f), as amended by sec. 10 of this Act, applies to  
7 services provided on or after July 1, 2002, and is not dependent on the adoption of regulations  
8 by the Department of Health and Social Services.

9       \* **Sec. 12.** Except as provided in sec. 13 of this Act, this Act takes effect July 1, 2000.

10       \* **Sec. 13.** Sections 3, 7, and 10 of this Act take effect July 1, 2002.