

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: _____
 (S) Publish Date: 2/6/04
 Dept. Affected: Health & Social Services

Revision Date/Time (Note if correction): _____

Title RELATING TO PIONEER AND VETERAN HOMES
 RDU Alaskan Pioneer Homes
 Component Pioneers Homes

Sponsor RULES COMMITTEE
 Requester _____

Component No. 2671

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel		2.0	2.0	2.0	2.0	2.0
Contractual		24.0	52.8	58.1	63.9	70.3
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	26.0	54.8	60.1	65.9	72.3

CAPITAL EXPENDITURES

CHANGE IN REVENUES (1002)		73.0	289.7	401.8	514.0	570.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts		73.7	289.7	401.8	514.0	570.0
1003 GF Match						
1004 GF		(47.7)	(234.9)	(341.7)	(448.1)	(497.7)
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
TOTAL	0.0	26.0	54.8	60.1	65.9	72.3

Estimate of any current year (FY2004) cost: _____

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill will provide authority to serve veterans through identification of one or more homes within the Pioneer Homes system as a Veteran Home consistent with US Veterans Administration requirements. Once certified by the VA, the state can bill the VA \$26.95 per day for services provided to qualified residents of the Veteran Home. VA receipts are anticipated for the Palmer Pioneer Home certification sometime in FY2006. The Governor's FY2005 capital budget includes a request to convert the Palmer Pioneers' Homes from its current use to a State Veteran Home (SVH). The conversion is estimated to cost \$3.5 million in FY2005, of which 35% is state match.
 (Continued on next page)

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 Approved by: Joel S. Gilbertson, Commissioner
 Agency: Department of Health and Social Services

Phone 465-5737
 Date/Time 01/12/2004
 Date 01/12/2004

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FN 1**

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ANALYSIS CONTINUATION

Operating cost analysis:

Expenditures

Additional FY06 operating costs include \$2.0 in travel for attendance at federal meetings, national VA meetings and similar negotiations (based on one out-of-state trip a year). The contractual line includes \$24.0 for a transportation contract for Veterans' doctor visits for one-half year. The second year is a full year with growth according to the number of veterans. The assumption for growth is one new veteran resident each month. Veterans must go to the VA doctor in Anchorage.

Revenues:

The VA rate for domicillary care is \$26.95 per day. Federal approval of the funding is dependent upon the state funding its portion of required construction/remodeling costs. With legislative approval of the capital request, it is anticipated that construction could begin in September 2004. The VA anticipates 450 days for construction with an anticipated opening date mid-year FY2006.

<u>Estimate of VA Payments</u>	FY06	FY07	FY08	FY09	FY10
Veterans Per Day Rate	\$26.95	\$26.95	\$26.95	\$26.95	\$26.95
Veteran residents who qualify for VA domicillary care	16	31	43	55	61
Days of care in month	180	365	365	365	365
Utilization/Vacancy	95%	95%	95%	95%	95%
VA Revenue in Fiscal Year	\$73,735	\$289,692	\$401,831	\$513,970	\$570,040