

ALASKA STATE LEGISLATURE
SENATE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

April 4, 2023

3:30 p.m.

MEMBERS PRESENT

Senator David Wilson, Chair
Senator James Kaufman, Vice Chair
Senator Löki Tobin
Senator Forrest Dunbar
Senator Cathy Giessel

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SENATE BILL NO. 106

"An Act relating to home- and community-based services under the medical assistance program; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 106

SHORT TITLE: HOME AND COMMUNITY-BASED WAIVER SERVICES

SPONSOR(S): SENATOR(S) GIESSEL

03/17/23	(S)	READ THE FIRST TIME - REFERRALS
03/17/23	(S)	HSS
04/04/23	(S)	HSS AT 3:30 PM BUTROVICH 205

WITNESS REGISTER

PAIGE BROWN, Staff
Senator Cathy Giessel
Alaska State Legislature

POSITION STATEMENT: Presented the sectional analysis for SB 106.

ALEXIS RODICH, Director
Research and Policy
Service Employees International Union 775

Washington D.C.

POSITION STATEMENT: Testified by invitation in support of SB 106.

VERONICA PAGE, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified by invitation in support of SB 106.

SARAH KRUG, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified by invitation in support of SB 106.

CRYSTAL HOWARD, representing self
Wasilla, Alaska

POSITION STATEMENT: Testified by invitation on SB 106.

MARGE STONEKING, Advocacy Director
AARP Alaska
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 106.

PATRICK REINHART, Executive Director
Governor's Council on Disability and Special Education
Division of Senior and Disabilities Services
Department of Health (DOH)
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 106.

ACTION NARRATIVE

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CHAIR DAVID WILSON called the Senate Health and Social Services Standing Committee meeting to order at 3:30 p.m. Present at the call to order were Senators Dunbar, Giessel, Tobin, and Chair Wilson. Senator Kaufman arrived immediately thereafter.

SB 106-HOME AND COMMUNITY-BASED WAIVER SERVICES

[3:31:02 PM](#)

CHAIR WILSON announced the consideration of SB 106 SENATE BILL NO. 106 "An Act relating to home- and community-based services under the medical assistance program; and providing for an effective date."

He asked Senator Giessel to introduce the bill.

SENATOR KAUFMAN joined the committee.

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SENATOR GIESSEL, District E, speaking as the sponsor of SB 106, highlighted the following points to introduce the legislation:

- Healthcare is most effectively and economically provided in the home setting.
- People typically feel most at peace and calm in their own homes, which is effective healthcare as it promotes the body's defenses to be most functional and health-restoring.
- It is less expensive to stay in one's own home, rather than an institution.
- The workforce in the healthcare industry is in short supply.
- Medicaid emergency rules during the pandemic provided reimbursement for family members providing these services.
- SB 106 would continue the financial reimbursement for family members who provide services as a legally responsible individual (LRI). The payments would be through Medicaid.
- There would be requirements to assure the LRIs are competent to provide the care.
- The emergency declaration related to the pandemic ends May 11. The Department of Health is asking the federal government for an extension while it requests making the program put forward in SB 106 permanent.
- If the extension isn't approved, LRIs will not be paid.
- If it were to pass, SB 106 would allow legally responsible individuals to apply to a caregiving agency, where they would be trained and employed through that agency while providing care for their family.
- Enabling family caregivers to be paid for their services can reduce financial strain, help alleviate stress, prevent caregiver burnout, and promote better health outcomes for both the caregiver and the patient.
- SB 106 can save the state money and improve the overall quality of care for recipients of medical assistance by reducing the need for institutional care. Alaskans will receive better care.
- SB 106 would make a big difference in rural Alaska where care from family is often the only option.

CHAIR WILSON asked Paige Brown to present the sectional analysis.

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PAIGE BROWN, Staff, Senator Cathy Giessel, Alaska State Legislature, presented the sectional analysis for SB 106:

Senate Bill 106 (Version B)
Sectional Analysis

Section 1. Amends AS. 47.07.045 and adds a new subsection:

This allows the state to allow a legally responsible individual to be paid to provide personal care for a person who receives Medicaid under the 1915(k) state plan option.

Section 2. Amends uncodified law by adding a new section:

This allows the state to amend and submit Section 1 for federal approval of the revised state plan.

Section 3. Amends uncodified law by adding a new section:

This legislation will only take effect if the U.S. Department of Health and Human Services approves the amendment submitted under Section 2. If the federal government approves the amendment, the commissioner of health shall notify the revisor of statutes not less than 30 days after receiving notice of the approval.

Section 4. Effective date conditional on approval by federal government

Legislation would take effect on the 31st day after the commissioner of health receives notice of approval of the amendment in Section 1 from the U.S. Department of Health and Human Services.

Section 5. Immediate effective date

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At ease.

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CHAIR WILSON reconvened the meeting and moved to invited testimony on SB 106.

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ALEXIS RODICH, Director, Research and Policy, Service Employees International Union 775, Washington D.C., testified by invitation in support of SB 106. She spoke to the broader benefits of allowing legally responsible family members to be paid as personal care attendants. She stated that this would help with the increasing workforce shortage by growing the pool of potential caregivers. She reported that, per capita, Alaska has the fastest-growing senior population in the US and one of the highest rates of dementia in residents over age 65. The workforce shortage makes it difficult for families to find the right caregiver for their situation and for existing caregivers to take needed time off. Rural Alaska in particular is affected by the workforce shortage and in-home care is often the only option. Alaskans who can't find care in their community are forced to move, leaving behind their culture, family, and community.

MS. RODICH stated that it makes good economic sense to allow legally responsible individuals to become caregivers. She reported that according to AARP, an estimated 85,000 Alaskans provide unpaid care to a friend or family member which is estimated to be worth \$1.2 billion per year. Often, these unpaid caregivers have had to reduce their paid work hours in jobs outside the home or leave the workforce altogether. The result is increased financial precarity for themselves and their family which can create higher reliance on public assistance programs. She pointed out that when family members are paid to be caregivers, they have money to spend in the community which stimulates the economy. Finally, the outcomes are more positive when family members provide the care because there is more familiarity and shared cultural values. She thanked the committee for its support.

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VERONICA PAGE, representing self, Anchorage, Alaska, testified by invitation in support of SB 106. She urged the committee to support SB 106 to allow somebody to be paid for caring for a member of their family permanently. She shared her personal story of providing 24-hour care for her fiancé for the past 12 years. He was in a debilitating car accident just before their wedding. They never got married because Alaska law prohibits somebody from being paid to be a caregiver for a family member and she had to work to keep a roof over their head. She opined that Alaskans should have a choice. A person who wants to take care of a family member should be paid for that work just as a

non-family member is paid. She urged the committee to help families like hers and pass SB 106.

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SARAH KRUG, representing self, Anchorage, Alaska, testified by invitation in support of SB 106. She works as a care-professional educator and as a direct-care provider. She is raising three children on her own, one of whom has cerebral palsy. She shared that her 17-year-old son requires institutional-level care but with support from caregivers can use a power wheelchair to move and an iPad to communicate. She was attending college when her son was born but she had to drop out because she couldn't find the specialized care he needed outside an institution. She never returned to school and is only qualified for low-paying jobs. After waiting seven years, her son received a waiver for services, but it was still a struggle to find and retain caregivers. The revolving door created a sense of abandonment for a child who did not understand the reason and it was stressful for the rest of the family.

MS. KRUG said caregivers aren't paid very well and they are in short supply, which places an excessive burden on families. Because of the inconsistency in available care, she's been unable to work enough to support the family. Right now she's the one providing the consistent and quality care her son requires. Being paid for some of the work she does for her son has been beneficial for the whole family. She emphasized that allowing family members to be paid caregivers creates financial sustainability for families like hers and keeps people like her son out of expensive institutions and in their homes and communities.

She said COVID created chaos but it also provided an opportunity to reevaluate the way things are done and find better solutions. She said there is no easier one-size-fits-all solution than to allow an individual the option to be paid for providing care for a disabled family member. She urged the committee to make Alaska's care system better by supporting SB 106.

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CRYSTAL HOWARD, representing self, Wasilla, Alaska, testified by invitation in support of SB 106 which would allow legally responsible persons to be paid caregivers. She has been a nurse and caregiver for 24 years, including for her family. She shared that in 2012 her six-year-old son was diagnosed with a rare autoimmune disease and he was dependent on transfusions for a year. She had to quit her job and her family relied on donations

for necessities. She eventually had to send her eight-year-old son to live with his grandmother. She said her mental health suffered during this highly intense situation, but if she had been able to receive an income while caring for her son, she would have been relieved of some of the constant worry. She emphasized that SB 106 is extremely important for the many struggling, unpaid caregivers in the state. She said we need to do better because the need for family caregivers will only increase with the changing demographic.

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CHAIR WILSON opened public testimony on SB 106.

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MARGE STONEKING, Advocacy Director, AARP Alaska, Anchorage, Alaska, testified in support of SB 106. She agreed with the previous testimony that the direct-care workforce shortages that accelerated during the pandemic resulted in an increase in family caregivers in Alaska. While most are unpaid, the federal public health emergency that authorized paid family caregivers for those who were receiving Medicaid benefits has helped, but this system too is threatened by workforce shortages. She explained that Medicaid Home and Community-Based Services support elders and people with disabilities who are living at home.

MS. STONEKING cited the following recent data from AARP: family caregivers in Alaska provide an estimated 88 million hours of unpaid care for loved ones each year; and in 2021, the 94,000 unpaid caregivers in Alaska provided care valued at \$1.7 billion. She said this is a significant increase from pre-COVID and it differs from the nationwide trend of fewer family caregivers in the same period. This is likely driven by the rapidly aging population in Alaska and the severity of the state's workforce crisis. She stated that AARP supports SB 106 to make permanent the flexibility to allow legally responsible individuals to be paid caregivers in the existing homecare agency model. She added that AARP continues to advocate for policy changes to support family caregivers with a more flexible system to help elders age in place. This includes things like a participant-directed service model in which Medicaid recipients can hire friends, family, and neighbors directly without relying on homecare agencies.

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PATRICK REINHART, Executive Director, Governor's Council on Disability and Special Education, Division of Senior and

Disabilities Services, Department of Health (DOH) Anchorage, Alaska, thanked the committee for hearing SB 106 and Senator Giessel for bringing it forward. He stated that providing more flexible options of care for people with disabilities and seniors is a great idea that should continue. This is particularly important for rural areas where it is very difficult to find people to do this work.

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CHAIR WILSON closed public testimony on SB 106. He asked the sponsor if she had any closing remarks.

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SENATOR GIESSEL stated that when she first looked at this topic, she recognized that there is a huge need in rural Alaska. Her initial perception was that there were adequate home health agencies in urban Alaska but she subsequently learned that's not accurate. Urban area needs SB 106 as much as rural Alaska. She shared a personal experience with in-home caregiving.

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CHAIR WILSON set an amendment deadline and held SB 106.

[4:02:12 PM](#)

There being no further business to come before the committee, Chair Wilson adjourned the Senate Health and Social Services Standing Committee meeting at 4:02 p.m.