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COMMITTEE REPORT
SENATE

2/1/80

FURTHER: Finance

Date: 3-6-80

Mr. President:

HEALTH, EDUCATION AND
The Committee on SOCIAL SERVICES has had SB 380
making a special appropriation to Dept. of Health & Social Services
for purchase of medical emergency alarm systems

under consideration and (a majority of the committee) (the committee)
reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]

[Signature]
CHAIRMAN



Med-Alert Inc.

405 West 27th Avenue • Suite 101A • Anchorage, Alaska 99503
Telephone 272-1911

Feb. 4, 1980

Dear Senator Hackney

Enclosed you will find a copy of the corporate plan for Med-Alert, Inc. This will familiarize you and your committee members with the service and structure of Med-Alert, Inc. I have also included a cost analysis based on a single unit purchase, including the cost of installation, records and monthly monitoring fees. The cost for purchase, rental or lease would be negotiable in proportion to the quantity of units ordered. This would make a large scale program amiable for State funding and Med-Alert, Inc. Many options are available with in-house monitoring probable for large scale housing projects.

I appreciate your time and interest regarding the capabilities of Med-Alert, Inc. I will be in Juneau thru Friday, Feb 11. and will be available to meet with you at your convenience.

Sincerely,

Bela Smith



Med-Alert Inc.

405 West 27th Avenue • Suite 101A • Anchorage, Alaska 99503

Telephone 272-1911

The following prices are the ones marketed to the general public for each Med-Alert unit. This is the basic costs with no extras.

Rentals: \$100.00 Deposit (refundable)
100.00 Installation Fee
25.00 Set Up Fee(paperwork)
90.00 a month monitoring fee

\$315.00 First month then \$90.00 a month thereafter

A rental is for three months or less.

Leases: \$100.00 Deposit(refundable)
100.00 Installation Fee
25.00 Set Up Fee(paperwork)
45.00 a month monitoring fee

\$270.00 First month then 45.00 a month thereafter

A lease is considered four months or more.

Sale of equipment: \$350.00 Sale of unit
100.00 Installation Fee
25.00 Set Up Fee(paperwork)
30.00 a month monitoring fee

\$505.00 First month then 30.00 a month thereafter

If the equipment is under a rental or lease agreement, it is repaired at no added expense to the client. For a sale, the equipment is under a 90 day warranty then it will cost \$10.00 an hour for repairs. The \$10.00 an hour is from the time the maintenance repairman is dispatched to the time he reports in that he has completed the repairs and is available to go to another location.

Med-Alert, Inc., uses the existing public telephone lines into Alaska General Alarm (AGA). The FCC registration number is AC698R-67314-AL-R which is through AGA. AGA is approved by Underwriters Laboratories and monitors several Med-Alert accounts. Each digital communicator that AGA uses to monitor can handle 1000 Med-Alert accounts. These accounts are coded in series and can work in conjunction with the AGA monitoring equipment. This service is provided at a minimal cost to Med-Alert, Inc.

INTRODUCTION

TO

MED-ALERT INC.

405 West 27th Avenue
Anchorage, Alaska 99503
(907) 272-1911

NOTICE

This document contains confidential information proprietary to Med-Alert, Inc. It is submitted solely for the purpose of allowing interested parties to understand the Company's operations. This document may not be reproduced in whole or in part without the express written consent of the Company.

BACKGROUND

Med-Alert, Inc. was incorporated in Oct. 1979. It's product line is Medical Alert Alarm Systems. A major goal, realized early in the Corporation's history, was to provide a sole source of Medical Alarm Systems. The founding management recognized that this type of system would make subscribers feel secure if they had a way of knowing that help was just a push of a button away.

In 1979 three aggressive local businessmen developed the Corporation. They perceived Alaska's ever increasing need for dependable emergency alarm systems for the people prone to physical incapacitation and also physical injury. They also caught the vision of the excellent growth potential throughout the state. Quality, integrity and dependability are company cornerstones that have been established by its current owners.

To date, the company has started to achieve a high level of respect because of the aggressive, professional and high level of technical capability to design Med-Alert systems to meet customer requirements.

OPERATIONS

In the broadest terms, the principles of Med-Alert, Inc. have stated the company will acquire and provide the most advanced and sophisticated equipment available in the field of electronic emergency medical alert service.

In achieving the goals and objectives of the company, management recognizes the importance of having knowledge in the areas of products, service, alert management and aggressive and dynamic sales force. Med-Alert, Inc. plans to accomplish these goals and objectives by structuring what is called a "mastermind alliance", through working closely with the medical profession, hospital staff, paramedics and Alaska General Alarm.

Even though Med-Alert has just started, there have been several milestones reached. There is currently an Agreement with Alaska General Alarm (AGA) which has a Central Monitoring Station, manned by trained personnel 24 hours a day. It is recognized as the most modern and complete monitoring complex in Alaska. AGA is the only facility that Underwriters Laboratories recognizes in Alaska.

In addition, Med-Alert will have their own computer equipment in use with AGA's. Between both systems the clients can receive prompt medical service when it is required.

The Municipality of Anchorage has also agreed to use the system in the aid of emergency services it renders pursuant to a call for assistance from Med-Alert via the "Hot Line".

Professional services retained to support Corporate activities are:

ACCOUNTING

Paul Smith
Home Federal Savings and
Loan Association
525 D Street
Anchorage, Alaska 99501

BANK

Alaska Pacific Bank
101 West Benson Boulevard
Anchorage, Alaska 99503

LEGAL COUNSEL

Gregory Oczkus
Suite 503
2600 Denali
Anchorage, Alaska 99503

CAPABILITIES

Materials and technology used in design engineering of Med-Alert systems are continually being expanded and refined to keep Med-Alert the front runner in current state-of-the-art.

Med-Alert, through its association with AGA, can provide medical-electronic security on a large scale. This affiliation is in keeping with the Company's objectives and philosophy to provide single source responsibility on major products.

ORGANIZATION

Med-Alert is made up of an Executive Staff and five departments; Marketing, Engineering, Quality Control Purchasing, and Accounting.

The entire staff is composed of carefully selected career personnel who possess a diverse range of knowledge and abilities. This team is recognized throughout the State of Alaska as the best in the Med-Alert industry.

THE EXECUTIVE STAFF

CORPORATE PRESIDENT

RICHARD MARRON

Mr. Marron has been the acting President since the inception of Med-Alert in Aug. 1979. Prior to becoming president, he worked for the State of Alaska as a social worker. He has an equity interest in the business. Mr. Marron was the Director of the Residence Education Center for Chapman College located on Elmendorf AFB and acted as chief administrator over the educational programs prior to joining social services. He attended the University of Alaska, Anchorage majoring in the area of

Psychology. He later attended in the Masters of Business program. He has experience in organizational management and marketing. Mr. Marro also worked in hospital settings for a number of years.

DIRECTOR OF ENGINEERING

MAURICE ABELL

Mr. Abell has seven years experience in the electronics and phone installation industry prior to joining Med-Alert. He is an equity owner and has contributed significantly to the Company's success. He owned his own installation company for two years. Mr. Abell attended the Western Kentucky University until 1972. He has an extensive background in alarm systems. Mr. Abell also is licensed in Electrical Administration for Inside Communications in the State of Alaska.

VICE-PRESIDENT OF MARKETING

BOBI SMITH

Ms. Smith has combined her medical and public relations background to provide the marketing for Med-Alert. Prior to her joining Med-Alert she spent five years with the Anchorage Fire Department, Emergency Medical Service as a Paramedic. Ms. Smith attended the University of Alaska, Anchorage, earning an Associate Degree in Paramedicine and holds a current Alaska State Paramedic License. Ms. Smith was an assistant to the Public Relations Officer for the Atomic Energy Commission in Anchorage for two years. In addition to Ms. Smith's paramedical background she worked as a laboratory assistant. Ms. Smith has been in Alaska for twenty-nine years and has become very active in many social services and civic organizations.

Other members of the management team have not been selected as of this time, however, it is anticipated this will be accomplished within the near future. It should be noted that management plans are to put together an advisory board

that will consist of experts in the fields of hospital administration, emergency rescue service, medical doctors, and members of the electronic alarm industry. This advisory board would assist in giving direction and identity of the marketplace and the overall scope of service that Med-Alert would provide.

Supporting the executive staff and five department heads will be a staff of trained and dedicated personnel. The staff will be assigned as administrators, marketing representatives, field installation technicians, service technicians, and clerical help.

THE PRODUCT AND SERVICE

Management has recently completed an analysis and evaluation of the need for a full service 24-hour medical alert service for those individuals that might be victims of heart attack, stroke, convulsion or other disorders that would require immediate medical or rescue service. After talking to a number of professionals in the various fields and receiving a very positive response from them regarding such service, conclusions were made to establish a company that would provide such a service.

The product line that would be used to implement and provide emergency medical service would consist of an assortment of sophisticated wireless electronic equipment. A portable distress transmitter, approximately the size of a cigarette pack, would be utilized which the user could carry on his person at all times. In the event of emergency, the transmitter would be activated to transmit a signal to the receiver located in a common area within the home or business, which in turn is directly connected to a small mini-computer terminal directly tied into Alaska General Alarm's 24-hour computerized Central Station. Each client could be identified by a particular assigned number with a specific zoned coding arrangement, which would enable the Central Station to immediately ascertain the account that was in alarm condition. Upon receiving the signal a computer printout is generated, giving the time, account number and zone condition and through

the direct "hot line" to medics, hospital and other emergency services, immediate service could be dispatched to give assistance to the victim.

In providing the patient with this type of life safety emergency service when time is of the essence, much advance preparation could be made by the hospital as well as the doctors being notified that a condition has occurred with one of their patients. There will also be the added service of two people of choice being notified so that someone who is a friend will know of the emergency.

MARKET AND COMPETITION

The marketplace primarily referred to for the purpose of this document would be the Greater Anchorage, Alaska area. Based on the research and in relation to the population of some 200,000 people, it is reasonable to project there is a minimum of 1,500 potential patients that would have need for the services that will be provided by Med-Alert, Inc.

Med-Alert, Inc's marketing strategy will consist primarily of working directly with doctors, hospitals, convalescent centers and medical treatment centers. Upon the receipt of a referral, a direct contact would be made with the patient, explaining the emergency service program and the life safety service that is provided.

In addition to the contact and coordination with the above referenced, the company's intent is to do some direct advertising as well as conducting small group seminars to explain the Med-Alert, Inc. program.

It should be noted that contact has been made with major cities such as Seattle, Los Angeles and several major cities back east and the above described program is being very successfully accomplished with a high level of acceptance, both by patients and the medical profession.

In regards to the competition in the greater Anchorage area, at this point there is no independent service being offered to the citizens of the community. It should be noted, however, that emergency service is being handled by the paramedics through the public services of the fire department.

Based on the above facts, Med-Alert, Inc. is optimistic about the acceptance and fulfilling a need which exists in the marketplace and is projecting to establish a minimum of 600 clients by the end of the first year, 900 by the end of the second year and 1,200 by the end of the third year.

Per forma Income Statement
1980-1984

<u>Schedule</u>	<u>Notes</u>	1980	1981	1982	1983	1984
I.	Installation Revenue	60000	60000	30000	30000	30000
II.	Monitoring Revenue	175500	499500	735750	897750	1059750
	Gross Income	<u>235500</u>	<u>559500</u>	<u>765750</u>	<u>927750</u>	<u>1089750</u>
Less operating expenses:						
III.	Depreciation	80000	100000	77000	67000	58500
IV.	AGA Monitoring Agreement	39000	111200	163800	199900	236000
	Rent (1)	1980	2818	2484	2782	3116
	Telephone (1)	1200	1344	1505	1686	1888
	Office Supplies (1)	1200	1344	1505	1686	1888
	Salary (1)	26400	29568	33116	37090	41541
	Auto (1)	2400	2688	3011	3372	3777
	Insurance (1)	2400	2688	3011	3372	3777
	Commission (2)	27000	27000	13500	13500	13500
	Installation Fees (3)	18000	18000	9000	9000	9000
	Accounting Fees (1)	600	672	753	843	944
	Legal Fees (1)	500	560	627	702	786
	Total Expenses:	<u>200680</u>	<u>297282</u>	<u>309312</u>	<u>340963</u>	<u>374717</u>
	Net Income before Taxes:	34820	262218	456438	586787	715033
V.	Tax Provision	4127	119808	224694	293633	361460
	Net Income after Taxes:	<u>30693</u>	<u>142410</u>	<u>231744</u>	<u>293154</u>	<u>353573</u>

1. Expenses estimated to increase 12% per year. Taxes include payroll, property and Misc.
2. Commission at \$45 per unit installed
3. Installation fee of \$30 per unit installed.

Net Profit
5 Year Cash Flow
1980-1984

	1980	1981	1982	1983	1984
Gross Income	235500	559500	765750	927750	1089750
Less operation expenses	(200680)	(297282)	(309312)	(340963)	(374717)
Add Depreciation	80000	100000	77000	67000	58500
Less equipment purchase	(120000)	(120000)	(60000)	(60000)	60000
Less Taxes	(4127)	(119808)	(224694)	(293633)	(361460)
Plus Deposits	60000	60000	30000	30000	30000
Net Cash Flow	50693	182410	278744	330154	382076

Med - Alert

Installation Revenue
1980-1984

Schedule 1.

<u>Year</u>	<u>Number</u>	<u>Amount</u>	<u>Total</u>
1980	600 units	100	60000
1981	600 units	100	60000
1982	300 units	100	30000
1983	300 units	100	30000
1984	300 units	100	30000

	Tax Provisions				
	1980	1981	1982	1983	1984
State					
Taxable Income	34820	262218	456438	586787	715033
5.44% of 1st. 50,000	1880	2700	2700	2700	2700
9.4% over 50,000		19948	38205	50457	62513
Total Tax:	1880	22648	40905	53157	65213
Less ITC					
1980	(640)				
1981		(640)			
1982			(320)		
1983				(320)	
1984					(320)
Total State Tax:	<u>1240.00</u>	<u>22008</u>	<u>40585</u>	<u>52837</u>	<u>64893</u>
Carry over:	-0-	-0-	-0-	-0-	-0-
Federal					
Taxable Income	34820	262218	456438	586787	715033
Less State Taxes	1240	22008	40585	52837	64893
Federal Taxable	33580	240210	415853	533950	650140
20% of 1st. 25,000	5000	5000	5000	5000	5000
22% of 2nd. 25,000	1887	5500	5500	5500	5500
48% over 50,000		91300	175609	232296	288067
Total Tax:	6887	101800	186109	242796	298567
Less ITC					
1980	(4000)				
1981		(4000)			
1982			(2000)		
1983				(2000)	
1984					(2000)
Federal Tax:	<u>2887.00</u>	<u>97800</u>	<u>184109</u>	<u>240796</u>	<u>296567</u>
Carry Over	-0-	-0-	-0-	-0-	-0-
Total Tax:	4127.00	119808	224694	293633	361460

Please fill in all blanks. If not applicable, write N/A

SUBSCRIBER INFORMATION

Subscriber Name _____ Telephone _____
 Address _____ Social Security _____
 City _____ State _____ Zip _____ Birth Date _____
 Nearest Major Cross Streets _____ and _____

A. Residence is: 1. Single Family _____ Single Story _____ Multi Story _____
 2. Multi Family _____ Single Story _____ Multi Story _____
 3. Apartment _____ Floor _____ Fire Escape on Which Floor _____
 4. Trailer _____ House _____
 5. Other _____

B. Residence is: Alone _____ With Relatives _____ With Friends _____ Other _____

C. Subscriber is: Ambulatory _____ Confined _____ Walking Aids _____ Wheel Chair _____

MEDICAL INFORMATION

A. Medical _____ Code No. _____ Equipment Type _____ Model No. _____

1. Special medical condition is diabetic, pacemaker, etc _____
 2. Special drug treatment prescribed, drugs which may cause a conflict in emergency treatment _____
 3. Allergic to following conditions and/or drugs _____

CALL ALERT INFORMATION

NOTE: Two (2) of the following parties are included in basic monthly service charge. Additional parties require an additional charge. List parties in order of importance. AGA will start at the top of the list and call until two parties are notified. List, under type, what relationship to subscriber or what Civic Organization is, Fire Dept., Police Dept., etc.

Name	Telephone Number	Type
Hospital _____	_____	_____
Doctor _____	_____	_____
_____	_____	_____
_____	_____	_____

Please use parties that are located in the general area in order that response is made in a minimum amount of time.

Date _____ Subscriber _____
 Dealer _____

Do NOT write below this line until copy sent by mail to you

from AGA

I hereby confirm the above information and agree that service is to start upon your receipt of this verification. I will expect your reply as to date of service

Date _____ Subscriber _____

Chicago Tribune

Sunday, March 12, 1978

For elderly, 'beep' can signal survival

By Richard Phillips

WHEN ETHEL RAYBURN'S daughter suggested her mother needed help to live alone, the 88-year-old widow flared indignantly.

"I am an independent critter. I like living alone," Mrs. Rayburn bristled.

The daughter persisted, producing a tiny box with a button on it as the 24-hour companion in Mrs. Rayburn's Downstate farm home. The box was a new kind of alarm, smaller than a package of cigarets and louder than a cry for help, as it turned out.

Eventually her resistance wilted, and Mrs. Rayburn put the unfamiliar device in her apron pocket. She never expected to use it, and doubted that it would work anyhow.

NOW, AFTER an episode of immobility in freezing temperatures outside her Bondville home this winter, the one-time skeptic credits the tiny box with saving her life.

The box is a wireless transmitter. Its makers claim it is the ideal invention for older people who want the independence of living alone but not the worry of lying helpless with no immediate prospect of emergency aid. Mrs. Rayburn became one of its first users last January when she stepped outside her farmhouse to gather in a newspaper blowing on her icy sidewalk.

"I slipped on the ice. I couldn't get up. I tried again and again and I couldn't get my legs under me," she recalled.

THE TEMPERATURE was near zero. Darkness was falling fast. When Mrs. Rayburn saw her son, Jay, rumble past in his pickup truck oblivious to her flailing arms and her shouts, she realized she might never see her children again.

"I began to think I would freeze to death. I expected nobody would come."

"But then I remembered that thing in my apron pocket."

Finding the transmitter with a numbing hand, Mrs. Rayburn pressed repeatedly on the recessed button. Once was enough. The beep activated a transistorized box attached to her telephone, which dialed a distress call to a computer in Linden, N.J. The computer translated the coded beep into a lengthy

printout to a private operator, who started calling Mrs. Rayburn's family and the police department.

THE WHOLE PROCESS took about 95 seconds from the time she first hit the button. Help arrived minutes later, and Mrs. Rayburn was carried inside and thawed.

UNLIKE TAPE dialers, which are prone to false alarms and can't draw a distinction between a "busy" telephone signal and a dial tone before regurgitating a message, the new digital alarms keep dialing until a connection is acknowledged by the computer at the other end, Smith said. From there, operators draw upon a pre-arranged list of persons to call in emergencies. Smith said the leased service costs \$20 monthly, excluding installation charges and telephone line rental.

THE WIRELESS transmitter is not cheap, and it is not really new.

It has been around more than a decade. But until a few months ago, no one thought there might be a market for it among the elderly, according to Len Rosenfeld, vice president of Amcest, Inc., whose computers and telephone operators Mrs. Rayburn relied upon for help.

The wireless transmitter broadcasts its signal on a special radio frequency. To avoid accidental triggerings from similar devices such as garage-door openers and even electrical storms, the signal must be broadcast on both AM and FM frequencies simultaneously or the transistorized dialer connected to the telephone won't work, Smith said.

Spokesmen for other alarm companies said they don't sell or rent such devices for use by older people. One said, "It's simply something the alarm industry has not examined. I think there is an assumption that the market is not there."

Amcest's Rosenfeld said the Lifeguard and Safewatch systems probably are the beginning of a burgeoning industry that will enrich its first promoters and enable the elderly to stay out of nursing homes longer.

"The sky is the limit. A lot of people with infirmities are brave enough to face being alone; what they want is someone out there to hold their hand when they need it—even if it comes through an electrical signal."



MEDICAL EMERGENCY ALARM SYSTEM: A GROWING MARKET, A GROWING PROBLEM

By Don D. Darling

Personal alarm systems that summon medical assistance in an emergency can mean the difference between life or death or between having to be confined to a medical facility at a very high personal or public cost or being at home.

Various public medical assistance programs, as well as private, state and federal government agencies, are recognizing this fact of life and are now examining various systems with a view toward approving certain ones for use on a "doctor's prescription" basis. This means that the approved supplier would be reimbursed by medical program funds in

the same manner as suppliers of hospital beds, oxygen systems and other home patient care items.

The concept, as well as the private and public dollar savings, is beautiful. From the industry standpoint there will be a lot of guaranteed dollars out there for those offering equipment and service. With the large number of high quality-high reliability components available, there appears to be no excuse not to be able to design and market a good system at a reasonable price.

Basic Components

Administrators of these government medical programs, in a position of "approving" such alarm systems for use by their patients under reimbursement with private or government funds, cannot be expected to be both administrators and alarm experts; therefore they will be depending upon professional counsel for approval. And, although I don't presume to set standards here, I do offer the minimal requirements that I would establish for a client with a medical problem and describe in generic terms the systems and components I would consider.

For the bedridden, with someone on the premises 24 hours a day, the system could be as simple as a bedside pushbutton, a smoke detector, a bell or bells with power supplied by a transformer whose power supply cord cannot be accidentally disconnected. In other cases, a bell could be run to a neighboring residence.

The more typical case, however, is when the patient is ambulatory or partially ambulatory with partial ability to care for himself and resident assistance may or may not be constantly available. In these cases, an RF transmitter-receiver system that is carried at all times by the patient is recommended. Spare transmitters should be conspicuously located in the bathroom and kitchen. Where practical, the system could be hard wired into a number of pushbuttons or could be a combination of hard wired buttons and RF systems.

Smoke detectors would be recommended in both the bedroom and the kitchen simply because, aside from the medical problem, the second biggest life safety problem is fire, which in medical cases is most often caused by the patient becoming ill in bed while smoking or in the kitchen with foodstuff being prepared on a stove or in an appliance.

Where the RF transmitter-receiver system is concerned, they would be tested throughout the residence to assure that no dead spots exist, and if dead spots are found, a supplemental "slave" antenna system would be specified to eliminate the problem.

Central Station vs Dialer

In cases where direct connection dedicated phone lines to an approved central station are beyond the financial capabilities of the client or are impractical for technical reasons, a reliable two-channel

ABOUT THE AUTHOR

A consultant on governmental, industrial and institutional security, Don D. Darling is a former chief (1955-59) of the Western Industrial Security Regional Office, Office of the Inspector General, Air Research and Development Command of the United States Air Force.

Darling also served as a security agent-inspector for the Department of Energy, Nuclear Regulating Commission (formerly the Atomic Energy Commission), as well as vice president of the Security Operations Division at McMillan Science Associates.

Currently, he is president of Don D. Darling and Associates, an El Segundo, CA-based security consulting firm; a contributor to "Security World Magazine;" and a frequent speaker at the International Security Conference.

MEDICAL ALERT

continued from page 74

(minimum) digital dialer programmed to an approved central station, manned 24-hours would be specified. An additional requirement is that the station has receiving-decoding and printout equipment compatible with the dialer. The system should be capable of printing out, as a minimum, time and date of alarm, subscriber's number and type of emergency, as well as corresponding information with corrective action note at the station.

The central station should have an immediate "call back" alarm verification requirement to the subscriber's phone number to both validate the alarm and to assure that the line is intact. Ideally, systems with a listen-back capability in the event of an alarm signal would be recommended if the client could afford the added cost of the equipment.

I also suggest that the basic signal be sent to appropriate authorities immediately and that a second re-

port be made to supply call back response or to report no response from the subscriber, indicating the validity of the alarm signal or defining the seriousness of the problem. As any nurse will tell you, they have responded thousands of times to a patient's signal in a hospital only to find that the patient had rolled over the bell signal in their sleep or accidentally pushed the button while having a nightmare.

Keep the Power Constant

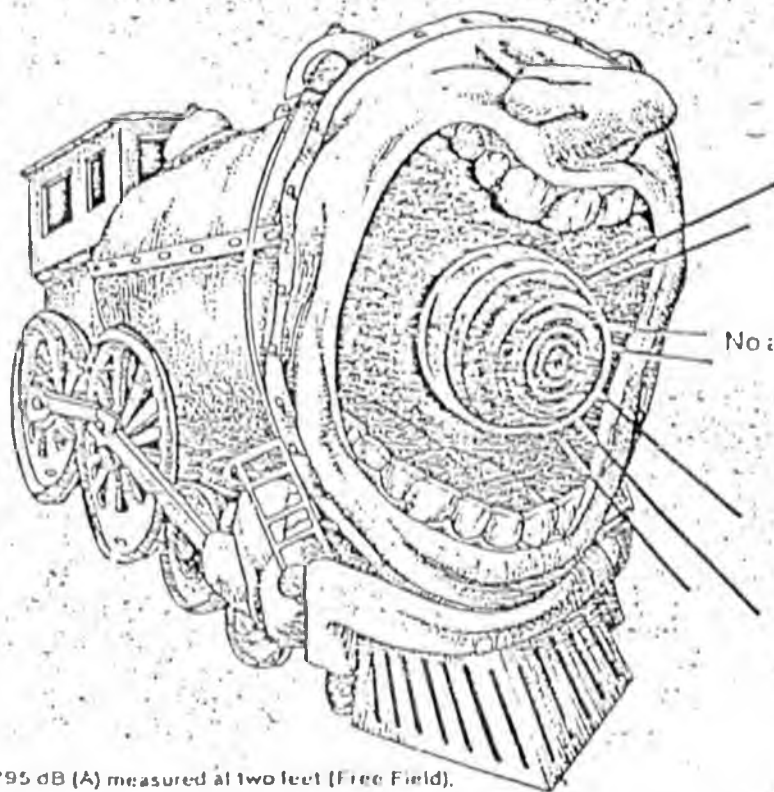
Where battery operated sensors, such as the RF transmitters, are concerned, I recommend that the central station services supplier have and follow a policy of either sending replacement batteries or, on a regular schedule, send out a service representative on a date well before the end of the warranted shelf life of the batteries.

All other parts of the system and central station service being equal, the last system I would recommend to my clients is a system that uses a tape dialer instead of a direct line connect or a digital dialer. This is based on a simple fact of life — on a reliability ration, any solid state de-

higher reliability than any electromechanical device. Where tape dialers are used, I specify those of known high reliability and preferably those that have an Underwriters Laboratories label.

Like all alarm systems, there will be predictable and unpredictable equipment failures, telephone line failures and resultant "no signal" or false alarm situations. By specifying central station requirements such as "call back" or "listen in," the human failure factors can be minimized, which is all we can do. And with user instructions as part of the service package, the "user failure factor" can be minimized.

By following these comparable recommendations there is a high probability of providing adequate equipment and services to your client. I don't claim to meet the same "doctor's prescription" standards the medical authorities might come up with, but I do know that a number of doctors with medical problems have installed the first or second levels of these systems for their own use. ■



The Big Noise!

Up to 95 decibels* with Sonalert® Signals. No arcing — no moving parts — no mechanical wear. You get a noise as loud as a locomotive from this small, solid state signal. It can weigh less than an ounce and install in a 1½" diameter hole. But noise is not all you get with Sonalert Electronic Audible Signals. You also have the security of knowing that here is a dependable, low-cost way of sounding an alarm with low current requirements, light weight and easy installation. AC or DC. For all the features and pricing of M. Mallory's complete line of Sonalert audible signals, contact P.R. Mallory & Co. Inc., Box 1284, Indianapolis, Indiana 46206. (317) 856-3731.

*95 dB (A) measured at two feet (Free Field).

Sonalert is a registered trademark of P.R. Mallory & Co. Inc.

MALLORY

West Salem man dies in apartment blaze

By ALAN GUGGENHEIM
Oregon Statesman Reporter

Pride and stubborn independence may have killed Robert Claude McDaniel on Saturday.

The 66-year-old cancer-stricken polio victim whose 32-year-old wife left him last week, died about 8 a.m. when fire gutted his apartment in West Salem.

McDaniel, called "Bob" by his friends and neighbors, lived at 1250 8th St. NW.

His wife, Connie, said she moved out their apartment last week;

"We more or less got into a big argument. His doctors and I have tried to talk him into a nursing home and he wouldn't go. I was hoping he would."

NEIGHBORS TOOK CARE of the invalid McDaniel, cooking his meals, helping him to the bathroom and, in the end, trying to save his life.

Felix "Pop" Geninatti, 60, had risen

early Saturday to pack his belongings and get ready for his new job Monday as a caretaker of a Rogue River resort. He noticed smoke pouring from the bedroom window of McDaniel's apartment and ran over to Verla Dawson's apartment, banging on her door to tell her to call the fire department.

Then he ran the 25 feet or so back across the courtyard and crawled — with a towel over his head — in the front door of McDaniel's single-story, one-bedroom apartment.

"I crawled in there on my hands and knees and he was lying there just black" beside his reclining chair, said Geninatti.

WHEN GENINATTI exited the burning apartment, he ran into another neighbor, Patricia Mann, who was McDaniel's hired housekeeper. She was on her way in and later said it was a good thing he blocked her way. The ceiling

gave way and crashed into the blaze at that moment, Mann said.

The Salem Fire Department answered Dawson's call and brought the blaze under control in about 14 minutes — almost before she was able to wake up her sound-sleeping 14-year-old son, Shawn.

Shawn was one of the last people McDaniel saw. He was one of several apartment neighbors who befriended the man.

"Patty (Mann) and I made a deal. She would fix him breakfast and lunch and I would fix him dinner. He slept in the reclining chair a lot. Since his wife moved out, he's sat there in the living room with his door unlocked so we can see him and he can wave if he wants anything," Mrs. Dawson said.

MANN LOOKED IN ON McDaniel after she returned from bowling at 1 a.m.

"I asked if he wanted anything and he

said some milk and his tubes (oxygen tank extension tubes). He had emphysema. He said, 'I want to sleep in tomorrow; breakfast about 10 o'clock.' He said he wanted fried eggs, not poached," said Mann.

A half hour later, Shawn Dawson went in to check in on McDaniel and got him a blanket.

Some time later, Mann went back by and knocked on McDaniel's picture window. He was reading, she said, adding that he said, "Remember fried, not poached."

BEFORE SHAWN TURNED out his bedroom lights at 2:30 a.m., said Dawson, he opened his curtains and waved to McDaniel, sitting in his recliner inside his living room. The old man waved back.

McDaniel was friendly; he read books, magazines and newspapers in his recliner and while sitting in the bathroom,

where he would stay as long as four hours at a time, just to keep from using up his strength and breath, said Mann. He used a wheelchair and a "walker" to get around.

"He would sit in there and say, 'I need something to read. I'm going crazy,'" she said. He tried to take care of himself but simply wasn't able to; his blue jeans were almost ready to fall off his hips, and would have if not for his suspenders, said Mann. She was paid \$2.65 an hour by the state to do housecleaning for the McDaniels, who were on welfare because of their medical problems.

THE CAUSE OF THE FIRE may have been a dropped cigarette, according to what the firemen told Dawson and Mann.

McDaniel did smoke heavily, s Geninatti, with Dawson adding, "It took every ounce of strength for him to take a (Turn to WEST SALEM, Page 2A)

— LIFE ALERT - MIGHT HAVE SAVED A LIFE —



Statesman Journal photo by Robert De Gludio

Felix "Pop" Geninatti and Patricia Mann reflect on the death of their friend and neighbor, Robert Claude McDaniel, Saturday morning when fire gutted his one-bedroom apartment in West Salem.

West Salem man killed in blaze

(From Page 1A)

breath." He probably died instantly, the three neighbors agreed, as they pondered his death in front of McDaniel's home.

The neighbors suspect, though, that McDaniel wanted some hot chocolate or something early that morning but he didn't want to telephone one of his neighbors for assistance.

He didn't want to bother them. So, he tried to do it himself. That's their speculation about why McDaniel was found on the floor beside his chair.

Mann said that during her house cleaning, she often found scorched pans sitting on the stove, forgotten, or left there because a man didn't have the breath to tend to the stove.

"WE TOLD HIM TO CALL us for anything," said Dawson, adding. "We wanted to help him, he was such a nice old guy."

"But he was still independent. He had his pride still."

McDaniel's funeral service will be 10:30 a.m. Tuesday in Bollman mortuary, Dallas. Interment will be in Dallas Cemetery.

New firm to help ill

A new business in town, Med-Alert, offers a medical emergency alarm system tied to a 24-hour monitoring station.

Bobi Smith, vice president and formerly a paramedic for five years with the Anchorage Fire Department, said clients of the system carry a pocket-sized transmitter that requires only a push of a button to summon help.

"The person with an emergency doesn't have to talk," she said. "The dispatcher receiving the signal immediately notifies the municipality's emergency medical service that an emergency exists at a certain address."

This means, she said, that help will be on the way within a couple of minutes.

The general public currently can summon help by dialing the emergency number listed in the telephone book, 911.

Other officers in the new business are Richard Mariani, president; and Maurice Abell, director of engineering.

Ms. Smith said the Anchorage business is not affiliated with any other organization.

Anchorage Times
Jan. 25, 1950

THE FOLLOWING DOCUMENT(S) MAY NOT FILM
LEGIBLY BECAUSE OF POOR QUALITY OF THE
ORIGINAL.

24-hour monitoring service available

Dear Bud:

My grandmother is planning a three month stay in Anchorage. She has chronic heart disease and I am concerned about her being home alone while I work. She has a medical alert system in own home that provides 24-hour monitoring so emergency care is always available.

I recall reading about a similar service being established in Anchorage but neglected to make a note of the name and address. Could you help me get in touch with their office so I can arrange for my grandmother's visit?

Barb Van Buren

Dear Barb:

I hope your grandmother enjoys her visit to Anchorage and doesn't have to use the Med-Alert system. It's nice to know it's there though, in case it's needed.

You're right, the service is new and will be listed in both the white and yellow pages under burglar alarms of the new telephone directory.

The monitoring equipment can be leased, rented or purchased and the monthly monitoring charge varies with the program selected.

Maurice Abell of Med-Alert told me their service is approved by Medicaid. Since your grandmother already has one system at home, you should check with Medicaid to see if a second system is also covered.

Bud

THE PRECEDING DOCUMENT(S) MAY NOT FILM
LEGIBLY BECAUSE OF POOR QUALITY OF THE
ORIGINAL.

POSITION PAPER
ON
SENATE BILL NO. 380

"An Act making a special appropriation to the Department of Health and Social Services for the purchase of medical emergency alarm systems; and providing for an effective date."

The bill provides for \$1,000,000 in general funds to be appropriated to the Office on Aging, Department of Health and Social Services to purchase Med-Alert medical alarm systems for distribution to elderly Alaskans.

Brief Overview

Med-Alert is a tradename for a medical emergency alarm which is a pocket size electronic transmitter that people wear on their person for contacting automatically a central station by simply depressing a button on the transmitter. The transmitter links to the person's home telephone to send an emergency signal to a central base station over established telephone lines. The range of transmission is 200 feet under optimal conditions. The central base station would be monitored for emergency calls on a 24-hour basis. Emergency care then can be dispatched immediately to respond to the medical crisis. The system has the potential of responding to threatening situations by quickly dispatching necessary life-saving care expeditiously to persons in medical emergencies.

System Administration in Alaska

The bill provides for the purchase of 3,000-3,500 emergency alarm systems for elderly persons. We envision our Office on Aging purchasing the equipment and distributing it to local senior citizen's centers based on a formula reflecting the number of elderly in the community that the center serves and the feasibility of utilization of the product in their locale. The center would have complete independence to design a distribution system to meet community needs. The center would select the persons who were to receive such systems on loan at no cost from the center, except for the monthly monitoring fee which the patient or his family must cover. The center would be responsible for proper record-keeping for audit purposes, in addition to the retrieval and disbursement of loaned equipment.

Discussion Areas

1. There are many medical alarm systems available in the United States and prior to the purchase of \$1 million worth of them a comparison review and evaluation of other manufacturers' models might be appropriate. We offer the assistance of our State Advisory Council on Emergency Medical Services or its Executive Council to review the need for, and the effectiveness of this and other medical emergency alarm systems.

2. Since the emergency alarm systems are targeted for use by elderly persons, it may be reasonable to earmark a portion of the funding to provide for such systems in all public financed senior housing.
3. Since the bill only covers the purchase of the units, we see a problem with covering the \$30 monthly monitoring fee that is presently being charged for such systems to be linked to emergency response systems. To our knowledge, Medicaid, Medicare, and private insurance do not routinely cover such items. The \$30 a month fee may prove to be burdensome to elderly persons on a fixed or low income.
4. In checking with the Department of Administration, we find that although Med-Alert is the sole manufacturer of emergency alarm systems in Alaska, we cannot avoid going to competitive bid with other contractors from outside of Alaska which can supply similar alarm systems. The Med-Alert product would have to compare favorably on price, quality, service, and durability.
5. The stage of Alaska's communications may prove to hinder the full development of the emergency alarm system. The extensive use of party telephone lines and single village telephone may limit its applicability in many areas of our state.
6. The bill earmarks funds solely for the elderly. There are many disabled and ill persons who might benefit from such a system who have not yet reached the age of 60 or 65.
7. The emergency medical alarm is only as good as the available back-up emergency medical support services. In some areas of the state, such as Anchorage, there are trained emergency medical specialists available on a 24-hour basis. In others, there is not such a sophisticated network of trained professionals to respond to crisis calls.
8. Repair of machines may be difficult, especially for those consumers who would not have a repairman in their vicinity and the machine would have to be shipped by mail to a central repair source. Customer service would be necessarily delayed and cumbersome.

Mark Johnson

The Department recognizes the need for rapid response to medical emergency and views these systems as one possible way to speed up the response time in a medical situation crisis.

Approved by: 
 Helen D. Beirn - Commissioner
 Department of Health and Social
 Services

2/6/80
(DATE)

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. Senate Bill #380
 Title An Act for the purchase of medical emergency alarm systems
 Requested by _____ Date 2/6/80

II. FISCAL DETAIL Department of Health and Social Services
 Agency Affected _____
 Program Category Affected Social and Economic Assistance for the Aged
 BRU, Program, or Subprogram(s) Affected Office on Aging
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Comment: No fiscal impact on the Office on Aging.

It would be the intent of the Office on Aging, after purchase of the emergency alarm systems, distribution and accountability would be made with the various local Senior Centers situated in the various communities of the State. Each interested Senior Center would make all determinations as to persons in need of equipment at the local level and keep necessary inventory and distribution records working with both this Office and the approved vendor.

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Prepared by: [Signature] Date: 2/6/80
 Division/Office: PH
 Department of Health & Social Services

Approval DHSS Mgt. & Bdgt [Signature] Date: 2/6/80


STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

March 6, 1980

SUBJECT: CSSB 380
TO: Senator Glenn Hackney
FROM: Donna Spragg Pegues 
Co-Revisor of Statutes

Enclosed is the new version of the Committee Substitute for Senate Bill 380. From your notes, I gathered that only one appropriation section was to be included. If I am incorrect, please give me a call (or have Mary give me a call) so we can straighten it out.

I am not certain of the effect of the sentence which requires that the medical emergency alarm systems be MED-ALERT or like systems. As you know, under the state constitution, appropriation bills must be confined to appropriations. The requirement that a specific type of system or its equivalent be purchased with the appropriation is not really a part of the appropriation. However, it could be argued that it is a legally justifiable condition on the appropriation.

DSP:ljb

Enclosure

To Legis. Affairs
Dir. of Legal Services

The attached C.S. for SB 380 was last
adopted by the H.E.S.S. Comm. ^{prepared by} ^{Legues}

Please draw us a new C.S. along the
following lines:

Change title to: An act making a special
appropriation for a pilot program to provide medical
emergency alarm systems etc

Sec. 1. The sum of \$250,000 is approp. from the
G.F. to the Dept. of H & SS, Dir. of Soc. Ser. for
purchase, installation and monitoring ~~for~~ for
medical emergency alarm systems. These systems
will be provided to ~~the elderly, black and~~ ^{to} living alone
or in Congregate housing arrangements, and to
handicapped and developmentally disabled individuals.
The system shall be med-alert medical emergency alarm or
a system of like design.

* individuals 60 years of age or older who live in their
own or rented homes or - - -

MEMORANDUM

TO: Billy G. Berrier, Director
Division of Legal Services

FROM: Senator Glenn Hackney, Chairman
Senate HESS Committee

DATE: February 19, 1980

SUBJECT: SB 380

Please give us some language for the appropriation suggested in SB 380 as follows:

1. \$500,000 to be disbursed through the contractor or contractors selected to administer homemaker/home health aide services to senior citizens who could thereby be enabled to remain in their own homes with greater security and peace of mind.
2. \$250,000 to be distributed by the Office on the Aging to recognized senior citizen groups for the purpose stated above, and for public housing where congregate living for seniors is practiced.
3. \$250,000 to purchase units for distribution to the handicapped, developmentally disabled, and medically fragile.

Item No. 3 would best be distributed through the Division of Mental Health and Developmental Disabilities, I believe.

INTRODUCTION OF BILLS (Senate)(cont'd)

Appropriation SENATE BILL NO. 380, by Senators Colletta and Hackney. Appropriates \$1,000,000 to the Department of Health and Social Services, (special) Office of Aging, to purchase MED-ALERT medical emergency alarm (medical emergency alarm systems) systems for distribution to elderly Alaskans. Unexpended and unobligated portion of appropriation lapses June 30, 1981. Provides Act effective immediately.

Introduced February 1 and referred to Health, Education & Social Services, then to Finance.

Please filed - 2
'MED. ALERT' APPROPRIATION - 20

BY USE OF MED. ALERT

1979 HOSP. COST CONTAINMENT REPORT
ALASKA STATE HOSP. ASSN.

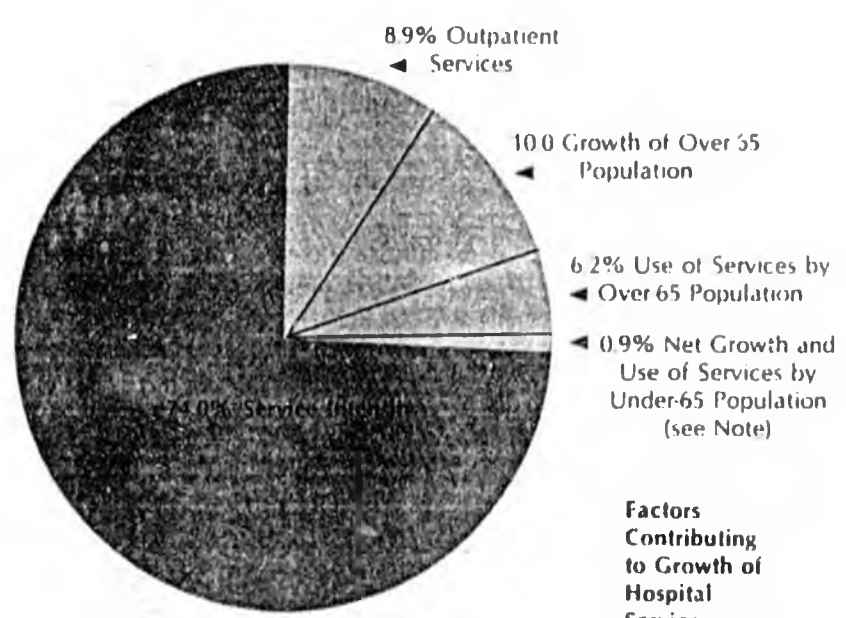
Growth
in Hospital
Service
Volume

Nationally since 1973, the total volume of hospital services has increased at an average annual rate of 6.8 percent. Between 1977 and 1978, the total volume of services increased 5.5 percent.

Increasing service intensity accounted for 74 percent of the increase in the total volume of services provided by hospitals during the 1973 to 1978 period. Increasing service intensity reflects:

- a. Changes in patient mix, particularly increases in the number of patients over-65 years of age.
- b. The development of new services.
- c. Shorter average length of stay which requires more services to be provided on each day.
- d. Regulations requiring hospitals to provide more services, particularly in the administrative area.

Available information indicates that trends in Alaska correspond to the national pattern.



Source: American Hospital Association
Office of Research Affairs

Note:
The 0.9 percent net increase in under-65 utilization represents the combined effect of a 3.02 percent growth of population offset by a 2.12 percent decline in the patient day use rate. As population growth outpaced the reduction in the use rate, the volume of services to the under-65 population increased.