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Offered: 2/28/86  
Referred: Labor & Commerce and  
Finance

Original sponsor: Health, Education and  
Social Services Committee

1 IN THE HOUSE BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE  
2 CS FOR HOUSE BILL NO. 634 (HESS)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION  
5 A BILL  
6 For an Act entitled: "An Act relating to the Board of Nursing Home Admini-  
7 strators; and providing for an effective date."  
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:  
9 \* Section 1. AS 08.03.010(c)(9) is amended to read:  
10 (9) Board of Nursing Home Administrators (AS 08.70.010) --  
11 June 30, 1990 [1986].  
12 \* Sec. 2. AS 08.70.020(a) is amended to read:  
13 (a) The board consists of three [FIVE] members: one [TWO] nurs-  
14 ing home administrator [ADMINISTRATORS] licensed under this chapter  
15 and practicing in the state, a registered nurse licensed in the state  
16 and having no direct financial interest in any nursing home, and one  
17 person [TWO PERSONS] from the general public.  
18 \* Sec. 3. AS 08.70.155 is amended to read:  
19 Sec. 08.70.155. GROUNDS FOR IMPOSITION OF DISCIPLINARY SANC-  
20 TIONS. After a hearing the board may impose disciplinary sanctions  
21 when it finds that a licensee  
22 (1) secured a license through deceit, fraud, or intentional  
23 misrepresentation;  
24 (2) engaged in deceit, fraud, or intentional misrepresenta-  
25 tion in the course of providing professional services or engaging in  
26 professional activities;  
27 (3) advertised professional services in a false or mislead-  
28 ing manner;  
29 (4) intentionally or negligently engaged in or permitted

1 the performance of patient care by persons under the licensee's super-  
2 vision which does not conform to minimum professional standards re-  
3 gardless of whether actual injury to the patient occurred;

4 (5) failed to comply with this chapter, with a regulation  
5 adopted under this chapter, or with an order of the board;

6 (6) continued to practice after becoming unfit due to

7 [(A)] professional incompetence, [;

8 [(B)] addiction or severe dependency on alcohol or  
9 other drugs which impairs the licensee's ability to practice  
10 safely, or [;

11 [(C)] physical or mental disability and the licensee  
12 has not been rehabilitated to the satisfaction of the board;

13 (7) sold or furnished a license to another;

14 (8) practiced as a nursing home administrator or used a  
15 designation tending to imply that the licensee is a nursing home  
16 administrator without a license issued under this chapter unless  
17 exempted from licensure requirements under AS 08.70.080.

18 \* Sec. 4. TRANSITION. Notwithstanding the provisions of AS 08.70.-  
19 020(a) as amended by sec. 2 of this Act, the members of the Board of Nurs-  
20 ing Home Administrators on the effective date of this Act shall remain on  
21 the board until their terms expire or the positions otherwise become va-  
22 cant.

23 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.-  
24 10.070(c).

**STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE**

Revision Date: \_\_\_\_\_

**REQUEST**

Bill/Resolution No.: CSHB 634 (HESS)  
 Title: An Act relating to the Board of  
 Nursing Home Administrators

Sponsor: House HESS  
 Requester: \_\_\_\_\_  
 Date of Request: \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected: Commerce & Economic Dev.  
 BRU: Occupational Licensing

Components: \_\_\_\_\_  
 \_\_\_\_\_

**EXPENDITURES / REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		-0-	-0-	-0-	-0-	-0-
TRAVEL		-0-	-0-	-0-	[.5]	[.5]
CONTRACTUAL		-0-	-0-	-0-	-0-	-0-
SUPPLIES		-0-	-0-	-0-	-0-	-0-
EQUIPMENT		-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		-0-	-0-	-0-	[.5]	[.5]

CAPITAL						
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REVENUE		-0-	-0-	-0-	-0-	-0-
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**FUNDING: (Thousands of dollars)**

GENERAL FUND		-0-	-0-	-0-	[.5]	[.5]
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		-0-	-0-	-0-	[.5]	[.5]

**POSITIONS:**

FULL-TIME		-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

**ANALYSIS:** Attach a separate page if necessary.

This bill provides for continuation of the Board of Nursing Home Administrators and reduces the number of board members from five to three by attrition. One Anchorage member would attend only one meeting in FY 87, therefore, per diem cost of \$80 would be eliminated for FY 88-91. This cost is not reflected as it is under \$100 annually.

Prepared by: Jennifer Strickler, Management Analyst (see attached for continuation)  
 Division: Occupational Licensing Phone: 465-2144  
 Date: 3-17-86

Approved by Commissioner: [Signature] Date: 3/17/86  
 Agency: Commerce and Economic Development

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

# CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSHB 134 (HESS)

The reduction in cost shown for FY 90 and FY 91 reflects the elimination of one Juneau member whose term expires October 1, 1988. This member would attend the face to face meeting in FY 89 but travel and per diem cost of \$512 in FY 90 and FY 91 would be eliminated.



Alaska State Legislature  
House of Representatives  
COMMITTEE ON HEALTH, EDUCATION  
AND SOCIAL SERVICES

OFFICIAL BUSINESS

POLCHV  
JUNEAU, AK 99811  
465-3759

February 24, 1986

Representative Ben Grussendorf  
Speaker of the House  
P.O. Box V  
Juneau, Alaska 99811

Dear Mr. Speaker:

The House Comm. on Health, Education and Social Services has considered the Sunset Review of the Board of Nursing Home Administrators, and recommends that the board be continued. The Committee has introduced HB 634 to fulfill the findings of the Committee.

As required by AS 44.60.050 (c), the Committee submits the following findings:

(1) the extent to which the board, commission or program has operated in the public interest.

The Division of Legislative Audit found that the board served no public purpose and should be eliminated, however, the Committee finds that the existence of the board is required by federal Medicaid law and should therefore be maintained so that Alaskan nursing home residents may continue to qualify for Medicaid funds.

(2) the extent to which the operation of the board, commission or agency program has been impeded or enhanced by existing statutes, procedures, and practices which it has adopted, and any other matter, including budgetary, resource, and personnel matters.

Federal law requires the existence of this board as a criterion for qualification for Medicaid funding.

(3) the extent to which the board, commission or agency has recommended statutory changes which are generally of benefit to the public interest.

The statutes were amended to require biennial rather than annual licensing and to revoke licenses of those persons who do not uphold the board's standards.

(4) the extent to which the board, commission or agency has encouraged interested persons to report to it concerning the effect of its regulations

and decisions on the effectiveness of service, economy of service, and availability of service which it has provided.

There have been four board meetings since 1982. For two meetings, there was insufficient hearing notice between time of publication and the meetings, and for a third meeting there was no notice.

(5) the extent to which the board, commission or agency has encouraged public participation in the making of its regulations and decisions.

The board announces proposed changes to regulations in the newspaper according to the Administrative Procedures Act.

(6) the efficiency with which public inquiries or complaints regarding the activities of the board, commission or agency filed with it, with the department to which the board or commission is administratively assigned, or with the office of the ombudsman have been processed or resolved.

Only one complaint has been filed with the Division of Occupational Licensing in the past several years, and that complaint was dismissed as lacking merit. No complaints have been filed with the Office of the Ombudsman or the Attorney General's office.

(7) the extent to which the board or commission which regulates entry into an occupation or profession has presented qualified applicants to serve the public.

50 persons are licensed as nursing home administrators in the state, with no evidence that unqualified practitioners have been licensed.

(8) the extent to which state personnel practices, including affirmative action practices, have been complied with by the board, commission or agency to its own activities and the area of activity or interest.

No complaints have been filed with the Office of Equal Employment Opportunity regarding the Board of Nursing Home Administrators

(9) the extent to which statutory, regulatory, budgeting or other changes are necessary to enable the agency, board or commission to better serve the interests of the public and to comply with the factors enumerated in this subsection.

The Committee determined that the board should be reduced to three members to reduce the cost of operation. This change is reflected in HB 634, which the Committee introduced to continue the board.

As required by AS 44.60.050 (d), the Committee submits the following findings:

(1) an identification of the problems or the needs that the programs and activities of the board, commission or agency are intended to address.

The board needs to assure adequate notice of board meetings. The board wishes to investigate a preceptorship program and continuing

education requirements. The Committee determined that the board has the statutory authority to pursue these goals.

- (2) a statement, to the extent practicable, of the objectives of the program of the board, commission, or agency program, and its anticipated accomplishments.

The purpose of the board is to license qualified nursing home administrators to protect the public and assure that Alaska receives Medicaid funding. The board is fulfilling this function.

- (3) an identification of any other programs having similar, conflicting or duplicate objectives.

There are no other programs having a duplicate function.

- (4) an assessment of alternative methods of achieving the purposes of the program.

Because the Medicaid regulations require licensure by a board composed of members of different medical professions, the Committee determined that there are no alternatives other than this board for licensing nursing home administrators.

- (5) an assessment of the consequences of eliminating the board, commission or program and consolidating its activities with another program, or of funding it at a lower level.

Elimination of the board would make the state of Alaska liable for federal Medicaid sanctions. Since institutional facilities account for over half of the Medicaid budget, this would not be in the state's best interest. In order to save money, the Committee has reduced the number of members on the board to three from five.

- (6) a justification for the recommended continuation or extension of the board, commission or program, and an explanation of the manner in which it avoids duplication of or conflict with other efforts.

Since Alaska has no combined medical licensing boards which would meet federal regulations, the board must be continued.

- (7) any other information which, in the opinion of the committee, would improve the performance of the board, commission or agency with respect to its representation of and responsiveness to the public interest.

The Committee recommended that reduction of the board be accomplished by attrition. The Division of Occupational Licensing recommended that the meetings be reduced to one per year, but the Committee felt that teleconferenced meetings can and should be held so that the board can fulfill the mandate of AS 08.70.040 at little cost to the state. Such meetings will also allow the board to develop its proposed preceptorship program.

The Committee also recommends that licensing fees for the board be raised in order to produce income necessary to cover the operating

expenses of the board.

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Representative Max F. Gruenberg, Jr., Co-Chair  
House Health, Education and Social Services Committee

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Representative Niilo Koponen, Co-Chair  
House Health, Education and Social Services Committee

requirement. (1) The State's payment of premiums, deductibles, cost sharing, or similar charges under part B does not obligate it to provide the full range of part B services to recipients not covered by Medicare.

(2) The State plan must specify this exception if it applies.

(c) *Federal financial participation.* (1) No FFP is available in State expenditures for Medicare part B premiums for Medicaid recipients who receive no money payments under title I, IV-A, X, XIV, XVI (AAHD), or XVI (BSI) of the Act. However, FFP is available in those expenditures for—

(i) AFDC families required to be covered under §§ 438.112 and 438.116 of this subchapter, those eligible for continued Medicaid coverage despite increased income from employment;

(ii) Recipients required to be covered under §§ 435.114, 438.134, and 438.112 of this subchapter, those eligible for continued Medicaid coverage despite increased income from monthly insurance benefits under title II of the Act, and

(iii) Recipients required to be covered under § 438.138 of this subchapter, those eligible for continued Medicaid coverage despite increased income from cost of living increases under title II of the Act.

(2) No FFP is available in State Medicaid expenditures that could have been paid for under Medicare part II but were not because the person was not enrolled in part B. This limit applies to all recipients eligible for enrollment under part B, whether individually or through an agreement under section 1843(a) of the Act. However, FFP is available in expenditures required by §§ 438.916 and 438.901 of this subchapter for retroactive coverage of recipients.

145 PII 49188, Sept. 29, 1979, as amended; 44 PII 17635, Mar. 23, 1979)

§ 431.630 *Coordination of Medicaid Professional Standards Review Organizations.*

(a) The State plan may provide the review of Medicaid services by PSRO designated under Part B, Title XI of the Act. Medicaid requirements for medical and utilization review shall be deemed to be met

those services or providers subject to such contracted review.

(b) The State plan must specify how the contract with the PSRO satisfies the requirements that:

(1) The provisions of paragraphs (a), (b), (c), (g), (h), (i), (m), and (n) of § 431.503 of this subchapter are met;

(2) A monitoring and evaluation plan is in effect by which the State will assure satisfactory performance by the PSRO.

(3) The services and providers subject to PSRO review are identified; and

(4) The review activities performed by the PSRO are not inconsistent with those activities performed for the review of Title XVIII services, including a description of whether and to what extent PSRO determinations will be considered conclusive for payment purposes.

146 PII 48568, Oct. 1, 1981; 46 FR 84744, Nov. 4, 1981)

*Editorial Note:* Section 431.630 was reinserted at 46 FR 48565, Oct. 1, 1982. The reporting and recordkeeping requirement in § 431.60 is not required until OMB approval has been obtained. HCFA will publish a document in the Federal Register when OMB approves or disapproves these requirements.

#### Subpart N—State Programs for Licensing Nursing Home Administrators

##### § 431.700 *Goals and purpose.*

This subpart implements sections 1903(a)(29) and 1908 of the Act which require that the State plan include a State program for licensing nursing home administrators.

##### § 431.701 *Definitions.*

Unless otherwise indicated, the following definitions apply for purposes of this subpart:

"Agency" means the State agency responsible for licensing individual practitioners under the State's healing arts licensing act.

"Board" means an appointed State board established to carry out a State program for licensing administrators of nursing homes, in a State that does

not have a healing arts licensing act or an agency as defined in this section.

"Licensed" means certified by a State agency or board as meeting all of the requirements for a licensed nursing home administrator specified in this subpart.

"Nursing home" means any institution, facility, or distinct part of a hospital that is licensed or formally recognized as meeting nursing home standards established under State law, or that is determined under § 431.704 to be included under the requirements of this subpart. The term does not include—

(a) A Christian Science sanatorium operated, or listed and certified, by the First Church of Christ, Scientist, Boston, Mass.; or

(b) A distinct part of a hospital, if the hospital meets the definition in § 440.10 or § 440.140 of this subchapter, and the distinct part is not licensed separately or formally approved as a nursing home by the State even though it is designated or certified as a skilled nursing facility.

"Nursing home administrator" means any person who is in charge of the general administration of a nursing home whether or not the person—

(a) Has an ownership interest in the home; or

(b) Shares his functions and duties with one or more other persons.

##### § 431.702 *State plan requirement.*

A State plan must provide that the State has a program for licensing administrators of nursing homes that meets the requirements of §§ 431.703 through 431.713 of this subpart.

##### § 431.703 *Licensing requirement.*

The State licensing program must provide that only nursing homes supervised by an administrator licensed in accordance with the requirements of this subpart may operate in the State.

##### § 431.704 *Nursing homes designated by other terms.*

If a State licensing law does not use the term "nursing home," the HCFA Administrator will determine the term or terms equivalent to "nursing home" for purposes of applying the require-

ments of this subpart. To obtain this determination, the Medicaid agency must submit to the Regional Medicaid Director copies of current State laws that define institutional health care facilities for licensing purposes.

##### § 431.705 *Licensing authority.*

(a) The State licensing program must provide for licensing of nursing home administrators by—

(1) The agency designated under the healing arts act of the State; or

(2) A State licensing board.

(b) The State agency or board must perform the functions and duties specified in §§ 431.707 through 431.713 and the board must meet the membership requirements specified in § 431.706 of this subpart.

##### § 431.706 *Composition of licensing board.*

(a) The board must be composed of persons representing professions and institutions concerned with the care and treatment of chronically ill or infirm elderly patients. However—

(1) A majority of the board members may not be representative of a single profession or category of institution; and

(2) Members not representative of institutions may not have a direct financial interest in any nursing home.

(b) For purposes of this section, nursing home administrators are considered representatives of institutions.

##### § 431.707 *Standards.*

(a) The agency or board must develop, impose, and enforce standards that must be met by individuals in order to be licensed as a nursing home administrator.

(b) The standards must be designed to insure that nursing home administrators are—

(1) Of good character;

(2) Otherwise suitable; and

(3) Qualified to serve because of training or experience in institutional administration.

##### § 431.708 *Procedures for applying standards.*

The agency or board must develop and apply appropriate procedures and techniques, including examinations

Hess

A PERFORMANCE REPORT ON THE  
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT  
BOARD OF NURSING HOME ADMINISTRATORS

September 30, 1985

Audit Control Number

08-1222-86-R

Commissioner, Department of  
Commerce and Economic Development

Loren H. Lounsbury

Deputy Commissioners, Department of  
Commerce and Economic Development

Greg Baker  
Terry Elder

Members of the  
Board of Nursing Home Administrators

Acting Chairperson  
Member  
Member  
Member  
Member

Ruth Roth, RN  
Jane Sabes, NHA  
Thomas E. Boling, NHA  
Raymond A. Davidson  
Eloise E. Deater

# STATE OF ALASKA

AUDIT DIVISION  
POUCH W  
JUNEAU, ALASKA 99811

## THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

September 30, 1985

Members of the Legislative Budget  
and Audit Committee:

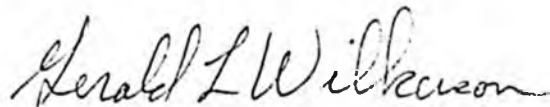
In accordance with the provisions of Titles 24 and 44 of the  
Alaska Statutes (sunset legislation), the attached report is  
submitted for your review.

A PERFORMANCE REPORT ON THE  
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT  
BOARD OF NURSING HOME ADMINISTRATORS

September 30, 1985

Audit Control Number

08-1222-86-R



Gerald L. Wilkerson, CPA  
Legislative Auditor  
Division of Legislative Audit

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## PURPOSE OF THE REPORT

In accordance with the intent of Titles 24 and 44 of the Alaska Statutes (sunset legislation), we have reviewed the activities of the Board of Nursing Home Administrators for the past four fiscal years to determine if the Board has been operating in an efficient and effective manner.

Legislative intent requires consideration of this report during legislative oversight hearings to determine whether the Board of Nursing Home Administrators should be reestablished. The law now specifies that the Board will terminate June 30, 1986, and have one year from that date to conclude its affairs.

The major areas of our examination were the licensing, examination, administration, complaint, and affirmative action functions of the Board. We reviewed and performed the following:

1. Applicable statutes and regulations.
2. Tests of files and documents of licensees.
3. Interviews with the licensing examiners.
4. Complaints filed with the Division of Occupational Licensing, Equal Employment Opportunity Office, and the Ombudsman's Office.
5. Discussions with Board members.
6. Minutes of Board meetings and Division correspondence files.
7. Attorney General's Opinions applicable to professional boards.

## ORGANIZATION AND FUNCTION

Federal law [U.S. Code, Title 42, Sect. 1396a(29)] requires a state to license nursing home administrators in order for that state to receive Medicaid assistance from the Federal government. Thus, to receive Medicaid funding, a nursing home must be administered by a licensed nursing home administrator.

In response to this requirement, the Board of Nursing Home Administrators was created by the Alaska Legislature in 1975. The Board is comprised of five members; two nursing home administrators, one registered nurse, and two public members. The purpose of the Board is to ensure that nursing home administrators have the knowledge and experience necessary to be competent administrators.

The major duties of the Board are to issue initial licenses to qualified applicants and to monitor the renewal of licenses. The Board is assisted in these duties by the Department of Commerce and Economic Development, Division of Occupational Licensing (OL). OL processes applications, maintains licensing files, answers correspondence dealing with the Board, and provides other administrative support as needed by the Board. In addition, OL investigates any complaints involving nursing home administrators.

Qualifications for licensure include work experience and educational requirements. Additionally, a passing score of 75% or better must be obtained on the exam given by the National Association of Boards of Nursing Home Administrators.

License renewal is required biennially. Renewal requires the licensee to complete a license renewal application, an affidavit of good moral character, and to submit a 50 dollar license fee.

There are currently 21 facilities in the State which are required to have licensed administrators.

## REPORT CONCLUSION

### Policy Issues

This report contains policy issues raised as a result of our evaluation of Board practices. The final policy decisions affecting these practices are not within the scope of this report but require legislative consideration. In debating these issues, the oversight committees should take into consideration the findings and recommendations presented in this report so the potential impact of policy changes can be evaluated.

### Report Conclusion

We found no evidence the continuation of the Board of Nursing Home Administrators (BNHA) will benefit the public's safety or welfare. However, the Board needs to be reestablished in order to comply with Federal law governing the licensing of nursing home administrators. These laws require nursing homes to be administered by licensed administrators if the nursing homes are to be eligible to receive Federal Medicaid financial assistance. Therefore, we are recommending that BNHA pursue ways to reduce the cost of regulating nursing home administrators without jeopardizing the State's eligibility to receive Federal Medicaid funding (see Recommendation No. 1).

## FINDING AND RECOMMENDATION

### Recommendation No. 1

The Board of Nursing Home Administrators (BNHA) should consider, evaluate, and pursue ways to reduce the cost of regulating nursing home administrators without jeopardizing the State's eligibility to receive Federal Medicaid funding.

The existence of BNHA is not required to ensure the public's welfare. Public protection is provided through State and Federal nursing home license and certification reviews. With the exception of the five State-operated Pioneers' Homes, all of the 21 facilities in Alaska that are required to have licensed administrators are subject to these reviews.

The primary justification for continuing BNHA is to maintain the State's eligibility to receive Federal Medicaid funding. U.S. Code, Title 42, requires the State to have either a licensing board or an agency of the State responsible for licensing under the Healing Arts Act of the State. Since Alaska does not have a Healing Arts Act, the State is required to have a licensing board in order to be eligible for Medicaid funding.

Alaska Statutes 08.70.020-.040 require a five member board to meet twice annually. BNHA is relatively inactive. Board activity is largely limited to the approval of applicants for licensure, of which there are only 50 active licensees in the State. The number of board members and meetings required by the statutes is greater than is warranted by the Board's workload.

From FY 82 through September 30, 1985, only four formal meetings had been held. Due to a lack of business, two of the more recent meetings lasted less than two and one-half hours each. Additionally, during the last five years, unfilled board member vacancies caused the Board to operate at less than full membership.

For these reasons BNHA should determine and support a less expensive method of licensing administrators. In June 1985, the U.S. Department of Health and Human Services indicated that they would possibly approve a scheme by which licensing of administrators could be done by the Medical Board. This would allow the elimination of the BNHA without jeopardizing the State's eligibility for Federal Medicaid funding. We believe the Medical Board could accomplish the limited duties of the BNHA in the course of its regular activities and meetings with little or no increase in its workload. To best serve the public, we recommend that the BNHA study and support implementation of a cost-effective alternative to the current Board that will preserve the State's eligibility for Medicaid funding.

## ANALYSIS OF PUBLIC NEED

### Limited Analysis

The following analyses indicate both positive and negative factors as they relate to the public need as defined in the "sunset" law. These analyses are not intended to be comprehensive, but to address those areas we were able to cover during our review.

- I. The extent to which the board, commission, or program has operated in the public interest.
  - A. We have determined that no public need for the Board has been demonstrated. The Board was created to comply with Federal law (see Recommendation No. 1).
  - B. The Board has initiated statutory changes which have benefited the public (see criteria III).
- II. The extent to which the operation of the board, commission, or agency program has been impeded or enhanced by existing statutes, procedures, and practices which it has adopted, and any other matter, including budgetary, resource, and personnel matters.
  - A. Federal law requires the State to have either a Board of Nursing Home Administrators or an agency of the State responsible for licensing under the Healing Arts Act of the State. Since Alaska does not have a Healing Arts Act, the State is mandated to have a licensing board.
- III. The extent to which the board, commission, or agency has recommended statutory changes which are generally of benefit to the public interest.
  - A. The statutes were amended to replace annual licensing renewal requirements with biennial requirements.
  - B. Statutes were established by which licenses can be revoked from persons who do not uphold the standards established by the Board.
- IV. The extent to which the board, commission, or agency has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of service, economy of service, and availability of service which it has provided.

IX. The extent to which statutory, regulatory, budgeting, or other changes are necessary to enable the agency, board, or commission to better serve the interests of the public and to comply with the factors enumerated in this subsection.

Please refer to the previous section, Finding and Recommendation.

APPENDIXES

APPENDIX A

BOARD OF NURSING HOME ADMINISTRATORS  
REVENUES COMPARED WITH EXPENDITURES

For Fiscal Year 1985

(UNAUDITED)

(Note 1)

Average Revenues (Note 2)	\$ 1,818
Expenditures (Note 3)	<u>3,022</u>
Excess of Expenditures over Revenues	<u>\$ (1,204)</u>

Schedule 1  
Types of Revenues

<u>Revenues</u>	<u>Amount</u>	<u>Collection Time</u>
Examination Fee	\$25	With application form
Reexamination Fee	25	With application form
Investigation Fee	25	With application form
Biennial License Fee	50	Prior to initial license issuance and biennially
Late Fee Fine	10	With late payment
Bad Check Charge	10	With valid payment

Note 1

This revenue/expenditure comparison was prepared from available records and discussions with Occupational Licensing personnel. The records were not audited by us and, accordingly, we do not express an opinion on the Board's Revenues Compared with Expenditures.

Note 2

The majority of the revenues collected are composed of license renewal fees. These fees are collected by most boards once every two or four years and cause revenues in one year to be much greater than the revenues collected in the next year. Therefore, we calculated and reported an average for the revenues collected in Fiscal Years 1984 and 1985 in order to obtain a more accurate representation of collected revenues.

APPENDIX B

BOARD OF NURSING HOME ADMINISTRATORS  
EXAMINATION STATISTICS

Number of Examinations Given in Fiscal Years 1983-85

<u>Fiscal Year</u>	<u>Passes</u>	<u>Fails</u>	<u>Total</u>
1983	4	0	4
1984	2	1	3
1985	7	2	9

BILL SHEFFIELD, GOVERNOR

**DEPARTMENT OF COMMERCE &  
ECONOMIC DEVELOPMENT**

*DIVISION OF OCCUPATIONAL LICENSING*

POUCH D  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-2534

December 23, 1985

**RECEIVED**  
DEC 24 1985  
**LEGISLATIVE  
AUDIT**

Mr. Gerald L. Wilkerson  
Legislative Auditor  
Division of Legislative Audit  
Pouch W  
Juneau, AK 99811

Dear Mr. Wilkerson:

Thank you for the opportunity to comment on your preliminary audit report for the Board of Nursing Home Administrators.

We concur with your findings and recommendations and agree that a less expensive method to administer licensing should be sought while preserving the State's eligibility to obtain Medicaid funding.

Thank you once again for the opportunity to comment on your audit.

Sincerely,

  
Loren H. Lounsbury  
Commissioner


LHL/me1282M  
122385b



# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

  
Signature of Camera Operator

  
Date