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HOUSE COMMITTEE REPORT

(11)

Date Referred: March 10, 1989

FURTHER REFERRALS:

Date of Committee Action: 3/20/89

The FINANCE Committee considered:

HB 54

HOUSE BILL NO. 54 [RESPITE CARE AND ADULT DAY CARE]
"An Act relating to the Older Alaskans Commission."

RECOMMENDATIONS:

- be replaced with CS HB 54 (Fin.) the same title a new title
- have attached amendment(s)
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

- fiscal impact _____
- zero fiscal note _____
- zero with analysis _____

- fiscal note(s) _____
- zero fiscal note(s) 2/23/89 - Admin.
- zero fn/analysis _____

SIGNING DO PASS:

Tay Brown BROWN

John Wilmer WILMER

SIGNING:

(Check approp. column)

	Do Not PASS	No Rec	Amend
<u>Lois Hoffman</u> HOFFMAN		<input checked="" type="checkbox"/>	
<u>Ronald J. Larson</u> LARSON		<input checked="" type="checkbox"/>	
<u>Robert Koponen</u> KOPONEN		<input checked="" type="checkbox"/>	
<u>Dick Schultz</u> SHULTZ		<input checked="" type="checkbox"/>	
<u>Roll E. Phillips</u> PHILLIPS		<input checked="" type="checkbox"/>	
<u>Steve Rieger</u> RIEGER		<input checked="" type="checkbox"/>	

Ronald J. Larson
Chairman's signature

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Expanding authority of the OAC
to make grants for adult day care
Sponsor: Ellis
Requestor: Ellis

Agency Affected: Administration
BRU: Older Alaskans Commission
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		0	0	0	0	0
CAPITAL		0	0	0	0	0
REVENUE		0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		0				
PART-TIME		0				
TEMPORARY		0				

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Connie L. Singh Executive Director
Division: Older Alaskans Commission
Approved by Commissioner: John M. Andrews
Agency: Administration

Phone: 465-3250
Date: Feb 17 1989
Date: 2/21/89

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Adopted

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 54 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act expanding the authority of the Older Alaskans
7 Commission to make grants for adult day care programs
8 and family respite care services for frail older
9 persons and other similarly disabled adults; and
10 changing the categories of services that may be
11 included in a service program for older Alaskans."

12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

13 * Section 1. AS 47.65.010 is amended to read:

14 Sec. 47.65.010. OLDER ALASKANS SERVICE PROGRAMS ACCOUNT. The
15 older Alaskans service programs account is established in the Depart-
16 ment of Administration. An amount to carry out the provisions of
17 AS 47.65.010 - 47.65.050 [THIS CHAPTER] may be appropriated annually
18 by the legislature to the account. The amount appropriated to the
19 account shall be fully distributed by the Older Alaskans Commission to
20 sponsors of older Alaskans service programs in accordance with the
21 provisions of AS 47.65.010 - 47.65.050 [THIS CHAPTER].

22 * Sec. 2. AS 47.65.040(a) is amended to read:

23 (a) A sponsor receiving a grant under AS 47.65.010 - 47.65.050
24 [THIS CHAPTER] shall contribute to the total cost of the program or
25 project. The contribution may be in cash or in-kind services. The
26 amount of the sponsor's required contribution is determined by the
27 application of the following formula: average per capita full and true
28 value of all property in the municipality or community in which the
29 project or program takes place divided by the average per capita full

1 and true value of all property in the state, and then multiplied by
2 the contribution percentage to the estimated total program or project
3 cost as determined by the commission at the time of approval of a
4 grant application. However, the amount of the sponsor's contribution
5 may not amount to more than 10 percent of the total program or project
6 cost.

7 * Sec. 3. AS 47.65.050 is amended to read:

8 Sec. 47.65.050. ADMINISTRATIVE REQUIREMENTS. Payments received
9 by a sponsor under AS 47.65.010 - 47.65.050 [THIS CHAPTER] may be used
10 only to meet costs of services which the commission has determined
11 directly benefit older Alaskans. A payment may not be made by the
12 commission under this section unless the commission determines that
13 the sponsor

14 (1) [THE SPONSOR] meets accepted standards of fiscal ac-
15 countability for public funds;

16 (2) [THE SPONSOR] can demonstrate, when requested, the
17 actual cost of services which it is providing for the benefit of older
18 Alaskans; and

19 (3) [THE SPONSOR] agrees to make available, upon request,
20 all fiscal information relating to service for which payments are
21 provided under AS 47.65.010 - 47.65.050 [THIS CHAPTER].

22 * Sec. 4. AS 47.65 is amended by adding a new section to read:

23 Sec. 47.65.055. ADULT DAY CARE AND FAMILY RESPITE CARE. (a) In
24 addition to administering grants for adult day care programs and
25 family respite care services for older Alaskans under AS 47.65.010 -
26 47.65.050, the commission may make grants under this section from
27 funds otherwise available to it for adult day care programs and family
28 respite care services for frail older persons and other similarly
29 disabled adults.

1 (b) In order to fund grants under this section, the commission
2 and the Department of Administration may seek and enter into contracts
3 or grants with any party, including reimbursable service agreements
4 with other state agencies.

5 (c) The commission shall, by regulation, set fees for services
6 provided under this section. The fees must be based on a sliding
7 scale formula that takes into account the client's income.

8 (d) Fees established under (c) of this section may not exceed
9 the cost of the service. A person may not be denied service based
10 solely on inability to pay a fee established under this section.

11 (e) In this section

12 (1) "frail older person" means a state resident who is at
13 risk of institutional placement and

14 (A) is age 55 or older; or

15 (B) has Alzheimer's disease or a related disorder;

16 (2) "similarly disabled adult" means a state resident who
17 is 18 years of age or older who is at risk of institutional placement
18 but who is not a frail older person or an older Alaskan.

19 * Sec. 5. AS 47.65.060(3) is amended to read:

20 (3) "service program" means the following general categor-
21 ies of services to older Alaskans, including reasonable costs of
22 administration:

23 (A) nutritional programs;

24 (B) volunteer programs;

25 (C) adult day care programs and family respite care
26 services [PROGRAMS FOR LEISURE-TIME AND RECREATIONAL ACTIVITIES];

27 (D) health services;

28 (E) housing services;

29 (F) legal services and assistance;

1 (G) home health and homemaker services;

2 (H) counseling;

3 (I) information and referral services;

4 (J) programs which train persons to work with or
5 assist older Alaskans;

6 (K) transportation services;

7 (L) educational activities; and

8 (M) employment services;

9 * Sec. 6. AS 47.65.060 is amended by adding new paragraphs to read:

10 (5) "adult day care" means nonresidential care for a group
11 of persons that offers supervision, custodial care, and other appro-
12 priate social, indoor and outdoor recreational, physical, medical, or
13 psychological services for persons at risk of institutional placement;

14 (6) "at risk of institutional placement" means that a
15 person is either already a resident of an adult foster home or is
16 likely to need placement in a 24-hour care residential or nursing
17 facility, not including a mental health hospital;

18 (7) "family respite care" means intermittent and substitute
19 care that provides relief for a family caregiver or adult foster home
20 provider by providing intermittent care in the form of companionship,
21 temporary supervision, and minor personal care to a person who is at
22 risk of institutional placement; the service may be provided either in
23 the home of the client or the caregiver, including in an adult foster
24 care home if that is the client's residence.

Amendment

By Rieger
approved

To CS HB54 (HESS)

Page 3, Lines 7-9

delete " and, if the family claims the client as
a dependent on a federal tax return, the income
of the client's immediate caregiver family "



Older Alaskans Commission

Box C
Juneau, Alaska 99811-0209
907/465-3250

POSITION PAPER
COMMITTEE SUBSTITUTE HOUSE BILL 54

The Older Alaskans Commission (OAC) strongly urges the passage of CSHB 54. CSHB 54 contains two major changes which pave the way for developing an expanded funding base for the adult day care and respite services offered by grant programs funded through the OAC.

First, CSHB 54 allows adult day care and respite providers to capture third-party payments, such as from long term care insurance, by authorizing the OAC to set fees for these services, along with a sliding fee schedule. (Clients are now asked to make voluntary contributions for service.)

Secondly, CSHB 54 allows the OAC and its grantee providers to serve adults under the age of 60, if alternate funding or third-party sources to support the expanded service can be found e.g., Alzheimer's victims younger than 60 might be served with funding from community mental health grants).

Although some day care centers or respite providers might choose to restrict their client population to seniors, providers in smaller communities might be able to open an economically viable day care service only if they accept a broader group of clients. For example, a day care center in a town the size of Homer could serve a majority of seniors (over 60), stroke victims or Alzheimer's victims ranging in age from 45 to 60, and a few developmentally disabled adults. Note however, that CSHB 54 does not require the OAC or any of its grantees to offer services to persons under 60.

The Older Alaskans Commission has funded adult day care centers since 1980, and currently funds eight day care centers and two in-home respite programs. In FY 89, the day care centers served 209 older Alaskans, and 75 other seniors received respite service. So far, these programs have been based in larger communities, but the need is growing in smaller communities as well. Also, many "similarly disabled adults" who are not 60 are in need of day care or respite services. CSHB 54 authorizes the OAC to seek creative ways to meet these needs for community-based services--services which keep people in their homes, and which enable family caregivers to maintain home care for a longer period of time.

Although CSHB 54 will assist in the maintenance and possible expansion of adult day care centers and respite programs, it actually contains the first state statutory reference to these particular types of service. Until now, the OAC has operated such programs under the definitions contained in the federal Older Americans Act, or the general category of "health services" in AS 47.65.060 (3)(D). By inserting adult day care and respite as separately authorized services, at page 3, lines 22 and 23, the legislature will give recognition to the importance of these services. (At the same time, deletion of reference to leisure-time and recreational activities recognizes and sanctions the OAC's priority to fund home and community services to promote independent living, and to leave leisure-time activities, valuable as they are, to local efforts.)

The Older Alaskans Commission believes strongly in the value of adult day care and family respite care services. They are an integral part of the OAC's policy to promote independent living which, for many seniors or other disabled persons, can delay or eliminate the need for costly and restrictive institutional placements. Therefore, the Older Alaskans Commission supports the passage of CSHB 54.

APPROVED:

Frances B. Toland
Peggy Burgin, Chair
Older Alaskans Commission

DATED: 1/16/90

REVIEWED:

Frank Baxter
Frank Baxter, Commissioner
Department of Administration

DATED: 1/17/90

[NOTE: A chart showing current OAC adult day care and family respite care providers, clients, and funding is attached.]

OLDER ALASKANS COMMISSION

CSHB 54
Attachment to
Position Paper

ADULT DAY CARE CENTERS AND FAMILY RESPITE PROGRAMS
FUNDED BY THE OAC -- FY 90

<u>Project Name & Community</u>	<u>No. of Clients</u> (Average Daily)	<u>OAC Funding</u>
Daybreak Day Care (Anchorage Community Mental Health)	23	\$ 165,518
Serendipity Day Care-Anchorage (Salvation Army)	24	138,775
Rendezvous Day Care--Ketchikan (Easter Seal)	16	97,403
The Bridge Day Care--Juneau (Southeast Senior Services)	33	64,600
Forget-Me-Not Day Care-- (City of Kenai)	12	79,883
Palmer/Mat-Su Day Care	12	51,300
Caring and Sharing Day Care (Chugiak Senior Center)	19	109,878
Fairbanks Resource Agency Day Care	20	75,300
Senior Respite Care--Fairbanks Resource Agency	44	74,918
Respite Care -- Anchorage (Home Health Care)	12	19,824
Homer Day Care Development		12,000
PROJECTED TOTAL CLIENTS SERVED	FFY 89: 284	TOTAL: \$ 889,399

ESTIMATE OF PER CLIENT COST -- FY 88

Exact client costs are difficult for the OAC to calculate, as some day care clients attend the center five days a week, others only once to twice. Similarly, the Fairbanks respite program offers up to 40 hours per month of respite care, but families vary in their actual hourly usage.

	<u>Adult Day Care</u>	<u>Respite Care</u>
Approx. Unit Cost in OAC funds	\$ 3.52 hour	\$ 8.53 hour
Annualized Cost in OAC funds per client	\$1,917 per year	\$1,582 per year

3111 C STREET, SUITE 455
ANCHORAGE, ALASKA 99503
(907) 561-7628

ALASKA STATE HOUSE

OFFICE OF MAJORITY WHIP

CHAIR
HEALTH, EDUCATION & SOCIAL SERVICES

JUDICIARY

WHILE IN SESSION
P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-3704

SPECIAL COMMITTEE ON
FOREIGN & DOMESTIC TRADE

REPRESENTATIVE JOHNNY ELLIS

MEMORANDUM

TO: Members of the House Finance Committee

FROM: Rep. Johnny Ellis *JE*

DATE: March 20, 1989

RE: HB 54; Grants for adult day care and respite services

House Bill 54 makes important amendments in the statutes governing the Older Alaskans Commission. These changes are necessary to allow the Commission to make grants to non-profit adult day care and family respite care service providers in order to serve adults under the age of 60 who are in need of care. Such grants are made subject to the availability of private, local, state and federal funding.

Presently, the OAC is the only funding source for adult day care. However, there are many adults in need of day care service who are not seniors. HB 54 recognizes the need for adult day care services for a mixed group of clients, including seniors over 60 with general health problems, adults with Alzheimer's disease, victims of dementia, stroke victims and the developmentally disabled. This bill addresses a critical need to serve these adults under the age of 60.

HB 54 also addresses the need for "time-out" or respite care for families who care for disabled adults or seniors. Respite care can indefinitely extend the ability of a family to continue in-home care, by providing family members with periodic breaks in order to alleviate stress created by the demands of caring for adults with special needs. While respite care is available in certain areas of the state for families of the developmentally disabled, it is not presently available anywhere for families caring for seniors (with the exception of Fairbanks).

It is also important to note that this bill allows OAC to set fees for these services based on a sliding scale formula, taking the client's income into consideration. No individual would be denied service if unable to pay such a service.

Memorandum
House Finance Committee
March 20, 1989
Page Two

Enclosed for your information are relevant supporting materials. You are welcome to contact me or Linda Kingkade of my staff if you have any questions.

Thank you for your time and consideration.

Item 5



ALASKA STATE LEGISLATIVE COMMITTEE

CHAIRMAN
Mr. R. W. "Bob" Pavitt
130 Seward Street, #205
Juneau, AK 99801
(907) 586-2066

VICE CHAIRMAN
Mrs. Marie C. MacKenzie
1620 Crescent
Anchorage, AK 99508
(907) 562-4895

SECRETARY
Ms. June A. Robinette
P.O. Box 870797
Wasilla, AK 99687
(907) 376-2092

March 7, 1989

Representative Johnny Ellis
Pouch V
Juneau, Alaska 99811

Dear Rep. Ellis:

As you know, the two major priorities of the legislative program adopted for 1989 by the **AARP Alaska State Legislative Committee** are to "Strengthen programs that foster independence and dignity for older Alaskans" and to "Increase access to appropriate and affordable health care for all Alaskans".

House Bill 54 outlines a program that works toward reducing the need for institutional care through adult day care and respite services to care-givers.

The **AARP Alaska State Legislative Committee** wishes to go on record as enthusiastically supporting HB 54 as an important step in the State of Alaska's progress toward assuring that older Alaskans will continue to have the opportunity to live independently and contribute socially and economically to their communities.

As I will be out of town tomorrow and unable to testify on this bill, I am delivering this letter to Chairman Boucher's office with the request that our endorsement of HB 54 be read into the Committee records.

Respectfully,

Bob Pavitt
Chairman

The Salvation Army

Alaska Divisional Headquarters

Founded in 1865
By William Booth

Eva Burrows
General

Willard S. Evans
Territorial Commander

Alfred R. Van Cleef
Divisional Commander

Mailing Address: P.O. Box 101459
726 E. Ninth Avenue
Anchorage, Alaska 99510
Telephone: (907) 276-2515



March 7, 1989

Representative Johnny Ellis
House State Affairs Committee
P.O. Box V
Juneau, AK 99811

REC'D MAR 10 1989

HOUSE BILL 54

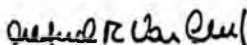
Dear Mr. Ellis:

The Salvation Army is involved in the lives of people of all economic levels in the state of Alaska. We are aware of House Bill 54 and its positive potential impact upon those who are under the age of sixty, however, find themselves affected with disease and difficulty such as strokes, Alzheimer's disease and other physical ailments that impede their ability to enjoy life at its fullest.

House Bill 54 would enable senior projects to extend services to people under the age of sixty affected by particular illnesses and diseases. This would enable the individuals to have proper care, assist families to have a respite and to enable us to fully maximize our programs.

Your help in putting forth our expressed concern will be appreciated. If there is anything we can do to assist please let us know.

Sincerely,


Alfred R. Van Cleef
Major
DIVISIONAL COMMANDER

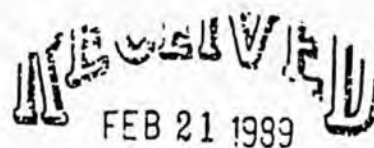
ARVC/beh



THE SALVATION ARMY
OLDER ALASKANS PROGRAMS

1709 South Bragaw
Anchorage, AK 99508-3400
(907) 279-7658

February 17, 1989



OLDER ALASKANS COMMISSION

Johnny Ellis, Chairman
House Health, Education
and Social Services Committee
Alaska State Legislature
PO Box V
Juneau, Alaska 99811

Re: HB 54 "An Act Relating to the Older Alaskans Commission."

Dear Chairman Ellis:

The rapid increase in the oldest segment of Alaska's residents requires the availability of a wider range of choices to support dignity and prolong independence as functional abilities change. Serendipity Adult Day Care in Anchorage serves an average of twenty participants each day who are impaired and need supervision. Some are at risk of institutional placement. Caregivers need respite to provide time to work, to care for themselves, and reduce the stress of caring for a frail elder. Ability to continue caregiving is enhanced and older persons remain where they most want to be--in their home and community. There are more than 500 seniors and many caregivers who could benefit from adult day services in the greater Anchorage area.

The Governor's Council for the Handicapped and Gifted estimated that there are over 7,500 handicapped individuals in the Anchorage area of all ages who have three to seven limitations in activities of daily living which began early in life. Seniors are not included in this figure. Our experience with adult day care for seniors indicates there are younger adults and their caregivers who would also benefit from day services.

Community based services are less costly than insitutional care. We can strongly endorse HB 54. Our ability to provide increased and strengthened services to Anchorage area seniors and others who have functional losses rests on your Committee's "Yea" vote.

Please keep us informed about the progress of this important bill.

Sincerely,

Lillian Wilder
Executive Director



CITY OF KENAI

KENAI SENIOR SERVICES

361 SENIOR COURT KENAI, ALASKA 99611
(907) 283-4156

February 20, 1989

Ms. Connie Sipes, Executive Director
Older Alaskan Commission
Box C
Juneau, Alaska 99811-0209

Dear Ms. Sipes,

As a provider of Adult Day Care services for the elderly I am very much interested in House Bill No. 54, as presented by Representative John Ellis.

House Bill No. 54 would allow for third party payment to Adult Day Care centers. As State and Federal funds shrink it is necessary for service providers to look to other funding sources to maintain their quality of care.....or to just stay in business. I would encourage the support of the Older Alaskan Commission for passage of this bill.

By enabling the care centers to seek payment from third parties and to establish fee schedules it will offer a more dependable source of revenues into the programs.

My congratulations to Representative Ellis for the thought and concern he has for the aging programs.

Sincerely,

A handwritten signature in cursive script that reads "Pat Porter". The signature is written in dark ink and is positioned above the printed name.

Patricia Porter
Project Director