

**HEB**

**377**

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FISCAL NOTE

No. 1

Bill Version: HB 377

(H) Publish Date: 1/14/94

STATE OF ALASKA  
1994 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_ Dept. Affected: Health and Social Services  
 Title: Assisted Living Homes BRU: Institutions & Admin  
 Component: MH/DD Admin  
 Sponsor: Rules Committee  
 Requestor: Governor's Office COMPONENT SERIAL NO. 310

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	103.3	106.9	110.6	114.5	118.5	122.7
TRAVEL	20.0	20.7	21.4	22.2	23.0	23.8
CONTRACTUAL	20.0	20.7	21.4	22.2	23.0	23.8
SUPPLIES	1.0	1.0	1.1	1.1	1.1	1.2
EQUIPMENT	10.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>154.3</b>	<b>149.3</b>	<b>154.5</b>	<b>160.0</b>	<b>165.6</b>	<b>171.5</b>

CAPITAL EXPENDITURES	0.0					
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CHANGES IN REVENUES	0					
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA	154.3	149.3	154.5	160.0	165.6	171.5
Other						
<b>TOTAL</b>	<b>154.3</b>	<b>149.3</b>	<b>154.5</b>	<b>160.0</b>	<b>165.6</b>	<b>171.5</b>

POSITIONS:

FULL-TIME	2	2	2	2	2	2
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) cost \$ \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary)

This bill provides for licensure of assisted living homes. These homes would be established primarily to provide a home-like setting for elderly persons and persons with a mental or physical disability who need assistance with activities of daily living.

Currently, the Department of Health and Social Services, Division of Family and Youth Services, licenses adult foster homes and group homes and institutions caring for dependent adults. The bill would delete references to these licensing functions and add a new chapter regarding assisted living homes. Under the bill, the Department of Health and Social Services would license assisted living homes that will be providing care primarily to individuals with a mental or developmental disability. The Department of Administration would license assisted living homes that will be providing care primarily to individuals who have a physical disability.

Prepared by: *Quirk Report for Public Hearing* Phone: \_\_\_\_\_  
 Division: Mental Health and Developmental Disabilities Date: 12/29/93  
 Approved by Commissioner: *Margaret R. Lowe*  
 Agency: Department of Health & Social Services Date: 12/29/93

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**ANALYSIS (cont.):**

who are elderly, or who suffer from dementia but who are not chronically ill.

**Assumptions:**

Based upon the projected workload it is anticipated that the Division of Mental Health and Developmental Disabilities will need two full-time Community Care Licensing Specialists to adequately provide timely inspection of all facilities across the State that serve individuals with a mental or developmental disability.

**Program Summary:**

The cost projections are based upon the following information: Two range 16, Step A full time positions located in Anchorage. These positions will travel statewide to perform inspections, provide technical assistance to facilities for compliance issues and to follow-up on consumer complaints. One position will be transferred from the Division of Family and Youth Services to the Division of Mental Health and Developmental Disabilities.

**Other Expenditures:**

- Travel for each position to perform inspections, provide technical assistance to facilities and follow-up on consumer complaints.
- Contractual services for Anchorage office space, phones systems, copier and data lines; general offices supplies for both positions.
- Equipment, first year purchase of two desk top computers/printers and software for data collection, word processing and statistical reporting; office furniture including desks, chairs, file cabinets, etc.

**Computations:**

All expenditures have been adjusted with an inflation factor of 3.5% for each year after FY95 and carried out to FY2000.

**Economic Impact:**

Assisted Living Program will stimulate the local communities as it will offer new employment opportunities as additional facilities are brought on line across the State and will allow many family care-givers to return to their careers.

Position Title Community Care Licensing Specialist		No. of Positions 2	Range / Step 16/A	Barg. Unit GGU
Time Status PFT	Staff Months 12	Location Anchorage		Election District
TYPE OF EXPENDITURE		Amount	Justification  The Assisted Living Homes bill provides for licensure of assisted living homes. The homes are established primarily to provide a home-like setting for elderly persons and persons with a mental or physical disability who need assistance with activities of daily living.  A licensure function is not one currently performed by the Division of Mental Health and Developmental Disabilities. Additionally, existing staff cannot absorb the additional responsibilities because of the increased workloads associated with Project Choice and the Tefra Option. Therefore, two positions are requested to provide timely inspections and licensing of all facilities across the State that serve individuals with a mental or developmental disability. The positions are responsible for performing inspections, providing technical assistance to facilities for compliance issues, and following up on consumer complaints. These positions are necessary to assure the health and safety of disabled individuals residing in these homes.  One position will be transferred from the Division of Family and Youth Services.	
Salary		73.0		
Benefits		30.3		
Premium Pay				
Other				
Total Personal Services		103.3		
Travel		20.0		
Contractual		20.0		
Commodities <i>Supplies</i>		1.0		
Equipment		10.0		
Other				
Total Cost		154.3		
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004			
I-A Receipts	1007			
CIP Receipts	1061			
Other	GF/MHTIA 1006	154.3		

**Request For  
New Position**

AGENCY Health and Social Services  
 BRU Institutions & Admin  
 COMPONENT MH/DD Admin

**FY 95**

Page 1 of 1  
 Revised Date: \_\_\_\_\_

No. 2Bill Version: HB 377(H) Publish Date: 1/14/94**FISCAL NOTE****STATE OF ALASKA  
1994 LEGISLATIVE SESSION**

Revision Date: \_\_\_\_\_ Dept. Affected: Administration  
 Title: An act relating to assisted living homes BRU: Senior Services  
 Component: Senior Services Administration  
 Sponsor: \_\_\_\_\_  
 Requestor: Governor COMPONENT SERIAL NO. 1981

**Expenditures/Revenues**

(Thousands of Dollars)

OPERATING EXPENDITURES	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ( )	0.0	0.0	0.0	0.0	0.0	0.0
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**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of current year (FY94) cost: \$ \_\_\_\_\_

**POSITIONS:**

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

**ANALYSIS:** (Attach a separate page in necessary)

Adequate funding is included in the FY95 budget for the new Division of Senior Services to handle the responsibilities of this bill.

Prepared by: Connie J. Sipe, Director Phone: 563-5654  
 Division: Senior Services Date: \_\_\_\_\_

Approved by Commissioner: N. J. Sipe Date: 12/27/93  
 Agency: Administration

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WALTER J. HICKEL  
GOVERNOR



HB 377  
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STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 14, 1994

*The Honorable Rick Halford  
President of the Senate  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-1182*

*Dear Mr. President:*

*Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill related to assisted living homes. An assisted living home is a residential facility that serves adults, provides housing and food service, and provides or obtains for the residents assistance with activities of daily living, personal assistance or health-related services. Medical facilities licensed under AS 18.20, such as nursing homes and hospitals, and certain other types of residential facilities (including correctional facilities and emergency shelters) are not classified as assisted living homes under this bill.*

*Although assisted living homes are not health care or medical facilities, they may provide or obtain various health-related services for residents, such as intermittent nursing care, supervision of the resident's self-administration of medications, and needed care and comfort to terminally ill patients who are under the care of a doctor who verifies that the needs of the resident are being met in the assisted living home.*

*The bill is intended to promote the establishment of assisted living homes that will provide a home-like setting as well as certain health-related services or assistance with certain personal activities. Such services will allow the elderly to age in place, rather than having to be transferred to a more institutionalized nursing-home setting, and will allow adults with a physical or mental disability to become integrated into their community.*

*Currently, the Department of Health and Social Services, under AS 47.35, licenses and regulates certain facilities that care for dependent adults. Under this bill, that licensing structure will be deleted and replaced by a new chapter (AS 47.33) that provides for assisted living homes. Responsibility for licensing and regulating the homes will be split between the Department of Health and Social Services and the Department of Administration.*

The Honorable Rick Halford  
January 14, 1994  
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The Department of Administration will be responsible for licensure of assisted living homes that will be providing care primarily to individuals who are elderly, who have a physical disability, or who suffer from dementia, but who are not diagnosed as chronically mentally ill. Licensure of assisted living homes that will be providing care primarily to individuals with a mental or developmental disability will be the responsibility of the Department of Health and Social Services. Provision is made for joint agency determination of the appropriate licensing agency in cases in which that designation cannot easily be made. The Department of Health and Social Services, division of family and youth services, will continue to license residential homes and facilities for children under AS 47.35. The respective licensing agencies will be responsible for investigating complaints filed regarding assisted living homes and for taking necessary action to protect residents through administrative actions.

The main body of the bill is contained in sec. 1 of the bill, which defines "assisted living home," describes certain services, sets certain operating standards, and provides for licensing and regulations. For example, sec. 1 specifically provides for the safeguarding of money that a resident of an assisted living home deposited with the home for safekeeping and management. Section 1 also requires assisted living homes to keep records regarding residents' care, as well as provide their residents with information regarding residents' rights at the home, including timely notice regarding closure or relocation, notice of any change in rates, and protections in case of an action for involuntary discharge from the home.

Furthermore, the bill states that an individual may not be admitted to an assisted living home without that person's consent, or, if the individual is not competent, the consent of the individual's representative. In addition, an individual may not be admitted as a resident of an assisted living home unless an admission contract has been signed by the individual (or the individual's representative, if appropriate) and the home. The bill also requires that an assisted living plan for a resident be developed, and approved by the resident (or the resident's representative, if appropriate), within 30 days after that resident was admitted to the home. The plan is designed to identify the reasonable wants and needs of the resident and the ways in which those wants and needs will be met.

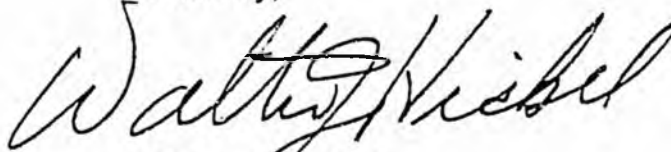
Section 1 of the bill also contains a lengthy list of residents' rights. These rights are designed to protect the residents' privacy and independence and to allow residents to be able to participate in grievance procedures or other remedial actions relating to resident complaints regarding how an assisted living home is providing care. Under the bill, certain complaints may be filed with the appropriate licensing agency; the licensing agencies have investigatory and sanction authority.

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*Sections 2 through 12 of the bill amend existing statutory provisions to acknowledge the provisions in sec. 1 of the bill. Section 13 of the bill contains transition provisions regarding regulations and pending proceedings. Sections 14 and 15 allow the Department of Health and Social Services and the Department of Administration to prepare and adopt, before the effective date of the bill, regulations necessary to implement the bill. The new regulations cannot take effect before the effective date of the bill (January 1, 1995).*

*I urge your support of this important legislation.*

*Sincerely,*

A handwritten signature in cursive script, reading "Walter J. Hickel". The signature is written in black ink and is positioned above the printed name and title.

*Walter J. Hickel  
Governor*