

HB

384

STATE OF ALASKA
96 LEGISLATIVE SESSION

No. 1
Bill Version: CSHB 384 (STA)
(r) Publish Date: 2/21/96

Revision Date: _____
Title: An Act relating to payment requirements for retention
of the Pioneers' Home
Sponsor: Rep. Rokeberg
Requestor: (H) STA

Dept. Affected: Administration
BRU: Senior Services
Component: Pioneers' Homes
COMPONENT SERIAL NO. 1950

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0	0	0	0	0	0
CHANGE IN REVENUES ()	0	0	0	0	0	0

FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 96) cost: \$ -0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

This bill does not change the current practice of the Pioneers' Homes and will have no fiscal impact on the department. The bill intends to hold harmless any resident of a Pioneers' Home who is unable to pay the monthly rate charged by the Department of Administration. Anticipating that the proposed annual rate increases leading to full costs of care charges by FY 03, this bill seeks to assure the present residents that they will not be evicted from the Pioneers' Homes due to financial inability to pay present and future rates. This bill does not change the Pioneers' Homes present practice regarding this issue. At the current time, 86 of the 600 residents of the Homes are not able to pay the full amount of current rates. This results in approximately \$400,000 per year of rate charges that are not being collected, and for which a bill may be sent to the resident's estate. (Continued)

Prepared by: Connie Sipe, Director
Division: Senior Services

Phone: 563-5654
Date: _____

Approved by Commissioner: Mark Bover
Agency: Department of Administration

Date: 2-14-96

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
For further distribution information, call the Governor's Legislative Office

ANALYSIS: (continued)

The bill gives specific statutory assurance to residents that the historic policy of the Homes, namely to keep all residents regardless of ability to pay, will continue.

From 1913 until 1990, indigent applicants to the Pioneers' Homes were given priority of admission over nonindigent applicants. The Pioneers' Homes system was based on assisting the indigent first. In 1990, the legislature withdrew the indigent preference for placement. Because of the low monthly rates, few residents admitted as nonindigent became indigent due to paying the established rates. At present, about 12 percent of residents are unable to pay the entire monthly rate. No resident has ever been asked to leave a Pioneers' Home due to inability to pay monthly charges.

The department has always read the provision in AS 47.55.020(c) as setting a clear mandate that residents would not be discharged for inability to pay full charges. AS 47.55.020(c) states, "*The Department of Administration may pay to a resident without funds the sum of \$100 per month.*" This part of the statute implies that a resident unable to pay charges is not only assured continued residence in a Pioneers' Home, but is also assured a minimum of \$100 spending money each month. Based on AS 47.55.020(c) and the Pioneers' Homes history of caring for the indigent, maintaining residents in the Homes who are unable to pay full charges has been an ongoing, established practice. The bill's effect will be to clarify and solidify this practice, thus giving additional assurance to residents and future applicants.

(7)

HOUSE COMMITTEE REPORT

Date Referred to Committee: February 21, 1996

FURTHER REFERRALS:

Finance

Date of Committee Action: 3/28/96

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered:

HB 384

HOUSE BILL NO. 384

PIONEERS' HOME - INABILITY TO PAY

"An Act relating to payment requirements for retention in the Pioneers' Home; and providing for an effective date."

recommends it be replaced with the following committee substitute CS HB 384 (HES) [X] the same title [] a new title

[] additional referral to _____ Committee [] attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) APPROVES PREVIOUS: (Dept/Date) [] fiscal note(s) [] fiscal note(s)

[] zero fiscal note(s) [X] zero fiscal note(s) Admin 2/21/96

Table with 5 columns: SIGNING WITH RECOMMENDATIONS, DP, DNP, NR, AM. Contains handwritten signatures and checkmarks.

CHAIR'S SIGNATURE Car Berde

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

March 29, 1996

SUBJECT: Pioneers' Home (CSHB 384(HES))

TO: Representative Con Bunde, Co-Chair
Representative Cynthia Toohey, Co-Chair
House HESS Committee

FROM: Terri Lauterbach *TLauterbach*
Legislative Counsel

Enclosed is the HES CS you requested for HB 384.

I wish to alert you to the fact that the new language adopted by the HESS committee might preclude the state from evicting a resident in the following type of situation (just to pick one hypothetical): a person incapable of paying the whole rate refuses to pay anything at all. Under the bill, that person could not be evicted because his/her income was insufficient to pay the monthly rate.

If you wish to change the CS, let me know, and I will suggest an approach or two.

TML:glc:klb
96-194.glc

Enclosure

CS FOR HOUSE BILL NO. 384(HES)
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINETEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVE ROKEBERG

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to payment requirements for retention in the Pioneers' Home;
2 and providing for an effective date."

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

4 * Section 1. AS 47.55.020(b) is amended to read:

5 (b) Every person admitted to the Pioneers' Home who receives income from any
6 source in excess of \$100 per month may be required by the Department of
7 Administration to pay the excess to the department immediately upon receipt of the
8 money in payment, or part payment, of the cost of the person's care. However, the
9 department may not require in any month the payment of an amount greater than the
10 monthly rate set under AS 47.55.030(b) except to satisfy an indebtedness incurred under
11 AS 47.55.070. The department may not evict a person from the Pioneers' Home if
12 the income and assets of the person are insufficient to pay the monthly rate set
13 under AS 47.55.030(b).

14 * Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

A M E N D M E N T

AMENDMENT TO CSHB 384 (STA)

BY REPRESENTATIVE ROKEBERG

1 Page 1, line 12, after "evict";

2 Delete all material

3 Insert "a person from the Pioneers' Home if the income and assets of the

4 person are insufficient to pay the monthly rate set under AS 47.55.030(b).

Pioneers' Home residents fear rate boosts

By DOUGLAS FISCHER
Fairbanks Daily News-Miner

FAIRBANKS — Residents of Alaska's Pioneers' Homes are facing the possibility of hefty rent increases. And they are scared.

Administrators hope to bring revenues in line with costs at the state-supported housing system for Alaska's senior citizens. But residents fear the price hikes will drive healthy adults into cheaper housing and turn the system into an Alzheimer's patient ward.

The Pioneers' Home Advisory Board, anticipating drastic budget cuts, has recommended that the state raise rents to cover the full cost of care.

Proposed rate hikes would increase a basic room's rent from \$735 a



month now to \$934 in July and \$2,129 by 2003. Comprehensive service — the most expensive — would run from \$1,100 now to \$6,448 in 2003.

Currently, residents pay about 17 percent of the system's operational costs, which run about \$30 million a year. State funds and some private grants pick up the rest.

First established in the 1920s, Pioneers' Homes offer residential and nursing

care to those over 65 who have lived in Alaska for at least a year. The homes are located in Fairbanks, Sitka, Juneau, Ketchikan, Palmer and Anchorage.

The 600-bed system has seen considerable threats from legislators wielding the budget ax, said Eileen Montano, administrator of the Fairbanks home.

"We have to look at future funding cuts," she said.

"A lot of people aren't able to take care of the increase," said Delmore Schmidt, grand president of the Grand Igloo, which represents the 8,000 Pioneers of Alaska members. "It destroys the original intent of the Pioneers' Home, to provide a place for those who couldn't afford anything else."

The Grand Igloo has a

committee working with legislators to find some relief, he said, but the future looks bleak for now.

"I don't see anything now that we could count on or anything that we like," Schmidt said.

Arthur Japson, a Fairbanks Pioneers' Home resident, said adding \$2,400 a year every year to his rent bill will force him out.

"We could probably take the next year's (increase). But it's the next one, and the next one after that," said Japson. "They'll wipe me out."

"Most of us come here so we won't be a pain in the butt to our relatives."

Mary Nichols, another Fairbanks Pioneers' Home resident, said, "(Legislators) will defeat their own purpose. If we can't afford

to pay, the state will pick up the tab, and they'll end up worse than before."

Indeed, the state already picks up the tab for 10 percent to 15 percent of the residents in the Fairbanks home, Montano said.

And in a letter to Gov. Tony Knowles, advisory board chairman Amos "Joe" Alter recommended that "in no event should any individual be either denied entry to or discharged from a Pioneers' Home due to inability to pay."

Both Japson and Nichols are afraid the proposed increases will transform their residence into a state-run nursing home, as more residents with Alzheimer's disease and related disor-

ders move in. Spiraling costs will force adults who just want a clean apartment into cheaper housing, they figure.

The fear is not unfounded.

Of the 98 residents in the Fairbanks home, 64 need some form of assistance, ranging from an occasional bath to round-the-clock nursing care, Montano said. Of the almost 100 people on the waiting list, most have Alzheimer's or a similar disorder.

Asked where she'd go if she couldn't afford the Pioneers' Home, Nichols shrugged.

"I'll go to pieces, I guess. I don't have any family ... I hope those fellows in Juneau remember this when they get older."

ALASKA STATE LEGISLATURE

House of Representatives

COMMITTEE ASSIGNMENTS:

OIL & GAS, CHAIRMAN
LABOR & COMMERCE, VICE CHAIRMAN
ADMINISTRATIVE REGULATION REVIEW, VICE CHAIRMAN
HEALTH, EDUCATION & SOCIAL SERVICES, MEMBER
ECONOMIC DEVELOPMENT, MEMBER



INTERIM:
718 WEST 4TH AVENUE, SUITE 640
ANCHORAGE, AK 99501
PHONE: (907) 258-8191
FAX (907) 258-2916

SESSION:
STATE CAPITOL
JUNEAU, AK 99801-1182
PHONE: (907) 465-4968
FAX: (907) 465-2040

Representative Norman Rokeberg

Sponsor Statement HB 384

"An act relating to payment requirements for retention in the Pioneers' Home; and providing for an effective date"

HB 384 gives statutory protection to what has been the standard policy since the beginning of the Pioneers' Homes in Alaska -- that residents who cannot pay are not evicted. HB 384 will provide a statutory safety net that prevents the state from evicting residents.

Currently, 86 of the 600 residents in the states' six Homes cannot pay the full rent. Since significant annual rate increases have been proposed by the governor, many of the residents are living in fear of the consequences if they cannot afford the proposed rates.

Many of the residents are living on Social Security and the Longevity Bonus, which, for many, totals no more than \$1,000 a month. The residents are frightened and scared that they will be evicted, even though it has been a long-standing unwritten policy that no resident will be evicted based on an inability to pay.

In addition, in a memo to the Speaker of the House issued at the beginning of the session, the Ombudsman recommended to the legislature that state agencies "unwritten policies" be set out either in statute, regulation or in department policy procedure manuals."

I believe it is crucial to the peace of mind of the elderly residents that this unwritten policy become state policy. I urge your support in this matter.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105


MEMORANDUM

February 26, 1996

FEB 26 1996

SUBJECT: Potential Constitutionality Problem in CSHB 384(STA)
(Work Order No. 9-LS1450\G)

TO: Representative Cynthia Toohey
Representative Con Bunde
Co-Chairs, House HESS Committee

FROM: Terri Lauterbach 
Legislative Counsel

CSHB 384(STA), which has been referred to your committee, includes the addition of a phrase on page 1, line 12, that makes the non-eviction policy applicable only to residents admitted to the Pioneers' Home before the effective date of the Act.

The purpose of this memorandum is to alert you that this change raises an equal protection issue that could cause the law to be overturned if its constitutionality is challenged.

The change divides Pioneers' Homes residents into two groups: those admitted before the effective date of the Act and those admitted after the effective date of the Act. An indigent person in one group could be evicted for nonpayment while an equally poor person in the other group could not be evicted. To support the constitutionality of treating one of these people differently from the other, the state will need to be able to demonstrate that there is a fair and substantial relation between the classification based on the date of the person's admission to the Home and a legitimate governmental objective. The question faced in court, if there's a challenge to this law, would be the following: What legitimate governmental objective is served by a non-eviction policy that affects residents differently based on the date they were admitted to the facility?

I think a court would have a hard time being convinced that there is a legitimate governmental objective served by this classification since, under AS 47.55.030(a), current residents have signed contracts under which they agreed to pay the rates set under law. What would be the state's objective in releasing these people from their contracts while enforcing the contracts against new admittees to the Home?

TML:klb
96-129.klb

(d) [Repealed, § 28 ch 90 SLA 1991.] (§ 51-2-13 ACLA 1949; am § 1 ch 158 SLA 1955; am § 1 ch 118 SLA 1957; am § 1 ch 89 SLA 1961; am § 1 ch 63 SLA 1965; am E.O. No. 30 (1968); am §§ 1, 2 ch 7 SLA 1971; am § 3 ch 11 SLA 1979; am §§ 1, 2 ch 155 SLA 1984; am § 2 ch 35 SLA 1990; am § 28 ch 90 SLA 1991)

Revisor's notes. — Formerly AS 47.25.020. Renumbered in 1990. amendment, effective July 3, 1991, repealed subsection (d).

Effect of amendments. — The 1991

Sec. 47.55.030. Admission on payment. (a) A person eligible for admission under AS 47.55.020 may on application be admitted to the home upon the person's agreement to pay to the state each month an amount the Department of Administration considers sufficient to compensate the state for the cost of care and support of the person at the home. When this agreement is entered into the Department of Administration may require security for the payments.

(b) The Department of Administration shall adopt regulations establishing a monthly rate for the compensation a resident is to be charged under (a) of this section. The rate charged need not fully compensate the state for the cost of care and support. The commissioner of administration shall review the rate each year.

(c) The Department of Administration shall provide to all residents of the Pioneers' Home written notice of any proposed change in the rate charged for care and support of persons at the home. Notice under this section shall be given not less than 60 days before a change is adopted. The notice must include the time, date, and place of a hearing to be held by the Department of Administration under (d) of this section. The department may not change the rate charged more than once in a fiscal year.

(d) Not less than 30 days before a proposed rate change is adopted, the Department of Administration shall conduct a hearing at which interested persons shall be given the opportunity to submit written or oral testimony, statements, arguments or contentions relating to the proposed rate change. The department shall consider all relevant matter presented to it before adopting a rate change.

(e) [Repealed, § 28 ch 90 SLA 1991.] (§ 51-2-14 ACLA 1949; am § 2 ch 89 SLA 1961; am E.O. No. 30 (1968); am § 3 ch 155 SLA 1984; am § 94 ch 138 SLA 1986; am § 3 ch 35 SLA 1990; am § 28 ch 90 SLA 1991)

Revisor's notes. — Formerly AS 47.25.030. Renumbered in 1990. amendment, effective July 3, 1991, repealed subsection (e).

Effect of amendments. — The 1991

Advisory Board Fiscal Plan

It is proposed that the present four levels of care be changed to five levels of care with the addition of ADRD Unit level of care. Further, it is proposed that the present Residential level of care receive a name change to Coordinated Services.

Level of Care	Estimated Monthly Cost	Present Monthly Charge	Difference	FY97 Monthly Increase (1/7 of difference).	FY97 Rate
Coordinated Services	\$2129	\$ 735	\$1470	\$ 210	\$ 945
Basic Assisted Living	\$3862	\$ 860	\$3002	\$ 428	\$1288
Enhanced Assisted Living	\$5079	\$ 965	\$4114	\$ 588	\$1533
ADRD Unit	\$5262	\$ 965	\$4297	\$ 614	\$1579
Nursing	\$6448	\$1100	\$5348	\$ 764	\$1864



State of Alaska
ombudsman
A Legislative Service Agency

Reply to:

- P.O. Box 102636
Anchorage, AK 99510-2636
(907) 269-5290
(800) 478-2624
(FAX) 269-5291
- P.O. Box 113000
Juneau, AK 99811-3000
(907) 465-4970
(800) 478-4970
(FAX) 465-3330

January 25, 1996

The Honorable Gail Phillips, Speaker
House of Representatives
Alaska Legislature
State Capitol, House Chamber
Juneau, Alaska 99811

RE: 1996 Legislative Recommendations

Dear Madam Speaker:

Pursuant to AS 24.55.200, on the basis of recommendations contained in investigative reports of recent fully investigated complaints, the Office of the Ombudsman recommends that the 19th Alaska Legislature, Second Session, consider legislation making changes in the Alaska Statutes. For 1996, two new areas, we believe, merit your favorable consideration:

(1) **Alaska Commission on Judicial Conduct.** In an investigation into the Commission's procedure for handling judicial misconduct complaints concluded in 1994, the Ombudsman recommended that to enhance its responsiveness and improve communications with complainants and the public, the Commission seek a statutory change in the confidentiality provisions to allow public notice of dismissal or informal resolution of complaints against judges that the Commission publicly acknowledges, and an explanation of the basis for the Commission's decision. Although the Commission's statute allows public notice of an investigation, it does not currently allow notice of dismissal without the consent of the accused judge. Regrettably, the Commission rejected the Ombudsman's recommendation and declined to seek the recommended legislation. The Commission executive director expressed the view that, under its current statute, the Commission could advise anyone inquiring that the publicly acknowledged complaint(s) had been fully investigated and that the complaints were now closed. It is the Commission's position that the accused judge is the party in interest and must decide whether publicity regarding the results of the investigation is appropriate. The Ombudsman believes, however, that the public has a legitimate interest in the resolution of judicial misconduct complaints the Commission publicly acknowledges. The Commission's current interpretation of its statute to allow acknowledgment of investigation and closure may change over time, and, in any case, that interpretation would not provide as much information as is contemplated by the Ombudsman's recommended statutory revision. The Ombudsman still believes that if the publicly acknowledged complaint does not result in public formal charges, the public well may not learn what became of the complaint because the statute does not allow public notice of dismissal or of informal complaint resolution unless the accused judge consents. Consequently, the public well may get no closure on complaints that become public. The Ombudsman is firmly persuaded that such a revision would increase public confidence in the judicial disciplinary process when judicial misconduct charges become public. Accordingly, the Ombudsman is referring to the Alaska Legislature the recommendation that the confidentiality provisions of the statute governing the Commission be amended to allow public notice of dismissal or informal resolution of publicly acknowledged complaints against judges. (Ombudsman Complaints A090-1215, F090-0776, A091-0603, A091-1302, Alaska Commission on Judicial Conduct.)

(2) **DFYS Accountability regarding Initial Interviews with Children who are Subjects of Child Abuse Reports.** The Legislature has under consideration House Bill 348 that would require videotaping of interviews with children who are subjects of child abuse reports. In an investigation of alleged abuse of discretion by Division of Family & Youth Services staff in interviewing a child and thereafter taking that child into emergency custody, the Ombudsman initially recommended that when children are interviewed with no other persons present but DFYS employees and the interviewee(s), the interviews either should be audio recorded, or, when possible, video recorded. DFYS proposed a modified recommendation that further research into this subject be conducted; the Ombudsman believed that a promise to "do more research" would not be convincing. In a compromise recommendation, DFYS agreed to conduct a study analyzing the effect of audio/video recording on the state's child protective services by the time the Legislature convened its 1996 session; accordingly, the Ombudsman modified its recommendation. The Ombudsman still believes the audio/videotaping of DFYS staff's initial child interviews has merit. However, the Legislature should obtain and carefully review the DFYS study of this issue -- "Mandatory Videotaping in the Investigation of Child Abuse and Neglect: An Impact Study for the State of Alaska," prepared by the National Child Welfare Resource Center for Organizational Improvement, Edmund S. Muskie Institute of Public Affairs, University of Southern Maine -- as it further considers HB 348. (Ombudsman Complaint A093-6593, Division of Family & Youth Services.)

We reaffirm several 1995 legislative recommendations that we believe still merit your favorable consideration:

(1) **Procurement Practices.** As in 1995, we again urge the Legislature to revisit this subject. Procurement practices, particularly small procurements, continue to be troubling problems the Ombudsman is asked to examine. On the basis of a formal investigation conducted by this office, the Ombudsman recommends that a training and certification program for state employees performing the procurement function be enacted. Also, that legislation should strengthen the position of Chief Procurement Officer. The Ombudsman believes that position should oversee, supervise, monitor, audit, and train staff in the procurement function, not merely provide procurement services or serve as Deputy Director, Division of General Services (DGS) in the Department of Administration. In short, we believe the Chief Procurement Officer position should involve a level of "separateness" from the DGS; that is not currently the case. (Ombudsman Complaint J093-1475, Department of Education.)

(2) **Public Records Act (AS 09.25.120).** The Legislature should review the subject matter of this statute and consider if legislation should be enacted clarifying whether the public will have access to reports of criminal investigations where no prosecution occurs. (Ombudsman Complaint J092-1562, Department of Public Safety; see also, Opinion of the Attorney General, Public Release of Police Records, File 663-93-0339; Opinion No. 1, Nov. 25, 1994.)

(3) **Abatement of Electrical Hazards.** Legislation should be enacted modifying AS 18.60.630 granting inspectors authority to issue orders to abate electrical hazards discovered during an inspection that pose an immediate danger to life or safety. (Ombudsman Complaint A091-2030, Division of Labor Standards & Safety, Department of Labor.)

X ——— (4) **Agency Policies and Procedures.** The Legislature should insist, either by enacting a statute or adopting a resolution, that state agencies "unwritten policies" be set out either in statute, regulation or in department policy and procedures manuals so that affected members of the public are informed of the policies and procedures that apply to them when dealing with a state agency. As a veteran state employee recently observed, "An 'unwritten policy' isn't worth the paper it isn't written on." We concur. Perhaps this topic usefully might be examined by the Legislature's Administrative Regulation Review Committee in a legislative oversight hearing. (Ombudsman Complaints: J093-2030, Department of Environmental Conservation; A092-0128, Anchorage Pioneers Home, Division of Senior Services, Department of Administration; A093-4506, Division of Oil & Gas, Department of Natural Resources; A094-0668, Alaska Public Utilities Commission.)

HB
384

TONY KNOWLES, GOVERNOR

DEPARTMENT OF ADMINISTRATION

DIVISION OF SENIOR SERVICES

December 15, 1994

P.O. BOX 110211
JUNEAU, AK 99811
FAX: (907)

LONGEVITY BOND
PHONE: (907)

RAM
3

PIONEERS' HOMES
PHONE: (907)

JO

Dear Pioneers' Home Resident:

During October 1994, public hearings were held at each of the Pioneers' Homes regarding proposed new rates for each level of care in the Homes. The proposal also included the addition of a new level of care, Enhanced Assisted Living. In addition to public hearings, the rate proposal was extensively advertised throughout the state. The increased rates were approved as proposed.

Former Deputy Commissioner Roberiey Waldron and I thank you for your oral and written testimony which included very favorable comments regarding the services provided by each Pioneers' Home. We understand that some residents will find it financially difficult to meet this added expense.

The new rates will be effective beginning February 1, 1995. If you have income or assets, you must pay the rate charged. If you do not have sufficient income or assets, please talk to the social worker or a business office staff member for assistance. No one who is unable to pay the full rate will be asked to leave the Home or be discriminated against in any way.

Beginning February 1, 1995, the charge for care in the Pioneers' Homes will be:

Residential	\$735.00
Basic Assisted Living	\$860.00
Enhanced Assisted Living	\$965.00
Skilled Nursing	\$1100.00

If you have any questions or concerns, please contact your Home Administrator or Jim Kohn, Deputy Director at 465-4400.

Sincerely,



Connie J. Sipe
Director

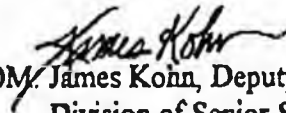
I have circled your new rate. Residents who move to the new Special Care unit who need more assistance than Basic Assisted Living can provide will be charged the Enhanced Assisted Living rate when that occurs. If you have any questions, please feel free to call upon me.

MEMORANDUM

State of Alaska
Department of Administration

TO: Representative Norman Rokeberg

DATE: March 13, 1996

FROM:  James Kohn, Deputy Director
Division of Senior Services

TEL: 465-2159

SUBJECT: Pioneers' Homes Rate Increases

In October 1995 the Pioneers' Home Advisory Board proposed to the governor a rate increase plan of seven years duration which would bring rates to the cost of care by FY2003. The Administration's FY97 budget for the Pioneers' Homes assumes a rate increase equal to one seventh of the difference of the estimated cost of care minus the present rate. An estimation of the FY97 rate increase and the seven year plan, based on level of care, is expressed in the following chart.

Level of Care	Estimated Monthly Cost	Present Monthly Charge	Difference	Annual Monthly Increase	Estimated						
					FY97 Rate	FY98 Rate	FY99 Rate	FY00 Rate	FY01 Rate	FY02 Rate	FY03 Rate
Coordinated Services	\$2,129	\$735	\$1,394	\$199	\$934	\$1,153	\$1,332	\$1,532	\$1,731	\$1,930	\$2,129
Basic Assisted Living	\$3,862	\$860	\$3,002	\$429	\$1,289	\$1,718	\$2,147	\$2,575	\$3,004	\$3,433	\$3,862
Enhanced Assisted Living	\$5,079	\$965	\$4,114	\$588	\$1,553	\$2,140	\$2,728	\$3,316	\$3,904	\$4,491	\$5,079
ADRD Unit	\$5,252	\$965	\$4,287	\$614	\$1,579	\$2,193	\$2,807	\$3,420	\$4,034	\$4,648	\$5,262
Nursing/Comprehensive	\$6,448	\$1,100	\$5,348	\$764	\$1,864	\$2,628	\$3,392	\$4,156	\$4,920	\$5,684	\$6,448

Our calculations, as based on the U.S. Census on Alaska Income by Age Group, 1989, indicates that annual revenues from the rate increases will be in the range of \$750.0 to \$2,500.0. It is estimated that revenues in the initial year of the plan (FY97) will increase by approximately \$2,500.0. Each year thereafter revenues will increase at a slower rate. In the final year of the plan, revenues will increase by about \$750.0. At that time, FY2003, overall revenues should be around \$15,000.0. Present revenues for FY96 will be slightly in excess of \$5,000.0. Therefore, over seven years, revenues should increase by almost \$10,000.0

HB 384
See Page 3

Pioneers' Homes
Assisted Living Contract

This agreement is entered into by and between the Pioneers Homes and :

on _____

Home address and phone number here

Services

The parties in the contract agree as follows: The Pioneers' Home will provide (check one):

1. Coordinated services as follows:

- Private or semi-private room;
- Three meals daily, served in the dining room;
- Opportunities for recreation and social interaction;
- General housekeeping services - (Periodic heavy cleaning);
- Infirmary services - (See Infirmary Services);
- Emergency assistance.

2. Basic assisted living services as follows:

- Private or semi-private room;
- Three meals daily, served in the dining room;
- General Housekeeping services based on need, e.g., personal laundry, changing linen;
- Infirmary services - (See Infirmary Services);
- Emergency assistance;
- Assistance with activities of daily living (ADLs) and or instrumental activities of daily living (IADLs);
- Organized activity programs;
- Nursing clinics to assist with intermittent health care needs, if indicated in the resident's assisted living plan;
- Physical therapy, based on individual need and available resources, if indicated in the resident's assisted living plan;
- Medication administration or assistance with self-administration of medication, if indicated in the resident's assisted living plan.

3. Enhanced assisted living services. Services available in the Enhanced Assisted Living level of care may include the above Assisted Living services and one or more of the following, as specifically indicated in the assisted living plan:
- Intensive assistance with activities of daily living;
 - Assistance with mobility for the non-ambulatory;
 - Specially structured social, recreational and therapeutic programs for the resident with mental or physical impairments;
 - 24-hour general supervision for the resident with safety needs.

Infirmiry Services

Each of the Pioneers' Homes has a small number of beds within the skilled nursing section designated as infirmiry beds. These beds accommodate residents within the assisted living sections who require short-term, round-the-clock nursing observation, assessment or intervention because of a change in health status. A resident from the assisted living or residential levels of care might use an infirmiry bed when he or she is acutely ill, or has taken a fall and requires continuous observation. These beds are assigned depending upon availability and need. The decision to place a resident in an infirmiry bed is based upon nursing/medical assessment of a resident's condition. A resident may use an infirmiry bed for up to 45 continuous days. Length of stay in the infirmiry is determined by medical or nursing assessment.

- If an infirmiry bed is not available, other arrangements may need to be made by the resident and his/her family to provide for the resident's health needs.
- An infirmiry bed is not intended to be a substitute for necessary hospital care.

The interdisciplinary care team will advise the administrator of each Home of any unresolved level of care needs. The Home administrator has final authority to determine the initial placement and when a resident should move to another level or area of care. The need for acute care and care not normally provided by the Homes may necessitate transferring or discharging a resident to another facility. If possible and consistent with the needs of residents, 30-day advance written notices will be given by the Home administrator; however, residents requiring emergency treatment will be transferred immediately.

A Pioneers' Home will make every reasonable effort to provide the proper level of care to residents who require the same or different level of care after being admitted. However, all levels and types of care may not be equally available at each Home. Availability and levels of geriatric care will be based on the funding, facilities, and staff available at each home (2 AAC 41.080(b)).

Rates-

The monthly rates are as follows:

- ☐ 1. Coordinated Services-\$735.00
- ☐ 2. Basic Assisted Living-\$860.00
- ☐ 3. Enhanced Assisted Living-\$965.00

Monthly Rental Due Date-Rental fees are to be paid on or before the _____ day of each month, beginning on _____ 19____. If payment is mailed, it must be postmarked before the _____ day of the month.

Rights-Please refer to and review the Residents' Rights Booklet.

Rules-Please refer to and review the attached listing of Home rules, including that the resident shall notify the Home of any absence from the premises for overnight or longer.

Termination of Contract-

- a. **Termination by Resident**-The resident shall give the Home written notice of intent to terminate the contract at least 30 days prior to the day rent is due for the month in which the termination occurs.
- b. **Termination by Home**-The Home will not terminate a residential services contract with a resident of the home against the resident's will, except
 - 1. for medical reasons;
 - 2. for engaging in a documented pattern of conduct that is harmful to the resident, other residents, or staff of the home;
 - 3. for violation of the terms of the residential services contract, including failure to pay costs incurred under the contract;
 - 4. when emergency transfer out of the home is ordered by the resident's physician;
 - 5. when the home is closing; or
 - 6. when the home can no longer provide or arrange for services in accordance with the resident's needs and the resident's assisted living plan.

At least 30 days before terminating the residential services contract with a resident, the Home shall provide written notice of the proposed contract termination to the resident or the resident's representative, and to the resident's service coordinator, if any.

The notice must state the following:

1. The basis for the termination
2. The resident's right to contest the termination in the manner provided in the contract, which must include an offer by the home to participate in a case conference.

Case conference- Before terminating the residential services contract with a resident, the assisted living home shall participate in a case conference if requested by the resident or the resident's representative. The case conference must include the resident, the resident's representative, if any, the resident's advocate, if any, the resident's service coordinator, if any, the home administrator, and appropriate care providers who may discuss the appropriateness of the contract termination.

If a home terminates the resident's services contract with a resident under this section, the home shall cooperate with the resident, the resident's service coordinator, if any, and the resident's representative, if any, in making arrangements to relocate the resident.

Advance Rent-

Under AS 47.33.030, an advance payment to an assisted living home may only be made as 1- security for performance of the residential services contract or 2-As advance rent for the immediately following rental period. The business office will provide receipts for any advance rent paid. The Home will also refund on a prorated basis, the rent for any part of the month that a resident was no longer in residence at the Home if termination of contract or death occurs.

This Contract shall be interpreted in accordance with the laws of the State of Alaska, and all provisions of the Assisted Living Homes Act of Alaska, which are incorporated within.

Administrator or Representative

Date

Resident or Resident's Representative

Date

Original to: Resident file Copies to: Resident and Representative, if any

tics to exempt seniors from having to pay property taxes on the first \$150,000 of their homes' assessed value. But the state has steadily contributed less toward the program, requiring the municipalities to foot the bill. Today, the state pays

executive director.

"I think [the tax exemption] really does help people, but it would be hard to get a direct cause and effect identified on that issue," Demmert says. However, when all the programs for seniors begin to be

ment it has been."

Demmert says her office receives many calls and letters from people out of state, who are scouting for a retirement location. "They're asking what benefits are available as a part of their research and

But on the other hand, I also know, working here, that we clearly do have to figure out some way to save."

Lee Carman, president of the Fairbanks Chapter of the American Association of Retired Persons (AARP), says he

consensus from seniors, it is certain that the governor's proposals won't just slide through the legislature, Carman says.

"I don't know whether the legislature's going to give him anything or not," Carman says. "They like to fight politics."

Pioneers' Home bill allows those unable to pay to stay

by David Washburn

Senior Voice staff

Rep. Norm Rokeberg (R-Anchorage) has introduced a bill that would forbid the state from evicting Pioneers' Homes residents who cannot afford to pay their rent.

Rokeberg says he sponsored the bill, HB 384, because Pioneers' Homes residents and their families are worried about the state's plan to increase rates at the Homes over the next seven years.

Last fall, the Pioneers'

Home Advisory Board recommended the increases because current rates do not cover the costs of the program. Operating the six Pioneers' Homes costs the state over \$30 million a year. Funds generated from the residents' rent pays for approximately 15 percent of the costs; the state subsidizes the rest.

Rokeberg says he learned during hearings on the increases that there is no statute specifically protecting resi-

dents from being evicted for inability to pay full rent.

"It's clearly not been the policy of the state to expel anybody, and I understand that," Rokeberg says. However, a clearly-worded law would help put residents'

minds at ease, he says.

State officials agree current laws are not worded as clearly as they could be, but emphasize that HB 384 simply enacts into law what is already standard policy.

"It's always been the prac-

tice to not throw anybody out for not being able to pay," says Jim Kohn, deputy director of the Division of Senior Services.

Kohn says there are 603 seniors currently living in the Homes, about 70 of whom cannot pay the full rent.



SENIORS

Are you wearing your parka & mukluks to bed each night?

Whether you rent or own, **CALL WEATHERIZATION** and ask if you qualify for **FREE WEATHERIZATION** for your mobile home, apartment or house.

YOU'VE EARNED THE RIGHT TO BE WARM
IN YOUR OWN HOME. CALL NOW!



State of Alaska Alaska Commission on Aging Legislative Teleconference Meeting Sites

The Alaska Commission on Aging will begin weekly Legislative Subcommittee meetings on Tuesday, February 6, 1996, and will continue throughout the legislative session. Meetings are scheduled for Tuesdays from 10:00 a.m. till 11:00 a.m.

Public sites include:


- Anchorage** Division of Senior Services Office, 3601 C Street, Suite 310, Anchorage, AK 99503.
- Fairbanks** North Star Council on Aging, 1424 Moore Street, Fairbanks, AK 99701.
- Juneau** Alaska Commission on Aging, State Office Building, Room 757, Juneau, AK 99811.
- Kodiak** Kodiak Senior Center, 302 Erskine Ave., Kodiak, AK 99615.
- Mat-Su** Mat-Su Legislative Information Center, 600 E. Railroad Ave., Wasilla, AK 99654.
- Nome** XYZ Senior Center, 95 Hunter Way, Nome, AK 99762.
- Sitka** Center for Community, 700 Katlian, Suite B, Sitka, AK 99836.

Anyone requiring special devices and equipment to participate in the meet-



One part of the whole HEARTLAND

SUNDAY

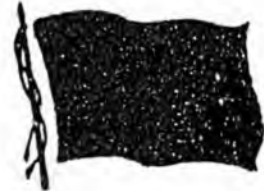


Mostly sunny
and cold
High 20, Low -10
Page A-2

IRBANKS

THIS CITY COMES FROM
Alaska
The Daily

PIONEERS-Miner



voice of Interior Alaska

S, ALASKA, SUNDAY, MARCH 17, 1996

\$1.50 per copy

90 Pages



Rent may rise for pioneers

Board proposes hefty increases

By DOUGLAS FISCHER
Staff Writer

Pioneers' home residents are staring at some hefty rent increases, and they are scared.

Administrators hope to bring revenues in line with costs at the state-supported housing system for Alaska's senior citizens, but residents fear the proposed price spikes will drive healthy adults into cheaper housing and turn the venerable system into an Alzheimer's patient ward.

The Pioneers' Home Advisory Board, anticipating drastic budget cuts, has recommended that the state raise rents to cover the full cost of care. The Legislature must approve the increases.

Under the proposed plan, residents would see annual rent increases anywhere from \$200 to \$760—depending on the level of care—starting in July and running through at least 2003.

Currently, residents pay about 17 percent of the system's operational costs, which run about \$30 million a year—not including capital improvements—for the state's six seniors' homes. State funds and some private grants

pick up the rest.

First established in the 1920s, pioneers' homes offer residential and nursing care to those over 65 who have lived in Alaska for at least a year. The homes are located in Fairbanks, Sitka, Juneau, Ketchikan, Palmer and Anchorage.

The 600-bed system has seen considerable threats from legislators wielding the budget ax, said Eileen Montano, administrator of the Fairbanks home.

"We have to look at future funding cuts," she said, citing a recent preliminary funding report from Juneau that placed no cash in the system's money column. The final report, however, had the homes back in and funded.

Proposed rate hikes, which would ramp up a basic room's rent from \$735 a month now to \$934 in July and \$2,129 by 2003, have many residents reaching for the Mylanta. Comprehensive service—the most expensive—would run from a monthly \$1,100 now to \$6,448 in 2003.

"A lot of people aren't able to
See PIONEERS', Page A-7

IRISH

Continued from Page A-1

much it, apart from the men and some of the women drowning the shamrock that night at the pub."

It's about the same in Northern Ireland, says Carmol Burdock, a native of County Antrim. Burdock smiles when she recalls her first American St. Patrick's Day not long after she came to Texas in 1971. She went to Mass at a local church with several other Irish-Americans.

"We couldn't help but laugh," she said. "Everyone had on green pants, green shoes, green socks, green hats. But not one of the Irish had a green thing among them. We were so out of it."

The actual St. Patrick lived during the fifth century. Scholars are forever bickering about whether he was actually two different men named Patrick. Born in western Britain, he was captured at age 16 and sold into slavery in Ireland. He turned to religion during captivity, and after his escape to Gaul at age 22 he vowed to become a priest.

PIONEERS': Proposed rent increases

Continued from Page A-1

take care of the increase," said Delmore Schmidt, grand president of the Grand Igloo, which represents the 8,000 Pioneers of Alaska members. "It destroys the original intent of the pioneers' home—to provide a place for those who couldn't afford anything else."

The Grand Igloo has a committee working with legislators to find some relief, he said, but the future looks bleak—for now.

"I don't see anything now that we could count on or anything that we like," Schmidt said.

Arthur Japson, a Fairbanks Pioneers' Home resident, said adding \$2,400 a year—every year—to his rent bill will force him out.

"We could probably take the next year's (increase). But it's the next one, and the next one, and the next one after that," said Japson. "They'll wipe me out."

"Most of us come here so we won't be a pain in the butt to our relatives."

Mary Nichols, another Fairbanks Pioneers' Home resident, said, "(Legislators) will defeat their own purpose. If we can't afford to pay, the state will pick up the tab, and they'll end up worse than before."

Indeed, the state already picks up the tab for 10 percent to 15 percent of the residents in the Fairbanks home, Montano said.

And in a letter to Gov. Tony Knowles, advisory board chairman Amos "Joe" Alter recommended—in the same paragraph as the proposed rent increases—that "in no event should any individual be either denied entry to or discharged from a Pioneers' Home due to inability to pay."

Both Japson and Nichols are afraid the proposed increases will transform their residence into a

state-run nursing home, as more residents with Alzheimer's disease and related disorders move in. Spiralling costs will force adults who just want a clean apartment into cheaper housing, they figure.

The fear is not unfounded.

Of the 98 residents in the Fairbanks home, 64 need some form of assistance—ranging from an occasional bath to round-the-clock nursing care, Montano said. Of the almost 100 people on the waiting list, most have Alzheimer's or a similar disorder.

Asked where she'd go if she couldn't afford the pioneers' home, Nichols shrugged.

"I'll go to pieces, I guess. I don't have any family. I hope those fellows in Juneau remember this when they get older."



HOT TOPIC—Fairbanks Pioneers' Home residents Author Jeppesen, middle, and others met Friday to discuss proposed rent increases.

Cabin Fever
Northern Lites

★ Gold Miners
Can Can Cuties

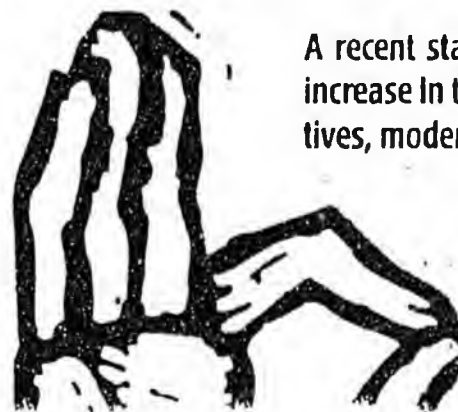
Ice Dazzlers

Alaska Skating School - Recreational Program

"ALASKA ON ICE"

Free Admission

SOME TAXES WE LI



A recent statewide survey* found that 74% of Alaskans support an increase in the state cigarette tax. The support was consistent among conservatives, moderates, and liberals. Even 55% of smokers said they would support the increase.

Why? Because as former Surgeon General C. Everett Koop once said, "A cigarette tax is different from other taxes... almost everyone... Smokers would benefit from it; it would help them to quit; nonsmokers would benefit from it."

FEB 13 1996

DEPARTMENT OF ADMINISTRATION

DIVISION OF PIONEERS' BENEFITS

P.O. BOX 110211
JUNEAU, ALASKA 99811-0211
PHONE: (907) 465-4400

February 7, 1996

Representative Norman Rokeberg
State Capital
Juneau, Alaska 99801-1182

Dear Representative Rokeberg:

On behalf of the Residents of the Anchorage Pioneers' Home I wish to give their support to HB 384, "An act relating to payment requirements for retention in the Pioneers' Home". Resident Council President, Mr. John Gibbons, presented HB 384 to the Resident Council at their February 5, 1996 meeting and received a 100% vote to support passage of this legislation.

Speaking for myself, as Administrator of the Anchorage Pioneers' Home, I am very much aware of the need for the Administration to address the issue of Pioneer Home Resident rents being more in line with the cost the of the services they receive. I am also aware that it has always been the historical practice that a persons income or ability to pay the full cost of care has never been consideration for admission or continued stay at the Homes.

It is always important to remember and related to others in the Legislature that a Pioneer Home is not just a facility for Senior Alaskans but the "Home" of Senior Alaskans and with passage of HB 384 our Residents will be provided a peace of mind so important in maintaining a healthy outlook for the future.

I congratulate you on your sponsorship of HB 384. Please free to call upon Mr. Gibbons or myself if we can be of any assistance in support of your bill.

Sincerely,



John Vowell

ANCHORAGE PIONEERS' HOME
923 WEST ELEVENTH AVENUE
ANCHORAGE, ALASKA 99501-4399
PHONE: (907) 276-3414

FAIRBANKS PIONEERS' HOME
2221 EAGAN AVENUE
FAIRBANKS, ALASKA 99701-5797
PHONE: (907) 456-4372

JUNEAU PIONEERS' HOME
4675 GLACIER HIGHWAY
JUNEAU, ALASKA 99801-9518
PHONE: (907) 780-6422

KETCHIKAN PIONEERS' HOME
141 BRYANT STREET
KETCHIKAN, ALASKA 99901-5575
PHONE: (907) 225-4111

PALMER PIONEERS' HOME
250 EAST FIREWEED
PALMER, ALASKA 99645-6638
PHONE: (907) 745-4241

SITKA PIONEERS' HOME
120 KATLIAN STREET
SITKA, ALASKA 99835-7501
PHONE: (907) 747-3213



Bringing lifetimes of experience and leadership to serve all generations.

FEB 19 1996

ALASKA STATE LEGISLATIVE COMMITTEE

CHAIR
Barbara Rich
P.O. Box 80482
Fairbanks, AK 99708
(907) 479-2509

VICE CHAIR
Ron Hammett
3512 Stanford Dr.
Anchorage, AK 99508
(907) 279-2339

SECRETARY
Vona Hall
3590 Glacier Hwy.
Juneau, AK 99801
(907) 780-4089

COORDINATOR
Capital City Task Force
Rupert Andrews
9416 Long Run Drive
Juneau, AK 99801
(907) 789-7422

February 15, 1996

Representative Norman Rokeberg
House of Representatives
State Capitol
Juneau AK 99801-1182

Dear Representative Rokeberg,

Thank you for your letter of February 10, 1996. Upon reading your bill, HB 384, the executive committee of the Alaska State Legislative Committee of the American Association of Retired Persons supports this piece of legislation. When a resident of the Alaska Pioneers' Homes has income which is less than the cost of the home, there is always a concern that they will have to leave. This piece of legislation if passed will alleviate some of that concern.

Thank you for your support of the Seniors in Alaska. If we can be of further assistance to you please let me know.

Sincerely,

Barbara Rich, Chair
Alaska State Legislative Committee

Eugene C. Smith
923 West 11th Avenue
Anchorage, Alaska 99501
274-7411

FEB 15 1996

February 13, 1996

Representative Norm Rokeberg
State House
State Capitol
Juneau, Alaska 99811

Dear Norm,

Recently we have been informed through the news media that our Governor, Tony Knowles, is planning to increase the rental cost to those pioneers who reside in the Pioneer Homes in Alaska. This has brought considerable concern to many residents including my wife and I.

My wife was born here in Anchorage when it was still mostly a tent city, and I have been here since 1932. We have resided here since that time and only recently - in May - we moved into the Anchorage Pioneer Home. We raised 3 fine boys, who in turn married and raised their families. My wife and I are now the proud Grandma and Grandpa of 9 Grandchildren and 17 Great Grandchildren.

I am not trying to brag about my family, nor am I trying to tell you how to balance the State Budget, or what you should do as Legislators - mainly because I can't or don't know. I just want to give you some of the thoughts of an 85 year old man and some of the history of Alaska as I have seen it.

When I came to Alaska, and after looking around a bit, I was puzzled by the lack of older persons. Everyone called it a "young man's country". Suddenly it came to me. In Anchorage, the main employment was the Alaska Railroad and they had a retirement program. Everyone knew when he or she would retire and their homes were quietly sold as of their date of retirement. The old timers headed for warmer climates where rents, groceries, etc. were much less than in Alaska and where their retirement and savings would go further. They also took their wisdom and knowledge with them. This became a land with very little or no knowledge of what happened 40 years ago.

This country also needed population! It needed people who would help build our country - open up land and be able to farm

and raise produce. Do you remember the steamship days, when if you were lucky a ship came in weekly? How about the condition of the fruit and vegetables which had been harvested 20 days earlier?

The partial answer to that came in 1935 when the "colonists" came to settle in the Matanuska Valley and build farms. It brought a "shot in the arm" to the economy - more people, more jobs, roads, etc, etc.

Later on the Legislature gave us the Longevity Bonus which helped keep the older persons in Alaska. It was "seed money" - \$250.00 added to what that person had, was worth \$1,500 to \$2,000 per month to the local economy. And was not overlooked by the stores in the state.

now many of the older people living in Alaska are residents of the Pioneer Homes. They range in age from the late 60's through the 90's and even 100 years. They don't work anymore - and they don't have salaries. Some have retirements, some have savings put away - which are not finite. Some can't even afford the present services. I cannot say how many, as this is a personal thing.

Please remember that these people in their working years didn't make thirty - forty - or 50 thousand dollars a year. They maybe made \$500 to \$1,000 per month and as a result couldn't have set aside a big savings account.

However, and this boils down to what I want to ask you. Do you want the State of Alaska to put the burden of maintaining the Pioneer Homes on the backs of these old persons?

They have paid taxes all their working years. They have paid their dues.

I sincerely hope that you will give this letter, for what it's worth, your thoughtful consideration.

Thank you.

Sincerely,

Eugene C. Smith

Eugene C. Smith
Ingaborg E. Smith

Ingaborg E. Smith

PIONEERS' HOME ADVISORY BOARD

Amos "Joe" Alber, Chair

P.O. Box 110211
Juneau, AK 99811-0211



October 9, 1995

The Honorable Tony Knowles
Governor, State of Alaska
P.O. Box 110001
Juneau, AK 99811-0001

Dear Governor Knowles:

Your Pioneers' Homes Advisory Board has completed the 1995 annual visit to each of the six homes in the State system. We have listened to comments from home residents, family members, the public, legislators, and operational staff. This letter summarizes comments and discussions resulting from the visits and includes those recommendations considered a matter of state policy. More detailed comment and recommendations are included in the enclosed copies of our letters to Commissioner of Administration, Mark Boyer, and Division of Senior Services administrators.

We compliment you and your staff on the outstanding accomplishments we found. Resident need is being matched with the level of care required to meet that need. Alaska Pioneers' Homes are on the forefront of long term care for the elderly. Our state homes are a model for the nation. Individual physical, mental and social needs are given priority in the system as well as economic needs. This has been accomplished even with budget reductions each of the past several years, little or no money for long neglected maintenance of the facilities, and significant reductions in staff levels. The 600 bed Pioneers' Homes system, approximately half of the long term care beds in the state, is the only Alaskan alternative for families who must deal with family members with Alzheimer's or related dementia. We found great appreciation expressed by residents and family members for the vital service the homes provide.

Alaska is at a crossroads in determining the future of long term care for the elderly, particularly those persons suffering from Alzheimer's and related dementia. This is not a problem of just persons in Pioneers' Homes, just the elderly, just the poor, or the rich. It is now or potentially a problem of every Alaskan regardless of age or station. The root of the problem and the object of public policy development is who pays for long term care. Long term and short term action must be taken as we Alaskans seek to close the budget gap and at the same time act as responsible, caring citizens. Public policy should recognize both the pluses and minuses individually and for the state as a whole in determining the future of Pioneers' Homes. Jobs, economy, social structure, family values, fiscal impact, as well as long term health care, are all affected by our decisions.

Following are our conclusions and recommendations:

1. The current level of quality care cannot be sustained with further reductions in personnel and budget. The greatest operational cost for the system is personal services.

Robert Gore, Vice Chair
Donald M. Hoover, Member
Dan Pittman, Member

Valle Byrdson, Member
Robert Kallenberg, Member

John Dapovich, Member
Emilia Odeacher, Member

October 9, 1995 letter to Governor Knowles

Page 2

Due to neglected maintenance budgets many health and safety items need immediate attention to protect the state against potential liability claims. The highest priority needs should be addressed as soon as possible and supplemental funding should be provided.

2. Alternatives should be found for recovering the full cost of care. Studies should be initiated as soon as possible to identify specifics of potential trust fund, insurance or other mechanisms for defining the risk pool characteristics, premiums needed, benefits, potential fund sources, and projected relationships of such proposals to long term care provided in the private sector. Threats of Medicare and Medicaid funding reductions, the latter being the principal source of revenue for long term care in the private sector, could place additional stress upon the currently overloaded Pioneers' Homes.

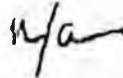
3. Potential funding proposals received during hearings in the several homes included (a) require all residents to pay full cost of care with the understanding no person would be discharged from a home for inability to bear such costs; (b) make a legislative appropriation from the Permanent Fund Reserve Account sufficient to establish an actuarially sound payment system and sustain such system through co-payments by the state and residents, state appropriations to be made annually from the Permanent Fund Reserve Account; (c) discontinue admission to a Pioneer Home in simple residential status and fund the program from Mental Health Fund sources.

4. We recommend full cost of care be recovered by the year 2003. While alternatives for long term care financing are being defined more clearly, we recommend current rates be increased annually for each level of care by an amount equal to the difference between the present rates and the estimated full cost of care divided by the number of years remaining until 2003. In no event should any individual either be denied entry to or discharged from a Pioneers' Home due to inability to pay. Increased funds generated through rate increases should be retained by the Pioneers' Homes.

5. Additional positions should be established to provide the assisted living services which would be necessary if all currently unoccupied residential beds were filled.

We thank you for your deep commitment to the Pioneers' Homes and for the privilege of advising you on the conditions surrounding the System. Members of the Board will be available and would like to personally meet with you to discuss the above recommendations further.

Sincerely yours,



Amos J. "Joe" Alter, Chair
Pioneers' Homes Advisory Board

Enclosures: Letters to Commission Boyer,
Director, Division of Senior Services, Sipc,
Deputy Director, Kohn

THE RESIDENT COUNCIL
SITKA PIONEERS' HOME

120 Katlian
Sitka, AK 99835
747-6398

JAN 6 1965

Representative Norman Rokeberg
State Capitol
Juneau, AK 99801-1182

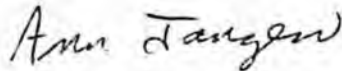
Dear Representative Rokeberg :

We have just received a copy of House Bill No. 384, which carries your name. On behalf of the residents here in Sitka, I want to thank you for this.

The anxiety level at the Home continues to be high as we approach the Legislative session. Just knowing that this bill is possible helps.

Thank you again for your sensitivity to the situation in which many of us find ourselves.

Sincerely yours,



Ann Janzen, Secretary