

SB

120

SFIN

FILE

3128195
 (S) STA, FIN

FISCAL NOTE

STATE OF ALASKA
 1995 LEGISLATIVE SESSION

BILL NO SB 120

Revision Date: _____ Dept. Affected: Administration
 Title: An Act relating to the operation of state BRU: Senior Services
veterans' home facilities Component: Pioneers' Homes
 Sponsor: Senator Torgerson
 Requestor: Senator Torgerson COMPONENT SERIAL NO. 1950

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITUR	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	159.4	647.0	2,183.8	2,102.7	2,194.8	2,290.9
TRAVEL	3.0	5.1	7.1	2.2	2.3	2.4
CONTRACTUAL	5.0	901.0	940.3	978.4	1,021.2	1,065.9
SUPPLIES	2.0	247.1	113.4	116.1	121.2	126.5
EQUIPMENT	5.0					
LAND & STRUCTURES						
GRANTS, CLAIMS		2.0	8.4	8.7	9.1	9.5
MISCELLANEOUS						
TOTAL OPERATING	174.4	1,802.2	3,253.0	3,208.1	3,348.6	3,495.2
CAPITAL EXPENDITURES	12,725.2	500.0				
CHANGE IN REVENUES ()						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	8,271.4	75.5	302.0	302.0	302.0	302.0
1003 GF Match						
1004 GF	4,628.2	2,013.7	2,329.5	2,284.6	2,425.1	2,571.7
1005 GF/Program Receipts		213.0	621.5	621.5	621.5	621.5
1006 GF/MHTIA						
Other						
Total	12,899.6	2,302.2	3,253.0	3,208.1	3,348.6	3,495.2

Estimate of current year (FY 95) cost: \$ _____

POSITIONS:

FULL-TIME	3	3	36	33	33	33
PART-TIME		25	9	9	9	9
TEMPORARY			5	5	5	5

ANALYSIS: (Attach a separate page if necessary)

The passage of SB 120 in and of itself would have no fiscal impact on the division. If the passage of SB 120 causes the State to proceed under AS 44.21.035 (HB 44 from 1992), then the fiscal impact shown in this analysis would occur. The fiscal impact would be caused by the state acquiring or building a veterans' home, thereby obligating the state to fund its operation like it does the Pioneers' Homes. The state would then receive Federal receipts for the per diem paid by the Veterans' Administration (VA) [currently \$25.35], plus GF/Program Receipts for the difference between the VA per diem and the cost of care charged to the residents. This, of course, would be offset by whatever amount of General Funds would be necessary to subsidize the cost of care (e.g., the present cost of nursing home care in Alaska is

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

Approved by Commissioner: Mark Boyer *Mark Boyer* Date: 3/27/95
 Agency: Department of Administration

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SB 120

ANALYSIS: (continued)

\$240 per day, the VA pays \$25.35 per day. The veterans who need care in a home are likely to be disabled and low-to-moderate income. It would be unlikely that they could pay full cost of care.

This fiscal note for SB 120 is updated from the Department of Administration fiscal notes submitted with HB 44 which became law in 1992, with the following changes noted. This fiscal note is calculated on the basis of duplicating the Juneau Pioneers' Home, on Palmer property donated to the new veterans' home. Today's fiscal note follows the 1995, not 1992, configuration of the care beds at the Juneau home, namely: 8 residential or domiciliary beds, 25 assisted living beds (both basic and enhanced), and 15 skilled nursing beds.

This 1995 fiscal note also shows greater costs to the department for the planning, equipping and start-up management costs. Since the first fiscal notes were written in 1991, the central office of the Pioneers' Homes has lost several staff to budget reductions and re-assignment of staff to the newly expanded functions of the Division of Senior Services. Central Office could not absorb added duties to plan and start-up the veterans' home without new resources.

For resident revenues, this fiscal note makes general income assumptions based in part on the Pioneers' Homes "indigency" rate of 25% of residents. We are not sure that the VA has an assisted living per diem rate, so we created an average between the domiciliary and nursing rates.

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SB 120

ANALYSIS: (continued)

	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
<u>OPERATING COSTS</u>	(One-quarter start-up costs for home in FY97.)					
Personal Services	159.4	647.0	2,183.8	2,102.7	2,194.8	2,290.9
<u>Central Office</u>						
Bldg. Mgt. Specialist	62.4	64.3	66.3			
Contracting Officer	51.5	53.3	54.8			
Admin. Assistant II	<u>45.5</u>	<u>46.9</u>	<u>48.3</u>			
	159.4	164.5	169.4	0.0	0.0	0.0
<u>Staffing for home</u>	(based on current staffing level for Juneau Pioneers' Home plus 4.38%/year.)					
33 PFT, 9 PPT, 5 NP		482.5	2,014.4	2,102.7	2,194.8	2,290.9
Travel	3.0	5.1	7.1	2.2	2.3	2.4
Central Office	3.0	3.1	5.0			
Home		2.0	2.1	2.2	2.3	2.4
Contractual	5.0	901.0	940.3	978.4	1,021.2	1,065.9
Central Office	5.0	3.0	3.0			
Home		898.0	937.3	978.4	1,021.2	1,065.9
Supplies	2.0	247.1	113.4	116.1	121.2	126.5
Central Office	2.0	2.1	2.2			
Home		245.0	111.2	116.1	121.2	126.5
Equipment	5.0	0.0	0.0	0.0	0.0	0.0
Central Office (one-time start-up costs)	5.0					
Home - included under capital acquisitions						
Grants	0.0	2.0	8.4	8.7	9.1	9.5
Home (personal allowance for indigent residents)		2.0	8.4	8.7	9.1	9.5
TOTAL OPERATING	174.4	1,802.2	3,253.0	3,208.0	3,348.5	3,495.2

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SB 120

ANALYSIS: (continued)

	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
<u>CAPITAL COSTS</u>	12,725.2	500.0	0.0	0.0	0.0	0.0
Land Acquisition	0.0	0.0	0.0	0.0	0.0	0.0

Site Preparation, 12,725.2 500.0
Construction, Equipment & Furniture

(Based on estimated FY92 fiscal note, with 4.38% estimated inflation. FY97 costs are for specialized beds and medical equipment, computerized medical records and billing system, etc. Estimated state share for FY96 is 35% or \$4,453.8. All of FY97 is State GF.)

REVENUES (Cost of care is based on FY95 costs. Assume one-quarter revenue for FY97.)

<u>Skilled Nursing</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
<u>Cost</u>					
15 beds @ \$247/day - no inflation	338.1	1,352.3	1,352.3	1,352.3	1,352.3
<u>Estimated Income</u>					
15 beds x \$25.35/day federal reimb.	(34.7)	(138.8)	(138.8)	(138.8)	(138.8)
5 beds @ \$800/month (resident pay)	(12.0)	(48.0)	(48.0)	(48.0)	(48.0)
5 beds @ \$1200/month (resident pay)	(18.0)	(72.0)	(72.0)	(72.0)	(72.0)
5 beds @ \$2000/month (resident pay)	(30.0)	(120.0)	(120.0)	(120.0)	(120.0)
Total Estimated Income	(94.7)	(378.8)	(378.8)	(378.8)	(378.8)
Difference (State GF Subsidy)	243.4	973.5	973.5	973.5	973.5

<u>Assisted Living</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
<u>Cost</u>					
25 beds @ \$133/day average - no inflation	303.4	1,213.6	1,213.6	1,213.6	1,213.6
<u>Estimated Income</u>					
25 beds x \$15/day est. federal reimb.	(34.2)	(136.9)	(136.9)	(136.9)	(136.9)
9 beds @ \$900/month (resident pay)	(21.6)	(86.4)	(86.4)	(86.4)	(86.4)
8 beds @ \$1200/month (resident pay)	(28.8)	115.2	115.2	115.2	115.2
8 beds @ \$2000/month (resident pay)	(48.0)	(192.0)	(192.0)	(192.0)	(192.0)
Total Estimated Income	(132.6)	(300.1)	(300.1)	(300.1)	(300.1)
Difference (State GF Subsidy)	170.8	913.5	913.5	913.5	913.5

ANALYSIS: (continued)

	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
<u>Domiciliary (Residential)</u>						
<u>Cost</u>						
8 beds @ \$66/day - no inflation		48.2	192.7	192.7	192.7	192.7
<u>Estimated Income</u>						
8 beds x \$9/day federal reimb.		(6.6)	(26.3)	(26.3)	(26.3)	(26.3)
4 beds @ \$800/month (resident pay)		(9.6)	(38.4)	(38.4)	(38.4)	(38.4)
4 beds @ \$1200/month (resident pay)		(14.4)	(57.6)	(57.6)	(57.6)	(57.6)
Total Estimated Income		(30.6)	(122.3)	(122.3)	(122.3)	(122.3)
Difference (State GF Subsidy)		17.6	70.4	70.4	70.4	70.4
Total Cost of Care - 48 beds		689.7	2,758.6	2,758.6	2,758.6	2,758.6
Estimated Revenue		(288.5)	(923.5)	(923.5)	(923.5)	(923.5)
Federal		(75.5)	(302.0)	(302.0)	(302.0)	(302.0)
Program Receipts		(213.0)	(621.5)	(621.5)	(621.5)	(621.5)
State General Fund Subsidy		401.2	1,835.1	1,835.1	1,835.1	1,835.1

POSITION INFORMATION HAS BEEN UPDATED AND FUNDING HAS BEEN UPDATED.

03/24/95 Position Information Inquiry/Update 10:36:30

Position: 02-02#160 Project: 0 Salary Costs: 36,444.00
Component: 02-22-03-03-08-00 Region: Benefits Costs: 15,071.30
Scenario: 2 FY: 96 COLA % = 0.000 Total Costs: 51,515.30

Actuals not available (Status: UNKNOWN) Retirement Code: A

00/00/00 Step: A for 12.0 months & Step: B for 0.0 months (total: 12.00)
Merit Date; use merit defaults? N (0.0 @ & 0.0 @)
Class/Sched Prefix: 2 Schedule: 2A (actual:)
Bargaining Unit: GG Range: 16 (actual:)
Location Code: AWA Place: JUNEAU
Job Class Code: P1914 Title:
Seasonal Indic.: F Type: -

Optional Override Salary Rates:

Monthly Rate: 0.00 for 0.0 months & rate of 0.00 for 0.0 months
Hourly Rate: 0.00 for 0.0 months Frozen at this rate? (Y/N): N

Press ENTER to update record; enter # or use PF key to go to another screen:
1=Premium pay info 2=Funding info 4=Code Translations 6=Calculations
7=MISC NEW POS DATA 8=Detail Report 12=Exit w/o update Selection: 0

03/24/95 Position Information Inquiry/Update 10:40:10

Position: 02-02#161 Project: 0 Salary Costs: 31,740.00
Component: 02-22-03-03-08-00 Region: Benefits Costs: 13,797.00
Scenario: 2 FY: 96 COLA % = 0.000 Total Costs: 45,537.00

Actuals not available (Status: UNKNOWN) Retirement Code: A

00/00/00 Step: A for 12.0 months & Step: B for 0.0 months (total: 12.00)
Merit Date; use merit defaults? N (0.0 @ & 0.0 @)
Class/Sched Prefix: 2 Schedule: 2A (actual:)
Bargaining Unit: GG Range: 14 (actual:)
Location Code: AWA Place: JUNEAU
Job Class Code: P1913 Title:
Seasonal Indic.: F Type: -

Optional Override Salary Rates:

Monthly Rate: 0.00 for 0.0 months & rate of 0.00 for 0.0 months
Hourly Rate: 0.00 for 0.0 months Frozen at this rate? (Y/N): N

Press ENTER to update record; enter # or use PF key to go to another screen:
1=Premium pay info 2=Funding info 4=Code Translations 6=Calculations
7=MISC NEW POS DATA 8=Detail Report 12=Exit w/o update Selection: 0

JUNEAU PIONEERS' HOME PACS - FY96

Backup to Finance Note for SB130.

027010	CERTIFIED NURSE AIDE	F	AWA	GG 09A	9.6	18.8	0	9.3	28.1
027011	CERTIFIED NURSE AIDE	F	AWA	GG 09A	9.6	18.8	0	9.3	28.1
027030	CERTIFIED NURSE AIDE	P	AWA	GG 09A	4.9	9.6	0	3.7	13.3
02M027	CERTIFIED NURSING AIDE	T	AWA	GG 09A	5.5	10.9	0	1.1	12
02M028	CERTIFIED NURSING AIDE	T	AWA	GG 09A	5.5	10.9	0	1.1	12
02M029	NURSE II	T	AWA	GG 15A	1	2.9	0	0.3	3
02M047	CERTIFIED NURSING AIDE	T	AWA	GG 09A	5.5	10.9	0	1.1	12
02M048	NURSE II	T	AWA	GG 15A	2	5.7	0	0.6	6.3
027800	PIONEERS' HOME ADM I	F	AWA	XE 21CD	12	53.7	0	19.7	73.4
027801	ADMIN ASST II	F	AWA	SS 14J	12	39.4	0	15.8	55.2
027802	CLERK TYPIST III	P	AWA	GG 08B	6	11.4	0	4.4	15.8
027803	DIR OF NURSING, APH	F	AWA	SS 20BC	12	51.6	0	19.1	70.7
027804	MAINTENANCE MECHANIC	F	AWA	LL 52D	12	46.8	3.3	12.8	62.9
027805	SOCIAL WORKER III	F	AWA	GG 16F	12	43.9	0	17.1	61
027806	SUPPLY TECHNICIAN II	F	AWA	GG 12EF	12	32.7	0	14.1	46.8
027807	ACCOUNTING CLERK III	F	AWA	GG 10FJ	12	29.2	0	9	38.2
027808	MAINTENANCE WORKER II	F	AWA	LL 54B	12	38.9	3.1	11.8	53.8
027810	CUSTODIAN II	F	AWA	LL 58B	12	30.6	2.1	10.6	43.2
027811	PHYSICAL THERAPIST	P	AWA	GG 18D	9	34.9	0	11.4	46.3
027812	ACTIVITY THERAPIST II	F	AWA	GG 16EF	12	43.3	1	17.2	61.5
027813	PIONEERS HOME AIDE	F	AWA	GG 07F	12	24.3	0.8	12	37.1
027814	PIONEERS HOME AIDE	F	AWA	GG 07EF	12	24.1	0.8	11.9	36.8
027815	CERTIFIED NURSE AIDE	F	AWA	GG 09EF	12	26.8	1.5	12.9	41.1
027816	NURSE III	F	AWA	GG 16FF	12	43.9	3	17.9	64.8
027817	NURSE III	F	AWA	GG 16B	12	38.1	2.9	16.3	57.4
027818	NURSE III	F	AWA	GG 16CD	12	40.5	3.3	17	60.8
027819	ASSISTED LIVING CARE COORD	F	AWA	GG 17F	12	47	2.2	18.5	67.7
027820	NURSE II	F	AWA	GG 15A	9.6	27.4	2.2	12.2	41.8
027821	NURSE II	F	AWA	GG 15C	9.6	29.4	3.2	13	45.6
027822	NURSE II	F	AWA	GG 15B	12	35.5	3.6	15.8	54.9
027823	NURSE II	P	AWA	GG 15C	9	27.6	3.2	10.3	41.1
027824	NURSE II	P	AWA	GG 15D	9	28.6	2.2	10.3	41.1
027825	CERTIFIED NURSE AIDE	F	AWA	GG 09FJ	12	27.8	1.5	13.1	42.4
027826	CERTIFIED NURSE AIDE	F	AWA	GG 09EF	12	26.8	1.5	12.9	41.2
027827	CERTIFIED NURSE AIDE	F	AWA	GG 09DE	12	25.9	1.5	12.6	40
027828	CERTIFIED NURSE AIDE	F	AWA	GG 09D	12	25.8	1.5	12.6	39.8
027829	CERTIFIED NURSE AIDE	F	AWA	GG 09FJ	12	27.8	3	13.5	44.4

Page 8 of 9

JUNIATA PIONEERS' HOME PACS - FY96

Backup to Fiscal Note for SB120.

027830	CERTIFIED NURSE AIDE	F	AWA	GG 09EF	12	26.9	3	13.3	43.3
027831	CERTIFIED NURSE AIDE	F	AWA	GG 09EF	12	26.9	3	13.3	43.2
027832	CERTIFIED NURSE AIDE	F	AWA	GG 09EF	12	26.8	3	13.3	43.1
027833	CERTIFIED NURSE AIDE	F	AWA	GG 09B	12	24.3	3	12.6	39.9
027834	CERTIFIED NURSE AIDE	F	AWA	GG 09CD	12	25.5	3.6	13.1	42.2
027835	CERTIFIED NURSE AIDE	P	AWA	GG 09C	9	18.7	3.6	8	30.3
027836	CERTIFIED NURSE AIDE	P	AWA	GG 09B	9	18.2	3.6	7.9	29.7
027837	CERTIFIED NURSE AIDE	P	AWA	GG 09C	9	18.7	3.6	8	30.3
027838	MEDICAL RECORDS ASSISTANT	F	AWA	GG 10DE	12	27.8	1	13	41.8
027839	INSERVICE TRAINING COORD	P	AWA	GG 18B	9	32.9	0	10.9	43.8

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 3/9/95

FURTHER: Finance

Date of 5-Day Notice: 3/23
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3/29/95

State Affairs Committee considered SB 120

Operation of state veterans' home facilities; efd.

ESV

and recommends:

- be replaced with _____ CS _____
- adopt previous _____ CS _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

Senate Bill:

- same title
- new title
- House Bill:
- same title
- technical title
- new: SCR* _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>John A. Linnaw</i>	<i>[Signature]</i>	<i>[Signature]</i>	<input checked="" type="checkbox"/>		
<i>[Signature]</i>					
CHAIR: <i>[Signature]</i>		<i>[Signature]</i>			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
<i>ADMIN</i>	<i>3/27</i>		<i>124.4</i> <i>12577.0</i>

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill