

SB

73

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 3/30/99

FURTHER: 3/9/00

DATE TURNED
IN TO OFFICE: 15 March 00

Finance Committee considered

SENATE BILL NO. 73

"An Act relating to assisted living homes; and providing for an effective date."

and recommends:

- be replaced with _____ CS SB 73 (FIN)
- 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>[Signature]</i>		<i>[Signature]</i>			
<i>[Signature]</i>	<input checked="" type="checkbox"/>				
<i>[Signature]</i>	<input checked="" type="checkbox"/>	<i>[Signature]</i>	<input checked="" type="checkbox"/>		
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<i>[Signature]</i>	<input checked="" type="checkbox"/>				
<i>[Signature]</i>	<input checked="" type="checkbox"/>				
Co-Chair: <i>[Signature]</i>	<input checked="" type="checkbox"/>	Co-Chair:			
Co-Chair: <i>[Signature]</i>	<input checked="" type="checkbox"/>	Co-Chair:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

H&SS	3/14/00		711.5
<i>forthcoming</i>			
<i>F/n</i>			
<i>Admin.</i>			

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. CS SB 73 (FIN)

Revision Date/ 3/10/00
 Title An act relating to assisted living homes
 Dept. Affected Administration
 BRU Central Administrative Services
 Component Protection, Community Services, Administration
 Sponsor Senators Miller, Ellis, Wilken
 Requester (S) FIN
 Component No. 2083

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	888.9	1,295.2	1,295.2	1,295.2	1,295.2	1,295.2
Miscellaneous						
TOTAL OPERATING	888.9	1,295.2	1,295.2	1,295.2	1,295.2	1,295.2

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	52.3	458.6	849.6	849.6	849.6	849.6
1005 GF/Program Receipts						
1037 GF/Mental Health	445.6	445.6	445.6	445.6	445.6	445.6
Other (Specify Type)	391.0	391.0				
TOTAL	888.9	1,295.2	1,295.2	1,295.2	1,295.2	1,295.2

Estimate of any current year (FY2000) cost:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
 This bill would require the Department of Administration to increase the rate paid to assisted living homes under the existing general relief assistance program for 120 clients to a base rate of \$42.25 a day the first year, \$51 the second year, and following years. This fiscal note would include a geographical cost of living differential. An augmentation rate of \$22 a day would be paid for 40 (33%) clients out of the total client population of 120 clients. A personal needs allowance would be paid at \$100 a month per client. The requested increase in the monthly personal needs allowance from \$75 to \$100 is needed for clients because they have increasing copayments to make for medical coverage, and the costs of personal items clients normally purchase are no longer affordable at the \$75 rate. DSS and DMHDD are jointly asking that this \$75 rate be increased to \$100 at this time.
 Recommendation: This bill is consistent with the existing general relief assistance program objective to provide financial assistance to eligible vulnerable adults who are in need of assisted living resources. The current base rate of \$30 a day is not adequate to meet rising costs of providing assisted living care. A rate increase is overdue. This bill would require substantial funding which has not been approved by OMB. This bill would allow for improving the current system of general relief payment by increasing rates to an adequate amount based on the Alaska Rate Study Report completed December 1998. This analysis continues past practice of applying a regional geographic differential to rates paid across the state.

Prepared by: Dwight Becker Phone 269-3674
 Division Senior Services Date/Time 3/13/00 11:26 AM
 Approved by Commissioner - Robert Poe, Jr. Date 3/14/00
 Agency Department of Administration

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FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. CS SB 73(FIN)

ANALYSIS: (continued)

**Calculation of General Relief Payment by State
(including geo differential)**

First Year FY 2001 with geographical differential

GR Rate	Anchorage	Matsu	Southeast	Northern	Western	N Western			
with Geographical									
42.25	1,202,858	96,228.6	92,527.5	319,219.9	123,061.6	127,688		1,961,583	
Augmentation									
Rate	Augmentation Cost for 40 clients								
22		321200						321200	
Personal Needs Allowance									
100								144000	
Client's Contributions							minus	1137840	
Current FY 2001 General Relief Budget Request				400,000			minus	400,000	
							Grand Total	888.9	

Second Year FY 2002 and following years with geographical differential

GR Rate	Anchorage	Matsu	Southeast	Northern	Western	N Western			
with Geographical									
51	1,451,970	116,157.6	111,690	385,330.5	148,547.7	154,132.2		2,367,828	
Augmentation									
Rate	Augmentation Cost for 40 clients								
22		321200						321,200	
Personal Needs Allowance									
100								144,000	
Client's Contributions							minus	1,137,840	
Current FY 2000 General Relief Budget Request				400,000			minus	400,000	
							Grand Total	1,295,188	

FISCAL NOTE

STATE OF ALASKA

BILL NO. CS SB 73(FIN)

2000 LEGISLATIVE SESSION

Calculation of General Relief Payment by State

The general relief payment made by the state is the amount needed to supplement the client's contribution to meet the base rate indicated in the specific geographic region. An estimated 33% of the clients have higher needs and require augmented rates. The augmented rate is calculated at \$22 over the base rate multiplied by the index. The average contribution of the clients is the adult public assistance payment standard of \$862 per month or \$28.34 per day. Emergency protective service placements make up about one month or 1/12th of the total of 32,850 days which are paid by the by the state at the full rate without any contribution by clients because of the time needed to investigate and resolve client financial issues. The current budget request for FY2000 is 400.0. MHTA has committed 391.0 for each year FY2001 and FY2002.

Days of Service provided by General Relief Program

120 clients per month x 365 days = 43,800 days of service per year

Days of Service by Region

Anchorage	65%	of 43,800 days =	28,470 days
Palmer/Wasilla	5%	=	2,190
Southeast	5%	=	2,190
Northern	15%	=	6,570
Western	5%	=	2,190
N/Western	5%	=	2,190
			<u>43,800 days</u>

Client Contribution Towards Payment for Assisted Living

\$862 payment standard per mo. x 11 mo. x 120 clients = \$1,137,840

Cost Calculation for Geographical Differential

Region	Index
Anchorage	1.00
Palmer/Wasilla	1.04
Southeast	1.00
Northern	1.15
Western	1.33
N. Western	1.38

Personal Needs Allowance for all Clients

\$100 x 120 clients x 12 months = \$144,000

Augmentation Calculation

\$22 a day x 40 clients x 365 day = \$321,200

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. CSSB 73 (FIN)

3/9/00

Revision Date/Time (Note if correction): 11:20am Mar. 9, 2000

Dept. Affected: Health and Social Services

Title: An Act Related to Assisted Living Homes

BRU: Community Mental Health Grants

Component: Gen Community Mental Hlth Grants

Sponsor: Senator Mike Miller

COMPONENT SERIAL NO. 307

Requestor: Senate (FIN)

See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	711.5	1,143.6	1,143.6	1,143.6	1,143.6	1,143.6
MISCELLANEOUS						
TOTAL OPERATING	711.5	1,143.6	1,143.6	1,143.6	1,143.6	1,143.6

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGES IN REVENUES ()						
-------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health	252.5	684.6	1,143.6	1,143.6	1,143.6	1,143.6
1092 MHTAAR	459.0	459.0				
TOTAL	711.5	1,143.6	1,143.6	1,143.6	1,143.6	1,143.6

Estimate of any current year (FY2000) cost: _____

\$0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS:

(Attach a separate page if necessary)

Assisted Living Homes (formerly known as Adult Residential Care) are a cost-effective alternative to institutional care for individuals choosing to remain in their home communities. The FY 2000 budget is \$622.2. 7AAC 47.450-470 governs the fee structure for Assisted Living Homes and has not been revised since 1982. The lack of cost of care adjustments to the ALH's fee structure jeopardizes the health and safety of residents and the future of ALH's options. This bill would require the Department of Health & Social Services, Division of Mental Health & Developmental Disabilities (DMHDD) to increase the rate paid to ALHs under the existing general relief assistance program for 131 consumers to a base rate of \$42.25/day in FY 2001, then \$51.00/day in FY 2002. The number of individuals receiving support for ALH services varies each year. This fiscal note would include a geographic cost of living differential. An augmented rate of \$35/day would be paid for 26 (20%) of consumers from the total population of 131 consumers. The augmented rate covers care of consumers with increased service needs. A personal needs allowance would be paid at \$100/month for all consumers. Both DMHDD and the Division of Senior Services are requesting this increase from \$75/month.

Prepared by: Anne Henry
Division: Mental Health & Dev. Disabilities

Phone: 465-4852
Date/Time: 3/9/00 2:10 PM

Approved by Commissioner: Karen Perdue, Commissioner
Agency: Department of Health & Social Services

Date: 3/14/00

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CALCULATIONS, ALH Fiscal Notes (with geographic index applied)

location	% of service	geographic index	RATE	
			\$42.25/day	\$51.00/day
Anchorage	77%	1.00	\$1,555,541	\$1,877,695
Palmer/Wasilla	5%	1.04	\$105,050	\$126,805
Southeast	5%	1.00	\$101,009	\$121,928
Northern	7%	1.15	\$162,625	\$196,304
Western	5%	1.33	\$134,342	\$162,165
N/Western	1%	1.38	\$27,879	\$33,652
Cost of Providers' Standard Service:			\$2,086,446	\$2,518,550
client contrib of \$862 std rate x 11 mo x 131 clients (11 mo adjusts for vacancies, hospitalizations, 1st time eligibility funding lag)			\$1,242,142	\$1,242,142
less: proposed pers needs allowance \$100/mo x 12 mo x 131 clients			\$157,200	\$157,200
Portion of Costs Paid by Clients			\$1,084,942	\$1,084,942
Proposed State's Portion of Costs			\$1,001,504	\$1,433,608
current state costs budgeted			\$622,200	\$622,200
Proposed Increase to Current State Costs			\$379,304	\$811,408
AUGMENTATION, \$35/day x 26 clients x 365 days			\$332,150	\$332,150
Proposed Increase Including Augmentation			\$711,454	\$1,143,558
In thousands			\$711.5	\$1,143.6

DAILY RATE, with geographic Index applied

	TOTAL		daily
current rate	client portion	[(862 std monthly allowance x 11 mo) - (75 pers needs x 12 mo)] / 365 days	\$36.52
	state portion	budgeted \$622,200 / 365 days / 131 clients	\$23.51
			\$13.01
proposed \$42.25/day	TOTAL	total indexed cost of providers' std svc @ \$42.25 / 365 days / 131 clients	\$43.64
	client portion	[(862 std monthly allowance x 11 mo) - (100 pers needs x 12 mo)] / 365 days	\$22.69
	state portion	difference	\$20.95
proposed \$51.00/day	TOTAL	total indexed cost of providers' std svc @ \$51.00 / 365 days / 131 clients	\$52.67
	client portion	[(862 std monthly allowance x 11 mo) - (100 pers needs x 12 mo)] / 365 days	\$22.69
	state portion	difference	\$29.98

AMENDMENT

Logged In By: Mindy

adopted

OFFERED IN THE SENATE

BY SENATOR TORGERSON

TO: CSSB 73(FIN), Draft Version "G"

1 Page 1, line 9:

2 Delete "\$50"

3 Insert "\$42.25"

4 Page 1, line 10:

5 Delete "\$50"

6 Insert "\$42.25"

7 Page 2, line 2:

8 Delete "\$75"

9 Insert "\$51"

10 Page 2, line 3:

11 Delete "\$75"

12 Insert "\$51"

13 Page 2, line 24:

14 Delete "\$50"

15 Insert "\$42.25"

16 Page 2, line 30:

17 Delete "\$75"

18 Insert "\$51"

19 Page 3, line 13:

- 1 Delete "\$50"
- 2 Insert "\$42.25"

- 3 Page 3, line 16:
- 4 Delete "\$50"
- 5 Insert "\$42.25"

- 6 Page 3, line 17:
- 7 Delete "\$50"
- 8 Insert "\$42.25"

- 9 Page 3, line 18:
- 10 Delete "\$50"
- 11 Insert "\$42.25"

- 12 Page 3, line 24:
- 13 Delete "\$75"
- 14 Insert "\$51"

- 15 Page 3, line 27:
- 16 Delete "\$75"
- 17 Insert "\$51"

- 18 Page 3, line 28:
- 19 Delete "\$75"
- 20 Insert "\$51"

- 21 Page 3, line 29:
- 22 Delete "\$75"
- 23 Insert "\$51"

SENATE FINANCE
COMMITTEE
Amendment Number: #2
Bill Number: SB73
Sponsor: Torgerson Date: 3/5/00
Logged In By: Mindy
AMENDMENT
adopted

1-LS0468\G.2
Lauterbach
3/7/00

OFFERED IN THE SENATE

BY SENATOR TORGERSON

TO: CSSB 73(FIN), Draft Version "G"

- 1 Page 4, line 1:
- 2 Delete "1999"
- 3 Insert "2000"

- 4 Page 4, line 5:
- 5 Delete "2001"
- 6 Insert "2002"

- 7 Page 4, line 7:
- 8 Delete "1999"
- 9 Insert "2000"

- 10 Page 4, line 8:
- 11 Delete "2001"
- 12 Insert "2002"

1-LS0468\G
Lauterbach/
4/20/99

CS FOR SENATE BILL NO. 73(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS MILLER, Ellis, Wilken

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to assisted living homes; and providing for an effective date."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 *** Section 1.** AS 47.07.070 is amended by adding a new subsection to read:

4 (h) This section does not apply to the minimum daily reimbursement rate
5 specified by law under AS 47.24.017 or AS 47.25.195(f) for assisted living homes.

6 *** Sec. 2.** AS 47.24.017 is amended by adding a new subsection to read:

7 (d) If the protective services under this section include the placement of a
8 vulnerable adult in an assisted living home at the state's expense, the minimum daily
9 reimbursement rate to the assisted living home for the vulnerable adult is \$50. The
10 department may, under its regulations, provide for a daily rate higher than \$50 if the
11 additional care provided to the vulnerable adult in the assisted living home justifies the
12 additional reimbursement. In this subsection, "assisted living home" means an assisted
13 living home licensed under AS 47.33.

14 *** Sec. 3.** AS 47.24.017(d) is repealed and reenacted to read:

15 (d) If the protective services under this section include the placement of a

1 vulnerable adult in an assisted living home at the state's expense, the minimum daily
2 reimbursement rate to the assisted living home for the vulnerable adult is \$75. The
3 department may, under its regulations, provide for a daily rate higher than \$75 if the
4 additional care provided to the vulnerable adult in the assisted living home justifies the
5 additional reimbursement. In this subsection, "assisted living home" means an assisted
6 living home licensed under AS 47.33.

7 * Sec. 4. AS 47.25.195(b) is amended to read:

8 (b) Except as provided in (f) of this section, a [A] health facility receiving
9 a payment under this chapter is subject to the requirements of AS 47.07.070 -
10 47.07.075.

11 * Sec. 5. AS 47.25.195(c) is amended to read:

12 (c) Except as provided in (f) of this section, if [IF] insufficient money is
13 appropriated to fund medical assistance under AS 47.25.120 - 47.25.300 when taking
14 into consideration projected use and the health facility payment rates established in
15 accordance with (b) of this section, the department may, by regulation, establish at any
16 time in the fiscal year a prospective pro rata reduction of the facilities' established
17 payment rates that will be paid by the department for services provided by facilities
18 under AS 47.25.120 - 47.25.300.

19 * Sec. 6. AS 47.25.195(d) is amended to read:

20 (d) Notwithstanding (a) - (c) of this section, the department may enter into
21 agreements with a facility to provide services at a payment rate lower than the rate
22 established in accordance with (b) of this section, except that the department may
23 not enter into an agreement with an assisted living home to provide services at a
24 daily reimbursement rate lower than \$50.

25 * Sec. 7. AS 47.25.195(d) is repealed and reenacted to read:

26 (d) Notwithstanding (a) - (c) of this section, the department may enter into
27 agreements with a facility to provide services at a payment rate lower than the rate
28 established in accordance with (b) of this section, except that the department may not
29 enter into an agreement with an assisted living home to provide services at a daily
30 reimbursement rate lower than \$75.

31 * Sec. 8. AS 47.25.195(e) is amended to read:

1 (e) For purposes of this section,

2 (1) "assisted living home" means an assisted living home licensed
3 under AS 47.33:

4 (2) "health facility" includes a hospital, skilled nursing facility,
5 intermediate care facility, intermediate care facility for the mentally retarded,
6 rehabilitation facility, inpatient psychiatric facility, home health agency, rural health
7 clinic, and outpatient surgical clinic.

8 * Sec. 9. AS 47.25.195 is amended by adding a new subsection to read:

9 (f) Notwithstanding other provisions of this section and the provisions of
10 AS 47.07, if the assistance provided to a needy person under AS 47.25.120 - 47.25.300
11 includes the initiation or continuation of placement of the person in an assisted living
12 home at the state's expense, the department's minimum daily reimbursement rate to
13 the assisted living home for the person is \$50. This minimum rate is not subject to
14 reduction under (c) of this section. The department may, under its regulations and
15 under the procedures of AS 47.07.070 - 47.07.075, provide for a daily rate higher than
16 \$50 if the care provided to the needy person in the assisted living home justifies the
17 higher reimbursement. A daily rate higher than \$50 for assisted living homes may be
18 reduced under (c) of this section, but not below \$50.

19 * Sec. 10. AS 47.25.195(f) is repealed and reenacted to read:

20 (f) Notwithstanding other provisions of this section and the provisions of
21 AS 47.07, if the assistance provided to a needy person under AS 47.25.120 - 47.25.300
22 includes the initiation or continuation of placement of the person in an assisted living
23 home at the state's expense, the department's minimum daily reimbursement rate to
24 the assisted living home for the person is \$75. This minimum rate is not subject to
25 reduction under (c) of this section. The department may, under its regulations and
26 under the procedures of AS 47.07.070 - 47.07.075, provide for a daily rate higher than
27 \$75 if the care provided to the needy person in the assisted living home justifies the
28 higher reimbursement. A daily rate higher than \$75 for assisted living homes may be
29 reduced under (c) of this section, but not below \$75.

30 * Sec. 11. APPLICABILITY. (a) The minimum daily reimbursement rate set under
31 AS 47.24.017(d), enacted by sec. 2 of this Act, and AS 47.25.195(f), enacted by sec. 9 of this

1 Act, applies to services provided on or after July 1, 1999, and is not dependent on the
2 adoption of regulations by the Department of Health and Social Services.

3 (b) The minimum daily reimbursement rate set under AS 47.24.017(d), as amended
4 by sec. 3 of this Act, and AS 47.25.195(f), as amended by sec. 10 of this Act, applies to
5 services provided on or after July 1, 2001, and is not dependent on the adoption of regulations
6 by the Department of Health and Social Services.

7 * Sec. 12. Except as provided in sec. 13 of this Act, this Act takes effect July 1, 1999.

8 * Sec. 13. Sections 3, 7, and 10 of this Act take effect July 1, 2001.

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. CSSB 73(FIN)

Revision Date: 02/28/00
 Title: An act related to assisted living homes
 Sponsor(s): Senator Miller
 Requestor: (S) FIN

Department Affected: Administration
 BRU: Central Administrative Services
 Component: Protection, Community Services, Administration

COMPONENT SERIAL NO. 2083

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	1248.8	2409.5	2409.5	2409.5	2409.5	2409.5
MISCELLANEOUS						
TOTAL OPERATING	1248.8	2409.5	2409.5	2409.5	2409.5	2409.5

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	412.2	2018.5	2409.5	2409.5	2409.5	2409.5
1005 GF/Program Receipts						
1037 GF/Mental Health	445.6					
OTHER MHTAAR	391.0	391.0				
TOTAL	1248.8	2409.5	2409.5	2409.5	2409.5	2409.5

Estimate of any current year (FY 2000) cost: \$ _____

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

This bill would require the Department of Administration to increase the rate paid to assisted living homes under the existing general relief assistance program for 120 clients to a base rate of \$50 a day the first year, \$75 the second year, and \$75 the third year. This fiscal note would include a geographical cost of living differential. An augmentation rate of \$22 a day would be paid for 40 (33%) clients out of the total client population of 120 clients. A personal needs allowance would be paid at \$100 a month per client. The requested increase in the monthly personal needs allowance from \$75 to \$100 is needed for clients because they have increasing copayments to make for medical coverage, and the costs of personal items clients normally purchase are no longer affordable at the \$75 rate. DSS and DMHDD are jointly asking that this \$75 rate be increased to \$100 at this time.

Recommendation: This bill is consistent with the existing general relief assistance program objective to provide financial assistance to eligible vulnerable adults who are in need of assisted living resources. The current base rate of \$30 a day is not adequate to meet rising costs of providing assisted living care. A rate increase is overdue. This bill would require substantial funding which has not been approved by OMB. This bill would allow for improving the current system of general relief payment by increasing rates to an adequate amount based on the Alaska Rate Study Report completed December 1998. This analysis continues past practice of applying a regional geographic differential to rates paid across the state.

Prepared by: Dwight Becker
 Division: Senior Services

Phone: 269-3674
 Date: 02/28/00

Approved by Commissioner: Robert Poe, Jr. *Robert Poe, Jr.*

Agency: Department of Administration Date: 2/28/00

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FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. CSSB 73(FIN)

ANALYSIS: (continued)

Calculation of General Relief Payment by State
(including geo differential)

First Year FY 2001 with geographical differential

GR Rate	Anchorage	Matsu	Southeast	Northern	Western	N Western		
with Geographical								
<input type="text" value="50"/>	1423500	113880	109500	377775	145635	151110		2321400
Augmentation Rate	Augmentation Cost for 40 clients							
<input type="text" value="22"/>		321200						321200
Personal Needs Allowance								144000
<input type="text" value="100"/>								144000
Client's Contributions							minus	1137840
Current FY 2001 General Relief Budget Request				400,000			minus	400,000
							Grand Total	1248760

Second Year FY 2002 and following years with geographical differential

GR Rate	Anchorage	Matsu	Southeast	Northern	Western	N Western		
with Geographical								
<input type="text" value="75"/>	2135250	170820	164250	566662.5	218452.5	226665		3482100
Augmentation Rate	Augmentation Cost for 40 clients							
<input type="text" value="22"/>		321200						321200
Personal Needs Allowance								144000
<input type="text" value="100"/>								144000
Client's Contributions							minus	1137840
Current FY 2000 General Relief Budget Request				400,000			minus	400,000
							Grand Total	2409460

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. CSSB 73(FIN)

Calculation of General Relief Payment by State

The general relief payment made by the state is the amount needed to supplement the client's contribution to meet the base rate indicated in the specific geographic region. An estimated 33% of the clients have higher needs and require augmented rates. The augmented rate is calculated at \$22 over the base rate multiplied by the index. The average contribution of the clients is the adult public assistance payment standard of \$862 per month or \$28.34 per day. Emergency protective service placements make up about one month or 1/12th of the total of 32,850 days which are paid by the by the state at the full rate without any contribution by clients because of the time needed to investigate and resolve client financial issues. The current budget request for FY2000 is 400.0. MHTA has committed 391.0 for each year FY2001 and FY2002.

Days of Service provided by General Relief Program

120 clients per month x 365 days = 43,800 days of service per year

Days of Service by Region

Anchorage	65%	of 43,800 days =	28,470 days
Palmer/Wasilla	5%	=	2,190
Southeast	5%	=	2,190
Northern	15%	=	6,570
Western	5%	=	2,190
N/Western	5%	=	2,190
			<u>43,800 days</u>

Client Contribution Towards Payment for Assisted Living

\$862 payment standard per mo. x 11 mo. x 120 clients = \$1,137,840

Cost Calculation for Geographical Differential

Region	Index
Anchorage	1.00
Palmer/Wasilla	1.04
Southeast	1.00
Northern	1.15
Western	1.33
N. Western	1.38

Personal Needs Allowance for all Clients

\$100 x 120 clients x 12 months = \$144,000

Augmentation Calculation

\$22 a day x 40 clients x 365 day = \$321,200

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. CSSB 73 (FIN)

Revision Date/Time (Note if correction): 11:20am Feb. 28, 2000
 Title: An Act Related to Assisted Living Homes
 Sponsor: Senator Mike Miller
 Requestor: Senate (HES)

Dept. Affected: Health and Social Services
 BRU: Community Mental Health Grants
 Component: Gen Community Mental Hlth Grants
 COMPONENT SERIAL NO. 307
 See also (SN#): _____

Expenditures/Revenues: (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	1,094.2	2,328.8	2,328.8	2,328.8	2,328.8	2,328.8
MISCELLANEOUS						
TOTAL OPERATING	1,094.2	2,328.8	2,328.8	2,328.8	2,328.8	2,328.8

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

FUND SOURCE	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health	635.2	1,869.8	2,328.8	2,328.8	2,328.8	2,328.8
1092 MHTAAR	459.0	459.0				
TOTAL	1,094.2	2,328.8	2,328.8	2,328.8	2,328.8	2,328.8

Estimate of any current year (FY2000) cost: \$0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Assisted Living Homes (formerly known as Adult Residential Care) are a cost-effective alternative to institutional care for individuals choosing to remain in their home communities. The FY 2000 budget is \$622.2. 7AAC 47.450-470 governs the fee structure for Assisted Living Homes and has not been revised since 1982. The lack of cost of care adjustments to the ALH's fee structure jeopardizes the health and safety of residents and the future of ALH's options. This bill would require the Department of Health & Social Services, Division of Mental Health & Developmental Disabilities (DMHDD) to increase the rate paid to ALHs under the existing general relief assistance program for 131 consumers to a base rate of \$50/day in FY 2001, then \$75/day in FY 2002. The number of individuals receiving support for ALH services varies each year. This fiscal note would include a geographic cost of living differential. An augmented rate of \$35/day would be paid for 26 (20%) of consumers from the total population of 131 consumers. The augmented rate covers care of consumers with increased service needs. A personal needs allowance would be paid at \$100/month for all consumers. Both DMHDD and the Division of Senior Services are requesting this increase from \$75/month.

Prepared by: Anne Henry Phone: 465-4852
 Division: Mental Health & Dev. Disabilities Date/Time: 2/28/00 11:23 AM
 Approved by Commissioner: Karen Perdue, Commissioner Date: 2/28/00
 Agency: Department of Health & Social Services

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CALCULATIONS, ALH Fiscal Notes (with geographic index applied)

location	% of service	geographic Index	RATE	
			\$50/day	\$75/day
Anchorage	77%	1.00	\$1,840,878	\$2,761,316
Palmer/Wasilla	5%	1.04	\$124,319	\$186,479
Southeast	5%	1.00	\$119,538	\$179,306
Northern	7%	1.15	\$192,455	\$288,683
Western	5%	1.33	\$158,985	\$238,477
NWestern	1%	1.38	\$32,992	\$49,489
Cost of Providers' Standard Service:			\$2,469,167	\$3,703,750
client contrib of \$862 std rate x 11 mo x 131 clients			\$1,242,142	\$1,242,142
11 mo adjusts for vacancies, hospitalizations, 1st time eligibility funding lag)				
less: proposed pers needs allowance \$100/mo x 12 mo x 131 clients			\$157,200	\$157,200
Portion of Costs Paid by Clients			\$1,084,942	\$1,084,942
Proposed State's Portion of Costs			\$1,384,225	\$2,618,808
current state costs budgeted			\$622,200	\$622,200
Proposed Increase to Current State Costs			\$762,025	\$1,996,608
AUGMENTATION, \$35/day x 26 clients x 365 days			\$332,150	\$332,150
Proposed Increase Including Augmentation			\$1,094,175	\$2,328,758
in thousands			\$1,094.2	\$2,328.8

DAILY RATE, with geographic index applied

			daily
current rate	TOTAL		\$36.52
	client portion	$[(\$862 \text{ std monthly allowance} \times 11 \text{ mo}) - (\$75 \text{ pers needs} \times 12 \text{ mo})] / 365 \text{ days}$	\$23.51
	state portion	budgeted \$622,200 / 365 days / 131 clients	\$13.01
proposed \$50/day	TOTAL	total indexed cost of providers' std svc @ \$50 / 365 days / 131 clients	\$51.64
	client portion	$[(\$862 \text{ std monthly allowance} \times 11 \text{ mo}) - (\$100 \text{ pers needs} \times 12 \text{ mo})] / 365 \text{ days}$	\$22.69
	state portion	difference	\$28.95
proposed \$75/day	TOTAL	total indexed cost of providers' std svc @ \$75 / 365 days / 131 clients	\$77.46
	client portion	$[(\$862 \text{ std monthly allowance} \times 11 \text{ mo}) - (\$100 \text{ pers needs} \times 12 \text{ mo})] / 365 \text{ days}$	\$22.69
	state portion	difference	\$54.77

**STATE OF ALASKA
1999 LEGISLATIVE SESSION**

BILL NO. CS SB 73 (FIN)

Revision Date: 03/31/99
 Title: An act relating to Assisted Living Homes
 Sponsor: Miller
 Requestor: Senate (FIN)

Dept. Affected: Health and Social Services
 BRU: Community Mental Health Grants
 Component: Services for the Chronically Mentally III
 COMPONENT SERIAL NO. 800
 See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY00	FY01	FY02	FY03	FY04	FY05
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	1,024.4	1,024.4	2,360.4	2,360.4	2,360.4	2,360.4
MISCELLANEOUS						
TOTAL OPERATING	1,024.4	1,024.4	2,360.4	2,360.4	2,360.4	2,360.4

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ()						
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health	724.4	724.4	2,060.4	2,360.4	2,360.4	2,360.4
1092 MHTAAR	300.0	300.0	300.0			
TOTAL	1,024.4	1,024.4	2,360.4	2,360.4	2,360.4	2,360.4

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY99) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

In FY 98 the Department of Health and Social Services, Division of Mental Health and Developmental Disabilities served approximately 139 individuals in Assisted Living Home environments with a budget of \$622.2. The number of individuals receiving support for Assisted Living Home services authorized by the Adult Residential Care (AL) regulations varies each year. 7AAC 47.450 -470 governs the fee structure for Adult Residential Care and has not been revised since 1982. The lack of cost of care adjustments to the Adult Residential Care (AL) fee structure jeopardizes the health and safety of residents and the future of Assisted Living Homes. Assisted Living options are a cost-effective alternative to institutional care for individuals choosing to remain in their home communities. Development of the Assisted Living Home industry is very important for our Long-Term Care Plan for the State of Alaska. Also, it is a residential care approach that all disability groups support.

The bill requires an increase in the rate paid to assisted living homes to a base rate of \$50 a day the first and second years and \$75 the third year. The fiscal note includes a geographical cost of living differential. It is

JMW
4/21/99

Prepared by: Gina Macdonald, L.C.S.W.
 Division: Mental Health and Developmental Disabilities
 Approved by Commissioner: Karen Perdue, Commissioner
 Agency: Department of Health & Social Services

Phone: 465-4852 or 465-3370
 Date: 04/21/99
 Date: 4/21/99

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ANALYSIS (cont.):

based on a zero population growth. Growth in community based services for mental health consumers is addressed in the API Community Implementation Plan dated October 31, 1997, published by J.L. Mitson & Associates. This growth is not included in this fiscal note.

An augmentation rate of \$22 per day (as recommended in the Alaska Rate Study Report, completed December, 1998) would be paid for 27 consumers, or 20% of the 138 consumers receiving these services. The following rationale was used to develop the needed General Fund increase to implement SB 73 as written.

Current Practice:

DMHDD augments the cost of care by an avg. daily rate:		\$12.35/day*
Consumer contributes entitlements avg. monthly amount	\$ 850.00	
Less Personal Allowance	\$ (75.00)	
	\$ 775.00	\$25.48/day**
Average paid for total care in an Assisted Living Home currently		\$37.83/day

* FY98 Budget of \$622,200 divided by 138 served = \$4509 divided by 365 days = \$12.35/day

** Consumer Entitlements (SSI/SSA/AD) = \$850 per month average minus monthly personal allowance = \$775/month times 12 = \$9300/year divided by 365 = \$25.48/day

Proposed in SB73 with Recommendations

Currently DMH&DD augments the cost of care by an avg. daily rate:		\$ 12.35 /day
Consumer contributes entitlements at an average monthly rate	\$ 850	
Less increased personal allowance	\$ (100)	
	\$ 750	\$ 24.66 /day
Average now available after the increased personal allowance		\$ 37.01 /day
Needed increased funding by DMHDD per consumer		\$12.99 /day ***
Total to be received by the Assisted Living Home		\$50 /day

*** Additional daily rate funding with zero growth in the population to fix the Assisted Living Homes system as it pertains to the Department of Health and Social Services.

DMHDD would pay an additional \$12.99 per day per resident per day in order to raise the reimbursement to \$50 per day the first and second years. This increase would raise another \$37.99 in the third year, bringing the total reimbursement to \$75 per day.

	<u>\$ 50 per day</u>	<u>\$75 per day</u>
Additional payment per day	\$ 12.99	37.99
Days per year	365	365
Number served	138	138
Cost for increase of base rate	\$ 654,306	\$1,913,556

It is estimated that 20% or 27 individuals would require augmented rates averaging \$22.00 per day. This average augmentation adjustment of \$22.00/day times 365 days = \$8,030 per year. The overall augmentation cost at \$8,030 per individual per year times 27 individuals = \$216,810. An additional \$216.8 is required to cover these augmented rates for individuals requiring a higher level of care.

	<u>\$50 per day</u>	<u>\$75 per day</u>
Cost for increase of base rate	\$ 654.3	1,913.6
Cost for augmented cases	\$ 216.8	216.8
Total	\$ 871.1	\$2,130.4

ANALYSIS (cont.):**Geographic Differentials**

Region	Differential	Percent of Population Per Region	Total Consumers Per Region	Daily Increase:	
				At \$50/day \$50.00	At \$75/day \$75.00
Anchorage	0.0	65	90	\$ -	0
Palmer/Wasill:	0.04	5	7	\$ 14	21
Southeast	0.0	5	7	\$ -	0
Northern	0.15	15	21	\$ 158	236
Western	0.33	5	7	\$ 116	173
N/Western	0.38	5	7	\$ 133	\$ 200
Total differential per day				\$ 420	\$ 630
Days per year				365	365
Total annual differential for base rate				\$ 153,300	229,950

Geographic Differentials are determined above by the following: Differential Index per region x estimated population served per region x daily increase per consumer. These daily totals per region are combined to determine the increase for differential reimbursements at the \$50/day, and \$75/day base rates. No differentials were added for augmented rates due to small populations served in areas in which differentials are provided. The Department would require an additional \$153.3 in FY 00, in FY 01, and \$230.0 in FY 02 to reimburse geographic differentials for the progressively increasing base rate.

The Alaska Mental Health Trust Authority has authorized \$600.0 in Mental Health Trust Authority Authorized Receipts (MHTAAR) in FY 00, 01, and 02 upon passage of this bill. These funds will be split evenly between the Department of Health and Social Services and the Department of Administrative Services in funding assisted living homes through their respective programs.

	Base Increase Plus: Augmentation Differentials	TOTAL
FY 2000 (\$50/day base rate):	\$871.1	\$1,024.4
FY 2001 (\$50/day base rate):	\$871.1	\$1,024.4
FY 2002 (\$75/day base rate)	\$2,130.4	\$2,360.4

These funds move towards bringing the existing Assisted Living Home placements to a level of care that will meet their health and safety needs. The Department believes that the Assisted Living Home industry can become a viable option if the funds requested and the needed regulatory changes are approved. Additionally, and of equal importance, these changes will ensure the health and safety of all served. Subsequent fiscal year's calculations have been planned with zero population growth for this bill.

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. CS SB 73 (F/N)

Revision Date: 03/31/99
 Title: An act relating to Assisted Living Homes
 Sponsor: Miller
 Requestor: Senate (FIN)

Dept. Affected: Health and Social Services
 BRU: Community Mental Health Grants
 Component: Services for the Chronically Mentally Ill
 COMPONENT SERIAL NO. 800
 See also (SN#): _____

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY00	FY01	FY02	FY03	FY04	FY05
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	1,024.4	1,024.4	2,360.4	2,360.4	2,360.4	2,360.4
MISCELLANEOUS						
TOTAL OPERATING	1,024.4	1,024.4	2,360.4	2,360.4	2,360.4	2,360.4

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

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health	724.4	724.4	2,060.4	2,360.4	2,360.4	2,360.4
1092 MHTAAR	300.0	300.0	300.0			
TOTAL	1,024.4	1,024.4	2,360.4	2,360.4	2,360.4	2,360.4

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY99) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

In FY 98 the Department of Health and Social Services, Division of Mental Health and Developmental Disabilities served approximately 138 individuals in Assisted Living Home environments with a budget of \$622.2. The number of individuals receiving support for Assisted Living Home services authorized by the Adult Residential Care (AL) regulations varies each year. 7AAC 47.450 -470 governs the fee structure for Adult Residential Care and has not been revised since 1982. The lack of cost of care adjustments to the Adult Residential Care (AL) fee structure jeopardizes the health and safety of residents and the future of Assisted Living Homes. Assisted Living options are a cost-effective alternative to institutional care for individuals choosing to remain in their home communities. Development of the Assisted Living Home industry is very important for our Long-Term Care Plan for the State of Alaska. Also, it is a residential care approach that all disability groups support.

The bill requires an increase in the rate paid to assisted living homes to a base rate of \$50 a day the first and second years and \$75 the third year. The fiscal note includes a geographical cost of living differential. It is

Prepared by: Gina Macdonald, L.C.S.W.
 Division: Mental Health and Developmental Disabilities
 Approved by Commissioner: Karen Perdue, Commissioner
 Agency: Department of Health & Social Services

Phone: 465-4852 or 465-3370
 Date: 04/21/99
 Date: 4/21/99

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ANALYSIS (cont.):

based on a zero population growth. Growth in community based services for mental health consumers is addressed in the API Community Implementation Plan dated October 31, 1997, published by J.L. Mitson & Associates. This growth is not included in this fiscal note.

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Proposed in SB73 with Recommendations

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Consumer contributes entitlements at an average monthly rate	\$ 850	
Less increased personal allowance	\$ (100)	
	\$ 750	\$ 24.66 /day
Average now available after the increased personal allowance		\$ 37.01 /day
Needed increased funding by DMHDD per consumer		\$12.99 /day ***
Total to be received by the Assisted Living Home		\$50 /day

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	<u>\$ 50 per day</u>	<u>\$75 per day</u>
Additional payment per day	\$ 12.99	37.99
Days per year	365	365
Number served	138	138
Cost for increase of base rate	\$ 654,306	\$1,913,556

It is estimated that 20% or 27 individuals would require augmented rates averaging \$22.00 per day. This average augmentation adjustment of \$22.00/day times 365 days = \$8,030 per year. The overall augmentation cost at \$8,030 per individual per year times 27 individuals = \$216,810. An additional \$216.8 is required to cover these augmented rates for individuals requiring a higher level of care.

	<u>\$50 per day</u>	<u>\$75 per day</u>
Cost for increase of base rate	\$ 654.3	1,913.6
Cost for augmented cases	\$ 216.8	216.8
Total	\$ 871.1	\$2,130.4

ANALYSIS (cont.):**Geographic Differentials**

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Southeast	0.0	5	7	\$ -	0
Northern	0.15	15	21	\$ 158	236
Western	0.33	5	7	\$ 116	173
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Total differential per day				\$ 420	\$ 630
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Total annual differential for base rate				\$ 153,300	229,950

Geographic Differentials are determined above by the following: Differential Index per region x estimated population served per region x daily increase per consumer. These daily totals per region are combined to determine the increase for differential reimbursements at the \$50/day, and \$75/day base rates. No differentials were added for augmented rates due to small populations served in areas in which differentials are provided. The Department would require an additional \$153.3 in FY 00, in FY 01, and \$230.0 in FY 02 to reimburse geographic differentials for the progressively increasing base rate.

The Alaska Mental Health Trust Authority has authorized \$600.0 in Mental Health Trust Authority Authorized Receipts (MHTAAR) in FY 00, 01, and 02 upon passage of this bill. These funds will be split evenly between the Department of Health and Social Services and the Department of Administrative Services in funding assisted living homes through their respective programs.

	Base Increase Plus: Augmentation Differentials		TOTAL
FY 2000 (\$50/day base rate):	\$871.1	\$153.3	\$1,024.4
FY 2001 (\$50/day base rate):	\$871.1	\$153.3	\$1,024.4
FY 2002 (\$75/day base rate)	\$2,130.4	\$230.0	\$2,360.4

These funds move towards bringing the existing Assisted Living Home placements to a level of care that will meet their health and safety needs. The Department believes that the Assisted Living Home industry can become a viable option if the funds requested and the needed regulatory changes are approved. Additionally, and of equal importance, these changes will ensure the health and safety of all served. Subsequent fiscal year's calculations have been planned with zero population growth for this bill.

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. CSSB 73(HES)

Revision Date: 4/08/99
Title: An act related to assisted living homes
Sponsor: Senator Mike Miller
Requestor: (S) HES

Department Affected: Administration
BRU: Central Administrative Services
Component: Protection, Community Services, Administration
COMPONENT SERIAL NO. 2083

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	836.6	1,707.1	2,577.6	2,577.6	2,577.6	2,577.6
MISCELLANEOUS						
TOTAL OPERATING	836.6	1,707.1	2,577.6	2,577.6	2,577.6	2,577.6

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	836.6	1,707.1	2,577.6	2,577.6	2,577.6	2,577.6
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	836.6	1,707.1	2,577.6	2,577.6	2,577.6	2,577.6

Estimate of any current year (FY 97) cost: \$ _____

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

This bill would require the Department of Administration to increase the rate paid to assisted living homes under the existing general relief assistance program for 90 clients to a base rate of \$50 a day the first year, \$75 the second year, and \$100 the third year. This fiscal note would include a geographical cost of living differential. An augmentation rate of \$22 a day would be paid for 30 clients out of the total client population of 90 clients. A personal needs allowance would be paid at \$100 a month per client. The requested increase in the monthly personal needs allowance from \$75 to \$100 is needed for clients because they have increasing copayments to make for medical coverage, and the costs of personal items clients normally purchase are no longer affordable at the \$75 rate. DSS and DMHDD are jointly asking that this \$75 rate be increased to \$100 at this time.

Recommendation: This bill is consistent with the existing general relief assistance program objective to provide financial assistance to eligible vulnerable adults who are in need of assisted living resources. The current base rate of \$30 a day is not adequate to meet rising costs of providing assisted living care. A rate increase is overdue. This bill would require substantial funding which has not been approved by OMB. This bill would allow for improving the current system of general relief payment by increasing rates to an adequate amount based on the Alaska Rate Study Report completed December 1998. This analysis continues past practice of applying a regional geographic differential to rates paid across the state. Also attached is an analysis of costs of the proposed legislation if the differential were eliminated.

Prepared by: Dwight Becker
Division: Senior Services

Phone: 269-3674
Date: 4/8/99

Approved by Commissioner: Robert Poe
Agency: Department of Administration

Date: 4/8/99

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FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. CSSB 73(HES)

ANALYSIS: (continued)

Calculation of General Relief Payment by State
(including geo differential)

First Year FY 2000

GR Rate	Anchorage	Matsu	Southeast	Northern	Western	N Western	
with Geographical							
<input type="text" value="50"/>	1067625	85410	82125	283331.3	109226.3	113332.5	1,741,050
Augmentation Rate	Augmentation Cost for 30 clients						
<input type="text" value="22"/>		240900					240900
Personal Needs Allowance							
<input type="text" value="100"/>							108,000
Client's Contributions				853,380			minus 853,380
Current FY 2000 General Relief Budget Request				400,000			minus 400,000
							Grand Total 836,570

Second Year FY 2001

GR Rate	Anchorage	Matsu	Southeast	Northern	Western	N Western	
with Geographical							
<input type="text" value="75"/>	1601438	128115	123187.5	424996.9	163839.4	169998.8	2,611,575
Augmentation Rate	Augmentation Cost for 30 clients						
<input type="text" value="22"/>		240900					240900
Personal Needs Allowance							
<input type="text" value="100"/>							108,000
Client's Contributions				853,380			minus 853,380
Current FY 2000 General Relief Budget Request				400,000			minus 400,000
							Grand Total 1,707,095

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. CSSB 73(HES)

Third Year FY2002 and following years							Total
GR Rate with Geographical	Anchorage	Matsu	Southeast	Northern	Western	N Western	
100	2135250	170820	164250	566662.5	218452.5	226665	3,482,100
Augmentation Rate	Augmentation Cost for 30 clients						
22	240900						240900
Personal Needs Allowance							
100							108,000
Client's Contributions					853,380	minus	853,380
Current FY 2000 General Relief Budget Request					400,000	minus	400,000
Grand Total							2,577,620

Calculation of General Relief Payment by State

The general relief payment made by the state is the amount needed to supplement the client's contribution to meet the base rate indicated in the specific geographic region. An estimated 20% of the clients have higher needs and require augmented rates. The augmented rate is calculated at \$22 over the base rate multiplied by the index. The average contribution of the clients is the adult public assistance payment standard of \$862 per month or \$28.34 per day. Emergency protective service placements make up about one month or 1/12th of the total of 32,850 days which are paid by the state at the full rate without any contribution by clients because of the time needed to investigate and resolve client financial issues. The current budget request for FY2000 is 400.0.

Days of Service provided by General Relief Program

90 clients per month x 365 days = 32,850 days of service per year

Days of Service by Region

Anchorage	65%	of 32,850 days =	21,354 days
Palmer/Wasilla	5%	=	1,642
Southeast	5%	=	1,642
Northern	15%	=	4,928
Western	5%	=	1,642
N/Western	5%	=	1,642
			32,850 days

Client Contribution Towards Payment for Assisted Living

\$862 payment standard per mo. x 11 mo. x 90 clients = \$853,380

Cost Calculation for Geographical Differential

Region	Index
Anchorage	1.00
Palmer/Wasilla	1.04
Southeast	1.00
Northern	1.15
Western	1.33
N. Western	1.38

Personal Needs Allowance for all Clients

\$75 x 90 clients x 12 months = \$81,000

Augmentation Calculation

\$22 a day x 30 clients x 365 day = \$240,900

ANALYSIS: (continued)

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. CSSB 73(HES)

Calculation of General Relief Payment by State
(excluding goe differential)

First Year FY 2000

GR Rate with No
Geographical

1,642,500

Augmentation
Rate

Augmentation Cost for 30 clients

240900

240900

Personal Needs Allowance

108,000

Client's Contributions

853,380

minus

853,380

Current FY 2000 General Relief Budget Request

400,000

minus

400,000

Grand Total

738,020

Second Year FY 2001

GR Rate with No Geographical

2,463,750

Augmentation
Rate

Augmentation Cost for 30 clients

240900

240900

Personal Needs Allowance

108,000

Client's Contributions

853,380

minus

853,380

Current FY 2000 General Relief Budget Request

400,000

minus

400,000

Grand Total

1,559,270

Third Year FY 2002 and following years
GR Rate with No Geographical

FISCAL NOTE

**STATE OF ALASKA
1999 LEGISLATIVE SESSION**

BILL NO. CSSB 73(HES)

100		3,285,000
Augmentation Rate	Augmentation Cost for 30 clients	
22	240900	240900
Personal Needs Allowance		
100		108,000
Client's Contributions	853,380	minus 853,380
Current FY 2000 General Relief Budget Request	400,000	minus 400,000
		Grand Total 2,380,520

Calculation of General Relief Payment by State

The general relief payment made by the state is the amount needed to supplement the client's contribution to meet the base rate indicated in the specific geographic region. An estimated 20% of the clients have higher needs and require augmented rates. The augmented rate is calculated at \$22 over the base rate multiplied by the index. The average contribution of the clients is the adult public assistance payment standard of \$862 per month or \$28.34 per day. Emergency protective service placements make up about one month or 1/12th of the total of 32,850 days which are paid by the by the state at the full rate without any contribution by clients because of the time needed to investigate and resolve client financial issues. The current budget request for FY2000 is 400.0.

Days of Service provided by General Relief Program

90 clients per month x 365 days = 32,850 days of service per year

Days of Service by Region

Anchorage	65% of 32,850 days =	21,354 days
Palmer/Wasilla	5%	= 1,642
Southeast	5%	= 1,642
Northern	15%	= 4,928
Western	5%	= 1,642
N/Western	5%	= 1,642
		<u>32,850 days</u>

Client Contribution Towards Payment for Assisted Living

\$862 payment standard per mo. x 11 mo. x 90 clients = \$853,380

Cost Calculation for Geographical Differential

Region	Index
Anchorage	1.00
Palmer/Wasilla	1.04
Southeast	1.00
Northern	1.15
Western	1.33
N.Western	1.38

Personal Needs Allowance for all Clients

\$75 x 90 clients x 12 months = \$81,000

Augmentation Calculation

\$22 a day x 30 clients x 365 day = \$240,900

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. CS SB 73 (HESS)

Revision Date: 03/22/99 Dept. Affected: Health and Social Services ✓
 Title: An act relating to Assisted Living Homes BRU: Community Mental Health Grants
 Component: Services for the Chronically Mentally Ill
 Sponsor: Miller COMPONENT SERIAL NO. 800
 Requestor: Senate (HES) See also (SN#): _____

Expenditures/Revenues: (Thousands of Dollars)

	FY00	FY01	FY02	FY03	FY04	FY05
OPERATING						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	871.1	2,130.4	3,389.6	3,389.6	3,389.6	3,389.6
MISCELLANEOUS						
TOTAL OPERATING	871.1	2,130.4	3,389.6	3,389.6	3,389.6	3,389.6

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

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health	871.1	2,130.4	3,389.6	3,389.6	3,389.6	3,389.6
Other (please specify)						
TOTAL	871.1	2,130.4	3,389.6	3,389.6	3,389.6	3,389.6

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY99) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

In FY 98 the Department of Health and Social Services, Division of Mental Health and Developmental Disabilities served approximately 138 individuals in Assisted Living Home environments with a budget of \$622.2. The number of individuals receiving support for Assisted Living Home services authorized by the Adult Residential Care (AL) regulations varies each year. 7AAC 47.450 -470 governs the fee structure for Adult Residential Care and has not been revised since 1982. The lack of cost of care adjustments to the Adult Residential Care (AL) fee structure jeopardizes the health and safety of residents and the future of Assisted Living Homes. Assisted Living options are a cost-effective alternative to institutional care for individuals choosing to remain in their home communities. Development of the Assisted Living Home industry is very important for our Long-Term Care Plan for the State of Alaska. Also, it is a residential care approach that all disability groups support.

This bill would require the Department of Health and Social Services to increase the rate paid to assisted living homes to a base rate of \$50 a day the first year, \$75 the second year, and \$100 the third year. This fiscal note does not include a geographical cost of living differential. This fiscal note is based on a zero population growth. ✓

Prepared by: Gina Macdonald, L.C.S.W. (Gina) Phone: 465-4852 or 465-3370
 Division: Mental Health and Developmental Disabilities Date: 04/07/99

Approved by Commissioner: Karen Perdue, Commissioner Date: _____
 Agency: Department of Health & Social Services

ANALYSIS (cont.):

Growth in community based services for Mental Health consumers is addressed in the API Community Implementation Plan, dated October 31, 1997, published by J.L. Mitson & Associates. This growth is not included in this fiscal note.

An augmentation rate of \$22 a day (as recommended in the Alaska Rate Study Report completed December 1998) would be paid for 27 consumers or 20% of the 138 consumers receiving these services. The following rationale was used to develop the needed General Fund increase to implement SB 73 as written.

Current Practice:

DMHDD augments the cost of care by an avg. daily rate:		\$12.35/day*
Consumer contributes entitlements avg. monthly amount	\$ 850.00	
Less Personal Allowance	\$ (75.00)	
	\$ 775.00	\$25.48/day**
Average paid for total care in an Assisted Living Home currently		\$37.83/day

* FY98 Budget of \$622,200 divided by 138 served = \$4509 divided by 365 days = \$12.35/day

** Consumer Entitlements (SSI/SSA/AD) = \$850 per month average minus monthly personal allowance = \$775/month times 12 = \$9300/year divided by 365 = \$25.48/day

Proposed in SB73 with Recommendations

Currently DMH&DD augments the cost of care by an avg. daily rate:		\$ 12.35 /day
Consumer contributes entitlements at an average monthly rate	\$ 850	
Less increased personal allowance	\$ (100)	
	\$ 750	\$ 24.66 /day
Average now available after the increased personal allowance		\$ 37.01 /day
Needed increased funding by DMHDD per consumer		\$12.99 /day ***
Total to be received by the Assisted Living Home		\$50 /day

*** Additional daily rate funding with zero growth in the population to fix the Assisted Living Homes system as it pertains to the Department of Health and Social Services.

DMHDD would pay an additional \$12.99 per day per resident per day in order to raise the reimbursement to \$50 per day the first year. This increase would raise to \$37.99 in the second year to total a \$75/day reimbursement, and to \$62.99 per day the third year, bringing the total reimbursement to \$100 per day.

	\$ 50 per day	\$75 per day	\$100 per day
Additional payment per day	\$ 12.99	37.99	62.99
Days per year	365	365	365
Number served	138	138	138
Total cost for increase	\$ 654,306	\$1,913,556	\$ 3,172,806

It is estimated that 20% or 27 individuals would require augmented rates averaging \$22.00 per day. This average augmentation adjustment of \$22.00/day times 365 days = \$8,030 per year. The overall augmentation cost at \$8,030 per individual per year times 27 individuals = \$216,810. An additional \$216.8 is required to cover these augmented rates for individuals requiring a higher level of care.

The Department of Health and Social Services, Division of Mental Health and Developmental Disabilities will need an increase in general funds of \$654.3 plus \$216.8 for augmented rates = \$871.1 for FY2000; \$1,913.6 plus \$216.8 = \$2,130.4 in FY 2001; and \$3,172.8 plus \$216.8 = \$3,389.6 in FY2002 to address the progressive increase in assisted living rate reimbursements over three years.

ANALYSIS (cont.):

These funds will bring the existing Assisted Living Home placements to a level of care that will meet their health and safety needs. The Department believes that the Assisted Living Home industry can become a viable option if the funds requested and the needed regulatory changes are approved. Additionally, and of equal importance, these changes will ensure the health and safety of all served. Subsequent fiscal year's calculations have been planned with zero population growth for this bill.

STATE OF ALASKA
1999 LEGISLATIVE SESSION

NO. CS SB 73 (HESS)

Revision Date: 03/31/99 Dept. Affected: Health and Social Services ✓
 Title: An act relating to Assisted Living Homes BRU: Community Mental Health Grants
 Sponsor: Miller Component: Services for the Chronically Mentally Ill
 Requestor: Senate (HES) COMPONENT SERIAL NO. 800
 See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY00	FY01	FY02	FY03	FY04	FY05
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	1,024.4	2,360.4	3,696.2	3,696.2	3,696.2	3,696.2
MISCELLANEOUS						
TOTAL OPERATING	1,024.4	2,360.4	3,696.2	3,696.2	3,696.2	3,696.2

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ()						
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health	1,024.4	2,360.4	3,696.2	3,696.2	3,696.2	3,696.2
Other (please specify)						
TOTAL	1,024.4	2,360.4	3,696.2	3,696.2	3,696.2	3,696.2

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY99) cost: \$0.0

ANALYSIS:

(Attach a separate page if necessary)

In FY 98 the Department of Health and Social Services, Division of Mental Health and Developmental Disabilities served approximately 138 individuals in Assisted Living Home environments with a budget of \$622.2. The number of individuals receiving support for Assisted Living Home services authorized by the Adult Residential Care (AL) regulations varies each year, 7AAC 47.450 -470 governs the fee structure for Adult Residential Care and has not been revised since 1982. The lack of cost of care adjustments to the Adult Residential Care (AL) fee structure jeopardizes the health and safety of residents and the future of Assisted Living Homes. Assisted Living options are a cost-effective alternative to institutional care for individuals choosing to remain in their home communities. Development of the Assisted Living Home industry is very important for our Long-Term Care Plan for the State of Alaska. Also, it is a residential care approach that all disability groups support.

The bill requires an increase in the rate paid to assisted living homes to a base rate of \$50 a day the first year, \$75 the second year, and \$100 the third year. The fiscal note includes a geographical cost of living differential. It is

Jmy
3/31/99

Prepared by: Gina Macdonald, L.C.S.W. *Gina*
 Division: Mental Health and Developmental Disabilities
 Approved by Commissioner: Karen Perdue, Commissioner
 Agency: Department of Health & Social Services

Phone: 465-4852 or 465-3370
 Date: 03/31/99
 Date: 3/31/99

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ANALYSIS (cont.):

based on a zero population growth. Growth in community based services for mental health consumers is addressed in the API Community Implementation Plan dated October 31, 1997, published by J.L. Mitson & Associates. This growth is not included in this fiscal note.

An augmentation rate of \$22 per day (as recommended in the Alaska Rate Study Report completed December, 1998) would be paid for 27 consumers, or 20% of the 138 consumers receiving these services. The following rationale was used to develop the needed General Fund increase to implement SB 73 as written.

Current Practice:

DMHDD augments the cost of care by an avg. daily rate:		\$12.35/day*
Consumer contributes entitlements avg. monthly amount	\$ 850.00	
Less Personal Allowance	\$ (75.00)	
	\$ 775.00	\$25.48/day**
Average paid for total care in an Assisted Living Home currently		\$37.83/day

* FY98 Budget of \$622,200 divided by 138 served = \$4509 divided by 365 days = \$12.35/day

** Consumer Entitlements (SSI/SSA/AD) = \$850 per month average minus monthly personal allowance = \$775/month times 12 = \$9300/year divided by 365 = \$25.48/day

Proposed in SB73 with Recommendations

Currently DMH&DD augments the cost of care by an avg. daily rate:		\$ 12.35 /day
Consumer contributes entitlements at an average monthly rate	\$ 850	
Less increased personal allowance	\$ (100)	
	\$ 750	\$ 24.66 /day
Average now available after the increased personal allowance		\$ 37.01 /day
Needed increased funding by DMHDD per consumer		\$12.99 /day***
Total to be received by the Assisted Living Home		\$50 /day

*** Additional daily rate funding with zero growth in the population to fix the Assisted Living Homes system as it pertains to the Department of Health and Social Services.

DMHDD would pay an additional \$12.99 per day per resident per day in order to raise the reimbursement to \$50 per day the first year. This increase would raise to \$37.99 in the second year to total a \$75/day reimbursement, and to \$62.99 per day the third year, bringing the total reimbursement to \$100 per day.

	<u>\$ 50 per day</u>	<u>\$75 per day</u>	<u>\$100 per day</u>
Additional payment per day	\$ 12.99	37.99	62.99
Days per year	365	365	365
Number served	138	138	138
Cost for increase of base rate	\$ 654,306	\$1,913,556	\$ 3,172,806

It is estimated that 20% or 27 individuals would require augmented rates averaging \$22.00 per day. This average augmentation adjustment of \$22.00/day times 365 days = \$8,030 per year. The overall augmentation cost at \$8,030 per individual per year times 27 individuals = \$216,810

An additional \$216.8 is required to cover these augmented rates for individuals requiring a higher level of care.

	<u>\$50 per day</u>	<u>\$75 per day</u>	<u>\$100 per day</u>
Cost for increase of base rate	\$ 654.3	1,913.6	3,172.8
Cost for augmented cases	\$ 216.8	216.8	216.8
Total	\$ 871.1	\$2,130.4	\$3,389.6

ANALYSIS (cont.):

Geographic Differentials

Region	Differential	Percent of Population Per Region	Total Consumers Per Region	Daily Increase:		
				At \$50/day \$50.00	At \$75/day \$75.00	At \$100/day \$100.00
Anchorage	0.0	65	90	\$ -	0	0
Palmer/Wasill:	0.04	5	7	\$ 14	21	28
Southeast	0.0	5	7	\$ -	0	0
Northern	0.15	15	21	\$ 158	236	315
Western	0.33	5	7	\$ 116	173	231
N/Western	0.38	5	7	\$ 133	\$ 200	\$ 266
Total differential per day				\$ 420	\$ 630	\$ 840
Days per year				365	365	365
Total annual differential for base rate				\$ 153,300	229,950	306,600

Geographic Differentials are determined above by the following: Differential Index per region x estimated population served per region x daily increase per consumer. These daily totals per region are combined to determine the increase for differential reimbursements at the \$50/day, \$75/day, and \$100/day base rates. No differentials were added for augmented rates due to small populations served in areas in which differentials are provided. The Department would require an additional \$153.3 in FY 00, \$230.0 in FY 01, and \$306.6 in FY 02 to reimburse geographic differentials for the progressively increasing base rate.

Total Increase required by Department to Implement SB 73

	Base Rate Increase Plus Augmentation	Differentials	Total
FY 2000 (\$50/day base rate):	\$ 871.1	\$ 153.3	\$ 1,024.4
FY 2001 (\$75/day base rate):	\$2,130.4	\$ 230.0	\$2,360.4
FY 2002 (\$100/day base rate):	\$3,389.6	\$ 306.6	\$3,696.2

These funds will bring the existing Assisted Living Home placements to a level of care that will meet their health and safety needs. The Department believes that the Assisted Living Home industry can become a viable option if the funds requested and the needed regulatory changes are approved. Additionally, and of equal importance, these changes will ensure the health and safety of all served. Subsequent fiscal year's calculations have been planned with zero population growth for this bill.

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SCS SB 73(FIN)

Revision Date: 4/21/99
 Title: An act related to assisted living homes
 Sponsor: Senator Mike Miller
 Requestor: (S) FINANCE

Department Affected: Administration
 BRU: Central Administrative Services
 Component: Protection, Community Services, Administration

COMPONENT SERIAL NO. 2083

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	536.6	536.6	1,407.1	1,407.1	1,407.1	1,407.1
MISCELLANEOUS						
TOTAL OPERATING	536.6	536.6	1,407.1	1,407.1	1,407.1	1,407.1

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	536.6	536.6	1,407.1	1,407.1	1,407.1	1,407.1
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	536.6	536.6	1,407.1	1,407.1	1,407.1	1,407.1

Estimate of any current year (FY 97) cost: \$ _____

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

This bill would require the Department of Administration to increase the rate paid to assisted living homes under the existing general relief assistance program for 90 clients to a base rate of \$50 a day the first year, \$50 the second year, and \$75 the third year. This fiscal note would include a geographical cost of living differential. An augmentation rate of \$22 a day would be paid for 30 clients out of the total client population of 90 clients. A personal needs allowance would be paid at \$100 a month per client. The requested increase in the monthly personal needs allowance from \$75 to \$100 is needed for clients because they have increasing copayments to make for medical coverage, and the costs of personal items clients normally purchase are no longer affordable at the \$75 rate. DSS and DMHDD are jointly asking that this \$75 rate be increased to \$100 at this time.

Recommendation: This bill is consistent with the existing general relief assistance program objective to provide financial assistance to eligible vulnerable adults who are in need of assisted living resources. The current base rate of \$30 a day is not adequate to meet rising costs of providing assisted living care. A rate increase is overdue. This bill would require substantial funding which has not been approved by OMB. This bill would allow for improving the current system of general relief payment by increasing rates to an adequate amount based on the Alaska Rate Study Report completed December 1998. This analysis continues past practice of applying a regional geographic differential to rates paid across the state. Also attached is an analysis of costs of the proposed legislation if the differential were eliminated.

Prepared by: Dwight Becker
 Division: Senior Services

Phone: 269-3674
 Date: 4/21/99

Approved by Commissioner: Robert Poe, Jr. 
 Agency: Department of Administration

Date: 4/21/99

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FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SCS SB 73(FIN)

ANALYSIS: (continued)

Calculation of General Relief Payment by State
(including geo differential)

First Year FY 2000 and Second Year FY2001 with geographical differential
GR Rate Anchorage Matsu Southeast Northern Western N Western
with Geographical

50	1067625	85410	82125	283331.3	109226.3	113332.5	1,741,050
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Augmentation Rate Augmentation Cost for 30 clients

22	240900	240900
----	--------	--------

Personal Needs Allowance

100	108,000
-----	---------

Client's Contributions	853,380	minus	853,380
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Current FY 2000 General Relief Budget Request	400,000	minus	400,000
MHTA		minus	300,000

Grand Total 536,570

Third Year FY 2002 and following years with geographical differential
GR Rate Anchorage Matsu Southeast Northern Western N Western
with Geographical

75	1601438	128115	123187.5	424996.3	163839.4	169998.8	2,611,575
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Augmentation Rate Augmentation Cost for 30 clients

22	240900	240900
----	--------	--------

Personal Needs Allowance

100	108,000
-----	---------

Client's Contributions	853,380	minus	853,380
------------------------	---------	-------	---------

Current FY 2000 General Relief Budget Request	400,000	minus	400,000
MHTA		minus	300,000

Grand Total 1,407,095

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SCS SB 73(FIN)

Calculation of General Relief Payment by State

The general relief payment made by the state is the amount needed to supplement the client's contribution to meet the base rate indicated in the specific geographic region. An estimated 33% of the clients have higher needs and require augmented rates. The augmented rate is calculated at \$22 over the base rate multiplied by the index. The average contribution of the clients is the adult public assistance payment standard of \$862 per month or \$28.34 per day. Emergency protective service placements make up about one month or 1/12th of the total of 32,850 days which are paid by the by the state at the full rate without any contribution by clients because of the time needed to investigate and resolve client financial issues. The current budget request for FY2000 is 400.0. MHTA has committed 300.0 for each year FY2000,2001,2003.

Days of Service provided by General Relief Program

90 clients per month x 365 days = 32,850 days of service per year

Days of Service by Region

Anchorage	65% of 32,850 days =	21,354 days
Palmer/Wasilla	5%	= 1,642
Southeast	5%	= 1,642
Northern	15%	= 4,928
Western	5%	= 1,642
N/Western	5%	= 1,642
		32,850 days

Client Contribution Towards Payment for Assisted Living

\$862 payment standard per mo. x 11 mo. x 90 clients = \$853,380

Cost Calculation for Geographical Differential

Region	Index
Anchorage	1.00
Palmer/Wasilla	1.04
Southeast	1.00
Northern	1.15
Western	1.33
N.Western	1.38

Personal Needs Allowance for all Clients

\$75 x 90 clients x 12 months = \$81,000

Augmentation Calculation

\$22 a day x 30 clients x 365 day = \$240,900

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SCS SB 73(FIN)

Calculation of General Relief Payment by State
(including no geo differential)

First Year FY2000 and Second Year FY2001		Total
GR Rate with No Geographical		
<input type="text" value="50"/>		1,642,500
Augmentation Rate	Augmentation Cost for 30 clients	
<input type="text" value="22"/>	240900	240900
Personal Needs Allowance		
<input type="text" value="100"/>		108,000
Client's Contributions	853,380	minus 853,380
Current FY 2000 General Relief Budget Request	400,000	minus 400,000
MHTA		minus 300,000
Grand Total		438,020

Third Year FY2002 and following years		Place numerical entries in white boxes to the left.		Total
GR Rate with No Geographical				
<input type="text" value="75"/>				2,463,750
Augmentation Rate	Augmentation Cost for 30 clients			
<input type="text" value="22"/>	240900			240900
Personal Needs Allowance				
<input type="text" value="100"/>				108,000
Client's Contributions	853,380	minus		853,380
Current FY 2000 General Relief Budget Request	400,000	minus		400,000
MHTA		minus		300,000
Grand Total				1,259,270

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

No. 2
Bill Version: SB 73
(S) Publish Date: 3-30-99

Revision Date: _____
Title: An act related to assisted living homes

Department Affected: Administration
BRU: Senior Services
Component: Protection, Community Services, Administration

Sponsor: Senator Mike Miller
Requestor: (S) HES

COMPONENT SERIAL NO. 2083

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	1,526.8	1,526.8	1,526.8	1,526.8	1,526.8	1,526.8
MISCELLANEOUS						
TOTAL OPERATING	1,526.8	1,526.8	1,526.8	1,526.8	1,526.8	1,526.8

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	1,526.8	1,526.8	1,526.8	1,526.8	1,526.8	1,526.8
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	1,526.8	1,526.8	1,526.8	1,526.8	1,526.8	1,526.8

Estimate of any current year (FY 97) cost: \$ _____

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

This bill would require the Department of Administration to increase the rate paid to assisted living homes under the existing general relief assistance program to a base rate of \$70 a day. An assisted living home rate schedule is attached which describes the rates which this bill would require the state to be paid in the six regions of the state with a base rate of \$70 a day in Anchorage. The six regions are paid according to geographical cost of living differentials. Taking into account geographical cost differentials and a system with augmented rates for higher needs clients a budget of \$1,926.8 is needed annually to fund this bill.

Recommendation: This bill is consistent with the existing general relief assistance program objective to provide financial assistance to eligible vulnerable adults who are in need of assisted living resources. The current base rate of \$30 a day is not adequate to meet rising costs of providing assisted living care. A rate increase is overdue. This bill would require substantial funding which has not been approved by OMB. This bill would allow for improving the current system of general relief payment by increasing rates to an adequate amount based on the Alaska Rate Study Report completed December 1998.

Prepared by: Dwight Becker
Division: Senior Services

Phone: 269-3674
Date: _____

Approved by Commissioner: Robert Poe Jr.
Agency: Department of Administration

Date: 3/4/99

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FISCAL NOTE

STATE OF ALASKA

BILL NO. SB 73

99 LEGISLATIVE SESSION

#2

ANALYSIS: (continued)

Calculation of General Relief Payment by State

The general relief payment made by the state is the amount needed to supplement the client's contribution to meet the base rate indicated in the specific geographic region. An estimated 20% of the clients have higher needs and require augmented rates. The augmented rate is calculated at \$22 over the base rate multiplied by the index. The average contribution of the clients is the adult public assistance payment standard of \$862 per month or \$28.34 per day. Emergency protective service placements make up about 20% of the total of 32,850 days which are paid by the state at the full rate without any contribution by clients because of the time needed to investigate and resolve client financial issues. The current budget request for FY2000 is 400.0.

Days of Service provided by General Relief Program

90 clients per month x 365 days = 32,850 days of service per year

Days of Service by Region

Anchorage	65%	of 32,850 days	=	21,354 days
Palmer/Wasilla	5%		=	1,642
Southeast	5%		=	1,642
Northern	15%		=	4,928
Western	5%		=	1,642
N/Western	5%		=	1,642
				<u>32,850 days</u>

Client Contribution Towards Payment for Assisted Living

\$22 payment standard per mo. x 12 mo. / 365 days = \$28.34 per day
 20% of the days are not contributed towards due to emergency adult protective placements)
 80% of 32,850 days x \$28.34 per day = \$744,755

Cost Calculation for Non-augmented Clients (80%)

Region	Index	Regular Rate	x 80% of days	Cost
Anchorage	1.00	70.00	17,083	\$1,195,810
Palmer/Wasilla	1.04	72.80	1,314	95,659
Southeast	1.00	70.00	1,314	91,980
Northern	1.15	80.50	3,942	317,331
Western	1.33	93.08	1,314	122,307
N. Western	1.38	96.58	1,314	126,906
			<u>26,281</u>	<u>1,949,993</u>

Cost Calculation for Augmented Clients (20%)

Region	Index	Augmented Rate	x 20% of days	Cost
Anchorage	1.00	92.00	4,270	392,840
Palmer/Wasilla	1.04	95.68	328	31,383
Southeast	1.00	92.00	328	30,176
Northern	1.15	105.80	937	104,424
Western	1.33	122.36	328	40,134
N. Western	1.38	126.96	328	41,642
			<u>6568</u>	<u>640,599</u>

Personal Needs Allowance for all Clients

\$75 x 90 clients x 12 months = \$81,000

The General Relief Assistance payment by the State as required by this bill

\$1,949,993	Non-augmented cost
640,599	Augmented Cost
81,000	Personal Needs Allowance
<u>2,671,592</u>	Sub-Total Cost
(744,755)	Clients Contributions
(400,000)	Current FY 2000 Budget Request
<u>1,526,837</u>	Total Cost to State

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

No. 1
Bill Version: SB 73
(S) Publish Date: 3-30-99

Revision Date: _____ Dept. Affected: Health and Social Services
Title: An act relating to Assisted Living Homes BRU: Community Mental Health Grants
Sponsor: Miller Component: Services for the Chronically Mentally Ill
Requestor: Senate (HES) COMPONENT SERIAL NO. 800
See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY00	FY01	FY02	FY03	FY04	FY05
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	1,858.8	1,858.8	1,858.8	1,858.8	1,858.8	1,858.8
MISCELLANEOUS						
TOTAL OPERATING	1,858.8	1,858.8	1,858.8	1,858.8	1,858.8	1,858.8

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ()						
-------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health	1,858.8	1,858.8	1,858.8	1,858.8	1,858.8	1,858.8
Other (please specify)						
TOTAL	1,858.8	1,858.8	1,858.8	1,858.8	1,858.8	1,858.8

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY99) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

The Department of Health and Social Services, Division of Mental Health and Developmental Disabilities serves approximately 138 individuals in Assisted Living Home environments with a FY99 budget of \$622.2. The number of individuals receiving support for Assisted Living Home services authorized by the Adult Residential Care regulations varies each year. 7AAC 47.450 -470 governs the fee structure for Adult Residential Care and has not been revised since 1982. Adult Residential Care is now referred to as Assisted Living Home services. The lack of cost of care adjustments to the Adult Residential Care fee structure jeopardizes the health and safety of residents and the future of Assisted Living Homes. Assisted Living options are a cost-effective alternative to institutional care for individuals choosing to remain in their home communities. Development of the Assisted Living Home industry is very important for our Long-Term Care Plan for the State of Alaska. Also, it is a residential care approach that all disability groups support. This fiscal note is based on a zero population growth. It will fix the system as it now exists. Growth in community based services for Mental Health consumers is addressed in the "AFI Community Implementation Plan" dated October 31, 1997, published by J.L. Mitson & Associates. This growth is not included in this fiscal note. Growth for the developmentally disabled consumer is provided in the Community Developmental

Prepared by: Leonard Abel, Ph.D. *Comp for L.A.*
Division: Mental Health and Developmental Disabilities
Approved by Commissioner: Karen Perdue, Commissioner
Agency: Department of Health & Social Services

Phone: 465-4827 or 465-3370
Date: 02/23/99

Date: 2/24/99

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#1

ANALYSIS (cont.):**Disabilities Grants Component Budget.**

The following rationale was used to develop the needed General Fund increase to implement SB 73 as written and remains the same for the amendment proposed by the Department noted on the bill analysis.

Current Practice:

DMHDD augments the cost of care by an avg. daily rate:		\$12.35/day*
Consumer contributes entitlements avg. monthly amount	\$ 850.00	
Less Personal Allowance	\$ (75.00)	
	\$ 775.00	\$25.49/day**
Average paid for total care in an Assisted Living Home currently		\$37.83/day

* FY98 Budget of \$622,200 divided by 138 served = \$4509 divided by 365 days = \$12.35/day

** Consumer Entitlements (SSI/SSA/AD) = \$850 per month average minus monthly personal allowance = \$775/month times 12 = \$9300/year divided by 365 = \$25.48/day

Proposed in SB73 with Recommendations

Currently DMH&DD augments the cost of care by an avg. daily rate:	\$	12.35 /day
Consumer contributes entitlements at an average monthly rate	\$	850
Less increased personal allowance	\$	(100)
	\$	750
Average now available after the increased personal allowance	\$	24.66 /day
Needed increased augmentation by DMH&DD to equal \$70/day avg.	\$	37.01 /day
	\$	32.99 /day***
Total to be received by the Assisted Living Home	\$	70.00 /day

*** Additional daily rate funding with zero growth in the population to fix the Assisted Living Homes system as it pertains to the Department of Health and Social Services.

It is estimated that 20% or 27 individuals would require augmented rates averaging \$90.00 per day. The average augmentation adjustment is \$20.00/day times 365 days = \$7,300 per year. The overall augmentation cost at \$7,300 per individual per year times 27 individuals = \$197,100.

An additional \$197.1 is required to cover these augmented rates for individuals requiring a higher level of care.

The Department of Health and Social Services, Division of Mental Health and Developmental Disabilities will need an increase in general funds of \$1858.8 (\$32.99/day x 365 days = \$12,041.35 x 138 served = \$1,661.7 plus \$197.1 for augmented rates = \$1858.8) for FY2000. These funds will bring the existing Assisted Living Home placements to a level of care that will meet their health and safety needs. The average cost of care should remain around \$70/day. Due to individual acuity levels, some individuals will require supports costing less than \$70/day, while others may need additional supports exceeding \$70/day. The Department believes that the Assisted Living Home industry can become a viable option if the funds requested and the needed regulatory changes are approved. Additionally, and of equal importance, these changes will ensure the health and safety of all served. Subsequent fiscal year's calculations have been planned with zero population growth for this bill.

The Alaska Mental Health Trust Authority has shown interest in the idea of a multi-year system change approach to address the funding needed to fix the Assisted Living Home service system. The Trust have indicated interest in receiving a jointly backed proposal from the Departments and planning boards impacted by the need to maintain the existing Assisted Living Home service system.

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SCS SB 73(FIN)

Revision Date: 4/22/99
Title: An act related to assisted living homes
Sponsor: Senator Mike Miller
Requestor: (S) FINANCE

Department Affected: Administration
BRU: Central Administrative Services
Component: Protection, Community Services, Administration
COMPONENT SERIAL NO. 2083

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	836.6	836.6	1,707.1	1,707.1	1,707.1	1,707.1
MISCELLANEOUS						
TOTAL OPERATING	836.6	836.6	1,707.1	1,707.1	1,707.1	1,707.1

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	536.6	536.6	1,407.1	1,707.1	1,707.1	1,707.1
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER 1092 MHTAAR	300.0	300.0	300.0			
TOTAL	836.6	836.6	1,707.1	1,707.1	1,707.1	1,707.1

Estimate of any current year (FY 97) cost: \$ _____

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

This bill would require the Department of Administration to increase the rate paid to assisted living homes under the existing general relief assistance program for 90 clients to a base rate of \$50 a day the first year, \$50 the second year, and \$75 the third year. This fiscal note would include a geographical cost of living differential. An augmentation rate of \$22 a day would be paid for 30 clients out of the total client population of 90 clients. A personal needs allowance would be paid at \$100 a month per client. The requested increase in the monthly personal needs allowance from \$75 to \$100 is needed for clients because they have increasing copayments to make for medical coverage, and the costs of personal items clients normally purchase are no longer affordable at the \$75 rate. DSS and DMHDD are jointly asking that this \$75 rate be increased to \$100 at this time.

Recommendation: This bill is consistent with the existing general relief assistance program objective to provide financial assistance to eligible vulnerable adults who are in need of assisted living resources. The current base rate of \$30 a day is not adequate to meet rising costs of providing assisted living care. A rate increase is overdue. This bill would require substantial funding which has not been approved by OMB. This bill would allow for improving the current system of general relief payment by increasing rates to an adequate amount based on the Alaska Rate Study Report completed December 1998. This analysis continues past practice of applying a regional geographic differential to rates paid across the state. Also attached is an analysis of costs of the proposed legislation if the differential were eliminated.

Prepared by: Dwight Becker
Division: Senior Services

Phone: 269-3674
Date: 4/22/99

Approved by Commissioner: Robert Poe, Jr. Alison M. Elser
Agency: Department of Administration

Date: 4/22/99

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FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SCS SB 73(FIN)

ANALYSIS: (continued)

Calculation of General Relief Payment by State
(including geo differential)

First Year FY 2000 and Second Year FY2001 with geographical differential
GR Rate Anchorage Matsu Southeast Northern Western N Western
with Geographical

50	1067625	85410	82125	283331.3	109226.3	113332.5	1,741,050
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Augmentation Rate Augmentation Cost for 30 clients

22	240900	240900
----	--------	--------

Personal Needs Allowance

100	103,000
-----	---------

Client's Contributions	853,380	minus	853,380
------------------------	---------	-------	---------

Current FY 2000 General Relief Budget Request	400,000	minus	400,000
MHTA		minus	300,000

Grand Total 536,570

Third Year FY 2002 and following years with geographical differential
GR Rate Anchorage Matsu Southeast Northern Western N Western
with Geographical

75	1601438	128115	123187.5	424996.9	163839.4	169998.8	2,611,575
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Augmentation Rate Augmentation Cost for 30 clients

22	240900	240900
----	--------	--------

Personal Needs Allowance

100	108,000
-----	---------

Client's Contributions	853,380	minus	853,380
------------------------	---------	-------	---------

Current FY 2000 General Relief Budget Request	400,000	minus	400,000
MHTA		minus	300,000

Grand Total 1,407,095

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SCS SB 73(FIN)

Calculation of General Relief Payment by State

The general relief payment made by the state is the amount needed to supplement the client's contribution to meet the base rate indicated in the specific geographic region. An estimated 33% of the clients have higher needs and require augmented rates. The augmented rate is calculated at \$22 over the base rate multiplied by the index. The average contribution of the clients is the adult public assistance payment standard of \$862 per month or \$28.34 per day. Emergency protective service placements make up about one month or 1/12th of the total of 32,850 days which are paid by the by the state at the full rate without any contribution by clients because of the time needed to investigate and resolve client financial issues. The current budget request for FY2000 is 400.0. MHTA has committed 300.0 for each year FY2000,2001,2003.

Days of Service provided by General Relief Program

90 clients per month x 365 days = 32,850 days of service per year

Days of Service by Region

Anchorage	65% of 32,850 days =	21,354 days
Palmer/Wasilla	5%	= 1,642
Southeast	5%	= 1,642
Northern	15%	= 4,928
Western	5%	= 1,642
N/Western	5%	= 1,642
		32,850 days

Client Contribution Towards Payment for Assisted Living

\$862 payment standard per mo. x 11 mo. x 90 clients = \$853,380

Cost Calculation for Geographical Differential

Region	Index
Anchorage	1.00
Palmer/Wasilla	1.04
Southeast	1.00
Northern	1.15
Western	1.33
N.Western	1.38

Personal Needs Allowance for all Clients

\$75 x 90 clients x 12 months = \$81,000

Augmentation Calculation

\$22 a day x 30 clients x 365 day = \$240,900

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SCS SB 73(FIN)

Calculation of General Relief Payment by State
(including no geo differential)

First Year FY2000 and Second Year FY2001			Total
GR Rate with No Geographical			
	<input type="text" value="50"/>		1,642,500
Augmentation Rate	Augmentation Cost for 30 clients		
<input type="text" value="22"/>	240900		240900
Personal Needs Allowance			
	<input type="text" value="100"/>		108,000
Client's Contributions	853,380	minus	853,380
Current FY 2000 General Relief Budget Request MHTA	400,000	minus	400,000
		minus	300,000
		Grand Total	438,020

Third Year FY2002 and following years		Place numerical entries in white boxes to the left.	Total
GR Rate with No Geographical			
	<input type="text" value="75"/>		2,463,750
Augmentation Rate	Augmentation Cost for 30 clients		
<input type="text" value="22"/>	240900		240900
Personal Needs Allowance			
	<input type="text" value="100"/>		108,000
Client's Contributions	853,380	minus	853,380
Current FY 2000 General Relief Budget Request MHTA	400,000	minus	400,000
		minus	300,000
		Grand Total	1,259,270

Adopted

WORK DRAFT

WORK DRAFT

WORK DRAFT

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Lauterbach✓
4/20/99

CS FOR SENATE BILL NO. 73(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS MILLER, Ellis, Wilken

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to assisted living homes; and providing for an effective date."

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

3 * Section 1. AS 47.07.070 is amended by adding a new subsection to read:

4 (h) This section does not apply to the minimum daily reimbursement rate
5 specified by law under AS 47.24.017 or AS 47.25.195(f) for assisted living homes.

6 * Sec. 2. AS 47.24.017 is amended by adding a new subsection to read:

7 (d) If the protective services under this section include the placement of a
8 vulnerable adult in an assisted living home at the state's expense, the minimum daily
9 reimbursement rate to the assisted living home for the vulnerable adult is \$50. The
10 department may, under its regulations, provide for a daily rate higher than \$50 if the
11 additional care provided to the vulnerable adult in the assisted living home justifies the
12 additional reimbursement. In this subsection, "assisted living home" means an assisted
13 living home licensed under AS 47.33.

14 * Sec. 3. AS 47.24.017(d) is repealed and reenacted to read:

15 (d) If the protective services under this section include the placement of a

1 vulnerable adult in an assisted living home at the state's expense, the minimum daily
2 reimbursement rate to the assisted living home for the vulnerable adult is \$75. The
3 department may, under its regulations, provide for a daily rate higher than \$75 if the
4 additional care provided to the vulnerable adult in the assisted living home justifies the
5 additional reimbursement. In this subsection, "assisted living home" means an assisted
6 living home licensed under AS 47.33.

7 * Sec. 4. AS 47.25.195(b) is amended to read:

8 (b) Except as provided in (f) of this section, a [A] health facility receiving
9 a payment under this chapter is subject to the requirements of AS 47.07.070 -
10 47.07.075.

11 * Sec. 5. AS 47.25.195(c) is amended to read:

12 (c) Except as provided in (f) of this section, if [IF] insufficient money is
13 appropriated to fund medical assistance under AS 47.25.120 - 47.25.300 when taking
14 into consideration projected use and the health facility payment rates established in
15 accordance with (b) of this section, the department may, by regulation, establish at any
16 time in the fiscal year a prospective pro rata reduction of the facilities' established
17 payment rates that will be paid by the department for services provided by facilities
18 under AS 47.25.120 - 47.25.300.

19 * Sec. 6. AS 47.25.195(d) is amended to read:

20 (d) Notwithstanding (a) - (c) of this section, the department may enter into
21 agreements with a facility to provide services at a payment rate lower than the rate
22 established in accordance with (b) of this section, except that the department may
23 not enter into an agreement with an assisted living home to provide services at a
24 daily reimbursement rate lower than \$50.

25 * Sec. 7. AS 47.25.195(d) is repealed and reenacted to read:

26 (d) Notwithstanding (a) - (c) of this section, the department may enter into
27 agreements with a facility to provide services at a payment rate lower than the rate
28 established in accordance with (b) of this section, except that the department may not
29 enter into an agreement with an assisted living home to provide services at a daily
30 reimbursement rate lower than \$75.

31 * Sec. 8. AS 47.25.195(e) is amended to read:

1 (e) For purposes of this section,

2 (1) "assisted living home" means an assisted living home licensed
3 under AS 47.33;

4 (2) "health facility" includes a hospital, skilled nursing facility,
5 intermediate care facility, intermediate care facility for the mentally retarded,
6 rehabilitation facility, inpatient psychiatric facility, home health agency, rural health
7 clinic, and outpatient surgical clinic.

8 * Sec. 9. AS 47.25.195 is amended by adding a new subsection to read:

9 (f) Notwithstanding other provisions of this section and the provisions of
10 AS 47.07, if the assistance provided to a needy person under AS 47.25.120 - 47.25.300
11 includes the initiation or continuation of placement of the person in an assisted living
12 home at the state's expense, the department's minimum daily reimbursement rate to
13 the assisted living home for the person is \$50. This minimum rate is not subject to
14 reduction under (c) of this section. The department may, under its regulations and
15 under the procedures of AS 47.07.070 - 47.07.075, provide for a daily rate higher than
16 \$50 if the care provided to the needy person in the assisted living home justifies the
17 higher reimbursement. A daily rate higher than \$50 for assisted living homes may be
18 reduced under (c) of this section, but not below \$50.

19 * Sec. 10. AS 47.25.195(f) is repealed and reenacted to read:

20 (f) Notwithstanding other provisions of this section and the provisions of
21 AS 47.07, if the assistance provided to a needy person under AS 47.25.120 - 47.25.300
22 includes the initiation or continuation of placement of the person in an assisted living
23 home at the state's expense, the department's minimum daily reimbursement rate to
24 the assisted living home for the person is \$75. This minimum rate is not subject to
25 reduction under (c) of this section. The department may, under its regulations and
26 under the procedures of AS 47.07.070 - 47.07.075, provide for a daily rate higher than
27 \$75 if the care provided to the needy person in the assisted living home justifies the
28 higher reimbursement. A daily rate higher than \$75 for assisted living homes may be
29 reduced under (c) of this section, but not below \$75.

30 * Sec. 11. APPLICABILITY. (a) The minimum daily reimbursement rate set under
31 AS 47.24.017(d), enacted by sec. 2 of this Act, and AS 47.25.195(f), enacted by sec. 9 of this

1 Act, applies to services provided on or after July 1, 1999, and is not dependent on the
2 adoption of regulations by the Department of Health and Social Services.

3 (b) The minimum daily reimbursement rate set under AS 47.24.017(d), as amended
4 by sec. 3 of this Act, and AS 47.25.195(f), as amended by sec. 10 of this Act, applies to
5 services provided on or after July 1, 2001, and is not dependent on the adoption of regulations
6 by the Department of Health and Social Services.

7 * Sec. 12. Except as provided in sec. 13 of this Act, this Act takes effect July 1, 1999.

8 * Sec. 13. Sections 3, 7, and 10 of this Act take effect July 1, 2001.

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. CS SB 73 (FIN)

Revision Date: 03/31/99 Dept. Affected: Health and Social Services
 Title: An act relating to Assisted Living Homes BRU: Community Mental Health Grants
 Sponsor: Miller Component: Services for the Chronically Mentally Ill
 Requestor: Senate (FIN) COMPONENT SERIAL NO. 800
 See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY00	FY01	FY02	FY03	FY04	FY05
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	1,024.4	1,024.4	2,360.4	2,360.4	2,360.4	2,360.4
MISCELLANEOUS						
TOTAL OPERATING	1,024.4	1,024.4	2,360.4	2,360.4	2,360.4	2,360.4

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ()						
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health	724.4	724.4	2,060.4	2,360.4	2,360.4	2,360.4
1092 MHTAAR	300.0	300.0	300.0			
TOTAL	1,024.4	1,024.4	2,360.4	2,360.4	2,360.4	2,360.4

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY99) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

In FY 98 the Department of Health and Social Services, Division of Mental Health and Developmental Disabilities served approximately 138 individuals in Assisted Living Home environments with a budget of \$622.2. The number of individuals receiving support for Assisted Living Home services authorized by the Adult Residential Care (AL) regulations varies each year. 7AAC 47.450 -470 governs the fee structure for Adult Residential Care and has not been revised since 1982. The lack of cost of care adjustments to the Adult Residential Care (AL) fee structure jeopardizes the health and safety of residents and the future of Assisted Living Homes. Assisted Living options are a cost-effective alternative to institutional care for individuals choosing to remain in their home communities. Development of the Assisted Living Home industry is very important for our Long-Term Care Plan for the State of Alaska. Also, it is a residential care approach that all disability groups support.

The bill requires an increase in the rate paid to assisted living homes to a base rate of \$50 a day the first and second years and \$75 the third year. The fiscal note includes a geographical cost of living differential. It is

Prepared by: Gina Macdonald, L.C.S.W. Phone: 465-4852 or 465-3370
 Division: Mental Health and Developmental Disabilities Date: 04/21/99
 Approved by Commissioner: Karen Perdue, Commissioner Date: 4/21/99
 Agency: Department of Health & Social Services

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API Community Implementation Plan

ANALYSIS (cont.):

based on a zero population growth. Growth in community based services for mental health consumers is addressed in the API Community Implementation Plan dated October 31, 1997, published by J.L. Mitson & Associates. This growth is not included in this fiscal note.

An augmentation rate of \$22 per day (as recommended in the Alaska Rate Study Report, completed December, 1998) would be paid for 27 consumers, or 20% of the 138 consumers receiving these services. The following rationale was used to develop the needed General Fund increase to implement SB 73 as written.

Current Practice:

DMHDD augments the cost of care by an avg. daily rate:		\$12.35/day*
Consumer contributes entitlements avg. monthly amount	\$ 850.00	
Less Personal Allowance	\$ (75.00)	
	\$ 775.00	\$25.48/day**
Average paid for total care in an Assisted Living Home currently		\$37.83/day

* FY98 Budget of \$622,200 divided by 138 served = \$4509 divided by 365 days = \$12.35/day

** Consumer Entitlements (SSI/SSA/AD) = \$850 per month average minus monthly personal allowance = \$775/month times 12 = \$9300/year divided by 365 = \$25.48/day

Proposed in SB73 with Recommendations

Currently DMH&DD augments the cost of care by an avg. daily rate:		\$ 12.35 /day
Consumer contributes entitlements at an average monthly rate	\$ 850	
Less: increased personal allowance	\$ (100)	
	\$ 750	\$ 24.66 /day
Average now available after the increased personal allowance		\$ 37.01 /day
Needed increased funding by DMHDD per consumer		\$12.99 /day ***
Total to be received by the Assisted Living Home		\$50 /day

*** Additional daily rate funding with zero growth in the population to fix the Assisted Living Homes system as it pertains to the Department of Health and Social Services.

DMHDD would pay an additional \$12.99 per day per resident per day in order to raise the reimbursement to \$50 per day the first and second years. This increase would raise another \$37.99 in the third year, bringing the total reimbursement to \$75 per day.

	<u>\$ 50 per day</u>	<u>\$75 per day</u>
Additional payment per day	\$ 12.99	37.99
Days per year	365	365
Number served	138	138
Cost for increase of base rate	\$ 654,306	\$1,913,556

It is estimated that 20% or 27 individuals would require augmented rates averaging \$22.00 per day. This average augmentation adjustment of \$22.00/day times 365 days = \$8,030 per year. The overall augmentation cost at \$8,030 per individual per year times 27 individuals = \$216,810. An additional \$216.8 is required to cover these augmented rates for individuals requiring a higher level of care.

	<u>\$50 per day</u>	<u>\$75 per day</u>
Cost for increase of base rate	\$ 654.3	1,913.6
Cost for augmented cases	\$ 216.8	216.8
Total	\$ 871.1	\$2,130.4

ANALYSIS (cont.):**Geographic Differentials**

Region	Differential	Percent of Population Per Region	Total Consumers Per Region	Daily Increase:	
				At \$50/day \$50.00	At \$75/day \$75.00
Anchorage	0.0	65	90	\$ -	0
Palmer/Wasilla	0.04	5	7	\$ 14	21
Southeast	0.0	5	7	\$ -	0
Northern	0.15	15	21	\$ 158	236
Western	0.33	5	7	\$ 116	173
N/Western	0.38	5	7	\$ 133	\$ 200
Total differential per day				\$ 420	\$ 630
Days per year				365	365
Total annual differential for base rate				\$ 153,300	229,950

Geographic Differentials are determined above by the following: Differential Index per region x estimated population served per region x daily increase per consumer. These daily totals per region are combined to determine the increase for differential reimbursements at the \$50/day, and \$75/day base rates. No differentials were added for augmented rates due to small populations served in areas in which differentials are provided. The Department would require an additional \$153.3 in FY 00, in FY 01, and \$230.0 in FY 02 to reimburse geographic differentials for the progressively increasing base rate.

The Alaska Mental Health Trust Authority has authorized \$600.0 in Mental Health Trust Authority Authorized Receipts (MHTAAR) in FY 00, 01, and 02 upon passage of this bill. These funds will be split evenly between the Department of Health and Social Services and the Department of Administrative Services in funding assisted living homes through their respective programs.

	Base Increase Plus: Augmentation Differentials	TOTAL
FY 2000 (\$50/day base rate):	\$871.1	\$1,024.4
FY 2001 (\$50/day base rate):	\$871.1	\$1,024.4
FY 2002 (\$75/day base rate)	\$2,130.4	\$2,360.4

These funds move towards bringing the existing Assisted Living Home placements to a level of care that will meet their health and safety needs. The Department believes that the Assisted Living Home industry can become a viable option if the funds requested and the needed regulatory changes are approved. Additionally, and of equal importance, these changes will ensure the health and safety of all served. Subsequent fiscal year's calculations have been planned with zero population growth for this bill.

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. CSSB 73(FIN)

Revision Date: 02/28/00
 Title: An act related to assisted living homes
 Sponsor(s): Senator Miller
 Requestor: (S) FIN

Department Affected: Administration
 BRU: Central Administrative Services
 Component: Protection, Community Services, Administration
 COMPONENT SERIAL NO. 2083

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	1248.8	2409.5	2409.5	2409.5	2409.5	2409.5
MISCELLANEOUS						
TOTAL OPERATING	1248.8	2409.5	2409.5	2409.5	2409.5	2409.5

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
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FUND SOURCE:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	412.2	2018.5	2409.5	2409.5	2409.5	2409.5
1005 GF/Program Receipts						
1037 GF/Mental Health	445.6					
OTHER MHTAAR	391.0	391.0				
TOTAL	1248.8	2409.5	2409.5	2409.5	2409.5	2409.5

Estimate of any current year (FY 2000) cost: \$ _____

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

This bill would require the Department of Administration to increase the rate paid to assisted living homes under the existing general relief assistance program for 120 clients to a base rate of \$50 a day the first year, \$75 the second year, and \$75 the third year. This fiscal note would include a geographical cost of living differential. An augmentation rate of \$22 a day would be paid for 40 (33%) clients out of the total client population of 120 clients. A personal needs allowance would be paid at \$100 a month per client. The requested increase in the monthly personal needs allowance from \$75 to \$100 is needed for clients because they have increasing copayments to make for medical coverage, and the costs of personal items clients normally purchase are no longer affordable at the \$75 rate. DSS and DMHDD are jointly asking that this \$75 rate be increased to \$100 at this time.

Recommendation: This bill is consistent with the existing general relief assistance program objective to provide financial assistance to eligible vulnerable adults who are in need of assisted living resources. The current base rate of \$30 a day is not adequate to meet rising costs of providing assisted living care. A rate increase is overdue. This bill would require substantial funding which has not been approved by OMB. This bill would allow for improving the current system of general relief payment by increasing rates to an adequate amount based on the Alaska Rate Study Report completed December 1998. This analysis continues past practice of applying a regional geographic differential to rates paid across the state.

Prepared by: Dwight Becker
 Division: Senior Services

Phone: 269-3674
 Date: 02/28/00

Approved by Commissioner: Robert Poe, Jr. *Robert Poe, Jr.*
 Agency: Department of Administration

Date: 2/28/00

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FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. CSSB 73(FIN)

ANALYSIS: (continued)

Calculation of General Relief Payment by State
(including geo differential)

First Year FY 2001 with geographical differential

GR Rate	Anchorage	Matsu	Southeast	Northern	Western	N Western		
with Geographical								
<input type="text" value="50"/>	1423500	113880	109500	377775	145635	151110	2321400	
Augmentation Rate	Augmentation Cost for 40 clients							
<input type="text" value="22"/>		321200					321200	
Personal Needs Allowance							144000	
<input type="text" value="100"/>							144000	
Client's Contributions							minus 1137840	
Current FY 2001 General Relief Budget Request				400,000			minus 400,000	
							Grand Total	1248760

Second Year FY 2002 and following years with geographical differential

GR Rate	Anchorage	Matsu	Southeast	Northern	Western	N Western		
with Geographical								
<input type="text" value="75"/>	2135250	170820	164250	566662.5	218452.5	226665	3482100	
Augmentation Rate	Augmentation Cost for 40 clients							
<input type="text" value="22"/>		321200					321200	
Personal Needs Allowance							144000	
<input type="text" value="100"/>							144000	
Client's Contributions							minus 1137840	
Current FY 2000 General Relief Budget Request				400,000			minus 400,000	
							Grand Total	2409460

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. CSSB 73(FIN)

Calculation of General Relief Payment by State

The general relief payment made by the state is the amount needed to supplement the client's contribution to meet the base rate indicated in the specific geographic region. An estimated 33% of the clients have higher needs and require augmented rates. The augmented rate is calculated at \$22 over the base rate multiplied by the index. The average contribution of the clients is the adult public assistance payment standard of \$862 per month or \$28.34 per day. Emergency protective service placements make up about one month or 1/12th of the total of 32,850 days which are paid by the by the state at the full rate without any contribution by clients because of the time needed to investigate and resolve client financial issues. The current budget request for FY2000 is 400.0. MHTA has committed 391.0 for each year FY2001 and FY2002.

Days of Service provided by General Relief Program

120 clients per month x 365 days = 43,800 days of service per year

Days of Service by Region

Anchorage	65%	of 43,800 days =	28,470 days
Palmer/Wasilla	5%	=	2,190
Southeast	5%	=	2,190
Northern	15%	=	6,570
Western	5%	=	2,190
N/Western	5%	=	2,190
			<u>43,800 days</u>

Client Contribution Towards Payment for Assisted Living

\$862 payment standard per mo. x 11 mo. x 120 clients = \$1,137,840

Cost Calculation for Geographical Differential

Region	Index
Anchorage	1.00
Palmer/Wasilla	1.04
Southeast	1.00
Northern	1.15
Western	1.33
N. Western	1.38

Personal Needs Allowance for all Clients

\$100 x 120 clients x 12 months = \$144,000

Augmentation Calculation

\$22 a day x 40 clients x 365 day = \$321,200

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SCS SB 73(FIN)

Revision Date: 4/21/99
Title: An act related to assisted living homes
Sponsor: Senator Mike Miller
Requestor: (S) FINANCE

Department Affected: Administration
BRU: Central Administrative Services
Component: Protection, Community Services, Administration
COMPONENT SERIAL NO. 2083

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	536.5	536.6	1,407.1	1,407.1	1,407.1	1,407.1
MISCELLANEOUS						
TOTAL OPERATING <i>ie</i>	536.6	536.6	1,407.1	1,407.1	1,407.1	1,407.1

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	536.6	536.6	1,407.1	1,407.1	1,407.1	1,407.1
1005 GF/Program Receipts						
1037 GF/Mental Health						
<i>A</i> OTHER <i>1997 MUTAAR</i>	300.0	300.0	300.0			
TOTAL	836.6	836.6	1,407.1	1,407.1	1,407.1	1,407.1

Estimate of any current year (FY 97) cost: \$ _____

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

This bill would require the Department of Administration to increase the rate paid to assisted living homes under the existing general relief assistance program for 90 clients to a base rate of \$50 a day the first year, \$50 the second year, and \$75 the third year. This fiscal note would include a geographical cost of living differential. An augmentation rate of \$22 a day would be paid for 30 clients out of the total client population of 90 clients. A personal needs allowance would be paid at \$100 a month per client. The requested increase in the monthly personal needs allowance from \$75 to \$100 is needed for clients because they have increasing copayments to make for medical coverage, and the costs of personal items clients normally purchase are no longer affordable at the \$75 rate. DSS and DMHDD are jointly asking that this \$75 rate be increased to \$100 at this time.

Recommendation: This bill is consistent with the existing general relief assistance program objective to provide financial assistance to eligible vulnerable adults who are in need of assisted living resources. The current base rate of \$30 a day is not adequate to meet rising costs of providing assisted living care. A rate increase is overdue. This bill would require substantial funding which has not been approved by OMB. This bill would allow for improving the current system of general relief payment by increasing rates to an adequate amount based on the Alaska Rate Study Report completed December 1998. This analysis continues past practice of applying a regional geographic differential to rates paid across the state. Also attached is an analysis of costs of the proposed legislation if the differential were eliminated.

Prepared by: Dwight Becker
Division: Senior Services

Phone: 269-3674
Date: 4/21/99

Approved by Commissioner: Robert Poe, Jr. *Robert M. Elger*
Agency: Department of Administration

Date: 4/21/99

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FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SCS SB 73(FIN)

ANALYSIS: (continued)

Calculation of General Relief Payment by State
(including geo differential)

First Year FY 2000 and Second Year FY2001 with geographical differential
GR Rate Anchorage Matsu Southeast Northern Western N Western
with Geographical

50	1067625	85410	82125	283331.3	109226.3	113332.5	1,741,050
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Augmentation Rate Augmentation Cost for 30 clients

22	240900						240900
----	--------	--	--	--	--	--	--------

Personal Needs Allowance

100							108,000
-----	--	--	--	--	--	--	---------

Client's Contributions				853,380		minus	853,380
------------------------	--	--	--	---------	--	-------	---------

Current FY 2000 General Relief Budget Request				400,000		minus	400,000
MHTA						minus	300,000

Grand Total 536,570

Third Year FY 2002 and following years with geographical differential
GR Rate Anchorage Matsu Southeast Northern Western N Western
with Geographical

75	1601438	128115	123187.5	424996.9	163839.4	169998.8	2,611,575
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Augmentation Rate Augmentation Cost for 30 clients

22	240900						240900
----	--------	--	--	--	--	--	--------

Personal Needs Allowance

100							108,000
-----	--	--	--	--	--	--	---------

Client's Contributions				853,380		minus	853,380
------------------------	--	--	--	---------	--	-------	---------

Current FY 2000 General Relief Budget Request				400,000		minus	400,000
MHTA						minus	300,000

Grand Total 1,407,095

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SCS SB 73(FIN)

Calculation of General Relief Payment by State

The general relief payment made by the state is the amount needed to supplement the client's contribution to meet the base rate indicated in the specific geographic region. An estimated 33% of the clients have higher needs and require augmented rates. The augmented rate is calculated at \$22 over the base rate multiplied by the index. The average contribution of the clients is the adult public assistance payment standard of \$862 per month or \$28.34 per day. Emergency protective service placements make up about one month or 1/12th of the total of 32,850 days which are paid by the by the state at the full rate without any contribution by clients because of the time needed to investigate and resolve client financial issues. The current budget request for FY2000 is 400.0. MHTA has committed 300.0 for each year FY2000,2001,2003.

Days of Service provided by General Relief Program

90 clients per month x 365 days = 32,850 days of service per year

Days of Service by Region

Anchorage	65% of 32,850 days =	21,354 days
Palmer/Wasilla	5%	= 1,642
Southeast	5%	= 1,642
Northern	15%	= 4,928
Western	5%	= 1,642
N/Western	5%	= 1,642
		32,850 days

Client Contribution Towards Payment for Assisted Living

\$862 payment standard per mo. x 11 mo. x 90 clients = \$853,380

Cost Calculation for Geographical Differential

Region	Index
Anchorage	1.00
Palmer/Wasilla	1.04
Southeast	1.00
Northern	1.15
Western	1.33
N.Western	1.38

Personal Needs Allowance for all Clients

\$75 x 90 clients x 12 months = \$81,000

Augmentation Calculation

\$22 a day x 30 clients x 365 day = \$240,900

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SCS SB 73(FIN)

Calculation of General Relief Payment by State
(including no geo differential)

First Year FY2000 and Second Year FY2001		Total
GR Rate with No Geographical		
<input type="text" value="50"/>		1,642,500
Augmentation Rate	Augmentation Cost for 30 clients	
<input type="text" value="22"/>	240900	240900
Personal Needs Allowance		
<input type="text" value="100"/>		108,000
Client's Contributions	853,380	minus 853,380
Current FY 2000 General Relief Budget Request MHTA	400,000	minus 400,000 minus 300,000
Grand Total		438,020

Third Year FY2002 and following years		Place numerical entries in white boxes to the left.	Total
GR Rate with No Geographical			
<input type="text" value="75"/>			2,463,750
Augmentation Rate	Augmentation Cost for 30 clients		
<input type="text" value="22"/>	240900		240900
Personal Needs Allowance			
<input type="text" value="100"/>			108,000
Client's Contributions	853,380	minus	853,380
Current FY 2000 General Relief Budget Request MHTA	400,000	minus	400,000 minus 300,000
Grand Total			1,259,270

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

No. 2
Bill Version: SB 73
(S) Publish Date: 3-30-99

Revision Date: _____
Title: An act related to assisted living homes
Sponsor: Senator Mike Miller
Requestor: (S) HES

Department Affected: Administration
BRU: Senior Services
Component: Protection, Community Services, Administration
COMPONENT SERIAL NO. 2083

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	1,526.8	1,526.8	1,526.8	1,526.8	1,526.8	1,526.8
MISCELLANEOUS						
TOTAL OPERATING	1,526.8	1,526.8	1,526.8	1,526.8	1,526.8	1,526.8

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	1,526.8	1,526.8	1,526.8	1,526.8	1,526.8	1,526.8
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	1,526.8	1,526.8	1,526.8	1,526.8	1,526.8	1,526.8

Estimate of any current year (FY 97) cost: \$ _____

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

This bill would require the Department of Administration to increase the rate paid to assisted living homes under the existing general relief assistance program to a base rate of \$70 a day. An assisted living home rate schedule is attached which describes the rates which this bill would require the state to be paid in the six regions of the state with a base rate of \$70 a day in Anchorage. The six regions are paid according to geographical cost of living differentials. Taking into account geographical cost differentials and a system with augmented rates for higher needs clients a budget of \$1,926.8 is needed annually to fund this bill.

Recommendation: This bill is consistent with the existing general relief assistance program objective to provide financial assistance to eligible vulnerable adults who are in need of assisted living resources. The current base rate of \$30 a day is not adequate to meet rising costs of providing assisted living care. A rate increase is overdue. This bill would require substantial funding which has not been approved by OMB. This bill would allow for improving the current system of general relief payment by increasing rates to an adequate amount based on the Alaska Rate Study Report completed December 1998.

Prepared by: Dwight Becker
Division: Senior Services

Phone: 269-3674
Date: _____

Approved by Commissioner: Robert Poe Jr.
Agency: Department of Administration

Date: 3/4/99

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FISCAL NOTE

STATE OF ALASKA

BILL NO. SB 13
#2

99 LEGISLATIVE SESSION

ANALYSIS: (continued)

Calculation of General Relief Payment by State

The general relief payment made by the state is the amount needed to supplement the client's contribution to meet the base rate indicated in the specific geographic region. An estimated 20% of the clients have higher needs and require augmented rates. The augmented rate is calculated at \$22 over the base rate multiplied by the index. The average contribution of the clients is the adult public assistance payment standard of \$82 per month or \$28.34 per day. Emergency protective service placements make up about 20% of the total of 32,850 days which are paid by the by the state at the full rate without any contribution by clients because of the time needed to investigate and resolve client financial issues. The current budget request for FY2000 is 400.0.

Days of Service provided by General Relief Program

90 clients per month x 365 days = 32,850 days of service per year

Days of Service by Region

Anchorage	65%	of 32,850 days =	21,354 days
Palmer/Wasilla	5%	=	1,642
Southeast	5%	=	1,642
Northern	15%	=	4,928
Western	5%	=	1,642
N/Western	5%	=	1,642
			<u>32,850 days</u>

Client Contribution Towards Payment for Assisted Living

\$22 payment standard per mo. x 12 mo. / 365 days = \$28.34 per day

(20% of the days are not contributed towards due to emergency adult protective placements)

80% of 32,850 days x \$28.34 per day = \$744,755

Cost Calculation for Non-augmented Clients (80%)

Region	Index	Regular Rate	x 80% of days	Cost
Anchorage	1.00	70.00	17,083	\$1,195,810
Palmer/Wasilla	1.04	72.80	1,314	95,659
Southeast	1.00	70.00	1,314	91,980
Northern	1.15	80.50	3,942	317,331
Western	1.33	93.08	1,314	122,307
N. Western	1.38	96.58	1,314	126,906
			<u>26,281</u>	<u>1,949,993</u>

Cost Calculation for Augmented Clients (20%)

Region	Index	Augmented Rate	x 20% of days	Cost
Anchorage	1.00	92.00	4,270	392,840
Palmer/Wasilla	1.04	95.68	328	31,383
Southeast	1.00	92.00	328	30,176
Northern	1.15	105.80	987	104,424
Western	1.33	122.36	328	40,134
N. Western	1.38	126.95	328	41,642
			<u>6568</u>	<u>640,599</u>

Personal Needs Allowance for all Clients

\$75 x 90 clients x 12 months = \$81,000

The General Relief Assistance payment by the State as required by this bill

\$1,949,993	Non-augmented cost
640,599	Augmented Cost
81,000	Personal Needs Allowance
<u>2,671,592</u>	Sub-Total Cost
(744,755)	Clients Contributions
(400,000)	Current FY 2000 Budget Request
<u>826,837</u>	Total Cost to State

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

No. 1
Bill Version: SB 73
(S) Publish Date: 3-30-99

Revision Date: _____ Dept. Affected: Health and Social Services
Title: An act relating to Assisted Living Homes BRU: Community Mental Health Grants
Component: Services for the Chronically Mentally Ill
Sponsor: Miller COMPONENT SERIAL NO. 800
Requestor: Senate (HES) See also (SN#): _____

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY00	FY01	FY02	FY03	FY04	FY05
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	1,858.8	1,858.8	1,858.8	1,858.8	1,858.8	1,858.8
MISCELLANEOUS						
TOTAL OPERATING	1,858.8	1,858.8	1,858.8	1,858.8	1,858.8	1,858.8

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

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health	1,858.8	1,858.8	1,858.8	1,858.8	1,858.8	1,858.8
Other (please specify)						
TOTAL	1,858.8	1,858.8	1,858.8	1,858.8	1,858.8	1,858.8

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY99) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

The Department of Health and Social Services, Division of Mental Health and Developmental Disabilities serves approximately 138 individuals in Assisted Living Home environments with a FY99 budget of \$622.2. The number of individuals receiving support for Assisted Living Home services authorized by the Adult Residential Care regulations varies each year. 7AAC 47.450 -470 governs the fee structure for Adult Residential Care and has not been revised since 1982. Adult Residential Care is now referred to as Assisted Living Home services. The lack of cost of care adjustments to the Adult Residential Care fee structure jeopardizes the health and safety of residents and the future of Assisted Living Homes. Assisted Living options are a cost-effective alternative to institutional care for individuals choosing to remain in their home communities. Development of the Assisted Living Home industry is very important for our Long-Term Care Plan for the State of Alaska. Also, it is a residential care approach that all disability groups support. This fiscal note is based on a zero population growth. It will fix the system as it now exists. Growth in community based services for Mental Health consumers is addressed in the "API Community Implementation Plan" dated October 31, 1997, published by J.L. Milson & Associates. This growth is not included in this fiscal note. Growth for the developmentally disabled consumer is provided in the Community Developmental

Prepared by: Leonard Abel, Ph.D. *GW for L.A.* Phone: 465-4827 or 465-3370
 Division: Mental Health and Developmental Disabilities Date: 02/23/99
 Approved by Commissioner: Karen Perdue, Commissioner Date: 2/24/99
 Agency: Department of Health & Social Services

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ANALYSIS (cont.):

Disabilities Grants Component Budget.

The following rationale was used to develop the needed General Fund increase to implement SB 73 as written and remains the same for the amendment proposed by the Department noted on the bill analysis.

Current Practice:

DMHDD augments the cost of care by an avg. daily rate:		\$12.35/day*
Consumer contributes entitlements avg. monthly amount	\$ 850.00	
Less Personal Allowance	\$ (75.00)	
	\$ 775.00	\$25.48/day**
Average paid for total care in an Assisted Living Home currently		\$37.83/day

* FY98 Budget of \$622,200 divided by 138 served = \$4509 divided by 365 days = \$12.35/day

** Consumer Entitlements (SSI/SSA/AD) - \$850 per month average minus monthly personal allowance = \$775/month times 12 = \$9300/year divided by 365 = \$25.48/day

Proposed in SB73 with Recommendations

Currently DMH&DD augments the cost of care by an avg. daily rate:		\$ 12.35 /day
Consumer contributes entitlements at an average monthly rate	\$ 850	
Less increased personal allowance	\$ (100)	
	\$ 750	\$ 24.66 /day
Average now available after the increased personal allowance		\$ 37.01 /day
Needed increased augmentation by DMH&DD to equal \$70/day avg.		\$ 32.99 /day ***
Total to be received by the Assisted Living Home		\$ 70.00 /day

*** Additional daily rate funding with zero growth in the population to fix the Assisted Living Homes system as it pertains to the Department of Health and Social Services.

It is estimated that 20% or 27 individuals would require augmented rates averaging \$90.00 per day. The average augmentation adjustment is \$20.00/day times 365 days = \$7,300 per year. The overall augmentation cost at \$7,300 per individual per year times 27 individuals = \$197,100.

An additional \$197.1 is required to cover these augmented rates for individuals requiring a higher level of care.

The Department of Health and Social Services, Division of Mental Health and Developmental Disabilities will need an increase in general funds of \$1858.8 (\$32.99/day x 365 days = \$12,041.35 x 138 served = \$1,661.7 plus \$197.1 for augmented rates = \$1858.8) for FY2000. These funds will bring the existing Assisted Living Home placements to a level of care that will meet their health and safety needs. The average cost of care should remain around \$70/day. Due to individual acuity levels, some individuals will require supports costing less than \$70/day, while others may need additional supports exceeding \$70/day. The Department believes that the Assisted Living Home industry can become a viable option if the funds requested and the needed regulatory changes are approved. Additionally, and of equal importance, these changes will ensure the health and safety of all served. Subsequent fiscal year's calculations have been planned with zero population growth for this bill.

The Alaska Mental Health Trust Authority has shown interest in the idea of a multi-year system change approach to address the funding needed to fix the Assisted Living Home service system. The Trust have indicated interest in receiving a jointly backed proposal from the Departments and planning boards impacted by the need to maintain the existing Assisted Living Home service system.

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SCS SB 73(FIN)

Revision Date: 4/21/99
Title: An act related to assisted living homes
Sponsor: Senator Mike Miller
Requestor: (S) FINANCE

Department Affected: Administration
BRU: Central Administrative Services
Component: Protection, Community Services, Administration
COMPONENT SERIAL NO. 2083

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	536.6	536.6	1,407.1	1,407.1	1,407.1	1,407.1
MISCELLANEOUS						
TOTAL OPERATING	536.6	536.6	1,407.1	1,407.1	1,407.1	1,407.1

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	536.6	536.6	1,407.1	1,407.1	1,407.1	1,407.1
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	536.6	536.6	1,407.1	1,407.1	1,407.1	1,407.1

Estimate of any current year (FY 97) cost: \$ _____

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

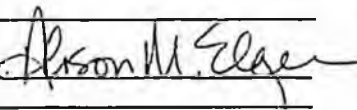
ANALYSIS: (Attach a separate page if necessary.)

This bill would require the Department of Administration to increase the rate paid to assisted living homes under the existing general relief assistance program for 90 clients to a base rate of \$50 a day the first year, \$50 the second year, and \$75 the third year. This fiscal note would include a geographical cost of living differential. An augmentation rate of \$22 a day would be paid for 30 clients out of the total client population of 90 clients. A personal needs allowance would be paid at \$100 a month per client. The requested increase in the monthly personal needs allowance from \$75 to \$100 is needed for clients because they have increasing copayments to make for medical coverage, and the costs of personal items clients normally purchase are no longer affordable at the \$75 rate. DSS and DMHDD are jointly asking that this \$75 rate be increased to \$100 at this time.

Recommendation: This bill is consistent with the existing general relief assistance program objective to provide financial assistance to eligible vulnerable adults who are in need of assisted living resources. The current base rate of \$30 a day is not adequate to meet rising costs of providing assisted living care. A rate increase is overdue. This bill would require substantial funding which has not been approved by OMB. This bill would allow for improving the current system of general relief payment by increasing rates to an adequate amount based on the Alaska Rate Study Report completed December 1998. This analysis continues past practice of applying a regional geographic differential to rates paid across the state. Also attached is an analysis of costs of the proposed legislation if the differential were eliminated.

Prepared by: Dwight Becker
Division: Senior Services

Phone: 269-3674
Date: 4/21/99

Approved by Commissioner: Robert Poe, Jr. 
Agency: Department of Administration

Date: 4/21/99

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FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SCS SB 73(FIN)

ANALYSIS: (continued)

Calculation of General Relief Payment by State
(including geo differential)

First Year FY 2000 and Second Year FY2001 with geographical differential
GR Rate Anchorage Matsu Southeast Northern Western N Western
with Geographical

50	1067625	85410	82125	283331.3	109226.3	113332.5	1,741,050
----	---------	-------	-------	----------	----------	----------	-----------

Augmentation Rate Augmentation Cost for 30 clients

22	240900	240900
----	--------	--------

Personal Needs Allowance

100	108,000
-----	---------

Client's Contributions	853,380	minus	853,380
------------------------	---------	-------	---------

Current FY 2000 General Relief Budget Request	400,000	minus	400,000
MHTA		minus	300,000

Grand Total 536,570

Third Year FY 2002 and following years with geographical differential
GR Rate Anchorage Matsu Southeast Northern Western N Western
with Geographical

75	1601438	128115	123187.5	424996.9	163839.4	169998.8	2,611,575
----	---------	--------	----------	----------	----------	----------	-----------

Augmentation Rate Augmentation Cost for 30 clients

22	240900	240900
----	--------	--------

Personal Needs Allowance

100	108,000
-----	---------

Client's Contributions	853,380	minus	853,380
------------------------	---------	-------	---------

Current FY 2000 General Relief Budget Request	400,000	minus	400,000
MHTA		minus	300,000

Grand Total 1,407,095

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SCS SB 73(FIN)

Calculation of General Relief Payment by State

The general relief payment made by the state is the amount needed to supplement the client's contribution to meet the base rate indicated in the specific geographic region. An estimated 33% of the clients have higher needs and require augmented rates. The augmented rate is calculated at \$22 over the base rate multiplied by the index. The average contribution of the clients is the adult public assistance payment standard of \$862 per month or \$28.34 per day. Emergency protective service placements make up about one month or 1/12th of the total of 32,850 days which are paid by the by the state at the full rate without any contribution by clients because of the time needed to investigate and resolve client financial issues. The current budget request for FY2000 is 400.0. MHTA has committed 300.0 for each year FY2000,2001,2003.

Days of Service provided by General Relief Program

90 clients per month x 365 days = 32,850 days of service per year

Days of Service by Region

Anchorage	65%	of 32,850 days =	21,354 days
Palmer/Wasilla	5%	=	1,642
Southeast	5%	=	1,642
Northern	15%	=	4,928
Western	5%	=	1,642
N/Western	5%	=	1,642
			32,850 days

Client Contribution Towards Payment for Assisted Living

\$862 payment standard per mo. x 11 mo. x 90 clients = \$853,380

Cost Calculation for Geographical Differential

Region	Index
Anchorage	1.00
Palmer/Wasilla	1.04
Southeast	1.00
Northern	1.15
Western	1.33
N.Western	1.38

Personal Needs Allowance for all Clients

\$75 x 90 clients x 12 months = \$81,000

Augmentation Calculation

\$22 a day x 30 clients x 365 day = \$240,900

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SCS SB 73(FIN)

Calculation of General Relief Payment by State
(including no geo differential)

First Year FY2000 and Second Year FY2001		Total
GR Rate with No Geographic?		
<input type="text" value="50"/>		1,642,500
Augmentation Rate	Augmentation Cost for 30 clients	
<input type="text" value="22"/>	240900	240900
Personal Needs Allowance		108,000
<input type="text" value="100"/>		
Client's Contributions	853,380	minus 853,380
Current FY 2000 General Relief Budget Request MHTA	400,000	minus 400,000 minus 300,000
		Grand Total 438,020

Third Year FY2002 and following years		Place numerical entries in white boxes to the left.	Total
GR Rate with No Geographical			
<input type="text" value="75"/>			2,463,750
Augmentation Rate	Augmentation Cost for 30 clients		
<input type="text" value="22"/>	240900		240900
Personal Needs Allowance			108,000
<input type="text" value="100"/>			
Client's Contributions	853,380	minus	853,380
Current FY 2000 General Relief Budget Request MHTA	400,000	minus	400,000 minus 300,000
		Grand Total	1,259,270

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Senate District Q

MIKE MILLER

SB 73

Assisted Living Homes

Assisted living homes, formerly called adult foster care homes, are facilities that provide a home-like environment for seniors and people who have a disability and need assistance with everyday living activities. The program is under the Department of Administration and Division of Senior Services.

The program is regulated by the old general assistance regulations that need to be revisited and updated to be in line with the standard of care that is practiced by the other Assisted Living Programs. The cost of care is grossly outdated and has not had an increase since 1983.

The **purpose** of this legislation is to **increase the daily rate** paid to the (15 bed or less) "**Mom and Pop**" facilities by the state for vulnerable adults that are unable to provide safely for their own medical, emotional and personal care needs. A rate increase is long overdue! This bill would increase the current rate from the present **\$34.50** per day to a base rate of **\$70.00** per day based on individual care needs.

SB 73 would also establish an "equitable and reliable rate structure to ensure the success and growth of assisted living as a viable business" increasing rates to an adequate amount based on the Alaska Rate Study Report completed **December 1998**.

I respectfully request your consideration in passing SB 73

Chapter 47.33 ASSISTED LIVING HOMES

Sec. 47.33.005. Purpose.

The purpose of this chapter is to

(1) contribute to the development of a system of care by encouraging the establishment of assisted living homes that provide a homelike environment for elderly persons and persons with a mental or physical disability who need assistance with the activities of daily living;

(2) promote the establishment of homes that help

(A) the elderly to age in place; and

(B) adults with a physical or mental disability to become integrated into the community and to reach their highest level of functioning;

(3) establish standards that will protect residents of assisted living homes, while at the same time promoting an environment that will encourage resident growth and independence, without discouraging the establishment and continued operation of those homes;

(4) require that a resident of an assisted living home have an assisted living plan that identifies the services that will be used to meet the resident's reasonable wants and needs; and

(5) provide a resident of an assisted living home, or the resident's representative, with the opportunity to participate to the fullest extent possible in the design and implementation of the resident's assisted living plan and in any decisions involving the resident's care.

Sec. 47.33.010. Applicability.

(a) Except as provided in (b) of this section, this chapter applies to residential facilities operated in the state that serve three or more adults who are not related to the owner of the facility by blood or marriage by

(1) providing housing and food service to its residents; and

(2) providing or obtaining, or offering to provide or obtain for its residents

(A) assistance with the activities of daily living;

(B) personal assistance; or

(C) a combination of services under (A) and (B) of this paragraph.

(b) Notwithstanding (a) of this section, this chapter does not apply to

(1) a correctional facility;

- (2) a facility for treatment of alcoholism that is regulated under AS 47.37;
- (3) an emergency shelter;
- (4) a medical facility, including a nursing home, licensed under AS 18.20;
- (5) a program for runaway minors licensed under AS 47.10.310 ; or
- (6) a maternity home licensed under AS 47.35.

Sec. 47.33.020. Health-related services allowed in assisted living homes.

(a) This chapter does not prohibit the resident of an assisted living home from self-administering the resident's own medications, unless the resident's assisted living plan specifically provides otherwise.

(b) An assisted living home may provide, obtain, or offer to provide or obtain the health-related services described in (c) - (i) of this section. A service under (c) - (i) of this section may only be provided or obtained in addition to, and as a supplemental service to, the long-term provision by the home to the resident of assistance with the activities of daily living or personal assistance.

(c) If self-administration of medications is included in a resident's assisted living plan, the assisted living home may supervise the resident's self-administration of medications, notwithstanding a limitation imposed by AS 08 or by a regulation adopted under AS 08. The supervision may be performed by any home staff person and may include

- (1) reminding a resident to take medication;
- (2) opening a medication container or prepackaged medication for a resident;
- (3) reading a medication label to a resident;
- (4) observing a resident while the resident takes medication;
- (5) checking a resident's self-administered dosage against the label of the medication container;
- (6) reassuring a resident that the resident is taking the dosage as prescribed; and

(7) directing or guiding, at the request of the resident, the hand of a resident who is administering the resident's own medications.

(d) An assisted living home may provide intermittent nursing services to a resident who does not require 24-hour nursing services and supervision. Intermittent nursing services may be provided only by a nurse licensed under AS 08.68 or by a person to whom a nursing task has been delegated under (e) of this section.

(e) A person who is on the staff of an assisted living home and who is not a nurse licensed under AS 08.68 may perform a nursing task in that home if

(1) the authority to perform that nursing task is delegated to that person by a nurse licensed under AS 08.68; and

(2) that nursing task is specified in regulations adopted by the Board of Nursing as a task that may be delegated.

(f) A resident who needs skilled nursing care may, with the consent of the assisted living home, arrange for that care to be provided in the home by a nurse licensed under AS 08.68 if that arrangement does not interfere with the services provided to other residents.

(g) As part of a plan to avoid transfer of a resident from the home for medical reasons, the home may provide, through the services of a nurse who is licensed under AS 08.68, 24-hour skilled nursing care to the resident for not more than 45 consecutive days.

(h) If a resident has received 24-hour skilled nursing care for the 45-day limit set by (g) of this section, the resident or the resident's representative may elect to have the resident remain in the home without continuation of 24-hour skilled nursing care if the home agrees to retain the resident after

(1) the home and either the resident or the resident's representative have consulted with the resident's physician;

(2) the home and either the resident or the resident's representative have discussed the consequences and risks involved in the election to remain in the home; and

(3) the portion of the resident's assisted living plan that relates to health-related services has been revised to provide for the resident's health-related needs without the use of 24-hour skilled nursing care, and the revised plan has been reviewed by a registered nurse licensed under AS 08.68 or by the resident's attending physician.

(i) A terminally ill resident may remain in the home if (1) the home and either the resident or the resident's representative agree that the resident may remain in the home; and (2) the resident is under the care of a physician who certifies that the needs of the resident are being met in the home. The time limitation of (g) of this section does not apply in the case of a terminally ill resident.

Sec. 47.33.030. Advance payments.

(a) An assisted living home may not require a resident or prospective resident of the home or a resident or prospective resident's representative, to make an advance payment to the home except as security for performance of the contract or as advance rent for the immediately following rental period as the rental period is defined in the contract. If a home requires a resident or prospective resident to make an advance payment for security or as advance rent,

(1) the home shall promptly deposit the money in a designated trust account in a financial institution, separate from other money and property of the home;

(2) the home may not represent on a financial statement that the advance payment money is part of the assets of the home;

(3) the advance payment money may be used only for the account of the resident;

(4) the home shall notify the resident or the resident's representative, in writing, of the name and address of the depository in which the advance payment money is being held; and

(5) the home shall provide to the resident or the resident's representative the terms and conditions under which the advance payment money may be withheld by the home.

(b) An assisted living home shall establish a written policy for the refund of unused advance payments in the event of termination of a residential services contract or death of a resident. The policy must provide that a resident is entitled to a prorated refund of the unused portion of an advance payment, less reasonable charges for damages to the home resulting from other than normal use.

Sec. 47.33.040. Residents' money.

(a) Except for advance payments under AS 47.33.030, an assisted living home may not require a resident of the home to deposit with the home money that belongs to the resident. The provisions of (b) of this section do not apply to money that constitutes an advance payment under AS 47.33.030.

(b) An assisted living home may accept, for safekeeping and management, money that belongs to a resident. The home shall establish a written policy for the management of such money and shall act in a fiduciary capacity with respect to that money, in accordance with regulations adopted by the licensing agency. A home is not required to accept money that belongs to a resident.

Sec. 47.33.050. Temporary absence.

(a) An assisted living home may agree to reserve space for a resident of the home who is temporarily absent from the home and plans to return to the home. The absent resident, or the resident's representative, shall notify the home in writing if the resident's plan to return to the home changes.

(b) Until the assisted living home receives written notice that an absent resident does not intend to return to the home, the home may charge the resident an agreed-upon daily rate during the resident's absence from the home.

Sec. 47.33.060. House rules.

(a) An assisted living home may establish house rules, subject to the limitations provided for under this chapter.

(b) An assisted living home shall give a copy of the house rules to a prospective resident or the prospective resident's representative before the prospective resident enters into a residential services contract with the home, and shall post the house rules in a conspicuous place in the home.

(c) House rules may address various issues, including

(1) times and frequency of use of the telephone;

(2) hours for viewing and volume for listening to television, radio, and other electronic equipment that could disturb other residents;

(3) visitors;

(4) movement of residents in and out of the home;

- (5) use of personal property;
- (6) use of tobacco and alcohol; and
- (7) physical, verbal, or other abuse of other residents or staff.

(d) An assisted living home may not adopt a house rule that unreasonably restricts a right of a resident provided for under this chapter or under any other provision of law.

Sec. 47.33.070. Resident files.

(a) An assisted living home shall maintain, for each resident of the home, a file that includes

- (1) the name and birth date, and, if provided by the resident, the social security number of the resident;
- (2) the name, address, and telephone number of the resident's closest relative, service coordinator, if any, and representative, if any;
- (3) a statement of what actions, if any, the resident's representative is authorized to take on the resident's behalf;
- (4) a copy of the resident's assisted living plan;
- (5) a copy of the residential services contract between the home and the resident;
- (6) a notice, as required under AS 47.33.030, regarding the depository in which the resident's advance payment money is being held;
- (7) written acknowledgement by the resident or the resident's representative that the resident has received a copy of and has read, or has been read the
 - (A) resident's rights under AS 47.33.300;
 - (B) resident's right to pursue a grievance under AS 47.33.340;
 - (C) resident's right to protection from retaliation under AS 47.33.350;
 - (D) provisions of AS 47.33.510, regarding immunity; and
 - (E) home's house rules;
- (8) an acknowledgement and agreement relating to home safekeeping and management of the resident's money, as required by AS 47.33.040;
- (9) a copy of the resident's living will, if any; and
- (10) a copy of a power of attorney or other written designation of an agent, representative, or surrogate by the resident.

(b) An assisted living home shall retain a resident's file for at least one year after the resident

terminates residency at the home.

Sec. 47.33.080. Closure or relocation; change of mailing address.

(a) Not later than 90 days before the voluntary closing or relocation of an assisted living home, the home shall provide written notice of the closure or relocation to the licensing agency, each resident of the home, all representatives of residents, and all service coordinators for residents.

(b) Not later than 14 days before a change of an assisted living home's mailing address, the home shall provide written notice of the change to the licensing agency, each resident of the home, all representatives of residents, and all service coordinators for residents.

Sec. 47.33.090. Rate increase.

An assisted living home may not increase the rate charged for services provided by the home unless the home notifies each resident or the resident's representative of the increase at least 30 days before the increase is to take effect.

Sec. 47.33.100. Criminal background check for employees.

(a) An assisted living home may not employ an individual in a paid position that the applicable licensing agency has determined is covered by this section, according to its regulations, unless the individual, before beginning employment,

(1) provides to the home a sworn statement as to whether the individual has been convicted of an offense described in (c) of this section; and

(2) provides to the home the results of a name-check criminal background investigation that was completed by the Department of Public Safety no more than 30 days before the individual is hired; and

(3) submits to the home two full sets of the individual's fingerprints.

(b) Within 30 days after employing an individual in a paid position, an assisted living home shall submit to the Department of Public Safety the fingerprints obtained under (a)(3) of this section. The Department of Public Safety shall submit the fingerprints to the Federal Bureau of Investigation for a national criminal history record check. When the results are received, the department shall advise the home of

(1) the date on which the fingerprint background check was completed; and

(2) whether the check shows that the individual has committed an offense described in (c) of this section.

(c) An assisted living home may not hire or retain an employee who has been convicted of an offense listed in the regulations of the applicable licensing agency as being an offense covered by this section.

Sec. 47.33.200. Commencement of residency.

A person may not begin to reside in an assisted living home without that person's consent, or, if the person is not competent, the consent of the person's representative.

Sec. 47.33.210. Residential services contracts.

(a) A person may not begin residency in an assisted living home unless a representative of the home and either the person or the person's representative sign a residential services contract that complies with the provisions of this section. Upon signing of the contract, the home shall give the resident and the resident's representative, if any, a copy of the contract and place a copy of the contract in the resident's file.

(b) A residential services contract must

(1) specifically describe the services and accommodations to be provided by the assisted living home;

(2) set out the rates charged by the home;

(3) specifically describe the rights, duties, and obligations of the resident, other than those specified in this chapter;

(4) set out the policies and procedures for termination of the contract as provided for in this chapter;

(5) state the amount and purpose of any advance payments required by the home; and

(6) set out the home's policy for refund of advance payments in the event of termination of the contract or death of the resident.

Sec. 47.33.220. Assisted living plan required.

An assisted living home shall ensure that an assisted living plan for a resident of the home is developed, and approved by the resident or the resident's representative, within 30 days after the resident was admitted to the home. The assisted living plan must be developed by the resident or the resident's representative with participation from

(1) the resident's service coordinator, if any;

(2) representatives of providers of services to the resident; and

(3) the administrator of the home.

Sec. 47.33.230. Assisted living plan contents; distribution.

(a) An assisted living plan for a resident of an assisted living home must

(1) promote the resident's participation in the community and increased independence through training and support, in order to provide the resident with an environment suited to the resident's needs and best interests;

(2) recognize the responsibility and right of the resident or the resident's representative to evaluate and choose, after discussion with all relevant parties, including the home, the risks associated with each option when making decisions pertaining to the resident's abilities, preferences, and service needs; and

(3) recognize the right of the home to evaluate and to either consent or refuse to accept the resident's

choice of risks under (2) of this subsection.

(b) An assisted living plan for a resident must identify and describe

(1) the resident's specific strengths and limitations in performing the activities of daily living;

(2) any physical disabilities and impairments, and the aspects of the resident's medical condition, general health, emotional health, mental health, or other conditions or problems that are relevant to the services needed by the resident;

(3) the resident's preference in roommates, living environment, food, recreational activities, religious affiliation, and relationships and visitation with friends, family members, and others;

(4) specific activities of daily living with which the resident needs assistance;

(5) how assistance with the activities of daily living will be provided or arranged for by the home or the resident;

(6) the frequency of the resident's training for independent living, if habilitation is part of the plan;

(7) the resident's need for personal assistance and how those needs will be met by home staff or another service provider from the community;

(8) the resident's need for health-related services and how that need will be met;

(9) the resident's reasonable wants and the services that will be used to meet those wants.

(c) If the assisted living home provides or arranges for the provision of health-related services to a resident, the home shall ensure that a

(1) registered nurse licensed under AS 08.68 reviews the portion of an assisted living plan that describes how the resident's need for health-related services will be met; and

(2) physician's statement about the resident is included in the plan.

(d) A resident's assisted living plan must be in writing, in language that can be understood by the resident.

(e) If a person's reasonable wants and needs can be met by a particular assisted living home and a decision is made to enter into a residential services contract between the person and the home, the resident's assisted living plan shall be approved, dated, and signed by the administrator of that home and either the resident or the resident's representative.

(f) The assisted living plan shall be retained by the home in the resident's file. The home shall provide a copy of the plan to the resident and to the resident's representative, if any.

Sec. 47.33.240. Evaluation of assisted living plan.

(a) An assisted living home resident or the resident's representative, and the home administrator or the administrator's designee, shall evaluate the resident's assisted living plan, determine whether the plan is

meeting the resident's reasonable wants and needs, and revise the plan if necessary. At the request of the resident or the resident's representative, the resident's service coordinator, if any, and family members may participate in the evaluation. If the assisted living home provides or arranges for the provision of health-related services to a resident, the resident's evaluation shall be done at three-month intervals. If the assisted living home does not provide or arrange to provide health-related services to a resident, the resident's evaluation shall be done at least at one-year intervals.

- (b) The administrator or the administrator's designee shall
- (1) document the results of the evaluation in the resident's record;
 - (2) sign and date any revisions to the resident's assisted living plan;
 - (3) place a copy of the revisions in the resident's file; and
 - (4) provide the resident and the resident's representative, if any, with a copy of the revisions.

Sec. 47.33.300. Residents' rights.

- (a) Subject to (c) of this section, a resident of an assisted living home has the right to
- (1) live in a safe and sanitary environment;
 - (2) be treated with consideration and respect for personal dignity, individuality, and the need for privacy, including privacy in
 - (A) a medical examination or health-related consultation;
 - (B) the resident's room or portion of a room;
 - (C) bathing and toileting, except for any assistance in those activities that is specified in the resident's assisted living plan; and
 - (D) the maintenance of personal possessions and the right to keep at least one cabinet or drawer locked;
 - (3) possess and use personal clothing and other personal property, unless the home can demonstrate that the possession or use of certain personal property would be unsafe or an infringement of the rights of other residents;
 - (4) engage in private communications, including
 - (A) receiving and sending unopened correspondence;
 - (B) having access to a telephone, or having a private telephone at the resident's own expense; and
 - (C) visiting with persons of the resident's choice, subject to visiting hours established by the home;
 - (5) close the door of the resident's room at any time, including during visits in the room with guests or other residents;

(6) at the resident's own expense unless otherwise provided in the residential services contract, participate in and benefit from community services and activities to achieve the highest possible level of independence, autonomy, and interaction with the community;

(7) manage the resident's own money;

(8) participate in the development of the resident's assisted living plan;

(9) share a room with a spouse if both are residents of the home;

(10) have a reasonable opportunity to exercise and to go outdoors at regular and frequent intervals, when weather permits;

(11) exercise civil and religious liberties;

(12) have access to adequate and appropriate health care and health care providers of the resident's own choosing, consistent with established and recognized standards within the community;

(13) self-administer the resident's own medications, unless specifically provided otherwise in the resident's assisted living plan;

(14) receive meals that are consistent with religious or health-related restrictions;

(15) receive the prior notice of relocation of the home or the home's intent to terminate the residential services contract of the resident required by AS 47.33.080 and 47.33.360, respectively;

(16) present to the home grievances and recommendations for change in the policies, procedures, or services of the home;

(17) at the resident's own expense unless otherwise provided in the residential services contract, have access to and participate in advocacy or special interest groups;

(18) at the resident's own expense unless otherwise provided in the residential services contract, intervene or participate in, or refrain from participating in, adjudicatory proceedings held under this chapter, unless provided otherwise by other law; and

(19) reasonable access to home files relating to the resident, subject to the constitutional right of privacy of other residents of the home.

(b) An assisted living home may not establish or apply a policy, procedure, or rule that is inconsistent with or contrary to a right provided by this section or by other law.

(c) The rights set out in (a)(3), (4), (7), (12), and (14) of this section do not create an obligation for an assisted living home to expend money for the specified rights unless otherwise provided in the residential services contract.

Sec. 47.33.310. Notice of rights.

(a) At the time a person begins residency in an assisted living home, the home shall provide the

resident and the resident's representative, if any, with a copy of the rights set out in AS 47.33.300. The home shall obtain from the resident or the resident's representative a signed and dated acknowledgement stating that the resident has read or been read the rights, understands the rights, and has had any questions about the rights answered by the home.

(b) An assisted living home shall post in a prominent place in the home

(1) a copy of the rights set out in AS 47.33.300;

(2) the name, address, and phone number of the long term care ombudsman hired under AS 44.21.231 and, if relevant to residents, of the advocacy agency for persons with a developmental disability or mental illness;

(3) the telephone number of an information or referral service for vulnerable adults; and

(4) a copy of the grievance procedure established under AS 47.33.340.

Sec. 47.33.320. Access to assisted living home.

An assisted living home shall allow advocates and the representatives of community legal services programs access to the home at reasonable times to, subject to the resident's consent,

(1) visit with a resident of the home and make personal, social, and legal services available to the resident;

(2) distribute educational and informational materials to advise a resident or resident's representative of applicable rights; and

(3) assist a resident or a resident's representative in asserting legal rights or claims.



Sec. 47.33.330. Prohibitions.

(a) An assisted living home, including staff of the home, may not

(1) deprive a resident of the home of the rights, benefits, or privileges guaranteed to the resident by law;

(2) enter a resident's room without first obtaining permission, except

(A) during regular, previously announced, fire, sanitation, or other licensing inspections;

(B) when a condition or situation presents an imminent danger;

(C) as required by the resident's assisted living plan to provide services specified in the residential services contract; or

(D) for other vital health or safety reasons;

(3) impose religious beliefs or practices upon a resident or require a resident to attend religious services;

(4) place a resident under physical restraint unless the resident's own actions present an imminent danger to the resident or others;

(5) place a resident under chemical restraint; this paragraph does not prevent a resident from voluntarily taking tranquilizers, or other medication, prescribed by a licensed physician;

(6) compel a resident to perform services for the home, except as contracted for by the resident and the home or as provided for in the resident's assisted living plan; or

(7) restrain, interfere with, coerce, discriminate against, or retaliate against a resident for asserting a right specified by this chapter or by other law.

(b) An assisted living home may not physically restrain a resident unless the home has a written physical restraint procedure that has been approved by the licensing agency. The home shall terminate the physical restraint as soon as the resident no longer presents an imminent danger.

(c) An owner, administrator, employee, or agent of an assisted living home may not act as a representative of a resident.

Sec. 47.33.340. Resident grievance procedure.

(a) An assisted living home shall establish a written grievance procedure for handling complaints of residents of the home. At the time a person begins residency in an assisted living home, the home shall give a copy of the grievance procedure to the resident and the resident's representative, if any.

(b) The grievance procedure established under this section must provide that a resident and the

resident's representative have the right to

(1) present both a written and an oral explanation of the resident's grievance;

(2) have an advocate of the resident's choice, and the resident's representative, if any, attend meetings concerning the resident's grievance; and

(3) be notified in writing, within 30 days after the filing of the grievance, of the final decision of the home regarding the grievance.

Sec. 47.33.350. Retaliation against home resident.

(a) An assisted living home may not take retaliatory action against a resident of that home if the resident or the resident's representative

(1) exercises a right provided by this chapter or by other law;

(2) appears as a witness, or refuses to appear as a witness, in an adjudicatory proceeding regarding the home;

(3) files a civil action alleging a violation of this chapter; or

(4) claims a violation of this chapter before a state or federal agency having jurisdiction over the home or its employees.

(b) Termination of a resident's residential services contract by an assisted living home within 60 days after the resident engages in an activity described in (a) of this section creates a rebuttable presumption that the termination was retaliatory.

(c) At the time, or before, a person begins residency in an assisted living home, the home shall give the resident and the resident's representative, if any, written notice of the protection from retaliation provided under this section.

Sec. 47.33.360. Involuntary termination of contract.

(a) An assisted living home may 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

and jointly determine, in accordance with regulations, the appropriate licensing agency for an assisted living home

(1) that, at the time of application for a license, appears to meet the criteria in both (a) and (b) of this section;

(2) for which, at the time of application for a license, the appropriate licensing agency is not clear under the criteria in (a) and (b) of this section;

(3) that, during the term of a license issued under this chapter, wishes to relinquish the license issued by one licensing agency and replace the license with one issued by the other licensing agency; or

(4) that, at the time of the assisted living home's license renewal under this chapter, is described in (1), (2), or (3) of this subsection.

(d) A licensing agency shall

(1) establish, by regulation, requirements and standards for licensure and renewal of a license under this chapter;

(2) license assisted living homes in accordance with this chapter and regulations adopted under this chapter;

(3) investigate license applicants and licensees for compliance with this chapter; and

(4) enforce the standards established by this chapter and regulations adopted under this chapter.

(e) The Department of Administration and the Department of Health and Social Services shall jointly adopt regulations to implement the provisions of (c) of this section, including regulations providing procedures and standards for determining the appropriate licensing agency for an assisted living home and for relinquishing and replacing a license issued under this chapter.

(f) Under procedures and standards of operation established by the licensing agency by regulation, a licensing agency may contract with private or municipal agencies to investigate and make recommendations to the licensing agency for the licensing of assisted living homes.

Sec. 47.33.420. Standard forms.

The Department of Health and Social Services and the Department of Administration shall cooperatively develop standard forms that assisted living homes may use to comply with the requirements of this chapter.

Sec. 47.33.430. Authority of state agencies to impose additional requirements.

The provisions of this chapter do not preclude a state agency from imposing additional requirements or standards on an assisted living home in order for the home to receive state or federal payment for services.

Sec. 47.33.500. Complaint.

(a) A person who believes that a provision of this chapter or of a regulation adopted under this chapter

has been violated may file a complaint with the appropriate licensing agency.

(b) The licensing agency shall investigate a complaint filed under this section unless the agency reasonably concludes that the complaint is without merit.

(c) Unless disclosure is required by court order, the licensing agency may not disclose the identity of a complainant, or of a resident on whose behalf a complaint is filed, without the consent of the complainant or the resident or the resident's representative.

Sec. 47.33.510. Immunity.

A person who files a complaint concerning a suspected violation of this chapter or of a regulation adopted under this chapter, or who testifies in an administrative or judicial proceeding arising from a complaint concerning a suspected violation of this chapter or of a regulation adopted under this chapter, is immune from civil liability for the filing or testifying unless the person acted in bad faith or with malicious purpose.

Sec. 47.33.520. Investigation.

(a) A licensing agency may investigate an assisted living home at any time to determine whether the home is in compliance with this chapter and regulations adopted under this chapter.

(b) An assisted living home that is the subject of an investigation shall give the licensing agency access to

- (1) the home;
- (2) all records relating to the operation of the home that are relevant to the investigation;
- (3) all resident files; and
- (4) the residents and employees of the home.

(c) The licensing agency shall prepare a written report of the investigation that summarizes its findings, and shall provide a copy of the report to the assisted living home that is the subject of the investigation and to the complainant, if any, if the complainant requests a copy.

(d) The assisted living home may submit to the licensing agency a written response to the investigation report. The licensing agency shall retain the home's response with the record of the complaint.

(e) Except as otherwise provided in AS 47.33.500 (c), completed investigation reports and responses from homes are public records.

(f) If the licensing agency's investigation shows reasonable cause to believe that a certified nurse aide has committed abuse, neglect, or misappropriation of property, the licensing agency shall report the matter to the Board of Nursing.

Sec. 47.33.530. Notice of violation.

(a) If the licensing agency determines that an assisted living home has violated a provision of this chapter or of a regulation adopted under this chapter, the licensing agency shall prepare a written notice of violation that contains

(1) a description of the violation;

(2) a citation to the statute or regulation that has been violated;

(3) an order requiring the home to correct the violation by the time specified in the order, not to exceed 90 days after the date the home receives the notice of violation;

(4) a statement of the requirement for filing a report of compliance under AS 47.33.540;

(5) notice of the sanctions that may be imposed under this chapter if the home fails to timely file a report of compliance or fails to correct the violation; and

(6) notice of the right to apply for a variance, if applicable under licensing agency regulations.

(b) The licensing agency shall serve the notice of violation on the home in person, or by certified mail, return receipt requested.

Sec. 47.33.540. Report of compliance.

(a) After correcting a violation described in a notice of violation served under AS 47.33.530, an assisted living home shall submit to the licensing agency a report of compliance regarding the correction.

(b) Each licensing agency shall adopt regulations specifying the contents of and establishing procedures for reports of compliance, including the time period for submission to the licensing agency under (a) of this section.

Sec. 47.33.550. Administrative sanctions.

(a) A licensing agency may revoke an assisted living home license, deny renewal of an assisted living home license, suspend operations of an assisted living home, suspend the ability of an assisted living home to take in new residents, place conditions on the ability of an assisted living home to take in new residents, restrict the type of care than an assisted living home may provide to residents, or assess an administrative fine, as the agency considers appropriate, on one or more of the following grounds:

(1) a violation of a provision of this chapter, a regulation adopted under this chapter, an order in a notice of violation issued under this chapter, or a term of a license issued under this chapter;

(2) a criminal conviction of an administrator of an assisted living home if the conviction is

(A) for an offense involving a resident of the home;

(B) a felony; or

(C) a misdemeanor involving alcohol, a controlled substance, an imitation controlled substance, or physical or sexual abuse;

(3) obtaining, retaining, or attempting to obtain or retain a license under this chapter by fraud or misrepresentation.

(b) An administrative fine assessed under this section may not exceed \$500 a day for each day that a violation continues, and may not exceed a total of \$5,000 for a violation.

(c) Before imposing an administrative sanction under (a) of this section, the licensing agency shall give the assisted living home a written notice of the imposition of administrative sanction. The notice must contain a form for requesting a hearing under (d) of this section, and must describe

- (1) each sanction to be imposed;
- (2) the violation that is the basis of each sanction; and
- (3) the home's right to request a hearing to contest the sanctions.

(d) An assisted living home may contest a licensing agency's decision to impose an administrative sanction by filing a written request for a hearing, on the form provided by the licensing agency, no later than 10 days after receipt of the notice of administrative sanction.

(e) Unless an administrative sanction is related to a violation that presents an imminent danger to the health or safety of the residents of an assisted living home, the sanction may not be imposed until the

- (1) time period for requesting a hearing under (d) of this section has passed without a hearing being requested; or
- (2) licensing agency renders a final decision following a hearing requested under (d) of this section.

(f) If an assisted living home requests a hearing under (d) of this section the hearing shall be held within 60 days after the licensing agency receives the request. The department's decision following a hearing under this section is a final administrative order.

(g) If an assisted living home does not request a hearing under (d) of this section, the licensing agency's notice of administrative sanction constitutes a final administrative order that the licensing agency may seek the court's assistance in enforcing.

(h) A licensing agency shall provide notice of the agency's final action regarding imposition of an administrative sanction on an assisted living home to

- (1) each resident of the home;
- (2) the agencies that provide treatment to the residents;
- (3) the residents' service coordinators; and
- (4) adult protective services.

(i) Imposition of an administrative sanction under this section does not preclude imposition of a criminal penalty under AS 47.33.570.

Sec. 47.33.560. Administrative procedures.

(a) Except as otherwise provided in this chapter, administrative proceedings involving the denial, limitation, suspension, or revocation of a license or the assessment of an administrative fine under this chapter shall be conducted under AS 44.62 (Administrative Procedure Act).

(b) An administrative hearing held under this chapter shall be open to the public unless the hearing officer determines that the hearing should be closed to protect the privacy of a resident of an assisted living home.

(c) A resident may intervene as a party in an adjudicatory proceeding held under this chapter if the home in which that person resides is a party to the proceeding.

(d) At least 30 days before a hearing is held under this chapter, the licensing agency shall give notice of the hearing to each resident of the assisted living home that is the subject of the hearing.

Sec. 47.33.570. Criminal penalty.

A person who violates AS 47.33.400 (a) or (b) is guilty of a class B misdemeanor.

Sec. 47.33.910. Fees.

A licensing agency may charge and collect fees for application and licensure under this chapter.

Sec. 47.33.920. Regulations.

The commissioner of health and social services and the commissioner of administration each may adopt regulations to carry out the provisions of this chapter, including regulations regarding licensure and renewal requirements, license application and renewal procedures; application and license fees; types, duration, renewal, and transferability of licenses; staffing and home operation standards; and variances to licensure and operating standards. Regulations adopted under this chapter may provide for the waiver or modification of the requirements of this chapter for homes with fewer than six residents except that the regulations may not provide for waiver or modification of the requirements of AS 47.33.100.

Sec. 47.33.990. Definitions.

In this chapter,

(1) "activities of daily living" means walking, eating, dressing, bathing, toileting, and transfer between a bed and a chair;

(2) "administrator" means an person who has general administrative charge and oversight of an assisted living home;

(3) "adult" means a person 18 years of age or older who is not a ward of the state under AS 47.10.080 (f) or AS 47.12.120 (d);

(4) "advocate" means a public or private officer, agency, or organization designated by federal or state statute, or a state plan developed under a federal or state statute, to represent the interests of and speak on behalf of a resident of an assisted living home;

(5) "aging in place" means choosing to remain in a familiar living environment and manage the risks associated with the physical or mental decline that can occur with increasing age;

(6) "assisted living home" means a residential facility to which this chapter applies, as described in AS 47.33.010 ;

(7) "assisted living plan" means a written description of

(A) a person's functional capabilities;

(B) the person's needs and preferences for assistance with the activities of daily living; and

(C) the services to be provided to meet the person's reasonable wants and needs;

(8) "controlled substance" has the meaning given in AS 11.71.900 ;

(9) "health-related services" means services described in AS 47.33.020(c) - (i);

(10) "home" means an assisted living home;

(11) "imitation controlled substance" has the meaning given in AS 11.73.099;

(12) "imminent danger" means a danger that could reasonably be expected to cause death or serious physical harm to the resident's self, to the staff of a home, or to others;

(13) "instrumental activities of daily living" means doing laundry, cleaning of living areas, food preparation, managing money and conducting business affairs, using public transportation, writing letters, obtaining appointments, using the telephone, and engaging in recreational or leisure activities;

(14) "licensing agency" means the state agency given authority under AS 47.33.410 to license an assisted living home;

(15) "personal assistance" means the provision by an assisted living home of one or more of the following personal services to a resident of the home:

(A) assisting a resident in obtaining supportive services as provided for in the resident's assisted living plan;

(B) assisting a resident in obtaining instrumental activities of daily living, as provided for in the resident's assisted living plan;

(C) being aware of a resident's general whereabouts while the resident is traveling independently in the community;

(D) monitoring a resident's activities while on the home premises to provide for the resident's and others' safety and well-being;

(16) "person with a developmental disability" has the meaning given in AS 47.80.900 ;

(17) "physician's statement" means a written statement by a person's primary physician that includes a

(A) medical history and physical, not older than six months, of the person;

(B) listing of the person's complete current medicine regimen; and

(C) statement of current therapy regimen necessary to maintain or increase the person's functioning, mobility, or independence;

(18) "resident" means an adult who has signed a residential services contract with and resides in an assisted living home;

(19) "representative" means a guardian, conservator, attorney in fact, or other person designated by a court, or in writing by a legally competent person, to act on behalf of that person;

(20) "service coordinator" means a person who is responsible for

(A) coordinating the services of community agencies that provide services to a resident of an assisted living home;

(B) participating in inter-agency case management for a resident; or

(C) planning for the placement of a person in an assisted living home;

(21) "supportive services" means recreational and leisure activities, transportation, social services, legal services, financial management services, educational and vocational services, medical, dental, and other health care services, habilitation or rehabilitation services, respite services, case management, day care, and other services required to meet a resident's needs;

(22) "terminally ill resident" means an ill resident who has a medical prognosis, certified in writing by the resident's attending physician, that the life expectancy of the resident is no more than six months if the illness runs its normal course.

Chapter 47.35. CHILD CARE FACILITIES, CHILD PLACEMENT AGENCIES, CHILD TREATMENT FACILITIES, FOSTER HOMES, AND MATERNITY HOMES



An Age-Old Truth

The test of a people is how it behaves toward the old. It is easy to love children. Even tyrants and dictators make a point of being fond of children. But the affection and care for the old, the incurable, the helpless, are true gold mines of a culture.

Abraham Lincoln

ALASKA RATE STUDY REPORT
December 1998

Prepared by
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Phase I & Phase II

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Executive Summary

The Division of Senior Services (DSS) and the Division of Mental Health and Developmental Disabilities (DMHDD) of the State of Alaska, commissioned the Assisted Living Training Institute (ALTI) to develop an Assisted Living Rate Study. The focus of this study was (1) to establish an **“equitable and reliable rate structure to ensure the success and growth of assisted living as a viable business”** for all the residents of the State of Alaska including general relief clients; and (2) to provide criteria to ensure the **“quality of services delivered and the client’s ability to make personal choices”** regarding who provides for them. While the term Assisted Living in Alaska includes smaller and larger facilities, the primary focus of the report was the smaller facilities (15 beds or less) which is defined as the Independent Residential Model (IRM). After a review of all pertinent government and private sector data across the United States, it has been concluded that there are no industry standards for Assisted Living. In addition, Alaska’s scattered population was a unique variable considered in formulating the Base Rate increment requested.

Statistical information regarding operational costs and services rendered was gathered from facilities in Alaska. On site sessions were held to validate data and information received, to personally interview providers, and to solicit additional comments which could reflect practitioners’ professional and personal insights in the final report. Most facilities have private pay residents, and with the existing general relief rate (the same since 1983) they are not eager to take this type of client. The success of smaller facilities, both in business terms and services provided, is critical to seniors and the disabled as it can provide needed resources in a familiar environment. The proximity to families is an important component of most care plans in supporting the life-long needs of clients.

After a comprehensive analysis of the data and information gathered, combined with a review of a variety of models in different states, the daily rate increment and its application reflects an effective and efficient use for Alaska with its unique needs. The recommendation of the financial support for extraordinary Activities of Daily Living

(ADLs) uses a similar efficient approach. The recommendations are integrated into existing State formats, and, exceptionalities are determined by medical or professional judgements only. Legislative recommendations are referenced within the present Codes. They complement this report and should strengthen the State's efforts to ensure equitable services in all licensed facilities.

The Service Principles of the DMHDD are recommended as the working standards for all clients regardless of their age or disability. It is recommended that staff and leadership within the departments establish a formal and on-going process to share insights, data, and information to ensure a common understanding and knowledge of their mutual responsibilities in this process. Contracted service providers and support personnel must also be included in this ongoing process. While the physical size of the State represents a challenge to these recommendations, it is critical that substantial efforts be formalized to ensure and demand that staff, service providers, care coordinators and significant others are included in the training and implementation activities for these recommendations.

This Rate Study concludes that the **general relief rate be increased by \$38.31**. For example, an adult residential care home with 6 or more residents in Anchorage would have a new general relief base rate of \$72.26. Regional differences would continue to be calculated with the **Indices** in the Planning Region Rating System (adopted January 1, 1998) used in the CHOICE Manual. The Rate Study also concluded that reasonable ADL services are included in the new Base Rate. However, **extraordinary ADL services** (by a medical or other professional order) should include an additional supplement to the Base Rate. The range of support is from **\$3 to a maximum of \$22 per day**.

The level of sincerity demonstrated and verbalized by all that participated in the study impressed the Assisted Living Training Institute consultants to this project. State level leadership and commitment by Kay Burrows, Director of the DSS, was obvious and consistent throughout the process. State staff members were available to facilitate requests and often "volunteered" to help with our on-site sessions. The Care Providers

interviewed reflected a genuine concern for their clients and seemingly are providing services that a reasonably prudent individual would deliver. Business success was generally relegated to a secondary position. While additional support and training would be helpful for many, all demonstrated respect for their residents and for their responsibilities in meeting residents' needs. Under Alaska's Assisted Living program, **the Independent Residential Model (IRM)** as defined by the consultants, **demonstrated "caregivers" who must be successful in business rather than successful businessmen who are trying to become "caregivers."**

**Development of Assisted Living Rate Study
Phase I**

“The long term goal for both divisions is the establishment of a more equitable and reliable rate structure to ensure the success and growth of assisted living as a viable business. A stable rate and sensible rate structure will decrease the amount of time searching for appropriate placement based solely on the reimbursement rate, increase the number of homes that a client has to choose from, and equally important, allow home administrators a more secure and realistic reimbursement scenario from which to do business planning.”

Terms for Report:

Independent Residential Model (IRM)...term used in this report for smaller facilities (15 Beds or less) included under the Assisted Living License in Alaska
ADLs...Activities of Daily Living (Eating, Bathing, Dressing, Toileting, Transferring, Medication oversight)

DSS...Division of Senior Service

DMHDD...Division of Mental Health and Developmental Disabilities

DPA...Division of Public Assistance

A&G Rate...Administrative and General rate

General Overview

The term Assisted Living has become both a generic concept and a specific model. Many states are presently struggling to understand and support a variety of opportunities to residents with needs. Many larger private and non-profit corporations have facilitated an emerging philosophy of assisted living facilities which mimics a condominium model of a self-contained residential unit. Services are generally provided on a per-cost supplement (All expenses incurred to provide the service is passed to resident including a profit margin). However, a common definition of assisted living is unlikely because each state must develop models that meet their local needs. Also, because the federal government is not likely to participate in supporting assisted living costs, regional perspectives will prevail. While some services delivered to assisted living residents are covered by Medicaid in some states, room and board costs are not. States have the responsibility to ensure the quality of facilities participating with Medicaid clients. After a review of the variety of models both in rate structures and operation, there are no industry standards which reflect the needs of the Independent Residential Model (IRM) in Alaska. In fact, in a recent report prepared by the federal government (DACCAP Assisted Living Policy: 1998, p.53) it was noted that “states exploring assisted living methodologies have no existing models to replicate.”

Alaska Specific

The State of Alaska with its scattered population represents a unique challenge to provide services to residents who need assisted living supports. The larger assisted living models, as referenced above, have focused on the independent living unit with residents whose need for help with Activities of Daily Living (ADLs) are almost non-existent. Based on the On-site Team's facilitated discussions with owner/operators of assisted living facilities (DDS and DMHDD licensed) it was ascertained that of the 257 residents (33 facilities) referenced over 95 percent are being provided ADL supports. While the vast majority of these residents are private pay, the general relief residents were being provided most of these services as part of the base rate. It should be noted that these services are much more difficult to provide in the smaller homes without the appropriate staff-to-resident ratio. The list of ADLs used for this study is noted in our Terms section. There was mutual agreement with the owner/operators and the Team regarding the list used. While several states and agencies have added additional categories to the list, at this point, our ADL list is sufficient. The list we are using for this report is used by the insurance industry to set and define rates and services.

The rate for the typical general relief client in Alaska was established in 1983 at approximately \$35 per day. The rate is still \$35 per day today! In 1998 dollars, (using the lowest Social Security Index) that \$35 dollars is equal to \$68.30. The issues related to the rate are not simply a function of perceived or real costs. While business survival is essential and IRM facility growth is critical in Alaska, the most important consideration is the quality of services delivered to the client and the client's ability to make personal choices regarding where and who provides for them. However, one must consider the liabilities of the industry, first for the resident as the focal point of our discussions, second for the owner/operator providing service, and ultimately the State who established the rate for general relief clients. There is substantial liability to the State, provider and the client in a system that equates this to \$35 per day as a base rate.

As the quality indicators for the industry have increased, the number of Alaskans over

age 65 is growing. As noted in a report published in the Alaskan Seniors' "Living Longer, Growing Strong" February 1998 (from the Alaska Commission on Aging)...

"Alaska is second in the nation in a proportional growth of our senior population – with a 42% increase in people age 65+ in only 6 years (1990 – 96)... Equally impressive is the anticipated long-term growth of Alaska's senior population. In 1980, there were 11,547 people over the age of 65. Using moderated growth projections, population experts agree this number may reach 80,927 by the year 2015. This is a 600% increase in only 35 years."

The Service Principles (Appendix A) adopted by the DMHDD reflect a commitment to individual involvement in all decisions regarding their needs. It fosters an attitude which respects and values the dignity of any client. All recommendations in this study must continue to protect the concept of individual choice and client decision making. Presently there are inequities in service predicated on financial considerations. While this report will not value these differences, it is our contention (based on research completed) that the number of general relief clients needing assisted living services will grow disproportionately to private-pay clients. With their needs being underwritten through State programs, there must be assurances that they are afforded similar treatment and supports. All state laws, regulations and service principles should ensure equitable, quality services for all residents.

Potential private pay residents and family members have options to compare. The system must continue to protect the concept of individual choice and client decision making. The client and/or designee must participate in the preparation of any care plan developed for them. This is not an option but a necessity in any system that is dedicated to ensuring the rights and dignity of individuals in need of care. Many clients, who do not have the financial ability to pay, often find themselves unwanted by facilities. The DSS and the DMHDD has recognized the need to prepare a plan that reflects their mutual needs. Under the present legislation, providers often see their responsibilities as competitive and unequal. This theme was shared by all of the 33 facilities surveyed. There is a need to prepare a long-term plan, conducted within the organization, which will establish a systemic plan to integrate and coordinate services delivered to clients.

In Alaska, this report may provide the impetus to accept that challenge and move ahead. This rate study should allow more potential providers the opportunity to consider the assisted living industry as a viable business opportunity. The survival of the small facility combined with a growth in this Independent Residential Model is critical to address Alaska's unique senior and disabled population needs.

Alaska On-site Assessment

As a result of our visit and interactions, certain issues became clearer. More money, by itself, will not meet the challenge facing the state and the industry. The operations of the IRM must ensure that the dignity and integrity of the client be protected. The standards of facility operations must be aligned with performance standards necessary to provide quality care. As stated, minimal support of ADLs should and must be provided within any rate agreed upon. All facilities surveyed indicated that ADL services are now being provided without compensation. Based on the facilitated conversations with our On-site Team, it was obvious that many owner/operators are not financially prepared or sufficiently trained in business operations or advanced ADL services to meet the evolving needs of Alaska's aging and disabled population. The issues related to any rate enhancement must be accompanied with additional education for provider/owners. Such education should include programs that will enhance the quality of operations and the acquisition of skills necessary to meet evolving ADL needs. This education needs to be a separate legislative appropriation that is above and beyond the rate increase but may be prerequisite for the rate increase.

Over 55 people participated in the facilitated discussions in Fairbanks and Anchorage. The Team experienced warm, cooperative interactions with most. The atmosphere of mutual expectations, genuine concern for clients' issues, and assured confidentiality allowed most to be truthful with their financial information. The Team's experience within the industry help in assessing real costs and expenses. In all cases the leadership of Kay Burrows, Director of the DSS, was applauded for this effort. (Our Team also was

provided with excellent office support to complete the tasks of the visit.) Questions and issues outside the purview of this project were referred to appropriate state staff.

At this time the Team also clarified and assessed the financial data collected. This information has been compiled and factored into a rate study model which will be completed in Phase II of this project. Additionally, the ADL data and information collected has been compared and valued against similar efforts being considered in other states. It should be noted that the sample of owner/operators was approximately 20 percent from DMHDD homes.

In all discussions the ALTI Team made constant reference to national and local issues, federal, state, business and personal responsibilities and liabilities. In all cases the respect and dignity of the resident's choice and rights were stressed. The range of knowledge of the participants was very broad. Many were not conversant about important business considerations and seemingly not able to identify strategies or skills to meet some resident needs. All exhibited genuine concern for their responsibilities and a strong commitment to continue their operations regardless of this effort to enhance their daily rate. Most, however, have a very high percentage of private-pay residents and were not eager to take general relief clients. All agreed that this project was necessary to support efforts to strengthen the assisted living market and ultimately create more opportunities for the growing segment of seniors to have access to care, with appropriate state compensation when necessary.

The licensed homes in the Assisted Living category include a broad range of facility size. Our constant reference of the Independent Residential Model (IRM) is to clarify this report's efforts to recognize the need of the smaller facility. However, the information prepared can be referenced by other departments or divisions and serve as a reference model in Alaska. Based on our experiences, the business administration and educational training programs need to be supported across divisions. The seemingly "exclusivity" in job responsibilities and descriptions is very difficult in such a vast area. While everyone does not have to be an expert, more State staff should have better interaction and information regarding their mutual roles and responsibilities in protecting residents'

rights. Our in-sights and suggestions represent good process and should be modeled and reflected in any healthy organization. A stronger sense of unity within the Department and Divisions will minimize much of the confusion and in some cases inequity perceived by the owner/operators. Additionally, the care coordinators, regardless of funding source, must participate in common training and information activities to ensure alignment of philosophy, service principles and client need.

Based on our observations, we feel that it is very important for the Divisions to reflect a common set of purpose. In our discussions with state staff, all verbalized and reflected strong personal commitments to the quality of service they deliver. We feel in order for there to be a uniform, cohesive perception of the state personnel by operators/owners, interdepartmental professional development is recommended. This could include more information regarding their complemental and supplemental responsibilities and quantifiable performance standards to ensure quality efforts of all operator/owners and their staffs.

We feel anyone applying for a new license should complete a specified series of activities prior to the license being awarded. In all cases, the State must be prepared to monitor the implementation of these standards with measurable criteria. All State staff and contracted personnel (i.e. care coordinators) responsible for this implementation must be trained together to ensure consistent, fair appraisals of facility efforts, and residents' needs. While all facilities that use the term assisted living and service more than one non-family client, should be licensed. All owner/operators and their employees with professional licenses should be registered. Actions against a facility, due to error and omissions of the owner/operator, should not jeopardize the resident's right to remain in the licensed facility. All training programs will facilitate safe service delivery. Continuing education programs must be planned to enhance the quality of services to residents. In most cases, all programs and training should reflect some certifiable activities.

RECOMMENDATIONS

Staff and Owner/Operators

- Professional Development for owner/operators and state staff should refocus on the wide range of laws, regulations, and policies in Alaska State Statutes that support the needs of seniors and disabled residents.

Facilities/Staff:

- All homes with one or more non-family client should be licensed.
- All owner/operators and employees of assisted living facilities should be registered with the State.
- All owner/operators should participate in formal training focused on business skills and resident needs in a systematic, on-going process.
- All staff should participate in training programs (preferably with some certification) to learn strategies and skills to better address the more advanced needs of their clients as they "age in place or decompensate."
- New applicants for Licensed Facilities should complete a short course of above activities before temporary approval.
- Any consideration for a new base rate is predicated on the above being clarified and defined with owner/operators, State staff, and contracted services personnel trained together in the performance standards and the measurement tools to be used in assessing performance "together, in the same room, at the same time!" It is our experience that if all participate in the planning for change, they will share responsibility in the implementation!

Specific Daily Rate Recommendation

Our specific daily rate recommendation reflects those services that a reasonably prudent individual would deliver based on the assessment and care plan agreed upon by the client and/or designee. Combining the information and data secured (financial data submitted, our on-site observations, ADL discussions, and individual facility/fiscal validations) with our subsequent final analysis, we are suggesting an increase of \$38.31 to the present day-rate.

The only two variables...

(1) geographical location: Based on the range of data received and in discussions with owner/operators we are acutely aware of regional operational differences. We therefore recommend the use of the Planning Region Rating System, effective January 1, 1998, as used in the CHOICE Manual. We are suggesting that the regional indices be factored with the \$38.31 increase as specified in **Appendix B**.

(2) any negotiated extraordinary ADL or cognitive needs: We define extraordinary ADL or cognitive needs as... "additional resident needs that are contracted for based on the orders of the resident's physician or other professional." Our base day rate recommendation recognizes the need for, and includes support of, all ADLs at a minimal level. Recommendations on FLAT RATE supplements for extraordinary ADL or cognitive needs are specified in **Appendix C** of this document in a chart format for easy review.

Additional Issues for Review and Consideration

The RFP specified a wide range of considerations in completing the report. While most have been included in the previous section, we feel comfortable in being as specific as possible to the issues identified. Our comments again reflect comprehensive research as noted in our References Section, on-site observations, discussions and data review, and subsequent Team analysis and consensus.

1. We define extraordinary ADL or cognitive needs as... "additional resident needs that are contracted for based on the orders of the resident's physician or other professional." This process forces a professional judgment and minimizes potential conflict and confusion between the owner/providers and different care coordinators.
2. Our base-rate recommendation reflects an understanding that minimal support for ADLs is included. The State should be prepared to provide on-going education and training to address "aging in place and decompensation" considerations during this process for the next several years. Exceptionalities and additional negotiating are predicated on a professional recommendation and can be valued along a codified model similar to those used in the insurance industry. Further discussion is possible in Phase II of this project.
3. Based on the financial data secured, it is the consensus of our team that with reasonable fiscal planning and operational skills, the base rate recommended will ensure a viable business venture. Based on the 1998 costs, we suggest that a Social Security Cost of Living Index be applied to the base rate to keep it current with inflation costs. This should be addressed in enabling legislation with an annual update. As stated earlier, there are owner/operators who could presently benefit through training programs to help them increase their business skills and processes.
4. The vast majority of owner/operators view the services and supports delivered by the DSS and DMHDD to their clients and facilities as inequitable. In order for both a perceived and/or real equitable delivery of services to all Alaska residents and facilities, the DSS and DMHDD should commit time and resources to clarify mutual

responsibilities, share operational information, and model activities that will create a sense of team. All State staff should participate in these activities.

5. Any discussions of alternative strategies for improved diagnosis and recommendations which might affect rates presupposes a present system perceived to be fair and equitable. Based on our discussions and interactions, issues around State departments' supports and care coordinators strongly suggests that education and training programs should be planned to ensure that all supports provided for assisted living facilities and residents are seen as complementary rather than separate. The range of experience and quality of care coordinators was discussed at every on-site session. The owner/operators of the smaller DMHDD facilities represented were especially critical of the care coordinators who they feel favor the "larger facilities owned by their (care coordinators) employers." Whether this is the case, the issues of perceived inequities must be addressed. Care coordinators, regardless of their employers, must also meet performance standards and participate in training and education programs with owner/operators and state staff.

Special note: The State of Alaska provides a substantial amount of good information, and resources to support its programs. In order to maximize effective and efficient delivery of these services, all involved must demonstrate understanding of their mutual and complementary responsibilities for the residents. The leaders of the Divisions are committed to providing the professional development activities to ensure a uniform, commonality of purpose. Some professional development programs should include activities that demonstrate and support collaboration, help to define and clarify common mutual expectations, and develop operational strategies which ensures better integration of services delivered by all.

6. After reviewing the negotiated A&G materials and process, and our subsequent interviews with owner/operators and staff, we feel that (a) the process does not provide financial support for the smaller providers (IRM) referenced in this project; (b) is often used to compensate for resident support "not covered" in a care plan; and (c) may not be necessary if the new rate process suggested is implemented properly. We feel that future departmental plans should continue to have "safe guards" to

access financial support for exceptional needs. This should be combined with the larger goal of making all mon'ies available equitably to clients in need of services regardless of size or type of the facility.

Under Consideration "Changes to Alaska Administrative Codes"

(including Alaska Statutes Supplement 47.30.915)

Title 47. Welfare, Social Services and Institutions

Chapter 47.33 Assisted Living Homes

Chapter 33 Assisted Living Homes.

Section 47.33.005 (Add) To designate free standing owner operated assisted living facilities with 15 beds or less Independent Residential Models (IRM)

Section 47.33.010 Applicability (a) Except as provided in (b) of this section, this Chapter applies to residential facilities operated in the state that serve one or more adult(s) who is (are) not related to the owner of the facility by blood or marriage.

Section 47.33. (Add where appropriate) Training for Employees. (a) An assisted living home may not employ any individual as a personal care attendant or any other direct care worker who has not completed a certified Nurses Aid (CNA) program, personal care attendant (PCA) program, or other similar certifiable training program. Provisional employment of up to 120 days is permitted if the uncertified employee is enrolled in a CNA or similar training program. Extensions may be granted if training is not provided in a given area during that period of time.

Chapter 75

Section 7AAC 75.060 (Add) (c) During the time that the Probationary License is in effect one person, who will be considered the "person-in-charge," must complete a

certifiable formal training program that focuses on Business Skills (e.g. Marketing, Fiscal Management, Human Resources) as well as Residents' need (E.G.) Nutrition, Med. Management, Housekeeping, Fire and Disaster Safety.) This training must be completed before a Standard License is issued.

Section 7AAC 75.070 (Add) (c) Any assisted living home holding a Standard License must have at least one person who has completed a program as in 7AAC 75.060. (c) and that person must complete 36 hours of on-going certifiable training within 3 years to maintain their formal Training Certification.

Phase II

- **Recommended Base Rate increment** will preclude any need to calculate individual rates for individual facilities. The new base rate is assigned to the resident/client and will be constant in any facility. Any modification is by the use of the Planning Region Rating System, effective January 1, 1998, as used in the CHOICE Manual. **(Appendix B)**
- **Extraordinary ADL or cognitive needs are determined by** the orders of the resident's physician or other professional. Our FLAT RATE supplements may be used up to the \$22 maximum identified. The recommendations reflect the data and information collected, our professional experiences, and calculations to ensure both adequate services and viable business operations. Any needs above the new base rate and ADL maximum will necessitate a reassessment of the client's needs with reference to higher levels of service and possible alternative placement. **(Appendix C)**



Service Principles

The Division of Mental Health and Developmental Disabilities adopted the following combined service principles in December of 1997. These principles reflect the approach of both the Developmental Disabilities and Mental Health sections to providing services in Alaska.

- Individuals are actively involved in and determine the design and implementation of their service plan.
- Individuals have access to a system of comprehensive and integrated community-based services.
- Services promote natural and community supports including family, friends and other citizens.
- Services are relevant to the individual's age, abilities and life goals.
- Services demonstrate respect for the rights and dignity of all individuals.
- Services incorporate the culture and value system of the individual.
- Individual choice, satisfaction, safety and positive outcomes are the focus of services.
- Individuals are offered the support and services necessary to be successful where they live, work and play.
- Services are designed to foster communities where all members are included, respected and valued.

Appendix B

Planning Region Rate System,
Effective January 1, 1998 in the
CHOICE Manual

EXAMPLE (using \$33.95 as the Day Rate)

DSS Planning Region Rate	Increase to Day Rate	New Rate
ANCHORAGE (index 1.00)	38.31	72.26
SOUTHCENTRAL (index 1.04)	39.84	73.79
SOUTHEAST (index 1.00)	38.31	72.26
INTERIOR (index 1.15)	44.06	78.01
SOUTHWEST (index 1.33)	50.95	84.90
NORTHWEST (index 1.38)	52.87	86.82

Appendix C

1. ADL Supports included with ALASKA Base Rate Increment
2. Per day supplement for Exceptionalities to base ADL supports

ADLs Support	1. Included in Base Rate	2. "Exceptionalities"
Eating Cueing, cutting and feeding	Helping up to... 30 minutes per meal	With Doctor's order Supplement of... \$5.00 per day
Bathing Cueing, observation, bathing and hygienics	20 - 40 minutes per	\$3.00 per day
Dressing Cueing, additional time with dressing and/or undressing	15 minutes per	\$3.00 per day
Transferring Cueing, in or out of bed, moving place to place	80% self sufficient	\$3.00 per day
Toileting Cueing, assistance with clothing, and hygienics	10 minutes per	\$5.00 per day
Medication Oversight Cueing, anything allowed by Alaska regulations	10 minutes per	\$3.00 per day

Notes:

Maximum per day for "Exceptionalities" is \$22.00

Any needs beyond the new base rate and maximum ADL Flat Rate supplements will necessitate a total case review to assess proper placement

These figures reflect the proper ratios established with reference to applicable higher level of services

Maximum supplement of \$22.00

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ALASKA RATE STUDY REPORT
December 1998

Summary Data and Information
with 6 Scenarios
to validate the
Recommended Base Rate Increment

Prepared by
Assisted Living Training Institute, LLC
New Haven, Connecticut

Scenario #1

2 residents at \$73.31 per Day X 30.4 Days

ASSISTED LIVING TRAINING INSTITUTE: ALASKA RATE STUDY

AKPRL2 Page 1
 Pay Period 30.4 DAYS
 Shifts 1-1-0 sleeping
 1 to 2 16 hrs per Day

ALTI ALASKA RATE STUDY
 WEEKLY PAYROLL PLANNER with MONTHLY TOTALS
 (EXAMPLE PLAN)

2 Residents at \$73.31 per Day X 30.4 Days

12 hours required, 1/2 person assist 124 active										64 hours of payroll No Awake Night Staff					
Licensed Beds	Weekly	Rate	Base Pay	O.T.	O.T.	O.T.	Gross	Taxes	Weekly	4.3 Weeks	Monthly	Monthly	Monthly	Monthly	Percent
Facility One	# Hrs	of Pay	Hours	Hours	Rate	Total		Benefits	Payroll	In Month	Cost	Budget	Income	Payroll	Of Income
EMPLOYEE NAME									Cost						
1 PT	24	\$9.13	\$219.12		\$13.70	\$0.00	\$219.12	110%	\$241.03	4.3	\$1,036.44		\$4,468.00	\$2,764	62.00%
	0	\$9.13	\$0.00		\$13.70	\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
IFTE	40	\$9.13	\$365.20		\$13.70	\$0.00	\$365.20	110%	\$401.72	4.3	\$1,727.40				
	0	\$9.13	\$0.00		\$13.70	\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
	0	\$9.13	\$0.00		\$13.70	\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
REQUIRED 60 Hrs of			\$0.00			\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
Unpaid Provider Time			\$0.00			\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
Plus night sleep hrs.			\$0.00			\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
Total Facility Hours	64			0		\$0.00	\$684.32	110%	\$842.76	4.3	\$2,763.83	\$2,766.00		62.00%	
124 hours of active coverage. Plus covering sleeping hours 7 nights per week (56 hours)										Under / Over Budget		(\$1.17)			

ASSISTED LIVING TRAINING INSTITUTE - SAMPLE INCOME & EXPENSE STATEMENT FOR 2 PEOPLE AT BASIC \$73.31 DAILY RATE

ARSI&E2 Page 1
 ALASKA RATE STUDY FORM 1
 EXAMPLE 2 BED FACILITY

MONTHLY INCOME & EXPENSE REPORT
 2 RESIDENTS AT BASE RATE OF \$73.31 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
Income	4,458	4,458	4,458	4,458	4,458	4,458	4,458	4,458	4,458	4,458	4,458	4,458	53,496	
Number of Residents	2	2	2	2	2	2	2	2	2	2	2	2	24	
Average Rate	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	
days per month	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	
Rev. Per day Per client	73.32	73.32	73.32	73.32	73.32	73.32	73.32	73.32	73.32	73.32	73.32	73.32	73.32	
% of Payroll [Base]	56.37%	56.37%	56.37%	56.37%	56.37%	56.37%	56.37%	56.37%	56.37%	56.37%	56.37%	56.37%		
Payroll Before Benefits	2,513	2,513	2,513	2,513	2,513	2,513	2,513	2,513	2,513	2,513	2,513	2,513	30,156	56.37%
% for Taxes & Benefits	5.63%	5.63%	5.63%	5.63%	5.63%	5.63%	5.63%	5.63%	5.63%	5.63%	5.63%	5.63%		
Payroll Tax & Benefits	251	251	251	251	251	251	251	251	251	251	251	251	3,012	5.63%
Total Payroll	2,764	2,764	2,764	2,764	2,764	2,764	2,764	2,764	2,764	2,764	2,764	2,764	33,168	62.00%
Total Payroll Per Day	90.92	90.92	90.92	90.92	90.92	90.92	90.92	90.92	90.92	90.92	90.92	90.92		
Payroll Per Day/Client	45.46	45.46	45.46	45.46	45.46	45.46	45.46	45.46	45.46	45.46	45.46	45.46		
% Food / P.S.	16.64%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%		
Food/PS/Per Month	742	742	742	742	742	742	742	742	742	742	742	742	8,904	16.64%
Food/ P.S. Per Day	24.41	24.41	24.41	24.41	24.41	24.41	24.41	24.41	24.41	24.41	24.41	24.41		
Cost Per Client	12.20	12.20	12.20	12.20	12.20	12.20	12.20	12.20	12.20	12.20	12.20	12.20		
25Yr. \$250,000 at 8.25%														
% for Lease/ Mtg.	44.21%	44.21%	44.21%	44.21%	44.21%	44.21%	44.21%	44.21%	44.21%	44.21%	44.21%	44.21%		
Lease/ Mortgage	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	23,652	44.21%
Cost Per Day	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84		
Cost Per Client	32.42	32.42	32.42	32.42	32.42	32.42	32.42	32.42	32.42	32.42	32.42	32.42		
% T / L / Dues & Fees	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%		
Taxes/ Licenses/ Dues	84	84	84	84	84	84	84	84	84	84	84	84	1,008	1.88%
Cost Per Day	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76		
Cost Per client	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38		
% Insurance	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%		
All Insurance	347	347	347	347	347	347	347	347	347	347	347	347	4,164	7.78%
Cost Per day	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41		
Cost Per Client	5.71	5.71	5.71	5.71	5.71	5.71	5.71	5.71	5.71	5.71	5.71	5.71		

ASSISTED LIVING TRAINING INSTITUTE - SAMPLE INCOME & EXPENSE STATEMENT FOR 2 PEOPLE AT BASIC \$73.31 DAILY RATE

ARS&E2 Page 2
 ALASKA RATE STUDY FORM 1
 EXAMPLE 2 BED FACILITY

MONTHLY INCOME & EXPENSE REPORT
 2 RESIDENTS AT BASE RATE OF \$73.31 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
% Repairs/Maintenance	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%		
Repairs/Maintenance	264	264	264	264	264	264	264	264	264	264	264	264	3,169	5.92%
Cost per Day	0.00	8.68	8.68	8.68	8.68	8.68	8.68	8.68	8.68	8.68	8.68	8.68		
Cost per Client	0.00	4.34	4.34	4.34	4.34	4.34	4.34	4.34	4.34	4.34	4.34	4.34		
% Utilities	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%		
Total All Utilities	612	612	612	612	612	612	612	612	612	612	612	612	7,344	13.73%
Cost Per Day	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13		
Cost Per Client	10.07	10.07	10.07	10.07	10.07	10.07	10.07	10.07	10.07	10.07	10.07	10.07		
% Client Transportation	9.58%	9.58%	9.58%	9.58%	9.58%	9.58%	9.58%	9.58%	9.58%	9.58%	9.58%	9.58%		
Automobile Expense	427	427	427	427	427	427	427	427	427	427	427	427	5,124	9.58%
Cost Per Day	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05		
Cost Per Client	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02		
% Business Travel	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%		
Business Travel	92	92	92	92	92	92	92	92	92	92	92	92	1,104	2.06%
Cost Per Day	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03		
Cost Per Client	1.51	1.51	1.51	1.51	1.51	1.51	1.51	1.51	1.51	1.51	1.51	1.51		
% Medical Supplies	2.56%	2.56%	2.56%	2.56%	2.56%	2.56%	2.56%	2.56%	2.56%	2.56%	2.56%	2.56%		
Medical Supplies	114	114	114	114	114	114	114	114	114	114	114	114	1,368	2.56%
Cost Per Day	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75		
Cost Per Client	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88		
% Staff Education	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		
Staff Education	38	38	38	38	38	38	38	38	38	38	38	38	456	0.85%
Cost Per Day	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25		
Cost Per Client	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63		
% Professional Fees	2.33%	2.33%	2.33%	2.33%	2.33%	2.33%	2.33%	2.33%	2.33%	2.33%	2.33%	2.33%		
Nurse Delegation & Con.	104	104	104	104	104	104	104	104	104	104	104	104	1,248	2.33%
Cost Per Day	3.42	3.42	3.42	3.42	3.42	3.42	3.42	3.42	3.42	3.42	3.42	3.42		
Cost Per Client	1.71	1.71	1.71	1.71	1.71	1.71	1.71	1.71	1.71	1.71	1.71	1.71		

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ALASKA RATE STUDY FORM 1
EXAMPLE 2 BED FACILITY

MONTHLY INCOME & EXPENSE REPORT
2 RESIDENTS AT BASE RATE OF \$73.31 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
% Patient Refunds	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Patient Refunds	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Cost Per Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Cost Per Client	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
% Office Expense	0.96%	0.96%	0.96%	0.96%	0.96%	0.96%	0.96%	0.96%	0.96%	0.96%	0.96%	0.96%		
Office Expense	43	43	43	43	43	43	43	43	43	43	43	43	516	0.96%
Cost Per Day	1.41	1.41	1.41	1.41	1.41	1.41	1.41	1.41	1.41	1.41	1.41	1.41		
Cost Per Client	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71		
% Miscellaneous	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Cost Per Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Cost Per Client	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
% Business Loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Business Loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Cost Per Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Cost Per Client	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Depreciation & Amort.	13.08%	13.08%	13.08%	13.08%	13.08%	13.08%	13.08%	13.08%	13.08%	13.08%	13.08%	13.08%		
Depreciation & Amort	583	583	583	583	583	583	583	583	583	583	583	583	6,996	13.08%
Cost Per Day	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18		
Cost Per Client	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59		
% Advertising	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%		
Advertising	59	59	59	59	59	59	59	59	59	59	59	59	708	1.32%
Cost Per Day	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94		
Cost Per Client	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.97		
Total Cost of Operation	8,244	8,244	8,244	8,244	8,244	8,244	8,244	8,244	8,244	8,244	8,244	8,244	98,929	179.00%
Pre Tax Profit / Loss	(3,786)	(3,786)	(3,786)	(3,786)	(3,786)	(3,786)	(3,786)	(3,786)	(3,786)	(3,786)	(3,786)	(3,786)	(45,432)	
Per-Cent Totals	184.93%	184.93%	184.93%	184.93%	184.93%	184.93%	184.93%	184.93%	184.93%	184.93%	184.93%	184.93%	184.93%	
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
Per-Cent Profit (Loss)	-84.93%	-84.93%	-84.93%	-84.93%	-84.93%	-84.93%	-84.93%	-84.93%	-84.93%	-84.93%	-84.93%	-84.93%	-84.93%	-84.93%
Total Income													53,496	
													(LOSS) -84.93%	(45,432)
													Average Gross Monthly Income	4,458

Scenario #2

2 residents at \$73.31 per Day plus ADL Extraordinary Rate

ASSISTED LIVING TRAINING INSTITUTE - SAMPLE INCOME & EXPENSE STATEMENT FOR 2 PEOPLE AT BASIC \$73 31 DAILY RATE

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ALASKA RATE STUDY FORM 1
EXAMPLE 2 BED FACILITY

MONTHLY INCOME & EXPENSE REPORT

2 RESIDENTS AT BASE RATE OF \$73 31 PER DAY PLUS \$22 62 ADL EXTRAORDINARY RATE OR \$95 93 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
Income	5,832	5,832	5,832	5,832	5,832	5,832	5,832	5,832	5,832	5,832	5,832	5,832	69,984	
Number of Residents	2	2	2	2	2	2	2	2	2	2	2	2	24	
Average Rate	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	
days per month	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	
Rev. Per day Per client	95.92	95.92	95.92	95.92	95.92	95.92	95.92	95.92	95.92	95.92	95.92	95.92	95.92	
% of Payroll (Base)	86.16%	86.16%	86.16%	86.16%	86.16%	86.16%	86.16%	86.16%	86.16%	86.16%	86.16%	86.16%		
Payroll Before Benefits	5,025	5,025	5,025	5,025	5,025	5,025	5,025	5,025	5,025	5,025	5,025	5,025	60,300	86.16%
% for Taxes & Benefits	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%		
Payroll Tax & Benefits	503	503	503	503	503	503	503	503	503	503	503	503	6,036	8.62%
Total Payroll	5,528	5,528	5,528	5,528	5,528	5,528	5,528	5,528	5,528	5,528	5,528	5,528	66,336	94.79%
Total Payroll Per Day	181.84	181.84	181.84	181.84	181.84	181.84	181.84	181.84	181.84	181.84	181.84	181.84		
Payroll Per Day/Client	90.92	90.92	90.92	90.92	90.92	90.92	90.92	90.92	90.92	90.92	90.92	90.92		
% Food / P.S.	12.72%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%		
Food/PS/Per Month	742	742	742	742	742	742	742	742	742	742	742	742	8,904	12.72%
Food/ P.S. Per Day	24.41	24.41	24.41	24.41	24.41	24.41	24.41	24.41	24.41	24.41	24.41	24.41		
Cost Per Client	12.20	12.20	12.20	12.20	12.20	12.20	12.20	12.20	12.20	12.20	12.20	12.20		
25Yr. \$250,000 at 8.25%														
% for Lease/ Mtg.	33.80%	33.80%	33.80%	33.80%	33.80%	33.80%	33.80%	33.80%	33.80%	33.80%	33.80%	33.80%		
Lease/ Mortgage	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	23,652	33.80%
Cost Per Day	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84		
Cost Per Client	32.42	32.42	32.42	32.42	32.42	32.42	32.42	32.42	32.42	32.42	32.42	32.42		
% T / L / Dues & Fees	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%		
Taxes/ Licenses/ Dues	84	84	84	84	84	84	84	84	84	84	84	84	1,008	1.44%
Cost Per Day	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76		
Cost Per client	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38		
% Insurance	5.95%	5.95%	5.95%	5.95%	5.95%	5.95%	5.95%	5.95%	5.95%	5.95%	5.95%	5.95%		
All Insurance	347	347	347	347	347	347	347	347	347	347	347	347	4,164	5.95%
Cost Per day	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41		
Cost Per Client	5.71	5.71	5.71	5.71	5.71	5.71	5.71	5.71	5.71	5.71	5.71	5.71		

ASSISTED LIVING TRAINING INSTITUTE - SAMPLE INCOME & EXPENSE STATEMENT FOR 2 PEOPLE AT BASIC \$73.31 DAILY RATE

ARSI&E2 Page 2-7
 ALASKA RATE STUDY FORM 1
 EXAMPLE 2 BED FACILITY

MONTHLY INCOME & EXPENSE REPORT

2 RESIDENTS AT BASE RATE OF \$73.31 PER DAY PLUS \$22.62 ADL EXTRAORDINARY RATE OR \$95.93 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
% Repairs/Maintenance	4.53%	4.53%	4.53%	4.53%	4.53%	4.53%	4.53%	4.53%	4.53%	4.53%	4.53%	4.53%		
Repairs/Maintenance	264	264	264	264	264	264	264	264	264	264	264	264	3,168	4.53%
Cost per Day	0.00	8.68	8.68	8.68	8.68	8.68	8.68	8.68	8.68	8.68	8.68	8.68		
Cost per Client	0.00	4.34	4.34	4.34	4.34	4.34	4.34	4.34	4.34	4.34	4.34	4.34		
% Utilities	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%		
Total All Utilities	612	612	612	612	612	612	612	612	612	612	612	612	7,344	10.49%
Cost Per Day	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13		
Cost Per Client	10.07	10.07	10.07	10.07	10.07	10.07	10.07	10.07	10.07	10.07	10.07	10.07		
% Client Transportation	7.32%	7.32%	7.32%	7.32%	7.32%	7.32%	7.32%	7.32%	7.32%	7.32%	7.32%	7.32%		
Automobile Expense	427	427	427	427	427	427	427	427	427	427	427	427	5,124	7.32%
Cost Per Day	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05		
Cost Per Client	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02		
% Business Travel	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%		
Business Travel	92	92	92	92	92	92	92	92	92	92	92	92	1,104	1.58%
Cost Per Day	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03		
Cost Per Client	1.51	1.51	1.51	1.51	1.51	1.51	1.51	1.51	1.51	1.51	1.51	1.51		
% Medical Supplies	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%		
Medical Supplies	114	114	114	114	114	114	114	114	114	114	114	114	1,368	1.95%
Cost Per Day	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75		
Cost Per Client	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88		
% Staff Education	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		
Staff Education	38	38	38	38	38	38	38	38	38	38	38	38	456	0.65%
Cost Per Day	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25		
Cost Per Client	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63		
% Professional Fees	1.78%	1.78%	1.78%	1.78%	1.78%	1.78%	1.78%	1.78%	1.78%	1.78%	1.78%	1.78%		
Nurse Delegation & Con.	104	104	104	104	104	104	104	104	104	104	104	104	1,248	1.78%
Cost Per Day	3.42	3.42	3.42	3.42	3.42	3.42	3.42	3.42	3.42	3.42	3.42	3.42		
Cost Per Client	1.71	1.71	1.71	1.71	1.71	1.71	1.71	1.71	1.71	1.71	1.71	1.71		

ASSISTED LIVING TRAINING INSTITUTE - SAMPLE INCOME & EXPENSE STATEMENT FOR 2 PEOPLE AT BASIC \$73.31 DAILY RATE

ARSI&E2 Page 3-8
 ALASKA RATE STUDY FORM 1
 EXAMPLE 2 BED FACILITY

MONTHLY INCOME & EXPENSE REPORT

2 RESIDENTS AT BASE RATE OF \$73.31 PER DAY PLUS \$22.62 ADL EXTRAORDINARY RATE OR \$95.93 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
%Patient Refunds	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Patient Refunds	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Cost Per Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Cost Per Client	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
% Office Expense	0.74%	0.74%	0.74%	0.74%	0.74%	0.74%	0.74%	0.74%	0.74%	0.74%	0.74%	0.74%		
Office Expense	43	43	43	43	43	43	43	43	43	43	43	43	516	0.74%
Cost Per Day	1.41	1.41	1.41	1.41	1.41	1.41	1.41	1.41	1.41	1.41	1.41	1.41		
Cost Per Client	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71		
%Miscellaneous	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Cost Per Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Cost Per Client	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
% Business Loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Business Loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Cost Per Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Cost Per Client	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Depreciation & Amort.	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%		
Depreciation & Amort.	583	583	583	583	583	583	583	583	583	583	583	583	6,996	10.00%
Cost Per Day	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18		
Cost Per Client	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59		
%Advertising	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%		
Advertising	59	59	59	59	59	59	59	59	59	59	59	59	708	1.01%
Cost Per Day	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94		
Cost Per Client	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.97		
Total Cost of Operation	11,008	11,008	11,008	11,008	11,008	11,008	11,008	11,008	11,008	11,008	11,008	11,008	132,097	184.22%
Pre Tax Profit / Loss	(5,176)	(5,176)	(5,176)	(5,176)	(5,176)	(5,176)	(5,176)	(5,176)	(5,176)	(5,176)	(5,176)	(5,176)	(62,112)	
Per-Cent Totals	188.75%	188.75%	188.75%	188.75%	188.75%	188.75%	188.75%	188.75%	188.75%	188.75%	188.75%	188.75%	188.75%	
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
Per-Cent Profit (LOSS)	-88.75%	-88.75%	-88.75%	-88.75%	-88.75%	-88.75%	-88.75%	-88.75%	-88.75%	-88.75%	-88.75%	-88.75%	-88.75%	-88.75%
Total Income													69,984	
													(62,113)	(LOSS) -88.75%
													5,832	Average Gross Monthly Income

Scenario #3

5 residents at \$73.31 per Day X 30.4 Days

ASSISTED LIVING TRAINING INSTITUTE ALASKA RATE STUDY

AKPRLRS WKS Page 1
 For Month of
 Date Submitted
 Pay Period 30 4 DAYS

ALTI ALASKA RATE STUDY
 WEEKLY PAYROLL PLANNER with MONTHLY TOTALS
 (EXAMPLE PLAN)

6 Residents at \$73.31 per Day X 30.4 Days

										108 hours of payroll No Awake Night Staff					
Licensed Beds	5	Weekly	Rate	Base Pay	O.T	O.T	O.T		Weekly	108 hours of payroll	4 3Week:	Monthly	Monthly	Monthly	Monthly
Facility One		# Hrs	of Pay	Hours	Hours	Rate	Total	Gross	Taxes	Payroll	In Month	Cost	Budget	Income	Payroll
EMPLOYEE NAME									Benefits	Cost					
1 PT		24	\$9 13	\$219 12		\$13 70	\$0 00	\$219 12	110%	\$241 03	4 3	\$1,036.44		\$11,143.00	\$4,750
		0	\$9 13	\$0 00		\$13 70	\$0 00	\$0 00	110%	\$0 00	4 3	\$0.00			
1 FTE		40	\$9 13	\$365 20	4	\$13 70	\$54 80	\$420 00	110%	\$462 00	4 3	\$1,986.60			
1 FTE		40	\$9 13	\$365 20		\$13 70	\$0 00	\$365 20	110%	\$401 72	4 3	\$1,727.40			
		0	\$9 13	\$0 00		\$13 70	\$0 00	\$0 00	110%	\$0 00	4 3	\$0.00			
Possible 40 Hrs of				\$0 00			\$0 00	\$0 00	110%	\$0 00	4 3	\$0.00			
Unpaid Provider Time				\$0 00			\$0 00	\$0 00	110%	\$0 00	4 3	\$0.00			
				\$0 00			\$0 00	\$0 00	110%	\$0 00	4 3	\$0.00			
Total Facility Hours		104		\$949.52	4		\$54.80	\$1,004.32	110%	\$1,104.75	4.3	\$4,750.43	\$4,791.49	43% of Income	

ASSISTED LIVING TRAINING INSTITUTE - SAMPLE INCOME & EXPENSE STATEMENT FOR 5 PEOPLE AT BASIC \$73.31 DAILY RATE

ARSI&E Page 1
ALASKA RATE STUDY FORM 1
EXAMPLE 5 TO 6 BED

MONTHLY INCOME & EXPENSE REPORT
5 RESIDENTS AT BASE RATE OF \$73.31 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
Income	11,143	11,143	11,143	11,143	11,143	11,143	11,143	11,143	11,143	11,143	11,143	11,143	133,716	
Number of Residents	5	5	5	5	5	5	5	5	5	5	5	5	60	
Average Rate	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	
days per month	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	
Rev. Per day Per client	73.31	73.31	73.31	73.31	73.31	73.31	73.31	73.31	73.31	73.31	73.31	73.31	73.31	
% of Payroll [Base]	38.75%	38.75%	38.75%	38.75%	38.75%	38.75%	38.75%	38.75%	38.75%	38.75%	38.75%	38.75%		
Payroll Before Benefits	4,318	4,318	4,318	4,318	4,318	4,318	4,318	4,318	4,318	4,318	4,318	4,318	51,816	38.75%
% for Taxes & Benefits	3.88%	3.88%	3.88%	3.88%	3.88%	3.88%	3.88%	3.88%	3.88%	3.88%	3.88%	3.88%		
Payroll Tax & Benefits	432	432	432	432	432	432	432	432	432	432	432	432	5,184	3.88%
Total Payroll	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750	57,000	42.63%
Total Payroll Per Day	156.25	156.25	156.25	156.25	156.25	156.25	156.25	156.25	156.25	156.25	156.25	156.25		
Payroll Per Day/Client	31.25	31.25	31.25	31.25	31.25	31.25	31.25	31.25	31.25	31.25	31.25	31.25		
% Food / P.S.	12.54%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%		
Food/PS/Per Month	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	16,764	12.54%
Food/ P.S. Per Day	45.95	45.95	45.95	45.95	45.95	45.95	45.95	45.95	45.95	45.95	45.95	45.95		
Cost Per Client	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19		
25Yr. \$250,000 at 8.25%														
% for Lease/ Mtg.	17.69%	17.69%	17.69%	17.69%	17.69%	17.69%	17.69%	17.69%	17.69%	17.69%	17.69%	17.69%		
Lease/ Mortgage	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	23,652	17.69%
Cost Per Day	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84		
Cost Per Client	12.97	12.97	12.97	12.97	12.97	12.97	12.97	12.97	12.97	12.97	12.97	12.97		
% T / L / Dues & Fees	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%		
Taxes/ Licenses/ Dues	84	84	84	84	84	84	84	84	84	84	84	84	1,008	0.75%
Cost Per Day	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76		
Cost Per client	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55		
% Insurance	3.11%	3.11%	3.11%	3.11%	3.11%	3.11%	3.11%	3.11%	3.11%	3.11%	3.11%	3.11%		
All Insurance	347	347	347	347	347	347	347	347	347	347	347	347	4,164	3.11%
Cost Per Day	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41		
Cost Per Client	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28		

ASSISTED LIVING TRAINING INSTITUTE - SAMPLE INCOME & EXPENSE STATEMENT FOR 5 PEOPLE AT BASIC \$73.31 DAILY RATE

ARSI&E Pag: 2
 ALASKA RATE STUDY FORM 1
 EXAMPLE 5 TO 6 BED

MONTHLY INCOME & EXPENSE REPORT
 5 RESIDENTS AT BASE RATE OF \$73.31 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
	2.37%	2.37%	2.37%	2.37%	2.37%	2.37%	2.37%	2.37%	2.37%	2.37%	2.37%	2.37%		
% Repairs/Maintenance														
Repairs/Maintenance	264	264	264	264	264	264	264	264	264	264	264	264	3,168	2.37%
Cost per Day	0.00	8.68	8.68	8.68	8.68	8.68	8.68	8.68	8.68	8.68	8.68	8.68		
Cost per Client	0.00	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74		
% Utilities	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%		
Total All Utilities	612	612	612	612	612	612	612	612	612	612	612	612	7,344	5.49%
Cost Per Day	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13		
Cost Per Client	4.03	4.03	4.03	4.03	4.03	4.03	4.03	4.03	4.03	4.03	4.03	4.03		
% Client Transportation	3.83%	3.83%	3.83%	3.83%	3.83%	3.83%	3.83%	3.83%	3.83%	3.83%	3.83%	3.83%		
Automobile Expense	427	427	427	427	427	427	427	427	427	427	427	427	5,124	3.83%
Cost Per Day	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05		
Cost Per Client	2.81	2.81	2.81	2.81	2.81	2.81	2.81	2.81	2.81	2.81	2.81	2.81		
% Business Travel	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%		
Business Travel	92	92	92	92	92	92	92	92	92	92	92	92	1,104	0.83%
Cost Per Day	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03		
Cost Per Client	0.61	0.61	0.61	0.61	0.61	0.61	0.61	0.61	0.61	0.61	0.61	0.61		
% Medical Supplies	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%		
Medical Supplies	114	114	114	114	114	114	114	114	114	114	114	114	1,368	1.02%
Cost Per Day	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75		
Cost Per Client	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75		
% Staff Education	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		
Staff Education	38	38	38	38	38	38	38	38	38	38	38	38	456	0.34%
Cost Per Day	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25		
Cost Per Client	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25		
% Professional Fees	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%		
Nurse Delegation & Con	139	139	139	139	139	139	139	139	139	139	139	139	1,668	1.25%
Cost Per Day	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57		
Cost Per Client	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91		

ASSISTED LIVING TRAINING INSTITUTE - SAMPLE INCOME EXPENSE STATEMENT FOR 5 PEOPLE AT BASIC \$73.31 DAILY RATE

ARSI&E Page 3
ALASKA RATE STUDY FORM 1
EXAMPLE 5 TO 6 BED

MONTHLY INCOME & EXPENSE REPORT
5 RESIDENTS AT BASE RATE OF \$73.31 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
%Patient Refunds	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Patient Refunds	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Cost Per Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Cost Per Client	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
% Office Expense	0.80%	0.80%	0.80%	0.80%	0.80%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%		
Office Expense	89	89	89	89	89	81	81	81	81	81	81	81	1,010	0.76%
Cost Per Day	2.93	2.93	2.93	2.93	2.93	2.65	2.65	2.65	2.65	2.65	2.65	2.65		
Cost Per Client	0.59	0.59	0.59	0.59	0.59	0.53	0.53	0.53	0.53	0.53	0.53	0.53		
%Miscellaneous	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Cost Per Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Cost Per Client	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
% Business Loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Business Loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Cost Per Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Cost Per Client	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Depreciation & Amort.	5.23%	5.23%	5.23%	5.23%	5.23%	5.23%	5.23%	5.23%	5.23%	5.23%	5.23%	5.23%		
Depreciation & Amort	583	583	583	583	583	583	583	583	583	583	583	583	6,996	5.23%
Cost Per Day	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18		
Cost Per Client	3.84	3.84	3.84	3.84	3.84	3.84	3.84	3.84	3.84	3.84	3.84	3.84		
%Advertising	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%		
Advertising	59	59	59	59	59	59	59	59	59	59	59	59	708	0.53%
Cost Per Day	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94		
Cost Per Client	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39		
Total Cost of Operation	10,966	10,966	10,966	10,966	10,966	10,958	10,958	10,958	10,958	10,958	10,958	10,958	131,534	96.00%
Pre Tax Profit / Loss	177	177	177	177	177	185	185	185	185	185	185	185	2,182	
Per-Cent Totals	98.41%	98.41%	98.41%	98.41%	98.41%	98.34%	98.34%	98.34%	98.34%	98.34%	98.34%	98.34%	98.37%	
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
Per-Cent Profit	1.59%	1.59%	1.59%	1.59%	1.59%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%		1.63%
Total Income													133,716	
													PROFIT	1.63%
													2,182	
													Average Gross Monthly Income	11,143

Scenario #4

5 residents at \$73.31 per Day plus ADL Extraordinary Rate

ASSISTED LIVING TRAINING INSTITUTE ALASKA RATE STUDY

AKPRLRS WKS Page 2

For Month of
Date Submitted

ALTI ALASKA RATE STUDY
WEEKLY PAYROLL PLANNER with MONTHLY TOTALS
(EXAMPLE PLAN)

6 Residents at \$73.31 plus ADL Extraordinary of \$22.62 per Day X 30.4 Days

Licensed Beds 5		Weekly	Rate	Base Pay	OT	OT	OT	Taxes	Weekly	168 Hours With Awake Night Staff						
Facility One		# Hrs	of Pay	Hours	Hours	Rate	Total	Gross	Benefits	Payroll	3 Weeks	Monthly	Monthly	Monthly	Monthly	Percent
EMPLOYEE NAME										Cost	In Month	Cost	Budget	Income	Payroll	Of Income
1 PT		24	\$9.13	\$219.12		\$13.70	\$0.00	\$219.12	110%	\$241.03	4.3	\$1,036.44		\$14,581.00	\$7,342	50%
1 PT		20	\$9.13	\$182.60		\$13.70	\$0.00	\$182.60	110%	\$200.86	4.3	\$863.70				
1 FTE		40	\$9.13	\$365.20	4	\$13.70	\$54.80	\$420.00	110%	\$462.00	4.3	\$1,986.60				
1 FTE		40	\$9.13	\$365.20		\$13.70	\$0.00	\$365.20	110%	\$401.72	4.3	\$1,727.40				
1 FTE		40	\$9.13	\$365.20		\$13.70	\$0.00	\$365.20	110%	\$401.72	4.3	\$1,727.40				
Possible 27 Hrs of				\$0.00			\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
Unpaid Provider Time				\$0.00			\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
				\$0.00			\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
Total Facility Hours		164		\$1,497.32	4		\$54.80	\$1,552.12	110%	\$1,707.33	4.3	\$7,341.53	\$6,269.87	43% of Income		
												Under / Over Budget		\$1,071.66		

ASSISTED LIVING TRAINING INSTITUTE - SAMPLE INCOME & EXPENSE STATEMENT FOR 5 PEOPLE AT BASIC \$73.31 DAILY RATE

ARSI&E Page 1-6
ALASKA RATE STUDY FORM 1
EXAMPLE 5 TO 6 BED

MONTHLY INCOME & EXPENSE REPORT
5 RESIDENTS AT BASE RATE OF \$73.31 PER DAY PLUS \$22.62 ADL EXTRAORDINARY RATE OR \$95.93 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
Income	14,581	14,581	14,581	14,581	14,581	14,581	14,581	14,581	14,581	14,581	14,581	14,581	174,972	
Number of Residents	5	5	5	5	5	5	5	5	5	5	5	5	60	
Average Rate	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	
days per month	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	
Rev. Per day Per client	95.93	95.93	95.93	95.93	95.93	95.93	95.93	95.93	95.93	95.93	95.93	95.93	95.93	
% of Payroll (Base)	45.31%	45.31%	45.31%	45.31%	45.31%	45.31%	45.31%	45.31%	45.31%	45.31%	45.31%	45.31%		
Payroll Before Benefits	6,607	6,607	6,607	6,607	6,607	6,607	6,607	6,607	6,607	6,607	6,607	6,607	79,284	45.31%
% for Taxes & Benefits	5.04%	5.04%	5.04%	5.04%	5.04%	5.04%	5.04%	5.04%	5.04%	5.04%	5.04%	5.04%		
Payroll Tax & Benefits	735	735	735	735	735	735	735	735	735	735	735	735	8,820	5.04%
Total Payroll	7,342	7,342	7,342	7,342	7,342	7,342	7,342	7,342	7,342	7,342	7,342	7,342	88,104	50.35%
Total Payroll Per Day	241.51	241.51	241.51	241.51	241.51	241.51	241.51	241.51	241.51	241.51	241.51	241.51		
Payroll Per Day/Client	48.30	48.30	48.30	48.30	48.30	48.30	48.30	48.30	48.30	48.30	48.30	48.30		
% Food / P.S.	9.58%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%		
Food/PS/Per Month	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	16,764	9.58%
Food/ P.S. Per Day	45.95	45.95	45.95	45.95	45.95	45.95	45.95	45.95	45.95	45.95	45.95	45.95		
Cost Per Client	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19		
25Yr. \$250,000 at 8.25%														
% for Lease/ Mtg.	13.52%	13.52%	13.52%	13.52%	13.52%	13.52%	13.52%	13.52%	13.52%	13.52%	13.52%	13.52%		
Lease/ Mortgage	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	1,971	23,652	13.52%
Cost Per Day	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84	64.84		
Cost Per Client	12.97	12.97	12.97	12.97	12.97	12.97	12.97	12.97	12.97	12.97	12.97	12.97		
% T / L / Dues & Fees	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%		
Taxes/ Licenses/ Dues	84	84	84	84	84	84	84	84	84	84	84	84	1,008	0.58%
Cost Per Day	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76		
Cost Per client	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55		
% Insurance	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%		
All Insurance	347	347	347	347	347	347	347	347	347	347	347	347	4,164	2.38%
Cost Per day	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41	11.41		
Cost Per Client	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28		

ASSISTED LIVING TRAINING INSTITUTE - SAMPLE INCOME & EXPENSE STATEMENT FOR 5 PEOPLE AT BASIC \$73 31 DAILY RATE

ARSIE Page 2-7
 ALASKA RATE STUDY FORM 1
 EXAMPLE 5 TO 6 BED

MONTHLY INCOME & EXPENSE REPORT
 5 RESIDENTS AT BASE RATE OF \$73 31 PER DAY PLUS \$22.62 ADL EXTRAORDINARY RATE OR \$95 93 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
% Repairs/Maintenance	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%		
Repairs/Maintenance	264	264	264	264	264	264	264	264	264	264	264	264	3,168	1.81%
Cost per Day	0.00	8.68	8.68	8.68	8.68	8.68	8.68	8.68	8.68	8.68	8.68	8.68		
Cost per Client	0.00	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74		
% Utilities	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%		
Total All Utilities	612	612	612	612	612	612	612	612	612	612	612	612	7,344	4.20%
Cost Per Day	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13		
Cost Per Client	4.03	4.03	4.03	4.03	4.03	4.03	4.03	4.03	4.03	4.03	4.03	4.03		
% Client Transportation	2.93%	2.93%	2.93%	2.93%	2.93%	2.93%	2.93%	2.93%	2.93%	2.93%	2.93%	2.93%		
Automobile Expense	427	427	427	427	427	427	427	427	427	427	427	427	5,124	2.93%
Cost Per Day	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05		
Cost Per Client	2.81	2.81	2.81	2.81	2.81	2.81	2.81	2.81	2.81	2.81	2.81	2.81		
% Business Travel	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%		
Business Travel	92	92	92	92	92	92	92	92	92	92	92	92	1,104	0.63%
Cost Per Day	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03		
Cost Per Client	0.61	0.61	0.61	0.61	0.61	0.61	0.61	0.61	0.61	0.61	0.61	0.61		
% Medical Supplies	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%		
Medical Supplies	114	114	114	114	114	114	114	114	114	114	114	114	1,368	0.78%
Cost Per Day	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75		
Cost Per Client	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75		
% Staff Education	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		
Staff Education	38	38	38	38	38	38	38	38	38	38	38	38	456	0.26%
Cost Per Day	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25		
Cost Per Client	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25		
% Professional Fees	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%		
Nurse Delegation & Con.	139	139	139	139	139	139	139	139	139	139	139	139	1,668	0.95%
Cost Per Day	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57		
Cost Per Client	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91		

ASSISTED LIVING TRAINING INSTITUTE - SAMPLE INCOME & EXPENSE STATEMENT FOR 5 PEOPLE AT BASIC \$73.31 DAILY RATE

ARSI&E
ALASKA RATE STUDY
EXAMPLE 5 TO 6 BED

Page 3-8
FORM 1

MONTHLY INCOME & EXPENSE REPORT

5 RESIDENTS AT BASE RATE OF \$73.31 PER DAY PLUS \$22.62 ADL EXTRAORDINARY RATE OR \$95.93 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
%Patient Refunds	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Patient Refunds	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Cost Per Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Cost Per Client	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
% Office Expense	0.61%	0.80%	0.80%	0.80%	0.80%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%		
Office Expense	89	117	117	117	117	105	105	105	105	105	105	105	1,294	0.74%
Cost Per Day	2.93	3.84	3.84	3.84	3.84	3.47	3.47	3.47	3.47	3.47	3.47	3.47		
Cost Per Client	0.59	0.77	0.77	0.77	0.77	0.69	0.69	0.69	0.69	0.69	0.69	0.69		
%Miscellaneous	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Cost Per Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Cost Per Client	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
% Business Loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Business Loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Cost Per Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Cost Per Client	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Depreciation & Amort.	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%		
Depreciation & Amort.	583	583	583	583	583	583	583	583	583	583	583	583	6,996	4.00%
Cost Per Day	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18	19.18		
Cost Per Client	3.84	3.84	3.84	3.84	3.84	3.84	3.84	3.84	3.84	3.84	3.84	3.84		
%Advertising	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%		
Advertising	59	59	59	59	59	59	59	59	59	59	59	59	708	0.40%
Cost Per Day	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94		
Cost Per Client	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39		
Total Cost of Operation	13,558	13,586	13,586	13,586	13,586	13,574	13,574	13,574	13,574	13,574	13,574	13,574	162,922	91.30%
Pre Tax Profit / Loss	1,023	995	995	995	995	1,007	1,007	1,007	1,007	1,007	1,007	1,007	12,050	
Per-Percent Totals	92.98%	93.17%	93.17%	93.17%	93.17%	93.10%	93.10%	93.10%	93.10%	93.10%	93.10%	93.10%	93.11%	
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
Per-Percent Profit	7.02%	6.83%	6.83%	6.83%	6.83%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.89%	
Total Income													174,972	
													PROFIT	6.89%
													Average Gross Monthly Income	14,581

Scenario #5

10 residents at \$73.31 per Day X 30.4 Days

ASSISTED LIVING TRAINING INSTITUTE ALASKA RATE STUDY

AKPRL10.WKS Page 1
 Pay Period 30.4 DAYS
 Shifts 3-2-1

ALTI ALASKA RATE STUDY
 WEEKLY PAYROLL PLANNER with MONTHLY TOTALS
 (EXAMPLE PLAN)

10 Residents at \$73.31 per Day X 30.4 Days 40 hrs. unpaid

240 Hours Required									240 hours of payroll with Awake Night Staff Provider Time						
Licensed Beds	Weekly	Rate	Base Pay	O.T.	O.T.	O.T.	Taxes	Weekly	4.3 Weeks	Monthly	Monthly	Monthly	Monthly	Percent	
Facility One	# Hrs.	of Pay	Hours	Hours	Rate	Total	Gross	Benefits	Payroll Cost	In Month	Cost	Budget	Income	Payroll Of Income	
EMPLOYEE NAME															
2 PT	40	\$9.13	\$365.20		\$13.70	\$0.00	\$365.20	110%	\$401.72	4.3	\$1,727.40		\$22,290.00	\$10,364.48	46.50%
	0	\$9.13	\$0.00		\$13.70	\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
SFTE	200	\$9.13	\$1,826.00		\$13.70	\$0.00	\$1,826.00	110%	\$2,008.60	4.3	\$8,638.88				
IFTE Mgr. or Sr. Staff	0	\$12.50	\$0.00		\$18.75	\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
	0	\$9.13	\$0.00		\$13.70	\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
Plus 40 Hrs of			\$0.00			\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
Unpaid Provider Time			\$0.00			\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
Total Paid			\$0.00			\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
Facility Hours	240			0		\$0.00	\$2,191.20	110%	\$2,410.32	4.3	\$10,364.38	\$10,500.00	46.50%		
280 hours allows 2 to 3 staff 7 am to 8 pm, 1 to 1.5 staff 8pm to 7am a 24 hr. awake staffing pattern									Under / Over Budget		(\$135.62)				

ASSISTED LIVING TRAINING INSTITUTE - SAMPLE INCOME & EXPENSE STATEMENT FOR 10 PEOPLE AT BASIC \$73.31 DAILY RATE

AKI&E10 Page 1
ALASKA RATE STUDY FORM 1
EXAMPLE 10 BED FACILITY

MONTHLY INCOME & EXPENSE REPORT
10 RESIDENTS AT BASE RATE OF \$73.31 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
Income	22,290	22,290	22,290	22,290	22,290	22,290	22,290	22,290	22,290	22,290	22,290	22,290	267,480	
Number of Residents	10	10	10	10	10	10	10	10	10	10	10	10	120	
Average Rate	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	2,229	
days per month	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	
Rev. Per day Per client	73.32	73.32	73.32	73.32	73.32	73.32	73.32	73.32	73.32	73.32	73.32	73.32	73.32	
% of Payroll [Base]	42.27%	42.27%	42.27%	42.27%	42.27%	42.27%	42.27%	42.27%	42.27%	42.27%	42.27%	42.27%		
Payroll Before Benefits	9,422	9,422	9,422	9,422	9,422	9,422	9,422	9,422	9,422	9,422	9,422	9,422	113,064	42.27%
% for Taxes & Benefits	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%		
Payroll Tax & Benefits	942	942	942	942	942	942	942	942	942	942	942	942	11,304	4.23%
Total Payroll	10,364	10,364	10,364	10,364	10,364	10,364	10,364	10,364	10,364	10,364	10,364	10,364	124,368	46.50%
Total Payroll Per Day	340.92	340.92	340.92	340.92	340.92	340.92	340.92	340.92	340.92	340.92	340.92	340.92		
Payroll Per Day/Client	34.09	34.09	34.09	34.09	34.09	34.09	34.09	34.09	34.09	34.09	34.09	34.09		
% Food / P.S.	12.53%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%		
Food/PS/Per Month	2,794	2,794	2,794	2,794	2,794	2,794	2,794	2,794	2,794	2,794	2,794	2,794	33,528	12.53%
Food / P.S. Per Day	91.91	91.91	91.91	91.91	91.91	91.91	91.91	91.91	91.91	91.91	91.91	91.91		
Cost Per Client	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19		
25Yr. \$325,000 at 8.25%														
% for Lease/ Mtg.	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%		
Lease/ Mortgage	2,563	2,563	2,563	2,563	2,563	2,563	2,563	2,563	2,563	2,563	2,563	2,563	30,756	11.50%
Cost Per Day	84.31	84.31	84.31	84.31	84.31	84.31	84.31	84.31	84.31	84.31	84.31	84.31		
Cost Per Client	8.43	8.43	8.43	8.43	8.43	8.43	8.43	8.43	8.43	8.43	8.43	8.43		
% T / L / Dues & Fees	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%		
Taxes/ Licenses/ Dues	128	128	128	128	128	128	128	128	128	128	128	128	1,536	0.57%
Cost Per Day	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21		
Cost Per client	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42		
% Insurance	2.61%	2.61%	2.61%	2.61%	2.61%	2.61%	2.61%	2.61%	2.61%	2.61%	2.61%	2.61%		
All Insurance	581	581	581	581	581	581	581	581	581	581	581	581	6,972	2.61%
Cost Per day	19.11	19.11	19.11	19.11	19.11	19.11	19.11	19.11	19.11	19.11	19.11	19.11		
Cost Per Client	1.91	1.91	1.91	1.91	1.91	1.91	1.91	1.91	1.91	1.91	1.91	1.91		

ASSISTED LIVING TRAINING INSTITUTE - SAMPLE INCOME & EXPENSE STATEMENT FOR 10 PEOPLE AT BASIC \$73.31 DAILY RATE

AKI&E10 Page 2
ALASKA RATE STUDY FORM 1
EXAMPLE 10 BED FACILITY

MONTHLY INCOME & EXPENSE REPORT
10 RESIDENTS AT BASE RATE OF \$73.31 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
% Repairs/Maintenance	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%		
Repairs/Maintenance	348	348	348	348	348	348	348	348	348	348	348	348	4,176	1.56%
Cost per Day	0.00	11.45	11.45	11.45	11.45	11.45	11.45	11.45	11.45	11.45	11.45	11.45		
Cost per Client	0.00	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14		
% Utilities	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%		
Total All Utilities	738	738	738	738	738	738	738	738	738	738	738	738	8,856	3.31%
Cost Per Day	24.28	24.28	24.28	24.28	24.28	24.28	24.28	24.28	24.28	24.28	24.28	24.28		
Cost Per Client	2.43	2.43	2.43	2.43	2.43	2.43	2.43	2.43	2.43	2.43	2.43	2.43		
% Client Transportation	2.55%	2.55%	2.55%	2.55%	2.55%	2.55%	2.55%	2.55%	2.55%	2.55%	2.55%	2.55%		
Automobile Expense	568	568	568	568	568	568	568	568	568	568	568	568	6,816	2.55%
Cost Per Day	18.68	18.68	18.68	18.68	18.68	18.68	18.68	18.68	18.68	18.68	18.68	18.68		
Cost Per Client	1.87	1.87	1.87	1.87	1.87	1.87	1.87	1.87	1.87	1.87	1.87	1.87		
% Business Travel	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%		
Business Travel	92	92	92	92	92	92	92	92	92	92	92	92	1,104	0.41%
Cost Per Day	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03		
Cost Per Client	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30		
% Medical Supplies	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%		
Medical Supplies	228	228	228	228	228	228	228	228	228	228	228	228	2,736	1.02%
Cost Per Day	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50		
Cost Per Client	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75		
% Staff Education	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		
Staff Education	123	123	123	123	123	123	123	123	123	123	123	123	1,476	0.55%
Cost Per Day	4.05	4.05	4.05	4.05	4.05	4.05	4.05	4.05	4.05	4.05	4.05	4.05		
Cost Per Client	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40		
% Professional Fees	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%		
Nurse Delegation & Con.	227	227	227	227	227	227	227	227	227	227	227	227	2,724	1.02%
Cost Per Day	7.47	7.47	7.47	7.47	7.47	7.47	7.47	7.47	7.47	7.47	7.47	7.47		
Cost Per Client	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75		

ASSISTED LIVING TRAINING INSTITUTE - SAMPLE INCOME & EXPENSE STATEMENT FOR 10 PEOPLE AT BASIC \$73.31 DAILY RATE

AKI&E10 Page 3
ALASKA RATE STUDY FORM 1
EXAMPLE 10 BED FACILITY

MONTHLY INCOME & EXPENSE REPORT
10 RESIDENTS AT BASE RATE OF \$73.31 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
%Patient Refunds	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%		
Patient Refunds	93	93	93	93	93	93	93	93	93	93	93	93	1,116	0.42%
Cost Per Day	3.06	3.06	3.06	3.06	3.06	3.08	3.06	3.06	3.06	3.06	3.06	3.06		
Cost Per Client	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31		
% Office Expense	0.40%	0.80%	0.80%	0.80%	0.80%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%		
Office Expense	89	178	178	178	178	161	161	161	161	161	161	161	1,931	0.72%
Cost Per Day	2.93	5.87	5.87	5.87	5.87	5.30	5.30	5.30	5.30	5.30	5.30	5.30		
Cost Per Client	0.29	0.59	0.59	0.59	0.59	0.53	0.53	0.53	0.53	0.53	0.53	0.53		
%Miscellaneous	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Cost Per Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Cost Per Client	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
% Business Loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Business Loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Cost Per Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Cost Per Client	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Depreciation & Amort.	3.82%	3.82%	3.82%	3.82%	3.82%	3.82%	3.82%	3.82%	3.82%	3.82%	3.82%	3.82%		
Depreciation & Amort	851	851	851	851	851	851	851	851	851	851	851	851	10,212	3.82%
Cost Per Day	27.99	27.99	27.99	27.99	27.99	27.99	27.99	27.99	27.99	27.99	27.99	27.99		
Cost Per Client	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80		
%Advertising	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%		
Advertising	59	59	59	59	59	59	59	59	59	59	59	59	708	0.26%
Cost Per Day	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94		
Cost Per Client	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19		
Total Cost of Operation	19,846	19,935	19,935	19,935	19,935	19,918	19,918	19,918	19,918	19,918	19,918	19,918	239,015	87.80%
Pre Tax Profit / Loss	2,444	2,355	2,355	2,355	2,355	2,372	2,372	2,372	2,372	2,372	2,372	2,372	28,465	
Per-Cent Totals	89.04%	89.44%	89.44%	89.44%	89.44%	89.38%	89.36%	89.36%	89.36%	89.36%	89.36%	89.36%	89.36%	
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
Per-Cent Profit	10.96%	10.56%	10.56%	10.56%	10.56%	10.64%	10.64%	10.64%	10.64%	10.64%	10.64%	10.64%	10.64%	10.64%
Total Income													267,480	
													PROFIT	10.64%
													28,465	
													Average Gross Monthly Income	22,290

Scenario #6

10 residents at \$73.31 per Day plus ADL Extraordinary Rate

ASSISTED LIVING TRAINING INSTITUTE ALASKA RATE STUDY

AKPRSR. WKS Page 1

Pay Period 30.4 DAYS

Shifts 3-3-2 / 11o3.3

days, 2 to 5 at Night

ALTI ALASKA RATE STUDY
WEEKLY PAYROLL PLANNER with MONTHLY TOTALS

(EXAMPLE PLAN 10 Residents at \$73.31 per Day, Plus \$22.62 ADL Extraordinary Rate, 20 Hrs unpaid Provider time

336 Hours Required		328 Hours of payroll with 2 night staff 3-3-2 staffing pattern														
Licensed Beds	10	Weekly	Rate	Base Pay	O.T.	O.T.	O.T.	Taxes	Weekly	328 Hours of payroll with 2 night staff 3-3-2 staffing pattern	Monthly	Monthly	Monthly	Monthly	Percent	
Facility One		# Hrs	of Pay	Hours	Hours	Rate	Total	Gross	Payroll	4.3 Weeks	Monthly	Monthly	Monthly	Monthly	Percent	
EMPLOYEE NAME									Cost	In Month	Cost	Budget	Income	Payroll	Of Income	
2 PT		40	\$9.13	\$365.20		\$13.70	\$0.00	\$365.20	110%	\$401.72	4.3	\$1,727.40		\$29,180.00	\$14,457	49.58%
		0	\$9.13	\$0.00		\$13.70	\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
5 FTE		240	\$9.13	\$2,191.20		\$13.70	\$0.00	\$2,191.20	110%	\$2,410.32	4.3	\$10,364.38				
1 FTE Mgr. or Sr. Staff		40	\$12.50	\$500.00		\$18.75	\$0.00	\$500.00	110%	\$550.00	4.3	\$2,365.00				
		0	\$9.13	\$0.00		\$13.70	\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
Plus 20 Hrs of				\$0.00			\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
Unpaid Provider Time				\$0.00			\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
Total Paid				\$0.00			\$0.00	\$0.00	110%	\$0.00	4.3	\$0.00				
Facility Hours		320			0		\$0.00	\$3,066.40	110%	\$3,362.04	4.3	\$14,466.77	\$14,880.00		49.58%	
340 hours allows 2.5 to 3 staff 7 a.m to 8 pm, 2 staff 8pm to 7am a 24 hr. awake staffing pattern										Under / Over Budget		(\$123.23)				

ALASKA RATE STUDY FORM 1
EXAMPLE 10 BED FACILITY

MONTHLY INCOME & EXPENSE REPORT

10 RESIDENTS AT BASE RATE OF \$73.31 PER DAY PLUS \$22.62 ADL EXTRAORDINARY RATE OR \$95.93 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
Income	29,160	29,160	29,160	29,160	29,160	29,160	29,160	29,160	29,160	29,160	29,160	29,160	349,920	
Number of Residents	10	10	10	10	10	10	10	10	10	10	10	10	120	
Average Rate	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	
days per month	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	
Rev. Per day Per client	95.92	95.92	95.92	95.92	95.92	95.92	95.92	95.92	95.92	95.92	95.92	95.92	95.92	
% of Payroll [Base]	45.07%	45.07%	45.07%	45.07%	45.07%	45.07%	45.07%	45.07%	45.07%	45.07%	45.07%	45.07%		
Payroll Before Benefits	13,143	13,143	13,143	13,143	13,143	13,143	13,143	13,143	13,143	13,143	13,143	13,143	157,716	45.07%
% for Taxes & Benefits	4.51%	4.51%	4.51%	4.51%	4.51%	4.51%	4.51%	4.51%	4.51%	4.51%	4.51%	4.51%		
Payroll Tax & Benefits	1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314	1,314	15,768	4.51%
Total Payroll	14,457	14,457	14,457	14,457	14,457	14,457	14,457	14,457	14,457	14,457	14,457	14,457	173,484	49.58%
Total Payroll Per Day	475.56	475.56	475.56	475.56	475.56	475.56	475.56	475.56	475.56	475.56	475.56	475.56		
Payroll Per Day/Client	47.56	47.56	47.56	47.56	47.56	47.56	47.56	47.56	47.56	47.56	47.56	47.56		
% Food / P.S.	9.58%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%		
Food/PS/Per Month	2,794	2,794	2,794	2,794	2,794	2,794	2,794	2,794	2,794	2,794	2,794	2,794	33,528	9.58%
Food/ P.S. Per Day	91.91	91.91	91.91	91.91	91.91	91.91	91.91	91.91	91.91	91.91	91.91	91.91		
Cost Per Client	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19	9.19		
25Yr. \$325,000 at 8.25%														
% for Lease/ Mtg.	8.79%	8.79%	8.79%	8.79%	8.79%	8.79%	8.79%	8.79%	8.79%	8.79%	8.79%	8.79%		
Lease/ Mortgage	2,563	2,563	2,563	2,563	2,563	2,563	2,563	2,563	2,563	2,563	2,563	2,563	30,756	8.79%
Cost Per Day	84.31	84.31	84.31	84.31	84.31	84.31	84.31	84.31	84.31	84.31	84.31	84.31		
Cost Per Client	8.43	8.43	8.43	8.43	8.43	8.43	8.43	8.43	8.43	8.43	8.43	8.43		
% T / L / Dues & Fees	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%		
Taxes/ Licenses/ Dues	128	128	128	128	128	128	128	128	128	128	128	128	1,536	0.44%
Cost Per Day	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21		
Cost Per client	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42		
% Insurance	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%		
All Insurance	581	581	581	581	581	581	581	581	581	581	581	581	6,972	1.99%
Cost Per day	19.11	19.11	19.11	19.11	19.11	19.11	19.11	19.11	19.11	19.11	19.11	19.11		
Cost Per Client	1.91	1.91	1.91	1.91	1.91	1.91	1.91	1.91	1.91	1.91	1.91	1.91		

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ALASKA RATE STUDY FORM 1
EXAMPLE 5 TO 8 BED

MONTHLY INCOME & EXPENSE REPORT

10 RESIDENTS AT BASE RATE OF \$73.31 PER DAY PLUS \$22.62 ADL EXTRAORDINARY RATE OR \$95.93 PFR DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
% Repairs/Maintenance	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%		
Repairs/Maintenance	348	348	348	348	348	348	348	348	348	348	348	348	4,176	1.19%
Cost per Day	0.00	11.45	11.45	11.45	11.45	11.45	11.45	11.45	11.45	11.45	11.45	11.45		
Cost per Client	0.00	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14		
% Utilities	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%		
Total All Utilities	738	738	738	738	738	738	738	738	738	738	738	738	8,856	2.53%
Cost Per Day	24.28	24.28	24.28	24.28	24.28	24.28	24.28	24.28	24.28	24.28	24.28	24.28		
Cost Per Client	2.43	2.43	2.43	2.43	2.43	2.43	2.43	2.43	2.43	2.43	2.43	2.43		
% Client Transportation	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%		
Automobile Expense	568	568	568	568	568	568	568	568	568	568	568	568	6,816	1.95%
Cost Per Day	18.68	18.68	18.68	18.68	18.68	18.68	18.68	18.68	18.68	18.68	18.68	18.68		
Cost Per Client	1.87	1.87	1.87	1.87	1.87	1.87	1.87	1.87	1.87	1.87	1.87	1.87		
% Business Travel	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%		
Business Travel	92	92	92	92	92	92	92	92	92	92	92	92	1,104	0.32%
Cost Per Day	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03	3.03		
Cost Per Client	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30		
% Medical Supplies	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%		
Medical Supplies	228	228	228	228	228	228	228	228	228	228	228	228	2,736	0.78%
Cost Per Day	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50		
Cost Per Client	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75		
% Staff Education	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		
Staff Education	123	123	123	123	123	123	123	123	123	123	123	123	1,476	0.42%
Cost Per Day	4.05	4.05	4.05	4.05	4.05	4.05	4.05	4.05	4.05	4.05	4.05	4.05		
Cost Per Client	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40		
% Professional Fees	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%		
Nurse Delegation & Con.	227	227	227	227	227	227	227	227	227	227	227	227	2,724	0.78%
Cost Per Day	7.47	7.47	7.47	7.47	7.47	7.47	7.47	7.47	7.47	7.47	7.47	7.47		
Cost Per Client	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75		

ASSISTED LIVING TRAINING INSTITUTE - SAMPLE INCOME & EXPENSE STATEMENT FOR 10 PEOPLE AT BASIC \$73.31 DAILY RATE

AKI&E10
ALASKA RATE STUDY
EXAMPLE 5 TO 6 BED

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FORM 1

MONTHLY INCOME & EXPENSE REPORT

10 RESIDENTS AT BASE RATE OF \$73.31 PER DAY PLUS \$22.62 ADL EXTRAORDINARY RATE OR \$95.93 PER DAY

ITEM	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL	
%Patient Refunds	0.32%	0.32%	0.32%	0.32%	0.32%	0.32%	0.32%	0.32%	0.32%	0.32%	0.32%	0.32%		
Patient Refunds	93	93	93	93	93	93	93	93	93	93	93	93	1,116	0.32%
Cost Per Day	3.06	3.06	3.06	3.06	3.06	3.06	3.06	3.06	3.06	3.06	3.06	3.06		
Cost Per Client	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31		
% Office Expense	0.31%	0.61%	0.61%	0.61%	0.61%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%		
Office Expense	89	178	178	178	178	161	161	161	161	161	161	161	1,928	0.55%
Cost Per Day	2.93	5.86	5.86	5.86	5.86	5.30	5.30	5.30	5.30	5.30	5.30	5.30		
Cost Per Client	0.29	0.59	0.59	0.59	0.59	0.53	0.53	0.53	0.53	0.53	0.53	0.53		
%Miscellaneous	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Cost Per Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Cost Per Client	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
% Business Loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Business Loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Cost Per Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Cost Per Client	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Depreciation & Amort.	2.92%	2.92%	2.92%	2.92%	2.92%	2.92%	2.92%	2.92%	2.92%	2.92%	2.92%	2.92%		
Depreciation & Amort.	851	851	851	851	851	851	851	851	851	851	851	851	10,212	2.92%
Cost Per Day	27.99	27.99	27.99	27.99	27.99	27.99	27.99	27.99	27.99	27.99	27.99	27.99		
Cost Per Client	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80		
%Advertising	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%	2.02%		
Advertising	59	59	59	59	59	59	59	59	59	59	59	59	708	0.20%
Cost Per Day	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94	1.94		
Cost Per Client	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19		
Total Cost of Operation	23,939	24,028	24,028	24,028	24,028	24,011	24,011	24,011	24,011	24,011	24,011	24,011	288,128	81.15%
Pre Tax Profit / Loss	5,221	5,132	5,132	5,132	5,132	5,149	5,149	5,149	5,149	5,149	5,149	5,149	288,128	
Per-Cent Totals	82.10%	82.40%	82.40%	82.40%	82.40%	82.34%	82.34%	82.34%	82.34%	82.34%	82.34%	82.34%	61,792	
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	82.34%	
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
Per-Cent Profit	17.90%	17.60%	17.60%	17.60%	17.60%	17.66%	17.66%	17.66%	17.66%	17.66%	17.66%	17.66%	349,920	17.66%
Total Income													349,920	
													PROFIT	17.66%
													61,792	
													Average Gross Monthly Income	29,160

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPARTMENT OF ADMINISTRATION DIVISION OF SENIOR SERVICES

Assisted Living Licensing
Alaska Commission on Aging
• Nutrition & Transportation
• Senior Residential Services
• Senior Employment Services
• Long Term Care Ombudsman
• Home & Community Grants

Personal Care Attendant Program
Care Plan Counseling
Older Alaskan's Waiver
Adults with Physical Disabilities Waiver
Adult Protective Services
Information & Referral
Citizen's Foster Care Review



JUNEAU OFFICE
PO BOX 110209
JUNEAU, ALASKA 99811-0209
PHONE: (907) 465-3250
FAX: (907) 465-4716
TTY: (907) 465-2205



ANCHORAGE OFFICE
FRONTIER BUILDING
3601 C STREET, SUITE 310
ANCHORAGE, ALASKA 99503-5984
PHONE: (907) 269-3666
FAX: (907) 269-3689/269-3688
TTY: (907) 269-3691

March 1, 2000

MEMO

To: Sharon Clark
Senator Miller's Office Faxed to 465-3883

From: Dwight Becker, Program Coordinator

Re: **CS SB 73 (FIN)** Fiscal Note



Hello Sharon,

I received your call about the fiscal note wanting to know why there was increase over last years fiscal note. There was an increase last year in the number of general relief assisted living clients. When I did the fiscal not last year, we were averaging more than 90 clients on GR each month. I used 90 at that time. Since that time we have been averaging 120 clients each month on GR. Therefore I revised the fiscal note to reflect this increase.

I used the exact same method for calculating the fiscal note this year as I did last year. I simply substituted 120 clients for 90 clients. The number of clients being augmented stayed at 33%, so that number also increased from 33% of 90 to 33% of 120.

The GR client caseload has been steadily increasing over the years. I expect that the need will continue to increase this year.

I hope this answers your questions.

Sincerely,

Dwight Becker

The TRUST

The Alaska Mental Health Trust Authority

March 1, 2000

Senator Mike Miller
State Capital
Juneau, Alaska 99801

Dear Senator Miller,

This letter is to confirm the Trustees commitment to provide Mental Health Trust Authorized Receipts (MHTTAR) to help the state increase the assisted living rate.

The Trustees have authorized \$391.0 of MHTAAR in the Department of Administration and \$459.0 in the Department of Health and Social Service for a total of \$850.0 for both FY 01 and FY 02. This \$1.700.0 commitment should enable the state to transition to a more appropriate assisted living rate with a minimal impact on the state budget.

If we can be of any further assistance, please do not hesitate to call.

Sincerely,



Jeff Jesse
Executive Director

Cc: Board of Trustees
Commissioner Poe
Commissioner Perdue

550 West Seventh Avenue, Suite 1820 • Anchorage, Alaska 99501

Telephone: (907) 269-7960 • Fax: (907) 269-7966

**ANALYSIS OF DIFFERENCES BETWEEN FY 99 AND FY 00 FISCAL NOTES
CSSB 72 (FIN)**

The Fiscal Note for FY 99 is: \$1,024.4
The Fiscal Note for FY 00 is: 1,094.2

The change is the result of several factors, including refined methods of calculation, which more accurately reflect the real needs of the population, and other changes outlined below.

Last year, MHTAAR made a commitment of \$900.0 or \$300.0 annually for three years. This year, the trust has committed for a total of \$918.0 or \$459.0 for two years. Resulting in a \$159.0 decrease in FY 01 and FY 02 General Fund Mental Health monies required.

The next three factors are all interrelated, and decrease the bottom line on the Fiscal Note. 1) The consumer contribution has gone from \$850, to \$862 per month, per consumer. 2) The number of consumers currently receiving services is 131. The FY 99 Fiscal Note reflected 138 consumers. The number of consumers varies from year to year. 3) An adjustment in the geographic differential from 25% in FY 99 to 13% in FY 00 more accurately reflects the locations of consumers.

By history, the average consumer contributes to their Assisted Living Homes a total of 11 months per year. The state must absorb the extra month. There are many reasons that consumers lose funding. An example is a short hospitalization, which causes a consumer to be temporarily ineligible for Medicaid. Using historical numbers, this creates an increase of \$165.5.

In past years, the augmentation for the most exceptional of consumers, Level 2, was \$22.00 per day. In an effort to reduce this expense, and to improve the lives of consumers, DMHDD has initiated a training program which is expected to help move people to Level 1 services, which do not require such one on one services. This \$35 per day augmentation results in an increase of \$128.0.

April 19, 1999

The TRUST

The Alaska Mental Health Trust Authority

Senator John Torgerson
Co-chair Senate Finance Committee
State Capital
Juneau Alaska 99801-1182

Dear Senator Torgerson,

This letter is to confirm authorization from the Trustees to include Mental Health Trust Authority Authorized Receipts (MHTAAR) in your FY00 budget plan.

As you discussed with the chair of the Board of Trustees, Nelson Page, on April 13th, the use of these funds as described below is ultimately contingent on the passage of an acceptable total mental health budget package. The discussions between the Trustees and the legislative leadership have been very positive and give every indication that such a package is being developed as the legislative process continues. Therefore, it is appropriate that the following MHTAAR commitments be included in your budget preparation at this time.

- \$600,000 in total MHTAAR during FY00 as part of the funding of the fiscal note for SB 73 to adjust payments for assisted living services. Although not specifically relevant to the FY00 budget, it is the intention of the Trustees to provide an additional \$600,000 in FY01 and FY02 for a three year total of \$1.8 million to assist the state in transitioning to the new payment schedule.
- \$400,000 in MHTAAR to assist the state in fully funding the FY00 mental health capital budget. We suggest that these MHTAAR funds be allocated to API Repairs and Maintenance (\$225,000), Coordinated Transportation and Vehicles (\$150,000) and Program Equipment - Competitive Grants (\$25,000). We understand that there will be reductions from the governor's budget in GF/MH in the same amounts from the same components. We further understand that the remainder of the mental health capital budget will consist of previously committed MHTAAR, GF/MH and AFIC funds.

Thank you for your support of the mental health program. We believe that the positive working relationship we have developed with the governor and the legislature will benefit the state, the Trust and, most importantly, our beneficiaries and their families. Please let me know if you have any further questions or concerns.

Sincerely,


Jeff Jessee, Executive Director

Cc: Board of Trustees
Annalee McConnell, Director OMB



February 24, 2000

The Honorable Senator John Torgerson
Alaska State Capitol, RM 516
Juneau, AK 99801-1182

Dear Senator Torgerson:

Senate Bill 73 and House Bill 258, which call for an increase in the General Relief daily rate of pay to assisted living homes for the care of indigent, vulnerable adults of Alaska, are now in their respective Finance Committees. We need your unqualified support to pass these bills through.

Please consider:

- The average daily rate of long term care in Alaska is approximately \$300 per day in the Anchorage area. Medicaid reimbursement to nursing facilities in Alaska is commensurately higher.
- The raise we are asking for simply puts us in parity with Social Security increases that have been taking place in the 18 years since we had our last upward adjustment in the daily rate.
- Many residents of nursing facilities which require a high dollar outlay by the state through its Medicaid program, could be cared for in independent assisted living homes for \$75 per day.
- This increase will allow assisted living to move into the rural area where elders are being lost to the urban nursing home for their care.
- We need to encourage the development of the assisted living home industry which provides jobs, training, and personal choice of placement not only to cut costs to the state but to prevent the emergence of unlicensed board and care homes which subject the residents to exploitation and substandard care in many cases. It is far better to encourage licensed, regulated assisted living homes to assure high standard of care for our Alaskan elders and vulnerable adults.

Assisted living homes are the placement of choice for many vulnerable people and their families when they can no longer care for themselves or be cared for by family members.

Sincerely,


Brenda K. Norton, RN, BSN,
Executive Director



Alaska Commission on Aging

Resolution 99-6

In support of SB 73: An act relating to assisted living homes

Whereas assisted living is a young and developing form of small business that has the potential to assist Alaskans statewide to receive residential long-term care in home-like settings in their home communities; and

Whereas the need for assisted living services increases annually as Alaska's statewide community of older Alaskans age 65+ continues to grow rapidly and is projected to reach 80,927 by 2015; and

Whereas the need to sustain and increase the quality and quantity of assisted living in our state is directly linked to the financial viability of Alaska's young assisted living industry; and

Whereas the State of Alaska turns to assisted living homes to provide room, board, and care to vulnerable adult Alaskans receiving assistance under the State's General Relief program; and

Whereas the State of Alaska has not increased the rate of pay for assisted living services under the General Relief program since 1983; and

Whereas the *Alaska Rate Study Report* of December, 1998, a study of assisted living economics, found that a reasonable base rate for general relief assisted living payments is \$72.26/day; and

Whereas SB 73 proposes an increase in the general relief assisted living payment rate towards achieving this recommended amount,

Now therefore the Alaska Commission on Aging strongly encourages the Twenty-First Alaska Legislature to pass SB 73.

Adopted this 23rd day of March, 1999.

A handwritten signature in cursive script that reads "Alaire E. Stanton". The signature is written in black ink and is positioned above the printed name and title.

Alaire Stanton
Chair

SENATE FINANCE COMMITTEE

SIGN-IN

SB 73-ASSISTED LIVING FACILITIES

NAME: Walter Majoros Subject/Bill No: 73
 Co./Dept./Title: Exec Director Alaska Mental Health Board Phone: 465-3072
 Address: 431 N Franklin Juneau ~~998~~ Zip: 99801

Do you wish to testify? Yes No Respond To Questions

NAME: Sharon Clark Subject/Bill No: SB 73
 Co./Dept./Title: Leg. Aide Sen. Miller Phone: 3762
 Address: Juneau Zip: _____

Do you wish to testify? Yes No Respond To Questions

I needed (Senator Miller will not be in Committee)

NAME: Karl Brimmer Subject/Bill No: 73
 Co./Dept./Title: Director Div. Mental Health Phone: _____
 Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Maria Darlin Subject/Bill No: 73
 Co./Dept./Title: QAAP Phone: 586-3637
 Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Hilson Elg Subject/Bill No: SB73

Co./Dept./Title: Dep. Comm. -- DOA Phone: 465-2200

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Jane Demmert Subject/Bill No: SB73

Co./Dept./Title: AK Comm on Aging Phone: 405-3250

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions



Teleconference Participants

TCN: 10522

Participant Lists

View List for

ALL

Both

Go >>>

Close Window

Participants

Unidentified Testifiers: 0

Unidentified Observers: 0

ANCHORAGE (ANC)

1

Name: Mr. Jack Mylius

Phone:

Address:

Affiliation: DNR

City /St /Zip:

Type: Testifier

Bill: SB 63 DISPOSALS OF STATE LAND

2

Name: Ms. Leslee Orebaugh

Phone:

Address:

Affiliation: AK Caregiv

City /St /Zip:

Type: Testifier

Bill: SB 73: ASSISTED LIVING FACILITIES

FAIRBANKS (FBX)

1

Name: Ms. Monta Faye Lane

Phone:

Address:

Affiliation:

City /St /Zip:

Type: Testifier

Bill: SB 73: ASSISTED LIVING FACILITIES

2

Name: Ms. Irene Payton

Phone:

Address:

Affiliation:

City /St /Zip:

Type: Testifier

Bill: SB 73: ASSISTED LIVING FACILITIES

SENATE FINANCE COMMITTEE

SIGN-IN

SB 73-ASSISTED LIVING FACILITIES

NAME: Alison Elger Subject/Bill No: SB 73
Co./Dept./Title: Dep. Comm DOA Phone: 465-2200
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: Walter Majoros Subject/Bill No: SB 73
Co./Dept./Title: Alaska Mental Health Board Phone: 465-3072
Address: 431 N Franklin Juneau Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: Sharon Clark Subject/Bill No: SB 73
Co./Dept./Title: Leg. Aide Sen. Miller Phone: 3762
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

if needed

NAME: Jane Demmert Subject/Bill No: SB 73
Co./Dept./Title: AK Common Aquap / DOA Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions



Teleconference Participants

TCN: 10470

Participant Lists

View List for

ANC

Testifiers

Go >>>

Close Window

Participants

Unidentified Testifiers: 0

Unidentified Observers: 0

ANCHORAGE (ANC)

1 Name: Mr. Bob Lohr Phone:
 Address: Affiliation: Div Insur
 City /St /Zip: Type: Testifier
 Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

2 Name: Mr. Gary Ward Ans ?s Phone:
 Address: Affiliation: DSS
 City /St /Zip: Type: Testifier
 Bill: SB 73: ASSISTED LIVING FACILITIES

3 Name: Mr. Jerome Selby Ans ?s Phone:
 Address: Affiliation: Prov HS
 City /St /Zip: Type: Testifier
 Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

4 Name: Mr. Dwight Becker Phone:
 Address: Affiliation: DSS
 City /St /Zip: Type: Testifier
 Bill: SB 73: ASSISTED LIVING FACILITIES

5 Name: Ms. Kay Burrows Ans ?s Phone:
 Address: Affiliation:
 City /St /Zip: Type: Testifier
 Bill: SB 73: ASSISTED LIVING FACILITIES

6 Name: Ms. Julia Coster Ans ?s Phone:
 Address: Affiliation: A.G. offic
 City /St /Zip: Type: Testifier
 Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

7 Name: Ms. Signe Andersen Ans ?s Phone:
 Address: Affiliation:
 City /St /Zip: Type: Testifier
 Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

*also: UAF dropped offline
 Helen Jamison, AMA, Chicago, is
 online for SB 256*



Teleconference Participants

TCN: 10470

Participant Lists

View List for

FBX

Testifiers

Go >>>

Close Window

Participants

Unidentified Testifiers: 0

Unidentified Observers: 0

FAIRBANKS (FBX)

1

Name: Ms. Monta Faye Lane

Phone:

Address: AK CAREGIVERS ASSN

Affiliation:

City /St /Zip:

Type: Testifier

Bill: SB 73: ASSISTED LIVING FACILITIES

2

Name: Mr. Gary Schwartz

Phone:

Address:

Affiliation:

City /St /Zip:

Type: Testifier

Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

*also: Ann Ringstad - UAF
R. Feinstein - Washington DC - SB256*



Teleconference Participants

TCN: 10470

Participant Lists

View List for

FBX

Testifiers

Go >>>

Close Window

Participants

Unidentified Testifiers: 0

Unidentified Observers: 0

** new list for*

FAIRBANKS (FBX)

1

Name: Ms. Monta Faye Lane
Address: AK CAREGIVERS ASSN
City /St /Zip:
Bill: SB 73: ASSISTED LIVING FACILITIES

Phone:
Affiliation:
Type: Testifier

2

Name: Mr. Gary Schwartz
Address:
City /St /Zip:
Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

Phone:
Affiliation:
Type: Testifier

3

Name: Mr. Michael Carroll
Address:
City /St /Zip:
Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

Phone:
Affiliation:
Type: Testifier

also: Paul Smith from AK health care is online



Teleconference Participants

TCN: 10470

Participant Lists

View List for

ANC ▼

Testifiers ▼

Go >>>

Close Window

Participants

Unidentified Testifiers: 0

Unidentified Observers: 0

ANCHORAGE (ANC)

1 Name:Mr. Bob Lohr Phone:
 Address: Affiliation: Div Insur
 City /St /Zip: Type: Testifier
 Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

2 Name:Mr. Gary Ward Ans ?s Phone:
 Address: Affiliation: DSS
 City /St /Zip: Type: Testifier
 Bill: SB 73: ASSISTED LIVING FACILITIES

3 Name:Mr. Jerome Selby Ans ?s Phone:
 Address: Affiliation: Prov HS
 City /St /Zip: Type: Testifier
 Bill: SB 256: PHYSICIAN NEGOTIATIONS WITH HEALTH INSURE

4 Name:Mr. Dwight Becker Phone:
 Address: Affiliation: DSS
 City /St /Zip: Type: Testifier
 Bill: SB 73: ASSISTED LIVING FACILITIES

SENATE FINANCE COMMITTEE

SIGN-IN

SB 73-ASSISTED LIVING FACILITIES

NAME: Alison Elger Subject/Bill No: SB 73
Co./Dept./Title: Dep Comm / DOA Phone: 465-2200
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Elmer Lindstrom Subject/Bill No: _____
Co./Dept./Title: Spec Asst / DHSS Phone: 465-1613
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Gina Macdonald Subject/Bill No: _____
Co./Dept./Title: Special Projects Coord. DHHS Phone: 465-4852
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Sen Miller Subject/Bill No: SB 73
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

SENATE FINANCE COMMITTEE

SIGN-IN

SB 73-ASSISTED LIVING FACILITIES

NAME: Mike Miller Subject/Bill No: 73

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Gina Macdonald Subject/Bill No: _____

Co./Dept./Title: DHSS - DMHDD Phone: 465-4852

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

04/08/99
18:08:52

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM
PARTICIPANT LIST (TESTIFIERS ONLY)
TCN:90544 SCHEDULED FOR:04/08/99 18:00 TO 20:00
PUBLIC HEARING SENATE FINANCE

LTN1150
BY:JNU
FOR:ALL

LOCATION: ANCHORAGE

SB 73		KAY	BURROWS	TESTIFY
SB 73		JEFF	JESSEE	TESTIFY

LOCATION: FAIRBANKS

SB 73	MS.	MONTA FAYE	LANE	AK CAREGIVERS	TESTIFY
SB 73	MR.	LESTER	WESTLING		TESTIFY
SB 73	MS.	CATHY	WESTLING		TESTIFY