

HB

88

Study

**DEPARTMENTS of ADMINISTRATION AND
MILITARY & VETERANS AFFAIRS**

WHITE PAPER: THE PIONEERS' AND VETERANS' HOME BILL

Background

Alaska veterans' organizations have been promoting the building of a veterans' home in Alaska for over twenty years. Veterans know that: 1) a state veterans' home honors the service of veterans to the state and nation. 2) the State of Alaska is one of only two states without a veterans' home. and 3) Alaska has the second highest per capita population of veterans in the nation. Thirty percent of all seniors 65 years old and older in Alaska are veterans.

Previous Legislation

The legislature authorized the Department of Administration in 1992 (AS 44.21.035) to apply for federal assistance to establish and operate a state veterans' home to provide domiciliary care. Under current U.S. Department of Veterans Affairs (VA) rules, to be eligible to receive federal construction or operating money, either a newly constructed home or an existing state home, would have to meet all federal requirements.

The legislature also required that the operating costs of the proposed state operated, federally 'approved' veterans' home be entirely supported by residents of the home and federal funding. A feasibility study by the *Institute of Social and Economic Research* (1993), University of Alaska Anchorage, concluded that a veterans' home could not be constructed or operated without significant financial contributions from the state.

The legislature amended the 1992 statute, AS 44.21.035, in 1998 to allow any proposed veterans' home to provide nursing care. It was believed that the provision of nursing care would generate increased federal revenue making the operation of a veterans' home feasible without state funding.

However, the increase in federal VA funding for nursing care will not cover the full cost of operation. It is more than off-set by the increased cost of providing nursing care, especially in Alaska where nursing care costs are significantly higher than the national average. Therefore, the amendment to the original veterans' home statute did not solve the problem of financing a veterans' home without state funding.

Pioneers' Homes

Pioneers' Homes Profile

The Homes have been caring for Alaska's elders since 1913. No other state has a comparable program serving an aging population. There are six Pioneers' Homes throughout the state, located in Sitka, Fairbanks, Anchorage, Palmer, Ketchikan and Juneau. The Pioneers' Homes have a capacity to serve about 600 residents. A significant number of Pioneers' Home residents and applicants are veterans.

Long Term Care Changes

Alaska has seen significant changes in the past ten years in the delivery of long term care services. Expansion of home and community based care throughout the state has enabled Alaskan seniors to remain at home and in their community. This provides seniors the opportunity to live independently for as long as possible: the desire of most Alaskan seniors.

Vacancies

About 90 beds are vacant in the Pioneers' Homes due to lack of funding to provide 24 hour staffing to meet the needs of applicants on the active waiting list. The vacant beds are primarily in Anchorage, Palmer, Sitka, and mostly in the coordinated services and basic assisted living levels of care which provide residential type services for fairly independent residents and require limited staffing.

Waiting List

With the expanded availability of home and community based care, seniors are postponing requests for admission to the Pioneers' Home system. Today, applicants to the Pioneers' Homes are generally in need of complex direct care services and constant oversight due to memory loss. There are currently 167 applicants on the active waiting list for admission to the Pioneers' Home system. Caring for these individuals requires 24-hour staffing. Available support in the coordinated and basic assisted living levels of care do not meet the needs of most applicants.

Insufficient Funding

Funding is not presently available to upgrade the designation of beds within the homes from coordinated services and basic assisted living to a level of care that meets the needs of the individuals on the active waiting lists for the Pioneers' Homes. With the addition of appropriate staffing applicants could be admitted to vacant beds.

Proposal: Pioneers' and Veterans' Home

Introduction

Combining the Pioneers' Home tradition with the concept of a state veterans' home will maximize the use of the state's existing infrastructure. Veterans receive the recognition they desire and deserve as the Pioneers' Homes become the *Alaska Pioneers' and Veterans' Homes*.

Profile of Veterans in Pioneers' Homes

Veterans already residing in the Pioneers' Homes and veterans on the waiting lists benefit from this recognition. Over 90% of veterans on the waiting lists have been residents of the state for over 15 years; most well over 25 years. The Pioneers' Homes have the current bed capacity to care for more veterans as well as more non-veterans if adequate funding for staff is provided.

Funding Request

Admission of applicants to the currently vacant Pioneers' Home beds requires funding for additional direct care staff. The Governor's FY 02 budget proposes an increase of \$2.5 in general funds and \$2.6 in program receipts for this purpose. This budget increase will fund adequate staffing for about 90 vacant beds.

Veterans' Preference

States with veterans' home programs provide care for veterans and very close relatives of veterans. The innovative Alaskan concept proposes to give veterans' preference to about 21% of funded Pioneers' Home beds. There are currently 78 veterans residing in the Pioneers' Homes. Another 39 on the active waiting list have an immediate need to enter a Home. More than 30% of all 2,498 applicants to the inactive waiting list are veterans.

Total Bed Capacity	600	
Occupied Beds	481	78 veterans/16.5%
Turnover Vacancy	30	5%
Unfunded Beds	89	

If all beds were funded, then 600 beds would be available within the system, although turnover vacancy indicates that 30 beds may be vacant at any point in time. A 21% veterans' preference of these funded beds would provide 126 beds for veterans' preference. Presently there are 78 residents who are veterans. Subtracting the present veterans from the anticipated veterans' preference beds would allow 48 beds for veterans' preference. In addition, the full funding of all beds would allow for the admission of at least 41 non-veterans.

Questions and Answers

What are the admission criteria for veterans?

The admission criteria for veterans to the Homes are the same as for non-veterans. An applicant must be 65 years of age, have established Alaska residency by residing in the state at least one year immediately prior to application, and demonstrate a need for the services provided by the Home. There are no income requirements and the need for care can be as minimal as the need for residential services which include meals, housekeeping, and emergency assistance.

Are the admission criteria for a veteran applying to a VA operated home the same as the admission criteria for a Pioneers' Home?

No, the criteria are different. Unlike a Pioneers' Home, a VA Home has low income and high need requirements. The VA Home requires that 75% of veterans have incomes from all sources below the maximum VA pension. Veterans must be disabled, unable to earn a living, and in need of health care based on strict VA criteria.

Will the State receive funding for the care of veterans residing in the Pioneers' Homes from the U.S. Department of Veterans Affairs?

No, the State does not anticipate any direct funding from the VA. However, the VA is funding the care of some veterans in community assisted living homes. Pioneers' Home residents who qualify as veterans for this support will receive funds to assist in paying the Pioneers' Home monthly charges.

The funding proposal contained in the Governor's FY 02 budget assumes \$2.6 million in resident receipts. If federal funding becomes available for veteran support, it will offset the personal financial resources of veterans which would be necessary to pay the charges to the Pioneers' Home system. Any federal funding which may be received is already represented in the Governor's proposal as "Pioneers' Home receipts."

How will admission preference for veterans affect the admission status of non-veteran applicants?

Veterans will be given preference to 21% of the funded beds. Presently there are 78 veterans who comprise about 16.5% of all Pioneers' Home residents. If all possible beds were funded, veterans would increase by 48 residents, but non-veteran residents would increase by at least 41. When veterans' occupancy of beds within the Pioneers' Home system is below the designated number of veterans' beds, the next eligible veteran on the waiting list will have preference for admission.

Once all beds designated as veterans' preference beds are occupied by veterans, the existing waiting list process will be utilized and admission will be determined by date of application to the Home. If there are insufficient veterans on the active waiting list to fill all available beds designated for veterans' preference, the existing waiting list process will also be utilized for admission to fill the remaining beds.

How will spouses of veterans be treated?

The Pioneers' Homes always attempt to admit spouses together when a couple wants to enter a Home at the same time. Spouses of veterans who wish to enter a Home may be admitted at the time of the veteran if any appropriate room is available. If an appropriate room is not available at the time of the veteran's admission, the spouse's name will be

held at the top of the waiting list until an admission can be made. Additions to the present Pioneers' Home regulations are planned to clarify the admission of spouses.

Won't the creation of a Pioneers' and Veterans' Home system change the existing Pioneers' Home program?

No. There are currently 78 Pioneers' Home residents who are veterans, 39 applicants on the active waiting list are veterans, and over 30% of the applicants on the in-active waiting list are veterans. Veterans seeking admission to the Pioneers' Homes are seeking the same services that other seniors seeking admission to the Homes desire. The other admission criteria for application for Pioneers' Home admission must be met by veterans as well. Individuals must be at least 65 years of age and have resided in the state for at least one year.

Besides recognition, of what benefit is the proposal to create the Alaska Pioneers' and Veterans' Home to veterans?

Recognition is important to veterans. Both veterans' organizations and active duty service personnel participate in activities at Pioneers' Homes. The proposal will increase the involvement of these outstanding volunteer groups to support both veterans and non-veteran Home residents.

In addition, the VA clinic located in Anchorage has proposed the creation of scheduled medical clinics at all six Homes to provide services to Home residents who are veterans. Veterans who are not Home residents will also be welcomed to participate in the clinics held in their community. Funding for medications and other services are being discussed with the VA.

Also, two seats on the Pioneers' Home Advisory Board will be designated for veterans to assure that the special interests of veterans are recognized.

It sounds like the Veterans' Affairs Department through their proposed veterans' clinic program will become very involved with the Homes. Will the Homes have to follow federal VA rules and regulations due to this proposal?

No. Any funding or services provided by the VA will be directly received by the veteran/resident. The State will be under no obligation to change the Pioneers' Home program.

Does this proposal rely on the receipt of federal veterans' funding?

No. The proposal is based upon a combination of state general funding and Pioneers' Home receipts received from residents. The source of resident revenues may be from a variety of sources, such as long term care insurance as well as personal financial

resources. The administration will actively pursue opportunities under the federal VA program for innovative approaches to provide federal funding to Alaska veterans.

How much will it cost a veteran to live in a Home?

A veteran will pay the same rate for care as a non-veteran Home resident. The charge for care is determined by the level of care required. The Homes have been increasing the charges for care each July since 1996 in order to charge the full cost of care by July 2002. (See attached *Pioneers' Home Rate History*).

State statute prevents a resident unable to pay the monthly charge from being discharged.

Residents unable to pay the full charge can apply for financial assistance. Residents who apply for financial assistance are able to keep a number of assets, and their spouses living in the community have asset protection. Certain resident income is exempt such as veterans' disability benefits.

Does this mean there will never be a separate home specifically for Alaskan veterans?

Not necessarily. The Governor has proposed \$200.0 in his FY 02 capital budget for a survey to guide the state in future planning to meet the housing and health needs of veterans.

Pioneers' Homes Rate History

Pioneers' Home Effective Date	Residential	Assisted Living	Skilled Nursing
1954	\$150		\$195
July 1966	\$180		\$225
July 1976	\$225		\$275
October 1983	\$425		\$525
December 1989	\$525	\$630	\$800
February 1993	\$600	\$700	\$880
February 1994	\$665	\$780	\$975
February 1995	\$735	\$860	\$1,100

Effective Date	Coordinated Services	Basic Assisted Living	Enhanced Assisted Living	Alzheimer's & Dementia Related Disorders	Comprehensive Services
July 1996	\$934	\$1,289	\$1,553	\$1,579	\$1,864
July 1997	\$1,140	\$1,720	\$2,140	\$2,200	\$2,630
July 1998	\$1,340	\$2,150	\$2,730	\$2,815	\$3,395
July 1999	\$1,540	\$2,580	\$3,315	\$3,430	\$4,160
July 2000	\$1,735	\$3,005	\$3,905	\$4,040	\$4,920

Notes : July 1996 was the first rate increase in the Pioneers' Homes Advisory Boards seven year plan to move charging Pioneers' Homes resident the full cost of care.

A payment assistance program is available for residents who cannot afford to pay the monthly rates.

Pioneers' Homes Proposed Rate Increases


Effective Date	Coordinated Services	Basic Assisted Living	Enhanced Assisted Living	Alzheimer's & Dementia Related Disorders	Comprehensive Services
July 2001	\$1,935	\$3,435	\$4,490	\$4,655	\$5,685
July 2002	\$2,135	\$3,865	\$5,080	\$5,270	\$6,450

9/19/01


Laddie Shaw - Dept of Military & Veterans

Lynn Prossick -

Marsha Hoffman Long-Term Care Committee
Millineum Health Care Act

Thought it would good to pay for veterans in
assisted living. 

Under pilot cannot pay beyond limits
Pays on what there needs are and where
they are in the process.

 Pilot program out of VA

Wa Or Id AK

3 yr pilot pays for staff & per diem

Will only be able to implement in one
geographic area

w Pt Wainwright e Chugach

Doubt we will be able to expand to FBKs


Evaluation component

Jan 2004 evaluation done to Congress

Research & development - Puget Sound Problems with implementation

If veterans aren't able to access the pilot why not?

- ✓ Legal notice went out in newspaper last week.
- ✓ Lynn has been
- ✓ This coming Monday townhall meeting to discuss:
Contract process
Evaluation

✓ 10/2 Completed packages due 
Inspect homes

Institutional Review Board - oversee research
and implementation process



Rate differences 

Demand

Calculation sheet based services clients need



Medicaid pays for services only no room and board

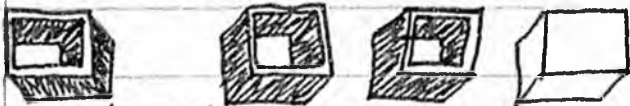



Current state statutes do not provide for way
for VA to reimburse.

Need to work with homes who can take a person
from a hospital; Pioneers have requirements of
age and length of residents

Came up with criteria for clients based on need
Access Database system - send electronically to
evaluation people.

 Under pilot, VA will be primary payer 



Ladde 

Feb. 20, 2001

State Representative
and Majority Leader
Jeannette James:

For your information, enclosed herewith
are seven pages containing
sixty (60) signatures of Pioneer
seniors who oppose the proposed
change of name from "Pioneers
Homes" to "Pioneers & Veterans Homes".

I expect to send more signatures
to add to these sixty to
Senator Theriault who chairs the
Senate State Affairs Cmte. within
the next few weeks.

Sincerely,

Ruth Bohms

P.O. Box 88155

Fairbanks, Alaska 99708-0155

(50 years' residency in
this Great State of Alaska)

TO: State Senator Gene Therriault, Chairman, Senate State Affairs Committee, Juneau, Alaska.

We, the undersigned, members of Pioneers of Alaska Igloo No. 4 and Auxiliary No. 8, Fairbanks, oppose the changing of the name "Pioneers' Homes" to "Pioneers and Veterans' Homes".

SB 55

2-19-2001

NAME	MAILING ADDRESS	TELEPHONE, FAX, EMAIL
1. <i>Jerry Bohms</i>	535 Halverson Rd Fairbanks	499-6970
2. <i>Merrill J. Hakala</i>	141 Front St Fairbanks AK 99701	456-5498
3. <i>Vincent D Kirschner</i>	503 9th Ave Fbks AK 99701-4901	456-1579
4. <i>Delia Larky Erickson</i>	POB 73324 FAI AK 99707-3324	456-5405
5. <i>William Christopher Hayden</i>	PoBox 70555 FBKS AK 99701	452-3000
6. <i>Sam Kardon</i>	1147 Sunset Dr. Fbks AK 99709	474-0612
7. <i>Van Fogel</i>	2340 Ravenwood Ave Fairbanks, Alaska 99709	449-6922
8. <i>Harold M. Hume</i>	4016 Birch Lane Fairbanks 99709	479-6724
9. <i>George Lounsbury</i>	PO Box 70983 Fairbanks, Alaska 99707	479-3058
10. <i>Robert H. Lill</i>	1901 Hilling Ave Fairbanks, AK 99709	456-7403
11. <i>Robert P. Hillard</i>	1065 Salmon Trail Fairbanks, AK 99712	457-6522
12. <i>LEE CARMAN</i>	912 BOUTWELL DR FAIRBANKS AK 99701	452-6296

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NAME	MAILING ADDRESS	TELEPHONE. FAX. EMAIL.
1. PATRICK KALLEN	1041 CHANA RIDGE ROAD, FAIRBANKS, AK 99709	479-2628
2. Eugene G. Yurkovich	2591 Riverview Dr Fairbanks, AK 99709	474-0396
3. Donald H. PIATT	PO Box 70013 Fairbanks, Alaska 99707	452-1446
4. James C. Oskring	POB 70829 Fairbanks 99707	488-0828
5. Howard Martin	1332 6 th FBX 99701	452-2634
6. Harold Stroh	666-11 th and 106 99706	451-6938
7. Wendell K. North	PO Box 70486 Fairbanks AK 99707	455-6093
8. Alan Gandy	2900 Murphy Dome Road Fbks AK 99709	
9. S.C. STEPHENS	500 SLATER DR. E. FBX AK 99701	907-456-2367
10. Mr. Mark A. Ames	% ACC - P.O. Box 71693 Fairbanks, Alaska 99707	(907) 457-5096 = "Jed"
11. Frank McQuinn	112 Farewell Ave. Fairbanks, AK 99701	452-6829
12. Les Fortune	1109 Coppet St. Fairbanks, Ak. 99709-4722	(907) 474-0507

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NAME	MAILING ADDRESS	TELEPHONE. FAX. EMAIL.
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3. JEROME S. KRIPP	601 DITCH ST FBKS AK 99712	4575889
4. Glen L. Hornerman	3370 DAVIS RD FBKS AK 99709	
5. James S. Moody	Box 71952, Fairbanks - 99707	
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NAME	MAILING ADDRESS	TELEPHONE, FAX, EMAIL
1. Ruth B. Bohms	P.O. Box 80155, Fairbanks, Alaska 99708-0155	(907) 479-6970
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3. Janette Hanneman	3370 Davis Road Fairbanks AK 99709-5303	479-6686
4. Evelyn Melville	2526 Outside Blvd North Pole 99705	
5. Betty J. Shipman	1018 Galena St. Fairbanks, AK 99709	474-0549
6. Margaret Egan	1564 H. Alton Ave Fairbanks AK 99701	452-2709
7. Gail Baldwin	924 Kellum #202 Fairbanks AK 99701	456-5626
8. Suzanne A. Danvers	P.O. Box 83754 ✓ ✓ 99708	(907) 479-6965
9. Marvyn H. Aarvik	P.O. Box 70437 Fairbanks AK 99707-0437	(907) 452-5609
10. Murray M. Kallikr	2201 E. 1st St (Pioneer Home) Fairbanks AK 99701	link
11. Donna L. Johnston	1924 CAPITOL AVE. FAIRBANKS, AK 99709-4191	(907) 459-1298
12. Pamela Young	2825 Mack Blvd Fairbanks, AK 99709	479-2635 goldstar@polarnet.com

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	NAME	MAILING ADDRESS	TELEPHONE, FAX, EMAIL
1.	Jill Mathews	2340 Ravenwood FBKS	479-6922
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10.	Ann E. Lintley	412 Rhinier Dr, FBKS 99712-3241	488-2817
11.	Lucille E. Reed	2701 Semeter Drive North Pole, ak, 99705	488-9241
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