SCOMM

132:3

Changes to HB 440 from original to Proposed Committee Substitute

Section 15

On page 6, line 30, "may" is changed to "shall"
On page 7 lines 2 – 4, inserted "The only Pioneers' Home that may be maintained as a Veterans' Home is the Pioneers' Home located in Palmer, Alaska."

These two amendments establish that the state will continue to operate the Pioneers' Homes and that only one Home, the one in Palmer, will be converted to a veterans home under this legislation. Any further conversions would require would require new legislation and a full policy debate.

On page 8, line 7 the word "sale" is removed.

This limits the ability to sell any Home without legislative policy debate.

Section 16

On page 9, between line 20 and 21, removed the exemption for veterans benefits under 38 USC 1110.

The veteran groups recommended this as this benefit is to be used for payment of services such as a veterans' home.

Section 24

On Page 12, lines 21 – 24, changed the definition of veteran by removing the 181 days of service and using the term "discharged "other than dishonorable"

These changes assure that all eligible veterans can get services in Alaska's veterans' home.

Section 25

Page 12 lines 25 – 31

Does not delete AS 47.55.035, which deals with staying on the waiting list if you leave the state and were a resident for 30 years.

Deletes AS 44.29.400 that was added in 1992. It is inconsistent with the approach to a veterans' home as envisioned by HB 440.

Deletes the pilot project for a veterans' home as the pilot did not work and is inconsistent with the direction of HB 440

23-GH2085\D
Mischel
3/1/04

CS FOR HOUSE BILL NO. 440( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

"An Act relating to the Alaska Pioneers' Home and the Alaska Veterans' Home; relating to eligibility for admission to the Alaska Pioneers' Home and Alaska Veterans' Home; relating to the eligibility of residents for the Alaska Pioneers' Home and the Alaska Veterans' Home for general relief assistance; relating to state veterans' home facilities; making conforming amendments; and providing for an effective date."

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

*** Section 1.** AS 08.68.395(g)(2) is amended to read:

(2) "health care facility" means a private, municipal, state, or federal hospital, psychiatric hospital, tuberculosis hospital, skilled nursing facility, kidney disease treatment center (excluding freestanding hemodialysis units), intermediate care facility, or Alaska Pioneers' Home **or Alaska Veterans' Home** administered by the Department of **Health and Social Services** [ADMINISTRATION] under AS 47.55.

*** Sec. 2.** AS 15.05.020 is amended to read:

Sec. 15.05.020. Rules for determining residence of voter. For the purpose of determining residence for voting, the place of residence is governed by the following rules:

(1) A person may not be considered to have gained a residence solely by reason of presence nor may a person lose it solely by reason of absence while in the civil or military service of this state or of the United States or of absence because of marriage to a person engaged in the civil or military service of this state or the United States, while a student at an institution of learning, while in an institution or asylum at public expense, while confined in public prison, while engaged in the navigation of waters of this state [,] or the United States or of the high seas, while residing upon an Indian or military reservation, or while residing in the Alaska Pioneers' Home **or the Alaska Veterans' Home**.

(2) The residence of a person is that place in which the person's habitation is fixed, and to which, whenever absent, the person has the intention to return. If a person resides in one place, but does business in another, the former is the person's place of residence. Temporary construction camps do not constitute a dwelling place.

(3) A change of residence is made only by the act of removal joined with the intent to remain in another place. There can only be one residence.

(4) A person does not lose residence if the person leaves home and goes to another country, state, or place in this state for temporary purposes only and with the intent of returning.

(5) A person does not gain residence in any place to which the person comes without the present intention to establish a permanent dwelling at that place.

(6) A person loses residence in this state if the person votes in another state's election, either in person or by absentee ballot, and will not be eligible to vote in this state until again qualifying under AS 15.05.010.

(7) [REPEALED

(8)] The term of residence is computed by including the day on which the person's residence begins and excluding the day of election.

(8) [(9) REPEALED

(10)] The address of a voter as it appears on an official voter registration card is presumptive evidence of the person's voting residence. This presumption is negated only by the **voter's** [VOTER] notifying the director in writing of a change of voting residence.

*** Sec. 3.** AS 17.37.070(6) is amended to read:

(6) "facility monitored by the department or the Department of Administration" means an institution, building, office, or home operated by the department or the Department of Administration, funded by the department or the Department of Administration, under contract with the department or the Department of Administration, inspected by the department or the Department of Administration, designated by the department or the Department of Administration, or licensed by the department or the Department of Administration, for the care of

(A) juveniles; for the purposes of this subparagraph, "institution" includes a foster home and a group home, and a juvenile detention facility, a juvenile detention home, a juvenile work camp, and a treatment facility, as those terms are defined in AS 47.14.990;

(B) the elderly; for the purposes of this subparagraph, "institution" includes

(i) an assisted living home as defined in AS 47.33.990**;** and

(ii) the Alaska [A] Pioneers' Home **or the Alaska Veterans' Home,** operated under AS 47.55;

(C) the mentally ill; for the purposes of this subparagraph, "institution" includes a designated treatment facility and an evaluation facility, as those terms are defined in AS 47.30.915;

*** Sec. 4.** AS 18.07.111(8) is amended to read:

(8) "health care facility" means a private, municipal, state, or federal hospital, psychiatric hospital, tuberculosis hospital, skilled nursing facility, kidney disease treatment center (including freestanding hemodialysis units), intermediate care facility, and ambulatory surgical facility; the term excludes

(A) **the** [AN] Alaska Pioneers' Home **and the Alaska**

Veterans' Home administered by the Department of **Health and Social Services** [ADMINISTRATION] under [AS 44.21.02(9) AND] AS 47.55; and

(B) the offices of private physicians or dentists whether in individual or group practice;

* **Sec. 5.** AS 18.35.300 is amended to read:

Sec. 18.35.300. Places where smoking is regulated. Smoking in any form is a nuisance and a public health hazard and is prohibited in the following vehicles and indoor places, except as allowed under AS 18.35.310:

(1) a vehicle of public transportation and a waiting, baggage, or boarding area for a vehicle of public transportation, including a bus, ferry vessel, train, limousine for hire, taxicab, or scheduled interstate or intrastate aircraft flight when consistent with federal law;

(2) a place of employment, a building or other structure, or a portion of them, owned, leased, or operated by the state or a political subdivision of the state, including an office, library, museum, theater, concert hall, convention hall, gymnasium, swimming pool, or other place of entertainment or recreation;

(3) a public or private postsecondary educational institution or adult day care facility;

(4) a courtroom or jury deliberation room;

(5) a room, chamber, or other place under the control of the state senate or state house of representatives while a public meeting or public assembly is not in progress;

(6) a nursing home, rest home, or other residential health care institution or facility, or a public or private office or facility that is engaged primarily in providing mental health services;

(7) a food service establishment that has a seating capacity of at least 50 persons;

(8) a grocery store or other store maintained primarily for the retail sale of food products;

(9) a place of employment in which the owner, manager, proprietor, or other person who has control of the premises posts a sign stating that smoking is

prohibited by law;

(10) a correctional facility; and

(11) **the Alaska** [A] Pioneers' Home **or the Alaska Veterans' Home**.

*** Sec. 6.** AS 36.30.990(1) is amended to read:

(1) "agency"

(A) means a department, institution, board, commission, division, authority, public corporation, the Alaska Pioneers' Home, **the Alaska Veterans' Home,** or other administrative unit of the executive branch of state government;

(B) does not include

(i) the University of Alaska;

(ii) the Alaska Railroad Corporation;

(iii) the Alaska Housing Finance Corporation;

(iv) a regional Native housing authority created under AS 18.55.996 or a regional electrical authority created under AS 18.57.020;

(v) the Department of Transportation and Public Facilities, in regard to the repair, maintenance, and reconstruction of vessels, docking facilities, and passenger and vehicle transfer facilities of the Alaska marine highway system;

(vi) the Alaska Aerospace Development Corporation;

(vii) the Alaska State Pension Investment Board;

(viii) the Alaska Seafood Marketing Institute;

*** Sec. 7.** AS 37.05.146(c)(31) is amended to read:

(31) Alaska Pioneers' Home **and Alaska Veterans' Home** care and support receipts under AS 47.55.030;

*** Sec. 8.** AS 37.05.990(2) is amended to read:

(2) "state agency," "agency," "department," or similar term means a department, office, institution, board, commission, bureau, division, or other administrative unit forming the state government, and includes the Alaska Pioneers' Home**, the Alaska Veterans' Home,** and the University of Alaska.

* **Sec. 9.** AS 37.07.120(1) is amended to read:

(1) "agency" means a department, officer, institution, board, commission, bureau, division, or other administrative unit forming the state government and includes the Alaska Pioneers' Home**, the Alaska Veterans' Home,** and the University of Alaska, but does not include the legislature or the judiciary;

* **Sec. 10.** AS 39.25.120(c)(8) is amended to read:

(8) Alaska Pioneers' Home **and Alaska Veterans' Home** managers;

* **Sec. 11.** AS 44.29.020(a)(16) is amended to read:

(16) the Alaska Pioneers' **Home and the Alaska Veterans' Home** [HOMES];

* **Sec. 12.** AS 47.25.140 is amended to read

Sec. 47.25.140. Residents of public institutions. Payment under AS 47.25.120 - 47.25.300 may not be made to or **on** [IN] behalf of an individual who is a resident of **a** [THE ALASKA PIONEERS' HOME OR OTHER] public institution, except as a patient in a public medical institution, or an individual who is a patient in a public or private institution for tuberculosis or mental disease. A resident of **a** [THE ALASKA PIONEERS' HOME OR OTHER] public institution who is otherwise eligible to receive an allowance under AS 47.25.120 - 47.25.300 may apply for the allowance instead of the support and maintenance provided in the [HOME OR] public institution.

* **Sec. 13.** AS 47.25.140 is amended by adding a new subsection to read:

(b) In this section, "public institution" does not include the Alaska Pioneers' Home or the Alaska Veterans' Home.

* **Sec. 14.** AS 47.45.240(c) is amended to read:

(c) The commission may not investigate, review, or undertake any responsibility for the longevity bonus program under AS 47.45.010 - 47.45.160 or the Alaska Pioneers' **Home or Alaska Veterans' Home** [HOMES] under AS 47.55.

* **Sec. 15.** AS 47.55.010 is repealed and reenacted to read:

Sec. 47.55.010. Maintenance of Alaska Pioneers' Home and Alaska Veterans' Home. (a) The state shall maintain facilities known as the Alaska Pioneers' Home at sites designated by the commissioner of health and social services.

The state may maintain one or more facilities known as the Alaska Veterans' Home at sites designated by the commissioner of health and social services. The only Pioneers' Home that may be maintained as a Veterans' Home is the Pioneer's Home located in Palmer, Alaska. The Alaska Pioneers' Home and the Alaska Veterans' Home shall be collectively administered by the Department of Health and Social Services as the Alaska Pioneers' Home and Alaska Veterans' Home.

(b) The department shall formulate general policies for the homes designated under (a) of this section. It may hold hearings and subpoena witnesses and documents and may administer oaths in connection with the homes.

(c) The department shall

(1) cooperate with the federal government in matters pertaining to the welfare of Alaska pioneers and of veterans who reside in the homes operated under this chapter, make the reports in the form and containing the information the federal government from time to time desires, and accept money allotted by the federal government, its agencies, or its instrumentalities in establishing, extending, and strengthening services for pioneers and veterans who reside in a home operated under this chapter;

(2) adopt regulations necessary to conduct business and to carry out the provisions of this chapter, require bonds and undertakings from persons employed by a home as in its judgment are necessary, and pay the premiums on them, and establish regional and local offices and the advisory groups that are necessary or considered expedient to carry out or assist in carrying out a duty or authority assigned to it;

(3) perform all executive or administrative duties necessary and advisable to carry out the purpose of this chapter, including the power to make contracts and to make disbursements on vouchers against appropriations for the purpose of this chapter, within the limit of appropriations available;

(4) study the needs of pioneers and veterans of this state who reside in the homes operated under this chapter and submit recommendations for new regulations and proposed legislation.

(d) The department may employ the necessary subordinate officers and

employees, and shall prescribe methods for operation of the homes, standards of care and service to home residents, and rules governing personnel. The methods for operation and standards of care and services to residents prescribed under this subsection shall be the same as the methods for operation and standards of care established by the department for an assisted living home licensed under AS 47.33.

(e) The department may engage in activities directed to increase revenue from a home. These activities may include the lease of excess bed or floor space or lease of space or buildings that are not in use or are underutilized.

* **Sec. 16.** AS 47.55.020 is repealed and reenacted to read:

Sec. 47.55.020. Admission to a home. (a) Every person residing in the state who is 65 years of age or older, has been a resident of the state continuously for more than one year immediately preceding application for admission, and is in need of residence at a home because of physical disability or other reason, is eligible for admission to the Alaska Pioneers' Home or the Alaska Veterans' Home under conditions prescribed in regulations. The spouse of a person who is eligible for admission under other provisions of this subsection is also eligible for admission to a home under conditions prescribed by the department if the spouse is 65 years of age or older and has been a resident of the state continuously for more than one year immediately preceding application for admission.

(b) Every person admitted to a home who receives income from any source in excess of $100 a month shall be required by the department to pay the excess to the department immediately upon receipt of the money in payment, or part payment, of the cost of the person's care. However, the department may not require in any month the payment of an amount greater than the monthly rate set under AS 47.55.030(b) except to satisfy indebtedness incurred under AS 47.55.070. The department may not evict a person from a home if the income and assets of the person are insufficient to pay the monthly rate set under AS 47.55.030(b) and the person is otherwise in compliance with requirements under this chapter.

(c) At the end of each month, the payments made under (b) of this section shall be transmitted to the commissioner of revenue. The department may pay the sum of $100 a month to a resident without money.

(d) Notwithstanding AS 47.55.070 and (b) of this section, a resident of a home whose income, assets, and other resources are insufficient to pay the monthly rate set under AS 47.55.030(b), and who does not have private insurance to cover the cost of care, qualifies for payment assistance if the resident is otherwise in compliance with requirements under this chapter. The amount of payment assistance equals the amount needed, when added to other income and assets of the resident, to pay the monthly rate set under AS 47.55.030(b). Payment assistance received by a home resident is a debt to the state. In determining the amount of payment assistance for which a home resident qualifies, the following income, assets, and other resources of the resident shall be disregarded:

(1) income from any source in an amount up to $100 a month as established by the department by regulation;

(2) the following assets received under 43 U.S.C. 1601 - 1629g (Alaska Native Claims Settlement Act):

(A) cash dividends and other income equal to at least $2,000 as established by the department by regulation;

(B) stock;

(C) noncash dividends from stock; and

(D) land;

(3) a permanent fund dividend issued under AS 43.23;

(4) compensation to volunteers under the federal retired and senior volunteers (42 U.S.C. 5001), foster grandparents (42 U.S.C. 5011), and senior companion (42 U.S.C. 5013) programs made in accordance with 42 U.S.C. 5044(f);

(5) federal World War II restitution payments made under 50 U.S.C. App. 1989b-4 and c-5;

(6) payments under AS 18.67 (Violent Crimes Compensation Board);

(7) an amount, determined by the department by regulation, that is sufficient for burial expenses of the resident, the resident's spouse, and dependents of the resident;

(8) real property being used as the primary residence of the resident's spouse or a dependent of the resident;

(9) other real or personal property equal to at least a total value of $5,000 as established by the department by regulation.

(e) As a condition for receipt of payment assistance under (d) of this section, the department, under regulations adopted by the department, may require a person to apply for other state or federally sponsored programs that may reduce the amount of the payment assistance.

* **Sec. 17.** AS 47.55.030(a) is amended to read:

(a) A person eligible for admission under AS 47.55.020 may, on application, be admitted to the **Alaska Pioneers' Home or the Alaska Veterans' Home** [HOME] upon the person's agreement to pay to the state each month an amount the **department** [DEPARTMENT OF HEALTH AND SOCIAL SERVICES] considers sufficient to compensate the state for the cost of care and support of the person at the home. When this agreement is entered into, the **department** [DEPARTMENT OF HEALTH AND SOCIAL SERVICES] may require security for the payments.

* **Sec. 18.** AS 47.55.030(c) is amended to read:

(c) The **department** [DEPARTMENT OF HEALTH AND SOCIAL SERVICES] shall provide to all residents of the **homes** [PIONEERS' HOME] written notice of any proposed change in the rate charged for care and support of persons at the **homes** [HOME]. Notice under this section shall be given not less than 60 days before a change is adopted. The notice must include the time, date, and place of a hearing to be held by the **department** [DEPARTMENT OF HEALTH AND SOCIAL SERVICES] under (d) of this section. The department may not change the rate charged more than once in a fiscal year.

* **Sec. 19.** AS 47.55.040 is amended to read:

Sec. 47.55.040. Transfer of mentally ill residents to an [ANOTHER] institution. A person regularly admitted into the **Alaska Pioneers' Home or the Alaska Veterans' Home** [HOME] who is found to be insane may be transferred to an institution provided for the care and custody of insane persons for the state in the manner provided by law for the admission of other persons to the institution.

* **Sec. 20.** AS 47.55.050 is amended to read:

Sec. 47.55.050. Maintenance funds. The legislature shall, each session,

appropriate the necessary funds for the maintenance of the **Alaska Pioneers' Home and the Alaska Veterans' Home** [HOME] to be expended by the **department** [DEPARTMENT OF HEALTH AND SOCIAL SERVICES], and **the** [THAT] department may receive funds, donations, and bequests from private individuals, societies, or organizations, and funds from the federal government for the support and maintenance of the **homes** [HOME].

*** Sec. 21.** AS 47.55.060 is amended to read:

Sec. 47.55.060. Trust fund. Unless otherwise provided by the donor, money bequeathed to the Alaska Pioneers' Home **or the Alaska Veterans' Home** constitutes a special trust fund. Unless otherwise provided by the donor, interest from the special trust fund is under the control and at the disposal of the **department** [DEPARTMENT OF HEALTH AND SOCIAL SERVICES], and expenditure from it is limited to the benefit and comfort of the residents of the **homes** [HOME].

*** Sec. 22.** AS 47.55.070 is repealed and reenacted to read:

Sec. 47.55.070. Indebtedness of Alaska Pioneers' Home or Alaska Veterans' Home resident to state. The following expenses incurred for an Alaska Pioneers' Home or Alaska Veterans' Home resident under this chapter and not recoverable from a collateral source are a debt of the resident to the state and may be recovered during the life of the resident:

(1) costs of standard or nursing care provided in the home each month to the resident not exceeding the rate established by the department under AS 47.55.030, with credit given for any amounts paid by or collected from the resident;

(2) allowances paid under AS 47.55.020(c);

(3) arrearages in fees for television and telephone services provided in the home; and

(4) prescription medicine.

*** Sec. 23.** AS 47.55.095 is amended to read:

Sec. 47.55.095. Limitation on enforcement of claims against estate. Notwithstanding AS 47.55.080 and 47.55.090, upon the death of **an Alaska** [A] Pioneers' Home **or Alaska Veterans' Home** resident or of a recipient of day care or

respite services, a state claim for unpaid debt owed to the **home** [PIONEERS' HOME] may be satisfied only out of the decedent's estate. The state may not pursue a claim to the extent doing so would work undue hardship, as determined by **the department by** regulation [OF THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES], on the surviving spouse or dependent of the decedent. Family portraits and heirlooms of the type identified under AS 09.38.020(a)(3), without regard to value, may not be taken by the state in satisfaction of a debt to the **home** [PIONEERS' HOME].

*** Sec. 24.** AS 47.55 is amended by adding a new section to read:

Sec. 47.55.900. Definitions. In this chapter, unless the context otherwise requires,

(1) "department" means the Department of Health and Social Services;

(2) "home" means

(A) the Alaska Pioneers' Home; or

(B) the Alaska Veterans' Home;

(3) "physical disability or other reason" means inability of an individual to maintain a household without regular assistance in shopping, housekeeping, meal preparation, dressing, or personal hygiene because of physical or medical impairment, infirmity, or disability;

(4) "resident of the state" has the meaning given "resident" in AS 47.25.430(a);

(5) "veteran" means a person who has been discharged from the armed forces of the United States, including the Alaska National Guard or the Alaska Territorial Guard; the discharge from the armed forces must be other than dishonorable.

*** Sec. 25.** (a) AS 44.29.020(a)(17) and 44.29.400 are repealed.

(b) Sections 5 and 8 - 15, ch. 4, SSSLA 2002, as those sections are amended by a version of HB 447, if HB 447 is passed by the Second Session of the Twenty-Third Alaska State Legislature and enacted into law, are repealed.

(c) Sections 50 and 51 of HB 447 or the equivalent bill sections of a later version of HB 447, if passed by the Second Session of the Twenty-Third Alaska State Legislature and enacted into law, are repealed.

*** Sec. 26.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: STATUS OF CERTAIN RESIDENTS OF THE ALASKA PIONEERS' HOME OR THE ALASKA VETERANS' HOME. (a) If a resident of an Alaska Pioneers' Home facility or Alaska Veterans' Home facility was admitted to the facility before the Department of Health and Social Services received the United States Veterans Administration certification for the Alaska Veterans' Home to begin receiving per diem payments for eligible veterans, the resident may not be evicted or required to relocate to a different Alaska Pioneers' Home or Alaska Veterans' Home facility solely because of that certification.

(b) The commissioner of the health and social services shall promptly post on the Alaska Online Public Notice System (AS 44.62.175) the date that the certification described in (a) of this section was received.

*** Sec. 27.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: REGULATIONS. The Department of Health and Social Services and other state agencies affected by this Act may immediately proceed to adopt regulations necessary to implement the changes made by this Act. The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the effective date of the respective statutory changes.

*** Sec. 28.** The uncodified law of the State of Alaska is amended by adding a new section to read:

REVISOR'S INSTRUCTION. The revisor of statutes is instructed to change the heading of AS 47.55 from "Pioneers' Home" to "Alaska Pioneers' Home and Alaska Veterans' Home."

*** Sec. 29.** Section 27 of this Act takes effect immediately under AS 01.10.070(c).

*** Sec. 30.** Except as provided in sec. 29 of this Act, this Act takes effect July 1, 2004.

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 440
(H) Publish Date: 2/5/04

Revision Date/Time (Note if correction):

Dept. Affected: Health & Social Services

Title: RELATING TO PIONEER AND VETERAN HOMES

RDU: Alaskan Pioneer Homes

Component: Pioneers Homes

Sponsor: RULES COMMITTEE

Requester:

Component No.: 2671

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel		2.0	2.0	2.0	2.0	2.0
Contractual		24.0	52.8	58.1	63.9	70.3
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	**0.0**	**26.0**	**54.8**	**60.1**	**65.9**	**72.3**
CAPITAL EXPENDITURES						
CHANGE IN REVENUES (1002)		**73.0**	**289.7**	**401.8**	**514.0**	**570.0**

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts		73.7	289.7	401.8	514.0	570.0
1003 GF Match						
1004 GF		(47.7)	(234.9)	(341.7)	(448.1)	(497.7)
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
TOTAL	**0.0**	**26.0**	**54.8**	**60.1**	**65.9**	**72.3**

Estimate of any current year (FY2004) cost:

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

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

This bill will provide authority to serve veterans through identification of one or more homes within the Pioneer Homes system as a Veteran Home consistent with US Veterans Administration requirements. Once certified by the VA, the state can bill the VA $26.95 per day for services provided to qualified residents of the Veteran Home. VA receipts are anticipated for the Palmer Pioneer Home certification sometime in FY2006. The Governor's FY2005 capital budget includes a request to convert the Palmer Pioneers' Homes from its current use to a State Veteran Home (SVH). The conversion is estimated to cost $3.5 million in FY2005, of which 35% is state match.
(Continued on next page)

Prepared by: David W. Williams — Phone 465-5737
Division: Alaska Longevity Programs — Date/Time 01/12/2004
Approved by: Joel S. Gilbertson, Commissioner — Date 01/12/2004
Agency: Department of Health and Social Services

STATE OF ALASKA
2004 LEGISLATIVE SESSION

HB 440

ANALYSIS CONTINUATION

Operating cost analysis:

Expenditures

Additional FY06 operating costs include $2.0 in travel for attendance at federal meetings, national VA meetings and similar negotiations (based on one out-of-state trip a year). The contractual line includes $24.0 for a transportation contract for Veterans' doctor visits for one-half year. The second year is a full year with growth according to the number of veterans. The assumption for growth is one new veteran resident each month. Veterans must go to the VA doctor in Anchorage.

Revenues:

The VA rate for domicillary care is $26.95 per day. Federal approval of the funding is dependent upon the state funding its portion of required construction/remodeling costs. With legislative approval of the capital request, it is anticipated that construction could begin in September 2004. The VA anticipates 450 days for construction with an anticipated opening date mid-year FY2006.

Estimate of VA Payments	FY06	FY07	FY08	FY09	FY10
Veterans Per Day Rate	$26.95	$26.95	$26.95	$26.95	$26.95
Veteran residents who qualify for VA domicillary care	16	31	43	55	61
Days of care in month	180	365	365	365	365
Utilization/Vacancy	95%	95%	95%	95%	95%
VA Revenue in Fiscal Year	$73,735	$289,692	$401,831	$513,970	$570,040

STATE OF ALASKA

DEPARTMENT OF HEALTH & SOCIAL SERVICES
DIVISION OF ALASKA PIONEER HOMES

Frank H. Murkowski, Governor

PO Box 110690
Juneau, AK 99811-0690
Phone (907)465-4400
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House Bill 440 (d)
Sectional Analysis
March 2, 2004

Section 1: Amends AS 08.68.395(g)(2), dealing with nursing practices, to add a reference to the Alaska Veterans' Home within the definition of "health care facility". The section also updates the reference to the current administration of the Homes by the Department of Health and Social Services.

Section 2: Amends AS 15.05.020, dealing with rules for determining residence of a voter, to change the reference to the Alaska Pioneers' Home to include the Alaska Veterans' Home. The section also reorders the numbering by deleting numbering for current sections (7) and (9) for which the language was repealed in 1972.

Section 3: Amends AS 17.37.070(6), dealing with facilities monitored by the state with regard to medical use of marijuana to change the reference to Alaska Pioneers' Home by adding "Alaska Veterans' Home."

Section 4: Amends the AS 18.07.111(8) definition of "health care facility" under the Certificate of Need program, to add the Alaska Veterans' Home to the list of facilities excluded from the requirement for a Certificate of Need. The section also updates the reference to the administration of the Homes by the Department of Health and Social Services.

Section 5: Amends AS 18.35.300 to include the Alaska Veterans' Home as a place where smoking is prohibited.

Section 6: Amends the AS 36.30.990(1) (A) definition of "agency" within the State Procurement Code to include the Alaska Veterans' Home.

Section 7: Amends AS 37.05.146(c)(31) dealing with the handling of public receipts to add "and Alaska Veterans' Home" to the term "Alaska Pioneers' Home."

Section 8: Amends AS 37.05.990(2) definition of "state agency," "agency," "department," or similar terms dealing with state fiscal procedures to include the Alaska Veteran's Home.

Section 9: Amends the Executive Budget Act definition of "agency" in AS 37.07.120(1) to include the Alaska Veterans' Home.

Section 10: Amends the State Personnel Act in AS 39.25.120(c)(8) to clarify that Alaska State Veterans Home managers in the state service are partially exempt positions.

Section 11: Amends AS 44.29.020(a)(16) to include the Alaska Veterans Home within the duties of the Department of Health and Social Services.

Section 12: Amends AS 47.25.140 to remove the statutory prohibition for payment of public assistance to a resident of the Alaska Pioneers' Home.

Section 13: Adds a new section, as AS 47.25.140(b), to clarify that the Alaska Pioneers' Home or the Alaska Veterans' Home is not a "public institution" under the State's public assistance law. The effect is to identify the Alaska Pioneers' Home and Alaska Veterans' Home as a facility in which residents may receive a Medicaid benefit under federal Medicaid regulations. Under the federal Medicaid regulations (42 CFR 435.1009 "public institution") a person living in a "public institution" of more than 16 beds is prohibited from receiving Medicaid benefits, unless that person is living in a medical institution. This clarification will allow payment for Medicaid services, but Medicaid will not cover the cost for room and board provided by the Pioneers' or Veterans' Homes.

Section 14: Amends AS 47.45.240(c) dealing with the powers, duties, and limitations of the Older Alaskans Commission so as to not permit the Commission to investigate, review, or undertake any responsibility for the Alaska Veterans' Home.

Section 15: Repeals and reenacts AS 47.55 to provide for general operational policies and adoption of regulations necessary for the Department of Health and Social Services to maintain the Alaska Pioneers' Home and Alaska Veterans' Home. Subsection (a) provides that the state "shall" maintain Pioneer Home facilities and that the state "may" maintain one or more Veterans' Homes. However, the section designates the Palmer Pioneer Home as the only Pioneer Home that may be maintained as a Veterans' Home without a subsequent change in the statute. The reenacted section provides for department receipt of money from various sources, including the federal government, for general conduct of business and for the department to perform all executive or administrative duties necessary and advisable to conduct business and carry out the purposes of the chapter. The section also authorizes the department to engage in activities directed to increase revenue from a home, including lease of excess bed or floor space, or lease of space or buildings that are not in use or are underutilized.

Section 16: Repeals and reenacts AS 47.55.020 to establish the requirements for persons who wish to enter a home. The section continues the current Alaska Pioneers' Home eligibility requirement for a person to be 65 years of age or older and to have been a resident of the state continuously for more than one year prior to application for admission. The section extends those same requirements to a person who wants to enter an Alaska Veterans' Home. The section also sets out requirements for payment and provision for payment assistance from the state for those who are not able to pay the charges in full. The reenacted section continues the present prohibition of eviction of a person due to their inability to pay the monthly rate if the person is otherwise in compliance with other requirements of the chapter. Payment assistance provided to a resident under the section continues to be a debt to the state as in current law. Qualifications for payment assistance are set out in the section, including provisions for exclusion of specified real and personal property, income, and assets in determining eligibility for payment assistance. Under the bill, veterans benefits paid under Title 38, Section 1110 of federal law are made available to pay for the cost of care. Authorization is added for the department to require a person to apply for other state or federally sponsored programs as a condition for receipt of payment assistance.

Section 17: Amends AS 47.55.030(a) to reference both the Alaska Pioneers' Home and the Alaska Veterans' Home with regard to admission and payment.

Section 18: AS 47.55.030(c) is amended to reference both the Alaska Pioneers' Home and the Alaska Veterans' Home with regard to current notice requirements for a change in the rates charged.

Section 19: AS 47.55.040, regarding transfer of an insane person from a home, is amended to reference both the Alaska Pioneers' Home and the Alaska Veterans' Home.

Section 20: AS 47.55.050 regarding appropriation of funds by the legislature for maintenance and receipt of funds from various sources for support of a home is amended to reference both the Alaska Pioneers' Home and the Alaska Veterans' Home.

Section 21: AS 47.55.060 is amended to clarify that trust fund provisions for a home apply to both the Alaska Pioneers' Home and the Alaska Veterans' Home.

Section 22: AS 47.55.070 dealing with indebtedness to the state is repealed and reenacted to reference both the Alaska Pioneers' Home and the Alaska Veterans' Home and to remove numbering for several subsections that were repealed in 1990.

Section 23: AS 47.55.095 is amended to add "Alaska Veterans' Home" to the section that limits enforcement of claims against an estate.

Section 24: Amends AS 47.55 to add a definition section.

The section defines "department" to be the Department of Health and Social Services, in line with the recent transfer of organizational relationship of the Pioneer Homes system to that department.

The term "home" is defined to include both the Alaska Pioneers' Home and Alaska Veterans' Home.

The definition of "physical disability or other reason" is relocated to the definition section from the body of the current law in section AS 47.55.020.

The term "resident of the state" is defined, by reference to existing law AS 47.25.430(a), to mean a person who is living in the state voluntarily with the intention of making the state the person's home and who is not living in the state for a temporary purpose.

The term "veteran" is defined to mean a person who has not been dishonorably discharged from the armed forces of the United States. The term includes the Alaska National Guard or the Alaska Territorial Guard.

Section 25: This section of the bill repeals:

AS 44.20.020(a)(17), which is a separate listing of veterans' home facilities as a duty of the Department of Health and Social Services. The reference is incorporated in AS 44.20.020(a)(16) under section 11 of the bill.

Sections 1-15, ch.4, SSSLA 2002 provided amendments to many of the same sections that are changed in this bill, and those amendments are contingent upon implementation of a pilot project. The pilot project cannot be implemented as envisioned, and so, the contingent language is removed to avoid conflict with the provisions of this bill.

Section 26: Adds a new section to uncodified law that permits a resident of an Alaska Pioneers' Home or Alaska Veterans' Home to remain living in the same facility they are living in when the federal Veterans Administration certifies a home for veterans. This addition to the statute assures residents that they will not be required to move from the facility in which they live unless they wish to do so. Section (b) of the new uncodified language requires the commissioner to promptly post the date of certification on the Alaska Online Public Notice System.

Section 27: Adds a new section authorizing adoption of regulations necessary to implement the changes made by the bill, in accordance with the effective date of the respective statutory changes.

Section 28: Provides instruction to the revisor of statutes for changing the heading of AS 47.55 in line with the changes to the body of the chapter: "Alaska Pioneers' Home and Alaska Veterans' Home."

Section 29: Provides for an immediate effective date for section 27 that authorizes regulations for implementation of the bill.

Section 30: Provides for an effective date for the bill of July 1, 2004 except for section 29.

Frequently Asked Questions: Alaska Veterans Home & Alaska Pioneer Homes

Q: How will the Alaska Veterans Home fit into the Alaska Pioneer Homes system?

The Palmer Pioneers' Home will be converted into the Alaska Veterans Home, but will remain as one of the six Homes within the Alaska Pioneer Home system. "Certifying" the Alaska Veterans Home means that the facility will be renovated to address deferred maintenance, and to meet requirements of the federal Veterans Administration. After renovation, the federal Veterans Administration will pay $26.95 per day to the State for each veteran served in the Alaska Veterans Home. Using a nationwide formula, the federal Veterans Administration calculated that Alaska requires a facility providing 79 beds. The federal Veterans Administration is firm in its intent to certify one facility in Alaska, however they may increase the capacity to 82 beds, the capacity of the Palmer Pioneers' Home.

Q: If I am a veteran living in an Alaska Pioneer Home, will I have to move to the Alaska Veterans Home?

No. The choice of whether to move to the Alaska Veterans Home is up to the veteran. Residents who are living in a Pioneer Home will not be required to move to or from the Alaska Veterans Home. When the Alaska Veterans Home is open, veterans on the Pioneer Home waiting list will be given an opportunity to choose to enter the Alaska Veterans Home or another Pioneer Home. Admission to a Pioneer Home will continue to be based on availability of a bed and services appropriate to the need of the applicant.

Q: Will people living in the Palmer Pioneers' Home be required to move to another Pioneers' Home?

No. Current residents of the Palmer Pioneer Home will not be asked to move to another Home. The agreement between the Alaska Department of Health & Social Services and the federal Veterans Administration provides for a transition period of several years, during which time current residents of the Palmer Pioneers' Home will not have to move. Beyond the transition period, the federal Veterans Administration will to permit 20 beds in the facility to continue to be used by non-veterans.

Q: Will people who are not veterans be allowed to move to the Palmer Pioneers' Home after it's converted to the Alaska Veterans Home?

Yes. After a transition period, the federal Veterans Administration requires that 62 of the 82 beds in the facility be reserved for veterans. The remaining 20 beds in the facility will be filled using the Pioneer Homes waiting list.

Q: Will a veteran be charged a different rate?

No. The rates are based on the level of care the resident requires and will not differ because the resident is a veteran.

Q: If I am a veteran and intend to move into the Alaska Veterans Home, will my federal veterans disability benefits help pay for my cost of care?

These benefits are salary replacement benefits and are counted as regular income for purposes of covering the cost of care. These benefits are typically available to pay for the cost of state veteran's home services in other states.

Q: How much will the federal Veterans Administration pay?

The federal Veterans Administration will eventually pay the state $26.95 per day for domiciliary care provided to veterans in the Alaska Veterans Home. That amount will pay part of the daily rate billed to the resident.

Q: I already have payment assistance from the State. Do I also need to apply for "federally sponsored programs" like Medicaid?

You may be required to apply for "federally sponsored programs" like Medicaid. If you require payment assistance and are eligible for Medicaid, you probably won't notice a difference – Pioneer Homes services and rates won't change. However, part of your payment assistance will be federally funded. The federal funding will help sustain Alaska Pioneer Homes into the future, because State General Funds will not be paying the entire cost of payment assistance for residents.

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Fact Sheet: Alaska Pioneer Homes

February 3, 2004

The facilities

There are six Homes with a total of 602 beds. The homes are located in:

Anchorage -- http://hss.state.ak.us/dalp/alp/anchorage/home.htm
Fairbanks -- http://hss.state.ak.us/dalp/alp/fairbanks/home.htm
Juneau -- http://hss.state.ak.us/dalp/alp/juneau/home.htm
Ketchikan -- http://hss.state.ak.us/dalp/alp/ketchikan/home.htm
Palmer -- http://hss.state.ak.us/dalp/alp/palmer/home.htm
Sitka -- http://hss.state.ak.us/dalp/alp/sitka/home.htm

The services we provide to clients

For the last decade the Alaska Pioneer Homes have been licensed as assisted living facilities, offering a high degree of professional services to meet residents' needs. Typically, residents of the Homes are not able to live without some form of daily assistance, and may require nursing and other physical and emotional support services offered in a licensed assisted living facility. Professional services range from assurance of a safe environment and occasional help with daily life skills, to skilled nursing, personal care, and other support services including end of life care. Many residents receive a level of service that would otherwise be delivered in a nursing home or under the Older Alaskan Home and Community-Based Medicaid waiver.

The residents

Occupancy of Pioneer Homes fluctuates, but system-wide as of January 2004 there are 427 residents. All residents require a safe home environment, room and board, and opportunities for social interaction and recreation. Of the 427 residents, 253 require the high levels of professional care available 24-hours a day. Another 117 residents need assistance with basic living skills at some time during the day, and 57 residents are fairly self-sustaining, occasionally requiring emergency assistance.

Veterans in Pioneer Homes

During FY 2003, the Pioneer Homes served 553 seniors, of whom about 20 percent are veterans and about 26 percent had qualified for Medicaid before going into the Home. There were over 2,600 qualified Alaskan residents on the waiting list, which means they are over age 65 and intend to enter the Pioneer Homes in the future.

Rates and how residents pay them

The rates for the Pioneer Homes range from $2,135 per month for housing with some assistance in making appointments and other social services, to $6,450 for the highest level of care including 24-hour supervision, extensive assistance with activities of daily living, and intermittent health care. About 60 percent of Pioneer Home residents depend on the state-funded payment assistance program to pay for at least part of the monthly rate.

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FOR IMMEDIATE RELEASE: February 5, 2004 No. 04-021

Governor Proposes Alaska Veterans Home

Bill establishes Veterans Home in Alaska Pioneer Homes system, Widens funding available for Pioneer Home system.

(Juneau) – Governor Frank H. Murkowski today introduced a bill that designates a home in the Alaska Pioneer Home system as a state Veterans Home. The bill also enables the State of Alaska to access Veterans Benefits, Medicaid, and other sources to fund the Alaska Pioneer Home system. "Taken together, these actions serve Alaska veterans and help sustain the Pioneer Home system and the Alaska Veterans Home for future years," Murkowski said.

The Governor has endorsed the selection of the Palmer Pioneers Home for conversion to a state Veterans Home. Today, he introduced legislation to address the legal requirements to establish an Alaska Veterans Home that meets the requirements of the federal Veterans Administration.

"The Department of Health & Social Services has already begun the process that will ultimately permit residents of the Pioneer Homes to use their federal benefits while living in a Pioneer Home," Health and Social Services Commissioner Joel Gilbertson said.

"For over 20 years the state has sought a viable way to provide a state Veterans Home," Murkowski said. "Alaska remains one of just two states that do not have a State Veterans Home." In May 2002, the Alaska Legislature passed a bill that was intended to qualify the Pioneer Homes for payment of veterans' benefits. A pilot program to do this was scheduled. However, the state did not reach an agreement with the federal Veterans Administration regarding use of benefits within the full Pioneer Homes system. The studies and discussions resulted in an application to the federal Veterans Administration to designate one Pioneer Home as a state Veterans Home.

Representatives of the federal Veterans Administration visited several of the Alaska Pioneer Homes and agreed that Palmer is the right size and location to serve veterans. The state's application to the federal Veterans Administration proposed a 1-1/2 year project to renovate the Palmer Pioneers' Home, at 65% federal expense, to complete deferred maintenance and modernize the facility. Following the renovation, the federal Veterans Administration will pay the state $26.95 per day for each veteran served.

- more -

The Alaska Veterans Home will eventually serve between 62 and 82 veterans. "No current resident will be asked to move from the Palmer Pioneers Home, and no veteran will be forced to move to the Home," Gilbertson said. "During a transition period, veterans who are in other Pioneer Homes may request a transfer to the Palmer Home. When a bed is available with the level of service they require, the veteran's request for transfer will be accommodated." The per diem payments will be a new source of funding for the Alaska Pioneer Homes, and will help the state Veterans Home become a reality for the veterans and for our state, Gilbertson said.

Provisions in the bill help assure the long-term sustainability of the Alaska Pioneer Home system, by identifying and securing third-party payments from federal sources. In most of the 239 assisted living facilities in Alaska, many residents pay the cost of services through insurance, Medicaid, self-payments and other health care plans. Until recently, residents could not use Medicaid and veterans benefits to pay for Pioneer Homes. Veterans' benefits were only available at certified veterans' homes, and persons living in "public institutions" could not use Medicaid. "We are changing that so veterans' benefits and Medicaid can be used in Alaska Pioneer Homes," Gilbertson said.

Alaska Pioneer Homes -- as licensed assisted living facilities that offer professional nursing services, personal care services, social services, and other support services -- will soon be reimbursed by Medicaid for eligible residents. Those services are defined as residential supported living services under the Older Alaskan's Home and Community-based Services wavier granted by the federal Centers for Medicaid and Medicare Services. Under the Older Alaskans Waiver, assisted living facilities may be paid for providing services to Medicaid eligible persons. Although the Pioneer Homes have been licensed as assisted living facilities for several years, the prohibition has remained in effect until questioned late in 2003. State regulations lifting the ban on Medicaid payments will be effective in the spring of 2004.

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