

**SB**

**215**

# ALASKA STATE LEGISLATURE

*Session*  
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Joint Armed Services Committee  
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World Trade Committee

Senator\_Bill\_Wielechowski@legis.state.ak.us

## SENATOR BILL WIELECHOWSKI

### **Sponsor Statement: SB 215** **Maintaining Federal Prescription Benefits at Pioneer Homes**

The intent of SB 215 is to ensure residents of Alaska's Pioneer Homes continue to receive their Federal prescription drug benefits.

This past spring, Veteran residents of Alaska's Pioneer Homes were caught in the middle of a bureaucratic dispute. Officials at the Pioneer Homes would no longer accept prescription medications from the Veterans Administration because of safety concerns with how those medications are packaged and labeled. The VA will not change the packaging or labeling of medications sent to the Pioneer Homes and the Pioneer Homes cannot repackaging the medications. Therefore, Veterans who were unable to self-administer medications had no choice but to pay the Pioneer Homes' pharmacy out-of-pocket for necessary medications that they were supposed to receive for free from the VA.

Thanks to a joint effort between the Department of Health and Social Services, the Department of Military and Veterans Affairs, local public veterans' advocates and state legislators, a policy level solution was reached with the Department of Health and Social Services. State administrators found a way to safely administer prescription medications received from the VA and Veterans began to receive their free medications again.

SB 215 will prevent this type of problem from recurring by ensuring that federal prescription benefits will continue to be honored into the future. If state administrators identify a safety concern associated with providing federal prescription benefits, SB 215 will require the Pioneer Homes to cover the value of the denied benefit, so that residents can continue to receive the benefits that they have earned.

This bill would protect not only Veterans, but all Pioneer Home residents receiving Federal prescription benefits, including those from Indian Health Services. The Pioneer Homes have always worked with residents eligible for IHS benefits to ensure they receive their medications. However, if something changes in the future with the distribution of IHS drugs, SB 215 would ensure that Pioneer Homes would continue accepting these Federal benefits or cover the cost for affected residents.

With the passage of SB 215, Veterans and other groups who have earned Federal prescription benefits will no longer have to worry about not receiving their prescription medications because bureaucrats are unable reach, what should be, a simple agreement.

Please join me in supporting this legislation to ensure eligible Alaskans continue to receive the benefits they have earned.

# **SB 215 – Maintaining Federal Prescription Benefits at Pioneer Homes**

## **Fact Sheet**

### **PROBLEM:**

- **In April 2009, Veterans in the Pioneer Homes who can no longer administer their own medications stopped receiving the free or low cost medications which they are entitled through the VA.**
- **These veterans were forced to purchase the same medications from the Pioneer Homes pharmacy.**
- **The Pioneer Homes pharmacy prepares medications in blister packs so that nurse aides can safely and accurately administer medications to patients.**
- **The VA cannot provide medications in blister packs – the preferred method of disbursing medicine at the Pioneer Homes.**
- **VA doctors cannot write prescriptions to the Pioneer Homes because the Pioneer Homes are outside the VA system.**
- **The Pioneer Homes cannot repackage VA medications because the lot number and expiration would change upon repackaging.**
- **The Pioneer Homes claimed they did not have enough qualified nursing staff to administer medicine from a bottle (using the VA packaging).**

## **SOLUTION:**

- **Pioneer Homes involved all interested parties to determine appropriate protocol for ordering, receiving, storing, administering and disposing of medications.**
- **The Alaska VA Healthcare System and Regional Office Chief Pharmacist and Chief of Staff conducted in-service visits to the Pioneer Homes to ensure nurses are properly administering medications directly from original VA bottles.**

## **STATUTORY NEED:**

- **SB 215 will ensure that the solution put in place by the Pioneer Homes will remain in statute.**
- **If the Pioneer Homes identify a safety precaution that prevents them from disbursing medications as they currently are, the state run Pioneer Homes would cover the costs of the medications.**
- **The Pioneer Homes does not anticipate any changes to what they are doing currently.**
- **SB 215 prevents the need to “re-create the wheel” and ensures that individuals who have earned federal prescription benefits will continue to receive their benefits, even in the face of future administrative staffing changes.**

## MEMORANDUM for the STATE OF ALASKA

**To:** Senator Bill Wielechowski

**Date:** 5 Feb 2010

**From:** Verdie Bowen  
Director, Office of Veterans Affairs

**Phone:** 907-428-6016

**Subject:** Senate Bill No. 215

I support Senate Bill No. 215 in its entirety. The problem experienced this past year to issue prescription medication through the Veterans Administration Pharmacy to the veterans population at the Alaska Pioneer Home should have been an easy one, but when federal and state governments are involved it becomes very complicated. Each time a solution was reached between the government agencies, a new reason was found not to issue the medications. Several work a rounds were attained until finally a good solution was reached. The time that passed between solution and implementation was way too long for the veterans and their families. The stress caused on the family members was enormous.

The basic issue of this problem was it affected the veterans who could not speak for themselves. I am speaking of those veterans with severe Alzheimer's and Dementia. I know a good solution was attained in the end and it does help the veterans who live in the Pioneer Homes now. But, I fear when we are all gone and this problem arises again no one will have the corporate knowledge to help these veterans again. By enacting Senate Bill 215 this will take the administration solution today and make it law and the concern I have about this issue arising again will be unfounded.

Thanks you for your support of SB 215.

v/r

*Verdie A. Bowen*

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## ALASKA STATE COUNCIL

February 5, 2010  
Senator Wielechowski  
REF: SB215

Senator:

As one of the Veteran Service Organizations that worked through a number of meetings last year with you and other Members of our State Legislature including Rep Les Gara and Rep Nancy Dahlstrom and staff, I wanted to ensure each of you know how appreciated for your efforts and your willingness to step up for our veterans is as they face ongoing issues in relation to their care both at our State Pioneer Homes and the Alaska Veterans Home.

Each of you became intimately aware of the knot veterans face with differing government agencies attempting to untie their regulatory webs to meet the real day-to-day needs of our veterans. It was difficult, complex, and troubling. The leadership of this team of Legislators and the Commissioner of Health and Social Services in finding a solution was most welcome and appreciated. It will be remembered.

We are delighted you have decided to formally codify this new understanding in state law by the introduction of SB215. We have read the bill and discussed it with your staff and others and wanted you to know that you have the full support and appreciation of the veterans of Alaska, and specifically those Vietnam Veterans we represent here in Alaska and nationally. We will be forwarding this bill to other states who also face similar challenges.

I hope to be able to testify in support of this bill when it is before the various committees, but travel and work may keep me away. Please advise the members of any committee this bill is heard before that SB215 has our strong support and is listed as one of our top state legislative priorities for 2010.

If there is anything we can do to assist in moving this bill through this session, just ask.

It is an honor

Ric Davidge  
President

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## Veterans caught in dispute over medicines

By ROSEMARY SHINOHARA  
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(11/03/09 22:26:20)

Military veterans living in the state-run Alaska Pioneer Homes are losing out on free or low-cost prescription benefits they are entitled to for serving their country because two medical bureaucracies can't seem to figure out how to get VA drugs to them.

The problem -- mostly about the packaging the medicines come in -- affects those veterans who need help from staff to take their meds.

Instead of pill bottles, the Pioneer Homes want the medicine to come in blister packs -- foil on one side, plastic on the other, name of pill and patient on the package, with each pill ready to be individually popped out.

That's for safety, says Dave Cote, head of the Pioneer Homes.



But the Veterans Administration isn't set up to make blister packs, says Marcia Hoffman-Devoe, spokeswoman for the agency. "We don't have the space to do that. We do not have the capability to do that."

Bea Combs's stepfather, a Navy man from 1943 to 1945, was affected when the Anchorage Pioneers' Home quit accepting medicine from the VA last spring. So she's trying to get the problem taken care of for all veterans.


"I was very upset when they notified me I had to get drugs from the Pioneer Home pharmacy," she said. That change came with a bill for \$120, on top of the \$6,178 monthly her family is already paying for care of Melvin Ertwine, who is 86.

Ertwine was a yeoman 3rd class. He went on to become an engineer for the Alaska Railroad. He drove trains, including the engine that sits on the Delaney Park Strip downtown, Combs said.

Between the VA and Ertwine's Blue Cross retirement insurance, Combs didn't have to pay anything for her stepdad's medications until all the Pioneer Homes stopped accepting VA drugs in mid-April, she said.

### A PACKAGING DIFFERENCE

Veterans can get prescriptions for free if they are considered more than 50 percent disabled from their service, and the most any honorably discharged veteran has to pay is \$8 for a month's prescription.



Many veterans in Pioneer Homes were not taking advantage of VA benefits but instead used private insurance or the Medicare Part D prescription benefit, Cote said. A dozen of the 36 veterans in the Anchorage Pioneers' Home were getting their medicines from the VA, he said. A couple veterans in Palmer may also have been getting VA medicines, but that's about the extent

of the number of people affected, he said.

The state has Pioneer Homes, which are assisted-living facilities, in Anchorage, Palmer, Fairbanks, Juneau, Ketchikan, Palmer and Sitka. There are 114 veterans in Pioneer Home beds statewide, Cote said.

Until last spring, the Pioneer Homes received medicine packaged by the VA pharmacy in bottles. Pioneer Homes nurses would transfer the pills to pill boxes for each resident who needs assistance with medications. All the pills for a particular resident on a particular day and time would be mingled together in the pill boxes, which are similar to the pill boxes, or medi-sets, people might have at home.

Pioneer Homes nurses complained that wasn't safe enough, said Cote.

Once a medicine is in the pill box, it's not easy to identify which pill is what, Cote said. And besides, medication in medi-sets is supposed to be administered only by nurses, not nurse assistants, under state regulation, Cote says. The Pioneer Homes want to be able to use nurse assistants, which is OK if the drugs are in blister packs, he said.

In blister packs, "it's easy to tell if you're supposed to take a medicine on the 27 th of October at noon. If it's not punched out and gone, you can assume it's not administered," he said.

### SEEKING A REFEREE

Bea Combs at first went to Cote trying to get her stepdad's VA drugs reinstated, then called Anchorage state Rep. Les Gara's office. Gara, Rep. Nancy Dahlstrom of Eagle River and Sen. Bill Wielechowski of Anchorage began sending letters and meeting with the Pioneer Homes officials.

One possible solution the legislators and Pioneer Homes came up with last week, said Cote, is for the state to contract with a provider to prescribe the medicines the dozen or so veterans who used VA prescriptions in Anchorage need; the state, in consideration of these veterans being unable to use their VA benefits, would then pick up the cost of the medicines. Cote is going to investigate this idea.

Combs doesn't see why it's such a difficult problem to solve.

The pills go from one pharmacy, unopened, to another pharmacy, she said. "To me, the liability doesn't make sense," she said. "Is there something else going on that I don't know?"

The two bureaucracies -- the VA and the Pioneer Homes -- both say they want to resolve the issue somehow.

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Find Rosemary Shinohara online at [adn.com/contact/rshinohara](http://adn.com/contact/rshinohara) or call her at 257-4340.

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## **Veterans in Pioneer Homes will get their medicines from VA FREE OR LOW COST: Issue of distribution safety resolved.**

By ROSEMARY SHINOHARA  
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(11/13/09 23:47:55)

The state announced Friday that it has found a solution that will allow veterans who live in state-run Alaska Pioneer Homes to get the free or low-cost medicines they are entitled to from the VA, but have been denied in recent months.

The state will also refund the money the affected veterans had to pay to fill prescriptions through the Pioneer Homes pharmacy, according to officials from the state Department of Health and Social Services.

The Pioneer Homes quit accepting medicine from the VA last April for veterans who need help from staff to take their pills. The decision affected about a dozen veterans in the Anchorage Pioneers' Home, and perhaps a couple of veterans at the Palmer home.

Pioneer Homes director Dave Cote said the VA medicine wasn't packaged in the right kind of packs to make sure staff could safely distribute it. The Pioneer Homes wanted the medicine to come in blister packs labeled with the patient's name, with foil on one side and plastic on the other and each pill ready to be popped out individually. That way it would be easy to tell if the pill had been administered.

But Cote said after a high-level meeting with Veterans Administration last week, it became clear "they could not be flexible. ... There was not anything they were going to do on their side of things."

Ken Strum, pharmacy chief for the Veterans Administration in Anchorage, said the VA doesn't have equipment needed to package medicine in blister packs as the Pioneer Homes wanted. And, Strum said, it would be against state regulation for the Pioneer Homes pharmacy to repackage in blister packs medicine it receives from the VA pharmacy.

So Cote and the Pioneer Homes nurses instead figured out the safest way to distribute VA medicine from the bottles it comes in, Cote said. Basically, they're going to be more careful.

The Pioneer Homes nursing staff will keep the pills in the original bottles, instead of transferring all of a veteran's pills into a pill box where all meds to be taken at a time would be mixed together. That's to prevent a problem in case certain prescriptions are discontinued, which happens often with older folks, Cote said.

Also, instead of allowing aides to dispense VA pills, nurses will do it, he said.

The dispute between the VA and the Pioneer Homes gained attention this fall after Bea Combs, stepdaughter of Pioneers Homes veteran Melvin Ertwine, went to a legislator's office seeking to get the free or low-cost medicines re-instated.

State Reps. Les Gara of Anchorage and Nancy Dahlstrom of Eagle River and Sen. Bill Wielechowski of Anchorage began sending letters and meeting with state administrators about it.

"I think it's a great solution," Wielechowski said Friday. "It was sort of two large bureaucracies clashing with each other. Somebody had to give."

The state was able to be "a little more nimble," he said. "One reason we were able to do it is it's a small number of people."

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Find Rosemary Shinohara online at [adn.com/contact/rshinohara](http://adn.com/contact/rshinohara) or call her at 257-4340.

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# FISCAL NOTE

**STATE OF ALASKA**  
**2010 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: SB215  
 () Publish Date: \_\_\_\_\_

Identifier (file name): SB215-DHSS-PH-02-02-10 Dept. Affected: Health & Social Services  
 Title Pioneers Home Rx Drug Benefit RDU Alaska Pioneer Homes  
 Component Pioneer Homes  
 Sponsor Wielechowski, Olson  
 Requester Senate HSS Component Number 2671

**Expenditures/Revenues** (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
<b>TOTAL OPERATING</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>								
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<b>CHANGE IN REVENUES (</b>								
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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								
Other Interagency Receipts								
<b>TOTAL</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2010) cost: \_\_\_\_\_

**POSITIONS**

Full-time								
Part-time								
Temporary								

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

SB 215 ensures that eligible Pioneer Home residents will continue to have access to federal prescription drug benefits available from the Veterans Administration or Indian Health Services. There is no fiscal impact to this bill as the Pioneer Homes are already allowing residents to access their federal prescription benefits.

Prepared by: Dave Cote, Director Phone 465-5737  
 Division: Alaska Pioneer Homes Date/Time 1/21/10 12:00 AM  
 Approved by: Alison Elgee, Assistant Commissioner Date 2/2/2010  
DHSS Finance & Management Services