

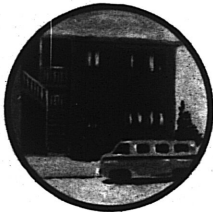
Recommendations

Senior Housing: SB 325

"An Act providing for the issuance of general obligation bonds in the amount of \$15,000,000 for the purpose of paying the cost of construction and development of senior citizen housing; and providing for an effective date."

This bill would place before the voters in the 1980 General Elections the question: "Shall the State of Alaska issue its general obligation bonds in the principal amount of not more than \$15,000,000 for the purpose of paying the cost of construction and development of senior citizens housing?"

According to the bill, if approved by the voters, the money would go to the Alaska State Housing Authority. It is envisioned that the \$15 million would be leveraged to attract other funding sources, such as federal dollars through the Department of Housing and Urban Development (HUD). Examples of such senior housing already constructed are: Chugach View Apartments in Anchorage, Mountain View Apartments in Juneau, and the Golden Towers in Fairbanks.

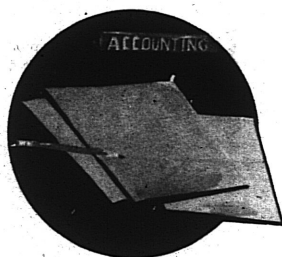


Prospective Rate Setting: SB 322

"An Act authorizing payment for services provided by certain institutions and agencies to Medicaid eligible persons on the basis of prospectively determined rates; and providing for an effective date."

This bill would allow the Department of Health and Social Services to negotiate in advance with hospitals, nursing facilities, intermediate care facilities, inpatient psychiatric facilities, and home health agencies to determine fair rates for the reasonable costs of services rendered. It would change the method of rate setting from retroactive to prospective.

The purpose of this legislation is to replace the present method of rate setting which is lacking in incentives for efficiency and cost control, with one that will introduce an incentive for containing costs.



Coverage for the Medically Needy: SB 320

"An Act authorizing state medical assistance payments under the program of general relief assistance for persons who are 'medically needy'; and providing for an effective date."

This bill would extend state medical assistance payments to those persons whose income exceeds the income standards of the old age assistance program, the aid to the blind program, or the aid to the permanently and totally disabled program, but who have incurred medical expenses which equal or exceed the difference between the person's monthly income and the income standard applicable to him or her under any of the above programs.

In other words, this bill would allow the state to make medical assistance payments to persons who otherwise would not have been eligible because they make too much money. The purpose of the bill is to allow lower-middle-income persons who can't afford to shoulder the full cost of medical care the opportunity to receive needed medical assistance. Under the proposed program, these people would "spend down" to the income limits, and the state would pick up the rest. Estimated fiscal impact is \$2 million.



Coverage for the Medically Needy: SB 321

"An Act authorizing Medicaid-reimbursable assistance payments for persons who are 'medically needy'; and providing for an effective date."

This bill is identical to the above bill with the exception that reimbursement for the assistance payments would come half from the state and half from the federal government under the Medicaid program. Both bills are being introduced because the committee has not taken a position on which would be the more appropriate way to go. The committee does recommend, however, that one of the bills be adopted to assist for example:

- * individuals with on-going medical needs who presently have to choose between necessary health care and heating their homes or buying groceries;
- * individuals with severe health care problems requiring home care, extended hospitalization, or nursing home care who might presently have to sell their homes in order to pay their medical expenses; and
- * individuals requiring long-term care at home or in a nursing home who presently have to choose between staying in Alaska or going outside just because the cost of care in Alaska is higher than in other states.

If this latter bill is accepted, the fiscal impact is estimated to be \$1 million from the General Fund, \$1 million from the federal government.



Homemaker-Home Health Aide Service: SB 323

"An Act making a special appropriation to the Department of Health and Social Services for homemaker-home health aide services; and providing for an effective date."

This bill would appropriate \$2.5 million for the operation of homemaker-home health aide services around the state. It represents an increase in funding from FY '80 of \$1.4 million.

The committee recommends that the additional money be used to double the number of available hours of service to the consumer; allow for full-time supervisors; increase the training of aides from 40 to 60 hours; and expand the service by including the component of home health aide. The standards of the National Council of Homemaker-Home Health Aide Services, Inc. should be adopted as state standards. The committee also recommends that the administration of the program be done on a regional or municipal level rather than on a statewide basis as at present.

The emphasis of this program is on enhancing the ability of the individual to function independently in his or her own home. The alternative to this type of service, in many cases, is either premature or prolonged institutionalization. Improved and expanded homemaker services is the number one priority of older Alaskans today.

Renters' Equivalency Rebate: SB 324

"An Act amending the formula for property tax equivalency payments for senior citizens; and providing for an effective date."

This legislation would increase the renter payment formula from 1/2 percent per mill to 1 percent per mill. It would also remove the dollar limit per applicant which would bring it more into equity with the homeowner exemption.

This bill does not affect the senior citizen homeowner property tax exemption program, only the renters' equivalency program. In FY '80, the renters' equivalency program will reduce the annual cost of living of an estimated 1,050 citizens, age 65 or over, renting their own home by an average \$268. If this bill were approved, the savings realized by those 1,050 citizens would approximately double.

The fiscal impact of this bill is estimated to be \$158,000.

