

State Veterans' Home Conversion - Palmer

FY2004 Request: \$3,500,000

Reference No: 38868

AP/AL: Appropriation

Project Type: Health and Safety

Category: Health/Human Services

Location: Palmer (Greater Palmer)

Contact: Larry Streuber

House District: Greater Palmer (HD 13)

Contact Phone: (907)465-1870

Estimated Project Dates: 04/01/2004 - 06/30/2009

Brief Summary and Statement of Need:

This request is to convert the Palmer Pioneers' Home from its current use to a State Veterans Home (SVH). The 82-bed facility would become a 79-bed SVH domiciliary care facility with 63 private and 8 semiprivate rooms. Occupancy of the proposed facility is projected to be 90 percent, similar to that of other Pioneers' Homes in the state.

Funding:	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>Total</u>
ASLC Div	\$765,800						\$765,800
Fed Rcpts	\$2,275,000						\$2,275,000
G/F Match	\$459,200						\$459,200
Total:	\$3,500,000	\$0	\$0	\$0	\$0	\$0	\$3,500,000

<input checked="" type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
35% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

Additional Information / Prior Funding History:

This is the first year of the project.

Project Description/Justification:

Based on an appropriation by the Legislative Audit and Budget Committee, a consultant was commissioned to complete the report: *Alaska Veterans Home Feasibility Study*. That report was very useful, and based on the findings and recommendations of the report, Governor Murkowski has decided to proceed with the option: Convert the Palmer Pioneers' Home into a State Veterans Home.

In August of 2003, the U. S. Veterans Administration (V.A.) visited the Palmer Pioneers' Home and outlined the construction requirements for conversion to a Veteran's Home. The V.A. construction requirements are quite a bit different than what was outlined in the report, *Alaska Veterans Home Feasibility Study*. It is for that reason that the cost presented here is different than the cost presented in that report.

A preliminary estimate for the entire conversion construction cost is approximately \$3.5 million since converting the Palmer Home to a Veterans Home will involve a great deal of physical infrastructure upgrades as required by the V.A.. They require that a Veteran's Home be guaranteed as much as possible to be physically sound for the next 20 years. To achieve this, it will be necessary to upgrade the heating systems, electrical systems, and to make seismic safety and energy conservation improvements, as well as meeting the ADA

accessibility regulations, fire, mechanical, and other appropriate codes. A better cost estimate will be available April 15, 2004, when the initial architectural and engineering work is complete.

An initial application for 65% federal matching funds was submitted to the V.A. in July/August of 2003. In September of 2003, the V.A. conditionally approved that application for 79 beds, with a possible waiver to allow 82 beds, at the Palmer facility. According to discussions with the V.A., the next step is for the State of Alaska to submit a revised grant application for federal funding of the Palmer Veterans Home Conversion. That process is underway.

The Palmer Pioneers' Home was constructed in 1970 to serve Alaska pioneers. It is approximately 70,000 square feet in size and has a replacement value of \$15.1 million. This request will fund conversion from its current use to use as a State Veterans Home (SVH). The 82-bed facility would become a 79-bed SVH domiciliary care facility with 63 private and 8 semiprivate rooms. Occupancy of the proposed facility is projected to be 90 percent, similar to that of other Pioneers' Homes in the state.

While licensed as a SVH domiciliary care facility, the home would be operated as an assisted living facility. The facility would operate like a Pioneers' Home and would meet the needs of veterans over several care levels. Some veterans who had already been admitted to nursing homes could potentially qualify for admission to the proposed facility if they meet the comprehensive care service level of need.

Primarily veterans would occupy the facility, with a number of beds occupied by non-veterans as allowed by federal regulations. Veterans would be placed in the facility through attrition (i.e. no current residents would be forced to move) in preparation for renovation. The current veteran population would remain. Once renovations are complete, veterans on the active waiting list for the Pioneers' Homes would be offered residence at the State Veterans Home. Veterans currently residing in other Pioneers' Homes would be transferred to the State Veterans Home only at their request. Future admissions would be primarily limited to veterans, based on their clinical care needs and bed availability.

Average attrition rates (through death) at the Palmer Pioneers' Home indicate that it would take approximately three years to convert all the designated beds from non-veterans to veterans. This does not take into account transfers from other Pioneers' Homes or any recruitment efforts to fill these beds with veterans.

Department's Mission: *To promote and protect the health and well being of Alaskans.* This project will provide a place for veterans to get the care and housing they require. Converting the Palmer Pioneers' Home to a State Veteran's Home will contribute to the Department's mission by providing this needed care and housing.