

# **State of Alaska FY2008 Governor's Operating Budget**

## **Department of Health and Social Services Pioneer Homes Component Budget Summary**

## Component: Pioneer Homes

### Contribution to Department's Mission

Manage the five Alaskan Pioneer Homes, the Veterans and Pioneer Home and the centralized Pioneer Home Pharmacy.

### Core Services

The Pioneer Homes system provides assisted living and pharmaceutical services in Sitka, Fairbanks, Palmer, Anchorage, Ketchikan and Juneau to Alaskan seniors. The services are designed to maximize independence and quality of life by addressing the physical, emotional and spiritual needs of Pioneer Home residents.

### FY2008 Resources Allocated to Achieve Results

<b>FY2008 Component Budget: \$53,907,300</b>	<b>Personnel:</b>	
	Full time	547
	Part time	49
	<b>Total</b>	<b>596</b>

### Key Component Challenges

- Caring for Alaskan seniors with increasingly complex needs within the authorized budget.
- Assuring efficient operation of the five Pioneer Homes, the Alaska Veterans and Pioneer Home and the centralized pharmacy.
- Meeting the additional Medicaid, Medicare and Occupational Safety and Health Association documentation requirements.
- Implementing regulations related to the legislative intent language that requires Pioneer Home residents to apply for appropriate alternative financial assistance programs prior to receiving state payment assistance.
- Stabilizing occupancy in the Anchorage and Sitka Pioneer Homes.
- Providing technical assistance for residents who have enrolled with a Medicare Part D plan for medications.
- Identifying and providing technical assistance to Veterans who may be eligible for various Veterans benefits.
- Recruiting and maintaining adequate health care personnel in a time of national and state workforce shortages.
- Refining the Quality Assurance Program that measures and quantifies the quality of care received by Pioneer Homes residents. The program's goal is to increase resident safety by assessing processes, identifying inadequacies and developing interventions to prevent problems from occurring.
- Continuing with the Back Injury Prevention Program that provides training to applicable personnel on the proper use of resident lifts and other equipment to prevent employee back injuries.
- Promoting awareness of the purpose and mission of the Pioneer Homes in communities.
- Assuring adequate structural integrity of the Pioneer Homes.

### Significant Changes in Results to be Delivered in FY2008

The FY 2008 budget includes a request for three additional positions for the Alaska Veterans and Pioneers Home in Palmer (\$325.0). An Assistant Administrator, Health Practitioner I and Nurse III are required to meet the requirements to become a certified Veterans Home and to run the additional programs required by the US Department of Veteran's Affairs. The specific requirements were unknown until the Veteran's Affairs team developed a checklist to evaluate the Pioneer Home. This checklist includes 13 functional areas and forty sub-parts which the Pioneer Home must meet before it can be certified as a state Veteran's Home. The three positions are key in meeting and maintaining certification from the Department of Veteran's Affairs, collecting Veteran's per diem payments and providing a safe living environment for Alaska Veterans and seniors. This funding request is split between general funds and receipt supported services.

In FY 2007, the legislature approved 24 new positions for the Pioneer Home, which were funded for nine months. The FY 2008 budget includes a request for \$390.0 to annualize the funding for these positions. These additional positions will provide the level of resident care and safety required with the increased acute care levels of our residents.

The additional staff approved in FY 2007 for the Sitka and Palmer Pioneer Homes supports filling 10 and 12 vacant beds, respectively. The division requests \$66.0 in contractual and receipt supported services funding to pay for food service costs related to these additional residents.

In FY04 Pioneer Home residents became eligible to apply for Medicaid. In FY05 the division enrolled with the Medicaid program for provision of pharmacy services and long term care waiver services. With these changes, division staff, primarily social workers, have assumed the task of assisting interested residents with the Medicaid application process. Implementation began in FY05 and will continue through FY08.

Following the Nursing Association guidelines on administration of nutritional supplements, the pharmacy developed a policy and procedure on the safe and effective use of supplements. As recommended by the Nursing Association, the pharmacy will stock and dispense only United States Pharmacopeia verified nutritional supplements ordered by a physician.

## Major Component Accomplishments in 2006

- Provided assisted living home and pharmacy services to approximately 441 residents.
- Obtained the ability to electronically access Medicare Part D billing information which streamlined the transition of residents to Part D and improved the accuracy of billing information.
- Transitioned all dual-eligible Medicaid/Medicare residents to Medicare Part D drug plans.
- Increased the ability to hire and retain Pharmacists in the face of strong competition from private employers by creating exempt positions with a salary closer to that of the private sector.
- Achieved cost savings by providing medications to DHSS youth facilities through the Pioneer Homes pharmacy system.
- Achieved cost savings by providing meals to three DHSS youth facilities through the Pioneer Homes kitchens.
- Continued Management of the Quality Assurance Program - The overall goal is increased resident safety. The primary program objectives are to track and troubleshoot unusual occurrences, identify trends and provide the legislature with statistical information as required by statute.
- Continued to offer the Pharmacy Student Internship Program that provides on-site education for University of Southern California pharmacy students. The interns assist the pharmacy staff and develop and provide training opportunities for Pioneer Home staff.

## Statutory and Regulatory Authority

Ch 59, SLA04	Pioneers' Homes/Veterans' Homes: SB 301
AS 44.29.020(a)(16)	Duties of H&SS Department - Amd by Ex Order 108, Sec 4; Ch 59, SLA04
AS 44.29.400	State Veterans' Home Facilities - Amd by Ex Order 108, Sec. 4; Ch 59, SLA04
AS 47.55	Pioneers' Homes - Amd by Ex Order 108, Sec. 4; Ch 59, SLA04
7 AAC 74	Pioneers' Homes - Revised August 2004

### Contact Information

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**Pioneer Homes  
Component Financial Summary**

*All dollars shown in thousands*

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	32,936.8	35,776.5	41,695.4
72000 Travel	22.6	18.2	18.2
73000 Services	6,590.7	6,764.8	6,830.8
74000 Commodities	3,263.1	5,046.6	5,046.6
75000 Capital Outlay	97.6	212.6	212.6
77000 Grants, Benefits	67.8	103.7	103.7
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>42,978.6</b>	<b>47,922.4</b>	<b>53,907.3</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	0.0	231.0	231.0
1004 General Fund Receipts	13,576.4	15,558.2	19,294.9
1007 Inter-Agency Receipts	2,937.0	3,073.0	3,343.8
1037 General Fund / Mental Health	11,672.5	12,494.9	14,056.7
1108 Statutory Designated Program Receipts	1,500.0	3,466.4	3,466.4
1156 Receipt Supported Services	13,292.7	13,098.9	13,514.5
<b>Funding Totals</b>	<b>42,978.6</b>	<b>47,922.4</b>	<b>53,907.3</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
<b>Unrestricted Revenues</b>				
None.		0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>				
Federal Receipts	51010	0.0	231.0	231.0
Interagency Receipts	51015	2,937.0	3,073.0	3,343.8
Statutory Designated Program Receipts	51063	1,500.0	3,466.4	3,466.4
Receipt Supported Services	51073	13,292.7	13,098.9	13,514.5
<b>Restricted Total</b>		<b>17,729.7</b>	<b>19,869.3</b>	<b>20,555.7</b>
<b>Total Estimated Revenues</b>		<b>17,729.7</b>	<b>19,869.3</b>	<b>20,555.7</b>

**Summary of Component Budget Changes  
From FY2007 Management Plan to FY2008 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2007 Management Plan</b>	<b>28,053.1</b>	<b>231.0</b>	<b>19,638.3</b>	<b>47,922.4</b>
<b>Adjustments which will continue current level of service:</b>				
-Transfer in Nursing Salary Market Based Pay	685.2	0.0	0.0	685.2
-Delete one-time-authorization for First FY2007 Fuel/Utility Cost Increase Funding Distribution	-131.6	0.0	0.0	-131.6
-FY 08 Health Insurance Increases for Exempt Employees	1.3	0.0	0.3	1.6
-Fund Source Adjustment for Retirement Systems Increases	538.7	0.0	-538.7	0.0
<b>Proposed budget increases:</b>				
-Funding for Meals for Sitka and Palmer Residents	0.0	0.0	66.0	66.0
-Annualize Funding for FY07 New Positions	390.0	0.0	0.0	390.0
-Additional Positions to Meet Veteran Home Requirements	162.5	0.0	162.5	325.0
-Increase Funding for Nursing Salary Market Based Pay	0.0	0.0	162.3	162.3
-Add back authorization for First FY2007 Fuel/Utility Cost Increase Funding Distribution	131.6	0.0	0.0	131.6
-FY 08 Retirement Systems Rate Increases	3,520.8	0.0	834.0	4,354.8
<b>FY2008 Governor</b>	<b>33,351.6</b>	<b>231.0</b>	<b>20,324.7</b>	<b>53,907.3</b>

**Pioneer Homes  
Personal Services Information**

Authorized Positions		Personal Services Costs			
<u>FY2007</u>					
<u>Management</u>	<u>Plan</u>	<u>FY2008</u>	<u>Governor</u>		
				Annual Salaries	23,899,668
Full-time	546	547		Premium Pay	34,700
Part-time	47	49		Annual Benefits	19,143,354
Nonpermanent	69	68		<i>Less 6.92% Vacancy Factor</i>	(2,982,322)
				Lump Sum Premium Pay	1,600,000
<b>Totals</b>	<b>662</b>	<b>664</b>		<b>Total Personal Services</b>	<b>41,695,400</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk II	2	0	0	0	2
Administrative Assistant	1	0	1	3	5
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	0	1	1	1	3
Administrative Manager I	0	1	0	0	1
Assisted Living Aide	6	5	1	12	24
Assisted Living Care Coord	1	2	1	1	5
Asst Adm Anch Pioneer Home	1	0	0	1	2
Certified Nurse Aide I	79	47	35	111	272
Certified Nurse Aide II	2	3	0	0	5
Enviro Services Foreman	1	1	0	3	5
Enviro Services Journey I	17	9	0	20	46
Enviro Services Journey II	2	4	0	14	20
Enviro Services Lead	0	0	0	1	1
Food Service Journey	4	5	0	17	26
Food Service Lead	1	1	0	0	2
Food Service Sub Journey	27	12	0	38	77
Health Practitioner I	0	0	1	1	2
Human Resource Technician I	1	0	0	0	1
Licensed Prac Nurse	12	7	4	6	29
Maint Gen Foreman	1	1	1	3	6
Maint Gen Journey	4	3	0	7	14
Maint Gen Sub - Journey I	0	0	0	1	1
Maint Gen Sub - Journey II	0	0	1	0	1
Medical Records Asst	1	0	0	3	4
Nurse I	2	1	1	3	7
Nurse II	10	7	2	23	42
Nurse III	4	2	4	11	21
Nurse IV	1	0	0	3	4
Pharmacist	4	0	0	0	4
Pharmacy Technician	3	0	0	0	3
Physical Therapist	1	0	1	0	2
Pioneers Home Admin I	0	0	1	3	4
Pioneers Home Admin II	1	1	0	0	2
Procurement Spec II	1	0	0	0	1
Recreation Assistant	1	0	0	2	3
Recreational Therapist II	1	1	1	2	5
Social Services Associate II	1	0	0	0	1
Social Services Specialist II	0	0	0	1	1

**Position Classification Summary**

<b>Job Class Title</b>	<b>Anchorage</b>	<b>Fairbanks</b>	<b>Juneau</b>	<b>Others</b>	<b>Total</b>
Social Worker II	1	0	1	1	3
Social Worker III	0	1	0	1	2
Supply Technician II	1	1	0	2	4
<b>Totals</b>	<b>196</b>	<b>116</b>	<b>57</b>	<b>295</b>	<b>664</b>