

**Alaska Commission on Aging
KEY POINTS TO KNOW ABOUT:**

**Other ACoA Priorities
February 2009**

◆ **Issue: Regular Rate Reviews for Home- and Community-Based Services.**

Providers of home- and community-based services under the Medicaid Waiver program have often gone years without an adjustment in their reimbursement rates, while their operating costs continued to rise. Frozen rates resulted in a diminished pool of community resources to draw upon, reducing the quality and the availability of services for seniors in need. Waiver providers received a rate adjustment for FY 2009, but the Commission supports a commitment to regular rate reviews for all service providers.

Currently hospitals and nursing homes receive periodic rate reviews by statute. Home- and community-based service providers also need adequate funding to cover the increased cost of operating expenses to maintain the system of care that serves many vulnerable older Alaskans, allowing them to continue living in their homes and communities. In FY 2008, nearly 1,300 older Alaskans received services under the Older Alaskans Waiver program. These services help maintain individual seniors' quality of life and reduce the need for more costly institutional care.

With a regular schedule of rate reviews, both providers and the Dept. of Health & Social Services can more readily plan and allocate resources for future needs.

◆ **Recommendation:**

The Alaska Commission on Aging recommends that the Legislature enact a statutory requirement for regular rate reviews for Medicaid home- and community-based services providers.

◆ **Issue: Establishment of Alaska Public Transportation Trust.**

Seniors depend heavily on community coordinated transit systems to get to their medical appointments, do their grocery shopping, and participate in community activities such as those offered at their local senior center. According to a 2008 ACoA survey of providers, as gas prices rise, more seniors seek van rides more often. In its rural outreach visits, the Commission has seen that some smaller communities have no assisted or unassisted transportation for seniors, sometimes leaving them stranded at housing developments far from the town's services center. In larger communities, seniors tell us the van does not reach some neighborhoods or parts of town that they live in or need to visit. Alaska is one of the few states which does not contribute to the funding of public transportation in its communities. The creation of a public transportation trust to help fund these essential services has become a vital need for seniors and other vulnerable Alaskans.

◆ **Recommendation:**

The Alaska Commission on Aging recommends creation of an Alaska Public Transportation Trust within the budget of the Department of Transportation & Public Utilities, to help fund existing community coordinated transit systems and create basic transit services in those communities currently lacking them.

◆ **Issue: Supported Housing for Trust Beneficiaries.**

According to a point-in-time survey conducted by the Alaska Housing Finance Corporation (AHFC) in 2008, 17 percent of homeless Alaskans were adults age 55 and older. We don't know why these older Alaskans (at least 123 of them – some individuals declined to give their age) were homeless; however, it's likely that absence of affordable housing and the existence of disabling conditions such as alcoholism, addictions, and mental illness played a part in many individual situations.

AHFC reports that the wait list for their senior and disabled housing units has grown by over 70 percent in the last six years. As our state's senior population grows by six percent annually, it's likely that more and more older Alaskans will be found among the homeless unless additional affordable and supported housing is developed at the earliest opportunity. Seniors who are Trust beneficiaries (those with Alzheimer's disease or related dementias, those with a mental illness - including depression, and those with substance abuse problems) would benefit greatly from assistance in locating and maintaining independent housing, accommodations for their special needs, and help obtaining the services, support, and (if appropriate) skill development that would enhance their well-being and quality of life.

◆ **Recommendation:**

The Alaska Commission on Aging recommends that the Legislature fund a targeted supported housing fund to provide supplemental funding to housing projects to allow for supportive services and adequate rental subsidies, providing a safe, healthy, and beneficial environment for Trust beneficiaries, including many older Alaskans.

◆ **Issue: Support for the Alaska Primary Care Association.**

In recent years, many Alaskan Medicare beneficiaries have had difficulty finding primary care providers. A number of doctors reported that with the current low reimbursement rates paid by Medicare, they could not afford to serve this population any longer. This left large numbers of seniors feeling they had no place to go for their primary care. Alaska's 26 Community Health Centers (CHCs), however, have always served Medicare beneficiaries, and stepped up to take in many of those whose private sector doctors had discontinued their care. The Community Health Centers do not turn anyone away, regardless of their ability to pay or their Medicare coverage.

The CHCs provide a more appropriate, more cost-effective setting for care compared with emergency room visits. Past studies found that treatment in the primary care setting saves \$650 per unnecessary ER visit. CHCs are documented to show the lowest total health care costs, the

lowest cost per ambulatory visit, the lowest rate of hospital inpatient days, and the lowest inpatient care costs.

While a change in federal law beginning in 2009 will offer a 35% increase in physician reimbursement, it is not known how many primary care providers in the private sector will return to providing care for Medicare recipients, as Medicare reimbursement will still be significantly less than their costs for treating Medicare patients. Furthermore, Alaska's senior population is increasing by approximately six percent annually while Alaska faces a shortage of health care providers.

In 2006, Alaska's Community Health Centers served 5,861 patients who were age 65 and older. Since 2002 seniors have been the fastest-growing segment of the CHCs' patient population. Costs of serving this population are increasing as well. Actuaries at the Centers for Medicare and Medicaid Services (CMS) forecast average annual medical cost inflation at 6.7 percent over the next decade.

◆ **Recommendation:**

The Alaska Commission on Aging recommends support for the Alaska Primary Care Association in the form of \$155,000 in operating funds to be added to the \$350,000 in the Governor's operating budget to continue services provided through the FY 2009 increment for senior patient services. The increased amount is based on projected increases in the number of senior patients and the cost of medical services. The Commission also recommends support for \$500,000 in capital project funds for senior patient outreach which would allow the Alaska Primary Care Association to encourage seniors to access services earlier (thus reducing long-term costs), help them build relationships with their clinics, and educate seniors about the CHCs' willingness to accept Medicare, their ability to provide high-quality medical services, and their readiness to serve as primary care homes.

◆ **Issue: Projects to Support Vulnerable Older Alaskans – COMPAN; APS Statute Modification; Fall-Safe**

Alaska has a number of state agencies whose missions include aiding vulnerable older Alaskans. Adult Protective Services, the Office of the Long-Term Care Ombudsman, and the Office of Elder Fraud and Assistance investigate abuse, neglect and/or financial exploitation of seniors. However, many Alaskans are unaware of the existence of these agencies, and do not know where or how to report suspicions or concerns about the well-being of an older Alaskan.

The COMPAN (Communities Prevent Abuse and Neglect) Project, as proposed by the Alaska Commission on Aging, would develop a toolkit (including a DVD) for distribution to community gatekeepers. The toolkit would focus on the definition of harm against a vulnerable older or disabled individual, ways to detect possible harm in the course of one's daily life in the community, and how to report any concerns to the appropriate agency for follow-up. The project also includes a public awareness campaign to alert all Alaskans to signs that an adult may need protection and to let them know who to contact in the event they become aware of a situation which may need investigation.

Adult Protective Services is in the process of updating the statutes which delineate the agency's responsibilities. Commission staff has been involved in this effort.

The Fall-Safe Project is a proposed partnership between the Alaska Commission on Aging and the Division of Public Health to provide education, medication management, exercises and balance training, and home assessment and modification to help keep seniors safe from falls, which are the number one injury causing hospitalizations for seniors and are also a top cause of brain injury.

Between 2001 and 2005, 7,173 Alaskan seniors (age 65 and older) suffered injuries from falls, according to the Alaska Trauma Registry. This was nearly ten times the number who suffered the next-most-common injury type, motor vehicle accidents (as vehicle occupants).

This project would address the most significant causes of senior falls. Many elderly people take medications that affect perception and balance, thus increasing the risk of falls. Many of those over age 65 have other medical conditions that increase the likelihood of falls, such as visual limitations and orthopedic problems. External factors associated with falls among the elderly include a previous history of one or more falls, lack of exercise, improper footwear, and hazards in the home.

◆ **Recommendation:**

The Alaska Commission on Aging recommends:

- ◆ Funding for the COMPAN Project (\$200,000 in GF/MH operating funds for Senior & Disabilities Services for FY 2010)
- ◆ Approval of Adult Protective Services' statutory changes
- ◆ Funding for the Fall-Safe Project (\$150,000 in GF/MH operating funds for the Division of Public Health for FY 2010)

◆ **Issue: Support for AHFC Senior Housing Funding.**

Affordable, accessible housing was one of the top three needs identified by Alaskan seniors in the Alaska Commission on Aging's senior survey in 2005. Some seniors wish to downsize to smaller, more accessible housing units, such as single-level homes or condos. Others (of all income levels) wish to live in senior housing where they will be near services and amenities they anticipate needing as they grow older. Many are comfortable with their current living arrangements, but expressed concern about whether appropriate housing accommodations will be there when they need them.

A 2008 point-in-time survey conducted by the Alaska Housing Finance Corporation showed that 17% of the state's homeless were individuals age 55 and older. During the last six years, the number of people on AHFC's wait lists for senior and disabled housing has increased by over 70 percent. Clearly, there is not enough affordable housing for all those who need it now. And demand is only likely to accelerate during the coming decades as our senior population grows at the fastest rate among all the states.

◆ **Recommendation:**

The Alaska Commission on Aging recommends support for the Alaska Housing Finance Corporation's Senior Citizen Housing Development Fund, in order to begin new housing projects that will be ready during the next decade.

◆ **Issue: Fuel Vouchers and Outreach for Residents of Disadvantaged Rural Communities.**

Recently an internet frenzy was created by reports that people in the village of Emmonak, in the Wade Hampton census area in Western Alaska, were struggling to pay for food and fuel after a poor fishing season and the onset of unusually harsh winter weather. However, the Commission's rural outreach visits over the years have revealed that seniors and other residents of many remote parts of Alaska face these struggles on an ongoing basis. In many cases language barriers prevent seniors from learning about programs such as Senior Benefits or LIHEAP (Low-Income Home Energy Assistance Program) for which they may be eligible. In other cases the high costs associated with a basic standard of living in rural Alaska may exceed seniors' fixed incomes.

◆ **Recommendation:**

The Alaska Commission on Aging supports a system of fuel vouchers to assist residents of disadvantaged rural, remote communities with the cost of heating fuel as well as efforts to provide consultation with communities and individuals in their native languages regarding their eligibility for a range of State and federal programs to help with needs for cash, heat, food, and other basic needs.