

<b>ALASKA PIONEER HOME</b>		<b>P&amp;P No: 03.05</b>
<b>Title: Resident Payments</b>		<b>Approval: D. COTE</b>
<b>Key Words: Private pay, Medicaid waiver, Payment assistance, Insurance, Grant</b>		
<b>Team: Administration</b>	<b>Effective Date: 8/1/12</b>	<b>Page: 1 of 6</b>

**PURPOSE**

To describe the options available to Alaska Pioneer Home (AKPH) residents to pay the monthly AKPH charges.

**POLICY**

The monthly AKPH rates for Level I, Level II, and Level III services are defined in regulation and are subject to change.

The monthly rates cover room, board, and care provided by AKPH staff.

If financially able, the residents pay the monthly charges for room and board, medications dispensed by the AKPH pharmacy, and ancillary supplies.

If not financially able, assistance programs are available to the AKPH residents.

Alaska state regulation requires recipients of state assistance who qualify for other federal and state assistance programs to apply to those programs. This reduces the amount of assistance needed.

Department of Health and Social Services (DHSS) staff assists with the eligibility forms for other benefit programs.

Charges incurred by an AKPH resident are the responsibility of the resident.

**DEFINITIONS**

**Division of Public Assistance (DPA)** in the Department of Health and Social Services (DHSS) determines financial eligibility of individuals in need of Medicaid benefits.

**Public Assistance (PA) Program** furnishes Medicaid financial assistance to needy, aged, blind, and disabled persons, to help them attain self-care.

**Division of Senior and Disabilities Services (DSDS)** in the DHSS manages the daily administration and operation for the Medicaid waiver program; DSDS oversees the entire operation.

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**Medicaid Waiver** provides funding for services to clients who meet financial eligibility through the DPA and Level of Care through the DSDS. The waiver keeps individuals with disabilities in their home communities and out of institutions, hospital, and nursing facilities.

**Older Alaskans Waiver** is one of four Medicaid waivers offered by DSDS that allows people to receive needed care while living in their home or community, rather than enter a hospital, nursing facility, or intermediate care facility.

**Medicaid** is the primary public program for financing health and long term care services for low income Alaskans. It is funded fifty percent by federal funds and fifty percent by state general funds. Application for Medicaid is at the local Public Assistance office.

**Pioneer Home Payment Assistance** program subsidizes the residents' payments, up to the cost of the Home rates and fees. The resident is allowed to keep two hundred dollars (\$200) each month for personal expenses. The assistance is provided to residents of Pioneer Homes who are unable to pay the monthly charges.

**Medicare** is federal health insurance for elders 65 years and older and disabled persons who receive Social Security payments. It is *not* income dependent. Application for Medicare is at the Social Security Administration office.

<b>PROCEDURE</b>
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**I. Payment Categories**

A. General information

1. AKPH residents have 3 payment categories.
  - a. Private Pay
  - b. Older Alaskans Medicaid Waiver
  - c. AKPH Payment Assistance Program
2. Payment of the monthly charges.
  - a. An AKPH resident who is unable to pay the full monthly charges cannot be evicted, per statute.
  - b. An AKPH resident who refuses to pay the full monthly charges may be evicted.
3. The AKPH central office in Juneau processes charges, payments, and account adjustments.
  - a. Resident statements are sent on the first business day of each month.
  - b. The monthly rent charges are pre-billed.

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- c. The pharmacy and supply charges are billed after the medications are dispensed and supplies are used.

**B. Private Pay**

1. Charges are paid with the resident's personal funds.
2. Monthly rates charged:
  - a. Level I = \$2,350.
  - b. Level II = \$4,260.
  - c. Level III = \$6,170.
3. Daily rates charged:
  - a. Day care = \$70 per day.
    - 1) Day care is available to applicants on the active AKPH wait list.
  - b. Respite care = \$100 per day.
4. Pharmacy and supply
  - a. Pharmacy charges are based on the co-pay of filled prescriptions.
  - b. Supply charges are for those supplies used by the resident.

**C. Older Alaskans' Medicaid Waiver**

1. Charges are paid with:
  - a. Resident's available personal funds,
  - b. Mix of state and federal funds, and
  - c. State fund subsidies, if needed.
2. Monthly charges to waiver residents include:
  - a. \$579. for room and board,
  - b. Medication co-pay, and
  - c. Supplies used.
  - d. Monthly charges do not exceed available income.
  - e. State and federal government subsidize the difference between the monthly charges and the amount billed.
3. Waiver eligibility is determined by 2 divisions in the DHSS:
  - a. Senior and Disabilities Services
    - 1) Administers the Medicaid waiver program that provides funding for services for the residents.
    - 2) Determines level of care needed.
  - b. Public Assistance
    - 1) Determines financial eligibility.
4. The waiver provides expanded services to the residents who meet nursing home level of care.
  - a. Care services are provided in the home or community rather than in institutions, hospitals, skilled nursing facilities, or intermediate care facilities.

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## D. AKPH Payment Assistance Program

1. Charges are paid with:
  - a. Resident's personal funds.
    - 1) Resident is charged the amount to the available income, minus \$200. available each month for personal needs.
  - b. Remainder is subsidized with state funds.
    - 1) Subsidy is the difference between the income-based charges and the monthly charges.
2. Payment assistance eligibility is determined by application to the Division of AKPH.
  - a. Application discloses:
    - 1) Resources
    - 2) Income
    - 3) Financial transactions in the past 36 months
  - b. To qualify, a resident may not have more than:
    - 1) \$10,000. in resources, after allowable deductions, or
    - 2) \$98,000. in resources with a spouse in the community.
  - c. Monthly charges subsidized by the State:
    - 1) Unpaid monthly charges,
    - 2) Medication co-pay, and
    - 3) Supplies used.
  - d. When the resident dies, the State files a claim with the court system against the estate for the indebtedness accrued during residency in the AKPH.

## E. Service level changes

1. When a resident's care level is *increased*, the billing rate is changed 30 days after the level change.
2. When a resident's care level is *decreased*, the billing rate is changed on the date of the level change.
3. When a resident needs temporary skilled nursing care, for example, due to a condition from hospitalization:
  - a. The resident is moved to a transition bed in a Level III neighborhood, if staffing and space are available.
  - b. Temporary skilled nursing care may be provided in the Home for up to 45 days.

## F. Transfers to other health care facilities

1. A private pay resident is charged the Level I monthly rate while in another facility, or until it is determined that the resident will not return to the Home.

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2. A waiver resident is not charged the monthly rate while in another facility.
  - a. Reimbursement from the federal government is reduced by the number of days spent away from the AKPH.

**II. Other Assistance Resources****A. Medicare**

1. Medicare is federal health insurance for persons 65 years and older, and persons who are disabled.
2. Medicare insurance is not income-dependent.
3. Medicare applications are available at:
  - a. Social Security Administration offices, or
  - b. On-line at [www.socialsecurity.gov/medicareonly](http://www.socialsecurity.gov/medicareonly)

**B. Medicaid**

1. The DHSS Division of Public Assistance determines Medicaid financial eligibility.
  - a. Financial assistance is provided if eligible.
2. Medicaid is an assistance program created by the federal government with the cost shared by the federal and state governments.
3. Medicaid covers:
  - a. Doctor visits
  - b. Hospital visits
  - c. Medications
  - d. Durable medical equipment, such as wheelchairs
4. Regular Medicaid does not pay for AKPH services.
5. Applications are available at the Public Assistance offices.
6. Medicaid program information is available at [www.hss.state.ak.us/dpa/programs/medicaid](http://www.hss.state.ak.us/dpa/programs/medicaid)

**C. Long term care insurance**

1. Insurance purchased by a resident from a private insurance company to help pay the cost of long term care.

**D. Pioneer Home Grant Program**

1. Catastrophic insurance program.
2. The program provides supplements to AKPH residents who are financially unable to pay for certain medical expenses.
3. The goal of the grant is to assist residents who incur medical expenses that can't be paid.
4. Assistance is by application and is not guaranteed.

5. For more information, contact the AKPH Central Office at:
- a. 1-907-465-4416, or
  - b. 1-888-355-3117.

<b>HISTORY OF REVISIONS</b>
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New: 1/1/12  
Revised: 7/20/12  
Reviewed:

<b>ATTACHMENTS</b>
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<b>REFERENCES</b>
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7 AAC 74.025, 7 AAC 74.040-050, AS 47.33.030, AS 47.33.090, 7 AAC 75.330