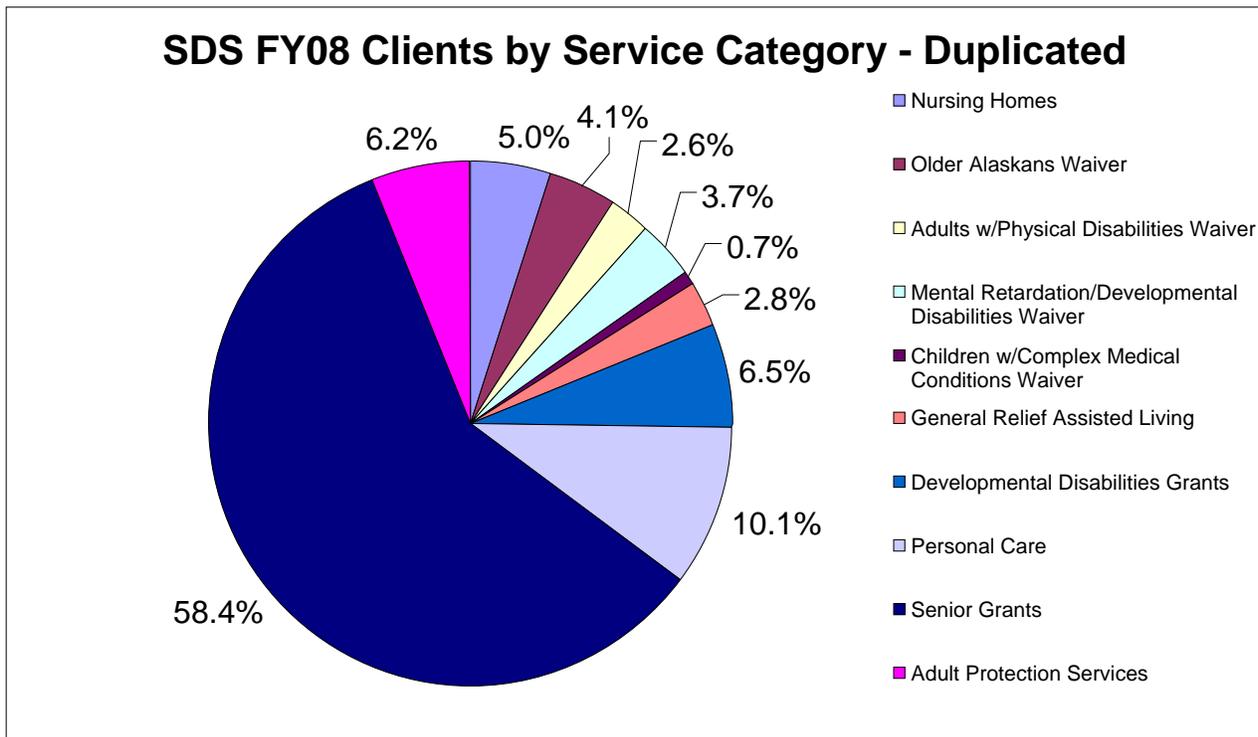


**SENIOR & DISABILITIES SERVICES
 QUARTERLY REPORT
 First Quarter FY 2009**

Senior and Disabilities Services (SDS) provides access to long-term services and supports for low-income seniors and people with physical, intellectual and developmental disabilities. Services are funded either by Medicaid or state general funds (GF), and provide the choice of nursing home care or home and community-based services that allow the individual to remain in their home and community for as long as possible.

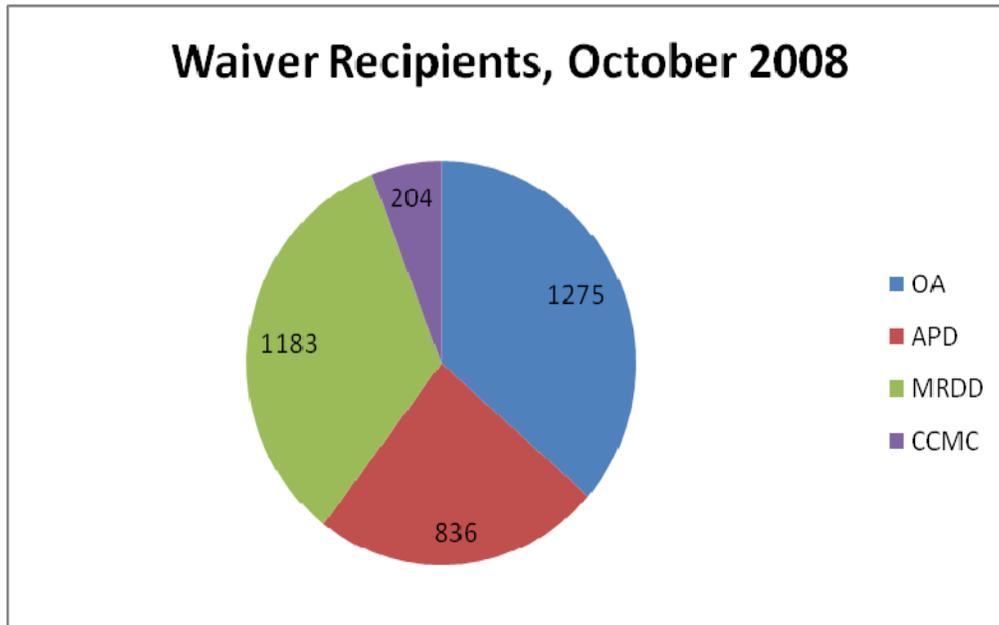


HOME & COMMUNITY-BASED SERVICES

The majority of long-term services and supports are provided through Medicaid waivers. Waiver programs allow the state to “waive” some of the federal rules governing Medicaid so that people can receive the services in their own homes.

SDS administers waivers serving four distinct groups - Adults with Physical Disabilities (APD), Children with Complex Medical Conditions (CCMC) individuals with Mental Retardation and Developmental Disabilities (MRDD) and Older Alaskans (OA). Currently, waivers serve over 3,500 individuals with a variety of home and community based services and supports including care coordination, home health care, chore service, habilitation and respite.

To be eligible for an OA or APD waiver an individual must be both Medicaid-eligible and be found to need the level of care available in a nursing home. The Division of Public Assistance (DPA) determines financial eligibility, and the SDS Assessment Unit performs the level of care assessments (LOC) statewide with nurses based in Fairbanks, Anchorage, Wasilla, Juneau, Bethel, Homer, and Soldotna.



New Initiatives

- Development of a digitized assessment tool now being tested by the program managers and nurses for comments/revisions;
- Rapid assessment results with nurses making decisions quickly while still in the field;
- Greater utilization of the SDS “DS3” data-base that will facilitate electronic notification of scheduled visits, assignments by region/zip code and use of map-based software to help locate clients’ homes and reduce driving time and mileage costs.

Personal Care Assistance (PCA) Services

Over 3,000 Alaskan seniors and individuals with disabilities receive Personal Care Assistance (PCA). PCA services provide personal support such as help with bathing and eating as well as practical activities such as shopping and light housework. PCA is provided statewide through private agencies or through a “consumer-directed” model, where consumers manage their own care by selecting, hiring, firing and supervising their own PCA. There are currently 78 active PCA providers statewide.

New Initiatives

- **PCA Acuity Project.** Recipients of PCA services as well as their caregivers, providers and SDS managers have expressed concern regarding the process used to develop a PCA recipient's "Plan of Service." Currently, a service plan requires exhaustive analysis and computation of the number of minutes allotted for each specific service the consumer needs to remain independent. This is problematic in that individuals' lives are not organized in such a way that each day brings the same activities, conducted in the same way. In response, SDS has developed an on-line tool that assigns a recipient of PCA services an amount of hours each week that they may use as they see fit to meet their personal care needs. This standardized, objective system uses a person's scores from the Personal Care Assessment tool (PCAT) to calculate a maximum weekly number of hours of personal care based on those scores. In early testing, the process has produced no net loss of services in the PCA program while equitably distributing hours of service to people with like needs. Recipients have the flexibility to meet their needs outlined in their assessment through a less rigid and prescribed process.

The PCA acuity system is now available for review by the public. SDS staff are urging consumers and providers to visit the SDS website at <http://www.hss.state.ak.us/dsds/> to view the on-line acuity tool, and to test it using real world data. After testing is complete, SDS will analyze feedback and make a decision to incorporate use of the tool into PCA planning. Plans are to make that decision in early 2009.

- **Program Improvement Activities:** The PCA Unit has established a Policy and Procedure workgroup that will continue the process of developing policy for the PCA program. Five PCA agency representatives will provide key stakeholder input to ensure rational policy development.
- **Provider Relations:** PCA staff have made site visits to the Anchorage Neighborhood Health Center and the PCA provider network on the Kenai Peninsula to both educate on the PCA assessment process and take stakeholder input on improving SDS/provider relations.

Services for People with Developmental Disabilities

The State of Alaska recognizes a developmental disability as a severe, chronic disability that is attributable to a mental and/or physical impairment, is manifested before the individual turns age 22 and is likely to continue indefinitely. The disability must result in substantial functional limitations in three or more areas including self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living or economic self-sufficiency. In addition, the individual must need extended or lifelong coordinated services or supports.

To promote the independence of people with developmental disabilities, SDS administers Medicaid waiver programs for Mental Retardation and Developmental Disabilities (MRDD) and Children with Complex Medical Conditions (CCMC). These programs provide access to home and community based long-term services and supports. To be eligible, the individual must be

financially needy and, have physical needs that, absent special home and community-based services, would require care in an institution.

SDS also administers the MRDD level of care assessment for the “TEFRA” Program, created by the federal Tax Equity and Fiscal Responsibility Act. Under TEFRA, states can make Medicaid benefits available to severely ill children at home, even though those children would not ordinarily be eligible due to parental income or resources. To qualify, a child must require a level of care provided in a hospital, including an inpatient psychiatric hospital, nursing facility or intermediate care facility for the mentally retarded in accordance with 7 AAC 43.170-7 AAC 43.190, 7 AAC 43.300 or 7 AAC 43.020 (h).

The Division of Public Assistance (DPA) manages the TEFRA Medicaid program and determines financial eligibility, and SDS makes the “level of care” determinations using the Inventory for Client and Agency Planning (ICAP). This quarter 197 ICAP assessments were completed.

- Currently there are over 1,350 individuals actively eligible for DD services.
- 92 are in pending status, and need a redetermination or new application.
- 122 are in screening status, where an application has been received but eligibility has not yet been determined.
- 207 determinations were made this quarter.

DD Registry

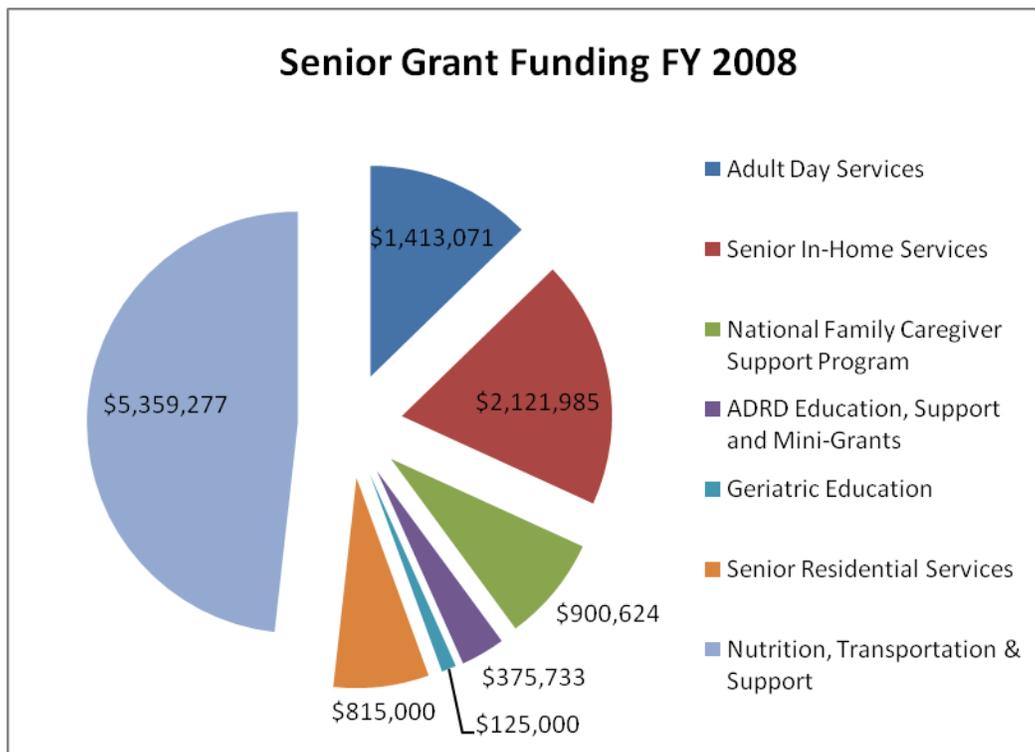
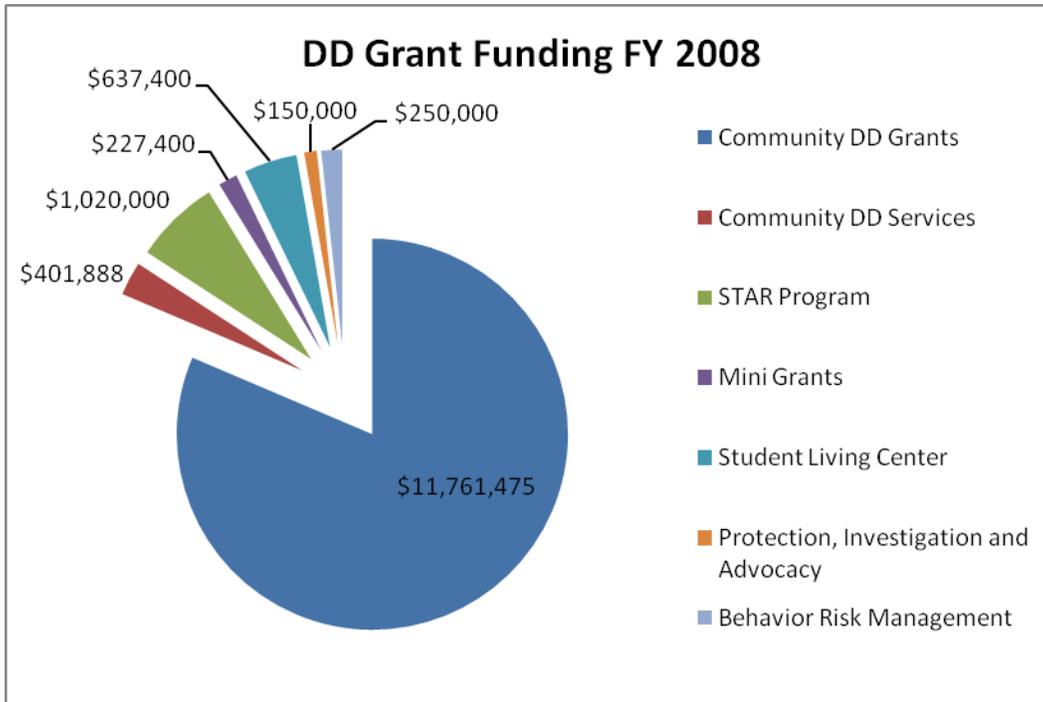
The Department of Health and Social Services maintains the “Developmental Disabilities Registry,” a list of individuals who experience a developmental disability and have requested services. An FY 2007 \$3 million budget increment allowed SDS to remove many additional individuals from the registry and provide them a variety of services and supports. With approval of the Centers for Medicaid and Medicare (CMS) and the advocacy of the Governor’s Council on Disabilities and Special Education, the Alaska Mental Health Trust Authority (AMHTA), and representatives of the Alaska Association on Developmental Disabilities (AADD), SDS will remove 200 persons annually from the Registry and assess their need for waiver services.

There are currently 933 individuals on the Registry. Ages range between 1 and 70 years with a mean age of 17. Those on the Registry are eligible for grants and services offered through Community DD grants.

Grant Funded Services

SDS administers grants to nonprofit social service agencies across Alaska for services to seniors, adults with physical disabilities and individuals with developmental disabilities. SDS receives these funds from a variety of sources including the U.S Administration on Aging, the Alaska Mental Health Trust Authority, and state general funds. SDS awards grants through a competitive process or through provider agreements that fund Senior Home and Community Based Services, Nutrition, Transportation and Support Services for seniors, Developmental

Disability Community Based Services, and Aging and Disability Resource Centers. In FY 2008, SDS served over 19,940 individuals with \$25,560,929 in grants.



New Initiatives

- The Trust Training Cooperative. Since April 2006 stakeholders have been coming together to work on the Alaska Mental Health Trust Workforce Development Initiative. The Trust Training Cooperative (TTC) is one element of this initiative that focuses on coordinating and providing training, education and career development opportunities for professionals and paraprofessionals who serve beneficiaries of the Trust. The TTC has spent the past year developing an infrastructure and recently began offering training opportunities. SDS will be participating on the Advisory Board as more training opportunities are developed and implemented. Previous offerings once managed by SDS under the Geriatric Education and Training program now fall under the TTC. For more information their website is: www.trusttrainingcoop.org
- Aging and Disability Resource Centers (ADRC). ADRCs will streamline access to long-term care services for seniors and individuals with disabilities by coordinating information and assistance between providers and consumers. The ADRCs will function as a “single point of entry” to services and will reduce time delays and frustration by quickly linking consumers to the programs and services that will best meet their needs. Previously managed by the Alaska Housing Finance Corporation (AHFC), SDS’s Rural Long Term Care Coordinator is currently managing this innovative new program.

NURSING FACILITY CARE

The SDS Long Term Care Unit screens and evaluates individuals requesting nursing home services. In the first quarter of FY 2009 298 new residents were authorized for nursing home stays for a total of 1,158. The cost of nursing home care in FY 2008 was \$74,670,885.

In keeping with our service principles, SDS puts a high priority on assisting people to transition out of nursing homes and into more independent, community-based care. Since July 1, 2007 79 individuals have transitioned. During the last quarter of FY 08, the average cost of serving a person in transition has dropped from \$1,445 to \$930. Transition dollars pay for a variety of services and equipment needs such as PCA, chore services, taxicab fare from facility to home, linens, widening of doorways and other accessibility modifications.

OPERATIONS INTEGRITY

The 2003 reorganization of the Alaska Department of Health and Social Services (DHSS) merged the administration of services for the elderly and for people with developmental disabilities into the new division of Senior and Disability Services. Since then, the agency has worked to unify many of its disparate procedures regarding the administration of four distinct Medicaid waivers. Some of the many challenges include four different methods of applying for services, different rates paid to providers, dissimilar provider training/expectation, and approval processes. The Operations Integrity Unit was created to focus the agency on process integration,

a more universal approach to program administration and greater efficiency. The OIU has responsibility for the following functions:

State Sponsored Care Coordination started in July 2006 as a pilot program designed to offer choice for waiver recipients. Care Coordinators employed by SDS have also proved to be more effective in managing recipients temporarily placed in out-of-state services. State sponsored care coordination continues to be successful with caseload quickly reaching maximum potential for the two current staff assigned. An additional position is coming on to help balance current demand and provide state oversight of emergent cases and recipients transitioning in/out of Alaska state services.

Quality Review for Waiver Processing was created to meet the need for internal consistency in processing and approving waiver services, rates consistency, and in the development and collection of critical performance data. Initially chartered in May 2005 as a quality review initiative for random CCMC & MRDD waiver submissions in the Anchorage region, its value as an effective management tool quickly grew. The OIU is currently reviewing 100% of the CCMC & MRDD waivers processed at SDS. Plans are to expand 100% review to OA & APD waivers by the second quarter of FY 2009.

Prior Authorizations serve as the primary funding mechanism for all Medicaid waiver services. OIU consolidated the four existing SDS prior authorization staffers into one unit.

Documentation Distribution after an eligibility decision or a change in services, SDS is responsible to notify clients, their legal representatives and certain caregivers and to send copies of specific documents. The OIU will consolidate all required waiver recipient/guardian notifications and other administrative duties to promote timely and efficient notification.

ADULT PROTECTIVE SERVICES

Adult Protective Services (APS) helps to prevent or stop harm to vulnerable adults 18 years of age or older. Vulnerable adults are those that have a physical or mental impairment or condition that prevents them from protecting themselves or seeking help from others. The harm they suffer may result from abandonment, abuse, exploitation, neglect, undue influence or self-neglect.

With a statewide staff of 10 investigators, the APS unit conducted 520 intakes between July 1, 2008 and September 30, 2008. While Alaska Statute requires a response to non-emergency reports of harm within 10 days, the APS worker has an average response rate of 1.6 days. This quarter APS also conducted eight community trainings on abuse of vulnerable adults and mandated reporting.

New Initiatives

- APS has a new database for case management implemented August 1, 2008. With this new database, APS will be able to track statistical data on clients served, types of abuse, number of verified cases, and demographical information.

- The Department of Law has completed draft legislation proposing changes to state statute regulating APS. The bill will be introduced for deliberation by the 26th Alaska Legislature in January 2009.
- In an effort to increase awareness of adult abuse and neglect, APS has formed a committee to develop a CD for reporting adult abuse. The IMIG Company has been contracted to produce the CD expected to be completed spring 2009. In addition, APS will be working with media outlets during the month of May 2009 for National Elder Abuse Prevention Month. The goal is to reach as many Alaskans as possible in an effort to educate the community on abuse and prevention interventions.
- APS will be hosting a conference in August 2009 on Wound Identification and Forensic Photography.

SENIOR INFORMATION OFFICE

The Senior Information Office (SIO) is a one-stop resource for information on Medicare, the federally funded health insurance program serving approximately 52,000 elderly and disabled Alaskans.

The SIO coordinates two statewide programs, the State Health Insurance Assistance Program (SHIP) and the Senior Medicare Patrol (SMP). The SHIP program, funded through a grant from the Centers for Medicare and Medicaid (CMS), offers Medicare beneficiaries outreach, education and counseling on how to get the most out of Medicare. The SMP grant, received from the federal Administration on Aging, helps to protect seniors from being victimized or contributing to fraud, waste and abuse of Medicare and Medicaid. Both utilize a well-trained cadre of 54 volunteers around the state working from senior centers, pharmacies, Aging and Disability Resource Centers (ADRC), senior services agencies or their own homes.

New Initiatives

- The Senior Information Website has a new, separate webpage for all the volunteer counselors to make it easier for them to find resources they need.
- In July 2008 SDS established a Memorandum of Agreement (MOA) with the Municipality of Anchorage giving us 15 new partnering agencies.
- Senior Centers, Tribal Health Facilities, Pharmacies and many individual trained Medicare counselors in all regions of Alaska are gearing up for the November 15 - December 31 "Part D – Medicare Prescription Drug Plan Open Enrollment Season. Open enrollment is available only one time each year to join, switch or drop Medicare Prescription Drug coverage. Recipients can find help at fourteen enrollment sites including Providence Hospital Anchorage, the Anchorage Senior Center, Chugiak, Seward, Juneau, Fairbanks, Kenai, Homer, Ketchikan, Nome and other locations.

QUALITY ASSURANCE

SDS is committed to continuous improvement of long-term care services provided to consumers. The Quality Assurance Unit (QA) takes the lead in safeguarding the quality and integrity of SDS programs by gathering and analyzing program data, offering technical assistance to providers and strengthening the information network among consumers, service providers and the SDS staff. The QA unit also evaluates program performance through audits and surveys and collaborates with other units in the implementation of the SDS quality assurance plan.

Participant Experience Survey Pilot. SDS has piloted the “Participant Experience Survey” designed to gather data on recipients’ satisfaction in the areas of access to care, choice and control, respect and dignity and community integration. SDS managers and the Steering Committee have reviewed preliminary results from the pilot and are setting up procedures to incorporate regular use of the survey.

Payment Error Rate Measurement (PERM). The Centers for Medicare & Medicaid Services (CMS) implemented the Payment Error Rate Measurement (PERM) program to measure improper payments in the Medicaid program and the State Children's Health Insurance Program, known in Alaska as Denali KidCare. PERM is designed to comply with the Improper Payments Information Act of 2002. QA Staff are responding to requests from service providers for training and support as they prepare for PERM audits. QA recommends that providers study checklists on the PERM website for help in preparing the documentation needed if they have a claim audited in the PERM or other audits.

Training Opportunities. The QA unit offers a variety of training for service providers including Care Coordination, PCA certification/documentation. QA also offers Assisted Living Home training every other month, with over 70 providers receiving training this year. Also in development is certification and documentation training for all other waiver providers, scheduled to commence in fall 2008.

POLICY AND PROGRAM DEVELOPMENT

The Policy and Program Development Unit coordinates policy and procedure for the multiple services provided by SDS.

“DS3” Data System

The Policy unit is responsible for the ongoing development and maintenance of the agency’s DS3 data system. DS3 has allowed SDS to develop vital program data as well as automate key business processes. Highlights for the quarter include:

- An Adult Protective Service case management system brought online.
- Deployment of new applications:
 - Plan of care component
 - PCA client management component
 - Scheduling function for MRDD waiver assessments

- Prior authorization component that will integrate service and payment functions

In-house and contract programmers are currently developing an on-line version of the Consumer Assessment Tool and the Personal Care Assessment Tool (CAT/PCAT) to further streamline waiver and PCA assessments.

Waiver Regulations. Policy staff is completing a comprehensive review of current regulations governing the state's waiver programs. Internal study and discussion will culminate in proposed changes to the regulations designed to clarify intent and improve program oversight.

HCBS Strategies Long-Term Care Study. The consulting firm HCBS Strategies is assisting the Alaska Department of Health and Social Services by developing a plan for improving their long-term care (LTC) system. Working with a steering committee of state officials and stakeholders, their analysis is driven by the state's organizing principles for long-term care - sustainability, support in the home and for families, integration with Tribal care, transparency and accountability, cultural appropriateness and measurable outcomes. Working closely with SDS, HCBS Strategies has collected input from stakeholders through an on-line survey and at Community Forums around the state. Deliverables for the project include an analysis of SDS business processes, recommendations for reforms of the LTC system, and a three-year action plan designed to implement and evaluate the recommendations. The final report is now available at www.akltc.com.

Medicaid Rate Setting

In response to the need to adjust the Medicaid reimbursement rates paid to providers, DHSS contracted with the accounting firm of Meyer's and Stauffer to develop a long-term rate-setting methodology. Part of this work included development of a cost survey tool designed to collect historical cost data from providers of residential, day, in-home and personal care services. In early August, all Medicaid-enrolled providers received the tool with instructions on its completion. Surveys were due back to Meyer's and Stauffer by the end of September and will form the basis for development of the new rate-setting methodology.