

State of Alaska FY2018 Governor's Operating Budget

Department of Health and Social Services Health Facilities Licensing and Certification Component Budget Summary

Component: Health Facilities Licensing and Certification**Contribution to Department's Mission**

Protect the health and safety of Alaska's most vulnerable citizens and reduce their risk of exploitation through regulatory enforcement and educational activities, including quality assurance, provider training, and compliance coordination. Work with tribally-owned health care providers to implement long-term care services.

Core Services

- Health Facilities Licensing and Certification surveyors inspect health care facilities in the state to determine if state and federal regulatory standards are being met and investigate complaints made against health care facility providers.
- Monitor assessments that nursing homes and home health agencies are required to complete for every nursing home resident and for every adult Medicare or Medicaid home health client receiving skilled nursing services.
- Serve as the health provider's contact for interpreting state and federal regulations, guidelines and protocols.
- Collaborate with other Alaska state agencies, as well as, other agencies, organizations; and, associations in an effort to promote quality of care for Alaskans.

Major Component Accomplishments in 2016

- The Health Facilities Licensing and Certification survey team is comprised of registered nurses that are responsible for the state licensing and federal certification of health care facilities in the State of Alaska. These facilities include: general acute care hospitals, long term acute care hospitals, rural primary care hospitals, critical access hospitals, long term care nursing facilities, volunteer and full service hospice programs, home health agencies, rural health clinics, frontier extended stay clinics, birthing centers, ambulatory surgical centers, end stage renal disease dialysis centers and outpatient physical therapy, speech, and pathology service centers. The teams completed a total of 163 surveys in FY2016, which included health and life safety code surveys for state licensure and federal recertification as well as complaint investigations, assigned validation surveys for Centers for Medicare and Medicaid Services (CMS) and all required revisit surveys. Department Core Services 1.1 and 3.2, Division Core Service 1
- The Health Facilities Licensing and Certification survey team continued collaboration with other state agencies within the Centers for Medicare and Medicaid Services region to ensure residents of Alaska received safe, and quality care. Department Core Services 1.1 and 3.2, Division Core Service 1
- The survey team completed all federally mandated health survey and complaint investigation survey requirements for FY2016. Department Core Service 1.1 and 3.2, Division Core Service 1

Key Component Challenges

- Funding from the federal government has consistently been inadequate to support the surveyor program. The anticipated 0.5 percent increase for FY2017 is insufficient to meet the needs of the program, given the 21 percent in costs above the base budget to manage the program, based on travel, personal services, and supplies.
- The unit is challenged with keeping all of its positions filled. Two new staff surveyors will begin training in mid-FY2017. Training also continues for all surveyors to ensure they are qualified to survey different facility types. This training will result in increased training costs in FY2017. New Federal regulations have been implemented for skilled nursing facilities which will also require additional training for surveyors during FY2017.
- The addition of two new ambulatory surgical centers, one new home health agency, one new hospice agency, one new birthing center, and one new dialysis center has added to the survey workload, resulting in increased

travel and surveying costs. These new facilities require onsite visits and this is expected to continue into FY2017.

- Retention of staff remains a challenge due to the pay scale that is not in line with what registered nurses earn in the private sector, as well as the rigorous training and travel schedule that is a requirement of the position. Surveyors work long hours and are in travel status approximately six months of the year.

Significant Changes in Results to be Delivered in FY2018

FY2018 will be the second full year of assessing and collecting facility licensing fees.

Statutory and Regulatory Authority

Alaska Statutes:

AS 18.05 Administration of Public Health and Related Laws

AS 18.20 Hospitals and Nursing Facilities

AS 18.23 Health Care Services Information and Review Organizations

AS 47.05 Criminal History and Registry

AS 47.32 Centralized Licensing and Related Administrative Procedures

AS 08.80 Pharmacy

AS 08.64 Medical Professions

Social Security Act:

Title XVIII Medicare

Title XIX Medicaid

Administrative Code:

7 AAC 10 Licensing, Certification and Approvals

7 AAC 12 Facilities and Local Units

Contact Information
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Health Facilities Licensing and Certification Personal Services Information				
Authorized Positions			Personal Services Costs	
	<u>FY2017</u> <u>Management</u> <u>Plan</u>	<u>FY2018</u> <u>Governor</u>		
Full-time	13	13	Annual Salaries	988,183
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	579,477
			<i>Less 3.23% Vacancy Factor</i>	<i>(50,560)</i>
			Lump Sum Premium Pay	0
Totals	13	13	Total Personal Services	1,517,100

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant II	1	0	0	0	1
Health Facilities Survey Mgr	1	0	0	0	1
HLth Facil Surv I	9	0	0	0	9
HLth Facil Surv II	2	0	0	0	2
Totals	13	0	0	0	13

Component Detail All Funds
Department of Health and Social Services

Component: Health Facilities Licensing and Certification (2944)
RDU: Health Care Services (485)

Non-Formula Component

	FY2016 Actuals	FY2017 Conference Committee	FY2017 Authorized	FY2017 Management Plan	FY2018 Governor	FY2017 Management Plan vs FY2018 Governor	
71000 Personal Services	1,498.7	1,568.1	1,568.1	1,507.3	1,517.1	9.8	0.7%
72000 Travel	132.4	125.3	125.3	125.3	125.3	0.0	0.0%
73000 Services	247.0	544.5	544.5	533.8	509.6	-24.2	-4.5%
74000 Commodities	6.0	35.5	35.5	35.5	10.0	-25.5	-71.8%
75000 Capital Outlay	0.0	10.0	10.0	10.0	0.0	-10.0	-100.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	1,884.1	2,283.4	2,283.4	2,211.9	2,162.0	-49.9	-2.3%
Fund Sources:							
1002Fed Rcpts (Fed)	1,128.4	1,386.7	1,386.7	1,340.2	1,347.3	7.1	0.5%
1003G/F Match (UGF)	410.4	457.1	457.1	442.8	445.0	2.2	0.5%
1004Gen Fund (UGF)	345.3	139.6	139.6	139.6	80.4	-59.2	-42.4%
1005GF/Prgm (DGF)	0.0	200.0	200.0	189.3	189.3	0.0	0.0%
1108Stat Desig (Other)	0.0	100.0	100.0	100.0	100.0	0.0	0.0%
Unrestricted General (UGF)	755.7	596.7	596.7	582.4	525.4	-57.0	-9.8%
Designated General (DGF)	0.0	200.0	200.0	189.3	189.3	0.0	0.0%
Other Funds	0.0	100.0	100.0	100.0	100.0	0.0	0.0%
Federal Funds	1,128.4	1,386.7	1,386.7	1,340.2	1,347.3	7.1	0.5%
Positions:							
Permanent Full Time	14	14	14	13	13	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Health and Social Services

Component: Health Facilities Licensing and Certification (2944)
RDU: Health Care Services (485)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2017 Conference Committee To FY2017 Authorized *****												
FY2017 Conference Committee												
ConfCom		2,283.4	1,568.1	125.3	544.5	35.5	10.0	0.0	0.0	14	0	0
1002 Fed Rcpts		1,386.7										
1003 G/F Match		457.1										
1004 Gen Fund		139.6										
1005 GF/Prgm		200.0										
1108 Stat Desig		100.0										
Subtotal		2,283.4	1,568.1	125.3	544.5	35.5	10.0	0.0	0.0	14	0	0
***** Changes From FY2017 Authorized To FY2017 Management Plan *****												
Transfer Office Assistant II (06-4025) to Residential Licensing for Administrative Support												
Trout		-71.5	-71.5	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
1002 Fed Rcpts		-46.5										
1003 G/F Match		-14.3										
1005 GF/Prgm		-10.7										
Transfer full-time, range 10, Anchorage, Office Assistant II (06-4025) to Residential Licensing. This position is being transferred due to the need for administrative support in Residential Licensing.												
Align Authority to Reflect Anticipated Personal Services Expenditures												
LIT		0.0	10.7	0.0	-10.7	0.0	0.0	0.0	0.0	0	0	0
Transfer authority to personal services from services. This is in conjunction with the transfer of a full-time, range 10, Anchorage Office Assistant II (06-4025) to Residential Licensing from Health Facilities Licensing and Certification.												
Subtotal		2,211.9	1,507.3	125.3	533.8	35.5	10.0	0.0	0.0	13	0	0
***** Changes From FY2017 Management Plan To FY2018 Governor *****												
Reduce Services, Commodities, and Equipment Costs												
Dec		-59.7	0.0	0.0	-24.2	-25.5	-10.0	0.0	0.0	0	0	0
1004 Gen Fund		-59.7										
The fire safety training reimbursable services agreement with the Department of Public Safety will be terminated in FY2018. This training is now conducted by staff within the section. The computer refresh initiative will be reduced as will commodities and equipment purchases.												
These reductions will not impact the Health Facilities Licensing and Certification section's ability to conduct surveys.												
FY2018 Salary and Health Insurance Increases												
SalAdj		5.7	5.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Change Record Detail - Multiple Scenarios with Descriptions
Department of Health and Social Services

Component: Health Facilities Licensing and Certification (2944)
RDU: Health Care Services (485)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP	
										PFT	PPT		
1002 Fed Rcpts		4.1											
1003 G/F Match		1.3											
1004 Gen Fund		0.3											
Includes: ACOA COLA, 2.25% per contract ending 6/30/2018; GGU HI increase from \$1346 to \$1389; LTC HI increase from \$1363 to \$1432.: \$5.7													
FY2018 PS Health Ins.: \$5.7													
Supervisory Unit 15 Hour Furlough Contract Terms													
	SalAdj	-0.8	-0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-0.6											
1003 G/F Match		-0.2											
Alaska Public Employees Association, supervisory unit, 15 hours of furlough required for each permanent full-time employee in each year from July 1, 2016 to June 30, 2018.													
FY2018 Alaska Care & PSEA Health Insurance Increase													
	SalAdj	4.9	4.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		3.6											
1003 G/F Match		1.1											
1004 Gen Fund		0.2											
Alaska Care rate increase from \$1346 to \$1555 per month for APEA members. \$4.9													
Totals		2,162.0	1,517.1	125.3	509.6	10.0	0.0	0.0	0.0	0.0	13	0	0

Personal Services Expenditure Detail
Department of Health and Social Services

Scenario: FY2018 Governor (13956)
Component: Health Facilities Licensing and Certification (2944)
RDU: Health Care Services (485)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
06-2035	Hlth Facil Surv II	FT	A	SS	Anchorage	200	21J	12.0		89,316	0	0	51,098	140,414	38,614
06-2036	Hlth Facil Surv I	FT	A	GP	Anchorage	200	20D / E	12.0		74,896	0	0	43,859	118,755	32,658
06-4021	Hlth Facil Surv I	FT	A	GP	Anchorage	200	20G	12.0		80,184	0	0	45,768	125,952	34,637
06-4022	Health Facilities Survey Mgr	FT	A	SS	Anchorage	200	22F	12.0		92,532	0	0	52,259	144,791	39,818
06-4028	Hlth Facil Surv I	FT	A	GP	Anchorage	200	20E / F	12.0		77,507	0	0	44,802	122,309	33,635
06-4033	Hlth Facil Surv II	FT	A	GP	Anchorage	200	21C / D	12.0		76,362	0	0	44,388	120,750	33,206
06-4038	Hlth Facil Surv I	FT	A	GP	Anchorage	200	20B / C	12.0		69,675	0	0	41,973	111,648	30,703
06-4044	Hlth Facil Surv I	FT	A	GP	Anchorage	200	20F / G	12.0		79,368	0	0	45,474	124,842	34,332
06-4045	Hlth Facil Surv I	FT	A	GP	Anchorage	200	20C / D	12.0		71,703	0	0	42,706	114,409	31,463
06-4046	Hlth Facil Surv I	FT	A	GP	Anchorage	200	20B / C	12.0		70,212	0	0	42,167	112,379	30,904
06-4088	Hlth Facil Surv I	FT	A	GP	Anchorage	200	20C / D	12.0		71,703	0	0	42,706	114,409	31,463
06-7024	Administrative Assistant II	FT	A	GP	Anchorage	200	14E / F	12.0		50,164	0	0	34,928	85,092	23,400
06-7025	Hlth Facil Surv I	FT	A	GP	Anchorage	200	20J / K	12.0		84,561	0	0	47,349	131,910	36,275

Total Positions		New	Deleted	Total Salary Costs:	988,183
Full Time Positions:	13	0	0	Total COLA:	0
Part Time Positions:	0	0	0	Total Premium Pay::	0
Non Permanent Positions:	0	0	0	Total Benefits:	579,477
Positions in Component:	13	0	0	Total Pre-Vacancy:	1,567,660
				Minus Vacancy Adjustment of 3.23%:	(50,560)
				Total Post-Vacancy:	1,517,100
				Plus Lump Sum Premium Pay:	0
				Personal Services Line 100:	1,517,100

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1002 Federal Receipts	1,136,554	1,099,898	72.50%
1003 General Fund Match	352,724	341,348	22.50%
1004 General Fund Receipts	78,383	75,855	5.00%
Total PCN Funding:	1,567,660	1,517,100	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Line Item Detail (1676)
Department of Health and Social Services
Travel

Component: Health Facilities Licensing and Certification (2944)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
2000	Travel		132.4	125.3	125.3
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
2000 Travel Detail Totals			132.4	125.3	125.3
2000	In-State Employee Travel	In State Employee Travel.	111.1	104.8	104.8
2002	Out of State Employee Travel	Out of State Employee Travel.	22.1	20.0	20.0
2006	Other Travel Costs	ATM Cash Advance Fee.	-0.8	0.5	0.5

Line Item Detail (1676)
Department of Health and Social Services
Services

Component: Health Facilities Licensing and Certification (2944)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000	Services		247.0	533.8	509.6
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000 Services Detail Totals			247.0	533.8	509.6
3000	Education Services	Training, conferences and memberships for Health Facilities Surveyors.	2.9	5.0	5.0
3003	Information Technology	Information technology resources for Health Facility Surveyors.	3.8	5.0	5.0
3004	Telecommunications	Telecommunications services - long distance, local/equipment, cellular service.	3.2	5.0	5.0
3005	Health Services	Potential RSA for health related activities.	0.0	248.6	225.4
3006	Delivery Services	Postage, courier, freight services.	0.3	1.0	1.0
3009	Structure/Infrastructure/Land	Building lease costs.	51.5	55.0	55.0
3010	Equipment/Machinery	Fees for repair and maintenance of equipment.	3.5	5.0	5.0
3011	Other Services	Professional services.	1.3	2.0	2.0
3017	Inter-Agency Information Technology Non-Telecommunications	H&SS - Information Technology Services (2754)	5.1	20.0	20.0
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide	35.6	40.0	40.0
3022	Inter-Agency Human Resources	Admin - Department-wide	8.8	10.0	10.0
3026	Inter-Agency Insurance	Admin - Department-wide	1.0	1.0	0.0

Line Item Detail (1676)
Department of Health and Social Services
Services

Component: Health Facilities Licensing and Certification (2944)

Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000 Services Detail Totals			247.0	533.8	509.6
3028	Inter-Agency Americans with Disabilities Act Compliance	RSA with Dept. of Administration, Division of Risk Management, for insurance.	0.0	0.1	0.1
3029	Inter-Agency Education/Training	Commerce - Department-wide	120.0	120.0	120.0
3030	Inter-Agency Hearing/Mediation	Admin - Department-wide	1.6	5.0	5.0
3038	Inter-Agency Management/Consulting	H&SS - Administrative Support Svcs (320)	4.1	5.0	5.0
3038	Inter-Agency Management/Consulting	H&SS - Commissioner's Office (317)	1.1	2.0	2.0
3038	Inter-Agency Management/Consulting	H&SS - Information Technology Services (2754)	1.7	2.0	2.0
3038	Inter-Agency Management/Consulting	H&SS - Public Affairs (2874)	1.4	2.0	2.0
3038	Inter-Agency Management/Consulting	Labor - Department-wide	0.1	0.1	0.1

Line Item Detail (1676)
Department of Health and Social Services
Commodities

Component: Health Facilities Licensing and Certification (2944)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
4000	Commodities		6.0	35.5	10.0
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
4000 Commodities Detail Totals			6.0	35.5	10.0
4000	Business	Purchases of supplies and equipment.	6.0	30.0	9.0
4000	Business	Books and educational supplies.	0.0	5.5	1.0

Line Item Detail (1676)
Department of Health and Social Services
Capital Outlay

Component: Health Facilities Licensing and Certification (2944)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
5000	Capital Outlay		0.0	10.0	0.0
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
		5000 Capital Outlay Detail Totals	0.0	10.0	0.0
5004	Equipment		0.0	10.0	0.0

Revenue Detail (1681)
Department of Health and Social Services

Component: Health Facilities Licensing and Certification (2944)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
5002 Fed Rcpts (1002 Fed Rcpts)			1,128.4	1,340.2	1,347.3
5019 Federal - Miscellaneous Grants		Medicaid Administration funding for Health Facility Licensing & Certification administrative support.	1,128.4	70.2	73.3
5019 Federal - Miscellaneous Grants		Title XVIII Medicare funding for Health Facility Licensing & Certification.	0.0	850.0	852.0
5019 Federal - Miscellaneous Grants		Title XIX funding for Health Facilities Licensing & Certification.	0.0	420.0	422.0
5005 GF/Prgm (1005 GF/Prgm)			0.0	189.3	189.3
5108 Program Receipts General Government - Charges for Services		Fees to support the cost of Health Facilities Licensing & Certification facility licensing activities.	0.0	189.3	189.3
5108 Stat Desig (1108 Stat Desig)			0.0	100.0	100.0
5206 Statutory Designated Program Receipts - Contracts		Civil Money Penalties collected when nursing homes are not in compliance with Federal participation requirements in accordance with section 6111 of the Affordable Care Act of 2010.	0.0	100.0	100.0

Inter-Agency Services (1682)
Department of Health and Social Services

Component: Health Facilities Licensing and Certification (2944)

	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
Component Totals	180.5	207.2	206.2
With Department of Health and Social Services	13.4	31.0	31.0
With Department of Administration	47.0	56.0	55.0
With Unspecified	0.0	0.1	0.1
With Department of Commerce, Community, and Economic Development	120.0	120.0	120.0
With Department of Labor and Workforce Development	0.1	0.1	0.1

Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3017 Inter-Agency Information Technology Non-Telecommunications	H&SS - Information Technology Services (2754)	RSA with Dept. of Administration, Enterprise Technology Services, for non-telecommunication services.	5.1	20.0	20.0
3018 Inter-Agency Information Technology Telecommunications	Admin - Department-wide	RSA with Dept. of Administration, Enterprise Technology Services, for telecommunication services.	35.6	40.0	40.0
3022 Inter-Agency Human Resources	Admin - Department-wide	RSA with Dept. of Administration for Human Resources.	8.8	10.0	10.0
3026 Inter-Agency Insurance	Admin - Department-wide	RSA with Dept. of Administration, Division of Risk Management, for insurance.	1.0	1.0	0.0
3028 Inter-Agency Americans with Disabilities Act Compliance		RSA with Dept. of Administration, Division of Risk Management, for insurance.	0.0	0.1	0.1
3029 Inter-Agency Education/Training	Commerce - Department-wide	RSA with Dept. of Commerce, Community & Economic Development for Nurse Aid Training & Competency Evaluation Program.	120.0	120.0	120.0
3030 Inter-Agency Hearing/Mediation	Admin - Department-wide	RSA with Dept. of Administration, Office of Administrative Hearings.	1.6	5.0	5.0
3038 Inter-Agency Management/Consulting	H&SS - Administrative Support Svcs (320)	RSA with Dept. of Health & Social Services for Administrative Support	4.1	5.0	5.0

Inter-Agency Services (1682)
Department of Health and Social Services

Component: Health Facilities Licensing and Certification (2944)

Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
		from Finance & Management Services.			
3038 Inter-Agency Management/Consulting	H&SS - Commissioner's Office (317)	RSA with Dept. of Health & Social Services, Commissioner's Office.	1.1	2.0	2.0
3038 Inter-Agency Management/Consulting	H&SS - Information Technology Services (2754)	RSA with Dept. of Health & Social Services, Admin. Support, for Finance & Management Services information technology support.	1.7	2.0	2.0
3038 Inter-Agency Management/Consulting	H&SS - Public Affairs (2874)	RSA with Dept. of Health & Social Services, Public Affairs for support services.	1.4	2.0	2.0
3038 Inter-Agency Management/Consulting	Labor - Department-wide	RSA with Dept. of Labor & Workforce Development for labor population demographics.	0.1	0.1	0.1