

Senior Grant Services Increase

Ask: Increase non-Medicaid senior service funds.

- These grants help seniors age in place with the least cost to the State and keep people out of more expensive care facilities.
- The Legislature took an important step last year by increasing senior services funding, but inflation, food costs, labor pressures, and increased demand continue to outpace available resources.
- SDS Grants Unit conservatively estimates an additional state match of \$9.5 million needed to support all Older Americans Act qualifying services.

Executive Summary:

Senior grant services administered by the Division of Senior and Disabilities Services provide essential supports to older Alaskans (60+) statewide through the Federal Older Americans Act (OAA). These grants fund core services such as meals, transportation, household assistance, adult day programs, health promotion, and social engagement, enabling seniors to remain safely in their homes and communities. Nationally, every dollar invested in OAA services generates an estimated \$1.90 in community value and taxpayer savings.

While the Legislature approved a \$2.5 million increase for senior center services funding last year, approximately \$1.2 million of that increase was directed to senior center transportation, nutrition and support services. Providers report that this funding level has not kept pace with rising food and labor costs, inflation, workforce shortages, and increased demand. In the prior budget cycle, advocates including AARP Alaska and AGEnet requested a \$3 million increase to more adequately address these pressures.

Title III OAA funding is awarded through a competitive grant process that makes it difficult to expand services into Alaska's most rural and remote communities. A long-standing precedent of established grantees has discouraged new applicants, as organizations are reluctant to compete for funding that could reduce allocations to providers who have relied on these grants for decades. This structure limits the state's ability to reach underserved, isolated seniors, despite the clear cost-effectiveness of home- and community-based services compared to more intensive levels of care.



Alaska Housing Finance Corporation Senior Citizens Housing Development Fund

Ask: Support the Governor's budget for AHFC's Senior Citizens Housing Development Program.

- This funding guarantees that housing will be built specifically for seniors.
- It comes at no cost to the State's budget.

Executive Summary:

Housing continues to be in the top four needs of Alaska's seniors. As Alaska's senior population grows, the need for adequate senior housing also grows.

Funding in the amount of \$3 Million is included in Governor Dunleavy's FY27 Capital Budget for the Senior Citizens Housing Development Fund (SCHDF). Since 2015, the SCHDF, when used with other AHFC financing tools, has resulted in 21 new senior housing developments, for a total production of over 600 units of new senior independent living in Alaska.

The fund (SCHDF) is also used to fund AHFC's Senior Access Program; a grant fund that allows those 55 years of age and older to receive accessibility modifications to their homes (or rentals). This allows seniors to age at home instead of moving to a care facility.

SB 190

Guardianship / Conservatorship

Ask: Pass this bill

- Restores dignity for seniors and provides a path for self-determination longer.
- Brings Alaska in line with national best practices regarding guardianship laws.

Executive Summary:

Alaska Senate Bill 190 represents a comprehensive modernization of Alaska's guardianship and conservatorship legal framework. The bill adopts the Uniform Guardianship, Conservatorship, and Other Protective Arrangements Act, bringing Alaska's laws into alignment with national best practices for protecting vulnerable adults while respecting their autonomy and rights.

As Alaska's population ages and the need for protective services grows, SB 190 provides a timely and comprehensive framework for ensuring that vulnerable adults receive appropriate protection while maintaining maximum autonomy and self-determination. The bill represents a balanced approach that serves both individual rights and societal responsibility to protect those who cannot protect themselves.

The Alaska Commission on Aging supports this comprehensive update to Alaska's 40-year-old guardianship and conservatorship laws. Current laws are not consistent with modern challenges faced by our aging population, especially considering the increase in Alzheimer and Dementia Related Diseases.

HB 255 / SB 240

Senior Citizen Grants Dividend Raffle

Ask: Pass Senior PFD Raffle bill

- Creates a long-term funding solution to supplement the increasing cost of senior services.
- Allows Alaskans to participate in taking care of their senior population by donating a portion of their PFD, incentivized by the possibility of winning a cash prize.

Executive Summary:

This legislation establishes a voluntary permanent fund dividend (PFD) donation program that creates sustainable funding for senior citizen support services in Alaska. Modeled after the successful education dividend raffle, the bill allows Alaskans aged 18 and older to donate portions of their PFD in exchange for entries into a cash prize raffle, with proceeds funding critical services for the state's aging population.

Alaska faces growing challenges in supporting its senior population. As the state's demographic profile shifts toward an older population, the demand for essential services including meal delivery, transportation, and housekeeping/chores, continues to increase. Traditional funding mechanisms through general revenues face constraints, creating a need for innovative, sustainable funding solutions.

This bill addresses these challenges by creating a voluntary, incentivized funding mechanism that empowers Alaskans to directly support senior services while maintaining the opportunity to win substantial cash prizes. It essentially replicates the proven education raffle framework to address senior care funding without tapping general revenues or raising taxes.

SB 124/HB131

Nursing Licensure Compact

Ask: Pass this bill

- Allows nurses from 43 other states to work in Alaska without costly and time-consuming licensing barriers.
- 92% of Alaska's nurses support joining this compact.

Executive Summary:

Alaska Senate Bill 124 (SB124) proposes to modernize the state's nursing licensure framework by joining the Enhanced Nurse Licensure Compact (eNLC), a multistate agreement that enables nurses to practice across state lines with a single license. Introduced on March 10, 2025, at the request of Governor Mike Dunleavy, this legislation addresses critical healthcare workforce challenges facing Alaska, including nursing shortages, geographic isolation, and limited access to specialized care in rural and remote communities.

SB 124 represents a strategic opportunity to modernize the state's nursing licensure framework and address critical healthcare workforce challenges. By joining the Nurse Licensure Compact, Alaska would gain access to a larger pool of qualified nurses, enhance its emergency preparedness capabilities, expand telehealth services, and improve healthcare access in rural and remote communities—all without fiscal impact to the state.

The Alaska Commission on Aging supports the eNLC. Alaska has the fastest growing Senior population per capita of all 50 states, and faces a workforce shortage in the medical field, especially nurses. The shortage affects the availability of care for Alaska's senior population, especially in rural and remote communities. This bill would remove barriers to becoming a nurse in Alaska, making it easier for nurses to move to Alaska and begin work immediately.

Review Proposed Guidehouse Rate Increases

Ask: Review Rates Proposed by the Department of Health (DOH)

- Reimbursement rate adjustments are essential to sustain Medicaid waiver services, stabilize the workforce, and ensure Medicaid dollars are spent effectively.
- Collaborate with DOH this session to review and phase in rates that reflect the actual cost of service delivery across Alaska.

DOH commissioned Guidehouse to evaluate Medicaid Long-Term Services and Supports (LTSS) reimbursement rates. The study identified significant gaps that threaten provider sustainability and limit access to care for seniors and individuals with disabilities statewide. Key issues include:

Personal Care Services (PCS): PCS is central to aging in place. Current rates leave little margin for recruitment, retention, supervision, and compliance, contributing to ongoing workforce shortages and limiting seniors' ability to remain safely at home.

Transportation: The cost difference between T2003 transportation (Medicaid's per-trip non-emergency medical transportation code) and paratransit reflects rate methodology rather than service differences. Paratransit accounts for wait times, routing inefficiencies, and mobility assistance, while T2003 assumes full productivity despite serving the same population, resulting in structural underpayment.

Assisted Living Homes (ALHs): The ALH rate model is outdated and misaligned with current service delivery. ALHs are required to provide 24-hour care but are modeled at only 8 hours of direct care. As resident acuity has increased and service expectations have converged with higher-care settings, reimbursement has not kept pace.

Geographic and Administrative Costs: Geographic rate differentials rely on cost data more than 20 years old and fail to reflect current regional costs, particularly in rural Alaska. High indirect costs and limited administrative incentives further restrict service availability in remote communities.

Guidehouse Recommendations for Legislative Action

- Adopt transparent, cost-based rate models aligned with CMS standards
- Update geographic adjustments to reflect current regional costs
- Introduce tiered rates for specialized services and revise administrative fees
- Establish annual rate reviews and provider cost reporting to monitor caregiver wage competitiveness

These changes are vital to stabilize Alaska's LTSS system, protect seniors' access to care, and maintain compliance with federal requirements.