

# ALASKA STATE LEGISLATURE

## REPRESENTATIVE KURT OLSON

- Chair: Labor and Commerce
- Vice Chair: Rules
- Member: Resources, Community & Regional Affairs,  
Economic Development Trade & Tourism,  
Fisheries, Legislative Budget & Audit

Session: January - April  
State Capitol, Room 24  
Juneau, AK 99801-1182  
Phone: 907-465-2693  
Fax: 907-465-3835



Official Business

Interim: May - December  
145 Main Street Loop, Ste. 221  
Kenai, AK 99611  
Phone: 907-283-2690  
Fax: 907-283-2763

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### MEMORANDUM

TO: Senator Anna Fairclough, Chair  
Legislative Budget & Audit Committee

FROM: Rep. Kurt Olson *KEO*

DATE: February 25, 2014

RE: Audit Request

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Senator Fairclough,

In my memo to you on September 27, 2013 I requested an audit of the Alaska Pioneers Homes. In that memo I may not have expressed clearly enough where I hope to have Legislative Audit focus their attention.

The audit should examine the following areas of concern:

- Operating costs and the effectiveness of any cost containment efforts currently in place;
- Follow up on the findings and recommendation made in the last audit (#02-4591-00) to determine compliance;
- Determine whether the rate setting process fully and accurately reflects the incurred costs;
- Review the discrepancy between the reimbursement rates for privately owned assisted living homes verses the Pioneers' Homes.

As with all audits, the auditors should make recommendations for changes where necessary. I also encourage the Division of Legislative Audit to pursue any other issues that may come to their attention during the course of the audit.

# ALASKA STATE LEGISLATURE

## LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Division of Legislative Audit



P.O. Box 113300  
Juneau, AK 99811-3300  
(907) 465-3830  
FAX (907) 465-2347  
legaudit@akleg.gov

### AUDIT REQUEST ADDENDUM

At its February 25, 2014, meeting, the Legislative Budget and Audit Committee provided the following additions to the request for an audit of the Department of Health and Social Services' Alaska Pioneer Homes.

- As part of the analysis of the Alaska Pioneer Homes, examine the past two to three years of cost containment unless, in the judgment of the legislative auditor, further review is necessary.
- Examine the degree of care required for patients in Alaska Pioneer Homes versus the degree of care required for patients in private assisted living homes. This should be done as part of the analysis of rate setting and review of reimbursement rates of privately owned assisted living homes versus Alaska Pioneer Homes.