

STATE OF ALASKA


DEPT. OF HEALTH AND SOCIAL SERVICES
DIVISION OF PUBLIC ASSISTANCE

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DATE: February 9, 2011

TO: Senate Finance Committee

FROM: Ron Kreher 
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SUBJECT: HB 16 Questions from Finance Committee Hearing

1. Why are Pioneer Home residents ineligible for Senior Benefits payments? Is it everyone in the PH?

Response: Pioneer home residents are not eligible for Senior Benefits payments. Most low-income individuals in institutions or Pioneer Homes are required, as a condition of Medicaid or the Pioneer Homes payment assistance program, to contribute most of their income towards the cost of the services they receive in those facilities. In the case of residents of Pioneer Homes, the Division of Pioneer Homes heavily subsidizes its residents. The Pioneer Homes have a payment assistance program that helps to address the needs of low-income individuals living in their facilities who are unable to cover the full costs of residing in the facility.

If residents of these facilities received Senior Benefit payments, it would increase the amount of money they would need to contribute toward the cost of their care. In most cases, the offset would be dollar for dollar. In the case of Medicaid, Senior Benefit payments, which are 100% General Fund, would effectively offset Medicaid payments, which are 50% federal funds. So, it would result in a net increase in General Fund expenditure with little to no benefit to the client.

2. How do Pioneer Home residents with very low income pay for their personal needs, such as haircuts?

Response: Medicaid and the Pioneer Homes payment assistance program participants are required to contribute most of their income toward the cost of their care. AS 47.55.020(b) exempts \$100 of a residents income from the room and board payment. AS 47.55.020(c) and 7 AAC 74.050 authorizes the department to pay a personal needs allowance of \$100 per month for residents who don't have money. The personal needs allowance is for the resident to purchase miscellaneous items they may need or want.

3. Can seniors receive Senior Benefits payments while they are not present in Alaska? (What provisions are in place if a senior needs to go outside of Alaska due to medical reasons? Are Senior Benefit checks sent out of state?).

Response: There is allowance for seniors to receive a Senior Benefits payment while not present in Alaska. According to state statute (AS 47.45.304), an eligible individual who leaves the state may not receive a cash benefit under AS 47.45.302 during the absence unless the individual absence is temporary and is for one of the following reasons:

(1) to receive medical treatment;

(2) to accompany the individual's family member who is receiving medical treatment outside the state; or

(3) for a vacation, business trip, or other absence of less than 30 consecutive days, unless the individual has applied for and received a time extension from the department for special circumstances.

4. How are Alaska seniors, particularly those in rural areas, advised of the Senior Benefits program? (The concern is that many elderly in rural areas do not have access to, nor do they use, computers.)

Response: The department performs outreach for the Senior Benefits Payment program in several ways. The department maintains information about the Senior Benefits program on its public assistance website. In addition to computer based outreach, it advertizes the Senior Benefits Program through TV ads, sends letters and flyers to rural community leaders asking them to advise seniors in their communities about the program; and makes application forms and informational flyers available to senior centers throughout the state. In addition, Adult Public Assistance recipients who are age 65 or older are advised to apply for the program when public assistance records indicate the individual is not receiving a Senior Benefits payment.

5. Provide more detailed information about ineligible seniors who live in Pioneer Homes, Veterans Homes and other nursing homes. How many seniors living in those facilities are on Medicaid? We understand the Medicaid recipients not qualifying as this would reduce the federal match and increase the state match. But what about those seniors who would otherwise qualify based on income but someone else (such as family) pays the bill for the nursing home?

Response: There were 454 residents in the Pioneer Homes on 12/31/2010.

- 95 were on an Older Alaskans Medicaid waiver.
- 136 were on the Payment Assistance program.
- 223 were private pay. However, income to the individual (such as Senior Benefits), would be required to go toward the cost of care per the Medicaid and the Pioneer Homes payment assistance program.

6. Provide more detailed information to justify the need for six employees to process Senior Benefit program. What is each person's job description, are they all full time, what are their caseloads, etc.?

Response: Division of Public Assistance determined the existing staffing levels are necessary to administer the Senior Benefits program after more than three years of program operation. The unit consists of one Eligibility Technician III position, four Eligibility Technician I positions, and one Office Assistant position. This unit handles a Senior Benefits caseload of over 10,000 individuals. In addition to accepting and processing new applications, public assistance staff process annual reviews and act on "reports of change" throughout the year.