



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

**Department of
Health and Social Services**

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February 11, 2020

The Honorable Jennifer Johnston
Alaska State Legislature
State Capitol, Room 511
Juneau, AK 99801-1182

Dear Representative Johnston:

On February 6, 2020, the Department of Health and Social Services received the following questions from the House Health and Social Services Finance Subcommittee regarding the Public Assistance and Public Health presentations:

- **Rep. Tarr – Provide any historical information about how eligibility criteria for APA has changed over the years.**

Other than the annual cost of living increase that may occur each January, the eligibility criteria for Adult Public Assistance (APA) has remained generally the same since the program was started in 1982. New policy is added to the program as necessary, such as when Achieving a Better Life Experience (ABLE) accounts were added in December of 2016 due to Alaska legislation. As a Supplemental Security Income (SSI) State, Alaska policy follows the Social Security Code of Federal Regulations, with limited exceptions.

The limit for countable resources is \$2,000 for an individual and \$3,000 for a couple.

§ 416.1205. Limitation on resources.

(a) *Individual with no eligible spouse.* An aged, blind, or disabled individual with no spouse is eligible for benefits under title XVI of the Act if his or her non-excludable resources do not exceed \$1,500 prior to January 1, 1985, and all other eligibility requirements are met. An individual who is living with an ineligible spouse is eligible for benefits under title XVI of the Act if his or her non-excludable resources, including the resources of the spouse, do not exceed \$2,250 prior to January 1, 1985, and all other eligibility requirements are met.

(b) *Individual with an eligible spouse.* An aged, blind, or disabled individual who has an eligible spouse is eligible for benefits under title XVI of the Act if their non-excludable resources do not exceed \$2,250 prior to January 1, 1985, and all other eligibility requirements are met.

(c) *Effective January 1, 1985 and later.* The resources limits and effective dates for January 1, 1985 and later are as follows:

Effective date	Individual	Individual and spouse
Jan. 1, 1985	\$1,600	\$2,400
Jan. 1, 1986	1,700	\$2,550
Jan. 1, 1987	1,800	\$2,700
Jan. 1, 1988	1,900	\$2,850
Jan. 1, 1989	2,000	\$3,000

The following are examples of exempt resources, outlined in § 416.1210 :

- the home they live in and the land it is on;
- household goods and personal effects;
- burial spaces for the immediate family;
- burial funds, each valued at \$1,500 or less;
- life insurance policies with a combined face value of \$1,500 or less;
- one vehicle, regardless of value, if it is used for transportation for a member of the household;
- retroactive SSI or Social Security benefits for up to nine months after they receive them;
- grants, scholarships, fellowships, or gifts set aside to pay educational expenses for 9 months after receipt;
- up to \$100,000 of funds in an Achieving a Better Life Experience (ABLE) account established through a State ABLE program.
- property essential to self-support;
- resources that a blind or disabled person needs for an approved plan for achieving self-support (PASS);
- money saved in an Individual Development Account (IDA);
- support and maintenance assistance and home energy assistance;
- health flexible spending arrangements (FSAs);
- earned income tax credit payments are not counted for 9 months;
- dedicated accounts for disabled or blind children;
- disaster relief assistance;
- cash received for the purpose of replacing an excluded resource (for example, a house) that is lost, damaged, or stolen is not counted for 9 months;
- all Federal tax refunds and advanced tax credits received on or after January 1, 2010 are not counted for 12 months;
- Alaska Native Claims Settlement Act (ANCSA) Assets, which includes fund distributions;
- permanent Fund Dividend (PFD); and
- some trusts.

The following are examples of exempt income:

Principal earned income exclusions, outlined in § 416.1112 :

- the first \$65 per month plus one-half of the remainder;
- impairment-related work expenses of the disabled and work expenses of the blind;
- income set aside or being used to pursue a plan for achieving self-support (PASS) by a disabled or blind individual; and
- the first \$30 of infrequent or irregularly received income in a quarter.

Principal unearned income exclusions, outlined in § 416.1124:

- the first \$20 per month;
- income set aside or being used to pursue a plan for achieving self-support (PASS) by a disabled or blind individual;
- State or locally funded assistance based on need;
- rent subsidies under HUD programs and the value of SNAP;
- Alaska Native Claims Settlement Act (ANCSA) payments;
- Permanent Fund Dividend (PFD); and
- the first \$60 of infrequent or irregularly received income in a quarter.

General earned income exclusion

The first \$65 of any monthly earned income plus one-half of remaining earnings are excluded for benefit computation purposes. This general earned income exclusion is intended to help offset expenses incurred while working.

Lawmakers are currently looking to increase the SSI resource limit to \$10,000 for an individual and \$20,000 for couples. The Supplemental Security Income Restoration Act ([H.R. 4280](#) and [S. 2753](#)) would also increase the amount of disregarded income and repeal penalties for marrying or receiving financial, food, and housing assistance from family members. If the Social Security Administration raises these limits, the state's limits will be increased to match.

- **Rep Zulkosky – What percentage of the 25% of the Marijuana Education and Treatment Fund that is allocated to DPH goes directly to the afterschool program?**

The Marijuana Education and Treatment Fund receives 25% of the collected Marijuana taxes. The portion of the Marijuana Education Treatment Fund that was appropriated to Public Health in FY2020 is \$2,313,000. Of this, \$1,250,000 (or 54%) is distributed through grants to 7 grantees serving 40 communities.

- **Rep Zulkosky – Please provide the list of the 7 grantees and the 40 communities being served by the after school program? Were the allocations equal among grantees or higher for a statewide grantee? Can you provide the breakdown?**

Please see attachment titled "DHSS Fiscal Year 2020 Grant Book".

- **Rep. Johnston – Provide a high level overview of DHSS vacancy factor.**

Each component has an applied vacancy factor to account for savings attributable to staff turnover. The Office of Management and Budget (OMB) provides minimum and maximum vacancy factor guidelines. Some components have more turnover than others due to the nature of the positions and the populations that are served by the positions. Some components have a need to hold some positions vacant to make up for unknown costs that come up throughout the fiscal year. Additionally, not all funding can be realized within each component depending on the department's ability to collect the revenue.

Number of Full Time Positions	Minimum Vacancy Factor *	Maximum Vacancy Factor
10 or less	0%	3%
11 to 20	1%	4%
21 to 30	2%	5%
31 to 50	3%	6%
51 plus	4%	7%

- **Rep. Johnston – Provide a description of the 4 new positions in the Commissioner's office.**

See attachment titled "CO Positions Duties."

- **For clarification on Rich Albertoni's contract –**

The contract was signed 9/19/2019 and ends 9/30/2020.

If you have additional questions, please contact me at 465-1630.

Sincerely,



Sana Efir
Assistant Commissioner

cc: Kelly Cunningham, Fiscal Analyst, Legislative Finance
Suzanne Cunningham, Legislative Director, Office of the Governor
Jacqelli Ziegenfuss, Office of Management and Budget
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