

# Fiscal Note

State of Alaska  
2022 Legislative Session

Bill Version: SB 184  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: SB184-1-DOH-SB-2-11-2022

Title: SETTLEMENT TRUSTS & BENEFITS ELIGIBILITY

Sponsor: BEGICH

Requester: (S) HSS

Department: Department of Health

Appropriation: Senior Benefits Payment Program

Allocation: Senior Benefits Program

OMB Component Number: 2897

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2023 Appropriation Requested	Included in Governor's FY2023 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2023	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Fund Source (Operating Only)

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2022) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2023) cost:** 0.0 (separate capital appropriation required)

**Does the bill create or modify a new fund or account?** No  
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

## ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No  
If yes, by what date are the regulations to be adopted, amended or repealed? N/A

## Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Approved By: Sylvan Robb, Assistant Commissioner  
Agency: Department of Health & Social Services

Phone: (907)465-5847  
Date: 02/10/2022  
Date: 02/11/22

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2022 LEGISLATIVE SESSION

BILL NO. SB184

### Analysis

#### **Division of Public Assistance**

This bill excludes as income for Adult Public Assistance and Senior Benefits, and payment assistance for the Alaska Pioneer Homes an interest in a settlement trust or an amount distributed from or benefit provided by a settlement trust to an Alaska Native individual, or descendant of an Alaska Native individual, who is an aged, blind, or disabled individual if permitted by the Social Security Act and applicable statutes and regulations.

Current division policy is consistent with 42 U.S.C. [SEC.] 1382a(b) regarding the counting of income “not equal to or in excess of the amount which would cause him to be ineligible for payments under section 1382 of this title and such individual meets all other non-disability-related requirements for eligibility for benefits under this subchapter” and does not exclude the income specified in the proposed legislation.

In the event of regulatory changes at the federal level, the department would amend its Medicaid State Plan regarding the permissibility of Native Alaskan settlement interest and benefits and adjust allocations to the nursing home category as needed.

Current division policies follow and are consistent with the applicable U.S. Code of Federal Regulations. If SB 184 becomes law and the federal regulations change, Adult Public Assistance would not count payments from a settlement trust as income. All settlement interest payments made to an interest bearing trust account would be disregarded when making the cost-of-care determination. Senior Benefits would not count income from Alaska Native Claims Settlement Act distributions.

As a result of not counting interest or benefits from settlement claims as income, more Native Alaskans with old age and disabilities could qualify for and maintain Adult Public Assistance, Medicaid and nursing home Medicaid, and Senior Benefits. However, this does not appear to have substantial impact because these funds are not countable as resources currently. Research into the affected population might not be reliable because distributions vary.

The division will explore potential impacts to Adult Public Assistance and Medicaid applicants and recipients as more information becomes available, particularly the potential impact on recipients of Supplemental Security Income who are subject to Social Security Administration rules regarding the counting of income.