

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: _____
 (H) Publish Date: _____
 Dept. Affected: Health & Social Services

Revision Date/Time (Note if correction):
 Title ESTABLISHING THE SENIOR CARE PROGRAM

RDU Public Assistance
 Component SeniorCare

Sponsor (RLS) BY REQUEST OF THE GOVERNOR

Requester HOUSE (FIN)

Component No. 2760

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	14,649.6	7,690.9				
Miscellaneous						
TOTAL OPERATING	14,649.6	7,690.9	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (0)						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1037 GF/Mental Health						
Other (Specify Type-do not abbreviate)						
1189 Senior Care Fund	14,649.6	7,690.9				
TOTAL	14,649.6	7,690.9	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 554.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The total cost of the Senior Care Program is \$26,340,330 which includes \$3,334,000 in funds already appropriated for the Alaska Senior Assistance Program in FY 04. This fiscal note assumes that the total amount of \$26,340,330 will be appropriated or reappropriated to the Senior Care Fund created by Section 2 of HB 374 and therefore available for appropriation from the Senior Care Fund for program expenditures.

The program will span fiscal years FY 04-FY06. A detailed analysis of total program costs is attached.

The proposed SeniorCare program provides a cash or drug benefit to eligible seniors age 65 or older. Program benefits will be disbursed through the SeniorCare program in the Division of Public Assistance budget. The program is proposed to operate during the last quarter of FY 04, the entire FY 05 and the first half of FY 06.

Prepared by: Sherry Hill, Special Assistant Phone 465-1618
 Division: Office of the Commissioner Date/Time 01/23/2004
 Approved by: Joel S. Gilbertson, Commissioner Date 01/28/2004
 Agency: Department of Health and Social Services

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ANALYSIS CONTINUATION
SeniorCare Caseload Projections, continued

FY 05

Cash benefit: $7,928 \times \$1,440 = \$11,415,600$

Drug benefit, below 135% poverty: $630 \times \$1,600 = \$1,008,000$

Drug benefit between 135% and 150% poverty: $2,226 \times \$1,000 = \$2,226,000$

TOTAL FY 05 COST: $\$11,415,600 + \$1,008,000 + \$2,226,000 = \$14,649,600$

FY 06

Cash benefit: $8,323 \times \$720 = \$5,992,830$

Drug benefit, below 135% poverty: $662 \times \$800 = \$529,600$

Drug benefit between 135% and 150% poverty: $2,337 \times \$500 = \$1,168,500$

TOTAL FY 06 COST:

$\$5,992,830 + \$529,600 + \$1,168,500 = \$7,690,930$

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ANALYSIS CONTINUATION
SeniorCare benefit levels

Cash benefit: **\$360/yr. in FY04; \$1,440/yr. in FY05; \$720 in FY06**

Drug benefit, below 135% poverty: **\$400/yr. in FY04; \$1,600/yr. in FY05; \$800/yr. in FY06**

Drug benefit between 135% and 150% poverty: **\$250/yr. in FY04; \$1,000/yr. in FY05; \$500/yr. in FY06**

SeniorCare Caseload Projections

FY 04

Cash benefit: **7,550**

Drug benefit below 135% poverty: **600**

Drug benefit between 135% and 150% poverty: **2,120**

FY 05

Cash benefit: **7,928**

Drug benefit, below 135% poverty: **630**

Drug benefit between 135% and 150% poverty: **2,226**

FY 06

Cash benefit: **8,323**

Drug benefit, below 135% poverty: **662**

Drug benefit between 135% and 150% poverty: **2,337**

Cost Projections:

FY 04 (4th Qtr. only)

Cash benefit: $7,550 \times \$360 =$ **\$2,718,000**

Drug benefit, below 135% poverty: $600 \times \$400 =$ **\$240,000**

Drug benefit between 135% and 150% poverty: $2,120 \times \$250 =$ **\$530,000**

TOTAL FY04 COST: $\$2,718,000 + \$240,000 + \$530,000 = \$3,488,000 - \$2,934,000$ (FY 04 appropriation for Alaska Senior Assistance Program) = **\$554,000**