

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: _____
 (S) Publish Date: 5/14/03
 Dept. Affected: Health & Social Services
 BRU Public Assistance
 Component Adult Public Assistance

Revision Date/Time (Note if correction): 05/14/2003
 Title ELIMINATE LONGEVITY BONUS

Sponsor SENATE (RLS) BY REQUEST OF THE GOVERNOR

Requester _____ Component No. 222

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	210.0	195.3	181.4	168.8	157.1	146.2
Miscellaneous						
TOTAL OPERATING	210.0	195.3	181.4	168.8	157.1	146.2

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	210.0	195.3	181.4	168.8	157.1	146.2
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
TOTAL	210.0	195.3	181.4	168.8	157.1	146.2

Estimate of any current year (FY2003) cost: _____
 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)
 Adult Public Assistance (APA) serves low-income seniors age 65+. Phasing out of the Alaska Longevity Bonus (ALB) may cause some seniors who are not currently receiving APA to seek help from the program because their income has dropped below what they need to make ends meet. Economic data on the monthly income of seniors receiving the ALB does not exist. However, using data from the 2000 McDowell report "Issues Affecting the Economic Well-Being of Seniors," we estimate approximately 500 seniors may apply and be found eligible for APA. We assume that these new eligibles would have income closer to the maximum need standard and receive an average monthly benefit of \$35.
 (Analysis continued on page 2)

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 Division Public Assistance Date/Time 05/14/2003
 Approved by: Joel S. Gilbertson, Commissioner Date 05/14/2003
 Agency Department of Health and Social Services

FISCAL NOTE
FN #2

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ANALYSIS CONTINUATION

Assumptions

Using data found in the McDowell report "Issues Affecting the Economic Well-Being of Seniors," we estimate tht approximately 500 low-income ALB recipitns will apply for APA when they begin to lose a portion of ALB income.

The average APA benefit will be \$35/mo.

Due to death and out migration, 7% of these new eligibles will leave the caseload each year.

These new eligibles will remain on the APA caseload after the final phase out of the ALB

Calculations

FY 04: 500 persons x \$35/mo. X 12 mos. = \$210.0

FY 05: 465 persons x \$35/mo. X 12 mos. = \$195.3

FY 06: 432 persons x \$35/mo. X 12 mos. = \$181.4

FY 07: 402 persons x \$35/mo. X 12 mos. = \$168.8

FY 08: 374 persons x \$35/mo. X 12 mos. = \$157.1

FY 09: 348 persons x \$35/mo. X 12 mos. = \$146.2