

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 6
 Bill Version: CSHB 79(JUD)
 (H) Publish Date: 4/18/07
 Dept. Affected: Health & Social Services
 RDU: Alaska Longevity Bonus Programs
 Component: Longevity Bonus Grants

Revision Date/Time (Note if correction): April 13, 2007
 Title: LONGEVITY BONUS REAPPLICATIONS

Sponsor: LYNN
 Requester: HOUSE (JUD)

Component No. 26

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	29,430.3	27,566.8	24,656.5	22,061.6	19,563.4	17,156.7
Miscellaneous						
TOTAL OPERATING	29,430.3	27,566.8	24,656.5	22,061.6	19,563.4	17,156.7

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	29,430.3	27,566.8	24,656.5	22,061.6	19,563.4	17,156.7
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
TOTAL	29,430.3	27,566.8	24,656.5	22,061.6	19,563.4	17,156.7

Estimate of any current year (FY2007) cost: _____

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This proposed legislation reinstates the Alaska Longevity Bonus (ALB) payments for individuals who were qualified to receive them before January 1, 1997, and who received a payment in June 2003 when funding for the program ended. To qualify for the ALB, individuals must reapply for the program before January 1, 2008, and be a resident of the state under AS 01.10.055 on the day the reapplication is signed and dated.

Prepared by: Ellie Fitzjarrald, Director
 Division: Public Assistance
 Approved by: Karleen Jackson, Commissioner
 Agency: Department of Health and Social Services

Phone 465-5847
 Date/Time 04/13/2007
 Date 04/13/2007

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ANALYSIS CONTINUATION

Analysis Assumptions

- * This fiscal note assumes legislation will be effective and ALB payments will begin with the benefit month July 2007.
- * Reapplication for the ALB will only be accepted if received before January 1, 2008.
- * 12,631 former ALB recipients may be eligible to qualify for the ALB in FY08: 95% or approximately 11,999 seniors will be eligible and 5% or 631 potential ALB recipients will not qualify for the ALB because they do not meet the program's residency requirements or will not apply.
- * The average ALB payment is \$212/month as the amount of the benefit ranged from \$100 to \$250 depending on time of previous entry into the program.
- * An ALB recipient may not accrue an ALB payment for more than two months before the date of application in accordance with AS 47.45.080.
- * The number of months a person may receive ALB payments in FY08 will vary depending on date of application, as shown in the chart below.
- * Program expenditures for FY09 through FY13 will decline each year as eligible seniors move away, enter nursing homes, or expire.

Benefit Amount Calculations FY08:

Percent of Appli-cants	Approx Number Appli-cants	Must apply by	May be paid retro-active to	Number months benefits FY08	Average Month Benefit Amount	Total FY08 Benefit Payments
70%	8,842	9/1/2007	7/1/2007	12	\$ 212	\$ 22,494.0
15%	1,895	10/1/2007	8/1/2007	11	\$ 212	\$ 4,419.0
5%	632	11/1/2007	9/1/2007	10	\$ 212	\$ 1,339.8
4%	505	12/1/2007	10/1/2007	9	\$ 212	\$ 963.5
1%	126	1/1/2008	11/1/2007	8	\$ 212	\$ 213.7
5%	-631	(will not meet residency criteria or will not apply)				\$ 0.0
Total	11,999	Average Benefit Amount= \$212.44 Rounded to \$212				\$ 29,430.3

FY09 through FY13:

	Approx Number Recipients	Total Benefit Payments
FY09	10,836	\$27,566.8
FY10	9,692	\$24,656.5
FY11	8,672	\$22,061.6
FY12	7,690	\$19,563.4
FY13	6,744	\$17,156.7

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Note: We assume that if the SeniorCare program is reauthorized (or replaced), seniors will need to choose to receive payments from the Alaska Longevity Bonus or from the SeniorCare program. Seniors who choose to receive the Alaska Longevity Bonus will not qualify for SeniorCare or its replacement program. The cost for the Alaska Longevity Bonus will decrease by the number of seniors who choose to receive benefits from SeniorCare or its replacement program.