

# FISCAL NOTE

**STATE OF ALASKA**  
**2007 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: HB 148  
 ( H ) Publish Date: 2/21/07  
 Dept. Affected: Health & Social Services  
 RDU Public Assistance  
 Component SeniorCare

Revision Date/Time (Note if correction):  
 Title REAUTHORIZE SENIOR CARE

Sponsor (RLS) BY REQUEST OF THE GOVERNOR  
 Requester GOVERNOR

Component No. 2760

**Expenditures/Revenues** (Thousands of Dollars)

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

<b>OPERATING EXPENDITURES</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	( 5,377.2)	( 5,282.2)	( 5,187.1)	( 5,090.6)	( 4,992.7)	( 12,634.8)
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>( 5,377.2)</b>	<b>( 5,282.2)</b>	<b>( 5,187.1)</b>	<b>( 5,090.6)</b>	<b>( 4,992.7)</b>	<b>( 12,634.8)</b>
<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES (0)</b>						

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	( 2,994.4)	( 2,899.4)	( 2,804.3)	( 2,707.8)	( 2,609.9)	( 10,252.0)
1037 GF/Mental Health						
11189 Senior Care	( 2,382.8)	( 2,382.8)	( 2,382.8)	( 2,382.8)	( 2,382.8)	( 2,382.8)
Other(Specify Type-do not abbreviate)						
<b>TOTAL</b>	<b>( 5,377.2)</b>	<b>( 5,282.2)</b>	<b>( 5,187.1)</b>	<b>( 5,090.6)</b>	<b>( 4,992.7)</b>	<b>( 12,634.8)</b>

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)

The Senior Care program helps low-income seniors over age 65 remain independent in the community by providing an income supplement to help meet their basic needs, such as food and housing. This bill authorizes the continuation of the Senior Care program for an additional five years from July 1, 2007 through June 30, 2012. It eliminates the program's prescription drug benefit, of which there has been very low use, and changes the program's income eligibility standards. Currently, the amount of annual income seniors can have to qualify for the program is limited to 135 percent of the 2005 federal poverty guidelines for Alaska. This bill increases the income limits each year to keep pace with the annual increases in the federal poverty guidelines for Alaska and the modest cost-of-living adjustments given to senior's income such as Social Security retirement benefits.

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 Approved by: Karleen Jackson, Commissioner  
 Agency Department of Health and Social Services

Phone 465-5847  
 Date/Time 02/12/2007  
 Date 02/20/2007

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**ANALYSIS CONTINUATION**

**Assumptions**

- \* The Alaska Longevity Bonus (ALB) Program will be reopened and funded in FY08. Some seniors who formerly received the ALB will choose to get ALB and not be eligible for Senior Care.
- \* The income qualifying standards for the Senior Care program will be tied to 135% of the annual Federal Poverty Guidelines for Alaska, which increase each year.
- \* In FY08, an additional 300 seniors will qualify for Senior Care under the higher income limits.
- \* 2,303 former ALB recipients will choose to get ALB in FY08, and become ineligible for Senior Care.
- \* For FY09 through FY12, the number of seniors receiving help from the Senior Care Program will grow at a rate of 1.3%/year (based on 6-year average rate of growth in the old age component of APA program).

FY	Caseload	1.3% Growth	Revised Caseload	Less ALB	Total	Cost Total x 120 x 12
FY08*	7,343		7,343	(2,303)	5,040	\$7,257.6
FY09	5,040	66	5,106		5,106	\$7,352.6
FY10	5,106	66	5,172		5,172	\$7,447.7
FY11	5,172	67	5,239		5,239	\$7,544.2
FY12	5,239	68	5,307		5,307	\$7,642.1

The FY08 Governor's budget for the Senior Care component grants line is \$12,634.8. The projected cost for FY08 with the proposed changes is \$7,257.6 (see above), for an anticipated savings of \$5,377.2 in FY08. The projected savings in future years is calculated from the FY08 Governor's budget funding level and does not represent additional savings in future years, but rather indicates increasing costs each year due to additional recipients.

**Administration**

There are no additional administrative costs for operating the Senior Care Program. These costs are included in the Governor's FY08 budget.