

ALASKA STATE LEGISLATURE
HOUSE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

January 25, 2011

3:03 p.m.

MEMBERS PRESENT

Representative Wes Keller, Chair
Representative Alan Dick, Vice Chair
Representative Bob Herron
Representative Paul Seaton
Representative Sharon Cissna
Representative Bob Miller
Representative Charisse Millett

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 16
"An Act extending senior benefits."

- MOVED OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 16

SHORT TITLE: EXTEND SENIOR BENEFITS PAYMENT PROGRAM

SPONSOR(S): REPRESENTATIVE(S) HAWKER

01/18/11	(H)	PREFILE RELEASED 1/7/11
01/18/11	(H)	READ THE FIRST TIME - REFERRALS
01/18/11	(H)	HSS, FIN
01/25/11	(H)	HSS AT 3:00 PM CAPITOL 106

WITNESS REGISTER

REPRESENTATIVE MIKE HAWKER

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Introduced HB 16 as the sponsor of the bill.

RON KREHER, Acting Director
Director's Office

Division of Public Assistance
Department of Health and Social Services (DHSS)
Juneau, Alaska

POSITION STATEMENT: Responded to questions during discussion of
HB 16.

DENISE DANIELLO, Executive Director
Alaska Commission on Aging
Division of Senior and Disabilities Services
Department of Health and Social Services (DHSS)
Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 16.

MARIE DARLIN, Coordinator
AARP Capital City Task Force
Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 16.

SUSANNAH MORGAN, Executive Director
Food Bank of Alaska
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 16.

MARY SULLIVAN, Program Manager
Seniors Behavioral Health Outreach & Prevention Coalition
Akeela, Inc.
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 16.

ACTION NARRATIVE

[3:03:45 PM](#)

CHAIR WES KELLER called the House Health and Social Services Standing Committee meeting to order at 3:03 p.m. Representatives Keller, Herron, Dick, Miller, and Millett were present at the call to order. Representatives Seaton and Cissna arrived as the meeting was in progress.

CHAIR KELLER announced that prior to the first order of business there would be a committee orientation and introduction by each of the House Health and Social Services Standing Committee (HHSS) members.

[Due to technical difficulties, there was no recording from 3:04 p.m. to 3:06 p.m.]

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REPRESENTATIVE CISSNA declared that she was raised in Washington State, and that her predominant interests were children, families, and "human well-being." She noted that her academic pursuits had been varied but were well suited for a role in the Alaska State Legislature. She shared that she had been active in volunteer work and park issues.

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REPRESENTATIVE CISSNA, in response to a question from Chair Keller, replied that she and her husband "adore getting out and exploring," whether it was a neighborhood street or the mountains around Anchorage. She voiced her love of gardening, beading, and sketching. She stated that her desire to be on the House Health and Social Services Standing Committee was a result of her district being the "center of health and education for Alaska," the University medical area in Anchorage. She pointed out that she represented many health and education businesses, students, and workers. She stressed the importance of knowing Alaskans throughout the state. She noted that Department of Health and Social Services was the largest spender in Alaska.

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REPRESENTATIVE CISSNA, in response to Chair Keller, reported that the most challenging issues for the House Health and Social Services Standing Committee had arisen as Alaska had changed from a place where "people were looking out for each other, that they lived in communities and families where there was a constant effort at making sure that they were successfully surviving." She opined that HHSS should do its best to create a good health policy for the state.

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REPRESENTATIVE MILLETT pointed out that one third of the state budget went to health and social services. She noted that Alaska had an aging population, which would present fiscal and social challenges. She shared that her background was in airline management, and that her interests included hunting, fishing, and her family, especially her new grandchild. She stressed the importance of these issues: seniors, domestic violence, and suicide rates; and she remarked that many of the challenges facing the committee were emotional. She noted that HHSS could affect change for many Alaskans. She described her

personal experiences with health care in Alaska, which included private, Medicare, and Indian Health Services programs.

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REPRESENTATIVE MILLETT observed that domestic violence, drug abuse, sexual abuse, crimes against children, and suicide rates were all issues to be addressed.

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REPRESENTATIVE HERRON mentioned that this was his second term in the Alaska State Legislature. He had previously worked as a business man, Bethel city manager, board member for the Lower Kuskokwim School District, and Bethel representative for the Alaska Congregational delegation. He opined that the challenging issues were elder care, suicide, child protection, and, most challenging, Medicaid. He expressed a need to work with the governor for solutions.

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REPRESENTATIVE MILLER remarked that, in 1988, he came to Alaska from the east coast with a background in telecommunications consulting and sales. He detailed that he had worked as a news anchor and director in Fairbanks, and as a performer at the Malamute Saloon. He shared his enjoyment of writing, songwriting, reading, studying history and language, performing music, and travelling internationally.

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REPRESENTATIVE MILLER, referencing the Alaska State Constitution, cited that his desire to help and to serve was the basis of his request to sit on HHSS. He pointed out that Alaska leads the nation in domestic violence, drinking, drug abuse, rape, incest, and sexual assault. He opined that HHSS could affect remedies for these situations.

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REPRESENTATIVE MILLER, in response to Chair Keller, said that the many challenges dovetailed and that the pieces and systems were interconnected.

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REPRESENTATIVE MILLER, in response to Representative Herron, said that his favorite Robert Service poem was Bessie's Boil.

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REPRESENTATIVE DICK shared that he came to Alaska in 1966 and had been married for 43 years. He reported that he had lived primarily in small Bush villages, and had pursued a subsistence lifestyle for many years, working as a firefighter, a miner, and a construction worker. In 1979, he became a teacher and taught in small villages. He detailed his travels around Alaska leading culture and science camps.

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REPRESENTATIVE DICK spoke about his work helping students find local, culturally relevant science projects "in their backyard." He described his work as an attempt "to create a love affair between young people and science, and young people and math." He elaborated on his work as a videographer. He added that he was also a pilot and a river boat builder.

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REPRESENTATIVE DICK shared that his desire to be on the House Health and Social Services Standing Committee was a result of his life in the villages. He opined that suicide was a symptom. He pointed out that the dynamic for each village was different. He reflected that state and federal inputs were variables in each village. He offered his belief that there had to be accountability by and for each village, as state and federal programs could not just be implemented in each village without additional follow up.

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REPRESENTATIVE DICK recommended the book, "Yuuyaraq: The Way of the Human Being," by Harold Napoleon, as an insight into village dynamics. He emphasized the importance of moving beyond denial. He opined that a lack of understanding for the state geography had resulted in many problems.

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REPRESENTATIVE SEATON shared that HHSS reviewed many issues that were important to his constituents. He reported that he was born in Southern California, and had come to Alaska on a

vacation, as a rock hound. He reflected that his enjoyment of fishing had led him to become a commercial fisherman, but that his dream had been to start a musk ox farm. He noted that he was currently a tender operator, and no longer a fisherman. He emphasized that he would like to see HHSS develop a prevention model for health care, instead of the current treatment model, and he opined that this would lead to a physically and mentally healthier population. He reflected on the benefits of Vitamin D.

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CHAIR KELLER pointed out the diversity on the committee. He reflected that prior to becoming a representative, he was the committee aide to HHSS. He stated that it required time to understand the complexities of the committee. He offered his belief that the most challenging issue for health care was to ensure its access and quality. He pointed out that one of every five Alaskans received Medicaid assistance, at a cost of \$1.5 billion each year, and he questioned whether this could be maintained. He stated his desire to maintain care for those that need it the most, offering his belief that a significant role of government was to take care of those who need the help.

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CHAIR KELLER reviewed the two types of hearings: bill hearings and information hearings. He relayed some of the guidelines for committee members. He explained that the process for hearing bills was initiated with a presentation by the bill sponsor.

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CHAIR KELLER pointed out that the sponsor should only be asked questions, not endorsed or debated, so that the information was put on the record. He asked that each member speak through the chair. He reiterated the need to be specific. He suggested for committee members to give copies of testimony to the committee aide, if they wanted it to be clearly placed on the record. He detailed the procedures after the sponsor had finished their presentation, which included public testimony and the subsequent debate, discussion, and vote among the committee members.

HB 16-EXTEND SENIOR BENEFITS PAYMENT PROGRAM

[3:55:51 PM](#)

CHAIR KELLER announced that the first order of business would be HOUSE BILL NO. 16 "An Act extending senior benefits."

[3:56:31 PM](#)

REPRESENTATIVE MIKE HAWKER, Alaska State Legislature, introduced HB 16 as the bill sponsor. He explained that HB 16 proposed to extend benefits for Alaska seniors, as this program had a sunset clause which was due to expire on June 30, 2011. He reported that this program provided a needs based cash assistance to approximately 10,000 low income Alaska seniors. He clarified that it was a tiered benefit program, based on the Federal Poverty Guidelines (FPG) for household income. He listed the benefit amounts: \$250 per month to individuals with income of 75 percent or less of FPG; \$175 per month to individuals with income between 75 and 100 percent of FPG; and \$125 per month to individuals with income between 100 and 175 percent of FPG. He noted that the FPG benchmark was adjusted annually. He stressed the importance of this as a component of income for many seniors. He opined that it was important to maintain a sunset clause for this program, in order to keep it from becoming an entitlement. He reflected that, given the state's strong revenue forecast and large cash reserves, it was good public policy to extend the senior benefits program for another four years until June 30, 2015. He offered his belief that it would relieve the anxiety of Alaska seniors and would demonstrate a commitment to them.

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REPRESENTATIVE HERRON, referring to the attached fiscal note, asked for an explanation of the Appropriation Required for FY 2012.

REPRESENTATIVE HAWKER replied that this represented the carry forward appropriations, which were an increment from the prior budget year. He explained that the remainder of the fiscal note reflected a "3 percent straight line growth curve," which he acknowledged was only a speculation.

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REPRESENTATIVE HERRON, reflecting on the number of beneficiaries of the program, asked how many people were unaware of or did not take advantage of the program.

REPRESENTATIVE HAWKER suggested that he speak to the Division of Public Assistance.

4:03:30 PM

REPRESENTATIVE SEATON expressed concern for the four year extension. He pointed out that this extension would extend through two legislatures. He asked if Representative Hawker would object to a two year extension, which would allow for the next legislature to assess the fiscal conditions at that time.

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REPRESENTATIVE HAWKER pointed out the difference between authorizing legislation and appropriation of funding for an authorized program. He deemed that this legislation extended the existence of the program for four years, but that a separate appropriation would still be necessary. He pointed out that every program needed an annual appropriation. He nominated that a four year sunset clause was consistent with established legislative protocol, and that the appropriation was still determined by each legislature. He affirmed his support for the four year extension for HB 16.

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REPRESENTATIVE MILLETT inquired about a provision in statute which allowed for the senior benefit to be adjusted if the appropriation were lowered.

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REPRESENTATIVE HAWKER, in response to Representative Millett, cited AS 47.45.301(c): "if the appropriations are insufficient to meet the demands of the program the department may reduce or eliminate the cash benefit available to the recipient." He declared that this granted the statutory authority to "be nimble in adjusting to facts and circumstances."

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RON KREHER, Acting Director, Director's Office, Division of Public Assistance, Department of Health and Social Services (DHSS), in response to an earlier question by Representative Herron, stated that it was difficult to gauge the number of potentially eligible low income seniors who had not applied for the benefit program.

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CHAIR KELLER opened public testimony.

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DENISE DANIELLO, Executive Director, Alaska Commission on Aging, Division of Senior and Disabilities Services, Department of Health and Social Services (DHSS), offered support of HB 16 on behalf of the Alaska Commission on Aging and the 10,000 Alaska seniors who benefited from the program. She relayed that eligibility for the program was based on age, at least 65 years of age, and financial need. She declared that the Senior Benefits Program provided "a crucial safety net for many seniors." She acknowledged that, although not a large amount of money, it could make a real difference in the ability to afford food, housing, medicine, health care, and other basic necessities. She relayed that less than 20 percent of seniors participated in the program. She compared the rates of participation among the nine regions of Alaska, noting that more than 50 percent of seniors in the Bethel area participated in the program. She pointed out the increased cost of living in many rural regions. She directed attention to a slight increase in participation in urban areas. She reported on a recent Alaska Commission on Aging statewide survey of older Alaskans, which gathered information on senior needs for an FY 2012-2015 state plan on senior services. She shared that more than 3000 Alaskans, aged 50 years and older, had responded. She pointed out that financial security was an important concern for 20 percent of the respondents, many of whom had lived in Alaska for more than 40 years. She observed that 17.5 percent of the respondents had reported that the Senior Benefits Program was a source of income. She explained that, although 63 percent said that they had not had difficulty paying for items over the last 30 days, some had reported difficulty paying for basic items, such as energy costs, medical bills, food, and housing. She encouraged strong support for HB 16, as it was "good public policy and that it helps seniors who are the most vulnerable to economic stresses to live with dignity and independence which impacts their health and well-being."

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MARIE DARLIN, Coordinator, AARP Capital City Task Force, referred to the AARP letter of support for HB 16 [Included in members' packets] and urged its passage.

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SUSANNAH MORGAN, Executive Director, Food Bank of Alaska, pointed out that anti-hunger groups also supported HB 16. She reported that 44 percent of the people who went to food pantries, food kitchens, or shelters were over 50 years of age. She relayed that her staff in the communities had reported that many seniors counted on the Senior Benefits Program. She pointed out that only one state had a higher percentage of seniors over 75 years of age than Alaska. She expressed her strong support for HB 16.

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MARY SULLIVAN, Program Manager, Seniors Behavioral Health Outreach & Prevention Coalition, Akeela, Inc., expressed concern for the cost of senior health care and medication. She declared that the Senior Benefit Program allowed for maintenance of a level of independence and a safety net for basic needs. She expressed the need to focus on prevention. She urged support of HB 16.

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CHAIR KELLER, after ascertaining there were no more questions, closed public testimony.

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REPRESENTATIVE HERRON asked about the significance of a four year extension.

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REPRESENTATIVE HAWKER, in response, cited that four years was an historical reauthorization minimum and reflected a consistency of application to the original bill.

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REPRESENTATIVE HERRON offered his support for HB 16.

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REPRESENTATIVE SEATON expressed his concern with the 4 year extension. He offered the longevity bonus as an example and

opined that this was a "promise broken." He stated that it was important to follow through with what was promised. He expressed support for the Senior Benefits Program, but that he wanted the next legislature to have the freedom to fund the program. He surmised that a sunset clause of two years would allow for a review. He pointed out that the Senior Benefits Program based eligibility on gross annual income, with no consideration for personal assets. He offered his belief that a two year sunset clause would allow the opportunity for a future legislature to make changes, instead of "changing the program [in] mid stream and disqualifying people."

REPRESENTATIVE SEATON moved to adopt a conceptual amendment, as follows: "amend line 5 to 2013 from 2015."

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REPRESENTATIVE MILLETT objected. She offered her belief that the four year extension gave comfort to the seniors and that seniors understood that if appropriations were not available, then the cash benefits could be reduced, as quoted earlier in AS 47.45.301(c). She opined that this was not "tying the hands of future legislation to adjust the asset portion." She expressed her support for the four year extension.

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CHAIR KELLER offered his belief that although the proposed conceptual amendment would shorten the sunset clause in HB 16 from four years to two years, this was not a change to the bill, but a "housekeeping matter." He expressed appreciation that Representative Seaton had spoken previously with the bill sponsor, Representative Hawker. He encouraged for committee members to follow this example of speaking with the sponsor prior to the committee meeting. He expressed his opposition to the proposed conceptual amendment.

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REPRESENTATIVE SEATON reflected that the termination of the longevity bonus had shown that terminating a program was not the same as a sunset clause, and that it was viewed as a broken promise. He opined that seniors would assume that HB 16 was guaranteed for four years. He offered his belief that the bill language did not give the flexibility to reduce the benefits should assets be included in eligibility determination. He

expressed his support of the Senior Benefits Program, but voiced his concern for a possible fiscal change in two years.

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CHAIR KELLER asked for Representative Hawker to comment on the proposed amendment.

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REPRESENTATIVE HAWKER emphasized his support of the four year extension, and stressed that "we, the legislature, have made it extremely clear, in fact I would argue crystal clear" that these programs were subject to annual appropriation. He opined that this was a different circumstance from the senior longevity bonus, and that low income seniors were not going to be deprived of this program.

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CHAIR KELLER stated that he would vote against the amendment. He offered his belief that a major crisis looming for the state was the expansion of entitlements. He opined that having a sunset clause defined that the Senior Benefits Program was not an entitlement. A roll call vote was taken. Representative Seaton voted in favor of the proposed conceptual amendment. Representatives Millett, Herron, Dick, Miller, and Keller voted against it. Therefore the proposed conceptual amendment failed by a vote of 1-5.

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REPRESENTATIVE MILLETT moved to report HB 16 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 16 was reported from the House Health and Social Services Standing Committee.

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ADJOURNMENT

There being no further business before the committee, the House Health and Social Services Standing Committee meeting was adjourned at 4:34 p.m.