ALASKA STATE LEGISLATURE
SENATE STATE AFFAIRS STANDING COMMITTEE
January 21, 2016
9:02 a.m.

MEMBERS PRESENT

Senator Bill Stoltze, Chair
Senator John Coghill, Vice Chair
Senator Charlie Huggins
Senator Bill Wielechowski

MEMBERS ABSENT

Senator Lesil McGuire

COMMITTEE CALENDAR

SENATE BILL NO. 124
"An Act extending the termination date of the Alaska Commission on Aging; and providing for an effective date."

- MOVED SB 124 OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 124
SHORT TITLE: EXTEND SUNSET ON AK COMMISSION ON AGING
SPONSOR(s): SENATOR(s) STOLTZE BY REQUEST

01/19/16	(S)	PREFILE RELEASED 1/8/16
01/19/16	(S)	READ THE FIRST TIME - REFERRALS
01/19/16	(S)	STA, HSS
01/21/16	(S)	STA AT 9:00 AM BUTROVICH 205

WITNESS REGISTER

DANIEL GEORGE, Staff
Senator Stoltze
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Provided an overview of SB 124.

KRIS CURTIS, Auditor
Alaska Division of Legislative Audit
Juneau, Alaska

POSITION STATEMENT: Provided an audit overview for the Alaska Commission on Aging.

DENISE DANIELLO, Executive Director
Alaska Commission on Aging
Alaska Department of Health and Social Services
Juneau, Alaska
POSITION STATEMENT: Provided an overview of the commission and its audit.

RACHEL GREENBERG, Executive Director
Mat-Su Senior Services
Palmer, Alaska
POSITION STATEMENT: Supports SB 124.

DAVID LEVY, Senior Services Coordinator
Aging and Disability Resource Center
Municipality of Anchorage
Anchorage, Alaska
POSITION STATEMENT: Supports SB 124.

GORDON GLASER, Public Member
Alaska Commission on Aging
Anchorage, Alaska
POSITION STATEMENT: Supports SB 124.

AMANDA LOFGREN, Program Officer
Alaska Mental Health Trust Authority
Anchorage, Alaska
POSITION STATEMENT: Supports SB 124.

MARIE DARLIN, Advocate
American Association of Retired Persons-Juneau
Juneau, Alaska
POSITION STATEMENT: Supports SB 124.

ACTION NARRATIVE

9:02:51 AM
CHAIR BILL STOLTZE called the Senate State Affairs Standing Committee meeting to order at 9:02 a.m. Present at the call to order were Senators Wielechowski, Coghill, Huggins, and Chair Stoltze.

9:03:38 AM

CHAIR STOLTZE announced the consideration of SB 124. He noted that he was the bill's sponsor and asked that Senator Coghill chair the committee.

SB 124-EXTEND SUNSET ON AK COMMISSION ON AGING

9:05:08 AM
VICE-CHAIR COGHILL announced the consideration of SB 124.

9:05:54 AM
SENATOR STOLTZE explained that the SB 124 provided an extension for the Alaska Commission on Aging ("ACoA") to continue its mission that has a broad constituency among Alaskans. He detailed that SB 124 provided an 8-year extension and continues funding. He said his hope is the Senate Finance Committee will find ACoA to be a worthy function while making tough decisions on what level of government the state will have. He asserted that ACoA does good work and the criticisms in its audit will be addressed in the committee meeting.

9:06:28 AM
DANIEL GEORGE, Staff, Senator Stoltze, Alaska State Legislature, Juneau, Alaska, said SB 124 is an extension for ACoA. He explained that ACoA was established in Alaska statutes in 1981, pursuant to the Older Americans Act (OAA) of 1965. He specified that SB 124 is an 8-year extension as recommended by the Alaska Division of Legislative Audits' 2015 sunset-review.

He detailed that ACoA's 11-member commission and 5-staff members sets the Alaska State Plan for Senior Services. He explained that ACoA annually fulfills the federal requirement for the OAA and allows the state to annually receive approximately $11 million in federal grant funding. He added that a fiscal note from the Alaska Department of Health and Social Services was attached. He disclosed that SB 124 had wide support.

9:08:09 AM
SENATOR HUGGINS asked how funds were distributed and if a self-adjusting funding mechanism is used when demographics change. He noted that some areas in the state are growing and other areas are dormant. He pointed out that the Matanuska-Susitna Valley ("Mat-Su") had difficulty with some programs due to a disparity in how funds are distributed. He stated that funding distribution should be addressed before the bill moves.

SENATOR STOLTZE concurred with Senator Huggins that the Mat-Su has been treated very disparately. He remarked that the Mat-Su

is Alaska's fasted growing area and the only district in the state that had significant student population growth with 754 new people. He asserted that resources need to be more fairly divided based upon population rather than old formulas.

VICE-CHAIR COGHILL added that the state's fastest-growing area also has the fastest growing aging population. He said he hopes that ACoA takes demographics into account.

9:10:56 AM
KRIS CURTIS, Legislative Auditor, Alaska Division of Legislative Audit, Juneau, Alaska, explained that the purpose of the sunset review was to determine whether ACoA should be extended. She announced that the Alaska Division of Legislative Audit concluded that ACoA is serving the public's interest by helping older Alaskans lead dignified, independent and useful lives through outreach advocacy and education. She added that ACoA does meet a federal requirement that each state establish an advisory council to advise the state on aging matters, including the development, administration and execution of a state plan. She said the Alaska Division of Legislative Audit recommends the maximum eight-year extension for ACoA.

She stated that the Alaska Division of Legislative Audit came up with two operational improvement recommendations for ACoA:

1. The executive director should implement and follow public notice procedures for all meetings. The Alaska Division of Legislative Audit found that not all meetings were posted. Staff was not following their established procedures and not aware that subcommittee meetings were subject to the public notice requirement.
2. The chairperson should review and approve legislative watch lists prior to distribution. The Alaska Division of Legislative Audit found that a few bills that ACoA published on its legislative watch list did not relate to the committee's objectives.

9:13:19 AM
SENATOR WIELECHOWSKI asked if the Alaska Division of Legislative Audit found issues pertaining to regional disparities.

MS. CURTIS answered that the Division of Legislative Audit did not pick up on regional disparities. She specified that the Division looked at general procedures in awarding monies but not necessarily how much was awarded by each area. She detailed that the Division of Legislative Audit focused on ACoA's operations.

SENATOR WIELECHOWSKI addressed the fiscal note and asked if ACoA's annual $539,700 appropriation was considered high, low or just about right.

MS. CURTIS answered that the Alaska Division of Legislative Audit provided historical financial information in its report for evaluating the reasonableness of ACoA's funding.

SENATOR HUGGINS asked if the Alaska Division of Legislative Audit reviewed ACoA's funding distribution mechanism and if demographic adjustments were made. He set forth that ACoA is ultimately about helping people and the system is not working if some people are not getting help due to an area's demographics.

9:15:20 AM
MS. CURTIS replied as follows:

> Our approach to the audit, like any audit, is to look at committee minutes to see whether any type of complaints show up and pursue. We review publications looking for those issues that we need to follow up. This particular audit, the equity of amounts actually given to specific regional areas did not pop on our radar-screen as something to review. We looked at the procedure of developing the state-plan, which might address equities in how the monies are given out. We looked at their procedure for getting feedback and whether that feedback was incorporated into their decision process, which we did find was the case.

SENATOR HUGGINS replied that input will be provided to update ACoA's system. He specified that he was not insinuating that the Mat-Su was being picked on, but he was presenting his constituents' concerns.

MS. CURTIS suggested that a broader-scale audit be considered if looking at all programs in how funds are given out.

9:16:55 AM
SENATOR COGHILL asked if duplicative-work was an audit issue.

MS. CURTIS replied as follows:

> Yes, on pages 15 and 16 of the audit we have sunset criteria number-11 which examines whether there are services being duplicated. We did find some areas

where you have duplications between other areas such as AARP, the Alaska Geriatric Exchange Network; these agencies share common goals. We looked at how the agencies were working together, so we do make some comments about that, but the commission does have a specific role and they do overlap, but they do have some specific and unique missions.

SENATOR COGHILL asserted that duplicate services must be addressed, especially during the state's current budgetary situation.

SENATOR STOLTZE asked that Denise Daniello, Executive Director for ACoA, address the committee. He pointed out that the public's and committee's interest is on distribution and noted that the topic was going to be a global discussion with a lot of agencies. He asked that Ms. Daniello address ACoA's mild criticisms noted in the audit. He added that part of the committee's function was to assist in fixing the criticisms.

9:20:13 AM
DENISE DANIELLO, Executive Director, Alaska Commission on Aging, Alaska Department of Health and Social Services, Juneau, Alaska, read the following statement:

I just want to thank the Alaska Division of Legislative Audit as well in providing the audit for the Alaska Commission on Aging and for their findings in that they found that the Alaska Commission on Aging is serving the public's interest by helping older Alaskans lead dignified, independent and useful lives which are words from our mission statement through planning, advocacy, outreach activities and that the Commission meets the federal requirement for each state to establish an advisory council to advise the state on aging matters; that requirement is referenced in the OAA, Section 306(a)(6)(d); moreover, we want to thank Senator Stoltze for sponsoring this legislation on the Alaska Commission on Aging's behalf and for Alaska's seniors.

The Alaska Commission on Aging is an 11-member advisory council whose mission is to ensure the dignity and independence of all older Alaskans, and to assist them to lead useful and meaningful lives through planning, advocacy, education and outreach. The State of Alaska constitutes a single planning and

service area under the terms of the Older Americans Act, and is designated by Governor Walker that the Alaska Department of Health and Social Services is the sole state agency on aging in Alaska. The responsibilities of a state agency on aging are carried out jointly in our state by the Division of Senior and Disability Services and the Commission on Aging for senior programs that are funded under the OAA. While the Division of Senior and Disability Services administers the state and federally funded senior grant programs, the Alaska Commission on Aging is responsible for developing the four-year state plan on senior services, and performing the advocacy and outreach educational activities in collaboration with many partners and those responsibilities are spelled out in the OAA for state agencies under Section 305(a)(1).

Alaska receives approximately $11 million of federal funding for senior programs and services in this fiscal year thanks to its compliance with the OAA. Since the legal inception in 1981, the Alaska Commission on Aging has remained committed to assisting older Alaskans gain access to appropriate and quality services to maintain their health and independence so that they may remain in their communities of choosing, living independently for as long as possible, and to be valued and respected for their contributions. The Alaska Commission on Aging provides a focal point in state government for aging issues.

The work of the Alaska Commission on Aging is now more important than ever given the state's rapidly growing population of seniors. According to 2015 population estimates just released by the Alaska Department of Labor and Workforce Development, seniors, and this is defined as people aged 60 years and older, and we use that age requirement because that's the age requirement as specified by the OAA, number 120,444 persons and that's a 4.2 percent increase or a gain of 4,902 people from 2014. Seniors represent 16 percent of the total state population and comprise the fastest growing age demographic in the state.

9:23:54 AM

SENATOR HUGGINS asked Ms. Daniello to repeat the senior-population percentage in the state.

MS. DANIELLO replied 16 percent. She continued as follows:

> For the sixth-consecutive year, Alaska continues to lead all states by having the fastest growing senior population per capita.
>
> The Alaska Commission on Aging has conducted the following activities since our last reauthorization in FY 2008. First of all, we are charged with developing a four-year comprehensive Alaska State Plan for Senior Services for the approval by the Alaska Department of Health and Social Services in order to satisfy a federal requirement for all states receiving federal funding for senior programs.
>
> The Alaska Commission on Aging has completed three state plans since our last reauthorization and in June of this year we just completed the current state plan for FY 2016 through FY 2019. The plan has 6 goals with 25-corresponding strategies and 48-performance measures, and it also includes a funding formula that describes the distribution of funding for the department's 9 regions. The state plan was developed in collaboration with many partners. We have 34 members who served on a state-plan advisory committee and we provided leadership for that committee.
>
> The Alaska Commission on Aging also prepares the "Senior Snapshot" and that's published in the Alaska Commission on Aging's annual report. The Senior Snapshot is an annual statistical analysis of senior demographics, use of programs and services by seniors; it also reports data on indicators pertaining to senior health, senior housing, senior safety, as well as senior economic security. We provide a copy of the Senior Snapshot which is included in the annual report every year to the Legislature and to the governor.

9:26:23 AM
She continued as follows:

> Secondly, the Alaska Commission on Aging provides annual budget and policy recommendations to the Alaska Mental Health Trust Authority concerning the needs of

older Alaskans living with Alzheimer's disease and related dementia who numbered this year approximately 6,600 and these are individuals who are age 65 years and older with Alzheimer's Disease; this is a very conservative estimate because it doesn't include people with younger onset Alzheimer's disease and it doesn't include people with dementia who are suffering from other forms of dementia like: vascular dementia, frontal temporal dementia, Lewy bodies dementia, Parkinson's disease and many others. If we added all of those folks together we would probably be closer to 8,000.

Alzheimer's disease is a very serious concern for our state because Alaska is the state with the fastest growing senior population per capita and advanced age is the most serious-risk factor for Alzheimer's disease, although advanced aging itself is not a cause for Alzheimer's. We also provide additional information as requested by the Alaska Mental Health Trust Authority, at least quarterly, to their trustees at board and committee meetings.

The Alaska Commission on Aging, in collaboration with the Alaska Mental Health Trust Authority, the Alaska Department of Health and Social Services, and Alaska's Alzheimer's Resource Agency, published "Alaska's Roadmap to Address Alzheimer's Disease and Related Dementias." The "roadmap" provides a very comprehensive and coordinated approach to address the multiple and complex challenges that dementia presents to individuals, their families, caregivers, and to Alaska's long term care system. The "roadmap" included for the first time findings from the Behavioral Risk Factor Surveillance Survey that included actual surveillance findings about people in Alaska with perceived-cognitive impairment.

9:28:52 AM
MS. DANIELLO continued as follows:

Thirdly, we make recommendations directly to the governor and the Legislature with respect to legislation, regulations, and appropriations for programs and services that benefit older Alaskans. Since our last reauthorization, the Alaska Commission on Aging advocated successfully for the creation of

the Medicaid Adult Dental Program; establishment and reauthorization of the Alaska Senior Benefits Program; creation of the statewide alert system for vulnerable, older adult, which is also known as the "Silver Alert;" and we have advocated for several bills to strengthen elder protection and protection of vulnerable adults.

Fourthly, the Alaska Commission on Aging helps older Alaskans lead dignified, independent and productive lives. We actively encourage participation to inform our public policy and public budget recommendations by providing a formal-public comment period during each quarterly meeting. We sponsor regular community forums on topics of senior interests and actively ask for senior input on those issues. We host bi-weekly statewide, legislative teleconferences during session to examine and discuss legislation of interest to seniors. In recent years we've made efforts to recognize the many issues that face Alaska's population. We coordinated the Power of Aging Symposium which provided information about senior issues, it encouraged senior civic engagement. We also coordinated the Senior Housing Summit which was the first and only housing summit in Alaska to address senior housing issues, specifically. We spearheaded the Senior Fall Prevention Coalition which was to address falls which are the number one non-fatal hospitalized injury for seniors. We also began the Healthy Body Healthy Brain Campaign to raise awareness about the relationship of lifestyle with cognitive health; and we've called attention to fact that seniors represent a $3 billion industry to the state, that doesn't include the countless hours of volunteer and family caregiving, and that seniors greatly appreciate the programs and services they receive which are critical to their health and wellbeing and their ability to live in this state.

9:31:20 AM
MS. DANIELLO continued as follows:

The Alaska Commission on Aging is comprised of 11 members with 7 of our members being of senior age and they are appointed by the governor to serve four-year terms. We also have four-designated seats: one for the Commissioner of the Department of Health and Social

Services, another for the Commissioner of the Department of Commerce, one for a senior service provider, and one for the chair of the Pioneer Home board. As you know, we have a staff of four that includes the executive director, two planners and an administrative assistant.

MS. DANIELLO addressed the Alaska Commission on Aging's audit as follows:

The audit reported two findings, as you have heard, by the Alaska Division of Legislative Audit, that requires the posting of public meeting notices for all of the Alaska Commission on Aging's board and committee meetings; and secondly, for the Alaska Commission on Aging's chairperson to review and approve the Legislative Watch List prior to distribution. The Alaska Commission on Aging concurs with these findings and we have amended our policies and procedures to include corrective actions, strategies, and those have been implemented.

To address specifically the Legislative Watch List, we use the Legislative Watch List as a list of legislation of interest to seniors. When we use it during the legislative teleconferences, we provide updates on those bills and how they are moving. We invite legislators and their staff to come and talk about those bills and we also ask for senior input to find out what their opinions are about that legislation. So now our policies and procedures require our chair of the Legislative Efficacy Committee and the chair of our Alaska Commission on Aging to review the Legislative Watch List prior to its distribution.

9:33:15 AM
She summarized as follows:

Pending passage of this legislation, the Alaska Commission on Aging will continue to plan, educate, and advocate for programs and services that allow older Alaskans to live with dignity and respect so that they may remain and live independently for as long as possible in the least restrictive settings, and to assure that seniors remain connected to their family and communities.

SENATOR HUGGINS asked if the term "senior longevity bonus" falls under ACoA's purview.

MS. DANIELLO replied as follows:

> The Alaska Senior Benefits Program is currently administered by the Division of Public Assistance; it came into being in FY 2008 and it is a cash-assistance program for seniors age 65 years and older who meet the income threshold; it has three tiers for three-different levels of income, up to 175 percent of federal poverty level.
>
> The Alaska Senior Benefits Program followed the Senior Longevity Bonus. When the Senior Longevity Bonus was in place, it provided a $250 a month benefit to people age 65 years and older. I believe there was a connection to a senior's residency and the number of years living in Alaska. For that reason, there was a lot of conversation that may not be fair and the Alaska Senior Benefits Program came into being. I think the Senior Longevity Bonus is still in state statute, but it is not funded. The Senior Benefits Program is the program that is operating today.

9:35:40 AM
SENATOR HUGGINS noted that Juneau recently changed its senior exemption for sales tax. He asked if ACoA has received feedback from this change.

MS. DANIELLO answered yes. She declared that Ms. Marie Darlin would address Senator Huggins' question. She conceded that Juneau's tax exemption change was an important issue for seniors that have opinions on both sides.

9:37:37 AM
SENATOR HUGGINS asked if the committee should be aware of issues pertaining to seniors that reside at the Alaska Pioneer Homes.

MS. DANIELLO replied that ACoA has received positive feedback about the care residents receive at the Alaska Pioneer Homes. She noted that discussions have occurred on the possibility for the Alaska Pioneer Homes to be privatized and ACoA wants to ensure that the same level of care continues should the Alaska Pioneer Homes be privatized.

SENATOR STOLTZE shared that he was baffled by the governor's recent budget conference that singled out Alaska Pioneer Homes and the Division of Agriculture as the only items that could be cut from the budget.

VICE-CHAIR COGHILL announced that the committee would take public testimony.

9:40:56 AM
RACHEL GREENBERG, Executive Director, Mat-Su Senior Services, Palmer, Alaska, stated that the organizations she represents supports the continuation of ACoA. She asserted that ACoA is a statewide agency that looks out for all seniors. She pointed out that ACoA develops the funding formula, but funds are actually distributed through the Division of Senior Disability Services. She addressed previous concerns regarding funding distribution disparity and revealed that the State Plan for Senior Services is developed every four years. She opined that a lot of the disparity was actually coming from within the Mat-Su region and not necessarily the funding formula itself.

SENATOR STOLTZE commended the Alaska Commission on Aging members for their service.

9:46:05 AM
DAVID LEVY, Senior Services Coordinator, Aging and Disability Resource Center, Municipality of Anchorage, Anchorage, Alaska, declared that the Senior Citizens Advisory Commission supports SB 124.

9:48:17 AM
GORDON GLASER, Public Member, Alaska Commission on Aging, Anchorage, Alaska, revealed that he is the past president of the Anchorage Senior Activity Center and noted their support for SB 124 as well. He asserted that ACoA provides a valuable service to the state.

9:52:14 AM
AMANDA LOFGREN, Program Officer, Alaska Mental Health Trust Authority, Anchorage, Alaska, stated that ACoA was an invaluable partner to the trust, especially as Alaska continues to have the fastest growing senior population in the United States.

SENATOR STOLTZE thanked the Alaska Mental Health Trust for their work with senior beneficiaries.

SENATOR HUGGINS commented that a reference guide for aging services provided by various state agencies would be beneficial.

9:57:11 AM
MARIE DARLIN, Advocate, American Association of Retired Persons-Juneau (AARP), Juneau, Alaska, stated that AARP supports ACoA. She addressed Juneau's senior sales tax change and revealed that only certain types of foods will continue to be exempted. She pointed out that the City and Borough of Juneau faces the same fiscal challenges as the state where a committee was appointed to address all tax exemptions, not just the senior exemption.

SENATOR STOLTZE commended Ms. Darlin for her service.

10:05:02 AM
VICE-CHAIR COGHILL asked if Senator Stoltze would like to bring SB 124 up for a motion or hold the bill.

SENATOR STOLTZE replied that the committee was ready to move SB 124, but the real issue pertained to the Senate Finance Committee in reviewing the bill and ultimately making the tough decision.

VICE-CHAIR COGHILL asked that one question be submitted to the Senate Finance Committee that addressed the interagency receipts that include federal money. He specified that he would like to know what the "blend" was.

SENATOR STOLTZE noted the ACoA's appropriation in the fiscal note was $537,000.

VICE-CHAIR COGHILL asked if Senator Stoltze would like to make a motion.

SENATOR STOLTZE summarized that SB 124 was a continuation of funding that links to federal requirements. He said the state's link allowed the state to continue addressing nutrition through Meals-on-Wheels as well as welfare checks for seniors in remote areas. He commended the original legislators that sponsored the bill for ACoA.

10:11:08 AM
SENATOR STOLTZE moved to report SB 124 from committee with individual recommendations and attached fiscal note(s).

10:11:19 AM
VICE-CHAIR COGHILL closed public testimony.

10:11:49 AM
VICE-CHAIR COGHILL announced that seeing no objection, SB 124 moved out of committee.

10:17:12 AM
There being no further business to come before the committee, Chair Stoltze adjourned the Senate State Affairs Committee at 10:17 a.m.