

Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version:	CSHB 236(FIN)
Fiscal Note Number:	2
(H) Publish Date:	2/7/2018

Identifier: HB236-DHSS-SBPP-2-7-18
 Title: EXTEND SENIOR BENEFITS PAYMENT PROGRAM
 Sponsor: KAWASAKI
 Requester: House HSS

Department: Department of Health and Social Services
 Appropriation: Public Assistance
 Allocation: Senior Benefits Payment Program
 OMB Component Number: 2897

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2019	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2019 Request	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURES	FY 2019	FY 2019					
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits	19,986.1		19,986.1	19,986.1	19,986.1	19,986.1	19,986.1
Miscellaneous							
Total Operating	19,986.1	0.0	19,986.1	19,986.1	19,986.1	19,986.1	19,986.1

Fund Source (Operating Only)

1004 Gen Fund (UGF)	19,986.1		19,986.1	19,986.1	19,986.1	19,986.1	19,986.1
Total	19,986.1	0.0	19,986.1	19,986.1	19,986.1	19,986.1	19,986.1

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) cost: 0.0 (separate capital appropriation required)
 (discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? no
 If yes, by what date are the regulations to be adopted, amended or repealed? n/a

Why this fiscal note differs from previous version/comments:

Updated note reflects House Finance amendment to extend through 2024.

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 Approved By: Shawnda O'Brien, Asst. Commissioner
 Agency: Health and Social Services

Phone: (907)465-5835
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FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

Analysis

HB 236 extends the Alaska Senior Benefits Payment Program from its current June 30, 2018 (FY2018) sunset through the end of FY2024. Therefore, the costs for this proposed legislation are for FY2019 through FY2024.

The regulations for the Senior Benefits Payment Program include language which instructs the division to reduce benefit payments for the highest income/lowest benefit tier to remain within the appropriated budget, when resources are short. Presently in SFY2018, the lowest benefit tier payment has therefore been reduced from \$125/month to \$76/month. For purposes of these projections, the department is continuing funding at its current level and determining the benefit amount of the highest income/lowest tier using projected growth.

Over the last five years, the division has experienced an annual average caseload growth rate of two percent. With the extension of the Senior Benefits Payment Program through FY2024, the division has projected benefit levels using this two percent caseload growth per fiscal year.

Projection for adjusted top tier income benefit group utilizing a flat funding level at the current appropriation of \$19,986.1 and thus adjusting the monthly benefit amount as needed for a projected 2% increase in caseload:

New Payment Level for Top Income Tier

	FY 2019	FY 2020	FY2021	FY2022	FY2023	FY2024
	\$69/mo	\$62/mo	\$55/mo	\$49/mo	\$42/mo	\$36/mo
Current Benefit Amount Per Income Level						
\$76/month	\$3,828.4	\$3,508.8	\$3,174.9	\$2,885.1	\$2,522.4	\$2,201.0
\$175/month	\$10,881.5	\$11,099.2	\$11,321.2	\$11,547.6	\$11,788.5	\$12,024.3
\$250/month	\$5,217.8	\$5,322.2	\$5,428.6	\$5,537.2	\$5,647.9	\$5,760.9
Total	\$19,927.7	\$19,930.1	\$19,924.7	\$19,969.9	\$19,958.8	\$19,986.2