

**ALASKA STATE LEGISLATURE**  
**HOUSE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE**

April 27, 2017

3:48 p.m.

**MEMBERS PRESENT**

Representative Ivy Spohnholz, Chair  
Representative Sam Kito  
Representative Geran Tarr  
Representative Jennifer Johnston  
Representative Colleen Sullivan-Leonard

**MEMBERS ABSENT**

Representative Bryce Edgmon, Vice Chair  
Representative David Eastman  
  
Representative Matt Claman (alternate)  
Representative Dan Saddler (alternate)

**COMMITTEE CALENDAR**

HOUSE BILL NO. 234

"An Act extending the termination date of the Alaska Health Care Commission; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 236

"An Act extending the Alaska senior benefits payment program."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 234

SHORT TITLE: EXTEND ALASKA HEALTH CARE COMMISSION

SPONSOR(S): REPRESENTATIVE(S) GUTTENBERG

04/16/17	(H)	READ THE FIRST TIME - REFERRALS
04/16/17	(H)	HSS, FIN
04/25/17	(H)	HSS AT 3:00 PM CAPITOL 106
04/25/17	(H)	-- MEETING CANCELED --
04/27/17	(H)	HSS AT 3:00 PM CAPITOL 106

BILL: HB 236

SHORT TITLE: EXTEND SENIOR BENEFITS PAYMENT PROGRAM  
SPONSOR(s): REPRESENTATIVE(s) KAWASAKI

04/17/17 (H) READ THE FIRST TIME - REFERRALS  
04/17/17 (H) HSS, FIN  
04/25/17 (H) HSS AT 3:00 PM CAPITOL 106  
04/25/17 (H) -- MEETING CANCELED --  
04/27/17 (H) HSS AT 3:00 PM CAPITOL 106

**WITNESS REGISTER**

REPRESENTATIVE DAVID GUTTENBERG

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Presented HB 234 as the sponsor of the bill.

KRISTIN CURTIS

Legislative Auditor

Legislative Audit Division

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Testified during discussion of HB 234.

DEBORAH ERICKSON, Project Coordinator

Office of the Commissioner

Department of Health and Social Services

Anchorage, Alaska

**POSITION STATEMENT:** Testified during discussion of HB 234.

JEANNIE MONK, Vice President

Alaska State Hospital and Nursing Home Association (ASHNHA)

Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 234.

MERCEDES COLBERT, Staff

Representative Scott Kawasaki

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Presented HB 236 on behalf of the bill sponsor, Representative Kawasaki.

REPRESENTATIVE SCOTT KAWASAKI

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Answered questions about HB 236, as the sponsor of the bill.

MONICA WINDOM, 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 236.

KEN HELANDER, Advocacy Director  
AARP  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 236.

DAVID BLACKETER, Chair  
Alaska Commission on Aging  
Kodiak, Alaska

**POSITION STATEMENT:** Testified in support of HB 236.

#### **ACTION NARRATIVE**

[3:48:15 PM](#)

**CHAIR IVY SPOHNHOLZ** called the House Health and Social Services Standing Committee meeting to order at 3:48 p.m. Representatives Spohnholz, Kito, Sullivan-Leonard, and Tarr were present at the call to order. Representative Johnston arrived as the meeting was in progress. [Due to technical difficulties, the first ten minutes of the recording is at a very low volume.]

[3:49:06 PM](#)

#### **HB 234-EXTEND ALASKA HEALTH CARE COMMISSION**

CHAIR SPOHNHOLZ announced that the first order of business would be HOUSE BILL NO. 234, "An Act extending the termination date of the Alaska Health Care Commission; and providing for an effective date."

REPRESENTATIVE DAVID GUTTENBERG, Alaska State Legislature, paraphrased from the Sponsor Statement [Included in members' packets] which read as follows [original punctuation provided]:

The Alaska Health Care Commission was first established by Governor Palm on December 4, 2008 under Administrative Order #246. In 2010, the legislature passed SB 172, establishing the Alaska Health Care

Commission in Statute. The legislature's intent was that the Commission would be a permanent instrument to address the need for health care reform in our state. The Commission worked to identify opportunities, as well as a broad set of strategies, to improve the quality, accessibility and availability of health care for all citizens of the State. These strategies and recommendations can be found in the Commission's reports that were issued annually from 2009-20 14.

In 2015 the Commission was defunded. Alaska's need for health care reform remains one of the most critical challenges we face. At \$10 billion in total spending annually—25% of which is administered by the state government— health care is one of Alaska's largest consumer product industries. When this enormous scale is considered in conjunction with the fact that that the state government is the largest single payer for those services, there is a clear need for an instrument that identifies the costs and benefits of the health care system, and identifies strategies for ensuring sustainability therein. Extending the Alaska Health Care Commission will give the state a tool to address this crucial priority.

REPRESENTATIVE GUTTENBERG added that the proposed bill had a zero-fiscal note. He said that the Alaska Health Care Commission, when funded, had done considerable things, even though, he opined, it did not have as large a perspective on the state health care. He acknowledged that the commission did make considerable recommendations, even though these recommendations were all too often put on the shelf and never read. He stated that the commission was a tool for the Department of Administration and Department of Health and Social Services to "have the ability to respond in a cohesive way" to any changes in the health care environment.

REPRESENTATIVE SULLIVAN-LEONARD shared her background with the commission and asked about the report recommendation to not further this specific commission, which was based on a challenge for the development of a statewide health plan.

REPRESENTATIVE GUTTENBERG replied that the audit had stated that the commission was not operating in the state's best interest although it was not being funded and was not functioning. He offered his belief that there had been consideration for the overall "larger picture that the state should be doing. Should

it be looking at the entire, to build a comprehensive plan from the top down." He stated that the commission did offer considerable recommendations. He noted that although some of the commission members felt more should be done, the focus had been narrowed. He expressed his agreement with the audit which reported that an entire picture of the state should be reviewed. He pointed to the vastness of all the components of the Department of Health and Social Services and acknowledged that he did not know how to develop the entire picture even as there was a lot to do.

REPRESENTATIVE GUTTENBERG pointed to the work already accomplished, and the current recommendations, noting that there was still so much to be addressed by the legislature.

CHAIR SPOHNHOLZ asked if he had considered "revisiting the scope of the commission's work" along with the extension of the termination date.

REPRESENTATIVE GUTTENBERG opined that the current scope was quite broad, noting that there was only one person currently designated to the commission, the Chief Medical Officer from the Department of Health and Social Services.

CHAIR SPOHNHOLZ asked how the work could be accomplished with a zero-fiscal note.

REPRESENTATIVE GUTTENBERG explained that this would only affect travel, so, until there were anticipated costs, there would be a zero-fiscal note. If something was only being extended, without any changes, then there would not be a fiscal note.

REPRESENTATIVE JOHNSTON asked when the commission had stopped.

REPRESENTATIVE GUTTENBERG, in response, said that the technical answer would be at the last election, as the membership changed. He pointed out that the commission had not actually lapsed, even though it had not been functioning due to a lack of funding and a meeting had not been called. He added that there were not any required meetings or functions.

REPRESENTATIVE JOHNSTON expressed her confusion, reiterating that there was not a fiscal note because there had not been an increase in cost because there had not been a functioning commission. She asked if, currently, there was any amount budgeted for this commission.

REPRESENTATIVE GUTTENBERG, in response, offered his belief that the state responsibility to the commission had been for staffing, and that the only costs were for teleconferencing. He said that until a meeting was anticipated, there was not any anticipated cost.

CHAIR SPOHNHOLZ suggested that this was an issue whereby to ensure that the commission had the funding it needed, it would need a directive.

4:00:16 PM

REPRESENTATIVE TARR offered her belief that the commission had completed all the work originally recommended.

4:01:46 PM

REPRESENTATIVE GUTTENBERG opined that the recommended work extended back beyond that last commission report and there had been many recommendations put forward while few had been completed. He said that the previous budgets from FY13 - FY15 had been \$350 - \$450,000. He stated that the commissioners had asked that the commission be renewed. He noted that the zero-fiscal note had been presented by the commission office.

CHAIR SPOHNHOLZ surmised that although the commission had work to be done, they had stopped acting due to a lack of funds.

4:03:13 PM

KRISTIN CURTIS, Legislative Auditor, Legislative Audit Division, Alaska State Legislature, explained that there were two audits in the meeting packets, dated 2013 and 2016. She explained that the purpose of a sunset [clause] was to determine whether a board or commission was serving the public's interest and whether it should be extended. She directed attention to the 2013 audit [Included in member's packets] and stated that this was the first time the commission had been subject to sunset, and background had been included in the report. She reported that the Alaska Health Care Commission was created as a means for health care reform and was first established in 2008 by administrative order. She added that it was then established in statute in 2010. She reported that the legislature had intended for the commission to achieve reform through the development of a statewide health plan, which was to be based on education, sustainability, management efficiency, health care effectiveness, public private partnerships, research, personal

responsibility and individual choice. The original commission, in 2008, had stated that it was not its responsibility to develop a plan, but instead, the commission had focused its efforts on specific policy recommendations. When the commission was re-established in statute in 2010, the members had agreed to continue the prior commission's work and had adopted the same general approach. Instead of working on a state plan, the commission collected information from various cost studies and developed high level policy recommendations. The commission also established general priorities which did evolve into a strategic framework, included as Appendix 8 of the 2013 audit report. She shared that the 2013 audit had concluded that the commission was operating in the public's interest, although improvements in developing a state plan were needed to justify its continued existence. The commission's statutory purpose was to provide recommendations for and foster the development of a statewide health plan to address the quality accessibility and availability of health care for citizens of the state. The legislature intended the commission to work collaboratively with Department of Health and Social Services to develop a comprehensive health plan. Although various policy recommendations were developed, the audit had determined that the commission and the department had not collaborated to develop the plan. The audit recommended to limit the extension to three years and discussed this recommendation with the Commissioner of Department of Health and Social Services and the Alaska Health Care Commission. The audit report concluded that the commission was active, and the report was positive in its review for all the activities accomplished by the commission. She shared that several studies had been conducted by the commission, and a foundation for a plan had been created. She directed attention to Appendix A, the strategic framework for the plan, which, she declared, lacked actionable components for implementation and did not specify actions to be taken, a time frame for completion, the definition of what constituted a successful outcome and how that would be measured, or the organization responsible for taking the action. She reported that it was determined that the activities of the commission may not effectively impact health care in Alaska. She stated that the lack of a plan was caused by some ambiguous statutes, outlying responsibilities, and a lack of coordination between Department of Health and Social Services and the commission. She directed attention to the 2013 audit, page 35, which listed the departmental response to the audit. She shared that the main recommendation was for the commission to work with the commissioner of Department of Health and Social Services to identify and define the responsibilities and roles and then

pursue development of the plan accordingly. Directing attention back to page 35, she noted that the department had partially concurred with that recommendation. They had suggested that the framework had not received enough credit as a plan, even though it had offered many recommendations and had made a lot of progress. She added that the commissioner of Department of Health and Social Services had written in support of the recommendation, offering to provide a memo to the commission to delineate its responsibilities and then actively work with the commission to make this actionable plan. The commissioner would also direct the department to collaborate on the development of a measurable action plan to implement the commission's significant policy recommendations. After this report was issued, the House Finance Committee Sub Committee on Health and Social Services held a hearing on October 22, in Fairbanks, and the commissioner of Department of Health and Social Services responded to the report.

[4:08:58 PM](#)

MS. CURTIS reiterated the comments by the commissioner, which she read:

Where I have struggled with the health care commission is that the recommendations that come out of them are not useful. I don't say that in a negative sense. It's been at the 50,000-foot level and if you are going to affect change in health care for Alaskans, it can't be at the 50,000-foot level, it has to be focused. It can't be, "We have to reform the way payments are to be made." That doesn't help me. It's getting to the specifics. They are now beginning to dive down into the specifics and I think that continued involvement with them will lead to a meaningful plan going forward. Medicaid needs to be part of that. Medicaid is a big part of your budget, as well as a big part of my budget. It's how to get to that, how to narrow the focus, how to do a better job.

MS. CURTIS directed attention to the sunset audit report in 2016, and reported that initially, after this meeting with the commissioner in Fairbanks, there was momentum as the committee met and discussed a shift of focus to move an action plan forward. However, as this initial momentum dwindled, there was no significant progress in the development of a plan and the commission was de-funded on July 1, 2015, for FY16. She shared

that the commission had been part of the budget of the commissioner of Department of Health and Social Services, so that all the funding came through the regular budget cycle.

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MS. CURTIS moved on to page 22 of the 2016 audit, the departmental response to the most recent recommendation. She reported that the audit conclusion had been, as the commission was not operating in the public's interest and not meeting its statutory purpose to develop a plan, to not extend the commission. She shared that Department of Health and Social Services did not agree with this conclusion and had expressed its disagreement that the legislature had intended for an action plan. She added that the department stated that they had agreed to the prior audit, and they were not in agreement with the need for an actionable plan. She stated reaffirmation for the recommendation that the commission was not serving a public interest by ensuring that its good work somehow translated to change.

[4:12:05 PM](#)

REPRESENTATIVE SULLIVAN-LEONARD mused that this commission had been formed over many years, utilizing a lot of "time, energy, and talent." She opined that although it was unfortunate that there was a recommendation to not move forward, if something was not working it should not be funded. She asked for any specific reasons to this loss of direction, and if there was any possibility for moving forward utilizing the accrued knowledge.

MS. CURTIS offered her belief that the commission had done "a lot of excellent work and a foundation has been laid." She said that it was necessary to take it to the next level to use those recommendations for change. She pointed out that Commissioner Streur [Department of Health and Social Services] had taken a lot of the accountability during the last audit upon himself, and that he was "on-board" for helping the department implement those recommendations. She noted that there had also been a change in the administration. She shared that during the budget process, there was a lot of frustration from the House Finance Committee with activities of the commission. She offered her belief that as the foundation had been laid, continuation of the commission was a possibility. She pointed out that there was an ambiguity in the statute and a lack of clarity for what the commission should be doing going forward, all of which needed to be clarified should the commission continue.

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REPRESENTATIVE JOHNSTON asked about the overlap between the Alaska Health Care Authority and this commission, the Alaska Health Care Commission.

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REPRESENTATIVE GUTTENBERG, in response, said that the Alaska Health Care Commission was intended to design an overall state health care plan; whereas, the Alaska Health Care Authority was designed to bring all the state and public entities together to figure a way to coordinate efforts for efficiencies of pay and larger pooling for prescription drugs for health care coverage. He declared that there was a significant difference between the two groups.

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REPRESENTATIVE JOHNSTON asked whether this included overall health efficiencies or was it just in purchasing power.

REPRESENTATIVE GUTTENBERG opined that "theoretically one would get you the other." He explained that it was not an overall health care plan, but a plan to better define and deliver services.

[4:17:08 PM](#)

REPRESENTATIVE SULLIVAN-LEONARD said that although she valued the work to date, she failed to see a plan in place for how to move forward. She asked if the sponsor would consider a one-year extension for the commission, in order to return with a clear plan.

[4:18:00 PM](#)

REPRESENTATIVE GUTTENBERG stated that the department could speak for themselves for their capability and their intent. He expressed support for the extension as, otherwise, the commission would need to be recreated.

[4:18:47 PM](#)

DEBORAH ERICKSON, Project Coordinator, Office of the Commissioner, Department of Health and Social Services, offered

some background, noting that she had been the Executive Director of the Alaska Health Care Commission during the time it was funded and active. She acknowledged the importance for maintaining the "ability to bring the statute back at some point." She reported that the administration did support the proposed bill, and she directed attention to the letter of support from Commissioner Davidson [Included in members' packets], pointing out that Ms. Davidson had served on the commission as the representative from the tribal health system. She shared that the commission had been established through an administrative order by former Governor Palin, and subsequently, the legislature had established the commission in statute in 2010. She stated that there were 11 voting members representing various stakeholders, all of whom were appointed by the governor. She added that there were also three ex-officio seats on the commission, one each for the Office of the Governor, the House of Representatives, and the Senate. She noted that the commission was first established when the Patient Protection and Affordable Care Act (PPACA) had just been passed, and that the commission was most likely the only body in the state that conducted an analysis of the impact of the PPACA in Alaska. Subsequently, in each following year, the commission would report to the legislature on the status of implementation of the PPACA. She reported that the original vision for the commission had been for improvement of health and health care in the state, with three measurable directives and eight core strategies for transforming the health care system, which included: increase price and quality transparency, pay for value and move away from fee for service payment structure, increase the focus on prevention, and engage employers to improve health plans and employee wellness. She reported that within the eight core strategies, there were more than 75 specific policy recommendations, although these did not delve into the operational details for implementation. She added that each year there was a new study of the current system to add to the body of knowledge.

[4:26:13 PM](#)

MS. ERICKSON reported that the commission had contracted with the Institute of Social and Economic Research (ISER) to do an economic analysis of health care spending and health care cost drivers, as well as an ISER survey of Alaskan employers and their health benefit practices. She added that the commission had also contracted with an actuarial firm for a detailed actuarial study of the differences between pricing and reimbursement for health care services in Alaska compared to

other states in the region. She pointed out that the results of these studies were still requested. She mentioned that the commission did produce an annual report, as well as testifying to numerous committees and individual legislators.

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MS. ERICKSON directed attention to the fiscal note and stated that the commission had ended when the legislature removed the funding after the last election, even though Commissioner Davidson [Department of Health and Social Services] still actively supported the work of the commission. She noted that deep budget cuts were impacting direct services to individual Alaskans. She declared that both the department and the administration did support the proposed bill, with an intent to maintain the commission statutory authority. Then, should the governor or the legislature deem it necessary to re-activate the commission, this could be done quickly. She offered her belief that as the department could not support re-activation of the commission without funding appropriated by the legislature, the department had filed the zero-fiscal note with an understanding "to keep the commission on the books."

[4:30:45 PM](#)

REPRESENTATIVE SULLIVAN-LEONARD asked about a one-year extension for the commission, to allow for a clear established plan to be developed for presentation to the legislature. She suggested that there was a disconnect between setting the policy and the planning aspect.

[4:31:42 PM](#)

MS. ERICKSON replied that without funding, the Department of Health and Social Services did not have the resources to put that plan together. She expressed her concern that currently, as there were no members of the commission, it would take time to recruit appointments for the new members. She pointed out that it had been more than two years since the commission had met, and it would be necessary to review the prior policy recommendations and move toward development of these. She opined that one year would not be an adequate time to re-activate the commission, and that the department would not be prepared to re-activate unless the legislature was prepared to fund it through a fiscal note. She suggested that more legislative intent with specific directions to the commission would be helpful.

[4:35:08 PM](#)

MS. CURTIS explained that the Division of Legislative Audit conducted the sunset audit the year before termination, hence, a two-year extension would be the minimum as a one-year extension would mean the audit would have to be performed immediately, which was not logistically possible.

CHAIR SPOHNHOLZ asked if there had ever been a similar extension of authority for a commission without funding.

REPRESENTATIVE GUTTENBERG replied that he did not remember any.

CHAIR SPOHNHOLZ reflected that there were several highly divergent paths for either a re-envisioning of the commission to better serve the current needs, or for just keeping it on the books. She pointed out that the health care budget was a huge driver in the state economy, that "health care costs are out of control" even though costs alone was not the solution. She added that individual behaviors and quality were necessary components. She stated that she was not surprised that the commission was not able to meet its charges. She questioned whether thoughtful strategies for addressing all the health care issues should be found for the longer term or should there be immediate re-envisioning while the state was addressing huge fiscal challenges.

[4:37:55 PM](#)

REPRESENTATIVE GUTTENBERG suggested that the committee read the commission reports for the core strategies from 2013, which included: use best available evidence in decision making, increase price efficiency and transparency, pay for value, engage employees in approved health care plans and wellness, enhance quality and efficiencies of care on the front end, increase dignity and quality of care for serious and terminally ill patients, build a foundation of sustainable health care, and focus on prevention. He emphasized that a lot had been done prior. He said that a one-year extension was not feasible and that without funding, nothing would be accomplished.

[4:40:14 PM](#)

JEANNIE MONK, Vice President, Alaska State Hospital and Nursing Home Association (ASHNHA) stated that ASHNHA supported proposed HB 234 and the effort to extend the Alaska Health Care

Commission. She reported that the purpose of the commission, according to the statute, was very high level: "provide recommendations for and foster the development of the statewide plan to address quality, accessibility, and availability of health care for all citizens." She noted that the Alaska State Hospital and Nursing Home Association was one of the voting members on the past commissions, and she offered her belief that there was value for maintaining the commission in statute and having it available as a policy tool. She stated support for the comments related to re-envisioning the commission. Although the Alaska State Hospital and Nursing Home Association did not always agree with the positions taken by the commission or with all the topics chosen for study, it supported the process and the discussions whereby the stakeholders could come together. She declared that there was potential for the commission to play a role in the future development of health care policy, and that an extension of the sunset date may make it possible to use this structure without having to recreate the commission.

REPRESENTATIVE JOHNSTON asked if this commission had offered a forum for major health issues that had not been previously available.

MS. MONK replied that it was a forum to bring together multiple sectors of the health care industry for discussion.

REPRESENTATIVE JOHNSTON asked if this forum was more conducive when trying to meet the same goals for improving health care.

MS. MONK replied that the environment was very different today, as six years ago there had been very little statewide discussion about health care, costs, and services. Now, there was a tremendous amount of discussion, which she opined was driven by fiscal issues. She offered her belief that the focus of the health care commission could be different today. In response to Representative Johnston, she said that the health care commission focused on the entire health care system, where the health care authority had a much more limited scope.

[4:45:22 PM](#)

CHAIR SPOHNHOLZ announced that HB 234 would be held over.

**HB 236-EXTEND SENIOR BENEFITS PAYMENT PROGRAM**

[4:45:37 PM](#)

CHAIR SPOHNHOLZ announced that the final order of business would be HOUSE BILL NO. 236, "An Act extending the Alaska senior benefits payment program."

[4:46:34 PM](#)

MERCEDES COLBERT, Staff, Representative Scott Kawasaki, Alaska State Legislature, paraphrased from the Sponsors Statement [included in members' packets] which read as follows [original punctuation provided]:

House Bill 236 would extend the Senior Benefits Program sunset clause to 2022, ensuring another four years of support for low income seniors across Alaska. Without action, the program would end in 2018.

The Senior Benefits Program protects low-income seniors by providing them with modest cash assistance to pay for expenses like food, heating, electricity, transportation and prescription medication.

The program was established in 2007 and currently provides assistance to nearly 12,000 Alaskans ages 65 and older with incomes at 75 percent, 100 percent, and 175 percent of the federal poverty level. Assistance ranges from \$47 to \$250 a month for eligible seniors depending on income and the size of the appropriation from the Alaska State Legislature. The Senior Benefits Program is a successor to the Longevity Bonus, which was created in 1972.

This important program protects seniors who have spent a lifetime building this state. It lends a small hand to low-income seniors who need assistance to help make ends meet. Terminating this program would put thousands of seniors at risk for losing means to buy essential items necessary for maintaining a healthy lifestyle.

[4:49:00 PM](#)

REPRESENTATIVE SULLIVAN-LEONARD asked if there was a different process for new applicants to this benefit.

REPRESENTATIVE SCOTT KAWASAKI, Alaska State Legislature, acknowledged that the number of beneficiaries was not static, as people moved, died, or decided they did not want the benefit.

He said the same amount had been budgeted for the last several years, about \$20 million. He said that sometimes the payments would take a different effect relative to the number of recipients.

[4:50:46 PM](#)

REPRESENTATIVE SULLIVAN-LEONARD asked if anyone could apply and whether there was an open enrollment period.

[4:51:42 PM](#)

MONICA WINDOM, Director, Director's Office, Division of Public Assistance, Department of Health and Social Services (DHSS), said that an individual could apply at any time and there was not a specific enrollment period.

[4:52:34 PM](#)

KEN HELANDER, Advocacy Director, AARP, stated support for the continuation of the senior benefit program, pointing out that the program would sunset next year if not extended. He reported that his office had received many calls from seniors who were dependent on the benefit from this program. He explained that these people were not able to supplement their already low incomes with a part time job, and "really have very little capacity to cut expenses by being more frugal." He declared that these were "people who are living on the edge ... and they were struggling in independent situations, not wanting to have to leave home, have to go into a higher level of care that ultimately will cost the state a great deal more money per person than these small benefits do." He reported that the AARP policy was that state resources should go, even in times of scarcity, to the people who were most vulnerable and most needy. He added that this program was part of the safety net that the community depended upon.

[4:55:27 PM](#)

DAVID BLACKETER, Chair, Alaska Commission on Aging, said that all the previous comments and testimony had "been right on." He declared support for proposed HB 236. He shared some of his personal expenses and difficulties to make ends meet, adding that there was "very little cushion" for life spending and minor emergencies. He pointed out that low income people in Alaska were similar to the state, both had reduced income and increased bills. He acknowledged that there was belt tightening but

emphasized that "we're down to the end of the belt." He said that this help was very much needed, and he strongly urged passage of proposed HB 236.

CHAIR SPOHNHOLZ announced that HB 236 would be held over.

[4:59:08 PM](#)

**ADJOURNMENT**

There being no further business before the committee, the House Health and Social Services Standing Committee meeting was adjourned at 4:59 p.m.