

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

April 8, 2019

1:30 p.m.

**MEMBERS PRESENT**

Senator David Wilson, Chair  
Senator John Coghill, Vice Chair  
Senator Gary Stevens  
Senator Cathy Giessel  
Senator Tom Begich

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

SENATE BILL NO. 1

"An Act repealing the certificate of need program for health care facilities; making conforming amendments; and providing for an effective date."

- MOVED CSSB 1(HSS) OUT OF COMMITTEE

SENATE BILL NO. 58

"An Act repealing the senior benefits payment program; and providing for an effective date."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 1

SHORT TITLE: REPEAL CERTIFICATE OF NEED PROGRAM

SPONSOR(s): SENATOR(s) WILSON

01/16/19	(S)	PREFILE RELEASED 1/7/19
01/16/19	(S)	READ THE FIRST TIME - REFERRALS
01/16/19	(S)	HSS, FIN
03/27/19	(S)	HSS AT 1:30 PM BUTROVICH 205
03/27/19	(S)	Heard & Held
03/27/19	(S)	MINUTE(HSS)
03/29/19	(S)	HSS AT 1:30 PM BUTROVICH 205

03/29/19 (S) -- MEETING CANCELED --  
04/01/19 (S) HSS AT 1:30 PM BUTROVICH 205  
04/01/19 (S) Heard & Held  
04/01/19 (S) MINUTE(HSS)  
04/08/19 (S) HSS AT 1:30 PM BUTROVICH 205

BILL: SB 58

SHORT TITLE: REPEALING SENIOR BENEFITS PAYMENT PROGRAM  
SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

02/13/19 (S) READ THE FIRST TIME - REFERRALS  
02/13/19 (S) HSS, FIN  
04/08/19 (S) HSS AT 1:30 PM BUTROVICH 205

**WITNESS REGISTER**

GARY ZEPP, Staff  
Senator David Wilson  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Explained the amendment to SB 1.

SHAWNDA O'BRIEN, Director  
Division of Public Assistance  
Department of Health and Social Services (DHSS)  
Juneau, Alaska

**POSITION STATEMENT:** Introduced SB 58 on behalf of the administration.

LORILYN SWANSON, representing self  
Juneau, Alaska

**POSITION STATEMENT:** Opposed SB 58.

VIKKI JO KENNEDY, representing self  
Kodiak, Alaska

**POSITION STATEMENT:** Opposed SB 58.

BOB HARRISON, representing self  
Nikiski, Alaska

**POSITION STATEMENT:** Opposed SB 58.

CHARLES MCKEE, representing self  
Anchorage, Alaska

**POSITION STATEMENT:** During the hearing on SB 58, spoke about a court case not related to senior benefits.

JAVEN OSE, representing self

Anchorage, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

DJ BLATCHFORD, representing self  
Soldotna, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

DELICE CALCOTE, representing self  
Sutton, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

KEN HELANDER, Alaska Director of Advocacy  
AARP  
Anchorage, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

JIM HORNADAY, representing self  
Homer, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

ART GRISWOLD, representing self  
Delta Junction, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

GINGER FORTIN, representing self  
Ketchikan, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

ROSEMARY RUOFF, representing self  
Wrangell, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

ALBERT NINNGEULOOK, representing self  
Shishmaref, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

DAVID BLACKETER, Member  
Alaska Commission on Aging  
Kodiak, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

JONATHAN STRONG, Island Cove Director  
Senior Citizens of Kodiak, Inc.  
Kodiak, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

JON ZASADA, Policy Integration Director

Alaska Primary Care Association  
Anchorage, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

JAYNE ANDREEN, Volunteer Advocate  
AARP  
Juneau, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

DENISE DANIELLO, Executive Director  
Alaska Commission on Aging  
Juneau, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

LAURA BONNER, representing self  
Anchorage, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

WILLIAM HARRINGTON, representing self  
Anchorage, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

MARIANNE BURKE, representing self  
Anchorage, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

GARY MCDONALD, representing self  
Anchorage, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

HERMAN MORGAN, representing self  
Aniak, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

ELIZABETH MOE, representing self  
Houston, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

LARRY SLONE, representing self  
Homer, Alaska  
**POSITION STATEMENT:** Opposed SB 58.

**ACTION NARRATIVE**

[1:30:58 PM](#)

CHAIR DAVID WILSON called the Senate Health and Social Services Standing Committee meeting to order at 1:30 p.m. Present at the call to order were Senators Stevens, Coghill, Giessel, Begich, and Chair Wilson.

**SB 1-REPEAL CERTIFICATE OF NEED PROGRAM**

[1:31:16 PM](#)

CHAIR WILSON announced that the first order of business would be SENATE BILL NO. 1, "An Act repealing the certificate of need program for health care facilities; making conforming amendments; and providing for an effective date."

He noted that the committee heard an overview of the bill March 27, adopted a work draft committee substitute (CS), and took invited testimony from subject matter experts. On April 1 the committee heard from additional subject matter experts and took public testimony.

[1:31:42 PM](#)

CHAIR WILSON solicited a motion to adopt Amendment 1.

[1:31:51 PM](#)

SENATOR COGHILL moved to adopt Amendment 1.

31-LS0001\M.1  
Marx  
4/2/19

**AMENDMENT 1**

OFFERED IN THE SENATE BY SENATOR WILSON  
TO: CSSB1 ( ), Draft Version "M"

Page 5, following line 8:

Insert new bill sections to read:

"\* Sec. 8. The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: REGULATIONS. The Department of Health and Social Services may adopt regulations necessary to implement the changes made by this Act. The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the effective date of this Act.

\* Sec. 9. Section 8 of this Act takes effect immediately under AS 01.10.070(c)."

Renumber the following bill section accordingly.

Page 5, line 9:

Delete "This"

Insert "Except as provided in sec. 9 of this Act,  
this"

[1:31:55 PM](#)

CHAIR WILSON objected for purposes of discussion.

[1:32:05 PM](#)

GARY ZEPP, Staff, Senator David Wilson, Alaska State Legislature, Juneau, said that Senator Begich's good point was to consider how passage of SB 1 in its current form would affect the regulations. Amendment 1 would clarify that. It would allow the Department of Health and Social Services (DHSS) to adopt regulations necessary to implement the changes in SB 1, so the regulations would be in place on July 1, 2024.

CHAIR WILSON offered to distribute a copy of a Legislative Legal Services opinion to committee members.

[1:33:26 PM](#)

SENATOR BEGICH related his understanding of Amendment 1. He said that if the legislature repealed the Certificate of Need [statutes], any regulations that were enacted to address the Certificate of Need issues would still be in effect.

MR. ZEPP said Legislative Legal Services indicated that is correct.

CHAIR WILSON removed his objection. There being no further objection, Amendment 1 was adopted.

SENATOR BEGICH thanked the Chair for reporting on rural hospital closures in North Dakota and Idaho. He noted that Mr. Zepp said that those states have not experienced any rural hospital closures after the Certificate of Need programs were abolished.

[1:35:17 PM](#)

CHAIR WILSON solicited a motion.

[1:35:20 PM](#)

SENATOR COGHILL moved to report the committee substitute for SB 1, work order 31-LS0001\M, as amended, from committee with individual recommendations and accompanying fiscal notes. There

being no further objection, CSSB 1(HSS) was reported from the Senate Health and Social Services Standing Committee with the understanding that Legislative Legal was authorized to make any necessary technical and/or conforming adjustments.

[1:35:46 PM](#)

At ease.

**SB 58-REPEALING SENIOR BENEFITS PAYMENT PROGRAM**

[1:37:20 PM](#)

CHAIR WILSON reconvened the meeting and announced that the final order of business would be SENATE BILL NO. 58, "An Act repealing the senior benefits payment program; and providing for an effective date."

[1:37:58 PM](#)

SHAWNDA O'Brien, Director, Division of Public Assistance, Department of Health and Social Services (DHSS), Juneau, reviewed the two DHSS fiscal notes attached to the bill, which would repeal the senior benefits payment program effective June 20, 2019. The fiscal note from the DHSS, Public Assistance appropriation, Public Assistance Field Services component would delete funding for three fulltime eligibility staff who perform eligibility determinations and case reviews for the program recipients. The fiscal note from the DHSS, Senior Benefits Payment Program appropriation, and Senior Benefits Payment Program Allocation, would delete the program's original authorization of \$19,986.1 [in thousands] for FY 2020, and \$24,044.0 for out years with repeal of the program. She said the department would have some minimal costs for printing warrants and sending out notifications.

CHAIR WILSON asked for the reasoning behind the bill.

MS. O'BRIEN replied that the governor's budget proposed to reduce or eliminate the senior benefits payment program [often referred to as the senior benefits program]. The governor's amended budget has a decrement to the funding sources for the senior benefits. In order to implement that reduction, the bill is needed to eliminate the senior benefits program from statute.

[1:39:42 PM](#)

SENATOR STEVENS asked for a better explanation of who the bill would impact and the effect it would have on those individuals.

MS. O'BRIEN directed attention to three handouts in members' packets. The information and fact sheet [titled "senior benefits program, Updated January 2019"] includes demographic information about senior recipients being served in each payment category. The overview explains the program administration, where recipients reside statewide as of December 2018, the program criteria eligibility, and historical information since the program's inception in 1972.

SENATOR STEVENS said that the public needs a fuller explanation of the impact of eliminating the senior benefits program.

MS. O'BRIEN explained the benefit tier amounts were \$76, \$[175], and \$250 a month. The program serves just under 12,000 recipients per month. The funding has been insufficient to fully fund all three tiers of the program, so this year the lowest payment tier of \$76 a month was funded. The division reviews eligibility each year and as the criteria for eligibility changes, different income levels will be adjusted. Some recipients will move into other payment categories, which bumps up some costs annually. The division has not seen a significant growth in the number of people eligible for the program. It has stayed consistent over the years, but the program has increased costs for the higher payment categories. She referred to a handout [Table 7. [Senior Benefits] Average Monthly Caseload by Census Area] shows how many recipients are in each payment category. Another handout [Alaska Department of Health and Social Services, Division of Public Assistance, senior benefits program as of December 2018] provides demographics for the number of recipients in each benefit year by age and gender.

MS. O'BRIEN said the majority of the recipients are female. The program serves people 65 and older and the oldest recipient is over the age of 85. Eligibility for the program is based on the income level and assets, but not on savings. The income levels are updated annually based on federal poverty levels. Payments are not available to seniors living in institutions such as prison or jail, the Alaskan Pioneer Home, Veterans Home, a nursing home, or a private institution for mental disease.

[1:44:28 PM](#)

SENATOR COGHILL said this program was created as a compromise when the longevity bonus program was eliminated. The decision was to make it a needs-based program. The longevity bonus was based on the length of time recipients lived in Alaska. Part of the argument was the adult public assistance used different criteria than the Senior Benefits Payment Program. He asked how

many seniors receive both benefits and what impact eliminating the program would have on them.

MS. O'BRIEN replied that some populations are being served by multiple programs. Most commonly, recipients of senior benefits are also eligible for adult public assistance and the Supplemental Nutrition Assistance Program (SNAP), also known as food stamps. Some recipients receive energy assistance benefits or federal supplemental social security income. As of December 2018, 3,000 recipients solely receive the senior benefits.

SENATOR COGHILL asked whether that meant around 10,000 receive other benefits.

MS. O'BRIEN answered that it would be around 8,000 to 9,000.

1:47:10 PM

SENATOR BEGICH said he was troubled. The service array available for seniors may alleviate concerns about eliminating this program. He recalled that she mentioned that the number of seniors in the higher tiers of those most in need has increased. He related his understanding the projects showed more people would slip into the higher-needs program, but this bill would eliminate the program.

He said this is a philosophical issue for him. He recalled Senator von Imhoff in the Finance Committee said it best, that it was not a question of money being available, but it is a question of priorities. He asked if the department's priority is that this program be cut.

MS. O'BRIEN replied that the department reviewed areas that received general funds not tied to federal dollars, since the department has more flexibility to implement reductions. Since this program is a state-funded program, it is examined more closely, even though the impact is significant, she said.

SENATOR BEGICH said that she should understand his reluctance to support this kind of bill. This is the wrong way to address the state's fiscal responsibility in the Constitution of the State of Alaska and in statute. The longevity bonus program existed for many years prior to its repeal and replacement in 2003 by the very compromise that Senator Coghill described. For the last two years, the committee has listened to much testimony in support of the senior benefits program and the positive impact it has on their lives. The legislature has rejected requests to increase the program. He said he will not support this bill or

any effort by the administration to solve the perceived fiscal crisis by cutting senior benefits. He said he is adamantly opposed to this bill.

SENATOR COGHILL said that Senator Begich brings up a good point. He expressed concern about reducing the program since all of these seniors are on some kind of fixed income. He asked whether this reduction would change senior's eligibility in other arenas. He asked whether any refinancing could happen for those who need it or if this is the last stop.

MS. O'BRIEN answered that by eliminating this program, some recipients may be eligible for increased benefits for food stamps or adult public assistance. If the program is eliminated July 1, 2019, the division will review recipient eligibility at that time.

[1:51:42 PM](#)

SENATOR COGHILL said he would consider eliminating the senior benefits program if the program recipients could be covered by other programs. One concern he has is that public assistance and this program each write checks to the same recipients. Although the committee does not wish to harm people during the escalating health care cost environment by reducing their cash, it might be possible for the state to assist them with less government, especially if the department is conducting separate eligibility determinations. If so, this might be acceptable. He expressed an interest in hearing public testimony.

CHAIR WILSON asked whether the administration has considered Senator Coghill's idea of combining senior payments within the adult public assistance program for cost savings.

MS. O'BRIEN asked whether he was suggesting the department combine programs to serve the same population rather than to have distinct programs, or if he was speaking to the eligibility determination itself.

CHAIR WILSON replied that as a subset of a program within adult public assistance, a senior could qualify for an additional benefit.

MS. O'BRIEN responded that the purpose of the adult public assistance program is to satisfy federal requirements for serving the aged, blind, and disabled. It has a different demographic need than the department's senior benefits program. Some of the same population is being served through both

programs by the nature of some of the criteria. The aged, blind, and disabled program is administered through the Social Security Administration and is also used to satisfy the maintenance of effort requirement to receive Medicaid funding. The senior benefits program has a distinctly different purpose. For it to become a subset of the adult public assistance program would require partnering with the Social Security Administration to determine if the state could expand on the rules and regulations around that program to include another tier of recipients. She said she is not familiar enough with that process to answer that question.

CHAIR WILSON responded that it was plausible.

MS. O'BRIEN said it is always worth asking.

[1:55:32 PM](#)

SENATOR STEVENS recalled the turmoil the legislature had when the longevity bonus program was eliminated. Everyone over 65 received the longevity bonus, regardless of income and the seniors were very angry. At the time it was hard to go to a needs-based program, but it probably made sense. He asked if a study is being done so the legislature will know the real implications of deleting the program.

MS. O'BRIEN replied that the department knows overlap between programs exists. The department is currently preparing to notify all recipients that the program will no longer be funded. The 3,000 recipients who only receive senior benefit would need to apply for other programs to determine their eligibility for other programs.

SENATOR STEVENS related his understanding that she was saying that the department cannot predict the overall effect of the program until it is eliminated.

MS. O'BRIEN answered the department will automatically review recipients' eligibility for benefits under the other two programs and make adjustments to their benefits. For example, once the program is phased out, the Senior Benefit Program recipients who also receive benefits under the Supplemental Nutrition Assistance Program (SNAP) would be eligible for increased SNAP benefits due to lost income. The amount would vary on a case-by-case basis.

[1:58:33 PM](#)

SENATOR BEGICH asked whether the division could examine the impacts of all the cuts affecting the senior population instead of limiting the review to a specific program. He expressed concern that the vulnerable senior population will be impacted by multiple budget cuts. He suggested that the administration should understand the overall impact of the budget cuts prior to making any decisions about eliminating the senior benefits program.

MS. O'BRIEN explained that eligibility determination process is complex, and each individual will have a different outcome. The division has examples to show the impact of each budget cut for those receiving all the benefits and for others who participate in only one or two programs.

SENATOR BEGICH asked if the division would look at the impact of proposed Medicaid cuts on the senior population.

MS. O'BRIEN answered that the division would include the proposed Medicaid reductions.

CHAIR WILSON asked if there is a hold harmless clause for senior benefits.

MS. O'BRIEN answered no. She asked whether he was speaking about the permanent fund dividend hold harmless provisions.

CHAIR WILSON asked whether the senior benefits program had something similar.

MS. O'BRIEN answered no.

[2:00:42 PM](#)

CHAIR WILSON opened public testimony on SB 58.

[2:01:34 PM](#)

LORILYN SWANSON, representing self, Juneau, spoke in opposition to SB 58. She said that for the last 25 years she has managed Fireweed Place, an apartment building for seniors. She has served on the Alaska Medical Care Advisory Committee and the Juneau Commission on Aging. She urged the committee to not pass SB 58, which would repeal the program and to fully fund the program in the operating budget.

She recapped the program. The initial senior benefits program was established in response to Governor Murkowski's cut to the Longevity Bonus Program in 2003. The Longevity Bonus Program

supported all Alaskans 65 and older with a payment of \$250 a month. The legislature created the senior benefits program to assist those 65 and older under who fall under the federal poverty law for income and who are among the most vulnerable seniors in the state. Currently, 11,597 Alaska seniors are recipients of the program. The program evolved over time to a three tier needs-based program for seniors. These senior citizens depend on this program for basic essentials and deleting the program could adversely affect their financial security. Tier I seniors who receive \$175 per month would have their income cut by 26 percent if the program is eliminated.

[2:04:09 PM](#)

VIKKI JO KENNEDY, representing self, Kodiak, spoke in opposition to SB 58. She said she is going to be one of the seniors affected by the bill. She currently lives on \$279 a month and lives in federal low-income housing. She expressed concern that this will affect the most vulnerable people in Alaska.

[2:05:49 PM](#)

BOB HARRISON, representing self, Nikiski, spoke in opposition to SB 58. He said he is a Nikiski senior on a fixed income receiving the benefits of this program and many people need it more than him. Seniors are the most vulnerable Alaskans to a reduction of income. Seniors are a valuable community resource since he and his wife volunteer their time and services. He urged members to find other ways to cut the budget and to vote no on SB 58.

[2:07:38 PM](#)

CHARLES MCKEE, representing self, Anchorage, offered to provide a 34-page document detailing a court case and fraud, not related to SB 58.

[2:10:27 PM](#)

JAVEN OSE, representing self, Anchorage, spoke in opposition to SB 58. He expressed frustration that the legislature wants to reduce his income and benefits after reducing the permanent fund. He arrived in 1956 during the territorial days, worked his whole life, and receives about \$12,000 annually in federal social security benefits.

[2:13:28 PM](#)

D.J. BLATCHFORD, representing self, Soldotna, spoke in opposition to SB 58. She said she has worked her whole life, up to four jobs at one time, while raising nine children. She said

that elders set the trail and would appreciate the senior benefits that legislators are trying to deny them.

[2:15:12 PM](#)

DELICE CALCOTE, representing self, Sutton, spoke in opposition to SB 58. She said she worked for the tribes of Alaska and many elders need this program. She expressed concern that this bill will increase poverty in Alaska.

[2:17:07 PM](#)

KEN HELANDER, Alaska Director of Advocacy, AARP, Anchorage, spoke in opposition to SB 58. He recalled attending an informal legislative listening session two years ago by Representatives Spohnholz and Kawasaki during the reauthorization of the senior benefits program. For three hours, more than 50 people described how the program helped the recipients to live independently, to maintain their own health, and to make a difference in their communities. For example, one woman said that the \$76 monthly senior benefit payment made it possible to keep her car running, enabling her to provide friends and neighbors transportation to doctor appointments or to grocery stores. Others told similar stories of working to help others. These payments help seniors avoid feeling poor in spirit, he said. The small monthly payments are the state's investment in elderly Alaskans. It is not handout, but a program with great returns.

[2:19:45 PM](#)

JIM HORNADAY, representing self, Homer, spoke in opposition to SB 58. He said these recipients are the neediest people. He expressed concern that if the legislature eliminates the program a number of people will miss meals. He also asked the legislature not to close schools and college campuses but to consider revenues and not just budget cuts.

[2:20:32 PM](#)

ART GRISWOLD, representing self, Delta Junction, spoke in opposition to SB 58. He said he will be 85 years old in ten days. He and his wife are active in the senior housing program, bringing food boxes to seniors, which gives them an awareness of seniors' needs. He said that seniors depend on their monthly benefit checks to survive and that many seniors could not afford to stay in senior housing without the program. These seniors need the money to fulfill their needs, he said.

[2:21:45 PM](#)

GINGER FORTIN, representing self, Ketchikan, spoke in opposition to SB 58. She said that she belongs to a group of people who

have suffered traumatic brain injuries, most of whom are unable to work and depend on the senior benefits program to survive. She expressed concern that the governor was cutting benefits from the neediest Alaskans.

[2:22:36 PM](#)

ROSEMARY RUOFF, representing self, Wrangell, spoke in opposition to SB 58. She expressed concern that legislators cannot understand the circumstances or feelings of many seniors because legislators have good salaries. In her experience once someone gets gray hair and wrinkles it is difficult to find employers who will hire them. She described the difficulty for seniors to stretch their dollars because of inflation and costly prescriptions. She said that the senior benefits program is not only appreciated, but it is vitally important, so she did not understand the reason to cut it.

[2:24:49 PM](#)

ALBERT NINNGEULOOK, representing self, Shishmaref, spoke in opposition to SB 58. He said many seniors in Alaska pioneered and helped Alaska grow. The governor should appreciate the sacrifices and dedication of his own grandfather and father-in-law. The state honors its elders and seniors by helping them financially. Seniors depend on the program to survive in their golden years, especially given the high cost of goods in rural Alaska. For example, in Shishmaref a loaf of bread costs \$4 and heating fuel is \$5 per gallon. He said he hoped the legislature and governor would come to understand that the program is needed. He referred to earlier testimony that seniors could apply for other programs, but how could recipients use food stamps to pay for medicine, because many seniors currently use their senior benefits to buy medicine.

[2:27:29 PM](#)

DAVID BLACKETER, Member Alaska Commission on Aging, Kodiak, spoke in opposition to SB 58. He described how he and his wife use their \$76 monthly senior benefits checks for emergencies, such as car repairs, and to pay their rent timely and avoid penalties since his social security benefits arrive after the rent is due. He said the chair on the Commission on Aging asked them to testify against SB 58. Last year the legislature wholeheartedly passed House Bill 236, which extended the senior benefits program by six years, so he found it strange that the state now would like to eliminate the program.

[2:29:49 PM](#)

JONATHAN STRONG, Island Cove Director, Senior Citizens of Kodiak, Inc., Kodiak, spoke in opposition to SB 58. He said he is the program director for an adult day care center and day rehabilitation program. He described a person referred to the program as someone who had been panhandling and shoplifting to meet basic living needs. He helped that person apply for senior benefits and the senior benefits gave this person a better quality of life.

[2:31:19 PM](#)

JON ZASADA, Policy Integration Director, Alaska Primary Care Association, Anchorage, spoke in opposition to SB 58. He said the health centers his organization represents oppose elimination of the senior benefits program. He expressed concern how HB 58 would affect the social determinants and patient health. Social determinants of health are the conditions in which people are born live, grow, and age and include financial resources, food security, and access to affordable housing. While modest in size, the senior benefits program provides basic income for seniors. He expressed concern that cutting the program would have adverse impacts for seniors who use their monthly benefit checks to cover medicine and other health related costs to treat chronic conditions. Without the monthly senior benefit checks, these seniors would be forced to use emergency rooms and higher acuity emergency centers to treat their illnesses. In turn, it would raise health care costs and reduce positive health outcomes in Alaska.

[2:33:19 PM](#)

JAYNE ANDREEN, Volunteer Advocate, AARP, Juneau, spoke in opposition to SB 58. She said that the senior benefits program allows low-income seniors to live independently in their own homes and avoid moving into higher-cost categories. She suggested that the legislature should keep the senior benefits program as a cost-effective measure. She recalled hearing numerous testifiers speak in support of the program in the sunset bill last year. She found it painful to reiterate the importance of the program since it provides positive impacts the most vulnerable population in Alaska.

[2:35:03 PM](#)

DENISE DANIELLO, Executive Director, Alaska Commission on Aging, Juneau, spoke in opposition to SB 58. She said that the Alaska Commission on Aging reflects the view of its members, not of the administration. The commission has advocated for the senior benefits program since its inception in 2007. In 2018, the senior survey indicated that financial and economic security was

the second most important issue for seniors in Alaska, with access to health care their first priority. She offered her belief that the program is good public policy because it puts money directly in the hands of seniors who use the money to improve their health and welfare. She reported that about one in eight seniors in Alaska participate in the program.

2:37:50 PM

LAURA BONNER, representing self, Anchorage, spoke in opposition to SB 58. She said she is retired and fortunate not to need the program. She expressed concern that repealing the senior benefits program would cause Alaska's vulnerable seniors to fall further into poverty, many of whom are women who worked in low-paying jobs or left employment to care for others. She questioned whether committee members could live on \$1,000 a month, especially with chronic medical conditions. She highlighted the choices senior must make each month, including whether to pay for medicine, rent, heat, transportation, or food.

She said it is unconscionable to eliminate this program and not eliminate oil tax credits for the wealthiest corporations in the world. Little or no analysis was done to determine how SB 58 will impact those who need the benefit, she said. When HB 60, the companion bill, was presented in the House, the presenters said it was easier to cut this program than other programs. In closing, she said that SB 58 hurts those who need the benefits and it is not good for Alaskans.

2:39:57 PM

WILLIAM HARRINGTON, representing self, Anchorage, spoke in opposition to SB 58. He said he is 70 years old and lived in Alaska before the pipeline was built. He found it reprehensible that a government so rich could be so foolish in its spending and then remove the program that allows Alaska's most vulnerable seniors to live healthy and independently. He does not qualify for this benefit [since it is based on income], but it is morally reprehensive to abandon the state's elderly population.

2:40:58 PM

MARIANNE BURKE, representing self, Anchorage, spoke in opposition to SB 58. She said her family cared for her father who received minimal social security benefits and has severe dementia. The \$250 a month helped them provide him with food, medication, and clothes. Now that he is in assisted care living, the benefits provide for his care. Medicaid denied his benefits for a year because the program had deemed to have too many

assets, even though the assets had little value. She said the senior benefits program helped cut through the issues.

[2:43:07 PM](#)

GARY MCDONALD, representing self, Anchorage, spoke in opposition to SB 58. He said he will turn 65 years old next year. He asked the committee not to pick on senior citizens. He suggested the legislature should investigate fraud in the food stamp program and leave senior citizens alone. He said he found it appalling that seniors had to call in to support the program.

[2:44:21 PM](#)

HERMAN MORGAN, representing self, Aniak, spoke in opposition to SB 58. He said he is 65 years old, and that eliminating the senior benefits would hit people hard. He expressed concern about the budget, and that money should not be spent on programs that don't work, but the senior benefits program works. He suggested the legislature should cut the education budget because Alaska's students rank the lowest in the nation and the University of Alaska Anchorage lost its accreditation. He emphasized the high cost of living in rural Alaska. For example, in Aniak a jar of mayonnaise costs \$17.99. He said that cutting the permanent fund and senior benefits is irresponsible and can force thousands of people to live below the poverty people. He urged members to listen to people who are not state employees and need the money.

[2:47:17 PM](#)

ELIZABETH MOE, representing self, Houston, spoke in opposition to SB 58. She expressed concern that the legislature is not making the right decisions. Senior citizens are knowledgeable, and the state should utilize their knowledge. She said the legislature should take the oil tax credits to pay for social services and senior programs, but not take money away from the people who built the state.

[2:50:05 PM](#)

LARRY SLONE, representing self, Homer, spoke in opposition to SB 58. He suggested the legislature should retain the program but make serious modifications. He argued that the program is crucial for a decent quality of life for some seniors who are on the edge of poverty. He did not think all the recipients need the senior benefit. He and others like him who own their homes, have savings in the bank, and health care provided by the Veterans' Administration do not need the program. Although the senior benefit is not a crucial need for him, he is still afforded the opportunity to access it. He surmised that about

half the users needed the program and the other half were basically taking money out of the state coffers that could be used for more important purposes.

2:51:33 PM

CHAIR WILSON noted that people can submit written testimony to senate.hss@akleg.gov. He closed public testimony on SB 58.

2:52:19 PM

SENATOR GIESSEL thanked all the seniors who called in. She said it might be helpful for the testifiers to know that 4 of 20 senators in the Alaska State Senate are seniors, and three serve on this committee. Two senators have parents in the Pioneer Homes. Six senators are territorial kids who were born in Alaska before it was a state. She assured those who called in that there is longevity in the Alaska Senate. If her mother were still lucid, she would be calling in today to see this program continue, she said.

She said she would like the department to explain the ramifications of repealing the senior benefits program. She expressed disappointment that the administration would offer a policy bill without thoroughly investigating the implication of eliminating this program and its effect on other programs. She expressed interest in the data, including how many people would lose other benefits if this program was repealed. She offered her belief that if SB 58 does not pass, the program would continue because the administration would need statutory authority to repeal the program.

SENATOR BEGICH echoed the comments of the Senate president. He remarked that he was born in the state, but his sister was born in the territory. As he listened to testimony today, he understood that a cut could have an impact on independent living and the state could be faced with greater costs if seniors could no longer live independently. The state has spent decades moving its most vulnerable populations toward independent living, not only because of the dignity involved, but because it is less expensive for people to live in their own homes than to become a ward of the state. The legislature should be informed about the impact before being asked to make this policy decision. He asked whether the committee could get that information. He said the testifiers should know that this was not a proposal that came from the Alaska State Senate. A number of those who testified who said, "You people are doing this." This is a proposal from the governor that members are considering in committee, he said. He said he hoped that the committee would deliberate the bill

and make the right decision. He asked Director O'Brien if the division could provide information on the effects of SB 58, including the impact of taking people off independent living and consequently placing them on greater public assistance because these seniors cannot live independently. He acknowledged that the division could not provide the committee with the social costs, but the division should be able to quantify the monetary cost.

MS. O'BRIEN answered that the division would need to review some detailed case information to determine what might happen to people who may not be eligible for other programs. She offered to put together some scenarios that will provide a more detailed review of the impacts.

[2:57:42 PM](#)

CHAIR WILSON commented that when he was 18-years-old, he bought a plane ticket to come to Alaska because he knew where he wanted to spend his life. He said he hoped this will be his home now and forever.

[CHAIR WILSON held SB 58 in committee.]

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There being no further business to come before the committee, Chair Wilson adjourned the Senate Health and Social Services Standing Committee at 2:58 p.m.