

Levy
1103

Introduced: 4/24/85
Referred: Finance

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IN THE HOUSE BY THE RULES COMMITTEE

HOUSE BILL NO. 398

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act extending the longevity bonus program for one year; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. Section 11, ch. 38, SLA 1984 is amended to read:

Sec. 11. This Act and AS 47.45 are repealed June 30, 1986 [1985].

* Sec. 2. This Act takes effect immediately in accordance with AS 01.-10.070(c).

COMMITTEE COPY

ALASKA STATE LEGISLATURE	
...14th Legislature	...FIRST Session
HOUSE BILL	NO. ...398..
By ...THE RULES COMMITTEE.....	
<p>"An Act extending the longevity bonus program for one year; and providing for an effective date."</p>	
<p>Extending/Longevity Bonus</p> <p>Introduced in the House 4/24 85</p>	

HISTORY IN THE HOUSE													
19 85	Read first time and referred to Committee on												
Apr. 24	FINANCE												
	Reported back with recommendation that												
	Read second time and												
	Read third time and												
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PASS	Effective Date												
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Nays	Nays												
Absent	Absent												
Excused	Excused												
	Reported correctly engrossed												
	Signed by Speaker												
	Sent to Senate												
CHIEF CLERK OF THE HOUSE													

HISTORY IN THE SENATE													
19	Read first time and referred to Committee on												
	Reported back with recommendation that												
	Read second time and												
	Read third time and												
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Reconsideration													
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	Reported correctly engrossed												
	Signed by President												
	Returned to House												
SECRETARY OF THE SENATE													

HISTORY IN THE HOUSE	
19	Received from Senate
	Concurred in Senate amendment thus adopting: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling Reported correctly enrolled Sent to Governor
 by Governor
	Filed with Lt. Governor
	Chapter No.

COMMITTEE COPY

SUMMARY OF FISCAL NOTES FOR CS HB 398 (Fin)

Fiscal Note #1:	\$ 413.8	Non-nursing home Medicaid
Fiscal Note #2:	\$ 2160.0	OAA/SSI
Fiscal Note #3:	\$ 399.0	Loss of nursing wing ALB income to Pioneers' Homes
Sub-Total	\$ 2972.8	
Fiscal Note #3:	(\$1712.4)	Savings from not paying ALB's to nursing home residents.
	<hr/> <hr/>	
TOTAL	\$1260.4	Net additional general funds required.

NOTE: No funds are provided in these fiscal notes for the payment of bonuses. These funds are provided in FY 86 Budget.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: CSHB 398 (Fin)
Title: Longevity Bonus

Sponsor: Senator Ray, et al.
Requestor: House Finance Committee
Date of Request: 5/2/85

FISCAL DETAIL

Agency Affected: Dept. Health & Social Services
Program Category Affected: Social and
and Economic Assistance
BRU, Program or Subprogram(s) Affected: Medical Assistance

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		-0-				
CAPITAL						
REVENUE		(413.8)				

FUNDING: (Thousands of Dollars)

GENERAL FUND		413.8				
FEDERAL FUNDS		(413.8)				
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

The bill authorizes state funds to replace lost federal funds for medicaid benefits for non-nursing home medicaid recipients. There is no increase in operating expenditures, only a change in funding source.

RBA

Prepared By: Representative Adams - Chairman Phone: 465-3706
Division: House Finance Committee Date: 5/2/85

Approved by Commissioner: _____ Date: _____
Agency: _____

Distribution (by Agency preparing fiscal note):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: CSHB 398 (Fin)
Title: Longevity Bonus

Sponsor: Senator Ray et al.
Requestor: House Finance Committee
Date of Request: 5/2/85

FISCAL DETAIL

Agency Affected: Dept. Health & Social Services
Program Category Affected: Social & Economic Assistance
BRU, Program or Subprogram(s) Affected: General Relief Assistance

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS		2160.0				
800 MISCELLANEOUS						
TOTAL OPERATING		2160.0				

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS		2160.0				
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

See attached Analysis

APA

Prepared By: Representative Adams - Chairman Phone: 465-3706
Division: House Finance Committee Date: 5/2/85

Approved by Commissioner: _____ Date: _____
Agency: _____

Distribution (by Agency preparing fiscal note):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Fiscal Note Analysis

CS HB 398 (Fin)

1. Costs reflect replacing lost supplemental security income monthly payments with General Relief Assistance:

FY 86:	750 persons/month	=	1400.0
FY 87:	794 persons/month	=	1530.5
FY 88:	838 persons/month	=	1669.8
FY 89:	884 persons/month	=	1821.6
FY 90:	933 persons/month	=	1987.4

2. Costs also reflect replacing lost Old Age Assistance monthly payments with General Relief Assistance:

FY 86:	750 persons/month	=	760.0
FY 87:	794 persons/month	=	830.7
FY 88:	838 persons/month	=	906.3
FY 89:	884 persons/month	=	988.8
FY 90:	933 persons/month	=	1017.9

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: CSHB 398 (Fin)
 Title: Longevity Bonus

Sponsor: Senator Ray, et al.
 Requestor: House Finance Committee
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Administration
 Program Category Affected: Social and Economic assistance for the aged.
 BRU, Program or Subprogram(s) Affected: Longevity Bonus and Pioneers' Home

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS		(1712.4)				
800 MISCELLANEOUS						
TOTAL OPERATING		(1712.4)				

CAPITAL						
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REVENUE		(399.0)				
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FUNDING: (Thousands of Dollars)

GENERAL FUND		(1312.4)				
FEDERAL FUNDS						
OTHER						
TOTAL		(1312.4)				

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

See attached analysis

Prepared By: ^{APA} Representative Adams - Chairman Phone: 465-3706
 Division: House Finance Committee Date: 5/2/85

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

7/1/84

CS HB 398 (Fin)

Fiscal note analysis:

This bill makes persons who reside in nursing homes and government operated mental health facilities ineligible for the Longevity Bonus.

ASSUMPTIONS

1. Those persons who would be affected in mental health facilities, Pioneers' Homes and nursing homes was approximately 608 as of February 1985. For the purpose of this fiscal note, it is assumed this number will remain unchanged.
($608 \times 12 \times \$250 = \$1,824,000$ savings.)
2. There are approximately 133 nursing care residents of the Pioneers' Homes who use the Longevity Bonus to pay their monthly charges for care. Loss of the Longevity Bonus to these people would result in loss of revenue as program receipts for the Pioneers' Homes.
($133 \times 12 \times \$250. = \$399,000$ est. loss of program receipts.)
3. Of the approximate 133 nursing care residents of the Pioneers' Homes who would be affected, approximately 93 would have incomes reduced to the point they would become eligible for the monthly stipend payable under AS 47.25.020 (b) and (c).
($93 \times 12 \times \$100 = \$111,600.$)

PROPOSED LETTER OF INTENT FOR CS HB 398 (FIN)

CS HB 398 (FIN) extends the interim longevity bonus program until July, 1986. Though the legislature has not yet agreed upon a permanent solution to the program's future, it is still appropriate for the legislature to address the "hold harmless" issue during the 1985 interim.

Because the federal government has indicated that the longevity bonus will be considered a prior resource when determining eligibility for medicaid and supplemental security income (SSI), many of Alaska's poorest seniors who qualify for the bonus will lose their medicaid and SSI benefits. Also, because the state funded Old Age Assistance (OAA) program must follow the federal ruling, these same seniors will lose their OAA benefits as well. This bill will hold the affected seniors harmless from this federal ruling by authorizing the state to pay those medicaid, SSI and OAA benefits that the federal government no longer allows, with one exception. Instead of paying the federal portion of medicaid for eligible nursing home residents, these individuals are prohibited from receiving a bonus. This is because the federal portion of their medicaid benefits far outweighs the \$3,000 in annual bonus income and because the cost to the state of paying both the bonus and the federal medicaid portion of their nursing home care is prohibitive. Nursing home care in Alaska averages \$140 per day.

The legislature recognizes that the federal government may consider the bonus as a prior resource for other programs for which eligibility requirements are controlled at the federal level. Therefore, it is the intent of the legislature that the House and Senate Health, Education & Social Services Committees conduct a joint review of the relationship between eligibility for a longevity bonus and eligibility for federal assistance programs and report back to the legislature next session. The review should consider, but is not limited to, the following items: (1) an inventory of programs for which receipt of the bonus will change eligibility for the federal program, (2) the cost of holding bonus recipients harmless for each program, (3) how best to administer hold harmless programs; (4) how an individual would fare under each program if the individual were made ineligible for a bonus, (5) proposals for legislative action, and (6) the federal reaction to any proposed legislative actions. In conducting the review, the Committees should work closely with the House and Senate Finance Committees and the affected state agencies.

Levy
5/2/85 ✓

Original sponsor: Rules Committee

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IN THE HOUSE

BY THE FINANCE COMMITTEE

CS FOR HOUSE BILL NO. 398 (Finance)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to eligibility for longevity bonus payments and the use of longevity bonus payments in determining public assistance, extending the longevity bonus program for one year; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 47.45.070 is amended to read:

Sec. 47.45.070. UNQUALIFIED PERSONS. An unqualified person is one who

(1) does not meet the age or residence requirements as provided for under this chapter;

(2) meets the age and residence requirements of this chapter but either is confined in a state or federal mental health institution or facility and is certified by the state as unable to manage personal affairs, or resides in a nursing home as that term is defined in AS 08.70.180; however, if that person, at the time of commitment or commencement of residence, provided the principal support of a spouse, the commissioner of administration may determine to pay the confined person's bonus to the person's spouse until the spouse is qualified for a bonus;

(3) is otherwise qualified but confined in a penal or correctional institution or facility; upon completion of sentence or upon the conferral of a pardon, parole or probation, the person may make application; confinement outside the state shall be considered as

1 residence in the state if a person was convicted and sentenced from a
2 court in Alaska; revocation of parole or probation shall be cause for
3 immediate disqualification until release from confinement is again
4 effected;

5 (4) voluntarily leaves the state and remains absent from
6 the state for a continuous period of more than 90 [180] days.

7 * Sec. 2. AS 47.45 is amended by adding a new section to read:

8 Sec. 47.45.122. ELIGIBILITY FOR PUBLIC ASSISTANCE. (a) An
9 individual whose public assistance is denied or reduced solely because
10 of the receipt of a bonus under this chapter by the individual or by a
11 member of the individual's household is eligible for assistance under
12 the general relief assistance program in AS 47.25.120 - 47.25.300.
13 Notwithstanding the limit in AS 47.25.130, the individual is entitled
14 to receive the same amount as the individual would have received under
15 other public assistance programs had the individual not received a
16 longevity bonus.

17 (b) In this section "other public assistance" means

- 18 (1) Supplemental Security Income (42 U.S.C. 1381 - 1385);
19 (2) Medicaid (42 U.S.C. 1396 - 1396p); and
20 (3) Adult Public Assistance (AS 47.25.430 - 47.25.615).

21 * Sec. 3. Section 11, ch. 38, SLA 1984 is amended to read:

22 Sec. 11. This Act and AS 47.45 are repealed June 30, 1986
23 [1985].

24 * Sec. 4. This Act takes effect immediately in accordance with AS 01.-
25 10.070(c).
26
27
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STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

Page 1 of 1

REQUEST

Bill/Resolution No.: HB 398
 Title: Extending the Longevity Bonus
Program for one year
 Sponsor: Rules Committee
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Administration
 Program Category Affected: Social and
Economic Assistance for the Aged
 BRU, Program or Subprogram(s) Affected: _____
Longevity Bonus Program

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

	0	0	0	0	0	0
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary) This bill would extend the existing program for one year. All costs to operate the program are included in the FY 86 operating budget.

Prepared By: Joyce Monson, Director *Joyce Monson* Phone: 465-4400
 Division: Pioneers' Benefits *DM* Date: April 25, 1985

Approved by Commissioner: Lisa Rudd *Lisa Rudd* Date: 4/29/85
 Agency: Department of Administration

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

POSITION PAPER

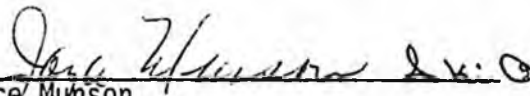
House Bill 398

This bill would extend the existing Longevity Bonus program for one year. This is a companion bill to S.B. 287, with the exact same wording and effect.

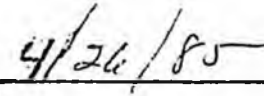
Without an extension, or enactment of legislation which would provide for a revised program, the Longevity Bonus program will come to an end on June 30, 1985.

The uncertainty of the program's future has had an unsettling effect on those who now receive the bonus and those who have planned their future with income from the Longevity Bonus in mind. For this reason, the Department of Administration favors a permanent solution to the State's dilemma over the Longevity Bonus, rather than a stopgap measure.

However, if a permanent solution cannot be agreed upon by the Legislature prior to June 30, 1985, the Department of Administration advocates passage of H.B. 398 to safeguard the economic future of Alaska's seniors until the second session of the Fourteenth Legislature can grapple with the problem.



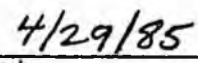
Joyce Muhson
Director
Division of Pioneers' Benefits
Department of Administration



Date



Commissioner Lisa Rudd
Department of Administration



Date

Introduced: 4/24/85
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE

2

HOUSE BILL NO. 398

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IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act extending the longevity bonus program for one
7 year; and providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. Section 11, ch. 38, SLA 1984 is amended to read:

10 Sec. 11. This Act and AS 47.45 are repealed June 30, 1986
11 [1985].

12 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
13 10.070(c).