

**HB**

**1988**

**HFIN**

**FILE**

# HOUSE COMMITTEE REPO

(11)

Date Referred to Committee: March 26, 2007

FURTHER REFERRALS:

Date of Committee Action: 4/3/07

The FINANCE Committee considered:

HB 198

HOUSE BILL NO. 198

SENIOR ASSISTANCE PAYMENT PROGRAM

**"An Act establishing the Alaska senior assistance payment program; repealing the senior care and longevity bonus payment programs; and providing for an effective date."**

Recommends it be replaced with  HCS or  CS for HB 198 (FIN)  
 For Senate Bills with new title:  Technical Title  New Title: HCR \_\_\_\_\_  Same Title  New Title

- attach amendments
- add new referral to \_\_\_\_\_ Committee
- Letter of Intent \_\_\_\_\_ Committee

List of Abbrev for Depts.:  
 ADM  
 CED  
 COR  
 CRT  
 EED  
 DEC  
 DFG  
 GOV  
 HSS  
 LWF  
 LAW  
 LEG  
 MVA  
 DNR  
 DPS  
 REV  
 DOT  
 UA

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
HSS		✓		
HSS		✓		
HSS		✓		
HSS		✓		

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero
ADM	1			✓

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Gabe				✓
	Hawken	*			
	Traube	X			
	CRAWFORD				✓
	FESTER	✓			
	STOLTZ	X			
	KELLY	X			
Chair:	Kelly	X			
Chair:	Chevaul	X			

# FISCAL NOTE

STATE OF ALASKA  
2007 LEGISLATIVE SESSION

Fiscal Note Number: 1  
Bill Version: HB 198  
(H) Publish Date: 3/26/07

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Administration  
Title: An act relating to the Alaska senior assistance RDU: Centralized Admin Services  
program; repealing senior care & longevity bonus Componer.: Finance  
Sponsor: Representatives Hawker, Harris, Coghill, et al  
Requester: \_\_\_\_\_ Component No. 59

**Expenditures/Revenues (Thousands of Dollars)**

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>	0.0	0.0	0.0	0.0	0.0	0.0
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<b>CHANGE IN REVENUES ( )</b>	0.0	0.0	0.0	0.0	0.0	0.0
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**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (Specify Type--Do not abbreviate)	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This act creates the Alaska senior assistance fund. Establishing funds created by legislation such as this is in the normal course of business for the Division of Finance.

Prepared by: Kim Garnero  
Division: Finance  
Approved by: Kevin Brooks, Deputy Commissioner  
Agency: Department of Administration

Phone: 465-3435  
Date/Time: 3/19/07 10:30 AM  
Date: 3/19/07 4:00pm

# FISCAL NOTE

**STATE OF ALASKA**  
**2007 LEGISLATIVE SESSION**

Fiscal Note Number: HB198CS(FIN)-DHSS-DPA1-04-1  
 Bill Version: CS HB 198 (FIN)  
 ( ) Publish Date: \_\_\_\_\_  
 Dept. Affected: Health & Social Services  
 RDU: Public Assistance  
 Component: Public Assistance Field Svcs

Revision Date/Time (Note if correction): \_\_\_\_\_

Title: SENIOR ASSISTANCE PAYMENT PROGRAM

Sponsor: HAWKER

Requester: HOUSE (FIN)

Component No. 236

**Expenditures/Revenues (Thousands of Dollars)**

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services	33.6	67.2	67.2	67.2	67.2	67.2
Travel						
Contractual	4.4	8.8	8.8	8.8	8.8	8.8
Supplies	2.2					
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>40.2</b>	<b>76.0</b>	<b>76.0</b>	<b>76.0</b>	<b>76.0</b>	<b>76.0</b>

<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES (0)</b>						

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts	18.7	35.4	35.4	35.4	35.4	35.4
1003 GF Match	16.5	31.1	31.1	31.1	31.1	31.1
1004 GF	4.4	8.4	8.4	8.4	8.4	8.4
1037 GF/Mental Health						
Other(Inter-Agency Receipts)	0.6	1.1	1.1	1.1	1.1	1.1
Other(Specify Type-do not abbreviate)						
<b>TOTAL</b>	<b>40.2</b>	<b>76.0</b>	<b>76.0</b>	<b>76.0</b>	<b>76.0</b>	<b>76.0</b>

Estimate of any current year (FY2007) cost: \_\_\_\_\_

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

**POSITIONS**

Full-time	1	1	1	1	1	1
Part-time						
Temporary						

**ANALYSIS:** *(Attach a separate page if necessary)*

Section 5 of CS HB 198 amends AS 47.07.020(b) to reset the upper income limit for Denali KidCare (DKC) pregnant women and uninsured children under the Title XXI State Children's Health Insurance Program (SCHIP) to 175% of the prevailing federal poverty guideline (FPG) for Alaska. Currently, the qualifying income limit for these children and pregnant women is set in statute at 175% of the 2003 FPG (effectively, about 154% of the current FPG). This fiscal note represents the administrative costs for the eligibility determinations for medical assistance coverage for pregnant women and children.

The eligibility decision includes determining eligibility based on the household's size and monthly income at the time of application, acting on changes in a household's circumstances that are reported during the period of eligibility, and re-examining a household's eligibility every six months.

Prepared by: Ellie Fitzjarrald, Director  
 Division: Public Assistance  
 Approved by: Karleen Jackson, Commissioner  
 Agency: Department of Health and Social Services

Phone 465-5847  
 Date/Time 04/02/2007  
 Date 04/03/2007

FISCAL NOTE

FN #

STATE OF ALASKA  
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

Assumptions:

We assume that 218 pregnant women and 1277 children will enroll in Medicaid if the qualifying income limit is revised to 175% FPG, and that implementation will begin January 1, 2008. We estimate one additional Eligibility Technician I (Range 14) position will be needed for six months to manage this additional work in FY 08. This position will be needed for 12 months in the following fiscal years.

Total FY08 Administrative Costs:

Personal Services: One Eligibility Technician I Range 14 at a cost of \$33.6, including benefits, for six months.

Contractual: for office space, phones, and supplies will be \$4,400 for six months.

Additional Equipment/Supply: A one time cost of \$2,200 for a desktop computer, software, printer, and work station will be needed for the new position.

Total Administrative Costs FY09 through FY13

Personal Services: One Eligibility Technician I Range 14 at a cost of \$67.2, including benefits, for 12 months.

Contractual: Annual costs for office space, phones, and supplies will be \$8,800.

Department HB198 Fund Source Summary		2007	2008	2009	2010	2011	2012	2013
Children								
Federal funds		\$0	1,442.4	1,528.9	1,652.2	1,794.3	1,948.6	2,116.2
GF Match		\$0	510.2	591.6	650.6	706.6	767.4	833.3
Total Funds		\$0	1,952.6	2,120.5	2,302.9	2,500.9	2,716.0	2,949.6
Pregnant Women								
Federal funds		\$0	447.7	467.6	503.8	547.1	594.2	645.3
GF Match		\$0	253.0	293.3	322.6	350.3	380.4	413.1
Total Funds		\$0	700.7	760.9	826.4	897.4	974.6	1,058.4
Total Bill								
Federal funds		0.0	1,890.1	1,996.5	2,156.0	2,341.5	2,542.8	2,761.5
GF Match		0.0	763.2	884.9	973.2	1,056.9	1,147.8	1,246.5
Total Funds		0.0	2,653.2	2,881.4	3,129.2	3,398.3	3,690.6	4,008.0

Number of additional children expected to enroll in SFY 2008 =1277.

Number of additional pregnant women expected to enroll in SFY 2008 = 218.

# FISCAL NOTE

**STATE OF ALASKA**  
**2007 LEGISLATIVE SESSION**

Fiscal Note Number: HB198CS(FIN)-DHSS-DHCS-04-  
 Bill Version: CS HB 198 (FIN)  
 ( ) Publish Date: \_\_\_\_\_  
 Dept. Affected: Health & Social Services  
 RDU Health Care Services  
 Component Medicaid Services

Revision Date/Time (Note if correction):  
 Title SENIOR ASSISTANCE PAYMENT PROGRAM

Sponsor HAWKER  
 Requester HOUSE (FIN)

Component No. 2077

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	2,195.4	2,384.2	2,589.3	2,812.0	3,053.8	3,316.4
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>2,195.4</b>	<b>2,384.2</b>	<b>2,589.3</b>	<b>2,812.0</b>	<b>3,053.8</b>	<b>3,316.4</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (0)						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	1,577.6	1,667.8	1,801.5	1,956.4	2,124.1	2,307.4
1003 GF Match	617.8	716.4	787.8	855.6	929.2	1,009.0
1004 GF						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
<b>TOTAL</b>	<b>2,195.4</b>	<b>2,384.2</b>	<b>2,589.3</b>	<b>2,812.0</b>	<b>3,053.8</b>	<b>3,316.4</b>

Estimate of any current year (FY2007) cost: \_\_\_\_\_

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

Section V of HB198, as amended, effectively reverses the September 2003 legislation that reduced and froze Medicaid income eligibility standards for children and pregnant women whose eligibility is managed through the Denali KidCare (DKC) office. Prior to implementation of the 2003 legislation, Medicaid was available to children and pregnant women with incomes up to 200% of the prevailing Federal Poverty Guideline (FPG) for Alaska. Effective September 2003, the income (continued)

Prepared by Janet Clarke  
 Division Finance and Management Services  
 Approved by Karleen Jackson, Commissioner  
 Agency Department of Health and Social Services

Phone \_\_\_\_\_  
 Date/Time \_\_\_\_\_  
 Date 04/03/2007

FISCAL NOTE  
FN #

STATE OF ALASKA  
2007 LEGISLATIVE SESSION

**ANALYSIS CONTINUATION**

standard was set in statute at what was equivalent to 175% of the FPG for 2003. Currently, the effective income standard for women and children enrolled in these categories is about 154%, almost a 50 point drop from the income standard of August 2003. This bill restores the income eligibility standard for children and pregnant women to 175% of the prevailing FPG, effective June 30, 2007.

Between 2003 and 2006, the number of children enrolled in the affected income category dropped by 2,553 individuals and the number of pregnant women enrolled in the affected income category dropped by 436 individuals. This fiscal analysis assumes that the additional enrollment in SFY 2008 due to HB 198 will be equal to about half that number of people (218 pregnant women and 1277 children). We assume that most people eligible to enroll under the higher income standard will do so by the end of SFY 2008.

Costs projections incorporate 8.6% annual growth (Long Term Forecast of Medicaid Enrollment and Spending in Alaska: 2005-2025, DISS, updated f.c.: 2006). That growth rate allows for 5% medical inflation (Anchorage CPI, medical care component) and annual growth in the FPG. The proportion of enrollees that use services (participation) is expected to remain the same throughout the projection period.

Fund source calculations for each component are based on the percentages of costs reimbursed as IHS, Title XIX, Family Planning, or SCHIP in 2006 for the affected groups, and the federal medical assistance percentages (FMAPs) anticipated for the year projected. Children affected by this legislation are included in the State Children's Health Insurance Program (SCHIP) and costs for their Medicaid services would normally be matched at an enhanced rate. Because SCHIP funding is no longer enough to cover all of that program's expenses, the formula for (continued)

STATE OF ALASKA  
2007 LEGISLATIVE SESSION

**ANALYSIS CONTINUATION**

federal reimbursement was adjusted to allow only one quarter of SCHIP matching per year, with the remaining three quarters defaulting to the lower Title XIX rate.

The 2008 projection was calculated as the projected cost to reinstate half the number of enrollees dropped between 2003 and 2006. Cost to reinstate was inflated by 5% per year between 2006 and 2008 so that the cost to reinstate was in 2008 dollars. The 2009-2013 projections are based on the 2008 projection after implementation of HN198, plus 8.6% annual growth. The expenditure for each division was determined based on that division's share of expenses for the affected eligibility subtypes in 2006. Health Care Services paid for 99.9% of the costs for affected pregnant women and 76.6% of the costs for affected children.

For each component, the recipient count represents the number of enrolled persons using Medicaid services managed by that component during the period. If half the number of people that lost Medicaid eligibility due to the 2003 legislation regain eligibility in 2008, Health Care Services might expect to pay Medicaid expenses for an additional 1,132 recipients.

Department HB198 Fund Source Summary							
	2007	2008	2009	2010	2011	2012	2013
<b>Children</b>							
Federal funds	\$0	1,442.4	1,528.9	1,652.2	1,794.3	48.6	2,116.2
GF Match	\$0	510.2	591.6	650.6	706.6	767.4	833.3
<b>Total Funds</b>	<b>\$0</b>	<b>1,952.6</b>	<b>2,120.5</b>	<b>2,302.9</b>	<b>2,500.9</b>	<b>2,716.0</b>	<b>2,949.6</b>
<b>Pregnant Women</b>							
Federal funds	\$0	447.7	467.6	503.8	547.1	594.2	645.3
GF Match	\$0	253.0	293.3	322.6	350.3	380.4	413.1
<b>Total Funds</b>	<b>\$0</b>	<b>700.7</b>	<b>760.9</b>	<b>826.4</b>	<b>897.4</b>	<b>974.6</b>	<b>1,058.4</b>
<b>Total Bill</b>							
Federal funds	0.0	1,890.1	1,996.5	2,156.0	2,341.5	2,542.8	2,761.5
GF Match	0.0	763.2	884.9	973.2	1,056.9	1,147.8	1,246.5
<b>Total Funds</b>	<b>0.0</b>	<b>2,653.2</b>	<b>2,881.4</b>	<b>3,129.2</b>	<b>3,398.3</b>	<b>3,690.6</b>	<b>4,008.0</b>

Number of additional children expected to enroll in SFY 2008 =1277.

Number of additional pregnant women expected to enroll in SFY 2008 = 218.

# FISCAL NOTE

**STATE OF ALASKA**  
**2007 LEGISLATIVE SESSION**

Fiscal Note Number: HB198CS(FIN)-DHSS-DBH-04-0:  
 Bill Version: CS HB 198 (FIN)  
 ( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_  
 Title SENIOR ASSISTANCE PAYMENT PROGRAM

Dept. Affected: Health & Social Services  
 RDU Behavioral Health  
 Component Behavioral Hlth Medicaid Svcs

Sponsor HAWKER  
 Requester HOUSE (FIN)

Component No. 2660

**Expenditures/Revenues (Thousands of Dollars)**

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	455.9	495.1	537.6	583.9	634.1	688.6
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>455.9</b>	<b>495.1</b>	<b>537.6</b>	<b>583.9</b>	<b>634.1</b>	<b>688.6</b>

CAPITAL EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013

CHANGE IN REVENUES (0)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts	311.1	327.2	353.0	383.4	416.4	452.7
1003 GF Match	144.8	167.9	184.6	200.5	217.7	236.4
1004 GF						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
<b>TOTAL</b>	<b>455.9</b>	<b>495.1</b>	<b>537.6</b>	<b>583.9</b>	<b>634.1</b>	<b>688.6</b>

Estimate of any current year (FY2007) cost: \_\_\_\_\_  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

**POSITIONS**

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

Section V of HB198, as amended, effectively reverses the September 2003 legislation that reduced and froze Medicaid income eligibility standards for children and pregnant women whose eligibility is managed through the Denali KidCare (DKC) office. Prior to implementation of the 2003 legislation, Medicaid was available to children and pregnant women with incomes up to 200% of the prevailing Federal Poverty Guideline (FPG) for Alaska. Effective September 2003, the income standard

Prepared by: Janet Clarke Phone: \_\_\_\_\_  
 Division: Finance and Management Services Date/Time: \_\_\_\_\_  
 Approved by: Karleen Jackson, Commissioner Date: 04/03/2007  
 Agency: Department of Health and Social Services

FISCAL NOTE  
FN #

STATE OF ALASKA  
2007 LEGISLATIVE SESSION

**ANALYSIS CONTINUATION**

was set in statute at what was equivalent to 175% of the FPG for 2003. Currently, the effective income standard for women and children enrolled in these categories is about 154%, almost a 50 point drop in the income standard of August 2003. This bill restores the income eligibility standard for children and pregnant women to 175% of the prevailing FPG, effective June 30, 2007.

Between 2003 and 2006, the number of children enrolled in the affected income category dropped by 2,553 individuals and the number of pregnant women enrolled in the affected income category dropped by 436 individuals. This fiscal analysis assumes that the additional enrollment in SFY 2008 due to HB 198 will be equal to about half that number of people (218 pregnant women and 1277 children). We assume that most people eligible to enroll under the higher income standard will do so by the end of SFY 2008.

Costs projections incorporate 8.6% annual growth (Long Term Forecast of Medicaid Enrollment and Spending in Alaska: 2005-2025, DHSS, updated for 2006). That growth rate allows for 5% medical inflation (Anchorage CPI, medical care component) and annual growth in the FPG. The proportion of enrollees that use services (participation) is expected to remain the same throughout the projection period.

Fund source calculations for each component are based on the percentages of costs reimbursed as IHS, Title XIX, Family Planning, or SCHIP in 2006 for the affected groups, and the federal medical assistance percentages (FMAPs) anticipated for the year projected. Children affected by this legislation are included in the State Children's Health Insurance Program (SCHIP) and costs for their Medicaid services would normally be matched at an enhanced rate. Because SCHIP funding is no longer enough to cover all of that program's expenses, the formula for

FISCAL NOTE  
FN #

STATE OF ALASKA  
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

federal reimbursement was adjusted to allow only one quarter of SCHIP matching per year, with the remaining three quarters defaulting to the lower Title XIX rate.

The 2008 projection was calculated as the projected cost to reinstate half the number of enrollees dropped between 2003 and 2006. Cost to reinstate was inflated by 5% per year between 2006 and 2008 so that the cost to reinstate was in 2008 dollars. The 2009-2013 projections are based on the 2008 projection after implementation of HN198, plus 8.6% annual growth. The expenditure for each division was determined based on that division's share of expenses for the affected eligibility subtypes in 2006. Behavioral Health Medicaid Services paid for 23.3% of the costs for affected children in SFY 2006. They paid for less than 0.1% of the costs for pregnant women affected by this legislation.

If half the number of people that lost Medicaid eligibility due to the 2003 legislation regain eligibility in 2008, Behavioral Health Medicaid Services might expect to pay Medicaid expenses for an additional 113 recipients.

Department HB198 Fund Source Summary		2007	2008	2009	2010	2011	2012	2013
Children								
Federal funds		\$0	1,442.4	1,528.9	1,652.2	1,794.3	1,948.6	2,116.2
GF Match		\$0	510.2	591.6	650.6	706.6	767.4	833.3
Total Funds		\$0	1,952.6	2,120.5	2,302.9	2,500.9	2,716.0	2,949.6
Pregnant Women								
Federal funds		\$0	447.7	467.6	503.8	547.1	594.2	645.3
GF Match		\$0	253.0	293.3	322.6	350.3	380.4	413.1
Total Funds		\$0	700.7	760.9	826.4	897.4	974.6	1,058.4
Total Bill								
Federal funds		0.0	1,890.1	1,996.5	2,156.0	2,341.5	2,542.8	2,761.5
GF Match		0.0	763.2	884.9	973.2	1,056.9	1,147.8	1,246.5
Total Funds		0.0	2,653.2	2,881.4	3,129.2	3,398.3	3,690.6	4,008.0

Number of additional children expected to enroll in SFY 2008 =1277.

Number of additional pregnant women expected to enroll in SFY 2008 = 218.

# FISCAL NOTE

**STATE OF ALASKA**  
**2007 LEGISLATIVE SESSION**

Fiscal Note Number: HB198CS(FIN)-DHSS-DPA2-04-1  
 Bill Version: CS HB 198 (FIN)  
 ( ) Publish Date: \_\_\_\_\_  
 Dept. Affected: Health & Social Services  
 RDU Public Assistance  
 Component SeniorCare

Revision Date/Time (Note if correction):

Title SENIOR ASSISTANCE PAYMENT PROGRAM

Sponsor HAWKER

Requester HOUSE (FIN)

Component No. 2760

**Expenditures/Revenues**

(Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services	460.2	460.2	460.2	460.2		
Travel	9.7	9.7	9.7	9.7		
Contractual	229.7	169.7	169.7	169.7		
Supplies	53.5	43.5	43.5	43.5		
Equipment						
Land & Structures						
Grants & Claims	19,410.0	19,662.3	19,917.9	20,176.9		
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>20,163.1</b>	<b>20,345.4</b>	<b>20,601.0</b>	<b>20,860.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES (0)</b>						

**FUND SOURCE**

(Thousands of Dollars)

FUND SOURCE	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
1002 Federal Receipts						
1003 GF Match						
1004 GF	20,163.1	20,345.4	20,601.0	20,860.0		
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
<b>TOTAL</b>	<b>20,163.1</b>	<b>20,345.4</b>	<b>20,601.0</b>	<b>20,860.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2007) cost:

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

**POSITIONS**

POSITIONS	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Full-time	6	6	6	6		
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This legislation repeals the SeniorCare program and adopts in its place, the Alaska Senior Benefits Payment program, which will be in effect until June 30, 2011. It eliminates the SeniorCare prescription drug benefit and repeals the Alaska Longevity Bonus.

CS HB 198 sets the maximum income eligibility level to 175% of the federal poverty guideline for Alaska that is adjusted each year. It also sets the monthly benefit at one of three amounts that depend on the senior's income level.

Prepared by: Elle Fitzjarrald, Director  
 Division: Public Assistance  
 Approved by: Karleen Jackson, Commissioner  
 Agency: Department of Health and Social Services

Phone: 465-5847  
 Date/Time: 04/02/2007  
 Date: 04/03/2007

FISCAL NOTE  
FN #

STATE OF ALASKA  
2007 LEGISLATIVE SESSION

**ANALYSIS CONTINUATION**

The monthly benefit amounts will be:

- \* \$250 if the senior's income is less than 75% of poverty;
- \* \$175 if the senior's income is between 75% and 100% of poverty; and
- \* \$125 if the senior's income is between 100% and 175% of poverty.

**Assumptions:**

This fiscal note assumes the new Alaska Senior Benefits Payment program begins July 1, 2007, and includes the increase in the maximum income limit to 175% of the federal poverty level for 2007. It also assumes the sponsor's intent that there will not be an asset test to qualify for the program.

**BENEFIT COSTS FOR CS HB 198**

- In FY08, the department estimates an average of 7,043 seniors who currently qualify for the Senior Care cash benefit will continue to qualify for the new Alaska Senior Benefits Payment program.
- \* The department estimates an additional 300 seniors will qualify for the new program under the higher income limits. This represents the number of seniors who became ineligible for the Senior Care program due to the income limits frozen at 2005 levels.
- The department estimates an additional 300 seniors will qualify for the new program due to the elimination of the asset test. Currently approximately 4% of SeniorCare applicants are denied due to assets. Note: Information about senior assets is not available to the department. Costs associated with this provision will need to be reevaluated as we gain experience with the new program.
- \* The department estimates an additional 380 seniors will be served annually for every 5% increment increase above 100% of poverty.

We estimate 400 individuals will have household income at less than 75% of poverty, 4,600 individuals will have income between 75% and 100% of poverty, and 5,700 will have income between 100% and 175% of poverty. The tables below display the projected caseload size at each level of poverty in FY 2008, and the estimated cost of benefits at an estimated annual caseload growth of 1.3%.

Percent of Poverty	FY 08 Estimated Caseload	Benefit Amount	FY 08 Estimated Benefit Cost
Up to 75%	400	\$ 250	\$ 1,200.0
75% to 100%	4,600	\$ 175	\$ 9,660.0
100% to 175%	5,700	\$ 125	\$ 8,550.0
Total	10,700		\$ 19,410.0

Fiscal Year	Estimated Caseload	Estimated Annual Benefit Cost
FY08	10,700	\$ 19,410.0
FY09	10,839	\$ 19,662.3
FY10	10,980	\$ 19,917.9
FY11	11,123	\$ 20,176.9

STATE OF ALASKA  
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION  
ADMINISTRATIVE COSTS FOR CS HB 198

Assumptions:

- \* The four positions currently administering the Senior Care program will continue to administer the program: 1 Administrative Clerk II (Range 8); 4 Eligibility Technician I's (Range 14), and 1 Eligibility Technician III Lead Worker (Range 15). An additional two positions will be necessary to manage the increased caseload. These positions are responsible for the initial and ongoing determination of eligibility, processing claims, and serving as a liaison with the Social Security Administration to facilitate recipient enrollment in Medicare Part D.
- \* In May 2007, DPA will begin notifying seniors about the new program. Current SeniorCare recipients will be mailed an abbreviated form for completion and informed of the need to apply for the new program. DPA will begin accepting applications in May; however, higher payment levels may be delayed until system modifications are completed, which may be October 2007.
- \* Modifications to DPA's Eligibility Information System (EIS) are necessary to facilitate the issuance of three different payments depending on household income. These changes are estimated to take three months of programming and testing.

Total FY08 Administrative Costs: \$753.1

- Personal Services (6 positions): \$460.2
- Travel (to support employee training, marketing, outreach): 9.7
- Contractual: \$229.7
  - Information technology, telecommunication, postage, printing, & building lease costs): \$129.7
  - Outreach to inform seniors of the program's availability and benefits, and to make referrals to other programs as appropriate: \$40.0
  - EIS Computer Programming Modifications \$60.0 (one time cost for FY08)
- Supplies: \$53.5
  - Training materials and office supplies: \$43.5
  - Desktop computer, printer and work station for two new positions: \$10.0 (one time cost for FY08)

TOTAL FY08 COSTS

The total FY08 estimated costs for the Alaska Senior Benefits Payment program are \$19,410.0 for benefit payments and \$753.1 in administrative costs, for a total program cost of \$20,163.1.

All costs for the Alaska Senior Benefits Payment program are eliminated in FY 2012 to reflect the sunset of the program June 30, 2011.

Department HB198 Fund Source Summary		2007	2008	2009	2010	2011	2012	2013
<b>Children</b>								
Federal funds		\$0	1,442.4	1,528.9	1,652.2	1,794.3	1,948.6	2,116.2
GF Match		\$0	510.2	591.6	650.6	706.6	767.4	833.3
Total Funds		\$0	1,952.6	2,120.5	2,302.9	2,500.9	2,716.0	2,949.6
<b>Pregnant Women</b>								
Federal funds		\$0	447.7	467.6	503.8	547.1	594.2	645.3
GF Match		\$0	253.0	293.3	322.6	350.3	380.4	413.1
Total Funds		\$0	700.7	760.9	826.4	897.4	974.6	1,058.4
<b>Total Bill</b>								
Federal funds		0.0	1,890.1	1,996.5	2,156.0	2,341.5	2,542.8	2,761.5
GF Match'		0.0	763.2	884.9	973.2	1,056.9	1,147.8	1,246.5
Total Funds		0.0	2,653.2	2,881.4	3,129.2	3,398.3	3,690.6	4,008.0

Number of additional children expected to enroll in SFY 2008 =1277.

Number of additional pregnant women expected to enroll in SFY 2008 = 218.

*failed*  
*2-8*

25-LS0714E.4  
Mischel  
4/3/07

AMENDMENT

3

OFFERED IN THE HOUSE

BY REPRESENTATIVE CRAWFORD

TO: CSHB 198( ), Draft Version "E"

- 1 Page 1, line 2:
- 2 Delete "and longevity bonus programs"
- 3 Insert "program"
- 4
- 5 Page 1, line 14:
- 6 Delete "former"
- 7
- 8 Page 2, lines 12 - 19:
- 9 Delete all material.
- 10
- 11 Renumber the following bill sections accordingly.
- 12
- 13 Page 2, lines 23 - 25:
- 14 Delete all material.
- 15
- 16 Renumber the following bill sections accordingly.
- 17
- 18 Page 6, lines 14 - 17:
- 19 Delete all material.
- 20
- 21 Renumber the following bill sections accordingly.
- 22
- 23 Page 9, lines 2 - 4:

1 Delete all material and insert:

2 **"\* Sec. 12. AS 47.45.320 is repealed."**

3

4 Renumber the following bill sections accordingly.

5

6 Page 9, line 12:

7 Delete "sec. 12"

8 Insert "sec. 9"

9

10 Page 9, line 19:

11 Delete "sec. 7"

12 Insert "sec. 4"

13

14 Page 9, line 25, through page 10, line 4:

15 Delete all material and insert:

16 **"\* Sec. 17. The uncodified law of the State of Alaska is amended by adding a new section to**  
17 **read:**

18 **RETROACTIVITY AND REVIVAL. If secs. 1 - 12 of this Act take effect after**  
19 **June 30, 2007,**

20 **(1) AS 47.45.300 - 47.45.390, as amended by this Act, the repeal of**  
21 **AS 47.45.320, and secs. 11, 12, and 14 of this Act, are retroactive to June 30, 2007; and**

22 **(2) AS 47.45.300, 47.45.310, 47.45.330, 47.45.340, 47.45.350, 47.45.360, and**  
23 **47.45.390, as amended by this Act, are revived.**

24 **\* Sec. 18. Sections 15, 16(b), and 17 of this Act take effect immediately under**  
25 **AS 01.10.070(c).**

26 **\* Sec. 19. Except as provided in sec. 18 of this Act, this Act takes effect June 30, 2007."**

# 2007 HOUSE FINANCE COMMITTEE VOTE SHEET

DATE: 4-3-07

Amendment: 3

MEMBER

Favor

Oppose

JOULE		✓
KELLY		✓
NELSON		✓
STOLTZE		
THOMAS		✓
CRAWFORD	✓	
FOSTER		✓
GARA	✓	
HAWKER		✓
CHENAULT		✓
MEYER		✓

*about*

Yea 2

Nay 8

*failed 4-6*

AMENDMENT

4

OFFERED IN THE HOUSE

BY REPRESENTATIVE KELLY

TO: CS HB 198

Work Draft 25-LS0714E AS AMENDED

- 1 Page 5, line 8:
- 2 Delete "175"
- 3 Insert "150"
- 4
- 5 Page 6, line 1,
- 6 Delete "175"
- 7 Insert "150"
- 8
- 9 Page 7, line 2,
- 10 Delete "175"
- 11 Insert "150"
- 12
- 13 Page 7, line 15
- 14 Delete "175"
- 15 Insert "150"
- 16

# 2007 HOUSE FINANCE COMMITTEE VOTE SHEET

DATE: 4-3-07

Amendment: Amend. 4

MEMBER

Favor

Oppose

*absent*

KELLY	✓	
NELSON		✓
STOLTZE		
THOMAS		✓
CRAWFORD		✓
FOSTER	✓	
GARA		✓
HAWKER		✓
JOULE		✓
MEYER	✓	
CHENAULT	✓	

Yea 4

Nay 6

*Withdrawn*

AMENDMENT 5

OFFERED IN THE HOUSE

BY REPRESENTATIVE GARA

TO: CSHB 198( ), Draft Version "E"

1 Page 1, line 3, following "age":

2 Insert ", for pregnant women, and for disabled persons; relating to the poverty  
3 guideline and cost sharing for certain recipients of medical assistance"

4

5 Page 4, lines 29 - 31:

6 Delete "official poverty line applicable to a family of that size according to the federal  
7 Office of Management and Budget"

8 Insert "federal poverty guideline for Alaska set by the United States Department  
9 of Health and Human Services [OFFICIAL POVERTY LINE] applicable to a family of that  
10 size [ACCORDING TO THE FEDERAL OFFICE OF MANAGEMENT AND BUDGET]"

11

12 Page 5, line 31, through page 6, line 11:

13 Delete all material and insert:

14 "(14) pregnant women who are not covered under (a) of this section  
15 and whose household income does not exceed 175 percent of the federal poverty  
16 guideline for Alaska set by the United States Department of Health and Human  
17 Services

18 [(A) \$2,208 A MONTH IF THE HOUSEHOLD CONSISTS  
19 OF TWO PERSONS;

20 (B) \$2,782 A MONTH IF THE HOUSEHOLD CONSISTS OF  
21 THREE PERSONS;

22 (C) \$3,355 A MONTH IF THE HOUSEHOLD CONSISTS OF  
23 FOUR PERSONS;

1 (D) \$3,928 A MONTH IF THE HOUSEHOLD CONSISTS OF  
2 FIVE PERSONS;

3 (E) \$4,501 A MONTH IF THE HOUSEHOLD CONSISTS OF  
4 SIX PERSONS;

5 (F) \$5,074 A MONTH IF THE HOUSEHOLD CONSISTS OF  
6 SEVEN PERSONS;

7 (G) \$5,647 A MONTH IF THE HOUSEHOLD CONSISTS OF  
8 EIGHT PERSONS;

9 (H) \$5,647 A MONTH, PLUS AN ADDITIONAL \$574 A  
10 MONTH FOR EACH EXTRA PERSON ABOVE EIGHT PERSONS WHO  
11 IS IN THE HOUSEHOLD IF THE HOUSEHOLD CONSISTS OF NINE  
12 PERSONS OR MORE];"

13  
14 Page 6, following line 13:

15 Insert new bill sections to read:

16 **\*\* Sec. 6. AS 47.07 is amended by adding a new section to read:**

17 **Sec. 47.07.022. Extended medical assistance coverage for children; costs.**

18 (a) In addition to the persons specified in AS 47.07.020, a person who resides in the  
19 state and who meets the criteria under (b) of this section is eligible for extended  
20 medical assistance coverage equivalent to the mandatory and optional services  
21 described under AS 47.07.030 if the person submits an annual application and  
22 contribution as specified in (c) of this section.

23 (b) The department shall administer a program of extended medical assistance  
24 coverage for a person who is under 19 years of age and whose household income is  
25 between 200 and 350 percent of the federal poverty guideline for Alaska set by the  
26 United States Department of Health and Human Services.

27 (c) The program administered under this section must include an annual  
28 application and sliding scale contribution, payable under terms specified in regulations  
29 adopted by the department. The regulations must

30 (1) include the option of an assignment of an applicant's permanent  
31 fund dividend and the permanent fund dividend of a parent, legal guardian, or other

1 authorized representative of an applicant; and

2 (2) set the contribution amount for an applicant in an amount that,  
3 except as provided in (d) and (e) of this section, is not more than one-half percent of  
4 the federal poverty guideline for Alaska for the annual household income of a family  
5 of two if the applicant's income is between 200 percent and 225 percent of the federal  
6 poverty guideline for Alaska, and increases progressively to not more than three  
7 percent for an annual household income for a family of two that is between 300  
8 percent and 350 percent of the federal poverty guideline for Alaska.

9 (d) In addition to the annual contribution established under (c) of this section,  
10 the department may impose a copayment of not more than 20 percent of medical  
11 services and prescription drug costs covered under the program for a person whose  
12 household income is between 250 and 350 percent of the federal poverty guideline for  
13 Alaska.

14 (e) Except as provided in (f) of this section, the department may set the  
15 contribution amount for an applicant in an amount less than the amount specified in  
16 (c) and (d) of this section if a lesser amount is required to obtain federal approval for  
17 the maximum level of federal financial participation in the state's program under 42  
18 U.S.C. 1396 - 1396v (Title XIX, Social Security Act) or 42 U.S.C. 1397aa - 1397jj  
19 (Title XXI, Social Security Act), whichever is applicable.

20 (f) The department may not provide for a contribution amount less than the  
21 amounts provided in (c) and (d) of this section for an applicant whose household  
22 income is not less than 250 percent of the federal poverty guideline for Alaska and  
23 who qualifies for coverage under a separate health insurance policy if the policy  
24 provides coverage that is equivalent to the coverage available under AS 47.07.030 for  
25 that applicant.

26 (g) The department may limit or exclude a person's eligibility for coverage  
27 under this section by regulation for an applicant who qualifies for coverage, with or  
28 without payment of an insurance premium, under a separate health insurance policy if  
29 the policy

30 (1) provides coverage that is equivalent to the coverage available under  
31 AS 47.07.030 for the applicant;

1 (2) is provided at a cost that does not create an undue hardship for the  
 2 applicant or the applicant's family; the department shall describe in regulation the  
 3 standards for finding an undue hardship; and

4 (3) would exclude an applicant from coverage under 42 U.S.C. 1396 -  
 5 1396v (Title XIX, Social Security Act) or 42 U.S.C. 1397aa - 1397jj (Title XXI,  
 6 Social Security Act) or otherwise jeopardize federal approval of the state plan  
 7 submitted under this section.

8 (h) The department may adopt regulations necessary to implement this  
 9 section.

10 \* Sec. 7. AS 47.07.042(d) is amended to read:

11 (d) In addition to the requirements established under (a) and (b) of this section,  
 12 the department shall [MAY] require premiums or cost-sharing contributions from  
 13 recipients who are eligible for benefits under AS 47.07.022. The  
 14 [AS 47.07.020(b)(13) AND WHOSE HOUSEHOLD INCOME IS GREATER THAN  
 15 THE APPLICABLE AMOUNT SET OUT IN (f) OF THIS SECTION. IF THE  
 16 DEPARTMENT REQUIRES PREMIUMS OR COST-SHARING  
 17 CONTRIBUTIONS UNDER THIS SUBSECTION, THE] department

18 (1) shall adopt in regulation a sliding scale for those premiums or  
 19 contributions based on household income;

20 (2) may not exceed the maximums allowed under federal law; and

21 (3) shall implement a system by which the department or its designee  
 22 collects those premiums or contributions."  
 23

24 Renumber the following bill sections accordingly.

25  
 26 Page 9, following line 6:

27 Insert a new bill section to read:

28 "\*\* Sec. 19. AS 47.07.042(f) is repealed."  
 29

30 Renumber the following bill sections accordingly.

31

1 Page 9, following line 7:

2 Insert a new bill section to read:

3 **\*\* Sec. 21.** The uncodified law of the State of Alaska is amended by adding a new section to  
4 read:

5 NOTIFICATION OF FEDERAL APPROVAL. The commissioner of health and  
6 social services shall notify the revisor of statutes when federal approval under sec. 23 of this  
7 Act is obtained."

8

9 Renumber the following bill sections accordingly.

10

11 Page 9, line 12:

12 Delete "sec. 12"

13 Insert "sec. 14"

14

15 Page 9, line 19:

16 Delete "sec. 7"

17 Insert "sec. 9"

18

19 Page 9, line 22, following "proceed":

20 Insert "to seek federal approval and"

21

22 Page 9, line 27:

23 Delete "secs. 1 - 17"

24 Insert "secs. 1 - 5, 8 - 18, and 20"

25

26 Page 9, line 30:

27 Delete "secs. 14, 15, and 17"

28 Insert "secs. 16, 17, and 20"

29

30 Page 10, line 2:

31 Delete "Sections 18, 19(b), and 20"

1           Insert "Sections 21, 22, 23(b), and 24"

2

3   Page 10, following line 3:

4           Insert a new bill section to read:

5       "\* **Sec. 26.** Sections 6, 7, and 19 of this Act take effect six months from the effective date of  
6   sec. 23 of this Act or upon the approval of the changes necessitated by secs. 6 and 7 of this  
7   Act by the United States Department of Health and Human Services, whichever is later."

8

9   Renumber the following bill section accordingly.

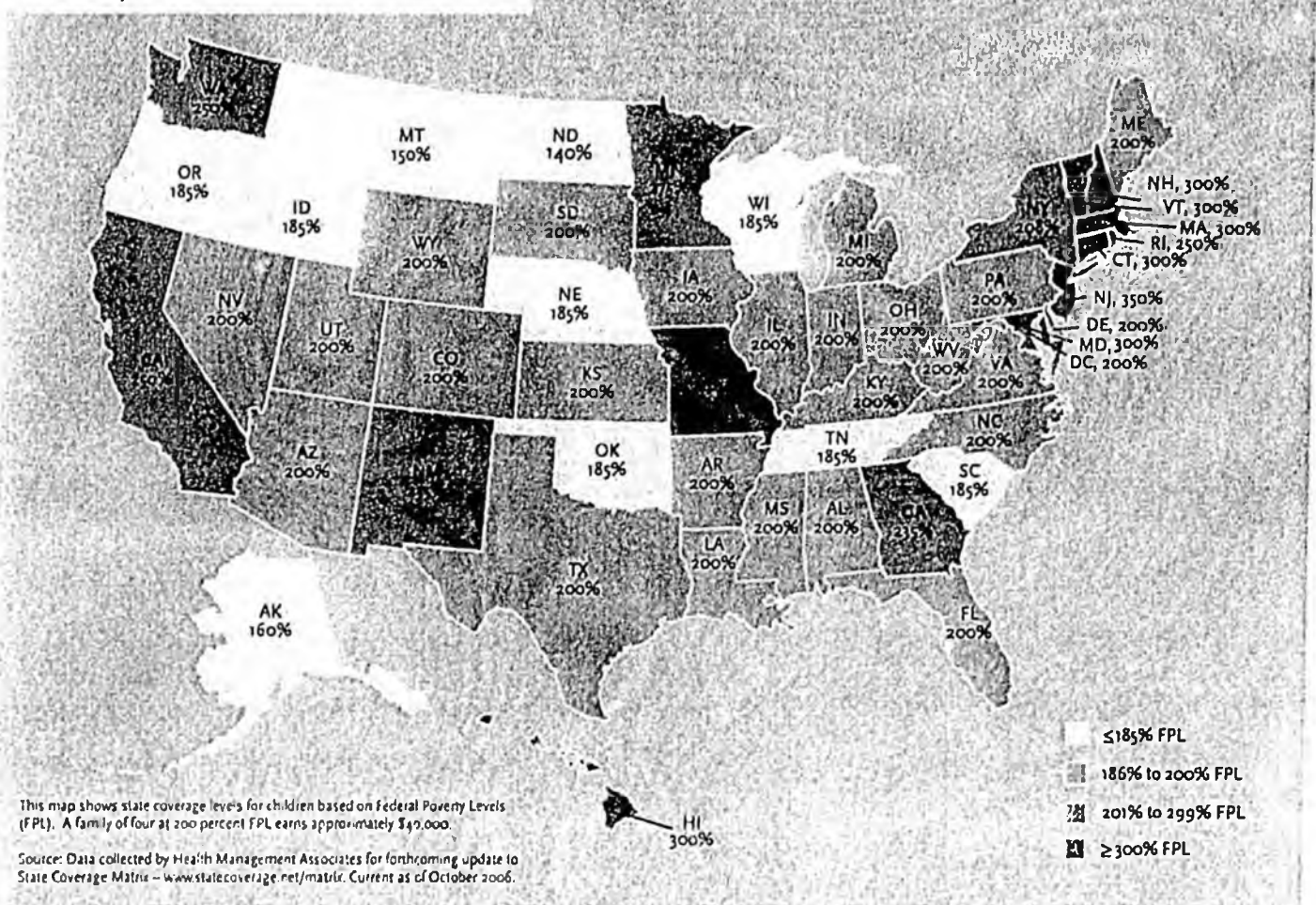
10

11   Page 10, line 4:

12           Delete "sec. 21"

13           Insert "secs. 25 and 26"

FIGURE 7 COVERAGE LEVELS FOR CHILDREN



premium assistance program or an individual plan. O-EPIC is funded by state general fund revenues generated by a tobacco tax, along with federal matching funds under Title XIX and employer and employee contributions.

The Premium Assistance program, launched in November 2005, helps qualified employees in small businesses of 50 or fewer employees purchase health insurance coverage through their employer. The employer works with an insurance agent to choose a qualified private health plan to offer its employees. The Premium Assistance program pays 60 percent of the health insurance premium for qualified employees with incomes below 185

percent FPL and 85 percent of the premium for the qualified enrollee's spouse. Employers are expected to contribute 25 percent of the employee's premium and employees are expected to contribute up to 15 percent for themselves and 15 percent for their spouses.

The Individual Plan will be launched shortly and is designed as a safety net health plan for qualified individuals with incomes below 185 percent FPL and who are ineligible to participate in O-EPIC Premium Assistance. The Individual Plan includes self-employed individuals not eligible for small group health coverage; workers at small businesses who are either not eligible

to participate in their employer's health plan or whose employer does not offer a qualified health plan; and unemployed individuals who are currently seeking work. The Individual Plan also provides coverage to working individuals with a disability whose income exceeds the Medicaid eligibility level but is below 200 percent FPL, and who meet "ticket to work" requirements.<sup>31</sup> The Individual Plan provides coverage through private managed care plans that also serve the Medicaid program; however, the benefit package is less comprehensive than Medicaid or most products offered in the commercial market.

Avg Premium = \$1565 (871 to 2324 equally weighted).  
 Eliminated number enrolled 301-350% FPG (coverage ends at 300%).  
 Premiums start at 201%. Co-Pays begin at 250%.

Dept Medicaid Total	2008	2009	2010	2011	2012	2013
Cost of Services	0	11,284.2	12,254.7	13,308.6	14,453.1	15,696.1
Copays	0	-571.4	-620.5	-673.9	-731.8	-794.8
Medicaid Claims Net Cost	0	10,712.9	11,634.2	12,634.7	13,721.3	14,901.3
Premiums	0	-2,663.6	-2,663.6	-2,663.6	-2,663.6	-2,663.6
Total Adjusted Costs	0	8,049.2	8,970.5	9,971.1	11,057.7	12,237.7
Federal Match (Title XIX fmap) on net claims reduced by premiums	0	4,226.7	4,543.6	4,985.5	5,528.8	6,118.8
General Funds	0	3,822.6	4,427.0	4,985.5	5,528.8	6,118.8

HCS Medicaid Component	2008	2009	2010	2011	2012	2013
Cost of Services	0	8,013.3	8,702.4	9,450.8	10,263.6	11,146.2
Copays	0	-380.9	-413.7	-449.3	-487.9	-529.9
Medicaid Claims Net Cost	0	7,632.3	8,288.7	9,001.5	9,775.7	10,616.4
Premiums	0	-2,663.6	-2,663.6	-2,663.6	-2,663.6	-2,663.6
Total Adjusted Costs	0	4,968.7	5,625.1	6,337.9	7,112.0	7,952.8
Federal Match (Title XIX fmap) on net claims reduced by premiums	0	2,609.1	2,849.1	3,169.0	3,556.0	3,976.4
General Funds	0	2,359.6	2,776.0	3,169.0	3,556.0	3,976.4

DBH Medicaid Component	2008	2009	2010	2011	2012	2013
Cost of Services	0	3,271.0	3,552.3	3,857.8	4,189.6	4,549.9
Copays	0	-190.5	-206.8	-224.6	-243.9	-264.9
Medicaid Claims Net Cost	0	3,080.5	3,345.5	3,633.2	3,945.6	4,284.9
Premiums	0	0.0	0.0	0.0	0.0	0.0
Total Adjusted Costs	0	3,080.5	3,345.5	3,633.2	3,945.6	4,284.9
Federal Match (Title XIX fmap) on net claims reduced by premiums	0	1,617.6	1,694.5	1,816.6	1,972.8	2,142.5
General Funds	0	1,462.9	1,651.0	1,816.6	1,972.8	2,142.5

Federal Government pays approx 70% of their costs

Per original bill, premiums begin at 201% and copays begin at 250%

	% of Alaska Federal Poverty Level for a Family of 4	Annual Premium (1-3% of Family Income)	Average Total Spent on 20% Co-Pay	DRA: max cost sharing is 5% of family income	Total Paid by Enrollee	Estimated Average Total Cost of Services	Estimated Average Government Costs Per Enrollee	% Paid by Enrollee	% Paid by Government
SCHIP eligible, no premium or	100	\$25,820	\$0	\$1,291	\$0	\$1,387	\$1,387	0%	100%
	200	\$51,640	\$0	\$2,582	\$0	\$1,387	\$1,387	0%	100%
201-224	225	\$58,095	\$871	\$2,905	\$871	\$2,900	\$2,029	30%	70%
225-249	250	\$64,550	\$1,291	\$3,228	\$1,871	\$2,900	\$1,029	65%	35%
250-274	275	\$71,001	\$1,775	\$3,550	\$2,355	\$2,900	\$545	81%	19%
275-300	300	\$77,460	\$2,324	\$3,873	\$2,904	\$2,900	\$0	100%	0%

Average Gov't (Fed plus GF) Cost per enrollee, expansion 201-300% FPG only

\$901

Per Sydean estimate, with premiums and copays assessed even at 200%

	% of Alaska Federal Poverty Level for a Family of 4	Annual Premium (1-3% of Family Income)	Average Total Spent on 20% Co-Pay	DRA: max cost sharing is 5% of family income	Total Paid by Enrollee	Estimated Average Total Cost of Services	Estimated Average Government Costs Per Enrollee	% Paid by Enrollee	% Paid by Government
SCHIP eligible, no premium or	100	\$25,820	\$0	\$1,291	\$0	\$1,387	\$1,387	0%	100%
	200	\$51,640	\$516	\$2,582	\$793	\$1,387	\$594	57%	100%
201-224	225	\$58,095	\$871	\$2,905	\$1,451	\$2,900	\$1,449	50%	50%
225-249	250	\$64,550	\$1,291	\$3,228	\$1,871	\$2,900	\$1,029	65%	35%
250-274	275	\$71,001	\$1,775	\$3,550	\$2,355	\$2,900	\$545	81%	9%
275-300	300	\$77,460	\$2,324	\$3,873	\$2,904	\$2,900	-\$4	100%	0%

Average Gov't (Fed plus GF) Cost per enrollee, expansion 201-300% FPG only

\$723

Sydean Note: The lowest annual cost of comparable private insurance we found is \$3,612 per child (Premier Blue Cross)

adopted 4/2/07

25-LS0714E  
Mischel  
3/30/07

**CS FOR HOUSE BILL NO. 198( )**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTY-FIFTH LEGISLATURE - FIRST SESSION**

**BY**

**Offered:  
Referred:**

**Sponsor(s): REPRESENTATIVES HAWKER, Harris, Coghill, Samuels, Chenault, Meyer, Foster, Doogan,  
Fairclough, Thomas, Wilson, Nelson, LeDoux**

**A BILL**

**FOR AN ACT ENTITLED**

1. **"An Act establishing the Alaska senior benefits payment program; repealing the senior**  
2 **care and longevity bonus payment programs; amending medical assistance income**  
3 **eligibility limits for persons under 19 years of age; and providing for an effective date."**

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

5 **\* Section 1. AS 09.38.015(a) is amended to read:**

6 (a) An individual is entitled to exemption of the following property:

7 (1) a burial plot for the individual and the individual's family;

8 (2) health aids reasonably necessary to enable the individual or a  
9 dependent to work or to sustain health;

10 (3) benefits paid or payable for medical, surgical, or hospital care to  
11 the extent they are or will be used to pay for the care;

12 (4) an award under AS 18.67 (Violent Crimes Compensation Board) or  
13 a crime victim's reparations act of another jurisdiction;

14 (5) benefits paid or payable as a longevity bonus under former

1           AS 47.45.010 - 47.45.160 [AS 47.45];

2                           (6) compensation or benefits paid or payable and exempt under federal  
3 law;

4                           (7) liquor licenses granted under AS 04;

5                           (8) tuition credit or savings accounts under a higher education savings  
6 account established under AS 14.40.802 or an advance college tuition savings contract  
7 authorized under AS 14.40.809(a);

8                           (9) a permanent fund dividend to the extent allowed under  
9 AS 43.23.065;

10                          (10) benefits paid or payable as a senior benefits [CARE] benefit  
11 under AS 47.45.300 - 47.45.390.

12 \* Sec. 2. AS 18.56.850(b) is amended to read:

13                          (b) In the development of a home energy conservation or weatherization  
14 program under (a) of this section, the corporation may not consider the value of  
15 [ALASKA LONGEVITY BONUS PAYMENTS UNDER AS 47.45 OR] permanent  
16 fund dividends under AS 43.23 in determining whether a person meets income  
17 guidelines established under AS 18.56.088 and (a) of this section for a state or, to the  
18 extent permitted by federal law, a federal energy conservation or weatherization  
19 program.

20 \* Sec. 3. AS 37.05.146(c)(80) is amended to read:

21                          (80) the Alaska senior benefits [SENIOR CARE] fund  
22 (AS 47.45.360);

23 \* Sec. 4. AS 44.99.205(c)(3) is amended to read:

24                          (3) "program" includes the permanent fund dividend program under  
25 AS 43.23 [AND THE LONGEVITY BONUS PROGRAM UNDER AS 47.45];

26 \* Sec. 5. AS 47.07.020(b) is amended to read:

27                          (b) In addition to the persons specified in (a) of this section, the following  
28 optional groups of persons for whom the state may claim federal financial  
29 participation are eligible for medical assistance:

30                           (1) persons eligible for but not receiving assistance under any plan of  
31 the state approved under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act,

1 Supplemental Security Income) or a federal program designated as the successor to the  
2 aid to families with dependent children program;

3 (2) persons in a general hospital, skilled nursing facility, or  
4 intermediate care facility, who, if they left the facility, would be eligible for assistance  
5 under one of the federal programs specified in (1) of this subsection;

6 (3) persons under 21 years of age who are under supervision of the  
7 department, for whom maintenance is being paid in whole or in part from public  
8 funds, and who are in foster homes or private child-care institutions;

9 (4) aged, blind, or disabled persons, who, because they do not meet  
10 income and resources requirements, do not receive supplemental security income  
11 under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act), and who do not  
12 receive a mandatory state supplement, but who are eligible, or would be eligible if  
13 they were not in a skilled nursing facility or intermediate care facility to receive an  
14 optional state supplementary payment;

15 (5) persons under 21 years of age who are in an institution designated  
16 as an intermediate care facility for the mentally retarded and who are financially  
17 eligible as determined by the standards of the federal program designated as the  
18 successor to the aid to families with dependent children program;

19 (6) persons in a medical or intermediate care facility whose income  
20 while in the facility does not exceed \$1,656 a month but who would not be eligible for  
21 an optional state supplementary payment if they left the hospital or other facility;

22 (7) persons under 21 years of age who are receiving active treatment in  
23 a psychiatric hospital and who are financially eligible as determined by the standards  
24 of the federal program designated as the successor to the aid to families with  
25 dependent children program;

26 (8) persons under 21 years of age and not covered under (a) of this  
27 section, who would be eligible for benefits under the federal program designated as  
28 the successor to the aid to families with dependent children program, except that they  
29 have the care and support of both their natural and adoptive parents;

30 (9) pregnant women not covered under (a) of this section and who  
31 meet the income and resource requirements of the federal program designated as the

1 successor to the aid to families with dependent children program;

2 (10) persons under 21 years of age not covered under (a) of this section  
3 who the department has determined cannot be placed for adoption without medical  
4 assistance because of a special need for medical or rehabilitative care and who the  
5 department has determined are hard-to-place children eligible for subsidy under  
6 AS 25.23.190 - 25.23.210;

7 (11) persons who can be considered under 42 U.S.C. 1396a(e)(3) (Title  
8 XIX, Social Security Act, Medical Assistance) to be individuals with respect to whom  
9 a supplemental security income is being paid under 42 U.S.C. 1381 - 1383c (Title  
10 XVI, Social Security Act) because they meet all of the following criteria:

11 (A) they are 18 years of age or younger and qualify as disabled  
12 individuals under 42 U.S.C. 1382c(a) (Title XVI, Social Security Act);

13 (B) the department has determined that

14 (i) they require a level of care provided in a hospital,  
15 nursing facility, or intermediate care facility for the mentally retarded;

16 (ii) it is appropriate to provide their care outside of an  
17 institution; and

18 (iii) the estimated amount that would be spent for  
19 medical assistance for their individual care outside an institution is not  
20 greater than the estimated amount that would otherwise be expended  
21 individually for medical assistance within an appropriate institution;

22 (C) if they were in a medical institution, they would be eligible  
23 for medical assistance under other provisions of this chapter; and

24 (D) home and community-based services under a waiver  
25 approved by the federal government are either not available to them under this  
26 chapter or would be inappropriate for them;

27 (12) disabled persons, as described in 42 U.S.C.  
28 1396a(a)(10)(A)(ii)(XIII), who are in families whose income, as determined under  
29 applicable federal regulations or guidelines, is less than 250 percent of the official  
30 poverty line applicable to a family of that size according to the federal Office of  
31 Management and Budget, and who, but for earnings in excess of the limit established

1 under 42 U.S.C. 1396d(q)(2)(B), would be considered to be individuals with respect to  
2 whom a supplemental security income is being paid under 42 U.S.C. 1381 - 1383c; a  
3 person eligible for assistance under this paragraph who is not eligible under another  
4 provision of this section shall pay a premium or other cost-sharing charges according  
5 to a sliding fee scale that is based on income as established by the department in  
6 regulations;

7 (13) persons under 19 years of age who are not covered under (a) of  
8 this section and whose household income does not exceed 175 percent of the federal  
9 poverty line for Alaska set by the United States Department of Health and  
10 Human Services and revised under 42 U.S.C. 9902(2)

11 [(A) \$1,635 A MONTH IF THE HOUSEHOLD CONSISTS  
12 OF ONE PERSON;

13 (B) \$2,208 A MONTH IF THE HOUSEHOLD CONSISTS OF  
14 TWO PERSONS;

15 (C) \$2,782 A MONTH IF THE HOUSEHOLD CONSISTS OF  
16 THREE PERSONS;

17 (D) \$3,355 A MONTH IF THE HOUSEHOLD CONSISTS OF  
18 FOUR PERSONS;

19 (E) \$3,928 A MONTH IF THE HOUSEHOLD CONSISTS OF  
20 FIVE PERSONS;

21 (F) \$4,501 A MONTH IF THE HOUSEHOLD CONSISTS OF  
22 SIX PERSONS;

23 (G) \$5,074 A MONTH IF THE HOUSEHOLD CONSISTS OF  
24 SEVEN PERSONS;

25 (H) \$5,647 A MONTH IF THE HOUSEHOLD CONSISTS OF  
26 EIGHT PERSONS;

27 (I) \$5,647 A MONTH, PLUS AN ADDITIONAL \$574 A  
28 MONTH FOR EACH EXTRA PERSON ABOVE EIGHT PERSONS WHO  
29 IS IN THE HOUSEHOLD IF THE HOUSEHOLD CONSISTS OF NINE  
30 PERSONS OR MORE];

31 (14) pregnant women who are not covered under (a) of this section and

1 whose household income does not exceed

2 (A) \$2,208 a month if the household consists of two persons;

3 (B) \$2,782 a month if the household consists of three persons;

4 (C) \$3,355 a month if the household consists of four persons;

5 (D) \$3,928 a month if the household consists of five persons;

6 (E) \$4,501 a month if the household consists of six persons;

7 (F) \$5,074 a month if the household consists of seven persons;

8 (G) \$5,647 a month if the household consists of eight persons;

9 (H) \$5,647 a month, plus an additional \$574 a month for each  
10 extra person above eight persons who is in the household if the household  
11 consists of nine persons or more;

12 (15) persons who have been diagnosed with breast or cervical cancer  
13 and who are eligible for coverage under 42 U.S.C. 1396a(a)(10)(A)(ii)(XVIII).

14 \* Sec. 6. AS 47.45.240(c) is amended to read:

15 (c) The commission may not investigate, review, or undertake any  
16 responsibility for [THE LONGEVITY BONUS PROGRAM UNDER AS 47.45.010 -  
17 47.45.160 OR] the Alaska Pioneers' Home or Alaska Veterans' Home under AS 47.55.

18 \* Sec. 7. AS 47.45.300 is repealed and reenacted to read:

19 **Sec. 47.45.300. Alaska senior benefits payment program.** (a) The Alaska  
20 senior benefits payment program is established in the Department of Health and Social  
21 Services to provide cash benefits as far as practicable under appropriations provided  
22 by law.

23 (b) The department shall administer the program and adopt regulations under  
24 AS 44.62 to carry out the purposes of the program.

25 (c) If the department estimates that appropriations for the program are  
26 insufficient to meet the demands of the program in a fiscal year, the department may  
27 reduce or eliminate the cash benefit available to recipients.

28 \* Sec. 8. AS 47.45.310 is repealed and reenacted to read:

29 **Sec. 47.45.310. Cash benefit.** (a) An individual is eligible for a cash benefit  
30 under the program if the individual

31 (1) is 65 years of age or older;

- 1 (2) is a resident of the state;
- 2 (3) has a household income that does not exceed 135 percent of the
- 3 annual federal poverty guidelines for Alaska, as determined by the United States
- 4 Department of Health and Human Services and revised under 42 U.S.C. 9902(2); and
- 5 (4) applies on a form provided by the department; the department may
- 6 use an abbreviated form for an individual who received a payment under an assistance
- 7 program for seniors that paid \$120 a month and was administered by the department
- 8 on or before the effective date of this section.

9 (b) An eligible individual shall receive a monthly cash benefit payment as

10 follows:

- 11 (1) \$250 if the individual's household income does not exceed 75
- 12 percent of the federal poverty guidelines for Alaska;
- 13 (2) \$175 if the individual's household income does not exceed 100
- 14 percent but is above 75 percent of the federal poverty guidelines for Alaska;
- 15 (3) \$125 if the individual's household income does not exceed 175
- 16 percent but is above 100 percent of the federal poverty guidelines for Alaska.

17 \* Sec. 9. AS 47.45.330 is amended to read:

18 **Sec. 47.45.330. Continuation of benefits.** An eligible individual who leaves

19 the state may not receive a cash [ASSISTANCE] benefit under AS 47.45.310 [OR

20 PRESCRIPTION DRUG BENEFIT UNDER AS 47.45.320] during the absence unless

21 the individual's absence is temporary and is for one of the following reasons:

- 22 (1) to receive medical treatment for the individual;
- 23 (2) to accompany the individual's family member who is receiving
- 24 medical treatment outside the state; or
- 25 (3) for a vacation, business trip, or other absence of less than 30
- 26 consecutive days, unless the individual has applied for and received a time extension
- 27 from the department for special circumstances.

28 \* Sec. 10. AS 47.45.340 is amended to read:

29 **Sec. 47.45.340. Appeal rights.** An individual who receives a determination

30 from the department that denies, limits, or modifies a cash [ASSISTANCE] benefit

31 [OR PRESCRIPTION DRUG BENEFIT] under AS 47.45.300 - 47.45.390, other than

1 a determination under AS 47.45.300(c) to reduce or eliminate benefits, may request a  
2 hearing before the department under regulations adopted by the department.

3 \* Sec. 11. AS 47.45.350 is amended to read:

4 **Sec. 47.45.350. Ability to recover or recoup improper assistance or**  
5 **benefits.** An individual is liable to the department for the value of assistance or  
6 benefits improperly paid to the person under AS 47.45.310 or former AS 47.45.320  
7 [47.45.320] if the improper payment was based on inaccurate or incomplete  
8 information provided by the individual. In a civil action brought by the state to recover  
9 from the individual the value of assistance or benefits improperly paid under  
10 AS 47.45.310 or former AS 47.45.320 [47.45.320], the state may recover from the  
11 individual the costs of investigation and prosecution of the civil action, including  
12 attorney fees as determined under court rules.

13 \* Sec. 12. AS 47.45.360 is repealed and reenacted to read:

14 **Sec. 47.45.360. Alaska senior benefits fund.** The Alaska senior benefits fund  
15 is established as an account in the general fund. The fund shall be used by the  
16 commissioner of health and social services to pay for costs incurred in the provision of  
17 senior services under AS 47.45.300 - 47.45.390. The fund consists of

18 (1) money in the former senior care fund established in sec. 2, ch. 89,  
19 SLA 2005;

20 (2) appropriations to the Alaska senior benefits fund; and

21 (3) any appropriation of interest earned on money in the Alaska senior  
22 benefits fund.

23 \* Sec. 13. AS 47.45.390(2) is amended to read:

24 (2) "eligible individual" means an individual who meets the  
25 requirements of AS 47.45.310 [OR 47.45.320] and regulations adopted under that  
26 statute [THOSE STATUTES] for eligibility for the program;

27 \* Sec. 14. The uncodified law of the State of Alaska enacted in sec. 9, ch. 89, SLA 2005, is  
28 amended to read:

29 **Sec. 9. FUND REVERSION.** The unobligated, unencumbered, and  
30 unappropriated balance of the Alaska senior care fund established in AS 47.45.360,  
31 added by sec. 2, ch. 89, SLA 2005 [OF THIS ACT], reverts to the unrestricted

1 [UNRESERVED] general fund on June 30, 2011 [2007].

2 \* Sec. 15. AS 44.64.030(a)(34), AS 47.08.060(c)(8); AS 47.45.010, 47.45.020, 47.45.030,  
3 47.45.040, 47.45.050, 47.45.060, 47.45.070, 47.45.080, 47.45.100, 47.45.110, 47.45.120,  
4 47.45.122, 47.45.130, 47.45.140, 47.45.150, 47.45.160, and 47.45.320 are repealed.

5 \* Sec. 16. AS 09.38.015(a)(10); AS 37.05.146(c)(80); AS 47.45.300, 47.45.310, 47.45.330,  
6 47.45.340, 47.45.350, 47.45.360, and 47.45.390 are repealed June 30, 2011.

7 \* Sec. 17. Sections 4, 5, 6, and 7, ch. 89, SLA 2005, are repealed.

8 \* Sec. 18. The uncodified law of the State of Alaska is amended by adding a new section to  
9 read:

10 TRANSITION: TRANSFER OF ASSETS FROM THE ALASKA SENIOR CARE  
11 FUND. Subject to appropriation, the assets of the senior care fund established by sec. 2, ch.  
12 89, SLA 2005, are transferred to the Alaska senior benefits fund established by sec. 12 of this  
13 Act.

14 \* Sec. 19. The uncodified law of the State of Alaska is amended by adding a new section to  
15 read:

16 TRANSITION: REGULATIONS. (a) To the extent the regulations are not  
17 inconsistent with this Act, regulations adopted by the Department of Health and Social  
18 Services to provide cash assistance of \$120 a month to seniors that were in effect on the  
19 effective date of sec. 7 of this Act, remain applicable and in effect as valid regulations until  
20 the Department of Health and Social Services adopts regulations under this Act and those  
21 regulations take effect under AS 44.62.

22 (b) The Department of Health and Social Services may proceed to adopt regulations  
23 to implement the changes made by this Act. The regulations take effect under AS 44.62  
24 (Administrative Procedure Act), but not before the effective date of the statutory changes.

25 \* Sec. 20. The uncodified law of the State of Alaska is amended by adding a new section to  
26 read:

27 RETROACTIVITY AND REVIVAL. If secs. 1 - 17 of this Act take effect after  
28 June 30, 2007,

29 (1) AS 47.45.300 - 47.45.390, as amended by this Act, the repeal of  
30 AS 47.45.320, and secs. 14, 15, and 17 of this Act, are retroactive to June 30, 2007; and

31 (2) AS 47.45.300, 47.45.310, 47.45.330, 47.45.340, 47.45.350, 47.45.360, and

1 47.45.390, as amended by this Act, are revived.

2 \* Sec. 21. Sections 18, 19(b), and 20 of this Act take effect immediately under  
3 AS 01.10.070(c).

4 \* Sec. 22. Except as provided in sec. 21 of this Act, this Act takes effect June 30, 2007.

HB 198

4-2-07  
Adopted

AMENDMENT |

OFFERED IN THE HOUSE

BY REPRESENTATIVE HAWKER

TO: CS HB 198 (Work Draft 25-LS0714E)

1 Page 4, lines 30 through 31

2 Delete all material

3 Insert "poverty line applicable to a family of that size according to the United States

4 Department of Health and Human Services [FEDERAL OFFICE OF

5 MANAGEMENT AND BUDGET], and who, but for earnings in excess of the limit  
6 established"

7  
8 Page 6, lines 1 through 11

9 Delete all material

10 Insert " whose household income does not exceed 175 percent of the federal poverty  
11 guideline as defined by the United States Department of Health and Human Services  
12 and revised under 42 U.S.C. 9902(2)

13 [(A) \$2,208 A MONTH IF THE HOUSEHOLD CONSISTS OF TWO PERSONS;

14 (B) \$2,782 A MONTH IF THE HOUSEHOLD CONSISTS OF THREE PERSONS;

15 (C) \$3,355 A MONTH IF THE HOUSEHOLD CONSISTS OF FOUR PERSONS;

16 (D) \$3,928 A MONTH IF THE HOUSEHOLD CONSISTS OF FIVE PERSONS;

17 (E) \$4,501 A MONTH IF THE HOUSEHOLD CONSISTS OF SIX PERSONS;

18 (F) \$5,074 A MONTH IF THE HOUSEHOLD CONSISTS OF SEVEN PERSONS;

19 (G) \$5,647 A MONTH IF THE HOUSEHOLD CONSISTS OF EIGHT PERSONS;

20 (H) \$5,647 A MONTH, PLUS AN ADDITIONAL \$574 A MONTH FOR EACH

21 EXTRA PERSON ABOVE EIGHT PERSONS WHO IS IN THE

22 HOUSEHOLD IF THE HOUSEHOLD CONSISTS OF NINE PERSONS OR

23 MORE];"

24  
25 Page 7, line 2, following "exceed"

26 Delete "135"

27 Insert "175"

4-2-07

25-LS0714A.2  
Mischel  
4/2/07

Failed 2-6

AMENDMENT 2

OFFERED IN THE HOUSE  
TO: HB 198

BY REPRESENTATIVE GARA

- 1 Page 1, line 2:
- 2 Delete "and longevity bonus payment programs"
- 3 Insert "program; relating to reapplications for the Alaska longevity bonus
- 4 program"
- 5
- 6 Page 1, line 14:
- 7 Delete "former"
- 8
- 9 Page 2, lines 12 - 19:
- 10 Delete all material.
- 11
- 12 Renumber following bill sections accordingly.
- 13
- 14 Page 2, lines 23 - 29:
- 15 Delete all material.
- 16
- 17 Renumber the following bill sections accordingly.
- 18
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- 20
- 21
- 22 Page 3, following line 16:
- 23 Insert a new paragraph to read:

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"(4) has not received a longevity bonus payment under AS 47.45.010 -  
47.45.160 for the same period; and"

Renumber the following paragraph accordingly.

Page 5, lines 8 - 13:

Delete all material.

Renumber the following bill sections accordingly.

Page 5, lines 20 - 22:

Delete all material and insert:

"\* Sec. 11. AS 47.45.320 is repealed.

\* Sec. 12. AS 09.38.015(a)(10); AS 37.05.146(c)(80); AS 47.45.300, 47.45.310, 47.45.330,  
47.45.340, 47.45.350, 47.45.360, and 47.45.390 are repealed June 30, 2011.

\* Sec. 13. Sections 4, 5, 6, and 7, ch. 89, SLA 2005, are repealed."

Renumber the following bill sections accordingly.

Page 5, line 27:

Delete "sec. 11"

Insert "sec. 8"

Page 6, line 3:

Delete "sec. 6"

Insert "sec. 8"

Page 6, lines 9 - 19:

Delete all material and insert:

"\* Sec. 16. The uncodified law of the State of Alaska is amended by adding a new section

1 to read:

2 REAPPLICATION FOR LONGEVITY BONUS. (a) Notwithstanding AS 47.45.020  
3 and the requirement under AS 47.45.010(a) that applications for longevity bonus payments  
4 must be filed not later than December 31, 1996, a person may file a longevity bonus  
5 reapplication if the person

6 (1) qualified to receive a monthly longevity bonus payment under  
7 AS 47.45.010(a) before January 1, 1997;

8 (2) was eligible for a longevity bonus for June of 2003 or did not receive that  
9 bonus solely as a result of complying with AS 47.45.030(a); and

10 (3) is a resident and has maintained continuous state residency during the  
11 period between June 30, 2003, and the date the reapplication is filed.

12 (b) A reapplication under this section must be filed with the commissioner of health  
13 and social services before January 1, 2008. The Department of Health and Social Services  
14 shall prepare a reapplication form for use under this section and may require evidence of  
15 eligibility for a longevity bonus as part of the reapplication process.

16 (c) If the Department of Health and Social Services determines that a person who  
17 reapplies meets the requirements of (a) of this section and is otherwise eligible under  
18 AS 47.45.030(c) and 47.45.070, the amount of the person's monthly bonus shall be the  
19 amount the person was eligible to receive under AS 47.45.010(a)(1) - (4).

20 \* Sec. 17. The uncodified law of the State of Alaska is amended by adding a new section to  
21 read:

22 RETROACTIVITY AND REVIVAL. If secs. 1 - 11 of this Act take effect after  
23 June 30, 2007,

24 (1) AS 47.45.300 - 47.45.390, as amended by this Act, the repeal of  
25 AS 47.45.320, and secs. 10, 11, and 13 of this Act, are retroactive to June 30, 2007; and

26 (2) AS 47.45.300, 47.45.310, 47.45.320, 47.45.340, 47.45.350, 47.45.360, and  
27 47.45.390, as amended by this Act, are retroactive to June 30, 2007.

28 \* Sec. 18. Sections 14, 15(a), and 17 of this Act take effect immediately, and  
29 AS 01.10.070(c).

30 \* Sec. 19. Section 16 of this Act takes effect July 1, 2007.

31 \* Sec. 20. Except as provided in secs. 18 and 19 of this Act, this Act takes effect June 30.

1 2007."

## House Bill 198 Sectional Analysis

Prepared by Representative Mike Hawker's Office

- Sections 1-5:** These sections correct references to the senior care and longevity bonus programs to reflect the new senior assistance program.
- Section 6:** Establishes the senior assistance payment program and specifies the duties for the Department of Health and Social Services with respect to the program.
- Section 7:** Specifies the qualifications for entrants to the senior assistance program, the process for application, and the amount of payment.
- Section 8:** Specifies the residency requirements for program participants and removes a reference to the senior care prescription drug program, which is repealed in this bill.
- Sections 9,10, 12:** Remove or correct references to the senior care prescription drug program, which is repealed in this bill.
- Section 11:** Establishes the Alaska senior assistance fund, which is used by the Department of Health and Social Services to make senior assistance payments.
- Sections 13-14:** Provide a sunset date for the Alaska senior assistance program in 2011 and make technical corrections to the uncodified law of the State of Alaska enacted by Ch. 89, SLA 2005 (HB 106).
- Section 15:** Repeals the longevity bonus program (44.64.030(a)(34), 47.08.060(c)(8), 47.45.010-47.45.160) and the previous senior care prescription drug benefit (47.45.320).
- Section 16:** Transfers any remaining assets from the senior care program to the senior assistance program.
- Section 17:** Provides authority for the Department of Health and Social Services to adopt regulations and specifies that the current regulations stay in effect until the new regulations are effective.
- Section 18-20:** Effective date provisions to make the senior assistance program take effect June 30, 2007.

## Senior Benefits Payments Proposed Plan

*Revised 4/2/2007 2:31 pm*

Benefit Amount	% FPL-A	Income Level	
\$250	<75%	\$0 - \$9,578	Individual
		\$0 - \$12,840	Couple
\$175	75%-100%	>\$9,578 - \$12,770	Individual
		>\$12,840 - \$17,120	Couple
\$125	100%-175%	>\$17,120 - \$22,348	Individual
		>\$17,120 - \$29,960	Couple

FPL-A	75%	100%	175%
Individual	\$9,578	\$12,770	\$22,348
Couple	\$12,840	\$17,120	\$29,960

*W. Ryan F. W.*

# Representative Mike Hawker

## Alaska State Legislature



### *Session:*

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Juneau, AK 99801  
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Anchorage, AK 99501  
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### *Member:*

House Finance Committee  
Legislative Budget  
& Audit Committee

### *House District 32:*

Eagle River  
Anchorage  
Rainbow  
Indian  
Bied  
Cimblewood  
Porong  
Whittier  
Summit  
Hope

## Changes between HB 198 and CS HB 198 (Work Draft 25-LS0714\E)

- Renamed program "Alaska Senior Benefits Program" (occurs throughout the bill).
- Increased the income limit for the Alaska Senior Benefits Program to 175% of the federal poverty level guidelines adjusted for Alaska (FPL-A). Program participants whose income is between 100% and 175% of the FPL-A will receive \$125 per month (section 8).
- Increased the income limit for Denali Kid Care to 175% of the federal poverty guidelines for Alaska (section 5).
- Technical change to correct sunset provisions (deleted section 13 of original bill; inserted new section 17).

# Representative Mike Hawker

## Alaska State Legislature



### House Bill 198 Sponsor Statement

#### Short Title: Senior Assistance Payment Program

HB 198 establishes the Alaska Senior Assistance Program to provide cash assistance payments to low-income Alaska seniors.

The existing Senior Care Program, which is scheduled to sunset June 30, 2007, is amended to remove the little used prescription drug benefits and increase monthly cash payments to Alaskans, age 65 and older, based on their incomes related to federal poverty level guidelines adjusted for Alaska (FPL-A). Monthly payments are:

- \$250 per month to individuals with income less than 75% of FPL-A
- \$175 per month to individuals with income from 75% to less than 100% of FPL-A
- \$125 per month to individuals with income from 100% to less than 135% of FPL-A

The Alaska Senior Assistance Program combines desirable features of both the Longevity Bonus and Senior Care programs into a single needs based structure that delivers real help to low-income seniors across Alaska. Program enrollment is open to all qualifying seniors.

The new Alaska Senior Assistance Program sunsets June 30, 2011 if not reauthorized.

*Session:*

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*Interim:*

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*Member:*

House Finance Committee  
Legislative Budget  
& Audit Committee

*House District 32:*

Eagle River  
Anchorage  
Rainbow  
Indian  
Bird  
Girdwood  
Portage  
Whittier  
Sunrise  
Hope

**House Bill 198**  
**Version 25-LS0714\E**  
**Sectional Analysis**

Prepared by Representative Mike Hawker's Office

- Sections 1-4, 6:** These sections correct references to the senior care and longevity bonus programs to reflect the new senior **benefits** program.
- Section 5:** **NEW SECTION:** Changes the eligibility requirements for Denali Kid Care to 175% of the federal poverty line for Alaska.
- Section 7:** Establishes the senior **benefits** payment program and specifies the duties for the Department of Health and Social Services with respect to the program.
- Section 8:** Specifies the qualifications for entrants to the senior **benefits** program, the process for application, and the amount of payment.
- Section 9:** Specifies the residency requirements for program participants, corrects a reference to the senior benefits program, and removes a reference to the senior care prescription drug program, which is repealed in this bill.
- Sections 10, 11 & 13:** Remove or correct references to the senior benefits program and the senior care prescription drug program, which is repealed in this bill.
- Section 12:** Establishes the Alaska senior **benefits** fund, which is used by the Department of Health and Social Services to make senior **benefits** payments.
- Section 14, 16 & 17:** Provide a sunset date for the Alaska senior **benefits** program in 2011 and make technical corrections to the uncodified law of the State of Alaska enacted by Ch. 89, SLA 2005 (HB 106).
- Section 15:** Repeals the longevity bonus program (44.64.030(a)(34), 47.08.060(c)(8), 47.45.010-47.45.160) and the previous senior care prescription drug benefit (47.45.320).
- Section 18:** Transfers any remaining assets from the senior care program to the senior **benefits** program.
- Section 19:** Provides authority for the Department of Health and Social Services to adopt regulations and specifies that the current regulations stay in effect until the new regulations are effective.
- Section 20-22:** Effective date provisions to make the senior **benefits** program take effect June 30, 2007.

**DEPARTMENT OF HEALTH AND SOCIAL SERVICES ANALYSIS  
SENIOR BENEFIT PROPOSAL COMPARISON**

Prepared March 22, 2007

SeniorCare Proposals	Current SeniorCare Program	SB 90/HB 148 Governor's Proposal	SB 4 Senator Olson	HB 198 Rep Hawker
Monthly Payment	Cash - \$120 / month Prescription Drug - \$670 / year	Cash - \$120 / Month	Cash - \$150 / Month	Up to 75% Poverty - \$250/Month 75-100% Poverty - \$175/Month 100-135% Poverty - \$125/Month
Annual Income Limit	<p>Cash <i>Income Threshold</i></p> <ul style="list-style-type: none"> <li>• \$16,133 for individuals</li> <li>• \$21,641 for couples</li> </ul> <p>(135% of 2005 federal poverty guidelines. Income limits frozen at 2005 levels.)</p> <p><i>Asset Limits</i></p> <ul style="list-style-type: none"> <li>• \$6,000 Individual</li> <li>• \$9,000 Couple</li> </ul> <p>Prescription Drug</p> <ul style="list-style-type: none"> <li>• \$20,913 for individuals</li> <li>• \$28,053 for couples</li> </ul> <p>(175% of 2005 federal poverty guidelines)</p>	<p>Cash <i>Income Threshold</i></p> <ul style="list-style-type: none"> <li>• \$17,240 Individual</li> <li>• \$23,112 Couple</li> </ul> <p>(135% of 2007 federal poverty guidelines. Income limits will increase each year to keep pace with annual increases in federal poverty guidelines for Alaska.)</p> <p><i>Asset Limits</i></p> <ul style="list-style-type: none"> <li>• \$6,000 Individual</li> <li>• \$9,000 Couple</li> </ul> <p>Prescription Drug Benefit Ended</p>	<p>Cash <i>Income Threshold</i></p> <ul style="list-style-type: none"> <li>• \$16,133 Individual</li> <li>• \$21,641 Couple</li> </ul> <p>(135% of 2005 federal poverty guidelines. Income limits frozen at 2005 levels.)</p> <p><i>Not stated, sponsor indicated:</i></p> <p><i>Asset Limits</i></p> <ul style="list-style-type: none"> <li>• \$6,000 Individual</li> <li>• \$9,000 Couple</li> </ul> <p>Prescription Drug Benefit Ended</p>	<p>Cash <i>Income Threshold</i></p> <ul style="list-style-type: none"> <li>• \$17,240 Individual</li> <li>• \$23,112 Couple</li> </ul> <p>(135% of 2007 federal poverty guidelines. Income limits will increase each year to keep pace with annual increases in federal poverty guidelines for Alaska.)</p> <p><i>Not stated, sponsor indicated:</i></p> <p>No Asset Limit</p> <p>Prescription Drug Benefit Ended</p>
Dual Eligibility SeniorCare & Longevity Bonus	Yes	No	Sponsor indicated not intended to provide dual eligibility	Repeals ALB
FY08 Projected Average Monthly Caseload	Cash - 7,043 Prescription Drug - 140	Cash - 5,040 Assumes ALB authorized	Cash - 4,835 (Assumes ALB authorized and dual eligibility SC/ALB disallowed)	Cash 7,643
Estimated Benefit Payments for FY08	Cash - \$10,141.9 Prescription Drug - \$93.8	Cash - \$7,257.6 Assumes ALB authorized	Cash - \$8,703.0 (Assumes ALB authorized and dual eligibility SC/ALB disallowed)	Cash - \$14,824.5
Sunset Date	June 30, 2007	Extends program 5 years to June 30, 2012	No expiration date	June 30, 2011

**POVERTY GUIDE**

There may be a misconception when referencing the poverty guideline that those with incomes above the poverty guideline are not living in poverty while those with incomes below the poverty guideline are living in poverty when the guideline itself is inaccurate.

The U.S. Federal Poverty Guideline was developed in 1963 and the structure has not been changed since this time to account for U.S. social changes such as health care costs and long-term care needs. It has only increased to keep pace with inflation.

When the U.S. Federal Poverty Guideline was initially created, it was set at a level which was 50% of the median of U.S. households. Household incomes have increased at a rate faster than the Poverty Guideline has kept up with. Today, the Poverty Guideline is closer to one third of the median of U.S. households. In Alaska, it is only 26%.

**Alaska Demographics:**

2005 Population of persons 65 years and over:	42,156	2005 % of individuals age 65 and over below the poverty level:	7%	% of senior headed households with income under \$20,000	27%
2005 Alaska Median Income for a family of two:	\$60,983	2005 US Federal Poverty Guidelines for a family of two:	\$16,030	% of AK Median income:	26%
				50% of AK Median Income	\$30,491
				60% of AK Median Income	\$36,590
Senior Care prescription drug eligibility limits:		Individual	\$20,913	Couple	\$28,053
			164%		164%

**2007 US Health and Human Services Poverty Guidelines (Alaska):**

	Individual		Family of two (couple)	
	Annual	Monthly	Annual	Monthly
75%	\$9,578	\$798	\$12,840	\$1,070
100%	\$12,770	\$1,064	\$17,120	\$1,427
135%	\$17,240	\$1,437	\$23,112	\$1,926
150%	\$19,155	\$1,596	\$25,680	\$2,140
175%	\$22,348	\$1,862	\$29,960	\$2,497

**Income with Senior Assistance:**

	Individual		Couple	
	Annual	Monthly	Annual	Monthly
75%	\$12,578	\$1,018	\$18,840	\$1,570
100%	\$14,870	\$1,239	\$21,320	\$1,777
135%	\$18,740	\$1,562	\$26,112	\$2,175
150%	\$20,655	\$1,721	\$28,680	\$2,390
175%	\$23,848	\$1,987	\$32,960	\$2,747

**Sources:**

Glennester, H. (2002). United States poverty studies and poverty measurement: The past twenty-five years. *The Social Service Review* 76(1), 83-107.

Report on the Economic Well-Being of Alaska Seniors  
<http://www.hhs.state.ak.us/ia/ia/documents/seniorWellBeingReport.pdf>

State of Alaska Department of Labor  
<http://www.labor.state.ak.us/research/cpl/cpl.pdf>

State of Alaska Department of Health and Social Services, Division of Senior and Disability Services  
<http://health.hhs.state.ak.us/dsds/seniorcaresig.htm>

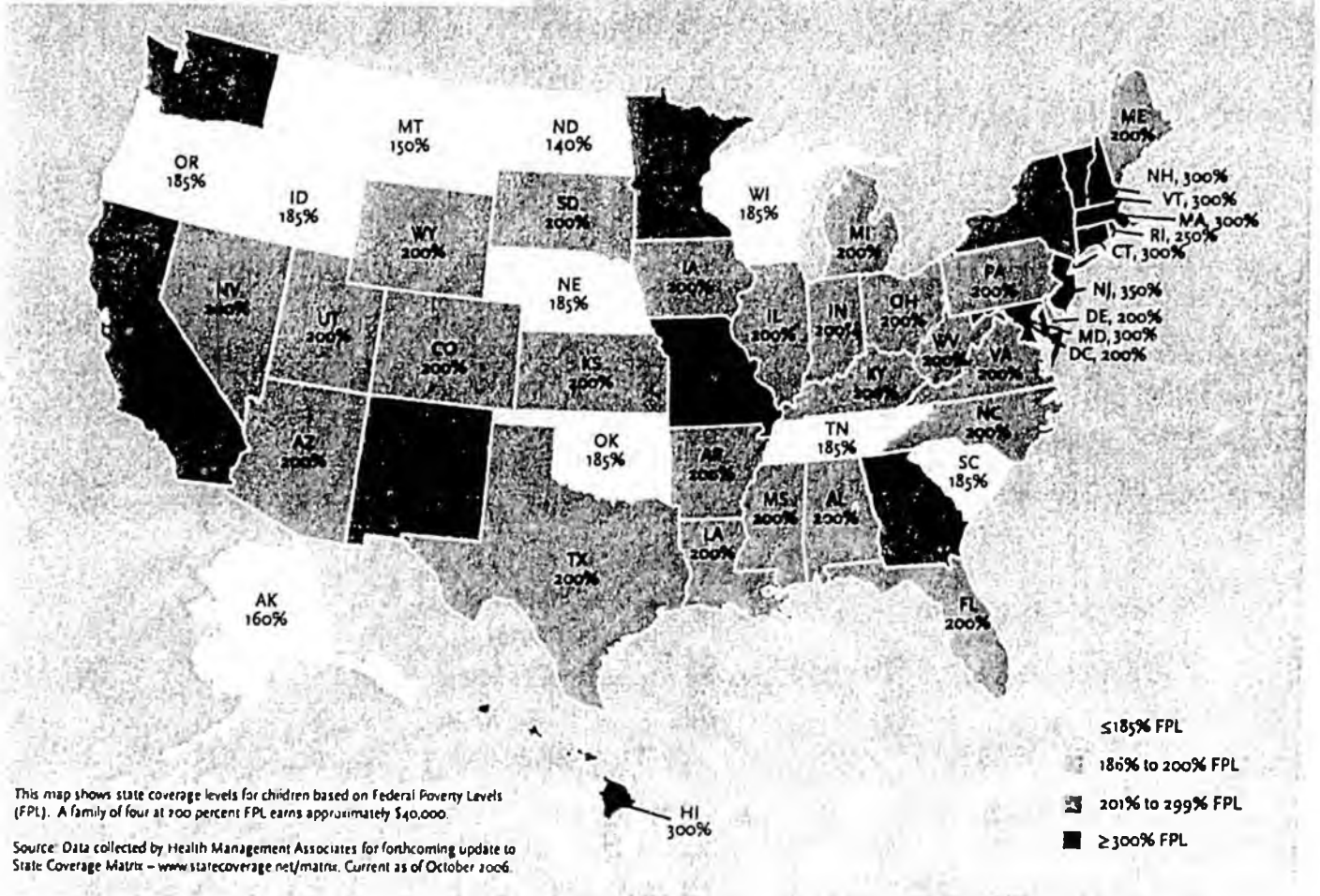
U.S. Census Bureau  
<http://www.census.gov/hhes/www/income/mediansizeandstate.html>

U.S. Department of Health and Human Services  
<http://aspe.hhs.gov/poverty/07/poverty.shtml>

42-07

Dist. by Rep. Garcia

FIGURE 7 COVERAGE LEVELS FOR CHILDREN



premium assistance program or an individual plan. O-EPIC is funded by state general fund revenues generated by a tobacco tax, along with federal matching funds under Title XIX and employer and employee contributions.

The Premium Assistance program, launched in November 2005, helps qualified employees in small businesses of 50 or fewer employees purchase health insurance coverage through their employer. The employer works with an insurance agent to choose a qualified private health plan to offer its employees. The Premium Assistance program pays 60 percent of the health insurance premium for qualified employees with incomes below 185

percent FPL and 85 percent of the premium for the qualified enrollee's spouse. Employers are expected to contribute 25 percent of the employee's premium and employees are expected to contribute up to 15 percent for themselves and 15 percent for their spouses.

The Individual Plan will be launched shortly and is designed as a safety net health plan for qualified individuals with incomes below 185 percent FPL and who are ineligible to participate in O-EPIC Premium Assistance. The Individual Plan includes self-employed individuals not eligible for small group health coverage; workers at small businesses who are either not eligible

to participate in their employer's health plan or whose employer does not offer a qualified health plan; and unemployed individuals who are currently seeking work. The Individual Plan also provides coverage to working individuals with a disability whose income exceeds the Medicaid eligibility level but is below 200 percent FPL, and who meet "ticket to work" requirements.<sup>11</sup> The Individual Plan provides coverage through private managed care plans that also serve the Medicaid program; however, the benefit package is less comprehensive than Medicaid or most products offered in the commercial market.

# FISCAL NOTE

STATE OF ALASKA  
2007 LEGISLATIVE SESSION

Fiscal Note Number: 2  
 Bill Version: HB 198  
 ( H ) Publish Date: 3/26/07  
 Dept. Affected: Health & Social Services  
 RDU Public Assistance  
 Component SeniorCare

Revision Date/Time (Note if correction):  
 Title SENIOR ASSISTANCE PAYMENT PROGRAM

Sponsor HAWKER  
 Requester HOUSE (HES)

Component No. 2760

**Expenditures/Revenues (Thousands of Dollars)**

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services	308.7	308.7	308.7	308.7		
Travel	6.5	6.5	6.5	6.5		
Contractual	186.5	126.5	126.5	126.5		
Supplies	29.0	29.0	29.0	29.0		
Equipment						
Land & Structures						
Grants & Claims	14,824.5	15,017.2	15,212.4	15,410.2		
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>15,355.2</b>	<b>15,487.9</b>	<b>15,683.1</b>	<b>15,880.9</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES (0)</b>						

**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF	15,355.2	15,487.9	15,683.1	15,880.9		
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
<b>TOTAL</b>	<b>15,355.2</b>	<b>15,487.9</b>	<b>15,683.1</b>	<b>15,880.9</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2007) cost:

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

**POSITIONS**

Full-time	4	4	4	4		
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This legislation repeals the SeniorCare program and adopts in its place, the Alaska Senior Assistance Payment program, which will be in effect until June 30, 2011. It eliminates the SeniorCare prescription drug benefit and repeals the Alaska Longevity Bonus. It sets the maximum income eligibility level for seniors age 65 and older to 135% of the federal poverty guideline that is adjusted each year.

The bill sets the monthly benefit at one of three amounts that depend on the household's income level. The monthly benefit amounts will be \$250 if household income is less than 75% of (continued next page)

Prepared by: Ellie Fitzjarrald, Director  
 Division Division of Public Assistance  
 Approved by: Karleen Jackson, Commissioner  
 Agency Department of Health and Social Services

Phone 465-2680  
 Date/Time 03/19/2007  
 Date 03/21/2007

STATE OF ALASKA  
 2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

poverty, \$175 if household income is between 75% and 100% of poverty, and \$125 if household income is between 100% and 135% of federal poverty guideline.

Benefit Costs

Assumptions:

This fiscal note assumes the new Alaska Senior Assistance Payment program begins July 1, 2007, and includes the increase in the maximum income limit to 135% of the federal poverty level for 2007. It also assumes there will not be an asset test to qualify for the program.

\* In FY 08, the department estimates an average of 7,043 seniors who currently qualify for the SeniorCare cash benefit will continue to qualify for the new Alaska Senior Assistance Payment program.

\* The department estimates an additional 300 seniors will qualify for the new program under the higher income limits. This represents the number of seniors who became ineligible for the SeniorCare program due to the income limits being frozen at the 2005 levels.

\* The department estimates an additional 300 seniors will qualify for the new program due to the elimination of the SeniorCare asset test. Currently, appx. 4% of SeniorCare applicants are denied due to assets. Note: Information about senior assets is not available to the department. Costs associated with this provision will need to be reevaluated as we gain experience with the new program.

We estimate 400 individuals will have household income at less than 75% of poverty, 4,600 individuals will have income between 75% and 100% of poverty and 2,643 will have income between 100% and 135% of poverty. The tables below display the projected caseload size at each level of poverty in FY 2008, and the estimated cost of benefits at an estimated annual caseload growth of 1.3%.

Percent of Poverty Guidelines	Estimated Number of Recipients	Payment Amount per Month	Estimated Annual Cost
75%	400	\$250	\$1,200.0
75% to 100%	4,600	\$175	\$9,660.0
100% to 135%	2,643	\$125	\$3,964.5
Total	7,643		\$14,824.5

FY	Estimated Caseload	Estimated Total Cost
FY08	7643	\$14,824.5
FY09	7742	\$15,017.2
FY10	7843	\$15,212.4
FY11	7945	\$15,410.2

STATE OF ALASKA  
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION  
Administrative Costs

Assumptions:

- 1) Four DPA staff currently administering the SeniorCare program will continue to administer the Alaska Senior Assistance Payment program. This includes one (1) Administrative Clerk II (Range 8); two (2) Eligibility Technician I's (Range 14), and one (1) Eligibility Technician III Lead Worker (Range 15). These positions are responsible for the initial and ongoing determination of eligibility, processing claims, and serving as a liaison with the Social Security Administration to facilitate recipient enrollment in Medicare Part D.
- 2) In May 2007, DPA will begin notifying seniors about the new program. Current SeniorCare recipients will be mailed an abbreviated form for completion and informed of the need to apply for the new program. DPA will begin accepting applications in May; however, higher payment levels may be delayed until system modifications are completed, which may be October 2007.
- 3) Modifications to DPA's Eligibility Information System (EIS) are necessary to facilitate the issuance of three different payments depending on household income. These changes are estimated to take three months of programming and testing.

Total FY08 Administrative Costs: \$530.7

Personal Services (4 positions): \$308.7

Travel (to support employee training, marketing, outreach): \$6.5

Contractual: \$186.5

\*Information technology, telecommunication, postage, printing, and building lease costs: \$86.5

\*Outreach to inform seniors of the program's availability and benefits, and to make referrals to other programs as appropriate: \$40.0.

\*EIS Computer System Programming Modifications: \$60.0 (one-time cost in FY08)

Supplies (training materials and office supplies): \$29.0

STATE OF ALASKA  
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

Total Administrative Costs (Annual): \$470.7

Personal Services (4 positions): \$308.7

Travel (to support employee training, marketing, outreach): \$6.5

Contractual: \$126.5

\*Information technology, telecommunication, postage, printing, and building lease costs: \$86.5

\*Outreach to inform seniors of the program's availability and benefits, and to make referrals to other programs as appropriate: \$40.0.

Supplies (training materials and office supplies): \$29.0

All costs are eliminated in FY2012 to reflect the sunset of the program.



United States Department of  
**Health & Human Services**

**2007 HHS Poverty Guidelines**

<b>Persons in Family or Household</b>	<b>48 Contiguous States and D.C.</b>	<b>Alaska</b>	<b>Hawaii</b>
1	\$10,210	\$12,770	\$11,750
2	13,690	17,120	15,750
3	17,170	21,470	19,750
4	20,650	25,820	23,750
5	24,130	30,170	27,750
6	27,610	34,520	31,750
7	31,090	38,870	35,750
8	34,570	43,220	39,750
For each additional person, add	3,480	4,350	4,000

**SOURCE:** *Federal Register*, Vol. 72, No. 15, January 24, 2007, pp. 3147-3148

# STATE OF ALASKA

## DEPT. OF HEALTH & SOCIAL SERVICES

Alaska Commission on Aging

SARAH PALIN, GOVERNOR

P.O. BOX 110693  
JUNEAU, ALASKA 99811-0693  
PHONE: (907) 465-3250  
FAX: (907) 466-1398

March 28, 2007

Representative Mike Hawker  
House Finance Committee  
State Capitol, Rm 502  
Juneau AK 99801-1182

Re: Support for HB198, Senior Assistance Program

Dear Representative Hawker:

The Alaska Commission on Aging (ACoA) supports the passage of House Bill 198, creating a Senior Assistance Payment Program with a cash benefit calibrated to income. The benefits of this program include:

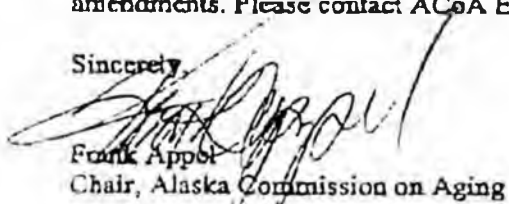
- Funds support seniors with the greatest financial need.
- Availability to all seniors age 65 and older who meet the income requirements.
- Annual adjustment to the income limits according to changes in the Alaska poverty threshold.
- Elimination of the asset tests as expressed by Representative Hawker, the sponsor of the bill.

As the House Finance Committee considers HB198, we recommend consideration of the following amendments to enhance the bill's responsiveness in meeting the needs of older Alaskans:

- Increase the program's income limits above 135% of the poverty guidelines, to help more low-income seniors afford the rising costs of housing, utilities, food, gas, and health care.
- Include funding for the *Keep the Elders Home* initiative, a proposal put forth by ACoA and the Alaska Mental Health Trust Authority, to provide \$2.5 million of GF/MH funds for senior grant programs to enhance home- and community-based services (HCBS) to help older Alaskans who do not qualify for Medicaid stay at home, in their communities, and avoid the high cost of premature institutionalization. These funds would support programs such as home-delivered meals for homebound seniors, transportation, respite, adult day services, and other services that benefit at-risk seniors and family caregivers. Enhancing HCBS funding will save Medicaid long-term care dollars.

We appreciate your support of HB198 and respectfully ask for your consideration of our suggested amendments. Please contact ACoA Executive Director Denise Daniello if you have questions. Thank you.

Sincerely,



Frank Appel  
Chair, Alaska Commission on Aging



Denise Daniello  
Executive Director, ACoA