

SB

4

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT
APR 03 2007
SENATE FINANCE COMMITTEE

DATE: 2/22/07

FURTHER:

DATE TURNED IN TO OFFICE: 4 | 3 | 2007

Finance Committee considered

SENATE BILL NO. 4

SB 4 SENIOR CARE PROGRAM

"An Act extending the cash assistance benefit program for seniors under the senior care program and increasing the benefit amount; and providing for an effective date."

and recommends:

- be replaced with SCS or CS SB 4 (FIN)
- adopt previous SCS or CS _____ (_____)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:	
<input checked="" type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
<hr/>	
HOUSE BILL:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

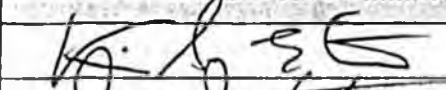

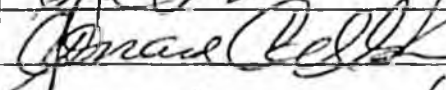



NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
DHSS	4/3/07	17,318.9			

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	ELTON			✓	
	THOMAS			✓	
	HUGGINS			✓	
	OLSON	✓			
CO-CHAIR: 	Hoffman			✓	
CO-CHAIR: 	Stedman			✓	

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: SB004CS(FIN)-DHSS-DPA 04-0:
 Bill Version: CS SB 4 (FIN)
 () Publish Date: _____
 Dept. Affected: Health & Social Services
 RDU: Public Assistance
 Component: SeniorCare

REPORTED OUT
APR 03 2007
 SENATE FINANCE COMMITTEE

Revision Date/Time (Note if correction): _____
 Title: RELATING TO SENIOR CARE
 Sponsor: OLSON
 Requester: SENATE (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	16,645.8	16,862.2	17,081.4	17,305.5		
Miscellaneous						
TOTAL OPERATING	17,398.9	17,545.3	17,764.5	17,988.6	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES (0)						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	17,398.9	17,545.3	17,764.5	17,988.6		
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
TOTAL	17,398.9	17,545.3	17,764.5	17,988.6	0.0	0.0

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	6	6	6	6		
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The current Senior Care program helps low-income seniors over age 65 remain independent in the community by providing an income supplement of \$120 per month to help meet their basic needs, such as food and housing. Nearly 7,000 seniors are currently receiving financial help from the Senior Care program and about 140 are receiving help in paying for the premium and deductibles of prescription drug insurance through the prescription drug program.

This amendment:

- Provides for continuation of the SeniorCare cash benefit until June 30, 2011.

Prepared by: Ellie Fitzjarrald, Director Phone: 465-5847
 Division: Public Assistance Date/Time: 04/02/2007
 Approved by: Karleen Jackson, Commissioner Date: 04/03/2007
 Agency: Department of Health and Social Services

STATE OF ALASKA
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

(cont. from page 1)

- Sets the maximum income eligibility level to 150% of the federal poverty guideline for Alaska (adjusted annually).
- Sets the payment at one of three amounts that depend on the person or couple's income level:
 - * \$175 if household income is less than 100% of poverty
 - * \$150 if household income is between 100% and 135% of poverty, and

 - * \$100 if household income is between 135% and 150% of poverty.

Benefit Costs

Assumptions:

The fiscal note assumes reauthorization of the Senior Care cash benefit and elimination of the drug benefit. It also assumes:

- The sponsor's intent that there is no asset test.
- If the ALB funded, seniors will choose either ALB or Senior Care.
- Seniors who qualify for the ALB will not qualify for Senior Care.
- We assume that the payment amount will vary depending on the household's income level.
- 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 Senior Care.
- * The department estimates an additional 300 seniors will qualify with 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.

FISCAL NOTE
FN #

STATE OF ALASKA
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION
(cont. from page 2)

The tables below display the 2007 poverty guidelines for Alaska for a single person or a couple, the projected caseload size at each level of poverty in FY 2008, and the estimated cost of benefits (benefits only) at an estimated annual caseload growth of 1.3%.

Household	2007 AK Guidelines	135%	150%
1	\$12,770	\$17,240	\$19,155
2	\$17,120	\$23,112	\$ 25,680

Poverty Level	FY08 Estimated Caseload	Benefit	FY08 Estimated Benefit Cost
< 100%	5,000	\$175	\$10,500.0
100 - 135%	2,643	\$150	\$4,757.4
135 - 150%	1,157	\$100	\$1,388.4
Total Caseload	8,800	Total Cost	\$16,645.8

Fiscal Year	Total Estimated Caseload	Total Estimated Benefit
FY08	8,800	\$ 16,645.8
FY09	8,914	\$ 16,862.2
FY10	9,030	\$ 17,081.4
FY11	9,148	\$ 17,303.5

Administrative Costs

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.

FISCAL NOTE
FN #

STATE OF ALASKA
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

(cont. from page 3)

- * 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 (for 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 (training materials and office supplies): \$43.5
- Additional Equipment/Supply: Desktop computer, printer and station for two new positions: \$10.0 (one time cost for FY08)

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

ADOPTED
4/2/07

WORK DRAFT

WORK DRAFT

WORK DRAFT

25-LS0056C
Mischel
3/30/07

CS FOR SENATE BILL NO. 4()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY

Offered:

Referred:

Sponsor(s): SENATOR OLSON

A BILL

FOR AN ACT ENTITLED

1 "An Act extending the cash assistance benefit program for seniors under the senior care
2 program and increasing the benefit amount; and providing for an effective date."

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

4 * Section 1. AS 47.45.300(a) is amended to read:

5 (a) The senior care program is established in the Department of Health and
6 Social Services to provide cash assistance benefits [AND PRESCRIPTION DRUG
7 BENEFITS] as far as practicable under appropriations provided by law.

8 * Sec. 2. AS 47.45.300(c) is amended to read:

9 (c) If the department estimates that appropriations for the program are
10 insufficient to meet the demands of the program in a fiscal year, the department may
11 reduce or eliminate the benefits available to recipients. [BENEFITS SHALL BE
12 REDUCED OR ELIMINATED IN THE FOLLOWING ORDER:

13 (1) DEDUCTIBLE COVERAGE UNDER AS 47.45.320(c);

14 (2) PREMIUM COVERAGE UNDER AS 47.45.320(c);

1 (3) CASH ASSISTANCE UNDER AS 47.45.310(b).]

2 * Sec. 3. AS 47.45.310 is repealed and reenacted to read:

3 Sec. 47.45.310. Cash assistance benefit. (a) An individual is eligible for a
4 cash assistance benefit under the program if the individual

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

6 (2) is a resident of the state;

7 (3) has a household income that does not exceed 150 percent of the
8 annual federal poverty guidelines for Alaska, as determined by the United States
9 Department of Health and Human Services and revised under 42 U.S.C. 9902(2);

10 (4) has not received a longevity bonus payment under AS 47.45.010 -
11 47.45.160 for the same period; and

12 (5) applies on a form provided by the department; the department may
13 use an abbreviated form for an individual who received a payment under an assistance
14 program for seniors that paid \$120 a month and was administered by the department
15 on or before the effective date of this section.

16 (b) An eligible individual shall receive a monthly cash assistance payment as
17 follows:

18 (1) \$175 if the individual's household income does not exceed 100
19 percent of the federal poverty guidelines for Alaska;

20 (2) \$150 if the individual's household income does not exceed 135
21 percent but is above 100 percent of the federal poverty guidelines for Alaska;

22 (3) \$100 if the individual's household income does not exceed 150
23 percent but is above 135 percent of the federal poverty guidelines for Alaska.

24 (c) Cash assistance provided under this section is subject to appropriation.

25 * Sec. 4. AS 47.45.330 is amended to read:

26 Sec. 47.45.330. Continuation of benefits. An eligible individual who leaves
27 the state may not receive a cash assistance benefit under AS 47.45.310 [OR
28 PRESCRIPTION DRUG BENEFIT UNDER AS 47.45.320] during the absence unless
29 the individual's absence is temporary and is for one of the following reasons:

30 (1) to receive medical treatment for the individual;

31 (2) to accompany the individual's family member who is receiving

1 medical treatment outside the state; or

2 (3) for a vacation, business trip, or other absence of less than 30
3 consecutive days, unless the individual has applied for and received a time extension
4 from the department for special circumstances.

5 * Sec. 5. AS 47.45.340 is amended to read:

6 **Sec. 47.45.340. Appeal rights.** An individual who receives a determination
7 from the department that denies, limits, or modifies a cash assistance benefit [OR
8 PRESCRIPTION DRUG BENEFIT] under AS 47.15.300 - 47.45.390, other than a
9 determination under AS 47.45.300(c) to reduce or eliminate benefits, may request a
10 hearing before the department under regulations adopted by the department.

11 * Sec. 6. AS 47.45.350 is amended to read:

12 **Sec. 47.45.350. Ability to recover or recoup improper assistance benefits.**
13 An individual is liable to the department for the value of assistance or benefits
14 improperly paid to the person under AS 47.45.310 or former AS 47.45.320
15 [47.45.320] if the improper payment was based on inaccurate or incomplete
16 information provided by the individual. In a civil action brought by the state to recover
17 from the individual the value of assistance or benefits improperly paid under
18 AS 47.45.310 or former AS 47.45.320 [47.45.320], the state may recover from the
19 individual the costs of investigation and prosecution of the civil action, including
20 attorney fees as determined under court rules.

21 * Sec. 7. AS 47.45.390(2) is amended to read:

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

25 * Sec. 8. Section 4, ch. 89, SLA 2005, is repealed and reenacted to read:

26 **Sec. 4.** AS 47.45.320 is repealed on June 30, 2007.

27 * Sec. 9. AS 09.38.015(a)(10); AS 37.05.146(c)(80); AS 47.45.300, 47.45.310, 47.45.330,
28 47.45.340, 47.45.350, 47.45.360, and 47.45.390 are repealed June 30, 2011.

29 * Sec. 10. Section 9, ch. 89, SLA 2005, is repealed.

30 * Sec. 11. The uncodified law of the State of Alaska is amended by adding a new section to
31 read:

← Sunset

1 RETROACTIVITY AND REVIVAL. If secs. 1 - 10 of this Act take effect after
2 June 30, 2007,

3 (1) AS 47.45.300 - 47.45.390, as amended by this Act, and secs. 8 and 10 of
4 this Act, are retroactive to June 30, 2007; and

5 (2) AS 47.45.300, 47.45.310, 47.45.330, 47.45.340, 47.45.350, 47.45.360, and
6 47.45.390, as amended by this Act, are revived.

7 * Sec. 12. Section 11 of this Act takes effect immediately under AS 01.10.070(c).

8 * Sec. 13. Except as provided in sec. 12 of this Act, this Act takes effect June 30, 2007.

SB 4 Version \C
SeniorCare Program
Scenario Analysis: \$175 Up to 150% Threshold, No Asset Limit

BENEFIT COSTS OF PROPOSED AMENDMENT

- ♦ The department currently serves 5,000 seniors in the Adult Public Assistance program. These seniors have income at or below 100% of poverty and will qualify for the Alaska Senior Assistance Payment program.
- ♦ We estimate an additional 2,643 seniors will be eligible at 135% of the 2007 poverty level when no asset test is applied. This is approximately 380 seniors per each 5% increment.
- ♦ An additional 380 persons will be served for every 5% increment increase above 100% of poverty when no asset test is applied.

FY 08 PROJECTED CASELOAD FOR PROPOSED AMENDMENT

Percent of Poverty	Estimated Caseload	Benefit Amount	Annual Cost	Total Cost
<100%	5,000	\$175	\$10,500.0	\$10,500.0
100% to 135%	2,643	\$150	\$4,757.4	\$15,257.4
135% to 150%	1,157	\$100	\$1,388.4	\$16,645.8
	8,800			

ADDITIONAL FY08 ADMINISTRATIVE COSTS FOR PROPOSED AMENDMENT

In FY 08 the increased administrative costs of the proposed amendment is \$222.4. These costs are for two additional Eligibility Technicians that will be needed to manage the increased caseload, as well as travel, contractual and supply costs. Total administrative cost for FY08 is \$753.1.

TOTAL FY08 COSTS

If the maximum income threshold is set at 150% of poverty, total estimated benefit costs are \$16,645.8 and total administrative costs are \$753.1, for a total program cost of \$17,398.9.

Return

FISCAL NOTE

SB DRAFT REVISION 4-2-07

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SB4
() Publish Date: _____
Dept. Affected: Health & Social Services
RDU Public Assistance
Component SeniorCare

Revision Date/Time (Note if correction): April 2, 2007
Title RELATING TO SENIOR CARE

Sponsor OLSON
Requester SENATE (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	308.7	308.7
Travel	6.5	6.5	6.5	6.5	6.5	6.5
Contractual	126.5	126.5	126.5	126.5	126.5	126.5
Supplies	29.0	29.0	29.0	29.0	29.0	29.0
Equipment						
Land & Structures						
Grants & Claims	12,677.4	12,842.2	13,010.0	13,179.5	13,350.9	13,524.2
Miscellaneous						
TOTAL OPERATING	13,148.1	13,312.9	13,480.7	13,650.2	13,821.6	13,994.9

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

1002 Federal Receipts						
1003 GF Match						
1004 GF	13,148.1	13,312.9	13,480.7	13,650.2	13,821.6	13,994.9
1037 GF/Mental Health						
11189 SeniorCare Fund						
Other(Specify Type-do not abbreviate)						
TOTAL	13,148.1	13,312.9	13,480.7	13,650.2	13,821.6	13,994.9

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	4	4
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The Senior Care program helps low-income seniors over age 65 remain independent in the community by providing an income supplement of \$120 per month to help meet their basic needs, such as food and housing. Nearly 7,000 seniors are currently receiving financial help from the Senior Care Program, and about 140 are receiving help in paying for the premium and deductibles of prescription drug insurance through the prescription drug benefit.

This bill provides for continuation of the Senior Care Program, and increases the monthly income supplement for low income seniors from \$120 per month to \$150 per month. It eliminates the prescription drug benefit (payment of premiums and deductibles) which has had very low enrollment, and keeps the program's income qualifying standards at 135% of the 2005 federal poverty guideline for Alaska (below \$16,133 for an individual, and below \$21,641 for a couple).

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

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

STATE OF ALASKA
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

Assumptions

*This fiscal note assumes the SeniorCare program becomes effective July 1, 2007.

* During FY09-FY13, the number of seniors receiving help from the Senior Care Program will grow at a rate of 1.3%/year (based on 6-year average rate of growth in the old age component of the APA program).

FY	Caseload	1.3% Growth	Revised Caseload	Cost Total x 150 x 12
FY08	7043		7043	\$12,677.4
FY09	7043	92	7135	\$12,842.2
FY10	7135	93	7228	\$13,010.0
FY11	7228	94	7322	\$13,179.5
FY12	7322	95	7417	\$13,350.9
FY13	7417	96	7513	\$13,524.2

Administrative Costs

We assume that the four positions currently administering the SeniorCare program will continue. They include 1 Administrative Clerk II (Range 8); 2 Eligibility Technician I (Range 14), and 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. Below are the costs associated with these positions:

Personal Services (4 positions): \$308.7

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

Contractual (for information technology, telecommunication, postage, printing, and building lease costs): \$86.5

Additional Contractual to provide 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

SB 4 – Version C

Senior Care Scenario Request SB 4 Senator Olson/G. Austerman 3/29/07			
Criteria: NO ASSET TEST, poverty level at Alaska federal guidelines, sunsets June 30, 2011, no prescription drug program, no ALB			
<i>Note: Admin costs not included in these calculations</i>			
No Asset Test			
Poverty Level	Estimated Caseload	Benefit	FY 08 Estimated Cost Benefits Only/No Admin
< 100%	5,000	\$ 175	\$ 10,500.0
100 - 135%	2,643	\$ 150	\$ 4,757.4
135 - 150%	1,157	\$ 100	\$ 1,388.4
Total Caseload	8,800	Total Cost	\$ 16,645.8

Source is DHSS Public Assistance Division

ALASKA STATE LEGISLATURE

SENATOR DONALD C. OLSON



ALASKA
STATE CAPITOL
ROOM 514
JUNEAU, ALASKA 99801-1182

(907) 465-3707
FAX (907) 465-4821

Sponsor Statement **Senate Bill 4** *VER C*

Senior Care Program

SB 4 extends the Senior Care Program which provides financial assistance to Alaska's low income seniors.

SB 4 does three things to the Senior Care Program. It extends the program's sunset date to June 30, 2011; removes the underutilized prescription drug benefit; and increases the monthly cash benefit based on their income related to the federal poverty level guidelines adjusted for Alaska. Monthly payments are:

- \$175 per month if the individual's household income does not exceed 100 percent of the federal poverty guidelines for Alaska
- \$150 per month if the individual's household income does not exceed 135 but is above 100 percent of the federal poverty guidelines for Alaska
- \$100 per month if the individual's household income does not exceed 150 but is above 135 percent of the federal poverty guidelines for Alaska

The Senior Care Program is strictly a needs based program. No Asset Test will be in place.

SB 4 covers eligible seniors who may have been part of the Longevity Bonus Program prior to its funding being eliminated, as well as individuals who meet the eligibility criteria. The Department of Health and Social Services estimates that the Senior Care Program currently serves approximately 7,000 seniors with financial assistance. The Department estimates an additional 1,800 seniors will qualify for Senior Care under SB 4. The Senior Care Program would run concurrently, but not in addition to any Longevity Bonus Program that may be redeveloped. An individual who is receiving a Longevity Bonus payment is not eligible for the benefits of the Senior Care Program.

Alaska State Legislature

Out of Session:
Legislative Information Office
P.O. Box 1630
Nome, AK 99762-1630
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In Session:
State Capitol
Juneau, AK 99801-1182
(800) 597-3707
(907) 465-3707
(907) 465-4821 (Fax)

SENATOR DONALD C. OLSON

DISTRICT T

Alakanuk
Ambler
Anaktuvuk Pass
Atkasuk
Barrow
Brovig Mission
Browerville
Buckland
Chevak
Deering
Diomedea
Elim
Emmonak
Gambell
Golovin
Hooper Bay
Kaktovik
Kiana
Kivalina
Kobuk
Kotlik
Kotzebue
Koyuk
Mountain Village
Noatak
Nome
Noorvik
Nuiqsut
Nunam Iqua
Pilot Station
Pitka's Point
Point Hope
Point Lay
Savoonga
Scammon Bay
Selawik
Shaktolik
Shishmaref
Shungnak
St. Mary's
St. Michael
Stebbins
Teller
Unalakleet
Wainwright
Wales
White Mountain

Sponsor Statement for Senate Bill 4

Senate Bill 4 does three things to the Senior Care Program. It eliminates the program's scheduled sunset date of June 30, 2007; removes the underutilized prescription drug benefit; and increases the monthly financial assistance from \$120 to \$150.

The Senior Care Program is strictly a needs based program. To be eligible for the program, the income of applicants, who meet all other eligibility criteria, must not exceed \$16,133 annually for a one person household and \$21,641 annually for a two person household. These amounts are frozen at 135 percent of the 2005 federal poverty guidelines.

Senate Bill 4 covers eligible seniors who may have been part of the Longevity Bonus Program prior to its funding being eliminated, as well as individuals who meet the eligibility criteria. The Department of Health and Social Services estimates that the Senior Care Program currently serves approximately 7,000 seniors with financial assistance. The prescription drug benefit has historically served approximately 140 seniors. The Senior Care Program would run concurrently with any Longevity Bonus Program that may be redeveloped. An individual who is receiving a Longevity Bonus payment is not eligible for the benefits of the Senior Care Program.

Updated 2/27/07 ga

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) 465-1398

January 31, 2007

Senator Donald Olson
State Capital, Room 514
Juneau, AK 99801-1182

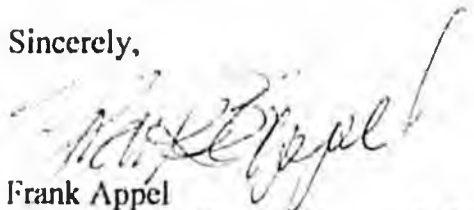
Dear Senator Olson,


The Alaska Commission on Aging supports Senate Bill No. 4 for the extension of the senior care program and the increasing of the benefit amount. We believe the senior care program provides an important and needed financial safety net for low income seniors. It helps over 7,000 seniors meet the costs of basic necessities such as housing, food and medication.

During our recent Legislative Advocacy Teleconference, two amendments were suggested. Participants felt that the asset levels were too low, especially for the cash benefit qualification criteria. Many seniors above the current level are still living in meager circumstances and at significant risk to exhaust their savings if financial emergencies occur. Secondly, participants recommended that if the program does not have a near-term sunset date, inflation proofing be added to the legislation.

Thank you for sponsoring this legislation and your consideration of these suggestions.

Sincerely,


Frank Appel
Chair, Alaska Commission on Aging


Denise Daniello
Executive Director, ACoA

Ginny Austerman

From: Craig, Deborah [Deborah_Craig@health.state.ak.us]
Sent: Tuesday, February 06, 2007 4:11 PM
To: Ginny Austerman
Subject: Senior Care Info
Attachments: Craig, Deborah.vcf

Seniors with incomes below 135% of the 2005 federal poverty level and liquid assets less than \$6,000 (\$9,000 for a couple) qualify for a \$120/month cash payment.

$\$120 \times 12 = \1440 annual benefit

Seniors who do not qualify for cash payments, but whose income is below \$20,913 for individuals or \$28,053 for couples with liquid assets of up to \$50,000 (\$100,000 for a couple) can receive assistance with their Medicare prescription drug coverage or comparable prescription drug coverage. SeniorCare will pay monthly premiums up to \$34.66 for drug coverage, and will pay annual deductibles up to \$250 per year.

$\$34.66 \times 12 + \$250 = \$665.52$ annual benefit

Deborah Craig

907-465-8259

Director's Office, DPA, DHSS

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- *I am unable to tell from the longevity bonus bills, whether they are set up to continue with the phase out of the original program, do you know if they are?*

The last date that people were allowed to apply for the bonus was December 31, 1996.

SB 40 and HB 79 specify that reapplication will be accepted from those who were qualified to receive a monthly benefit before January 1, 1997, are current residents and who have maintained continuous residency from June 2003 to the date of reapplication thus not allowing additional applications, it appears that the 'phase out' will continue to occur naturally as people leave the state or expire.

- *How many people will qualify for the Longevity Bonus Program (assuming it is still in phase out mode)?*

Our current estimates for FY08 are 12,631.

- *What, if any, is the change in the federal poverty guidelines? One person? Two people?*

The federal poverty guidelines are change annually to reflect an increase in the cost of living. Federal Poverty Guidelines do not impact the Alaska Longevity Bonus but does impact the SeniorCare program which is eligibility based on limited income. The current income standards for the SeniorCare program are frozen at 135% of the 2005 federal poverty income guidelines and are calculated for one and two people.

Family Size	2005 Poverty Level (Current Law)		2006 Poverty Level		2007 Poverty Level	
	100%	135%	100%	135%	100%	135%
Single	\$11,950	\$16,133	\$12,250	\$16,538	\$12,770	\$17,240
Couple	\$16,030	\$21,641	\$16,500	\$22,275	\$17,120	\$23,112

- *Do you know the \$\$ amount the Senior Assistance Program costs today? What is the number of people being served by the program? Is this data readily available by district?*

The FY07 authorized budget in the department for the SeniorCare Program is \$13,286.0.

The SeniorCare Cash program serves approximately 7,000 seniors (the number fluctuates monthly) while the SeniorCare Drug Benefit Program has historically served under 140 (again with some fluctuation).

We can provide information sorted by zip codes - some district share zip codes so it will be difficult to discern district in all cases.

- *Are Senior Care appropriations sufficient to meet demand?*

Yes, based on our projections we are meeting the demand.

Information provided by:

Deborah Craig

907-465-8259

Director's Office, DPA, DHSS

Senior Care Recipients
 Count By City/Zipcode
 6-Feb-2007

Residence City	Zipcode	Senior Care Recipients Count	Census Area
AKHIOK	99615	1	KODIAK
AKIACHAK	99551	19	BETHEL
AKIAK	99552	20	BETHEL
AKUTAN	99553	3	ALEUTIANS EAST
ALAKANUK	99534	1	WADE HAMPTON
ALAKANUK	99554	29	WADE HAMPTON
ALEKNAGIK	99555	4	DILLINGHAM
ALLAKAKET	99720	11	YUKON/KOYUKUK
AMBLER	99786	6	NW ARCTIC
ANAKTUVUK PASS	99721	6	NORTH SLOPE
ANCHOR POINT	99556	30	KENAI
ANCHORAGE	99500	1	ANCHORAGE
ANCHORAGE	99501	398	ANCHORAGE
ANCHORAGE	99502	181	ANCHORAGE
ANCHORAGE	99503	186	ANCHORAGE
ANCHORAGE	99504	397	ANCHORAGE
ANCHORAGE	99506	1	ANCHORAGE
ANCHORAGE	99507	294	ANCHORAGE
ANCHORAGE	99508	416	ANCHORAGE
ANCHORAGE	99509	19	ANCHORAGE
ANCHORAGE	99510	19	ANCHORAGE
ANCHORAGE	99511	9	ANCHORAGE
ANCHORAGE	99514	29	ANCHORAGE
ANCHORAGE	99515	159	ANCHORAGE
ANCHORAGE	99516	47	ANCHORAGE
ANCHORAGE	99517	114	ANCHORAGE
ANCHORAGE	99518	59	ANCHORAGE
ANCHORAGE	99519	3	ANCHORAGE
ANCHORAGE	99520	24	ANCHORAGE
ANCHORAGE	99521	4	ANCHORAGE

ANCHORAGE	99522	3
ANCHORAGE	99523	6
ANCHORAGE	99524	12
ANCHORAGE	99528	1
ANCHORAGE	99550	1
ANCHORAGE	99604	1
ANCHORAGE	99695	2
ANDERSON	99744	2
ANGOON	99801	1
ANGOON	99820	25
ANIAK	99557	8
ANVIK	99558	3
ARCTIC VILLAGE	99722	4
ATKA	99547	4
ATMAUTLUAK	99559	9
ATQASUK	99791	2
BARROW	99723	26
BEAVER	99724	5
BETHEL	99559	50
BETTLES	99726	2
BIG LAKE	99652	33
BREVIK MISSION	99785	11
BUCKLAND	99727	7
CANTWELL	99729	3
CENTRAL	99730	1
CHALKYITSIK	99788	6
CHEFORNAK	99561	10
CHEVAK	99563	21
CHICKALON	99674	1
CHIGNIK	99548	1
CHIGNIK	99564	2
CHIGNIK LAKE	99548	4
CHISTOCHINA	99586	1
CHITINA	99566	1
CHUATHBALUK	99557	1
CHUGIAK	99567	44
CHUGIAK	99577	1

ANCHORAGE
ANCHORAGE
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ANCHORAGE
ANCHORAGE
DENALI
SKA/HOO/ANG
SKA/HOO/ANG
BETHEL
YUKON/KOYUKUK
YUKON/KOYUKUK
ALEUTIANS WEST
BETHEL
NORTH SLOPE
YUKON/KOYUKUK
BETHEL
YUKON/KOYUKUK
MAT-SU
NOME
NW ARCTIC
DENALI
YUKON/KOYUKUK
YUKON/KOYUKUK
BETHEL
WADE HAMPTON
MAT-SU
LAKE AND PENINSULA
LAKE AND PENINSULA
LAKE AND PENINSULA
VALDEZ/CORDOVA
VALDEZ/CORDOVA
BETHEL
ANCHORAGE
ANCHORAGE

FAIRBANKS	99710	2
FAIRBANKS	99711	4
FAIRBANKS	99712	36
FAIRBANKS	99724	1
FAIRBANKS	99760	1
FORT RICHARDSON	99505	1
FORT YUKON	99740	19
FORTUNA LEDGE	99585	11
FRITZ CREEK	99603	2
GAKONA	99586	11
GALENA	99741	15
GAMBELL	99742	20
GIRDWOOD	99587	1
GLENNALLEN	99588	9
GOLOVIN	99762	2
GOODNEWS BAY	99589	14
GRAYLING	99590	8
HAINES	99827	39
HEALY	99743	2
HOLLIS	99950	3
HOLY CROSS	99602	5
HOMER	99603	82
HOONAH	99729	1
HOONAH	99829	26
HOOPER BAY	99604	35
HOPE	99605	2
HOUSTON	99654	1
HOUSTON	99684	1
HOUSTON	99694	16
HUGHES	99745	6
HUSLIA	99746	15
HYDABURG	99922	15
HYDER	99523	1
HYDER	99923	2
IGIUGIG	99613	1
ILIAMNA	99606	8
INDIAN	99540	1

FAIRBANKS N STAR
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ANCHORAGE
YUKON/KOYUKUK
WADE HAMPTON
KENAI
VALDEZ/CORDOVA
YUKON/KOYUKUK
NOME
ANCHORAGE
VALDEZ/CORDOVA
NOME
BETHEL
YUKON/KOYUKUK
HAINES
DENALI
PRINCE OF WALES
YUKON/KOYUKUK
KENAI
SKA/HOO/ANG
SKA/HOO/ANG
WADE HAMPTON
KENAI
MAT-SU
MAT-SU
MAT-SU
YUKON/KOYUKUK
YUKON/KOYUKUK
PRINCE OF WALES
PRINCE OF WALES
PRINCE OF WALES
LAKE AND PENINSULA
LAKE AND PENINSULA
ANCHORAGE

JUNEAU	99801	231
JUNEAU	99802	15
JUNEAU	99803	6
JUNEAU	99811	3
KAKE	99830	19
KALSKAG	99607	1
KALSKAG	99626	2
KALSKAG (LOWER)	99607	1
KALSKAG (LOWER)	99626	3
KALSKAG (UPPER)	99607	6
KALTAG	99748	6
KASIGLUK	99609	18
KASILOF	99610	16
KENAI	99611	123
KENAI	99661	1
KENAI	99672	1
KETCHIKAN	99901	153
KETCHIKAN	99950	8
KIANA	99749	11
KING COVE	99612	12
KING SALMON	99613	1
KIPNUK	99614	17
KIVALINA	99750	14
KLAWOCK	99925	26
KOBUK	99751	5
KODIAK	99615	152
KODIAK	99645	1
KOKHANOK	99606	5
KOLIGANEK	99576	9
KONGIGANAK	99559	11
KOTLIK	99620	14
KOTZEBUE	99752	59
KOYUK	99753	15
KOYUKUK	99754	3
KWETHLUK	99121	1
KWETHLUK	99621	24
KWIGILLINGOK	99622	11

JUNEAU	
JUNEAU	
JUNEAU	
JUNEAU	
WRANG/PETERS	
BETHEL	
BETHEL	
BETHEL	
BETHEL	
BETHEL	
YUKON/KOYUKUK	
BETHEL	
KENAI	
KENAI	
KENAI	
KENAI	
KETCHIKAN GATEWAY	
KETCHIKAN GATEWAY	
NW ARCTIC	
ALEUTIANS EAST	
BRISTOL BAY	
BETHEL	
NW ARCTIC	
PRINCE OF WALES	
NW ARCTIC	
KODIAK	
KODIAK	
LAKE AND PENINSULA	
DILLINGHAM	
BETHEL	
WADE HAMPTON	
NW ARCTIC	
NOME	
YUKON/KOYUKUK	
BETHEL	
BETHEL	
BETHEL	

LARSEN BAY	99624	6
LEVELOCK	99625	3
MANLEY HOT SPRINGS	99756	1
MANOKOTAK	99628	16
MCGRATH	99627	9
MCGRATH	99672	1
MEKORYUK	99630	10
MENTASTA LAKE	99780	6
METLAKATLA	99626	1
METLAKATLA	99926	37
MINTO	99758	18
MOOSE PASS	99631	3
MT VILLAGE	99632	33
NAKNEK	99633	5
NANWALEK	99603	1
NAPAKIAK	99634	17
NAPASKIAK	99559	25
NAUKATI BAY	99950	2
NELSON LAGOON	99571	1
NENANA	99760	18
NEW STUYAHOK	99636	19
NEWTOK	99559	15
NIGHTMUTE	99690	8
NIKISKI	99635	12
NIKOLAEVSK	99556	1
NIKOLAI	99691	11
NIKOLSKI	99638	1
NINILCHIK	99639	12
NOATAK	99761	23
NOME	99762	50
NONDALTON	99640	6
NOORVIK	99763	25
NORTH POLE	99701	1
NORTH POLE	99705	62
NORTH POLE	99775	1
NORTHWAY	99764	12
NUIQSUT	99789	2

KODIAK
LAKE AND PENINSULA
YUKON/KOYUKUK
DILLINGHAM
YUKON/KOYUKUK
YUKON/KOYUKUK
BETHEL
VALDEZ/CORDOVA
PRINCE OF WALES
PRINCE OF WALES
YUKON/KOYUKUK
KENAI
WADE HAMPTON
BRISTOL BAY
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ALEUTIANS EAST
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YUKON/KOYUKUK
ALEUTIANS WEST
KENAI
NW ARCTIC
NOME
LAKE AND PENINSULA
NW ARCTIC
FAIRBANKS N STAR
FAIRBANKS N STAR
FAIRBANKS N STAR
SE FAIRBANKS
NORTH SLOPE

NULATO	99765	22
NUNAM IQUA	99666	6
NUNAPITCHUK	99641	17
OLD HARBOR	99643	8
OUZINKIE	99644	5
PALMER	99645	184
PALMER	99654	2
PALMER	99745	1
PEDRO BAY	99647	1
PERRYVILLE	99648	3
PETERSBURG	99833	19
PILOT STATION	99650	31
PLATINUM	99651	3
POINT BAKER	99927	2
POINT HOPE	99766	17
PORT ALEXANDER	99836	1
PORT GRAHAM	99603	10
PORT HEIDEN	99549	1
PORT LIONS	99550	2
QUINHAGAK	99655	31
RAMPART	99767	4
RED DEVIL	99656	4
RUBY	99768	8
RUSSIAN MISSION	99657	5
SAINT GEORGE	99591	1
SAINT MARYS	99658	25
SALCHA	99714	7
SAND POINT	99661	2
SAVOONGA	99769	39
SCAMMON BAY	99662	17
SELAWIK	99770	18
SELDOVIA	99663	7
SEWARD	99664	37
SHAGELUK	99665	8
SHAKTOOLIK	99771	10
SHISHMAREF	99762	2
SHISHMAREF	99772	18

YUKON/KOYUKUK
WADE HAMPTON
BETHEL
KODIAK
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LAKE AND PENINSULA
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WRANG/PETERS
WADE HAMPTON
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PRINCE OF WALES
NORTH SLOPE
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LAKE AND PENINSULA
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YUKON/KOYUKUK
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YUKON/KOYUKUK
WADE HAMPTON
ALEUTIANS WEST
WADE HAMPTON
FAIRBANKS N STAR
ALEUTIANS EAST
NOME
WADE HAMPTON
NW ARCTIC
KENAI
KENAI
YUKON/KOYUKUK
NOME
NOME
NOME

SHISHMAREF	99775	1
SHUNGNAK	99773	10
SITKA	99835	58
SLANA	99586	4
SLEETMUTE	99668	8
SOLDOTNA	99669	123
ST MICHAEL	99659	7
ST PAUL ISLAND	99660	5
STEBBINS	99671	11
STERLING	99672	30
STEVENS VILLAGE	99774	3
STONY RIVER	99557	2
SUTTON	99674	12
TALKEETNA	99676	15
TALKEETNA	99688	1
TANACROSS	99776	7
TANANA	99777	9
TATITLEK	99677	2
TELLER	99762	1
TELLER	99778	11
TENAKEE	99841	1
THORNE BAY	99919	3
TOGIAK	99678	43
TOK	99780	38
TOKSOOK BAY	99637	21
TRAPPER CREEK	99683	6
TULUKSAK	99679	14
TUNTUTULIAK	99680	14
TUNUNAK	99681	13
TWIN HILLS	99576	8
TYONEK	99682	4
UNALAKLEET	99684	21
UNALASKA	99685	7
VALDEZ	99686	21
VENETIE	99781	10
WAINWRIGHT	99782	13
WALES	99783	3

NOME
NW ARCTIC
SITKA
VALDEZ/CORDOVA
BETHEL
KENAI
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ALEUTIANS WEST
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YUKON/KOYUKUK
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MAT-SU
SE FAIRBANKS
YUKON/KOYUKUK
VALDEZ/CORDOVA
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BETHEL
MAT-SU
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BETHEL
DILLINGHAM
KENAI
NOME
ALEUTIANS WEST
VALDEZ/CORDOVA
YUKON/KOYUKUK
NORTH SLOPE
NOME

WARD COVE	99928	5
WASILLA	99629	15
WASILLA	99645	2
WASILLA	99654	298
WASILLA	99687	66
WHITE MOUNTAIN	99784	8
WHITTIER	99693	5
WILLOW	99509	1
WILLOW	99688	39
WRANGELL	99929	48
YAKUTAT	99689	9
		<u>7,060</u>

KETCHIKAN GATEWAY
MAT-SU
MAT-SU
MAT-SU
MAT-SU
NOME
VALDEZ/CORDOVA
MAT-SU
MAT-SU
WRANG/PETERS
YAKUTAT



March 31, 2007

The Honorable Lyman Hoffman, Co-Chair
Senate Finance Committee
Alaska State Capitol, Room 518
Juneau, AK 99801-1182

The Honorable Bert Stedman, Co-Chair
Senate Finance Committee
Alaska State Capitol, Room 516
Juneau, AK 99801-1182

RE: SB 4 (Olson)--Support

Dear Co-Chairs Hoffman and Stedman:

On behalf of the members of AARP in Alaska, we encourage you and your colleagues on the Senate Finance Committee to support SB 4, authored by your Committee colleague Senator Donald Olson.

SB 4 will extend the SeniorCare Program beyond the sunset date of June 30, 2007 and will increase the monthly cash benefit from \$120 to \$150.

Approximately 7,000 older Alaskans participate in the SeniorCare program. The majority of them were too young to be eligible for the former Longevity Bonus. The majority of new enrollees to SeniorCare have just turned 65. They were low income when they were 64 and are now eligible for SeniorCare to help them cope with the daily costs of living in Alaska and help them remain in our state as they get older. These are not wealthy individuals. The assets test for SeniorCare is \$6,000 for an individual and \$9,000 for a couple. In order to receive the monthly stipend an individual's income must be below \$16,133 annually or \$21,641 for a couple. These income limits were set at 135% of the federal poverty level for 2005. They have not increased since SeniorCare

was inaugurated. Because of the flat dollar amount, some eligible seniors are knocked off SeniorCare each year when they receive their Social Security COLA.

We applaud Senator Olson's leadership on this bill, particularly his recommendation of an increase from \$120 to \$150. We hope you and your Committee colleagues would also consider working with Senator Olson to bring the eligibility cap to include automatic annual increases in the federal poverty level. This would move the eligibility level from \$16,133 for a single to \$17,240 and for a couple from \$21,641 to \$23,112.

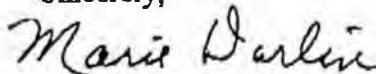
AARP also recommends consideration of lifting the assets cap beyond the \$6,000 single/\$9,000 couple levels. Older persons tend to save for future health care costs, including burial expenses. Research tells us that even very low income older persons try to save something each month and many older Alaskans, although we would consider them low income, will save enough and they pass the assets cap.

AARP recommends an "AYE" vote on SB 4.

Should you have any questions about our position, please feel free to contact me (586-3637) or Patrick Luby, AARP Advocacy Director (907-762-3314).

Thank you for your consideration.

Sincerely,



Marie Darlin, Coordinator
AARP Capital City Task Force
415 Willoughby Avenue, Apt. 506
Juneau, AK 99801
586-3637 (voice)
463-3580 (fax)

CC: Vice-Chair Charlie Huggins
Senator Kim Elton
Senator Donald Olson
Senator Joe Thomas
Senator Fred Dyson

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/16/07

FURTHER: Finance

Date of 5-Day Notice: 2/15/07
 (in accordance with Uniform Rule 23)

DATE TURNED
 IN TO OFFICE: 2/21/07

Health, Education and Social Services Committee considered

SENATE BILL NO. 4

SB 4 SENIOR CARE PROGRAM

"An Act extending the cash assistance benefit program for seniors under the senior care program and increasing the benefit amount; and providing for an effective date."

and recommends:

- be replaced with SCS or CS _____ (_____)
- adopt previous SCS or CS _____ (_____)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:
<input type="checkbox"/> Same Title
<input type="checkbox"/> New Title
<hr/>
HOUSE BILL:
<input type="checkbox"/> Same Title
<input type="checkbox"/> Technical Title Change
<input type="checkbox"/> New Title w/ SCR # _____

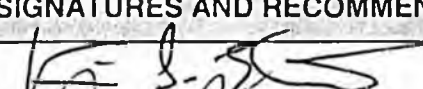

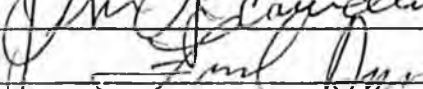
NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
HSS	2/13/07	✓			1

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	E. Thomas	✓			
	Thomas Condeley	✓			
	Dyson		✓		
CHAIR: <u>Bettye Davis</u>	Davis	X			