

HB

16

<TARGET><BILL>HB 16</BILL><SUBJECT>HB
16</SUBJECT><COMM>HHSS27</COMM></TARGET>

Alaska State Legislature

Rep. Sharon Cissna
Rep. Alan Dick
Rep. Bob Herron
Rep. Bob Miller
Rep. Charisse Millett
Rep. Paul Seaton



State Capitol, Room 432
Juneau, AK 99801-1182

Chair

Rep. Wes Keller
Phone: (907) 465-2186
Fax: 465-3818

House Health and Social Service Committee MEMO

To: House Clerk

Fm: Janet Ogan, Staff, House Health and Social Services Committee

Date: January 20, 2011

Re: Schedule for January 24-29, 2011

Tuesday, January 25, 3-5 pm, Rm.106

+Committee Orientation

+* HB 16

Thursday, January 27, 3-5 pm, Rm. 106

+Department Health and Social Services Briefing

+ Teleconferenced

* First Committee of Referral

= Previously scheduled or heard

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: January 18, 2011

FURTHER REFERRALS: Finance

Date of Committee Action: Jan. 25, 2011

The HEALTH AND SOCIAL SERVICES Committee considered:

HB 16

HOUSE BILL NO. 16

"An Act extending senior benefits."

HB 16 EXTEND SENIOR BENEFITS PAYMENT PROGRAM

Recommends it be replaced with HCS or CS for _____ (_____)
 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
 DHS
 LWF
 LAW
 LEG
 MVA
 DNR
 DPS
 REV
 DOT
 UA

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

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

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Millett	✓			
	Dick	✓			
	SEATON	✓			
	MILLER	✓			
	HERRON	✓			
Chair:	Keller	✓			
Chair:					

Representative Mike Hawker

Alaska State Legislature



Session:

State Capitol
Juneau, AK 99801
907 465-4949 office
907 465-4979 fax

Interim:

716 W 4th Avenue
Anchorage, AK 99501
907 269-0244 office
907 269-0248 fax

Chair:

House Special Committee on
Ways and Means

Member:

House Finance Committee
Legislative Budget
& Audit Committee

House District 32:

Eagle River
Anchorage
Glen Alps
Rainbow
Indian
Bird
Girdwood
Portage
Whittier
Sunrise
Hope

TO: Representative Wes Keller, Chairman
House Health & Social Services Committee

FROM: Representative Mike Hawker

A handwritten signature in black ink, appearing to read "Mike Hawker".

DATE: January 19, 2011

RE: House Bill 16

I request that House Bill 16, which would extend the Senior Benefits Program, be scheduled for a hearing at your earliest convenience. The program is scheduled to sunset on June 30, 2011. Early passage of this legislation will help ensure peace of mind for the Alaskan seniors who rely on this monthly benefit.

I have attached a Sponsor Statement, a copy of the bill, and background material for your review.

Please feel free to contact me, or my legislative aide, Rena Delbridge at 465-6959, if you need any additional information.

Janet Ogan

From: Laughlin, Wilda J (HSS) [wilda.laughlin@alaska.gov]
Sent: Monday, January 24, 2011 3:30 PM
To: Janet Ogan; Rena Delbridge
Cc: Kreher, Ronald E (HSS)
Subject: HB 16 HSS coverage

This is to let you know that the Department of Health and Social Services plans to have Ron Kreher, acting director of the Division of Public Assistance, attend Tuesday's meeting and testify on behalf of the department. Ron will have the appropriate staff available to help with any questions he can't answer.

I have already relayed to the sponsor that the Administration supports the current version of HB 16, with a four year extension. If changes are made to the bill, the Administration will need to re-evaluate.

w.

Wilda J. Laughlin
Legislative Liaison, Dept. of Health and Social Services
Phone (907) 465-1613
Fax (907) 465-3068
Cell (907) 723-3802

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Representative Mike Hawker

Alaska State Legislature



House Bill 16

Sponsor Statement

Session:

State Capitol
Juneau, AK 99801
907 465-4949 direct
800 478-4950 toll free
907 465-4979 fax

Interim:

716 W 4th Avenue
Anchorage, AK 99501
907 269-0244 office
907 269-0248 fax

Chair:

Legislative Budget
& Audit Committee

House District 32:

Eagle River
Anchorage
Rainbow
Indian
Bird
Girdwood
Portage
Whittier
Sunrise
Hope

Short Title: Extend Senior Benefits Payment Program

House Bill 16 would extend the Alaska Senior Benefits Program to June 30, 2015.

The Senior Benefits Program provides monthly cash assistance to state residents age 65 years or older whose household income does not exceed 175% of the federal poverty guidelines for Alaska. Specifically, the program pays:

- \$250 per month to individuals with income of 75% or less of FPG
- \$175 per month to individuals with income between 75% and 100% of FPG
- \$125 per month to individuals with income between 100% and 175% of FPG

The program assists approximately 10,000 Alaskan seniors, with a total cost of \$21 million projected for this fiscal year. If it is not extended, the program will sunset on June 30, 2011.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: HB016
() Publish Date: _____

Identifier (file name): HB016-DHSS-SBPP-01-21-2011
Title: Extend Senior Benefits Payment Program
Sponsor: Hawker
Requestor: House HSS
Dept. Affected: Health and Social Services
Appropriation: Public Assistance
Allocation: Senior Benefits Payment Program
OMB Component Number: 2897

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
		FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
OPERATING EXPENDITURES							
Personal Services		486.0	486.0	486.0	486.0		
Travel		9.7	9.7	9.7	9.7		
Contractual		169.7	169.7	169.7	169.7		
Supplies		43.5	43.5	43.5	43.5		
Equipment							
Land & Structures							
Grants & Claims	1,968.1	19,776.4	22,349.3	22,970.9	23,606.5		
Miscellaneous							
TOTAL OPERATING	1,968.1	20,485.3	23,058.2	23,679.8	24,315.4	0.0	0.0

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

1002 Federal Receipts							
1003 GF Match							
1004 GF	1,968.1	20,485.3	22,848.1	23,164.4	23,488.3		
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	1,968.1	20,485.3	22,848.1	23,164.4	23,488.3	0.0	0.0

Estimate of any current year (FY2011) cost: 0.0

POSITIONS

Full-time		6	6	6	6		
Part-time							
Temporary							

Why this fiscal note differs from previous version:

Not applicable, initial version.

Prepared by: Ron Kreher, Acting Director
Division: Public Assistance
Approved by: Alison Elgee, Assistant Commissioner
DHSS Finance & Management Services

Phone 465-2680
Date/Time 1/21/11 5:00 PM
Date 1/21/2011

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB016

Analysis:

Analysis:

The Senior Benefits Payment Program helps low income seniors who are age 65 or older remain independent in the community by providing a monthly income supplement to help meet their basic needs, such as food and housing. Currently the program is set to expire on June 30, 2011. This legislation continues the program through June 30, 2015. As of December 2010, the current program enrollment was 10,093. The number and percent of seniors at each payment level was:

- * \$250 - 1,071 (10.6%)
- * \$175 - 3,872 (38.4%)
- * \$125 - 5,150 (51.0%)

Assumptions:

- * Current staffing levels for the program will be maintained and will consist of one Eligibility Technician III, four Eligibility Technician I's, and one Office Assistant I.
- * Annual expenditures for Personal Services, Travel, Contractual, and Supplies will remain constant for FY 2012 through FY 2015.
- * Projected grant expenditures in FY 2011 are expected to be about \$21.0 million.
- * Annual grant expenditures are expected to increase in response to a projected caseload growth of 3% annually in the out years.
- * Grant expenditures for FY 2012 through FY 2015 are expected to increase as follows:
 - 3.55 percent in FY 2012
 - 2.78 percent in FY 2013
 - 2.78 percent in FY 2014
 - 2.80 percent in FY 2015

With the exception of the amount shown in the FY12 appropriation needed column, all of the represented costs are contained in the governor's proposed FY12 budget.

Senior BENEFITS PROGRAM



Fact Sheet
January 7, 2011

The Alaska Senior Benefits Payment Program was established on August 1, 2007 and, unless reauthorized, is set to end on June 30, 2011. It pays cash benefits to Alaskans who are age 65 or older and have low to moderate income. Cash payments are \$125, \$175, or \$250 each month depending on income.

Recipients

- There were 10,109 Senior Benefits recipients as of November 2010.
- Number and percent of seniors at each payment level in November 2010.
 - ✓ \$250 - 1,068 (10.6%)
 - ✓ \$175 - 3,893 (38.5%)
 - ✓ \$125 - 5,148 (50.9%)
- Average age of recipients is 75. The maximum age is 105.

Program Expenditures

- Currently, projected program expenditures for FY 2011 are \$21.0 million. Projected expenditures for FY 2012 are \$21.7 million.

Eligibility and Payment

- Eligibility and payment amount is based on gross annual income (before any deductions are taken for taxes, Medicare premiums, etc.).

Senior Household Size	Senior Benefits Program Gross Annual Income Limit		
	\$250 monthly payment	\$175 monthly payment	\$125 monthly payment
Individual	\$10,148 (\$846 per month)	\$13,530 (\$1,128 per month)	\$23,678 (\$1,972 per month)
Married Couple	\$13,658 (\$1,139 per month)	\$18,210 (\$1,518 per month)	\$31,868 (\$2,656 per month)

- Income limits may change yearly along with Alaska's federal poverty level. The \$250, \$175, and \$125 monthly payments correspond to 75 percent, 100 percent, and 175 percent of the federal poverty level for Alaska, respectively.

- Assets, such as savings, are not counted for eligibility.
- Payments are not available to seniors living in the following institutions:
 - ✓ Prison or jail,
 - ✓ nursing home,
 - ✓ Alaska Pioneers' Home or Alaska Veterans' Home, or
 - ✓ Public or private institution for mental disease

Geographic Distribution by Census Area, November 2010

Census Area	Number of Recipients
Aleutians East	20
Aleutians West	15
Anchorage	3,642
Bethel	558
Bristol Bay	7
Denali	13
Dillingham	151
Fairbanks North Star	756
Haines	83
Juneau	339
Kenai Peninsula	932
Ketchikan Gateway	251
Kodiak	224
Lake and Peninsula	39
Matanuska-Susitna	1,249
Nome	239
North Slope	38
Northwest Arctic	162
Prince of Wales	181
Southeast Fairbanks	186
Sitka	97
Skagway/Hoonah/Angoon	67
Valdez/Cordova	172
Wade Hampton	254
Wrangell/Petersburg	155
Yakutat	15
Yukon/Koyukuk	259
Unidentified	5
Grand Total	10,109

STATE OF ALASKA

DEPT. OF HEALTH & SOCIAL SERVICES

Alaska Commission on Aging

SEAN PARNELL, GOVERNOR

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

January 15, 2011

Representative Mike Hawker
Alaska State Capitol, Room 502
Juneau, AK 99801-1182

Subject: Support for HB 16

Dear Representative Hawker:

The Alaska Commission on Aging (ACoA) is pleased to offer our enthusiastic support of HB 16, a bill sponsored by you to reauthorize the Senior Benefits program which is scheduled to sunset on June 30, 2011. Because this program provides a critical financial safety net for Alaska seniors, the Alaska Commission on Aging supports the extension of the sunset date to 2015 or beyond.

The Senior Benefits program, originally initiated by you and enacted by the Legislature in 2007, has been an invaluable program for modest-income seniors who are on small fixed incomes to assist them to live with dignity and independence in their home communities. Alaskans age 65 and over with incomes up to 175% of poverty are eligible for a calibrated monthly cash benefit based on income through the Senior Benefits program. Although the monthly payments are not large amounts, they can make a significant difference in whether or not an older Alaskan is able to afford food, rent, fuel, medication, and other necessities. Many low-income seniors do not have cash reserves that allow for emergencies or the increasing cost of living.

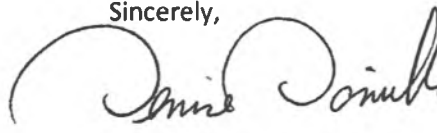
In fiscal year 2010, the average monthly enrollment in the Senior Benefits Program was 10,009. Among the Department of Health and Social Services' nine regions, there is wide variation in the percentage of seniors age 65 and over who receive Senior Benefits. Statewide, less than one in five seniors (19.1%) participates in the Senior Benefits program. Region 1 (the Bethel/Wade Hampton area), long recognized as a very low income region of the state, has over 50 percent of seniors participate in the program. The Aleutian Islands, Region VIII, also has a high rate of participation – more than twice as high as the state's average rate.

The Alaska Commission on Aging strongly recommends that the 2011 Legislature vote to extend the sunset date for the Senior Benefits Program, enabling the program to continue to support those seniors most vulnerable to economic stresses. Please feel free to contact Denise Daniello, ACoA's executive director (465-4879 or denise.daniello@alaska.gov) should you require additional information. Thank you so much for your support of this important program for older Alaskans.

Sincerely,


Sharon Howerton-Clark
Chair, Alaska Commission on Aging

Sincerely,


Denise Daniello
ACoA Executive Director

House Bill 16 Background Information

Alaska Senior Benefits Program Statutes

Title 09. CODE OF CIVIL PROCEDURE

Chapter 09.38. ALASKA EXEMPTIONS ACT

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

(11) [See delayed amendment note]. benefits paid or payable under AS 47.45.301 - 47.45.309.

Sec. 47.45.301. Alaska senior benefits payment program. [See delayed repeal note].

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

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

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

Sec. 47.45.302. Cash assistance benefit. [See delayed repeal note].

(a) An individual is eligible for a cash assistance benefit under the program if the individual

(1) is 65 years of age or older;

(2) is a resident of the state;

(3) has a household income that does not exceed 175 percent of the annual federal poverty line for Alaska, as determined by the United States Department of Health and Human Services and revised under 42 U.S.C. 9902(2);

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

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

(b) An eligible individual shall receive a monthly cash assistance payment beginning on August 1, 2007, as follows:

(1) \$250 if the individual's household income does not exceed 75 percent of the federal poverty line for Alaska;

(2) \$175 if the individual's household income does not exceed 100 percent but is above 75 percent of the federal poverty line for Alaska;

(3) \$125 if the individual's household income does not exceed 175 percent but is above 100 percent of the federal poverty line for Alaska.

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

Sec. 47.45.304. Continuation of benefits. [See delayed repeal note].

An eligible individual who leaves the state may not receive a cash benefit under AS 47.45.302 during the absence unless the individual's absence is temporary and is for one of the following reasons:

(1) to receive medical treatment for the individual;

(2) to accompany the individual's family member who is receiving medical treatment outside the state; or

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

Sec. 47.45.306. Appeal rights. [See delayed repeal note].

An individual who receives a determination from the department that denies, limits, or modifies a cash benefit under AS 47.45.301 - 47.45.309, other than a determination under AS 47.45.301 (c) to reduce or eliminate benefits, may request a hearing before the department under regulations adopted by the department.

Sec. 47.45.308. Ability to recover or recoup improper assistance or benefits. [See delayed repeal note].

An individual is liable to the department for the value of assistance or benefits improperly paid to the individual under AS 47.45.302 or former AS 47.45.310 or 47.45.320 if the improper payment was based on inaccurate or incomplete information provided by the individual. In a civil action brought by the state to recover from the individual the value of assistance or benefits improperly paid under AS 47.45.302 or former AS 47.45.310 or 47.45.320, the state may recover from the individual the costs of investigation and prosecution of the civil action, including attorney fees as determined under court rules.

Sec. 47.45.309. Definitions. [See delayed repeal note].

In AS 47.45.301 - 47.45.309,

- (1) "department" means the Department of Health and Social Services;
- (2) "eligible individual" means an individual who meets the requirements of AS 47.45.301 - 47.45.309 and regulations adopted under those statutes for eligibility for the program;
- (3) "family member" means a person who is
 - (A) legally related to an eligible individual through marriage or guardianship; or
 - (B) an eligible individual's sibling, parent, grandparent, son, daughter, grandson, granddaughter, uncle, aunt, niece, nephew, or first cousin;
- (4) "program" means the senior benefits payment program established in AS 47.45.301 - 47.45.309;
- (5) "resident" has the meaning given in AS 47.25.430 (a).

Matsui Legislative Information
- Office -
600 E. Railroad Ave.
Wasilla, AK. 99654-8135

January 12, 2011

Barbara A. Schumacher
P.O. Box 873505
Wasilla, AK, 99687

To Whom it may concern,
Please think very carefully about the Senior Benefits Program, here in Alaska. It has been a great source of comfort & financial stability to me for the last 3 years. I shudder to think what it would mean to your Senior Constituents, who benefit so greatly from this program if it were to be discontinued.
Thank you for your consideration.

Sincerely,

Barbara A. Schumacher - age 75
BARBARA A. SCHUMACHER
Wasilla, AK.



AARP Alaska
3601 C Street
Suite 1420
Anchorage, AK 99503

T 1-866-227-7447
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www.aarp.org/ak

January 19, 2011

The Honorable Mike Hawker
Member of the House of Representatives
Alaska Capitol, Room 502
Juneau, AK 99801-1182

RE: HB 16 (Hawker)—Support

Dear Representative Hawker:

On behalf of the members of AARP in Alaska, we are pleased to indicate our very strong support for HB 16 which will extend the Senior Benefits program for another four years.

There is no doubt that the Senior Benefits program has proven to be an invaluable help to many older Alaskans who might not be able to afford to stay here without it.

We all recognize that Alaska's seniors face high health care costs as well as high energy costs.

The Senior Benefits program has allowed over 10,000 older Alaskans to deal with these costs and to remain citizens of our state.

We want Alaskans to be able to stay here after retirement. The Senior Benefits program is essential to achieve that goal.

On behalf of all those older Alaskans who may not be aware of your continued leadership on this issue, please accept our thanks for all that you have done, continue to do, and will do in the future.

We are pleased to thank Representatives Millet, Lynn, Gara and Tuck for signing up to co-sponsor HB 16.

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: Representative Charisse Millet
Representative Les Gara

Representative Bob Lynn
Representative Chris Tuck