

HB

263

<TARGET><BILL>HB 263</BILL><SUBJECT>HB
263</SUBJECT><COMM>HHSS28</COMM></TARGET>

CS FOR HOUSE BILL NO. 263(HSS)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH AND SOCIAL SERVICES COMMITTEE

Offered:

Referred:

Sponsor(s): REPRESENTATIVE HAWKER

A BILL

FOR AN ACT ENTITLED

1 **"An Act extending the Alaska senior benefits payment program."**

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

3 * **Section 1.** Section 4, ch. 1, FSSLA 2007, as amended by sec. 5, ch. 6, SLA 2011, is
4 amended to read:

5 Sec. 4. AS 09.38.015(a)(11); AS 47.45.301, 47.45.302, 47.45.304, 47.45.306,
6 47.45.308, and 47.45.309 are repealed June 30, 2021 [2015].

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE HAWKER

TO: HB 263

- 1 Page 1, line 1:
- 2 Following "**extending**":
- 3 Insert "**the Alaska**"
- 4 Following "**benefits**":
- 5 Insert "**payment program**"

HOUSE BILL NO. 263

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE HAWKER

Introduced: 1/21/14

Referred:

A BILL

FOR AN ACT ENTITLED

1 *the alaska* "An Act extending senior benefits ~~in~~ *a payment program.*"

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

3 * **Section 1.** Section 4, ch. 1, FSSLA 2007, as amended by sec. 5, ch. 6, SLA 2011, is
4 amended to read:

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Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version: HB 263
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB263-DHSS-SBPP-02-03-14
Title: EXTEND SENIOR BENEFITS PAYMENT PROGRAM
Sponsor: HAWKER
Requester: House HSS Committee

Department: Department of Health and Social Services
Appropriation: Public Assistance
Allocation: Senior Benefits Payment Program
OMB Component Number: 2897

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2015 Appropriation Requested	Included in Governor's FY2015 Request	Out-Year Cost Estimates					
			FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
OPERATING EXPENDITURES								
Personal Services		535.3	535.3	535.3	535.3	535.3	535.3	535.3
Travel		9.7	9.7	9.7	9.7	9.7	9.7	9.7
Services		169.7	169.7	169.7	169.7	169.7	169.7	169.7
Commodities		43.5	43.5	43.5	43.5	43.5	43.5	43.5
Capital Outlay								
Grants & Benefits		22,332.3	24,260.5	24,942.2	25,644.2	26,367.3	27,112.2	
Miscellaneous								
Total Operating	0.0	23,090.5	25,018.7	25,700.4	26,402.4	27,125.5	27,870.4	

Fund Source (Operating Only)

1004 Gen Fund		23,090.5	25,018.7	25,700.4	26,402.4	27,125.5	27,870.4
Total	0.0	23,090.5	25,018.7	25,700.4	26,402.4	27,125.5	27,870.4

Positions

Full-time		6.0	6.0	6.0	6.0	6.0	6.0
Part-time							
Temporary							

Change in Revenues							

Estimated SUPPLEMENTAL (FY2014) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2015) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? **Yes**
If yes, by what date are the regulations to be adopted, amended or repealed? **06/30/15**

Why this fiscal note differs from previous version:

Not applicable, initial version.

Prepared By:	Ron Kreher, Director	Phone:	(907)465-5847
Division:	Public Assistance	Date:	02/03/2014 08:00 AM
Approved By:	Sarah Woods, Deputy Director	Date:	02/03/14
Agency:	Finance & Management Services		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2014 LEGISLATIVE SESSION

BILL NO. HB263

Analysis

This program supports the DHSS Priority 1: Health and Wellness across the lifespan; Core Service 1.2: Provide quality of life in a safe living environment for Alaskans by providing on-going assistance to low-income seniors so they can remain independent in their communities.

The regulation change required is the repeal and reenactment of AAC 47.545. This section currently establishes June 30, 2015 as the end date for applicability of the Senior Benefits Payment Program regulations. The repeal and reenactment of this particular section, extending applicability to June 30, 2021, would need to occur prior to June 30, 2015.

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, 2015. This legislation continues the program through June 30, 2021. As of December 2013, the current program enrollment was 10,954. The number and percent of seniors at each payment level was:

- * \$250 - 1,288 (11.8%)
- * \$175 - 4,594 (41.9%)
- * \$125 - 5,072 (46.3%)

Assumptions:

- Current staffing levels for the program will be maintained.
- Annual expenditures for Personal Services, Travel, Contractual, and Supplies will remain constant for FY 2015 through FY 2021.
- Annual grant expenditures are expected to increase in response to a projected caseload growth of 2.8% annually in the out years.



REPRESENTATIVE MIKE HAWKER

ALASKA STATE LEGISLATURE ♦ DISTRICT 27

Anchorage ♦ Glen Alps ♦ Rainbow ♦ Indian ♦ Bird ♦ Girdwood

Senior Benefits Extension Sponsor Statement

Short Title: "An Act extending senior benefits."

28-LS1256 would extend the Alaska Senior Benefits Program to June 30, 2021. If the program is not extended, it will sunset on June 30, 2015.

The Senior Benefits Program, established on August 1, 2007, provides monthly cash assistance to state residents age 65 years or older and have low to moderate income level.

Specifically, the program pays:

Monthly Benefit	Income Limits	
	Individual	Married Couple
\$250	\$10,763 annual (\$897 monthly)	\$14,535 annual (\$1,211 monthly)
\$175	\$14,350 annual (\$1,196 monthly)	\$14,535 annual (\$1,615 monthly)
\$125	\$25,113 annual (\$2,093 monthly)	\$33,915 annual (\$2,826 monthly)

Approximately 11,000 of Alaska's seniors will be served by the Senior Benefits Program in FY2014.

Senior BENEFITS PROGRAM



Fact Sheet January 31, 2014

The Alaska Senior Benefits Payment Program was established on August 1, 2007 and is currently set to end on June 30, 2015. 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 10,954 Senior Benefits recipients as of December 2013.
 - ✓ Number and percent of seniors at each payment level in December 2013.
 - ✓ \$250 – 1,288 (11.8%)
 - ✓ \$175 – 4,594 (41.9%)
 - ✓ \$125 - 5,072 (46.3%)
- Average age of recipients is 75. The maximum age is 103.

Program Expenditures

- | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 |
|-----------|------------|------------|------------|------------|------------|------------|
| \$9,777.3 | \$15,220.0 | \$18,232.8 | \$19,147.9 | \$20,609.5 | \$20,893.7 | \$21,128.6 |
- Projected program expenditures for FY 2014 are \$23.3 million. Projected expenditures for FY 2015 are \$23.6 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 (Effective 3/1/2014)		
	\$250 monthly payment	\$175 monthly payment	\$125 monthly payment
Individual	\$10,935 (\$912 per month)	\$14,580 (\$1,215 per month)	\$25,515 (\$2,127 per month)
Married Couple	\$14,745 (\$1,229 per month)	\$19,660 (\$1,639 per month)	\$34,405 (\$2,868 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, December 2013

Census Area	Number of Recipients	Census Area	Number of Recipients
ALEUTIANS EAST	26	MAT-SU	1,416
ALEUTIANS WEST	33	NOME	243
ANCHORAGE	4,001	NORTH SLOPE	40
BETHEL	546	NW ARCTIC	153
BRISTOL BAY	11	PETERSBURG	85
DENALI	15	PRINCE OF WALES	210
DILLINGHAM	147	SE FAIRBANKS	193
FAIRBANKS N STAR	825	SITKA	110
HAINES	85	SKAGWAY	4
HOONAH-ANGOON	84	VALDEZ/CORDOVA	160
JUNEAU	360	WADE HAMPTON	235
KENAI	1,063	WRANGELL	86
KETCHIKAN GATEWAY	273	YAKUTAT	17
KODIAK	230	YUKON KOYUKUK	258
LAKE AND PENINSULA	44	Grand Total	10,954

Evolution of the Senior Benefits Program	
1972 - 2003	Alaska Longevity Bonus Program. The Alaska Longevity Bonus Program was established in 1972. Alaska residents became eligible upon reaching the age of 65. \$250/month was issued to seniors who applied before 1994, \$200 to those applying in 1994, \$150 to those applying in 1995, and \$100 to those applying in 1996. Payments were not available to seniors who applied after 1996. The program was subsequently defunded in 2003, and final benefits were issued for the month of August 2003.
2003 - 2004	Senior Assistance Program. Beginning September 2003, the Governor's office used its executive authority to establish the needs-based Senior Assistance program in response to the needs of low-income Alaskans aged 65 and older who were financially impacted by the elimination of the Alaska Longevity Bonus. Payments were limited to \$120/month. The program ended March 2004.
2004 - 2007	SeniorCare Program. Beginning April 2004, the SeniorCare Program was established to replace the former Senior Assistance Program. The new program was expanded to include a prescription drug benefit. Low-income seniors that passed the program's income and resource limits could choose to receive either a \$120/month payment or a prescription drug benefit. The program ended July 2007.
2007 - Present	Senior Benefits Program. Beginning August 2007, the Senior Benefits Program was established to replace the SeniorCare Program. The program provides three payment levels that are based on the senior's gross annual income. Income limits are tied to the Federal Poverty Guidelines for Alaska and change each year as the poverty level changes. There is no asset test. The program is currently set to expire on June 30, 2015.



AARP Alaska
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Suite 1420
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T 1-866-227-7447
F 907-341-2270
www.aarp.org/ak

February 3, 2014

The Honorable Mike Hawker
State Capitol, Room 502
Juneau, Alaska 99801-1182

RE: HB 263 - Extend Senior Benefits Payment Program

Dear Representative Hawker,

On behalf of the over 90,000 members of AARP Alaska, we offer support without reservation for HB 263, which extends the very important Senior Benefits Program until 2021. Without passage of HB 263, the Senior Benefits Program will end in June of this year.

We know the Governor and the Legislature will never have enough money to do all that they would like to do to help older Alaskans remain here after retirement. Recognizing that public monies will always be limited, AARP's public policy position is that state funds should always go to those most in need, whether financial need or health needs. The Senior Benefits program now has a proven track record of providing support for older people whose income (defined by the eligibility criteria) is simply not adequate to pay for their total housing, food, heat, and health care costs. In fact, the older people most likely to benefit from an extension include:

- Older women: Many of the people who are supported with Senior Benefits payments are women who were lower income at 64 and, finally at 65, they are eligible for some assistance from the state. Very often these women did have assets and savings but used them to pay for the health care costs of a now deceased spouse.
- Alaskans who simply were not paid that much when they were working. Many lower paid workers had more than one job, but with Alaska's higher cost of living, simply were not able to accumulate much and are more likely to be receiving minimal Social Security benefits and have no private pension coverage.
- Rural Alaskans, especially those who live subsistence lifestyles. These individuals are least likely to have cash income. If they receive Social Security, their benefits are often very low. The loss of the Senior Benefits Program would hurt many older Alaskans living in our remote villages.
- The oldest of our citizens. Many more people are now living into their 80's and 90's, and as they age they are more likely to find themselves on tighter budgets. No pension or retirement system adequately compensates for inflation, particularly in health care costs. Our oldest citizens are the ones most likely to spend increasing amounts of their retirement budgets on health and other bare necessities.

We are grateful to you, Rep. Hawker, for your sponsorship of HB 263, and the respect for Alaska's seniors that you demonstrate. We offer our best wishes for extension of this important program. Please contact me if you have any questions about AARP's support.

Respectfully,

Ken Helander
Advocacy Director
762-3314
khelander@aarp.org



IT IS IN THE SHELTER
OF EACH OTHER THAT
THE PEOPLE LIVE.

Irish Proverb

February 3, 2014
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:

Community Connections is pleased to express our support for HB 263 which will extend the Senior Benefits Program for another four years. Community Connections serves the senior population on Prince of Wales, Metlakatla and Ketchikan. Our referral services identify hunger, or food insecurity, as a growing problem among the senior population in these areas.

The Hunger in America 2010 study found 42% of adult pantry and soup kitchen clients in Alaska were 50 and older. Of those pantry visitors 65 and older, 57.8% told us they experienced low or very low food security; they worry about or don't know if they will have enough food.

The study also found, of all pantry clients in Alaska:

- 43% had to choose between buying food and paying for utilities
- 45% had to choose between buying food and paying for rent or mortgage
- 35% had to choose between buying food and medicine

Among households with 1 senior member age 65 or older, 21.8% participate in a home delivered meal program. Agencies who deliver home meals have reported a 20% increase in requests for services. According to data from the Alaska Department of Public Assistance, food stamp recipients age 60 and over increased by 22% in 2009. The need is clear; our low-income seniors need help paying for basic needs.

We want all Alaskans to be hunger free, food secure. There is no question the Senior Benefits Program has helped Alaskan seniors put food on their tables, and will continue to do so with continued funding. We appreciate your leadership on this issue and wish to express our sincere thanks to you for helping Alaska Seniors live full and productive lives. We are also thankful to Representatives Millet, Lynn, Gara and Tuck for signing up to co-sponsor HB 263.

Thank you for all that you do for Alaska.

Sincerely,

Patricia Gardner
SDS Director
Community Connections
907-225-7825

721 Stedman St.
Ketchikan, Alaska 99901
Tel: (907) 225-7825
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AGENET

Alaska Geriatric Exchange Network

An Association of Advocates and Service Providers for Older Alaskans

February 3, 2014

Representative Mike Hawker
State Capitol Room 502
Juneau, Alaska 99801

Dear Representative Hawker:

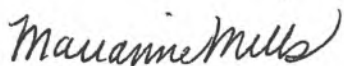
Members of the Alaska Geriatric Exchange Network (AGENET) are experienced senior service providers from across Alaska. On the following page is a list of our members. As professionals who are particularly familiar with challenges facing older Alaskans, we would like to offer our support for House Bill 263 to extend the Alaska Senior Benefits Program to June 30, 2021.

Approximately 11,000 older Alaskans with low to moderate incomes currently depend on this program to supplement their fixed incomes. They use the money to buy a wide range of local goods and services. Seniors' spending is a stable, year-round industry that has an economic multiplier impact resulting in job creation and income generation that expands the size of the Alaska's economy.

In addition to being a wise economic investment, the Senior Benefits Program helps older Alaskans maintain their health, safety and independent living. They use the monthly cash assistance to buy necessities such as food, fuel, assistive devices (including glasses and hearing aids), and medical care. The small monthly amount an eligible senior receives can make a meaningful difference toward helping them afford the basic necessities of life.

The Senior Benefits Program was established in 2007 and will end on June 30, 2015 unless it is extended. Thank you, Representative Hawker, for sponsoring this bill which extends the sunset date of this important program. Feel free to contact me at (907) 463-6154 or Marianne.mills@ccsiuneau.org for further information.

Sincerely,



Marianne Mills, President

Mailing Address: c/o President Marianne Mills, SESS, 419 Sixth Street, Juneau, Alaska 99801

The members of AGENET include:

Senior Citizens of Kodiak
Anchorage Senior Center
Center for Community
Kenai Senior Services
Fairbanks Resource Agency
Older Alaskans Program-TSA
Independent Living Center
Soldotna Area Senior Citizens
Alaska Consumer Direct
Palmer Senior Citizens Center
Qutekcak Native Tribe
Southeast Alaska Independent Living
Valdez Senior Citizens, Inc.
Native Village of Unalakleet
Hearts and Hands, Inc.
State Independent Living Council
Access Alaska
Ninilchik Senior Citizens
ResCare
Hospice of Anchorage
Eddy Hoffman Senior Center

Alzheimer's Resource of Alaska
Tanana Chiefs Conference
Southeast Senior Services
Homer Senior Citizens, Inc.
Serendipity Adult Day Center
Seward Seniors, Inc.
Seaview Community Services
Rendezvous Senior Day Services
Immediate Care, Inc.
Alaska Mobility Coalition
AHFC Senior Housing Office
Lisa Cauble (TTC)
Ken Helander (AARP)
Frontier Community Services
MidValley Seniors, Inc.
Nenana Tortella Council on Aging
Sandra Heffern (EHD Enterprises)
Kay Branch (ANTHC)
Wasilla Area Seniors
Sterling Area Senior Citizens

Carol Dejka
513 N. Franklins St
Juneau, AK 99801

January 31, 2014
The Honorable Mike Hawker
Member of the House of Representatives
Alaska Capital, Room 502
Juneau, AK 99801-1182

RE: HB 263 (Hawker) - Support

Dear Representative Hawker:

I want to express my support for HB 263 which will extend the Senior Benefits Program for another four years.

I have worked with elderly and disabled clients as a part time Chore, Personal Care Assistant and Respite worker in Juneau, AK since 2007. I have attended the Senior Lunch Program at Mt View Senior Center over the years with many of these clients. I see their bare cupboards and empty refrigerators at the end of every month, and I hear them tell me with relief in their voices that they have found a ride to the food bank again this month. When a senior has trouble keeping food on the table, you know that other expenses such as medications, visits to the dentist, visits to the eye doctor and new glasses are not getting taken care of either. The Senior Benefits Program seems like the least we can do for those who have carried the work load for the world we see today.

Thanks you for sponsoring this bill,
Sincerely, Carol Dejka

Carol Dejka