



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of
Health and Social Services

ALASKA COMMISSION ON AGING

P.O. Box 110693
Juneau, Alaska 99811-0693
Main: 907.465.3250
Fax: 907.465.1398

March 3, 2015

The Honorable Mark Neuman, Co-Chair
The Honorable Steve Thompson, Co-Chair
House Finance Committee
Alaska State Capitol, Rooms 505 & 515
Juneau, Alaska 99811-1182

Subject: Support for Alaska Senior Benefits Program and Adult Day Services (HB 72 & HB 73, Operating Budget)

Dear Chair Neuman and Chair Thompson:

The Alaska Commission on Aging (ACoA) extends our sincere thanks and appreciation for your support of funding for programs serving older Alaskans, specifically the Alaska Senior Benefits program and Adult Day Services administered by the Division of Public Assistance and the Division of Senior and Disabilities Services. During these times of fiscal constraint, we recognize the difficult budget decisions you are called upon to make. We want to take this opportunity to share with you how important these cost-effective services are for older Alaskans and their family caregivers.

The Alaska Senior Benefits program provides a critical safety net for Alaskans age 65 and older who live on small fixed incomes to help pay for food, fuel, housing, prescribed medications and other life necessities. More than 11,000 older Alaskans receive these benefits statewide. The average age of recipients is 75 years old, with the oldest person being 104 years old. The majority of recipients are women across all age categories, many of whom may be widowed.

HB 72 proposes a 25.4% reduction in the amount of \$5,091,600 that will affect approximately 10,000 seniors with household incomes between 75% and 175% FPL. The budget reduction will lower the monthly payments for seniors in the affected income groups from \$175 to \$140 and from \$125 to \$100. On the surface, this lowered payment amount does not sound like a significant reduction, but for a person on a fixed income that money can make a huge difference in the purchase of nutritious food, like fresh fruits and vegetables at the grocery store, being able to afford medication in the prescribed amounts, and keeping the thermostat at a comfortable level. 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 remain in Alaska. We want Alaskans to be able to remain living here after retirement. Senior Benefits is essential to achieve that goal.

Adult Day Services is the primary senior program that directly benefits working family caregivers by providing a safe place for elderly loved ones with dementia while their families are at work. Adult day programs provide community care in an interactive safe and structured setting for older persons with

Alzheimer's disease and related dementias as well as those with physical, emotional and/or cognitive impairments. These services are extremely cost effective because seniors are cared for in a congregate group setting which lowers the staff to participant ratio. Adult Day activities include assistance with personal care and provide age-appropriate structured daily activities such as exercise, music/singing, health monitoring, crafts, outings and other programs. They also support families with respite, education, and information. Many of the most vulnerable seniors who live in the community attend adult day programs as the majority of participants cannot be left safely at home alone while their caregivers go to work. In FY2014, adult day programs served 416 seniors of whom 66% have dementia.

HB 73 proposes reduced funding in the amount of \$500,000 which is almost one-third of the budget for Adult Day Services that funds 13 adult day programs statewide. These programs are located in Bethel, Fairbanks, Anchorage, Chugiak, Homer, Kenai, Wasilla, Palmer, Kodiak, Nome, Juneau, and Ketchikan. According to Senior and Disabilities Services, this funding reduction may result in the closure of programs and reduced funding for those remaining. Without access to Adult Day Services, working families who care for elderly loved ones with dementia at home may be faced with making difficult decisions including reducing work hours, quitting a job to care for a loved one at home full-time, or prematurely placing a loved one in a higher cost assisted living home or skilled nursing facility. These outcomes are unintended, yet very expensive consequences that could result from this budget reduction.

The Alaska Commission on Aging appreciates your thoughtful consideration of reinstating full or partial funding for Alaska's Senior Benefits program and Adult Day Services. These programs are important to Alaska's older citizens and their family caregivers. They help Alaskan seniors remain living in-state, prevent the need for higher cost care, and promote independence and personal dignity. Please feel free to contact Denise Daniello, ACoA's Executive Director, by phone (465-4879) or email (denise.daniello@alaska.gov) for further information. Thank you for your commitment and dedication serving Alaskans!

Sincerely,



Mary E. Shields

Chair, Alaska Commission on Aging

Sincerely,



Denise Daniello

ACoA Executive Director

Cc: Representative Dan Sadler, Vice Chair
Representative Tammie Wilson
Representative Lynn Gattis
Representative Cathy Muñoz
Representative Lance Pruitt
Representative Tammie Wilson
Representative Les Gara
Representative David Guttenberg
Representative Scott Kawasaki
Representative Mike Hawker (alternate)