

Alaska Commission on Aging

PROTECT THE SENIOR BENEFITS PROGRAM FROM BUDGET CUTS **Department of Health & Social Services, Division of Public Assistance**

Issue: The Senior Benefits program, administered by the Division of Public Assistance, provides a critical safety net for older Alaskans age 65 and older who live on small fixed incomes to help pay for food, fuel, housing, prescribed medications, and other necessities. The Governor's amended budget proposes a 25.4% reduction to the Senior Benefits program that will result in a 20% reduction in benefit amounts for seniors who qualify for the program with incomes between 75% and 175% federal poverty level (State of Alaska Office of Management & Budget, Change Record Detail, pp 104-105). The proposed reduction will affect approximately 10,000 Senior Benefit participants and reduce the monthly assistance payment for seniors on a fixed income in the affected income groups from \$175 currently to approximately \$140 proposed (for those with household incomes between 75% and 100% federal poverty level) and from \$125 to approximately \$100 (for participants with household incomes between 100% and 175% of poverty). Proposed changes to the Senior Benefit amounts will require a legislative amendment to the governing statute for the Senior Benefits program (AS 47.45.302) which may place the program at risk for further changes and unintended consequences.

Background: The Senior Benefits Program was enacted in 2007 and reauthorized in FY2011 and FY2014. The Senior Benefits provides tiered monthly cash assistance to more than 11,000 seniors age 65 and older with household incomes up to 175% federal poverty level. The average age for recipients is 75 years old however, many recipients range in age from 75 to over 100 years old. The majority of Senior Benefit recipients are women. Statewide fewer than one in six seniors (15.8%) participates in the Senior Benefits Program.

Recommendation: The Alaska Commission on Aging supports reinstatement of funding for the Senior Benefits program. The risk of living in poverty in later life increases with age and varies by race, gender, marital status and age. The risk of poverty is far greater for seniors who are older than 75 years old, persons living alone, as well as for widowed women and those of minority status. The Senior Benefits program helps older Alaskans to live with dignity and independence within their communities which has a positive impact on senior health and well-being.

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Ensuring the dignity and independence of all older Alaskans and assisting them through planning, advocacy, education, and interagency cooperation to lead useful and meaningful lives.