

**Alaska Commission on Aging  
Legislative Advocacy Committee Meeting  
September 4, 2015  
1:00 to 2:00 p.m.  
APPROVED Minutes**

Marie Darlin called to the meeting to order at 1:03 p.m. Members present: Marie Darlin, Committee Chair, David Blacketer, Rachel Greenburg and Mary Shields, Commission Chair. Staff members present: Denise Daniello (ex-officio) and Lesley Thompson.

**Motion: To approve the draft meeting agenda - Motion by Mary, second by David, motion approved.**

**Motion: to approve the Legislative Advocacy meeting minutes from July 30, 2015. Motion by Mary, second by David, motion approved.**

**Alaska Senior Benefits Program:** Denise explained the current Senior Benefits Program; *The SFY2016 budget for the Senior Benefits program is \$20,024,800, reduced by \$3,065,700 from SFY2015 expenditures, and is expected to impact 9,800 eligible seniors, according to the Division of Public Assistance (DPA, July 2015). In May 2015, there were 11,475 seniors receiving Senior Benefits. Currently, about one in six seniors participates in the program with the largest number of recipients living in Anchorage. The average age is 75 years old, with the oldest recipient being 103 years old. The majority of recipients are women. Senior Benefits, 100% funded with General Funds, provides tiered monthly cash assistance to seniors who income-qualify to help with food, housing, and prescribed medications. On average, 300 new enrollees sign up for Senior Benefits annually due to the growth of the senior population. The program is scheduled to sunset on June 30, 2017.*

*The Division of Public Assistance has released an emergency regulations package to amend the current regulations governing Senior Benefits which expired on June 30, 2015 and is seeking public comment due September 17. The new regulations include language that describes how benefit adjustments will be made when appropriations are insufficient to meet demand and how benefits would be ended in the event that funding is not appropriated to continue the program. The Division is considering several strategies to sustain the program with less funding available. One approach would reduce the payment amount for the lower two payment categories by as much as 20% (from \$175 month to \$140 month for the 100% Federal Poverty Level category and from \$125 month to \$100 month for the 175% FPL) with no reductions for the highest payment amount of \$250 (75% FPL). A second proposed strategy would require public assistance categorical eligibility for Senior Benefits meaning that eligible recipients must be signed up for other needs assistance programs such as food stamps or heating assistance to qualify for Senior Benefits payment assistance. In that manner, the Senior Benefits program could be reduced by 20% to 30% eliminating the lowest payment category and result in an annual savings of \$2.7M to \$4.1M and allow Public Assistance to focus on those most in need. The third strategy would cap the number of Senior Benefit recipients based on the annual appropriations and could potentially impact current recipients if funding was insufficient. The ACoA Legislative Advocacy Committee is in the process of gathering information to formulate our comments on the proposed regulations. At this time, Public Assistance does not anticipate making changes to payment amounts until January 2016.*

The committee talked about several different options between phasing out the Senior Benefits program all together to keeping the program the way it is. After much discussion, the committee decided upon the below proposals.

Motion by Mary, second by Rachel to send the department the following comments, motioned carried.

- *Continuation of the \$250 monthly cash assistance for seniors with household incomes up to 75% federal poverty level (FPL) as proposed in the draft regulations as these seniors are the most financially vulnerable. They numbered 1,442 in December 2014.*
- *Apply the largest pro rata reductions to those with household incomes at 175% FPL rather than seniors at 100% FPL as originally proposed.*
- *Provide adequate notification to current Senior Benefit recipients of changes to their benefit levels and to note that time period, preferably 90 days, in the proposed regulations.*
- *Apply a cap on new enrollees if the appropriation amount is insufficient in order to prevent further benefit reductions for existing recipients.*
- *Provide information about other public assistance programs such as heating assistance and the Supplemental Nutrition Assistance Program (SNAP) to provide relief for seniors who income- qualify but have applied for Senior Benefits when a cap has been imposed.*

*In the long-term, we recommend consideration of the following measures to sustain Senior Benefits when the program is scheduled for sunset review in FY2018 as these strategies may necessitate a change in statute:*

- *Require U.S. citizenship for the Senior Benefits program to be aligned with requirements of all other needs based programs administered by the Division of Public Assistance. Certain safeguards could be implemented to protect Senior Benefit recipients who are required to live in another location for medical reasons.*
- *Permanently cap the number of recipients at the 175% FPL and initiate a phase-out of this payment tier to potentially realize a projected cost avoidance savings estimated at \$7.7 million based on payments made in December 2014 (5,108 seniors X \$125 month payment assistance X 12 months).*
- *Increase the age of eligibility for Senior Benefits from 65 to 67 to target benefits to older seniors who have the greatest economic need and are of age for retirement with full Social Security benefits. This strategy will reduce the number of recipients and provide a savings for the program. Consideration should be given to include a hold harmless clause to protect those already receiving benefits from the program.*

## **Proposed Rate Increase for the Alaska Pioneer Homes**

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### **Notes to reader:**

1. Except as discussed in note 2, proposed new text that am ends an existing regulation is **bolded and underlined**.

2. If the lead-in line states that a new section, subsection, paragraph, subparagraph, or clause is being added, or that an existing section, subsection, etc. is being repealed and readopted (replaced), the new (or replaced) text is not bolded or underlined.

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7 AAC 74.025(a) is amended to read:

(a) To partially compensate the state for the cost of services, the monthly rate charged a resident, in addition to ancillary charges as prescribed by the department, for the appropriate level of service described in 7 AAC 74.01O(c)(1) - (3) is as follows:

(I) level I services: \$2549.75; [\$2,350] (2)

level II services: \$4,622.10; [\$4,260] (3)

level III services: \$6,694.45. [\$6,170]

{Eff. 8/1/2004, Register 171; am 7/1/2009, Register 190; am 3/8/2012, Register 201; am  
\_\_/\_\_/2015, Register\_\_\_\_\_J

**Authority:** AS 47.55.010 AS 47.55.020 AS 47.55.030

Denise reviewed the Pioneer Home proposed rate increase. The rates have not been increase for many years, and since the state is struggling with a deficit, it was decided not to write comments pro or con for the proposed rate increase.



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

Department of  
Health and Social Services

ALASKA COMMISSION ON AGING

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September 8, 2015

The Honorable Lisa Murkowski  
United States Senate  
709 Hart Senate Office Building  
Washington D.C. 20510

Sent by Fax: 202-224-5301

Regarding: Support Continued Funding for HUD's Home Investment Partnerships Program

Dear Senator Murkowski:

Alaska is the state with the fastest growing population of people age 65 and older, growing more than 2.5 times the national growth rate over the last ten years, with Alaskans age 60+ being the fastest growing age demographic in the state. Alaska's senior population is expected to grow very rapidly in the next 15 to 20 years as Alaskan baby boomers continue to age in place. In 2014, there were 115,280 Alaskans age 60 and older with 71,080 being age 65+. Affordable, accessible, and appropriate senior housing is in short supply and a critical need that allows older Alaskans to age in place and continue to meaningfully contribute to their families, communities, and our great state.

The Alaska Commission on Aging (ACoA) is concerned about the proposed reduction to HUD's HOME Investment Partnerships Program and the impact this funding reduction will have on the development of affordable senior housing in Alaska. HUD's budget is included in the Senate Appropriations Subcommittee "Transportation, Housing, and Urban Development, and Related Agencies." Senator Susan Collins chairs this Subcommittee with Senator Jack Reed as the Ranking Member. With the elimination of state funding for AHFC's Senior Citizens Housing Development Grant Fund program this past legislation session, the proposed reduction of HUD funds in the amount of **\$3,406,231 for Alaska or 93% of the program** is expected to further exacerbate the development of affordable senior housing leaving only \$108,625 of HUD funds for all of the state's housing development needs. A loss of \$3.4 million annually in housing funds will impact many more dollars in public and private investments that were leveraged with these funds.

According to AHFC's Senior Housing Office, there have been several senior housing projects in Alaska that have utilized HOME funds in combination with other fund sources. They include Ptarmigan Heights, Delta Junction (\$818,673); Silverwood, Soldotna (\$311,000); Alderview, Wasilla (\$60,000); Blueberry Pointe, Meadow Lakes (\$620,000); Colony Estates, Palmer (\$669,382); Pioneer Heights, Ketchikan (\$139,921); Swatzell Terrace, Homer (\$343,068); Tovarish Manor, Nikiski (\$425,000); and other projects.

Alaska's demographic transition has significant economic consequences. Alaska's cost of institutionalized care is among the highest in the nation, with an annual median cost more than \$280,000 per person for nursing home placement (Genworth Financial 2015). Affordable senior housing, combined with appropriate home and community-based support services, facilitates the ongoing independence of older Alaskans. According to findings from ACoA's recently conducted needs assessment activities in preparation for the Alaska State Plan for Senior Services, FY2016-2019, senior housing ranked in the top three issues of importance for Alaska seniors based on 2,280 responses from seniors and 128 public members who attended the six Elder-Senior Listening Sessions statewide.

Seniors are vital to the future of Alaska. They enrich the lives of all Alaskans, young and old, by sharing their lifetime of experience, knowledge and wisdom. Further, seniors bring significant cash flow into the state's economy from their retirement income, health care spending, job earnings, and other income sources that total an estimated \$3 billion annually. Appropriate, affordable and accessible housing is critical to the health and well-being of older Alaskans and their ability to thrive and meaningfully contribute to Alaska.

We respectfully ask for your assistance in restoring HUD funds for Alaska, which is an important tool under AHFC's GOAL program that helps to make housing more affordable for several populations. Housing specifically designed for the senior population helps older people to remain living independently longer which improves the quality of life for seniors, increases their abilities to contribute to their families and communities, and has the potential to save the State money from institutionalized care.

Thank you for your consideration of this request to preserve HUD funds and for your leadership serving Alaskans! ACoA's current board roster is attached.

Sincerely,

Mary E. Shields  
Chair, Alaska Commission on Aging

Sincerely,

Denise Daniello  
ACoA Executive Director

Cc: Kip Knudson, Director of State/Federal Relations  
Office of Governor Bill Walker

Colleen Bickford, Director  
Anchorage HUD Office

Bryan Butcher, CEO/Executive Director  
Alaska Housing Finance Corporation

The committee reviewed the proposed letter Denise drafted for Senator Murkowski regarding HUD funding for Alaska. The committee liked the letter and asked Denise to send it to her as soon as possible.

Meeting adjourned at 2:00 pm.

Respectfully Submitted,

Lesley Thompson