

CS FOR SENATE BILL NO. 4(FIN) am

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Amended: 4/4/07

Offered: 4/4/07

Sponsor(s): SENATORS OLSON, Wielechowski, Elton, Kookesh, Ellis

A BILL

FOR AN ACT ENTITLED

1 **"An Act extending the cash assistance benefit program for seniors under the senior care**
2 **program and increasing the benefit amount; amending medical income eligibility**
3 **provisions for persons under 19 years of age and for pregnant women; and providing for**
4 **an effective date."**

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

6 * **Section 1.** AS 47.07.020(b) is amended to read:

7 (b) In addition to the persons specified in (a) of this section, the following
8 optional groups of persons for whom the state may claim federal financial
9 participation are eligible for medical assistance:

10 (1) persons eligible for but not receiving assistance under any plan of
11 the state approved under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act,
12 Supplemental Security Income) or a federal program designated as the successor to the
13 aid to families with dependent children program;

14 (2) persons in a general hospital, skilled nursing facility, or

1 intermediate care facility, who, if they left the facility, would be eligible for assistance
2 under one of the federal programs specified in (1) of this subsection;

3 (3) persons under 21 years of age who are under supervision of the
4 department, for whom maintenance is being paid in whole or in part from public
5 funds, and who are in foster homes or private child-care institutions;

6 (4) aged, blind, or disabled persons, who, because they do not meet
7 income and resources requirements, do not receive supplemental security income
8 under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act), and who do not
9 receive a mandatory state supplement, but who are eligible, or would be eligible if
10 they were not in a skilled nursing facility or intermediate care facility to receive an
11 optional state supplementary payment;

12 (5) persons under 21 years of age who are in an institution designated
13 as an intermediate care facility for the mentally retarded and who are financially
14 eligible as determined by the standards of the federal program designated as the
15 successor to the aid to families with dependent children program;

16 (6) persons in a medical or intermediate care facility whose income
17 while in the facility does not exceed \$1,656 a month but who would not be eligible for
18 an optional state supplementary payment if they left the hospital or other facility;

19 (7) persons under 21 years of age who are receiving active treatment in
20 a psychiatric hospital and who are financially eligible as determined by the standards
21 of the federal program designated as the successor to the aid to families with
22 dependent children program;

23 (8) persons under 21 years of age and not covered under (a) of this
24 section, who would be eligible for benefits under the federal program designated as
25 the successor to the aid to families with dependent children program, except that they
26 have the care and support of both their natural and adoptive parents;

27 (9) pregnant women not covered under (a) of this section and who
28 meet the income and resource requirements of the federal program designated as the
29 successor to the aid to families with dependent children program;

30 (10) persons under 21 years of age not covered under (a) of this section
31 who the department has determined cannot be placed for adoption without medical

1 assistance because of a special need for medical or rehabilitative care and who the
 2 department has determined are hard-to-place children eligible for subsidy under
 3 AS 25.23.190 - 25.23.210;

4 (11) persons who can be considered under 42 U.S.C. 1396a(e)(3) (Title
 5 XIX, Social Security Act, Medical Assistance) to be individuals with respect to whom
 6 a supplemental security income is being paid under 42 U.S.C. 1381 - 1383c (Title
 7 XVI, Social Security Act) because they meet all of the following criteria:

8 (A) they are 18 years of age or younger and qualify as disabled
 9 individuals under 42 U.S.C. 1382c(a) (Title XVI, Social Security Act);

10 (B) the department has determined that

11 (i) they require a level of care provided in a hospital,
 12 nursing facility, or intermediate care facility for the mentally retarded;

13 (ii) it is appropriate to provide their care outside of an
 14 institution; and

15 (iii) the estimated amount that would be spent for
 16 medical assistance for their individual care outside an institution is not
 17 greater than the estimated amount that would otherwise be expended
 18 individually for medical assistance within an appropriate institution;

19 (C) if they were in a medical institution, they would be eligible
 20 for medical assistance under other provisions of this chapter; and

21 (D) home and community-based services under a waiver
 22 approved by the federal government are either not available to them under this
 23 chapter or would be inappropriate for them;

24 (12) disabled persons, as described in 42 U.S.C.
 25 1396a(a)(10)(A)(ii)(XIII), who are in families whose income, as determined under
 26 applicable federal regulations or guidelines, is less than 250 percent of the official
 27 poverty line applicable to a family of that size according to the federal office of
 28 management and budget, and who, but for earnings in excess of the limit established
 29 under 42 U.S.C. 1396d(q)(2)(B), would be considered to be individuals with respect to
 30 whom a supplemental security income is being paid under 42 U.S.C. 1381 - 1383c; a
 31 person eligible for assistance under this paragraph who is not eligible under another

1 provision of this section shall pay a premium or other cost-sharing charges according
 2 to a sliding fee scale that is based on income as established by the department in
 3 regulations;

4 (13) persons under 19 years of age who are not covered under (a) of
 5 this section and whose household income does not exceed **175 percent of the federal**
 6 **poverty line for Alaska set by the United States Department of Health and**
 7 **Human Services and revised under 42 U.S.C. 9902(2)**

8 [(A) \$1,635 A MONTH IF THE HOUSEHOLD CONSISTS
 9 OF ONE PERSON;

10 (B) \$2,208 A MONTH IF THE HOUSEHOLD CONSISTS OF
 11 TWO PERSONS;

12 (C) \$2,782 A MONTH IF THE HOUSEHOLD CONSISTS OF
 13 THREE PERSONS;

14 (D) \$3,355 A MONTH IF THE HOUSEHOLD CONSISTS OF
 15 FOUR PERSONS;

16 (E) \$3,928 A MONTH IF THE HOUSEHOLD CONSISTS OF
 17 FIVE PERSONS;

18 (F) \$4,501 A MONTH IF THE HOUSEHOLD CONSISTS OF
 19 SIX PERSONS;

20 (G) \$5,074 A MONTH IF THE HOUSEHOLD CONSISTS OF
 21 SEVEN PERSONS;

22 (H) \$5,647 A MONTH IF THE HOUSEHOLD CONSISTS OF
 23 EIGHT PERSONS;

24 (I) \$5,647 A MONTH, PLUS AN ADDITIONAL \$574 A
 25 MONTH FOR EACH EXTRA PERSON ABOVE EIGHT PERSONS WHO
 26 IS IN THE HOUSEHOLD IF THE HOUSEHOLD CONSISTS OF NINE
 27 PERSONS OR MORE];

28 (14) pregnant women who are not covered under (a) of this section and
 29 whose household income does not exceed **175 percent of the federal poverty**
 30 **guideline for Alaska set by the United States Department of Health and Human**
 31 **Services**

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2 OF TWO PERSONS;

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4 THREE PERSONS;

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6 FOUR PERSONS;

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8 FIVE PERSONS;

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10 SIX PERSONS;

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12 SEVEN PERSONS;

13 (G) \$5,647 A MONTH IF THE HOUSEHOLD CONSISTS OF
14 EIGHT PERSONS;

15 (H) \$5,647 A MONTH, PLUS AN ADDITIONAL \$574 A
16 MONTH FOR EACH EXTRA PERSON ABOVE EIGHT PERSONS WHO
17 IS IN THE HOUSEHOLD IF THE HOUSEHOLD CONSISTS OF NINE
18 PERSONS OR MORE];

19 (15) persons who have been diagnosed with breast or cervical cancer
20 and who are eligible for coverage under 42 U.S.C. 1396a(a)(10)(A)(ii)(XVIII).

21 * **Sec. 2.** AS 47.45.300(a) is amended to read:

22 (a) The senior care program is established in the Department of Health and
23 Social Services to provide cash assistance benefits [AND PRESCRIPTION DRUG
24 BENEFITS] as far as practicable under appropriations provided by law.

25 * **Sec. 3.** AS 47.45.300(c) is amended to read:

26 (c) If the department estimates that appropriations for the program are
27 insufficient to meet the demands of the program in a fiscal year, the department may
28 reduce or eliminate the benefits available to recipients. [BENEFITS SHALL BE
29 REDUCED OR ELIMINATED IN THE FOLLOWING ORDER:

30 (1) DEDUCTIBLE COVERAGE UNDER AS 47.45.320(c);

31 (2) PREMIUM COVERAGE UNDER AS 47.45.320(c);

(3) CASH ASSISTANCE UNDER AS 47.45.310(b).]

* **Sec. 4.** AS 47.45.310 is repealed and reenacted to read:

Sec. 47.45.310. Cash assistance benefit. (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 150 percent of the annual federal poverty guidelines 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 as follows:

(1) \$175 if the individual's household income does not exceed 100 percent of the federal poverty guidelines for Alaska;

(2) \$150 if the individual's household income does not exceed 135 percent but is above 100 percent of the federal poverty guidelines for Alaska;

(3) \$100 if the individual's household income does not exceed 150 percent but is above 135 percent of the federal poverty guidelines for Alaska.

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

* **Sec. 5.** AS 47.45.330 is amended to read:

Sec. 47.45.330. Continuation of benefits. An eligible individual who leaves the state may not receive a cash assistance benefit under AS 47.45.310 [OR PRESCRIPTION DRUG BENEFIT UNDER AS 47.45.320] 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

1 medical treatment outside the state; or

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

5 * **Sec. 6.** AS 47.45.340 is amended to read:

6 **Sec. 47.45.340. Appeal rights.** An individual who receives a determination
7 from the department that denies, limits, or modifies a cash assistance benefit [OR
8 PRESCRIPTION DRUG BENEFIT] under AS 47.45.300 - 47.45.390, other than a
9 determination under AS 47.45.300(c) to reduce or eliminate benefits, may request a
10 hearing before the department under regulations adopted by the department.

11 * **Sec. 7.** AS 47.45.350 is amended to read:

12 **Sec. 47.45.350. Ability to recover or recoup improper assistance benefits.**
13 An individual is liable to the department for the value of assistance or benefits
14 improperly paid to the person under AS 47.45.310 or **former AS 47.45.320**
15 [47.45.320] if the improper payment was based on inaccurate or incomplete
16 information provided by the individual. In a civil action brought by the state to recover
17 from the individual the value of assistance or benefits improperly paid under
18 AS 47.45.310 or **former AS 47.45.320** [47.45.320], the state may recover from the
19 individual the costs of investigation and prosecution of the civil action, including
20 attorney fees as determined under court rules.

21 * **Sec. 8.** AS 47.45.390(2) is amended to read:

22 (2) "eligible individual" means an individual who meets the
23 requirements of AS 47.45.310 [OR 47.45.320] and regulations adopted under **that**
24 **statute** [THOSE STATUTES] for eligibility for the program;

25 * **Sec. 9.** Section 4, ch. 89, SLA 2005, is repealed and reenacted to read:

26 Sec. 4. AS 47.45.320 is repealed on June 30, 2007.

27 * **Sec. 10.** AS 09.38.015(a)(10); AS 37.05.146(c)(80); AS 47.45.300, 47.45.310, 47.45.330,
28 47.45.340, 47.45.350, 47.45.360, and 47.45.390 are repealed June 30, 2011.

29 * **Sec. 11.** Section 9, ch. 89, SLA 2005, is repealed.

30 * **Sec. 12.** The uncodified law of the State of Alaska is amended by adding a new section to
31 read:

1 RETROACTIVITY AND REVIVAL. If secs. 2 - 11 of this Act take effect after
2 June 30, 2007,

3 (1) AS 47.45.300 - 47.45.390, as amended by this Act, and secs. 9 and 11 of
4 this Act, are retroactive to June 30, 2007; and

5 (2) AS 47.45.300, 47.45.310, 47.45.330, 47.45.340, 47.45.350, 47.45.360, and
6 47.45.390, as amended by this Act, are revived.

7 * **Sec. 13.** Section 12 of this Act takes effect immediately under AS 01.10.070(c).

8 * **Sec. 14.** Except as provided in sec. 13 of this Act, this Act takes effect June 30, 2007.