

State of Alaska FY2012 Governor's Operating Budget

Department of Health and Social Services Adult Public Assistance Component Budget Summary

Component: Adult Public Assistance**Contribution to Department's Mission**

Provide financial assistance for basic living expenses to needy elderly, blind or disabled Alaskans in order for them to remain as independent as possible in the community.

Core Services

- The Adult Public Assistance Program (APA) was created to supplement Social Security benefits for elderly, blind and disabled Alaskans. The program provides qualified individuals with income support and access to medical care to allow them to remain as independent as possible in the community.
- Each month benefits are issued to APA clients in an amount equal to the maximum supplemental payment scheduled less adjustment for any income the individual receives.

Key Component Challenges

A key component challenge will be accommodating the anticipated caseload growth as the demographics shift in Alaska. This shift is the result of increased state population, improved medical technology, and an aging "baby boom" cohort. Some Adult Public Assistance program recipients experience permanent disabilities and are likely to rely on the program for their entire adult lives.

Significant Changes in Results to be Delivered in FY2012

- The Adult Public Assistance (APA) program will provide service and support to an increasing number of elderly and disabled Alaskans, as the demographics of Alaska's population changes.
- Collaborate with the Division of Vocational Rehabilitation and the Governor's Council on Disabilities and Special Education to promote employment for persons with disabilities and market the availability of working disabled Medicaid buy-in coverage.
- Increased funding of \$2,250.0 is requested to meet projected expenditures associated with program growth.

Status Updates for Changes in Results to be Delivered in FY2011

- Enrollment in APA is increasing, particularly in the Aid to the Disabled & Blind category. This growth is similar to that experienced by the Social Security Administration's Supplemental Security Income (SSI) program enrollment in Alaska. Both the APA and SSI programs have seen a 4% increase in the applicants who are disabled or blind. As a result, expenditures for the program are expected to increase. Overall the division expects the APA caseload will continue to increase by over 3% a year. Current funding levels are inadequate to meet projected expenditures.

Status Update for FY2011: The overall percentage change in the number of individuals enrolled in APA climbed from 1% growth in FY2009 to a 3% growth in FY2010. Caseload growth for FY2011 is estimated to be 3.6%. The Governor's FY12 budget proposes an increment of \$2,250.0 to meet the increased need.

- Promote employment for persons with disabilities in partnership with the Division of Vocational Rehabilitation and the Governor's Council on Disabilities and Special Education, and market the availability of working disabled Medicaid buy-in coverage.

Status Update for FY2011: Materials promoting the availability of working disabled Medicaid buy-in coverage were distributed to Division of Vocational Rehabilitation, Division of Senior and Disabilities Services, and other disability service providers.

Major Component Accomplishments in 2010

- Continued to achieve Interim Assistance program savings through the medical review process, which has been shown to increase the probability that individuals approved to receive Interim Assistance are likely to meet the Social Security definition of disability and qualify for Supplemental Security Income (SSI). The Interim Assistance caseload has decreased by almost 60% since the medical review process was first implemented.
- Provided working disabled Medicaid buy-in coverage to an average of 247 individuals a month. These individuals are former recipients who are now employed and no longer receiving Adult Public Assistance (APA).

Statutory and Regulatory Authority

AS 47.25.430 - .615 Adult Public Assistance
7 AAC 40 Adult Public Assistance

Contact Information
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**Adult Public Assistance
Component Financial Summary**

All dollars shown in thousands

	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	56,340.6	57,881.4	60,131.4
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	56,340.6	57,881.4	60,131.4
Funding Sources:			
1002 Federal Receipts	1,102.7	1,030.0	2,030.0
1004 General Fund Receipts	51,174.9	52,788.4	54,038.4
1007 Inter-Agency Receipts	4,063.0	4,063.0	4,063.0
Funding Totals	56,340.6	57,881.4	60,131.4

Estimated Revenue Collections

Description	Master Revenue Account	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	1,102.7	1,030.0	2,030.0
Interagency Receipts	51015	4,063.0	4,063.0	4,063.0
Restricted Total		5,165.7	5,093.0	6,093.0
Total Estimated Revenues		5,165.7	5,093.0	6,093.0

**Summary of Component Budget Changes
From FY2011 Management Plan to FY2012 Governor**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2011 Management Plan	52,788.4	0.0	4,063.0	1,030.0	57,881.4
Proposed budget increases:					
-Formula Program Funding Increase Due to Caseload Growth	1,250.0	0.0	0.0	1,000.0	2,250.0
FY2012 Governor	54,038.4	0.0	4,063.0	2,030.0	60,131.4

Component Detail All Funds
Department of Health and Social Services

Component: Adult Public Assistance (222)
RDU: Public Assistance (73)

	FY2010 Actuals	FY2011 Conference Committee (Final)	FY2011 Authorized	FY2011 Management Plan	FY2012 Governor	FY2011 Management Plan vs FY2012 Governor	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	56,340.6	57,881.4	57,881.4	57,881.4	60,131.4	2,250.0	3.9%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	56,340.6	57,881.4	57,881.4	57,881.4	60,131.4	2,250.0	3.9%
Fund Sources:							
1002 Fed Rcpts	1,102.7	1,030.0	1,030.0	1,030.0	2,030.0	1,000.0	97.1%
1004 Gen Fund	51,174.9	52,788.4	52,788.4	52,788.4	54,038.4	1,250.0	2.4%
1007 I/A Rcpts	4,063.0	4,063.0	4,063.0	4,063.0	4,063.0	0.0	0.0%
Unrestricted General (UGF)	51,174.9	52,788.4	52,788.4	52,788.4	54,038.4	1,250.0	2.4%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	4,063.0	4,063.0	4,063.0	4,063.0	4,063.0	0.0	0.0%
Federal Funds	1,102.7	1,030.0	1,030.0	1,030.0	2,030.0	1,000.0	97.1%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Health and Social Services

Component: Adult Public Assistance (222)

RDU: Public Assistance (73)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2011 Conference Committee (Final) To FY2011 Authorized *****												
FY2011 Conference Committee												
	ConfCom	57,881.4	0.0	0.0	0.0	0.0	0.0	57,881.4	0.0	0	0	0
1002 Fed Rcpts		1,030.0										
1004 Gen Fund		52,788.4										
1007 I/A Rcpts		4,063.0										
Subtotal		57,881.4	0.0	0.0	0.0	0.0	0.0	57,881.4	0.0	0	0	0
***** Changes From FY2011 Authorized To FY2011 Management Plan *****												
Subtotal		57,881.4	0.0	0.0	0.0	0.0	0.0	57,881.4	0.0	0	0	0
***** Changes From FY2011 Management Plan To FY2012 Governor *****												
Formula Program Funding Increase Due to Caseload Growth												
	IncM	2,250.0	0.0	0.0	0.0	0.0	0.0	2,250.0	0.0	0	0	0
1002 Fed Rcpts		1,000.0										
1004 Gen Fund		1,250.0										
Totals		60,131.4	0.0	0.0	0.0	0.0	0.0	60,131.4	0.0	0	0	0

In FY12 expenditures are expected to be approximately \$2,250.0 above our authorized budget amount. In FY10, Division of Public Assistance (DPA) included a decrement of \$500.0, with mention that we would possibly be coming forward with an increment request in forthcoming years.

If this increment is not funded the Adult Public Assistance Program (APA) will not be able to provide benefits at the current level to the increasing population meeting the eligibility requirements for the program. In order to pay benefits to the increase in APA recipients, individual benefit payments would be adjusted as needed to stay within the budget authority and the required total expenditure amount. Depending on when this change is implemented, the reduction in benefit payment could be larger for the portion of the calendar year remaining after the change is made. The payment amount would then be adjusted again for the subsequent calendar year. Another option if this increment is not funded is to eliminate or reduce interim assistance benefits which individuals with chronic medical conditions who apply for Adult Public Assistance may receive while waiting for a decision to be made on their application for federal Supplemental Security Income (SSI) disability benefits.

Line Item Detail
Department of Health and Social Services
Grants, Benefits

Component: Adult Public Assistance (222)
RDU: Public Assistance (73)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
77000	Grants, Benefits		56,340.6	57,881.4	60,131.4
Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
77000 Grants, Benefits Detail Totals			56,340.6	57,881.4	60,131.4
77250	Social Assistance (Benefits)	AS 47.25.430-615 provides APA cash assistance for an estimated 16,870 APA recipients per month at \$267 average monthly payment per recipient for 12 months.	56,220.6	57,761.4	60,011.4
77290	Medical Svcs (Tax)	H&SS RSA with Health Care Services for Medicaid Services Reimbursement for DE-25 exams.	120.0	120.0	120.0

Restricted Revenue Detail
Department of Health and Social Services

Component: Adult Public Assistance (222)
RDU: Public Assistance (73)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51010	Federal Receipts	1,102.7	1,030.0	2,030.0

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
57390	Fed Proj- Social Svc The Department of Health and Social Services recovers state Interim Assistance benefits from the retroactive federal supplemental security income (SSI) benefits of Adult Public Assistance applicants who are found eligible for SSI.		6216029	11100	1,102.7	1,030.0	2,030.0

Restricted Revenue Detail
Department of Health and Social Services

Component: Adult Public Assistance (222)
RDU: Public Assistance (73)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51015	Interagency Receipts	4,063.0	4,063.0	4,063.0

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
59060	Health & Social Svcs	PFD Hold Harmless	6216029	11100	4,063.0	4,063.0	4,063.0
<p>RSA with the Division of Public Assistance Permanent Fund Dividend (PFD) Hold Harmless component. The PFD Hold Harmless component provides the replacement funding for the loss of Adult Public Assistance (APA) program eligibility in the month the APA recipient receives the Alaska Permanent Fund Dividend.</p>							

Inter-Agency Services
Department of Health and Social Services

Component: Adult Public Assistance (222)
RDU: Public Assistance (73)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2010 Actuals	FY2011	
					Management Plan	FY2012 Governor
77290	Medical Svcs (Tax) RSA with Health Care Services for Medicaid Services Reimbursement for DE-25 exams.	Intra-dept	H&SS	120.0	120.0	120.0
77290 Medical Svcs (Tax) subtotal:				120.0	120.0	120.0
Adult Public Assistance total:				120.0	120.0	120.0
Grand Total:				120.0	120.0	120.0