

# **State of Alaska FY2013 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) supplements 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 an increased state population, improved medical technology, and an aging "baby boomer" population. 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 FY2013**

- 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.

**Major Component Accomplishments in 2011**

- 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).
- 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**

**Contact:** Nancy Rolfzen, Asst. Commissioner

**Phone:** (907) 465-1630

**Fax:** (907) 465-2499

**E-mail:** nancy.rolfzen@alaska.gov

**Adult Public Assistance  
Component Financial Summary**

*All dollars shown in thousands*

	<b>FY2011 Actuals</b>	<b>FY2012 Management Plan</b>	<b>FY2013 Governor</b>
<b>Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	20.0	20.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	59,494.4	60,414.7	66,489.7
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>59,494.4</b>	<b>60,434.7</b>	<b>66,509.7</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	1,417.7	2,030.0	2,030.0
1003 General Fund Match	380.0	0.0	0.0
1004 General Fund Receipts	53,438.4	54,143.4	59,808.9
1007 Inter-Agency Receipts	4,258.3	4,261.3	4,670.8
<b>Funding Totals</b>	<b>59,494.4</b>	<b>60,434.7</b>	<b>66,509.7</b>

**Estimated Revenue Collections**

<b>Description</b>	<b>Master Revenue Account</b>	<b>FY2011 Actuals</b>	<b>FY2012 Management Plan</b>	<b>FY2013 Governor</b>
<b>Unrestricted Revenues</b>				
None.		0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>				
Federal Receipts	51010	1,417.7	2,030.0	2,030.0
Interagency Receipts	51015	4,258.3	4,261.3	4,670.8
<b>Restricted Total</b>		<b>5,676.0</b>	<b>6,291.3</b>	<b>6,700.8</b>
<b>Total Estimated Revenues</b>		<b>5,676.0</b>	<b>6,291.3</b>	<b>6,700.8</b>

**Summary of Component Budget Changes  
From FY2012 Management Plan to FY2013 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>
<b>FY2012 Management Plan</b>	<b>54,143.4</b>	<b>0.0</b>	<b>4,261.3</b>	<b>2,030.0</b>	<b>60,434.7</b>
<b>Proposed budget increases:</b>					
-Formula Program Funding Increase Due to Caseload Growth	5,665.5	0.0	409.5	0.0	6,075.0
<b>FY2013 Governor</b>	<b>59,808.9</b>	<b>0.0</b>	<b>4,670.8</b>	<b>2,030.0</b>	<b>66,509.7</b>

**Component Detail All Funds**  
**Department of Health and Social Services**

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

	FY2011 Actuals	FY2012 Conference Committee	FY2012 Authorized	FY2012 Management Plan	FY2013 Governor	FY2012 Management Plan vs FY2013 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	20.0	20.0	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	59,494.4	60,131.4	60,236.4	60,414.7	66,489.7	6,075.0	10.1%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
<b>Totals</b>	<b>59,494.4</b>	<b>60,131.4</b>	<b>60,236.4</b>	<b>60,434.7</b>	<b>66,509.7</b>	<b>6,075.0</b>	<b>10.1%</b>
<b>Fund Sources:</b>							
1002 Fed Rcpts (Other)	1,417.7	2,030.0	2,030.0	2,030.0	2,030.0	0.0	0.0%
1003 G/F Match (UGF)	380.0	0.0	0.0	0.0	0.0	0.0	0.0%
1004 Gen Fund (UGF)	53,438.4	54,038.4	54,143.4	54,143.4	59,808.9	5,665.5	10.5%
1007 I/A Rcpts (Other)	4,258.3	4,063.0	4,063.0	4,261.3	4,670.8	409.5	9.6%
<b>Unrestricted General (UGF)</b>	<b>53,818.4</b>	<b>54,038.4</b>	<b>54,143.4</b>	<b>54,143.4</b>	<b>59,808.9</b>	<b>5,665.5</b>	<b>10.5%</b>
<b>Designated General (DGF)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Other Funds</b>	<b>4,258.3</b>	<b>4,063.0</b>	<b>4,063.0</b>	<b>4,261.3</b>	<b>4,670.8</b>	<b>409.5</b>	<b>9.6%</b>
<b>Federal Funds</b>	<b>1,417.7</b>	<b>2,030.0</b>	<b>2,030.0</b>	<b>2,030.0</b>	<b>2,030.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Positions:</b>							
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 FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
ConfCom		60,131.4	0.0	0.0	0.0	0.0	0.0	60,131.4	0.0	0	0	0
1002 Fed Rcpts		2,030.0										
1004 Gen Fund		54,038.4										
1007 I/A Rcpts		4,063.0										
<b>ADN 06-2-0026 Senior Benefits Payment Program CH6 FSSLA2011 (HB16) (Sec2 CH3 FSSLA2011 P44 L30) (HB108)</b>												
FisNot		105.0	0.0	0.0	0.0	0.0	0.0	105.0	0.0	0	0	0
1004 Gen Fund		105.0										
In addition to reauthorizing the Senior Benefits Payment Program, HB 16 legislation also requires the department to increase the amount of monthly income that nursing home residents are allowed to keep for their personal needs from \$75 to \$200 based on financial resources per patient.												
<b>Subtotal</b>		<b>60,236.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>60,236.4</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>ADN 06-2-0247 Transfer Authority per Spending plan</b>												
LIT		0.0	0.0	0.0	20.0	0.0	0.0	-20.0	0.0	0	0	0
Transfer authority per spending plan. During direct deposit of benefits there is a fee associated with the bank transaction. By processing a line item transfer from grants to services, these fees can be paid.												
<b>ADN 06-2-0246 Transfer Authority from Public Assistance Field Services per Spending Plan</b>												
Trin		198.3	0.0	0.0	0.0	0.0	0.0	198.3	0.0	0	0	0
1007 I/A Rcpts		198.3										
Transfer out I/A Authority from Public Assistance Field Services to Adult Public Assistance per Spending Plan. Unrealized I/A authority has been move to Adult Public Assistance so that it can be used toward the Permanent Fund Hold Harmless RSA billing.												
<b>Subtotal</b>		<b>60,434.7</b>	<b>0.0</b>	<b>0.0</b>	<b>20.0</b>	<b>0.0</b>	<b>0.0</b>	<b>60,414.7</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Formula Program Funding Increase Due to Caseload Growth</b>												
Inc		6,075.0	0.0	0.0	0.0	0.0	0.0	6,075.0	0.0	0	0	0
1004 Gen Fund		5,665.5										
1007 I/A Rcpts		409.5										

Enrollment in the Adult Public Assistance (APA) Program is increasing, particularly in the Aid to the Disabled & Blind category. This growth is similar to that experienced by the Supplemental Security Income (SSI) program in Alaska. Both the APA and SSI programs have seen a 4% increase in the recipients who are

**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	
<p>disabled or blind. Based on demographic trends for Alaska, it is anticipated that the old age population will also increase in coming years. As a result, expenditures for the program are expected to increase. Overall, the number of individuals served by the program is expected to continue to increase by over 5% a year. Current funding levels are inadequate to meet projected expenditures.</p> <p>If this increment is not funded, the Adult Public Assistance Program will not be able to provide benefits to the full population meeting the eligibility requirements for the program. Without increased funds, some needy elderly, blind and disabled persons will not receive benefits.</p>												
	<b>Totals</b>	<b>66,509.7</b>	<b>0.0</b>	<b>0.0</b>	<b>20.0</b>	<b>0.0</b>	<b>0.0</b>	<b>66,489.7</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Line Item Detail**  
**Department of Health and Social Services**  
**Services**

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

Line Number	Line Name		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
73000	Services		0.0	20.0	20.0
			<b>FY2011 Actuals</b>	<b>FY2012 Management Plan</b>	<b>FY2013 Governor</b>
Expenditure Account	Servicing Agency	Explanation			
<b>73000 Services Detail Totals</b>			<b>0.0</b>	<b>20.0</b>	<b>20.0</b>
73750	Other Services (Non IA Svcs)	Electronic Benefit Transaction fee associated with direct deposit transactions.	0.0	20.0	20.0

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

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

Line Number	Line Name		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
77000	Grants, Benefits		59,494.4	60,414.7	66,489.7
Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
<b>77000 Grants, Benefits Detail Totals</b>			<b>59,494.4</b>	<b>60,414.7</b>	<b>66,489.7</b>
77670	Benefits	Benefits that are issued for the Adult Public Assistance program.	59,494.4	60,234.7	66,309.7
77670	Benefits	H&SS RSA with Health Care Services for Medicaid Services Reimbursement for DE-25 exams.	0.0	180.0	180.0

**Restricted Revenue Detail**  
**Department of Health and Social Services**

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

<b>Master Account</b>	<b>Revenue Description</b>	<b>FY2011 Actuals</b>	<b>FY2012 Management Plan</b>	<b>FY2013 Governor</b>
51010	Federal Receipts	1,417.7	2,030.0	2,030.0

<b>Detail Information</b>					<b>FY2011 Actuals</b>	<b>FY2012 Management Plan</b>	<b>FY2013 Governor</b>
<b>Revenue Amount</b>	<b>Revenue Description</b>	<b>Component</b>	<b>Collocation Code</b>	<b>AKSAS Fund</b>			
51010	Federal Receipts		6216049	11100	1,417.7	2,030.0	2,030.0

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.

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 (APA) applicants who are found eligible for SSI.

There are approximately 300 families a month in which parents with disabilities and their children receive combined benefits from ATAP and APA. When the parent(s) of the family becomes eligible for SSI, they are transferred to the APA program which is the state's supplemental program for the federal SSI program. The children of these parents continue to qualify for benefits under ATAP at a lower monthly amount. The federal authority allows the APA component to collect ATAP federal funding for those expenditures.

**Restricted Revenue Detail**  
**Department of Health and Social Services**

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

<b>Master Account</b>	<b>Revenue Description</b>	<b>FY2011 Actuals</b>	<b>FY2012 Management Plan</b>	<b>FY2013 Governor</b>
51015	Interagency Receipts	4,258.3	4,261.3	4,670.8

**Detail Information**

<b>Revenue Amount</b>	<b>Revenue Description</b>	<b>Component</b>	<b>Collocation Code</b>	<b>AKSAS Fund</b>	<b>FY2011 Actuals</b>	<b>FY2012 Management Plan</b>	<b>FY2013 Governor</b>
59060	Health & Social Svcs	PFD Hold Harmless	6216029	11100	4,258.3	4,261.3	4,670.8
<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	FY2011 Actuals	FY2012	
					Management Plan	FY2013 Governor
77670	Benefits RSA with Health Care Services for Medicaid Services Reimbursement for DE-25 exams.	Intra-dept	H&SS	0.0	180.0	180.0
<b>77670 Benefits subtotal:</b>				<b>0.0</b>	<b>180.0</b>	<b>180.0</b>
<b>Adult Public Assistance total:</b>				<b>0.0</b>	<b>180.0</b>	<b>180.0</b>
<b>Grand Total:</b>				<b>0.0</b>	<b>180.0</b>	<b>180.0</b>