

Advocacy: Senior Benefits

Overview

Over 11,000 low-income Alaskans age 65 and over depend on monthly cash assistance from the State of Alaska Senior Benefits Program. This vital program was established in 2007, and AARP supports the program because its benefits go directly to low-income seniors in Alaska to allow them to continue to live independently.

Why It Matters

Program beneficiaries are clearly low-income by any standard, and the benefits – while modest – are significant in allowing them to meet basic needs. There are three levels of income eligibility, each based on a percentage of the Federal Poverty Level (FPL):

- Beneficiaries with income of up to 75% of the FPL - \$942 per month – receive a benefit payment of \$250 per month.
- Beneficiaries with income between 75% and 100% of the FPL - \$1,255 per month – receive a benefit payment of \$175 per month.
- Beneficiaries with income 100% and 175% of the FPL - \$2,197 per month – receive a benefit payment of \$125 per month.

Those Alaskans receiving Senior Benefits have an average age of 75, with the oldest being 104. As Alaskans match the national trend of living longer they are more likely to outlive their savings.

Beneficiaries are also mostly female, with women comprising 58 percent of beneficiaries. This is not surprising given that most women have earned less over the course of their working lives, and often outlive their husbands. In the course of outliving their spouses, it is not unusual for women to have exhausted family resources in their care.

Rural residents are another large group of Alaskans receiving Senior Benefits. The subsistence lifestyle led by many in rural Alaska means less cash income to build up retirement savings.

AARP's Position

The State of Alaska should maintain the Senior Benefits Program as reauthorized in 2018, with full funding for all benefit levels. Alaskans enrolled in Senior Benefits have to make difficult choices every month, often between one necessity and another. The unanimous reauthorization (with the sole exception of Rep. David Eastman of Wasilla) of the program in 2018 provides crucial and predictable support for the financial security of over 11,000 older Alaskans. Without this modest assistance, they are at increased risk of losing their independence and being forced into higher-cost public programs.