

An Analysis of the
**Economic Impacts and
Social Benefits of
Assistance Provided by
Alaska Legal Services Corporation**

2012



Alaska Legal Services Corporation

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A Report Prepared for the Alaska Legal Services Corporation by The Resource for Great Programs, Inc., with Funding Provided by The Alaska Mental Health Trust Authority.

About This Report

This report was produced for the Alaska Legal Services Corporation (ALSC) with funding provided by The Alaska Mental Health Trust Authority.¹ The Trust's mission is to act as a catalyst for change and improvement in the systems that serve Trust beneficiaries, including individuals with needs linked to serious mental illness, substance abuse, Alzheimer's disease, traumatic brain injury, developmental disability, and other related challenges.

About the Authors

This report was prepared for ALSC by The Resource for Great Programs, Inc.,² a national corporation delivering analytical and evaluative services to providers and funders of civil legal aid in the United States and Canada. The Resource's Kelly Thayer and Kathy Garwold, the report's principal author and data analyst, respectively, have a combined 22 years' experience meeting the needs of the legal aid community. Ken Smith, PhD, president of The Resource, who edited the report and created statistical models to estimate ALSC's economic benefits, has over 35 years' experience in legal aid program analysis, including having served for seven years as a research director at the Legal Services Corporation in Washington, DC prior to starting his consulting practice.

In addition to the endnotes included in this report, a supplemental set of endnotes providing additional information about The Resource's data calculations used throughout the report and data appendices are available on the ALSC website at www.alasc-law.org.

Introduction: Alaska Legal Services Corporation Produces Benefits for All Alaskans

Founded in 1967, Alaska Legal Services Corporation (ALSC) provides high-quality free legal assistance in civil matters to low-income Alaskans. In an average year, ALSC enables approximately 6,300 low-income Alaskans to address critical legal issues directly affecting their families, homes, incomes, jobs and access to vital services such as health care and utilities. Emphasis is placed on serving Alaskans with the greatest social and economic need, people vulnerable because of domestic violence or disability, and people residing in rural areas with limited access to legal counsel.

Alaska Legal Services Corporation oversees a \$3.6 million annual budget,³ supporting 11 offices that collectively serve every community in Alaska. (See map of office locations below.) ALSC's budget is derived from a wide variety of sources: federal, state and local governments; tribal organizations; foundations; and private donations. ALSC supplements its state and federal funding with grants from local communities.

By helping its clients, Alaska Legal Services Corporation helps all Alaskans. Each year, ALSC enables hundreds of Alaskans to obtain legal protection from domestic violence, allowing survivors to live more healthy and productive lives and reducing the impacts of child abuse and crime in communities across Alaska. ALSC helps clients to avoid eviction or foreclosure, not only preserving their homes, but also reducing the need for expensive emergency shelter. ALSC secures Social Security disability benefits for people who are unable to work, enabling those Alaskans to meet basic food and shelter needs and bringing millions of dollars into communities that would otherwise be lost to the state and local economies.

Through a strategic partnership with the Alaska Court System and key public-interest nonprofit organizations across the state, ALSC helps make other institutions more efficient and effective while seeking to uphold the rights of all Alaskans to equal access to justice.

“... Alaska Legal Services Corporation not only improves the lives of its clients, but helps our legal system function more effectively and brings us closer to the overarching goal of equal justice.”

Chief Justice Dana Fabe,
Alaska Supreme Court



11 Offices
162 Communities
2,478 Cases
6,268 Alaskans

Direct Benefits Across Alaska

Alaska Legal Services Corporation in 2011 handled 2,478 cases directly benefitting 6,268 Alaskans statewide via 11 offices, with plans to open offices in two more locations: Kodiak and Sitka. ALSC staff also traveled to numerous rural communities to provide mobile legal help.

Source of Data: ALSC case and client statistical system.



About Alaska Legal Services Corporation

Founded in 1967, Alaska Legal Services Corporation:

- Provides high quality free legal services in civil matters to low-income Alaskans.
- Serves Alaska's hub communities and hard-to-reach rural areas. Operates 11 offices with 24 attorneys and a total of 42 staff.
- Oversees a \$3.6 million annual budget.
- Sets priorities to focus scarce resources on the most critical needs: family safety and stability, health care, income protection, and housing.
- Serves people living on an income less than 200 percent of the adjusted federal poverty guidelines for Alaska: about \$28,000 a year for an individual or \$48,000 for a family of three.⁸
- Produces \$17.8 million in total income and savings annually for Alaska's residents and communities to achieve a 5:1 return on investment.

Overview of This Report

The Resource for Great Programs, a national evaluation consulting firm, was retained by the Alaska Legal Services Corporation to assess the economic and social benefits resulting from ALSC's services and to produce this report. The Resource applied financial and case statistics provided by ALSC, social research conducted in Alaska and other states, information from other public and private sources, and The Resource's own proprietary statistical models to reach its conclusions.⁴ In summary, the analysis found that ALSC is:

- **Obtaining positive results for low-income clients in 86 percent of cases,**⁵ while addressing critical legal issues directly affecting health, safety, and stability for almost 6,300 low-income Alaskans each year. ALSC aids some of Alaska's most vulnerable residents: children, seniors, people with mental and physical disabilities, and victims of domestic violence.
- **Boosting the economy of communities across the state by \$17.8 million annually.**⁶ In addressing legal problems of clients, ALSC secures millions of dollars in direct federal benefits for eligible families, stimulates local spending, sustains private sector jobs, and spares state and local budgets the costs of responding to family crises triggered by domestic violence, foreclosure, eviction or lack of access to health care.
- **Yielding a high return on investment.**⁷ Every dollar invested in Alaska Legal Services Corporation generates five dollars in economic benefit to ALSC's clients, their communities, and the state.
- **Helping to narrow the "justice gap."** ALSC's funding and services reduce the disparity between the legal needs that people face every day and the legal resources available to meet them. Every additional \$100,000 of funding enables ALSC to directly benefit 182 more Alaskans and generates a half-million dollars in additional economic benefits.
- **Easing the burden on the Alaska Court System.** ALSC enables the civil court system to operate more smoothly by offering guidance to self-represented litigants in navigating the court system and hosting community legal education clinics to inform Alaskans about their rights and how the legal process works. ALSC helps negotiate solutions in many cases that otherwise might result in litigation, and counsels applicants against bringing non-meritorious cases to court.

Without ALSC, the Legal Needs of Many Would Go Unmet

- **1,544 victims and their children obtain protection each year from domestic abuse.**⁹ ALSC helps victims of abuse to stabilize their lives, protect themselves and their children, and gain access to vital services such as health care and public benefits.
- **860 veterans, disabled persons, seniors and their families receive legal help each year.** ALSC helps these clients to obtain federal disability benefits, Supplemental Security Income, and access to health care through Medicaid. In addition to providing the resources to maintain quality of life for recipients, these benefits bring a stream of federal dollars into the state and local economies.
- **At least 1,196 low-income Alaskans and their families are assisted with housing issues each year.** The positive results include prevention of foreclosure, resolution of landlord-tenant disputes, and repairs to substandard housing. ALSC's help allows people to remain in their homes, thereby reducing the social and economic costs of homelessness, including emergency shelter, medical treatment, lost educational opportunities, missed work days and reduced income.
- **At least 2,385 children benefit from legal assistance to their parents each year.** ALSC enhances family safety, housing, income and access to health care, thereby improving the ability of children to achieve success in school and later in life.

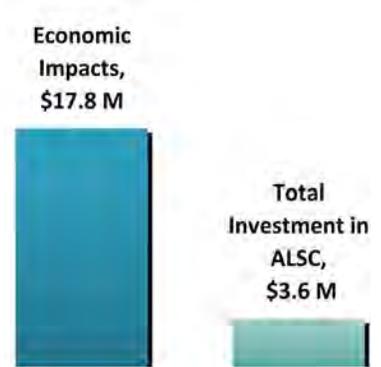
Alaska Legal Services Corporation Produces Economic Impacts Far Exceeding the Funds Invested in the Program

In the process of providing access to justice for Alaska’s most vulnerable residents, Alaska Legal Services Corporation generates millions of dollars of quantifiable economic impacts. ALSC’s civil legal assistance secures federal benefit payments for eligible low-



income Alaskans, reduces the need for state and local government assistance payments, and reduces the need for emergency shelter and other costly social services. Every dollar invested in ALSC generates five dollars in economic benefits to ALSC’s clients, their communities, and the state.¹⁰ Every additional \$100,000 of funding enables ALSC to directly benefit 182 more Alaskans and generates a half-million dollars in additional economic benefits.¹¹

ALSC Provides a 5:1 Return on Investment



Civil Legal Services’ “Economic Multiplier Effect” in Alaska

In a typical year, ALSC’s services have the following multiplier effect (figures cited are for 2011):

Legal Services Secures Federal Benefits

ALSC’s legal assistance to clients brings federal funds into Alaska each year that otherwise would be lost to local economies:

\$5.9 Million

- Social Security Disability and Supplemental Security Income benefits
- Federal share of Medicaid benefits
- Federal support to ALSC

Federal Benefits Stimulate Local Economies

Most of the money from federal benefits is spent immediately on necessities. In turn, these federal funds provide income for local businesses and wages for working Alaskans.

Necessities for Families:

- Food and housing
- Health care
- Prescriptions
- Utilities
- Transportation

Communities Experience a Big Multiplier Effect

Each federal dollar circulates 1.45 times* (\$5.9 million in federal benefits multiplied by 1.45) in local communities:

\$8.6 Million*

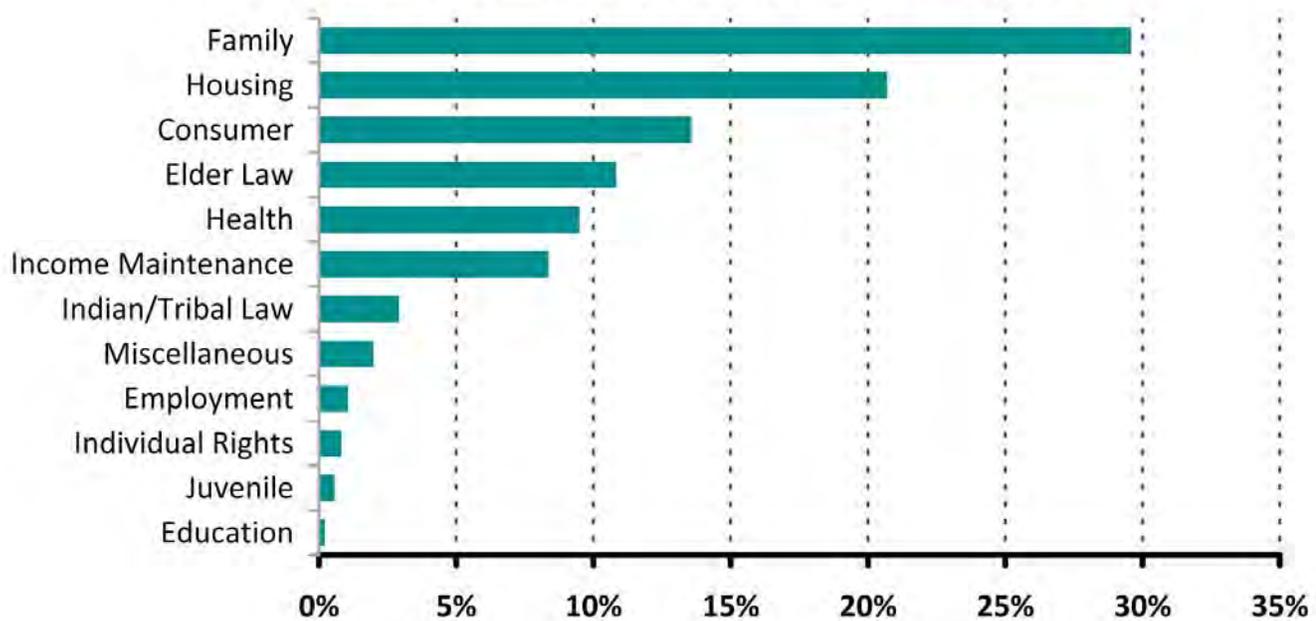
- Income for local businesses
- 70 jobs for people across Alaska

*Total impact was estimated by applying the widely accepted U.S. Department of Commerce “Regional Economic Multiplier” for payments to low-income families in Alaska, indicating that every federal dollar brought into Alaska circulates through local economies 1.45 times and every million dollars supports 11.9 jobs.

ALSC Provides Critical, Day-to-Day Legal Assistance

Direct legal assistance is ALSC’s core service. In 2011,¹² a typical year, ALSC handled 2,478 cases, resulting in direct benefits for 6,268 people. ALSC’s services, which range from advice and brief legal assistance to full representation in formal court or administrative proceedings, provide free legal help to those who live at or near the poverty level. Alaska Legal Services Corporation’s top priorities include family, housing, health and consumer protection.

ALSC Cases Handled by Major Problem Area



Source of Data: ALSC case and client statistical system (2011 figures).

Family Safety and Security: 733 Cases Handled

Legal Problems Include: Domestic abuse, divorce and child custody disputes and child support.

Key Facts:

- Alaska has some of the nation’s highest rates of domestic violence, rape, and child sexual abuse.
- ALSC is the state’s largest provider of legal services to domestic violence victims.
- Studies show that legal services are an essential public service for reducing domestic violence.¹³
- Preventing domestic violence reduces the likelihood that children will grow up to be abusers and saves budgets an estimated \$6,557 in medical, counseling and law enforcement costs for each case that is successful.¹⁴

Mother and Child Saved from Violent Husband.

“Mary” and “Jacob” lived together with their infant in a remote village. Jacob had a terrible drinking problem and was often violent. One night, while Mary was holding their baby in her arms, Jacob beat Mary until she was unconscious. Mary nearly died and was rushed by medical flight to Anchorage for treatment. She eventually recovered but suffers from permanent disfigurement and post-traumatic stress disorder. Mary sought help from an ALSC attorney, who filed for custody of the child and damages for the assault. Mary was awarded full custody, with the maximum protections on visitation.



Housing: 513 Cases Handled

Legal Problems Include: Landlord-tenant disputes, mortgage foreclosure, and substandard housing.

Key Facts:

- *ALSC's advocates challenge illegal evictions and foreclosures and help enforce Alaska's Landlord and Tenant Act.*
- *ALSC is the only provider of free legal assistance to distressed homeowners and low-income tenants and landlords in Alaska.*
- *Preventing homelessness for one family saves an estimated \$19,202 in emergency shelter costs.¹⁵*

Foreclosure Set Aside and Home Saved. "Jerry," a 79-year-old Alaska Native commercial fisherman in Bristol Bay, was raising three young grandchildren after the death of his wife. After two poor years of fishing, he fell behind on his home mortgage and struggled to support his family. Jerry contacted ALSC after the bank refused to discuss a payment plan and sold his home at a non-judicial foreclosure sale in Anchorage in 2010. The ALSC attorney discovered that the bank and foreclosure trustee had acted illegally. The loan documents clearly provided that any foreclosure sale had to take place in the local community, where the sales price would have likely been higher and where Jerry and his neighbors would have been in a better position to save the home. ALSC sued both the bank and the foreclosure trustee to get the sale reversed. As trial approached, the bank and the foreclosure trustee finally conceded that there had been an error and agreed to rescind the foreclosure sale and write-off the entire \$60,000 mortgage debt if Jerry would simply pay them the nominal amount of \$5,000. Jerry happily did so and regained title to his home and financial relief for his family.

Consumer Protection: 336 Cases Handled

Legal Problems Include: Illegal garnishment of wages, debt collection, predatory lending and other deceptive business practices, and utility cutoffs.

Key Facts:

- *Without help from ALSC, victims of consumer fraud—many of them elderly—could lose savings and income they desperately need for food and shelter and wind up on welfare rolls.*
- *Many of the consumer cases that ALSC handles are resolved with as little as a telephone call or a letter requesting proof that the debt is valid.*
- *By successfully challenging a business that relies on unscrupulous or illegal business practices, ALSC helps the community and eliminates the need to litigate the same legal problem over and over.*

Local Fisherman Stands Up to Deceptive Sales Practice.

"Ed," a 70-year-old Alaska Native fisherman who had fished for more than four decades in his community, took a \$45,000 loan to purchase a boat motor and have it installed by an out-of-state mechanic working in the community. The job was supposed to be completed in May prior to the salmon season, but was not finished until July, after the peak of the salmon run. Ed had fished for just three days when the engine caught fire, and he had to be towed back to the dock. Ed contacted ALSC. Upon investigation, an ALSC advocate learned that this particular mechanic had a very poor reputation, particularly in dealing with Native fishermen. ALSC sued the mechanic on Ed's behalf, and the mechanic's insurer hired an attorney to defend. After several rounds of negotiations, Ed finally secured a modest settlement. More importantly, the mechanic did not return to the area for the next season, ending an ongoing deceptive business practice that had victimized several members of this community.

Health: 235 Cases Handled

Legal Problems Include: Denial of health care benefits, including Medicaid and Medicare, and denial of home- or community-based care.

Key Facts:

- *Without help from ALSC, many Alaskans are overwhelmed when confronting some of the nation's highest health care costs¹⁶ and cannot make ends meet.*
- *ALSC's success securing federal health benefits for clients saves health care providers from the costs of writing off medical treatment for people lacking health insurance, which is estimated at tens of millions of dollars each year in Alaska.¹⁷*
- *ALSC's successful efforts to secure in-home health care for those who qualify save significant private and public money versus the alternative of nursing home care; Alaskans face the highest average daily rates for nursing home care in the nation.¹⁸*

Veteran Overcomes Denial of Benefits.

A community health care organization referred "Michael" to ALSC because he was denied federal Supplemental Security Income (SSI) benefits, even though his mental disabilities kept him almost entirely homebound and unable to work in his rural community. An ALSC advocate worked closely with the referring agency to build Michael's case, gathering his mental and physical health records and documenting his Vietnam Veteran status. After a two-year wait for his hearing to be scheduled with an administrative law judge, Michael was ultimately awarded \$48,000 in SSI benefits retroactive to 2002, Medicaid benefits, adult public assistance, food stamps, and transportation benefits. Jerry was finally able to obtain safe, permanent housing in his home community that kept him close to his health care providers.

Alaska Legal Services Corporation Secures Millions of Dollars in Federal Benefits for Local Economies

ALSC's legal assistance to clients brings federal funds into Alaska each year that otherwise would be lost to local economies:

\$5.9 Million in Federal Benefits and Other Funds

- Social Security Disability and Supplemental Security Income benefits
- Federal share of Medicaid benefits
- Federal support to ALSC

Federal Benefits Stimulate Local Economies

Most of the money from federal benefits is spent immediately on necessities. In turn, these federal funds provide income for local businesses and wages for working Alaskans.

Necessities for Families:

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Communities Experience a Big Multiplier Effect

Each federal dollar circulates 1.45 times* (\$5.9 million in federal benefits multiplied by 1.45) in local communities:

\$8.6 Million* for Local Economies in Alaska

- Income for local businesses
- 70 jobs for people across Alaska

**Total impact was estimated by applying the widely accepted U.S. Department of Commerce "Regional Economic Multiplier" model for payments to low-income families in Alaska, indicating that every federal dollar brought into Alaska circulates through local economies 1.45 times and every million dollars supports 11.9 jobs (2011 figures).*

ALSC's legal assistance secures millions of dollars in federal benefits for clients each year and generates millions of additional dollars in economic activity for local communities.

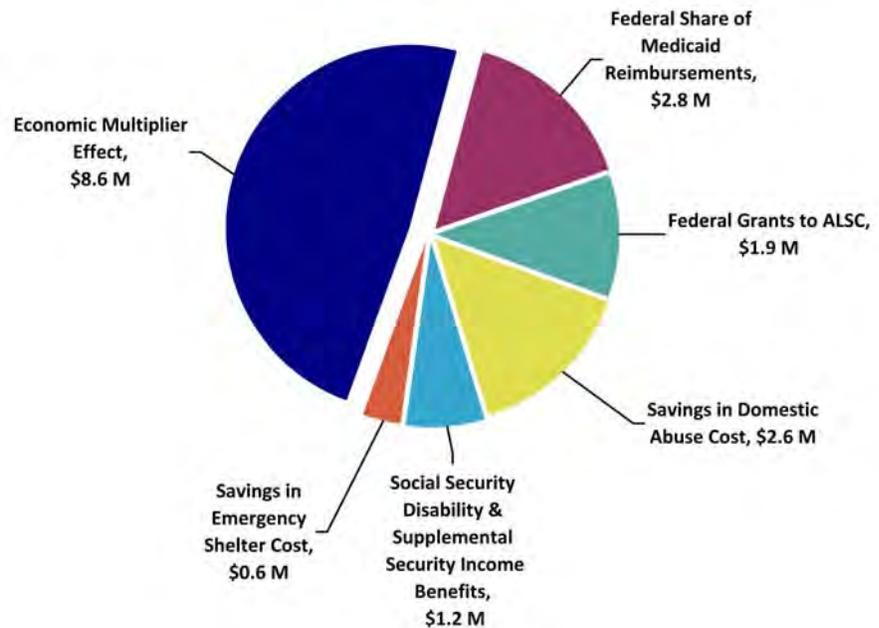


ALSC's \$17.8 Million Annual Economic Impact¹⁹

The annual economic impact of ALSC's aid to the low-income community is \$17.8 million, a return on investment of *five times* the \$3.6 million in legal services funds. The impacts include:

\$14.5 Million in Direct Economic Benefits for Alaska's Local Communities Annually:

- **\$1.2 million** in Social Security Disability benefits and Supplemental Security Income attained for low-income Alaska residents;
- **\$1.9 million** in federal funds received by ALSC;
- **\$2.8 million** in the federal share of Medicaid benefits attained for low-income and disabled Alaska residents;
- **\$8.6 million** for local communities through the economic multiplier effect (1.45 times the \$5.9 million in federal funds in the bulleted items above).
- **70 jobs** for Alaska workers, with every million dollars in additional federal funds supporting 11.9 jobs.



An Additional \$3.25 Million in Cost Savings for Alaska Budgets and Communities:

- **\$640,000** in savings in emergency shelter costs. In 2011, ALSC's homeless prevention work helped low-income Alaskan families successfully avoid the need for emergency shelter, saving an estimated \$19,202 per family.²⁰
- **\$2.6 million** in savings in costs related to domestic abuse. ALSC advocates enabled 398 Alaska families to be protected from domestic violence.²¹ Studies indicate an average savings of \$6,557 per family in the costs of medical care for injured victims, lost productivity, and targeted education and counseling services for affected children.²²

Additional Benefits (Not Quantified):

- **Savings** linked to crime prevention and reduction in law enforcement assistance.
- **Savings** realized by keeping children in school whose attendance would otherwise have been interrupted by homelessness and/or domestic abuse.
- **Revenue** for Alaska hospitals and other health care providers from Medicaid reimbursements for services they would otherwise have to write off.
- **Efficiencies** in Alaska courts due to representation of clients and provision of training and materials for self-represented litigants on how to follow court procedures.

Alaskans in Poverty and Unmet Legal Needs

Poverty is pervasive across the urban and rural stretches of Alaska:

- **One in four Alaskans—168,669 people or almost 63,000 households—** is living on an income less than 200 percent of the federal poverty threshold and therefore potentially eligible for free civil legal services.²⁵ Poverty is present in both urban and rural settings, with the percentage of households below this poverty threshold ranging from 21 percent in Anchorage to more than 67 percent in much of Western Alaska’s Y-K Delta.
- **Approximately 63,500 legal problems** are experienced each year by individuals and families who are potentially eligible for legal assistance from ALSC. A national study by the American Bar Association, as well as legal need studies conducted in several states, show that each year approximately half of low-income households experience at least one legal problem, and many experience two or more interconnected legal problems.²⁶
- **Only 1,700 cases can be accepted by ALSC each year.** Over 600 qualified applicants must be turned away due to lack of resources, and many more do not apply.

ALSC Is Addressing a Critical “Justice Gap” in Alaska that Affects Everyone

Each year over 600 qualified people who seek help from ALSC are turned away for lack of resources, and many others do not even apply. National studies show that only about one in five low-income Americans having a critical legal problem receives legal help from any source.²³ The remaining 80 percent face a “justice gap” in which they must face legal problems and navigate the court system on their own. Many people without legal assistance are overwhelmed, outmatched and end up losing their homes, income, health benefits, and custody of their children as a result.

A landmark study conducted for the Alaska Supreme Court²⁴ found that about 29 percent of Alaska’s residents lack ready access to services of the justice system including physical access to a courthouse or any law office. The study indicated that Alaska’s urban residents have far greater access to services provided by the justice system than village residents. Rural residents often fail to receive adequate legal representation in either civil or criminal cases. Many Alaskans view the court system as a “remote, intimidating, and unfathomable institution,” a challenge that is particularly acute for ethnic and cultural minorities, according to the study.

Closing the “justice gap” would strengthen Alaska’s families by increasing their income, keeping them in their homes, preventing domestic violence, and keeping families intact. It would strengthen communities by securing millions of dollars in federal benefits that are lost each year because ALSC lacks the resources to serve all the potential clients who have been wrongfully denied benefits. Closing the “justice gap” would streamline the court system by reducing the number of people attempting to navigate the courts without lawyers to represent them.

Leveraging Resources: Pro Bono, Partnerships, and Local Community Support

ALSC Leverages a Significant Contribution from Alaska’s Private Bar

Private attorneys and law firms in Alaska donate significant pro bono services to ALSC’s clients. These contributions are made in the context of organized pro bono programs operated by ALSC’s Alaska Pro Bono Program. During 2011, for example, volunteer attorneys participating in ALSC-coordinated cases achieved the following results:

- **801**—Total number of attorneys on pro bono panels.
- **63**—Number of attorney volunteers who represented individual ALSC clients.
- **20**—Self-help legal clinics staffed by pro bono attorneys.
- **991**—Total hours contributed.
- **104**—Number of cases completed.
- **\$158,560**—Dollar value of volunteer attorney services, estimated at a conservative \$160 per hour.

ALSC Helps the Judicial System Be More Cost-Effective

Of the cases ALSC completes in a typical year, 83 percent will be resolved without going to court or an administrative hearing.

Advocates at Alaska Legal Services Corporation help their clients move smoothly through the court system. Of the cases ALSC completes in a typical year, 83 percent will be resolved without going to court or an administrative hearing. In the process of helping their clients, ALSC's advocates help reduce the burden on courts by negotiating settlements, serving as intermediaries between clients and third parties (for example, a landlord), and referring clients to other sources of help (for example, social service providers) when their cases lack legal merit. Additional savings in court time are achieved each year through ALSC's legal assistance provided to self-represented litigants—for



example, in 2011, ALSC's pro se (self-help) materials assisted more than 1,600 people who otherwise might have entered the court system without any legal assistance at all in preparing papers for self-filing in court. This highly efficient and low-cost legal assistance is helping the courts deal with the rising tide of self-represented litigants in courts in Alaska.

Partnering with the Court System, ALSC Resolves Divorce and Custody Matters Quickly and Amicably

In Anchorage, an innovative partnership of the state Superior Court and Alaska Legal Services Corporation is helping couples settle their divorce and custody cases quickly and amicably, saving money for the litigants as well as the courts. The Early Resolution Project offers free legal advice to litigants at the courthouse. Volunteer attorneys coordinated by ALSC work with the litigants at the hearing, providing advice to each client for the hearing and negotiating with the opposing party's volunteer attorney to see if any agreements can be reached.

Divorce and custody agreements are reached 80 percent of the time.

Agreements are reached 80 percent of the time. The case is heard immediately by a settlement judge, appropriate orders are issued, and the paperwork is distributed to the parties in the courtroom. By having forms completed correctly, clerks and judges are able to process cases faster and more efficiently. This project has been so successful that the courts in Juneau and Palmer are already adopting the model.

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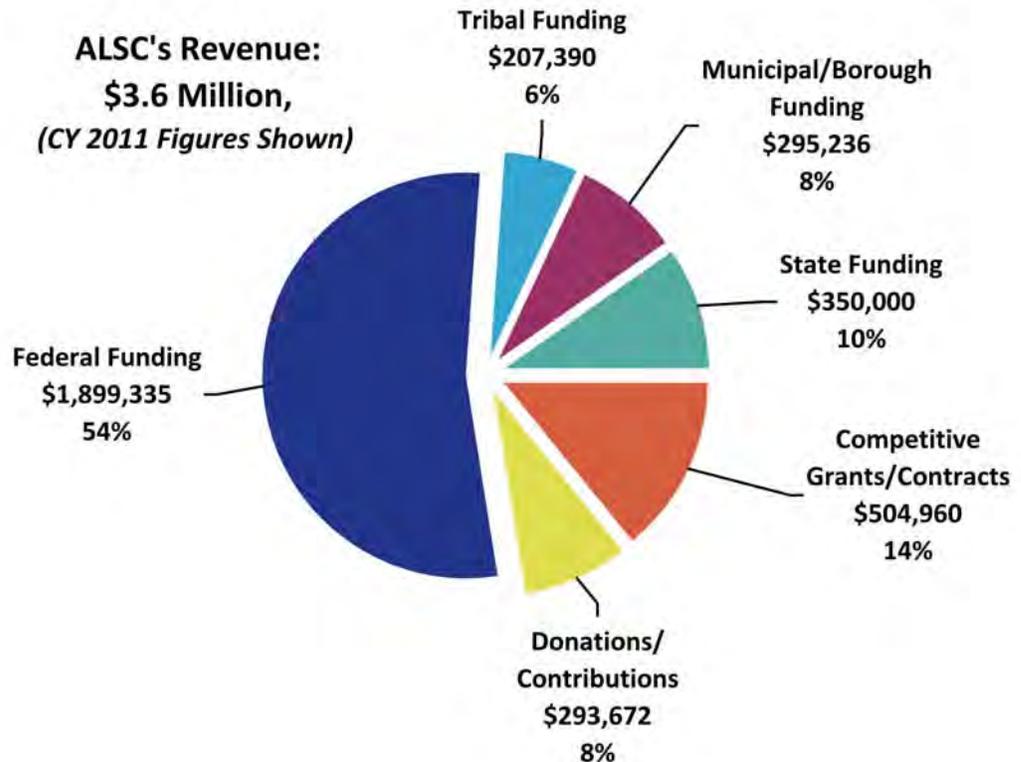
ALSC's Strategic Partnerships with Local Governments and Nonprofits Help to Coordinate Services and Leverage Resources

Alaska Legal Services Corporation maximizes the impact of its efforts by partnering with local governments and other nonprofits to coordinate services and leverage scarce dollars. Through these efforts, ALSC is able to maintain a physical presence in rural Alaska – and is the only private provider of free legal services to do so. Examples include the following:

- **In Dillingham**, ALSC collaborates with the local domestic violence shelter to fund an attorney located on-site at the shelter. Clients have better access to legal help and housing, and ALSC staff can better coordinate services.
- **Regionally**, ALSC collaborates with tribal organizations to expand access to justice. For example, the Bristol Bay Native Association and the Association of Village Council Presidents contribute funding to support ALSC attorneys serving local communities, and the Bering Straits Native Corporation provides free office space in Nome.
- **In the Mat-Su Borough**, ALSC partners with local nonprofit health care providers such as the Talkeetna Sunshine Health Center, Daybreak, and Access Alaska to ensure disabled clients have access to health care-related legal services. These nonprofit partners provide office space, facilitate client communications, and provide referrals.
- **In every community where ALSC maintains an office**, local partner organizations provide financial support. For instance, ALSC partnered with the North Slope Borough to re-establish ALSC's Barrow office in 2012. Local investment is critical to ALSC's ability to maintain a physical presence in 11 communities across Alaska and attract support and investment from outside funders.

ALSC serves as a lifeline to low income people drowning in the complexities of the legal system. They provide hope and inspiration to people with nowhere left to turn.

**Peggy Brown,
Executive Director,
Alaska Network on
Domestic Violence &
Sexual Assault**



Alaska Legal Services Corporation Delivers Legal Help to the Most Vulnerable, Hard-to-Reach Alaskans

ALSC Helps People with Mental Health Needs to Enhance Their Quality of Life

In Alaska, there are as many as 98,000 people whose mental health issues qualify them as beneficiaries of The Alaska Mental Health Trust Authority. This population suffers from conditions that include serious mental illness, substance abuse, Alzheimer's disease, traumatic brain injuries, developmental disabilities, and other related challenges.

About 40 percent of ALSC's clients each year are Trust beneficiaries. ALSC provides legal assistance designed to increase their safety, stability and self-sufficiency by:

- **Preventing** evictions, foreclosures, and loss of housing vouchers.
- **Assuring** adequate living conditions.
- **Obtaining** needed protective orders.
- **Establishing** or modifying child support orders.
- **Assuring** access to needed health care including Medicaid and Medicare.
- **Avoiding** garnishment of wages and benefit payments.
- **Obtaining** or maintaining Social Security and other public benefits.
- **Addressing** consumer protection issues.

By addressing such civil legal needs, ALSC increases stability for Trust beneficiaries and reduces their likelihood of being incarcerated, hospitalized, or housed in an emergency shelter. An estimated 42 percent of incarcerated Alaskan adults have a mental illness or mental disability, and the criminal recidivism rate for incarcerated Alaskan adults with at least one of these conditions is 36 percent.²⁷

About 40 percent of ALSC's yearly clients are Trust beneficiaries. ALSC legal assistance increases safety, stability and self-sufficiency, helping to curb societal costs.

When legal needs are met and homelessness and incarceration are avoided, societal costs are reduced as well. For example, research in Alaska shows the annual cost to society of incarceration is approximately \$44,000 per person per year, and the cost to serve one homeless person suffering from alcoholism in Anchorage is more than \$60,000 in community services, public safety and health care costs annually.²⁸

The beneficiaries of the Alaska Mental Health Trust Authority depend on quality legal advice and representation by Alaska Legal Services Corporation in communities across the state.

... The Trust considers Alaska Legal Services Corporation a critical partner in the safety net for people who are likely to fall through the cracks.

**Jeff Jesse,
Chief Executive Officer,
Alaska Mental Health
Trust Authority**



ALSC Is the State's Largest Provider of Legal Services to Victims of Domestic Violence

Alaska has some of the nation's highest rates of domestic violence, rape, and child sexual abuse. ALSC is the state's largest provider of civil legal assistance to these victims, partnering with domestic violence shelters in communities across Alaska. Requests for legal assistance from victims of domestic violence jumped 35 percent from 2006-2011, and they now comprise nearly 20 percent of all requests ALSC receives. In a typical year, ALSC:

- **Serves** 500 families experiencing domestic violence. Children are present in about 80 percent of such households.
- **Assists** victims of stalking and sexual assault.
- **Directly** benefits over 1,500 individuals in households affected by domestic violence.
- **Addresses** practical obstacles to leaving abusive relationships by such means as helping clients secure housing and income to replace the resources no longer available from the abuser.

Requests for legal assistance for victims of domestic violence jumped 35 percent from 2006-2011.

Alaska Legal Services Corporation helps older Alaskans preserve their financial and personal independence by providing legal assistance and guidance so that they can maintain control of their health care decisions and protect personal assets from exploitation.

**Paula Pawlowski,
Board Chair
Alaska Commission
on Aging**

ALSC Places a Special Emphasis on Serving Seniors

Alaska has one of the fastest-aging populations in the country. The trend is expected to continue, with the U.S. Census projecting that by 2030 the proportion of seniors will double in Alaska to comprise about 13 percent of the state's population. Moreover, the population of seniors who are 85 years and older is expected to quadruple between 2007 and 2030, significantly increasing the number of seniors in the age group that is most likely to need long-term care services. This will make Alaska the top-ranked state in the projected growth rate of the 85+ population.²⁹

Through its 11 offices statewide, ALSC provides specialized legal services to seniors, whose needs comprise 25 percent of ALSC's cases.

Through its network of 11 offices statewide, ALSC provides specialized legal services to seniors, whose needs comprise more than 25 percent of ALSC's cases. Legal assistance focuses on securing health care benefits, combating elder abuse, and fighting financial scams. ALSC's work saves money for communities and the state through a variety of additional efforts, such as the successful pursuit of in-home care for eligible seniors, which avoids the need for more expensive and remote institutional care.

ALSC Meets the Needs of Rural Alaskans and Alaska Natives

ALSC helps sustain Alaska's rural communities by providing legal assistance to remote villages accessible only by plane or boat. In 2011, for example, ALSC conducted outreach and provided legal assistance in 162 rural communities, representing clients in every superior court throughout the state.

Alaska Natives comprise about 40 percent of ALSC's clientele. ALSC partners with Alaska's statewide and local tribal organizations to assess and meet the most pressing legal needs of their communities. These legal needs include:

- **Combating** domestic violence and helping victims obtain medical care and housing.
- **Preventing** homelessness and foreclosure.
- **Assuring** access to critical services and medical care.
- **Preventing** illegal garnishment of wages.
- **Resolving** complicated problems relating to restricted land.
- **Advocating** for foster families to keep children safe and keep Native communities intact.

In one year, ALSC provided legal assistance in more than 160 Alaskan communities, with Alaska Natives comprising about 40 percent of its clients.

ALSC's work over the years has made a real difference in the lives of many Alaska Natives, especially those who live in our rural communities. We appreciate their effort to maintain offices in rural Alaska.

Julie Kitka, President, Alaska Federation of Natives



Conclusion: ALSC Is a Sound Investment

With More Resources, ALSC Could Do Much More

This report shows that funding for Alaska Legal Services Corporation produces dramatic results: By preventing and resolving a wide range of critical legal problems, ALSC improves the societal and economic conditions for thousands of low-income people in communities across the state, resulting in cost reductions for state and local budgets.

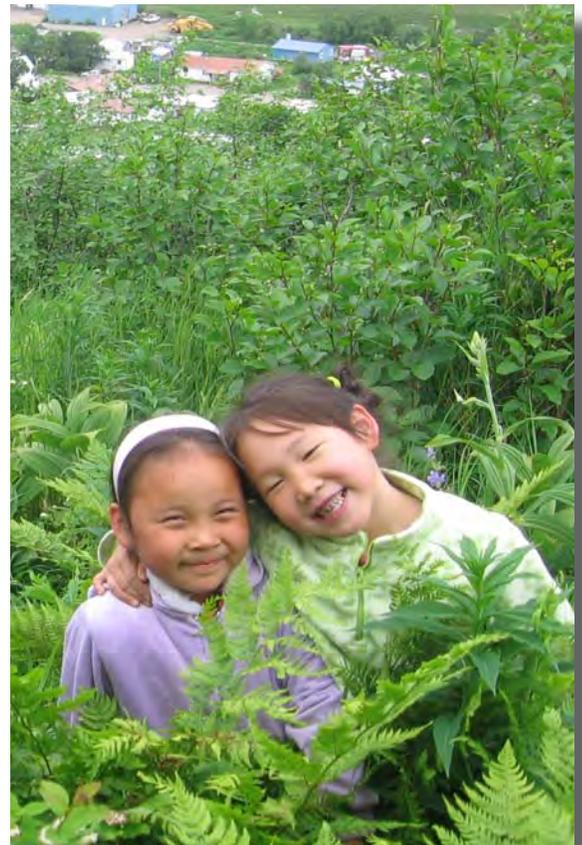
ALSC prioritizes its services to maximize benefits to low-income people and communities, which, in economic impacts alone, has exceeded the dollars invested by a ratio of five to one. As outlined in this report, ALSC's \$3.6 million budget produces \$17.8 million in total income and savings for residents and communities.

Even more vital are the intangible results of this work. ALSC's efforts stabilize and sustain families, save people's homes from foreclosure, secure federal benefits denied eligible Alaskans, maintain communities, and make society safer. ALSC's legal assistance not only helps prevent legal problems that would further clog the already overburdened court system, it also helps people become self-sufficient, allowing them to participate fully and effectively in society.

With more resources, ALSC could do much more. Every additional \$100,000 of funding enables ALSC to directly benefit 182 more people and generates a half-million dollars in additional economic benefits.³⁰

Sustaining and increasing funds for ALSC would produce significant benefits for low-income Alaskans and support the efforts of legislators, bar leaders, courts, and legal services advocates striving to narrow the "justice gap" between the critical legal needs people encounter each day and the resources available to meet them.

Although the gap between legal needs and available resources is still great, ALSC is making strides to serve more clients, improve the quality of services, connect with hard-to-reach client segments, increase economic impacts, and in many other ways improve the lives of low-income Alaskans.



Alaska Legal Services Corporation fills an important need for individuals and the region as a whole. All of our residents deserve to have access to the justice system to ensure their rights are respected. The legal counsel and advice provided through Alaska Legal Services Corporation helps ensure that need is met in the Norton Sound region.

**Janis Ivanoff,
President/CEO,
Norton Sound
Economic
Development**

Endnotes

- ¹ For more information about The Alaska Mental Health Trust Authority, visit www.mhtrust.org/index.cfm.
- ² For more information about The Resource for Great Programs, Inc., visit www.GreatPrograms.org.
- ³ For details on ALSC's annual budget, audit, and other key reporting documents, see www.alsc-law.org/public-corporate-documents.htm.
- ⁴ In addition to the limited endnotes included in this report, a supplemental set of endnotes providing additional information about The Resource's data calculations used throughout the report and data appendices is available on the ALSC website at www.alsc-law.org.
- ⁵ Source: ALSC case and client statistical system. Of a total of 1,684 cases closed by ALSC in 2011, ALSC advocates reported a clear benefit for 1,456 cases, reported no information regarding a benefit in another 160 cases, and indicated "objective not met" in 68 cases.
- ⁶ See pages 3, 6, and 7 of this report for an explanation. Note: Much of the economic data presented in this report is rounded for simplicity of expression.
- ⁷ Ibid.
- ⁸ An individual applying for service from ALSC whose income is greater than 125 percent of the Federal Poverty Guidelines, but less than 200 percent of the Federal Poverty Guidelines, must meet criteria as specified in 45 CFR § 1611.5. See www.gpo.gov/fdsys/pkg/FR-2012-02-01/pdf/2012-2098.pdf.
- ⁹ All data presented here on cases and individuals are drawn from ALSC's client statistical system, utilizing the Legal Services Corporation's legal problem codes and definitions.
- ¹⁰ The \$17.8 million total economic impact reflecting a 5:1 return on investment was estimated by The Resource based on 2011 case outcomes data recorded by ALSC and applying a wide array of research findings from studies in Alaska and across the United States. For details of the methodology, assumptions and data sources used in this analysis, see the supplemental appendices, available on ALSC's website at www.alsc-law.org.
- ¹¹ The Resource's calculations are based on a \$3.6 million annual budget producing \$17.8 million in economic impacts. Every \$100,000 in funding will, on average, produce an impact of about \$500,000.
- ¹² All "2011" references in this report reflect calendar year 2011.
- ¹³ See "Explaining the Recent Decline in Domestic Violence," Amy Farmer and Jill Tiefenthaler, *Contemporary Economic Policy*, 21 (2) (April 2003), pages 158-172.
- ¹⁴ See endnote 10.
- ¹⁵ Ibid.
- ¹⁶ See "Transforming Health Care in Alaska 2011," 2011 Annual Report of the Alaska Health Care Commission, 2010 – 2014 Strategic Plan Update (January 2012) at www.hss.state.ak.us/healthcommission/docs/2011_report_201-15-12_final.pdf

¹⁷ For example, Providence Health & Services, which operates Providence Alaska Medical Center in Anchorage and other health care facilities across Alaska, reported more than \$59 million in uncollected medical debt from patients of all income levels in Alaska in fiscal year 2011. See Providence Health & Services' Fiscal Year 2011 –Financial Performance Report, page 41, at www2.providence.org/phs/Documents/financials/Providence%20Health%20%20Services%20Consolidated%20Financial%20Statements%20December%2031%202011%20and%202010.pdf.

¹⁸ See the "2011 MetLife Market Survey of Nursing Home, Assisted Living, Adult Day Services, and Home Care Costs," at www.metlife.com/assets/cao/mmi/publications/studies/2011/mmi-market-survey-nursing-home-assisted-living-adult-day-services-costs.pdf. Also see www.npr.org/2012/04/27/151303609/the-cost-of-elder-care.

¹⁹ See endnote 10.

²⁰ Ibid.

²¹ The 398 cases reflect all of ALSC's domestic violence cases multiplied by ALSC's 87-percent success rate in providing protection from domestic violence.

²² See endnote 10.

²³ See "Documenting the Justice Gap In America. The Current Unmet Civil Legal Needs of Low-Income Americans. An Updated Report of the Legal Services Corporation," Legal Services Corporation (September 2009), at www.lsc.gov/sites/default/files/LSC/pdfs/documenting_the_justice_gap_in_america_2009.pdf.

²⁴ See report of the Alaska Supreme Court Advisory Committee on Fairness and Access. Anchorage, AK, Alaska Court System, October 1997 at www.ajc.state.ak.us/Reports/fairness.pdf.

²⁵ Per the U.S. Census Bureau's American Community Survey (ACS) 3-year year estimate released in 2010 at 200 percent of the federal poverty threshold.

²⁶ The national study found an average incidence of 1.01 legal problems per low-income household per year. See "Legal Needs And Civil Justice, A Survey of Americans. Major Findings from the Comprehensive Legal Needs Study," Consortium on Legal Services and the Public, American Bar Association, at www.americanbar.org/content/dam/aba/migrated/legalservices/downloads/sclaid/legalneedstudy.authcheckdam.pdf.

²⁷ See the The Alaska Mental Health Trust Authority Alaska Scorecard, December 2011, at www.hss.state.ak.us/dph/healthplanning/scorecard/.

²⁸ See "Village Voices," (Summer 2010), page 4, Rural Alaska Community Action Program (RurAL CAP) at www.ruralcap.com/attachments/villagevoices/VV-summer-10.pdf.

²⁹ See "Across the States 2009: Profiles of Long-Term Care and Independent Living: Executive Summary, State Data, and Rankings," Gibson, Mary Jo, Fox-Grage, Wendy, Houser, Ari, (March 2009), page 34. See also AARP Public Policy Institute. Washington, D.C., at www.aarp.org/home-garden/livable-communities/info-03-2009/across_the_states_2009__profiles_of_long-term_care_and_independent_living.html.

³⁰ See endnote 11.

“Improving access to civil justice is one of the most important and persistent challenges facing our justice system. When low-income people encounter legal problems that threaten their basic needs, many do not have the resources to hire attorneys to represent them or the ability to adequately represent themselves. **For over 40 years, Alaska Legal Services Corporation has provided legal representation to countless Alaskans who otherwise would have little hope of access to the courts.** Whether assisting with housing or health care, domestic violence or economic security, Alaska Legal Services Corporation not only improves the lives of its clients, but helps our legal system function more effectively and brings us closer to the overarching goal of equal justice.”

– *Chief Justice Dana Fabe, Alaska Supreme Court*



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