

**ALASKA STATE LEGISLATURE  
JOINT MEETING  
SENATE HEALTH, EDUCATION AND SOCIAL SERVICES STANDING COMMITTEE  
HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES STANDING COMMITTEE**

November 5, 2003

9:03 a.m.

**MEMBERS PRESENT**

SENATE HEALTH, EDUCATION AND SOCIAL SERVICES

Senator Fred Dyson, Chair  
Senator Lyda Green, Vice Chair  
Senator Bettye Davis

HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES

Representative Peggy Wilson, Chair  
Representative John Coghill  
Representative Paul Seaton  
Representative Kelly Wolf  
Representative Sharon Cissna

**MEMBERS ABSENT**

SENATE HEALTH, EDUCATION AND SOCIAL SERVICES

Senator Gary Wilken  
Senator Gretchen Guess

HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES

Representative Carl Gatto, Vice Chair  
Representative Mary Kapsner

**OTHER LEGISLATORS PRESENT**

Representative David Guttenberg  
Representative Jim Holm  
Representative Mike Hawker

**COMMITTEE CALENDAR**

Public Testimony on the Department of Health and Social Services

**WITNESS REGISTER**

Commissioner Joel Gilbertson  
Department of Health &  
Social Services  
PO Box 110601  
Juneau, AK 99801-0601

Marcie Kennai  
Deputy Commissioner  
Department of Health &  
Social Services  
PO Box 110601  
Juneau, AK 99801-0601

Testifying from the Homer LIO:  
Susan Drathman, Colleen Powers, Mako Haggerty, Alice Haggerty,  
Hal Smith

Testifying from the Fairbanks LIO: Larry Cagnina, Chuck Rollins,  
Betty Rollins, Taber Rehbaum, Andy Harrington Annie Hopper,  
Susan Roatch, Annette Freiburger, Jeanette Grasto, Ed Meyers,  
Scott Calder, Liz Greig, Jodi Olmstead

Testifying from the Anchorage LIO:  
Joseph Pichler, Monica McLeod, Lynne Koral, Lyn Freeman, Carl  
Evertsbusch, Ellen Krsnak, Sallye Werner, Don Mitchell, Paul  
Richards, Kitty Kohli, Robert Young, John White, Candace Winkle,  
Laura Waldon, Wanda Gardner, Mary Elizabeth Ryder, Bonnie and  
Gareth Nelson, Daryl Nelson, Bonnie Nelson, Delisa Culpepper,  
Janet Johnson, Lizette Stiehr, Stephanie Rhoades, Gwen Lee,  
Nathan Knowles, Mary Dyer

Testifying from the Mat-Su LIO:  
Bernadine Janzen, Eleanor Oakley

Testifying from the Kenai LIO:  
Margaret Parsons-Williams, Anne Evans, Linda Flowers, Vern  
Smith, Steve Horn

Testifying from the Kotzebue LIO:  
Ruth Ferguson-Schaeffer, Cathy Jones

Testifying from the Seward LIO:  
Arthur Walters - Governor's Council on Disabilities and Special  
Education, Monica Luther, Christine Hopkins, Claudia Simpson

Testifying from the Nome LIO:  
Pam Karalunas

Testifying from the Kodiak LIO:  
Linda DeRoy

Testifying from the Juneau LIO:  
Jill Sandleben, Jodi Rumph, Rosemary Hagevig - Catholic  
Community Services, Sharon Lobaugh, Diana Runde

Testifying from the Bethel LIO:  
Louise Charles, Dick Andrew, John Smith, Pamela Bumsted,

Testifying Offnet:  
Kristen Nygren, Karen Thompson, Regina Taylor, Dolores Pratt,  
Don Ford, Frita Rogers

#### **ACTION NARRATIVE**

**TAPES 03-29, 03-30, 03-31, 03-32**  
**TAPE 03-29, SIDE A [SENATE HES TAPE]**

**CHAIR FRED DYSON** called the joint meeting of the Senate Health, Education and Social Services Standing Committee and the House Health, Education and Social Services Standing Committee to order at 9:03 a.m. This meeting was a joint meeting with Senate HESS, House HESS, and other individual legislators. Those present, including via videoconference and teleconference, were Senators Lyda Green and Bettye Davis, and Representatives John Coghill, Peggy Wilson, Paul Seaton, Sharon Cissna, David Guttenberg, Jim Holm, Kelly Wolf, and Mike Hawker.

Chair Dyson indicated that the hearing would begin with a report from Joel Gilbertson, Commissioner of the Alaska Department of Health and Social Services (DHSS) outlining issues in their departmental restructuring as well as future direction and service provision. Also, Marcie Kennai, Deputy Commissioner of the Office of Children's Services (OCS), will also provide a brief overview of the improvements made to the programs within OCS.

Commissioner Gilbertson announced that the department has been focusing on its mission over the past year: to protect and promote the health and well being of all Alaskans. The Department is constrained by the state's budget shortfalls. Medicaid growth has also contributed to challenges in the budget. The department is committed, as cost-containment strategies are sought and implemented, to preserving direct services to clients. The recent restructuring was a minor

financial factor in the refinancing of the budget, but a major factor toward the future of effective service delivery for DHSS. A more efficient manner of providing services has been the focus of budget cuts, rather than eliminating services. A new Office of Children's Services has been formed and centralized and dedicated to providing services to keep Alaskan children safe. The State's substance abuse and mental health services have been shifted to an integrated behavioral health model to accommodate the co-occurrence of many disorders. A new Division of Senior and Disabilities Services will help provide service to these recipients. The former Division of Medical Assistance was eliminated in the restructuring, allowing program management personnel to provide fiscal responsibility. He said, "I will not cut direct services until we have eliminated all indirect services first."

Commissioner Gilbertson continued by re-stating the importance of integrating service delivery for mental health and substance abuse treatments. This fundamental reform allows the state to save money by loading services on the "front end" of treatment. The Division of Juvenile Justice is entering a system reform to increase the use of outpatient care and preventative treatment. Again, service loading on the front end will improve the outcome for Alaskan kids. Underage tobacco use is at an unacceptable level, and education was provided to retail providers of tobacco products to decrease this problem.

The federal government has identified Alaska as a high performance state with regards to our welfare system. Our program will continue to aim to temporarily assist families to become self-sufficient. The Medicaid program continues to grow at a rate that endangers other functions within the department. Soon, the Medicaid budget will exceed \$1 billion. This has forced the administration to initiate cost-containment strategies that are uncomfortable but necessary. A preferred drug list (PDL) will be implemented. Pharmaceutical and Therapeutics committees have begun meeting to discuss which drugs comprise the PDL. Doctors and pharmacists are also participating in the establishment of a PDL. The Department has responded to fears that the PDL will dangerously compromise access to necessary treatment by allowing prescribing physicians who direct treatment with non-approved prescriptions to simply document medical necessity on the prescription so that patients can easily acquire needed medication. With the PDL, the Department plans to increase cost savings and to protect access to needed treatment.

With respect to the State's growing developmental disability wait list, waivers are available for treatment for those who do not qualify for Medicaid. The Department is examining the prospects for regionalizing this wait list and for collaborating with Native health care systems, for maximizing our use of federal funding, and for services. Pioneer homes will continue to be reformed to serve their patients. The Department is attempting to consolidate the administration of its grant programs so that grant recipients encounter fewer administrative obstacles to acquiring desired resources.

In conclusion, Commissioner Gilbertson restated that DHSS will continue to face fiscal challenges in the future, overall state revenue is declining, and the demands for services are increasing, but the Department is responding to these factors responsibly by attempting to refinance services and obtain alternative revenues, streamlining program administration, improving customer service, and by continuing to focus on protecting direct services. Each division in the Department can meet its mission.

Representative Cissna emphasized the importance of maintaining a focus on quality of care as the State examines refinancing and cost-containment strategies.

Representative Hawker voiced concern from the pharmaceutical industry that the Department has initiated the process to create a PDL without the necessary collaboration with the industry.

Marcie Kennai spoke to her new duties as the Deputy Commissioner for OCS. In June 2002, a federal audit was begun that ultimately, pointed out many deficiencies in Alaska's child protection system. As a result, DHSS developed a program improvement plan (PIP) to address these shortcomings. The PIP will constitute only a portion of the modifications planned for OCS in the future. Safety, permanency, and well being are the main goals of the program changes. Alaska did not score well concerning repeat maltreatment, maltreatment of children in foster homes, and timely investigations. The Alaskan system does not reach required success in reunifying children with their families, but for those who are reunited, the incidence of reentry into the system is very low. To solve these problems, OCS must continue to prioritize safety of its children, to initiate effective systemic change, to develop measurable outcomes, and to partner with other involved parties, including tribal agencies.

To promote safety, OCS has established ongoing safety work groups, to hold staff accountable, to improve training, to involve national research groups, to begin to assign lower-priority cases to community agencies, allowing state resources to focus on the most urgent cases, to partner with other state agencies, to implement a new structured family decision-making process, to improve risk assessment tools, and to enhance the screening/recruiting/training of foster care resources. Efforts have begun to prevent child abuse, rather than simply to respond to it. The Online Resources for the Children of Alaska (ORCA) system is nearing implementation that will dramatically improve data management for staff. The staff of OCS remains committed to protecting the children of our state. Focus will be maintained on program strengths and resources rather than failures and budget constraints.

Chair Dyson pointed out high caseloads and staff turnover as obstacles to an effective agency. As a result, Deputy Commissioner Kennai identified the formation of a recruitment and retention committee. Also, Commissioner Gilbertson added, the Governor's future budget will include additional funding for social workers. In addition, social workers will be required to perform less administrative functions, be supplemented with administrative support, and will benefit from information technology improvements and the ORCA system.

Chair Dyson then allowed testimony from the public.

From the Homer Legislative Information Office (LIO), Susan Drathman stressed the importance of protecting the "safety nets" that serve our most vulnerable citizens as the state attempts to contain costs. She is concerned that citizens may need to migrate to larger communities such as Anchorage to obtain needed services that cannot be efficiently offered in more remote locations. If mental health services are reduced, recipients may instead commit crimes that result in imprisonment. Increasing revenue, she concluded, is more desirable than budget cuts - including state income taxes.

From the Homer LIO, Colleen Powers asked that infant learning programs be exempted from budget cuts. She stated that early intervention will ultimately save state money by preventing problems from happening, rather than responding to crises, which is more costly. Further regionalization would be counter-productive to their infant learning program.

From the Homer LIO, Mako Haggerty expressed gratitude that Alaska has treatment assistance for his son, Max, who has cystic fibrosis. His son's treatment would not have been possible but for state programs. He echoed earlier suggestions to raise revenue rather than cutting the budget, including state income taxes.

From the Fairbanks LIO, Larry Cagnina explained his role at the Ralph Perdue Center in Fairbanks, which provides mental health treatment. He supported the state's efforts to introduce an integrated treatment model and a single point of entry for services. He cautioned the state to continue to focus on quality of care throughout cost-containment strategies. He reported obstacles with state law in integrating service delivery. He urged continued communication between DHSS and the community service providers.

From the Fairbanks LIO, Chuck Rollins addressed staff turnover. He encouraged offering counseling to social workers and others in high-stress positions. Also, he emphasized the possibility of finding non-chemical solutions to help children deal with disorders and traumatic events.

From the Fairbanks LIO, Betty Rollins stressed the high degree of trauma that children encounter when removed from their homes. She communicated her frustration with the nation's creation of "legal orphans" as parental rights are terminated. She reported that 93% of children adopted are receiving a subsidy, which creates a new welfare system. She also is frustrated that elected representatives are not addressing the problems. She believes that 60% of the Alaskan children removed from their homes could be safely treated in their homes.

From the Fairbanks LIO, Taber Rehbaum emphasized prevention as an effective intervention, and appreciates that prevention strategies remained in the budget. These strategies prevent costly spending for incarceration, institutionalization, public assistance, children's services, and emergency care.

From the Fairbanks LIO, Andy Harrington cautioned DHSS "not to expect too much out of the reorganization" because it is the local non-profit agencies that are providing the direct services. These non-profit agencies, he maintains, are operated more efficiently than state agencies.

From the Anchorage LIO, Joseph Pichler explained the damage that state budget cuts have contributed to People First. He is

willing to pay taxes. He would like funding restored for the People First program.

From the Anchorage LIO, Monica McLeod discussed how the waiver she receives helps her financially with her assisted-living home program, care coordination, and counseling.

From the Anchorage LIO, Lynne Koral offered herself as a resource to train legislators and DHSS staff concerning the abuse of people with disabilities, who are twice as likely than the general population to being abused. Covert abuse, including manipulation, can be a problem with family members, service providers, and employers.

From the Anchorage LIO, Lyn Freeman offered the resources of the National Resource Center for American Indians, Alaska Natives, and Native Hawaiian Elders. This newly funded group aims to address elder abuse, long-term care, treatment within rural communities, and education to health care providers to ensure that services are provided in a culturally appropriate manner.

From the Anchorage LIO, Carl Evertsbusch, President of the Key Coalition, warns that cost-cutting plans and strategies to increase federal funding may endanger programs for people with developmental disabilities. The elimination of prevention services will be costly in the long run. Also, the integrity of the developmental disabilities programs must be maintained, he added. It is feared that the State is moving towards a "one size fits all" treatment model, which would not provide adequate services to Alaskans.

From the Mat-Su LIO, Bernadine Janzen promoted the representation of service consumers within non-profit organizations. She urged the State to define what a "consumer organization" is, to avoid "dual roles," and to ensure that service consumers fill 51% of the appropriate boards and commissions. These administrative changes will improve services because the consumers are the best resource of information needed to enhance services.

From the Mat-Su LIO, Eleanor Oakley spoke of her experience as a foster parent with a girl with significant abuse and mental health issues. She believes that the State did not provide adequate support to address these mental health challenges. She urged the State to support faith-based organizations that are working with foster families.

From the Kenai LIO, Margaret Parsons-Williams stressed the importance of preventative services; substance abuse is the cause of fetal-alcohol disorders and other issues that are destructive to families. An accurate diagnostic tool will help align families with appropriate services. The media can also help educate the community about the problem.

From the Kenai LIO, Linda Flowers advocated for adult day-programs, which offer seniors opportunities to socialize, to be mentally stimulated and physically active. This program also provides relief to these seniors' caregivers, who are responsible for providing supervision 24 hours a day, 7 days a week. Ms. Flowers urged the legislators to continue funding grants to these programs, even through sales tax and income tax.

From the Kenai LIO, Anne Evans represented the Central Peninsula Health Center. She stressed the importance of early dental care as children develop. Denali KidCare and Medicaid programs provide crucial medical treatment for many families in her region and across the state.

From the Kenai LIO, Vern Smith supported efficient government and accountability within programs. Qualified personnel within programs are crucial. Goals for children should not necessarily point to adoption; instead, child protection services should aim to reunify children with their natural families.

From the Kenai LIO, Steve Horn represented the Alaska Community on Mental Health Services. This Community has worked with the state to integrate mental health treatment services and to maximize federal funding. They continue to provide community-based services. Departmental cost cutting has negatively impacted morale; instead of spending reductions, the government should look to revenue enhancements. He urged elected officials to visit the sites of state agencies and to initiate a complete continuum of community-based care.

From the Kotzebue LIO, Ruth Ferguson-Schaeffer wishes to see changes to jurisdictional problems within the Office of Children's Services as children move from village to village. In her experience, the state closes the cases of children who are temporarily safe, but should instead continue to monitor safety and further improve the child's circumstances.

From the Kotzebue LIO, Cathy Jones urged the state not to target developmental disability programs for spending reductions.

Respite and emergency services are extremely valuable to the families of people with developmental disabilities.

From the Seward LIO, Arthur Walters represented the Governor's Council on Disabilities and Special Education. The Council has five priorities: new-born hearing screening, funding for infant learning programs, the developmental disability wait list, safety net, and the reauthorization of the special education service agency. He asked the committees, "Do we really have room to cut anymore?"

From the Seward LIO, Monica Luther represented SeaView Community Services whose clients are relying that are being cut.

From the Seward LIO, Christine Hopkins reported that her two grandchildren have been significantly helped by SeaView Community Services

From the Seward LIO, Claudia Simpson has benefited from state services over her life. The importance of state services for people like her, she claims, is crucial. The destructive cycles of alcohol abuse could not have been overcome without the help of these services.

From the Nome LIO, Pam Karalunas commended DHSS regarding the grant consolidation process, in which she participated. She stressed the importance of connecting all stakeholders involved within the system and families. She also encouraged the use of administrative staff to more efficiently support social workers who may devote approximately half of their workday to administrative duties, rather than direct services with families. Also, whistle-blower protection is needed to protect those people who wish to initiate positive change and accountability in state programs.

From the Kodiak LIO, Linda DeRoy testified about the Welfare Reform Act of 1996. This act, according to her, lacks compassion and is instead punitive. Work requirements for single, working parents are unreasonable and prevent the success of families.

From the Juneau LIO, Jill Sandleben encouraged the state to continue efforts to more efficiently operate the chronic care programs by strengthening home and community based services on the front end of treatment. Programs that provide skilled nurses in homes should be enhanced. Increased services at the front end save money in the long run.

From the Juneau LIO, Jodi Rumph appreciated the grant consolidation process. She testified in support of newborn hearing screening, which identifies the most common problem at birth. This service will save the state money and will provide needed treatment to Alaskan children. In addition, the infant learning program also is beneficial to our citizens.

From the Juneau LIO, Rosemary Hagevig reported that Catholic Community Services provides many services to families to address problems such as homelessness, children of incarcerated parents, physical abuse, and sexual abuse. Prevention programs are very cost-effective. She reiterated that nonprofit agencies are partners with DHSS. The consolidation of grant application and reporting processes has benefited service providers.

From the Juneau LIO, Sharon Lobaugh stated the importance of advocacy for people with mental health problems. These people are currently under-represented. They are working towards self-sufficiency.

From the Juneau LIO, Diana Runde spoke of the debilitating nature of mental illness. State programs for people with mental health problems have benefited her family. She urged the departmental reorganization to be used as a tool to improve services.

From the Bethel LIO, Louise Charles, director of Senior Services for the City of Bethel introduced several speakers.

From the Bethel LIO, Dick Andrew testified in Yupik while Joe Chief translated Mr. Andrew's testimony. Mr. Andrew is 97 years old and a member of the Senior Advisory Board. He expressed dissatisfaction with the elimination of the Longevity Bonus Program.

[Indiscernible comment]

Ms. Charles continued to speak of the unmet needs of seniors in rural Alaska, especially with a higher cost of living. The Longevity Bonus Program should be reinstated soon, in her opinion, as well as an income tax. An assisted living home in Bethel is needed desperately.

From the Bethel LIO, John Smith urged the department to consider the higher cost of living in rural areas when examining cost of programs.

From the Bethel LIO, Pamela Bumsted stressed the importance of the input from local senior advisory boards to the Council on Aging.

From the Fairbanks LIO, Annie Hopper explained that she works for the Fairbanks Native Associations' Family Focus Program, which provides services for youths including an emergency shelter. Ms. Hopper agreed that the State's top priority should be keeping our children safe. Their organization serves approximately 500 youths per year. She commented on the positive outcomes available to children when they are given a chance.

From the Fairbanks LIO, Susan Roatch described negative and unsuccessful experiences with the State's child protection system. She stressed the importance of fairness in the system and the goal of family reunification rather than adoption.

From the Fairbanks LIO, Annette Freiburger encouraged the department's efforts to increasing administrative efficiency while preserving direct services. Further streamlining is needed in the integration of mental health and substance abuse treatment services.

From the Fairbanks LIO, Jeanette Grasto appreciated the department's commitment to involve all stakeholders when making decisions and changes. She outlined several programs that are helpful to people of the Fairbanks area. She also encouraged the state to continue working to bring Alaskan children back to the state and the development of treatment options here in Alaska.

From the Fairbanks LIO, Ed Meyers encouraged the State to develop useful oversight and accountability functions within our child protection system. He hypothesized that many good suggestions for improvement of the child protection system could be found by polling parents involved in that system.

From the Anchorage LIO, Stephanie Rhoades spoke of her operation of a mental health court. After our country's de-institutionalization of mental illness, the mental health treatment population declined while jail/prison population skyrocketed. According to research, she reports, 25% of inmates in the U.S. are mentally ill, compared to 37% in Alaska. The incarceration—rather than the treatment—of the mentally ill is known as criminalization of the mentally ill. Symptoms of brain dysfunction—rather than criminal intent—categorize the behavior of this population. As a result, incarceration does not address the underlying problems that these people face. The mental

health courts connect the criminal justice system with the behavioral health system. This collaboration saves state resources, and it effectively gets people what they need. Further collaboration will continue to help our state, she reports.

From the Anchorage LIO, Gwen Lee encouraged the department to continue its commitment to service principles and outcomes. Shifting funding from grants to waivers will ultimately cost more money. The Arc of Anchorage currently provides integrated services, she reports. Aging parents who care for children with disabilities are becoming a large, costly population in treatment programs. Ms. Lee supported permanency and reunification goals for families.

From the Anchorage LIO, Nathan Knowles reported that he is a member of People First. He described his experience growing up in Sitka with autism. Since, he has graduated high school and moved to Anchorage. He has been trained to independently use the public transit system and has received job training and finally part-time employment. He will be taking college classes soon, and plans to move into his own apartment, independently. He is thankful for the state programs that have helped him achieve these successes.

From the Anchorage LIO, Mary Dyer reported the waiting periods for Alaskans planning to enter substance abuse treatment. Within the Alaska Women's Resource Center, the Stepping Stones program treats women with children. She further described this vocational program, which has high success and ultimately saves the state spending for public assistance and foster care services.

Kristen Nygren called in support of the infant learning program for (1) support and (2) connections. She is grateful for the social service agencies and would be willing to pay taxes for those services. In her opinion, the privatization of public health nurses would negatively impact health care. Rural communities, such as Dillingham, benefit greatly from services such as the infant learning program.

From the Anchorage LIO, Daryl Nelson said that he appreciates the social service programs, but he would like to see a health care/Medicaid system for all Alaskans. Without taxes, helpful programs will be eliminated. He would like the asset cap and income cap eliminated from the program.

From the Anchorage LIO, Bonnie Nelson praised the Chugiak infant learning program and how well prepared he was for preschool. Denali KidCare is another helpful program. A health care system for all citizens would be beneficial to our citizens. Another health reform task force would help our state move the right direction.

From the Anchorage LIO, Delisa Culpepper represented the Alaska Mental Health Trust. The reorganization has positively impacted their service recipients. She advised the integrated services efforts to keep alcohol treatment prioritized. The Trust continues to work on developing an alcohol evaluation.

From the Anchorage LIO, Janet Johnson reported how her daughter and entire family have been well served by the infant learning program.

From the Anchorage LIO, Lizette Stiehr represented Focus, Inc. She said that these services must be continued, even by way of taxation. Infant learning programs and other preventative programs are crucial. Network support allows families in need to access appropriate services. She also urged DHSS to involve all stakeholders in the planning process if block granting will be used for communities.

Karen Thompson called in to testify and talked about a psychiatry program for youths in Metlakatla that received a grant. Also, she expects all tribes to be represented in tribal-state collaboration.

Regina Taylor called in to speak about her dissatisfaction with the cutbacks in her mother's plan of care, for whom Ms. Taylor is the primary caregiver. The administrative burdens placed on caregivers, oftentimes the patient's family, restricts the level of care provided to the patient.

Dolores Pratt called in and spoke of trauma that her daughter encountered in foster care. In the Fairbanks area, according to Ms. Pratt, mental health consumers and their families have no voice or outlet to effect change.

Don Ford called in and reported that many Alaskans in need of services are not receiving treatment that they need and qualify for. Leaders of the state have moral and ethical obligations to ensure all Alaskans enjoy a standard quality of life. He reinforced previous comments about the importance of preventative treatment and community supports.

Frita Rogers called in spoke of her experience with foster children who were placed back into an unsafe home with their biological mother. She urged OCS to establish collaborative relationships with the extended families of foster children. Also, OCS must take responsibility for the well being of the children of this state.

From the Fairbanks LIO, Scott Calder spoke of his dissatisfaction with the State's intervention into his family. He stressed the need for an appropriate forum for the redress of grievances of people involved in the system. In the situations when citizens have legitimate complaints, the state has obstructed the opportunity for justice. Mr. Calder spoke of current Alaskan statutes that absolve the State from responsibility in providing any standard of care in the child protection system.

From the Fairbanks LIO, Liz Greig encouraged social workers to use video cameras when children are removed from their homes. According to Ms. Greig, the state removes children from their families far too frequently and without sufficient grounds.

From the Fairbanks LIO, Jodi Olmstead also encouraged the use of video cameras. She spoke of a recent court case involving social workers that supposedly strengthens parental rights. She also accused OCS of misrepresenting statistics so that their agency gets more money.

From the Homer LIO, Alice Haggerty expressed gratitude to the State for funding cystic fibrosis treatment for their son. She also urged funding not to be reduced to DHSS programs.

From the Homer LIO, Hal Smith said that health and social service programs should receive increased funding, rather than cuts. Also, according to Mr. Smith, Alaska should instate taxes.

From the Anchorage LIO, Ellen Krsnak supported research that outlined a national child protection system that was "comprehensive, child-centered, family-focused, neighborhood-based, and focused on the prevention and treatment of child abuse and neglect." Ms. Krsnak highlighted the benefits of private non-profit and faith-based agencies.

From the Anchorage LIO, Sallye Werner encouraged the department's reorganization to center on child safety. Ms. Werner expressed dissatisfaction of the 35% turnover rate for

social workers. Hiring clerical support will save the state money and will allow social workers to more effectively perform their duties. Moving children from foster care into adoption is also a cost-saving action that will benefit children. The recent Balloon Project was successful because it provided additional staff for social workers, district attorneys, guardians ad litem, public defenders, and courts. She invited each legislator to spend a day shadowing a social worker.

From the Anchorage LIO, Don Mitchell expressed sympathy for the OCS and their formidable tasks. That agency is required to implement their strategies in lawful manners. OCS is not investigating reports of harm as is required by law. Confidentiality must always be maintained except in the cases of notifying state troopers in child abuse situations and if the department decides to involve the health and social service agency of a municipality. The previous administration amended their policies and procedures manual to require social workers to hand over reports of harm (to Alaska Native children) and subsequent investigations to the child's tribe with no further action until an unspecified amount of time transpires and the tribe has not acted on the case. Mr. Mitchell stated that his experience as a lawyer leads him to view this policy as illegal and explained a real situation in which this policy nearly led to disastrous consequences. He also reported that this administrative change occurred only in the manual, not by regulation.

From the Anchorage LIO, Paul Richards represented Pharmaceutical Research and Manufacturers of America (PhRMA). He stated that although the department promised public participation, there has not been sufficient public process devoted to the discussion of the development of a preferred drug list (PDL). According to PhRMA, a PDL restricts access to medications that may be more expensive, but may also be the most effective. Instead of saving money, a PDL may lead to additional surgeries, emergency room visits, and more nursing care. DHSS has not produced rules to inform stakeholders how to participate in the process. Also, the State's contract with First Health may violate state and federal law. PhRMA fears that our Alaskan health care system will be inappropriately directed by this organization in Virginia and by other states on the east coast who have developed PDL's. He requested that DHSS commit to lawful public process in the development of a PDL.

From the Anchorage LIO, Kitty Kohli spoke of her son's situation and involvement in the child protection system. She reported

that her family has been treated unfairly and unlawfully in this situation.

From the Anchorage LIO, Robert Young spoke of substance abuse treatment funding from the alcohol tax. He also commented on Alaska's status of having the highest rate in the nation of fetal alcohol spectrum disorders. He suggested that the public awareness that led to the decrease in tobacco use should be applied to alcohol use. He warned against prioritizing mental health treatment over substance abuse. He suggests targeting young kids for education, prevention, and living skills programs.

From the Anchorage LIO, John White advocated for the continuation of substance abuse treatments for incarcerated patients. Such treatment reduces crime. He identified a recent event in which a temporarily released prisoner with substance abuse problems created a community disaster in which a state trooper was killed. The treatment options he identified have helped to prevent such crimes.

From the Anchorage LIO, Candace Winkler advocated for quality, affordable, and available childcare and early education. These services provide an economic benefit for their community, strengthens families, and positively affects health child development during a critical period. She urged the legislators to consider the well being of Alaskan children when making decisions, because they are the most valuable natural resource.

From the Anchorage LIO, Laura Waldon expressed concern that OCS and the Alaska Temporary Assistance Program have made changes that are harmful to Alaskans.

From the Anchorage LIO, Wanda Gardner urged continued funding for substance abuse treatment. She also stressed the importance that the former Division of Family and Youth Services entering into families should consider that severe consequences—good and bad—might result. She is not receiving support necessary to become self-sufficient. She urged the department to consider individual circumstances.

From the Anchorage LIO, Mary Elizabeth Ryder addressed potential improvements to the infrastructure of non-profit agencies including billing, regionalization, tribal collaboration, and personnel development.

From the Anchorage LIO, Bonnie and Gareth Nelson spoke about Gareth's attendance in school.

Chair Dyson asked representatives from DHSS to reply to these issues through the HESS Committees. The meeting was then adjourned.