

ALASKA STATE LEGISLATURE
SENATE HEALTH, EDUCATION AND SOCIAL SERVICES STANDING COMMITTEE

March 7, 2008

1:34 p.m.

MEMBERS PRESENT

Senator Bettye Davis, Chair
Senator Joe Thomas, Vice Chair
Senator Kim Elton

MEMBERS ABSENT

Senator John Cowdery
Senator Fred Dyson

COMMITTEE CALENDAR

Confirmation Hearings

Alaska State Medical Board

John Stewart Cullin, M.D.
Larry Stinson, M.D.

State Board of Education & Early Development

Geraldine Benshoof
Phillip Schneider

The Alaska Mental Health Trust Authority Board of Directors

Larry Norene
Timothy Schuerch

Best Beginnings Report and Presentation

PREVIOUS COMMITTEE ACTION

No previous action to record.

WITNESS REGISTER

JOHN STEWART CULLIN, M.D.
Valdez, AK

POSITION STATEMENT: Candidate for the Alaska State Medical Board.

LARRY STINSON, M.D.
Anchorage, AK

POSITION STATEMENT: Candidate for the Alaska State Medical Board.

GERALDINE BENSHOOF
North Pole, AK

POSITION STATEMENT: Candidate for State Board of Education & Early Development.

PHILLIP SCHNEIDER
Anchorage, AK

POSITION STATEMENT: Candidate for State Board of Education & Early Development.

LARRY NORENE
Anchorage, AK

POSITION STATEMENT: Candidate for The Alaska Mental Health Trust Authority Board of Directors.

TIMOTHY SCHUERCH
Anchorage, AK

POSITION STATEMENT: Candidate for The Alaska Mental Health Trust Authority Board of Directors.

ABBE HENSLEY, Executive Director
Best Beginnings
Anchorage, AK

POSITION STATEMENT: Presented information and a proposal for improvements to child care and early education.

MELINDA MYERS Senior Manager
Best Beginnings
Anchorage, AK

POSITION STATEMENT: Presented information about child care and early education.

MARK LACKEY Executive Director
CCS Early Learning
Chugiak, AK

POSITION STATEMENT: Presented information about child care and early education.

CAROL PRENTICE, Project Manger
System for Early Education Development (SEED)
University of Alaska Southeast (UAS)
Juneau, AK

POSITION STATEMENT: Presented information about child care and early education.

ACTION NARRATIVE

CHAIR BETTYE DAVIS called the Senate Health, Education and Social Services Standing Committee meeting to order at [1:34:33 PM](#). Present at the call to order were Senators Elton, Thomas, and Davis.

Confirmation Hearings

[1:34:34 PM](#)

Alaska State Medical Board

State Board of Education & Early Development

The Alaska Mental Health Trust Authority Board of Directors

CHAIR DAVIS announced the committee would hear from the governor's appointees to the foregoing boards and commissions who were up for confirmation.

JOHN STEWART CULLIN M.D. , Valdez Alaska, said he would be honored to serve on the [medical] board.

SENATOR THOMAS asked Dr. Stewart if there were any particular concerns that caused him to put his name forward.

He said he was asked to submit his name as a rural voice on the medical board.

CHAIR DAVIS asked Dr. Stewart to tell the committee a little more about his background.

He responded that he had been working as a family physician in Valdez for about 14 years. His practice included delivering babies and working in the emergency room. He served as President of the Alaska Academy of Family Physicians for two terms and did a lot of work with the National Academy of Family Physicians. He claimed a fairly good knowledge of rural issues and was involved in the Alaska Rural Health Council as well.

LARRY STINSON, M.D. , said he grew up in Alaska and has an interest in providing the best care possible for the state.

SENATOR THOMAS asked Dr. Stinson whether any particular concerns, issues or goals prompted him to serve on the board.

DR. STINSON answered that his main interest was to help advance medical care in Alaska. He commented that he looked forward to

spending some time with Leslie Gallant, Executive Administrator of the Alaska State Medical Board, learning how he can help.

1:39:20 PM

SENATOR ELTON said he knew Dr. Stinson was working on another issue with the legislature and assumed that was separate from what he wanted to accomplish on the board

DR. STINSON replied that he did not see this as a political office, that he saw it as being responsible for evaluating and policing the quality of medical care around the state.

SENATOR ELTON said thanked him for his response.

GERALDINE BENSHOOF said she had been a believer in public education all of her life and had worked as a public educator since 1962.

SENATOR THOMAS asked Ms. Benshoof the same question he had asked of the other candidates; did she have any particular concerns, issues or goals that prompted her to serve on the board.

MS. BENSHOOF said she had been involved in special education and knew that funding for special education had been at issue recently. She was concerned that education be appropriate for each person's abilities.

CHAIR DAVIS said the names would now be forwarded to the clerk for confirmation hearings and they would be notified of the date.

1:42:43 PM

PHILLIP SCHNEIDER said he was sorry he had to testify by phone but he was unable to get to Juneau today; he offered to answer any questions the committee might have.

SENATOR ELTON asked why Mr. Schneider was interested in serving.

MR. SCHNEIDER said he had spent about 10 years in public education both as a teacher and an administrator. He has a master's degree in leadership and policy, and served in a national school. He recently had the opportunity to travel around the world for about 8 months visiting schools in third world countries and doing some volunteer work. Although he is no longer teaching in the Anchorage School District, he would like to remain involved.

SENATOR ELTON asked if he had retired from the district or moved to another job.

MR. SCHNEIDER said he had retired from the district and has opened his own business.

1:45:41 PM

LARRY NORENE said the governor's office asked him to apply and, after looking at the position, he decided he would be interested in doing so. He was semi-retired and had expertise in real estate, investments and valuations which he thought would be a good match with the mental health plan trust board. He said his family had a history of public service and he was offering his service within the areas of his expertise.

SENATOR THOMAS asked what Mr. Norene would bring to The Alaska Mental Health Trust Authority board.

MR. NORENE answered that he thought he could be of help with the decisions they would likely make in managing their assets as he has education and personal experience in the real estate field. He realized that the increasing costs of providing care and the increasing number of beneficiaries meant the Mental Health Trust assets would have to provide sufficient income in the future to help cover those costs and good stewardship would be necessary to ensure that.

TIMOTHY SCHUERCH came to the board with a background in healthcare sustainability, having worked for the Alaska Native Tribal Health Consortium as General Counsel for many years. He looked forward to finding ways the trust might maximize its benefits for mental health trustees, and to working closely with Jeff Jese and the leadership of the trust to maximize returns to the benefit of the trust.

1:49:10 PM

SENATOR ELTON asked Mr. Schuerch about his experience with tribal health.

MR. SCHUERCH said he was General Counsel for the consortium. When they took over the Alaska Native Medical Center (ANMC) from the Indian Health Service in the late 1990's, there were concerns about how to attract enough money to provide services to Alaskan Native people. That is what he did, he worked with them to grow revenues and build the program.

CHAIR DAVIS announced the end of the confirmation hearings.

Best Beginnings Report and Presentation

[1:51:01 PM](#)

CHAIR DAVIS announced the committee would hear the Report on Best Beginnings.

ABBE HENSLEY, Executive Director, Best Beginnings, the statewide initiative formerly known as Ready to Read, Ready to Learn, thanked the committee for inviting her to speak today. She explained that Best Beginnings was a public-private partnership bringing together people and resources to ensure all Alaska children begin school ready to succeed. She pointed out a packet of reports and information that was provided to the committee on the topics she would be presenting.

She continued to say that a large and growing body of research provided increasing evidence of three related tenants: (1) brain growth and development occurs at an astonishing pace in very young children; (2) nurturing and brain stimulation during those years have a profound impact on how children fare in school; and (3) a child's readiness for school is a powerful determinant of how he or she will fare in life.

MS. HENSLEY said that economists cite this linkage between a child's beginnings and success later in life as evidence that investments in early childhood development yield extraordinary returns, and that business leaders across the country have begun to realize that investments in very young children are vital to our economic future.

She pointed out that children who have access to quality learning opportunities at home or in away-from-home programs, were more likely to graduate from high school, get better paying jobs, avoid spending time in jail, develop critical thinking skills, pay higher taxes, raise healthy families and lead more productive lives.

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The commissioners of both the Department of Education and Early Learning, and the Department of Health and Social Services were on Best Beginning's Early Learning Council, along with representatives from the business, non-profit, foundation, and education communities. In FY07, Best Beginnings received funding from the Department of Health and Social Services for startup costs and the development of a plan for a quality rating and improvement system. Funds from the Early Learning Programs component in the Department of Education and Early Learning

(EED) served as the state's contribution to the Best Beginnings public-private partnership in FY08. She was concerned however, that the appropriation for the prior year was \$400,000 but had been reduced to \$307,000 for FY09, which would reduce funding for the Best Beginnings Initiative, and asked that funding be provided at least at the previous year's level.

MS. HENSLEY touched on some of Best Beginning's accomplishments over the past 17 months. They worked with the Governor's Office to submit a proposal to the National Governor's Association and were one of only 10 states to receive a \$10,000 grant for a Governor's Summit on Early Learning. In addition, a number of companies, organizations, and the state made cash and in-kind contributions. She added that she delivered their recommendations to the Governor's Office yesterday.

She said Best Beginnings and other partners are conducting a public engagement campaign on radio, television and the Internet, that informs Alaskans about crucial brain development in the early years and what quick, easy and inexpensive things parents can do to foster this development. A Quality Rating and Improvement System (QRIS) is an organized method to assess the quality of a child care, preschool or Head Start program, to communicate with parents how good the program is through a five star rating, and to improve the program. Development of a QRIS is included in the state's early childhood comprehensive systems plan and in the Ready to Read, Ready to Learn taskforce report, a copy of which was included in the members' packets.

MS. HENSLEY briefly reviewed the diagrams included with that report. The first diagram, titled "Alaska's Early Learning System," covered in-home learning opportunities and out-of-home learning opportunities.

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The second was a diagram of the QRIS, which she explained provides a framework for all of the early learning programs provided in away-from-home settings. The focus on a standards-based early care and education system incorporated child care, preschools, Head Start, and family child care homes.

She introduced Melinda Myers, Senior Manager, Best Beginnings.

[2:00:30 PM](#)

SENATOR ELTON asked who would do the monitoring for consistency and quality control.

MS. HENSLEY advised that Ms. Myers would address Senator Elton's question.

2:01:27 PM

MELINDA MYERS Senior Manager, Best Beginnings , said that the Department of Health and Social Services contracted with Best Beginnings to develop a plan for a QRIS through state funding through FY07 and that the plan was being reviewed by the department at that time.

She explained that the QRIS was an organized method to assess, improve and communicate the level of quality in early care and education settings outside the home. It was designed to empower parents to become informed consumers and to choose high quality programs for their children, to enable policy makers to implement policies that have proven to improve quality, promote accountability to donors, legislators and tax payers so they can feel confident investing in improvements for quality, and provide a road-map for quality improvement to providers. Under the QRIS, programs would be rated on a five star scale including: staff qualifications and professional development; environment; curriculum and learning; leadership and management; family engagement.

She stressed that the QRIS was important because Alaska did not currently have any system to coordinate the many facets of its early care and education system or to support programs such as Head Start, certified preschools, licensed or military child care centers or homes, and school district preschools.

MS. MYERS conceded that the state would have to provide oversight and would have ultimate responsibility for its success, but suggested that pieces of the system could be contracted out.

She continued that 14 other states had a QRIS and more than 30 states were planning or implementing one at that time. North Carolina, Oklahoma, and Pennsylvania had shown overall quality improvement and better child outcomes, and three states had shown that their QRIS's accurately measure quality with meaningful distinctions between the levels of their star program. In addition, Pennsylvania reversed the trend of declining quality with their QRIS in only three years.

A two-year field test was proposed to keep the momentum going after development of this plan. It would cost approximately \$1.1 million, would include 18 center-based programs and 23 home

child care programs, and would impact approximately 800 children.

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SENATOR ELTON expanded on his earlier question to enquire what kind of structure would be needed for pre-school care and education. He pointed out that attendance in elementary and secondary school was compulsory and suspected the families that most need the type of opportunities these programs present might be less likely to participate.

MS. HENSLEY suggested that they would like to discuss Senator Elton's questions in another conversation, as he had brought up a variety of very important issues that were not specifically covered in this presentation.

She added that Best Beginnings was working very hard to ensure that all children would have good quality learning environments.

SENATOR THOMAS asked what the state's responsibility would be after FY10 and what additional resources Department of Early Education and Department of Health and Social Services would need.

MS. HENSLEY affirmed that more resources would be needed for implementation. She deferred to Ms. Myers to provide information on how long it was taking for programs in other states to become part of this voluntary system.

MS. MYERS said it is dependant on each state, but some states are showing 75 to 100 percent participation 3 years after implementation.

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SENATOR THOMAS wondered what the state's anticipated costs might be to maintain the program once it was up and running.

MS. MYER responded that most states do have significant financial involvement, although some are public-private partnerships where dollars come from multiple sources. Alaska's cost would depend on whether the departments existing staff able could absorb this additional responsibility or not.

MS. HENSLEY offered a cost estimate for full implementation incorporating 352 programs plus family child care programs, at \$16 million.

CHAIR DAVIS asked if the school districts were included in the number of programs used in the estimate.

MS. HENSLEY replied that it would include child care, school district preschools, certified preschools, Head Start programs, military based child care, and all of the programs that they anticipate would participate in the QRIS.

SENATOR THOMAS questioned whether this would be a voluntary program controlled through parent education and information.

MS. HENSLEY confirmed that it would.

CHAIR DAVIS brought the discussion back to the budget. She asked Ms. Hensley if there was any funding for this in the Department of Health and Social Services (DHSS) budget.

MS. HENSLEY answered that there was not.

CHAIR DAVIS asked what the money they were requesting here would be used for.

MS. HENSLEY replied that the \$425,000 they've asked be included in the budget would be used for the first year of the two-year field test. The \$307,000 in the Department of Education and Early Development's budget for the current year would pay for Best Beginning's infrastructure and contribute toward the public engagement campaign.

CHAIR DAVIS asked where they would get the 800 children she mentioned for field testing.

MS. HENSLEY said they would recruit programs from all of the types of programs listed.

2:15:10 PM

She introduced Sue Hull.

SUE HULL, Chair, Fairbanks Early Childhood Development Commission, member of the Fairbanks North Star Borough School Board, and Best Beginnings Early Learning Council, provided an overview of the Child Care Assistance Program. It was designed to help low-income families afford child care so they could remain in the work force. The amount of the benefit is determined on a sliding scale based on income, less co-pay. If there is a gap between what the market charges for care and the cost approved by the program, a family would also have to pay

the difference, so in Fairbanks, a family receiving the maximum benefit might pay \$200 or \$300.

2:16:40 PM

The 2008 budget proposal included a rate increase that would put rates in the 50th percentile and close that gap somewhat; but the national standard at the same time was in the 75th percentile. She emphasized that, while they could debate what the state's role might be in assisting with child care expenses for middle class families, there could be little debate regarding state child care assistance to low income families.

MS. Hill went on to discuss the dilemma that low child care assistance rates posed for providers. She pointed again to Fairbanks, where over 350 child care spaces were lost during the prior year. Play and Learn, which was synonymous with child care in Fairbanks, closed both of their centers because the actual cost of care was so much higher than the amount they received per child. She summarized by saying that, although there was no quick fix, a part of the answer was adequate child care assistance rates.

She announced that Early Childhood Development and the Chamber of Commerce were sponsoring a child care summit at the Tuesday [March 11, 2008] chamber meeting where they would be discussing how employers could assist to make child care a viable industry.

2:23:45 PM

MARK LACKEY Executive Director, CCS Early Learning , a Head Start and child care provider in the Matsu Valley, Chugiak and Eagle River, said they provide Head Start services for 240 children and child care for about 40 children. CCS had the same experience as Play and Learn. They went from 160 to 180 child care spots down to 40 for the same reasons; child care rates had not gone up and they could not break even, so they were phasing out child care services.

He was hopeful and excited by the current emphasis on early childhood. A lot of collaborative partnerships were springing up and people seemed to be realizing the value of early learning.

He spoke also on behalf of the Alaska Head Start Association. They had 17 grantees throughout the state providing Head Start services and were very supportive of their partners in providing those services. All of their efforts contributed to the goal of giving children a quality place to spend their time when their parents needed to be at work. Particularly important were their

partnerships and collaboration in the area of professional development. He stressed that everybody wins when they create a more qualified child care workforce.

His agency had been providing Head Start services in the Alaska for 37 years. He addressed the fact that there was not a lot of state oversight of the program, pointing out that it is primarily a federally funded program, and he offered to answer any questions about the level of oversight or the state's program.

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MR. LACKEY was proud of Head Start's strong commitment to quality. He explained that it is a comprehensive, individualized program dedicated to removing obstacles to success in a child's school years. They mandate degrees for their staff, provide mental health services, dental and health screenings. He directed attention to the "Alaska Head Start Association Fact Sheet 2008" provided to the committee, which showed the number of children served in each community and their actual outcomes. It also included data on the unique challenges of providing Head Start services in Alaska, where much of the population is very rural and very remote.

He referenced HB 310, which contained an increase of \$600,000 for Head Start and said that, while he was grateful that they recognized the importance of Head Start, the association had concerns about some of the language. Most concerning was a requirement that Head Start match those funds dollar for dollar. The Head Start directors he had spoken to did not believe they would be able to do it. They were required to match federal funds at the 20 percent level, which was challenging and an additional match for state funds would be problematic. He asked them to keep that in mind when the bill came before them.

AK's challenges: rural and remote; professional standards a challenge; increase for Headstart in budget; concerns about language w that money; most ominous is need for matching funds; they have to provide 20% for fed \$\$, so having it from state also is problematic

CHAIR DAVIS asked Mr. Lackey about HB 310.

MR. LACKEY said the \$600,000 was first removed from HB 310, then replaced with the intent language that begins on page 11, which states that the money is to be used to serve additional children and that it would be matched dollar for dollar.

CHAIR DAVIS asked if there was any other money in the budget for early childhood education.

MS. HENSLEY said there was \$307,000 in the EED budget and Best Beginnings would get about \$125,000.

CHAIR DAVIS asked where the money for the pilot program was supposed to come from.

MS. HENSLEY said they were asking that the money be inserted into the FY09 budget.

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SENATOR ELTON noted that one of the largest components of the two year request is financial incentives. He asked what that means.

MS. HENSLEY replied that financial incentives were designed to provide additional incentives for programs to improve quality. So for one program it might be more children's books; for another it might be a subsidy to provide higher salaries for more qualified teachers.

SENATOR ELTON asked for confirmation that the financial incentives would be available only to those organizations chosen to take part in the field test, and that Ms. Henley explain how participating organizations would be chosen.

MS. HENSLEY responded that they had not worked out the specifics of the design yet.

SENATOR THOMAS said the state generally seemed to be more reactive than proactive. He felt that providing this information on the economic benefits that accrue to early education and quality child care is money well spent, and he encouraged them to continue to emphasize that kind of information.

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CAROL PRENTICE, Project Manger, System for Early Education Development (SEED), University of Alaska Southeast (UAS) , shared a success story to illustrate that, working together, they can make verifiable progress toward better early education. In 1998 the federal Head Start reauthorization mandated that Head Starts bring at least 50 percent of their staff to an Associate Degree level of education; SEED was instigated through UAS to help Alaska meet those standards. The project ended

January 31, 2008 and they put together a summary of their achievements, which was provided to committee members.

The program started in 2003, at which time 15.4 percent of Head Start classroom staff had Associate degrees or higher. By the 2006-2007 academic years the figure had risen to 42.6 percent. The new federal mandate calls for 100 percent of classroom staff to be at the Associate level or higher by 2011, and by 2015 50 percent nationwide would have their Baccalaureate degree. There is a definite correlation between quality care and the level of educational attainment for teachers, and Head Start is a leader in that area.

For spring 2008, the Department of Education had \$30,000 that they were able to set aside to help students pay tuition for higher education. Within about a week, 60 people had applied to take 6 credits each; we could fund only 15 of them at \$2000 each.

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SENATOR ELTON wondered whether, as they create a better educated workforce, Head Start would suffer due to increased competition for those better educated teachers.

MS. PRENTICE conceded that was true. Historically, people start in day care then, as they attain more education the move to Head Start, and from there they go into the public school system. She would like to be able to pay people commensurate with their education so they could retain good employees. She pointed out that another very strong indicator of quality is staff retention, because young children need that consistency in their care provider.

SENATOR THOMAS expressed appreciation for their presentation.

MS. HENSLEY thanked the committee for their support and encouraged them to continue to support their efforts to improve early care and education.

There being no further business to come before the committee, Chair Davis adjourned the meeting [2:46:19 PM](#).