

SB

90

<TARGET><BILL>SB 90</BILL><SUBJECT>SB
90</SUBJECT><COMM>SF IN28</COMM></TARGET>

SOUTHERN SOUTHEAST ALASKA
TECHNICAL EDUCATION CENTER



Working for future generations

Southern Southeast Alaska Technical Education Center
"Working for Future Generations"
615 Stedman Street
Ketchikan, Alaska 99901
(907) 228-5150 www.kictribe.org

February 13, 2014

Senate Finance Committee
Juneau, AK 99801

Dear Chair Kelly & Chair Meyer,

Thank you for allowing me to testify on behalf of Senate Bill 93. As stated in my testimony, I believe that Southern Southeast Alaska Technical Education Center (SSEATEC) located in Ketchikan, Alaska should be included in Technical and Vocational Education Program funding.

SSEATEC is owned and operated by Ketchikan Indian Community, a non-profit organization. SSEATEC became fully operational in May 2011. We offer industry responsive vocational training courses for the Southern Southeast Region. SSEATEC's first partnership was with the Ketchikan Gateway Borough School District (KGBSD), Revilla Blended School. KGBSD's main high school also attends SSEATEC.

SSEATEC evaluates its training programs using the same parameters that the Department of Labor and Workforce Development uses to construct the Alaska Workforce Investment Board's *Alaska Training Program Performance Report*. A survey is sent to each SSEATEC student requesting the following information: salary prior to training, how many quarters worked prior to training in the last year, and current employment status. Students are also asked if they are employed in a high demand industry and if they were satisfied with the services provided at SSEATEC.

We look forward to participating in the reauthorization of Senate Bill 93 that will hopefully include SSEATEC.

Sincerely,

Chas Edwardson
Workforce Development Director



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

**Department of Labor and
Workforce Development**

Office of the Commissioner

Post Office Box 111149
Juneau, Alaska 99811
Main: 907.465.2700
Fax: 907.465.2784

February 7, 2014

The Honorable Kevin Meyer
The Honorable Pete Kelly
Co-Chairs of Senate Finance
State Capitol Building
Juneau, AK 99801-1182

Dear Senators Meyer and Kelly,

Thank you for the opportunity to testify on senate bill 93 related to the Technical and Vocational Education Program (TVEP) sponsored by Senator Olson. Please accept the following in response to questions posed by members of the Senate Finance committee.

Question:

Please provide a fiscal note that shows the actual revenue anticipated each year instead of assuming the revenue will be flat.

Answer:

Instead of updating three different fiscal notes to include inflation, which is against the Office of Management and Budget fiscal note instructions and would require the legislators to add the figures for all three together, we have provided one overall TVEP revenue projection through FY2020. The projection is based on the average rate of change from FY2009-FY2013 of 3.4 percent and applies that growth rate to determine the revenue projection for FY 2015 through FY2020.

Also enclosed for the committee's reference is a table showing how much additional revenue would go to the TVEP fund if the set-aside rate established in AS 23.15.835(a) was increased at 0.01 percent increments from the current rate of 0.15 percent to 0.20 percent. This document also illustrates the corresponding increase to employer taxes at each increment.

Question:

Can the department's Research and Analysis section provide some input on job growth anticipated in the Ketchikan, Prince of Wales and North Slope areas?

Answer:

The Research and Analysis (R&A) section of the Department of Labor and Workforce Development projects job growth based on recent trends. However, these job growth projections do not include estimates for new projects coming online. Also, they are limited to Southeast, Fairbanks and Anchorage and do not drill down to smaller areas such as Ketchikan, Prince of Wales Island or the North Slope. Some R&A industry-specific job growth projections, such as for

oil and gas employment forecasts, may provide some insights to growth on the North Slope, but these projections include other areas such as the Kenai Peninsula.

For your reference, below are links to two Alaska Economic Trends publications containing job growth projections. The first is the Employment Forecast for 2014. The Southeast forecast starts on page 15. Oil industry jobs are referenced on page eight. The second is the October 2012 Alaska Economic Trends issue article on industry employment forecasts. According to that article, oil and gas extraction added about 300 jobs from 2007 to 2010 and is expected to grow by 5.2 percent from 2010 to 2020. Page four of the article has a table that shows projected oil and gas employment from 3,551 in 2010 to 3,737 in 2020. Again, these projections do not account for significant new projects that may come on line.

<http://labor.alaska.gov/trends/jan14.pdf>

<http://laborstats.alaska.gov/trends/oct12art1.pdf>

Also, the Department of Natural Resources (DNR) tracks mining prospects and is a good resource for information on new prospects in particular areas of the state. Provided below is a link to a map of Alaska mineral resources produced by DNR.

http://137.229.113.30/webpubs/dggs/mp/oversized/mp142_sh001.pdf

I would welcome the opportunity to provide additional information as necessary.

Sincerely,



Grey Mitchell

Assistant Commissioner

Enclosures:

1. Alaska Technical and Vocational Education Program Revenue Projections
2. Current and Hypothetical Employee Tax for TVEP

Enclosure 1

Department of Labor and Workforce Development
Alaska Technical and Vocational Education Program Revenue Projections
 Prepared February 10, 2014

Fiscal Year	Actual Revenue	Projected Revenue	\$ Change	% Change	Average % Change
2009	9,671,764				
2010	9,526,969		(144,795)	-1.5%	3.4%
2011	10,196,947		669,978	7.0%	
2012	10,611,614		414,667	4.1%	
2013	11,044,226		432,612	4.1%	
2014		11,386,997	342,771	3.1%	
2015		11,598,146	211,149	1.9%	
2016		11,992,483	394,337	3.4%	
2017		12,400,227	407,744	3.4%	
2018		12,821,835	421,608	3.4%	
2019		13,257,778	435,942	3.4%	
2020		13,708,542	450,764	3.4%	

Notes:

- 1) FY2014 was estimated by the Research and Analysis section at 3.1 percent.
- 2) The FY2015 revenue change of 1.9 percent is the assumption the FY2015 budget distribution was based on. The budget is developed with a modest growth assumption to avoid negative supplementals to the TVEP recipients if revenue is not realized.
- 3) The rate of growth estimated for FY2016-FY2020 is based on the average annual rate of change from FY2009-FY2013.

Enclosure 2

Current and Hypothetical Employee Tax for Technical Vocational Education Program (TVEP)

Employee Tax for TVEP*	Additional TVEP Funds	Additional Employer Tax Per Employee**	Annual Tax Increase for Employer with Four Employees	Annual Tax Increase for Employer with 50 Employees
0.15% (Current Law)	\$0	\$0	\$0	\$0
0.16%	\$751,924	\$2.40	\$9.60	\$120
0.17%	\$1,503,848	\$4.80	\$19.20	\$240
0.18%	\$2,255,772	\$7.20	\$28.80	\$360
0.19%	\$3,007,696	\$9.60	\$38.40	\$480
0.20%	\$3,759,620	\$12.00	\$48.00	\$600

* AS 23.15.835: Percentages are of unemployment insurance covered employees' taxable wages as detailed in AS 23.20.175.

** If a higher percentage of employee taxes went to TVEP, a lower percentage would be deposited into the unemployment insurance trust fund, a difference that would be made up by increased employer taxes.

Note: Figures are based on calendar year 2013 TVEP funding and are approximations of the effect larger TVEP funding percentages would have had on 2014 employer tax rates (employee tax rates would remain unchanged).

Health Insurance Information Request from House Education Committee

The Anchorage School District has four different health plans: the self-insured District plan as well as three union Trust plans which are handled outside of the District. We have some information in regards to the Trusts.

	Avg. Cost per Employee per Month		Plan Year Deductible		Plan Options	Contribution Percentage		Premium		Employee Counts	
	Plan 1:	Plan 2:	Plan 1:	Plan 2:		Plan 1:	Plan 2:	Plan 1:	Plan 2:	Plan 1:	Plan 2:
NEA Alaska Health Trust (Teachers)	\$310*		Individual: \$100 Family: \$300		Elect Plan or Waive Plan	Employee: \$310* Employer: \$1,385		\$1,695***		Elect: 3,063 Waiver: 452	
Local 71 Health Trust (Custodians)	Plan 1: \$125	Plan 2: \$0	Plan 1: Unknown	Plan 2: Unknown	Employees must elect one of the offered plans - may not waive	Plan 1: Employee: \$125 Employer: \$1,235	Plan 2: Employee: \$0 Employer: \$1,235	Plan 1: \$1,360***	Plan 2: \$1235***	Plan 1: 213	Plan 2: 145
Teamster-Employers Welfare Trust Fund (Bus)	\$0		Unknown		Employees must elect plan	Employee: \$0 Employer: \$9.35**		Unknown		112	
Self-Insured District Plan (All other eligible employees)	\$50		Individual: \$600 Family: \$1,800		Elect Plan or Waive Plan	Employee: \$50 Employer: \$1,385		\$1,471.65		Elect: 1,985 Waiver: 145	

* For the 12/13 school year, employees pay this amount for four months.

** Beginning 11/05/12, \$9.35 is paid for each hour of compensation earned by each regular employee during a given month.

ASD can only estimate what the premium is as we do not know if they are using funds other than the Employee/Employer amounts to

*** fund their medical costs.

Information provided by Mike Abbott, Anchorage School District, at the request of the House Education Committee

April 11, 2013

Senator Mike Dunleavy
Alaska State Capitol, Room 510
Juneau, Alaska 99801

Dear Senator Dunleavy:

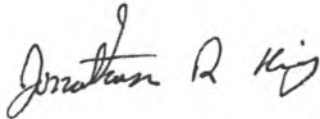
I am writing to you as a follow-up to our letter from April 9th, 2013 regarding SB 90. Mike Barnhill from the State Department of Administration called us to explain that the \$100 million dollars noted in the bill is not a cap on total expenditures for the bill, but the money required by the SOA to pay claims at from the start of the program. We apologize for any confusion that our erroneous interpretation of this clause may have caused and ask that this single bullet point from our original letter be removed from consideration.

We applaud the DOA for taking the time to call us and Mike in particular for his time in providing us with the opportunity for a very thoughtful discussion. We value our role in helping Alaskans make better decisions and as unbiased analysts and we do not enjoy when we misinterpret complex items.

Paradoxically, we find it interesting that our own confusion about this single point may underscore our real argument that this bill provides intriguing possibilities but requires more time for fruitful discussions to produce a superior product.

Thank you again for your time in considering this letter and our comments. Good luck with the remaining days of the session.

Sincerely,



Jonathan King
Principal and Senior Economist

CC: Patrick Burden, President, Northern Economics, Inc.
Marcus Hartley, Vice-President, Northern Economics, Inc.

Sullivan, Kaye [AK]

From: Garcia, Lydia [AK]
Sent: Thursday, April 11, 2013 9:28 AM
To: Sullivan, Kaye [AK]
Subject: FW: Senate Bill 90 - urgent

Please print.

From: Rhonda Kitter [<mailto:rkitter@neaplan.com>]
Sent: Thursday, April 11, 2013 9:28 AM
To: Alcantra, John [AK]; Garcia, Lydia [AK]; Fuhrer, Ron [AK]
Subject: Senate Bill 90 - urgent

This was sent to Stedman, Hoffman, Herron & Edgmon this morning:

Like other school district administrators throughout the State, I am concerned with the rising cost of health insurance premiums. However, I have reservations with SB90/HB196 in its current form. With this proposed legislation having just been introduced 2 weeks ago, I do not believe the legislature has had sufficient time to study this issue. I am particularly concerned with the provision in the bill that requires all school districts to opt-in. This provision would lead to the disintegration of the insurance pool my district is in with the City of Unalaska and the Iditarod School District. I have not heard testimony nor have I seen evidence that a State-run insurance pool will provide significant relief to the rising cost of health insurance for Alaska school districts. I urge you to oppose this proposed legislation until it has been thoroughly researched and discussed.

John Conwell, Superintendent
Unalaska School District



Yukon Koyukuk School District
Administrative & Support Offices
4762 Old Airport Way
Fairbanks, Alaska 99709

Kerry Boyd
Superintendent
kboyd@yksd.com

Telephone: (907) 374-9400
Fax: (907) 374-9440

April 10, 2013

Dear Senator Duleavy:

I'm writing in support of SB90 and HB196 the School District Health Insurance Pool. This would allow our district to offer our employees an insurance plan that meets their needs at a cost savings not available to a group the size of YKSD. The bill allows each District to choose the level of coverage they desire while retaining local control over premium cost sharing.

The YKSD Health Plan is currently self funded with Meritain as our third party administrator (TPA). Costs for health insurance have steadily risen from FY09 by over 42%. We are on track to expend nearly \$1,800,000 in FY13 for health insurance, a cost of approximately \$18,000 per member. This number represents 11.25% of our general fund expenditures. Cost increases for FY14 could be as much as 29% according to projections.

Being a rural district, YKSD has found that offering good health insurance at no cost to our employees has been a distinctive which helps draw and retain new and experienced teachers to leave many modern conveniences to move to one of our isolated villages. If costs for health insurance rise at such alarming rates as projected, we may not be able to sustain this valuable benefit. But with the cost containment and anticipated savings that could be realized in a large statewide insurance pool, we are optimistic that we will be able to continue this valuable distinctive.

Thank you for your time and consideration of our district's situation. I urge you to pass SB90/HB196.

Sincerely,

Kerry Boyd
Superintendent



St. Mary's School District
P.O. Box 9
St. Mary's, AK 99658

Phone (907) 438-2411

Fax (907) 433-2735



DeWayne Bahnsen, Principal

David Herbert, Superintendent

To: The Honorable Senator Mike Dunleavy

From: David Herbert, Superintendent 

Subject: Full Support of Senate Bill 90

Honorable Senator Dunleavy,

This letter is being written in support of SB90, which creates an insurance pool for public school employees in an effort to try to help contain and or reduce the ever increasing costs of health insurance. SB 90 would create a statewide pool from which public school districts could select individual plans which would be the most cost effective and appropriate for each individual district.

The current cost of providing health insurance to our district employees continues to increase each year. Over the last five years, the cost of providing health insurance has increased an average of six percent per year. This equates to a thirty percent increase over a five year time period. If the state were to offer an insurance pool to all public school employees, the state would be in a position to create efficiencies due to the economies of scale which would make up the insurance pool.

If this were to occur, SB 90 would then reduce insurance costs to districts and allow districts to redirect available funds to the classroom or other areas of greatest need. SB 90 provides an option for quality health insurance for all eligible employees in the most efficient and effective manner possible.

In summary, the St. Mary's City School District supports SB 90 and urges each committee to seriously consider the positive effects this bill will have on the State of Alaska.

From: [Lon Garrison](#)
To: [Sen. Pete Kelly](#); [Sen. Kevin Meyer](#); [Sen. Mike Dunleavy](#)
Cc: [Steve Bradshaw](#); [Jennifer Robinson](#); [Tonia Rioux](#); [Tim Fulton](#); [cass district](#)
Subject: Support for SB90
Date: Wednesday, April 10, 2013 6:28:04 AM

Senators,

While the Sitka School Board has not had the chance to formally review Senate Bill 90 and vote on a resolution supporting its passage, I am writing to you to express my support for such a measure in my capacity as a local school board member here in Sitka. Our district, like many others across the state faced exceptionally high increases in the cost of our insurance even in light of the fact that our district is in a pool with our city employees and our local community hospital. Our initial insurance rate proposal for 2014 from Premera Blue Cross was a 25.5% increase, nearly a \$700,000 blow to our budget. Since then, we have been able to buy down that rate and renegotiated the benefits (increasing the deductible and modifying other measures) to a 15% increase which is still a very significant impact to our budget. It certainly makes sense to me, that a statewide pool would provide school district with significant cost savings by spreading that risk and usage among a significantly larger group of enrollment and that the size of that enrollment would in itself provide for a more cost effective and stable market. Of course the uncertainty of the full implementation of the Affordable Health Care Act makes a larger pool even more attractive as well.

In February, I testified to a meeting of the Senate Education Committee there at the Capital and it was asked at the time if there were other cost saving measures the state might try to enable and I would say this is one of those. Therefore, as a member and President of the Sitka School Board I would advocate for support of SB90. I know that time is of the essence with regard to the end of the session.

Unfortunately our board will not have an opportunity to take up this issue, so this email is not to be construed as an endorsement from the entire Sitka School Board.

Best regards,

--

Lon Garrison
President, Sitka School Board

Sitka, Alaska
907-738-9093

From: [Steve Bradshaw](#)
To: [Sen. Mike Dunleavy](#)
Subject: health insurance
Date: Tuesday, April 09, 2013 4:06:33 PM

Senator Dunleavy, As superintendent of the Sitka School District, I stand in support of SB 90 and HB 196. I have been the superintendent for twelve years and in that time our insurance cost have gone from approximately \$1,223,000 to \$2,300,000.

The cost increase would have been greater had we not increased our deductible from \$250.00 per/person to \$1000.00 per/person and combined our district group with Sitka Community Hospital and the City of Sitka employee groups.

I trust that each district will be able to have enough flexibility in the State plan to honor our negotiated agreements. Or, be given enough time to work with our groups and reach a reasonable agreement.

Thank you for your work in trying to help each school district in Alaska.

Steve Bradshaw



CORDOVA SCHOOL DISTRICT

PO Box 1330 * 675 Second Street
Cordova, Alaska 99574
(907) 424-3265 * FAX (907) 424-3271

Cordova Jr/Sr High School
(907) 424-3266
FAX (907) 424-5215

Mt. Eccles Elementary
(907) 424-3236
FAX (907) 424-3117

April 10, 2013

Dear Senator Dunleavy,

I am writing this letter to provide some input regarding Senate Bill 90, "An Act relating to group insurance coverage and self-insurance coverage for school district employees; and providing for an effective date."

Cordova City School District is like many other districts in the State of Alaska. Health insurance costs continue to rise, and we are finding it more and more difficult to find the funding to provide quality insurance for our employees. In Cordova, over the last ten years, costs for insurance have increased, on average, by 11% each year, and we are bracing for a 15% increase this year based on information we have received from our current carrier.

My concern with Senate Bill 90 is the mandate that all districts must be a part of the same insurance group. I believe that competition drives costs, and simply changing one "monopoly" (NEA insurance) for another provided by the state will not drive the cost of insurance down in the long run. Please let me know if you have any questions, and thank you for the opportunity to provide input.

Any relief for districts from insurance costs will be welcome. In conversations with our teachers, they concur with my sentiments -- that we want the benefits we currently have, and if another provider can ensure the benefits at a lower cost, then we truly support those efforts. We support Senate Bill 90.

Sincerely,

Theresa Keel
Superintendent of Schools
Cordova, Alaska

From: James Fields
To: Sen. Mike Dunleavy; Sen. Pete Kelly; Sen. Kevin Meyer; Rep. Lynn Gattis; Rep. Kurt Olson
Subject: Support of Senate 90 and House Bill 196
Date: Tuesday, April 09, 2013 2:53:18 PM

I have been watching several of the discussions on the two bills listed above and am in complete support of the bills. It most likely comes as no surprise to you that at budget time one of the largest variables that we wait to hear is what the increase in health insurance costs are going to be so we can finally craft a budget. We end up waiting late in Spring when we should be starting earlier but are really unable to do so. Health insurance costs drive our budget and subsequently most of our negotiation talks with all levels of staff.

I think this would help the state as a whole in funding issues and will hopefully give us, the districts, more security and information going into our budget cycle which really should start in mid-march.

Thanks for listening and considering these bills.

Sincerely,



James Fields

President, Copper River School District Board of Education



ALASKA GATEWAY SCHOOL DISTRICT

P.O. BOX 226 TOK, AK 99780

907-883-5151 Fax: 907-883-5154

TODD POAGE, SUPERINTENDENT

MEMORANDUM

April 9, 2013

To: Senator Dunleavy

RE: SB90 – Group Insurance Coverage and Self-Insurance Coverage for School District Employees

Greetings,

The Alaska Gateway School District supports SB90 that would require a school district to participate in a policy of insurance selected by the commissioner of administration that includes health insurance coverage of employees. During the 2012-2013 school year, the District is paying \$1,695 for health insurance per employee for a total of \$91,530 per month and \$1,098,360 per fiscal year. Health insurance totals 13% of the District's FY13 budget and the premiums are estimated by our insurance company to increase by 18 to 20% for 2013-2014 school year. When compared to the \$1,330 the State is paying per employee for health insurance the District would save \$365 per employee per month that results in a yearly total of \$236,520 to be redirected into the instructional budget to enhance programs for kids. Further, centralizing administration will eliminate duplicated efforts by the State and all school districts resulting in another mode of savings thru personnel salaries.

By including another 47,000 new members into the existing plan, the State should be able to leverage lower discounts thru a single provider. AGSD supports SB90, a state insurance plan, which includes all school districts in an effort to lower premiums and centralize administration within a single plan for all educators. Our primary goal as a school district is to focus on the educational needs of students and SB90 allows for increased time and funds to achieve this mission.

Respectfully

Todd Poage,
Superintendent

“THE GATEWAY TO LEARNING”

“EDUCATING ALL STUDENTS TO REACH THEIR FULL POTENTIAL AS RESPONSIBLE CITIZENS.”

Alaska REACH Academy
(907) 883-2591
Tanacross School
(907) 883-4391

Dot Lake School
(907) 882-2663
Tetlin School
(907) 324-2120

Eagle Community School
(907) 547-2210
Tok School
(907) 883-5165

Mentasta Lake Katie John School
(907) 291-2327
Walter Northway School
(907) 778-2287

From: Robbie MacManus
To: Sen. Mike Dunleavy
Cc: Bethany Marcum
Subject: SB90 State Administered-administered group plan for Health Insurance
Date: Tuesday, April 09, 2013 10:21:37 AM

Senator Dunleavy

Alaska Gateway School District (AGSD) along with other school districts in the State, have been hit with extremely high health insurance costs. This last month we were informed that for the fiscal year 2014, AGSD can expect an 18-20% premium increase. This brings our monthly premium up to \$2000.34 per person per month. With 54 fulltime employees this gives AGSD an annual health insurance premium cost of \$1,296,220.32. This is 13% of our estimated \$9.7 million dollar FY14 budget. With that said, Alaska Gateway fully supports SB90 in hopes that this will bring us some relief with the ever increasing health insurance costs.

Respectfully,

Robbie MacManus
CFO
Alaska Gateway School District
(907) 883-5151 Ext 109

“If you always tell the truth you don’t have to remember anything” – Mark Twain

From: [Michael Johnson](#)
To: [Sen. Mike Dunleavy](#)
Subject: SB90
Date: Wednesday, April 10, 2013 12:28:10 PM

Dear Senator Dunleavy,

As rural citizens of Alaska, health insurance coverage is very important to our staff. Medical issues often involve not only the doctor bills, but also travel and lodging expenses. Having adequate medical and dental coverage allows margin to accommodate for these other costs. It is important, as an employer, that we provide quality health insurance for our colleagues.

Currently, providing health insurance benefits to our employees presents an ever increasing challenge to our budget and educational services. When I started as a teacher, the Copper River School district paid \$7071.84 per employee per year for health insurance. Together with the employees, we now pay \$20,544 per employee per year. Even with that increase, the deductible and co-pay is higher for the employee. The Copper River School District's annual insurance costs exceed 1.3 million dollars out of an approximately 7 million dollar operating budget.

Our health insurance costs have gone up an average of 9% per year since 2004. For a small employer, these increases create chaos in the budget process. We often don't know the exact amount of the increase until mid or late April. For Alaska's economy, it creates yearly difficulty in the legislature's budgetary process and public school funding debate.

You often hear about fuel increases and utility costs. Those have certainly been significant, but they do not represent near the costs that health insurance imposes.

SB90 and HB196 are measured and thoughtful approaches to providing assistance across the state. With the instability of the insurance market and health care policy in our country, a state insurance pool will create a welcomed buffer for our education system.

Respectfully,

Michael Johnson

Superintendent

Copper River School District

P.O. Box 108

Glennallen, AK 99588

907-822-3234 ext. 223

mjohnson@us

Doniece Gott

From: Sen. Kevin Meyer
Sent: Wednesday, April 10, 2013 1:01 PM
To: Senate Finance Committee
Subject: FW: SB90

From: Michael Johnson [<mailto:mjohnson@crsd.us>]
Sent: Wednesday, April 10, 2013 12:30 PM
To: Sen. Kevin Meyer
Subject: SB90

Dear Senator Meyer,

As rural citizens of Alaska, health insurance coverage is very important to our staff. Medical issues often involve not only the doctor bills, but also travel and lodging expenses. Having adequate medical and dental coverage allows margin to accommodate for these other costs. It is important, as an employer, that we provide quality health insurance for our colleagues.

Currently, providing health insurance benefits to our employees presents an ever increasing challenge to our budget and educational services. When I started as a teacher, the Copper River School district paid \$7071.84 per employee per year for health insurance. Together with the employees, we now pay \$20,544 per employee per year. Even with that increase, the deductible and co-pay is higher for the employee. The Copper River School District's annual insurance costs exceed 1.3 million dollars out of an approximately 7 million dollar operating budget.

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Respectfully,

Michael Johnson

Superintendent

Copper River School District

P.O. Box 108

Glennallen, AK 99588

907-822-3234 ext. 223

mjohnson@us

Doniece Gott

From: CLARA AMIDON <akbeachcomber@yahoo.com>
Sent: Sunday, April 07, 2013 5:34 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,

CLARA AMIDON
3232 DOIL DR
ANCHORAGE, AK 99507

Doniece Gott

From: CYNTHIA CROWLEY <cindyjoanncrowley@yahoo.com>
Sent: Sunday, April 07, 2013 5:33 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

As it currently stands I am fully insured as is my son, but we cannot afford to go to the doctor due to additional costs and the deductible. If you take insurance policies from the unions and put everyone into the State plan, I would not be able to be insured as the cost would be too high.

Cutting expenses is important, but to cut this is wrong. I do not endorse the idea, and as a voting member of your area, I ask that you DO NOT support this measure.

Sincerely,
Cynthia Crowley

CYNTHIA CROWLEY
1012 FRED CIR
ANCHORAGE, AK 99515

Doniece Gott

From: KIMBERLY CAMPBELL <kimakaze@gmail.com>
Sent: Sunday, April 07, 2013 3:40 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against public educators' rights to collectively bargain their health insurance.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,
Kimberly Campbell

KIMBERLY CAMPBELL
10229 THIMBLE BERRY DR
ANCHORAGE, AK 99515

Doniece Gott

From: KRISTINA RAUSCH <stinalovespenguins87@gmail.com>
Sent: Sunday, April 07, 2013 3:25 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,
Kristina Rausch

KRISTINA RAUSCH
10100 GOOSE BERRY PL
ANCHORAGE, AK 99515

Doniece Gott

From: AFSHAN MOHAMMAD <remza1@yahoo.com>
Sent: Sunday, April 07, 2013 2:43 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,
Afshan Mohammad
9-12 STEM Teacher
Eagle River High School
ASD

AFSHAN MOHAMMAD
12602 ESTUARY CIR
ANCHORAGE, AK 99516

Doniece Gott

From: JANICE KONKLER <jankonkler@hotmail.com>
Sent: Sunday, April 07, 2013 2:18 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator Meyer :

I am writing to express my **STRONG** opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Last night on channel 2 news, it was stated that school district employees would "pay significantly more for this health coverage". Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,
Janice Konkler,
Physical Ed. Teacher
O'Malley Elem. School

JANICE KONKLER
6821 ROUND TREE CIR
ANCHORAGE, AK 99507

Doniece Gott

From: CHANTAL DAVIS <davis_chantal@yahoo.com>
Sent: Sunday, April 07, 2013 12:51 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,

Chantal Davis

CHANTAL DAVIS
10140 SALIX CIR
ANCHORAGE, AK 99507

Doniece Gott

From: DOUGLAS OLIVERSON <doliverson@yahoo.com>
Sent: Sunday, April 07, 2013 12:16 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees. I have written your office, and other Senators offices more this year than in any other year. My major concern is that no one in Juneau is really listening to the people. This fast tracking of SB 90 is one more example of what the major of Anchorage is trying to do. Please do not vote for SB 90.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Have you information which you can share on how this SB90 will save money? If you do have information why has it not been communicated to the employees this SB 90 will affect? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts. There are only 8 days left in this session, why all of a sudden is SB 90 put in front of us?

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,
Douglas Oliverson

DOUGLAS OLIVERSON
12730 RIVULET CIR
ANCHORAGE, AK 99516

Doniece Gott

From: Don LOnG <don_long45@yahoo.com>
Sent: Sunday, April 07, 2013 12:15 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,

Don LOnG
2240 Sentry Dr. C- 406
Anchorage, AK 99507

Doniece Gott

From: CYNTHIA RICHARDSON <cindyr@gci.net>
Sent: Sunday, April 07, 2013 12:06 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator :

I am amazed again by what is happening in our community and our state. Instead of moving forward as a community we are moving backwards. This legislative session has provided me with the very clear understanding that Alaskan politics does not necessarily serve the people in the state but more often the politicians. How shameful that is. I am so disappointed in this collective body and continue to feel sad for the youngest community members (our youth) who will experience the consequences of these decisions. As a school counselor and a citizen of this state I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts. It is also has the potential to drive potential employees away, similar to the way the loss of a retirement program did several years ago. It appears obvious to me that this legislative body does not care about the future of the state of Alaska nor does it appear to care about its' most vulnerable citizens. I am ashamed to say I live in Alaska and look forward to mobilizing with others to remove these legislators.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,
Cindy Richardson

CYNTHIA RICHARDSON
3765 COVENTRY DR
ANCHORAGE, AK 99507

Doniece Gott

From: KRISTY GRAWUNDER <williwawkrs@yahoo.com>
Sent: Sunday, April 07, 2013 12:03 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator :

I am a teacher with the Anchorage School District. I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees. I believe you campaigned as a supporter of public education and teachers. Here is an opportunity for you to stand up for public school teachers who currently feel under attack in so many ways.

I realize SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts. It could also cause many experienced teachers to move out of Alaska to other places where teachers are not being blamed for all the state's financial woes.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,
Kristy Grawunder

KRISTY GRAWUNDER
8445 JUPITER DR
ANCHORAGE, AK 99507

Doniece Gott

From: BRANDY JONES <brandy21_77@yahoo.com>
Sent: Sunday, April 07, 2013 12:03 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,
Brandy Jones

BRANDY JONES
1201 CROW BERRY CIR
ANCHORAGE, AK 99515

Doniece Gott

From: PAULA DAVIS <banksdavis@ak.net>
Sent: Sunday, April 07, 2013 11:41 AM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees. I am also alarmed that this is being processed in such a rapid manner that it does not seem to respect the democratic process. Those that would be affected should have some say about prospective changes.

SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,
Paula Davis

PAULA DAVIS
8650 BARNEY CIR
ANCHORAGE, AK 99507

Doniece Gott

From: SANDRA CHRISTIANSEN <aktocs@gci.net>
Sent: Sunday, April 07, 2013 11:32 AM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator Meyer:

As a lifelong Alaskan and public school teacher, I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,
Sandra Christiansen

SANDRA CHRISTIANSEN
1485 MOSS CREEK AVE
ANCHORAGE, AK 99507

Doniece Gott

From: RENEE HELIE <momhelie@gmail.com>
Sent: Sunday, April 07, 2013 11:22 AM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator Meyer:

As an teacher at Abbott Loop Elementary, I know your support for education issues has always been a top priority. For this reason I want to share my intense opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. It is worth our time to really look at legislation.

Sincerely,

Renee Helie

RENEE HELIE
8511 ATKINS PL
ANCHORAGE, AK 99507

Doniece Gott

From: KIMBERLY WEIMANN <kasuun@yahoo.com>
Sent: Sunday, April 07, 2013 11:13 AM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator :

My husband and I are both teachers and active voters. When can we expect this assault form Juneau on educators to cease? We have a stressful job already Senator Meyer.

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,

KIMBERLY WEIMANN
9135 SAHALEE DR
ANCHORAGE, AK 99507

Doniece Gott

From: DAYNA DURR <jomajamama@yahoo.com>
Sent: Sunday, April 07, 2013 11:11 AM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,
Dayna Durr

DAYNA DURR
2011 COURAGE CIR
ANCHORAGE, AK 99507

Doniece Gott

From: PHYLLIS KOEHLER <plawsonak@yahoo.com>
Sent: Sunday, April 07, 2013 11:01 AM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,

PHYLLIS KOEHLER
10221 VALLEY PARK DR
ANCHORAGE, AK 99507

Doniece Gott

From: VICKIE MCCUBBIN <mcc@alaskalife.net>
Sent: Sunday, April 07, 2013 10:59 AM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,
Vickie McCubbin

VICKIE MCCUBBIN
4272 BIRCH RUN DR
ANCHORAGE, AK 99507

From: [Lon Garrison](#)
To: [Sen. Pete Kelly](#); [Sen. Kevin Meyer](#); [Sen. Mike Dunleavy](#)
Cc: [Steve Bradshaw](#); [Jennifer Robinson](#); [Tonia Rioux](#); [Tim Fulton](#); [cass.district](#)
Subject: Support for SB90
Date: Wednesday, April 10, 2013 6:28:04 AM

Senators,

While the Sitka School Board has not had the chance to formally review Senate Bill 90 and vote on a resolution supporting its passage, I am writing to you to express my support for such a measure in my capacity as a local school board member here in Sitka. Our district, like many others across the state faced exceptionally high increases in the cost of our insurance even in light of the fact that our district is in a pool with our city employees and our local community hospital. Our initial insurance rate proposal for 2014 from Premera Blue Cross was a 25.5% increase, nearly a \$700,000 blow to our budget. Since then, we have been able to buy down that rate and renegotiated the benefits (increasing the deductible and modifying other measures) to a 15% increase which is still a very significant impact to our budget. It certainly makes sense to me, that a statewide pool would provide school district with significant cost savings by spreading that risk and usage among a significantly larger group of enrollment and that the size of that enrollment would in itself provide for a more cost effective and stable market. Of course the uncertainty of the full implementation of the Affordable Health Care Act makes a larger pool even more attractive as well.

In February, I testified to a meeting of the Senate Education Committee there at the Capital and it was asked at the time if there were other cost saving measures the state might try to enable and I would say this is one of those. Therefore, as a member and President of the Sitka School Board I would advocate for support of SB90. I know that time is of the essence with regard to the end of the session.

Unfortunately our board will not have an opportunity to take up this issue, so this email is not to be construed as an endorsement from the entire Sitka School Board.

Best regards,

--

Lon Garrison
President, Sitka School Board

Sitka, Alaska
907-738-9093

April 9, 2013

Senator Mike Dunleavy
Alaska State Capitol, Room 420
Juneau, Alaska 99801

Dear Senator Dunleavy:

I am writing to you on behalf of Northern Economics, Inc. to request that the legislature defer action on Senate Bill 90 in order to allow a joint legislative committee an opportunity to fully consider the bill's economic and fiscal effects. Northern Economics, Inc. is concerned that there are positive and negative implications of SB 90 that the Alaska Legislature may not have fully considered. At a time when the State of Alaska can ill afford to make fiscal errors, we respectfully request you take the time to examine the bill's full effects.

As you know, SB 90 would require the state's school districts to enroll their employees into the State of Alaska's health plan system. In the interest of full disclosure, we note that we conducted membership satisfaction surveys for the NEA-Alaska Health Trust in 2009, 2011, and 2012. This work represents less than one percent of our overall revenues in these years and we are not currently under contract with the Health Trust.

We can think of both positive and negative effects of this bill, but as far as we are aware there is no data telling the public or decision-makers the relative magnitude of the bill's effect. We believe that the following elements of the bill are most in need of further analysis:

- SB 90 caps health care expenditures from the proposed fund at \$100 million without an adjustment for inflation. This amount is likely not enough to cover the individuals currently enrolled in other health plans at their current plan coverage levels given the current rate of medical inflation. We believe that much of these savings will have to come from cutting the quality of health and life insurance benefits received by educational staff and their dependents.
- The bill would centralize insurance for teachers, thus removing an element of local control. One of the benefits of a decentralized system is that school districts can craft programs that fit their budget, the availability of medical services in their area, and medical costs in their area. SB 90's approach would result in a centralized system that would ignore regional differences in health care costs and availability while eliminating local control over these issues.
- SB 90 requires school districts to reimburse the State of Alaska for health care costs while removing the element of plan selection from local control. There is the potential that these reimbursements could come into conflict with local control of revenue generation mechanisms as the state would be requiring municipalities to raise revenue for a program the school districts do not control.
- The idea that the State can reduce costs by large pool purchasing may be flawed as many districts are already effectively large pool purchasing through the use of the NEA-Alaska

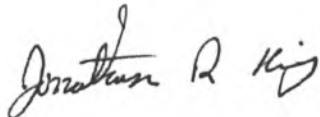
Health Trust. There is the strong possibility that the economies of scale have already been achieved by the Trust and that moving constituents from the Health Trust would be significantly disruptive. However, as we note above, there is unfortunately no analysis to confirm or disapprove these expectations.

- The State may not fully understand the administrative costs and difficulties of folding educational staff into the State's insurance systems. The NEA-Alaska Health Trust systems are more sophisticated than the systems used by some State of Alaska health trusts and programs.
- The results of our last survey from November 2012 indicated that 92 percent of NEA-Alaska Health Trust beneficiaries were at least somewhat satisfied with the health plan being provided to them by their districts through the Trust. Of the remaining eight percent of respondents, less than three percentage points were dissatisfied with their health plan overall. In short, for every 1 person who isn't happy with their overall health plan there are more than 24 people who are happy with their coverage. In addition, the Health Trust and their school district clients have improved their satisfaction performance every time we've conducted our survey. We find these results remarkable. We believe that one effect of SB 90 would be to move education staff and their dependents from a plan with a 24-to-1 satisfaction to dissatisfaction ratio to a plan with unknown satisfaction statistics and capped costs. We suspect that an effect of this bill will be to reduce overall plan satisfaction and the personalized attention and commitment to improving satisfaction that we've seen from the NEA-Alaska Health Trust.

This letter marks the first time in the 30-year history of our company that we have written directly to the legislature to ask for work on a bill to be slowed so that the people of the State and their representatives can fully understand the implications of a specific bill. We have a long history of providing the State and its peoples with apolitical, independent, third party analyses. We believe that this bill requires such an analysis.

Thank you for your time in considering this letter and our comments.

Sincerely,



Jonathan King
Principal and Senior Economist

CC: Patrick Burden, President, Northern Economics, Inc.
Marcus Hartley, Vice-President, Northern Economics, Inc.

DistrictID	Dist_SuperShort	Unduplicated Classified Count	Unduplicated Certified Count	Total by Dist
2	Denali	41	35	76
3	Alaska Gateway	56	43	99
4	Aleutian Region	7	7	14
5	Anchorage	2705	3691	6396
6	Annette Island	32	36	68
7	Bering Strait	284	234	518
8	Bristol Bay	32	18	50
9	Chatham	32	21	53
10	Chugach	18	21	39
11	Copper River	50	40	90
12	Cordova City	31	29	60
13	Craig City	53	41	94
14	Delta-Greely	61	63	124
15	Dillingham	36	55	91
16	Fairbanks	955	1031	1986
17	Galena	112	76	188
18	Haines	45	28	73
19	Hoonah	27	17	44
20	Hydaburg	13	9	22
21	Iditarod	38	29	67
22	Juneau	296	399	695
23	Kake	16	13	29
24	Kenai Peninsula	685	734	1419
25	Ketchikan	151	178	329
27	Klawock	22	18	40
28	Kodiak Island	212	206	418
29	Kuspuk	63	42	105
30	Lake and Peninsula	127	54	181
31	Lower Kuskokwim	526	369	895
32	Lower Yukon	187	193	380
33	Mat-Su	812	1096	1908
34	Nenana	37	30	67
35	Nome	46	65	111
36	North Slope	215	192	407
37	Northwest Arctic	155	181	336
38	Pelican	4	2	6
39	Petersburg	48	44	92
40	Pribilof	15	10	25
42	Sitka	75	129	204
43	Skagway	10	9	19
44	Southeast Island	52	28	80
45	Southwest Region	123	76	199
46	Saint Mary's	16	16	32
47	Unalaska	44	38	82
48	Valdez	66	63	129
49	Wrangell	59	29	88
50	Yakutat	14	14	28
53	Yukon Flats	0	0	0
52	Yukon-Koyukuk	93	68	161
53	Tanana	7	5	12
54	Yup'it	72	59	131
55	Kashunamiut	47	28	75
56	Aleutians East	31	33	64
98	Mt Edgecumbe	26	34	60
GRAND TOTAL		8980	9979	18959

Compiled from DEED
information
Provided by Sen. Drulmanic

ALASKA STATE LEGISLATURE

600 East Railroad Ave., Ste 1
Wasilla, Alaska 99654
(907) 376-3370
Fax (907) 376-3157



State Capitol
Juneau, Alaska 99801
(907) 465-6600
Fax (907) 465-3805

Mike Dunleavy
Senator

SPONSOR STATEMENT

Senate Bill 90 School District Employee Health Insurance

The cost of health care insurance for all employees has escalated far greater than the rate of inflation and Alaska's 53 school districts have felt the financial pinch. Under Senate Bill 90, all Alaska public school districts employees will be covered by a state-managed group health insurance program. Approximately 19,000 school district employees and their families, an estimated total of 47,000 individuals, would be added to the State of Alaska's Employee Health Plan.

This larger insurance pool places the State of Alaska in a position to negotiate a more favorable employee health care insurance plan. By moving school districts into an integrated state plan, the state and school districts benefit from the economies of scale. Currently each school district must obtain its own insurance coverage; consequently, the level of coverage and the cost of premiums vary widely throughout the state.

In addition to the potential savings with lower insurance premiums, two other advantages are afforded school districts and the state through this legislation. Senate Bill 90 will provide standardized health care coverage statewide for all school district employees. A person who may elect to move between school districts will know the basic insurance coverage offered before the transfer.

Secondly, the need for administrative time and effort by each school district to secure and negotiate a health insurance plan for its employees is eliminated. This responsibility shifts to the Department of Administration, a department that routinely manages insurance policies for all state employees, and allows school districts to focus on educational policy issues.

Starting July 1, 2014, school districts will transition to the new state health care insurance plan as each school district's existing employee contracts expire. All school districts are expected to changeover to the State of Alaska plan within three to five years.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101


State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

March 28, 2013

SUBJECT: Sectional Summary SB 90 (Work Order No. 28-LS0553\P)

TO: Senator Mike Dunleavy
Attn: Sheila Peterson

FROM: Dan Wayne 
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Adds to the duties of regional school boards the duty to establish and maintain school district participation in a policy of group insurance, selected by the State of Alaska, that provides medical insurance.

Section 2. Allows the commissioner of administration to expend from the public education fund (AS 14.17.300) to the group health and life benefits fund (AS 39.30.095) a total of \$100,000,000, or less, as needed to pay claims submitted by school district employees who are covered by a policy of self-insurance provided by the state; and, requires the commissioner of administration to repay the public education fund, over a period of 10 years, the full amount of the commissioner's expenditures from the public education fund.

Section 3. (a) Requires school districts to participate in a policy of insurance that provides medical insurance coverage to state employees and to school district employees. (b) Requires school districts to contribute to the group health and life benefits fund (AS 39.30.095) based on rates set by the commissioner of administration. (c) Requires school districts to reimburse the state for procuring excess loss insurance if the state provides insurance benefits to school district employees under a policy of self-insurance. (d) Requires school districts to reimburse, over a period not to exceed 10 years, the Department of Administration's cost of paying insurance claims by school district employees for the first four months school district employees are covered by a policy of self-insurance provided by the State of Alaska. (e) Allows a school district to require its employees to pay some or all of the money that this bill section would require the school

district to pay to the state.

Section 4. Requires the Department of Administration to add school district employees to a policy of group insurance that is obtained by the state under AS 39.30.090(a) to cover state employee medical benefits, and requires that each eligible employee and the employee's spouse and dependent children be covered under that policy.

Section 5. Adds a definition of "school district" to AS 39.30.090, because of the changes indicated in bill section 4.

Section 6. Authorizes the Department of Administration to provide medical insurance coverage to school district employees by means of self-insurance.

Section 7. Requires the Department of Administration to procure excess loss insurance in connection with providing medical coverage to school district employees under a policy of self-insurance, and allows the Department to allocate the cost of the excess loss insurance across all school districts that are covered by the policy of self-insurance.

Section 8. Clarifies existing statutory language that authorizes the commissioner of administration to adopt regulations to implement AS 39.30.090 - 39.30.097.

Section 9. Makes sections 1 - 8 and section 10 of the bill inapplicable to collective bargaining agreements and other contracts that become legally binding before the effective date of those bill sections.

Section 10. Requires certain self-insured school districts to transfer the closing balance of their self-funded insurance reserve accounts soon after they enroll in a health care plan administered by the state, and requires that when transferred by a school district these amounts will be applied to offset reimbursements owed by that school under AS 14.20.137(d), a provision proposed in section 3 of the bill.

Section 11. Authorizes the commissioner of administration to adopt regulations necessary to implement the changes made by the bill, to take effect after the effective date of the changes made by the bill.

Section 12. Makes sections 10 and 11 of the bill effective immediately, subject to the restrictions set forth in those sections.

Section 13. Makes the bill's provisions effective date July 1, 2014, except as provided in bill section 12.

AlaskaCare Employee Health Plan

Plan highlights

- Self-insured plan
- Uses Third-Party Administrator to process claims
- Approximately 16,400 members (6,400 covered employees, 10,000 dependents)
- Three medical plans: economy, standard and premium
- Three types of dental coverage: preventive, standard, premium
- Two types of vision coverage: standard, managed care

Medical Plan Structure

	Economy	Standard	Premium
Deductible*	\$500 individual \$1,000 family	\$250 individual \$500 family	\$250 individual \$500 family
Coinsurance	70%	80%	90%
Annual Out-of-Pocket Maximum*	\$2,000 per person after deductible	\$1,000 per person after deductible	\$300 per person after deductible
Lifetime Maximum	Unlimited		
Emergency Room	\$100 each incident for nonemergency use		
Preventive Care	Covered at 100% with no deductible		
Dependent children	Covered up to age 26		

A full comparison chart is available here

<http://doa.alaska.gov/drb/alaskaCare/employee/plans/medicalPlansCompare.html>

Premium Rates FY 13

	Economy	Standard	Premium	Premium EE/ Standard Family
Medical Premium* (includes preventive dental)	\$1,330	\$1,447	\$1,945	\$1,657
State pays: (benefit credit)	\$1,330	\$1,330	\$1,330	\$1,330
Employee pays: (payroll deduction)	\$0	\$117	\$615	\$327

*Actual premiums may be higher depending on the level of vision and dental coverage selected. See <http://doa.alaska.gov/drb/alaskaCare/employee/info/premiums.html> for dental and vision rates.

Benefit credit:

- Amount the state contributes per employee per month. It has historically matched the combined cost of the economy plan medical premium and the preventive dental premium
- It is a negotiated item
- In FY 13, the benefit credit is \$1,330; for FY 14 this will increase to \$1,389

More information available at <http://doa.alaska.gov/drb/alaskaCare/employee/info/benefitCredits.html>

ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
Heath Insurance Survey - Total Cost for FY12
compiled March 2013 by Amy Lujan, Executive Director

DISTRICT	FY12 Hlth Ins Cost
ALASKA GATEWAY	\$ 1,098,360
ALEUTIAN REGION	\$ 85,217
ALEUTIANS EAST	\$ 746,570
ANCHORAGE	\$ 102,000,000
ANNETTE ISLAND	\$ 761,112
BERING STRAIT	\$ 2,870,853
BRISTOL BAY	\$ 549,050
CHATHAM	\$ 330,050
CHUGACH	\$ 489,706
COPPER RIVER	\$ 1,400,416
CORDOVA	\$ 869,696
CRAIG	\$ 1,068,032
DELTA/GREELY	\$ 1,769,269
DENALI	\$ 938,109
DILLINGHAM	\$ 1,082,223
FAIRBANKS	\$ 34,725,574
GALENA	\$ 2,022,792
HAINES	\$ 921,765
HOONAH	\$ 468,579
HYDABURG	\$ 152,742
IDITAROD	\$ 663,210
JUNEAU	\$ 12,520,000
KAKE	\$ 235,982
KASHUNAMIUT	\$ 1,000,366
KENAI PENINSULA	\$ 21,247,476
KETCHIKAN	\$ 3,848,441
KLAWOCK	\$ 632,389
KODIAK	\$ 5,665,096
KUSPUK	\$ 1,624,580
LAKE & PENINSULA	\$ 1,647,426
LOWER KUSKOKWIM	\$ 7,488,538
LOWER YUKON	\$ 7,594,673
MAT-SU	\$ 33,848,841
NENANA	\$ 1,018,695

ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
Heath Insurance Survey - Total Cost for FY12
compiled March 2013 by Amy Lujan, Executive Director

DISTRICT	FY12 Hlth Ins Cost
NOME	\$ 1,078,860
NORTH SLOPE	\$ 7,412,615
NORTHWEST ARCTIC	\$ 5,488,677
PELICAN	\$ 49,883
PETERSBURG	\$ 1,176,426
PRIBILOF	\$ 316,002
ST. MARY'S	\$ 150,000
SITKA	\$ 2,421,344
SKAGWAY	\$ 252,036
SOUTHEAST ISLAND	\$ 565,115
SOUTHWEST REGION	\$ 1,360,868
TANANA	\$ 81,867
UNALASKA	\$ 921,985
VALDEZ	\$ 2,036,990
WRANGELL	\$ 771,275
YAKUTAT	\$ 365,592
YUKON FLATS	\$ 1,122,585
YUKON/KOYUKUK	\$ 1,581,739
YUPIIT	\$ 1,348,792
TOTAL	\$ 281,888,479

NOTES

* Includes employer and employee premium costs,
admin costs and claims cost for self-insured plans



Alaska Public School Teacher

2012 – 2013 Salary & Benefits Report

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Association of Alaska School Boards

**Alaska Public School Teacher
Salary & Benefits Report**

2012 - 2013

Introduction & Acknowledgements

This 2012-2013 report on Alaska Public School Teacher Salary and Benefits includes information on the following categories: teacher salaries and related information, salary schedule distribution, insurance benefits, leave benefits, miscellaneous fringe benefits, selected extra duty salaries, enrollment/staffing and work year information. This information is sorted statewide, by region, and by district size.

This report includes survey responses from 44 of 53 Alaska public school districts.

AASB would like to express special thanks to the central office staff members in each of the school districts, who took the time to provide the information we requested. Without their patience and cooperation this report would not be possible.

**Alaska Public School Teacher
Salary & Benefits Report**

Explanation of Column Headings

SALARIES AND RELATED INFORMATION

TOTAL ADM- (Average Daily Membership) Total Enrollment, including correspondence, as reported to the State of Alaska in October 2012.

BASE SALARY, BEGINNING MASTER'S SALARY, TOP SALARY- Base and top salaries indicated lowest/highest salaries on the schedule. Beginning Master's is the pay given to teachers with Master's degrees and no experience.

SALARY SCHEDULE INDEX- Factor used as multiplier to indicate range from lowest to highest salary on the schedule.

STEPS ON SALARY SCHEDULE- Step reflects the number of years of service given credit for each education level on the salary schedule. For purposes of counting, the "zero" step indicating no experience, is counted as one step.

MAXIMUM EDUCATION ON SALARY SCHEDULE- Highest level of education recognized on the salary schedule for pay purposes. M- masters, C- Certificate.

% OF TEACHERS AT MAXIMUM SALARY STEP- Percentage of teachers who are at the maximum step (of all columns) on the salary schedule.

LONGEVITY INCREMENTS GRANTED- Special increments paid to reward teachers who have exceeded the available number of steps, without moving to a new column on the schedule, by virtue of increased education.

AVERAGE SALARY- ACTUAL average teacher salary paid in each district, shown as average salary only, average salary w/retirements benefits, and average salary w/all benefits included

AVERAGE SALARY WITH ALL BENEFITS- Average district teacher salaries, including all benefits.

CERTIFIED SUBSTITUTE PAY- Daily rate paid to substitute teachers holding current Alaska teaching certificates.

NON-CERTIFIED SUBSTITUTE PAY- Daily rate paid to substitutes not certified as teachers.

PRINCIPAL/TEACHER BARGAINING- Districts where principal teachers are represented by the teachers' bargaining unit.

SALARY SCHEDULE DISTRIBUTION

TOTAL ADM- (Average Daily Membership) Total Enrollment, including correspondence, as reported to the State of Alaska in October 2012.

FTE TEACHERS (ON SALARY SCHEDULE)- Full-time equivalent figures for all teachers and other instructional staff who are certificated.

% OF TEACHERS EARNING... ON SALARY SCHEDULE- Indicates a number of arbitrarily defined ranges of pay and shows a percentage of teachers in each district who fall within each range.

INSURANCE BENEFITS

TOTAL ADM- (Average Daily Membership) Total Enrollment, including correspondence, as reported to the State of Alaska in October 2012.

MEDICAL PREMIUM FOR SINGLE AND FAMILY- Total costs of hospital and medical insurance policies for single teachers or teachers with families

IS DISTRICT SELF-INSURED?- Indicates whether a district self insures for medical coverage.

PREMIUM PAID BY EMPLOYEE- Amount employee contributes toward the purchase of hospital/medical insurance policies. In most cases, districts pick up 100% of the cost

LIFE INSURANCE COVERAGE AMOUNT- Maximum amount of life insurance coverage districts purchase for teachers. In some cases, this was reported by districts in terms of contract language (e.g. "twice the amount of annual salary"). This was reported here as twice the average salary on the salary schedule (2 X AN SALARY) or equal to the annual salary rounded up to the next thousand.

DISABILITY INSURANCE PROVIDED- Indicates whether a disability (income protection) plan is provided.

PROFESSIONAL LIABILITY INSURANCE PROVIDED- Indicates whether a professional liability plan is provided.

TRAVEL INSURANCE PROVIDED- Indicates whether a travel insurance plan is provided.

AVERAGE INSURANCE COST PER TEACHER- Average amount per teacher for the insurance benefits package provided by the district.

MISCELLANEOUS FRINGE BENEFITS

TOTAL ADM- (Average Daily Membership) Total Enrollment, including correspondence, as reported to the State of Alaska in October 2012.

TRAVEL PAID- Indicates if school district provides travel to and/or from the district, other than school business related, as a fringe benefit to the to the teachers (i.e. "turnaround leave," etc.).

AMOUNT PAIDS TOWARD TRAVEL- Amount of dollars allowed per teacher for non business travel, if it is provided as a fringe benefits.

SEVERANCE PAID- An additional payment that is made upon termination.

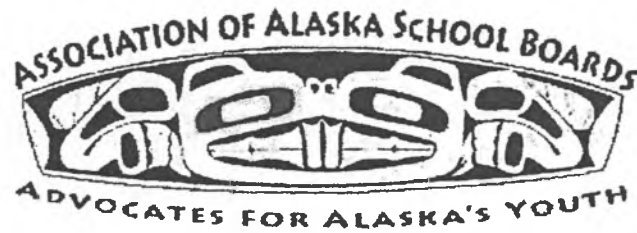
PROFESSIONAL CERT. BONUS- Indicates whether or not a district offers a professional certification bonus

TAX SHELTERED ANNUITY OR SUPPLEMENTAL SAVINGS- Indicates that the district administratively handles monthly arrangements for payment into tax sheltered annuities or other supplemental savings for teachers who participate.

TUITION REIMBURSED- Provision to reimburse tuition costs for a specified number of credit hours.

STATEWIDE:
Insurance Benefits

DISTRICT	REG	TOTAL ADM	IS DISTRICT SELF INSURED?	MEDICAL PREMIUM SINGLE PERSON	MEDICAL PREMIUM FAMILY	PREMIUM PAID BY EMPLOYEE SINGLE/FAMILY	DENTAL/ VISION COVERAGE?	LIFE INSURANCE COVERAGE AMOUNT	DISABILITY INSURANCE PROVIDED?	PROF. LIABILITY INS. PROVIDED?	TRAVEL INSURANCE PROVIDED?	AVG. INS COST / TEACHER	MAX OUT-OF-POCKET COST SINGLE/FAMILY
ALASKA GATEWAY	INT	375	N	\$20,340	\$20,340	0%	Y	105000	Y	N	N	\$0	\$1,000/\$3,000
ALEUTIANS EAST	SW	227	Y	\$7,881	\$25,052	8%/4%	Y	20000	N	N	Y	\$900	\$195
ANCHORAGE	SC	48422	Y	\$20,340	\$20,340	12%	Y	3XSalary/Max \$200K	N	N	N	\$15,416	\$2,370
ANNETTE ISLAND	SE	276	Y	\$10,478	\$33,354	8%	Y	2000	N	N	N	\$838/\$2668	\$2,250
BERING STRAIT	NW	1594	Y	\$9,600	\$18,750	15%	Y	30000	Y	Y	Y	\$1440/\$3000	N/A
BRISTOL BAY	SW	150	N	\$20,340	\$20,340	10%	Y	2000	N	N	N	\$2,070	\$1000/\$3000
CHUGACH	SC	245	Y	\$1,000	\$3,000	0%	Y	10000	Y	N	N	\$0	\$2,500
COPPER RIVER	INT	490	N	\$20,544	\$20,544	6%	-	5000	N	Y	N	\$1,200	\$5,000
CORDOVA	SC	325	N	\$20,544	\$20,544	8%	Y	40000	N	N	N	\$1,644	\$1,000
CRAIG	SE	657	N	\$0	\$20,340	0%	Y	0	N	Y	N	\$0	\$1000/\$3000
DELTA/GREELY	INT	917	N	\$19,200	\$19,200	18%	Y	15000	N	Y	N	\$3,530	\$2000 / \$6000
DENALI	INT	716	Y	\$16,724	\$0	0%	Y	50000	Y	Y	Y	\$16,724	\$195
DILLINGHAM	SW	473	Y	\$8,410	\$24,460	16%	Y	20000	N	Y	Y	\$1,380	\$1,250
FAIRBANKS	INT	14277	Y	\$1,778	\$2,963	11%/17%	Y	65000	N	N	N	\$2,370	\$3250/\$7500
GALENA	INT	3741	Y	\$6,101	\$18,913	0%/20%	Y	25000	N	N	N	\$7,708	\$2,000
HAINES	SE	307	N	\$1,483	\$1,483	6%	Y	10000	N	N	N	\$996	\$2,500
HOONAH	SE	114	N	\$10,022	\$31,718	0%	Y	23000	N	N	Y	\$0	\$2,250
HYDABURG	SE	52	N	\$11,940	\$23,011	0% / 72%	Y	5000	N	N	N	\$11,448	\$720
JUNEAU	SE	4952	N	\$20,340	\$20,340	14%	Y	2XSalary	N	N	Y	\$2,940	\$265
KENAI	SC	8970	Y	\$17,460	\$17,820	23.4%/24.9%	Y	1XSalary	N	N	N	\$4,260	\$1,200
KETCHIKAN	SE	2201	Y	\$14,109	\$18,357	20%/39%	Y	50000	N	N	N	\$5,134	\$3,500/\$10,500
KLAWOCK	SE	136	N	\$10,886	\$34,476	5%	Y	0.05	N	Y	Y	\$544/\$1724	\$2,000
KODIAK	SW	2517	Y	\$10,577	\$32,047	25%	Y	170000	N	N	Y	\$4,365	\$1000/\$3000
KUSPUK	SW	346	N	\$2,721	\$5,715	0%	Y	50000	N	N	Y	\$0	\$390
LAKE & PENINSULA	SW	326	Y	\$9,790	\$29,138	0%	Y	7000	N	N	N	\$0	\$195
LOWER KUSKOKWIM	SW	3972	Y	\$8,241	\$20,162	0%	Y	50000	Y	Y	Y	UNKNOWN	\$250/\$750
LOWER YUKON	SW	1922	Y	\$11,592	\$28,992	0%	Y	50000	Y	Y	Y	\$30,357	\$1900/\$5700
MAT-SU	SC	17338	N	\$20,424	\$20,424	10%	Y	15000	N	N	N	\$2,042	\$1000 / \$3000
NENANA	INT	948	N	\$20,340	\$20,340	0%	Y	10000	N	N	N	\$0	\$1100/\$3300
NOME	NW	690	N	\$7,255	\$20,344	15%	Y	10000	Y	Y	Y	\$1088-\$3457	\$3,000
NORTH SLOPE	NW	1599	Y	\$18,000	\$18,000	0%	-	\$175/yr	N	Y	Y	\$0	\$300
NORTHWEST ARCTIC	NW	1803	Y	\$17,364	\$17,364	6%	Y	50000	Y	N	N	\$1,080	\$195 / \$585
PETERSBURG	SE	427	N	\$1,492	\$1,492	20%	Y	5000	N	N	N	\$3,581	\$3,000
PRIBILOF	SW	98	n	\$20,554	\$20,554	0%	Y	0	N	Y	Y	\$20,461	\$3,000
SITKA	SE	1312	N	\$6,496	\$19,529	16%	Y	100000	N	N	N	\$2,080	\$2000/\$6000
SOUTHEAST ISLAND	SE	165	N	\$20,340	\$20,340	0%	Y	20000	N	Y	Y	\$0	\$1,000
SOUTHWEST REGION	SW	633	N	\$9,874	\$28,733	17%/21%	Y	1XSALARY	Y	Y	Y	\$1639/\$6027	\$7,500
ST. MARYS	SW	181	N	\$8,422	\$26,875	100%/45%	Y	SALARY	Y	Y	Y	\$662	\$2,750
UNALASKA	SW	414	Y	\$22,607	\$22,607	0%	Y	5000	N	N	N	\$0	\$500
VALDEZ	SC	676	Y	\$19,846	\$19,846	75%	Y	70000	N	N	N	\$1,488	\$488
WRANGELL	SE	387	N	\$8,902	\$28,315	5.75%-1.75%	Y	50000	N	Y	N	\$504	\$4,000
YUKON KOYUKUK	INT	1256	Y	\$2,159	\$4,880	0%	Y	50000	Y	Y	Y	\$0	\$1,000



Alaska Public School Administrator

2011 – 2012 Salary & Benefits Report

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Association of Alaska School Boards

2011 - 2012

Alaska Public School Administrator
Salary & Benefits Report

Introduction & Acknowledgements

This 2011-2012 report on Alaska Public School Administrator Salary and Benefits includes information on the following categories: school board compensation, salaries and related information, insurance benefits, leave benefits, miscellaneous fringe benefits staffing and work year information. This information is sorted statewide and by region.

This report includes survey responses from 44 of 53 Alaska public school districts.

AASB would like to express special thanks to the central office staff members in each of the school districts, who took the time to provide the information we requested. Without their patience and cooperation this report would not be possible.

Association of Alaska School Boards 2011-2012

Alaska Public School Administrator Salary & Benefits Report

Explanation of Column Headings

A "0" in any column indicates there are no employees for that question or the district did not submit information for that question.

BOARD MEMBER COMPENSATION

TOTAL ADM- (Average Daily Membership) Total Enrollment, including correspondence, as reported to the State of Alaska in October 2011.
NUMBER OF BOARD MEMBERS – Number of members on the school board.
IS THERE A STUDENT REP? – Indicates whether there is a student representative on the school board.
NUMBER OF REGULAR MEETINGS – The number of scheduled board meetings during the year.
BOARD MEMBERS COMPENSATED, MONTHLY COMPENSATION AMOUNT, COMPENSATION PER MEETING – Compensation for school board members for their service (over and above reimbursement for actual expenses), monthly amount per individual board member, and per meeting compensation per individual (disregarding additional payment for officers).
ADDITIONAL COMPENSATION? – Indicates whether board members receive compensation (over and above reimbursement for actual expenses) for attending meetings other than scheduled regular board meetings (e.g. negotiations, committee meetings, special meetings, etc.).
ADDITIONAL COMPENSATION FOR CHAIRPERSON, SECRETARY, TREASURER – Paid to officers of the board for their service.
TRAVEL PER DIEM PAID BY DISTRICT – The amount of per diem paid to board members while traveling out of the district to other types of meetings.
HOTEL PAID? – Out of district hotel costs paid, in addition to per diem.
BOARD MEMBERS RECEIVE DISTRICT INSURANCE? – Indicates board member participation in the school district medical insurance program.
AMOUNT DISTRICT CONTRIBUTION – Reflects amount district contributes to board members medical insurance.
BOARD MEMBER CONTRIBUTES TO INSURANCE? – Reflects board member contribution towards purchase of medical coverage
AMOUNT BOARD MEMBER CONTRIBUTES – Reflects amount board member contributes to board members insurance.
OTHER BENEFITS – Other benefits provided to board members, i.e., Public Employment Retirement System (PERS), Life Insurance, Worker's Compensation

SALARIES & RELATED INFORMATION

TOTAL ADM - (Average Daily Membership) Total Enrollment, including correspondence, as reported to the State of Alaska in October 2011.
FTE – Number of full time employees in that position
SALARY – Base and top salary for full time position. For Superintendents, annual salary stated in the Chief School Administrator's (CSA) contract.
DAYS ON CONTRACT – Number of workdays, including leave and holidays, specified in contract or similar document

INSURANCE BENEFITS

MEDICAL PREMIUM PER YEAR – Indicates the premium amount paid by the district for a hospital/medical insurance single/family plan.
% OF PREMIUM PAID BY EMPLOYEE – Percent of annual premium that is paid by the employee for single/family plan.
DENTAL/VISUAL? – Is dental and vision insurance provided by the district.
LIFE INSURANCE COVERAGE – Indicates the amount of coverage provided for a single employee.
DISABILITY? – This represents whether there is coverage provided by a disability plan
LIABILITY? - This represents whether there is coverage provided by a liability plan.
TRAVEL INSURANCE? – Represents whether there is coverage provided by travel insurance for the employee while traveling on district business.

LEAVE BENEFITS

NUMBER OF PERSONAL LEAVE DAYS – Total number of days of personal leave allowed each year per employee.
PERSONAL LEAVE DAYS ACCUMULATIVE? – Indicates if personal leave may be accumulated if unused.
PERSONAL LEAVE DAYS PAID AT SEPARATION? – Indicates whether the district allows personal leave to be cashed in at termination.
RECEIVE SABBATICAL? – Indicates if the district grants sabbatical leave for the given position.
\$ OR % OF SALARY PAID DURING SABBATICAL – If the administrator is to receive pay while on a sabbatical leave, the figure in this column gives the percentage of pay or flat dollar amount provided by the district, or a percent of annual salary. Some districts determine the amount granted on a discretionary basis.
PAID ANNUAL LEAVE PROVIDED? – Indicates if the administrator's contract includes a provision for annual leave days.
PAID ANNUAL LEAVE TOTAL DAYS – Indicates number of days granted for annual leave.
PAID ANNUAL LEAVE DAYS ACCUMULATIVE? – Indicates if annual leave is allowed to accumulate if unused.
ANNUAL LEAVE PAID AT SEPARATION? – Indicates whether the district allows annual leave to be cashed in at termination.
NUMBER OF PROFESSIONAL LEAVE DAYS - Total number of days of professional leave allowed each year per employee.
NUMBER OF PAID HOLIDAYS – Number of paid holidays included in the employee's contract year.

STATEWIDE: Administrator Salaries Related Information

Insurance: Superintendents

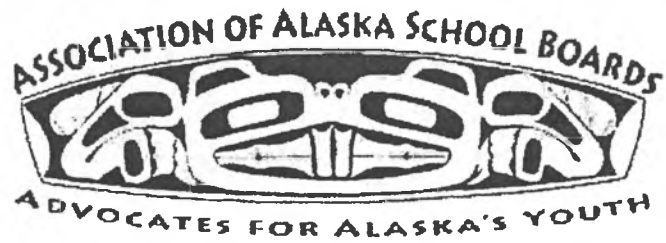
DISTRICT	REG	TOTAL ADM	SUPT MEDICAL PREM PER YEAR (SINGLE / FAMILY)	% OF PREMIUM PAID BY EMPLOYEE (SINGLE / FAMILY)	SUPT DENTAL/ VISUAL	SUPT LIFE INSURANCE COVERAGE	SUPT DISABILITY?	SUPT PRO LIABILITY?	SUPT TRAVEL INS?
ALASKA GATEWAY	INT	385	\$16,860	0%	Y	\$102,000	Y	N	N
ALEUTIANS EAST	SW	245	\$0	0%	N	\$150,000	N	N	Y
ANCHORAGE	SC	48,613	\$16,681	0%	Y	\$700,000	N	N	N
ANNETTE ISLAND	SE	276	\$891/\$2837	0%	Y	\$10,000	N	N	N
BERING STRAIT	NW	1,654	\$1380/\$2880	15%/16%	Y	\$500,000	Y	Y	Y
BRISTOL BAY	SW	160	\$20,340	0%	VISUAL	\$100,000	N	N	N
COPPER RIVER	INT	472	\$20,544	6%	Y	\$5,000	N	Y	N
CORDOVA	SC	338	\$17,280	0%	Y	\$40,000	N	Y	Y
CRAIG	SE	624	\$20,340	0%	Y	\$0	N	Y	N
DELTA/GREELY	INT	895	\$19,200	18%	Y	\$15,000	N	Y	N
DENALI	INT	721	\$26,868	2%	Y	\$50,000	N	N	N
DILLINGHAM	SW	479	\$0	0%	N	\$10,000	N	Y	Y
FAIRBANKS	INT	14,238	\$1634/\$2724	11%/17%	Y	\$300,000	Y	Y	N
GALENA	INT	3,814	\$6,101/\$15080	0%/26%	Y	\$25,000	N	N	N
HAINES	SE	305	\$16,800	6%	Y	\$10,000	N	N	N
HOONAH	SE	121	\$842/\$2,682	0%	Y	\$150,000	N	N	Y
HYDABURG	SE	63	\$11,940	0%	Y	\$5,000	N	N	N
IDITAROD	INT	313	\$16,500	0%	Y	40000 LIFE/40000	Y	Y	Y
JUNEAU	SE	4,983	\$19,320	14%	Y	2.5XANN. SAL.	Y	N	N
KASHUNAMUIT	SW	306	\$5,795/\$15,072	0%	Y	\$500,000	Y	Y	N
KENAI	SC	9,025	\$15,525	17%	Y	2X ANN SAL	N	Y	N
KETCHIKAN	SE	2,151	\$2830/\$7079	2750%	Y	\$1	N	N	N
KLAWOCK	SE	137	\$0	0%	Y	\$25,000	\$0	\$0	\$0
KODIAK	SW	2,543	\$8338/\$25261	25%	Y	\$170,000	N	N	Y
KUSPUK	SW	349	\$2,309/\$4,480	0%	Y	3x's supt goss salary	N	N	Y
LAKE & PENINSULA	SW	327	\$2,986	0%	Y	\$507,000	N	N	Y
LOWER KUSKOKWIM	SW	3,995	\$8241/\$20162	0%	Y	\$50,000	Y	Y	Y
LOWER YUKON	SW	1,964	\$11592/\$28992	0%	Y	\$50,000	N	Y	Y
MAT-SU	SC	16,965	\$20,424/\$18,600	10%	Y	\$500,000	N	Y	N
NENANA	INT	1,063	\$1,695	0%	Y	\$10,000	N	N	N
NOME	NW	680	\$5,996/\$19028	15%	Y	\$250,000	N	Y	N
NORTH SLOPE	NW	1,612	\$15,000	0%	Y	\$0	N	Y	Y
NORTHWEST ARCTIC	NW	1,776	\$15,861	7%	Y	\$500,000	Y	Y	N
PETERSBURG	SE	486	\$21,897	0%	Y	\$7,000	N	N	N
PRIBILOF	SW	87	\$0	0%	Y	\$0	\$0	Y	Y
SITKA	SE	1,299	\$6697/\$20133	1%	Y	\$100,000	N	N	N
SOUTHEAST ISLAND	SE	159	\$20,340	0%	Y	\$20,000	N	Y	Y
SOUTHWEST	SW	627	\$2,302	0%	Y	\$100,000	N	Y	Y
ST. MARY'S	SW	177	\$735	0%	Y	Equal to Salary	Y	Y	Y
UNALASKA	SW	407	\$14,484	0%	Y	\$324,000	N	N	N
VALDEZ	SC	676	\$0	0%	Y	\$70,000	N	N	N
WRANGELL	SE	339	\$9084/\$28900	0%	Y	\$50,000	N	Y	N
YAKUTAT	SE	119	\$8,003	750%	Y	\$10,000	N	N	N
YUKON-KOYUKUK	INT	1,326	\$2192/\$4768	0%	Y	2XSALARY+100,000	N	Y	Y

**STATEWIDE: Administrator Salaries Related Information
Insurance: Central Office Administrators**

DISTRICT	REG	TOTAL ADM	CENTRAL OFFICE MED PREM PER YEAR (SINGLE / FAMILY)	% OF PREMIUM PAID BY EMPLOYEE (SINGLE / FAMILY)	CENTRAL OFFICE DENTAL/ VISUAL	CENTRAL OFFICE LIFE INSURANCE COVERAGE	CENTRAL OFFICE DISABILITY?	CENTRAL OFFICE PRO LIABILITY?	CENTRAL OFFICE TRAVEL INS?
ALASKA GATEWAY	INT	385	\$16,860	0%	Y	\$102,000	Y	N	N
ALEUTIANS EAST	SW	245	\$8,030/\$24,350	7%/5%	Y	\$10,000	N	N	Y
ANCHORAGE	SC	48,613	\$16,681	4%	Y	\$700,000	N	N	N
ANNETTE ISLAND	SE	276	\$0	0%	\$0	\$0	\$0	\$0	\$0
BERING STRAIT	NW	1,654	\$1380/\$2880	15%/16%	Y	\$250,000	Y	Y	Y
BRISTOL BAY	SW	160	\$20,340	11%	VISUAL	\$2,000	Y	N	N
COPPER RIVER	INT	472	\$20,544	6%	Y	\$5,000	N	Y	Y
CORDOVA	SC	338	\$17,280	0%	Y	\$40,000	N	Y	Y
CRAIG	SE	624	\$20,340	0%	Y	\$0	N	Y	N
DELTA/GREELY	INT	895	\$19,200	18%	Y	\$15,000	N	Y	N
DENALI	INT	721	\$26,868	2%	Y	\$50,000	N	N	N
DILLINGHAM	SW	479	\$563/\$1626	20%	Y	\$10,000	N	Y	Y
FAIRBANKS	INT	14,238	\$1634/\$2724	11%/17%	Y	\$111,600	Y	Y	N
GALENA	INT	3,814	\$6,101/\$15080	0%/26%	Y	\$25,000	N	N	N
HAINES	SE	305	\$0	0%	\$0	\$0	\$0	\$0	\$0
HOONAH	SE	121	\$842/\$2,682	0%	Y	\$25,000	N	N	N
HYDABURG	SE	63	\$0	0%	N	\$0	N	N	N
IDITAROD	INT	313	\$16,500	0%	Y	40000 LIFE/40000 AD&D	Y	Y	Y
JUNEAU	SE	4,983	\$19,320	14%	Y	2.5XANN. SAL.	Y	N	N
KASHUNAMUIT	SW	306	\$5,795/\$15,072	0%	Y	2.5XANN. SAL.	Y	Y	N
KENAI	SC	9,025	\$15,525	17%	Y	2X ANN SAL	N	Y	N
KETCHIKAN	SE	2,151	\$2830/\$7079	28%	Y	\$1	N	N	N
KLAWOCK	SE	137	\$0	5%	Y	\$25,000	\$0	\$0	\$0
KODIAK	SW	2,543	\$8338/\$25261	25%	Y	\$170,000	N	N	Y
KUSPUK	SW	349	\$2,309/\$4,480	0%	Y	\$50,000	N	N	N
LAKE & PENINSULA	SW	327	\$1004/\$2986	0%	Y	\$0	N	N	Y
LOWER KUSKOKWIM	SW	3,995	\$8241/\$20162	0%	Y	\$50,000	Y	Y	Y
LOWER YUKON	SW	1,964	\$11592/\$28992	0%	Y	\$50,000	N	Y	Y
MAT-SU	SC	16,965	\$20,424/\$18,600	10%	Y	\$150,000	N	Y	N
NENANA	INT	1,063	\$1,695	0%	Y	\$10,000	N	N	N
NOME	NW	680	\$5,996/\$19028	15%	Y	\$250,000	N	Y	N
NORTH SLOPE	NW	1,612	\$15,000	0%	Y	\$0	N	Y	Y
NORTHWEST ARCTIC	NW	1,776	\$15,861	7%	Y	\$100,000	Y	Y	N
PETERSBURG	SE	486	\$9,484/\$30,575	17%	Y	\$7,000	N	N	N
PREBILOF	SW	87	\$0	0%	Y	\$0	\$0	Y	Y
SITKA	SE	1,299	\$6697/\$20133	1%	Y	\$100,000	N	N	N
SOUTHEAST ISLAND	SE	159	\$20,340	0%	Y	\$20,000	N	Y	Y
SOUTHWEST	SW	627	\$791/\$2302	15%/20%	Y	\$100,000	N	Y	Y
ST. MARY'S	SW	177	\$0	0%	\$0	\$0	\$0	\$0	\$0
UNALASKA	SW	407	\$14,484	0%	Y	\$100,000	N	N	N
VALDEZ	SC	676	\$0	0%	Y	\$70,000	Y	Y	Y
WRANGELL	SE	339	\$9084/\$28900	0%	Y	\$50,000	N	Y	N
YAKUTAT	SE	119	\$8003/\$18183	0%	Y	\$10,000	N	N	N
YUKON-KOYUKUK	INT	1,326	\$2192/\$4768	0%	Y	2XSALARY+100,000	N	Y	Y

STATEWIDE: Administrator Salaries Related Information
Insurance: Principals

DISTRICT	REG	TOTAL ADM	PRINC. MED PREM PER YEAR (SINGLE/ FAMILY)	% OF PREMIUM PAID BY EMPLOYEE (SINGLE/ FAMILY)	PRINCIPAL DENTAL/ VISUAL	PRINCIPAL LIFE INSURANCE COVERAGE	PRINCIPAL DISABILITY?	PRINCIPAL PROFESSIONAL LIABILITY?	PRINCIPAL TRAVEL INSURANCE?
ALASKA GATEWAY	INT	385	\$16,860	\$0	Y	\$102,000	Y	N	N
ALEUTIANS EAST	SW	245	\$8,030/\$24,350	7%/5%	Y	\$10,000	N	N	Y
ANCHORAGE	SC	48,613	\$16,681	\$0	Y	\$300,000	N	N	N
ANNETTE ISLAND	SE	276	\$891/\$2837	\$0	Y	\$2,000	N	N	N
BERING STRAIT	NW	1,654	\$1380/\$2880	15%/16%	Y	\$250,000	Y	Y	Y
BRISTOL BAY	SW	160	\$20,340	\$0	VISUAL	\$2,000	Y	N	N
COPPER RIVER	INT	472	\$20,544	5.8%	Y	\$5,000	N	Y	N
CORDOVA	SC	338	\$17,280	0.0%	Y	\$40,000	N	Y	Y
CRAIG	SE	624	\$20,340	0.0%	Y	\$0	N	Y	N
DELTA/GREELY	INT	895	\$19,200	18.0%	Y	\$15,000	N	Y	N
DENALI	INT	721	\$26,868	2.0%	Y	\$50,000	N	N	N
DILLINGHAM	SW	479	\$563/\$1626	20.0%	Y	\$10,000	N	Y	Y
FAIRBANKS	INT	14,238	\$1634/\$2724	11%/17%	Y	\$96,824	N	Y	N
GALENA	INT	3,814	\$6101/\$15080	0%/26%	Y	\$25,000	N	N	N
HAINES	SE	305	\$16,800	6.0%	Y	\$10,000	N	N	N
HOONAH	SE	121	\$842/\$2682	0.0%	Y	\$25,000	N	N	N
HYDABURG	SE	63	\$0	0.0%	N	\$0	N	N	Y
IDITAROD	INT	313	\$16,500	0.0%	Y	40000 LIFE/40000 AD&D	Y	Y	Y
JUNEAU	SE	4,983	\$19,320	14.0%	Y	2.5XANN. SAL.	N	N	N
KASHUNAMUIT	SE	85	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
KENAI	SC	9,025	\$15,525	17.0%	Y	2X ANN SAL	N	Y	N
KETCHIKAN	SE	2,151	\$2830/\$7079	27.5%	Y	\$1	N	N	N
KLAWOCK	SE	137	\$0	5.0%	Y	\$25,000	\$0	\$0	\$0
KODIAK	SW	2,543	\$8338/\$25261	25.0%	Y	\$170,000	N	N	Y
KUSPUK	SW	349	\$2309/\$4480	0.0%	Y	\$50,000	N	N	N
LAKE & PENINSULA	SW	327	\$1004/\$2986	0.0%	Y	\$0	N	N	Y
LOWER KUSKOKWIM	SW	3,995	\$8241/\$20162	0.0%	Y	\$50,000	Y	Y	Y
LOWER YUKON	SW	1,964	\$11592/\$28992	0.0%	Y	\$50,000	N	Y	Y
MAT-SU	SC	16,965	\$20,424/\$18,600	10.0%	Y	\$150,000	N	Y	N
NENANA	INT	1,063	\$1,695	0.0%	Y	\$10,000	N	N	N
NOME	NW	680	\$5,996/\$19028	15.0%	Y	\$250,000	N	Y	N
NORTH SLOPE	NW	1,612	\$15,000	0.0%	Y	\$0	N	Y	Y
NORTHWEST ARCTIC	NW	1,776	\$15861/\$15404	6.8%	Y	\$100,000	Y	Y	N
PETERSBURG	SE	486	\$61,151	0.0%	Y	\$7,000	N	N	N
PRIBILOF	SW	87	\$0	0.0%	Y	\$0	\$0	Y	Y
SITKA	SE	1,399	\$6697/\$20133	0.0%	Y	\$100,000	N	N	N
SOUTHEAST ISLAND	SE	159	\$20,340	0.0%	Y	\$20,000	N	Y	Y
SOUTHWEST	SW	627	\$20,340	0.0%	Y	\$20,000	N	Y	Y
ST. MARY'S	SW	177	\$735	0.0%	Y	EQUAL TO SALARY	Y	Y	Y
UNALASKA	SW	407	\$14,484	0.0%	Y	\$100,000	N	N	N
VALDEZ	SC	676	\$0	0.0%	Y	\$70,000	N	N	N
WRANGELL	SE	339	\$9084/\$28900	0.0%	Y	\$50,000	N	Y	N
YAKUTAT	SE	119	\$8,003	750.0%	Y	\$10,000	N	N	N
YUKON-KOYUKUK	INT	1,326	\$2192/\$4768	0.0%	Y	2XSALARY+100,000	N	Y	Y



Alaska Public School Classified Employee

2012 – 2013 Salary & Benefits Report

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Juneau, AK 99801

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Explanation of Column Headings

<p>Salary and Related Information Report GENERAL JOB CLASSIFICATIONS Supervisory / Clerical / Custodian / Food Service Worker / Instructional Aide / Non-Instructional Aide / Maintenance / Other JOB TITLE – Job class groupings of Classified Employees FULL/PART TIME EMPLOYEES – The number of either full or part time employees MINIMUM/MAXIMUM SALARY – Salary paid for each position. #OF STEPS ON SALARY SCHEDULE – Number of experience steps on a salary schedule, where developed. HOURS WORKED PER WEEK – Number of Full Time or Part Time hours worked per week. WEEKS WORKED PER YEAR – Number of Full Time or Part Time weeks worked per year.</p> <p>Medical/Life Insurance and Vacation Benefits Report GENERAL JOB CATEGORY – Job class groupings of Classified Employees. MEDICAL PREMIUM SINGLE – The annual premium amount paid by the district for a hospital/medical insurance plan for a family. LIFE INSURANCE COVERAGE AMOUNT – The amount of Life insurance coverage provided for a single employee. PAID HOLIDAYS – Number of paid holidays during the work year. MINIMUM/MAXIMUM VACATION – Indicates minimum/maximum paid vacation days per work year, and longevity required to earn them (e.g., 30 days after 5 years)</p> <p>Sick/Personal Leave Benefits Report TOTAL ADM – (Average Daily Membership) Total Enrollment FTE CLASSIFIED EMPLOYEES – Total number of employees counted in full time equivalency. SICK LEAVE – Number of sick leave days available to each employee during a year. SICK LEAVE MAXIMUM ACCUMULATIVE DAYS ALLOWED – Maximum days of unused sick leave which may be accumulated.</p>	<p>SICK LEAVE PAID AT SEPARATION – Indicates whether the district allows sick to be cashed in at termination. PERSONAL LEAVE – Total number of days of personal leave allowed each year per employee. PERSONAL LEAVE MAXIMUM ACCUMULATIVE DAYS ALLOWED – Maximum days of unused personal leave which may be accumulated. PERSONAL LEAVE PAID AT SEPARATION – Indicates whether the district allows personal leave to be cashed in at termination. MILITARY, EMERGENCY, MATERNITY, PATERNITY, CIVIC, COURT – Indicates whether days are given for each type of leave.</p> <p>Negotiations Report TOTAL ADM – (Average Daily Membership) Total Enrollment. SUPERVISORY, CLERICAL, CUSTODIAL, FOOD SERVICE WORKER, MAINTENANCE AND AIDES – Indicates whether district enters into formal negotiations with classified employees and union representation for each job category of employees. FTE CLASSIFIED EMPLOYEES – Total number of employees counted in full time equivalency. MEETINGS AND CONFERENCES – Indicates if classified employee representatives informally meet and confer with representative of the school board concerning salaries and/or benefits.</p> <p>UNILATERAL BOARD DECISION – Indicates that classified salaries and benefits are determined by unilateral board decision. TOTAL HEALTH CARE COSTS – Indicates the total cost of health care for classified employees, to the district. TOTAL PAYROLL – Total payroll figure for classified employees. BENEFIT PERCENT – Percent budgeted for fringe benefits figured as a percent of the total classified payroll.</p>
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Medical/Life Insurance and Vacation Benefits

DISTRICT	REGION	GENERAL JOB CLASSIFICATION	MEDICAL PREMIUM SINGLE	MEDICAL PREMIUM FAMILY	LIFE INSURANCE COVERAGE AMOUNT	PAID HOLIDAYS	MIN. VACATION DAYS/YEAR	MAX. VACATION DAYS/YEAR
ALASKA GATEWAY	INT	Any Fulltime	\$20,340	\$20,340	2X SAL or MAX \$105,000	6-7	12/1	24/1
		Part Time				6	6/1	15/1
ALEUTIANS EAST	SW	ALL	\$7,880	\$25,050	\$20,000	7	10/1	25/10
ANCHORAGE	SC	Aides/Clerical	\$16,620	\$16,620	3XAN SAL	11	1.75 days/mo/3	3 days mo/8
		Custodian	\$14,820	\$14,820	3XAN SAL	11	14 hrs mo/3	24 hrs mo/8
		Food Service	\$16,620	\$16,620	3XAN SAL	10	17hrs mo/10	20.5 hrs mo/8
		Professional	\$16,620	\$16,620	3XAN SAL	0	4days/mo	9days/year
		Maintenance/Warehouse	\$16,620	\$16,620	3XAN SAL	11	14hours mo/4	24hours mo/10
		Buss Drivers/ Attendants	9.35/hr	9.35/hr	3XAN SAL	9	21Hours mo/4	23hours mo/4
ANNETTE ISLANDS	SE	Full Time	\$10,478	\$33,354	\$20,000	8	1/0-1years 1.5/2yrs 2/5yr	2.25<10years
BERING STRAIT	NW	All Classified	\$8,160	\$15,750	\$25,000	7	12/4	21/17
BRISTOL BAY	SW	Clerical	\$18,360	\$18,360	\$2,000	6		24day/year
		Custodian	\$18,360	\$18,360	\$2,000	6		
		Food Service	\$18,360	\$18,360	\$2,000	5		
		Aides	\$18,360	\$18,360	\$2,000	5		
		Maintenance	\$18,360	\$18,360	\$2,000	7	18	24
		Other	\$18,360	\$18,360	\$2,000	5		
CHATHAM	SE	Supervisory	\$18,360	\$18,360	\$2,000.00	6/7	18	24
		12 Month Classified	\$15,660	\$15,660	\$15,000.00	7	7days/1-3years	1 month/8years
CHUGACH	SC	All	\$494	\$2,087	\$10,000	10	0-2YRS=1, 3-5YRS=1.5, 5+YRS = 1.75	
COPPER RIVER	INT	Supervisory	\$19,344	\$19,344	\$5,000	9		40
		Secretary	\$19,344	\$19,344	\$5,000	8		4
		Custodian/Maint	\$19,344	\$19,344	\$5,000	9	12	24
		Food Service	\$19,344	\$19,344	\$5,000	7		4
		Aides	\$19,344	\$19,344	\$5,000	7		4
		Tech Support	\$19,344	\$19,344	\$5,000	9		10
CORDOVA	SC	School Year (Aides/Office/Kitchen)	\$15,750	\$15,750	\$40,000	7		
		Custodial (11 month)	\$18,900	\$18,900	\$40,000	8		
		Yearly	\$18,900	\$18,900	\$40,000	9	12-13	25
CRAIG	SE	Supervisory		\$20,340		7	5/1	30/12

Medical/Life Insurance and Vacation Benefits

DISTRICT	REGION	GENERAL JOB CLASSIFICATION	MEDICAL PREMIUM SINGLE	MEDICAL PREMIUM FAMILY	LIFE INSURANCE COVERAGE AMOUNT	PAID HOLIDAYS	MIN. VACATION DAYS/YEAR	MAX. VACATION DAYS/YEAR
		Full Time		\$20,340		6		
		Part Time		\$10,170		6		
DELTA/GREELY	INT	Food Service	\$16,156		\$15,000	7	1-5yrs - 1 day/1 mo. 6-10yrs - 1.5dy/mo	10+ yrs - 2dy/mo
		Maintenance	\$16,156		\$15,000	8	1-5yrs - 1 day/1 mo. 6-10yrs - 1.5dy/mo	10+ yrs - 2dy/mo
		Custodian	\$16,156		\$15,000	8	1-5yrs - 1 day/1 mo. 6-10yrs - 1.5dy/mo	10+ yrs - 2dy/mo
		Aids/Tutors	\$16,156		\$15,000	7	1-5yrs - 1 day/1 mo. 6-10yrs - 1.5dy/mo	10+ yrs - 2dy/mo
		Secretaries	\$16,156		\$15,000	8	1-5yrs - 1 day/1 mo. 6-10yrs - 1.5dy/mo	10+ yrs - 2dy/mo
		Admin Clerks	\$16,156		\$15,000	9	1-5yrs - 1 day/1 mo. 6-10yrs - 1.5dy/mo	10+ yrs - 2dy/mo
		Admin Clerk 2	\$16,156		\$15,000	9	1-5yrs - 1 day/1 mo. 6-10yrs - 1.5dy/mo	10+ yrs - 2dy/mo
		Computer Tech	\$16,156		\$15,000		1-5yrs - 1 day/1 mo. 6-10yrs - 1.5dy/mo	10+ yrs - 2dy/mo
DENALI	INT	Employee Only	\$10,740		\$50,000			
		Employee and Child	\$17,184		\$50,000			
		Employee and Spouse	\$19,344		\$50,000			
		Family	\$26,868		\$50,000			
DILLINGHAM	SW	Classroom Aides (9 mo.)	\$8,410	\$24,260	\$20,000	6	2/6	2/6
		School Secretary (9 mo.)	\$8,410	\$24,260	\$20,000	6	2/6	2/6
		Accounting Techs (12 mo.)	\$8,410	\$24,260	\$20,000	7	1.5/1	2/5
		Maintenance (12 mo.)	\$8,410	\$24,260	\$20,000	7	1.5/1	2/5
		Custodial (9-10 mo.)	\$8,410	\$24,260	\$20,000	6	2/6	2/6
FAIRBANKS	INT	All	\$1,778	\$2,963	1XAN SAL	21	3/1	3
GALENA	INT	Supervisory	\$5,605	\$13,776	\$25,000	7	15/1-3	25/8
		Clerical	\$5,605	\$13,776	\$25,000	7	15/1-3	25/8
		Custodian	\$5,605	\$13,776	\$25,000	6	15/1-3	25/8
		Food Service	\$5,605	\$13,776	\$25,000	6		
		Aides	\$5,605	\$13,776	\$25,000	5		
		Maintenance	\$5,605	\$13,776	\$25,000	7	15/1-3	25/8
		Other	\$5,605	\$13,776	\$25,000	7	15/1-3	25/8
HAINES	SE		\$17,796	\$17,796	\$10,000	5-7	0	0

Medical/Life Insurance and Vacation Benefits

DISTRICT	REGION	GENERAL JOB CLASSIFICATION	MEDICAL PREMIUM SINGLE	MEDICAL PREMIUM FAMILY	LIFE INSURANCE COVERAGE AMOUNT	PAID HOLIDAYS	MIN. VACATION DAYS/YEAR	MAX. VACATION DAYS/YEAR
HOONAH	SE	All Full Time	\$10,022		\$12,000	7	10/1	20/10
HYDABURG	SE	Part Time Employees	\$0	\$0	\$0	5-6	0	0
IDITAROD	INT	Clerical	\$19,092	\$19,092	\$40,000	8	12/0	24/15
		Clerical	\$19,092	\$19,092	\$40,000	8	5/1	10/1
		Custodian	\$19,092	\$19,092	\$40,000	8	5/1	10/1
		Food Service	\$19,092	\$19,092	\$40,000	8	5/1	10/1
		Instructional Aides	\$19,092	\$19,092	\$40,000	8	5/1	10/1
		Maintenance	\$19,092	\$19,092	\$40,000	8	12/0	24/15
		Maintenance	\$19,092	\$19,092	\$40,000	8	5/1	10/1
JUNEAU	SE	All Full Time	\$16,800	\$16,800	\$100,000	11	1.25/Month	2.5/Month
		All Part Time	\$10,880	\$10,880	\$100,000	11		
KAKE	SE	District Secretary		\$15,552	\$0	7	0	0
		Head Cook		\$15,552	\$0	7	0	0
		Lead Custodial/Maintenance		\$15,552	\$0	7	0	0
KASHUNAMIUT	SE	Class 6	\$79,9300 (TOTAL)			5		20/11
		Class 6.5	\$799,300			5		20/11
		Class 7	\$799,300			5		20/11
		Class 7.5	\$799,300			5		20/11
		Class 8	\$799,300			6	10	20/11
KENAI	SW	All				6-8	15/1	24/1
KETCHIKAN	SC	Para's/Cooks/Custodians	\$5,037	\$5,037	\$50,000	5	None	3/1
		Maintenance	\$11,500	\$11,500	\$50,000	11	26/0	44/15
		Computer Techs	\$11,277	\$11,277	\$50,000	11	27/0	40
		School Secretaries	\$10,810	\$10,810	\$50,000	7	None	3/1
		Central Office/Other	\$10,787	\$10,787	\$50,000	11	25/0	40/15
		Professional	\$10,787	\$10,787	\$50,000	11	41	41
KLAWOCK	SE	All Full Time	\$10,886	\$34,476	\$25,000	7		
KODIAK	SW	Supervisory	\$9,519	\$28,842	\$89,000	10	12/0	27/10
		Clerical	\$9,519	\$28,842	\$89,000	10	12/0	27/10
		Custodian	\$9,519	\$28,842	\$89,000	10	12/0	27/10
		Food Service	\$9,519	\$28,842	\$89,000	10	12/0	27/10
		Aide	\$9,519	\$28,842	\$89,000	10	12/0	27/10
		Maintenance	\$9,519	\$28,842	\$89,000	10	12/0	27/10
		Other	\$9,519	\$28,842	\$89,000	10	12/0	27/10
KUSPUK	SW	All Permanent	\$2,721	\$5,715	\$50,000	5	5	21

Medical/Life Insurance and Vacation Benefits

DISTRICT	REGION	GENERAL JOB CLASSIFICATION	MEDICAL PREMIUM SINGLE	MEDICAL PREMIUM FAMILY	LIFE INSURANCE COVERAGE AMOUNT	PAID HOLIDAYS	MIN. VACATION DAYS/YEAR	MAX. VACATION DAYS/YEAR
LAKE & PENINSULA	SW	Clerical	\$9,790	\$29,138.00	\$2,000		12/1	20/3
			IF ELECTED, SAME COST					
		Custodian						
			IF ELECTED, SAME COST					
		Food Service						
			IF ELECTED, SAME COST					
		Aides						
		Maintenance	\$9,790	\$29,138.00	\$2,000		12/1	20/3
		Other	\$9,790	\$29,138.00	\$2,000		12/1	20/3
LOWER KUSKOKWIM	SW	ALL	\$8,241	\$20,162.00	\$50,000	10	18/1	39/10
MAT-SU	SC	Supervisory	\$18,442	\$18,442	\$15,000	8	36/1	36/1
NENANA		All Others	\$18,442	\$18,442	\$15,000	8		
NOME	INT	All Classified	\$20,340	\$20,340	\$10,000	6-8	9/1	24/10
	NW	All Classified EE's	\$6,167	\$19,587	\$10,000			
		12 Month Employee				7	19 days - DOH	34 days/10
NORTHSLOPE		9 Month Employee				6		
NORTHWEST ARCTIC	NW	All Classified	\$18,000	\$18,000	2X Salary	8	29/0	44/10
		Directors			\$100,000	11		30
		12-Month Employees			\$20,000	11	12/0	12/0
		12-Month Employees			\$20,000	11	15/1	15/4
		12-Month Employees			\$20,000	11	18/5	18/9
		12-Month Employees			\$20,000	11	24/10+	
PETERSBURG		Less Than 12 Month			\$20,000	6	1/50 days	4/50 days
	SE	Aides/Nurse/Food Service	80%	80%	\$5,000	7	14/1	5
		Clerical	80%	80%	\$5,000	7	6/1	7
		Custodial/Payroll Specialist	80%	80%	\$5,000	8	14/1-5yrs	30/11yrs
SAINT MARY'S	SW	Classified	\$18,156	\$18,156	\$0	5-7	5/1	24/16
		9 Months	\$3,600	\$3,600	Equal to Salary	5		
		10 Months	\$4,000	\$4,000	Equal to Salary	6		
		11 Months	\$4,400	\$4,400	Equal to Salary	7		
SITKA		12 Months	\$4,800	\$4,800	Equal to Salary	7		
	SE	Supervisory	\$6,496	\$19,529	\$50,000	11	15/1	27/7
		Supervisory Non-Certified	\$6,332	\$19,039	\$50,000	11	15/1	27/7
		Clerical	\$6,031	\$19,529	\$50,000	11	15/1	27/7
		Secretary	\$5,379	\$16,168	\$50,000	11	5	27/7
		Aides	\$6,031	\$19,529	\$50,000	10		
		Maintenance	\$6,031	\$19,529	\$50,000	11	15/1	27/7
		Other	\$6,031	\$19,039	\$50,000	11	15/1	27/7

Medical/Life Insurance and Vacation Benefits

DISTRICT	REGION	GENERAL JOB CLASSIFICATION	MEDICAL PREMIUM SINGLE	MEDICAL PREMIUM FAMILY	LIFE INSURANCE COVERAGE AMOUNT	PAID HOLIDAYS	MIN. VACATION DAYS/YEAR	MAX. VACATION DAYS/YEAR
SKAGWAY		Other-Bookkeeping	\$6,332	\$19,039	\$50,000	11	15/1	27/7
	SE	Clerical	\$8,061	\$25,450	\$10,000	7	18/4	28/9
		Food Service				6	2/1	2/1
		Alde				5	2/1	2/1
		Maintenance	\$8,061	\$25,450	\$10,000	7	18/4	28/9
SOUTHEAST ISLAND		Other			5	2/1	2/1	
	SE	Full Time Employees	\$20,340	\$20,340	\$20,000	7		12/1
SOUTHWEST	SW	Supervisory	\$8,235		\$191,000	7	42/1	42/1
		Clerical	\$16,469			7	12/1-2	24/5+
		Maintenance	\$8,235	\$22,706		7	12/1-2	24/5+
		Custodian				5		
		Food Service	\$8,235			5		
		Instructional Aide	\$24,705			5		
UNALASKA		Other	\$8,235		\$171,899	7	30/1	30/1
	SW	9-months	\$18,839	\$18,839	\$5,000	6	0	0
		12-months	\$22,607	\$22,607	\$5,000	7	15/1	30/10
VALDEZ	SC	10 months	\$19,203	\$19,203	\$70,000	6	3	3
		11 Months	\$19,203	\$19,203	\$70,000	7	4	4
		12 months	\$19,203	\$19,203	\$70,000	7	12	24
WRANGELL								
	SE	Classified 10 months	\$8,902	\$28,315	\$50,000	7	6/1-4	10/20+
YAKUTAT		Classified 12 months	\$8,902	\$28,315	\$50,000	8	15/1-4	24/20+
YUKON FLATS	SE	Supervisory		\$23,459	\$50,000	8	30/1	34/1
		Clerical	\$9,304	\$19,978	\$50,000	8	16/1	16/1
		Custodian		\$17,514	\$50,000	7		
		Food Service			\$50,000	6		
		Instructional Aide			\$50,000	6		
		Non-Instructional Aide			\$50,000	6		
		Maintenance		\$55,810	\$50,000	8	16/1	16/1
		Bus Drivers			\$50,000	6		
YUKON KOYUKUK	INT	All	\$2,158.92	\$4,879.68	\$50,000	7	12/1	18/5



OFFICE OF THE SUPERINTENDENT

Dr. Deena M. Paramo

Mission: Mat-Su Borough School District prepares students for

April 5, 2013

The Honorable Michael Dunleavy
Alaska State Senate

RE: Support for Senate Bill 90

Dear Senator Dunleavy,

I'm writing you on behalf of the Matanuska-Susitna Borough School District's support for Senate Bill 90, an act relating to group insurance coverage and self-insurance coverage for school district employees.

The District currently spends approximately \$30 million on health insurance benefits each year in its general operating fund – roughly 15% of all expenditures. With the average cost of health care increasing by approximately 12% annually, MSBSD could potentially experience a \$3.6 million increase, which is the equivalent of 36 teaching positions. In an effort to preserve teaching positions and control escalating costs, the Mat-Su Borough School District appreciates and fully supports the concept of a statewide insurance plan.

On behalf of the Mat-Su Borough School District, I thank you for sponsoring SB 90 and for your overall commitment to education. Please contact me if you have any questions or would like additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Deena M. Paramo". The signature is stylized and includes a long horizontal flourish extending to the right.

Dr. Deena M. Paramo
Superintendent



KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Assistant Superintendent

Dave Jones

148 North Binkley Street Soldotna, Alaska 99669

Phone (907) 714-8888 Fax (907) 262-5867

Email davejones@kpbsd.k12.ak.us

April 5, 2013

Senator Mike Dunleavy
State Capitol Room 510
Juneau, AK 99801

Dear Senator Dunleavy:

I am writing on behalf of the Kenai Peninsula Borough School District (KPBSD) to support Senate Bill 90 as introduced.

During Fiscal Year 2012, KPBSD spent \$21,247,476 on employee health care costs. This compares to \$13,053,373 spent for employee health care costs in Fiscal Year 2008. The cost per employee was \$11,813 in 2008 and it was \$17,204 in 2012. This increase came despite cost savings efforts within the district, and illustrates the need to reduce health care costs in our district.

I believe with the larger pool of participants that would result from Senate Bill 90, savings will be generated through economies of scale and through leveraged purchasing afforded by the increased volume. Such savings would allow our district to continue to focus our efforts and resources directly on the instruction of our students, instead of choosing which services or programs will be reduced.

Please let me know if I can provide additional information on why KPBSD supports Senate Bill 90.

Sincerely,

Dave Jones
Assistant Superintendent

Public Testimony – SB90

My name is Michael Johnson. I am privileged to be the Superintendent for students in the Copper River School District. Thank you for the opportunity to testify regarding this important issue.

As rural citizens of Alaska, health insurance coverage is very important to our staff. Medical issues often involve not only the doctor bills, but also travel and lodging expenses. Having adequate medical and dental coverage allows margin for these other expenses. It is important, as an employer, that we provide quality health insurance for our colleagues.

Currently, this presents an ever increasing challenge to our budget and educational services. When I started as a teacher, the Copper River School district paid \$7071.84 per employee per year for health insurance. Together with the employees, we now pay \$20,544 per employee per year. Even with that increase, the deductible and co-pay is higher for the employee.

Our health insurance costs have gone up an average of 9% per year since 20004. For a small employer, the expected increases create chaos in the budget process. We often don't know the exact amount of the increase until mid or late April. For Alaska, it creates yearly difficulty in the public school funding debate while creating confusion for the citizens who carefully follow the school budget process.

You often hear about fuel increases and utility costs. Those have certainly been significant, but they are not near the burden health insurance has been.

SB90 and HB196 are measured and thoughtful approaches to providing assistance across the state. With the instability of the insurance market and health care policy in our country, a state insurance pool will create a welcomed buffer for our education system.

Thank You.



April 6, 2013

The Honorable Mike Dunleavy
Senate
Alaska State Capitol
Juneau, AK 99801-1182

Re: Opposition to SB 90 to Include in Bill Packet

As president of NEA-Alaska and chairperson of the Trustees for the NEA-Alaska Health Plan, I am writing in opposition of SB 90.

The NEA Health Plan provides direct services to over 17,000 residents in the State of Alaska. It does so in a way that meets the needs of school districts and their employees.

I wish to express deep concern over the Legislature taking up this bill during the last week of session. This bill deserves a thorough vetting as to its short and long term consequences.

The NEA Health Plan has the ability to be nimble in a volatile health insurance market. Unlike the State plan that uses a restrictive and antiquated procurement process.

In the end, NEA Health Plan has been able to work with school districts to provide a level of benefits that a district needs to recruit and retain qualified staff. Alaska must be able to remain competitive, when we recruit over 70% of our teaching staff from the Lower 48.

On behalf of my nearly 13,000 members, I am expressing our opposition to this bill and ask that this letter be included in the bill packet.

Sincerely,

Ron Fuhrer
President

Cc: Senate Education Committee, State of Affairs and Senate Finance Committee



**NEA
Alaska
Health Plan**

4003 Iowa Drive
Anchorage, AK 99517

907-274-7526

April 6, 2013

The Honorable Mike Dunleavy
Senate
Alaska State Capitol
Juneau, AK 99801-1182

Re: Opposition SB 90 to include in Bill Packet

The NEA-Alaska Health Plan (Trust) was formed in 1996 as a self-insured health trust for the benefit of public education employees. We serve over 5,800 members and including their dependents provide direct services to over 17,000 individuals. The Trust has worked collaboratively with both school districts, employers and bargaining associations to create benefit options that meet the needs of those members.

Through the Trust we are able to provide:

- Eight different medical plan designs
- Two different dental plan designs
- Vision and prescription benefits
- Member (employee) assistance programs
- Orthodontia coverage

Each association/school district has the option of selecting any of the plan design offerings and the associated deductible/out-of-pocket combination. Often the choice is made according to the benefit level although many choose to select a plan based upon its premium. Individual school districts have different approaches in attracting and retaining quality employees to their area. The Trust affords them this opportunity in selecting the plan design that fits their needs.

For the past 15 years the Trust has averaged a less than 10% increase annually in premiums. As a non-profit entity, all monies collected by the Trust must be only utilized for the health and welfare benefits of the members. In addition to our lower than average annual health plan cost increases, the Trusts administrative costs are only 3%, national benchmarks are 6% with several fully insured products averaging closer to 20%. To state it another way, 97 cents of every premium dollar collected goes towards paying for the health care received by the members of the Trust. I would challenge any carrier to match that low administrative fee.

Last year the Trust had a zero percent rate increase in its premium. This was a substantial savings for many of Alaska's school districts who were faced with the public news of high double digit increases expected due to ACA.

We work closely with the school districts in helping their employees understand their benefits and our office in Anchorage is a point of contact for members experiencing difficulties with claims and understanding their

benefits. The level of customer service provided to both the members and their employers is important to the Trust. We are able to remove grievance issues from the employers as well as the administrative burden of keeping up with health care reform.

As one of the largest self-insured trusts in Alaska we are able to negotiate very favorable contracts with providers in Alaska as well as our contracts with specialists outside of Alaska.

In addition over the last year the Trust has:

- Audited our pharmacy vendor to assure they are in compliance performance standards
- Did a complete assessment of our disease management program to measure its effectiveness
- Identified a need for a new vendor to address behavioral health issues
- Are addressing the cost of air ambulance services
- Piloted a surgical travel benefit
- Are piloting a bio-metric screening program to better manage the populations health
- Are aggressively applying data analytics in order to understand what member health issues we should be focused on
- Are responding to the changing needs of the members as healthcare evolves in Alaska
- Seeking to pilot preferred relationships with medical providers that measure cost and quality

The Trust is always assessing its costs and service to its members and as a result modifies the plans on an annual basis. **In this environment any health plan that is restrained so that it can only address its costs every three years at the bargaining table or through a lengthy procurement process cannot be efficient, effective and affordable.**

A number of consultants have expressed concern that a State Government take-over of insurance industry, third party administration service seems a little at odds with policy prescriptions in favor of private sector free enterprise

The comments from the sponsor suggest that the State would negotiate with carriers. This implies that the State might enter into a fully-insured contract on behalf of the school districts. This would do nothing but add costs to the programs as new PPACA taxes are going to much more aggressive for fully-insured plans than self-funded programs.

If the State intends to self-fund this plan then it would become the sponsor. The State already sponsors a plan for its employees and retired members. There is nothing to suggest that the State has done a more effective job at maintaining costs and securing preferred contracts that would be better than what most school districts already enjoy.

The State, should it become a sponsor, would have to allow vendors to compete through a restrictive and antiquated procurement process. Healthcare is changing and buying care or more importantly buying services is not the same as buying pencils. The NEA Health Plan is nimble and can respond to the changing needs of the healthcare concerns of our members without being tied to the bureaucratic processes that the State must comply with. **The current TPA bid that the State is involved with has already gone on four months longer than anticipated.**

We oppose SB 90 and HB 196, the mandate to purchase health insurance through the State of Alaska. The Trust provides school districts with cost effective plan designs, provides low administrative services leaving more premium for benefits, provides local knowledgeable customer service, provides aggressive contract negotiations and has demonstrated successfully since 1996 that we are able to work with our members to control costs and improve their health.

Nothing in the SB 90 or HB 196 demonstrates the ability for the State to have a positive impact on controlling healthcare spending, improve on measurable health of participants, or increase customer service quality.

Rhonda R. Kitter
Chief Financial Officer

Cc: Senate Education Committee, State of Affairs, Senate Finance Committee



DENNIS MOEN
Business Manager/
Secretary-Treasurer

RICHARD TWEET
President

HEADQUARTERS
2510 Arctic Blvd
Anchorage, Alaska 99503
FAX (907) 279-7171
(907) 276-7211

2122 Airport Way
Fairbanks, Alaska 99701
FAX (907) 456-1771
(907) 452-5024

722 West 9th Street
Juneau, Alaska 99801
FAX (907) 586-5757
(907) 586-6993

April 5, 2013

RE: Senate Bill 90

Senator Dyson:

Public Employees Local 71 Trust Fund provides health coverage to approximately 2,000 public employees throughout Alaska, including 350 employees of the Anchorage School District and their families.

Through the Trust, we are able to:

- Offer 3 coverage options to employees, so each employee can pick the health plan that meets their needs and their pocketbook
- Control costs for both the employer and the employees.

For the current benefit year, July 2012 -- June 2013, the Anchorage School District has paid \$1,235 per employee per month to the Trust to provide health coverage. Employees who selected coverage under the Trust's full family health plan option, which is similar to the State's Select Benefits Standard Plan and includes dental and vision coverage, School District employees pay \$125 per employee per month.

In comparison, this year the State of Alaska paid \$1,330 per employee per month for its employees. In order to obtain family medical, dental, and vision coverage similar to the PE71 plans, employees paid \$214 per month. **If the Public Employees Local 71 bargaining unit of Anchorage School District were covered under the State of Alaska plan this benefit year at the State of Alaska rates, the School District would have paid an additional \$400,000, and each employee who needed the full family plan would have paid an additional \$1,068 for the year.**

While cost is a meaningful consideration, we believe that customer service is important, as well. We are able to craft our health plan to address the issues which are meaningful to our employees. For example, we were among the Alaska health plans to offer health fairs to our covered members, and provide them with free and low cost inoculations and preventive blood testing. We maintain a Trust office in Anchorage, and Anchorage School District employees are able to meet with our Trust staff in person to discuss enrollment or benefit issues. This has proven invaluable, especially when working with employees and families for whom English is a second language. It also relieves their employer, Anchorage School District, from this administrative burden.

We oppose House Bill 196 / Senate Bill 90, and its mandate to purchase coverage through the State of Alaska. We believe it would cost more for both Anchorage School District and for our members. In addition, our members would lose the benefit options and high level of customer service they have enjoyed for many years.

Sincerely,

A handwritten signature in black ink, appearing to read "Dennis Moen", is written over the typed name.

Dennis Moen
Business Manager
Secretary-Treasurer
DM/tls

Doniece Gott

From: Shelby Beck <sbeck@craigschools.com>
Sent: Thursday, April 11, 2013 3:37 PM
To: Sen. Kevin Meyer
Subject: SB 90

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Senator Meyer,

I am writing to express my opposition to SB 90. I am a life-long Alaska resident, a teacher in a rural school. SB 90 makes a proposal that has not been carefully examined.

I am familiar with both the savings our administration (the Craig City School District) has seen through our participation in the NEA-Alaska Health Trust plan. This non-profit program prioritizes maintaining the lowest premiums possible in order to maximize benefits for participating districts. It has lived up to its mission of the "best possible service at the lowest price."

How can it be guaranteed districts will save money through the elimination of the NEA-Alaska Health Trust? Where is the detailed actuarial analysis and the evidence of savings?

This bill will actually increase costs to some districts by up to 40%. (Rob Thomason, superintendent from Petersburg, claimed a \$400,000 savings as the basis for opting out a state sponsored plan and into the NEA-Alaska Health Trust.)

The rushing of this plan without appropriate planning, analysis, and communication with stakeholders is misguided. This leaves no options for employees and removes their ability to collaboratively and productively negotiate with districts for the best healthcare at the best price.

This is a mandate that does not ensure cost savings, but does impinge upon educators' ability to collectively bargain their working conditions and benefits. It will force a large portion of your constituencies into a system of healthcare insurance, possibly at a higher cost to taxpayers. Lawmakers have an obligation to make sure public funds are used in the most responsible way.

Please vote no on SB 90.

Sincerely,
Shelby Beck

Doniece Gott

From: RENEE HELIE <momhelie@gmail.com>
Sent: Thursday, April 11, 2013 3:37 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB90/HB196

Follow Up Flag: Follow up
Flag Status: Flagged

I know I expressed my concern previous and that you have acknowledged my thoughts but, I am writing again to express my strong opposition to SB 90/HB196. Please hold this bill so an actuarial study can be done to ensure that its intent to save money would be actually realized.

SB90/HB196 is an enormous policy change that not only impacts school district employees, but also multiple private companies, boroughs and municipalities. I am concerned about the changes for my family and friends.

Please slow down this bill. This legislation needs to be properly vetted to ensure that there are no short and long-term negative consequences.

Sincerely,

Renee Helie
ASD Educator

RENEE HELIE
8511 ATKINS PL
ANCHORAGE, AK 99507

Doniece Gott

From: KIMBERLY WEIMANN <kasuun@yahoo.com>
Sent: Thursday, April 11, 2013 3:51 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB90/HB196

Follow Up Flag: Follow up
Flag Status: Flagged

Senator Meyer,

Kim and I are personally asking you not to change our health care benefits. In a sometimes thankless job, good benefits matter. I know SB 90/HB 196 will erode our current plan in many areas.

I am writing to express my strong opposition to SB 90/HB196. Please hold this bill so an actuarial study can be done to ensure that its intent to save money would be actually realized.

SB90/HB196 is an enormous policy change that not only impacts school district employees, but also multiple private companies, boroughs and municipalities.

Please slow down this bill. This legislation needs to be properly vetted to ensure that there are no short and long-term negative consequences.

Sincerely,

Doug and Kim Weimann
907-441-7738

KIMBERLY WEIMANN
9135 SAHALEE DR
ANCHORAGE, AK 99507

Doniece Gott

From: Meredith Gant <gant_meredith@asdk12.org>
Sent: Thursday, April 11, 2013 3:55 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB90/HB196

Follow Up Flag: Follow up
Flag Status: Flagged

Senator Meyer and Representative Lynn,

I am writing to express my strong opposition to SB 90/HB196. Please hold this bill so an actuarial study can be done to ensure that its intent to save money would be actually realized.

SB90/HB196 is an enormous policy change that not only impacts school district employees, but also multiple private companies, boroughs and municipalities.

Please slow down this bill. This legislation needs to be properly vetted to ensure that there are no short and long-term negative consequences.

My husband and I moved back to Alaska due to the great benefits that teachers here have. If this bill were to pass, we would most likely move out of state within a few years. Please do not take this as a jest or an overreaction. Costs in Alaska are already astronomical. If our health costs skyrocket - especially when we are hoping to start a family soon - there there is no way we can afford to live here no matter how much we love it. If you value your teachers, you won't punish us with this bill. Due to the cuts in funding and other changes in Educational legislation the Alaska government is showing it's complete disregard for the well being of it's children. Please change things! Not just this bill, but the funding of our schools. Stop passing bills to give every teacher an iPad (and I hear, every student one soon) and make sure our students have food to eat so they can be ready to learn. Increase funding for after-school programs and yes, I'm even in favor of lengthening the school year.

Sincerely,

Meredith Gant
Special Education Teacher
Anchorage School District

Meredith Gant
10065 William Jones Circle #7
Anchorage, AK 99515

Doniece Gott

From: JOHN STUHLER <jopast@gci.net>
Sent: Thursday, April 11, 2013 3:56 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB90/HB196

Follow Up Flag: Follow up
Flag Status: Flagged

I am writing to express my strong opposition to SB 90/HB196. Please hold this bill so an actuarial study can be done to ensure that its intent to save money would be actually realized.

SB90/HB196 is an enormous policy change that not only impacts school district employees, but also multiple private companies, boroughs and municipalities.

Please slow down this bill. This legislation needs to be properly vetted to ensure that there are no short and long-term negative consequences.

From what I understand it will cost me more for insurance and thus leave less discretionary income to fuel Alaska's economy.

Sincerely,
John Stuhler

JOHN STUHLER
8020 EVANS CIR
ANCHORAGE, AK 99507

Doniece Gott

From: TONJA MCCONNELL <julianmcc95@hotmail.com>
Sent: Thursday, April 11, 2013 4:09 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB90/HB196

Follow Up Flag: Follow up
Flag Status: Flagged

I am writing to express my strong opposition to SB 90/HB196. Please hold this bill so an actuarial study can be done to ensure that its intent to save money would be actually realized.

SB90/HB196 is an enormous policy change that not only impacts school district employees, but also multiple private companies, boroughs and municipalities.

Please slow down this bill. This legislation needs to be properly vetted to ensure that there are no short and long-term negative consequences.

Sincerely,

Tonja RJ McConnell

TONJA MCCONNELL
3825 E 67TH AVE
ANCHORAGE, AK 99507

CC: Max Gruenberg and Senator Wielechowski (my local legislators)

But the underlying claim is that by doubling the premium base, the Administration can cut premium costs. But the Administration has offered no factual basis for the claims (no binding quotes are available) and its historical provider has a rate history that is not even comparable to the entity now ensuring so many of the educators in the state. In other words, the Administration really can't guarantee any savings, while the testimony already provided to this Legislature by the Superintendent of Petersburg Schools makes it very clear that he save his District 40% on costs through a health trust last year (and though he was not questioned on the point, would save his District over any for-profit insurer for the coming year, even with an economy of scale proposed by the Administration.) Why? This is simple Math, folks. For-profit insurers make a profit. If they raise rates more than they need, they keep the increment as a windfall. The PPACA, was the first large scale effort to put an end to that practice, but a for-profit insurer is still going to make a profit. On the other hand, a non-profit insurer does not make a profit. As a result, no matter how tight the for-profit insurer cuts his profit margin, he still has to compete in the market for investment based on return, and the non-profit insurer does NOT have that obligation. In sum, there is no way that the State's scheme could effectively reduce health care costs before that offered by Heath trusts. Period. And it would appear that the Administration knows that, or why else would they have refused to present such an option to you?

What then is this Bill really about? I suppose that is what Alaskan's are waiting to hear, because it is apparent on the face of the presentations to date that it is not about saving anyone money; you don't have to be one of the fifty thousand Alaskans who are going to be forced out of their existing inexpensive, self-managed health care programs to realize that this Bill has a hidden agenda.

I respectfully request that the Legislature slow this process down so that the true basis for the proposal, as well as the grounds for rushing the Bill through the Legislature, can be exposed for the Alaskan public.

I respectfully request that the Legislature do its homework and ask itself if government agencies across the country are moving to Health Trusts to contain insurance costs, why are the sponsors arguing, without having done its homework, that Alaska move to pay more for premiums than necessary.

I respectfully request that the Legislature inquire as to why virtually everyone testifying in support of this Bill has carefully avoid any mention of the organization that is presently providing for the health insurance care of tens of thousands of Alaskan educators with less overhead than the State requests at less cost than the State expects even with saving if the State can find same, and with the support of the insured.

I respectfully request that the Legislature STOP, take a deep breath, and then explore, deliberately and rationally, the nature of health trusts, the health trusts in Alaska, and the benefits potentially accruing to Alaskans through such trusts, BEFORE pursuing legislation that is going to terminate local control, bypass market solutions, deny individual rights, and actually increase premium and overall management costs.

Thank you for your consideration.

Marc

Marc Grober, Esq.
5610 Radcliff Dr.
Anchorage Alaska 99504
email: marc@interak.com
cell: (907)2272417

Attachment:

<https://docs.google.com/document/d/1OKLrAZ3-ltxlx5YRTRKY6fNjXSzt5IDEnsExCui54mw/edit?usp=sharing>

that they are not supporting the Bill themselves) that they did not fully explore the market responses to the insurance crisis, and so have ignored the viability and cost-effectiveness of Health Trusts. The current Bill would kill the single most effective health insurance program in the entire State, depriving the subscribers to that program their individual rights without any savings at all to the State. Are we now to the point that a Republican controlled legislature has become so ideologically entrenched that it is killing individual rights and running up costs because a program based on personal responsibility is successful?

As suggested above, if Republicans are going to argue that markets have solutions, then it is certainly a mystery as to why the Administration (and the Bill sponsors and supporters) have intentionally avoided any and all contact with market solution that, as one superintendent noted saved his District 40% over other insurance options. I was shocked to hear the Administration argue, in response to Senator Wielechowski's questioning, that such solutions were not the Administration's concern.

Really? Can you sit here and even consider this Bill when the Administration has admitted that it had intentionally NOT done its homework as far as presenting to you a complete picture of how markets have responded to the alleged insurance crisis? How Republican is it to terminate a successful private insurance program that was market generated to meet the rising costs of insurance without examining it? As I note in the attachment, educational institutions across the country are looking to health trusts as a truly effective means to address rising costs, and with one of the most successful already serving thousands of educators in Alaska already, it is jarringly unacceptable that no one has spoken to that health trust.

If Alaska Republicans are, as the Sponsors suggest, alarmed by the health needs of Alaskans and desirous of an insurance pool to save Alaskans insurance premiums while ensuring Alaskan health (that sure sounds like the PPACA) then it would seem that the Administration would have examined solutions available and would have promoted a statewide Health Trust, a Plan for All Alaskans. I understand why this Legislature and the Administration has not gone in that direction, though such a Plan would clearly, under the analysis pressed by the Administration, save All Alaskans money, including State Employees, who would be covered under such a Plan, at a fraction of the cost now estimated. What I don't understand is why, having eschewed such a policy direction where it might make sense, Alaska Republicans are pursuing a policy that kills an effective private sector response and deprives local government of authority, all without demonstrably reducing premiums.

So what about the nuts and bolts of the Bill. As noted the Bill would increase State administrative costs by hundreds of thousands of dollars per year, at a rate higher than the market. Yes, while Republicans have argued that the private sector is always more efficient, you have now before you a Plan in which this is amply demonstrated, as Health Trusts in-state actually manage as many persons under policy as the State with fewer personnel and at lower cost. Go figure! You'd think that would be a winner for a GOP controlled Legislature, and yet you are turning your back on that option without even having been presented that information.

The Bill would also be funded in the short term through State funds.

Yes, once again you are going to be asked to fund a social program through State funds where a private program already exists and is fully funded. You are being asked to spend State money where there is really no need to spend public money because the claims base is already funded with private money. Some of you may be surprised and I have to ask you, is surprise the emotion that one should see from legislators acting on legislation that will materially and deleteriously impact the health of tens of thousands of Alaskans? I think not.

Let's talk about the vaunted purpose of the Bill (at least its stated purpose): saving money by forcing school districts to pay funds to the Department of Administration so that the Department can purportedly purchase health insurance at a lower rate. Unfortunately, the first thing that must come to mind for anyone concerning about personal privacy is the fact that the State has not been responsible about beneficiary data. As you all know, the State had to assume a huge cost because data it was responsible for was LOST. Yet instead of privatizing management of such programs, this Legislature is being asked to trust the Administration with the health of tens of thousands who frankly do not want and do not need such "help."

Doniece Gott

From: Sen. Pete Kelly
Sent: Thursday, April 11, 2013 1:53 PM
To: Doniece Gott
Subject: FW: Written Testimony HB196/SB90

-----Original Message-----

From: Marc Grober [mailto:marc@interak.com]
Sent: Thursday, April 11, 2013 1:50 PM
To: Sen. Donny Olson; Sen. Kevin Meyer; Sen. Anna Fairclough; Sen. Lyman Hoffman; Sen. Click Bishop; Sen. Mike Dunleavy; Sen. Pete Kelly
Subject: Written Testimony HB196/SB90

The communication below and any files transmitted with it may contain privileged or confidential information. It is solely for use by the individual for whom it is intended, even if addressed incorrectly. If you received this e-mail in error, please notify the sender; do not disclose, copy, distribute, or take any action in reliance on the contents of this information; and delete it from your system.

Thank you for your cooperation.

Dear Senators,

As someone who has been a registered Republican longer than some members of the Legislature have been alive, and an Alaskan since 1975, I am very concerned by the efforts to push HB196/SB90 (the "Bill") through the Legislature in the time remaining in this session. There is certainly no rush to address this matter, and as has become clear, the sponsors have simply failed to do their homework. But I will get to that in a moment; first let me discuss the political implications of the Bill, as this is a political forum.

The Bill stands in direct contravention to core GOP values, and offers nothing to override those values. As already noted, by AASB, this legislation results seizure of local control from school boards, and it does so apparently without the endorsement of specific school boards.

Proponents claim the current stampede is based on uncontrollable health insurance costs, but as I note below, the claims as to the precipitous rise in rates and complexity are in no small part a bit of fabrication, both as to availability of remedies, and as to their own responsibility in creating increasing complexity.

The Bill also attempts to deprive Alaskans of the opportunity to privately address their own insurance needs. While many of you have applauded the Governor's rejection of the Patient Protection and Affordable Care Act, the proposal before you does more or less the same thing as the PPACA. The Administration has acknowledged (in addition to the fact

Doniece Gott

From: Rachel Hopkins <akdodgegirl@hotmail.com>
Sent: Tuesday, April 09, 2013 10:12 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,

Rachel Hopkins

Rachel Hopkins
2421 Winterchase Cir.
Anchorage, AK 99516

Doniece Gott

From: HOLLY MARCOTT <marcott.holly@gmail.com>
Sent: Monday, April 08, 2013 9:51 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

It is quite frustrating to see the increasing amount of legislation that affects education and educators in such a negative way. If this progresses, we will have fewer and fewer people entering the educational field, thus weakening our educational system.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,
Holly Marcott
Secondary Educator
Anchorage School District

HOLLY MARCOTT
7413 MEADOW ST
ANCHORAGE, AK 99507

Doniece Gott

From: Cheryl Plucker <plucker_cheryl@asdk12.org>
Sent: Monday, April 08, 2013 12:08 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Follow Up Flag: Follow up
Flag Status: Completed

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,

Cheryl Plucker
11031 Great Dane Circle
Anchorage, AK 99516

Doniece Gott

From: CAROLYN RUDZINSKI <carolynrud@hotmail.com>
Sent: Sunday, April 07, 2013 9:47 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,
Carolyn Rudzinski

CAROLYN RUDZINSKI
3841 TRURO DR
ANCHORAGE, AK 99507

Doniece Gott

From: KELLY SCHNESE <schnese@gci.net>
Sent: Sunday, April 07, 2013 9:15 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,

Kelly Schnese

KELLY SCHNESE
3901 TRURO DR
ANCHORAGE, AK 99507

Doniece Gott

From: KIMBERLY BAILEY <kimofalaska@hotmail.com>
Sent: Sunday, April 07, 2013 9:06 PM
To: Sen. Kevin Meyer
Subject: Opposition to SB 90

Dear Senator :

I am writing to express my strong opposition to SB 90. This is a direct attack against collective bargaining rights for public school employees.

In addition, SB 90 is being sold as a way to save school districts money. But where is the proof? Moving this legislation through quickly, without proper vetting, could result in an expensive proposition for both the state and school districts.

Please oppose SB 90. Legislation that has significant short and long-term consequences should not be rushed.

Sincerely,

KIMBERLY BAILEY
5651 E 98TH AVE
ANCHORAGE, AK 99507

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: SB 90
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB090-DOA-DRB-4-07-13
Title: SCHOOL DISTRICT EMPLOYEE HEALTH
INSURANCE
Sponsor: DUNLEAVY
Requester: Senate Finance Committee

Department: Department of Administration
Appropriation: Centralized Administrative Services
Allocation: Retirement and Benefits
OMB Component Number: 64

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
			FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
OPERATING EXPENDITURES	FY 2014	FY 2014					
Personal Services	482.0		964.0	964.0	964.0	964.0	964.0
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	482.0	0.0	964.0	964.0	964.0	964.0	964.0

Fund Source (Operating Only)

1017 Group Ben	482.0		964.0	964.0	964.0	964.0	964.0
Total	482.0	0.0	964.0	964.0	964.0	964.0	964.0

Positions

Full-time	12.0		12.0	12.0	12.0	12.0	12.0
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

This is the second version. The FY14 Appropriation requested has been reduced in half from the original request. The division will only fill the new positions on or about 1/1/2014, the middle of FY14, as it prepares for the arrival of the new members.

Prepared By:	Jim Puckett, Director	Phone:	(907)465-4471
Division	Division of Retirement & Benefits	Date:	04/06/2013 06:45 PM
Approved By:	Curtis Thayer, Deputy Commissioner	Date:	04/07/2013
	Department of Administration		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. SB090

Analysis

SB90 introduces a new section to AS14.20, AS 14.20.137, which extends group insurance coverage under AS39.30.090 to school district employees. It also amends AS39.30.090(a)(2) extending coverage to dependents of school district employees. This increase in the population of the AlaskaCare Employee Health Plan will not only have a fiscal impact but will also significantly increase the workload of the division staff.

The Division estimates it will need a total of twelve new positions to meet this increased workload. It is anticipated that all 12 positions will be filled in FY14 for approximately 6 months as the division prepares for the arrival of the new members.

1 - Accountant II	\$86,900
2 - Active Payroll R&B Tech II	\$155,200
4 - Call Center R&B Tech II	\$310,400
2 - Operations R&B Tech I	\$140,200
1 - Operations R&B Spec I	\$86,900
1 - Appeals R&B Spec I	\$86,900
1 - Operations R&B Spec II	<u>\$97,500</u>
Total	\$964,000

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: SB 90
Fiscal Note Number: 4
(S) Publish Date: 4/8/13

Identifier: SB090-EED-K12-4-5-13
Title: SCHOOL DISTRICT EMPLOYEE HEALTH INSURANCE
Sponsor: DUNLEAVY
Requester: Senate State Affairs

Department: Department of Education and Early Development
Appropriation: K-12 Support
Allocation: Foundation Program
OMB Component Number: 141

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates					
			FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues								
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/14

Why this fiscal note differs from previous version:

Initial version

Prepared By:	Elizabeth Nudelman, Director	Phone:	(907)465-8679
Division	School Finance & Facilities	Date:	04/05/2013 02:00 PM
Approved By:	Mike Hanley	Date:	04/05/13
	Commissioner		

FISCAL NOTE ANALYSIS #4

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. SB 90

Analysis

Section 1 of the bill adds to AS 14.08.111, duties of regional school boards the new duty to establish and maintain participation in a policy of group insurance.

Section 2 amends AS 14.17.300 to allow the Commissioner of Administration to spend funds from the Public Education Fund (PEF) to pay claims submitted by covered school district employees under the legislations health insurance provisions. The bill provides that funds spent from the Public Education Fund at 14.17.300 by the Commissioner of Administration be repaid over ten years, and that total expenditures not exceed \$100,000,000.

Alaska Statute 14.17.300 currently requires that funds expended from the Public Education Fund (PEF) may only be for state aid of public schools through the funding formulas AS 14.17 and AS 14.09.010. This bill proposes a purpose that is in conflict, therefore to maintain the integrity and the legislative intent for the creation of the fund, an approach other than the use of the PEF should be developed to address the bills funding mechanism.

Any funding removed from the PEF for non-formula programs will be taken from the current year or forward funding component depending on the level of funding in the PEF. If the state wishes to maintain current year and forward funding, an annual appropriation for the amount borrowed for health insurance less those amounts that have been repaid would need to be deposited or subtracted from the PEF.

Section 3 amends 14.20 by adding a new section that requires, starting July 1, 2015, participation by school districts in a policy of health insurance coverage for employees selected by the commissioner of administration.

Districts shall be required to contribute to group health and life benefits fund established under AS 39.30.095. Districts shall be required to reimburse the Department of Administration an amount equal to the state's cost, if any, of procuring necessary excess loss insurance.

School districts shall be required to reimburse the Department of Administration the cost of paying insurance claims for the first four months employees of the school district are covered by a policy of self-insurance under AS 39.30.091, and the commissioner shall allow the reimbursement to be made in equal installments over a period not to exceed 10 years from the date the school district's participation in the policy begins.

School districts may require employees of the district to pay some or all of the school districts contribution.

Sections 4 -11 of this bill relate to the Department of Administration.

Sections 12 and 13 provide for effective dates.

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: SB 90
Fiscal Note Number: 3
(S) Publish Date: 4/8/13

Identifier: SB090-DOA-HPA-4-05-13
Title: SCHOOL DISTRICT EMPLOYEE HEALTH INSURANCE
Sponsor: DUNLEAVY
Requester: Senate State Affairs

Department: Department of Administration
Appropriation: Centralized Administrative Services
Allocation: Health Plans Administration
OMB Component Number: 2152

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2014	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2014 Request	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
OPERATING EXPENDITURES	FY 2014	FY 2014					
Personal Services							
Travel							
Services	237.7		9,864.0	10,468.7	11,203.2	11,991.2	13,196.4
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous			315,000.0	315,000.0	315,000.0	315,000.0	315,000.0
Total Operating	237.7	0.0	324,864.0	325,468.7	326,203.2	326,991.2	328,196.4

Fund Source (Operating Only)

1017 Group Ben	237.7		9,864.0	10,468.7	11,203.2	11,991.2	13,196.4
1108 Stat Desig			315,000.0	315,000.0	315,000.0	315,000.0	315,000.0
Total	237.7	0.0	324,864.0	325,468.7	326,203.2	326,991.2	328,196.4

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

No applicable, initial version.

Prepared By: Jim Puckett, Director Phone: (907)465-4471
Division: Division of Retirement & Benefits Date: 04/05/2013 02:45 PM
Approved By: Curtis Thayer, Deputy Commissioner Date: 04/05/13
Department of Administration

FISCAL NOTE ANALYSIS #3

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. SB 90

Analysis

SB 90 introduces a new section to AS 14.20, AS 14.20.137, which extends group insurance coverage under AS39.30.090 to school district employees. It also amends AS39.30.090(a)(2) extending coverage to dependents of school district employees. It is estimated that 18,300 school district employees and 29,000 dependents will become members of the AlaskaCare Employee Health Plan. The addition of these 47,300 new members will quadruple the overall population of the AlaskaCare Employee Health Plan.

SERVICES -

In FY2014, the Division's RBIS team estimates we will incur a one-time \$115,200 contractor(s) expense reprogramming some of our data applications. This is necessary so school district health care data can be submitted to the division via the DRB e-reporting application and then included in our CRS database. Also included in FY2014 are the publication and communications costs supplying the federally mandated Summary of Benefits and Coverage (SBC) booklet and the division health newsletter and open enrollment supplies. Beginning in FY2015, AlaskaCare will experience the increased health admin cost with the third party administrator fees processing the claims of the new members.

STATUTORY DESIGNATED PROGRAM RECEIPTS (SDPR) -

Under SDPR the participating school districts will pay into the Group Health and Life Fund the AlaskaCare benefit credit amount, \$1389.00, per employee per month. The school districts will also be billed approximately \$10 million annually for health claim as per required by statute AS 14.17.300. The amounts collected from school districts in payment of the first 4 months of claim costs, will be used to repay the draw on the Public Education Fund over a 10 year period.

Buck Consultants, the AlaskaCare Employee Health Plan benefits consultant, performed projections that were used for this fiscal note. Additional information regarding the development of this fiscal note are included in Buck's April 5, 2013 attached letter.



A Xerox Company

April 5, 2013

Mr. Jim Puckett
State of Alaska
PO Box 110203
Juneau AK 99811

Re: Projection of AlaskaCare Employee Health Plan Reserves and Benefits Rate Calculation under HB196/SB90

Dear Jim:

Buck Consultants projected AlaskaCare Employee Benefit Health Plan revenues, expenses and reserves through FY19 using our baseline modeling and extending coverage to school district employees and their dependents. The following are key methods and assumptions used, and a table showing benefit credits and plan reserves for FY14 through FY19. Plan reserves are expressed as the number of months of each fiscal year's cost available at fiscal year-end. We targeted reserves of 25% of fiscal year plan costs, or 3.0 months.

Methods

Buck annually projects plan revenues, expenses and reserves using claims and enrollment data from previous years, projected forward at assumed trend rates and adjusted for anticipated plan changes. Projections under HB196 were completed in the same manner, with the number of participants and hence revenues and expenses, increasing after January 1, 2014 to reflect inclusion of school district employees. Reserve projections shown below assumes and estimated 18,300 new employees and their 29,000 dependents are added to the plan, along with a one-time funding infusion of \$100m.

Assumptions

Most key assumptions are unchanged from our analysis of plan reserves without regard to HB196/SB90, and include the following:

- The total number of employees covered by the plan is assumed to increase 2.0% per year.
- Medical and Rx claims trend at a combined annual rate of about 8.5% through 2014, grading down 1% per year thereafter.
- Dental and vision claims trend at annual rates of about 5.0% and 4.8%, respectively, through 2017, grading down 1% per year thereafter.
- Combination Premium Employee / Standard Family coverage is eliminated 7/1/2013, the very few employees in this coverage are assumed to migrate to the Standard Plan.
- Premium and Standard Plan contribution rates are increased while Economy Plan rates are held flat. This reduces the subsidy inherent in current contribution rate structure. We have assumed that from 2% to 5% of employees in each plan migrate to lower-priced plans each year.

Mr. Jim Puckett
April 5, 2013
Page 2

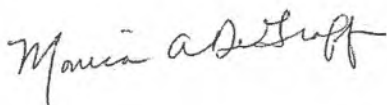
Additional key assumptions have been made to address inclusion of school district employees:

- School district employees are initially assumed to generate 2.5% higher claims per employee than current plan members.
- Health management programs are assumed to reduce the higher claims cost for school district employees by 0.5% per year so that by 2019 no excess risk is assumed.
- Improved provider contracting attributable to increased enrollment is assumed to reduce underlying medical and Rx claims trend by 1% in 2015 and another 1% in 2016.

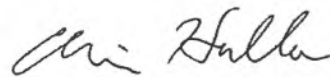
Benefit credits and plan reserves at fiscal year-end

Fiscal Year	Monthly Benefit Credit	FYE Reserve Months
2014	\$1,389	3.1
2015	\$1,389	2.6
2016	\$1,389	2.5
2017	\$1,389	2.6
2018	\$1,389	3.0
2019	\$1,389	4.0

We believe that in combination, methods and assumptions used are moderate to slightly conservative. For example, a combined plan population of 25,000 employees may result in greater bargaining power and better network discounts than assumed. Based on the methods and assumptions used, the influx of a larger, less healthy population initially pushes projected reserves below the target 3 month level, but by fiscal year-end 2019 a 4-month reserve is attained without increasing the monthly benefit credit during the projection period.



Monica DeGraff
Principal, Health and Productivity



Chris Hulla
Principal, Health and Productivity

Enclosure

c: Emily Cotter, State of Alaska
Melissa Bissett, Buck Consultants