

ALASKA LEGISLATURE COMMITTEE FILES 1993-1994 8672

8265 SENATE HEALTH EDUCATION & SOCIAL SERVICES



CATHOLIC COMMUNITY SERVICE

419 SIXTH STREET, C.C.S. WING
JUNEAU, ALASKA 99801
(907) 463-3933

Child Care Resources
9095 Glacier Highway
Juneau, Alaska 99801
789-5523

Parent Aid Family Support Center
427 W. 12th Street
Juneau, Alaska 99801
586-3785

Southeast Senior Services
419 Sixth Street, CCS Wing
Juneau, Alaska 99801
586-6233

March 10, 1993

CHAIRMAN RIEGER, VICE-CHAIRMAN SHARP AND MEMBERS OF THE SENATE
HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE:

My name is Vicky Borrego and I am the legislative liaison for Catholic Community Service. We oppose Senate Bill 101. Senate Bill 101:

1. Reduces the amount of public assistance grants Alaskan families may receive.
2. Takes out any cost of living allowances available through the law beginning after January 1, 1994.
3. Rolls back the public assistance benefits level to what was in effect on January 1, 1990.

Senate Bill 101 affects the most needy senior citizens and disabled adults, with seniors losing as much as \$36 per month. It was estimated that 23,000 dependent children will also be dramatically and negatively affected by changes to public assistance benefits.

Catholic Community Service carries out our mission by providing social services in a spirit of compassion and collaboration to the people of Southeast Alaska, especially the neediest and most vulnerable, without regard to their faith, ethnicity or way of life. CCS is committed to advocating for public policies and programs which meet basic human needs and promote self-sufficiency and independence.

Senate Bill 101 does not promote greater self-sufficiency, independence or empowerment but reduces an already extremely spartan monthly benefit even further. Instead of punishing the recipient of public assistance benefits, including the elderly and disabled adults and dependent children, why not identify and quantify the basic problems contributing to the need for public assistance, as recommended in Governor Hickel's Organizational Efficiency Task Force, July, 1992? Why not seek federal waivers allowing the implementation of dependency reduction measures under the Aid to Families with Dependent Children program, rather than going along with programs that add to the problem?



United Way Member Agency

Cathoiiic Community Service is opposed to Senate Bill 101 because we have not exhausted several other options available to us before having to take basic benefits away from the most disenfranchised and poorest members of our society. Tax settlements such as the \$650 million is one such possibility. If there is strong support for reforming public assistance programs, let's implement the task force recommendations by asking the basic questions first.

Thank you for your attention. Please let me know if I can provide you with any additional information.

ALASKA PUBLIC ASSISTANCE PARTICIPATION

DIST	TOWN	Persons Receiving AFDC & Food Stamps	Persons Receiving Food Stamps Only	Persons Receiving Adult Public Assistance	Persons Receiving Medicaid Only	TOTAL Persons receiving assistance	TOTAL Community Population	Percent of Total Pop receiving assistance
Unduplicated Person Count by Community for OCTOBER 1992								
AFDC= Aid to Families with Dependent Children								
Adult Public Assistance = elderly, disabled, & blind								
	39 AKIACHAK	58	73	36	20	187	481	38.9%
	39 AKIAK	40	72	15	14	141	287	49.1%
	40 AKUTAN	0	0	3	2	5	487	1.0%
	38 ALAKANUK	150	94	33	45	322	559	57.6%
	39 ALEKNAGIK	0	1	4	0	5	200	2.5%
	28 ALEXANDER CREEK	9	0	0	1	10	40	25.0%
	36 ALLAKAKET (& ALATNA)	10	45	13	11	79	203	38.9%
	37 AMBLER	67	32	12	10	121	301	40.2%
	37 ANAKTUVUK PASS	2	0	2	10	14	246	5.7%
9..25	ANCHORAGE	12,773	3851	3,214	2647	22485	240,258	9.4%
9..25	EAGLE RIVER	402	102	81	91	676		
	34 ANDERSON	9	10	0	1	20	649	3.1%
	3 ANGOON	53	25	17	11	106	705	15.0%
	36 ANIAK	65	35	18	15	133	529	25.1%
	36 ANVIK	12	11	4	4	31	104	29.8%
	36 ARCTIC VILLAGE	23	19	8	3	53	96	55.2%
	40 ATKA	5	3	4	1	13	87	14.9%
	37 ATQASUK	3	0	1	2	6	217	2.8%
	39 ATMAUTLUAK	79	46	17	9	151	267	56.6%
	37 BARROW	62	25	34	61	182	3,702	4.9%
	36 BEAVER	17	6	5	5	33	103	32.0%
	39 BETHEL	287	195	118	52	652	4,868	13.4%
	36 BETTLES (& EVANSVILLE)	0	0	1	0	1	66	1.5%
	28 BIRCH CREEK	10	1	1	5	17	42	40.5%
	37 BREVIG MISSION	46	41	15	10	112	234	47.9%
	37 BUCKLAND	43	91	9	17	160	340	47.1%

ALASKA PUBLIC ASSISTANCE PARTICIPATION

DIST	TOWN	Persons Receiving AFDC & Food Stamps	Persons Receiving Food Stamps Or.ly	Persons Receiving Adult Public Assistance	Persons Receiving Medicaid Only	TOTAL Persons receiving assistance	TOTAL Community Population	Percent of Total Pop receiving assistance
28	CANTWELL	0	3	2	0	5	147	3.4%
36	CHALKYITSIK	25	21	4	3	53	90	58.9%
39	CHEFORNAK	49	60	26	19	154	330	46.7%
35	CHENEGA	0	4		5	9	94	9.6%
38	CHEVAK	124	169	26	68	387	619	62.5%
35	CHICKALOOON	17	7	0	0	24	145	16.6%
36	CHICKEN	0	0	1	0	1		
40	CHIGNIK	9	0	3	2	14	177	7.9%
40	CHIGNIK LAKE	14	9	2	4	29	133	21.8%
	CHINIYAK	1	4	0	0	5	69	7.2%
36	CHISTOCHINA	0	2	2		4	60	6.7%
36	CHITNA	9	5	4		18	49	36.7%
36	CHUATHBALUK	14	22	4	7	47	129	36.4%
36	CIRCLE	42	12	4	5	63	73	86.3%
39	CLARK'S POINT	0	3	0	2	5	58	8.6%
34	CLEAR	4	2	0	0	6		
5	COFFMAN COVE	4	1	0	1	6	198	3.0%
35	COPPERCENTER	95	39	28	7	169	449	37.6%
35	CORDOVA	65	24	31	25	145	2,504	5.8%
5	CRAIG	89	32	10	22	153	1,637	9.3%
36	CROOKED CREEK	36	18	8	7	69	106	65.1%
37	DEERING	22	39	2	5	68	158	43.0%
35	DELTA JUNCTION	155	59	44	46	304	736	41.3%
39	DILLINGHAM	73	41	32	32	178	2,110	8.4%
37	DIOMEDE	20	12	1	16	49	180	27.2%
35	DOT LAKE	8	6	8	1	23	70	32.9%
24	EAGLE	6	11	7	6	30	161	18.6%
5	EDNA BAY	1	0	0	1	2	86	2.3%
39	EEK	46	57	20	11	134	284	47.2%
40	EGEGIK	0	0	2		2	122	1.6%
40	EKWOK	22	23	8	6	59	78	75.6%

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DIST	TOWN	Persons Receiving AFDC & Food Stamps	Persons Receiving Food Stamps Only	Persons Receiving Adult Public Assistance	Persons Receiving Medicaid Only	TOTAL Persons receiving assistance	TOTAL Community Population	Percent of Total Pop receiving assistance
	5 ELFIN COVE	0	0	1	0	1	57	1.8%
	38 ELIM	34	33	11	7	85	267	31.8%
	38 EMMONAK	134	121	37	52	344	692	49.7%
29..34	FAIRBANKS NORTH STAR BC	3563	1465	894	889	6811	79,730	8.5%
	34 EILESON AFB	7	38	1	6	52	5,251	1.0%
29..31	FAIRBANKS	2867	972	794	680	5,313	32,156	16.5%
	29 ESTER	2	3	1	2	8	147	5.4%
	33 FOX	2	2	2	0	6	275	2.2%
	32 FT WAINWRIGHT	18	203	5	8	234	7,860	3.0%
33..34	NORTH POLE (area)*	615	229	77	175	1096	1,671	65.6%
	34 SALCHA	41	17	13	15	86	354	24.3%
	33 TWO RIVERS	11	1	1	3	16	453	3.5%
	40 FALSE PASS	0	0	1	1	2	84	2.4%
	35 FORT GREELY	3	34	0	1	38	1,147	3.3%
	36 FORT YUKON	100	75	37	21	233	718	32.5%
	38 FORTUNA LEDGE	44	41	13	17	115		
	35 GAKONA	20	11	10		41	25	164.0%
	36 GALENA	16	10	5	8	39	829	4.7%
	38 GAMBELL	35	71	33	7	146	546	26.7%
	35 GLENNALLEN	32	24	13	16	85	451	18.8%
	38 GOLOVIN	20	4	6	3	33	146	22.6%
	39 GOODNEWS BAY	38	30	21	23	112	236	47.5%
	36 GRAYLING	29	34	10	17	90	203	44.3%
	36 GULKANA (area)*	1	6	2	1	10	103	9.7%
	5 GUSTAVUS	4	0	0	4	8	258	3.1%
	5 HAINES BOROUGH	110	73	39	31	253	2,212	11.4%
	34 HEALY	5	17	4	7	33	487	6.8%
	5 HOLLIS	0	0	1	1	2	111	1.8%
	36 HOLY CROSS	48	42	10	10	110	273	40.3%
	5 HOONAH	72	34	18	10	134	793	16.9%
	38 HOOPER BAY	306	176	39	39	560	890	62.9%

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36	HUGHES	6	13	5	3	27	66	40.9%
36	HUSLIA	18	33	10	5	66	224	29.5%
5	HYDABURG	54	19	17	14	104	405	25.7%
1	HYDER	12	6	2	0	20	99	20.2%
36	IGIUGIG	0	0	1	1	2	33	6.1%
36	ILLIAMNA	4	22	8	7	41	94	43.6%
40	IVANOFF BAY	0	3	0		3	35	8.6%
3..4	JUNEAU	1139	395	343	405	2282	29,251	7.8%
5	KAKE	41	47	16	14	118	725	16.3%
37	KAKTOVIK		0	2	1	3	224	1.3%
36	KALSKAG (LOWER)	82	48	22	11	163	299	54.5%
36	KALSKAG (UPPER)	15	30	11	8	64	173	37.0%
37	KALTAG	25	53	12	23	113	257	44.0%
6	KARLUK	14	0	3	3	20	71	28.2%
5	KASAAN	1	0	0	0	1	52	1.9%
39	KASIGLUK	138	106	25	25	294	459	64.1%
	KENAI BOROUGH	2,858	1,162	683	937	5,640	42,242	13.4%
9	HOPE	15	3	2	4	24	161	14.9%
7..9	KENAI	610	244	139	201	1194	6,535	18.3%
7	ANCHOR POINT	134	51	30	34	249	866	28.8%
7	CLAM GULCH	14	10	5	4	33	79	41.8%
8	COOPER LANDING	5	2	1	1	9	243	3.7%
6	ENGLISH BAY	7	4	2	6	19		
7	HOMER	269	127	97	133	626	3,937	15.9%
7	KASILOF	119	30	13	22	184	383	48.0%
8	MOOSE PASS	0	1	3	3	7	81	8.6%
9	NIKISKI	231	46	18	44	339	2,743	12.4%
9	NIKISHKA	0	0	0	0	0		
7	NINILCHIK	27	9	7	5	48	456	10.5%
6	PORT GRAHAM	6	1	4	4	15	166	9.0%
7	SELDOVIA	15	9	7	5	36	302	11.9%

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6	SEWARD	180	70	45	57	352	2,806	12.5%
7	SOLDOTNA	569	208	108	197	1082	3,652	29.6%
36	TYONEK	20	18	5	1	44	154	28.6%
5	WHALE PASS	6	6	0	0	12	75	16.0%
35	WHITTIER	15	8	4	1	28	279	10.0%
	KETCHIKAN BOROUGH	616	315	193	215	1,339	14,110	9.5%
1	KETCHIKAN	568	309	188	214	1279	8,478	15.1%
1	SAXMAN	39	5	3	0	47	379	12.4%
1	WARD COVE	9	1	2	1	13		
37	KIANA	74	74	16	19	183	401	45.6%
40	KING COVE	21	10	1	10	42	871	4.8%
40	KING SALMON	3	0	0	0	3	696	0.4%
39	KIPNUK	103	120	24	30	277	470	58.9%
37	KIVALINA	35	76	16	13	140	327	42.8%
5	KLAWOCK	51	29	9	11	100	758	13.2%
5	KLUKWAN	0	0	0	1	1	129	0.8%
37	KOBUK	19	11	1	2	33	110	30.0%
6	KODIAK ISLAND BOROUGH	403	303	132	192	1,030	15,535	6.6%
6	KODIAK	317	214	102	158	791	7,229	10.9%
6	AKHIOK	9	13	3	3	28	81	34.6%
6	LARSEN BAY	21	14	3	7	45	149	30.2%
6	OLD HARBOR	36	15	7	6	64	298	21.5%
6	PORT LIONS	7	30	6	10	53	238	22.3%
6	OUZINKIE	13	17	11	8	49	216	22.7%
36	KOKHANOK	31	13	5	7	56	152	36.8%
40	KOLIGANEK	17	34	7	8	66	181	36.5%
39	KONGIGANAK	57	62	12	17	148	294	50.3%
38	KOTLIK	126	89	17	42	274	503	54.5%
37	KOTZEBUE	176	159	55	57	447	3,075	14.5%
38	KOYUK	70	37	17	11	135	277	48.7%
36	KOYUKUK	7	1	7	9	24	127	18.9%

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39	KWETHLUK	111	125	54	34	324	559	58.0%
39	KWIGILLINGOK	35	42	23	14	114	278	41.0%
40	LEVELOCK	10	8	7	6	31	105	29.5%
36	LIME VILLAGE	6	3	6	1	16	42	38.1%
36	LIVENGOOD	3	1	2	0	6		
36	MANLEY HOT SPRINGS	19	6	3	3	31	96	32.3%
39	MANOKOTAK	71	50	8	20	149	404	36.9%
	MAT-SU BOROUGH	3,910	1,247	507	535	6,199	41,797	14.8%
28	BIG LAKE	288	85	18	20	411	1,477	27.8%
28	HOUSTON	101	34	11	6	152	815	18.7%
26..28	PALMER	1022	342	179	194	1737	3,039	57.2%
28	SKWENTNA	37	13	0	3	53	85	62.4%
35	SUTTON	60	16	10	7	93	308	30.2%
28	TALKEETNA	81	28	11	10	130	250	52.0%
28	TRAPPERS CREEK	38	29	3	4	74	296	25.0%
27..28	WASILLA (area)*	2145	636	263	281	3325	4,124	80.6%
28	WILLOW (area)*	138	64	12	10	224	285	78.6%
36	MCGRATH	20	3	6	10	39	531	7.3%
38	MEKORYUK	24	40	17	6	87	206	42.2%
36	MENTASTA LAKE	29	6	2	3	40	96	41.7%
5	METLAKATLA	193	41	21	34	289	1,564	18.5%
2	MEYERSCHUCK	0	5	0	1	6	37	16.2%
36	MINTO	42	36	26	6	110	218	50.5%
38	MT VILLAGE	167	105	31	38	341	727	46.9%
40	NAKNEK	11	0	2	5	18	575	3.1%
39	NAPAKIAK	69	44	28	14	155	323	48.0%
39	NAPASKIAK	53	73	21	21	168	362	46.4%
34	NENANA	77	40	21	18	156	504	31.0%
40	NEW STUYAHOK	83	23	16	8	130	396	32.8%
36	NEWHALEN	6	0	0	0	6	161	3.7%
38	NEWTOK	55	84	9	20	168	213	78.9%

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38	NIGHTMUTE	38	16	10	4	68	178	38.2%
36	NIKOLAI	11	10	6	6	33	107	30.8%
40	NIKOLSKI	4	0	5	1	10	35	28.6%
37	NOATAK	36	42	13	5	96	333	28.8%
38	NOME	124	130	78	32	364	4,559	8.0%
36	NONDALTON	72	13	14	3	102	212	48.1%
37	NOORVIK	95	105	14	20	234	520	45.0%
36	NORTHWAY	48	25	20	10	103	324	31.8%
37	NUIQSUT	8	0	1	6	15	391	3.8%
36	NULATO	5	57	16	26	130	364	35.7%
39	NUNAPITCHUK	88	88	21	20	217	475	45.7%
39	OSCARVILLE	0	3	3	0	6	57	10.5%
40	PEDRO BAY	9	4	0	3	16	42	38.1%
5	PELICAN	7	0	0	0	7	265	2.6%
40	PERRYVILLE	11	2	1	1	15	108	13.9%
2	PETERSBURG	106	34	18	50	208	3,680	5.7%
40	PILOT POINT	5	5	2	4	16	97	16.5%
38	PILOT STATION	93	137	25	51	306	470	65.1%
38	PITKA'S POINT	14	8	6	3	31	135	23.0%
39	PLATINUM	0	2	2	3	7	54	13.0%
5	POINT BAKER	2	5	3	2	15	39	38.5%
37	POINT HOPE	12	6	14	4	36	680	5.3%
37	POINT LAY	0	0	2	3	5	139	3.6%
5	PORT ALEXANDER	7	3	1	2	13	119	10.9%
40	PORT HEIDEN	10	7	4	3	24	126	19.0%
5	PORT PROTECTION	0	2	0	0	2	62	3.2%
39	QUINHAGAK	96	46	37	20	199	501	39.7%
36	RAMPART	0	17	2	8	27	68	39.7%
36	RED DEVIL	5	4	1	1	11	53	20.8%
36	RUBY	33	25	6	10	74	207	35.7%
38	RUSSIAN MISSION	76	41	20	18	155	266	58.3%

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40	SAND POINT	4	3	2	8	17	1,073	1.6%
38	SAVOONGA	52	141	22	21	236	545	43.3%
38	SCAMMON BAY	105	54	17	14	190	360	52.8%
37	SELAWIK	152	116	29	29	326	597	54.6%
36	SHAGELUK	46	23	8	12	89	144	61.8%
38	SHAKTOOLIK	4	10	9	2	25	212	11.8%
38	SHELDON POINT	29	22	3	14	68	103	66.0%
37	SHISHMAREF	42	105	23	29	199	466	42.7%
37	SHUNGNAK	38	25	8	14	85	224	37.9%
2	SITKA	265	112	97	86	560	8,815	6.4%
5	SKAGWAY	9	0	3	11	23	735	3.1%
35	SLANA	30	22	7	0	59	63	93.7%
36	SLEETMUTE	30	27	8	5	70	106	66.0%
40	SOUTH NAKNEK	3	3	0	1	7	136	5.1%
38	ST MARYS	60	52	21	28	161	477	33.8%
38	ST MICHAEL	81	49	12	16	158	324	48.8%
40	ST PAUL ISLAND	23	8	7	3	41	771	5.3%
38	STEBBINS	109	106	23	25	263	442	59.5%
8	STERLING	122	25	15	18	180	3,802	4.7%
36	STEVENS VILLAGE	5	9	8	5	27	102	26.5%
36	STONY RIVER	2	10	2	2	16	51	31.4%
40	ST. GEORGE	3	0	1	2	6	287	2.1%
36	TAKOTNA	0	4	2	5	11	38	28.9%
36	TANACROSS	17	1	11	1	30	106	28.3%
36	TANANA	22	38	20	17	97	407	23.8%
35	TATITLEK	8	7	1	3	19	119	16.0%
37	TELLER	18	27	17	4	66	254	26.0%
5	TENAKIEE	1	3	4	1	9	106	8.5%
36	TETLIN	28	26	16	5	75	87	86.2%
5	THORNE BAY	35	19	6	4	64	637	10.0%
39	TOGIAK	107	33	42	28	210	738	28.5%

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35	TOK	97	50	5	18	170	935	18.2%
38	TOOKSOOK BAY	60	90	20	37	207	449	46.1%
36	TULUKSAK	91	81	22	22	216	333	64.9%
39	TUNTUTULIAK	104	54	20	15	193	300	64.3%
38	TUNUNAK	81	41	21	21	164	371	44.2%
39	TWIN HILLS	2	0	4	0	6	66	9.1%
38	UNALAKLEFT	47	41	17	10	115	732	15.7%
40	UNALASKA	6	4	10	2	22	3,825	0.6%
35	VALDEZ	99	39	23	77	238	4,360	5.5%
36	VENETIE	59	38	22	11	130	182	71.4%
37	WAINWRIGHT	5	28	17	3	53	536	9.9%
37	WALES	3	25	8	7	43	147	29.3%
38	WHITE MOUNTAIN	15	15	9	7	46	182	25.3%
36	WISEMAN	1	1	0	3	5	33	15.2%
2	WRANGELL	105	48	48	45	246	2,539	9.7%
5	YAKUTAT	21	0	17	10	48	729	6.6%

source of info: Dept of H&SS, Dept of C&RA, Div of Elections

*some communities, particularly on the road system, serve as area hubs;

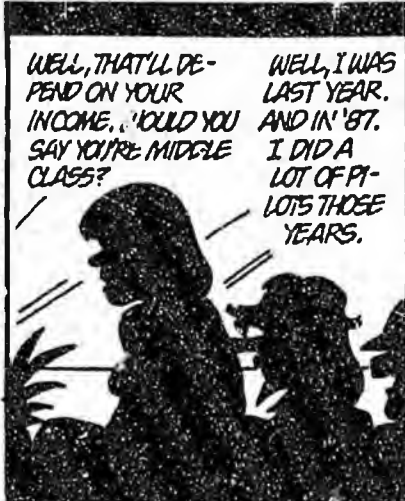
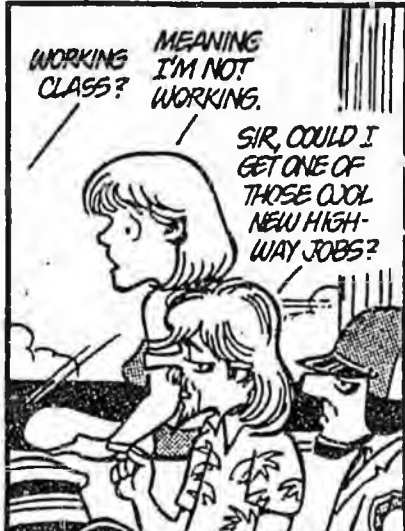
% community participation may appear larger as a result of clients from out of town

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BY GARRY TRUDEAU



to count the cars.
Alaska is a state of immensities

LETTERS

Eaglecrest deserves support throughout the long winter

Dear editor:

Just a simple appeal to all the skiers in the community to remember your ski area and continue to get up there and support it.

After a tremendous start this year with lots of fresh snow, lots of skiers and a full parking lot every weekend, interest seems to have dropped off. A lot of us hard-core can't quite figure out where everybody is hiding, especially with the nice, clear weather.

OK, so all the snow down here in town is bulletproof, but the grooming machines have been working all the main runs every night and the 2 to 3 inches of loose snow have been excellent and easy to ski. The sun's getting higher in the sky, the two cross-country tracks have been kept in excellent shape all winter with more and more people using them, and now the best part of the ski season approaches.

Eaglecrest, unlike most other ski areas throughout the world, depends almost entirely on the purchase of lift tickets to pay its bills. Each skier, regardless of age, sex, ski length, race, marital status, political persuasion, hair length, I.Q., skiing ability, economic status, etc., should become an ambassador for Eaglecrest.

If you have a pair of skis not being used, especially if they are youth skis, let's get them out there and on some kid for the rest of the season.

If you've got any room in your vehicle on the way up, call around

School in Sitka and isolated programs in art, math, critical think-

and get those less ambitious folks up there. They'll thank you for it. As everybody knows, even a crummy day of skiing is much better than a good day of doing almost anything else.

Anyway, do what you can for your 'ole ski area. Most of us feel like we're the luckiest people alive to live in this great state, this fine town and to have the excellent facility that we have in Eaglecrest for our various winter recreational activities. With that comes the responsibility of all skiers to continue to support Eaglecrest with your pocketbooks and your presence, even if the conditions aren't perfect every day.

This season can still be our biggest and best. See you up there.

Pat Harmon, past president
Juneau Bomber Club

Family asks legislators not to cut welfare payments

Dear editor:

To the House Finance Committee: Please think twice about taking more money from my step-kid's welfare. These AFDC grants they are entitled to are already cut each month because I am unemployed and the state welfare takes money from my unemployment benefits.

Out of the \$720 I receive each month, \$200 gets taken out to pay off an old AFDC debt. The \$200 we never see is counted each month as income on my wife's AFDC grant. So the welfare takes dollar for dollar from her kids this month.

They, or we as a family of five, receive \$130 in food stamps, or about \$32 a week to try to spend on food. And a \$170 check to pay \$415 rent. My unemployment insurance

serve no one in the long term.
Many policies in many arenas,

is \$520.
I am fighting the state to pay child support. Yes, that's right. I can't pay child support. The state takes it from my kids. \$426 is my support order that was entered on default by the same judge who put me in jail for two years a month earlier. I strongly believe in child support payments. The welfare is taking furds and food away from my two new step-kids. What more do you guys want?

Welfare is to help people in need and give them a second chance, something my new family isn't getting. So wake up, you guys. You try to live off \$35 a week with your families and growing kids, if you have any. We're a family of five people, taxpayers also. We will remember you at election time.

Charles Wheaton
Juneau.

'Soapbox tactics' hurt Juneau's economic growth

Dear editor:

Regarding the letter from Jeff Gness appearing in the Empire Feb. 24, I offer: Could not government, whether federal, state or local, be considered an industry that is influenced by forces outside the community and even the state? Are they not run primarily on money and lobbies from major sources from outside?

Ore and metals are a natural resource as oil is. Are not our state and local governments most dependent upon oil, an indeterminate resource for operating, managing and planning their "long-term financial security and the communities stake and future"?

As to the Kensington and Alaska Juneau permitting process, how can anyone relate the Greens

university's B
the past four

Creek operation or Alaska- the Greens C are selling their price, which cover operati. Kensington a projects will products at a p thus they have er operating e solvent.

Yes, I believe neau's civil a to see the light tunnel and as trum of soci tions with the outlook in min company these

Knowing th governments c ly on oil reve especially with moil, and th heavily taxed to look at all v ble for a sour income?

In conclusio ing the Kens jects, we need finding other local income. of Juneau, ope currently rest for developm ber sales and censing plan choices.

There are r in our commu displaced in t tion, mining a dustries due factors, but have remaine of soapbox ta

Melody Fr
Juneau

karen perdue & associates

Testimony in Opposition to SB 101

Thank you for the opportunity to present written testimony in opposition to SB 101. I oppose the bill for the following reasons.

This is the most sweeping set of cuts to public assistance ever considered by the Alaska Legislature.

Throughout the years there have been numerous proposals to eliminate certain aspects of the benefits for public assistance recipients. Most commonly bills have proposed suspension of the COLA adjustment. This bill, however, authorizes seven statutory changes-- virtually everything the state can legally do to reduce benefits:

The impact of each cut can be postulated, although the combined impact of the cuts, both on the economy and the daily lives of the 44, 321 Alaskans receiving public assistance, cannot be known. For instance, the bill proposes to cut benefits to the poor elderly, blind and disabled in three major ways-- the COLA elimination, the rateable reduction and the interim assistance payback. What is the combined impact of these provisions? No substantive testimony has been heard on this subject.

If this bill passes, the cut to the AFDC benefit will likely be the largest AFDC cut enacted in this country in recent memory.

In 1992, six states enacted reductions to their AFDC payments. But no state has enacted a benefit cut as large as the one contained in this bill, according to the National Center on Law and Social Policy. Seven or eight states increased benefits or improved their program.

In a number of states, a great deal of activity resulted in maintenance of the status quo. In New Mexico, an AFDC increase was approved by the Legislature but vetoed by the Governor. In Iowa, a supplemental appropriation maintained grant levels which otherwise would have been cut. In Nebraska, proposals to increase and decrease benefits were considered and rejected.

The economic impact on the North Star Borough will be substantial.

The bill would cut 3.6 million dollars out of the pockets of the poor in the Fairbanks North Star Borough alone. One thing we do know is that public assistance payments are 100% disposable income. The impact on retail establishments and grocery stores is likely to be substantial.

The philosophy and purpose of the APA and AFDC program are very different, despite the fact they are being treated as virtually the same in HB 67.

This bill encourages the idea that the AFDC program and the APA program have the same purpose. They do not.

Lumping them together without understanding the differences is like assuming that coal and oil and gas taxation policy should be the same because these are all non-renewable energy sources.

The major purpose of the AFDC program is to meet the basic needs of 22,000 poor children while their parents get back on their feet and into the job market. Alaska statistics bear out the fact that reforms in recent years and in the future will be tied to eliminating the economic disincentives built into the program for not working (ie accumulation of some assets, or transitional health benefits) and to making training, education or work the immediate goal of those on assistance.

The 9,664 poor elderly, blind and disabled individuals on Adult Public Assistance have limited prospects for work. Disabled persons who qualify for the program have to prove they have limited ability for gainful employment. Disabilities range from severe physical limitations to chronic mental illness.

The APA payments are meant to foster independence- to provide a basic needs allowance for persons to live in the community. The alternative for many persons on APA to living in the community is to live in costly institutional settings like nursing homes or ICF-MR's. These options cost from \$6,000 to \$10,000 per month today in Alaska. The state, through the Medicaid program or the Pioneer Home program, would pay to the tab for this institutional care for this population.

Over 1000 persons who live in institutions or community-based programs use their /PA payment to pay for the cost of their care.

Virtually every adult with a disability who lives in a community program, and people who live in institutions who are Medicaid eligible use their APA payment to pay their way in the program. Each month their APA check is used to offset program costs , minus a \$75.00 personal needs allowance which the client is allowed to keep.

The programs who rely on these payments include :

- Community Developmental Disability Programs
- Community Programs for the Chronically Mentally Ill
- Adult Foster Care
- Adult Residential Care
- Harborview
- Hope Cottages
- Nursing Homes

Alaska has been a leader in providing community-based living options for adults with disabilities and mental illness. Organizations like Hope Cottages, Southcentral Counseling Fairbanks Resource Agency ,and Reach provide choices of apartments and group home living arrangements.

Similarly, Governor Hickel's initiative Project Choice counts on a sizeable contribution from the client.

Cuts in payments to these individuals really means a cut to the community-based program budget.

Neither this bill or other Department policy do little to provide incentives or mandates to people who can work. Instead, it imposes across the board cuts on everyone including those with little hope of working.

This bill does not distinguish between people who have limited chance to work and those who should/ could be in the job market today. For instance, cuts are proposed for single AFDC parents, regardless of the age of their child. Thirty three percent of AFDC parents have children under three. In the same vein, the Governor proposes to make drastic cuts to people who have no ability to work at all- the 10,000 elderly, blind and disabled.

One parent of a two parent AFDC family should be in the workforce.

Alaska was federally mandated to add the unemployed parent or two parent family to the AFDC program in October of 1991. This law change has accounted for over half of the AFDC caseload increases experienced over the last two years.

There is ample justification for setting different work and payment policies for families where there are two able-bodied parents as opposed to single parent households, especially households with young children.

There are good examples from other states of policies which require the second parent to work or perform public service. Some local governments in Alaska are also taking that stance. Experience has shown that work requirements aimed at one parent of a UP family tend to shorten the length of stay on the caseload.

Why hasn't the Governor focused his energy on getting people back to work rather than cutting benefits to our very poorest citizens, a great number of which have no ability to work?

We should focus our efforts on equitable ways to reduce the caseload because it will save far more money for the state, even in the short run.

Most of the focus of national efforts has been on the reduction of the caseload rather than on reduction of the payment. One good reason for this is that far more money can be saved by, for instance, getting 10 percent of recipients off the caseload than by cutting benefits by ten percent. States have hotly debated learnfare, workfare, limitations on family size and more restrictive rules for unemployed parents. While these proposals have gained national media attention, relatively few of them passed last year.

Nevertheless, states are beginning to refine their proposals, apply for federal waivers and find true ways of reforming welfare. Alaska should do the same.

In summary, SB 101 does way too much way too fast. It will likely harm our very poorest citizens, some of whom have absolutely no ability to make up the cuts to their monthly checks. This across the board cutting doesn't take into account very real differences in the lives of the over 44,000 Alaskans effected.

Finally, the bill and other current state efforts do very little to attack the real problem- the way to get some AFDC families, particularly two parent families and families with older children back into the workforce.

Karen Pedue

We urge you to vote NO on House Bill 67 + Senate Bill 101. It is important to us that monthly payments to AFDC families not be reduced. Even at current rates, families are struggling to get by.

1.) Dianna Druyle T-H Head Start + Juneau

2.) Lillian Jim JH Oregon Headstart - Oregon, AK

3.) Bonnie Kittredge Anchorage

4.) Linda Schrack Ketchikan Head start

5.) Leoni Curbow Juneau, AK

6.) Demayne Curbow Juneau, AK

7.) Linda Carroll Juneau, AK

8.) Helen Watters Juneau

9.) Donna M. Enright - Metlakatla

10.) I believe in... [unclear]

11.) Anna Smith [unclear]

12.) Linda [unclear]

13.) Linda K. Rasmussen Juneau, AK

14.) Cathy Avey - Juneau

15.) Karen Price - Juneau

16.) Arne N. Fishby - Hydaburg

17.) Elizabeth M. Sava

18.) [unclear]

19.) Linda Heidy - Craig

20.) [unclear]

21.) Sue Oshaus

22.) Carolyn Tanner Craig

23.) James & Helen June Head Start - Home based visitor

24.) Evelyn Myers Tlingit & Haida child care center

25. Alice Olsen T & H Headstart Home Visitor.

26. Lena Street Headstart [unclear]

27. [unclear]

28. Caroline Horn - Yakutat

Participants of the Head Start Family Wellness Workshop in Juneau; March 10, 1993

ALASKA PUBLIC ASSISTANCE PARTICIPATION

3/11/93

DIST TOWN	Persons Receiving AFDC & Food Stamps	Persons Receiving Food Stamps Only	Persons Receiving Adult Public Assistance	Persons Receiving Medical Only	TOTAL Persons receiving assistance	TOTAL Community Population	Percent of Total Pop receiving assistance	Unemploy Rate 1990 Census	EST. TOTAL FY 94 CUTS TO AFDC/APA FROM FULL FORMULA (HB 67 & SB 101)
1. Unduplicated Person Count by Community for OCTOBER 1992									
2. AFDC= Aid to Families with Dependent Children									
3. Adult Public Assistance = elderly, disabled, & blind									
4. Reduction estimates based on average cut per case and expected caseload growth									
39 AKIACHAK	58	73	36	20	187	481	38.9%	12.7%	\$43,624
39 AKIAK	40	72	15	14	141	287	49.1%	16.0%	\$21,768
40 AKUTAN	0	0	3	2	5	487	1.0%	0.4%	\$1,694
38 ALAKANUK	150	94	33	45	322	559	57.6%	26.8%	\$73,057
39 ALEKNAGIK	0	1	4	0	5	200	2.5%	14.3%	\$2,526
28 ALEXANDER CREEK	9	0	0	1	10	40	25.0%		\$3,411
36 ALLAKAKET (& ALATNA)	10	45	13	11	79	203	38.9%	69.4%	\$12,950
37 AMBLER	67	32	12	10	121	301	40.2%	39.3%	\$27,846
37 ANAKTUVUK PASS	2	0	2	10	14	246	5.7%		\$1,557
9..25 ANCHORAGE	13,175	3953	3,295	2738	23161	240,258	9.6%	7.0%	\$7,223,597
9..25 EAGLE RIVER	402	102	81	91	676				\$211,675
34 ANDERSON	9	10	0	1	20	649	3.1%	11.5%	\$4,009
3 ANGOON	53	25	17	11	106	705	15.0%	35.1%	\$26,739
36 ANIAK	65	35	18	15	133	529	25.1%	9.7%	\$32,667
36 ANVIK	12	11	4	4	31	104	29.8%	13.6%	\$6,939
36 ARCTIC VILLAGE	23	19	8	3	53	96	55.2%	12.5%	\$15,420
40 ATKA	5	3	4	1	13	87	14.9%	25.7%	\$4,759
37 ATQASUK	3	0	1	2	6	217	2.8%	29.7%	\$2,255
39 ATMAUTLUAK	79	46	17	9	151	267	56.6%	25.3%	\$37,897
37 BARROW	62	25	34	61	182	3,702	4.9%	11.5%	\$46,953
36 BEAVER	17	6	5	5	33	103	32.0%	22.6%	\$8,803
39 BETHEL	287	195	118	52	652	4,868	13.4%	9.0%	\$182,595
36 BETTLES (& EVANSVILLE)	0	0	1	0	1	66	1.5%		\$631
28 BIRCH CREEK	10	1	1	5	17	42	40.5%		\$4,692
37 BREVIG MISSION	46	41	15	10	112	234	47.9%	35.3%	\$19,443
37 BUCKLAND	43	91	9	17	160	340	47.1%	12.2%	\$17,886
28 CANTWELL	0	3	2	0	5	147	3.4%	34.5%	\$1,263
36 CHALKYITSIK	25	21	4	3	53	90	58.9%	31.3%	\$9,339
39 CHEFORNAK	49	60	26	19	154	330	46.7%	6.2%	\$28,793

source of info: Dept of H&SS, Dept of C&RA, Div of Elections, Dept of Labor

**some communities, particularly on the road system, serve as area hubs (catchment areas); % community participation may appear larger as a result of clients from out of town
Communities in italics are listed under borough totals

ALASKA PUBLIC ASSISTANCE PARTICIPATION

3/11/93

DIST TOWN	Persons Receiving AFDC & Food Stamps	Persons Receiving Food Stamps Only	Persons Receiving Adult Public Assistance	Persons Receiving Medicaid Only	TOTAL Persons receiving assistance	TOTAL Community Population	Percent of Total Pop receiving assistance	Unemployment Rate 1990 Census	EST. TOTAL FY 94 CUTS TO AFDC/APA FROM FULL FORMULA (HB 67 & SB 101)
35 CHENEGA	0	4		5	9	94	9.6%	14.3%	\$0
38 CHEVAK	124	165	26	68	387	619	62.5%	17.8%	\$59,631
35 CHICKALOON	17	7	0	0	24	145	16.6%	26.7%	\$5,745
36 CHICKEN	0	0	1	0	1				\$631
40 CHIGNIK	9	0	3	2	14	177	7.9%	4.2%	\$5,570
40 CHIGNIK LAKE	14	9	2	4	29	133	21.8%	15.2%	\$6,716
CHINIAK	1	4	0	0	5	69	7.2%	5.1%	\$258
36 CHISTOCHINA	0	2	2		4	60	6.7%	52.0%	\$1,263
36 CHITNA	9	5	4		18	49	36.7%	33.3%	\$5,838
36 CHUATHBALUK	14	22	4	7	47	129	36.4%	8.6%	\$6,914
36 CIRCLE	42	12	4	5	63	73	86.3%	36.7%	\$18,461
39 CLARK'S POINT	0	3	0	2	5	58	8.6%	18.5%	\$0
34 CLEAR	4	2	0	0	6				\$329
5 COFFMAN COVE	4	1	0	1	6	198	3.0%	14.7%	\$472
35 COPPER CENTER	95	39	28	7	169	449	37.6%	26.6%	\$57,154
35 CORDOVA	65	24	31	25	145	2,504	5.8%	3.1%	\$43,819
5 CRAIG	89	32	10	22	153	1,637	9.3%	8.4%	\$39,600
36 CROOKED CREEK	36	18	8	7	69	106	65.1%	27.3%	\$16,730
37 DEERING	22	39	2	5	68	158	43.0%		\$6,198
35 DELTA JUNCTION	155	59	44	46	304	736	41.3%	8.6%	\$83,869
39 DILLINGHAM	73	41	32	32	178	2,110	8.4%	6.7%	\$49,918
37 DIOMEDE	20	12	1	16	49	180	27.2%		\$5,366
35 DOT LAKE	8	6	8	1	23	70	32.9%	13.6%	\$10,237
24 EAGLE	6	11	7	6	30	161	18.6%	32.5%	\$6,260
5 EDNA BAY	1	0	0	1	2	86	2.3%	25.0%	\$1,763
39 EEK	46	57	20	11	134	284	47.2%	23.9%	\$24,141
40 EGECK	0	0	2		2	122	1.6%	24.3%	\$1,263
40 EKWOK	22	23	8	6	59	78	75.6%	23.5%	\$12,475
5 ELFIN COVE	0	0	1	0	1	57	1.8%		\$631
38 ELIM	34	33	11	7	85	267	31.8%	30.0%	\$20,292
38 EMMONAK	134	121	37	52	344	692	49.7%	34.6%	\$64,963
29..34 FAIRBANKS NORTH STAR BOROUGH	3563	1465	894	889	6811	79,730	8.5%	10.2%	\$1,971,614
34 EILESON AFB	7	38	1	6	52	5,251	1.0%	13.0%	\$3,346
29..31 FAIRBANKS	2867	972	794	680	5313	32,156	16.5%	11.6%	\$1,641,080

source of info: Dept of H&SS, Dept of C&RA, Div of Elections, Dept of Labor

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3/11/93

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29	ESTER	2	3	1	2	8	147	5.4%	11.5%	\$1,752
33	FOX	2	2	2	0	6	275	2.2%	18.0%	\$2,383
32	FT WAINWRIGHT	18	203	5	8	234	7,860	3.0%		\$9,328
33..34	NORTH POLE (area)**	615	229	77	175	1096	1,671	65.6%	10.2%	\$289,420
34	SALCHA	41	17	13	15	86	354	24.3%	14.5%	\$23,673
33	TWO RIVERS	11	1	1	3	16	453	3.5%	10.5%	\$4,556
40	FALSE PASS	0	0	1	1	2	84	2.4%		\$631
35	FORT GREELY	3	34	0	1	38	1,147	3.3%	14.4%	\$1,579
36	FORT YUKON	100	75	37	21	233	718	32.5%	27.4%	\$59,966
38	FORTUNA LEDGE	44	41	13	17	115				\$23,284
35	GAKONA (AREA)**	20	11	10		41				\$13,877
36	GALENA	16	10	5	8	39	829	4.7%	9.2%	\$8,561
38	GAMBELL	35	71	33	7	146	546	26.7%	16.8%	\$35,790
35	GLENNALLEN	32	24	13	16	85	451	18.8%	4.4%	\$16,267
38	GOLOVIN	20	4	6	3	33	146	22.6%	15.3%	\$9,235
39	GOODNEWS BAY	38	30	21	23	112	236	47.5%	3.1%	\$22,686
36	GRAYLING	29	34	10	17	90	203	44.3%	29.6%	\$18,297
36	GULKANA	1	6	2	1	10	103	9.7%	27.3%	\$1,356
5	GUSTAVUS	4	0	0	4	8	258	3.1%	4.6%	\$1,415
5	HAINES BOROUGH	110	73	39	31	253	2,212	11.4%	7.8%	\$68,242
34	HEALY	5	17	4	7	33	487	6.8%	3.9%	\$4,052
5	HOLLIS	0	0	1	1	2	111	1.8%	8.3%	\$631
36	HOLY CROSS	43	42	10	10	110	273	40.3%	38.6%	\$22,327
5	HOONAH	72	34	18	10	134	793	16.9%	14.9%	\$34,882
38	HOOPER BAY	306	176	39	39	560	890	62.9%	41.7%	\$129,542
36	HUGHES	6	13	5	3	27	66	40.9%	15.4%	\$4,319
36	HUSLIA	18	33	10	5	66	224	29.5%	38.5%	\$15,534
5	HYDABURG	54	19	17	14	104	405	25.7%	21.8%	\$21,536
1	HYDER	12	6	2	0	20	99	20.2%	22.7%	\$4,193
36	IGUGIG	0	0	1	1	2	33	6.1%		\$631
36	ILLIAMNA	4	22	8	7	41	94	43.6%		\$7,183
40	IVANOFF BAY	0	3	0		3	35	8.6%		\$0
3..4	JUNEAU	1139	395	343	405	2282	29,251	7.8%	4.8%	\$628,853
5	KAKE	41	47	16	14	118	725	16.3%	10.9%	\$29,426

source of info: Dept of H&SS, Dept of C&RA, Div of Elections, Dept of Labor

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37	KAKTOVIK		0	2	1	3	224	1.3%	30.7%	\$1,263
36	KALSKAG (LOWER)	82	48	22	11	163	299	54.5%		\$45,980
36	KALSKAG (UPPER)	15	30	11	8	54	173	37.0%		\$15,568
37	KALTAG	25	53	12	23	113	257	44.0%	24.1%	\$16,687
6	KARLUK	14	0	3	3	20	71	28.2%	9.1%	\$4,431
5	KASAAN	1	0	0	0	1	52	1.9%	64.5%	\$932
39	KASIGLUK	138	106	25	25	294	459	64.1%	34.8%	\$52,546
	KENAI BOROUGH	2,858	1,162	683	937	5,640	42,242	13.4%	10.3%	\$1,044,596
9	HOPE	15	3	2	4	24	161	14.9%	38.4%	\$5,710
7..9	KENAI	610	244	139	201	1194	6,535	18.3%	12.1%	\$338,328
7	ANCHOR POINT	134	51	30	34	249	866	28.8%	17.5%	\$64,186
7	CLAM GULCH	14	10	5	4	33	79	41.8%		\$8,206
8	COOPER LANDING	5	2	1	1	9	243	3.7%		\$2,963
6	ENGLISH BAY	7	4	2	6	19				\$3,053
7	HOMER	269	127	97	133	626	3,937	15.9%	7.9%	\$159,842
7	KASILOF	119	30	13	22	184	383	48.0%	18.4%	\$43,132
8	MOOSE PASS	0	1	3	3	7	81	8.6%	25.8%	\$1,894
9	NIKISKI	231	46	18	44	339	2,743	12.4%	14.5%	\$94,287
9	NIKISHKA	0	0	0	0	0				\$0
7	NIMLCHIK	27	9	7	5	48	456	10.5%	24.0%	\$10,941
6	PORT GRAHAM	6	1	4	4	15	166	9.0%	38.8%	\$5,001
7	SELDOVIA	15	9	7	5	36	302	11.9%	11.8%	\$9,396
6	SEWARD	180	70	45	57	352	2,806	12.5%	9.2%	\$89,390
7	SOLDOTNA	569	208	108	197	1082	3,652	29.6%	8.7%	\$292,602
36	TYONEK	20	18	5	1	44	154	28.6%	37.7%	\$8,360
5	WHALE PASS	6	6	0	0	12	75	16.0%	35.7%	\$2,415
35	WHITTIER	15	8	4	1	28	279	10.0%	8.0%	\$7,418
	KETCHIKAN BOROUGH	616	315	193	215	1,339	14,110	9.5%	7.2%	\$374,477
1	KETCHIKAN	568	309	188	214	1279	8,478	15.1%	8.6%	\$358,481
1	SAXMAN	39	5	3	0	47	379	12.4%	25.5%	\$11,042
1	WARD COVE	9	1	2	1	13				\$4,955
37	KIANA	74	74	16	19	183	401	45.6%	27.4%	\$30,190
40	KING COVE	21	10	1	10	42	871	4.8%	1.8%	\$9,069
40	KING SALMON	3	0	0	0	3	696	0.4%		\$1,329

source of info: Dept of H&SS, Dept of C&RA, Div of Elections, Dept of Labor

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ALASKA PUBLIC ASSISTANCE PARTICIPATION

3/11/93

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39	KIPNUK	103	120	24	30	277	470	58.9%	5.8%	\$47,058
37	KIVALINA	35	76	16	13	140	327	42.8%	55.6%	\$23,494
5	KLAWOCK	51	29	9	11	100	758	13.2%	17.3%	\$20,952
5	KLUKWAN	0	0	0	1	1	129	0.8%	60.4%	\$0
37	KOBUK	19	11	1	2	33	110	30.0%	35.0%	\$4,702
6	KODIAK ISLAND BOROUGH	403	303	132	192	1,030	15,535	6.6%	5.3%	\$245,720
6	KODIAK	317	214	102	158	791	7,229	10.9%	4.4%	\$203,729
6	AKHIOK	9	13	3	3	28	81	34.6%	18.8%	\$3,996
6	LARSEN BAY	21	14	3	7	45	149	30.2%	40.0%	\$5,025
6	OLD HARBOR	36	15	7	6	64	298	21.5%	39.1%	\$13,831
6	PORT LIONS	7	30	6	10	53	238	22.3%	14.1%	\$8,380
6	OUZINKIE	13	17	11	8	49	216	22.7%	18.9%	\$10,760
36	KOKHANOK	31	13	5	7	56	152	36.8%	7.7%	\$12,409
40	KOLIGANEK	17	34	7	8	66	181	36.5%	11.0%	\$9,322
39	KONGIGANAK	57	62	12	17	148	294	50.3%	16.3%	\$27,105
38	KOTLIK	126	89	17	42	274	503	54.5%	36.6%	\$44,656
37	KOTZEBUE	176	159	55	57	447	3,075	14.5%	13.1%	\$95,298
38	KOYUK	70	37	17	11	135	277	48.7%	37.3%	\$31,012
36	KOYUKUK	7	1	7	9	24	127	18.9%	27.0%	\$6,894
39	KWETHLUK	111	125	54	34	324	559	58.0%	11.8%	\$71,015
39	KWIGILLINGOK	35	42	23	14	114	278	41.0%	9.2%	\$22,921
40	LEVELOCK	10	8	7	6	31	105	29.5%	20.9%	\$7,338
36	LIME VILLAGE	6	3	6	1	16	42	38.1%	13.6%	\$6,442
36	LIVENGOOD	3	1	2	0	6				\$2,520
36	MANLEY HOT SPRINGS	19	6	3	3	31	96	32.3%	12.5%	\$6,734
39	MANOKOTAK	71	50	8	20	149	404	36.9%	16.1%	\$25,133
	MAT-SU BOROUGH	3,910	1,247	507	535	6,199	41,797	14.8%	11.6%	\$1,767,916
28	BIG LAKE	288	85	18	20	411	1,477	27.8%	12.9%	\$108,923
28	HOUSTON	101	34	11	7	152	815	18.7%	15.4%	\$49,133
26..28	PALMER	1022	342	179	194	1737	3,039	57.2%	16.7%	\$495,544
28	SKWENTNA	37	13	0	3	53	85	62.4%		\$11,995
35	SUTTON	60	16	10	7	93	308	30.2%	17.2%	\$27,989
28	TALKEETNA	81	28	11	10	130	250	52.0%	10.1%	\$40,416
28	TRAPPERS CREEK	38	29	3	4	74	296	25.0%	30.3%	\$16,985

source of info. Dept of H&SS, Dept of C&RA, Div of Elections, Dept of Labor

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3/11/93

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27..28	WASILLA (area)**	2145	636	263	281	3325	4,124	80.6%	11.1%	\$960,026
28	WILLOW (area)**	138	64	12	10	224	285	78.6%		\$56,905
36	MCGRATH	20	3	6	10	39	531	7.3%	9.9%	\$9,737
38	MEKORYUK	24	40	17	6	87	206	42.2%	16.7%	\$19,371
36	MENTASTA LAKE	29	6	2	3	40	96	41.7%	18.8%	\$10,085
5	METLAKATLA	193	41	21	34	289	1,564	18.5%	20.6%	\$83,221
2	MEYERSCHUCK	0	5	0	1	6	37	16.2%		\$0
36	MINTO	42	36	26	6	110	218	50.5%	60.3%	\$35,921
38	MT VILLAGE	167	105	31	38	341	727	46.9%	36.7%	\$76,652
40	NAKNEK	11	0	2	5	18	575	3.1%	3.9%	\$5,106
39	NAPAKIAK	69	44	28	14	155	323	48.0%	33.3%	\$40,047
39	NAPASKIAK	53	73	21	21	168	362	46.4%	22.7%	\$29,162
3..	NENANA	77	40	21	18	156	504	31.0%	17.5%	\$42,054
40	NEW STUYAHOK	83	23	16	8	130	396	32.8%	17.7%	\$44,464
36	NEWHALEN	6	0	0	0	6	161	3.7%	5.5%	\$1,619
38	NEWTOK	55	84	9	20	168	213	78.9%	25.9%	\$23,927
38	NIGHTMUTE	38	16	10	4	68	178	38.2%	26.9%	\$17,199
36	NIKOLAI	11	10	6	6	33	107	30.8%	35.5%	\$9,041
40	NIKOLSKI	4	0	5	1	10	35	28.6%		\$4,631
37	NOATAK	36	42	13	5	96	333	28.8%	45.1%	\$17,070
38	NOME	124	130	78	32	364	4,559	8.0%	11.0%	\$109,130
36	NONDALTON	72	13	14	3	102	212	48.1%	42.6%	\$33,887
37	NOORVIK	95	105	14	20	234	520	45.0%	17.5%	\$37,611
36	NORTHWAY	48	25	20	10	103	324	31.8%	26.0%	\$32,592
37	NUQSUT	8	0	1	6	15	391	3.8%	33.1%	\$4,166
36	NULATO	31	57	16	26	130	364	35.7%	25.7%	\$23,044
39	NUNAPITCHUK	88	88	21	20	217	475	45.7%	12.3%	\$39,054
39	OSCARVILLE	0	3	3	0	6	57	10.5%		\$1,894
40	PEDRO BAY	9	4	0	3	16	42	38.1%		\$674
5	PELICAN	7	0	0	0	7	265	2.6%	3.4%	\$3,392
40	PERRYVILLE	11	2	1	1	15	108	13.9%	13.6%	\$5,437
2	PETERSBURG	106	34	18	50	208	3,680	5.7%	4.2%	\$49,968
40	PILOT POINT	5	5	2	4	16	97	16.5%		\$5,177
38	PILOT STATION	93	137	25	51	306	470	65.1%	35.1%	\$50,356

source of info: Dept of H&SS, Dept of C&RA, Div of Elections, Dept of Labor

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38	PITKA'S POINT	14	8	6	3	31	135	23.0%	5.1%	\$9,632
39	PLATINUM	0	2	2	3	7	54	13.0%	8.0%	\$1,263
5	POINT BAKER	2	5	6	2	15	39	38.5%		\$5,714
37	POINT HOPE	12	6	14	4	36	680	5.3%	23.4%	\$15,356
37	POINT LAY	0	0	2	3	5	139	3.6%	11.5%	\$1,263
5	PORT ALEXANDER	7	3	1	2	13	119	10.9%	11.5%	\$2,277
40	PORT HEIDEN	10	7	4	3	24	126	19.0%	22.0%	\$6,037
5	PORT PROTECTION	0	2	0	0	2	62	3.2%	75.0%	\$0
39	QUINHAGAK	96	46	37	20	199	501	39.7%	5.9%	\$54,313
36	RAMPART	0	17	2	8	27	68	39.7%	79.8%	\$1,263
36	RED DEVIL	5	4	1	1	11	53	20.8%	14.3%	\$2,371
36	RUBY	33	25	3	10	74	207	35.7%	12.8%	\$16,278
38	RUSSIAN MISSION	76	41	20	18	155	266	58.3%	21.0%	\$32,554
40	SAND POINT	4	3	2	8	17	1,073	1.6%	2.9%	\$5,199
38	SAVOONGA	52	141	22	21	236	545	43.3%	14.7%	\$37,802
38	SCAMMON BAY	105	54	17	14	190	360	52.8%	18.4%	\$49,745
37	SELAWIK	152	116	29	29	326	597	54.6%	31.3%	\$62,933
36	SHAGELUK	46	23	8	12	89	144	61.8%	22.9%	\$17,713
38	SHAKTOOLIK	4	10	9	2	25	212	11.8%	31.9%	\$8,450
38	SHELDON POINT	29	22	3	14	68	103	66.0%	13.0%	\$11,368
37	SHISHMAREF	42	107	23	29	199	466	42.7%	18.0%	\$28,501
37	SHUNGNAK	38	25	8	14	85	224	37.9%	14.0%	\$19,539
2	SITKA	265	112	57	86	560	8,815	6.4%	6.7%	\$173,405
5	SKAGWAY	9	0	3	11	23	735	3.1%	10.6%	\$4,182
35	SLANA	30	22	7	0	59	63	93.7%	44.4%	\$15,270
36	SLEETMUTE	30	27	8	5	70	106	66.0%	12.9%	\$20,715
40	SOUTH NAKNEK	3	3	0	1	7	136	5.1%	27.5%	\$1,329
38	ST MARYS	60	52	21	28	161	477	33.8%	19.2%	\$33,754
38	ST MICHAEL	81	49	12	16	158	324	48.8%	22.9%	\$27,391
40	ST PAUL ISLAND	23	8	7	3	41	771	5.3%	10.8%	\$12,736
38	STEBBINS	109	06	23	25	263	442	59.5%	39.2%	\$43,395
8	STERLING	122	25	15	18	180	3,802	4.7%	7.4%	\$50,820
36	STEVENS VILLAGE	5	9	8	5	27	102	26.5%	43.3%	\$6,708
36	STONY RIVER	2	10	2	2	16	51	31.4%	26.7%	\$2,445

source of info: Dept of H&SS, Dept of C&RA, Div of Elections, Dept of Labor

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40	ST. GEORGE	3	0	1	2	6	287	2.1%	14.9%	\$2,062
36	TAKOTNA	0	4	2	5	11	38	28.9%		\$1,263
36	TANACROSS	17	1	11	1	30	106	28.3%	35.4%	\$12,550
36	TANANA	22	38	20	17	97	407	23.8%	21.8%	\$20,165
35	TATITLEK	8	7	1	3	19	119	16.0%		\$4,581
37	TELLER	18	27	17	4	66	254	26.0%	3.3%	\$16,132
5	TENAKEE	1	3	4	1	9	106	8.5%	20.0%	\$2,991
36	TEFLIN	28	26	16	5	75	87	86.2%	25.0%	\$18,511
5	THORNE BAY	35	19	6	4	64	637	10.0%	18.6%	\$15,948
39	TOGIAK	107	33	42	28	210	738	28.5%	23.1%	\$58,810
35	TOK	97	50	5	13	170	935	18.2%	20.3%	\$35,961
38	TOOKSOOK BAY	60	90	20	37	207	449	46.1%	25.5%	\$35,378
36	TULUKSAK	91	81	22	22	216	333	64.9%	2.5%	\$45,573
39	TUNTUTULIAK	104	54	20	15	193	300	64.3%	6.4%	\$46,971
38	TUNUNAK	81	41	21	21	164	371	44.2%	14.0%	\$37,269
39	TWIN HILLS	2	0	4	0	6	66	9.1%	25.0%	\$3,711
38	UNALAKLEET	47	41	17	10	115	732	15.7%	19.2%	\$26,833
40	UNALASKA	6	4	10	2	22	3,825	0.6%	1.0%	\$10,229
35	VALDEZ	99	39	23	77	238	4,360	5.5%	8.0%	\$58,782
36	VENETIE	59	38	22	11	130	182	71.4%	37.5%	\$34,347
37	WAINWRIGHT	5	28	17	3	53	536	9.9%	10.2%	\$15,276
37	WALES	3	25	8	7	43	147	29.3%	19.3%	\$6,704
38	WHITE MOUNTAIN	15	15	9	7	46	182	25.3%	36.4%	\$11,758
36	WISEMAN	1	1	0	3	5	33	15.2%		\$711
2	WRANGELL	105	48	48	45	246	2,539	9.7%	9.0%	\$78,969
5	YAKUTAT	21	0	17	10	48	729	6.6%	11.8%	\$19,180

source of info: Dept of H&SS, Dept of C&RA, Div of Elections, Dept of Labor

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Meg Gaydosik
State Public Policy Chair
AAUW - Alaska
1024Fifth Avenue
Fairbanks, AK 99701

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I am submitting this testimony against the proposed cuts to public assistance on behalf of the statewide membership of the American Association of University Women. The AAUW is a non-partisan organization with membership available to anyone who has earned a college degree. The AAUW supports public budgets that give priority to human needs, particularly those that affect women and children.

According to the January edition of "Alaska Economic Trends" published by the State Department of Labor, there are a lot of misconceptions about Public Assistance. The facts and statistics in this report substantiate the premise that much Public Assistance money does what it is intended to do: provide a safety net to allow people to get back on their feet. According to the report, for the years 1984 to 1991 67% of AFDC recipients received public assistance for less than two years. This report also states that Alaska's AFDC population is relatively small compared to other states.

The Community Research Center of the Fairbanks North Star Borough has also just released a study on poverty in the borough that was based on census data. This report states that of all households in the borough headed by a female with children under 5, 41% of these families live below the poverty line. This statistic is astounding. Everyone gives lip service to the idea that "children are our future" but we do not provide basic funding to provide them enough money to survive, much less thrive.

We have a variety of other government welfare programs in this state that no one really considers cutting. These range from the Permanent Fund dividends to Longevity bonuses to state backed mortgage loan guarantees. We pay no income taxes and very limited user fees for other state programs. Yet, we are asking the poorest people, those whose public assistance only guarantees that they will be able to live BELOW the poverty line, to bear a major responsibility in balancing our budget. It is time we took a lesson from our native elders and decide that it is a community responsibility to provide for the children, disabled, and poor. It is also time that we hold the administration accountable for budget decisions that directly impact public assistance funds. According to an article in the 2/12/93 edition of the Fairbanks Daily News-Miner, Health and Human Services Commissioner Pala transferred over \$90,000 from program budgets into his administrative budget for travel and public relations. This type of spending is offensive.

Thank you for this opportunity to testify. If you have not already received a copy of the January "Alaska Economic Trends" report, please request one from the Department of Labor. I strongly urge you to read this before making any decisions regarding public assistance budgets.

State health chief diverts funds to his office

The Associated Press

JUNEAU—Alaska's commissioner of the Department of Health and Social Services has diverted money from programs that provide welfare and medical benefits to cover budget overruns in his office.

Ted Mala said the money is needed for travel, reports, public relations and other operations that support the department's programs.

"You're looking at one of the biggest departments in state government with over 2,000 employees," he said. "You have to have some kind of a management structure to make it all work."

Sen. Jim Duncan, D-Juneau and minority leader, said the Legislature should take a dim view of such budget transfers.

"I think it's a real concern, transferring money from programs that go to assist needy individuals—public assistance and medical programs—into administration. I think it's uncalled for."

Duncan is a member of the Senate Health, Education and Social Services Committee, which oversees the department's operations.

The state budget signed last summer by Gov. Walter J. Hickel included \$796,100 for Mala's office for the fiscal year ending June 30.

Last fall, however, it became clear spending would exceed that level, said Janet Clarke, department administrative director.

Mala issued a memo to his division directors in December, telling them \$93,900 would be transferred from their budgets to his.

Mala took \$22,700 from the Public Assistance Division, which oversees food stamps and other welfare programs, and the same amount from the Public Health Division, which oversees emergency medical services and disease prevention.

He also took \$19,800 from the Family and Youth Services Division, \$16,500 from the Mental Health and Developmental Disabilities Division, and lesser amounts from other divisions.

Mala and Clarke said part of the money is being spent on the office's public affairs staff, which puts out news releases and issues reports.

Mala also said his office has spent extra money putting top officials on the road to visit villages

and attend town meetings, often at the request of communities.

Hickel's proposed budget for the next fiscal year includes \$863,400 for the commissioner's office, Clarke said. That's an 8 percent increase over the current year, but it's \$26,600 less than the total of the \$796,100 allocated for this year plus

the \$93,900 diversion.

The chairmen of the legislative subcommittees that review the department's budget said they will take a close look at it.

"We generally want the service delivery, not the administration," said Rep. Mark Hanley, R-Anchorage.



Alaska State Legislature

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Please enter into the record my testimony to the SHESS
committee name

committee on S.B. 101, dated 3-10-93
bill/subject

Signed: DEVRA DYNES
Testifier

Representing (Optional)
916 23rd Ave.

Address
Folsom, AK 99701

Phone No.

I am a mother of 4 teenagers and have been on AFDC benefits for about 2 years. I've completed by college degree and am currently working part time, hoping to get full time soon.

My benefits have been 1160 a month and we get approx. 200 a month in food stamps. My oldest sons income from his after school job count against the food stamps resulting in the lower amount. Obviously a good portion of our benefits go towards groceries each month - especially with 3 teen boys which consume massive amounts of food.

I stick to a very strict budget and we still barely get by. My monthly expenses are nothing but necessities. Housing payments, utilities, and heat come to about 650.00 each month. I've got our food bill down to about 350.00 for the 5 of us. I shop at a bulk food warehouse and cook everything from scratch to stretch the dollars. Even still, we have to rotate months on buying things like toilet paper, laundry soap, shampoo, etc. Paper towels are an extravagance in this household. The little non-food items such as soap and toothpaste really add up in a family of 5.

I have an 8 year old car which requires maintenance and occassional repairs which sometimes can't be made for months. There is always the monthly cost of gas, oil, and insurance. Just registration and emissions test is \$70 - \$10 more than my spending money.

There are also needed medical and dental work which isn't covered by medicaid that must be paid. Presently one of my sons needs oral surgery and braces to save his 4 top front teeth but at the present time this just isn't possible because of the \$4-5,000 price tag, none of which medicaid covers because it is considered cosmetic.

I realize that benefits are designed to minimally keep a parent afloat temporarily but things that aren't considered are kids birthday presents, the outfit required for a choir concert, shoes for basketball and wrestling - particularly when they can go through 3 sizes in a school year, school pictures, etc. This fall the required school supplies for 2 kids entering high school came to a little over \$200. This was a major expense to meet as there is usually about \$60. left over after I pay our bills each month. There have been many good, healthy activities my kids would have loved to participate in but there just wasn't the money to cover them.

If it wasn't for the dividends each year they also wouldn't have warm winter gear, school clothes or Christmas presents. Dividends help cover many of these expenses but they have to be spent in 3 months - after that any unexpected things like the furnace breaking down or car repairs have to come from the AFDC.

I am luckier than many women as I had already purchased a small home. If I had to rent a 4 bedroom apartment my expenses would be even greater than they are now.

Another concern is the proposed Federal BTU tax - this will have a major impact on low income families. Our climate demands high energy consumption resulting in a greater proportion of tax in Alaska. The expected annual cost of this tax is more than my energy assistance grant was for this year.

The cost of the bare necessities continually is rising while you propose cuts. The end result will be less money to spend on the kids, narrowing their options and opportunities even more. Many of these things aren't merely for fun.

If funding is this tight, I would suggest beefing up the Child Support Enforcement Agency. They have had my childrens fathers name, address, phone number and social security number for two years now. As of January, he had not paid one penny. I called the Governors Office to inquire why he wasn't being pursued to make payments. I was told it shouldn't make any difference to me as I was receiving AFDC therefore it was no concern of mine. Rather than make cuts to single parent families, how about getting the money from the irresponsible parent.



Alaska State Legislature

RECEIVED MAR 12 1993

Please enter into the record my testimony to the SHSS
committee name

committee on SB 101, dated March 10, 1993
bill/subject

Cuts in Public Assistance benefits received by individuals experiencing a disability further reduces their ability to be independent in the community and places a further burden on the need for holding a competitive job in the work force. Certain disabling conditions prevent further development of skills that are marketable in the competitive work force. This bill would most definitely be a discouragement from working rather than an encouragement for work done.

Signed: Jan Boyd Case manager
Testifier

FRA 805 Airport CSICS AK 99701
Representing (Optional)

Address

Phone No.



Alaska State Legislature

RECEIVED MAR 12 1993

Please enter into the record my testimony to the SHSS
committee name

committee on SB 101, dated March 10, 1993
bill/subject

I oppose the bill, no changes (keep money where it is at. - clothing, transportation and rent would be harder to pay for - so would groceries. Could not depend on offered current services if cuts made.

Signed: Brian Kotangem (printed by Jan Boyd as Brian told me)
Testifier

Fairbanks Resource Agency
Representing (Optional)

825 Airport Way
Address

FBIK, AK 99701
Phone No.



Alaska State Legislature

RECEIVED MAR 12 1993

Please enter into the record my testimony to the _____

SHASS

committee name

committee on _____

S/B 101

, dated _____

March 10, 1993

bill/subject

The passage of House Bill 67 would in effect lower an individual's monthly income by \$73.00. I find it hard to imagine that this proposal is being considered as an option to each one of you on the committee, losing \$73.00 out of your monthly income would not impact you or your family's quality of living. You would simply go out to dinner on one less occasion during the month.

For the clients that I provide advocacy and case management services to this \$73.00 loss translated into a decrease in quality of living, poorer nutrition, decreased medical services, and will in the long run impede an individual's efforts at becoming independent. Vote your conscience, and find the 5.1 million somewhere else.

Signed: _____

Rene Hestington - Case Manager

Testifier

Sailor's Resource Agency

Representing (Optional)

805 Airport Road

Address

456-8901

Phone No.



Alaska State Legislature

RECEIVED MAR 12 1993

Please enter into the record my testimony to the SHESS
committee name

committee on SB 101, dated 10 March 93
bill/subject

I oppose the bill. I don't agree with what you say about cutting my money - Public Assistance. I want my money to stay where it is. Because I don't want to suffer if it gets lesser and lesser. If this becomes a law, I don't know what I would do without my money. Because if my rent goes up, I don't know what to do. And I don't want to have less food and transportation.

Signed, Jody Ajimuk

Signed: Jody Ajimuk (As told to writer, Eric Gurley)
Testifier

Fairbanks Resource Agency
Representing (Optional)

805 Airport Way, Fbks AK 99701-6039
Address

(907) 456-8901
Phone No.



Alaska State Legislature

RECEIVED MAR 12 1993

Please enter into the record my testimony to the SHASS
committee name

committee on SB101, dated 10 March 93
bill/subject

I feel that this bill would rob the Alaskan of necessary assistance that they require. If Adult Public Assistance is changed there are many individuals that would suffer for this. As a Case Manager, for individuals that experience developmental disabilities, I know that they depend upon every penny of their assistance monies. It is these benefits/assistance monies that provide them with opportunities to maintain as independent a lifestyle as the community allows its citizens. With the reduction of benefits and the taking away of the longevity bonus the disabled and elderly are the ones affected, and they are also those that are,

Signed: Eric Gurley, Case Manager
Testifier

Fairbanks Resource Agency
Representing (Optional)

805 Airport Way, Fbks AK 99701-6039
Address

(907) 456-8901
Phone No.

(over cont.)

and may be unable to properly care for themselves,
and utilize any benefits they receive to pay for the
care they may desperately need. Please reevaluate the
human need versus the figure in dollars that may
be placed and utilized ineffectually. Currently, we know
that the monies received are benefiting the individuals
receiving them.

Sincerely,

Barney

①

TO: H. E. S. Committee RECEIVED MAR 12 1993

FROM: MACY COX CANNEY

AFCU Recipient Alaska Child Programs

Client: Pres. of Resident Council at

Spencer Park Lido Ancon (AFCU) Housing

Testimony in SB 101

As I listen to the explanation of the bill I am struck by some of the numbers. This is something that you understand better than I do but I do see that cost is ^{12.6 million} ~~12.6~~ ^{million} ~~12.6~~ of which is Federal money. This is money that is re-invested! In our state - mainly through rent payments and food - our communities are invested in by this money. It is not just lost.

What I do understand is what it means personally. It is seen as an incentive to reduce welfare rolls and it will not achieve this purpose. It will reduce the quality of our life more than it already has - we have nothing extra to take, we already live in poverty and our children are already fat sick from this poverty. It is counterproductive to keep saying that

the roles of welfare will increase so let's
 give each person less money. This is
 the wrong approach - I think a
 more supportive approach needs to be
 taken. It takes support to get off
 welfare - the TBSP program Day
 Care assistance, transportation,
 the affordable housing and whatever
~~that~~ other programs that
 would be helpful. I personally
 volunteered for the TBSP program and it
 took over a year to get into the program.
 It takes money to participate in these
 programs - people will not be able to
 participate and succeed - what we
 do not need is another failure

You have been entrusted with this job
 - please use your common sense and
 listen to the people who have testified
 - they are speaking as well for a group
 of people who have not gained or
 regained their voices. To cut
 COLA in Alaska is very thoughtless
 and actually cruel - as always it's
 the women & children who are hurt.

My phone is 452-4666 on FBKS. If you have any
 questions I do have a voice but I have to go ^{can't} _{be} _{there}



Alaska State Legislature

RECEIVED MAR 12 1993

Please enter into the record my testimony to the SHASS
committee name

committee on SB 101, dated March 10, 1993
bill/subject

The \$73.00 month that I would lose helps me pay for medications, food, rent, getting to work. I do not want this bill to pass. We already cannot even get married without having our benefits cut in half.

By losing these funds, our life style would end up much worse.

Signed: BILL D. Moreland IV *witnessed by Dave Dellington*
Testifier

FAIRBANKS / MYSELF AND SPOUSE
Representing (Optional)

805 AIRPORT ROAD
Address

479-9330 456 8901
Phone No.

4770 Mills Drive
Anchorage, Alaska 99508

RECEIVED MAR 15 1993

March 10, 1993

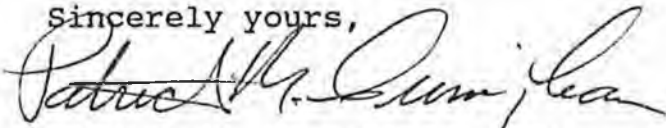
Senator Steve Reiger
Chairman, Senate HESS Committee
Room 516
State Capitol
Juneau, Alaska 99801-1182

Dear Senator Reiger:

I am thankful for the opportunity to testify before your Committee via teleconference from Anchorage, March 10, 1993, regarding SB101. As requested, I am enclosing a copy of my prepared testimony which I summarized during the two minutes allowed for verbal testimony. This is an insidious Bill and there exist many alternatives to reducing public assistance costs that will not add to the level of poverty experienced by recipients. It requires the reframing of public assistance being an income maintenance program to becoming an employment program resulting in the subsequent reduction of caseloads. Your Committee should have in front of it proactive Bills submitted by the Department of Public Assistance targeting moving recipients off of welfare rolls and on to payroll. Instead, you have a Bill proposing to chip away at the safety net provided Alaska's poor citizens.

I am a professor at the University of Alaska Anchorage and teach social welfare policy, among other courses. My dissertation was on welfare reform and I continue to study in this area. I would welcome the opportunity to be a resource to you and the Committee in any way you feel would be appropriate.

Sincerely yours,



Patrick M. Cunningham, DSW

337-8690 (Anchorage)

March 10, 1993 Senate HESS Teleconference: SB101

Mr. Chairman and distinguished members of the Senate HESS Committee:

My name is Dr. Patrick Cunningham and I am representing approximately 400 professional social workers who are members of the Alaska Chapter of the National Association of Social Workers. I served as a member of the Alaska Legislative Family Support Task Force regarding the implementation of the Family Support Act by the State and I have recently written a book, published this year, entitled Welfare Reform.

I am here to speak against the passage of Senate Bill 101. This Bill proposes to "save" the state approximately \$17.4 million in FY94 by reducing payments to public assistance recipients who are already living below the poverty level required for "decency and health". This effort is ill-conceived and pure folly on the part of the Hickel Administration and, in the long run, will result in more costs to the State. The dollar amount cited does not represent a total savings to the State but includes millions of matching Federal dollars that will not come into the State to assist Alaska's poor citizens.

The Department of Public Assistance is the antipoverty agency charged with responding to the needs of the poor and yet their major proposal submitted to you is to move poor citizens deeper into the ravages of poverty. For example, this bill will move the approximately 20,000 children receiving Aid to Families with Dependent Children (AFDC) from assistance meeting 77% of their basic needs to 70% of these needs. Also, by eliminating the Cost of Living Allowance (COLA), will result in even more misery. To experience poverty is to experience violence and this Act is a deliberate attempt to inflict more violence upon Alaska's poor. To claim that this Act will save money is inaccurate. Each percentage point increase of poverty is directly associated with increases in the major social problems that afflict this State such as physical and mental illness, family breakup, substance abuse, crime, violence and most importantly the loss of an adult and child's potential. To increase poverty is to increase costs to the State, not reduce those costs. When people are locked deep into poverty, it takes all of their energy to survive and many become casualties over and over again. With this scenario everyone loses.

A win-win scenario is to concentrate not on income maintenance programs and reducing costs but to develop employment programs fostering self-sufficiency through the provision of skills leading to above poverty level employment and thus a cost saving reduction of the caseload. There is a promising program in the State for AFDC families called JOBS (Job Opportunity and Basic Skills) but at present only 930 of 13,000 families on the AFDC caseload are receiving services from this employment program. This represents only 7% of the caseload. Also, the Department of Public Assistance could follow the lead of many states that are applying for waivers from Federal requirements to establish welfare to self-sufficiency programs that would maximize the opportunity to substantially reduce caseloads. This is the best way of reducing the costs of poverty. For example, approximately \$17.4 million would be saved by the State if the AFDC caseload would be reduced by 1,740 families. In addition to these savings would be 1,740 families enjoying a decent and healthy lifestyle. To date, the Department of Public Assistance

had not applied for a single waiver. Instead the major "antipoverty" plan of the Hickel Administration is to add to the misery of the poor by imposing cutbacks and eliminating COLA by advocating for passage of this Bill. I urge you to not only reject this proposal but to create legislation targeting the elimination of poverty in the State of Alaska.

Thank you for the opportunity of presenting this testimony

Patrick, M. Cunningham, DSW, ACSW
Board Member, Alaska Chapter, National Association of Social Workers
4770 Mills Drive
Anchorage, Alaska
337-8690



ALASKA STATE LEGISLATURE
SENATE

MEMORANDUM

TO: Senate HESS Committee members

FR: Sen. Johnny Ellis

RE: Amendments to SB 101

#1 shown as B:3 (top right corner of amendment)
Keeps governor's suspension of 1994 COLA for AFDC and APA.
Restores current payment levels for benefits (no ratable reduction)

failed

#2 shown as B:1
Eliminates governor's suspension of COLA's (restores COLA's)
Keeps governor's ratable reductions

failed

#3 shown as B:2
Eliminates governor's suspension of COLA's (restores COLA's)
Changes governor's ratable reduction levels to 1992 levels for AFDC and APA
(instead of 1991 for AFDC and 1990 for APA)

failed

#4 shown as B:8
Requires DHSS to notify recipients of assistance that they are being cut;
delays the effective date until 90 days after they have been mailed the notice.

failed

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR ELLIS

TO: SB 101

Page 1, line 13, after "plus":

Insert "\$105 for"

Page 1, line 14:

Delete "\$98 for"

Page 2, line 3:

Delete "\$792"

Insert "\$845"

Page 2, line 6:

Delete "\$98"

Insert "\$105"

Page 2, line 9:

Delete "\$497"

Insert "\$530"

Page 2, line 19:

Delete "(1)"

Page 2, line 20:

Delete ": or"

Page 2, line 21:

Delete

"(2) took effect on or before January 1, 1993"

Page 3, line 8:

Delete "(1)"

Page 3, lines 9 - 10:

Delete "; or (2) took effect in the calendar years that began on January 1, 1991, January 1, 1992, and January 1, 1993"

Page 3, lines 13 - 22:

Delete all material.

Renumber the following bill sections accordingly.

Page 4, line 4:

Delete "10"

Insert "9"

Page 4, line 8:

Delete "8"

Insert "7"

Page 4, line 9:

Delete "1 - 7"

Insert "1 - 6"

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR ELLIS

TO: SB 101

Page 2, lines 12 - 21:

Delete all material.

Renumber the following bill sections accordingly.

Page 2, line 26, through page 3, line 12:

Delete all material.

Renumber the following bill sections accordingly.

Page 3, line 22:

Delete "took"

Insert "take"

Delete " 1994"

Insert "1993"

Page 4, line 4:

Delete "10"

Insert "8"

Page 4, line 8:

Delete "8"

Insert "6"

Page 4, line 9:

Delete "1 - 7"

Insert "1 - 5"

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR ELLIS

TO: SB 101

Page 1, line 13, after "plus":

Insert "\$102 for"

Page 1, line 14:

Delete "\$98 for"

Page 2, line 3:

Delete "\$792"

Insert "\$821"

Page 2, line 6:

Delete "\$98"

Insert "\$102"

Page 2, line 9:

Delete "\$497"

Insert "\$514"

Page 2, lines 12 - 21:

Delete all material.

Renumber the following bill sections accordingly.

Page 2, line 26, through page 3, line 12:

Delete all material.

Renumber the following bill sections accordingly.

Page 3, line 17:

Delete "1990"

Insert "1992"

Page 3, line 20:

Delete "1990"

Insert "1992"

Page 3, line 22:

Delete "took"

Insert "take"

Delete "1994"

Insert "1993"

Page 4, line 4:

Delete "10"

Insert "8"

Page 4, line 8:

Delete "8"

Insert "6"

Page 4, line 9:

Delete "1 - 7"

Insert "1 - 5"

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR ELLIS

TO: SB 101

Page 3, line 16:

Delete "July 1, 1993"

Insert "the effective date of this bill section"

Page 3, line 17:

Delete "After June 30, 1993,"

Insert "On and after the effective date of this bill section"

Page 4, line 4:

Delete "10"

Insert "11"

Page 4, lines 8 - 9:

Delete all material.

Insert new bill sections to read:

*** Sec. 9. NOTIFICATION TO RECIPIENTS.** The Department of Health and Social Services shall notify each household that is receiving assistance under AS 47.25.310 - 47.25.420 or 47.25.430 - 47.25.615 for the month of June 1993 what the changes will be in the household's assistance that will be caused by implementation of secs. 1 - 7 of this Act.

*** Sec. 10.** Sections 8 - 9 of this Act take effect immediately under AS 01.10.070(c).

*** Sec. 11.** Sections 1 - 7 of this Act take effect 90 days after all households covered by sec. 9 of this Act have been mailed the notice required under sec. 9 of this Act. The commissioner of health and social services shall promptly notify the revisor of statutes of the day by which all required notices under sec. 9 of this Act were mailed."

SB

114

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. SB 114

Revision Date: _____
Title: Alaska Health Care Authority
Sponsor: Senators Duncan, Ellis, Donley
Requestor: _____

Department Affected: Commerce and Economic Development
BRU: Insurance
Component: Operations
COMPONENT SERIAL NO. 354

EXPENDITURES/REVENUES:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY 93) impact: 0

ANALYSIS: (Attach a separate page if necessary.)

No fiscal impact upon the Division of Insurance.

Prepared by: Joan Brown, Administrative Officer
Division: Insurance

Phone: 465-2597
Date: April 6, 1993

Approved by Commissioner: Paul Fuhs
Agency: Commerce and Economic Development

Date: 4/7/93

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SSSB 114: "An Act establishing health care authority relating to the delivery, quality, access and financing of health care; relating to the establishment of health care expenditure requirements; relating to approval of disability insurance rates; relating to the issuance of certificates of need; relating to health insurance for small employers; and providing for an effective date."

The department is neutral on this legislation.

One of the more challenging issues facing this country and Alaska is the ever-increasing number of small children and pregnant women unable to afford health care insurance. This bill would address small children or pregnant women who have been unable to purchase health care coverage.

Certain underlying conditions need to be met to satisfy public expectations of a health insurance plan. These include: guaranteed access to coverage; coverage for entire groups; renewability of coverage; continuity of coverage; limits on pricing to assure affordability; cost-containment features to control costs; and no cost shifting to other insured persons or to the state. This legislation establishes a corporation to provide funding for and coverage of small children and pregnant women.

Another issue facing this country and Alaska is the ever-increasing number of small employers unable to afford health care insurance. This bill would address small employers who have been unable to purchase health care.

The bill sets up a reinsurance pool for insurers writing small employers health insurance in the state. In order for the bill to be effective, certain provisions have to be met. The authority of the director should be for approval of members only. The pool and coverages they provide should be exempt from the mandatory coverages in Title 21. The pool shall be subject to the marketing and financial sections of Title 21. The pool should not be subject to a subsidy from the Legislature or exempt from taxation.

Health is not a term defined in Title 21; the appropriate term is disability. Additionally, 21.56.010 should clarify if hospital and medical services corporations and health maintenance organizations, as defined in 21.87 and 21.86, respectively, are included in membership. They are included on the board.

POSITION PAPER
SSSB 114
Page 2

The Department of Commerce and Economic Development does not have demographic and actuarial information that would enable it to attempt an evaluation of the cost of this legislation. The cost of the program could be astronomical to the state by its unknown factors in pricing and availability. It is neither possible to forecast how many persons and groups would avail themselves of an available subsidy nor what kind of experience would arise from such a group.

Paul E. Reed
Paul Fuhs, Commissioner

4/7/93
Date

Bill Analysis SSSB 114

"An Act establishing the Alaska Health Care Authority; relating to the delivery, quality, access, and financing of health care; requiring the establishment of health care expenditure limits; relating to approval of disability insurance rates; relating to the issuance of certificates of need; relating to health insurance for small employers; and providing for an effective date."

* **Section 1. PURPOSE.** (a) The purpose of secs. 4 - 6 and 8 - 12 of this Act are to

- (1) promote the availability of health insurance coverage to small employers regardless of their health status or claims experience;
- (2) prevent abusive rating practices;
- (3) require disclosure of rating practices to purchasers;
- (4) establish rules regarding renewability of coverage;
- (5) establish limitations on the use of preexisting condition exclusions;
- (6) provide for development of "basic" and "standard" health benefit plans to be offered to all small employers;
- (7) provide for establishment of a reinsurance program; and
- (8) improve the overall fairness and efficiency of the small group health insurance market.

(b) It is not the purpose of secs. 4 - 6 and 8 - 12 of this Act to shift the cost of providing health insurance to small employers, to other insured persons, or to the state.

(c) The purpose of secs. 2, 3, and 13 - 17 of this Act is to provide for the

- (1) development of statewide health care expenditure limits, and access and quality goals;
- (2) development of reimbursement schedules, utilization standards, and performance of other activities necessary to achieve expenditure limits developed under (1) of this section;
- (3) establishment of reimbursement schedules, utilization standards,

and other measures that may include increased utilization of managed care, increased utilization of alternatives to institutionalization, and procedures for the allocation and limitation of capital investment necessary to achieve the health care budget goals while maintaining quality, and improving accessibility to health care;

(4) health care needs of certain children and pregnant women who are presently uninsured;

(5) preparation and submission to the legislature, and to the general public, of an annual report concerning the success in achieving the limits and goals established under (1) of this section, together with recommendations the authority considers appropriate to further the objectives of providing access to affordable, quality health care for all Alaskans;

(6) development of a single payer health care financing system;

(7) establishment of uniform billing and claim forms and mandatory reporting requirements to

(A) measure the success in meeting the limits and goals established under (1) of this section;

(B) permit the authority, to the extent practicable, to analyze data acquired under reporting requirements to assist purchasers and consumers in evaluating the quality and cost of care offered by different providers; and

(C) reduce the administrative cost of the health care system;

(8) recommendation of reimbursement schedules, facility licensing standards, and other measures as appropriate and consistent with expenditure limits developed by the authority to ensure access to quality affordable health care under health insurance programs and programs under which the state provides or enters into contracts for the delivery of health care and to minimize cost-shifting;

(9) recommendation of ways to attract and retain qualified health care professionals in medically underserved areas of the state; recommendations may include forgiveness of student loans, in-state family practice residency programs, and recruitment of residents into health care professions;

(10) development of more flexible facility licensing standards that reflect the different needs of urban and rural areas of the state for health care facilities;

(11) development of a comprehensive long-term care health plan that integrates support services, that promotes human dignity, and that recognizes the individuality of all disabled persons;

(12) performance of studies, issuance of reports, and gathering of data to contribute to the objective of providing access to high quality affordable health care; and

(13) performance of any other activities determined to be necessary to further the goal of making available affordable, accessible, high quality health care in the state.

* **Sec. 2.** AS 18.07.035. APPLICATION AND FEES. Application for a certificate of need shall be made to the department upon a form provided by the department and must contain the information the department requires. **A copy of each application for a certificate of need shall be provided to the Alaska Health Care Authority.**

* **Sec. 3.** AS 18.07.041. STANDARD OF REVIEW FOR APPLICATIONS FOR CERTIFICATES OF NEED. The office shall grant a sponsor a certificate of need or modify a certificate of need if the availability and quality of existing health care resources or the accessibility to those resources is less than the current or projected requirement for health services. **The office shall consider the different needs of urban and rural areas of the state. A certificate of need may not be issued, unless the office has received a determination from the Alaska Health Care Authority.**

* **Sec. 4.** AS 21.36.025. UNFAIR MARKETING PRACTICES PROHIBITED. A person may not violate the applicable provisions of AS 21.56.180.

* **Sec. 5.** AS 21.36.090(d) Except to the extent necessary to comply with AS 21.42.365 **and AS 21.56**, a person may not practice or permit unfair discrimination

against a person who provides a service covered under a group disability policy that extends coverage on an expense incurred basis, or under a group service or indemnity type contract issued by a nonprofit corporation, if the service is within the scope of the provider's occupational license.

* **Sec. 6.** AS 21.36.090(d) Except to the extent necessary to comply with AS 21.42.365, a person may not practice or permit unfair discrimination against a person who provides a service covered under a group disability policy that extends coverage on an expense incurred basis, or under a group service or indemnity type contract issued by a nonprofit corporation, if the service is within the scope of the provider's occupational license.

* **Sec. 7.** AS 21.39.020. **APPLICABILITY.** This chapter applies to all forms of disability insurance and to casualty insurance, including fidelity, surety, and guaranty bonds, to all forms of fire, marine, and inland marine insurance, and to a combination of any of them, or risks or operations in this state.

* **Sec. 8.** AS 21.56.010. CREATION MEMBERSHIP. This section creates a nonprofit legal entity known as Small Employer Health Reinsurance Association (SEHIRA) and consists of all insurers licensed to transact health insurance in the state. Participation is mandatory as a condition for transacting health insurance in the state.

Sec. 21.56.020. BOARD OF DIRECTORS; ORGANIZATION. (a) The board of directors of the association consists of nine individuals subject to approval by the director. The director shall endeavor to appoint at least six board members who are also small employer insurers.

(b) One board member shall represent a health maintenance organization, one board member shall represent a hospital or medical service corporation, one board member's principal health insurance business shall be in the small employer market, and one board member's principal health insurance business shall be in the large employer market.

(c) A member of the board serves for a term of three years and may be reappointed to an unlimited number of terms.

Sec. 21.56.030. GENERAL POWERS.

- (1) exercise the powers granted to insurers under the laws of the state;
- (2) sue or be sued;
- (3) enter into contracts with insurers, similar associations in other states, or with other persons for the performance of administrative functions;
- (4) establish administrative and accounting procedures for the operation of the association;
- (5) take legal action as necessary to avoid the payment of improper claims against the association;
- (6) define the array of health coverage products for which reinsurance will be provided and issue reinsurance policies;
- (7) establish rules, conditions, and procedures pertaining to the reinsurance of members' risks by the association;
- (8) establish actuarial functions appropriate to the operation of the association;
- (9) assess members under the provisions of this chapter and make advance interim assessments as may be reasonable and necessary for organizational and interim operating expenses; interim assessments shall be credited as offsets against regular assessments due following the close of the calendar year;
- (10) appoint appropriate legal, actuarial, and other committees as are necessary to provide technical assistance in the operation of the association, design of a policy or contract, or to assist in other functions of the association;
- (11) borrow money to accomplish the purposes of the association; notes or other evidence of indebtedness of the association that are not in default are investments for insurers and may be carried as admitted assets.

Sec. 21.56.040. PLAN OF OPERATION.

The director may, after notice and hearing, approve the plan of operation that should include but not be limited to:

- (1) handling and accounting of program assets and money of the

association and for an annual fiscal report to the director;

- (2) reinsuring risks under the provision of this section;
- (3) collecting assessments from all members to provide for claims reinsured by the association and for administrative expenses incurred or estimated to be incurred by the association;
- (4) selection of an administering insurer and establish the administering insurer's powers and duties; and
- (5) provisions necessary or proper for the execution of the powers and duties of the association.

Sec. 21.56.050. HEALTH CARE REINSURANCE.

This section establishes the procedures, premiums and assessment mechanisms for the reinsurance association to follow. All plans of implementation are subject to director approval and contain time guideline before the director may act.

Sec. 21.56.060. HEALTH BENEFIT PLAN COMMITTEE.

This section establishes the members who will recommend benefit levels, cost sharing levels, exclusion and limitations for the basic and standard health benefit plan. The plan may contain cost containment features. The members are as follows:

- (1) three members who are representatives of participating insurers;
- (2) one member who represents small employers;
- (3) one member who represents employees of small employers; and
- (4) one member who represents health care providers; and
- (5) one member who represents agents or brokers.

Sec. 21.56.070. REQUIRED REPORT.

The board shall study and report at least once every two years to the director and to the legislature on the effectiveness of this chapter. The report must analyze the effectiveness of the chapter in promoting rate stability, product availability, and coverage affordability.

Sec. 21.56.080. ADMINISTRATIVE PROCEDURE ACT.

The association is exempt from AS 44.62 (Administrative Procedure Act).

Sec. 21.56.090. TAX EXEMPTION.

The association is exempt from the payment of fees and taxes levied by the state or any of its political subdivisions except taxes levied on real or personal property.

Sec. 21.56.100. LIMITATION OF LIABILITY.

A member of the association is not liable for civil damages resulting from an act or omission of the member on behalf of the association unless the member acts with gross negligence or intentional misconduct.

Sec. 21.56.110. APPLICABILITY.

Sets the conditions that must be met for the individual or group health benefit plan to apply. Other provisions of law requiring coverage or benefits do not apply to these plans unless stated in this chapter.

Sec. 21.56.120. PREMIUM RATE RESTRICTIONS DISCLOSURES; REPORTS; CONFIDENTIALITY.

This section establishes the premium basis that small employer insurers may charge. They include maximums by percentage. Underwriting characteristics are established and disclosure is required by the insurer giving coverage. Information and specific groups or employers, employees filed with the director will be held in confidence.

Sec. 21.56.130. RENEWABILITY OF COVERAGE.

(a) A health benefit plan subject to this chapter shall be renewable at the option of the small employer, except for nonpayment of the required premiums; fraud or misrepresentation of the small employer or, with respect to coverage of individual insureds, the insureds or their representatives; noncompliance with the minimum participation or employer contribution requirements; repeated misuse of a provider network provision.

The director may find that the continuation of the coverage would not be in the best interests of the policyholders or certificate holders; or impair the insurer's ability to meet its contractual obligations than it may not be renewed.

(b) A small employer insurer that elects not to renew a health benefit plan for any reason and pulls out of the market may not write new business in the small employer market in this state for a period of five years from the date of notice to the director.

(c) If a small employer insurer is doing business in only one established geographic service area of the state, the provisions in this section apply only to the insurer's operation in that established service area.

Sec. 21.56.140. REQUIRED OFFER OF COVERAGE.

(a) A small employer insurer shall, as a condition of transacting business in this state with small employers, offer to small employers at least two health benefit plans.

(b) A small employer insurer shall file basic health benefit plans and the standard health benefit plans to be used by the insurer.

(c) The director at any time may disapprove the continued use by the small employer insurer of a basic or standard health benefit plan if the plan does not meet the requirements of this chapter.

Sec. 21.56.150. REQUIRED HEALTH BENEFIT PROVISION.

This section establishes mandatory benefits if a plan is to be considered under this chapter. It also establishes guidelines for preexisting condition clauses to be used in plan coverage.

Sec. 21.56.160. EXEMPTION FROM REQUIRED OFFER OF COVERAGE.

This section establishes exemptions for small employer insurers which include but are not limited to geographical area, authorization of certificate of authority, and financial conditions.

Sec. 21.56.170. CONDITIONS FOR CEASING TO DO BUSINESS.

A small employer insurer, welfare arrangement may cease doing business in the state but must notify policy/contract holder and cannot participate in the small employer market for five years.

Sec. 21.56.180. FAIR MARKETING STANDARDS.

Establishing standards of how the standard and basic health plan is to be marketed. Puts limitations on compensation to agents, brokers, MGA, TPA involved in marketing the plan.

Sec. 21.56.250. DEFINITIONS.

Defines various terms used in the legislation.

*Sec. 9. AS 21.86.260(a).

This title does not apply to health maintenance organization unless stipulated in this chapter.

*Sec. 10. AS 21.86.260(a).

Same as above but add medical service corporation or hospital corporation licensed under 21.87 or 21.09.

*Sec. 11. AS 21.87.340.

List other provisions applicable to this chapter.

*Sec. 12. AS 21.87.340.

Same as above.

* Sec. 13. AS 24.20.206. DUTIES. The Legislative Budget and Audit Committee shall

(10) provide for an annual post audit and annual operational and performance evaluation of the Alaska Health Care Authority.

* Sec. 14. AS 37.07.030. The legislature will appropriate funds for the operation of the Alaska Health Care Authority.

* Sec. 15. AS 39.25.110 is amended by adding a new paragraph to read:

(30) the executive director of the Alaska Health Care Authority.

* Sec. 16. AS 39.50.200(b) is amended by adding a new paragraph to read:

(55) Alaska Health Care Authority (AS 44.87).

* Sec. 17. AS 44.87.010. AUTHORITY CREATED PURPOSE. Creates the Alaska Health Care Authority to promote health care in the state through access, availability, and affordability.

AS 44.87.020. BOARD OF DIRECTORS; ORGANIZATION. Established the board of directors and members of the organization.

Sec. 44.87.030. GENERAL POWERS. The authority may exercise the powers granted to insurers under the laws of the state; if the authority acts as an insurer, the authority shall comply with the requirements applicable to insurers under AS 21; sue or be sued;

enter into contracts or agreements;
establish administrative or accounting procedures;
collect, invest, and disburse funds;
charge fees for providing administrative services;
establish appropriate levels of reserves to cover the expenses of the
authority;

Sec. 44.87.040 through Sec. 44.87.110 do not pertain to Title 21.

Sec. 44.87.120. PROCUREMENT OF INSURANCE. (a) The authority may procure and offer a policy or policies of comprehensive group health insurance to a resident or an employer that the authority determines does not have health insurance or for whom health insurance could be more cost effective if procured by the authority. Group health insurance may include coverage for eligible employees and dependents. The authority shall procure the insurance from an insurer authorized to transact business in the state under AS 21.09, or the authority may elect to act as a self-insurer if approved by the legislature and the authority complies with (d) of this section.

(b) The authority may establish a group health insurance pool or pools of eligible residents or employers that elect to participate in the group health insurance procured or provided by the authority. Coverage provided under this subsection must include eligible dependents of residents and employees.

(c) Except when acting as a self-insurer, the authority shall procure or provide group health insurance in compliance with the provisions of AS 36.30 and shall make available bid specifications for desired group health insurance benefits to all insurance carriers licensed in the state and qualified to provide the desired benefits. The specifications shall be made available at least once every five years.

(d) Before the authority elects to act as a self-insurer, the authority shall solicit proposals for the required coverage from insurers licensed in this state to offer health insurance. If after the proposal process has been completed, the authority determines that the desired coverage or benefits are not available from insurers licensed in this state or the authority can provide the desired coverage and benefits

at a lower cost per eligible person, the authority may submit a plan of the intended self-insurance coverage and benefits to the legislature. The authority may not begin acting as a self-insurer until the legislature has approved the self-insurance plan submitted by the authority.

Sec. 44.87.130. CONTENTS OF PLAN.

This section establishes the coverages to be administered by the corporation. They include:

- (1) routine examinations;
- (2) diagnostic and screening services;
- (3) immunizations and preventive services;
- (4) laboratory and x-ray services;
- (5) outpatient physician services;
- (6) outpatient surgery;
- (7) emergency room services;
- (8) prescription lenses, eyeglass frames, and vision care;
- (9) dental services, except orthodontics;
- (10) prescription drugs; and
- (11) other services, as approved by the board under (b) of this section.

The board may adopt regulations to limit or expand services mentioned above.

The plan also includes prenatal and postnatal services for women. This section also states the board may require copayment for a service, establish deductibles, set duration and usage limits, utilization reviews and other measures to carry out the plan operation.

Sec. 44.87.140. ELIGIBILITY FOR THE PLAN.

This section establishes eligibility guidelines for women and children. Most prominent are as follows:

- (1) the child is under the age of 19 and has been a resident of the state for 12 months immediately preceding application for plan coverage or, if the child is less than one year old, at least one of the child's parents has been a resident of the state for the 12 months preceding application for plan coverage;

(2) the child does not have health care coverage under another public or private health insurance plan;

(3) the child's household income is below 300 percent of the income level established under AS 47.25.310 - 47.25.420 for eligibility for aid to families with dependent children;

(4) the child is not eligible for medical coverage under AS 47.07 (Medicaid); and

(5) a portion of the premium for plan coverage is paid on behalf of the child, as determined by the board under AS 44.87.170.

Sec. 44.87.150. APPLICATION PROCESS.

Establishes the application process for applying for coverage. The applicant can apply through the PFD, Department of Revenue. They will receive a packet with a statement of AS 44.87.130 requirements and after submission, the board or its representative will notify applicant of acceptance or denial in 30 days. Any denial or withdrawal of an applicant/application can be appealed to superior court.

Sec. 44.87.160. ADMINISTRATION OF PLAN.

The board shall carry out the plan in the following manner:

(1) soliciting and accepting funds from private sources for deposit into the children's health fund created under AS 44.87.180; the board may also accept donations of services, supplies, personnel, and other in-kind donations;

(2) evaluating bids and purchasing insurance from one or more insurers to provide plan coverage;

(3) marketing the plan in a manner designed to make its existence known to pregnant women and the parents and guardians of children who may be eligible for the plan;

(4) evaluating applications for plan coverage and determining eligibility for plan coverage;

(5) determining the premium copayment that is required under AS 44.87.170.

Sec. 44.87.170. COPAYMENTS OF PREMIUMS.

A sliding scale for copayments by women and child, same or separate household, shall be established. Payment can be arranged by the Department of Revenue by PFD. Copayments are deposited in a general fund in a separate account.

Sec. 44.87.180. CREATION OF FUND.

Creates fund with money donated to the corporation from private donations and appropriations.

Sec. 44.87.190. INSURANCE PREMIUMS. The authority shall provide that sufficient funds are collected to provide authorized benefits, reserves, and to pay the expenses of the authority. Reserves remaining at the termination of an insurance contract shall be invested by the authority in the same manner as retirement funds are invested under AS 14.25.180.

Sec. 44.87.200. PUBLIC RECORDS; ADMINISTRATIVE PROCEDURES. The provisions of AS 09.25.110 - 09.25.120 apply to records of the authority, except for medical records that identify an individual. AS 44.62 (Administrative Procedure Act) applies to the authority.

Sec. 44.87.900. DEFINITIONS.

These define various terms used in this legislation.

* **Sec. 18. REPORT.** The Alaska Health Care Authority shall report to the Alaska State Legislature

(1) by January 1, 1994, on the progress made by the authority in establishing a single payer health care financing system;

(2) by March 1, 1994, on the progress made by the authority in establishing a health care provider reimbursement systems and utilization standards; and

(3) by January 1, 1996, on the progress made by the authority in developing a comprehensive system to deliver long-term care to residents of the state.

* **Sec. 19. PHASED TRANSITION PERIOD.** (a) Notwithstanding the provisions of AS 44.87, the Alaska Health Care Authority shall implement the provisions of AS 44.87 on an orderly and gradual basis as follows:

(1) by July 1, 1994, the authority shall finish collecting data required

under AS 44.87.060;

(2) by January 1, 1995, the authority shall implement a single payer health care financing system;

(3) by July 1, 1995, the authority shall complete the statewide health care expenditure budget and reimbursement schedules described in AS 44.87.070 and 44.87.090;

(4) by July 1, 1996, the authority shall implement for hospitals the expenditure limits established under AS 44.87.070 and the reimbursement schedules and utilization standards required under AS 44.87.040(1);

(5) by January 1, 1997, the authority shall implement the

(A) expenditure limits established under AS 44.87.070 and the reimbursement schedules and utilization standards required under AS 44.87.040(1) for health care providers;

(B) the long-term care health plan required under AS 44.87.070(11); and

(C) uniform billing and common claims forms required under AS 44.87.040(2).

(b) In this section, "health care provider" and "hospital" have the meaning given in AS 44.87.900, enacted in sec. 17 of this Act.

* **Sec. 20. PREMIUM RATE TRANSITION PERIOD.** This establishes guidelines for premium calculation/administration if a plan is written by an insurer prior to July 1, 1993.

* **Sec. 21. TRANSITION.** Establishes guidelines for implementation and effective dates for the plan and the association.

* **Sec. 22.** AS 21.36.025 and AS 21.56 are repealed.

* **Sec. 23.** (a) This Act takes effect only if an Act requiring that a civil action against a health care provider by a person less than two years of age be brought before the claimant's eighth birthday, allowing prejudgment interest on a medical malpractice judgment to bear interest at the prevailing federal discount rate, requiring mandatory arbitration in medical malpractice actions, and changing the



Alaska State Legislature

SENATOR JIM DUNCAN

April 2, 1993

**SPONSOR STATEMENT
ALASKA'S HEALTH CARE REFORM BILL
SB 114
SENATOR JIM DUNCAN**

Senate Bill 114 is a comprehensive health care reform plan designed to bring Alaska's health care costs under control and provide access to health care for all Alaskans.

SSSB 114 will implement recommendations made by the Health Resources and Access Task Force, including cost containment, and improvements in the health care access and service delivery system. Medical malpractice reforms suggested by the task force are included in Senate Bill 123. The Health Resources and Access Task Force was created by the Legislature in 1991 to develop a strategy that would provide health care coverage for all Alaskans and contain rising costs. The task force consisted of legislators, health care providers, health insurers, Hickel Administration representatives, health care consumers and labor.

SSSB 114 also requires the development of a comprehensive long-term care plan, a provision not included in the final recommendations of the task force. I believe the development of a long-term care plan is an important component of comprehensive reform of our health care system.

I realize that health care reform is a controversial and complicated issue; however, it is imperative the Legislature address this issue. Alaska's unique problems in delivering health care will not necessarily be solved by national health care reform designed for large urban states. We need to enact a health care plan which will serve the needs of our residents.

Lack of Coverage

Basic health care coverage is not available to many Alaskans. The Health Resources and Access Task Force estimated that more than 76,000 non-elderly, non-native Alaskans have no health care coverage. At least 21,000, or more than one in every four uninsured Alaskans, are under age 18. The

task force also found that nearly nine out of ten Alaskans without health care coverage are "working uninsured" and their dependents.

In the late 1980's, 26,000 small business employees were uninsured. Small businesses must purchase coverage in a market which includes high and unpredictable premiums and onerous underwriting practices. Alaska's small employers pay 10 to 40 percent more in health premiums than large employers; consequently, many do not provide health care coverage for their employees.

Rising Costs

The rising cost of health care and health insurance in Alaska is one of the most critical problems facing our state. Total health care expenditures in 1991 were more than \$1.5 billion from all sources, compared to \$480 million in 1979. If the current inflationary trend continues unabated, it is estimated that in ten years Alaskans will pay almost \$5.6 billion annually for health care services. With the cost containment features proposed by the task force and in SB 114, health care expenditures are projected to be under \$4 billion annually. Enactment of meaningful health care reform as contained in SB 114 will significantly reduce the rate of increase and provide access to health care for more Alaskans.

The Solution

SB 114 will establish the Alaska Health Care Authority to manage the health care cost containment and access initiatives proposed by the task force. Under SB 114, the Authority will;

- Establish a statewide health care expenditure limit, including reimbursement schedules, utilization standards, and other measures and procedures to maintain quality and improve accessibility of health care while controlling costs.
- Establish state-sponsored health insurance pooling arrangements.
- Design a single-payer health care financing, uniform billing and claims system which will reduce the administrative cost of Alaska's health care. The task force concluded that the single-payer approach was preferable for the following reasons:
 1. The current mix of public, employer, and individual financing inevitably creates coverage gaps for some people, particularly when their employment status changes.
 2. Health care financing plans that require all businesses to provide health care benefits, or that levy additional taxes on employers who do not provide benefits, may threaten the economic viability of many small businesses in Alaska.

3. Multiple-payer systems would not necessarily address the problems of cost shifting that exist in our current system, and

4. Systems that are built upon existing public-private financing arrangements can be expected to inherit the inefficiencies of those systems.

Until universal access is attained, the task force recommended interim steps be taken to provide increased health care access to unserved or underserved groups through the following statutory changes which are included in SB 114;

- General reform of the small employer health insurance market to prevent abusive rating practices, require disclosure of rating practices, regulate policy renewal, and limit exclusion of preexisting medical conditions.
- Phase in a community rating system for establishing premiums in the small group insurance market, and
- Implement publicly subsidized coverage of uninsured low-income pregnant women and children who are not eligible for Medicaid.

I firmly believe that enactment of these recommendations will improve the availability, affordability and quality of health care provided in Alaska. As a result, Alaskans will live healthier, happier and more productive lives.

DIVISION OF LEGAL SERVICES

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MEMORANDUM

March 9, 1993

SUBJECT: Sectional analysis - (SSSB 114)
TO: Senator Jim Duncan
FROM: Michael F. Ford *M.F.*
Legislative Counsel

The following is a sectional analysis of SSSB 114. 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.

Section 1 -

(a) and (b) Purpose for sections of the bill relating to insurance for small employers.

(c) Purpose for sections of the bill relating to the Alaska Health Care Authority.

Section 2 - Requires a copy of certain certificate of need applications be provided to the Alaska Health Resources Authority.

Section 3 - Prohibits certain certificates of need from being issued until a cost determination is received from the Alaska Health Resources Authority. Also requires that the different needs of urban and rural areas of the state be considered which represents part of recommendation 10 of the Health Resources and Access Task Force.

Section 4 - Makes a violation of insurance marketing practices under AS 21.56.180 an unfair trade practice.

Section 5 - Establishes the provisions of AS 21.56 as an exception to the requirement that an insurer may not discriminate between health care providers.

Section 6 - Sunset section that repeals changes in sec. 3.

Section 7 - Allows the Director of the Division of Insurance to regulate premium rates for health insurance. This change is recommendation #3 of the Health Resources and Access Task Force.

Section 8 -

Sec. 21.56.010 - Establishes the Small Employer Health Reinsurance Association and requires certain insurers to be members. This section and the other sections in this chapter represent recommendation #4 of the Health Resources and Access Task Force.

Sec. 21.56.020 - Establishes the board of directors of the association and provides for specific board representation and organization.

Sec. 21.56.030 - Establishes the general powers of the association.

Sec. 21.56.040 - Requires the association to submit a plan of operation to the director of the division of insurance. Requires members to comply with the plan and establishes specific components of the plan.

Sec. 21.56.050 - Establishes specific provisions that apply to reinsurance provided by a member to employees or dependents of employees of a small employer. Imposes certain restrictions on reinsurance of group plans other than small employer health benefit plans and establishes limits for premiums charged for reinsured coverage and for coverage provided by a health maintenance organization. Provides for member assessments, by the administering insurer.

Sec. 21.56.060 - Establishes the health benefit plan committee. Requires the committee to design a basic and a standard health benefit plan.

Sec. 21.56.070 - Requires the board to report on the effectiveness of the chapter.

Sec. 21.56.080 - Exempts the association from the Administrative Procedure Act.

Sec. 21.56.090 - Exempts the association from payment of taxes, except for real or personal property taxes.

Sec. 21.56.100 - Provides immunity from civil actions filed against a member of the association for a negligent act on behalf of the association.

Sec. 21.56.110 - Establishes when an individual or group health benefit plan is subject to AS 21.56 and provides that other laws requiring coverage, reimbursement, utilization, or consideration of a specific health care provider do not apply to a health

Senator Jim Duncan

March 9, 1993

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benefit plan provided to a small employer. Exempts a health benefit plan offered to a small employer from certain restrictions contained in other laws.

Sec. 21.56.120 - Establishes underwriting and rating requirements applicable to health benefits plans covering small employers. This section also contains provisions requiring use of community rating in establishing premiums and represents recommendation #5 of the Health Resources and Access Task Force.

Sec. 21.56.130 - Establishes when a health benefit plan is required to be renewed.

Sec. 21.56.140 - Requires a guaranteed issue insurer to offer at least two small employer health benefit plans and that the plans provide certain coverage. Allows a guaranteed issue insurer to reinsure, make special premium arrangements, or appeal unfair administrative or credit risk.

Sec. 21.56.150 - Establishes certain provisions that must be included in a health benefit plan.

Sec. 21.56.160 - Exempts certain small employer insurers from being required to offer health insurance coverage.

Sec. 21.56.170 - Establishes certain conditions that must be met before an insurer or welfare arrangement may cease doing business in the small employer market.

Sec. 21.56.180 - Establishes fair marketing requirements for health benefit plans.

Sec. 21.56.250 - Definitions.

Section 9 - Provides that a health maintenance organization is subject to the small employer health insurance provisions contained in AS 21.56.

Section 10 - Sunset provision that repeals changes in sec. 6.

Section 11 - Provides that a hospital or medical service corporation is subject to the small employer health insurance provisions contained in AS 21.56.

Section 12 - Sunset provision that repeals changes in sec. 8.

Section 13 - Requires the Legislative Budget and Audit Committee to provide for an annual audit and performance evaluation of the Alaska Health Resources Authority.

Section 14 - Requires the legislature to appropriate funds for the operation of the Alaska Health Resources Authority.

Section 15 - Places the executive director of the authority in the exempt service.

Section 16 - Subjects the employees of the authority to the conflict of interest chapter AS 39.50.

Section 17 -

Sec. 44.87.010 - Creates the authority as a public corporation in the Department of Administration. Describes the purpose of the authority. This section and the remaining sections of this chapter represent recommendation #2 of the Health Resources and Access Task Force.

Sec. 44.87.020 - Establishes the board of directors and provides for organization of board.

Sec. 44.87.030 - Establishes the general powers of the authority.

Sec. 44.87.040 - Establishes the duties of the board, including requiring an annual report. Also imposes the duty to develop a single payer health care financing system which represents recommendation #8 of the Health Resources and Access Task Force, and the duty to provide recommendations on ways to attract and retain qualified health care professionals in medically underserved areas of the state which represents recommendation #9 of the Health Resources and Access Task Force.

Sec. 44.87.050 - Provides for certain staff of the authority and for professional service contracts.

Sec. 44.87.060 - Requires the authority to develop and periodically update a statewide health care data system. Specifies the data system has a base year of 1992 and requires certain specific expenditures be included in the data system.

Sec. 44.87.070 - Requires the authority to develop statewide health care budget and expenditure limits. Establishes the base year as 1992 and requires that the limits be adjusted for inflation and for certain factors specified under subsection (c). This section and section 44.87.100 represent recommendation #1 of the Health Resources and Access Task Force.

Sec. 44.87.080 - Requires the board to convene representatives from each class of health care provider to negotiate recommendations for required reimbursement schedules. Requires the board to adopt a good faith negotiating process and specifies that each class have a three-person negotiating team. Allows the board to appoint a negotiating team for a class of health care providers who fail to select a negotiating team. Provides that if the negotiating process fails to result in a recommended

reimbursement schedule, the board shall establish the required schedule by regulation.

Sec. 44.87.090 - Requires that the authority establish reimbursement schedules, that the schedules use a base year of 1992, and that the schedules be adjusted as provided under AS 44.87.070(b) and (c). Requires that the schedules incorporate certain specified criteria for hospitals, physicians and other health care services. Requires the schedules include recommendations resulting from health care provider negotiations under AS 44.87.080.

Sec. 44.87.100 - Requires that health care providers must comply with the expenditure limits and reimbursement schedules established by the board. Prohibits submission of a charge for health care services that fails to comply with limits or schedules established by the authority and provides that a person receiving a charge that violates the limits or schedules established by the authority may not be required to pay the charge.

Sec. 44.87.110. - Requires a health care provider, insurer, or agency of the state to provide certain information if requested by the authority.

Sec. 44.87.120 - Allows the authority to procure or offer group health insurance to a resident or an employer without coverage or for whom the authority can provide more cost effective insurance. Allows the authority to establish pools for purposes of group health insurance. This insurance pooling provision represents recommendation #6 of the Health Resources and Access Task Force. Requires that insurance be obtained from licensed insurers, except when acting as a self-insurer. Requires the authority to solicit proposals for required coverage and obtain approval from the legislature, before acting as a self-insurer.

Sec. 44.87.130 - Creates a children's health care program. This section and the other sections in this Article represent recommendation #7 of the Health Resources and Access Task Force.

Sec. 44.87.140 - Establishes eligibility criteria for coverage under the children's health care plan.

Sec. 44.87.150 - Establishes the application process for participation in coverage under the children's health care plan.

Sec. 44.87.160 Requires the board of the Alaska Health Care Authority to administer the children's health care plan by specific methods.

Sec. 44.87.170 - Establishes a copayment requirement for the premium, requires the board to use a sliding scale, and allows use of a permanent fund dividend for the required copayment.

Sec. 44.87.180 - Creates a fund for the authority to expend to carry out duties imposed under AS 44.87.

Sec. 44.87.190 - Provides for the collection and investment of insurance premiums by the authority.

Sec. 44.87.200 - Provides that certain public records statutes apply to the authority, except for certain medical records. Provides that the authority is subject to the Administrative Procedure Act.

Sec. 44.87.900 - Definitions.

Section 18 - Required report from the authority to the legislature.

Section 19 - Establishes a phased transition period under which the provisions of AS 44.87 would be implemented.

Section 20 - Provision that allows premium rates to exceed the limits under 21.56.120(a) for a period of three years. Establishes limits on the percentage increase in premium rates.

Section 21 - Transition section. Requires the small employer Health Reinsurance Association to submit a health insurance plan to the Director of the Division of Insurance.

Section 22 - Sunset repeal section for provisions relating to small employer insurance.

Section 23 -

(a) Contingent effective date. This Act only takes effect if a bill amending the law on civil liability (described in this subsection) is passed by the legislature and is signed into law.

(b) Delayed effective dates.

**THE STATE OF ALASKA
HEALTH RESOURCES AND ACCESS TASK FORCE**

FINAL REPORT

to

the Governor and Legislature

January 1993

**Alaska State Legislature
Health Resources and Access Task Force
State Capitol
Juneau, Alaska 99801-1182**