

ALASKA LEGISLATURE COMMITTEE FILES 1995-1996 8672

8560 HOUSE HEALTH EDUCATION & SOCIAL SERVICES

1 (h) The community intervention court shall make and keep records of all cases
2 referred to it. The records of a court proceeding

3 (1) relating to a minor who complies with all requirements ordered by
4 the community intervention court as a part of sentence imposed on the minor shall be
5 sealed by the commissioner and may not be used for any purpose; and

6 (2) except as to a record described in (1) of this subsection, shall be
7 afforded at least the same protection and are subject to at least the same procedural
8 safeguards in matters relating to access, use, and security as they would be under
9 AS 47.12.180.

10 (i) A community intervention court may establish a fee schedule and impose
11 and collect fees to defray the expenses of operation of the court.

12 Sec. 47.12.560. COUNSELING AND TREATMENT. (a) A community
13 intervention court may require a minor to obtain and engage in counseling or
14 treatment. If it determines that counseling or treatment services would be appropriate
15 to the situation, the community intervention court may require one or more members
16 of the minor's family or household to accompany the minor in counseling or treatment.

17 (b) For the purposes of identifying minors who are habitual violators and
18 providing a means to reform that habitual conduct, in addition to other penalties that
19 may be imposed by law, for an offense or for noncriminal conduct described in this
20 subsection, a community intervention court shall require a minor and the minor's
21 family to obtain and engage in appropriate family counseling or treatment whenever
22 the minor obtains, within any consecutive 24-month period, 24 or more points as a
23 result of offenses committed during the period. Notice of each assessment of points
24 may be given, but notice shall be given to the minor by first class mail when the point
25 accumulation reaches 18. For purposes of this subsection, points to be accumulated
26 are as follows:

27 (1) concealment of merchandise under AS 11.46.220

28 (A) first citation -- 4 points;

29 (B) second citation -- 20 points;

30 (C) third and subsequent citations -- 30 points each;

31 (2) criminal mischief in the third degree under AS 11.46.484(b) -- 4

1 points;

2 (3) criminal mischief in the fourth degree under AS 11.46.486

3 (A) first citation -- 4 points;

4 (B) second citation -- 6 points;

5 (C) third and subsequent citations -- 10 points each;

6 (4) disorderly conduct under AS 11.61.110

7 (A) first citation -- 4 points;

8 (B) second citation -- 6 points;

9 (C) third and subsequent citations -- 10 points each;

10 (5) violation of a municipal ordinance for which the municipality
11 authorizes use of community service citations -- a number of points equal to the
12 number of hours of service required by the municipal ordinance;

13 (6) the commission of a violation or infraction other than conduct
14 described in AS 47.12.430(1) - (6) that is punishable as a violation or infraction -- a
15 number of points equal to the maximum amount of the fine for the violation or
16 infraction divided by 25.

17 (c) When counseling or treatment is required by this section, the parent or
18 guardian of the minor has the right to choose and may exercise the choice of obtaining
19 counseling or treatment from any source without limitation, including counseling or
20 treatment from or in accordance with the tenets of a church or religious denomination.

21 Sec. 47.12.599. DEFINITION. In AS 47.12.550 - 47.12.599, "court" means
22 a community intervention court.

23 ARTICLE 6. ADMINISTRATION.

24 Sec. 47.12.800. COMMUNITY SERVICE ADMINISTRATORS. (a) The
25 department may employ community service administrators and may contract with
26 municipalities or with profit or nonprofit corporations or other entities for the services
27 of community service administrators. Community service administrators shall

28 (1) implement AS 47.12.400 - 47.12.430 by

29 (A) developing sites at which a minor may perform community
30 services;

31 (B) training volunteer work supervisors; and

1 (C) maintaining records; and

2 (2) assist and advise the courts and the department in the furtherance
3 of the welfare and control of minors under the jurisdiction of the court or the
4 department.

5 (b) The department or a contractor of the department, as appropriate, may
6 establish a fee schedule and impose and collect fees

7 (1) to defray the expenses of the duties imposed by (a) of this section
8 on community service administrators;

9 (2) to defray the costs of safety materials, gloves, applicable
10 transportation costs, training materials, and other related costs associated with the
11 duties imposed under (a) of this section.

12 ARTICLE 7. GENERAL PROVISIONS.

13 Sec. 47.12.990. DEFINITIONS. In this chapter, unless the context otherwise
14 requires,

15 (1) "commissioner" means the commissioner of health and social
16 services;

17 (2) "court" means the superior court of the state;

18 (3) "crime against a person" means an offense set out in AS 11.41;

19 (4) "delinquent minor" means a minor found to be within the
20 jurisdiction of the court under AS 47.12.010;

21 (5) "department" means the Department of Health and Social Services;

22 (6) "juvenile detention facility" means separate quarters within a city
23 jail used for the detention of delinquent minors;

24 (7) "juvenile detention home" or "detention home" is a separate
25 establishment, exclusively devoted to the detention of minors on a short-term basis and
26 not a part of an adult jail;

27 (8) "juvenile work camp" means a separate residential establishment,
28 exclusively devoted to the detention of minors, in which the minors who are 16 years
29 of age or older and committed to the custody of the department and placed in the
30 facility may be required to labor on the buildings and grounds or perform any other
31 work or engage in any activities that do not conflict with regulations adopted by the

1 Department of Health and Social Services under this chapter for the care,
2 rehabilitation, education, and discipline of minors in detention;

3 (9) "minor" means a person under 18 years of age;

4 (10) "peace officer" has the meaning given in AS 11.81.900;

5 (11) "treatment facility" means a hospital, clinic, institution, center, or
6 other health care facility that has been designated by the department for the treatment
7 of juveniles;

8 (12) "victim" has the meaning given in AS 12.55.185.

9 * Sec. 69. AS 47.17.290(8) is amended to read:

10 (8) "maltreatment" means an act or omission that results in
11 circumstances in which there is reasonable cause to suspect that a child may be a child
12 in need of aid, as described in AS 47.10.010(a) [AS 47.10.010(a)(2)], except that, for
13 purposes of this chapter, the act or omission need not have been committed by the
14 child's parent, custodian, or guardian;

15 * Sec. 70. AS 47.33.010(b) is amended to read:

16 (b) Notwithstanding (a) of this section, this chapter does not apply to

17 (1) a correctional facility;

18 (2) a facility for treatment of alcoholism that is regulated under
19 AS 47.37;

20 (3) an emergency shelter;

21 (4) a medical facility, including a nursing home, licensed under
22 AS 18.20;

23 (5) a program for runaway minors licensed under AS 47.10.310
24 [AS 47.10]; or

25 (6) a maternity home licensed under AS 47.35.

26 * Sec. 71. AS 47.33.990(3) is amended to read:

27 (3) "adult" means a person 18 years of age or older who is not a ward
28 of the court [STATE] under AS 47.10.080(f) or AS 47.12.100(d) [AS 47.10.080];

29 * Sec. 72. AS 47.40.011(a) is amended to read:

30 (a) When the department purchases residential services for minors for whom
31 the state has assumed responsibility under AS 47.10 or AS 47.12, the department shall

1 (1) purchase the services only under grants to local governmental units
2 or [NONPROFIT] corporations;

3 (2) award grants for a specified number of beds as provided in
4 AS 47.40.041.

5 * Sec. 73. AS 47.10.010(b), 47.10.010(d), 47.10.010(e), 47.10.020(d), 47.10.050(b),
6 47.10.060, 47.10.070(b), 47.10.075, 47.10.080(b), 47.10.080(h), 47.10.081(a), 47.10.090(b),
7 47.10.093(d), 47.10.093(e), 47.10.095, 47.10.097, 47.10.130, 47.10.265; and AS 47.40.091(3)
8 are repealed.

9 * Sec. 74. AS 47.12.030(d), added by sec. 68 of this Act, has the effect of amending that
10 provision of Rule 3(b), Alaska Delinquency Rules, declaring that the presence of the minor's
11 parent or guardian is preferred by giving the minor's parent or guardian a right to be present
12 in a proceeding before a court to which the Alaska Delinquency Rules apply.

13 * Sec. 75. Rule 23(d), Alaska Delinquency Rules, is amended to read:

14 (d) ORDER. The court shall enter [IN] its disposition order taking into
15 account the provisions of AS 47.12.120 [, THE COURT SHALL ORDER THE
16 LEAST RESTRICTIVE ALTERNATIVE DISPOSITION UNDER AS 47.10.080(b)
17 THAT ADDRESSES THE JUVENILE'S TREATMENT NEEDS AND PROTECTS
18 THE PUBLIC].

Alaska State Legislature

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House District 31

House Of Representatives

Sponsor Statement

HB 387

Juvenile Crime is a growing cancer. This bill tackles the problem, not at the more serious front-page headline gathering felony level, but with the first offense, the least serious offense, and hopefully at the most correctable stage in a potential criminal's career.

My legislation takes four initial steps.

- 1) It provides immediate consequences to first time offenders, the consequences graduate in seriousness with recidivism, and entry level pre-criminal behavior is not added to the burden of the existing criminal justice system.
- 2) It streamlines the juvenile code, separating the criminal system from the larger issue of the state's response for children who have been abused or neglected.
- 3) It gives communities the ability to create community courts with elected or appointed members to deal with minor issues like truancy, curfew, and runaways quickly and without a criminal record.
- 4) Hard core offenders who "blow-off" the community court system are identified for attention by the courts and professionals who work with troubled youth.

The Bill takes the existing juvenile code and splits it into two sections, one for dealing with children-in-need-of-aid and a new section of code to deal with criminal acts committed by children. Children-in-need-of-aid remain under AS 47.10, delinquent acts are addressed under AS 47.12.

The new delinquency code provides the court system guidance in handling delinquent kids in three key areas: 1) least restrictive custody; 2) danger to self and others; and 3) conditions for registering juvenile sex offenders. Most of the practices established for dealing with delinquent children in the new Title 47.12, will be familiar to juvenile justice workers. New practices include a citation mechanism so that police can give juveniles immediate consequences when they are caught in the act, and a "community court" to involve local resources in dealing with juvenile crime.

The goal of this legislation is to give kids immediate, graduated, and sure consequences for actions that are criminal in nature, or lead to criminal behavior, without further burdening the juvenile justice system.

Sponsor Statement
Page 2.

Courts, prosecutors, public defenders, and police are saturated with the complex system we now have. I am adding a new, volunteer, community court to review, track, and adjudicate the community service hours attached to the citations.

The legislation is designed to divert children away from the resource intensive justice system early in their criminal careers. It will take several repeat offenses, failure to appear, failure to complete assigned work, or the commission of a more serious act to receive the attention of the courts, prosecutors, and public defenders.

This legislation does not use detention as the solution for juvenile crime, not just because it is expensive, but also because kids whose idle hands got them in trouble will gain little productive knowledge from sitting in a place where they are prohibited from doing anything. Community service, in contrast, requires the development of rudimentary work skills. Skills like showing up, dressing properly, working at the assigned task for a given number of hours, and facing the consequence of dismissal because one's behavior is inappropriate, all contribute to a young person's ability to become a productive citizen.

The police officer citation gives youth the ability to admit their guilt, enter a community work program for a set number of hours (one or two Saturdays), and leave with the satisfaction of a job well done, or at least of having earned their way out of trouble. The citation concept also gives kids the ability to say no to their peers - "Hey, look what you got me into last time, I'll not go with you again!!!" The citation provides the individuals most likely to interface with pre-criminal juveniles the tools they need to redirect a child's life away from a life of crime, without labeling them a criminal. If they know a police officer has the ability to eliminate a few of their weekends, troubled youth will gain a new found respect for the badge.

Community service does not come without a cost. Successful community service programs, including the one in Anchorage, require adequate administration. Records will need to be kept of time worked, repeat citations, and points accrued. Volunteer community service supervisors must be trained. Community service work sites must be coordinated and assignments communicated to the workers.

Community service brings the larger community into the lives of our troubled youth. Community members can volunteer to be a part of the solution.

This legislation does not solve the problem of the hundreds and hundreds of kids now committing serious burglaries, robbery, drug sales, prostitution, rapes, and murder.

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Sectional

CSSSHB 387 Juvenile Delinquency Code

LS1276\O, 2/19/93

Section 1. Technical numbering, including the new juvenile code AS 47.12.

Section 2. Custodial interference, making it a class A misdemeanor to knowingly take, entice or keep a child from the child's lawful parent or custodian. This amends the custodial interference to include those who knowingly harbor runaways.

Section 3, 4, 5, 6. Technical adjustment to the sex offender language to accommodate changes in AS 47.12.100(i), (see page 43). These changes allow the court to order a juvenile to register as a sex offender after he turns 19.

Sections 7, 8, 9, 10, 11, 12. Truancy. **Section 8** provides the principle or administrator a schedule of community service for children who are truant. 1st offense = 6 hours; 2nd offense = 10 hours; third offense = 16 hours. **Section 10** eliminates the burdensome and unworkable process by which individuals who violate the truancy laws must be investigated and prosecuted.

Sections 13, 14. Technical numbering

Section 15. Allows municipalities to establish a curfew for minors.

Sections 16, 17, 18, 19, 20, 21, 22, 23. Technical numbering.

Section 24. AS 47.10. The existing policy, now limited to children in need of aid.

Section 25. Establishes policy for the new delinquency code, AS 47.12.
AS 47.05.060(b)(1) Protection of the public and reformation of the offender.

- (2) Resolution should require some form of sanction,
the form of the sanction should be certain,
the sanction should be swift, and
the sanction may take the form of a reasonable claim on the time and talents of the minor who has committed the offense.

(3) Counseling provided to the minor must include the minor's family or guardian,
the family has the right to offer suggestions and make recommendations for the correction of the minor's behavior, and
the minor's family or guardian may be asked to participate in supervision of the minor's treatment.

Section 26. The existing code AS 47.10, deleting the language appropriate to the delinquency code, AS 47.12. (Change = reinsertion of habitually absent or refusing to accept available care back into the definition of a child in need of aid.)

Sections 27, 28, 29, 30, 31, 32, 33, 34, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, * 51, 52, * 54, 55, 56, 57, 58, * 61, 62, 63, 64, 65, 66, 67. The existing code for minors (AS 47.10) with portions [deleted] for incorporation into the new juvenile delinquency code (as 47.12). Many sections are just technical renumbering of code.

Section 47. Ward of court v. state, returned to original language. Added Civil rule 90.3 for calculation of parents obligations, at suggestion of D.O.L.

Section 48. Changed the standard to reasonable cause to believe, instead of reasonable cause to [suspect], when a police officer is exercising his discretion to return a runaway home or take him to a shelter. At request of D.O.L.

New (b)(4) "the peace officer may advise the person responsible for the facility in which the minor is placed that the minor was found in an environment that, the officer has reason to believe, is a danger to the minor, that the minor might refuse to accept available care, and that, for the minor's protection, the person responsible for the facility should consider that providing temporary security for the minor might be in the minor's best interest."

Sections 49, 50, . Runaways. Language corrections needed.

Section 53. Expands the options available to the department when contracting out services. 1) This change would allow an entity like Norton Sound Health Corp. (a non-profit) to be able to operate a juvenile detention facility in a community based setting, especially Nome or Kotzebue, rather than shipping kids hundreds of miles from away. 2) Small foster home providers could expand into juvenile detention home treatment - community based care - services, without taking on the added cost of a non-profit board or executive director.

Section 59. Runaway shelters. When a police officer has successfully responded to a runaway call-out, and the runaway has given him reasons to believe that abuse has occurred at home, thus preventing the officer from taking the minor home, yet the police officer has reason to believe the minor is likely to return to a hazardous environment on the streets, the police officer may advise the shelter operator that the minor needs secure care. The shelter operator may provide the court, as well as the department, notice of a temporary secure placement.

Section 60. Runaway shelters. Provides that a shelter operator may install common door locks and alarms to provide temporary security for a minor.

Section 68. Alaska's new chapter for "Delinquent Minors."

The Delinquency code sets out that a delinquent is one who violates the criminal laws of the State, is habitually absent from home, refuses to accept available care (i.e. leaves a runaway shelter), or violates curfew.

Page 33, Article 1. Establishes a separate code for delinquent minors. AS 47.12 includes all of the portions of AS 47.10 that addressed delinquent minors. Much of the language in this section is identical to the language previously in AS 47.10, and will be familiar to those who work with delinquents under the existing code. The split allows clarification of the manner in which juvenile delinquents are to be treated differently than abused children.

Page 33, lines 2 - 9. Delinquents are defined as minors who violate the criminal laws of Alaska, and the violations set out in Article 2, namely being habitually absent from home, refusing to accept available care, or violating curfew.

Page 35, lines 1-4. Allows the department to refer a minor to the community intervention court for informal disposition, if established by a community.

Page 36, lines 18 & 19. AS 47.12.030(d) grants a parent or guardian the right to be present in a court proceeding.

Page 38, lines 5 - 9. AS 47.12.070(c) includes the language from AS 47.10.010(c).

Page 39, lines 18 on. AS 47.12.090(c) Young adult advisory panel. Never used, should be repealed.

Page 40 & 41. AS 47.12.100(b)(2) and (b)(3) extends the courts jurisdiction over a minor from two years to four years, up to the minor's 19th birthday.

Page 42. AS 47.12.100(d) ward of the court v. ward of the state. Returned to original language = state.

Page 43, lines 17 - 21. AS 47.12.100(i) a minor who fails to complete sex offender treatment may be registered by the court as a sex offender.

Page 44, lines 11 - 29. AS 47.12.120 Court policy for delinquent minors:

- (a) In making its dispositional order . . . the court shall
- (1) consider: (A) The best interests of the minor and the public
(B) The ability of the state to take custody and to care for the minor.
- (2) Consider that the minor's continued delinquent behavior is a danger to the minor.
- (3) Order the least restrictive alternative disposition for the minor.
- (b)(1) The least restrictive disposition for the minor, meaning the disposition that is, in the judgment of the court no more restrictive than is most conducive to the minor's rehabilitation.
- (2) in making its dispositional order the court shall consider:
 - (A) The seriousness of the minor's delinquent act.
 - (B) The minor's culpability.
 - (C) The age of the minor.
 - (D) The minor's prior criminal or juvenile record.
 - (E) The ability of the minor's parent or custodian to control and supervise.
 - (F) The success or failure of the minor's previous dispositions or placements.
 - (G) Detention is an appropriate consequence for a minor.

Page 47, AS 47.12.150. Breaks the age 19 barrier for restitution. If a minor has failed to complete restitution by age 19 the restitution is enforceable as a civil judgment.

Page 51, line 16. Clarify that an official who violates the confidentiality of a minor is guilty of a class B misdemeanor.

Page 52, lines 21 - 23. Inserts the Civil Rule 90.3 calculation for parental support of a minor in state custody.

Page 54, lines 19 - 21. AS 47.12.250 adds the language: "A person having the responsibility for the juvenile detention facility may not unreasonably refuse to detain the minor in the juvenile detention facility at the request of the peace officer making or continuing the arrest." The language is problematic, and needs correction, but it pinpoints the situation facing police officers who now arrest juveniles only to find the DFYS refuses to accept the juvenile they have legally placed under arrest.

Pages 55 - 56, Article 2. Adds evading legal custody, and curfew, to the definition of delinquent behavior. These "non criminal offenses" are violations, subject to citations and community service, but not jail terms.

Pages 56 - 59, Article 3. Allows an officer to issue community service citations for the types of offenses minors are most likely to commit. The citations are enacted much like traffic tickets, and individual may refuse to accept the citation, in which case the juvenile code applies.

Page 57, lines 29 - 31, and page 58, lines 1 - 4. AS 47.12.420(e) A minor who fails to appear in court, or who fails to complete the assigned service may be fined up to \$300, or the court may accept a plan in which the minor's parents agree to supervise the completion of the community service.

Pages 61 - 64, Article 5. Establishes "community intervention courts" to involve local communities, and bring local resources into the solution of problems related to delinquent youth. These courts may assign community service, restitution, and family counseling. The courts may also require parents to participate in the minors treatment or counseling (page 63, lines 20 & 21).

Page 64 - 65, Article 6. Lists the tasks for community service administrators. Community service administrators are needed to make the community service work in many communities. Community service administrators may charge nominal fees to offenders for the privilege of performing community service.

Sections 69, 70, 71. Technical numbering.

Section 72. Expands the department's options when purchasing residential services to any corporation, not just "non-profit" corporations.

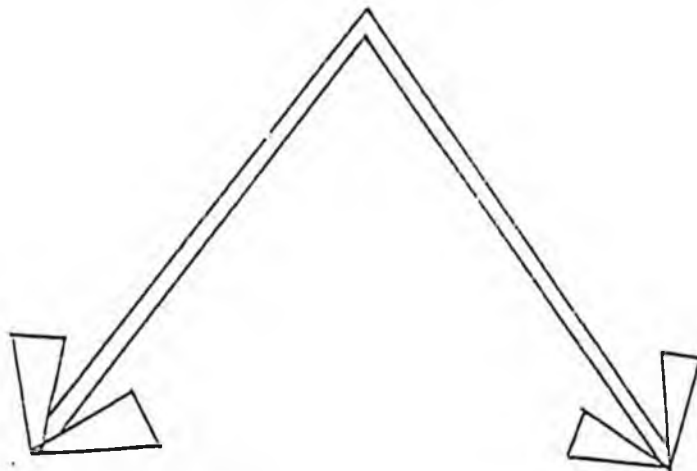
Section 73. Repeals the portions of AS 47.10 that dealt solely with delinquents. These sections have been carried over into the new 47.12. The following table lists the new section numbers for each of the sections repealed from AS 47.10.

Old Statute number	New Statute number (version M)
47.10.010(b)	47.12.015(b)
47.10.010(d)	47.12.015(c)(2)
47.10.010(e)	47.12.015(a)
47.10.020(d)	47.12.020(a)
47.10.050(b)	47.12.070(a)
47.10.060	47.12.080
47.10.070(b)	47.12.090(b)
47.10.075	47.12.090(c)
47.10.080(b)	47.12.100(b)
47.10.080(h)	47.12.100(e)
47.10.081(a)	47.12.110
47.10.090(b)	47.12.170(b)
47.10.093(d)	47.12.180(d)
47.10.093(e)	47.12.180(e)
47.10.095	47.12.200
47.10.097	47.12.210
47.10.130	47.12.240
47.10.265	47.12.500

Sections 74 and 75. Court rule modifications.

Child In Need of Aid
&
Delinquent

AS 47.10



Child In Need of Aid

Delinquent

AS 47.10

AS 47.12

Departmental Policy
AS 47.05.060(b)

- (1) Protection of the public and reformation of the offender.
- (2) Resolution should require some form of sanction, the form of the sanction should be certain, the sanction should be swift, and the sanction may take the form of a reasonable claim on the time and talents of the minor who has committed the offense.
- (3) Counseling provided to the minor must include the minor's family or guardian, the family has the right to offer suggestions and make recommendations for the correction of the minor's behavior, and the minor's family or guardian may be asked to participate in supervision of the minor's treatment.

Court Policy
AS 47.12.120

(a) In making its dispositional order . . . the court shall (1) consider:

(A) The best interests of the minor and the public

(B) the ability of the state to take custody and to care for the minor.

(2) Order the least restrictive alternative disposition for the minor.

(b)(1) The least restrictive disposition for the minor, meaning the disposition that is, in the judgment of the court, no more restrictive than is most conducive to the minor's rehabilitation.

(2) in making its dispositional order the court shall consider:

(A) The seriousness of the minor's delinquent act.

(B) The minor's culpability.

(C) The age of the minor.

(D) The minor's prior criminal or juvenile record.

(E) The ability of the minor's parent or custodian to control and supervise the minor.

(F) The success or failure of the minor's previous dispositions or placements.

Give the kids some guardrails again

Juvenile laws need toughening

It was the ultimate winter weekend for a 6-year-old Fairbanks kid. A storm had moved through town covering it in a thick white blanket. A Chinook wind raised temperatures making conditions perfect for mass production of high-quality snowballs. Several of the Kelly kids hid in Mr. Green's front yard on Noble Street. Our hearts pounded as mismatched gloves held snowballs at the ready. The school bus headed our way presented a target too tempting to resist—so we didn't.

My brother fired a perfect strike, and we scattered wildly at the sight of flashing brake lights. We escaped to the safety of our home and thought the incident behind us until we heard the knock at the door—it was the police. My brother was taken outside to talk to the officer and I became hysterical at the thought of him going to jail. What other option could there be. He had done wrong and was caught.

I couldn't know it at the time but my horrified reaction represented a great victory of civilization over anarchy. Through the institutions of family, church and community, my Western culture had taught me the law was a faithful friend and a frightening foe. My uncontrollable sobs proved I was a good student and had passed the test. I feared the law and as a result society had nothing to fear from me.

Our institutions were still in-

Rep.
Pete Kelly
Guest Opinion



fact in the Fairbanks of 1962—particularly as they related to youth. A partnership had been struck between my father and society. He was in control of his seven kids when they were in his sight and the law was when they were not. This partnership worked well until some time in the late '70s when we changed the way we viewed juvenile law. The state, in response to federal mandates, wrenched the responsibility of youth crime away from the courts and turned it over to a morass of bureaucracy. In essence, society backed out of its tacit partnership with parents, leaving them with all the responsibility and virtually no back-up.

No longer did youth have to fear the badge nor the black robe of the court. Indeed, they were absolved of responsibility as a youth criminal was viewed by the law in the same way as a child who had been abused. Slowly, our kids lost their fear of the law as they realized that, for many crimes, punishment was nonexistent. Gone were the consequences. Gone the well-defined limits on behavior previously provided by prosecutors and police.

I'll never forget the fear and humiliation on my brother's face as he stood before the policeman so many years ago. Would we

Our institutions were still intact in the Fairbanks of 1962—particularly as they related to youth. A partnership had been struck between my father and society. He was in control of his seven kids when they were in his sight and the law was when they were not. This partnership worked well until some time in the late '70s when we changed the way we viewed juvenile law.

ever elicit that reaction from youth today? I think not. They live in a world of peers who break into homes to rape and stab pregnant women. They are friends of friends of the young men who killed Cara Zastrow. They live in a world without guardrails, deprived by the system of valuable limits on their behavior. They have learned there is nothing the police can do to them and many times they are right.

While the overwhelming majority of youth are fine people, there is a nagging concern about the extent and nature of youth crime. It grows more frequent and more violent and its spread must be curbed.

I have spent 10 months creating legislation to address this problem. It punishes the lesser crimes, now left unpunished, that embolden our youth and lead to more serious crimes. Its key points are to:

- provide immediate consequences to bad behavior
- return responsibility for children to families and communities

- create intervention courts with members elected from the community

- distinguish between youth who commit crimes and those who have been abused

- punish first offenses of lower level crimes

This legislation will not end juvenile crime. It cannot protect kids from a popular culture that replaces the virtues of honor, bravery, and chastity with the anemic values of open-mindedness, diversity and Earth worship. It cannot restore the family culture of 1962 nor silence an education system that spells responsibility C-O-N-D-O-M. It is, however, something more than just a Band-aid, but admittedly less than a cure. For the cure will not be found in law, but in the tears of a 6-year-old who had learned the difference between right and wrong. With hope, this legislation will be part of that education.

Rep. Peter Kelly, a Republican, represents District 31, Downtown Fairbanks, and is the sponsor of HB 307, rewriting the juvenile crime code in Alaska.

Saturday, Jan 27th 1996.

Young killers confound courts

The Associated Press

CHICAGO — The children, barely as tall as the judge's bench, stand in court as convicted killers.

Because a 5-year-old wouldn't steal candy for them, they dangled him out a 14th-story window and dropped him to his death.

Now, the wrenching question facing a judge this week is whether these youngsters — now 12 and 13 — should be locked up in jail with other criminals or placed in a treatment center.

It's an issue other states face as well, as the face of crime grows younger and meaner, and courts are left to sort the fates of children who commit grown-up offenses.

"You ask cops, you ask the courts — people are seeing more and more of these kids," Jess McDonald, the head of Illinois' child welfare agency, said.

Crime statistics back him up. Between 1990 and 1994, the latest year figures were available, the FBI reported the arrests of children 14 and under for murder and non-negligent manslaughter increased from 283 to 379.

Under a new Illinois law, the Department of Children and Family Services may transfer youngsters ages 10 to 13 to the state's corrections department. But when it did so with these two boys, juvenile court Judge Carol Kelly balked, saying flatly she did not believe the welfare department's contention that none of its facilities were appropriate.

For a week, Kelly has heard testimony from bureaucrats and experts on what to do with the boys. That hearing was scheduled to continue Monday.

At their trial last fall, the boys were sentenced to indefinite state custody. Kelly has said the boys will be confined for no more than 10 years.

The two boys were 11 and 12 when they dropped Eric Morse to his death on Oct. 13, 1994, at a public housing project. Prosecutors said the boys were angry because Eric had gotten them in trouble with their mothers and wouldn't steal candy for them.

By all accounts, the two boys did not lead storybook lives. They grew up poor, in a hard-luck pocket of South Side Chicago. Both are of limited intelligence and had numerous run-ins with police.

But experts are mixed on what should happen to them. If placed in the care of corrections, the boys likely would be sent to a locked institution with a highly structured environment, strict rules and an emphasis on vocational education. Psychiatric treatment would be extremely limited.

"They are warehoused," said Dan Macallair, director of a San Francisco-based prison reform group. He said juvenile corrections facilities are "violent, they're gang-ridden."

"If the goal is to make these kids less likely to do violent acts in the future, you don't put them in a juvenile prison," said Macallair, associate director of the Center on Juvenile and Criminal Justice. "All juvenile prisons do is punish and alienate."

A residential treatment facility also is likely to be locked. But it would offer more opportunity for the intensive treatment for the boys, something a psychologist testified this week is crucial if they are to be rehabilitated. The boys would be sent to an out-of-state home, since Illinois does not have such locked facilities.

McDonald, from Illinois' child welfare agency, said he is comfortable with placing the boys in a corrections facility.

"These are the kind of kids we need to see in a secure setting," McDonald said. "If we had put them in a residential facility and they had run away, everyone would be lining up to kill us all."

But others say children who commit serious crimes should get the best treatment possible, if only to ensure they don't err again when they are released.

"We are clearly bent on a system of viciousness toward kids that get in trouble," Jerome Miller, who runs Washington, D.C.'s child welfare agency. "It has nothing to do with what's decent and humane."

Juvenile justice is a disaster

The entire juvenile justice system is terribly broken. At the period of time when youngsters are most vulnerable and need adult support, firmness and guidance, they are given increased autonomy.

Juveniles seldom have consequences for their criminal actions and the word is out. For this reason older criminals use children to courier illegal activities. Yet, parents are responsible for the child's actions until they are 18.

As parents of a runaway child, we were horrified to discover our child had complete freedom of

LaRue
Near

Guest Opinion



The current runaway statute must be changed. A runaway child must be immediately pursued, picked up and returned home.

movement and we had no rights at all.

Why did our 14-year-old child, an athlete, honor student and talented musician, choose to reject friends, family, and the values we tried to instill?

We are not sure, but our child began to associate with children that had problems such as truancy, running away, drugs and criminal activities. These students made it perfectly clear to our child, "If you don't like the rules at home you can leave. The system is easy to manipulate: shout abuse and you can go to a foster home. Too many rules there? Ask to move, or run, and you will be placed in another. Commit a misdemeanor crime, nothing happens to you."

In December 1994 our child, rather than face the consequences for breaking a rule (truancy), told the teacher she would be beaten if she went home (untrue).

She told the counselor she was running away. The school informed us that the child needed time out in a mutually accepted place and that if we physically forced our child to go home it would be considered assault. This child got the message!

As a result of the state undermining parental authority, our child has repeatedly refused to come home. The child, now a chronic runaway, has lived in many situations: some chosen by us, some by the state and many by people encouraging her delinquency.

Law enforcement people consider runaways a low priority and seldom pursue them. Our beautiful child, now 15, is a street person.

We are a stable family. A parent was always home with the children.

In trying to help this child, we have spent a fortune on lawyers, doctors, hospitals, psychiatrists, psychologists and counselors.

We have petitioned the state for help and had many court hearings. "Our hands are tied" (because of the laws), is the answer we get, over and over. At this point it seems hopeless.

The current runaway statute must be changed. A runaway child must be immediately pursued, picked up and returned home.

If the child claims abuse, take them to a secure place and examine them for bruises.

If there is truly abuse, place them in a foster home where they must remain. Make shelters like Family Focus secure, rather than a revolving door.

Children should not be allowed to run to the streets, for their own safety. It will not take long for word to get out that running away is no longer fun.

Children are our states' greatest natural resource and we are losing many.

Please call or write our legislators to get this statute changed.

LaRue Near, a life-long Fairbanksan and retired primary schoolteacher, is a member of a group of Fairbanks parents concerned about runaways.

■ Police report

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■ Events

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■ People

B-4

Rod Boyce, City Editor; 456-6661 (Ext. 275)

Dermot
Cole



Section

B

Monday, January 15, 1996

■ ■ ■
THERE HAVE BEEN several ads and letters to the editor recently about the problem of runaway children in the Fairbanks area.

There definitely is a problem, a complicated one that defies easy answers.

In Fairbanks, there are 30 to 50 runaways on the street at any given time, according to a recent report in the Fairbanks Native Association newsletter.

FNA operates Family Focus, which is a state sanctioned temporary shelter for runaway children ages 10 to 18. It was founded in 1979.

When police pick up a runaway, in most cases, they either take the child to Family Focus or contact the parents. Some of the children are leaving abusive homes. Others are rebelling against their parents.

The law gives the runaway child the power to decide where to go.

"The kids at Family Focus are free to leave whenever they choose, but can remain at the shelter for up to 14 days," the FNA newsletter said. "Parents are notified that their teen is at the shelter but it is up to the teen when he or she will return home."

On the streets the children can be exposed to all sorts of dangers. And those who are abused should not be forced to go to homes where they will be hurt.

What about the rebellious ones? If the law was changed to give parents the authority to require that the child come home with them or to require that the child stay at a place like Family Focus, the matter of enforcement would come up. If the child refused to cooperate, would there be any alternatives other than jail?

A meeting of citizens who are concerned about runaways will be Tuesday Feb. 6 at 6:30 p.m. at the Noel Wien Public Library auditorium.

FAIRBANKS DAILY NEWS - NEWS

Dermot Cole's column

■ ■ ■

DEPARTMENT OF CORRECTIONS: Lt. James "Scooter" Welch, a veteran member of the Fairbanks Police Department, called to remind me that a revision in state law as of August 1994 changed the handling of runaway cases to some extent.

Welch said that the law now specifies that a police officer use discretion in determining placement of a runaway minor. That means that an officer can take a minor to Family Focus, to the parents or to some other location. In the past it was left up to the child to decide.

If the child refuses to go home, however, there is not much that the police can do about it because running away is not against the law and the police can't require that a child go home.

■ ■ ■

THE WELLER SCHOOL Imaginarium, a hands-on science exposition, is this Saturday from 10 a.m. to 3 p.m. It is open to the public. Cost is \$4 per family.

Dermot Cole's phone number is 456-6661, Ext. 368.

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Local

Section
B

3-6661 (Ext. 275)

Friday, September 29, 1995

North Pole parents warned about gangs

By WENDY HOWER
Staff Writer

NORTH POLE—Red and blue bandannas flash gang colors in school hallways. Wanna-be gang members beat each other up. In a gang initiation, a student's skin is cut and bleeds enough to soak a red bandanna.

Scenes from inner-city Los Angeles? No, it's the beginnings of a gang culture in North Pole High School, according to Principal Dan McDaniel. Recently, he said, one student tried to burn another's bandanna in school.

"The drugs are coming back," McDaniel said. "Parents, you've got to know where your kids are."

This sobering message was delivered to about 40 parents, students, school board members and school district staffers Thur-

sday night at a North Pole Middle School forum entitled, "Youth Violence and Crime Awareness." Law enforcement officers, school officials and state lawmakers made up the nine-member panel.

It's not just the tough-looking kids in baggy pants, long hair and leather jackets causing problems. It's also the preppie kids with straight A's, McDaniel said. "You cannot tell by the way they're dressed what they're doing."

A recent increase in student violence is showing up on the police blotter, said North Pole Police Chief Alan Ownby, a panelist. North Pole police arrested 88 juveniles last year for assaults, vandalism, thefts, drug and alcohol abuse and other offenses, he said. That's more than twice the number of arrests in 1993, he said.

Children must be held accountable for

criminal acts, he said. "We need to shut them down before they really get started."

Panelist Patsy Cathey, new assistant principal at North Pole High School, said she saw similar pre-gang activity five years ago in Oklahoma. Now her former school district has banned lockers, mandated clear plastic book bags and bought handheld metal-detection wands. "A lot of the problems are society's problems that carry over into the school."

Kids join gangs because they are looking for love and acceptance, said panelist George Riley, safety coordinator for the Fairbanks North Star Borough's risk management department. Parents must get involved, he said. "These kids need a caring environment, and a caring environment includes discipline."

Ten-year-old Dustin Takao, who at-

tended the forum with his parents and older brother, said he has seen violence at Ticasuk Brown Elementary School. "A whole bunch of fights are at my school, too."

His brother, Lucas, 15, said he had not heard about gangs as a sophomore at North Pole High School. "I can't believe that, like, they're doing that here. I didn't think this place was big enough."

Sitting behind them, a mother of two who declined to give her name said she worries about violence in the schools. Her middle-school-aged child was the victim of harassment from other students early in the year, she said. "Kids are kids. I don't care if they're in Alaska or L.A."

State Rep. Pete Kelly, R-Fairbanks, said he would like to see police issue tickets for
See GANGS, Page B-3

LOCAL B-3

GANGS: North Pole

Continued from Page B-1
community service to juvenile offenders. He favors legislation that would punish juveniles for running away and skipping school. And he would like the state to fund a truant officer for the schools, he said.

"All kids, I feel, are at risk," said North Pole police officer Jeff Deutsch, who works in North Pole schools. "Some higher than others."

Deutsch and other panelists

described ways that parents can help keep their children out of trouble:

■ Know what your children are doing, where they go and who their friends are.

■ Teach your children to report violent behavior at school—it's not "snitching."

■ Watch for symptoms—bruises, soreness, torn clothes, drop in grades, lost lunch money.

■ Tell your children not to fight to solve conflicts.

B-2
B-3
B-4

Local

Section
B

661 (Ext. 275)

Thursday, September 21, 1994

Three teens arrested following robbery attempt

KAREN AHO
Staff Writer

A 16-year-old boy was arrested and charged as an adult Wednesday for allegedly attacking and robbing a man in a supermarket parking lot with two other teens early that morning.

Mitchell L. Forzley, of North Pole, is the second Fairbanks juvenile to be charged as an adult since a law went into effect in September 1994 that automatically waives juveniles 16 and over charged with violent felony offenses to adult status. In the past, those under 18 were

prosecuted as juveniles unless the district attorney won a waiver from a judge to try them as adults.

Forzley is accused of attacking Robert J. Hojnacki shortly before 1 a.m. as Hojnacki got inside his car in the Shopper's Forum parking lot. According to

statements Hojnacki made to police, Forzley told Hojnacki as he and another teen hit him that he saw him in the Super Valu check-out line and knew he had a wad of cash.

The second teen is identified. See TEENS, Page 1.

TEENS: Arrests made after incident

Continued from Page B-1

charging documents as Leonard D. Roach, of Fairbanks. Police said that Roach, 17, was arrested at 1:45 a.m. on Lacey Street downtown after Hojnacki spotted his three attackers from a police car.

Roach, who is accused of repeatedly hitting Hojnacki and kicking him in the face, was charged as a juvenile and booked at Fairbanks Youth Facility, said Fairbanks Police Sgt. Brad Johnson. Court documents, however, list Roach as 19 and charge him as an adult. Roach was not registered as an inmate at Fairbanks Correctional Center on Wednesday, according to booking officers.

Hojnacki told police he pulled his wallet out and gave the teens his money when they dragged him from the car and he saw Roach slip brass knuckles on. Police said they found a pair of brass knuckles in the bed of a pickup truck next to where

Roach was apprehended and that Roach admitted to putting them on during the attack.

Hojnacki was treated for a laceration to the head at Fairbanks Memorial Hospital and released. The Fairbanks police shift commander on duty Wednesday evening did not know how much cash Hojnacki had on him.

Forzley turned himself over to police Wednesday and was booked at FCC on an adult charge, police said.

The third teen, described in court documents only as "Paul," was not in custody Wednesday. Hojnacki told police that "Paul" watched the attack from outside the car and fled with Forzley and Roach.

Local

Wednesday, October 11, 1986

Juveniles held for shooting

By MICHAEL DREW
Staff Writer

A gun stolen in May, passed around by several juveniles, and later traded for drugs, was used in the shooting of a 12-year-old boy last week.

With one juvenile already charged in the shooting, Fairbanks police arrested three more juveniles Monday in connection with the incident. The three were charged with felony theft and tampering with evidence, another felony.

Anthony R. Ladd, 17, was arrested Friday on charges of assault and weapons misconduct.

Police say Ladd pointed the loaded .46 caliber handgun at the 12-year-old boy Thursday afternoon when the gun went off and hit the boy in the chest.

Police Detective Paul Keller said the three additional arrests came as a result of the weapon used in the shooting. Keller said the pistol had been stolen in May from Sporting Arms Repair and Sales.

Keller said six juveniles have been in possession of the weapon since it was stolen. He said a 14-year-old boy stole the gun, then gave it to an 11 year old.

The 11-year-old then hid the gun in the woods behind the Bentley Mall and later told a 15-year-old of the gun's whereabouts, Keller said. He said a third juvenile found the gun and sold it to a 17-year-old boy for "crystal meth" methamphetamine.

The 17-year-old took the gun to 647 11th Ave., where it was later used in the shooting of the 12-year-old, Keller said.

By DAVID GERMAIN
Associated Press Writer

JUNEAU—No matter which side wins a court fight over Alaska's fishing quotas, the lawsuit may cripple a Pacific Salmon Treaty between the United States and Canada, a state fishing official said Tuesday.

Alaska has argued all along that treaty negotiators should resolve such disputes, not the courts. But a federal judge in Seattle put Southeast Alaska's chinook salmon fishery on hold this summer and is expected to rule today on whether to continue the fishing ban.

David Benton, deputy state commissioner of fish and game, said quarrels over salmon quotas are complex issues that should be

left to fishing experts rather than judges.

Benton, a member of the Pacific Salmon Commission that enforces the 1985 treaty, testified in U.S. District Court in Seattle last week over the lawsuit that was filed by tribal groups in Washington and Oregon, along with Canada, which sued to stop chinook fishing off Alaska's southeast coast.

"What you could see is the unraveling of the Pacific Salmon Treaty before your eyes," Benton said of the court hearing. "That process relies on consensus. The court process is really damaging the treaty in the long run."

A mediator is scheduled to begin arbitration in October on

the chinook dispute and other treaty disagreements.

Officials in Canada, Washington and Oregon reduced their chinook limits this year to help rebuild dwindling salmon stocks along the British Columbia coast.

Alaska rejected requests to drastically lower its own chinook quotas of 230,000 fish this year, saying the reduction would harm the region's commercial fishing industry while doing little to revive the British Columbia spawning stocks.

U.S. District Court Barbara Rothstein said last week she would try to rule in the case by Wednesday. Which ever side loses will almost certainly appeal the decision, meaning the court case could drag on for months.

"That do in the fishi communities much pleas think we're haul."

Rothstein straining or August for fishermen. last Wednes untarily a fishery closu esues her rul

If the d Alaska, chi almost cert the 1995 through S known how opens Oct. the chinook place, Bente

Elmendorf cracks down on juvenile crime

The Associated Press

ANCHORAGE—As Anchorage crapples with soaring juvenile crime, one part of town is handling it with all the sternness of a court-martial.

Elmendorf Air Force Base has made fighting juvenile crime a priority for the past four years. And the base's 1,500 or so teenagers seem to be getting the message that even small offenses, from violating curfew to shoplifting, can mean serious trouble.

"If you go downtown and steal candy from a store, it's no big deal," Keysha Walcott, 14, said. "But if you steal candy on the base, you get in a whole bunch of trouble."

Walcott has a friend who was caught shoplifting in the base's convenience store. He couldn't go back to the store for a year and

ended up doing community service. She offers this advice for kids thinking of mischief on base: "Don't."

While juvenile crime on the base has gone up and down since 1991, the level is nowhere near the city's. In 1994, there were 101 juvenile arrests on base, a small rise from the 89 arrests in 1992. Most of the crimes were small. The most common offense is shoplifting. The most serious offense in the last four years occurred when a boy was caught in 1991 driving a stolen car with a concealed weapon.

Curfew is strictly enforced, said Airman 1st Class Steven Gregg, who serves as a base policeman.

Compare that to what's happened in Anchorage: In 1994, 2,966 youths were arrested—double the number in 1990. Nine were arrested for murder or manslaughter, 10 for sex offenses and 28 for robbery.

In town, kids who commit relatively minor crimes like shoplifting or vandalism are returned to their parents and given a far-away date to meet with a juvenile probation officer. Some receive no punishment at all.

On Elmendorf, a juvenile court system has been in place since 1991, and officials say it's effective. Even small offenses on base are dealt with promptly according to Col. Greg Gonyea, who oversees non-military activities on base. Kids caught committing crimes on base will find themselves standing in front of something called the Juvenile Corrections Board with their parents—and their parents' boss—within a matter of days.

The board meets in a conference room about once a month.

1995
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Census team in Fairbanks

Staff report

Representatives of the U.S. Census Bureau are in Fairbanks to gather information on school enrollment so educational programs and facilities can be started.

Through next Tuesday census bureau employees will visit 65 Fairbanks households and will call about 25 more for phone interviews.

The bureau does monthly employment surveys and this month will ask school enrollment questions, said Jolynn Lambert, a survey statistician for the bureau.

Lambert said the information has been requested by the Bureau of Labor Statistics and the National Center for Educational Statistics.

"Information will be used to provide educational programs and school facilities across the state," Lambert said. "It's the only source of enrollment data in the nation."

LOCAL IN BRIEF

Staff reports

Program aimed at shoplifters

A daylong seminar for children who have been arrested for shoplifting will be held Saturday.

Sponsored by the Juveniles Against Shoplifting Program, the meeting will be held from 10:30 a.m. to 4 p.m. at the Carol Brice Center on Gillam Way. Cost is \$25.

Most youth attending are referred by police and juvenile authorities, said program director Evon Aldrich, while others are referred to the program by store managers after being caught shoplifting.

"We have a real success rate," she said. "We talk of crime, alcohol and drugs, and why they shouldn't shoplift."

"We try to get to them so they won't do it again."

In addition to shoplifters, she said, the program accepts youths who may be getting into trouble but have not been arrested.

Parents are welcome to sign up their children for the seminar, but parents are not allowed to attend, Aldrich said, because children talk more freely without parents present.

Certified counselors will lead the seminar.

Flu vaccination clinics scheduled

The Fairbanks Regional Public Health Center will hold flu vaccination clinics at two locations next week.

The first clinic will be Oct. 24 at the Breadline, on Second Avenue, from 11 a.m. to 1 p.m., with the other is scheduled for 11 a.m. to 1 p.m. Oct. 26 at the Fairbanks Rescue Mission on Gaffney Road.

There is a \$10 fee per vaccination for adults, and Medicare assignments will be accepted. For information, call 452-1776.

Kastelic named to APBC board

Gov. Tony Knowles wanted some experience for the Alaska Public Broadcasting Commission and he got some with Patty Kastelic, director of human resources for the University of Alaska and a former APBC board member.

Kastelic, a board member from 1988 to 1993, will be part of the nine-member board that's re-

sponsible for administering grants for radio and four stations in Alaska.

"In choosing on the APBC, I'll combination of and management deal with the ch broadcasting, an tantly, a first standing of the broadcasting Knowles said in statement.

Also named to Michelle Abrams, assistant technical Alaska Public B. Michael Burns, president and CEO of Alaska; John neau, a private at- tive volunteer television in Ju Kernes of Home media consultant and Brad Reeves, manager of Kotzeb

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FORUM / LETTERS

Alaska's youth crime laws need to grow up

The recent slaying of Chansy Phlanchantharath has left many Anchorage residents disgusted, myself included. His death added one more item to Anchorage's long list of youth crimes.

Look at the statistics. A report published in January by the Mayor's Crime Task Force, titled "The Mayor's Community Action Plan on Crime," stated that in 1990, teens 13-17 years of age committed 1,384 "juvenile acts." Three years later, in 1993, police performed 2,935 "youth probation referrals."

Obviously, we teens should act more responsibly, but before that can happen, Alaska's youth crime laws need to grow up.

Teens' attitudes are becoming more immature. Crime is seen as fun, as something to do, as a way to get revenge.

The Anchorage Police Department hasn't been able to do much to stop this alarming trend.

"Most enforcement models currently in place are based on programs developed in the 1960s and '70s," the CAP report stated.



AMANDA THOMPSON



"Analysis of these practices ... revealed that they do not generally have significant effect. Consequently, new enforcement and intervention strategies must be developed."

The CAP report recommended a bunch of new strategies, mostly plans for benevolent prevention programs, like the Midnight Sun Basketball League at Clark Junior High. Nice ideas that work for some; but not all youths get

enough incentive to stay out of trouble through warm fuzzy things.

You can see this any time you baby-sit a couple of children. Tell the child to clean up his dishes and then, as a reward, he can watch Power Rangers. Your chances are 80/50 that he'll clean up. Why? He can usually find something else to do that's just as fun as the Mighty Morphs.

If he finds some other form of entertainment, the policy needs to change. Tell him at the next cleanup activity to tidy up or else he'll receive a punishment. Stick to your guns, and he'll most likely do it.

Likewise, the way the police and courts deal with teens should get tougher, more grown-up.

The terminology used with youth crime needs to grow up. Still wondering what the phrases "juvenile acts" and "youth probation referrals" mean? If a person under 18 robs a convenience store, for example, they perform a "juvenile act." (Act? That sounds to me like something done in a circus. A crime is a crime.)

Police don't arrest peo-

ple younger than 18. They perform "youth probation referrals." (And I thought Service High was a safe school since I had never heard of a student being arrested).

Euphemisms like these tell teens that what they did was really less than a crime. Wimpy words reduce the wrongness to a baby food-like consistency, especially when coupled with Alaska State Statute 09.25.120.

The law states, "Every person has a right to inspect a public record in the state ... except ... (2) records pertaining to juveniles unless disclosure is authorized by law." Teens age 13 to 17 don't need this special right. Erasing it off the books would help reduce Alaska's youth crime rate by numerous ways.

It will help us teens realize that youths do get caught and punished. A lot of youths do stupid things because they think they'll get off clean. They hear rumors of others who get sent to McLaughlin Youth Center, but seeing troublemakers on the front page would make the conse-

Teens' attitudes are becoming more immature. Crime is seen as fun, as something to do, as a way to get revenge.

quences of crime real.

Risk of public embarrassment to themselves and their families would give teens another incentive to stay clean.

The state's youth-probation agency is starting to recognize the need for the policies to grow up. They are looking into beefing up security measures so they can deal with the teens who act more like dangerous adults than naughty children.

Teens are acting more like adults because we are physically more adult than ever before. Restaurants have known this for a long time. They make youths more than 13 years of age eat off the adult menu. More scientific proof of this fact is being manifested as the average age of puberty continues to plummet. Making laws that deal

with more adult teens in a more adult manner will help our mental and social capabilities catch up with our equipment.

Will these measures stunt efforts at rehabilitation? Not so long as churches, families and especially teens ourselves take the responsibility of helping troubled young adults return to making the most of their lives.

Nobody wants to see youth crime get worse. The laws that deal with youth crime need to grow up. Open the records and throw out the euphemisms, then stand back and watch the behavior of Anchorage's teens grow up. Better yet, watch potential young victims, like Chansy was, get a chance to grow up.

□ Amanda Thompson is a student at Service High School.



CANDY

Chocolate still tops with kids

LOCAL • B-1

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Browns 29, Bengals 26, OT
Cowboys 28, Atlanta 13
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HUSKERS

Nebraska knocks
Seminoles from No. 1

SPORTS • C-1

MONDAY

Mostly cloudy with a shower or two
High 40 Low 26
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Daily News-Miner



The Voice of Interior Alaska

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24 Pages

Accused teen no stranger to trouble

Juvenile justice system sees same kids often

By KAREN AHO
Staff Writer

Fourteen months before 16-year-old Paul Daniel Shewfelt was jailed on attempted murder and rape charges in Fairbanks, he lit a bomb in the entryway of a sleeping family's home in the village of Fort Yukon.

Shrapnel from the 2 a.m. blast traveled across the street and into a bedroom where an 83-year-old man lay sleeping. Where the bomb was set, it tore apart the front door.

At Paul Daniel's disposition hearing one month later, the juvenile court's equivalent of a sentencing, Superior Court Judge Ralph Beistline verbally denounced

the act.

"This could have been a murder case. There were two young children in the living room when the bomb was set off. It is a miracle they were not hurt or killed," Beistline wrote in court documents dated in May.

"This was a despicable crime," he continued. "How big a bang was justified? None! Society will not tolerate this behavior."

Beistline sentenced Paul Daniel to two years probation, the maximum allowed under law, and 100 hours community service. Paul Daniel had spent less than a week in youth jail immediately following the August 1994 bombing.

Confidentiality laws prevent officials from discussing Paul Daniel's or any other juvenile offender's case. Anyone, including family, who releases confidential juvenile

court documents, such as those quoted in this article, may be subject to a \$5,000 fine and one year in prison.

Nonetheless, those familiar with the juvenile justice system express little surprise at Paul Daniel's sketchy last year as a child ward of the state. And few balk at his family's contentions that he violated many of his probation conditions without re-buke.

"Kids get a dozen chances before there's any consequences, it's very frustrating," said Jim Thomas, a juvenile probation supervisor in Fairbanks.

Early Oct. 15, a 22-year-old woman rooming with Paul Daniel's cousin was stabbed 19 times with a 16-inch knife and raped, police say. They arrested Paul Daniel less than two hours later asleep in his room a few blocks away, his clothes reportedly covered with bloodstains.

"There's not a question a crime was committed and he did it, in my mind," said his father, Paul Shewfelt Sr. "The question is, his state of mind."

■ ■ ■

The bomb incident was not Paul Daniel's first brush with the law.

In May 1994, he and another teen broke into the Fort Yukon school, stole a fire extinguisher, and used it to vandalize the same home he would later bomb.

According to a report from his probation officer, Paul Daniel dumped garbage and discharged the extinguisher on the family's porch. He then threw the extinguisher through their window, in all causing about \$600 damage.

Meanwhile, the school flooded, presumably after Paul Daniel opened a water line, causing an estimated \$3,000 damage. Both

See TEEN, Page A-7



TROUBLED YOUTH—Paul Daniel Shewfelt, shown in this 1994 photo at age 15, is accused of raping and stabbing a woman.

TEEN: Juvenile justice system sees many teen offenders more than once

Continued from Page A-1

teens ran away from the Yukon River village for three weeks after police confronted them.

Upon his return, Paul Daniel continued to live in the village with an aunt, one of five homes he would be shuttled among in a three-year period.

Three months later he was arrested for lighting the pipe bomb, made by two other teens, on the doorstep of a white family that had reportedly been issuing racial slurs.

Paul Daniel spent a few days at Fairbanks Youth Facility and was slapped with eight criminal charges: second-degree attempted murder, first-degree arson, criminal possession of explosives, third-degree misconduct involving weapons, three counts of criminal mischief, and disorderly conduct.

He pleaded out to two charges: criminal possession of explosives and misconduct involving weapons. Judge Ralph Bestline placed him under legal care of the state Department of Health and Social Services, put him on probation for two years, and ordered he work 100 hours of community service.

Due to confidentiality requirements, Bestline would not discuss Paul Daniel's case. But speaking in general, he said Alaska law requires that judges impose the "least restrictive alternative" to jail time in juvenile cases.

The court must show the minor is a serious danger to himself or others, or at serious risk of skipping his court hearings, before he can be incarcerated.

"You can't even put them in custody for a short period of time if there's a least restrictive alternative," Bestline said. "Frequently that involves counseling and probation."

For the most part the system works, say judges and probation officers.

At the heart of juvenile justice is the philosophy that children should be reha-

bilitated, not punished. Proceedings remain confidential in the hope the minor is not permanently judged for his presumably singular and correctable behavior. And monitored freedom seeks to teach him how to behave appropriately under real-life conditions. Incarceration, it is argued, would only relegate him to the relative ease of a regimented life-style.

"Then where is he when he gets out?" Thomas said. "Once you've institutionalized a minor, that's the last recourse you can take."

"I'd say 95 percent of the kids under institutional order are repeat offenders. Most of the kids have had a number of chances."

The system has literally been built on that philosophy. The Fairbanks Youth Facility, intended to serve the Fairbanks North Star Borough and outlying communities as far away as Tok and Fort Yukon, has just 20 beds for long-term imprisonment and another 20 for 48-hour detention. Two days is the longest a juvenile can be held under arrest.

■ ■ ■

Paul Daniel fulfilled his 100 hours of court-ordered community service by helping out at the World Eskimo-Indian Olympics this summer, a job his father said he enjoyed.

But Paul Shewfelt Sr. said his son failed to comply with the conditions of probation set in May. He and other family members said Paul Daniel repeatedly broke his court-ordered curfew, was caught and even arrested for drinking alcohol, and avoided any mental health counseling, all without official reprimand from the department of juvenile probation.

Due to confidentiality, the News-Miner is unable to confirm the family's assertions with either mental health or juvenile authorities.

When asked if he sought help for his

son, Paul Shewfelt Sr. did not answer. In fact, Shewfelt himself has refused to undergo court-ordered counseling in his own criminal case.

In March, Shewfelt completed a four-year jail term for the 1991 rape of his brother's girlfriend at a drunken party in Fort Yukon. Throughout, he has staunchly refused to undergo sexual-offender treatment on the basis that counselors require their clients to admit guilt, an act that he said would hurt his case for an appeal.

He tells other inmates, and his son, to look to the Bible for counseling, not to psychologists.

As to Paul Daniel's counseling, Juvenile probation's Jim Thomas, speaking again in general terms, said he was unaware of any family complaints that had not been resolved at the probationary level.

"I would feel comfortable saying that if the court ordered counseling, the probation officer would make extensive efforts to ensure that the counseling had been done," Thomas said. "And if not, it would be caught at the three-month audit."

Two Fairbanks supervisors conduct quarterly reviews of officers' cases. There are currently eight juvenile probation officers, each averaging about 26 cases. Officers are responsible for everything from screening police reports and writing lengthy court reports, to bi-monthly client checks. Furthermore, they are encouraged to correct violations on their own before further burdening the court system.

"The court doesn't want us to bring kids back," Thomas said. "It's incumbent on us to try to solve these problems out of court."

In late July, Paul Daniel was put in emergency foster care with an aunt, Bertha Carroll, a Frontier Flying atten-

dant who works evenings and lives with her 21-year-old daughter.

She said a probation officer checked her home for working smoke detectors when she assumed custody, but she does not remember learning about Paul Daniel's probation conditions.

In August, Paul Daniel bumped into his old girlfriend at a Native youth leadership conference at the University of Alaska Fairbanks. When she had broken up with him the spring before he had stopped attending classes at North Pole High School and his grades dropped from Bs to Fs.

His father had tried to counsel him. "You can't make someone love you," he told his crying son, who had just turned 18.

Two days after seeing her again, he went to her house in North Pole and stabbed himself in the chest with a steak knife under his armpit.

He was in Fairbanks Memorial Hospital for three days, during which time he received counseling for a suicide attempt.

He left the hospital with a blank notepad covered by a counselor's unfulfilled instructions to write an autobiography and stuffed with a folded drawing from his 7-year-old sister with a blue heart and the words "I LEVUU."

According to Paul Daniel and his family, when he returned twice in September and October for follow-up psychological counseling, he was turned away for administrative reasons. One time the last name on his guardian's signature did not match his own.

"Anyway, because of lack of communication, the counseling never materialized," Paul Shewfelt Sr. said.

It seemed to depress Paul Daniel, said his aunt, but he didn't talk about it. "He just kept everything to himself," Bertha Carroll said.

Fairbanks Police say Paul Daniel knew who the victim of the Oct. 15 murder attempt was, but had never met her. She and Bertha Carroll's daughter had moved into a ground-floor apartment on Adams drive about a week before the attack, Carroll said.

Paul Daniel's family said he was intoxicated that night and has no recollection of events.

Police detective Paul Keller said the young woman's attacker did not break into the apartment. Police had originally said he did.

Sometime before 1:30 a.m. the woman, five months pregnant, was stabbed 19 times, police said. Surgeons had to work on 11 of the wounds.

In an interview last week with KTUV Channel 11, she said she consciously held her breath in an attempt to play dead so the stabbing would stop. "There was a part where I thought I was going to die," she said. Then she lay breathless as her assailant raped her.

Police are not disclosing how she freed herself, but a neighbor reportedly heard her screams and saw an assailant matching Paul Daniel's description flee from the area.

"She's a strong girl," detective Keller said. "I'm proud of her."

"It's only by the grace of God she's alive."

The victim has since been released from the hospital, and the fetus is unharmed. Her identity has been protected because she is the victim of a sex crime.

Paul Daniel has been indicted on first-degree attempted murder, first-degree sexual assault and first-degree assault. He is being held in a cell in segregation at Fairbanks Correctional Center on \$100,000 bail.

The only conversation he granted the News-Miner was a response to how things were in jail. "Lonely," he replied.

Local

Section B

Friday, August 18, 1995

Parents call for rights to curb kids

By KATE RIPLEY
Staff Writer

Rep. Pete Kelly said he wanted to hear from the public about juvenile crime before heading back to Juncoau in January for another legislative session.

What he found at the Southside Community Center on Thursday night was a group of angry parents who claim the courts, state social workers and the criminal justice system take away their ability—and right—to properly raise their children.

"The first thing you need to do is get the full deck of cards on the table, and that's parental rights," said Scott Calder, sounding what became a familiar theme throughout the evening meeting, which drew about 25 people. "The relationship between children and government, that's the biggest problem we have."

Kelly passed out a list of ideas for cracking down on youth who commit crimes. The current system has nearly no consequences for children who break the law, he said.

"If they need counseling, fine, let's give them counseling. But we need to tell them, 'If you step out of line, we're going to punish you,'" the Republican said.

Calder shouted back, "Let the parents do that."

Lavada Napier said state social workers have made parents into criminals for simply wanting to spank their children when they do bad things. Another woman complained that she can't keep her child at home; her daughter keeps running away and police say there's nothing they can do about it.

Elizabeth Kraska, a youth counselor, said parents need to find out why children are committing crimes in the first place.

"Kids are not born thieves, and shoplifters and murderers ... something happened along the way," she said. "People are so angry with how kids are nowadays, but nobody knows how they got that way."

The sometimes excitable crowd grew hushed when one woman spoke: Cheryl Austin, whose 22-year-old son, Tim Ryals, was killed last month during an apartment fire on College Road. Authorities have since announced they believe two 12-year-old kids started the fire.

Austin said it's time for parents to stop blaming the system and look toward themselves.

"My son gave his life to see the other ... residents and my daughter-in-law safely escape that building," she said, her voice hoarse. "I don't know anything about the two 12-year-olds that killed my son."

Some days, Austin said, she feels like dragging the arsonists onto the streets for a public punishment. Other days, she feels some compassion.

"I'm caught in a horrible pendulum, back and forth," she said. "But this goes back to the parents. The kids have more rights than we do ... We've got to put the burden back on parents."

Afterward, Kelly said the meeting provided feedback on a difficult issue that needs more fleshing out.

"The problem with a meeting like that is keeping it focused," he said. "I really wanted to get solutions, not complaints."

Kelly has drafted legislation for "community service ticketing," where youthful misdemeanants are required to pick up trash or perform some other helpful task. Kelly also supports removing criminal matters from the Division of Family and Youth Services, enforcing curfew and truancy laws as well as establishing a "boot camp" for youthful



State Rep. Pete Kelly

SEARCHING FOR ANSWERS—State Rep. Pete Kelly asks for solutions to juvenile and minor crime during an open house Thursday night at the Southside Community Center. Kelly presented some legislative ideas concerning crime to parents and service providers with the hopes of finding some answers. Kelly has drafted legislation that he thinks will help to combat crime by youthful offenders.

Steven Grunstein Peter
Guardians of Family Rights
Juneau, Chapter #1, Scarecrow Parents
P.O. Box 32604
Juneau, Ak. #99803

Dear Editor,

Parents are you tired of the state telling you how to raise your kids? Parents are you frustrated with the system and the way it has you tied up by taking your authority away from you? Sick of the juvenile probation dept. ? Do you think that they should send the dept. officers home with out pay because, they don't do any thing but talk about how they can't do anything with these kids until they get violent and dangerous. Has it occurred to anybody in the state house and senate that by passing all of the juvenile laws they passed in 1994, the only ones it helps are the ones who work in D.F.Y.S. or Tongass Anger Management or the safe houses. Now don't get me wrong, the juveniles need such services, but for the most part the state has made the parents SCARECROWS, and the kids know it.

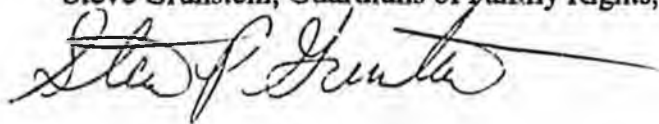
Have you got a out of control teenager at home? Have you ever been told, "You can't do anything to me I'm a minor I'll have you tossed into jail if you ain't careful?" Have you ever had a teen under 16 years old, decide that they didn't want to go to school, or come home? What do you do? You can't physically drag them to school that's abuse. But, if they don't go to school you are held totally responsible maybe even jailed. Hay you ever been told well all we have to do is sit back and wait till this kid gets on probation, just to find that informal probation is a joke. Even if they are on informal probation its OK for the teenagers to continue to steal and joyride and not go home or to school because they know that the probation officer ain't gonna go up in front of the judge, until the stack of paper work is three feet thick or the teen gets violent.

Did you know that there is a law on the books in Alaska that states a juvenile can't get locked up except for one of three reasons. One, the teen is dangerous to him/herself. Two, the teen is dangerous to others. Three, the teen does not appear in court. What a joke! If joy riding on a icy night ain't dangerous to others then what is? Do you realize that you as parents have been reduced to being more than a SCARECROW? Do you know that you have no authority to get a U.A. on a child doesn't agree, even if you know the teen is using drugs. Just try!

Then when your teen is hospitalized for a drug overdose the DFYS do-gooders want to know how this could happen? Aren't you being a good parent? Don't you know what your child is doing? But, did any employee from DFYS check with the police to see that you already reported your child missing or a run-away? Meanwhile back in the emergency room you request that they do a rape check on your teenage daughter and they say that they can't, "SHE HAS RIGHTS."

Isn't it strange that all you have to do is provide food, shelter, and a bed for a teenager and the state will be happy. Don't you find it strange that a teenager can go to bed with anybody they want to, steal, be disrespectful, or run away and nothing really happens other than an informal probation? If you think it's bad now then don't call your senator or representative and watch the new wave of laws the so-called experts are trying to pass. Where do these people come from? Of the ten I have met only one has children. The other nine knew it all from a book. Lets get real and give the parents back the rights that these "So Called EXPERTS have gotten removed all in the name of Abuse"!!! Let parents raise their children not the state. For information call 488-9328

Steve Grunstein, Guardians of Family Rights, Juneau



To the Editor,

For centuries, parents raised their children, not the state. Are we just custodians because of state bureaucratic regulations? To fathom this phenomena one must realize the state is pushing the concept of "Government Owned Children."

DFYS fosters the opinion, the child isn't incorrigible, rather their alleged misconduct is due to parental failures. For instance, if parental commands are in conflict with their standards, parent rules are considered unreasonable. An example of unreasonable in Adjudication 4.31 is, "an 8 p.m. curfew on Saturday night for a 16-year-old child or refusal to allow the child to participate in extracurricular activities." (p.167)

What if the child is on restriction, or isn't trustworthy? No matter, guess who is blamed for their unhappiness? Therefore, if your child runs away it's justifiable because home rules are not standard. In short, we must raise willful children by state standards, not time proven ones. Standards that now put the child in control.

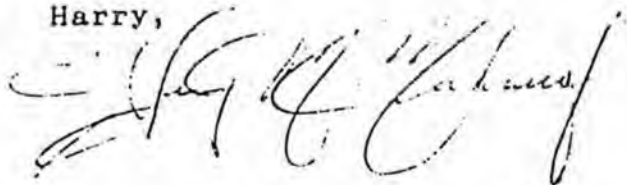
How is one to raise a disobedient child to become responsible and productive? When seemingly harsh consequences and chastisement is removed by the agency, children become fearless, because they have nothing to fear. But, alack alas, mother state has spoken and we, the mere custodians, must obey her. I THINK NOT.

As children become more ungovernable we need to correct their unacceptable behavior. It is our task and duty to God, child, and society to see that they become productive and responsible, not self-centered misfits.

In recent findings by the "Family Law Review Task Force," DFYS staff took custody of children unnecessarily and justified their actions with additional minor charges. "Thus a parent can lose custody of a child based on DFYS' accusations, but must prove innocence rather than the state proving guilt. DFYS. . . may be violating the constitutional rights of the parent, including the right for the accused to face the accuser.

I, as a concerned parent believe, if a law or regulation is in conflict with our parental rights, remove, challenge or replace it.

Harry,

A handwritten signature in cursive script, appearing to read "Harry B. Niehaus".

P.S. For the Independent only. My telephone number is 488-9328

Harry B. Niehaus
PO Box 55455
North Pole, Ak.

What Can I Do?

Dear Editor,

November 6, 1993

Throughout America, citizens are screaming about our youth being out of control. To most common sense parents this can be corrected if liberal bureaucrats step back and look at what they are doing.

Children who break the law, need to face its consequences, instead of being declared a child in need of aid. The least restrictive method applied by social agencies does not work. Children prepare for real life by being held accountable and learning responsibility.

Parents are frustrated by endless laws and regulations that impede productive disciplining. You can't holler at your child this is emotional abuse. Patches or old clothes are an out, this can be viewed as neglect. Even one's low economic standards is used as evidence of neglect. Heaven forbid! don't leave Sally alone to play in the front yard, this is neglectful. Try taking your child to the dentist to have a tooth pulled, you'll be suspected of abuse, as I was. Of course school counselors were too busy to ask why the tooth was missing and phone the dentist. Instead, they call DFYS. And if Johnny isn't happy all the time, he must be depressed and counselors call the state police.

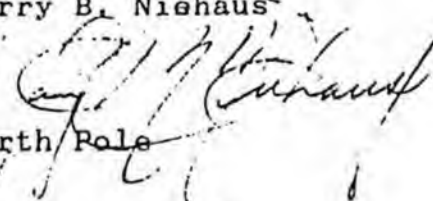
Laugh if you wish, but these things have happened to me and others in our own community. It's at the point where parents are afraid to take their children to the doctors. They're afraid of being accused of abuse. Doctors perceive that children will receive inadequate attention because of this fear of agency abuse.

Harry B. Niehaus

Our children are over protected. Social workers need to use logic and common sense and less pop-psychology. They're suffering from what I call, "The Alice In Wonderland Syndrome."

What can we do to eliminate abuse of the family's right to prepare their progeny for adulthood, without being stimed every time we try to do something for their own good? Join a group that supports the repeal of many Child In Need Of Aid Laws. Children have their Civil Rights, rights that are now superior to ours. These rights need to be brought in line with ours. Advocate returning to just the Criminal Justice System, that equally protects everybody's rights.

Harry B. Niehaus


North Pole

Harry B. Niehaus
P.O Box 55455
North Pole, Alaska
#99705
488-9328

Harry B. Niehaus

Runaways

For a few children:

Today's culture fails to set limits on a disruptive child's behavior.

No distinction between freedoms and "wilding."

Parents have lost control.

Problem:

1) Runaway shelters are available for those children who are abused by their parents, but form an attractive nuisance to those children who are flaunting their parents.

2) Police are required to expend considerable effort to find and secure runaways, but they are foiled when it is the child who is attracted to and desires to continue life on the streets.

3) Without means of support, these children are quickly picked up by older fagins who employ them in prostitution, drug rings, burglary rings, and other criminal activities.

Solution:

1) For those children who have been picked up by police, the officer must be able to recommend that a shelter operator provide the child with adequate protection to prevent the minor's fleeing back onto the streets.

2) The shelter operator needs to be authorized to contact the court and provide notice for a 48 hr secure environment to begin.

4) The shelter must have the option of installing simple double key deadbolts that prevent a child unauthorized exit from the shelter. Jail like security is not needed.

3) Lacking clear and convincing evidence of abuse, the parent must be able to come and pick-up the minor for return to home.

Alaska State Legislature

REPRESENTATIVE
PETER KELLY

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House District: 31

House Of Representatives

Sponsor Statement

HB 387

Juvenile Crime is a growing cancer. This bill tackles the problem, not at the more serious front-page headline gathering felony level, but with the first offense, the least serious offense, and hopefully at the most correctable stage in a potential criminal's career.

My legislation takes four initial steps.

- 1) It provides immediate consequences to first time offenders, the consequences graduate in seriousness with recidivism, and entry level pre-criminal behavior is not added to the burden of the existing criminal justice system.
- 2) It streamlines the juvenile code, separating the criminal system from the larger issue of the state's response for children who have been abused or neglected.
- 3) It gives communities the ability to create community courts with elected or appointed members to deal with minor issues like truancy, curfew, and runaways quickly and without a criminal record.
- 4) Hard core offenders who "blow-off" the community court system are identified for attention by the courts and professionals who work with troubled youth.

The Bill takes the existing juvenile code and splits it into two sections, one for dealing with children-in-need-of-aid and a new section of code to deal with criminal acts committed by children. Children-in-need-of-aid remain under AS 47.10, delinquent acts are addressed under AS 47.12.

The new delinquency code provides the court system guidance in handling delinquent kids in three key areas: 1) least restrictive custody; 2) danger to self and others; and 3) conditions for registering juvenile sex offenders. Most of the practices established for dealing with delinquent children in the new Title 47.12, will be familiar to juvenile justice workers. New practices include a citation mechanism so that police can give juveniles immediate consequences when they are caught in the act, and a "community court" to involve local resources in dealing with juvenile crime.

The goal of this legislation is to give kids immediate, graduated, and sure consequences for actions that are criminal in nature, or lead to criminal behavior, without further burdening the juvenile justice system.

Sponsor Statement
Page 2.

Courts, prosecutors, public defenders, and police are saturated with the complex system we now have. I am adding a new, volunteer, community court to review, track, and adjudicate the community service hours attached to the citations.

The legislation is designed to divert children away from the resource intensive justice system early in their criminal careers. It will take several repeat offenses, failure to appear, failure to complete assigned work, or the commission of a more serious act to receive the attention of the courts, prosecutors, and public defenders.

This legislation does not use detention as the solution for juvenile crime, not just because it is expensive, but also because kids whose idle hands got them in trouble will gain little productive knowledge from sitting in a place where they are prohibited from doing anything. Community service, in contrast, requires the development of rudimentary work skills. Skills like showing up, dressing properly, working at the assigned task for a given number of hours, and facing the consequence of dismissal because one's behavior is inappropriate, all contribute to a young persons ability to become a productive citizen.

The police officer citation gives youth the ability to admit their guilt, enter a community work program for a set number of hours (one or two Saturdays), and leave with the satisfaction of a job well done, or at least of having earned their way out of trouble. The citation concept also gives kids the ability to say no to their peers - "Hey, look what you got me into last time, I'll not go with you again!!!" The citation provides the individuals most likely to interface with pre-criminal juveniles the tools they need to redirect a child's life away from a life of crime, without labeling them a criminal. If they know a police officer has the ability to eliminate a few of their weekends, troubled youth will gain a new found respect for the badge.

Community service does not come without a cost. Successful community service programs, including the one in Anchorage, require adequate administration. Records will need to be kept of time worked, repeat citations, and points accrued. Volunteer community service supervisors must be trained. Community service work sites must be coordinated and assignments communicated to the workers.

Community service brings the larger community into the lives of our troubled youth. Community members can volunteer to be a part of the solution.

This legislation does not solve the problem of the hundreds and hundreds of kids now committing serious burglaries, robbery, drug sales, prostitution, rapes, and murder.

HB

393

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HB 393

Revision Date:	Dept. Affected: <u>Health and Social Services</u>
Title: <u>"An Act relating to managed care for recipients of medical assistance;"</u>	BRU: <u>Medical Assistance</u>
Sponsor: <u>Rep. Rokeberg</u>	Component: <u>Medicaid Services</u>
Requestor:	COMPONENT SERIAL NO. <u>2077</u>
	See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGES IN REVENUES	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY97	FY98	FY99	FY00	FY01	FY02
1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (please specify)	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$0.0

POSITIONS:

POSITIONS	FY97	FY98	FY99	FY00	FY01	FY02
FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS:

(Attach a separate page if necessary)

HB 393 charges the Department of Health and Social Services with development of managed-care or capitated health care systems for recipients of medical assistance. A project is already underway within the division to accomplish the purposes of HB 393 with completion scheduled for June of 1996. For this reason there is no cost shown on the fiscal note for the development of the managed care system.

The Division of Medical Assistance began a project in late 1995 that is expected to identify the appropriate approaches for managed care for medical assistance programs and the steps necessary for implementation. This project is to be completed by June of 1996. Division staff are being assisted by a contractor in review of program cost and utilization data to identify those medicaid services that may be successfully administered under a managed care approach. Identification of recipient participation requirements is included in the contract. The contractor is familiar with managed care arrangements used by medical assistance programs of other states and will help division staff to identify those which appear practical for Alaska based upon historical cost and utilization data and the availability of health-related resources in Alaska.

Prepared by: D. Williams *BE*
 Division: Division of Medical Assistance
 Approved by Com: Karen Perdue, Commissioner *Jayshury*
 Agency: Department of Health & Social Services

Phone: 465-3355
 Date: 01/17/96
 Date: 1-23-96

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(7)

HOUSE COMMITTEE REPC. . I

Date Referred to Committee: January 8, 1996

FURTHER REFERRALS:

State Affairs
Finance

Date of Committee Action: 3/26/96

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered:

HB 393

HOUSE BILL NO. 393

MANAGED CARE PROGRAM FOR MEDICAID

"An Act relating to managed care for recipients of medical assistance; and providing for an effective date."

recommends it be replaced with the following committee substitute CS HB 393 (HES) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(s): _____ (Dept)

APPROVES PREVIOUS: _____ (Dept/Date)

fiscal note(s) _____

fiscal note(s) _____

zero fiscal note(s) H+SS

zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>[Signature]</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
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CHAIR'S SIGNATURE

[Chair's Signature]

ALASKA STATE LEGISLATURE

House of Representatives

COMMITTEE ASSIGNMENTS

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Representative Norman Rokeberg

MEMORANDUM

To: House HESS Committee Members
From: Representative Norman Rokeberg *HRP*
Date: March 20, 1996
Re: CS for HB 393

A new CS has been ordered for HB 393, and I was told it may not be available for the 3 p.m. committee hearing today. I decided that the bill needed a findings section, and I've also included some language changes requested by the department. Following are the changes:

NEW FINDINGS AND PURPOSE SECTION:

The Legislature finds that

(1) the medical assistance program under Title XIX of the Social Security Act (Medicaid) has provided adequate health care for low income individuals in the state since its enactment in Alaska in 1972;

(2) Medicaid Program costs have increased an average of 13.9 percent a year over the past five years, and the number of eligible individuals has grown from 57,251 in 1991 to 86,445 in fiscal year 1995 due to the addition of services and eligible groups by Congress and the Alaska Legislature.

(3) Medicaid Program management has evolved from a fee for service payment structure to a point where, by 1995, ninety-four percent of the states include some type of managed case model in at least one geographic area of their state;

(4) Primary Care Case Management models offer an effective system of care management, similar to the existing fee for service environment, which can generate program savings, preserve quality of care, and have been successful in both urban and rural areas; and

(5) Alaska has many unique features due to the geography, weather, and wide dispersion of population centers which challenge the creation of managed care systems in the state, however, the projected downturn in state revenues require the state to seek creative solutions in providing health care coverage for low income persons at a reduced cost in the future.

AMENDMENTS TO ORIGINAL BILL:

Page 1, line 5 after "managed-care"

Delete "or capitated"

Page 1, line 7

Delete "persons" insert "individuals or entities"

Page 1, line 7 after "of"

Delete "comprehensive"

Page 1, line 7 after "recipients."

Delete "The contract" and all material on lines 8 and 9

A NEW SECTION:

The department will implement two competitive, innovative managed care pilot projects in one or more urban areas of the state which take into account the unique features of the pilot areas and include a rural element, if feasible. Affected parties of consumers and providers of health care services in the pilot areas will be involved by the department in the implementation of the managed care plan.

The department may require that a recipient of medical assistance under AS 47.07 must participate in a managed care system developed under (a) of this section in order to remain eligible for medical assistance under AS 47.07. This participation requirement may be based on geographical, financial, social, medical, and other factors that the Department of Health and Social Services determines are relevant to the development and efficient management of the managed care system.

The Department of Health and Social Services is authorized to submit any federal waivers required to implement a managed care system developed under (a) of this section.

ALASKA STATE LEGISLATURE

House of Representatives

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Representative Norman Rokeberg

Sponsor Statement HB 393

"An act relating to managed care for recipients of medical assistance; and providing for an effective date"

The debate in Congress over Medicaid is focused on two proposals: replacing Medicaid with block grants ("MediGrants") to the states or instituting a *per capita* cap on the federal contribution to Medicaid spending. The former plan would remove the individual entitlement, which guarantees services to eligible persons; the latter would retain the individual entitlement. Both plans would offer states unprecedented flexibility in administering their programs but there will be significant reductions in federal funds.

As the costs of medical care rises, managed care is a way of ensuring a high level of care while keeping costs down. Medicaid costs have risen by more than 50 percent over the last four years, and will cost the state \$336 million dollars this year.

Persons eligible for Medicaid include the Aid to Families with Dependent Children group -- AFDC adults, poor pregnant women, and generally healthy, but poor children; and the SSI-related group -- the elderly and persons who are aged, blind and disabled. The AFDC-related group represents about 71 percent of all Medicaid recipients nationwide, but accounts for only about 30 percent of all spending.

Medigrants will distribute funds to states without regard to the particular needs and circumstances in a state and literally ignores changes in enrollment. HB 393 will prepare the state for changes in Medicaid funding at the federal level. The bill ensures adequate public debate over the issue. HB 393 asks the Department of Health and Social Services to develop legislation creating a managed care program for Medicaid.

Managed care replaces current "fee for service" program with one that requires recipients to use designated doctors and other medical providers to be eligible for benefits. Recipients can use only pre-approved doctors. At recent count, 43 states have some form of managed care in their programs.

There are opportunities and risks at all levels in this changing environment. The potential benefits of a managed care system could provide improved mechanisms for cost control while providing for greater flexibility in benefit packages, and incentives for preventative services and continuity of care.

HB 393 makes sure that the program developed by the department is one that takes into account the views of the public, the medical community and the legislature. A managed care program developed by the department should be crafted with input from everyone affected by the program. The legislature should have a voice in this matter.

Furthermore, the department has already begun working on a Medicaid Managed Care Project. As recent as October 1995, an RFP was awarded to a health management company to assist the Division of Medical Assistance in a draft five-year managed care plan. HB 393 will require legislative approval of a plan, and allow the department to have the benefit of public debate surrounding this issue.

HB 393 is a timely bill. I urge your support for this legislation.

ALASKA STATE LEGISLATURE
House of Representatives

MAR 12 1996

COMMITTEE ASSIGNMENTS:

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Representative Norman Rokeberg

Memorandum

To: Representative Cynthia Toohey
Chair, House Health, Education and Social Services Committee

From: Representative Norman Rokeberg *NMR*

Date: March 12, 1996

Re: Managed Care for the Alaska Medicaid Program

I thought you'd be interested in the attached pages taken directly from the Department of Health and Social Services FY 97 budget overview.

As this paper indicates, the department is aggressively pursuing managed care and has already awarded a contract for a review of managed care options for the Alaska Medicaid Program.

Without passage of HB 393, the public, health care providers, health care consumers and the legislature are left without a voice in the matter. The bill requires the department to introduce their managed care program in the form of legislation next year.

I believe the department will benefit from having this managed care discussion in the public forum. Again, I urge your support for HB 393.

State of Alaska Department of Health & Social Services

Fiscal Year 1997 Budget Overview



Tony Knowles,
Governor



Karen Perdue,
Commissioner

EXAMINING MANAGED CARE ALTERNATIVES

Background

In FY 94, the Legislature provided a clear message that the Division should manage medical assistance programs to slow down the rate of growth in the program. (See Legislative intent statement, Ch. 3, FSSLA 94, page 21, lines 36-38). Some actions were taken during FY 94 to assure appropriate use of services, resulting in cost avoidance/savings of about \$25 million. Many cost savings actions were enhanced or initiated in the past two fiscal years to achieve both the Legislative intent and the department's goals. The Division's Annual Reports provide brief descriptions of these activities, including contracting for case reviews and services, and initiating special projects for development of case management services and managed care programs. Some of these actions are designed to show an immediate reduction in costs, while others were begun with the knowledge that cost savings will not occur until later. Some cost-saving measures which, at first, appeared to promise savings were later found to be impractical because the action would result in utilization shifts to services which cost more, would be contrary to federal law, or cost more to administer than the service cost savings gained.

Managed Care

Building on the successes of the past two years, the division awarded a contract in the fall of 1995 for a review of managed care options for the Alaska Medicaid Program. This contract will update health care delivery information formerly contained in the now defunct State Health Plan, analyze expenditure information, review other states experiences in implementing managed care arrangements, and make recommendations for managed care delivery system options likely to work in the state. Because Alaska's health care system has not developed a managed care infrastructure, the division will not be able to simply purchase services from existing managed care networks. Movement into the managed care arena will necessitate the education of health care providers and fostering the development of health care delivery networks in addition to receiving required federal waiver approvals. The contract is timely, in that its recommendations should assist the division in dealing with Congressional restructuring, and budget reductions, currently being debated in Washington.

The division is giving special consideration to implementation in FY 97 of a managed care model called Primary Care Case Management (PCCM). The PCCM project would begin in selected areas of the state. PCCM is a case management system in which a patient enrolls with primary care provider for basic medical care. The primary care provider also manages the care of the patient, authorizing certain services such as laboratory, x-ray, and emergency room care. PCCM is the managed care model usually adopted in rural areas of the country where Health Maintenance Organizations (HMOs) don't exist.

This PCCM approach using physicians and mid-level practitioners, such as advanced nurse practitioners and physician assistants as case managers, allows states to provide appropriate access for recipients to primary care, and to reduce unnecessary Medicaid expenditures. Under PCCM, Medicaid recipients typically are required to select a physician or mid-level practitioner who will be their case manager -- providing primary care services and authorizing in advance all other medical services (except for instances of bona fide emergency). In this way the primary care case manager functions as a "gatekeeper" for recipients who may over-utilize services and/or prescriptions. As a result of the responsibility vested in the case manager, the physician or mid-level practitioner provides more individual oversight of the recipient and, thereby, assures that the total use of services is appropriate. This effort increases the quality of care for those recipients and, at the same time, reduces expenditures for duplicative or overlapping and unnecessary services.

A waiver from the federal Health Care Financing Administration is required before the state may initiate a PCCM program. To obtain a waiver for this purpose the state must complete an application for review by the federal Health Care Financing Administration. The waiver application must clearly delineate and document the characteristics of the population to be served, the geographic area to be covered, the cost-efficiency of the proposed activity. An assurance must be made that the recipient's access to care is not limited. Waivers granted for this purpose have been relatively flexible, allowing states to design a program for physician enrollment as a primary care case manager that meets the particular need identified by the state.

FROM THE DEPARTMENT
OF HEALTH AND SOCIAL
SERVICES

DESCRIBE THE MEDICAID

MANAGED CARE PROJECT

- * RFP awarded October, 1995
- * Purpose: to hire a planner/facilitator with planning expertise in the development and implementation of managed health care systems and other recent changes in state Medicaid programs.

The RFP asked the Contractor to emphasize Primary Care Case Management model of managed care because that is a model many states have successfully started with.
- * Contractor: FOX Systems/Health Management Associates
- * Work Group—hand out. Nancy Cornwell is now a member. Karen was appointed as the new project director and I am her assistant. There have been four meetings to date. Now meeting twice each month for the purpose of reviewing deliverables and discussion.
- * Revised schedule has us meeting through June, 1996
- * Scope of Work—hand out
- * Goal as stated in the RFP Scope of Work—to assist DMA in the development of a draft five-year managed care plan. The draft five-year managed care policy plan will set out a strategic implementation plan for initiating practices selected by DMA for further work. Example: year one might be implementation of a PCCM pilot project in one area with only Aid to Families with Dependent Children clients enrolled and by year five Medicaid PCCM might be statewide with all clients enrolled.

5.01

Scope of Work

The Department of Health & Social Services (DHSS), Division of Medical Assistance (DMA) is soliciting proposals for hiring a planner/facilitator with planning expertise in development and implementation of managed health care systems and other recent changes in state Medicaid programs. DHSS wants assistance to facilitate consideration of various opportunities for improving the State's Medicaid program by the Medical Care Advisory Committee and a group of policy-level state officers selected to advise the Commissioner and Governor on health issues. The contractor will, in preparation for advisory meetings, draft a description of the Alaska health system. The draft will serve as a baseline technical and policy analysis of how Alaska might implement changes to its Medicaid program that have proven cost-effective in other states. A review of current managed care activities and proposed changes, especially Primary Care Case Management, will be performed by the contractor with recommendations given to the department.

As background to the discussion of recommendations posed by the contractor, the contractor will provide an overview of various managed care practices implemented in other states. The practices to be reviewed will include, but not be limited to, capitated payments; contract service arrangements; primary care case management; use of waivers (Sections 1915 (a), 1915 (b) and 1115 of The Social Security Act) and administrative management techniques such as prior authorization, "lock-in" programs [42 CFR 431.54(e)], and Inter-agency agreements.

Staff interviews are required only as necessary to achieve the production of deliverables under this contract. The types of staff in State agencies that the contractor may need to interview to produce deliverables and gain background information are DMA policy, operations and medical review staff. Transportation incurred for DMA staff interviews, if any, are included in the contract award.

Other helpful informational material that can be provided to the contractor includes:

- listing of hospitals receiving municipal assistance/revenue sharing;
 - Medical Directory of Alaskan Physicians;
 - Medicaid Management Information System (MMIS) Provider Listing (in- and out-of-state)
 - occupational licensing practitioner listings;
 - Survey of Primary Care Providers in Alaska;
 - State Population Estimates;
 - Alaska Injury Prevention Plan;
 - Child Health Plan (Interim Report, Vol. 1,2,&3);
 - Alaska Adolescents: A Plan for the Future, 1994, 1995;
 - 1991 Alaska Hospital Survey (and updates from Planning);
 - 1994 Village Health Clinic Survey;
 - Health Care Financing Administration (HCFA) listing of designated Federally Qualified Health Centers;
 - Final Report - Health Resources and Access Task Force;
 - Invest in Our Children, 1994 Vol. I, II, & III;
 - Alaska EMS Goals;
 - Certificate of Need Activity Log;
 - Office on Aging Plans for Assisted Living Facilities;
 - Healthy Alaskans 2000;
 - DHSS FY 95 Operating Grants;
-
- State Health Plan for Alaska; and
 - Alaska Medicaid Program Case Management, Program Background: Accomplishments for FY 95 and Activities in Progress for Later Years.

The goal of this project is to assist DMA in the development of a draft five-year managed care plan. The draft five-year managed care policy plan will set out a strategic implementation plan for initiating practices selected by DMA for further work.

5.02



July 1995
Vol. 20, No. 7

Medicaid Research and Demonstration Programs

By
Laura Tobler
Research Analyst

A quiet revolution has taken place in state Medicaid programs in the past few years. The states, facing escalating costs and increased numbers of uninsured, have been in the forefront of health reform. Thirteen states currently have federal approval to implement comprehensive Medicaid reforms and many other states have obtained approval for smaller sub-state projects.

State officials designed and restructured Medicaid programs with 1115 waiver demonstration projects. The 1115 waiver to the Social Security Act provides the secretary of the Department of Health and Human Services broad discretion to waive certain laws pertaining to federal requirements. For example, demonstration programs may expand eligibility, require enrollment in managed care organizations and require cost-sharing. This provides the state with the opportunity to pursue Medicaid projects which test new and innovative ideas relating to benefits and services, eligibility requirements and processes, program payment and service delivery.

Waivers have succeeded in enrolling 500,000 previously ineligible people in Medicaid managed care plans. Managed care is a large part of 1115 waiver programs and is frequently used to improve access to health care, ensure its quality and contain health care costs. Although managed care is a popular delivery system in these programs, no state has attempted to enroll all its Medicaid beneficiaries in managed care for all services.

Most existing managed care organizations have had little experience serving special population clients, such as people with disabilities or mental illness and individuals requiring long-term care. Ten of the approved 1115 waiver programs plan to enroll people with disabilities in managed care and eight propose delivery of mental health benefits. Arizona is the only state that is currently providing long-term care services, although Hawaii, Rhode Island and South Carolina included it in their approved proposals. The success of waiver programs will depend

The 1115 waiver to the Social Security Act provides states with broad discretion to waive certain laws that pertain to federal requirements.

on the ability of managed care organizations to provide adequate savings, access and quality to serve the poor, elderly and disabled Medicaid populations.

Possible Medicaid block grants could affect approved and pending waiver projects.

The future of 1115 demonstration projects is uncertain. The political composition of Congress and the possibility of Medicaid block grants will certainly affect the future of approved and pending waiver projects but the extent is yet to be determined. Ohio has federal approval for its waiver program but is now reconsidering its plan to restructure Medicaid in anticipation of federal reform. The states that have implemented and proposed fundamental changes in their programs may find that the future is more predictable if they are given control with block grants.

A chart summarizing the major features of state Medicaid research and demonstration programs follows.

Acknowledgments

The National Conference of State Legislatures gratefully acknowledges the support of the Maternal and Child Health Bureau (Title V, Social Security Act), Health Resources and Services Administration, Department of Health and Human Services, and the Foundation for State Legislatures, which provided funding for this project.

1115 MEDICAID COMPREHENSIVE AND SUB-STATE WAIVER DEMONSTRATION PROJECTS
(Approved and Proposed)

STATE	PROGRAM DESCRIPTION	ELIGIBILITY/ENROLLMENT
ARIZONA AHCCCS Approval 1982 Implementation - 1983 Three year extension granted 4/94	Statewide mandatory managed care enrollment in fully capitated HMOs	AFDC, SSI
CALIFORNIA PACE <i>On Lok Senior Health Services</i> 7/83 <i>Centers for Elders Independence</i> 4/95 <i>Sutter Senior Care</i> 5/94	All inclusive care for frail elderly with capitation financing.	Age 55 certified for nursing home placement and residing in a defined geographical location. There are programs in San Francisco, Oakland and Sacramento. The site in San Francisco is the long term care model for the national PACE program.
COLORADO PACE <i>Total Long Term Care</i> 10/91	All inclusive care for the frail elderly with capitation financing.	65 and at risk of institutionalization. Program serves 205 clients in the city of Denver.
DELAWARE <i>Diamond State Health Plan</i> Approval - 5/95 Implementation - 1/96 <i>Nemours Children's Program</i> Approved - 7/93 Implementation - 3/94	Fully and partially capitated managed care program. Creation of a managed care delivery system that emphasizes primary care. The state proposes including mental health and substance abuse services under the benefits packages. The state will contract with a single private agency for administrative services. A public/private managed care system which enrolls, on a capitated basis, Medicaid-eligible children in pediatric clinics. The Nemours Foundation developed the clinics and is subsidizing a portion of the service cost.	About 80 percent of Medicaid recipients will be initially enrolled in managed care plans. Expands Delaware's existing Medicaid program to provide comprehensive health coverage to poor adults and children with incomes up to 100 percent of the poverty level. Medicaid-eligible children up to 18 and not presently participating in managed care.
DISTRICT OF COLUMBIA <i>Health Services for Children with Special Needs</i> Approval: pending	The proposal seeks to provide a full continuum of high quality cost-effective services, to improve access and delivery of care, and to promote community health education activities. The district will contract with Health Services for Children with Special Needs, Inc. a local nonprofit managed care company, to administer the program using a monthly capitation rate per enrollee.	Medicaid eligible infants, children and youths up to the age of 22 who have disabilities or complex medical needs and are enrolled in the SSI program.

STATE	PROGRAM DESCRIPTION	ELIGIBILITY/ENROLLMENT
<p>FLORIDA</p> <p><i>Florida Health Security Program</i> Approval - 9/94 Implementation - Failed to pass enabling state legislation</p> <p><i>Resource Mothers Project</i> Approved - 5/94 Implemented - 8/94</p>	<p>A voluntary, employer-based, discounted premium program designed to provide access to private health insurance for employed, but uninsured, Floridians. The program will use a managed competition model. All Medicaid beneficiaries will be required to enroll in a managed care plan. They will be given a choice of two plan types: a risk-based capitated HMO or a primary care case management program that utilizes a fee-for-service reimbursement system.</p> <p>Objective of the demonstration is to significantly reduce the incidence of low birth weight infants. Resource mothers will guide high-risk clients, during home visits, over a two year period.</p>	<p>Expands coverage to individuals not covered by traditional Medicaid benefits. Mandates enrollment in provider health networks for individuals who are eligible for traditional Medicaid coverage. An estimated 1.1 million uninsured Floridians with gross incomes at or below 250% of the FPL.</p> <p>High risk clients.</p>
<p>GEORGIA</p> <p><i>Georgia Children's Benefit Plan</i> Approval - pending</p>	<p>Provides a package of preventive and primary care services for certain uninsured children that includes well-child visits; immunizations; acute episodic sick care in physician offices and clinics; diagnostic tests; prescription drug coverage; limited outpatient surgery; anesthesia; and emergency room care.</p>	<p>All children 1 to 5 who are not currently eligible for the Medicaid program and who live in families whose income does not exceed 185% of the FPL.</p>
<p>HAWAII</p> <p><i>Health QUEST</i> Approval - 7/93 Implementation - 8/94</p>	<p>Statewide demonstration project that creates a public purchasing pool with a copayment scale for health care through capitated managed care plans. The program provides seamless coverage to those previously covered through federal and state programs and those who are uninsured by building on the state's unique exemption to ERISA.</p>	<p>Expansion of the Medicaid income eligibility level to 300% of the FPL and elimination of categorical requirements and asset tests.</p>
<p>ILLINOIS</p> <p><i>Mediplan Plus</i> Approval - pending</p>	<p>A managed care delivery system using a series of networks, either local or statewide, to tailor its Medicaid delivery system to the needs of local urban neighborhoods or large rural areas.</p>	<p>Hospitals would arrange for a primary care physician (PCP) for Medicaid recipients. If recipients do not choose a PCP, they will be assigned an HMO. There would be a 12-month lock-in for recipients.</p>
<p>KANSAS</p> <p><i>Community Care of Kansas</i> Approval - pending</p>	<p>Implementation of a managed cooperation demonstration project in four predominantly rural communities. Assess the success of a non-competitive managed care model in rural areas.</p>	<p>Expands eligibility for children under 5. Modifies traditional financial eligibility criteria.</p>

STATE	PROGRAM DESCRIPTION	ELIGIBILITY/ENROLLMENT
<p>KENTUCKY</p> <p><i>Kentucky Medicaid Access and Cost Containment Demonstration Project</i> Approval - 12/93 Implementation pending enabling state legislation</p>	<p>All those eligible will be enrolled in managed care plans similar to the state's current primary care case management program (KenPAC), or alternative managed care plans. The benefit package is the same as Kentucky's current Medicaid benefit package.</p>	<p>Expand Medicaid eligibility to 100 percent of the FPL regardless of categorical eligibility or assets.</p>
<p>LOUISIANA</p> <p><i>Louisiana Health Access</i> Approval - denied 6/95</p>	<p>Proposes to implement a fully capitated statewide managed care program. Convert state charity hospital system into public HMO and use the profits to generate federal matching funds. Charged HMOs a fee to draw matching funds from federal government managed care plans.</p>	<p>Expand Medicaid eligibility to people with incomes up to 250 percent of the FPL; those with incomes above 133 percent would pay all or a portion of the premiums.</p>
<p>MARYLAND</p> <p><i>"Maryland Medicaid High Cost User Initiative"</i> Approval - pending</p> <p><i>Kids Count</i> Approved - 8/93 Implemented - 10/93</p> <p><i>Family Planning and Reproductive Services</i> Approved - 1/95 Implemented - 2/95</p>	<p>Integrated case management system.</p> <p>Primary and preventive care.</p> <p>Family planning and preventive reproductive services.</p>	<p>High cost, high risk Medicaid recipients under 65.</p> <p>Expands Medicaid eligibility provided to children born after September 30, 1983 with family incomes below 185 percent of the FPL. Extend Medicaid eligibility for a five year period to women who are Medicaid eligible due to their pregnancy and remain Medicaid eligible 60 days postpartum.</p>
<p>MASSACHUSETTS</p> <p><i>MassHealth</i> Approval - 4/95 Implementation pending enabling state legislation</p> <p>PACE <i>Elders Service Plan</i> 6/90</p>	<p>MassHealth builds on three existing state health programs: Medicaid Managed Care, CommonHealth Program and the Medical Security Plan. The Medicaid Managed Care program provides covered services through HMOs or the Primary Care Clinician Program and will be incorporated into the MassHealth demonstration program. It also establishes two new programs, the Insurance Reimbursement Program and the New State Benefit Plan, which incorporate and expand on the programs mentioned above.</p> <p>All inclusive care for the frail elderly with capitation financing. Massachusetts is working on developing six additional sites.</p>	<p>Expands coverage to individuals ineligible for traditional Medicaid coverage. Modifies financial eligibility criteria for demonstration participants. Allows families and individuals to open tax-free medical savings accounts.</p> <p>Select frail elderly and dual eligibles in specific geographic areas.</p>

STATE	PROGRAM DESCRIPTION	ELIGIBILITY/ENROLLMENT
MICHIGAN Approval - pending Stated to begin as soon as approved	Family planning services provided through Title 10 clinics. Proposal also includes the addition of home visits, outreach services to identify eligibility, and reinforced support for utilization of services.	All women of childbearing age living in families with incomes at or below 185 percent of the federal poverty level.
MINNESOTA <i>MinnesotaCare</i> Approval - 4/95 Implementation - 1/96 (but may be changed by 1995 legislation, SF 845) <i>Minnesota Long Term Care Options Project</i> Approval - 4/95	MinnesotaCare would integrate the state's low-income and uninsured health programs and expand the managed care delivery system. Participants must enroll in managed care organizations that contract with the state to provide standard benefit packages. Premiums, copays and deductibles are required for those with incomes above the FPL. SF 845 repeals the move to full community rating and the individual mandate proposed in the original MinnesotaCare. Program combines Medicaid and Medicare funding and service delivery. These beneficiaries will be offered a comprehensive benefit package which will include coverage for portions of long term care and acute care services.	Expands eligibility for medical assistance to all families with children and incomes below 275 percent of FPL. Single adults and couples without children must be below 135 percent of FPL and must have been uninsured for past 12 months. Cost sharing is required for those with incomes above the FPL. Dual eligible beneficiaries over 65 in the seven-county Minneapolis/St. Paul metro area.
MISSOURI Approval - pending Projected implementation - 1/96	Requires Medicaid beneficiaries to enroll in managed care delivery systems. As part of the program, Missouri would create a voluntary capitated managed care pilot program to serve noninstitutionalized persons with permanent disabilities.	Individuals with incomes below 200 percent of the FPL. The uninsured in the state will be eligible on a copayment basis.
NEW HAMPSHIRE <i>The Granite State Partnership for Access and Affordability</i> Approval - pending	New Hampshire is completely redesigning its 1115 waiver request.	
NEW MEXICO <i>Family Planning</i> Approval - pending	Family planning services.	Medicaid-eligible women of childbearing age with incomes at or below 185 percent of the FPL.

STATE	PROGRAM DESCRIPTION	ELIGIBILITY/ENROLLMENT
<p>NEW YORK <i>Partnership Plan</i> Approval - pending</p> <p>PACE <i>Comprehensive Care Management 2/92</i> <i>Independent Living for Seniors 4/92</i></p>	<p>Fully and partially capitated mandatory managed care for all non-disabled recipients.</p> <p>All inclusive care for the frail elderly with capitation financing.</p>	<p>Guarantees eligibility to home relief population (NY public assistance program).</p> <p>Select dual eligible frail elderly in Rochester and the Bronx.</p>
<p>OHIO <i>OhioCare</i> Approved - 1/95 Implementation - put on hold by the governor</p>	<p>Basic benefit plan includes all the services currently covered by the state's Medicaid program. Participants will receive services through fully capitated managed care plans that will contract with the state on a county-by-county basis. It will also test use of managed care for mental health and substance abuse treatment.</p>	<p>All those with incomes below 100 percent of FPL.</p>
<p>OKLAHOMA <i>SoonerCare</i> Approval - pending</p>	<p>Program emphasis is on access problems in rural areas. Program encourages the development of rural-based managed care initiatives. The state hopes to employ traditional fully capitated managed care delivery models for urban areas and will introduce a series of partial capitation models in rural areas. Savings from managed care will be used to finance the development of rural health services.</p>	<p>All currently eligible, noninstitutionalized Medicaid beneficiaries will be enrolled during the first two years of the project.</p> <p>Does not expand eligibility as a part of it's program.</p>
<p>OREGON <i>Oregon Medicaid Reform Demonstration</i> Approval - 1993 Implementation - 2/94</p>	<p>Fully and partially capitated HMOs. Benefits package changed to coverage based on prioritized diagnosis and treatment. The package covers virtually all current Medicaid mandates including all preventive and screening services. It also covers dental services, hospice care, prescription drugs, most transplants and therapist. Mandates managed care enrollment.</p>	<p>Expands coverage to individuals ineligible for traditional Medicaid coverage. Includes those with incomes at or below the federal poverty line:</p> <p>Women can become eligible prior to becoming pregnant.</p> <p>Modifies financial eligibility criteria for demonstration eligible individuals.</p>

STATE	PROGRAM DESCRIPTION	ELIGIBILITY/ENROLLMENT
<p>RHODE ISLAND</p> <p><i>Rite Care</i> Approved-11/93 Implementation-8/94</p> <p><i>Choices</i> Approval - pending</p>	<p>Mandates enrollment in prepaid health plans under contract with the state to provide comprehensive health services to participants at a fixed cost per enrollee per month. The plans will be responsible for ensuring that each participant has a primary care provider and is afforded access to all medically necessary services included in the benefit package. Modifies financial eligibility criteria.</p> <p>The state seeks to test a capitated managed care model for acute and long term care services for program eligibles. Proposes to consolidate all current state and federal funding for adults with developmental disabilities under one program.</p>	<p>AFDC, pregnant women and children under 6 with family incomes below 250 percent. Pregnant women enrolled in the program, who lose eligibility 60 days postpartum, will be offered the opportunity to enroll in an extended family planning program for two years.</p> <p>Developmentally disabled individuals eligible for Medicaid.</p>
<p>SOUTH CAROLINA</p> <p><i>Palmetto Health Initiative</i> Approval - 5/95 Implementation - Suspended by the state</p> <p><i>Family Planning Project</i> Approved - 12/93 Implemented - 8/94</p>	<p>Program officials have decided to slow pursuit of the states' proposed demonstration project, citing significant changes in the state's health care industry. They now will seek to enroll only current clients in managed care plans on a voluntary basis. The original proposal was based on a partial capitation approach. It would allow primary care providers to participate without being fully at risk and without meeting financial risk reserve requirements that would be imposed on a fully capitated program.</p> <p>Family planning services for postpartum women (22 months after delivery).</p>	<p>Current Medicaid eligible individuals. The original proposal covered current Medicaid eligible individuals, individuals with incomes below 100 percent of FPL and children up to age 18 in families with incomes up to 133 percent of FPL.</p> <p>Extends Medicaid eligibility to all women with incomes below 185 percent of the FPL who have had one or more Medicaid reimbursed pregnancies.</p>
<p>TENNESSEE</p> <p><i>TennCare</i> Approval - 11/93 Implementation - 1/94</p>	<p>TennCare is a statewide capitated managed care program. All enrollees are served by HMOs or PPOs. TennCare requires cost-sharing, based on income, in the form of premiums, deductibles and copayments.</p>	<p>Medicaid beneficiaries, uninsured state residents (this has been limited because the state has met its cap), and those whose medical conditions make them uninsurable.</p>
<p>TEXAS</p> <p><i>PACE</i> <i>Blenvivir Senior Health Services</i> 2/92</p>	<p>All inclusive care for the frail elderly with capitation financing.</p>	<p>Select frail elderly and dual eligibles in a specific geographic location.</p>

STATE	PROGRAM DESCRIPTION	ELIGIBILITY/ENROLLMENT
VERMONT <i>Vermont Health Access Plan</i> Approval - 8/95 Implementation - 1/96	Vermont proposes to integrate Medicaid recipients into managed care plans and to provide pharmacy coverage to low-income Medicare beneficiaries.	Medicaid recipients and uninsured individuals up to 150 percent of the FPL.
WISCONSIN PACE <i>Comprehensive Care for the Elderly</i> 11/90	All inclusive care for the frail elderly with capitation financing	Selected frail elderly and dual eligibles in a specific geographic location.

1115 Waiver - Section 1115 of the Social Security Act provides the Secretary of Health and Human Services broad discretion to waive certain laws pertaining to Medicaid, in order to conduct experimental, pilot or demonstration projects which test new and innovative ideas.

Comprehensive 1115 waiver - health reform demonstration that affecting large populations in the state.

Sub-state 1115 waiver - demonstration that affects smaller components of state Medicaid programs.

AFDC - Aid to Families with Dependent Children

Dual eligibles - individuals eligible for Medicare and Medicaid

Capitation - A method of payment for health services in which a physician or hospital is paid a fixed, per capita amount over a specific period of time for each person served, regardless of the actual number or nature of services provided to each person.

FPL - federal poverty level

HMO - health maintenance organization

SSI - Supplemental Security Income

ERISA - Employment Retirement Income Security Act

PACE - Program of All-Inclusive Care for the Elderly. All PACE programs focus on the frail elderly; have a philosophy of care that emphasizes maximum independence and dignity; provide comprehensive acute and long-term care services package; have a multidisciplinary approach to care planning and service delivery; are based on capitation financing with the provider assuming risk.. Each center must obtain an 1115 waiver for Medicaid and a 222 waiver for Medicare.

State Legislative Reports

"Supporting Families" (Vol. 19, No. 13) (ISBN 1-55516-378-5)	August 1994
"Beyond Superfund: Voluntary Industrial Cleanup" (Vol. 19, No. 14) (ISBN 1-55516-382-3)	September 1994
"Lender and Successor Liability for Hazardous Waste Cleanup" (Vol. 19, No. 15) (ISBN 1-55516-383-1)	September 1994
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"Medicaid Research and Demonstration Programs" (Vol. 20, No. 7) (ISBN 1-55516-344-0)	July 1995

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STATE LEGISLATIVE REPORT



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The Anchorage Times

Publisher: BILL J. ALLEN

"Believing in Alaskans, putting Alaska first"

Editors: DENNIS FRADLEY, PAUL JENKINS, WILLIAM J. TOBIN

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Billions and billions

IN THE NEW Year — an election year, it needs to be pointed out again — the Medicare-Medicaid rhetoric will escalate to epic proportions.

On the one hand, President Bill Clinton's re-election forces will be posing as defenders of the two health care programs while accusing the opposing Republican camp of attempting to harm the elderly and the poor who use the government-sponsored aid.

To help keep the picture in focus, here are the numbers the politicians should keep in mind:

- Just 15 years ago, in 1980, Medicare expenditures were \$34 billion. In 1994, they were \$160 billion, reflecting an annual growth rate of 11.7 percent. With 36 million Medicare recipients, expenses for 1995 are expected to top \$176 billion. The Congressional Budget Office forecasts the number will rise to \$286 billion by the year 2000 — an annual growth rate of 10 percent over the next four years.

- Medicaid enrollment for 1995 was 36.6 million. By the year 2000, Medicaid coverage is expected to extend to 43 million people. Meanwhile, Medicaid expenditures have risen from \$41 billion in 1984 to \$138 billion for 1994. The Congressional Budget Office, looking at \$157 billion in Medicaid expenditures for 1995, projects the cost will be \$262 billion by 2000.

That adds up to an annual cost of more than half a trillion dollars just four years from now, absent some restraints. No wonder the rhetoric is heated.

SENIOR VOICE

Vol 19 No 2 February 1996

Choir sings in honor of King



Senior Voice/Vallor H. Panych

Verneda Freeman (left) and Faye Bradshaw (right) performed in the Rainbow Mass Choir at the Martin Luther King Jr. Holiday Celebration at the Shiloh Missionary Baptist Church in Anchorage. The multi-racial, multi-denominational choir performed four days last month commemorating King's life and accomplishments.

Medicaid eyed for overhauling

by David Washburn
Senior Voice staff

A new bill in the House of Representatives calls for an overhaul of the state's Medicaid program in order to cut costs, but could mean less health care flexibility for future low-income Alaskans.

HB 393 directs the state Department of Health and Social Services to create a plan that would replace the current Medicaid program with a managed-care system. Such a system would require recipients to use designated doctors and other medical providers in order to qualify for benefits.

The bill's sponsor, Norm Rokeberg (R-Anchorage) says a managed-care system will help control Medicaid costs, which rose by over 50 percent in the last four years. "In this fiscal year the state will spend \$336 million dollars on Medicaid, which is the second largest cost component [in the budget] next to education," Rokeberg says.

Medicaid is now a "fee for service" program. Recipients choose their doctors, who in turn must bill Medicaid for reimbursement. HB 393 calls for the Department of Health and Social Services to set up contracts with one or more health maintenance organizations (HMOs). Rather than paying directly



Medicaid eyed . . .

from page 1

to doctors and other providers, under the contract the state would just pay the HMO. Medicaid clients could use only HMO-approved doctors.

Rokeberg says choice restrictions should not be an overriding concern for Medicaid recipients, since the state is paying their medical bills. He also says managed-care will ultimately result in better health coverage for a broader number of Alaskans. Once the Medicaid managed-care system is put in place, it could be expanded, with inexpensive coverage made available to people not on Medicaid.

"If you're not in a group insurance plan, it's very difficult to buy insurance as an individual," Rokeberg says. He cites his own bad experience with health insurance companies as one of the reasons he became interested in the issue. When he and his wife turned 50 a few years

'This is the only way I can see at this point where we can control the costs of Medicaid.'

- Norm Rokeberg

ago, their insurance premiums jumped to \$800 a month. "It was because of our age, and she had some medical problems that actually weren't serious," Rokeberg says.

HB 393 requires the Department of Health and Social Services to submit a bill that incorporates a managed-care Medicaid plan at the beginning of next year's legislative session.

"Basically, my intention here is to start public discussion," Rokeberg says. "This is the only way I can see at this point where we can control the costs of Medicaid. This is a two-way street: to simultaneously make more benefits available, while keeping costs down."

Senior bill digest

HB 158 (Porter, R-Anchorage) Tort reform. Adds new limitations to the amount of non-economic damages plaintiffs may seek. Places limits on time in which plaintiffs may file malpractice suits. Places cap on punitive awards and requires half to be paid to the state. Requires jury awards be paid over a period of time, rather than in a lump sum. Currently in Senate Judiciary committee.

HB 185 (Ivan, D-Akiak) Senior and disabled veterans' property tax exemptions. Reduces mandatory senior property tax exemption from \$150,000 to \$75,000 of the assessed value of a senior's home. In Finance committee.

HB 198 (Elton, D-Juneau) Permanent Fund dividend eligibility and bereavement absences. Allows Alaskans absence from the state with-

out affecting Permanent Fund dividend eligibility, if the absence is needed to care for a terminally ill family member or settle the estate of a deceased family member. Time outside on these duties will not count against the 180 day maximum absence rule. In State Affairs committee.

HB 308 (Parnell, R-Anchorage) Probate code amendments. Revises laws governing wills and handling of estate assets in absence of a will. Addresses children's and stepchildren's rights to parents' estates; clarifies who has access to life insurance benefits, and who can be legally considered a "surviving spouse." Currently in Judiciary committee.

HB 384 (Rokeberg, R-Anchorage) Payment requirements for Pioneers' Homes. Forbids the Department of Administration from evicting

Pioneers' Homes residents who do not pay their full rent. Currently in State Affairs committee.

HB 393 (Rokeberg, R-Anchorage) Managed care for Medicaid recipients. Directs the Department of Health and Social Services to draft legislation creating a managed health care system for people on the Medicaid public assistance program. The Department must submit the bill to the legislature next session. Currently in Health, Education and Social Services committee.

SB 120 (Torgerson, R-Kasilof) State veterans' home facilities. Allows state veterans' homes programs to provide nursing home care or related medical services, and thereby qualify for federal funding assistance. Currently in Finance committee.

ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Division of Legislative Finance



P.O. Box 113200
Juneau, AK 99811-3200
(907) 465-3795
FAX (907) 463-4885

MEMORANDUM

DATE: January 8, 1996

TO: Representative Norman Rokeberg
Attn: Mia Costello

FROM: Jetta Whittaker *JW*
Fiscal Analyst

SUBJECT: Medicaid Funding

You asked for a five or ten year summary of Medicaid funding broken out by major funding source. The attached spreadsheet offers a funding history starting with Actuals from FY92.

In order to get you some information as soon as possible, I started with data that was fairly readily available. To present a history for the years before FY92 Actuals will take a bit more effort, in that General Funds summaries were not routinely done and the numbers will have to be calculated. If you would like me to pursue this further, please don't hesitate to call.

**Department of Health and Social Services
Medicaid Funding - Total Funds, General Funds, and Other Funds***

	<u>FY92</u>	<u>FY93</u>		<u>FY94</u>		<u>FY95</u>		<u>FY96</u>
	Actual	Auth	Actual	Auth	Actual	Auth	Actual	Enacted
Medicaid Facilities	99,548.1	126,863.4	105,609.0	112,951.3	131,803.1	125,387.3	131,465.5	145,270.4
General Funds	49,970.2	63,221.1	52,751.5	56,827.2	66,176.3	62,925.4	65,130.8	72,765.9
Other Funds	49,577.9	63,642.3	52,857.5	56,124.1	65,626.8	62,461.9	66,334.7	72,504.5
Medicaid Non-Facilities	86,446.6	90,893.2	100,766.7	116,460.5	114,343.9	133,892.6	121,220.5	135,333.4
General Funds	42,957.4	44,839.1	50,695.2	58,291.5	57,004.8	66,226.0	61,058.4	66,473.6
Other Funds	43,489.2	46,054.1	50,071.5	58,169.0	57,339.1	67,666.6	60,162.1	68,859.8
Indian Health Services	12,672.6	16,529.8	16,673.2	16,698.0	20,150.9	19,822.0	21,149.0	24,432.7
General Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Funds	12,672.6	16,529.8	16,673.2	16,698.0	20,150.9	19,822.0	21,149.0	24,432.7
Medicaid State Programs	3,954.6	5,174.7	4,601.6	11,784.9	17,444.5	19,385.2	19,353.8	19,945.2
General Funds	0.0	186.6	0.0	1,663.3	3,649.5	2,081.7	2,187.8	3,523.2
Other Funds	3,954.6	4,988.1	4,601.6	10,121.6	13,795.0	17,303.5	17,166.0	16,422.0
Waivers Services				11,483.6	724.7	8,881.5	4,006.2	11,248.8
General Funds				5,741.9	362.4	2,364.8	886.6	2,256.3
Other Funds				5,741.7	362.3	6,516.7	3,119.6	8,992.5
TOTAL	202,621.9	239,461.1	227,650.5	269,378.3	284,467.1	307,368.6	297,195.0	326,230.5
General Funds	92,927.6	108,246.8	103,446.7	122,523.9	127,193.0	133,597.9	129,263.6	145,019.0
Other Funds	109,694.3	131,214.3	124,203.8	146,854.4	157,274.1	173,770.7	167,931.4	191,211.5

* "General Funds" includes General Fund, General Fund Match, General Fund/Program Receipts, General Fund Mental Health, and General Fund Program Receipts/Designated. "Other Funds" includes mainly Federal Funds, but may also include some InterAgency Receipts.

TANANA CHIEFS CONFERENCE, INC.

122 FIRST AVENUE, SUITE 600
FAIRBANKS, ALASKA 99701-4897
PHONE 907/452-8251 • FAX 907/459-3850

Feb. 16, 1996

Rep. Con Bunde &
Rep. Cynthia Toohey
Co-chairs, HESS
House of Representatives
Mail Stop 3101
State Capitol
Juneau, AK 99801-1182

RE: HB 393

Dear Reps. Conde and Toohey,

I am writing on behalf of the Tanana Chiefs Conference, Inc. in general support of House Bill 393. We are aware that similar health delivery models have been implemented successfully in other states. Conceptually, we have no problem with recipients of medical assistance being served through a managed care model.

The bill does raise some questions about how Indian Health Service (IHS) beneficiaries will be treated under this bill. We note that Section 1(b) states *A system developed under (a) of this section MAY require that a recipient... participate.* Will IHS beneficiaries be exempt from participation under this clause, assuming they will continue to receive care at IHS funded facilities?

We would appreciate receiving any additional information to help us understand the full intent of HB 393, particularly as it applies to IHS beneficiaries. And, as always, the opportunity to comment is appreciated. Thank you.

Sincerely,

TANANA CHIEFS CONFERENCE, INC.


Eileen Kozevnikoff
Director, Health Services

SUPPORT

ALASKA STATE

HOSPITAL & NURSING HOME

ASSOCIATION

March 21, 1996

Representative Con Bunde, Co-Chair
Representative Cynthia Toohey, Co-Chair
Health, Education & Social Services Comm.
Alaska House of Representatives
Juneau AK 99811-1182

Re: Support, HB 393
Medicaid Managed Care

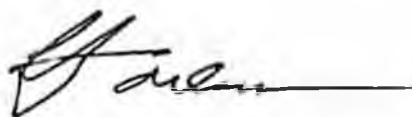
Dear Co-Chair & Members House HESS:

Community hospitals and nursing homes support HB 393, directing the DHSS to develop a managed care or capitated health care system for Medicaid recipients.

Up until now, we have tended to dismiss "managed" care as not feasible in Alaska because of our small population and large (geographic) size, but the "no growth" Medicaid budget and/or potential reductions in Medicaid funding now mandates that we look at all options for the purchase and payment of health care.

Secondly, we understand HB 393 sponsor, Representative Rokeberg, is considering a substitute bill that would encourage the Department to work with provider groups in the development of a managed care option for the state, and that this plan would allow "pilot projects" to determine the feasibility of managed care before it is implemented statewide. These amendments strengthen HB 393.

Sincerely,



Harlan R. Knudson
President/CEO

for HB 393 file

State of Alaska
DEPARTMENT OF HEALTH AND SOCIAL SERVICES
Division of Medical Assistance

MEDICAID PROGRAM CASE MANAGEMENT
RFP 95-0175

DELIVERABLE #3
REPORT OF OTHER STATES MANAGED CARE PROGRAMS

FEBRUARY 20, 1996

SUBMITTED BY:
FOX SYSTEMS INC.
HEALTH MANAGEMENT ASSOCIATES

SUBMITTED TO:
STATE OF ALASKA
DIVISION OF MEDICAL ASSISTANCE

FOX

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Exhibit A

**Medicaid Managed Care Status
State by State Commentary**

Medicaid Managed Care Status State by State Commentary

Name of State	Comments	Contact Person(s)
Alabama	<ul style="list-style-type: none"> • No Medicaid managed care plans currently contracted • Plan to offer HMO option beginning in Mobile area in 1995 and then expand to other areas • 1115 Waiver submitted to HCFA, 7/95 • Licensing is slow • Capitation appears as if it would be low • 1915 waiver for a coordinated system of pregnancy related services 	<p>Evelyn Terry, Outreach and Marketing Director 205-242-5014</p> <p>Debra Moore, Managed Care Division 205-242-5012</p>
Alaska	<ul style="list-style-type: none"> • Plans for managed care currently underway • Currently have a contract for optical hardware 	
Arizona	<ul style="list-style-type: none"> • Fully implemented prepaid capitated managed care plan statewide • Enrollment is mandatory for all eligible recipients except Native Americans • Three-year HMO contract bid let 10/1/94 (some areas have one HMO and others may have more than one HMO-It depends on the population and size of the area) • New RFP will probably be out in 2/97 • 1115 waiver pending to cover individuals up to 100% of poverty 	<p>John Black, Executive Consultant, Office of Managed Care 602-254-5522 ext. 7024</p>

Name of State	Comments	Contact Person(s)
Arkansas	<ul style="list-style-type: none"> • Has a 1915(b) waiver • Operate a statewide PCCM • No HMO contracts • Nine county project for HMO option in the discussion stages • No commercial HMO covers the state now; BC/BS attempting to do so 	Roy Jeffus 501-682-8329
California	<ul style="list-style-type: none"> • California aggressively seeking PHP contracts, just awarded dual choice (one county initiative, one private health plan) contracts in several counties • Very competitive • Statewide managed care program (combination of PCCM partially capitated and fully capitated programs) in place • Offers coordinated care programs for the elderly, ON LOK is an example • 1915 (b) waiver approved 	Joseph Kelly/Kenneth J. Wagstaff, State of California-Health and Welfare Agency 916-654-8076 Jennifer Sugar Medi-Cal Managed Care Division 916-654-8070
Colorado	<ul style="list-style-type: none"> • Currently has a statewide PCCM plan; plan to phase out and use as "safety net" only in areas where no HMOs exist • Contracts with six HMOs, but HMOs do not cover the entire state • As HMOs become available in other service areas, will contract with them • 1915 (b) waiver approved 	Kim Gordon 303-866-2220
Connecticut	<ul style="list-style-type: none"> • Received 14 responses to an RFP for fully and partially capitated plans to serve the Medicaid population beginning 7-1-95 • Phasing in statewide enrollment • May re-bid in two years • No PCCM program; no Medicaid contracted HMOs prior to the recent RFP • 1915 (b) waiver approved 	James Gaito 203-424-5137

Name of State	Comments	Contact Person(s)
Delaware	<ul style="list-style-type: none"> • Received HCFA approval 5/95 for "The Diamond State Health Plan" (DSHP), which mandates enrollment in capitated managed care delivery systems • 1115 Waiver approved • Plan is effective 1/1/96 	Kay Holmes, DSHP Coordinator 302-577-4900
District of Columbia	<ul style="list-style-type: none"> • Implemented DC Medicaid Managed Care program (combination of fee-for-service and capitated options) in 4/94 • Mandatory for AFDC and AFDC-related recipients • Medicaid Program is in financial difficulty • 1915 (b) waiver approved 	Sue Brown, Commission of Health Care Finance 202-721-0735
Florida	<ul style="list-style-type: none"> • Florida has offered a managed care plan to Medicaid enrollees for 13 years • Plan to expand in March, 1996 • Has an HMO option, but it does not operate in all parts of the state; hopes to expand the areas where HMOs will serve Medicaid recipients • A QA study found all the capitated plans to be deficient so there is a temporary enrollment freeze for those plans • HMO Licensing both with the State and the Medicaid Agency is bogged down • Present enrollment is 1/3 MediPass (PCCM program) 1/3 HMO, and 1/3 regular fee-for-service • 1915 (b) waiver approved 	Paige McGivern 904-487-3090

Name of State	Comments	Contact Person(s)
Georgia	<ul style="list-style-type: none"> • May begin to offer a Medicaid HMO option in the Atlanta area; currently reviewing HMO applications • Implemented their PCCM program, Georgia Better Health Care, in 10/1/93; operational in a few counties only • 1915 (b) waiver approved • Plans are underway to expand GBHC statewide 	Patrick Williams 404-657-7793
Hawaii	<ul style="list-style-type: none"> • Hawaii Health Quest, which began 8-1-94, provides medical, dental, and mental health benefits through a capitated managed care delivery system to persons receiving AFDC, GA, and the State Health Insurance Program • Five private insurers have been given two-year contracts to provide benefits • One year lock-in • Will issue another RFP in late 1995 for the next two-year period • Open to accepting bids from mainland companies Current companies all Hawaii-based 	Barbara Bianco, Public Information Officer 808-586-5454
Idaho	<ul style="list-style-type: none"> • PCCM model introduced in October, 1993 • No HMO option now • MMIS system will be reconfigured to meet managed care requirements. Work to be completed by 12/31/96. • After MMIS improved, will consider expanding the managed care option • Of the 44 counties, 7 are considered urban, 12 rural and 25 frontier (6 persons or less a square mile) • 1915 (b) waiver approved 	Jan Cheever, Supervisor. of Healthy Connections 208-334-5804 or Robin Schmidt, Healthy Connections Representative 208-334-5804

Name of State	Comments	Contact Person(s)
Illinois	<ul style="list-style-type: none"> • 1115 waiver request pending with HCFA for MediPlan Plus, which will contract with HMOs statewide to care for the MediPlan Plus eligibles; a PCCM program is also operational • Has contracted with HMOs in portions of the state for 20 years • Hope to release an RFP soon for HMOs to bid • Medicaid eligibles concentrated in Chicago, Peoria, and East St. Louis 	<p>Dawn Claborn 217-524-7478</p> <p>Ed Hartman Bureau of Managed Care 217-524-7478</p>
Indiana	<ul style="list-style-type: none"> • Has a PCCM program and is introducing risk-based capitated managed care option • During the summer of 1994, implemented a mandatory managed care program called Hoosier-Healthwise • Phasing in managed care regionally over three-year period, depending on access and participation • Use an enrollment broker to enroll recipients • 1915 (b) waiver approved 	<p>Wendy Bokota 317-233-0237</p>
Iowa	<ul style="list-style-type: none"> • Currently offers a mandatory PCCM or HMO option to Medicaid recipients • The HMO option is not available statewide • Iowa wants to contract with HMOs to serve areas currently not offering an HMO option • 1915 (b) waiver approved 	<p>Mary Roberts, Dept. of Human Services 515-281-8747</p>

Name of State	Comments	Contact Person(s)
Kansas	<ul style="list-style-type: none"> • Has a statewide PCCM program • 1115 waiver pending; project (Community Care) would implement a managed cooperation demonstration project in four predominantly rural counties and would assess the success of a non-competitive managed care model in rural areas • In December, 1995, plans to offer an HMO option in Kansas City area and then will expand to different areas of the state • In December, 1996, proposes to sole-source contract with a prepaid health plan for the Wichita area (The plan is made up of hospitals and providers in Wichita) 	Brenda Jackson 913-296-3981
Kentucky	<ul style="list-style-type: none"> • 1115 Waiver approved by HCFA but state legislature has not allowed implementation • Medicaid agency wants to implement a mandatory HMO program for Medicaid eligibles • Currently has a PCCM program statewide • 1915 (b) waiver approved 	Larry McCarthy 502-564-8196
Louisiana	<ul style="list-style-type: none"> • State has amended 1115 waiver request (original waiver was disapproved by HCFA in 6/95); still under HCFA consideration • All Medicaid enrollees would be required to join competing HMOs under contract with the state • Currently has a PCCM program 	Carolyn Maggio, Director 504-342-2964 Bonnie Butler, Analyst Health Development 504-342-6068

Name of State	Comments	Contact Person(s)
Maine	<ul style="list-style-type: none"> • HMO RFP was released in April 1995 • Intends to implement a mandatory managed care option • Established PCCM program; will be phased out except in three rural counties • 1915 (b) waiver approved 	Deborah Curtis, Director, Division of Managed Care or Lauren Rice 207-287-3835
Maryland	<ul style="list-style-type: none"> • PCCM program (MAC Program) implemented 12/91 • HMO option available since 1975 • Enrollment in HMOs is voluntary • Capitation paid at 95.5% of fee-for-service, including a consideration for administration • 1915 (b) waiver approved 	Dawn L. Grosshandler, Chief 410-225-5444
Massachusetts	<ul style="list-style-type: none"> • HCFA 1115 waiver, MassHealth, approved 4/95; awaiting approval from state legislature • Statewide HMO and PCCM option • Enrollment mandatory • Health benefit managers enroll recipients (currently have a bias toward the PCCM program) 	Michael Bailit, Asst. Commissioner 617-348-5510
Michigan	<ul style="list-style-type: none"> • Has implemented a statewide mandatory managed care plan • Has a statewide PCCM plan, the Physician Sponsor Plan • The HMO option and the partially capitated plan, the Clinic Plan, are primarily available in central and southern MI. although expanding to other areas • Over 90% of non-institutionalized AFDC and SSI clients enrolled in managed care • 1915(b) waiver approved 	Mark Verleger 517-335-5501

Name of State	Comments	Contact Person(s)
Minnesota	<ul style="list-style-type: none"> • 1115 waiver, Prepaid Medical Assistance Project Plus (PMAP), approved 4/95 • Will expand eligibility and place persons in integrated service networks • Especially interested in expansion in rural areas • HMO option currently available in some regions 	Kathleen Schuler, Acting Director, Managed Care Division 612-297-4668
Mississippi	<ul style="list-style-type: none"> • Has a PCCM option; considering HMO option, but nothing has been developed • Currently has a 1915(b) waiver • HMO licensing regulations currently being changed by the legislature 	Judith Michael 601-359-6133
Missouri	<ul style="list-style-type: none"> • Has submitted both a 1915 (b) and an 1115 waiver request; approval is still pending • Has operated mandatory choice health plan options program in Kansas City since 1984 • Seeking legislative support for managed care expansion • Plan a three to five year process to fully implement managed care on a regional basis • HMOs will bid based on a capitation range published in the RFP 	Gary Bailey 314-751-6922 Linda Vaughn, Management Analysis Specialist; Managed Care Division 314-751-7820
Montana	<ul style="list-style-type: none"> • Expanding the PCCM option and introducing an HMO option • Many counties are rural and frontier • Encouraging HMO development/expansion in areas not covered currently • 1915 (b) waiver approved 	Sharon Donovan 406-444-4148

Name of State	Comments	Contact Person(s)
Nebraska	<ul style="list-style-type: none"> • Let two competitively bid contacts (each covering one half of the state) with two HMOs who will cover the state in Spring, 1995 • Will not re-bid for two years • Implementing a statewide PCCM program using a contracted network manager 	Bob Seiffert, Medical Services Division 402-471-9718
Nevada	<ul style="list-style-type: none"> • PCCM program since 1983 • Medicaid has contracted to provide care and service under a pre-paid health plan since May, 1988 • Current contractors are University of Nevada School of Medicine, NevadaCare, Inc., and Community Health Centers of Southern Nevada (an FQHC) 	Joanne Grundmen, Program Specialist 702-687-4768
New Hampshire	<ul style="list-style-type: none"> • Currently contracts with HMOs • Voluntary program at this time • State is looking at pilot initiatives to help in the redesign of its healthcare system • 1115 waiver pending 	Diane M. Kemp, Program Specialist 603-271-4365
New Jersey	<ul style="list-style-type: none"> • 1915 (b) waiver pending at HCFA • Plans to implement an HMO-only mandatory enrollment program • Currently contracts with HMOs but not in every area of the state • Have 400,000 additional recipients to enroll in a plan • Use health benefit managers to enroll recipients 	Daniel Walsky, Director of Medicaid Managed Care 609-588-2705

Name of State	Comments	Contact Person(s)
New Mexico	<ul style="list-style-type: none"> • Primary Care Network (PCN), a PCCM program, is currently operational statewide • Plans to offer an HMO option in the urban areas in 1996 • Currently redesigning MMIS to support full managed care functionality • 1915 (b) waiver approved 	Paul Benson, Chief Office of Managed Care 505-827-3122
New York	<ul style="list-style-type: none"> • Currently has capitated, partially capitated and PCCM programs • Plans to implement a mandatory HMO program throughout the state within the next two years • New York City plans to enroll all Medicaid eligibles living in NYC within one year, HCFA disallowed the plan • The governor appointed a director of managed care in the Dept. of Public Health who will coordinate all efforts outside of NYC • NYC will administer its own program • 1915 (b) waiver approved 	Jim Wray Director, Office of Managed Care 518-473-5600
North Carolina	<ul style="list-style-type: none"> • Carolina Access, a PCCM program is in 38 of 100 counties (covers 50% of eligible population); currently re-grouping; plans to expand in early 1996 • Has an HMO contract with Kaiser Permanente • May introduce an HMO option in the Charlotte area • 1915 (b) waiver pending 	Nancy O'Dowd or Joe Robbins, Division of Medical Assistance 919-715-5417

Name of State	Comments	Contact Person(s)
North Dakota	<ul style="list-style-type: none"> • PCCM program for AFDC eligibles; preparing waiver renewal for statewide program • May implement an HMO option in the eastern part of the state • Has done preliminary rate setting only • Only two small regional HMOs in the state now • 1915 (b) waiver approved 	Darlene LeNoue, Administrator, Medical Services Division 701-328-4577
Ohio	<ul style="list-style-type: none"> • Plans to implement OhioCare; the 1115 waiver (approving OhioCare and expanding eligibility) was approved 1/95. However, State has decided to delay expansion pending Congress' discussion on budgetary matters • Current recipients will be moved into managed care plans; mental health and drug addiction benefits will be coordinated • Will rely heavily on HMO contracts • Currently contracts with HMOs to provide services for the Medicaid population • RFP will be issued • 1915 (b) waiver pending 	Cynthia Burnell 614-466-4693
Oklahoma	<ul style="list-style-type: none"> • Wants to begin "Sooner Care"; HCFA approval of 1115 waiver is pending • Project would be a five-year statewide managed care program using both fully and partially capitated delivery systems. Emphasis will be to address access problems in rural areas • Issued an RFP to HMOs that was due back 3/24/95; will reopen HMO bidding annually 	Leigh Brown, J.D. M.P.H., Deputy Administrator for Health Policy 405-530-3439

Name of State	Comments	Contact Person(s)
Oregon	<ul style="list-style-type: none"> • Began the Oregon Health Plan 1115 demonstration on 3/19/93 • Uses managed care models including fully capitated, partially capitated, and PCCM programs • Currently contracts with many HMOs • 90,000 eligibles enrolled in HMOs as of 6/1/94 • Considering proposal for \$5 co-payment for doctor visits for those newly eligible • 1915 (b) waiver approved 	<p>Hersh Crawford, Director 503-945-5767</p> <p>D'Anne Gilmore, Health Plan Unit 503-945-9827</p>
Pennsylvania	<ul style="list-style-type: none"> • State has a PCCM program (HealthPASS) • Has some HMO contracts and is interested in contracting with additional HMOs in other areas of the state • Planning statewide expansion over next three year; expansions will begin 7/96 in Philadelphia area • Uses a competitively bid approach in parts of Philadelphia for an HIO to manage PCCM program; huge profits were reaped in first contract period • 1902 (b) waiver approved 	<p>Frank Lentz, Director, Bureau of Special Medical Assistance Programs</p> <p>Michael Jacobs 717-772-6198</p>
Rhode Island	<ul style="list-style-type: none"> • 1115 waiver approved in Fall, 1993 for Rite Care which will: <ul style="list-style-type: none"> • expand eligibility under Medicaid • implement a fully capitated managed care delivery system • Recipients enroll in one of 5 existing HMOs 	<p>Ron Ek 401-464-3113</p>

Name of State	Comments	Contact Person(s)
South Carolina	<ul style="list-style-type: none"> • Originally wanted to implement a statewide capitated managed care plan but have scaled that back and may not offer an HMO option at all, or if it does, will be voluntary • Currently has a PCCM program • 1902 (b) approved 	Debbie Francis, Chief 803-253-6119
South Dakota	<ul style="list-style-type: none"> • 7/1/93 began a PCCM program • Currently awaiting approval of waiver renewal • No HMO contracts • 1902 (b) waiver approved 	Donna Keeler, Dept. of Social Services 605-773-3495
Tennessee	<ul style="list-style-type: none"> • TennCare, 1115 waiver approved Fall 1993, replaced the Medicaid program and extended eligibility to 1 million additional recipients • Services are offered through five PPOs and seven HMOs • Market-based pricing 	Manuel Martins, Ass't. Commissioner 615-741-0213
Texas	<ul style="list-style-type: none"> • Legislature currently debating the future of Medicaid • Many want to offer or mandate HMO coverage in most parts of the state • Has both an HMO and a PCCM option in different areas of the state • 1915 (b) waiver approved 	Stacey Hull, Program Specialist 512-794-6852
Utah	<ul style="list-style-type: none"> • Choice of Health Care Delivery (CHCD), a 1915(b) waiver program, is mandatory in urban areas only; recipients choose between HMO and primary care physician • HMO option available in urban areas only • 1115 Waiver pending to expand eligibility to 100% of poverty 	Ed Furia or Barbara Christensen, Div. of Health Care Financing, Bureau of Managed Health Care 801-538-6505 or 538-6456