

ALASKA LEGISLATURE COMMITTEE FILES 2001-2002 86/2

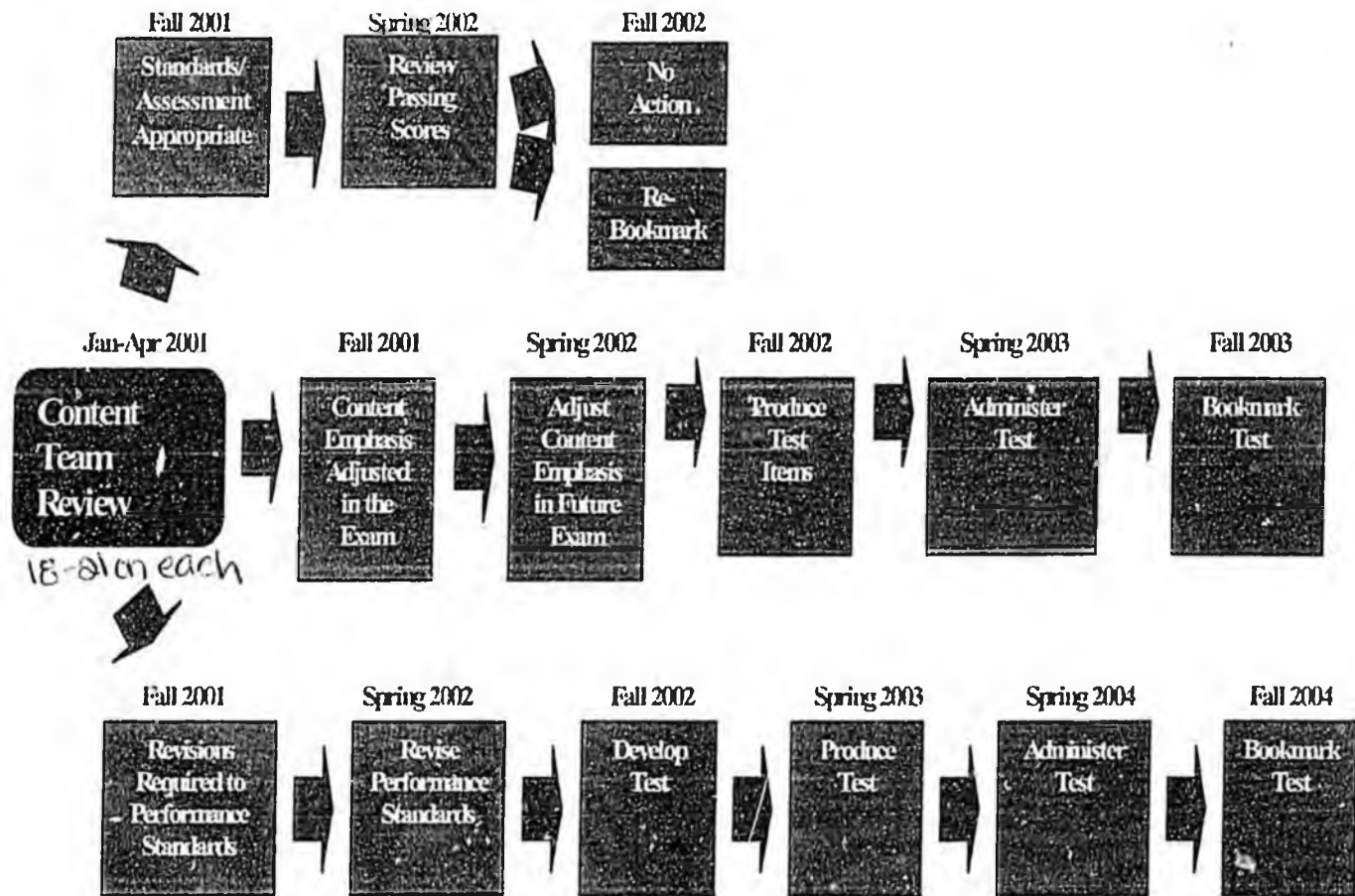
10524 SENATE HEALTH EDUCATION & SOCIAL SERVICES

## Year 2000 Alaska State Assessment Results - MATHEMATICS

District	Spring 2000						Spring+Fall 2000	Oct. 1, 2000
	Grade 3 % Prof./Adv.	Grade 3 Tested	Grade 6 % Prof./Adv.	Grade 6 Tested	Grade 8 % Prof./Adv.	Grade 8 Tested	High School % Passed	Grade 11 Enrollment
Alaska Gateway	57	46	43	38	28	40	31	32
Aleutian Region	28	7	67	3	29	7	25	4
Aleutians East	52	29	59	22	27	26	15	26
Alyeska Central	73	15	61	18	36	33	7	110
Anchorage	67	3813	67	3863	43	3531	45	3303
Annette Island	47	26	40	25	13	31	5	22
Bering Strait	33	123	20	143	6	110	24	84
Bristol Bay	50	16	67	21	55	20	50	18
Chatham	67	21	41	22	23	22	25	12
Chugach	84	12	77	9	36	14	30	10
Copper River	75	53	55	51	36	59	49	55
Cordova	83	35	81	41	53	36	46	24
Craig	63	35	74	31	35	20	26	38
Delta/Creely	54	41	62	76	50	60	25	59
Denali	62	24	71	28	55	31	67	27
Dillingham	57	42	37	48	43	40	19	37
Fairbanks	73	1222	65	1131	39	1171	46	943
Galena	66	192	63	195	38	173	29	186
Haines	95	23	84	32	52	29	46	35
Hoonah	54	11	45	20	40	10	38	24
Hydaburg	25	8	34	3	0	10	0	11
Iditarod Area	44	37	41	40	34	44	19	32
Juneau	79	409	70	407	52	456	58	437
Kenai	27	11	25	12	38	21	22	9
Kashunamiut	36	22	33	21	4	23	0	16
Kenai Peninsula	69	727	70	792	46	768	45	875
Ketchikan	77	183	75	185	40	195	51	156
Klawock	65	23	15	13	35	14	13	16
Kodiak Island	55	236	63	223	27	182	34	213
Kuspuk	40	32	32	35	13	37	16	32
Lake & Peninsula	32	41	27	37	21	39	18	22
Lower Kuskokwim	42	248	28	256	11	226	19	176
Lower Yukon	25	171	17	147	7	123	16	74
Mat-Su	72	977	67	948	41	1027	39	1129
Mt. Edgecumbe	N/A	N/A	N/A	N/A	N/A	N/A	38	90
Nenana	61	62	69	47	38	47	15	78
Nome	38	68	40	45	19	52	23	39
North Slope	61	184	39	129	18	149	19	120
Northwest Arctic	34	194	30	190	10	136	8	108
Pelican	60	5	0	2	66	3	33	3
Petersburg	86	52	76	62	48	65	65	60
Pribilof	28	14	44	9	21	9	40	10
Saint Mary's	33	15	46	13	33	9	22	9
Sitka	75	115	65	131	44	109	46	120
Skagway	100	9	72	7	67	6	64	11
Southeast Island	59	17	60	20	28	18	33	27
Southwest Region	31	62	33	68	22	51	5	42
Tanana	76	8	38	8	0	3	25	8
Unalaska	69	19	54	26	53	21	90	20
Valdez	75	56	74	76	52	82	69	48
Wrangell	91	34	89	43	63	49	59	27
Yakutat	91	11	67	9	40	10	38	16
Yukon Flats	31	26	30	20	0	15	6	18
Yukon/Koyukuk	54	35	31	40	14	44	8	24
Yupik	12	34	0	29	4	20	0	26

# Alaska Standards-Based Assessment Initiative

## FRAMEWORK FOR CONTINUOUS RENEWAL



# History of Alaska School Reform Since 1991

## June 1991

Governor Walter J. Hickel directs the newly appointed State Board of Education and Commissioner of Education Jerry Covey to develop a plan to improve Alaska's system of public schools.

## November 1991

The Governor's Blue Ribbon Commission, composed of 21 prominent Alaskans appointed by Governor Hickel, meets for first time. The Commission identifies 10 broad areas of educational concerns and asks the Governor and State Board of Education to appoint more than 100 Alaskans from outside and inside the educational system to make recommendations in each of the areas. The reform movement becomes known as Alaska 2000 (AK2K).

## January 1992

The 10 committees of Alaskans meet for the first time.

## October 1992

The State Board of Education approves AK2K recommendations, including developing student academic standards. AK2K becomes Alaska's major school reform initiative.

## December 1992

The State Board proposes a regulation that sets a goal for schools to provide students with "a working knowledge of English, mathematics, science, geography, history, skills for a healthy life, government and citizenship, fine arts, technology and world languages." The regulation takes effect June 24, 1993. (4 AAC 04.030)

## February 1993

At the direction of the State Board, the Standards and Assessment Oversight Committee meets for first time to set direction for development of student standards. The State Board commits to developing content standards—broad statements of what our students should know and be able to do—in 10 core subject areas: English/Language Arts, Mathematics, Science, Geography, Government and Citizenship, History, Skills for a Healthy Life, Arts, World Languages and Technology.

**October 1993**

The State Board asks the public to comment on proposed voluntary content standards in math, science and English/language arts. Public hearings are held in 14 communities around Alaska. Public hearings are held over Legislative Teleconference Centers in dozens of additional communities. As a result of strong public comment, the state board holds a second round of public hearings. Standards are adopted in 1994 and take effect on January 4, 1995.

**September 1994**

The State Board asks public to comment on proposed standards in history, geography, government and health. Board holds hearings in six communities and teleconferenced hearings in dozens of other communities. State Board adopts standards on November 29, 1994. Regulations take effect July 26, 1995.

**December 1994**

Governor Knowles takes office, appoints a new State Board, which in turn appoints Commissioner Holloway, effective March 13, 1995.

**June 1995**

The State Board asks the public to comment on proposed content standards in world languages and technology. Board takes written testimony and adopts them on October 24, 1995. Regulations take effect March 28, 1996.

**April-October 1996**

Commissioner Holloway builds the Alaska Quality Schools Initiative (QSI), which ends up with four major strands: High Student Academic Standards and Assessments; Quality Professional Standards; Family, School, Business and Community Network; and School Excellence Standards. The QSI replaces AK2K as Alaska's major school reform initiative. QSI builds upon AK2K and takes school reform to a new level of accountability.

**October 1996**

Governor Knowles, ARCO President Ken Thompson and Commissioner of Education Holloway invite school and community leaders to Girdwood for the Knowles Administration's first Education Summit. At the conclusion of the summit, Commissioner Holloway commits to developing in Alaska a results-based system of education based on standards. This is her QSI plan.

**Spring 1997**

The Legislature passes, and Governor Knowles reluctantly signs, the secondary pupil competency testing law, which becomes AS 14.03.075. The new law requires all high school students to pass an exit exam in order to receive a diploma. Those who do not pass get a certificate of attendance. Effective date is January 1, 2002. The governor announces that a single exit exam at the

conclusion of 12 years of schooling is not a good idea and he will introduce legislation in 1998 that will implement a complete school system of accountability based on measurable student performance standards.

#### **March 1998**

The Department contracts with Council for Basic Education (CBE) to review Alaska's proposed reading, writing and math performance standards. Department makes changes to standards as recommended by CBE.

#### **June 1998**

The Governor signs into law Senate Bill 36, which becomes AS 14.07.020(b). The new law sets a requirement for the department to develop student performance standards in reading, writing and mathematics and to develop benchmark exams at designated grade levels. The QSI portion of SB 36 required the following:

- **Academic Standards**—Mandated the State Board of Education to adopt academic standards in reading, writing and math at four levels; ages 5-7; 8-10; 11-14 and 15-18. The high school and benchmark exam questions are to measure whether students have met the standards.
- **Alaska Benchmark Examinations**—Mandated the department to assess students at the 3rd, 6th and 8th grades beginning in March 2000, in order for schools to check whether students are meeting the reading, writing and math standards and are on course to pass the high school exam.
- **Developmental Profile**—Required schools to complete a developmental profile on all entering kindergarten and first grade students.
- **QSI Grant**—Gave school districts additional dollars through the Quality Schools Grant program if they establish plans to adopt standards, intervene with additional services for children who are not meeting the standards, and train educators how to teach students in a results-based system of public education. The QSI Grant program became part of the state's school funding program.
- **School Designators**—Requires the State Board to develop an annual system of rating schools, and designate each school by August 2002 in one of the four categories, *distinguished*, *successful*, *deficient*, and *in crisis*. The categories are to be based on a school's student test scores and other indicators of student performance.
- **School Report Cards**—Requires each school to annually report specific information about student performance to their communities and the State of Alaska beginning July 1, 2000. The information required includes school

accreditation status, results of norm-referenced achievement tests, results of state standards-based assessments in reading, writing and mathematics, description of student, parent, community and business involvement in student learning, and rates of student attendance, K-8 retention, grade 7-12 dropout and graduation. The department is required to issue its first school-by-school report card on January 15, 2001.

**June 1998**

The Department of Education establishes the elements of the QSI law as the department's key priorities.

**July 1998**

The Education Commission of the States submits a partial review of Alaska's proposed performance standards in reading, writing and math. The review is favorable.

**September 1998**

The State Board adopts by motion (not as a regulation) the student employability standards as an eleventh content standard.

**January 1999**

State Board adopts by motion (not as a regulation) student performance standards in reading, writing and mathematics.

**March 1999**

Benchmark exams for grades 3, 6, and 8 and high school exams are field tested statewide. State Board mandates all sophomores to take the exam.

**September 1999**

Public schools complete first developmental profiles of kindergarten and first grade students.

**September 1999**

State Board adopts in regulation performance standards in reading, writing and mathematics. The same regulation removes content standards from regulation and readopts them by reference in the publication *Alaska Standards: Content and Performance Standards for Alaska Students*. The board also adopts by reference the employability content standards.

**February 2000**

The School Designator Committee begins series of meetings to recommend elements of a system to rate schools as distinguished, successful, deficient and in crisis.

**March 2000**

State Board adopts Alternate Performance Standards and the Student Cultural Standards.

**March 2000**

The first administration of the high school and benchmark exams is conducted statewide. At the direction of the State Board, all 10<sup>th</sup> grade students are required to take the high school exam.

**April 2000**

Alaska content standards are measured in a group process against NAEP standards. Alaska's standards match well with NAEP standards.

**June 2000**

Commissioner Cross announces he will recommend to the State Board a two-stage "phased in" approach to the Alaska High School Graduation Qualifying Exam. Under the phase in, the Class of 2002 and Class of 2003 would be held to a lower passing score than Class of 2004 onward, when a higher passing score would take effect.

**June 2000**

Committees meet to recommend passing scores for high school exam.

**August 2000**

Committees meet to adopt proficiency scores for benchmark exams.

**September 2000**

State Board adopts passing scores for high school exam. Phase in idea dropped.

**September 29-October 1**

About 350 School board presidents, school administrators, some of the state's best teachers and business and community leaders convened at Girdwood for Education Summit 2000, the second education summit of the Knowles Administration. The purpose was to develop strategies to help more children meet the state's new higher standards in reading, writing and mathematics. Teams from school districts statewide examined the performance of their districts' students on state tests and learned how analyze score data and to improve schools to better meet the learning needs of students.

**October 2000**

The second administration of the high school exam commences statewide.

**December 2000**

The State Board adopts proficiency cut scores for the benchmark exams.

**December 2000**

The State Board adopts a resolution urging the Legislature to change the effective date for the high stakes portion of the High School Graduation Qualifying Examination, from January 1, 2002 to 2006. The Board's plan would continue the administration of the test.

**December 2000**

As the next step toward fulfilling the goals of the Quality Schools Initiative, Gov. Knowles appoints 11 Alaskans to an Education Funding Task Force. The task force will recommend to the governor and the State Board in February 2001 a five-year funding plan to fulfill the goals of the QSI and improve education in Alaska.

**January 2001**

Governor Knowles announces in his State of the State address that he supports the State Board's December 2000 resolution and that he urges the Legislature to amend the law for the high stakes portion of the high school exam to take effect 2006.

**January 2001**

By law, the first school-by-school Report Card to the Public is scheduled to be delivered to the Legislature and the public.

**January 2001**

Committees begin meeting to start a continuous renewal of Alaska's standards-based assessment system. Committees begin with a review of the high school standards and high school exam. The meetings are expected to conclude in April. The renewal process for benchmark exams will follow.

SUBCOMM.

HEALTH

CARE

WELFARE

1 1/8-9/01

# ALASKA STATE LEGISLATURE



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## SENATOR LYDA GREEN SENATE DISTRICT N

October 26, 2001

To Whom It May Concern,

On November 8 and 9, the Senate Health, Education and Social Services Subcommittee on Health Care and Welfare will be meeting at the Mat-Su LIO to discuss the future of health care and welfare. We will be discussing Medicaid, welfare reform, rural health care, the certificate of need program, private health insurance access, and bio-terrorism preparedness and response.

Our focus during these meetings will be to gather information to prepare us for the upcoming session. We hope to determine if there are issues that need to be addressed in legislation.

As always, the legislature is concerned with the cost of providing Medicaid coverage. We will be exploring cost-containment measures to ensure that Medicaid coverage is provided in the most efficient way possible. However, we do not plan on having a line-item budget discussion. This meeting is intended to give us a general overall picture of the programs. We hope to include an overview of anticipated changes to the Federal programs, particularly in light of the events since September 11, 2001.

We are asking that public testimony be submitted in writing. All written testimony will be included in information given to committee members and considered in any concluding report.

Attached is a draft agenda for the meetings. If you have any suggestions, questions or requests, please feel free to contact my aide Aurora Hauke at (907)376-3370.

Thank you for your attention to these issues. I look forward to seeing you or hearing from you at the meetings.

Sincerely,

Lyda Green  
Senate District N

**Senate Health, Education and Social Services Committee**

**Subcommittee on  
Health Care  
and Welfare**

**November 8 – November 9, 2001**

Senate Health, Education and Social Services Committee  
Subcommittee on Health Care and Welfare  
November 8-9, 2001

## Agenda

### November 8, 2001

- 9:00 a.m.-9:15 a.m. Opening remarks (Senator Lyda Green)
- 9:15 a.m.-10:15 a.m. Rural health care: role of the State of Alaska, the federal government and the native non-profit corporations (Division of Medical Assistance, Denali Commission, Alaska Native Health Board)
- 10:15 a.m.-10:30 a.m. Overview of forecasted federal changes to formula programs
- 10:30 a.m.-12:00 p.m. Overview of the current Medicaid program, budget trends, etc. (Legislative Finance Division, committee staff, Division of Medical Assistance)
- 12:00 p.m.-1:30 p.m. Lunch
- 1:30 p.m.-3:00 p.m. Medicaid fraud (Medicaid Fraud Unit)
- 3:00 p.m.-5:00 p.m. Public testimony, committee discussion

### November 9, 2001

- 9:00 a.m.-10:30 a.m. Welfare reform status (American Institute for Full Employment, Division of Public Assistance)
- 10:30 a.m.-11:30 a.m. State bio-terrorism response (Division of Public Health)
- 11:30 a.m.-12:30 p.m. Certificate of need program (Department of Health and Social Services, Alaska State Nursing Home and Hospital Association, medical community)
- 12:30 p.m.-1:30 p.m. Lunch
- 1:30 p.m.-2:30 p.m. Access to private health insurance (Division of Insurance, Division of Medical Assistance, private insurance representatives, Chamber of Commerce)
- 2:30 p.m.-3:30 p.m. Public testimony
- 3:30 p.m.-5:00 p.m. Committee discussion: where to go from here? Cost containment strategies, access, coverage, and legislation needed.
- Possible request to non-legislative persons to meet in subgroups to bring further information and suggestions to the Legislature by February 1, 2002.

RURAL  
HEALTH  
CARE

## Rural Health Update

The Division of Public Health's recent efforts in **rural health** have focused on increasing access to primary care, assuring the continuum of care for patients in rural areas, investigating reimbursement strategies for rural facilities and providers, supporting rural hospitals interest in becoming critical access hospitals, and strengthening emergency medical services.

Programs that have targeted these activities include the Assistance for Community Health Facilities Program, the Primary Care/Frontier Health Program, the Denali Commission's Rural Primary Care Facilities Program, the Rural Hospital Flexibility Program, and the Emergency Medical Services Program.

The **Assistance for Community Health Facilities** program is authorized under 7 AAC 13.010 - 7 AAC 13.900 and is intended to partially subsidize operational deficits of rural clinics staffed by mid-level practitioners in order to increase the availability of health care in rural areas. In FY 02, the program awarded \$351,000 in grants to seventeen community clinics. The program encourages grantees to network with other facilities to strengthen their viability.

The **Primary Care/Frontier Health Program** addresses access to primary health care and reduction of health disparities. The program supports activities and partnerships with other agencies and organizations to help communities in Alaska achieve access to primary, dental, and mental health care. Partnering with other organizations, to carry out activities to strengthen and expand preventive and primary care capacity is a major strategy of the program.

In the past year, activities of the program include, but are not limited to, community development efforts, workforce development, outreach efforts, designation of areas with need as underserved, improvement of health status by matching providers with communities in need, strengthening public and private reimbursement for community-based primary care services, and increasing federal funding for delivery of health care services in health centers.

A major focus of activity has been the **Frontier Health Initiative**, a major primary care effort that requested \$6.5 million in federal funds from US DHHS, Health Resources and Services Administration. Of this request, \$5.7 million was awarded in HRSA Section 330 Community Health Center grants to local communities and clinics to provide primary care services and strengthen health care delivery. The \$500,000 of new funds awarded to DHSS, will be used to hire staff to provide technical assistance to the new and existing health centers. The project will support health center operations to provide primary care in frontier communities.

Major activities for FY 2002 include: pulling together state, federal and local health agencies for joint strategy development on service delivery; investigating public and private reimbursement for community-based primary health care services; providing technical assistance for the development and operation of community health centers and rural clinics; further documenting state health unmet needs through designation of health professional shortage area applications and primary care access plans; providing advocacy at state and national levels for the underserved populations in Alaska; and providing site development and recruitment through the National Health Service Corps (NHSC) and other workforce development programs.

The **Denali Commission** Act of 1998 created the Denali Commission to promote job training, economic development, and rural infrastructure development. DPH has helped lead efforts to

support physical and operational improvements in facilities and clinics in rural Alaska. DPH has worked with the Denali Commission and other partners to commit over \$22 million in funds for rural primary care clinic planning, design, and construction. In FY02, DPH will support the above objectives, including the review of proposals for primary care facility construction funds. DPH will provide technical assistance to communities in the development of viable proposals.

**The Medicare Rural Hospital Flexibility Program** seeks to strengthen and stabilize rural hospitals, develop and strengthen rural health networks, enhance and expand rural emergency medical services, and enhance and implement quality assurance for rural health services. The mission is accomplished in large part by providing technical assistance to communities in addition to providing direct funding to assist communities to examine all aspects of their local health care system in order to develop and implement a plan and strategies to strengthen that system.

Four hospitals, Valdez, Seward, Sitka, and Petersburg, have become CAHs. Cordova considered conversion and decided not to convert at this time. Funding has been made available to an additional five communities, Wrangell, Kodiak, Homer, Nome, and Kotzebue, to consider the CAH option. Discussions are underway with four other communities, Barrow, Unalaska, Metlakatla, and Dillingham; that may pursue program funding this year so that they can consider conversion. Program funds have been used to conduct community needs assessment and planning activities, rural EMS training, and development of EMS protocols for medical direction as well as regulations.

Major activities planned for FY02 include: a rural health care conference; revision of the rural health plan; rural health network development; support to hospitals to address staff training and hospital performance improvement; development of an on-line database of continuing medical education; assistance from specialized EMS teams to several communities; and completion of initial CAH designation activities with all interested rural hospitals.

**Emergency Medical Services and Injury Prevention** program within the DPH coordinates public and private agencies engaged in the planning and delivery of emergency medical services, including trauma care. The program assists public and private agencies to deliver emergency medical services through the award of grants in aid. EMS conducts and approves programs of education and training for health personnel involved in emergency medical services. The program maintains a process in which hospitals and clinics can represent themselves to be trauma centers.

Activities are conducted to ensure that qualified and properly equipped emergency medical services personnel are available to respond to the emergency medical needs of Alaska's citizens and visitors and, whenever possible, to prevent injuries from occurring in the first place. Some of the activities include: certifying emergency medical technicians, emergency medical services instructors, emergency medical dispatchers, and ground and air ambulance services; reviewing and approving Emergency Trauma Technician, Emergency Medical Technician, and Mobile Intensive Care Paramedic courses in Alaska; maintaining the population based Alaska Trauma Registry and using this data, and other data sources, to focus injury prevention efforts; and providing training and technical expertise to local EMS agencies.

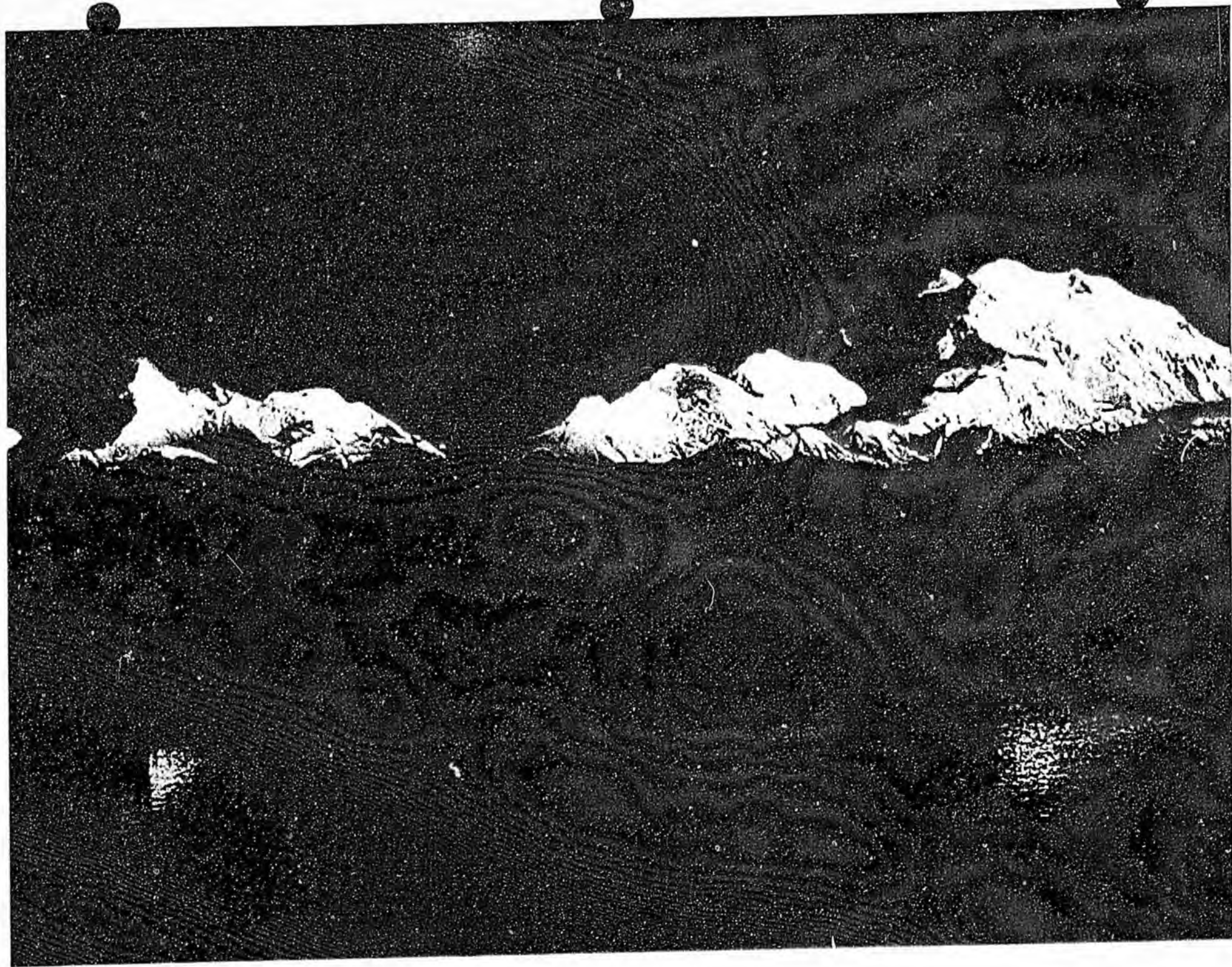
Other programs which reflect the breadth of activities in EMS and injury prevention include: Disaster Planning and Consequence Management; the Code Blue Project; Emergency Medical Services for Children Program; and the Alaska Comfort One Program; the Alaska Trauma Registry; and the Injury Surveillance and Prevention Program.

### Comparison of Medicaid Allocation Methods

<u>District</u>	<u>By Provider</u>	<u>By Eligible</u>	<u>Difference</u>
1	16,839.0	16,904.5	-65.5
2	15,957.2	16,170.1	-213.0
3	24,875.8	19,680.6	5,195.2
4	6,836.3	12,173.4	-5,337.0
5	6,531.8	12,103.4	-5,571.7
6	11,376.9	12,928.0	-1,551.1
7	18,781.5	24,094.5	-5,312.9
8	25,461.5	23,993.8	1,467.7
9	14,955.8	20,081.8	-5,126.0
10	7,608.7	10,173.1	-2,564.4
11	31,192.9	23,906.8	7,286.1
12	8,050.0	15,223.3	-7,173.3
13	10,991.9	13,482.7	-2,490.8
14	6,186.8	15,939.2	-9,752.4
15	18,150.5	34,213.3	-16,062.8
16	20,749.2	34,164.3	-13,415.1
17	8,932.6	15,287.1	-6,354.5
18	6,824.2	8,412.8	-1,588.6
19	58,160.4	17,866.1	40,294.2
20	40,999.3	29,447.4	11,551.9
21	113,124.9	21,205.2	91,919.7
22	7,853.9	16,346.2	-8,492.3
23	6,382.9	12,629.6	-6,246.6
24	14,473.1	20,067.7	-5,594.5
25	9,226.8	12,413.8	-3,187.1
26	23,761.7	20,063.1	3,698.5
27	19,472.6	24,292.2	-4,819.5
28	10,653.4	25,358.8	-14,705.4
29	4,446.9	7,866.4	-3,419.5
30	9,663.6	12,941.1	-3,277.4
31	49,518.6	26,445.7	23,072.9
32	4,071.4	6,593.5	-2,522.1
33	4,481.7	8,078.1	-3,596.4
34	4,281.8	7,960.4	-3,678.6
35	8,457.9	11,543.2	-3,085.3
36	6,460.0	19,582.3	-13,122.3
37	6,929.9	13,115.0	-6,185.1
38	15,252.6	31,420.9	-16,168.3
39	30,002.1	30,858.4	-856.3
40	2,426.8	5,383.4	-2,956.6
<b>Total</b>	<u>710,405.0</u>	<u>710,411.3</u>	<u>-6.3</u>

**Allocation of FY 2001 Authorized Operating Expenditures by District**  
(in \$ thousands)

<u>District</u>	<u>Entitlements</u>	<u>Grants</u>	<u>Program Services</u>	<u>Facilities</u>	<u>Administration</u>	<u>Total</u>
1	16,904.5	4,383.1	3,812.8	95.6	0.0	25,196.1
2	16,170.1	3,996.3	1,994.4	0.0	0.0	22,160.8
3	19,680.6	4,470.2	19,631.1	1,247.8	2,906.4	47,936.1
4	12,173.4	4,481.3	19,631.1	1,247.8	2,906.4	40,440.0
5	12,103.4	2,479.5	684.4	0.0	0.0	15,267.3
6	12,928.0	2,304.6	1,212.3	0.0	0.0	16,444.8
7	24,094.5	3,386.7	2,072.6	0.0	0.0	29,553.8
8	23,993.8	2,812.4	2,072.6	0.0	0.0	28,878.8
9	20,081.8	2,074.7	2,072.6	0.0	0.0	24,229.1
10	10,173.1	2,649.3	6,194.6	1,752.4	217.3	20,986.7
11	23,906.8	2,649.3	6,194.6	1,752.4	217.3	34,720.4
12	15,223.3	2,649.3	6,194.6	1,752.4	217.3	26,036.9
13	13,482.7	2,649.3	6,194.6	1,752.4	217.3	24,296.3
14	15,939.2	2,649.3	6,194.6	1,752.4	217.3	26,752.8
15	34,213.3	2,649.3	6,194.6	1,752.4	217.3	45,026.9
16	34,164.3	2,649.3	6,194.6	1,752.4	217.3	44,977.9
17	15,287.1	2,649.3	6,194.6	1,752.4	217.3	26,100.7
18	8,412.8	2,649.3	6,194.6	1,752.4	217.3	19,226.4
19	17,866.1	2,649.3	6,194.6	1,752.4	217.3	28,679.7
20	29,447.4	2,649.3	6,194.6	1,752.4	217.3	40,261.0
21	21,205.2	2,649.3	6,194.6	1,752.4	217.3	32,018.8
22	16,346.2	2,649.3	6,194.6	1,752.4	217.3	27,159.8
23	12,629.6	2,649.3	6,194.6	1,752.4	217.3	23,443.2
24	20,067.7	2,649.3	6,194.6	1,752.4	217.3	30,881.3
25	12,413.8	2,649.3	6,194.6	1,752.4	217.3	23,227.4
26	20,063.1	3,524.0	2,248.6	408.9	0.0	26,244.6
27	24,292.2	3,392.6	2,248.6	408.9	0.0	30,342.3
28	25,358.8	3,489.7	2,248.6	408.9	0.0	31,506.0
29	7,866.4	3,227.1	3,431.5	477.5	0.0	15,002.5
30	12,941.1	3,231.8	3,431.5	477.5	0.0	20,081.9
31	26,445.7	3,193.6	3,431.5	477.5	0.0	33,548.4
32	6,593.5	3,219.1	3,431.5	477.5	0.0	13,721.7
33	8,078.1	3,247.8	3,431.5	477.5	0.0	15,234.9
34	7,960.4	3,184.1	3,431.5	477.5	0.0	15,053.5
35	11,543.2	1,089.5	1,036.3	0.0	0.0	13,669.0
36	19,582.3	3,401.4	1,290.5	0.0	0.0	24,274.2
37	13,115.0	7,924.6	1,212.3	0.0	0.0	22,251.9
38	31,420.9	5,201.3	2,424.6	687.7	0.0	39,734.4
39	30,858.4	11,640.9	9,600.5	2,081.7	0.0	54,181.5
40	<u>5,383.4</u>	<u>1,712.5</u>	<u>352.0</u>	<u>0.0</u>	<u>0.0</u>	<u>7,447.8</u>
<b>Total</b>	<b><u>710,411.3</u></b>	<b><u>133,457.3</u></b>	<b><u>195,548.2</u></b>	<b><u>37,491.4</u></b>	<b><u>9,289.3</u></b>	<b><u>1,086,197.5</u></b>





# Rural Health Care Infrastructure

*Presented to the Health Care and Welfare Subcommittee*

*November 8, 2001*

*@ Mat-Su Legislative Information Office*





## To Address:

**“Rural Health Care and  
The role of the State, the  
Federal government, the  
Denali Commission and  
native non-profit health  
corporations”**





# The Denali Commission- An Overview

- Established in 1998 to provide critical utilities, infrastructure, economic development and training.

5% administrative cap – the Commission must therefore seek out program/project partners to carry out it's work.





# Commission Health Facilities Programs

- 1999 amendments to P.L. 105-277 authorized demonstration projects between the Commission and the U.S. DHHS that include:
  - Hospitals
  - Mental health facilities
  - Elder care and child care
  - Primary care facilities





# Health Facilities Focus

- **Rural Primary Care Facilities**
  - “Large” Clinics > \$1 Million & pop. > 750
  - “Small” Clinics < \$1 Million & less than 750 yr.-round pop.
  - “Repair/Renovation of Existing Clinics
- **No facilities to date requiring a “Certificate of Need” from the State**
- **Future Health Facilities Infrastructure development to be guided by the Commission Health Care Steering Committee**





# Health Care Steering Committee Representatives (All “State-wide Organizations”)

- Alaska Native Tribal Health Consortium
  - State of Alaska, Department of Health and Social Services
  - Indian Health Service
- 
- Alaska Primary Care Association
  - Alaska Mental Health Trust
  - University of Alaska
  - Alaska Native Health Board





## Evolution of the Steering Committee

- Formed (Feb. 2000) to complete Needs Assessment - \$253 Million need identified
- Expanded membership and role (Sept. 2000)
- Still a “working group” – developed Small Clinic RFP (March 2001)
- Changes (October 2001): membership & SC/Workgroup process





## New Role for the Steering Committee

- Addition of the University of Alaska – Vice President for Health and Social Services (Karen Perdue)
- Addition of the Alaska Native Health Board
- The Committee is to become more of a policy advisory group instead of a workgroup





## Denali Commission Partners

### Alaska DHSS (Pre-Award Manager)

- Manages the RFP processes for the Commission

### ANTHC (Post-Award Project Manager)

- Partner and agent of the Denali Commission for the “small” clinics
- Develops a relationship with each community.
- Offers construction options based upon community’s preferences and capabilities.

### Successful “Large” Clinic Applicants





# **Denali Commission Clinic Funding- Construction Options**

- 1. Community-managed force account**
  - 2. Community-managed competitive contract with strong local hire component**
  - 3. Regional Health Corporation – managed force account**
  - 4. Regional Health Corporation – managed contracts with strong local hire requirement**
- ANTHC-managed competitive contract with strong local hire requirement**
  - ANTHC Department of Environmental Health and Engineering – managed force account**

*or combinations thereof*





## Denali Commission Clinic Funding

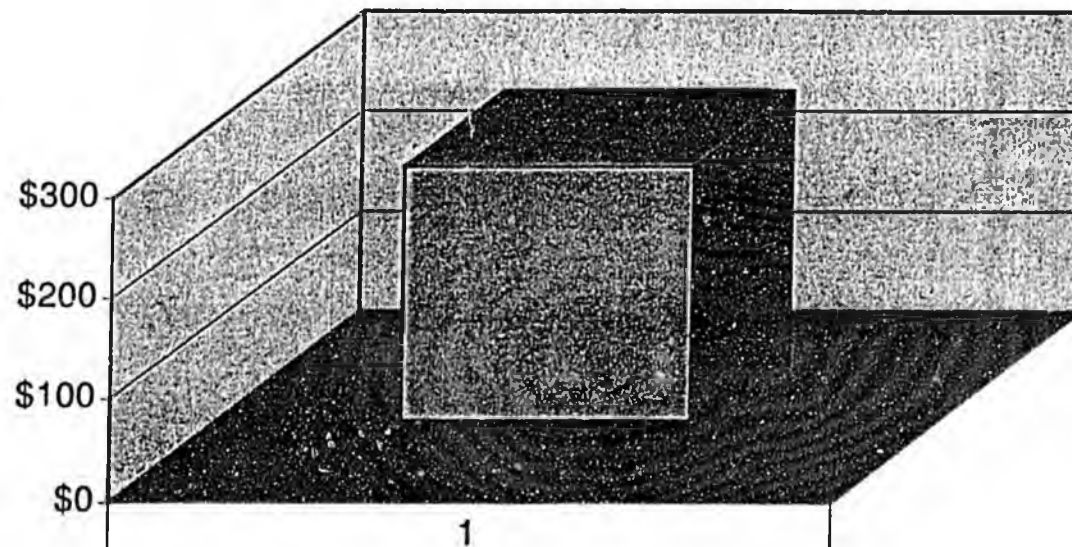
- **FY 00 funds for clinics = \$1 million**
- **FY01 funds = \$20 Million (\$10 M from HRSA, \$10 M from the Commission)**
- **FY02 Funds = unknown – but planning is for \$20 to \$30 Million**
- **On 9-20-01 the Commission approved up to \$12.5 Million for “Small” Clinics**





# Commission Clinic Efforts to Date

Primary Care (Clinics) Needs (millions of dollars)



■ Total Need	\$253
■ Total Funded (Commission \$)	\$22
■ Total Completed	\$1



## Features about Commission Funded Clinic Projects

The Commission wants projects that are “good to go,” serve the greatest need, and will last for many years.

- **Community Planning**
- **Cost Share**
- **Sustainability – both facility and program**
- **Project Readiness**





# Project Funding Approach

- No maximum project funding level (must be reasonable though)
- The goal is for a facility that can provide the appropriate minimum level of primary care:
  - See Minimum Program Goals (Page 24)
  - See Space Guidelines (Page 25)
  - Area Adjustment Factor





## Project Funding - Continued

- A community can develop a project larger than “Minimum” or that which is recommended in the C&C surveys, but will have to pay the difference

Likewise, a community can develop a smaller project, but the 20 or 50% cost share requirement remains





## Denali Commission Clinic Funding- Community Planning

- **Seek to fund comprehensive community-based, regionally supported, sustainable projects**
- **Health services are responsive to the needs of the community**
- **Encourages communities to look at their needs in three primary care service areas: mental health, substance abuse, dental health**
- **Multi-use projects (e.g. Clinic and Washeteria or Headstart) are encouraged.**





## Cost Share Score

- Federal law requires a cost share match
- Required \$ minimum – construction & equipment
- 20% (severely economically distressed)
- 50% (economically distressed)
- No minimum \$ for planning/design (including multi-use facilities; excluding interior architectural design)





## **Cost Share Match- In-Kind Contributions**

- **Only cash, land, and sand/gravel are allowable cost share matches**
- **All other matches – in-kind labor, equipment costs, construction material, etc. will not be considered.**





## Program and Facility Sustainability

- Service Delivery Plan: shows how the health services fit with the proposed facility
- Facility Sustainability Plan: shows how the organization will pay for O&M costs for the facility





## **Project Readiness: What are Measures of Readiness?**

- Funding in the bank or committed**
- **Site control secured**
- **Design completed, or a plan to complete design**
- **Community selection of 1 of 6 project management options through ANTHC**
- **Documented project management plan – schedule, budget, etc.**
- **Environmental and SHPO clearance**





# Proposal Scoring System

- **Local Support – 0**
- **Site Availability and Control – 0**
- **Utility Extension Plan – 0**
- **Match/Cost Share – 20**
- **Service Delivery Plan – 13**
- **Facility Sustainability Plan – 6**
- **Existing Facility Deficiency Score – 45**
- **Multi-Use Facility – 5**
- **Readiness Score – 11**





## Denali Commission Clinic Funding- Selection Process

- **Multi-discipline Review Panel (MRP)**
- **Highest scoring proposals will be selected**
- **Projects will be funded based on availability of funds,**
- **The Commission is not bound to select lowest cost proposals**
- **The Commission may negotiate funding, performance level and assign award contingencies.**

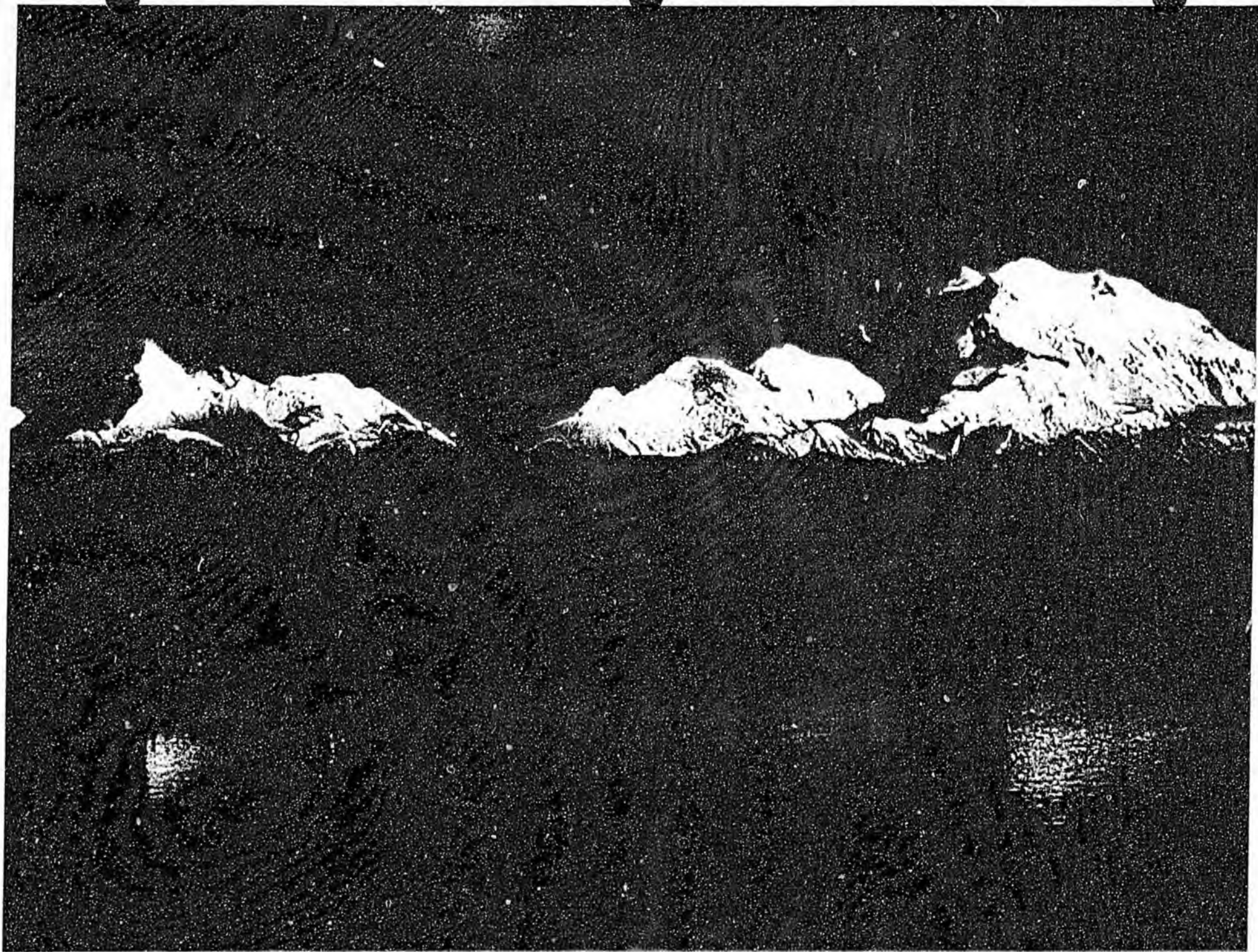




## **Additional Commission Health Care Efforts**

- **A-DOT&PF initiative on “Coordinated Transportation”**
- **FAA report to Congress on airport improvements to support health care**
- **Standardized clinic designs**
- **Code and Condition surveys of existing clinics**
- **Coordinated project funding with HUD and other funders**







## Denali Commission Update November 2001

*Note to Legislators and Staff:* Please contact Krag Johnsen, Alaska State Legislature's Staff Representative at the Denali Commission for further information. (907) 271-1413, [Kjohnsen@denali.gov](mailto:Kjohnsen@denali.gov).

### Energy

Energy projects comprise nearly \$65 million of Denali Commission funding. This is leveraging an additional \$22 million from other funding sources. The two primary agents used to complete projects are Alaska Industrial Development and Export Authority/Alaska Energy Authority (AIDEA/AEA) with \$43.8 million, and Alaska Village Electric Cooperative (AVEC) with \$21.3 million presently funded.

All Federal FY01 financial awards incorporated sustainability criteria for their projects. This requires that a business plan be developed demonstrating how the community will operate and maintain the utility in a business-like manner, attain the full expected economic life of the utility, and build some equity for future replacement. Construction funds are not authorized for these projects until the business plan has been approved, and a potential backup operator is named for the event that a community is unable to adhere to the business plan. Funding for business plan development is currently available for 54 communities. Most Denali Commission Energy projects need a two-year cycle to complete planning design and construction. As the cycle has developed, questions continue to arise on how to fund projects equitably, and how to plan for future work. In September, the Denali Commission issued three draft policies regarding capacity, fuel pipelines and dispensers, and energy project prioritization.

#### **BULK FUEL UPGRADES**

Bulk Fuel Upgrades are the largest part of the Energy program at \$39.3 million. By the end of 2001, new bulk fuel projects will be substantially complete and operational in nine communities: **Kotlik, Chignik Lagoon, Old Harbor, Noorvik, Port Graham, Manokotak, Kiana, Allakaket, and Napaskiak.** Three projects were put into operation last year.

#### **RURAL POWER SYSTEMS UPGRADES**

Rural Power Systems Upgrades represent \$16.9 million of the Energy program. Twelve other energy projects (including power plant upgrades, electrical distribution upgrades, and fuel-line replacements) should be complete in **Kasigluk, Kiana, Huslia, Kivalina, Ambler, Quinhagak, Pilot Station, Shishmaref, Savoonga, Toksook Bay, Tuntutuliak and Kotlik.**

#### **ENERGY COST REDUCTION RFP**

Energy Cost Reduction RFP, with \$4 million in Denali Commission funds, was issued by AEA on May 18, 2001. Preference in evaluation will be given to economically distressed rural communities, or those with extremely high-energy costs. It is anticipated this money will be allocated to projects in the January 2002 Quarterly meeting.

#### *Contact Information:*

*AIDEA/AEA Contact Mike Harper, (907) 269-3000*  
*AVEC Contact Meera Kohler, (907) 561-1818*



## Health

To date the Commission has obligated \$22 Million for health care facilities leveraging an additional \$20 Million in contributor funding. A total of 24 clinic construction projects have been funded and an additional 28 planning/design projects have been funded.

There is no one State or Federal agency tasked with provision of health care facilities throughout all of Alaska. Many agencies and health care organizations have overlapping interests, but there is no one agency to turn to. Accordingly, the Commission established a Health Care Steering Committee of agencies and organizations with interests in health care. The Steering Committee is chaired by the **Director, State of Alaska Division of Public Health** and has members from the following organizations: **Indian Health Service, Alaska Native Tribal Health Consortium (ANTHC), University of Alaska, Alaska Primary Care Association, Alaska Native Health Board, and the Alaska Mental Health Trust Authority.**

For carrying out its Health Care Program for the "Small Clinic" program (typically a clinic that serves one community with a year-round population less than 750) and the "Clinic Repair/Renovation" program, the Commission has turned to the State of Alaska as our "pre-award" partner and ANTHC as our "post-award" partner. The State manages the Commission's request for proposals process in conjunction with the Commission. Once projects have been identified, then ANTHC will manage the projects on our behalf. Communities have a choice of 6 management options through ANTHC:

- Community-managed force account
- Community-managed competitive contract with strong local hire component
- Regional Health Corporation - managed force account
- Regional Health Corporation - managed contracts with strong local hire requirement
- ANTHC-managed competitive contract with strong local hire requirement
- ANTHC Department of Environmental Health and Engineering - managed force account

For our "Large Clinic" program (typically a clinic that serves multiple communities or a community with a year-round population greater than 750) the State of Alaska is our "pre-award" partner. To date, all project applicants are our "post-award" partners and provide project management. However, in time the Commission may have to revisit this approach as the volume of "Large" clinic grantees grows beyond Commission staffing ability to respond to our Large Clinic partners needs.

### *Contact Information:*

#### *Denali Commission*

*Joel Neimeyer, Health Care Program Manager: (907) 271-1459*

*Al Ewing, Chief of Staff: (907) 271-1426*

#### *ANTHC*

*Rick Boyce, Facilities Program Manager: (907) 729-3601*

*Seth Yerrington, Clinic Construction Program Manager: (907) 729-3747, (907) 729-3600*

#### *State of Alaska*

*Karen Pearson, Director, Division of Public Health & Chair of the Steering Committee: (907) 465-3090*

*Pat Carr, Program Manager, Primary Care and Health Promotions: (907) 465-8618*

## **Training**

### **DENALI TRAINING FUND**

The Denali Training Fund was established by the Denali Commission specifically to ensure that local residents have the skills to become employed on the construction, operation, and maintenance of Denali Commission and other state and federally funded public infrastructure projects. To date over three hundred people from rural Alaska communities have been trained for numerous construction, operations, and maintenance careers.

The **Department of Labor and Workforce Development** operates, selects, oversees, and administers the Denali Training Fund. On a quarterly basis applications of up to \$25,000 for training are solicited from non-profit and for-profit organizations and governments.

*Contact Information: Gerry McDonagh, (907) 269-4551*

### **ALASKA NATIVE COALITION ON EMPLOYMENT AND TRAINING (ANCET)**

ANCET consists of the **twelve regional Native Nonprofit Corporations** and Metlakatla as a unified organization to further employment and training issues statewide and nationally. The focus of ANCET for the Denali Commission has been to implement a **Regional Coordination Initiative** that handles much of the recruitment for various training courses that are funded by the Denali Training Fund.

*Contact Information: Bonnie Jo Savland, (907) 644-8312*

### **ASSOCIATED GENERAL CONTRACTORS OF ALASKA**

With Denali Commission funds the **Associated General Contractors** administer the **Construction Career Pathways Initiative**, placing construction curriculum in rural schools through **Build Up!** for elementary grades. To date **Build Up!** has been introduced to 27 different schools in 13 rural school districts. AGC is looking for more for more rural schools to offer the curriculum.

*Contact Information: Vicki Schneibel, (907) 561-5334*

### **ALASKA WORKS PARTNERSHIP**

**Alaska Works Partnership (AWP)** and the Denali Commission have partnered to deliver apprenticeship outreach services in rural Alaska. AWP provides information to students and adults about jobs in the construction industry and opportunities to learn construction skills through registered apprenticeship. To date thirty rural residents successfully entered specific craft apprenticeship programs, and over sixty are registered as **Building Maintenance Repair (BMR)** apprentices with **Alaska Works**.

*Contact Information: Tom Brice, (907) 457-2597*

### **ALASKA VOCATIONAL TECHNICAL CENTER**

AVTEC has implemented two programs that provide advanced skills certification. The first is the **Building Maintenance Repairer Apprenticeship (BMR)**, which includes comprehensive training in the basics of carpentry, plumbing, heating, and electric. The second initiative developed the curriculum for the **Bulk Fuel Tank Farm Operator course**, which trains the individual in the statutes, regulations, and requirements of the operation and maintenance of bulk fuel storage facilities in Alaska.

*Contact: Dick Harrell, (907) 224-4162*

*Contact Information:*

*Denali Commission*

*Krag Johnsen, Program Manager, (907) 271-1414*

## Other Infrastructure

### MINI-GRANT PROGRAM

The Division of Community and Business Development (DCBD) administers the program, under the Alaska Department of Community and Economic Development. The program has one grant cycle, which began August 8, and will conclude with final awards on January 15. The Denali Commission contributed \$500,000 and the USDA Forest Service contributed \$144,755, for a total Mini-grant program of \$644,755. *Contact Information: Nelda Warkentin, (907) 269-4568*

### COMMUNITY PRIORITIES PROGRAM

The Denali Commission invested \$4,500,000 in this program, which is administered by the Division of Community and Business Development (DCBD), under the Alaska Department of Community and Economic Development. The program has quarterly grant cycles. The second grant cycle is under way. Pre-applications for the third and fourth grant cycles are due November 2, 2001, and February 18, 2002 respectively. *Contact Information: Nelda Warkentin, (907) 269-4568*

### ALASKA GROWTH CAPITAL PROGRAM

The Denali Commission has invested \$2,340,000 with Alaska Growth Capital to support viable businesses in rural Alaska, with emphasis on Alaska-owned businesses in economically distressed communities. The program does not have a funding cycle, but responds to requests for assistance on a year round basis. Alaska Growth Capital (AGC) has made \$1,625,000 in loans this year to Alaska-owned businesses in economically distressed communities. An additional \$600,000 in loans is in the closing process. The businesses that received loans have an annual payroll of \$350,000. In addition, AGC has made 15 consulting engagements with clients or potential clients. *Contact Information: David Hoffman at (907) 349-4904*

*Contact Information:*

*Denali Commission*

*Paul McIntosh, Program Manager, (907) 271-1640*

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## First Alaskans Foundation

In late 2000, the Commission granted \$1.2 million to the First Alaskans Foundation. The foundation, a non-profit organization affiliated with the Alaska Federation of Natives, is working to develop capacities of Alaska Native people and communities "to meet social, educational and economic challenges of the future." This capacity building program will be phased over a two-year period and will work on the development of local decision-making, and enhancement of management and governance skills necessary to plan and implement sustainable community development efforts. Funding has been made available through five separate RFP processes: community development, community economic development, statewide visioning, regional/sub-regional infrastructure planning, and community infrastructure construction.

*Contact: Jason Metrokin, Director of Programs, (907) 263-9890*

# CORRECTION

THE FOLLOWING DOCUMENT(S)  
HAVE BEEN REFILMED TO  
ASSURE LEGIBILITY OR PAGINATION



Central Microfilm Services  
Department of Education & Early Development  
State of Alaska

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*Contact: Jason Metrokin, Director of Programs, (907) 263-9890*

## **Denali Commission brings GrantStation.com to Rural Alaska**

The Denali Commission, Alaska State Libraries, USDA Rural Development, and GrantStation.com Inc. recently announced a jointly funded project to bring state of the art grant seeking services to organizations and residents in rural Alaska.

GrantStation.com is an Alaskan owned and operated company provides an on-line comprehensive, fully interactive and searchable database of funding sources for organizations at [www.grantstation.com](http://www.grantstation.com). Members of GrantStation have access to worldwide funding sources (soon to include all state and federal sources) with the most up-to-date contact information, an accurate understanding of a funder's philosophies and rules, and valuable information on the most effective way to work with a particular funder.

Under the terms of the contract GrantStation.com membership will be provided to the following organizations for two years:

- All State Libraries (approximately 75 Rural Locations will have grantstation.com access for the public)
- All Tribal offices
- All City offices
- All Health Corporations
- All Regional Native Non-Profits
- All Rural School Districts
- All Rural Borough offices

Jeff Staser, Federal Co-Chair of the Denali Commission said, "The Denali Commission has already been successful in securing private foundation dollars with previous projects, we believe that GrantStation.com services will help expand on this success and bring more funding to rural Alaska and ultimately stretch the federal and state's investment into rural communities



MEDICAID  
PROGRAM

# A Brief Overview of the Alaska Medicaid Program

Presented to members of the Senate  
Health, Education and Social Services Subcommittee on Health Care  
and Welfare

*November 8 and 9, 2001*



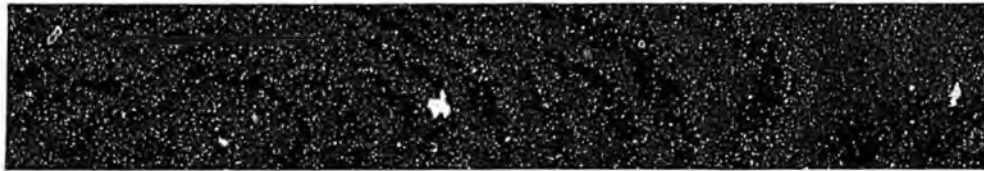
# What's the difference between...

## Medicare?

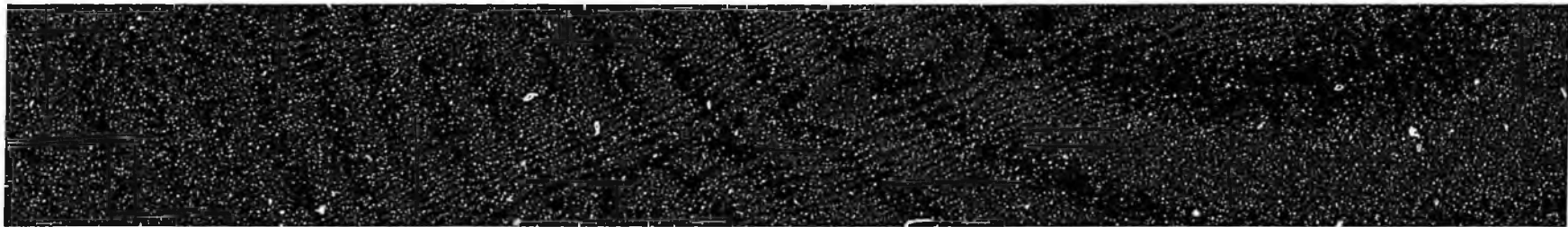
Medicare, the nation's largest health insurance program, covers 39 million Americans. It is a health insurance program for people 65 years of age and older who have worked 40 Social Security quarters, and for some disabled people under 65 years of age. Eligibility is not based on income. The Health Care Financing Administration (HCFA) administers Medicare.

## Medicaid?

Medicaid is a "means-tested," jointly-funded, Federal-State health insurance program for certain low-income and needy people. It is an "entitlement" program which currently covers approximately 36 million individuals including children, the aged, blind, and/or disabled, and people who are eligible to receive federally assisted income maintenance payments. Medicaid is administered by the State.



- Established by the Social Security Act Amendments of 1965 to pay for medical assistance for certain individuals and families with low incomes and resources.
- Administered by each State under a host of Federal rules, with both sharing in the cost of the program.
- Eligible groups per Federal law
  - Mandatory: Family Medicaid; Newborns and Children in Lowest Poverty Levels; SSI recipients
  - Optional: APA recipients; Denali KidCare; Pregnant women
- Services allowed per Federal law
  - Mandatory
  - Optional
- Federal law requires each State to have a committee (MCAC) to advise the Medicaid agency in order to obtain Federal matching funds.



- Medicaid Program Enacted July 6, 1972
- AS 47.07 includes:
  - ▶ Sec. 47.07.020. Eligible persons.
  - ▶ Sec. 47.07.030. Medical services to be provided.
  - ▶ Sec. 47.07.035. Priority of medical assistance.

# Eligible Persons

## Federally mandated groups include:

Family Medicaid

Newborns and children at lowest poverty levels

SSI recipients

Children at lower poverty levels

Pregnant women at lower poverty levels

## Optional groups include:

Some APA recipients

Children at higher poverty levels

Pregnant women of higher poverty levels

# Eligibility: In Simpler Terms...

To be eligible for Medicaid, a person must be one of the following:

A Child

A Caretaker of a Child

A Pregnant Woman

Aged

Blind

Disabled

---

## Who will not qualify?

Adults (ages 21-64) with no children --  
regardless of their medical need or lack  
of financial resources. \*

*\*Unless the adult meets disability requirements.*

# Federally Mandated Services

## Mandatory Services: Sec. 1905, Social Security Act

Inpatient hospital services

Outpatient hospital services

Prenatal care

Vaccines for children

Physician services

Nursing facility services

Family planning services and supplies

Rural health clinic services

Home health care for persons eligible for  
skilled-nursing services

Laboratory and x-ray services

Pediatric and family nurse practitioner  
services

Nurse-midwife services

Federally qualified health-center (FQHC)  
services

Early and periodic screening, diagnostic, and  
treatment (EPSDT)

## *Children's Services*

- All medically necessary health care services must be covered for eligible children.
  - *Within the scope of mandatory or optional services under Federal law.*
  - *Even if those services are not included as part of the covered services in that State's plan.*

# Optional Services

AS 47.07.030

(♦ Selected by the Alaska Legislature for coverage)

- ♦ Ambulatory surgery center services
- ♦ Case management services
- Chiropractic
- Christian Science sanatorium
- Clinic services
- Community supported living arrangements
- ♦ Dental (*adults limited to emergency treatment for pain and infection*)
- Dentures
- Diagnostic services
- ♦ Durable medical equipment
- Emergency hospital services (for hospitals not enrolled)
- ♦ Home and community care
- ♦ Home health
- ♦ Hospice services
- ♦ Intermediate Care Facility for the Mentally Retarded (ICF/MR)
- ♦ Services in an inpatient psychiatric facility, for age 65 and older
- ♦ Medical supplies
- ♦ Occupational therapy
- Optometrist services
- ♦ Personal care services
- ♦ Physical therapy
- Podiatry
- ♦ Prescription drugs
- Preventive services
- Private duty nursing
- ♦ Prosthetics and orthotics
- ♦ Rehabilitation services (*mental health and substance abuse*)
- Respiratory therapy
- Screening services
- ♦ Speech, language and hearing services
- ♦ Vision services

## AS 47.07.035 Priority of medical assistance

Priority	Type of Service	FY01 Recipients	Cost
1	Clinical Social Workers Services	0	\$0
2	Psychologists Services	0	\$0
3	Chiropractic Services	0	\$0
4	Advanced Nurse Practitioner Services	0	N/A
5	Adult Dental Services	4,798	\$1,699,255
6	Emergency Hospital Services	0	\$0
7	Midwife Services	0	N/A
8	Treatment of Speech, Hearing, and Language Disorders	1,686	\$920,912
9	Optometrists Services and Eyeglasses	9,407	\$1,135,807
10	Occupational Therapy	292	\$404,894
11	Mammography Screening	928	\$33,733
12	Prosthetic Devices	285	\$248,949
13	Medical Supplies and Equipment	1,874	\$2,564,022
14	Targeted Case Management Services	0	\$0
15	Rehabilitative Services for Substance Abusers and Emotionally Disturbed or Chronically Mentally Ill Adults	735	\$2,507,124
16	Clinic Services	4,005	\$42,516,123
17	Physical Therapy	9,316	\$918,404
18	Personal Care Services in a Recipient's Home	1,198	\$6,251,068
19	Prescribed Drugs	26,664	\$27,659,154
20	Hospice Care	5	\$7,494
21	Long-Term Care Noninstitutional Services	2,246	\$55,495,465
22	Inpatient Psychiatric Facility Services	490	\$13,845,681
23	Intermediate Care Facility Services for the Mentally Retarded	0	\$0
24	Intermediate Care Facility Services	0	\$0

Source: MMIS MARS MR-O-12 Reports

15. Rehabilitative services includes day treatment facilities, rehabilitation centers & drug & alcohol abuse centers

16. Clinic services includes mental health clinics

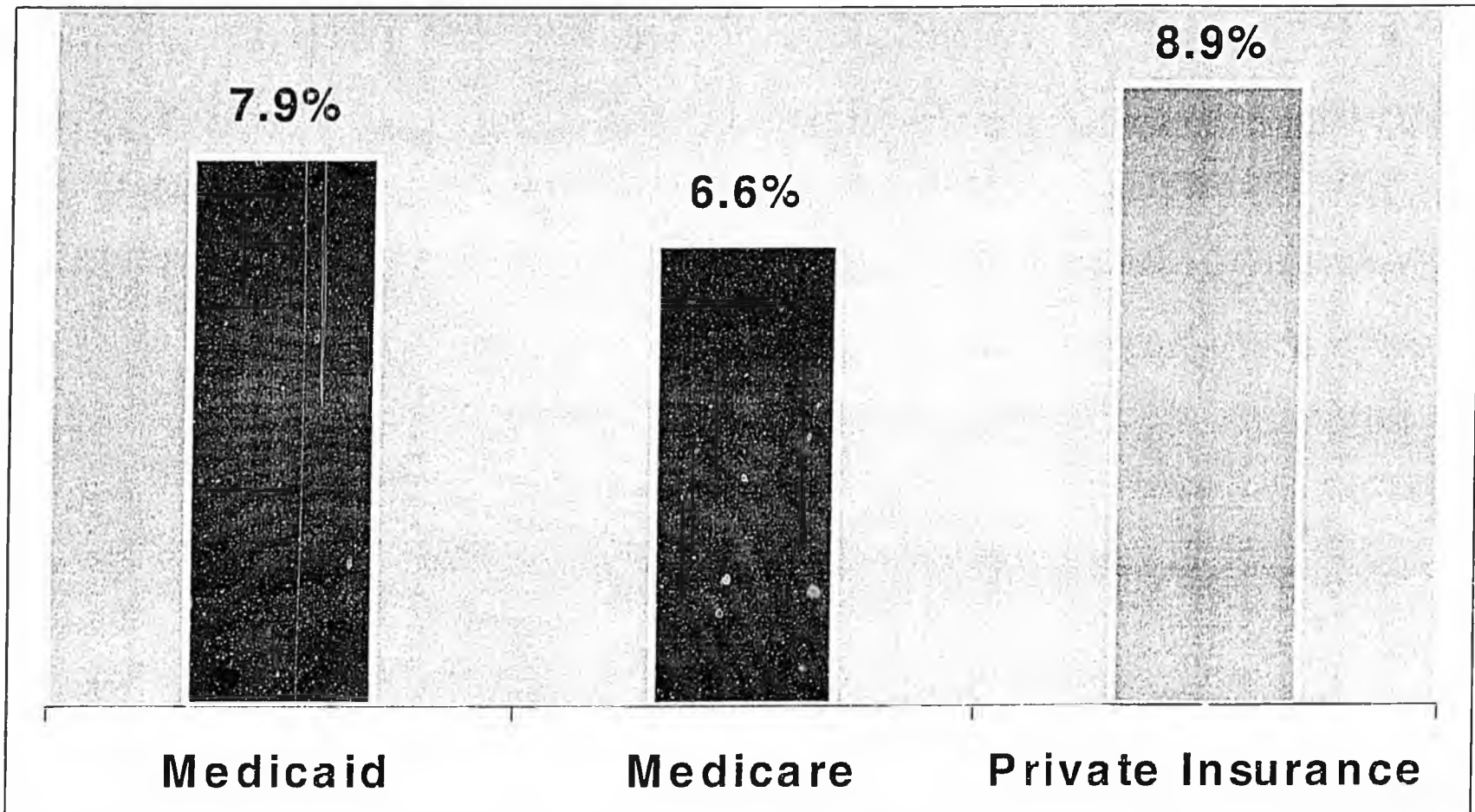
# Medical Care Advisory Committee

- Federal law requires each State to have a committee to advise the Medicaid agency in order to obtain Federal matching funds.
- Committee meets quarterly.
- Members appointed by Commissioner of Health and Social Services.
- Members must include:
  - Physician(s) and other representatives of health professions
  - Members of consumer groups, including beneficiaries, and consumer organizations

## Nationwide Medicaid Expenditure Growth Converging Trends are Causing Medicaid Expenditure Growth

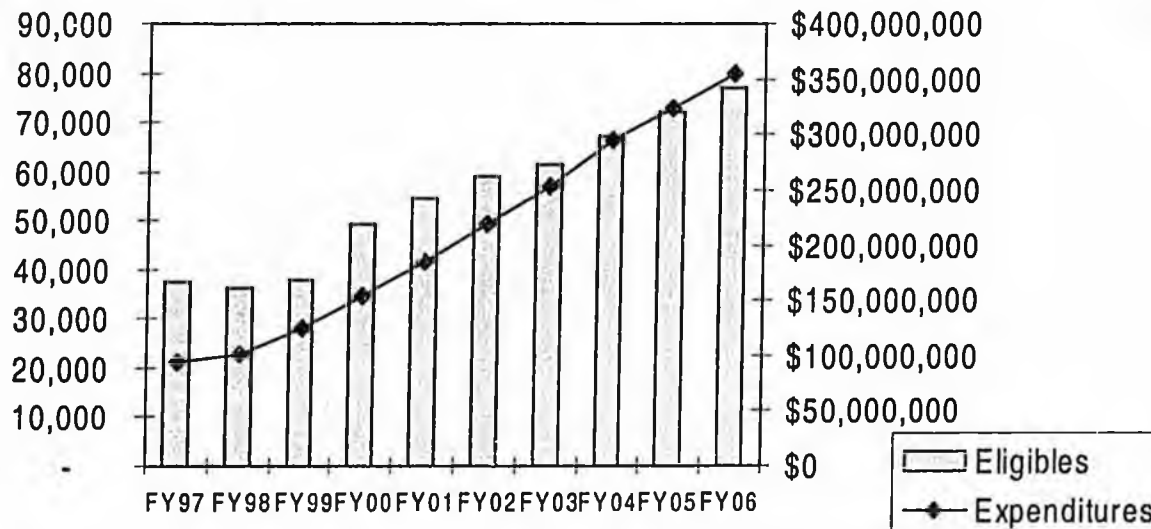
- Increasing Inflation in Health Care Market
  - Pressure to increase provider payments
  - Higher costs for brand and generic prescription drugs
- Changing Health Care Utilization
  - Reliance on home & community based services
  - Greater use of prescription drugs, new technology
- Expanding Enrollment
  - Eligibility expansions
  - Growth of the disabled population in Medicaid
  - Use of Upper Payment Limit (UPL) Arrangements

# National Projected Average Annual Growth Rate in Medicaid, Medicare, & Private Health Insurance, 2000-2005



Source: HCFA, National Health Expenditures Projections, 2001

## Children Growth



# Alaska's Children

- **Children's eligible recipient numbers**

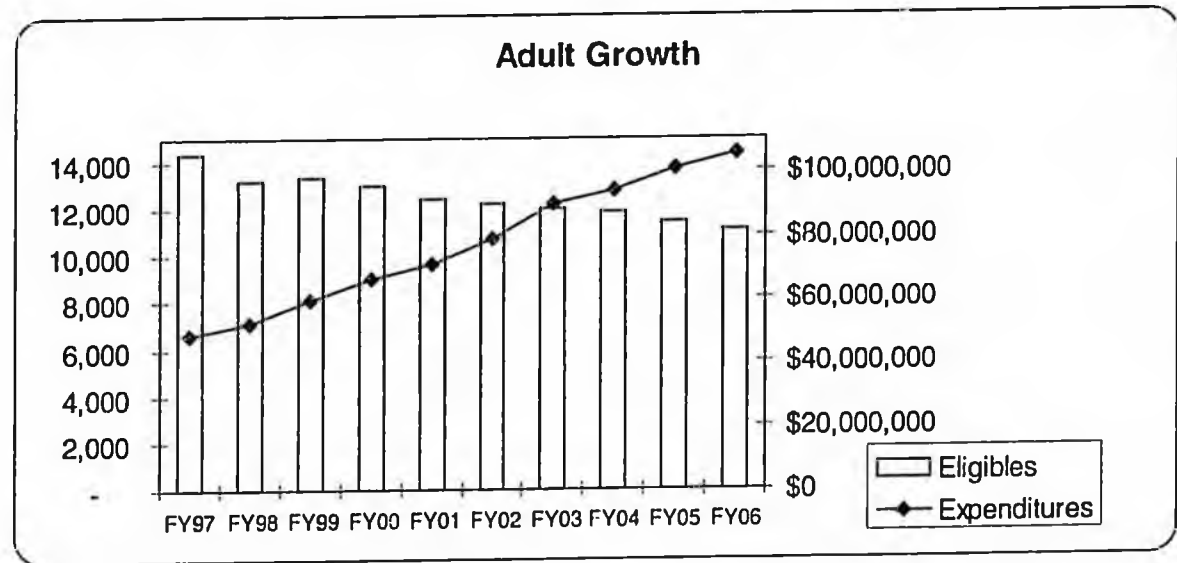
- ↘ FY01 eligible numbers represent 24% of Alaska's total population ages 0 - 18
  - ↘ Average increase in eligible growth over last 4 years has been 10.4%
  - ↘ Children's eligible recipient rate of growth decreased by more than 50% in FY 01
  - ↘ FY01 average cost per month per eligible child was \$280

- **Children's expenditures:**

- ↘ 35% of total FY01 Medicaid expenditures are attributed to Alaska's children.
  - ↘ Over the past 4 years, Medicaid's total rate of expenditure growth has averaged 15%
  - ↘ Over the past 4 years, the average increase in expenditure growth for children has been 18.8%
  - ↘ 55% of FY 01 expenditure growth was attributable to increased eligibles

FY04 through FY06 total projections are based on a simple linear trend with a 7.1% health spending growth rate applied. Source of Rate: March 2001 Center for Medicare & Medicaid Services' "National Health Care Expenditures Projections: 2000-2001". These projections assume no changes to the existing program.

# Adult Medicaid

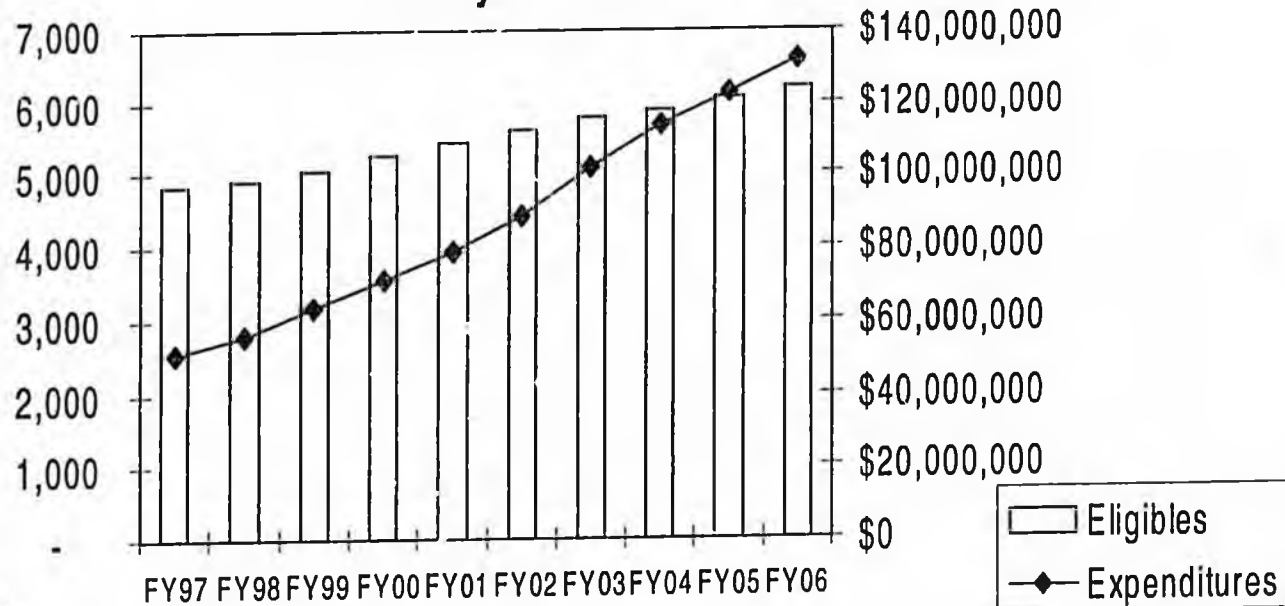


- **Adult Eligible Recipient Number:**
  - Average rate of growth for Adult eligibles has been -3% over past 4 years
  - FY01 average cost per month per eligible adult was \$470
  
- **Adult Expenditures:**
  - Expenditure growth has averaged approximately 11% in the past 3 years
  - No assumptions applied in FY 02 - FY 03 - straight trend accepted

Note: Medicaid Adult eligible numbers and costs include pregnant women.

FY04 through FY06 total projections are based on a simple linear trend with a 7.1% health spending growth rate applied. Source of Rate: March 2001 Center for Medicare & Medicaid Services' "National Health Care Expenditures Projections: 2000-2001". These projections assume no changes to the existing program.

## Elderly Growth



# Alaska's Elderly

- **Elderly Eligible Recipient Number:**

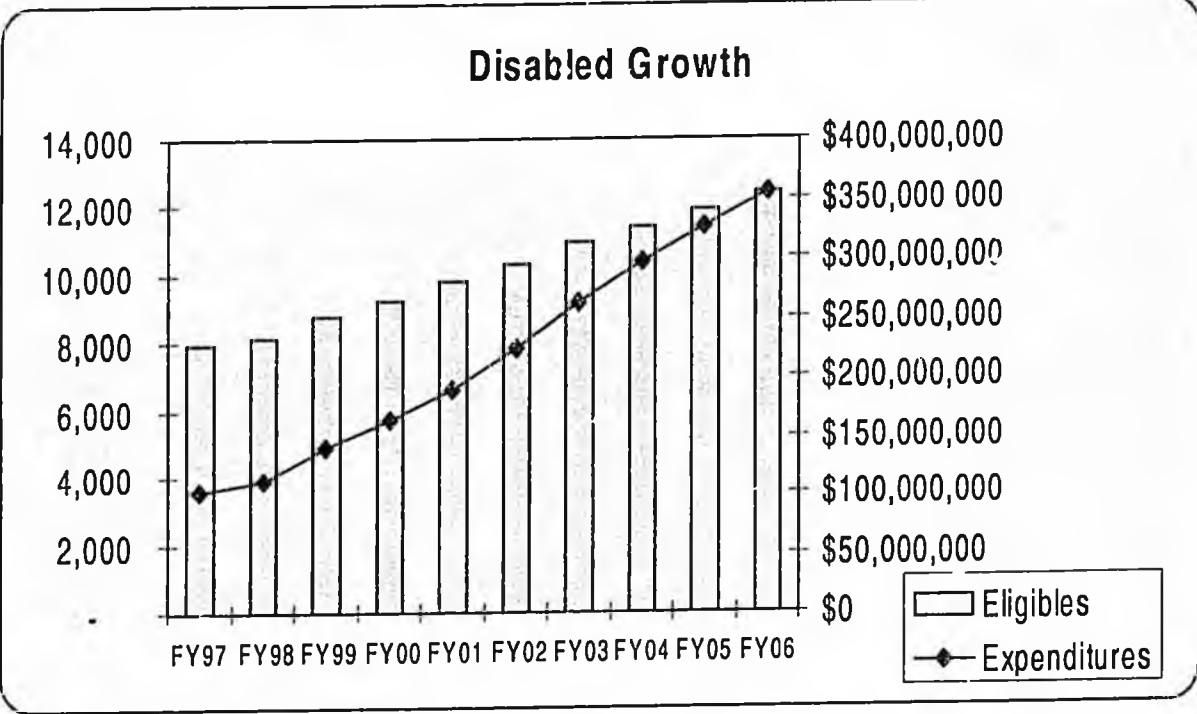
- Elderly eligible growth has averaged 3% for the past 4 years
- Elderly Rate of growth is Medicaid's most consistent
- FY01 average cost per month per eligible elderly person was \$1,209

- **Elderly Expenditures**

- Expenditure growth for the elderly has average 12% for 3 years
- 29% of FY01 expenditure growth was attributable to increased eligibles

FY04 through FY06 total projections are based on a simple linear trend with a 7.1% health spending growth rate applied. Source of Rate: March 2001 Center for Medicare & Medicaid Services' "National Health Care Expenditures Projections: 2000-2001". These projections assume no changes to the existing program.

# Alaska's Disabled



- **Disabled Eligible Recipient Number:**

- Disabled eligible numbers have maintained a steady increase of about 5% for 4 years
- FY01 average cost per month per disabled recipient was \$1,624

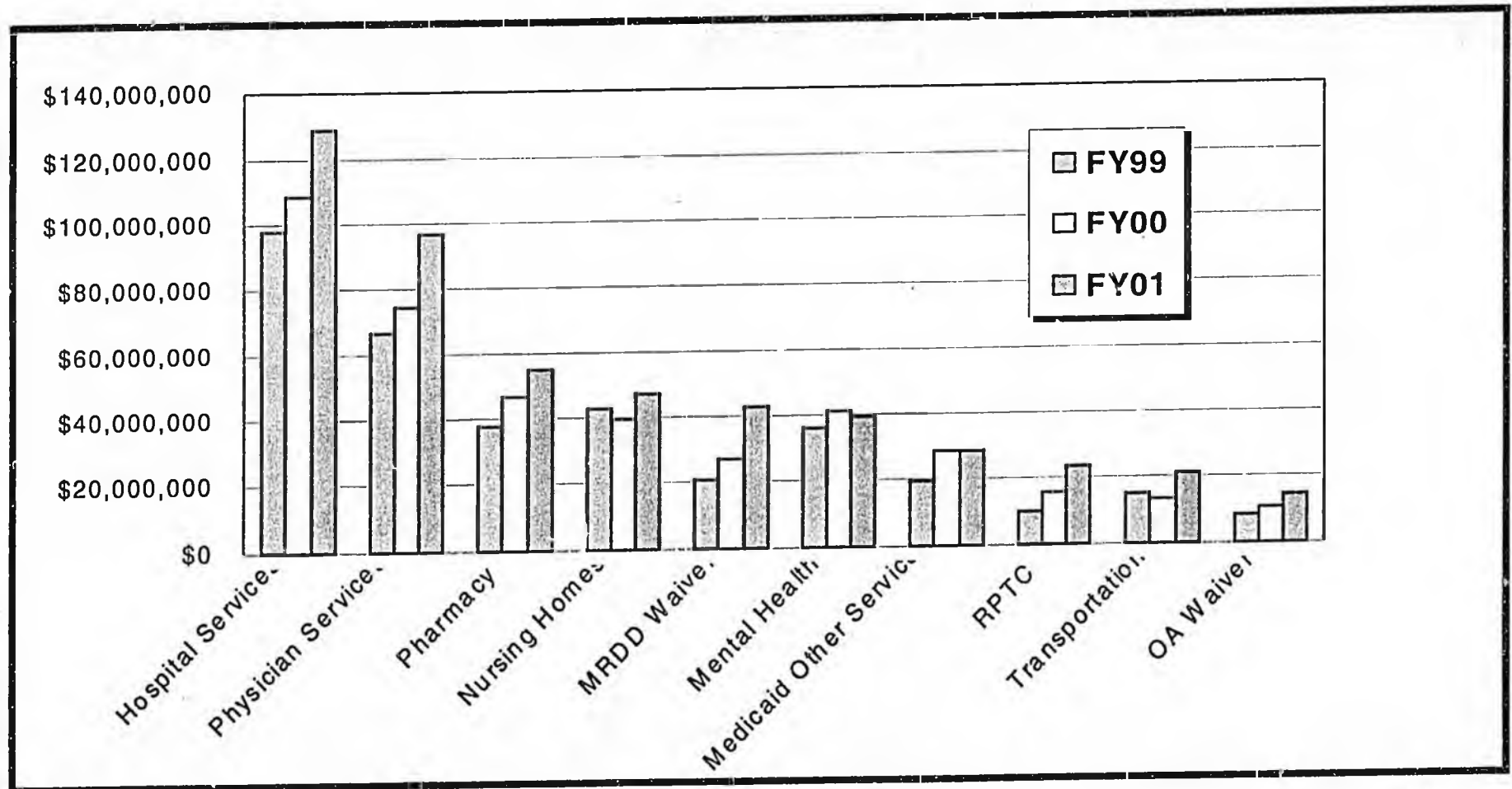
- **Disabled Expenditures:**

- Expenditure growth has averaged more than 17% for 4 years
- 28% of FY01 expenditure growth was attributable to increased eligibles

FY04 through FY06 total projections are based on a simple linear trend with a 7.1% health spending growth rate applied. Source of Rate: March 2001 Center for Medicare & Medicaid Services' "National Health Care Expenditures Projections: 2000-2001". These projections assume no changes to the existing program.

# Cost Center Growth

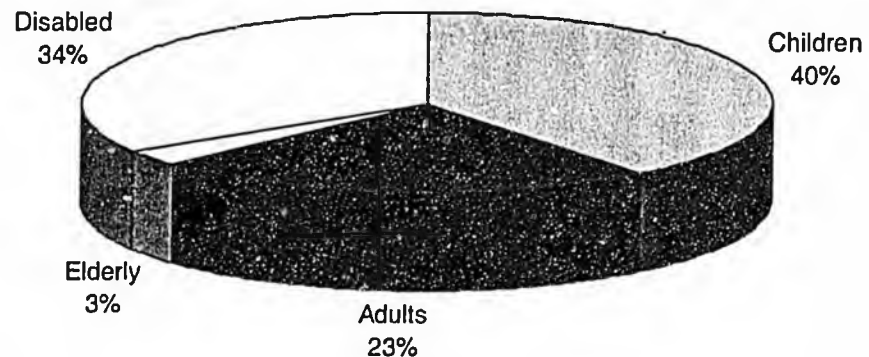
## Top Ten Expenditure Categories



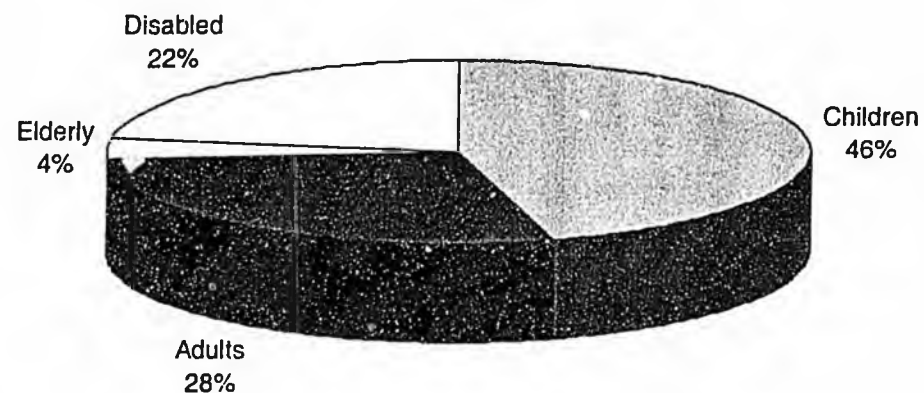
Categories include Indian Health Services.

# Top Four Categories of Service by Expenditure by Eligible Group

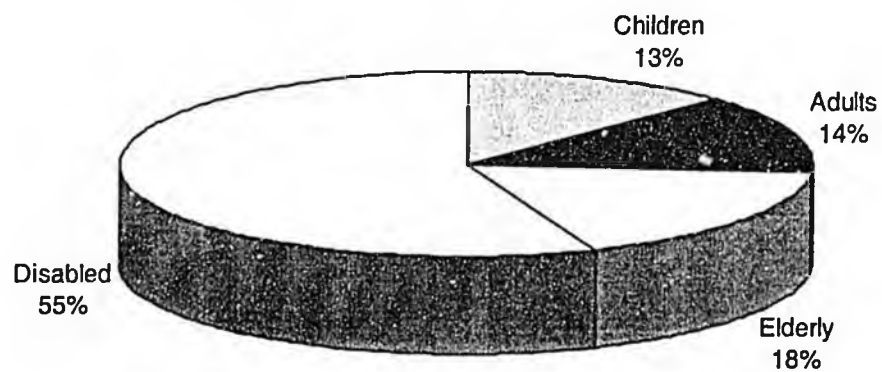
## Hospital Services



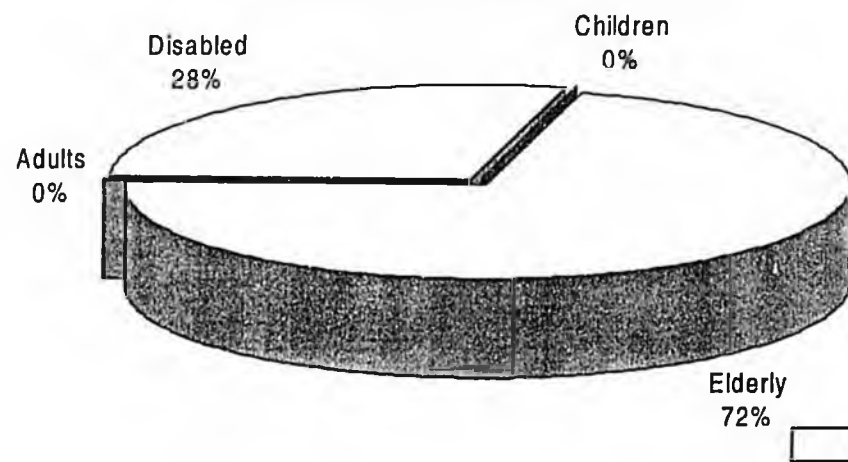
## Physician Services



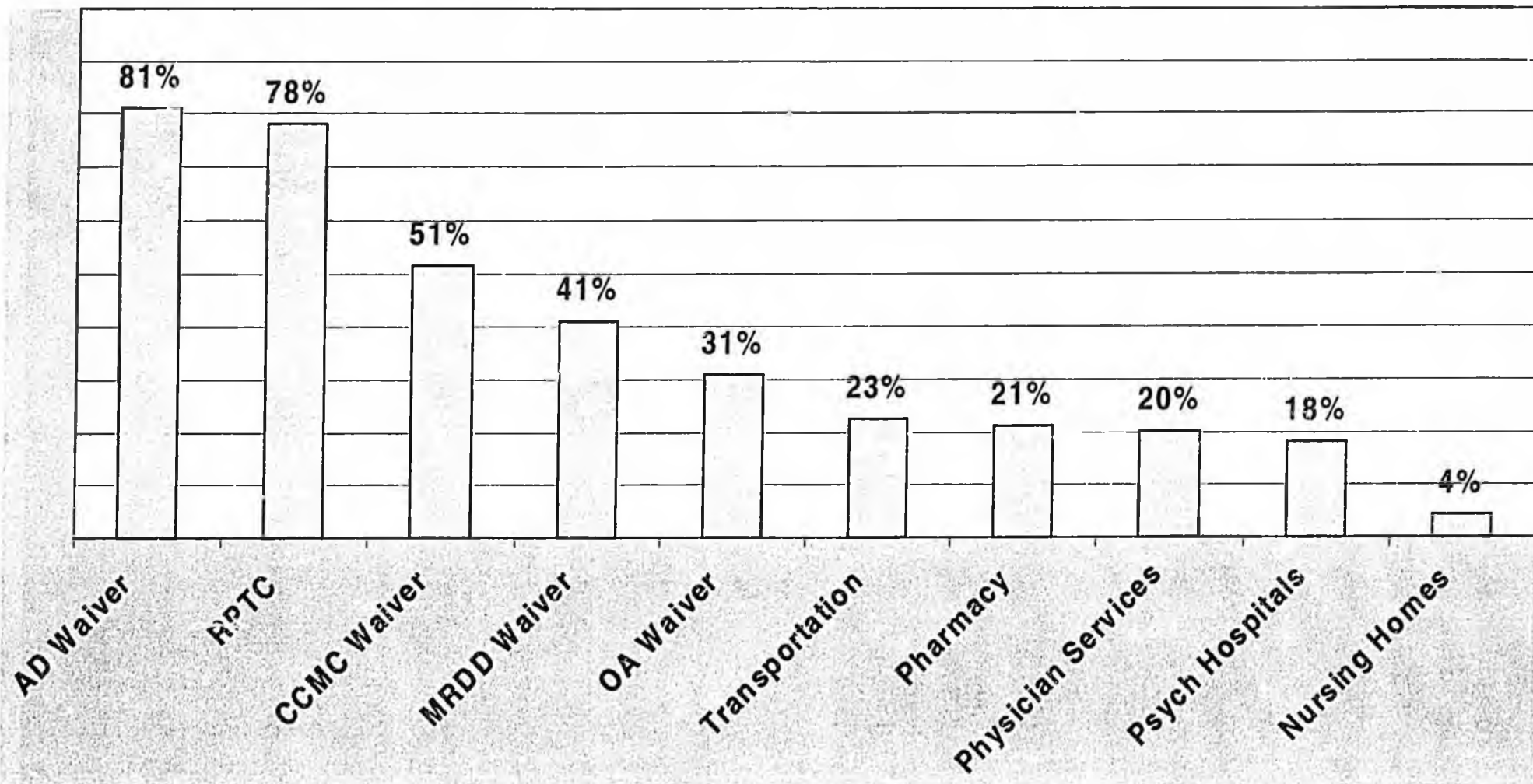
## Pharmacy Services



## Nursing Home Services



## Ten Fastest Growing Categories of Service (three year average rate of growth from FY99 – FY01)



# Long Term Care: Comparing Waiver and Nursing Home Costs

