

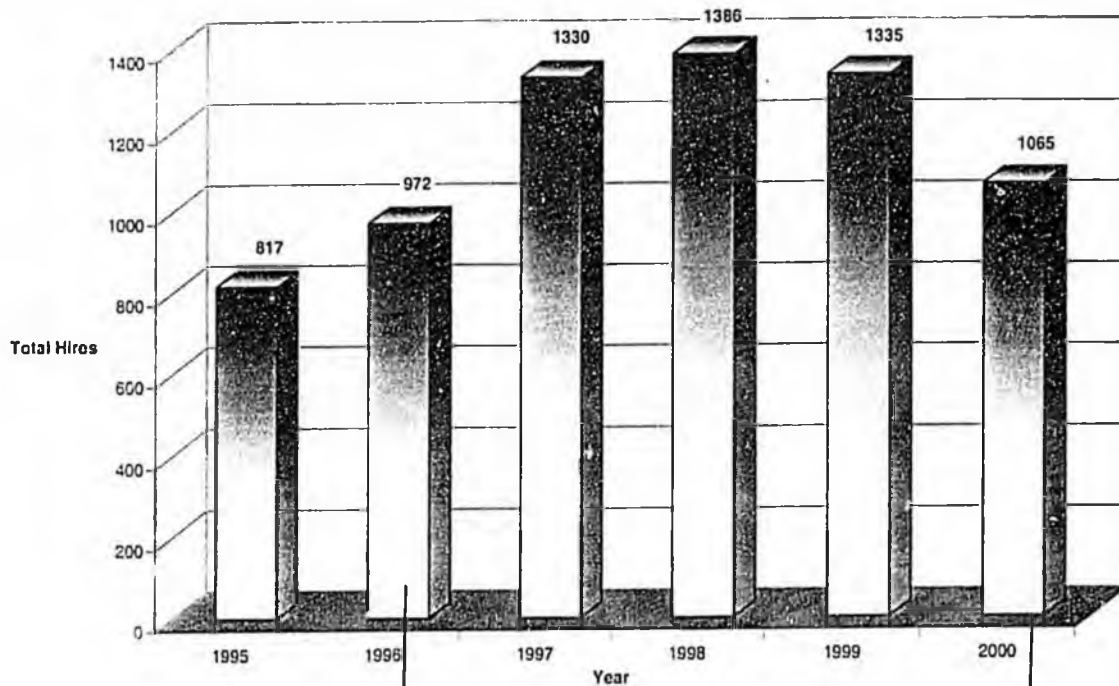
ALASKA LEGISLATURE COMMITTEE FILES 2001-2002 8672

10550 SENATE HEALTH EDUCATION & SOCIAL SERVICES

SB

149

Total Hires - Six Year Overview



Just a few years ago it seemed everyone wanted to teach in Alaska, now that has changed as the Lower 48 has increased reciprocity and lessened the red tap on certification requirements. In addition adding higher salaries and signing bonuses has drawn many teachers to the Lower 48.

The American Federation of Teachers at <http://www.aft.org/> has some excellent data on salaries and cost of living.

Don't let this number fool you. 88.7 vacancies went unfilled at the start of the school year. Of those 88.7 vacancies 60.2 of them were in Special Education areas.

Alaska State Hospital and Nursing Home Association
Education Committee

Current Nursing Statistics
January 18, 2001

Region	Current RN staffing	Current RN Vacancies	Current LPN Staffing	Current LPN Vacancies
Statewide Pioneer Homes	44	16 (36%)	6	0
Southeast Alaska	324	50 (15%)	26	4
Gulf Coast Alaska	144	15 (10%)	11	2
Southwest & Northern Alaska	118	26 (22%)	9	1
Interior Alaska	269	24 (9%)	39	0
Anchorage-Mat-Su Region	1409	134 (9%)	39	7
Total for State	2308	265 (12%)	130	14

*46% Statewide
in all
nurses*

Comments:

Survey included Human Resource people and Nursing Administrators from all the ASHNHA facilities during the week of January 15-19, 2001

1. A few facilities have hired LPN's to fill in positions advertising for RN's though they need RNs. They become so desperate for a "warm body" they must hire an LPN.
2. The people familiar with the Career Ladder approach feel this a good model to career development and a good long-range goal to fill our current crisis.
3. Distance delivery of programs and curriculum is desirable in out-lying areas.
4. One facility is currently at a staff level they require but it took 8 months to do it. Another small facility is recruiting for positions that will open in the next 12 months. It has taken them that long in the past to fill openings. Temp help fills vacation relief in smaller facilities, when it is available.

adn.com

Anchorage Daily News

STATE SEEKS WAYS TO KEEP TEACHERS

By Rosemary Shinohara

(Published June 21, 2000)

Faced with a national teacher shortage and aggressive recruiting by other states, Alaska education officials are considering incentives ranging from gym memberships to forgiveness of state student loans to attract teachers and keep them in Alaska.

Alaska used to draw plenty of teachers because of high salaries and an excellent retirement plan, said Bruce Johnson, deputy state commissioner of education.

"Now we have mediocre salaries and a high cost of living," he said. "You leave your extended family (to come to Alaska) and have all the costs of going out to see them."

In rural Alaska, harsh living conditions, especially poor housing, drive teachers out, say union representatives and people who hire for the Bush.

Alaska districts hired 1,335 new teachers during the last school year, but had 84 unfilled positions on the first day of school, and some of them remained open for months, state officials report.

Openings for special education teachers, math teachers and speech pathologists were especially hard to fill.

Because they can't find qualified applicants, districts are hiring more people who don't meet state requirements for teachers. State records show that 20 people taught with emergency certificates in 1998-1999, up from just seven the year before. Twelve people who hadn't completed coursework to teach children with disabilities got waivers to be special education teachers, vs. one the year before. The 1999-2000 statistics have yet to be compiled.

The state issues one-year emergency certificates when districts can't find anyone who has the legal credentials - such as a degree in education. The teachers with waivers are qualified as teachers, but not as special ed teachers.

The shortage comes at a time when the state is imposing new academic standards and tests to graduate from high school.

That's true in many other states as well.

Two states, Oklahoma and Texas, recently have given teachers across-the-board raises of \$3,000 each, and a half-dozen other Southern states are planning to raise pay, according to Education Week newspaper. The

New York State Legislature approved a package of incentives that includes scholarships of up to \$3,400, and also bonuses of up to \$30,000 over three years for top teachers who agree to work in schools with poor academic records.

The San Francisco Unified School District will break ground this fall on a 43-unit apartment building to offer subsidized housing to some of its teachers, and make it more possible for teachers to live in the high-rent community.

Santa Clara County, Calif., even sent recruiters to Alaska in an effort to stem its own shortage. The recruiters attended the April teacher job fair in Anchorage, offering signing bonuses of \$4,000 for special education teachers with particular qualifications, such as training to teach autistic children. The county also offers \$1,000 bonuses to certain other teachers.

Alaska education officials say the state needs to give enough money to districts so that

they can increase teacher pay. Just five years ago, Alaska offered the highest average teacher salary in the country, according to the Association of Alaska School Boards. Last year, the state ranked sixth, but the cost of living in remote areas of the state can be astronomical compared to most parts of the Lower 48.

The average salary of Alaska teachers last year was \$46,170.

Rich Kronberg, president-elect of National Education Association-Alaska, said in urban Alaska, "The issue is attracting people to the district. Once they're here, most of the time they stay."

Competitive pay and benefits, and community support probably will be enough to keep good teachers, Kronberg said.

In rural Alaska, rapid turnover of teachers is getting in the way of academic improvements. Pay is an issue there, too.

Decent housing, running water, flush toilets and realistic expectations about life in the Bush are important to rural teachers, said Johnson, the deputy state commissioner.

"The pioneer notion that you can use an outdoor bathroom and live in a log cabin is not very appealing to people in the 21st century," he said.

Mike Husa, union president for the Lower Kuskokwim District, said a teacher in Kwigillingok, on the Kuskokwim Bay, left this year partly because she was forced to live in the school. "There was a house, but it wasn't livable. It had no Arctic entry. When the wind blew, it came right through the door."

The state Department of Education has yet to narrow down what incentives would be most effective, but is considering some that would take legislative approval, and some that the state Board of Education can get going.

State administrators plan to make recommendations to the board this fall.

Johnson said the list of possibilities includes:

Increasing salaries.

Forgiving state student loans for teachers who work in rural areas.

Paying some moving expenses.

Offering signing bonuses in fields where there are shortages.

Giving higher salaries to teachers who are certified by a national board.

Improving rural housing for teachers.

Offering orientation so that new Bush teachers know what they're getting into before they go.

Offering computers and gym memberships.

"Private industry offers gym memberships, why shouldn't we?" said Johnson. "They're not huge costs. If they're sick three or four days fewer per year, you've more than paid for the gym membership."

Reporter Rosemary Shinohara can be reached at rshinohara@adn.com.

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Only You Have the Will.



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USA TODAY Health

08/04/00 - Updated 04:20 PM ET

Nurse shortage growing worse

Aug. 3, 2000

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INDIANAPOLIS (AP) - Hospitals and other health care employers are offering nurses signing bonuses, child care and even maid or lawn service as they confront a shortage that appears to be spreading nationwide.

On the Web

American Organization of Nurse Executives
www.aone.org

American Nurses Association
www.ana.org

JAMA
jama.ama-assn.org/issues/v283n22/abs/ioc91904.html

HHS
www.os.dhhs.gov

If nursing does not attract more people in the next decade, hospitals face the prospect of shrinking staffs just as the estimated 78 million baby boomers begin to reach the age of 65.

Officials at the U.S. Department of Health and Human Services say the shortage appears limited for now to isolated pockets across the country. However, federal data were last collected in 1996, and recruiters, universities and nursing groups say the shortage has spread since then.

"Six months ago, I would have said yes, it was geographically limited. Now, I'd say it's not," said Pam Thompson, executive director of the American Organization of Nurse Executives, whose 4,000 members include recruiters, managers and nursing supervisors.

"Our members are having difficulty in filling positions, especially in the more specific areas like critical care, labor and delivery and the emergency room," she said.

Hospitals are now offering signing bonuses as high as \$5,000, tuition and student-loan reimbursement programs, child care subsidies, flexible hours and other enticements.

Community Hospitals of Indianapolis, faced with the prospect of an expanding cardiovascular unit, offered experienced nurses maid or lawn service in exchange for signing on. The perks helped round up 12 hires.

Cheryl Peterson of the American Nurses Association said managed care brought on part of the shortage as some hospitals reduced nursing

Men of the 2001

The Intern cold with it these back

Diet Rip-

Learn whi and which off.

Get Your Horosco

What does for you in health, sex adventure'

Find Ron Love Psy

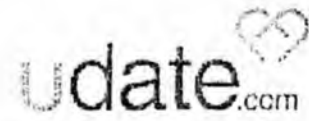
Find out if fling or an ring.

Look for Career

Transform reduce stre spruce up interview :

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(907) 465-2095
465-3810 FAX

During Interim, June - December:
716 W 4th Ave, Suite 520
Anchorage, Alaska 99501
(907) 269-0240
269-0242 FAX

Senator Loren Lemman

Sponsor Statement - §§ SB 149: TEACHER/HEALTH CARE PROVIDER INCENTIVES

“An Act relating to employment incentives for teachers and health care providers, to reemployment of retired teachers, to loans to and loan forgiveness for teachers and health care providers, to awards to teachers, to eligibility for major medical insurance coverage for beneficiaries of the teachers’ retirement system, and to teacher certificates; and providing for an effective date.”

SB 149 responds to Alaska’s shortage of teacher and health care providers. It establishes a comprehensive approach to increase personnel in these staffing areas.

Alaska does not have the training capacity instate to provide all of its education or health care staffing needs. SB 149 is a strategic approach to overcome this challenge.

SB 149 employs financial incentives to motivate qualified teachers and health care providers to relocate to the State. A partial loan assumption program provides up to \$10,000 in State paid loan payment support. Payments are disbursed annually after each successive year of full-time employment as follows: \$1,500 (year 1), \$1,500 (year 2), \$1,500 (year 3), \$2,500 (year 4), \$3,000 (year 5).

The legislation also reinstates 50% merit loan forgiveness to Alaska Student Loan borrowers employed full-time as teachers or health care providers in rural Alaska. To qualify a borrower must graduate from a regionally or nationally accredited institution with at least a 3.0 grade point average. The forgiveness provision only applies to loans taken after 60 credit hours have been earned.

SB 149 also provides incentives for experienced teachers. To promote relocation of certified teachers to Alaska, it provides certificate recognition of out-of-state teachers. To promote teacher retention, it improves coverage and eases qualifications to receive major medical benefits by: years of service (25 years), age (60 instead of 65), or if disabled and appointed to normal retirement. To promote reemployment of retired teachers, SB 149 introduces a retirement benefits election option. Under election, retired members continue to receive benefit payments upon reemployment, but do not accrue additional years of service. If no election is made, reemployed retired members have their benefit payments suspended, but additional years of service continue to accrue.

SB 149 also promotes merit pay for the best teachers. Through a Teaching Excellence Award Program up to 20% of a school district’s teachers may be given a \$1,500 bonus. Teachers are recognized for their teaching excellence by an award committee comprised of a school district’s teachers, parents, students and administrators based on criteria established by the local school district.

Prepared by Paul Roctman, Legislative Aide to Senator Loren Lemman (907-465-3712)
Last updated: April 1, 2001



Senator Loren Lemman

Sectional Analysis - SSSB 149: TEACHER/HEALTH CARE PROVIDER INCENTIVES

“An Act relating to employment incentives for teachers and health care providers, to reemployment of retired teachers, to loans to and loan forgiveness for teachers and health care providers, to awards to teachers, to eligibility for major medical insurance coverage for beneficiaries of the teachers’ retirement system, and to teacher certificates; and providing for an effective date.”

Section 1: Provides a title for the Act: “Alaska Teacher and Health Care Provider Recruitment and Retention Act of 2001”

Section 2: Amends Title 14 (Education, Libraries, and Museums) Chapter 7 (Administration of Public Schools) Section 20 (Duties of the Department of Education and Early Development) by adding the duty of administering the Teaching Excellence Award Program created under section 9.

Section 3: Amends Title 14 (Education, Libraries, and Museums.) Chapter 20 (Teachers and School Personnel.) Section 10 (Teacher Certificate Required.) by adding a new teacher certification titled “preliminary teacher certificate” created under section 4.

Section 4: Amends Title 14 (Education, Libraries, and Museums.) Chapter 20 (Teachers and School Personnel.) by adding section 15 (Recognition of certificates of out-of-state teachers.) that lists the requirements under which teachers certified out-of-state may have their credentials recognized in Alaska.

Once a out-of-state teacher has been issued a preliminary teacher certificate, he is required to pass a competency examination within one year from the date the preliminary teaching certificate was issued. The teacher certificate issued by the other state must be valid at the time the teacher begins employment in Alaska.

Tenure may not be granted to a teacher employed under a preliminary teacher certificate. A preliminary teacher certificate is valid for five years and is not renewable.

Section 5. Amends Title 14 (Education, Libraries, and Museums.) Chapter 25 (Teachers Retirement.) Section 40 (Membership.) by creating an election option, specified in section 6, exempting a retired member from Chapter 25.

Section 6. Amends Title 14 (Education, Libraries, and Museums.) Chapter 25 (Teachers Retirement.) Section 43 (Reemployment of retired members.) by providing that retired members who enter reemployment and have made an election under (b) of this section may continue to receive benefit payments. If a member has not made an election, the member is subject to Section 50 (Contributions by teachers.) during the period of reemployment.

A new subsection (b) specifies that a school district that has or anticipates having a shortage of teachers may by resolution adopt a policy that permits the employment of retired teachers. Retired members have 30 days from the date of reemployment to elect to continue receiving retirement benefits. If election is made, no deductions will be made from the reemployed member's salary and no credit service will be given for the period of reemployment. A member who participated in a retirement incentive program (RIP) under 1986, 1989, or 1996 is not eligible to make an election under this section.

Section 7. Amends Title 14 (Education, Libraries, and Museums.) Chapter 25 (Teachers Retirement.) Section 168 (Medical Benefits.) by providing members an alternative means to qualify for major medical insurance coverage based on either years of service (25 years), age (60 years of age, instead of 65), or disability.

Section 8. Amends Title 14 (Education, Libraries, and Museums.) Chapter 43 (Scholarship, Loan, and Grant Programs For Postsecondary Students) by adding a new section creating a Merit Loan Forgiveness Program.

To qualify for loan forgiveness, an individual must comply with Section 120 (Conditions of loans.), achieve a 3.0 cumulative grade point average or better, and be employed full-time in a rural area in the state as a teacher or health care provider defined in the section.

Forgiveness under this section applies only to loans taken after 60 credit hours has been earned, and entered into on or after July 1, 2001, but before June 30, 2004.

Section 9. Amends Title 14 (Education, Libraries, and Museums.) Chapter 43 (Scholarship, Loan, and Grant Programs for Postsecondary Students.) by adding a new section that establishes the Teaching Excellence Award Program.

Subject to appropriation, under this section up to 20% of a school district's teacher population will receive a teaching excellence award of \$1,500. The teacher(s) are selected by an award committee comprised of representatives from the school district's teachers, students, administrators, and parents of students.

Section 10. Amends Title 44 (State Government.) Chapter 33 (Dept. of Community and Economic Development.) by adding a new section establishing the Teacher and Health Provider Loan Payment Program.

This program provides a \$10,000 financial incentive to attract teachers and health care providers to the state. The incentive is weighted towards the end of the five year term and is disbursed annually after each successive year of full-time employment as follows: \$1,500 (year 1), \$1,500 (year 2), \$1,500 (year 3), \$2,500 (year 4), \$3,000 (year 5).

The payment is made directly to the lender, may not exceed the loan balance due to the lender, and applies only to loans entered into before July 1, 2004.

Section 11. Provides that the "Teaching Excellence Award," established under section 9 of this Act, sunsets July 1, 2004.

Section 12. Requires the administrator of the teachers' retirement system to give an annual report to the Legislature detailing the effect of this Act on the retirement system.

Section 13. Authorizes the Alaska Teachers' Retirement Board to adopt regulations necessary to implement changes made by sections 5, 6, and 7 of this Act.

Section 14. Specifies that sections 8 and 10 of this Act apply to loans entered into or after July 1, 2001, and to a person's employment on or after July 1, 2001.

Section 15. Specifies that section 13 of this Act takes effect immediately upon signing by the governor.

Section 16. Specifies that this Act, with the exception of section 13, takes effect July 1, 2001.

Prepared by Paul Roetman, Legislative Aide to Senator Loren Lemman (907-465-3712)
Last updated: April 1, 2001

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SSSB (149) (FIN)
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
 Title: "An Act relating to employment incentives
for teachers and health care providers, to reemployment..." BRU: Centralized Admin. Services
 Sponsor: Senator Leman Component: Retirement & Benefits
 Requester: Senate HESS Component Number: 64

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual	50.0	20.0	20.0	20.0	20.0	20.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	50.0	20.0	20.0	20.0	20.0	20.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Teachers' Ret 1034)	50.0	20.0	20.0	20.0	20.0	20.0
TOTAL	50.0	20.0	20.0	20.0	20.0	20.0

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

\$50.0 will be needed in the first year for the development and distribution of enrollment, educational, informational materials, and for systems programming. We estimate \$20.0 will be necessary in succeeding years. See page 2 for additional analysis.

Prepared by: Guy Bell, Director Phone 465-4471
 Division: Retirement and Benefits Date/Time 03/30/01
 Approved by: Jim Duncan, Commissioner Date 03/30/01
 Agency: Department of Administration

For distribution information, call the Governor's Legislative Office

SSSB 149 Fiscal Note Analysis (cont'd)

This legislation amends the Teachers' Retirement System statute to address employee retention.

1. Retiree Return Incentive—brings retirees back into the workforce. This proposal has no fiscal impact.

This retiree return incentive removes a disincentive for retirees to return to full time employment. Currently, a retiree who wishes to return to permanent public employment must forego retirement benefit payments during their period of return. The proposed change would, in the event of a declared teacher shortage, allow a retiree to elect to continue receiving benefit payments after returning to full-time teaching. To keep this proposal cost-neutral, the employee would not accrue additional retirement credit during the period of return.

2. Improvements to TRS Tier II medical benefits:
 - Add full system paid retiree medical benefits at age 60 and minimum service of 8 years.
 - Add full system paid medical benefits for Tier II members upon reaching 25 years of service.

The fiscal impact associated with this change would be 0.17% of annual payroll each year. The total value of Alaska teacher salaries is approximately \$470 million. The annual cost of this increase to TRS employers would therefore be approximately \$800.0. Given that there are approximately 9,300 active teachers, this equates to an annual cost of about \$86.00 per teacher.

We believe this change would make a significant difference in employee retention. Teachers can retire after 20 years. A 45 year old school teacher with 20 years service can retire and pursue a second career and they often do because there is a disincentive for them to continue to work for the system. With this enhancement to the Tier II and III plans, we believe more of these individuals would stay the additional five years to qualify for system-paid medical coverage.

Register _____, _____, _____ EDUCATION & EARLY DEVELOPMENT

4 AAC 12.020 is amended to read:

**4 AAC 12.020. REGULAR CERTIFICATE (TYPE A); PROVISIONAL
CERTIFICATE (TYPE A).**

(a) The department will issue a regular certificate, valid for five years, to an applicant who has a bachelor's degree, is recommended by the preparing institution, and has completed

(1) a teacher education program accepted by the board or the commissioner of education and early development of this state; the board or commissioner in this state will only accept a program if the program is

(A) offered by a regionally accredited institution of higher education;

and

(B) approved by the board or the commissioner of education of the state in which the program is offered as substantially meeting the unit standards...and the program standards...published by the National Council for Accreditation of Teacher Education.

(2) Repealed 11/4/90

(b) Except as otherwise provided [BY 4 AAC 12.042] in (f) of this section, the applicant must have earned at least six semester hours of credit within the five years immediately preceding application.

(c), (d) Repealed 4/9/87.

(e) To meet the requirements of (a) of this section, the applicant must have

4 AAC 12.010 is amended to read:

4 AAC 12.010.CERTIFICATION OF TEACHERS.

(a) A teacher in a public school must be at least 18 years of age, and must hold a valid Alaska teacher certificate issued under this chapter unless the teacher is participating in an approved exchange program under 4 AAC 30.010.

(b) The following shall be submitted by teachers in applying for a certificate:

(1) completed application...;

(2) official transcripts...;

(3) certificate fee;

(4) for applicants for whom a background check is required by statute, two completed fingerprint card, with fingerprinting performed by a law enforcement officer or a person who has been trained in recording fingerprints, for separate submittal to the Department of Public Safety and the Federal Bureau of Investigation; and

(5) for an applicant as to whom the provisions of AS 14.20.020(i) apply, official scores on the required Praxis I: Academic Skills Assessments demonstrating that the applicant meets or exceeds the following Alaska qualifying scores on the competency examinations:

(A) reading: 322;

(B) writing: 321; and

(C) math: 318.

CORRECTION

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



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

Register _____, _____, _____ EDUCATION & EARLY DEVELOPMENT

4 AAC 12.020 is amended to read:

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(1) a teacher education program accepted by the board or the commissioner of education and early development of this state; the board or commissioner in this state will only accept a program if the program is

(A) offered by a regionally accredited institution of higher education;
and

(B) approved by the board or the commissioner of education of the state in which the program was offered as substantially meeting the unit standards...and the program standards...published by the National Council for Accreditation of Teacher Education.

(2) Repealed 11/4/99.

(b) Except as otherwise provided [BY 4 AAC 12.042] in (f) of this section, the applicant must have earned at least six semester hours of credit within the five years immediately preceding application.

(c), (d) Repealed 4/9/87.

(e) To meet the requirements of (a) of this section, the applicant must have

Register _____, _____, _____ EDUCATION & EARLY DEVELOPMENT

satisfactorily completed three semester hours in Alaska studies and three semester hours in multicultural education or cross-cultural communications.

(f) The commissioner may issue a nonrenewable provisional certificate (provisional Type A), valid for no longer than two years, to an applicant who has completed the requirements in (a) of this section [EXCEPT FOR THE REQUIREMENTS OF (e) OF THIS SECTION] or has a bachelor's degree and holds a current, valid classroom teacher certificate issued by another state and has never held a certificate issued under this chapter. Endorsements on a provisional certificate shall be the same as those on the current, valid certificate issued by the other state.

(g) For the purposes of endorsement and certification for other types of certificates issued under this chapter, a provisional certificate (provisional Type A) may be considered the equivalent of a regular certificate (Type A).

(h) The commissioner may convert a provisional certificate (provisional Type A) to a regular certificate (Type A) upon satisfactory [COMPLETION OF THE COURSES REQUIRED] demonstration of meeting requirements under (a), (b), and (e) of this section and AS 14.20.020(i) and payment of the fee for a regular certificate.

4 AAC 12.010 is amended to read:

4 AAC 12.010.CERTIFICATION OF TEACHERS.

(a) A teacher in a public school must be at least 18 years of age, and must hold a valid Alaska teacher certificate issued under this chapter unless the teacher is participating in an approved exchange program under 4 AAC 30.010.

(b) The following shall be submitted by teachers in applying for a certificate:

(1) completed application...;

(2) official transcripts...;

(3) certificate fee;

(4) for applicants for whom a background check is required by statute, two completed fingerprint card, with fingerprinting performed by a law enforcement officer or a person who has been trained in recording fingerprints, for separate submittal to the Department of Public Safety and the Federal Bureau of Investigation; and

(5) for an applicant as to whom the provisions of AS 14.20.020(i) apply, official scores on the required Praxis I: Academic Skills Assessments demonstrating that the applicant meets or exceeds the following Alaska qualifying scores on the competency examinations:

(A) reading: 322;

(B) writing: 321; and

(C) math: 318.

Register _____, _____, _____ EDUCATION & EARLY DEVELOPMENT

(c) Transcripts and other required documents shall become a part of the teacher's permanent records and shall remain on file with the Department of Education and Early Development.

(d) Certificates shall be dated as of the date the completed application, transcripts, experience record, and fee are received, and shall remain effective until the expiration date indicated on the certificate.

(e) Except as provided in AS 14.20.010, neither the state nor a school district may pay a salary to any teacher who does not hold a valid Alaska teacher certificate.

(f) Nonpublic schools which employ noncertificated teachers shall not be approved by the state, if approved, shall be dropped from the register of approved schools.

(g) Unless otherwise provided in this section, fees must be paid at the time of application and are nonrefundable. Fees for certificates and endorsements are as follows:

(h) Repealed 7/1/90.

(i) An applicant for a certificate shall, upon application, disclose a suspension or revocation of a certificate in this or another state. A teacher who has been issued a certificate by this state shall immediately notify the department of suspension or revocation of a certificate issued by another state. Failure to inform the department of a suspension or revocation as required by this subsection may result in denial or revocation of a certificate.

(j) Repealed 7/1/90.

Register _____, _____, _____ EDUCATION & EARLY DEVELOPMENT

(k) Any misrepresentation or willful omission of information on a certificate application may result in denial or revocation of the certificate.

(l) The department may deny an application for issuance or renewal of a teacher certificate for any reason that is cause for revocation or suspension of a certificate under AS 14.20.030.

(m) The cost to an applicant for a criminal background check is the amount charged to the department by the Department of Public Safety as set out under 13 AAC 25.400.

(n) In place of the information required of an applicant by (b)(4) of this section, the department shall accept the results of a successful criminal background check of the applicant conducted under 4 AAC 30.020(b) if the applicant submits an application to the department under (b) of this section not later than

(1) 60 days after the applicant's last day of student teaching; and

(2) 18 months after the date of the department's notification that the applicant passed the criminal history background check conducted under 4 AAC 30.020(b).

(o) In place of the information required by an applicant by (b)(2) and (b)(5) of this section, the department shall accept

(1) an official copy of the applicant's current, valid, regular classroom teacher certificate or license from another state that requires a bachelor's degree for certification or

Register _____, _____, _____ EDUCATION & EARLY DEVELOPMENT

(2) official transcripts showing a posted bachelor's degree and
an Institutional Recommendation attesting to the completion of an approved
teacher education program
for the issuance of a Provisional Type A certificate.

ALASKA STATE LEGISLATURE



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(907) 376-3157 Fax

Session:
State Capitol
Juneau, Alaska 99801-1182
(907) 465-6600
(907) 465-3805 Fax

SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE SENATOR LYDA GREEN, CHAIR

To: Senate HESS Members

From: Aurora Hauke, Committee Aide

Date: April 2, 2001

Subject: SB 149 TEACHER/HEALTH CARE PROVIDER INCENTIVES

Please find attached additional letters of support for SB 149 TEACHER/HEALTH CARE PROVIDER INCENTIVES.

SENATOR LOREN LEMAN, VICE-CHAIR
SENATOR JERRY WARD, SENATOR GARY WILKEN, SENATOR BETTYE DAVIS

ALASKA STATE LEGISLATURE



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SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE SENATOR LYDA GREEN, CHAIR

To: Senate HESS Members
From: Aurora Hauke, Committee Aide
Date: April 19, 2001
Subject: SS SB 149 Teacher/Health Care Provider Incentives

Please find attached:

Sponsor Statement for proposed CS for SS SB 149

Proposed CS for SS SB 149 Draft Version "R"

Sectional Analysis for proposed CS for SS SB 149 Draft Version "R"

Proposed Amendment R.1 for SS SB 149 Draft Version "R"

SENATOR LOREN LEMAN, VICE-CHAIR
SENATOR JERRY WARD, SENATOR GARY WILKEN, SENATOR BETTYE DAVIS

**Sponsor Statement - CS for SSSB 149:
TEACHER/HEALTH CARE PROVIDER INCENTIVES**

“An Act relating to reemployment of retired teachers, to eligibility for major medical insurance coverage for beneficiaries of the teachers’ retirement system, and to teacher certificates; and providing for an effective date.”

SB 149 responds to Alaska’s current teacher shortage. It establishes a three-pronged approach to increase and retain personnel in this critical staffing area.

First, to increase the teacher supply in Alaska, SB 149 creates a new teacher certification that will allow the State to recognize the credentials of teachers certified out-of-state. The “preliminary teacher certificate” will include the same endorsements as those on a teacher’s current, valid certificate issued out-of-state.

Second, SB 149 promotes employment of retired teachers through a retirement benefits election option. Under the election, retired members continue to receive benefit payments upon reemployment, but do not accrue additional years of service or additional benefits. If no election is made, reemployed retired members have their benefit payments suspended, but additional years of service continue to accrue.

Third, SB 149 promotes teacher retention by improving coverage and easing qualifications to receive major medical benefits. Under SB149 a teacher can qualify for 100% medical coverage by: years of service (25 years), age (60 instead of 65), or if disabled and appointed to normal retirement.

**Prepared by Paul Roetman, Legislative Aide to Senator Loren Leman (907-465-3712)
Last updated: April 16, 2001**

22-LS0769\R
Cramer
4/16/01

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 149()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS LEMAN, Davis

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to reemployment of retired teachers, to eligibility for major medical
2 insurance coverage for beneficiaries of the teachers' retirement system, and to teacher
3 certificates; and providing for an effective date."

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

5 * Section 1. AS 14.20.010 is amended to read:

6 Sec. 14.20.010. **Teacher certificate required.** A person may not be
7 employed as a teacher in the public schools of the state unless that person possesses a
8 valid teacher certificate except that a person who has made application to the
9 department for a teacher certificate, including a preliminary teacher certificate
10 under AS 14.20.015, or renewal of a teacher certificate that has not been acted upon
11 by the department may be employed as a teacher in the public schools of the state until
12 the department has taken action on the application, but in no case may employment
13 without a certificate last longer than three months.

14 * Sec. 2. AS 14.20 is amended by adding a new section to read:

1 **Sec. 14.20.015. Recognition of certificates of out-of-state teachers.** (a) The
2 department shall issue a preliminary teacher certificate to an out-of-state teacher who
3 meets the requirements of this section. To be eligible for a preliminary teacher
4 certificate, a person shall

5 (1) have received at least a baccalaureate degree from an institution of
6 higher education accredited by a recognized regional accrediting association or
7 approved by the commissioner;

8 (2) hold a valid teacher certificate issued by another state;

9 (3) have submitted fingerprints to the department to be used for a
10 criminal history background check and been found by the department to be suitable for
11 employment as a teacher under AS 14.20.020(f);

12 (4) have paid the fee required by the department under
13 AS 14.20.020(c).

14 (b) An out-of-state teacher who has been issued a preliminary teacher
15 certificate under this section shall pass the competency examination designated by the
16 board under AS 14.20.020(i) within one year after the date the preliminary teacher
17 certificate was issued. If the teacher does not pass the examination, the department
18 shall immediately revoke the teacher's preliminary teacher certificate.

19 (c) The preliminary teacher certificate issued under this section must contain
20 the same endorsements as those on the current valid teacher certificate issued by the
21 other state.

22 (d) A teacher holding a preliminary teacher certificate issued under this
23 section may be employed to provide instructional service for a school district or
24 regional educational attendance area only if the teacher certificate issued by the other
25 state is valid at the time the teacher commences to provide instructional services for
26 the school district or regional educational attendance area.

27 (e) Employment under a preliminary teacher certificate shall be considered in
28 determining whether a teacher qualifies for tenure under AS 14.20.150. However, a
29 teacher may not be granted tenure unless the teacher holds a teacher certificate issued
30 under AS 14.20.020.

31 (f) A preliminary teacher certificate and any endorsements issued under this

1 section are valid for three years and may not be renewed. The department may not
2 issue a provisional certificate or a temporary certificate to a teacher who has held a
3 preliminary teacher certificate.

4 * Sec. 3. AS 14.20 is amended by adding a new section to read:

5 **Sec. 14.20.135. Employment of retired teachers because of shortages. (a)**

6 A school district or regional educational attendance area that has or anticipates having
7 a shortage of teachers qualified to teach in a particular discipline or specialty may, by
8 resolution, adopt a policy that permits the employment of retired teachers who are
9 qualified to teach in the discipline or specialty in accordance with this section. The
10 policy must describe the circumstances that constitute the shortage. If a shortage of
11 teachers exists as described in the policy, the district or attendance area shall notify the
12 administrator of the teachers' retirement system (AS 14.25) that it is hiring retired
13 teachers under this section.

14 (b) Not more than five percent of the classroom teachers employed in a school
15 district or regional educational attendance area may be retired teachers employed
16 under this section. However, a school district or regional educational attendance area
17 with fewer than 40 teachers may employ up to two retired teachers under this section.

18 (c) A teacher who retired under AS 14.25.110(a) and is subsequently
19 reemployed under this section may, within 30 days after the date of reemployment,
20 elect to continue receiving retirement benefit payments under AS 14.25 during the
21 period of reemployment by filing a waiver of coverage as set out in AS 14.25.043(b).

22 (d) A school district or regional educational attendance area may not employ a
23 teacher who participated in a retirement incentive program under ch. 26, SLA 1986,
24 ch. 89, SLA 1989, ch. 65, SLA 1996, or ch. 4, FSSLA 1996, under this section.

25 (e) A retired teacher employed under this section is not eligible to acquire,
26 maintain, or reacquire tenure under AS 14.20.150.

27 * Sec. 4. AS 14.25.040(a) is amended to read:

28 (a) Unless a teacher or member has elected to participate in the optional
29 university retirement program under AS 14.40.661 - 14.40.799 or has filed an
30 election under AS 14.25.043(b), a teacher or member contracting for service with a
31 participating employer is subject to this chapter.

1 * Sec. 5. AS 14.25.043 is amended to read:

2 **Sec. 14.25.043. Reemployment of retired members.** (a) If a retired member
3 again becomes an active member, benefit payments may not be made during the
4 period of reemployment unless the teacher makes an election under (b) of this
5 section. The retirement benefit must be suspended for the entire school year if the
6 teacher is reemployed as an active teacher for a period equivalent to a year of service.
7 During the period of reemployment, the member is subject to AS 14.25.050 and
8 deductions from the member's salary will be made in accordance with AS 14.25.050.

9 **(b)** A school district or regional educational attendance area that has
10 adopted a policy that permits the employment of retired teachers in accordance
11 with AS 14.20.135 shall notify the administrator that it is hiring retired teachers
12 under AS 14.20.135. A teacher who retired under AS 14.25.110(a) and
13 subsequently becomes an active member under a policy adopted in accordance
14 with AS 14.20.135 may, within 30 days of the date of reemployment, elect to
15 continue receiving benefit payments during the period of reemployment by filing
16 a waiver of coverage with the administrator on a form provided by the
17 administrator. An election under this subsection waives coverage for the period
18 of reemployment and is irrevocable during the period of reemployment.
19 Deductions from the member's salary may not be made under AS 14.25.050
20 during the period of reemployment, and the member may not receive credited
21 service for the period of reemployment. A member who participated in a
22 retirement incentive program under ch. 26, SLA 1986, ch. 89, SLA 1989, ch. 65,
23 SLA 1996, or ch. 4, FSSLA 1996, is not eligible to make an election under this
24 subsection.

25 **(c)** Upon subsequent retirement, the retired member is entitled to receive an
26 additional benefit based on the credited service and the average base salary during the
27 period of reemployment in accordance with AS 14.25.110. If the initial benefit
28 payments to which the retired member is eligible have been actuarially reduced
29 because the member retired early under AS 14.25.110(b), the member shall also
30 receive an incremental benefit based on the amount of the actuarial reduction imposed
31 by AS 14.25.110(j) on the first benefit and the length of time that the employee was

1 reemployed and not receiving retirement benefits. The amount of the incremental
2 benefit is equal to the difference between the normal retirement benefit to which the
3 member would have been entitled had the member taken a normal retirement and the
4 early retirement benefit that the member has been receiving based on the member's
5 initial period of employment multiplied by the total number of months that the
6 member did not receive retirement benefits because of reemployment and that amount
7 actuarially adjusted to be paid over the expected lifetime of the member.

8 * Sec. 6. AS 14.25.168(d) is amended to read:

9 (d) A benefit recipient may elect major medical insurance coverage in
10 accordance with regulations and under the following conditions:

11 (1) a person who has less than 25 years of membership service and
12 who is younger than 60 years of age must pay an amount equal to the full monthly
13 group premium for retiree major medical insurance coverage;

14 (2) [A PERSON WHO IS AT LEAST 60 YEARS OF AGE BUT IS
15 YOUNGER THAN 65 YEARS OF AGE MUST PAY AN AMOUNT EQUAL TO
16 ONE-HALF OF THE FULL MONTHLY GROUP PREMIUM FOR RETIREE
17 MAJOR MEDICAL INSURANCE COVERAGE;

18 (3)] a disabled member, a disabled member who is appointed to
19 normal retirement, [OR] a person 60 [65] years of age or older, or a person who has
20 at least 25 years of membership service is not required to make premium payments.

21 * Sec. 7. The uncodified law of the State of Alaska is amended by adding a new section to
22 read:

23 REPORT TO LEGISLATURE. Annually, beginning in 2002 and ending in 2005, the
24 administrator of the teachers' retirement system shall report to the legislature by the 30th day
25 of the regular legislative session concerning the effect of this Act on the retirement system.

26 * Sec. 8. The uncodified law of the State of Alaska is amended by adding a new section to
27 read:

28 REGULATIONS FOR RETIRED TEACHERS. Notwithstanding sec. 10 of this Act,
29 the Alaska Teachers' Retirement Board may immediately proceed to adopt regulations
30 necessary to implement changes made by secs. 4 - 6 of this Act. The regulations take effect
31 under AS 14.25.022, but not before July 1, 2001.

- 1 * **Sec. 9.** Section 8 of this Act takes effect immediately under AS 01.10.070(c).
- 2 * **Sec. 10.** Except as provided in sec. 9 of this Act, this Act takes effect July 1, 2001.

Sectional Analysis – CS for SSSB 149: TEACHER/HEALTH CARE PROVIDER INCENTIVES

“An Act relating to reemployment of retired teachers, to eligibility for major medical insurance coverage for beneficiaries of the teachers’ retirement system, and to teacher certificates; and providing for an effective date.”

The following is a sectional analysis of CS for Sponsor Substitute for Senate Bill 149 (draft #22-LS0769R). CS for SSSB 149 proposes several amendments to Title 14 (Education, Libraries, and Museums) including Chapter 20 (Teachers and School Personnel); Chapter 25 (Teachers Retirement).

Section 1. Amends Title 14 (Education, Libraries, and Museums) Chapter 20 (Teachers and School Personnel) Section 10 (Teacher certificate required) by adding a new teacher certification allowing a person from out-of-state to be employed in Alaska as a teacher in a public school under a “preliminary teacher certificate” created under section 2.

Section 2. Amends Title 14 (Education, Libraries, and Museums) Chapter 20 (Teachers and School Personnel) Section 15 (Recognition of out-of-state teachers) that lists the requirements under which teachers certified out-of-state may have their credentials recognized in Alaska.

Once an out-of-state teacher has been issued a preliminary teacher certificate, he/she is required to pass a competency examination within one year from the date the preliminary teaching certificate was issued. A preliminary teacher certificate is issued by the department with the same endorsements as those on the current, valid certificate issued by the other state.

Tenure may not be granted to a teacher employed under a preliminary teacher certificate. A preliminary teacher certificate is valid for three years and is not renewable.

Section 3. Amends Title 14 (Education, Libraries, and Museums) Chapter 20 (Teachers and School Personnel) by creating Section 135 (Employment of retired teachers because of shortages), specifying that a school district having or anticipating a shortage of teachers may by resolution adopt a policy that permits the employment of retired teachers.

Not more than 5 percent of classroom teachers employed in a school district or REAA may be retired teachers employed under this section. A school district or REAA having fewer than 40 teachers may employ up to two retired teachers under this section.

Retired members have 30 days from the date of reemployment to elect to continue receiving retirement benefits. If election is made, no deductions will be made from the reemployed member’s salary and no credit service will be given for the period of reemployment. A member who

participated in a retirement incentive program (RIP) under 1986, 1989, or 1996 is not eligible to make an election under this section.

Section 4. Amends Title 14 (Education, Libraries, and Museums) Chapter 25 (Teachers Retirement) Section 40 (Membership) by creating an election option, specified in section 5, exempting a retired member from Chapter 25.

Section 5. Amends Title 14 (Education, Libraries, and Museums) Chapter 25 (Teachers Retirement) Section 43 (Reemployment of retired members) by providing an incentive for a retired teacher to return to full time teaching for a TRS employer. With this change, a retired teacher who took normal retirement may elect a new option under (b) of this section when reemployed. The new option:

- Is subject to a declaration or shortage by a school district;
- Allows the teacher to elect continuation of retirement benefit payments during reemployment;
- Would stop additional retirement benefit accrual;
- Must be selected within 30 days of reemployment; and
- Is not available to RIP participants

If the retired teacher does not make the election, the current method would apply. Here the teacher would:

- Stop receiving a retirement benefit during reemployment; and
- Accrue additional retirement benefit during period of reemployment

Section 6. Amends Title 14 (Education, Libraries, and Museums) Chapter 25 (Teachers Retirement) Section 168 (Medical Benefits) by adding an incentive for teachers to stay in the TRS. Currently Tier II retirees are not eligible for system provided medical coverage until age 60—at which time the retirement system pays ½ the medical premium and the retiree is responsible for the other ½ -- regardless of how many years the teacher taught in TRS.

With this change, a teacher who stays an additional five years beyond normal retirement service requirement of twenty years will be eligible for full system paid medical coverage. In addition, all retired teachers will be provided full system paid medical coverage at age 60.

Section 7. Requires the administrator of the teachers' retirement system to give an annual report to the Legislature detailing the effect of this Act on the retirement system.

Section 8. Authorizes the Alaska Teachers' Retirement Board to adopt regulations necessary to implement changes made by sections 4 - 6 of this Act.

Section 9. Specifies that section 8 of this Act takes effect immediately upon signing by the governor.

Section 10. Specifies that this Act, with the exception of section 9, takes effect July 1, 2001.

Prepared by Paul Roetman, Legislative Aide to Senator Loren Leman (907-465-3712)
Last updated: April 16, 2001


A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR LEMAN

TO: CSSSSB 149(), Draft Version "R"

- 1 Page 3, line 23, following "teacher":
- 2 Insert ", principal, or administrator"



3200 Providence Drive
P.O. Box 196604
Anchorage, Alaska
99519 6804

Tel 907.562.2211

April 2, 2001

Senator Loren Lemman
State Capitol Building, Room 516
Juneau, AK 99801-1182

Dear Senator Lemman:

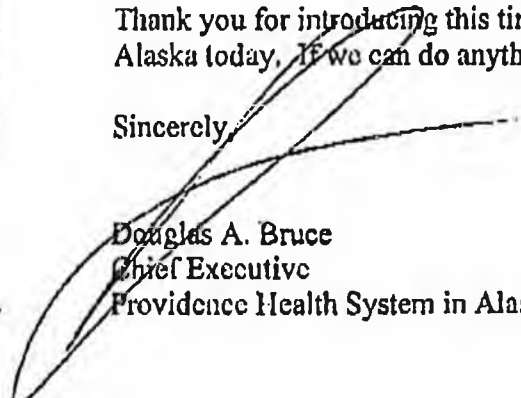
Providence Health System in Alaska fully supports SB 149 that establishes an Alaska education and health care provider incentive program. I would recommend that the words "registered or certified" be added after the word "licensed" in the definition of health care provider in Sec. 14.43.142 (f) (1). Several of the professions which are in short supply in Alaska are not actually licensed but are registered or certified. This would include many of the technicians, such as radiological technicians and medical technicians which are both in very short supply.

Providence has been working with the Alaska State Hospital and Nursing Home Association and other providers for the past two years to address the workforce shortage in the healthcare area. We are working with the University of Alaska Anchorage to add allied health care programs as well as increase the number of nursing programs throughout the State.

SB 149 creates the opportunity to attract more students into the healthcare arena. While it is an additional burden on state resources, many of the nurses we hire must come from outside. It is a drain on Alaska's resources to move people in for a couple years and then see them leave. We know it is a fact, if students are trained here, they tend to stay here. Therefore, I believe it is to Alaska's benefit to pass this legislation.

Thank you for introducing this timely legislation to help address a real issue for health care in Alaska today. If we can do anything to help, please let us know.

Sincerely,



Douglas A. Bruce
Chief Executive
Providence Health System in Alaska



Heritage Place
Banner Health System

April 2, 2001

Senator Loren Leman
Alaska State Legislature
State Capital (MS 3100)
Juneau, Ak. 99801-1182

Re: SSSB 149

Dear Senator Leman:

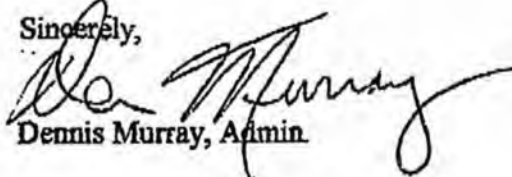
Thank you very much for introducing this legislation. Heritage Place Nursing facility is struggling to find qualified licensed nursing staff. There is clearly a nation-wide shortage of Registered Nurses and to a lesser extent, Licensed Practical Nurses. Your bill will help Alaskans choose these professions by offering incentives.

As you may be aware, the University of Alaska and the Alaska State Hospital and Nursing Home Association (ASHNHA) are partnering in a myriad of ways to expand programs in Nursing, Radiology, Pharmacy, etc. By focusing attention on helping students with the financial costs of these programs and tying their loan forgiveness to working in Alaska there will be a clear message that Alaska needs both teachers and healthcare workers.

ASHNHA through its workforce development program continues to work on identifying the gaps in educational programs and solutions to grow "our own" healthcare workers. Your support for both student loan forgiveness and program expansion is most needed at this time. ASHNHA very much wants the University to expand its healthcare programs and make them distance delivered beyond its main campuses of Anchorage, Fairbanks and Juneau.

Again, thank you for your leadership. Heritage Place very much supports this bill as an important step forward in addressing healthcare workforce development.

Sincerely,



Dennis Murray, Admin

cc. Laraine Derr, ASHNHA



Denali Center
Fairbanks Memorial Hospital
Pioneer Health Systems

Denali Center Fairbanks Memorial Hospital
1510 10th Avenue 1650 Cowles Street
Fairbanks, AK 99701 Fairbanks, AK 99701-5998
(907) 458-5100 (907) 452-8181
 Fax (907) 458-5324

April 2, 2001

Senator Loren Leman
Alaska State Senate
State Capitol, Room 516
Juneau, Alaska 99801-1182

Dear Senator Leman,

I am writing this letter in support of SB-149. This bill addresses one of the most important issues in healthcare today, that of nursing staff shortage. SB-149 promotes nursing staff retention and nursing education opportunities in Alaska.

Alaska is currently facing an 11% vacancy rate for RN positions, with Pioneer Home RN vacancies running at 36%. Nationally states such as California, Arizona, and Minnesota have vacancies in the thousands. Failure to provide adequate nursing coverage for the ill could potentially result in reduction of services by providers and a need to transfer out of state. Loan forgiveness is a critical tool to encourage these individuals to remain Alaskans hopefully throughout their career.

At present, essential training for prospective nurses in Alaska is very limited. A 16-student cohort is now enrolled at the University of Alaska-Fairbanks, but there are no plans to have another cohort enroll in the fall semester. Local training is available for Certified Nursing Assistants, but CNAs cannot provide the range of services that RNs and LPNs provide.

As the nation's population ages, demand for healthcare workers will only increase. Supporting this bill means planning for Alaska's future. Therefore, I strongly urge that you pass SB-149.

Sincerely,

Karl H. Sanford, RN
Assistant Administrator, Inpatient Services



INTERIOR
NEIGHBORHOOD
HEALTH
CLINIC

1949 Gillam Way, Suite D
Fairbanks, Alaska 99701
Phone: (907) 455-4567
Fax: (907) 455-7675
TTY: (907) 455-4507

March 30, 2001

Senator Loren Leman
State Capitol Building, Room 516
Juneau, AK 99801-1182

Dear Senator Leman:

The passage of SB 149 is vital to the addressing the nursing shortage that we are facing locally. I am in support of this bill and urge its passage.

Listed below are just a few of the many reasons why the passage of SB 149 is vital:

- Retirement of older nurses, with very few replacements.
- Education to become a registered nurse is limited.
- Recruitment of nurses takes roughly 60-90 days.
- Increased shift hours for existing nurses to cover shortages.
- Retention of existing nurses jeopardized due to increased shift hours.

Thank you for your consideration and attention to this most important matter.

Please call me if I may provide further information.

Sincerely,

Cheryl Kilgore
Executive Director



Valdez Regional Health Authority, Inc.

911 Meals Avenue • P.O. Box 550 • Valdez, AK 99686
907-835-2249 • Fax 907-835-3735

March 30, 2001

Senator Loren Leman
State Capitol Building, Room 516
Juneau, AK 99801 - 1182

Dear Senator Leman:

I am writing in support of SB 149 that establishes an Alaska education and health care provider incentive program. I would like to see an amendment to broaden the definition to include mental health care providers so that the field of health care is completely covered.

Fifteen percent of nursing positions were vacant in a recent survey. That is not a comfortable feeling if you are a health care provider. Recruiting and retention of health care workers is a constant necessity.

SB 149 creates the ability to entice more students into the health care arena. It is an additional burden on state resources, but may be an important function in keeping health care workers in Alaska. Therefore, I believe it is important to pass this legislation.

Very truly yours,

James A. Jakubek
Chief Financial Officer



Denali Center
Fairbanks Memorial Hospital
Banner Health Systems

Denali Center
1510 19th Avenue
Fairbanks, AK 99701
(907) 458-5100

Fairbanks Memorial Hospital
1650 Cowles Street
Fairbanks, AK 99701-5998
(907) 452-8181
Fax (907) 458-5324

March 30, 2001

Senator Loren Leman
State Capitol Building, Room 516
Juneau, AK 99801-1182

Dear Senator Leman:

As administrator of Fairbanks Memorial Hospital/Denali Center, I strongly support SB 149, establishing an Alaska education and health care provider incentive program. Hospitals across Alaska, including FMHDC, have spent the past several years addressing the workforce shortage in the healthcare area. FMH is currently 1) participating in School-to-Work efforts with the K-12 schools, 2) working closely with President Mark Hamilton and the University of Alaska to increase the number of nursing graduates on the Fairbanks campus, and 3) have devoted over one-half million dollars to workforce recruiting and retention programs at FMHDC.

At any given time, there are roughly 20 available RN positions on the FMHDC campus. In January FMHDC could not cover 200 shifts and was forced to look to expensive recruitment firms to meet its labor needs, ultimately raising the cost of care to our patients.

SB 149 creates the ability to entice more students into the healthcare arena, and provide critical support to one of Alaska's five key employment industries. It is a fact: if students are trained in Alaska, they tend to stay in Alaska. It is in our best interest as Alaskans to pass this legislation.

Thank you for supporting of SB-149.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Powers", with a long horizontal line extending to the right.

Mike Powers
Administator
Fairbanks Memorial Hospital/Denali Center



Advocates for Victims of Violence, Inc.

24 Hour Crisis Line (907) 835-2999 • 1-800-835-1044 (Statewide)
Office: (907) 835-2980 • Fax (907) 835-2981
P.O. Box 524 • Valdez, Alaska 99686

March 30, 2001

Senator Loren Lemman
State Capitol Building, Room 516
Juneau, Alaska 99801-1182

Dear Senator Lemman,

I am writing in support of SB 149, which establishes an Alaska education and health care provider incentive program. The Alaska State Hospital and Nursing Home Association (ASHNHA) supports this legislation. I would like to see an amendment, which would broaden the definition to include mental health care providers so that the field of health services would be better covered.

As a member of the board of directors of the Valdez Regional Health Authority, I've become aware that ASHNHA has been working diligently for the past two years to address the workforce shortage in the healthcare field. We are currently involved with a School-to-Work effort with K-12 schools. We are working with the University of Alaska, Anchorage, to add allied health care programs as well as increase the number of nursing programs throughout the state. We are working with a "Need for Nurses" committee, which is comprised of nurses from across the state. It is indeed a life or death issue for these members.

A January survey indicated 461 vacant nursing positions from approximately 3000 positions. That is not a good position to be in as a health care provider. Recruiting and retention of healthcare workers is a constant, demanding job.

SB 149 will entice more students into the healthcare arena. Initially it may appear to be a burden on state resource. But when you consider that 25% of the nurses that we hire currently come from outside, it is much more of a drain on Alaska's resources when they choose to leave the state within a couple of years. Therefore, I believe that it will be beneficial to Alaska to pass this legislation.

If you have any questions, please feel free to contact your hospital's administrator. Thank you for your consideration on this matter.

Sincerely,

Catherine Vaara,
Executive Director and VRHA Board of Directors Member

Member • Alaska Network on Domestic Violence and Sexual Assault





**Denali Center
Fairbanks Memorial Hospital**

Denali Center
1510 19th Avenue
Fairbanks, AK 99701
(907) 452-5100

Fairbanks Memorial Hospital
1650 Cowles Street
Fairbanks, AK 99701-5998
(907) 452-8181
Fax (907) 458-5324

April 2, 2001

Dear Senator Leman,

Do you plan to retire in Alaska? If you need nursing care, who will take care of you or your loved ones? This letter is written in support of SB-149. This bill would create an incentive program for education and retention of health care providers. I am also interested in seeing an amendment to SB-149 written to include mental health care providers, thus admitting all aspects of health care.

SB-149 will enable the healthcare industry to attract more workers. It is an additional program requiring state funding, but we believe that the benefits outweigh the costs. 25% of nurses hired come from Outside. Workers trained in this state tend to stay in state, and it is impractical and unprofitable to move workers in, only to see them leave a few years later. Therefore, I believe that SB-149 is in Alaska's best interest, and I urge its passage.

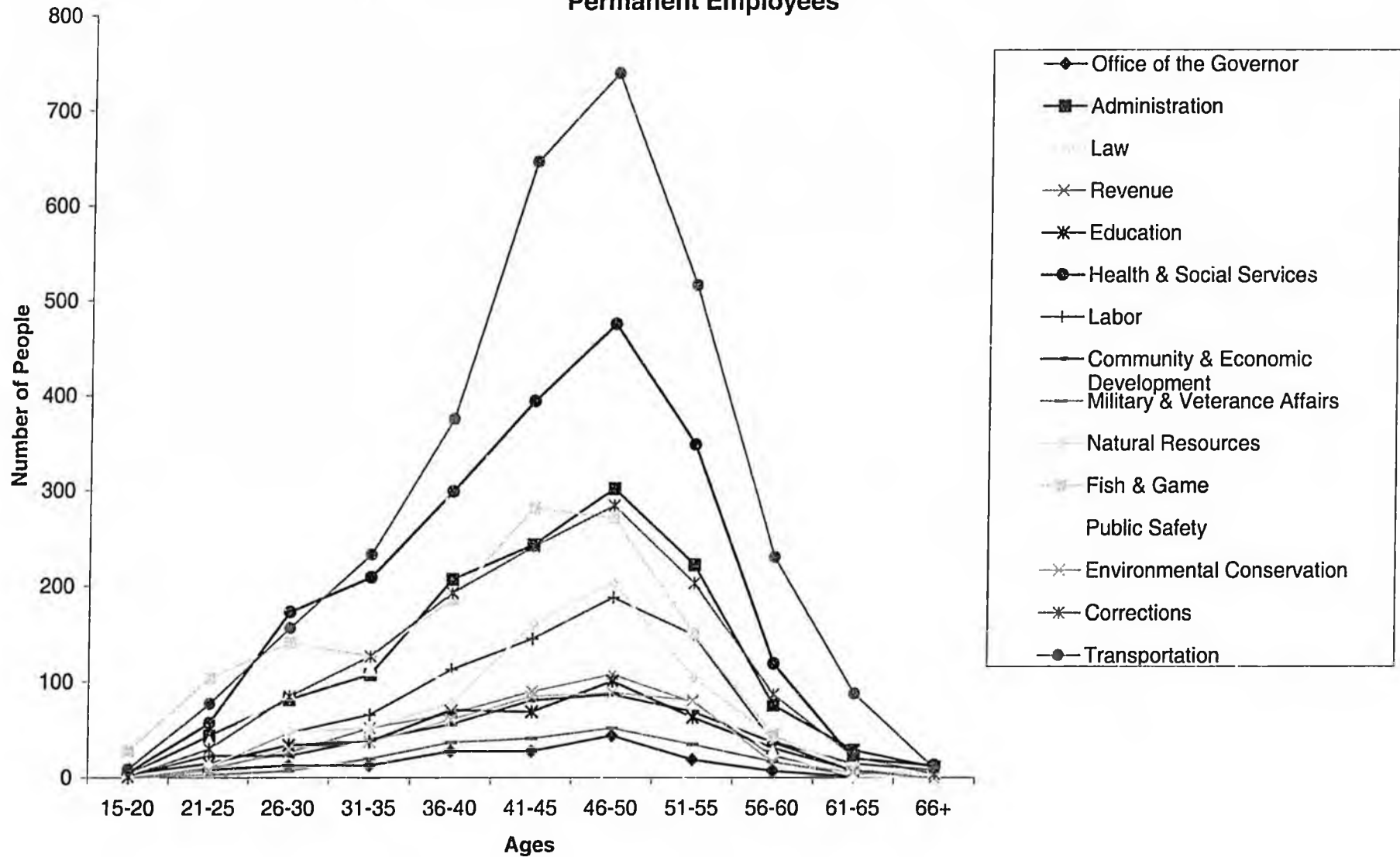
Please feel free to contact your hospital administrator with any questions that you may have. Thank you for taking the time to read this letter.

Sincerely,

A handwritten signature in cursive script that reads "Linda Smith".

Linda Smith, RN
Assistant Administrator

State of Alaska Age Distribution by Department Permanent Employees



Data effective as of March 12, 2001. Source HR Indicative.



Senator Loren Lemman

Sponsor Statement - SS SB 149: Alaska Teacher and Health Care Provider Recruitment and Retention Act of 2001

“An Act relating to employment incentives for teachers and health care providers, to reemployment of retired teachers, to loans to and loan forgiveness for teachers and health care providers, to awards to teachers, to eligibility for major medical insurance coverage for beneficiaries of the teachers’ retirement system, and to teacher certificates; and providing for an effective date.”

SB 149 responds to Alaska’s acute shortage of teacher and health care providers. It establishes a comprehensive approach to increase personnel in these critical staffing areas.

A central component of SB 149 is a \$10,000 signing bonus disbursed over a five year term to qualified teacher or health care providers. Under this provision, a person qualifies after one year of full-time employment. Upon the first completed year of full-time employment a \$1,500 payment is made directly to the student’s loan lender. After each successive year of full-time employment, the State will make subsequent payments in the following amounts: \$1,500 (year 2), \$1,500 (year 3), \$2,500 (year 4), \$3,000 (year 5).

SB 149 provides 50% merit loan forgiveness to Alaska Student Loan borrowers employed full-time as teachers or health care providers in rural Alaska. To qualify a borrower must graduate from a regionally or nationally accredited college or university with at least a 3.0 grade point average. The forgiveness provision applies to loans taken after the first 60 credit hours.

SB 149 also addresses specific systemic challenges in education. To promote teacher relocation to Alaska, SB 149 provides certificate recognition of out-of-state teachers by establishing a preliminary teacher certification process. It promotes teacher retention through a medical plan enhancement in which a teacher who works 25 years or attains the age of 60 will receive full system paid coverage. SB 149 provides incentive for retired teachers desiring to return to the classroom through a benefits election. Upon election, benefit payments continue, but reemployment does not accrue additional benefit. Under nonelection benefits payments are halted, and upon employment additional benefits accrue.

SB 149 also promotes teacher development through establishment of a Teaching Excellence Award Program that allows a merit award to be given to up to 20% of a school district’s teachers upon selection by a local award committee of teachers, students, parents and administrators based on criteria established by the local school district.

Alaska does not have the training capacity instate to provide all of the new education or health care professionals that are needed. SB 149 provides an approach to overcome this challenge.

Prepared by Paul Roetman, Legislative Aide to Senator Loren Lemman (907-465-3712)
Last updated: March 29, 2001

ALASKA STATE

HOSPITAL & NURSING HOME

ASSOCIATION

March 29, 2001

Senator Loren Lemam
State Capitol Building, Room 516
Juneau, AK 99801-1182

Dear Senator Lemam:

I am writing in support of SB 149 that establishes an Alaska education and health care provider incentive program. The Alaska State Hospital and Nursing Home Association (ASHNHA) supports this legislation. I would like to see an amendment to broaden the definition to include mental health care providers so that the field of health care is completely covered.

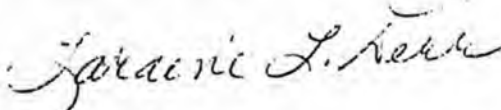
ASHNHA has been working diligently for the past two years to address the workforce shortage in the healthcare area. We are currently involved with a School-to-Work effort with the K-12 schools. We are working with the University of Alaska Anchorage to add allied health care programs as well as increase the number of nursing programs throughout the State. We are working with a "Need for Nurses" committee comprised of nurses from across the state. As you can readily understand, it is sometimes truly a life or death issue for our members.

January is usually a fairly light month for vacancies as the need for health care providers increases in the summer with increasing population. On January 18th we took a survey of our members to see what the nursing vacancy was. Out of approximately 3000 positions in nursing, 461 were vacant. That is not a very comfortable feeling if you are a healthcare provider. Recruiting and retention of healthcare workers is a constant job.

SB 149 creates the ability to entice more students into the healthcare arena. It is an additional burden on state resources, but 25 percent of the nurses we hire must come from outside. It is a drain on Alaska's resources to move people in for a couple years...and then see them leave. We know it is a fact, if students are trained here, they tend to stay here. Therefore, I believe it is to Alaska's benefit to pass this legislation.

If you have questions, please feel free to contact your hospital's administrator. I expect you will be hearing from them. I will be available to answer questions. Thank you for your consideration.

Sincerely yours,



Laraine L. Derr



Valdez Regional Health Authority, Inc.

911 Meals Avenue • P.O. Box 550 • Valdez, AK 99686
907-835-2249 • Fax 907-835-3735

March 30, 2001

Senator Loren Leman
State Capitol Building, Room 516
Juneau, AK 99801-1182

Dear Senator Leman:

I am writing in support of SB 149 that establishes an Alaska education and health care provider incentive program. The Valdez Regional Health Authority (VRHA) and all of its staff supports this legislation. However, it doesn't go far enough I would like to see an amendment to broaden the definition to include mental health care providers and all health care workers so that the field of health care is completely covered.

We are currently involved with a School-to-Work effort with the K-12 schools. We are working with the University of Alaska Anchorage, through Prince William Sound Community College to add allied health care programs as well as increase the number of nursing programs throughout the State. Members of my staff are working with the Alaska State Hospital and Nursing Home Association in their effort to address health care work shortages.

Recruiting and retention of healthcare workers is a constant job. We have been unable to fill positions in Physical Therapy, Radiology Technologist as well as a full time nurse. Because of this we do not offer Physical Therapy services and our one Radiology Tech is literally constantly on call. Bringing in a traveling nurse to cover our shortages is expensive, about triple our normal cost, and degrades the level of care during their "learning curve."

SB 149 creates the ability to entice more students into the healthcare arena. It is an additional burden on state resources, but almost all of the nurses we hire have come from outside. The only other option is to hire from our neighbors, transferring temporarily my shortage to them. It is a drain on Alaska's resources to move people in for a couple years and then see them leave. We know it is a fact, if students are trained here, they tend to stay here. Therefore, I believe it is to Alaska's benefit to pass this legislation.

If you have questions, please feel free to contact me. I will be available to answer questions. Thank you for your consideration.

Sincerely yours,

James R. Culley
Chief Executive Officer
Valdez Regional Health Authority

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SS SB 149
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Education & Early Development
Title: An Act relating to employment incentives for BRU: Teaching & Learning Support
teachers and health care providers . . . Component: Quality Schools
Sponsor: Senator Leman
Requester: S HESS Component Number: 2147

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	2,400.0	2,400.0	2,400.0	2,400.0	2,400.0	2,400.0
Miscellaneous						
TOTAL OPERATING	2,400.0	2,400.0	2,400.0	2,400.0	2,400.0	2,400.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	2,400.0	2,400.0	2,400.0	2,400.0	2,400.0	2,400.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	2,400.0	2,400.0	2,400.0	2,400.0	2,400.0	2,400.0

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Section 9 calls for the creation of the Teaching Excellence Award Program. Up to 20% of the teachers in a school may receive an annual award of \$1,500, if the teachers are identified as pursuing teaching excellence. Local districts are responsible for establishing selection criteria and choosing the awardees. 20% of 8,000 teachers annually, times \$1,500 totals \$2,400,000.

Section 6 allows for the reemployment of retired teachers. These teachers would be able to continue receiving retirement benefit payments during the period of reemployment by filing a waiver of coverage.

In Section 7, please note that teachers hired under Tier II of TRS would receive a major medical benefit provided they continue teaching for a minimum of 25 years. The increased health insurance cost to the employer would, according to initial estimates by TRS, amount to approximately \$100 per year, per eligible teacher. These increased annual costs wouldn't start for several years and are considered small compared to the opportunity to retain these qualified teachers.

Prepared by: Barbara Thompson, Deputy Director Phone 465-8727
Division: Teaching & Learning Support Date/Time 4/2/01 12:00 AM
Approved by: Bruce Johnson, Deputy Commissioner of Education Date 4/2/01
Agency: Department of Education & Early Development

For distribution information, call the Governor's Legislative Office

ALASKA MENTAL HEALTH BOARD

TONY KNOWLES, GOVERNOR
STATE OF ALASKA

431 N. Franklin, Suite 200
Juneau, Alaska 99801
Office: (907) 465-3071
Fax: (907) 465-3079

April 2, 2001

The Honorable Lyda Green, Chair
Senate HESS Committee
State Capitol, Room 125
Juneau, AK 99801-1182

Dear Senator Green:

The Alaska Mental Health Board (AMHB) wishes to convey to the committee its position concerning SSSB 149. The AMHB believes that the loan forgiveness provisions the bill contemplates would constitute a key tool in helping Alaska address what is becoming a chronic shortage of qualified mental health care providers. Many mental health agencies, both in urban and rural communities, find that they simply cannot compete on salary terms with similar agencies outside of Alaska. As their caseloads continue to increase, Alaskan providers find it more and more difficult to attract and retained credentialed mental health professionals.

SB 149 would provide a financial incentive that could help Alaska to develop a homegrown corps of professionals. While loan forgiveness provisions alone will not solve the problem, such options are certainly one valuable tool in the toolbox Alaska must have to do so. We urge the committee to take favorable action on this bill. I would be pleased to answer any questions. Thank you.

Sincerely,

Richard Rainery
Acting Executive Director

cc: Senator Loren Leman

ALASKA STATE LEGISLATURE



Interim:
600 East Railroad Avenue
Wasilla, Alaska 99654
(907) 376-3370
(907) 376-3157 Fax

Session:
State Capitol
Juneau, Alaska 99801-1182
(907) 465-6600
(907) 465-3805 Fax

SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE SENATOR LYDA GREEN, CHAIR

Agenda

Monday, April 02, 2001

- SB155 Student Loans/Commission on Postsecondary Education
 - **Presenting:** Diane Barrans, ACPE Executive Director
 - Rick Weems, University of Alaska Financial Aid Office
 - **Questions:** Sheila King, ACPE Finance Officer
 - **Questions:** Mary Ellen Beardsley, Assistant Attorney General
- SB 91 Abortion: Informed Consent; Information
 - **Presenting:** Sandy Altland, Aide to Senator Ward
- SB 149 Teacher/Health Care Provider Incentives
 - **Presenting:** Senator Loren Leman, Sponsor
 - **Presenting:** Debbie Ossiander, Anchorage School Board
 - Melissa Hill, Alaska Teacher Placement Program Director
 - Steve Cathers, Valdez City Schools Superintendent
 - Tina DeLapp, UofA School of Nursing Director
 - Lorraine Derr, Alaska State Hospital & Nursing Home Association President/CEO
 - **Questions:** Guy Bell, Division of Retirement & Benefits
 - **Questions:** Diane Barrans, ACPE Executive Director
 - **Questions:** Beth Nordlund, Department of Education & Early Development Special Assistant

SENATOR LOREN LEMAN, VICE-CHAIR
SENATOR JERRY WARD, SENATOR GARY WILKEN, SENATOR BETTYE DAVIS

ALASKA MENTAL HEALTH BOARD

TONY KNOWLES, GOVERNOR
STATE OF ALASKA

431 N. Franklin, Suite 200
Juneau, Alaska 99801
Office: (907) 465-3071
Fax: (907) 465-3079

April 2, 2001

The Honorable Lyda Green, Chair
Senate HESS Committee
State Capitol, Room 125
Juneau, AK 99801-1182

Dear Senator Green:

The Alaska Mental Health Board (AMHB) wishes to convey to the committee its position concerning SSSB 149. The AMHB believes that the loan forgiveness provisions the bill contemplates would constitute a key tool in helping Alaska address what is becoming a chronic shortage of qualified mental health care providers. Many mental health agencies, both in urban and rural communities, find that they simply cannot compete on salary terms with similar agencies outside of Alaska. As their caseloads continue to increase, Alaskan providers find it more and more difficult to attract and retain credentialed mental health professionals.

SB 149 would provide a financial incentive that could help Alaska to develop a homegrown corps of professionals. While loan forgiveness provisions alone will not solve the problem, such options are certainly one valuable tool in the toolbox Alaska must have to do so. We urge the committee to take favorable action on this bill. I would be pleased to answer any questions. Thank you.

Sincerely,

Richard Rainery
Acting Executive Director

cc: Senator Loren Leman

SB

154

Alaska State Legislature

Session:
State Capitol
Juneau, AK 99801
Phone: (907) 465-2327
Fax: (907) 465-5241



Interim:
119 N. Cushman
Fairbanks, AK 99701
Phone: (907) 456-8161

Senator Pete Kelly
District P

Senate Bill 154 Sectional Analysis

“An Act relating to mental health treatment facilities; repealing the termination date of the mental health treatment assistance program; and providing for an effective date.”

This bill repeals the sunset clause for the Designated Evaluation and Treatment program (DET).

Section 1. of the bill repeals the sunset provisions Sections 2, 4, 6, and 9 of ch. 87 SLA 1999. Those current sections that would be removed cover:

- the clarification of liability for expenses of placement in a treatment facility, (Section 2.)
- the clarification of the definition of “designated treatment facility”, (Section 4.)
- clearly defines the eligibility and procedures of the DET program. (Section 6.):
 - Applicability
 - Eligibility for assistance
 - Application for assistance
 - Decision on eligibility
 - Eligible services rates
 - Payment
 - Appeal
 - Regulations
 - Definitions
- Established an effective date of sunset as July 1, 2001 (Section 9.)

Section 2 of this bill causes the repeal to take effect immediately.

If the sunset occurs, then it reinstates the vague language that led to confusion and inconsistencies in managing the program. These problems led to a lawsuit which prompted the statutory change.

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SB 154
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Health & Social Services
Title: Sunset of Designated Evaluation and BRU: Community Mental Health Grants
Treatment Program Component: Designated Eval & Treatment
Sponsor: Sen. Kelly
Requester: Senate (HES) Component Number: 1014

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	2,652.1	2,652.1	2,652.1	2,652.1	2,652.1	2,652.1
Miscellaneous						
TOTAL OPERATING	2,652.1	2,652.1	2,652.1	2,652.1	2,652.1	2,652.1

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	582.1					
1003 GF Match						
1004 GF						
1007 I/A Receipts	723.7	723.7	723.7	723.7	723.7	723.7
1037 GF/Mental Health	1,146.3	1,728.4	1,728.4	1,728.4	1,728.4	1,728.4
1092 MHTAAR	200.0	200.0	200.0	200.0	200.0	200.0
TOTAL	2,652.1	2,652.1	2,652.1	2,652.1	2,652.1	2,652.1

Estimate for any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

ALL FUNDING FOR DET IS INCLUDED IN THE GOVERNOR'S BUDGET. This bill allows for the continuation of Designated Evaluation and Treatment services covered in the FY02 Governor's Request. These statutes (sunset date July 1, 2001) establish consistent methods for the Department to pay for voluntary or involuntary inpatient psychiatric services for individuals who pose a danger to themselves or others because of mental illness, or who are gravely impaired by mental health systems, and who have no third party payor and cannot afford the high cost of hospitalization. The provision of these services in local communities fits with the objectives of serving consumers close to home. Federal laws have reduced the % of the \$10 million in Disproportionate Share Hospital funds that have been available to API on an annual basis since the 1980s. This "frees up" the balance of the DSH funds for other special needs populations served by qualifying hospitals. The DET assistance program is a logical, eligible recipient of these funds..

Prepared by: Sarah Brinkley, Admin Manager Phone 465-3167
Division: DMHDD Date/Time 1/0/00 12:00 AM
Approved by: Elmer A. Lindstrom, Special Assistant Date 3/22/01 10:12 AM
Agency: Department of Health & Social Services

ANALYSIS: (continued)

Of the total \$2,652.1 DET budget for FY02, \$2,392.1 was in the FY02 Governor's Request and \$723.7 was added through the FY02 Governor's Amended Request.

Breakdown of FY02 DET projections:

Grants - \$260.0

Fee for Service - \$2,392.1

Fairbanks \$1,262.1

Juneau \$ 641.6

Mat-Su \$ 237.1

Ketchikan \$ 99.9

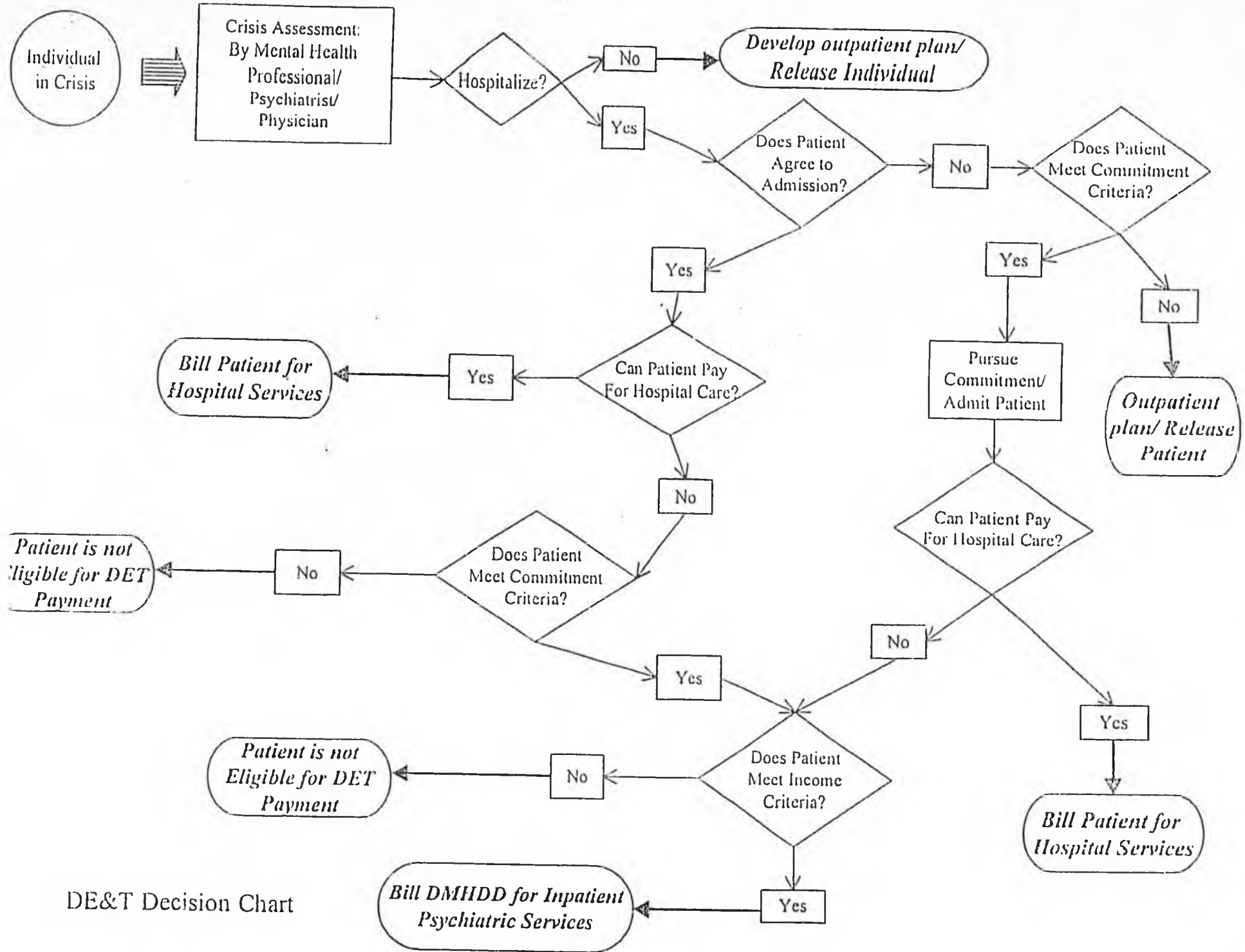
Anchorage \$ 60.3

YKHC \$ 55.2

other \$ 35.9

*Note: The DET component's FY02 budget contains, in addition to the above \$2,652.1 authority for projected needs, another \$142.8 in excess federal authority on the books for potential unanticipated future federal awards.

BACK-UP INFORMATION



DE&T Decision Chart

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SB 154
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Health & Social Services
Title: Sunset of Designated Evaluation and Treatment Program BRU: Community Mental Health Grants
Sponsor: Sen. Kelly Component: Designated Eval & Treatment
Requester: Senate (HES) Component Number: 1014

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
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Equipment						
Land & Structures						
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Miscellaneous						
TOTAL OPERATING	2,652.1	2,652.1	2,652.1	2,652.1	2,652.1	2,652.1

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	582.1					
1003 GF Match						
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TOTAL	2,652.1	2,652.1	2,652.1	2,652.1	2,652.1	2,652.1

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

ALL FUNDING FOR DET IS INCLUDED IN THE GOVERNOR'S BUDGET. This bill allows for the continuation of Designated Evaluation and Treatment services covered in the FY02 Governor's Request. These statutes (sunset date July 1, 2001) establish consistent methods for the Department to pay for voluntary or involuntary inpatient psychiatric services for individuals who pose a danger to themselves or others because of mental illness, or who are gravely impaired by mental health systems, and who have no third party payor and cannot afford the high cost of hospitalization. The provision of these services in local communities fits with the objectives of serving consumers close to home. Federal laws have reduced the % of the \$10 million in Disproportionate Share Hospital funds that have been available to API on an annual basis since the 1980s. This "frees up" the balance of the DSH funds for other special needs populations served by qualifying hospitals. The DET assistance program is a logical, eligible recipient of these funds..

Prepared by: Sarah Brinkley, Admin Manager Phone 465-3167
Division: DMHDD Date/Time 1/0/00 12:00 AM
Approved by: Elmer A. Lindstrom, Special Assistant Date 3/22/01 10:12 AM
Agency: Department of Health & Social Services

For distribution information, call the Governor's Legislative Office

ANALYSIS: (continued)

Of the total \$2,652.1 DET budget for FY02, \$2,392.1 was in the FY02 Governor's Request and \$723.7 was added through the FY02 Governor's Amended Request.

Breakdown of FY02 DET projections:

Grants - \$260.0

Fee for Service - \$2,392.1

Fairbanks \$1,262.1

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Mat-Su \$ 237.1

Ketchikan \$ 99.9

Anchorage \$ 60.3

YKHC \$ 55.2

other \$ 35.9

*Note: The DET component's FY02 budget contains, in addition to the above \$2,652.1 authority for projected needs, another \$142.8 in excess federal authority on the books for potential unanticipated future federal awards.

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 3/21/01

FURTHER: Finance

Date of 5-Day Notice: 03/22/01
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 03/28/01

Health, Education and Social Services Committee considered **SENATE BILL NO. 154**

REPEAL SUNSET OF MENTAL HEALTH ASSISTANCE

"An Act relating to mental health treatment facilities; repealing the termination date of the mental health treatment assistance program; and providing for an effective date."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

- same title
- new title

House Bill:

- same title
- technical title
- new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
Health & Social Serv.	3/22/01			

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	No REC	AMEND
<i>Thomas D. Luman</i>	✓			
<i>George W. Hill</i>	✓			
<i>Bettye Davis</i>	✓			
CHAIR: <i>Lyle H. Green</i>	✓			

ALASKA STATE LEGISLATURE



Interim:

600 East Railroad Avenue
Wasilla, Alaska 99654
(907) 376-3370
(907) 376-3157 Fax

Session:

State Capitol
Juneau, Alaska 99801-1182
(907) 465-6600
(907) 465-3805 Fax

SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE SENATOR LYDA GREEN, CHAIR

To: Senate HESS Members
From: Aurora Hauke, Committee Aide
Date: March 28, 2001
Subject: SB 154 REPEAL SUNSET OF MENTAL HEALTH ASSISTANCE

Please find attached additional letters of support for SB 154 REPEAL SUNSET OF MENTAL HEALTH ASSISTANCE.

SENATOR LOREN LEMAN, VICE-CHAIR
SENATOR JERRY WARD, SENATOR GARY WILKEN, SENATOR BETTYE DAVIS



Denali Center
Fairbanks Memorial Hospital
Banner Health Systems

Denali Center
1510 19th Avenue
Fairbanks, AK 99701
(907) 458-5100

Fairbanks Memorial Hospital
1650 Cowles Street
Fairbanks, AK 99701-5999
(907) 452-8181
Fax (907) 458-5324

March 26, 2001

Senator Pete Kelly
State Capitol, Room 518
Juneau, AK 99801-1182

Dear Senator Kelly:

As you know, Fairbanks and other sole-hospital communities across Alaska have struggled with providing quality local hospitalization for mentally ill adults. With your help over the past several years, Fairbanks, Juneau and Bethel have made great strides in taking care of local residents, and have significantly reduced the burden we have placed on Anchorage in our ability to treat mental health patients in our local communities.

Last year Fairbanks' public health and safety agencies reduced the number of mental health patients transferred to Alaska Psychiatric Institute from 75 to 5, dramatically impacting the cost, inconvenience and level of care provided to these patients.

Thank you for championing SB-154. Repealing the sunset clause of the current Designated Evaluation and Treatment program profoundly and favorably impacts the care of and the cost to the mentally ill in Fairbanks, and across Alaska.

Thank you for your help.

Sincerely,



Mike Powers
Administrator
Fairbanks Memorial Hospital

F.M.H./D.C. MEDICAL STAFF
 FAIRBANKS MEMORIAL HOSPITAL/DENALI CENTER
 1650 COWLES STREET
 FAIRBANKS, ALASKA 99701

2001 OFFICERS:

RICHARD HATTAN, M.D.
 PRESIDENT/CHIEF OF STAFF
 TIMOTHY TESLOW, M.D.
 VICE PRESIDENT
 DAVID WRIGLEY, M.D.
 SECRETARY/TREASURER
 RICHARD HUTCHISON, M.D.
 IMMEDIATE PAST PRESIDENT
 RICHARD CORDEN, M.D.
 CHAIR, BYLAWS COMMITTEE

DAVID FLORY, M.D.
 CHAIR, ANESTHESIA
 ART STRAUSS, M.D.
 CHAIR, EMERGENCY MEDICINE
 CORRINE LEISTIKOW, M.D.
 CHAIR, FAMILY PRACTICE
 KENNETH STARKS, M.D.
 CHAIR, INTERNAL MEDICINE
 DENNIS HARTUNG, M.D.
 CHAIR, OB/GYN
 JOHN JOOSSE, M.D.
 CHAIR, ORTHOPEDIC SURGERY
 MISHELLE NACE, M.D.
 CHAIR, PEDIATRICS
 TIM TESLOW, M.D.
 CHAIR, SURGERY
 MARK BUTCHER, M.D.
 CHAIR, QI/QUR COMMITTEE

CAROL PHILLIPS, M.D.
 JEFFREY ZUCKERMAN, M.D.
 FOUNDATION REPRESENTATIVES

R. Duane Hopson, M.D.
Director of Mental Health

March 26, 2001

Senator Pete Kelly
 State Capitol, Room 518
 Juneau, AK 99801-1182

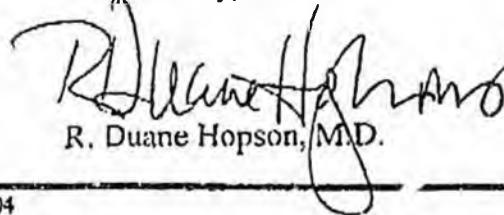
Dear Senator Kelly,

I am writing to you to request your support of SB-154, which I believe is vital to the continued growth of Mental Health not only in Fairbanks but also throughout the Interior. The funds made available through this Bill will continue to support the efforts begun two years ago and assure ongoing growth and development of a Mental Health system throughout the State.

A current area of growth has been in the expansion of an inpatient unit here at Fairbanks Memorial Hospital, which has allowed for the provision of psychiatric care locally rather than in distant communities. The number of transfers from Fairbanks to Alaska Psychiatric Institute has significantly dropped and the development of an acute care milieu and philosophy on the Mental Health Unit both attest to the changes that are being made. Future plans include growth in the areas of partial hospitalization and outpatient services to complete the network of services as we develop a comprehensive mental health system for the Interior.

I hope that you will continue to support the efforts of our community and the growth of Mental Health in Alaska with SB-154.

Respectfully,


 R. Duane Hopson, M.D.

03/27/2001 00:30 307 479 5110 CAROL J. PHILLIPS MD PAGE 01

EMERGENCY MEDICINE ASSOCIATES, P.C.

President, Carol J. Phillips, M.D., FACEP

P.O. Box 80848
Fairbanks, Alaska 99708-0848
Phone (907) 479-5117
Fax (907) 479-5110

MEMORANDUM

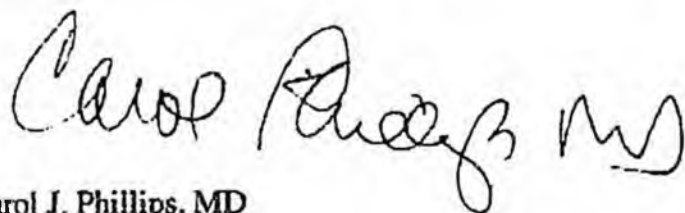
To: All Alaska Senators and Representatives
From: Emergency Medicine Associates, PC
Date: March 24, 2001
Subject: Designated Evaluation and Treatment Program

The Designated Evaluation and Treatment program is vital to the treatment of our community's mentally ill patients.

As you are making your decision whether to pass SB-154, please keep in mind that patients need to be near family who know and care for them. Local doctors are familiar with our community's patients and can work in conjunction with patients' families to plan treatments accordingly.

Please-- I recommend strongly that you pass SB-154.

Thank you for your time.



Carol J. Phillips, MD



Denali Center
Fairbanks Memorial Hospital
Banner Health Systems

Denali Center
1510 19th Avenue
Fairbanks, AK 99701
(907) 458-5100

Fairbanks Memorial Hospital
1650 Cowles Street
Fairbanks, AK 99701-5908
(907) 452-8181
Fax (907) 458-5324

March 26, 2001

Senator Pete Kelly
State Capitol, Room 518
Juneau, AK 99801-1182

Dear Senator Kelly:

This letter is written in support of SB-154. Before making any decisions in regard to this bill, I urge that the legislature review the following information.

- SB-154 concerns the sunset provision of the mental health treatment assistance program statute, which was instituted in 1998 as a part of the state mental health reform program.
- This statute and its' corresponding program, the Designated Evaluation and Treatment Program (DET), encourages hospitalization for the mentally ill in their home community. Under this statute mentally ill individuals are hospitalized locally, instead of being sent to API.
- Treating mentally ill individuals in or near their home communities allows for family participation in treatment, as well as access to providers familiar with resources available to the individual after discharge. This results in shorter length of stays and more practical post-hospitalization planning.
- In response to this statute and to the needs of the community, Fairbanks Memorial Hospital has upgraded its psychiatric unit to accommodate local hospitalization of mentally ill individuals and we plan for the future growth in meeting the needs of the mentally ill.

Supporting these efforts will continue to assure the ongoing growth and development of a strong mental health system throughout the state.

In conclusion, I hope you will recognize the importance of supporting this bill in order to provide quality patient care to the community we serve.

Sincerely,

Karl H. Sanford, RN
Assistant Administrator
Inpatient Services

ALASKA STATE LEGISLATURE



Interim:

600 East Railroad Avenue
Wasilla, Alaska 99654
(907) 376-3370
(907) 376-3157 Fax

Session:

State Capitol
Juneau, Alaska 99801-1182
(907) 465-6600
(907) 465-3805 Fax

SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE SENATOR LYDA GREEN, CHAIR

To: Senate HESS Members

From: Aurora Hauke, Committee Aide

Date: March 28, 2001

Subject: SB 154 REPEAL SUNSET OF MENTAL HEALTH ASSISTANCE

Please find attached additional letters of support for SB 154 REPEAL SUNSET OF MENTAL HEALTH ASSISTANCE.

SENATOR LOREN LEMAN, VICE-CHAIR
SENATOR JERRY WARD, SENATOR GARY WILKEN, SENATOR BETTYE DAVIS



Denali Center
Fairbanks Memorial Hospital
Banner Health Systems

Denali Center 1510 19th Avenue Fairbanks, AK 99701 (907) 458-5100	Fairbanks Memorial Hospital 1650 Cowles Street Fairbanks, AK 99701-5993 (907) 452-8181 Fax (907) 452-5324
---	--

March 26, 2001

Senator Pete Kelly
State Capitol, Room 518
Juneau, AK 99801-1182

Dear Senator Kelly:

As you know, Fairbanks and other sole-hospital communities across Alaska have struggled with providing quality local hospitalization for mentally ill adults. With your help over the past several years, Fairbanks, Juneau and Bethel have made great strides in taking care of local residents, and have significantly reduced the burden we have placed on Anchorage in our ability to treat mental health patients in our local communities.

Last year Fairbanks' public health and safety agencies reduced the number of mental health patients transferred to Alaska Psychiatric Institute from 75 to 5, dramatically impacting the cost, inconvenience and level of care provided to these patients.

Thank you for championing SB-154. Repealing the sunset clause of the current Designated Evaluation and Treatment program profoundly and favorably impacts the care of and the cost to the mentally ill in Fairbanks, and across Alaska.

Thank you for your help.

Sincerely,

Mike Powers
Administrator
Fairbanks Memorial Hospital

F.M.H./D.C. MEDICAL STAFF
 FAIRBANKS MEMORIAL HOSPITAL/DENALI CENTER
 1650 COWLES STREET
 FAIRBANKS, ALASKA 99701

2001 OFFICERS:

RICHARD HATTAN, M.D.
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 DAVID WRIGLEY, M.D.
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 CORRINE LEISTIKOW, M.D.
 CHAIR, FAMILY PRACTICE
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 CHAIR, OB/GYN
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 TIM TESLOW, M.D.
 CHAIR, SURGERY
 MARK BUTCHER, M.D.
 CHAIR, QI/UR COMMITTEE

CAROL PHILLIPS, M.D.
 JEFFREY ZUCKERMAN, M.D.
 FOUNDATION REPRESENTATIVES

R. Duane Hopson, M.D.
Director of Mental Health

March 26, 2001

Senator Pete Kelly
 State Capitol, Room 518
 Juneau, AK 99801-1182

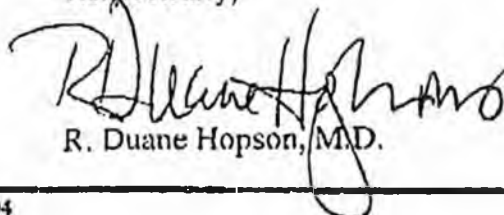
Dear Senator Kelly,

I am writing to you to request your support of SB-154, which I believe is vital to the continued growth of Mental Health not only in Fairbanks but also throughout the Interior. The funds made available through this Bill will continue to support the efforts begun two years ago and assure ongoing growth and development of a Mental Health system throughout the State.

A current area of growth has been in the expansion of an inpatient unit here at Fairbanks Memorial Hospital, which has allowed for the provision of psychiatric care locally rather than in distant communities. The number of transfers from Fairbanks to Alaska Psychiatric Institute has significantly dropped and the development of an acute care milieu and philosophy on the Mental Health Unit both attest to the changes that are being made. Future plans include growth in the areas of partial hospitalization and outpatient services to complete the network of services as we develop a comprehensive mental health system for the Interior.

I hope that you will continue to support the efforts of our community and the growth of Mental Health in Alaska with SB-154.

Respectfully,



R. Duane Hopson, M.D.

EMERGENCY MEDICINE ASSOCIATES, P.C.

President, Carol J. Phillips, M.D., FACEP

P.O. Box 80848
Fairbanks, Alaska 99708-0848
Phone (907) 479-5117
Fax (907) 479-5110

MEMORANDUM

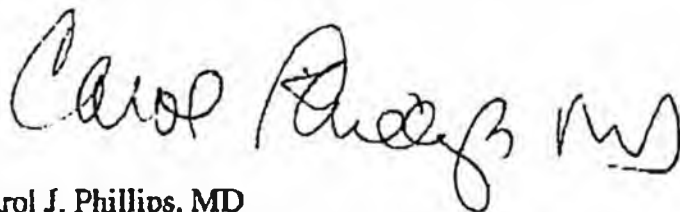
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Please-- I recommend strongly that you pass SB-154.

Thank you for your time.



Carol J. Phillips, MD



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Fairbanks Memorial Hospital
Banner Health Systems

Denali Center 1510 19th Avenue Fairbanks, AK 99701 (907) 458-5100	Fairbanks Memorial Hospital 1650 Cowles Street Fairbanks, AK 99701-5998 (907) 452-8181 Fax (907) 458-5324
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March 26, 2001

Senator Pete Kelly
State Capitol, Room 518
Juneau, AK 99801-1182

Dear Senator Kelly:

This letter is written in support of SB-154. Before making any decisions in regard to this bill, I urge that the legislature review the following information.

- SB-154 concerns the sunset provision of the mental health treatment assistance program statute, which was instituted in 1998 as a part of the state mental health reform program.
- This statute and its' corresponding program, the Designated Evaluation and Treatment Program (DET), encourages hospitalization for the mentally ill in their home community. Under this statute mentally ill individuals are hospitalized locally, instead of being sent to API.
- Treating mentally ill individuals in or near their home communities allows for family participation in treatment, as well as access to providers familiar with resources available to the individual after discharge. This results in shorter length of stays and more practical post-hospitalization planning.
- In response to this statute and to the needs of the community, Fairbanks Memorial Hospital has upgraded its psychiatric unit to accommodate local hospitalization of mentally ill individuals and we plan for the future growth in meeting the needs of the mentally ill.

Supporting these efforts will continue to assure the ongoing growth and development of a strong mental health system throughout the state.

In conclusion, I hope you will recognize the importance of supporting this bill in order to provide quality patient care to the community we serve.

Sincerely,

Karl H. Sanford, RN
Assistant Administrator
Inpatient Services

ALASKA STATE LEGISLATURE



Interim:
600 East Railroad Avenue
Wasilla, Alaska 99654
(907) 376-3370
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Session:
State Capitol
Juneau, Alaska 99801-1182
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(907) 465-3805 Fax

SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE SENATOR LYDA GREEN, CHAIR

To: Senate HESS Members
From: Aurora Hauke, Committee Aide
Date: March 27, 2001
Subject: SB 154 REPEAL SUNSET OF MENTAL HEALTH ASSISTANCE

Please find attached additional letters of support for SB 154 REPEAL SUNSET OF MENTAL HEALTH ASSISTANCE.

Thank you.

SENATOR LOREN LEMAN, VICE-CHAIR
SENATOR JERRY WARD, SENATOR GARY WILKEN, SENATOR BETTYE DAVIS

ALASKA MENTAL HEALTH BOARD

TONY KNOWLES, GOVERNOR
STATE OF ALASKA

431 N. Franklin, Suite 200
Juneau, Alaska 99801
Office: (907) 465-3071
Fax: (907) 465-3079

March 27, 2001

The Honorable Lyda Green, Chair
Senate Health Education and Social Services Committee
State Capitol, Room 125
Juneau, AK 99801-1182

Dear Senator Green:

The Alaska Mental Health Board (AMHB) wishes to convey to the committee its position concerning SB 154. Senator Kelly's bill would repeal the 2001 sunset of the mental health treatment assistance program or Designated Evaluation and Treatment (DET). As you know, this program provides essential services at local hospitals for people experiencing mental health crises or in need of short-term evaluation and treatment. The AMHB regards the continuation of DET as absolutely essential for two reasons:

- ◆ We believe that the provision of local DET services, where possible, is a core element of an efficient, effective community mental health system. People simply have a better chance at recovery if they are treated in their home community, in a familiar setting close to family, friends, and local providers.
- ◆ DET services, in Anchorage and statewide, are a cornerstone of the Community Mental Health/API Replacement Project. Without DET services available at local hospitals, the carefully planned system of care complementing a smaller API will be incomplete. The AMHB strongly supports diverting to community-based services as many people currently sent to API as possible.

We urge the committee to move this bill as quickly as possible. Sunset looms for this essential service; SB 154 must pass both houses of the legislature this session.

Please let me know if you have any questions. Thank you for your consideration.

Sincerely,

Richard Rainery
Acting Executive Director

cc: Karen Perdue, Commissioner
Elmer Lindstrom, Special Assistant

**NAMI of Fairbanks**

P.O. BOX 72543 FAIRBANKS, AK 99707 PH: 907-456-4704
FAX: 907-456-3593 e-mail: fami@mosquitonet.com

March 26, 2001

Senator Lyda Green
State Capitol, Room 125
Juneau, AK 99801-1182

Dear Senator Green:

I strongly support the passage of SB-154 by the legislature this session.

The Designated Evaluation and Treatment Program (DET) encourages local treatment of the mentally ill by community hospitals. Prior to the state mental health reforms of 1998 mentally ill individuals were sent to API. The 1998 statute provides guidelines for extent of treatment to be given, as well as urging hospitals to offer expanded services for the mentally ill of their community. The sunset clause for the DET will go into effect at the end of June 2001.

As advocates of the mentally ill in the Fairbanks Community we supported the increased size and scope of Fairbanks Memorial Hospital's psychiatric unit in order to facilitate care of Fairbanks' mentally ill individuals. Family support of a mentally ill patient is important to their recovery and decreases the patient's length of stay. By allowing patients to remain in the care of their community provider, the patient will receive the optimum continuum of care during and following hospitalization.

The mental health assistance program is responsible for two years of progress in psychiatric treatment. However, these two years of effort and progress will count for little if the sunset clause is allowed to go into effect. Please join us in supporting the passage of SB-154.

I enjoyed meeting you this last week and am pleased at your sincere regards of mental health issues. Keep up the good work, and I feel I have a friend in Juneau. Thank-You.

Sincerely,

Bobby Miller
Consumer
Vice President-NAMI

Bobby Miller

Alaska State Legislature

Session:
State Capitol
Juneau, AK 99801
Phone: (907) 465-2327
Fax: (907) 465-5241



Interim:
119 N. Cushman
Fairbanks, AK 99701
Phone: (907) 456-8161

Senator Pete Kelly
District P

SB154

“An Act relating to mental health treatment facilities; repealing the termination date of the mental health treatment assistance program; and providing for an effective date.”

SB154 would repeal the sunset clause on a bill that passed in 1999 that created the Designated Evaluation Program. This program provides treatment through local hospitals for people who are in mental crisis. These individuals are working poor people who have no insurance or Medicaid coverage, who cannot afford hospitalization and who meet certain eligibility requirements.

If the sunset clause is not repealed, the following will be lost:

- Description of application, application review and appeal procedures
- Authorization of the department to establish eligible services and reimbursement rates
- Description of procedures for payment for the services provided
- Clarification of language and definitions to accurately reflect statutory intent
- Clarification of the responsibilities of the Department
- Language that establishes who is eligible for assistance for inpatient services:
 - Individuals who meet criteria for commitment under current statutes (i.e. danger of harming self or others or gravely disables as a result of mental illness, and is likely to improve with treatment)
 - Individuals whose household income is below 185% of federal poverty guidelines for Alaska and who have no other third party payer

SB 154 would remove the sunset clause and extend the program indefinitely. Without this change, individuals in need of treatment would have to be transported to Alaska Psychiatric Institute or held in correctional facilities.

All of this is due to sunset July 1, 2001, sending the program back to it's original vague and problematic state.

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

DIVISION OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES

TONY KNOWLES, GOVERNOR

ALASKA PSYCHIATRIC INSTITUTE
2900 PROVIDENCE DRIVE
ANCHORAGE, ALASKA 99508-4677
PHONE: (907) 269-7100
FAX: (907) 269-7251

March 16, 2001

The Honorable Pete Kelly
Alaska State Senate
State Capitol - Room 518
Juneau, AK 99801-1182

Dear Senator Kelly:

I am writing to express the support of the management of Alaska Psychiatric Institute (API) for continuation of the legislation authorizing payments to designated evaluation and treatment (DET) hospitals across the State of Alaska who provide inpatient psychiatric services to Alaskans who meet statutory criteria for inpatient treatment.

As you know, API is the State's only public hospital. Our mission is to provide an appropriate array of quality, inpatient psychiatric services for the treatment of Alaskans with psychiatric disorders who meet admission criteria. API's patients come from all around the State.

One of our major and ongoing concerns is the admission pressure on the facility. Between FY95 and FY00, API's admissions have increased 56%, while our bed capacity has actually decreased to our present capacity of 74 beds. The attached graph demonstrates the impact on treatment capacity (higher admissions, shorter lengths of stay). Because our bed capacity is limited and the admissions frequent, we are required to discharge patients quickly, leading to criticism from some community mental health service providers that the hospital stays of the persons admitted to API are too short and that patients are discharged before they are ready to return to their communities.

However, API treatment staff truly have no choice but to discharge the majority of our patients relatively quickly because otherwise our beds would quickly fill up with patients with longer hospital stays and our patient census would not only quickly reach our supposed maximum capacity of 74 but soon seriously exceed the beds available (we have been as high as 88 in the last year or so).

Therefore, the reason API fully supports DET legislation is that it encourages local community hospitals to admit and treat persons experiencing a mental health crisis in their community of residence rather than transporting these individuals to API.

Page Two - Senator Pete Kelly - March 16, 2001

When we look at the annual increase in the number of API admits, we consider ourselves fortunate indeed that the DET statute has actually reduced referrals to API from the communities of Juneau and Fairbanks, and more recently from Kodiak and Nome.

Without the willingness of these hospitals to provide DET services, many of the persons admitted in the last few years to Bartlett Memorial Hospital in Juneau or Fairbanks Memorial Hospital, for example, would have been transported from their community (often in handcuffs!) and admitted to API instead, only further substantially increasing admission pressure on API.

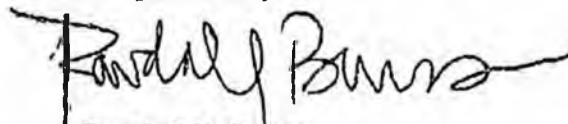
However, as a result of the provisions of the DET legislation, admissions from Juneau remain very low and, with the recent opening of the Fairbanks Memorial Hospital's expanded psychiatric unit, the admissions from Fairbanks to API have dropped substantially. This has been a real success story.

My concern would be, should the statutory authority to reimburse DET hospitals be allowed to sunset, that local hospitals would soon cease providing this service and the persons experiencing a mental health emergency requiring hospital-level care who now are able to be treated in their home community, near family and friends, would be transported to API for admission and treatment, neither a therapeutic or cost-effective solution.

I understand that you are supportive of continuing this important service to Alaskans with mental illnesses, and I provide this letter to you to demonstrate to you the present value of funded DET services to API. If these local services were not present, API would itself soon need additional budget funds to staff and operate the hospital to its increasing capacity.

If I can be of further assistance to you, or if you have any additional questions, please do not hesitate to contact me. And thank you for this opportunity to comment on the value of the DET legislation to API.

Respectfully yours,



Randall P. Burns
Chief Executive Officer

cc: Anne Henry, DMHDD

SEVEN (FISCAL) YEAR DATA COMPARISON
Alaska Psychiatric Institute

	FY94 (114 Beds)	FY95* (79 Beds)	FY96 (79 Beds)	FY97 (79 Beds)	FY98 (79 Beds)	FY99 (79 Beds)	FY00** (74 Beds)	Increase from FY95 to FY00
Admissions	1,052	946	1,164	1,258	1,352	1,350	1,480	56%
Discharges	1,043	984	1,161	1,266	1,333	1,361	1,497	51%
Inpatient Days	35,144	23,208	23,382	25,403	25,421	26,205	23,260	0%
Highest Daily Census	112	72	71	91	84	88	80	
Lowest Daily Census	82	56	56	51	51	55	49	
Average Daily Census	96	64	64	70	70	72	64	
ALOS ***	21 (28)	15 (35)	13 (18)	13 (21)	13 (18)	13 (21)	10 (22)	

* Following a substantive budget cut, API down-sized from 114 beds to 79 beds in late 1994.

** As a part of the API 2000/Community Mental Health Project, following the placement of a number of long-term patients in a residential program operated through ASSETS in Anchorage, effective January 1, 2000, API reduced its bed capacity on its longer term patient unit (Kotmni) by five beds, thus reducing API's total bed capacity to 74.

*** "ALOS" means the average length of stay for a patient at API; the top number provided in this row does not include any patient at API whose stay exceeded six months. Patients with lengths of stay in excess of six months are generally treated on API's Kotmni Unit, where their complex treatment or placement needs, or their legal status, frequently require stays in excess of six months and often many years; it also will include any patient on API's Toku Unit whose treatment needs may require stays that extend beyond six months. The bottom number in parentheses in this row reflects a LOS that includes all patients, regardless of their length of stay at the hospital.



INTERIOR
NEIGHBORHOOD
HEALTH
CLINIC

1949 Gillam Way, Suite D
Fairbanks, Alaska 99701
Phone: (907) 455-4567
Fax: (907) 455-7675
TTY: (907) 455-4507

March 25, 2001

Senator Pete Kelly
119 North Cushman Suite 201
Fairbanks, Alaska 99701

Pete
Dear Senator Kelly:

One in 5 adults has a diagnosable mental disorder and one in four families will have a member with mental illness. Meeting the mental health needs of our communities remains one of the greatest challenges for healthcare providers. Many individuals needing treatment are unable to work because of their illness and will not seek needed inpatient treatment for fear of large medical bills, although they may be at risk of endangering themselves or others.

We urge you to support SB-154 introduced by Senator Kelly. The bill repeals the sunset clause of the mental health treatment assistance program. This program was established two years ago as part of the reform of the state mental health program. It provides for the local hospitalization of mentally ill individuals who would otherwise be committed to API. In many instances, this includes traveling from Fairbanks to Anchorage through the judicial system. This option can be frightening and detrimental to someone already suffering from mental illness. With the expansion of the mental health unit at Fairbanks Memorial Hospital from 9-20 beds, the need to transport patients' through the judicial system to API has drastically been reduced.

The Designated Evaluation and Treatment Program (DET) promotes access to hospital care for mentally ill individuals as close to home as possible. Involvement of family members and local community providers in hospital care and discharge planning results in shorter length of stays, more realistic follow-up care and local family support.

The 1998 statute clearly defines the boundaries of the program while encouraging local hospitals to take a greater role in providing care for the civilly committed patients. The success of the efforts over the last two years would be lost if the program is sunsetted and Alaska returns to its former way of doing business. By passing SB-154 before June 2001, access to local mental health care in Fairbanks and Alaska will continue the strengthening of local programs that began with the inception of the original bill.

Please contact me if I may provide further information.

Sincerely,

Cheryl Kilgore
Executive Director

ALASKA STATE

HOSPITAL & NURSING HOME

ASSOCIATION

March 27, 2001

Senator Lyda Green
Chair, Senate HESS Committee
State Capitol, Room, 125
Juneau, AK 99801-1182

Dear Senator Green:

The Alaska State Hospital and Nursing Home Association supports SB-154 and urges timely passage of this key piece of legislation. Two years ago the legislature passed a reform of the Designation Evaluation and Treatment Program which provided for community hospitalization of individuals who would otherwise be sent to API. The program had been vague and problematic for the state, local hospitals and most importantly, the consumers. With the reform, the program has clarity, and established boundaries concerning the state's role in coverage for acutely mentally ill individuals who meet the civil commitment criteria.

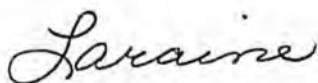
The advances in psychiatric medicine in the last decade have resulted in new medications and improved treatment and rehabilitation outcomes. Access to local hospitalization during an acute crisis increases involvement of family members and local treatment resources in discharge planning. Local hospitalization results in shorter hospital stays and less debilitating institutionalization outcomes, which can be associated with hospitalization at a distant state facility. Based on the utilization of local hospitals for acute care, the state plans to build a replacement for API that will have fewer beds than would otherwise be needed.

Over 4000 Alaskans are hospitalized each year for psychiatric care. The state, as payer of last resort, supports coverage for patients under the Designated Evaluation and Treatment for approximately 250 of these patients.

The passage of SB-154 this legislative session is needed as the reform passed two years ago sunsets July 1, 2001. Without SB-154, the Designated Evaluation and Treatment Program will return to its original vague and problematic state. API does not have sufficient beds to provide the care now being provided by local hospitals.

Therefore, ASHNHA is asking that you support SB-154.

Sincerely yours,



Laraine L. Derr
President/CEO



LAWS OF ALASKA

1999

Source
CSSB 97(FIN) am

Chapter No.
87

AN ACT

Relating to mental health services and programs; relating to liability for payment for mental health evaluation and treatment services; and providing for an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

THE ACT FOLLOWS ON PAGE 1

Approved by the Governor: June 30, 1999

Actual Effective Date: Sections 2, 4, and 6 take effect July 1, 2001; remainder of Act takes effect July 1, 1999

AN ACT

1 Relating to mental health services and programs; relating to liability for payment for mental
2 health evaluation and treatment services; and providing for an effective date.

3

4

5 * Section 1. AS 47.30.910 is repealed and reenacted to read:

6 **Sec. 47.30.910. Liability for expense of placement in a facility.** (a) A
7 patient, the patient's spouse, or the patient's parent if the patient is under 18 years of
8 age shall pay the charges for the care, transportation, and treatment of the patient when
9 the patient is hospitalized under AS 47.30.670 - 47.30.915 at a state-operated facility,
10 an evaluation facility, or a designated treatment facility providing services under
11 AS 47.30.670 - 47.30.915. The patient, the patient's spouse, or the patient's parent if
12 the patient is under 18 years of age shall make arrangements with a state-operated
13 facility, an evaluation facility, or a designated treatment facility for payment of
14 charges, including providing income information necessary to determine eligibility for