

ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 00/2

10762 HOUSE HEALTH EDUCATION & SOCIAL SERVICES

HCR

31

Alaska State Legislature



Session:
State Capitol
Anchorage, AK 99501
Phone: (907) 465-2995
Fax: (907) 465-6592

Interim:
716 W 4th Avenue, Suite 430
Anchorage, AK 99501-2133
Phone: (907) 269-0250
Fax: (907) 269-0249

Representative Lesil McGuire

Chair, Judiciary Committee

HCR 31

"A Resolution proclaiming April 2004 as Traumatic Brain Injury Awareness Month"

SPONSOR STATEMENT

Every 21 seconds someone in the United States will sustain a traumatic brain injury (TBI); which equals more than 4,000 people daily. Of the 1,460,000 people annually who suffer these injuries, 50,000 will die while another 80,000 will experience life long disabilities associated with their injury.

In Alaska alone at least 600 people receive acute care for brain injuries, 150 Alaskans die, and another 190 experience the beginning of life long disabilities because of these injuries each year. These numbers can't be reduced by finding a "cure", but only through effective prevention of TBIs. It is for this reason we propose proclaiming April 2004 "Traumatic Brain Injury Awareness Month".

Along with the Brain Injury Association of America, the Centers for Disease control, the Alaska Mental Health Trust and many others, we would like the citizens of Alaska to be aware of the effects of traumatic brain injuries and ways to prevent its occurrence. From use of seatbelts to bicycle helmets, there are many ways to prevent these tragedies from occurring. Nevertheless, only by making Alaskans aware of traumatic brain injuries, their cause, and prevention can we lower the number of injuries and deaths caused each year.

23-LS1749D
Utermohle
2/24/04

CS FOR HOUSE CONCURRENT RESOLUTION NO. 31()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVE MCGUIRE

A RESOLUTION

1 **Proclaiming April 2004 as Traumatic Brain Injury Awareness Month.**

2 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 **WHEREAS** brain injury is a serious, national public health epidemic affecting at least
4 5,300,000 Americans; and

5 **WHEREAS**, every 21 seconds, someone in the United States will sustain a traumatic
6 brain injury, which equals more than 4,000 people daily; and

7 **WHEREAS**, each year, at least 50,000 Americans die and 80,000 Americans
8 experience the onset of life-long disabilities as a result of sustaining a brain injury; and

9 **WHEREAS**, each year at least 600 Alaskans receive acute care for trauma related to
10 brain injuries, 150 Alaskans die from brain injury, and approximately 190 Alaskans
11 experience the beginning of life-long disabilities requiring marked adaptations to daily
12 functioning as a result of sustaining a brain injury; and

13 **WHEREAS** prevention is the only known cure; and

14 **WHEREAS** the mission of the Brain Injury Association of America is to create a
15 better future through brain injury prevention, research, education, and advocacy; and

16 **WHEREAS**, in partnership with the Centers for Disease Control and Prevention, the

1 Health Resources and Services Administration, the Defense and Veterans Brain Injury Center,
2 the Brain Injury Association of America, and the Alaska Mental Health Trust Authority strive
3 to increase brain injury awareness, thus making prevention and safety measures part of the
4 American culture in an effort to decrease the number of brain injuries;

5 **BE IT RESOLVED** that the Alaska State Legislature proclaims the month of
6 April 2004 as Traumatic Brain Injury Awareness Month; and be it

7 **FURTHER RESOLVED** that the Alaska State Legislature urges schools, community
8 groups, and other public and private agencies and individuals to observe Traumatic Brain
9 Injury Awareness Month with appropriate activities that increase the public's awareness of
10 traumatic brain injury, the leading causes of traumatic brain injury, and ways of preventing
11 traumatic brain injury.



Alaska State Legislature

Please enter into the record my testimony to the House HESS
committee name

Committee on HCR 31, dated 2-26-04
bill # / subject public hearing date

See attached 4 pages

Signed: Richard Warrington
 Testifier

TBI Advisory Board
 Representing (optional)

313 Cindy Circle Kenai, AK 99611
 Address

283-5711
 Phone number

Hello Legislators,

My name is Richard Warrington; I'm a 25 year Survivor of TBI. I've been in Alaska for 18 years.

I was appointed to the National Ambassador Program in 1997.

I am still giving Prevention Presentations at Schools and Community Organizations.

I gave testimony to the Legislative Hess Committee that same year on Brain Injury.

I'm very happy to hear Representative McGuire is sponsoring HCR31 today. April is a fine Month.

How ever National BIA Choose October, and Congress Passed a Proclamation claiming October as National Brain Injury Awareness Month.

Last year Kenai Peninsula Borough Mayor, Dale Bagley gave a Proclamation for the Month of October for the Peninsula.

I would like to see the Wording on Page 2 line 3 after "Brain Awareness,___

I'd like to insert:

And reducing the incidence of Brain Injury by Promoting Traffic Safety, Encouraging Helmet use, decreasing violent behavior, Through Education, Increasing safety practices,

___ Thus making prevention & Safety.

This is the only change I'd like to see made,

Other wise I think it's Great!

I'd also like to make an Announcement

Please come and Join us on our 8th Annual Brain Injury Awareness Walk and Bar-B-Q held on the 1st Saturday after Memorial Day, This year it will be held on the 5th Of June.

Walk Starts with Registration at 10:30, walk starts at 11:am Through Beautiful down Town Kenai, to the SoftBall Park Pavilion for a Bar-B-Q.

We ask for a \$10.00 registration fee or a sponsor sheet, with Collected Donations.

Sincerely,

Richard Warrington

SATURDAY, JANUARY 3, 2004

Brain injury research boosted by driver fines

■ A new law charges an extra dollar on motor vehicle fines to help fund medical research.

By TOM BELL
Associated Press

TRENTON — New Jersey drivers will pay a \$1 surcharge on motor vehicle fines to fund medical research on brain injuries under provisions of a bill signed into law Friday.

When Gov. James E. McGreevey signed the Brain Injury Research Act, it made New Jersey the first state in the country with a dedicated funding source for research on traumatic brain injuries.

"By creating a continuous source of funding, we finally bring hope to thousands of New Jersey families and indeed offer miraculous possibilities for families across the nation," McGreevey said.

The law also created the New Jersey State Commission of Brain Injury Research, an 11-member panel that will review and approve research projects and make sure the funding is

not diverted for other uses.

McGreevey signed the law at the home of the Benigno family in Clifton. Dennis Benigno has been disabled since a car hit him 20 years ago.

"Brain injuries are traumatic and life-changing and, at this point, almost entirely incurable," said Sen. Joseph Coniglio, D-Bergen, a co-sponsor of the bill. "The state owes it to families like Dennis Benigno's who have had to suffer the debilitating effects of a brain injury to fully support this type of life-restoring research."

The brain injury commission will include the state health commissioner, representatives from Rutgers University and the University of Medicine and Dentistry of New Jersey, six members of the public appointed by the governor and two other members to be appointed by the Senate president and Assembly speaker.

There are about 5 million Americans living with disabilities caused by brain injury, according to the Centers for Disease Control and Prevention.

My Life My Shadow

I am one of the walking wounded
I have my tale to tell
All the struggles within me
Are kept within my shell

As my shadow follows my every move
Facing not a future
My dreams confused
Only walking on my history
Making life's struggle my strength
My shadow now is courage
A different life - A different journey

So stand in your shadow
Recognize your own dignity
Be a Somebody
Be a Hero to yourself

Bernadette Kolpacki
BIA Ambassador

To learn more about the
Ambassador Program contact:

Mary & Richard Warrington
Alaska BIA Affiliation
313 Cindy Cir
Kenai AK 99511-7671



Brain Injury Association of America
8201 Greensborough Dr.
Suite #611
McLean, Virginia 22102
Tel 703.761-0750 Fax 703.761-0755
<http://www.biausa.org>

Ambassador Program

Speakers Bureau
of the
Brain Injury Association

"I am merely one of the two million
people that sustain brain injuries
each year... We all face a myriad
of challenges that are frequently
overwhelming and that require
tremendous inner courage..."

James Brady
Vice Chairman of BIA, 1998



Brain Injury Association, Inc.

What is the Ambassador Program?

- The Ambassador Program of the Brain Injury Association effectively promotes prevention and education by creating a venue where people with brain injury can communicate personal stories of injury and recovery.
- Ambassadors combine knowledge and personal insight into brain injury — linking prevention issues with real-life examples.
- The goals of the Ambassador Program include:
 - Increasing awareness and reducing the incidence of brain injury by promoting traffic safety
 - Encouraging helmet use
 - Decreasing violent behavior through education
 - Increasing safety practices

What are the Benefits of the Ambassador Program?

- The Ambassador Program provides services to a variety of audiences including schools, businesses, medical facilities and other civic organizations.
- Speaking engagements are tailored to meet the needs of individual audiences.
- The program focuses on injury prevention and education for *all age groups*.
- Each Ambassador's story is unique and personal—creating an intimate relationship between audience and speaker regarding the topic of brain injury.
- *Prevention* is the underlying message of all Ambassadors, who are able to illustrate through first hand experiences what can happen without prevention measures.

Who are Ambassadors?

- All Ambassadors have either sustained a brain injury or have been directly and personally affected by a person with brain injury.
- BIA Ambassadors vary in age and experience.
- With participants from every segment of the community, the Ambassadors of this nationwide program symbolize all individuals with brain injury.
- BIA Ambassadors not only serve as personal representatives, they also stand for the Brain Injury Association and its supporters.
- All individuals serving as Ambassadors do so on a voluntary basis; without any direct financial gain.

"I have a doubt that in our small group of the unglorious, commonest, most ordinary people, there would be one who would not be included if it's the only thing that ever has."

— Margaret Mead

HJR

13

Alaska State Legislature

SESSION ADDRESS:
Alaska State Capitol
Juneau, Alaska 99801
Phone: (907) 465-3743
1-800-565-3743
Fax: (907) 465-2381

INTERIM ADDRESS:
600 E Railroad Avenue
Wasilla, AK 99654
Phone: (907) 376-2679
Fax: (907) 373-4745

House Special Committee on Education

Representative Carl Gatto, Chair

SPONSOR STATEMENT

HOUSE JOINT RESOLUTION 13

Urging adoption of the Alaska recommendations for implementing the No Child Left Behind Act of 2001.

The No Child Left Behind Act is a mammoth piece of federal legislation the implications of which encompass nearly every facet of the educational system in the state of Alaska. The implementation of the NCLB Act is a daunting task for every state however it is vital that the Federal Department of Education recognize the true uniqueness of Alaska.

The Alaska Department of Education and Early Development have been working on Alaska's application for two years and have submitted a proposal for peer-review. It is important that Alaska be allowed to develop a plan, which works well in this extremely large, diverse state of Alaska. I ask your support of HJR 13, which urges prompt approval of the Alaska consolidated state application accountability workbook so that the children of Alaska may experience the full benefits that the No Child Left Behind Act promises for each and every child of our state.

MAR 6 - 2003

(dyson draft)

Urging the United States Department of Education to approve the Alaska recommendations for implementing the federal Elementary and Secondary Education Act (Public Law 107-110), also known as the No Child Left Behind Act of 2001.

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

WHEREAS, the Alaska Legislature ardently supports the intent and goals of the No Child Left Behind Act and is committed to implementing state and federal school reform initiatives aimed at ensuring that *all* children meet state academic standards and benefit from the promise of the No Child Left Behind Act; and

WHEREAS the Alaska Department of Education & Early Development submitted as required to the United States Department of Education on January 31, 2003 the Alaska Consolidated State Application Accountability Workbook for State Grants under Title IX, Part C, Section 9302 of the Elementary and Secondary Education Act (Public Law 107-110), also know as the No Child Left Behind Act of 2001; and

WHEREAS Alaska Governor Frank Murkowski and officials from the Murkowski Administration have voiced their strong support for the intent and goal of the No Child Left Behind Act and the state's commitment to implementing the Act; and

WHEREAS Governor Murkowski and his Administration explained to U.S. Secretary of Education Rod Paige and key officials of the U.S. Department of Education Alaska's unique challenges in meeting the No Child Left Behind Act and the relief Alaska requests including the plan expressed in the Accountability Workbook and Alaska implementation strategies for the provisions of the No Child Left Behind Act that address Highly Qualified Teachers, Highly Qualified Paraprofessionals, English Language Assessment and Native Language Immersion, and Choice and Supplemental Services, and

WHEREAS Alaskans, before the passage of NCLB, demonstrated commitment and successes in implementation of many of the NCLB goals, including, but not limited to; a statewide assessment program, charter schools, distance learning programs, parental involvement programs, and teacher training.

BE IT RESOLVED that the Alaska State Legislature urges the United States Department of Education to speedily approve the Alaska Consolidated State Application Accountability Workbook, and to accept the Alaska implementation strategies relating to (1) Highly Qualified Teachers, (2) Highly Qualified Paraprofessionals, (3) English Language Assessment and Native Language Immersion, and (4) Choice and Supplemental Services so that the children of Alaska can experience the full benefits that the No Child Left Behind Act promises for each and every child in our state and nation.

COPIES of this resolution shall be sent to the Honorable George W. Bush, President of the United States; the Honorable Paige, Secretary, U.S. Department of Education, the Honorable Ted Stevens and the Honorable Lisa Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.

Subject: NCLB Resolution

Date: Wed, 05 Mar 2003 17:57:54 -0900

From: Wes Keller <Wes_Keller@legis.state.ak.us>

Organization: Alaska State Legislature

To: Jean Ellis <Jean_Ellis@legis.state.ak.us>,
Senator Con Bunde <Senator_Con_Bunde@legis.state.ak.us>,
Jason Hooley <Jason_Hooley@legis.state.ak.us>

I am very sorry that we have been slow on this--- Here is our best shot (attached)

Rationale:

-- If we start with a simple resolution to meet at least one of the goals Kevin asked for (to show unanimity on the proposed plan), we have a better chance of smooth sailing.

-- There will be plenty of opportunities to accomplish the second goal (emphasis of our unique problems), including an address Fred will have the opportunity of delivering to the peer review people before they start. The problem with putting them in the resolution is that it begins really fast to sound like whining. I have been to several NCLB conferences and by the time you here the third state tell about how they have a unique situation, cynicism begins to build. Also, we could footnote the reference to unique challenges communicated already to Rod Paige and include as much as we want as an attachment when we give them copies.

-- The last be it therefore resolved can easily be taken as a threat. Most people do not respond to threats with positive action...


--- Anything I have left out of this can be re-inserted in Committee on it's own merit. By starting simple and being brief, we communicate the first purpose and let committee members add things as they agree to do so.

Confession: The last WHEREAS is an addition by our office. Jean, if Rep Wilson is uncomfortable with it we will take it out and attempt to float the idea as an addition like all the things we freely deleted out. It just seems to us that this "whereas" communicates that we really do understand the goal of NCLB...

Hope this gets us rolling...

sincerely,

wes

 nclb res.doc	Name: nclb res.doc Type: WINWORD File (application/msword) Encoding: base64 Download Status: Not downloaded with message
--	---

SB

25

GARY WILKEN

SENATOR
Fairbanks

Office:
1851 Fox Ave.
Fairbanks, Alaska 99701
Tel: 451-5501 (from Fbks)
Tel: (907) 465-3709 (outside Fbks)
Fax: (907) 465-4714

Alaska State Legislature

Senate

During Session:
State Capitol Building
Juneau, Alaska 99801-1182
Tel: 451-5501 (from Fbks)
Tel: (907) 465-3709 (outside Fbks)
Fax: (907) 465-4714
Website: www.garywilken.com
E-Mail: Senator.Gary.Wilken@legis.state.ak.us

MEMORANDUM

TO: Representative Peggy Wilson, Chairman
Health, Education and Social Services Committee

FROM: Senator Gary Wilken

DATE: April 3, 2003

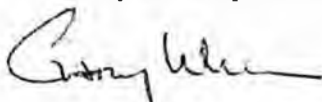
RE: Senate Bill 25 – AHFC Loans to Educators

I respectfully request that Senate Bill 25, *AHFC Loans to Educators*, be scheduled for a hearing before the House Health, Education, and Social Services Committee.

Senate Bill 25 establishes a teacher's housing loan program within the Alaska Housing Finance Corporation (AHFC) for teachers, counselors, and administrators who are required to be certificated. The new teacher-housing loan offered through AHFC requires no down payment and may only be used for owner-occupied housing.

The recruitment and retention of qualified public school teachers is paramount to the operation of a successful K-12 educational program. Unfortunately many school districts are experiencing a shortage of experienced, talented teachers and spend thousands of dollars to recruit the necessary workforce. The new housing loan program will provide school districts with a tool to encourage new teachers to come to their district and remain in their community.

Thank you for your cooperation and assistance in scheduling a hearing.



GARY WILKEN

SENATOR
Fairbanks

Interim:

1851 Fox Ave.
Fairbanks, Alaska 99701
Tel: 451-5501 (from Fbks)
Tel: (907) 465-3709 (outside Fbks)
Fax: (907) 465-4714

Alaska State Legislature

Senate

During Session:

State Capitol Building
Juneau, Alaska 99801-1182
Tel: 451-5501 (from Fbks)
Tel: (907) 465-3709 (outside Fbks)
Fax: (907) 465-4714
Website: www.garywilken.com
E-Mail: Senator.Gary.Wilken@legis.state.ak.us

SPONSOR STATEMENT

Senate Bill 25 AHFC Loans to Educators

It's about Recruitment and Retention

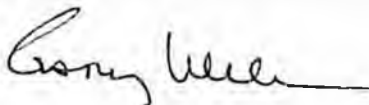
Senate Bill 25 establishes a housing loan program within the Alaska Housing Finance Corporation (AHFC) for K-12 educators who are required to be certificated. The new teachers' housing loan offered through AHFC permits a qualified applicant to purchase a single-family, owner-occupied home without paying a down payment.

The new, zero down payment loan program will provide Alaska school districts with a tool to help attract and keep qualified public school teachers. The recruitment and retention of a qualified workforce is paramount to the operation of a successful K-12 educational program. Unfortunately many school districts are experiencing a shortage of experienced, talented teachers and spend thousands of dollars to recruit the necessary professionals. The proposed new housing loan program provides an incentive for trained teachers, counselors, and administrators to enter into the profession and invest in our local communities.

In addition, Senate Bill 25 allows a Regional Educational Attendance Area (REAA) school district to own or manage rental housing for teachers. With the passage of this legislation, REAAs that meet normal AHFC loan qualifying guidelines, will be eligible to participate in the current teacher housing loan program authorized under AS 18.56.580. Under this loan program, the interest rate is reduced one percent for a multi-family unit constructed in a small community and rented exclusively to teachers. Senate Bill 25 clarifies that no state education dollars may be used to help construct or purchase housing owned by an REAA

Both provisions of Senate Bill 25 encourage teachers to remain in Alaska and offer a positive step towards ensuring that Alaska school districts have the best and most stable workforce possible.

Please join me in endorsing and passing Senate Bill 25.



Proudly Representing the Golden Heart of Alaska

Senate Bill 25 – AHFC Loans to Educators

IT'S ABOUT RECRUITMENT AND RETENTION!

Why??

- *Teacher Housing: Current Issues and Challenges*
Alaska House Finance Corporation Draft White Paper

Statements of Support

- Guest Opinion article by Rep. Con Bunde
Fairbanks Daily News-Miner, October 30, 2001
- Anchorage School District
Committee Report on Statewide Teacher Shortage
By the House Special Committee on Education, Oct. 22-24, 2001
- *2000 Alaska Statewide Educator Supply and Demand Report*
by Alaska Teacher Placement, University of Alaska Fairbanks
- *No Dream Denied* by the National Commission on Teaching

Other States' Actions

- Alaska Council of School Administrators Bulletin Excerpt
- *School Board News* Article, January 28, 2003



Headquarters
4300 Boniface Parkway
Anchorage, Alaska
907-338-6100

Mailing Address
PO Box 101020
Anchorage, AK 99510-1020

Internet Web Site
<http://www.ahfc.state.ak.us>

Teacher Housing: Current Issues and Challenges
DISCUSSION DRAFT
November 27, 2002

The State of Alaska has 55 school districts with 8,206 teachers serving over 132,000 students. Of these school districts, 19 serve rural and remote communities. Retention of staff in these areas has generally been difficult due to a variety of factors including community acceptance, salary, and quality of life. However, one issue that is becoming increasingly important to school administrators in these communities is teacher housing. The villages and rural towns served by these districts often have a limited supply of adequate and affordable housing. Administrators report that many teachers in rural districts live in substandard housing and often are doubled-up with other households because of a lack of supply.

In a preliminary analysis of the state of teacher housing, AHFC contacted 19 rural and "rural-hub" school districts and asked them 10 questions about teacher housing. Responses were received from 12 school districts. Of the 12 districts who responded over half identified teacher housing as an important issue. Three districts identified it as the highest priority. Seven of these districts own single family and multifamily housing that they lease to teachers. The North Slope and the Lower-Kuskokwim school districts reported the bulk, 277 units or 75% of the total number reported. A smaller number of districts, 5, do not own but manage units, 70 total.

In addition to owning and managing units, rural school districts may choose to use the private market. In communities like Bethel and Dillingham, the school provides a rental subsidy, typically specified in the teacher contract that pays a portion of a private rental unit cost. In smaller communities, the district may lease units from the tribal entity, borough, or local corporation. However, the school district is most likely to operate as the owner and manager of teacher rental housing. Very few districts mentioned homeownership. Only two districts noted that they had a handful of teachers purchase homes.

The most pressing issue in the districts was affordability. Seventy-five percent of the districts indicated that it is difficult for a first-year teacher to afford to either purchase or rent a home. Supply and quality were also rated as important but to a lesser degree (55 and 45% respectively). Another issue raised was land-availability. Districts reported that it is difficult to acquire land in small communities, especially in villages. One district, Annette Island, reported that the



tribe controlled the land and that any development needed to be approved by the village council.

To what extent do these issues contribute to loss of teachers? District personnel estimated that anywhere from 4% - 30% of their teachers leave every year because of housing issues. For these districts this equates to a loss of 133 teachers a year. The percentage of teachers who decide not to accept positions in each district because of problems with housing is close to 8% or 152 teachers. One district, Lower Kuskokwim indicated that for every successful teacher applicant there are six that decide not to work in the district, roughly half of these are due to housing factors. It's important to note that the numbers reported reflect the opinion of administrators, not teachers, and not all districts keep track of these numbers.

What do districts report they need to address teacher housing problems? The answer depends on the district. Some district superintendents have concluded that attrition due to housing is a problem but have decided not to get into the business of developing or providing housing. Other districts have taken an active role in housing, both developing and managing housing. Fifty-percent of districts indicated that providing more rent subsidy would help address the problems of teacher housing. Forty-two percent indicated that better financing, including downpayment assistance, would help. Forty-two percent also indicated that land acquisition would be helpful. In terms of housing production, district personnel estimated that they would need an additional 27 multifamily and 144 single family units to address their current problems with teacher housing.

Current AHFC Programs Could Address the Teacher Housing Problem

Through the refinement or modification of three existing AHFC financing programs it may be possible to address some of the barriers to the development of teacher housing:

- o *AHFC Multifamily Development Long Term Take-out Loans* - Districts may be able to develop more units of multifamily housing with affordable rents.
- o *AHFC Rural Loan Program* - The utilization of this program which has been more specifically targeted toward teachers could increase from marketing efforts, and/or modification of some of the statutory limitations on the program.
- o *AHFC Interest Rate Reduction Programs* - By combining the rural loan program with an interest-rate reduction program, the program could enhance affordability for teachers who want to own their own home.

Current Challenges May Make It Difficult for AHFC Programs to Assist All School Districts

For some districts, AHFC programs in their current form may not be enough because of the following issues:

- o It is unknown what the capacity of each district is to develop multifamily housing and what the demand would be for such units.
- o In smaller communities, the ability to acquire land may make multifamily development difficult.
- o Many teachers work in rural areas for less than three years and community resistance often makes it difficult for teachers to establish roots in the community.
- o School districts have expressed reluctance in constructing new housing in communities where there is already wide disparity in housing quality between community residents and teachers.
- o Lack of quality supply may serve as a disincentive to homeownership.
- o It is unknown what the demand for homeownership is without demographic and financial data on teachers in the rural school districts.

Case Studies

To better illustrate the challenges of rental and homeownership development in rural Alaska, the following profiles are provided:

Rental Development Example

Based on market rents there is not sufficient income to support debt for the total development cost. The gap may be reduced by changing loan terms or gap financing through development subsidies for land, site work, infrastructure or general construction cost:

24 unit project in Kotzebue, three eight plexes, two story wood frame construction.

Estimated Development Cost:	\$184,000 per unit or \$4,428,000 .
Potential Rents:	1 Bed - \$1,000
	2 Bed - \$1,200
	3 Bed - \$1,400
Operating Expenses:	\$5,500 per unit/year
Estimated Loan Amount:	\$1,800,000 at 5.5%, 30 year term

Estimated Funding Gap (Dev. Cost - Loan): \$2,628,000

Starting Teacher
Salary In Kotzebue: \$42,000

30% of Monthly Income for Rent: \$1,030

Using 30% as a measure of affordability, the starting teacher in Kotzebue would be able to afford only a one bedroom unit at the rents above.

Homeownership Example

Under AHFC's rural loan program, a starting teacher in Kotzebue would not make enough income to qualify for a new 1,500 square foot single family home in Kotzebue. The gap may be reduced through land donation, down payment assistance, lowering the interest rate, or subsidizing the cost of construction if the cost of the home exceeds the appraised value, or self-help programs.

Cost of New Single Family Home: \$200,000
In Kotzebue, 1500 sq ft.

Starting Teacher Salary \$ 42,000
30% of Monthly Income for Mortgage: \$ 1,030

Loan amount at 5.5%, 30 year term: \$190,000
Downpayment requirement (5%): \$ 10,000
PITI Monthly Payment Requirement: \$ 1,346
(Includes MI at 95% LTV)

Estimated Funding Gap: -\$316 per month

Recommendations

Combining existing AHFC mortgage loan programs with new initiatives will address many of the challenges that rural school districts currently face. Specific recommendations include:

- o Educating rural school districts about AHFC homeownership programs so that teachers who are interested in homeownership can take advantage of AHFC's favorable interest rates. (AHFC's current rural interest rate is 5%; additionally, assuming the loan meets the qualifications, there is the possibility of reducing the interest rate even further through the options of IRRLIB and EEIR.
- o Explore the possibility of offering down-payment assistance to teachers. Such assistance may make homeownership possible in rural areas that have problems with affordability. (With regards to down payment, other

than a veteran's or FHA insured loan, a lower down payment would require a change to statutes).

- o Promote AHFC's Multifamily Development Programs to school districts who want to develop their own housing. AHFC already has a long term take-out program in its direct lending multi-family program; wherein, if a project is marginal because of the market interest rate, a portion of the loan can be structured into an arbitrage soft second at 1.5% or an option that has not been used before is that, similar to IRRLIB and EEIRR programs, the interest rate can be bought down. A cash-flow problem may arise during the off-school year in the event the teachers leave the community for that time; thus, reducing the cash flow available to pay expenses and debt service.
- o Promote home ownership programs with the private sector
- o Promote housing development partnerships between school districts and local housing authorities. With these partnerships local communities may be more effective in developing new housing stock for both teachers and community residents. Such collaboration may result in the upgrade of community infrastructure and address the community resentment issues that often arise when only new teacher housing is being constructed in the community. These partnerships could also overcome the land availability issue that school districts often face when attempting to develop housing in native village areas.
- o Partner marketing efforts with the USDA, Denali Commission, Rasmusson Foundation and other potential partners to address issues of infrastructure development and down payment assistance.
- o Promote the development of housing for both teachers and non-teachers so that the inventory of available housing units could be increased. In many areas that lack housing stock, the free market system simply cannot flourish and perform in a normal fashion because there is nothing to buy or sell.
- o In some areas it may be unrealistic to promote homeownership for teachers, and a multifamily development approach would be more successful. In those areas that could support single-family ownership, incentives will probably be necessary to encourage people to participate.
- o 100% Loan-to-value ratio would eliminate the need for down payment with a manageable risk exposure.
- o Development grants for construction lending, or subsidized capital financing.

Looking for answers to shortage

By REP. CON BUNDE

Research has shown that an excellent teacher is a vital factor in a student's academic success. Unfortunately, school districts all over the country are experiencing a severe shortage of quality teachers, especially in the areas of math, science, special education, foreign languages and support-service positions such as school counselors, speech-language pathologists and nurses. Districts are also having difficulty keeping the teachers they do have, due to factors such as retirement and job dissatisfaction. Regrettably, Alaska is sharing in these problems.

Over 30 years ago, when my wife and I began teaching in Anchorage, the school district recruited about 300 teachers every year, and virtually all were hired from outside Alaska. Salaries were high compared to those in the Lower 48. Now, estimates put Alaska's average teacher salaries at sixth or seventh out of the 50 states. A decade ago, 30 new teachers were required for a new school and the district received thousands of applications. This year, schools statewide started the school year with 80 teaching vacancies. Thirty positions still remain vacant.

Teacher retention is just as important as recruitment, and it is just as much of a problem. In some rural districts, there is 30 percent to 50 percent teacher turnover each year. In the Anchorage School District, 52 percent of those who left the classroom last year did so in the first four years of their teaching career.

As chair of the House Special Committee on Education, I re-

Guest Opinion

cently conducted hearings around the state to investigate the specific causes of these problems and to identify ways the state Legislature can help districts recruit and retain excellent teachers. The committee visited school districts in Kodiak, the Matanuska-Susitna Borough, Anchorage and Kotzebue. We also held a statewide teleconference.

Education professionals testifying before the committee said there were several reasons for the state teacher shortage:

- First-year teachers feel unprepared for the challenges they encounter in real classrooms;
 - Alaskan school districts are unable to compete with the salaries, benefits and incentives provided by districts down south;
 - Rising health insurance costs are eating away at school and family budgets;
 - Salaries are inadequate to support the cost of living in rural areas;
 - Adequate housing can be too expensive or nonexistent;
 - Teachers are dropping their certifications in high-need areas due to the high cost of renewal;
 - Qualified teachers from other states find it too expensive and time consuming to apply for jobs in Alaska.
- While those testifying were clear about the problems, they were also eager to offer suggestions on how to enhance teacher recruitment and retention, including:
- Improving teacher preparatory programs to better equip new teachers for the challenges of today's schools;
 - Supporting effective mentoring programs for new teachers, both for professional skill and cultural awareness;
 - Expanding mentoring programs for new teachers in more districts;
 - Streamlining the certification process, repeal duplicative fees and paperwork;
 - Establishing a student loan forgiveness program;
 - Hiring more Alaskans;
 - Instituting a state health insurance pool for all teachers to increase benefits and lower costs;
 - Working with Alaska Housing Finance Corp. to provide low-interest housing;
 - Hiring retired teachers as substitutes and full-time teachers, and as mentor teachers;
 - Increasing salaries;
 - Making the state's teachers exam, the Praxis, more effective to help more people become eligible for certification;
 - Working to increase respect for the education profession.

Every state in the nation is trying to solve its teacher shortage in creative ways. Alaska must remain competitive in this very important market, support our teachers, and ensure that every student has an excellent teacher.

It has been invaluable for the Education Committee to hear from those "in the trenches," and I am grateful to the education professionals and community members who shared their ideas with the committee. These hearings provided an important framework for further discussion and new legislation next session.

Con Bunde, a Republican from Anchorage, heads the Alaska House of Representatives' Special Committee on Education.

**Anchorage School District
Resolution on Teacher Recruitment and Retention:**

The Anchorage School District urges the Alaska Legislature to develop strategies to attract and retain education professionals.

Rationale:

- Alaska's colleges and universities supply about 30% of our state's annual demand for new teachers.
- More than two-thirds of new teachers come from out-of-state.
- A national shortage of teachers and administrators forces Alaska to compete with other states for an ever-shrinking pool of applicants.
- Other states are offering teachers signing bonuses, down payment on homes, mortgage subsidies, and student loan repayment plans.
- As a result, Alaska needs to consider strategies for attracting and retaining qualified educators.

These strategies might include:

- | | |
|---------------------|--|
| ASD Resolution #183 | Aligning vesting in the Teacher Retirement System (TRS) with vesting in the Public Employees Retirement System (PERS). Currently, it takes 8 years to vest in TRS, but only 5 years to vest in PERS. |
| ASD Resolution #183 | Providing student loan forgiveness to offset high needs areas such as special education and related services |
| ASD Resolution #183 | Providing housing subsidies for teachers in both rural and urban areas. |



2000 ALASKA STATEWIDE EDUCATOR SUPPLY AND DEMAND REPORT

By
Melissa Hill

ALASKA TEACHER PLACEMENT
UNIVERSITY OF ALASKA FAIRBANKS

PO Box 756880
Fairbanks Alaska 99775
907 474-6644 907 474-6176

January 2001

This table shows the 2000 positions filled by each district. The total district staff numbers are included in this table to help the reader keep the turnover percentages in perspective. An 8-10% turnover is normal for natural attrition. In any given year, Alaska's rural sites can experience resignations from up to 47% of their staff. This high turnover can be due to many reasons, but one of the main reasons seems to be poor housing and harsh living conditions. The number of first year teachers being hired increases each year. Are they being given the support needed for success? The University of Alaska Fairbanks is seeking a post-hiring course for first year teachers. Courses such as these in addition to Alaskan Native Studies are essential to teacher retention rates. Many rural sites do not have adequate funding to give them the resources for success.

Positions Filled by Districts									
District	New Hires		Total Staff	District Turnover	District	New Hires		Total Staff	District Turnover
	Admin	Teacher				Admin	Teacher		
Alaska Gateway	0	6	42	14%	Kodiak	0	23	221	10%
Aleutain Region	0	2	6	33%	Kuspuk	2	14	52	31%
Aleutians East	1	16	43	40%	Lake & Pen	0	24	67	36%
Anchorage	12	215	3477	7%	L. Kuskokwim	4	71	335	22%
Annette Island	1	5	35	17%	Lower Yukon	5	48	164	32%
Bering Strait	3	58	201	30%	Matanuska	6	85	910	10%
Bristol Bay	2	2	28	14%	Nenana	2	12	33	42%
Chatham	2	9	30	37%	Nome	3	11	60	23%
Chugach	0	3	16	19%	North Slope	6	53	231	26%
Copper River	0	8	52	15%	NW Arctic	6	49	199	28%
Cordova	2	3	38	13%	Pelican	1	1	4	50%
Craig City	0.5	9	37	26%	Petersburg	0	6	54	11%
Delta	0	0	65	0%	Pribilof	2	4	13	46%
Denali	0	5	36	14%	Sitka	2	7	128	7%
Dillingham	2	15	51	33%	Skagway	2	12	14	100%
Fairbanks	1	48	1087	5%	Southeast Is.	0	3	25	12%
Galena	1.5	9	75	14%	Southwest R.	0	5	97	5%
Haines	0	0	36	0%	St. Mary's	7.5	28	20	178%
Hoonah	1	3	25	16%	Tanana	0	1	10	10%
Hydaburg	0	5	12	42%	Unalaska	1	6	36	19%
Iditarod	3	14	51.5	33%	Valdez	2	11	73	18%
Juneau	5	25	407	7%	Wrangell	0	6	36	17%
Knife	1	3	15	27%	Yakutat	1	7	19	42%
Kashunamiut	1	6	26	27%	Yukon Flats	7	16	42	55%
Kenai	6	39	737	6%	Yukon Koyukuk	1	15	85	19%
Ketchikan	2	13	168	9%	Yupit	3	23	42	62%
Klawock	0	0	18	0%	SESA	0	3	21	14%

Average Turnover for the following:

URBAN DISTRICTS	7%
RURAL DISTRICTS	20%
ALL DISTRICTS	12%

History of District Turnover

District	1997		1998		1999		2000		Average Turnover
	Staff	Turnover	Staff	Turnover	Staff	Turnover	Staff	Turnover	
Alaska Gateway	48	31%	45.25	24%	40.5	4%	42	14%	15%
Aleutian Region	4	0%	9.5	33%	9.5	42%	6	33%	19%
Aleutians East	36	57%	37	15%	41.5	32%	43	40%	26%
Anchorage	3009	7%	3100	15%	3143	9%	3477	7%	8%
Annette Island	39	17%	37	16%	34.3	3%	35	17%	9%
Bering Strait	172	35%	198.5	24%	202	35%	201	30%	24%
Bristol Bay	29.75	0%	28	7%	28	3%	28	14%	3%
Chatham	33	29%	29	26%	27	10%	30	37%	16%
Chugach	17.5	0%	17	6%	12	8%	16	19%	4%
Copper River	46.97	28%	48.5	11%	48.5	11%	52	15%	13%
Cordova	34.5	21%	41	5%	35.3	10%	38	13%	9%
Craig City	31	17%	30	23%	33	15%	37	26%	14%
Delta/Greely	50	0%	75	11%	68	4%	65	0%	4%
Denali	30	15%	33	11%	30.5	24%	36	14%	13%
Dillingham	51	10%	54	34%	51	19%	51	33%	16%
Fairbanks	1044.33	0%	1065	10%	1129	8%	1087	5%	5%
Galena	34	24%	56	48%	70	36%	75	14%	27%
Haines	30.8	19%	11.7	23%	37	7%	36	0%	12%
Hoonah	25	0%	20	11%	21.5	4%	25	16%	4%
Hydaburg	15	28%	10	57%	12	50%	12	42%	34%
Iditarod	42.25	34%	47	39%	51	31%	51.5	33%	26%
Juneau	276.35	18%	371.7	10%	381	21%	407	7%	12%
Kake	17	0%	17.6	17%	16.6	23%	15	27%	10%
Kashunamiut	21	29%	27	33%	27	35%	26	27%	24%
Kenai	668	12%	730.5	8%	733	11%	737	6%	8%
Ketchikan	141.2	10%	165	13%	170.7	11%	168	9%	9%
Klawock	21.5	0%	18.5	6%	18.5	5%	18	0%	3%
Kodiak	199.95	0%	209	11%	216	15%	221	10%	7%
Kuspuk	51	38%	56	22%	56	31%	52	31%	23%
Lake & Peninsula	56.5	54%	69	36%	73	36%	67	36%	32%
Lower Kuskokwim	298.5	17%	329	16%	327	22%	335	22%	14%
Lower Yukon	170	26%	181	23%	162	13%	164	32%	16%
Matanuska	736.15	9%	872	4%	869	13%	910	10%	7%
Nenana	13	24%	17	47%	25	27%	33	42%	25%
Nome	58.5	15%	63.5	16%	65	21%	60	23%	13%
North Slope	204.25	35%	237	23%	234	27%	231	26%	21%
Northwest Arctic	152	22%	170	30%	186	29%	199	28%	20%
Pelican	5	55%	5	0%	4	31%	4	50%	22%
Petersburg	55.5	0%	54	18%	54	9%	54	11%	7%
Pribilof	21.5	37%	15	38%	13.5	15%	13	46%	23%
Sitka	121	10%	129	12%	133	11%	128	7%	8%
Skagway	13	0%	14	40%	14	14%	14	100%	14%
Southeast Island	29	26%	27	9%	27	35%	25	12%	18%
Southwest	72	25%	91	30%	92	26%	97	5%	20%
St. Mary's	13	12%	15.5	13%	12	39%	20	178%	16%
Tanana	11	0%	11	25%	11	36%	10	10%	15%
Unalaska	32.6	27%	34	24%	34	25%	36	19%	19%
Valdez	69.5	0%	67	13%	68	10%	73	18%	6%
Wrangell	41.2	0%	38	16%	39	15%	36	17%	8%
Yakutat	16	20%	18	35%	19	35%	19	42%	23%
Yukon Flats	53	30%	48	25%	45	25%	42	55%	20%
Yukon Koyukuk	58	36%	63	37%	73	19%	85	19%	23%
Yupiiit	38	0%	37	41%	38	47%	42	62%	22%
SESA	21.6	15%	18.5	11%	19	6%	21	14%	8%

No Dream Denied

A Pledge to America's Children

SUMMARY REPORT

**NATIONAL COMMISSION ON
TEACHING AND AMERICA'S FUTURE**

HON. JAMES B. HUNT JR.,
CHAIRMAN

THOMAS G. CARROLL, Ph.D.,
EXECUTIVE DIRECTOR

© January 2003

National Commission on Teaching and America's Future, Washington, DC

WHY DOESN'T EVERY CHILD HAVE QUALITY TEACHING?

If we know that high quality teaching makes a difference, why isn't every child in America getting it? The conventional wisdom is that we lack enough good teachers. But, the conventional wisdom is wrong. *The real school staffing problem is teacher retention.* Our inability to support high quality teaching in many of our schools is driven not by too few teachers entering the profession, but by too many leaving it for other jobs. The ability to create and maintain a quality teaching and learning environment in a school is limited not by teacher supply, but by high turnover among the teachers who are already there—turnover that is only aggravated by hiring unqualified and underprepared replacements who leave teaching at very high rates.⁵ The extensive evidence for these assertions is laid out in the next section. That evidence paints a disquieting picture.

In the mistaken belief that teacher supply is the core problem, quality teaching is too often compromised in an effort to recruit a sufficient quantity of teachers to fill classrooms. The results: standards for entry into the profession are lowered; quality teacher preparation is undercut; licensure becomes a bureaucratic barrier to be side-stepped, instead of a mark of quality; and the mythology that "anyone can teach" gains more ground with each fall's round of stop-gap hiring. Today, thousands of unqualified individuals are in classrooms across the nation, hired because state laws and district policies are ignored in the name of meeting immediate needs of schools that appear to face "shortages." But the real problem is that these schools are unable to retain a sufficient number of teachers with the proper credentials. We have mistaken the symptom for the problem.



Alaska Association of Elementary Schools Principals
 Alaska Association of Secondary School Principals
 Alaska Association of School Administrators
 Sponsor of the Alaska Staff Development Network

326 Fourth St. Suite 404 • Juneau, Alaska 99801-1101

Phone: (907) 586-9702 (300) 478-9702 Fax: (907) 586-5879

E-mail: acsa@ptialaska.net • HOME PAGE: www.ptialaska.net/~acsa

Alaska Council of School Administrators

Excerpt from the *ACSA Education Bulletin* January 2000 Issue

Where are the Teachers?

**WE NEED
 A MORE POWERFUL
 MAGNET!**

By Darroll Hargraves,
 Executive Director, ACSA

What's the problem?

What's getting the attention?

Interesting isn't it? During the past few years, public attention has been focused on funding, construction, standards, and testing. Each of these issues is important. However, whenever superintendents get together to talk about immediate and future concerns, another issue tops the agenda—the need to recruit, hire, and keep certified and qualified teachers and administrators.

The recent announcement by the University of Alaska that a five-year program will be required for certification will further reduce the number of Alaskans to fill positions in our schools.

Alaska is not alone. In fact, teacher shortages are entering a critical stage across the nation. U.S. Secretary of Education Richard Riley consistently expresses a concern about the ability of our schools to attract the very brightest and best into education careers. As student enrollments continue to climb nationally, demand is outstripping supply at a time when the hurdles are being lifted even higher. For example, the shortage is becoming even more acute because many states are increasing their standards

for teachers and some are requiring them to have majors in the subjects they teach or to pass qualifying tests. The recent announcement by the University of Alaska that a five-year program will be required for certification will further reduce the number of Alaskans to fill positions in our schools.

Salaries have not kept pace with what talented people can make outside the classroom. A recent Quality Counts 2000, 50-state survey, conducted by *Education Week*, found that one in five college graduates who began teaching in 1993-94 left within three years. The brightest novice teachers, as measured by their college-entrance exams, were the most likely to leave, the study revealed.

There was a time, not so long ago, when Alaska was a magnet for educators.

What's at stake here? The immediate concern for many educators is having excellent teachers in the classroom—preparing students to pass exit exams that are looming in their future. Even more importantly, they are concerned about preparing students for life in the 21st century.

There was a time, not so long ago, when Alaska was a magnet for educators. Our salaries were the highest in the nation. Our recruiters could promise adventure, good hunting and fishing, and a lifestyle that attracted exceptional talent. Let's face it. What worked in the past is not getting us the number and level of certified, qualified educators we need today and will need in the future.

While average teacher salaries in Alaska are still above the national average, we are now caught in what the *New York Times* calls a bidding war. That war has spread from coast to coast, and we are not winning. In fact, we are being out-manuevered as never before. Take, for example, the incentives being offered in several states. California is offering \$10,000

interest-free loans for buying a home, \$30,000 bonuses for attaining advanced certification, and \$11,000 to repay college loans. In Texas, \$2,000 signing bonuses are becoming commonplace. Southern states such as Florida, Georgia and Mississippi have districts paying bonuses of up to \$6,000 to retain quality teachers.

As crises show signs of becoming catastrophes, some state legislatures and state departments of education have gotten the ball rolling on bringing retired teachers and administrators back into the system. Those early retirement incentives that were sold, in some case, as a way to remove the "dead wood" are now looking more like they've caused a "brain drain."

Salaries are a major problem, both for teachers and administrators. Alaska's largest districts provide an example of how noncompetitive our salaries are. These districts have budgets, enrollments, numbers of employees, physical plants, and demands comparable to large districts outside the state that are paying their superintendents nearly double. In fact, an Alaska board member recently admitted to the media that their superintendent is underpaid and speculated that if the present superintendent left and had to be replaced, it would require an additional \$50,000. Even that level of an increase would be low compared to salaries paid in comparable districts outside.

Granted, we need to pay attention to standards, facilities, and a number of other critical issues. At the same time, let's not forget that our ability to attract and keep outstanding teachers and administrators is basic to everything we hope to accomplish. Alaska needs a constant flow of quality, certifiable educators. While the problem may not be completely solved during this session of the Legislature, we simply must make sure that it receives the attention it deserves. The future of our kids depends on it.

Teachers in Santa Fe get help in buying homes

In an effort to curb the exodus of teachers from high-cost Santa Fe, N.M., the school board has set aside \$600,000 to help teachers buy homes.

The average teacher salary in Santa Fe is \$34,635, while the median price of a house is \$268,000. Starting teachers earn \$26,414.

In addition to the district's contribution, a collaboration of the New Mexico Mortgage Finance Authority, Neighborhood Reinvestment Corp., and Neighborhood Housing Services hopes to raise \$1.3 million.

A pilot program launched by Neighborhood Housing Services in 1999 helped 25 teachers buy homes with down payment assistance and helped seven teachers make home repairs, says Executive Director Michael Loftin.

The new program will help teachers find affordable apartments in Santa Fe, as well as provide \$10,000 to \$15,000 to help teachers with down payments. Teachers buying their first home in Santa Fe could get a zero percent, deferred-mortgage loan, which must be repaid when they sell.

Loftin also hopes to offer teachers workshops on home buying, low-interest home-improvement loans, and rental discounts for apartments.

"Santa Fe is an expensive city in a poor state," says school board President Marcy Litzenberg. "We know this is only a drop in the bucket, but for the teachers who take advantage of it, it may make all the difference in the world whether or not they stay in Santa Fe."

Contact: Joanne Ferguson, public information officer, (505) 467-2028. ■



Alaska Native Health Board

3700 Woodland Dr., Suite 500
Anchorage, Alaska 99517

Phone: (907) 562-6006
Fax: (907) 563-2001

March 20, 2003

FYI
MAR 24 2003

RE: Senate Bill 25: Expanding the Alaska Housing Finance Corp Teacher program to Health Professionals and Village Public Safety Officers

Dear Legislator:

The Alaska Native Health Board supports Senate Bill 25; however, we would like to see the bill expanded to provide recruitment attraction and employment incentives for hard to fill vacancies throughout Alaska. Specifically, we support the Governor Murkowski's proposal to include Health Professionals. In addition, we urge the legislature to also include Village Public Safety Officers.

As you know, all three of these professions have high turnover in Alaska and continue to be hard to fill. This legislation would alleviate the pressure on potential employees to secure adequate housing in Alaska. We think it is important to be holistic in the approach, including education, health, and public safety in this effort.

If you have any questions or comments, please do not hesitate to contact ANHB staff at (907) 562-6006.

Sincerely,

Mike Zacharof, Chair

ALASKA NATIVE TRIBAL HEALTH CONSORTIUM
ALEUTIAN/PRIIBILOF ISLANDS ASSOCIATION
ARCTIC SLOPE NATIVE ASSOCIATION
BRISTOL BAY AREA HEALTH CORPORATION
CHUGACHMIUT
COPPER RIVER NATIVE ASSOCIATION
EASTERN ALEUTIAN TRIBES

KETCHIKAN INDIAN COMMUNITY
KODIAK AREA NATIVE ASSOCIATION
MANILAQ ASSOCIATION
METLAKATLA INDIAN COMMUNITY
MT. SANFORD TRIBAL CONSORTIUM
NATIVE VILLAGE OF EKLUTNA
NATIVE VILLAGE OF TYONEK

NINILCHIK TRADITIONAL COUNCIL
NORTON SOUND HEALTH CORPORATION
SELDOVIA VILLAGE TRIBE
SOUTHCENTRAL FOUNDATION
SOUTHEAST ALASKA REGIONAL HEALTH CONSORTIUM
TANANA CHIEFS CONFERENCE
YUKON-KUSKOKWIM HEALTH CORPORATION
VALDEZ NATIVE TRIBE

MEMORANDUM

State of Alaska
*Department of Education
& Early Development*

To: Sheila Peterson, Staff
Sen. Gary Wilken

Date: April 22, 2003

Phone: 465-6906

From: Tim Mearig, Architect
ESS/Facilities

Subject: REAA Ownership
Questions

Sheila,

Here is a response to the three questions you emailed on April 16th.

Q1: Are the local schools owned by REAAs? If the answer varies among the different REAAs, could you please give examples of the differences?

A: Most REAAs do not hold title to their school buildings; exceptions include Copper River School District and Southwest Region School District. However, within each of the remaining 17 REAAs there may be specific sites where title to either land or buildings is held.

Q2: Currently can REAAs own buildings other than the local school building?

A: AS 14.08.101(8) indicates that REAAs can assume ownership of schools. I don't know if this can be construed to extend to authority to own other facilities.

Q3: Do REAAs have title to the land in which the school building sits? If the answer varies among the different REAAs, could you please give examples of the differences?

A: See response to Q1 above. Title to land and buildings is often assumed to be together but can be separate. Title to land can be held by a variety of entities including the federal government (BLM, US Fish & Wildlife, etc.), state entities (DNR, DOT, DCED, EED, etc.) local governments or private entities (Village Corporations, Churches, etc.). If EED or the district does not hold title, the land is usually leased from the owning entity by either the district or state.

The department has been encouraging more REAAs to take title to land and buildings they use to operate schools. In the FY03 grants that are funding replacement schools we have included this stipulation in the agreement that transfers responsibility for executing the project to the district.

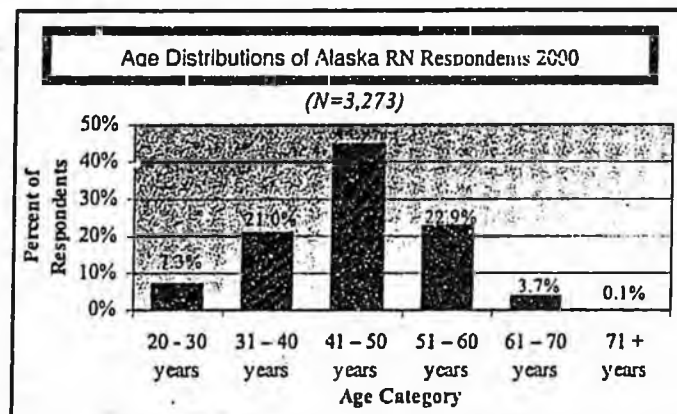
Let me know if you have further questions.



Background On the Nursing Shortage in Alaska

There are currently about 5,200 RNs living in Alaska. Since the late 1990's there has been an increasing shortage of Registered Nurses in Alaska and the US as a whole. This has led to an 11.5% vacancy rate for nursing positions in the State. Contributing factors for this shortage include:

- The aging of the workforce. In 2000 the average age of a RN in Alaska 45.1 years compared to 43.3 years nationally. 72% of the RNs in Alaska are over the age of 40 years old. Data from the 2002 license renewal is currently being evaluated, but it is expected that the average age has only increased.ⁱ



- Hospital and nursing home nursing is very physically demanding. Because of this most nurses working in these settings retire in their 50s. Nationally it is projected that half the nursing workforce will retire in the next five years.
- Fewer young people have gone into the profession. This is graphically illustrated by the above figure.ⁱⁱ Formerly, the two primary occupations available to women were teaching and nursing. Now there are a larger number of options available. Many women who previously would have become nurses are now becoming doctors.
- Increased complexity of patient care. In order to reduce health care costs more procedures are being done on an outpatient basis, and hospital stays have been shortened. This means that the patients in hospitals are much sicker than 15 years ago, requiring more skilled care.
- In order to reduce costs, hospitals in the 90's increased the number of patients nurses were required to care for at the same time that the patients became sicker. This lead many nurses to leave the workforce because of concern about patient and nurse safety.



- A decrease in job satisfaction, as inadequate staffing is preventing RNs from providing high quality care to patients. One of the single most important factors in nurses being satisfied with their working conditions is the RN having ample time to provide quality care to their patients. This is usually directly tied the number and the acuity of the patients they are required to care for.
- Increased work-acquired injury and illness. This is addressed in detail elsewhere, but between the increased number of HIV and hepatitis infected patients and the increased weight of the population, many nurses have suffered career ending injuries or illnesses. It is not unusual for nurses to be asked to care for 300-500 lb patients.

Importance of RNs to Patient Health and Safety

The nursing shortage effects patient care in two main ways. Studies tie RNs to positive patient outcomes and poor staffing causes experienced RNs to leave the profession due to job dissatisfaction.

- A 2000 studyⁱⁱⁱ looked at hospital and Medicare data from hospitals in nine states in five categories of adverse outcomes: length of hospital stay, pneumonia contracted in the hospital, postoperative infection, bed sores, and urinary tract infections contracted while in the hospital. All five measures are markedly decreased with higher levels of RN involvement in patient care.
- A study published in the October 2002 Journal of the American Medical Association^{iv}, found the risk of patient mortality increased by 7% for every additional patient in the average nurse's workload in the hospital;
- The study suggests that RNs contribute importantly to surveillance, early detection, and timely interventions that save lives;
- The benefits of improved RN staffing also extend to larger numbers of hospitalized patients who are not at risk for mortality but nevertheless are vulnerable to a wide range of unfavorable outcomes;
- Higher emotional exhaustion and greater job dissatisfaction in nurses were strongly and significantly associated with patient-to-nurse ratios;
- Improving nurse staffing levels may reduce alarming turnover rates in hospitals by reducing burnout and job dissatisfaction, major precursors of job resignation;
- Improving staffing may not only save patient lives and decrease nurse turnover but also reduce hospital costs, if recently published estimates of the costs of replacing a hospital medical and surgical general unit and a specialty nurse (\$42,000 to \$64,000) are correct.



Health and Safety Issues Related to the Nursing Shortage

Health care is rapidly becoming the most hazardous industry in America, as well as Alaska. RNs report that health and safety concerns play a major role in their decisions to remain in the profession. Nurses and other health care workers are exposed to the following hazards:

- Biological hazards: HIV, hepatitis B and C and more than 20 other infectious agents have caused infections in nurses caring for patients with these infections.
- Ergonomic Injuries – Ergonomics hazards of manual lifting and transfer of patients cause back injuries to over 1/3 of all nurses. Nurses are more prone to back injuries than construction laborer, truck loader, or warehouse worker.^v Nurses accounted for more than 10% of the total for all occupations combined for neck, back and muscle injuries.^{vi}
- Chemical hazards: latex allergy and disinfectants cause occupational asthma, and laser smoke, exposure to carcinogenic chemotherapeutic agents result in illness.

The Shortage Will Grow

Alaska Department of Labor and Workforce Development^{vii} provided the below statistics related to the current and growing nursing shortage.

- Employment demand for RNs is projected to grow nearly 40% between 1998 – 2008, faster than the all-occupational average (16.6%)
- The number of RNs needed to fill the new jobs resulting from industry growth will increase by nearly 1,600.
- If 2008 projections hold true, RNs will be the largest single healthcare occupation and the seventh largest occupation in the state.
- Nursing shortage is nationwide and Alaska must compete for RNs, or grow more of our own, to keep up with demand caused by the aging of society, as well as the aging of the RNs.

Alaska Nursing Employer Survey Results^{viii}

In 2002, the Alaska Colleagues in Caring, in collaboration with the Alaska Hospital and Nursing Home Association, surveyed facilities in Alaska regarding their nursing workforce needs.

- Vacancy rates for RNs increased on average from 5.7% in 2000 to 11.5% in 2002 with the West and North respondents reporting a 20.8% vacancy rate in 2002.



- Rate of Turnover reported for RNs in 2002 was 24% indicating difficulties with retaining RNs
- Employers identified the most successful retention incentives included
 - Decreased workload and greater scheduling choices
 - Educational Options
 - Management education and involvement
 - Positive work environment
- The percentage of facilities that actively recruit RNs from other states increased from 47.6% of facilities in 2000 to 83.3% of facilities in 2002.
- Employers identified the following anticipated changes in demand for nurses in the next two years
 1. Aging population/increased number of nurses retiring
 2. Increase in medical services used and number of patients
 3. Increased need for nurses, especially RNs
 4. Possible closure of facilities
 5. New facilities built/facility expansion
 6. An increased difficulty in recruiting and retaining nurses

Current Nursing Education in Alaska

The University of Alaska is the primary educator of nurses in the state. Weber State has had a small LPN program in the state for many years, but they will soon be leaving the state. Nursing education is very expensive to provide due to the cost of labs and clinical rotations. This cost is why there are not more providers of nursing education, and why nationally there has been a decrease in nursing education programs.

Current RN Programs Provided by UAA (110 RN graduates per year)

- 2 year RN – Anchorage 32 students admitted per year; Fairbanks 16 students, Kodiak 9 students (every 2 years)
- 4 year RN – Anchorage 80 students admitted per year, with an additional 40 being added this summer
- 1 year LPN – Anchorage 16 students admitted per year, Bethel 7, Fairbanks 8 (rotates), Ketchikan 6 (rotates)

Projected Locations and Numbers of Nursing Students 2006 (220 RN graduates per year)

- 2 year RN – Anchorage 32 students admitted per year, Fairbanks 16, and about 40 students admitted per year in Juneau, Bethel, Kodiak, Kenai, Ketchikan, or Sitka on a rotating basis. Other sites are also being investigated.
- 4 year RN – Anchorage 120 students admitted per year.



Articulation Programs

The University already has an RN to BSN program in place that can be completed through distance learning. UAA is in the process of refining the LPN to RN program to make mobility within the profession easier.

Current Demand for Nursing Education Exceeds Slots

The UAA four-year BSN program has only a minimal waiting list, which should be eliminated with this year's planned expansion. This year the 2-year (AAS) RN program had 2 applicants for every position. Initial interest meetings in expansion sites such as Kenai have shown a tremendous interest from persons in the community.



SOLUTIONS

The Alaska Nurses Association suggests the following solutions to the Alaska nursing shortage, which come under three main categories:

- Recruitment and education of new RNs
- Retention of experienced RNs
- Adapting the work environment to prolong the careers of aging RNs

RECRUITMENT AND EDUCATION

- State funding support of UAA and Industry Consortium's effort to double the number of RN graduates by 2006. This requires the State to match the industries commitment of 2.4 million over the next three years.
- Continue Federal funding of the Recruitment and Retention of Alaska Natives into Nursing (RRANN Program) at UAA.
- Support legislation for tuition loan reimbursement of nurses who work in Alaska. Currently several legislators are working to draft such legislation.
- Support an increase to competitive salaries for nursing professors. RNs can currently make more practicing in a hospital than teaching at the University, making the recruitment of qualified instructors very difficult.
- The Alaska Nurses Association is working to develop a recruitment program aimed at grade school children to show them the variety of careers available in the nursing profession.
- The Alaska Nurses Association, hopefully with the support of the Alaska Department of Labor and the University, is planning to work with high schools in developing a pre-nursing preparation program to ensure a successful foundation is created in math and science, especially for rural and non-traditional students.
- With the help of industry, identify and develop training for post-graduate RNs in high-need specialty areas, such as OR and ICU.
- Encourage employers to provide financial incentives for nurses working in facilities to mentor nursing students and new graduates.



RETENTION OF EXPERIENCED RNS

Workplace Conditions

- Support creation and adoption of legislation and/or standards for an appropriate nurse to patient acuity system that creates a safe and satisfying work environment. Several states have passed or are considering similar legislation.
- Create financial incentives for facilities to apply for Nursing Magnet Status with American Nurses Credentialing Center. Magnet status ensures RN participation in workplace design, and promotes quality patient care, highly increasing job satisfaction.
- Encourage employers to make nursing attractive as a long-term career by increasing retirement and medical benefits.
- Encourage Employers to be responsive to RN needs, such as providing daycare that is available during the hours that nurses work and providing flexible scheduling options.
- Create legislation to prohibit mandatory overtime as a staffing solution to the nursing shortage. Other states have successfully passed such legislation.

Health and Safety Solutions

- Provide legislative or administrative incentives for facilities to purchasing latex free products in order to limit latex injuries to RNs and patients, as well as decrease related costs.
- Support the revision and passage of Alaska's existing Needlestick Legislation^{ix} to meet federal standards, to protect patients and healthcare workers from HIV, Hepatitis, and other infectious diseases.
- Department of Labor's development of Regulations aimed at reducing injuries, and related costs, acquired from lifting and transferring patients in facilities, such as lift teams and assistive devices. Alaska Native Medical Center has had significant success in this area.

ADAPTING THE WORK ENVIRONMENT TO PROLONG THE CAREERS OF AGING RNS

- Encourage institutions to be flexible about working hours and patient loads to allow aging nurses to physically prolong their careers. Many facilities demand 12-hour shifts, which are physically demanding and difficult for aging RNs.
- Fund a study to explore what measures need to be adopted to keep RNs who are over 50 in the workforce.



- Find creative ways to utilize experienced nurses to educate, mentor and recruit new nurses into the profession.

ⁱ "Alaska Colleagues in Caring, Alaska Re-Licensure Survey for RNs, 1996, 1998, and 2000", October 2001

ⁱⁱ Id.

ⁱⁱⁱ ANA's Nurse Staffing and Patient Outcomes in the Inpatient Hospital Setting released in May of 2000.

^{iv} "Hospital Nurse Staffing and Patient Mortality, Nurse Burnout, and Job Dissatisfaction," by Linda Aiken, PhD, RN, et. al., is in the October 23/30, 2002, issue of JAMA. The study looked at 232,342 patients between the ages of 20 and 85 who underwent general surgical, orthopedic, or vascular procedures in 168 Pennsylvania hospitals from April 1, 1998 to November 30, 1999.

^v Labor Department's Bureau of Labor Statistics, in 1998.

^{vi} Id.

^{vii} Alaska Department of Labor and Workforce Development, Research and Analysis Section (April 9, 2002)

^{viii} Alaska Colleagues in Caring Nursing Employer Survey, 1998, 200, & 2002.

^{ix} Sec. 18.60.880. Needlestick and sharps injury protections for health care workers.

Natl Bank, 660 P.2d 406

acted by the Alaska
ugh it contained the
: application thereof
f this Act and the
thereby." (§ 1 ch 98

1988).
er of voters have already
a reviewing court should
tion of the proposed bill
ns are met: (1) standing
roposed bill can be given
e impermissible portion
ge the spirit of the mea-
from the content of the
nces surrounding its pro-
subscribers would prefer
tered, rather than to be
McAlpine v. University of
1988).

Itaneously. — The fact
one, the permanent fund
explicit non-severability
exemption statute, which
use are enacted simulta-
gislative intent that the
is v. Zobel, 619 P.2d 422

1972 amendment to
ating to the granting of
h portion discriminated
held severable. Lynden
:2d 700 (Alaska 1975).
er, 393 P.2d 893 (Alaska
0 P.2d 77 (Alaska 1969);
abor, 16 Bankr. 308 (D.
rtment of Pub. Safety, 921

705 P.2d 1280 (Alaska Ct.
ipality of Anchorage, 803
990); Sonneman v. Hickel,
: State v. Palmer, 882 P.2d
Burton, 884 F. Supp. 1372
i on other grounds, sub
832 (9th Cir. 2001).
ell, 536 P.2d 105 (Alaska
5 P.2d 159 (Alaska 1977);
v. Knowles, 21 P.3d 367

ng". (a) Words and
d according to their
d those which have
slative definition or
riate meaning.
ey shall be construed
A 1962; am § 1 ch 21

Legislative history reports. — For the purpose of
the enactment of (b) of this section by § 1, ch. 21, SLA

1991 (HCS CSSB 86 (Jud)), see 1991 House Journal
Supplement No. 10, May 13, 1991.

NOTES TO DECISIONS

Judicial construction. — The court is required to
construe words and phrases according to their "com-
mon and approved usage" unless such words and
phrases have acquired peculiar meaning by virtue of
statutory definition or judicial construction. Lynch v.
McCann, 478 P.2d 835 (Alaska 1970).

Applied in State, Dep't of Revenue v. Debenham
Elec. Supply Co., 612 P.2d 1001 (Alaska 1980); United
States Jaycees v. Richardet, 666 P.2d 1008 (Alaska
1983); Lambert v. State, 694 P.2d 791 (Alaska Ct. App.
1985); State v. Eluska, 698 P.2d 174 (Alaska Ct. App.
1985); State v. Revck, 706 P.2d 706 (Alaska Ct. App.
1985); Julsen v. Julsen, 741 P.2d 642 (Alaska 1987);
State v. Anderson, 749 P.2d 1342 (Alaska 1988); De-
partment of Community & Regional Affairs v. Sisters
of Providence, 752 P.2d 1012 (Alaska 1988); Alaska
Int'l Constructors v. Kinter, 755 P.2d 1103 (Alaska
1988); Cleland v. State, 759 P.2d 553 (Alaska Ct. App.

1988); State v. Strange, 785 P.2d 563 (Alaska Ct. App.
1990); Wylie v. State, 797 P.2d 651 (Alaska Ct. App.
1990); Hughes v. Harrelson, 844 P.2d 1106 (Alaska
1993); Human Resources Co. v. Alaska Comm'n on
Post-Secondary Educ., 946 P.2d 441 (Alaska 1997).

Quoted in Employment Sec. Comm'n v. Wilson, 461
P.2d 425 (Alaska 1969); Thorsheim v. State, 469 P.2d
383 (Alaska 1970); State v. City of Anchorage, 513 P.2d
1104 (Alaska 1973); Gerlach v. State, 699 P.2d 358
(Alaska Ct. App. 1985); Walker v. State, 742 P.2d 790
(Alaska Ct. App. 1987); Mustafoski v. State, 867 P.2d
824 (Alaska Ct. App. 1994).

Stated in Velez v. State, 762 P.2d 1297 (Alaska Ct.
App. 1988).

Cited in Murphy v. City of Wrangell, 763 P.2d 229
(Alaska 1988); Barrett v. State, 772 P.2d 559 (Alaska
Ct. App. 1989); Fagan v. State, 779 P.2d 1258 (Alaska
Ct. App. 1989).

Sec. 01.10.050. Tense, number, and gender. (a) Words in the present tense include
the past and future tenses, and words in the future tense include the present tense.

(b) Words in the singular number include the plural, and words in the plural number
include the singular.

(c) Words of any gender may, when the sense so indicates, refer to any other gender.
(§ 3 ch 62 SLA 1962; am § 3 ch 58 SLA 1982)

NOTES TO DECISIONS

Quoted in D.A.W. v. State, 699 P.2d 340 (Alaska
1985); Hughes v. Harrelson, 844 P.2d 1106 (Alaska
1993).

Cited in State v. Dunlop, 721 P.2d 604 (Alaska
1986).

Sec. 01.10.055. Residency. (a) A person establishes residency in the state by being
physically present in the state with the intent to remain in the state indefinitely and to
make a home in the state.

(b) A person demonstrates the intent required under (a) of this section

(1) by maintaining a principal place of abode in the state for at least 30 days or for a
longer period if a longer period is required by law or regulation; and

(2) by providing other proof of intent as may be required by law or regulation, which
may include proof that the person is not claiming residency outside the state or obtaining
benefits under a claim of residency outside the state.

(c) A person who establishes residency in the state remains a resident during an
absence from the state unless during the absence the person establishes or claims
residency in another state, territory, or country, or performs other acts or is absent under
circumstances that are inconsistent with the intent required under (a) of this section to
remain a resident of this state. (§ 1 ch 67 SLA 1983)

NOTES TO DECISIONS

Jurisdiction over divorce action. — This sec-
tion does not affect the common-law rule that Alaska
courts have jurisdiction over a divorce action when
one of the parties is domiciled in Alaska, where
"domicile" is defined as physical presence plus an
intent to remain permanently. Perito v. Perito, 756
P.2d 895 (Alaska 1988).

Quoted in E.H. v. State, 23 P.3d 1186 (Alaska
2001).

Stated in State v. Andrade, 23 P.3d 58 (Alaska
2001).

SB

30



SENATOR FRED DYSON

SB 30 SPONSOR STATEMENT

"An Act relating to information and services available to pregnant women and other persons; and ensuring informed consent before an abortion may be performed, except in cases of medical emergency."

Since the early 1970's, Alaskan physicians who perform or induce abortions are required, in regulation, to inform patients "of the medical implications and the possible emotional and physical sequelae of the procedure" (12 A.A.C. 40.070). SB 30 raises these regulations into statute, and standardizes the information presented to the patients by means of a website maintained by the Department of Health and Social Services. This website will list accurate, objective information that explains resources available to a pregnant woman that may assist her in making and implementing her own reproductive decisions. This bill will enable women to make healthy, educated choices regarding their own individual and private circumstances.

Considerable testimony has been received that indicates that Alaskan women, on occasion, do not receive adequate information as they consider the alternative of abortion. These events are extremely damaging and must be prevented. Providing women with information that is "unbiased, objective, scientific" is necessary to their informed choice. This bill creates a website that is mandated to provide such information. Medical personnel who perform abortions are already required in regulation to explain possible consequences. This bill provides physicians with an optional tool that also provides legal coverage for fulfilling the informed consent requirements—which are already required. This tool will protect both women and doctors. The women will only view the website's information if they request it; for doctors who currently satisfy the informed consent requirements, their standards and protocols of communication with the patient will not be affected.



SENATOR FRED DYSON

SB 30 SECTIONAL ANALYSIS (Version S)

"An Act relating to information and services available to pregnant women and other persons; and ensuring informed consent before an abortion may be performed, except in cases of medical emergency."

Section 1 FINDINGS language describes the interests and intentions of the Legislature's intervention in this issue. Interests include regulating medical practice, protecting the life and health and choices of pregnant women, and clarifying a physician's requirements to obtain informed consent, which will in turn, conserve legal and judicial resources.

Section 2 directs the Department of Health and Social Services to develop a website designed to assist a pregnant woman with her reproductive choices. This pamphlet will provide resources for women to use in order to make and implement these decisions. The material will include information specific to geographic region, adoption services, counseling, abortion, clinics, medical assistance benefits, requirements for doctors who performs abortions, the father's liability, fetal development, and medical risks/rewards for each procedure option.

Section 3 adds that abortion may not be performed unless informed consent is obtained, as outlined in Section 4. This elevates 12 A.A.C. 40.070 to statute.

Section 4 adds civil liability for a person who performs or induces an abortion without meeting the informed consent provisions. A doctor who prints the website's information and distributes it to the pregnant woman is not liable under this section.

Section 5 states the terms of qualification for consent to an abortion to be informed and voluntary. Medical emergency, as defined in this section, bypasses the informed consent requirements. The pregnant woman or her parent/guardian/etc. will certify the requirements in writing as met. Voluntary informed means: at least 24 hours before the procedure, in an individual and private and confidential setting, the physician will provide information on the women's individual circumstances including the physician's name, gestational estimation of the pregnancy, and the nature and risks of the procedure and its alternatives, and the availability of the website's information.

Section 6 adds to the current abortion reporting law. In preparing the report, the state registrar must require whether or not the pregnant woman received the website's information.

Section 6 provides severability of this legislation.

SB

105

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

FRANK H. MURKOWSKI, GOVERNOR

P.O. BOX 110601
JUNEAU, ALASKA 99811-0601
PHONE: (907) 465-3030
FAX: (907) 465-3068

April 17, 2003

Honorable Peggy Wilson
Chair
House Health, Education, Social Services Committee
Alaska State Capitol, Rm. 104
Juneau, AK 99811

Dear Representative Wilson,

The Department of Health and Social Services respectfully requests a hearing in the Senate Finance Committee on CS Senate Bill 105(HES)am(efd fld) "An Act relating to eligibility requirements for medical assistance for certain children, pregnant women, and persons in a medical or intermediate care facility; and providing for an effective date."

This would "freeze" income levels for eligibility for Denali Kid Care and would "freeze" income levels for Medicaid under the special income limit for nursing homes and home and community based waiver services.

Under current law, income standards for these eligibility categories increase every year by the amount of cost-of-living adjustments to the Supplemental Security Income (SSI) program or the federal poverty guidelines for Alaska. This bill will eliminate these annual cost-of-living adjustments and put in statute fixed dollar income levels for these programs based on the SSI standard that became effective on January 1, 2003 or the federal poverty guideline for Alaska that became effective on April 1, 2003.

The Senate reduced these fixed income levels for the Denali Kid Care program at 175% of the federal poverty guideline. The Governor is committed to his position that the Denali Kid Care income eligibility limit be set at 200% and we have prepared an amendment for your consideration to make this change to SB 105. We are also including a draft fiscal note to match the proposed amendment. Setting this program income standard at 200% will allow the department to maintain current Medicaid benefits to over 26,000 beneficiaries while fixing levels to realize significant cost savings in subsequent years.

Pregnant women who establish eligibility before June 30, 2003 will remain eligible for nine months notwithstanding the passage of this legislation. Likewise, children who

establish eligibility before June 30, 2003 are protected for a period of 6 months under existing continuous eligibility rules.

A fiscal note on the CS SB105 (HES)am(efd fld) and a copy of the Governor's transmittal letter are included with this letter for your review.

Your favorable consideration of this request is appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Robert Buttane". The signature is written in black ink and is positioned above the printed name.

Robert Buttane

Acting Assistant to the Commissioner

Cc: Representative Pete Kott
Speaker of the House

Mike Tibbles, Legislative Director
Office of the Governor

John Gaisford, Director
Division of Medical Assistance

LEGAL SERVICES

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

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

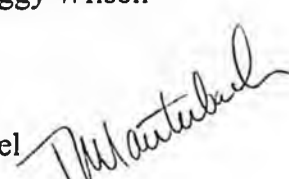
State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

April 17, 2003

SUBJECT: Whether a concurrent resolution is needed to authorize a change in the bill title (HCS CSSB 105(HES))

TO: Representative Peggy Wilson
Attn: Jean Ellis

FROM: Terri Lauterbach
Legislative Counsel 

Enclosed is a draft HCS for SB 105.

The bill title is different than the bill title passed by the Senate. However, this change to the title of the bill is merely a technical change (recognizing that a special effective date is in the HCS) and would not require a concurrent resolution to suspend the Uniform Rules regarding changes to the title of a bill in the second house. The Uniform Rules specifically exempt technical title changes from the rule against title changes in the second house. See, Rule 41(b), Uniform Rules of the Alaska State Legislature.

If I may be of further assistance, please advise.

TML:med
03-410.med

Enclosure

23-GS1128VH
Lauterbach
4/17/03

HOUSE CS FOR CS FOR SENATE BILL NO. 105(HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

**Offered:
Referred:**

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to eligibility requirements for medical assistance for certain children,**
2 **pregnant women, and persons in a medical or intermediate care facility; and providing**
3 **for an effective date."**

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

5 *** Section 1.** AS 47.07.020(b) is amended to read:

6 (b) In addition to the persons specified in (a) of this section, the following
7 optional groups of persons for whom the state may claim federal financial
8 participation are eligible for medical assistance:

9 (1) persons eligible for but not receiving assistance under any plan of
10 the state approved under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act,
11 Supplemental Security Income) or a federal program designated as the successor to the
12 aid to families with dependent children program;

13 (2) persons in a general hospital, skilled nursing facility, or
14 intermediate care facility, who, if they left the facility, would be eligible for assistance

1 under one of the federal programs specified in (1) of this subsection;

2 (3) persons under age 21 who are under supervision of the department,
3 for whom maintenance is being paid in whole or in part from public funds, and who
4 are in foster homes or private child-care institutions;

5 (4) aged, blind, or disabled persons, who, because they do not meet
6 income and resources requirements, do not receive supplemental security income
7 under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act), and who do not
8 receive a mandatory state supplement, but who are eligible, or would be eligible if
9 they were not in a skilled nursing facility or intermediate care facility to receive an
10 optional state supplementary payment;

11 (5) persons under age 21 who are in an institution designated as an
12 intermediate care facility for the mentally retarded and who are financially eligible as
13 determined by the standards of the federal program designated as the successor to the
14 aid to families with dependent children program;

15 (6) persons in a medical or intermediate care facility whose income
16 while in the facility does not exceed \$1,656 a month [300 PERCENT OF THE
17 SUPPLEMENTAL SECURITY INCOME BENEFIT RATE UNDER 42 U.S.C. 1381
18 - 1383c (TITLE XVI, SOCIAL SECURITY ACT)] but who would not be eligible for
19 an optional state supplementary payment if they left the hospital or other facility;

20 (7) persons under age 21 who are receiving active treatment in a
21 psychiatric hospital and who are financially eligible as determined by the standards of
22 the federal program designated as the successor to the Aid to Families with Dependent
23 Children program;

24 (8) persons under age 21 and not covered under (a) of this section, who
25 would be eligible for benefits under the federal program designated as the successor to
26 the aid to families with dependent children program, except that they have the care and
27 support of both their natural and adoptive parents;

28 (9) pregnant women not covered under (a) of this section and who
29 meet the income and resource requirements of the federal program designated as the
30 successor to the aid to families with dependent children program;

31 (10) persons under age 21 not covered under (a) of this section who the

1 department has determined cannot be placed for adoption without medical assistance
2 because of a special need for medical or rehabilitative care and who the department
3 has determined are hard-to-place children eligible for subsidy under AS 25.23.190 -
4 25.23.220;

5 (11) persons who can be considered under 42 U.S.C. 1396a(e)(3) (Title
6 XIX, Social Security Act, Medical Assistance) to be individuals with respect to whom
7 a supplemental security income is being paid under 42 U.S.C. 1381 - 1383c (Title
8 XVI, Social Security Act) because they meet all of the following criteria:

9 (A) they are 18 years of age or younger and qualify as disabled
10 individuals under 42 U.S.C. 1382c(a) (Title XVI, Social Security Act);

11 (B) the department has determined that

12 (i) they require a level of care provided in a hospital,
13 nursing facility, or intermediate care facility for the mentally retarded;

14 (ii) it is appropriate to provide their care outside of an
15 institution; and

16 (iii) the estimated amount that would be spent for
17 medical assistance for their individual care outside an institution is not
18 greater than the estimated amount that would otherwise be expended
19 individually for medical assistance within an appropriate institution;

20 (C) if they were in a medical institution, they would be eligible
21 for medical assistance under other provisions of this chapter; and

22 (D) home and community-based services under a waiver
23 approved by the federal government are either not available to them under this
24 chapter or would be inappropriate for them;

25 (12) disabled persons, as described in 42 U.S.C.
26 1396a(a)(10)(A)(ii)(XIII), who are in families whose income, as determined under
27 applicable federal regulations or guidelines, is less than 250 percent of the official
28 poverty line applicable to a family of that size according to the federal Office of
29 Management and Budget, and who, but for earnings in excess of the limit established
30 under 42 U.S.C. 1396d(q)(2)(B), would be considered to be individuals with respect to
31 whom a supplemental security income is being paid under 42 U.S.C. 1381 - 1383c; a

1 person eligible for assistance under this paragraph who is not eligible under another
2 provision of this section shall pay a premium or other cost-sharing charges according
3 to a sliding fee scale that is based on income as established by the department in
4 regulations;

5 (13) persons under age 19 who are not covered under (a) of this section
6 and whose household income does not exceed

7 (A) \$1,847 a month if the household consists of one person;

8 (B) \$2,489 a month if the household consists of two persons;

9 (C) \$3,130 a month if the household consists of three

10 persons;

11 (D) \$3,772 a month if the household consists of four

12 persons;

13 (E) \$4,414 a month if the household consists of five persons;

14 (F) \$5,055 a month if the household consists of six persons;

15 (G) \$5,697 a month if the household consists of seven

16 persons;

17 (H) \$6,339 a month if the household consists of eight

18 persons;

19 (I) \$6,339 a month, plus an additional \$642 a month for
20 each extra person above eight persons who is in the household if the
21 household consists of nine persons or more [200 PERCENT OF THE
22 FEDERAL POVERTY GUIDELINE AS DEFINED BY THE FEDERAL
23 OFFICE OF MANAGEMENT AND BUDGET AND REVISED UNDER 42
24 U.S.C. 9902(2)];

25 (14) pregnant women who are not covered under (a) of this section and
26 whose household income does not exceed

27 (A) \$2,489 a month if the household consists of two persons;

28 a pregnant woman in a household alone is considered to be a household of
29 two persons;

30 (B) \$3,130 a month if the household consists of three

31 persons;

1 (C) \$3,772 a month if the household consists of four
2 persons;

3 (D) \$4,414 a month if the household consists of five persons;

4 (E) \$5,055 a month if the household consists of six persons;

5 (F) \$5,697 a month if the household consists of seven
6 persons;

7 (G) \$6,339 a month if the household consists of eight
8 persons;

9 (H) \$6,339 a month, plus an additional \$642 a month for
10 each extra person above eight persons who is in the household if the
11 household consists of nine persons or more [200 PERCENT OF THE
12 FEDERAL POVERTY LINE AS DEFINED BY THE FEDERAL OFFICE OF
13 MANAGEMENT AND BUDGET AND REVISED UNDER 42 U.S.C.
14 9902(2)].

15 * Sec. 2. AS 47.07.042(d) is amended to read:

16 (d) In addition to the requirements established under (a) and (b) of this section,
17 the department may require premiums or cost-sharing contributions from recipients
18 who are eligible for benefits under AS 47.07.020(b)(13) and whose household income
19 is greater than the applicable amount set out in (e) of this section [BETWEEN 150
20 AND 200 PERCENT OF THE FEDERAL POVERTY GUIDELINE]. If the
21 department requires premiums or cost-sharing contributions under this subsection, the
22 department

23 (1) shall adopt in regulation a sliding scale for those premiums or
24 contributions based on household income;

25 (2) may not exceed the maximums allowed under federal law; and

26 (3) shall implement a system by which the department or its designee
27 collects those premiums or contributions.

28 * Sec. 3. AS 47.07.042 is amended by adding a new subsection to read:

29 (e) In (d) of this section, the term "applicable amount" means

30 (1) \$1,385 a month if the household consists of one person;

31 (2) \$1,867 a month if the household consists of two persons; a

1 pregnant woman in a household alone is considered to be a household of two persons;
2 (3) \$2,348 a month if the household consists of three persons;
3 (4) \$2,829 a month if the household consists of four persons;
4 (5) \$3,310 a month if the household consists of five persons;
5 (6) \$3,792 a month if the household consists of six persons;
6 (7) \$4,273 a month if the household consists of seven persons;
7 (8) \$4,754 a month if the household consists of eight persons;
8 (9) \$4,754 a month, plus an additional \$482 a month for each extra
9 person above eight persons who is in the household if the household consists of nine
10 persons or more.

11 * **Sec. 4.** This Act takes effect July 1, 2003.



ALPHA

☆
ALASKA PUBLIC HEALTH ASSOCIATION

Committed To Advancing Alaska's Public Health Since 1978

APR 22 2003

FAX regarding SB 105: Medicaid: Children/Pregnant Women/Facility

April 22, 2003

Dear Representative:

Senate Bill 105 Medicaid: Children/Pregnant Women/Facility is expected to be heard for the first time in (H)HESS today. On behalf of the Alaska Public Health Association, we urge you to fully restore the level of funding eligibility to 200% of the federal poverty guidelines, as the Governor requested.

SB 105 seeks to reduce eligibility in medical assistance programs, including Denali Kid Care and the Medicaid Choice Waiver Program, first by eliminating the cost of inflation adjustments in the federal poverty level rates, and if proposed amendments remain, reduces the eligibility further to 175% of the federal poverty level guidelines. With a stroke of a pen, SB 105 has a negative impact on the health of pregnant women and children in Alaska, not to mention others receiving medical assistance support.

From a public health perspective, any short term savings does not compare to the greater long term costs to the health of pregnant women and children.

Public health research on the health impact of uninsured children is noteworthy:

- Uninsured children who need medical and surgical care are 4 times more likely to go without the care they need than insured children with the same health needs. And when they do get care, they are sicker and more likely to be seen in the emergency room.
- Uninsured children are 4½ times more likely to do without needed prescriptions and eye glasses, and 5 times more likely to be unable to receive needed dental care.
- Uninsured children are 1 1/2 times more likely to arrive to kindergarten without their required immunizations. They're 8 times more likely to not have had well child check up.
- Uninsured pregnant women are less likely to receive prenatal care, placing them at risk to deliver early, low-birth weight babies; and at the greatest risk for fetal/maternal death.

We urge you to consider this issue from a different perspective. SB 105 is seeking to lower the enrollment in medical assistance programs by reducing eligibility. Yet the most effective approach the legislature can take is to assist employers and working families to get affordable health insurance, thereby reducing the number of pregnant women and children needing coverage by Denali Kid Care.

While there are many factors contributing to 1 in 5 Alaskans lacking health insurance coverage, one of the greatest barriers is access to affordable health insurance. A study by the Anchorage Access to Health Care Coalition released this fall indicates of the 16,000 adults in Anchorage who are uninsured – 71% are working adults, the majority in business with less than 10 employees. We need the legislature takes steps to join with businesses in addressing the issue of affordable health care insurance. Until then we urge you to keep the eligibility for the medical assistance programs at the full 200% of the federal poverty level to maximize the health of pregnant women and children, as well as those served by the Medicaid Choice Waiver Program.



Marie J. Lavigne, Executive Director Alaska Public Health Association

P.O. Box 9-1825 Anchorage, AK 99509 907/332-1030 e-mail: publichealth@alaska.net www.alaskapublichealth.org

LEAGUE OF WOMEN VOTERS OF ALASKA

RESOLUTION 03-02

**A RESOLUTION IN OPPOSITION TO SB 105 AND HB 172:
MEDICAID: CHILDREN/PREGNANT WOMEN/FACILITY**

WHEREAS, the League of Women Voters of Alaska believes that a basic level of quality health care at an affordable cost should be available to all U.S. residents; and

WHEREAS, SB 105 and HB 172 propose to freeze eligibility for Denali Kid Care by changing the program need standard from a percentage of the Federal Poverty Level to a fixed dollar amount, thus eliminating inflation proofing of eligibility levels which results in a larger percentage of children becoming ineligible for Medicaid; and

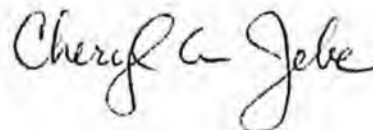
WHEREAS, uninsured children and uninsured pregnant women are less likely to receive timely and adequate health care and are placed at risk; and

WHEREAS, there is no affordable health care insurance available to small business where many uninsured people work; and

WHEREAS, other solutions are available, such as patient copayment; which can cut costs without cutting services,

THEREFORE, BE IT RESOLVED that the League of Women Voters of Alaska request the Alaska State Legislature vote against SB 105 and HB 172.

PASSED AND APPROVED by the delegates to the League of Women Voters 2003 Convention, Juneau, Alaska, this 13th day of April, 2003.



Cheryl Jebe, President
League of Women Voters of Alaska

SB

124

23-GS1111D
Ford
4/17/03

HOUSE CS FOR SENATE BILL NO. 124(HES)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered:
Referred:

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to grants for alcoholism and drug abuse programs; and providing for**
2 **an effective date."**

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

4 *** Section 1.** AS 47.30.475(c) is amended to read:

5 (c) Grants shall be awarded in a ratio of 75 [90] percent state money to 25 [10]
6 percent community money for the costs of providing staff and limited improvement,
7 renovation, or new construction of facilities for alcohol or drug detoxification,
8 rehabilitation, or "half-way house" care. The department may waive all or part of the
9 requirement that state money be matched by community money if the department
10 finds that community money is unavailable and waiver of the requirement is in the
11 best interests of the state. A grant for improving, renovating, or constructing may not
12 exceed \$50,000 except when there is a lack of applicants for available money and then
13 only with the approval of the Advisory Board on Alcoholism and Drug Abuse. The
14 department is not required to award all money available under this program, or the full

1 percentages specified in this subsection, when another source of money is available or
2 could reasonably be made available to the applicant.

3 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
4 read:

5 **TRANSITION.** Notwithstanding AS 47.30.475(c), as amended by sec. 1 of this Act,
6 before July 1, 2004, the grants awarded under AS 47.30.475 shall be awarded in a ratio of 82
7 and one-half percent state money to 17 and one-half percent community money.

8 * **Sec. 3.** This Act takes effect July 1, 2003.

Governor's transmittal letter dated March 5:

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill that would change the grant in aid ratio required for grantees of alcohol and drug abuse grants from 10 percent to 25 percent.

The Department of Health and Social Services requires a local match for most grants it issues in support of community-based programs. In most instances the local match requirement is twenty-five percent. Grants issued by the department in support of local substance abuse treatment programs are an anomaly in that only a ten percent local match is required. Local match requirements are designed to foster collaboration and support for health and social services at the community level.

My Administration's commitment to substance abuse treatment is reflected in my amended fiscal year 2004 budget which makes significant new investments in treatment programs using some of the proceeds from the recently enacted increase in the alcohol excise tax. Given the widespread recognition throughout Alaska of the need to address the problem of alcohol and substance abuse, I am confident that Alaska's communities too will rise to the challenge of providing a modest increase in local support for substance abuse treatment services.

The Department will retain the ability to waive all or part of the local match if the Department finds that community funding is unavailable and the waiver is in the best interest of the state.

Enactment of this legislation will result in a reduction \$1,611,700 in the state budget. Services at the community level should be unaffected, however, as local communities step forward to increase their local contributions.

I urge your prompt consideration of this legislation.

Sincerely,

/s/

Frank H. Murkowski

Governor

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

FRANK H. MURKOWSKI, GOVERNOR

P.O. BOX 110601
JUNEAU, ALASKA 99811-0601
PHONE: (907) 465-3030
FAX: (907) 465-3068

April 4, 2003

Honorable Peggy Wilson
Chairperson
House Health, Education and Social Services Committee
Alaska State Capitol, Rm. 104
Juneau, AK 99801

Dear Representative Wilson,

The Department of Health and Social Services respectfully requests that Senate Bill 124, "An Act relating to grants for alcoholism and drug abuse programs; and providing for an effective date," be scheduled for a hearing in your committee.

This bill would change the local match requirement for alcohol and drug abuse grants from 10 percent to 25 percent.

The Department of Health and Social Services requires a local match for most grants it issues in support of community-based programs. In most instances the local match requirement is twenty-five percent. Grants issued by the department in support of local substance abuse treatment programs are an anomaly in that only a ten percent local match is required. Local match requirements are designed to foster collaboration and support for health and social services at the community level.

The Department will retain the ability to waive all or part of the local match if the Department finds that community funding is unavailable and the waiver is in the best interest of the state.

Enactment of this legislation will result in a reduction of \$1,611,700 in the state budget. Services at the community level should be unaffected, however, as local communities step forward to increase their local contributions.

For your reference, a copy of the fiscal note and a copy of the Governor's transmittal letter are attached. This bill has a further referral to the House Finance Committee.

Your favorable consideration of this request would be appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Robert Buttane". The signature is written in black ink and is positioned above the printed name.

Robert Buttane
Acting Assistant to the Commissioner

Cc: Honorable Pete Kott
Speaker of the House

Mike Tibbles, Legislative Director
Office of the Governor

Karen Pearson, Acting Director
Division of Alcoholism and Drug Abuse

SB

157

ALASKA STATE LEGISLATURE

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



SENATOR LYDA GREEN SENATE DISTRICT G

SPONSOR STATEMENT SB 157

Senate bill 157 requires the Department of Health and Social Services to use in-state facilities, where available, for the psychiatric treatment of eligible persons. Currently, there are over three hundred and fifty Alaskan children in residential treatment centers out of state. Removal from home state care reduces the involvement of the child's family and the community providers in the child's treatment, thus preventing the improvement of the child's quality of life and care. Out of state treatment is also more expensive and extensive than in state treatment.

The need for in-state psychiatric facilities has been widely recognized for many years. Governor Murkowski has stated, "I find it unconscionable that over 300 of our children are currently receiving inpatient mental health care outside of Alaska because the State has failed to create local treatment options. How can one provide appropriate mental health services to a child who has been taken out of their community and forced to live thousands of miles away from loved ones?" Last session the legislature expressed concern for this problem by passing Senate Concurrent Resolution 21 that requested the Governor to direct the Department of Health and Social Services to work toward providing services and facilities for the treatment of severely emotionally disturbed children in-state. Senate Bill 157 will encourage the implementation of SCR 21 by removing the possibility for out-of state placement when adequate services, according to the child's diagnosis and need, are available in Alaska.

The key provisions are:

- The department will not grant assistance or pay for inpatient psychiatric services for persons under 21 years old in an out-of-state facility, unless adequate service is unavailable in the state.
- The department will evaluate the types of services available in the state and subsequently transfer persons under age 21 to the state when the service becomes available, unless the transfer would be detrimental to the person's health, therapeutic relationship, or clinical need.

Passage of this legislation will give reassurance to those persons who want to build facilities to fill this need that the State of Alaska wants and needs these services provided in state. This will improve the quality of care and lead to long-term success of the child's treatment, while encouraging the construction of local residential treatment facilities and institutional jobs, without the consequence of diverting jobs out of Alaska

I request your support and passage of Senate Bill 157.

7 AAC 43.500

HEALTH AND SOCIAL SERVICES

7 AAC 43.505

(c) An extension under (a) of this section is valid through the date designated by the director. (Eff. 11/1/2000, Register 156)

Authority: AS 47.05.010

AS 47.07.030

AS 47.07.040

ARTICLE 9. MEDICAL TRANSPORTATION SERVICES.

Section

500. Prior authorization
505. Emergency transportation coverage
510. Type of transportation
515. Mortuary expenditure

Section

517. Payment for transportation services
520. Public rates
525. Medicare coverage
530. Definitions

7 AAC 43.500. PRIOR AUTHORIZATION. (a) All non-emergency, in-state medical transportation under \$250 per person one-way must have prior authorization by the division's regional office manager or his or her designee. All non-emergency, in-state medical transportation exceeding \$250 per person one-way and all non-emergency, out-of-state medical transportation must be authorized in advance by the medical practice review section of the division.

(b) Evidence of prior authorization must be present on the billing form before payment will be made.

(c) The division will not authorize payment to a provider of medical transportation for non-emergency medical transportation without first verifying medical need for those services.

(d) The medical assistance coupon or identification card is not to be used as an authorization for medical transportation. Rather, the coupon or identification card is evidence of current eligibility. (Eff. 8/18/79, Register 71; readopt 8/7/96, Register 139)

Authority: AS 47.05.010

AS 47.07.050

Editor's note: Effective 8/7/96, Register 139, the Department of Health and Social Services readopted 7 AAC 43.500 in its entirety, without change, under

AS 47.05 and AS 47.07. Executive Order No. 72 transferred certain rate-setting authority to the department.

7 AAC 43.505. EMERGENCY TRANSPORTATION COVERAGE. In emergency situations, the division will assume only the necessary expenses of transporting the recipient to the nearest facility where the emergency medical need can be met. (Eff. 8/18/79, Register 71; readopt 8/7/96, Register 139)

Authority: AS 47.05.010

AS 47.07.050

Editor's note: Effective 8/7/96, Register 139, the Department of Health and Social Services readopted 7 AAC 43.505 in its entirety, without change, under

AS 47.05 and AS 47.07. Executive Order No. 72 transferred certain rate-setting authority to the department.

②

Out-of-State Travel Requirements

Sometimes a Medical Assistance recipient will need medical services that are not available in Alaska. In that case, the recipient's medical provider must make a request to First Health Services Corporation for out-of-state travel authorization. The medical provider should request prior authorization for a diagnosis or procedure before requesting authorization for out-of-state services.

→ A request for out-of-state services requires a medical provider referral and medical justification. The provider must state that the covered services are not available in Alaska. Examples of such services include appointments with specialists, evaluations, consultations, surgical procedures, and transplants.) (X)

Services for follow-up care or complications resulting from medical interventions initiated out of state should be provided in Alaska whenever possible.

Out-of-state services will be authorized to the nearest medical facility or provider.

If out-of-state medical services are required and authorized, appointments should be scheduled so as to minimize the time spent out of state. Travel will be authorized for the day before scheduled services if airline travel does not permit arrival on the date of the recipient's appointment. The cost for any travel scheduled before or after medical appointments is at the recipient's expense.

Travel extending over a weekend will only be authorized for confirmed medical necessity as specified by the medical provider of record.

When minors travel out of state for services, medical escorts must be the minor's legal parent or guardian.

Updated 10/02

Travel for Patients in Residential Psychiatric Treatment Centers (RPTCs)

The following policies apply to all travel services provided to Alaska Medical Assistance patients in RPTCs:

- Only one parent or legal guardian will be authorized for Medical Assistance-covered travel. Siblings or other relatives are not covered for travel.
- The RPTC must provide a plan detailing the therapeutic interventions that will be performed while the parent or guardian is at the facility. The plan, which will be reviewed by First Health Services (formerly First Mental Health), must indicate why the services cannot be performed over the telephone.
- The frequency of covered travel for the parent or guardian will be based upon the treatment plan. However, Medical Assistance expects that such travel will occur no more than quarterly.
- A clinician or discharge planner must provide a discharge plan which clearly documents what the discharge placement will be.

Updated 10/02

7 AAC 43.530

HEALTH AND SOCIAL SERVICES

7 AAC 43.550

3.

(6) "prematernal homes" means home-like or dormitory-style accommodations that

- (A) are licensed under AS 47.35 and AAC 50;
- (B) use double occupancy of bedrooms on a routine basis, a shared bathroom, and meals served family-style;
- (C) are intended primarily for
 - (i) a pregnant woman from another community who is awaiting delivery of her child; or
 - (ii) occasional short term care to mothers and infants; and
- (D) are not intended for the general public;

(7) "provider of medical transportation" means

- (A) the owner or operator of a private automobile, municipal bus, inter-community bus, taxi, scheduled airline, ferry, wheelchair coach, train, chartered aircraft, chartered boat, or other mode of transportation commonly used to transport a person; and
- (B) a person who contracts with an air carrier to provide chartered or scheduled air services.

(Eff. 8/18/79, Register 71; am 11/18/93, Register 128; am 3/13/94, Register 129; readopt 8/7/96, Register 139; am 5/5/99, Register 150)

Authority: AS 47.05.010

AS 47.05.030

AS 47.07.050

Editor's note: Effective 8/7/96, Register 139, the Department of Health and Social Services readopted 7 AAC 43.530 in its entirety, without change, under

AS 47.05 and AS 47.07. Executive Order No. 72 transferred certain rate-setting authority to the department.

ARTICLE 10. INPATIENT PSYCHIATRIC SERVICES.

Section
 550. Eligibility
 552. Admission
 555. Plan of care
 556. Services
 557. Per diem rate

Section
 558. (Repealed)
 560. Conditions for payment
 565. Patient funds
 570. Payment
 580. (Repealed)

7 AAC 43.550. ELIGIBILITY. The division will authorize payment for inpatient psychiatric services for an individual who is eligible for Medicaid under 7 AAC 43.020 if the requirements of 7 AAC 43.552 and 7 AAC 43.560 have been met. For a recipient under 21 years of age, inpatient psychiatric services may be provided under the direction of a physician in either an inpatient psychiatric hospital facility or a residential psychiatric treatment center. For a recipient age 65 or over, inpatient psychiatric services may be provided only in an inpatient psychiatric hospital facility. (Eff. 8/8/79, Register 71; am 1/8/93, Register 125; em am 1/8/93—5/7/93, Register 125; am 3/26/93, Register 126; am 6/5/93, Register 126; readopt 8/7/96, Register 139; am 11/1/2000, Register 156; am 4/19/2001, Register 158)

conditions for facility 469)

7 AAC 43.552 ALASKA ADMINISTRATIVE CODE 7 AAC 43.552

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.050

Editor's note: Effective 8/7/96, Register 139, the Department of Health and Social Services readopted 7 AAC 43.550 in its entirety, without change, under AS 47.05 and AS 47.07. Executive Order No. 72 transferred certain rate-setting authority to the department.

7 AAC 43.552. ADMISSION. (a) Admission of a Medicaid recipient to an inpatient psychiatric hospital facility or residential psychiatric treatment center requires prior authorization from the division. Before the division will authorize admission, the requirements of (b) and (c) of this section must be met.

*inpatient vs
ambulatory*

(b) Before admission, an inpatient interdisciplinary team that meets the requirements of (f) of this section must

- (1) complete a diagnostic evaluation that
 - (A) includes a psychiatric assessment;
 - (B) is performed within ~~60 days before admission or within 14 days after emergency admission~~; and
 - (C) indicates the need for inpatient psychiatric services;



- (2) certify in the recipient's medical record that
 - (A) available alternate local community resources for ambulatory care do not meet the treatment needs of the recipient;
 - (B) proper treatment of the recipient's psychiatric condition requires services on an inpatient or residential basis, as appropriate; and
 - (C) inpatient psychiatric services can reasonably be expected to improve the recipient's condition or prevent further regression;

(3) provide to the division the following information about the recipient:

- (A) a written statement describing the results of the diagnostic evaluation required in (1) of this subsection;
- (B) a written statement describing the results of a functional assessment;
- (C) the results of any direct patient observations and assessments obtained following the recipient's referral; and
- (D) other information from referral sources, other involved community agencies, and the family, that is relevant to the recipient's condition; and

(4) develop a plan of care based upon the information provided under this subsection that meets the requirements of 7 AAC 43.555.

(c) Based on the information received under (b)(3) of this section, the division will submit to the department a determination that the proposed treatment and other services are consistent with the recipient's clinical diagnosis and that they appropriately address the recipient's needs.

(d) The division will, in its discretion, authorize Medicaid payment for an individual who applies for Medicaid after entering an inpatient

7 AAC 43.552

HEALTH AND SOCIAL SERVICES

7 AAC 43.552

psychiatric hospital facility or a residential psychiatric treatment center.

(e) For an emergency admission, the requirements of this section must be met no later than 14 days after the date of admission.

(f) An inpatient interdisciplinary team that provides the services required in (b) of this section must, by virtue of education and experience, have the capability of assessing the recipient's immediate and long-range therapeutic requirements, developmental priorities, personal strengths, liabilities, and the potential resources of the recipient's family. An inpatient interdisciplinary team

(1) must include a

(A) psychiatrist licensed under AS 08.64;

(B) psychologist licensed under AS 08.86 who has a doctorate degree in clinical psychology and a physician licensed under AS 08.64 to practice medicine or osteopathy; or

(C) physician licensed under AS 08.64 to practice medicine who has specialized training and experience in the diagnosis and treatment of mental diseases and a psychological associate licensed under AS 08.86;

(2) beginning January 1, 1996, must include a representative of the department's division of family and youth services, designated by that division's director, or beginning July 1, 1999, division of juvenile justice, designated by that division's director, as appropriate, who has training and experience that would otherwise qualify that representative as a mental health professional clinician; and

(3) in addition to the inpatient interdisciplinary team members required by (1) and (2) of this subsection, must include

(A) a clinical social worker licensed under AS 08.95;

(B) a registered nurse licensed under AS 08.68 who has specialized training or one year's experience in treating mentally ill patients;

(C) an occupational therapist licensed under AS 08.84 who has specialized training or one year's experience in treating mentally ill patients; or

(D) a psychological associate licensed under AS 08.86 who has a master's degree in clinical psychology.

(g) The division will issue a prior authorization required under this section in accordance with this section, 7 AAC 43.555, 7 AAC 43.560, and the *Alaska Medicaid Protocols and Medical Necessity Criteria for Inpatient and Residential Psychiatric Treatment: Medicaid Payment Prior Authorization Manual*, as revised as of August 18, 2000. The *Alaska Medicaid Protocols and Medical Necessity Criteria for Inpatient and Residential Psychiatric Treatment: Medicaid Payment Prior Authorization Manual*, as revised as of August 18, 2000, is adopted by reference. (Eff. 1/8/93, Register 125; am 3/26/98, Register 126; am 6/5/99, Register 126; am 12/31/94, Register 132; readopt 8/7/96, Regis-

reflects the history of this material as it was amended while a part of 7 AAC 43.550. The content of 7 AAC 43.552(f) was originally adopted on January 8, 1993 as part of an emergency amendment to 7 AAC 43.580 that defined the term "interdisciplinary team," and was later amended on 3/26/93. As of Register 126, July 1993, this term was amended to read "inpatient interdisciplinary team" and a portion of that definition was moved to its present location in 7 AAC 43.552(f).

Effective 8/7/96, Register 139, the Department of Health and Social Services readopted 7 AAC 43.552 in its entirety, without change, under AS 47.05 and AS 47.07. Executive Order No. 72 transferred certain rate-setting authority to the department.

7 AAC 43.555. Plan of care

Statute text

(a) The individual plan of care established by the inpatient interdisciplinary team in accordance with 7 AAC 43.552(b) (4) must

- (1) be comprehensive and in writing;
- (2) set out treatment objectives and prescribe an integrated program of appropriate therapies, activities, and experiences designed to develop the recipient's ability to function independently in the recipient's own environment;
- (3) be formulated in consultation with the recipient and the recipient's family, guardian, or other individual to whose care or custody the recipient will be released following discharge;
- (4) be developed based upon a diagnostic evaluation as required in 7 AAC 43.552(b) (1);
- (5) include appropriate treatments that are reasonably expected to improve the recipient's condition to the extent that inpatient psychiatric services will become unnecessary; and
- (6) include a discharge plan prepared at the time of admission and updated during the recipient's inpatient stay as the recipient's mental health service needs change, that specifies the approximate date for discharge, the recipient's anticipated post-discharge service needs, the recipient's prospective service providers, and other provisions necessary for the transition to a less restrictive environment.

(b) The division will review a recipient's plan of care to determine whether the inpatient psychiatric services provided are or were required. The division may make recommendations as to necessary adjustments in a plan of care based on the recipient's response to treatment. The division will do a review at least

(1) every 30 days for a recipient who receives services in an inpatient psychiatric hospital facility, or

(2) every 60 days for a recipient who receives services in a residential psychiatric treatment center.

History

History: Eff. 8/18/79, Register 71; am 1/8/93, Register 125; em am 1/8/93 - 5/7/93, Register 125; am 6/5/93, Register 126; readopt 8/7/96, Register 139; am 4/19/2001, Register 158

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

SENATOR LYDA GREEN SENATE DISTRICT G

MEMO

DATE: 04/11/2003

To: Senate Finance Members

From: Senator Lyda Green
Jacqueline F. Tupou

RE: Senate Bill 157
"Residential Mental Health for Minors"

Although this legislation has a zero fiscal note, we would like to share some potential cost savings with the committee. Here are the education costs for children cared for in out of state facilities:

FY00	434.4 (actual)
FY01	500.0 (actual)
FY02	683.2 (actual)
FY03	866.8 (authorized and supplemental)
FY04	500.0 (proposed)

*These numbers are from Senate Finance staff.



Kevin Sweeney
Legislative Liaison
p.(907)465-2803
f.(907)465-4156
kevin_sweeney@eed.state.ak.us

SB1511

Memorandum

TO: Senator Lyda Green

DATE: April 10, 2003

RE: Education Costs for Out-of-State Residential Care Centers

I have attached the Department's request for supplemental funding to cover the unexpected rise in costs for providing education to children in DFYS custody with extensive psychological needs that are placed in out-of-state treatment centers.

You will note the cost increased from \$663,186 in FY2002 to a projected \$866,854 for FY2003.

The average cost is \$5,160 per student for an average of 78.5 education days.

The educational costs charged by facilities range from \$38/day to \$102/day.

I commend you for your efforts to help increase the capacity in Alaska to provide these essential services to our children. Please let me know if I can answer any questions or provide further assistance.

A handwritten signature in black ink, appearing to read "K. Sweeney". The signature is written in a cursive style and is positioned above a horizontal line.

The Department of Education & Early Development requests a supplemental of \$366.8 in general funds to cover projected education costs for Alaska children in the custody of the Department of Health & Social Services (DHSS), Division of Family & Youth Services (DFYS), who are placed in out-of-state residential care in FY2003. The current FY2003 budget for these services is \$500.0, which represents approximately 58% of current projections.

DHSS DFYS utilizes Alaska Medicaid certified psychological treatment facilities for children with extensive psychological needs. Due to the limited number of in-state treatment beds, some children in DFYS custody are sent to out-of-state treatment facilities. These out-of-state treatment facilities provide schooling, and educational costs are built into the daily bed rate. Most of these children are Medicaid-eligible, however, the education portion of residential treatment is not Medicaid reimbursable.

These children are the responsibility of the state and qualify for public education. The following out-of-state facilities are providing this residential care:

Heritage	Yellowstone Boys & Girls
Copper Hill Youth	CCS of Montana
Benchmark Psychiatric	Kahi Mohala
Texas Neuro Rehab	Morrison Center-Edgetfield
Cleo Wallace Center	Christie School
Cinnamon Hills	Intermountain Center
Lakeview Neuro Rehab Center	The Oaks Psychiatric
San Marcos Psychiatric	Colorado Boys Ranch
The Pines	Teton Peaks
Alexander Children's Center	The 68th Place
Spring Mountain Center	Path Program-Intermountain

The lack of in-state resources to meet the complex issues with these children has resulted in a significant increase in out-of-state placements where these special needs are met. During the first six months of FY2002, the Department provided 5,145 education days to 75 youth placed in out of state residential care facilities. The number of school days averaged 68.6 per student. The cost averaged \$723 per month per youth and totaled \$4,336 for the six-month period. In FY2002 education costs for July through December equaled \$325,173. At that time the Division projected out-of-state education costs for FY2002 would reach \$665,000. The actual FY2002 cost was \$663,186.

During the first six months of FY2003 the Department provided 6,597 education days to students in out-of-state facilities. An increase of 28.2%, or 1,452, more days than was required during the same period the year before. In FY2003, 84 children who resided in 22 residential care facilities outside of Alaska received these services. In comparison to FY2002 the number of school days increased approximately 10 days, to average 78.5 days. The cost increased \$137 to \$860 per month per, and the total cost for the six-month period averaged \$5,160 per student; \$824 more per student than the previous year. In

FY2003 the projected cost for education services for July through December 2002 is \$433,427. Based upon this projection, the Department expects this trend to continue for the remainder of the fiscal year. Total FY2003 cost is projected to reach \$866,854.

Based on December 2002 data, 75 children are in out-of-state residential psychological treatment facilities, an increase of 32% over December 2001 when 57 children resided in the facilities. In FY2003 the Department anticipates it will provide an additional 2,900 educational days to children in out of state facilities than it did in FY2002. The projected cost for these services is \$866,854; \$366,854 above the amount currently budgeted in FY2003. DFYS attributes the rise in costs to an increase in the number of children in out of state placement and the length of time for each child in placement, which in turn drives an increase in the number of educational days required and the overall cost of providing services to these children. The Division of Family & Youth Services will continue its efforts to return children to their home community whenever possible. This may reduce the need for out-of-state education services and may enable the Division to revise its projection of education costs.

FY2002 - FY2003 Out of State Education Summary

Fiscal Year	Service Days 07/01-12/31	Increase	# of Facilities	# of Clients	Average Length of Stay	Average Cost per Client	Projected Cost 07/01-12/31
FY02	5145	301	17	75	68.6	\$ 4,336	\$ 325,173
FY03	6597	1452	22	84	78.5	\$ 5,160	\$ 433,427