

12135

HOUSE

HESS

Kate Herring

---

**From:** Sen. Johnny Ellis  
**Sent:** Thursday, March 01, 2007 10:43 AM  
**To:** Arthur Curtis  
**Subject:** RE: Legislation to Fight Substance Abuse Introduced  
**Follow Up Flag:** Follow up  
**Flag Status:** Red

Art,

Thx for your feedback. I cannot remember the name of that program either. When it comes to substance abuse policy, we are considering all the options. ---Johnny

---

**From:** Arthur Curtis [mailto:artcurtis@gci.net]  
**Sent:** Wednesday, February 28, 2007 6:31 PM  
**To:** Sen. Johnny Ellis  
**Subject:** Re: Legislation to Fight Substance Abuse Introduced

Dear Johnny,

Your SB 100 sounds sensible. And I would support additional sensible ways to help people who need treatment. The program in Anchorage (can't remember the name) which allows people to remain in the program housing even after planned binges has a high success rate. (People gradually reduce their binges). I wonder if such a program is could be more widely used.

Art

On Feb 28, 2007, at 12:51 PM, Sen. Johnny Ellis wrote:

**For Immediate Release: February 28, 2007**

# **Legislation to Fight Substance Abuse Introduced**

*Prioritizes Treatment for Pregnant Women, Creates  
Innovative Pilot Program*

**ALASKA PSYCHIATRIC ASSOCIATION**  
*A District Branch of the American Psychiatric Association*  
P.O. Box 231147 Anchorage, AK 99523-1147  
(907) 566-7800 E-mail: [akpsychassoc@gmail.com](mailto:akpsychassoc@gmail.com)

April 30, 2007

*R. Duane Hopson, M.D.*  
President

*Marc Pellicciaro, M.D.*  
Treasurer

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*Yerner Stillner, M.D., DFAPA*  
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Public Affairs

*David K. Hulladay, M.D.*  
Ethics

*Jennifer Adams*  
Executive Secretary

Representative Peggy Wilson, Chair  
House Health, Education and Social Services Committee  
Alaska State Legislature, State Capitol (MS 3100)  
Juneau, Alaska 99801

Dear Chair Wilson:

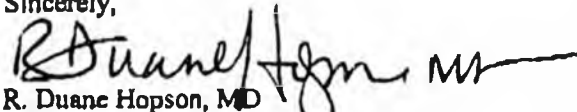
The Alaska Psychiatric Association is comprised of Alaska Psychiatrists who are committed to providing the highest level of care to the mentally ill of Alaska. The APA supports funding for Alaska's mental health programs when the research or evidence shows that they are effective.

The APA supports the passage of Senate Bill 100 this session. The statutory changes proposed in SB100 are designed to strengthen programs that treat Alaskans who suffer from alcohol or drug abuse, including those with co-occurring mental health and substance abuse disorders.

SB 100 requires that Department of Health and Social Service give a priority to a program that addresses certain objectives including the identification and treatment of co-occurring mental health and substance abuse disorders and the creation of alternatives to incarceration for nonviolent offenders.

SB100 originally would have created a pilot program for involuntary commitment, in a secure setting, for persons who are a danger to themselves or others. For cost considerations, the pilot project was taken out of the legislation. In our view, the issues that this project addresses are ones that should be tackled sooner rather than later. We understand that work will be done between sessions with intent of revisiting the pilot project(s) next session. The APA applauds this work and urges passage SB 100 this session.

Sincerely,



R. Duane Hopson, MD  
President, Alaska Psychiatric Association

**SB**

**119**

# Alaska State Legislature

*Out of Session:*  
Legislative Information Office  
P.O. Box 1630  
Nome, AK 99762-1630  
(907) 443-5555  
(907) 443-2162 (Fax)

*In Session:*  
State Capitol  
Juneau, AK 99801-1182  
(800) 597-3707  
(907) 465-3707  
(907) 465-4821 (Fax)

## SENATOR DONALD C. OLSON

DISTRICT T

### SPONSOR STATEMENT

SB 119

"An Act relating to grant programs to support libraries."

Alakanuk  
Ambler  
Anaktuvuk Pass  
Atkasuk  
Barrow  
Brovig Mission  
Browerville  
Buckland  
Chevak  
Deering  
Diomedea  
Elim  
Emmonak  
Gambell  
Golovin  
Hooper Bay  
Kaktovik  
Kiana  
Kivalina  
Kobuk  
Kotlik  
Kotzebue  
Koyak  
Mountain Village  
Noatak  
Nome  
Noorvik  
Nuiqsut  
Nunam Iqua  
Pilot Station  
Pitka's Point  
Point Hope  
Point Lay  
Savoonga  
Scammon Bay  
Selawik  
Shaktolik  
Shishmaref  
Shungnak  
St. Mary's  
St. Michael  
Stebbins  
Teller  
Unalakleet  
Wainwright  
Wales

SB 119 establishes a public library construction grant program and a grant program for public school libraries to expand library collection materials.

Sections 1 and 2 of the bill establish the library construction and major expansion grant program. Subject to appropriation, the state would match up to 50% of the cost of new library construction or major expansion in communities with a population of 10,000 or less. The local government would be responsible for securing a match of at least 20% and the remainder can be provided by private donors. The Department of Commerce, Community and Economic Development will administer the grants and promulgate regulations to establish ranking criteria.

Section 3 establishes a maximum grant of \$3,000 for a fiscal year to a public school library deemed eligible by the grants administrator who will be the person or division in charge of the state library. Use of the funds is limited to expansion of the library collection materials, meaning books, magazines, reference and audio-visual material, and electronic subscriptions that support school curriculum and student reading activities. This grant program will also provide the means to update materials such as atlases, almanacs, encyclopedias, as well as provide accurate information on advances in science, changes in health issues, career opportunities and recent political issues.

If the funds appropriated for this grant program are not sufficient to fund all eligible grant requests, the available funds shall be paid out on a pro rata basis to grantees.

Individual school library budgets are generally determined by principals and vary widely from district to district and even within each district. Alaskan educational budget shortfalls have impacted schools and school libraries throughout our state. Some school libraries in our state can only participate in reading incentive programs like "Battle of the Books" by using interlibrary loan to borrow the books for their students. It is sad to report that some libraries have no budget at all for new materials.

SB 119 will support Alaskan teachers' and librarians' efforts to produce more fluent and proficient readers at all grade levels. This long-term investment in school library infrastructure will benefit our Alaskan youth and future leaders. I urge you to give favorable consideration to this bill.

**Sectional Analysis**

**Sections 1 and 2** establish the library construction and major expansion grant program. Subject to appropriation, the state would match up to 50% of the cost of new library construction or major expansion in communities with a population of 10,000 or less. The local government would be responsible for securing a match of at least 20% and the remainder can be provided by private donors. The Department of Commerce, Community and Economic Development will administer the grants and promulgate regulations to establish ranking criteria.

**Section 3** adds a new section to AS 14.56 State and Community Libraries, by establishing a maximum grant of \$3,000 for a fiscal year to a public school library that is deemed eligible by the grants administrator. The grants administrator will be the person or division in charge of the state library. The funds are to be used for expanding the library collection materials, meaning books, magazines, reference and audio-visual material, and electronic subscriptions that support school curriculum and student reading activities. Grant money awarded under this program may not be used to purchase classroom materials, textbooks, testing software, library automation software, computer hardware, operating software, or technology support. The grant is established in the Department of Education.

Grant recipients shall prepare an annual report to the department describing the effects of the grant and whether all conditions of the grant were met or exceeded.

If the funds appropriated for this grant program are not sufficient to fund all eligible grant requests, the available funds shall be paid out on a pro rata basis to grantees.

# 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 310

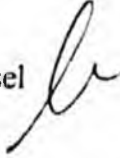
State Capitol  
Juneau, Alaska 99801-1182  
Deliveries to: 129 6th St., Rm. 329

## MEMORANDUM

March 14, 2008

**SUBJECT:** Eligibility for a library construction and major expansion matching grant in CSSB 119(RLS) (Work Order No. 25-LS0749\L)

**TO:** Senator Bert Stedman  
Attn: Darwin Peterson

**FROM:** Jean Mischel  
Legislative Counsel 

You asked two questions regarding the eligibility for a library construction and major expansion matching grant in AS 14.56.355 - 14.56.356 as presented in sec. 2 of CSSB 119(RLS). First, you asked whether an unincorporated community could be considered a public entity for purposes of owning a library that is "publicly owned and operated." Second, you asked whether a school district or rural educational attendance area (REAA) could qualify for a grant.

With regard to the first question, the phrase "publicly owned and operated" is not defined for purposes of the bill, and is subject to interpretation. However, AS 14.56.356(b)(1) requires a contribution from a "local government entity." This phrase is also subject to interpretation. Substituting "municipality" for this phrase in AS 14.56.356(b)(1) might avoid questions of interpretation, as this word is defined in AS 01.10.060.

With regard to the second question, I believe that it is possible for a school district or REAA to own and operate a library and that the library may be considered to be "publicly owned and operated." However, eligibility also requires an applicant for a grant to provide matching funds, a requirement that may be more difficult to satisfy under the local contribution limits for schools.

DMB:med  
08-186.med

## DCCED 2006 Certified Municipal Populations

Bettles	25
Kupreanof	32
Platinum	38
Akhiok	44
False Pass	54
Kasaan	59
Port Alexander	64
Pilot Point	66
Hughes	68
Clark's Point	69
Atka	73
Egegik	76
Port Heiden	79
Chignik	85
Cold Bay	87
Anyik	88
Koyukuk	88
Larsen Bay	90
Aliakaket	94
Nikolai	98
Chuathbaluk	99
Pelican	106
Tenakee Springs	109
Diomedea	110
Eagle	110
Ekwok	111
Saint George	120
Shageluk	124
Kobuk	135
Deering	138
Wales	139
Adak	146
Golovin	154
Coffman Cove	162
Newhalen	167
Grayling	174
Ruby	183
Whittier	189
Old Harbor	192
Ouzinkie	193
Nondalton	196
Kaltag	199
Nunam Iqua	201
Holy Cross	204
Port Lions	211
Shaktolik	214
Mekoryuk	217
White Mountain	224
Atkasuk	237
Nightmute	237
Aleknagik	241
Goodnews Bay	242

## DCCED 2006 Certified Municipal Populations

Teller	258
Huslia	259
Shungnak	260
Tanana	261
Lower Kalskag	269
Upper Kalskag	271
Ambler	277
Eek	287
Seldovia	287
Kaktovik	288
Nulato	290
Elim	294
Anaktuvuk Pass	299
McGrath	321
Brevig Mission	324
Russian Mission	329
Hydaburg	352
Akiak	367
Koyuk	368
Napakiak	370
Marshall	387
Kivalina	391
Kiana	401
Nuiqsut	417
Saxman	422
Manokotak	423
Gustavus	441
Saint Michael	446
Buckland	457
Kachemak	458
Chefornak	460
Saint Paul	460
Napaskiak	464
New Stuyahok	472
Angoon	482
Thorne Bay	482
Aniak	512
Wainwright	517
Scammon Bay	520
Anderson	536
Kake	536
Nunapitchuk	547
Saint Mary's	551
Nenana	553
Pilot Station	574
Fort Yukon	596
Toksook Bay	598
Kotlik	611
Stebbins	612
Shishmaref	615
<b>Yakutat</b>	<b>634</b>
Galena	636

## DCCED 2006 Certified Municipal Populations

Noorvik	636
Gambell	643
Quinhagak	648
Alakanuk	663
Savoonga	712
Kwethluk	721
Unalakleet	727
Point Hope	737
Akutan	741
Klawock	776
Togiak	783
Emmonak	796
Mountain Village	796
King Cove	807
Hoonah	829
Selawik	841
Skagway	854
Sand Point	890
Chevak	908
Delta Junction	1,039
<b>Bristol Bay Borough</b>	<b>1,060</b>
Craig	1,105
Hooper Bay	1,157
Houston	1,537
<b>Lake &amp; Peninsula Borough</b>	<b>1,557</b>
North Pole	1,710
Wrangell	1,911
<b>Denali Borough</b>	<b>2,052</b>
Cordova	2,211
<b>Haines Borough</b>	<b>2,241</b>
Dillingham	2,397
Seward	2,627
<b>Aleutians East Borough</b>	<b>2,643</b>
Kotzebue	3,104
Petersburg	3,129
Nome	3,540
Soldotna	3,807
Unalaska	3,940
Barrow	4,065
Valdez	4,353
Homer	5,454
Palmer	5,574
Bethel	5,812
Kodiak	5,937
Wasilla	6,775
<b>North Slope Borough</b>	<b>6,807</b>
Kenai	6,864
<b>Northwest Arctic Borough</b>	<b>7,373</b>
Ketchikan	7,662
<b>Sitka</b>	<b>8,833</b>
<b>Ketchikan Gateway Borough</b>	<b>13,174</b>
<b>Kodiak Island Borough</b>	<b>13,506</b>

## DCCED 2006 Certified Municipal Populations

Fairbanks	30,552
Juneau	30,650
Kenai Peninsula Borough	51,350
Matanuska-Susitna Borough	77,174
Fairbanks North Star Borough	96,888
Anchorage	282,813



## School Library Materials Budget Survey Results – January 2007

In school year 2004-05, the median budget for school libraries nationwide was \$9,368. The average budget in the Pacific Northwest was \$19,211. How does your school's library budget compare? This is the question that we asked Alaska school librarians and library aides in November, 2006. We received results from the end of November to late January 2007 from 151 respondents, representing about 165 public schools, or about one-third of Alaska's schools. The results showed that there is wide variation in budgets across the state and within single school districts. (Some schools did not fill out the complete form, and some answered for more than one school in a district, so the numbers do not total 165.)

### ALL SCHOOLS:

138 schools	\$8.32 per student
Average total budget	\$4,284 per school
Range	\$0 - \$25,000 *

### ELEMENTARY SCHOOLS:

71 schools	\$7.59 per student
Average total budget	\$2,707.08
Range	\$0 - \$8,520

### MIDDLE SCHOOLS:

18 schools	\$8.67
Average total budget	\$4,625.22
Range	\$1,500-\$10,000

### HIGH SCHOOLS:

32 schools	\$9.20
Average total budget	\$8,151
Range	\$0 - \$25,000

### K-12 SCHOOLS:

24 schools	\$7.03
Average total budget	\$3,397.61
Range	\$0-\$13,000**

\*One small K-12 school received a federal grant for \$75,000 for its 124 students. Because this is a one-time, competitive grant open to only a few Alaska school districts, it is not included.

\*\*The maximum K-12 amount represents the budget for 6 K-12 schools in one district.

*Quality  
School Libraries...  
Because Student  
Achievement  
is the Bottom Line.*



## **Alaska Association of School Librarians**

<http://www.akla.org/akasl/>

The State Senate  
Alaska State Capital  
Juneau, Alaska 99801-1182

To increase Alaskan students' access to new and varied library materials the Alaska Association of School Librarians proposes an annual grant up to \$2,500 for active school libraries. This grant program would parallel the, already existing, state support of public libraries.

School library budgets vary widely from district to district. The crunch in educational funding has impacted school libraries throughout our state. Schools have seen budgets go lower and lower with some libraries having no budget at all for new materials. This annual grant would be an opportunity to level the playing field between rural and urban school libraries.

There are many students who are not in easy reach of a public library so the school library is their source for research, curriculum related projects, and encourage the love of reading. Some school libraries in our state are using interlibrary loan to borrow books for reading incentive programs like "Battle of the Books" as well as research for class projects. This annual grant will support our school's efforts to produce more proficient readers at all grade levels, foster the love of reading, and promote life long learning skills.

Because of the statewide push for school curriculum to support the Alaska Standards many districts are currently rewriting curriculum and course work. The educational needs from school district to school district vary widely. This annual grant would be an excellent way for individual school libraries to help support the unique curricular needs for their district by purchasing materials that will support the classroom curriculum. We envision this grant as a means to update materials such as atlases that reflect current world geography, almanacs, encyclopedias, advances in science, changes in health issues, career awareness and recent political issues. A variety of material formats including books, DVD's, audio books, periodicals and online databases would all be considered acceptable resources.

We believe Senate Bill 119 would be a long-term investment in the school infrastructure and would promote excellence in education for all districts for years to come.

Erika Drain (President)  
Alaska Association of School Librarians  
[erikad@mehs.us](mailto:erikad@mehs.us)

## **It's impossible to put a price on creating a nation of lifelong learners**

**By Brian Kenney, Editor-in-Chief – School Library Journal, 3/1/2007**

First the good news. The average price of most children's and young adult books hasn't gone up. In fact, it's slightly declined. Now the bad news. Adult titles—especially hardcover and paperback nonfiction—have shot up significantly. That increase makes it especially hard on high school librarians and public librarians who are creating young adult collections.

But today's librarians face an even bigger challenge.

In October 1978, when *SLJ* started tracking those figures, we wanted to help librarians develop sufficient budgets and give them enough ammunition to fight for more funds. That hasn't changed. Back then, there were plenty of demands on school library budgets besides books—think audio and video. It's no different now—just add technology to the mix.

What is different is what's being published. Now there's so much more to offer that you can guarantee there's a book out there to interest each and every one of your readers, reluctant or not.

If you don't believe me, consider the books we reviewed in this issue alone.

Just when you thought fantasy had gone as far as possible, along comes Brian Selznick's *The Invention of Hugo Cabret* (Scholastic), an innovative blend of brilliant illustrations and an irresistible story—as well as two other absolutely terrific fantasy novels.

Need a strong dose of reality? This month's reviews feature four picture books that tackle one of the toughest topics: death (of a mother, a sibling, a friend, and a pet). There are also novels that embrace social issues, like abusive parents. In nonfiction, there are important books on the perilous state of the Earth's ecology, such as Al Gore's *An Inconvenient Truth* (Viking). If that isn't a book that kids need to read, I don't know what is.

If you're faced with some unwilling readers (and who isn't?), check out Kathleen Baxter's latest Nonfiction Booktalker column, "Gross Them Out," on page 38. Every librarian could use a copy of Jeff Szpirglas's *Gross Universe: Your Guide to All Disgusting Things Under the Sun* (Maple Tree, 2006) to wow the after-school crowd.

Publishers are doing their job. Now it's our turn. As Trev Jones, *SLJ*'s book review editor, put it: "There's a need for variety and diversity—in terms of what children can appreciate and understand, in their reading abilities, and in their levels of sophistication

and maturity. Libraries must cover all the bases if they're going to serve all of their children—and to do so, they must fight for funding.”

It's time to persuade parents and teachers, principals and directors, school boards and boards of trustees to reach for their wallets. Tell them about the wealth of resources nearly within our grasp—great historical fiction about the Civil War, biographies of sports legends, and books about dinosaur poop. Let them know that this is what's required to raise a nation of learners, one book, one reader at a time.

*SLJ's Average Book Prices 2007*

	2005	2006	2007
<b>Children's and YA titles: Hardcover</b>			
Average price (all titles)	\$20.52	\$21.60	\$20.82
Preschool to grade four	\$18.92	\$21.60	\$18.70
Grade five and up (fiction)	\$16.85	\$16.87	\$17.24
Grade five and up (nonfiction)	\$24.92	\$26.81	\$26.68
Source: <i>School Library Journal</i>			
<b>Adult titles: Hardcover</b>			
Fiction (excluding special editions, etc.)	\$24.95	\$26.83*	—
Nonfiction	\$36.86	\$42.32*	—
**Nonfiction	\$70.72	\$85.91*	—
<b>Adult titles: Paperback (excluding mass market)</b>			
Fiction	\$18.63	\$17.05*	—
***Nonfiction	\$33.81	\$44.54*	—

Source: Bowker's *Books in Print*

\* Preliminary prices.

\*\* Prices include single-volume reference titles.

\*\*\* Prices include reference and related resources.

The prices for children's and YA titles are based on books published in the first half of 2007. Adult 2006 prices are based on 2005 data. For children's and YA trade paperbacks, an informal survey of several publishers placed the average price at \$8.95.

[bkenney@reedbusiness.com](mailto:bkenney@reedbusiness.com)

By Mark Herring. From the April 2001 American Libraries, p. 76-78.

**ALA** American  
Library  
Association

## 10 Reasons Why the Internet Is No Substitute for a Library

By Mark Y. Herring

Dean of library services  
Dacus Library  
Winthrop University  
Rock Hill, South Carolina

Reading, said the great English essayist Matthew Arnold, "is culture." Given the condition of reading test scores among school children nationwide, it isn't surprising to find both our nation and our culture in trouble. Further, the rush to Internetize all schools, particularly K-12, adds to our downward spiral. If it were not for the Harry Potter books one might lose all hope who languishes here. Then, suddenly, you realize libraries really are in trouble, grave danger, when important higher-education officials opine, "Don't you know the Internet has made libraries obsolete?" Gadzooks! as Harry himself might say.

In an effort to save our culture, strike a blow for reading, and, above all, correct the well-intentioned but horribly misguided notions about what is fast becoming Intertopia among many nonlibrarian bean counters, here are 10 reasons why the Internet is no substitute for a library.



### Not Everything Is on the Internet

With over one billion Web pages you couldn't tell it by looking. Nevertheless, very few *substantive* materials are on the Internet *for free*. For example, only about 8% of all journals are on the Web, and an even smaller fraction of books are there. Both are costly! If you want the *Journal of Biochemistry*, *Physics Today*, *Journal of American History*, you'll pay, and to the tune of hundreds of thousands of dollars.



## **The Needle (Your Search) in the Haystack (the Web)**

The Internet is like a vast uncataloged library. Whether you're using Hotbot, Lycos, Dogpile, Infoseek, or any one of a dozen other search or metasearch engines, you're not searching the entire Web. Sites often promise to search everything but they can't deliver. Moreover, what they do search is not updated daily, weekly, or even monthly, regardless of what's advertised. If a librarian told you, "Here are 10 articles on Native Americans. We have 40 others but we're not going to let you see them, not now, not yet, not until you've tried another search in another library," you'd throw a fit. The Internet does this routinely and no one seems to mind.



## **Quality Control Doesn't Exist**

Yes, we need the Internet, but in addition to all the scientific, medical, and historical information (when accurate), there is also a cesspool of waste. When young people aren't getting their sex education off XXX-rated sites, they're learning politics from the Freeman Web page, or race relations from Klan sites. There is no quality control on the Web, and there isn't likely to be any. Unlike libraries where vanity press publications are rarely, if ever, collected, vanity is often what drives the Internet. Any fool can put up anything on the Web, and, to my accounting, all have.



## **What You Don't Know Really Does Hurt You**

The great boon to libraries has been the digitization of journals. But full-text sites, while grand, aren't always full. What you don't know can hurt you:

1. articles on these sites are often missing, among other things, footnotes;
2. tables, graphs, and formulae do not often show up in a readable fashion (especially when printed);  
and
3. journal titles in a digitized package change regularly, often without warning.

A library may begin with X number of journals in September and end with Y number in May. Trouble is, those titles aren't the same from September to May. Although the library may have paid \$100,000 for the access, it's rarely notified of any changes. I would not trade access to digitized journals for anything in the world, but their use must be a judicious, planned, and measured one, not full, total, and exclusive reliance.



## **States Can Now Buy One Book and Distribute to Every Library on the Web—NOT!**

Yes, and we could have one national high school, a national university, and a small cadre of faculty teaching everybody over streaming video. Let's take this one step further and have only digitized sports

Looking into the abyss of the Internet is like vertigo over a void. But the void has to do not only with what's there, but also with what isn't. Not much on the Internet is more than 15 years old. Vendors offering magazine access routinely add a new year while dropping an earlier one. Access to older material is very expensive. It'll be useful, in coming years, for students to know (and have access to) more than just the scholarly materials written in the last 10 to 15 years.



## The Internet Is Ubiquitous but Books Are Portable

In a recent survey of those who buy electronic books, more than 80% said they like buying paper books over the Internet, not reading them on the Web. We have nearly 1,000 years of reading print in our bloodstream and that's not likely to change in the next 75. Granted, there will be changes in the delivery of electronic materials now, and those changes, most of them anyway, will be hugely beneficial. But humankind, being what it is, will always want to curl up with a good book—not a laptop—at least for the foreseeable future.



The Web is great, but it's a woefully poor substitute for a full-service library. It is mad idolatry to make it more than a tool. Libraries are icons of our cultural intellect, totems to the totality of knowledge. If we make them obsolete, we've signed the death warrant to our collective national conscience, not to mention sentencing what's left of our culture to the waste bin of history. No one knows better than librarians just how much it costs to run a library. We're always looking for ways to trim expenses while not contracting service. The Internet is marvelous, but to claim, as some now do, that it's making libraries obsolete is as silly as saying shoes have made feet unnecessary.

*This article originally appeared in American Libraries, April 2001, p. 76-78.*



ALASKA LIBRARY ASSOCIATION ♦ P. O. BOX 81084, FAIRBANKS, AK 99708 ♦ WWW.AKLA.ORG

Senator Bettye Davis  
Health, Education and Social Services Committee  
State Capitol, Rm 30  
Juneau, AK 99801-1182

April 22, 2007

Dear Chairman Davis,

As a representative of the Alaska Library Association, I am writing in support of SB119, "An Act establishing a grant program to support public school libraries."

Part of the Alaska Library Association's mission is to support school libraries and librarians, because we recognize the role school libraries play in the success of Alaska's K-12 students. But school libraries are unable to properly fulfill this role if they are not stocked with adequate resources for educating all students.

Too often students are forced to use the local public library or other outside resources to complete school assignments. In rural areas where students do not have easy access to other libraries, students are much more dependent on their school libraries to provide them with up-to-date reference and research materials.

SB 119 would provide financial assistance to qualified school libraries seeking to correct deficiencies in their collections. Support would take the form of grants covering books, magazines, reference materials and electronic databases.

The Alaska Library Association believes that the best place for students to access curriculum-appropriate materials supporting school coursework is in their own school libraries. Please support this bill to improve school library collections.

Sincerely,

Jane Fuerstenau  
AkLA President

## School Library Collection Development Grant Speakers

**Ginny Austerman: Legislative Aide to Senator Donny Olson**

**Cathy Boutin: Dzantik'I Heeni Middle School Library**

Work: 463-1899

Email: [bountinc@jsd.k12.ak.us](mailto:bountinc@jsd.k12.ak.us)

**Debbie Edwardson: North Slope School Board Member**

email: [edwardson\\_communications@hotmail.com](mailto:edwardson_communications@hotmail.com)

**Charlotte Glover: Ketchikan Public Library**

Work: 225-0370

Email: [charg@firstcitylibraries.org](mailto:charg@firstcitylibraries.org)

**Roz Goodman: Retired School Librarian**

Email [roz99647@yahoo.com](mailto:roz99647@yahoo.com)

**Clark Gruening: AkLA/AkASL Lobbyist**

Work 586-8110

Email [clarkg@alaska.net](mailto:clarkg@alaska.net)

**Tiki Levinson: Delta School District Librarian**

Work 895-4696

Email [tlevinson@dgsd.k12.ak.us](mailto:tlevinson@dgsd.k12.ak.us)

**Lynn McNamara: Scenic Park Elem. Sch. Librarian/Very involved with this bill.**

Work: 742-1650

Email: [mcnamara\\_lynn@asdk12.org](mailto:mcnamara_lynn@asdk12.org)

**Barbara Nagengast: President of the Alaska Elementary Principal's Association**

Spring Hill Elementary

9911 Lake Otis Pkwy.

Anchorage, AK 99507

Ph. 907-742-5450

Fax 907-742-5477

[nagengast\\_barbara@asdk12.org](mailto:nagengast_barbara@asdk12.org)

**Maureen Radotich: Director of Ancillary Services: Valdez Hospital, Supportive parent of school libraries**

Work 834-1824

Email [raddog@cvinternet.net](mailto:raddog@cvinternet.net)

**Kari Sagel: Blatchley Middle School Library: Very involved with this bill.**

Work: 966-1411

Email [sagelk@mail.ssd.k12.ak.us](mailto:sagelk@mail.ssd.k12.ak.us)

**Bob VanDerWege: Kenai Peninsula District Librarian**

Work: 714-8905

Email: [rvdw@kpsd.k12.ak.us](mailto:rvdw@kpsd.k12.ak.us)

## **Senate Bill 119: Why the State Library Should Administer This Bill**

The Alaska Association of School Librarians, (AkASL), believes the State Library would be the most efficient and successful agency for handling the administrative concerns of this bill. State Librarian, Kay Shelton, along with librarians, Linda Thibodeau and Sue Sherif, are very much in tuned with school library issues and concerns.

Their offices work closely with school librarians around the state and keep us informed through list serves about all aspects of our jobs. They give endless hours of suggestions and support by telephone, email and on site visits.

The State Library initiates ongoing training for certified school librarians and Para-professionals around the state on an annual basis.

Additional monies must be calculated into this bill for a clerical person to administer the grant. There will be paper work to evaluate from school libraries interested in applying for this annual grant. Time will be necessary to review grant applications and annual reports, as well as administer and evaluate those applications by schools that apply for any unused money after the deadline for the initial grant.

---

**From:** Roz Goodman [mailto:roz99647@yahoo.com]  
**Sent:** Saturday, March 08, 2008 10:00 PM  
**To:** Rep. Peggy Wilson  
**Subject:** Grant Programs for Libraries

Dear Representative Wilson,

As a Alaskan school librarian for 20 years and as a public and school library consultant for the past 10 years in numerous communities and villages throughout the state, I have seen first hand the need for additional space in existing public library facilities and the dire need for updating outdated school library collections.

During the HESS committee meeting scheduled for this Tuesday, March 11th, I urge you to support and pass the act relating to grant programs to support libraries. This act will enable communities to increase space in crowded and outgrown library facilities and revitalize and update school library collections which, in many schools, no longer support current school standards and curricula or the reading levels and interests of the students.

Thank you,  
Roz Goodman

Roz Goodman, Retired School Librarian  
School Library & Technology Services  
Box 47001  
Pedro Bay, AK. 99647  
907-850-3011  
Email: roz99647@yahoo.com

---

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My name is Charlotte Glover and I've been the youth services librarian at the Ketchikan Public Library for the past 17 years. Previously, I was a reading teacher in New Mexico and I have a background in classic literature. I've taken an active interest in early childhood education and literacy issues throughout my career, starting two programs in Ketchikan that help get books to kids- Born to Read, which distributes books to new babies at Ketchikan General Hospital, and the Southern Southeast Chapter of the national literacy effort called First Book which provides books for low income children to build home libraries. We have given grants to agencies on POW, Wrangell, Petersburg, Juneau, and Ketchikan among other communities. I also created a statewide grant program called "Book Bonanza" which to date has provided about \$15,000 worth of new books to school and smaller libraries around the state. Because of these activities, I see dozens of grant applications a year from school librarians and teachers detailing just how limited their resources are for new books.

In addition, my public library is part of a consortium which includes seven school libraries and a college library. I know firsthand how poorly funded the school libraries are in Ketchikan and I admire the local librarians who raise money themselves year after year so their kids can have a few new books on the shelves. My publicly funded children's library has more money for books in a year than most school libraries will see in two decades because schools have not made new books for kids and teachers a priority.

There is a perception out in the world that kids don't need to or don't want to read in the age of the internet. Nothing could be further from the truth. Our children are dying to see themselves in books and are eager to explore the world through colorful non-fiction and compelling fiction. Circulation continues to grow at my library and we loan an average of 600 books a month to our school libraries. Teachers and students are borrowing folk tales, fairy tales, holiday books, science fair resources, encyclopedias, books about Alaska Native Culture, geography titles, history books and biographies.

A few weeks, the Jr High School librarian came by the public library and checked out dozens of our biographies so her students would have a selection of books to choose from for a 7<sup>th</sup> grade assignment, as her own selection is worn, out of date and limited. Last week a stay at home parent wanted a picture book about Martin Luther King Jr. to read aloud to her child. Our library owns at least a dozen titles that would be appropriate, but they were all checked out to local preschool and primary teachers. In fact, no matter how many holiday books I purchase, I never have enough to go around for all the families and teachers that want to read them. Make no mistake, teachers always do their best to get the books their kids need, often spending their own money, but wouldn't it be better if they had access to a well stocked school library?

On a personal note, I spend time with a "Little Sister" in second grade each week. My little sister is in yet another foster home and she begs me to bring her new books each week, books of her own, that she can read and cherish, as she has no home library. Because this girl is bright and because she has me and my resources by her side, she just might read herself out of poverty before she works herself out of poverty, to quote author Pat Mora, but what about all the other kids?

I think those of us with piles of reading material and overstuffed bookcases at home forget that each of our communities are full of children who have no access to books other than at their school library. Their parents don't buy books or bring them to the public library so the school library becomes their only outlet for recreational and

informational reading. Wouldn't shelves of attractive new books send those kids a message that they are valued?

Senate Bill 119 would give each of our communities more money for desperately needed books and would send a message that we KNOW kids who READ achieve. Study after study has proven that well stocked school libraries with active library programs increase literacy levels and student achievement. Let's help our kids learn to love reading by giving their school libraries a step up.

March 11, 2008

**Testimony of Debby Edwardson, North Slope Borough School District  
Senate Bill 110**

Good morning. I'd like to thank you for allowing me to testify before you today on behalf of Senate Bill 119. My name is Debby Edwardson and I am speaking as a mother, a writer, a school board president and a rural Alaska resident.

As the mother of seven, I know that the single most important academic skill I can give my children is to instill in them a love of reading and as a children's writer, I truly believe that the relationship between a single child and a single book has the power to transform the world, so when I walk through village school libraries and see tattered and outdated books and empty shelves, I know we are failing our children on a very fundamental level.

As a school board president I have read the many studies that prove what many of us already knew: there is a direct correlation between well-stocked libraries and reading ability.

I know that the librarians and educators testifying before you today can and will cite some of these studies by name—these show that students in schools with well-stocked libraries learn more, get better grades, and score higher on standardized tests than those in schools with outdated libraries.

As a rural resident, I am always aware of the fact that our village schools are community centers and our village school libraries are community libraries. There are not other sources of books in the village

And according to the Alaska Department of Education and Early Development, one-third of Alaska's students enter high school not reading at their grade level Under No Child Left Behind, 44 percent of Alaska's school districts are currently failing to make Adequate Yearly Progress. Seventy-nine percent of those failing are rural districts where scores in reading and writing are especially low.

It would seem an easy a solution to tell districts to allot more of their funding to school libraries, to support, but as school boards, we are beset by numerous unfunded mandates that take precedence. We are, for example,

.equired by law to serve special need students at funding levels that represent only a fraction of what these services actually cost.

The money Senate Bill 119 will provide to support libraries and library resources is not all that much--we are forced to spend much more than this to bring technology into our schools, which we must do to equip our children for the future. But make no mistake—even if we had the bandwidth to fully support it, which on the North Slope we do not—there is no technology in the world that will replace the educational benefit of a good book. Our children are using the Internet for research and academic inquiry and our teachers are using laptops to differentiate instruction, but real reading only happens between the covers of a good book. There is no machine that can replace a good teacher surrounded by a group of students enthralled by the sound of her voice and captivated by a story unfolding, a story that opens the up the world for a young child in a remote village in rural Alaska.

I urge you to remember that every dollar you spend on libraries will pay dividends in the future. And I thank you for your time and for your support.

**Petersburg Legislative  
Information Office**  
State of Alaska  
Legislative Affairs Agency

PO Box 1470  
Petersburg, AK 99833  
Petersburg\_lio@legis.state.ak.us  
907.772 3741 Fax 772.3779

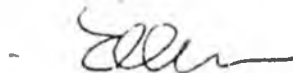
FAX TRANSMISSION

TO: House Health and Social Services  
FAX: 907.465.3175  
PHONE: 907.465.3824  
DATE: March 11, 2008

8 pages follow this cover. 9 total.

Please add this hard copy testimony into the Committee Record for SB 119.

Thank you,



Ellen Rojcewicz  
Petersburg LIO

**March 11, 2008**  
**Tara Alcock, City Librarian**  
**libdir@ci.petersburg.ak.us**

**RE: Senate Bill 119 "An Act relating to grant programs to support libraries."**

My name is Tara Alcock, I am the director of the Petersburg Public Library.

I would like to voice my support for Senate Bill 119. I would specifically like to address Section 1, the library construction matching grant program.

While only a few years ago futurists were decrying the death of libraries due to the internet, the opposite has proven to be true. Use of the library in Petersburg is skyrocketing despite overcrowding, noise, lack of work space, comfortable seating and a roof that leaks. Many in our community agree - is time to bring Petersburg's library up to the same standard as other community libraries in Alaska.

The state has been a major contributor in all new public library construction projects in Alaska. SB119 will provide an equitable method to address the capital construction needs of small public libraries. It would effectively leverage local financial support as well as private donations to build sustainable library facilities in rural Alaskan communities.

I encourage you to fund this bill and pass it in its current form. Thank you.

Tara Alcock

Re: SB119  
3-11-08

As a public school teacher, a GED tutor, and a community volunteer, I know first hand how crucial our school and community libraries are to our citizens. Senate Bill 119 would benefit all.

Thank you to all who have worked to bring this well-written and important bill, which I hope will pass in its current form. SB 119 could provide crucial funding (up to 50 % of the project cost) for our community library, and our school libraries could obtain small grants for much-needed books for our students.

I frequent the library almost on a daily basis, and I always find it full of a wide variety of citizens. In the summer, our population swells with seasonal cannery workers and tourists. Every computer is in use, and many bring in their own laptops for free wireless access. In the winter months, the library provides a safe and warm locale for study, reading, and research, and the superb selection of audio books and movies on DVD and video help to stretch my limited entertainment budget during the long, Alaskan nights, and our library usage numbers have steadily increased each year. I often contact our fabulous librarians for assistance in my work and in my personal life, and they are always able to assist, willingly and professionally.

I recently returned to Petersburg after a fourteen-year hiatus, and I was shocked that the library was still housed in the same dilapidated, leaky building that surely does not meet safety and design codes. The town has greatly improved in many ways, although our most important resource, our community library, is in a deplorable building. Our literary holdings are in danger from inescapable and imminent damage from wind and rain.

Our libraries are truly the heart of the community, and by passing SB 119, the state of Alaska can meet the needs of its citizens of this important southeast community and those of a number of nearby villages and ports that also rely on our community library. Please approve AND FUND SB 119 in its current form. Our need is great and a new community library is long overdue. Thank you.



Denise Roselle

PO Box 755

Petersburg, Alaska 99833

907.772.2473

droselle1@yahoo.com

SB119 - Sandy and Terry Wolf

The Petersburg new library project seeks your support for the passage of SB119. Libraries are a civilizing influence in everyday life as people gather for information, recreational reading and research: families, children, adults, visitors all benefit from a workable library. Petersburg library has been a constant source for information and inspiration in our lives; my husband and I have frequented the stacks at least once a week for over 20 years. Our library is used by residents and visitors alike, resulting in a congested and overcrowded space. There is no room for growth in the current facility.

By funding SB119 in its current form in a timely manner, a message will be sent to Petersburg residents that the State is on board with this project, enhancing our own fund-raising plan. To change the bill would only retard the passage and time is of the essence; in my opinion, SB119 is a very fine bill as it now reads. I strongly encourage you to pass SB119 and help keep libraries alive and well in small towns. We appreciate all your work in passing this bill.

*Sandy Wolf*  
PO Box 1707

Petersburg, AK 99833

907. 772. 2796

3-11-08

Thank you for the opportunity to testify in support of the SB119. My name is Karen Dillman and I am a Petersburg Public Library Board member and also a past employee of the PPL. Our community is in great need for a new library. There is not enough space to provide the services that Petersburg residents would like to have and need with our current library space. This bill needs to be funded in the House, and the House should also pass it in its current form. Among other things, this bill will help fund construction grants that the planned Petersburg Public library can apply for.

My family and I are all avid library users and we collectively visit and use the library at least 3 to 5 times a week. We utilize nearly all the serves the library has to offer including reference materials, books, video's music, books on tape and we also like to attend many of the special classes, meetings and events the library has to offer to the community. For my family it is the heart of our involvement in Petersburg where information is shared and gathered, and the arts and literature are celebrated and explored on a continual basis.

SB 119 is very important and I thank senators Stedman and Wilson for their hard work concerning this bill.

Karen Dillman

Box 305

Petersburg AK

99833

907-772-4090

3/11/2008

I would like to offer my testimony on HB 353 that would require all libraries in Alaska to apply Internet filtering in order to receive state grants.

As a member of the Board of Directors of the Petersburg Public Library, I strongly oppose Internet filtering, and do NOT think that the state funding that is so essential to libraries in Alaska, particularly small, rural libraries, should depend on Internet filtering.

Local libraries should continue to adopt and implement Internet use policies in the same way that we develop other policies, based on the needs of our communities. We have worked hard to establish responsible Internet policies that make sure patrons use the Internet within the parameters of state and federal laws. .

Another objection I have to Internet filtering is that there is no proven technology that both blocks out all illegal content and allows access to all constitutionally protected material. This results in extensive blocking of online material that has in tests of filters included such materials as the Declaration of Independence, the Bible, and all of Shakespeare's plays. Internet filters fail to block a significant percentage of pornography sites while denying access to important health information. I believe that educating children to use the Internet wisely provides their best protection, both now and in the future.

Free access to information is a constitutional right and is essential for public libraries, it is beyond question as a necessity for university libraries that support important research. Since university libraries are included in this bill, that alone should make it clear that this filtering cannot be supported.

Finally, the costs of filtering both for software and staff to regulate its use are prohibitive for small Alaskan libraries that are already struggling to meet rising operation costs with limited budgets.

Thank you for the opportunity to provide testimony


Respectfully submitted,

Martha Smith  
PO Box 384  
Petersburg, AK 99833

First of all, I'd like to commend the committee on a well-thought-out and well-written bill. I hope it can pass with little or no amendment.

As a rural Alaskan physician I'm involved front-line in the battles against mental illness and substance abuse. Libraries are a preemptive strike. They are places to go, centers of cultural events, sources of accurate information and opportunities for social interactions. They prevent boredom and provide healthy activities.

As legislators this bill is an opportunity for you to make a big improvement in the quality of life of your constituents and I encourage you to pass it.

  
SHARON JUNGE MD  
PETERSBURG, ALASKA

TESTIFYING ON BILL 119 MARCH 11, 2008

In support of passage of SB119, and especially for funding attached to the same.

I'm Sue Paulsen in Petersburg, a public library user here for 50 years. Local support for our public library has always been strong, and never stronger than it is right now. Looking back in Petersburg, we see modest beginnings in a tiny storefront and in 1969 a library space in the municipal building. In the last 40 years in that modest space, the dedication of board and staff have brought the library to its modern incarnation: full services in the information age and programming that serves the needs and interests of every age group. Unfortunately, the roof leaks and it is so small there is no place to sit down.

Library use has increased 220% since 2002. The library is shockingly overcrowded: there is way too little space for the materials and equipment and only 12 chairs for the patrons!

As you may have heard by now this new Petersburg library project is being pushed along with unremitting effort by the community, the library board, the building committee, the capital campaign committee, the city council, the state library and the Foraker Group.

We need the help of our legislature to build this cornerstone of community. Thank you for your efforts in Juneau to use Alaska's resources to provide for the people's needs. As my pioneer father would have said, keep plugging. Please pass this bill and attach funding.

*Sue Paulsen*

*3/11/08*

PO Box 1789  
Seward, AK 99584

office: 224 5066 fax: 224-5067



# Fax

**To:** Health, Education, & Social Srv      **From:** Seward LIC -- Nancy Erickson

---

**Fax:** (907) 465-3175      **Pages:** 5

---

**Phone:**      **Date:** 3/12/2008

---

**Re:** Written testimony SB119      **CC:**

---

Urgent     For Review     Please Comment     Please Reply     Please Recycle

Enclosed is a complete version of testimony given by Patty Linville during yesterday's teleconference, plus a resolution by the City of Seward in support of SB119.

Nancy Erickson

Seward LIO

# FAX COVER SHEET

Seward Community Library  
P. O. Box 2389  
Seward, AK 99664  
907-224-4082 -- main library  
907-224-4008 -- director  
907-224-3521 -- fax  
[plinville@cityofseward.net](mailto:plinville@cityofseward.net)



Date: March 12, 2008

To: Seward LIO

RE: Testimony and Resolution of Support for SB  
119

Company Name:  
Seward Community Library

Attn:  
Phone:  
Fax: 907-224-5067

From: Patricia Linville, Library Director

Pages (Including Cover): 4

*Note:*

*Here is my testimony and the Resolution of Support for SB 119. Please fax to the committee.*

*Thanks, Patty*

A handwritten signature in cursive script, appearing to read "Patty", is written over the typed name "Patty" in the previous block.

If you have any questions regarding this transmission, please call:  
907-224-4008.

Sponsored by: Oates

**CITY OF SEWARD, ALASKA  
RESOLUTION 2008-017**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD  
SUPPORTING THE PASSAGE OF SENATE BILL 119 (AN ACT RELATING  
TO GRANT PROGRAMS TO SUPPORT LIBRARIES)**

WHEREAS, public libraries are generally funded by local governments and school libraries are funded by the local or regional school districts; and

WHEREAS, Senate Bill 119 provides for much needed state funding for Alaska's libraries, both school and public; and

WHEREAS, Section 2 of Senate Bill 119, AS 4.56.355, addresses Alaska's public libraries needs for more and different space; and

WHEREAS, Section 2 of Senate Bill 119, AS 4.56.355, will establish a matching grant program that could, subject to appropriations, award up to 50% of the total grant project cost, either new construction or renovation, with 20% from local government entity and 30% from private donors; and

WHEREAS, research shows that children in schools with larger book collections made better gains in reading; and

WHEREAS, Section 3 of Senate Bill 119, AS 14.56.360, establishes a public school library collective development grant program to award and administer annual grants of up to \$3,000 "to expand and improve the library collection to include relevant and current reading materials"; and

WHEREAS, it is the intent of this resolution to seek support for SB 119 from the City Council of the City of Seward.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA that:**

Section 1. The Seward City Council supports passage of Senate Bill 119 "An Act relating to grant programs to support libraries."

Section 2. The city manager is directed to forward this resolution of support to all members of the Alaska State Legislature by March 15, 2008.

Section 3. This resolution shall take effect immediately upon its adoption.

**PASSED AND APPROVED** by the City Council of the City of Seward, Alaska, this 10<sup>th</sup> day of March, 2008.

CITY OF SEWARD, ALASKA  
RESOLUTION 2008-017

THE CITY OF SEWARD, ALASKA

Clark Corbridge  
Clark Corbridge, Mayor

AYES: Dunham, Valdata, Bardarson, Amberg, Smith Kellar, Corbridge  
NOES: None  
ABSENT: None  
ABSTAIN: None

ATTEST:

Jean Lewis  
Jean Lewis, CMC  
City Clerk

(City Seal)



Patricia Linville, librarian for the Seward Community Library

IN SUPPORT OF SB 119

Seward Community Library is much like many small public libraries around the state. We are the only municipally funded public library on the eastern Kenai Peninsula, the next closest is Anchorage, 120 miles away. Yes, we help people find reading materials. We also provide assistance to people wanting tax forms, proctor distance learning school exams, help with PFD on-line applications and assist those who are applying for jobs on-line. Our daily adult crowd uses the computers, the bathrooms and the sofas as if they were at home. Many do not have these amenities elsewhere. The afterschool crowd plays computer games, does homework or just hangs with their friends until parents are off work and they go home...some stay until the library closes. Summer in Seward of course brings in visitors and seasonal workers looking for a place to sit out of the rain, check email, download photos and get directions and information about the area.

With 30000 volumes, six public access computers, a teen area, a children's area, a "quiet reading area" and office space cramped into 3500 square feet there is little to spare for comfortable meeting space. Imagine trying to get your divorce papers notarized while everyone in the library is listening to your conversation. I'm sure many rumors have been started from eaves dropping on some of these private transactions.

Our community has been working on plans to build a new library museum since 2003. We have raised over \$100,000 locally for the project. We are not expecting any Federal assistance. We are writing grants, applying for loans and approaching private foundations. The City will assume the operation and maintenance of the facility. If we are given the opportunity to apply for a matching grant from the state we will certainly do so. Please pass SB 119 so we can.

The second part of the bill concerns the ability of school libraries to keep their collections current and viable for Alaskan students. As you know school funding varies widely throughout the state. Hopefully that will begin to change after this year's session. A few years ago our district built a new middle school here in Seward. It has a really great library media center. Once the school was complete we were told there was no money for books. Our public library actually gave some of our discards to the school library...We discard books because they are out of date and no longer useful. Should the school library have such materials? Please pass SB 119 so our kids can have current information at their fingertips and somebody to guide them toward it.

SB 119 will help Alaska's libraries both school and public become the information sources and community centers that are so needed by our small communities. Please pass this bill and insure a well informed future for our state.

# HOUSE COMMITTEE REPC T

(7)

Date Referred to Committee: March 4, 2008

FURTHER REFERRALS: Finance

Date of Committee Action: \_\_\_\_\_

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered:

CSSB 119(RLS)

CS FOR SENATE BILL NO. 119(RLS)

SCHOOL LIBRARY GRANTS

"An Act relating to grant programs to support libraries."

Recommends it be replaced with  HCS or  CS for \_\_\_\_\_ (\_\_\_\_\_)   
 For Senate Bills with new title:  Technical Title /  New Title: HCR \_\_\_\_\_  Same Title  New Title

- attach amendments
- add new referral to \_\_\_\_\_ Committee
- Letter of Intent \_\_\_\_\_ Committee

List of Abbrev for Depts.:  
 ADM  
 CED  
 COR  
 CRT  
 EED  
 DEC  
 DFG  
 GOV  
 HSS  
 LWF  
 LAW  
 LEG  
 MVA  
 DNR  
 DPS  
 REV  
 DOT  
 LA

<u>NEW</u> FISCAL NOTES				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero

<u>PREVIOUS</u> FISCAL NOTES				
List by Dept(s):	FN#	Fiscal	Indet.	Zero

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	CASSIA Keller	✓			
Anna Fairclough	FAIRCLOUGH			✓	
Bertie Gardner	Gardner			✓	
Beckorn	Roses				✓
Chair:	WILSON	✓			
Chair:					

**SB**

**170**

# ALASKA STATE LEGISLATURE

Session  
State Capitol Building, Room 125  
Juneau, Alaska 99801-1182  
Phone (907) 465-2995  
Fax (907) 465-6592

Interim  
716 West Fourth Avenue, Suite 430  
Anchorage, Alaska 99501  
Phone (907) 269-0250  
Fax (907) 269-0249



Chair  
Senate State Affairs  
Administrative Regulation Review

Member  
Senate Judiciary Committee  
Senate Resources Committee

**SENATOR LESIL MCGUIRE**

## MEMORANDUM

To: Representative Peggy Wilson  
Chair, House Health, Education & Social Services Committee

From: Senator Lesil McGuire

Date: April 9, 2008

Re: Request for hearing, SB 170 – *Insurance Coverage for Well-Baby Exams*

---

I respectfully request that SB 170 – *Insurance Coverage for Well-Baby Exams* be scheduled for a hearing pending referral at your earliest convenience. Attached you will find the most current version of the resolution, fiscal note, sponsor statement, and backup information.

If you have any questions or concerns please feel free to contact me personally, or my staff, Trevor Fulton at x3579. Thank you for your time and consideration.

# ALASKA STATE LEGISLATURE

**Session**  
State Capitol Building, Room 125  
Juneau, Alaska 99801-1182  
Phone (907) 465-2995  
Fax (907) 465-6592

**Interim**  
716 West Fourth Avenue, Suite 430  
Anchorage, Alaska 99501  
Phone (907) 269-0250  
Fax (907) 269-0249



**Chair**  
Senate State Affairs  
Administrative Regulation Review

**Member**  
Senate Judiciary Committee  
Senate Resources Committee

**SENATOR LESIL MCGUIRE**

## SPONSOR STATEMENT

### SB170 – Insurance Coverage for Well Baby Exams

Infancy is perhaps the most critical period in a child's life. Routine medical checkups during this vulnerable stage are necessary in order to monitor and assess a baby's normal, healthy development. These checkups – commonly referred to as "well baby" exams – not only provide a professional medical assessment of a newborn's health and development, but they also provide the opportunity to educate parents in proper child care.

SB 170 would require health insurers in the State of Alaska to offer coverage for well-baby exams. These exams, considered a part of routine pediatric health supervision, are estimated to cost between \$125 and \$250 per visit. The American Academy of Pediatrics recommends a schedule that includes 10 exams in the first 24 months of a baby's life. A typical well baby exam includes monitoring development and growth rates, hearing, vision, language skills, motor development, diet, general and preventative health care, immunizations, and infectious diseases.

Preventative healthcare coupled with early detection of health related problems not only improves health outcomes but it is also cost-effective over the long run. By averting severe and more costly health problems, including serious illness and emergency care, well baby exams make sense.



# Recommendations for Preventive Pediatric Health Care



Each child and family is unique; therefore, these **Recommendations for Preventive Pediatric Health Care** are designed for the care of children who are receiving competent parenting, have no manifestations of any important health problems, and are growing and developing in satisfactory fashion. **Additional visits may become necessary** if circumstances suggest variations from normal.

Developmental, psychosocial, and chronic disease issues for children and adolescents may require frequent counseling and treatment visits separate from preventive care visits.

These guidelines represent a consensus by the American Academy of Pediatrics (AAP) and Bright Futures. The AAP continues to emphasize the great importance of **continuity of care** in comprehensive health supervision and the need to avoid fragmentation of care.

The recommendations in this statement do not indicate an exclusive course of treatment or standard of medical care. Variations, taking into account individual circumstances, may be appropriate.

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Age*	INFANCY									EARLY CHILDHOOD						MIDDLE CHILDHOOD						ADOLESCENCE											
	Prenatal	Newborn	3-5 d†	By 1 mo	2 mo	4 mo	6 mo	9 mo	12 m	15 mo	18 mo	24 mo	30 mo	3y	4y	5y	6y	7y	8y	9y	10y	11y	12y	13y	14y	15y	16y	17y	18y	19y	20y	21y	
<b>HISTORY</b> Initial/interval	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
<b>MEASUREMENTS</b> Length/height and weight Head circumference Weight for length Body mass index Blood pressure†		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
<b>SENSORY SCREENING</b> Vision Hearing		★	★	★	★	★	★	★	★	★	★	★	★	★	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
<b>DEVELOPMENTAL/BEHAVIORAL ASSESSMENT</b> Developmental screening* Autism screening Developmental surveillance* Psychosocial/behavioral assessment Alcohol and drug use assessment		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
<b>PHYSICAL EXAMINATION†</b>		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
<b>PROCEDURES†</b> Newborn metabolic/hemoglobin screening Immunization* Hematocrit or hemoglobin* Lead screening* Tuberculin test* Dyslipidemia screening STI screening* Cervical dysplasia screening		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
<b>ORAL HEALTH</b>		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
<b>ANTICIPATORY GUIDANCE†</b>	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•

\* If a child comes under care for the first time at any point in the schedule or if any items are not accomplished at the age indicated, the schedule should be brought up to date at the earliest possible time.  
† A prenatal visit is recommended for parents who are at high risk; for first-time parents; and for those who request a booklet on prenatal care. The prenatal visit should include a prenatally guided review of medical history and a discussion of benefits of breastfeeding and planned method of feeding per AAP statement "The Preterm VLB\* (2001) (URL: <http://aappublications.org/cgi/content/full/pediatrics/107/6/1456>).  
† Every infant should have a newborn evaluation after birth. Timing: hearing evaluation and instruction and support offered. Every infant should have an evaluation within 3 to 5 days of hospital stay and 48 to 72 hours after discharge from the hospital. In-state evaluation for hearing and genetic disease screening should receive formal breastfeeding evaluation, amount, age, and instruction as recommended in AAP statement "Breastfeeding and the Use of Human Milk" (2005) (URL: <http://aappublications.org/cgi/content/full/pediatrics/115/2/466>). For newborns discharged in less than 48 hours after delivery, the infant must be evaluated within 48 hours of discharge per AAP statement "Hospital Stay for Healthy Term Newborns" (2004) (URL: <http://aappublications.org/cgi/content/full/pediatrics/113/5/1436>).  
† Blood pressure measurement in infants and children with specific risk conditions should be performed at least before age 3 years.  
† If the patient is a prepubertal child, refer to section on AAP statement "Sex Evaluation and Vision Screening of Infants, Children, and Young Adults" (1996) (URL: <http://aappublications.org/cgi/content/full/pediatrics/98/3/353>).  
† An infection is considered to be a current if AAP statement "Year 2000 Position Statement: Principles and Guidelines for Early Hearing Detection and Intervention Programs" (2000) (URL: <http://aappublications.org/cgi/content/full/pediatrics/106/4/706>).  
† Joint Committee on Infant Hearing Year 2001 position statement: principles and guidelines for early hearing detection and intervention programs. Pediatrics. 2001;107:818-821.  
† AAP Council on Children With Disabilities. AAP Section on Developmental Behavioral Pediatrics. AAP Bright Futures Steering Committee. AAP Medical Home Initiative for Children With Special Needs. Expert Advisory Committee. Identifying, diagnosing, and treating children with developmental disorders in the medical home: an algorithm for developmental surveillance and screening. Pediatrics. 2000;118:405-420 (URL: <http://aappublications.org/cgi/content/full/pediatrics/115/1/105>).  
† Lead: VLB\* (Herman St, Johnson CP et al. Identifying children with a pre-early? Pediatrics. 2001;111:152-153) (URL: <http://pediatrics.aappublications.org/cgi/content/full/111/1/152>).  
† At each visit, age-appropriate physical examination is essential, with infant body or clothed, under child observation and out of view if needed.  
† These may be modified, depending on entry point into schedule and individualized newborn, metabolic, and hemoglobinopathy screening should be done according to state law. Results should be reviewed at visits and appropriate counseling or referral done as needed.  
† Schedules per the Committee on Infectious Diseases (published annually in the January issue of Pediatrics). Every visit should be an opportunity to update and complete a child's immunizations.  
† See AAP Pediatric Nutrition Handbook, 5th Edition (2003) for a discussion of universal and selective screening options. See also Recommendations for prevention and control of toxoplasmosis in the United States. MMWR Recomm Rep. 1998;47(RR-3):1-16.  
† For children at risk of lead exposure, consult the AAP statement "Lead Exposure in Children: Prevention, Detection, and Management" (2005) (URL: <http://aappublications.org/cgi/content/full/pediatrics/116/4/1006>). Antismoking screening should be done if appropriate with state law, where applicable.

† Perform risk assessments in areas as appropriate based on universal screening requirements for patients with Medicaid or high prevalence areas.  
† Tuberculosis testing per the recommendations of the Committee on Infectious Diseases (published in the current edition of Red Book: Report of the Committee on Infectious Diseases). Testing should be done in recognition of high risk factors.  
† The Report of the National Children's Education Program (NCEP) Expert Panel on Detection, Evaluation, and Treatment of High Blood Cholesterol in Adults (Adult Treatment Panel III) (April 2002) (URL: <http://aappublications.org/cgi/content/full/106/25-2143>) and "The Expert Committee Recommendations on the Assessment, Prevention, and Treatment of Child and Adolescent Overweight and Obesity" (Supplement to Pediatrics) (in press).  
† All sexually active patients should be screened for sexually transmitted infections (STIs).  
† All sexually active patients should have screening for syphilis (syphilis is part of a pelvic examination beginning within 3 years of onset of sexual activity at age 21, whichever comes first).  
† Refer to the specific guidelines by age in Red Book: Report of the Committee on Infectious Diseases (published in the current edition of Red Book) for more information.  
† At the visits for 3 years and 6 years of age, it should be determined whether the patient has a dental home. If the patient does not have a dental home, a referral should be made to one. If the primary care provider is a dentist, consult the local dental society for more information.  
† Refer to the specific guidelines by age in Red Book: Report of the Committee on Infectious Diseases (published in the current edition of Red Book) for more information.  
† Refer to the specific guidelines by age in Red Book: Report of the Committee on Infectious Diseases (published in the current edition of Red Book) for more information.  
† Refer to the specific guidelines by age in Red Book: Report of the Committee on Infectious Diseases (published in the current edition of Red Book) for more information.

• to be performed ★ risk assessment to be performed, with appropriate action to follow if positive ← → range (spanning when a service may be provided, with the symbol indicating the preferred age)

# STATE OF ALASKA

**DEPT. OF HEALTH AND SOCIAL SERVICES**  
DIVISION OF PUBLIC HEALTH

**SARAH PALIN, GOVERNOR**

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

March 12, 2008

The Honorable Lesil McGuire  
Alaska State Senate  
State Capitol, Room 125  
Juneau, AK 99801-1182

Dear Senator McGuire,

Thank you for your question to Stephanie Birch, our Section Chief for Women's, Children's and Family Health, regarding Senate Bill 170 – insurance coverage for well-baby exams. I am responding on behalf of the Division of Public Health and the Department of Health and Social Services. As you know from Ms. Birch's testimony, we support efforts to promote the overall good health of Alaska's children through such exams.

The first twenty-four months of a child's life consist of rapid changes – physically, developmentally and socially. These months are considered some of the most critical to assure later success in school and the transition into adolescence. For that reason one of the primary purposes of well-child visits is to identify children affected by a physical, mental or developmental problem as early as possible. Approximately 16-18 percent of children in the United States are diagnosed with disabilities that include speech-language impairments, mental retardation, learning disabilities and emotional/behavioral disturbances. Yet only 20-30 percent of children with disabilities are diagnosed and start treatment before beginning school.

That is troubling because children with disabilities who enter early intervention programs prior to starting kindergarten are more likely to complete high school; enter and remain in the workforce; and avoid teen pregnancy, delinquency, and violent crime. Research shows that for every dollar spent on early intervention services for children with disabilities, \$13 is saved.

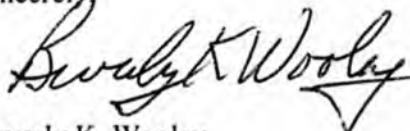
The American Academy of Pediatrics and the American Academy of Family Practice Physicians recommend a schedule of routine visits that coincide with expected developmental targets of children during not only the first twenty-four months of life, but through the toddler, childhood and teen years. These visits include a full head-to-toe physical assessment, as well as screening for visual problems such as neonatal cataracts or amblyopia, dental caries, hearing loss, inappropriate weight (indicating over-feeding or under-feeding), signs of physical abuse, mental health and bonding status, and developmental milestones. Well-child visits are designed to help parents learn how to care for their children and address common problems. Such guidance on topics ranging from injury prevention, discipline and handling behavioral problems and nutrition reduce parental stress, improve productivity and reduce lost work days due to child illness.

A focused and structured well-child visit – timed with developmental milestones – allows parents and their health care provider to discuss their child, explore any concerns and, if necessary be referred for problems identified early. If children are only seen episodically for acute care problems in urgent care settings they will not have the benefit of being seen when well, will generally not have a consistent provider looking at them and will not benefit from the relationship that can develop between the provider and the family.

For all of these reasons – and many more – the Department of Health and Social Services supports efforts to increase the number of children and families receiving these important exams. Your bill does just that by requiring health insurers in Alaska to cover well-baby visits. As a result, DHSS supports Senate Bill 170.

Thank you for the opportunity to comment on this issue.

Sincerely,

A handwritten signature in cursive script that reads "Beverly K. Wooley". The signature is written in black ink and is positioned above the printed name and title.

Beverly K. Wooley  
Director  
Division of Public Health

Cc: Karleen K. Jackson, Commissioner, Department of Health and Social Services  
Stephanie Birch, Chief, Section of Women's, Children's and Family Health

# MEMORANDUM

## STATE OF ALASKA DEPARTMENT OF ADMINISTRATION

**To:** Annette Kreitzer  
Commissioner  
Department of Administration

**Thru:** Pat Shier *PS*  
Director  
Division of Retirement and Benefits

**From:** Freda Miller, CMA, CPC *fm*  
Benefits Manager  
Division of Retirement and Benefits

**Date:** January 23, 2008

**Phone:** 465-4817

**Subject:** Well-baby exams  
Select Benefits plan

The Health Benefits Evaluation Committee met on November 1, 2007 and voted unanimously to recommend adding the American Academy of Pediatrics guidelines of coverage for well-baby exams through the 24<sup>th</sup> month of life, with no deductible and no co-insurance assessed. Research on the costs and return on investment to include this benefit and the resulting recommendation arose through inquiries from members and legislators over the last few years. The committee reviewed this benefit for inclusion in the plan. Buck Consultants provided the cost analysis and return on investment projections for adding this benefit. The report is attached for your convenience.

The recommendation for the change in well-baby exam coverage will be effective July 1, 2008, for members of the Select Benefits health plan. Please note your approval or disapproval of this plan change below.

- Approve coverage of well-baby examinations per the recommendation above.  
 Disapprove coverage of well-baby examinations per the recommendation above.

*Annette Kreitzer*  
Annette Kreitzer, Commissioner

*3-3-08*  
Date

PS/flm

Fact Sheet  
Well Baby Checks  
March 3, 2008

- Adding well baby care to the State's active and retiree health plans is an investment we believe will pay off in healthier families.
- One of Governor Palin's priorities is strengthening families. This preventive care will go a long way toward keeping families healthier.
- The coverage includes immunizations, vision and hearing screening, height and weight measurements, and guidance on sleep positioning, nutrition and other topics recognized by the American Academy of Pediatrics.
- The coverage will be for newborns through 24 months.
- The State is committed to providing the best value for our active and retired employees, and to keeping the plans financially sound.
- Routine immunizations result in a return of more than \$4 in direct medical cost savings for each dollar invested.
- Children who are up-to-date on their well-child care are significantly less likely to visit an emergency room.
- Healthy children mean less leave time taken for illness, and more time available for vacations and healthy activities.

This coverage is effective July 1 of this year, with no deductible and no co-insurance assessed. The Health Benefits Evaluation Committee, comprised of union representatives and Retirement and Benefits staff, voted unanimously in support of this initiative. The Alaska Retirement Management Board's Health Care Cost Containment Subcommittee also recommends coverage for retirees who might have infants. This number is expected to be relatively small.

FROM DEPT. OF ADMIN.

November 21, 2007

Ms. Freda Miller  
 Benefits Manager  
 State of Alaska  
 PO Box 110203  
 Juneau, AK 99811

**Re: Cost Impact of Well Baby Care Coverage – Active and Retiree Plans**

Dear Freda:

Attached please find Buck's summary of estimated Select Benefits plan costs attributable to coverage of well baby care as defined in the American Academy of Pediatricians (AAP) recommendations for preventive pediatric health care (also attached). Per our discussion in October, return on investment (ROI) for coverage of fairly non-specific well baby care, pre- and post-natal, is difficult to scientifically quantify. Nevertheless, most major carriers include robust well baby care in their insured products, in response to state mandates but also as a self-described "good investment." Premera estimates that adding well-baby exam coverage to the Select Benefits plan for active employees should cost less than \$0.25 pmpm, or about \$20,000 per year. Buck believes this investment will generate positive ROI, especially in light of additional data just published by the National Business Group on Health (NBGH), described below. Per Premera's cost estimate of \$0.75pmpm for current immunization plus additional well-baby exam under the active plan, adjusted for the proportion of Alaska Care retiree members under age 44, we estimate the addition of well baby exams and immunizations for retirees will cost \$0.003 pmpm, or less than \$2,500 annually. We are also confident that retiree ROI will be higher due to the greater potential for higher-risk pregnancies at later ages among the retiree group. We conservatively doubled all cost estimates to illustrate the impact of additional well-baby care coverage that is exempt from out-of-pocket (oop) provisions:

<b>Summary of Well-Baby Cost Estimates (\$0 OOP)</b>	<b>Select Benefits Active Plan – Add Exams</b>	<b>Alaska Care Retiree Plan – Add Immunizations and Exams</b>
Per Member Per Month Cost	\$0.50	\$0.007
Initial Year Annual Cost	\$40,000	\$5,000

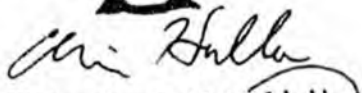
Ms. Freda Miller  
November 21, 2007  
Page 2

The following bullets summarize well-baby care cost-effectiveness as cited in the NBGH November 2007 monograph, *Investing in Maternal and Child Health* (available at [http://www.businessgrouphealth.org/healthtopics/maternalchild/investing/docs/mch\\_toolkit.pdf](http://www.businessgrouphealth.org/healthtopics/maternalchild/investing/docs/mch_toolkit.pdf)):

- Medicaid-enrolled children who are up-to-date on their well-child checkups through 2 years of age are 48% less likely to experience an avoidable hospitalization.
- Children with incomplete care are 60% more likely to visit an emergency department for any cause compared to children who are up-to-date on their well-child care.
- Routine childhood immunizations return \$4.30 in direct medical cost savings for each \$1.00 invested.
- Infant vision screening savings for reduced disability treatment costs exceed the cost of all such screenings cited.
- Newborn hearing screening is deemed cost-effective in terms of "quality-adjusted life years saved" when deafness is diagnosed within 6 months of age, and should reduce health plan speech therapy costs.
- Prenatal care for populations at risk for low birthweight return \$1.37 in direct medical cost savings for each \$1.00 invested. But, prenatal care should be targeted based on risk factors; new research has pointed out methodological flaws in many older studies that indicated prenatal care was cost-effective population wide.
- Postpartum counseling and breastfeeding promotion reduces healthcare costs between \$331 and \$475 per never-breastfed infant.


In sum, we recommend inclusion of no out-of-pocket cost well-baby coverage in accordance with AAP guidelines in both the State's active and retiree healthcare plans.

Sincerely

  
Christopher R. Hulla  
Principal

/kr

c: Pat Shier, DRB  
Beth Pitt, Premera  
Carolyn Lockman, Premera

Attachments 

**SoAK Select Benefits Well Baby Analysis Information**

10/18/2007

Source	Estimated Cost	ROI	Comment
Aetna	\$ 1.18 pmpm	n/a	Included in all Aetna insured products; implies that Aetna believes well baby care investment pays off when Aetna is at risk May be reimbursed at 100% under HSA guidelines; implicit validation that tax-exempt well baby care more than offsets tax revenue consequences of conditions prevented Trend toward free well baby care and even incentives for well baby care implies such services may provide a "competitive benefit package value"
Premera	for SoAK demographics: \$ 0.21 pmpm exams only \$ 0.43 pmpm immunizations only \$ 0.70 pmpm all AAP guideline care other AK book demographics: \$ 0.57 pmpm exams only \$ 1.34 pmpm immunizations only \$ 1.91 pmpm all AAP guideline care other Premera book demographics: \$ 0.90 pmpm exams only \$ 2.10 pmpm immunizations only \$ 3.00 pmpm all AAP guideline care	n/a	Cost variance by demographic subgroup reflects percentage of children and child-bearing age female membership.
United	n/a	n/a	75% of insured-product members with children utilized well baby care from birth through age 15 months, even where plans require out-of-pocket for such services 66% of insured-product members with children utilized well baby / well child care after age 15 months, even where plans require out-of-pocket for such services Above implies members find value in well baby coverage and services.

**Summary**

Hard-dollar ROI data is not available, due mostly to the difficulty of demonstrating incidence of costly health conditions with and without well baby exams attributable solely to such exams (i.e., conditions theoretically prevented or mitigated are not sufficiently specific). Several studies across diverse populations demonstrate positive ROI for 100% coverage childhood vaccinations. Assuming actual SoAK costs at twice the level estimated by Premera and 12,000 members, the annual cost of 100% AAP Guideline Well Baby care should not exceed \$201,600. This amount represents less than 0.5% earnings on fiscal year-end 2007 Select Benefits plan reserves.

While Buck cannot definitively state that adding this benefit will produce positive ROI for the Select Benefits plan we believe the overall cost is low relative to potential economic and employee satisfaction return and strongly recommend that Well Baby care be covered at 100% up to the AAP guidelines and after regular plan deductibles and coinsurance for services that exceed AAP guidelines.



**Alaska**

February 28, 2007

The Honorable Lesil McGuire  
Alaska State Capitol Building  
Juneau, Alaska 99801

RE: Senate Bill 170 – Health Insurance Coverage for Well Baby Visits

Dear Senator McGuire,

On behalf of the National Federation of Independent Business/Alaska, I wish to express our appreciation for the amendments you will propose to Senate Bill 170. The National Federation of Independent Business is the largest small-business advocacy group in the state.

We understand the concern with health insurance coverage for well baby visits and believe a mandate that insurance companies must offer coverage is a prudent step towards your goal. This approach will assure that each employer will consider the need and advantages of this benefit for their employees. A mandatory offering, while underscoring the state's belief of the importance of this benefit, leaves the final decision between employees and employers, without the interference of the state.

We hope that the Senate Finance Committee will promptly schedule a final hearing on SB 170. With the changes you have proposed, the NFIB withdraws our previous opposition to the measure.

Sincerely,

Dennis L. DeWitt  
Alaska State Director  
National Federation of Independent Business

cc: Senate Finance Committee

# Alaska State Medical Association

4107 Laurel Street • Anchorage, Alaska 99508 • (907) 562-0304 • (907) 561-2063 (fax)

---

February 11, 2008

Honorable Bettye Davis, Chair Senate Health, Education and Social Services Committee  
State Capitol, Room 30  
Juneau, AK 99801-1182

RE: CS SB170 - Well Baby Exams

Dear Senator Davis:

The Alaska State Medical Association (ASMA) represents physicians statewide and is primarily concerned with the health of all Alaskans.

CS SB170 provides for mandatory health insurance coverage for the cost of well-baby exams. Monitoring a child's medical metrics in the first 24 months of life is critical to the preventative healthcare and the early detection of health problems. This is good medicine and ASMA supports the enactment of CS SB170.

ASMA urges you to support the enactment of CS SB170.

Sincerely,



J. Ross Tanner, DO, President



# American Academy of Pediatrics

DEDICATED TO THE HEALTH OF ALL CHILDREN™



## Alaska Chapter

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Fax: 847/434-8000  
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[www.aap.org](http://www.aap.org)

January 29, 2008

The Honorable Lesil McGuire  
State Capitol, Room  
Juneau, AK 99801-1182

RE: SB 170 Well Baby Exams

Dear Senator McGuire

I am writing to add support for SB 170 that would require insurance carriers to provide well baby coverage for the first 2 years of life. The American Academy of Pediatrics has long been an advocate of routine well visits. Preventative care has been shown to be very cost effective in that early screening allows for early intervention, when problems are small and easily remedied. Regular visits also improve immunization rates. I have included a link to the AAP's Well Visit Periodicity Schedule below. (If you are not able to access this it can also be found in *Pediatrics* December 2007 page 1376-1377)

<http://pediatrics.aappublications.org/cgi/data/120/6/1376/DC11>

Thank you for your continued concern and interest for the well being of Alaska's children

Sincerely yours

Jody Butto MD FAAP  
President Alaska Chapter AAP



# Voices for Alaska's Children and Youth

February 12, 2008

Dear Members of the Alaska State Senate,

Voices for Alaska's Children and Youth (VACY) is a statewide coalition compiled of numerous organizations representing early care and education, health care, youth development, hunger and poverty, advocacy, child abuse and neglect, businesses, faith based and non-profit agencies. VACY creates awareness and advocates for effective public policy on behalf of Alaska's children, youth and their families.

VACY is writing this letter in support of **SB170- Well Baby Exams** to ensure the long term physical and mental health of young children. Why are Well Baby Exams important:

- The brain development between birth and age three is the most active time every in a humans life.
- Trillion of synaptic connections are being made everyday, building the foundations for all later life.
- The American Academy of Pediatrics recommends 10 exams prior to a child's second birthday to prevent later more costly health care, educational cost but primarily to ensure all children grow up strong and healthy.

#### **Success of Well Baby Exams:**

- Well Baby exams not only monitor a child's physical health, but they are also screen for cognitive and social emotional development.
- In Alaska, The Early Childhood Comprehensive Systems Grant is facilitating a project called ABCD. Local pediatrician offices are providing regular developmental and social emotional screening during Well Baby Exams.
- This is an enhancement of the federally mandated Child Find requirements, and is successfully identifying children with cognitive and/ or social emotional concerns and referring them to early intervention services.

If well baby exams are not covered by insurance, more people will not participate in preventative health care and potentials cognitive, emotional and physical delays will go undetected.

Early identification and education are critical factors in reducing long term health cost and most importantly enhancing the physical and mental health of our children. Well-Baby exams are an effective solution to many rising health care cost because they prevent illness in the long run.

Please support **SB170- Well Baby exams** for the future of Alaska's children.

Thank you for your time  
VACY Chair  
Meghan Johnson M.S.  
[mjohnson@gmail.com](mailto:mjohnson@gmail.com)  
(907)360-7384



**JOY M. NEYHART, D.O., F.A.A.P.**  
PEDIATRICS

March, 5, 2008

Dear Senator McGuire:

I am writing in support of SB 170 which aims to require health care insurers to provide coverage for well baby exams for the first 24 months of life for the dependents of insured parents. This would provide a significant benefit to all Alaska state and City and Borough of Juneau employees, especially school district employees, many of whom do not currently enjoy this coverage.

As a board certified pediatrician, I know how important preventative health care services are for infants and toddlers. Each preventative care visit is more than a physical exam. Developmental screenings are performed and appropriate referrals are generated for any infant or young child who shows signs of developmental or language delay. Early detection and appropriate treatment of developmental and language delay significantly improves school readiness and functional ability of children with delays.

Preventative health care visits are also invaluable opportunities to provide education to parents, especially young or inexperienced parents, regarding dental health, nutrition, injury and accident prevention, the importance of reading aloud to young children and immunizations. This list is in no way exhaustive.

If you have specific questions or concerns regarding these important preventative health care services, please do not hesitate to contact me.

Sincerely,

Joy M. Neyhart, D.O., F.A.A.P.  
Diplomate of the American Board of Pediatrics

**SB**

**212**

# Alaska State Legislature

*Interim: (May - Dec.)*  
716 W. 4<sup>th</sup> Ave  
Anchorage, AK 99501  
*Phone: (907) 269-0144*  
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*Session: (Jan - May)*  
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Senator Bettye Davis@legis.state.ak.us  
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## Senator Bettye Davis

**SB 212** "An Act relating to eligibility requirements for medical assistance for certain children, pregnant women; and providing for an effective date."

### Sponsor Statement

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SB 212 reinstates the qualifying income standards for children and pregnant women receiving Medicaid benefits under the Denali KidCare (DKC) program to poverty guidelines used when the program was established in 1997 at 200% Federal Poverty Guideline (FPG) for Alaska. Reduced and frozen at 175% FPG by the Legislature in 2003, the equivalent income limits were reduced in the following four years to 154% by the time SB27 was implemented to reinstate current levels of the FPG at 175% in 2007. Children and pregnant women with household incomes between 176% and 200% FPG still have not regained eligibility. SB212 also increases allowable premiums or cost-sharing by families whose incomes are between 150%-200% FPG.

The fiscal notes anticipate 2% enrollment growth after 2009 and an annual cost increase of 8.6%, allowing for 5% medical inflation in Alaska. The \$249,600 appropriation required for 2009 does not reflect the indirect savings by fewer emergency room visits and many avoided long-term illnesses for SCHIP children. The addition of one employee and office expense at \$73,800 provides for the anticipated increase in enrollment of 218 pregnant women and 1277 children. DHSS has requested additional support for Denali KidCare in the Governor's FY09 budget.

Forty one-states allow participation by families at or above 200% FPG with many over 300%. The reason for higher SCHIP eligibility coverage in other states is that the federal government reimburses SCHIP at an enhanced rate, and higher SCHIP eligibility has proven to be an efficient use of health care dollars. While most patients enrolled in Medicaid are children, children utilize only a fraction of the resources. Early intervention and preventative care greatly reduce visits to emergency rooms and costly long-term illnesses. Hospitals regularly write-off the cost of emergency room visits by non-emergency low-income, indigent, or uninsured patients whom they must serve when patients cannot pay. The costs of these non-emergency visits to hospitals for SCHIP children and other low-income and uninsured, who have no other way of obtaining health care, are passed along in increased costs to patients who do pay and/or are insured under private or state health benefit plans. There is no effect on eligibility for Denali KidCare if the SCHIP allotment is fully expended. If costs exceed available SCHIP funds, claims are simply reimbursed at the lower, regular Medicaid rate, resulting in reduced federal revenues.

# FISCAL NOTE

**STATE OF ALASKA**  
**2008 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: SB 212  
 (S) Publish Date: 1/28/08  
 Dept. Affected: Health & Social Services  
 RDU: Behavioral Health  
 Component: Behavioral Hlth Medicaid Svcs

ID(File name) SB212-DHSS-DHMS-1-19-08  
 Title MEDICAL ASSISTANCE ELIGIBILITY

Sponsor DAVIS  
 Requester SENATE HESS Component No. 2660

**Expenditures/Revenues** (Thousands of Dollars)

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

	Appropriation		Information				
	Required						
	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims	249.6		269.1	292.2	317.3	344.6	374.3
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>249.6</b>	<b>0.0</b>	<b>269.1</b>	<b>292.2</b>	<b>317.3</b>	<b>344.6</b>	<b>374.3</b>

<b>CAPITAL EXPENDITURES</b>							
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<b>CHANGE IN REVENUES (0)</b>							
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**FUND SOURCE** (Thousands of Dollars)

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
1002 Federal Receipts	154.5		157.4	169.6	183.6	199.4	216.6
1003 GF Match	95.1		111.7	122.6	133.7	145.2	157.7
1004 GF							
1037 GF/Mental Health							
Other(Specify Type-do not abbreviate)							
Other(Specify Type-do not abbreviate)							
<b>TOTAL</b>	<b>249.6</b>	<b>0.0</b>	<b>269.1</b>	<b>292.2</b>	<b>317.3</b>	<b>344.6</b>	<b>374.3</b>

Estimate of any current year (FY2008) cost: \_\_\_\_\_

**POSITIONS**

Full-time							
Part-time							
Temporary							

**ANALYSIS:** (Attach a separate page if necessary)

This bill reinstates the qualifying income standards for children and pregnant women receiving Medicaid benefits under the Denali KidCare (DKC) program to poverty guidelines used when the program was established (200 percent of the Federal Poverty Guideline (FPG) for Alaska).

Effective September 2003, the maximum qualifying household incomes for DKC Medicaid were reduced in statute to amounts equivalent to 175% of the FPG for

Continued on page 2

Prepared by: Bill Streur  
 Division: Health Care Services  
 Approved by: Karleen Jackson, Commissioner  
 Agency: Department of Health and Social Services

Phone 907-269-7827  
 Date/Time 01/19/2008  
 Date 01/19/2008

**STATE OF ALASKA  
2008 LEGISLATIVE SESSION****ANALYSIS CONTINUATION**

2003. By spring 2007, the statutory income limits were equivalent to 154% of the prevailing poverty guideline, representing almost a 50 percentage point drop from the poverty guideline used to qualify such individuals prior to September 2003. A bill implemented in summer 2007 (SB27) partially reversed the affects of the 2003 legislation, setting the income standard to 175% of the prevailing FPG. However, children and pregnant women with incomes between 176 and 200% of the prevailing FPG did not regain eligibility.

We assume that all persons regaining eligibility under SB27/2007 will enroll sometime during SFY2008 and be covered by the additional funding requested in the corresponding fiscal note. This fiscal note addresses only persons with incomes between 176 and 200% FPG that would regain eligibility under SB 212

Between 2003 and 2006, the number of enrolled children with household incomes between 151% and 200% FPG dropped by 2,553 and the number of enrolled pregnant women with incomes between 134% and 200% dropped by 436. This fiscal analysis assumes that the additional enrollment due to this bill will be equal to about half that number of people (estimated as 218 pregnant women and 1277 children). We assume that most people affected by this bill will enroll by the end of SFY 2009 and that enrollment will resume nonnal growth (about 2% per year) thereafter.

Costs projections incorporate 8.6% annual growth (Long Term Forecast of Medicaid Enrollment and Spending in Alaska, 2005-2025, DHSS, updated for 2006). That growth rate allows for 5% medical inflation (Anchorage CPI, medical care component) and annual growth in the FPG.

Continued on page 3

**STATE OF ALASKA  
2008 LEGISLATIVE SESSION****ANALYSIS CONTINUATION**

The percentage of enrollees having Medicaid claims paid during the year is "participation" (recipients as a percentage of enrollment). We assume that participation will not change with implementation of this bill and will remain the same throughout the projection period. First year costs are based on our estimate for the number of new enrollees times the average cost per enrollee for the affected eligibility subtypes in 2007. Medicaid children in the income range addressed by this bill tend to have lower Medicaid costs than those from families with lower incomes, and those lower costs are reflected in our estimates.

Expenditures for the Behavioral Health Medicaid Services component were determined based on that component's share of expenses for the affected eligibility subtypes in 2007. Behavioral Health paid 14.1% of the costs for affected children in 2007.

Fund source calculations combine the percentages of costs reimbursed as IHS, Title XIX, or Title XXI during 2007 for the affected eligibility groups with our current estimates for the corresponding federal medical assistance percentages (FMAPs) between 2009 and 2014. Children affected by this legislation are included in the State Children's Health Insurance Program (SCHIP) so most of their Medicaid costs would normally be matched at the enhanced rate for Title XXI services. However, because Title XXI funding for SCHIP is no longer enough to cover all of that program's expenses, the formula for estimating federal reimbursement for this bill was adjusted to allow only three quarters of Title XXI matching in 2009, with the remaining quarter defaulting to the lower Title XIX rate. Between 2010 and 2014, we estimate that only 2 quarters of expenses for children affected by this bill will be reimbursed at the enhanced match rate.

# FISCAL NOTE

**STATE OF ALASKA**  
**2008 LEGISLATIVE SESSION**

Fiscal Note Number: 2  
 Bill Version: SB 212  
 (S) Publish Date: 1/28/08  
 Dept. Affected: Health & Social Services  
 RDU: Public Assistance  
 Component: Public Assistance Field Svcs

ID(File name) SB212-DHSS-PAFS-1-19-08  
 Title: MEDICAL ASSISTANCE ELIGIBILITY  
 Sponsor: DAVIS  
 Requester: SENATE HESS

Component No. 236

**Expenditures/Revenues (Thousands of Dollars)**

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

	Appropriation		Information					
	Required		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>								
Personal Services	62.8		62.8	62.8	62.8	62.8	62.8	62.8
Travel								
Contractual	8.8		8.8	8.8	8.8	8.8	8.8	8.8
Supplies								
Equipment	2.2							
Land & Structures								
Grants & Claims								
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>73.8</b>	<b>0.0</b>	<b>71.6</b>	<b>71.6</b>	<b>71.6</b>	<b>71.6</b>	<b>71.6</b>	<b>71.6</b>
<b>CAPITAL EXPENDITURES</b>								
<b>CHANGE IN REVENUES (0)</b>								

**FUND SOURCE (Thousands of Dollars)**

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
1002 Federal Receipts	34.4	33.3	33.3	33.3	33.3	33.3
1003 GF Match	30.3	29.4	29.4	29.4	29.4	29.4
1004 GF	8.1	7.9	7.9	7.9	7.9	7.9
1037 GF/Mental Health						
Other(Interagency Receipts)	1.0	1.0	1.0	1.0	1.0	1.0
Other(Specify Type-do not abbreviate)						
<b>TOTAL</b>	<b>73.8</b>	<b>0.0</b>	<b>71.6</b>	<b>71.6</b>	<b>71.6</b>	<b>71.6</b>

Estimate of any current year (FY2008) cost: \_\_\_\_\_

**POSITIONS**

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Full-time	1	1	1	1	1	1
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

SB 212 changes AS 47.07.020(b) to reset the upper income limit for Denali KidCare (DKC) pregnant women and uninsured children under the Title XXI State Children's Health Insurance Program (SCHIP) to 200% of the federal poverty guideline (FPG) for Alaska. Currently, the qualifying income limit for these children and pregnant women is set in statute at 175% of the current FPG. This fiscal note represents the additional administrative costs needed to support the increased workload resulting from more pregnant women and children applying for medical assistance.

Prepared by: Ellie Fitzjarrald, Director  
 Division: Public Assistance  
 Approved by: Karleen Jackson, Commissioner  
 Agency: Department of Health and Social Services

Phone 907-465-5847  
 Date/Time 01/18/2008  
 Date 01/19/2008

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

**ANALYSIS CONTINUATION**

The eligibility decision includes verifying information and determining whether a pregnant woman or child qualifies for DKC based on the household's circumstances and monthly income at the time of application, acting on changes reported during the period of eligibility, and re-examining a household's eligibility every six months.

We assume that 218 pregnant women and 1277 children will enroll in Medicaid if the qualifying income limit is revised to 200% FPG, and that implementation will begin July 1, 2008. We estimate one additional Eligibility Technician I (Range 13) position will be needed to manage this additional work in FY 09. This fiscal note requests one position, however, the addition of this position increases the existing need for supervisory and administrative support to ensure the delivery of quality customer service and that accurate eligibility determinations are made. A request for additional support for DKC has been included in the Governor's FY09 budget request.

Total Administrative Costs for ET I:

Personal Services: One Eligibility Technician I Range 13 at a cost of \$62.8, including benefits, for 12 months.

Contractual: Annual cost for office space, phones, and supplies will be \$8.8.

Additional Cost of FY09:

Equipment/Supply: A one time cost of \$2.2 for a desktop computer, software, printer, and work station will be needed for the new position.

# FISCAL NOTE

**STATE OF ALASKA**  
**2008 LEGISLATIVE SESSION**

Fiscal Note Number: 3  
 Bill Version: SB 212  
 (S) Publish Date: 1/28/08  
 Dept. Affected: Health & Social Services  
 RDU Health Care Services  
 Component Medicaid Services

ID(File name) SB212-DHSS-MS-1-19-08  
 Title MEDICAL ASSISTANCE ELIGIBILITY

Sponsor DAVIS  
 Requester SENATE HESS Component No. 2077

**Expenditures/Revenues** (Thousands of Dollars)

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

	Appropriation		Information				
	Required						
<b>OPERATING EXPENDITURES</b>	<b>FY 2009</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims	2,274.3		2,469.9	2,682.4	2,913.0	3,163.6	3,435.6
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>2,274.3</b>	<b>0.0</b>	<b>2,469.9</b>	<b>2,682.4</b>	<b>2,913.0</b>	<b>3,163.6</b>	<b>3,435.6</b>
<b>CAPITAL EXPENDITURES</b>							
<b>CHANGE IN REVENUES (0)</b>							

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	1,504.2		1,581.3	1,706.9	1,848.8	2,007.8	2,180.5
1003 GF Match	770.1		888.6	975.5	1,064.2	1,155.8	1,255.1
1004 GF							
1037 GF/Mental Health							
Other(Specify Type-do not abbreviate)							
Other(Specify Type-do not abbreviate)							
<b>TOTAL</b>	<b>2,274.3</b>	<b>0.0</b>	<b>2,469.9</b>	<b>2,682.4</b>	<b>2,913.0</b>	<b>3,163.6</b>	<b>3,435.6</b>

Estimate of any current year (FY2008) cost: \_\_\_\_\_

**POSITIONS**

Full-time							
Part-time							
Temporary							

**ANALYSIS:** (Attach a separate page if necessary)

This bill reinstates the qualifying income standards for children and pregnant women receiving Medicaid benefits under the Denali KidCare (DKC) program to poverty guidelines used when the program was established (200 percent of the Federal Poverty Guideline (FPG) for Alaska).

Effective September 2003, the maximum qualifying household incomes for DKC Medicaid were reduced in statute to amounts equivalent to 175% of the FPG for (Continued on Page 2)

Prepared by: Bill Streur  
 Division Deputy Commissioner  
 Approved by: Karleen Jackson, Commissioner  
 Agency Department of Health and Social Services

Phone 907-269-7827  
 Date/Time 01/18/2008  
 Date 01/19/2008

**STATE OF ALASKA  
2008 LEGISLATIVE SESSION****ANALYSIS CONTINUATION**

2003. By spring 2007, the statutory limits were equivalent to 154% of the prevailing poverty guideline, representing almost a 50 percentage point drop from the poverty guideline used to qualify such individuals prior to September 2003. A bill implemented in summer 2007 (SB27) partially reversed the affects of the 2003 legislation, setting the income standard to 175% of the prevailing FPG. However, children and pregnant women with incomes between 176 and 200% of the prevailing FPG did not regain eligibility.

We assume that all persons regaining eligibility under SB27/2007 will enroll sometime during SFY2008 and be covered by the additional funding requested in the corresponding fiscal note. This fiscal note addresses only persons with incomes between 176 and 200% FPG that would regain eligibility under SB 212.

Between 2003 and 2006, the number of enrolled children with household incomes between 151% and 200% FPG dropped by 2,553 and the number of enrolled pregnant women with incomes between 134% and 200% dropped by 436. This fiscal analysis assumes that the additional enrollment due to this bill will be equal to about half that number of people (estimated as 218 pregnant women and 1277 children). We assume that most people affected by this bill will enroll by the end of SFY 2009 and that enrollment will resume normal growth (about 2% per year) thereafter.

Costs projections incorporate 8.6% annual growth (Long Term Forecast of Medicaid Enrollment and Spending in Alaska: 2005-2025, DHSS, updated for 2006). That growth rate allows for 5% medical inflation (Anchorage CPI, medical care component) and annual growth in the FPG.

**STATE OF ALASKA  
2008 LEGISLATIVE SESSION**

**ANALYSIS CONTINUATION**

The percentage of enrollees having Medicaid claims paid during the year is "participation" (recipients as a percentage of enrollment). We assume that participation will not change with implementation of this bill and will remain the same throughout the projection period. First year costs are based on our estimate for the number of new enrollees times the average cost per enrollee for the affected eligibility subtypes in 2007. Medicaid children in the income range addressed by this bill tend to have lower Medicaid costs than those from families with lower incomes, and those lower costs are reflected in our estimates.

Expenditures for the Health Care Services Medicaid component were determined based on that component's share of expenses for the affected eligibility subtypes in 2007. Health Care Services Medicaid paid 99.9% of the costs for affected pregnant women and 85.8% of the costs for affected children in 2007.

Fund source calculations combine the percentages of costs reimbursed as IHS, Title XIX, or Title XXI during 2007 for the affected eligibility groups with our current estimates for the corresponding federal medical assistance percentages (FMAPs) between 2009 and 2014. Children affected by this legislation are included in the State Children's Health Insurance Program (SCHIP) so most of their Medicaid costs would normally be matched at the enhanced rate for Title XXI services. However, because Title XXI funding for SCHIP is no longer enough to cover all of that program's expenses, the formula for estimating federal reimbursement for this bill was adjusted to allow only three quarters of Title XXI matching in 2009, with the remaining quarter defaulting to the lower Title XIX rate. Between 2010 and 2014, we estimate that only 2 quarters of expenses for children affected by this bill will be reimbursed at the enhanced match rate.

# STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

SARAH PALIN, GOVERNOR

P.O. Box 110601  
Juneau, AK 99811-0601  
Phone: (907) 465-3030  
Fax: (907) 465-3068

January 23, 2008

The Honorable Bettye Davis, Chair  
Senate Health, Education & Social Services Committee  
State Capitol, Room 30  
Juneau, AK 99801-1182

Dear Senator Davis:

In response to your questions on January 23, 2008 regarding the statistics pulled from your files on the sponsorship of SB 27 last year, please see our response below:

- *We dropped between 2,500 and 3,000 children and about 400 pregnant women from the SCHIP rolls as a result of the SCHIP freeze at 175% FPL (and conversion to a fixed dollar amount) in 2003.*

The total number of children estimated to have lost eligibility between 2003 and 2006 when the income criteria were reduced is 2,553. This is based on the change in annual enrollment in FY 2003 compared to FY 2006.

- *The increase to 175% in SB 27 was anticipated to bring back on the rolls about one-half those dropped from the rolls, or 1277 children and 218 pregnant women.*

This statement is correct.

- *The increase to 200% in SB 212 this year is anticipated to bring back on the rolls about the same number, i.e., 1277 children and 218 pregnant women.*

This statement is correct.

- *A position paper, "Background on Denali KidCare" (DKC) by Senator Wielechowski and Representative Gara in support of SB 27 last year wrote: "Prior to the passage of SB 105 in 2003 (which lowered the eligibility guidelines for the program) 4,992 children with family incomes between 151% and 200% of the*

***federal poverty level (FPL) were covered. Since passage, 3,440 fewer children with family incomes between 151% and 200% of the FPL are enrolled."***

The figures referenced are monthly enrollment numbers and reflect a point in time. It is true that 4,992 children with family incomes between 151% and 200% of the FPL were covered under SCHIP in September 2003 at the time of passage of SB 105, and that roughly 3,440 children fewer children are enrolled monthly under SCHIP compared to the December 2006 enrollment of 1,552.

These figures differ from the estimated 2,553 number of children used in the fiscal note because the fiscal note is based on annual enrollment and not monthly enrollment.

- ***In FY 2006, DKC cost was \$25.9 million, \$18.2 million paid by federal government. (Wielchowski).***

This statement is correct for SCHIP benefit costs in Denali KidCare but does not reflect the total cost for all children and pregnant women served through the Denali KidCare office.

- ***As of December, 2006 DKC enrolled 7,600 children.***

This statement is correct for SCHIP enrollment in Denali KidCare but does not reflect the total enrollment for all children served through the Denali KidCare office.

- ***The cost per child was estimated at \$1,700 per year. (Question: How can the increase of 1277 children and 218 pregnant women cost only \$249,600 in the fiscal note? Calculate:  $1277+218 = 1495 \times \$1,700 = \$2,541,500$ . Even if the federal government paid 70% and the state 30% the number is twice \$249,600:  $\$2,541,500 \times 0.30 = \$762,450$ . IS THE FISCAL NOTE IN ERROR?***

On average, the cost per enrollee per year for SCHIP eligible children in Denali KidCare was about \$1,700 in FY 2006.

The fiscal note is not in error. The fiscal note referred to, totaling \$249.6, only reflects the costs in FY 2009 for the Behavioral Health Medicaid Services budget component. There are two other fiscal notes: Health Care Medicaid Services budget component (\$2,274.3) and Public Assistance Field Services (\$73.8). The total estimated cost to implement SB 212 is \$2,597.7 (\$1,693.1 federal/\$903.6 GF/1.0 Other) for FY 2009. Please note that the fiscal notes include costs for both children and pregnant women.

If you have additional questions regarding this issue, please contact me at 465-1618.

Sincerely,



Sherry Hill  
Assistant Commissioner

cc: Senator Joe Thomas, Vice-Chair, Capitol Building, Room 510  
Senator John Cowdery, Capitol Building, Room 101  
Senator Kim Elton, Capitol Building, Room 506  
Senator Fred Dyson, Capitol Building, Room 121  
Karleen Jackson, Commissioner  
Cheryl Howdyshell, Deputy Commissioner  
Bill Streur, Deputy Commissioner  
Bill Hogan, Deputy Commissioner  
Sherry Hill, Assistant Commissioner  
Wilda Laughlin, Special Assistant  
Laura Baker, Budget Chief  
Jerry Fuller, Medicaid Director  
Ellie Fitzjarrald, Director, Public Assistance  
Barbara Hale, SCHIP Administrator

Log 15-B/2008

# STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER  
FINANCE AND MANAGEMENT SERVICES

SARAH PALIN, GOVERNOR

P.O. Box 110650  
Juneau, AK 99811-0650  
Phone: (907) 465-3082  
Fax: (907) 465-2499

January 25, 2008

The Honorable Bettye Davis, Chair  
Senate Health, Education & Social Services Committee  
State Capitol, Room 30  
Juneau, AK 99801-1182

Dear Senator Davis:

In response to your question on Friday, January 18, 2008 regarding Denali KidCare and SCHIP enrollment, please see our response below:

➤ *How many children are currently enrolled in Denali KidCare (DKC)?*

In December 2007, there were 7,083 children enrolled in Denali KidCare who are funded through the Medicaid expansion State Children's Health Insurance Program (SCHIP).

➤ *Has there been any change in enrollment since changing eligibility criteria last year to correspond to 175% of the federal poverty guideline (FPG) for Alaska?*

There were 843 more children enrolled in the 151-175% income category in December 2007 than were enrolled in the month before the change was implemented. Of the 7,083 children enrolled in SCHIP, 2,102 are in the 151-175% FPG income range (the income group affected by the change in eligibility). We originally projected that 1,277 additional children would enroll by the end of FY 2008 because of the change. This indicates that implementation is on target with our projection.

➤ *What number was used to estimate the number of children that lost eligibility after 2003 when income criteria were reduced?*

The total number of children estimated to have lost eligibility after 2003 when the income criteria were reduced is 2,553. We used an unduplicated annual enrollment statistic to estimate the number of higher income children that lost eligibility when income criteria were reduced in 2003.

➤ *How many children would benefit from coverage at 200% FPG?*

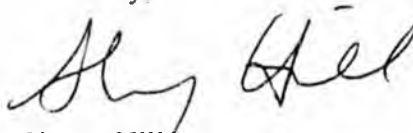
We estimate that 1,277 additional children might enroll if eligibility for coverage is raised to 200% FPG. Because, by 2008 the income amounts in statute would have dropped to effectively 150% of the 2008 poverty guidelines, the difference in income corresponded to about 50 percentage points (151 to 200%). SB 212 increases the income threshold from 175% to 200%, or half of the 50 points; therefore, we used half of the change between 2003 and 2006 annual enrollment for the fiscal note.

➤ *Please provide an estimate for the number of uninsured children in the state.*

Based on data from the Census Bureau, the number of uninsured children under age 18 in Alaska is estimated to be 17,000. Of those, approximately 10,000 are in households with incomes below 200% of poverty.

If you have additional questions regarding this issue, please contact me at 465-1618.

Sincerely,



Sherry Hill  
Assistant Commissioner

cc: Senator Joe Thomas, Vice-Chair, Capitol Building, Room 510  
Senator John Cowdery, Capitol Building, Room 101  
Senator Kim Elton, Capitol Building, Room 506  
Senator Fred Dyson, Capitol Building, Room 121  
Karleen Jackson, Commissioner  
Cheryl Howdyshell, Deputy Commissioner  
Bill Streur, Deputy Commissioner  
Bill Hogan, Deputy Commissioner  
Wilda Laughlin, Special Assistant  
Laura Baker, Budget Chief  
Ellie Fitzjarrald, Director, Public Assistance  
Jerry Fuller, Medicaid Director  
Barbara Hale, SCHIP Administrator

SB 212

# abha & aaahc

Alaska Behavioral Health Association

Alaska Association of Homes for Children

February 21, 2008

Bert Stedman  
Co-Chair, Senate Finance Committee  
State Capitol  
Juneau, Alaska 99801-1182

RECEIVED  
FEB 22 2008

Dear Senator Stedman,

We are requesting that SB 212, which recently moved out of the Senate HESS Committee, be scheduled as soon as possible to be heard in the Senate Finance Committee. SB 212 would restore the eligibility threshold for Denali KidCare (DKC) , 200% of the Federal Poverty Level (FPL). Our two associations represent 49 behavioral health and children's residential treatment programs throughout the state; we see this bill as vital to provide needed health care services to the children of our state.

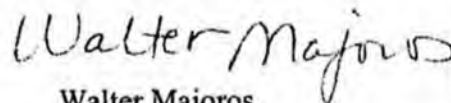
As you know, Denali Kid Care (DKC) is the state of Alaska's health care program for children. When DKC was created, it was modeled after similar programs around the country and the eligibility level was set at 200% of the FPL. In 2003 a legislative initiative passed that scaled back and froze the eligibility rate at 175% of the FPL. Since this action eliminated cost of living adjustments, many children who historically had been eligible for DKC quickly lost their insurance. Fortunately, last year the legislature unfroze the 175% threshold for DKC so that is now receives inflationary adjustments.

The unfreezing of DKC was good news to our associations and we are thankful to the legislature for this action. Unfortunately, at its current level of 175% of FPL, Alaska still has the 4<sup>th</sup> most stringent eligibility level for children's health insurance in the country— which results in many children not receiving the healthcare they need. Denali Kid Care is the primary method of payment for children's behavioral health and residential treatment services in Alaska. It is crucial to the success of Bring the Kids Home—a statewide initiative that aims to serve Alaska's children with behavioral health issues in their home state, near their family and friends. Thank you in advance for scheduling this important bill for a hearing in the Senate Finance Committee.

Sincerely,



Jorden Nigro  
President, AAHC



Walter Majoros  
President, ABHA

*Explanation of FY2009 Budget Changes*

<b>Health Care Services</b>	<b>2008</b>	<b>2009 Gov</b>	<b>08 to 09 Change</b>
General Funds	233,293.1	262,946.4	29,653.3
Federal Funds	473,732.9	468,738.9	-4,994.0
Other Funds	23,318.2	24,418.2	1,100.0
<b>Total</b>	<b>730,344.2</b>	<b>756,403.5</b>	<b>25,759.3</b>

*\*Totals include Adult Preventative Dental Medicaid Services RDU. Fund source breakdown for FY2008 is \$1,543.17 GF/\$7,323.9 Fed/\$1,425.0 Other; and for FY2009 \$3,518.7 GF/\$5,348.3 Fed/\$1,400.0 Other.*

**Health Care Services Medicaid**

***FY09 Medicaid SCHIP Allotment Shortfall: \$2,000.0 Total \$1,000.0 Federal, \$1,000.0 GF/Match***

This request replaces lost federal revenues resulting from a decrease in the amount of federal funds available for the State Children's Health Insurance Program (SCHIP), a part of Alaska's Medicaid program operated through Denali KidCare. This increment is necessary to maintain the current level of health care provided to these children and supports the department's mission to manage health care for Alaskans in need.

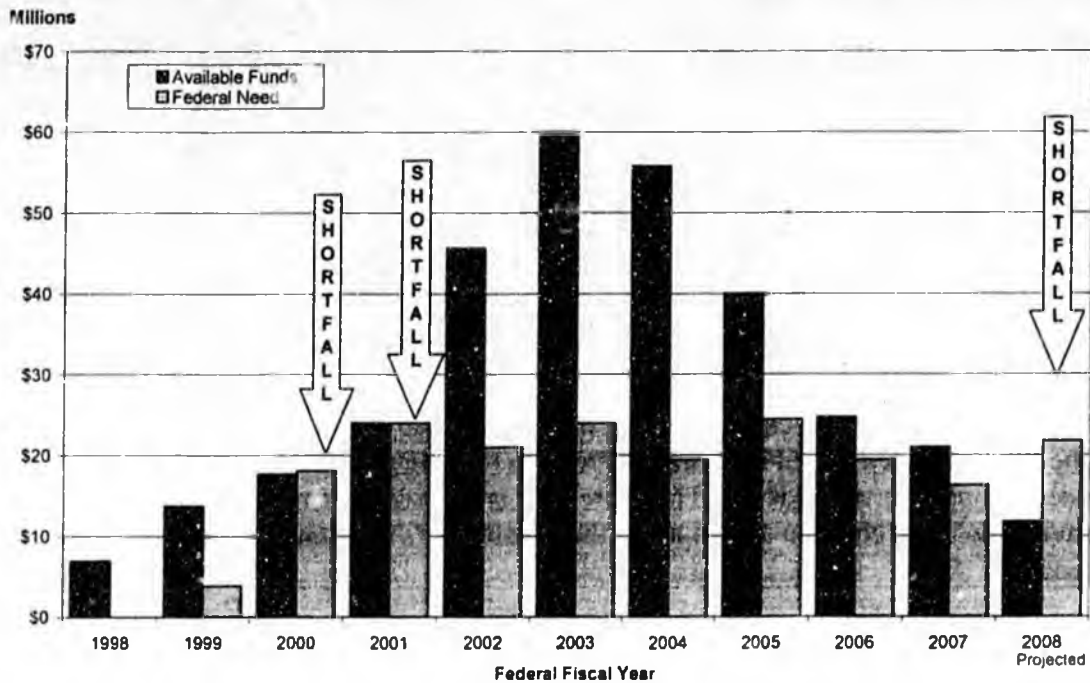
SCHIP helps reach uninsured children whose families earn too much to qualify for regular Medicaid but not enough to afford private coverage. Each month, SCHIP provides health coverage for about 9,000 uninsured children under age 19. Without this funding, low-income children now enrolled in Denali KidCare could lose their SCHIP health coverage and become uninsured.

The federal and state governments jointly fund SCHIP. The amount of federal funding depends on the federal SCHIP allotment which has not grown to keep pace with SCHIP expenditures. The federal medical assistance percentage, or FMAP, determines the amount of state matching funds. The state receives a higher, enhanced FMAP for SCHIP than for regular Medicaid; however, this enhanced reimbursement is capped at the SCHIP allotment. If costs exceed available SCHIP funds, claims are reimbursed at the lower, regular FMAP, resulting in reduced federal revenues. Alaska will have only 43 percent of the federal SCHIP funding needed to cover program expenditures in 2009, exhausting its SCHIP funds in the second quarter. When it reverts to regular Medicaid, the difference in federal reimbursement rates means that Health Care Services Medicaid Services component will need an additional \$1,000.0 GF in 2009.

Alaska's annual allotment has fluctuated between \$7 million and \$11 million. Since Alaska's annual allotment represents only about 30 percent of our costs, we have relied heavily on unspent funds from other states which were redistributed to Alaska to maintain access to the enhanced FMAP. As more and more states have increased their SCHIP programs, there is less and less redistributed funding available and we do not anticipate any further redistributions.



### Denali KidCare M-SCHIP Federal Funds Available and Federal Need



**FY09 Projected Medicaid Formula Growth: \$41,381.6 \$25,587.7 Federal, \$14,793.9 GF/Match**

For FY09, Health Care Services' Medicaid costs are projected to grow 6 percent over the FY08 authorized amount of \$689,694.3. This increment request is necessary to maintain the current level of long-term health services in Medicaid. The Medicaid Services component funds acute health care services such as hospitals, physicians, pharmacy, and dental and other Medicaid services such as premium assistance and supplemental hospital payments.

In FY07 Health Care Services contracted approximately 6 percent from the previous fiscal year. Growth in FY08 is expected to be 9-percent higher than FY07. The requested FY09 growth increment, 6 percent, is based on the FY08 projection and the FY09 baseline forecast from the short term forecasting model.

Most of the increase can be attributed to hospital services which are expected to grow at approximately 11 percent between FY07 and FY08 and 6 percent between FY08 and FY09. Hospital and physician services were both affected by rate rebasing in FY08. Transportation and Pharmacy also contributed to the overall growth with growth rates between 6 percent and 7 percent.

The fund source projection is based on the actual amount of federal revenue collected in SFY07 in this component, 68.2 percent, and assumes that the proportion of expenditures eligible for each type of federal reimbursement remains the same. It also assumes that the SFY09 average federal medical assistance percentage remains at 53.76 percent for regular Medicaid and 67.63 percent for enhanced FMAP.

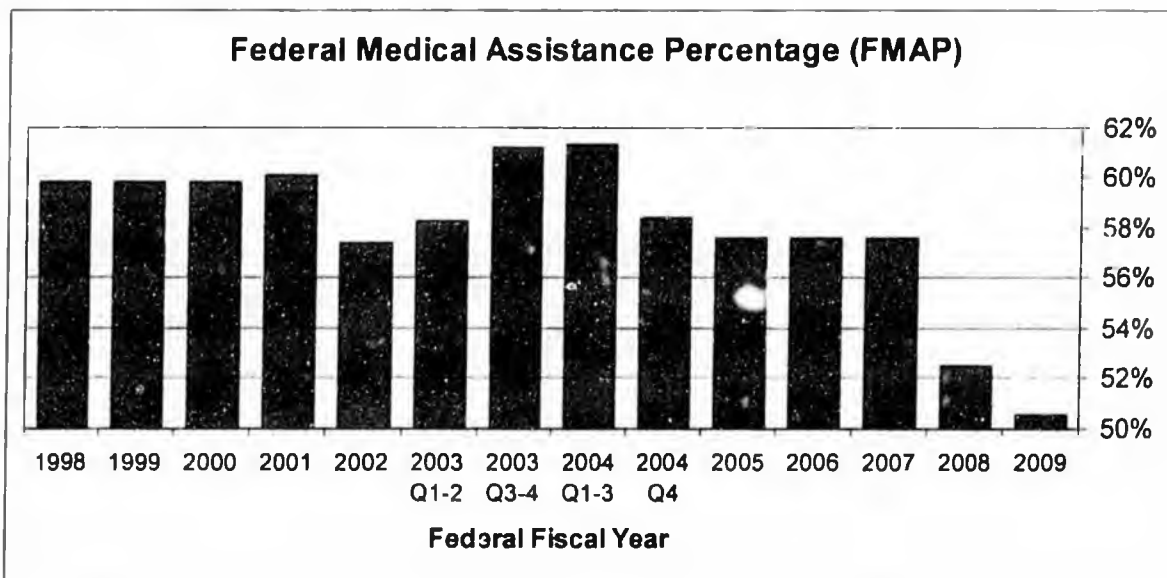
**FFY09 Federal Medical Assistance Percentage (FMAP) Rate Change for Medicaid: (\$14,308.5 Federal), \$14,308.5 GF/Match**

This request replaces lost federal revenues resulting from a 1.95-percent decrease in the annual rate the federal government reimburses the state for Medicaid benefits that will take effect on October 1, 2008.

The federal and state governments jointly fund Medicaid. The federal fund reimbursement rate is set by the Centers for Medicare and Medicaid and is outside the control of the state government. One in five Alaskans is enrolled in Medicaid at some time each year. Without the increment the state would be forced to reduce eligibility or services currently provided to low income children, pregnant women, individuals with disabilities, and the elderly. By approving this change record, the department will be able to continue to meet its mission of managing health care for Alaskans in need.

The amount of federal funds the state receives for its Medicaid program depends on a complex array of reimbursement rates, some of which change each October 1st with the start of a new federal fiscal year. The bulk of the federal funding for Medicaid benefits comes from claims reimbursed at the federal medical assistance percentage or FMAP. The FMAP rate is based on the state's national rank of per capita personal income but can be no less than 50 percent. Also affected are the State Children's Health Insurance Program (SCHIP) and the Breast and Cervical Cancer program (BCC) which are part of Alaska's Medicaid program. Eligible claims for SCHIP and BCC are reimbursed at an enhanced FMAP rate which reduces the state share of costs by 30 percent over the regular FMAP.

The regular FMAP is projected to drop from 52.48 percent to 50.53 percent in FFY09 and the enhanced FMAP from 66.74 percent to 65.37 percent. The regular FMAP for SFY09 will average 51.02 percent across two federal fiscal years (52.48 percent from July–September 2008 and 50.53 percent from October 2008–June 2009). The enhanced FMAP for SFY09 will average 65.71 percent (66.74 percent from July–September 2008 and 65.37 percent from October 2008–June 2009).



Approximately 67 percent of the Medicaid Services component's claims are reimbursed at the regular FMAP and another 6 percent at the enhanced FMAP (the remaining 27 percent is Indian Health Service, family planning, or non-reimbursable and is not affected by the change in FMAP). Based on current estimated expenditures for Medicaid, the FFY09 change in FMAP will require an estimated \$14,308.5 increase in GF to replace the lost federal funds and maintain services at the current level.

# STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

*Advisory Board on Alcoholism and Drug Abuse  
Alaska Mental Health Board*

*Sarah Palin, GOVERNOR*

*P.O. BOX 110608  
JUNEAU, AK 99811-0608  
PHONE: (907) 465-8920  
FAX: 465-4410*

January 23, 2008

**RE: SB 212 – Eligibility for Denali KidCare**  
Testimony to the Senate HESS Committee

The Alaska Mental Health Board and the Advisory Board on Alcoholism and Drug Abuse strongly support SB 212 and urge its passage from committee.

- **SB 212 will make health insurance accessible to more children in Alaska.** Alaska has the third lowest DKC eligibility rate in the nation. Combined with a 31% decline in the number of children covered by private health insurance in the last decade, Alaska is taking a costly risk with the health and behavioral health of its children and the well-being of families.
- **DKC covers the majority of children's behavioral health care.** Providing kids with prevention and early intervention behavioral health services are critical to their long-term mental health and the well-being of their families. In addition, access to these services will help control the mounting costs of inpatient psychiatric care.
- **DKC is a good bargain for the State of Alaska.** The federal government covers 70% of the cost of DKC. Also, those families who can afford it will make a meaningful financial contribution towards their children's health coverage.
- **DKC saves the State of Alaska money in the long run.** Children without health care get less preventative care, have much higher health risks and are four times more likely to use expensive emergency room care. Research shows that immunizations, annual visits to a doctor, dental care and screenings for vision, hearing and developmental disabilities are all long-term money savers for the health care system as a whole.
- **DKC saves all Alaskans money.** In 2004, Anchorage hospitals provided almost \$89 million in uncompensated care. These costs are passed on to Alaskan business and individuals in higher insurance premiums and out of pocket health care costs.



426 Main St • Juneau, AK • 99801

## Alaska State Hospital and Nursing Home Association

April 12, 2008

The Honorable Peggy Wilson  
Chair, House HES Committee  
State of Alaska  
Juneau, AK 99801-1182

Dear Representative Wilson:

### RE: LETTER OF SUPPORT FOR SB212

The 37 members of the Alaska State Hospital and Nursing Home Association (ASHNHA) wish to express their **STRONG SUPPORT** for SB212, an act relating to eligibility requirements for medical assistance for certain children and pregnant women. Our membership includes private, community, federal, state and tribal health care facilities throughout the State.

Moving Alaska's eligibility threshold for coverage of pregnant women and low income children to 200% of the federal poverty level is the next logical step in reducing the growing number of uninsured Alaskans, particularly children. Why is it prudent to increase our spending under Denali Kid Care? For at least two very critical reasons:

- First, this bill if enacted would assure strong preventive and primary care for our children who do not have health insurance from any other source, and would give our most vulnerable children, the unborn, a greater probability for a healthy start through early prenatal care. In addition we would be maximizing use of federal funding to pay for 2/3rds of this expense under the Federal Medicaid Program.
- Second, if we do not take this step we can expect to see many of our young Alaska children experience expensive health care problems that could have been avoided. This in turn will put even more financial pressure on those who are insured to help pick up these costs. We know from hospital financial data that Alaska's write offs increased by 55% over the last year compared to 14% nationally. We must take steps to slow this worsening health care cost situation.

ASHNHA's members urge passage of SB212 from the HES Committee.

Sincerely,

Rod L. Betit  
President/CEO

**ASHNHA  
ASHPIN  
APSCI**

2007-2008  
ASHNHA  
Executive  
Committee

Chairman  
Al Parrish

Chair Elect  
James Shill

Sec/Treasurer  
Ryan Smith

Immediate Past  
Chairman  
John Bringhurst

AHA Delegate  
Ed Lamb

AHA Alternate  
Pat Branco

AHCA Delegate  
Dennis Murray

AHCA Alternate  
Angela Gorn

Acting ASHPIN  
Chairman  
John Bringhurst

ASHNHA CEO  
Rod Betit

	Appropriation	General	Other
	Items	Funds	Funds
1			
2			
3	Economic Development		
4	HB 359 PROBATION AND MINOR	29,800	29,800
5	CONSUMING appropriated to Alaska Court		
6	System		
7	HJR 28 CONST. AM:BUDGET	1,500	1,500
8	RES.FUND/OIL& GAS TAX appropriated		
9	to Office of the Governor		
10	SB 57 MARINE PARKS ADDITIONS	15,900	15,900
11	& MANAGEMENT appropriated to		
12	Department of Natural Resources		
13	SB 158 SHIRLEY DEMIENTIEFF	7,500	7,500
14	MEMORIAL BRIDGE appropriated to		
15	Department of Transportation & Public		
16	Facilities		
17	SB 185 SEX OFFENDER/CHILD	42,000	42,000
18	KIDNAPPER REGISTRATION		
19	appropriated to Department of Public		
20	Safety		
21	SB 196 PRESCRIPTION DATABASE	400,000	400,000
22	appropriated to Department of Commerce,		
23	Community, and Economic Development		
24	SB 196 PRESCRIPTION DATABASE	-86,000	-42,000
25	appropriated to Department of Health and		-44,000
26	Social Services		
27	SB 212 MEDICAL ASSISTANCE	2,597,700	903,600
28	ELIGIBILITY appropriated to Department		1,694,100
29	of Health and Social Services		
30	SB 214 HUNTING BY	59,800	59,800
31	MILITARY, COAST GD., DEPENDENTS		
32	appropriated to Department of Fish and		
33	Game		

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**From:** jtower@alaska.com [mailto:jtower@alaska.com]

**Sent:** Saturday, April 12, 2008 3:01 PM

**To:** Rep. Peggy Wilson; Rep. Bob Roses; Rep. Anna Fairclough; Rep. Wes Keller; Rep. Paul Seaton; Rep. Sharon Cissna; Rep. Berta Gardner

**Subject:** \*\*\*\*\*SPAM\*\*\*\*\* SB212

To the House HESS Committee,

On behalf of the Alaska Chapter of the American Academy of Pediatrics which represents 85 pediatricians statewide, I am writing to ask for your support of SB212, a bill to increase the eligibility level for Denali KidCare to 200% FPL.

We urge your support for the following reasons:

- Increasing the eligibility to 200% FPL means that a family of 4 earning \$53,000 would qualify for the program. These are Alaska's working poor families.
- It would bring 1,277 children back to the program who were dropped when the Legislature froze the income eligibility level in 2003.
- It would provide 218 pregnant women health care.
- The cost benefits and savings of providing health care to these children and pregnant moms would more than outweigh any potential abuses to the system.
- The federal government pays for 70% of the program while the State of Alaska pays for only 30%.
- Access to health care, as with education, is our best means of giving children a good head start at life.

Pediatricians would rather see these kids in their offices rather than in emergency rooms where health care is the most costly.

Thank you for your consideration.

Janice Tower  
Executive Director  
Alaska Chapter, American Academy of Pediatrics

**SB**

**241**

**SESSION ADDRESS:**

Alaska State Capitol  
Juneau, Alaska 99801-1182  
(907) 465-4925  
Fax: (907) 465-3517  
Toll Free: 1-800-821-4925

**Senator Gary Stevens**  
**Alaska State Legislature**

**INTERIM ADDRESS:**

112 Mill Bay Road  
Kodiak, Alaska 99615  
(907) 486-4925  
Fax: (907) 486-5264



**Senate Bill 241**  
**SPONSOR STATEMENT**

**"An Act relating to a report to the legislature on teacher preparation, retention, and recruitment by the Board of Regents of the University of Alaska."**

SB 241 is the product of intensive work by the Joint Legislative Education Funding Task Force. The Task Force's Report, published on September 1, 2007, features 5 pieces of legislation being forwarded to the Legislature to change certain components to Alaska's state education policy. SB 241 represents a desire by the Task Force to improve the dialogue between two of our state agencies with key roles in education delivery.

The University of Alaska educates and trains Alaska's resident teacher workforce. The Department of Education & Early Development employs them in our schools. The Task Force is recommending that the University be required to provide an annual report to the Legislature documenting their efforts and degree of success in training teachers and in assisting Alaska schools districts to attract and retain qualified teachers.

I encourage your support for the efforts made by the Joint Legislative Education Funding Task Force in presenting the Legislature with legislation reflecting considerable collaboration and compromise. Thank you for considering SB 241.