

Summer 2004

# Newsletter

Member Update of the Public Affairs Research Council of Louisiana

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serve ex-officio.

## **PAR's Annual Conference Sets Records**

An overflow crowd packed the Ballroom of the Radisson Hotel and Conference Center on April 23 for PAR's 2004 Annual Conference and Luncheon. This year's event, co-chaired by PAR board members **Gordon Pugh** of Baton Rouge and **Pres Kabacoff** of New Orleans, featured a closer examination of some of the major healthcare issues facing the state.

PAR Chairman of the Board **George D. Nelson, Jr.** welcomed over 600 PAR members, guests and elected

officials to the luncheon. He stated that it was the largest crowd and had the most underwriting support for any PAR event in our 54-year history. (See list on page 3 of major presenting sponsors and gold and silver table sponsors for the luncheon.)

The luncheon featured an address by **Governor Kathleen Blanco**, who used the PAR conference as an opportunity to announce the 29 members of her Healthcare Reform Panel, which is scheduled to begin work next month.

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# School Accountability Plan on Collision Course with NCLB

A potential collision between slowing student improvement and accelerating achievement goals spells serious problems for school accountability, the Public Affairs Research Council (PAR) said in its report "Close-up on Education Accountability" released recently. "In addition, new federal rules for improving the performance of student subgroups could seriously damage the state's accountability system within a few years," said Jim Brandt, PAR president.

The fourth in a series of annual reports monitoring the implementation of the state's school and district accountability plan, this report raises some concerns about the impact of the federal No Child Left Behind Act (NCLB). NCLB requires a highly qualified teacher in every classroom by 2006; additional standards-based testing by 2006; annual yearly progress (AYP) for all student subgroups and schools; a goal of having

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In her remarks, Governor Blanco was candid about the difficult challenge facing the panel. "Until just this past year, we were the least healthy state in the country. We have ratcheted up to 49th this year. Hopefully, that is a trend. Truthfully, this is not acceptable. We have serious problems with our healthcare system and that is not a secret to anyone in Louisiana," she stated.

nist and publisher of *Louisiana Political Fax Weekly*, followed the Governor with an entertaining and informative presentation on the "Politics of Healthcare Reform." He noted that the Governor was not likely to win many friends over the next years, pointing out the difficult choices and trade-offs that will have to be made in fixing the state's healthcare system.

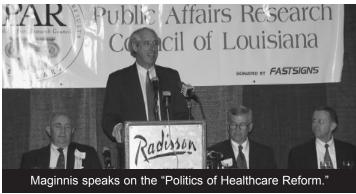
Prior to the luncheon, the conference featured a panel discussion that included healthcare policy experts from the public and private sector. The panelists included **Dr.**Fred Cerise, Secretary of the Department of Health and Hospitals; Jerry Luke LeBlanc, Commissioner of Administration; Stephen Moret, consultant with



"I appreciate the time and attention that you, as members of PAR, are spending on the healthcare problems of Louisiana. There are serious problems, but they are not insurmountable," Governor Blanco said.

McKinsey & Company, Washington, D.C. and former PAR fellow; Lynn Nicholas, President and CEO of the Louisiana Hospital Association; and Johnny Rombach, Legislative Fiscal Officer. Beth Courtney, President and CEO of Louisiana Public Broadcasting (LPB), moderated the panel discussion. Excerpts from the panel discussion were featured on that evening's edition of "Louisiana: The State We're In" on LPB's statewide network. (See PAR President Jim Brandt's report on page 6 for more information on the morning panel session.)





## **Healthcare Policy Position Slated for PAR**

Chairman George Nelson, Jr. announced at PAR's 2004 conference that PAR plans to continue its highly successful capital campaign to raise additional funds for a healthcare policy research position at PAR. In making the announcement, he noted that PAR's capacity to analyze critical healthcare policy and budget questions would give the public and decision makers the objective and unbi-

ased research for which PAR has become well known.

Until the new position can be permanently funded through the ongoing capital campaign, PAR plans to seek interim funding for the position through a number of local and state foundations. Jim Brandt, President of PAR, stated that the **Baton Rouge**Area Foundation and the RosaMary Foundation have already agreed to

provide interim funding for the position at PAR.

According to Brandt, "We are very grateful for these major gifts which we hope to match with other grants in the near future. We look forward to extending PAR's award-winning research to the critical area of healthcare. It is our hope that we can bring our healthcare policy expert on board by the end of this year."

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## Thanks to our sponsors of 2004 Annual Conference and Luncheon

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**SUMMER 2004** 









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For more information, contact Susan Mintz Kantrow at (225) 926-8414.

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all students performing at the proficient level by 2014; and sanctions for failing schools, including school choice (transfers), supplemental services (tutoring) and restructuring or alternative governance.

Louisiana is among the states that have "backloaded" their performance growth targets to require more growth in the later years, hoping the goal will be lowered in the interim. Louisiana's improvement schedule requires subgroups to grow 5.8% a year on average from 2002 to 2010, but at an average rate of 14.6% each of the next four years to reach the 2014 goal.

The 2003 scores again show some improvement. But while K-8 schools are slightly ahead of their growth target, their rate of growth has slowed considerably. High school scores have not risen as rapidly as expected and are short of their target. The combined score for all schools grew only 1.1% in the last year. The current progress offers little hope that the steep increases in performance expected between 2010 and 2014 can actually be met

By far, the most significant change to Louisiana's accountability system is the NCLB requirement that schools demonstrate adequate yearly progress (AYP) for each student subgroup toward reaching the goal of proficiency by 2014. The subgroups include economically disadvantaged students, students in major racial and ethnic groups, and students with disabilities.

NCLB rules provide several ways to lessen the impact of poor subgroup performance on a school's rating. Louisiana uses a statistical technique called "confidence interval" that can be applied to subgroup testing results, making it easier for smaller subgroups to pass AYP. When

new tests are added in 2006, more students in each subgroup will be tested, and the confidence interval will no longer be as effective in saving schools from failing AYP.

Currently, only 69 schools statewide are in school improvement level 2 or higher and are subject to the more serious sanctions. PAR estimates that by the 2007-08 school year, this number could potentially grow to 800 schools, as AYP scoring becomes more stringent and confidence intervals become less effective. Having nearly three-quarters of schools considered as failing would require a major shifting of scarce resources and may destroy public confidence in the accountability program and public school system.

In spite of the problems on the horizon, Louisiana has generally benefited from the changes due to the NCLB mandates. New annual tests will allow better tracking of student progress; schools are focusing greater attention on student subgroups; and existing efforts to improve teacher quality have been energized. Some of the more trouble-some rules are being relaxed, but further changes will need to be made as the 2014 deadline grows closer. A revision in the NCLB goals could occur earlier, depending on presidential politics.

Louisiana's School and District Accountability System, now in its sixth year, was recently ranked first in the nation by the national publication *Education Week*. Yet, students in the fourth and eighth grades ranked at the bottom of the nation in mathematics and reading on the 2003 National Assessment of Educational Progress (NAEP) exams. "The progress to date merits continuation of the state's accountability system," Brandt said. "But the slow performance growth experienced in recent years suggests that stronger reforms are required to meet the state's performance goals."

## "The Voice of PAR" Retires



Jan Kent retires.

One of PAR's most dedicated employees retired this past February after almost twenty years of service. **Jan Kent**, PAR's receptionist, was one of PAR's most enthusiastic cheerleaders. She was "the voice of PAR" for those who called or visited our office.

Jan leaves PAR to continue her many volunteer and community service activities in the La Capitale Chapter of American Business Women's Association, Downtown Optimists Club of Baton Rouge, State Board of ARC and Louisiana Optimist Leukemia Board.

## **PAR INTERNS**

This year, the PAR staff had the opportunity to work with two exceptional interns from Louisiana State University (LSU).

Kelly Pope Papania, a research intern, received an MPA in May 2004 from LSU's Ourso School of Business Administration. She graduated Summa Cum Laude with a bachelor's degree in political science from LSU.

**Nia F. Mason**, a development and communications intern, is a graduate student in the Manship School of Mass Communication at LSU. She holds a bachelor's degree in English from George Washington University in Washington, D.C.

#### **SUMMER 2004**

## PAR Elects Officers and Board Members for 2004-2005

conference in Baton Rouge, continues a tradition of excellence. George D. Nelson, Jr. of Shreveport, president and CEO of Louisiana Companies, was re-elected as chairman of the Board of Directors. Before assuming the chairmanship of PAR in 2003, Nelson served the organization in a number of volunteer leadership roles over the years.



The PAR Board also re-elected Dr. James Peltier of Thibodaux as vice chairman and David Eustis, senior vice president of the Whitney National Bank in New Orleans, as secretary. Donna M. Saurage of Baton Rouge was re-elected as treasurer.

In addition to these officers, a wealth of talent joins PAR's leadership as board members. Newly elected board members include: Michael Craft of Shreveport. Craft, president and publisher of

The Times, has worked for various newspapers throughout his career. These include: several weekly and daily newspapers in Mississippi; in a variety of corporate and marketing positions for the Des Moines Register and Tribune Co. in Des Moines, Iowa and publisher of the Jackson Sun in Jackson, Tennessee. Craft is also the current president of the Louisiana Press Association.

Tim Hardy of Baton Rouge is executive vice president for Shaw Environmental & Infrastructure, Inc. Prior to his association with Shaw, he was a partner in the New Orleans-headquartered law firm of Lemle & Kelleher, LLP. He has held a number of positions in the public sec-

PAR's leadership for 2004-2005, elected at the annual at tor including: assistant attorney general in the Louisiana Department of Justice, Environmental Enforcement Section; assistant secretary for the Office of Solid and Hazardous Waste within the Department of Environmental Quality; executive assistant for Environmental Affairs for former Governor Buddy Roemer and director of the Public Protection Division within the Louisiana Department of Justice. He also presently serves as adjunct professor at the Southern University Law School and teaches Environmental Law.

> Virginia Noland is a community activist who has devoted countless hours to the Baton Rouge area. Among a host of civic commitments, she currently serves as chairperson of BREADA (Baton Rouge Economic Agricultural Development Alliance) which oversees the Mainstreet and Red Stick Farmers' Markets in Baton Rouge; member of the Louisiana Art and Science Museum Board and recently served as coordinator of the Josephine Exhibit; member of the Shaw Center for the Arts Board and is immediate past chair of the Baton Rouge Area Foundation. She is especially interested in downtown redevelopment and the visual arts.

> Re-elected members of the Board of Directors include: Duane Cowart, Governmental Affairs Consultant, The Cowart Group, Baton Rouge; Louis Freeman, New Orleans; John Maxwell Hamilton, Dean of LSU Manship School of Mass Communications, Baton Rouge; Trey Hill, Manager of Public Affairs, Atmos Energy, Lafayette; Pres Kabacoff, Co-chairman and CEO of Historic Restoration, Inc., New Orleans; Glenn Kinsey, President, Norman Corporation, Shreveport; **Ashton Phelps, Jr.**, Publisher of *The Times-Picayune*, New Orleans; and Julian Rodrigue, Sr., Attorney, Rodrigue & Rodrigue, Covington.

## **PAR's Guide to the Louisiana Legislature in New Format**

Since its release on March 24, the "Guide to the 2004 Louisiana Legislature" has proven to be PAR's best-seller. The reformatted Guide is now a convenient, pocket-size publication that will be reprinted in its entirety every year. Underwriting support for the Guide was provided by Entergy Louisiana.

The 2004 edition is complete with pictures, contact information and biographical data on Louisiana legislators, statewide elected officials: and Louisiana's congressional delegation. A directory of governmental resources and a listing of legislative committee memberships are also included in the publication.

Updates to information contained in PAR's "Guide to 2004 Louisiana Legislature" may be found on PAR's Web site (www.la-par.org) by highlighting PAR Publications and Products (the first link on the

left-hand side of the page under the PAR logo). From there, click on Guide to the Louisiana Legislature.

Copies of the Guide may be purchased for \$10.00 each by writing PAR at P.O. Box 14776, Baton Rouge, LA 70898-4776, by calling (225) 926-8414 or by ordering from PAR's Web site at www.la-par.org. Special pricing is available for bulk orders.



### Message from the President: Good Advice for Governor's Healthcare Panel from PAR's Conference

At PAR's recent annual conference, the morning panel discussion focused on the question, "After the Healthcare Summit, Now What?" The panel, consisting of Dr. Fred

Cerise, Jerry Luke LeBlanc, Lynn Nicholas, Stephen Moret and Johnny Rombach, offered the audience a number of excellent suggestions on what it will take to make our healthcare system more accessible, affordable and effective. As Governor Blanco noted in her luncheon address at the conference, "We have serious problems with our healthcare system, and that is not a secret to anyone."

Governor Blanco is counting on her recently named healthcare panel to develop short- and long-range solutions to the challenges the state faces in health care. We are very pleased that PAR will be a member of her healthcare panel, and I look forward to serving as PAR's representative.

As we begin this process, I would urge us to consider the sage advice offered by Stephen Moret, a consultant with McKinsey & Company and a former PAR fellow. Speaking at the conference, he said the state needs to develop... "a robust, fact-based evaluation of what the system is today, how it compares to other states, what are the broad range of options the state could pursue, and an objective analysis of each option." He went on to say that, "One of the things you don't want to get into is everyone having a different opinion about what the basic facts are."

He is absolutely right, and we should not lose sight of his practical and straightforward advice as we develop our study process. It is clear that the work of the healthcare commission and the public debate regarding the proper course of action will be much more productive if we have established a fact base that everyone can agree upon and a set of well-defined options for going forward. Given the wealth and diversity of talent on the healthcare panel, I am hopeful that we will spend the time necessary to develop this fact-based framework for panel and public discussion. PAR is committed to do whatever we can to assist the panel in a timely and productive manner.

Lest there be any doubt about the panel's need to work quickly, Jerry Luke LeBlanc, the Commissioner of Administration, emphasized that point when he mentioned that in a year from now the \$772 million in extra Medicaid funds will go away. He stated that, "We have one year to work a major reform. The clock is now ticking."

We couldn't agree more. Let's get started.

#### PAR Honors Memory of Lester Kabacoff with Resolution

PAR's 54th annual conference was dedicated to the memory of Lester E. Kabacoff, or "Kabby" as he was known best. A founding member of PAR, Kabby was a lifelong advocate of the principles PAR espouses—integrity, independence and accuracy. He played a critical leadership role in drafting the original bylaws, in raising the necessary funds to support the organization and in recruiting a superb Board of Directors to guide PAR during its formative years. In 2000, PAR's 50th anniversary, the Board proudly dedicated the Lester E. Kabacoff Board Room and Library.

In addition to his work with PAR, Kabby made other significant contributions to the state. These

included the development of the New Orleans riverfront, promotion of tourism and the expansion of the New Orleans Convention Center, and the establishment of several civic organizations including the Police Foundation and the Metropolitan Area Committee. His civic and philanthropic work earned him a num-



Chairman Nelson presents Board resolution honoring Lester E. Kabacoff to Pres and Gloria Kabacoff.

ber of prestigious awards, including the Mayor's Medal of Honor and the *Times-Picayune*'s Loving Cup.

During the conference luncheon, PAR Chairman of the Board George Nelson, Jr. presented a framed resolution in Kabby's memory to his wife, Gloria Kabacoff, and son, Pres Kabacoff. "Kabby remained supportive of PAR's work throughout his life. He was steadfast in his belief that the dissemination of facts would contribute to more informed decision-making in state government," Nelson said.

An excerpt from the resolution reads, "his death removes from the front ranks of the Public Affairs Research Council, a dedicated leader who has long given bountifully and unselfishly of his time and talents in support of its aims and purposes. His absence will be sorely felt by the Board, staff and the entire membership of the Public Affairs Research Council."

PAR extends its deepest sympathy and condolences to the Kabacoff family, along with our profound gratitude for his extraordinary contributions to the Public Affairs Research Council. SUMMER 2004

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## **PAR's Capital Campaign Exceeds Goal**

PAR announced the successful completion of its first-ever Capital Campaign at the Annual Conference and Luncheon. George Nelson, Jr., Chairman of PAR and Co-chair of the Capital Campaign Committee, made the announcement at lunch stating that, "I have very good news to report. We have now exceeded our \$2 million Capital Campaign goal and will now be able to create these two permanent positions within PAR. Our success speaks not only volumes about the importance of PAR's work but also the critical role the generosity of our supporters and the hard work

of volunteers played in enabling us to achieve and exceed our goal. I am also proud to report that 100% of our Board members and 100% of the PAR staff contributed to the success of this effort."

PAR was seeking \$2 million in philanthropic support to permanently endow two distinguished research positions within PAR—an Educational Research Chair and a State Finances Chair. According to Nelson, these positions could not have been created without the superb volunteer leadership of **David Eustis**, Co-chair of the Capital Campaign Committee, and

Regional Chairs, George Crain, Sr., Lafayette; Ann Knapp, Lake Charles; Morris Mintz, Monroe; Dr. James Peltier, Houma/Thibodaux; Gordon Pugh, Baton Rouge; and Joe D. Smith, Jr., Alexandria.

Special recognition and thanks were given to the members of PAR's Leadership Council. Their leadership gifts, \$25,000 and above, placed PAR on the path to success. Overall there were over 145 individuals, corporations or foundations that contributed to the success of this campaign.

## We are grateful to the following supporters for their leadership gifts:

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PAR would also like to express our thanks to those foundations and companies that have contributed major non-capital gifts:

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# **Visit PAR's Improved Web site @ www.la-par.org**

PAR's new and expanded Web site has experienced a major increase in traffic. The number of visitors rose to over 30,000 a week prior to the 2003 elections.



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#### PAR Research Studies Currently Underway

A Fiscal and Programmatic Evaluation of Louisiana's School and District Accountability System PAR is preparing to publish a summary of this study developed for the U.S. Department of Education. The project is a detailed case study examining the impact of the federal No Child Left Behind Act on Louisiana's educational accountability system.

**East Baton Rouge Parish School System: A Desegregation Follow-up Study** PAR is monitoring developments in the school system following the settlement of its 47-year-long desegregation case.

**Public Employee Retirement Issues Simplified** This study is an effort to provide an easy-to-understand explanation of the issues and options related to public employee retirement systems.

**Suits Against the State and Local Governments** An analysis of a variety of liability-related issues.

**Budgeting for Capital Outlay Projects** An analysis of the state's capital outlay budgeting process with particular attention to the growing inclusion of local projects in recent years.

## **Research Studies Recently Released**

**Close-up on Education Accountability** The fourth and final publication in a series, this report focused on the state's largely successful efforts to adapt its education accountability program to the mandates of the federal No Child Left Behind Act and examined pending issues.

**PAR Guide to the 2004 Louisiana Legislature** The guide was completely updated to reflect the 2003 elections and edited to fit into a handy, pocket-sized publication.

## **Commentaries Recently Released**

- "Keep Technical School Reforms, PAR Says" strongly recommended rejecting proposals to remove the technical schools from the new Louisiana Community and Technical College System.
- "Property Assessment Reforms Needed, PAR Says" commended the governor for her initial efforts to address property tax assessment problems and recommended additional reforms.
- "PAR Says Keep Ban on Riverboat Campaign Contributions" argued against proposed legislation to repeal the ban on campaign contributions from riverboat gambling interests.
- "Take the High Road, Not the Highways, PAR Says" criticized bills introduced this session that would undermine the highway priority program by allowing legislators to add or substitute their own projects.