Douglas library rewarding young readers

The Douglas County Public Library has again joined with In-N-Out Burger for the Cover to Cover Club reading program from March 2 to April 13.

Children ages 4 to 12 are eligible to receive certificates for a free In-N-Out hamburger or cheeseburger by reading books. Both branches of the library are participating in the program.

Children must fill out a file card at the library to enroll in the program.

Readers will earn an Achievement Award redeemable for an In-N-Out hamburger for every five books read at their reading level. Each participating child may earn up to three award certificates. Children too young to read on their own may have a parent read to them.

The Douglas County Public Library is located at 1625 Library Lane in Minden and 233 Warrior Way in Zephyr Cove.

For more info, call (775) 782.9841.

TRTA putting on wilderness first aid class

The Tahoe Rim Trail Association is offering a two-day wilderness first aid course.

The cost for the April 13-14 class is $195 for non-TRTA members and $175 for TRTA members.

The course will be taught by the Wilderness Medicine Institute of NOLS. This course will provide individuals with a foundation in first aid concepts critical to responding effectively to emergencies in a remote backcountry environment.

The WFA course will help people prepare for the unexpected. This fast paced, hands-on training is designed to meet the needs of trip leaders, camp staff, outdoor enthusiasts and individuals working in remote locations. Classroom lectures and demonstrations are combined with realistic scenarios with mock patients.

Participants must be at least 16.

Successful course completion earns you a WMI Wilderness First Aid certification.

This course may also be used to re-certify WMI Wilderness First Responder and WMI Wilderness EMT (wilderness portion only) certifications.

For more information or to register, contact Hayley at (775) 298.0238 or programs@tahoerimtrail.org.

Study: Coordinated healthcare could save California $110 billion

By Chad Terhune, Los Angeles Times

California could cut $110 billion in healthcare spending over the next decade, saving the average household $800 a year, by quickly moving away from conventional fee-for-service medicine and embracing more coordinated care, a report says.

These findings released Tuesday come from the Berkeley Forum, a new group of healthcare executives, state officials and academics that studied California's healthcare market for the last year in hopes of finding ways to make care better and more affordable. The main recommendations are not entirely new, and these shifts are already underway in response to the federal healthcare law and pressure from employers to tame runaway medical costs.

But the group's report does quantify how much work remains to be done and the potential savings if major changes are made in how doctors and hospitals are paid. Health-policy experts at UC Berkeley convened this group, which included high-ranking executives from Kaiser Permanente, Anthem Blue Cross, Cedars-Sinai Medical Center and other industry players.

"This could be a game changer in the state," said Stephen Shortell, dean of the School of Public Health at UC Berkeley and a coauthor of the report. "These are the CEOs of big insurers, big health systems and large medical groups saying it’s time for a change, and these are the people who can get things done.”

The Berkeley Forum calls for a major shift toward “global budgets,” in which physicians and hospitals provide care under preset amounts that are adjusted to reflect the health of their patients. These payments would also be tied to providers’ performance on several quality measures.

This is similar to the “capitated” payments managed-care companies and HMOs have used for years in California. HMOs already cover 44 percent of California’s population, which is about double the nationwide rate.

Despite that high penetration, the report’s authors found that 78 percent of the state’s healthcare costs, or about $245 billion annually, are still paid through fee-for-service arrangements, which can encourage medical providers to perform unnecessary tests and procedures. The report calls for reducing the share of fee-for-service payments to 50 percent by 2022.

The Berkeley Forum also says California should double the share of the state’s population receiving integrated care from medical providers to 60% within the next decade. The most visible example of integrated care in California is Kaiser Permanente, the Oakland nonprofit that coordinates care across its hospitals and physician groups.

Other health insurers, hospitals and doctors are collaborating in similar ways through accountable-care organizations, medical homes and other initiatives that have strong backing from Medicare. Shortell acknowledged that there are “legitimate concerns” about this integration leading to higher prices as hospitals, clinics and physician groups rapidly consolidate.

The $110 billion in healthcare savings targeted by the group would amount to 2.5% of overall spending of $4.4 trillion over

10 years in California, according to the report. Those savings would mean an extra $800 annually for every California household.

Overall, the report found that 53 percent of the state’s healthcare dollars are spent on just 5 percent of the population, illustrating the high cost of treating certain chronically ill patients.

Pam Kehaly, president of Anthem Blue Cross in California, said this industrywide collaboration “puts us on a path to improving the ailing California healthcare system.”

Petition aims to block some NV Energy rate increases

By Cy Ryan, Las Vegas Sun

CARSON CITY — The state Bureau of Consumer Protection wants the rules changed to head off some future rate hikes by NV Energy, which announced last week its profits nearly doubled in 2012.

The bureau petitioned the state Public Utilities Commission on Monday to require the utility to reveal if it made excessive profits when filing for more revenue due to lost sales.

“We are asking the commission to require NV Energy to make a showing as to whether they are earning more than authorized,” said Dan Jacobsen, technical staff manager for the consumer bureau.

NV Energy was granted an application by the PUC last year to impose a near $10 million rate surcharge to make up for revenue lost by conservation measures by customers. NV Energy, which serves 2.4 million customers in Northern and Southern Nevada, maintains that the law entitles it to make up for such reduced revenue.

Karl Walquist of NV Energy said he has not seen the newly filed petition and would not comment. But he added the company files a quarterly public report listing the finances of the utility.

In its latest announcement, NV Energy reported it earned a net income of $322 million, up from $163.4 million from 2011.

Jacobsen said, “Consumers should not be required to provide lost sales compensation if the company is earning more than the commission authorized at the most recent rate case.”

The utility said a rate increase of $158.6 million effective in January 2012 was a factor in the improved earnings. And the unusually hot weather in Southern Nevada aided the earnings and cash flow last year.

Michael Saunders, senior deputy attorney general who drafted the petition for the consumer bureau, said the quarterly information released by NV Energy does not reveal if the company earned a profit that exceeded the rate approved by the PUC.

He asked the PUC to enact a rule to require the power companies to submit this profit data when they seek to impose a surcharge for lost sales.

NV Energy has also introduced a bill in the state Senate to extend from three years to five years the time when it is required to file a general rate increase. The consumer bureau has opposed the measure arguing it would allow the companies to possibly keep excess profits longer.

Chairman Kelvin Atkinson of the Senate Commerce, Labor and Energy Committee said Monday that bill, SB93, has been put on hold at the request of NV Energy. A hearing scheduled for last week was canceled.

Atkinson, D-North Las Vegas, said the company informed him it wanted to "work out some of the difference" with opponents.

In light of the announcement of higher earnings by NV Energy, Atkinson said, "I don't think it (the bill) will be considered anymore."

Lake Tahoe clarity increases 6.4 feet

By Kathryn Reed

For the second year in a row the water in Lake Tahoe is clearer than the preceding year.

As noted last year by the UC Davis scientists who take the measurements, the lake's clarity has been stable for the last decade. Still, the last time the white dinner plate looking Secchi dish could be seen more than 70 feet below the surface was in 2007.

The Secchi disc is ready to be used to test Tahoe's clarity. Photo/LTN

The 2012 reading of 75.3 feet is a 6.4-foot improvement from 2011. The disc is dropped over the side of a boat and eyeballed by the scientists on deck. Twenty-two readings are taken throughout the year to come up with the average clarity figure. In 2012, 107 feet was the best reading and 57 feet the worst.

"We are very excited about the results from 2012, especially within the context of the long-term record for annual and winter clarity," John Reuter, associate director of the UC Davis Tahoe Environmental Research Center, said in a statement. "It is particularly encouraging to see clarity improve during wet years when the amount of fine sediments and nutrients going into the lake is high."

In the world of science a trend is established at about the five-year mark, according to Kristi Boosman with the Tahoe Regional Planning Agency.

A concerted effort has been under way since 1997, when then President Bill Clinton visited Lake Tahoe for the first environmental summit, to restore the lake's clarity. That summit led to the environmental improvement program being created and the Lake Tahoe Restoration Act providing money for the program. In the past 15

Lake Tahoe clarity readings

- 2012: 75.3 feet
- 2011: 68.9 feet
- 2010:

years more than $1 billion has been spent on various projects in the basin with the primary focus of reducing sediment that clouds the waters of Tahoe.

While monitoring is in place at many of the projects to test what is reaching the lake, it is not possible at this time to point to one thing that is responsible for the improvements.

Researchers say they need more data on stormwater to make more definitive conclusions about why the numbers are changing. Another troubling thing to scientists is the summer clarity numbers continue to decline and they don’t know why.

The Secchi disc has been used since 1968, when the apparatus could be seen to an average depth of 102.4 feet.

64.4 feet
• 2009: 68.1 feet
• 2008: 69.6 feet
• 2007: 70.1 feet
• 2006: 67.7 feet
• 2005: 72.4 feet
• 2004: 73.6 feet
• 2003: 71 feet
• 2002: 78 feet
• 2001: 73.6 feet
• 2000: 67.3 feet
— Source: *UC Davis*

Ski report: Bring sunscreen

The sun is out and the mountains are calling.

Here is the Feb. 27 ski report.

— Curtis Fong

Snippets about Lake Tahoe

• State Sen. Ted Gaines and Assemblyman Frank Bigelow, who represent the South and West shores in the Legislature, will be hosting a community coffee March 1 from 9-10:30am at Riva Grill, 900 Ski Run Blvd., South Lake Tahoe.

• Mark Estee, owner and chef of Campo in Reno, is a semifinalist for Best Chef from James Beard.

• Tahoe City Transit Center was named the Overall Winner of the 2012 Western Red Cedar Architectural Design Awards.

• Lake Tahoe Community College's Friends of Ally Club and Counseling Department are hosting a forum March 1 at 7pm about the impact of LGBTQ identity on career choice, career development and career success. For more info, click on the flyer.

Loop road financial study focuses on one route

Updated Feb. 28 10:50am

By Kathryn Reed

If Highway 50 were to go behind Harrah's Lake Tahoe and MontBleu casinos, would this be a good financial decision?

Yes, according to the study done by Economic & Planning Systems Inc., a Sacramento-based land economics-consulting firm hired by the Tahoe Transportation District.

The report says retail sales could increase by $16 million to $25 million per year if the loop road were built. What year that would happen is not known.

"A complete street has much slower traffic and is easier to cross, so when people shop they want to cross back and forth. It slows the rate of traffic," David Zehnder, managing principal of the consulting firm, told *Lake Tahoe News*. "And with a more friendly streetscape you provide a new dynamic that is more favorable in attracting spending."

A delivery truck needs all five lanes of Highway 50 to get to Embassy Suites South Lake Tahoe. Photo/Kathryn Reed

The loop road project spearheaded by the Tahoe Transportation District, a sister agency of the Tahoe Regional Planning Agency, proposes turning Highway 50 from about the eastern end of Pioneer Trail in South Lake Tahoe into a city street until Lake Parkway in Stateline. The highway would go around the casinos on the mountain side.

Would another realignment of the highway provide greater financial reward for the area? Would sprucing up the area without a highway realignment bring added revenues?

Those answers are unknown.

The consultants, who were paid $39,963, only studied one version. (The taxpayer dollars came from the Federal Highway Administration and Southern Nevada Public Lands Management Act.)

Also unknown is what happens to businesses along the current highway that have delivery trucks that don’t have another way to access the property if the road were narrowed.

“We are looking at various options for deliveries, however, have not made any decisions as of today,” Bill Cottrill with Embassy Suites told *Lake Tahoe News*.

The financial study was done despite the fact that no preferred alternative has been picked, though the forces driving the proposal want the mountain-only alternative; and that the environmental study has not begun; and that the city of South Lake Tahoe has yet to host its workshop. (That is set for March 12, 6pm, Lake Tahoe Airport.)

Even though the full report has not been released, the executive summary of the financial analysis is out. It says, “It should be noted that this economic analysis has not been scoped to address the potential relocation of any specific businesses that may be required to accommodate the right-of-way for the roadway realignment. It should also be noted that, although other potential alignments have been evaluated as part of current and past planning efforts, this analysis is predicated on a ‘mountain-side’ alternative under which the roadway realignment generally occurs along the southern portion of the existing commercial district behind the existing Village Shopping Center along Montreal Avenue/Lake Parkway.”

Officials say the full document could be released any day. But it’s not known if it will be out by Friday when the business coalition put together to analyze the study meets for the first time. (The meeting is March 1, 11:30am. Here is the finance meeting agenda, which includes the executive summary. Future meetings of this group are tentatively set for March 6 and March 20.)

South Lake Tahoe City Manager Nancy Kerry would not comment until she has read the full report.

Douglas County Manager Steve Mokrohisky told *Lake Tahoe News*, “A revitalized downtown in the South Shore is critical to creating a vibrant and accessible community for local residents and visitors, as well as reversing the environmental and economic decline in the Tahoe basin. The study is an important step in identifying the need for and quantifying the impact of revitalizing our downtown area through use of the complete streets model, including $16 million-$25 million in increased retail sales annually. The challenge in front of all of us that care about the future of the community, environment and economy in the South Shore is to pursue reasonable solutions that move us forward.”

Zehnder claims people will stop at the Heavenly Village and Village Center more often because a reduced speed limit will get them to notice the area and signage in the back will let those going by know what’s in the buildings.

What isn’t known, because the study isn’t out, is if it addresses the financial impact to the properties that aren’t developed and how the casinos may be impacted. It’s possible the vacant lots zoned commercial would become more valuable if the highway were to go in front of those locations.

Caesars Entertainment, parent company of Harrah’s and Harveys, owns the parcel behind Harrah’s up to Lake Parkway. A lot listed as undevelopable is owned by the casino giant on the south side of Lake Parkway in Stateline.

Edgewood Companies owns a large swath of vacant land that abuts Van Sickle Bi-State Park, goes behind MontBleu and links up with Lake Parkway at Highway 50.

Randy Lane, who created the hole on the north side of Highway 50 on the California side of the state line, owns a parcel on Montreal Road before it becomes Lake Parkway, between Fern Road and Heavenly Village Way. He owns another plot adjacent to that one just going up the mountain. He also owns vacant commercial land adjacent to Van Sickle Bi-State Park at the end of Heavenly Village Way. (This would be to the right of the park if facing the entrance.)

A company called Tahoe I Nv Lic, with a post office box in Carson City, bought commercial acreage from Falcon Capital, the company run by Lane, which is on Lake Parkway in California at the state line.

Tahoe Tails – Adoptable Pets

in South Lake Tahoe

Bear is a full-figured, lovable guy who would be at home in just about any household. He's very friendly and would like to go for lots of walks to lose his extra pounds.

Bear has been at the shelter for just a few days, along with six other dogs who have been transferred up to Tahoe from a shelter in the Central Valley in the hopes of changing their luck. Most are small dogs, Chihuahua, pug, and Maltese mixes, but the shelter also has several other medium size dogs that are waiting for their new homes.

Bear is neutered, microchipped, and vaccinated. Come see him and the other dogs and cats at the El Dorado County Animal Services shelter in Meyers.

Go online to see photos and description of all pets at the shelter.

Call (530) 573.7925 for directions, hours, and other information on adopting a pet.

For spay-neuter assistance for South Tahoe residents, go online.

— Karen Kuentz

Opinion: California's pension

system started out modest

By Steven Malanga

When California's government employee pension system was established in 1932, it was a model of restraint. Private-sector pensions were still rare then, but California lawmakers had a particular reason for wanting a public-sector pension system: Without one, unproductive older workers had an incentive to stay on the job and just "go through the motions" to get a paycheck, as a 1929 state commission put it. Pensions would encourage those workers to retire. The commission cautioned, however, against setting a retirement age so low that it would "encourage or permit the granting of any retirement allowance to an able-bodied person in middle life."

Accordingly, California set its initial retirement age for state workers (and, beginning in 1939, for local government employees) at 65, at a time when the average 20-year-old entering the workforce could expect to live for another 46 years, until age 66. The system's first pensions were modest, though far from miserly. An employee's pension equaled 1.43 percent of his average salary over his last five years on the job, multiplied by the total number of years he had worked. That formula typically provided longtime workers with pensions equal to half or more of their final salaries.

The pensions were funded by three sources: contributions from employers (that is, state and local governments); contributions from employees (though some governments opted to cover that expense); and money that the pension fund would gain by investing those contributions. With the 1929 stock market crash in mind, California opted for a cautious investment approach.

“An unsound system,” the 1929 commission warned, would be “worse than none.” The employees’ contributions were fixed, so if investment returns weren’t sufficient to fund the promised pensions, the employers’ contributions would have to increase to make up the difference.

In the decades since, that cautious approach has been virtually abandoned as public employee unions have taken control of the system. The retirement age has been lowered, benefits have been increased and investments have become far riskier.

The major changes began in the late ’60s, during a time of rapidly growing public-sector union power. In 1968, the Legislature added one of the most expensive of all retirement perks — annual cost-of-living adjustments — to CalPERS pensions. Other enhancements followed, including, in 1970, a far more generous pension formula that would allow an employee who worked for 40 years to retire at 60 and collect an annual pension equal to 80 percent of his salary. If he kept working for another five years, his pension fattened to 90 percent. In 1983, public safety workers got an even better pension formula, and the age at which they could start collecting was dropped to 55.

Not surprisingly, the costs of the enlarged pensions weighed heavily on California’s budget. In 1991, with the nation mired in a recession and the state in a fiscal crisis, the Legislature closed the existing pension system to new workers, for whom it created a second tier. This less-expensive plan no longer required workers to make pension contributions, and it lowered the value of the pension to 1.25 percent of final average salary for every year worked; further, a worker couldn’t begin to receive the pension until age 65.

But that economy lasted only until 1999, when the fund’s board concocted an astonishing proposal that would take all the post-1991 state employees and retroactively put them in the older, more expensive pension system. The initiative went further, lowering the retirement age for all state workers and sweetening the pension formula for police and firefighters even more.

CalPERS wrote the legislation for these changes and then persuaded lawmakers to pass it. In pushing for the change, though, the pension fund downplayed the risks involved. A brochure about the proposal that CalPERS handed to legislators read like a pitch letter, not a serious fiscal analysis. It didn't mention that state law protected government pensions, so that taxpayers would be on the hook for any shortfall in pension funding. In essence, the CalPERS position was that government workers should carry zero risk, sharing the bounty when the fund's investments did well but losing nothing if investments went south.

During that period, many local governments tried to keep pace with the state, allowing earlier retirements, raising the percent of income paid upon retirement and decreasing contributions from employees.

The retirement system's projections that it could afford all these changes relied on an 8 percent return on the money it held, which proved impossible, in part because of the economic downturn and in part because of bad investment decisions. That has left governments on the hook to meet the shortfalls. CalPERS has delayed much of the reckoning by shifting costs down the line, but that only means government budgets are likely to be enslaved to pension debt for decades to come.

Already, local governments are taking a huge hit. Glendale, for example, has seen its annual pension bill rocket from $1.3 million in 2003 to $13.7 million in 2007. San Jose's tab almost doubled, from $73 million in 2001 to $122 million in 2007, and then rose even faster over the next three years, hitting a jaw-dropping $245 million in 2010. San Bernardino's annual pension obligations rose from $5 million in 2000 to about $26 million last year. The state budget took a massive hit too: Its pension costs lurching from $611 million in 2001 to $3.5 billion in 2010.

In August, California did pass modest pension reforms, which apply mostly to workers hired starting this year. But Gov. Jerry Brown's proposal to reshape the board of CalPERS in a way that would have made it more responsive to taxpayer concerns did not make it into the reform legislation.

CalPERS' advocacy for higher benefits and its poor investment performance in recent years have locked in long-term debt in California and driven up costs, problems for which there are no easy solutions. As former Schwarzenegger administration economic advisor David Crane, a Democrat, has said of the fund's managers and board: "They are desperate to keep truths hidden."

Steven Malanga is senior editor of the Manhattan Institute's City Journal, from which this article is adapted. This column first appeared in the Los Angeles Times.