

HOUSE COMMITTEE ON
HEALTH AND HUMAN SERVICES

April 25, 2005 Hearing Room D

8:30 A.M. Tapes 103 -104

MEMBERS PRESENT: Rep. Billy Dalto, Chair

Rep. Tom Butler, Vice-Chair

Rep. Carolyn Tomei, Vice-Chair

Rep. Gordon Anderson

Rep. Deborah Boone

Rep. Kevin Cameron

Rep. Mitch Greenlick

STAFF PRESENT: Sandy Thiele-Cirka, Committee Administrator

Bradley Campbell, Committee Assistant

MEASURES/ISSUES HEARD:

HB 3049 – Public Hearing

HB 2955 – Public Hearing

HB 3263 – Public Hearing

HB 2692 – Public Hearing

HB 2999 – Public Hearing and Work Session

HB 2588 – Public Hearing and Work Session

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/# Speaker Comments

TAPE 103, A

004 Chair Dalto Calls the meeting to order at 8:37 a.m. and opens the public hearing on HB 3049.

HB 3049 – PUBLIC HEARING

015 Sandy Thiele-Cirka Administrator. Comments HB 3049 has a subsequent referral to Ways and Means.

017 Brian DeLashmutt Community Providers Association of Oregon (CPAO). Submits and reviews written testimony in support of HB 3049 (**EXHIBIT A**).

037 Norm Koller Community Access Services, Inc. Submits and reviews written testimony in support of HB 3049 (**EXHIBIT A**). States ways people are represented with regard to medical benefits. Talks about offset costs and the two-part offset system in Oregon (**EXHIBIT A**, pg 2). Discusses room and board insurance payments.

113 Rep. Tomei Questions about Social Security Insurance (SSI) and Social Security Disability Insurance (SSDI).

115 Koller Responds SSI is a safety net payment.

124 Rep. Butler Questions if the offset system would be compatible with federal law.

128 Koller Responds yes, states the current Oregon program is inadequate.

129 DeLashmutt Comments there are ways to seek a federal waiver.

139 Rep. Butler Responds he felt the committee would need a waiver.

144 Koller

		Comments on the way Oregon deals with the disabled. States there is a budget impact for state services. Comments about the work incentive for people on SSI with relation to SSDI.
169	Kathryn Weit	Oregon Developmental Disabilities Coalition. Testifies in support of HB 3049. Thinks the Oregon offset system traps people of disabilities into a cycle of poverty and dependence.
203	DeLashmett	Comments the range in cost of offset caps.
218	Anderson	Asks for an illustration of income between SSI and SSDI.
225	Koller	Responds toward the differences and refers to page 1, last paragraph of testimony (EXHIBIT A). States there is no work incentive.
266	Rep. Butler	Questions if a simple revision, with a focus on only net compensation, could make an even smaller fiscal impact.
286	Koller	Responds it would for people who make \$65 per month.
311	DeAnna Hartwig	Department of Human Services (DHS), Senior and People with Disabilities (SPD). Submits and reviews written testimony in opposition to HB 3049 (EXHIBIT B).
344	Rep. Tomei	Questions the process of obtaining federal waivers.
347	Hartwig	Responds it would require a modification of a federal waiver around community based services for people with developmental disabilities.
359	Rep. Tomei	Requests information be provided concerning the process to obtain waivers.
362	Rep. Cameron	Questions the number of people this bill would help.
369	Hartwig	Responds she is not certain.
377	Rep. Cameron	Comments on the lack of return cost research.
385	Anderson	Questions Rep. Butler on the number of Certified Public Accountant (CPA) and the number of clients they serve in small firms.

390	Rep. Butler	Responds 10 staff and around 200-300 clients per staff.
405	Anderson	Comments it might be more cost effective to hire a couple CPAs.
410	Chair Dalto	Questions how the financial costs were determined.
416	Hartwig	Addresses the math used to determine the amount of money requested.
431	Chair Dalto	Questions where the money goes.
433	Hartwig	Responds it reduces the cost the state and federal government pay for costs of services.
446	Chair Dalto	Asks for clarification.
450	Hartwig	Responds the federal government waiver requires individuals to help pay for costs.

TAPE 104, A

009	Chair Dalto	Questions if citizens can pay the cost individually.
010	Hartwig	Responds she believes citizens could.
013	Rep Cameron	Comments on the uncertainty of costs and gains.
021	Hartwig	Clarifies the costs. Discusses the upper financial limits of the bill.
035	Rep. Butler	Asks if any other states collect upon net earning rather than gross earning.
049	Hartwig	Answers she does not know, but will provide the answer.
054	Rep. Butler	States his unease with consideration to the bill and thinks the idea will need a federal waiver.

078 Chair Dalto Closes the public hearing on HB 3049. Opens a public hearing on HB 2955.

hb 2955 – PUBLIC HEARING

090 Rep Greenlick House District 33. Testifies in support of HB 2955. Comments the legislation will help the substance abuse community. Stresses the state must deal with the problem seriously. Believes a coordinator position in the Governor's office would highlight the substance abuse problem in Oregon.

163 Rep. Boone Comments Rep. Greenlick is a sage colleague with another good idea.

175 Bob Nikkel Office of Mental Health and Addiction Services (OMHAS). Submits and reviews written testimony noting OMHAS is neutral on HB 2692 (**EXHIBIT C**).

202 Gina Firman Association of Community Mental Health Programs. Comments her group supports the concept of the bill. Addresses concerns with parts of the bill.

228 Tim Hartnett Director of CODA, a drug and alcohol treatment agency. Comments in support of HB 3049. States the bill could do more by incorporating alcohol and treatment issues. Comments the position must be able to have budget influence. Stresses the appointment must be a person with significant credentials and expertise in the area.

270 Rep. Greenlick Questions Ms. Firman if amendments are warranted.

279 Firman Responds she will work on amendments to strengthen the relationship with the executive branch.

286 Rep. Butler Requests that all addictive substances be included in the position.

301 Rep Anderson Questions the fiscal impact.

310 Hartnett Responds the fiscal impact will occur in the Governor's office.

317 Rep. Anderson Comments the position will have a local tie-in.

- 325 Sandy Thiele-Cirka Administrator. Comments about an attachment distributed to members.
- 337 Tom Holt State Pharmacy Association. Suggests the appointment include State Board of Pharmacy, as they are the primary agency responsible for the regulation of controlled substances.
- 358 Craig Campbell Governor's Office Public Safety Advisor. Comments that currently his office has 2 to 3 staff whose work touches the subject matter. Discusses the Methamphetamine Task Force. Addresses the need to look at the drug and alcohol problems on a broad scope.
- 430 Erin Kelley-Siel Governor's Office Health and Human Services Policy Advisor. Comments the Governor's office coordinates efforts to combat substance abuse. Refers to (**EXHIBIT D**).

TAPE 103, B

- 011 Rep. Butler Applauds the Governor's office for their work to address meth problems in Oregon. Questions if a consolidated effort will be made to combat the meth problem.
- 013 Campbell Responds the Governor's office is working on it. Discusses the 3-pronged methamphetamine prevention program.
- 047 Kelley-Siel Comments on the ways their programs overlap to prevent methamphetamine abuse.
- 063 Rep. Butler Comments the need for local government to be involved with the Governor's programs.
- 073 Rep. Boone Questions how big the methamphetamine problem is on college campuses.
- 078 Campbell Responds there is no common denominator among methamphetamine users. Adds people in college are not usually involved with meth.
- 092 Rep. Greenlick Questions how much of their time is dedicated to work with illegal drugs.
- 104 Campbell

Responds it fluctuates, and notes his position has more demands than simply methamphetamine prevention.

112 Kelley-Siel Responds her attention is dedicated to a variety of issues.

117 Chair Dalto Closes the public hearing on HB 2955 and opens a public hearing on HB 3263.

hb 3263 – PUBLIC HEARING

120 Sandy Thiele-Cirka Administrator. Summarizes HB 3263.

129 Rep. Jeff Kropf House District 17. Testifies in support of HB 3263. Expresses the need for eligibility requirements to be on the Oregon Health Plan (OHP). States the current system allows for abuse of the system. Wants to force the discussion about private and public health care coverage.

184 Rep. Boone Questions how an eligible person who is unable to make payments could receive health care.

192 Rep. Kropf Responds there must be a standard in place to prove a person is in need of health care coverage.

209 Rep. Greenlick States there is a means test in place. Questions if Rep. Kropf's wife employs people who qualify for insurance coverage yet earn less than the 100% poverty line.

237 Chair Dalto Comments on differences between children versus adult health care coverage.

241 Rep. Greenlick Questions if the children's health insurance plan is included in HB 3263.

255 Chair Dalto Requests clarification from Rep. Kropf.

256 Rep. Kropf Responds he is willing for advice to help strengthen his bill.

281 Rep. Greenlick

Comments the test of financial need is based upon income, not employment. Questions the cost of placing children on a company's health care plan.

- 293 Rep. Kropf Responds it would be around \$75 depending on the dependent.
- 306 Rep. Greenlick Comments it is close to \$400 a month.
- 320 Rep. Kropf Comments Oregon pays their employees full health care coverage.
- 326 Rep. Greenlick Responds it does for Representatives, but not all state employees.
- 330 Barney Speight Department of Human Services (DHS). Office of Medical Assistance Programs (OMAS). Submits and reviews written testimony in support of HB 3263 (**EXHIBIT E**). Comments on ways to look at cost effective benefits.
- 416 Chair Dalto Closes the public hearing on HB 3263 and opens a public hearing on HB 2692.

hb 2692 – PUBLIC HEARING

- 420 Sandy Thiele-Cirka Administrator. Summarizes HB 2692.
- 435 Chris Chapman Legislative Aid, Rep. Steve March. Submits and reviews written testimony in support of HB 2692 -1 amendments (**EXHIBIT F**).

TAPE 104, B

- 010 Chapman Comments the goal is to do something supportive for donors and recipients.
- 036 Chair Dalto Questions what the -1 amendments (**EXHIBIT F**) accomplishes.
- 037 Chapman Responds is it to simplify the bill.
- 043 Rep. Butler Comments for clarification on tax deduction expenses.
- 046 Chapman Responds the bill will reduce the donors' takes by \$10,000.

055 Rep. Cameron Questions Rep. Butler if a \$10,000 tax break equals a \$900 savings.

060 Rep. Butler Responds it would be a significant tax break. Questions the amount of people eligible for the benefit.

071 Chapman Responds it would be roughly 200 people for the first few years.

096 Chair Dalto Closes the public hearing on HB 2692. Opens a public hearing on HB 2999.

hb 2999– PUBLIC HEARING

099 Chair Dalto Summarizes HB 2999.

104 Rosetta Wangerin Oregon Commission for Child Care. Submits and reviews written testimony in support of HB 2999 (**EXHIBIT H**).

140 Chair Dalto Closes the public hearing on HB 2999. Opens a work session on HB 2999.

hb 2999 – WORK SESSION

148 Rep. Butler **MOTION: Moves HB 2999 to the floor with a DO PASS recommendation.**

153 **VOTE: 7-0-0**

Chair Dalto **Hearing no objection, declares the motion CARRIED.**

157 Rep. Tomei **MOTION: Moves HB 2999 be placed on the CONSENT CALENDAR.**

162 **VOTE: 7-0-0**

Chair Dalto **Hearing no objection, declares the motion CARRIED.**

163 Chair Dalto Closes the work session on HB 2999. Opens a public hearing on HB 2588.

hb 2588 – PUBLIC HEARING

- 163 Sandy Thiele-Cirka Administrator. Summarizes HB 2588 and -1 amendments (**EXHIBIT I**).
- 180 Dr. Vern Saboe Chiropractic Association of Oregon. Updates committee progress of HB 2588.
- 193 Chair Dalto Recesses the committee.
- 196 Chair Dalto Reconvenes the meeting.
- 197 Rep. Greenlick Serves notice of potential conflict of interest.

HB 2588 – WORK SESSION

- 206 Rep. Butler **MOTION: Moves to ADOPT HB 2588A-1 amendments dated 4/12/05.**
- VOTE: 7-0-0**
- Chair Dalto **Hearing no objection, declares the motion CARRIED.**
- 213 Rep. Butler **MOTION: Moves HB 2588 as amended to the full committee on Ways and Means with a DO PASS AS AMENDED recommendation.**
- VOTE: 7-0-0**
- Chair Dalto **Hearing no objection, declares the motion CARRIED.**
- 224 Chair Dalto Closes work session on HB 2588. Recesses the meeting.
- 227 Chair Dalto Reconvenes the meeting.
- 228 Chair Dalto Adjourns meeting at 10:14 a.m.

EXHIBIT SUMMARY

- A. **HB 3049, written testimony of Norm Koller, 2pp**
- B. **HB 3049, written testimony of DeAnna Hartwig, 1p**
- C. **HB 2955, written testimony of Bob Nikkel, 2pp**
- D. **HB 2955, Governor's Council Alcohol and Drug Abuse fact sheet, Erin Kelley-Siel 2pp**
- E. **HB 3263, written testimony of Barney Speight, 2pp**
- F. **HB 2692, -1 amendments, Chris Chapman 2pp**
- G. **HB 2692, Donors Get Tax break, Kawanza L. Griffin, Chris Chapman, 8pp**
- H. **HB 2999, written testimony of Rosetta Wangerin, 3pp**
 - I. **HB 2588, -1 amendments, staff, 2pp**
 - J. **HB 2351, -1 amendments, staff, 1p**
 - K. **HB 2351, -2 amendments, staff, 1p**

Rep. Carolyn Tomei, Vice-Chair

Rep. Gordon Anderson

Rep. Deborah Boone

Rep. Kevin Cameron

Rep. Mitch Greenlick

STAFF PRESENT: Sandy Thiele-Cirka, Committee Administrator

Pamella Andersen, Committee Assistant

MEASURES/ISSUES HEARD:

HB 2105 – Work Session

HB 2358 – Public Hearing

HB 3059 – Public Hearing

HB 2826 – Public Hearing

HB 2752 – Public Hearing

HB 2707 – Public Hearing

HB 2712 – Public Hearing

HB 2753 – Public Hearing

Approval of Drafting Requests – Work Session

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TAPE/#	Speaker	Comments
TAPE 100, A		
004	Chair Dalto	Calls the meeting to order at 8:38 a.m. Opens the work session on HB 2105.

hb 2105 – WORK SESSION

007	Chair Dalto	Summarizes HB 2105. Mentions the -1 amendment (exhibit a).
010	Rep. Tomei	MOTION: Moves to ADOPT HB 2105 -1 amendments dated 04/05/05.
013	Rep. Butler	Inquires as to what the amendment does.
015	Sandy Thiele-Cirka	Administrator. Explains the amendment.
023	Rep. Butler	Asks if this would endanger Medicaid funds.
025	Chair Dalto	Responds it doesn’t appear so.
027	Thiele-Cirka	Reports the fiscal office has not yet seen the amendment, but their report will indicate the impact on Medicaid funds.
037		VOTE: 7-0-0
	AYE:	In a roll call vote, all members present vote Aye.

	Chair Dalto	The motion CARRIES.
042	Rep. Butler	MOTION: Moves HB 2105 to the floor with a DO PASS AS AMENDED recommendation.
046		VOTE: 7-0-0
		AYE: In a roll call vote, all members present vote Aye.
	Chair Dalto	The motion CARRIES.
051	Rep. Tomei	MOTION: Moves HB 2105 be placed on the CONSENT CALENDAR.
053		VOTE: 7-0-0
	Chair Dalto	Hearing no objection, declares the motion CARRIED.
054	Chair Dalto	Closes the work session on HB 2105. Opens a public hearing on HB 2358, HB 3059 and HB 2826.
 <u>HB 2358, hb 3059 and HB 2826 – PUBLIC HEARING</u>		
058	Sandy Thiele-Cirka	Administrator. Summarizes HB 2358. Mentions the -1 amendment to HB 2358 (exhibit g) and the -1 amendments to HB 3059 (exhibit d).
077	Rep. Linda Flores	House District 51. Submits and reviews constituent letters in support of HB 2826 (exhibit b), for which she is a sponsor. Discusses amendments being developed and the potential creation of an omnibus bill.
126	Chair Dalto	Notes he has requested Rep. Flores send the committee another defibrillator bill presently before the House Education Committee.
130	Rep. Anderson	Asks if the bill was before the House in the 2003 session.
132	Rep. Flores	Confirms, yes.
145	Gary Conkling	

		Beaverton School District. Submits and reviews written testimony in support of HB 3059 (exhibit C). Notes the bill would address liability concerns that have prevented the Beaverton District from installing automatic external defibrillators (AEDs).
164	Chuck Bennett	Confederation of Oregon School Administrators (COSA). Submits and reviews written testimony in support of HB 3059. States COSA would be content with either amendment.
179	Jim Green	Oregon School Board Association (OSBA). Testifies in support of HB 3059. Supports the -1 amendments (exhibit g). States OSBA also supports HB 2358 and the -1 amendment.
204	John Matsuo	Principal, North Plains Elementary School. Submits and reviews written testimony in support of HB 3059 (exhibit e). Relates personal experience of using an AED. Reports the AED provides peace of mind for the person attending the person in crisis, and that it is more frightening to be without one.
308	Rep. Boone	Reiterates the peace of mind the AED provides, as sometimes the attendant cannot hear a heartbeat.
320	Rep. Mark Hass	House District 27. Testifies in support of HB 2358 and provides fact sheet (exhibit f). Mentions the -1 amendments to HB 2358 (exhibit g), the written testimony of Richard Lazar (exhibit h) and the -1 amendments for HB 3059 (exhibit d).
378	Sen. Alan Bates	Senate District 3. Testifies in support of HB 2358. Relates the ease of learning to operate the machine.
444	Rep. Hass	Reports the machine won't work if there is no heart defect.
449	Sen. Bates	States AED's are safe, foolproof devices.
458	Rep. Anderson	Questions how much time the attendant has to resolve a crisis.
460	Sen. Bates	States the first two to three minutes are most important, but it depends on what is occurring with the patient.

TAPE 101, A

002	Sen. Bates	Continues testimony. Relates experience of a doctor at a social event who administered CPR while seeking a defibrillator that was found and administered 25 minutes later.
028	Rep. Greenlick	Inquires if it is possible for a non-medical professional to address the wrong indication and delay needed help.
048	Sen. Bates	States people need to be trained to call 911 first. States it would be a mistake to hold back on a new tool until the protocol is correct.
064	Rep. Greenlick	Inquires if the same machine is appropriate for a child or adult.
068	Sen. Bates	Believes it is a non-issue.
081	Pam Bruer	Sub-distributor for Phillips. Displays AED device and explains simplicity of use. Shares story of an infant helped with the machine. Explains the machines have been developed to detect the differences between the heart and pacemakers.
192	Rep. Boone	Inquires as to cost.
193	Bruer	Reports schools can purchase them for less than \$1000. Elaborates on costs of other models.
206	Rep. Boone	Asks if the program is available to volunteer fire departments.
207	Bruer	Confirms, yes.
211	Chair Dalto	Closes public hearing on HB 2358, HB 3059 and HB 2826. Opens a public hearing on HB 2752.

hb 2752 – PUBLIC HEARING

220	Sandy Thiele-Cirka	Administrator. Summarizes HB 2752.
230	Bert Copp	Citizen. Submits and reviews written testimony and magazine articles in support of HB 2752 (exhibit i). The sponsorship program in the bill relates to legal advice and is being recommended as a two-year pilot program. There is no cost for the program as it is implemented on a volunteer basis. Agency purview prevents volunteer abuse of the

program. Relates situation of a woman living in a garage because she didn't know her options.

- 417 Rep. Anderson Questions whether the intent is to put people in contact with an advisor or provide advice.
- 426 Bert Copp Relates the goal is to provide someone to talk to.
- 450 Chair Dalto Closes the public hearing on HB 2752. Opens a public hearing on HB 2707.

hb 2707 – PUBLIC HEARING

- 465 Rep. Greenlick House District 33. Introduces and summarizes HB 2707.

TAPE 100, B

- 003 Rep. Greenlick Continues testimony. Discusses interim workgroup that reviewed this recommendation and why they felt it was needed. Mentioned resignations and retirements within DHS. States the reporting relationship between DHS and this position may negate need for the bill.
- 045 Cindy Becker Deputy Director, DHS. Testifies on HB 2707. Discusses Dr. Susan Allen, the new Public Health Director, which DHS hopes will resolve the issues raised.
- 070 Chair Dalto Closes the public hearing on HB 2707. Reopens the public hearing on HB 2358.

hb 2358 – PUBLIC HEARING

- 075 Rep. Mark Hass House District 27. Introduces Kristine Johnson.
- 079 Kristine Johnson Parent of Eddie Johnson. Testifies in support of HB 2358. Relates details around Eddie's death and her belief an AED would have saved his life. Mentions recent news story where a man was saved by use of an AED. Notes families of victims would benefit from knowing the people present did all possible to save them.

- 122 Rep. Greenlick Notes his granddaughters attend Grant High School and related the entire school was impacted by Eddie's death.
- 131 Rep. Tomei Inquires how old Eddie was when he died.
- 135 Johnson Replies sixteen years old.
- 137 Chair Dalto Closes the public hearing on HB 2358. Opens a public hearing on HB 2712.

hb 2712 – PUBLIC HEARING

- 144 Rep. Greenlick House District 33. Introduces and summarizes HB 2712. Reports he is preparing a -1 amendment that would eliminate the waiting period for children. Mentions match on the Children's Health Insurance Program (CHIP). Relates who would be impacted by the removal of the 6-month inclusion.
- 209 Rep. Boone States she fully supports this idea and wonders how they could consolidate their bills.
- 220 Rocky King Administrator, Insurance Pool Governing Board (IPGB). Clarifies federal regulations require a period of non-insurance, but the length of that period is negotiable. States permission must be requested of the federal government. Notes there is one other state that has a zero period of un-insurance.
- 237 Rep. Tomei Asks how long it would take to receive federal permission.
- 239 King Indicates he is unsure.
- 243 Chair Dalto Closes the public hearing on HB 2712. Opens a public hearing on HB 2753.

hb 2753 – PUBLIC HEARING

- 247 Rep. Greenlick House District 33. Introduces and summarizes HB 2753. Relates his past opposition to stripped-down health insurance. Explains why he changed his stance on this issue and his concern small business owners could only absorb rate increases, or drop health insurance.

States the bill represents a rethinking of balance between comprehensive and stripped-down insurance.

- 365 Rep. Cameron Thanks Rep Greenlick on behalf of small businesses.
- 373 J.L. Wilson National Federation of Independent Businesses (NFIB). Testifies in support of HB 2753. Explains the bill is a compromise resulting from HB 2537 in the 2003 session. Explains the yearly cost increases experienced by small businesses. States a sunset would be acceptable for the bill.
- 463 Rep. Anderson Inquires about the basic premium cost.

TAPE 101, B

- 005 Wilson Relates costs vary by county. Provides general numbers, comparing southern Oregon with the Salem area.
- 022 John Powell Regence BlueCross/BlueShield of Oregon. Testifies in opposition to HB 2753. Supports the intent of the bill, but disagrees with its affect. Explains the impact of young, healthy people switching back and forth between insurance groups based on health needs. Discusses subsidy assessed on health insurers by the Oregon Medical Insurance Pool. States there are other mechanisms and policies the legislature could use to address the problem. Notes there are only two insurers selling the new product.
- 129 Rep. Cameron Inquires if Regence can sell the product.
- 131 Powell Responds, yes, and believes all carriers were offered the opportunity.
- 137 Rep. Tomei Requests clarification on the detrimental affects on all other health insurance and inquires regarding what mandates will not be covered.
- 154 Powell Confirms her understanding is correct. References the mandate chart (**exhibit j**).
- 158 Kim Wirtz Regence. Elaborates on the mandate chart and what coverages are excluded in the package.
- 179 Rep. Tomei Asks how SB 1 would affect this bill.

191	Wirtz	Believes SB 1 would not apply to this program.
198	Rep. Tomei	Questions whether those with mental health needs would opt out of this program and purchase other insurance.
199	Wirtz	States employers might choose insurance based on cost rather than the needs of employees. Elaborates on impact.
212	Rep. Boone	Asks why mental health coverage wouldn't be included if the increased costs are so minimal. Questions why mental health coverage is offered for children, but not adults.
232	Powell	Explains cost comparisons and the Public Employee Benefit Board's (PEBB's) differing situation.
256	Rep. Greenlick	Requests number of people enrolled in Regence's small group guaranteed plan and the rate increase percentages.
262	Wirtz	Notes Regence has seen a decline in enrollment over the last few years. Offers to provide figures for the committee including the rate increase percent.
283	Powell	Reiterates there are other mechanisms to bring cost relief to health insurance premiums. States there are limitations to what can be offered due to mandates.
295	Rep. Greenlick	Inquires if Regence could provide a stripped-down version of its own design if one were not mandated.
308	Rep. Tomei	Inquires if this policy sells well and requests a comparison to its marketability in other states.
314	Powell	Reports he is unaware of sales in other states as very few have similar models. Notes it is not an apples-to-apples comparison. Mentions a bill in another committee and the example of a pregnant woman who buys certain insurance only when she is pregnant.
350	Wirtz	Reports Regence has had limited sales of this product, but lots of interest.

- 355 Rep. Anderson Expresses concerned with policy switching and questions how switching might be limited.
- 382 Powell States he is unsure of how restrictions could be implemented. Indicates a time limit would be helpful, but would not prevent people from starting with this product.
- 403 Mark Nelson Oregon Society of Clinical Social Workers. Submits and reviews statute, and Benefit and Provider Mandate Chart in opposition to HB 2753 (**exhibit j**). Relates the bill may have unforeseen consequences.

TAPE 102, A

- 006 Nelson Continues testimony. Notes physical health coverage increases when no mental health coverage is included.
- 018 Rep. Cameron Requests clarification regarding the period of uninsurance between programs.
- 024 Nelson Relates the product is designed to allow the uninsured to move into the insurance market. Explains how he would address Rep. Cameron's issue.
- 038 Rep. Cameron Requests data on costs of this product compared to other health plans.
- 052 Angela Kimball Association of Oregon Community Mental Health Programs. Testifies in opposition to HB 2753. States the intent is to reduce uninsurance and this bill does not do so. Relates mandates are not the primary cost drivers of insurance, but rather hospital services and the desire for new technology. Notes the bill eliminates coverage of mental health and chemical dependency, creating greater demands on physical health services and an over-utilization of emergency rooms.
- 143 Rep. Tomei Requests Kimball provide the committee data on days missed from work as a results of untreated mental health and substance abuse issues, and the costs of adding mental health.
- 152 Rep. Greenlick Opposes Kimball's testimony, stating people would rather have health insurance. Requests an official statement from the Association of Oregon Community Mental Health Programs.
- 174 Rep. Tomei

Requests Rocky King testify before the committee at a future hearing of the bill.

176 Chair Dalto Closes the public hearing on HB 2753. Opens a work session to approve drafting requests.

approval of drafting requests – WORK SESSION

181 Chair Dalto Explains the Invest in Kids initiative has been drafted into this language.

185 Rep. Anderson Relates work of the subgroup in producing the document.

189 Rep. Anderson **MOTION: Moves that the LANGUAGE on child welfare and foster care BE SUBMITTED for DRAFTING AS A COMMITTEE RESOLUTION.**

195 **VOTE: 6-0-1**

EXCUSED: 1 – Butler

Chair Dalto Hearing no objection, declares the motion CARRIED.

196 Chair Dalto Closes the work session to approve drafting requests.

The following prepared testimony is submitted for the records without public testimony:

Staff Written testimony of Tina Kotek in support of HB 2712 (**exhibit k**).

Rocky King Small Employer Health Plans pamphlet (**exhibit l**).

197 Chair Dalto Adjourns the meeting at 10:50 a.m.

EXHIBIT SUMMARY

- A. HB 2105, -1 amendments, staff, 2 pp
- B. HB 2826, constituent emails in support, Rep. Linda Flores, 7 pp
- C. HB 3059, written testimony, Gary Conkling, 1 p
- D. HB 3059, -1 amendments, Rep. Mark Hass, 3 pp
- E. HB 2358, written testimony, John Matsuo, 1 p
- F. HB 2358, fact sheet, Rep. Mark Hass, 1 p
- G. HB 2358, -1 amendments, Rep. Mark Hass, 1 p
- H. HB 3059, written testimony of Richard Lazar, Rep. Mark Hass, 3 pp
- I. HB 2752, written testimony and articles, Bert Copp, 6 pp
- J. HB 2753, information packet, Mark Nelson, 4 pp

The following prepared testimony is submitted for the records without public testimony:

- K. HB 2712, written testimony of Tina Kotek, staff, 1 pp
- L. HB 2753, Small Employer Health Plans, Rocky King, 8 pp

8:30 A.M. Tapes 71 - 73

MEMBERS PRESENT: Rep. Billy Dalto, Chair

Rep. Tom Butler, Vice-Chair

Rep. Carolyn Tomei, Vice-Chair

Rep. Gordon Anderson

Rep. Deborah Boone

Rep. Kevin Cameron

Rep. Mitch Greenlick

STAFF PRESENT: Sandy Thiele-Cirka, Committee Administrator

Pamella Andersen, Committee Assistant

MEASURES/ISSUES HEARD:

Oregon Alliance for Child Advocacy - Informational Meeting

HB 2640 – Public Hearing

HB 2362 – Public Hearing

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TAPE/# Speaker Comments

TAPE 71, A

004 Chair Dalto Calls the meeting to order at 8:36 a.m. Opens the informational meeting on Oregon Alliance for Child Advocacy.

Oregon Alliance for child advocacy – INFORMATIONAL MEETING

013 Mary Monnat President, Oregon Alliance for Child Advocacy. Explains the Alliance and its services.

053 Janet Arenz Executive Director, Oregon Alliance for Child Advocacy. Submits and reviews written testimony on child advocacy (**exhibit a**). Introduces Clark Luster, explaining his background and work.

080 Clark Luster President and CEO, Kansas Children's Service League. Relates his experience that children's issues cross party lines. Discusses his experiences in Kansas, stating desperation combined with strong leadership provokes change. Notes large, tripled increase in adoptions with a dissolution rate of less than two percent compared to twelve percent nationally.

175 Chair Dalto Inquires why adoptions fall apart.

176 Luster Reports there are many possibilities, noting the average age of adopted children is eleven years old, sibling groups need to be kept together, sometimes there is a poor match, families dissolve, people don't understand the challenges and commitment, etc. Reports Kansas case workers now provide 24-hour responses and foster parents are paid at a rate double the previous amount. Comments one critical outcome is kids are no longer in mental health programs and groups homes, but are in foster care and are adopted.

224 Chair Dalto Questions how much the amount paid to foster families influences the outcomes.

230 Luster States people do this type of work because of their heart. Notes the goal is to pay enough money that the foster parents don't want to walk away when things get tough. Reports paying a foster parent costs less than a treatment program and allows children to remain connected to their daily lives. Discusses structure of the Kansas system, noting costs were not reduced, but they have better outcomes. Relates the mechanics of the Kansas process and creative components that have been introduced into the system to move children toward permanency. Explains the system is designed around achieving outcomes, and explains how the contractor's rate is reduced based on how long it takes for a child to be released from the system. Discusses the portrait gallery the League moves around the state to motivate people to consider adoption.

403 Rep. Butler Asks if Kansas was the first state to enter into a pilot program with federal funds.

425 Luster States he is unsure.

435 Rep. Butler Asks about medical provisions for special needs children in foster care.

437 Luster Responds each child has a Medicaid card, the Department of Education takes care of special education, and mental health costs and in-patient residential costs will be paid by Medicaid in the future.

TAPE 72, A

003 Rep. Butler Questions whether there is a warning system if the state does not see the outcomes they are seeking from a contractor.

010 Luster Reports the contractors meet quarterly with the state and the state can take corrective action if needed.

019 Rep. Butler Inquires about therapeutic foster care.

021 Luster States the League created a model of trained families who can take tough kids and increased payment to them, intensified training, and reduced their caseworker's workload.

037 Arenz Clarifies the Alliance is not promoting a particular model, but seeking to look at ideas and pitfalls and develop reasonable expectations for

outcomes. States in Kansas the private sector assumes all the risks and must demonstrate effectiveness.

- 099 Chair Dalto Asks Luster what role methamphetamine plays in Kansas.
- 101 Luster Relates methamphetamine is a serious problem particularly in the rural areas. Elaborates on responses within their state.
- 115 Chair Dalto Requests comparison between Kansas and Oregon in terms of the number of methamphetamine-affected kids that enter the foster care system and how their needs are addressed within the League's model.
- 114 Luster Reports their program is geographical, so all problems within their area have to be addressed.
- 122 Rep. Cameron Asks what issues Florida encountered.
- 140 Luster States Florida erroneously thought they had trained people to do the work when they privatized. Notes the new, inexperienced staff created chaos, judges were brought into the process too late, and state workers remained state employees rather than becoming contractors. Changes have been made to balance the program, and state employees are doing prevention, now. Reiterates the importance of communicating with all parties early, and to ensure there is a prepared workforce.
- 170 Arenz Interjects some non-profit organizations failed as a result of this process.
- 179 Rep. Anderson Questions whether private contracts work.
- 186 Luster Believes they work in terms of outcomes, but transitions are difficult. States motivators and incentives are necessary.
- 194 Rep. Anderson Inquires regarding the categories of children that were adopted and requests a comparison to Oregon.
- 203 Luster Discusses Kansas numbers. Explains the changes the new contract will make with caseworker stability and contractor follow-up.
- 226 Arenz Provides comparison with Oregon, stating she does not know the number of children facing adoption.

236 Rep. Anderson Asks who the private adoption and foster care contractors are.

237 Arenz Elaborates there are options through the juvenile justice system, and Department of Human Services (DHS). Mentions three agencies in Portland that have private foster care beds.

247 Rep. Greenlick Inquires how much money was added to the Kansas system by caseworkers handling both child protective services and adoption.

257 Luster Replies the state-side staff has been reduced by attrition and re-directed toward prevention, but he is unsure of the dollars.

270 Rep. Greenlick Requests an idea of the magnitude of dollars.

275 Luster States Kansas has \$125 million in total contracts. Elaborates.

281 Rep. Greenlick Asks if Oregon could provide a more effective adoption model if they found that much money.

298 Arenz Lists other services Kansas also provides to children.

323 Chair Dalto Closes the informational meeting on Oregon Alliance for Child Advocacy. Opens the public hearing on HB 2640.

hb 2640 – PUBLIC HEARING

329 Sandy Thiele-Cirka Administrator. Summarizes HB 2640.

340 Bruce Bishop Oregon Association of Treatment Centers (OATC). Submits and reviews written testimony in support of HB 2640 (**exhibit b**), noting it will treat residential and day treatment providers alike with respect to accessing liability insurance.

373 Rep. Tomei Requests clarification of the existing situation.

376 Bishop Explains it would allow them to join a pool to access lower cost coverage.

385 Chair Dalto

Reports there is no known opposition to this bill, and the committee will be seeking to remove the subsequent referral.

- 405 Larry Tang Polk Adolescent Day Treatment. Mentions the present substantial rate increases this will preclude.
- 408 Thiele-Cirka Requests clarification regarding the reference to HB 2254 on Bishop's written testimony.
- 412 Bishop Clarifies his wish to connect this testimony to the original bill, to bring continuity.
- 418 Chair Dalto Charges Bishop to seek rescindment of the referral.
- 427 Chair Dalto Closes the public hearing on HB 2640. Committee stands at ease from 9:30 a.m. to 9:45 a.m. Opens a public hearing on HB 2362.

hb 2362 – PUBLIC HEARING

- 455 Bob Joondeph Executive Director, Oregon Advocacy Center. Submits and reviews written testimony in support of HB 2362 (**exhibit c**).

TAPE 71, B

- 002 Joondeph Continues testimony. States the goal is to develop a task force to review how funding and resources can be redesigned with integration for greater efficiency.
- 026 Mark McKechnie Social Worker, Juvenile Rights Project. Submits and reviews written testimony in support of HB 2362 (**exhibit d**). Discusses Wraparound Milwaukee. Notes the Project works with children with complicated issues, and does so with lower costs due to outcomes and the drastic reduction in hospital care. Discusses costs of three specific clients who have been institutionalized.

Committee stands at ease 9:55 to 10:05 a.m.

- 173 Rep. Greenlick States HB 2362 creates a task force, and asks the purpose in creating a task force rather than just making suggestions to change the system.

186	McKechnie	Relates the objective is to have a group design changes and complete the task, not study the problem.
208	Joondeph	Confirms need for a firm plan with support of governmental leaders.
223	Rep. Greenlick	Reiterates need for a bill that moves in a direction to improve the system.
225	McKechnie	Mentions submitted written testimony of Judge Nan Waller (exhibit e), who is also interested in developing a similar approach to Wraparound Milwaukee.
275	Rep. Boone	Requests explanation of the Wraparound program.
277	McKechnie	Explains the program and the incentives to provide preventive services earlier.
295	Jim Russell	Director, Mid-Valley Behavioral Care Network (BCN). Testifies in support of HB 2362. Notes need of collaboration and removal of barriers.
334	Rep. Greenlick	Requests an explanation of what the coordinated plan will look like.
368	McKechnie	Notes the pooled fund in Minnesota and the need to borrow benchmarks from other states on how to coordinate services and funding effectively.
408	Rep. Butler	Asks if there is a state with an effective model Oregon can borrow while the study is being conducted.
418	McKechnie	Replies each state is unique in how they address these issues and some models could not be adapted to Oregon.
445	Joondeph	Discusses statutory structures of other states, and need to obtain buy-in from agencies involved.

TAPE 72, B

003	Rep. Butler	Asserts if Oregon's statutory structure is not designed to accomplish the job, changes need to be made.
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- 028 Rep. Anderson Reads into record a recommendation by George Longden (**exhibit F**).
- 054 Madeline Olson Assistant Administrator, Office of Mental Health & Addiction Services (OMHAS), Department of Human Services (DHS). Submits and reviews written testimony on HB 2362 (**exhibit g**), noting concern regarding the necessary funding for staff to implement the requirements. Because of the intricacies of funding and the federal strings attached, the Director would need additional staff expertise.
- 112 Kristen Anderson Parent of mentally ill child. Submits and reviews written testimony in support of HB 2362 (**exhibit h**). Relates mental health issues of her nine-year-old son. Notes the costs to the community and that lack of coordination of services prevents her son from receiving the services he needs. Recommends the bill be amended to design coordination rather than study the issue.
- 161 Jimmy Boyer Uncle of mentally ill youth. Reads testimony of mentally ill niece and her experiences (**exhibit i**). Supports HB 2362.
- 237 David Hitt Brother of mentally ill adult. Submits and reviews written testimony in support of HB 2362 (**exhibit j**). Shares story of personal and family recovery following drug use and loss of parental rights. Notes the people who helped them through recovery. Relates the experience of his mentally ill brother who has been in and out of the mental health system with no coordination of treatment, no continuing team and no structure.
- 358 Bruce Bishop Oregon Association of Treatment Centers. Testifies in support of HB 2362. Recommends an amendment.
- 416 Angela Kimball Parent of mentally ill child. Submits and reviews written testimony in support of HB 2362 (**exhibit k**). Relates personal experiences.
- 446 Jeanne Schultz Director, Oregon Family Support Network. Submits and reviews written testimony in support of HB 2362 (**exhibit l**). Lists valuable outcomes of streamlining.

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- 015 Chris Krenk President and CEO Albertina Kerr Centers. Submits and reviews written testimony in support of HB 2362 (**exhibit m**). Elaborates on the possible outcomes of the task force.

056	Janet Urton	Parent of mentally ill children. Submits and reviews written testimony in support of HB 2362 (exhibit n). Notes her experiences as a parent of mentally ill children and an educator.
075	Chair Dalto	Inquires how HB 2362 will further coordination of services for her children.
082	Urton	States the bill would allow creation of a blueprint for action that allows flexibility of funding and programming.
105	Jessica Stevens	Service Employees International Union (SEIU). Testifies in support of HB 2362. Recommends a representative of employees be included in the task force. Addresses Rep. Butler's earlier question about the intervening 18-month period. Discusses concept of funding following children rather than individualized contracts.
125	Randy Franke	Coalition of County Children and Families Commissions. Testifies coalition has not taken a position on HB 2362. Recommends legislative team makeup. Notes there is no coalition member on the committee in the bill.
165	Chair Dalto	Closes the public hearing on HB 2362. Adjourns the meeting at 11:00 a.m.

The following prepared testimony is submitted for the records without public testimony:

Angela Kimball	Written testimony from Catherine Mains in support of HB 2362 (exhibit o).
Angela Kimball	Written testimony from Association of Oregon Community Mental Health Programs in support of HB 2362 (exhibit p).
Janet Arenz	Written testimony in support of HB 2362 (exhibit q).

EXHIBIT SUMMARY

- A. **Oregon Alliance for Child Advocacy, written testimony, articles and reports, Janet Arenz, 10 pp**
- B. **HB 2640, written testimony, Bruce Bishop, 1 p**
- C. **HB 2362, written testimony, Bob Joondeph, 2 pp**
- D. **HB 2362, written testimony, Mark McKechnie, 5 pp**
- E. **HB 2362, written testimony of Judge Nan Waller, Mark McKechnie, 3 pp**
- F. **HB 2362, email testimony of George Longden, Rep. Gordon Anderson, 1 p**
- G. **HB 2362, written testimony, Madeline Olson, 2 pp**
- H. **HB 2362, written testimony, Kristen Anderson, 2 pp**
 - I. **HB 2362, written testimony of his niece, James Boyer, 1 p**
 - J. **HB 2362, written testimony David Hitt, 2 pp**
- K. **HB 2362, written testimony, Angela Kimball, 2 pp**
- L. **HB 2362, written testimony, Jeanne Schultz, 1 p**
- M. **HB 2362, position paper of Children's Array of Psychiatric Programs, Chris Krenk, 2 pp**
- N. **HB 2362, written testimony, Janet Urton, 2 pp**

The following prepared testimony is submitted for the records without public testimony:

- O. **HB 2362, written testimony of Catherine Mains in support, Angela Kimball, 1 p**
- P. **HB 2362, written testimony of Association of Oregon Community Mental Health Programs in support, Angela Kimball, 1 p**
- Q. **HB 2362, written testimony, Janet Arenz, 1 p**