

HOUSE COMMITTEE ON
HEALTH AND HUMAN SERVICES

April 29, 2005 Hearing Room D

8:30 A.M. Tapes 108 - 109

Corrected 10/10/05

MEMBERS PRESENT: **Rep. Billy Dalto, Chair**

Rep. Carolyn Tomei, Vice-Chair

Rep. Gordon Anderson

Rep. Deborah Boone

Rep. Kevin Cameron

Rep. Mitch Greenlick

MEMBERS EXCUSED: **Rep. Tom Butler, Vice-Chair**

STAFF PRESENT: **Sandy Thiele-Cirka, Committee Administrator**

Pamella Andersen, Committee Assistant

MEASURES/ISSUES HEARD:

Introduction of Committee Measures – Work Session

HB 3404 – Public Hearing

HB 3465 – Public Hearing and Work Session

HB 3050 – Public Hearing

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 108, A | | |
| 004 | Chair Dalto | Calls the meeting to order at 9:21 a.m. Opens a work session to introduce committee measures (exhibit a). |

introduction of committee measures – WORK SESSION

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| 014 | Rep. Greenlick | MOTION: Moves LC 3600 BE INTRODUCED as a committee bill. |
| 020 | | VOTE: 6-0-1 EXCUSED: 1 - Butler |
| | Chair Dalto | Hearing no objection, declares the motion CARRIED. |
| 021 | Chair Dalto | Closes the work session to introduce committee measures. Opens a public hearing on HB 3404. |

hb 3404 – PUBLIC HEARING

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| 026 | Rep. Jerry Krummel | House District 26. Summarizes HB 3404. Relates the bill allows development of a pilot program. Discusses cost shifting for those on government-funded health care. Reports health care costs increased at a parallel rate to inflation until 1965 when they outstripped general inflation due to Medicaid and Medicare bills being signed into law. Elaborates on additional factors. |
| 065 | Rep. Greenlick | Inquires about the varying impacts of Medicare and Medicaid. |
| 070 | Rep. Krummel | Responds he was unable to extrapolate the differences. |
| 073 | Rep. Greenlick | Believes Medicaid only contributed about five percent of the total. |
| 083 | Rep. Krummel | States people will use whatever is free. Reports the goal is to help people see there is a cost to health care, as well as increase access to health care for all people. Relates desire to see increased reimbursements and quicker turnaround on payments to providers. Mentions the sunset provision. |

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| 121 | Rep. Boone | Requests clarification regarding who is eligible to participate. |
| 125 | Rep. Krummel | Reports the bill is aimed at clients on the Oregon Health Plan (OHP), or Medicaid, but is left so the department can determine what population would be appropriate. |
| 139 | Rep. Boone | Inquires if the funds carry over at the end of the calendar year. |
| 143 | Rep. Krummel | Explains possibility of using a smart card and how it would work. |
| 182 | Rep. Greenlick | Mentions coverage gaps between an individual's insurance funds, and questions if there would be such for a Temporary Assistance to Need Families (TANF) recipient. |
| 205 | Rep. Krummel | Responds, no, there would be no gap in coverage. |
| 237 | Rep. Greenlick | Questions the incentive to recipients in using the funds wisely. Suggests the possibility of giving the recipients some of the unspent funds as an incentive. |
| 258 | Rep. Krummel | States the department recommended that possibility, however there may be federal restrictions. Comments one incentive might be to transfer remaining dollars into a private account when a recipient leaves the program. |
| 278 | Rep. Cameron | Suggests turning unused funds in the health savings account into a private savings account that could become part of a retirement program. Expresses concern with two different programs using the same terminology. |
| 298 | Rep. Krummel | States the nomenclature can be changed. |
| 311 | Rep. Anderson | Appreciates the plan incenting the client to save money. |
| 327 | Rep. Krummel | Reiterates intent to leave details to the department. Mentions the unknown of the impact on the federally-funded portion of health care. |
| 357 | Chair Dalto | Inquires how the bill integrates with the OHP. |
| 364 | Rep. Krummel | |

Relates the department would determine who is the most appropriate and effective population.

395 Steve Buckstein Senior Policy Analyst, Cascade Policy Institute. Submits and reviews written testimony in support of HB 3404 (**exhibit b**). States people need to be treated according to our expectations, which should be raised rather than lowered.

TAPE 109, A

005 Buckstein Continues testimony. Mentions related activities of other states, which include lifestyle programs such as smoking cessation. Recommends exploring new directions through this bill.

018 Chair Dalto Questions whether Buckstein envisions the program cutting across all recipients in the OHP.

021 Buckstein Replies Oregon can determine what would be appropriate for this state. Discusses incentives, compares medical savings accounts and health saving accounts, noting choice is a big factor.

041 Rep. Boone Relates situation of a friend who couldn't afford health insurance. States carryover would have been a great benefit for her.

052 Buckstein Agrees incentive to manage money well is a win-win.

061 Rep. Anderson Inquires regarding transferability of HSAs.

075 Buckstein States with the standard HSA, the worker owns the account even if they didn't deposit all the funds themselves.

078 Barney Speight Administrator, Office of Medical Assistance Programs, Department of Human Services, (DHS). Submits and reviews written testimony in support of HB 3404 (**exhibit c**). Discusses value of incentives, and cost of the program. Requests changing the dates of the program, which would also require extension of the sunset.

134 Rep. Greenlick Discusses a similar Senate Bill with a more amendable timeframe.

140 Speight Elaborates on dates.

155 Chair Dalto Closes the public hearing on HB 3404. Opens a public hearing on HB 3465.

HB 3465 – PUBLIC HEARING

158 Sandy Thiele-Cirka Administrator. Summarizes HB 3465.

167 Jim Anderson Oregon Chapter, American College of Emergency Physicians. (ACEP). Submits and reviews written testimony in support of HB 3465 (**exhibit d**). Notes this bill addresses repealing the sunset.

222 Chair Dalto Closes the public hearing on HB 3465. Opens a work session on HB 3465.

hb 3465 – WORK SESSION

223 Rep. Anderson MOTION: Moves HB 3465 to the floor with a DO PASS recommendation.

236 VOTE: 6-0-1

AYE: In a roll call vote, all members present vote Aye.

EXCUSED: 1 - Butler

238 Chair Dalto The motion CARRIES.

REP. ANDERSON will lead discussion on the floor.

240 Chair Dalto Closes the work session on HB 3465. Opens a public hearing on HB 3050.

hb 3050 – PUBLIC HEARING

243 Sandy Thiele-Cirka Administrator. Summarizes HB 3050.

249 Doug Riggs Oregon Primary Care Association (OPCA). Relates the benefits of federally qualified health centers.

275 Rebecca Landau OPCA. Relates the purpose of the bill. Mentions their involvement with the National Health Service Corp and the limits this places on

the association's acceptance of dental students into their educational program.

- 335 Riggs Notes workgroup formed last week to develop the -1 amendment. States a -2 amendment will be submitted soon (**exhibit f**). Elaborates on what the -1 amendment does.
- 359 Chair Dalto Asks who was on the work group.
- 366 Riggs Lists members.
- 371 Rep. Anderson References the map (**exhibit e**) and requests clarification.
- 376 Landau Explains the map.
- 405 Jane Myers Oregon Dental Association. Testifies on HB 3050. Explains the -2 amendment is not written as the association expected. Elaborates, noting the amendments were only supposed to impact out-of-state students. Relates the intent to notify the Board of Dentistry of a student entering the system and their level of competency.
- 450 Rep. Tomei Inquires how the students would be supervised.
- 454 Myers Reports the students would be under a dentist who would become an adjunct professor of Oregon State University.
- 466 Chair Dalto Requests clarification that Myers isn't objecting to the -2 amendments, just making observations for the record.

TAPE 108, B

- 006 Myers Confirms, yes. Believes amendment includes all that has been agreed upon, but needs an opportunity to review.
- 018 Chair Dalto Closes the public hearing on HB 3050.

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

- Staff Written testimony from Scott Gallant in support of HB 3465 (**exhibit G**).

EXHIBIT SUMMARY

- A. **Introductions, LC 3600, staff, 2 pp**
- B. **HB 3404, written testimony and newsletter, Steve Buckstein, 4 pp**
- C. **HB 3404, written testimony, Barney Speight, 2 pp**
- D. **HB 3465, written testimony, Jim Anderson, 2 pp**
- E. **HB 3050, written testimony and map, Doug Riggs, 3 pp**
- F. **HB 3050, conceptual -2 amendments, staff, 1 p**

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

- G. **HB 3465, written testimony of Scott Gallant, staff, 1**

alto, Chair

Rep. Carolyn Tomei, Vice-Chair

Rep. Gordon Anderson

Rep. Deborah Boone

Rep. Kevin Cameron

Rep. Mitch Greenlick

MEMBERS EXCUSED: Rep. Tom Butler, Vice-Chair

STAFF PRESENT: Sandy Thiele-Cirka, Committee Administrator

Bradley Campbell, Committee Assistant

MEASURES/ISSUES HEARD:

HB 2555 – Public Hearing

HB 2626 – Public Hearing

HB 3311 – Public Hearing

HB 2672 – Public Hearing

HB 3029 – Public Hearing and Work Session

HB 2202 – 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 105, A | | |
| 004 | Rep. Greenlick | Calls the meeting to order at 8:37 a.m. and opens a public hearing on HB 2626 and 2555. |

HB 2555 & hb 2626 PUBLIC HEARING

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| 006 | Rep. Mike Schaufler | House district 38. Sponsor of HB 2555. Comments the goal of the bill is to attain stable funding for Oregon Project Independence (OPI). |
| 023 | Rep. Steve March | House District 36. Testifies in support of HB 2555 and HB 2626. Echoes the need for stable funding of OPI. Explains differences between the two bills. |
| 052 | Rep. Bob Jenson | House District 58. Comments as a senior citizen; he supports senior issues and OPI. Testifies in support of HB 2555 and 2626. Comments OPI is a model program to provide vital and needed services for senior citizens. Feels it is imperative one of the two bills pass. |
| 119 | Rep. Boone | Comments in support of the OPI program. |
| 133 | Rep. Cameron | Comments his gratitude toward the Representatives testifying. |
| 142 | Rep. Greenlick | Questions for clarification on the term, modernization, in HB 2555. |
| 148 | Rep. March | Responds the intent to modernize is to provide a base funding for OPI. |

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| 173 | Rep. Greenlick | Addresses section 5 in HB 2555. |
| 181 | Rep. March | Responds the provision rises baseline funding. |
| 194 | Chair Dalto | Comments both bills have a referral to Ways and Means. |
| 201 | Chris Matson | Chief of Staff to Rep. Steve March. Testifies in support of 2555. Comments on the certainty of funding for the OPI program. States the bills, although good, will not solve state problems in health care coverage. |
| 267 | Lucile Puegh | Testifies in support of the OPI bills. Comments on the history of medical care coverage. Feels the bills will make a difference in the lives of seniors. Comments the bills will provide opportunities of independence for seniors. |
| 354 | Jacqueline Zimmer | Oregon Associations of Area Agencies on Aging and Disabilities (O4A). Submits and reviews written testimony in support of HB 2626 (EXHIBIT A). |
| 378 | Rep. Greenlick | Questions the language in section 5 of HB 2555. |
| 383 | Zimmer | Comments the people live with rising costs and unstable funding. States many senior lost their health care services. Clarifies specifics in HB 2626 and how it differs from HB 2555 (EXHIBIT B). States the O4A is looking for stable funding. |

TAPE 106, A

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| 022 | Rep. Tomei | Comments on the need to bring federal funding back into the program. |
| 029 | Zimmer | Responds a federal match is critical. |
| 031 | Cameron | Questions about the total OPI funding costs. |
| 033 | Zimmer | Responds there are various numbers. States \$8.6 million is the estimate. |
| 053 | Rep. Greenlick | Asks for clarification of federal match. |

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| 055 | Zimmer | Responds the match will be used for many programs. |
| 061 | Rep. Greenlick | Questions if OPI numbers are matched with federal dollars. |
| 063 | Zimmer | Responds they are not. Comments on OPI funding services. |
| 085 | Eunice Dutton | Governor's Commission on Senior Services. Submits and reviews written testimony in support of HB 2555 (EXHIBIT C). Comments on the growing senior population in Oregon. |
| 138 | Lee Hazelwood | Stayton, Oregon. Seniors and People with Disabilities. Submits and reviews written testimony in support of HB 2555 (EXHIBIT D). Comments on the history of OPI. Responds to previous testimony. States he wants his tombstone to read, "he supported OPI." |
| 209 | Rep. Cameron | Comments Mr. Hazelwood is the biggest voice in the capital on senior issues. |
| 218 | Hazelwood | Reads a historic quote from a former representative. |
| 236 | Ralph Groener | Co-Chaired original committee on Project Independence. Discusses the history of OPI and the creation of senior support systems in Oregon. Talks about historical relations between Republicans and Democrats. Testifies in support of OPI. Comments Project Independence saves the state millions. Stresses it is a non-partisan issue to help seniors and the disabled. |
| 421 | Rep. Greenlick | Comments on the funding of OPI versus funding long term Medicaid. |
| 443 | Groener | Responds without OPI other costs will raise. |

TAPE 105, B

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| 004 | Rick Bennet | AARP Oregon. Comments he was not a senior when Ralph Groener began his testimony, but feels he could qualify as one now. Testifies AARP supports both HB 2626 and 2555. |
| 021 | Jim Davis | United Seniors of Oregon, Oregon Association for Retired Citizens, Gray Panthers. Submits and reviews written testimony in support of |

HB 2555 (**EXHIBIT E**). Comments support of OPI will reduce long term costs associated with aging adults.

060 Chair Dalto Closes the public hearing on HB 2626 and 2555. Opens a public hearing on HB 3311.

hb 3311 – PUBLIC HEARING

063 Chair Dalto Summarizes HB 3311.

071 Ted Hughes Pacific Northwest Paint Council. Submits and reviews written testimony in support of HB 3311 and presents the -1 amendments (**EXHIBIT F**). Discusses the problems with lead poisoning. Comments on the educational section of the bill. Stresses the need for an amendment.

126 Chair Dalto Clarifies the purpose of the bill.

132 Hughes Responds they will make people aware about lead based paint.

140 Rep. Tomei Questions if the paint industry will be responsible for payments.

142 Hughes Respond they will.

151 Rep. Tomei Questions if the Department of Human Services (DHS) will be required to pay for the service rather than the paint industry.

154 Hughes Responds there will be cooperation between DHS and the paint industry to produce funds.

164 Rep Tomei Clarifies the paint companies will not be responsible for funding.

165 Hughes Responds in agreement with the clarification.

168 Rep. Greenlick Question why the bill is before the committee.

173 Hughes Responds the goal is to work together to fund a broad educational program.

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| 177 | Rep. Greenlick | Questions the purpose of the legislation. |
| 183 | Hughes | Responds the goal is to work together to fund a broad educational program. |
| 190 | Rep. Greenlick | Stresses his unease with the bill. |
| 196 | Hughes | Responds their goal is to raise awareness. |
| 199 | Chair Dalto | Closes the public hearing on HB 3311. Opens a public hearing on HB 2672. |

hb 2672 – PUBLIC HEARING

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| 204 | Sandy Thiele-Cirka | Administrator. Summarizes HB 2672 and -1 amendments (EXHIBIT I). |
| 217 | Rep. John Lim | House District 50. Testifies in support of HB 2672. Comments public safety is a number one issue of Oregon. Describes the problems associated with a lack of labeling on pharmacopoeia products. Stresses the need for people to know what ingredients are in pharmacopoeia. |
| 282 | Chair Dalto | Comments he received many correspondents about the bill. |
| 298 | Rep. Lim | Responds HB 2672 has nothing to do with tea and honey, only with pharmacopoeia. |
| 326 | Rep. Greenlick | Comments on concerns with the definition of pharmacopoeia. Requests narrowing the scope of the definition. |
| 351 | Rep. Lim | Responds the definition of pharmacopoeia is well defined in the bill. |
| 367 | Rep. Anderson | Comments the decision should be determined by the Board of Pharmacy. |
| 371 | Rep. Lim | Responds that could be an option. |

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| 373 | Rep. Tomei | Questions if most distributors of pharmacopoeia are licensed. |
| 380 | Rep. Lim | Responds it is not his belief. |
| 387 | Rep. Tomei | Questions if the issue has been brought before the Board of Medical Examiners (BME). |
| 388 | Rep. Lim | Believes that pharmacopoeia is a non-regulated product. |
| 396 | Chair Dalto | Question why the BME controls retail of pharmacopoeia and not the Board of Pharmacy. |
| 403 | Rep. Lim | Responds he is uncertain about issues between the two boards. |
| 414 | Rep. Dalto | Comments the bill needs to reflect the Board of Pharmacy. |
| 432 | Rep. Greenlick | Responds that section 4 of the -1 amendments identify the Board of Pharmacy. |
| 441 | Tom Holt | Oregon State Pharmacy Association. Testifies in opposition of HB 2672. Clarifies the problem is the costs to test and examine herbal medicine. |

TAPE 106, B

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| 020 | Holt | Comments he is willing to discuss the issue further. |
| 029 | Gary Schnable | Board of Pharmacy. Testifies in opposition of HB 2672. Comments the board does not have experience with pharmacopoeia products. |
| 054 | Rep. Anderson | Questions if it could be placed in legislation when funds are available. |
| 058 | Schnable | Responds there is a revenue source. |
| 062 | Rep. Anderson | Questions if the revenue would be adequate. |
| 066 | Schnable | Responds it will depend on the fee amount. |

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| 069 | Rep. Anderson | Question if it is a federal issue rather than state. |
| 071 | Schnable | Responds the federal government is unsure about labeling pharmacopoeia products. |
| 082 | Ann Zweber | Board of Pharmacy. Requests more information concerning this type of medicine and where it is dispensed. Distributes examples of the products. Comments she feels the concept of the bill is good. |
| 120 | Chair Dalto | Closes the public hearing on HB 3111. Opens a public hearing on HB 3029. |

hb 3029 – PUBLIC HEARING

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| 123 | Sandy Thiele-Cirka | Administrator. Summarizes HB 3029. |
| 134 | Rep. Gene Whisnant | House district 53. Testifies in support of HB 3029. Comments the switch will enable the Oregon Criminal Justice Commission to focus on crime prevention. |
| 162 | Rep. Steve March | House District 36. Discusses the history of juvenile crime prevention in Oregon. |
| 199 | Rep. Boone | Questions how HB 3029 will affect Ways and Means. |
| 200 | Rep. Whisnant | Responds the money for the programs was deleted. |
| 215 | Rep. Anderson | Comments DHS is a labyrinth and feels the advisory committee might get lost. |
| 222 | Rep. March | Responds in agreement. Adds DHS has a focus on government and the Commission on Children and Families works with local community providers. |
| 236 | Rep. Boone | Questions if the possible Commission on Children and Families will receive funding. |
| 242 | Rep. Whisnant | Responds he doesn't know, but hopes it will receive funding as a separate entity. |

- 262 Mickey Lansing Executive Director Oregon Commission on Children and Families. Testifies in support of HB 3029. Comments on how state and federal organizations support their work locally. Stresses the importance for funding children and family services.
- 336 Ruth Hewett Marion County Children and Families Commission. Submits and reviews written testimony in support of HB 3029 (**EXHIBIT G**).
- 370 Larry Oglesby Marion County Juvenile Department. Submits and reviews written testimony in support of HB 3029 (**EXHIBIT H**).
- 412 Tammy Chatfield Salem Leadership Foundation. Testifies in support of HB 3029. Comments the partnerships at a local level need to strengthen and grow.
- 445 Chair Dalto Requests information on Juvenile Crime Prevention Plan Funding.
- 456 Kate Cooper-Richardson Polk County Commission on Children and Families. Testifies in support of HB 3029. Comments it is a good bill, should pass.

TAPE 107, A

- 005 Lona O'Dell Polk County Commission on Children and Families. Testifies in support of HB 3029.
- 016 Craig Prins Criminal Justice Commission. Testifies in support of HB 3029. Comments it makes sense for the criminal justice system to focus on criminal justice.
- 030 Chair Dalto Closes the public hearing on HB 3029. Opens a work session on HB 3029. Notes a subsequent referral to Ways and Means.

hb 3029 – WORK SESSION

- 035 Rep. Tomei **MOTION: Moves HB 3029 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means.**
- 040 Rep. Boone Comments the program is a great thing to move into prevention of juvenile crime.

VOTE: 6-0-1

EXCUSED: 1 – Butler

- 043 **Chair Dalto** **Hearing no objection, declares the motion CARRIED.**
- 046 Sandy Thiele-Cirka Administrator. Highlights testimony from Janet Carlson in support of HB 3029 (**EXHIBIT G**).
- 050 Chair Dalto Closes the work session on HB 3029. Opens a work session on HB 2202.

hb 2202– WORK SESSION

- 056 Galen Phipps Oregon Homeless and Runaway Youth Coalition. Comments on the language and goals of HB 2202. States the progress of the bill.
- 102 Jean Lassiter Oregon Homeless and Runaway Youth Coalition. Comments on the construction of amended HB 2202.
- 115 Chair Dalto Clarifies the progress of the bill.
- 125 Rep. Boone Comments they met and discussed concerns.
- 134 Lassiter States the revised bill addresses all the committee concerns. Comments the bill is now comprehensive for the goal to collaborate between state and local agencies.
- 149 Sandy Thiele-Cirka Administrator. Highlights written testimony from the Oregon Alliance for Child Advocacy, Robin Wisdom, Ruth Hewett and Janet Carlson (**EXHIBIT J, K & N**).
- 169 Chair Dalto Closes the work session on HB 3029. Refers to **EXHIBIT L**.
- 175 Chair Dalto Adjourns the meeting at 10:44 a.m.

EXHIBIT SUMMARY

- A. HB 2555, written testimony of Jacqueline Zimmer, 2pp
- B. HB 2626, property tax relief report, Jacqueline Zimmer, 2pp
- C. HB 2555, written testimony of Eunice Dutton, 2pp
- D. HB 2555 & 2626, written testimony of Lee Hazelwood, 3pp
- E. HB 2555 & 2626, prepared statement of Jim Davis, 1p
- F. HB 3311, -1 amendments and prepared testimony, Ted Hughes, 4pp
- G. HB 3029, written testimony of Ruth Hewett, 2pp
- H. HB 3029, written testimony of Larry Oglesby, 2pp
- I. HB 2672, -1 amendments, staff, 4pp

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

- J. HB 2202, Oregon Alliance for Child Advocacy, 2pp
- K. HB 2202, written testimony of Robin Wisdom, 2pp
- L. HB 3311, written testimony of Gail R. Shibley, 2pp
- M. HB 2202, written testimony of Margaret Noel, 1p
- N. HB 2202, written testimony of Ruth Hewett and Janet Carlson, 1p

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.

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| 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. |

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| 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

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| 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.

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

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- 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.

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| 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. |

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| 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.

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| 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:

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| 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