

SENATE COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT

February 1, 2005
1:00 P.M.

Hearing Room B
Tapes 14 - 15

MEMBERS PRESENT: **Sen. Rick Metsger, Chair**
 Sen. Bruce Starr, Vice-Chair
 Sen. Jason Atkinson
 Sen. Ryan Deckert
 Sen. Laurie Monnes Anderson

STAFF PRESENT: **Theresa Van Winkle, Committee Administrator**
 James Goulding, Committee Assistant

MEASURES/ISSUES HEARD:

SB 117 – Public Hearing and Work Session
SB 122 – Public Hearing and Work Session
SB 123 – Public Hearing and Work Session
SB 130 – Public Hearing and Work Session
Introduction of Committee Measures – 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 14, A		
003	Chair Metsger	Calls the meeting to order at 1:07 p.m. Opens public hearing on SB 117.
<u>SB 117 – PUBLIC HEARING</u>		
014	Howard "Rocky" King	Administrator, Oregon Medical Insurance Pool, Department of Consumer Business and Services (DCBS). Submits a packet of insurance related informational materials and written testimony in favor of SB 117 (EXHIBIT A). Presents his testimony in favor of and explaining SB 117.
040	King	Continues his testimony in favor of SB 117.
080	Chair Metsger	Asks if the measure encompasses any General Fund.
085	King	States it does not.
087	Chair Metsger	Wonders if the legislation could encumber future General Funds.
090	King	Replies that he does not believe so.
092	Sen. Monnes Anderson	Points out that uninsured patients in hospitals are already a drain on the General Fund.
095	King	Offers costs are being incurred and people are not as healthy as they could be.
097	Chair Metsger	Notes that Mr. King is testifying on behalf of several parties.
100	King	Replies in regards to the positions being taken on the bill. Responds there are no objections that he knows of.
105	Sen. B. Starr	Asks if the people who would be eligible under this bill are also eligible for federal trade adjustment insurance.
107	Tom Jovick	Manager, Oregon Medical Insurance Pool, DCBS. Affirms Sen. B. Starr they are eligible for both.

110 Chair Metsger

SB 117 – WORK SESSION

115 Sen. B. Starr

117 Chair Metsger

120 Chair Metsger

SB 122 – PUBLIC HEARING

125 King

165 Chair Metsger

SB 122 – WORK SESSION

168 Sen. B. Starr

172 Chair Metsger

175 Chair Metsger

SB 123 – PUBLIC HEARING

180 King

225 King

250 King

275 Chair Metsger

280 King

285 Sen. B. Starr

287 King

290 Jovick

300 King

310 Sen. B. Starr

315 King

345 Sen. Monnes
Anderson

350 King

Seeing no further testimony or question, closes the public hearing on SB 117. Opens a work session on SB 117.

MOTION: Moves SB 117 to the floor with a DO PASS recommendation.

VOTE: 3-0-2

EXCUSED: 2 - Atkinson, Deckert

Hearing no objection, declares the motion CARRIED.

SEN. MONNES ANDERSON will lead discussion on the floor.

Closes work session on SB 117. Opens a public hearing on SB 122.

Presents his written testimony in favor of SB 122 (**EXHIBIT I**).

Asks if there are questions from the committee members or further testimony. Closes the public hearing on SB 122. Opens a work session on SB 122.

MOTION: Moves SB 122 to the floor with a DO PASS recommendation.

VOTE: 4-0-1

EXCUSED: 1 – Atkinson

Hearing no objection, declares the motion CARRIED.

SEN. METSGER will lead discussion on the floor.

Closes work session on SB 122. Opens a public hearing on SB 123.

Presents written testimony in favor of SB 123 (**EXHIBIT J**).

Continues discussion of the various sections of the bill.

Discusses the board's goals and need for flexibility.

Wonders about the reinstituting of benefits being performed by the board or the department.

States the board would establish the criteria which would then be implemented by the department.

Asks how many people have reached their net-lifetime benefit limit.

Replies it was three to five people.

Offers that five people have reached the limit, three of which occurred in the last year. Points out the costs of medical coverage have skyrocketed, so it is more likely to see people reach their insurance limits.

Notes how rare it is, based on the number of people provided coverage. Describes that only in extreme conditions do individuals reach their insurance limits.

Inquires about the thought process behind the bill. Wonders why they don't bump up the benefit limit instead of giving the board extra discretion to decide.

Responds that portability benefits are established by plans approved by the commission. Notes that coverage requirements change frequently and the board would be forced to make numerous changes to match.

Asks how their fund operates and how they draw from it.

Explains how they spend and project costs based on enrollment.

375	King	Outlines operation of their reserve fund and claim assessments.
400	Sen. B. Starr	Asks if the assessment cost is per month or annually.
405	King	Clarifies that it is paid per month.
410	Chair Metsger	Closes public hearing on SB 123. Opens work session on SB 123.

SB 123 – WORK SESSION

415	Sen. B. Starr	MOTION: Moves SB 123 to the floor with a DO PASS recommendation.
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VOTE: 4-0-1

EXCUSED: 1 - Deckert

Hearing no objection, declares the motion CARRIED.

SEN. BRUCE STARR will lead discussion on the floor.

420	Chair Metsger
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TAPE 15, A

003	Chair Metsger	Closes work session on SB 123. Opens public hearing on SB 130.
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SB 130 – PUBLIC HEARING

015	King	Presents written testimony in favor of SB 130 (EXHIBIT K).
040	Chair Metsger	Clarifies they are talking about -1 amendments (EXHIBIT B) to SB 130. Notes the amendments essentially replace SB 130 as written. Observes the intent of the bill is to offer more ways for people to obtain coverage.

045	King	Asserts that he is testifying in support of SB 130 with the -1 amendments. Responds that Sen. Metsger is correct, and adds that they hope to make it easier to get coverage.
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053	Sen. Monnes Anderson	Relays the frustration experienced by patients trying to get into insurance programs.
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060	King	Replies this will help alleviate those problems
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063	Chair Metsger	Closes public hearing on SB 130. Opens work session on SB 130.
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SB 130 – WORK SESSION

065	Chair Metsger	Reiterates the purpose of the -1 amendments.
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070	Sen. B. Starr	MOTION: Moves to ADOPT SB 130-1 amendments dated 1/31/05.
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VOTE: 4-0-1

EXCUSED: 1 - Deckert

Hearing no objection, declares the motion CARRIED.

075	Chair Metsger
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077	Sen. B. Starr	MOTION: Moves SB 130A to the floor with a DO PASS AS AMENDED recommendation.
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VOTE: 4-0-1

EXCUSED: 1 - Deckert

Hearing no objection, declares the motion CARRIED.

SEN. ATKINSON will lead discussion on the floor.

083	Chair Metsger	Closes work session on SB 130. Opens a work session for introduction of committee measures.
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INTRODUCTION OF COMMITTEE MEASURES – WORK SESSION

085	Chair Metsger	Points out that the introduction of these bills does not indicate support for the measure. Asks Theresa Van Winkle to provide an overview of the drafts being introduced.
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087	Theresa Van Winkle	Committee Administrator. Provides an explanation of LCs 253, 255, 256, 1700, 2001, 2002 (EXHIBITS C, D, E, F, G, & H).
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105	Chair Metsger	MOTION: Moves LC's: 253, 255, 256, 1700, 2001, 2002 BE INTRODUCED as committee bills.
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107	Chair Metsger	VOTE: 4-0-1
110	Chair Metsger	EXCUSED: 1 - Deckert
		Hearing no objection, declares the motion CARRIED.
		Closes work session and adjourns the committee at 1:44 p.m.

EXHIBIT SUMMARY

- A. SB 117, information and testimony packet, Howard “Rocky” King, 69 pp
- B. SB 130, -1 Amendments, staff, 2 pp
- C. Introductions, LC 253, staff, 3 pp
- D. Introductions, LC 255, staff, 3 pp
- E. Introductions, LC 256, staff, 2 pp
- F. Introductions, LC 1700, staff, 9 pp
- G. Introductions, LC 2001, staff, 2 pp
- H. Introductions, LC 2002, staff, 1 p
- I. SB 122, written testimony, Rocky King, 24 pp
- J. SB 123, written testimony, Rocky King, 24 pp
- K. SB 130, written testimony, Rocky King, 25 pp