

SENATE COMMITTEE ON HEALTH POLICY

April 20, 2005
1:00 P.M.

Hearing Room B
Tapes 60 - 61

Corrected 9/30/2005

MEMBERS PRESENT: **Sen. Laurie Monnes Anderson, Chair**
 Sen. Jeff Kruse, Vice-Chair
 Sen. Peter Courtney
 Sen. Gary George
 Sen. Bill Morrisette

STAFF PRESENT: **Rick Berkobien, Committee Administrator**
 Brittany Kenison, Committee Assistant

MEASURES/ISSUES HEARD:
 Oregon's New Web-Based Resource on Hospital Prices – Informational Meeting
 SB 1040 – Public Hearing
 SB 824 – Work Session
 SB 882 – 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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
<u>TAPE 60, A</u>		
003	Chair Monnes Anderson	Calls the meeting to order at 1:04 p.m. Opens an informational meeting on Oregon's New Web-Based Resource on Hospital Prices.
<u>HOSPITAL PRICES, OREGON'S NEW WEB-BASED RESOURCE ON – INFORMATIONAL MEETING</u>		
025	Kevin Earls	Vice President, Finance and Health Policy, Oregon Association of Hospitals and Health Systems. Submits written testimony on the new website created addressing hospital transparency (EXHIBIT A) . Presents new website, www.orpricepoint.org . Explains how the website was created.
080	Chair Monnes Anderson	Asks Earls to state the name of the website again.
081	Earls	Responds. Adds that there is no password needed. Begins to demonstrate the "basis query" function of the website.
155	Earls	States that data for hospitals will be updated every quarter. Continues to review the step-by-step process for using the "basic query" function of the website.
200	Earls	Continues to review the "basic query" function of the website.
268	Sen. Morrisette	Asks if an example of professional fees could be added.
275	Earls	Responds that the association does not have that information.
284	Sen. Morrisette	Suggests that an example be added to explain it to consumers.
295	Earls	Discusses lack of communication between patients and hospitals.
300	Chair Monnes Anderson	Discusses examples of equipment that should be added.
312	Earls	Reiterates that the website was created in a short period of time, and more will be evolved and added. Continues presenting the

440	Earls	“basic query” function of the website.
TAPE 61, A		
040	Earls	Reviews charts and statistics regarding payer mix.
065	Chair Monnes Anderson	Reviews statistics about charity care, bad debt and total uncompensated care from the example hospital chosen. Asks why charges are shown instead of actual costs.
068	Earls	Answers question.
118	Sen. Morrisette	Asks if the chart is still referring to Salem hospital.
120	Earls	Affirms. Discusses information collected for the website. States that Oregon is one of two states that has a hospital transparency website.
175	Chair Monnes Anderson	Asks for confirmation that every hospital in Oregon has charity care.
176	Earls	Responds.
177	Chair Monnes Anderson	Asks question regarding the format of charity care.
178	Earls	Responds. Concludes testimony.
185	Chair Monnes Anderson	Comments on the production and content of the website.
190	Sen. Morrisette	Comments on the importance of displaying other charges.
195	Earls	Comments on the content not displayed.
197	Sen. Morrisette	Remarks that the information should be displayed for liability.
198	Earls	States that they will work on addressing that issue.
200	Chair Monnes Anderson	Closes the informational meeting on Oregon’s New Web-Based Resource on Hospital Prices and opens a public hearing on SB 1040.

SB 1040 – PUBLIC HEARING

210	Rick Berkobien	Committee Administrator. Explains the bill.
235	Erinn Kelley-Siel	Advisor, Governor’s Health Policy Task Force. Testifies in support of SB 1040 on behalf of Gov. Ted Kulongoski.
275	Dr. Bruce Goldberg	Administrator, Office of Oregon Health Policy and Research. Testifies in support of SB 1040.
336	Joel Ario	Administrator, Insurance Division, Department of Consumer and Business Services (DCBS). Testifies in support of SB 1040.
400	Ario	Continues to testify in support of SB 1040.
TAPE 60, B		
005	Chair Monnes Anderson	Asks Ario to address the loss of competition if hospitals report claims data.
008	Ario	Responds.
020	Sen. George	Comments on concerns of section thirteen (13) and section fourteen (14) of SB 1040. States concerns of disclosing information on page two (2), lines four (4), five (5) and six (6) of SB 1040.
035	Goldberg	Responds to concerns regarding the disclosure of data from page two (2), lines four (4), five (5) and six (6) of SB 1040.
044	Sen. George	Asks question regarding responsibility of information.
046	Ario	Responds to Sen. George’s concerns from section thirteen (13) of the bill.
075	Chair Monnes Anderson	Notes that Kelley-Siel needs to leave.
077	Sen. George	Asks Kelley-Siel if the Governor knows of the concerns regarding liability under section thirteen (13) of the bill.
080	Kelley-Siel	Responds.

085	Chair Monnes Anderson	Explains to Sen. George the discussion held with the Legislative Counsel office.
087	Sen. Kruse	States that he has the concerns over section (13) of the SB 1040.
095	Mike Becker	Regence BlueCross BlueShield – Oregon. Submits and presents written testimony in support of SB 1040 (EXHIBIT B). Explains concerns that need to be addressed.
150	Chair Monnes Anderson	Asks Becker to clarify his second concern regarding hospital transparency.
151	Becker	Clarifies. Continues testimony.
225	Sen. Morrisette	Asks Becker to comment on miscellaneous charges from hospitals. Asks if patients know of the additional charges.
235	Becker	Responds.
245	Sen. Morrisette	States that all charges need to be public to have transparency in hospitals. Asks if Regence covers all hospital charges.
250	Becker	Responds.
265	Sen. Morrisette	Asks if insurance companies handle hospital charges separately.
270	Becker	Answers, yes. Clarifies that the Chair’s question is referring to the transparency of the miscellaneous charges.
274	Sen. Morrisette	Answers, yes.
276	Becker	Concludes testimony.
280	Chair Monnes Anderson	Recess the public hearing on SB 1040 and opens a work session on SB 824.
<u>SB 824 – WORK SESSION</u>		
290	Sen. Kruse	MOTION: Moves to RECONSIDER the vote by which " Moves SB 824 to the floor with a DO PASS AS AMENDED recommendation ".
294	Chair Monnes Anderson	VOTE: 5-0-0 Hearing no objection, declares the motion CARRIED.
295	Chair Monnes Anderson	Closes the work session on SB 824 and opens a work session on SB 882.
<u>SB 882 – WORK SESSION</u>		
310	Rick Berkobien	Committee Administrator. Explains the bill and introduces the -4 amendments to SB 882 (EXHIBIT C).
323	Sen. Kruse	MOTION: Moves to ADOPT SB 882-4 amendments dated 4/15/05.
	Chair Monnes Anderson	VOTE: 5-0-0 Hearing no objection, declares the motion CARRIED.
330	Sen. Kruse	MOTION: Moves SB 882 to the floor with a DO PASS AS AMENDED recommendation and the SUBSEQUENT REFERRAL to the committee on Ways and Means BE RESCINDED.
	Chair Monnes Anderson	VOTE: 5-0-0 Hearing no objection, declares the motion CARRIED. SEN. MONNES ANDERSON will lead discussion on the floor.
350	Chair Monnes Anderson	Closes the work session on SB 882 and reopens the public hearing on SB 1040.
<u>SB 1040 – PUBLIC HEARING</u>		
356	Sen. Kruse	Comments that he has substantial concerns with section thirteen (13) of the bill. Asks if the report will help patients understand their total hospital costs.

360	Mike Becker	Regence BlueCross BlueShield - Oregon. Answers, yes.
361	Sen. Kruse	Asks how that is done.
362	Becker	Explains.
369	Sen. Kruse	Clarifies that the discussion is on aggregate numbers.
380	Becker	Answers, yes. Elaborates.
400	Sen. Kruse	Comments on patients' reasons for choosing hospitals.
420	Patrick Pine	President, Oregon Health Care Purchasers Coalition. Corporate Benefits Manager, ESCO Corporation. Submits and presents written testimony in support of SB 1040 (EXHIBIT D) .
TAPE 62, B		
030	Pine	Continues testimony in support of SB 1040.
080	Sen. George	Asks if ESCO Corporation sells products to people at different costs.
082	Pine	Answers, yes.
084	Sen. George	Asks if the corporation does any cost shifting with their customers.
085	Pine	Responds.
095	Sen. George	Asks if ESCO Corporation conducts business with the government.
096	Pine	Answers, yes. Elaborates.
100	Sen. George	Asks how ESCO Corporation would feel if they had to disclose all pricing information.
106	Pine	Responds.
118	Sen. George	Asks question regarding cost shifting.
125	Pine	Comments on cost shifting.
135	Lynn-Marie Crider	Service Employees International Union (SEIU), Local 49. Submits and presents written testimony in support of SB 1040 (EXHIBIT E) .
195	Sen. George	Asks if SEIU has employees that work in areas that would be regulated.
199	Crider	Answers, yes.
200	Sen. George	Asks Crider to clarify that SEIU would be negotiating with providers.
204	Crider	Responds.
215	Ruby Haughton	CareOregon, Inc. Testifies without a stated position to SB 1040. States concerns with section thirteen (13) of the bill.
245	Chair Monnes Anderson	Asks Bruce Goldberg if long-term facilities are properly included in the bill.
256	Bruce Goldberg	Administrator, Office of Oregon Health Policy and Research. Answers that they are included.
260	Chair Monnes Anderson	Asks if the Office can collect data without statutory directive.
264	Goldberg	Responds.
275	Scott Gallant	Oregon Medical Association. Submits and presents written testimony without a stated position to SB 1040 (EXHIBIT F) .
350	Chair Monnes Anderson	Comments that SB 1040 will be carried over to Monday, April 25 th .
358	Sen. George	Remarks on Gallant's testimony. Comments that the bill could be very costly. Asks Gallant to comment regarding possible costs of SB 1040.
370	Gallant	Responds.
415	Chair Monnes Anderson	Closes the public hearing on SB 1040. Adjourns the meeting at 3:00 p.m.

EXHIBIT SUMMARY

- A. Hospital Prices, Oregon's New Web-Based Resource on, written testimony, Kevin Earls, 8 pp**
- B. SB 1040, written testimony, Mike Becker, 1 p**
- C. SB 882, -4 amendments, staff, 2 pp**
- D. SB 1040, written testimony, Patrick Pine, 10 pp**
- E. SB 1040, written testimony, Lynn-Marie Crider, 3 pp**
- F. SB 1040. written testimony, Scott Gallant, 2 pp**