

## SENATE COMMITTEE ON HEALTH POLICY

April 27, 2005  
1:00 P.M.

Hearing Room B  
Tapes 64 - 66

Corrected 10/25/05

**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:**

**SB 503 – Public Hearing**  
**SB 501 – Public Hearing and Work Session**  
**SB 541A – Public Hearing and Work Session**  
**SB 819 – Work Session**  
**SB 704 – Work Session**  
**SB 490A – Work Session**

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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.

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<b>TAPE/#</b>	<b>Speaker</b>	<b>Comments</b>
<b>TAPE 64, A</b>		
003	Chair Monnes Anderson	Calls the meeting to order at 1:06 p.m. Opens a public hearing on SB 503.
<b><u>SB 503 - PUBLIC HEARING</u></b>		
005	Rick Berkobien	Committee Administrator. Explains SB 503 and introduces the -5 amendments ( <b>EXHIBIT A</b> ) and the -8 amendments ( <b>EXHIBIT B</b> ).
068	Lynn-Marie Crider	Service Employees International Union (SEIU), Local 49. Testifies in support of SB 503 with the -8 amendments.
105	Crider	Testifies in opposition to the -5 amendments to SB 503.
125	Bruce Bishop	Oregon Association of Hospitals and Health Systems. Testifies in support of SB 503 with the -5 amendments.
155	Bishop	Testifies in opposition to the -8 amendments to SB 503.
170	Sen. Morrisette	Asks if an existing clinic will be able to able to expand under Certificate Of Need (CON) process.
172	Bishop	Answers question.
180	Sen. Morrisette	Asks if the clinics would be grandfathered into the process if the -5 amendments to SB 503 passed.
185	Bishop	Responds that the -5 amendments apply to new facilities.
192	Sen. Morrisette	States concerns on the impact of new facilities.
195	Bishop	Comments on the new facilities.
215	Mike Crew	Attorney, Lake Oswego, Oregon. Submits and presents written testimony in opposition to SB 503 with the -5 amendments and the -8 amendments ( <b>EXHIBIT C</b> ).
265	Crew	Continues testimony.
300	William Mooney	President, Oregon Hematology Oncology Associates (OHOA). Testifies in opposition to SB 503.
350	Mooney	Continues to testify in opposition to SB 503.

390 Sen. Morrisette Asks if Oregon Health and Science University (OHSU) is a cancer center.

395 Mooney Responds.

403 Susan Nance Nurse Administrator, Bend Surgery Center, Bend, Oregon. President, Oregon Ambulatory Surgery Association. Submits and presents written testimony in opposition to SB 503 with the - 5 amendments and the -8 amendments (**EXHIBIT D**).

**TAPE 65, A**

010 Nance Continues testimony.

030 Chair Monnes Asks Nance if the Ambulatory Surgical Center is allowed to turn  
Anderson anyone away.

035 Nance Responds.

045 Chair Monnes Asks if the hours of the Bend Surgical Center have daytime  
Anderson business hours.

046 Nance Answers, yes.

058 David Fryefield M.D., Radiation Oncologist. Medical Director, Willamette  
Valley Cancer Center, Eugene, Oregon. Testifies in opposition  
to SB 503.

089 Sen. Morrisette Asks Fryefield if he has written testimony.

090 Fryefield Answers, no.

092 Sen. Morrisette Asks Fryefield what the significance is of age 85 that he spoke of.

096 Fryefield Responds. Continues to testify in opposition to SB 503.

122 Michael McKay Citizen, Springfield, Oregon. Testifies in opposition to SB 503.  
Shares his experience with cancer and the treatment he received.

185 Sen. George Comments on McKay's personal testimony.

196 Chair Monnes Explains that the CON process would not affect the facility that  
Anderson McKay attends.

199 Sen. Morrisette Verifies that it would affect the ability to expand or add another  
site.

202 Fryefield Responds.

204 Chair Monnes Clarifies that the CON process would affect new facilities only.  
Anderson

208 Judy Corwin Representative, The Corvallis Clinic. Submits and presents  
written testimony in opposition to SB 503 (**EXHIBIT E**).

260 Corwin Continues to testify in opposition to SB 503.

315 John Erkkila Orthopedic Surgeon, Corvallis, Oregon. Submits and presents  
written testimony in opposition to SB 503 (**EXHIBIT F**).

400 Erkkila Continues to testify in opposition to SB 503.

**TAPE 64, B**

005 Doug Walta M.D., The Oregon Clinic. Submits and presents written  
testimony in opposition to SB 503 (**EXHIBIT G**).

065 Craig Fausel M.D., Executive Vice President, The Oregon Clinic. Submits  
and presents written testimony in opposition to SB 503  
(**EXHIBIT H**).

105 Scott Gallant Oregon Medical Association. Submits and presents written  
testimony in opposition to SB 503 (**EXHIBIT I**).

147 Paul Cosgrove Oregon Ambulatory Surgical Center. Testifies in opposition to  
SB 503.

165 Chair Monnes Asks Barney Speight to describe the history of the Oregon CON  
Anderson process.

170 Barney Speight Administrator, Oregon Medical Assistance Programs (OMAP).  
States that he is testifying on behalf of the Director, Department  
of Human Services (DHS). Discusses the history of the CON  
process.

240	Speight	Testifies with a neutral position to SB 503.
275	Sen. Morrisette	Comments on the CON process in the Portland area. Asks to comment on the process in Multnomah county.
293	Speight	Responds.
305	Sen. Morrisette	States that he would like the information that Speight referred to.
310	Speight	Offers to return the information to the committee.
312	Chair Monnes Anderson	Discusses concerns that need to be addressed in SB 503.
320	Speight	Comments on the need for clarification of the effective date.
325	Chair Monnes Anderson	States her agreement with Speight. Discusses other concerns that need to be addressed before a work session is held.
333	Speight	Explains why a statutory definition would be more effective than a rules definition.
355	Chair Monnes Anderson	Comments on the concerns of the fees related to the CON process.
362	Speight	States that he will work with the Health Division.
365	Chair Monnes Anderson	Discusses concern that the length of time and the appeals process needs to be clarified. States that the meeting will reconvene at 5:00 p.m.
380	Speight	States that he will try to obtain information in time for the 5:00 p.m. meeting.
384	Sen. George	Asks Speight if he agrees that Oregon's facilities provide the lowest healthcare costs.
387	Speight	Asks Sen. George to clarify what types of facilities he is referring to.
389	Sen. George	Provides clarification.
390	Speight	Responds to Sen. George's question regarding Oregon's healthcare costs.
400	Sen. George	Asks Speight to verify that the facilities do not need SB 503.
405	Speight	Responds.
410	Sen. Kruse	Comments on why he opposes the bill.
427	Chair Monnes Anderson	Closes the public hearing on SB 503 and opens a public hearing on SB 501.

**SB 501 – PUBLIC HEARING**

450	Rick Berkobien	Committee Administrator. Explains SB 501 and introduces the -2 amendments ( <b>EXHIBIT J</b> ).
470	Megan Sweeny	Service Employees International Union (SEIU). Submits and presents written testimony in support of SB 501 with the -2 amendments ( <b>EXHIBIT K</b> ).

**TAPE 65, B**

030	Laurie Long	HealthNet Health Plans, Oregon. Testifies in support of SB 501 with the -2 amendments.
045	John Powell	Regence BlueCross BlueShield - Oregon. Testifies in support of SB 501 with the -2 amendments.
050	Walt Samodurov	Director of Underwriting, HealthNet Health Plans, Oregon. Testifies in support of SB 501 with the -2 amendments.
060	Powell	Urges passage of SB 501 with the -2 amendments. States that there are a few technical changes needed.
064	Chair Monnes Anderson	Asks to explain what the changes are.
067	Long	Provides explanation.
100	Chair Monnes Anderson	States that she will carry over the bill to the meeting on Friday, April, 29, 2005.
105	Morrisette	Asks Long to clarify why the change is needed on page two (2),

line eleven (11) of SB 501.  
 108 Long Responds.  
 115 Sen. Morrisette Clarifies the intent of the change.  
 117 Long Affirms Sen. Morrisette's clarification.  
**The following material is submitted for the record without public testimony:**  
 Shannon Callahan Staff Attorney. Consumer Advocate, Oregon State Public Interest Research Group (OSPIRG). Submits written testimony in support of SB 501 (**EXHIBIT L**).  
 120 Chair Monnes Submits written testimony from Jim Davis, Oregon Association for Retired Citizens and the United Seniors of Oregon, in support of SB 501 (**EXHIBIT M**). Closes the public hearing on SB 501 and opens a work session on SB 541A.  
 Anderson

**SB 541A – WORK SESSION**

125 Rick Berkobien Explains the bill. Introduces the –A3 amendments to SB 541A (**EXHIBIT N**).  
 145 Sen. Morrisette **MOTION: Moves to ADOPT SB 541A-A3 amendments dated 4/26/05.**  
**VOTE: 5-0-0**  
 Chair Monnes **Hearing no objection, declares the motion CARRIED.**  
 Anderson  
 158 Sen. Morrisette **MOTION: Moves SB 541A to the floor with a DO PASS AS AMENDED recommendation and the SUBSEQUENT REFERRAL to the committee on Ways and Means BE RESCINDED.**  
 158 Sen. Morrisette **VOTE: 5-0-0**  
**AYE: 5 - George, Kruse, Morrisette, President Courtney, Monnes Anderson**  
 Chair Monnes **The motion CARRIES.**  
 Anderson **SEN. MORSE will lead discussion on the floor.**  
 160 Chair Monnes Closes the work session on SB 541A and opens a work session on SB 819.  
 Anderson

**SB 819 – WORK SESSION**

Rick Berkobien Committee Administrator. Introduces the -3 amendments to SB 819 (**EXHIBIT O**).  
 165 Sen. Kruse **MOTION: Moves to SUSPEND the rules for the purpose of reconsidering the vote on adoption of the SB 819-1 amendments on April 8.**  
**VOTE: 5-0-0**  
 Chair Monnes **Hearing no objection, declares the motion CARRIED.**  
 Anderson  
 170 Sen. Kruse **MOTION: Moves to RECONSIDER the vote by which "the -1 amendments were adopted to SB 819 on April 8<sup>th</sup> 2005".**  
**VOTE: 5-0-0**  
 Chair Monnes **Hearing no objection, declares the motion CARRIED.**  
 Anderson  
 180 Sen. Kruse **MOTION: Moves to ADOPT SB 819-3 amendments dated 4/27/05.**  
 189 Sen. Kruse Comments on the intent of the -3 amendments to SB 819.  
 195 Sen. George Asks to clarify that the -3 amendments replace SB 819.  
 196 Chair Monnes Answers, yes.  
 Anderson

200	Sen. George	Asks for the -3 amendments to SB 819 be explained.
207	Chair Monnes Anderson	Asks Sen. Ben Westlund and Sen. Alan Bates to describe the -3 amendments to SB 819.
209	Sen. Ben Westlund	Senate District 27. Explains the -3 amendments to SB 819.
215	Sen. Kruse	States that he supports the -3 amendments to SB 819.
238	Sen. Alan Bates	Senate District 3. Explains section two (2) of the -3 amendments to SB 819.
	<b>Chair Monnes Anderson</b>	<b>VOTE: 5-0-0</b>
	<b>Chair Monnes Anderson</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
240	<b>Sen. Kruse</b>	<b>MOTION: Moves SB 819 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means by prior reference.</b>
	<b>Chair Monnes Anderson</b>	<b>VOTE: 5-0-0</b>
	<b>Chair Monnes Anderson</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
264	Chair Monnes Anderson	Closes the work session on SB 819 and recesses the meeting at 2:56 p.m.
267	Chair Monnes Anderson	Reconvenes the meeting at 5:02 p.m. Opens a work session on SB 704.
	<b><u>SB 704 – WORK SESSION</u></b>	
275	Chair Monnes Anderson	Introduces the -3 amendments to SB 704 ( <b>EXHIBIT P</b> ). States that the bill will go to the committee on Ways and Means.
277	Sen. Kruse	Asks why the bill is being sent to the committee on Ways and Means.
280	Chair Monnes Anderson	States that the bill has a fiscal impact.
285	Sen. Kruse	Explains why he would dispute the fiscal impact.
295	Chair Monnes Anderson	Refers to the fiscal estimate received. Asks Rick Berkobien to explain SB 704 and the -3 amendments.
310	Rick Berkobien	Committee Administrator. Explains SB 704 and the -3 amendments.
318	Sen. Kruse	Comments on his concerns of the fiscal estimate and that it should not go to the committee on Ways and Means.
327	Chair Monnes Anderson	Discusses why the bill should go to the committee on Ways and Means.
334	<b>Sen. Kruse</b>	<b>MOTION: Moves to ADOPT SB 704-3 amendments dated 4/26/05.</b>
	<b>Chair Monnes Anderson</b>	<b>VOTE: 3-0-2</b>
	<b>Chair Monnes Anderson</b>	<b>EXCUSED: 2 - Courtney, George</b>
	<b>Chair Monnes Anderson</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
340	<b>Sen. Kruse</b>	<b>MOTION: Moves SB 704 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means.</b>
	<b>Chair Monnes Anderson</b>	<b>VOTE: 3-0-2</b>
	<b>Chair Monnes Anderson</b>	<b>EXCUSED: 2 - Courtney, George</b>
	<b>Chair Monnes Anderson</b>	<b>Hearing no objection, declares the motion CARRIED.</b>
349	Chair Monnes Anderson	Closes the work session on SB 704 and opens a work session on SB 490A.

**SB 490A – WORK SESSION**

- 354 Rick Berkobien Committee Administrator. Explains SB 490A and introduces the –A2 amendments (**EXHIBIT Q**).
- 364 Chair Monnes Clarifies the intent of the bill and the amendment.  
Anderson
- 372 **Sen. Kruse** **MOTION: Moves to ADOPT SB 490A-A2 amendments dated 4/25/05.**  
**VOTE: 4-0-1**  
**EXCUSED: 1 - Courtney**  
**Hearing no objection, declares the motion CARRIED.**
- 376 **Chair Monnes** **MOTION: Moves SB 490A to the floor with a DO PASS AS AMENDED recommendation.**  
**Anderson**  
**Sen. Kruse**  
**VOTE: 4-0-1**  
**EXCUSED: 1 - Courtney**  
**Hearing no objection, declares the motion CARRIED.**  
**SEN. MONNES ANDERSON will lead discussion on the floor.**
- 384 Chair Monnes Closes the work session. Stands the meeting at ease.  
Anderson
- 410 Chair Monnes Calls the meeting back to order. Opens a work session on SB  
Anderson 704 for the purpose of allowing Sen. Courtney and Sen. George to vote.

**SB 704 – WORK SESSION**

- 415 **Sen. Kruse** **MOTION: Requests unanimous consent that the rules be SUSPENDED to allow SEN. COURTNEY AND SEN. GEORGE to BE RECORDED as voting AYE on the " Motion to move SB 704 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means."**
- 420 **Chair Monnes** **VOTE: 5-0-0**  
**Anderson** **Hearing no objection, declares the motion CARRIED.**
- 422 **Chair Monnes** **VOTE: 5-0-0**  
**Anderson** **Hearing no objection, declares the motion CARRIED.**  
**(Note: See Tape 65, B at 334 of this document.)**
- 428 Chair Monnes Closes the work session on SB 704. Opens a work session on SB  
Anderson 490A for the purpose of allowing Sen. Courtney to vote.

**SB 490A – WORK SESSION**

- 430 **Sen. Kruse** **MOTION: Requests unanimous consent that the rules be SUSPENDED to allow SEN. COURTNEY to BE RECORDED as voting AYE on the "Motion to move SB 490A to the floor with a DO PASS AS AMENDED recommendation."**
- 431 **Chair Monnes** **VOTE: 5-0-0**  
**Anderson** **Hearing no objection, declares the motion CARRIED.**
- Chair Monnes** **VOTE: 5-0-0**  
**Anderson** **Hearing no objection, declares the motion CARRIED.**  
**(Note: See Tape 65, B at 372 of this document.)**

432	Chair Monnes Anderson	Closes the work session on SB 490A and opens a work session on SB 501.
<b>TAPE 66, A</b>		
<b>SB 501 – WORK SESSION</b>		
003	Rick Berkobien	Committee Administrator. Explains SB 501 and introduces the - 4 amendments ( <b>EXHIBIT R</b> ).
010	Sen. Morrisette	<b>MOTION: Moves to ADOPT SB 501-4 amendments dated 4/28/05.</b>
020		<b>VOTE: 4-1-0</b> <b>AYE: 4 - Kruse, Morrisette, President Courtney, Monnes Anderson</b> <b>NAY: 1 - George</b>
	Chair Monnes Anderson	The motion <b>CARRIES</b> .
030	Sen. Morrisette	<b>MOTION: Moves SB 501 to the floor with a DO PASS AS AMENDED recommendation and the SUBSEQUENT REFERRAL to the committee on Ways and Means BE RESCINDED.</b>
045	Sen. Kruse	States why he opposes SB 501.
055	Chair Monnes Anderson	Discusses the intent of the bill.
080		<b>VOTE: 3-2-0</b> <b>AYE: 3 - Morrisette, President Courtney, Monnes Anderson</b> <b>NAY: 2 - George, Kruse</b> The motion <b>CARRIES</b> . <b>SEN. MONNES ANDERSON will lead discussion on the floor.</b>
	Chair Monnes Anderson	
085	Sen. Courtney	Speaks about the referrals he considers for rescinding the bill from the committee on Ways and Means.
100	Chair Monnes Anderson	Comments that the “review team” was removed from the bill. Closes the work session on SB 501 and adjourns the meeting at 5:25 p.m.

## **EXHIBIT SUMMARY**

- A. SB 503, -5 amendments, staff, 8 pp**
- B. SB 503, -8 amendments, staff, 9 pp**
- C. SB 503, written testimony, Mike Crew, 2 pp**
- D. SB 503, written testimony, Susan Nance, 4 pp**
- E. SB 503, written testimony, Judy Corwin, 3 pp**
- F. SB 503, written testimony, John Erkkila, 3 pp**
- G. SB 503, written testimony, Douglas Walta, 7 pp**
- H. SB 503, written testimony, Craig Fousel, 5 pp**
- I. SB 503, written testimony, Scott Gallant, 7 pp**
- J. SB 501, -2 amendments, staff, 2 pp**
- K. SB 501, written testimony, Megan Sweeny, 1 p**
- L. SB 501, written testimony of Shannon Callahan, staff, 1 p**
- M. SB 501, written testimony, Jim Davis, 2 pp**
- N. SB 541, -A3 amendments, staff, 1 p**
- O. SB 819, -3 amendments, staff, 4 pp**

- P. SB 704, -3 amendments, staff, 1 p**
- Q. SB 490, -A amendments, staff, 1 p**
- R. SB 501, -4 amendments, staff, 2 pp**