

SENATE COMMITTEE ON HUMAN SERVICES

February 04, 2005
1:00 P.M.

Hearing Room NEWPORT
Tapes 10 - 12

Corrected 10/03/2005

MEMBERS PRESENT: Sen. Bill Morrisette, Chair
Sen. Jeff Kruse, Vice-Chair
Sen. Laurie Monnes Anderson
Sen. Charles Starr
Rep. Allen Brown

MEMBER EXCUSED: Sen. Rick Metsger

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

MEASURES/ISSUES HEARD:

Coastal hospital and health care systems – Informational Meeting
Sustaining the Rural Health Safety Net – Informational Meeting
Social service issues in coastal Oregon – Informational Meeting
In home care for seniors – Informational Meeting
SB 98 - Public Hearing
Issues such as access to health care, long-term care, access to prescription drugs, oral health care, and services within the Oregon Department of Human Services - 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 10, A		
003	Chair Morrisette	Calls meeting to order at 1:07 p.m. Opens informational meeting on coastal hospital and health care systems.
COASTAL HOSPITAL AND HEALTH CARE SYSTEMS - INFORMATIONAL MEETING		
005	David Bigalow	Chief Executive Officer, Samaritan Pacific Health Services. Submits and presents written testimony (EXHIBIT A). Submits graphs for record of write-off's (EXHIBIT B).
001-099		**Recording error, no audio
100	Sen. Kruse	Asks for input regarding covered providers and also asks why he didn't discuss issue of labor.
105	Bigalow	Discusses concern of proposed program to set a rate by hospitals.
110	Sen. Kruse	Refers to last page of (EXHIBIT A) and comments on the States that the rates that Bigalow compared, more received Medicaid reimbursement than Oregon and asks how it can compare to Oregon. Speculates on possible problems.
120	Bigalow	Agrees with possible problems Oregon would face.
121	Chair Morrisette	Confirms that one of the five hospitals has a union contract.
125	Bigalow	Clarifies that four of the five hospitals has union contracts.
126	Chair Morrisette	Expresses concern for community college and medical program expenses. Asks if the Newport college has the same problems.
130	Bigalow	Affirms high expenses. Notes that they have an actively working partnership with the local colleges and will provide a lab and

		work space for students.
132	Chair Morrisette	Emphasizes need for nursing programs.
135	Chair Morrisette	Stands at ease to accommodate for more chairs.
140	Chair Morrisette	Expresses need to extend the tax credit to help practitioners.
145	John Zeier	Clinic Director for Yachats hospital. Submits and presents written testimony (EXHIBIT C). Expresses concern for clinics and how it is connected to the Rural Health Care Safety Net.
160	Zeier	Defines rural health care safety net clinics and what they provide.
195	Zeier	Discusses solutions to help fund the rural health care safety net clinics and the programs.
230	Chair Morrisette	Addresses solutions of being paid on time. Explains a bill being introduced to require this.
250	Sen. Monnes Anderson	Explains electronic billing and why the Oregon Medical Assistance Programs (OMAP) is behind issuing payments. Explains another bill being introduced for incentive to set up for electronic billing.
265	Sen. Kruse	Asks if Zeiers clinic is a Federally Qualified Health Center (FQHC).
268	Zeier	Answers no.
270	Sen. Kruse	Asks what it would take for the clinic to become a FQHC.
271	Zeier	Comments that the clinic could not qualify and explains why.
275	Sen. Kruse	Addresses need to find a way to get rural health clinics qualified.
300	Karen Whitaker	Director of the Oregon Health and Science University (OHSU) center for rural health. Introduces herself.
301	Scott Ekblad	Deputy Director of the OHSU center for rural health. Introduces himself.
302	Whitaker	Discusses how the clinic in Yachats could not qualify, notes that qualifications might change.
327	Sen. Kruse	Expresses need to be aggressive to find funding for small clinics.
340	Ekblad	Comments on tax credit and would help in retaining and recruiting hospital officials.
355	Kruse	Asks what kind of impacts the tax credit bill will have.
360	Whitaker	Mentions that they are working with the Oregon Medical Association to get data on income to prepare an income differential report. Reports on a 2001 survey that found a \$20,000 to \$30,000 difference in income between rural and urban practice.
372	Chair Morrisette	Closes informational meeting on coastal hospital and health care systems and opens an informational meeting on sustaining the Rural Healthcare Safety Net.

RURAL HEALTH SAFETY NET, SUSTAINING THE – INFORMATIONAL MEETING

375	Ed Patterson	Executive Director, Rural Health Association. Submits and presents written testimony (EXHIBIT D). Discusses sustaining the Rural Health Safety Net.
420	Patterson	Continues discussing sustaining the Rural Health Safety Net. Gives background on budgeting and how to create the safety net as a priority.
TAPE 11, A		
020	Patterson	Continues discussing funding the rural Health Safety Net Program.
030	Chair Morrisette	Asks Patterson to explain Medicaid Upper Payment Limits (MUPL) funds.
035	Patterson	Clarifies that it stands for Medicaid Upper Payment Limits and explains its purpose.
060	Patterson	Explains bill introduced to build funds.

065 Chair Morrisette Comments on field trip held in 2001 that toured the rural health clinics. Explains how they are working on finding ways to attract money and find monies over time.

080 Sen. Kruse Also comments on the impact of the tour.

095 Chair Morrisette Closes informational meeting on sustaining the Rural Health Safety Net and opens an informational meeting on social service issues in coastal Oregon.

SOCIAL SERVICE ISSUES IN COASTAL OREGON – INFORMATIONAL MEETING

100 Jan Kaplan Director, Lincoln County Health and Human Services department. Submits and presents written testimony (**EXHIBIT E**). Notes that they have applied twice to be a FQHC. Adds that second application is pending.

120 Sen. Kruse Asks Whitaker if she was aware of the submitted application.

121 Whitaker Affirms.

125 Kaplan Begins to discuss the human services needs and challenges of the coastal region. Explains how the service systems run east to west and reports on coastal demographics.

150 Chair Morrisette Alleges that the projection is an increase in the population.

151 Kaplan Affirms. Addresses growing population of Hispanics.

155 Chair Morrisette Asks Kaplan to explain what FQHC stands for.

156 Kaplan Answers that it stands for a Federally Qualified Health Center. Continues to report on coastal demographics.

185 Kaplan Discusses importance of the Oregon Health Plan (OHP) to the coastal region.

225 Kaplan Addresses current bills in Washington DC that could drastically change the Medicaid program and urges the committee to be come familiar with the bills and possible impacts.

245 Kaplan Explains current outbreak of Pertussis. Expresses need of funding because of outbreak and the current lack of funds.

275 Kaplan Expresses the uniqueness of Oregon, and adds that it can cause issues when addressing concerns (from legislatures) because of different counties.

295 Kaplan Provides list of agencies, staff and services for health and human services. Also addresses current issues with staffing and funding.

330 Chair Morrisette Comment on helpfulness of information provided.

350 Chair Morrisette Closes informational meeting on social service issues in coastal Oregon and opens an informational meeting on in home care for seniors.

IN HOME CARE FOR SENIORS – INFORMATIONAL MEETING

355 Joan Wesley Client Employed Provider. Submits and presents written testimony (**EXHIBIT F**). Explains how in home health care saves money and how it is important in rural areas.

420 Wesley Continues to discuss need for in home care workers and their needs because the lack of respect for the workers. Explains the lack of training, no ongoing training, no meetings for policy updates, and no structure.

TAPE 10, B

020 Wesley Continues to discuss concerns for in home care workers.

050 Wesley Summarizes and concludes.

060 Sen. Monnes Anderson Comments on own mother having in home care and the importance of caregivers.

065 Chair Morrisette Asks to confirm that there are 320 in Lincoln County and 13,000 total state wide of in home care workers.

066 Wesley Affirms.

070	Chair Morrisette	Comments on Wesley's dedication to work.
080	Chair Morrisette	Closes informational meeting on in home care for seniors and opens a public hearing on SB 98.

SB 98 – PUBLIC HEARING

080	Rick Berkobien	Committee Administrator. Explains bill.
100	Cindy Hannum	Administrator, Seniors and People with Disabilities, Licensing and Quality of Care Oregon Department of Human Services. Submits and presents written testimony in support of SB 98 (EXHIBIT G) . Adds that emergency clause is needed first.
140	Chair Morrisette	States that the committee will not hold a work session until they receive the amendments. Closes public hearing on SB 98. Opens public on hearing issues such as access to health care, long-term care, access to prescription drugs, oral health care, and services within the Oregon Department of Human Services.

ACCESS TO HEALTH CARE, LONG-TERM CARE, ACCESS TO PRESCRIPTION DRUGS, ORAL HEALTH CARE, AND SERVICES WITHIN THE OREGON DEPARTMENT OF HUMAN SERVICES - PUBLIC HEARING

160	Marjorie Waley	Citizen. Expresses need for better vision service. Explains family history of eye problems, including herself and her daughters.
195	Kruparao Kancharg	Citizen, Astoria, OR. Discusses concern for the increase in liability insurance, and how the price can vary.
220	Chair Morrisette	Notes that he is aware of issue that it is being addressed.
225	Fred Albert	Citizen, Salem, OR. Explains that he has seven foster care homes and expresses concern for rising costs in liability insurance.
255	Albert	Explains that he found a company in California, but it will only cover Medicaid patients. Discusses importance for lower insurance.
275	Suzanne Edmiston	Citizen, McMinnville, OR. States that she currently has four foster care homes. Expresses concern of increase of liability insurance. States that her insurance rose from \$4,500 to \$15,000 four years ago. Adds that she doesn't currently have liability insurance.
310	Edmiston	Comments that she is anticipating increase of Medicaid to match Medicaid patients. Expresses disappointed that they do not have support for issues.

320-480

TAPE 11, B

005	Cindy Hannum	Administrator, Seniors and People with Disabilities, Licensing and Quality of Care Oregon Department of Human Services. Discusses that Sparta did come to Oregon, and further explains the miscommunication and why Sparta withdrew from the market.
030	Hannum	Explains bills to be introduced addressing homeowners insurance.
040	Chair Morrisette	Clarifies that if people use their homeowners insurance for a business, they are immediately cancelled.
045	Hannum	Affirms, adds that insurance agencies discover this if claims are filed.
050	Velma Hartwig	Addresses issue of extreme high health insurance cost to the first responders unit. Provides district that the responders cover.
060	Chair Morrisette	Asks where her location is.
062	Hartwig	Answers that she is in Harlan. Explains the danger zones in county. Also comments that the volunteers that make up the first

090	Chair Morrisette	responders have to raise their own money to cover health care costs, equipment, and gas, in addition to their other duties. Comments on other areas of Oregon and how they fund their ambulances.
095	Karen Whitaker	Director, Oregon Health and Science University center for rural health. Comments that funds use to be distributed to the Quick Response Team. Stresses that reinstating funds would be important.
115	Russell Faria	Private physician, Newport, OR. Addresses concern for increase of liability insurance. Also addresses concern from the failure of measure 35. Addresses need for increase tax credit, but notes that the money will be used to pay malpractice insurance. Also mentions programs created to help pay to recruit physicians and interns and concern that the program will cease to exist.
160	Sen. Kruse	Explains that program was a pilot program. Adds that if it is successful, it could be extended.
170	Faria	Continues to address concerns for lack of funding.
200	Ray Burleigh	Executive Director for a non profit psychiatric center for children. Addresses concern for budget note. Explains the psychiatric day treatment center and the types of mental illnesses treated.
240	Burleigh	Explains that they began only serving children on the Oregon Health Plan (OHP). Notes staff cuts and cut back in patient care in February of 2003. Remarks that many children are not being served. Notes rumor of a 25 percent budget cut back, but doesn't know when or where.
275	Sen. Kruse	Notes that he is not familiar with the budget note. Asks to clarify that the budget note will have a 25 percent budget cut.
276	Burleigh	Answers no. Explains the budget note created incentive for the State mental health and other possible impacts.
280	Sen. Kruse	Asks if the budget note was reflected in the Governor's budget.
283	Burleigh	States that he is unaware. Offers to return information to the members.
285	Burleigh	Defines goals for the day treatment center.
310	Burleigh	Discusses issues for the center and in mental health.
325	Chair Morrisette	Comments on issues addressed.
340	Sen. Monnes Anderson	Comments on billion dollar short fall. Also comments on the effectiveness of testimony.
370	Melody Clemens	Citizen, In-home caregiver for son. Points out that in home care saves the state \$41,000 per year versus nursing care. Notes that son's progress has been from staying at home.
415	Chair Morrisette	Comments on sacrifices people make for caring for others.
425	Clemens	Expresses that if funding is cut, son will have to go into a nursing home and that will take away from her choice to stay home with him.
TAPE 12, A		
020	Sandy Post	Director, Shangri-La Corporation. Expresses concerns for rural area for medical services and costs that are needed. Notes that a cost of living adjustment has not been made for five years for caregivers. Urges committee to make a cost of living adjustment.
050	Cleo Circle	Citizen, Depot Bay, Oregon. Expresses concern that money will be cut for in home care. Explains that she has always cared for daughter at her home.
075	Rachel Elliot	Citizen, Florence, Oregon. Discusses concern for increase of

		liability insurance and decrease in foster care homes. States that they have never filed an insurance claim in 19 years but ever year, the insurance company sends a cancellation notice before the first renewal date.
125	Elliot	Comments that she has asked to be in the medical health pool of funding, but doesn't qualify.
160	Gary Lang	President, Adult Care Providers of Oregon. States that he runs a foster care home for mental health only covered by Medicaid. States that he has been without liability insurance for eight years due to cost.
175	Chair Morrisette	Clarifies that patients are all mentally ill.
177	Lang	Affirms.
178	Chair Morrisette	Comments on the greater workload required with an all mentally ill facility.
185	Lang	States that patients either diagnosed with a mental or physical disorder can be difficult. Discusses difficulty of getting liability insurance with mentally ill patients.
200	Lang	Discusses concern that even if policies are being paid, they mostly likely will not be paid out.
220	Joel Gallob	Journalist, News-Times, Newport, Oregon. Comments on insurance cap for doctors and possible solution for the committee to consider.
240	Sen. Kruse	Points out that Oregon used to have an insurance cap until the supreme court voted that it was unconstitutional. Notes that they only way the cap could be put on was through the community voting on the issue.
250	Gallob	Suggests other solution with incentives.
255	Sen. Kruse	Explains that the bill favored most everyone.
255	Karen Bondly	Outreach Worker, Area Health Educations Centers Program (AHEC) of Oregon. Submits informational packet on the school based health centers (EXHIBIT H) and on AHEC (EXHIBIT I). Thanks the committee for its support for the organizations. Notes that will combined funding they are able to see 5,000 patients.
275	Chair Morrisette	Asks Karen Whitaker and Scott Ekblad to comment on issues brought up during the hearing.
280	Karen Whitaker	Director, Oregon Health and Science University (OHSU) center for rural health. Comments on the effectiveness of meeting in the environments where the issues take place. Comments that she was not aware of the liability insurance issue. States that committee needs to investigate about rate setting to fix the issue.
330	Scott Ekblad	Deputy Director, OHSU center for rural health. Comments about the issues and what the center for rural health needs to address
345	Chair Morrisette	Comments on budget cutting and the difficulty for the rural center.
355	Sen. Kruse	Discusses difference in cutting of programs from urban and rural counties. Refers to the effects of the Douglas county malpractice lawsuit.
380	Whitaker	Reiterates that she wants to find how to set rates to make a better decision for the insurance company and the people paying insurance.
390	Sen. Kruse	States that there is a significant difference between states with caps and states without.
410	Rep. Brown	States that most foster care experience has been personal. Notes increase in insurance for contractors also. Expresses concern for

455 Lang all areas.
465 Chair Morrisette Comments on deceiving message with gambling and lawsuits.
Closes public hearing on issues such as access to health care,
long-term care, access to prescription drugs, oral health care, and
services within the Oregon Department of Human Services and
adjourns meeting at 3:33 p.m.

EXHIBIT SUMMARY

- A. Coastal Hospitals and Healthcare Systems, written testimony, David Bigalow, 3pp**
- B. Coastal Hospitals and Healthcare Systems, graph of write-offs, David Bigalow, 1 p**
- C. Coastal Hospitals and Healthcare Systems, written testimony, John Zeier, 2 pp**
- D. Rural Health Safety Net, Sustaining The, written testimony, Ed Patterson, 1 p**
- E. Coastal Oregon, Social Services Issues In, written testimony, Jan Kaplan, 9 pp**
- F. In Homecare For Seniors, written testimony, Joan Wesley, 2 pp**
- G. SB 98, written testimony, Cindy Hannum, 1 p**
- H. Services Within Oregon Dept. of Human Services, informational packet on school based health centers in Lincoln County, Karen Bondly, 14 pp**
- I. Services Within Oregon Dept. of Human Services, informational packet on Oregon Pacific Area Health Education Center, Karen Bondly, 10 pp**