

**HOUSE COMMITTEE ON**  
**AUDIT & HUMAN SERVICES BUDGET REFORM COMMITTEE**

February 11, 2003 Hearing Room 50  
3:00 PM Tapes 22 - 23

**MEMBERS PRESENT:**      **Rep. Ben Westlund, Chair**  
                                 **Rep. Steve March, Vice-Chair**  
                                 **Rep. Jeff Merkley**  
                                 **Rep. Jeff Kruse**  
                                 **Rep. Alan Bates**

**MEMBER EXCUSED:**      **Rep. Randy Miller**  
                                 **Rep. Susan Morgan, Vice Chair**

**GUEST MEMBERS:**      **Rep. Carolyn Tomei**  
                                 **Rep. Billy Dalto**  
                                 **Rep. Laurie Monnes Anderson**

**STAFF PRESENT:**      **Rick Berkobien, Committee Administrator**  
                                 **Kelly Fuller, Committee Assistant**

**ISSUES HEARD:**      **Informational Meeting – “The Public OHP Overview”**  
                                 **Lynn Read, Acting Administrator for the Office of Medical**  
                                 **Assistance Programs, DHS**  
                                 **Jim Edge, Acting Assistant Administrator for the Office of Medical**  
                                 **Assistance Programs, DHS**

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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 22, A</b>		
001	Chair Westlund	Meeting called to order at 3:10pm, introduces invited guests Lynn Read and Jim Edge for the Office of Medical Assistance Programs, DHS and opens the informational meeting.
<b><u>INFORMATIONAL MEETING</u></b>		
018	Lynn Read	Acting Administrator of Office of Medical Assistance Program with Jim Edge, Acting Assistant Administrator. <b>(EXHIBIT A)</b> Begins presentation talking about traditional Medicaid page 3.
105	Chair Westlund	Comments that if we had the general fund, we could push that higher than 200 percent.
111	Read	Agrees and continues.
118	Rep. Bates	Asks how do you disregard a third of someone's income.
120	Read	Responds to how you disregard a third of someone's income. Continues.
148	Rep. March	Asks if we have a waiver that releases us from caring for children under twenty one, what do we do, cut it off at eighteen.
150	Read	Responds to the waiver that makes us different than other states.
162	Rep. Dalto	Asks where are the nursing facilities for children under twenty

		one.
167	Read	Comments about that she will get back to us with that information.
170	Rep. Bates	Elaborates on his knowledge about these programs to clear up any misunderstanding.
182	Read	Continues presentation on page 6. . <b>(EXHIBIT A)</b>
191	Berkobien	Asks in the absence of the prioritized list, we would have to use medical necessity definition, what would that cover if we went back to that definition.
198	Read	Comments that if we look at page 8 it would give some explanation. . <b>(EXHIBIT A)</b>
215	Rep. Dalto	Asks if physicians have to accept Medicaid cards.
220	Read	Responds about physicians accept Medicaid cards. And turns the presentation over to Jim Edge.
247	Kruse	Makes comments about excluded drugs on the list.
264	Read	Agrees with Rep. Kruse's comments.
274	Edge	Begins his discussion on the Oregon Health Plan
343	Berkobien	Asks if any other states have a prioritized list like Oregon..
352	Edge	Not aware of any other states using a prioritized list.
361	Rep. Bates	Makes comments about the prioritized list and comments that the Federal government has blocked us using the list the way it should have been used and elaborates.
412	Read	Responds about the prioritized list.
<b>TAPE 23, A</b>		
011	Rep. Merkley	Asks what is the source of flexibility or lack of flexibility in the Federal Government when it comes to this.
021	Read	Comments about the flexibility.
037	Rep. Merkley	Asks why something like this would go to the White House.
039	Read	Responds why this type of issue would go to the White House.
066	Rep. Merkley	Asks if this essentially got caught up in the politics around single payer insurance and Hilary Clinton's group or is that what really drove the lack of flexibility.
072	Read	Expresses that she does not think that is correct and elaborates.
080	Chair Westlund	Comments that the operative word is reduce benefits and taking that money and matching that with Federal dollars and expanding eligibles, asks if that is a fair classification.
082	Read	Responds yes and no and explains.
095	Rep. Bates	Makes comments about the prioritized list and asks if the list have any value to define the value any more and should be keep using it or replace it with something else and elaborates.
113	Read	Does not have an answer for him on that subject. Continues presentation.
134	Rep. Bates	Makes comments about the figures and asks if we still rank high as far as expenditures per individuals and do you have any idea if the prioritized list has impacted that at all.
143	Read	Comments that we rank very low and continues presentation.
167	Chair Westlund	Asks how Colorado spends a \$1000 more than the US average when they are below the US average in Medicaid expenditures.
171	Read	Comment about the state of Colorado.
178	Chair Westlund	Asks how Oregon compares to Colorado in size.
180	Read	Responds to what she thinks the population of Colorado is.
190	Rep. Bates	Asked if this includes long term care facilities.
196	Read	Responds yes.
189	Bates	Comments that we really need to cut that out as Medicaid

		payments for long term care facilities are probably half the budget.
192	Read	Responds that the portion of their agency that handles long term care their general fund is about the same as OMAP's general fund.
195	Rep. Bates	Responds that the systems we use in Oregon is substantially different than any in the United States and that really squashes these numbers, asks can you cut the numbers out to have OMAP only.
198	Read	Will look into doing that.
203	Chair Westlund	Agrees and elaborates.
216	Rep. Merkley	Is guessing that there is a large immigrant population that is eligible, but does not sign up for the program, so that would drive it to a very low level per eligible, asks if that is a factor and can we get the numbers per participant.
220	Read	Answers question that it is per participant.
233	Chair Westlund	Asks for clarification from Rep. Merkley about what he means.
240	Rep. Anderson	Comments about the huge difference across the nation in terms of amounts spent, asks if it is that totally political or can we by waiver ask for more.
247	Read	Responds about having a waiver and asking for more.
265	Rep. Bates	Makes comments about statistics in Oregon that may be driving these figures and elaborates.
289	Chair Westlund	Makes comments about western medicine.
304	Chair Westlund	Offers a compliment of how helpful this is and thanks Lynn Read for her detail.
312	Edge	Makes comments Federal Governments and about the program and how it is working.
327	Berkobien	Asks in Oregon how do these numbers break out in other states.
339	Read	Responds that they will look for information on Oregon to see how they compare to other states.
356	Edge	Continues his presentation.
<b>TAPE 22, B</b>		
013	Rep. Merkley	Asks question about premium requirements.
015	Edge	Comments that we are talking about the expansion population.
018	Rep. Merkley	Asks what the monthly premium is for the expansion categories.
020	Edge	Suggests that the members look at page 50 of <b>(EXHIBIT A)</b> they have a list of those premiums.
025	Rep. Bates	Asks for the difference in OHP plus versus OHP standard benefit packages.
035	Edge	Comments about the OHP package differences.
065	Read	Makes additional comments about the differences in the packages.
068	Rep. Kruse	Makes comments.
082	Chair Westlund	Comments that whatever the committee comes up with could be extremely controversial also.
085	Rep. Bates	Comments on Rep. Kruse's comment from above.
091	Read	Comments about work being done currently and gave list of names of delegates that would like to come back and be a part of this process.
113	Edge	Comments that they are aware of the controversial issue of the co payments and elaborates.
135	Chair Westlund	Comments further about co-payments.
138	Rep. Bates	Comments that he is not criticizing the health service commission, they did what they were suppose to do and he asks if we can go further.

140	Rep. Kruse	Questions the comments about the health service commission and elaborates his opinion.
145	Chair Westlund	Comments that we will get the opportunity to write that shift.
152	Rep. Merkley	Asks question of Rep. Kruse about the cost shift in regard to co payments.
158	Rep. Kruse	Responds to Rep. Merkley about co payments.
163	Rep. Merkley	Asks questions about being kicked out of the plan for non-payment of co-payments.
173	Read	Responds to the question. Asks how Chair Westlund would like her to proceed.
180	Chair Westlund	Comments that he would just like her to continue though the presentation outline.
187	Read	Continues presentation.
216	Rep. Kruse	Asks if that is the Federal poverty level for TANF. (Temporary Assistance for Needy Families)
220	Read	Comments no, and elaborates.
224	Rep Kruse	Comments that we have had a surplus of TANF dollars to use to back fill into other things.
232	Rep. Tomei	Asks for definitions on the acronyms in the handout.
239	Rep. Merkley	Asks why there was a separate CHIP fund.
242	Read	Comments about the CHIP Fund and continues presentation.
280	Rep. Bates	Articulates his understanding of the program before.
284	Read	Answers and continues presentation.
346	Rep. Tomei	Asks why there are so many more males in the 29 age range in the chart we are looking at <b>(EXHIBIT A)</b>
350	Read	Answers questions on the charts in <b>(EXHIBIT A)</b> .
375	Chair Westlund	Comments that the typical American family is a single family with a woman and elaborates.
412	Monnes Anderson	Asks questions about Medicaid expenditures.
413	Read	Explains about Medicaid expenditures.
429	Rep. Bates	Asks about new eligible single couples, what does it costs the Oregon Health Plan to insure these 50 thousand people.
<b>TAPE 23 B</b>		
005	Read	Answers and continues presentation on page 28 of <b>(EXHIBIT A)</b>
014	Rep. March	Asks question about those that are at 0 percent.
018	Read	Comments about those at 0 percent.
024	Rep. Merkley	Asks why aren't the people from 0 – 10 percent under the category in the plus plan.
029	Read	Comments that they have an income that might qualify them they may not fall into the other categories and continues presentation.
037	Rep. Merkley	Comments that these are not single childless couples are they.
045	Read	Explains with more detail.
047	Chair Westlund	Elaborates his understanding.
050	Read	Comments that these adults and families their children have OHP plus.
053	Rep. Monnes Anderson	Asks what are some of the reasons some people do not want to be on SSI and ask if there are ombudsmen to assist with them.
073	Edge	Makes comments to about the question on SSI..
063	Read	Elaborates with more detail about the process.
097	Rep. Monnes Anderson	Asks if this is a systems problem getting them on SSI.
101	Read	Comments about SSI.
115	Rep. Bates	Makes comments about the time it takes after you get on SSI and then onto Medicare.

129	Read	Comments and continues presentation.
135	Chair Westlund	Asks what was the total amount of dollars we spend on this population.
140	Read	Does not have the answer.
149	Chair Westlund	Talks about percentage of eligibles on slide 29 on <b>(EXHIBIT A)</b>
164	Read	Answers and continues presentation.
177	Rep. March	Comments about the CHIP eligibles category.
180	Read	Answers about CHIP eligibles and suggest that we stop here and continue later.
185	Chair Westlund	Asks if she can you explain your understanding the Bush administrations proposed changes in Federal Medicaid and Health Care Policy.
190	Read	Comments that she has a staff member that could answer that question better than she, she will answer to the best of her knowledge.
225	Rep. Kruse	Makes comments about wanting to see this legislative package implemented and is it relevant to what we are doing now thinks we are needing a matrix of Medicaid money.
260	Read	Asks for clarification about what he is needing.
287	Rep. Kruse	Explains in more detail.
295	Rep. Bates	Will hold the rest of the questions until a later date.
	Chair Westlund	Closes the informational meeting and adjourns 4:55pm

## **EXHIBIT SUMMARY**

**A – Informational – OHP, Oregon Health Plan Overview, Lynn Read, 108 pp**