

HOUSE COMMITTEE ON
AUDIT & HUMAN SERVICES BUDGET REFORM

February 20, 2003 Hearing Room 50
3:00PM Tapes 34 - 35

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

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

GUEST MEMBERS: Rep. Gordon Anderson
 Rep. Laurie Monnes Anderson
 Rep. Mitch Greenlick

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

ISSUES HEARD: Invited Testimony by Barney Speight,
 Kaiser Permanente Health Plan
 “Stakeholder Group Report”

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 34, A 005	Chair Westlund	Calls meeting to order and introduces Barney Speight, Kaiser Permanente Health Plan and opens informational meeting.
<u>INFORMATIONAL MEETING</u> 015	Speight	Gives an overview of the stakeholder group and the handouts presented. (EXHIBIT A) and (EXHIBIT B) .
181	Chair Westlund	Made comments about what the group has been doing and will be doing within the current budget and opens for any questions about Speight's testimony.
231	Rep. Monnes Anderson	Has questions about number eight on the (EXHIBIT A) would like to know if this would also be a possible economic incentive for employers as well as physicians.
240	Speight	Responds to the question.
275	Rep. Bates	Elaborates in more detail to the question on this being an economic incentive for employers.
295	Rep. Monnes Anderson	Asks a follow up question and makes comments.
309	Speight	Give an explanation of the issue that was just raised.
317	Rep. Bates	Makes comments about how well this process is working and

		how quickly things are coming together. Comments that he is personally very impressed. Continues presentation.
362	Speight	
TAPE 35, A		
015	Westlund	Asks if everyone understands page 2 of (EXHIBIT A) .
024	Speight	Presents more detailed information on page 2 of (EXHIBIT A) .
050	Rep. Greenlick	Asks questions about Oregon optional populations, is that the maximum that can be added under Medicaid regulations.
056	Speight	Responds that those are the options that are currently in place, approved and in operation under the Oregon Health Plan.
058	Rep. Greenlick	Asks if drugs are not a required benefit, what is the current minimum covered for services currently.
069	Speight	Responds question on mandatory services.
085	Berkobien	Asks question about pharmacy benefits from the zero to twenty one range.
090	Speight	Responds to question about pharmacy benefits.
098	Rep. Bates	Comments that just because you are supposedly covering these historically the pay for covering these has been much less than the average cost, so what you need to keep in mind is that there is cost shift built into this even if you cover this group.
105	Speight	Continues presentation.
200	Rep. Monnes Anderson	Asks questions about the financial projections.
203	Speight	Responds about the projections.
211	Chair Westlund	Restates the answer to give it some clarity.
224	Rep. Kruse	Makes additional comments.
232	Chair Westlund	Elaborates.
236	Rep. Bates	Makes his comments about the issue to Rep. Monnes Anderson and the rest of the committee.
247	Rep. Kruse	Makes additional comments.
255	Rep. Greenlick	Would like more clarity between the State and Federal funds.
275	Speight	Responds to the question about State and Federal funds.
293	Rep. Greenlick	Different options produce more or less Federal funds.
305	Speight	Responds.
349	Rep. Kruse	Responds about matching Federal funds.
367	Rep. Greenlick	Comments with his feelings on the matter.
379	Rep. Kruse	States that their number one priority is to the most vulnerable.
393	Speight	Continues presentation.
TAPE 34, B		
047	Rep. March	Asks if they will have the mandatory service costs and then will run the same calculations.
060	Speight	Responds positively and elaborates.
067	Rep. March	Asks if we will also create some options that are the what if, for instance here is our minimum and this is what we have to cover and if we have more, this is where it will go.
077	Speight	Responds to the questions about options.
082	Chair Westlund	Makes additional comments to make the process more clear.
115	Rep. March	Responds and gives his points of clarification.
129	Rep. Monnes Anderson	Responds that she would love to still be creative and wonders if there are ways to decrease utilization and decreasing the cost of prescription drugs.
148	Speight	Responds that they are going to look hard at that issue and continues to look at a way to use these services more creatively. Stresses that the difficulty will be budgeting for that.

180	Rep. Westlund	Comments that we are doing quite a bit in Oregon, we do more with less than most.
189	Rep. Anderson	Relates a concern, and asks is there any thought toward fattening up the reimbursement in any way, maybe though eligibility, we need to look at keeping our providers.
204	Speight	Responds the concern and to provider reimbursement.
220	Rep. Anderson	We need to make sure we balance it out so that we make it livable for service providers.
238	Chair Westlund	Relates that he understands what is being said.
248	Speight	Concurs and elaborates.
247	Rep. Kruse	Comments that if we reduce that number it reduces the pot of money between mandated and any adds that we do, job one here is to save the system.
274	Rep. Greenlick	Has more questions about the figures in (EXHIBIT A) .
287	Berkobien	Asks Barney if he could reflect maybe under the OHP Medicaid with Mental Health, we don't get full Medicaid benefit for anyone except zero to twenty one and sixty four up. Asks if that changes any figures in that line.
293	Speight	Answers and makes additional comments.
301	Rep. Bates	Want clarification about the questions from Rep. Greenlick.
311	Speight	Comments and closes his discussion.
320	Chair Westlund	Comments that he would like to make Thursday the day for Facilitator reports. Closes informational meeting and adjourns 4:34pm

EXHIBIT SUMMARY

- A – Informational OHP, Stakeholder Group Packet, Barney Speight, 4 pp**
- B – Informational OHP, Proposed Draft, Barney Speight, 1 p**