

HOUSE COMMITTEE ON
AUDIT & HUMAN SERVICES BUDGET REFORM COMMITTEE

February 25, 2003 Hearing Room 50
3:00PM Tapes 38 - 39

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

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

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

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

ISSUES HEARD: **Informational Meeting - Invited Testimony Only**
 Jim Wathen, Chief Executive Officer, Southern Coos Hospital and Health
 Center, Bandon Oregon
 Karen Whitaker, Vice Provost, Oregon Health Sciences University, Office of
 Rural Health

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, 38 A		
005	Chair Westlund	Calls meeting to order and introduces Ken Rutledge, President of Oregon Association of Hospitals and Health Systems and Jim Wathen, Chief Executive Officer, Southern Coos Hospital & Health Center, Bandon Oregon and opens the informational meeting.
<u>INFORMATIONAL MEETING</u>		
011	Rutledge	Opens his presentation by introducing himself and submitting a correction to yesterday's testimony. (EXHIBIT A)
054	Chair Westlund	Asks if this includes the long term care figure.
056	Rutledge	Responds no and continues.
062	Rep. Kruse	Asks if that would include the Medicaid dollars going through Department of Education and everything.
066	Rutledge	Responds.
070	Rep. Kruse	Comments that there is so many different streams of Medicaid funding.
075	Rutledge	Continues presentation.
083	Rep. Kruse	Asks if this data collected from Hospitals.
085	Rutledge	Comments that it is based on a surveys done with hospitals.

092	Rep. Kruse	Elaborates about his concern with the numbers.
097	Rutledge	Presented materials that Rep. March requested yesterday. (EXHIBIT A)
129	Rep. March	Relays a thank you for the materials that he requested and makes comments that the data provided in the material proves its value.
139	Rutledge	Comments about the material provided.
151	Rep. Kruse	We know why Managed Care worked the way it did, but why did the bottom fall out.
158	Rutledge	Comments about why the bottom fell out of Managed Care.
183	Rep. Greenlick	Asks if it is safe to say the those involved in Managed Care were Managing dollars instead of Managing Care.
190	Rutledge	Comments about those Managing dollars instead of Managing Care.
212	Chair Westlund	Asks if there is any further questions for Ken Rutledge.
231	Jim Wathen	Introduces himself as Chief Executive Officer, for Southern Coos Hospital & Health Center from Bandon Oregon, and begins his presentation.
325	Chair Westlund	Asks if he is to infer that there is a more than one to one employee to patient ratio.
330	Wathen	Responds to the questions about more than one employee per patient.
345	Chair Westlund	How is that for full time equivalents. Asks then if his question is correct that they have more than one employee per patient.
370	Wathen	Responds yes, and continues presentation.
402	Rep. Kruse	Comments about the economic base of Coos County. Asks if the physicians are taking any new clients.
405	Wathen	Responds about physicians accepting new clients.
410	Rep. Kruse	Asks if he ends up treating all those patients.
412	Wathen	Responds that if they feel they have no where else to go, they will use the emergency rooms.
415	Chair Westlund	Asks if that is a reimbursement rate issue with those three physicians.
420	Wathen	Comments that for two out of three of those physicians yes it is an issue.
425	Chair Westlund	Asks if that third physician has the highest pay.
430	Wathen	Responds yes.
447	Berkobien	Asks if he has seen a change of numbers in seniors in his community.
457	Wathen	Comments about the percentage of seniors in the south coast.
TAPE, 39 A		
054	Rep. Greenlick	Asks how the emergency care system is in Coos County.
060	Wathen	Comments about the emergency care system in Coos County.
073	Rep. Greenlick	Asks if having the emergency room open helps to cut the costs rather than increase the costs.
083	Wathen	Responds to having the emergency room open.
116	Rep. Greenlick	Asks if no one shows up except true emergencies, have you ever thought of how the additional funds help maintain the emergency room services.
130	Wathen	Comments about funds in emergency rooms.
143	Rutledge	Elaborates about his understanding about funds in the emergency rooms.
156	Rep. Greenlick	Makes final comments about emergency rooms.
164	Chair Westlund	Asks if there is any other questions for Jim Wathen and calls Karen Whitaker to testify.

175	Whitaker	Introduces herself as Vice Provost, Oregon Health Science University, Office of Rural Health and gives an overview of her presentation materials. (EXHIBIT B)
275	Rep. Monnes Anderson	Asks if the injury prone are broken down by age.
281	Whitaker	Comments about the age of the injury prone, she will look into it and send the information later. Continues presentation.
334	Rep. March	Asks for clarification about the comments of being more productive.
336	Whitaker	Give clarification about those that are more productive.
338	Berkobien	Asks if they tend to lose people (physicians) to the urban areas.
346	Whitaker	Made comments about the loss of physicians.
TAPE, 38B		
010	Berkobien	Asks for a definition of critical access programs.
015	Whitaker	Gives a definition of critical access programs.
041	Rep. Kruse	Makes comments about the money to be given from the 5 special sessions.
046	Whitaker	Continues presentation.
130	Rep. Kruse	Comments about this issue in the 1997 issues. Asks how far away Hepner is from the closest hospital.
150	Whitaker	Responds that it is 60 miles to The Dalles hospital.
158	Berkobien	Comments that we have heard a lot about medical liability and it's impact on the system, asks if it is hitting rural Oregon.
160	Whitaker	Responds to the impact on rural Oregon.
176	Chair March	Asks if the rural hospitals closed, were they the only hospitals in their area, did they have competition.
180	Whitaker Chair. March	Responds on rural hospitals that have been closed. Meeting adjourned 4:23pm

EXHIBIT SUMMARY

A – Informational, prepared testimony, Ken Rutledge, 7 pp

B – Informational, Rural Health in Oregon, Karen Whitaker, 11 pp