

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

March 18, 2003 Hearing Room 50  
3:00 PM Tapes 61 - 62

**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. Carolyn Tomei  
                                  Rep. Gordon Anderson

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

**ISSUES HEARD:**         Informational Meeting  
                                  “Committee Discussion on OHP Recommendations”

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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, 61 A</b>		
001	Chair Westlund	Calls the meeting to order and opens the meeting for invited testimony and committee discussion.
<b><u>INVITED TESTIMONY</u></b>		
015	Berkobien	Makes an announcement that item number eight on cost containment was incorrect on <b>(EXHIBIT A) 3/17/03</b> . The Services Commission is looking at it, DHS isn't currently calculating that item. Also gives recognitions to Lynn Read and her staff for the information on the cost containment report that helped with the final report from the Stakeholders group.
038	Chair Westlund	Comments that he has a meeting and has to leave at 4:45 pm. Introduces Lynn Read Director of OMAP to help facilitated this committee discussion.
050	Lynn Read	Begins presentation to start the discussion.
111	Chair Westlund	Asks for a name of the provider discussed.
113	Rep. Kruse	Commented that Rocky King may have that information.
118	Read	Stated that that is where she got her information and her staff are researching the provider discussed to get further information.
144	Rep. March	Asks if that is diagnosis for diagnosis.
146	Read	Responds that it is for hospital stays and continues.
151	Rep. Greenlick	Asks if Lynn if she has that in days per thousand.

153	Read	Answers yes, and gives the information on the days per thousand
165	Chair Westlund	Asks for those figures again.
166	Read	Reads all the figures again.
170	Chair Westlund	Comments that you look at this in terms of cost containment this better leave fee for service out of Mental Health.
192	Rep. Greenlick	Comments that it was more expensive per person for fee for services, because each visit was 8 times more expensive.
200	Read	Responds and continues presentation.
244	Rep. Bates	Asks why this would not be capitated.
247	Read	Responds and continues.
251	Chair Westlund	Thinks this is an area we need to look at, asks if transport from the hospital after the stay is over considered an emergency.
261	Read	Responds no, unless someone would be going to a nursing facility under Medicare.
069	Chair Westlund	Relates his experience with an IPA, one is capitated on a fee for services basis and one is catch as catch can, and always debating rates.
296	Rep. Bates	The problem is there with this program and there has been stories about real abuse, but because it is paid for some people take advantage of it. Why don't we ask for a waiver from the Federal Government stating we are trying to get as much health care as possible and how much money do we spend each year on this service.
316	Read	State that yes, it is a significant amount and elaborates.
327	Rep. Bates	Comments that this is something we should look at, we are trying to buy back items for this group and this may be a place to look at seriously.
340	Read	It is a mandatory service for the OHP plus population, but that does not say it is not impossible to get a waiver in this area.
352	Rep. Greenlick	Says we should be careful with this, so we don't have this use of rides taken away completely.
363	Read	Continues and talks about 3 <sup>rd</sup> party administrators.
<b>TAPE, 62 A</b>		
025	Berkobien	Asks what that 5 percent equates to roughly in dollars.
029	Read	Responds with percentage savings information.
044	Rep. Merkley	Asks if you pay for diabetic strips for OHP Plus patients.
048	Read	Responds yes.
051	Rep. Merkley	Shares a story from having breakfast with a continuant this morning.
083	Rep. Kruse	Comments about a contract with McKesson and would like some information.
088	Read	Responds yes, that information would be available and she will get that to us. Continues presentation.
121	Rep. March	One of the problems noted was lack of social security numbers, is that correct.
125	Read	Responds about social security numbers and continues presentation.
130	Rep. Tomei	How many applications per day does your department receive.
135	Read	Responds that it is several thousand, but she did not bring that information with her.
145	Chair Westlund	Comment that the day they were there on their field trip it was 3300.
155	Read	Continues presentation.

217	Rep. March	You mention that the sight review are done annual, what are the results of those reviews.
225	Read	Comments about reviews and what comes out of that process.
235	Rep. March	Comments that it would be nice to have the person in charge of
255	Chair Westlund	How many FTE and what percent of OMAP budget and how many dollars that that represents, how much is that dedicated to the fee for service population.
265	Read	Will get that information to the committee by Thursday March 20, 2003. Asks for some more details about the request.
282	Chair Westlund	Asks for information about how many savings can we get out of the departments if managed care takes over.
292	Rep. Greenlick	Asks Chair Westlund if he means how many FTE will go away.
300	Chair Westlund	Yes, but he wants it broken down and wants to know what those categories are.
330	Read	Ask if he wants information about administrative fees also.
337	Chair Westlund	Responds no, he does not want that.
345	Rep. March	Lets talk about FTE savings.
350	Read	Are you assuming the plan will pay for retroactive claims.
370	Chair Westlund	That hits the nail on the head, but we need that information to look at, asks if the plans take over that 90 day period of eligibility.
375	Read	Responds to the 90 day period of eligibility.
378	Chair Westlund	When an application comes in, and it is determined that that person can go into a managed care organization, there is no 90 day prior head for that person.
	Read	Makes a comment about what happens when the application comes in.
<b>TAPE, 61 B</b>		
001	Read	Makes comments on the scenario presented.
005	Chair Westlund	Makes additional comments for clarification
015	Rep. Tomei	Comments that even though that it is fee for service, you do not want to add this to the figures.
017	Read	Responds to the comments.
019	Rep. Greenlick	Comments that most plans will pay those if they get paid back.
021	Read	If all you are looking at is the processing, you can process them.
024	Rep. Bates	Wants to clear up some mis-conceptions on this conversation. When someone comes in, asks if you are somehow separating these two groups.
036	Read	Responds and continues.
070	Rep. Bates	The real people potentially that will have difficulty with this 90 day period change, will be hospitals, and elaborates.
091	Read	Responds yes, and continues.
110	Chair Westlund	Asks what can we do as a legislature help you as a department function better, perform more efficiently.
118	Rep. Greenlick	Comments that maybe the agency can function very efficiently, but congress is getting in the way.
121	Read	Makes additional comments.
130	Chair Westlund	If you can get us some bullet points on that prioritized that would be great.
150	Rep. Greenlick	That was a good issue she raised and would like some follow up on that.
160	Read	Responds that some of that is issues from that Federal Government and elaborates.
170	Rep. March	We did not suggest that they go through one door, but we do not

175	Read	want to go the other way either. Responds that there are a lot of advantages of what is being looked at as far as the needs of individuals.
178	Chair Westlund	Appreciates Rep. Greenlick's comments.
187	Rep. Bates	Is it allowable by Federal law for the plans to do eligibility themselves.
196	Read	Will look into that.
198	Chair Westlund	Asks Jeff Heatherington in the audience if he knew the answer.
204	Jeff Heatherington	Responds.
208	Chair Westlund	Comments that they appreciate all that Lynn and staff are doing over there.
212	Rep. March	Asks if there are any questions we should be asking of them.
226	Read	She will get back to us on that.
230	Chair Westlund	We have a daunting task ahead of us, lets talk to each other.
236	Rep. Bates	Asks about the report to be given to the sub committee on ways and means.
245	Chair Westlund	Comments on the form of the report. Calls meeting to a close and adjourns 4:35pm

**EXHIBIT SUMMARY**

**A – NONE**