

HOUSE COMMITTEE ON
AUDIT & HUMAN SERVICES BUDGET REFORM

May 1, 2003 Hearing Room 50
3:15 PM Tapes 105 - 106

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

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

GUEST MEMBERS: **Rep. Mitch Greenlick**

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

ISSUES HEARD: **Informational Meeting – HB 3624**
 Invited Testimony
 Barney Speight, Kaiser Permanente
 Discussion on possible changes to HB 3624
 Scott Gallant, Oregon Medical Association
 Medical liability in the medical practice environment
 Kevin Earls, Oregon Association of Hospitals and Health Systems
 OHP reimbursement policies, the cost to other purchasers

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 105, A		
003	Chair Westlund	Calls the meeting to order and opens the informational meeting on HB 3624.
<u>INVITED TESTIMONY</u>		
040	Barney Speight	Kaiser Permanente, his purpose today is to discuss the possible changes to the HB 3624. Begins testimony with section one of the bill.
116	Chair Westlund	Asks if he would please talk about the conflicting statutory requirements that we will reimburse at full costs, at a reasonable cost.
121	Speight	Would like to defer that until he gets to section eight. Continues with section two.
395	Rep. Greenlick	Comments that one of the difficulties in continuing to fund health care has been changes in proportionality one segment growing faster than another segment. The proportionality seems to reward that.
TAPE 106, A		
007	Speight	Comments that this is something that we are looking deeply into and elaborates.
021	Rep. Greenlick	As he was talking, he was thinking about the QEM and one of the original portions of the Oregon Health Plan (OHP), it seems to me that that does not do that anymore and elaborates.

044	Speight	Would concur that it does move it into many different directions, and elaborates.
078	Chair Westlund	Would site what I think is a significant difference between the QEM model and what we are discussing, that the yard stick, the measurement of how you gauge how well you are funding are outside objective measurements they are not self generated from within a group of advocates and elaborates.
087	Rep. Greenlick	Asks which one was the independent outside.
091	Chair Westlund	Responds that it is Medicare, that is what the rates would be based on.
093	Rep. Greenlick	Asks if it is the Medicare rates per services rendered.
095	Chair Westlund	Respond yes, RVU, DRG, etc.
097	Rep. Greenlick	Comments that the utilization pattern is not independent.
098	Speight	Adds to the conversation above.
113	Rep. March	One of the dangers in this yard stick is that we are getting to the point of this being on someone else's turf and I don't want to lock them into a yard stick.
123	Speight	Responds to the questions on the dangers of this yard stick, and continues with section fourteen.
173	Rep. Greenlick	Would like to discussion section ten and asks if it would that prohibit hospitals from servicing those clients.
186	Speight	Would like not to go into section ten right now, but he knows all hospitals are required under law to treat emergency patients.
197	Rep. Greenlick	Makes comments regarding transplants services, that it may be more difficult.
199	Chair Westlund	Comments that part of that gets into the primary care position and elaborates.
210	Scott Gallant	Oregon Medical Association, presents testimony (EXHIBIT A & B) and begins presentation.
299	Rep. Greenlick	Asks question on page three's chart.
313	Gallant	Gives an explanation of his charts.
TAPE 105, B		
055	Rep. Greenlick	Comments that he has talked with some Lawyers who talk about their own liability coverage and their community rating among lawyers their malpractice coverage and wondering why physicians insist on an experience rating, rating by class rather than by community rating among all physicians, could you touch on that a little bit.
063	Gallant	Comments that the Attorney professional liability fund has a limit that we would love to have and elaborates.
081	Rep. Greenlick	Asks is there any possibility of pooling those rates.
087	Gallant	Responds to the question on pooling rates.
090	Rep. Greenlick	Comments that the assumption is that you can't practice is you don't have backup and elaborates.
097	Gallant	Comments that in order to do the PLF model which is based on all attorneys would be paying the same rate regardless of their type of practice and elaborates. Comments on what the other fundamental issue is which is you are expending greater amounts of money than you are getting from the physicians.
153	Rep. Greenlick	Makes additional comments about the issue they are discussing.
165	Gallant	Continues presentation on page seven of (EXHIBIT B).
197	Rep. Greenlick	Asks a question on page seven about he percentages.
200	Gallant	Gives an explanation of the percentages in questions.
214	Rep. Greenlick	Doesn't this chart say that only forty percent accepted it in 2002, but eighty percent accepted it in 2003.

219	Gallant	Gives details of this chart and what it's purpose is.
244	Rep. Kruse	Comments that this looks like the same time frame it would take to get into his doctor.
248	Gallant	Comments that it is very difficult and states what his point is.
255	Rep. March	Questions the one and five physicians that do not current accept Oregon Health Plan on page seven, are they the same physicians that do not accept workers' compensation because of the paperwork.
268	Gallant	Gives an explanation of those that do not accept this and why.
394	Rep. March	Asks what is percentage of the doctors that don't take OHP and also don't take Workers' Compensation.
399	Gallant	Comments that he does not have that information and continues presentation.
350	Rep. Greenlick	Asks what he makes of the quote on the last page.
355	Gallant	Comments that it is not as much fun and that is where it comes from. Most physicians will tell you that they enjoy their patients and they hate the environment that they are in.
435	Chair Westlund	Calls meeting to a close and adjourns 5:06 pm.

EXHIBIT SUMMARY

- A – Informational, prepared testimony, Scott Gallant, 19 pp**
B – Informational, prepared testimony, Scott Gallant, 20 pp