

HOUSE COMMITTEE ON HEALTH AND HUMAN SERVICES

January 22, 2003 Hearing Room D
8:30 A.M. Tapes 5 – 8

MEMBERS PRESENT: **Rep. Jeff Kruse, Chair**
 Rep. Billy Dalto, Vice-Chair
 Rep. Carolyn Tomei, Vice-Chair
 Rep. Laurie Monnes Anderson
 Rep. Gordon Anderson
 Rep. Jeff Barker
 Rep. Ben Westlund

STAFF PRESENT: **Sandy Thiele-Cirka, Administrator**
 Mara McGraw, Assistant

ISSUES HEARD: **Informational Meeting**

- **Continuation of DHS Overview**
- **HB 5100 Reduction Implementation**

Public Comment

- **HB 5100 and DHS Budget Reductions**

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 5, A		
005	Chair Kruse	Chair calls meeting to order at 8:32 A.M. and opens informational meeting.
<u>INFORMATIONAL MEETING</u>		
006	Chair Kruse	Reports no meeting scheduled for January 24, 2003. Notes revised matrix submitted by Department of Human Services (DHS) (EXHIBIT A) .
023	Barry Kast	Assistant Director for Health Services, DHS. Discusses results of reductions in Oregon Medical Assistance Programs (OMAP) and Health Services, DHS. Highlights relationships between significant reductions (EXHIBIT A) .
048	Chair Kruse	Refers to loss of federal revenue (EXHIBIT A) .
052	Lynn Read	Acting Administrator, OMAP, DHS. Offers clarification of difference between federal and General Fund and potential savings.
059	Kast	References Jean Thorne's 1/20/03 testimony. Offers brief history on reductions (EXHIBIT A) . Explains connections reductions have to first response and emergency services. Continues discussion on: <ul style="list-style-type: none">• methadone clinic closures;• elimination of medically needy program;• elimination of mental health drugs for OHP standard program;• children's mental health;• school districts providing services via other funds;• closure of school based health center;• alternative revenue sources; and

- Statistics on access to services.

153	Chair Kruse	Refers to certification issue discussed at 1/20/03 meeting.
155	Kast	Continues presentation. Notes reduction in access to safety net programs. Discusses postponements in opening services until next biennium.
184	Read	Explains reductions related to OMAP (EXHIBIT A), voluntary co-pay regulations for clients and access issues.
216	Rep. Monnes Anderson	Inquires about tracking for data reported.
221	Read	Responds and elaborates on payment structure.
230	Rep. Dalto	Requests clarification on statistics.
233	Read	Responds DHS has only anecdotal information. Refers to elimination of service levels on OHP priority list and the federal restrictions regarding changes to priority levels.
251	Kast	Continues review of (EXHIBIT A).
331	Rep. Tomei	Requests clarification on state funds cut from the Office of Consumer Technical Assistance.
333	Kast	Clarifies state funding as it relates to program closure.
335	Rep. Dalto	Questions services offered by the Office of Consumer Technical Assistance.
338	Kast	Explains and identifies supports services and explains Office of Consumer Technical Assistance. Continues presentation (EXHIBIT A).
389	Rep. Monnes Anderson	Inquires on county funds and discretion in providing services regarding acute care versus extended care.
399	Kast	Responds and explains types of financing and relationship to providing services. Continues presentation (EXHIBIT A).
480	Rep. Dalto	Requests information regarding patient options.
486	Kast	Defers to testimony later in meeting on day treatment centers. Offers information on service alternatives.
500	Rep. Anderson	Requests differentiation regarding reductions.
503	Kast	Explains day treatment and free standing education programs as they differ from residential treatment programs.
516	Rep. Anderson	Clarifies cost per patient.
TAPE 6, A		
050	Kast	Explains difference in cost related to patient slots matched or unmatched by Medicaid.
055	Rep. Anderson	Clarifies time period.
057	Rep. Dalto	Readdresses impact of cuts on patients who lack service alternatives.
059	Kast	Reports school obligation to provide services and cuts as a cost shift to education. Details cooperation between education and DHS. Describes written format to mitigate reductions. Refers to litigation and explains postponement of reduction implementation until negotiations are concluded. Explains items 22-24 (EXHIBIT A).
116	Chair Kruse	Remarks on legislative decision to define administrative parity.

118	Rep. Barker	Inquires on elimination of all emergency mental health services.
121	Kast	Concurs emergency mental health programs eliminated. Explains clients must now access services via 911 or hospital emergency rooms.
130	Rep. Dalto	Requests information specific to Salem regarding the closure of emergency mental health service.
132	Kast	Discusses Salem services and alternative sources of revenue for emergency services. Continues review of (EXHIBIT A) .
187	Read	Elaborates on the medically needy program. Explains Oregon Health Plan 2 (OHP2). Continues review of (EXHIBIT A) .
248	Rep. Westlund	Inquires on number of people included as a result of the prenatal care expansion.
249	Read	Reports expansion. Discusses relationship of cuts to new OHP standard program and assistance with Medicare part B premiums. Elaborates on prescription drug coverage offered via medically needy program not offered via Medicare.
295	Rep. Dalto	Questions alternatives for clients who don't qualify for medically needy program.
298	Read	Explains privately funded alternatives and Medicare options.
351	Kast	Expands on available services for prescription drug support.
363	Read	Adds information regarding additional funds for antipsychotic prescriptions. References potential extension of pharmacy mail order program. Continues review (EXHIBIT A) .
414	Chair Kruse	Questions federal connection to safety-net clinics.
415	Read	Clarifies combination of federal and other safety-net clinics.
424	Rep. Dalto	Requests overview of safety-net system.
428	Chair Kruse	Invites committee members to sit with audit committee for more information.
444	Read	Explains OMAP start up programs and reductions referenced in items 2-5 (EXHIBIT A) . Notes percentage of OHP chemical dependency budget expended on populations listed in items 2-5 (EXHIBIT A) . Continues presentation

TAPE 5, B

060	Chair Kruse	Requests clarification regarding relationship to previous reductions.
062	Read	Defines relationship regarding inpatient and outpatient reimbursement reductions in both areas.
071	Rep. Westlund	Requests clarification on item 5 (EXHIBIT A) .
078	Read	Clarifies statistics for alcohol and drug treatment costs. Continues review (EXHIBIT A) .
105	Chair Kruse	Notes committee will discuss last page at later date (EXHIBIT A) . Inquires on item 12 (EXHIBIT A) as it relates to legislation or rule.
111	Read	Explains implementation under existing statutory authority and rule.
113	Chair Kruse	Closes informational meeting and open public hearing.

PUBLIC HEARING – HB 5100 Reductions

136	Rep. Tom Butler	House District 60. Introduces self and constituents testifying. Reviews constituent concerns.
172	Cathleen Sullivan	Administrator, Presbyterian Community Care Center and Vice-President of Nursing Services for Oregon Alliance of Senior and Health Services (EXHIBIT B). Discusses proposed rate cuts on facilities in Eastern Oregon. Describes Medicaid funding of rural facilities, the current private pay system and the revenue shortfall due to Medicaid reduction.
253	Rep. Dalto	Clarifies the cost shifting of private pay to Medicaid patients.
258	Sullivan	Concurs.
262	Rep. Monnes Anderson	Asks for statistics on overall budget and residents served.
263	Sullivan	Provides budget and resident data.
268	Rep. Westlund	Requests information on Medicare reduction and translation into dollars per day.
271	Sullivan	Explains losses per month.
278	Rep. Westlund	Requests clarification on numbers.
279	Sullivan	Reports average number of Medicare patients.
284	Rep. Anderson	Inquires on cost to private patients in facility.
286	Sullivan	Provides cost figures. Explains average monthly cost as lower than others in state.
297	Ruth Gulyas	Executive Director of Alliance of Senior and Health Services. Reiterates and underscores cuts to senior programs. Submits patient's personal stories.
330	Les Busch	Assistant Professor at Oregon Health and Sciences University (OHSU) Children's Psychiatric Day Treatment Center. Preferences testimony with relationship to item 18 (EXHIBIT A). Discusses day care, day treatment, patient population and administrative rules.
359	Chair Kruse	Inquires as to acute risks population poses to self or others.
261	Busch	Describes current services and population. Explains result of cuts and impact on program and patients. Explains relationship of cuts to Medicaid eligible patients.
412	Stan Gilbert	Executive Director of Klamath Youth Development Center and Executive Administrator of DARTS program. Details (EXHIBIT C): <ul style="list-style-type: none"> • map of programs distributed throughout state; • graph detailing psychiatric day treatment programs and connection to system of care; • population of community and non-community programs; • alternatives and lack of services for patients; • shifts to more costly programs; • severity of need for patients requires treatment; • non-mental health handicapping conditions that require services; and • post treatment outcomes. Points out facility is test site for new national assessment tool. Defines positive outcomes resulting from services provided.

056	Rep. Monnes Anderson	Comments on graph regarding dual diagnosis and fetal alcohol and drug effected children (EXHIBIT C) .
067	Rep. Anderson	Requests data on recidivism rates.
070	Gilbert	Defines recidivism rates
080	Rep. Dalto	Inquires on gender disparity.
085	Gilbert	Describes system wide issue regarding disparity.
102	George Longden	Executive Director of Family Friends. Describes program and budget reductions. Relates relationship of staff lay offs to future challenges in recruiting quality staff.
162	Gilbert	Reiterates importance of programs in rural area to maintain community and family involvement.
181	Linda Ellis	SSDI recipient. Details personal income and reviews prescription costs and loss of benefits. Describes medical conditions and prescriptions.
250	Rep. Dalto	Comments on lack of DHS presence for personal testimony.
256	Ellis	Elaborates on experience with case management and visits to Capitol. Details understanding that disability payments and notes concern over prescription subsidies for multiple medications.
363	Don Keister	Director of Providence Elder Place (PEP). Describes program, eligibility and impact of cuts (EXHIBIT D) .

TAPE 7, A

027	Keister	Reads personal stories of PEP patients (EXHIBIT D) .
153	Cheri Folk	Goodwill Industries. Discusses proposed cuts to people with disabilities. Refers to vocational services and loss of support. Discusses challenges in finding work and the desire and motivation to work. Details respite services for client families. Relates personal stories of clients.
245	Tim Krall	Director of Oregon Rehabilitation Association (ORA). Describes program. Relates ORA to item 1 (EXHIBIT A) . Introduces clients (EXHIBIT E) .
264	Debbie Wood	Client of ORA. Asks committee to save job.
270	Terry Hughes	Client of ORA. Describes job.
343	Jeremy Gunn	Recipient of medically needy program. Describes condition and medications related to HIV positive status and impact of cuts in prescription costs (EXHIBIT F) . Continues presentation of impact of elimination of services.
491	Rep. Dalto	Requests clarification from chair on medically needy program and relationship to Measure 28.
500	Rep. Monnes Anderson	Concurs medically needy program is attached to Measure 28.

TAPE 8, A

045	Steve Austin	Executive Director of Marion Estates, Oregon Health Care Association. Discusses impact of reductions on nursing homes which are dependent on Medicaid funding. Continues discussion on nursing home closures, staffing reductions and service reductions. Describes cuts in assisted living facility and adult foster homes.
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162	Rep. Barker	Addresses rural/urban relationship regarding cuts Refers to spend down that seniors use to access services.
182	Austin	Remarks on family resources.
190	Karen Gillette	Chair of Coalition of Local Health Officials (CLHO). Presents concern over prenatal activities and 5100 cuts. References 2001 session, Sept 11 events, and relationship to funding gaps in public health improvement programs. Describes services not financed by the bioterrorism funds.
252	Chair Kruse	Questions small pox immunizations.
254	Gillette	Explains identification process in vaccination testing and implementation.
263	Rob Rockstroh	Lane County Community Services. Reviews (EXHIBIT G) . Details the Marion County Methadone study on clients similar to the Lane County study. Suggests a revisit of Oregon Health Plan (OHP) and stabilizing alcohol and drug treatment programs.

TAPE 7, B

022	Mary Lou Ritter	Director of Washington County Aging and Veteran's Services and Chair of Oregon Association of Area Agencies on Aging and Disability (O4AD) legislative committee. Submits written testimony (EXHIBIT H) . Reviews the following: <ul style="list-style-type: none"> • professional experience in aging services; • infrastructure for aging and disability services, long term care and insurance; • Medicaid as the long term care system; • prescription coverage; • Oregon joint resolution related to prescription drug issue; • foster care and assisted living facilities; • cuts from geriatric mental health; and • Oregon Project Independence (OPI) program, clients, and subsidies. Discusses: <ul style="list-style-type: none"> • client stories (EXHIBIT I-pink); • levels summary (EXHIBIT I-blue); and • profiles/case studies of levels (EXHIBIT I-yellow). Refers to overall cuts to OPI and closures of rural programs.
150		
223	Karen Stevens	Psychiatric Crisis Center. Describes program, services and client population. Points out the positive impact of program on other acute care programs.
267	Scott Ricker	Clinical Supervisor for Aces Counseling Center. Describes population served and impact of cuts. Describes program and scope of services related to outpatient alcohol and drug programs. Details the patient discharge and relationship to crime Lane County drug court, population served and related reductions.

TAPE 8, B

001	Ricker	Continues presentation on Lane County reductions, staff reductions and program closures. Summarizes presentation.
074	Paul Potter	Regional Director for Addictions Treatment Services at Cascadia Behavioral Health Care. Presents information relating to HB 5100

		reductions that will eliminate programs, the impact on outpatient services and the delay of services. Continues overview with explanation of service integration.
215	Elizabeth Byers	Project Equality and Mental Health Association of Oregon. Provides personal testimony. Describes programs and offers several revenue options..
275	Chair Kruse	Closing remarks. Closes public hearing and adjourns the meeting at 11:55 A.M.

EXHIBIT SUMMARY

A – DHS Budget Reduction Actions, B. Kast, 12 pp.

B –Overview, C. Sullivan, 1 p.

C – OATC Testimony, S. Gilbert, 23 pp.

D – Written testimony, D. Kiestler, 3 pp.

E – Photos, T. Krall, 4 pp.

F – Written testimony, J. Gunn, 1 p.

G – Pamphlet, R. Rockstroh, 4 pp.

H – Reductions Summary, M. Ritter, 1 p.

I - Written testimony, M. Ritter, 10 pp.