

HOUSE COMMITTEE ON HEALTH AND HUMAN SERVICES

April 07, 2003 Hearing Room D
8:30 A.M. Tapes 77 – 79

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

MEMBER EXCUSED: Rep. Laurie Monnes Anderson

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

MEASURES HEARD: HB 2943 – Public Hearing
HB 2964 – Public Hearing
HB 2970 – Public Hearing
HB 3508 – Public Hearing
HB 3122 – Public Hearing
HB 3285 – Public Hearing
HB 3394 – Public Hearing
HB 3411 – Public Hearing

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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
TAPE 77, A		
004	Chair Kruse	Calls meeting to order at 8:39 A.M. and opens public hearing on HB 2943.
<u>HB 2943 – PUBLIC HEARING</u>		
009	Chair Kruse	Introduces bill.
019	Sandy Thiele-Cirka	Administrator. Summarizes bill. Submits executive summary of similar program (EXHIBIT A).
025	Duane Meissner	Constituent. Submits written testimony in support of bill (EXHIBIT B). Suggests amendment language to include psychotropic drugs for mentally illnesses. Relates personal experience with prescription drugs pricing.
103	Rep. Betsy Johnson	House District 31. Testifies in support of HB 2943. Supports addition of 25 most commonly used psychotropic drugs.
116	Rep. Alan Bates	House District 5. Testifies in support of HB 2943. Presents history of bill. Reviews pricing policy. Suggests website to offer competitive price information.
146	Chair Kruse	Inquires on amendment strategies.
150	Rep. Bates	Proposes amendment language.
156	Chair Kruse	Closes public hearing on HB 2943 and opens public hearing on HB 2964.
<u>HB 2964 – PUBLIC HEARING</u>		
162	Rep. Bates	Discusses impediment to low income dental practices. Presents history of bill and summarizes specific aspects of dental practice ownership.

203	Chair Kruse	Inquires on percent ownership for medical practices.
206	Rep. Bates	Reports no ceiling on ownership.
208	Chair Kruse	Inquires on quality of care.
210	Rep. Bates	Notes high quality of care. Comments on military model of ownership policies.
219	Rep. Tomei	Questions Kaiser dental practices.
222	Rep. Bates	Reports methods of practice for Kaiser dentists.
237	Chair Kruse	Closes public hearing on HB 2964 and opens public hearing on HB 2943.

HB 2943 – PUBLIC HEARING

249	Jim Gardner	Pharmaceutical Research Manufacturers of America (PhRMA). Submits internet information on pricing (EXHIBIT C). Relates intent of bill. Speaks to PhRMA’s efforts to increase access to patient assistance programs. Comments on price competition for generic drugs.
319	Rep. Tomei	Questions increased access for patient assistance programs.
320	Gardner	Explains tools used to increase access.
331	Rep. Anderson	Questions drug distribution through physician offices.
339	Gardner	Explains policy.
352	Tom Holt	Representing Oregon State Pharmacists Association. Testifies in opposition to bill. Explains pharmacy perspective on pricing and profit margins. Conveys cost is determined by supply, retailers and manufacturers. Notes price shopping impacts patient-pharmacists relationship and quality of care for uninsured patients. Offers amendment language.
439	Chair Kruse	Questions price variations between wholesale companies.
457	Holt	Responds that Costco attempts to drive business with loss leaders and their use of wholesale purchasing power.
471	Chair Kruse	Comments on price variations.
TAPE 78, A		
014	Rep. Anderson	Questions large operations trade techniques.
022	Holt	Relates differences between small and large pharmacy operations.
031	Rep. Anderson	Questions effectiveness of purchasing pools.
041	Holt	Comments on impact of pool purchasing on pharmacies.
051	Rep. Westlund	Questions current buying consortiums by independent pharmacies.
056	Holt	Reports data on buying groups. Notes class of trade determines wholesale cost.
067	Rep. Barker	Inquires on pricing restrictions outside of Veterans Administration and Indian Health.
074	Holt	Explains policy on trade classes and subsequent pricing structure. Explains buying group membership.
084	Rep. Dalto	Inquires on wholesale companies.
085	Holt	Lists wholesale companies in Oregon.
091	Chair Kruse	States intent regarding bill. Comments on status on bill. Chair closes public hearing on HB 2943 and opens public hearing on HB 2970.

HB 2970 – PUBLIC HEARING

119	Thiele-Cirka	Summarizes bill.
132	Joy Soares	Safety Net Access Developer, CareOregon. Submits booklet on primary care services (EXHIBIT D). Offers history of safety net clinics, programs and policies. Speaks to clinic capacity and impact of budget reductions.

177	Paul Logan	Executive Director, North West Human Services, Salem. Speaks to challenges in staffing safety-net clinics. Note impact of budget reductions and failure of Measure 28. States many costs are not reimbursed.
248	Tina Kotek	Children First for Oregon. Submits written testimony in support of bill (EXHIBIT E). Relates services provided by and impact of school-based health centers. Comments on need for core funding for school-based health centers.
299	Rep. Anderson	Inquires on local school-based health center in Illinois Valley.
304	Kotek	Identifies clinic.
312	Vice-Chair Dalto	Closes public hearing on HB 2970 and opens public hearing on HB 2964.

HB 2964 – PUBLIC HEARING

317	Thiele-Cirka	Summarizes bill and -1 amendment dated 4/3/03 (EXHIBIT F).
337	Steven Duffin	Dentist and President, Capitol Dental Care. Testifies in support of bill. Notes bill makes dentistry ownership consistent with other medical professions. Comments on quality of care.
367	Mike Shirtcliff	Dentist and President/CEO of Northwest Dental Service and Advantage Dental. Testifies in support of bill. Presents history on bill and dentistry ownership. Comments on rural dentistry.
450	Shirtcliff	Continues presentation on bill. Speaks to Attorney General opinion regarding minority ownership.

TAPE 77, B

033	Rep. Tomei	Questions the tax break for dentistry ownership.
035	Shirtcliff	Speaks to corporate classes and subsequent tax structures for each class.
038	Rep. Tomei	Questions the infused capital.
047	Shirtcliff	Comments on current tax laws.
058	Rep. Tomei	Requests elaboration on incorporation.
060	Shirtcliff	Explains minority ownership by non-dentist.
064	Barney Speight	Government Relations, Kaiser Permanente. Testifies in support of bill. Presents history on bill. Discusses ownership and management of dentistry practices. Speaks to lack of consensus on bill.
137	Rep. Tomei	Clarifies dental school and North West Medical Team compliance with law.
140	Speight	Explains educational aspects of programs which exempt them from law. Notes community health clinics operating dental clinics would not be in compliance with Attorney General's decision. Notes bill will clarify assets and ownership.
162	Rep. Tomei	Questions the impact of amendments regarding compliance.
164	Speight	Responds and identifies issues relating to minority ownership of dental practices by non-dentists.
181	Rep. Anderson	Inquires on possible Board of Dentistry rule changes.
186	Shirtcliff	Discusses ability of board to enact rules related to ownership.
199	Speight	Speaks to Attorney General opinion as it relates to Board of Dentistry ability to enact rules on minority ownership.
208	Rep. Anderson	Requests additional clarification relating to the Board of Dentistry.
212	Speight	Notes previous board flexibility and current Attorney General decision.
226	Rep. Anderson	Inquires on positional difference between Kaiser and North West Medical Teams.
232	Speight	Speaks to model in which assets, management and employment

257	Rep. Barker	of non-dentists in dental practice is managed by outside agent. Notes previous Oregon Dental Association (ODA) support. Inquires on reason for change in support.
265	Duffin	Defers to ODA.
276	Jay Wylan	Peritonitis and Chairman, Government Relations Council, Oregon Dental Association (ODA). Testifies in opposition to specific section of bill. Submits written testimony on behalf of Joset Lubisich (EXHIBIT G). Speaks to impact of corporate ownership.
390	Rep. Westlund	Questions the managed care component.
410	Wylan	Speaks to quality of care.
419	Rep. Westlund	Comments on percent of Oregon Health Plan (OHP) patients seen by dentists.
430	Rep. Anderson	Inquires on differences between dentistry and medical practices.
449	Wylan	Concurs that small practices are more susceptible to influence. Comments on funding issues.
TAPE 78, B		
005	Jane Myers	Oregon Dental Association (ODA). Testifies in opposition to bill (EXHIBIT H). Addresses ODA change in support for bill. Notes ODA supports bill without clause regarding non-dentist ownership. Explains concerns over non-dentist ownership. Relates national examples of impact on practices owned by non-dentists. Explains claims collections and contractual agreements.
117	Rep. Barker	Inquires on capital infusion to rural dentistry. Questions ODA's opposition.
131	Myer	Explains current capital models available.
181	Ronald Short	Dentists and President, Board of Dentistry. Submits written testimony in support of bill (EXHIBIT I). Notes board supports the -1 amendment. Discusses minority ownership of dental practices.
247	Rep. Tomei	Questions board membership.
252	Short	Explains membership.
258	Doug Barber	Willamette Dental Group. Testifies in support of bill and -1 amendment. Introduces next witness.
267	Gene Skourtes	President, Willamette Dental Group. Submits written testimony in support of bill (EXHIBIT J). Speaks to impact of non-dentist ownership. Notes low profit margins.
319	Chair Kruse	Closes public hearing on HB 2964 and opens public hearing on HB 3508.
<u>HB 3508 – PUBLIC HEARING</u>		
323	Thiele-Cirka	Summarizes bill.
341	Gail Shibley	Administrator, Office of Public Health Services, Department of Human Services (DHS). Submits written testimony in opposition to bill (EXHIBIT K). Explains operation and regulation of radiation services. Speaks to impact of bill on training for dental radiology.
429	Beryl Fluttercher	Director of Professional Affairs, ODA. Testifies in support of bill. Provides summary of bill.
TAPE 79, A		
005	Fluttercher	Continues presentation. Speaks to issues related to classroom and other training provisions. Addresses over-regulation issues.
056	Myer	Submits written testimony in support of bill (EXHIBIT L). Notes need for statute.
064	Rep. Anderson	Inquires on fiscal impact.

067	Flutcher	Notes decreased need for staff time by DHS. States bill changes training requirements only.
075	Rep. Anderson	Inquires on differences between dentistry and other medical practices regarding radiation levels.
078	Flutcher	Reports radiation levels and restrictions on radiology operation.
090	Rep. Tomei	Inquires on radiation comparison for other medical procedures.
096	Rep. Anderson	Explains radiation levels for dentistry.
101	Chair Kruse	Closes public hearing on HB 3508.
<u>HB 3122 – PUBLIC HEARING</u>		
106	Chair Kruse	Opens public hearing on HB 3122 and closes public hearing on HB 3122.
<u>HB 3285 – PUBLIC HEARING</u>		
108	Chair Kruse	Opens public hearing on HB 3285 and closes public hearing on HB 3285.
<u>HB 3394 – PUBLIC HEARING</u>		
109	Chair Kruse	Opens public hearing of HB 3394 and closes public hearing on HB 3394.
<u>HB 3411 – PUBLIC HEARING</u>		
111	Chair Kruse	Opens public hearing on HB 3411 and closes public hearing on HB 3411. Adjourns meeting at 10:45 A.M.

EXHIBIT SUMMARY

- A – HB 2943, Executive Summary, staff, 6 pp.**
- B – HB 2942, written testimony, Duane Meissner, 1 p.**
- C – HB 2943, written testimony, Jim Gardner, 10 pp.**
- D – HB 2970, *A Guide to Eliminate Gaps in Access to Primary Care Services*, Joy Soares, 72 pp.**
- E – HB 2970, written testimony, Tina Kotek, 2 pp.**
- F – HB 2964, -1 amendments, dated 4/3/03, staff, 1 p.**
- G – HB 2964, written testimony, Joset Lubisich, 1 p.**
- H – HB 2964, written testimony, Jane Myer, 14 pp.**
- I – HB 2964, written testimony, Ronald Short, 2 pp.**
- J – HB 2964, written testimony, Gene Skourtes, 1 p.**
- K – HB 3508, written testimony, Gail Shibley, 2 pp.**
- L – HB 3508, written testimony, Jane Myer, 8 pp.**