

HOUSE COMMITTEE ON HEALTH AND HUMAN SERVICES

May 28, 2003 Hearing Room D
9:00 AM Tape 115 – 116

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

MEMBER EXCUSED: Rep. Ben Westlund

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

MEASURE/ISSUES HEARD: HB 2859 – Work Session
HB 2189 – Work Session
HB 2537 – Work Session
HB 2308 – Work Session
Informational Meeting – Automating the Coordination of Benefits:
Adam Grad, Director, National Accounts, Digital Healthcare, Inc.
SB 646A – Public Hearing and Work Session
SB 647A – Public Hearing and Work Session

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 115, A		
003	Chair Kruse	Calls meeting to order at 9:15 a.m. and announces schedule for afternoon session. Opens work session on HB 2859.
<u>HB 2859 – WORK SESSION</u>		
020	Rep. Tomei	MOTION: Moves HB 2859 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Rules and Public Affairs.
025		VOTE: 5-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 2 - Dalto, Westlund The motion CARRIES.
027	Chair Kruse	Closes work session on HB 2859, and opens work session on HB 2189.
<u>HB 2189 – WORK SESSION</u>		
030	Sandy Thiele-Cirka	Committee Administrator. Summarizes HB 2189 and the proposed -1 amendments (EXHIBIT A).
040	Chair Kruse	Clarifies with Mr. King that the -1 amendments address the problems with the bill as originally written.
045	Rocky King	Administrator, Insurance Pool Governing Board (IPGB). Indicates his support for the bill as amended with the -1 amendments.
050	Rep. Barker	MOTION: Moves to ADOPT HB 2189-1 amendments dated

05/28/03.

VOTE: 6-0

EXCUSED: 1 - Westlund

Hearing no objection, declares the motion CARRIED.

052 **Chair Kruse**
Thiele-Cirka Points out the bill has a subsequent referral to the Committee on Ways and Means.

055 **Rep. Barker**
MOTION: Moves HB 2189 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means by prior reference.

060 **VOTE: 6-0**

AYE: In a roll call vote, all members present vote Aye.

EXCUSED: 1 - Westlund

The motion CARRIES.

061 **Chair Kruse**
Chair Kruse Closes work session on HB 2189 and opens work session on HB 2537.

HB 2537 – WORK SESSION

065 Thiele-Cirka Offers a description of HB 2537, and introduces the proposed -2 amendments (**EXHIBIT B**). Submits to the record an informational packet (**EXHIBIT C**) on behalf of Michael Morter of the Department of Consumer and Business Services, Insurance Division.

075 Chair Kruse States intent regarding the proposed amendments.

078 **Rep. Tomei**
MOTION: Moves to ADOPT HB 2537-2 amendments dated 03/20/03.

080 Rep. Monnes Points out other interested parties are negotiating possible amendments.

085 J. L. Wilson National Federation of Independent Business (NFIB/Oregon). Indicates his intent for the compromise to be completed on Senate side.

100 Rep. Anderson Clarifies the Chair's preference for action on the bill.

105 Chair Kruse Explains his preference that the bill be passed out without amendments to be further worked on the Senate side.

110 **VOTE: 1-5**

AYE: 1 - Tomei

NAY: 5 - Anderson, Barker, Dalto, Monnes

Anderson, Kruse

EXCUSED: 1 - Westlund

The motion FAILS.

115 **Chair Kruse**
Rep. Tomei
MOTION: Moves HB 2537 to the floor with a DO PASS recommendation.

120 Rep. Tomei Expresses concern for possible unintended consequences upon passage of the bill. Indicates her intention to vote No on the motion.

130 Rep. Anderson Indicates his intent to vote Aye on the motion, and comments on the high costs of health care.

140 Rep. Monnes Comments on balance between basic health care and small business interest.

150 Chair Kruse Declares conflict of interest as a small business owner.

155 **VOTE: 5-1**

AYE: 5 - Anderson, Barker, Dalto, Monnes

Anderson, Kruse

NAY: 1 - Tomei

EXCUSED: 1 - Westlund

The motion CARRIES.

CHAIR KRUSE will lead discussion on the floor.

160 Chair Kruse Closes work session on HB 2537, and opens work session on HB 2308.

HB 2308 – WORK SESSION

165 Thiele-Cirka Offers a description of HB 2308 and the proposed -2 amendments **(EXHIBIT D)**.

175 Bruce Bishop Oregon Association of Hospitals and Health Systems. Submits written testimony in support of the -2 amendments **(EXHIBIT E)**. Presents history of bill and the proposed -2 amendments.

205 Rep. Monnes Anderson Inquires if when a patients requests their records, would they be required to pay the fee.

210 Bishop Notes provider has authority to waive fee.

215 Rep. Monnes Anderson Inquires on Washington State’s similar legislation and Oregon Health Sciences University (OHSU) fees.

220 Bishop Discusses Washington State law and fee structure.

230 Rep. Monnes Anderson Asks why the term “reasonable fee” could not be used in place of specific pricing.

235 Bishop Recalls that the original bill did not specify a fee, but the Senate committee felt a fee should be specified in statute.

245 Rep. Monnes Anderson Asks that the representative for the OHSU could address this issue. Notes she disagrees with the Senate on this issue.

260 Bishop Agrees with Rep. Monnes Anderson and further explains the changes made on the Senate side.

275 Jeff Gilmore OHSU. Discusses the rates as defined in statute.

295 Rep. Monnes Anderson Asks whether the Governor’s office has any input on the issue.

300 Gilmore Recommends that Ms. Dayton of the Oregon Association of Hospitals address the issue.

305 Gwen Dayton General Counsel, Oregon Association of Hospitals. Discusses current fees for record copies as they relates to OHSU.

330 Chair Kruse Points out that the fees in the bill are caps.

340 Dayton Further comments on the fee cap and whether OHSU reaches that cap.

350 Chair Kruse Comments on the Senates amendment on the bill.

335 Rep. Monnes Anderson Requests Governors office input.

365 Erinn Kelley-Siel Health Senior Policy Analyst, Governor's Office. Discusses constituent input on fee schedule. Notes OHSU has adopted the suggested fee structure.

415 Rep. Monnes Anderson Clarifies the fee is a cap.

420 Chair Kruse Presents history on bill.

435 Rep. Anderson Compares fees between hospitals and private sector.

450 Dayton Details range of fees in copy charges. Notes fee schedule was adopted as Senate requirement. Notes additional labor required with medical records due to HIPAA.

TAPE 116, A

010 Chair Kruse Clarifies Rep. Monnes Anderson’s intent.

015 Dayton Comments on the cost regarding copying records.

020 Rep. Tomei Discusses cost for each page.

030 Dayton Reiterates HIPAA requirements of basic analysis of each page no matter the number of pages included.

040	Rep. Monnes Anderson	Discusses practitioner role in record copy process as it relates to fee structure. Reports understanding need for fee structure.
055	Rep. Dalto	Inquires on process to reproduce records as it relates to labor cost.
060	Dayton	Discusses range of staffing needs in a records department.
065	Rep. Anderson	Comments on HIPAA regulations.
075	Chair Kruse	Inquires on potential conceptual amendments.
080	Dayton	Discusses the goals for the bill as they relate to HIPAA.
100	Chair Kruse	Clarifies his intent regarding the bill.
110	Rep. Anderson	MOTION: Moves to ADOPT HB 2308-2 amendments dated 05/23/03.
		VOTE: 6-0
		EXCUSED: 1 - Westlund
	Chair Kruse	Hearing no objection, declares the motion CARRIED.
115	Rep. Anderson	MOTION: Moves HB 2308 to the floor with a DO PASS AS AMENDED recommendation.
120		VOTE: 6-0
		AYE: In a roll call vote, all members present vote Aye.
		EXCUSED: 1 - Westlund
	Chair Kruse	The motion CARRIES.
125	Rep. Tomei	MOTION: Moves HB 2308 be placed on the CONSENT CALENDAR.
		VOTE: 6-0
		EXCUSED: 1 - Westlund
	Chair Kruse	Hearing no objection, declares the motion CARRIED.
130	Chair Kruse	Closes the work session on HB 2308, and opens an informational meeting.

INFORMATIONAL MEETING

135	Adam Grad	Digital Health Care. Submits informational packet (EXHIBIT F). Discusses changes in HIPAA laws as they related to preemptive coordination of benefits and to cost avoidance and correct payment of services. Presents PowerPoint presentation on digital health care.
295	Rep. Anderson	Inquires on patient claims process.
300	Grad	Explains claims as they relate to primary insurance coverage. Continues presentation on digital health care.
TAPE 115, B		
001	Grad	Continues with informational presentation on digital health care.
050	Rep. Monnes Anderson	Inquires on identification of patient with regard to similarity or difference in names.
055	Grad	Explains three criteria for identification of patient: name, address, and date of birth.
080	Rep. Monnes Anderson	Inquires on confidentiality as it relates to technology.
085	Grad	Explains information is obtained through a direct hard line to private server and is not available on internet or to general public.
095	Rep. Tomei	Inquires on current use of program.
100	Grad	Explains availability is subject to HIPAA and currently underway.
120	Rep. Dalto	Inquires on organization headquarters location.
125	Grad	Submits that his company's headquartered in Cleveland, Ohio. Continues presentation on digital health care. Discusses computer technology used in operation of program. Details process for adopting program.

150	Rep. Tomei	Inquires on fees for service.
152	Grad	Provides figures. Presents cost savings projections for Oregon.
185	Chair Kruse	Offers history of issue and choice to provide presentation. Discusses advantages of outsourcing service. Notes Senate bill in process which addresses the issue.
200	Rep. Tomei	Inquires on organization expenses and profits.
205	Rep. Anderson	Inquires on timeline.
210	Chair Kruse	Details process and timeline to adopt program.
220	Rep. Anderson	Inquires on funding.
225	Chair Kruse	Comments on funding, and notes cost savings.
230	Grad	Discusses recovery fees discussed in informational packet.
240	Rep. Barker	Notes potential annual cost.
245	Grad	Points out figures are retrieved from Oregon Medicaid data.
260	Chair Kruse	Notes bill has a subsequent referral to Ways and Means.
265	Rep. Monnes Anderson	Inquires about actual savings for the state.
270	Grad	Discusses guarantees incentives to adopt program.
295	Chair Kruse	Closes the informational meeting and recesses the meeting at 10:30 a.m., until the Committee reconvenes at 1:30 p.m.

RECESS

300	Chair Kruse	Reconvenes meeting at 1:45 P.M. and opens public hearings on SB 646A and SB 647A as a subcommittee.
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SB 646A & SB 647A – PUBLIC HEARING

320	Marshall Coba	Oregon Society of Physician Assistance. Submits written testimony in support of SB 646A and SB 647A (EXHIBIT G).
365	Chair Kruse	Reopens the meeting as a full committee.
370	Pat Kenney-Moore	President Elect, Oregon Society of Physician Assistance. Offers testimony in support of SB 647 A, and speaks to improved patient care.
445	Chair Kruse	Closes the public hearings on SB 646A and SB 647A and opens a work session on SB 646A.

SB 646A – WORK SESSION

455	Rep. Monnes Anderson	MOTION: Moves SB 646A to the floor with a DO PASS recommendation.
460		VOTE: 4-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 3 - Anderson, Barker, Westlund
	Chair Kruse	The motion CARRIES.
465	Rep. Tomei	MOTION: Moves SB 646A be placed on the CONSENT CALENDAR.
		VOTE: 4-0 EXCUSED: 3 - Anderson, Barker, Westlund
	Chair Kruse	Hearing no objection, declares the motion CARRIED.
470	Chair Kruse	Closes work session on SB 646A and opens work session on SB 647A.

SB 647A – WORK SESSION

475	Rep. Monnes Anderson	MOTION: Moves SB 647A to the floor with a DO PASS recommendation.
480		VOTE: 4-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 3 - Anderson, Barker, Westlund
	Chair Kruse	The motion CARRIES.
485	Rep. Tomei	MOTION: Moves SB 647A be placed on the CONSENT

CALENDAR.

VOTE: 4-0

EXCUSED: 3 - Anderson, Barker, Westlund

Hearing no objection, declares the motion CARRIED.

Closes work session on SB 647A and adjourns meeting at 1:50 p.m.

490

Chair Kruse

Chair Kruse

EXHIBIT SUMMARY

A – HB 2189, -1 amendments, Staff, 5 pp.

B – HB 2537, -2 amendments, Staff, 1 pp.

C – HB 2537, submitted written testimony from Michael Morter, Staff, 23 pp.

D – HB 2308, -2 amendments, Staff, 2 pp.

E – HB 2308, written testimony, Bruce Bishop, 1 p.

F – Informational, written testimony, Adam Grad, 53 pp.

G – SB 646A, written testimony, Marshall Coba, 12 pp.