

## SENATE COMMITTEE ON HEALTH POLICY

February 18, 2003  
1:00 PM

Hearing Room B  
Tapes 20 - 21

**MEMBERS PRESENT:**     **Sen. Bill Morrisette, Chair**  
                                  **Sen. Bill Fisher, Vice-Chair**  
                                  **Sen. John Minnis**  
                                  **Sen. Frank Shields**  
                                  **Sen. Charles Starr**  
                                  **Sen. Vicki Walker**

**STAFF PRESENT:**       **Marjorie Taylor, Administrator**  
                                  **Saranelle Allen, Committee Assistant**

**MEASURE/ISSUES HEARD:**     **Informational Meeting**  
  Systems Approach to Health Care

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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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<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
<b>Tape 20, A</b>		
004	Chair Morrisette	Opens informational meeting at 1:07 p.m.
<b><u>INFORMATIONAL MEETING</u></b>		
<b><u>Systems Approach to Health Care</u></b>		
007	Jeff Heatherington	President of FamilyCare, Inc., which he explains is a contractor doing business under the State of Oregon for the Oregon Health Plan population. Gives an overview of the health care system using his Systems Approach to health care.
	Ruby Haughton	Legislative and Public Affairs Director, CareOregon. Advises she is in attendance to answer any questions on the presentation.
060	Heatherington	Gives explanatory points on Demand –1) Ongoing process of living, 2) Strategies for prevention, 3) Environmental factors, 4) Cultural factors, 5) Consumer expectations ( <b>EXHIBIT A</b> ). Who is responsible for the quality question?
	Sen. Minnis	Feels we all are - business, government, and individuals.
188	Heatherington	Reviews the expense portion.
	Sen. Starr	Questions what the explanation of 'real cost' is.
	Heatherington	Advises it is attention to specific charges.
	Sen. Minnis	Raises several points on who is paying the health care bill.
	Sen. Shields	Questions whether national health insurance would save money in today's overall health care costs.
402	Heatherington	Replies to several questions on fraud possibilities within the medical payment systems.
<b>Tape 21, A (Tape Count begins at 127)</b>		
181	Heatherington	Reviews myths and truths and how to control demand.
292	Heatherington	Explains how managed care can control expenses.
	Heatherington	Reviews section on values. Gives information on long term strategies.

**Tape 20, B**

088	Chair Morrisette Heatherington	Questions flaws in Oregon Health Plan. States concern that most of the problems are a budget issue, not necessarily a system problem. Reviews some of the problems with cutting prescription costs.
138	Sen. Minnis  Chair Morrisette Sen. Fisher  Heatherington  Haughton  Sen. Minnis Sen. Fisher	States Legislature should have more involvement in solving the current health care problems. Raises point on cost shifts. Stresses hope that future of health care can be improved with current changes in Capitol leadership. Asks Heatherington if there could be other ways to handle some of the current health care plan cuts. States that legislators need to have accurate data to make any sort of changes. States that the problem seems to be an industry snag, and everyone needs to come together to develop the best points for survival. Doesn't feel groups are working together yet. Points out a need to accept risk. States several points of taking risk, and the many factors involved in the process.

**Tape 21, B**

027	Sen. Fisher  Sen. Minnis	Wants to look at the system plan, from the point of view of a member of the Oregon Health Plan. States the answer to solving the problem is a legislature issue, and elaborates on how educational needs have taken the fore front.
209	Sen. Fisher Heatherington Chair Morrisette  Chair Morrisette Lucy Kingsley  Sen. Minnis  Sen. Fisher	Expresses hope to work to repair health problems. States that attention to the delivery system has been left out. Suggests that on his next visit he tell the committee what they should do. Invites special testimony from a concerned citizen. Provider of mental health crises counseling in Lane County for over 30 years. Gives testimony on budget shortages and how they are impacting her current patients, who are losing their medication, and will possibly die soon. Advises committee on how difficult her position is now, and the possibility that the department will be closed down by the end of June. Expresses hope that this problem is being worked on politically, to resolve and reinstate. Asks question on whether any cuts have been made in administration costs.
482	Chair Morrisette Chair Morrisette	Agrees on point of differences of opinion within the legislature. Adjourns meeting at 2:50 pm.

**EXHIBIT SUMMARY**

**A – Informational, A System's Approach to Health Care, Jeff Heatherington, 9 pp.**