

## SENATE COMMITTEE ON HEALTH POLICY

February 4, 2003  
1:00 PM

Hearing Room B  
Tapes 12 - 13

**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**  
                                  **Invited Testimony**  
                                  **Barney Speight – Overview of the Oregon Health Plan**  
                                  **Bob DiPrete – Future of the Oregon Health Plan**  
                                  **Rep. Ben Westlund - Legislative Perspective**

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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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<b>TAPE/#</b>	<b>Speaker</b>	<b>Comments</b>
<b>Tape 12, A</b>		
004	Chair Morrisette	Calls meeting to order at 1:12 pm, for an informational meeting.
<b><u>INFORMATIONAL MEETING</u></b>		
<b><u>Overview of the Oregon Health Plan</u></b>		
007	Barney Speight	Director of Public Policy and Government Relations for Kaiser Permanente. Gives an overview of the history of the Oregon Health Plan, and states that details will be more qualitative than quantitative ( <b>EXHIBIT A</b> ).
065		Relates goals of OHP, specifically universal access to an adequate level of high quality health care at an affordable cost.
147		Reviews page 5 which outlines the dates of legislation for the Oregon Health Plan.
285		Gives information on FHIAP (Family Health Insurance Assistance Program), which was a small part of the program and was not listed in Exhibit A.
345	Sen. Fisher	Asks what the time line was on SB 5530.
390	Speight	Gives reply on the intent of the bill.
417	Sen. Minnis	Explains what has transpired since 1994, shown on page 6.
		Gives further information on how legislature understood funding would be utilized during lean years, at the time Oregon Health Plan was implemented.
	Speight	States information on how managed-care role would impact costs.
<b>Tape 13, A</b>		
084	Speight	Reviews economics at the time the plan was put in place.
	Speight	Reviews two charts, pages 7 and 8 ( <b>EXHIBIT A</b> ), showing private health spending, and health insurance premium changes.

- 115 Speight Testifies further on fiscal tools available and framing a new consensus, pages 9 and 10 (**EXHIBIT A**).
- Chair Morrisette Asks how we deal with populations within populations.
- Speight Replies that there are constraints in the law, and that it would be good to look back on earlier plans before the Oregon Health Plan.
- Speight Reviews new article out of the Seattle Post-Intelligencer, dated February 4, 2003 (**EXHIBIT B**).
- Sen. Walker Relates an email recently received from a trooper concerning glaring problems in the abuse of the Oregon Health Plan.
- 300 Speight Replies about misuse, abuse of the plan, and how to correct these problems.
- Sen. Fisher Asks if it would help to have an inventory reporting system from troopers or others to get a line on the amount of abuse occurring.
- Speight Expresses hope that the management staff would pursue any fraud issues.
- Sen. Fisher States feedback is coming in to legislative groups instead of to the plan management.
- Tape 12 B**
- Sen. Shields States that he would like the committee to try to solve the problem, since things don't seem to change from year to year, only the perspective.
- 065 Speight Advises it most likely is bad this year.
- Sen. Minnis Wants to look at health care trends to understand the issues and the gaps in care.

### **INFORMATIONAL MEETING**

#### **Future of the Oregon Health Plan-**

- 149 Bob DiPrete Deputy Administrator, Oregon Health Policy & Research. Testifies as to the rising costs of health care and coverage and issues associated with the Oregon Health Plan (**EXHIBIT C**).
- 164 Chair Morrisette States that the medical rate of increase is going up higher than the general rate of increase.
- 177 Sen. Minnis Asks about percentage of increase, as noted in the (**EXHIBIT A**) chart, pages 7, 8, and if an analyst would be able to give any explanation of trends.
- 201 Speight Offers to try to find a health care analyst.
- Sen. Minnis Expresses concern that on health care issues there appears to be no knowledge available to help understand the trends.
- 249 DiPrete Reviews page 24 (**EXHIBIT C**) on emerging cost drivers and declining employer assistance.
- Sen. Fisher Asks if costs of government regulations are included as a cost driver.
- Chair Morrisette Also expresses concern on federal costs.
- Speight Replies that mandates have added costs.
- 383 DiPrete Shares information on what the future holds, as noted on page 30.
- 432 Sen. Shields Poses a what if question on implementing a Canadian-type health plan 10 years ago, would we be ahead of the game.
- Tape 13B**
- 008 DiPrete Gives his opinion on a national health care plan.

### **INFORMATIONAL MEETING**

#### **Legislative Perspective**

- 010 Rep. Ben Westlund Representative, House District 53, and Chair, House Audit and Human Services Budget Reform. Gives an overview on goals for the House Audit Committee, with an explanation on what has

		been done so far, and how he views accomplishments for this session.
28	Sen. Minnis Rep. Westlund	Asks for clarification on mention of a funding increase. Gives specifics on what the Audit Committee is about and his areas of focus for his committee.
	Chair Morrisette	States that this committee will work on compiling a list of priorities to accomplish before the end of session, in conjunction with the Audit Committee's goals.
200	Chair Morrisette	Adjourns meeting at 2:35 pm.

### **EXHIBIT SUMMARY**

**A – Informational, Oregon Health Plan, written testimony, Barney Speight, 10 pp.**

**B – Informational, news article, Seattle Post Intelligencer, Barney Speight, 3 pp.**

**C – Informational, Oregon Health Plan, written testimony, Bob DiPrete, 39 pp.**