SENATE SPECIAL COMMITTEE ON THE OREGON HEALTH PLAN

5/14/03 Hearing Room C 3:00 P.M. Tapes 1-2

MEMBERS PRESENT:	Sen. Peter Courtney, Co-Chair
	Sen. Kate Brown
	Sen. Margaret Carter
	Sen. Bill Fisher
	Sen. Lenn Hannon
	Sen. John Minnis
	Sen. Bill Morrisette
	Rep. Alan Bates
	Rep. Jeff Kruse
MEMBERS EXCUSED:	Sen. Jackie Winters, Co-Chair
STAFF PRESENT:	Marjorie Taylor, Committee Administrator Heather Gravelle, Committee Assistant

MEASURE/ISSUES HEARD: Organizational Meeting Adoption of Committee Rules Informational Meeting Committee Charge Overview of the Structure of the Oregon Health Plan

These minutes are in compliance with Senate and House Rules. <u>Only text enclosed in quotation marks reports a speaker's exact words.</u> For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
Tape 1, A		
005	Sen. Hannon	Calls the meeting to order at 3:15 p.m. Opens the organizational meeting.
ORGANIZ	ATIONAL MEETING	
010	Co-Chair Courtney	Refers members to the memo he distributed regarding the committee agenda (EXHIBIT A).
030	Co-Chair Courtney	Provides information as to future meetings, and states what today's meeting will consist of.
060	Co-Chair Hannon	States the first order of business is to adopt committee rules. Refers committee members to the proposed committee rules (EXHIBIT B).
065	Sen. Minnis	Raises issue with item 9. Asks to consider waiving that item.
080	Co-Chair Hannon	Explains why the specific language was inserted. Explains the Co- Chairs may waive the requirement.
090	Sen. Carter	MOTION: Moves to ADOPT the proposed Committee Rules dated 05/14/03. VOTE: 7-0 EXCUSED – 1 - Sen. Winters

095	Co-Chair Hannon	Hearing no objection, declares the motion CARRIED.
095	Co-Chair Hannon	Asks for any other comments regarding the charge of the committee.
100	Co-Chair Hannon	Thanks all the members for taking on an additional committee. Closes the organizational meeting. Opens the informational meeting on the committee charge, and the overview of the structure of the Oregon Health Plan.
INFORMA	FIONAL MEETING	
110	Dr. Bruce Goldberg	Administrator, Office of Health Policy. States his charge today, is to quickly review the Oregon Health Plan and to provide vocabulary definitions for future reference.
125	Goldberg	 Refers members to the memo distributed by Sen. Courtney. Explains there are four main issues to discuss: Eligibility: Who is eligible for the Oregon Health Plan. Benefits: What will be covered. Reimbursements: How the program operates. How the Oregon Health Plan fits into the current health care delivery system.
145	Goldberg	States the issues and challenges that faces the Oregon Health Plan, are the same issues and challenges that face the health care system in general. States those issues are increases in cost and problems gaining access.
195	Goldberg	Refers to the benefit packages: OHP Plus, the State's basis Medicaid benefit package. OHP Standard: the reduced Medicaid benefit package. Outlines the specific programs and what they include.
215	Goldberg	Reviews the populations that are served by the Oregon Health Plan. Discusses the eligibility and income criteria. Specifies numbers of HIV patients and transplant patients covered by the Oregon Health Plan.
345	Sen. Fisher	Asks Dr. Goldberg to review the numbers.
350	Goldberg	States as of January 2003, there are 8, 750 individuals who are covered through the Oregon Health Plan. Adds 288 HIV patients, and 138 transplant patients.
365	Sen. Brown	Expresses concerns regarding the lack of funding for the medically needy program. Asks whether there have been any lawsuits which have been brought forth challenging the State's funding figures.
370	Goldberg	Explains that he is unsure, but will obtain that information for the committee.
TAPE 2, A		
015	Sen. Hannon	Thanks Dr. Goldberg for his testimony and information.
025	John Britton	Health Services Budget Analyst, Legislative Fiscal Office. Speaks about the Governor's budget and how it affected the Oregon Health Plan. Outlines the costs to cover given the providers increases.
110	Sen. Minnis	Inquires what the assumption is based upon population and costs per participant.
115	Britton	Responds states there were significant increases in respect to full health plans. Adds rebasing, utilization and cost inflation.
118	Sen. Minnis	Asks if the figure is higher or lower.
125	Britton	Responds under the current proposal, it will be significantly higher. Explains it would depend upon the populations covered.
130	Sen. Minnis	Clarifies the cost per participant is higher.
135	Britton	States yes, absolutely.

140	Sen. Minnis	Expresses there is a significant problem of accessibility to the Oregon Health Plan. States according to the Secretary of States audit that was conducted, persons were accessing the program that had no right or privilege by law.
145	Goldberg	Agrees there have been problems with eligibility issues. Adds they need to be certain the benefit goes to the people they were intended to.
160	Sen. Morrisette	States people come to Oregon for the delivery of their children. Asks if this is done legally, and if the issue is being addressed.
165	Britton	Responds, no adjustment made for that particular situation. States HB 2634 had verbiage regarding eligibility.
170	Sen. Morrisette	Seeks clarification.
180	Rep. Alan Bates	District 5. Mentions there is a companion bill related to the issue which will respond directly to the issue of eligibility. Adds they have not completed pricing the groups.
185	Sen. Morrisette	Asks if Oregon is required by law to treat those who come from out of state. Wonders if there is there a conflict between State requirements and Federal requirements.
200	Rep. Bates	States there is two issues:Properly trained personnel employees.
210	Sen. Minnis	Time to address eligibility dilemma. Requests copies of the audit conducted by the Secretary of the State. Stresses again how important it is to tighten up eligibility
230	Sen. Brown	requirements. Asks Britton, according to the Co-Chairs proposal, rather than FHIAP being 1/3 group market and 2/3 individual, it is now all under group market. Wonders what the rational is.
235	Britton	Responds it is clear serving under the group market you will save money and are able to serve more individuals.
240	Sen. Carter	Asks how much money will be saved.
245	Britton	States that is a good question for the Department of Human Services.
285	Britton	Continues explaining the projected costs of the program. Adds the sooner a decision is made, and a waiver of change is applied for, the more money will be saved. States it will cost 20-25 million dollars of general funds each month we delay.
360	Sen. Hannon	Asks if it is predicated on insurance fees being instituted. Wonders if it will raise the necessary difference.
365	Britton	Answers he isn't sure if it will raise the necessary difference.
370	Sen. Minnis	Comments there is a good possibility it may, but there could be legal issues to address.
385	Sen. Minnis	Asks if 6 months is a reasonable assumption versus the three month assumption.
395	Britton	Responds yes. States 3 months is cutting it too tight.

TAPE 1, B		
010	Sen. Minnis	Asks if they will create two budgets.
015	Britton	Answers hopefully, one budget based on the best assumption they can make.
025	Sen. Hannon	Closes the informational meeting. Adjourns the committee meeting at 4:35 p.m.

EXHIBIT SUMMARY

- A Organizational Meeting, Outline of Committee Agenda, Sen. Peter Courtney, 9 pp B Informational Meeting, Senate Proposed Committee Rules, Staff, 2 pp