

SENATE SPECIAL COMMITTEE ON THE OREGON HEALTH PLAN

May 19, 2003
3:00 P.M.

Hearing Room C
Tapes 3 - 4

MEMBERS PRESENT: Sen. Peter Courtney, Co-Chair
Sen. Jackie Winters, Co-Chair
Sen. Margaret Carter
Sen. Bill Fisher
Sen. Lenn Hannon
Sen. John Minnis
Sen. Bill Morrisette

MEMBER EXCUSED: Sen. Kate Brown

STAFF PRESENT: Marjorie Taylor, Committee Administrator
Megan Jensen, Committee Assistant

ISSUES HEARD: Informational Meeting
Overview of Population
Possible Prioritization Scenarios

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.

TAPE/#	Speaker	Comments
Tape 3, A		
004	Co-Chair Winters	Calls meeting to order at 3:05 p.m. Opens informational meeting on the Oregon Health Plan (OHP).
<u>INFORMATIONAL MEETING</u>		
Overview of Population		
022	Dr. Bruce Goldberg	Office of Health Policy and Research Administrator. Provides information concerning coverage under the OHP (EXHIBIT A). Discusses health care coverage for children and pregnant women and the related consequences to those without coverage.
100	Goldberg	Overviews adult coverage under the OHP and discusses: <ul style="list-style-type: none">• Benefits of health coverage• Consequences without coverage• Cost shift and societal implications
195	Goldberg	Discusses cost shift estimates: <ul style="list-style-type: none">• 200 additional neonatal care unit stays will cost \$4.8 million• Loss of coverage for OHP standard diabetics will result in at least 1,500 hospitalizations costing \$5 million• 60,000 primary care visits cost \$4.5 million in the primary care office versus \$18 million in the emergency department• Chemical dependency treatment for 9,000 adults will cost \$16.2 million resulting in \$90.7 million in societal savings.
228	Co-Chair Winters	Asks about the \$90.7 million figure.
231	Goldberg	Explains that the figure comes from a study done in Oregon and offers to provide copies of the study.
237	Sen. Hannon	Asks about the \$18 million in emergency room care causing an

		increase in premiums for regular health insurance coverage.
246	Goldberg	Offers to research the issue. Elaborates on emergency room health care.
270	Sen. Hannon	Inquires about the societal cost of using emergency rooms for health care.
273	Goldberg	Clarifies that the societal costs are all yearly costs.
275	Sen. Hannon	Clarifies the cost shift per biennium.
278	Goldberg	Responds regarding the offset. Speaks on costs including chemical dependency treatment.
295	Sen. Hannon	Asks about the ten percent of the OHP population having mental health or chemical dependency problems.
305	Goldberg	Responds that there are higher rates of a variety of illness among the population of the OHP compared to society in general. Explains that those with serious illness are often unable to work and fall below the poverty level.
321	Sen. Hannon	Asks about problems such as obesity, smoking, poor lifestyle choices, and negative habits in the OHP population.
330	Goldberg	Replies that lifestyle-related health care costs are one of the greatest burdens to the health care system, and adds it is a burden not solely limited to the population of the OHP.
346	Sen. Hannon	Speaks on the issue being a problem for society.
354	Co-Chair Courtney	Inquires about the term 'standard diabetic'.
359	Goldberg	Affirms.
363	Co-Chair Courtney	Clarifies the term.
367	Goldberg	Answers regarding the needs of diabetics and complications of the disease.
370	Co-Chair Courtney	Inquires that by fulfilling the need for insulin, the hospitalizations listed could be prevented.
378	Goldberg	Responds that by controlling blood sugar, hospitalizations can be avoided.
388	Co-Chair Courtney	Requests what chemical dependency treatment entails.
391	Goldberg	Explains that chemical dependency treatments cover a large number of alcoholics and smaller groups with other drug problems such as narcotic abusers.
398	Co-Chair Courtney	Asks how those with chemical dependencies are treated.
401	Goldberg	Explains methods for treating chemical dependency problems.
410	Co-Chair Winters	Speaks on diabetic strips and the ability to monitor blood sugar.
415	Goldberg	Explains the diabetic monitoring strips.

420	Sen. Morrisette	Poses question regarding chemical dependency coverage.
442	Goldberg	Explains there are at least 4,400 adults above the mandatory population. Notes the total figure is around 9,000 people.
456	Sen. Morrisette	Asks how many people are not currently covered in the chemical dependency program.
458	Goldberg	Responds that approximately 4,400 people are not covered in the chemical dependency program.
TAPE 4, A		
003	Goldberg	Defines the Medically Needy program which encompasses individuals living above the poverty level but who have large medical expenditures for chronic diseases and need assistance (EXHIBIT A, page 6).
041	Co-Chair Winters	Poses question regarding Medicare part B.
046	Goldberg	Affirms.
048	Co-Chair Winters	Clarifies that the medically needy have hospital care under Medicare but do not have prescription drugs benefits.
050	Sen. Carter	Asks for the total number of people in OHP in 2001 and in 2003.
054	Goldberg	Explains that there has been a steady increase in the growth of OHP through 2002. Adds it has decreased during the more recent budget cuts.
062	Sen. Carter	Asks where those people are now, if they have no coverage.
066	Goldberg	Believes that the amount of uncompensated care is increasing.
084	Sen. Morrisette	Elaborates on uninsured individuals.
092	Goldberg	Requests further information on the Medically Needy program and pharmaceutical benefits.
118	Sen. Morrisette	Believes more people are accessing the drug assistance programs of pharmaceutical companies since the state drug benefits have been cut. Explains that the drug assistance programs are beneficial but provide administrative overhead to the physician.
122	Goldberg	Asks about serving the medically needy since the state drug assistance program has ended.
135	Co-Chair Winters	Does not know how many people are being served.
137	Katie King	Inquires about the status of the enrollment for prescription drug assistance for seniors for a small fee.
144	Sen. Carter	Intergovernmental Relations, Department of Human Services (DHS). States the enrollment fee is \$50 per person to be eligible for benefits and that they are trying to advertise this benefit to the public.
162	Goldberg	Asks about claims that the drug assistance programs only work for a limited time and require a certain financial investment.
180	King	Explains a senior discount program for prescription drugs. Notes the program that provides prescription drug coverage is a different program.
188	Co-Chair Winters	Explains that one-third of Oregon pharmacies participate voluntarily.
190	King	Asks if DHS advertises its participation in the program.
204	Goldberg	Speaks on the marketing of the program.
		Continues discussing the Medically Needy Program:
		<ul style="list-style-type: none"> • Benefits of health coverage • Consequences without coverage • Cost shift and societal implications

234	Sen. Morrisette	Says it is an important matching program with federal funds.
239	Goldberg	Affirms that when the programs are cut, federal funds are also lost.
245	Co-Chair Winters	Requests differentiation of populations within the Medically Needy program.
253	Goldberg	Offers to provide that information.
290	Mike Bonetto	Policy Analyst, Senate Republican Office. Presents information on population prioritization (EXHIBIT B) . Discusses the Population Prioritization Worksheet.
340	Sen. Morrisette	Poses question regarding a separate program.
344	Bonetto	Responds regarding the program and the categories the new information focuses on.
350	Connie Seeley	Chief of Staff, Office of the Senate President. Discusses the Population Prioritization Scenario #1.
358	Sen. Carter	Asks about the standard population represented in the graphs.
361	Seeley	Responds regarding representation.
370	Bonetto	Replies that there is no standard for prioritizing populations. Continues discussion of the Population Prioritization Scenario #2. Lists order of coverage being pregnant women and children, adults, couples and families, and then the medically needy.
412	Sen. Carter	Asks if the scenarios have been priced.
415	Bonetto	Replies that benefit package information must first be obtained.

TAPE 3, B

013	Seeley	Discusses Population Prioritization Scenario #3. Speaks on policy decisions and funding programs.
034	Sen. Hannon	Requests an explanation of the chart categories.
037	Seeley	Provides clarification.
049	Bonetto	Discusses Population Prioritization Scenario #4. Explains how the charts are created and the philosophy behind them. Speaks on flexibility.
076	Co-Chair Winters	States that the goal of the task force is to discuss where the priorities should be before going to the benefit package and the cost issues.
088	Sen. Morrisette	Discusses how to read the charts.
093	Bonetto	Explains each page is a specific scenario and each page of the populations vary.
101	Sen. Hannon	Asks where potential for federally matched funds lies within the prioritization.
104	Bonetto	Explains where a higher match options.
108	Sen. Hannon	Requests further information on the federal funds matched in each scenario.
115	Bonetto	Offers to provide that information.
118	Sen. Minnis	Requests clarification of the categories of Scenario #4.
120	Bonetto	Responds regarding priorities and informs the committee of the key.
130	Sen. Winters	Clarifies the letters used relating to the categories.
140	Sen. Morrisette	Clarifies prioritization.
153	Goldberg	Discusses how to prioritize among the different populations for health care.

185	Sen. Morrisette	Questions how accurate the number of individuals in the populations are.
190	Bonetto	Replies that the numbers were received today and are very current.
195	Sen. Carter	Asks what CAWEM stands for.
201	Bonetto	Explains that CAWEM is the Citizen Alien Waiver Emergency Medical program. Explains the program.
223	Sen. Carter	Asks if it is a mandatory program
225	Bonetto	Affirms and elaborates. Offers to provide any additional information desired by the committee members.
240	Co-Chair Winters	Requests the information be received prior to the next meeting.
251	Sen. Minnis	Inquires if HB 3624 is separate from the information provided currently.
260	Bonetto	Explains that HB 3624 focuses on the delivery system of the health care.
263	Sen. Minnis	Poses question regarding benefits.
265	Bonetto	Affirms and adds it provides more flexibility.
268	Sen. Minnis	Requests clarification on cost estimates.
274	Seeley	Explains how the cost estimates can be achieved.
282	Bonetto	Explains costing prioritization population packages.
290	Co-Chair Winters	Speaks on work to be done on the OHP with regard to prioritization and policy choices. Reiterates her request for information.
324	Sen. Minnis	Inquires who establishes the priorities set out in Scenario #4.
330	Seeley	Explains her suggestions for the scenarios. Speaks on the representation as an example.
359	Co-Chair Winters	Believes there is flexibility in the examples to allow for committee decision-making. Closes informational meeting. Adjourns the meeting at 4:27 p.m.

EXHIBIT SUMMARY

A – Oregon Health Plan, written testimony, Dr. Bruce Goldberg, 8 pp.

B – Oregon Health Plan, written testimony, Mike Bonetto, 5 pp.