

SENATE SPECIAL COMMITTEE ON THE OREGON HEALTH PLAN

May 21, 2003
3:00 P.M.

Hearing Room C
Tapes 5 - 6

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

MEMBERES VISITING: Rep. Alan Bates
Rep. Jeff Kruse

MEMBER EXCUSED: Sen. Bill Morrisette

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

ISSUES HEARD: **Informational Meeting**
Continuation of Overview of Population
Population Prioritization Scenarios
Introduction of Prioritization Benefits

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 5, A		
004	Co-Chair Hannon	Calls meeting to order at 3:00 p.m. Opens informational meeting on Oregon Health Plan (OHP) Population Prioritization.
<u>INFORMATIONAL MEETING</u>		
Continuation of Overview of Population		
023	Mike Bonetto	Policy Analyst, Senate Republican Office. Provides an explanation of the Population Prioritization draft plan (EXHIBIT A). Refers to page two and describes the categories.
097	Co-Chair Hannon	Poses question concerning waiver requirements.
110	Bonetto	Explains that any draft plan is based on some sort of revision of the waiver.
115	Co-Chair Hannon	Asks if the green numbers reflect a three or six month waiver.
117	Bonetto	Explains the green reflects the populations to be covered although the cost scenarios are laid out.
120	Sen. Fisher	Asks about the medically needy in the draft plan.
124	Bonetto	Replies that the adults/couples/families category precedes the medically needy category.
130	Sen. Carter	Clarifies the prioritization of the medically needy.
133	Bonetto	Concurs.
140	Rep. Bates	Inquires about the categorization of the medically needy. States belief it is a category of people who will die if assistance is not

		received.
148	Bonetto	Responds with the premise behind the prioritization. Notes Medicare was already existent in most cases.
161	Sen. Bates	Speaks on medical support for the medically needy. Does not concur with the prioritization of the medically needy being fourth and not second.
167	Bonetto	Replies concerning the prioritization.
177	Rep. Bates	Suggests that the needs of the people in category four are equivalent to the needs of the people in two.
182	Sen. Fisher	Requests who established the priorities.
185	Bonetto	Explains the scenario was created to initiate discussion and is not an actual prioritization plan.
192	Sen. Fisher	Remarks on the testimony.
195	Sen. Carter	Notes the presentation was to simplify information and promote discussion on the issue.
201	Co-Chair Hannon	Speaks on the scenario being for discussion purposes. Notes it is up to the committee to narrow focus and determine finality.
218	Sen. Fisher	Asks where the categories denoted on page one of EXHIBIT A went with respect to the prioritization on page two.
220	Bonetto	Answers it is incorporated into the pregnant women package.
232	Co-Chair Courtney	Remarks on prioritization.
245	Co-Chair Hannon	Concurs and adds that the population will have to be prioritized. Recalls decisions made in past session regarding assistance.
269	Bonetto	Refers to the Population Prioritization Draft Plan - 5/21 and speaks about the medical needs of the adults/couples/families population.
291	Sen. Carter	Asks if policy decisions will be based on income or on need.
317	Co-Chair Hannon	Elaborates on the decisions to made to determine inclusion and care.
348	Co-Chair Winters	Concurs. Speaks on prioritization of the medically needy.
361	Sen. Carter	Provides that the discussion is helpful.
367	Bonetto	Welcomes committee suggestions to begin discussion on prioritization. Recalls suggestion made by Rep. Bates.
370	Rep. Bates	Requests the Chair's consent to participate.
379	Co-Chair Hannon	Approves and states hope that both Rep. Bates and Rep. Kruse will participate. Notes importance in discussion towards a decision so that numbers can then be examined.
391	Rep. Bates	Appreciates work done by staff on the prioritization plan. Discusses concerns and suggests alternatives for prioritization.

TAPE 6, A

015	Sen. Brown	Expresses concerns regarding the medically needy category and suggests priorities.
025	Sen. Carter	Clarifies her suggestions.
027	Sen. Brown	Suggests the medically needy be placed at two with the adults/families/couples be placed at three and four. Notes it depends on the package.
033	Rep. Kruse	Offers that discrete populations within the medically needy category could be created depending on need.
047	Co-Chair Winters	Comments that the medically needy category is in need of further definition and analysis.
053	Sen. Carter	Asks for a profile of the people in the medically needy category.
061	Dr. Bruce Goldberg	Office of Health Policy Administrator. Answers that the Medically Needy Program contains approximately 400 individuals, 250 of which have HIV and over 100 depending on transplant medications. Elaborates on medication claims.
097	Sen. Carter	Speaks on a prioritization change from four to two. Inquires as to categorization within the Medically Needy Program.
107	Co-Chair Hannon	Echoes Sen. Winters's comments on needed definition of medically needy category.
116	Dr. Goldberg	Believes the policy decisions are sound. Notes it is necessary to find out if the choices are in accordance with federal rules for the Medically Needy Program.
129	Co-Chair Hannon	Asks Dr. Goldberg to research the issue and the potential to amend a waiver to allow definition within the subcategory under federal law.
135	Dr. Goldberg	Offers to research the subject. Elaborates attaining benefits for those with the greatest medical need.
163	Rep. Kruse	Suggests that due to Medicaid funding for medically needy, the waiver should be a separate and distinct request.
173	Connie Seeley	Chief of Staff, Office of the Senate President. Clarifies staff assumptions made in terms of the medically needy program.
180	Co-Chair Hannon	Reviews the options for change and requests committee consensus.
189	Co-Chair Winters	Concurs as long as once the population has been defined the committee could revisit the plan if needed.
197	Sen. Carter	Concurs.
199	Co-Chair Hannon	Suggests staff work based on the prioritization list discussed as there is no objection.
215	Bonetto	Requests further clarification on the medically needy prioritization for pricing purposes.
222	Co-Chair Winters	Provides the committee would like information on the constitution of the medically needy pool. Speaks on different populations within the category.
239	Dr. Goldberg	Replies that it is necessary to not only define medical conditions but also to clarify definitions of spend down and its calculation.
258	Sen. Winters	Offers that is reason to define the population before making policy decisions.
266	Rep. Bates	Believes it will be difficult to define the medically needy. Suggests spend down and time be factors for consideration.
291	Bonetto	Clarifies his suggestion.
294	Rep. Bates	Speaks further on the suggestions.

307	Bonetto	Responds concerning the 'spend down component'.
312	Rep. Bates	Offers an assets test may be utilized.
319	Co-Chair Winters	Makes requests for staff.
331	Sen. Carter	Questions placing more specific decisions on population before policy choices.
355	Co-Chair Hannon	Understands and reiterates the need to decide on issues to allow staff to provide information. Clarifies her question of 'need'.
369	Sen. Carter	Responds with her definition of 'need' in relation to population.
391	Sen. Fisher	Clarifies the assets are liquid.
399	Bonetto	Affirms.
409	Sen. Fisher	Questions why the medically needy should be judged any differently than the other categories.
421	Co-Chair Winters	States the issue is that medical costs are greater for the medically needy and explains.

TAPE 5, B

009	Co-Chair Hannon	Requests clarification of assets versus spending down.
011	Dr. Goldberg	Differentiates assets and spending down.
020	Rep. Bates	Clarifies his suggestion concerning the medically needy.
030	Sen. Fisher	Explains how his idea of assets differed.
043	Co-Chair Hannon	Summarizes past discussion of the committee on prioritization.
049	Seeley	Responds with her interpretation of the decisions.
054	Co-Chair Winters	Moves the discussed prioritization plan be accepted and defines the recommendation.
065	Co-Chair Hannon	Requests discussion. Sees no objection to the recommendation and requests the staff work on the plan as adopted.
072	Bonetto	Asks if the committee would like a presentation on the medically needy.
074	Rep. Kruse	Believes the original program and rules should also be recounted.
085	Co-Chair Hannon	Asks for discussion of the introduction of prioritization benefits.

INFORMATIONAL MEETING

Introduction of Prioritization Benefits

097	Dr. Goldberg	Discusses health care benefits (EXHIBIT B): <ul style="list-style-type: none">• Mandatory services• Optional services• Primary care package
192	Co-Chair Hannon	Asks if mandatory services are covered in the green bar charts shown in EXHIBIT A .
197	Dr. Goldberg	Explains those persons represented by green bars receive the mandatory services.
203	Co-Chair Hannon	Asks where the optional services are.
204	Dr. Goldberg	Explains the optional services are in addition to the 'green' bars denoting mandatory services on page one of EXHIBIT A . Informs of reasoning behind the inclusion of prescriptions drugs and Medicaid.
206	Co-Chair Hannon	Asks about the primary care package.
208	Dr. Goldberg	Explains that those represented in green possess the mandatory services and the blue represents additional services such as hospital care.
225	Sen. Brown	Poses situation to question specifics of primary care and pregnancy.
230	Dr. Goldberg	Suggests that pregnant women would need a package that includes hospital care.
234	Sen. Brown	Clarifies emergency care and dental are provided to pregnant women.
237	Dr. Goldberg	Believes the primary package would not include vision and dental. Notes the emergency issue could be resolved if dental was provided.
242	Sen. Brown	Asks if outpatient treatment would more economical.
245	Dr. Goldberg	Affirms. Adds mandatory services are a federal, not a state, mandate.
265	Goldberg	Speaks on prioritization of benefits.
288	Bonetto	Refers to page three and prefaces it is merely a starting point for discussion. Discusses the worksheet.
307	Co-Chair Hannon	Asks if the baselines present on page three are preexisting or recreated.
310	Bonetto	Responds that the baselines on page three are new.
312	Co-Chair Hannon	Clarifies the Co-Chair Ways and Means budget encompasses the new baseline without the add backs.
313	Bonetto	Affirms.
325	Rep. Bates	Recalls Sen. Brown's example to illustrate the need for consideration of unintended consequences.
345	Sen. Minnis	Poses question regarding the inclusion of dental.
348	Dr. Goldberg	Replies that there has been previous work done on tailoring a dental benefit. Agrees it could be done.
364	Sen. Minnis	Speaks on dental benefits and access.
376	Rep. Kruse	Asks Dr. Goldberg if the scenario would be covered.
381	Dr. Goldberg	Replies he is unsure, but is sure that the emergency care would be covered.
383	Rep. Kruse	Believes that under certain criteria it could be. Suggests information on the dental package be researched.
397	Co-Chair Hannon	Requests research on the dental package.

400	Bonetto	Refers to Benefit Prioritization Worksheet – 5/21 (EXHIBIT A):
		<ul style="list-style-type: none"> • Pregnant women health care package • Child health care benefits • Adults/couples/families health care package
430	Co-Chair Winters	Inquires if ‘durable medical’ is included in the adults/couples/families category.
440	Bonetto	Affirms. Discusses the medically needy category.
TAPE 6, B		
007	Sen. Brown	Understands that currently adults/couples/families do not have chemical dependency assistance in the primary care package.
010	Bonetto	Affirms.
013	Sen. Brown	Poses situation regarding chemical dependency provisions for adults under federal law.
017	Seeley	Explains benefits and notes that there would be mental health and chemical dependency packages under the prioritization suggested.
024	Sen. Winters	Comments that provisions within the budget exist.
032	Rep. Bates	Comments on cost shifts and hospitals to illustrate the need for attention to options.
040	Dr. Goldberg	Notes there would be a cost shift without inclusion of hospitalization. Offers suggestion for prioritization.
045	Rep. Bates	Reiterates the unintended consequences that come without full consideration of options.
054	Sen. Minnis	Disagrees with Rep. Bates. Believes it is a theoretical argument that remains undocumented.
070	Rep. Kruse	Refers to Utah’s health care system. Notes a full analysis has not yet occurred and that consideration of the Utah model could be useful.
087	Co-Chair Hannon	Requests comparison numbers from Mr. Bonetto. Asks if pricing will follow.
096	Bonetto	Concurs and will supply the information at the next meeting.
099	Sen. Minnis	Requests overview of the issues discussed.
103	Co-Chair Hannon	Replies that staff will return with figures for discussion.
114	Sen. Minnis	Argues an abstract benefit package be created and priced.
118	Co-Chair Hannon	Explains time constraints and his preferences.
132	Co-Chair Winters	Recommends the packages be priced out individually.
143	Bonetto	Explains he can move forward as long as there is some consensus as to priorities.
147	Sen. Minnis	Asks for a set of assumptions behind the costs and explains reasoning behind the request.
157	Co-Chair Hannon	Poses situation.
167	Sen. Brown	Clarifies Mr. Bonetto will price the basic benefit package.
169	Bonetto	Affirms additional add backs will be priced.
180	Co-Chair Hannon	Closes informational meeting. Adjourns meeting at 4:48 p.m.

EXHIBIT SUMMARY

A – Oregon Health Plan, written testimony, Mike Bonetto, 3 pp.

B – Oregon Health Plan, written testimony, Dr. Bruce Goldberg, 1 p.

