

SENATE COMMITTEE ON RULES

July 17, 2003
1:30 PM

Hearing Room B
Tapes 93-96

MEMBERS PRESENT: Sen. Kate Brown, Co-chair, presiding today
Sen. Bev Clarno, Co-chair
Sen. Jason Atkinson, Vice-chair
Sen. Ginny Burdick, Vice-chair
Sen. Roger Beyer
Sen. Tony Corcoran

STAFF PRESENT: Jim Stembridge, Committee Administrator
Romy Dye, Committee Assistant

MEASURE/ISSUES HEARD: SB 915 – Public Hearing
SB 919 – Public Hearing and Work Session
SB 913 – Public Hearing
HB 2537 – Public Hearing

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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
TAPE 93, A		
005	Co-chair Brown	Calls the meeting to order at 1:40 PM. Opens a public hearing on SB 915.
<u>SB 915 – PUBLIC HEARING</u>		
010	Rep. Billy Dalto	Oregon State Representative, District 21. Testifies in support of SB 915 with -1 amendments. Explains the history of the bill. Summarizes the bill. Discusses the purpose of the bill. Feels flexibility is important. Requested -1 amendment from Legislative Counsel but willing to consider buffer zone. Presents -1 amendments dated 7/16/03 (EXHIBIT A).
110	Doug Garrett	Lieutenant. Comments the location the north district office is in has made things easier for patrol operations and giving better service to citizens.
120	John Powell	Representing Oregon State Sheriff's Association. Testifies in support of SB 915 with -1 amendments. Explains purpose of the amendment. Expresses concerns with buffer zone. Opposes buffer zone requirement.
150	Scott Ashcom	Oregon Agriculture Alliance. Testifies in opposition of SB 915 without the amendments. Expresses concerns with the bill.
180	Co-chair Brown	Asks if the Farm Bureau is part of Mr. Ashcom's organization.
183	Ashcom	Responds no.
187	Randy Tucker	1000 Friends of Oregon. Testifies in neutral position with amendments. Expresses dislike the way the bill is currently written. Explains differences in sub one and sub two uses. Expresses beliefs. Discuss standard of statue of finding there to be no significant adverse impact. Explains changes with two separate amendments being currently drafted. Discusses buffers. Willing to work with others to reach a satisfactory outcome.

260 Sen. Corcoran Asks if familiar with Alma Work Farm facility in Lane County.
 265 Tucker Responds no.
 270 Sen. Corcoran Elaborates it has no buffer and has been in existence at least ten years. Claims it seemed to work fine when they had it out there with no conflict with neighbors.
 275 Tucker Provides two responses:

- With language proposed it would allow exceptions to three mile buffer if go through exceptions process
- Possibly work on sub two use element of the bill

280 Ron Eber Farm Forest Specialist, Department of Land Conservation and Development. Testifies in neutral position with -1 amendments. Feels -1 amendments look good. Urges moving amendments to a sub two use.
 295 Tucker Notes having not had a chance to analyze the -1 amendments yet.
 300 Co-chair Brown Closes the public hearing on SB 915 and opens a public hearing on SB 919.

The following prepared testimony is submitted for the record without public testimony for SB 915:

Don Schellenberg
SB 919 – PUBLIC HEARING

Submits written testimony (**EXHIBIT S**)

310 Marshall Coba Oregon Landscape Contractors Association. Testifies in support of SB 919. Discusses history of the bill. Submits written testimony (**EXHIBIT B**).
 325 Sen. Atkinson Asks how the designation was created.
 330 Coba Refers to language in last paragraph.
 333 Co-chair Brown Closes the public hearing on SB 919 and opens a work session on SB 919.

SB 919 – WORK SESSION

335 Sen. Clarno **MOTION: Moves SB 919 to the floor with a DO PASS recommendation.**

340 **VOTE: 5-0**
EXCUSED: 1 - Sen. Beyer
Hearing no objection, declares the motion CARRIED.
SEN. ATKINSON will lead discussion on the floor.

345 Co-chair Brown Closes the work session on SB 919 and opens a public hearing on SB 913.

SB 913 – PUBLIC HEARING

350 Marjorie Taylor Committee Administrator. Provides an overview of SB 913 which modifies requirements for benefit levels of basic health benefit plans for small employers.
 360 Bill Linden Association of Oregon Faculties. Testifies in support of SB 913. Explains purpose of the bill. Refers to handout provided. Submits written material (**EXHIBIT C**).

TAPE 94, A

005 Linden Explains services. Explains two key points of the bill:

- Provides fix to current conflict between rule in statute
- Provides a system with way to expand services where it makes sense to do so within existing resources so no fiscal impact

020 Rocky Dallum Legislative Director, Oregon Student Association. Testifies in support of SB 913. Explains benefits of the bill:

- Benefits a lot of student families by allowing campuses to open up health centers and giving option to students and dependents
- Cheaper services will be offered
- Health centers on campus will not have to expand if don't have funds or number of patients need
- Campus communities better served if services extended

050 Rob Wagner Claims this is not a mandate but an option for campuses to create additional services. Submits written testimony (**EXHIBIT D**). American Federation Teachers Oregon. Testifies in support of SB 913. Refers to letter from Oregon University System. Notes service expansion is permissive with no fiscal associated with this. Asks for clarification on those not enrolled as students but teaching courses if goal is to extend access to all groups that they are not being denied similar treatment.

060 Co-chair Brown Closes the public hearing on SB 913 and opens a public hearing on HB 2537.

The following prepared testimony is submitted for the record without public testimony for SB 913:

Grattan Kerans Submits written testimony (**EXHIBIT T**)

HB 2537 – PUBLIC HEARING

TAPE 93, B (problem with tape deck #2)

021 Rep. Joanne Verger Oregon State Representative, District 9. Testifies in support of HB 2537. Describes the bill. Submits written testimony (**EXHIBIT E**)

095 Rep. Laurie Monnes-Anderson Oregon State Representative, District 50. Testifies in support of HB 2537. States the goal is to offer health plan to get more people covered. Recommends -16 amendments discussing the intent. Discusses health care costs. Submits written testimony (**EXHIBIT F**) Presents -16 amendments dated 7/16/03 (**EXHIBIT G**).

185 Co-chair Brown Asks about compromising on amendments. Asks if employers would switch over if we get rid of time frame for them.

210 Rep. Monnes-Anderson Responds employees are happy with good health coverage. Provides example of study in Texas. States cannot answer whether a lot of employers would jump down. Feels with lower premiums more people will be covered.

218 Co-chair Brown Comments on HB 3126 compromise where two year time frame people had to be without insurance. Asks why we would compromise before HB 3126 has taken effect.

220 Rep. Monnes-Anderson Responds with an example of a business in Gresham that raised premiums where employers will not buy due to high cost so the company could not opt into a plan to allow employees to have option of health insurance.

225 Rep. Verger Feels there should be a data gathering to see how many people stepping down and if it works to expand healthcare. Discusses those canceling insurance with rising costs.

245 Judith Poutasse Lake Oswego resident. Testifies in opposition of HB 2537. Discusses statistics of mental illness. Provides personal example of sister with severe mental illness.

280 Sen. Corcoran Expresses congratulations on testimony. Asks if sister eligible for Social Security Disability or Social Security Insurance.

285 Poutasse Responds she does not acknowledge she is ill.

287	Sen. Corcoran	Agrees on notion that if people do not acknowledge they are mentally ill it is hard to get coverage needed.
303	Holly Robinson	Legislative Counsel. Discusses amendments. Comments on small employer health insurance in Oregon. Discusses coverage controlled through specific statutes. Explains major points with coverage: <ul style="list-style-type: none"> • Language meets social values and are similar to Medicaid reform plans • Applies to employers with two to fifty employees • Remove requirement that coverage pegged to Oregon Health Plan and sets forth certain types of services that must be covered in the basic plan
370	Robinson	<ul style="list-style-type: none"> • Continues discussing amendments. States there are a series of amendments putting insurance pool governing board back in business by providing health insurance coverage for small employers. Discusses components of the amendments: • Make certain technical changes to the statutes that put Insurance Pool Governing Board (IPGB) back in business of small employer coverage, • Data collection and reporting requirement • Sunset of four years • Removing the language of whether or not a person has to be without coverage for a certain period of time
415	Sen. Corcoran	Comments on reference made several times to put IPGB back in the business of small employer health plans. Asks about IPGB's role and how it changed.
420	Robinson	Responds two sessions ago they got out of the business.
TAPE 95, A 005	Rocky King	Administrator, IPGB. Testifies in neutral position on HB 2537. Responds to Senator Corcoran's question relating to session back in 1987. Discusses the positive aspect to the Board's decisions. Explains the history and changes over the last four years. Notes having seen deterioration over time with fewer and fewer employers offering coverage and every year 10,000 to 12,000 small employers go out of business. Claims problem is coming up with solution within policy framework. Would like answers to get basic coverage for businesses. Adds good idea to reverse deductibles.
090	Sen. Corcoran	Expresses main concern with Oregon Health Plan access. Notes sharing of risk is critical. Concerned with employer-based notion. Asks if structure is the kind of fee for service contained then would you not have participating providers.
111	King	Responds in regards to concerns with being employer-based over individual-based is a dream. States the problem is it is individual-based without coverage with employers dropping coverage and people have to assume own risk for health care coverage.
115	Sen. Corcoran	Notes the concern is if employer stops providing it then the cost for an individual to get those is prohibitive.
120	King	Responds that is correct. Discusses Family Health Insurance

130	John Lightowler	Assistance Program. Notes cannot comment on risk sharing but risk adjustment issues are there. Oregon resident, West Linn. Testifies in opposition of HB 2537. Provides negative personal experience with owning a small business and problems with health care coverage. Notes cannot get coverage for mental illness due to cost. States can reduce cost but does not because feels employees are important. Adds most mental illness is not covered by insurance. Provides an example of mentally ill daughter and high insurance costs. Feels parity would solve many personal and state-wide problems. Submits written testimony (EXHIBIT H) .
190	Jammie Farish	Oregon resident. Testifies in opposition of HB 2537. Provides a personal example of her son who is mentally ill. Notes disorder affects them daily. Claims only hope is medical insurance coverage.
231	Dr. Susan Patchin	Oregon Psychological Association. Testifies in opposition of HB 2537. Discusses psychology techniques. Provides an example that seven million suffer from chronic illnesses of a medical nature. Explains psychological intervention can help alleviate suffering. Discusses costs and savings. Notes 50-70% visits to physician are psychological issues. Urges not to eliminate coverage provided that are more cost effective and more available. Submits written testimony (EXHIBIT I) .
295	Mark Schorr	Counselor, Cascadia Behavioral Health Care. Testifies in opposition of HB 2537. Explains business. Discusses cuts.
305	Co-chair Brown	Asks how many people were cut from business.
310	Schorr	Responds 1/3. Discusses untreated conditions statistics. Explains costs. Describes other benefits. Points out broader range of treatments. Notes a big issue is stigma.
360	Steve Bieringer	American Diabetes Association. Testifies in opposition of HB 2537 due to removal of benefit requirements. Discusses three main points: <ul style="list-style-type: none"> • Requirement for diabetes coverage was put into law because health insurance has fallen short • Argument for eliminating mandates is it would let more people attain health insurance • Mandates are not major driver of premiums Submits written material (EXHIBIT J) .
TAPE 96, A		
020	Dave Rogers	Regional Vice President for American Cancer Society. Testifies in opposition of HB 2537. Expresses concern with language of the bill and -5 amendments. Presents -5 amendments dated 6/26/03 (EXHIBIT K) . Discusses exams. Provides personal example. Submits written testimony (EXHIBIT L) .
062	Ann Uhler	Oregon Treatment Network. Testifies in opposition of HB 2537. Claims not good business policy by having alcohol and drug services excluded from a basic health plan of any kind. Employees have drug and alcohol problems. Industries with high amounts of drugs and alcohol is construction and entertainment. Increase economy to build more yet offer no alcohol and drug coverage. Feels alcohol and drug treatment should always be included.

125	Gayatri Ramprasad	Oregon resident. Testifies in opposition of HB 2537. Provides personal example of own depressed state in the past and how she has recovered through treatment. Urges a system to be in place. Discusses treatment costs.
198	Sen. Corcoran	Asks to have a quote repeated.
200	Ramprasad	Repeats the quote.
205	Richard Reilly	President, National Alliance Mentally Ill (NAMI), Oregon. Testifies in opposition of HB 2537. Discusses previous testimony. Claims does not feel policy of Oregon is to discriminate against people with mental illness when they are pulled out. Asks for time to fix problems.
250	Barbara Hutchens	Yamhill County. Claims should not discriminate against mental illness. Discusses cost.
267	Co-chair Brown	Urges Mr. Reilly to look at the -16 amendments.
275	Angela Kimball	Oregon resident. Testifies in opposition of HB 2537. Provides personal example of having a family member with mental illness. Explains coverage limits and how critical the coverage and care is. Provides other examples. Discusses impact factors if not available treatment. Compares Oregon to other states. Describes high premiums.
385	Sen. Corcoran	Clarifies mandates do not affect cost. Asks what the cost drivers are.
395	Kimball	Responds too many variables affect health care costs so hard to focus on one mandate. Provides examples.
410	Stephen Loaiza	Oregon citizen. Testifies in opposition of HB 2537. Feels amazed other committee members are not present. Submits written testimony (EXHIBIT M).
415	Sen. Corcoran	Apologizes and explains this issue is not unfamiliar territory.
420	Loaiza	Responds frustrated people have left other important obligations to be here.
TAPE 95, B		
005	Loaiza	Amazed the bill is being discussed. Feels the bill is crafted poorly. Claims issues are so complex the outcome is unknown. Discusses parity.
020	Sen. Corcoran	Asks opinion of who the biggest opponents of parity are.
025	Loazia	Believes small businesses and insurance companies.
030	Scott Manchester	Executive Director, Oregon Chapter of National Association of Social Workers. Testifies in opposition of HB 2537 in its present form. Expresses concerns: <ul style="list-style-type: none"> • Elimination of coverage of health and chemical dependency • Clarity with drafting of the bill • Cutting back on benefits gets insurance for more people and provide for more affordable coverage • Mental health and dependency issues Discusses impact of mandates on cost. Refers to page 2 of written testimony. Explains needs. Submits written testimony (EXHIBIT N).
090	Loazia	Feels ignorance in the stigma surrounds mental illness. Claims people do not understand treatment works and recovery is possible.
095	Sen. Corcoran	Believes it is not ignorance but bottom-line.

105	Shirley Kimball	Oregon resident. Testifies in opposition of HB 2537 because of discrimination it places on treatment for mental illness. Feels wise to cover treatment of mental illness through insurance.
135	Frankie Williams	Oregon resident. Testifies in opposition of HB 2537. Provides personal example of own drug and alcohol abuse. Discusses depression and treatment and now being able to work and provide. Expresses concern with the possibility of losing coverage.
155	Ian Gerstel	Oregon resident. Testifies in opposition of HB 2537. Discusses the impact of excluding mentally ill. Provides personal example.
175	Jenny O'Connor	Oregon resident. Testifies in opposition of HB 2537. Provides personal example of son who has mental illness. Claims it is a treatable disease and need a health system to cover the treatment. Expresses concern with pharmaceutical medication creating insurance cost increase. Requests the need for more affordable medication. Asks what is going on with the parity bill.
205	Sen. Corcoran	Responds it is hung up in Ways and Means due to plan being analyzed.
210	O'Connor	Asks for suggestions for citizens to help.
215	Sen. Corcoran	Responds the best technique is face to face with own legislator.
218	O'Connor	Asks about folks in opposition.
220	Sen. Corcoran	Responds you need to stay and listen to all sides.
223	Linda Dunn	Oregon resident. Testifies in opposition of HB 2537. Claims do not need discrimination. Provides personal example of daughter with illness with insurance saving her life. Stresses importance of insurance. Remarks on a message to legislation from her daughter that without medication she would not be alive.
248	Scott Beyer	Physician Assistant. Testifies on intent of bill. Describes role of physician's assistants identifying health problems. Advocates for -17 amendments, restoring physician assistant services. Presents -17 amendments dated 7/16/03 (EXHIBIT O).
316	Wayne Schumacher	Executive Director, Oregon Optometric Physicians Association. Testifies in opposition to HB 2537. Discusses health cost shifting and history of similar measures. Submits written testimony (EXHIBIT P).
TAPE 96, B		
005	Jane Myers	Oregon Dental Association. Testifies in opposition of HB 2537. Discusses prosthesis mandate in ORS 743.706 in relation to the bill. Claims incidents rates are one service for 11,400 covered lives at a cost of 2 cents. Expresses concerns: <ul style="list-style-type: none"> • Essential health care services is not defined. • The requirement of coverage of standard benefits could benefit by an interpretation of physician to be inclusive of any licensed health care practitioner whose scope allows delivery of the service.
040	Jim Davis	Submits written testimony (EXHIBIT Q). Represents United Seniors of Oregon, Grey Panthers, Alzheimer's Association of Oregon and the Mental Health Matters campaign. Testifies in opposition of HB 2537. Claims this bill would remove critical services in health insurance policies doing damage to consumer health access to mental health, prenatal, etc. setting them back decades. Discusses

		negative effects of the bill further if passed. Submits written testimony (EXHIBIT R) .
075	John McGilley	Oregon Psychiatric Association. Introduces Dr. Kara Pattinson.
085	Dr. Kara Pattinson	Executive Counsel, Oregon Psychiatric Association. Testifies in opposition of HB 2537 with -5 amendments. States she will watch for other amendments to hopefully meet people's needs.
095	Co-chair Brown	Comments. Expresses concern with keeping the bill intact and adding specific mandates on nonexistent plan. Expresses interest in moving in direction of -16 amendments. Closes the public hearing and adjourns the meeting at 4:10 PM.

The following prepared testimony is submitted for the record without public testimony for HB 2537:

Staff	Presents -3 amendments dated 6/13/03 (EXHIBIT U)
Staff	Presents -9 amendments dated 7/8/03 (EXHIBIT V)
Staff	Presents -11 amendments dated 7/8/03 (EXHIBIT W)
Staff	Presents -12 amendments dated 7/9/03 (EXHIBIT X)
Staff	Presents -13 amendments dated 7/15/03 (EXHIBIT Y)
Staff	Presents -14 amendments dated 7/15/03 (EXHIBIT Z)
Staff	Presents -18 amendments dated 7/16/03 (EXHIBIT AA)
Staff	Presents -19 amendments dated 7/17/03 (EXHIBIT BB)
Gina Firman, Ph.D	Submits written testimony (EXHIBIT CC)

-

EXHIBIT SUMMARY

- A – SB 915, -1 amendments dated 7/16/03, staff, 2 pp**
- B – SB 919, written testimony, Marshall Coba, 1 p**
- C – SB 913, written testimony, Bill Linden, 3 pp**
- D – SB 913, written testimony, Rocky Dallum, 1 p**
- E – HB 2537, written testimony, Rep. Joanne Verger, 2 pp**
- F – HB 2537, written testimony, Rep. Laurie Monnes-Anderson, 3 pp**
- G – HB 2537, -16 amendments dated 7/16/03, staff, 5 pp**
- H – HB 2537, written testimony, John Lightowler, 3 pp**
- I – HB 2537, written testimony, Dr. Susan Patchin, 2 pp**
- J – HB 2537, written material, Steve Bieringer, 29 pp**
- K – HB 2537, -5 amendments dated 6/26/03, Dave Rogers, 1 p**
- L – HB 2537, written testimony, Dave Rogers, 2 pp**
- M – HB 2537, written testimony, Stephen Loaiza, 1 p**
- N – HB 2537, written testimony, Scott Manchester, 2 pp**
- O – HB 2537, -17 amendments dated 7/16/03, Scott Beyer, 1 p**
- P – HB 2537, written testimony, Wayne Schumacher, 8 pp**
- Q – HB 2537, written testimony, Jane Myers, 2 pp**
- R – HB 2537, written testimony, Jim Davis, 2 pp**

The following exhibits are listed out of order in the body of the tape log:

- S – SB 915, written testimony, Don Schellenberg, 2 pp**
- T – SB 913, written testimony, Grattan Kerans, 2 pp**

U – HB 2537, -3 amendments dated 6/13/03, staff, 1 p
V – HB 2537, -9 amendments dated 7/8/03, staff, 1 p
W – HB 2537, -11 amendments dated 7/8/03, staff, 1 p
X – HB 2537, -12 amendments dated 7/9/03, staff, 1 p
Y – HB 2537, -13 amendments dated 7/15/03, staff, 6 pp
Z – HB 2537, -14 amendments dated 7/15/03, staff, 9 pp
AA – HB 2537, -18 amendments dated 7/16/03, staff, 6 pp
BB – HB 2537, -19 amendments dated 7/17/03, staff, 8 pp
CC – HB 2537, written testimony, Gina Firman, Ph. D, 2 pp