

HOUSE COMMITTEE ON HEALTH AND PUBLIC ADVOCACY

February 22, 2001
1:30 P.M.

Hearing Room D
Tapes 27 - 30

MEMBERS PRESENT: **Rep. Jeff Kruse, Chair**
 Rep. Bill Morrisette, Vice-Chair
 Rep. Bill Garrard, Vice-Chair
 Rep. Phil Barnhart
 Rep. Jerry Krummel
 Rep. Jan Lee
 Rep. Laurie Monnes-Anderson
 Rep. Carolyn Tomei
 Rep. Cheryl Walker

MEMBER EXCUSED:

STAFF PRESENT: **Diane Lewis, Committee Administrator**
 Rachel Brown, Committee Assistant

MEASURE/ISSUES HEARD: **Informational Meeting- Overview of Health Insurance**
Premiums **Overview of the Children's Care Team, HB 2004**
 Coalition of County Children and Families Commissions
 Public Hearing and Work Session – HB 2076
 Public Hearing – HB 2081

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 27, A 007	Chair Kruse	Calls the meeting to order at 1:35 p.m. Opens an informational meeting on health insurance premiums.
<u>OVERVEIW OF HEALTH INSURANCE PREMIUMS</u>		
010	Dave Nelson	Represents the Oregon Association of Insurance and Financial Advisors. Testifies on the cost of health insurance and the premium dollar. Believes that health insurance is a "hot-button" issue.
020	Dean Kortge	Represents the Oregon Association of Health Underwriters. Submits written testimony (EXHIBIT A). Believes that regulation is not the answer to controlling the costs of prescription drugs. Points out that prescription drugs are driving up the costs of health insurance. Touches on cost shifts between commercial insurers- providers of individual and group health insurance- and a part of the premium paid directly because of the lack of payment from the Oregon Health Plan and Medicare.
046	Rick Rebel	Represents the Oregon Association of Insurance and Financial Advisors. Remarks that the Association has striven to create access to quality health care for small employers in Oregon. Notes that physicians are complaining about reimbursement rates with respect to Medicare and the Oregon Health Plan. Discusses

		how many providers will shun much of the Oregon Health Plan business because of the low-reimbursement rates. Speaks directly to the dollar figures of reimbursement rates. Comments on the shifts in cost due to the newest medical technology, pharmacy utilization, and changes in many government programs.
104	Kortge	Submits that employers are questioning what new benefits they are receiving in exchange for increasing premium costs.
116	Rep. Barnhart	Asks how the subsidy has changed over time.
118	Nelson	Responds that he has no historic data from which to offer insight as to the disparity.
125	Kortge	Refers to the pie chart on page 3 of submitted material to explain what a \$200 premium would be utilized for.
143	Nelson	Maintains that as costs rise, the sickest of the sick take the portability plans so the lost ratio is significantly more, and more people are pushed from the market.
150	Kortge	States that 11% of the \$200 premium is set aside for administration costs.
159	Rep. Krummel	Asks what the majority of the \$200 goes to.
162	Nelson	Responds that the majority of the premium is for paying an individual's medical bills.
164	Kortge	Explains that the balance is skewed by those large numbers of people receiving Medicare, and there is a dilemma between physicians asking for more money from insurance companies that do not wish to charge their customers more. Mentions that the problem is exacerbated when the federal poverty level increases and more people are eligible for Medicare and Medicaid.
184	Rep. Garrard	Asks what one single factor is the main driving force in the acceleration of these increases.
187	Kortge	Responds that technology is in part to blame and offers breast cancer anecdote to define the culprit.
200	Nelson	Submits that people need to be aware of how much it costs these days to be ill. Believes that some drugs are lifestyle-related and enable bad behavior.
211	Rep. Morrisette	Asks how to accommodate small businesses under the umbrella of health insurance.
216	Nelson	Responds that bigger isn't necessarily better as far as companies go. Explains that larger companies rarely have better experiences than smaller ones in the case of health insurance.
226	Kortge	Believes there is no miracle solution and everyone needs to work to solve this important problem.
232	Rebel	Asserts that employers need to make difficult decisions based on the rising costs of insurance premiums.
238	Chair Kruse	Closes the informational meeting on health insurance premiums and opens an informational meeting on the Children's Care Team.

OVERVIEW OF THE CHILDREN'S CARE TEAM

241	Larry Campbell	Former House Speaker and member of the Children's Care Team. Submits written testimony (EXHIBIT B). Speaks to the reasoning behind SB 555 (1999) and believes it put programs "back on track". Mentions the passage of HB 2004 (1993) that created direction and development of the state and local commissions. Mentions the establishment of the Healthy Start program by HB 2006. Refers to EXHIBIT B, and discusses establishment of the Children's Care Team.
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326	Campbell	Speaks on the importance of children and family issues. Refers to the graph in submitted material that includes revenue figures that considers the growth of government and miniscule funding levels for the State Commission on Children and Families and local commissions. Believes there is not enough advocacy for the prevention side of the issue in relation to children, ages 0-8. States that advocacy has recently been implemented within the local commissions on children and families.
377	Campbell	Maintains that he has no 'client' in this field, but still has definitive opinions regarding children and families. Points out that the figures he is using today are mainly from 1991, and influenced actions of the legislature in 1993. Reports that the figures from 1991 are not very different from today's numbers.
TAPE 28, A 005	Campbell	<p data-bbox="673 609 1453 808">Expresses his great concern for children and family issues. Talks about the importance of preparing families to fight drug and alcohol abuse and adds that he is proud of the gains Oregon has made in this issue area in the recent years. Provides the committee with statistics that he believes should cause people to become motivated:</p> <ul data-bbox="673 819 1453 1155" style="list-style-type: none"> <li data-bbox="673 819 1453 892">▪ Every 8 seconds in America a child drops out of school and every 26 seconds a child runs away from home <li data-bbox="673 903 1453 976">▪ Every 47 seconds a child is abused or neglected and every 67 seconds a teen mom has a baby <li data-bbox="673 987 1453 1081">▪ Children under the age of 18 make up 26% of Oregon's population and in 1991, 84,000 of these children were living below the poverty level <li data-bbox="673 1092 1453 1155">▪ Every day in Oregon in 1991, 130 kids were waiting for foster homes
056	Campbell	<p data-bbox="673 1155 1453 1197">Continues testimony with more Oregon statistics:</p> <ul data-bbox="673 1207 1453 1470" style="list-style-type: none"> <li data-bbox="673 1207 1453 1270">▪ In 1997, the suspected cases of child abuse had increased from 11,000 per year to 18,000 per year <li data-bbox="673 1281 1453 1354">▪ A 1998 study showed that since 1991 child abuse had risen 38%, placing Oregon at the highest level in the nation <li data-bbox="673 1365 1453 1470">▪ In 1997 over 50% of kids in both public and private schools were found to be lacking in the ability (not prepared) to be in school
101	Campbell	<p data-bbox="673 1470 1453 1638">Maintains that children that need special attention in schools take the focus away from those who are prepared to learn and shortchange them. Believes that we can't fairly judge our teachers and schools since so many kids are not arriving at school ready to learn and are not participating appropriately in school.</p> <p data-bbox="673 1648 1453 1936">Wonders why society waits to act on this problem with warning signals appearing early on. Maintains that society waits for parents to fail and for children to appear in the system. Asserts that everyone pays for societal neglect of issues that are preventable. Believes that problems solved on the "front end" are less expensive and better for society in the future. Offers anecdote of a young man "in the system" whose problems emphasize many of the difficulties our society faces today. Maintains that as much priority must be given to promoting a child's potential as we give</p>

212	Campbell	to ameliorating problems. Discusses each of the areas of the Children's Care Team: Prenatal/Postnatal Health, Child Abuse/Neglect, Child Behavior, Emotional Illness, Physically Handicapped/Developmentally Disabled Children, Teen Pregnancy/Teen Parenting, Delinquency/Pre-teen and Adolescent Substance Abuse. Explains that the 30-member task force team was broken down into sub-committees to address these issues. Notes the effectiveness of certain conducted case studies that put the team-members in the position of needing help from the system. Explains that team-members called up agencies and acted like someone in need of services and received many negative responses or no response at all as a result. Remarks that the findings of the team pointed to many devastating social issues that resulted in the conclusion that the state does "too little, too late". Refers to EXHIBIT B and continues discussion of Children's Care Team.
278	Campbell	Submits that the task force developed a vision for the local level. Explains that the system, based on child development stages, values children as individuals and supports their families. Believes that prevention is the most important tool to act towards the formation of quality citizens in our society.
321	Campbell	Discusses the importance of supporting a nurturing a child's first year of life. States that the price our society is paying for ignoring the foundation of human development in the first days and months is cumulative.
352	Campbell	Describes Hawaii's Healthy Start program, which is tailored to work with at-risk families who are identified in the hospital when a child is born. Explains that childcare coordinators are matched with at-risk mothers and that this system is highly effective in reducing abuse, etc.
TAPE 27, B 001	Campbell	Mentions HB 2004 (1993) that reflected the work of the Children's Care Team. Touches on the teen-mom program at Churchill High School in Eugene that has not operated with any State funding, but has received Federal funding.
030	Campbell	Speaks on the importance of prenatal care and explains that it is a great investment with high returns. Compares the old system of providing children and families with services with the new system recommended by the Children's Care Team. Points out that the old system was only responsive when there was a problem and that the new system uses preventative methods. Notes that there is flexible funding in the new system, and that most services are delivered at natural touch points rather than services located in bureaucratic settings.
069	Campbell	Confirms that many of the plan's targets were achieved but that the overall objectives eventually came to a standstill due to inadequate funding and the failure to implement programs like Healthy Start throughout the state. Believes that legislators can make a difference by working to force the funding to the local level and return to the direction set by the Children's Care Team.
108	Rep. Barnhart	Asks if these programs should be included in the education budget and make the schools responsible for their implementation.
115	Campbell	Responds that one natural touch point is in the schools and if

- 140 Rep. Walker there aren't enough advocates to find the necessary funding, then the schools can usually obtain appropriate funds from legislators. Mentions the Grants Pass Community Center and the White City model which are both "one-stop shopping" facilities.
- 157 Campbell Agrees that an integrated program is necessary because many families have multiple problems.

COALITION OF COUNTY CHILDREN AND FAMILIES COMMISSIONS

- 196 Doug Carlson Director, Yamhill County Commission on Children and Families. Explains how the public, as a result of HB 2004, is now able to participate by way of county commissions, in children and families issues. Asserts that the commissions are accountable to the public, the Governor, and the Oregon Commission on Children and Families.
- 231 Randy Franky County Commissioner from Marion County and Former Chair of the Coalition of County Children and Families Commissions. Believes that it is necessary for local commissions to be represented with "one voice" to the State Commission on Children and Families. Expresses the importance of building communities, sharing best practices and mobilizing communities to join together and bring businesses and faith communities into the local process.
- 290 Franky Advocates for two pieces of the Commissions' legislative agenda: Healthy Start and comprehensive planning that addresses services to all children and families. Believes that the foundation in Marion County for dealing with children and families issues is strong, but that programs are still not adequately funded.
- 349 Gillian Nicolaides Director of the Commission on Children and Families in Douglas County. Praises Mr. Franky's effort to build a "win-win" team derived from 36 very diverse counties. Indicates that the coalition strives to bring together many different viewpoints and build relationships and share information. States that differing opinions aren't negative, nor is conflict.

TAPE 28, B

- 001 Nicolaides Continues testimony by stating that the coalition has been successful in building a team, despite the great challenge.
- 009 Franky Mentions that the coalition will continue to build a broad base of support and understanding for the concepts that support children and families.
- 018 Rep. Carlson Asks what the role of local commissions is in lieu of the imminent DHS reorganization and service integration.
- 033 Franky Responds that community development and service integration go hand in hand and local commissions are working to create a seamless service delivery system. Stresses the importance of having the goal that would allow clients to make contact with any one agency and be guided in the right direction, without feeling overwhelmed by a maze of agencies and programs. Believes that HB 2004 encapsulated the idea of mobilizing communities and integrating services for children and families.
- 067 Franky Indicates that a state-level "one-size cookie cutter model" does not work for communities. Believes that the local community does not stop at the county government level and that it actually goes down into the neighborhoods. Affirms that there have been attempts to build an infrastructure of programs at the county level through elementary schools and middle schools, but the funds did

		not exist for this extensive network. Remarks that finally just the high school catchment programs were developed and 14 exist successfully today. Highlights the importance of community support for individual families in order for state agencies to be successful in developing seamless services programs. Stresses the difficulty a state agency has in building trust and convincing its citizens that it is there to help.
110	Rep. Morrisette	Asks if Mr. Franky is familiar with Rep. Carlson's community learning center and family resource center bills.
114	Franky	Responds affirmatively and stresses the importance of relief nurseries, healthy start programs, and family resource centers.
118	Nicolaides	Adds that each county has different variations of similar programs.
121	Carlson	Remarks that Yamhill County established a family resource center through the efforts of its citizens and in particular, young mothers.
135	Rep. Carlson	Asks about appropriation of dollars for programs for children and families.
146	Franky	States that the coalition is supportive of implementing Healthy Start statewide and is pleased with the focus on early childhood. Admits that he supports the Governor's Children's Plan, its values and beliefs, but asserts that it is necessary to support middle school and high school aged children. Submits that a continuum of service is crucial.
188	Franky	Notes that when working with local communities, it is necessary to be flexible since each community has different needs. Believes that damage is done when money from one successful children's program is reallocated to a different children's program.
212	Chair Kruse	Remarks that the difficulty on the local level is to convince people that the funding given to them is actually theirs to keep, because of the state's history of appropriating money and then shortly after pulling these funds.
222	Franky	Concurs that the partnership between the state and the county is always a shaky one.
233	Rep. Tomei	Comments that the earlier the intervention into a child's life, the more effective it can be. Asks if the issue of "preconception intervention" has been explored.
241	Franky	Responds that this issue is supported by the coalition.
260	Nicolaides	Adds that in Douglas County there are programs that address these issues.
270	Chair Kruse	Addresses the importance of enthusiasm at the local level.
286	Rep. Garrard	Expresses concern that there is no Healthy Start in his county.
290	Nicolaides	Reiterates that the coalition advocates for statewide involvement in Healthy Start programs.
293	Rep. Barnhart	Notes that ages 0-5 years prevention programs are run through some of the public schools.
302	Franky	Agrees that schools have a high success rate in getting many of the funds they need. Explains that no one entity can successfully deal with these issues and that partnerships must be created in order to give our children the best care that they deserve.
346	Chair Kruse	Adds that the schools cannot be expected to both educate our children and fix all social problems. Touches on the importance of each community finding a solution to its social ills.
372	Rep. Carlson	Maintains that programs in the community should use the schools

not as a solution, but as a partner in the solution.

TAPE 29, A

- 003 Rep. Barnhart Points out that it is very important to rid society of its narrow view as to what schools can be used for and that they are not simply 8a.m. to 3p.m. organizations that house a few classrooms. Believes schools should be catchment areas.
- 016 Nicolaides Gives two examples of school-community partnerships in Douglas County.
- 029 Chair Kruse Closes the informational meeting and opens a public hearing on HB 2076.

HB 2076 – PUBLIC HEARING

- 042 Rep. Carlson Testifies in favor of HB 2076 and gives background information on the bill. Explains that the Children’s Care Team recommended that the State Commission on Children and Families be created as well as 36 local commissions for the purpose of connecting social services and education for kids and their families in Oregon. Speaks to the original intent of the creation of the State Commission. Explains it took three legislative sessions to work out the glitches of the role of the state and local commissions.
- 085 Rep. Carlson Talks about those representing the local commissions and the intent of HB 2076 to better and more widely represent each diverse locality.
- 105 Carlson Continues to testify in support of HB 2076. Believes that HB 2076 will allow for more positive communication between local commissions and those members of the public they represent. Adds that HB 2076 will broaden the diversity of opinion and perspective within the State Commission on Children and Families.
- 149 Chair Kruse Closes a public hearing on HB 2076 and opens a work session on HB 2076.

HB 2076 – WORK SESSION

- 153 Rep. Morrisette **MOTION: Moves HB 2076 to the floor with a DO PASS recommendation.**
- VOTE: 5-0**
- EXCUSED: 4 - Krummel, Lee, Barnhart, Walker C.**

- 161 Chair Kruse **Hearing no objection, declares the motion CARRIED. MORRISSETTE will lead discussion on the floor.**
- 163 Chair Kruse Closes the work session HB 2076 and opens a public hearing on HB 2081.

HB 2081 – PUBLIC HEARING

- 165 Gin Denison Administrator for the Governor’s Advocacy and Children’s Ombudsman Office of Department of Human Services (DHS). Testifies in opposition to HB 2081. Brings to light the possibility of a website for the Children’s Ombudsman as a way to communicate with local commissions and the citizens of Oregon.
- 189 Rep. Garrard Asks for an estimate of the cost for a website of this nature.
- 191 Denison Responds that the cost is roughly \$100,000 per biennium to maintain a website.
- 200 Rep. Morrisette Advocates for more power to be given the Children’s Ombudsman.
- 223 Denison Responds that the State Ombudsman is a system navigator of

		sorts and looks holistically at the family in order to connect clients to services and help them to understand the various processes. States that Ramona Foley, the Administrator for the State Office for Services to Children and Families (SCF) has single-handedly improved communication between SCF and the State Ombudsman.
258	Rep. Walker	Asks if HB 2081 only changes the distribution of the information packet to incorporate local commissions and why HB 2081 appears to be such a costly undertaking.
268	Denison	Responds that resources change constantly throughout the state, and making printed material available would be a continuous and costly effort. Reiterates the importance of the creation of a website in order to more thoroughly distribute information.
277	Rep. Walker	Asks if a website is already available to the public.
281	Denison	Responds that presently there is a website for DHS but it does not include a place for the public to access ever-changing pieces of information.
295	Rep. Walker	Asks how often information changes.
299	Denison	Responds that information can change weekly and that currently there isn't the staffing capacity to maintain a large website but that a full-time staff person would need to be hired to do so.
304	Rep. Walker	Asks if the job could be contracted out instead of being done within the agency.
308	Denison	Responds that she has not looked into this.
312	Mickey Lansing	Deputy Director of the Oregon Commission on Children and Families (OCCF). States that OCCF is neutral on the issue of HB 2081 and that it is willing to work with DHS to insure that local commissions are aware of the role of the Children's Ombudsman. Believes that HB 2081 should not be put into statute.
361	Nicolaides	Testifies in support of HB 2081. Explains that the intent of HB 2081 was simply to distribute information packets from the Children's Ombudsman for each of the local commissions.
TAPE 30, A		
001	Nicolaides	Reports that local commissions get many of the calls for families and children's issues and that people aren't necessarily aware that the Children's Ombudsman is available to help.
011	Rep. Carlson	Refers to the work group from which HB 2081 was created and explains that the intent of the bill was simply to allow other agencies to receive calls from the public and not simply local commissions. Submits that there are already excellent websites and other resources that people could access if they were aware of them. Admits that HB 2081 bill may not be necessary if the Children's Ombudsman would simply pass out their brochure to the 36 local commissions.
035	Denison	Reports that the Children's Ombudsman has no brochure at present.
043	Rep. Carlson	Recommends that the information from the discussion surrounding the Office of the Ombudsman in the 1997 Legislative Session be passed out to the 36 local commissions.
045	Denison	Replies that she would be happy to send out this information which is now in e-mail format.
049	Chair Kruse	Closes the public hearing on HB 2081 and Adjourns the meeting at 4:00 p.m.

Submitted By,

Reviewed By,

Rachel Brown,
Administrative Support

Diane Lewis,
Administrator

EXHIBIT SUMMARY

A – Oregon Association of Insurance and Financial Advisors, written material, Dean Kortge, 4pp.

B – Children’s Care Team, written material, Larry Campbell, 89pp.

C – Governor’s Advocacy and Children’s Ombudsman Office, written material, staff, 4pp.