

HOUSE COMMITTEE ON HEALTH AND PUBLIC ADVOCACY

March 29, 2001
1:30 p.m.

Hearing Room D
Tapes 66 - 69

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

MEMBER EXCUSED:

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

MEASURE/ISSUES HEARD: HB 2438 – Public Hearing and Work Session
HB 2894 – Public Hearing and Work Session
HB 2895 – Public Hearing and Work Session
HB 3103 – Public Hearing and Work Session

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 66, A		
004	Chair Kruse	Opens meeting at 1:41 p.m. and opens public hearing on HB2438.
<u>HB 2438 – PUBLIC HEARING</u>		
022	Diane Lewis	Committee Staff. Provides measure history on HB 2438 and the proposed –1 amendments (EXHIBIT A).
048	Jacqueline Zimmer	Director, Oregon Association of Area Agencies on Aging and Disabilities. Submits and provides testimony in support of HB 2438 (EXHIBIT B).
114	Zimmer	Continues testimony on funding for training and referral programs.
155	Patrick Green	Governmental Affairs, OPEU/SCIU Local 503. Provides testimony in support of HB 2438.
193	Rep. Walker	Asks how Ballot Measure 99 (BM 99) fits in with HB 2438. Also shares concern about duplication of services.
200	Green	Responds that one of the provisions of the bill is to direct certain agencies to develop an 18-hour training program, which he believes is not a duplication of effort. Adds that there may be some confusion due to HB 3816, which will implement BM 99.
220	Rep. Walker	Asks about the Oregon Project Independence.
223	Zimmer	Explains that the reason they proposed the legislation, in light of the fact that BM 99 had passed, because there was some concern about whether it would be implemented. Their purpose is to

		keep this issue in front of legislators and have a tool in case the BM 99 would not proceed. [Discussion.]
300	Chair Kruse	Provides concern about whether someone would file a suit because a constitutional amendment has been passed and if there is negligence in implementation there could be some legal recourse.
313	Green	Responds that it could happen, but basically the bill is a housekeeping bill. [Discussion.]
330	Rep. Morrisette	Comments on the issue of funding resources if the measure passes.
340	Green	Responds that the money is in the Governor's budget for the home care commission itself is in the emergency funds portion [Discussion.]
360	Rep. Krummel	Refers to language in the bill and the amendments, and states that the language relating to self-employment appears to be contradictory.
410	Zimmer	Responds that the original bill where it defined client-employed providers (CEPs) as self employed was so that a person could have access to the Oregon Health Plan and report only half of their income.
430	Green	Adds that part of the confusion is the issue of how CEPs are paid, which is one of the reasons for Ballot Measure 99.
460	Holly Robinson	Legislative Counsel Staff. Responds that ORS 419.590 which was the original statute that was enacted, creates what lawyers call a "legal fiction" and the primary purpose was to allow individuals that were being employed as CEPs to be eligible for Medicaid-match money.
TAPE 67, A		
045	Rep. Krummel	Asks how far will the "legal fiction" go before the question is asked on whether individuals are self-employed – or employees of the state.
072	Robinson	Clarifies that the individuals are in fact self employed, with certain extra rights. [Discussion]
091	Zimmer	Suggests that a representative from the Department of Senior and Disabled Services Division (SDSD) should respond to the issue of self-employed providers.
101	Green	States that the implementation is very clear that this is specific for only those persons that are Medicaid eligible.
109	Rep. Monnes-Anderson	Refers to the amendment language relating to payment and asks what if employers are not able to provide funding.
133	Zimmer	Responds that the senior or the person with the disability generally does not pay for their home care, Medicaid does. Explains that this is a "waivered" program whereby they take money they would have spent to have the person in the nursing home, and pay someone to help them stay at home.
144	Rep. Monnes-Anderson	Asks if Medicaid sends the check to the CEP.
150	Zimmer	Responds that the state actually sends the check to the CEP using state general funds and federal-matched dollars.
152	Rep. Monnes-Anderson	Asks why this is in statute rather than in Administrative Rule.
157	Zimmer	States that the reason the bill is being put into statute is that they want the legislature to acknowledge the work the people do, and

185 Rep. Morrisette if it is a rule, it can be easily changed. Refers to the bill and asks if a client hires an in-home provider, are they bound by the increases.

202 Zimmer Responds that if they are a non-Medicaid eligible client, they may have to pay the increase in wages.

249 Rep. Walker Refers to the survey [handout], which shows a variety of concerns and asks how the bill would address those concerns.

243 Green Responds that the bill addresses some of the issues.

300 Rep. Barnhart Refers members to section 3 of BM 99, which covers concerns that have been raised by the committee.

360 Rep. Monnes-Anderson Asks about the process for compensation and insurance coverage.

361 Zimmer Responds that she believes it would be accessed the same way any other state employee would be allowed access.

368 Rep. Krummel Provides comment on the issue of whether there is authorization in statute to make the rules to implement BM 99.

400 Cindy Hannam Manager, Long-Term Care Quality for SDSO. Provides testimony in opposition to HB 2438.

442 Rep. Krummel Asks for the fiscal impact amount on the original bill.

445 Hannam Responds that the original HB2438 has a general fund of \$3,897 million dollars.

TAPE 66, B

013 Rep. Morrisette Refers to her opposition to the bill and asks about the implementation of BM 99.

019 Hannam Responds that BM 99 (proposed through HB 3816) will be implemented because it was a voter initiative and their plan is to work with the home care commission in terms of developing training standards. Adds that the issue at hand is implementing a statewide consistent program with a standardized curriculum, which is costly.

037 Chair Kruse Clarifies that HB 3816 is implementation of BM 99, which deals specifically with the commission and HB 2438 deals with getting more money into the system. [Discussion.]

064 Rep. Monnes-Anderson Asks about the purpose for the proposed amendments.

066 Chair Kruse States that the amendments replace the bill entirely.

090 Bonnie Bower Client Employed Provider. Explains her role as a CEP (without receiving any formal training.)

105 Rep. Krummel Provides his appreciation of her responsibilities as a CEP.

116 Bower Clarifies that she was trained by her client; she is client employed.

131 Rep. Morrisette Asks if the client or the state pays her.

133 Bower Responds that she is paid by the state.

145 Chair Kruse Closes public hearing on HB 2438; opens work session on HB 2438.

HB 2438 – WORK SESSION

147 Rep. Krummel **MOTION: Moves to ADOPT HB 2438-1 amendments dated 03/28/01.**

148 Rep. Monnes-Anderson States for the record that there is no fiscal impact statement on the proposed amendments and only substantive issues need to be looked at. [Discussion.]

208 Rep. KRUMMEL **MOTION: Moves HB 2438 BE REFERRED to the committee on Ways and Means by prior reference.**

220	Rep. Krummel	Comments on the issue of implementing what the voters have put into place and states that it is the responsibility of the Legislature to fund programs that the voters believe are necessary. VOTE: 8-0 EXCUSED: 1 - Lee
271	Chair Kruse	Hearing no objection, declares the motion CARRIED.
282	Chair Kruse	Closes work session on HB 2438. Announces that there are some issues to be worked on with HB 2895, so he will open and close a public hearing on the bill for the record.
295	Chair Kruse	Opens a public hearing on HB 2895.
<u>HB 2895 – PUBLIC HEARING</u>		
296	Chair Kruse	Closes public hearing on HB 2895 and opens public hearing on HB 2894
<u>HB 2894 – PUBLIC HEARING</u>		
303	Diane Lewis	Committee Staff. Provides measure history on HB 2894.
340	Rep. Al King	District 44. Provides testimony in support of HB 2894.
383	John Mullin	Director, Clackamas County Social Services. Provides and submits testimony in support of HB 2894 (and HB 2895) (EXHIBIT C) .
450	Mullin	Continues with testimony on funding for programs.
TAPE 67, B		
020	Mullin	Continues testimony on funding issues.
050	Rep. Krummel	Asks if without fully funding the county portion, how much Medicaid would cover.
052	Mullin	Responds that the gap is currently at \$805 thousand dollars and at the state level, it is \$3.4 million (the \$3.4 million is the general fund and it would be matched by about \$3.6 in federal funds).
056	Rep. Monnes-Anderson	Asks if any moneys are being paid to workers from the general fund.
068	Mullin	Responds that at the local level, the process is for all of the Type E area agencies on aging to come up with additional local funds to close the gap, which has resulted in increased caseloads.
071	Rep. Monnes-Anderson	Asks for clarification on the shortfall amount.
079	Mullin	Responds that the equity gap has forecasted \$3.4 million dollars in general fund and about \$7 million dollars in total funds.
080	Rep. Monnes-Anderson	Asks about the wage difference between counties.
086	Mullin	Responds that the whole issue is about paying comparability to what a state worker gets.
089	Rep. Krummel	Asks if by basing the methodology on a state employee's salary; whether every time a state employee got a raise, the county employee would get a raise.
092	Mullin	Responds that when the state workers got a raise, this would translate into additional monies for the local level, the money flows to the local level on a parody or equity of what state workers would get.
107	Chair Kruse	Closes public hearing on HB 2894 and opens work session on HB 2894.

HB 2894 – WORK SESSION

111 Rep. Krummel

MOTION: Moves HB 2894 BE REFERRED to the committee on Ways and Means by prior reference.

119

Chair Kruse

VOTE: 7-0

EXCUSED: 2 - Garrard, Lee

Hearing no objection, declares the motion CARRIED.

120 Chair Kruse

Closes work session on HB2894 and opens public hearing on HB 3103.

HB 3103 – PUBLIC HEARING

122 Diane Lewis

Committee Staff. Provides measure history on HB 3103 and the proposed –1 amendments [**EXHIBIT D**].

145 Rep. Barnhart

Explains the purpose of the proposed –1 amendments.

180 Rep. Krummel

Asks that with regard to resource limitations and means testing, how would this affect current Medicaid funding.

186 Rep. Barnhart

Responds that this item is not eligible for Medicaid funding, it is entirely a state-funded program. [Discussion.]

235 Rep. Jeff Kropf

District 37. Provides testimony in support of HB 3103.

340 Rep. Morrisette

Asks if he supports the proposed amendments and would he support the bill if it were being funded through portions of the tobacco settlement.

345 Rep. Kropf

Responds that he would not. [Discussion.]

380 Rep. Kropf

Continues with testimony on means testing. States that he is generally not opposed to means testing, but there are a lot of unanswered questions.

430 Mary Slawosky

Volunteer, American Association of Retired Persons (AARP). Submits and provides testimony in support of HB 3103. (**EXHIBIT E**).

TAPE 68, A

017 Slawosky

Continues testimony on Oregon Project Independence and the increase numbers of older persons living alone.

063 Rep. Morrisette

Asks for clarification on whether means testing would make a person ineligible for Project Independence.

067 Slawosky

Responds that they would like to ensure that this does not happen.

073 Rep. Barnhart

Comments that the stories Ms. Slawosky described are typical; not unusual.

100 Lee Hazelwood

Representing United Seniors of Oregon. Submits written testimony on behalf of Jim Davis (in absentia) in support of HB 3103 (**EXHIBIT D**).

151 Ralph Groener

Bill supporter. Provides testimony in support of HB 3103.

229 Groener

Continues with testimony on components of the Project Independence model.

300 Groener

Continues with testimony on his opposition to arbitrary assets and related costs.

325 Hazelwood

Asks Mr. Groener how the program was originally funded.

327 Groener

Provides background on how he obtained funding while serving as an Oregon representative.

360 Rep. Morrisette

Asks when was federal funding removed from the program.

372 Groener

Responds that funding was only provided for the committee to develop the program.

390	Jacqueline Zimmer	Director, Oregon Association of Area Agencies on Aging. Provides testimony in support of HB 3103. Also provides concerns to the proposed –1 amendments.
449	John Mullin	Director, Clackamas County Social Services. Provides testimony in support of HB 3103 and share concerns relating to the proposed –1 amendments.
TAPE 69, A		
045	Mullin	Continues with testimony on the sliding scale fee.
047	Rep. Morrisette	Asks for clarification on whether a sliding scale fee is included.
054	Mullin	Responds that there is a sliding scale that has been in existence since the program began.
061	Rep. Tomei	Asks if incomes are received from the project.
064	Mullin	Agrees.
070	Rep. Barnhart	Clarifies that in order for the area agencies on aging and SDSO to do any amount of intensive eligibility work, they would have to look under every rock and it is really a question of effort. [Discussion.]
089	Rep. Barnhart	Speaks to his intent behind the proposed –1 amendments and states that his primary reason is to leave the decision for how to do it to the people who know how to do it.
092	Zimmer	Describes the role her agency plays in providing referrals.
111	Rep. Walker	Shares concern over the proposed –1 amendments and language relating to asset testing.
167	Rep. Monnes-Anderson	Comments on the elderly who are reluctant to tell how much money they’re making and the need to proceed carefully with implementation.
192	Phyllis Rand	Capitol Coordinator, Governor’s Commission on Senior Services. Submits and provides testimony in support of HB 3103 (EXHIBIT G) .
254	Dan Kaplan	Deputy Administrator, Senior and Disabled Services Division. Provides testimony in opposition of HB 3103 and support of the proposed–1 amendments.
306	Chair Kruse	Asks about the start up costs.
308	Kaplan	Responds that this would be their challenge – to keep the means testing as simple as possible and yet allow for targeting.
309	Chair Kruse	Asks about the approximate number of staff (full time employee –FTE) that would be required.
313	Kaplan	Responds that this is a program that is administered in each of the area agencies on aging and would require for some local staff, but he cannot estimate what the FTE would be at this point.
322	Chair Kruse	States that it appears that more bureaucracy is being set up in order to deal with the small percentage of the people who might make more money than we think they should to qualify.
333	Kaplan	Responds that their means testing would be more heavily directed towards assets as opposed to income. [Discussion.]
357	Chair Kruse	States that he is not a fan of income redistribution – does not believe that someone should work their whole life to build something to pass it on, and then have to spend themselves down in their later years.
366	Rep. Barnhart	States that their objective is to figure out how to spread the dollars out among the people who were the most in need. It was not his intention to set up a bureaucracy of “lets find fraud” based approach. Asks what kinds of trade-offs could be made.

370	Kaplan	Responds that they have not had an opportunity to lay out what eligibility rules would look like and their goal is to keep them as simple as possible, not create an overly bureaucratic system.
410	Rep. Barnhart	States that his proposal was to have two lines on the asset questionnaire: asks Mr. Kaplan if he anticipates something more extensive.
420	Kaplan	Responds that self-reporting would be the simplest form but restates that they have not had an opportunity to give real scrutiny.
426	Rep. Monnes-Anderson	Refers to the WIC program, which provides or a simple self-disclosure form.
432	Kaplan	Restates their goal to keep it simple.
440	Rep. Morrisette	Restates his earlier question on whether or not tobacco funds would be a suitable source to fully fund the program.
453	Kaplan	Responds that he cannot answer the question.
480	Chair Kruse	Announces that he wants to further review the proposed –1 amendments and its effect on the bill.
489	Lewis	Committee Staff. Submits report on the Speaker’s Task Force on Funding for Senior and Disabled Services (EXHIBIT H).
490	Chair Kruse	Closes public hearing and adjourns the meeting at 4:20 p.m.

Submitted By,

Reviewed By,

Rachel Brown,
Committee Assistant

Diane Lewis,
Committee Administrator

Transcribed by

Nora Carlson

EXHIBIT SUMMARY

- A – HB 2438, proposed –1 amendments, committee staff, 5pp**
- B – HB 2438, written material, Jacqueline Zimmer, 7pp**
- C – HB 2894, written testimony, John Mullin, 2pp**
- D – HB 3103, proposed –1 amendments, committee staff, 3pp**
- E – HB 3103, written testimony, Mary Slawosky, 1pp**
- F – HB 3103, written testimony, Lee Hazelwood, 1pp**
- G – HB 3103, written testimony, Phyllis Rand, 1pp**
- H – Speaker’s Task Force Report on Funding for Senior and Disabled Services, Committee Staff, 13pp**