

HOUSE COMMITTEE ON HEALTH AND PUBLIC ADVOCACY

April 12, 2001
1:30 P.M.

Hearing Room D
Tapes 81 - 85

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

MEMBER EXCUSED: Rep. Bill Garrard, Vice-Chair

STAFF PRESENT: Diane Lewis, Administrator
Rachel Brown, Administrative Support

MEASURE/ISSUES HEARD: HB 3218 - Public Hearing
HB 2507 – Public Hearing
HB 3015 – Public Hearing
HB 3528 – Public Hearing and Work Session
HB 2498 – 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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
TAPE 81, A		
005	Chair Kruse	Calls meeting to order at 1:41 p.m. Opens public hearing on HB 3218.
<u>HB3218 – PUBLIC HEARING</u>		
008	Diane Lewis	Committee Staff. Presents measure history on HB 3218.
017	Rep. Charlie Ringo	House District 6. Presents testimony in support of HB 3218.
048	Rep. Lane Shetterly	House District 34. Presents testimony in support of HB 3218.
091	Robert Ringo	Personal Injury Attorney. Submits and presents testimony in support of HB 3218 [EXHIBIT A].
146	Rep. Krummel	Asks Mr. Ringo to explain the relationship between hospitals going under and the increase in personal insurance liability being proposed.
160	Ringo	Responds that hospitals are better reimbursed in emergency room service if individuals have sufficient insurance.
183	Rep. Walker	Asks if there are projected numbers in regard to the premiums.
187	Ringo	Approximates the premiums at \$60 annually.
190	Rep. Walker	Asks if other states have comparable liability coverage.
192	Ringo	Responds that he is not award of a comparison study.
218	Dr. William Long	President, Oregon Chapter of the American College of Surgeons. Submits and presents written testimony in support of HB 3218 [EXHIBIT B].
320	Joy Ketchum	Acting Chief Executive Officer for Trauma Specialists. Submits collaborative testimony along with Dr. Long in support of HB 3218.

413 Rep. Lee Asks about the differences between Oregon and Washington statutes both in regard to insurance coverage and reimbursement practices.

415 Long Responds that four years ago, Washington passed SB 5721, which caused a \$5 surcharge on all vehicular sales transactions and all moving violations. The money is put into a pool and allows hospitals and rehab facilities to get paid for patients who do not have any form of insurance.

TAPE 82, A

022 Rep. Barnhart Asks if difficulties in getting payment will have a negative impact on the availability of services in Oregon.

025 Long Agrees that it would have a negative impact.

027 Rep. Krummel Refers to testimony which states that the average hospital bill for a non-critically injured patient is \$17,000; asks about the types of injuries and the services that would be required.

030 Long Responds that in many cases, a non-critical injury would be someone with both legs fractured, which would normally generate one to two weeks of hospitalization and could require multiple surgeries and months of rehab.

050 Jim Dwyer Bill supporter. Provides testimony in support of HB 3218.

078 Aaron Crane Chief Financial Officer, Oregon Health Sciences University. Submits and presents testimony in support of HB 3218 [EXHIBIT C].

119 Rep. Barnhart Asks about the cost for the median charge.

121 Crane Responds that the charge for in-patients would be at approximately \$40,000.

140 David Triebes Representing Samaritan Health Services. Provides testimony in support of HB 3218.

210 John Powell Representing State Farm & North Pacific Insurance Companies. Provides testimony in opposition to HB 3218.

305 Powell Continues testimony on taxing vehicles to fund trauma systems.

375 Rep. Barnhart Asks about the differences in numbers for average claims.

389 Powell Responds that in their case, they are comparing actual payment of claims that were actually paid under the provisions of insurance policies. In the case of the trauma numbers, the figures include all of trauma and not just accidents. [Discussion.]

410 Rep. Barnhart Asks Mr. Powell to provide a breakdown on the difference between the PIP and liability coverages referred to in Sections 1 and 2 of the bill.

435 Powell Responds that in referring to information he just received, it would appear that the PIP portion of the bill would increase the premiums at about \$10 of the \$60 per year. [Discussion.]

TAPE 81, B

028 Rep. Monnes-Anderson Comments on the average increase in car insurance and that PIP and body injury amounts have not changed and states that everything should be in the same playing field.

050 Powell Clarifies Rep. Monnes-Anderson's remark that there should be inflationary clauses on all insurance policies. Believes that this would be problematic for the people that the minimum limits effected [Discussion.]

074 Rep. Lee Asks if she has \$100,000 coverage and gets injured by someone with PIP coverage; whether her insurance company would have to pick up the amount over the \$10,000 and would she be charged additional premiums for the lack of that persons

		coverage.
077	Powell	Explains that the PIP coverage would not come into play; the bodily injury limit would. Further explains that the PIP is for first party coverage; it covers only the person who owns the car and passengers.
084	Rep. Lee	Reclarifies her question and asks if someone hits her and that person only has \$25,000 minimum and hers is higher; whether her insurance would have to pick up other costs.
088	Powell	Responds that the only premium increase that she would incur is an overall insurance cost increase; she would not be charged in this instance with an at-fault incident and thus would not be surcharged and pay more based on that accident. [Discussion.]
095	Rep. Tomei	Asks about the percentage of drivers that do not carry insurance.
098	Powell	Responds that the best evidence in Oregon is at 12%. [Discussion.]
128	Rep. Lee	Asks if they have considered coverage that would pay for the more catastrophic situations as an additional sub-benefit category.
132	Powell	Responds that it has not been considered in Oregon, but in Washington they surcharge for auto sales and traffic fines and penalties.
139	Rep. Monnes-Anderson	Asks if insurance companies ever use the profits they make toward subsidizing other non-profit organizations.
147	Powell	Responds that insurance companies overall make many contributions.
182	Ed Patterson	Representing Oregon Association of Hospitals and Health Systems. Submits and presents testimony in support of HB 3218 [EXHIBIT D].
275	Patterson	Continues testimony on insurance cost effects for level one and level two hospitals.
300	Scott Gallant	Representing Oregon Medical Association. Provides testimony in support of HB 3218.
327	Rep. Walker	States that she has seen first-hand how hospitals are impacted and that level-three and level four hospitals are the front line hospitals who get the majority of trauma patients.
390	Rep. Lee	Asks if the critical part of the bill is to increase the PIP, or if there is justification for increasing bodily injury and other limitations referred to in section 1 of the bill.
395	Patterson	Responds that his association has endorsed the bill entirely and believes the question should be directed toward the sponsors.
405	Jack Munro	Representing the American Insurance Association. Provides testimony in opposition to HB 3218.
TAPE 82, B		
002	Munro	Continues testimony by concurring that the effort to increase coverage would increase the number of people that do not have auto insurance.
033	Rep. Lee	Asks about the amount that a driver's policy would see if the PIP coverage were increased from \$10,000 to \$25,000.
041	Munro	Responds that one of the problem areas the insurance companies have are in the levels of preferred drivers and nonstandard companies that underwrite policies for those that don't have clear driving records.

080	Tom D'Amore	Bill Supporter from West Linn, Oregon. Provides testimony in support of HB 3218.
140	Rep. Lee	Asks if insurance companies have actuaries that can bring forth information on insurance coverage figures. Shares concern that the bill will not leave the committee without the necessary numbers.
147	D'Amore	States that actuaries can be obtained from the commission and from the insurance industry and suggests that they also get opinions from private actuaries.
159	Lewis	States that she has had discussion with the commission who offered to provide the committee with information relating to coverage numbers.
165	Chair Kruse	Closes public hearing on HB 3218. Opens a work session on HB 2498.

HB 2498 – WORK SESSION

176	Diane Lewis	Committee staff. Provides measure history on HB 2498. Submits and provides amendment history on the proposed –2 amendments [EXHIBIT E].
196	Rep. Barnhart	Submits and explains the purpose for the proposed –4 amendments [EXHIBIT F].
200	Lewis	Submits testimony on behalf of Paula Acker, Counselor at Oregon Health Sciences University [EXHIBIT G].
231	Chair Kruse	Provides his opposition to the –4 amendments, and to the list of members proposed to serve on the task force. [Discussion.]
307	Chair Kruse	States his concern in that he has been dealing with the issue for over two years and just viewed the proposed –4 amendments the day before.
324	Rep. Morrisette	Asks the chair if he supports the –3 amendments.
325	Chair Kruse	Responds that the –3 amendments are simply a rough draft of the –4 amendments. [Discussion.]
345	Rep. Tomei	States that there had been previous and extensive testimony toward supporting members who are being proposed in the –4 amendments.
350	Chair Kruse	Responds that there was extensive testimony from only one person. [Discussion.]
415	Chair Kruse	Announces that the bill and proposed amendments will be brought back to the committee for further discussion.
418	Chair Kruse	Closes work session on HB 2498; opens public hearing on HB 3528.

HB 3528 – PUBLIC HEARING

425	Diane Lewis	Committee staff. Provides measure history on HB 3528.
430	Rep. Tom Butler	House District 60. Provides testimony in support of HB 3528.
<u>TAPE 83, A</u>		
040	Rep. Butler	Continues with testimony on the Narrows Project: a proposed rural service center.
117	Rep. Morrisette	Refers to the relating clause of the bill and asks if health related items (i.e., aspirin) would be sold.
120	Rep. Butler	Responds that health related items would be sold.
190	Dale White	Former County Judge. Submits and presents testimony in support of HB 3528 [EXHIBIT H].
272	Rep. Morrisette	Asks why the site isn't specifically named.
275	White	Responds that their attempt was for no other place to be able to meet the criteria. [Discussion.]
321	Jett Blackburn	Bill supporter from Burns, Oregon. Provides testimony in

375	Rep. Morrisette	support of HB 3528. Submits testimony on behalf of Sen. Steve Harper providing his support for the bill [EXHIBIT I].
378	White	Comments that the bill includes language for permit residential dwellings and asks if there are plans to build a motel on the site. Responds that it is not in the current plan, but as a rural service center it would be authorized. [Discussion.]
418	Rep. Walker	Asks if the zoned land has been farmed.
426	Blackburn	Responds that it has never been farmed, the land was a part of a 100-acre parcel and did not qualify for farm referral.
TAPE 84, A		
013	Bob Rindy	Represents the Department of Land Conservation and Development. Provides testimony in opposition to HB 3528 and submits testimony on behalf of Richard Benner, Director, Department of Land Conservation and Development (DLCD) [EXHIBIT J].
078	Rep. Krummel	Asks about the distance between the site and the city of Burns, Oregon.
080	Rindy	Responds that is 19 miles.
084	Rep. Krummel	Asks if there is a problem with new task development.
088	Rindy	Refers to the Rural Community Rules wherein he was part of the effort that identified 600 communities statewide that were historic.
114	Rep. Monnes-Anderson	Asks Mr. Rindy if he could identify the competing interest parties.
121	Rindy	Responds that some of the names are on record. Explains that before the land use board of appeals: the named parties were Josh Warburton and Denise Warburton, The Great Basin Society, Inc. and Alice Elschoff and Cal Elschoff, and others challenged in the exception.
164	Rep. Krummel	Asks if they have a process in place to assist applicants and work through some of the issues.
170	Rindy	Responds that in their agency went through a process to ensure that all state agencies involved in the land use process to have coordination agreements with DLCD. Adds that they are coming into the issue of campgrounds in farm and forest zones and describes the history wherein the rules were developed.
244	Rindy	Adds that they are coming into the issue of campgrounds in farm and forest zones and describes the history wherein the rules were developed.
260	Chair Kruse	Closes public hearing on HB 3528; opens work session on HB 3528.

HB 3528 – WORK SESSION

262	Rep. Morrisette	MOTION: Moves HB 3528 to the floor with a DO PASS recommendation.
265	Rep. Monnes-Anderson	States her opposition to the bill and shares her concern that the bill is “piece-meal” legislation and not a good land use planning for the committee to make decisions upon.
268	Chair Kruse	Explains that the bill addresses a problem that has not been able to find a solution.
274	Rep. Krummel	Provides his reasons for supporting the bill.
299	Rep. Lee	Provides support but expresses concern with the competing interest parties being disenfranchised. Adds that she will provide more research before making her final decision.
306	Rep. Monnes-	States for the record that there were seven competing interests

	Anderson	and the committee is making a recommendation on only one person who could benefit most from the bill. [Discussion.]
354	Committee Staff	VOTE: 5-1 AYE: 5 - Krummel, Lee, Morrisette, Walker C, Kruse NAY: 1 - Monnes Anderson EXCUSED: 3 - Barnhart, Garrard, Tomei The motion CARRIES. REP. MORRISETTE will lead discussion on the floor.
360	Chair Kruse	
365	Chair Kruse	Closes work session on HB 3528. Opens public hearing on HB 2507
<u>HB 2507 – PUBLIC HEARING</u>		
370	Chair Kruse	Closes work session on HB 2507. Calls the meeting to recess.
372	Chair Kruse	Reconvenes the meeting at 5:43 p.m. and opens public hearing on HB 3015.
<u>HB 3015 – PUBLIC HEARING</u>		
378	Diane Lewis	Committee staff. Provides measure history on HB 3015.
417	Chair Kruse	Clarifies that the genesis of bill came from meetings and discussions held by the Governor’s Mental Health Alignment Workgroup whose focus was to look at Oregon’s mental health and delivery systems.
TAPE 83, B		
032	Raul Ramirez	Marion County Sheriff. Submits and provides testimony in support of HB 3015 [EXHIBIT L].
117	Rick McKenna	Commander, Community Corrections Division, County Sheriff’s Office. Provides testimony in support of HB 3015.
161	Rep. Monnes-Anderson	Asks if many of the mental health admissions were repeat offenders.
165	McKenna	Agrees. Continues with discussion on demographics.
190	Rep. Monnes-Anderson	Asks if the mental health admissions referred to in testimony were on medications prior to being arrested or if they were put on medications after being arrested.
196	McKenna	Responds that the survey indicated only 15% who self-reported prior contact with a health department or a state hospital facility.
205	Chair Kruse	Asks about the percentage arrested with substance abuse issues.
212	McKenna	Estimates 70 to 80 percent.
232	McKenna	Continues with overview on gender differences.
268	Chair Kruse	Asks if when talking about supervision, if this is the normal parole process. which is not intensive enough for persons with mental health issues.
276	McKenna	Responds affirmatively and adds that along with this is a lack of coordinated training on mental health issues.
300	McKenna	Continues with discussion on the lack of appropriate housing facilities.
375	Ted Nelson	Jail Commander, Marion County Jail. Provides testimony in support of HB 3015.
430	Nelson	Continues with testimony on the increase in mental health admissions to county jails due to the downsizing of state mental health facilities.
TAPE 84, B		
009	Rep. Monnes-Anderson	Asks about the numbers referred to in testimony that 80 to 90 percent of those who are arrested have drug problems, in addition to mental health issues.

012	Nelson	Agrees that those that are arrested come in very sick and are in a crisis situation and in a new environment, which causes them to lash out. Adds that law enforcement's lack of mental health training also contributes to the issue.
017	Mike Wilkerson	Undersheriff, Marion County Sheriff's Office. Provides testimony in support of HB 3015.
042	Chair Kruse	Comments on another bill that is more comprehensive and will look at the whole system, which will be heard at a future date, and that the current bill only deals with a specific part of the mental health issue.
052	Diane Lewis	Asks about the turnover rate for law enforcement and mental health staff.
060	Nelson	Responds that their specific turnover rate is about five to seven percent.
066	Ramirez	Clarifies that a critical piece in the jail facility relates to their medical staff: shortage of nurses.
073	Nelson	States that the turnover rate for nursing staff is much higher: the average nurse remains at their facility for three to four years before moving onto another job.
080	Chair Kruse	Comments on the need for county mental health facilities to be more efficient and that the goal is to look at the whole mental health issue.
093	Rep. Krummel	Asks if the nurses who leave their staff go to other mental health facilities or if they go into another aspect of nursing.
095	Nelson	Clarifies that their budget is for registered nurses only. Adds that they lose them for two reasons: the first is pay incentives and the second is burnout.
126	Barry Kast	Administrator, Mental Health and Developmental Disability Services Division. Submits and presents testimony in support of HB 3015 [EXHIBIT L].
200	Chair Kruse	Comments on the need to look at additional resources in order to ensure proper type of assessments and professionals in the treatment plan.
222	Kast	Comments on collaborative efforts with the Department of Corrections and other agencies.
258	Scott Taylor	Assistant Director, Oregon Department of Corrections. Submits and presents testimony in support of HB 3015 [EXHIBIT M].
278	Chair Kruse	Comments that he would have a greater comfort if same level of resource allocations were provided to counties and city jail institutions as to state correctional institutions.
355	Rep. Tomei	Asks for clarification on the percentage of the recidivism rate.
360	Taylor	Clarifies that 95 percent ill return to the community.
365	Rep. Krummel	Asks about the reason for downsizing mental health facilities when there is a need for mental health care services.
368	Kast	Responds that many would agree with his perception and provides clarification of the issue by detailing the decisions made which brought the reduction in mental health services.
425	Kast	Continues with explanation on issues surrounding mental health services: i.e., custodial capacity and lack of affordability housing.

016	Rep. Krummel	Comments that his aim is not to place blame, but to reason how to address some of the issues and resource needs.
041	Taylor	Comments on the increase in collaboration and dialogue on mental health issues and resource needs.
071	Rep. Monnes-Anderson	Comments that these are difficult issues and there are no simple solutions.
098	Chair Kruse	Reports that some changes will need to be made and proposes further discussions to occur during the interim in order to present a report to the 2003 Legislative Assembly.
107	Kast	Responds that they would not have a problem in presenting a report in the early 2003 session.
120	Arthur Tolan	Psychiatrist, Department of Corrections. Provides testimony in support of HB 3015.
159	Chair Kruse	Closes public hearing and adjourns the meeting at 6:50 p.m.

Submitted By,

Reviewed By,

Rachel Brown,
Committee Assistant

Diane Lewis,
Committee Administrator

Transcribed by,

Nora Carlson

EXHIBIT SUMMARY

- A – HB 3218, written testimony, Robert Ringo, 2pp**
- B – HB 3218, written testimony and material, William Long and Joy Ketchum, 5pp**
- C – HB 3218, written testimony and material, Aaron Crane, 5pp**
- D – HB 3218, written material, Ed Patterson, 1pp**
- E – HB 2498, proposed –2 amendments, Committee staff, 3pp**
- F – HB 2498, proposed –4 amendments, Committee staff, 2pp**
- G – HB 2498, written testimony on behalf of Paula Acker, Committee Staff, 1pp**
- H – HB 3528, written material, Dale White, 52 pp**
- I – HB 3528, written testimony on behalf of Senator Steve Harper, 1pp**
- J – HB 3528, written testimony, Bob Rindy, 1pp**
- K – HB 3015, written material, Raul Ramirez, 11pp**
- L – HB 3015, written testimony, Barry Kast, 3pp**
- M – HB 3015, written testimony, Scott Taylor, 1pp**