

HOUSE COMMITTEE ON HEALTH AND PUBLIC ADVOCACY

April 17, 2001
1:30 p.m.

Hearing Room D
Tapes 86 - 89

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

MEMBER EXCUSED: Rep. Jerry Krummel
Rep. Cheryl Walker

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

MEASURE/ISSUES HEARD: HB 3943 Public Hearing and Work Session
HB 2068 Public Hearing and Work Session
HB 2452 Public Hearing and Work Session
HB 2519 Public Hearing and Work Session
HB 3061 Public Hearing and Work Session
HB 3267 Public Hearing and Work Session
HB 2438 Possible Reconsideration and Work Session

TAPE/#	Speaker	Comments
TAPE 86, A		
005	Chair Kruse	Calls the meeting to order at 1:55 p.m. Opens a public hearing on HB 2438.
<u>HB 2438 – WORK SESSION</u>		
022	Diane Lewis	Committee Administrator. Summarizes proposed –2 amendments to HB 2438 [EXHIBIT A]. Submits testimony received on behalf of Rep. Greg Smith, House District 56 [EXHIBIT B].
023	Rep. Morrisette	MOTION: Moves to SUSPEND the rules for the purpose of Reconsidering HB 2438.
025	Committee Staff	VOTE: 7-0 EXCUSED: 3 - Krummel, Walker
028	Chair Kruse	Hearing no objection, declares the motion CARRIED.
032	Rep. Krummel	MOTION: Moves to ADOPT HB 2438-2 amendments dated 04/13/01.
034	Rep. Barnhart	Asks why the bill is being reconsidered.
037	Lewis	Explains that when the bill was passed out of committee with the –1 amendments, there was language in Section 5 makes in-home care workers self-employed for the purposes of allowing them to become eligible for the Oregon Health Plan. Explains that this provision will require a federal waiver to implement. States that there is agreement among stakeholders to remove Section 5 from the bill.
068	Rep. Monnes-Anderson	Restates her previous concern that the bill should be considered in the House Rules, Redistricting, and Public Affairs Committee.

070	Committee Staff	VOTE: 6-1 AYE: 6 - Barnhart, Garrard, Lee, Morrisette, Tomei, Kruse NAY: 1 - Monnes Anderson EXCUSED: 2 - Krummel, Walker C
075	Chair Kruse	The motion CARRIES.
078	Rep. Morrisette	MOTION: Moves HB 2438 to be REPASSED and sent to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means.
083	Rep. Lee	Asks if the motion is for a “Do Pass” or “Without a Recommendation” and states that she would be more comfortable with a “No Recommendation” motion.
091	Rep. Morrisette	MOTION: Moves HB 2438 to be REPASSED and sent to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Ways and Means.
095	Rep. Tomei	Asks if it is normal procedure to put wage compensation into statute.
105	Jaqueline Zimmer	Director, Area Agencies on Aging and Disabilities. Responds that the bill does not speak to the base pay rate, just to an increase for training and time spent on the job. [Discussion.]
186	Committee Staff	VOTE: 6-1 AYE: 6 - Barnhart, Garrard, Lee, Morrisette, Tomei, Kruse NAY: 1 - Monnes Anderson EXCUSED: 2 - Krummel, Walker C
190	Chair Kruse	The motion CARRIES.
195	Chair Kruse	Closes the work session on HB 2438 and opens a public hearing on HB 2068.
<u>HB 2068 – PUBLIC HEARING</u>		
187	Diane Lewis	Committee Administrator. Summarizes HB 2068.
196	Jim Seagraves	Submits and presents written testimony in support of HB 2068 [EXHIBIT C].
294	Seagraves	Continues with testimony on comparison of premiums.
307	Rep. Lee	Asks if the coverage for mammograms and pap smears is not included in the policy, whether they can be deducted as out-of-pocket costs.
314	Seagraves	Responds that they are not certain that they have the best list of mandates to be excluded.
320	Rep. Bill Witt	House District 7. Responds that yes, those would be procedures that one can extract money from the Medical Savings Account (MSA) to pay for the procedure.
345	Rep. Witt	Provides testimony in support of HB 2068.
375	Rep. Barnhart	Asks for explanation on how the MSA plan works.
397	Rep. Witt	Responds that an individual would buy a high deductible coverage plan and set aside some pretax dollars into an account, which is then used for health care services.
422	Seagraves	States that federal law is being changed to remove the time and numeric limit on the number of MSA policies; there is also a

measure to remove the limit on the amount that can be deposited into the MSA account.

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022	Rep. Morrisette	Asks for an explanation of business groups for MSAs.
026	Seagraves	Responds that under federal law only groups of less than 50 employees can be eligible for MSAs. Adds that amendments are being considered by congress, which would allow MSAs to be available to anyone.
036	Rep. Monnes-Anderson	States that she supports MSA, but expresses concern that the bill basically removes mandates. Further provides description of some of the services referred to in the bill.
050	Rep. Witt	Responds that the services she referred to are the same low-cost services that an MSA is designed for; like a savings account. [Discussion.]
112	Rep. Tomei	Asks about requirements that aren't included in the plan, like alcohol or mental conditions, which could be very expensive.
118	Seagraves	Agrees, and states that this is one of the mandates that he would like the committee to consider deleting from the bill. [Discussion.]
179	Chair Kruse	Announces that the bill will not move out committee today in that there is information that needs to be reviewed and the list of mandates needs to be looked at carefully.
184	Rep. Barnhart	States that the bill simply eliminates all the mandates; suggests an amendment to the bill that would allow for a large deductible on an accumulation of medical expenses, including the mandated items. [Discussion.]
245	Chair Kruse	Invites Rep. Witt to work with Rep. Barnhart on amendment language.
248	Chair Kruse	Closes public hearing on HB 2068; opens public hearing on HB 3943.

HB 3943 – PUBLIC HEARING

250	Diane Lewis	Committee staff. Provides measure history on HB 3943.
264	Sen. Margaret Carter	Senate District 8. Submits and presents testimony in support of HB 3943 [EXHIBIT D].
309	Rep. Monnes-Anderson	Refers to other bills related to safety clinics and school nursing being proposed and provides support for having mechanisms in place to allow for this resource.
316	Sen. Carter	Respond that most people don't realize the issue that is so broad, safety clinics provide a means for people to have access to health care.
350	Bob Montgomery	Representing Association of Community Health Programs. Provides testimony in support of HB 3943
364	Jean Cowan	Commissioner, Lincoln County. Provides testimony in support of HB 3943.
440	Dr. Alan Melnick	Health Officer, Clackamas County. Provides testimony in support of HB 3943.

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030	Gina Furman	Executive Director, Association of Oregon Community Mental Health Programs. Submits and presents testimony in support of HB 3943 [EXHIBIT E].
074	Melinda Mowery	Mental Health Director, Clackamas County. Provides her support to HB 3943.
085	Bruce Bishop	Representing Kaiser Foundation Health Plan NW. Submits and presents neutral testimony to HB 3943. [EXHIBIT F].

127 Rep. Monnes-Anderson Provides her full support to the bill, but cautions the committee on the need to maximize the dollars so when the plan comes through, they can seek federally-matched funds. [Discussion.]
172 Chair Kruse Closes public hearing on HB 3943; opens work session on HB 3943.

HB 3943 – WORK SESSION

179 **Rep. Monnes-Anderson** **MOTION: Moves HB 3943 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means.**
183 Rep. Tomei Proposes amendment language to the effect of leveraging federal local and private resources that would allow for directives to local governments to look for other funds and help distribute the current funds even further. [Discussion.]
202 Chair Kruse Announces that a comprehensive mental health-planning bill will be heard in committee the following week.
220 **Committee Staff** **VOTE: 7-0**
AYE: In a roll call vote, all members present vote Aye.
EXCUSED: 2 - Krummel, Walker
222 **Chair Kruse** **The motion CARRIES.**
223 Chair Kruse Closes work session on HB 3943; opens public hearing on HB 2452.

HB 2452 PUBLIC HEARING

230 Diane Lewis Committee Staff. Provides measure history on HB 2452.
244 Rep. Kurt Schrader House District 23. Provides testimony in support of HB 2452.
308 Rep. Garrard Asks about the number of staff employed by fraud units.
315 Ellen Sternfield Director, Oregon Department of Justice Medicaid Fraud Unit. Responds that current staffing is at 7.5 full time employees (FTE).
362 Rep. Garrard Asks Ms. Sternfield to describe their complaint process.
364 Sternfield Responds that they get complaints from numerous sources and further describes their complaint process.
408 Rep. Garrard States that the bill asks for increased funding and asks Ms. Sternfield to describe what they are going to do with more money.
410 Sternfield Responds that one of the areas would be to expand their caseload; also increase staff and increase recovery. [Discussion.]

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033 Chair Kruse Closes public hearing on HB 2452; opens work session on HB 2452.

HB 2452 – WORK SESSION

040 **Rep. Tomei** **MOTION: Moves HB 2452 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means.**
045 Rep. Monnes-Anderson Provides her support to the bill but shares concern that the funds are not in the budget. [Discussion.]
060 **Committee Staff** **VOTE: 6-0**
AYE: In a roll call vote, all members present vote Aye.
EXCUSED: 3 - Krummel, Morrisette, Walker
062 **Chair Kruse** **The motion CARRIES.**
068 Chair Kruse Closes work session on HB 2452; opens a public hearing on HB 2519.

HB 2519 - PUBLIC HEARING

088 Chair Kruse Closes public hearing on HB 2519. Calls the committee to recess for 10 minutes.

091 Chair Kruse Reconvenes the committee and opens a public hearing on HB 3061.

HB 3061 – PUBLIC HEARING

084 Diane Lewis Committee Staff. Provides measure history on HB 3061.

115 Rep. Tim Knopp House District 54. Submits the proposed –1 amendments to HB 3061 and presents testimony in support of HB 3061 [**EXHIBIT G**].

153 Rep. Tomei Asks why the bill failed during the last legislative session.

154 Rep. Knopp Responds that the bill passed the House, but became a vehicle for other interests.

163 Rep. Monnes-Anderson Asks for confirmation that a 3-month supply of pharmaceuticals can be mail ordered.

164 Rep. Knopp Confirms and states that this would only apply to maintenance drugs.

215 Peggy Anet Representing Health Insurance Association of America. Provides testimony in support of HB 3061.

257 Dave Fiskum Representing PacifiCare and Providence Health Systems. Provides testimony in support of HB 3061 and shares concern on proposed amendment language.

315 John Powell Representing Regency Blue Cross, Blue Shield of Oregon. Provides testimony in support of HB 3061.

360 Mike Duey Representing Oregon Dental Service Health Plans. Provides testimony in support of HB 3061 and shares concern on proposed amendment language and “unintended consequences.”

395 Rep. Krummel Asks about the trial period for certain drugs.

427 Anet States that she is a case example for how the trial period did not work out and suggests that amendment language relating to trial periods on maintenance drugs needs to be clarified. [Discussion.]

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019 Rep. Krummel Asks for definition on maintenance type drugs (i.e. blood pressure medication) and asks if there would be a problem with insurance companies having to make their own rules.

037 John Powell Representing Regency Blue Cross, Blue Shield of Oregon. Responds that insurance companies will not be making this distinction on their own, and that appropriate language is in the bill. [Discussion.]

127 Bruce Bishop Representing Kaiser Permanente. Provides testimony in support of HB 3061. Also presents concern on amendment language.

190 Tom Holt Representing Oregon State Pharmacists Association. Provides testimony in support of HB 3061.

237 Chair Kruse Directs all parties to work together on amendment language for further committee discussion within one week. Closes public hearing on HB 3061; opens public hearing on HB 3267.

HB 3267 – PUBLIC HEARING

269 Chair Kruse Reviews that HB 3267 was Ballot Measure 4 (2000), relating to Tobacco Settlement Fund and that proposed amendments would be forthcoming.

266 Rep. Barnhart Asks if the amendments would have restrictions to accessing the trust fund as the bill does.

272 Chair Kruse States that there will be similar restrictions, which could prove to

394	Rep. Tomei	be problematic with regard to funding issues. [Discussion.] Asks if the proposed bill would place all of the tobacco settlement moneys into the trust fund.
398	Chair Kruse	States that the proposed amendment would leave that decision to the Ways and Means Committee. [Discussion.]
449	Chair Kruse	Closes public hearing and adjourns the committee at 4:25 p.m.

Submitted By,

Reviewed By,

Rachel Brown,
Committee Assistant

Diane Lewis,
Committee Administrator

Transcribed by,

Nora Carlson

EXHIBIT SUMMARY

- A – HB 2438, proposed –2 amendments, Committee staff, 5pp**
- B – HB 2438, written testimony on behalf of Rep. Greg Smith, Committee staff, 1pp**
- C – HB 2068, written material, Jim Seagraves, 4pp**
- D – HB 3943, written testimony, Rep. Margaret Carter, 2pp**

- E – HB 3943, written testimony on behalf of various agencies, Gina Furman, 8pp**
- F – HB 3943, written testimony, Bruce Bishop, 1pp**
- G – HB 3061, proposed –1 amendments, Rep. Knopp, 1pp**