

HOUSE COMMITTEE ON HEALTH AND PUBLIC ADVOCACY

May 03, 2001
1:30 P.M.

Hearing Room D
Tapes 109 - 112

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. Cheryl Walker

MEMBER EXCUSED:

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

MEASURE/ISSUES HEARD: HB 2519 – Work Session
HB 2763 – Work Session
HB 2895 – Work Session
HB 3015 – Work Session
HB 3061 – Work Session
HB 3079 – Work Session
HB 3103 – Work Session
HB 3951 – 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 109, A		
003	Chair Kruse	Calls meeting to order at 1:40 p.m. Opens a work session on HB 2519.
<u>HB 2519 – WORK SESSION</u>		
013	Diane Lewis	Announces that the fiscal impact just received on the –3 proposed amendments were undetermined. Provides measure history on HB 2519.
017	Mark Gibson	Governor's Policy Advisor. Presents testimony in support of HB 2519 [EXHIBIT B].
086	Gibson	Continues with testimony on universal access to health care services.
133	Rep. Jeff Kruse	House District 45. Presents testimony in support of HB 2519.
181	Rep. Kruse	Continues with testimony on health care delivery.
233	Rep. Monnes-Anderson	Refers to section 5 of the bill relating to subsidies and sliding scale fees and asks about its impact on safety net clinics.
238	Gibson	Responds that the safety net clinic would receive payments based on the relationship they have with the insurer.
266	Rep. Monnes-Anderson	Asks if this would pay for the cost of the insurance.
269	Gibson	Responds that this would pay for the cost of insurance and at times there will be a co-payment that will accompany certain services.

272	Rep. Monnes-Anderson	Asks if rules governing an expanded health plan in Oregon would be developed by the Office of Medical Assistance Programs (OMAP).
274	Gibson	Agrees that a lot of the implementation detail will be left to the rule-making process and will take into account federal requirements.
280	Rep. Monnes-Anderson	Asks who would be involved in the rule making process.
289	Gibson	Responds that <i>Care Oregon</i> will be one organization involved and will have a voice in the process.
297	Rep. Monnes-Anderson	Comments that Clackamas County public health services had a co-pay of \$5 and often times it was difficult to get payment from low-income persons.
312	Rep. Kruse	Clarifies that the bill is a general piece of legislation, their attempt is to sell the concept to the Health Care Finance Administration (HCFA).
344	Rep. Barnhart	Clarifies that the reason for the generality of the bill is that proponents want a document that will be able to fit within federal guidelines and more likely to gain approval.
369	Chair Kruse	Concurs.
378	Rep. Lee	Asks if the request for a Medicaid waiver is not resolved before sine die, whether legislation could be drafted that would entitle Oregon to move forward with working out details to expand the Oregon Health Plan.
389	Rep. Kruse	Responds that their focus is to get legislation in place that would allow the state to move forward when the waiver takes effect. Explains that the Emergency Board can make some decisions.
394	Rep. Krummel	Refers to amendment language and asks for the difference between “universal access” and “universal health care.”
411	Gibson	Responds that it has always been recognized that coverage does not always equal access, the goal is to get Oregonians access to the services they need.
TAPE 110, A		
002	Gibson	Continues with description on access [Discussion.]
068	Rep. Krummel	Asks how appropriate education will reduce over-utilization.
078	Rep. Kruse	Responds that immediate numbers are not available. The goal is for a culture change in the way people view health care.
110	Rep. Krummel	Asks how the bill will improve nursing home care.
113	Gibson	Responds that improvements would be in early intervention delays, long-term care costs, and education efforts.
132	Rep. Krummel	Asks about newborn care and how the bill would fit into the Governor’s Children’s Plan (GCP).
145	Gibson	Responds that the bill measures very well with the GCP in that health care intervention supports healthy families.
168	Rep. Kruse	Responds that the intent is not to create separate categories of Oregonians: the bill is designed to be a non-stigmatizing health care system.
187	Rep. Krummel	Comments on insurance companies edging out of the health plan and asks how this will keep insurance companies interested in participating.
190	Rep. Kruse	Responds that reimbursement rates will keep all the players in the game.
198	Rep. Monnes-Anderson	Observes that even though some services are not covered in the bill, the intent is to have a broader base of health care services

		reimbursed at a rate that will keep providers and insurance companies happy.
228	Gibson	Agrees that this is the objective and admits there has been a large exodus from the health plan. Comments on the need to recognize the community-bases health care providers. [Discussion.]
328	Rep. Krummel	Asks the chair to provide to the committee an explanation of the timelines involved.
334	Chair Kruse	Explains that one of the timelines is for the quick turn around at the federal level with a decision on the waiver, with the understanding that there is other legislation tied to it if it moves forward.
		Further explains that the goal is to expedite the process so the Governor can sign it. The other timeline is the perception of being able to move the bill quickly through the process, which sends a strong message of support.
357	Rep. Tomei	MOTION: Moves to ADOPT HB 32519-3 amendments dated 05/02/01.
361	Rep. Monnes-Anderson	Asks to go on record to state the need to get support from organizations like Care Oregon.
383	Chair Kruse	VOTE: 9-0 Hearing no objection, declares the motion CARRIED.
385	Rep. Tomei	MOTION: Moves HB 2519 to the floor with a DO PASS AS AMENDED recommendation.
392	Rep. Krummel	Voices his intent to vote nay on the bill in that this could be the beginning of a “single-payer” system totally absorbed by the federal government.
420	Rep. Krummel	Continues with concerns on how the continuum, (referenced in subsection 6, page 3) will play out.
TAPE 109, B		
004	Rep. Krummel	Continues with concerns on over-utilization.
012	Rep. Monnes-Anderson	Provides her support to the bill in that she has worked many years with families who do not have access to basic health care.
024	Committee Staff	VOTE: 8-1 AYE: 8 - Barnhart, Garrard, Lee, Monnes Anderson, Morrisette, Tomei, Walker C, Kruse NAY: 1 - Krummel The motion CARRIES. CHAIR KRUSE will lead discussion on the floor.
037	Chair Kruse	
038	Chair Kruse	Closes work session on HB 2519.
053	Vice-Chair Garrard	Opens a work session on HB 2763.
<u>HB 2763 – WORK SESSION</u>		
056	Patrick Brennan	Committee Staff. Summarizes HB 2763. Provides history on the proposed –3 amendments [EXHIBIT C].
105	J.L. Wilson	National Federation of Independent Business. Presents measure history on HB 2763.
114	Bruce Bishop	Representing Keizer Permanente. Submits the proposed –4 amendments to HB 2763 [EXHIBIT D]. Explains that the amendments mirror a bill being proposed in the state of Washington and the effect is to have both Washington and Oregon creating a uniform prescription card.

131	Rep. Monnes-Anderson	Comments that the greatest concerns were from various insurance companies in having to revamp their current system. Asks if the bill has buy-in from insurance companies and public agencies.
138	Bishop	Responds that speaking on behalf of Keizer Permanente, this will be law in Washington state and compliance will be required - it seemed appropriate to have similar provisions in Oregon.
143	Rep. Barnhart	Asks if the bill requires that all information be included on the card.
146	Wilson	Responds affirmatively. [Discussion.]
155	Rep. Tomei	Asks for clarification on section 4 of the amendments relating to rules.
158	Bishop	Responds that the goal is to establish broad standards in order to take into account changes in federal law. [Discussion.]
172	Dave Fiskum	Providence and PacifiCare. Responds to Rep. Monnes-Anderson's question about buy-in and states that following a public hearing on the bill, the chair directed stakeholders to meet and find consensus on amendment language.
225	John Powell	Regency Blue Cross/Blue Shield of Oregon. Responds that the goal was to have a forum to allow people who work in the area of pharmacy to come up with something workable.
241	Rep. Morrisette	Asks if this was discussed with Washington state representatives.
243	Powell	Responds that what was done in Washington had an impact, it was discussed only after the work group meeting.
262	Fiskum	Adds that he just received the proposed amendments, but does believe that the amendments abide by the spirit of what was discussed.
281	Tom Holt	Oregon Pharmacists Association. Supports the -4 amendments.
297	Rep. Krummel	MOTION: Moves to ADOPT HB 2763-4 amendments dated 05/02/01.
302	Vice Chair Garrard	VOTE: 5-0 EXCUSED: 4 - Morrisette, Monnes-Anderson, Lee, Kruse
305	Vice-Chair Garrard	Hearing no objection, declares the motion CARRIED.
307	Rep. Krummel	MOTION: Moves HB 2763 to the floor with a DO PASS AS AMENDED recommendation.
313	Committee Staff	VOTE: 5-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 4 - Morrisette, Monnes-Anderson, Lee, Kruse
317	Vice-Chair Garrard	The motion CARRIES.
355	Vice-Chair Garrard	MOTION: Requests unanimous consent that the rules be SUSPENDED to allow REP. MONNES-ANDERSON to BE RECORDED as voting AYE on the "MOTION: Moves HB 2763 to the floor with a DO PASS AS AMENDED recommendation."
357		VOTE: 6-0 AYE: In a roll call vote, Rep. MONNES-ANDERSON presented vote Aye. EXCUSED: 3 - Morrisette, Lee, Kruse
358	Vice-Chair Garrard	The motion CARRIES. REP. WALKER will lead discussion on the floor.

368	Vice-Chair Garrard	Closes the work session on HB 2763 and opens a work session on HB 2766.
<u>HB 2766 – WORK SESSION</u>		
370	Vice-Chair Garrard	Announces that HB 2766 and HB 2773 have been removed from the agenda. Closes work session on HB 2766. Opens a work session on HB 2895.
<u>HB 2895 – WORK SESSION</u>		
375	Patrick Brennan	Committee Staff. Summarizes HB 2895.
400	Jaqueline Zimmer	Director, Oregon Association of Area Agencies on Aging and Disabilities (4AAA). Explains she is available to respond to questions on the bill.
405	Rep. Krummel	Asks if 4AAA supports the bill.
408	Zimmer	Responds affirmatively. Adds that although there is agreement that the methodology of paying 4AAA providers is flawed, the Oregon Department of Administrative Services (DAS) informed 4AAA that DAS will not fix the formula until the Legislature tells them to.
TAPE 110, B		
011	Rep. Krummel	Asks if the bill will correct the methodology that is flawed.
012	Zimmer	Responds that it will fix the methodology, but 4AAA will not get any funding until the next biennium. Further describes the impact of the bill.
048	Rep. Barnhart	MOTION: Moves HB 2895 to the floor with a DO PASS recommendation.
049		VOTE: 7-0
		AYE: In a roll call vote, all members present vote Aye.
		EXCUSED: 2 - Morrisette, Kruse
056	Vice-Chair Garrard	The motion CARRIES.
		REP. BARNHART will lead discussion on the floor.
060	Vice-Chair Garrard	Closes work session on HB 2895. Re-opens a work session on HB 2763.
<u>HB 2763 – WORK SESSION (Re-opened)</u>		
078	Vice-Chair Garrard	MOTION: Requests unanimous consent that the rules be SUSPENDED to allow REP. LEE to BE RECORDED as voting AYE on the “MOTION: Moves HB 2763 to the floor with a DO PASS AS AMENDED recommendation.”
080		VOTE: 7-0
		AYE: In a roll call vote, Rep. LEE presented vote Aye.
		EXCUSED: 3 - Morrisette, Kruse
081	Vice-Chair Garrard	The motion CARRIES.
		REP. WALKER will lead discussion on the floor.
082	Vice-Chair Garrard	Closes the work session on HB 2763; opens a work session on HB 3015.
<u>HB 3015 – WORK SESSION</u>		
088	Diane Lewis	Committee Administrator. Summarizes HB 3015 and the proposed –1 amendments [EXHIBIT E].
117	Rep. Krummel	MOTION: Moves to ADOPT HB 3015-1 amendments dated 4/30/01.
119	Chair Kruse	VOTE: 8-0
		EXCUSED: 1 - Morrisette
121	Chair Kruse	Hearing no objection, declares the motion CARRIED.

122 **Rep. Krummel** **MOTION: Moves HB 3015 to the floor with a DO PASS AS AMENDED recommendation.**

126 Rep. Walker Asks how the plan would be funded: by the state or locally.

129 Chair Kruse Responds that the primary purpose of the bill is to develop a plan for the state to assist in the delivery of mental health services in city and county correctional systems and that any costs will be shared. [Discussion.]

158 **Committee Staff** **VOTE: 8-0**

AYE: In a roll call vote, all members present vote Aye.

163 **Chair Kruse** **EXCUSED: 1 - Morrisette**

The motion CARRIES.

REP. TOMEI will lead discussion on the floor.

187 Chair Kruse Closes the work session on HB 3015 and opens a work session on HB 3061.

HB 3061 – WORK SESSION

193 Diane Lewis Committee Administrator. Summarizes HB 3061. Provides history on the proposed –1 amendments [EXHIBIT F] and the –2 proposed amendments [EXHIBIT G].

217 Peggy Anet Health Insurance Association of America. Presents support for the –2 amendments.

223 **Rep. Tomei** **MOTION: Moves to ADOPT HB 3061-2 amendments dated 05/01/01.**

241 **Chair Kruse** **VOTE: 7-0**

EXCUSED: 2 - Krummel, Barnhart

243 **Chair Kruse** **Hearing no objection, declares the motion CARRIED.**

244 **Rep. Morrisette** **MOTION: Moves HB 3061 to the floor with a DO PASS AS AMENDED recommendation.**

248 Rep. Monnes-Anderson Voices concern that the amendments remove the original intent of the bill.

266 Dave Fiskum Providence Health Systems and PacifiCare. Responds that he spoke with Rep. Knopp who authorized his support to the amendments.

280 Rep. Walker Refers to amendment language on limitations and asks if policies could be developed that would limit reimbursement.

310 Helen Noonanheinz Pharmacist for Providence Health Plans. Responds that this would require health plans to clearly articulate what the limitations would be with regard to getting an extended supply of drugs. [Discussion.]

383 Rep. Walker States her concern that the –2 amendments removes the intent of the original bill.

399 Rep. Tomei Concurs with Rep. Walker’s concern on the intent.

411 Rep. Krummel States that the –2 amendments directs insurance companies to clearly lay out in plain language what services each health insurance plan with a drug benefit will cover.

**TAPE 111, A
019**

VOTE: 8-1

AYE: 8 - Barnhart, Garrard, Krummel, Lee, Monnes Anderson, Morrisette, Walker C, Kruse

NAY: 1 - Tomei

The motion CARRIES.

REP. KNOPP will lead discussion on the floor.

025 Chair Kruse

027 Chair Kruse

028 Chair Kruse

Closes the work session on HB 3061. Announces that due to a Call of the House, he will call the meeting to a brief recess.

Reconvenes the committee and opens a work session on HB 3079.

HB 3079 – WORK SESSION

030 Diane Lewis

Committee Staff. Summarizes HB 3079. Provides history on the proposed –1 amendments [**EXHIBIT H**] and the proposed –2 amendments [**EXHIBIT I**].

045 Chair Kruse

Explains that there are concerns for the bill, but the issues can be dealt with in the Ways and Means Committee.

055 Madeline Olson

Assistant Administrator, Mental Health Services. Presents opposition to HB 3079 and describes concerns with the variable rate structure.

070 Rep. Barnhart

Asks for clarification on whether there is opposition to the bill or to the amendments.

077 Olson

Clarifies that the proponents of the bill oppose the – 1 amendments. The division supports the –1 amendments and opposes the –2 amendments.

082 Bruce Bishop

Oregon Association of Treatment Centers. Presents support for HB 3079 and the –2 amendments.

087 Rep. Lee

Asks if Mr. Bishop is opposed to the bill.

089 Bishop

Responds that he supports the bill being moved out of committee.

108 Rep. Monnes-Anderson

Asks for clarification that the amendments create three separate standards and exempts certain programs from the standards.

110 Bishop

Responds that the amendments will leave the Day and Residential Treatment Service Standards (DARTS) that have residential components alone, but they will continue to be subject to national accreditation standards and state standards.

117 Chair Kruse

Asks if he supports the –2 amendments but not the –1 amendments.

118 Bishop

Responds that he supports the –2 amendments.

133 Rep. Barnhart

Comments that there are two issues that are being confused: one is the financial issue and the other is the enforcement of regulations. Suggests drafting a bill that asks for a response to plans.

136 Bishop

States that there is no system in place that has a uniform planning approach delivery system. [Discussion.]

180 Rep. Garrard

States that he is a proponent of the DARTS program and asks Mr. Bishop for clarification on his position.

183 Bishop

Responds that the mental health division's treatment rules do not work for the DARTS program and add unnecessary costs.

192 Olson

Provides rebuttal in that a unified standard across the levels of care is critical.

203 Rep. Lee

Asks both proponents and opposers to the bill, what would occur if there was not a bill.

208 Bishop

Responds that the division has announced its intention to repeal and the DARTS rule has not done that. Adds that he cannot envision what would happen if both rules were applicable -

222 Chair Kruse along with the associated costs. [Discussion.]
 Asks how a single set of standards would allow flexibility for different environmental and geographical settings.

226 Olson Responds that the rule allows the programs within the confines of the financing structure they are under to have the flexibility to move children around the levels of care they need based on the individual child's needs.

236 Chair Kruse Asks about requirements as to the number and care-type providers that are associated with the facility.

240 Olson Responds that there are some staffing standards relative to the age of the children, and psychiatry time.

249 Rep. Barnhart Asks if the integrated system will ensure that when a child is transferred from one program to another because of changing needs, there will be the same advantages for the child.

257 Olson Responds that this will be true from a family perspective because there will be a known set of family and child rights' across the levels of services. [Discussion.]

275 Bishop States that DARTS have been successful for years and are well integrated into communities and mental health delivery systems, and the new standard will not benefit children and families as well as DARTS.

283 Chair Kruse Close the work session on HB 3079 and opens a work session on HB 3103.

HB 3103 – WORK SESSION

292 Diane Lewis Committee Administrator. Summarizes HB 3103.

311 Rep. Barnhart Provides his support for HB 3103 and announces his withdrawal of the proposed –1 amendments.

315 Rep. Barnhart **MOTION: Moves HB 3103 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means.**

317 Committee Staff **VOTE: 7-0**
AYE: In a roll call vote, all members present vote Aye.
EXCUSED: 2 - Garrard, Morrisette

325 Chair Kruse **The motion CARRIES.**

327 Chair Kruse Closes the work session on HB 3103 and opens a work session on HB 3951.

HB 3951 – WORK SESSION

333 Diane Lewis Committee Administrator. Summarizes HB 2895. Submits and presents background on the proposed –1 amendments [EXHIBIT J].

358 Rep. Krummel Refers to the dollars that will go to counties in order to improve communicable disease services and asks if counties could use this for safety net clinics.

368 Gordon Fults Association of Oregon Counties. Responds that the intent is for the county's public health systems and safety net clinics are not included.

380 Rep. Krummel **MOTION: Moves to ADOPT HB 3951-1 amendments dated 04/26/01.**

382 Chair Kruse **VOTE: 8-0**
EXCUSED: 1 - Morrisette

383 Chair Kruse **Hearing no objection, declares the motion CARRIED.**

385	Rep. Krummel	MOTION: Moves HB 3951 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means.
398	Rep. Monnes-Anderson	Notes that the bill provides approximately \$1 million to the Department of Transportation (DOT) and shares that the Department of Health Services (DHS) also has transportation issues. Asks if any of the funding would go to DHS.
414	Rep. Krummel	Responds that most of the local monies for DHS' transportation services come through DOT.
TAPE 112, A 001	Lewis	Shares that in her research of the bill, she discovered that some programs had been developed at the local level from grants through DOT toward creating transportation for the elderly and disabled.
008	Committee Staff	VOTE: 7-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 2 - Barnhart, Morrisette
012	Chair Kruse	The motion CARRIES.
015	Chair Kruse	Adjourns the meeting at 4:40 pm.

Submitted By,

Reviewed By,

Rachel Brown,
Committee Assistant

Diane Lewis,
Committee Administrator

Transcribed by

Nora Carlson

EXHIBIT SUMMARY

- A – HB 2519, proposed –3 amendments, Committee Staff, 4pp**
- B – HB 2519, written testimony, Mark Gibson, 3pp**
- C – HB 2763, proposed –3 amendments, Committee Staff, 2pp**
- D – HB 2763, proposed –4 amendments, Bruce Bishop, 2pp**
- E – HB 3015, proposed –1 amendments, Committee Staff, 1pp**
- F – HB 3061, proposed –1 amendments, Committee Staff, 1pp**
- G – HB 3061, proposed –2 amendments, Committee Staff, 1pp**
- H – HB 3079, proposed –1 amendments, Committee Staff, 1pp**
- I – HB 3079, proposed –2 amendments, Committee Staff, 1pp**
- J – HB 3951, proposed –1 amendments, Committee Staff, 2pp**