

# SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

April 20, 2001  
1:00 PM

Hearing Room B  
Tapes 95 - 97

**MEMBERS PRESENT:** Sen. Bill Fisher, Chair  
Sen. Gary George  
Sen. Frank Shields  
Sen. Ken Messerle

**MEMBER EXCUSED:** Sen. Margaret Carter, Vice-Chair

**STAFF PRESENT:** Rick Berkobien, Administrator  
Andrew Morris, Committee Assistant

**MEASURES HEARD:** SJM 6 Work Session  
SJR 39 Work Session  
SB 246 Public Hearing and Work Session  
SB 567 Public Hearing  
HB 2571 Public Hearing and Work Session  
SB 768 Public Hearing

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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.

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<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
<b>TAPE 95, A</b>		
004	Chair Fisher	Calls the meeting to order at 1:15 p.m. and opens a public hearing on HB 2571.
<b><u>HB 2571 Public Hearing</u></b>		
015	Rep. Vic Backlund	HD 33. Testifies in support of HB 2571. Explains bidis to the committee.
066	Grant Higginson	MD. Acting Administrator, Health Division. Testifies in support of HB 2571 ( <b>EXHIBIT A</b> ). Comments on bidis and teen use.
089	Chair Fisher	Closes the public hearing on HB 2571 and opens a work session on HB 2571.
<b><u>HB 2571 WORK SESSION</u></b>		
091	Sen. Shields	<b>MOTION: Moves HB 2571 to the floor with a DO PASS recommendation.</b> <b>VOTE: 3-0</b> <b>AYE: 3 - Messerle, Shields, Fisher</b> <b>EXCUSED: 2 - Carter, George</b>
101	Chair Fisher	<b>The motion CARRIES.</b> <b>SEN. FISHER will lead discussion on the floor.</b>
105	Chair Fisher	Closes the work session on HB 2571 and opens a work session on SJM 6.
<b><u>SJM 6 WORK SESSION</u></b>		
111	Rick Berkobien	Administrator. Explains SJM 6 and the -6 amendments to the committee.
127	Sen. Shields	Comments on the -6 amendments.
132	Sen. Shields	<b>MOTION: Moves to ADOPT SJM 6-6 amendments dated</b>

04/10/01.

**VOTE: 4-0**

**AYE: 4 - George, Messerle, Shields, Fisher**

**EXCUSED: 1 - Carter**

**The motion CARRIES.**

**MOTION: Moves SJM 6 be sent to the floor with a BE ADOPTED AS AMENDED recommendation.**

**VOTE: 4-0**

**AYE: 4 - George, Messerle, Shields, Fisher**

**EXCUSED: 1 - Carter**

**The motion CARRIES.**

**SEN. SHIELDS will lead discussion on the floor.**

Closes the work session on SJM 6 and opens a work session on SJR 39.

140 Chair Fisher  
147 Sen. Shields

155 Chair Fisher

164 Chair Fisher

**SJR 39 WORK SESSION**

171 Berkobien

186 Sen. Shields

202 Bob Mink

239 Sen. Shields

244 Mink

262 Sen. Shields

285 Mink

304 Sen. George

330 Sen. Shields

365 Sen. Shields

Explains SJR 39 and the -3 amendments to the committee.

Comments on the -3 amendments.

Interim DHS Director. Testifies in support of SJR 39 and SJM 6.

Asks about the development of SJR 39.

Responds by explaining the background.

Comments on religious organizations currently receiving federal funds.

Responds to Sen. Shield's comments.

Provides personal opinion.

Explains his background work on SJR 39.

**MOTION: Moves to ADOPT SJR 39-3 amendments dated 04/12/01.**

**VOTE: 4-0**

**AYE: 4 - George, Messerle, Shields, Fisher**

**EXCUSED: 1 - Carter**

**The motion CARRIES.**

**MOTION: Moves SJR 39 be sent to the floor with a BE ADOPTED AS AMENDED recommendation.**

**VOTE: 4-0**

**AYE: 4 - George, Messerle, Shields, Fisher**

**EXCUSED: 1 - Carter**

**The motion CARRIES.**

**SEN. SHIELDS will lead discussion on the floor.**

385 Chair Fisher  
388 Sen. Shields

412 Chair Fisher

**TAPE 96, A**

033 Chair Fisher

Closes the work session on SJR 39 and opens a public hearing on SB 768.

**SB 768 PUBLIC HEARING**

037 Sen. Lenn Hannon

SD 26. Testifies in support of SB 768. Gives a background of the bill. Explains how the bill would work.

067 Chair Fisher

Asks about financial requirements.

075 Sen. Hannon

Responds that Ways and Means would have to look at the bill.

Explains his intent with SB 768.

090 Chair Fisher

Asks about trade groups.

096 Sen. Hannon

Explains the current insurance code.

122 Chair Fisher

Enters letters and e-mails into the record (**EXHIBIT B**).

158 Ruth Bauman

The Regency Group. Testifies in opposition to SB 768. Relates concerns with passage of SB 768.

223 Peggy Anet

Health Insurance Association of America. Testifies in

295	Chair Fisher	opposition to SB 768 ( <b>EXHIBIT C</b> ). States the bill interferes with federal laws. Comments on the effects the bill would have on current Oregon statutes pertaining to financial requirements.
314	Anet	Asks about possibilities in strengthening current law.
333	Lisa Trussel	Responds there is a great interest in making health insurance affordable. Comments on operational issues with SB 768. Associated Oregon Industries. Testifies in opposition to SB 768. Comments on existing federal law.
352	Bruce Bishop	Kaiser Foundation. Testifies on SB 768.
368	Chair Fisher	Clarifies the bill's intent.
379	Bishop	Continues testimony.
<b>TAPE 95, B</b>		
000	Chair Fisher	Comments on existing definitions in statute.
022	Bishop	Talks about association groups.
054	Chair Fisher	Comments on the complexity of legal definitions.
065	Bishop	Explains existing state law.
078	Chair Fisher	Proposes changes to SB 768.
095	Bishop	Responds the proposals could add flexibility.
106	Sen. Hannon	Comments on interpretation of current laws. Explains the intent of the bill.
128	Chair Fisher	States a need to speak with the insurance commissioner.
157	Chair Fisher	Closes the public hearing on SB 768 and opens a public hearing on SB 246
<b><u>SB 246 PUBLIC HEARING</u></b>		
182	Marna Flahrty-Rob	School of Nursing, Oregon Health Sciences University. Testifies on SB 246. States agreement with the -1 amendments.
211	Chair Fisher	Closes the public hearing on SB 246 and opens a work session on SB 246.
<b><u>SB 246 PUBLIC HEARING</u></b>		
215	Sen. Shields	<b>MOTION: Moves to ADOPT SB 246-1 amendments dated 04/18/01.</b>
		<b>VOTE: 3-0</b>
		<b>AYE: 3 - Messerle, Shields, Fisher</b>
		<b>EXCUSED: 2 - Carter, George</b>
225	Chair Fisher	<b>The motion CARRIES.</b>
227	Sen. Shields	<b>MOTION: Moves SB 246 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 3-0</b>
		<b>AYE: 3 - Messerle, Shields, Fisher</b>
		<b>EXCUSED: 2 - Carter, George</b>
245	Chair Fisher	<b>The motion CARRIES.</b>
		<b>SEN. MESSERLE will lead discussion on the floor.</b>
246	Chair Fisher	Closes the work session on SB 246 and opens a public hearing on SB 567.
<b><u>SB 567 PUBLIC HEARING</u></b>		
282	Lynn Read	Office of Medical Assistance Programs (OMAP), DHS. Testifies in opposition to SB 567 and the -2 amendments ( <b>EXHIBIT D</b> ). Comments on how SB 567 would work in its original form.
357	Sen. Messerle	Asks who provides supplies.
364	Read	Responds the department is following contracting rules.
375	Sen. Messerle	Provides personal opinion.
394	Read	Comments on excessive supplies.
<b>TAPE 96, B</b>		

000	Chair Fisher	Asks about incontinent supplies.
004	Read	Explains current practices. Comments on sole source contracting.
018	Chair Fisher	Discusses the intent of the –2 amendment.
026	Read	Comments on money saved through a sole source vendor.
043	Sen. Messerle	Asks about the difference in financial figures.
049	Read	Responds that the different figures are related to the amount of time the bill would be used during the next biennium. Comments on the impact of the bill on clients.
067	Sen. Messerle	Comments on the need for people to receive local help.
078	Chair Fisher	Provides personal opinion.
109	Read	Comments on staffing to operate sole source contracting. Comments on the impact of local providers.
144	Chair Fisher	Asks who provides supplies.
147	Read	Replies she is unsure.
152	Jeff Heatherington	Family Care Incorporated. Testifies in opposition to SB 567. Comments on the impact on small businesses.
210	Chair Fisher	Reiterates personal opinion. States concern for local clients.
257	Sen. George	States a need for availability of local services.
278	Sen. Messerle	Asks about the –2 amendments.
285	Read	Explains the –2 amendments.
298	Tom Holt	Oregon State Pharmacists Association. Testifies in support of SB 567. Explains the –2 amendments. Comments on the financial impact to local businesses and clients.
352	Sen. George	Asks about the intent of the bill
358	Holt	Responds the bill would prohibit sole source supplies.
372	Sen. Fisher	Provides personal opinion.
<b>TAPE 97, A</b>		
000	Holt	States a willingness to work with OMAP to reduce costs.
020	Chair Fisher	Requests more information from OMAP.
036	Sen. Messerle	Asks about the fiscal impact.
047	Sen. George	Provides personal opinion.
071	Chair Fisher	Closes the public hearing on SB 567 and adjourns the meeting at 3:07 p.m.

Submitted By,

Reviewed By,

Andrew Morris,  
Committee Assistant

Rick Berkobien,  
Administrator

**EXHIBIT SUMMARY**

- A – HB 2571, Written testimony, Grant Higginson, 2 pp.**
- B – SB 768, Letters, Sen. Fisher, 7 pp.**
- C – SB 768, Copy of ORS 730.307, Peggy Anet, 4 pp.**
- D – SB 567, Written testimony, Lynn Read, 2 pp.**