

## SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

February 8, 1999 Hearing Room B

8:00 AM Tapes 23 - 24

### MEMBERS PRESENT:

Sen. Bill Fisher, Chair

Sen. Frank Shields, Vice-Chair

Sen. Susan Castillo

Sen. Verne Duncan

Sen. Marylin Shannon

### STAFF PRESENT:

Sandy Thiele-Cirka, Administrator

Andrew Morris, Administrative Support

### MEASURE/ISSUES HEARD:

Informational Meeting:

Managed Care Performance Review

Oversight Task Force of Mental Health Integration

SB 30 Public Hearing

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 23, A		
004	Chair Fisher	Calls meeting to order at 8:08 AM and opens an informational meeting from the Oregon Health Plan Policy and Research Office to review the Managed Care Performance Study.

**MANAGED CARE PERFORMANCE REVIEW**

009	Barney Speight	Administrator Oregon Health Plan, Policy and Research Office (OOHPPR) ( <b>EXHIBIT A</b> ). Presents the report/study on managed care performance. States the project is in accordance with SB 21 (1997).
054	Speight	Continues overview. Speaks on ORS 743.831 and what the statute states. Reports the agency is not yet finished with the written report. Explains that a standardized reporting tool shared the perceptions of health care experience and the quality of care received. Notes the study was conducted on a voluntarily basis, and the Oregon Coalition for Health Care Purchasers sponsored the project. Notes that the funding was provided by OOHPPR and community sponsors.
105	Speight	Explains the surveys were distributed at the last open enrollment. States the project was specific to the Portland metro area, and indicates where improvements can be made. Explains that health plan providers vary from market to market.
152	Speight	States that researchers were careful not to treat any health plan unfairly. Explains the framework used in the test groups. Recommends using a collaborative approach, to make the product more viable.
204	Speight	Recommends that the report be conducted biannually. Notes that the study should be conducted in other regions, such as, Salem and Eugene. States that health plans could use the report to survey their costs. Remarks that he was instructed to report on the feasibility of providing a statewide report, but believes the study should be specific to individual markets.
255	Speight	Notes that employers have utilized the findings. Comments that consumers and employers are requesting survey information.
267	Chair Fisher	Asks what types of requests are being made.
270	Speight	Responds that most inquiries are requesting information in the study.
284	Sen. Shields	Questions the survey format.
290	Speight	Responds that the survey was conducted on a voluntary approach, which allowed people to openly come forward and communicate.
334	Speight	States there was a study done on Medicaid and Age Blind Disabled, to measure performances. Comments that the study is still evolving.
356	Sen. Duncan	Comments that with the current HMO structure, people complain about not getting referred to specialists. States that 26 to 30 percent of enrollees have complaints. Asks if a problem exists or is it a perception.

383	Speight	Responds that most people do not see it as a problem. Notes that, with the survey, it is possible to see how enrollees feel about access to health care.
404	Sen. Duncan	Asks if there is a problem with the issue of being referred to specialists.
412	Speight	Responds that he does not have the information. Comments that for some it is a problem. States that, at times, people do not understand the system or have problems with it until a specific service is needed. Suggests looking at that area again in a couple years.
<b>TAPE 24, A</b>		
015	Sen. Shields	States the study indicates that enrollees give their health plans a C grade.
035	Speight	Explains the study attempts to reflect what enrollees want to see.
056	Diana Jones	Staff, Office of Oregon Health Plan Policy and Research (OOHPPR). Assisted with administering the survey.
066	Sen. Duncan	Comments that enrollees like their physicians, but are not satisfied with the overall plan.
079	Sen. Castillo	Asks if there is a need to be concerned with the poor ratings.
086	Jones	Responds that the office would like to develop benchmarks that can be compared nationwide.
092	Speight	Adds that currently, they are comparing the Portland market to other markets.
107	Sen. Castillo	Asks how this information should be interpreted and whether the ratings will be viewed as normal, above, or below average.
118	Speight	Responds that the rating chart identifies enrollees perceptions at the high end and merges enrollees opinions at the low end. States that he would agree that there is room for improvement. Points out that the study is a work in progress.
162	Chair Fisher	Notes it would be interesting to evaluate the study on a bell curve.
<b><u>TASK FORCE OF MENTAL HEALTH INTEGRATION</u></b>		
205	Speight	Begins review of the oversight task force of mental health integration <b>(EXHIBIT B)</b> , which was created by an Executive Order. States that mental health contracting problems existed, and those issues were resolved with the help

		of the task force. Explains that the task force also reviewed the larger systemic issues.
275	Speight	Reviews and provides summary of recommendations on page 37 of <b>(EXHIBIT B)</b> . Comments that the state and counties need to work together in providing mental health services. States that the counties need to adhere to the state's requirements, and points out that there are unmet and unfunded needs in community mental health. Stresses that there is a \$6.7 million downfall in the budget for 1999-2001 biennium, this should be studied. Elaborates that the legislature needs to be sensitive to how program changes will affect all Oregonians.
393	Speight	Reports that definitions need to be revised. Suggests waiting until 2001 to develop new contracts.
<b>TAPE 23, B</b>		
000	Speight	Explains and discusses contracting problems. Comments that system improvements are necessary to improve functional integration. States there is a need to review how to pay for psychotropic medications. Comments that patient confidentiality needs to be respected and the practitioners could use more training in this area. Notes that the report is a draft and is in progress.
059	Chair Fisher	Closes informational meeting and opens public hearing on SB 30.
<b><u>SB 30 PUBLIC HEARING</u></b>		
061	Sandy Thiele-Cirka	Administrator, summarizes SB 30 to the committee.
072	Bob Joondeph	Executive Director, Oregon Advocacy Center. Presents <b>(EXHIBIT C)</b> . Explains that SB 30 has similarities to the automobile lemon law. States that SB 30 provides hearing aids warranties with a guarantee that the device be repaired or replaced. States that the consumer would assume responsibility if the problem stemmed from the consumer's failure to maintain the device. Reviews the n1 amendment (2/4/99) <b>(EXHIBIT C)</b> .
122	Chair Fisher	Questions the volume of complaints.
124	Joondeph	Responds that he does not have that information. Notes that current law allows consumers to have hearing aids for a 30 day trial period. The proposed measure would allow for defective hearing aids to be repaired in a timely manner.
142	Sen. Shields	Relates a personal experience relating to a hearing aide failure.
148	Joondeph	States that the manufacturers who produce quality products offer warranties similar to what the measure proposes.

174	Sen. Castillo	Questions the cost of a hearing aide.
179	Joondeph	States that he does not have that information.
180	Sen. Castillo	Compares purchasing a hearing aide and purchasing an appliance. Explains that an appliance purchase includes a warranty.
190	John Gervais	Representing Oregon Hearing Society. Presents testimony in support of SB 30 <b>(EXHIBIT D)</b> . Comments that hearing devices cost between \$500 and \$3,000. States concerns about SB 30, and notes that the one year warranty policy requires further clarification.
243	Paul Willoughby	Audiologist. States that in 1998 there were 30 complaints of the 30,000 hearing devices sold.
256	Chair Fisher	Questions the availability of renting hearing devices.
270	Gervais	Responds hearing aides need to be specially fitted making rentals impracticable.
286	Chair Fisher	Questions hearing device warranties.
304	Willoughby	Responds that most devices have warranties, and extended warranties are available.
316	Sen. Castillo	Refers to Joondeph's testimony and compares wheel chair users to hearing aide users.
331	Gervais	Responds that it is difficult to compare these two groups. Explains that the population who relies on hearing aides may be more susceptible buyers.
365	Willoughby	States that Oregon was the first state to pass hearing device laws in 1959.
373	Joondeph	Notes that the one year warranty requirement is in ORS 646.484.
404	Sen. Duncan	Asks if the industry has a recision process.
411	Gervais	Responds affirmatively. States that the process is included in the administrative rules.
422	Sen. Duncan	Questions the hearing aide return policies and if the manufacturer retains 20 percent of the purchase price.

430	Gervais	Responds that 20 percent is accurate and the profession is working to create a \$500 limit.
443	Sen. Shields	Asks Gervais if he supports SB 30.
<b>TAPE 24, B</b>		
000	Gervais	Responds he would be comfortable with SB 30 if the Health Division establishes rules. Supports the ñ1 amendments
007	Chair Fisher	Announces that the work session will be postponed until Susan Wilson can testify.
014	Sen. Duncan	States concerns with the 20 percent retention fee.
019	Gervais	Notes that 20 percent was determined when the purchase price was less.
030	Sen. Duncan	Asks if the industry has moved towards the \$500 limit, without additional rules.
041	Gervais	States that manufacturers tend to refund money to maintain customer satisfaction.
073	Chair Fisher	Closes public hearing on SB 30 and adjourns the meeting at 9:40 AM.

Submitted By, Reviewed By,

Andrew Morris, Sandy Thiele-Cirka,  
Administrative Support Administrator

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#### **EXHIBIT SUMMARY**

**A ñ Office for Oregon Health Plan Policy and Research, Managed Care Performance Review and Study, Barney Speight, 24 pp**

**B ñ Office for Oregon Health Plan Policy and Research, Oversight Task Force of Mental Health Integration, Barney**

**Speight, 55 pp**

**C ñ SB 30, Oregon Advocacy Center, written testimony and ñ1 amendment, Bob Joondeph, 1 p**

**Dñ SB 30, Oregon Hearing Society, Outline of Rescission Process, John Gervais, 1 p**