

## SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

March 15, 1999 Hearing Room B

8:00 AM Tapes 53 - 54

**MEMBERS PRESENT:** Sen. Bill Fisher, Chair

Sen. Frank Shields, Vice-Chair

Sen. Susan Castillo

Sen. Verne Duncan

Sen. Marilyn Shannon

**STAFF PRESENT:** Sandy Thiele-Cirka, Administrator

Andrew Morris, Administrative Support

**MEASURES HEARD:**

**SB 274 Work Session**

Introduction of Committee Measures

**SB 386 Public Hearing**

**SB 676 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
<b>TAPE 53, A</b>		
004	Chair Fisher	Calls meeting to order at 8:15 AM and opens work session on SB 274.
<b><u>SB 274 WORK SESSION</u></b>		
006	Sen. Duncan	<b>MOTION:</b> Moves to SUSPEND the rules for the purpose of reconsidering SB 274.

		<b>VOTE: 4-0</b> <b>AYE: 4 - Duncan, Shannon, Shields, Fisher</b> <b>EXCUSED: 1 - Castillo</b>
	<b>Chair Fisher</b>	<b>The motion CARRIES.</b>
<b>014</b>	<b>Sen. Duncan</b>	<b>MOTION: Moves to ADOPT SB 274-1 amendments dated 03/09/99, -2 amendments dated 03/09/99, -3 amendments dated 03/09/99, and the ñ4 amendments dated 03/09/99, be FURTHER AMENDED to replace all instances of disabled person(s) with person(s) with disabilities.</b>
030	Sen. Shannon	Requests amendment clarification.
032	Sandy Thiele-Cirka	Administrator, summarizes amendments.
052	Lynnae Rutledge	Vocational Rehabilitation Division. Provides additional clarification relating to severe disabled to persons with disabilities.
062	Sen. Shannon	Comments on the expense of providing transportation for disabled people.
067	Rutledge	Responds that people will need to meet minimum qualifications for the position.
<b>075</b>		<b>VOTE: 4-0</b> <b>AYE: 4 - Duncan, Shannon, Shields, Fisher</b> <b>EXCUSED: 1 ñ Castillo</b>
	<b>Chair Fisher</b>	<b>Hearing no objections declares the motion CARRIED.</b>
<b>077</b>	<b>Sen. Duncan</b>	<b>MOTION: Moves SB 274 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 4-0</b> <b>AYE: 4 - Duncan, Shannon, Shields, Fisher</b> <b>EXCUSED: 1 ñ Castillo</b>
	<b>Chair Fisher</b>	<b>The motion CARRIES.</b>

		<b>SEN. DUNCAN will lead discussion on the floor.</b>
097	Chair Fisher	Closes work session on SB 274 and opens work session on LC 4110.
<b><u>INTRODUCTION OF COMMITTEE MEASURES</u></b>		
100	Cirka	Summarizes LC 4110.
106	Chair Fisher	<b>MOTION: Moves LC 4110 BE INTRODUCED as a committee bill.</b>
		<b>VOTE: 4-0</b> <b>AYE: 4 ñ Duncan, Shannon, Shields, Fisher</b> <b>EXCUSED: 1 ñ Castillo</b>
	Chair Fisher	<b>The motion CARRIES.</b>
		LC 4110 introduced as SB 1291.
114	Chair Fisher	Closes work session on the introduction of committee bills and opens public hearing on SB 386.
<b><u>SB 386 PUBLIC HEARING</u></b>		
122	Sen. Duncan	Provides explanation for SB 386 re-referral.
132	Sen. Shannon	Comments and discusses concerns relating to housing unadjudicated sex offenders. States that children need to be protected from dangerous people.
150	Jeffrey Wahl	Assistant Attorney General, Department of Justice (DOJ). Refers to previous testimony of March 3. States the bill protects disabled people from discrimination. Notes that the bill is in accordance with the federal guidelines of the Fair Housing Act. States the bill allows DOJ and the Bureau of Labor and Industry to initiate complaints on behalf of disabled people.
187	Sen. Shannon	Responds that Wahl did not delineate between adjudicated sex offenders and disabled persons.
200	Wahl	Responds that as long as a person falls within the definition of a disabled, as defined in statute, the person is entitled to protection.

213	Sen. Duncan	States that the issue relates to housing discrimination.
252	Sen. Shannon	Comments that a seller should be able to sell a home with the stipulation that unadjudicated sex offenders will not be allowed.
267	Sen. Shields	Asks what would happen if the bill does not pass out of committee.
272	Wahl	Responds that Oregon law is currently different than the federal guidelines.
293	Chair Fisher	Questions if the Attorney General's office has the authority to sue on someone's behalf.
301	Wahl	Responds no. States that group homes are not classified as public accommodations.
314	Sen. Shannon	States that she does not oppose disabled people being able to obtain housing, but children need to be protected from sex offenders.
320	Chair Fisher	Questions if the bill authorizes the Attorney General's office to sue on someone's behalf.
332	Wahl	Responds that SB 386 provides a mechanism to enforce the law. Notes that it also addresses confidentiality.
358	Sen. Shannon	Discusses the rights of home owners. Notes that the Fair Housing Act applies if more than three homes are owned.
366	Wahl	Responds in agreement.
374	Chair Fisher	Questions how many situations occur annually.
378	Wahl	Responds that in the last year there were four cases referred for review. Notes that there was no current mechanism to enforce the law.
424	Sen. Duncan	Asks if a family member could file suit on a person's behalf.
430	Wahl	Responds it would depend on the established guardianship.
<b>TAPE 54, A</b>		
000	Sen. Shannon	Asks if the provider could sue on the behalf of the group home.

010	Wahl	Responds affirmatively.
042	Sen. Shannon	Notes opposition to the bill.
046	James Toews	Administrator, Mental Health Developmentally Disabled Services Division (MHDDSD). States that Sen. Shannon is correct in reference to unadjudicated sex offenders. States that sex offenders have been referred to the State Hospital, and that there are established group homes for sexual offenders.
085	Chair Fisher	Asks what happens when a person is not accepted into the State Hospital and the prosecutor does not pursue charges.
095	Toews	Explains that additional staff is hired to provide additional security.
108	Chair Fisher	Asks about cases where a person might be perceived as having a mental problem, but there is not enough evidence to make that decision.
110	Toews	Responds that MHDDSD has the option of committing a person. Relates an example.
124	Sen. Shannon	Asks how long MHDDSD has had that authority.
130	Toews	Responds ten years.
135	Sen. Shannon	States that people slip through the cracks. Questions the rights of the home owners.
147	Toews	Responds that if a person is not convicted they cannot be treated as a criminal. Notes the increased pressure placed on MHDDSD.
195	Sen. Shannon	Asks if the Bureau of Labor and Industries (BOLI) requested the bill.
200	Wahl	Responds the DOJ requested the bill. States that BOLI is involved with discrimination cases.
225	Sen. Duncan	States support for the bill. Acknowledges Sen. Shannon's concerns.
240	Sen. Castillo	States support for the bill. States the bill does not remove anyone's rights.
250	Chair Fisher	Asks Bob Joondeph to address the volume of complaints.
265	Bob Joondeph	Representing Oregon Advocacy Center. Responds that he expects the number of

		cases to remain the same.
270	Sen. Shannon	Asks if a person selling their home can stipulate that an unadjudicated sex offender cannot live in the house.
282	Wahl	Responds that if a person sold the property without using a broker or real estate agent, and they owned less than three houses, they would be excused from the Fair Housing Act, however, under Oregon law there is no exemption.
295	Chair Fisher	Notes that Sen. Shannon is addressing group homes. Questions if an unadjudicated sex offender who personally wants to purchase a home could pursue legal action if they felt discriminated against.
307	Wahl	Responds affirmatively. States that the bill does not distinguish between a group home or an individual purchase.
327	Joondeph	States that the bill does not affect or change current practices for a home seller.
414	Chair Fisher	Comments on the issues being raised. Questions the four cases the Attorney General's office reviewed.
442	Wahl	Responds the four cases were group home purchases.
<b>TAPE 53, B</b>		
000	Wahl	States that if the home is to be occupied by an individual, current law provides protection. Comments that SB 386 allows the division and the DOJ to advocate on behalf of the group home residents.
009	Sen. Duncan	Questions the outcome of the four cases.
010	Wahl	Responds that negotiations resolved several cases and one case the division withdrew the purchase offer.
031	Sen. Duncan	Asks when the Attorney General's office was involved.
033	Wahl	Responds the Attorney General's office was requested to provide legal assistance for the division.
040	Sen. Duncan	Asks if the bill provides the Attorney General to respond more quickly.
047	Wahl	Responds affirmatively.

050	Sen. Shannon	Requests additional information on the four cases.
063	Chair Fisher	Closes public hearing on SB 386 and opens public hearing on SB 676.
<b><u>SB 676 PUBLIC HEARING</u></b>		
067	Sen. Ted Ferrioli	Senate District 28. States SB 676 is equal to SB 966 (1997) which was vetoed by the Governor. States rural hospitals do not receive equal reimbursement rates as urban hospitals. Comments on the increased burden that rural hospitals face.
120	Ferrioli	Discusses staff recruitment, and retention issues. Discusses recommendations from the Governor's task force relation to geographic capitation.
163	Chair Fisher	Asks if doctors received differential rates for rural areas versus urban areas.
167	Sen. Ferrioli	Responds affirmatively. Notes that the Governor and other associations acknowledge the need for improvements.
181	Sen. Shields	Asks if Sen. Ferrioli supports amendments.
185	Sen. Ferrioli	Responds affirmatively. Notes support for administrative changes.
207	Chair Fisher	Asks what would happen if a patient was referred to Hood River from Portland.
211	Sen. Ferrioli	Responds that the rural hospital would bill at the rural level.
227	Sen. Castillo	Questions the charges of urban hospitals.
231	Sen. Ferrioli	Responds that he does not have that information.
241	Chair Fisher	Asks why a hospital could not refer a patient and reduce the costs.
249	Sen. Ferrioli	Responds that this approach has been discussed.
281	Chair Fisher	Closes public hearing on SB 676 and reopens public hearing SB 386.
<b><u>SB 386 PUBLIC HEARING</u></b>		
300	Chair Fisher	States the committee would like additional information on the four specific cases and how they were resolved.

343	Wahl	Responds that he will provide that information. Comments that if current law allowed this action, other cases would have been brought forward.
369	Sen. Duncan	States the bill appears to be preventative.
381	Toews	Responds that the current available option is to have the family member pursue litigation.
400	Chair Fisher	States that the occurrences of discrimination has been minimal, however as the community population increases discrimination may increase also.
416	Toews	Comments that this bill does not target the Fairview population, but all disabled persons.
453	Chair Fisher	Closes public hearing on SB 386 and reopens the public hearing on SB 676.
<b>TAPE 54, B</b>		
<b><u>SB 676 PUBLIC HEARING</u></b>		
000	Hersh Crawford	Director, Oregon Medical Assistance Program (OMAP). Testifies in opposition to SB 676 ( <b>EXHIBIT A</b> ). States that the bill would compromise urban hospitals. Provides background for geographic factors. States the bill does not increase or decrease funding for the Oregon Health Plan, but redistributes it.
069	Crawford	Comments that the bill would change rates immediately rather than phase them out.
079	Chair Fisher	Questions possible amendments.
085	Crawford	Responds the bill is broad. Discusses the difficulties of providing for equal hospital reimbursement rates.
117	Sen. Duncan	Asks Crawford to respond to Sen. Ferrioli's concerns.
125	Crawford	Responds that the advisory committee has reviewed and discussed Sen. Ferrioli's concerns.
135	Sen. Duncan	Notes concerns for rural hospitals.
138	Crawford	Responds that some rural hospitals would receive less money if they were to be reimbursed at the statewide average.



155	Chair Fisher	Reviews the capitation plan and the impact on the HMO plan. Asks if all expenses are included.
163	Crawford	Responds affirmatively.
167	Chair Fisher	Asks if the increased costs are addressed when the patient is transferred to a more expensive facility.
172	Crawford	Responds affirmatively. Explains how the average amount of money needed is resolved and distributed. States that in 1998 adjustments were made to the capitation distribution.
198	Bruce Bishop	Representing Kaiser Permanente. Testifies in opposition to SB 676. States that changes have been made according to the findings of an interim study done. Notes the possibility of unintended consequences.
221	Chair Fisher	Requests a response from the rural hospitals.
241	John Powell	Representing Regency Blue Cross/Blue Shield of Oregon. Testifies in opposition to SB 676.
246	Dave Fiskum	Representing Providence Health Plans. Testifies in opposition to SB 676.
250	Chair Fisher	Closes public hearing on SB 676 and adjourns the meeting at 10:02 AM.

Submitted By, Reviewed By,

Andrew Morris, Sandy Thiele-Cirka,  
Administrative Support Administrator

#### **EXHIBIT SUMMARY**

**A ñ SB 676, Oregon Medical Assistance Program, Written testimony, Hersh Crawford, 4 pp**