

SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

March 24, 1999 Hearing Room B

8:00 AM Tapes 61 - 62

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

MEASURES HEARD:

SB 516 Public Hearing

SB 311 Public Hearing and 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.

TAPE/#	Speaker	Comments
TAPE 61, A		
003	Chair Fisher	Calls meeting to order at 8:14 AM and opens a public hearing on SB 516.
<u>SB 516 PUBLIC HEARING</u>		

021	Sen. Cliff Trow	Senate District 18. Testifies in support of SB 516. States the bill allows for additional insurance coverage. States that people would be allowed to continue in Oregon Medical Insurance Pool (OMIP) once they become eligible for Medicare. States that OMIP would be a secondary insurance.
046	Chair Fisher	Questions the financial impact of the bill.
048	Sen. Trow	Responds he does not have that information.
070	Beverly Bettis	Representing the Oregon Chapter of the National Multiple Sclerosis Society (NMSS). Testifies in support of SB 516 (EXHIBIT A). Discusses that OMIP members are dropped when they become eligible for Medicare and if a person chooses not to enter Medicare right away there is a penalty. States that the majority of people enrolled in OMIP are because they have been denied other insurance coverage. Notes that Medicare does not cover prescriptions.
094	Sen. Duncan	Asks if the bill would cover the new ABC drugs for Multiple Sclerosis.
099	Bettis	Responds it would not. States that Medicare does not cover the medication, but OMIP does. States that Medicare covers a limited amount of prescriptions.
115	Sen. Duncan	Asks if a person is denied insurance before they can be accepted into OMIP.
119	Bettis	Responds affirmatively. States that a person cannot enroll into OMIP if they are on Medicare.
125	Chair Fisher	Clarifies SB 516 for Sen. Duncan.
138	Rocky King	Administrator, Insurance Pool Governing Board. Testifies in support of SB 516 (EXHIBIT B). States that when people turn 65 they have become ineligible for OMIP because of Medicare eligibility. Explains the bill allows enrollees to stay in OMIP and Medicare. States OMIP would be paying for medication costs, and that OMIP will establish a minimum requirement.
201	Eugene Organ	Board Member, ONMSS. States that people who do not access to medication find themselves in difficult situations.
232	Sen. Duncan	Asks what will happen when Organ loses his insurance coverage.
240	Organ	Responds he will attempt to obtain secondary insurance coverage.
251	Bettis	Relates personal situation.
277	Sen. Duncan	Asks if Bettis would qualify for OMIP under the bill.

280	Bettis	Responds no.
282	King	Comments that the bill affects only those individuals currently enrolled in OMIP. States the issue of prescriptions and Medicare is a national issue, which SB 516 does not address. States the bill will provide equity.
288	Chair Fisher	Requests an explanation on how OMIP operates.
297	King	Explains the background of OMIP. States the insurance is a high-risk health insurance program. States there are four available options. States the contractor is Blue Cross/Blue Shield. States the premiums are 125 percent of normal premiums. Explains funding.
390	Chair Fisher	Asks how many people will be affected by the bill.
395	King	Responds 30 to 80 people a month. States between 1 to 15 people could become eligible to remain in OMIP. Notes that many people may not be able to afford both Medicare and OMIP.
431	Chair Fisher	Request the amount of monthly premiums.
434	King	Responds the average premium is about \$200/month. States the HMO is the popular choice.
451	Chair Fisher	Asks if people would continue to pay the premium.
TAPE 62, A		
000	King	Responds affirmatively, however, Minnesota's OMIP premiums decreased over a period of time for people over 65.
009	Chair Fisher	Asks about the assessment rate.
012	King	Responds there could be an increase in assessment rates. States there are about 5000 people involved in OMIP. Notes the current increase of enrollees.
040	Chair Fisher	Asks if a person could use Blue Cross/Blue Shield as a secondary insurance if they are over 65 years old.
045	King	Responds affirmatively.
052	Bettis	Comments that it is very expensive without the prescription coverage. States the secondary insurance helps to cover what Medicare does not.

088	John Powell	Representing Regence Blue Cross/Blue Shield. Testifies on SB 516. Notes concerns. States that OMIP was created to be the final option for people in obtaining health insurance.
132	Chair Fisher	Asks what would happen if a person had insurance and became medically unfit.
139	Powell	Responds they would not lose coverage, but the premiums would increase.
158	Sen. Duncan	Asks if group coverage would be terminated.
160	Powell	Responds affirmatively.
165	Sen. Castillo	Asks why Blue Cross/Blue Shield is concerned about OMIP.
174	Powell	Responds that Blue Cross/Blue Shield has a large investment in OMIP.
184	Sen. Duncan	Comments that the federal government needs to be lobbied to cover prescription drugs.
192	Powell	Discusses the expense of prescription medications.
217	Chair Fisher	States that agencies are cutting costs without reviewing the impacts. Notes the necessity of correlation between agencies.
265	Powell	States he will try to obtain additional information for the committee.
290	Bruce Bishop	Representing Kaiser Permanente. States the problem the bill addresses goes beyond the intentions of OMIP. Comments that the bill would move OMIP in a different direction. Feels that SB 516 tries to solve a federal problem, and that this issue could have a substantial fiscal impact.
337	Chair Fisher	Asks about people who have private insurance in addition to Medicare.
344	Bishop	States that it depends on what the prior coverage includes. States there is a "patchwork" of options.
371	Chair Fisher	States that it was presented that people who are enrolled in private insurance plans could remain on the insurance plan after becoming Medicare eligible.
377	Bishop	States that some group insurance include prescriptions and some do not. States that OMIP should not be expected to solve the problem.

402	Sen. Castillo	Asks how many people the bill would impact.
410	King	Responds that people would need to be enrolled in OMIP for a minimum time period before becoming eligible. States the bill would affect 250 people annually.
447	Chair Fisher	Questions the time constraints.
453	King	Responds that there are no time constraints in the private sector.
TAPE 61, B		
005	Chair Fisher	Closes public hearing on SB 516 and opens a public hearing on SB 311.
<u>SB 311 PUBLIC HEARING</u>		
013	Sandy Thiele-Cirka	Committee Administrator. Summarizes SB 311 to the committee.
027	Sen. Castillo	Asks if this situation is similar to other human resources divisions.
040	James Toews	Assistant Administrator, Mental Health and Developmental Disabled Services Division (MHDDSD). Responds no. Supports SB 311. States the division funds the persons with disabilities to hire care providers. States that most other divisions have similar classifications
064	Sen. Duncan	Asks who hires the in home care workers.
069	Toews	Responds the family.
079	Chair Fisher	Asks if family members are employed as care givers.
085	Tina Kitchen, M.D.	Medical Director, Developmental Disabilities Services. States that the agency does not provide a list of workers to families. Responds that the some people do have family members working for them, as long as the family member is not a spouse or dependent.
106	Sen. Castillo	Shares her concerns about the care providers who are underpaid. Comments that the state is not doing a good job in providing adequate salaries.
154	Sen. Duncan	States agreement with Sen. Castillo and Chair Fisher. Suggests having an interim task force to look into how to asses care providers.

180	Chair Fisher	Questions who removed the care of children from Services to Children and Families (SCF) and placed them under MHDDSD.
185	Toews	Responds it was a combination of parties. States there is a strong advocacy for higher wages and benefits, and acknowledges the union's arguments.
207	Sen. Castillo	Asks if the population being addressed is people who have never been institutionalized.
210	Toews	Responds affirmatively.
227	Chair Fisher	Closes the public hearing on SB 311 and opens work session on SB 311.
<u>SB 311 WORK SESSION</u>		
232	Sen. Shields	Asks what would happen if the bill does not pass.
244	Chair Fisher	Responds that if the bill passes it will save money. States interest in improving the system, and notes the necessity of the bill. States the bill does not affect Fairview workers.
293	Sen. Duncan	MOTION: Moves SB 311 to the floor with a DO PASS recommendation.
300	Sen. Shannon	States that she is going to vote no.
308	Sen. Shields	Requests Katharine Weit to testify.
320	Katharine Weit	Representing Oregon Disabilities Council. States the council has not taken a position on the bill. States the council strongly supports higher wages and benefits for care providers. Comments that the bill allows the division to be consistent with the other divisions.
360	Chair Fisher	Comments in agreement. Notes support for increasing care providers wages.
405	Sen. Shields	Asks if the division has to use Senior Disabled Services Division (SDSD) in the process.
413	Dan Kaplan	Assistant Deputy Administrator, SDSD. Responds affirmatively.
TAPE 62, B		

000	Sen. Shields	Discusses the need for improved wages and he would like to be kept informed of the advocacy efforts.
010	Sen. Shannon	Asks how the SB 311 will affect wages for care providers.
014	Sen. Shields	Responds that it does not affect wages.
019	Sen. Duncan	Comments that both sides want better wages and benefits for care providers.
033		VOTE: 4-1 AYE: 4 - Castillo, Duncan, Shields, Fisher NAY: 1 n Shannon
	Chair Fisher	The motion CARRIES. SEN. FISHER will lead discussion on the floor.
040	Chair Fisher	Closes work session on SB 311 and adjourns the meeting at 9:45 AM.

Submitted By, Reviewed By,

Andrew Morris, Sandy Thiele-Cirka,
Administrative Support Administrator

EXHIBIT SUMMARY

A n SB 516, Written testimony, Beverly Bettis, 1 p

B n SB 516, OMIP, Written testimony, Howard "Rocky" King, 1 p