

HOUSE COMMITTEE ON HUMAN RESOURCES

March 12, 1997 Hearing Room H-170

1:00 P.M. Tapes 46 -47

MEMBERS PRESENT:

Rep. Patricia Milne, Chair

Rep. Jackie Taylor, Vice-Chair

Rep. Richard Devlin

Rep. Jeff Kruse

Rep. Jane Lokan

Rep. Kitty Piercy

Rep. Steve Harper

MEMBER EXCUSED:

STAFF PRESENT:

Lori A. Long, Administrator

Diane M. Quinones, Administrative Support

MEASURE/ISSUES HEARD: HB 2571 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 46, A		
001	Chair Milne	Calls the meeting to order at 1:05 p.m.
002	Chair Milne	Opens a public hearing on HB 2571.
<u>HB 2571 PUBLIC HEARING</u>		
		Represents, Oregon Association of Hospitals and Health Systems, presents testimony in opposition to HB 2571.

010	Ed Patterson	<p>* represents sixty-three acute care hospitals in the state, of which fifty have home health services</p> <p>* responds to testimony in support of HB 2571, presented on February 24, 1997</p> <p>* discusses the make-up of hospital based home health agencies and free standing home health agencies</p> <p>* Oregon Health Division regulates home health agencies</p> <p>* disagrees with the allegation that hospitals only recommend their own facilities for home care</p> <p>* discusses reimbursement systems and Medicare cost reports</p>
134	Rep. Piercy	Asks if Patterson agrees with the state's interest in bringing Oregon in line with federal disclosure regulation standards.
143	Patterson	<p>* first three sections of HB 2571 are modeled after federal regulations that are currently being complied with by hospitals</p> <p>* conflicts develop when states try to mimic federal laws that have the capacity to change</p> <p>* federal law is adequate to regulate home health care practices</p>
164	Dan Reece	<p>Director, Medical Social Work, Sacred Heart Medical Center, Eugene, submits and presents written testimony in opposition to HB 2571 (EXHIBIT A).</p> <p>* agrees with the principle and practice of patient choice</p> <p>* primary concerns are the percentages this bill proposes (sub-section 5), for regulating and penalizing hospitals</p>
270	Rep. Devlin	Asks if sub-section 5, lines 25 and 26 is a presumption of responsibility.
285	Reece	<p>Responds affirmatively.</p> <p>There are two features in sub-section 5:</p>

1. thirty percent of patients are going to hospital home health
2. this percentage will trigger a state review of hospital policies

298 Rep. Devlin Asks for the number of providers in the Sacred Heart area that are not affiliated with the hospital.

300 Reece Varies month by month:

* at this time 4 providers outside the hospital

303 Rep. Devlin Asks how Sacred Heart Hospital informs patients of choices at time of discharge.
* refers to a script the hospital provides to the staff person when discharging a patient

312 Reece * staff person uses the script as a guideline when informing patients of aftercare needs

342 Rep. Devlin * hospital staff cannot be in the role of making a recommendation
Asks for estimated percentages of people using the hospital home health facilities and unaffiliated facilities.
* Has no idea of the percentages.

247 Reece * If there is a bias to a home health agency, it is to the agency that is located where the person is from.

375 Rep. Kruse Asks who decides which providers will be on the list.

**TAPE
47, A**

* Providers contact the hospital and ask to be listed.

003 Reece * The hospital will contact providers as well as keep track of advertisements in the yellow pages.
* The referral sheet contains a disclaimer that information is subject to change.

010 Rep. Kruse Asks how a request for list placement is handled by the hospital.
* The skill-care provider must be Medicare certified.

012 Reece * There is no regulation for non skill-care providers.

018 Rep. Kruse Asks how the hospital decides to place non skill care providers on the list.
* Updating the list for non skill-care providers takes place every six months and in some cases once a year.

020 Reece * The hospital takes the time to confirm the legitimacy of an operation.

027 Rep. Kruse Asks if the hospital's list is inclusive.

028 Reece Responds affirmatively.

029 Rep. Piercy Asks about the avenue for complaint available to patients.
* There have not been complaints directed at the hospital from patients feeling pushed into a decision.

040 Reece * There have been a few alleged instances where a patient has complained to another home health agency about not receiving options.
* When the hospital receives word from an agency that a patient has

complained, a review is conducted.

* Insurance providers also receive complaints on behalf of the patients.

* Providers may complain to the hospital, Medicare or Medicaid, boards or committees

* Complaints are taken by the Oregon Health Division.

069 Patterson

* Mr. Patterson's trade association for hospitals will track complaints.

078 Reece

Discusses "physicians."

084 Don York

Merle West Medical Center, submits and presents written testimony in opposition to HB 2571(**EXHIBIT B**).

175 York

Continues presentation.

250 Lori James

Merle West Medical Center, submits and presents testimony in opposition to HB 2571(**EXHIBIT C**).

* discusses policies and procedures for patient management

320 Rep. Devlin

Asks for an explanation why **EXHIBIT C**, page F, shows the hospital's home health service receives the majority of patient cases.

330 James

The hospital's agency is the oldest in the area and has a long standing reputation.

349 Rep. Kruse

Asks if the percentage of Medicare clients served by non hospital providers is similar to percentage served by the hospital provider.

355 James

Responds affirmatively.

370 Chair Milne

Asks about the differences between the documents submitted to the committee and their predecessors.

365 James

Hospital policy used to list only two home health agencies and has since become more broad, explaining both home health and nursing home referral policies.

386 Chair Milne

Asks if the patient acknowledgment on document D was listed on the previous discharge summary.

* The wording was different.

386 James

* More nursing staff has been involved in discharge and the hospital felt that there needed to be a specific place to document patient choice.

403 Chair Milne

Asks about the discharge policy guideline form that existed prior to the current document.

408 James

The document referred to is a guide for filling out discharge papers and was updated when the discharge papers were updated.

**TAPE
46,B**

008 Chair Milne

Asks if the resource pamphlet submitted to the committee contains the same information as its predecessor.

010 James

The previous list did not include the retirement centers or transportation services.

012 Chair Milne Asks if this information is routinely given to all patients at time of discharge.
114 James Responds affirmatively.

018 Tom Represents, Oregon Association of Home Care, submits and presents written
Gallagher testimony in opposition to HB 2571(**EXHIBIT D**).
General Counsel, Home Care Association of America, submits and presents
testimony in favor of HB 2571 (**EXHIBIT E**).
* from 1991-1995 the number of hospital based home health agencies
increased by fifty percent.

072 H. Kenneth * discusses article he submitted February 24,1997 concerning cost based
Johnston II reimbursement and the shifting of in-hospital costs to home care costs
* dollars from cost shifting cover the costs of advertising for hospitals
* discusses the Stark legislation, **EXHIBIT E**

150 Johnston Continues presentation.

179 Rep. Kruse Asks if the witness would be happy with just the first three sections of HB
2571.
Responds negatively.

183 Johnston * Johnston wants penalties to be in place if hospitals don't comply
Represents, Lincare INC., presents testimony in favor of HB 2571.
* relates her personal experience with ineffective home health care after a
hospital stay in December, 1995

228 Belinda * discusses how her medical equipment business is affected by Lincoln
Boysun County hospitals
* witness's brochures were not given to discharged patients

327 Rep. Piercy Asks Boyson about other avenues she pursued to complain about receiving no
choice.

330 Boysun Until now she didn't realize that there were other avenues of complaint to
pursue.

360 Rep. Harper Asks about the result of the complaint to Corvallis hospital.
* Did not complain to hospital, complained to the home health service.

365 Boysun * No action was taken.
Represents, C & N Home Health, Klamath Falls, submits and presents written
testimony in favor of HB 2571.

378 Terry Ross * relates personal and professional experiences with the hospital in her area
RN that failed to provide choices and options to patients requiring home health
care

TAPE

47,B

- 001 Ross Continues presentation.
- 025 Rep. Harper Asks if the witness made complaints to the hospital.
- 053 Ross Complaints were made on behalf of the agency
- 056 Rep. Lokan Asks about other ways besides advertising that a home health care facility can let people know about their services.
Many people enter into the medical system suddenly or acutely and don't have prior knowledge of home health.

General public receives information by:
- 065 Ross * word of mouth
* the previous experience of a family member or friend
* the family doctor
* the discharge planner from the hospital
- 079 Rep. Lokan Asks if C & N Home Health takes it upon itself to discuss home care services with physicians.
Responds affirmatively.
- 083 Ross
- 096 Rep. Taylor Asks if Ross agrees with the percentages HB 2571 proposes or if there is another way of defining consequences and unfair marketing practices.
* The first three sections of HB 2571 are an important piece of this bill since they deal with patient choice.
- 107 Ross
* It's unfortunate that consequences are necessary, however the need for regulations are to protect patient rights.
- 117 Chair Milne Asks how long C & N has been in business.
- 119 Ross C & N Home Health started business in August of 1984.
- 130 Cindy Campbell Director, Social Services, North Lincoln Hospital, Lincoln City, submits and presents written testimony in opposition to HB 2571(**EXHIBIT F**).
- 172 Rep. Lokan Asks about the reference in **EXHIBIT F** to increased costs for the state and Oregon taxpayers if HB 2571 is implemented.
* The majority of North Lincoln Hospital patients are Medicare recipients which is a state funded program.
- 175 Campbell
* Concern exists for state tax dollars being used to monitor patients.
- 185 Burt Beatty Director, In-Home Services, North Lincoln Hospital, Lincoln City, submits and presents written testimony in response to prior testimony and in opposition to HB 2571(**EXHIBIT G**).
- 255 Rep. Devlin Asks if Beatty believes there would be much of a cost increase to track the agencies that patients are discharged to.

- 269 Beatty The coat would be another form to be filled out and the staff to enter data.
- 272 Rep. Devlin Asks if there has been concern that data could be used in an anti trust case.
- 275 Beatty Responds negatively.
Represents, Oregon Health Care Association (OHCA), presents testimony in favor of HB 2571.
- * refers to an annual report to congress by the Prospective Payment Assessment Commission, June 1996, concerning utilization and cost issues
- 278 Jim Carlson * discusses the possibility of the Oregon Health Division producing a list of licensed agencies and providing an 800 number for questions and complaints
- * indicates the need for amendments to HB 2571
- * OHCA is not supportive of section 5 of the bill, a universal list created by the Health Division and used by all hospitals would be a better solution.
- 325 Tina Lenzer RN Best Home Care, Inc., Lincoln City, clarifies the intent of HB 2571 and expresses willingness to work on amendments to section 5, regarding penalties.
- 440 Chair Milne Closes the public hearing on HB 2571.
- 441 Chair Milne Adjourns the meeting at 3:00 p.m.

Submitted By, Reviewed By,

Diane M. Quinones, Lori A. Long,

Administrative Support Administrator

EXHIBIT SUMMARY

A - HB 2571, written testimony from Sacred Heart Medical, Reece, 1 p.

B - HB 2571, written testimony of Don York, York, 4 pp.

C - HB 2571, Hospital forms from Merle West Medical, James, 18 pp.

D - HB 2571, written testimony in opposition, Gallagher, 2 pp.

E - HB 2571, Information on the Stark Legislation, Johnston, 5 pp.

F - HB 2571, testimony and information regarding patient choice, Campbell, 5 p

G - HB 2571, Memorandum responding to prior testimony, Beatty, 4 pp.

H - HB 2571, letter of testimony, Hubble, 1 p.