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SENATE COMMITTEE ON BUSINESS, LAW, AND GOVERNMENT

March 20, 1997 Hearing Room A

1:00 P.M. Tapes 112 - 113

MEMBERS PRESENT:

Sen. Neil Bryant, Chair

Sen. Randy Miller, Vice-Chair

Sen. Kate Brown

Sen. Gene Derfler

Sen. Randy Leonard

Sen. David Nelson

STAFF PRESENT: Brian Krieg, Administrator

Anne Tweedt, Policy Analyst

Donna Arens, Administrative Support

MEASURES HEARD:

SB 488 - Public hearing and work session

HB 2109 - Public hearing

SB 476 - 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 112, A		
003	Chair Bryant	Opens the meeting at 1:07 and public hearing on SB 488.
<u>SB 488 - PUBLIC HEARING</u>		
010	Rob Douglas	Columbia River Steamship Operators Association, gives testimony in support of SB 488
031	Sen. Derfler	Asks if SB 488 affects cruise ships only
032	Douglas	Responds that SB 488 relates strictly to cruise ships (500 passengers or more), makes reference to written testimony from City of Portland (EXHIBIT A), 488-2 amendments (EXHIBIT B), and 488-1 amendments (EXHIBIT C)
066 Chair Bryant Closes public hearing on SB 488, opens public hearing on HB 2109		
<u>HB 2109 - PUBLIC HEARING</u>		
066	Coyne Smith	Department of Administrative Services (DAS), gives testimony in support of HB 2109
096	Sen. Derfler	Question on number of locations
098	Smith	Responds that there is no limit on the number of locations
099	Sen. Leonard	Question regarding petty cash
100	Smith	Responds that a register is kept for petty cash funds
108	Sen. Derfler	Comments concerning locations
145 Chair Bryant Closes public hearing on HB 2109, opens the public hearing on SB 476		

SB 476 - PUBLIC HEARING		
150	Scott Gallant	Oregon Medical Association (OMA), gives testimony in support of SB 476 (EXHIBIT D, E)
204	Sen. Derfler	Question regarding risks and providers
206	Gallant	Explains risks
220	Dean Andretta	Further explains risks
289	Sen. Derfler	Question regarding insurers reserves
291	Gallant	Responds
341	Gallant	Continues testimony
366	Sen. Derfler	Question regarding networking
369	Gallant	Discusses definition in proposal
TAPE 113, A		
003	Gallant	Discusses stop-loss
034	Sen. Derfler	Question regarding Oregon Health Plan
037	Gallant	Responds
049	Mike Crew	Cooney & Crew, reviews Employment Retirement Income Security Act (ERISA), gives testimony in support of SB 476
096	Sen. Derfler	Question regarding right to change mandates
101	Crew	Responds, discusses ERISA requirements
151	Crew	Continues testimony
205	Andretta	Makes final comments
227	Sen. Derfler	Questions what services new systems provide
231	Andretta	Responds that administrative functions are provided
309	Dr. Mike Roher	Mid Valley IPA, testifies in support of SB 476
404	Nancy Ellison	Department of Consumer and Business Services (DCBS), testifies on behalf of Kerry Barnett, Director, DCBS Insurance Division (EXHIBIT F, G)
TAPE 112, B		
040	Sen. Derfler	Questions Ellison regarding SB 476
045	Ellison	Responds to Sen. Derfler

091	Joel Ario	DCBS Insurance Division, provides testimony
137	Ario	Continues testimony
150	Diana Bianco	Attorney, Oregon Advocacy Center, provides testimony in opposition to SB 476 (EXHIBIT H)
210	Bruce Bishop	Kaiser Permanente, introduces Bart McMullan and John Santa (EXHIBIT I)
224	Bart McMullan	Pacificare, provides testimony in opposition to SB 476
292	Sen. Derfler	Comments on risks
280	McMullan	Responds
316	John Santa	Blue Cross Blue Shield, testifies against SB 476 (EXHIBIT J)
344	Sen. Derfler	Question regarding risks and Oregon Health Plan
365	Chair Bryant	Announces call to Senate floor at 2:20
371	Chair Bryant	Re-opens meeting at 2:40
382	Santa	Continues testimony in opposition to SB 476
TAPE 113, B		
050	Santa	Continues testimony on SB 476
<u>SB 488 - WORK SESSION</u>		
079	Chair Bryant	MOTION: Moves to adopt SB 488 -2 amendments dated 3/18/97. Hearing no objection, declares the motion CARRIED.
085	Sen. Leonard	MOTION: Moves to adopt -1 amendments to SB 488 dated 3/18/97.
086	Chair Bryant	Hearing no objection, declares the motion CARRIED.
087	Sen. Leonard	MOTION: Moves SB 488 to the floor with a DO PASS AS AMENDED recommendation.
088	Chair Bryant	Hearing no objection, declares the motion CARRIED. SEN. LEONARD will lead discussion on the floor.
<u>HB 2109 - WORK SESSION</u>		
091	Sen. Leonard	MOTION: Moves HB 2109 to the floor with a DO PASS recommendation.
	Chair	Hearing no objection, declares the motion CARRIED.

092	Bryant	SEN. LEONARD will lead discussion on the floor.
<u>SB 28 - WORK SESSION</u>		
100	Chair Bryant	MOTION: Moves SB 28 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means.
105	Chair Bryant	Temporarily closes work session on SB 28, notes that work session on SB 28 will be reopened and another vote taken when missing Senators return. Reopens public hearing on SB 476.
<u>SB 476 - PUBLIC HEARING</u>		
110	Bruce Bishop	Kaiser Permanente, testifies against SB 476 (EXHIBIT I)
<u>SB 28 - WORK SESSION</u>		
176	Chair Bryant	MOTION: Moves SB 28 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the committee on Ways and Means.
		VOTE: 4-1 AYE: 4 - Derfler, Miller, Nelson, Bryant NAY: 1 - Leonard EXCUSED: 1 - Brown
179	Chair Bryant	The motion CARRIES. Closes work session on SB 28.
<u>SB 476 - PUBLIC HEARING</u>		
180	Chair Bryant	Reopens public hearing on SB 476
184	Ed Patterson	Oregon Association of Hospitals and Health Systems, gives testimony in opposition to SB 476 (EXHIBIT K)
225	Sen. Derfler	Question regarding people covered by Employee Retirement Insurance Security Act (ERISA)
218	Ed Patterson	Responds, discusses exemptions
251	Sen. Nelson	Question regarding effect of exemptions
255	Ed Patterson	Responds
		Oregon Association of Health Underwriters, testifies in

282	Steve Doty	opposition to SB 476 (EXHIBIT L)
332	Doty	Continues testimony
TAPE 114, A		
001	Rick Rebel	President, Oregon Association of Health Underwriters, gives testimony in opposition to SB 476
010	Sen. Nelson	Question regarding requirements for provider groups
014	Rebel	Responds
025	Larry Craven	Healthcare Strategies, Inc, testifies in support of SB 476 (EXHIBIT M)
075	Craven	Continues testimony
085	Sen. Leonard	Asks what Healthcare Strategies is
088	Craven	Responds that Healthcare Strategies is a consulting firm
138	Craven	Continues responding to Sen. Leonard's questions
182	Sen. Nelson	Question regarding "risk pool"
186	Craven	Responds
208	Thomas Kramer	Blue Cross Blue Shield, testifies in opposition to SB 476 (EXHIBIT N) and responds to prior questions regarding ERISA
258	Kramer	Continues testimony
310	Sen. Derfler	Question regarding employer risks
315	Kramer	Responds
333	Sen. Derfler	Adjourns meeting at 3:30

Submitted By, Reviewed By,

Donna Arens, Anne Tweedt,

Administrative Support Policy Analyst

Reviewed by,

Brian Krieg

Committee Administrator

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EXHIBIT SUMMARY

A - SB 488, Submitted testimony, City of Portland, 1 p.

B - SB 488, Proposed amendments, Staff, 1 p.

C - SB 488, Proposed amendments, Staff, 1 p.

D - SB 476, Proposed amendments, Oregon Medical Association, 4 pp

E - SB 476, Written testimony, Oregon Medical Association, oversized exhibit

F - SB 476, Written testimony, Department of Consumer and Business Services, 3 pp

G - SB 476, Written testimony, Department of Consumer and Business Services, 2 pp

H - SB 476, Written testimony, Diana Bianco, 2 pp

I - SB 476, Written testimony, Bruce Bishop, 23 pp

J - SB 476, Written testimony, John Santa, 3 pp

K - SB 476, Written testimony, Ed Patterson, 2 pp

L - SB 476, Written testimony, Oregon Association of Health Underwriters, 2 pp

M - SB 476, Written testimony, Larry Craven, 3 pp

N - SB 476, Written testimony, Thomas Kramer, 3 pp

O - SB 476, Submitted testimony, Oregon Liquor Control Commission, 2 pp

P - SB 476, Faxed testimony, Sussman, Shank, Wapnick, Caplan and Stiles, 3 pp

Q - SB 476, Faxed testimony, PCC Structural, Inc., 3 pp
