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SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

January 23, 1997 Hearing Room B

3:00PM Tapes 5 - 6

MEMBERS PRESENT:

Sen. Bill Fisher, Chair

Sen. Jeannette Hamby, Vice-Chair

Sen. Lenn Hannon

Sen. Marylin Shannon

Sen. Susan Castillo

Sen. Thomas Wilde

MEMBER EXCUSED:

STAFF PRESENT:

Anne E. Tweedt, Administrator

Sandy Thiele-Cirka, Administrative Support

MEASURES/ISSUES HEARD:

Work Session

* SB 162

Public Hearing and Possible Work Session

* SB 65

* SB 81

Public Hearing

* SB 91

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 5, A		
003	Chair Fisher	Calls meeting to order at 3:18pm.
<u>SB 162 - WORK SESSION</u>		
005	Chair Fisher	Opens Work Session on SB 162.
008	Sen. Hannon	MOTION: Moves SB 162 to the floor WITHOUT RECOMMENDATION as to passage and BE REFERRED to the Committee on Crime and Corrections.
010	Chair Fisher	VOTE: Hearing no objection, declares the motion CARRIED.
012	Chair Fisher	Closes Work Session on SB 162.
<u>SB 65 - PUBLIC HEARING</u>		

013	Chair Fisher	Opens Public Hearing on SB 65.
015	Anne Tweedt	Committee policy analyst, summarizes SB 65.
020	Chair Fisher	Opens testimony.
028	Glenath Moyle	Board Member of the Oregon Board of Massage Technicians and a licensed massage therapist testifies in support of SB 65 (EXHIBIT A).
039	Jeff Watkins	Representing the American Massage Therapy Association, testifies in support of SB 65.
042	Vicky Williams	Administrator, Oregon Board of Massage Technicians. Present as staff to answer any questions.
047	Sen. Hannon	Questions if this bill saves the board money.
051	Williams	Explains that the savings for the board is minimal, most of the savings will occur for the applicants in money and time.
057	Sen. Hannon	Questions the current biennium budget for the board.
061	Williams	Responds that the budget is approximately \$312,000.
064	Sen. Hannon	Questions if the bill will cause any fee increases in licensing.
066	Williams	Responds that there will be no fee increase
068	Sen. Hannon	Questions any increases to taxes, licensing fees, more costly to the applicants.
069	Williams	Explains that the applicant will save money.
070	Watkins	Comments the results will be more massages, not money
072	Vice-chair Hamby	Questions point 4 of the testimony (EXHIBIT A), addressing Oregon's educational requirements versus the national requirements, when does the board expect to meet this goal?
075	Williams	Responds that there is currently a bill in legislature addressing this issue.
082	Ivan Fernandez	Board member and a licensed massage technician since 1988, supports passage of this bill.
087	Chair Fisher	Closes Public Hearing on SB 65.
<u>SB 65 - WORK SESSION</u>		
090	Chair Fisher	Opens Work Session on SB 65.
093	Vice-chair	MOTION: Moves SB 65 to the floor with a DO PASS

	Hamby	recommendation.
100		VOTE: 6-0 AYE: In a roll call vote, all members present vote Aye.
105	Chair Fisher	The motion CARRIES. SEN. HAMBY will lead discussion on the floor.
<u>SB 81 - PUBLIC HEARING</u>		
118	Chair Fisher	Opens Public Hearing on SB 81.
120	Tweedt	Summarizes SB 81.
127	Chair Fisher	Opens testimony.
135	Ed Nieuburt	Manager of Health Programs of the Insurance Division. Testifies in support of SB 81 and to state the unintended consequences of package of health care reforms in SB 152 (1995). Cautions that if a longer list of exceptions to health insurance ratings were made, the consequences could lead to a 'slippery slope' effect.
183	Sen. Hannon	Questions who participated in drafting of SB 152.
185	Nieuburt	Responds and identifies the process and health insurance parties involved. Continues with explanation of how this issue was overlooked.
197	Sen. Hannon	Responds to the explanation and comments on SB 152, references Chapter 603, addressing the text 'solely on differences in the ages of participating employees' and its intention. Emphasizes the phrase 'solely age rated based' and questions the witness understanding.
209	Nieuburt	Responds
210	Sen. Hannon	Comments that smoking was not an issue during the drafting of SB 152, and gives explanation of the language.
213	Nieuburt	Agrees that smoking was not discussed in hearing.
217	Sen. Hannon	Continues by reciting language from SB 152, "coverage must not include differences based on the risk characteristics of groups . . ." Questions if smoking is a risk characteristic.
222	Nieuburt	Comments that for groups, smoking is not a permissible rate variation, as is the age of the employees.
226	Sen. Hannon	Questions why individual policies should be defined differently than group policies. Uses obesity as an example.
233	Nieuburt	Comments that this is an example of the slippery slope. Expands on the discriminatory nature of rate variation.

243	Sen. Hannon	Explains that this is the first step towards this type of discrimination.
245	Nieuburt	Responds in agreement, with an additional comments explaining this a broad social consensus stressing the personal responsibility of tobacco use. This correction is not essential for health insurance reform, but it would be useful and appropriate.
253	Sen. Hannon	Comments on the intent and the consequences of this legislation.
278	Vice-chair Hamby	Comments on the slippery slope issues: obesity, smoking, and domestic violence victims having their medical insurance denied, rejected, or canceled.
314	Nieuburt	Responds and explains domestic abuse and how this issue is viewed in the high risk arena. Continues to address the gray zone and personal responsibility.
340	Sen. Wilde	Comments on differentiation in other insurance arenas (car, life, home, etc.) and smoking is a consideration in those areas. Questions the analysis between smokers and non-smokers, there is a difference in life expectancy and health costs.
351	Nieuburt	Responds affirmatively.
354	Chair Fisher	Questions if obesity is still being used as a barrier for coverage.
362	Nieuburt	Explains that obesity and tobacco are conditions for acceptance and rejection of insurance coverage, however rates are based solely on age.
379	Chair Fisher	Comments that he was unaware of the consequences of SB 152 at the time he cast his vote in 1995.
396	Chair Fisher	Closes Public Hearing on SB 81.
TAPE 6, A		
SB 91 - PUBLIC HEARING		
005	Chair Fisher	Opens Public Hearing on SB 91.
008	Tweedt	Summarizes SB 91.
019	James Fratzke	Testifies on behalf of the Oregon Dental Association in support of this bill (EXHIBIT B).
067	Sen. Hannon	Questions the reimbursement procedure and how many Oregon companies pay the patient directly rather than the provider.
074	Fratzke	Comments that he doesn't have that information available, but from his personal experience, it is a small number.
077	Sen. Hannon	Comments and questions if this would change the current billing practices.

083	Fratzke	Responds that there may be a few exceptions, but, for the majority of billing procedures, there will be no change.
086	Sen. Castillo	Questions whether the payment would be done at the patient's request?
089	Fratzke	Responds affirmatively.
091	Jane Myers	Representing the Oregon Dental Association, supports Dr. Fratzke's position and supports passage of this bill.
098	Bill Riddell	Quick Collect Incorporated, collection agency, the endorsed collection agency of the Oregon Dental Association. Of the \$6 million annually, 10 percent of those dollars have been paid directly to the patient. Testifies in support of bill.
118	Deb Seyfert	Blue Cross/Blue Shield/HMO Oregon, health policy analyst, states BC/BS reimbursement policy and questions to whom this bill is directed.
136	Sen. Hannon	Responds that it is a small percentage of providers, and they are out of state providers. Questions if BC/BS opposes the bill?
140	Seyfert	Explains BC/BS position and concern regarding this bill. States concern regarding putting these types of practices into statute.
159	Vice-chair Hamby	Addresses the concern about the 10 percent of Oregonians having difficulty with this issue.
165	Seyfert	Comments about resolving this concern outside of the legislative process.
173	Chair Fisher	Comments on the reimbursement procedure and the history of the bill. If expanding the scope of categories and everyone were treating uniformly, would the bill be more acceptable?
203	Seyfert	Restates the position, that contractual issues are not best handled through the legislative process.
208	Sen. Hannon	Readdresses the content of the bill and the procedure dealing with payment procedure. Questions the current policy for other providers not included in the current language.
217	Seyfert	Responds that she is unaware of any problems with physicians or hospitals. The focus of this bill is toward dentists. If additional information is needed, she will obtain it.
228	Sen. Hannon	Comments on the Chair's concern toward the broader implications of current billing concerns. Questions the procedure of how to correct the situation with the out-of-state carriers.
243	Seyfert	Responds that Blue Cross/Blue Shield will address the concerns of the dentists, however, she is unable to address the out-of-state issue at this time.
260	Chair Fisher	Invites questions or comments.
265	Sen. Hannon	Requests the OMA representative give testimony on the bill.
270	Scott	Representing the Oregon Medical Association, unable to present an official position. The legislative committee will be meeting this evening

	Gallant	to review this bill. Prefers to respond in writing to the committee.
284	Chair Fisher	Questions bill terminology and asks for definition of 'medical'.
298	Gallant	Responds with a definition.
308	Chair Fisher	Continues discussion surrounding terminology and comments on nursing home issue.
315	Gallant	Responds to terminology reference to include services provided under health insurance policies for in- and out-patient care. Comments on the possible differences between insurance policies.
331	Chair Fisher	Recalls Jane Myers, representing the Oregon Dental Association. Questions the position of the ODA regarding potential expansion and terminology of this bill.
352	Myers	Comments on the use of the word 'medical'; sometimes the usage includes dental, and other times it does not. Suggests referring to intent of original bill.
398	Myers	Clarifies the performance of dentists in the office as well as hospitals.
420	Sen. Castillo	Comments about streamlining the paperwork. This bill would support efforts to be consistent in reducing paperwork.
TAPE 5, B		
020	Chair Fisher	Addresses committee procedure
029	Sen. Hannon	Invites Mr. John Powell, Blue Cross/Blue Shield of Oregon, to comment on the insurance company perspective.
035	John Powell	Representing Blue Cross/Blue Shield of Oregon, makes a recommendation to meet with the Oregon Dental Association to clarify the issues and return to the committee with a response.
044	Chair Fisher	Suggests meeting with the OMA also.
048	Tweedt	Mentions testimony dropped off by Kevin Earls, Associated Oregon Industries, documenting their concerns regarding this bill (EXHIBIT C).
056	Riddell	Readdresses the committee regarding the 10 percent figure given earlier.
063	Chair Fisher	Responds to Mr. Riddell's statistics.
066	Riddell	Continues to explain the concerns of the physicians and dentists.
093	Chair Fisher	Closes Public Hearing on SB 91
077	Chair Fisher	Closing comments.
082	Chair Fisher	Adjourns meeting at 4:10pm.

Submitted By, Reviewed By,

**Sandy Thiele-Cirka, Anne E. Tweedt,
Administrative Support Administrator**

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EXHIBIT SUMMARY

A - SB 65, written testimony, Moyle, 1pp.

B - SB 91, written testimony, Fratzke, 3pp.

C - SB 91, written testimony, Earls, 3pp.
