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SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

April 3, 1997 Hearing Room B

3:00 P.M. Tapes 50 - 52

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:

SB 406 Public Hearing

SB 1182 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 50, A		
004	Chair Fisher	Calls meeting to order at 3:09pm, announces audience overflow in the orientation room. Comments on SB 406 -2, -3 amendments.
<u>SB 406 - PUBLIC HEARING</u>		
036	Kathryn Weit	Oregon Developmental Disabilities Council, representing Oregon Developmental Disabilities Coalition, provides summary of -2 amendments (EXHIBIT A).
114	Sen. Hannon	Questions the Developmental Disability Mental Retardation Trust Fund, language in section 5 and 6, of -2 amendments. Comments on language intent. Notes that trust funds are generally not appropriated for spending, the interest of trust funds is used for expenses.
152	Weit	Responds that the intent was to use the money gained from the sale of Fairview be directed for support and services to the developmentally disabled and their families.
164	Sen. Hannon	Questions where the cost savings of Fairview closure is addressed in the -2 amendments?
171	Weit	Responds that these amendments are directed towards the closure, not the long range plan. Comments that the proposed long range plan addresses the savings from the closure.
182	Sen. Hannon	Questions how these amendments create stability for the program from legislative session to legislative session?
201	Chair Fisher	Requests Sen. Hannon to have drafted amendments with stronger language that would address this concern.
210	Sen. Hannon	Acknowledges the request, notes the legal challenges and assurances of binding any designated funds.
223	Vice-chair Hamby	Questions if the language were changed to 'account', would it be easier to bind over between legislative sessions?
240	Weit	Responds that any language change is appreciated.
253	Sen. Castillo	Requests the department's position on these amendments and the impact of any language change.

281	Terry Breyer	Polk Community Living, provides testimony supporting SB 406, the closure of Fairview.
311	Kaeyln Mowell	Polk Community Living, submits and reads written testimony from Ron Brown (EXHIBIT B), supporting closure of Fairview.
389	Chair Fisher	Questions the Fairview exit date of Ron Brown?
391	Mowell	Responds approximately two years ago, after being a resident for 28 years.
399	Brian Walker	Support staff, and projects assistant, Polk Community Living, provides testimony in support of SB 406 (EXHIBIT C).
TAPE 51, A		
011	Rollie Smith	Governor's Commission on Senior Services, provides testimony in opposition to the original SB 406 (EXHIBIT D). The commission is not opposed to the ultimate closure of Fairview.
064	Sen. Hannon	Questions if an interim committee were to report back to the 1999 legislature addressing his concerns, would that be acceptable to the commission?
081	Smith	Responds affirmatively.
088	Sen. Hannon	Comments that this approach is up for consideration.
090	Chair Fisher	Comments on individual civil rights that need to be considered during this process.
108	Sen. Castillo	Questions if the witness read the long range plan, was it understood?
116	Smith	Responds that he has not read the entire plan, but he has reviewed the overview.
118	Sen. Castillo	Comments that the plan is a product of collaboration between all groups.
133	Smith	Responds that the major concern is that the state and local fiscal impact.
139	Chair Fisher	Notes that the reduced revenue would impact local communities.
151	Rena White	Lincoln City, provides testimony in opposition to SB 406 (EXHIBIT E).
215	Sen. Castillo	Questions if the witness has toured any of the Oregon group homes?
217	White	Responds no.
218	Paul Bennett	Family member of Fairview resident, provides testimony in opposition to SB 406 (EXHIBIT F).
365	Chair Fisher	Comments and explains the process of evaluating the closure of Fairview.
383	Bennett	Comments he was unaware that the decision to close Fairview had been determined.

385	Chair Fisher	Responds that the decision is a difficult one.
406	Sen. Castillo	Questions if the witness was under the impression that the bill would implement the closure of Fairview?
409	Bennett	Responds affirmatively.
425	Chair Fisher	Comments that SB 406 will be used as a vehicle to implement any changes.
TAPE 50, B		
020	Hazel Harmon	Mother of Fairview resident, provides testimony in opposition to SB 406 (EXHIBIT G).
033	Lucille Shepard	Mother of Fairview resident, provides testimony in opposition to SB 406 (EXHIBIT H).
090	Chair Fisher	Comment on data submitted by the witness, continues with committee position regarding SB 406.
135	Charles Crookham	Portland, submits testimony from James C. Goode and Nancy L. Goode (EXHIBIT I). Notes that this testimony contains legal analysis of SB 406.
165	Chair Fisher	Comments on -2 amendments being proposed.
189	Crookham	Notes willingness for arbitration and mediation.
218	Sid Stuller	Parent of Fairview resident, provides testimony in opposition to SB 406 (EXHIBIT J).
265	Chair Fisher	Comments on everyone's personal commitment to SB 406.
289	Chuck McEntee	Provides testimony in opposition to SB 406 (EXHIBIT K). Questions if there will be another public hearing?
328	Chair Fisher	Responds that is a possibility.
362	McEntee	Comments on testimony limitation.
394	David Beam	President, People First of Oregon, provides testimony in support of SB 406 and the closing of Fairview.
455	Chair Fisher	Comments on appropriating adequate funds to community services.
TAPE 51, B		
002	Ralph Groener	Representing AFSCME, provides testimony and comments on SB 406 and the proposed -2 amendments.
050	Matt Gruber	Physician, provides testimony in opposition to SB 406. Stresses that the function of Fairview is an issue. Proposes conceptual amendments that would renovate Fairview.
		Enters written testimony from Bill and Betty O'Hearn, Lillian Vogland,

121	Anne Tweedt	Senator Eileen Qutub, Fred Olson, Lee Ann Mize, Cathy Bourson, Joe Winter, and Diane Donaca (EXHIBIT L).
133	McEntee	Questions if the committee has received a copy of the wait list?
135	Chair Fisher	Responds no.
138	Sen. Shannon	Responds that she would like to have a copy.
147	Weit	Comments that numbers and data are available through the division, continues that names and addresses of individuals are held confidential.
155	Chair Fisher	Closes public hearing on SB 406.
<u>SB 1182 - PUBLIC HEARING</u>		
159	Chair Fisher	Opens public hearing on SB 1182.
178	Sen. Kintigh	District 22, summarizes and provides testimony in support of SB 1182.
187	Bill Wilber	Representing Cottage Grove, provides testimony in support of SB 1182. Comments on the credentialing process conducted by managed care health plans.
274	Chair Fisher	Questions the pre-hiring expenses.
277	Wilber	Responds and itemizes the costs, continues with the difficulties of this process.
300	Sen. Hannon	Questions the bill language, 'non-participating provider', comments that the insurance company is not responsible for non-participating providers.
313	Wilber	Responds that a non-credentialed provider is categorized as non-participating.
317	Sen. Hannon	Responds that licensing and credentialing is part of the process to begin a medical practice.
330	Wilber	Comments if the Board of Medical Examiners has issued a license, then it is appropriate to begin practicing medicine.
339	Sen. Hannon	Comments on the importance of credentialing.
358	Wilber	Responds that Medicare does not require credentialing before reimbursement begins.
363	Sen. Hannon	Comments on the HMO classification.
368	Chair	Questions provider versus non-provider status? Comments that the

	Fisher	concern is the time it takes to become a provider.
405	Wilber	Responds that not all insurance companies operate under the same application process.
419	Chair Fisher	Questions if the application process is to verify licensing?
423	Wilber	Responds that a portion of the application relates to licensing.
TAPE 52, A		
003	Sen. Castillo	Questions if the intent of this bill is to streamline the time and process of the application process?
006	Wilber	Responds affirmatively.
007	Sen. Castillo	Questions if he has attempted to reach a compromise with the insurance companies?
008	Wilber	Responds that they have had discussions.
018	Jo Bell	Oregon Association of Hospitals and Health Systems, provides testimony in support of SB 1182.
021	Sen. Kintigh	Comments on the difficulties and limitations placed on rural hospitals.
028	Chair Fisher	Questions if a physician can begin working for a hospital before the credentialing process is complete?
029	Wilber	Responds affirmatively.
030	Chair Fisher	Comments on the state licensing and practicing procedure.
056	John Powell	Representing Blue Cross/Blue Shield of Oregon, provides testimony and concerns regarding SB 1182.
080	Chair Fisher	Questions how many credential applications are denied?
082	Powell	Responds that that information is not available at the present.
093	Chair Fisher	Questions the difficulty surrounding rural hospitals versus larger hospitals.
096	Powell	Responds that under certain circumstances payment would be made while a physician was under supervision.
100	Sen. Wilde	Questions the duration of the credentialing process?
102	Powell	Responds that he is uncertain, believes it is 30-60 days.
105	Sen. Hannon	Questions if a non-credentialled individual is classified as a non-participating provider?
111	Powell	Responds affirmatively.
114	Sen. Hannon	Questions NCQA, is that federally mandated?
120	Powell	Responds that it is a federal quality assurance program.
129	Sen.	Questions if that program allows the reimbursement of a non-

	Hannon	participating physician?
132	Powell	Responds the answer is not available.
138	Bruce Bishop	Representing Kaiser Permanente, provides testimony in opposition to SB 1182.
165	Chair Fisher	Comments on the intent of the bill.
178	Bruce Bishop	Responds that a consequence of the bill could allow for unqualified providers to treat patients.
185	Chair Fisher	Comments that this bill allows for reimbursement after the credentialing has taken place.
190	Powell	Comments that while the physician is waiting for the credentialing, the provider holds the billing until provider status has been designated. Upon provider status the charges are reimbursed. The \$75,000 figure submitted is the average cost for recruiting a physician.
224	Chair Fisher	Questions if that is current practice?
228	Powell	Responds affirmatively.
232	Chair Fisher	Questions if charges are lost or just late being reimbursed?
253	Wilber	Comments that some insurance companies pay retroactively, some do not.
257	Chair Fisher	Questions if amendments clarifying this arrangement would be of assistance?
261	Wilber	Responds affirmatively.
268	Bishop	Responds that Kaiser Permanente would be willing to discuss options in order to reach agreement.
277	Peggy Anet	Representing Health Insurance Association of America, provides testimony supporting discussions to clarify current arrangement.
288	Chair Fisher	Comments on the timeliness of the credentialing procedure.
295	Jenny Ulum	Representing Peace Health, provides testimony supporting collaboration of entities to draft appropriate amendments.
308	Chair Fisher	Comments on the collaboration of interested parties, closes public hearing on SB 1182.
<u>SB 406 - WORK SESSION</u>		
322	Chair Fisher	Opens work session SB 406.
330	Vice-chair Hamby	Comments on utilization of the trust fund.
	Chair	

339	Fisher	Comments on the intent of a trust fund.
348	Sen. Shannon	Comments that she will not vote to close Fairview.
354	Sen. Castillo	Comments on proposed amendments and invites the department to participate in future work sessions.
361	Tweedt	Comments that the long range plan does address the closure costs, the implementation costs are not before the committee at this time.
374	Chair Fisher	Closes work session SB 406, adjourns the meeting at 5:26pm.

Submitted By, Reviewed By,

Sandy Thiele-Cirka, Anne E. Tweedt,

Administrative Support Administrator

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EXHIBIT SUMMARY

A - SB 406, -2 amendments, Kathryn Weit, 4pp

B - SB 406, Written testimony, Kaeyln Mowell, 1pp

C - SB 406, Written testimony, Brian Walker, 2pp

D - SB 406, Governor's Commission on Senior Services, Rollie Smith, 2pp

E - SB 406, Written testimony, Rena White, 2pp

F - SB 406, Written testimony, Paul Bennett, 3pp

G - SB 406, Written testimony, Hazel Harmon, 1pp

H - SB 406, Written testimony, Lucille Shepard, 2pp

I - SB 406, Written testimony, Charles Crookham, 5pp

J - SB 406, Written testimony, Sid Stuller, 3pp

K - SB 406, Written testimony, Chuck McEntee, 2pp

L - SB 406, Written testimony, Staff, 15pp
