

HOUSE COMMITTEE ON COMMERCE SUBCOMMITTEE ON BUSINESS

July 6, 1993 Hearing Room H170 11:50 a.m. Tapes 165-166

MEMBERS PRESENT: Rep. Bob Repine, Chair Rep. Hedy Rijken, Vice-Chair
Rep. Lisa Naito Rep. Liz VanLeeuwen Rep. Cynthia Wooten

STAFF PRESENT: Janet McComb, Committee Administrator Debbie
Schieno, Committee Clerk

MEASURES CONSIDERED: SB 533 - Public Hearing/Possible Work
Session

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These minutes contain materials which paraphrase and/or summarize
statements made during this session. Only text enclosed in
quotation marks report a speaker's exact words. For complete contents
of the proceedings, please refer to the tapes. [--- Unable To Translate
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TAPE 165, SIDE A

002 CHAIR REPINE: Calls the meeting to order at 11:50 a.m.

PUBLIC HEARING ON SB 533A

007 JANET McCOMB, COMMITTEE ADMINISTRATOR: Outlines the Preliminary
Staff Measure Summary (EXHIBIT A) and SB 533-A4 amendments (EXHIBIT B).

044 REP. WOOTEN: Questions mandates.

MS. McCOMB: This refers to those provisions passed during the 1991
Session in SB 1076.

056 REP. WOOTEN: Would enactment of the proposed amendment suggest
that these employers would be exempt from mandates of the Oregon Health
Plan, should it become implemented with the existing statute?

067 GARY WEEKS, DIRECTOR, DEPARTMENT OF INSURANCE AND FINANCE: The
public policy question is whether to exempt these MEWA's. -Outlines the
mandates of the MEWA's.

082 REP. NAITO: What are fully insured MEWA's?

MR. WEEKS: Groups of employers who actually purchase their insurance
from the private sector.

088 CRAIG URBANIE, DEPARTMENT OF INSURANCE AND FINANCE:
Responds to questions from the members. 140 -The proposed amendments
would allow MEWA operators to operate in this market without
restrictions.

187 MR. WEEKS: The Department supports this bill, as well as the companies who want the MEWA's. -The amendments only address the public policies.

225 REP. NAITO: How will this interface with the Oregon Health Plan?

MR. WEEKS: This is an important piece of the Oregon Health Plan.

237 REP. WOOTEN: Do you view this exemption as creating a precedent?

MR. WEEKS: This is not precedential in any way.

294 MR. URBANIE: Describes what will not be covered.

387 MR. URBANIE: The mammogram mandate would not apply because of the way the bill is currently structured in Section 19.

TAPE 166, SIDE A

011 REP. WOOTEN: Concerned that the elimination of Section 19 of this bill would inspire the creation of new MEWA's as people try to become exempt from the Oregon Health Plan. This is an unacceptable circumstance. -Suggests looking at the small employer mandates in terms of a possible delay.

024 REP. VanLEEuwEN: Respectfully disagrees with Rep. Wooten. -Wants to encourage the employers to come forward for their employees.

055 ROSS DWINELL, UNITED GROCERS: Explains the MEWA sponsored by United Grocers. -They do not look at themselves as insurance companies, but as

employers.

087 RON MOORE, PACIFIC NW HARDWARE AND IMPLEMENT DEALERS ASSOCIATION: Explains how they operate and why they are concerned with this bill. -Concern that since they own the responsibility for funding the plan and paying the bills, they need the ability to take the rate increases when necessary. -Not trying to accumulate wealth, because they cannot. -Marketplace is limited.

147 BOB McKELLAR, OREGON FOREST PRODUCTS TRANSPORTATION: The state law required a 1076 Plan or submitted by March 1 or close down. Given the

options, they submitted a plan. -Speaks to mandates. -Explains their benefit program.

185 CHAIR REPINE: Questions the length of the requested six year period.

MR. MOORE: Explains that they request this amount of time to assure that the plan is completed.

WORK SESSION ON SB 533A

265 REP. WOOTEN: Expresses feelings that SB 533A should be passed as it and not deal with the amendment as proposed.

293 REP. RIJKEN: Questions hearings in the Senate on SB 533A.

MR. McKELLER: The proposed amendment was raise out of a discussion in a work session.

304 MR. URBANIE: The issue of mandates was discussed in the Senate Committee. The original version of the bill allowed the MEWA's to be

totally excluded. The phase in period was not included.

401 REP. WOOTEN: Suggests, without risking the question of fairness, creating the exemption as requested until July 1, 1995.

TAPE 165, SIDE B

008 REP. NAITO: Suggests not working with the amendments at this time, urging those work on implementation dates.

028 MR. WEEKS: 1995 is the date when coverage must be provided by all employers. There is no decision as to the extent of that coverage.

046 CHAIR REPINE: Adjourns the meeting at 12:50 p.m.

Submitted by:

Reviewed by:

Debbie Schieno
Administrator

Janet McComb Clerk

EXHIBIT LOG:

A - Staff Summary on SB 533 - 1 page B - Amendments to SB 533 - 1 page