

HOUSE COMMITTEE ON HUMAN DEVELOPMENT

March 12, 1993 Hearing Room E 8:30 a.m. Tapes 86 - 89

MEMBERS PRESENT: Rep. Mary Alice Ford, Chair Rep. Beverly Stein,
Vice-Chair Rep. Marilyn Dell Rep. Bill Fisher Rep. Dennis Luke Rep. John
Meek Rep. Frank Shields

STAFF PRESENT: Melanie Zermer, Committee Administrator Pamela
Berger, Committee Coordinator

MEASURES CONSIDERED: HB 2313 - Long Term Care - Public Hearing
HB 2117 - Medicare - Public Hearing

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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
Graphic ---]

TAPE 86, SIDE A

CHAIR FORD: Calls the meeting to order at 8:36 a.m.

PUBLIC HEARING - HB 2117

Staff submits proposed amendments HB 2117-1 from the Multiple
Sclerosis Government Relations Commission, the Diabetes
Association, and Department of Insurance and Finance Advocacy
(EXHIBIT B).

006 MARY ALICE BJORK, DEPARTMENT OF INSURANCE AND FINANCE: Submits
and reads written testimony in favor of HB 2117 (EXHIBIT A).

CHAIR FORD: Do you send the state reports to the contractors?

BJORK: Yes.

110 CHAIR FORD: If you are going to accept a copy of the federal
report, why not just require a copy of the federal report?

BJORK: The division will take that under advisement. It is
important that we receive a report in order to know if there are
duplicate policies being sold.

120 LOUIS LITTLEHALES, DEPARTMENT OF INSURANCE AND FINANCE: Testifies
in favor of HB 2117. The National Association of Insurance
Commissioners adopted a model act and at the same time adopted model
regulations. The two track each other. We are proposing changes to
conform to the model language, and in the event of future changes in
the model rules or the medicare law by Congress. - Addition proposed
change to bill: on page 3 line 20 insert "select" and delete
"supplement". - Reviews HB 2117.

MEEK: Clarification about bill.

178 BJORK: Responds about collective bargaining.

MEEK: Further clarification.

LITTLEHALES: Responds about contracts.

MEEK: Is the policy the contract?

LITTLEHALES: Yes, this is stated in the bill. 215 - Continues explaining bill.

MEEK: Will this legislation increase your costs?

LITTLEHALES: No.

250 ZERMER: Clarification about regulation of risk contracts.

LITTLEHALES: Responds.

BJORK: Background about replacement of medicare supplemental policies.

LITTLEHALES: Discusses risk contracts. 336 - Continues explaining proposed amendments.

361 MEEK: Clarification of Section 3 of HB 2117.

LITTLEHALES: Responds.

TAPE 87, SIDE A

CHAIR FORD: Do you have a copy of the federal model?

LITTLEHALES: Will provide.

MEEK: Clarification of Section 3 of HB 2117.

LITTLEHALES: Responds.

MEEK: Does Section 3 of HB 2117 go beyond the federal requirements?

BJORK: Federal requirements are that we regulate compensation arrangements.

LITTLEHALES: Explains what Sections 2 and 3 of HB 2117 address.

054 BJORK: Explains first year compensation and commission.

093 LITTLEHALES: In response to Meek, explains reporting practices.
118 - In response to Dell, explains informing and complying to federal regulations. - In response to Dell, if we removed language in Section 3 we still would be in compliance because the federal government looks at our rules. Suggesting that we include language in the event of new federal laws as a fail-safe to ensure future authority.

165 FISHER: Refers to and asks for clarification regarding a letter to

medicare contracting HMOs, CMPs, and HCPPs from the Department of Health and Human Services (EXHIBIT G).

LITTLEHALES: Describes November 1990 federal medicare policy changes. - Discusses reasons for requesting bill. 247 -In response to Dell, explains federal requirements and compliance for marketing practices and compensation arrangements. 315 - Explains Sections 4 - 10 of HB 2117.

TAPE 86, SIDE A

LISA JOYCE, DEPARTMENT OF INSURANCE AND FINANCE: Submits and reads written testimony in favor of HB 2117 (EXHIBIT D), if amendments are adopted (See: Exhibit B). - Discusses coverage issues. - Continues reading written testimony. - Submits and describes a booklet "Oregon Consumer Guide to Medicare Supplement Insurance and HMOs" (EXHIBIT F).

BEVERLY BETTIS, MULTIPLE SCLEROSIS GOVERNMENT RELATIONS COMMISSION: In response to Fisher, discusses other states' policies.

175 JOYCE: In response to Meek, explains what type of information she offers to consumers as a representative of the Senior Health Insurance Benefits Assistance program. - Continues reading written testimony.

DAVE HOUCK, DIABETES ASSOCIATION: In response to Fisher, explains the risk pool program. - Increase of insurance rates.

FISHER: Are you working with the insurance companies on this issue or just coming to us to solve your issues?

HOUCK: No, I haven't taken this to the insurance companies, although when working with the risk pool I did approach them and did not get anywhere. Need access to a single payor system.

BETTIS: Submits and summarizes written testimony in favor of HB 2117 (EXHIBIT E), if amendments are adopted (See: Exhibit B). - Discusses Benchmarks. - Describes personal experience of having multiple sclerosis and difficulty in obtaining insurance.

TAPE 87, SIDE B

DELL: How do you respond to consumers asking what type of coverage they should purchase?

JOYCE: I do not tell them which one they should buy, but instead ask them questions which will help them make their decisions, encouraging them to do research.

060 SUSAN LEIGH, SISTER OF PROVIDENCE: Submits and reads written testimony in opposition to HB 2117 (EXHIBIT G).

120 DOUG DILLON, SISTERS OF PROVIDENCE: Testifies in opposition to HB 2117. - Describes funding for HMO medicare procedures. - Discusses duplicate coverage and administrative costs.

JERRY BIEBERLE, on behalf of Tom Hussey, KAISER PERMANENTE: Submits and read testimony on HB 2117 (EXHIBIT H).

190 DILLON, in response to Zermer, discusses duplicate coverage.

LEIGH: We do not object to providing more information. Less costly ways to accomplish goals.

244 PACO MARIBONA, ASSOCIATED AGENTS: Submits and reads written testimony on HB 2117 (EXHIBIT I).

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- Suggested changes to HB 2117 (See: Exhibit I).

Submitted for the record: - Disposition/complaint chart from Joyce (EXHIBIT P). - Long Term Care Insurance Companies chart from Joyce (EXHIBIT Q).

PUBLIC HEARING - HB 2313

050 PHYLLIS JACOBS, OREGON ASSOCIATION OF HEALTH UNDERWRITERS AND OREGON LIFE UNDERWRITERS: Submits and reads written testimony in favor of HB 2313 (EXHIBIT J). - Submits and explains proposed amendments to HB 2313 (EXHIBIT K).

142 EVERETT THORNE, OREGON ASSOCIATION OF HEALTH UNDERWRITERS: Testifies in favor of HB 2313. Submits and summarizes NY Times article (EXHIBIT L). - Discusses other states long term care insurance.

217 NAN DEWEY, on behalf of Richard Garner, OREGON ASSOCIATION OF HEALTH UNDERWRITERS: Submits and summarizes written testimony in favor of HB 2313 (EXHIBIT M).

249 PACO MARIBONA, ASSOCIATED AGENTS: Testifies on HB 2313. - Do not disagree with the concept of the bill. - Concerned about increasing costs. - Not sure about cut off date. - May be a good pilot program.

320 PAM EDENS, OREGON ALZHEIMER'S PUBLIC POLICY COMMITTEE: Submits written testimony in opposition to HB 2313, in its present form (EXHIBIT N).

340 ROBERT ZEIGEN, SENIOR AND DISABLED SERVICES DIVISION: Submits and reads written testimony in opposition to HB 2313 (EXHIBIT O).

EDENS: Explains that a high number of the long term care population has alzheimers. - This is important coverage. - Against this bill because it is state funded long term care that only the wealthy could afford. - This creates a two tier system.

Submitted for the record: - Testimony in opposition to HB 2313 from Joyce (EXHIBIT R). - Testimony on HB 2313 from Hagan (EXHIBIT S). - "Guide to Health Insurance for people with Medicare" from Joyce (EXHIBIT T).

CHAIR FORD: Adjourns the meeting at 11:00 a.m.

Submitted by:

Reviewed by:

Pamela Berger

Melanie Zermer Coordinator

Administrator

EXHIBIT LOG:

A - Testimony on HB 2117 - Bjork - 2 pp. B - Proposed amendments to 2117 - staff - 5 pp. C - Letter from Dept. of Health & Human Services - staff - 4 pp. D - Testimony on HB 2117 - Joyce - 14 pp. E - Testimony on HB 2117 - Bettis - 1 p. F - Booklet for HB 2117 - Joyce - 43 pp. G - Testimony on HB 2117 - Leigh - 6 pp. H - Testimony on HB 2117 - Bieberle - 2 pp. I - Testimony on HB 2117 - Maribona - 2 pp. J - Testimony on HB 2313 - Jacobs - 3 pp. K - Proposed amendments to HB 2313 - Jacobs - 2 pp. L - Article related to HB 2313 - Thorne - 1 p. M - Testimony on HB 2313 - Dewey - 2 pp. N - Testimony on HB 2313 - Edens - 5 pp. O - Testimony on HB 2313 - Zeigen - 4 pp. P - HB 2313 - Disposition/complaint chart - Joyce - 1 p. Q - HB 2313 - Long Term Care insurance companies chart - Joyce - 2 pp. R - Testimony on HB 2313 - Joyce - 1 p. S - Testimony on HB 2313 - Hagan - 3 pp. T - HB 2117 - Guide to health Insurance for People with Medicare - Joyce - 38 pp.