

HOUSE COMMITTEE ON HUMAN DEVELOPMENT

May 28, 1993 Hearing Room E 8:30 a.m. Tapes 202 - 204

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

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

MEASURES CONSIDERED: HB 3240 - Technology Assessment - Work
Session SB 483 - Oregon Athletic Trainers Advisory
Committee - Work session HB 3529 - Prescription Drug Tax - 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 202, SIDE A

CHAIR FORD: Calls the meeting to order at 9:30 a.m.

HB 3240 - Technology Assessment - Work Session

Staff submits and Melanie Zermer explains HB 3240-4 proposed
amendments (EXHIBIT A) and a fiscal analysis of the -4 proposed
amendments (EXHIBIT B)

CHAIR FORD: Clarifies about FTEs stated in fiscal, which the bill does
not mandate - money could be used for a variety of purposes

MOTION: LUKE MOVES ADOPTION OF THE -4 PROPOSED AMENDMENTS

VOTE: THERE BEING NO OBJECTIONS, THE AMENDMENTS ARE ADOPTED

MOTION: LUKE MOVES HB 3240, AS AMENDED, TO THE APPROPRIATE
APPROPRIATIONS COMMITTEE VOTE: THE MOTION PASSES 6-0. REPS. DELL,
EIGHMEY, FISHER, LUKE, SHIELDS AND CHAIR FORD VOTE AYE. REP. MEEK IS
EXCUSED

SB 483 - Oregon Athletic Trainers Advisory Committee - Work session

Staff submits and Melanie Zermer explains SB 483-2 proposed
amendments (EXHIBIT C)

MOTION: LUKE MOVES ADOPTION OF SB 483-2 PROPOSED AMENDMENTS

VOTE: THERE BEING NO OBJECTIONS, THE AMENDMENTS ARE ADOPTED

MOTION: FISHER MOVES SB 483, AS AMENDED, TO THE FLOOR WITH A DO PASS RECOMMENDATION

DELL: Vote explanation

LUKE: Notes importance of bill

VOTE: THE MOTION PASSES 6-0. REPS. DELL, EIGHMEY, FISHER LUKE, SHIELDS AND CHAIR FORD VOTE AYE. REP. MEEK IS EXCUSED. REP. LUKE WILL CARRY TO THE FLOOR.

HB 3529 - Prescription Drug Tax - Public Hearing

Staff submits HB 3529-1 proposed amendments (EXHIBIT D) and a fiscal analysis of the -1 proposed amendments (EXHIBIT E)

145 JIM GARDNER, PHARMACEUTICAL MANUFACTURERS ASSOCIATION (PMA): Introduces panel

KEVIN EARLS, ASSOCIATION OF OREGON INDUSTRIES: Testifies in support of HB 3529-1 proposed amendments (EXHIBIT G) -Two important principles in this proposal are 1) legislative oversight is essential, and 2) empowering independent boards and commissions composed of a balanced group of experts and citizens to supervise our state programs is a preferable approach -If the Oregon Health Plan is funded, the Medicaid program will expand dramatically

158 SUSAN DOYLE, PHARMACEUTICAL MANUFACTURERS ASSOCIATION (PMA): Testifies in support of -1 amendments -The bill is important to implement over 90 mandates -PMA and HICFA support that states' implement these programs through state legislation which would tailor the program's individual needs for population, practice standards, and individual needs

227 MIKE McCRACKEN, OREGON MEDICAL ASSOCIATION: Testifies in support of HB 3529-1 proposed amendments -Explains federal government requirements when it enacted Omnibus Budget Reconciliation Act (OBRA), establishing the Drug Utilization Review Program -Concerns of proponents include if drug utilization is total cost containment -Submits and discusses the Omnibus Budget Reconciliation Act of 1990 - Conference Report to accompany H.R. 5835 (EXHIBIT F) -Discusses section 7 of the proposed amendments

360 REP. CAROLYN OAKLEY, DISTRICT 36: Testifies in support of HB 3529-1 proposed amendments -American Legislative Exchange Council (ALEC) supports drug utilization review; the -1 amendments are consistent with ALEC's model legislation on drug utilization review, with few minor changes

405 GARDNER: Points of discussion you will hear today include: 1) is statute needed or simply a rule, and 2) if rule-making (section 6) by the Drug Use Review Board is consistent with federal law and regulations -The PMA believes that statutory framework is extremely desirable because of the importance of this program to assure legislative accountability and oversight

TAPE 203, SIDE A

-Points out typographical errors 040 -Explains amendments section by section 108 -Differences between this legislation and Utah's model legislation is a provision for the pharmacy make-up on page 4

165 CHUCK GRESS, OREGON STATE PHARMACISTS ASSOCIATION: Would like to testify after proponents of the bill

176 BRIDGET FLANAGAN, SAFEWAY: Testifies in support of HB 3529-1 proposed amendments -In Oregon we operate 91 stores and 11 in Washington; 62 of those stores have pharmacies in which there is much customer satisfaction -We employ 150 registered pharmacists, 20 interns, and 20-25 clerk technicians -We believe Oregon needs to authorize the formation of a medicaid drug review board and program -The -1 amendments are based on model legislation from the Council of State Governments and accurately reflects a realistic picture of the pharmacy industry in Oregon, which has changed drastically in the past ten years by including HMOs, hospital pharmacies, the smaller corner drugstores, and the chain drugstore pharmacies -We are working with the other proponents of the bill on the composition of the board 220 BRUCE BISHOP, KAISER PERMANENTE: Testifies in general support of the HB 3529-1 proposed amendments -Kaiser Permanente is responsible for organizing and delivering care to 375,000 voluntarily enrolled members in Portland, Salem, and SW Washington -Important component of our program is the ability to integrate pharmacy services with medical, dental, and other health care services -We are satisfied with the current operation of the Drug Use Review Program under the supervision of the Office Medical Assistance Programs -We don't feel that it is necessary to have legislation on this matter -Kaiser Permanente's physicians, pharmacists, nurses, and other health care personnel have a unique perspective to offer in the appropriate use of management of pharmaceutical products 270 In response to Ford, as a federally regulated HMO we are not technically subject to OBRA requirements, although we have a unique and special contribution in the management of services -If the committee decides to proceed with legislation, we urge that the composition of the Drug Use Review Board include representation from a managed care program -In response to Luke, explains differences between the current system and the proposed language -In response to Fisher, discusses federal dollars

330 JENNY ULUM, SACRED HEART HEALTH SYSTEM: Testifies in support of HB 3529-1 -Would like the hospitals to have a seat on the board

351 ED PATTERSON, OREGON ASSOCIATION OF HOSPITALS: Testifies in support of HB 3529-1 -Creating an advisory committee is good public policy -In the past 15 years, hospital pharmacists have become an important component of the health care team within a hospital

CHAIR FORD: Does every hospital pharmacist belong to the Society of Hospital Pharmacist?

PATTERSON: Most are part of the voluntary society

TAPE 202, SIDE B

-In response to Shields, there are 65 acute care hospitals in the state, all of which have pharmacies. In the case of smaller hospitals, pharmacist consultants may oversee the operations of "drug rooms"

DAVE FISKUM, SISTERS OF PROVIDENCE: Testifies in support of HB 3529-1

085 REP. EIGHMEY: Declares conflict of interest

093 MARY GOODHUE, ARTHRITIS FOUNDATION, OREGON CHAPTER: Submits and reads written testimony in favor of HB 3529-1 (EXHIBIT H)

130 JEFF HEATHERINGTON, OSTEOPATHIC ASSOCIATION: Testifies on HB 3529 -In support of the -2 amendments (EXHIBIT I) which changes the makeup of the council

150 GRESS: Submits testimony in behalf of Diane Eiselt, Drug Use Review of Oregon (DURO) (EXHIBIT J) -Support drug use review but oppose the -1 amendments -Refers to draft amendments which the original work group drafted (EXHIBIT K) -Statute isn't necessary, can be done by administrative rule

CHAIR FORD: Statute and rule both have the force of law

300 GRESS: Continues reading written testimony (See: Exhibit J)

TAPE 203, SIDE B

030 -In response to Luke, describes the current composition of advisory committee -In response to Fisher, discusses membership of the Pharmacy Association -In response to Fisher, 100% of owner-pharmacists belong to our association, who could be represented on the board as presented in the -1 amendments -In response to Shields, we have 1,700 full-time practicing pharmacists in Oregon; we have over 1,000 pharmacists members in our organization (OSPA), in addition we have 123 student members. There are about 100-125 hospital pharmacists. There are 2,400 fully licensed pharmacists in the state of Oregon. We have the potential of having 1,700 market share, although currently it is 1,000. -In response to Shields, the estimate market share of hospital pharmacies is approximately 40%, retail pharmacies 60%; 1/2 of retail being chains

160 RALPH ROBERTSON, RPN: Submits and reads written testimony in opposition to HB 3529-1 proposed amendments (EXHIBIT L)

350 JEAN THORNE, OREGON MEDICAL ASSISTANCE PROGRAM: Submits and summarizes written testimony in opposition to HB 3529 (EXHIBIT M)

TAPE 204, SIDE A

-Continues with written testimony 100 -In response to Chair Ford, DURO members currently are residents of the state -In response to Fisher, discusses oversight requirements -In response to Fisher, if requirements were shifted to a board, addition costs would occur than noted in the fiscal statement (would be some transferred travel costs)

CHAIR FORD: Adjourns the meeting

Submitted by:

Reviewed by:

Pamela Berger
Administrator

Melanie Zermer Coordinator

EXHIBIT LOG:

A - HB 3240 - -4 Proposed amendments - staff - 4 pp. B - HB 3240 - -4
Fiscal analysis - staff - 1 p. C - SB 483 - -3 Proposed amendments -
staff - 4 pp. D - HB 3529 - -1 Proposed amendments - staff - 11 pp. E -
HB 3529 - -1 Fiscal analysis - staff - 1 p. F - HB 3529 - Federal
legislation - McCracken - 5 pp. G - HB 3529 - Testimony - Earls - 2 pp.
H - HB 3529 - Testimony - Goodhue - 1 p. I - HB 3529 - -2 Proposed
amendments - Heatherington - 12 pp. J - HB 3529 - Testimony - Gress - 5
pp. K - HB 3529 - Work Group amendments - staff - 10 pp. L - HB 3529 -
Testimony - Robertson - 5 pp. M - HB 3529 - Testimony - Thorne - 13 pp.