

SENATE COMMITTEE ON HEALTH CARE AND BIO-ETHICS

April 27, 1993 Hearing Room C 3:00 p.m. Tapes 63 - 64

MEMBERS PRESENT: Senator Bob Shoemaker, Chair Senator Jeannette Hamby,
Vice Chair Senator Joyce Cohen Senator Bill McCoy

EXCUSED: Senator Gordon Smith

STAFF PRESENT: Barbara Coombs, Administrator Dick Shoemaker,
Administrator/Assistant Joan Green, Assistant

MEASURES HEARD: SB 801 relating to certain health services determined
by the Health Services Commission, WS SB 992 relating to health
insurance; declaring an

emergency, WS SB 757 relating to health care, WS SB 683 relating
to cooperative programs for transplant services, WS SB 756
relating to hospital cooperative programs, WS SB 788 relating to certain
health insurance coverage, PH

WITNESSES: Craig Urbani, Department of Insurance and
Finance Dr. Tom Palmer, DPM, Oregon Podiatric Medical

Association Paige Sipes-Metzler, Executive Director, Health

Services Commission Jean Thorne, Director, Oregon Medical Assistance

Programs Janice Starr, ARC of Oregon/Aged and Disabled

Coalition Peggy Anet, League of Oregon Cities John Powell, Blue Cross
Blue Shield Dave Fiskum, Sisters of Providence Ellen Pinney, Oregon
Health Action Campaign Jim Davis, United Seniors, Oregon State Council
of

Senior Citizens Rocky King, Administrator, Insurance Pool Governing

Board/Medical Insurance Pool Gary Weeks, Director, Department of
Insurance and

Finance Barry Kast, Mental Health Division Bob King, Director, Clackamas
County Mental Health

Program

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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 63, SIDE A

006 Chair Shoemaker: Meeting called to order at 3:17 p.m.

WORK SESSION SB 992 RELATING TO HEALTH INSURANCE; DECLARING AN EMERGENCY

011 Gary Weeks, Director, Department of Insurance and Finance:
Speaks in support of the bill.

051 Sen. Cohen: How are you going to operate a valid insurance
company and merge that with your mission as a Board?

057 Weeks: Responds.

080 Sen. Cohen: What assurance do we have that subsequent members
will be as concerned about maintaining the financial integrity of that
fund, as those whose are there now?

085 Weeks: Responds.

092 Sen. Cohen: What do the insurers care if our risk pool goes
down?

093 Weeks: Responds.

103 Chair Shoemaker: Requests the amendments be reviewed, Exhibit A.

106 Rocky King, Administrator, Insurance Pool Governing
Board/Medical Insurance Pool: Reviews the amendments, Exhibit A.

123 Chair Shoemaker: Will the blanks be filled in by the Ways and
Means Committee?

125 King: Responds.

131 Chair Shoemaker: Those numbers would be specifically allocated to
these provisions?

133 Weeks: Responds.

139 MOTION: CHAIR SHOEMAKER MOVED THAT THE SB 992-1 AMENDMENTS,
EXHIBIT A, BE ADOPTED.

145 VOTE: HEARING NO OBJECTION, SO ORDERED.

145 Sen. Cohen: Discusses her concerns about the bill. I will not
stand in the way, but I do have increasing concerns about it.

170 Weeks: Responds.

172 MOTION: CHAIR SHOEMAKER MOVED SB 992 AS AMENDED WITH A DO
PASS RECOMMENDATION AND REQUESTS A REFERRAL TO THE SENATE WAYS AND MEANS
COMMITTEE.

187 VOTE: MOTION CARRIED, 3-0. (EXCUSED: SEN. SMITH, SEN.
McCOY).

SB 801 RELATING TO CERTAIN HEALTH SERVICES DETERMINED BY THE HEALTH
SERVICES COMMISSION

190 Jean Thorne, Director, Oregon Medical Assistance Programs:

Speaks to amendments, Exhibit B.

222 Janice Starr, ARC of Oregon/Aged and Disabled Coalition: Reviews the amendments, Exhibit B.

242 Chair Shoemaker: It is the choice of plan, and within the plan the choice of primary care provider, correct?

247 Starr: Responds.

248 Sen. Cohen: How far are we going to go and what is the cost?

249 Thorne: Responds.

257 Sen. Cohen: Is the choice of primary care provider going to be provided as an option for everyone, not just the disabled? I have concerns about that.

259 Thorne: Responds.

261 Sen. Cohen: We're not saying you can continue to come back until you find a doctor you like?

264 Thorne: Responds.

272 MOTION: CHAIR SHOEMAKER MOVED THAT THE PROPOSED AMENDMENTS TO SB 801, EXHIBIT B, BE ADOPTED.

289 VOTE: HEARING NO OBJECTION, SO ORDERED.

276 Chair Shoemaker: Requests numbers for the mental health chemical dependency services.

283 Thorne: Responds.

298 Barry Kast, Mental Health Division: Responds.

316 Sen. Hamby: The date would remain July 1, 1995?

318 Kast: January 1, 1995.

320 Sen. Hamby: Mr. King's testimony reads July 1, 1995.

322 Bob King, Director, Clackamas County Mental Health Program: Withdraws proposed amendments.

352 MOTION: CHAIR SHOEMAKER MOVED SB 801 AS AMENDED WITH A DO PASS RECOMMENDATION AND REQUESTS A REFERRAL TO THE SENATE WAYS AND MEANS COMMITTEE.

371 VOTE: MOTION CARRIED, 3-0. (EXCUSED: SEN. SMITH, SEN. McCOY).

SB 757 RELATING TO HEALTH CARE

385 Barbara Coombs, Administrator: Reviews the 757-1 amendments, Exhibit C.

392 Sen. Cohen: Were we in accord when we had the discussion as to

whether the Commission would adopt such guidelines themselves. Did we actually

talk in terms of their adopting them and enforcing them?

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005 Paige Sipes-Metzler, Executive Director, Health Services Commission: Responds.

031 Sen. Cohen: Do you need "and adopted"?

033 Sipes-Metzler: Responds.

035 Chair Shoemaker: If you write them in the guidelines you need to adopt them don't you?

039 Sipes-Metzler: Responds.

044 Chair Shoemaker: This tightens up the line items within the list?

047 Sipes-Metzler: Responds.

054 Coombs: The question was asked as to what about the other insurance recommendations that were in SB 757. For the record a lot of those

would be transferred into SB 766 for study and review and recommendation by the Commission.

060 Chair Shoemaker: SB 757 is a broad bill that covers many of the recommendations to the Health Resources Commission. As the bill is some of them are a bit general to adopt at this time. My thought is,

assuming we establish an interim Commission to develop a delivery system for health care in the State, these recommendations would be part of that Commission's work.

072 Sen. Cohen: The bill would not move forward, including the civil penalty for failure to maintain basic health care coverage, right?

073 Chair Shoemaker: Right.

075 Sen. Cohen: Is anything left in the bill other than the SB 757 -1 amendments?

076 Chair Shoemaker: I think the SB 757-1 amendments are within the bill, right?

079 Coombs: Conkurs.

096 MOTION: CHAIR SHOEMAKER MOVED TO CONCEPTUALLY AMEND THE SB 757 -1 AMENDMENTS, EXHIBIT C, BY REPLACING "MEDICAL" WITH "CLINICAL" ON LNS. 6-10, REPLACING "THEM" WITH "THOSE SELECTED" ON LN. 8 AND A "," SURROUNDING "WITH OR WITHOUT MODIFICATION" ON LN. 8.

102 VOTE: MOTION ADOPTED BY CONSENSUS.

104 MOTION: CHAIR SHOEMAKER MOVED THAT THE CONCEPTUALLY AMENDED SB
757 -1 AMENDMENTS BE ADOPTED.

107 Sen. Cohen: Do we have a date?

119 Coombs: Is the question when will it affect policies to the
general public other than just the prioritized list?

120 Sen. Cohen: Responds.

127 Chair Shoemaker: The Services Commission will work during the
interim to revise and update the list and that comes back to the
Legislature in 1995.

125 Sipes-Metzler: July of 1994.

127 Chair Shoemaker: Okay and the Legislature in 1995 would consider
a new line on the list, change the funding formula, etc. The
following

biennium it would continue.

132 Sipes-Metzler: Guidelines need to be reviewed every two years.
There is not an indication that every item needs a guideline. I would
see a

very slow process.

140 Sen. Cohen: I prefer to not have it automatically in force.

149 Chair Shoemaker: What would you suggest?

151 Sen. Cohen: Suggests a certain point in time by which the
Commission can make proposals.

156 Chair Shoemaker: Ponders how it would work. If it were
separated I don't know how they would deal with it.

167 Sen. Cohen: They would come in 1995 and articulate those
guidelines as part of the list description or the updates that they have
recommended.

168 Chair Shoemaker: Describes a hypothetical of three line items
and two lists; one without guidelines and one with guidelines,
as a

demonstration of the differences. The Legislature would have those
alternatives before it and could go with or without them. Does that
make sense?

173 Sen. Cohen: I envision a bill similar to SB 801.

179 Chair Shoemaker: My problem with that is they are working with
these during the interim as they relate to the present list.

184 Sen. Cohen: I just don't want Oregon Medial Assistance

Program to demand, as a condition of a Health Maintenance Organization that comes

in and signs up to serve certain populations, that in order to get that contract they have to change their contract terms prior to 1995 or in the interim.

190 Chair Shoemaker: If the Legislature is presented with two different lists in 1995 wouldn't that give the Legislature the final say on that?

192 Sen. Cohen: In the meantime you disarrange some important contracts.

195 Coombs: Isn't there a contractual element that this would supersede?

196 Sipes-Metzler: Contracts that are let, as a result of the funding level of our 1993 report would not be impacted at all by medical guidelines

until we came back in 1995.

205 Sen. Cohen: That is what I am trying to get to. I want it listed here explicitly. The Chair talked about making it operational in the interim and that is not what I want to happen.

207 Chair Shoemaker: Clarifies his comment.

220 Sen. Cohen: That is why I don't think we ought to get into the technical side of one or two lists. I want to make sure the guidelines

don't go into effect until 1995.

221 Chair Shoemaker: Should the legislature have a chance to sign off?

224 Sen. Cohen: They will.

234 Coombs: Would it serve your purpose if in 1 (3) beginning on ln. 19 "the recommendation shall . . . "?

251 Sen. Cohen: We don't have that bill anymore.

256 Coombs: It is the same language.

257 Sen. Cohen: Where does the proposed amendment relate?

258 Coombs: What if on ln. 3 of the amendment it would read "shall include guidelines reviewed and recommended by the Commission . . ." The

Commission wouldn't adopt anything; the guidelines would just be part and parcel of the recommendation.

264 Sen. Cohen: That is clear to me and acceptable.

270 Coombs: Then ln. 3 of the proposed amendment "adopted" would be deleted and "recommended" be substituted.

273 MOTION: SEN. COHEN MOVED THAT THE SB 757-1 AMENEMENT BE FURTHER AMENDED ON LINE 3 BY SUBSTITUTING "RECOMMENDED" FOR "ADOPTED".

273 Sen. Cohen: Gives an explanation of the motion.

275 Chair Shoemaker: Responds.

277 Sen. Hamby: I'm comfortable with that, but my concern is with a case being made pro and con for every single practice guideline.

284 Sen. Cohen: Concurs. I'm with Sen. Hamby on what the outcome ought to be and I don't want each guideline argued over.

294 Chair Shoemaker: In the 757-1 amendment, as originally proposed, that sentence would read "the recommendation shall include practice

guidelines reviewed and adopted by the Commission". It is still a recommendation of the list to the Legislature.

305 Sen. Cohen: I have no problem with guidelines being adopted for their own purposes as long as they don't go into effect until they are

recommended and approved. Do we need to add "approved"?

309 Chair Shoemaker: I think it is complete.

318 Coombs: So do we go back with adopted?

335 General concurrence.

340 MOTION WITHDRAWN.

346 MOTION: CHAIR SHOEMAKER MOVED SB 757, AS AMENDED, TO THE FLOOR WITH A DO PASS RECOMMENDATION.

351 VOTE: MOTION CARRIED, 3-0. (EXCUSED: SEN. SMITH, SEN. McCOY).

SB 683 RELATING TO COOPERATIVE PROGRAMS FOR TRANSPLANT SERVICES

SB 756 RELATING TO HOSPITAL COOPERATIVE PROGRAMS

356 Barbara Coombs, Administrator: Reviews status of the bills.

PUBLIC HEARING

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SB 788 RELATING TO CERTAIN HEALTH INSURANCE COVERAGE

009 Jim Davis, United Seniors, Oregon State Council of Senior Citizens: Speaks in support of the bill, Exhibit D, as amended, Exhibit E.

065 Chair Shoemaker: In looking at the amendment it is clear that the alternative providers would be subject to the same limitations

regarding prices, frequency of visits and other such aspects of their practice as are included physicians, correct?

069 Davis: Responds.

071 Ellen Pinney, Oregon Health Action Campaign: Speaks in support of the bill.

093 Chair Shoemaker: Do we have that amendment?

095 Pinney: Responds.

098 Chair Shoemaker: Reads lns. 6-9 of the proposed amendments, Exhibit E. Are you proposing a change to the that language?

102 Pinney: Responds.

111 Sen. Hamby: Cites an example and asks how that would apply to this?

120 Pinney: Responds.

125 Sen. Hamby: How many of the para-professionals have crafted guidelines?

Committee continues hearing as a subcommittee.

135 Pinney: Responds.

136 Davis: Responds.

146 Chair Shoemaker: Are you suggesting that a chiropractor be paid for each visit, equivalent to what the gatekeeper would be paid for that

same visit? How would you propose to handle these situations?

154 Pinney: Responds.

156 Chair Shoemaker: How about number of visits?

158 Pinney: Responds.

165 Chair Shoemaker: Surely we have to guard against milking the system.

169 Pinney: Responds.

170 Chair Shoemaker: The good chiropractors work within the managed care system. My comfort level is going to be higher if we find a way to do

the same as we did for Workers' Compensation within this system.

173 Pinney: Responds. 186 Davis: Responds.

197 Chair Shoemaker: Encourages witnesses to develop language that accommodates what you are talking about and addresses some of my

concerns.

224 Dr. Tom Palmer, DPM, Oregon Podiatric Medical Association:
Speaks in support of the bill, Exhibit H.

292 Chair Shoemaker: The concept regarding a pre-paid managed
care organization is it is within that organization's interest to
deliver

care as inexpensively as possible. They should have an incentive to
have everybody within the organization.

300 Palmer: Responds. Continues with testimony.

356 Peggy Anet, League of Oregon Cities: Speaks in opposition to the
bill, Exhibit I.

407 Chair Shoemaker: It is within a chiropractors and naturopaths
scope of practice?

414 Anet: Responds. Continues with testimony.

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020 Anet: Continues with testimony.

034 Chair Shoemaker: Wouldn't the Health Services Commission as it
focuses on guidelines decide which kinds of therapy are within the
guidelines?

037 Anet: Responds. Continues with testimony.

080 John Powell, Blue Cross Blue Shield: Speaks in opposition to the
bill.

095 Chair Shoemaker: You could draw several conclusions, one being
that some peoples needs are not being attended to.

105 Powell: Responds.

122 Chair Shoemaker: Requests a brief explanation of the House Bill
heard yesterday in the House Human Development Committee.

125 Powell: Responds. Continues with testimony.

Committee continues hearing as a full committee.

168 Dave Fiskum, Sisters of Providence: Speaks in opposition to the
bill.

225 Craig Urbani, Department of Insurance and Finance: Speaks to the
bill.

Testimony submitted for the record, Dave Nelson, Exhibit F and Bruce
Bishop, Exhibit G. Meeting adjourned at 4:54 p.m.

Submitted by:

Reviewed by:

Joan Green

Dick Shoemaker Assistant Administrator

EXHIBIT LOG:

A - SB 992-1 amendments - Staff - 5 pages B - Proposed amendments to SB 801 - O.A.C. - 2 pages C - SB 757-1 amendments - Staff - 1 page D - Testimony on SB 788 - Davis - 1 page E - SB 788-1 amendments - Davis - 3 pages F - Testimony on SB 788 - Nelson - 1 page G - Testimony on SB 788 - Bishop - 2 pages H - Testimony on SB 788 - O.P.M.A. - 1 page I - Testimony on SB 788 - LOC - 6 pages