

SENATE SPECIAL COMMITTEE ON THE  
OREGON HEALTH PLAN

July 20, 1993                   Hearing Room 343  
3:00 p.m.                       Tape 1  
MEMBERS PRESENT: Sen. Bill Bradbury, Chair  
                  Sen. Brady Adams  
                  Sen. Paul Phillips  
                  Sen. Bob Shoemaker  
                  Sen. Gordon Smith  
                  Sen. Cliff Trow  
MEMBERS EXCUSED: Sen. Joyce Cohen  
                  Sen. Shirley Gold  
                  Sen. Jeannette Hamby  
STAFF PRESENT:  Lisa Zavala, Administrator  
                  Dick Shoemaker, Administrator  
                  Pamella Andersen, Committee Clerk  
MEASURES  
CONSIDERED:       Organizational Meeting  
                  Adoption of Committee Rules  
                  Review of Draft Conceptual Amendments  
                  Review of Witness List for Future Meetings  
                  Schedule of Future Meetings

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.

TAPE 1, SIDE A

004 CHAIR BRADBURY: Calls the meeting to order at 8:20 a.m.

ADOPTION OF COMMITTEE RULES

CHAIR BRADBURY: (introduces EXHIBIT A) Notes the draft rules are standard committee rules.

MOTION: SEN. TROW: Moves adoption of the draft committee rules.

013       SEN. ADAMS: Questions on item 12 the system for filing of minority reports.  
                  - If such were the desire of two committee members could that be done?  
                  CHAIR BRADBURY: Yes, that is my understanding.

SEN. ADAMS: Item 12 appears to require the full committee permit the filing.

- As long as it is clear we can file a minority report with just two members, I have no problem.

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CHAIR BRADBURY: The point of item 12 is subcommittees do not present minority reports to the full committee.

026 - The only time you will have a minority report is when the full committee is acting.

SEN. SHOEMAKER: We could delete the word "only" to make it clearer.

SEN. ADAMS: As long as that is understood, I have no problem.

VOTE: CHAIR BRADBURY: Hearing no objection the motion CARRIES. Senators Cohen, Gold and Hamby are EXCUSED.

REVIEW OF DRAFT CONCEPTUAL AMENDMENTS

034       CHAIR BRADBURY: Two bills will be reviewed in this committee: HB 3684 and HB 2240.  
                  -       HB 2240 just came from the Revenue Committee, and is a House-passed revenue bill,  
                          through which we will amend our health policy actions along with any revenues we choose  
                          to pursue.  
                  -       It will be the vehicle this committee uses to enact policy changes.  
                  -       We have an opinion from Legislative Counsel that the relating clause is

broad enough to address all these issues, as we are unable to amend the relating clause of a House bill.

051 - I want to review the conceptual amendments Qntroduces EXHIBIT B).  
 - Notes additional comments by Senator Shoemaker (introduces EXHIBIT C).  
 - We should have the final amendments tomorrow.  
 - The amendments recognize the questions needing answers relative to employer mandates and the need to charge a health plan administrator with responsibility to flesh out the details before effective implementation may occur.

080 - Notes the hardship of certain businesses in meeting the mandate.  
 - The amendments indicate the health plan administrator, working with the Oregon Health Council, will develop the benefit package and the proposals accompanying the mandate and report such at the next session of the Legislature.  
 - The development of a "phase in" plan will be expected of the administrator.

104 - Other issues included are charging the council to develop other alternatives to providing universal access to health care apart from the employer mandate for presentation to the 199 5 Legislature.

tax system and - An example would be an individual mandate system run through the income based upon ability to pay.

129 - There is a great deal of interest in the House to the approach in HB 3684.  
 - The amendments also add members to the Oregon Health Council and instruct the Governor to work to secure the ERISA exemptions needed.

139 SEN. SHOEMAKER: Under section 4, we open the issues of quality assessment, collection and treatment of outcome data and the interface between managed health care and public health departments.  
 - Implicit is the exploration of health care delivery systems by the council and consideration of breaking the link between employer and provider.

162 SEN. ADAMS: Is the intent to raise these amendments for discussion or to vote them out this morning?

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CHAIR BRADBURY: My intention is to put these before you for consideration.  
 - The approach is to adopt rules, lay out a schedule and get these initial amendments before us.  
 - We also need to determine who we wish to present us with testimony at tomorrow's meeting.

182 SEN. SMITH: The plan deserves our best efforts to preserve it.  
 - Charges have been made that business is backing up because it believes the plan has been changed.  
 - If we want to change the House terms on bringing the mandate closer to 199 5-97, we will probably be in a position of ending the Oregon Health Care Plan for this session.  
 - I don't personally have a problem leaving it out as far as they have it because I feel there are better approaches than the business mandate.  
 - I believe the individual approach is simpler and fairer, funds the plan better and does not penalize job creation.  
 - I believe the individual approach could be up and running by 1995.  
 - FOR THE RECORD I don't favor using lottery to fund the health plan.  
 - I favor a tobacco tax and would push the tax higher than ten cents.  
 - Maybe we could sell that to the House: a mandate extension in exchange for a higher cigarette tax.

REVIEW OF WITNESS LIST AND SCHEDULE FOR FUTURE MEETINGS

240 CHAIR BRADBURY: (introduces EXHIBITS D and E) Reviews the suggested witness lists and requests additions.

SEN. SHOEMAKER: Is there someone who could speak to the aged, blind and disabled category?

CHAIR BRADBURY: Someone from Senior and Disabled Services...

276 SEN. PHILLIPS: Is this an exclusive list or can others come forward later to testify?

- All these people are policy-related.
- There is a funding aspect you may wish to consider, allowing those expected to fund the plan to be on record.
- Those affected by the tobacco tax might want to be considered.

297 CHAIR BRADBURY: My intention is to have an invited list Wednesday night and enable others

who weren't invited to come forward later.

- Notes the other known meeting times.
- On Friday the time is unspecified.
- The goal of the committee is to get something to the floor by Monday, which may require rule suspension.

SEN. TROW: Do you intend this committee to do the work of a revenue committee and an appropriations committee?  
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321 CHAIR BRADBURY: There is currently a subsequent referral on HB 2240 to the Revenue Committee which can be removed with a vote of this committee. The chair and vice-chair of that committee are present.

- The goal is to work out the bill without sending it to that committee.
- We need to make sure the Revenue and Ways and Means Committees are

comfortable with

what this committee does.

- If there is discomfort, we may need to send it to those committees.

SEN. SHOEMAKER: Should we invite the chair of the Oregon Health Council to speak

regarding its capacity to handle this?

CHAIR BRADBURY: Yes.

SEN. TROW: Are there other professionals that should be represented such as by the OMA?

SEN. SHOEMAKER: We may wish a presentation on where the Oregon Health Plan

is now.

- Lists people presently studying the plan and process.

374 SEN. TROW: Will a work session follow shortly after Wednesday's hearing

CHAIR BRADBURY: Yes.

- There are a couple of big issues: how do we address the mandate and legitimate related

concerns; how do we get more information on other approaches; how do we pay for the

initial start-up; and are there other considerations that should be

explored such as the

concept

of mental health pilots?

404 - I don't think there are too many major differences between this bill, the conceptual amendments and what the Governor proposed.

SEN. TROW: With respect to funding we need to be able to see into the future and continuing ways to fund the plan.

SEN. SMITH: One thing about the individual approach that makes since is by tying access to the health plan to the filing of income taxes, we are leveraging more federal dollars.

- The plan would be paid for with pre-tax dollars.
- This is the cheapest way to fund this on a consistent and sustained

basis.

451 CHAIR BRADBURY: Adjourns the meeting at 8:50  
a.m.

Submitted by, \_ - Reviewed by,  
P~ q~ W~

Pamella Andersen Lisa  
Clerk Administrator

These minutes ~ ~ ~ prepared and/or ~ ~ ~ made during this ~ ~ ~. Only text  
enclosed in

quotation ~ ~ ~ speaker's ~ ~ ~ words. For complete ~ ~ ~ lie proceedings, please  
refer to the  
tapes.

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EXHIBIT LOG:

A	Committee Rules - Staff - 2 pages
B	Suggestions for Amending HB 2684-A - Senator Bob Shoemaker - 1 page
C	Proposed Conceptual Amendments to NB 3684 - Senator Bill Bradbury - 1 page
D	Suggested Witness List - Staff - 1 page
E	Addendum to Suggested Witness List - Staff - 1 page
-	Committee Information Packet