

House Committee on Judiciary January 1, 1991 - Page

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.

#### HOUSE COMMITTEE ON JUDICIARY FAMILY JUSTICE

June 22, 1991Hearing Room 357 3:00 p.m.Tapes 152 - ?

MEMBERS PRESENT:Rep. Kelly Clark, Chair Rep. Judy Bauman Rep. Marie Bell Rep. Jim Edmunson Rep. Kevin Mannix Rep. Tom Mason Rep. Del Parks Rep. Ron Sunseri

MEMBER EXCUSED: ?Sen./Rep. Name

VISITING MEMBER:?Sen./Rep. Name

STAFF PRESENT: Holly Robinson, Committee Counsel Jeff Steve, Committee Assistant

MEASURES HEARD:

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 152, SIDE A

004 CHAIR CLARK: Opens Subcommittee on Family Justice at 1:20 p.m.

SB 1076 - SMALL GROUP INSURANCE REFORM - PUBLIC HEARING

012 JOHN McCULLEY: Wants to comment on a couple parts of the bill.

027 JOE GILLIAM: Supports passage of SB 1076. Would open up the market.

057 MIKE McCALLUM, OREGON RESTAURANT ORGANIZATION:

065 GILLIAM:

073 BRUCE BISHOP, KAISER PERMANENTE: EXHIBIT A Refers to Exhibit A.

085 REP. BAUMAN: Concerned about the access and affordability.

091 BISHOP: Comments

105 REP. BAUMAN:

110 BISHOP:

150 REP. MASON:

153 BISHOP:

171 CHAIR CLARK: It is almost a fraud concept

177 BISHOP:

185 CHAIR CLARK: Employees may not be

192 BISHOP: We will write the rest of the group.

207 HOLLY ROBINSON:

209 BISHOP: Would not be able to exclude the individual

213 REP. PARKS: If you want to go into the reinsurance pool

218 BISHOP: That is corect

221 REP. PARKS: On line 13 it says

228 BISHOP: In the pool

232 REP. PARKS:

233 BISHOP: Would not be in the pool

234 REP. PARKS: Some are going to have monster mdeical bills.

241 BISHOP: Backs up a little bit.

252 REP. PARKS: Do you feel that it is a guarantee

255 BISHOP: Ther are two ways

281 REP. PARKS: Is it reasonable to suspect that

293 BISHOP: There are groups in Oregon that

345 CHAIR CLARK:

350 BISHOP: That is so.

364 REP. PARKS: Is it the short answer to your question that

370 BISHOP: We will be playing by all the other rules.

383 REP. BAUMAN: The economics of seeding roots

TAPE 153, SIDE A

001 BISHOP: The insurance companies are not going to be seeding

010 REP. BAUMAN: Concenred about the participation in the program is going to narrow

019 BISHOP: There may be a number of carriers in the market

028 REP. PARKS: There is a statement that no small

031 BISHOP: Under a guaranteed issue environment

043 REP. PARKS: There is a pool that the state maintains for cases

047 BISHOP: There is a guarantee fund that

055 REP. PARKS: Casualty as opposed to health

058 REP. PARKS:

059 BISHOP:

063 REP. PARKS:

067 BISHOP: Most of the insurance

069 REP. BELL: You are referring to groups that are

072 BISHOP: There are new groups and will be added

076 REP. BELL:

077 BISHOP: Yes he does. There are already carriers

082 REP. CLARK:

083 BISHOP: There are other companies that are satisfied

084 REP. BAUMAN: Is interested in the question

092 CHAIR CLARK: Your ultimate issue is

097 BISHOP: Yes, but does not want to

102 REP. BAUMAN: Isn't that the kind of thing that you can use a computer for.

111 BISHOP: There is a kind of

133 JUD HOLTEY, HEALTH MASTERS OF OREGON: EXHIBITS B and C

136 ROGER MARTIN: Speaks in favor of the bill.

220 CHAIR CLARK:

224 HOLTEY: SB 1076 is an ambitious reform. Refers to Exhibit B.

347 CHAIR CLARK: Asked Kitshaber yesterday whether in a few years

355 HOLTEY:

357 CHAIR CLARK:

366 HOLTEY: The simplest reform

TAPE 152, SIDE B

005 REP. PARKS:

007 HOLTEY:

013 REP. PARKS:

015 HOLTEY: A great deal Our dilemma is

039 CHAIR CLARK: You can make

042 HOLTEY: Yes, exactly.

047 CHAIR CLARK: Is the primary objection that the small insurers have

051 HOLTEY: It is the competitive disadvantage

054 MARTIN:

057 REP. BELL:

062 HOLTEY: There are no good guys and bad guys

069 CHAIR CLARK:

071 HOLTEY: It's too rich.

081 REP. PARKS: What is the alternative? This does not enact this program. This gives small businesses a place to go.

089 HOLTEY: No.

090 CHAIR CLARK: Only if you are going to tie the coverage to

094 REP. PARKS: If we could come back and

098 HOLTEY: If we have adopted this priority list and

105 REP. PARKS: can we define and put in deductables.

110 HOLTEY: Yes.

112 MARTIN: And that is why

118 REP. PARKS: If we were designing a

121 HOLTEY: We have a

123 REP. PARKS:

124 HOLTEY:

128 MARTIN:

130 HOLTEY: But it won't be that way. You are going to get the worst business risk

135 CHAIR CLARK: Your objection is to the procedure

139 HOLTEY: This is revolutionary

141 ROBINSON: You are making the assumption

146 HOLTEY:

148 ROBINSON: That is the question that I asked you

151 CHAIR CLARK: The first one's that come on board

155 HOLTEY:

157 ROBINSON: What percentage of them

160 HOLTEY: If the playing field is level

168 REP. MANNIX: Teh essence of insurance is

191 HOLTEY: You are wrong.

204 CHAIR CLARK: Understands that it is too ambitious and

209 HOLTEY: Yes.

211 CHAIR CLARK: Recesses Subcommittee for 5 minutes.

212 CHAIR CLARK: Reconvenes Subcommittee at 2: 40 p.m.

216 SENATOR LEN HANNON, DISTRICT: Testifying on behalf of self.  
Proposes that if you are going to talk about the reinsurance issue that  
you require all small insurance. Don't set the assessment in statute.  
Allow the insurance commissioner, using criteria, -Appointed  
representative of Blue Cross.

311 REP. MANNIX: Would you be able to provide an outline

317 CHAIR CLARK: Same request

330 JOHN POWELL, HEALTH ASSOCIATION OF AMERICA: EXHIBIT D Reads from  
Exhibit D.

397 CHAIR CLARK:

398 POWELL:

401 CHAIR CLARK:

402 POWELL:

410 REP. MANNIX:

TAPE 153, SIDE B

003 REP. PARKS: What if we change the exposure and made it that  
everyone in the business pay the tax.

011 POWELL: thinks that everyone in the risk pool

029 REP. PARKS: Does not think that Is the 400,000 the number of

people

033 POWELL: The legislation that established that

085 CHAIR CLARK:

087 POWELL: Wants consideration

099 REP. MANNIX: Read your testimony

106 POWELL: Continues to read from Exhibit D.

173 CHAIR CLARK: Adjourns Subcommittee on Family Justice at 3:05 p.m.