

HOUSE COMMITTEE ON STATE AND FEDERAL AFFAIRS

June 7, 1991                      Hearing Room E 8:30 a.m.                      Tapes 156 - 157  
MEMBERS PRESENT: Rep. Bill Markham, Chair Rep. Larry Sowa, Vice Chair  
Rep. Marie Bell Rep. Mary Alice Ford Rep. Tom Novick Rep. Carolyn Oakley  
Rep. Lonnie Roberts MEMBER EXCUSED:                      None VISITING MEMBER:                      Sen.  
John Kitzhaber, District 23 STAFF PRESENT:                      Randall Jones, Committee  
Administrator Carolyn Cobb, Committee Assistant MEASURES  
CONSIDERED:                      SB 721- Requires Attorney General to Add to Model Rules  
for Public Contracting Provision for Screening and Selection of Persons  
to Perform Architectural and Engineering Personal Service Contracts, PH,  
WS SB 993 - Creates Emergency Medical Services Program in Health  
Division, PH, WS SB 994 - Deletes Abbreviation Likely to be Confused  
With Abbreviations Referring to Certain Accountants, PH, WS SB 1036 -  
Requires State Board of Higher Education to Designate Person Employed  
and Located at Oregon Health Sciences University Hospital to Approve  
Payroll and Select, Implement and Administer Hospital Payroll System,  
PH, WS

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 156, SIDE A

003 CHAIR MARKHAM: Calls the meeting to order at 8:46 a.m. House  
Committee on State and Federal Affairs June 7, 1991 - Page 2

SB 994 - DELETES ABBREVIATION LIKELY TO BE CONFUSED WITH ABBREVIATIONS  
REFERRING TO CERTAIN ACCOUNTANTS - PUBLIC HEARING Witnesses: Karen  
DeLorenzo, Administrator, State Board of Accountancy Ted Hughes, Oregon  
Association of Independent Accountants

009 TED HUGHES, OREGON ASSOCIATION OF INDEPENDENT ACCOUNTANTS: This  
bill is not our bill, it was introduced by the State Board of  
Accountancy. We strongly support it. -Explains "EA" is now a federal  
designation meaning "Enrolled Agent" and it should be removed from the  
state statutes where it means "Enrolled Accountant". 031REP. BELL: I  
do not recall ever seeing that designation used.

033 HUGHES: "EA" is a federal designation, conferred after taking a  
federal examination.

037 VICE CHAIR SOWA: What is the rationale for line 21?

044 HUGHES: That amendment was offered by the State Board of  
Accountancy.

048 KAREN DELORENZO, ADMINISTRATOR, STATE BOARD OF ACCOUNTANCY:  
Submits and summarizes written testimony (EXHIBIT A) in support of the  
measure. 061 VICE CHAIR SOWA: Isn't this board appointed by the  
governor? · 062 DELORENZO: Yes, it is. t 062 VICE CHAIR SOWA:  
Aren't most terms three years and limited in the number of terms by the  
pleasure of the governor, usually two terms?

063 DELORENZO: It varies from board to board. We have lost the statute

that directly appointed the board members for three years, and were informed yesterday that by default we might fall back into a statute that would give them four year terms.

072 VICE CHAIR SOWA: Then if the governor has a policy of only two terms, this would not affect that?

074 DELORENZO: It all depends upon the governor's office. The boards that have four year term limits, they serve for a limit of two four year terms, a total of eight years. This would limit us to at the most, nine years.

SB 994 - DELETES ABBREVIATION LIKELY TO BE CONFUSED WITH ABBREVIATIONS REFERRING TO CERTAIN ACCOUNTANTS - WORK SESSION

082 MOTION: REP. BELL moved SB 994 to the floor with a "do pass" recommendation.

VOTE: In a roll call vote, the motion carried, with Rep. Bell, Rep. Ford, Rep. Oakley, Rep. Sowa, and Chair Markham voting AYE. Rep. Novick and Rep. Roberts . There minutes contain materillls which paraphrere and/or llumnurize ~atemenu made during this session Only text enclosed in quotation marks report a speaker's exact words Por complete contents of the proceedings, please refer to the tapes House Commilbe on SB b and Federal Affairs lunc 7, 1991 - P - e 3 were excused.

SB 1036 - REQUIRES STATE BOARD OF HTG HER EDUCATION TO DESIGNATE PERSON EMPLOYED AND LOCATED AT OREGON HEALTH SCIENCES UNIVERSITY HOSPITAL TO APPROVE PAYROLL AND SELECT, IMPLEMENT AND ADMINISTER HOSPITAL PAYROLL SYSTEM - PUBLIC HEARING Witnesses: Lois Davis, Oregon Health Sciences University Brian DeLashmutt, Oregon Nurses Association Susan King, Oregon Nurses Association

100 BRIAN DELASHMUTT, OREGON NURSES ASSOCIATION: This bill saves \$4.7 million over four years. It not only saves money it solves other problems that staff at Oregon Health Sciences University (OSHU) have had for about six years. -Since 1985, problems have been experienced with the payroll system. -Explains how present payroll system functions. -Explains nurses' problems with the present payroll system. -Gives example of a specific problem with the present system where a nurse was overpaid over a two year period of time. -Bill requires OSHU have a separate payroll system which allows payment to employees based upon an hourly wage, to be diSB ursed on a weekly, bi-weekly or monthly basis.

187 REP. BELL: The fiscal analysis statement says this bill will eliminate thirty FTE certified registered nurse positions.

192 DELASHMUTT: I think that must be in error. I think what they are talking about is eliminating a duplication of positions in payroll. I do not believe it is RN positions. 197 REP. BELL: Are some positions going to be eliminated somewhere?

199 DELASHMUTT: My understanding is there is not going to be a need for as much of a duplication of payroll in Corvallis and at OSHU. -The Chancellor of Higher Education has signed off on this bill and so has OSHU. 210 LOIS DAVIS, OREGON HEALTH SCIENCES UNIVERSITY: There are currently efforts in the payroll department at Higher Education to reduce the number of positions. They have anticipated, because of the changes, they can reduce the number in Corvallis by twenty by the end of this biennium. That is not in reference to this bill, and I think there is some confusion here.

222 RANDALL JONES, COMMITTEE ADMINISTRATOR: This fiscal impact statement will have to be changed before the bill can go to the floor.

237 DAVIS: In any case we are not talking about nursing positions, we are talking about payroll. We do support the bill. -There have been tremendous problems since the system we have does not accommodate the needs of nurses and employees who have shift differentials and changes all the time. There is , Thesea minutea contain materials which paraphrase and/or aummarize o.atementa made during this aesaion. Only text enclosed in quotation marks repon & speaker's exact worda. For complete contenta of the proceed Iga, pleaae refer to tne uper. House Committee on State asd Federal Affairs June 7, 1991- Page 4

no way to do it. We have worked on it for six years.

251 DELASHMUTT: Submits written testimony (EXHIBIT B) which has two different charts showing how the current payroll system functions, and how the new system will work.

SB 1036 - REQUIRES STATE BOARD OF mc HER EDUCATION TO DESIGNATE PERSON EMPLOYED AND LOCATED AT OREGON HEALTH SCIENCES UNIVERSITY HOSPITAL TO APPROVE PAYROLL AND SELECT, IMPLEMENT AND ADMINISTER HOSPITAL PAYROLL SYSTEM - WORK SESSION

263 MOTION: REP. FORD moves SB 1036 to the floor with a ~do pass. recommendation.

VOTE: In a roll call vote, the motion carried, with Rep. Bell, Rep. Ford, Rep. Sowa, and Chair Markham voting AYE. Rep. Novick, Rep. Oakley and Rep. Roberts were excused.

SB 721 - REQUIRES ATTORNEY GENERAL TO ADD TO MODEL RULES FOR PUBLIC CONTRACTING PROVISION FOR SCREENING AND SELECTION OF PERSONS TO PERFORM ARCHITECTURAL AND ENGINEERING PERSONAL SERVICE CONTRACTS PUBLIC HEARING Witnesses: Stephen Kafoury, Architects and Engineers Legislative Council of Oregon

290 SIEPHEN KAFOURY, ARCHITECTS AND ENGINEERS LEGISLATIVE COUNCIL OF OREGON: Reviews the provisions of SB 721. -Model rules are not mandatory on anyone, they are models for local governments and state agencies to use as guidelines.

SB 721 - REQUIRES ATTORNEY GENERAL TO ADD TO MODEL RULES FOR PUBLIC CONTRACTING PROVISION FOR SCREENING AND SELECTION OF PERSONS TO PERFORM ARCHITECTURAL AND ENGINEERING PERSONAL SERVICE CONTRACTS WORK SESSION

337 MOTION: REP. FORD moved SB 721 to the floor with a "do pass" recommendation. VOTE: In a roll call vote, the motion carried, with Rep. Bell, Rep. Ford, Rep. Novick, Rep. Sowa, and Chair Markham voting AYE. Rep. Oakley and Rep. Roberts were excused.

SB 993 - CREATES EMERGENCY MEDICAL SERVICES PROGRAM IN HEALTH DIVISION - PUBLIC HEARING Witnesses: John Kitzhaber, State Senator, District 23 Laurence R. Foster M. D., Acting State Health Officer Scott Gallant, Oregon Medical Association Art Keil, State Health Division, Department of Human Resources

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William B. Long M.D., Oregon Chapter, State Trauma Advisory Board  
Barbara L. Nay, Attorney, Oregon Association of Hospitals Leslie Zaitz,  
Oregon Newspaper Publishers Association

390 WILIAM B. LONG M.D., OREGON CHAPTER, STATE TRAUMA ADVISORY BOARD: Submits and summarizes written testimony (EXHIBIT C) supporting the measure because it will bring Oregon into compliance with federal law, and offers rural as well as urban areas of the state financial and legal incentives to participate.

TAPE 157, SIDE A

045 REP. FORD: Are the dash A four amendments which add "and Trauma Systems" everywhere the bill says "Emergency Medical Services", yours?

050 LONG: That is correct, I asked for that.

056 JOHN KITZHABER, STATE SENATOR, DISTRICT 23: Offers amendments to the bill which would in Section 2, subsection 2 clarify that any matching funds for this program would have to be approved by the Emergency Board, so it is not committing the general fund at this time.

072 CHAIR MARKHAM: Your amendments are the same as he proposed.

074 SEN. KITZHABER: Yes they are.

080 ART KEIL, STATE HEALTH DIVISION: Submits and reviews the proposed dash A four LC amendments dated 6/5/91 (EXHIBIT D).

102 LAURENCE R. FOSTER M. D., ACTING STATE HEALTH OFFICER: Submits and summarizes written testimony (EXHIBIT E). 118 CHAIR MARKHAM: If there are allegations that an emergency procedure was not done properly, other doctors are asked to review the case? 121 FOSTER: If something appears to be wrong with the care, that would be brought to a committee of the area trauma advisory board. 128 REP. BELL: Is that addressed in the amendments? 130 FOSTER: The confidentiality is in Section 3. There are others here who will be offering an amendment to that portion which we are in agreement with. 141 BARBARA L. NAY, ATTORNEY, OREGON ASSOCIATION OF HOSPITALS: Submits and summarizes written testimony (EXHIBIT F). -Discusses changes suggested by the counsel for the Oregon Medical Association. -Resumes written testimony. 198 REP. BELL: Are we talking about peer review on a loosely structured basis as needed, or a

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formal peer review organization?

206 NAY: I have been trying to get a better handle on the type of peer review activity we are talking about. As I understand it, these trauma advisory boards want to be able to enlist the help of the health care providers in reviewing the quality of care that is being provided in the system.

225 SCOTT GALLANT, OREGON MEDICAL ASSOCIATION: The difference is that this is suggesting the Health Division of the State will be engaging in

peer review, quality assurance activities.

229 REP. BELL: Would it make more sense to tie into the established peer review organizations?

230 GALLANT: I am sure that is what they intend to do. I am going to recommend in regard to the peer review and confidentiality statutes, a reference to current statutes rather than creating similar language, so it is consistent. -In reference to the public records law, there should be a specific reference to an exception to the base materials. I, as a physician providing materials to a quality assurance committee, am protected by that. The final report or actions of the advisory boards will be available to the public. -Suggests deleting subsection 3, and substituting references to ORS 41.675 and ORS 41.678. -Expresses concern proposed amendments may allow entry into areas where confidentially assures full participation.

283 REP. BELL: In the other bill I think data is defined. Is this description of data the same?

287 GALLANT: I believe the other legislation referred back to ORS 41.675. -Expresses hope the committee would in fact confine references to those ORS sections referred to. 341 CHAIR MARKHAM: Recesses the meeting at 9:39 a.m.

-Resumes meeting at 12:41 p.m.

TAPE 156, SIDE B

003 JONES: Submits hand-engrossed SB 993 A-engrossed (EXHIBIT G), and proposed amendments (EXHIBIT H) prepared by the committee administrator with the agreement of the interested parties. 018 GALLANT: Reviews proposed amendments which would continue the status quo protecting the confidentiality of the base materials that entities use in doing evaluations. -This does not prohibit final reports by the reviewing entities to say there is a shortfall in the trauma system or recommendations for changes. -The first section refers to public records statute exceptions and subsection (b) incorporates current confidentiality standards that are used in Oregon statute. -The Association of Hospitals, the State Health Division and the Oregon Medical Association are all in agreement with these amendments.

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SB 993 - CREATES EMERGENCY MEDICAL SERVICES PROGRAM IN HEALTH DIVISION - WORK SESSION

043 VICE CHAIR SOWA: Did you say the newspaper people are in agreement with these amendments?

044 GALLANT: No, I said the Association of Hospitals, the State Health Division and the Oregon Medical Association. -The main point of my discussion was whether or not final reports or recommendations of a trauma center would be available to the public. The intent of these amendments is that they would be available to the public, but not the base documents, materials and information.

056 REP. FORD: Is that somewhere else in statute or is that in the bill?

057 GALLANT: It is inherent. The example I used is the Board of Medical Examiners which has statutes very similar to this.

069 MOTION: REP. ROBERTS moved to adopt the committee prepared amendments (EXHIBIT H) to the handgrossed SB 993 (EXHIBIT G) subject to review by legislative counsel.

075 CHAIR MARKEIAM: Hearing no objection, it is so ordered.

080 LESLIE ZAITZ, OREGON NEWSPAPERS PUBLISHERS ASSOCIATION: We do not have any concerns with the bill other than the efforts to make secret quite a bit of the workings of the Trauma Advisory Board. -As these amendments are written, the Trauma Advisory Board becomes a black hole in regulatory space. Everything goes into the Trauma Advisory Board, but nothing comes out as far as the public is concerned. -The public should not be closed off from information as to what the regulatory agencies are finding when they evaluate the provision of trauma care in the State of Oregon. -We have no quarrel with protecting individual patient records. -We oppose these amendments and would rather make it more clear what is being protected from disclosure is a review process for individual patient care. -On line 23 we would have inserted "individual case review"

126 REP. BELL: Are you familiar with the federal law that protects peer review organizations and the confidentiality of all the dealings within the peer review organizations?

129 ZAITZ: I am vaguely aware of those.

130 REP. BELL: We just patterned our law to match the federal law. It would not make sense for one branch of medicine, trauma activity, to differ greatly from the rest of the system, both state and federal.

134 ZAITZ: Why doesn't the consuming public have access to information about its medical care? It doesn't. I think this is the place to start and reverse that trend.

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165 GALLANT: We indicated that the language that was used in the original amendments is not found anywhere in any statute with regard to that sort of activity. -Suggests amendment putting a paragraph (c) in subsection (3) saying "Final reports by the Health Division for area and state trauma advisory boards shall be available to the public."

197 ZAITZ: Our other concern is that there may be other actions of the Advisory Board that do not relate to a final report. This would suggest that whatever information they gathered even in a generic sense, could be withheld. I do not think that is the intention. -Gives example

of how information could be shielded under the wording. 218 REP.  
ROBERTS: We have to have some language that is very close to mark  
because we will not have an opportunity to redo it. 224 ZAITZ: If the  
medical community would state that as a matter of intent, they do not  
intend to cover the types of things I have just described, perhaps that  
would take care of the problem. 228 GALLANT: We most certainly can  
and we are not intending that if they have a meeting in regard to trauma  
care, that information would not be available. 230 MOTION: REP.  
ROBERTS moved to adopt the amendments presented by Scott Gallant to SB  
993, subject to review by legislative counsel. 231 CHAIR MARKHAM:  
Hearing no objection, it is so ordered. 233 MOTION: REP. ROBERTS  
moved SB 993 A-engrossed as amended to the floor with a "do pass"  
recommendation. VOTE: In a roll call vote, the motion carried, with  
Rep. Bell, Rep. Ford, Rep. Novick, Rep. Oakley, Rep. Roberts, Rep. Sowa,  
and Chair Markham voting AYE. Submitted by: Reviewed by:  
Carolyn Cobb Randall Jones Assistant Administrator

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EXHIBIT LOG:

A - Testimony on SB 994 - Karen DeLorenzo - 1 page B - Testimony on SB  
1036 - Brian Delashmutt - 44 pages C - Testimony on SB 993 - William  
Long M.D. - 2 pages D - Amendments to SB 993 - Art Keil - 1 page E -  
Testimony on SB 993 - Laurence R. Foster M.D. - 1 page F - Testimony on  
SB 993 - Barbara L. Nay - 7 pages G - Hand-engrossed SB 993 - Scott  
Gallant - 2 pages H - Amendments to SB 993 - Scott Gallant - 1 page

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