

SENATE COMMITTEE ON HEALTH INSURANCE AND BIOETHICS January 20, 1991 -
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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.

Measures Heard SB 173, PH, WS?

SENATE COMMITTEE ON HEALTH INSURANCE AND BIOETHICS

January 24, 1991 Hearing Room C 3:00p.m. Tapes 6 - ?

MEMBERS PRESENT: Sen. Bob Shoemaker, Chair Sen. Joyce Cohen,
Vice-Chair Sen. Jeannette Hamby Sen. Lenn Hannon Sen. Frank Roberts

STAFF PRESENT: Barbara Coombs, Committee Administrator Mark
Sigel, Committee Assistant

WITNESSES: Jean Thorne, Oregon Medical Assistance
Program Peggy Anet, League of Oregon Cities Terry Rogers, Oregon Human
Rights Coalition

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TAPE 6, SIDE A

000 CHAIR SHOEMAKER: Calls the meeting to order at 3:12

017 JEAN THORNE, Former Medicaid recipients would be able to get immediate access to Health care insurance with their employers. This gives them a twelve month period to establish stability. The problem is that while the twelve months ends in December the next sign-up period may not occur till April.

- Workers would be beneficiaries because they'd have immediate access
- Employers would benefit because they'd have healthier workers
- Insurance companies would benefit because insured individuals wouldn't get sicker and run up bigger medical bills

CHAIR SHOEMAKER: Is the bill intended that workers even with pre-existing

conditions would not have to wait the usual 6 month period?

THORNE: correct.

095 SENATOR ROBERTS: What would be the employment status of tghe people affectedby this?

110 THORNE:At least 6,500 Mwedcaid clients will go off Medicaid in the next 6 months.

134 CHAIOR SHOEMAKER:

140 THORNE:

157 chAIR SHOEMAKER: It seems ironic that we should use our limited Medicaid dollars to subsidize

170 THORNE: Whertner we put the requiremnt on the employers or the insurer w4e are expecting ERISA problems

180 PEGGY ANET, LEAGUE OF OREGON CITIES, When an individual goes to work for an employer and are eligible for the 12 months of covarage.. Perhaps there can be an administrative arrangement where Medicaid can be secondary to the employers plan. Therrefore, Medicad dollars would be saved.

230 CHAIR SHOEMAKER:

239 THORNE:

256 ROBERTS: Is this law intended to protect people who don't pay attention to certain burauecratic requirements?

THORNE: Yes.

303 THORNE

310 SHOEMAKER: Does this bill do anything besides imposing a new open enrollment period on the employers?

338 ANET: The ERISA question is probably the biggest question about this bill. Two issues: What does it mean to be immeadiately covered. Typially an indiviidual is allowed 30 days to enroll. There needs to be some review of that language. Second, We need to review the language saying that the former Medicaid recipient is entitled to the same covare as other employees.

TAPE 7, SIDE A

005 TERRY ROGERS, OREGON HUMAN RIGHTS COALITION:

032 JOE GILLIAM, Employers don't have a problem with allowing Medicaid recipients to have the same coverage as everyone else. The no waiting period clause causes problems in terms of preferential treatment to some employees. Section 3 may be worded too loosely. In section 2 it would be better if it said the Medicaid employees would be entitled to the same cova\erage of other employees of their station rather than saying they will be entitled to the same covaerage as all employees.

116 JOHN POWELL, BLUE CROSS OF OREGON:

126 CHAIR SHOEMAKER:

136 POWELL: From our perspective we don't know which employees have been on Medicaid and which have not.

148 CHAIR SHOEMAKER: The employee would have to provide evidence that they have come off Medicaid and therefore they are entitled to this special benefit.

180 SENATOR ROBERTS:

200 POWELL: Even if this bill becomes law I don't believe it will keep these Medicaid employees and new workers from still missing out on getting immediate coverage.

216 BRUCE BISHOP, KAISER PERMANENTE, We share some of the administrative concerns to carrying this bill out. A Medicaid patient might prefer to keep his or her Medicaid insurance rather than the new employer's coverage because the Medicaid coverage might be more extensive and it would not have any deductibles while the employer's coverage might. On page two the reference to health contractors should be to health care contractors

255 RALPH DRONER, AFSCME: Suggests that since there may be 6,500 new workers

coming into the insurance market we perhaps could market this group as something insurance carriers would compete for.

394 CHAIR SHOEMAKER: Adjourns meeting.