

SENATE COMMITTEE ON HUMAN RESOURCES

June 7, 1991 Hearing Room A 3:15 p.m. Tapes 112 - 113

MEMBERS PRESENT: Sen. Bill McCoy, Chair Sen. Cliff Trow, Vice-Chair
Sen. Shirley Gold Sen. Bill Kennemer Sen. Paul Phillips MEMBER

EXCUSED: Sen. Bill Kennemer STAFF PRESENT: Janice J. Fiegener,
Committee Administrator Mike Meriwether, Research Assistant Debbie
Schieno, Committee Assistant Andra Woodrum, Page MEASURES

CONSIDERED: HB 3060-Reqs. Oregon State Boxing and Wrestling Comm. to
report to Executive Department, WS HB 2695-Prohibits Office of Medical
Assistance Programs from contracting with out-of-state vendors to
purchase drugs-PHLWS HB 2954-Modifies duties and purpose of Oregon
Coordinating Council for Children and Families-WS HB 2141-Separates
certain licensing boards from Health Division-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 112, SIDE A

002 CHAIR BILL MCCOY: Calls the meeting to order at 3:21 p.m.

WORK SESSION ON HB 3060

MOTION: CHAIR MCCOY moves HB 3060 back to committee. > There are no
objections.

PUBLIC HEARING ON HOUSE BILL 2695 Witnesses: Chuck Gress, Oregon State
Pharmacists Assoc. George Gerding, pharmacist Marv Schlabs, Oregon State
Pharmacists Assoc. Hersh Crawford, Office of Medical Practices Diane
Lancaster, Department of General Services Mike Dewey, Lane County
Pharmaceutical Assoc.

013 JANICE FIEGENER, committee administrator: Reviews what the bill
does and refers to the Preliminary Staff Measure Summary (EXHIBIT A).

022 CHUCK GRESS, Oregon State Pharmacists Association: Reviews his
written testimony in support of HB 2695 (EXHIBIT B). > Reviews table
comparing a Health Care Services Prescription to a prescription filled
by an Oregon pharmacy. > Refers to narrative of a study concerning mail
order pharmacy costs. 059 GEORGE GERDING, community pharmacy
practitioner in Portland: Legislation looks at standards of practice in
Oregon. > Supports the bill. 075 MARV SCHLABS, president, Oregon
State Pharmacists Association: HB 2695 is

revenue neutral. > Keeps Oregon tax dollars in the state and going to
small businesses. > Mail order portion of the Welfare Program has had
limited use. > Urges support of the bill.

CHAIR MCCOY: Are you saying it has not been proven that the Department
of Human Resources saves money through the out-of-state mail order
purchase of prescriptions for its clients?

GRESS: Suggests DHR compare market place prices with the prices paid to
the Albuquerque mail order firm. 096 SEN. CLIFF TROW: This issue would
be a good one to include in an interim study proposed by the Ways and
Means Committee. > Refers to the fiscal impact (EXHIBIT C).

116 HERSH CRAWFORD, Office of Medical Assistance Programs: Feels the
mail order program is a good program. > Program is completely voluntary.
> 40 of their clients use the service each month. 130 CHAIR MCCOY: Is

there a savings with this program?

CRAWFORD: We pay the mail order contractor 10% less than we would pay an in-state pharmacy for those same drugs. > We believe it is a valuable program because it provides a service to clients. We are not in the program for the savings alone. > The contract was awarded to an out-of-state provider because their bid was lower than any in the state.
163 SEN. TROW: Previous testimony indicated Oregon pharmacy prescriptions are lower than the out-of-state contractor. Is that likely to be true most of the time?

CRAWFORD: I don't think that is an entirely complete picture. Their testimony assumed the billed amounts were less than our maximum payment amounts. It is not likely to happen very often.

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239 MIKE DEWEY, Lane County Pharmaceutical Assoc. and Portland Retail Druggist Assoc.: We are in support of the bill from the philosophical angle. We believe Oregon businesses should have the business of providing mail order services if there is a program. > Wastage in the program leads to fewer cost savings. > This legislation would die in Ways and Means.

(Tape 112A) WORK SESSION ON HB 2695A

294 MOTION: SEN. TROW moves HB 2695A to the Ways and Means Committee with a do pass recommendation and with a letter encouraging that the bill have a hearing. 301 SEN. SHIRLEY GOLD: Explains why she does not support the motion.

SEN. TROW: Makes sense for the bill to go to Ways and Means.

VOTE: In a roll call vote, the motion fails with Senators Gold, Phillips and McCoy voting NAY. Excused: Sen. Kennemer

366 MOTION: SEN. PHILLIPS moves HB 2695A to the Senate floor with a do pass recommendation. VOTE: In a roll call vote, the motion carries with Senator Trow voting NAY. Excused: Sen. Kennemer

WORK SESSION ON HOUSE BILL 2954

380 FIEGENER: This bill revises state policies for the Children and Family Coordinating Council.

398 KATHLEEN BEAUFIT, Legislative Counsel: Reviews a memo to the committee contrasting the original bill and the A-Eng. version (EXHIBIT D). > ORS 417.320 refers specifically to a children's budget. > The amended language in HB 2954A changes the focus of the bill.

TAPE 113, SIDE A

005 SEN. GOLD: Taking the budget aspect out, changes the emphasis of the legislation.

BEAUFAIT: The children's budget language is unaffected by this.

SEN. GOLD: Applauds the inclusion of the Oregon Progress Board in the Council's activities. > Not pleased with deletion of important mandatory language from the original bill.

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103 SEN. GOLD: There is nothing in the existing statute that prevents you from doing exactly what you just said. > Not interested in weakening the mandate. CAREY: We could do an update on the earlier report. > Wants to report on the community progress next. 150 SEN. TROW: I felt what was done last session was good, but things do have to change. The bill needs improvement FIEGENER: The concept of an amendment the staff has been working on is to keep the existing statute and include language about the Progress Board and evaluation and priorities. SEN. TROW: This seems to be a reasonable approach.

187 MIKE MERIWETHER, committee researcher: Reviews the HB 2954A-1 amendments (EXHIBIT E). 235 MOTION: SEN. TROW moves to adopt the HB 2954A-1 amendment.

SEN. GOLD: I need more time to go through these amendments.

CHAIR McCOY: Another meeting will be requested on this bill. (Tape 113A) WORK SESSION ON HB 2141

274 MOTION: SEN. TROW moves to adopt the HB 2141-A5 amendment. > Reviews the amendment (EXHIBIT F). 302 SEN. PAUL PHILLIPS: Under this law, a restaurant located near a school would no longer be able to have a cigarette vending machine. > Evidence before us indicates that less than four percent of young people get their tobacco products through vending machines. > Why set up a statewide policy to do this?

331 SEN. TROW: It is obvious that young people are buying cigarettes from vending machines and it is not good for their health to continue to do that.

SEN. PHILLIPS: Refers to another situation where the committee had voted to amend a bill that had passed the House with sections of a bill the committee had voted for. The Senate President

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what has changed in the policy of the legislative body to now say it is all right to do this.

SEN. McCOY: I think it has been done before during the session.

SEN. PHILLIPS: Suggests the committee look at the language in SB 739-2 (EXHIBIT G). > I think the -2 amendment would be a better way to go.

TAPE 112, SIDE B

026 SEN. PHILLIPS: What is the fiscal impact for this amendment?

FIGENER: I was just informed that there was no fiscal impact on the bills this language came from.

SEN. TROW: My guess is that the fiscal impact is not very big for these.

SEN. GOLD: I am reluctant to support the language we have not see before today.

MOTION FAILS: In a roll call vote, the motion fails with Senators Gold and Phillips voting NAY. Excused: Sen. Kennemer

093 MOTION: SEN. PHILLIPS moves HB 2141-A to the Senate floor with a do pass recommendation. MOTION FAILS: In a roll call vote, the motion fails with Senators Trow and McCoy voting NAY. Excused: Sen. Kennemer
111 CHAIR McCOY: Adjourns the meeting at 4:25 p.m.

Transcribed and reviewed by:

Carolynn Gillson Assistant

EXHIBIT LOG: A - Preliminary Staff Measure Summary - committee staff - 1 page B - Testimony on HB 2695 - Oregon State Pharmacists Assoc. - 6 pages C - Fiscal analysis on HB 2695 - Legislative Fiscal - 1 page D - Testimony on HB 2954A - Legislative Counsel - 2 pages E - Proposed amendment on HB 2954A - committee staff - 6 pages F - Proposed amendment on HB 2141A - Sen. Trow - 2 pages G - Proposed amendment for HB 2141A - Sen. Paul Phillips - 1 page

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