

Measures Heard SB 99 SB 135

SENATE COMMITTEE ON LABOR

January 30 1991 Hearing Room 50 3:00 p.m. Tapes 7 - 8
MEMBERS PRESENT: SEN. GRATTAN KERANS, CHAIR SEN. LARRY HILL,
VICE-CHAIR SEN. BOB KINTIGH SEN. BOB SHOEMAKER MEMBER EXCUSED: SEN.
PETER BROCKMAN

STAFF PRESENT: ANNETTE TALBOTT, COMMITTEE COUNSEL ROBERTA WHIT E,
COMMITTEE ASSISTANT WITNESSES: JIM McINTOSH, MANAGER, STATE EMPLOYEES
BENEFIT BOARD CHUCK YOUNG, COMMISSION FOR THE BLIND TONI PETERSON,
CHILDREN'S SERVICES DIVISION PAULA WENELL, FOSTER PARENT

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 7, SIDE A

005 CHAIR KERANS called the meeting to order at 3:12 p.m. ;

SB 99 - BENEFITS FOR BLIND ENTREPRENEURS. PUBLIC HEARING

CHUCK YOUNG, COMMISSION FOR THE BLIND (EXHIBIT A) - Details Exhibit A.

037 JIM McINTOSH, MANAGER, STATE EMPLOYEE BENEFITS BOARD, EXECUTIVE
DEPARTMENT - Provides explanation for how they arrived at the fiscal
impact on this bill. - Even those benefits which are paid for by the
individual drive certain costs that are not driven by those who
participate with an employer contribution. SENATOR HILL: How many
participants do you assume with that cost? Senate Committee on Labor
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McINTOSH: Approximately 21 participants.

CHAIR KERANS: Is there anyone present who can answer questions on
deferred compensation.

McINTOSH: I called the administrator of the Deferred Compensation
program and asked them about the language that's in the second portion
of the bill. The language is similar, probably quite comparable to the
language which currently provides for the liquor control agents to be
covered under that program. This language will be acceptable. The reason
for the contingency kind of reference is in case the IRS changes the tax
code and somehow these kinds of groups are considered to be no longer
eligible, and it would jeopardize the rest of the program. There is a
need to deal with that.

074 CHAIR KERANS: In order to avoid any kind of misunderstanding,
we'll have Counsel look at the language of that. Public Hearing on SB 99
re-opens on page 5. TAPE 7, SIDE 1

SB 135 - DENTAL BENEFITS FOR FOSTER PARENTS - PUBLIC HEARING

096 TONI PETERSON, CHILDREN'S SERVICES DIVISION (EXHIBIT B) - Details
Exhibit B. SENATOR HILL: Is it correct that this coverage would extend

to the foster parents and their natural children. PETERSON: That's correct. It allows a foster parent to purchase a family program, a family dental program, depending on what their needs are. 151 SENATOR HILL: It would naturally cover adopted children as well. I just want to make sure because I just learned that some programs exclude adopted children. Would it cover the foster child? PETERSON: No, the foster child is covered under Title XIX. This would only be for the foster parents and their children. JIM McINTOSH, MANAGER, STATE EMPLOYEE BENEFITS BOARD, EXECUTIVE DEPARTMENT: I am here to speak in support of the amendment - if the dental program is tied to participation in the medical, that is similar to what most state employees pay at the present time. There is a dramatic decrease in the amount of fiscal impact from approximately \$78,000 to about \$386, and that again is as a result of the lessening of exposure. The impact on dental plans of a personal financial choices and adverse impact on premiums is even greater than on medical plans. We feel that the amendment is appropriate. KINTIGH: What fund does this come from, General Fund or what? McINTOSH: The way that this money is gathered - if the self-paid group ends up with claims Senate L~nmmmittee on Labor January 30, 1991- P - e 3

which are greater than the income which is generated by their premiums, the premiums of the rest of the group are then increased to cover those dollars. So the money - the \$386 that we would have to cover - would somehow be covered by the other premium dollars that are charged to the rest of us. It would not impact the General Fund.

188 SENATOR HILL: The point I raised earlier is Title 19 coverage for dental care for foster children is reimbursed rather low. It is reimbursed so low that it is my impression that in Lane County there are no dentists who are willing to see these children. We are currently taking the children to Albany when they can get an appointment. I know that there are along delays even for serious dental problems for these foster kids. But, we are offering good coverage on an optional basis of course, to the other children in the household. I don't know what the solution is, but to provide this kind of dual coverage bothers me. Whereas the natural and adopted children get dental care like that when they need it, preventive care, good care, and under Medicaid the foster children in the same household have to wait six months to take care of a tooth which obviously has cavities and other problems. And they don't get preventive care. So we've got a real problem with that. If we want to have children feel like second class citizens in the household, this will do it. I know we need to help foster families bear the cost of living, but we have got to figure something out here to provide some equity. PETERSON: I concur with what you say. 222 SENATOR HILL: How about if we provide supplemental coverage to the extent of bringing the foster kids in with the rest of the family in this coverage, and we buy up Medicaid? PETERSON: That's a very interesting approach. I do believe that SEBB would have quite a bit to say about going in that direction. It's something to look at. 241 PAULA WINNELL, FOSTER PARENT: - She has been a foster parent since 1983. - This bill shows foster parents that the state cares and is willing to give advantages to people participating as foster parents. - Request passage of this bill. JIM DYER, VICE PRESIDENT, MARION FOSTER PARENT ASSOCIATION, AND FOSTER PARENT: - Addresses low pay to dentists for foster care children themselves. He is also concerned with this problem. - Believes that foster parents would not be so quick to quit working with these difficult children if they were provided with adequate benefits ;. - Urges increase of payment to doctors and dentists. - Don't make the foster parents suffer because the state cannot afford to pay the bill for the foster children.

334 CHAIR KERANS: Are you both familiar with the amendment proposed by CSD? DYER: Yes.

CHAIR KERANS: Are you in agreement with it? Senate Committee on Labor January 30, 1991- Page 4

DYER: Yes. I would only add that 2 years ago when I testified for the health insurance bill I thought that the dental insurance was included with the health insurance. When it was passed I discovered that it was not included. I see this as a housekeeping measure.

CHAIR KERANS: Asks Ms. Winnell about paying for dental care at this time.

WINNELL: That's right. We are on a fairly limited income so that I have not been able to financially afford the dental care that we've needed. It also works the opposite way, too.

362 CHAIR KERANS: You have foster children who have entitlement to dental care if they can access it. WINNELL: The way that it's arranged is for emergency dental care which is not adequate. CHAIR KERANS: It's usually a broken tooth in the case of a child. WINNELL: Right. CHAIR KERANS: If you were to have dental care for yourself and your family, and the plan caught all your children up and you and your husband and up to speed and you were in a maintenance mode on a dental plan, what do you think would happen if you had need for dental care for your foster children. What would happen? Would you continue to seek dental care under emergency basis, and not provide out of your own pocket, or would you see if there might be some incentive to place all your children on equal footing as far as their dental care.? WINNELL: We already have to pay for additional premiums out of our own pocket. CHAIR KERANS: A foster family that had taken care of their own dental costs for their family and found themselves no longer having to pay that, might make it more possible to see to the regular care of the dental care of a foster child at little additional cost. WINNELL: It would ease up the situation, and I think that's an open possibility. I think there will be families that will do that. 414 SENATOR HILL: I have a question for Mr. McIntosh. Do you have any idea what it might cost to purchase supplemental coverage, were it possible under federal regulations, for foster care coverage equal to that of SEBB coverage? MCINTOSH: I don't. I'm not familiar with a plan that does exactly that, and I'd almost have to go to the market or the carriers and get a pricing on that. In terms of total cost I have no idea how many people we're talking about and so forth. SENATOR HILL: A lot of foster kids are in for a short time, but many are in for long periods. The state has to provide medical care for these children while they are in custody of the state and CSD. Preventive care is almost non-existent for these kids. It's not funded adequately, so no dental provides preventive care, instead it's crisis care. I'd like to figure out if federal rules - Mr. Chair - I'd ask Linda to come up - will Medicaid allow supplemental insurance to be purchased to build up the reimbursement rate, or do we have to appropriate money to the

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Medicaid match in order to buy up that reimbursement rate. Do we have a choice of options here?

LINDA SUNDAY, MANAGER, CHILDREN'S SERVICES DIVISION: It's going to take some research. I understand that in Oregon our interpretation has been

that you can't pay above Medicaid. I also understand that some other states may be finding a way to do that, so it would mean that we would have to contact some other states and find out how they are doing that. I cannot give you a yes or no answer right now.

484 SENATOR HILL: I would like to request that you both work on that a little bit and try to provide us information about whether Medicaid will allow us to build up the reimbursement rate.

TAPE 8, SIDE A

042 CHAIR KERANS: What's the universe we're talking about here as far as those that are participating. SUNDAY: 135 families out of a total population of 2700 foster parents. CHAIR KERANS: Just place your report in writing, we don't need to put it back on for a work session. Counsel will distribute it to the committee and pick it up as an information item at a future meeting. We can then make a kind of judgment of when to schedule it for another work session. SENATOR HILL: There is one more point that might be important to consider. We could conceivably end up with a net savings over time. I'd like to explore this.

TAPE 8, SIDE A

SB 135 - WORK SESSION

070 MOTION: SENATOR SHOEMAKER moved to adopt the amendment presented by the Children's Services Division to SB 135, subject to review by legislative counsel.

VOTE: Hearing no objections, the motion carries.

SB 99 - PUBLIC HEARING

092 CHAIR KERANS: I asked Counsel to recheck language that covers the OLCC agents and families on both the Deferred Compensation and the plan access. ANNETTE TALBOTT, COMMITTEE COUNSEL: The OLCC is not the agency that it is mirrored after. We don't know which agency it is mirrored after. I will check that and place that in the SMS. 106 YOUNG: That language was added by the Attorney General's office in conjunction with Legislative Counsel in the event that at some time adding these individuals would risk the deferred tax status of state employment, then that would automatically render the bill null and

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void.

CHAIR KERANS: So there might be other cases out there where they've got an exposure, but it won't be in this one.

TALBOTT: That's right.

WORK SESSION - SB 99:

MOTION: SENATOR HILL moved SB 99 to the floor with a "do pass" recommendation.

VOTE: Hearing no objections, the motion carried.

133 The meeting was adjourned at 3:50 p.m.

Submitted by:
Talbot Assistant

Reviewed by: Roberta White
Committee Counsel

Annette

EXHIBIT LOG:

A - Testimony on SB 99 - Chuck Young - 3 pages B - Testimony on SB 135 -
Toni Peterson - 2 pages C - Staff Measure Summaries - Staff- 2 pages