Senate Committee on Rules June 27, 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.

SENATE COMMITTEE ON RULES

June 27, 1991Hearing Room 454 12:00 p.m. Tape 32 Salem, Oregon

MEMBERS PRESENT: Sen. Frank Roberts, Chair

Sen. Bill Bradbury, Vice-Chair

Sen. John Brenneman

Sen. Jane Cease

Sen. Joan Dukes

Sen. Lenn Hannon

MEMBERS ABSENT: Sen. Joyce Cohen

STAFF PRESENT: Jose Mata, Committee Administrator

Bernadette Williams, Committee Assistant

MEASURES

CONSIDERED: HJM28 - Memorials Congress to enact POW/MIA truth bill, PAW

SB 1226 - Requires insurer that offers restricted access health insurance policy to include accredited osteopathic training hospital in coverage at no additional premium, PAW

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TAPE 32, SIDE A

003 CHAIR ROBERTS: Calls the meeting to order at 12:30 p.m..

(Tape 32, Side A)
HJM28 - PUBLIC HEARING

006 ROBERTS: Opens public hearing on ${\rm HJM28}$. Submits and summarizes letter in support of

HJM28. (EXHIBIT A)

002 3MOTION: SEN. BRADBURY asked if there was objection to moving HJM28 to

the floor,

thereby effectively moving it to the floor with a "do pass" recommendation.

VOTE: Hearing no objection, the motion was unanimously approved. Senator Cohen was absent.

(Tape 32, Side A)

SB 1226 - PUBLIC HEARING

Witnesses: Senator Shirley Gold, District 7

Bruce Bishop, Kaiser Permanente

Cindy Ziel, Physicians Association of Clackamas County (PACC)

031 ROBERTS: Opens public hearing on SB 1226.

037 SENATOR SHIRLEY GOLD, DISTRICT 7:

Supports the need for a level playing field in the area of hospitals in Oregon. Supports SB 1226 and urges its passage.

044 BRADBURY: Asks if there are any amendments to SB 1226.

045 ROBERTS: Submits SB 1226. (EXHIBIT B) The hand written correction is considered a part

of the bill as it was filed; it was an error in the drafting.

048 MOTION: SEN. BRADBURY asked if there was objection to moving SB 1226, reflecting the

hand engrossed corrections, to the floor, thereby effectively moving SB $122\ 6$ to the floor with

a "do pass" recommendation.

VOTE: Hearing no objection, the motion was unanimously approved. Senator Cohen was absent.

 ${\tt O52}$ ROBERTS: The Senate Desk has indicated that if SB 1226 is passed out of the Senate, it will

be reprinted and sent in its' proper form to the House.

057 BRUCE BISHOP, KAISER PERMANENTE:

Kaiser Permanente opposes SB 1226. SB 1226, in its current form, would not apply to Kaiser

Permanente as a group practice health maintenance organization under Section 4. We are

opposed to SB 1226 for policy reasons, because it confers a special status on one specific

institution and it is not consistent with the principles of managed care.

There are a number of factors that enter into a decision about which hospitals and which

providers a health maintenance organization will contract with. SB 1226 only applies to one of

those factors and a far broader range of considerations need to be taken into account.

There are some redundancies in SB 1226. Health care service contractors, which have been hand

engrossed into it, include health maintenance organizations. Preferred provider organizations,

which are specifically referenced, are not a legal entity in Oregon law. It is not clear what the applicability of that requirement would be.

083 BRADBURY: Was the language "preferred provider organization" in the bill that already passed the Senate?

085 BISHOP: My recollection is that it is not in the bill specifically.

095 CINDY ZIEL, PACC:

With SB 1076, we are currently being asked to do small group insurance reform, which means

we have to have rate bans and guaranteed issue. We must accept anyone who comes to us. With

SB 1226, we are asked to utilize a particular carrier. We wonder where this will stop. If you

mandate all the people and providers, the idea of managed care is broken.

102 ROBERTS: PACC thinks that a distinction should be made betweens these two classes of medical doctors (osteopathic doctors and medical doctors)?

104 ZIEL: No, we just don't believe that any particular institution or provider should be mandated to us to have to provide to.

106 ROBERTS: Asks if there are any other hospital that is not used or restricted from its use.

108 ZIEL: Among all our providers, there are hospitals that are not used. We go through a process where hospitals have to apply to be used by our health insurers, just as the doctors do. The osteopathic hospital went through that process, but was rejected.

117 MOTION: SEN. ROBERTS asked if there was objection to moving SB 1226 to the floor, thereby effectively moving SB 1226 to the floor with a "do pass" $\,$

VOTE: In a roll call vote, the motion was approved, with Senator Hannon voting NAY.
Senator Cohen was absent.

123 ROBERTS: Adjourned the meeting at 12:45 p.m..

Submitted by: Reviewed by:

Bernadette Williams Jose Mata Assistant Administrator

EXHIBIT LOG:

recommendation.

A - Testimony on HJM28 - Eugene B. McDaniel - 3 pages