
MEMORANDUM

Legislative Fiscal Office
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To: Public Safety Subcommittee of the Joint Committee on Ways and Means

From: Kim To, Legislative Fiscal Office, 503-986-1830

Date: May 30, 2013

Subject: SB 843
Work Session Recommendation

Senate Bill 843 establishes the 11-member Work Group on Corrections Health Care Costs charged with recommending legislation to be introduced in the 2014 session of the Legislative Assembly to establish appropriate mechanisms to lower health care costs of the Department of Corrections.

The measure previously had hearings in the Senate Committee on Health Care and Human Services on 4/18/2013 and 4/23/2013. A public hearing was held for the bill in this Subcommittee on 5/14/2013.

The measure, the original staff measure summary, and the minimal fiscal impact statement are attached to this memo, and available on the Oregon Legislative Information System (OLIS).

What the measure does

SB 843 establishes the 11-member Work Group on Corrections Health Care Costs charged with recommending legislation to be introduced in the 2014 session of the Legislative Assembly to establish appropriate mechanisms to lower health care costs of the Department of Corrections. The work group is required to submit its recommendations to an interim legislative committee by November 1, 2013. The Oregon Health Authority and the Department of Corrections are instructed to provide administrative and technical support to the work group, including covering reimbursements costs for expenses incurred by members in performing the functions of the work group. The work group sunsets on the date of the convening of the 2014 Legislative Assembly.

Fiscal impact

The bill allows the work group to meet at times and places specified by the call of the chair or the majority of the voting members. Although the cost of providing administrative and technical support to the work group, and reimbursing members is indeterminate depending on the geographic location of the work group members, as well as the locations and frequencies of meetings, the Oregon Health Authority and the Department of Corrections assume that these cost can be absorbed with existing resources.

Recommendation

The measure is recommended to be moved to the Full Committee on Joint Ways and Means.

Motion

Motion: Senator/Representative _____ move SB 843 to the Joint Committee on Ways and Means with a “do pass” recommendation.

Assignment of Carriers

Full: _____

Senate: _____

House: _____

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 843

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Kim To
Reviewed by: Monica Brown, Linda Ames, Daron Hill
Date: 4/18/2013

Measure Description:

Creates Work Group on Corrections Health Care Costs.

Government Unit(s) Affected:

Department of Corrections (DOC), Oregon Health Authority (OHA), Legislative Assembly

Analysis:

The proposed legislation has been determined to have
MINIMAL EXPENDITURE IMPACT
on state or local government.

While this individual measure has a “Minimal” fiscal impact, an agency may incur a net fiscal impact greater than minimal depending on the cumulative impact of all measures enacted into law that affect the agency.

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass and Be Referred to the Committee on Ways and Means by Prior Reference
Vote:	5 - 0 - 0
Yeas:	Knopp, Kruse, Shields, Steiner Hayward, Monnes Anderson
Nays:	0
Exc.:	0
Prepared By:	Sandy Thiele-Cirka, Administrator
Meeting Dates:	4/18

WHAT THE MEASURE DOES: Creates Work Group on Corrections Health Care Costs. Specifies membership and duties. Requires work group make recommendations for legislation to reduce Department of Corrections health care costs. Sunsets upon convening of 2014 regular Legislative Session. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Provisions of the measure

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The Oregon Department of Corrections (DOC) Health Services is responsible for providing medical care to over 14,000 prisoners across the state, incarcerated with the fourteen institutions of the DOC State Prison system. State and federal laws have established that inmates are entitled to health care during incarceration. Health care services available to inmates must be comparable to health care provided in the community in order to meet the state's legal obligation. This means that all types and levels of health care be provided in a clinically appropriate manner by properly credentialed professionals in settings equipped and designed for the delivery of health care. Health care includes medical, dental and psychiatric/mental health services.

According to DOC, health care costs represent 20 percent of cost-per-day, the second largest cost component after security and housing. Senate Bill 843 creates a work group to deliberate and develop recommendations that will transform the prison health care system.

Senate Bill 843

Sponsored by Senator WINTERS, Representative WILLIAMSON; Senators BAERTSCHIGER JR, BATES, BEYER, BOQUIST, BURDICK, CLOSE, COURTNEY, DEVLIN, DINGFELDER, EDWARDS, FERRIOLI, GEORGE, GIROD, HANSELL, HASS, JOHNSON, KNOPP, KRUSE, MONNES ANDERSON, MONROE, OLSEN, PROZANSKI, ROBLAN, ROSENBAUM, SHIELDS, STARR, STEINER HAYWARD, THOMSEN, WHITSETT, Representatives BERGER, BUCKLEY, CAMERON, FREDERICK, GARRETT, KOMP, KOTEK, KRIEGER, MCLANE, OLSON

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Creates Work Group on Corrections Health Care Costs. Specifies membership and duties. Requires work group to make recommendations for legislation to reduce health care costs of Department of Corrections. Sunsets upon convening of 2014 regular session of Legislative Assembly.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to corrections health care costs; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) There is created the Work Group on Corrections Health Care Costs**
5 **consisting of 11 members as follows:**

6 (a) **Two members appointed by the President of the Senate from among the members of**
7 **the Senate, including one member from the Democratic party and one member recommended**
8 **by the leadership of the Republican party.**

9 (b) **Two members appointed by the Speaker of the House of Representatives from among**
10 **the members of the House of Representatives, including one member from the Democratic**
11 **party and one member recommended by the leadership of the Republican party.**

12 (c) **The Director of the Department of Corrections or the director's designee.**

13 (d) **The Director of the Oregon Health Authority or the director's designee.**

14 (e) **Five members appointed by the Governor who have expertise in health care, health**
15 **care costs and corrections, including one member from a labor organization representing**
16 **corrections officers.**

17 (2) **Under the direction of the Governor, the work group shall recommend legislation to**
18 **be introduced in the 2014 regular session of the Legislative Assembly to establish the ap-**
19 **propriate mechanisms to significantly lower the health care costs of the Department of**
20 **Corrections. The work group shall prioritize legislative concepts that:**

21 (a) **Produce the greatest value for the department's health care expenditures;**

22 (b) **Consolidate health care functions as appropriate; and**

23 (c) **May be integrated into other initiatives in this state to reduce health care costs.**

24 (3) **A majority of the voting members of the work group constitutes a quorum for the**
25 **transaction of business.**

26 (4) **Official action by the work group requires the approval of a majority of the voting**
27 **members of the work group.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (5) The Governor shall select one member of the work group to serve as chairperson and
2 another to serve as vice chairperson, for the terms and with the duties and powers necessary
3 for the performance of the functions of such offices as the Governor determines.

4 (6) If there is a vacancy for any cause, the appointing authority shall make an appoint-
5 ment to become immediately effective.

6 (7) Members of the Legislative Assembly appointed to the work group are nonvoting
7 members of the work group and may act in an advisory capacity only.

8 (8) The work group shall meet at times and places specified by the call of the chairperson
9 or of a majority of the voting members of the work group.

10 (9) The work group may adopt rules necessary for the operation of the work group.

11 (10) The work group shall submit its recommendations for legislation to the interim
12 committees of the Legislative Assembly related to health care no later than November 1,
13 2013.

14 (11) The Oregon Health Authority and the Department of Corrections shall provide ad-
15 ministrative and technical support to the work group.

16 (12) The work group shall have access to nationally recognized experts and information
17 from nationally recognized health care programs to aid in its deliberations.

18 (13) Members of the work group who are not members of the Legislative Assembly are
19 not entitled to compensation, but may be reimbursed for actual and necessary travel and
20 other expenses incurred by them in the performance of their official duties in the manner
21 and amounts provided for in ORS 292.495. Claims for expenses incurred in performing func-
22 tions of the work group shall be paid out of funds appropriated to Oregon Health Authority
23 and the Department of Corrections for purposes of the work group.

24 (14) All agencies of state government, as defined in ORS 174.111, are directed to assist
25 the work group in the performance of its duties and, to the extent permitted by laws relating
26 to confidentiality, to furnish such information and advice as the members of the work group
27 consider necessary to perform their duties.

28 SECTION 2. Section 1 of this 2013 Act is repealed on the date of the convening of the 2014
29 regular session of the Legislative Assembly as specified in ORS 171.010.

30 SECTION 3. This 2013 Act being necessary for the immediate preservation of the public
31 peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect
32 on its passage.