

Senate Government Oversight Committee

The Senate Government Oversight Committee met on Thursday, January 31, 2008 in room 125 of the Capitol. The meeting was called to order by Chairman Chance of the 16th at 2:15 p.m.

Members present: Senators Chance of the 16th, Henson of the 41st, Grant of the 25th, Heath of the 31st, Mullis of the 53rd, Tarver of the 22nd, Thomas of the 54th, and Shafer of the 48th (Ex-officio).

[SR 722](#) (Shafer, 48th) Grady Oversight Committee; create; Fulton-DeKalb Hospital Authority, Grady Health System, and Henry W. Grady Memorial Hospital; review

Senator Shafer presented the bill. He noted that this resolution is modeled on the legislation that created the Metropolitan Atlanta Rapid Transit Overview Committee (MARTOC). Senator Henson stated that while oversight is important, it is vital to give Grady the help that it needs. Senator Shafer stated that many are reluctant to bail out Grady without more oversight of its management.

Fulton County Commissioner Lynne Riley spoke in favor of the legislation. She was speaking on behalf of herself and not for the Commission as a whole.

Senator Grant made the motion of **DO PASS BY SUBSTITUTE SR 722**. Senator Heath seconded the motion. The motion passed unanimously

[SB 353](#) (Shafer, 48th) Public Hospital Integrity Act; certain individuals shall not serve on hospital authority board managing a hospital on behalf of a hospital authority

Senator Shafer presented the bill. Senator Henson asked whether any other hospital in Georgia besides Grady would be affected by this legislation. Senator Shafer said not at this time, but this measure may be applicable to public hospitals that would perhaps be created in the future.

Senator Heath made the motion of **DO PASS BY SUBSTITUTE SB 353**. Senator Mullis seconded the motion. The motion passed unanimously.

SR 748 (Shafer, 48th) Grady Health System; urged to adopt changes to its employee health benefits plans; utilize Grady Health System for primary health care

Senator Shafer presented the bill. He stated that unlike most comparable health systems, Grady Health System makes no effort to encourage its employees to use its facilities. Greater use by patients with private insurance would be of immense benefit to the financial stability of Grady. Moreover, Grady's contract with Emory on the staffing of Grady Hospital also prevents more insured or paying patients from utilizing Grady.

2:45 p.m. Senator Goggans arrived.

Senator Grant made the motion of **DO PASS SR 748**. Senator Heath seconded the motion. The motion passed unanimously.

The meeting adjourned at 2:50 p.m.

/s/ Senator Steve Henson, 41st District
Secretary

/s/ Jamie Martinez
Recording Secretary

Senate Government Oversight Committee

The Senate Government Oversight Committee met on Thursday, February 7, 2008 in room 125 of the Capitol. The meeting was called to order by Chairman Chance of the 16th at 2:00 p.m.

Members present: Senators Chance of the 16th, Carter of the 13th, Goggans of the 7th, Grant of the 25th, Golden of the 8th, Harp of the 29th, Mullis of the 53rd, and Tarver of the 22nd.

SB 344 (Moody, 56th) Boards and Commissions; repeal/abolish certain ones that have become inactive, obsolete, unnecessary; provide effective date

Senator Moody presented the bill.

2:25 p.m. Senator Mullis left.

Senator Davenport questioned whether eliminating the Small Business Development Advisory Council of the Department of Administrative Services would have adverse affects on small and minority owned businesses that it served. Senator Moody agreed to pass a substitute that removed the wording eliminating the Small Business Development Advisory Council of the Department of Administrative Services.

Senator Harp made the motion of **DO PASS BY SUBSTITUTE SB 344**. Senator Grant seconded the motion. The motion passed unanimously.

The meeting adjourned at 2:45 p.m.

/s/ Senator Ronnie Chance 16th District
Chairman

/s/ Jamie Martinez
Recording Secretary

Senate Government Oversight Committee

The Senate Government Oversight Committee met on Wednesday, March 5, 2008 in room 125 of the Capitol. The meeting was called to order by Chairman Chance of the 16th at 8:15 a.m.

Members present: Senators Chance of the 16th, Carter of the 13th, Goggans of the 7th, Golden of the 8th, Grant of the 25th, Harp of the 29th, Heath of the 31st, Mullis of the 53rd, and Tarver of the 22nd.

SB 445 (Seabaugh, 28th) Administrative Procedure; effectiveness of a challenged agency rule; General Assembly take action on such rule at next legislative session

Senator Seabaugh presented the bill. He gave an overview of this legislation and stated that the Governor's office had two amendments.

Mr. Josh Belinfante of the Governor's Office spoke to the amendments. He stated that originally this bill required a three-fifths vote from the members of both committees to stay an agency rule. The first amendment proposed the voting requirement be changed to a two-thirds vote. The second amendment proposed requiring notice of a committee hearing to consider the overriding of a rule be given to the promulgating agency at least 48 hours in advance, and that the general public and promulgating agency be permitted a reasonable time to comment on the proposed committee action. Both of these amendments were unanimously agreed upon by the committee and were incorporated into the substitute.

Senator Heath made the motion of **DO PASS BY SUBSTITUTE SB 445**. Senator Carter seconded the motion. The motion passed unanimously.

SB 548 (Seabaugh, 28th) State Purchasing; prohibit use of state funds by purchase orders or other such payment vehicles for personal benefit or gain; penalties

Senator Seabaugh presented the bill. He explained that although this legislation responds to the recent scandals involving state purchasing cards, it covers other modes of purchasing that might be abused by public employees.

Mr. Brian Douglas, Commissioner of the Department of Administrative Services spoke in support of the bill. He addressed the bill's provisions relating to retirement benefits by saying this was in response to situations where university employees have abused purchasing cards but have been able to retire and receive state pension benefits.

Senator Harp made the motion of **DO PASS SB 548**. Senator Grant seconded the motion. The motion passed unanimously.

HB 1055 (Williams, 4th) Professions and licenses; certain provisions; make revisions

Representative Williams spoke to the bill. He stated that this legislation is largely a housekeeping bill. He explained that the charge regarding athletic trainers, (included in the Senate Committee substitute but not included in the version passed by the House), is not meant to expand what it is allowed to do but rather clarifies current law on what constitutes an athletic injury.

Senator Tarver made the motion of **DO PASS BY SUBSTITUTE HB 1055**. Senator Mullis seconded the motion. The motion passed unanimously. Senator Chance will carry the legislation in the Senate.

SB 537 (Rogers, 21st) State Inspector General, Office of; establish; provide for definitions, duties, certain powers, procedures for the application of such office

Senator Carter presented the bill.

Ms. Elizabeth Archer, State Inspector General, spoke in support of the bill. She explained that her office was created by an executive order of the Governor in 2003. She gave a brief description of the administrative investigations that her office conducts. She stated that one provision that this bill adds to the office's authority is the oversight of state vendors. The Inspector General's current mandate is not clear on that point. She stated that the confidentiality provisions are intended to be consistent with state whistleblower laws.

Senator Carter made the motion of **DO PASS SB 537**. Senator Harp seconded the motion. The motion passed unanimously.

HB 1113 (Heard, 104th) State purchasing; definitions; provisions

Representative Heard presented the bill.

No action was taken on HB 1113.

The meeting adjourned at 9:15 a.m.

/s/ Senator Ronnie Chance 16th District
Chairman

/s/ Jamie Martinez
Recording Secretary

Senate Government Oversight Committee

The Senate Government Oversight Committee met on Wednesday, March 19, 2008 in room 125 of the Capitol. The meeting was called to order by Chairman Chance of the 16th at 4:05 p.m.

Members present: Senators Chance of the 16th, Carter of the 13th, Grant of the 25th, Golden of the 8th, Harp of the 29th, Heath of the 31st, and Thomas of the 54th.

HB 1113 (Heard, 104th) State purchasing; definitions, provisions

Representative Heard presented the bill. Representative Heard stated one of the major points of contention over this legislation has been over the rebates or refunds received for card use by Bank of America. Currently, such rebates go to the Department of Administrative Services. This bill will require that such fees go to the general treasury.

Senator Grant made the motion of **DO PASS HB 1113**. Senator Thomas seconded the motion. The motion passed unanimously. Senator Seabaugh will carry the legislation in the Senate.

HB 180 (Rogers, 26th) Prescription drugs; sold by certain Georgia companies; access restrictions; prohibit

Representative Rogers and Senator Hawkins presented the bill. Senator Hawkins stated that this measure will attract new business to Georgia and will allow the Department of Community Health to still negotiate prices; among the Department of Community Health's leverage in negotiations, is deciding which tier a certain drug will be placed (which dictates co-pay). Representative Rogers said there are currently four such companies in Georgia. Mr. Fran Mangiori on behalf of Novartis and Mr. Brian Hudson on behalf of Solvay Pharmaceuticals noted the economic benefits the state will reap through attracting new business.

4:15 p.m. Senator Grant left.

In opposition, Mr. Jerry Deverly, Director of Pharmacy for the Department of Community Health said that this legislation will negatively impact the department's work by requiring the promotion of drugs that are not necessarily cost effective and that the costs of this will be passed down to consumers. Mr. Chuck McMullen and Ms. Sharon Montgomery of United HealthCare echoed his concerns.

Senator Harp proposed more rigorous economic requirements for Georgia companies to benefit under this bill. Those requirements were that their principal activity must be research and development, manufacturing, and sales of healthcare products in Georgia. They must have a total economic impact of not less than \$60 million and have a total capital investment of not less than \$100 million. They must also employ at least 250 Georgia citizens. This was unanimously agreed to by the committee and incorporated into the substitute.

Senator Harp made the motion of **DO PASS BY SUBSTITUTE HB 180**. Senator Heath seconded the motion. The motion passed unanimously. Senator Hawkins will carry the legislation in the Senate.

The meeting adjourned at 4:45 p.m.

/s/ Senator Ronnie Chance, 16th District
Chairman

/s/ Jamie Martinez
Recording Secretary

Senate Government Oversight Committee

The Senate Government Oversight Committee met on Friday, March 28, 2008 in room 125 of the Capitol. The meeting was called to order by Chairman Chance of the 16th at 8:00 a.m.

Members present: Senators Chance of the 16th, Grant of the 25th, Goggans of the 7th, Golden of the 8th, Tarver of the 22nd and Thomas of the 54th.

HB 1234 (Channel, 116th) Medicaid Care Management Organizations Act; enact

Representative Channel and Senator Goggans presented the bill. Senator Goggans stated that this bill has been heavily vetted by the Governor's Office, the Lieutenant Governor's Office and Georgia health care providers. Representative Channel said that this bill seeks to address problems that providers have been having across-the-board, based on feedback he heard during two legislative hearings on the matter as well as the many communications he has had from Georgia health care providers.

8:10 a.m. Senator Heath arrived.

Mr. Josh Belinfante with the Governor's Office presented an amendment. He stated that the bill includes a provision requiring the responsible health authorization to pay a provider who has complied with the Department of Community Health's eligibility verification process, even if it is learned afterwards that a patient was not actually covered. The amendment was unanimously agreed to by the committee and was incorporated into the committee substitute.

Senator Grant made the motion of **DO PASS BY SUBSTITUTE HB 1234**. Senator Golden seconded the motion. The motion passed unanimously. Senator Goggans will carry the legislation in the Senate.

HB 1113 (Heard, 104th) State purchasing; definitions, provisions

Representative Heard presented the bill. Representative Heard stated that upon his request, this bill was recommitted to this committee for further perfection. The language from Senator Seabaugh's SB 458, dealing with this same subject matter, was inserted into this bill. Additionally, Representative Heard met with the Department of Administrative Services to address their concerns. An earlier provision relating to rebates has been removed so as not to deprive the department from a current source of funds.

Senator Thomas made the motion of **DO PASS BY SUBSTITUTE HB 1113**. Senator Heath seconded the motion. The motion passed unanimously. Senator Seabaugh will carry the legislation in the Senate.

HB 1299 (Jacobs, 80th) Certain hospital authorities; contract with nonprofit corporations; require

Representative Jacobs presented the bill. Representative Jacobs explained the provisions of this bill to the committee, stating that two earlier bills dealing with Grady Hospital have been incorporated into this bill. Senator Shafer's SB 353, along with Senator Fort's floor amendment, has been incorporated in to this bill. There has been one change and that is to allow CEO's of public hospitals to sit on the board, provided that they follow several stipulations; this change is to conform to a longstanding practice of public hospitals. The whistleblower protection provisions of this bill came from legislation that has previously passed the Senate overwhelmingly.

Senator Heath presented an amendment. The amendment failed.

Senator Tarver made the motion of **DO PASS BY SUBSTITUTE HB 1299**. Senator Golden seconded the motion. The motion passed unanimously. Senator Shafer will carry the legislation in the Senate.

The meeting adjourned at 9:15 a.m.

/s/ Senator Ronnie Chance, 16th District
Chairman

/s/ Jamie Martinez
Recording Secretary

Senate Government Oversight Committee

The Senate Government Oversight Committee met on Tuesday, April 1, 2008 in room 125 of the Capitol. The meeting was called to order by Chairman Chance of the 16th at 11:00 a.m.

Members present: Senators Chance of the 16th, Carter of the 13th, Grant of the 25th, Harp of the 29th, Heath of the 31st, and Tarver of the 22nd.

The meeting was originally scheduled for 9:30 a.m. At that time not enough members were present for a quorum. Vice Chairman Carter called the meeting to order and recessed until 11:00 a.m.

HB 977 (Knox, 24th) State insurance premium taxes; certain high deductible health plans; exempt

Chairman Chance presented the bill. He noted that the committee substitute includes language from SB 404, the Georgia Health Marketplace Act, which earlier this year passed the Senate by a vote of 42-12.

Senator Heath made the motion of **DO PASS BY SUBSTITUTE HB 977**. Senator Carter seconded the motion. The motion passed unanimously. Senator Judson Hill will carry the legislation in the Senate.

HB 544 (Hembree, 67th) Multiple employer self-insured health plans; certain institutions; provisions

Representative Hembree presented the bill. He stated that this bill will allow liberal arts colleges in Georgia to create health insurance pools. Chairman Chance noted that the committee substitute includes language from SB 404, the Georgia Health Marketplace Act, which earlier this year passed the Senate by a vote of 42-12.

Senator Harp made the motion of **DO PASS BY SUBSTITUTE HB 544**. Senator Carter seconded the motion. The motion passed unanimously. Senator Hudgens will carry the legislation in the Senate.

HB 864 (Knox, 24th) Insurance, group life policy coverage; remove participation requirement

Chairman Chance presented the bill. He noted that the committee substitute includes language from SB 404, the Georgia Health Marketplace Act, which earlier this year passed the Senate by a vote of 42-12.

Senator Harp made the motion of **DO PASS BY SUBSTITUTE HB 864**. Senator Heath seconded the motion. The motion passed unanimously. Senator Rogers will carry the legislation in the Senate.

HB 1221 (Maxwell, 17th) Insurance contracts; corporations; employees covered; change minimum

Chairman Chance presented the bill. He noted that the committee substitute includes language from SB 404, the Georgia Health Marketplace Act, which earlier this year passed the Senate by a vote of 42-12.

Senator Harp made the motion of **DO PASS BY SUBSTITUTE HB 1221**. Senator Carter seconded the motion. The motion passed unanimously. Senator Murphy will carry the legislation in the Senate.

The meeting adjourned at 11:33 a.m.

/s/ Senator Ronnie Chance, 16th District
Chairman

/s/ Jamie Martinez
Recording Secretary

June 2, 2008

Office of the Secretary of the Senate
Room 353 Capitol Building
Atlanta, Georgia 30334

I am returning the following bills assigned to the Senate Government Oversight Committee for the 2008 session of the General Assembly.

No action was taken on the following legislation:

[SR 1151](#)

[SR 1152](#)

Sincerely,

/s/ Jamie Martinez
Recording Secretary
Senate Government Oversight Committee