

Health care: Kitzhaber addresses concerns at health care summit

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question. We've been asking about the subsidies and who pays," he said. "Instead we should be asking, 'Why does health care cost so much in the first place?'"

He said price points in the U.S. are higher than most anywhere else in the world. "Why?" he asked the group.

Kitzhaber ticked off several reasons. Private equity investors are buying up the most profitable parts of the system, driving up costs. Insurance companies have cut eligibility and lowered reimbursement rates. The national debt increases to pay for hikes in Medicare and Medicaid costs.

"The insured uninsured" have \$5,000 deductibles and "don't really have insurance at all," he quipped. "Cost shifting is the way we avoid confronting reality."

One way out, he said, is funding health care from a specific pot of money indexed to a sustainable growth rate.

"That's exactly what we're trying to do in Oregon with the CCOs," Kitzhaber said.

In 2009, as a state senator, Kitzhaber helped pioneer the Oregon Health Plan. He later helped birth the state's system of 15 coordinated care organizations, locally governed networks of health care providers who deliver care to the state's most vulnerable residents. The idea is to focus on prevention to get people healthy, reduce vis-



Staff photo by Kathy Aney

Former Oregon Gov. John Kitzhaber chats with Chuck Hoffmann after speaking about health care delivery in Oregon on Thursday at the EOCCO Clinician & Staff Summit in Hermiston.

its to expensive emergency rooms and lower costs. The EOCCO serves Umatilla, Morrow and 10 other Eastern Oregon counties.

During the first five years, some CCOs performed better than others, but the state saved more than \$1 billion. There were bumps, too, including the Cover Oregon disaster, and the state's Affordable Care

Act insurance exchange website designed by Oracle Corp., which failed spectacularly.

Kitzhaber is unhappy with recent reforms to Oregon health care, which he called CCO 2.0. Last week, he sent a letter to Gov. Kate Brown, House Speaker Tina Kotek and Senate President Peter Courtney to weigh in on two developments

he considers especially worrisome.

He opposes new reporting requirements that will force CCOs to hire more personnel, increase costs and "appeared to have been copied and pasted from the current insurance code."

"I am concerned that this increase in rules, regulations and reporting will

be particularly burdensome on smaller rural CCOs which have become important community assets," he wrote. The reforms, intended to increase oversight, may squelch the ability of locally based CCOs to operate.

"These provisions and others appear to retreat from the community model based on local control and

a sense of local ownership in favor of a more punitive top-down approach," he wrote.

Kitzhaber also objects to the state granting Trillium Community Health, owned by Fortune 500 company Centene Corp., to contract to administer the Oregon Health Plan in Clackamas, Multnomah and Washington counties, in addition to Lane County, which it already administers.

The governor said Oregon has much to lose if the CCO model goes south, including 30 years of collaboration and a chance to pioneer health care policy for the country as a whole.

"If we lose this model, we lose the opportunity to steer the national debate," he said. "Right now, the model is in question."

Kitzhaber resigned in 2015 under a cloud as the FBI investigated his fiancée and first lady, Cylvia Hayes, for influence peddling. He left office barely a month into his fourth term as governor. Still, Kitzhaber remains a strong voice in the world of health care reform policy.

A health policy publication called "State of Reform" recently quoted Kitzhaber comparing himself to Don Quixote during a private dinner in Washington, D.C., where he goes frequently to talk about health care reform.

"I think of these trips as 'Don Quixote goes to Washington,'" he said. "Health care reform is probably my windmill."

Smoke: Planning commission approved application 8 days after arrest

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charging Thurman.

"I don't anticipate, based on the initial conversation I had with the district attorney, that Mr. Thurman, in any way, shape or form, will have his ability to open and operate a dispensary be compromised," he said.

Both the city and the Oregon Liquor Control Commission need to approve the building and the owner before a marijuana business can start operating, but Thurman said the 2017 arrest wasn't an impediment to getting approval from both agencies.

Thurman pleaded guilty to possession of marijuana and careless driving and pleaded no contest to driving under the influence of intoxicants in Wasco County in 2012, but the case was dismissed in



Staff photo by Ben Lonergan

Bryson Thurman poses for a portrait in his business, Thur's Smoke Shop, on Thursday afternoon in Pendleton. The newly opened location is located at 502 S.E. 16th Street.

2014 when he completed a drug and alcohol treatment program.

The other thing that delayed the opening of the

new Thur's was relatively mundane in comparison to the BENT arrest. Thurman decided to have the new Thur's facility built from



Staff photo by Ben Lonergan

Signs outside of Thur's Smoke Shop at 502 S.E. 16th St. in Pendleton advertise the newly opened business.

the ground up, and he said delays from the contractor pushed back the opening.

Thurman's encounter with BENT wasn't the only obstacle he faced toward opening his pot shop.

Thurman originally applied for a conditional use permit from the city in

February 2017, around the same time that Pendleton's other three cannabis stores — Pendleton Cannabis, Kind Leaf Pendleton, and High Desert Cannabis — sought to open their doors.

But the initial proposed location for the Thur's dispensary, 1292 S.W. Tutu-

illa Road, drew opposition from residential neighbors, nearby businesses, and the Pendleton School District.

Thur's secured approval from the Pendleton Planning Commission, but after opponents appealed the decision, he withdrew his application and set his sights on a former parking lot for the old St. Anthony Hospital building on Southwest Court.

The planning commission approved Thur's conditional use application on May 25, 2017, eight days after Thurman's arrest.

With Thur's now open, Thurman said he's now focused on finding his niche in Pendleton's burgeoning pot market.

Despite not doing any advertising ahead of the opening, Thurman said business has been strong in its opening week.

Wine: Milton-Freewater will use grant money to hire California firm

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want to help our agriculture-based economy and make it possible for those who produce wine and grapes in the Rocks District of Milton-Freewater to get the recognition they deserve."

Hall credited the city's partnership with Wallowa Valley Vineyards, a winery that owns 36 acres in Milton-Freewater's Rocks District, a designated American Viticultural Area.

"We've had this vision for close to 10 years and have been trying to turn it into a reality for a long time," Hall said.

Willamette Valley Vineyard's farm in Milton-Freewater has the space to house the proposed facility and Business Oregon, and according to Christine Clair, the winery's director, Business Oregon prefers to invest in projects that has private business involvement.

"The facility would be a huge help building a destination and cluster of wineries in Milton-Freewater, a really special wine growing area," she said.

It's the cobble-strewn soil

that makes it such a special wine growing area, Clair said. The only area with a similar soil type, she said, is in France.

"The special cobblestones right at the soil are good for the vines and Syrah grows exceptionally well in this," Clair said. "For the Walla Walla Valley, some of the highest-scored wine comes from this appellation."

If the market assessment, conducted by Tincknell and Tincknell of California is favorable, Clair said the cost savings would go beyond sharing a building, but could include sharing equipment, like a wine press.

"To invest in a press that costs \$150,000 is big expense for a boutique winery, but if six to 10 wine makers go in on one it makes it much more feasible," Clair said.

The facility would do more than make getting into the wine business more affordable, but would also highlight wine made in Oregon that is often marketed and sold as Washington wine.

The partnership was a good match for the city and Willamette Valley Vineyards. The city needed pri-

ivate business involvement and helps the winery reach what Clair called "economy of scale" much faster with the intent to rent out part of the proposed facility.

Part of the grant funding pays for design work to be completed by Steve Martin and Associates. Clair said the company is a highly reputable architecture and engineering design firm. She said if all looks favorable when the studies are completed next September, Willamette Valley will begin a five-year timeline to raise money and complete construction. Though it is too soon to discuss capital financing, Clair said the way her winery has raised money in the past has been selling shares in the company to local community members. She said that is how Willamette Valley Vineyards raised the capital to plant two fields of vines in the Walla Walla Valley when they first got started.

"We have the ability to fundraise with people who love wine and their community," Clair said. "When you are the owner of something, you want to support the business and help them succeed."

Special: Hansell thinks death penalty rule change should be left to voters

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They may well have had the votes to change it."

Either way, he said, he was in favor of holding a special session to correct the part of the bill that made it retroactive.

Hansell credited Floyd Prozanski, D-Eugene, a senator who chairs the Judiciary Committee behind the bill, for working to get a special session organized.

An Aug. 15 letter from the Oregon District Attorney's Association urged Prozanski and Rep. Jennifer Williamson, D-Portland, to call a special session after the DOJ declared the bill retroactive.

"This law is a failure on multiple levels — a failure to respect the will of voters, a failure to draft a clear law for Oregon's most dangerous criminals, and a failure of trust by telling voters it is not retroactive when the opposite is true," the letter said.

The ODAA also suggested that six of the current 31 death row inmates in Oregon would be considered for aggravated murder prosecution under the new law.

Prozanski and Hansell

both expressed concern over the families of victims who might be affected by the retroactivity.

Hansell said there was widespread bipartisan support in the Senate to hold the session, and that he thought there was support among both parties in the House as well.

"It doesn't take a rocket scientist to fix this, but there were people who were unwilling. I thought there was support on the House side. I don't know if the governor was dodging it," he said.

Prozanski agreed that Senate was ready to make the quick change in a special session on Sept. 27, two days before the bill is set to go into effect. But he didn't think it was Brown's fault that the session never happened.

"The Senate, as far as I'm concerned, stepped up to the issue that needed to be taken care of," Prozanski said. "From my perspective, the reason it couldn't go forward because the House was playing politics."

Prozanski said he thought Monday's republican leadership shakeup, which resulted in the election of Rep. Christine Dragan, R-Canby, as

minority leader, was the reason the House couldn't convince Brown there was enough support to hold quick and easy special session.

"We tried and we just weren't able to convince her and her caucus to say yes," Prozanski said of Dragan. "I personally encouraged Brown to bring us in anyway. I can also understand that when you call a special session, there are some things that can happen."

Rep. Greg Smith, R-Hepner, said he didn't think a special session was necessarily on the table in the first place, although he would have liked to see the bill amended.

"We heard rumors about the special session, but I never heard from leadership that it was a go," he said.

Smith said he thinks voters will petition to overhaul the legislation. Hansell said he is hopeful, but hasn't heard any evidence that this will happen.

"There's always that option. There's been no effort because everyone assumed that legislature can fix it. Now that we're not moving in that direction, I would think there's certainly a possibility," Hansell said.