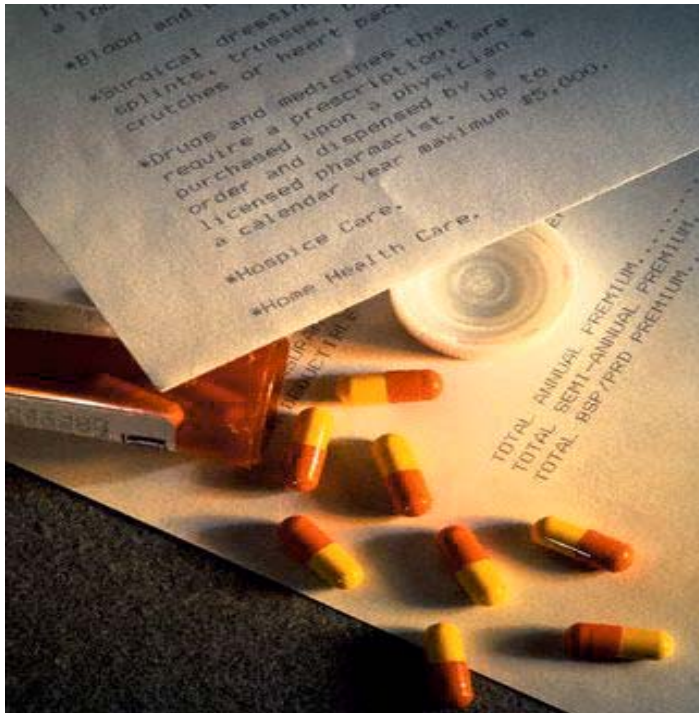


marketresponseinternational



project :: 1546

January 9 :: 2004

Minnesota Health Care Opinion Poll Study

prepared for:



prepared by:

marketresponseinternational

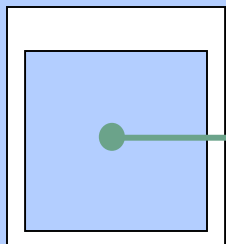
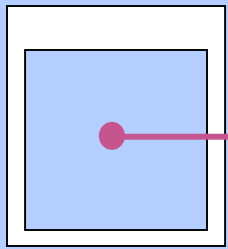


table of contents

	<u>page</u>
1 :: project overview	3
2 :: detailed findings	
health care satisfaction	8
current health insurance coverage	10
perceptions of health care costs	13
opinions regarding health care services	16
households with a person with a disability	24
health care attitudes	28
3 :: summary of findings.	35

**1 ::
project
overview**



project overview

background and objectives

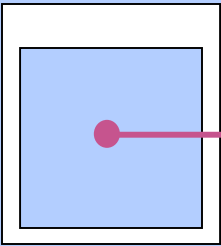
The Minnesota Governor's Council on Developmental Disabilities and the Minnesota Board on Aging commissioned MarketResponse International to gather opinions from Minnesotans regarding their current feelings on many key issues related to health care. Specific objectives of this study were to obtain measures such as:

- Current satisfaction with health care quality and costs, in general for the U.S. and specifically for Minnesotans based on their own personal experiences.
- Current level and types of health care insurance coverage, and related attitudes/satisfaction.
- Perceptions regarding changes in health care costs and payment responsibilities.
- Attitudes and values regarding a range of health care coverage, costs and social responsibility issues.
- Preferences for universal health care vs. private health care insurance, and related trade offs and opinions.

research design

A quantitative survey instrument was constructed and administered via telephone by professional interviewers to 800 randomly selected Minnesotans. To ensure the sample adequately represented the Minnesota population, a random digit dialing (RDD) list was purchased and utilized throughout the fieldwork process. The questionnaire was administered using computer aided telephone interviewing (CATI), to maximize data collection efficiency and minimize the potential for measurement error. The survey was conducted from November 19th to November 30th, when the chosen sample size, $n=800$, had been reached.

Given a sample size of 800, one can say with 95% confidence that the error attributable to sampling could be as much as 3.5% in either direction.



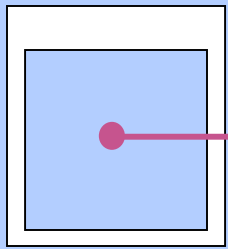
sample description: respondent profiles

Household	(Base)	Respondent Sample (n=800)	Minnesota Population (N=5,064,000)
<u>Income:</u>		%	%
Less than \$10,000		3	6
\$10,000 - \$14,999		4	5
\$15,000 - \$24,999		10	10
\$25,000 - \$34,999		11	11
\$35,000 - \$49,999		16	16
\$50,000 - \$74,999		20	22
\$75,000 - \$99,999		11	13
\$100,000 - \$149,999		6	10
More than \$150,000		3	5
Don't know / Refused		17	--

	(Base)	Respondent Sample (n=800)	Minnesota Population (N=5,064,000)
<u>Race:</u>		%	%
White, Caucasian		92.9	89.4
Black or African American		1.9	3.5
Hispanic		.9	3.5
Native American		1.3	1.1
Asian / Pacific Islander		.8	2.9
Other		.8	1.3
Don't know / Refused		1.5	--

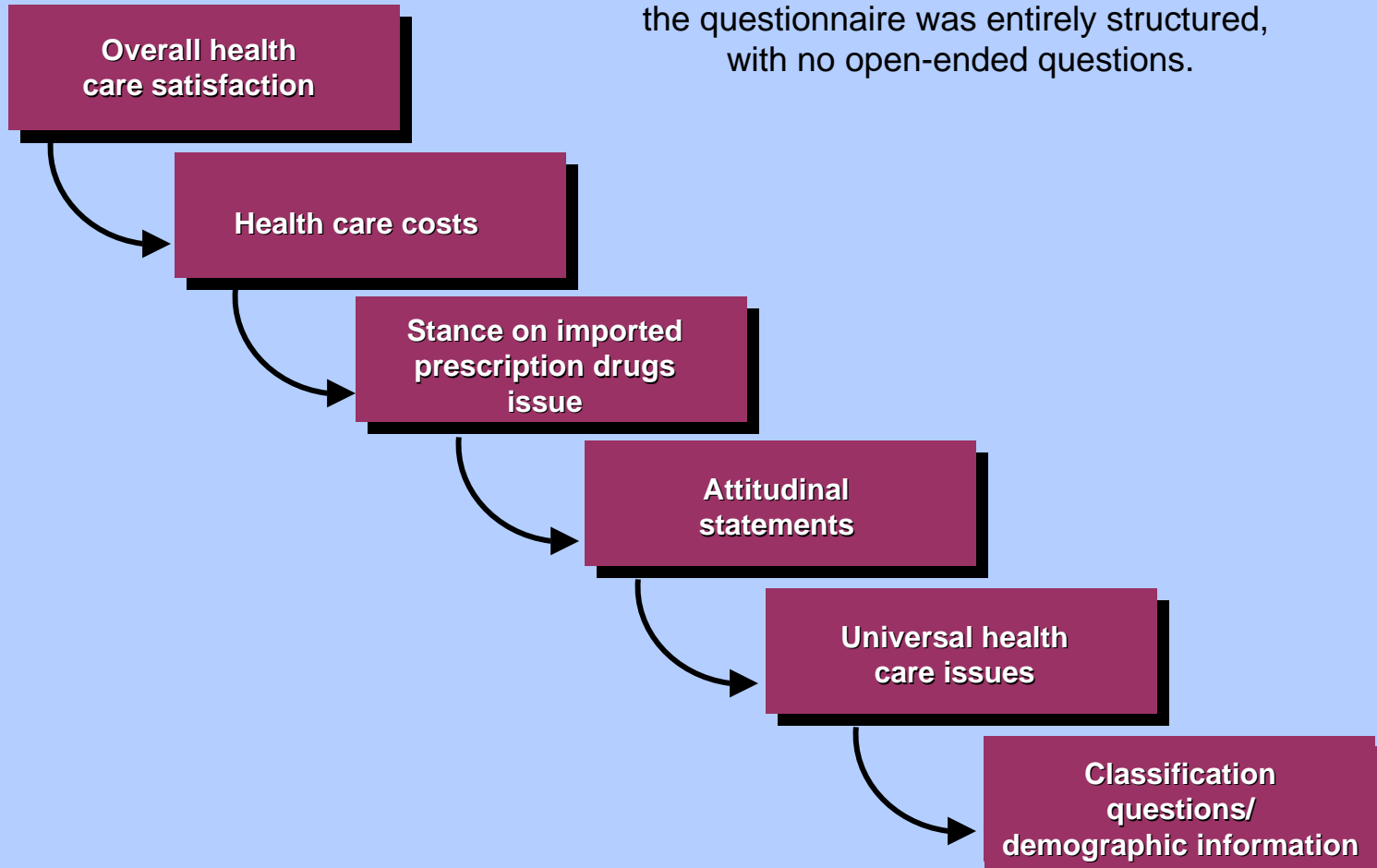
	(Base)	Respondent Sample (n=796)	Minnesota Population (N=5,064,000)
<u>Age:</u>		%	%
15 - 19		1	8
20 - 24		4	7
25 - 34		14	13
35 - 44		21	16
45 - 54		23	15
55 - 64		18	10
65 - 74		12	6
75 and older		9	6

The random digit dial (RDD) sample was employed in order to include Minnesota households with either listed or unlisted telephone numbers. The RDD sample was drawn in a way that reflects the distribution of Minnesotans across the state. The process of dialing randomly through this sample of phone numbers resulted in a survey sample profile that reflects the profile of the state population, as shown on this page.



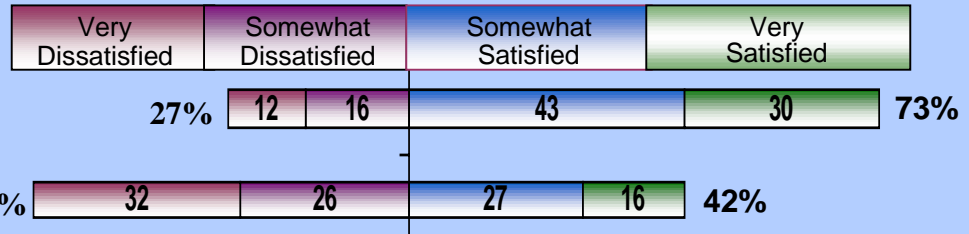
questionnaire design

The interview took approximately 20 minutes to complete; the questionnaire was entirely structured, with no open-ended questions.

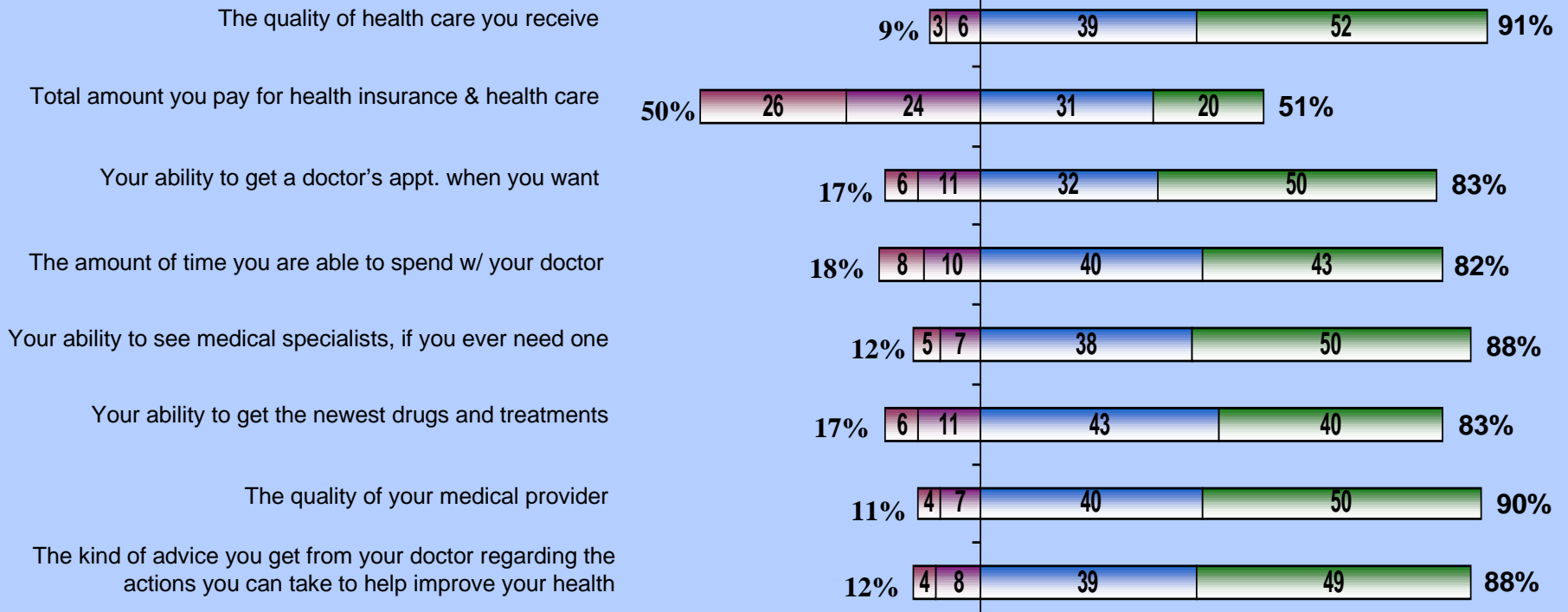


**2::
detailed
findings**

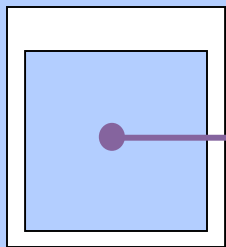
health care satisfaction



Satisfaction with:



Minnesotans are generally more satisfied with the quality of health care they receive personally, than they are with the overall US system. However, half of the state's population is dissatisfied with their health care costs.



health care satisfaction

Satisfaction with US health care quality is related to age and income. . .

<u>Overall satisfaction with U.S. health care quality</u>	Age			
	<25 (37) %	25-44 (275) %	45-64 (322) %	65+ (162) %
Very satisfied	14	27	30	38↑
Somewhat satisfied	62↑	44	44	38
Somewhat dissatisfied	16	16	17	11
Very dissatisfied	8	13	10	14

Older Minnesotans tend to be the most satisfied.
Younger ones are more ambivalent

<u>Overall satisfaction with U.S. health care quality</u>	Total annual household income			
	<\$25K (136) %	\$25-49K (221) %	\$50-99K (236) %	\$100K+ (67) %
Very satisfied	22	24	36↑	48↑
Somewhat satisfied	43	47	40	37
Somewhat dissatisfied	16	18	15	13
Very dissatisfied	18↑	12	9	2↓

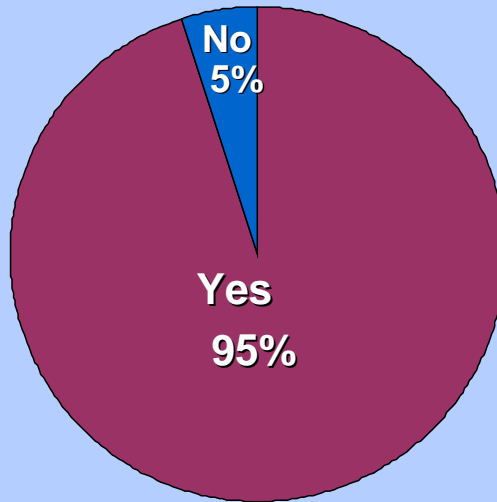
The higher your income the more likely you are to be *very satisfied* with US health care quality.
Almost 1 in 5 of those in the lowest income bracket are *very dissatisfied* with health care quality

↑↓ Denotes statistically significant differences at the 95% confidence level.

current health insurance coverage

Do you have some form of health insurance or health care coverage, including either private medical insurance through an employer or self-paid, or a public program such as Medicare, Minnesota Care, etc.?

(Base = 800)



ABCNEWS Poll Comparison: National results showed that a greater majority of Minnesotans are insured than those in the national poll. 83% of the national poll were insured and 17% were uninsured.

Ninety-five percent of the survey respondents report having some kind of health insurance coverage; four out of five of those with coverage have private medical insurance, either exclusively or in combination with public insurance. Based on the overall ratings there appears to be room for improvement in Minnesotans' perceptions of their health insurance coverage.

What type of coverage do you have?

(Base=758)

Private medical insurance through an employer or self paid	83%
Medicare (government health insurance program for people 65 and over)	20%
Medicaid, Medical Assistance or Minnesota Care (government program for low income families)	7%

All things considered, how would you rate your overall health insurance coverage?

(Base=758)

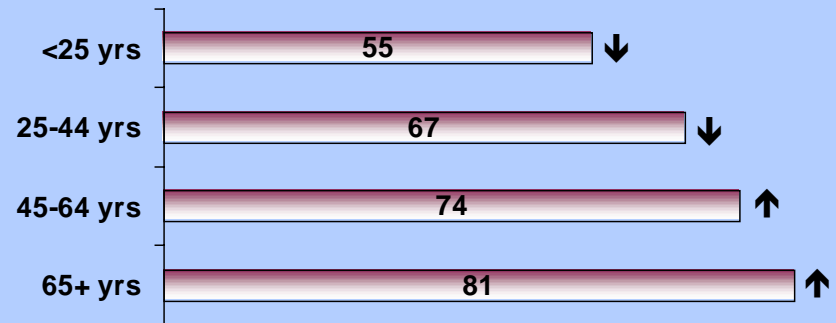
Excellent	27%
Good	46%
Fair	21%
Poor	7%

current health insurance coverage

All things considered, how would you rate your overall health insurance coverage?

Age	(Base)	Excellent %	Good %	Fair %	Poor %
<25	(31)	23	32	36	10
25 - 44	(261)	26	41	25	8
45 - 64	(302)	26	47	20	7
65+	(160)	29	53	14	5

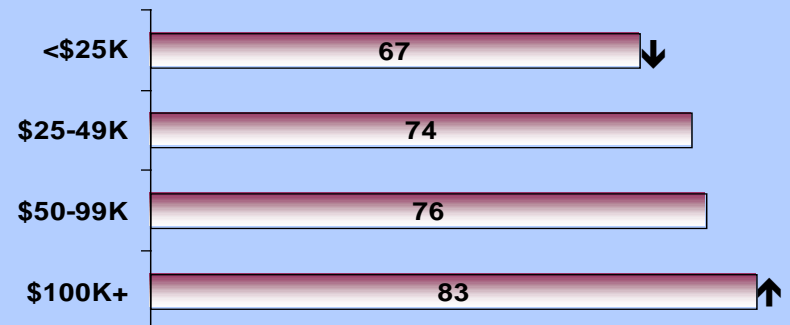
Percent rating their overall health insurance as *Excellent* or *Good*.



Total annual household income

Total annual household income	(Base)	Excellent %	Good %	Fair %	Poor %
<\$25K	(120)	23	43	23	11
\$25-49K	(204)	24	50	20	6
\$50-99K	(234)	30	46	21	3
\$100K+	(65)	39	45	17	--

Percent rating their overall health insurance as *Excellent* or *Good*.



Top 2 box ratings for overall health insurance coverage, among Minnesotans who are currently insured, shows that older MN citizens and higher income MN citizens are significantly more likely to give a good or excellent rating of their personal health insurance coverage, as compared to younger and/or lower income Minnesotans.

↑↓ Denotes statistically significant differences at the 95% confidence level.



current health insurance coverage

Do you have some form of health insurance or health care coverage, including either private medical insurance through an employer or self-paid, or a public program such as Medicare, Minnesota Care, etc.?

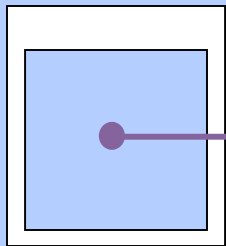
Age		<u>Yes</u>	<u>No</u>
	(Base)	%	%
<25	(n=37)	84	16 ↑
25-44	(n=275)	95	5
45-64	(n=322)	94	6
65+	(n=162)	99	1

Total annual household income		<u>Yes</u>	<u>No</u>
	(Base)	%	%
<\$25K	(n=136)	88	12 ↑
\$25-49K	(n=221)	92	8
\$50-99K	(n=236)	99	1
\$100K+	(n=67)	97	3

Geographic Location		<u>Yes</u>	<u>No</u>
	(Base)	%	%
Twin Cities	(n=87)	90	10 ↑
Suburban	(n=284)	98	2
Small City	(n=129)	91	9 ↑
Small Town	(n=191)	95	5
Rural	(n=109)	94	6

The highest proportions of Minnesotans without health care insurance can be found among young adults (ages 18-24), and among lower income households. Higher concentrations of uninsured Minnesotans can be found living in Minnesota's cities.

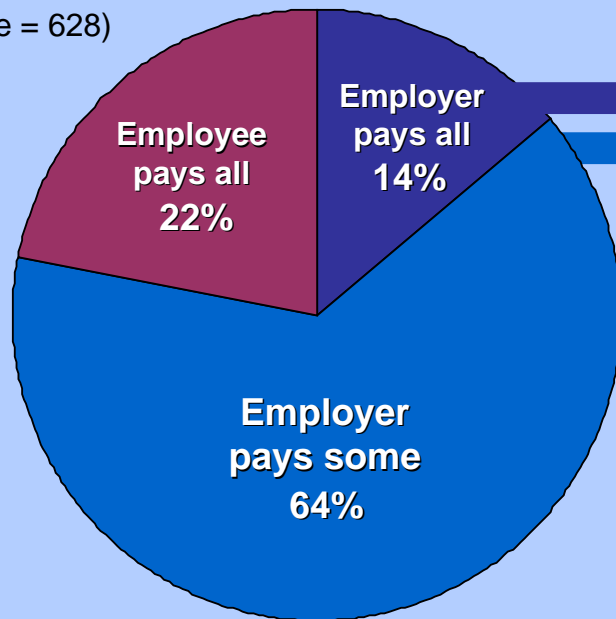
↑↓ Denotes statistically significant differences at the 95% confidence level.



perceptions of health care costs

AMONG THOSE PRIVATELY INSURED:

(Base = 628)



Thinking about the past few years, does it seem like your employer is paying more, the same or less of the cost of your health insurance?

(Base=489)

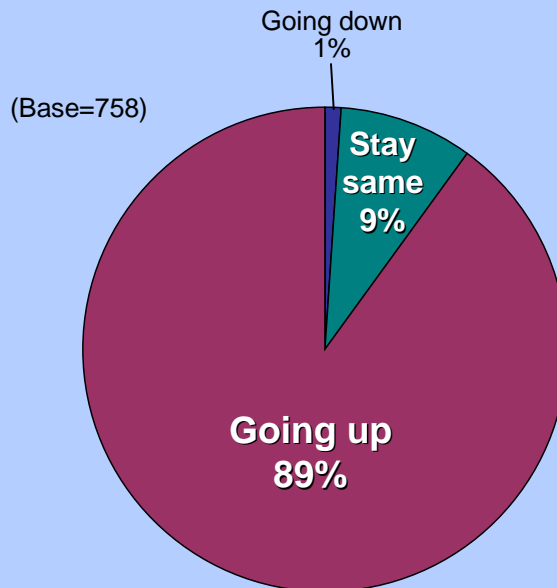
Employer is paying more	24%
Employer is paying about the same	37%
Employer is paying less	32%
Don't know	8%

Approximately 3 out of 4 Minnesotans have private health insurance coverage paid for partially or entirely by their employer; of that population, one-third believe that over the past few years their employers have decreased their share of payment for the employees' health insurance coverage.



perceptions of health care costs

IF INSURED: Does it seem to you that your health insurance costs have been going up, going down or staying the same over the past couple of years?



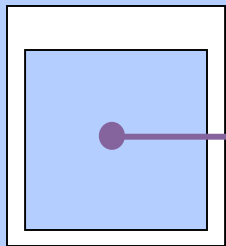
Have they been going up a lot, or somewhat?

(Base=671)

A lot	58%
Somewhat	42%

Most Minnesotans perceive that health care costs have been going up in recent years, and over half think they have been going up a lot. These perceptions are equally strong among those from all income categories and most age categories, except the youngest group, under age 25.

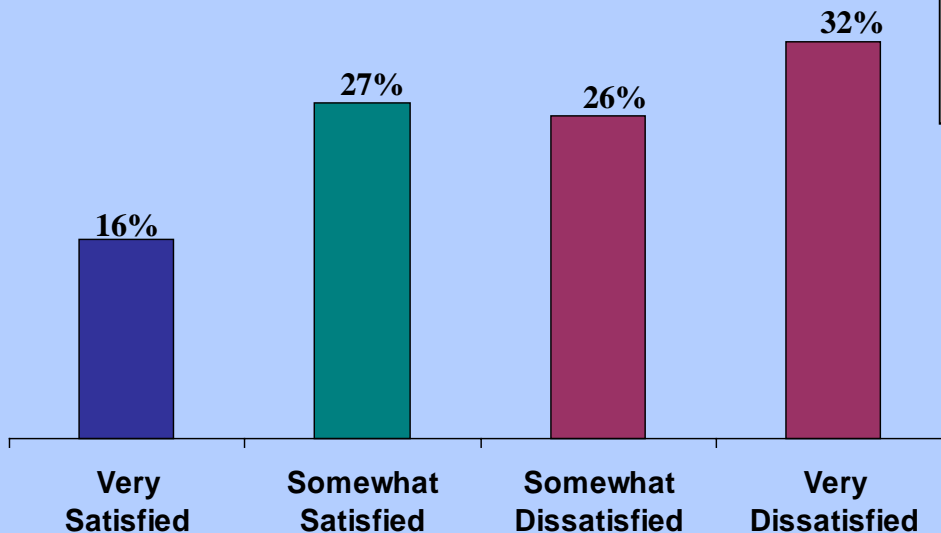
ABCNEWS Poll Comparison: The results showed that costs have remained more consistent from a national perspective as compared to MN results. Only 66% of national respondents reported an increase in costs. Of the people that believe they are increasing most (51%) believe it is somewhat of an increase.



opinions regarding health care costs

Are you generally satisfied or dissatisfied with the total cost you pay for yourself and/or family for health care in this country?

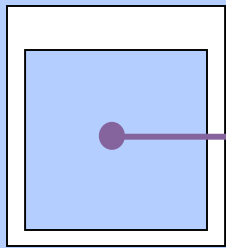
(Base=800)



	<u>Total annual household income</u>			
	<u><\$25K</u>	<u>\$25-49K</u>	<u>\$50-99K</u>	<u>\$100K+</u>
(Top 2 Boxes) Very and Somewhat Satisfied	38%	37%	44%	57% [↑]
-----	-----	-----	-----	-----
Very Dissatisfied	32%	35%	29%	16% [↓]


Satisfaction with health care costs is related to income. Those in the highest income category are most likely to be satisfied, and least likely to be very dissatisfied with health care costs.


[↑]_↓ Denotes statistically significant differences at the 95% confidence level.



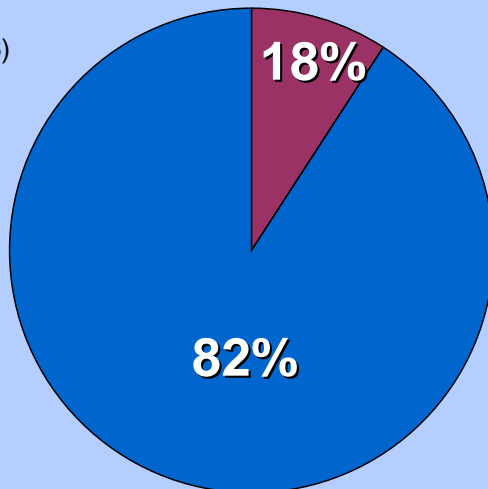
opinions regarding health care services

Which statement do you agree with more?

 People have the responsibility not to overuse health care services because it increases insurance costs for everyone else; or

 People have the right to use as much health care as they want.

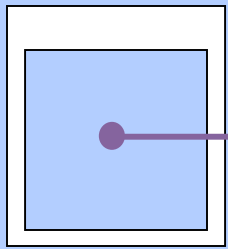
(Base=796)



	Responsibility not to overuse	Have the right to use as much as I want
<u>Age</u>	%	%
<25	68 ↓	32
25-44	77	22
45-64	84	16
65+	89 ↑	11

Here is evidence of a kind of wisdom that is gained with age. As Minnesotans grow older they are more likely to believe in personal responsibility when it comes to using (and not abusing) health care services. On the other hand, almost one out of five Minnesotans overall feel health care services are a kind of unlimited entitlement.

↑↓ Denotes statistically significant differences at the 95% confidence level.



opinions regarding health care services

Which statement do you agree with more?

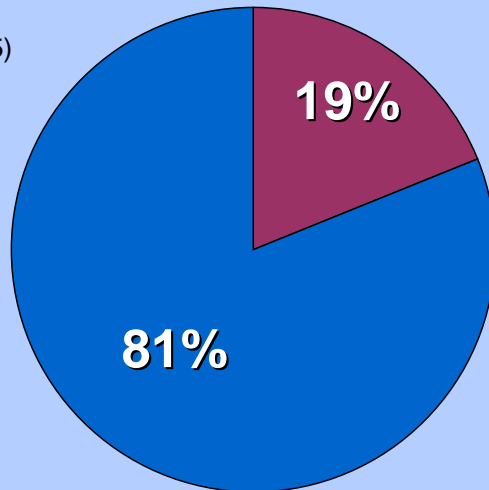


The government should do something to reduce the price of prescription drugs.



The government should not get involved in drug pricing issues.

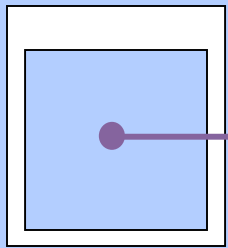
(Base=795)



<u>Location</u>	Gov't should do something to reduce drug prices %	Gov't should not get involved %
Twin Cities	89 ↑	11
Suburb	84	16
Small city	79	21
Small town	80	20
Rural	74 ↓	26


There appears to be an interesting relationship between proximity to the Twin Cities and trust in government involvement in prescription drug pricing. Those living in the rural areas are more likely to believe that government should not get involved; however, even there, the majority opinion is that government should do something to reduce the price of prescription drugs.

↑↓ Denotes statistically significant differences at the 95% confidence level.



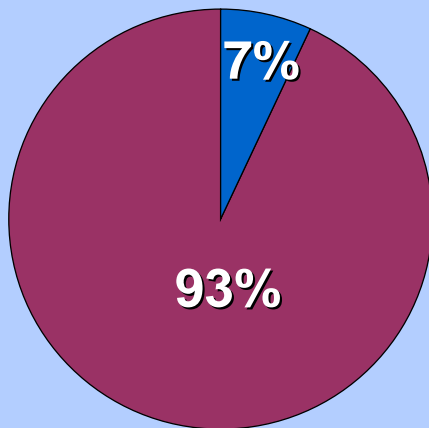
opinions regarding health care services

Have you or anyone in your household ever bought prescription drugs from Canada or from another foreign country in order to get a better price?

 Yes

 No

(Base=800)



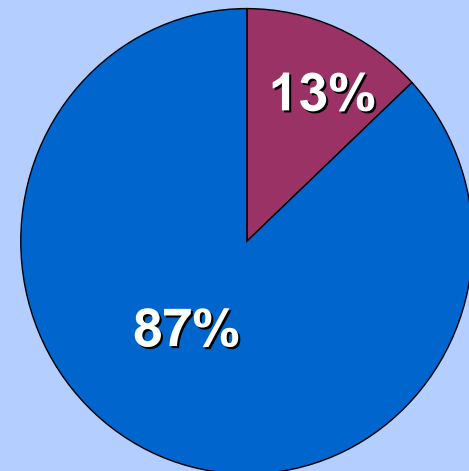
While only a relative few Minnesotans (7%) have bought prescription drugs from a foreign country, a clear majority believe it should be legal.

Do you think it should be legal or illegal for Americans to buy prescription drugs from Canada, Europe, or other industrialized countries?

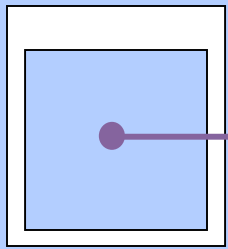
 Legal

 Illegal

(Base=793)





ABCNEWS Poll Comparison: At the national level, a higher percentage of respondents (12%) have purchased drugs from a foreign country than in Minnesota. However, more national respondents believe that buying prescription drugs from a foreign country should be illegal (29% v. 13% in Minnesota).

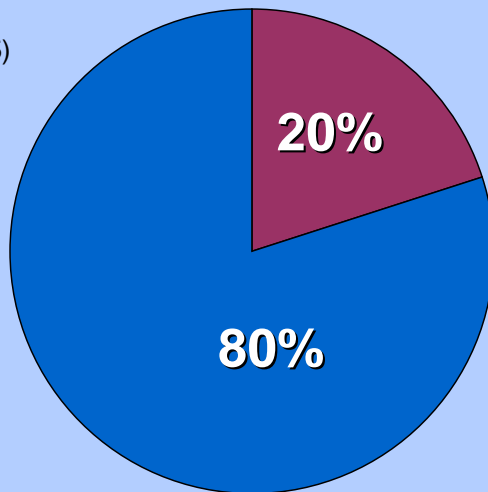


opinions regarding health care services

Which of these do you think is more important?

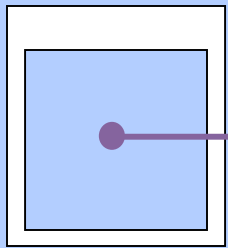
-  Providing health care coverage for all Americans, even if it means raising taxes
-  Holding down taxes, even if it means some Americans do not have health care coverage.

(Base=795)



Eight out of ten Minnesotans are willing to pay higher taxes in order to ensure that all Americans have health care coverage.

ABCNEWS Poll Comparison:
The response was very similar in the national poll with 17% favoring holding down taxes and 80% favoring providing health care for all Americans.



opinions regarding health care services

Which would you prefer?

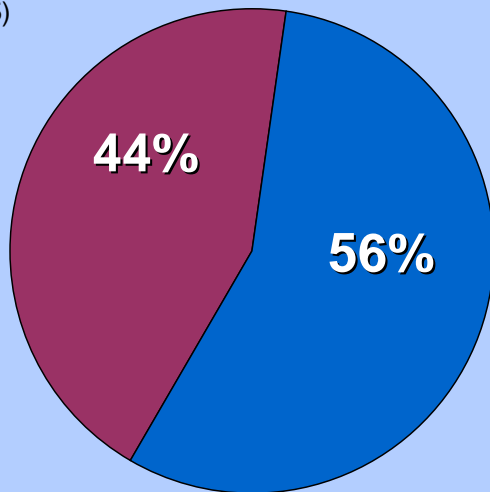


A universal system where the government insures that everyone has health coverage; or



A private system that relies on individuals and employers to provide for their own health care needs.

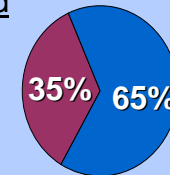
(Base=795)



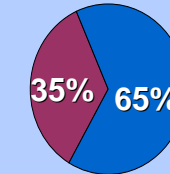
Among the Minnesota population as a whole, there is a slight preference for a universal health care system over a private system. Given the sample of 800, one can be 95% confident that estimates such as these are accurate within ± 4 percentage points. Therefore, we can say that somewhere between 52% and 60% of Minnesotans would prefer a universal health care system.

Total Household Income

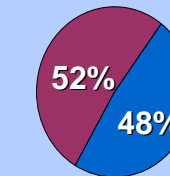
<\$25K



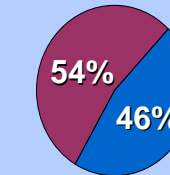
\$25K to \$49K



\$50K to \$99K

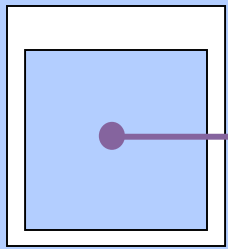


>\$100K





Preference for universal vs. private health care system is strongly related to total household income. Among those whose income is lower than \$50K annually, two-thirds prefer universal health care vs. one-third preferring a private system. Whereas, among those earning more than \$50K, there are slightly higher percentages preferring the private system.

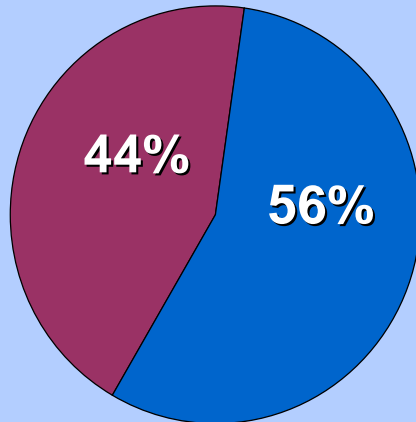
↑↓ Denotes statistically significant differences at the 95% confidence level.





opinions regarding health care services

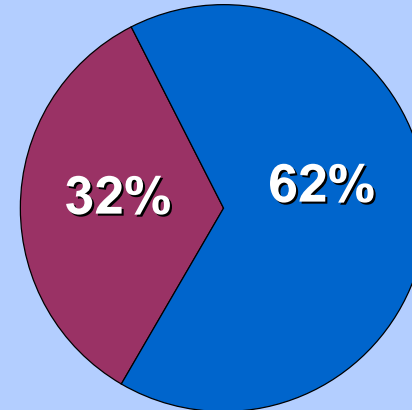
From Minnesota study- Which would you prefer?

-  A universal system where the government insures that everyone has health coverage; or
-  A private system that relies on individuals and employers to provide for their own health care needs.



From ABCNEWS national study- Which would you prefer?

-  A universal insurance program , in which everyone is covered under a program like Medicare that's run by the government and financed by the taxpayers; or
-  The current health insurance system in the U.S., in which most people get their health insurance from private employers, but some people have no insurance





ABCNEWS Poll Comparison:

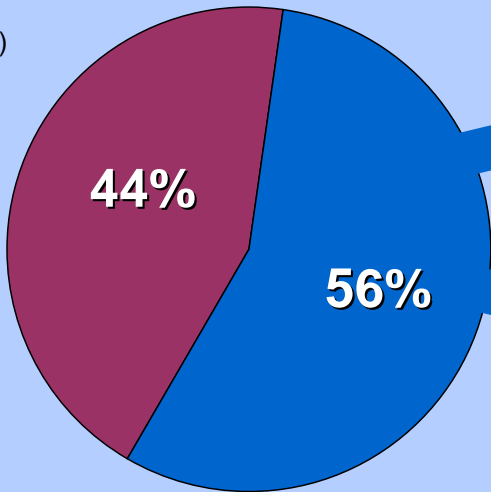
The Minnesota and national surveys yielded similar results from respondents regarding their belief in a universal health coverage system. It should be noted that the more detailed description presented by the ABCNEWS national study may have influenced the higher preference for the universal program.

opinions regarding health care services

Which would you prefer?

-  A universal system where the government insures that everyone has health coverage; or
-  A private system that relies on individuals and employers to provide for their own health care needs.

(Base=795)



Would you support or prefer a universal health care system if it limited your choice of doctors?

	(Base=446)	Support	Oppose
TOTAL		45%	55%
<u>Age</u>			
<25		70	30
25-44		51	49
45-64		42	58
65+		32	68↑

Among those who would prefer a universal health care system, about half would change their minds and oppose the system if it limited their choice of doctors. The level of opposition is related to age; that is, the older you get the more likely you are to insist on your choice of doctors.

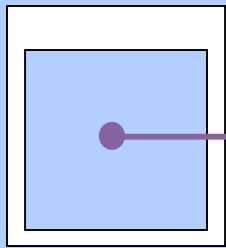
Would you support or oppose a universal health care system if it meant there were waiting lists for some non-emergency treatments?

	(Base=446)	Support	Oppose
TOTAL		59%	41%

If universal health care brings waiting lists for some non-emergency treatments, about 4 out of 10 proponents would then become opposed to universal health care.


ABCNEWS Poll Comparison: The national survey showed higher support for a universal system than Minnesotans -- even with limited choice of doctors (national 56% support v. 45% in Minnesota) or waiting lists for some non-emergency treatments (63% support v. 59% in Minnesota). Again slight wording differences in the two studies may have impacted results.


↑↓ Denotes statistically significant differences at the 95% confidence level.



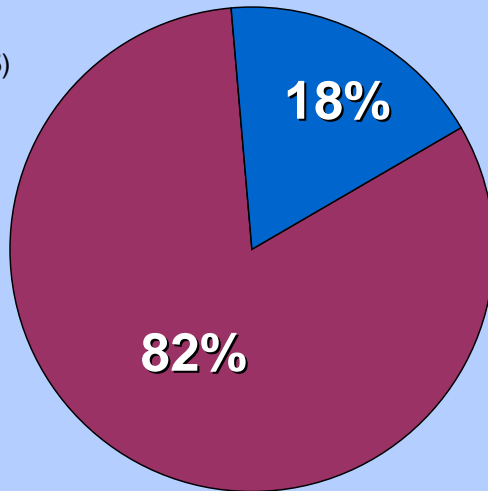
opinions regarding health care services

If you had to choose, which of the following approaches to universal health care would you prefer?

 A system completely run by the government; or

 A system where government insures that everyone has health insurance coverage, but the health care industry would remain in the private sector.

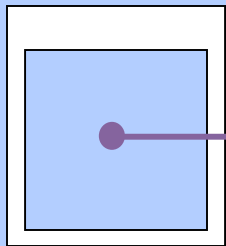
(Base=795)



	System completely run by gov't	System where gov't insures coverage, but health care industry remains in private sector
<u>TOTAL</u>	18%	82%
<u>Income</u>		
<\$25K	24 ↑	77
\$25-49K	24 ↑	76
\$50-99K	15	86 ↑
\$100K+	8	92 ↑

Although a majority of Minnesotans, regardless of income, prefer a universal system where government insures coverage over a system completely run by the government, the preference is more prevalent among those in the higher income categories.

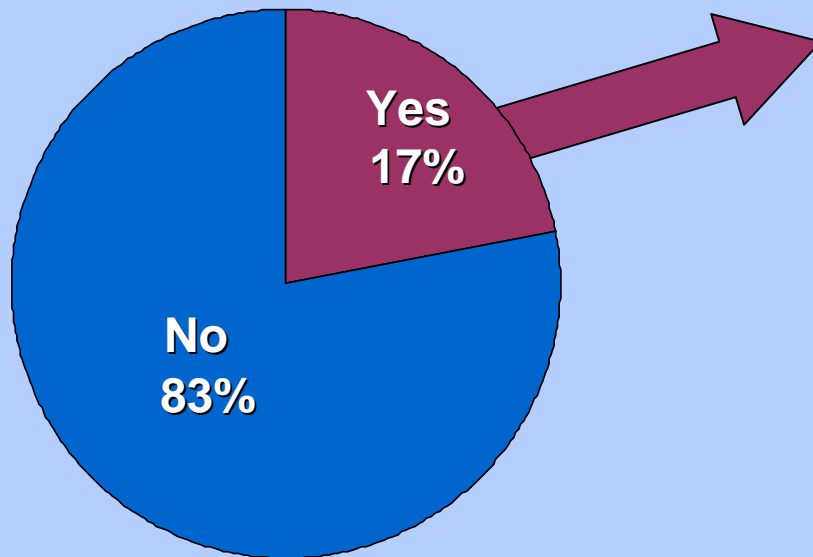
↑↓ Denotes statistically significant differences at the 95% confidence level.



households with a person with a disability

Do you or does anyone in your household have a physical, mental, sensory, or emotional disability?

(Base = 800)



Seventeen percent (17%) of Minnesota households report having someone in the household with a disability. Thirteen percent (13%) of those disabilities occurred at birth.

Has this disability occurred within the last 6 months or is it more longer term?

(n=134)

Last 6 months.	5%
Longer term	95%

Did this disability occur at birth, or later?

(n=127)

At birth.	13%
Later.	80%
Don't know.	6%

Are you the person with the disability, or is it someone else in your household?

(n=134)

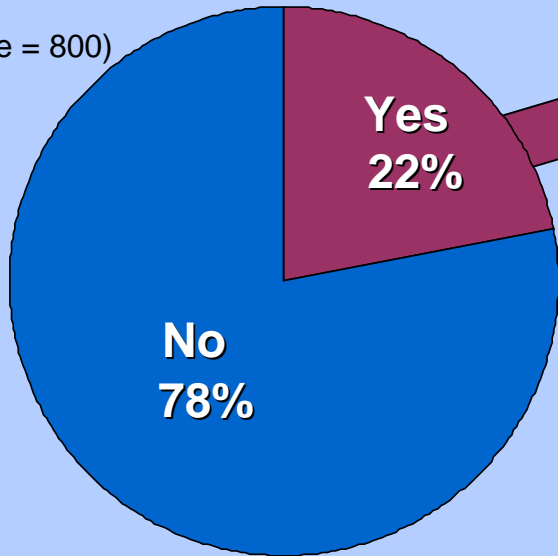
Me, respondent.	54%
Someone else.	46%

households with a person with a disability

Among ALL households:

Within the last 12 months, have you or a family member delayed any sort of medical treatment because of the cost you would have to pay?

(Base = 800)



How serious was the condition or illness?

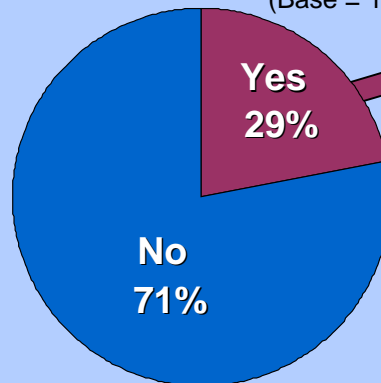
(n=177)

Very serious.	17%	} 57%
Somewhat serious.	40%	
Not very serious.	27%	
Not at all serious.	16%	

About 1 out of 5 Minnesotans have delayed medical treatment because of cost; in over half of these cases the condition was serious

Among households with a disabled individual

(Base = 134)



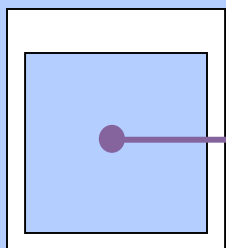
How serious was the condition or illness?

(n=39)

Very serious.	23%	} 74%
Somewhat serious.	51%	
Not very serious.	13%	
Not at all serious.	13%	

Among households with a disabled individual, more than 1 in 4 have delayed medical treatment because of cost; in almost three quarters of these cases the condition was serious

ABCNEWS Poll Comparison: The MN results were nearly identical to the national results with the percentage that have delayed treatment (23%). 67% of the national respondents had a (very / somewhat) serious condition.



households with a person with a disability

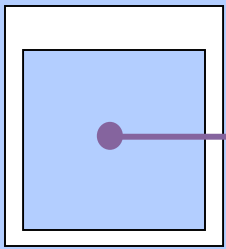
	(Base)	H.H. with individual with a disability?	
		Yes (123)	No (625)
		%	%
IF INSURED: What type of coverage do you have?			
Private medical insurance		73↓	87
Medicare		23	19
Medicaid, Medical Assistance or MinnesotaCare		14↑	5
% of Households with annual income > \$50,000:		35	48

IF INSURED: In regards to your ability to afford the cost of your health care insurance over the next few years, would you say you are. . .

	(Base)	H.H. with individual with a disability?	
		Yes (123)	No (625)
		%	%
Very worried		31	22
Somewhat worried		41	43
Not so worried		15	21
Not at all worried		14	14
Top 2 Box		72	65

Compared to all other households, those with an individual with a disability have lower income; and among those with insurance, there is a higher likelihood the provider is Medicaid or another government program for lower income people. Households with a person with a disability are also more likely to be worried about future health care insurance costs.

Denotes statistically significant differences at the 90% confidence level.
↑↓ Denotes statistically significant differences at the 95% confidence level.



households with a person with a disability

Which would you prefer?



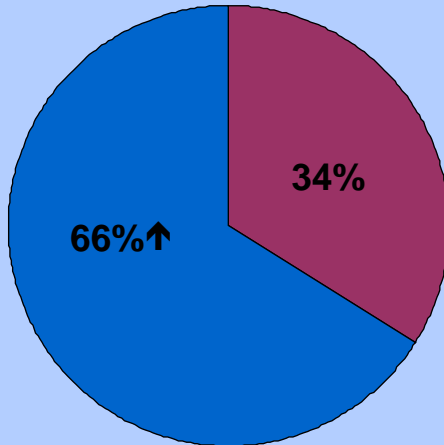
A universal system where the government insures that everyone has health coverage; or



A private system that relies on individuals and employers to provide for their own health care needs.

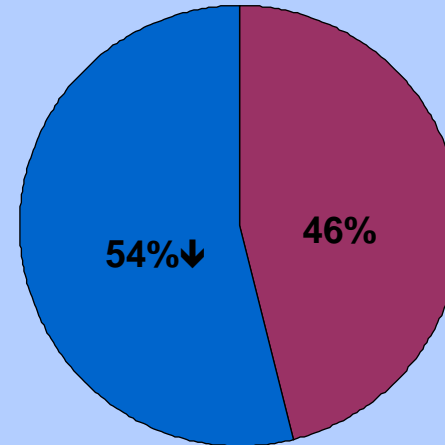
H.H. with individual with a disability

Base=134

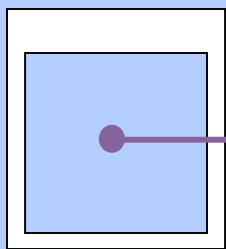


H.H. with no persons with a disability

Base=661

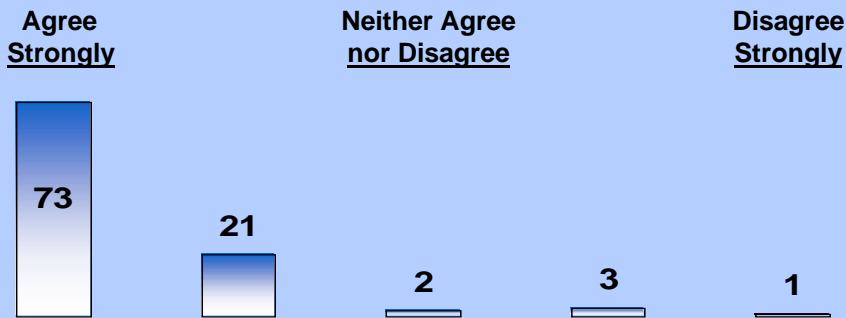


Households that have an individual with a disability are more likely to favor universal health care (two-thirds) as compared to all other households (about half).



health care attitudes

Percent Agreement with:

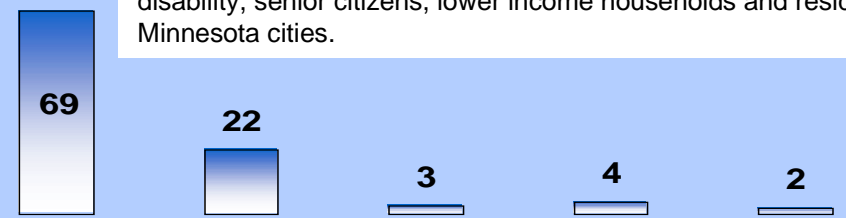


I should be able to choose any health care provider I want, including physicians and hospitals

Top Box Demographics

Female	77%	↑
HH w/ Disblty	81%	↑
Age 65+	80%	↑
Inc. < \$25K	82%	↑
Inc. > \$100K	55%	↓
Twin Cities	63%	↓
Sm. City	82%	↑

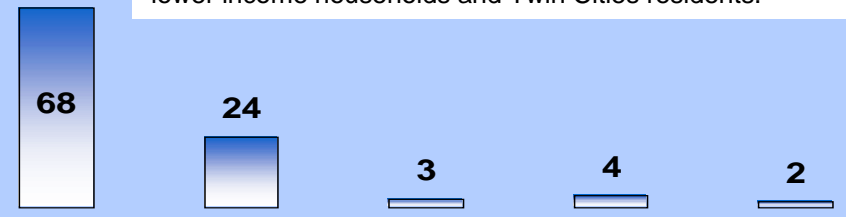
The most agreed to statement was related to choice of providers. This sentiment was particularly strong among women, households with an individual with a disability, senior citizens, lower income households and residents of small Minnesota cities.



We have personal responsibility not to use more health care services than we need in order to keep health care costs affordable

Inc. < \$25K	69%	↓
Inc. > \$100K	82%	↑
Twin Cities	62%	↓
Sm. City	75%	↑

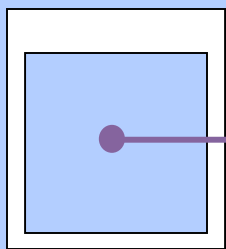
Personal responsibility was also strongly confirmed, with higher agreement from higher income households and small city residents, and lower agreement from lower income households and Twin Cities residents.



People should not be turned away from necessary medical treatment, even if they are uninsured and cannot afford the treatment

Female	72%	↑
Inc. < \$25K	75%	↑
Twin Cities	62%	↓
Sm. City	76%	↑

Minnesotans believe that people should not be turned away from treatment. Women, low income, and small city residents feel particularly strongly about this.



health care attitudes

Percent Agreement with:

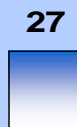
Agree Strongly

Neither Agree nor Disagree

Disagree Strongly

Top Box Demographics

I think it's a good idea that the government spends money on prevention, early detection of disease, and other community health related issues



Female	69%	↑
Twin Cities	72%	
Sm. Town	61%	

Most Minnesotans felt strongly that the government should be spending money on community health related issues – particularly women and Twin Cities residents.

Health care should be available to all citizens regardless of their income or employment status



HH w/ Disblty	72%	↑
Inc. < \$25K	71%	↑
Inc. > \$100K	55%	↓
Twin Cities	74%	↑
Rural	60%	↓

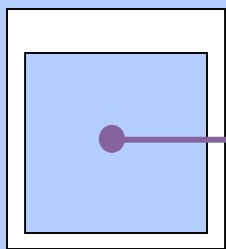
Most Minnesotans also believe that health care should be available to all citizens. Higher income households and rural residents were less likely to agree strongly with this.

Individuals whose health has been impacted through no fault of their own should not have to pay higher premiums than others



Female	62%	↑
HH w/ Disblty	68%	↑
Age <25	38%	↓
Inc. < \$25K	65%	↑
Inc. > \$100K	46%	↓
Twin Cities	54%	↓
Sm. City	70%	↑

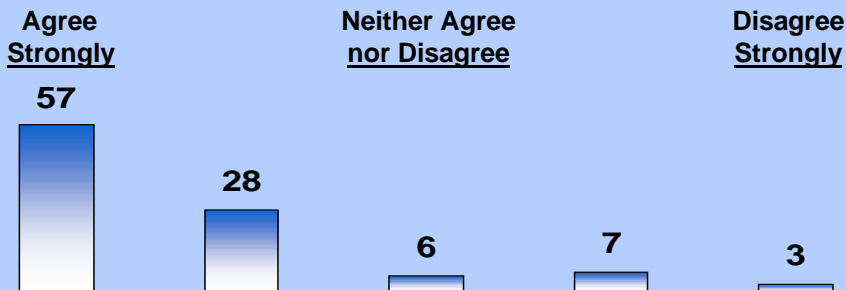
While most Minnesotans felt strongly that individuals whose health has been impacted through no fault of their own should not pay higher premiums than others; men, residents under age 25, upper income households, and Twin Cities residents were less likely to agree.



health care attitudes

Percent Agreement with:

People, such as the elderly and the disabled, who need more services than others should get them without paying more



Top Box Demographics

Female	62%	▲
HH w/ Disblty	69%	▲
Age 65+	63%	▲
Inc. < \$25K	66%	▲
Inc. > \$100K	33%	▼

Most Minnesotans believe that those who need more services should get them without paying more – with women, households with an individual with a disability, senior citizens, and low income households feeling particularly strongly about this.

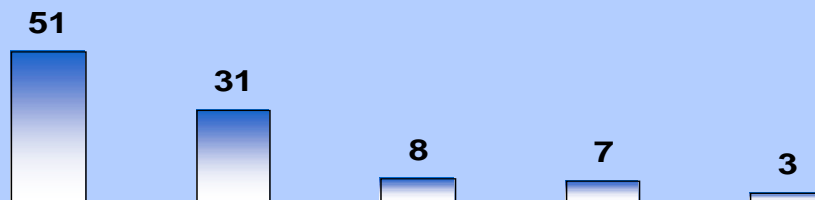
Employers should give employees a choice of more than one health plan



Female	58%	▲
HH w/ Disblty	63%	▲
Age 65+	34%	▼

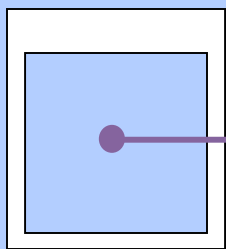
Most Minnesotans believe that employers should give a choice of health plans; however senior citizens were less likely to agree strongly with this.

Children's health care needs should take a priority in health care cost decisions



Female	55%	▲
Sm. City	62%	▲
Sm. Town	47%	▼

Most Minnesotans believe children's health care should be a priority, with females and residents of small cities feeling particularly strongly about this.



health care attitudes

Percent Agreement with:

The government should ensure access to health care providers for rural and low income populations

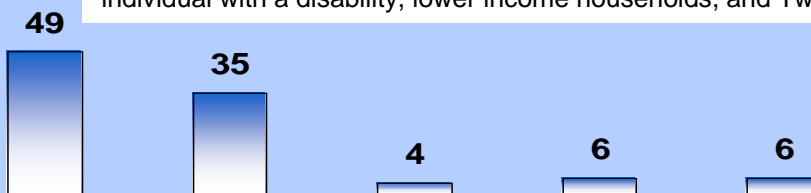


Top Box Demographics

Female	55%	↑
HH w/ Disblty	60%	↑
Inc. < \$25K	58%	↑
Inc. > \$100K	42%	↓
Twin Cities	59%	↑
Suburbs	42%	↓

Most Minnesotans believe that the government should ensure access to health care providers for rural and low income populations – particularly women, households with an individual with a disability, lower income households, and Twin Cities residents.

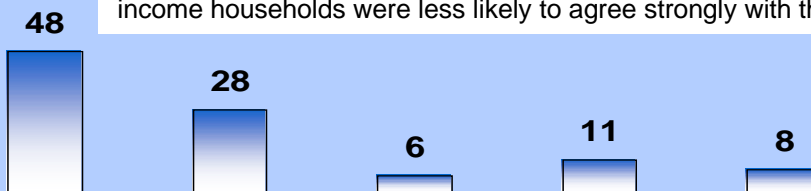
Everyone should pay something for their health care, with people paying varying amounts depending on what they can afford



HH w/ Disblty	58%	↑
Inc. < \$25K	60%	↑
Inc. > \$100K	37%	↓

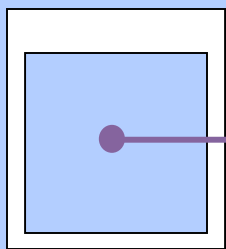
Minnesotans believe that everyone should pay something for their health care, depending upon what they can afford. Households with an individual with a disability and lower income households had stronger agreement with this statement, while upper income households were less likely to agree strongly with this statement.

It is the government's responsibility to make sure that patients receive safe, high quality medical care



Inc. < \$25K	60%	↑
Inc. > \$100K	39%	↓

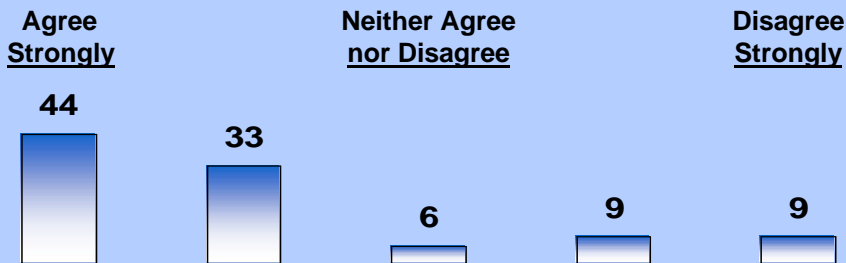
While most Minnesotans believe that it is the government's responsibility to ensure high quality care, about one in five disagree. Agreement with this statement appears to be inversely related to income.



health care attitudes

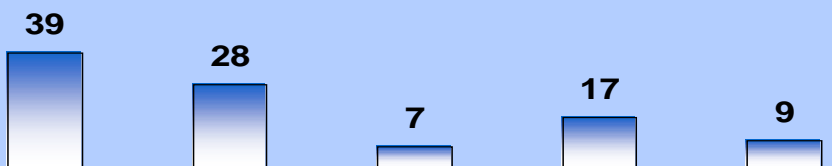
Percent Agreement with:

The government should provide education and incentives to help people make wise choices regarding their health



Top Box Demographics
 Three-fourths of Minnesotans believe that the government should provide education and incentives to help people with decisions regarding their health

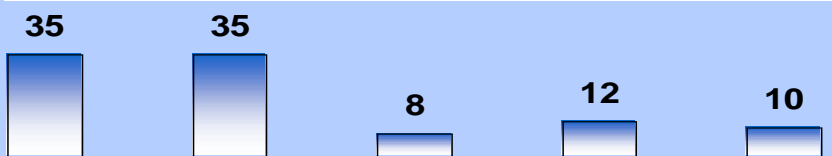
Health insurance should pay for any kind of medical treatment, regardless of the cost



Female 41% ↑
HH w/ Disbly 51% ↑
Inc. < \$25K 54% ↑
Inc. > \$100K 18% ↓
Twin Cities 28% ↓
Sm. Town 44% ↑

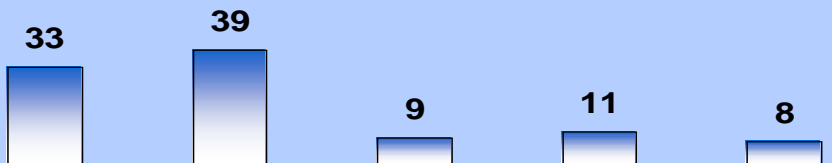
While Minnesotans tended to agree that health insurance should pay for any treatment – upper income households were more likely to disagree.

If they can afford it, some people should be able to have a health care plan that covers more medical services than other health care plans



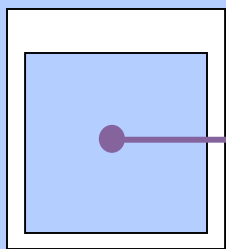
People generally felt that if you can afford it you should be able to have more health care insurance coverage.

The cost of treatment, along with the chance of success, is a factor that should be considered in decisions regarding treatment



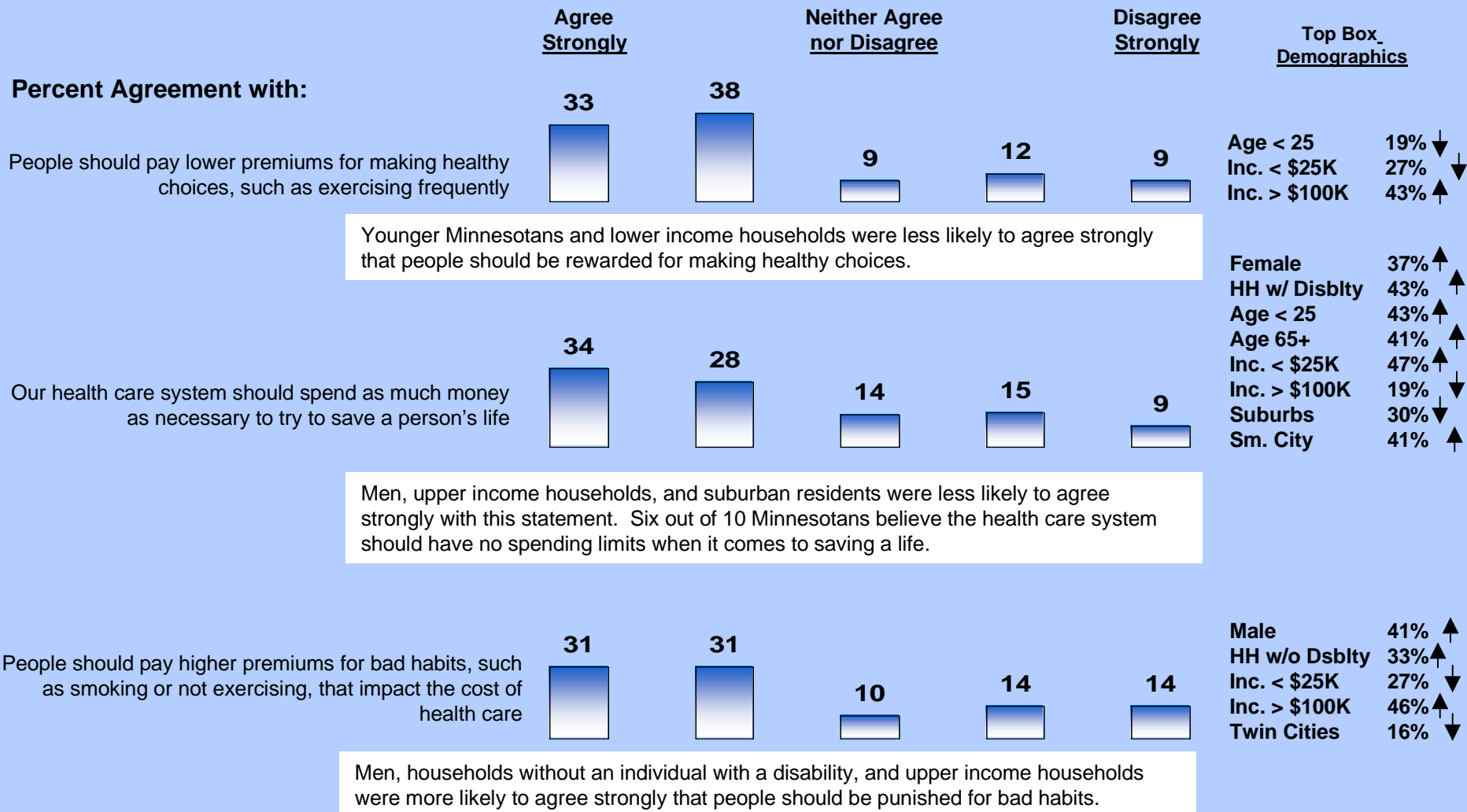
HH w/ Disbly 42% ↑
Inc. < \$25K 43% ↑
Inc. > \$100K 27% ↓
Sm. City 40% ↑
Rural 26% ↓

Minnesotans, particularly Households with individuals with a disability, lower income households, and residents of small cities feel most strongly that cost of treatment and chance of success should be considered.

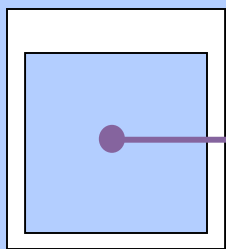


health care attitudes

Percent Agreement with:



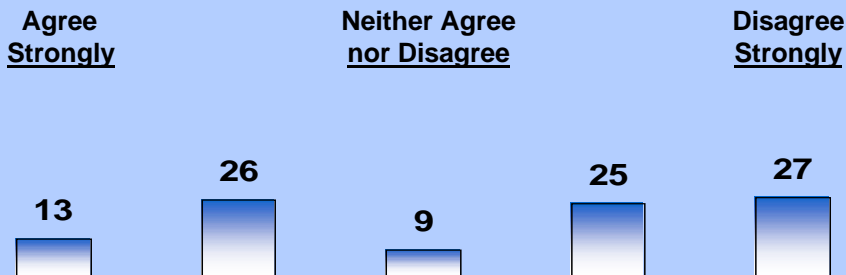
↑↓ Denotes statistically significant differences at the 95% confidence level.



health care attitudes

Percent Agreement with:

Individuals or families who are likely to use more health care should be expected to pay higher premiums than others

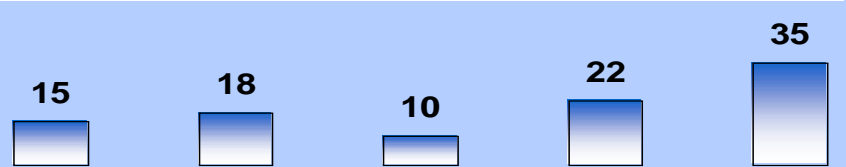


Bottom Box Demographics

Female	30%	↑
HH w/ Disblty	38%	↑
Inc. < \$25K	38%	↑
Inc. > \$100K	15%	↓
Twin Cities	32%	↑
Rural	19%	↓

Minnesotans were inclined to disagree with paying more for higher use of health care, particularly women, households with an individual with a disability, lower income households and Twin Cities residents.

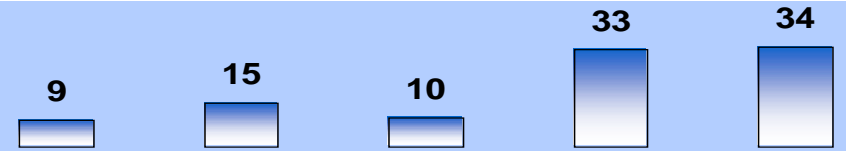
If I want to smoke, drink or just not take good care of my health, that's my business. I shouldn't be penalized with higher health care costs



Male	41%	↑
Age <25	19%	↓
Age 65+	36%	↑

Here is a divisive issue for Minnesotans – while a third believe in privacy and/or the sanctity of free choice when it comes to personal health care, another third disagree strongly. Men, senior citizens, and upper income households were less concerned with the privacy of health decisions -- tending to believe that people who don't take care of themselves should be penalized with higher costs.

People should be denied health care if they make unhealthy lifestyle or behavior choices

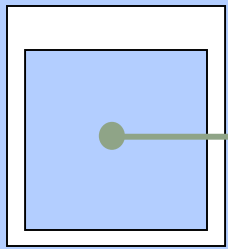


Female	37%	↑
Sm. City	43%	↑
Rural	29%	↓

The lowest rated statement was related to denying health care to individuals who make poor choices. Women and residents of small cities disagreed most strongly with this statement.

↑↓ Denotes statistically significant differences at the 95% confidence level.

**3 ::
summary
of
findings**



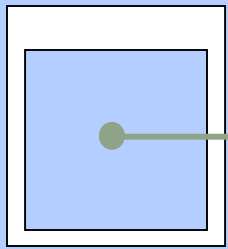
Summary of findings

While most Minnesotans are satisfied with the quality of health care in the US, well over half are dissatisfied with its costs.

- Citizens of this state are more satisfied with US health care, as compared to the general US population, as measured in an ABCNEWS/Washington Post poll conducted in October 2003.
- Older Minnesotans and those with higher incomes are most satisfied; whereas, almost 1 in 5 of those in the lowest income bracket are *very dissatisfied* with the quality of health care in the US.
- Minnesotans are generally more satisfied with the quality of health care services they receive personally than they are with the overall US health care system.

Ninety-five percent (95%) of Minnesotans have some form of health insurance.

- A greater majority of Minnesotans are insured than those in the ABCNEWS national poll (95% Minnesotans v. 83% national respondents.)
- While 73% rate their coverage as good or excellent, these positive ratings are more prevalent among older and higher income Minnesotans.
- The highest proportion of Minnesotans without health care coverage can be found among young adults, ages 18-24, 16% of whom are not insured.
- And 12% of those in the lowest income category (<\$25K) do not have health insurance coverage.



Summary of findings

Nine of ten Minnesotans believe their health care costs have been rising in recent years.

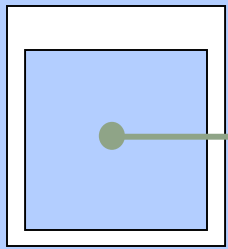
- Over half believe costs have been going up *a lot*.
- The perception of increasing costs appears to be stronger in Minnesota when compared to Americans in general. According to the ABCNEWS poll, 2/3 believe they are going up versus 89% of Minnesotans.

Satisfaction with health care costs is related to income.

- Those in the highest income category are most likely to be satisfied with the amount they pay for health care.
- Among those whose total annual household income is less than \$50k, one out of three are *very dissatisfied* with their health care costs.

While only a relative few Minnesotans (7%) have bought prescriptions drugs from a foreign country, a clear majority (87%) believe it should be legal.

- Four of five believe the government should do something to reduce the price of prescription drugs; only one in five believe government should not get involved in these issues.
- Nationwide, a higher percentage (12%) have purchased foreign drugs; however, according to the ABCNEWS poll, more Americans believe it should be illegal (29%) compared to 13% of Minnesotans.



Summary of findings

Most Minnesotans (4 of 5) believe all Americans should have health care coverage, even if it means raising taxes.

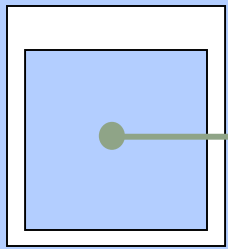
- This response was very similar to that received in the ABCNEWS poll.

Among the Minnesota population as a whole, a slight majority (56%) would favor a universal system where the government ensures that everyone has health coverage over a private system that relies on individuals and employers to provide for their own health care needs; however, the strength of the preference is questionable:

- about half of the proponents would change their minds and oppose the universal health coverage system if it limited their choice of doctors;
- and if the universal health coverage system brings waiting lists for some non-emergency treatments, then 4 of 10 proponents would then become opposed to it.
- Most believe the best approach to a universal health care system would have government ensuring that all Americans have health care coverage, but the health care industry would remain in the private sector.

Seventeen percent (17%) of Minnesota households report having someone in the household with a disability.

- These households have a lower percentage of incomes over \$50,000 (35% vs. 48%), and they are more likely to be worried about future affordability of health care insurance.



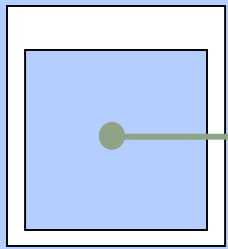
Summary of findings

Minnesotans showed very strong agreement (>90% agree strongly or somewhat) with the following health care concepts:

- Ability to choose providers
- Personal responsibility to keep health care affordable
- People should not be turned away from the health care system
- The government should provide money for prevention
- Availability of health care shouldn't depend on income or employment

Minnesotans showed strong agreement (>75% agree strongly or somewhat) with the following health care concepts:

- Individuals with higher needs or special needs (elderly, disabled, low income, rural) should have access to needed health care
- Everyone should pay something for their health care
- The government has a responsibility to provide access, education, and ensure high quality care



Summary of findings

Minnesotans showed agreement (50 - 75% agree strongly or somewhat) with the following health care concepts:

- Health insurance should pay for any kind of treatment
- Some people should be able to have better health care if they can afford it
- Cost of treatment should be a factor in treatment decisions
- People should pay lower premiums for healthy choices and higher premiums for bad habits
- The system should spend as much as necessary to save a person's life

Minnesotans showed disagreement (>50% disagree strongly or somewhat) with the following health care concepts:

- Paying higher premiums for health care based on expected usage
- Not being penalized (through higher costs) for not taking care of oneself
- Denying people health care based on unhealthy lifestyles or behavior choices

Demographic differences seen in these concepts were strongest related to income – with higher income households believing more in self-reliance and less government involvement

**TOWN HALL MEETING SUMMARY
ISSUES FROM EDINA, MANKATO, ST CLOUD,
ROCHESTER. MARSHALL, MOORHEAD,
WHITE BEAR LAKE, CLUES, DULUTH, NATIVE
AMERICAN OUTREACH AND AFRICAN AMERICAN
OUTREACH**

UPDATED 12/19/03

I. HEALTH

A. PREVENTION

1. Patient Illiteracy

Problem: It costs \$75 billion because of patient illiteracy including improper use of the ER, not taking responsibility for own care, use of cigarettes, alcohol, and not exercising.

Problem: We spend 6 cents out of every health care dollar on prevention and 94 cents on services.

2. Lead

Problem: Lead poisoning causes disabilities.

Solution: Prevent lead poisoning.

3. Diet, Exercise, Smoking

Problem: Overeating, lack of exercise, and smoking all contribute to rising health care costs. The media bombards us with junk food ads and the costs are skyrocketing because of poor diet.

Solution: Increase user fees or sin taxes on cigarettes, alcohol, and drive-throughs.

Solution: The target market ads were effective.

Problem: Those who need to exercise cannot afford the Y's fees.

Solution: I lead hiking classes around the Twin Cities; we need to get people to show up to go on hikes, go on walks; we need to have people garden, learn how to prepare food that is healthy for potlucks.

Solution: Give incentives for exercising.

Solution: Is it true Medica is paying for going to a health club at least three days a week?

Solution: We need to prevent the problems for Native Americans by doing more exercise, going for walks, having affordable memberships to the Y; we need to educate people to keep moving.

Problem: What happens when the term calorie doesn't mean anything because of cultural differences? We need to recognize differences in knowledge base.

Solution: A tribal school nurse in Michigan described to a witness in Bemidji that her school hired a wellness teacher who promotes wellness in all classes, the cafeteria staff promote a different color vegetable each day, and the community has decided to be the healthiest community in the U.S. So the community has committed itself to community wide gardens, trails, walking, etc. They have set a goal and are working together. Physical education is important.

Problem: I just worked with a 16 year old diabetic who had gastric bypass surgery. She did not know that drinking pop everyday would cause medical problems.

Problem: Eating healthy does cost money; organic food is expensive. We eat canned food loaded with sugar and salt; and then we are told, it is your fault you are sick, but don't worry we have dialysis for you. This is a racket.

Solution: A kid's campaign for prevention and wellness may be the place to start.

4. **Dental**

Problem: People avoid dental visits until insurance pays the cost.

Solution: Offer incentives for regular dental visits.

5. **Prevention Efforts**

Problem: Too much emphasis is on disease management and not prevention.

Problem: There is no visible symbol for health; with housing issues, there is a shelter; with education, there is a diploma, with jobs, there is a paycheck. What is the visible symbol for health?

Problem: Homeless and uninsured can't get prevention; they are in crisis.

Problem: Men do not come in for checkups, they need incentives to come in.

Problem: I work on age appropriate sexual health education and information with youth; the fastest growing population experiencing STDs would be youth, yet we look at Africa and not Minnesota to send our money for HIV/AIDS. I had a \$55,000 budget, but now the budget was cut by \$28,000.

Solution: Place priority on prevention. Prevention efforts have added 30 years to life expectancy in the 20th Century because of immunizations, reduced injuries, reduced infectious diseases, reduced chronic illness.

Solution: We need to promote prevention but it is very difficult with low income folks who are uninsured.

Solution: We should require an annual physical and have that tied to the premium in order to get things started in the area of prevention.

Problem: Our son has a severe seizure disorder that used to require use of the emergency room, hospital stays, and different types of medications.

Solution: With preventive care, we have reduced seizures and saved money.

Solution: We have a prenatal care clinic on Payne & 7th Street in St Paul, but we need more people to come in and seek care. We need to work on trusting relationships with minority communities.

Solution: Reward people for healthy lifestyles and healthy habits.

Problem: Our reservation is losing our grant for Fetal Alcohol Syndrome, but we are receiving a new grant for opiate treatment; we should be matching needs of the community to the funds available. We need more cooperation with the State and we need long term funding for prevention.

Solution: We know what works to make Minnesota healthier, but we do not have funds for ongoing systems change, long term funds for 10-25 years, if you do that you will see progress by leaps and bounds.

Problem: Why would a factory lower its emissions?

6. **Health Information**

Solution: Leaders must link the issues and inform people to stay healthy.

Problem: The poor person cannot communicate with the Governor, but I am sure Johnson & Johnson can reach him. If you don't vote, you are irrelevant.

Problem: In studying Myers-Briggs communication styles, keep in mind that 68 percent of people are very sequential, linear, short term and so any marketing campaign has to be designed to connect the dots. For example, make the connection between an increase in tobacco taxes will result in a decrease in consumption.

Solution: Any health campaign must segment audiences in order to communicate effectively.

Solution: You need to really listen to the public, to regular citizens.

Solution: Those who take care of themselves should be rewarded.

Solution: Increase information about prevention.

Solution: Reduce messages and ads for consumption of junk food.

Solution: SAS Software company requires every employee to exercise one hour daily and their health care costs have been reduced.

7. Tobacco

Solution: 8 percent of the tobacco funds were used to reduce use of youth tobacco by 11 percent in Minnesota; California has documented even greater health gains because of reduction in tobacco use.

Solution: If we increase taxes by 10 percent, we will see a 4 percent reduction in consumption. We used to be the 5th highest state in tobacco taxes and now we are 35th; we need to increase tobacco taxes.

Problem: Is it true that tobacco companies are dropping the prices of tobacco products?

Solution: Reducing the use of tobacco is more than personal responsibility; it is also increasing taxes, and increasing the indoor air act requirements.

8. Pay for Prevention

Problem: We pay for acute, episodic health care, we don't pay for education or prevention.

Solution: Prevention exams should be available with no deductible for prostate exams, mammograms.

Solution: Insurance companies should pay for prevention, not just catastrophic events.

Problem: Our culture is oriented to events and reactions, not long term thinking and prevention. Our culture is oriented to consumption and speed which leads to a very short view of the world.

Solution: The Legislature must look beyond the biennium and band-aids. Leaving a legacy means a drastic change in our outlook and the costs.

Problem: We are now seeing layoffs in public health areas which does not make sense.

Problem: Help us with our smoke free public places campaign work in Cloquet, Moose Lake, and Duluth.

9. Prevent Nursing Home Placements

Problem: We need to prevent "falls" for people who are home care. Many elderly people will not say that they need help.

Solution: Let's do everything to prevent injury rate of older people.

Problem: The elderly who are depressed end up in nursing homes.

Solution: Help older citizens live in their own homes.

Solution: Why doesn't Minnesota expand home care expenditures from 1% to 2% and you will save money. Home care should not be the stepchild. Our home care agency lost \$125,000 last year in providing home visits. It cost \$100 per visit and we are only reimbursed \$61.73 per visit.

10. Insurance Breaks

Solution: Car insurance gives us a break if we take safety classes. Why can't health insurance give us a break if we take classes for prevention of health problems?

11. Self Monitoring

Solution: People should take their own measures (blood pressure, glucose) and self monitor at home.

12. More Walking

Solution: Add sidewalks in new community developments to promote walking.

B. SAY NO TO TREATMENTS

Problem: People go along with doctor's recommendations even if the treatment is excessive.

Solution: Monitor doctors and show personal responsibility by saying no. Be ready to question doctor's recommendations.

C. EVIDENCE BASED MEDICINE

Problem: Evidence based medicine has multiple meanings including:

- a) Its political nature because Medicare decides what is evidence based and Medicare is the federal government;

- b) It may harm people with significant disabilities or those who are regarded as outliers;
- c) Different disciplines have different definitions;
- d) Not every condition needs evidence based surgery (sometimes nutrition works as well)
- e) The larger picture includes acupuncture, herbal teas, and natural care/alternative methods not just evidence based medicine.
- f) I would rather have a therapeutic massage compared to muscle relaxants. Let's embrace other treatments. "It's not in the plan may mean you are actually throwing away money."
- g) Don't forget the cultural dimension of alternative medicines.
- h) Let's not call these things alternative medicine, let's call it integrative medicine or healing. Engage people if you want to heal people. The patient is a person.
- i) Evidence based medicine means standardizing protocols to drive toward error free medicine. It means computer-assisted diagnoses. A recent *Wall Street Journal* article discussed a woman who went to 10 MRI centers that charged from \$450 to \$4,000 for the same MRI exam; some missed the diagnosis entirely. This isn't like any other market; we have to set standards. There may be too many choices for consumers and stakeholders. To get to quality, we may need massive, draconian actions in order to get higher quality and consistency.

Problem: I oppose evidenced based medicine because 100,000 died from prescribed medicines, more than the Viet Nam War. Where are we getting the evidence? From the pharmaceutical companies that are producing the drugs and producing the results and making profits 3 to 5 times greater than S&P companies? The most recent evidence is hormone replacement therapy that leads to heart problems, stroke, and breast cancer. There is bad or nonexistent research on aspirin used to help with heart conditions. Lots of medicine is not evidence based.

Solution: Be careful about evidence-based medicine and seek a common understanding of the term.

Solution: Senator Durenberger explained the function for the federal Health Care Research and Quality agency that is severely under funded. “We do have a neutral agency to deal with these issues of evidence based medicine, but it is under funded.”

D. BIG PICTURE ISSUES

1. Dying

Problem: We need better “end of life” management, “Everyone wants to get to heaven, but no one wants to die.” Can we have quality of life without spending tons of money (a 95 year old doesn’t need a heart transplant and an 83 year old doesn’t need \$12,000 in dental care)?

Problem: We under- appreciate death as part of living.

Solution: Offer comfort care and deal with end of life issues.

Problem: No one has been taught how to die at home; when people do not know how to do it then people go to hospitals first, then into hospice, and then die.

Solution: Encourage people to complete advance directives so that people know what you want done/not done for end of life decisions.

Solution: There is an ethics to futile care. A nurse may be the first person to let someone know they are dying and need hospice; they do not know about hospice.

Solution: Everyone should have DNR orders on their driver’s license or tattooed on their foreheads.

2. Educators

Problem: Medical doctors are not the best educators for patients.

Solution: Nurses are providing the teaching to patients, they are the bridge for 90 percent of the people who cannot understand the doctors.

3. **Environment and Health**

Problem: Pesticides, preservatives, genetically modified foods, irradiation, and herbicides are affecting hundreds of thousands of people who have weakened immune systems. Doctors do not take patients seriously and act like we don't know our own bodies.

Problem: Air and water [quality] have an impact on health.

4. **System Issues**

Problem: We need a definition of health.

Solution: The World Health Organization defines health as a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.

Solution: A 1978 Primary Conference in Russia provided a broad definition of health.

Problem: If you use a social determinant model of health, then you look at issues differently. For example, the life expectancy of a black male in Washington DC is 57, in Ghana it is 59 years, and in Bangladesh it is 60 yet the US spends 200 times more money.

Problem: In London, the signs read "Don't smoke, but if you do, practice moderation." "Don't drink, but if you do, practice moderation." How about "Don't be poor, but if you are, try not to be too poor." Or if you have to live in a poor neighborhood, try to live in a neighborhood with a Walgreen's.

Problem: The medical system is driving more and more decisions, then they call the situation an ethical issue.

Problem: Let's look at our language: consumer isn't a good word, participant & learner are better words.

Problem: We are sending money to Africa to help pay for HIV/AIDS drugs, but we require copays in Minnesota which may prevent people from getting the necessary prescriptions for HIV/AIDS. This does not make sense.

Problem: Flu vaccines are in short supply because there wasn't enough profit. There is no incentive to prevent fires in our system. We pay well for patching up people and taking out organs, but we do not pay for prevention.

Problem: Health care reform is like trying to get to Mars using an internal combustion engine with one tank of gas.

Problem: We don't have a health system, the system isn't equitable, fair, cost effective nor are we working together. We would never create the system we have. This is Rube Goldberg-complex, discriminatory, expensive.

Problem: Multiple Chemical Syndrome is accepted by the ADA, SSA, and HUD, but isn't recognized by Medicare or Medicaid, or traditional health care providers. I cannot get access to testing and treatment protocols. There is no equal access and consistency for my condition.

Problem: Medicare is portable but other types of coverage are not. Example of a sister who couldn't get the proper diagnosis and went outside of her health care system. Eventually she was diagnosed in a small community hundreds of miles away from her home in Eagan but she had to wait months.

Problem: The # 1 problem told to me by the Superintendent, small business owners, and retirees is health care.

Problem: Past Health Care reforms have failed because reform has not been systemic. "Please do not give us a box of band-aids."

Solution: The panel should not look at one small thing, be systematic and systemic. Look at the big picture, but please do something!

Solution: We do want health care for all people including low income and those who are homeless; all must be involved in the solution.

Solution: We need to pay taxes to cover people who are uninsured.

Solution: Local communities can host their own meetings to ask the questions about why health care costs are increasing.

Solution: It is the 21st Century, we need comprehensive and systematic reforms that include delivery, regulation, and financing at all levels and the how's and the where's.

Solution: Break the monopoly of access and financing a hospital-based health care system that is acute and episodic. Seek a different model.

Solution: Provide access to health care for all who need it.

II. ACCESS

A. CURRENT PROBLEMS WITH UNINSURED

1. Rights

Problem: Is health care a right or not? It might not be stated in the Constitution, but I think it is a right.

Problem: “We have what you don’t have” needs to be replaced by “everyone does better when everyone does better.” Free market does not lead to the common good.

Problem: There are many people who do not have insurance, who cannot afford insurance, who wait for long periods, and who go to the ER; those who have insurance are paying for those who do not. This is a vicious cycle; it is reactionary and all we have are band aids for symptoms without fixing the root cause.

2. Universal Coverage

Problem: Minnesota does not have a commitment to universal health care; we must be committed; we must do something.

Solution: We need to support basic health care and universal care that provides respectful care. Basic coverage would include treating basic conditions such as sore throats, asthma, immunizations, etc.

Solution: Universal coverage or Medicare for all people. Universal coverage needs to be out front because it will enable more money for care (the root cause of problems is not delivery, it is funding).

Solution: According to a recent ABC poll, the majority of Americans want universal health care.

Solution: We need universal health care.

Solution: All children up to age 22 should have free health insurance.

Solution: At least begin with coverage of all children. Minnesota should show how it should be done. We need Medicare for all, single payer, not tied to employment status.

Solution: Eliminate health disparities and you will bring down costs. We need one comprehensive model.

Problem: We don't have Minnesota Care, we have "Who cares?" coverage. The Health Plan gets the money, but I am treated differently because I am an African American male.

Solution: Kucinich has the best single payer plan. Savings from single payer would offset costs of covering everyone.

Solution: The Lewin group studied three states and they concluded that all people could be covered, costs would decrease, fairness would increase if we had a universal

system. There are multiple studies including PNHP, GAO, CBO, and Institute for Economic Policy that supports universal coverage.

Solution: Minnesota should take the initiative, be progressive, and pursue universal coverage. How can we be this rich and not have health care for all; it is unconscionable.

Solution: We need universal care, single payer, nonprofit Medicare for all. Health benefits must be portable.

Solution: Native Americans want universal health care because we don't have enough funding and we are not meeting needs yet America spends more money on health care than any other country.

Solution: Reduce the band aids such as COBRA, MCHA, SHIPS through a universal program.

Problem: "We qualify for services, but the county says that we cannot receive any services because of budget cuts."

Problem: I have worked all my life and am now between jobs. I paid in all those years and where did the money go? Now I need coverage and I cannot get it. Insurance should not be tied to my employment status.

Problem: My daughter has asthma and attends college. If she takes some time from school to go to work to pay for her meds, she cannot earn enough to pay for the meds and she is uninsured (not covered under her parent's plan).

3. **Health Insurance Problems**

Problem: Health insurance is discriminatory, unethical, doesn't cover preexisting conditions, is based on employment status (job lock-several mentions), has

exclusionary underwriting by insurance companies, is high cost, and has high administrative costs, etc.

Problem: Health insurance is a medical model; we do not have a consumer driven model of health care; consumers do not control their own destiny.

Solution: We need to assure insurance for all even if people pay one dollar or a sliding fee scale to get health care.

Solution: We need more Spanish interpreters in all health care agencies.

Problem: It costs more if an employee has dependents; isn't this the opposite of groups espousing family values? We are more like Communist countries, some people have access and others do not; who has access to Mayo? I don't. How can we export democracy to Iraq but not solve our health care problems here first?

Problem: We are selling insurance rather than health care. A Duke University study found there were more people in the billing office than doctors, nursing, and technicians working with the patients during the same time period.

B. ADMINISTRATIVE INEFFICIENCIES

Problem: Insurance has 30 percent administrative costs and Medicare has 3 percent administrative costs. Why?

Problem: We pay more money for processing paper than in providing care.

Problem: The preauthorization process for Medicaid is so lengthy that some people die before receiving the needed equipment.

Solution: Can the Department of Human Services shorten the preauthorization process?

Problem: There is a lack of communication among specialists and general practitioners which is driving up costs including:

- a) Records not being sent;
- b) Five unnecessary x-rays charged to MA;
- c) Treating people like guinea pigs.

Problem: Counselors need check ups from the neck up.

Solution: Listen to the customers; why aren't we having more team meetings to save money and improve communication.

Solution: Reduce duplicative costs of equipment and inappropriate competition (seven MRIs in one city).

Problem: Why is there so much competition between St Luke's & St Mary's that are literally across the street in Duluth?

Problem: DRGs mean race the clock, how soon can we get the patient out whether they are ready or not.

Problem: Be careful with the recommendation about electronic technology, don't make health care workers do this instead of taking care of people.

Problem: There is no connection between bills, costs, and services delivered.

C. ASSISTIVE TECHNOLOGY/HEARING AIDS/GLASSES

Problem: Access to assistive technology is discriminatory in Minnesota by race, gender, and type of disability. African American females with disabilities are unlikely to receive assistive technology compared to any other group.

Problem: Assistive technology can be used to prevent someone from entering a nursing home. Why do we pay for

nursing home care, but not for equipment, hearing aids, and devices to assist people to stay in their own homes?

Problem: My son has Down Syndrome and we have received help from Medicaid, but when he needed hearing aids & glasses we had to make do, work around, beg, borrow glasses & aids because of problems with MA.

Problem: The elderly who cannot afford hearing aids can become isolated and depressed leading to other health concerns and loss of independence.

Problem: People who can't hear are at a greater health risk because they are not communicating effectively with health care personnel.

Problem: The average age of hearing loss is now 55; it used to be 70.

D. LACK OF DENTISTS

Problem: The number of dentists in four towns in Southwestern Minnesota has decreased from 20 to 10 in only a few years. North Dakota has had no new dentists last year.

Solution: Do something to reverse this trend.

E. WORKER'S COMP

Problem: Some employees are telling us that they plan to file a worker's comp claim because it will be covered rather than rely on health care coverage.

Solution: This doesn't make sense to use worker's comp because health insurance isn't available.

F. STATE UNION COVERAGE

Problem: Why does one state bargaining group (IFO) receive free dependent coverage and all other bargaining groups do not. Why?

G. RURAL ACCESS

Problem: According to a U of MN study, access is not a problem in rural areas.

Problem: Remember rural primary care and long term care issues differ from metro areas. Rural areas receive less reimbursement, have longer distances, greater outcomes and may be more cost effective.

Problem: Rural areas have shortages of nurses, pharmacists, dentists, doctors, and a variety of technicians. So rural areas are paying for pool employees. There must be a better solution.

Solution: Telemedicine works at Leech Lake.

Solution: One way to equalize access is for pediatricians from the metro area to contract once a week to deliver health care on reservations or in rural areas. Demand is down for pediatric care in the Twin Cities so doctors aren't seeing as many children.

Problem: Reservations do not have space for more practitioners. The buildings are older and need to be upgraded or replaced.

H. PERSONAL RESPONSIBILITY

Problem: No society can provide everything for its members. Some people seek maximum treatment at the end of their life because "everything must be done." Expectations are too high.

Problem: We have spoiled people with 5 – 10 percent copays; we need to increase personal responsibility. The consumer is disengaged.

Solution: Everyone must be more accountable and personally responsible.

Solution: Educate the public not to overuse services.

Solution: All of us should do the right thing; all of us should take responsibility to save money.

Solution: The consumer should become the purchaser of insurance.

Solution: Art Caplan said that if every health care provider would “adopt” 2-3 people to see that kids get immunized, adults get flu shots, people get checkups; be a guide to others then we can begin to solve the problems. If we assure that people receive treatments, then we can reduce total health care costs.

Solution: Personal responsibility is blaming the victim; why aren't we also looking at institutional responsibility and moral responsibility?

I. INSURANCE CONNECTED TO EMPLOYMENT

Problem: Health insurance is connected to employment. Individuals are not able to change jobs especially if a child with a disability is born (preexisting conditions).

Solution: Disconnect health insurance coverage from employment. Health care costs are an albatross on the economy and on employers. The cost of an auto made in Detroit is \$1,000 higher than the cost of an auto made in Windsor, Ontario because of the cost of health care.

Solution: Let all employers get into larger purchasing pools.

Solution: Each citizen should be required to carry insurance similar to the requirement for carrying vehicle insurance. Everyone should be required to carry major medical insurance with a \$1,000 deductible.

Solution: Expand employer based insurance and expand individual purchasing of insurance.

Solution: Expand the use of Medical Savings Accounts and tax credits to enable lower income people to purchase insurance.

Problem: Employers cannot pay for individualized plans but must buy group coverage. We have “group-itis.”

Problem: Employers are collapsing with the costs of health care.

Solution: Allow employers to buy individual plans not group coverage.

Solution: Encourage purchasing pools for small businesses.

Problem: What is the American Health Care System? The only answer is “it depends.” It depends if you are a Veteran or an American Indian or a poor person or an employed person. The American Health Care System is unfair.

J. RETIREMENT DELAYED

Problem: Older people are working past retirement age because of health care benefits and so younger people cannot get jobs. After retirement, insurance is taken out on an after-tax basis. Before retirement, it is a pre-tax basis.

K. LONG TERM CARE INSURANCE

Problem: Medicare and Social Security were created when life spans were shorter.

Solution: Encourage people to buy long term care insurance rather than thinking Medicaid will pay for nursing homes.

Problem: Over 280 million people do not have any coverage for long term care for people who are disabled or aging. Something is wrong, when you have to be impoverished before you can get help with long term care.

Solution: Why not work with Wisconsin and Michigan to come up with a pool large enough to experiment with long term care? National Long Term Care needs Minnesota leadership.

Problem: The nursing home industry has systematically put people away for profit. There is millions in profit. The

Minnesota safeguards (Dept of Health, Ombudsman, Professional Boards) have not acted on my complaints against the nursing home and psychiatrist who kept my mother in a nursing home against her will.

L. SPECIFIC POPULATIONS AND HEALTH CARE

Problem: You get different services based upon how you look.

Solution: The Dept of Health and Human Services has a 14 point document outlining culturally and linguistically appropriate services; if we adopted these 14 points, then we can reduce costs.

Problem: Anyone who is in a prison is at risk. There is one psychiatrist per 100 prisoners; no one sees a mental health professional. Those who are MI-CD are self medicating. Our elected officials are fools and insulated. We should be helping those who have the least.

Problem: Prisons fail to diagnose conditions; I know one man who is dying because of poor medical diagnosis and treatment.

Problem: Illegal immigrants are very worried about their children born in the United States; they are afraid. Is the Human Rights Act being violated? Is the United Nations Human Rights Declaration being violated?

Problem: My child with a disability (epilepsy) cannot get services.

Solution: We need to take an assets-based approach to health care rather than a deficit model; Latinos are stronger and healthier; we need a group approach not an individual approach to health care.

Solution: The Robert Wood Johnson Foundation has funded navigators and advocates to help families deal with the complexity of the health care system; the navigator should improve understanding and simplify the system.

Solution: We need community people who know health but do not have credentials and have them serve as navigators and advocates. The person can be a bridge, but they have to look, walk, talk, and be like us to be credible.

Solution: We support accreditation of Latino interpreters; we need more health care professionals who are Latino.

Problem: Demand for services at our clinic in Nett Lake has increased, but 40 percent of our needs are funded. The Bemidji office verified the same list of access problems and stated that there were no increases in federal funding for the past few years so that more people were now being served with no increase in funds.

Problem: Some Native Americans are moving back to reservations to get employment at casinos and because they cannot get health services in urban areas.

Problem: At Nett Lake we can only provide emergency services for mental health issues if the person poses a threat to self or to others.

Problem: We are faced with the problem of what do we do with limited resources on the reservation: do we give meds or inpatient care or mental health and behavioral health? What do we cover?

Problem: My son has a serious mental illness that began in February, the mental health system is overwhelming, alternative medicine is not covered; we had to complain to the Health Dept because our son was sent to a network provider who did not have the therapy my son needed. He needs to take his medicine. It is a crime. I don't want him out of the street.

Solution: Pay for the meds even if it costs \$500 a month because it is less expensive than civil commitment. Health Services and Social Services must work together.

Problem: My wife was made to wait to deliver her baby, finally I said, the waiting time is over, I know the CEO of the

insurance company. She was immediately taken into the hospital. We have an issue of “Medical Justice” in Minnesota.

Problem: There are technical exclusions of people from health care such as recent immigrants or the legality of citizenship.

M. INFORMATION

Problem: If you already know about services and what is available, then you know the questions to ask and you know how to seek help.

III. FINANCING

A. ECONOMIC DEVELOPMENT/HEALTH CARE

Problem: Health care is deeply intertwined with our economy. If we solve the health care problems, then we will not need economic development agendas.

Solution: Create a bare bones insurance plan (strip away all the Minnesota mandates) or allow individual decisions (let each person pick and choose coverage, e.g. Lyme disease).

Solution: Let the basic tier of health care be in the public domain; let private insurance provide the next tier.

Solution: Acknowledge that there is a two-tiered system; a basic tier (public health care) and a higher tier (private insurance). Can we synthesize one system with the other?

Solution: If we improve health care, then we do not need to worry about economic development.

B. MODIFY INSURANCE PLANS

1. Premiums and Rates

Problem: Insurance rates are increasing, health insurance is becoming unaffordable, a higher percent of

operating costs of business is consumed by health care, and utilization of health care services is higher.

Problem: Small businesses with 10 or fewer employees have experienced premium increases of 15 percent.

Problem: There are many problems with spenddowns, people who earn only a few dollars above the limits, people who cannot get help, and those who cannot get insurance.

Problem: Employer sponsored health care is breaking down. Approximately 800,000 people are on Minnesota publicly funded programs. If we add in all government employees, then 40 percent of health care is paid by government payers.

Problem: We all carry fire insurance and only a small number of people have their houses burn down, but they are covered by their insurance. We have lost some components of insurance with health care because we try to use smaller groups.

Solution: Open up Minnesota to other insurance companies not just the existing three companies.

Solution: Increase deductibles and co-pays.

Solution: Add more copays and more deductibles.

Solution: Encourage medical savings account to cover certain costs and major medical coverage for disabilities.

Solution: Why can't Minnesota own its own insurance company? North Dakota does.

Solution: Oregon has assessed personal taxes (0 to 8 percent) for businesses which enables universal coverage. Another witness countered this statement.

Solution: Lower liability insurance rates.

Solution: We are either going to have universal coverage or open market approaches. Universal coverage will save administrative overhead.

Solution: Individuals should be able to join purchasing pools.

Problem: However, a Walmart worker making \$8.00 an hour cannot be in the market to shop for health care.

Solution: Move away from first dollar coverage.

Problem: Every person is paying for health care either by paying taxes (public programs) or by paying for benefits (private coverage) or paying prices for goods and services. Probably 95 cents of every health care dollar comes from our own pocket. We are already paying for universal health care, we just aren't getting it.

Solution: Universal health care is publicly funded, not publicly run. How much do we want to spend? We spend twice as much as any other country, the most in the world, but 45 million individuals are uninsured.

Problem: Follow the money, your health care is being dictated by stockholder dividends and Wall Street analyst buy/sell advice.

Problem: I own a family business with 4-12 employees and I own a business with more than 50 employees and I am eligible for Medicare; the cost is \$160 a month for 4 employees and \$690 a month for over 50 employees; what a hodge podge of subsidies.

I am told this is my primary coverage and this is my secondary coverage (holding up different cards) depending upon which employer card I use in combination with my Medicare card.

Solution: Go to community ratings not individual ratings because employers are probably looking at employees unfairly with this type of cost discrepancy from \$150 to \$1000 based upon individual ratings.

2. Single Payer Problems

Problem: Single payer has a steep price. For example, the Mayo plan is similar to single payer, but the costs are \$9,282 per person per year. On average, the US plan costs \$5,938. Can we afford single payer?

Problem: Implementing single payer needs to be studied carefully; there will be a huge impact of dislocated workers, reduced wages, higher unemployment, reduced social security, etc.

3. Consumer Driven/Consumer Directed

Problem: Regulations prevent consumer driven health care.

Solution: Federal waivers are expiring soon, so now is the time to do something big and bold; let's go with consumer-driven, market based approach.

Solution: We have had excellent experience with consumer directed community supports for our son with developmental disabilities. Consumer direction has increased quality of life and lowered cost. This program is funded by Medical Assistance.

C. REDUCE ADMINISTRATIVE COSTS

Problem: Administrative costs are too high. The current system costs \$200 billion in administrative costs.

Solution: What is the true administrative costs of the health care system. Can we cut the administrative costs by streamlining processes?

Solution: Insurance companies need to agree on medical coding and modifiers. Use a common software system that allows insurance plans to talk to each other.

Solution: Use standardized forms to reduce administrative costs.

Problem: We have a medical mafia, it is corrupt, it is a gang of 3 evils. We have to choose the lesser of 3 evil health plans. The citizens are fleeced and powerless. We need common sense coverage.

Problem: More money is spent on paperwork compared to caring for people.

Problem: What percent of money in health care is used for administration and what percent is used for care and treatment? Senator Durenberger answered it varies, but 25% of all health care expenditures may be administrative; while 3% to 4% of Medicare may be administrative, however, there is probably cost shifting occurring with Medicare.

Solution: Why not use administrative caps? Senator Durenberger answered because people will then spend up to the cap.

Problem: Are health care organizations audited? Michael Scandrett answered that they are audited by the Departments of Commerce and Health. The Attorney General has also audited health care organizations.

Solution: Why can't every person carry a "smart" card that holds all personal records to reduce paperwork? This would reduce paper records.

Problem: Professional credentialing is costly and inefficient. Smaller providers have to pay \$250-\$400 per doctor on staff or in consulting capacity to verify credentials every few years. This can be done less expensively.

Problem: Be careful about what you are doing; don't create the VA administration where we create more vets everyday but we cut funding.

Problem: Symptoms are treated with drugs rather than taking the time to make a diagnosis. Example of an individual who

saw four doctors in one year before being referred to a specialist who diagnosed her illness, treated it, and cured her in three weeks.

Problem: A doctor may see a patient four times when one longer visit with a thorough assessment would have achieved a diagnosis and prevented further shorter visits.

Problem: What are health care costs compared to GNP? What are the true costs? We need full cost accounting. Hidden costs are being borne especially with lost productivity.

Problem: If America wants to pay for something then there is an impetus and the money is found. It seems as if people who have disabilities and those who are senior citizens are unpopular causes. Don't just produce a report, do something.

Problem: Physicians ask do you have insurance? If not, then care is less quality. If you have no insurance, you actually pay more.

D. 2003 LEGISLATIVE ACTIONS

Problem: Cost shifting to private pay residents in nursing home; residents are being charged \$2,000 a month (\$149 million to go to the general fund) and they are calling it a fee because of the no new tax pledge. Why are we picking on the most vulnerable people? These people are already losing their farms going into nursing homes.

Solution: Take away this surcharge, the elderly deserve our care.

Problem: The Legislative actions that increased co-pays, deductibles, cut services, cut Minnesota Children with Special Health Needs (MCSHN), and reduced Minnesota Care is coming at too high a price. The price of no new taxes is too high, my life has not improved because of tax cuts.

Problem: The 2003 Legislature placed a limit of \$500 on oral health care; added co-pays and I cannot afford them.

Problem: The new mental health caps are terrible; shame on Minnesota.

Problem: Co-pays increased for people with disabilities as a result of the 2003 Legislature. These individuals cannot afford these co-pays.

Solution: Reverse this action in 2004.

Problem: MCSHN treatment funds were eliminated. These funds are for children who do not qualify for any other program.

Solution: Restore MCSCHN funds by having the 2,000 enrollees pay \$50 a month in premiums or \$34 a month if 3,000 enroll. Use existing administrators for Minnesota Care to handle the paperwork.

Problem: Increased parental fees are crushing families. We paid \$25. a month last year and \$537 per month this year. Don't forget why we are supporting families; we pursued this policy to increase quality of life for families.

Problem: Why did my parental fees double for my child with disabilities?

Problem: Parental fees have increased hundreds of percent; add these fees to the increase in health care costs and it is very difficult to keep families together.

Solution: Reduce parental fees.

Problem: As a parent of a child with chronic illness, out of pocket costs have tripled.

Problem: Parents cannot pay TEFRA fees so that they are reducing or stopping therapies, postponing surgeries, and not purchasing medications.

Problem: Because of an increase in parental fees, families are giving up their waivers and their insurance is inadequate so the children with disabilities are suffering.

Problem: Adults with disabilities are making too much money to be eligible for Minnesota Care, but work too few hours to get benefits or may not be disabled enough to get Medicaid.

Problem: The Legislature exempted meds for children and mental health from any co-pays but the pharmacies do not know about these exemptions.

Problem: The Legislature cut funds for Fetal Alcohol Syndrome training through the Dept of Public Safety. We are not investing in basics such as prevention and training.

Problem: Parents of children with disabilities are bearing a disproportionate burden (23% of all new fees collected by the State of Minnesota are borne by families who have children with disabilities).

Problem: We have three kids, two have disabilities; one has had 30 surgeries and one has had 100 hospitalizations. We had no parental fee, then \$25. per month and now we have to pay \$600 a month plus the insurance premiums have increased so we are now paying \$900 out of pocket. We are trying to keep our kids at home, but we had to take a home equity loan out to pay for our parental fees; we cannot give up our waiver, but we cannot afford the out of pocket costs. This isn't working for us.

Problem: We had our parental fees increase to \$1,300 a month, but if we moved across the bridge to Superior, Wisconsin then we could get services. This is a federal program, perhaps it needs to be regulated uniformly across the states and administered more fairly.

Problem: The Minnesota Legislature hurt access to basic services, especially individuals who have brain injuries, those who are Latino, I see the suffering everyday.

Problem: The Legislature made cuts to Minnesota Care and the US Senate offices received many calls because no one knew where to call. The Legislature also cut diabetic supplies and test strips; now patients will have to go to the ER. This does not make sense.

Problem: Why were cuts made in prevention? People who have HIV/AIDS need their medications and the new co-pays may prevent people from getting what they need. We will be hurting in five years from these actions.

Solution: We need performance reviews for elected officials. We need metrics for all 50 states on health care indicators then measure how public officials vote on issues such as prenatal care, immunizations, etc. Then hold people accountable for their votes.

E. UNDERWRITING

Problem: Underwriters are trying to get information about costs before quoting prices and that's not right.

Solution: Can something be done to prevent this type of researching?

F. PRESCRIPTION DRUG COSTS

Problem: The price of (specific drugs named) has increased five-fold or greater in the past two years. This increase is unconscionable.

Problem: Drug prices skyrocketed because the HMO/insurance companies have been abject failures. No one cared 15 years ago what meds cost so there was waste (we didn't count the pills, we had \$4.50 month endless supplies of meds). Now the waste has caught up with us.

Problem: Drug markups occur because there are eight distribution centers before the drug arrives at your local pharmacy.

Problem: Drug companies are using safety scare tactics, but both Canada and the European Union have strict regulations; we cannot trust our own FDA because the FDA is controlled by the drug companies. Do not allow the FDA to veto reimportation.

Problem: The FDA needs to look at the contents of Minute Maid orange juice because there are at least 7 countries mentioned including Turkey which borders Iraq and because of the porous border there may be weapons of mass destruction in our orange juice.

Problem: The drug discount card is the worst approach because the discount comes from local pharmacies not the drug companies.

Solution: The best drug coverage would be creating one large purchasing pool for everyone.

Solution: Importing drugs from Canada will drive down prices and reimbursements which mean government expenses will go down which will help Medicaid and Minnesota Care costs.

Problem: Novac costs \$200.36 (MN) and \$148.63 (Canada); Privacid costs \$292.00 (MN) and \$179. (Canada).

Problem: You must do something about drug pricing because I have people who are elderly who cut their pills in half, take their pills every other day, and choose between food and pills. The Medicare legislation just passed by Congress will not solve the problem.

Solution: Why not try Dell-direct model for selling drugs?

Solution: A price control board.

Solution: You cannot sell any drug more than 10% higher than Canadian prices.

Solution: Minnesota and North Dakota need to work on drug pricing together.

Solution: If insurance companies can bargain and dictate with doctors, why aren't they doing that with drug companies?

Solution: Keep shopping for your prescriptions, go to Costco and save \$30 for the same eye drops.

Solution: If we can import orange juice from Brazil, we can import drugs from Canada.

Solution: The elderly need our help not biotech companies; the Pawlenty drug plan should not be blamed for scaring away biotech companies.

Solution: The State of Minnesota should use its own power to negotiate better drug prices.

Problem: Marketing of drugs has become obscene.

Solution: Can we reduce the length of time for intellectual property rights to get to generic drugs faster?

Problem: If drug costs are a problem in the US then keep the problem here. Do not go to Canada to solve an American problem.

Problem: The economy and jobs are affected by drug costs and health care costs.

Problem: Mail order prescriptions will take money away from local pharmacies and have a devastating impact on Minnesota.

Problem: How will the Medicare bill impact on the Governor's reimportation plan? Senator Durenberger answered that the bill prohibits reimportation of drugs, except with FDA approval, from Canada.

Problem: The taxpayer pays for the research and development costs of pharmaceutical companies; we are suffering by their inflated prices and ads that drive consumption.

Problem: First we are told that the flu will kill you, then we go to get flu shots and are told there is a limited supply, we ran out, we have to make more vaccine. Then I watched the price of the stock go up. This is big pimping.

Problem: Profit is based on sickness not wellness.

G. REGULATIONS

Problem: The problem is government, HIPAA is burdensome, Medicaid requirements are onerous, and there are conflicts between CDC telling us to use disposable equipment while the next day EPA comes in and says reduce your waste. “Which one do I lie to first?”

Problem: Regulations are burdensome. It costs more to do the paperwork than to provide the care.

Problem: State and federal regulations are often duplicative.

Solution: Reduce regulations.

Solution: Reduce duplication, excessive regulations, paperwork, and unnecessary processes.

Problem: There are only four people statewide who enforce pesticide usage; that isn't enough for all the workers in the fields.

H. COST SHIFTING

Problem: There is less Medicaid and Medicare in rural areas so there is cost shifting occurring.

Problem: There is a vicious cycle of rising costs and increased numbers of uninsured which keeps escalating. No one can afford health care.

Problem: Home Health Care Companies are becoming used car salesmen trying to talk older people into placing liens on their homes in order to get in-home support.

Solution: Warn people about these practices.

Problem: There is a delay in getting Medicaid payments if the person is also eligible for Medicare. First you have to wait for Medicare denials before Medicaid pays. Waiting can lead to hospitalizations, use of the ER, or death.

Problem: Our family carries both insurance and Medicare because we don't know what is going to happen; we don't dare drop any coverage.

I. WHERE IS THE MONEY GOING?

Problem: Where is the money going?

- a) Minnesota is spending \$21.5 billion on health care expenditures.
- b) One family spent \$10,000 for insurance premiums but only had 10 office visits; why did the premium increase 25 percent; where is it going? Who is regulating the insurance companies?
- c) Vioxx costs \$100 and Motrin costs \$10, the quality and efficacy are the same but Vioxx does have certain side effects such as bleeding. As a physician, I want to prescribe Motrin rather than Vioxx based on costs.
- d) Elderly parents had skyrocketing premiums and now they are uninsured; when dad cut off his thumb in an accident, he asked that it be sewed back on even if it is unusable because he could not afford a specialist.
- e) The Department of Health has excessive regulations for people with developmental disabilities requiring testing when there are no symptoms.
- f) One doctor reported receiving the same payment for 10 office visits as for a vasectomy (we undervalue primary care and reward specialties and surgery).
- g) Immunizations-the most costly way to get immunizations is to go to your clinic but that's how we do it because insurance pays. Why aren't we using a public health approach (open door, stand in line for shots)? Flu shots at the clinic cost \$50. compared to \$10 by a public health nurse.

- h) A few years ago Minnesota Medicaid paid \$500,000 for a bowel/liver transplant because Minnesota did not provide that procedure. The family went to court and won and Minnesota had to pay Pennsylvania for the transplant.
- i) I cannot afford the cost of health care that has quadrupled the rate of inflation.
- j) Trying to navigate insurance company telephone systems for two hours to determine coverage is grossly inefficient.
- k) Why does one aspirin cost \$20.00 in the hospital? Is it greed? Profit? Administrative costs?
- l) People in need of mental health services use emergency room services more.
- m) Mental health issues require more hours of service.
- n) What are the actual profits of insurance companies? What are the actual costs of health care? When you find out, then get the information out there for everyone.
- o) The Medicare web site lists what they pay for health care services, but the private sector does not disclose what they are paying.
- p) Why do we have to have a MD sign an order every 30 days to access physical therapy, especially when the person has a disability that is chronic. That costs money.
- q) My master's thesis looked at costs; and costs spiked after 1965 when Medicare and Medicaid passed Congress. HMOs created another layer of money going into pockets of millionaires. The salaries of the professionals have stayed the same or decreased, but profits are up; let's reorganize by setting priorities.

J. WASTE, FRAUD, AND EXCESS

Problem: There is waste, fraud, and excess costs in the system including:

- a) There is no common record system across all agencies that would save money.
- b) UCare pays for oral surgery but not filling cavities.
- c) Medicare pays for motorized carts that aren't needed.
- d) Medicare paid \$3,000 for home health aides and nurses who didn't show up to provide care, my mother would have been better off staying in the nursing home; at least she would have received care.
- e) CEOs and administrative staff are paid very high salaries. Some witnesses called the salaries obscene.
- f) The new Medicare bill passed by Congress is corporate welfare.
- g) The World Trade Organization General Agreement Trade Service hurts democracy; widens disparity; and privatizes services with Berlin and Brussels running our world.
- h) Allina built a high price headquarters.
- i) Insurance company ads are on prime time TV, why? Employees cannot choose their insurance plans only employers choose.
- j) Freeze the pay, limit profit margins, close the loopholes. Why is insurance profit 63 percent? Why are we so concerned about business and not about people who are old or sick?
- k) Why aren't we being more draconian if we are billed for something not delivered?
- j) Why do I need to get a carpal tunnel brace for \$85 through insurance when I can go to Kmart and get it for \$20? I have a deductible of \$750 so I'm paying for it either way.

- k) Why do I need two physical exams for my school bus driver license?
- l) Our entire school was tested for strep throat and 25% had it. But why did we go to a doctor, then go take a strep culture, and then go back to the doctor? Why not just go for the culture and then the doctor if it was positive? It was a three ring circus for a half day with no progress.
- m) I had a seizure and was taken by ambulance two blocks to a hospital. It cost hundreds of dollars; I could have taken a cab for \$5.00. I looked at my bill and I was charged \$250 for wheeling, that means taking me from one area to another in a wheelchair. This is extortion and theft. It isn't a Hippocratic oath, it is a hypocritical oath. Stop patting Minnesota on the back. We are treated poorly.
- n) The salaries of CEOs is a serious problem. They are grossly overpaid in the name of health care. How can they make millions of dollars; it is unconscionable when we have people living on the street, people who are uninsured, and workers making next to nothing. CEO salaries should be capped at \$500,000.
- o) There are too many hoops; you have to stay in the hospital for two days because that's what insurance will pay for. We are milking insurance companies.
- p) You can save money with nurse practitioners. At 1800 Chicago Avenue, there is a nurse practitioner who runs detox and has saved hundreds of thousands of dollars by teaching people to stay sober.

Solution: Reinstate the Health Planning Agency with certificate of need requirements which ended in the late 1980s. This will reduce the unnecessary purchase of equipment (helicopters/MRIs). Once the MRIs are purchased then groups need to use them leading to unnecessary tests and treatments.

Consumer driven health care is all talk, has worse paperwork than traditional insurance plans. My son was mugged and we did not prosecute his mugger. We have been in a fight with the

company because they do not want to pay for the costs of the CT scan, ambulance, observation, etc.

K. DRUG COMPANY RESEARCH

Problem: Drug companies are spending lots of research dollars on marketing including:

- a) People buy drugs advertised on TV and often the effects are contraindicated with their prescription drugs. Ban ads for medicines.
- b) Taxpayers should not be paying for marketing research of drug companies that drives up costs.
- c) My son visits a psychiatrist and every item in the office from clocks to pens carry a drug label, too much money is spent on advertising.

Problem: The total cost of heart transplants has increased from \$80,000 to \$120,000 because of drug interventions.

Problem: The FDA slows the system by taking six to seven years to get a new product on the market, raising the cost of products that have a short patent.

Problem: The rising costs go along with rising benefits, quicker recovery, and better health maintenance.

Problem: FDA barriers – herbs not regulated by the federal government are not allowed.

Problem: Modalities that don't require a patent are not considered because they are not "money making drugs."

L. MEDICARE RATES FOR MINNESOTA

Problem: Medicare rates are discriminatory to Minnesota because the rates were set at a time when Minnesota provided care at lower costs than other states, we were a smaller state than New York or Florida and so we are now at a historical disadvantage.

Solution: Seek federal equalization.

M. REGIONAL ADMINISTRATION NOT COUNTIES

Problem: Duplication of 87 counties, high administrative costs.

Solution: Adopt nine regional boards of governance rather than have 87 counties.

N. MALPRACTICE RATES

Problem: Malpractice costs are increasing with 20 percent of all cases filed going to court and only 20-25 percent decided against the doctor. Nevada rates are \$1,000 annually; Minnesota costs are borne by the people.

Solution: The lawyer losing the case should pay the fees of the attorney winning the case.

Problem: Who is protecting health care providers from frivolous lawsuits?

O. MINNESOTA'S COMBINED POWER

Problem: Minnesota is not using its cumulative power to negotiate better prices.

Solution: Recognize that all levels of government have the largest number of employees and sponsor many different health care programs. Use the negotiation power with drug companies and health care providers.

Problem: Minnesota is not using its clout in figuring out what factors are driving costs. Educate all of us about the real costs of health care.

Problem: Schools cannot afford the costs of health care. Today, Minnesota schools are paying \$650 million on health

care, up from \$375 million 3 years ago. It is projected to increase by 16 percent or up to \$1 billion in 3 years. Then it will double again in 5 years.

Problem: One school district example: 123 percent increase in 5 years; teachers are receiving a zero percent raise, health insurance costs \$16,272 for family coverage. One teacher nets \$400 per week less than a spouse who is on SSDI. He can get us insurance coverage at half the cost.

Solution: All 350 school districts should become one purchasing pool with 200,000 school district employees. This pool would spread risk, reduce administrative costs (1 percent would mean \$28 million savings). We need a statewide health insurance plan for all teachers.

Solution: Why not have all school district employees pooled into one insurance pool? 200,000 employees with even a 1% savings in administration will net tens of millions of dollars.

Solution: Why can't there be one insurance pool for county, city, school, and state employees?

Problem: There is one giant insurance company that is setting the pace. Why can't Minnesota use its clout in placing lids on this insurance company?

Solution: You must regulate the regulators.

Solution: People feel powerless because there is no one place to focus anger. People who commit this much waste and mismanagement should be indicted and convicted.

P. COSTS/PRICES/PAYMENTS

Problem: The definitions of cost, reimbursement, price, payment, and discounts. The consumer does not know what costs are for office visits or prescriptions. On average, people visits doctors 3 times a year while some people visit 3 times a week because they can.

Problem: There is no connection between cost, value, and what is received.

Solution: Consumers should be informed of costs and be encouraged to ask for less expensive drugs, make fewer office visits, etc. Third party payers are insulating real costs.

Solution: We need everyone to pay the first \$1,000 or \$2,000 in health care costs and the price will come down.

Problem: The even tougher question we haven't asked, "Are we paying for results or outcomes of any type?"

Problem: Those who have no insurance and are least able to pay are paying full price.

Problem: People will pay money for Harleys, junk food, tattoos, but not \$40.00 for a dental cleaning.

Problem: Recognize the gaming that goes on when insurance companies tell manufacturers to go ahead and keep raising your prices because we need to get a bigger discount in order to get the payment amount.

Problem: If health care deaths were viewed as terrorism, then the US would give \$130 billion to find the answers.

Problem: Costs are driven by several factors that have emerged in the last couple of decades including AIDS patients, more outliers, medications prolonging life, school costs, so don't forget all these new issues.

Problem: We have not matched health care system capacity with individual needs; there is no such thing as competition in health care because no one is competing.

Problem: There are differences in payments between Hennepin and Ramsey Counties, why?

Problem: Why are all problems with health care costs blamed on providers? I am sick of being blamed; go upstream and let's use prevention to keep people out of the health care system.

Solution: Shift your model and you will save costs: midwives get better outcomes, serve those who are underserved, are better and cheaper than traditional Ob-Gyn. But the traditional model has all the power.

IV. QUALITY

A. INFANT MORTALITY

Problem: Some Twin Cities areas have high levels of infant mortality.

B. WORKFORCE SHORTAGES

Problem: There aren't enough workers/staff in health care workforce. We are facing a shortage of 400,000 nurses in the next 10 years. The work force is aging. Few people are entering the field.

Solution: Encourage young people to choose health care as a career choice.

Problem: There is a shortage of psychiatrists resulting in an average of three months waiting to see a psychiatrist.

C. COMMUNITY CARE

Problem: Home care is less expensive than hospitalization, but there aren't enough staff.

Problem: Minnesota is now on the low end of home health care users, second only to Hawaii.

Problem: Only 17 out of every 1,000 people use home health care services.

Problem: We don't need pharmaceutical counseling; we need home care. Let people get their counseling in comfortable surroundings where people are more receptive. The doctor doesn't spend time; the pharmacy isn't a good place either.

Problem: The elderly who are depressed end up in nursing homes.

Solution: Find ways to support people to live in their own homes as long as they can whether it is people with disabilities, disabled vets, or elderly.

Solution: Nurse practitioners should be able to order home care services, but this will require a federal change. We need to get the right provider for the right problem rather than giving too much care.

D. STAFFING ISSUES

Problem: Ratios in nursing homes can be 1 RN & 2 CNAs for 62 patients. The people in nursing homes are sicker than in the past and their expectations are higher. Those employees with the least knowledge and experience spend the most time with the patients.

Problem: The staff cannot afford to work in health care because of health care premiums or no health care benefits.

Problem: There is a staffing crisis looming in the future.

Problem: Aging issues – the average age of a nurse in practice is 46; the average age of a nurse educator is 52.

Solution: Nurses could be used on a short term basis if families could be trained by nurses to provide care; LPNs could be trained by RNs to provide health care checks that are now done by RNs.

Problem: Quality of life issues are being balanced against the number of hours health care professionals are working. Many doctors are no longer working beyond 60 – 80 hours because they want time off.

Problem: We must rethink historical patterns of how people receive health care; there are many alternatives to physicians (nurses, physician assistants, nurse practitioners); 95 percent of

care is given by family members, but what do we do to support this invisible workforce? What training is given?

Problem: Schools that have nursing programs have waiting lists. While funding has been cut for these programs, demand is still there. There is not only a need for funding to provide scholarships but for facilities as well.

Problem: There is a shortage of school nurses; nurses could help manage chronic disease and the need for further care.

Solution: Some of the work that nurses do could be done by nursing assistants and LPNs.

Solution: Look at the total picture; there have to be supportive services after surgery.

Solution: Increase the use of midwives; increase the use of a first level anesthesiologist rather than have two levels of anesthesiologists. The nurse anesthesiologist might be able to handle 90% of all cases. Let practitioners who know what they are doing have less supervision.

Solution: A pediatrician described her employment situation as two certified nurse practitioners who formed their own practice. They have experienced problems in getting payments, being accepted as part of a health care network because there are no MD owners, but our administrative costs are lower. If you want to lower administrative costs, look at this model.

Problem: Dentists do not want to practice in rural communities. “Up north” means Anoka or northern suburbs. We need new people to enter the health care field.

Solution: Minnesota is different because most doctors are spending part of their training in rural communities.

Problem: Do we need more doctors or fewer doctors? When health care consumes 100-% of our GNP, will we then realize we have a problem?

Problem: There is a huge need for mental health, psychiatric, behavioral health, and long term care services (children/adults) on reservations. There are many issues for Indian people including their culture and language being taken away; racism and prejudice leading to poor coping, increased stress and poor health. Only Red Lake has a long term care facility. On the Nett Lake reservation, there are two mental health providers who cannot meet need.

Problem: Do we have problems attracting, recruiting, and employing health professionals who are Native American? YES. There are 500 Indian physicians who are on a national registry. There is one doctor at Leech Lake and a couple in the Metro area.

Problem: We have many professionals who are licensed in different countries, but they come here and are driving taxi cabs and performing menial jobs. Can't the licensing be worked out to be accepted here?

Solution: We need to recruit more people of color to work in health care professions. The Minnesota Dept of Health funds grants to eliminate health disparities. People of color need to see other people of color in health care.

Solution: The University of Minnesota Medical School recruited 55 Indian medical students nationally; 15 graduated, they are still in residency in Minnesota locations. There is potential.

Solution: Any solution must look at each reservation separately because of the unique environment and governance.

E. INNOVATIONS

Problem: Small businesses in Minnesota are developing innovations, but cannot get the attention of health care providers.

Solution: Sponsor a one day fair to enable innovative ideas to come to the attention of top administrators in health care. One example given was a bedside treatment that costs \$300 rather

than going to radiology for the same treatment and paying \$3,000. The overall savings for one group was over \$750,000.

Problem: By 2010, many current practitioners will be retiring; those replacing them are used to new technologies (e-records/recording) and will be demanding greater technology including better connections for communications (broadband/DSL). Proprietary software doesn't talk to each other, so providers have to think about this problem now in order to encourage communications. Broadband has to become affordable.

Solution: The State of Minnesota should fund pharmaceutical counseling which means a pharmacist takes the time to explain the medications, how to take them properly. North Carolina pays for this service and for every dollar spent, they have saved \$3.00. However, most pharmacists have to fill 400 scripts per day so there is no time to do counseling. Pharmaceutical counseling is being covered by a few private insurance companies and a few states.

Solution: There may be too many choices for consumers and too many stakeholders. We may need massive, draconian actions in order to get to higher quality and consistency.

Solution: Doctors working for health care systems should be rewarded with incentives to spend the least amount of time with a patient.

F. WHO TO TRUST?

Problem: The BCBS document called Minnesota Decides concludes that government cannot help improve the system we have; we don't trust BCBS any more than we trust government.

Problem: I was told that synthroid was not good because it is beef based and I could get Mad Cow Disease. I heard that from two doctors. Then I learned it was made from pork.

Problem: Do you have a copy of Oregon's list of drugs by effectiveness: The Panel needs a copy.

Problem: If I am a member of a minority group, I would be distrustful of the system; I would not be interested in learning about the system, then go through a mountain of paperwork, then try to arrange for interpreters, then consider hundreds of other things. We have many stories about cultural incompetency.

Solution: Keep working on cultural sensitivity, proficiency, and be caring, willing to learn, and be trustworthy.

Problem: There is no trust in the system. There are so many barriers including poverty, disappointment, and the mental health system is a joke or nonexistent in this state. HMOs should be here to listen to the town meetings.

Problem: Health care issues at a micro and macro level vary by age, gender, socio-economic status, and race. Decisions must be made from more than one primary perspective.

G. INFORMATION

Problem: Insurance policies are very difficult to understand. Information is also very difficult to get.

Solution: Information should be simple to understand and more readily available. We need accurate, timely, and complete information.

Problem: Large data bases exist.

Solution: Encourage more research on large data bases.

Problem: Customer feedback systems with key questions do not exist.

Solution: Systematically collect data on key issues and then disseminate the information so people have access to information to make better decisions.

H. U.S./INTERNATIONAL COMPARISONS

Problem: Minnesota may be the second best place to live in the U.S. for health care, compared to NH; if we removed racial disparities then Minnesota would probably be the first. There are lots of needs among minority populations, any help you can give will be welcomed.

Problem: Mental health is one of our greatest problems in this state.

Problem: Would anyone in another country trade their health care system for ours? We lag several countries in 16 health indicators. Counter point: The US provides good care, increased longevity, lower infant mortality, greater survival rates for cancer, and innovations such as MRI, laproscopic surgery;

Solution: Anecdotal evidence suggests that large numbers of people come to the US for care.

Problem: In France, over 10,000 people died of heat exhaustion in August because the health care workers there were on vacation.

Solution: In Europe, costs are lower because the time to develop is faster without a FDA.

Solution: Medtronic has done research in Europe where products get to market sooner.

Solution: The Hatch-Waxman bill resulted in a better return on drugs in Europe.

Problem: Western medicine is about management, control, and treating symptoms. European medicine is about curing.

Problem: Canadian doctors have come to practice in Minnesota because they hate the government telling them how to practice medicine.

Solution: The United Kingdom has “disciplined” its patients by controlling the number of beds, number of physicians, what is allowable, etc. American needs to discipline its patients.

I. NEED FOR COLLABORATION

Problem: Isolation, no one knows what is good, better, best practices.

Solution: What if we worked hard to increase education and collaboration so that we can learn from each other. (Example given was telemedicine, home health, use of technology). Even the most fiercely independent communities will need to collaborate in rural areas.

Solution: We may need to use telemedicine to increase access of Native Americans to care; especially for mental health and chemical dependency clinical consultations. There is some federal funding for videoconferencing.

Problem: Nett Lake has two Internet lines, poor phone lines, no cell phones, and we are waiting for wireless connections. The technology isn't here.

J. OTHER

1. Disability Issues

Solution: Minnesota needs to implement the Olmstead, the US Supreme Court decision which states people with disabilities should be served in the most integrated setting. People with brain injuries should not be institutionalized in nursing homes or other institutions but should live in their communities.

Problem: My husband has been in the hospital three times and has also ended up in the ER with no interpreter. Sioux Falls has interpreters available immediately, but not Marshall. Health care is expensive but it becomes even more expensive without interpreters in the ER and at physical therapy sessions.

Solution: Adopt an independence model rather than a dependence model. Don't let social services make you dependent on the system.

Solution: Service dogs and companion dogs are very helpful to people with disabilities.

Solution: It is important for mental health consumers to meet others, make friends, and keep people out of hospitals.

Solution: Minnesota Disability Health Options is a pilot project that explores appropriate treatment.

Problem: Intensive behavior therapy was passed by the Legislature and this therapy works for individuals with autism as evidenced by my son's improvement from rocking and self-stimulation to attending regular education classes. There are numerous barriers including no implementation, delayed funding, providers not getting reimbursed, and parental fees problems.

Other

I have worked in health care and media for 30 years. Drug companies have 18 percent profits, but media execs must make 40 percent profits or they are fired. We need to train new journalists to cover topics such as health care. Why isn't every major media outlet here tonight listening? There are great sound bites, at least five major stories. Please contact your news directors and write letters to the editor.

We do not have a health model we have a medical model, because the media perpetuates medical (new drugs and new technologies).

EMERGENT THEMES FROM TOWN HALL AND OUTREACH MEETINGS ADDRESSING HEALTH CARE COST PROBLEMS AND SOLUTIONS.

The Minnesota Citizens Forum on Health Care Costs held twelve town hall meetings across the state, including four with specific invitations to Latino, American Indian, African-American/African-born, and Asian-Pacific Islander communities.

A separate document, *TOWN HALL MEETING SUMMARY, Issues from Edina, Mankato, St. Cloud, Rochester, Marshall, Moorhead, White Bear Lake, Clues, Duluth, Native American Outreach, and African American Outreach*, itemizes problems and solutions identified in the presentations. That information is organized under the four major topics of the Citizens Forum process – Health, Access, Financing, and Quality.

In contrast, this summary document takes the information from the town hall meetings and identifies themes that emerge from the information itself. The analysis identified three broad themes:

- 1. There are a number of dynamics that increase the demand for more costly services or result in people not receiving appropriate health care. These dynamics raise the human and financial costs that result from the current health care and coverage system.** More and more people do not get the care and information they need to prevent future health problems or to treat existing problems. Lack of preventive care and action related to individual and public health causes graver problems later. These problems result in higher costs in two ways – more costly treatment for chronic conditions or higher human costs from lack of treatment. Presentations at the Town Hall meetings imply two consequences from this.
 - First, greater investment in prevention at the individual and public health levels will reduce demand for care and treatment for graver problems later on.
 - Second, if the barriers to good health care were removed, there would be an increased demand for care and treatment, resulting in better health.
- 2. There are a number of dynamics which force individuals and families to either assume greater responsibility for the costs of health care, or to go without health care because they cannot meet the new costs. While this may lower the public costs of health care, it results in higher human costs – people going without treatment, financial stress on families, delayed retirement, and so on.** Many of these forces resulted from legislative action in Minnesota in 2003. Individuals are assuming a greater cost burden because of increases in co-payments, cost shifting, caps on care, and increasing numbers of people who are uninsured. The recommended solutions from the town hall meetings would result in lowering the human costs of the current system, but shift costs back to government.
- 3. There are also forces driving up the cost to employers and government for health coverage or care.** The cost of insurance is proving more and more burdensome for employers. The cost of prescription drugs is too high. There are administrative and regulatory inefficiencies in the system.

The solutions offered in the town hall meetings are quite interrelated. For instance, recommended measures to lower the costs of insurance would result in people engaging in more prevention which in turn would lower the occurrence of chronic conditions and the costs associated with them. At the same time, some recommendations are in conflict with one another. For instance, some recommended reducing co-payment and cost shifting measures so that Minnesotans have better access to health care. Others recommended increasing co-payment and deductibles to lower the cost of insurance, shifting even more costs to the consumer. Many recommendations suggest investing in measures that will improve the overall health of Minnesotans. There is a routine call for systematic change.

Theme 1: Prevention and Barriers to Good Health.

Presentations at the Town Hall meetings identified a number of trends that result in increased demand for more costly care because there is not enough emphasis on prevention. Fundamentally the issues have to do with a lack of health care services or the cost of services that do exist.

“We spend 6 cents out of every health care dollar on prevention and 94 cents on services. “

“We pay for acute, episodic health care. We don’t pay for education or prevention.”

- The system is far more concerned with disease than prevention.
- Because people cannot afford health care, they delay treatment and preventive measures, resulting in more complex problems later.
- Many different kinds of people face discrimination based on income, geography, race and ethnicity, and are denied good care. This results in more costly interventions later.
- There is a lack of information and education about good prevention and health lifestyle choices.
- People do not take responsibility for their health. They do not get the information they need to take responsibility. They overeat, don’t exercise, and smoke.
- Illiteracy and cultural issues stand in the way of people getting the information they need.
- People avoid getting annual physicals, prostate exams, mammograms, etc. This is linked to the cost.
- People do not get good dental care because of cost and/or a shortage of dentists.
- Environmental hazards are not dealt with -- lead poisoning; poor air quality from industrial emissions, second hand smoke; poor water quality. Pesticides, preservatives, genetically modified foods, irradiation, and herbicides are affecting hundreds of thousands of people who have weakened immune systems.
- People end up in costly nursing homes because of avoidable loss of independence. Older people fall at home. Older people get depressed at home without support. Access to assistive technology and devices is blocked based on race, gender, and type of disability.

The situations faced by people in widely varying circumstances are seen as barriers to good health and good health care.

- It is very difficult for people who are uninsured to take many kinds of preventive action.
- There are technical exclusions of people from health care such as recent immigrants or the legality of citizenship
- Culturally and linguistically appropriate services, including interpreters and professionals from diverse backgrounds, are lacking.
- Illiteracy results in costly and inappropriate use of the system, such as going to emergency rooms for primary care, and not having information about good health practices.
- Native Americans, on and off reservations are going without essential health care services in many areas.
- African Americans and Latinos face discrimination.
- People with disabilities are unable to get services.
- The mental health system is overwhelmed.
- Urban and rural areas report shortages of nurses, pharmacists, dentists, doctors, psychiatrists and a variety of technicians. The crisis is looming even larger in the future.
- The cost of taking personal responsibility is high, including the cost of health care, exercise, and healthy eating.
- Home care is less expensive than hospitalization, but Minnesota is now on the low end of home health care users, second only to Hawaii.

The SOLUTIONS offered cluster in several areas – universal health coverage, increased prevention efforts, an emphasis on community care, addressing staff shortages, ensuring culturally and linguistically appropriate services are available, and equalizing access. It is thought that these efforts will be investments for the future, resulting in better health and lower demand for high cost health care.

- A health care system that places priority on prevention would include many elements – encouraging positive and discouraging negative lifestyle choices, individuals taking responsibility (and being able to take responsibility) for healthy lifestyles and practices, improved environmental quality, regular dental and physical examinations, on-going funding for prevention and early intervention measures, improved education and information to the public, and home and community care to prevent injury and dependence for older people and people with disabilities.
- Actions to increase the availability of trained personnel include improved recruitment (generally and in specific ethnic and racial communities), greater use of the right professional for the most effective and efficient health care (for instance, midwives, nurse practitioners, physician assistants) and education (for instance, relying on nurses instead of doctors) incentives to work in geographic areas where there are shortages, and enabling the licensing of foreign licensed professionals.
- Other efforts to equalize access include adopting standards for culturally and linguistically appropriate services, support navigators and advocates who can assist people to get what they need, stabilize funding to specific communities and populations (Native Americans, African Americans, Latinos, and people with disabilities).

- Increasing access to health insurance through a variety of means (discussed under Theme 3) is seen as a critical component in increasing prevention and equal access to quality health care.

Theme 2: Individuals and families are forced to bear increasing costs for health care and coverage, or go without appropriate care or treatment. The results in large numbers of uninsured and underinsured Minnesotans.

Time and again, presentations at Town Hall meetings focused on the growing number of people who are uninsured because of the escalating costs of health coverage. Insurance is linked to employment and coverage varies. As well, a number of legislative actions Minnesota during 2003 have led to shifting more of the costs to individuals and families. These and other dynamics result in good health care being denied or delayed, and thereby increasing the cost of interventions and the human costs.

“There are many people who do not have insurance, who cannot afford insurance, who wait for long periods, and who go to the ER.... This is a vicious cycle; it is reactionary and all we have are band aids for symptoms without fixing the root cause.”

“There is a delay in getting Medicaid payments if the person is also eligible for Medicare. First you have to wait for Medicare denials before Medicaid pays. Waiting can lead to hospitalizations, use of the ER, or death.”

“Home Health Care Companies are becoming used car salesmen trying to talk older people into placing liens on their homes in order to get in-home support.”

“The Legislative actions that increased co-pays, deductibles, cut services, cut Minnesota Children with Special Health Needs (MCSHN), and reduced Minnesota Care are coming at too high a price. The price of no new taxes is too high; my life has not improved because of tax cuts.”

Directly and indirectly, the Minnesota Legislature has taken actions that have resulted in increased co-payments and reduced access to health care.

- There are increased costs to private pay residents in nursing homes.
- There are caps on oral health care, mental health care, and so on. Individuals cannot afford the additional costs.
- For people with disabilities, funds have been eliminated (Minnesota Children with Special Health Needs), parental fees have increased dramatically, the employment situation of adults means they fall in the coverage cracks between Minnesota Care and Medicaid. Families are under financial and emotional stress. For instance, parents cannot pay TEFRA fees so that they are reducing or stopping therapies, postponing surgeries, and not purchasing medications.
- People with HIV/AIDS are less able to afford critical medications.

- People with diabetes have less access to supplies and are using more expensive emergency room services.
- The Legislature exempted medications for children and mental health from any co-pays but the pharmacies do not know about these exemptions.

There are other pressures and issues related to shifting the costs to individuals and families.

- There is less Medicaid and Medicare in rural areas so cost shifting occurs.
- To the extent that insurance is linked to employment, if someone or a member of their family has a pre-existing condition, then this might well not be covered if the employment changes. This becomes a very serious problem if that pre-existing condition carries high costs and those become the responsibility of the family.
- Older people are working past retirement age because of health care benefits. After retirement, insurance is taken out on an after-tax basis. Before retirement, it is a pre-tax basis.
- Over 280 million people do not have any coverage for long term care for people who are disabled or aging. **“Something is wrong, when you have to be impoverished before you can get help with long term care.”**

Most of the SOLUTIONS recommended to counter rising pressure on individuals to cover costs require reversing the 2003 legislative actions. Presentations called for the following:

- Take away this surcharge (private pay residents in nursing home), the elderly deserve our care.
- Reverse this action (caps and co-pay increases) in 2004.
- Restore MCSCCHN funds by having the 2,000 enrollees pay \$50 a month in premiums or \$34 a month if 3,000 enroll. Use existing administrators for Minnesota Care to handle the paperwork.
- Reduce parental fees.

Such recommendations are in marked contrast to some others which call for raising co-payments. **“We have spoiled people with 5 – 10 percent copays; we need to increase personal responsibility. The consumer is disengaged.”**

The more overriding recommendation is for universal coverage to reduce the numbers of people who are uninsured.

Theme 3: The cost of insurance, medications and administrative inefficiencies and regulations are consistently cited as the reasons for escalating costs to employers and government for health care and coverage. The recommended solutions focus on universal coverage or a more competitive market, reducing prescription costs, and improving efficiencies, both in administration and purchasing power.

Many of the other dynamics identified in the Town Hall meetings are also related to increasing costs -- lack of emphasis on prevention, lack of emphasis on home care,

institutional care rather than community care, increasing burdens on individuals and families to cover costs, and funding cuts to essential programs. To the extent that these dynamics result in the need for more health care and more expensive interventions, they put pressure on government to reduce its costs and are used to justify increasing insurance premiums.

“Employer sponsored health care is breaking down. Approximately 800,000 people are on Minnesota publicly funded programs. If we add in all government employees, then 40 percent of health care is paid by government payers. “

One result of the rising cost of health insurance is the burden on employers and government, as an employer.

- Employers are collapsing with the rising costs. For instance, small businesses with 10 or fewer employees have experienced premium increases of 15 percent.
- As health insurance rates rise, they become unaffordable and a higher percent of operating costs of business is consumed by health care.
- Employers cannot pay for individualized plans but must buy group coverage.

The rising costs of prescription medications is seen as a major issue. People differ in why they think this happens.

- Drug prices skyrocketed because the HMO/insurance companies have been abject failures. No one cared 15 years ago what meds cost so there was waste. Now the waste has caught up with us.
- Drug mark-ups occur because there are eight distribution centers before the drug arrives at your local pharmacy.
- Marketing of drugs has become obscene.
- The drug discount card is the worst approach because the discount comes from local pharmacies not the drug companies.
- The taxpayer pays for the research and development costs of pharmaceutical companies; we are suffering by their inflated prices and ads that drive consumption.

“You must do something about drug pricing because I have people who are elderly who cut their pills in half, take their pills every other day, and choose between food and pills. The Medicare legislation just passed by Congress will not solve the problem.”

Charges of inefficiency are laid at health care providers, the insurance industry and government. Administrative costs are too high. One person stated that the current system costs \$200 billion in administrative costs. Examples of various types of inefficiencies or excessive administrative costs include:

- Insurance has 30 percent administrative costs and Medicare has 3 percent administrative costs.
- State and federal regulations are often duplicative.

- The problem is government. HIPAA is burdensome. Medicaid requirements are onerous. There are conflicts between CDC telling us to use disposable equipment while the next day EPA comes in and says reduce your waste.
- Can the Department of Human Services shorten the preauthorization process?
- Professional credentialing is costly and inefficient. Smaller providers have to pay \$250-\$400 per doctor on staff or in consulting capacity to verify credentials every few years. This can be done less expensively.
- Short cuts such as drug treatment without proper diagnosis or hurried visits prevent appropriate treatment.

Some cites a lack of personal responsibility among Minnesotans as a driver of increased costs.

- No society can provide everything for its members. Some people seek maximum treatment at the end of their life because “everything must be done.” Expectations are too high.
- We have spoiled people with 5 – 10 percent copays; we need to increase personal responsibility. The consumer is disengaged.
- People go along with doctor’s recommendations even if the treatment is excessive.
- Third party providers are hiding the real costs. Inform consumers of costs and encourage them to ask for less expensive drugs, make fewer office visits, etc.

The SOLUTIONS offered in the Town Hall meetings to reduce the cost to employers and government are varied:

- **Universal health coverage (to varying degrees)**
- **Use the combined purchasing and negotiating power of larger pools**
- **Shift more costs to the individual**
- **Reduce the costs of prescription medications**
- **Reduce inefficiencies**
- **Enable personal responsibility.**

Many presenters called for universal health coverage.

- It is suggested that this will mean respectful care. It will enable more money for care, because the root cause of problems is not delivery, but funding. Eliminating health disparities will bring costs down. The savings from a single payer approach would offset the costs of covering everyone.
- Some suggested the first priority should be universal health coverage for children.
- A universal system should be portable and not linked to employment.

“The Lewin group studied three states and they concluded that all people could be covered, costs would decrease, and fairness would increase if we had a universal system. There are multiple studies including PNHP, GAO, CBO, and Institute for Economic Policy that support universal coverage.”

“Minnesota should take the initiative, be progressive, and pursue universal coverage. How can we be this rich and not have health care for all? It is unconscionable.”

Some, however, suggested cautions in terms of a single payer system. They suggested there will be a huge impact of dislocated workers, reduced wages, higher unemployment, reduced social security, and so on. "Single payer" can have a steep price. For example, the Mayo plan is similar to single payer, but the costs are \$9,282 per person per year. On average, the US plan costs \$5,938.

There were also recommendations to increase the size of private employer and government purchasing pools. These would ensure better insurance rates and drug costs.

- Let all employers get into larger purchasing pools. Encourage purchasing pools for small businesses.
- A number of government purchasing pools were recommended – all levels of government; the 200,000 employees of 350 school districts; all county, city, school, and state employees; joining forces with neighboring states.

Others recommended actions consistent with an open market approach -- expand competition; increase employer based insurance and/or individual responsibility for insurance.

- Each citizen should be required to carry insurance similar to the requirement for carrying vehicle insurance. Everyone should be required to carry major medical insurance with a \$1,000 deductible.
- Go to community ratings not individual ratings because employers are probably looking at employees unfairly with this type of cost discrepancy from \$150 to \$1000 based upon individual ratings
- Expand employer based insurance and expand individual purchasing of insurance.
- Expand the use of Medical Savings Accounts and tax credits to enable lower income people to purchase insurance, cover certain costs and major medical coverage for disabilities.
- Allow employers to buy individual plans not group coverage.
- Individuals should be able to join purchasing pools.
- Open up Minnesota to other insurance companies not just the existing three companies.
- Increase deductibles and co-pays. (For instance, we need everyone to pay the first \$1,000 or \$2,000 in health care costs and the price will come down.)

There were a variety of strategies recommended to lower prescription drug costs, including:

- Create one large purchasing pool and negotiate better prices.
- Import drugs from Canada. (Others cautioned against this.)
- Try a Dell-direct model for selling drugs.
- A price control board.
- Minnesota and North Dakota need to work on drug pricing together.
- If insurance companies can bargain and dictate with doctors, why aren't they doing that with drug companies?
- Individuals shop for bargains.
- Reduce the length of time for intellectual property rights to get to generic drugs faster.

Similarly, there was considerable variety in the recommended ways to reduce administrative and regulatory inefficiencies, including:

- You must regulate the regulators.
- People feel powerless because there is no one place to focus anger. People who commit this much waste and mismanagement should be indicted and convicted.

- Can we cut the administrative costs by streamlining processes?
- Insurance companies need to agree on medical coding and modifiers. Use a common software system that allows insurance plans to talk to each other.
- Use standardized forms to reduce administrative costs.
- Use administrative caps (but then people might spend up to the cap).
- Have every person carry a “smart” card that holds all personal records to reduce paperwork, and thus reduce paper records.

- Have the Department of Human Services shorten the preauthorization process?
- Reduce duplicative costs of equipment and inappropriate competition (seven MRIs in one city).
- Adopt nine regional boards of governance rather than have 87 counties.

Town Hall presentations did not recommend the use of Evidence Based Medicine as a way to reduce costs to the system. A number of cautions were raised.

- Its political nature because Medicare decides what is evidence based and Medicare is the federal government;
- It may harm people with significant disabilities or those who are regarded as outliers;
- Different disciplines have different definitions;
- Not every condition needs evidence based surgery (sometimes nutrition works as well).
- Alternative medicine (or integrative medicine or healing) should be included in the larger picture
- Evidence based medicine means standardizing protocols to drive toward error free medicine. It means computer-assisted diagnoses.
- Where are we getting the evidence? From the pharmaceutical companies that are producing the drugs and producing the results and making profits 3 to 5 times greater than S&P companies? The most recent evidence is hormone replacement therapy that leads to heart problems, stroke, and breast cancer.

In closing, there is a thread in the presentations at the Town Hall meetings that points to the need for systematic change that looks at health in a comprehensive way and recognizes the interconnections among components in the system.

“The World Health Organization defines health as a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.”

“If you use a social determinant model of health, then you look at issues differently. For example, the life expectancy of a black male in Washington

DC is 57, in Ghana it is 59 years, and in Bangladesh it is 60 yet the US spends 200 times more money.”

“Flu vaccines are in short supply because there wasn’t enough profit. There is no incentive to prevent fires in our system. We pay well for patching up people and taking out organs, but we do not pay for prevention. “

“We don’t have a health system, the system isn’t equitable, fair, cost effective nor are we working together. We would never create the system we have. This is Rube Goldberg-complex, discriminatory, expensive.”

“Past Health Care reforms have failed because reform has not been systemic. Please do not give us a box of band-aids.”

“We need to pay taxes to cover people who are uninsured.”

“Provide access to health care for all who need it.”

“It is the 21st Century, we need comprehensive and systematic reforms that include delivery, regulation, and financing at all levels and the how’s and the where’s.”

“Break the monopoly of access and financing a hospital-based health care system that is acute and episodic. Seek a different model.”