

# Preliminary Report



californiaspeaks

Working Together for Better Health Care

August 11, 2007



AmericaSpeaks' Dr. Carolyn J. Lukenmeyer addresses the crowd in Los Angeles.

Nearly 3,500 Californians gathered on August 11<sup>th</sup> across eight cities to weigh in on current health care reform proposals. Participants examined key policy options being considered by lawmakers.

Satellite link-ups connected the meetings in Humboldt County, Sacramento, Oakland, Fresno, San Luis Obispo, Los Angeles, Riverside, and San Diego to create a truly statewide conversation.

CaliforniaSpeaks is a project of AmericaSpeaks, a non-partisan, non-profit organization with the mission of providing Americans with a greater voice in the most important decisions that affect their lives. CaliforniaSpeaks was funded by grants from Blue Shield of California Foundation, The California Endowment and The California Wellness Foundation.

To ensure that the diversity of the state was represented and the outcomes of the discussion were fair and credible, CaliforniaSpeaks invited a random sample of thousands of Californians to participate in the discussion.

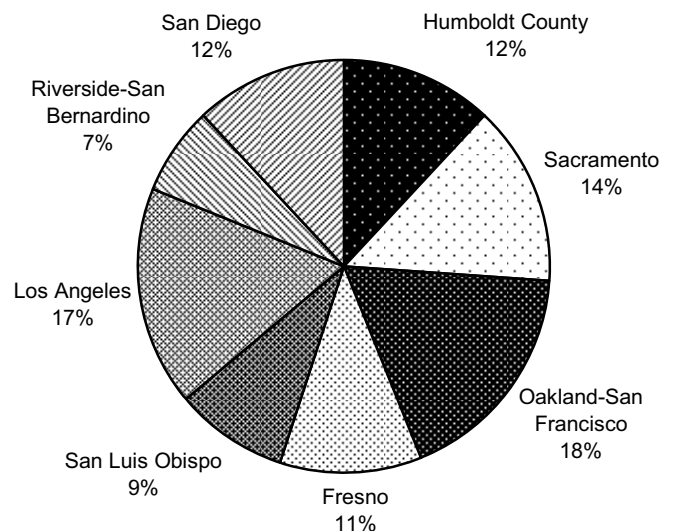
## Important Values to Guide Health Care Reform

To begin the discussion, participants first talked about the values they believed should guide deliberation throughout the day.

A common set of values emerged from these discussions, and participants prioritized them:

1. Health care should be affordable to all – “Quality of care shouldn’t depend on the money they have available.”
2. Everyone should have access – “All life is precious and important; consider people regardless of circumstances” (e.g. vulnerable populations).
3. Keep greed out of the health care system – Put “people before profit.”
4. Make wellness and prevention a priority.

## SITE ROLLCALL (Percentage of participants from each site)



## Who Participated?

<b>Gender</b>	<b>Aug. 11</b>	<b>California</b>
Female	63%	50.2%
Male	37%	49.8%
<b>Age</b>	<b>Aug. 11</b>	<b>California</b>
18 - 24	7%	14%
25 - 44	19%	44%
45 - 64	58%	28%
65 and better	16%	15%
<b>Household Income</b>	<b>Aug. 11</b>	<b>California</b>
Less than \$20,000	17%	20%
\$20,000 - \$39,000	17%	23%
\$40,000 - \$59,000	19%	18%
\$60,000 - \$74,000	14%	11%
More than \$75,000	34%	29%
<b>Race/Ethnicity</b>	<b>Aug. 11</b>	<b>California</b>
African-American	8%	6%
Asian/Pacific Islander	9%	11%
Caucasian	60%	47%
Hispanic/Latino	12%	32%
Native American	2%	1%
Multi-ethnic	6%	3%
Other	4%	<1%
<b>Health Status</b>	<b>Aug. 11</b>	<b>California</b>
Excellent	24%	25%
Good	48%	30%
Fair	21%	29%
Poor	7%	3%
<b>Employment</b>	<b>Aug. 11</b>	<b>California</b>
Full Time Employee	37%	NA
Part-time Employee	16%	NA
Not Currently Employed	15%	NA
Other	32%	NA
<b>Health Insurance</b>	<b>Aug. 11</b>	<b>California</b>
Fully adequate	39%	NA
Somewhat adequate	34%	NA
Barely adequate	14%	NA
I am uninsured	13%	NA

## How Did the Meeting Work?

CaliforniaSpeaks was designed and facilitated using the unique 21<sup>st</sup> Century Town Meeting<sup>®</sup> format developed by AmericaSpeaks, a national non-partisan non-profit organization. AmericaSpeaks is well known nationally and internationally for engaging over 130,000 citizens in complex public issues, including New Orleans recovery, designing of the World Trade Center site after 9/11, and social security reform.

To increase participation and input, participants were seated in small groups of 10. A trained facilitator worked with each small group throughout the day to ensure each person had an opportunity to share their opinion. The meeting's lead moderators presented discussion questions to the group and the ideas from each discussion were collected through networked computers stationed at each table. A team of data analysts reviewed the comments from all of the tables simultaneously and reported the common ideas back to the group almost immediately.

Then, using keypad polling devices, the participants reviewed and prioritized these ideas in order to develop clear messages to state leaders. The results from the polls were reported instantly to the group via large video screens. Polling was used both to gather demographic information and to give participants the opportunity to prioritize their comments.



Speaker of the State Assembly Fabian Núñez and Gov. Arnold Schwarzenegger join a table discussion at the Los Angeles site.

## Participant Views on California's Health Care System

Early in the day, participants were asked, "Do you think California's health care system is in need of major changes or minor changes or that it is basically fine the way it is?" Their views are compared to a summer 2007 poll conducted by the Public Policy Institute of California.

<b>Views on Health Care</b>	<b>Aug. 11</b>	<b>PPIC Poll</b>
Major Changes	82%	72%
Minor Changes	14%	17%
Fine the Way It Is	1%	8%
Don't Know	3%	3%

## Proposed Changes for Employer Responsibilities

Proposed Change: Require employers to spend a minimum amount on employee health care either by offering health care coverage or paying a fee to the state for an insurance pool.

### Likes

- This would level the playing field between small and big business.
- Builds upon the currently existing system
- Pre-tax income goes to health care
- This increases the size of the insurance pool which can lower costs for everyone
- Gives a choice to employers for how to best provide health care coverage

### Concerns

- Makes California less competitive: might drive employers out of state or discourage new business
- May cause businesses to hire part-time staff or reduce salaries or other benefits
- No cap: "Does nothing to affect spiraling out-of-control costs"
- Does not address unemployed, independent contractors, part-time employees, seasonal and other non-traditional workers
- Hard on small businesses: "owners would struggle even if they are providing good wages"
- Too vague, doesn't get to root cause: "Seems like a band-aid"
- Does not address quality: "No assurance that the quality and the level of coverage will be monitored"

### Missing

- Offer tax incentives to businesses to offer health care, rather than make it mandatory
- State-sponsored single payer program should be on the table
- Have the cost to employers use a sliding scale
- Encourage businesses to offer prevention and wellness programs for employees

### Conditions

- Would support under any conditions: 5%
- Would not support under any conditions: 18%
- If there's a cost cap: Must assure against employer costs skyrocketing out of control: 48%
- If there's assurance companies would not be encouraged to reduce coverage or benefits – guard against "gaming the system": 49%
- If protection provided for small business, e.g. a sliding scale based on size: 45%
- If addresses part-time, unemployed, seasonal, non-traditional employees: 54%
- If still provides choice of providers for employees: 44%
- If more incentives for employers, e.g., tax breaks: 37%

## Proposed Changes for Government Responsibilities

Proposed Changes: Require the state adopts the following changes: expand eligibility for Medi-Cal and Healthy Families; provide subsidies to low and moderate income; and increase compensation for Medi-Cal providers, hospitals and health plans.

### Likes

- Acknowledges government should take responsibility for expanding coverage: "State is stepping up and being a leader"
- Expands coverage to low and moderate income individuals and single adults
- "All children should be covered, no matter what"
- Pooled purchasing power reduces costs
- Fairer compensation to providers very important, especially in rural areas to "attract sufficient number of MDs"
- More coverage will create a healthier, more productive society

### Concerns

- General distrust of government – "I really don't trust the government to run anything more complicated than a lemonade stand."
- "Where is the money going to come from?", "What will be sacrificed?"
- Encourages welfare lifestyle – "What is the incentive to work if health care is provided to the unemployed?"
- This could inadequately compensate doctors.
- "Medi-Cal is broken, why expand it?"; "It's like changing seats on the Titanic;" it's complicated and inadequate
- Undocumented people could overwhelm the system; "Government should not pay for undocumented people"
- Does not provide universal coverage (e.g. undocumented adults, middle income)
- Federal poverty level is too low for CA because of the high cost of living

### Missing

- Single payer plan should be part of the discussion
- Need to get the federal government to also take responsibility
- Want clarity about undocumented adults – Will they be covered or not?
- The plan needs cost containment, e.g. for prescription drugs, and regulation of health insurers
- Need to have approaches to prevent waste/fraud

### Conditions

- Would support under any conditions: 5%
- Would not support under any conditions: 7%
- If everyone was covered, including undocumented adults: 23%
- If everyone was covered, but did not include undocumented adults: 34%
- If taxes and costs were controlled: 50%
- If it were a government run program (aka a "Single Payer" system) and insurance companies were kept out of it: 51%
- If medical providers were paid fully: 53%
- If it included provisions for wellness and prevention: 63%

## Proposed Changes for Insurer Responsibilities

Proposed Change #1: Require insurers to sell insurance policies to people independent of their medical condition.

### Likes

- Enables everyone to potentially get insurance
- Prevents discrimination based upon pre-existing condition; “eliminates cherry-picking;” “those born with a disease should not be penalized.”
- Expands the insurance pool and can help reduce costs
- Covering all conditions now will save money in the long run
- Good proposal when combined with others being discussed (e.g. individual responsibility proposal)

### Concerns

- Private companies shouldn’t be told by government who to cover: they may be bankrupted or “leave the state”
- Companies will raise premiums, making insurance unaffordable for everyone
- May unfairly burden healthy people: “The healthy shouldn’t have to pay the same as the sick”
- “Doesn’t work unless everyone has insurance”: people will buy insurance just when they are sick
- Insurance companies shouldn’t be involved in health care (prefer single-payer system)
- Need an enforcement mechanism to make sure insurers comply

### Missing

- Make sure that insurance companies can’t discriminate based on age or any other factor
- Place cap on premiums to make them affordable
- Need more information about how rates would vary based on pre-existing condition
- Should have “incentives for people who engage in healthy lifestyles”
- Insurers should get incentives to offer prevention programs

### Conditions

- If individual mandate is paired with this: 35%
- If there are affordable premiums some want cost caps: 47%
- If caps on profits: 58%
- If health professionals determine need for medical intervention: 48%
- If ensuring all are actually covered, requires sufficient accountability and oversight: 59%
- Would support under any conditions: 8%
- Would not support under any conditions: 14%

Proposed Change #2: Require that 85% of premium payments be for health care services and no more than 15% for administration and profit.

- |                    |     |
|--------------------|-----|
| • Strongly oppose  | 12% |
| • Oppose           | 8%  |
| • Somewhat oppose  | 7%  |
| • Somewhat support | 20% |
| • Support          | 22% |
| • Strongly support | 32% |

## Proposed Changes for Individual Mandate

Proposed Change: Require all Californians to have health care for themselves and their families.

### Likes

- Equity: everyone is covered
- Protects against financial ruin
- With everyone paying, it spreads the cost, increasing affordability
- Prevention and wellness will help keep costs down
- Individual responsibility: “With this proposal, you are protecting yourself so others don’t have to”
- Can change how we think: “When everyone participates, everyone benefits”
- Range of benefits, including dental, vision, mental health, prevention and wellness

### Concerns

- The deductible is too high / Too expensive for families
- “How do we enforce it?”
- Places too much burden on middle income people
- This still relies on a for-profit health care industry
- Could create an incentive for employer to reduce coverage now offered
- This violates personal liberty and civil rights
- What about those outside the system (e.g. homeless and mentally ill)? How are they covered?

### Missing

- Incentives to participate in prevention and wellness programs
- Want caps and controls on costs
- Still interested in single payer program
- Lower premiums for healthy lifestyle
- Need a way to opt out (choose not to participate)

### Conditions

- If it is affordable for middle income families: 49%
- If there is a strong enforcement to ensure participation: 40%
- If there is a sliding scale for payment: 42%
- If there is a cap on premiums and profits: 52%
- If there is an adequate standard for quality care: 55%
- If it rewards people for healthy behavior: 43%
- If it covers prevention and wellness programs: 53%
- If paired with “guaranteed issue” proposal: 41%
- Would support under any conditions: 7%
- Would not support under any conditions: 17%

## Proposed Changes for Government-Funded Systems

Proposed Change: Create a universal government-funded health care (aka Single Payer) system.

### Likes

- Equitable; “Everyone gets covered”
- Simplifies the health care system; less confusing for consumers
- Cuts administrative costs and bureaucracy; “Eliminates billions of ‘middle man’ expenses”
- Takes profit out of health care; Eliminates “greed” factor
- Proven system and works in other countries
- It fulfills “a moral obligation to take care of each other”
- Creates a larger purchasing pool, which saves \$
- Doctors can concentrate on care rather than administration

### Concerns

- Mistrust of gov’t system: “Government does big tasks poorly.”
- Quality of care, level of competency will go down
- Long waits, lack of availability of doctors
- Lose choice of doctors; state making medical decisions
- Implementation: transition needs clarity on what is covered, not enough data
- Need for government-funded health care is not clear enough
- Governor will veto
- Not willing to give up current health plan which we like now

### Conditions

- If quality of care for all is ensured, regardless of geography or income: 51%
- If people can maintain choice of doctors and coverage levels (and buy additional coverage): 53%
- If doctors are paid for performance and are allowed to make their own medical decisions: 50%
- If there is a system for citizen oversight and accountability: 43%
- If costs are controlled, and bureaucracy is minimized: 55%
- If there are incentives for healthy behavior: 44%
- Would support under any conditions: 16%
- Would not support under any conditions: 13%

## Participant Views on Paying for Health Care

How willing would you be to share in the responsibility of paying for health care reform that covers all Californians?

Very willing	38%
Willing	28%
Somewhat willing	18%
Somewhat opposed	5%
Opposed	4%
Very opposed	7%

## Proposed Cost Control Measures

In addition to the cost savings that would be anticipated if more people had health insurance (and hence lower average premiums) as covered in the previous topics, participants discussed additional measures:

### PREVENTION & WELLNESS

Establish incentives and programs for wellness, fitness and prevention such as obesity and tobacco use reduction. Incentives and education can be provided by insurers, employers and state programs.

### CHRONIC DISEASE MANAGEMENT

Improve chronic disease management programs, including use of “evidence-based care standards” to better coordinate care and create lower costs for patients with better outcomes.

### IMPROVED AVAILABILITY OF DATA ABOUT COST, QUALITY AND EFFECTIVENESS

Provide better information and easier access to data on the cost, effectiveness and quality of hospitals, doctors, health plans, treatment options and prescription drugs.

### STREAMLINED ADMINISTRATION

Streamline administrative procedures including billing, eligibility process, electronic medical records, use of information technology and program administration.

### PERFORMANCE-BASED COMPENSATION

“Pay for performance” for plans and providers to offer incentives for better quality, efficiency, and costs of care.

### GROUP PURCHASING

Provide group purchasing especially for individuals, small and mid-sized employers to allow for more leverage when bargaining with health plans.

### REDUCED REGULATIONS

Reduce regulatory requirements and barriers to allow less costly providers and plans to provide services, promoting new point of service models and clinics.

Which of the following are the most important to be implemented now? (vote for up to 3)

Prevention and wellness	62%
Manage chronic diseases	40%
Better data for consumers	28%
Streamline administrative procedures	51%
Pay for performance for providers	28%
Group purchasing for insurance	34%
Reduce regulations	25%

## Participant Views on Importance of Health Care Reform in California

How urgent is it to pass health care reform this year/legislative season?

Essential	63%
Important	23%
Somewhat important	7%
Not important	2%
Better to wait until later	5%

## CaliforniaSpeaks Overview

### Support the requirement of employers to spend a minimum amount on employee health care or pay into an insurance pool:

- If it addresses part-time, unemployed, seasonal, and non-traditional employees
- If there is assurance companies would not be encouraged to reduce coverage or benefits – guard against gaming the system
- If there is a cost cap: Must assure against employer costs skyrocketing out of control

### Support expansion of Medi-Cal and Healthy Families, provide subsidies to low and moderate income, and increase compensation for Medi-Cal providers, hospitals and health plans:

- If it included provisions for wellness and prevention
- If medical providers were paid fully
- If it were a government-run program, and insurance companies were kept out of it

### Support requirement for insurers to sell policies to people independent of their medical condition:

- If there is sufficient accountability and oversight to ensure that all are actually covered
- If there is a cap on profits
- If health professionals determine need for medical intervention

### Support requirement for all Californians to have health insurance for themselves and their children:

- If there is an adequate standard for quality care
- If it covers prevention and wellness programs
- If there is a cap on premiums and profits

### Support a government-funded health care (aka Single Payer) system:

- If costs are controlled and highly regulated
- If people can maintain choices of doctors and coverage levels (and buy additional coverage)
- If quality of care for all is ensured, regardless of geography or income

## Participant Views on CaliforniaSpeaks

How satisfied are you with the outcomes of our conversation today?

Very satisfied	38%
Satisfied	42%
Neutral	11%
Dissatisfied	6%
Very dissatisfied	3%

## Participant Views on Process

How well did the process work to enable you to have your voice heard?

Very well	48%
Well	38%
Neutral	8%
Poorly	4%
Very poorly	1%