



Health Care That Works for All Americans

Jackson, Mississippi

February 22, 2006

www.citizenshealthcare.gov

Citizens' Health Care Working Group

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AMERICANS



Health Care That Works for All Americans

Dr. Aaron Shirley

Member, Citizens' Health Care Working Group

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In 2003, Congress passed a law saying:

“In order to improve the health care system, the American public must engage in an informed national public debate to make choices about the services they want covered, what health care coverage they want, and how they are willing to pay for coverage.”

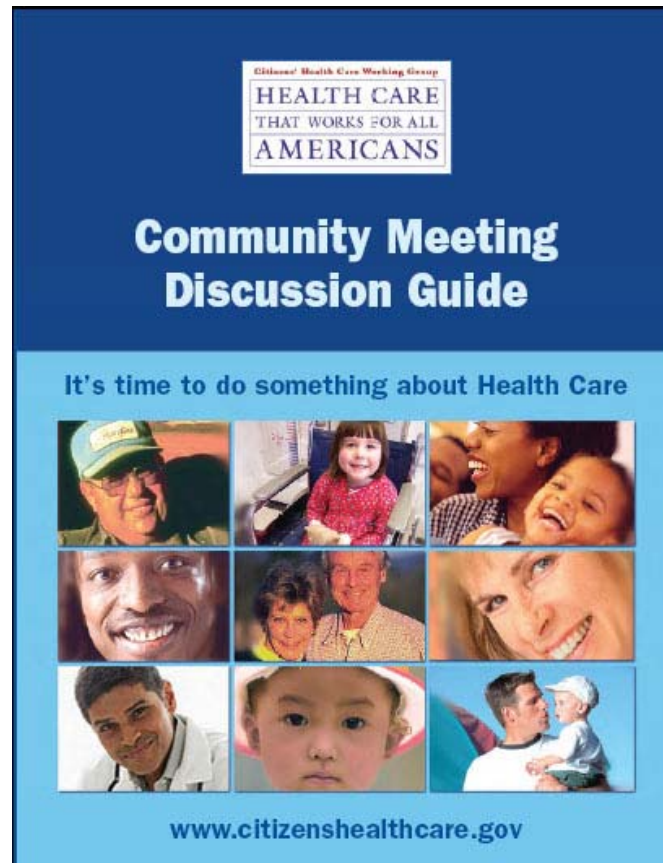


What We Want to Know

- Congress is asking us to work with you to answer four questions:
 - **What health care benefits and services should be provided?**
 - **How does the American public want health care delivered?**
 - **How should health care coverage be financed?**
 - **What tradeoffs are the American public willing to make in either benefits or financing to ensure access to affordable, high quality health care coverage and services?**



Discussion Guide



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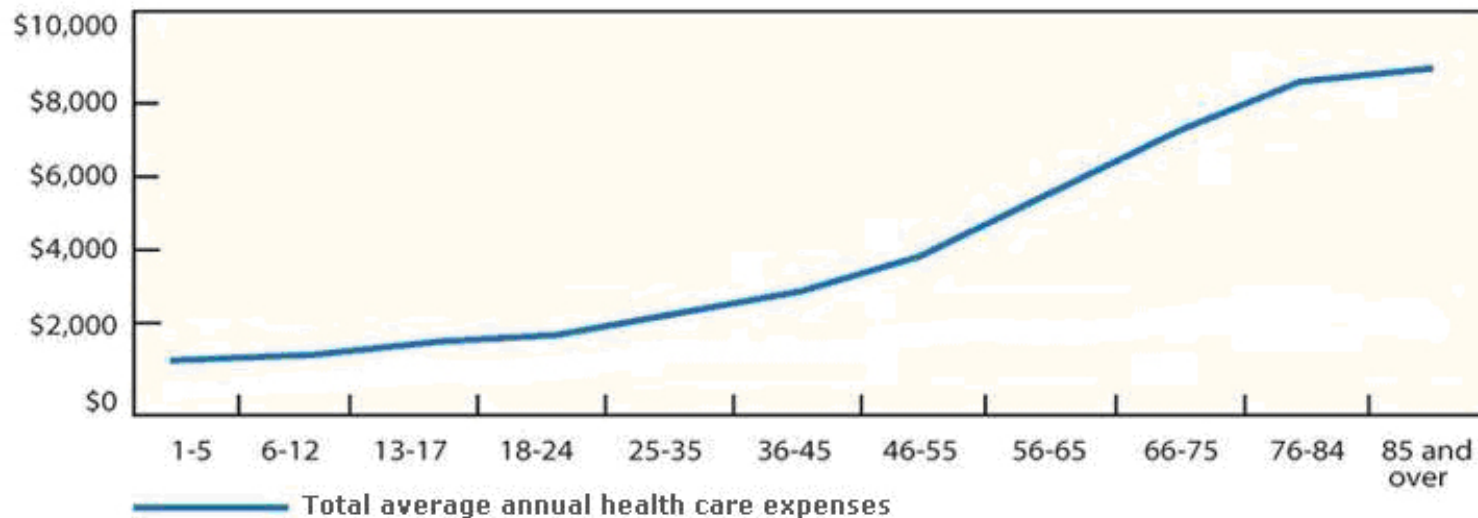
Our Health Care Needs

- **Our need for health services and the need for insurance to cover the costs of care vary a lot and change over the course of our lives.**
- **In any given year, close to 50 percent of all health care spending pays for care received by only 5 percent of the people.** Any of us can become part of that 5 percent through a serious illness or injury.
- **Almost half of all people in the United States have one or more chronic conditions, which can range from mild to severe. Health care for people with chronic conditions accounts for 75 percent of our total health costs.**



Spending Increases with Age

A Person's Health Care Spending Increases with Age

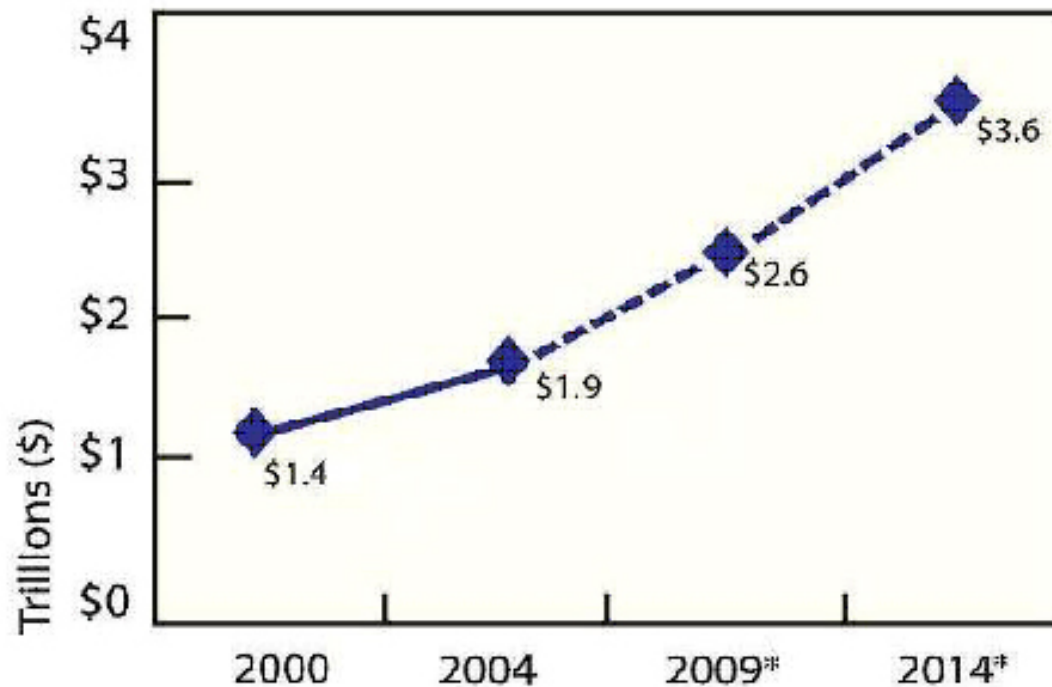


Source: U.S. Department of Health and Human Services and Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey, 2002.



Rising Costs

National Health Care Expenditures to Double Over the Next Decade



Source: Centers for Medicare and Medicaid Services, Office of the Actuary

*Based on 2005 projections

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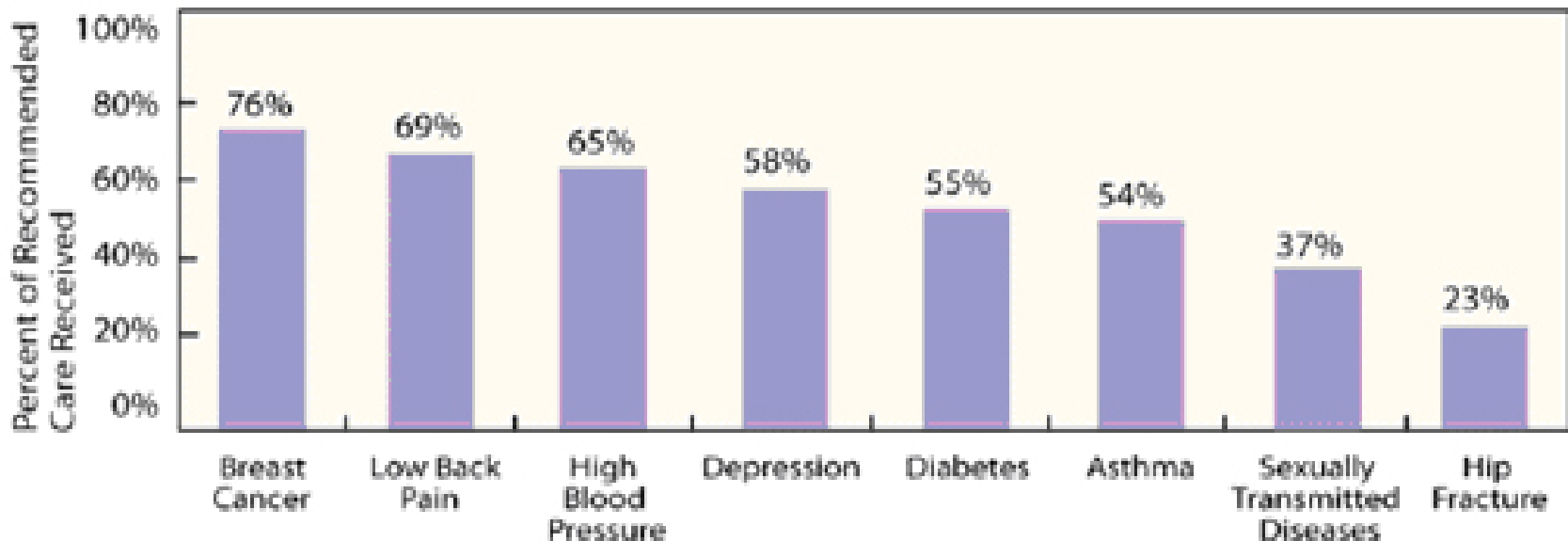
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Health Care Quality

- The quality of health services we receive often falls short of the mark.

Adults Receive Only Some of the Recommended Care for Many Common Conditions



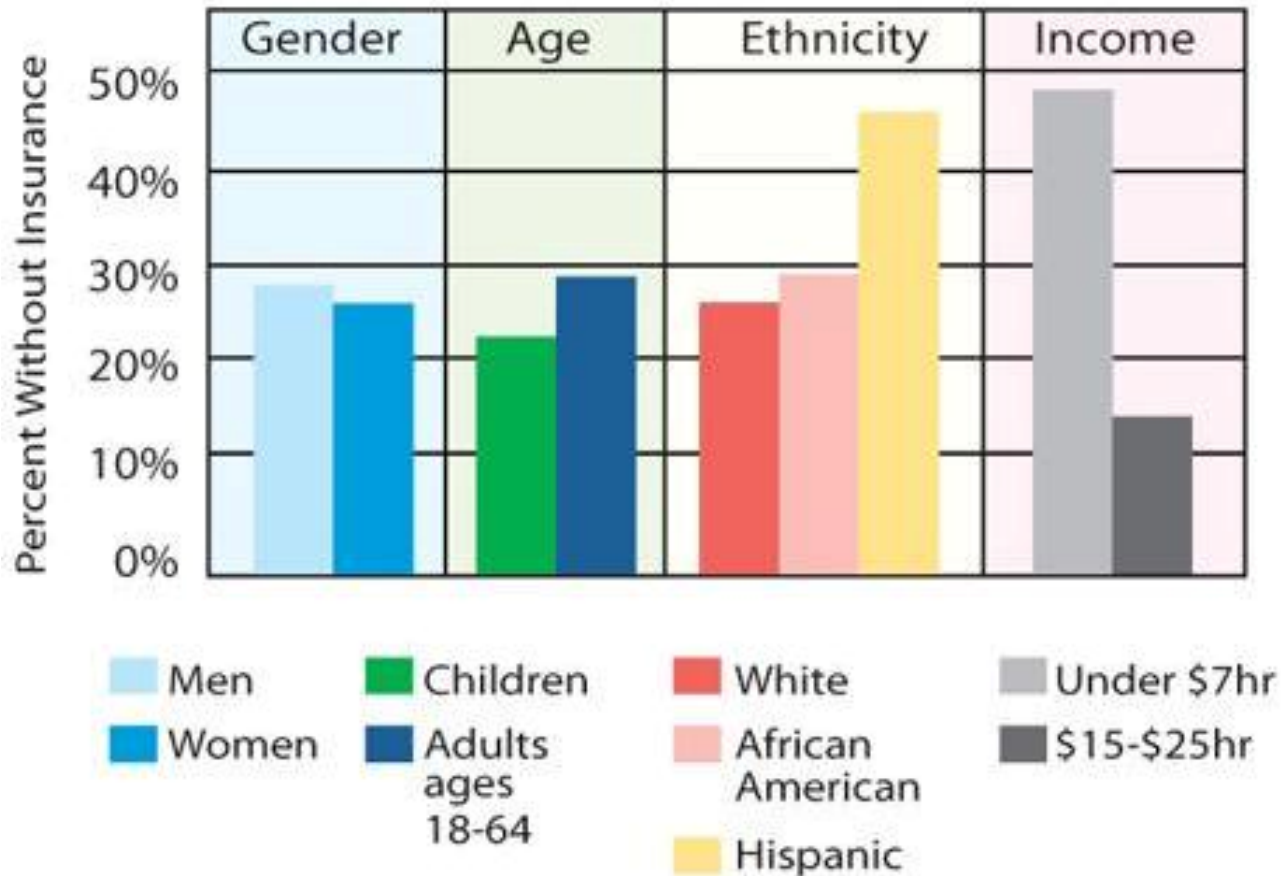


Getting Health Care

- Our access to health care depends on where we live and who we are, not what we need.
- Some areas of the United States do not have enough health care providers to meet everyone's needs.



Ever Uninsured During Year



Source: Economic Research Initiative on the Uninsured; based on MEPS 2002 data

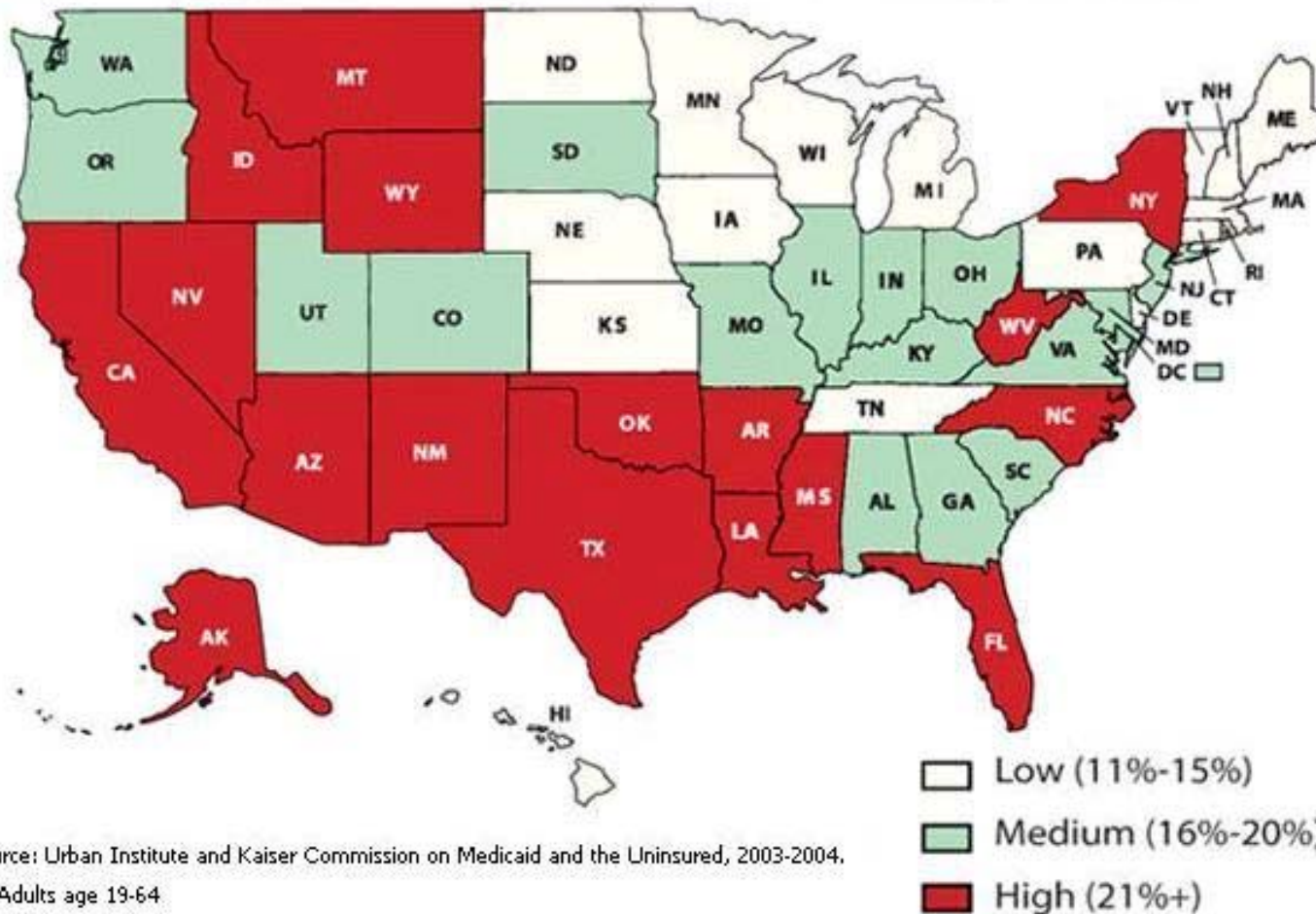


The Uninsured

- Health insurance is a major factor in access to care in America.
- Almost 46 million of us have no health insurance.



Percent of People* Uninsured Varies From State to State. 2002-2003

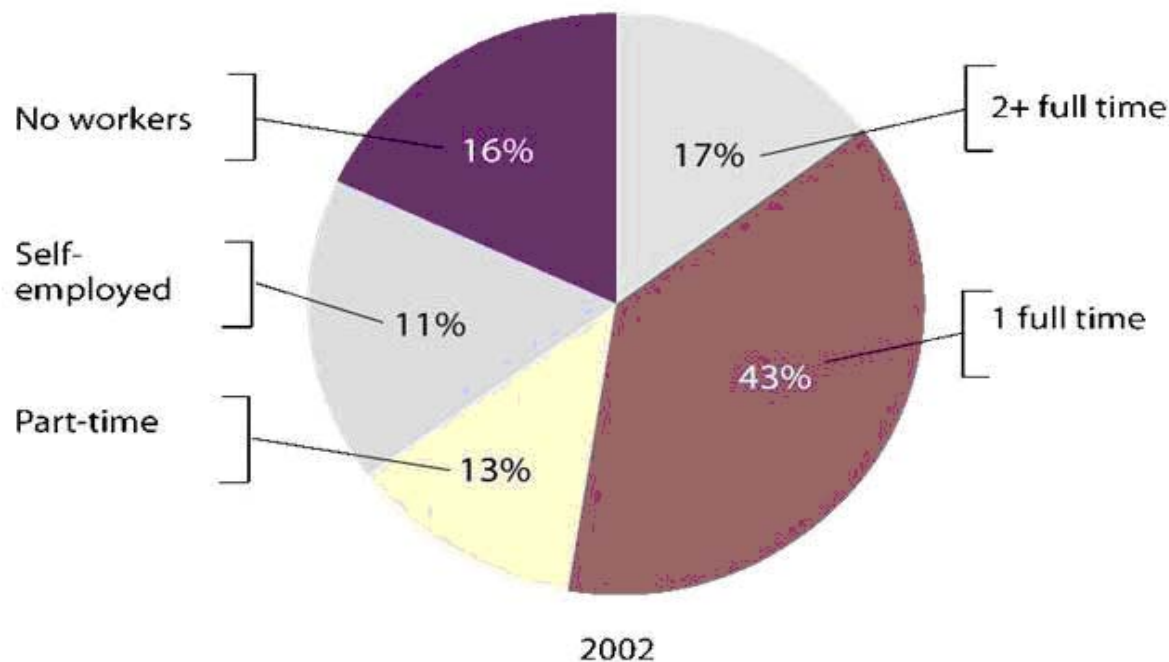


Source: Urban Institute and Kaiser Commission on Medicaid and the Uninsured, 2003-2004.

* Adults age 19-64



Most Uninsured are members of households with someone who works

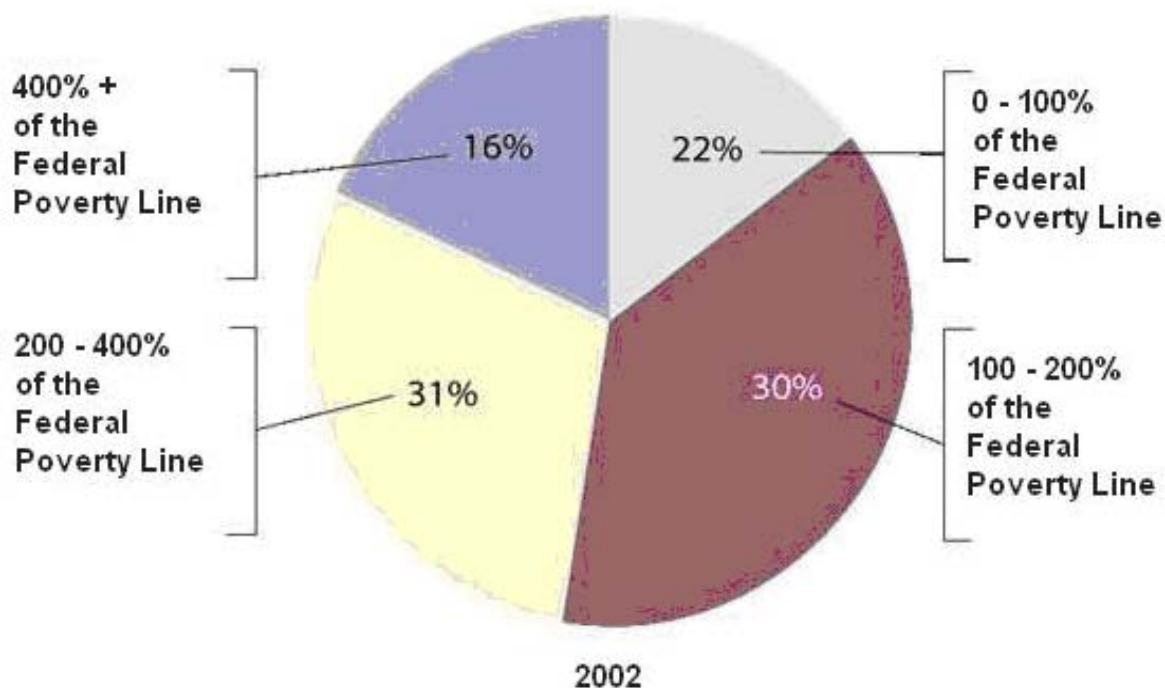


Note: Numbers may not add up to 100% due to rounding.

Source: Economic Research Initiative on the Uninsured, 2005.



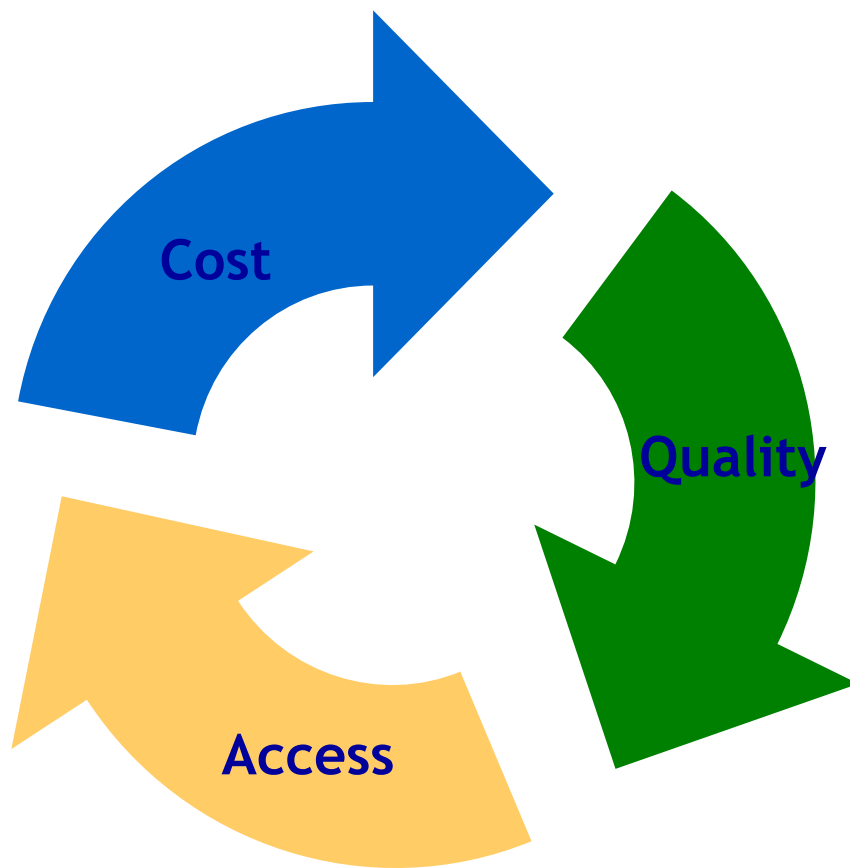
Most Uninsured people have incomes above the poverty line



Note: Numbers may not add up to 100% due to rounding.
Source: Economic Research Institute of the Uninsured, 2005.



The Problems of the Health Care System are Complicated and Interrelated



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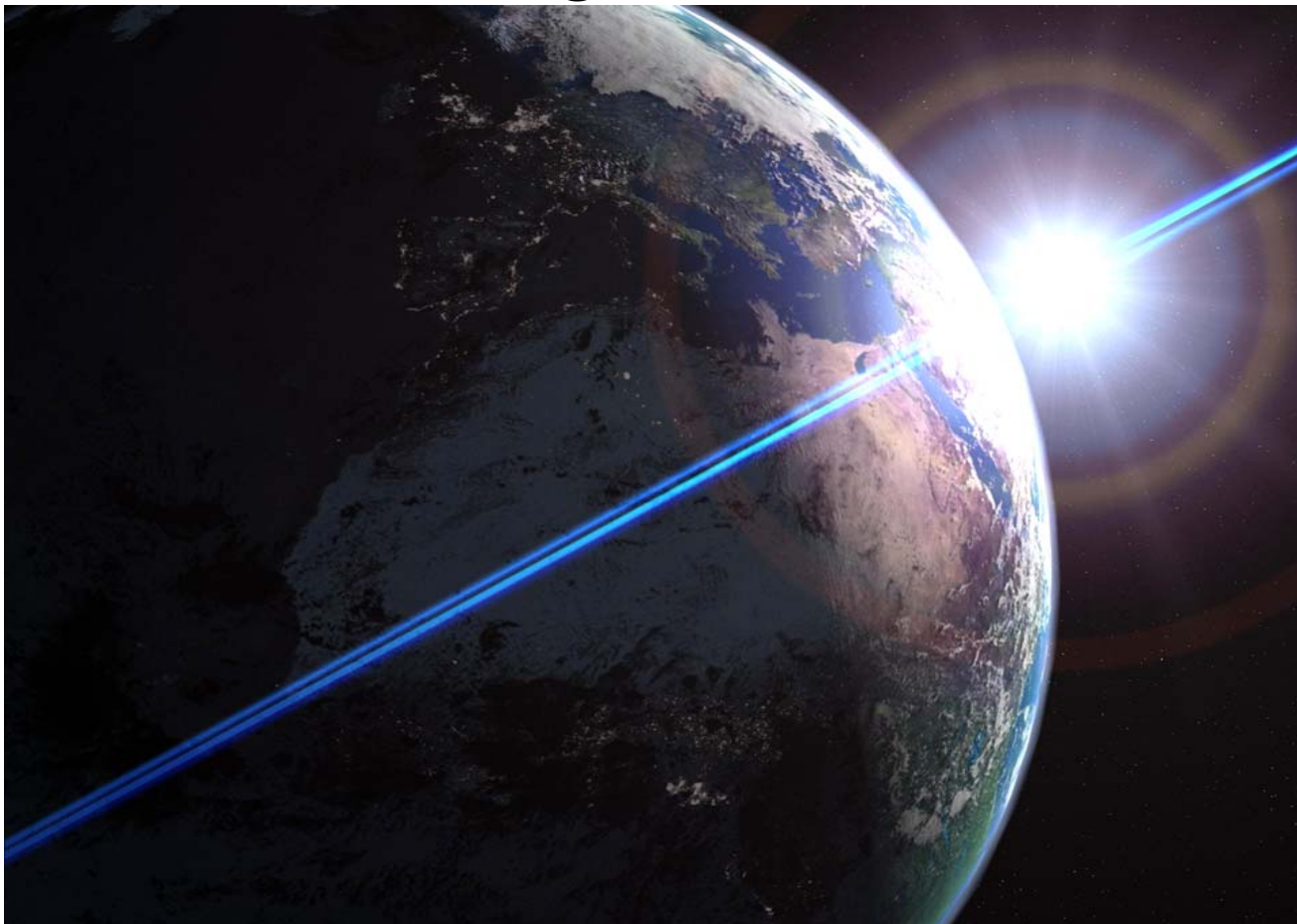


Some efforts are being made

- **These many efforts now underway may help.**
- **However, no single initiative can provide all the answers to our health care system's problems.**



Moving Forward



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Health Care That Works for All Americans

Jonathan Ortman
Moderator

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Agenda

8:30 am	Health Care That Works for All Americans (video)
8:40 am	Opening Remarks <i>Dr. Aaron Shirley, Member, Citizens' Health Care Working Group</i>
8:50 am	Explanation of Process / Demographics <i>Jonathan Ortman, Moderator</i>
9:00 am	American Values <i>Jonathan Ortman, Moderator</i>
9:20 am	Deliberation 1: Benefits
9:55 am	Deliberation 2: Getting Health Care
10:30 am	Deliberation 3: Financing
11:30 am	Deliberation 4: Trade-offs
12:20 pm	Wrap-Up and Adjournment <i>Dr. Aaron Shirley, Member, Citizens' Health Care Working Group</i>



Need to Know

- **Types of Discussion**
 - Question, Table Talk, Call Out
 - Question & Discuss Answers
 - Simple Multiple Choice Question
- **Role of Facilitators**
- **Worksheets & Discussion Guide**
- **Results on Website**



Ground Rules

- **Actively participate in all discussions and keypad vote**
 - **All ideas are valid**
- **Respect diverse perspectives**
 - **Seek common ground**
- **Enjoy yourself and have fun**



Demographic Questions

Jonathan Ortman
Moderator

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There is a man with a mask.
There is a man at home.
There is a man coming home.

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Opening Questions

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American Values

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American Values

Discussion Question:

- What does “health care that works for all Americans” mean to you? As we consider ways to improve our health care system, what values and/or principles do you believe are fundamental?



Deliberation 1: Benefits

Jonathan Ortman
Moderator

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Benefits

- Our need for health services and the need for insurance to cover care vary a lot and change over the course of a lifetime, increasing with age.
- In 2004 almost half of all people in the United States had a chronic condition. Managing these illnesses can be expensive. Health care for people with chronic diseases accounts for 75% of our total health care costs.
- Generally, insurance coverage is based on being in a particular group (for example, employees, people who are elderly or cannot work because of disability, or people with very low incomes). Most people under age 65 receive insurance benefits from their employers. Others purchase insurance, although this may be expensive. Medicare is the national program for people age 65 or older and some younger people with disabilities. Medicaid provides assistance to people who meet criteria based on income, assets, and, in most states high medical expenses.
- Although most people have health insurance that pays part of the cost of getting healthcare, more than 1 in 7 Americans—almost 46 million—do not have any health insurance benefits.

BENEFITS AND SERVICES

The first thing Congress asked us to explore is:
What health care benefits and services should be provided?

In the United States, health insurance often covers both predictable and unpredictable kinds of health care. Some health problems—like example, injuries from car accidents or having a premature baby—do not occur very often but can cost hundreds, or thousands of dollars when they do. Just like homeowners' insurance, when a lot of people buy health insurance, the costs for these rare, expensive events are spread out over the large group of people who bought policies. This reduces the cost to the unlucky few who actually need the help in a given year. In this way, health insurance is a transfer of money from those who don't get sick or injured this year to those who do.

But a lot of our health care needs are routine and predictable, like annual physical exams, or medicines to treat chronic diseases. When people know they will need certain services, they may think of insurance as a prepayment, like a service contract. But if people decide to buy health insurance only when they know they are likely to need it, policies can become expensive because everyone who is insured is using a lot of health care. At the same time, when healthy people choose not to buy health insurance they are not protected against large unpredictable expenses.

Currently in the United States, what mostly determines whether you have health insurance is whether you fall into one of several categories of people that are covered. These categories include, for example, employees of organizations that offer health insurance, people aged 65 or over and others eligible for Medicare, and people who qualify for the Medicaid program in the state in which they live.

Key Facts on Benefits & Services

- Our need for health services, and the need for insurance to cover care vary a lot and change over the course of a lifetime, increasing with age.
- In 2004 almost half of all people in the United States had a chronic condition. Managing these illnesses can be expensive. Health care for people with chronic diseases accounts for 75% of our total health care costs.
- Generally, insurance coverage is based on being in a particular group (for example, employees, people who are elderly or cannot work because of disability, or people with very low incomes). Most people under age 65 receive insurance benefits from their employers. Others purchase insurance, although this may be expensive. Medicare is the national program for people age 65 or older and some younger people with disabilities. Medicaid provides assistance to people who meet criteria based on income, assets, and, in most states high medical expenses.
- Although most people have health insurance that pays part of the cost of getting healthcare, more than 1 in 7 Americans—almost 46 million—do not have any health insurance benefits.



Benefits

Discussion Question:

- Why do you think either of these approaches would be the better way to provide coverage?
 - Providing coverage based on who you are (for example, people who have coverage through their employers or people who qualify for public programs because of age or because they are poor) as is the case currently; or
 - Defining a level of services for everyone, regardless of their status, but with coverage assured only for that defined set of services.



Benefits

Sample Basic Care Package:

- Preventive Care—screenings, routine physicals, influenza and pneumonia immunizations, well child care, limited dental care
- Physicians' Care—inpatient services, outpatient surgery, related tests, home and office visits, medical emergency care
- Chiropractic Care
- Maternity Care
- Prescription Drugs
- Hospital/Facility Care—inpatient and outpatient services
- Physical, Occupational, and Speech Therapy
- Mental Health and Substance Abuse—inpatient and outpatient facility and professional care



Benefits

Discussion Question:

- Should there be a “basic” level of services for health insurance that everyone should be able to obtain (either on their own or with assistance from employers or the government)?
- If so, how would a basic package compare to this “typical” plan? Are there benefits that you would add or that you would take out?



Deliberation 2: Getting Health Care

Jonathan Ortman
Moderator

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Getting Health Care

- About half of Americans say they are “extremely” or “very” satisfied with the health care they have
- More than 15% of Americans report not having a regular place to go when they need health care.
- There are differences in access to care across racial, ethnic, and economic lines:
 - Hispanics had worse access than non-Hispanic whites in almost 90% of access measures.
 - African-Americans had worse access in 50% of access measures.
 - Asians had worse access in over 40% of the measures used.
 - People below the poverty line had worse access to care in all the measures used.
- Not everyone who should receive certain services does. On average, adults get only 55% of the recommended care for many common conditions.

GETTING HEALTH CARE

The next question Congress asked us to probe is:
How does the American public want health care delivered?

Getting the health care that we want involves two seemingly simple concepts: getting the care—access—and getting good care—quality. Also, we like having the ability to make choices about the care we get.

ethnicity, and income. Reasons for these disparities are varied, reflecting differences in education and insurance coverage as well as communication problems and discrimination.

Access

An important part of access is being able to find a health care provider and being able to go to them when needed. Not all parts of the country have the same health care resources, and racial and ethnic minorities and people with lower incomes have more problems getting health care. Access also involves getting to the right kind of providers, like primary care professionals, specialists, dentists, and mental health providers, and to the right kind of care, such as home care and personal care. Out-of-pocket costs can also cause problems for some people.

For people facing a serious health problem or a chronic condition, it can be hard to get care, and the American health care system can be complicated, hard to navigate and inefficient.

Quality

The amount of health care services Americans use varies a lot across different parts of the country, often without a corresponding difference in health outcome. Evidence shows that much of the care some people receive is not always the “right” care.

When it comes to getting the right care, there is consistent evidence of a difference in the quality of care and health outcomes related to race,

Key Facts on Getting Health Care

- About half of Americans say they are “extremely” or “very” satisfied with the health care they have received in the last two years.
- More than 15% of Americans report not having a regular place to go when they need health care.
- There are differences in access to care across racial, ethnic, and economic lines:
 - Hispanics had worse access than non-Hispanic whites in almost 90% of access measures.
 - African-Americans had worse access in 50% of access measures.
 - Asians had worse access in over 40% of the measures used.
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Community Reading Discussion Guide

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Getting Health Care

Discussion Question:

- What kinds of difficulties have you had in getting access to health care services?



Getting Health Care

Discussion Question:

- In getting health care, what is most important to you?



Deliberation 3: Financing

Jonathan Ortman
Moderator

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Financing

- In 2004, America's total cost for health care was \$1.9 trillion. That's about \$6,300 for each person in America. In ten years this amount is expected to rise to \$11,000 per person.
- In 1960 we spent 5¢ out of every dollar we earned on health care. Today we spend about 15¢.
- If current trends continue, by 2040, we will spend 36¢ out of every Federal dollar on Medicare and Medicaid.
- While most large firms offer health insurance to their employees, the percent of firms of all sizes offering health benefits to their employees fell from 69% in 2000, to 60% in 2005.
- Federal tax policy encourages businesses to offer health coverage to their employees. Employers and employees both receive tax benefits related to employer-provided health insurance. The way these policies work is estimated to have cost the government \$145 billion in tax revenue in 2004.

FINANCING

The next question Congress asked us to address is:
How should health care coverage be financed?

We all pay for our growing health care bill through insurance premiums, taxes (income, payroll, property, or sales), foregone wage increases, or increased prices for goods or services.

Health care bills are paid through:

- Private insurance.** This is most often sponsored by employers. Both employers and employees get tax breaks for a portion of the cost of insurance.
- Public programs like Medicare and Medicaid.** This is the second largest source of coverage. Medicare is funded mainly through payroll taxes, federal general revenues and beneficiary premiums; Medicaid is funded through federal and state taxes.
- Individuals and families.** Most people pay a portion of their insurance premium plus other out-of-pocket expenses, like deductibles and co-payments.

It is sometimes difficult to sort out private spending and public spending for health care. For example, both public programs and private insurance end up paying the costs for the uninsured who cannot pay for their health care. Employer health coverage is subsidized through the federal tax system because workers do not have to pay taxes on compensation received as employer-provided health care benefits, and premiums paid by employers that are part of an employee's compensation are exempt from payroll taxes as well as income taxes. But, no matter who pays the bill, the bills are going up for all of us—families, employers, states, and the federal government.

Key Facts on Financing

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Community Meeting Discussion Guide



Financing

Discussion Question:

- Should everyone (who can afford to do so) be required to enroll in basic health care coverage, either private or public? Why?



Financing

Discussion Question:

- Most Americans get their health insurance through their employers and many get their insurance through public programs. Should public policy continue to use tax rules to encourage employer-based health insurance?
- Do you think government resources should continue current programs that cover some people who can't otherwise afford it?



Financing

Discussion Question:

- What should the responsibilities of individuals and families be in paying for health care?



Financing

Discussion Question:

- What can be done to slow the growth of health care costs in America?



Deliberation 4: Trade-offs & Options

Jonathan Ortman
Moderator

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Trade-offs & Options

- The final question Congress asked us to pursue is: What tradeoffs are the American public willing to make in either benefits or financing to ensure access to affordable, high quality health care coverage and services?
- As a nation, hard choices confront us as we try to find ways to solve the problems of cost, access, and quality. We need to know what changes you are willing to make as individuals and as a country to ensure that health care works for everyone.
- What are you willing to do to help make health care work for all Americans? We're looking for your guidance on what you think it will take for us as a country to reach this goal.

TRADEOFFS AND OPTIONS

The final question Congress asked us to pursue is:

What tradeoffs are the American public willing to make in either benefits or financing to ensure access to affordable, high quality health care coverage and services?

Woven through our discussion today are the interrelated issues of cost, quality, and access. As a nation, we face hard choices as we try to slow the growth of health care costs, improve quality, and expand access to care. We need to know what changes you are willing to make as individuals and as a country to ensure that health care works for everyone.

First, we want to hear your priorities for investing in health care in America. Remember that if public spending on health care is increased, this may limit how much can be invested in other national needs such as education or defense.

Here are some ideas to consider:

- Has our health care system struck the right balance between prevention and treatment?
- Given that we have to set priorities, are we spending too much, about the right amount, or not enough on things like:
 - Guaranteeing that there are enough health care providers, especially in areas such as inner cities and rural areas
 - Investing in public health programs to prevent disease, promote healthy lifestyles, and protect the public in the event of epidemics or disasters
 - Guaranteeing that all Americans have health insurance
 - Funding the development of computerized health information to improve the quality and efficiency of health care

- Funding programs that help eliminate problems in access to or quality of care for minorities
- Funding biomedical and technological research that can lead to advancements in the treatment and prevention of disease
- Guaranteeing that all Americans get health care when they need it, through public "safety net" programs (if they can not afford it)
- Preserving Medicare and Medicaid
- If you believe it is important to ensure access to affordable, high quality health care coverage and services for all Americans, what do you think we should do? For example, should we:
 - Offer uninsured Americans income tax deductions, credits, or other financial assistance to help them purchase private health insurance on their own?
 - Expand state government programs for low-income people, such as Medicaid and the State Children's Health Insurance Program (SCHIP), to provide coverage for more people without health insurance?
 - Rely on free market competition among doctors, hospitals, other health care providers, and insurance companies rather than having government define benefits and set prices?
 - Open up enrollment in national federal programs like Medicare or the federal employees' health benefit program?

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Trade-offs & Options

Spending Priorities:

- Guaranteeing that there are enough health care providers, especially in areas such as inner cities and rural areas
- Investing in public health programs to prevent disease, promote healthy lifestyles, and protect the public in the event of epidemics or disasters
- Guaranteeing that all Americans have health insurance
- Funding the development of computerized health information to improve the quality and efficiency of health care
- Funding programs that help eliminate problems in access to or quality of care for minorities
- Funding biomedical and technological research that can lead to advancements in the treatment and prevention of disease
- Guaranteeing that all Americans get health care when they need it, through public “safety net” programs (if they can not afford it)
- Preserving Medicare and Medicaid



Trade-offs & Options

Discussion Question:

- Some believe that fixing the health care system will require tradeoffs from everyone – e.g. hospitals, employers, insurers, consumers, government agencies. What could be done -- and by whom?

By “tradeoff” we mean reducing or eliminating something to get more of something else. In answering this question, be sure to frame your answers in terms of tradeoffs.



Trade-offs & Options

Some examples:

- Accepting a significant wait time for non-critical care to obtain a 10% reduction in health care costs.
- Paying a higher deductible in your insurance for more choice of physicians and hospitals (or paying a lower deductible with less choice).
- Paying more in taxes to have health care coverage for all. This could mean limiting coverage to high deductible/catastrophic care or, if you were willing to pay more, a more comprehensive package.
- Expanding federal programs to cover more people, but providing fewer services to those currently covered in those programs.
- Limiting coverage for certain end of life care of questionable value in order to provide more at home and comfort care for the dying.
- Having government define benefits and set prices versus relying on free market competition by doctors, hospitals, other health care providers, and insurance companies.



Trade-offs & Options

Proposals:

- Offer uninsured Americans income tax deductions, credits, or other financial assistance to help them purchase private health insurance on their own.
- Expand state government programs for low-income people, such as Medicaid and the State Children's Health Insurance Program, to provide coverage for more people without health insurance.
- Rely on free market competition among doctors, hospitals, other health care providers, and insurance companies rather than having government define benefits and set prices
- Open up enrollment in national federal programs like Medicare or the federal employees' health benefit program.
- Expand current tax incentives available to employers and their employees to encourage employers to offer insurance to more workers and families.
- Require businesses to offer health insurance to their employees.
- Expand neighborhood health clinics.
- Create a national health insurance program, financed by taxpayers, in which all Americans would get their insurance.
- Require that all Americans enroll in basic health care coverage, either private or public.
- Increase flexibility afforded states in how they use federal funds for state programs -- such as Medicaid and S-CHIP -- to maximize coverage.



Wrap-up & Adjournment

Dr. Aaron Shirley

Member, Citizens' Health Care Working Group

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Benefits

- The first thing Congress asked us to explore is: What health care benefits and services should be provided?
- In the United States, health insurance often covers a blend of predictable and unpredictable kinds of health care.
- A lot of our health care needs are routine and predictable
- Currently in the United States, what mostly determines whether you have health insurance is who you are—that is, whether you fall into one of several categories of people that are covered.
- We want to hear your views on how insurance should work, and what benefits should be covered.



Getting Health Care

- The next question Congress asked us to probe is: How does the American public want health care delivered?
- Getting the health care that we want involves two seemingly simple concepts: getting the care—*access*—and getting good care—*quality*. Also, we also like having the ability to make *choices* about the care we get.
- We would like to hear about what you have learned from your experiences with health care and what they have told you about where improvements can be made.



Financing

- The next question Congress asked us to address is: How should health care coverage be financed?
- We all pay for our growing health care bill through insurance premiums, taxes (income, payroll, property, or sales), foregone wage increases, or increased prices for goods or services.
- Health care bills are paid through:
 - Private insurance, Public programs like Medicare and Medicaid, and by individuals and families.
- We want to know what you think of the cost of health care and the way we pay for health care now. We will talk about whether we have the ability as a country to allow health care costs to grow at the current rate. We want your ideas on how we can work together to pay for the system we want.