CITIZENS' HEALTH CARE WORKING GROUP
WORKING GROUP PUBLIC MEETING

Discussion of Report
Community Meeting Committee Update
Communication Committee Update
Budget and Work Plan

Intermountain Health Care
Suite 16 South 1 and 2
36 South State Street, 16th Floor
Salt Lake City, Utah

Thursday, July 21, 2005
1:00 p.m.

Present:

Randall L. Johnson, Chairperson
Catherine G. McLaughlin, Vice Chairperson
Frank J. Baumeister, Jr. Member
Dorothy A. Bazos, Member
Montye S. Conlan, Member
Richard G. Frank, Member
Therese A. Hughes, Member
Brent C. James, Member
Patricia A. Maryland, Member
Michael J. O'Grady, Member
Aaron Shirley, Member
Deborah R. Stehr, Member
Christine L. Wright, Member

Also Present:

Larry Patton, Designated Federal Representative
George Grob, Executive Director
Andy Rock, Senior Program Analyst
Caroline Taplin, Senior Program Analyst
Jill Bernstein, Research Director
Rebecca Price, Program Analyst
Rachel Tyree, Program Analyst
Paige Smyth, Program Analyst
Jessica Federer, Program Analyst
Mary Ella Payne, Staff to Pat Maryland
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Adjourn
VICE CHAIR McLAUGHLIN: We hope to have a version online that is colorful, that will have-- it won't just be black ink on a white screen. It will have colored boxes and graphics so that it fits more with what people think of as website writing as opposed to a book. But you will be able to punch printable version and get a version that is printed so that if you want to have it to work up, to write on, to give copies to other people, that will be available for you.

In that version, we will distill all of the things that we have accumulated in that really big bulky file online and have a more coherent story. That's what we sent you last week, the first draft of that. And I don't--it's not the first draft that we've worked on. But it's the first time all the pieces were put together and were sent to the report committee. We got their feedback. We did not receive everyone's feedback in time to make those changes. But over the weekend Jill and I, already with the staff, were saying, Well, how can we respond to this comment by Richard and that comment by John, you know, how can we in fact try to be responsive to that?
And that's the one I was saying to all of you, you know, let us know. You don't have to let us know everything right here today. Keep it coming, because we're going to be here all weekend. And at first I thought that the Courtyard didn't have internet, because I couldn't get on. I thought--where are we going to work all weekend. But I found out that you can, in fact, go to the front desk and get it. So we will probably be in my room or somebody's room slavishly working away trying to respond to your comments from today, from tonight, from tomorrow. But that doesn't mean that if you didn't receive it and you look at it next week and you have some urgent things you want us to know, please let us know. Because this is going to be another several weeks of iteration and getting things improved.

What we wanted for today was to say, Okay, this was our overall approach. What do you think? Do you think we totally missed the boat? Do you think that we're missing something that's really critical? Do you think we're opening the door to an issue that probably we don't want to go there? Those kind of global responses. Although, individual very particular points are welcomed as well. Like on page .6, you said this,
"I can't buy that." Or I think you need to add another sentence or you need to rephrase it. So please give us those comments as well.

So that report we see as printing a small number of copies for release in the fall and, you know, for potential groups. But really it's going to be online. And we'll advertise the website heavily. We'll advertise its availability online. And people can, in fact, download it.

The third kind of report is what we've been calling the ten pager. The ten pager is going to be very visual. We will have a version of it on the website. But quite frankly, the version that you can put on the website isn't going to be very interesting. The 25 pager is going to be the thing that you're going to be able to print and get a lot of information.

The ten pager is designed to be very visual. It's the one that's going to be written at the fifth grade reading level. It's going to be very story oriented, very succinct, very to the point so that it's accessible to a lot of people. And that's the one that we had envisioned printing thousands of copies of. And we're hoping to make camera ready copies of it available to other people who like the League of Women Voters or
to ARP or to any group who may want to print their own to distribute, the Chamber of Commerce. We've been discussing all kinds of groups that may be interested, the Black Churches, all kinds of groups that may be interested in printing it for their membership.

This is the one that we did not send you, because we were waiting for the graphic design artist at GPO to get back to us. And that's a whole other story. And, you know, Jill and the staff and I spent a lot of hours over the weekend and all day Monday and all day Tuesday. And my secretary, Jackie, yesterday went to Colossus and finally got one copy at 4.50 a page. So we didn't bring them for everybody. But we wanted you to see what is it that we are thinking of, rather than just send it to you electrically. Of course, yesterday if you sent it, you wouldn't have gotten it anyway. It's hard on a computer screen--it's even hard on this screen--to visualize what we're talking about.

But we really need this to be like an 8-1/2 by 11 booklet that we can give to people. And on the front page we would have, you know, some graphic and health care that works for all Americans, Citizens' Health Care Working Group, whatever we decide we want to have. And then you would open the page. And there
would be, you know, a letter, you know, "Hi, everybody. This is what we're doing." Some of the stuff we talked about this morning. And then you would open it up to what I was saying--there will be five story boards, the first one of which--this is our draft--our first draft of what we would have it be in which you can see that it's a lot--pictures of a lot of people behind it. And we want some feedback from you of whether this would be legible, whether people would be able to read it. All right. That was one of my concerns. The graphic design artists like this. Do we need to make it even paler? Or is that a bad idea altogether, and we should get rid of it?

But this was what we talked about saying that health care system is very complicated. And using the nets from our April meeting, stories that some of us told of saying, Boy, it works really--boy, I had a great experience. I had a terrific experience with technology, but it was really tough to get what I needed. Or I didn't have such a great experience, and things didn't work out so well. Or it's very costly. Gosh, I'm worried about that.

Basically, setting the scene for some of the stories that we wanted to tell through the rest of the
report. Some of the information that we want to share about the current health care system, what's good about it, what's not so good about it, and therefore needs to be changed.

So one of the themes that you saw on the 25 pager is that--and I have it on here now--what are the good parts that we want to preserve, and what are the not so good parts that we might want to try to improve?

And that's what the part of the discussion we talked about this morning, that that's part the discussion we want to engage in with the American public. What do you like about the system? What works well for you? What didn't work so well for you? And see if we can figure out a way to preserve what works well and fix what doesn't work very well. And so that's part of what we're trying to set up at this point.

Then people will open the second page and get to, Where does the money come from, where does it go? Then, what services do we buy, how much it costs. I'm going to pass this around for people to look at, because you can see at 4.50 a page, I didn't want to--how do I do lights so they can see? Does anybody know how to turn lights off in here so that you guys stay awake but can see? I would think it would be this,
but this doesn't seem to be doing anything.

MR. GROB: The other white one there.

VICE CHAIR McLAUGHLIN: There we go. Can people see this?

MS. BAZOS: We can see the colors.

MS. HUGHES: You might have to close the blinds back there.

VICE CHAIR McLAUGHLIN: I'm passing around--what we're trying to do now--I should point out to you--we will have time to talk about actual test. What we want now is, do we even go back to the graphic design artist to start reforming this or do we throw this out? Do we throw this out and say, This isn't going to work, this isn't what we had in mind. Because a month ago we talked to you briefly about where the report committee was going. We sent e-mails two weeks ago. We sent another e-mail last week. But this is the first time that you've seen what that would look like. And so I just wanted you to see what we had in mind and if you like it. Then we talk about actual words. All right?

CHAIRPERSON JOHNSON: So as we're passing this around, you just want us to look at the concept, not the text.

VICE CHAIR McLAUGHLIN: Exactly. I'm going
to now go slide by slide up here. I just want you
to--if you look here, Randy, I thought it's hard for
somebody to understand this. This would be a page, a
booklet that opens up. Right? Whereas if you have this
and then you can--if you look at it, we can send this
first page on. If you have this, you can see better,
how we had envisioned it. Richard.

MR. FRANK: Can we step back for a second
and say what we're doing here this afternoon? Because
I've said a lot. Yeah--

VICE CHAIR McLAUGHLIN: Yes, we can. I
wanted to spend about 15 minutes--

MR. FRANK: Let me finish my question.

VICE CHAIR McLAUGHLIN: I was answering your
question--

MR. FRANK: Right. I didn't finish it.

VICE CHAIR McLAUGHLIN: --do this afternoon.

MR. FRANK: Yeah. But what are we going to
do this afternoon, colon--

VICE CHAIR McLAUGHLIN: It's a two-part
question.

MR. FRANK: Yeah. And the second part is,
are we talking about accepting as done the substance--

VICE CHAIR McLAUGHLIN: No.
MR. FRANK: --and then becoming amateur graphic designers?

VICE CHAIR McLAUGHLIN: No.

MR. FRANK: Or are we talking about-- and so--

VICE CHAIR McLAUGHLIN: We're talking about, do you like this layout? If you like this layout, then we can talk about substance and whatever. But do you even like these five story boards? We've presented the five story boards in Jackson. We talked about them again on a conference call. I sent everybody e-mail talking about them. But, you know, now that we sort of tried putting some of the pieces together, is this still where we want to go? And what I had thought, Richard, was spending about 15 minutes laying out the five story boards and then having some discussion about that. But we also need to talk about the 25 pager.

MR. FRANK: That's what I was wondering, how those two fit together.

VICE CHAIR McLAUGHLIN: Yes.

UNIDENTIFIED SPEAKER: I hate to interrupt. But is this going to be pretty much an organizational meeting? We came on the idea that we were going to be able to give some kind of medical impose.
CHAIRPERSON JOHNSON: Sir, thank you for your question. The Citizens' Health Care Working Group is appointed by the U.S. comptroller general. And in this stage of our work, what we're in the process of doing is conducting hearings and hearings principally for invited guests. Those invited guests will be tomorrow.

Today we're merely going through some of the progress of work to get and make preparations for communicating with the American public. And we'll issue the report that Catherine's just been talking about probably in early October. And following that there will be input opportunities by American citizens. But today the content or the discussion will be only of the working group members themselves.

UNIDENTIFIED SPEAKER: There will be no input from the public until after the October--

CHAIRPERSON JOHNSON: That's correct.

UNIDENTIFIED SPEAKER: There's going to be an awful lot of work done before--

CHAIRPERSON JOHNSON: And beyond that, there will be community meetings that will be held that will both start initially in October, late October, and they'll continue through April of next year. So before
any recommendations are addressed to the Congress or the President, we'll have those community meetings nationwide. We'll put out a--an initial report for the public to then consider recommendations. And then after input from the public, we'll go back to the Congress and President of recommendations at that time. So we are not-- we're just in the beginning stages of developing an additional report to citizens for their feedback.

UNIDENTIFIED SPEAKER: Well, that's what we were hoping to do is have some input on the initial report. Where are you going to get your information from the initial report?

CHAIRPERSON JOHNSON: From experts who have experience in the medical delivery world, certain representatives of certain bodies and so forth. But that hearing, which will be inviting individual input on, will be tomorrow. And, again, there's an agenda that's been put out. And it will be--the input will come from invited guests only. Not from citizen at this stage. Citizens at a later stage will be able to provide their input. And then our recommendations would be potentially adjusted based on that input.

UNIDENTIFIED SPEAKER: Well, I get different information from Dr. James. I called down months ago to
see if we need to get on the agenda. And I was assured
that I didn't need to, all I had to do was show up.

CHAIRPERSON JOHNSON: Okay. I apologize for
the misunderstanding.

UNIDENTIFIED SPEAKER: Do you have an agenda
for tomorrow?

VICE CHAIR McLAUGHLIN: Caroline is getting
a copy of it.

CHAIRPERSON JOHNSON: Thank you for your
input.

VICE CHAIR McLAUGHLIN: I should preface,
too, that the report we're talking about today is not
recommendations at all. This is--and there's some
confusion between the report that we were asked by the
legislation to put together and recommendations, which
will be a year from now after all these community
meetings. This is just letting the average American
know how much money do we spend on health care, where
does it go, what are some of the issues. This is not
so-- this is a fact finding, not recommendations.

UNIDENTIFIED SPEAKER: Have you seen the
information we've already supplied to Dr. James?

VICE CHAIR McLAUGHLIN: I'm not sure what
information you supplied.
UNIDENTIFIED SPEAKER: It's about 90 pages with computer printouts, with all tables, where the money's been going, where it is now.

VICE CHAIR McLAUGHLIN: I personally haven't, but Dr. James can certainly--he's on the report committee.

UNIDENTIFIED SPEAKER: I know he is.

CHAIRPERSON JOHNSON: Okay. Sir, we're going to have to move along with our agenda. And I'm sorry for the misunderstanding that we've had.

VICE CHAIR McLAUGHLIN: So, one of the things that I've added since this was printed out yesterday was some of the key points that are being illustrated by these stories. Because it's important to remember that the point of this first story board was not to educate the public about us. That was not the point. The point was to use our stories to illustrate some of the complexity and some of the issues, good and bad, in the health care system today. And we could be making--we talked about this--we can make up fictional people to use--have the same plan. We're trying to respond to John Iglehart's strong recommendation to make it personal, use stories. Story telling is how people are going to walk through this door and want to learn
more. If that first door is a bunch of tables and graphs, they're going to close the book.

And the only way we're going to get them to walk through that door is through stories. So we could make up people. But we thought why not try using stories from the working group members that were told in April at the first working group meeting. They're part of the public testimony. And use those stories, because we had some amazing stories around the table that illustrated some of the successes and some of the failures of the health care system, that talked about the importance of prevention, education, low cost intervention, high cost technology, long-term chronic diseases. We have all kinds of stories. And we thought, gosh, between us, we actually have most of the issues that we would tell if we made up stories, right?

So what I realized is maybe we needed to put in some of these words of what is it that's complex, what is it that's varied about the health care system, and put in some of the words that are being illustrated by these stories. A secondary benefit, in my mind, of doing our stories was--it would reinforce the issue that we talked about this morning, that we are, in fact, just like everybody else in America. We all participate in
the health care system in some way.

So my only participation in health care system is not being a healthy economist who studies it, right? Your only participation in the system isn't running venice clinic. I mean, all of us have participated in the system as a spouse, as a parent, as a child, as a patient, as a provider. So we are--our vision of the system will be different because of that.

So that was sort of the goal of doing this.

It was to try to use the story telling to draw people in and illustrate core points. And certainly what are in these words, in these phrases, can be changed. I may not have captured the right ones. I may not have gone the right way. The staff worked--looking through all the vignettes that were told. Maybe we chose the wrong ones. And I'm happy to talk about that. But before we spend any more time on the vignettes, we wanted to make sure you guys, now that you see it, still think that's the way to go. All right?

So let me--do you want to talk about that now, or do you want to go to second page and see the construct of the second page?

MR. O'GRADY: Given most of us haven't really seen this yet, hadn't had much chance to digest
and think about it, why don't you move on? I mean, to a certain degree, I know you hesitate to send things electronically. But if we are going to have a chance to—even if it's not quite right on our screens—get a chance to digest it and be ready to give constructive discussion. It would be helpful to see it before.

VICE CHAIR McLAUGHLIN: Right. Right. The 25 pager we did send electronically on Friday.

MR. O'GRADY: Oh.

VICE CHAIR McLAUGHLIN: Yes. We sent it to everybody Friday. Well, no. Sorry. To report committee. I'm sorry. To the report committee.

MR. O'GRADY: I got a hard copy.

VICE CHAIR McLAUGHLIN: And they got a hard copy. You didn't get the--

MR. O'GRADY: I didn't get it electronically.

CHAIRPERSON JOHNSON: I think we received it hard copy.

VICE CHAIR McLAUGHLIN: Well--

MR. O'GRADY: In terms of thinking about making comments electronically.

VICE CHAIR McLAUGHLIN: Our problem was we didn't have the graphic design artist's stuff in time to
send it to you.

MR. O'GRADY: No, no, no. I'm just saying in terms of these things, this one and the 25 pager, whatever it's--it's just--you know, I mean, I can write on the margin. But for you to incorporate a number of people, it strikes me--if we can see it electronically, we can work on it a lot more efficiently.

VICE CHAIR McLAUGHLIN: Right. No. I think, Mike, the--definitely in terms of specific comments--and we have copies of this to hand to you, because literally they were just printed yesterday--to get specific comments, you have to be able to walk away with copies of this and look at it. But what I was hoping is to get some sense of whether you think-- it's even worth getting specific comments at this stage or should we scrap it.

MR. O'GRADY: Let's--let it kind of rotate a little bit.

MR. FRANK: Catherine, let me tell you just--the thing that's hard to make a judgment about is to look at this and try to figure out what--

VICE CHAIR McLAUGHLIN: Oops, that changed, didn't it? I don't know what I did. But anyway, go ahead.
MR. FRANK: I think the thing that makes it difficult for us sitting here is to look at this and to try to figure out how the story emerges. And, you know, my feeling is there are a lot of nice graphic ways of doing it. But just looking at this--I can read the big things, which certainly are relevant titles. But I don't know whether if I read this whole thing the story would emerge and that it would be easy to take away the lessons that we intend. And my judgment about it will depend entirely on that.

VICE CHAIR McLAUGHLIN: So your--even whether you want us to use stories depends on what stories we have.

MR. FRANK: No, no. I think--no, you're not getting me.

VICE CHAIR McLAUGHLIN: That's why I asked.

MR. FRANK: Stories are fine, but somehow they have to be aligned and maybe with text around them so that people walk away with the big picture story at the end of the day. And you can't tell.

VICE CHAIR McLAUGHLIN: Oh, okay. But--so that suggests that we do, in fact, go to the next slide. I'll show you at this stage. This one unfortunately isn't all incorporated in one--you can see how it looks,
but we aren't able to get it all on one slide here. But this would be the top half of the second story board. So this is part--I mean, I think this is part of your thing, Richard, of where are those stories on first story boards supposed to take us.

MR. FRANK: Or after reading them do you--are you walking away with messages that we hope to impart?

VICE CHAIR McLAUGHLIN: Well, we're hoping you're walking away with "I want to learn more," and you turn the page. Not that you stop at that first page and walk away with messages you need to know.

MR. FRANK: Okay.

VICE CHAIR McLAUGHLIN: Right? It's like reading the first chapter of the book and thinking you understand the point of the book. Sometimes you do. Sometimes you can tell the butler did it in the first chapter. But, I mean, that's something to talk about.

The way we had it now--and, again, this is just the first draft of the graphic, from the graphic--well, it's actually not. It's about the tenth. But it's the first time that he actually was able to get some of the issues the staff was trying to get to, was to have a whole bunch of people here and these--if
they can't do it, then we have to change it. But it was supposed to be taxes, premium payments, charitable contributions out of pocket, because the text that goes underneath this--and you guys have that sheet of paper going around--maybe we should just give them the handouts, Jill. But the text underneath it says, Where does the money come from? It comes from 290 million Americans. It comes through different kinds of taxes. It comes through premium payments. It comes through charitable contributions. It comes from all of us. That's where the money comes from.

And then it enters into this health accounts building. As we said, it gets funneled through a whole bunch of different payers, a whole bunch of public payers and private payers. And that's partly because there is this belief that, oh, the money comes from Blue Cross, the money comes from Medicare. The money comes from my employer. And we want to make sure they know that 1.7 trillion dollars comes from 290 million people in one way or the other.

It goes through these. And these bars--as you can see, you can't read any of the numbers as they are now--so we would need work if we're going to keep this. These bars, though, the height of these bars
reflect the percent of the 1.7 trillion that goes through that pair. So we have the dollar amounts, right? Medicare is 283 billion. Medicaid is 154 billion. Public health. And so you can see that they get--private health insurance is the biggest one at 600 billion.

And then up here we have administrative costs. Because some of this costs money for administration. And that money does not then come out the other side of the building and pay for health care services. So the money--some of the money, all but this, comes through the system and buys hospital services, physician nursing health care provider services, drugs and medical supplies. We've already told them he has to get rid of the wheelchair. But we keep trying to tell him, You have to get rid of the wheelchair. But--okay. It's not that this goes to disabled people. It goes to medical supplies. So--

MS. BERNSTEIN: Long term care.

VICE CHAIR McLAUGHLIN: Long term care. This is long term. I thought this was medical supplies.

MS. BERNSTEIN: No. Long term.

VICE CHAIR McLAUGHLIN: Oh, well, there you go. We have to do something else for that. And here we
are trying to get--proportional how much money, what
percent of that money goes to hospital services versus
professional health care services, drugs, and long term
care. I've been saying the wrong thing all this time.
So it makes it clear that the graphic isn't clear. So
this was to try to tell Richard to start the money flow.
Where does the money come from, and where does it go?
Again, in a very visual way. As you see--

   MR. FRANK: Can I ask a question?

   VICE CHAIR McLAUGHLIN: Yes.

   MR. FRANK: I asked a question. Now, let's
go back.

   VICE CHAIR McLAUGHLIN: Oh, you don't want--
the text that goes underneath it?

   MR. FRANK: No. My question is, maybe this
is just because of where I sit. But I find this
somewhat patronizing.

   VICE CHAIR McLAUGHLIN: Well, you know,
Richard, we tried all kinds of things. I should tell
you my secretary loved it.

   MR. FRANK: I'm just saying I'm not a good
judge.

   VICE CHAIR McLAUGHLIN: You aren't and
neither am I.
MR. FRANK: But what I'm saying is that I would like to get other opinions.

VICE CHAIR McLAUGHLIN: Right. Absolutely. And I--so I asked a bunch of people back where I am and I asked my in-laws. I asked my secretary. I asked several of the people who are working in the office who don't know health stuff. They loved it. They said, you know, health care is so complicated. This makes it less scary to me. This makes it more understandable to me. And they loved it. Now, that doesn't mean we should stick with it.

MR. FRANK: No, no.

MR. O'GRADY: Let me just ask. That's very anecdotal. Can we be more scientific? Do we have funds to do like a focus group of what we think would be the kind of population that we would like--I mean, most of my dealings with this kind of stuff is with seniors, trying to describe it. And this is way too noisy for that. And God knows this thing of small fund size.

VICE CHAIR McLAUGHLIN: Yeah.

MR. O'GRADY: You know, they--

VICE CHAIR McLAUGHLIN: Absolutely.

MR. O'GRADY: They would never make it past the first page.
VICE CHAIR McLAUGHLIN: Absolutely.

MR. O'GRADY: And they would be frustrated. And that would be it. So, I mean, just in terms of thinking about kind of--because it is extremely--every other time I've tried to do this process, it's extremely hard, especially for people who work in the field, or even--if you go down the hall and, you know, I give it to the welfare guys, because they're not health guys. You know, I mean--and it's still--

VICE CHAIR McLAUGHLIN: This is what the fund size would be. And my father-in-law who is blind in one eye and disabled in other eye could read it, 89 years old. So I just want to say, we did, in fact, check that.

MR. O'GRADY: Well, he's motivated then. Because I'm thinking we're going to--

VICE CHAIR McLAUGHLIN: I'm not talking about dollar numbers. I'm talking about the text.

MR. O'GRADY: No, no, no.

VICE CHAIR McLAUGHLIN: Are you looking at text?

MR. O'GRADY: Yeah.

VICE CHAIR McLAUGHLIN: Oh, I said this has to be changed.
MR. O'GRADY: Yeah. I has to be--but let's just talk for a second. We all have this stuff about kind of very-- and it's cute. I--you know, I like it in that sense. Health accounts, you know, that kind of stuff. But it's taking up tons of the space here. I mean, you know, this is a nice graphic in terms of--I mean, I like it in one sense. I just question whether it will be effective in communicating to the type of population we want to communicate to, just because I think there's too much going on. It's our graphics guy I think run amuck a little bit in terms of--sure, it's a lot nicer to have buildings, facades, and do it this way. But I think the main message is what's in the little type in the center. And I'm afraid that might get lost.

VICE CHAIR McLAUGHLIN: Well, the little type has to change. I wanted to show you this. This fun size is good. This is terrible. I said this has to change. And if they can't fix it, we have to change it. I mean, I absolutely agree with you. This is not legible on the building.

MR. O'GRADY: But, I mean, when you think of a graphic like this, whenever I have done them myself, you try to grow that fun size in the center-- things
VICE CHAIR McLAUGHLIN: Make the prints smaller.

MR. O'GRADY: --health accounts building would be, yeah--I would--they would lose ground in my book.

VICE CHAIR McLAUGHLIN: I don't know if--I mean, Jill, you can talk to Guy and see if he could do this. But if this were rotated so that the front of the building--you know what I'm saying? If this is three dimensional, it's rotated so the side of building is this big and the front of the building is only that big.

So this has a lot more room.

CHAIRPERSON JOHNSON: Mike, am I hearing you say that in general before we were to proceed much further, it would be good to have a focus group give feedback not only on the fun side, but the concepts that Catherine's presenting.

MR. O'GRADY: Yeah. My experience has been in this in terms of once--and we do this a lot with prevention and Medicare. You know, once you move out of areas that are traditional areas of expertise, I would never claim to be a marketing expert or a graphic design
expert. And it's just that—to turn to people who are experts in that field to help kind of field test, it to see are we targeting, what is the message that gets across? And keeping our fingers across is the message we're hoping to get across versus something else. And it just strikes me that there are people who are specialists in this area and experts. I'm not one of them. So rather than--I mean, I've done with Catherine, Well, you know, I take it home and show it to wife. I show it to--well, you know, that's hit or miss. It just hasn't worked that well for me in the past. There are people who are expert in this. I'm not one of them. I would see if there's some way to draw in their input.

VICE CHAIR McLAUGHLIN: We had talked about who should vet it. I mean, we listed people to vet it. Obviously, it has to be vetted through the government because of who we are.

MR. O'GRADY: I think that--

VICE CHAIR McLAUGHLIN: No. I'm just saying, but that is part of the vetting too is saying--

MR. O'GRADY: Yeah. I guess just in terms of one thing. Just to give you an example, because I finally thought of a good one. When the FDA decided they were going to do the food group, which we all see
every time we pick up something, they had the very
innovative notion to not do it in the government, to go
down--and I think they went to the feds right where the
guys are. They went in there, and they got who was the
best marketing graphic design guy in the private sector
doing that sort of--and how do you shape it and how do
you get the message, and how do you make sure it's
really got a lot of content to it without losing people.

And, you know, the FDA--it's the only
government agency I ever heard of, you know, won a
design award for food label. And they deserve it. But,
I mean, they didn't think you could go down the hall
and have the people who typically do the real small type
at the bottom of your prescription do it. They went
outside to experts. And I don't know what our budget is.
I don't know what we could do. But given it's part of
what we're trying to do here-- effective communication.

If we do have the budget to do it in, it might be good
to do field testing or get that kind of--

DR. BAUMEISTER: I've always personally
lived on this kind of thing, sort of a comic book
approach. And I sort of got the feeling it kind of
trivialized what you're trying to get across. And then I
was--served on a task force in mental health task force,
getting some points across back and forth. And this lady—who was on there, who sent me a book by a fellow in California. It's called Visual Language. And it was a beautifully written book. And it deals with just this issue. And it sort of changed my view of it. Because a lot of people are coming along now that really are visual. And so I think it has promise.

VICE CHAIR McLAUGHLIN: I think we need--I mean, that--remember the 25 page report is going to be what we're used to reading. And there are going to be a lot of people who want that 25 page report. But we have to reach out not just to senior citizens, Mike, but to the 25-year-old, the 35-year-old, the 45-year-old, the 55-year-old, because when we're talking about shared experiences, shared gains, shared sacrifices, et cetera, we need those people to understand it.

And, Montye--I don't want to pick on Montye--but Montye sent me an e-mail a while ago saying, Please make it visual, that there are men in her family who are not readers. They cannot read well. They will not--if it's all words on a page and little boxes and pie charts, they will not read it. They will not continue. And so we're trying to come up with a balance where the bottom of this page would be this. So for the
people who don't like the comic book, the graphics, here are the words. And there's even this box that gives you data. You know, 85 percent of people under the age of two years saw a dentist in 2002. In 2003, over seven million people have hearing aids. Yet it is projected that the United States will spend over 7.5 billion dollars in 2008 on health care equipment. I mean--so for the people who are more fact oriented, we've got the box that gives them facts. For the people who are textual, we have text. So we were trying to combine the three. But Mike is right. There's an opportunity cost.

If you have a big visual, you have to make it big enough that they can read it. And it takes up a lot of landscape, as they say in the business.

DR. BAUMEISTER: Do you have to put it all together, though, on one page. I mean, make the graphics bigger. And then--I mean, you can have like links on the paper, you know, websites and things, that will point to more data if you need it.

VICE CHAIR McLAUGHLIN: Well, we do--on the website we can do that.

DR. BAUMEISTER: But even the graphics, even in the comic book edition, you can have references at the bottom, you know, directing people.
VICE CHAIR McLAUGHLIN: We can. And where's the--

MR. O'GRADY: It's right there.

VICE CHAIR McLAUGHLIN: One of the ones that we all talked about was trying to make the color distinctions better and do away with the numbers and just have the colors tell the story of—clearly private spending is the big winner here. You know, private health insurance has the biggest amount. And these are smaller. I don't know, because we don't want to be misleading and we don't—I don't know.

MS. HUGHES: Am I to understand you that this page--

VICE CHAIR McLAUGHLIN: It would look just like this, this size and this picture, because it would be a 8-1/2 by 11 book. So you will open up the page. And this is what it would look like.

CHAIRPERSON JOHNSON: It would be front and back. Is that correct? So on the opposite side of those two pages, there would be something else you would be reading.

VICE CHAIR McLAUGHLIN: It would be like this. You would have the book. And you would open the first page. And it would look like this. Then you
would open the second page. And it would look like that. Just like in a book.

DR. BAUMEISTER: But if you extended the picture, the graph to the whole page, we would get away from the smaller print. Then you could put the text on--

VICE CHAIR McLAUGHLIN: We could or, you know--

DR. BAUMEISTER: Because that's a nice depiction of what goes on.

VICE CHAIR McLAUGHLIN: Well, I'm glad you said it, Frank, because--when I first saw it, I was like, hmm. But my secretary printed it for me. And this is--so her father's a professor. But she didn't go to college. I mean, she's one of those sort of mixed kind of levels of education. And she came in. She said, I love this. I love this. She's never said that to me in all my years of my research. She said, I love this.

MR. O'GRADY: And it wasn't bonus time or anything.

VICE CHAIR McLAUGHLIN: And it was not bonus time. And she took it home to her husband to look at, who is a chicken man at Whole Foods, you know, with a high school education. And he went, This is the first
time I've ever even tried to understand the health care
system. Now, you're right. It's anecdotal, but my
point is--

DR. BAUMEISTER: And I suspect he understood
it from the photograph.

VICE CHAIR McLAUGHLIN: He did.

DR. BAUMEISTER: Not from the text.

VICE CHAIR McLAUGHLIN: He didn't read any
of the text. Right.

MS. HUGHES: I think the idea of having the
picture on two pages is that two pages is a much better
idea for several reasons. First of all, these little
bags of money that are going in here, nobody can read
what those are.

VICE CHAIR McLAUGHLIN: I know.

MS. HUGHES: Second of all--

VICE CHAIR McLAUGHLIN: But this is the two
pages, Therese.

MS. HUGHES: No. This is on one-- that's
right. But there's words at the bottom.

VICE CHAIR McLAUGHLIN: Okay.

MS. HUGHES: It needs to be--the visual
picture needs to be--

VICE CHAIR McLAUGHLIN: Extend it this way,
not this way.

MS. HUGHES: And I think that that's what--
DR. BAUMEISTER: The text detracts from the picture.

MS. HUGHES: Exactly. And then that way you have an idea to see what better--what's going on, because it--what's going on. But I--what's going on. Well, what I'm saying--I guess, you know, I don't like the shadows that are on it. I mean, do you want these kind of comments now or not?

VICE CHAIR McLAUGHLIN: Not those kind.

MS. HUGHES: Okay.

VICE CHAIR McLAUGHLIN: But the other kind, yes.

MS. HUGHES: Okay. Then I think if you use the picture for the whole page that would be more understandable.

VICE CHAIR McLAUGHLIN: But it is interesting, because Richard's saying it's patronizing.

MR. FRANK: No, no. I didn't say that. I asked whether it was.

VICE CHAIR McLAUGHLIN: Right.

MR. FRANK: I just think you're always juggling that balance--
VICE CHAIR McLAUGHLIN: Exactly.

MR. FRANK: --which is making it simple and treating people like they're stupid.

VICE CHAIR McLAUGHLIN: Exactly.

MR. FRANK: I just think that you want to make sure that if you're going to err you're not going to err towards--

VICE CHAIR McLAUGHLIN: I agree.

MR. FRANK: I'm just saying I don't know.

VICE CHAIR McLAUGHLIN: This is why we wanted feedback from you guys.

MS. MARYLAND: But I think because you offer other alternatives, 25 page report, summary--10 page report, then this that, you know--

VICE CHAIR McLAUGHLIN: This is the summary ten page report.

MS. MARYLAND: Is that the summary ten page? That there--will there be--so there are two choices?.

VICE CHAIR McLAUGHLIN: There's the big huge non-printable thing, the 25 pager that you guys got a copy of the draft. And then this is the ten page printable.

MS. HUGHES: Catherine, can I ask you this? Can you make the picture larger?
VICE CHAIR McLAUGHLIN: And the text smaller.

MS. HUGHES: Make the picture larger with the words on it so that people can read that. And then put in boxes in the empty space what your words are here--

VICE CHAIR McLAUGHLIN: Oh. Uh-huh (affirmative).

MS. HUGHES: --so that you have, you know, connections--

VICE CHAIR McLAUGHLIN: I hear you.

MS. HUGHES: --for the long term care.

MS. WRIGHT: You need a legend.

VICE CHAIR McLAUGHLIN: Or a legend.

MS. HUGHES: Yeah.

VICE CHAIR McLAUGHLIN: We can definitely experiment.

MS. HUGHES: Then--I don't mean to say you need to get away from this--away from--but this isn't going to work.

VICE CHAIR McLAUGHLIN: Okay.

MS. MARYLAND: You know what? I wasn't trained in graphics. I think it may be well worth taking your concept--the idea and having someone else
review it, and see if they can--

VICE CHAIR McLAUGHLIN: We tried. We have these two graphic design artists from GPO that have been doing this. And the first thing they gave us was a little three dimensional pie chart. That was their idea. So we've been actually trying to push them. And originally I had hoped that we would try to find them, out of the box graphic design artist. But it just--it hasn't happened. We had GPO. And this is--and, in fact, the only reason this looks like this is because an undergrad who works for me who is an electrical engineer at the University of Michigan managed to decode an Adobe Acrobat file that he sent, because he had a doctor over here that was this big. He had--I won't tell you what he had. She was able-- she worked long hours Thursday night--Friday night. I want to think it was Monday night. Boy time flies. Monday night just so that we could have this. So it's been slow going, as Jill can tell you.

MS. MARYLAND: I think it's an excellent start. And I just wonder whether or not if we need to define it further.

VICE CHAIR McLAUGHLIN: I like Mike's idea--my interpretation of Mike's idea making this
facade smaller, which will make this bigger, and then stretch it down a bit, and then see if it becomes more legible. And there will be white space where we can use boxes.

MS. HUGHES: I think if you put ideas off to the side that point to where they--

VICE CHAIR McLAUGHLIN: What I want to know is should we--because we're paying him by hour. Is that true? Yeah. We're paying the GPO guy--

MS. BERNSTEIN: Unless we know exactly what we want him to do.

VICE CHAIR McLAUGHLIN: Right. And so we didn't want to ask him to tweak anymore until we knew whether we should even keep tweaking this.

MR. O'GRADY: As the only member of the working group that's actually a Federal employee, although George is director, I don't think you're getting good service from GPO. I--this is not-- you know, I mean, if you have certain constraints you have to stay within the government, given some charter, something. But they're going to give you off the shelves. I mean, this is not as innovative as I think you're trying to get to. And if you can't get it through GPO, find out if you can just go around and go to people
you want to go to.

MR. GROB: We can go to others to get it. I think if I can make a comment in terms of this document. I think it isn't just a question of the pictures. I think it's how the pictures play with the words and how they read and whether by leafing through it a story emerges. So I think it's one thing for it to be whether--the graphic itself is intelligible and understandable. But I think it's also another question of whether there's almost too much on the page no matter what you do with the graphic. This is as a general rule. It's a question. I think it needs that kind of consideration.

DR. BAUMEISTER: The graphics have to tell the story.

VICE CHAIR McLAUGHLIN: Right. Right.

MS. CONLAN: Can I say, No.1, I'm in love with the 25 page one. But I'm a little less enthusiastic about this. And this is only a first impression, because this is the first time I'm seeing it. But there's just way too much stuff. I can't understand the picture. I'm sorry. And some of the stuff about media is inaccurate. But I just--and I think if the recommendation to have a focus group is
excellent. Because I would be interested to see what other people say about it. But my first reaction to it is it kind of misses the mark.

VICE CHAIR McLAUGHLIN: What about it misses the mark? That's what I want to hear.

MS. CONLAN: There's too much.

VICE CHAIR McLAUGHLIN: Too much information?

MS. CONLAN: Too much of everything.

MS. WRIGHT: Patricia, are you familiar with the Krames little handouts and folders and books that we gave patients?

MS. MARYLAND: Yes.

MS. WRIGHT: I wish I had one now to show you. They're like--

DR. BAUMEISTER: What are they? I'm sorry.

MS. WRIGHT: Krames, K-R-A-M-E-S. And they're educational handbooks we used for years and years in hospitals. They're like four or five pages long. They have lovely sometimes stick figures. I think they've gotten better at that. They present it in the terms that we need. It fits the right length that we need. They have done studies that patients or their families will read, you know, anything--there's too
much, anything fact finding. So, I mean, I would love
to send you an example. I'm sure they're on the website
too. I used to get samples all the time.

VICE CHAIR McLAUGHLIN: So you think this is too complicated.

MS. CONLAN: I think, you know, in terms of me looking at the page, there's just too much there for me to digest. I've got words--

VICE CHAIR McLAUGHLIN: Like this one.

You're saying this one.

MS. CONLAN: Yeah. Words of different resolution and superimposed pictures. And all of it's good in and of itself, but all together--

VICE CHAIR McLAUGHLIN: It's too busy.

MS. CONLAN: --it's just too much. And then this, I just can't see well enough to process. This one--

MS. WRIGHT: Krames has done something as simple as this to explain osmosis and diffusion that we teach renal failure patients about or kidney failure. So--I mean, you know . . .

MS. CONLAN: This one you get no rest.

VICE CHAIR McLAUGHLIN: I know. Well, I just--I mean, I'm trying to be just the presenter here.
But I didn't ask for full page pictures behind this. This was what the graphic design artist gave us. I find it really overwhelming also. And when I saw this, they'll tell you I went back and say, How are people supposed to read the words on top of these pictures? But I was told--I mean, I'm just telling you that's what the, quote, experts were recommending.

MS. CONLAN: I think you made good choices to prioritize. What is important here? And so you don't include everything. You've got to focus on the important things to communicate the information. You can communicate information through pictures.

VICE CHAIR McLAUGHLIN: Will this work without all the pictures behind it, though?

MS. CONLAN: I don't know. It's hard for me--I would have to see it.

MS. HUGHES: Catherine, I would like to say, it's possible it could work without the pictures. Okay. Number 1. But No. 2, more importantly, I think that if we can go to somebody outside of the GPO to get an idea, we would be better starting over. If you want this as your product and you want us to correct this product, then I'm willing to give you responses to correct it. However, I think if the message is what we're handing to
people, the message is not going to be received. And I would like to ask that we get someone that's--especially in light of what, you know, Mike has said, that we get somebody that is out of the box.

VICE CHAIR McLAUGHLIN: How about at this stage, then, I send you--I have the staff do this for me--or I might be able to do it, actually. We get rid of the pictures in the back and just have the text to get your feedback about whether these are even the five story boards and then talk about a graphic finding, some kind of graphics. Because now we're focusing on the graphics. But another part--and I'm not arguing against you guys with the full pictures in the back. I had the same concerns. But I wanted everybody to see it. All right? But whether some of the points we're putting on there is off the mark as well.

MS. HUGHES: I can't tell you what the points are.

MR. O'GRADY: We can't read them.

MS. HUGHES: We can't read them.

VICE CHAIR McLAUGHLIN: I got you.

MS. STEHR: I like this, except I don't like the health accounts building, because it may imply we're all for health savings accounts. There are some groups
opposed to that. If it was health care spending or something to that effect.

VICE CHAIR McLAUGHLIN: Or just health building.

MS. STEHR: Something, but not the accounts.

MS. BAZOS: The one thing that was interesting to me and George was one of the PR firms that we went to on Monday or Tuesday--we have a mandate, we got our messaging down. And then we have this--they seem really excellent--doing. One of the firms particularly took issues and developed graphics that go with the message, that go with the issues. It's sort of a package. It seems what we did is we have these wonderful stories this great data. They're looking for a way to package it all together, not just get a graphic artist, but sort of someone who's really good at packaging it all so that you look at it, and you get this ah-ha, I know exactly where I'm going.

So I wonder, George, if this is something--I wonder if where we need to go is to a firm who does this whole piece packaging or just--I'm a little worried if we go to another graphic artist, bump it up a little bit. We're still not going to get what we want, which is this package deal.
MS. HUGHES: What is the package deal?

MS. BAZOS: Package is that you really--your pictures--you can tell from looking at the picture exactly what's going to be in those in the--it leads you directly to what's in your narrative. They're just so married together. One plays off the other so, so well throughout the whole thing. It's--and there is--you know, there's just tremendous flow.

MS. HUGHES: Why do you think that a graphic artist who thinks outside of the box couldn't come up with that?

MS. BAZOS: I really don't have that much experience. I just know that we went to a PR firm that does issue based campaigns that what I thought about the materials that they showed me was that they were just--just fit so very, very well together, every heading, every picture, every piece. Just the narrative and the pictures were just so married together.

VICE CHAIR McLAUGHLIN: Well, that's a campaign.

MS. BAZOS: Yeah.

VICE CHAIR McLAUGHLIN: And we don't have--you know--not just the money, but the time.

MR. FRANK: Catherine, let me ask you a
question about that. It seems that we are obligated in the statute to produce a report. Now, the 25 pager meets that requirement, right? And then the other question is--and that does that. But, you know, that has a life of its own. But then it seems to me that we are a little bit more flexible in terms of when we release and do a mailing on this. And so maybe it's okay to take--you know, to, you know, engage a set of--I think if it's going to make our getting the message of the 25 pager out there a lot more effective and therefore be more useful to our community meetings--so that's--

VICE CHAIR McLAUGHLIN: Well, the community meetings start at the end of October.

MR. FRANK: Right. Well, that's--

VICE CHAIR McLAUGHLIN: But what I've learned painfully, Richard, is the vetting system--I mean, we have to get ASPE. We have to get, you know, other people--

MR. O'GRADY: I'm just asking. What? You know how hard those people are.

VICE CHAIR McLAUGHLIN: Right. To approve the words. And so, yes, it buys us more time. But what I told you guys was that I basically--by August 15 even to be by October 5--by August 15 we have to have it to
them to look at.

MR. FRANK: I understand the 25 pager is constrained that way, right?

VICE CHAIR McLAUGHLIN: No. But I'm saying even the ten pager, if it goes before the community meetings, it has to be ready by the middle of October.

MR. FRANK: Oh.

VICE CHAIR McLAUGHLIN: That's the wake up call.

MR. FRANK: No, no. I guess what I'm proposing is a trade off.

VICE CHAIR McLAUGHLIN: And not have these before the community meetings.

MR. FRANK: Well, have them before some of the community meetings, but not all the community meetings. I mean, what I'm trying to figure out is what is that trade off? How are we willing to go in terms of honing the message to be more effective and perhaps missing something? And I just don't know the answer. I'm just saying maybe that's what we ought to discuss here.

MR. GROB: Can I suggest something? Stepping back for a moment. Let me look forward to the community meetings now just for a second. What we need for those,
almost certainly, is a video, some combination of slide show or a video that would be about maybe eight minutes long, ten minutes long, that tells the story we're trying to tell. And that story would be voice over. It would have some of the words of the story, you know, on the screen. And it would be supplemented by various videos as well, pictures of people talking and carrying on discussion, you know, other enrichments at that point. And such a video would probably be the basis of people holding discussions at community meetings of almost any kind, whether they were intense interactive meetings or whether they were you know, web cast type meetings. It would be the fundamental study. That could be supplemented by a slightly more conventional pamphlet type thing.

That kind of a video can and I think has to be produced within the next couple of months. And the production of it primarily depends on whether we can interface-- intellectually say what that story line is in an easy set of what I would call story boards, much like this--like one frame after another. And you could almost imagine someone with a good voice sort of just reading off the ten lead sentences that when they complete it there is the story each one of which is
slightly elaborated on with various meanings.

And with that kind of a story, you know, where we had the intellectual point where we can tell the story in a simple way, that can be turned over to one of these companies, and then they can pull together everything that's required in terms of the videos and that. I think that it would be not productive to think of this as a problem of graphics. It's really a question of story telling, telling the story.

VICE CHAIR McLAUGHLIN: That's Dotty's point.

MR. GROB: You know, which is a combination of what the story is, of what the language of it is, and what graphics go along with it. And I think if they produced a video, then it's an easy out shoot to produce basically the slide show version of it as well. Probably what we would deliver to them would be the standard slide show, which is, you know, in essence, a nice--

VICE CHAIR McLAUGHLIN: What about the report as opposed to a slide show--

MR. GROB: Well, again--

VICE CHAIR McLAUGHLIN: --which I think is Richard's question.
MR. GROB: Yeah.

VICE CHAIR McLAUGHLIN: What's the timing of this?

MR. GROB: Well, again, that just depends I think on where you end up when you finish the process, because the slide show--the video along with a slide show version of it, which would be a little slower and allow for someone who wanted to get a little deeper that could click in, is probably what you would use at all the meetings that you're going to have. And I think that that would be--I think we should--it's like this for its content and for its story, and try to tell the story the other way. And then what I would do is something that is along the lines of what Mike suggested, which is when we visited these firms--and we visited five or six of them--they all had different things that they do. And they all wanted a piece of our business as we were talking about this morning. But the one thing that every one of them offered to do and wanted to do was that video, because that is the story right there. That's the eight to ten minute thing that people watch. And they see the story. And then the slide show aspect of it is separate. And that is something they can do.
VICE CHAIR McLAUGHLIN: With all due respect, how many people will see the video? We need to have something that's going to go out to hundreds of thousands of people.

MR. GROB: Well, again, if I can address that.

VICE CHAIR McLAUGHLIN: So--

MR. GROB: Okay. No. I'm going to address it. I believe that an appropriate slide show version of that video can be a printable document, much along these lines. In fact, this might well work right. But I believe that probably everyone who attends any meeting that we have of any form would see that video. And I also think that anyone who wants to get on the web and sort of take the instruction them self would probably watch the video and then answer the questions. A slower version, they could use the slide slow version of it.

And I would imagine that--trying to reach out to people, we would probably be reaching out to them to connect with either the video or the slide slow version of that as the documents they would use. I would say that once you got--I think that the situation here is with--is the main line of the story, certainly simple version of the story, with the appropriate
graphics that go with it. I think you can generate from that--I think that's your starting point. Then you can generate--you can basically divide from that a printed version that, you know, could be distributed broadly. But I think that when we open up for business what you're going to open up with is the 25 page report and the video that people will watch if they go on the website.

CHAIRPERSON JOHNSON: Let me follow up and maybe ask a similar question. Am I understanding Dotty's comments and yours to be implying that if we were to use an organization to help the videotape, they would take the report content that the report committee has developed and apply graphics to that that would be consistent with the video and that would help communicate our messages even more?

MR. GROB: We saw several versions of them and I will describe them to you. One of them would be as if we were to have done a slide show presentation from Mike, you know, in order to get a presentation of a policy to run through his office. That would stay a cut above what the staff would do. It's the story. It's the--let me tell you--one, two, three, four, five--with better graphics than we would bother from Mike usually.
You know--Mike would know what I mean. It would be the kind of graphics that the firm would come show you when they want you to buy their product. Okay? If we have that and not until we have that, would the firm be able to produce the video? Basically they can make a nice professional graphic video signed version if we can give them the intellectual story. That's the one thing they would depend on us. They would work with us. And, you know, we try a story out on them. They would then work with us as coaching back and forth. And that would be part of their ordinary service to do that. And they can crash that out. This whole thing could be done within two months easily. The price we have to pay for it is to crash and produce what I would call the slide show presentation, that if I work for Mike--and I've worked with him many years--that Mike would say to the judge, you know, We got to make this presentation to the secretary in a week, and I need to see it two days before. Then you've got two days to do it. And it's got to look better than the usual stuff we do. And we--but we were already to the point where we are. We do know the story. I think your 25 pages, you know, with additions and intros and ends, you know, the usual stuff. I mean, I think we're 75 percent there in terms
of telling the story.

That version of it, which we would do if we had to—if Mike told me—if I were working for him—he had no choice. I have to see it on Wednesday. I would have a good product for him on that. That's what we need to bring to the people to produce the really nice version and a printable version and that would be the core of the presentation that would be-- everyone would use who don't want to read the 25 page report. You would derive from it similar versions there. And there you get--I think Mike was going there-- what--you had the graphics people work with you on the label, was more than a graphic. It was how the words and label play together, how the words read.

MR. O'GRADY: Well, it's that messaging notion I think Dotty was getting across.

MR. GROB: Right.

MR. O'GRADY: And you're absolutely right. When they put together a video like this, the way you test it out before you waste all your money with studio time and all the rest. It's just this sort of story board. So they're giving you--they're walking you through. And, George, you know, it's a step up from PowerPoint, what we would normally think. So you're
getting that sort of mock up of it, which then—if I'm
reading what George is trying to go—if you go ahead and
you make the video, then for an additional product, you
now have the real shot, not just the kind of graphic
mockup that you did sort of.

But back to Dotty's, point the reason you
want that story board is you really want to see that
this message hangs together, that you're not all of a
sudden—this one's too noisy or this one's sort of
getting off track in some way. And that leaves you then
with an ability to have a video—to run a video. I
would also ask them if they can—and I think they can
now—that that could be linked on the web.

MR. GROB: That would be the--

MR. O'GRADY: So you could do that. And then
allow you to have these satellite products that I think
could potentially--

VICE CHAIR McLAUGHLIN: I'm beginning to
hear that we should think about the ten pager as the end
product rather than beginning. And so basically, you
know, the report committee's been trying to do this.
But it sounds to me like this should be part of the
communications committee and what you're doing with the
PR firm. And we should just stop working on the ten
pager and talk about the 25 pager. And that's where we should as a committee and staff focus on the 25 pager, right? Is that--am I getting it?

MR. GROB: I think if we can get the 25 pager right.

VICE CHAIR McLAUGHLIN: So let's stop right now. And we have an hour to talk about the 25 pager. Is that--

CHAIRPERSON JOHNSON: Dotty had some comments that she wanted to make.

MS. BAZOS: Well, all I wanted to say is that--just the idea of messaging and framing this came after going to the PR firms. When we went to them, I was thinking in my mind about getting space between community meetings and the recommendations. That's what we were kind of talking to the PR firms about. When we hear the story, it was the story of community meetings. I wasn't actually thinking about it as far as starting from the report and having that on the web. But now when you show this I went, Whoa, we could start from the report. And we could actually--I have no idea, George, but sort of build on our stories when we have community meetings, the video clips, kind of changes. We go across country, build on that or include the community
VICE CHAIR McLAUGHLIN: I think we need—I mean, you guys need to think about what you want in October, what you want for the big event, and then let the report committee know. Because, you know, from—I think from what Mike and Dotty were saying and what George was saying, a whole different way to think about the ten pager is, as I said, to have it be the end product of the PR, whatever firm you end up hiring, and what they come back to you with as the deal. And the staff's looking at me going, yeah, I mean, we would be happy to basically abandon the ten page report the ten pager at this point. I mean—

MS. BAZOS: Not the merit.

MS. HUGHES: Yeah. Will the narrative, which is here, which I can't read, but which I assume is—quality of work be what is used as the words in the video?

MR. GROB: Maybe and maybe not. There's several different options. And I would like to—I don't want to detract a lot. I could pick up this more if you want me to when I do the budget presentation, you know, later on, because it fits the budget that I'll present. And I'll have one part that is relatively
straightforward and another part that's left wide open. And if for the sake of your report work, I think I could integrate that easily into the remarks that I prepared. And I think it would be useful to do that. If you would like to concentrate on the 25 page report, you know, for what you're doing now.

VICE CHAIR McLAUGHLIN: Right.

MR. GROB: And I would be more than happy to, in various ways, collaborate with Dotty and others to explain--to put this into motion. And I can crush through and make it happen. It's quite possible. We did talk to the firms. This was the one universal thing that we found every place we went.

MS. HUGHES: Well, I happen to agree. I think this is a good idea, because there are still people who read. But the majority of people do watch videos.

VICE CHAIR McLAUGHLIN: Right.

MS. HUGHES: They watch, you know, the television and things like that. And this will not get out to the majority of the people. So I'm in total sync with you in terms of having a video that comes together. In terms of a slide show, I'm a little less in sync with you, because I think the slide show is--I think
that instead of being a slide show maybe it should be
created to do a ten pager like this with story boards,
because the slide show and this would—in some respects,
would be repetitive. And we don't need it.

MR. GROB: Here's what I had in mind. But
this—I would say the thing that's cooked in every mind
I talk to was the video, universal. And the schedule for
doing it and the method, universal. The idea of a slide
show is another idea that needs a lot more back and
forth on—but one concept is if the slide show is
basically the story boards that they use to create the
video for, we want to coagulate those. If you would
like to learn more about this, then click here, and can
serve up this kind of material, and then click back
there—are things that can be done. But I would not
propose to try to sell anybody on the idea here today.
It requires too much conception.

VICE CHAIR McLAUGHLIN: The only thing—I
mean, the—internet's great, you know, but there are a
lot of people who can't afford the monthly bill. There
are a lot of people who aren't going to be able to stand
at the library and wait for the one computer with
internet. I just want to make the plea that I don't
think that many people are going to see the video, quite
frankly. You're talking about 150 people at 24 community meetings. That's not even a drop in the bucket. That's not even a little spray from the bucket.

And if we really want to have a dialogue with the American people, I agree with you, Therese, that a lot of people don't read anymore. But that's why I think we need visual on paper. That's readily accessible and distributed like through Costcos and magazines and--you know, I'm happy to have that be the end of the--Dotty's not there--but, you know, I was persuaded by her argument all along. I thought we needed a vision, you know. And we haven't gotten a PR firm, but--you know, to have somebody do that and to have this be the end result. But I really don't see a video as a substitute for a ten pager, nor a slide show.

MS. HUGHES: No. That's not what I'm saying. I don't see the slide show as a substitute for this either. I don't see video.

VICE CHAIR McLAUGHLIN: Slide show.

MS. HUGHES: I don't at all.

MR. GROB: I think that I'm in agreement.

VICE CHAIR McLAUGHLIN: And the 25 pager, I'm thrilled that you like it, Montye. But, again, as you said, there's a lot of people who they'll read 25
MS. CONLAN: I think we need a ten page publication. And I think it needs to be visual. And I think it needs to be interesting. And I think the audience needs to be that--other groups that, you know, responds to the visuals. But I'm just not sure this is the way it is, is the product that we need.

VICE CHAIR McLAUGHLIN: Well, it hasn't been.

MS. CONLAN: That doesn't mean abandon it and go to video.

MR. GROB: No. Well, I'll have to-- again, I'm trying to make sure that I don't detract from the discussion of your report. But I would agree with you. The concept that I would have is I think what's not--what doesn't jump off this page is the story, you know, what's the sequence.

MS. CONLAN: Well, that's just a problem with the format.

MR. GROB: Well, that's correct.

MS. CONLAN: Doesn't mean it couldn't. We got to have a different format.

MR. GROB: That's what I'm saying. So I think you start with the story and you build the support
for it. And what I would envision is just what you're saying, just the way you described it a moment ago.

VICE CHAIR McLAUGHLIN: But we don't want the story to conflict with what Dotty and George and the PR come up with is my issue, right?

MR. FRANK: The story is the 25 page paper, right?

MS. MARYLAND: It should be.

MR. FRANK: The story is the 25 page paper, and everything--that is the idea part. And everything else after that is presentation of that story so that different people can receive it in different ways that are appropriate to them, right? Twenty-five page is the ideas.

MS. CONLAN: You got it there. You're right on the mark. Catherine, I think for that--

MR. GROB: No. I'm agreeing with Catherine.

MS. CONLAN: Stick with that as your guide, not introduce this new thing about a video and other people saying what should be.

MS. HUGHES: See, that's my concern. My concern is that this should be the message for the 25 page.

VICE CHAIR McLAUGHLIN: This is just a
distillation of the 25 pager, right?

MS. HUGHES: Then this needs to be the message.

VICE CHAIR McLAUGHLIN: The ten pager is five parts--

MS. CONLAN: Right.

VICE CHAIR McLAUGHLIN: --written simultaneously with the 25 pager.

MS. HUGHES: My concern is if this is the distillation, then we need to see the print in another format so we can read it, No. 1. But, No. 2, I would expect that when you take it to the PR firm, you would hand it to them and say, This is what we want the words to be. You can have James Earl Jones say it or you can have Walter Cronkite say it. But this is what we want said.

MR. GROB: I'm in complete agreement that we need to have a short ten page version and it's a printed product that people can walk away with in their hands.

DR. BAUMEISTER: With graphics.

MR. GROB: With graphics, that's correct.

Whether--

VICE CHAIR McLAUGHLIN: But my concern is that I don't know what to say the graphics should be
when we don't have what Dotty said is this vision of--

    MR. GROB: And I agree.

    VICE CHAIR McLAUGHLIN: --how to present it.

And none of us is an expert in that. And, you know, as I said, I try not to tell tales outside of school, but I expressed reservation to George in the very beginning about this GPO guy. So I'm really--Mike's comments. He doesn't have a vision either. He's not a visionary guy. And we tried, but the fact of the matter is, you know, if you're talking about these PR firms--well, we heard this morning is consistent too. You've got to be consistent somehow.

    MR. FRANK: I think the resolution of that is for us to work real hard on the things that we're good at, which is getting the 25 pager right. We know how to do that. That's our advantage. And then buy the expertise, the support that we need, to take those ideas that we then have bedded and all agree on and turn them into stuff that people can take--walk away with, turn into a video that people can watch in a place, you know, turn it into, you know, a public service announcement, you know. I don't know what.

    VICE CHAIR McLAUGHLIN: A song.

    DR. BAUMEISTER: Animated video. Make an
animated video that tells the story. And then out of
the animated video you can take the stills and turn them
into a document like this.

MR. GROB: I think that if we--again, I was
just going to say that the story board versions of the
report, what I'm going to call the slide show--but the
story board version of the report is primarily the
series of significant statements that carry that
message. And if--the report that you have is largely
based around that kind of thing, the 25 page report.
You story board that thing. And that's the starting
point for getting help to put it into these other
formats that serve a variety of purposes, including a
printed version and including something that will show
up on the screen that people would look for there. The
part they can't start with is that story. They can help
you refine the story.

VICE CHAIR McLAUGHLIN: Let's talk about the
story.

MR. GROB: Yes.

VICE CHAIR McLAUGHLIN: Who has comments
about the 25 pager?

MS. CONLAN: I have lots of them.

MR. O'GRADY: Want to go page by page?
DR. BAUMEISTER: No.

MR. FRANK: No.

VICE CHAIR McLAUGHLIN: Can we do an overall, first, whether you like it by sections of the story that is being told?

MR. O'GRADY: Sure.

MS. CONLAN: I like the tone. I thought it was an excellent conversational tone. I kept reading it thinking that it was like Catherine telling a health care bedtime story. And I just love that. You know, you just made it so clear and so interesting and simple. And I love that. And you just went through step by step, just kind of like you were telling that bedtime story. And I could imagine if I read this bedtime story or you read it to me every night after a while just like little kids I would be able to know the sequence and say what Catherine--

VICE CHAIR McLAUGHLIN: You skipped that page.

MS. CONLAN: Right. And so that's how clear I thought it was. And--

VICE CHAIR McLAUGHLIN: Well, thanks for giving me credit. But it's this whole team that's working on this.
MS. CONLAN: And just, like I said, my first impression of this is so—I like the simplicity and clarity in going step by step in that conversational tone as if you're only talking to me.

VICE CHAIR McLAUGHLIN: I sort of was—Montye. No, I'm just kidding. Did people find the story that they wanted? I mean, that's the more broad thing.

MS. CONLAN: Yeah. And I loved the ending, because the ending brought us right to. You know, that's what I'm saying, bringing us to where we need to be in the statute. And you did it in this way. I'm not going to say roundabout way, but in a sequential way, bringing us to the end of where we need to be, why we're here, and why we're listening to this story, and what it's about.

MS. MARYLAND: And I would concur with Montye. I thought it was excellent in terms of the layout and simplicity in terms of read. The one area that—and this is just a general comment—that I'm concerned about when we talked about the four basic approaches for raising health care costs--

CHAIRPERSON JOHNSON: What page are you on, Pat?
MS. MARYLAND: I'm on page .27. And you quoted work from Blumenthal and Ginsberg. I was really concerned that it seemed to have a slant towards prescriptive--no, not prescriptive--more health care hospital costs from that perspective. And when you look at some of the data that's presented to us earlier on, I don't know if this is a fair enough assessment, you know, in terms of all that we can do. I don't know whether or not we are biased by the two individuals who did that research, Ginsberg and Blumenthal. And I don't know enough about the research from both of these individuals to be able to make that statement. But I thought this was one sided in terms of its approach.

MS. CONLAN: You're talking about page .27.

MS. MARYLAND: Twenty-seven.

MS. CONLAN: I didn't like the order. I thought it was the wrong order.

MS. MARYLAND: But I'm thinking about the content here. I felt it was truly biased more in terms of a great deal of rising costs of health care due to hospitalization to--because there was nothing in here at all about pharmaceuticals. Again, I'm going back to some of the earlier presentations that were made. We did look over time at what were the factors that created
the rising costs of health care. I'm not sure if this reflects what we heard earlier. That's just a general comment.

VICE CHAIR McLAUGHLIN: One of the things I should--

MR. O'GRADY: The question is very specific. I mean, we have a number of things here. Can I just quickly say, I liked it a lot. I thought that the--you know, I was skeptical about telling stories. That's certainly not the way I write my papers. And that's--you know, but it worked. Number of things here adjusting--it is just--you know, I think Pat brought up a good one here. Just a little bit of balancing out a few of the sites there, couple too many from advocacy groups--you know, the census bureau data. I think we stick real vanilla real--nobody with a dog in this fight one way or the other. And--but, you know, to go and do what Richard told me to, because I always do what Richard told me to--tells me to. You know, like the overall. And I think with some tweaks here in terms of adjustment-- evening out a little bit few more perspectives, I think you're in good shape.

MS. MARYLAND: Right. I would agree.

MS. WRIGHT: I would have to say one big
pull out prize, whereas, you know, I got through the whole report, loved it—you know, where did this come from?

VICE CHAIR McLAUGHLIN: See, that was part of our problem that we didn't want to be prescriptive. And so we wanted to be sort of agnostic and just say this is sort of where the experts are. This is what most people are pointing to and are talking about as opposed to this is what we think.

MS. MARYLAND: No. But I'm not sure—I think Blumenthal and Ginsberg represent.

VICE CHAIR McLAUGHLIN: They supposedly were summarizing what people in the field are doing from their sites.

MR. FRANK: Those sites are not original research. Those are--

VICE CHAIR McLAUGHLIN: Right.

MS. MARYLAND: But I'm going back to some of the earlier presentations that we had to help us develop that foundation in looking at the trends that CRS came in and presented to us. This does not really represent that.

VICE CHAIR McLAUGHLIN: I understand.

MS. MARYLAND: And that's why--
VICE CHAIR McLAUGHLIN: I know. What I'm asking then is for guidance that--here is part of our problem, that--as I said, we didn't want to be prescriptive, because that's not what this report's supposed to be. It's supposed to be these are the facts. This is descriptive not prescriptive. And the whole point of going out to community meetings is to find out from people. And so what we had thought in that section was, again, it's descriptive. It's saying these are the cost containment strategies that are being employed. We may think they all stink. We may think they're all rotten. But this is what people are doing, as opposed to these are--here's some really cool ideas of cost containment, because then we're sounding like--you know what I'm saying--that we're recommending stuff. So I don't know--I hear exactly what you guys are saying, but I'm not sure how to handle it, whether we even talk about it, whether we--you know what I'm saying?

MR. FRANK: Can I make a proposal--

VICE CHAIR McLAUGHLIN: Absolutely.

MR. FRANK: --on this? It seems that this is kind of tying a concern I had for one phrase, which is that I don't think we described the cost control
problem, the cost problem enough.

MS. MARYLAND: Right.

MR. FRANK: And so one way to get there is
to sort of—in this section, instead of saying, Here are
the solutions, to say, Here are the real nature of the
problem and here's why we need to fix it. And not
necessarily talk about--

MS. MARYLAND: I agree.

MR. FRANK: Because we're never going to do
it justice to the set of proposals out there. But say,
Look, here are the pressing things, you know.

VICE CHAIR McLAUGHLIN: From our collective
view?

MS. MARYLAND: No. I think from the
report—if you're asking, I thought that was really well
done.

MR. FRANK: No. I would suggest that CRS
give us a piece, a fairly contrasted piece. It was a
wonderful piece.

MR. O'GRADY: Is this the one that they did
orally?

MR. FRANK: Yeah.

MR. O'GRADY: I mean, I didn't want to
embarrass--there was a lot--there--that didn't jibe with
MR. FRANK: Wait a second. Let me finish on this. And I think that we've got plenty of material, not only from CRS, but from the people who talked about what the nature of the cost problem was and why it needed to be fixed. And I think that we could set that out in a fairly balanced way that everybody, whether they are right or left, would agree for the most part that, yes, this is the problem, yes, this is fixed, and yes, this is what we're up against and stop it. And then say, There are a lot of people who have a lot of ideas about this. And one of the things we're going to be doing as part of our band-aid--one of those four questions--is we're going to be taking this up with you all in detail.

VICE CHAIR McLAUGHLIN: Jill just reminded me of one thing. The other dance that we're dancing here, we--I mean, this morning we kept going back to the statutory language. The statutory language is very prescriptive for the report. It has a whole list of things that have to be included, one of which is a summary of ways to finance health care coverage. And there's also one about the cost containment. So that's one of our problems that we've been looking through--we
made a matrix of the statutory requirements. And then went across on what we were doing. And then we've been checking off the boxes to make sure that if down the line somebody says, Wait a minute, the Federal government paid you money to do this report, where the heck is this item? That we can say, Oh, it's right here on page .16.

CHAIRPERSON JOHNSON: I think we're going to hear more--

VICE CHAIR McLAUGHLIN: --know what we're talking about.

CHAIRPERSON JOHNSON: We're going to hear more tomorrow than in any other hearing that we've heard on the questions you're raising. And we're going to hear from very profound experts. And then they're going to say not only what the problem is, but some others are going to say--and here's what's being done about it. And so even-- whether or not we agree that there are solutions, we can report this is what's being done today.

VICE CHAIR McLAUGHLIN: Well, we can change the tone, Pat.

MR. O'GRADY: You know, we can balance it out. It's not like--
VICE CHAIR McLAUGHLIN: We can change the tone.

MR. O'GRADY: Health care system is fixed on the back--and I don't think anybody meant to say that.

MS. MARYLAND: The issue for me is, as you look at all of the factors of great health care, I do not believe that this section represents that well. What I felt when we had the earlier presentations, it may not have come from CRS--but after hearing from all of those, you know, two days of presentations, I felt a good sense of--you know, it's coming from many factors. And there was some data provided to us in terms of what portion when you look over time the trends of what components were increasing, which decreasing. That was laid out very nicely. I don't know who made that presentation.

MR. O'GRADY: What this section is--in the lead up does very well, where it makes--yeah.

CHAIRPERSON JOHNSON: CMS.

MR. O'GRADY: The lead up to this is very nice. How do you want to think about it? There's a lot of different variables that go in here. And every tool in the tool box will be necessary to sort of--you know, I mean, it's not like you can point to one thing and say...
that's the problem. The other thing--and I don't know whether we want to do it is there's a number-- again, with this idea of being sort of balanced-- there's a number of references to--that we pay more than other countries. At the same time, there's not the--in other countries, just stopped building hospitals. That's a great way to control hospital costs. You just don't build anymore. And you have waiting lists, you know, that go on and on and on. And now, I don't know that we want to get much into international comparisons here, but there's any number of different ways here. But, again, just how do we want to give up a complete--

CHAIRPERSON JOHNSON: Actually, that was referenced in the press conference yesterday we had a question, how do we compare with other nations in terms of our spending?

MR. O'GRADY: And there's no doubt about it. We are higher. We also have many more, you know, nursing homes. And, you know, there's a number of things that we do.

MR. FRANK: There's a lot of research on this.

MR. O'GRADY: Yeah.

MR. FRANK: And I think it's not
controversial. It's a huge--I mean, the vast majority of the difference is because we pay our hospitals more, we pay our doctors more. We pay more for drugs. The economy's--there's the article that the price is stupid. I think that's basically right.

MR. O'GRADY: And I don't--we can go to the OACD stuff. There's a whole bunch of OACD studies that we don't pay much attention to in the United States that have to do with waiting lists--you know, the list in England versus--and it's just not an issue here. So when you see those sort of charts--

VICE CHAIR McLAUGHLIN: I want to get back to this one, because this is an illustration of the problem phase. The page that Pat pointed us to--when we were reporting our approaches that are currently being explored, we don't say whether we think they will be successful. We don't say whether we think they're approaching the right thing. An easy way to accommodate the concerns that you and Chris and potentially others had is to add a paragraph saying something along the lines of, There are other approaches that could be taken. One of the goals of this working group is to discuss more of those approaches, blah, blah, blah. Because--I mean, I think--we don't want to get
prescriptive and start saying, Well, these are the four approaches that are taking place over the country. Man, none of them are going to succeed.

MS. WRIGHT: To me it was four to pick from.

VICE CHAIR McLAUGHLIN: So--

MS. CONLAN: I thought you were going to trigger some fears with that. And that's why I suggested putting--changing the order. Don't start out with the things that will trigger the fears, maybe bury that at the end. You know, put your message out first or a positive message. I'm sorry. I interrupted Chris. I'm sorry.

MS. MARYLAND: I think your point is--please restate it, Chris.

MS. WRIGHT: I was reading all along. And when I got to this point, I all of a sudden side tracked and said, Whoa, here are my four choices. If I was reading this, I have four choices. And this is it, where if you just approach this by saying, There are many people out there that have many different approaches on how to fix this.

VICE CHAIR McLAUGHLIN: We framed it poorly is what I'm hearing. And I agree with you that the set up needed to be better. And then we needed that
concluding paragraph that--because, you know, just like with an insured, there are a lot of approaches out there to try to keep--and almost none of them have worked. So we might all be able to come up with some great ideas that we think would work. But, you know, what we were doing is just reporting what's already out there. But I think--

MS. MARYLAND: Both of these authors represent--

(Several people speaking at once.)

VICE CHAIR McLAUGHLIN: --that can take place.

MS. MARYLAND: Do these two individuals represent--

VICE CHAIR McLAUGHLIN: They're reflecting--

MR. FRANK: Where's the literature review?

MR. O'GRADY: But that's a fundamental thing here that we're to a certain degree limited by. You can do literature. You can look at the--but that means it will be dominated by--no offense--by academics. But when we look at the changes that have come to health over the last 20 years, they come out of employers. They come out of insurers. They come out of--you know, they come from a wide range. And certainly all the
ideas are not coming from the academic community where
your way of communicating and implementing is to write a
journal article.

VICE CHAIR McLAUGHLIN: Right. Now, with
the Ginsberg is from nine years of going to 12
communities and talking to hospital administrators,
insureds, Blue Cross/Blue Shield. I mean--and that's
what the Ginsberg paper is. He's reporting on what they
had found in these 12 communities, the Center for
Health--

MR. FRANK: His reflection--

VICE CHAIR McLAUGHLIN: Right. So it is
not-- he's not academic, first of all. Second, it is
not--

MR. O'GRADY: All I'm saying that in terms
of--when you think about this throughout, when you say,
Where is the innovation coming from, that, you know,
there's a whole body of health services research that is
done in this area. But mostly he is describing what
other sectors are doing. It's not attempting to say,
Being prescriptive, I think you ought to try this or
that. It's just--it's sort of--you know, it's sports
casters.

VICE CHAIR McLAUGHLIN: Right. Exactly.
MR. O'GRADY: It's not football players.

VICE CHAIR McLAUGHLIN: And a lot of it is what we're supposed to be doing in this report is reporting what's out there.

MR. O'GRADY: Yes. And I think so. But I think--if I'm hearing Pat right--part of it is there's, you know--this is not a complete picture.

VICE CHAIR McLAUGHLIN: It's reporting--

MR. O'GRADY: --doing a great job of reviewing--

(Several people speaking at once.)

VICE CHAIR McLAUGHLIN: --it's reporting what's being done.

MR. O'GRADY: Right.

VICE CHAIR McLAUGHLIN: But it is not reporting what some people are trying to say is the problem.

CHAIRPERSON JOHNSON: And it's not adequately reporting what's being done either.

MS. HUGHES: I would just like to go at this from my second view point. And, of course, you know what my view point is going to be. Nobody wants to have transplant surgery until it hits them. Okay. That was not a goal in my life. So I think that the transplant
surgery—if you can use obesity—obesity causes more problems in America that result in transplant surgery. Obesity affects the heart, diabetes, asthma. It affects the bones. It affects the muscles. It is a significantly larger problem than transplantation. When you're on dialysis, transplantation is much less expensive than dialysis. So this is—if this—

VICE CHAIR McLAUGHLIN: What are you pointing to?

MS. HUGHES: Well—sorry. I'm pointing to the first paragraph that—you know, in the four approaches.

MR. O'GRADY: An example is transplant surgery, page .27.

MS. HUGHES: No, no, no. But I'm just saying that transplantation can be an end result of many factors that—to restrict the number of people—we are restricted right now. I waited seven and-a-half years for a transplant.

VICE CHAIR McLAUGHLIN: Therese, let me say once again—since this message hasn't gotten through—we are reporting here what health plans are doing. They are, in fact, restricting the number of people who can have transplant surgeries each year. We are not saying
that that is morally correct. We're not even saying if it's financially wise. So that's the difference.

DR. BAUMEISTER: Maybe you were getting tired toward the end of the report here. But this seems to be a very contentious area.

MS. HUGHES: Catherine, I don't know what health plans are reporting that. And where is it? I have not seen literature on health plans looking--saying that if somebody on dialysis is more effective health wise and cost wise than transplantation. And this is--and the only reason I'm tackling this is because I know what this is about. And I know that this comment here is an inaccurate comment. And that's that dialysis is the biggest cost for Medicare. So, you know, if it's getting--if it's there for this cost, then this is not a way to address rising health care costs, because this is only going to increase rising health care costs. So I guess I'm saying maybe another example should be used. And maybe the example that should be used is what the President is putting out, what everybody's looking into.

And that's obesity.

VICE CHAIR McLAUGHLIN: Therese, with all due respect, they just came out a little while ago with an article saying, Oops, we made a mistake with those
obesity data last year. And guess what? It doesn't really cost all the money we thought it did. So that's not going to be a good example either. So we will rethink this page. We will rethink this page.

MR. O'GRADY: I think there's a good point here. And I think we need another example. We can talk on the side about the original people didn't say they made a mistake in obesity. Another team said that.

VICE CHAIR McLAUGHLIN: Oh, I understand that.

MR. O'GRADY: But they both have it as a fairly serious problem.

DR. BAUMEISTER: The heading here is what can be done to improve the health system. What can be done to improve it? And then you leap--you make a quantum leap, four basic approaches is for addressing rising health care costs.

VICE CHAIR McLAUGHLIN: You've given me the answer. We were tired by the time we got here. So let's move to the beginning.

DR. BAUMEISTER: Okay. We'll get off your case.

VICE CHAIR McLAUGHLIN: Beating a dead horse. We said we're going to change this page.
MR. FRANK: Well, no. Let's think about whether this is about tweaking a few examples--

VICE CHAIR McLAUGHLIN: It's not.

MR. FRANK: --or maybe changing what we're doing here. And here's--I--my--here is that we haven't explained to people, why they have to make difficult cost trade offs very well. And I think that you need to do that, because one of the things--this is a great example, because in a sense we just spent the morning talking about how we're going to sit there and make people that trade offs now. We just spent the morning--half hour deciding none of us wants to trade off--

VICE CHAIR McLAUGHLIN: Hospitals aren't going to give up. We're not going to do transplant reductions.

MR. FRANK: I'm just saying what I think we need to do--

VICE CHAIR McLAUGHLIN: Sacrifice.

MR. FRANK: No. I think that we need to--the urgency and the need to solve the problem, and then maybe in a more generic way talk about directions.

And so like--basically we can--and here's the way I would do it. I would say, You can affect prices. You
can affect quantities, you know, and maybe you can slip around the edges at things like waste fraud and abuse. But those are the three things that you got.

MR. O'GRADY: P times Q.

MR. FRANK: Right.

DR. JAMES: Rich, can I throw something in? Anticipating a little bit what I think we'll hear tomorrow--

MR. FRANK: Let me just finish my thought. And I think that way we need the statutory requirements to point to the directions, put it in a context of setting--explain to people why--explain it to ourselves why this is urgent, because we clearly don't buy into this group, and then save anything that smacks prescriptiveness to when we actually have gone back and forth with the world.

VICE CHAIR McLAUGHLIN: A year from now.

MR. FRANK: Or six months from now, eight months from now, whenever.

DR. JAMES: I have no idea what Dave Walker will say. But I can tell you what Don Berwick will say and what Jack Wennberg will say. They are well published on it. And we've been talking about it. Don's going to point out there's a massive chasm. I'm on the group No.
2 committee--America--where we are, where we could be. He's going to talk about some of the things you can do to fix it and then what it represents in cost assists in--pro-quality. Current estimates run 25 to 40 percent of the total cost of health care, just so you'll know.

VICE CHAIR McLAUGHLIN: What did you say?

DR. JAMES: Pardon me.

VICE CHAIR McLAUGHLIN: Can you repeat that?

DR. JAMES: Twenty-five to forty percent of the total cost of health care is going to waste associated with particular forms of wastes associated with quality failures. Jack Lindberg is going to get up and review his data--once Medicare patient, showing that--how his main example is that patients under Medicare in Florida improperly adjusted. He has what I think is a very robust methodology for saying he's giving a fair comparison. People in Florida under Medicare currently consume about two and-a-half times more resource per individual than do people living in Minnesota. Interestingly, that's not the extremes of the distributions. Extremes are Utah to Louisiana, interestingly. Two and-a-half times more resource per person. Elliot Fisher's work shows that we get worse medical outcome with additional resource consumption.
And it implies, again, that you're seeing about 40 percent over-consumption within the health care system to produce a worse result in the system. I believe that those are going to have to play a role in this report.

MS. CONLAN: I have a question about--

DR. JAMES: This can't be ignored. And so what I would say, Rich, is just reaction to one word, so taking advantage of you here.

MR. FRANK: Right.

DR. JAMES: I don't think that waste is dipping around the edges.

VICE CHAIR McLAUGHLIN: What happens--

MR. FRANK: I think that--you can agree about--with every number you just said and not interpret it as waste. So, for example, you look at life care, you press Elliot a little bit. He'll say, Well, some of the things are preferences. And then he'll ask you the question, Can we afford those preferences?

DR. JAMES: No. That's not the way they're really said. I've just seen data coming out of their group that if you give patients information about the preference sensitive conditions, utilization drops from 40 to 60 percent. I just saw that three days ago. Forty to sixty percent because the patients are more
risk averse when presented with a fair choice than are the physicians. Physicians tend to be much more aggressive in their therapies than patients presented with a fair choice are. What it does is basically reduce man curve. And frankly, I'm troubled by it, because it suggests that we as physicians are pushing treatments on patients they don't really want and very often harm them.

CHAIRPERSON JOHNSON: I've had exposure to similar people making this same statements. Regardless of whether we call it waste or not, it's still potential savings that can be gained by improving the quality of care and improving. And that's why I was trying to say earlier I hope that our report will reflect the hearings tomorrow as well as other data that's coming out.

MR. O'GRADY: But back to the specific of it. I think, Richard, you know, you do have methodology to sort of talk about this stuff without going to the direction that Pat wanted to. I think if you want to, you can also take a step further and say there's enough--you know, there's a range of different things that are both being-- you know, that have been thought about, that are being thought about. And you can--we can even say, you know, Do you want to have a government
based approach, or do you want a more market based approach? And how do you sort of interact between those sorts of--

VICE CHAIR McLAUGHLIN: But do we want that in the report? And that's where George and I started talking about this discussion guide issue of, you know, something that is going to motivate the community meetings and set it out in a way of, you know, sort of preferences or rankings or whatever--does that go in this 25 page report, which is supposed to just sort of--this is the way--this is the story of a system, or is that a separate document that says--

MR. O'GRADY: I don't think so. I mean, you may leave it as kind of a hanging question there. But it doesn't get this sort of, you know, we're going to give you a checklist of different things that are approaches that--Ginsberg found when he, you know, went around and talked to people, which clearly there is some discomfort--it just sort of sets up and says, you know, there's these different areas that have--and it's a nice kick off--and I've got some comments in here again, just some of the stuff that is, you know, it is the Lindberg. It's sort of the over supply of providers in certain sub areas and what that--you know what I mean?
VICE CHAIR McLAUGHLIN: Right.

MR. O'GRADY: You can sort of balance this stuff out. And you can tee it up in a nice way. But part of what we're trying to do is--I think, is give somebody who does not spend all their time working on this, kind of a nice conceptual framework to be able to go forward on. So I'm more than comfortable saying there's a number of--you know, it is what you pay for, how much you consume of it, is this the right mix of consumption, is this--

VICE CHAIR McLAUGHLIN: Do we--do this government--I mean, that's where you were headed.

MR. O'GRADY: I would be tempted to-- I mean, without saying, you know, you have to be a premium support guy versus a Medicare for all guy. I mean--but people to a certain degree when they see these things in the paper and they're trying to help--I mean, I don't know. And I don't want to be--you know, I did just finish the whole Medicare prescription drug. And there's all this cynicism. And I was--you know, come on. Is it real surprising Republicans went for a--based approach and the Democrats went for a government based approach. That's why they're Republicans, and that's why they're Democrats. I mean, that shouldn't surprise
anybody.

VICE CHAIR McLAUGHLIN: Right.

MR. O'GRADY: You know, that doesn't mean bag the cash or passing under the table. That's just how they think about people.

VICE CHAIR McLAUGHLIN: So why put that in the report?

MR. O'GRADY: Because I think we're trying to help people to be able to think about when they see things over the next few years that are--as here are things to address to health care system. I thought part of what we were trying to do is just sort of help them to be able to have some framework to--

VICE CHAIR McLAUGHLIN: I'm trying to figure out which framework we talking about. That's why I'm pushing you. I want you to be more explicit. Which framework are you talking about?

MR. O'GRADY: Well, the framework--as you lead up to this point where you're sort of saying, Okay, what do we do about this? It seems to me that there's this--Richard has laid out a nice step where he sort of said there's a couple of different major parameters here that will help you think about health care spending in the United States. What you pay for it, how much you
consume of it, whatever--you know, whatever the price is.

VICE CHAIR McLAUGHLIN: There's also a who there.

MR. O'GRADY: Okay. And then--and there's certainly the--who's consuming, who is paying, and who is subsidizing whom. And that's sort of getting back to Senator Wyden's original--

MR. FRANK: I think it's a fairly generic.

MR. O'GRADY: That keeps it fairly generic, but without going to--

VICE CHAIR McLAUGHLIN: --talking about.

MR. O'GRADY: Okay. But you're up to that point. I guess what I'm saying is if you want to take it one step further, if you do, and I still think you're on safe ground. I don't-- rather than saying, for example, let's limit transplants. I think you're at a much safer ground and it's much more productive for the reader to say, you know, of the various approaches that come in terms of thinking about how you deal with this situation, you know, I would--you know, they fall into two camps. One is going to have-- mostly have the government, you know, dealing with this problem. Other ones that have the market to deal with. And that's--I
don't think that's stepping on political toes, you know. Republicans say they're more comfortable with a market based approach. I'm more comfortable with a market based approach--

DR. JAMES: Whose language are you willing to label as ration--is it rational approach?

MR. O'GRADY: No. I mean, you just described an excellent example of resources going out the door. Do you consider fixing that over-consumption problem as rational?

DR. JAMES: No. I think in the end, though, we end with how the government's ration--

MR. O'GRADY: Yeah. But what I thought we were trying to do here was to be able to talk to the American people without being patronizing or condescending in a way that got away from that kind of rhetoric of the--you know, the guys who are pulling grenades and telling them, you know, if you are going to throw--you know, all that kind of malarkey that goes on out there. We're trying to put it in terms that sort of just--

MR. FRANK: So let me try to get one good specific, because it seems like one thing we can do is say, Okay, you know, how much you pay, how much you use,
who's using--et cetera. Then you say, Okay, well, we can deal with how much you pay either through a mock up--through specifics, and you can deal with quantities to try managed care, which is a market based approach. It's been tried in other places more directly by capacity control.

MS. BAZOS: And outcomes.

MR. O'GRADY: Are you talking about medication expansion?

MR. FRANK: Still about 20,000 feet and then stop there. Is that reasonable?

MR. O'GRADY: In terms of trying to take somebody who just wants to read this thing to move up the learning curve and think about this, that seems reasonable.

MR. FRANK: Then you keep it at a fairly high level, and you don't force people to get into the details of wind up leading to grenades.

MS. BAZOS: But you know where we get to the grenades? This is my issue, always has been. These questions that we take to the American public list it like this at the end of the report or list it anywhere--I think are the grenades, because they bring them right down to, whoa, this is where--you know, list
the discussion of a list—the discussion of rash. I think we need to be—we're not trying to do that, are we?

CHAIRPERSON JOHNSON: George has been trying to get in a comment for about 15 minutes, so--

MR. GROB: And I controlled myself.

VICE CHAIR McLAUGHLIN: Well, you should be.

MR. GROB: Well, I would like to—and what I tried to do consistently is pose comments about the content that are related to where is this product going and what are the dates that we have to meet and what is it that we'll produce. So it's in that light that I offer this.

And I see a couple of intellectual decisions, which I think Catherine was trying to tease out as part of the conversation. I would like to try to pose another way, but I would like to give you a framework for thinking about it. I would like to let you all know that I think we've all been thinking wrong about what the schedule is. I think we've been thinking that we were going to issue a report and that later we were going to have community meetings in which we would solicit input from citizens. The report issue date now has moved into the first week of October and now into
the latter part of that week. Okay? The first community
meeting was going to occur on a trial basis around
October the 15th, seven days later.

The materials that we need to conduct the
community meetings are now, for all practical purposes,
the same day we issue the report. I'll put it another
way. The day we issue the report, what we're really
doing is turning our website on and telling people about
the report. And we're saying we would like to hear from
you. That's what's going to happen that day. The day
that we issue the report we're going to have to have
questions on the internet for people to ask. So any
idea that we can say, We'll worry about describing
things now and figure the questions out later, it's
gone. We've got to do them together.

Now, the question that I have been tormented
with over the last several weeks is the one Catherine
has been raising, which is, does the series about
options that we serve up to people belong as to lasting
in the report are the first thing in the questionnaire?
In other words, if we are going to say take--force them
out in a way--wrap their mind around them, we would
need-- and it's always been a dilemma to me--to give
them a little bit of information about why they should
choose one or the other. If you--whatever way we formulate these questions, there has to be some little help to say, Well, you know, would you do this even if this would happen or some other way of wording it? But something like that. And I have not been able to resolve the dilemma. I do have a surveyor who is working with us now, trying to formulate various ways of doing that. And it's always the dilemma that Catherine is asking about, Does it go here or there?

I've now concluded in my mind that we need to do it and then decide where it goes. Because whether it goes in the beginning of the questionnaire or at the end of the report, it has to be done on the same day. And the connections between the report and the questionnaire that we're asking, you know, has to be there, has to be that link, wherever it goes. So I think that it would be better for us to think about what that presentation is and then decide where we put it.

And for that reason, I would like to offer a suggestion, which I think is along the lines of what I've been hearing about this last section. I also, like everyone else, thought this report was wonderfully readable. I mean, I was just actually amazed at how well it read to someone being introduced to complexes, a
very nice language, very nice tone, very logical, easy to understand. Like others, I think there's probably some stuff missing, probably stuff we'll hear in the next couple days that we'll need to put in there. Other than that, I have my share of tweaks along with everybody else. But I thought fundamentally we were there filling in the missing pieces.

So the thing that threw me about that last section--and it was the same page--there's no question on it, but let me tell you where it was.

VICE CHAIR McLAUGHLIN: Please.

MR. GROB: Is that we were in a section here that was basically describing whether we're getting our monies worth, you know, in the section. And then suddenly we introduce the next chapter, which is what should we do about all this. And I don't think that belongs in there. I think that thing that says what can be done to improve the health care system is beginning of a new chapter or beginning of the next discussion. And when I saw this, this gave me--what can we do to improve the health care system? It gave me a page and-a-half on four options under health containment or cost containment. And it gave me one paragraph about quality and one paragraph about IT. And in my mind I
was going, quality deserves a couple of pages. IT deserves a couple of pages. Very earlier in there are some options of what people are doing to improve access. The thought that I had about doing this was that all the sections of the report could be well served by some description of what various people are trying to do about whatever problem we're talking about. So there's a section in there that talks about what are people trying to do to improve access. It largely talks only about--it largely talks about what I call community issues, as opposed to--there's a bunch of other people--may be doing too--you want to say, what are people doing? You can have a longer list. What insurance companies are doing, what health care provides, what state, local governments are doing, what communities are doing.

The same thing when we talk about excessive pricing, excessive--you can have a section in there too about what are various people trying to do to come to grips with this. It doesn't have to be very deep. It could just be same context. Same thing when you are in quality. What are people--and we'll see a lot of this tomorrow. What are people trying to do to improve quality? It can be generic or more detail. Then you
come to the great divide. What should we do? And then there's that part that sort of tries to prevent some framework for how we should make our choices. It connects it to some closed ended questions that people can get on the internet and answer and maybe a few open ended ones that tells us your story, tells us what you're concerned about, tells us what your recommendations are. And I--something I never conclude, whether that bridging section that sort of discusses the pros and cons of some generic approaches belong in the report are the other thing. But right now my feeling is I would rather see it and then decide whether I want to put it at the end of report or beginning of the questionnaire. Because you could say at the end of the report that now we need to get serious here, we got some questions to ask. I would like to know what you think. Click here if you would like to take a survey. Click here if you would like to--you know--so that's what I was thinking.

MR. O'GRADY: Randy, just a thought. In terms of--and I'm thinking back to when the senators made their comments at the first meeting--to a certain degree, I'm a little hesitant to go in the direction of--and here's four ideas or on this one here's six
ideas. Because I thought the whole point here was, you
know, the senators can hold hearings, and they do. And
they sat through endless hearings. And they've heard
from this industry and that industry, and this expert
and that expert. And they've heard that before. Part
of what was supposed to be unique about us was this
going out. And so I'm afraid that if we say, Here's the
four things to think about in terms of costs, or here's
three on quality, that we then--we've sent them down a
track. And they will respond to that, because that's,
in effect--I mean, to a certain degree that's an easier
thing--to respond to someone else's point is easier than
coming up with your own.

But if there's something out there that--and
maybe we will or maybe we won't--I mean, you know--I
think you can question the senators' original notion
that somehow Washington is so insulated that if there
was some great idea going on in Seattle that nobody
would have ever heard about it. And--but if there's a
great idea in Seattle, we're supposed to hear about it.
You know what I mean? We're supposed to be that kind
of a mechanism. So I just hesitate. I would be more
comfortable I think--but I'm ready to be talked out of
it--with the idea that you sort of--this is a great
document. It moves people up the learning curve. It lays out the--you know, it's just the facts, man. And it doesn't talk down to people. At the same time, it's very straightforward. But, you know, where I would stop is--I would--you know, I talk about price, quantity, sort of how you do that, you know. And then I would be willing to take the next step and say, you know, These different things, you know, you some people are more comfortable with government doing it. Some people are more-- but hold on. But I would stop there. And if you want to stop the step before--

VICE CHAIR McLAUGHLIN: I want to stop the step before.

MR. O'GRADY: Okay.

MR. FRANK: There's a lot of ways to do it.

MR. O'GRADY: Yeah. But it's sort of-- at this point, I don't want to have us--you know, I don't want to narrow down what we're going to hear.

MR. GROB: And I do agree with you that I was--my goal is to suggest a different way in which this material could be used, because I didn't think it belonged where it was. But another way to solve it is not to use that material, for example. And that's--that would be fine with me too. So it was just a question
that--there is a bridge between the report and the closed ended questions we will ask people that require an understanding that isn't quite in the report and maybe doesn't belong there. And it will be a struggle for us. The thing I'm trying to impress on everyone is that struggle will occur over the next three or four weeks, because when we get--it's all going to be done at once. We don't have two phases anymore. We're in one phase.

MR. FRANK: But I think mentally and contentionly they are separable. And I--

MR. GROB: And I have no trouble with that either. I just--I'm willing to let everyone know where we are in the process. Because--we may be--I think we're parallel processing here.

MR. O'GRADY: Can I take 30 seconds just for one thing? You brought up the process and the timelines. And I want to clarify something. In terms of the idea of the role of ASPE and my staff in terms of this, it is strictly collegial. It is simply that checking and balance. It is not anything. It's just sort of catching stuff that might have slipped through.

MR. GROB: Can I just--there's one thing.

VICE CHAIR McLAUGHLIN: That was just
transcribed.

MR. O'GRADY: Yeah, yeah. Should not be on
the official record. Thank you very much.

MR. FRANK: I feel much better now.

MR. GROB: There's a key--let me--this was
the one thing I was going to talk about before we move
on, and press your button hole--but let me just try this
on you. And then you tell me, George, let's talk
later--I want others to hear it too. The schedule that
we have to get this done everyone was telling me was
impossible when we started it. I think we need to--but
one key part of this thing is a report needs to be clear
in the department. And the problem with a clearance is
if it is cleared, then we're not an independent
commission making our own statement.

MR. O'GRADY: Yeah.

MR. GROB: I thought of a way to do this.

MR. O'GRADY: Well, I mean, hold on the
notion of--

MR. FRANK: We don't need to share.

MR. O'GRADY: The notion of cleared, I
mean--

MR. GROB: Of public affairs, legislation.

MR. O'GRADY: I'm not sure that that's
correct.

MR. GROB:  The thought that occurred to me that I just offered to you, the secretary is a member of this commission.

MR. O'GRADY:  Yes.

MR. GROB:  And you represent him.

MR. O'GRADY:  I do.

MR. GROB:  And so we will get--all of our commissioners will make their comments on the report, and the commission will be settling one. And if that's the kind of clearance that we have from the department, I think we're just fine and we don't need it. We can always say reviewed that way.

MR. O'GRADY:  I tend to view this as an independent--I will seek clarification back at headquarters. But as far as I know, you should go for it-- double-check the footnotes, and make sure--you know, make comments about balance if there's something that's a concern among staff. But that's--

MR. GROB:  It's--

MR. O'GRADY:  Congress set up this group, not Department of Health and Human Services.

MR. GROB:  Of all the things, that's the one relief I got today.
MR. FRANK: I have two substantive issues that I wanted to put on the table.

MS. MARYLAND: Are you assuming that the earlier issues weren't substantive?

MR. FRANK: Two additional substantive issues about the report, but one of them has to do with the way we begin. And I like introducing ourselves. I don't think necessarily by telling as many stories about us in the introduction is the most effective use of the stories. I think that, you know, saying that we are who we are is fine. And I'm very comfortable with that and, you know, saying that we all live private lives in Antarctica is fine.

I think that we're not using the stories that we use up front to the greatest effect. Because I think they have--they're very powerful and they're very persuasive. And they could be used in the text to highlight some of the points we've made even more dramatically than we do. And so, for example, there's the Montye story that--right in the introduction there. Well, there's a story later--we make--we present some data, we make a point about the connection between work and insurance disability. And I said, Gee, why don't we move the story there, because it's so gripping. And I
was just--a suggestion that we perhaps move some of the stories that we present up front to the points where they'll just highlight these points.

The other thing is even a somewhat smaller scale. I still remain uncomfortable with the administrative cost fees. And I'm uncomfortable a little bit with the way it's presented here. And I was really uncomfortable with it in the picture of the factory or whatever it was. Because it implied that it's pure waste. And I just think that's--there's no doubt some of it is pure waste. But there's a whole bunch of it that ain't. And that actually, if we didn't have administrative systems, we wouldn't get--

VICE CHAIR McLAUGHLIN: Richard, there's two paragraphs on administrative. And one of them--

MR. FRANK: I know.

VICE CHAIR McLAUGHLIN: --is--although it's not director related, some of them are necessary for the health care system to run smoothly. They pay for medical records.

MR. FRANK: I read the sentence. I understand that. I'm saying the overall sense I get from that section is still not quite balanced, you know. I was actually talking to Jill saying, Gee, what I'm
going to do is figure out what IBM's administrative costs are. You know, something like that. But I just think there's-- it's too easy to set a point to it as a freebie that we can get out there. And I think that-- anyhow, I'm uncomfortable with the way it reads.

MR. O'GRADY: Do you prefer having it-- the point I thought on that one, which is just what we see in practices--do nothing. You just sort of hand out money and write checks and never follow up and never think about how the care is being coordinated and whatnot. They run amazingly low administrative rates.

MR. FRANK: Two percent.

MR. O'GRADY: I've heard--right. Just crank up the computer and let it shoot out checks. And I think there's a strong argument-- that there was an argument that was made in FHVP when the plans wanted to move from their traditional fee for service into their PPO and their sort of managed fee for services--they tried to call themselves at one point--that they had to come in and justify a higher administrative low, but it would bring a lower total premium.

MR. FRANK: I think that because the public has gotten so hip with administrative costs are sort of a freebie, I think if we're really doing our job of sort
of creating that informed basis, I think we've got to
say, Look, some of it is problematic, but some of it
serves its purpose.

VICE CHAIR McLAUGHLIN: That's what we
thought we did. So maybe we need to rephrase it.

MR. FRANK: My suggestion is just that
we--not that I think that there aren't nuggets here and
there, but that somehow the balance needs to be.

VICE CHAIR McLAUGHLIN: I mean, in terms of
just shared space, we did a paragraph on each side of it
and tried to give lists.

MR. FRANK: No. I understand.

VICE CHAIR McLAUGHLIN: But I--the thing is
that the other side--and we're already getting this
right here on other issues in the last, you know, 45
minutes--that, you know, everybody has their view of it.
And the other sides going to be saying, Oh--come on.
Why aren't you really attacking those administrative
costs? And why aren't you really attacking all those
unnecessary profits? Why aren't you out there really
attacking the drug industry and all those unnecessary
problems and the waste and foreign abuse and all
those--I mean, no matter what we do there is going to be
somebody who thinks--
MR. FRANK: Both sides will say that to us.

VICE CHAIR McLAUGHLIN: And they are.

MR. O'GRADY: But that's the nature of the process.

VICE CHAIR McLAUGHLIN: Right. But I'm just letting Richard know that he's unhappy with it, but you should know one person has already told me, You should be building up administrative costs more.

MR. O'GRADY: One person that's on this group?

VICE CHAIR McLAUGHLIN: Yes.

MR. O'GRADY: Okay. Well, then we should have that discussion.

VICE CHAIR McLAUGHLIN: Exactly. I'm just letting you know.

MR. FRANK: Giving my two cents worth.

VICE CHAIR McLAUGHLIN: I know what you're saying.

MR. FRANK: I wrote it down too.

MS. CONLAN: I want to go back to the first point that Richard made. I like that. And if you were to consider this for a minute--what you call dramatic piece, think of the impact of a foreshadowing and then coming back to it later. And I think that it has more
impact in the way you're describing to come back. Have
the introduction with a foreshadowing, and then come
back to it where it's most impactful. That's effective.

VICE CHAIR McLAUGHLIN: You should know that
we thought of this sort of as companion pieces, the 10
page and the 25 page in that sense. And the very
first--two--big two page spread of the ten pager are
quotes and fuller quotes, much fuller. I mean, we don't
even use quotes in the 25 pager now. And, in fact, the
latest version, it's down to like three--two or three
sentences per person as illustration. So we've really
minimized that--for the 25 pager, thinking this would be
different to a different audience. And it would be
complemented by the ten pager where you didn't try to
summarize it with text. You let the stories speak for
themselves.

Now, based on what happened earlier this
afternoon, the ten pager may be going away or it may be
totally not looking like that at all, in which case,
shoot, yeah, we put all those quotes in here throughout
the report. But I think that's a decision we have to
make. Are these two separate documents? Or are they
complements? Because if they are complements, I don't
think we should have all of--because that takes up a lot
of space. I mean, this already, you guys, are saying,
Well, I want you to add more on quality and more on IT
and more on this. It's going to become a really big
document really soon. And an opportunity cost that
everybody can add at some point. I'm just adding--I'm
just throwing that out, Montye, that, you know,
originally we had--and we took them out to make little
short stories and instead had it be seen as
complementary to the ten pager. But that may not be the
right call. And I'm--that's why I'm--

MS. CONLAN: Foreshadowing doesn't mean keep
the introduction the full length that you have it. It's
a little teaser, in a way, or just a little reference
and then take out--extract out those parts and put them
where Richard suggests and leave it alone.

VICE CHAIR McLAUGHLIN: You mean the really
short parts that aren't quotes--

MR. FRANK: Or something in between. I
think--I just think doing something--you know, we're
introducing some concepts here--a bit complicated--in
addition to the work--and just sort of make it real by
telling it--like a live human being story will--suddenly
they say--

VICE CHAIR McLAUGHLIN: I know. But what
I'm saying is, do we have it—that much at that level of detail on 25 pager as well as the 10 pager? That's my question.

MR. FRANK: See, the way I'm looking at this is that this becomes the basis for everything we do. And it's—

MS. BAZOS: It's complementary. I'm looking at it as the ten pager would feed off—ten pager is the shorter version, just like before. But it's in a different format. So we still use the storyboards. I mean, George, we weren't—were you thinking that? But we ask a PR firm to help us develop in a way that it can be used to build every other product that we need.

MR. GROB: I think this document is, in fact, the source of everything else.

MS. BAZOS: Right. Okay. So we're all in agreement on that.

VICE CHAIR McLAUGHLIN: So I just want to make sure I understand. You saw today, we have about 8 or 9 of the 15 of us have a quote like this in the ten pager now. Do we use that length of a quote as those side bars in the 25 pager?

MS. BAZOS: No. I think you use them to make your point as you see fit. I would.
MR. GROB: If I could just say you—the miracle that you performed was to write a report that is incredibly readable both in terms of the language that's used in its outlined in the way the story flows and with the reach of materials. It's almost a miracle that you did it. And you should make this document good. What you do with this document should have nothing to do with any other document except that this one should be refined from what it is. So the question of whether you should do something because it's already there is not a good question. The only question is, is there anything you want to do to this document to make it better?

VICE CHAIR McLAUGHLIN: Right.

MR. GROB: Not should we try to rescue something that we wrote someplace else.

VICE CHAIR McLAUGHLIN: What I'm asking is, in order to make it better, do I use, Richard, the two or three sentences that we have now that are not quotes, just two or three sentences summarizing the main point from a person sprinkled later into the report, or do we put it back into the evocative, the--make it be a quote and then put it under Montye Conlan and--because we don't have names as it is now--the 25 pager.

MS. CONLAN: I don't think it has to be in
25 page thing.

MR. FRANK: But I think it has to be descriptive enough to some people see a real person.

CHAIRPERSON JOHNSON: We've got about two minutes more before we have to adjourn here from this section. Are there any--and, Catherine, what I heard you say earlier--and I'm assuming that you're still expecting that the report committee would like to see written comments.

VICE CHAIR McLAUGHLIN: Yes, we would love to.

CHAIRPERSON JOHNSON: And earlier better than later.

VICE CHAIR McLAUGHLIN: It sounds like Mike has written some and Montye, several of you. We would love to see them.

CHAIRPERSON JOHNSON: Okay. Any last--we've got--we only have a couple minutes, so don't talk about the less than big picture summary statements that we have to all hear. Or, Catherine, if you have any further comments you would like to make.

VICE CHAIR McLAUGHLIN: No. I just wish I had another two hours to listen to you.

CHAIRPERSON JOHNSON: Okay.
MR. FRANK: I have a comment. I think the staff has just done an unbelievable job.

VICE CHAIR McLAUGHLIN: Yes, please.

MR. FRANK: I mean, I showed up at a hotel in Milan, and there was this thing in three parts with clear instructions on what I was to do the rest of the trip.

CHAIRPERSON JOHNSON: Well, that's what we started our session with. And that's what we would like to end our comments with. And thank you all to each of you who worked on this and the staff people. My guess is that a few of you, at least--and I know a couple of you personally will need to take a break right about now. And that's probably a good idea for the rest of us too. So why--can we take ten minutes and keep it to that? And then we need to adjourn by 5:00. So we'll get into the community meetings and then through the communications.

(Recess taken.)

CHAIRPERSON JOHNSON: Okay. We're scheduled to have an update from the community meeting committee at this point. And, Aaron, if you would begin.

DR. SHIRLEY: Okay. First of all, we're going to be brief. But I would like to-- those of you
who were in Jackson were introduced to a retired
research chemist who--one of his hobbies was doing
groups. And you heard a little blues piece done related
to that. And I think he might have given some of those
out. He sent an updated version of his blues pieces.
And he wanted each of you to have one. So I think I
gave you one. Did I give you one of these?

MS. CONLAN:  Sure.

DR. SHIRLEY:  So I hope you have a computer,
hope you have good sound. And you'll hear some blues.
See how he has very innovatively translated into the
tune of some blues and to the tune of storming.

CHAIRPERSON JOHNSON:  Will we smell fried
green tomatoes and cat fish?

DR. SHIRLEY:  Unfortunately, we haven't
learned how to--

VICE CHAIR McLAUGHLIN:  To export that.

DR. SHIRLEY:  Yeah. But give us a couple of
weeks.

MS. STEHR:  Aaron, who did that anyway? What
was his name?

DR. SHIRLEY:  Edgar Smith. It will be on
the--what did you call that? You called it something.

MS. STEHR:  Intro.
DR. SHIRLEY: Yeah.

MR. GROB: I'll figure out how to run it on my computer. Before we leave here, I'll show you.

DR. SHIRLEY: The community meeting sub-committee has not had a formal meeting since we were last together. But we have had a series of informal conversations amongst ourselves, some of us. And as a result of those conversations-- and working with the staff--by the way, the staff has been extremely helpful--we have--first of all, we recognize the importance of the community meetings in the budget, in the budget that George has handed out. You'll see that significant amount of corporation is dedicated to the community meetings process. And what we will be discussing in our formal meeting tomorrow or Saturday--

MR. GROB: Saturday.

DR. SHIRLEY: What you want to do--and this is--these are based on some of the discussions we had. And we're hoping to--adding to this--to these items that we hope to discuss on Saturday. First of all, we've got to decide-- first of all, a number of communities that we are attempting to reach, where they'll take place and the criteria that we would use in deciding which States and which sites will be sponsoring the meetings. The
meetings structure, how the meeting will be carried out, format, duration, materials that will be needed to assure that the meeting is carried out properly, how--who will be talking to participate in those meetings. We expect up to 150 people per site at any given site. And we're looking at some innovative methods in which we might need to expand the reach of those meetings by plugging in some sites beyond the main site, something like smaller sites that would be posted by those.

We've had some good conversations with the extension services in Mississippi who have indicated that they have capabilities of two-way video conferencing. And they have indicated that not only those capabilities exist in Mississippi, they exist in many States that have significant rural populations. And they have agreed that they would help us think through how--if we are satisfied with what they may be able to do in Mississippi--plug us in with their counterparts in other States to see if people will do the same.

We recognize that communities differ and within communities there are some individuals who have special needs. And we want to be sure that we can
accommodate those individuals with special needs, translation, handicapped accommodations. We want to be sure that that is going to be something that will be on Saturday, the participation. And then we've got to define the roles of our community, of our committee members, what will your role of member versus a staff, responsibilities. Those are some issues that we'll be passing out on Saturday.

Even beyond the larger meetings that we might be planning, we may be--it's possible that we would be looking at smaller meetings in some places where we feel that special populations that wouldn't be reached in the larger setting. So in a nutshell, we have had informal conversations. Those conversations are structured. These comments and the agenda that we will be using, I'm hoping that our agenda on Saturday, even though is in print and there might be some issues that we haven't thought of, that folks will be free--we invite all of you who do not--you have not--sub-committees to participate with us and helping us through these meetings. And based on the sum of the conversations today, it is obvious that you can help us out.

We think we're looking at the schedule
beyond further down the road that than you mentioned today. So it's obvious that we have quite a challenge. And, Montye, Dotty, Therese, feel free, you've been involved in some of the informal conversations that we had. Hopefully this reflects mostly what we covered in our conversations.

MR. O'GRADY: Question. Is it all right to ask--are you ready for questions?

DR. SHIRLEY: Uh-huh (affirmative).

MR. O'GRADY: I'm kind of excited about this. You said extension service seems to have kind of caught onto this. Can you give an example? I mean, what do they have in mind? What do they do? Do they have like a video connection they can do for people in, you know--

DR. SHIRLEY: They have--

MR. O'GRADY: How are they going to get this--how do they do this dissemination--

DR. SHIRLEY: They have studios in various facilities across the State. This--it's under the administration of the Mississippi State University. And they have remarkable--and sometime next week they're going to have a demo. They have listed the counties where they can accommodate individuals. They
have--they're looking at the facilities that best fit
our needs. They work closely with their sister component
in Arkansas and Louisiana. And if we have a community
meeting in Mississippi, they have assured us that they
can extend the reach of that meeting into those two
States. So it's possible that they might be able to
extend it beyond, like in the southeast part of the
country.

MR. O'GRADY: Got you.

DR. SHIRLEY: And I think, given if it is a
State institution, Federal USD--

MR. O'GRADY: I was going to say, census
service center I think of as USD.

DR. SHIRLEY: Right. I suspect that there
will be better cost effect.

MR. O'GRADY: I'm trying to think, you know,
in Virginia I've seen--which is kind of close to
DC--where in the more agriculture areas, they'll
provide, you know, half hour show or, you know--crop up
dates and things like that. But it's clear that they're
sort of producing spots, if you want to think about it
that way. And then they'll make them available to local
cable.

DR. SHIRLEY: They have their own hook ups.
MR. O'GRADY: They have their own hook ups so like the folks in Arkansas know channel 33 is extension services, something like that.

DR. SHIRLEY: It's the closed--

VICE CHAIR McLAUGHLIN: Closed circuit TV.

MR. O'GRADY: I see. So they can go to certain sites, and then they can see it there.

DR. SHIRLEY: They're already wired. The people in the community already know that they are there, because they provide continued education already. They even provide off site credit courses in some of those facilities. So many of the sites would already be known. Now, one caution they mention from their experiences in some of the smaller communities where they are in a smaller group, the individuals that we are mostly concerned about sometimes are intimidated by--they have offered to provide, if we would like, some of their facilitators who have--the local people are familiar with, they've agreed that they will provide those facilitators to us in the event we would like to use them.

MR. O'GRADY: Great. Now, and I--you know, I think this has a lot of promise. I also think it's nice, you know, we talked about sponsored meetings, some
of the things we discussed before some of the concerns Brent brought up in the prior meeting. You know, I think that that's got a lot of advantages over some of the other corporate sponsors or someone else who has more of a--is a State holder in some of these discussions, USDA and the State extension service. That seems nice and neutral, but effective.

MS. STEHR: I would like to add Iowa has that too. And ours is owned by the State of Iowa called the Iowa Communications Network. Colleges use it--a lot of them are hooked up into our local school systems, hooked up in the libraries. I've participated in some like-- Department of Human Services has held trainings. But you can definitely do--need to have a facilitator at the site, because they are kind of intimidating when you don't know exactly how to use the stuff. But I think that is an effective way to reach people, particularly out in rural areas.

VICE CHAIR McLAUGHLIN: Do we want to talk about that?

MS. STEHR: I just wanted to add at this point.

VICE CHAIR McLAUGHLIN: I just want to know about hearing rather than--because that's all them
listening to us, listening to our information. And the community meetings, as I saw it, were--that was--and the majority is our listening to them and face to face. And I thought when Frank was saying what makes us so different and something that's never been done before is, in fact, community meetings where we--maybe only one of us--is presenting. But we're out there listening to them and exchanging information with them face to face, real time.

DR. SHIRLEY: I think you've concluded that at these community meetings a member of this committee will be present.

VICE CHAIR McLAUGHLIN: Right. I'm just getting to this thing that we were sent by George about citizen engagement and the budget. And you mentioned that a huge portion of the budget is going to this. And just now Mike was asking, Well, what about the budget and getting innovative graphic design for a ten pager. And the report so far has been on a shoe string. I mean, as I told you, I had an undergrad doing some of this stuff for free. Well, I'm paying her. And my secretary is doing stuff. And I'm doing stuff. And these guys are doing stuff. We haven't reached out to any expensive firm, much less even an inexpensive
creative firm to help us with any of the graphics on the report, any of the reports.

And so it may sound self-centered for me to talk about it. But I did--when I did read this I noticed that it seemed--a lot of the community meetings were structured as these community meetings that last a half a day, each one there are 150 people in 24 sites. And you didn't give us, George--at least I didn't see--what percent of the two million was going to those.

But I found myself thinking--that might be too much, too much of a budget going to many of those. And it wasn't clear to me after 12 of them how much--what the marginal information would be of the 13, 14, because these are half days with the key time sharing and everything else. These are not--and it's invitation only. It's stratified sample. I think about this guy who was here this afternoon. That's none of that. When are we going to actually go out and talk to people? Where is that in here? And I just didn't see that in here.

I mean, it's--each meeting--each one of these meetings is averaging $75,000, 24 of them, 150 people at each one that are an invitation only stratified sample. And I just thought, Well, when are
we going to do the--let's just go out and talk to people and advertise it. You know, Randy was saying originally, let's put it on TV and everything else and people can just get in their trucks or get in their cars or ride the bus or whatever and come on Sunday from 6:00 to 9:00 or whatever and--whether in the church or town hall. Or where is that?

DR. SHIRLEY: I mentioned the potential for smaller, not related to the larger meetings, where that forum is deemed to be the best way to engage the individuals. And we can use that model rather than the--

VICE CHAIR McLAUGHLIN: You have to understand, I would like to see the key punching ones cut in half, which should free up a heck of a lot of money for more of us to go to more of the other meetings and for us to get a better report.

MS. CONLAN: See, Catherine, I think what's happened is we really haven't had discussions. This has come out--it's kind of the head--budgeting for things we haven't even discussed or decided on. So I don't know how much you should be worried about that until we have those discussions and make decisions.

DR. SHIRLEY: This is for discussions on
Saturday. And this is what we're going to ask.

VICE CHAIR McLAUGHLIN: Full working group--our input on it.

MS. CONLAN: No. We have to have a discussion first.

VICE CHAIR McLAUGHLIN: That's right. Is it too late to hire a graphic design artist if report--

DR. BAUMEISTER: As far as the meeting, I am--I talked a little bit here about what they did in Oregon with the Oregon health decisions. And I talked to Ralph Crawshaw, who I got a letter from -- Michael Garland, who is at University of Oregon and organized all these meetings in the State of Oregon. And then they--according to them--and I haven't discussed it with them at all--they had communication with other States. And there is an organization American Health Decision that grew out of Oregon health decision in 17 States. Word of mouth. I mean, I don't know the States. I don't know anything about it. All I know is that now the epistle here from Ralph Crawshaw dated July 13, in which he says, Ways the OHD succeeded--in item--let's see--somewhere in it he says that they got 17 States involved. Number 8 here, OHD through Oregon Health Decision initiative 17 other State health decision
organizations to form American Health Decisions. So potentially these people are out there waiting--these organizations to take this kind of ball and run with it.

MS. WRIGHT: You know, that was one of my e-mails to you too. What is the national government association? What have they come up with? Where--have they taken to the people? I need to know what they--what their plan has come up with, when they're willing to join anybody else. And I know, like you said, there's other organizations out there. I did run across that group also.

CHAIRPERSON JOHNSON: What I'm hearing is that--Aaron, you're going to have your team together on Thursday--or Saturday.

DR. SHIRLEY: Saturday.

CHAIRPERSON JOHNSON: And would you be able to bring recommendations, your thoughts and recommendations within a week or two to a telephone committee--telephone working group meeting?

DR. SHIRLEY: I should be. I think we should be able to come up with funds working with the staff, yes, hook up with all interested parties.

CHAIRPERSON JOHNSON: Okay.

MS. WRIGHT: Randy or George, maybe you can
answer this. And if I missed the meeting, I'm sorry. But I didn't see it at any follow up meetings. And I thought there was a telephone conversation call at one time--and you may be addressing this Saturday--if not, can you get it on your agenda? We had asked, you know, what was our capabilities of going out to Blue Cross and Blue Shield and asking them for money to put on this program down at the civic center. Or can we tap into some of our large foundations or hospitals to say--and I have not heard that answer.

MR. GROB: We can do that now or we can do it on Saturday. But we did do the research on that. And we do--I can give a quick answer for that.

CHAIRPERSON JOHNSON: Go ahead.

MR. GROB: I'll go ahead and do that now. Basically when we checked with our lawyers, we really are not--we are not free to accept gifts, because it's not in our statute. But we certainly cannot accept money. There's a limited amount in kindness that we can accept. It was mostly centered on cases that they decided if someone wants to offer us a facility, a room, help getting there, you know, sort of as we have done at our hearings. There's already cases on that. But beyond that we're really not.
What we do have the ability to do, though, is to produce materials so that anyone who wants to do it on their own is welcome to take them from us. Our whole enterprise to multiply out to these other organizations is to engage them in such a way that they would know that they could steal from us blindly and that we can have materials available to them that would be easy for them to get and either host their own meetings-- are things that we will discuss on Saturday in greater detail--where we would be able to have them, for example, drive an audience to some of the meetings that will be able to help, through web casting or through the kinds of things that Dr. Shirley is talking about. So a lot of those ideas that you're talking about we have done some staff research on. And they are precisely kinds-- many things that we discussed at the meeting.

MS. HUGHES: I--

MR. FRANK: Go ahead.

MS. HUGHES: Okay. I just have a very quick question. How long was the discussion time wise about your report? I mean, how long was our--

CHAIRPERSON JOHNSON: Two and-a-half hours.

MS. HUGHES: How long?
CHAIRPERSON JOHNSON: Two and-a-half hours.

MS. HUGHES: And how long does the community meeting have on Saturday?

CHAIRPERSON JOHNSON: It was scheduled to be 30 minutes.

MR. GROB: It's from 7:30 to 11:00. And then not only that the--after that there will be a joint meeting with the communications committee, picking up at 11:00. And so there will be another hour. I think it--7:30 to 10:00, then from 10:00 until we get exhausted or people have to fly home. We have a joint meeting with the communications committee-- because it came out in discussion this morning that once you start going out to all these groups as you're talking about, engaging them on a mammoth scale, you're certain the communications committee would be doing as well, interested in--

MS. HUGHES: I wanted to know, because I felt that this morning's discussion was the first time discussion with everybody. And I felt that if we're having our first time discussion with our committee as a whole, that we needed a certain amount time to discuss--

MR. GROB: And that's exactly what we had in mind. And, in fact, by doing this, it made it possible
for our staff to sneak away and work on the report over
the weekend. So I think they would have to do a lot of
work here and love it.

VICE CHAIR McLAUGHLIN: You can tell they're
excited.

MR. GROB: So that was how we managed to
solve the very problem that you're raising—with report
time here so that we can work on the consequences of it.

DR. SHIRLEY: I will suspect that I
will--deliberations raise your community meeting have
less academic debate than here.

MR. O'GRADY: I wouldn't count on it.

CHAIRPERSON JOHNSON: Thank you, Aaron. One
last question. Then we'll--

MR. FRANK: Yeah. It's just a question of
interpretation, because I know we've gone around this
several times. So if a foundation decided that they
wanted to host a meeting and wanted to use exactly the
same framework and questionnaires as we did, they would
be free to do that. And, in fact, we would be allowed
to give them whatever materials they needed and perhaps
even intend if we wanted to. Is that right?

MR. GROB: That's exactly right.

MR. FRANK: And so there's--nothing
prohibits us from encouraging a foundation to possibly get involved in that.

MR. GROB: I would actively encourage them to do that.

MS. HUGHES: Can you say that again? I just want to make sure I understand what you're saying.

MR. GROB: Okay. I'll give you the simple answer to it. You think in your head of any organization of human beings in the United States of America just to name any one that you want.

MS. HUGHES: Simplify it, George.

MR. O'GRADY: Okay. No Canadians.


MR. GROB: He gave one example. And I'll--multiply that by a thousand groups--okay--the national government association.

MS. WRIGHT: AARP.

MR. GROB: AARP. any group you want to name.

MS. HUGHES: Okay.

MR. GROB: We are hopefully going to find a way on a massive scale to let every one of them know that they can go to our website and pull down materials that consist of easily viewable materials, doctor...
materials. And they can have their own meetings. And then they can get on the web. They can go to our website at the meeting. And they can answer the same questions everybody else will answer. And we'll have a computer that's so big that it can't be crashed. Everybody answering it. 800 telephone number that they can answer. They can write us a letter if they want, or they can encourage their members to fill out with a No. 2 blue pen--and that we would be able to reach that extension. We're trying to think of ways in which we can on a mammoth scale get organizations to want to do that and to make it easy for them to do it. That's one kind of meeting.

MS. HUGHES: And we can attend that meeting.

MR. GROB: We can attend as many--how many hours a day do you have?

MS. HUGHES: So I can go to California Health Care Foundation and say to them, I would like to offer you the opportunity to participate in Citizens' Health Care Working Group and ask them to host a meeting, pulling the materials off the website, and that they're hosting the meeting and providing everything. And then they would go to the website during the meeting to get--pull off the questions off the website and do
that.

MR. GROB: Or after the meeting.

MS. HUGHES: Or after the meeting. But I can take those words and use those words.

MR. GROB: Absolutely.

MS. HUGHES: That's what I wanted to hear.

CHAIRPERSON JOHNSON: Well, that's George's thought. But let's make sure that the committee agrees with--

MR. GROB: Exactly.

CHAIRPERSON JOHNSON: --that thinking, and we come back and the working group says, Yes, let's do it. That probably will be--ended up where-- that will probably be where we'll be ending up. But that's a George idea that we should get the committee's buy in and working groups buying it.

MS. HUGHES: When are we looking at doing that?

CHAIRPERSON JOHNSON: Well, the committee meeting is Saturday. And what Aaron said, they'll be ready to give recommendations on a Friday call.

MS. HUGHES: I'm sorry. What?

CHAIRPERSON JOHNSON: Aaron's saying that he'll be ready to give recommendations within a week or
two on a Friday call.

MS. HUGHES: But those recommendations aren't--

MR. FRANK: Saturday you're talking about.

MS. HUGHES: What I want to do is when I go back to California is I want to be able to start contacting people that I know in the foundations in the different areas and say to them exactly what I just said to you. So I would like to ask that all of you consider this so that we can do this.

MR. O'GRADY: I would like to bring up something that may--

MS. HUGHES: Dampen that.

MR. O'GRADY: A little bit. Having lived with government ethics rules forever, my entire professional career, there is a notion of what the lawyers tell you can do versus what your good judgment in terms of--we have this notion of impropriety and the appearance of impropriety. So, yes, can you do different--you know, yes, say I can take the trip to see the factory that just happened to be in Las Vegas. Yes, I could. It was better to go to the one in New Jersey that was just off exit 27 and, you know--so, I mean, there is that sort of--there's that sort of a judgment
call. Think about who the State holders are. Think about, you know, the health accounts building and the money going in and the money going out, and be very careful that you're talking to a--as neutral a third party as you can.

MR. GROB: You mentioned foundations.

MR. O'GRADY: I think that that's probably safe. But you also mentioned it earlier--can I go to hospitals? Can I go to insureds? I would not.

MR. FRANK: I think Therese said it very specifically in mind.

MR. O'GRADY: For that very specific thing. But, you know, of that list that was mentioned before, I guess you were--no, I wouldn't go to major State holders.

CHAIRPERSON JOHNSON: Therese, can you give us until August 5?

MS. HUGHES: I'll give you whatever you want.

CHAIRPERSON JOHNSON: If we can give--if you all can give us until August 5, so we decide all this hopefully in our working group meeting, that would be helpful so that--Mike's raising a question right now. But there will be other potential questions.
MR. O'GRADY: Yeah. That's like Aaron finding USDA--nice, neutral. They don't--you know, this isn't even really their policy area. But they're interested and they're willing to help, so--

MR. FRANK: They can teach us how to buy--

CHAIRPERSON JOHNSON: We've got 45 minutes to deal with an hour and-a-half of discussion--two hours of discussion, actually. And so my question is, you and Dotty, how would you like--can we do the budget tomorrow afternoon, or do we need the budget today?

MR. GROB: Whatever you want. I would say Dotty should give her report. And then I can do the budget if there's time left over. Or if there's not, we can do it another time.

CHAIRPERSON JOHNSON: Is it possible to do it tomorrow afternoon? How do we feel about that?

MR. GROB: Tomorrow afternoon--

CHAIRPERSON JOHNSON: 3:15 is when we're scheduled--

MR. GROB: Oh, you know, then we may have that other event scheduled.

MS. BAZOS: I only need ten minutes. I've actually given most of this report by phone at our last phone conference call. So unless people and e-mail--I
don't think I need to belabor this report unless people have specific questions. So I think I could be ten minutes.

MS. HUGHES: Can Aaron just finish up?

DR. SHIRLEY: Related to Rich's question, if no one in the full group has a problem with the idea and the committee comes forward Saturday recommending that the group she wants to work with, if there's no objection now and the responsibility be placed on George to determine where the--this group can appropriately, legally, whatever, carry out that function, then we might be able to short circuit the time between Saturday and the time--

MR. GROB: And I think that's the question we can talk about on Saturday.

CHAIRPERSON JOHNSON: Why don't you go first?

MS. BAZOS: Okay. First of all, I just want to say a couple of things. I think that the work that we're trying to do is very hard, very complex, and actually under-funded. Having said that, I think that George and the staff are just incredible, that we did a brilliant job by hiring George, and that our staff is absolutely wonderful. And I got to spend two days in
Washington this week going with George and his staff to some PR firms. When I arrived early in the morning at 7:00, the staff was there, George was there.

Catherine, your staff, I didn't think had legs. They sat at their desks. And when I came back at 7:00 at night, they were still there. So I just think that sometimes--particularly I think around some of the communications work that we're trying to do, getting the message out about who we are, getting reporters, knowing who we are, setting these things up--I think sometimes it looks as though we're doing this on a wing and prayer. And actually we are. But the staff is doing a fabulous job. And I think that's the nature of the game sometimes. What I learned--I mean, I said when--I said I would be chair of the committee, I didn't know anything about it. But I'm going to feel like I have a Ph.D. when I'm done working for them. I've learned a lot. And what I've learned is it's very complicated and that actually a lot of the things that you need to do to set these things up don't fall into place until the last minute. So I would ask that all of us just appreciate the staff and plan to be a little bit unsettled always about these communication issues.

And having said that, I'll get to my report.
I'm just going to go through it quickly, because I think we already heard about it. I think everyone's heard about the web. Andy--GPO platform. We got our URL. Jessica had a brilliant idea to purchase that in Spanish, which we are doing. Also, we're reviewing websites that we all like, particular committee members, like Montye, are just being brilliant about showing us sites that are great. We've drafted a document that we'll be looking at the final time that sort of frames the layers of the website. So that's really rolling along. It's coming out great.

What I learned from George was new language. And he talks about communications and PR. He talks about things that I had been particularly worried about, is the daily grind. This is stuff that George does in his sleep. And he's got it pretty much set up between him and the staff in Washington. And that's really thinking about how do we right now get ourselves known and start this thing he calls the bus. And he's doing a wonderful job with staff in doing that. Very opportunistic about getting us press, getting news reporters knowing who we are, getting interviews when we can. He had a wonderful interview himself in Washington, which really got us knowing inside the belt
way. And I asked Jessica--do we have that?

    MS. FEDERER: Uh-huh (affirmative).

    MS. BAZOS: Jessica has brought the press clippings. So I'll pass them around and you can all look at them. What we've agreed is that every month she'll send you a package of press clippings. So we don't have to worry about whether we've been in the news. We can read it ourselves at our leisure. We'll--also those press clippings, we'll put them in our internet site so that we post it there so you can go and look and read it for yourselves and see whether we succeeded in our training or as a faux pas that we're making when we're out there speaking.

    Ongoing communication to the hill, that's, you know, just the daily grind. Jessica sends people on--the staff on the hill messages about what we're doing, updates. She's now getting feedback from the hill. They appreciate the feedback. They're getting to know who we are. They want to know where we're going and what we're doing. So this kind of creating the buzz seems to be going really well.

    As far as our hearings and doing the PR work around the hearings, Rachel's been very involved in that, Jessica's been very involved in that, and George.
And they've been trying to do—we've been trying to do is capitalize on the locations where we're going and the expertise and the location and create press events around specific things that would be of interest in the areas where we're going. For example, Mississippi we had a tour of the mall. Here in Salt Lake City, we really—I mean, the staff had a real problem with getting anyone interested in us, because they have Pioneer Days here. But we got this great tour of the hospital. It was wonderful. We got great press from that. We'll see the clippings. We already heard that we'll be in the news in Boston. We're going to capitalize on the committee forums that they already have. We need to—still have a lot of discussions about how that will take shape, what it will look like. We'll talk about that at the community meetings and hearings, communications meetings and hearings committee.

We were charged with looking at PR firms and trying to find out what we could actually purchase from PR firms knowing that we have a very limited budget. And this is where I—after I talked to PR firms, I realized we do have a very limited budget. We talked about having $100,000. And they go, Oh. But I will tell you we may short list—Peter Garrett. And
Catherine recommended him. And he also came highly recommended from the HR, Hugh and other organizations. It was absolutely wonderful. We went to--Jeff White is still going to call us. He does a lot of work in the government. He's very well known. He's great. He was recommended by my brother-in-law working for the State department. We still need to talk to him. We talked to Ed Howard who was the chair of the pep commission. And then we talked to the major big firms, Edelman. Actually, I didn't bring my notes today, George. So Ogilvie, Porter Novelli and GMMB.

What I learned--and George could help me here and fill in--was that everyone is really interested. And I think that those meetings helped me to see how we are tremendously unique. And what's really unique about us is that we are asking to hear from American citizens. So I think we really need to remember that. And that really needs to be in all of our messages. And we're asking them to help us form these recommendations. When the PR firms heard that they were extremely excited. Peter Garrett said he would love to work with us. But he felt that he is tremendously over booked. But he thought he could squeeze in a little time for us on a-- you know, an ad
hoc basis to sit down and have a conversation and help
us with a big strategy.

I think that Ed Howard was so excited that
he felt he could probably do the same thing. The bigger
firms--it was Senator Widen who sent us to Edelman. I
think Edelman thought that for a big strategy it--it
wouldn't be too expensive. The other firms, we're still
talking to them. They were willing to actually draft up
for us a list of what they could do for what price and
then talk to us later. Now, we were very, very clear.
I mean, George brought a begging bowl to say that, Look,
we have a small amount of money. We don't want to buy
this big package. We really don't want to buy a big
package. We can't afford it. We were pretty clear
about what our message is. We need to know how to
really, really develop this message so it has impact.
We need to know what to do, and we need legs on the
ground. How do we maximize the expertise of our
committee members? How do we maximize our own
intellectual capacity here? And they were very, very
excited. So we're waiting for them to get back to us.
And during our meeting we'll be talking about the
strategy of how we can best use the PR firms, how we can
best use the budget that we have to really move us
forward for the communications work that we want to do. So on Saturday what we will be talking about at our meeting are basically and we talked to the PR firms about this. We've got four main events coming up. We have to announce the beginning of our dialogue with the American public. And that will be announced through the release of our report, through the--what do you call it when you open up your website?

VICE CHAIR McLAUGHLIN: Launch.

MS. BAZOS: The hard launch of our website.

MR. O'GRADY: Sounds like a crash landing.

VICE CHAIR McLAUGHLIN: We'll write down soft launch.

MS. BAZOS: Community meetings kick off, the preliminary recommendations kick off, and then the final recommendation. So what we want to talk about at our community meeting is, how are we going to do that? We want to brain storm a little bit and then talk about how to use the PR firms to help us do this in the best way with biggest bang possible. And then we'll be working with the community meeting committee, which is very hard to say, to talk about where there are overlaps. And that will be around the mile stone events, as well, and also this kind of discussion about, how can you maximize
using other companies to actually help us get the word
out and help us listen to citizens across the United
States? We feel like that's sort of where the overlap
is. And that's what we'll be focusing on at our
meetings. So that's--so are there any questions?

MS. MARYLAND: I would like to just add, I
think the point of how do we take advantage of other
organizations, help the message out to our citizens is
very important.

MS. BAZOS: Exactly. We're going to have to
use.

MR. GROB: I would like to make one comment
about that. I was expecting when we went to the media
firms that they were going to try to sell us on the big
pitch and the elaborate roll out. And one did. Okay?
But the others didn't. They basically said we had it
right, that basically a good press coverage of an event
is worth one good press coverage of one event. Because
three days later it's not losing anymore. And they--what
I was really impressed was that they made the point
you're making. They said what you really got to do is
you've really got to extend your reach to everybody.
And the ones that were interested were the ones who said
that's what we do--among the specialties, yes, they can
give you—but they were emphasizing that bang for the buck was exactly what you said. How can you organize your relationships to other organizations on a very continuing basis word about what you're doing, word about your communications—is an ongoing means. And then three of them had the same idea, which was there was like a virus that grows, a part of your outreach strategy is to use the outreach you give to the other people to join us or other organizations—so that point that you're making was central to what they were recommending as opposed to the posterior, the blowout. It was really the communication. And I just thought I would share that with you. Again, more about that when we meet on Saturday. But that was really central to a lot of their ideas.

MS. BAZOS: And concretely covered exactly that way—I believe that we met with is a PR firm, really issue based PR firm. And that's—you know, that's sort of how they created—they called it a virus. That sort of spreads—interest.

VICE CHAIR McLAUGHLIN: But they weren't restricted the way—of who our partners can be. I mean, we have to sort of do an under the radar buyers. You know what I'm saying? I mean, we can't be open about
getting them to help us. I mean, Mike was just warning us. We can't do that.

MR. O'GRADY: Well, I just think you want to go to as many partners as you possibly can. You just do not want to leave the impression from anyone that you're somehow, you know, neutral on the side of so and so. I mean, balance is just very, very important to our credibility. I can think of any number of very nice, you know, not only groups like this, but national academy of science studies and--you know, that if they come away with an impression that they were not balanced, it--you know, it goes on the shelf. And that's it.

MR. GROB: If I could comment on that again more discretionary. But in the presence of the whole working group--raise concerns--address it. We have actually had quite a few discussions about that in a variety of people, including, you know--I won't say quite yet lawyers. But I think we have to get over that, but--

MR. O'GRADY: Law students?

MR. GROB: No. Well, but my--I'm not a lawyer, but law degree. Okay. But we did talk to lawyers about the question you asked me earlier about our authority to take free gifts. Okay. And that was
settled with the lawyers. Okay. But the other part they
warned us about when we talked to the lawyers about that
was there's one question--you can't increase your
appropriateness--but then he said, That's the legal
question. The other question is the appearance
question.

So the lawyers that we talked to about the
allocation of appropriations said you got to distinguish
your issue. And then raise the issue your way. And
their advice, as well as the advice of others, is--has a
unique solution for us. The way you get that balance is
to go to everybody, in other words. So oddly enough,
the way to solve the problem of--you know, of making
sure you don't look like your connected with anybody is
to go to everybody. So the very solution to the
appearance problem is the solution to our problem with
getting out.

MR. FRANK: That makes me nervous. And it
makes me nervous for the following reason, because you
go out to everybody, some hit, some don't hit. And, you
know, even though you know that you called everybody,
only three of them called you back. And you wind up
doing business with them. You can get the same
perception in balance. And so my suggestion would be to
sort of say, Here is a group of folks that automatically
are above the bar, because we bedded them, things like
that. And, you know, they'll be people that we can talk
to, that we can go to, you know, foundations, you know,
the like. And then I would be very nervous after that,
you know. And that doesn't mean that we shouldn't
engage in opportunism, because, you know, we should.
But then I think that needs to get over a higher bar,
because I just think that even with the best of
intentions you can wind up easily sort of slipping off
into balance.

MR. O'GRADY: Well--and I would support that
any idea I have seen shot gun, but there are only--you
know, different groups that have deeper pockets than
others. So you shot gun, and then-- but it's really
only the industry guys who have the kind of cash to do
that sort of stuff, so then all of a sudden it's lined
up that way. But I thought you had a very good point
here about the idea. And the way I think of this--
everything we're doing here is with taxpayers dollars.
And so we don't own any of it. It's all public domain.
And so the idea of you produce the best things, you try
to be as smart as you can about your communications, the
way you do this stuff. And then it is available to any
citizen or non-citizen--you know, it's just on the website. It's available. And you go from there. But it's a little more passive. We produce, and we make available, rather than we're working on an ongoing basis with this particular party or that party.

VICE CHAIR McLAUGHLIN: As I said, this is what we thought about for the ten pager. We would have a camera ready copy. Anybody asked for it--they can get it. They can print it. You know, they can go to a printer and have it.

MR. FRANK: I had a question for Dotty, which was, have you thought--I mean, in a sense a lot of what you've talked about is sort of driven externally in a way. I was just wondering--you know, a lot of groups do things, generate stuff that creates buzz, such as writing off ed pieces, placing editorials in like New England Journal of Medicine, things that will then get a lot of attention. And it just seems like given the people we have and the working group that are on the staff, you know, for example, we could perhaps craft some of those things--I would say either under Randy's name or under the work groups name.

VICE CHAIR McLAUGHLIN: Well, remember I talked about that fourth report that would, in fact,
have data about life tone expenditures or utilization, or what do we know about prevention, what do we know about medical effectiveness--disease, right? And that we would have pieces written with that that would change maybe every other week on the website, that, again, then people could go to, to try to drive reporters to our website. And they can go to our website list--

MS. BAZOS: Would you think that we would do that before we launched?

MR. FRANK: Let me give you an idea. One idea would be sort of an off ed piece saying something like--the left out piece in the health care reform debate. It would be a story about--has anybody talked to the American people. I don't think so, you know. And then just sort of say, Well, you know, the last 47 proposals have all started in Washington and ended in Washington, and really not gotten very far. And, you know, you could sort of write something like that that would just sort of highlight why--

VICE CHAIR McLAUGHLIN: Create your own buzz.

MR. FRANK: It creates a buzz, but it also makes a substantive point like getting this information back is going to be a big deal.
MS. BAZOS: That's great. And that would be a great way to highlight the fact that--I mean, I think what's key for us, too, that all of the PR firms were so excited about, is this notion of having informal dialogue. The fact that we were actually going to take the time.

MR. FRANK: What do you need to do to engage people? That would be another one. And I think that you could--you know, we could probably craft something like that because of the various talents we have here. And it could go out, you know--who cares--

MS. TYREE: Richard, this is something that--this is part of what I put in the media plan as part of our ongoing media relations, exactly what you said is the out bed of pieces, the letters to editors and the working group members, keeping that buzz. And not only that, but having editorial board meetings where every community that you go to for community meeting you spend the day before meeting with a local paper, an editorial board. So it's exactly the point.

MS. BAZOS: It's a good idea to think about it now. I was thinking about those things later.

MS. TYREE: This issue of going out--and listen to the people could, in fact--
MR. FRANK: Right. The hard launch.

MS. BAZOS: Thank you. That's great.

VICE CHAIR McLAUGHLIN: Thank you, Dotty, for all your work.

MR. FRANK: Actually, my commentary from MPR.

MR. O'GRADY: Can I just—a little frosting on that? It would be very nice given that we have two senators that are interested in this group. I mean, you know, you said pride of authorship should not be it. But, I mean—you know, you're thinking about placement and whatnot. If it's coming from them, it's going to get a lot more play than—

MR. GROB: All the more reason.

MR. FRANK: Not to worry about authorship.

VICE CHAIR McLAUGHLIN: We write it, but they put their names on it.

MR. FRANK: That's fine, you know.

CHAIRPERSON JOHNSON: Okay. Dotty, anything else?

MR. FRANK: I've written things much less respectable.

MR. GROB: Yeah. I think we can do budget if someone can help me get back on their-- Andy, can you
help me to--

Okay. Let me say this to you, that I think that over a period of time it's been pretty difficult to step into an operation as big, as complicated, and as fraught with the schedules and the immensity what we're doing. Every meeting that I attended with all the health staff and with everyone that I met who has tried to do things like this just have always said, George, this is impossible.

To give you the standard thing would be--as we went around the hill, we talked about the fact that we have to report to American people in October. They said, Oh, boy, that's going to be hard to get that done in a year and three months. And I said, No, it's this October, not a year and three months from now. So that is the kind of thing that we all know what we're up against.

It was hard for me as your executive director, as well, to sort of put together one of the marching orders I received from Andy the day I took the job, which is to prepare a plan and a budget so that we could work off of it. Finally, after enough familiarization, I was able to do something for your consideration. And what you have that I sent you is
just that. It's a document for your consideration. I'm not asking you to approve a budget today. The norm that I do--present something for you to consider, something to discuss.

I was going to suggest that we have a conference call meeting. We have scheduled already a conference call meeting on August the fifth. Remember we asked you to hold your calendars? I'm going to send that schedule around to everybody again to make sure they all see those dates. I will do it. But we said, Lock up your calendars, because we can't meet every time. And I'm going to suggest to you that the budget of the subject of that August 5 conference call-- so we can see what decisions about the budget we want to make at that time if we can. We may not make them all. But we can make some of them.

Similarly, that's well within our reach in terms of decisions about some parts of the community hearings, meetings, and things of this nature, community meetings conference.

So please accept this as an offering for your consideration. You've probably read the document and you have questions on it. What I would like to do is tell you a few things about two aspects of the budget
for your consideration. One of the things that we can't
do very much about that we have to pay the rent and pay
staff and get the computers running. And I would like
to show you how much that consumes, where the leeway is
there, and then offer you consideration of some things
that I think we really must do. So that's sort of like
the automatic part. And I'll tell you now, that
represents about half the budget.

The other part is the big hunk on the
community meetings, about which we have considerable
discretion, and which, if we did almost anything at all
would drive the biggest part of our budget, for which we
must watch the dollars very carefully.

Based on all the research I had done, the
many meetings I attended, and the many people that I
talked to, I've prepared the budget that you've
received. However, I can tell you that the subject of
the best way to communicate with people out there in a
disciplined way has been an emerging discussion of
incredible depths and speed. And you'll see when I come
to that that I think for that part of the budget, which
is the other half, that I would simply like to present
some of the ideas that as I was asked to do for you as
your staff director was to at least research those
things and feed them back to you. But you would be much
gooder to consider them as just for the--of our
discussion on Saturday, not as--please approve this
budget or go with this. So if you can accept it in that
light, that truly is the way that I intended. Plus, I
will never stay stupid. And I can tell you that the
amount I've learned in last two or three weeks has been
pretty heavy duty and would affect some of the things
that I did there. So with that kind of introduction,
let me show you a few things here.

First of all, how much money do we have.
The answer is, we have two appropriations. The first
half of which we received approximately $3,000,000. It
was across the board cut that every office in Utah had
to take an eight-tenth of a percent that carved
3,000,000 down. Because of the way we did it and the
staff on the hill are in complete agreement on this, we
had the unusual ability to transfer funds from one
fiscal year to the other. So we don't have to obligate
all of this money in this year--through this fiscal
year. It can carry over.

CHAIRPERSON JOHNSON: Why don't you identify
what the fiscal year is?

MR. GROB: It will come. There it is right
there. It will come up next. But for now it's October
1 to September 30. And it will be in my next chart too.
Okay.

And the same thing is true now as far as '06 is
concerned. The money has been requested for the
second $3,000,000. And it is in the Senate
appropriations bill, but it's not in the House bill.
However, we have every reason to believe that it will
make it through. There's pretty strong support for it
now. There wasn't initially, but now there is. And the
language has been--exactly the form that we needed.
And, again, by talking to the hill, we have reached an
agreement with them and with arc, who's our housekeeper,
that that money, too, can be carried across the next fiscal
year, which doesn't mean a lot, except for something I'll tell you when I come to it.

So basically if the process runs well and we've really pushed it along pretty hard and we're fairly hopeful that we'll get that $3,000,000 and get it soon, which would be very unusual--appropriations bill this year before the fiscal year begins. First time in ten years, no chance. Okay. But we should be able to use continuing resolution.

MR. O'GRADY: But in terms of this, George,
the way you've--you've got one coming in at three, you've got the other coming in at zero. Let's, of course, be optimistic. But we should be having a back-up plan saying, What if we end up at 1.5.

MR. GROB: Yeah. Exactly. That's correct. Yes. That's correct. And I agree with that. Okay. So the way that--the more detailed answer to your question. The fiscal year begins on October the first to September 30. The only place it really matters for us is in middle year, because we got a late start in this one, February--when he was appointed. So the money is for the rest of that year. And then what we have here--what you see in '07 is our project really ends here at the end of that year, but after--

CHAIRPERSON JOHNSON: Fiscal year '05 to '06, or '05 to '05, February '05 to September '05?

MR. GROB: I made a typo. Thank you very much. It was brilliant to put it up there, but I should have put it up there right. It's October '06 to--no--it's October '05 to September '06.

MR. FRANK: No. September '05.


MR. FRANK: That fully allocates the '05
money. And I assume that the reason you were telling us all that stuff about carry over five minutes ago was because you expect carry over.

MR. GROB: Yes.

MR. FRANK: Okay. So what does that look like?

MR. GROB: I don't understand the question. I'm sorry.

MR. O'GRADY: I think that's what he's got, that we'll spend--

MR. FRANK: All of it he's got spent.

MR. GROB: I see what you're saying. I put it there because it was the easiest way to express it.

MR. FRANK: I'm just asking you to tell me--


MR. GROB: Actually, I would obligate it all under two circumstances here. I would obligate it see--I don't need to spend it. I just need to obligate it. Okay. Now--

MR. FRANK: I see.

MR. GROB: I would obligate it all.

MR. FRANK: I got it.

MR. GROB: If I was assured I was going to
get something there—but I'm not going to obligate it all if I need—as you were saying—to make sure—give me some contingency plan in case we really need to save money for the following year, because if we don't get a lot of money, I still have to pay those expenses. So it's going to be nip and tuck, but we're heading toward that nip and tuck, period.

MR. O'GRADY: And you can only roll over so much so long.

MR. GROB: Yeah. So the reason for looking at this over here is that when we end at the September 30, '06, it's after we end the work that the President's comments. And then it will be, oddly enough, the next year, April or May, when a new Congress can convene that will hold hearings, because when their time comes up, there won't be a Congress. It will be like November 15. They'll be gone. So we're going to need—we can't do anymore work on our report. That's all going to be done—recommendations.

However, they're going to ask several of you to testify. They're going to ask a lot of questions. They're going to want to know where this number came from. So we need to be able to carry on for a while in order to keep that going.
So that's just a scheme. And, again, the way I put the numbers together was to basically say, Let me look at the--kind of the people, the expenses here, and then the big citizen engagement, which is the big fat thing where you have all that discussion. And this is for 200,000 for--to produce many copies of a shark report that can be used in the community meetings. But I don't know what the numbers--I know I've got an estimate. That number is what it would cost to produce 200,000 copies of a ten page report to be used at community--

VICE CHAIR McLAUGHLIN: 20,000.
MR. GROB: 20,000 for community meetings, initially. But we'll know when we get there what we're really going to have to spend it on. Now, here's some things now--that--now I'm going to get global on you. Okay. Some issues. How many meetings should we have, the working group? Should we meet every month? Should we meet every two months? Should we meet periodically? Every meeting we have costs us $50,000. If it's a--two days of meetings and a day of--you know, an extra day of travel-- three days involved with our members and four staff people--okay--about $50,000. What I did in preparing the budget, all of this is changeable as soon
as we talk about it. I wasn't sure what you wanted to do. So I assumed you would meet every other month. And that's how much money I put in the budget. I didn't say which months it would be. I just put that much in. But you might well want to decide now that you would like to meet every month as we're meeting now during next year, instead of just every other month. That's your choice as to how much you want to physically get together and meet, because during that next fiscal year we're going to be mostly out doing all the community meetings, except we have to worry about the recommendations for which we need to do a lot of talking. So I offer that as something for you to consider as to how often you want to meet. We just moved the money in. But every meeting costs $50,000.

CHAIRPERSON JOHNSON: So am I understanding? What you're going to do is go through this and then take questions at the end.

MR. GROB: Yes. And it will go--I'm just showing you where I think key decisions are. If I get answers to certain questions, then I can redo the budget the way you want. I tried to form the questions that I thought you would want to weigh in on so that I could do all the calculations. Okay.
I'm looking at the clock. I know I've only got five more minutes. Staff, I don't want you to dwell on it. The main thing here is I want to let you know what we have by way of staff, except the three key people will disappear on us in about a month, maybe less. And so we won't have the analyst that had--now, I've got them on contingency. I can pay them by the hour while they're gone and run things by them. And that will be very valuable. They've already agreed to that. I don't want to interfere with--

VICE CHAIR McLAUGHLIN: Everybody turn and stare at them.

MR. GROB: So we can still pick their brains. But we got to fill that gap in, because what's going to happen is after that--I think Catherine has said--there will be a continuous refinement of report. Many questions about where we got that data. And we're going to have to do many more analyses as we get results back in--begin formulating our recommendations and really want to be quite confident of that. So I'm proposing that we hire one mid-level analyst and one beginning analyst to support Jill. And I think you need to know, Jill is only with us for sure through November, because it was a six-month arrangement. At that point,
we can re-engage that question as whether Jill can continue--

VICE CHAIR McLAUGHLIN: I thought it was through October, not through November.

MR. GROB: Okay. End of October.

VICE CHAIR McLAUGHLIN: It's even worse.

MR. GROB: Early November. So we're going to be in critical need if we don't fill that. The other thing I put down there at the bottom is public affairs. You know, Rachel's been really helping--Jessica's been under studying. But we already need almost a person and-a-half for this. So it seems to me that--and we'll have many other things that Jessica does and others do that--as you said, the outreach--community matters is almost like a full-time product of what we do as well as support function. So we're probably going to need some part of a person, a whole person or another person, plus more money later for some of these public relation firm services.

MR. O'GRADY: But right now--we have an in-house staff doing some notion of public relations--

MR. GROB: That's correct. And I think what we'll end up with is a mix, that we will have competent in-house staff and being able to draw on one or more of
the firms that we talked to according to their specialties.

MR. O'GRADY: I guess I'm looking--just because the budget might be tight--could you go back one slide for a sec?

MR. GROB: Sure.

MR. O'GRADY: Okay. So what you've got there is in terms of senior program analyst III from some amazingly generous government agency.

MR. GROB: Yes.

MR. O'GRADY: But isn't the Department of Labor still on paper?

MR. GROB: Yes.

MR. O'GRADY: So I guess I was just wondering, at least in terms of--if you're not seeing what you requested before, is there at least a potential for someone from like government labor public affairs?

VICE CHAIR McLAUGHLIN: Then we have two.

MR. GROB: There might be. I think certainly we're pursuing any free help we can get. And I would agree with that.

CHAIRPERSON JOHNSON: I talked with DOL a month ago. I--

MR. O'GRADY: Some.
MR. GROB: This, again, is for your information—is a contractor support group, that we currently use the website development. When I say contractor I have some personal service countries—I've got someone helping with the survey development, an editor. Financial, legal help we're obliged to get from GSA, because we're a commission. It's not a lot of money, but it's there. And then—so we have that. The biggest cost will be the cost of conducting those community meetings however many there are. They're big. And so we'll contract—internet meetings is another thing. We're going to get contractor help to project those meetings way out there by doing various things to drive audiences to them or to do the technology of getting them out there. That's possible use of a contractor.

Outreach management is—has a lot to do with what we were talking about. And that would be some of these firms who may want to help us, once our boundaries can be straightened out, in terms of how—with that. The interactive survey is simply a fairly cheap thing that we can get that will allow us to get questions answered on our website. And with a pretty large database, 800 telephone numbers, and again, more of the
public affairs I was talking about. Okay.

Here's the issue for you. Okay. And, Catherine, I beat you to the punch. Read the whole thing. I priced them out, you know, at-- between 50 to $80,000. That includes $5,000 for the travel of two of you and one staff person to be at these rather elaborate ones, includes the type of--the problem of driving the audience to it, all of that kind of thing, you know, to run the meetings, stage them, do the whole thing with trained facilitators. The budget proposal I had showed 24 broadly--representative, another 8 targeted, spending $2.4 million. And now you see what I'm saying, is I recommend that we reconsider that for many of the reasons Catherine mentioned. It's an awful lot of money. And there may be more effective ways to reach people. We just need to figure out--

VICE CHAIR McLAUGHLIN: Just to add another number, the 24 is 3,600 people, the 1.8 million.

MR. GROB: And there's no question whatsoever that a major change in our thinking is--that since we want to reach more than 100,000,000 people, we're not going to do it that way. We're going to do it through the web. We're going to do it through those other methods that we mentioned. However, most of those
methods are much cheaper than those meetings. But one feature of them is that we can exploit those meetings and the material we prepare for them in order to do the other really cheap things.

VICE CHAIR McLAUGHLIN: I just—you know, this is the marginal cost, this is the average cost for this, right? It's 7,500. And what I suggest here is the marginal benefit declines fairly rapidly.

MR. GROB: Yes, that's right.

VICE CHAIR McLAUGHLIN: And at the point where the marginal is equal to 7,500--75,000 to get rid of them.

MR. GROB: That's right.

VICE CHAIR McLAUGHLIN: And my guess is that happens 424.

MR. GROB: You see, I'm with you on that. We have to reconsider that.

MS. STEHR: Have you explored—if you're going to use contractors, facilitating contractors, why don't we look at what States do we want to hold them? And then, is there a—is there somebody within that State you can hire that's going to be cheaper because they're outside the Beltway?

MR. GROB: The cost of that—again, that's a
good thing to say for being--I'm watching the clock. I'm not trying to avoid the question. But that is something--

VICE CHAIR McLAUGHLIN: We heard the little preparation this morning. We know how the--what you're doing.

MR. GROB: No. I'm just saying, I think it's a good question. But I would like to give you a thorough answer to that question. And we're about to the end of our meeting time right now. So--but there are reasons why it's that way, but maybe not good reasons. We need to talk them through and get an understanding on that. So--community engagement, I'm not going to mention. You know, we're not going to do them now. This was in keeping with the remarks that we had. There's a lot to discuss here. And these options--I was just trying to fulfill your request that we consider things for you to discuss. And so here's a list of--

MR. FRANK: We're doing this on the phone next week.

MR. GROB: We're going to do it with the committee here on Saturday. And then they are--hopefully, we'll come up with a plan that would be proposed--
MR. FRANK: Talking about the budget.

MR. GROB: That--I'm proposing that we do the budget on August 5. That's correct.

MR. FRANK: That's fine.

MR. GROB: Then, again, we don't have to do it then. That's my suggestion.

MR. FRANK: Well, I think--you know, it sounds like what your suggestion is that--look, you need time to chew on this. And then we need some real time to discuss it, so . . .

MR. GROB: Right.

MS. HUGHES: Will these slides that you just put up here, can they be printed out? I haven't been able to write fast enough.

MR. GROB: Of course, they can.

MS. HUGHES: Thank you.

CHAIRPERSON JOHNSON: Or sent by electronic mail.

MR. GROB: Yes. Well, that was it. Those were, I thought--what I tried to list for you were the questions that I thought--if I had answers to those questions, I can do the math, basically. I'll come up with more options. So that's what I wanted to offer for your consideration here. The biggest things will be the
strategies and the--so . . .

CHAIRPERSON JOHNSON: Let's see if tomorrow afternoon at the end of the hearing, if we have some extra time before people leave, maybe we can have some additional discussion on this in a larger group--if that's what you would like to do. If you had all the information you need until August 5, that's fine. But are there any major issues or questions that we need to hear from George on right now that anybody would like to raise?

MR. FRANK: I appreciated how nicely you laid it out, even if it's not all printed.

MR. GROB: It truly is open. I wanted to find a way to respond to your policies rapidly.

CHAIRPERSON JOHNSON: Okay.

(Hearing concluded at 5:05 p.m.)