CITIZENS' HEALTH CARE WORKING GROUP
WORKING GROUP PUBLIC MEETING

HEARING AND COMMITTEE MEETINGS

PUBLIC HEARING

City Hall
1221 SW 4th Avenue
Portland, Oregon

Wednesday, September 21, 2005

2:00 p.m.

Present:

Randall L. Johnson, Chairperson
Catherine G. McLaughlin, Vice Chairperson
George Grob, Executive Director
Frank J. Baumeister, Jr. Member
Dorothy A. Bazos, Member
Montye S. Conlan, Member
Joseph Hansen, Member
Therese A. Hughes, Member
Patricia A. Maryland, Member
Deborah R. Stehr, Member
Christine L. Wright, Member

P-R-O-C-E-E-D-I-N-G-S

CHAIRPERSON JOHNSON: Let's just make sure who we have and who is not here. Who we don't have, Dottie is here, so she'll be here shortly, I guess, and Frank. Richard is not here, Richard Frank, Mike O'Grady.

PARTICIPANT: Is Mike coming?

PARTICIPANT: Yes.

CHAIRPERSON JOHNSON: I don't think so.

And, Aaron Shirley.

PARTICIPANT: Brent James.

PARTICIPANT: And Rosie. Aaron is coming, and Brent James.

CHAIRPERSON JOHNSON: Rosie Perez.

PARTICIPANT: When is Aaron coming, today?

PARTICIPANT: I think he's --

PARTICIPANT: Oh, he's coming. I thought he wasn't coming.

PARTICIPANT: No, unless it changed.

MS. WRIGHT: He told me yesterday he was coming, unless he ran into weather difficulties. They evacuated Houston, you know.

PARTICIPANT: I know.

PARTICIPANT: Rita, another woman, coming through.

CHAIRPERSON JOHNSON: Okay.

First, thank you for making the effort to be here. I don't know when I've seen a more beautiful city to fly in.

PARTICIPANT: I know, it's gorgeous.

CHAIRPERSON JOHNSON: And, normally I don't look out the window, but this time I did, and Frank greeted us with a great hospitality before we even landed, so thank you.

We have a very tight agenda for today and tomorrow, and tomorrow we'll be dealing with issues related to the community meetings and communications, but today our dedication for this portion of our meeting is to deal with the reports.

And, what we would like to do first, just so everybody understands, we have contemplated going later than 5:30, we've talked about that and made a decision not to do that, in light of the fact that people like Pat have been up since 4:00 in the morning

Eastern Time, Central Time, and already it's 5:30 Central Time, and those of you who come from the East Coast it's 6:30 Eastern Time, and by the time we finish it's going to be 8:30, it's going to be a long day. So, we have consciously set 5:30 as a stopping time for our meeting today.

That presents a dilemma, because our intent has been to go through the reports and get your feedback regarding them. Just by way of reminder, there will be focus groups on the reports, and so what's going to happen is, George is going to -- George and staff, are going to take the comments that we make this afternoon and put them into a format that will be used by the focus groups starting the day after tomorrow.

PARTICIPANT: Tomorrow, actually.

CHAIRPERSON JOHNSON: Tomorrow, okay, so the focus groups will begin with the content that we decide on today.

MS. BAZOS: Is that for both reports?

CHAIRPERSON JOHNSON: Yes, George, do you have anymore of the reports? Montye is looking for a

copy.

So, here's how I would like to set up our agenda for our meeting. We'd like to spend the first hour talking about the long report, and I'll just give you an idea of how I'd like to go about doing that.

I'm going to ask you, are you able to sign off on the report that we have, that's going to be the question, and if you can't, what is it that we need to do to get your sign off? But understand, we are at the end of our time for making changes, the changes -- we'll only be able to make changes that can be made this evening and sent to the consultant tomorrow morning to be put in a production and used in focus groups.

So, that precludes us from doing, I'll say, wholesale changes. The kinds of things that we can do to adjust the report, long and short, are basically some fine tuning.

Now, some of you have given some suggestions, and we've had some suggestions from Richard Frank, and I'm going to ask George to share Richard's suggestion and what he's done about that in

just a little bit. But, physically, time precludes us from making massive changes to what we have already. Okay.

So, the first hour we'd like to dedicate to the big report, the second hour, about 20 minutes of a slide show that will be used in focus group, and the remaining time dedicated to the short report. And, potentially, we'll have some feedback during the short -- during the long report, that might apply to the short report as well.

So, that's kind of where we are at, and if, in fact, we are not able to get to a sign off today, I think that may have some -- well, I'm not sure exactly what we'll be able to do, because the time limitations are such that if we are going to make our October 6th date, we are going to make our focus groups, we are going to have to come to some conclusions today.

So, that's kind of a summary of how we will go through the agenda.

Yes?

MS. WRIGHT: Can you just tell me what the

purpose of the focus group, what is the focus of the group, I couldn't think of any other -- is it for content, is it for readability, what exactly is it?

MS. ENDEL: It's all those things. For those of you that don't know, I'm Kristen Endel with Edelman and our StrategyOne group will be conducting this focus group.

CHAIRPERSON JOHNSON: What is your name?

MS. ENDEL: Kristen Endel. I work with Tish Van Dyke. I don't know if some of may have heard of her. Our Strategy --

CHAIRPERSON JOHNSON: Actually, before you get started, let's all introduce ourselves.

MS. ENDEL: Okay.

CHAIRPERSON JOHNSON: Okay, but -- and I want to take a stab at this before Chris does. Actually, you may recall that when we did the initial report in Salt Lake City, we decided at that time that we were going to get the help of some outside organization and we were going to run focus groups.

MS. WRIGHT: Right, no, I do understand that, and I do agree that there should be focus

groups.

CHAIRPERSON JOHNSON: Okay.

MS. WRIGHT: But, you do focus groups, you can do them for different reasons. You can do them just to check reading level. You can do them to check content, but I'm assuming these are to check -- I mean, I want clarification, because if the focus group were to check reading level and maybe general understanding of the content, then we really aren't in an either/or situation.

Either sign off now or we can't go to the focus group, because after you go to the focus groups, or take your report to focus groups, you change your document based on what you learn. The document will change anyway.

So, I'm just wondering if, you know, there are alternatives to the either/or type of scenario that seems to --

CHAIRPERSON JOHNSON: Rather than discuss that, actually, I know we could get into a discussion about a lot of things, but I"d like to get at the reports to give everybody a chance to focus on the

reports themselves.

MS. WRIGHT: Okay.

DR. BAUMEISTER: But, you tell me, Randy, that I have to sign off on the report, and then we are going to send it to the focus group for their assessment. Why? If I sign off on it, it's signed off. I mean, what's the focus group going to do after I have given my stamp, my imprimatur, and my ownership, and it goes out to the world, and Baumeister said it's okay, what's the focus group going to do?

CHAIRPERSON JOHNSON: They are going to say, basically, Dr. Baumeister, we've given our best shot here, but the focus groups tell us that we didn't quite hit it here.

DR. BAUMEISTER: Then what are we going to do? What's the next step?

CHAIRPERSON JOHNSON: Pardon me?

DR. BAUMEISTER: What's the next step?

CHAIRPERSON JOHNSON: And then after that, if, in fact, we are way off the mark, we would have to come back and tell you that.

DR. BAUMEISTER: Okay, so it's not a *fait accompli* then. The report is not a final thing tonight.

CHAIRPERSON JOHNSON: But, keep in mind the timing between now and putting this all into production. The gamble has been the focus groups would basically tell us we did a pretty good job.

George, would you build on that?

DR. BAUMEISTER: Hope springs eternal.

MR. GROB: Yeah. Except at about 2:00 in the morning when you wake up. The way I see it is this, the time line on the report from the beginning has been a nearly impossible one, so what we've tried to do is that, I would say the focus group would determine whether people can understand and relate to this report. The focus group will not tell us that the content should be -- the substance of it is incorrect, it has to do with how they react to it. So, it goes to the way in which the story is told, if you will.

Now, what we had to do here is, basically, cram the schedule in to meet the deadline in such a

way that what we need to do is, if the focus groups reveal a shortcoming because of the manner in which we are presenting the information, then we will have to try to, very quickly, and correct that, but we will, because of the time line, have to limit ourselves to that kind of correction.

In other words, if we were to say that going into the focus groups that since there will still be changes that we can still make other changes ourselves, we simply wouldn't be able to handle it. But, we have received numerous comments on this report which we are trying to handle, and if we had the focus group and then another round of comments, if you will, we simply would not be able to do it.

So, the idea here is that we would limit our exposure on another round of changes to those that were related to the way the public reacts to what we have here in terms of readability and understandability.

CHAIRPERSON JOHNSON: Catherine, then Joe.

VICE CHAIRPERSON McLAUGHLIN: Just for the record, I do want to make it clear, since I was the

one on the floor in Salt Lake City, that the recommendation for a focus group is only for the 10-pager, not for the long document, and I understand has evolved to do both, but, in fact, there wasn't even a recommendation to send the 25-pager to a PR firm, it was only the ten pager.

So, we've gotten ourselves kind of in this box now with both of them, which I understand, but I just wanted to make sure that we did have that, that that was the focus, and as Mike O'Grady was saying on the ten pager, you know, the health care building, he was saying that he didn't think people would get it, and so we were concerned, and we all agreed that Mike was right, that we needed a focus group to let us know, do you understand this, and then, you know, does this make sense to you, and what do you think, you know, and then test them, what do you think you just read about, you know.

And, so, I think that was what our original intent was, to answer your original question, that was what we were hoping to get from the focus group, was not just the clarity of the reading level,

but also what do you think we have told you, because we may not be sending the messages that we as a group want to send, because we didn't know how --

DR. BAUMEISTER: I mean, that was the reason we had the long form and the short form, was to bridge that literacy gap or comprehensiveness gap.

VICE CHAIRPERSON McLAUGHLIN: Right.

DR. BAUMEISTER: And, you know, the long form is to be read by, you know, when you tucked in with your pipe and slippers, you know, and a glass of sherry, and the small, the short form, was going to be read at Starbucks, you know, over a latte, and in McDonald's, you know, or wherever. And so, we were going to cover all bases with two reports.

VICE CHAIRPERSON McLAUGHLIN: Right.

DR. BAUMEISTER: And so, I don't know.

VICE CHAIRPERSONPERSON McLAUGHLIN: But, you are going to have the same focus groups read both of them?

MS. ENDEL: It will be an abbreviated format, because of the length of it, to have somebody sit and read that would take too much of their time in

the focus group so they are going to do a skim.

VICE CHAIRPERSONPERSON McLAUGHLIN: But, the same group of people.

MS. ENDEL: Yes.

DR. BAUMEISTER: This report can't be read quickly, so having the focus group skim this long report is a waste of time.

VICE CHAIRPERSON McLAUGHLIN: Well, she said they would only read sections of it.

MS. ENDEL: They were going to, I believe, look at the table of contents --

DR. BAUMEISTER: I mean, this is all you wanted to know about health care and were afraid to ask, you know. I don't think the focus group can improve on my reading it over two hours with a yellow highlighter. So, I mean, I have questions about that, you know.

CHAIRPERSON JOHNSON: Well, that's not my business, Frank, and so I'm looking to Edelman, who does this kind of stuff for their business, to provide guidance to us.

DR. BAUMEISTER: That's fine, I mean --

PARTICIPANT: Can you tell us a little more about Edelman? You said they will read the table of contents.

MS. ENDEL: Yes. I am not the StrategyOne person who is overseeing this so I'm going to go just on my discussions with them, but they would definitely read the full 10-page report, and that would be the focus of it.

But, in addition to that, they would review the slide show, that we will all see in a little while, and then skim through, take a look at the table of contents, maybe the introduction, we've made an effort now in the draft of it, or the most recent draft, do a two or three page introduction.

Even if they didn't read the full 10, 15 pages or whatever, if they read that and reacted to that with the question being, "Does this make you want to become involved? Take action." Not just do you understand it but does it move you to the point of wanting to become involved.

DR. BAUMEISTER: I'm comfortable with it. I'm as comfortable as I am anything.

CHAIRPERSON JOHNSON: Why don't we go around the table and introduce ourselves so Kristen has a chance to connect names and faces. I'm Randy Johnson and work with Motorola.

MS. MARYLAND: Patricia Maryland, St. Vincent Hospital.

MS. HUGHES: Therese Hughes, Venice Family Clinic, California.

MR. HANSEN: Joe Hansen, United Food and Commercial Workers Union.

MS. BAZOS: Dottie Bazos, Community Health Institute, New Hampshire.

VICE CHAIRPERSON MCLAUGHLIN: Catherine McLaughlin, University of Michigan.

MR. CAPLAN: Craig Caplan. I started two weeks ago. Plunge right in.

MR. ROCK: Andy Rock.

MR. GROB: George Grob, Executive Director.

MS. WRIGHT: Chris Wright with the Oncologist Office out of Sioux Falls, South Dakota.

DR. BAUMEISTER: Frank Baumeister. I'm a

physician from Portland.

MS. STEHR: Deb Stehr. I'm from Iowa. I'm a family care giver and I don't have health insurance.

MS. CONLAN: I'm Montye Conlan from Orange Beach, Florida.

MS. TAPLIN: I'm Caroline Taplin from staff.

CHAIRPERSON JOHNSON: Okay. Is that everybody?

Would you feel okay starting instead at the front of the alphabet starting at the back of the alphabet and just starting and sharing one at a time, "Yes, I can sign off on this," or, "No, I can't, and here is a concern that I have." That will be okay with you all?

DR. BAUMEISTER: Is it possible to hear from George about what Richard said?

CHAIRPERSON JOHNSON: Sure. You want to do that right now?

DR. BAUMEISTER: How we are dealing with his caveats.

CHAIRPERSON JOHNSON: Okay. Go ahead.

DR. BAUMEISTER: Because I think they are substantive. As I said in the fund conference, he's an academic. He is on the editorial board of Health Affairs. He is very knowledgeable about this stuff and I have a great respect for his opinions as I do Catherine because I love academics. I hope some day to be reincarnated as one.

VICE CHAIRPERSON MCLAUGHLIN: We'll work on it.

MR. GROB: If you wish then, they did discuss this with Richard, called him back on it. Randy joined in the conversation as well which gave Richard an opportunity to expand upon his concerns. He actually clarified in a way that was not obvious to us in reading them what his major concern was.

He recognizes that for all new things that happen, new initiatives that people try out, that you really seldom have conclusive evidence that they work. It's been the way that many things are put together. He was not uneasy because the evidence for some of these in his mind was premature, if you will, and even

suspect in some cases because he said that's par for the course when you are trying these things out.

What he clarified as his major concern was that it gave the impression that it would be easy to solve the problems. In other words, if you read the list of things that people were doing, you would conclude that because people were doing that and because some of the things seemed relatively straightforward, that we were concluding that the problem could quite easily be solved by adopting those various initiatives.

His knowledge of the initiatives was that all of them were extremely difficult to do. When he talked about the HIT or the state programs, for example, that he knew that a lot of these had been just really hard to implement. He said that notion, he felt, was completely lacking from that section.

He felt that was important because up until that time in the report, the theme of the report reading through it was that this is going to be hard, that we've got some really difficult problems and it will be really hard to solve them. Then right after

that section of the report, also there was a part that said, "We need you to make tough choices."

That part in between that this is going to be hard to do, that we've got tough choices, he said gave the impression that it would be quite easy. He said that he thought the material should be done in such a way as to sort of really make sure people understood that whatever promise these initiatives had they would still be very difficult to do. I asked him if we then redo that material, you know, entering those points, making sure that's very clear, he said he would be okay with that.

I'll give you one further example. He thought, for example, that simply by beginning talking about the healthy lifestyles, which certainly everyone would want to be done, but it is easy to do and is already being done by many private sector health plans, something that led to the impression that we were saying everything is easy, that the examples that we used were like that.

In fact, we have now been trying to redo that section of the report in order to take care of

the point that Richard was raising to make sure that people understood that even these would be difficult to do and probably would not of their own volition. That was the nature of the conversation.

DR. BAUMEISTER: It was also his impression that aside from the ease of accomplishment, or the impression that we're giving they are easy, is that the promise is more than pie in the sky maybe.

VICE CHAIRPERSON MCLAUGHLIN: But even if they were all successful, we still have tough choices.

MR. GROB: Yes. It's interesting that you mention that because he said that as well, but he said that didn't bother him that much. He said, of course, that's true, that part particularly that he could never save enough money by healthy lifestyles to pay for the reforms that we need to do, for example.

He said he recognized those standard kind of shortcomings of new ideas. Although he was concerned about them, that was not his major concern. It was the impression that we had found a simple way to do everything that wouldn't be that simple and, as you said, wouldn't be enough anyway.

MS. BAZOS: And I think he also brought up the issue that the examples that were used were not comprehensive, didn't reflect a lot of we heard in the hearing. For example, we didn't talk at all about state initiatives. Did he mention that do you?

MR. GROB: He didn't particularly talk about that but he did say that one way to handle his problem would be to use some of those examples in redoing a section of the report.

CHAIRPERSON JOHNSON: He talked, for example, about using Michigan as an example, the Muskegon example.

MR. GROB: In the end the work we did we were able to pick up on Dirigo which, you know, he mentioned a name. Also I'm trying to remember the other one that we were using in there. The idea was that to the extent that we could elaborate on some of those programs as well because right now it's just a list and there wasn't elaboration.

CHAIRPERSON JOHNSON: George, can you also talk about what you've done since receiving other input with the long report so everybody has an

understanding. Even though we don't have it in black and white in front of us, we have an understanding of some of the things that you've done to be responsive.

MR. GROB: First of all, we did receive comments from a number of you. Some were general comments and some were quite specific and some were a combination of both. I assessed all of those. Again, considering the time that we had, began to work immediately on the revision to that section that we were talking about a moment ago that would satisfy Richard's comment. I think it was also comments that were not far from the kind of comments that Catherine had.

VICE CHAIRPERSON MCLAUGHLIN: Like I made them a week ago almost word for word of Richard comments on the other version. This version came back with no response.

MR. GROB: Then others as well. I said that's still the unsolved problem and the major one. All the other comments that we had were all changes that could well be made and to the extent that we are able to make them in the time we have, we proceeded to

do that. Where there are changes that are easy to follow and make, we have been making them through the day.

Joe is still back working on them as we speak going through the comments we received. Craig has been helping as well. I will volunteer that I, myself, have played a role in doing it as well. Again, thinking of the time line that basically we have until this evening until we could bear it no longer that we had to turn this over to Edelman tomorrow morning, we decided to make as many of those changes as we could.

Some of them we can't because they require more research than we can get done now so we did have Anne back in the office and she was poring through things, sending us information. With those resources that we had available we simply tried to make as many of those changes as we possibly could.

It was my impression that if you have to single out a single thing that caused the greatest concern to people, including an answer to your question, is there something in here that if unchanged

I would feel pretty uncomfortable about, I think it was the "What are we doing now?" Chapter 7. That's my assessment from looking at the comments that we received. We will modify that chapter and make as many of the other changes as we can up against the clock.

CHAIRPERSON JOHNSON: Frank, does the comments that George has shared from Richard --

DR. BAUMEISTER: Oh, yeah. I think so.

CHAIRPERSON JOHNSON: Okay. Thank you.

Okay. Chris, can we start with you?

MS. WRIGHT: I feel comfortable with the changes that we just discussed in Chapter 7, like Catherine said.

VICE CHAIRPERSON MCLAUGHLIN: Richard and I also both say there's two sections. There's also the Exploring Your Options section at the beginning for the same reason.

MR. GROB: They are comparable sections and we edited them together.

CHAIRPERSON JOHNSON: And you are okay with the report, Chris?

MS. WRIGHT: Yes.

CHAIRPERSON JOHNSON: Okay. Any other comments you want to make?

MS. WRIGHT: No.

CHAIRPERSON JOHNSON: Okay. Deb Stehr.

MS. STEHR: I'm comfortable with the report but I just noticed on page 20, and I'm going to nit pick here, but it's just a dumb wording thing. "From 1993 through 2003 Medicaid payments for long-term care such as personal care services, adult day health care..." It should be adult day care. It's minor but it doesn't make sense.

MR. GROB: Mark it up and give it to me. We're doing our best. Dogear the page and give it to me as you walk out the door.

CHAIRPERSON JOHNSON: This will likely be proofed once or twice more but thank you.,

MS. STEHR: Somebody else might not catch it unless they are real familiar with long-term care issues. I'm comfortable with the report.

CHAIRPERSON JOHNSON: I think next backwards is Catherine. Not that Catherine is

backwards but as we go backward in alphabetical order.

VICE CHAIRPERSON MCLAUGHLIN: I think I've already provided plenty of information. In fact, I said when I got to the end, okay, finally. There's probably a huge sigh of relief like, "Whew, she's finally finished." My two big conceptual strong thoughts ironically were the same as Richard's. They were my stumbling blocks last week, too. They remain my stumbling blocks.

I also had some factual things that I put in. We have to correct the McGlen thing or it will be an embarrassment.

MR. GROB: We used the words you gave us.

DR. BAUMEISTER: Where is that?

VICE CHAIRPERSON MCLAUGHLIN: It's the 45 percent thing. It's just wrong.

PARTICIPANT: Oh, backwards.

VICE CHAIRPERSON MCLAUGHLIN: Not just a matter of backwards. It's just wrong. I keep reminding people and we have to keep making sure we are pricing it correctly because it's a touchy thing. Then the new paragraph on HSAs had me somewhat upset

because they did not find it objective and reflective about the research on HSAs so I do feel concerned about that remaining as it is.

CHAIRPERSON JOHNSON: What about the HSAs did you not like?

VICE CHAIRPERSON MCLAUGHLIN: Well, would you like me to read what I wrote?

CHAIRPERSON JOHNSON: Yes. That would probably be helpful. What page are you on, Catherine?

VICE CHAIRPERSON MCLAUGHLIN: Unfortunately, I didn't paginate so I don't know what page it is. It's about page 5. I said, "The opening sentence is judgmental. Some would see this movement as employers giving employees more financial space and choosing less expensive care, not in choosing the most effective care."

The choice of words exclusively denotes a particular point of view not shared by all. Later in the paragraph it says, "Because employees have to pay for all of their care out of pocket until they reach the deductible, they may be less likely to use services that are not really necessary."

The Rand Study showed conclusively that individuals facing higher deductibles were less likely to use all kind of services independent of whether the services were seen as necessary or effective by health care providers.

The example most often cited relates to mothers being equally likely not to take infants suffering from severe dehydration from diarrhea as from sniffles from a cold. Recent research..." There is a body of research from the Rand Health Insurance Experiment on a clinical trial which is about as good as you can get on a randomized control trial on research.

"Recent research on a very limited number of HSA programs -- there are few and the enrollment has been quite small, too small in most cases to evaluate the effect -- indicates a serious nonrandom self-selection problem which is not even mentioned in this paragraph. I have some serious problems with this paragraph as presented.

The language and content is prejudicial. We need to stay more objective to keep our

credibility, both the rest of the report and later with our recommendations. Also state an increasing number of employers are changing, etc., and, again, how many."

That was the problem I was having with all of these things. It says many employers, some employers, many groups. Is it 5 percent, 10 percent, 100 percent, 50 percent? Is it five of the Fortune 500? Is it 50 of the Fortune 500? I think that's important.

Now, that fits with Richard's overall comment of the whole section that as it's presented they are all just listed as another parallel in terms of the stage of development and extent. I find that problematic.

If we are going to have these kinds of listings, I think they need to be listed grouped either according to stage of development or scope or something and not just presented as though they are all equal. So the HSA ones, and the HSA paragraph which is a new addition I think, hasn't been vetted at all and I found it problematic.

Then also this implication that less costly options that may be just as effective as more expensive alternatives needs to be qualified. There's something about different side effects in the two drugs of treatment with one being more consistent with the patient's pain threshold and tolerance, etc.

An example sometimes used in the literature -- and I was actually at a presentation of this research and I can tell you the audience was quite hostile -- is radical mastectomy and breast reconstruction versus breast surgery with radiation. It turns out that the mastectomy is less costly and that the outcome in terms of survival rate is equal.

As I'm sure you can all imagine, the audience did not see them as equal alternatives. I think presenting it as such as effective as more expensive alternatives doesn't tell the whole story. I actually suggested this could be an opportunity to talk about tradeoff. As Richard said, we are going to have to face some hard tradeoffs.

Just because a mastectomy with breast reconstruction surgery is cheaper, that doesn't mean

that consumer will find that okay and want to be steered that way. But that may be one of the things we have to have a discussion about saying, well, but should that come out of pocket for the more expensive procedure if that's what she wants because it's personal choice, it's not survival. That was the point of the conversation at the research conference where I saw that presented.

CHAIRPERSON JOHNSON: Where is that? I just don't recall mastectomies being mentioned.

VICE CHAIRPERSON MCLAUGHLIN: It isn't but I'm using that as an illustration that what may be seen as -- the quote in the text was, "...that may be just as effective as more expensive alternatives." In other words, they are saying that employers are steering people with incentives. This is presented as an initiative that is out there solving our problems, that we are going to steer consumers in that direction.

PARTICIPANT: But they do.

VICE CHAIRPERSON MCLAUGHLIN: I understand that but the way it's presented in the report, these

are all presented as very positive upbeat things that the working group is excited about and, "Wow, isn't this great." I think that is the source of some of Richard's concern as well that it's not clear.

He pointed out IT and pay for performance as examples. I talk about pay for performance as well. Some of these really are not so rosy or so simple as the current language suggest and the way that they are presented. That's focusing on it. Then --

CHAIRPERSON JOHNSON: Can I respond for just a second?

VICE CHAIRPERSON MCLAUGHLIN: I'm sorry. Yeah.

CHAIRPERSON JOHNSON: If there would be some preliminary language or language that would come before that would say, "These initiatives are yet unproven but they are being implemented."

DR. BAUMEISTER: Considered.

CHAIRPERSON JOHNSON: And considered, that would meet your concern. I'll give you an example why I'm responding that way. Because I agree with Deb

that employers are doing that. For example, they are saying, "We are going to cover 30 percent" -- did I say Deb? Chris. I apologize. I think I've been hanging around George too long.

MR. GROB: I'm the one who is the source -- the person whose part of his brain that is supposed to do proper nouns doesn't work.

CHAIRPERSON JOHNSON: It's Dr. Aaron and Dorothy. Employers are implementing. For example, we are saying we are going to pay 30 percent for drugs and we are going to show you the cost of the drugs, 184 brand name preferred -- brand name nonpreferred, 84 brand name preferred, and 18 for so we are doing that.

On HSAs even though some of us don't like the HSAs, and personally I'm not pushing them in my own organization, but they are being implemented and double the number will go in 2006 that went in 2005. There was a similar escalation in 2005 from prior years in part because the law has --

VICE CHAIRPERSON MCLAUGHLIN: I wasn't objecting to HSAs being in there. I just wanted

nonprejudicial language.

CHAIRPERSON JOHNSON: Okay.

VICE CHAIRPERSON MCLAUGHLIN: More objective.

CHAIRPERSON JOHNSON: That's a good point.

VICE CHAIRPERSON MCLAUGHLIN: In this section we outlined some of the strategies that are being started in a national effort to improve health care. We do present these as positive --

CHAIRPERSON JOHNSON: Say that again.

VICE CHAIRPERSON MCLAUGHLIN: In this section we outline some of the strategies that are being started in a national effort to improve health care. That's what some of my concerns are, that the tone -- this is what Richard also expressed, the tone is that these are all positive initiatives and we are only including for consideration positive initiatives.

That's just not true. It's a mish mash of things, some of which are going to have unintended consequences and will be a disaster. Some of which, as Richard said, even if they succeed are not going to amount to much. Some of which, as I put in my

comments, we already know aren't going to succeed because we have had evaluations of them and they don't work.

Some of which are not initiatives. They are ideas. We don't -- George Bush says about tax credits but we don't have them but they are presented as initiatives. Same with mandates. Hawaii is the only state with a mandate. As these are listed it's very confusing and as someone who is not familiar with the health care system, if they think these are all initiatives, it's just wrong. Right?

First of all, it's inaccurate. That's wrong and it's not clear. Secondly, I agree with Richard and I tried to articulate it last week and again this week that it also leaves the impression, and Dottie said this, too, that we actually don't need any new ideas.

We've got lots of ideas. Boy, we've got lots of ideas, lots of ideas and they are being out there tried. We just need you to sign on to these ideas and let us know which ideas you like and what you're going to do. I think that sends the wrong

signal.

CHAIRPERSON JOHNSON: Okay.

PARTICIPANT: I have a suggestion.

CHAIRPERSON JOHNSON: Wait a minute. Other comments that you have, Catherine?

VICE CHAIRPERSON MCLAUGHLIN: I have smaller comments some of which for me are just getting it right that is important to me.

CHAIRPERSON JOHNSON: Okay. Thank you. So how do we proceed? How would you like to proceed with Catherine's comments, George?

MR. GROB: Can I clarify your question?

CHAIRPERSON JOHNSON: Yes.

MR. GROB: The question was can you approve the report and, if not, what would it take to get it approved. I'm going to tell you what I think you said about that. Certainly the kind of changes that Richard was talking about plus concerns about the HSAs and the least costly but so-called equally effective.

VICE CHAIRPERSON MCLAUGHLIN: Well, how these are all pitched.

MR. GROB: And the general pitch on them.

VICE CHAIRPERSON MCLAUGHLIN: I'm using those as illustrations of problems in pitch.

MR. GROB: In a general manner with pitch.

VICE CHAIRPERSON MCLAUGHLIN: I'm not going to go through this whole list again but I had several small accuracy things.

MR. GROB: We did everything that we could. We are still doing everything that we can.

VICE CHAIRPERSON MCLAUGHLIN: Part of it for me, George, that is a concern is that 85 percent of my comments here were comments I sent last week and they weren't changed and that's why I'm going, well, obviously they don't agree with me so then we do have a problem.

MR. GROB: I read myself through every page of this report as well as staff and there are some that -- I have to say there are some cases where we simply cannot conduct the research this afternoon to find the numbers. You gave an example of how many. There's just no way this afternoon that we can do that. We did as much as we could possibly do along

those lines with the staff that we had.

I certainly -- I recall these points and I recall language changes where we tried to accommodate the concern that you have. I think where I can beef it up as well by the more general matter of pitch. Let me summarize it now that they are not all equal in terms of -- not all are equal in terms of their desirability is how I would put it now.

That they are not all equally effective, that they are not all equally desirable from the point of view of someone making policy. People could have differences of opinion as to which ones would be desirable.

VICE CHAIRPERSON MCLAUGHLIN: Some people love mandates and some people hate them. Some people love tax credits. That's what is troublesome. If they are not just initiatives but they are also ideas, and I made this comment in writing, and what criteria was used to include ideas. I can understand the criteria for initiatives. It's out there and we were asked to talk about the state and local initiatives.

CHAIRPERSON JOHNSON: And we heard about

them at the hearings.

VICE CHAIRPERSON MCLAUGHLIN: Right. So, okay, that was our criterion. Their initiatives are out there. Then we just have to have qualifiers, as Richard said. Not all initiatives are created equally. Fine. But then we have ideas mixed in there that aren't initiatives. Nobody is doing them. They are just ideas but they are all together.

CHAIRPERSON JOHNSON: Okay. That's a good point.

VICE CHAIRPERSON MCLAUGHLIN: So then if it's just ideas, what criteria were used to decide which ideas were going to be included? We weren't asked to put ideas in at this stage. No one asked us to put ideas in our report. We were supposed to put in initiatives that are out in the field now. We were not asked to put ideas.

CHAIRPERSON JOHNSON: Okay.

VICE CHAIRPERSON MCLAUGHLIN: We were not asked to put ideas.

CHAIRPERSON JOHNSON: Okay.

MR. GROB: On that, I went through them

again. It depends on how long it takes. I think you mentioned that Hawaii has a mandate so that would be kind of an example of one where, on the one hand, it is an idea, and on the other hand, one state did do it. There were some that were kind of like that, yes, that maybe there was one place so they were being done.

You make a good point about the criteria for the ideas. I, myself, have no trouble purging things that are just ideas. I agree with you about that but I could not tell in looking at some that they were exclusively ideas. In fact, in many cases there was some place where somebody was doing that. If we want to sort of be more selective --

VICE CHAIRPERSON MCLAUGHLIN: One state of mandate from 20 years ago I don't think qualifies as an initiative.

MR. GROB: I'll be more than happy to purge those kinds of things.

CHAIRPERSON JOHNSON: Okay. Therese, you're next.

MS. HUGHES: Can I sign off on the report

based on the comments that Catherine has made and Richard has made? If they are implemented, yes, I could. What do I have as a serious problem? I do not like the questions that are asked. I think the questions that are asked reduce the scope of what we are doing.

It closes off the public's desire to participate. I'm speaking as someone who is in the field with people who are just regular citizens that we are trying to work with. The questions are -- I think it's appropriate to -- it's more than appropriate to go with the four questions that we start with.

I think the questions that you ask should go on the website and I think they should go to the community meetings put I have very serious problems with the questions having them as integral a part of this report as they are.

VICE CHAIRPERSON MCLAUGHLIN: Are you talking about the long report or the short report?

MS. HUGHES: They are in the long report. Aren't we focusing on the long report?

CHAIRPERSON JOHNSON: Yes, we're on the long report. You're okay.

MS. HUGHES: Okay.

VICE CHAIRPERSON MCLAUGHLIN: Where are they in the long report?

MR. GROB: There's a set of teasers at the very beginning and there's a longer set at the end.

MS. HUGHES: And I really, really need to let you know that people are -- we do the outreach to get people to read this to start with. The wonks are going to read it. The academicians are going to read it, you know. A certain set of people are going to read it. Even among those people we can turn off them by the questions because it looks like we are limiting.

Those people have power to influence to other people and I have concerns about that. The other thing I have a concern on is just the use of community health centers as a question. It's not that I'm against them but it does not reflect the safety net. Perhaps, you know, I wrote a recommendation saying that we should use community health centers,

free clinics and community clinics.

They are not represented above the safety net and I would like to recommend that if you are going to do anything, that we say should we increase safety net providers because that leaves the field open and allows us to include people that may be excluded by just saying community health centers and there are a lot of people that would be excluded if we only say community health centers. I think it is a sensitivity to the nation as a whole in terms of safety net providers.

CHAIRPERSON JOHNSON: Thank you. Let's deal with the report but let's talk about the questions separately if we can. We might have more comments than questions but thank you.

Pat. I missed Pat Maryland.

MS. MARYLAND: I have already shared my concerns and said those to you. You had a chance to digest them. I guess my belief is that we should have -- we should be able to bring all of our concerns back to the table and have two filters. The most important filter in my mind should be that of the report

committee. If the report committee buys off on the report, I'm going to buy off on the report. That's the first thing.

I think it's important to have a focus group look at the smaller report, particularly in terms of making sure that it is well understood by the public, the general public, and well read and understood and straightforward and is appealing in terms of presentation. That's all I need to say because I don't think I'm going to go into the details because I've already shared those concerns with you in writing about what are the specific areas of concern.

My test in terms of approval for this report is that if the report committee members that you appointed and asked to take responsibility for creating this report, if the members of that subcommittee approve it, then I'm going to approve it.

CHAIRPERSON JOHNSON: Okay. Thank you. Joe.

MR. HANSEN: No, I won't sign off on it. Randy, I don't think in an hour -- I've read this thing three times and the more I read it, the less I

like it. I don't know how you can especially based on some e-mails -- I read Dottie's, I read your final one yesterday, and I read some of the other ones -- how you can not have a major revision to some of this stuff. I'm really concerned.

I'll take you right back to the first meeting that we had in Rockville where Wyden and Hatch talked about the macro issue and I think we are concentrating too much on the trees sometimes and not seeing the forest. There's how we can have quality and how we can have everybody have access to a system. Of course Wyden, and I think Hatch to some degree, think we can do it in the same cost.

I don't think we got there. Some of the stuff I'm actually offended at. The part about mandating tax incentives and stuff like that. If we're going to talk about that, then we ought to be talking about mandating employer coverage, or else talk about single payer and stuff like that, but that wasn't our charge.

I don't know how you're going to get it fixed. I thought Dottie did a really good job on

picking some of the stuff up. I don't know how you are going to get it fixed in an hour. I want to see something in black and white before I sign off on it. I don't like the business where you say tradeoffs. I think there are choices that can be made.

When we're talking about tradeoffs it implies in my mind -- I'm not the only one who read this. I gave this to two or three other people. I have it to my wife and a couple of other people to read and get what they thought. They are going to give up some necessary health care.

It certainly doesn't address the problem of the economic problem in this country where people are just getting forced out of the health care system. Medicare and Medicaid won't pick it up. I think it's got a lot of good things in it but I think we missed it. Until I see a different version of it, I'm not going to sign off on it.

CHAIRPERSON JOHNSON: Joe, you know, the language talks about tradeoffs in the legislation.

MR. HANSEN: Yeah, and I think it's the wrong language. Choices? We're going to have to make

choices but does somebody have to give up good health care? I think that gets to the heart of the problem. What is our public policy going to be in this country? Are we going to have health care or is it just going to be health care for the rich? That seems to be the way we're going.

I really got excited just looking at the latest numbers from Kaiser. You're dealing with it, Andy, on one end and I'm dealing with it -- Randy, on one end, and I'm dealing on the other end. The costs are going up. All these little picking it at, picking at it there ain't doing it. More and more people are going to get shoved out of the system. They are not going to have health care and there are some sitting right at this table.

Joe, share a little bit more of your suggestions regarding what needs to be done to make you more comfortable.

MR. HANSEN: Well, two things. It talked about manner and substance. The first part is the manner thing. I see how you started out. Nobody get mad at me, or you can get mad at me, but starting off,

Catherine, with your example just is not a grabber for the seriousness of the problem.

VICE CHAIRPERSON MCLAUGHLIN: That's what I said, too. Get rid of it.

MR. HANSEN: And, Montye, your example is a good example but it goes right into technological change. It's two different things.

MS. CONLAN: I agree.

MR. HANSEN: You have something that's chronic and technological change is not helping you a lot except the advances in medicine and stuff like that. I don't think we dug into where these costs are coming from enough. I really don't, you know. I shouldn't say that. I think we heard it. I don't think it's reflected in the report enough.

Quite frankly, the whole process -- especially after reading Dottie's and then yours last night, I didn't get it until last night, is to turn this over to the Edelman group and let them take it to focus groups. Even though they are doing the short there was a little bit about the long. I think it's serious enough that we ought to almost go over it

paragraph by paragraph. It might take a lot of time and throw our time system off but I don't have a good solution.

CHAIRPERSON JOHNSON: Okay. Anything else you want to say right now?

MR. HANSEN: I made some notes but it gets into the item by item. There are a lot of little things. The fact that you talked about mothers going back into the work force to get health insurance. That might happen but most of the single mothers are going back into the work force because they are trying to support a family. It's putting bread on the table. I bet you you could find just as many mothers in the work force that don't have health insurance. They can't afford.

MS. HUGHES: I would agree.

MR. HANSEN: Especially as more and more employers are drafting insurance. There are some misleading things in there. The lifestyle thing, you know, about doing a healthy lifestyle. It implies that it's our fault that the system is going to hell. Everybody should quit smoking and job and do all

those things. I agree with that but that's not the focus of this report. Again, it's the macro stuff that I think we missed.

VICE CHAIRPERSON MCLAUGHLIN: I think that's consistent with some of Richard's concerns.

MR. HANSEN: Richard's remarks probably got me thinking this way and then you finished it off.

CHAIRPERSON JOHNSON: Okay. Montye.

MS. CONLAN: Well, I'm at an extreme disadvantage. I haven't read the report. It came to me late, I guess, Monday. I had to get up at 4:00 the next morning so trying to read it online with tired eyes, I just couldn't do it. This is the first time I'm actually holding it and having the opportunity to read it.

CHAIRPERSON JOHNSON: Okay.

MS. CONLAN: And I obviously didn't get any of the e-mails that went back and forth because I don't have a lap top and I wasn't at home.

VICE CHAIRPERSON MCLAUGHLIN: We obviously couldn't send them until Tuesday because we didn't get here until Monday night.

CHAIRPERSON JOHNSON: Okay. Dottie.

MS. BAZOS: I'm sorry but I make it a principle and I'm not going to sign off on it. I never sign off on anything unless I read it. That's just sort of a standard thing. I sent in my comments. You have them all, George. I don't know which comments will be addressed or not addressed.

I think we've come away with the report. This is better than the last one. Much more readable so we are moving in the right direction. I think the fatal flaw of the report for me is that we just didn't nail the systems piece. We just didn't nail it. That is, Randy, what we really -- I believe we have to talk about.

We're not just -- cause, access, and quality are fine but we are talking about systems here. People talk about a health care system but it's not really a system. We want to move toward -- I mean, Wyden suggested we think big.

I don't know, the way it was chunked up, the way it was written it just narrows it all down to little bitty pieces but we never come back, I don't

think, to inform the reader. I actually didn't like the language that was used in this report about how to talk about these pieces being interrelated.

PARTICIPANT: Ecosystem.

MS. BAZOS: We just didn't talk very much about a system or what it's going to look like or what a good health system might look like. We go right into -- we talk a lot about the issues. Then we leap into a discussion about tradeoffs but we never define the turn tradeoff. We never say what we mean by tradeoff.

Tradeoff, I think -- the legislation used the term tradeoff. I asked Ms. Ingridge on the phone, I said, "Look, you know, we are supposed to talk about tradeoffs. I'm really a little nervous about talking to the public about tradeoffs because I think the public thinks that I have to give something up immediately.

It has to be something that I want that I'm giving up to do something else. He said, you know, "There's lots of ways to do that." He said, "Define what you want to define, give them the

education and then, you know, use the term tradeoff but let them know what you're talking about first.

I have all of this written down and you can read about it but I don't think we've got too much of a system to change. I made some suggestions. I thought that we should expand some of Wennberg's work because he does talk about the system. We gave that like four sentences and we gave administrative cost eight paragraphs.

I thought the report was very imbalanced in that regard. I talked in my comments about pieces of information that I thought missing, that we really missed the system change focus, that we had some language problems. We went right into talking about here is some opportunity to change. It went right into the healthy lifestyle.

We never once mentioned in our report either a public health system or a mental health system. Mental health is actually what I thought about afterwards. I had some specific questions for accuracy that I wanted to be asked to the report committee because I don't know the answers. Catherine

has those.

I know that Uwe Reinhart does not believe that aging of the population is a major cost driver. I agree with Joe. I don't think we talked about cost drivers enough. We talked a lot about cost. The cost is an issue but we don't really talk about the driver, what are the drivers, so that people could really understand.

Does anyone ask people about tradeoff? Well, if they don't know what really is driving the cost, how are they even going to think about tradeoff.

VICE CHAIRPERSON MCLAUGHLIN: I did make that comment last week and did repeat it this week. Virtually everyone agrees, everyone who studies this or the finance people or economists or whatever, that the major driver is cost increases in technology. As opposed to if you divide up how much do we spend on which is how do you divide up the current cost. Distinguish that in saying what drives the increases in cost.

International comparisons, overtime comparisons, they all come back to technology. This

is the point I was trying to make last week and I made it before, that is where the really hard choices come for me that if, in fact, medical technology is the real driver of cost increases, and this was Richard's point about David Cutler's work and Uwe Reinhart's work, all of them, then we have to make a really tough choice of do we not want that increased technology.

Do we not think it's worth the increased cost. If we decide as a country that the benefits that we reap from these increases in medical technology are greater than the increase in cost, then we have made an informed decision and the cost will keep going up and the system will not collapse.

We will be willing to give up what it takes. The real key there is making an informed decision about it. When you talk about tradeoffs, Joe, those are the kinds of hard choices that I thought about months ago when we first started.

MR. HANSEN: If technology is driving up the cost, first of all, I don't think that's explained in the report. I'm not sure I agree with it completely because I think there is -- how is that

technology driving up the cost? If you are including, you know, knew drugs and stuff like that --

VICE CHAIRPERSON MCLAUGHLIN: That's part of technology.

MR. HANSEN: That's part of it. Is it because now instead of having five CAT scan things in the community we have 10?

MS. BAZOS: Actually, that's a good point.

MR. HANSEN: Is this waste in the system? We just barely tough on that. I think we are leaving ourselves open in the live report. We've got a lot of words there but we don't get into some of that stuff.

CHAIRPERSON JOHNSON: Dottie, other comments that you want to make?

MR. HANSEN: I'm sorry.

CHAIRPERSON JOHNSON: No. I think -- I would like to say something about Section 7. That is also the section that you're grappling with. The suggestion I made, because I had troubles with it, too, because I actually think -- I was one of the people who said, "We should put in some solutions that we heard about so it would be more upbeat at the end."

Because we only put in some and we're not clear why we are putting some in, I think it's very confusing because I'm afraid that it looks like we're promoting certain things. But what we could do as an alternative to Section 7 is to have an appendix that says, "Here is what we heard about. Here are the initiatives that we have heard about."

In other words, they're not ours. We're not promoting them. When we did our hearing, this is what we heard about and we know there are many others. We could summarize some. Here's the ones we already got and sort of put them in kind of a context so that when you think about it when someone goes to -- and could put in the report just a paragraph.

There are governments, states, communities, providers, blah, blah, blah, are all working to improve how we address these issues that we talked about and then give like broad categories. You can read about some specific issues that we heard about during the hearings in the appendix.

That could be an alternative way to handle Chapter 7 and actually not have to worry about it for

a focus group. It would just be gone.

Oh, yeah. I would like to make another suggestion. I think this report could be good and I think it could be done relatively quickly. My suggestion would be that you take the report committee, you cry with them for three days with Edelman because they are the ones are experts in how to reach the public and we do another draft.

I think leaving Edelman and George out on a limb to do this is really asking a tremendous amount. I think we have great comments and I think this report could be good. I want to really, really listen to what Richard said.

We've got two products with this committee -- two products, our report and the recommendation that goes to the President. We want to be proud of each one of them. I want to be really proud of it. I want to stand up at Dartmouth and say, "I am proud of this." Right now today I'm not.

CHAIRPERSON JOHNSON: Let me take Frank's comment and then come back if that's okay with you, George.

MR. GROB: Yes.

CHAIRPERSON JOHNSON: Frank and I are the two who haven't had a chance to speak yet.

DR. BAUMEISTER: I think you've heard enough. I mean, you can't sign off on it. I think there's -- I mean, I think there's -- I hate to see George suffer but that's not the issue. The whole process has been a little difficult. I mean, this whole thing is a work in progress. We started out from scratch in Rockville and most of us hadn't really sat down in a very concentrated way and thought about bringing all this together.

We had a report committee and the report committee came up with a report and then we edited it in a meeting and then we came up with another report and we started getting pressure from the Congressmen that it wasn't enough bang for the buck. Now we've got a PR firm involved and I feel a little uncomfortable about that. This is not PR. I mean, this is serious business.

When I think of PR, I think of selling soap and selling ideas. I mean, this is not PR.

We're talking about health care quality. We're talking about life and death. We're talking about a health care system that is really screwed up.

We've got 50 million that don't have it. As I said right at the first in the first visit, and I told Orrin Hatch and I told Ron Wyden, "We've got a culture that is screwed up. We've got people living in ghettos. We've got tremendous health care disparities based on race, economics.

We're turning into a country of surfs and castles and health care is just part of it." You talk about the wealthy nations and the healthy nations, our wealth and our health is really screwed. This report just kind of trifles with it as far as I'm concerned.

I think that -- I don't know how important the report is. I really don't. I don't know whether it's going to have an impact, whether its accuracy is critical, whether people are going to read it and just say it's another report.

VICE CHAIRPERSON MCLAUGHLIN: I think the written word has to always be accurate.

DR. BAUMEISTER: But I don't think -- I'm

not look for a People Magazine view of health care and I think that -- I mean, this country runs on PR, you know. It's like Jesus Christ, Superstar. Did Mohammed move the mountain or was it just PR?

I don't know but I've never had PR tout my views of things ever. I'm not sure I want it to be that way now. I have misgivings about the whole thing. Joe feels strongly about it and Catherine feels strongly about it and Richard Frank feels strongly about it. I haven't heard from Brent.

VICE CHAIRPERSON MCLAUGHLIN: Nobody has.

DR. BAUMEISTER: But we can't sign off on it.

CHAIRPERSON JOHNSON: Okay. Thank you. I would like to share my own perspective. Here is my perspective. The reason we asked Edelman to get involved in writing it was, at least in my mind, the report did not capture the attention of the reader. It was written accurately with scientific integrity but didn't capture the attention of the reader.

If, in fact, we are going to have a report, in my mind -- this is my view. If, in fact,

we are going to have a report that people got to and they said, "Well, I've heard this before and there's nothing here, or there is very little here for me. I don't need to read the rest of it. That's my perspective."

I think the other aspect of the report that has been missing has been the fact that we omitted the initiatives until just recently and this issue included some. Potentially it could be postured differently but, in fact, if we aren't going to include the initiatives, then we might just as well just use the scientific think tanks because what we heard in the field were the initiatives.

We heard from Pat's CEO regarding the things that they are doing. We heard from the vice chancellor from the University of Mississippi about despite everything we needed, despite all the needs in terms of disparities and lack of coverage, the biggest return on investment could be on prevention. We heard in Massachusetts the need for looking at care leading up to one's death.

If, in fact, we are not going to talk

about those, then we could just as well stayed right at home and not done any hearings. Unless our people understand the initiatives that are being conducted, whether or not we agree with them. There are some I don't agree with and some that obviously I would bet there's some -- there's not any of us around the table would say regarding any of those that are being attempted that there's a lot of potential here.

There are going to be a number that we are going to say, "I don't think so." These are initiatives that are being introduced and tried. That's my reason for thinking that we've needed to have both of those features. I think it is clear that we are not ready to sign off. I won't argue that one bit.

I do think that we have -- the potential of us coming together as a working group really is questionable because we have significant differences of opinion. On merely a report of the substance of what are the issues today and what are the initiatives. We can try to bring all the report committee.

I don't know if Catherine and the others on the report committee would like to get together as has been suggested by Dottie or not. We can potentially try that but I'm not sure we're going to have the results that we all are looking for and where we would be able to have everybody sign off on the report.

So I think -- and clearly we are not going to do that tonight and we are not going to be able to get it done tomorrow. The likelihood is if we're going to take the total rewrite approach, which is basically what Dottie has suggested. Dottie is looking for a rewrite of the entire report. I read the comments and that is basically what we're talking about.

If we are going to do that then, I think, we are going to not do October 6th. I think we have some serious issues that we are going to have to contemplate and we are going to have to face those facts and try to consider what are the consequences of saying, "No, we're not going to do this," and what our approach is going to be to try to get to something

that the working group would sign off on.

Pat.

MS. MARYLAND: My comment would be I don't think you will ever get to total consensus verbatim if we tried to get everybody to agree with everything that is placed in this report. That is why my statement was I trust the committee that you put together, the report committee, to be able to filter through all the information, all of our comments, and to represent us as best they can and our input as best they can in a way that is going to create a document that I think we can all be proud of.

Certainly the PR I think is only appropriate for the 10-page short succinct document making sure that the literacy level and everything else meets the requirements for the public. I trust the report committee and I'm willing to accept that if they can come up with a document that really meets the majority of our requirements, and a lot of us have already provided that feedback, I would be satisfied and I would be willing to sign off on it.

If I knew that Richard, for example, and

Catherine and Brent and Michael O'Grady, if you all agreed that this is well representing everything that we've said and you've taken into consideration as much of our feedback as possible, I would be comfortable with that.

CHAIRPERSON JOHNSON: I think Frank has said that, too. Am I correct, Frank?

DR. BAUMEISTER: Yes. But the group or committee members have shredded the report.

CHAIRPERSON JOHNSON: Catherine.

VICE CHAIRPERSON MCLAUGHLIN: I want to clarify a couple of things. First, the initiatives were included in the very initial report that we gave to you all in Salt Lake City. The different was that the way that the report committee with Jill and Caroline to help was we had them in text boxes according to what the initial focus, whether it's state and local for coverage, expansion versus business community with cost.

We had them very differently. They weren't integrated into the text. They weren't presented as these -- rather, they were in text boxes

so they were there, Randy, from the very beginning. They were not identified, though, as ascension penalties. We never got that specific.

As Randy knows, I made a suggestion similar to Dottie's, which is interesting, where I said maybe a compromise would be to have boxes or an appendix where we actually have three or four things that we learn in each of our hearings. Three or four initiatives where they are actually identified as Ascension Help, Leap Frog, IHSC, Intermountain.

I think Richard might be satisfied with that, too. That is really clearly said. We're not saying that there are a zillion IT things going on because, in fact, even though the GAO report, which is his favorite IT, says there's almost nothing out there. Make it clear that these are initiatives. That was one approach.

The thing about the hearings, Randy, I'm not saying this is what we should do. This is, again, just to remind people that the report committee, the pitch we gave in Salt Lake City, was that only the 10-pager was going to be a static document.

That was the only one that by the roll-out was going to be something that we all signed off on and said, "It's finished. It can't be changed," so it had to be right. It had to be edited carefully for typos and spelling mistakes and misquotes. This 25-pager, which is now a 50-pager, was a dynamic document.

Part of what was being dynamic about it was that we were going to life the initiatives that we heard about in the hearings and we were going to ask people to tell us about issues we didn't know about because we didn't have a hearing there. With all due respect, we had hearings in only four cities.

We only heard from people who the hearings committee and the staff thought to invite who could happen to come that day. We can't pretend that we heard about all of the great initiatives that are out there, or even maybe the best initiatives. We don't even know if we heard the best ones.

We did the best collectively as a staff and the hearing committee could do but we really don't know. The original pitch that we made to you guys was

that this would be a dynamic document on the website only which meant we could be constantly updating it.

We could be constantly adding Little Rock, you know, Blue Cross/Blue Shield of Arkansas and say, "Wow, we have this great plan here in Arkansas where we are doing these incentives for rural physicians to cooperate with the urban hospitals. It really is working. We saved blah, blah, blah.

That we would keep adding all these great initiatives that we've heard about over the next six months. That was part of Newt Gingrich. Make the website something that people would want to come to because it would be a source of information. I just want to add that clarification about initiatives.

CHAIRPERSON JOHNSON: Go ahead.

MR. HANSEN: Randy, I think we've come too far for any of us to want to quit. We've listened to too much and we're at a rough spot in the road right now but I would be very surprised if anybody wants to quit. If we have to change the time schedule or do something, I think that is something you ought to consider.

I think we've got to keep this min mind that we're not in a Pollyanna world and whatever we put in that long report will be read and it will be read by everybody that doesn't want to change. There's a very powerful interest in that. You had experience in Oregon. I was involved with the movement in '94 with employers, with Safeway, with Target, nonunion employees.

Those people are still there and they will be looking for us to pick apart. On the initiatives I want to clarify that. I'm not opposed to initiatives putting those in, although I think instead of boxes an appendix might be better.

VICE CHAIRPERSON MCLAUGHLIN: I'm agreeing with Dottie. I thought Dottie had a good idea.

MR. HANSEN: But to really system change, then they ought to be considered. If it's just cost shifting, you know, for one way or the other, then I'm going to be opposed to it. Some of the initiatives to me look like cost shifting.

CHAIRPERSON JOHNSON: But they are, in fact, out there.

MR. HANSEN: Yeah, but it doesn't fit our mission and our mission was given to us by Wyden and Hatch not to change cost and shift cost. It's to change the system.

CHAIRPERSON JOHNSON: Some of those that were resisting are being done with the clear intention of improving quality and improving cost efficiency.

MR. HANSEN: Shifting cost?

PARTICIPANT: Shifting it to the consumer.

CHAIRPERSON JOHNSON: I'm not talking about shifting cost.

MR. HANSEN: That's what I was saying. The other initiatives --

CHAIRPERSON JOHNSON: Joe, I'm not trying to argue with you here.

MR. HANSEN: I think a good debate is what we need.

CHAIRPERSON JOHNSON: That's the spirit, by the way. That's the spirit. I'm not a strong -- personally, I'm not a strong proponent of HSAs but they are being implemented and the concept of doing it is so people can set aside retiree medical money and

have more discretion with the money that they spent for health care. The idea is to use that along with information so that people buy their health care with more focus on quality and efficiency.

MR. HANSEN: I can do that. You can do it. Ninety percent of the people can't do it that are making 10 bucks, 12 bucks, 14 bucks an hour so it doesn't help them.

DR. BAUMEISTER: It's the major thrust of the AMA. The AMA's answer to the health care system is health service account bottom line. I've heard it preached over and over and over again. It's how to reach most people

MS. BAZOS: But there is a different, Joe, between --

MR. HANSEN: They could get help.

MS. BAZOS: No, there's a difference between us providing a platform of information saying we are in a crisis. We need to fix our system. Here is what some people are doing. Here's what they're doing. We are going to get -- when we give recommendations, I mean, we would hope that the

recommendations are not about cost shifting. The fact that what people are doing is just unbiased list of what people are doing.

MR. HANSEN: If you are going to put those in, and I'm not opposed to putting them in, I think you've also got to put in that a major part of the population isn't going to be able to use it.

MS. BAZOS: So it's an education.

CHAIRPERSON JOHNSON: Joe, let me build on your comment. As a result of Montye's experience on a personal basis and, no, we haven't discussed this as a working group and we have not heard anything about it to the best of my recollection, although we might have but I missed it. I have been increasingly asking should we have a unified Medicare/Medicaid SCHIPs program.

Nobody has talked about that yet. But should we do that? Let me just call it a Medicare plus where you would have these folks who are over 65, disabled, under a certain income level, but all be eligible for Medicare plus. Their contribution would be varied based on income level and so forth but one

set of rules.

Now, that will not in all likelihood not going to impact you until you are 65. Union members and leaders make too much money. Okay? That's not going to impact the many of us around the table. It may impact some but that is one initiative that could be helpful in changing. Not all of the initiatives are going to be helpful to everyone.

MS. HUGHES: That's an idea, Randy. It's an idea that is different from an initiative.

CHAIRPERSON JOHNSON: Well, that is exactly right. We haven't discussed that and nobody is doing it.

MS. HUGHES: I think we have to separate what are ideas and what are initiatives because ideas are great. Initiatives are what is happening. I think Borakim was an initiative that got started.

CHAIRPERSON JOHNSON: I don't want to --

MS. HUGHES: Sorry for interrupting.

CHAIRPERSON JOHNSON: Not a problem. Let's not quit this subject but let's adjourn from it for just a second and we'll come back to it. I would

like to spend some time on the short report and this -- what do you call it?

MR. GROB: Slide show.

CHAIRPERSON JOHNSON: Slide show. Get some feedback to just show you what George and Edelman have been looking at on the slide show. Then let's talk about the short report as well. Maybe we're not going to sign off on the short report either but let's at least talk about it.

MR. GROB: Could I take the liberty of just doing one thing not part of our agenda?

CHAIRPERSON JOHNSON: Yeah.

MR. GROB: I really have to say that Kristen and Tish, who you will meet tomorrow, have over the short time they have been with us paid the same kind of price we've all been paying in terms of becoming part of this partnership that we have. It's a different one.

Kristen has had to listen the word PR here as something that isn't necessarily desirable. I've worked closely with Kristen and with Tish into the dark hours of the night and the weekend over the last

couple weeks and I would just like to say that these are some of the finest professional people that I have ever met who are very concerned about whether the public can understand the message that we are trying to give them.

In know that in your heart you all believe that people have worked so hard but some of the language certainly implied that maybe it could be a step down but it's been a step up for those of us who have been working with this group. I thought if you didn't mind I would bring that up.

VICE CHAIRPERSON MCLAUGHLIN: It's also that she hasn't been around long enough to hear how we take positions in front of Frank and make comments in front of Randy.

MR. GROB: That's correct.

VICE CHAIRPERSON MCLAUGHLIN: We all get hit.

DR. BAUMEISTER: George, you don't have to apologize for me. That's not necessary, okay? PR to me means one thing. It means selling things. It's like charm, you know, Kurt Vonaco. People have oodles

of charm, you know. Charm is a scheme to get people to do things they ordinarily wouldn't do.

One of the problems with this group is that Randy apologizes for arguing with Joe. I don't have any worries at all about arguing with Joe. If we have a difference of opinion, that's the way you come to a consensus. You get your views out on -- we're having group therapy here so to speak.

CHAIRPERSON JOHNSON: But you're a gastroenterologist, not a psychologist.

VICE CHAIRPERSON MCLAUGHLIN: But he benefits from all the stress because that's how we get all these gastric problems.

DR. BAUMEISTER: I think public relations is a different thing than what we're dealing with. It just is. I don't want to get it confused. It's important not to get it confused.

MS. ENDEL: Maybe if you take the label public relations and put that aside and just think of -- you take these reports, either the short or the long, man on the street, walk outside and pick somebody off the street and, "Will you even go past

page 1 on this paper?" If you took the first draft that I saw, I didn't focus group it but my instinct tells me people would say no.

Our goal here is to engage the general public as far as I understand. That, I think, is the key reason that I am here and my colleagues are here at this table is to make sure that people go past page one either on the short or the long but get their interest. It's not about selling one particular solution or one particular point more than another. It's just more how the information is printed.

VICE CHAIRPERSON MCLAUGHLIN: One point of clarification. This was never meant for the person on the street to go beyond page one ever. Now, it may have become that in the last month and that's fine. I'm just explaining to you that initially this was what was meant, the 10-pager, that we wanted people to go beyond page 1 and it was decided in Salt Lake City that we didn't know how to do that and we needed help.

This was meant for the person who went beyond page one and said, "I want to learn more," and then went to this on the website. So they were meant

to serve very different complimentary purposes. I think Frank is right, there's been some confusion in the last month. Frank several times has tried to keep us on track of what the goal of this was supposed to be.

It was supposed to be a compilation of facts. It was supposed to be information for people who wanted to know more. It was never meant to get Robert Pear to write a story in the New York Times. It was never meant to get the average Jane or Joe on the street to want to read more.

That was never its goal. If it now is its goal, then I think we're talking about a different document and that might be what some of the conflict is that you are witnesses that some people around the table have a different vision of what this is.

CHAIRPERSON JOHNSON: We're going to talk more about this but let me go to the slide show and then the short report.

MS. HUGHES: George, could you tell us what the slide show is for?

MR. GROB: The idea here is that when

people come to our website that they all learn in different ways. Some would like to read the real long one. Some would like a shorter version. Like today many people would like to see it this way. In all the firms that we did this it also recommended that we have a video version of the story as well for people who like to learn that way. That's the primary purpose.

Secondarily, when we have our meetings there will be a convenient way to tell people the story there, too, with the benefit of a coordinated speaker about it. A dual purpose but we thought it would be better to define it as the website product and then use it or adapt it for the meetings but just keep one purpose in mind for those people who want to learn this way on the website.

I'll just pause on each one. There's no voice for this. You have to imagine you're looking at a computer. Why don't you all tell me when to go next.

VICE CHAIRPERSON MCLAUGHLIN: George, is it possible to have narration, in other words, on the

website?

MR. GROB: It's harder to do. It's possible. A little bit more expensive. Some of us had thought of that, too. I have actually taken courses like that where the screens come up. Sometimes the screens are actually read almost what they are.

VICE CHAIRPERSON MCLAUGHLIN: That's what I was referring to. That might help visually impaired people, too.

MR. GROB: Yeah, exactly. That's right.

VICE CHAIRPERSON MCLAUGHLIN: And you could put Spanish versus English.

MR. GROB: Right. Yeah. That's good.

VICE CHAIRPERSON MCLAUGHLIN: Just an idea.

MR. HANSEN: That last slide, "So they can hold hearings and consider your needs." So that Congress can hold hearings? Is that what we're aiming at here?

MR. GROB: Yes.

MR. HANSEN: Okay. That's going to turn

people off if that's the process.

Go back.

PARTICIPANT: Go back, please. Sorry. Too fast.

MR. GROB: I'll wait until you tell me.

VICE CHAIRPERSON MCLAUGHLIN: That's why I was suggesting perhaps somebody could read it out loud.

MR. GROB: Oh, I would love to do that. I haven't had much chance to speak at this meeting.

VICE CHAIRPERSON MCLAUGHLIN: That was part of my question actually.

MR. ROCK: You should also decide whether or not this is the voice you want.

PARTICIPANT: Absolutely not. Start from the beginning and then we can hear the whole story.

MR. GROB: Okay.

MR. HANSEN: Is this the font of the type and the background and so forth that you are thinking or --

MR. GROB: Yes.

MR. HANSEN: -- is it just the content you

would like us to look at?

MR. GROB: Well, it's very close to the font. You have to remember when you are looking at it and you are this far away from it, it's like you're reading a book so on the big screen it's different.

VICE CHAIRPERSON MCLAUGHLIN: You're the furthest away, Randy. You might want to move.

MR. GROB: The font is less when you are reading it on the computer.

Okay. Information. Participation. Action. Your Guide to a National Debate on Cost, Quality, and Access to our Nation's Health Care System.

PARTICIPANT: Keep your voice up at the end.

MR. GROB: Okay. We Need You: To learn more about what's ailing our nation's health care system.

To participate in conversations - online and in your communities.

To tell our nation's leaders what you want out of your health care system, so that they can hold

hearings and consider your needs.

Why? In 2003, Congress passed a law saying: "In order to improve the health care system, the American public must engage in an informed national public debate to make choices about the services they want covered, what health care coverage they want, and how they are willing to pay for coverage." To make it happen, Congress created the Citizens' Health Care Working Group.

Making History. Instead of trying to come up with a solution behind closed doors or with representatives of special interest groups, Congress is asking a group of citizens like you to identify real answers to the problems that affect our nation's health care.

CHAIRPERSON JOHNSON: Can I stop you for just a second?

MR. GROB: Yes.

CHAIRPERSON JOHNSON: Clarify something. I'm going to make a statement to you and tell me whether or not I'm right.

MR. GROB: Yep.

CHAIRPERSON JOHNSON: This type of presentation is not intended to be something that someone would deliver and use as a background. This is intended that people who are looking at the website would read it --

MR. GROB: That's correct.

CHAIRPERSON JOHNSON: -- and be able to understand everything.

MR. GROB: That's correct.

CHAIRPERSON JOHNSON: It's written in sentence form taking that into consideration.

MR. GROB: That's correct. Thank you very much. As I said, we had to choose our purposes. We said let's make this the thing that someone would read on the screen as they take an on-screen course. It may be adapted later for the kind of thing where you have that in the background while you're talking to an audience.

If you did that, you would not have full sentences. You would have phrases that the person would speak about but this is actually meant to be the written book, if you will. I'm reading it now just to

make it easier for people to hear it but it wasn't intended to be used that way.

DR. BAUMEISTER: I don't think you identify answers. You identify problems and then you make suggestions.

MR. GROB: Okay. You can do edits as we go to the extent that there are things like that.

DR. BAUMEISTER: Does that sound crazy?

MR. GROB: That's a nice catch. Thanks.

VICE CHAIRPERSON MCLAUGHLIN: You're not expecting us to edit this now?

MR. GROB: No, no.

MR. HANSEN: It's got to be something more than just the problems.

DR. BAUMEISTER: Identify the problems and then make suggestions.

MR. GROB: I would say that we are trying to show you --

DR. BAUMEISTER: And propose answers.

PARTICIPANT: Recommend.

MR. GROB: If you happen to see something that strikes you right away, let us know and we'll

make a note of it. Our goal was not to edit it now but if you see something --

MS. WRIGHT: We're making some notes.

MR. GROB: If something strikes you, write it down and we'll move on.

So, Who Are We? We are the Citizens' Health Care Working Group.

We are 14 citizens from all over the country.

We come from all walks of life - and we don't represent lobbyists or special interests.

Like you, we have real health care issues.

PARTICIPANT: We have issues with our health care.

MR. GROB: Okay.

VICE CHAIRPERSON MCLAUGHLIN: That's a different point.

MR. GROB: In fact, here are some of our stories. I won't read these but they are the ones we've used before, Deb's story, Aaron's story, Pat's story.

DR. BAUMEISTER: Poor Catherine's knee.

That's the one that got me all teary-eyed.

VICE CHAIRPERSON MCLAUGHLIN: I opened it up and I saw it and I said, "Oh."

DR. BAUMEISTER: I could only continue to read. I read it late at night and I tossed and turned for an hour. I almost called you.

MR. GROB: We Think You Can Help Us Because:

As a consumer, you care about being able to get affordable, high-quality health care.

As a taxpayer, you care about keeping the cost of health care under control.

As a citizen, you care about your health and that of your family, friends, neighbors, and community. Let's get started.

First, Let's Look at our Health Care System. One thing to remember, everything is related. Today's health care system is Big, Complicated, and changes made in one area can affect everything else.

We Have Much to Be Proud of.

Health care in America is in many respects the envy of the world.

VICE CHAIRPERSON MCLAUGHLIN: You've got to get rid of that, George.

MR. GROB: Okay.

VICE CHAIRPERSON MCLAUGHLIN: We don't speak for the rest of the world so we don't know what they envy.

MR. GROB: We export our medical know-how, advanced technology, and breakthrough medicines throughout the globe.

Most of us say that we are pleased with the health care we receive.

...But We Also Have Serious Problems. Reliable data shows we have significant issues with:

Runaway costs, Unreliable quality, and Inconsistent access to health care.

VICE CHAIRPERSON MCLAUGHLIN: Data is plural.

MR. GROB: Where's data? Oh, reliable data show. Okay. She's got it. Okay.

It's a Vicious Circle.

VICE CHAIRPERSON MCLAUGHLIN: Cycle.

MR. GROB: Just like the system the

problems are complicated so we have some of the standard things we talked about, the $6,400 to $11,000, 15 cents out of every dollar, some of the key things. Working families are uninsured.

The uninsured are 8 times more likely to skip care. Quality falls short. There's the 55 percent. I better change it. I thought I caught them all but I missed that one so we'll get that. No, that's adult. It's close.

VICE CHAIRPERSON MCLAUGHLIN: But it's also Americans only receive 55 percent.

MR. GROB: I've got the words. I just missed this one. It comes up later. I just missed this one. Just draw a circle around it.

DR. BAUMEISTER: Shame, George.

MR. GROB: And they are interrelated.

MR. HANSEN: It's a spiral down. As the cost goes up, everything else slips.

MR. GROB: Okay. They are interrelated. New technologies can improve quality. It can also lead to higher cost. Rising cost can lead to unaffordable care. There's your cycle -- I mean, your

spiral.

When those who don't have insurance receive care, the rest of us pay through increased costs. Providing low-quality care can increase future costs.

Before exploring options, it's best to look at them individually and understand how they relate to one another. Cost is how much we pay when we use health care, whether we pay through a third-party payer like an insurance plan. Tax payers and government pays through Medicare/Medicaid and other public programs and tax deductions are out of our own pockets.

Let's look more closely at cost. They are growing more than twice as fast as inflation. There's a chart I think you've all seen before.

MR. HANSEN: Is there a way to make that graph more dramatic with flowers or something?

CHAIRPERSON JOHNSON: What would you do, Joe?

MR. HANSEN: I don't know. It's something I feel. It just looks blah.

MS. HUGHES: It looks equal. It does not represent -- come across as representing what the data is saying.

CHAIRPERSON JOHNSON: What it's saying is health care costs are growing at least three times as fast --

MR. HANSEN: You do graphs in different ways. You can do them on different lines. You can do bar charts.

VICE CHAIRPERSON MCLAUGHLIN: Jill and I went around this this summer. Actually, I'm surprised Edelman hasn't responded because a lot of research shows that most Americans don't understand growth rates so they are not going to understand this is growth rate and that it's grown three times as great. It's better to show the actual amount in a bar graph for them to grasp it. The average American, sad but true, does not understand what a growth rate is.

CHAIRPERSON JOHNSON: Another way to do this would be probably on a cumulative basis instead of annual basis.

MR. HANSEN: Is it placed in the right --

MS. HUGHES: I think more people understand inflation than CPI.

PARTICIPANT: But we've got Alan Greenspan controlling that.

MR. GROB: Should I move on?

CHAIRPERSON JOHNSON: Okay.

MR. GROB: Total price tag $1.8 trillion in 2004. More expensive and more complex care is causing these costs to grow more rapidly. Most health care is used as we get older or when we are seriously ill or injured. The usual thing is about 75 percent for chronic diseases. The rise is particularly steep at the end of life, 25 percent of Medicare spent for people in their last year. Nursing homes and other types of long-term care are increasing.

MR. HANSEN: The $1.8 trillion, is there something you could compare that to? The $1.8 trillion, is that -- what is that a cost?

CHAIRPERSON JOHNSON: It's $6,400 a year.

MR. HANSEN: Per person.

CHAIRPERSON JOHNSON: Per person. Dottie, do you have any idea?

MS. BAZOS: No, I don't have an idea but I brought up the same thing in my comments to make that more real to people. What does that mean in relationship to --

CHAIRPERSON JOHNSON: I don't understand $1.8 trillion either but I do understand for a family of four -- my family of four and your family of four is not going to be $6,400 because the older folks at the end of the day cost more money. As an example, $6,400 times four, that's $26,000 a year. That's real money for health care.

DR. BAUMEISTER: Pretty soon it will buy 100 gallons of gas. Just a thought.

VICE CHAIRPERSON MCLAUGHLIN: Some of the studies that we found this summer, Dottie, when we were looking at this, and this is why we usually compare how much we spend in the whole country on education total, primary, secondary, tertiary, all the way through, post-op, etc. The whole shebang is a lot less than this.

MS. HUGHES: I know it is but this thing about this is that if we put education in the picture,

even if we use it, we are pitting one against the other.

MS. BAZOS: That is a tradeoff that people do need to think about on one level.

MS. HUGHES: Well, okay, but I'm just saying that I don't think that's a way to put it in the slide show. That's my opinion.

MR. GROB: I'm hearing that $1.8 trillion doesn't mean a lot to a lot of people.

VICE CHAIRPERSON MCLAUGHLIN: The percent GEP we've used that before.

MS. HUGHES: How did Wyden do it? He had a really good example when he was using that figure when he presented it to us the very first day.

MR. GROB: I wasn't there.

CHAIRPERSON JOHNSON: He uses 1.8 and $6,400.

MS. BAZOS: Similar to that but he elaborated on it on how you could purchase your own doctor.

VICE CHAIRPERSON MCLAUGHLIN: Because, first of all, if you purchase your own internist.

What are you going to do if you break your leg? Your internist isn't going to help you. It's just a dumb analogy. It's sexy and gets attention.

CHAIRPERSON JOHNSON: Could we -- let me ask a question. Could we have the same that we have here but then indicate the $6,400 cost as well?

MR. GROB: Yes. That was earlier but it was a little -- we can put that in, yes. People do relate to that, too.

We talked about it being used as we get older.

MS. HUGHES: I would like to comment on this. I think that it's good that we look at this in this area but I think people are either seriously ill or injured before they get older. What this does to me is that this makes me -- I was seriously ill very young.

This makes me say -- I realize that it was different because it wasn't normal but this sort of even though it's true goes after the seniors and we might want to flip -- all I'm suggesting is flipping seriously ill or injured. If you start with injury,

injury is really big in terms of cost of care, and grew seriously ill and as we get older, and do that progression like cradle.

MS. BAZOS: But the other thing is I think the point of -- I mean, this obviously tells where we spend the most money but is it more to the point that we can make sure that we are all in this together? We are all going to get old and we are all at risk at some time, or we could be at risk, we don't know, of getting a serious illness.

Your comment is great but could we also say, "We are all in this together. We are all going to get old," so that the slide doesn't just show where costs are rising but makes it very clear that this has to do with every single one of us who reads this slide, not just old people or people with chronic illness.

DR. BAUMEISTER: I don't like this slide.

MR. GROB: Which one, the previous one?

DR. BAUMEISTER: The previous one. I think it's divisive.

MS. HUGHES: I agree. That's what I

think.

DR. BAUMEISTER: I think it's divisive. We are all going to get old. We are all going to use health care. We all can get injured.

MS. BAZOS: That's a fact so --

DR. BAUMEISTER: So why don't we say we all are likely to use health care.

MS. BAZOS: So we should make --

DR. BAUMEISTER: Don't discriminate against -- you know, we already say that 20 percent of the people use up 80 percent of the resources. It's an implication that there are bad apples out there that use up all our money. No. 2 is that if you jog and don't smoke and think pretty thoughts that you'll save tax payers money. We already have got a society that is just divided right down the line.

MS. BAZOS: We say 20 percent of the people but the people -- the point is the people are going to be us. I'm going to be part of that 20 percent.

DR. BAUMEISTER: That slide doesn't say that.

VICE CHAIRPERSON MCLAUGHLIN: In the initial report the way we handled it, in fact, was exactly what you just said. We never know when we are going to be one of the 20 percent. We may be in the 80 percent this year, next year, last year, but at some point -- that's where we were using Therese's story and Deb's story, Montye's story. You never know when you are going to be in the 20 percent.

CHAIRPERSON JOHNSON: We are asked -- we are required in the report to talk about where the money is coming from and where it is going. This indicates where the money is going. It's a fact. Now, maybe --

VICE CHAIRPERSON MCLAUGHLIN: One way to do it is to say how many of us will be in the 20 percent. You hear what I'm saying, Frank?

DR. BAUMEISTER: Yes.

VICE CHAIRPERSON MCLAUGHLIN: So many of us are going to be 65 and over.

MS. BAZOS: I think what you're saying is important because several times in the report I have felt like I have a chronic disease so what are you

going to do, just get rid of me? Is that cheaper for all of you? Every time I read that I feel that --

CHAIRPERSON JOHNSON: Here's what we need to do. We have to be out of this building before 6:00 so, George, why don't you take us through some additional slides here and then let's see if we can't get through this in another 10 minutes.

MR. GROB: We are trying to get copies made of the set to give to each person.

MS. HUGHES: It should be wordsmithed a little bit differently but I think you have to keep the data in the report.

CHAIRPERSON JOHNSON: Absolutely.

MR. GROB: I'll move on. Then we have the part that talks about the sources of who is doing the paying, or the mechanisms of the paying. I think you have all seen this one before. Let me just ask you all your preference.

CHAIRPERSON JOHNSON: We are not going to be able to read through all these slides so --

MR. GROB: Yes.

MR. HANSEN: I didn't know how many there

were.

MR. ROCK: About 55 of them.

MR. GROB: I think if I can show you what the subjects are.

VICE CHAIRPERSON MCLAUGHLIN: Fifty-five really?

MR. GROB: Again --

VICE CHAIRPERSON MCLAUGHLIN: That's an hour.

MR. GROB: Well, it depends on how fast we talk.

VICE CHAIRPERSON MCLAUGHLIN: No, I mean for people reading it. That's an hour.

MR. GROB: Let's see how it goes.

VICE CHAIRPERSON MCLAUGHLIN: Oh, my gosh.

MR. GROB: There is, of course, about the premiums. I think with the time we have, if you want, we'll sort of get the gist of how it goes. Here are statements about it, employees paying more.

CHAIRPERSON JOHNSON: Many of these graphs are in the reports. Right? These graphs are in the report.

MR. GROB: Yes. There's the federal government Medicare budget starting to consume a lot of the federal budget. There's the state and local expenditures as well. It's all illustrated, the problem of increasing costs.

There's the famous unmaintainable growth rate. These are the dire things. This is the one that everyone was so struck by when David Walker gave his presentation.

MR. HANSEN: Should be a different title.

MR. GROB: Just make a note of that. That sounds good. But the fact that however you pay for it, it's ultimate. Now we switch to quality.

PARTICIPANT: Thank you for taking smart out.

MR. GROB: Yes, we did. Notice on this one, if I may, Catherine --

VICE CHAIRPERSON MCLAUGHLIN: It's wrong again.

MR. GROB: These are the words you gave me in your e-mail down to the word.

VICE CHAIRPERSON MCLAUGHLIN: No, I didn't

say mainly half of the care.

MR. GROB: Oh, no. It should be -- no, I'm sorry. Pardon me. I'm sorry. This is not the corrected one. Pardon me. Quality of care depends on where you live. Sometimes you don't get the care that you need. The usual topics. Too many mistakes.

Now we talk about access and key facts. There's the uninsured in this set of charts and what they look like. They work and are not that poor necessarily. Skipping care, the risk, consequences. Now let's understand what needs to be done to fix it. We are all affected.

Here is the list of possible things, tradeoffs, tough questions. Here's a set with cost.

MS. BAZOS: No, they are way too long.

MS. HUGHES: The questions are too wordy.

MR. GROB: So noted. We'll have to go back. Again, so noted.

PARTICIPANT: They need to be on the website.

MR. GROB: So noted. Let's explore how you can take action. Here's what you can do, etc.

That's it.

CHAIRPERSON JOHNSON: Okay. Thank you. I would like to without commenting on this take you to the short report. We've got to be out of here in 15 minutes so obviously we don't have time for substantive comments on this. How would you like to approach it?

MR. GROB: I would like to make an introductory remark if I can.

CHAIRPERSON JOHNSON: Go ahead.

MR. GROB: Okay. The original idea of this and what we tried to do was to have something that was very visually appealing in two ways. One is that it would have as far as the visual part a smattering of key graphs to make the main points.

But also a kind of sense of worth or engagement with the faces of citizens very much along the lines of Catherine's original idea about this. The version that you have does not have that in it. I have a version I received yesterday but could not get it to you in a convenient fashion.

It does have three, I will call them

graphs, but the version I have does not have the graphics which will be a kind of patina, if you will, of personal things. That is still something that we intend to do.

I think that the version that we have now, the 10-pager, is an attempt to explain it in words that people can easily relate to so that is the version that you have. It would be looked upon that way as just an easier read. The level of writing is at a much lower grade level, if you will. It was developed by a person who has been working on the material that is being used by Medicare to introduce people to the prescription drug benefits and things of that nature.

These are the standards they usually use for that kind of discussion with the public. This one is not the college graduate version. That's just a brief introduction to what it is. Other than that, I think people have to page through it and see what they think about it and respond to it.

CHAIRPERSON JOHNSON: Are you assuming that nobody has had a chance -- that we have not had a

chance to read it?

MR. GROB: No. I don't know. I suspect that more people have read this one than the long one because remember the reports were sent out in electronic format at the same time together. They both went out at the same time. Many people had to read it on the screen so I suspect that some people found it easier to read this one on the screen than the longer one on the screen.

But they were available at the same time. In fact, it would be kind of interesting first to know whether that happened because it would be kind of an indication as to whether it worked, whether it enabled people to get into it easily, if you will.

MS. BAZOS: I did at 3:30 in the morning if that's your judge.

VICE CHAIRPERSON MCLAUGHLIN: Are you as the working group feeling that like the long report we should not proceed with this one? Catherine is shaking her head yes.

VICE CHAIRPERSON MCLAUGHLIN: I read the long one first because I was interested in seeing the

changes that had been made given the week before. Most of us had submitted comments on the long one. The short one because the previous one I disliked it so intensely I waited for a second and I read it on the plane. As you can see I've got -- I didn't have my computer with me on the plane so I wasn't able to type it up but I have comments on almost every -- you know, all the way through.

MR. GROB: Okay.

VICE CHAIRPERSON MCLAUGHLIN: I think there are lots of things that need to be changed. Also, partly in response to Dottie who said to me, "Gee, what happened to the pictures and the warmth and stuff?" I asked that question last week and never got a response.

Is it just going to be pictures or is it going to be graphs? I thought that was kind of weird because now almost all the facts are put into sentences so I wasn't sure what was going to be left for graphs. I sent Dottie what I had sent you, George, a couple weeks ago, you and Jill, which is just the 10-pager that I started working on as the

report committee after Salt Lake City when we had our big meeting responding to some comments.

I have to say that I don't think this is pride of ownership. It's just that I think what we started with is -- I just don't like the black on white or the bullet list. I don't think people will turn that page. Dottie asked me to print this out so I did like last night because I have a color printer at home.

Actually, my children have a color printer at home for all their games, you know, and drawings. So, Kristen, you may not have seen this but basically this sort of would be the first page and then you would open it up and it would be this kind of stuff. Then what we were thinking about was really the story boards.

This would be, again, the story board where I cleaned it up because everybody agreed it was too hard to read the way it used to be. I changed it up and put words to focus. Here is the next story board which is the cost kind of thing where it's interspersed, you know, little paragraphs with some

facts mixed up with graphs so that both visual as well as verbal.

Then this one I stopped working on because basically I was told this was going to Edelman so I didn't work on it anymore. This is basically where I had stopped after the Salt Lake City one, and then coverage again with a mixture of graphs and words. Then last night I just added sort of this last page about questions. If we wanted to do it, that would be in the back.

I only bring this because Dottie asked me about it and Montye had asked me about it, too. I understand it's late to go back to the drawing board but this was our original drawing board which most people liked the style of it. They just thought the color and everything else they weren't sure about. Somehow we ended up with this. I still like this better. That doesn't mean all the content should remain exactly the way it was but I like this style better.

CHAIRPERSON JOHNSON: George, this short version you passed out today, what would be the non-

prose stuff that would be in there?

MR. GROB: I think, as I said, in my opinion, it's a combination of two things that I will call graphs and graphics. The graphs being the colorful that shows up the data that are similar to things you have on the slide show, and the graphics being the patina. Catherine actually has both.

An example would be what is on the cover, the faces, the bars that appear, this engaging style. Then the graphics where Catherine has basically done the same thing there. It would be a matter here of if we had too much text we would have to get rid of some to make room for something very much like Catherine has, but a combination of the two, I think, is what we would have in mind for that.

VICE CHAIRPERSON MCLAUGHLIN: This is different, though, in the sense this is not a linear list. This is a different way of thinking, different way of portraying it. I still have our beginning which we all kind of liked, which is the stories.

What I added based on some of the comments that I received from you all in Salt Lake City were

words like low cost successful interventions, preventive care and patient education, chronic conditions, technical quality, lack of coordination so that the reader would know what these stories -- what point these stories are supposed to illustrate. It's a very different first page. It's a very different vision.

CHAIRPERSON JOHNSON: Other comments around the table?

MS. CONLAN: It's more interactive. A person can go and read one and then drift over here and read another and make choices. Whereas this, you know, it's that sequential thing of A, B, C.

MS. BAZOS: I have one comment. One reason I wanted to see that again was when everyone started sending in their comments, Rosy and Pat Maryland made comments about both the 10-pager and the longer report that I think we really need to listen to and that is none of the people that they work with would read the 10-pager as it was.

Actually, George, we thought about this simultaneously when we were on a call that, you know,

we're making the rules here. I think we should remember that. We've got a long report. It's no longer a 25-pager. We've got a long report. I think there's a need for a 10-page report for a person to sit down and read.

I think the other thing, and that's why I wanted to really look at Catherine's, is the need for something that is even at a lower level that is even shorter. I don't mean to drive you crazy, Randy. I think we also need something else that looks a little like that that is an 8 by 11 page that folds up until one thing like this.

You open it up and it is very, very simple. The same material that is very graphical. I just wanted to throw that in now because I don't know where else to say it. I think we need to think in terms -- we will be looking at the 10-pager and we will look through this thing about reading level.

I don't think in the 10-pager we are going to reach the people, Pat, that you were talking about or that Rosy was talking about or, Therese, that you were talking about. I'm wondering while we're having

this discussion anyway, while we're thinking about other work consider that.

CHAIRPERSON JOHNSON: Okay. Therese.

MS. HUGHES: I would like to -- we agreed in Salt Lake that we were going to use that report and that you all were going to just look at it and make it better in terms of color, in terms of pictures, in terms of recommendations so that it didn't look like school work. We agreed to that. I think this is a guide for people inside the system and in the know.

This is not a guide for people outside the system of know. That is the policy wonks, the people in HR, the people in academia, the people that work in clinics and providers. This isn't going to reach them. At our clinic we had some kids come in to do homework and they had two -- this was really ironic.

They had two different teachers in the same grade at the same school and one had work like this and one had work that came out in boxes. Now, the boxes are what sell Time Magazine. It's what sells Newsweek Magazine. It's what sells People Magazine. It works.

This is going to lose people and it's going to lose people because health care is personal. This is not personal. We need to be personal with it. Putting my story in or Montye's story or anybody's story in this room, with all due respect, is personal to us. It is not personal to the public.

Yes, it does serve as an identifying factor that somebody on the committee has health care problems, or that we all potentially have health care problems. But it's not personal to the public. It does not -- it does not invite the public in. This is -- I'm sorry. I'm really sorry. That is more inviting.

MR. HANSEN: Okay. Thanks, Therese.

Joe, you want to comment?

MR. HANSEN: Just very quickly, the purpose of this is to grab the public, right? With as much of the facts as we can get in. I don't think this does it but some of the substance material isn't bad except the only thing I didn't like was on page 3 we went to fixes more before we went to the problem but that was even minor. I was just trying to get in

my mind what this was for. This is a PR piece to bring in --

CHAIRPERSON JOHNSON: When I talked about it, my own comments have been that the longer one would be something that would be designed for a benefits person, a person on Capitol Hill, a person in the insurance company under bioethics or something like that.

The shorter one would be for someone like my kids, 30 years old, not a health care problem, a professor who doesn't want to get into the details, a first level supervisor, administrative assistant, and a production worker. That's all I've kind of characterized them. Other comments on the short report?

MS. CONLAN: Therese, I didn't understand what you were saying about the boxes and the stories because to me it wasn't necessarily the format of the boxes. It really was the stories from what I remember. I can't remember but I think the boxes had little stories in them. Didn't they?

MS. HUGHES: Right.

MS. CONLAN: The thing is I think people do relate to those stories. I was at a support group meeting, our last one, and someone took this yellow piece of paper out and it was my story that was in the paper six years ago. She cut it out and she saved it all this time. She was just diagnosed with MS now. I said, "Why did you cut that out?" She said, "Because I just knew that it had meaning for me."

In other words, she saw the symptoms and things like that. Yeah, it's my personal story, for instance, but there are many people with MS and other chronic diseases that are going to relate to that story. There are other people that will relate to the other stories.

MS. HUGHES: I guess my point was unclear, Montye, because my point was that we are -- this style to me grabs the public more than this does because it pulls it out and places it in a flow that our eyes follow. Our eyes have been trained to follow because of the quickness of the media. My point isn't that -- my point was the stories are identifiers but in this format they are not identifiers.

CHAIRPERSON JOHNSON: Anybody else? Frank? Chris? Deb, any comments you would like to make?

Let me share a few of my own, if I can, and then I think we probably need to close. Not because of the final thoughts but just I would like to share them today.

George, I think we have to reconvene our agenda tomorrow and get into this.

MR. GROB: Yep.

CHAIRPERSON JOHNSON: Some thoughts in response to yours. I think we've done a disservice to the working group by not including the graphics and stuff in here because we don't understand this, No. 1, and how it will look.

No. 2, on a more personal basis, I guess I'm questioning, Pat, and Montye, and others of you who are working with probably those who are less fortunate, if I can put it that way, will they read anything?

MS. HUGHES: Yes, they will, but they won't read this.

CHAIRPERSON JOHNSON: Right. And so when we -- if our answer to that is the Dottie approach, a two or three-pager --

MS. BAZOS: But I'm not saying either/or. I'm just saying in addition to.

CHAIRPERSON JOHNSON: I understand. But we are going to have to have a dialogue and most people are going to look at not the 25-pager. We need to have the 25-pager for those who have an interest so they can -- they are going to be most actively involved with influencing the policy so we have to have something for them.

But those who aren't as actively involved have got to have something that will be meaningful and capture their attention. From my perspective this is much closer to that for the people with whom I work. I can't say that for people with whom you've worked but the people with whom I've worked at all levels whether it is production worker or CEO.

I think that we have some real challenges. I think the PR firm, the guy who wrote this is actually writing for Medicare. The point being -- I

know. Anything from the Government is bad. Right? The reality is that the Government is doing everything it can in order to communicate the Medicare drug package.

MS. HUGHES: I understand that.

CHAIRPERSON JOHNSON: And they have selected the individual who wrote this because he is skilled in doing that. Another thought or two. I'm going to go back to the 25-pager.

DR. BAUMEISTER: I'm sorry. This came from GPO?

CHAIRPERSON JOHNSON: No. It came from a consultant.

DR. BAUMEISTER: Who wrote the Medicare law?

CHAIRPERSON JOHNSON: No, no, no. You can tell I haven't communicated with Frank at all. I'll explain later, Frank.

PARTICIPANT: We've got to get out of here.

CHAIRPERSON JOHNSON: Yeah, we've got to get out of here. I want to make another point -- two

more points before we close. With all due respect to the report committee, and I respect each of them for many reasons, I am not willing -- I personally am not willing to yield my vote to the report committee on any of the reports that we have.

Should they be actively involved and should they be the experts? Yes. But unfortunately they don't speak for me or the constituency that I represent. I am unwilling to yield a vote to the report committee.

My last thought --

MR. HANSEN: Yield what?

CHAIRPERSON JOHNSON: I am unwilling to yield my vote regarding approval of the report to the report committee. I think they ought to have --

CHAIRPERSON JOHNSON: I think the only one that said that was Pat.

MS. MARYLAND: And I didn't say yield my vote. What I said was that if the report committee members thought up this report and it met the accuracy in terms of information from an accuracy standpoint, I would be willing to support and vote on this report.

I am willing to sign off on this report without the approval from the report committee because I want to make sure that information is accurate. If we are to put together a factual report, does it really represent what is factual. If they are hesitant about that, I cannot support it. That was my explanation.

CHAIRPERSON JOHNSON: My intent isn't to criticize Pat. I think Frank has said the same thing basically but I am not willing to do that. Further, this has to be more than just an explanation. I am in the process of reviewing another report that is going to be released on Capitol Hill within the next two weeks.

This needs, in my estimation, to be reflective of something that will be compelling to the reader on Capitol Hill, compelling to the nurse who looks at it, compelling to the benefits person who looks at it. If it's not, I'm not willing to agree to sign off on it.

When I go to Capitol Hill, and if we have a press conference on this, I have to personally be

comfortable that this is a great product and I think of you have said you want it to be a great product. I have to be convinced this is a great product that is going to communicate.

MS. HUGHES: Randy, what would it take to convince you? You asked that question of us so I'm just turning it around.

CHAIRPERSON JOHNSON: Let me give some thought because of the time.

MS. HUGHES: Right.

CHAIRPERSON JOHNSON: Let's talk more about that tomorrow.

VICE CHAIRPERSON MCLAUGHLIN: Were you ready to sign off on the long report that we got?

CHAIRPERSON JOHNSON: Actually with the changes that George was talking about that Richard had indicated, yeah, I would be. I would have been willing -- I am willing to sign off on this as well with the understanding that we have graphics and graphs in here, something to break up the type and so forth because black and white doesn't do it.

I personally believe that we need to have

the 10-pager in a USA Today style as opposed to Wall Street Journal style. I think Catherine's -- the old Catherine report was inclined to do that. I think also this will do that when we put the graphics together. I'm really disappointed that we were pushed for time.

That's not a criticism of anybody. I think it's a fact that we have just had the result -- we haven't seen what the final result will be. This isn't the end of the day comments. It's not the end of the discussion. We need to reconvene.

MR. HANSEN: But you just introduced a new element here. You're talking about this other report in two weeks and I'm not sure what the connection is with what we're doing.

CHAIRPERSON JOHNSON: It's on health care.

MR. HANSEN: Yeah.

CHAIRPERSON JOHNSON: It's a group of CEOs who are going to be delivering the report on health care.

MR. HANSEN: So what does that have to do with what we're doing here? That's what I'm trying to

find out.

CHAIRPERSON JOHNSON: In my mind that report is going to capture attention. It is compelling in the way it's written, Joe. It will in all likelihood be read. I'm not convinced that ours will be.

MR. HANSEN: I think ours is compelling to start with. I think we agree on that.

VICE CHAIRPERSON MCLAUGHLIN: You were saying you were going to sign off on it so I'm confused.

CHAIRPERSON JOHNSON: No.

MS. WRIGHT: That's the same thing I said, with Richard's changes.

VICE CHAIRPERSON MCLAUGHLIN: Does that make it compelling? Richard's changes makes it compelling?

CHAIRPERSON JOHNSON: No.

MS. WRIGHT: I'm confused.

MR. HANSEN: I don't want to get locked in here tonight. We can do this tomorrow morning.

CHAIRPERSON JOHNSON: Okay. Let's adjourn

now.

I think, George, we have agreed we are not going to do anything release. I think we have to get the word back to our friends. We're not going to do focus groups.

(Whereupon, the meeting was adjourned.)