

Six Month Report • Part 1

Initiative on the Sonoma County Health Care Cost and Access Crisis

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March 31, 2003

Quick background

Increasingly over recent years, and especially in recent months, a number of us have been talking about and exploring the emerging health care crisis here and elsewhere. I had been a partner/principal in a health care consulting firm in the 1980s which specialized in health care crisis and the resulting labor-management negotiation strife among large public jurisdictions and among sets of them. I called a number of old colleagues this past summer and asked if the present emerging health care situation felt like the severe crisis of the 1980s. They all said yes. And then they all said: “only this one is worse, much worse”.

Sonoma County attention was riveted this spring, summer, and fall with the sudden death and dissolution (at 25c on the dollar owed, by the way) of one of the two 20-year plus stalwart health care system (HMO) institutions for Sonoma County, which between them accounted for most of Sonoma County’s health care business. Kaiser and Health Plan of the Rewoods were the two pillars. Both well respected and well rated. We all watched this summer as HPR fell and disappeared entirely at the end of this past October.

The almost 80,000 participants left dry at this demise have now largely settled in a replacement plan of some kind. (HealthNet of Woodland Hills seems to have taken the significant majority of this business.) We still don’t know how many people lost coverage and can’t find new – or find coverage much worse. A cost increase pattern is emerging that health care premium costs have just jumped up generally between 20-40 percent, along with some diminutions of health plan coverage. Some retirees find their rates have leaped up.

In late August, Professor Art Warmoth, Chair of the Psychology Department, and I attended a conference in Sacramento which reported on two years of health care research on options of design for health care for California’s future, research sponsored by the California Legislature and the UC System President’s Office. The conference focused on the study consultants and others defining the nine primary options for future California health care.

Upon our return, we talked with the Deans of two SSU Schools, Social Science and Science & Technology, plus the Provost's Office. They each put in two-thirds of a unit of credit for my work on campus during the first semester developing a Psychology course for Spring Semester on the crisis and facilitating explorations of an informal initiative to study the present health plan cost and access crisis here in the County, SSU's home. In addition, institutions in the community have been asked to show support by putting \$3000 into the effort, contributed to the initiative on campus. This goal has been broken into \$500 parts. Several institutions have offered to contribute, and the request is out to several more.

This fall, consulting time on health crisis website design and building have been contributed by the School of Science and Technology and the Office of Instructional Technology. Plans for initial webmastering and initial literature reviews are in finishing discussions with the Schools. Foundations will be asked to contribute as well.

A number of steps have been taken during the first ninety days of the initiative's existence. The list below considers what has been done.

The review below begins section-by-section with the last September 7th outline template stating intended initiative activity.

Original text from that memo starts at the left margin below. 90 Day Report comments are indented an inch in from the left margin.

Six Month Report comments are divided into two parts. First, developments in the most recent 90 days (December 2002 and January and February 2003) are noted by two-inch indention. Second, a set of recommendations forms Part 2 of this report.



SSU Campus-Community Partnership On the Sonoma County Health Care Cost and Access Crisis And On the Potential for Innovation

DRAFT - September 7, 2002

ADDITIONS - Current notes – November 2002 and January and February 2003.

• Developing a user-friendly web site for campus and community to use and develop

Lodging existing literature (SSU authors and those of the partnering community) - a variety of pertinent hypertext links - Calendar – Plans – History – Information on other communities/counties at work on their own health care crises

First ninety days:

- A dedicated web site has been designed and constructed and is now being “loaded”, with an estimated completion date for the basic website before the end of January. Resources will be placed there on an ongoing basis. The School of Science & Technology contributed the services of a website-builder. IT contributed initial web design and operations consulting. This site’s webmaster has been chosen, Betsy Schroeder Cohen, Administrative Coordinator for the Nursing Department and their webmaster. University courses the subjects of which are in helpful relationship to the subjects of the crisis for Spring Semester and Summer Session will be listed beforehand on the website.

A number of people are already considering papers, resources, and hypertext links to contribute to the website’s first period of operation. More complex potential website features will wait for future funding.

The website name is: www.sonoma.edu/programs/healthcrisis/

Second ninety days:

The health care crisis in Sonoma County Initiative website began operating in January 2003 and has been developing since and is worth visiting more than once. It is now beginning to focus on providing the agenda and an information resource for the May crisis conference being planned.. (Click to May conference planning space.)

• Improving dialogue among the parties

Among SSU+ faculty and staff and with community partners and media (essentially a “think-tank” process focused on our community’s health care crisis)

First ninety days:

- A SSU faculty-staff-student study group formed in November which has decided to meet the second Saturday of each month for the balance of the academic year. The meetings will take place 10 am to 12 noon in 1121 Schulz. Attendance is running 10-15 so far. More faculty are expressing interest and intent to come at some point. Approximately 50 faculty and staff have now expressed interest and support. Many are teaching, consulting, and/or writing about aspects of health care which bear in on how to work with the crisis. Information and resources will be distributed to the initiative's web site, by e-mail, and through NewsBytes, the campus weekly.

Second ninety days:

This monthly group has continued through the year and has now come to focus on planning for the May conference. A subcommittee of three is developing Initiative and conference planning between monthly meetings.

Group members come from several SSU Departments. Five SSU Departments and a number of campus and off-campus programs have agreed to serve as co-sponsors for the May conference.

First ninety days:

- 150 labor and management negotiators and their in-house advisors from public school districts in Sonoma County and from the Sonoma County Office of Education attended a conference held at the Cooperage on campus on Thursday, November 21st, a one-day conference on collaborative bargaining on health care issues during this volatile crisis time. Participating were the County Superintendent of Schools-Elect, a number of leaders from the Sonoma County Office of Education, a cross-section of districts and reasonable labor-management balance. Tom Moore, a senior consultant in San Francisco and Sacramento and Dr. Ellen Shaffer, a consultant in Washington, D.C. Sacramento, and San Francisco spoke and participated in the room-wide dialogue. I facilitated the day and spoke. The conference was brought about by the California Teachers Association, the California School Employees Association, and Service Employees International Union Local 707. The Department of Psychology and the Provost's Office at SSU hosted the gathering, along with the support of the County Superintendent-Elect. (Click to go to the Public Schools Initiative.)

Second ninety days:

The Initiative has maintained touch with the parties in the months following the November conference. Public schools leaders have decided to hold a half-day conference in one Cooperage conference space. A number of policy

recommendations in the concluding part of this Six Month Report come from study with the public schools participants in the November conference. (Click to go to the Public Schools Initiative.)

First ninety days:

- The conference proceedings were videotaped by Dr. Ann Alter, Associate Professor of Film, at Humboldt State University. Dr. Alter and her colleague, Dr. Watson, are researching the crisis in health care in rural counties around California. Sonoma County has a dual rural/urban character. They intend to produce a film on characteristics of the health care crisis in rural California counties.

Second ninety days:

The Initiative remains in contact with Dr. Alter and Dr. Watson - now considering selections from the November taping and discussing the May conference.

Funds and volunteers for audiotaping the whole Friday-Saturday conference are being sought.

First ninety days:

- Discussions are proceeding toward holding a weekend Spring Conference 2003 at SSU, co-sponsored with the Santa Rosa Junior College, and with other potential participating coalitions concerned with the deepening crisis. The dates are planned for Friday and Saturday, May 9th and 10th.

Second ninety days:

See the information draft on the website. (Click on this.)

First ninety days:

- **SPRING SEMESTER 2003 SSU ACADEMIC OFFERINGS:** Psychology 490 (and additional cross-listings with other programs and departments a possibility): Health Care Crisis in Sonoma County – A Case Study and Learning Community – will meet Wednesday evenings during February to May. Registration for on-campus undergraduate and graduate students is through normal registration at the regular time. Registration for community participants is through Extended Education, Open University 664-2394. The campus-community learning community will have syllabus and resources on the campus website to be introduced below.

First ninety days:

- At least a half dozen existing courses on campus during Spring Semester and Summer Session 2003 will deal with issues near the heart of the

current health care crisis here. As examples, Hutchins will offer a Health and Healing course for Hutchins majors and Kinesiology will offer a course on active wellness for women. Summer Session has another example, a newly conceived Political Science/Extended Education course on the politics of health care.

Second ninety days:

This idea is now online on the website. See the website section called Academic... (Click on this.)

First ninety days:

- A core group of three students and I have met weekly all semester, exploring the health care crisis. The three, with a researcher, initially studied the web for pertinent resources. Now the two Americorps students are preparing to involve other students in community service/training in this endeavor independently and in conjunctions with my Psychology 490 crisis course.

Second ninety days:

One student graduated. One left the program at the end of the first semester. The third student, with Americorps, has become one of the key developers of the Initiative, the Psych 490 class this semester, and the May conference. She also sits on the Initiative monthly planning group and the conference systematic planning sub-group. She will act also as a volunteer coordinator for the conference.

• Developing key questions among the parties

Among the parties and with potential researchers, which questions can be developed into researchable questions which can knit together a better picture of where we've been, where we are, and what we face for the future?

- The initiative is raising the question with all parties: What are the key questions to be raised and worked with?

The November 21st conference mentioned above raised main issues all day: How did we get here? Where are we? Where do we seem to be heading? What are the most useful ideas and actions for the coming months? What can we do to make collective bargaining less alienating and more a partnership in the midst of this health care cost crisis?

A list of main questions raised by participants in roundtable groups at the November 21st conference is being prepared by conference sponsors California School Employees Association and California Teachers Association and will be distributed soon by e-mail and on the website.

Second ninety days:

This is now online. (Click on Public Schools Initiative.)

• **Developing foundation and governmental fundraising**

Development of resources to carry on planning-study-research-web-broadened dialogue

First ninety days:

• The Sonoma State University has made a number of helpful contributions to the initiative's development and operation. In addition, the initiative has so far been in touch with the California Health Care Foundation, the Kaiser Family Foundation, and the Community Foundation of Sonoma County, on possibilities for crisis initiative support, as well as consulting with SSU fund-raising personnel. A number of community institutions are also made contributions. The initiative has written a letter of intent to CHCF on services to aid labor-management collaboration in public school districts in Sonoma County, for study of how to help the collective bargaining on health care – during this data-volatile crisis. This issue may be taken up at such time as CHCF may issue a request for proposals late in 2003 for crisis work being done on a county-wide basis. The Initiative is recommending the convening of a fund-raising planning meeting among primary health care and community institutions in the county, under the aegis of the Community Foundation of Sonoma County.

Second ninety days:

The Initiative is preparing a series of foundation grant applications for support for a next-year Initiative program. Also in preparation is an approach to a number of local-business corporations for contributions and in-kind. These will go out during April 2003.

First ninety days:

• The initiative has made exploratory contact with a number of other community and state institutions (besides those already listed) and seeks to work with them, institutions such as the Sonoma Health Alliance, Senator Chesboro's office, consultants for legislative committees, Consumers' Union.

Second ninety days:

These contacts continue and hopefully quite a number of people from such groups will speak and/or attend the May conference. A large number of public schools people will attend. A representative for Senator Chesboro is

committed to speaking. At least one legislative consultant plans to attend. Others are being asked.

• **Study/literature search/on-line search-research on key questions-analysis of key data**

Development of the puzzle pieces which, taken together, may generate systematic study and some well-documented potential answers – Study of critical utilization patterns - Consideration of potential models

First ninety days:

• Literature searches for best practices and ideas has begun with two Americorps students and a research student looking at the basic matters of how we got here and where we may be headed, along with a colleague doing some initial looking for new patterns of humane cost-containment mechanisms. Systematic literature search will begin with funding being requested.

Second ninety days:

Unfortunately, no further funds for this purpose have been found yet. This subject will be covered in the grant applications to go out in April.

First ninety days:

• Comments on Sonoma County health care service utilization patterns were presented by Tom Moore, San Francisco health care consultant, at the November 21st conference. His paper will be put up on the website. Funding is being sought to have Tom Moore do thorough Sonoma County utilization data collection and analysis.

Second ninety days:

Tom Moore will be a main presenter at the May conference. Funding is being searched for.

First ninety days:

• Ellen Shaffer, Ph.D., MPH, provided a number of ideas about cost-saving health systems change. She has had major health plan design responsibilities and consults in Washington, D.C. and San Francisco.

Second ninety days:

We are trying to raise funds so that Ellen can come up and speak at the conference. She has presented four areas of potential health plan cost savings.

First ninety days:

- **Key issues in Sonoma County which most need to be studied now** (with primary consultant under consideration):
- Utilization pattern collection and analysis (Tom Moore, San Francisco) • Pricing and plan rates (actuary, underwriter) • Dual HMOs - eight collaborations (Skip Robinson, SSU) • Pharmacy substantial cost-discount initiatives (Ellen Shaffer, UCSF) • Humane cost-containment plan design (Ellen Shaffer, UCSF, and Skip Robinson, SSU) • Latest evidence on prevention and related approaches (including such measures as health education, health promotion activities, medical care cost offset) (Pat Mullen, University of Texas Health Science Center-Houston) • Interest-based bargaining specifically on health care issues (Jon Townsend, SSU) • Filming the California rural health care crisis (Ann Alter, CSUH) • Calculation of federal, state, and county anticipated payments for uninsured health care against actual anticipated costs of care (health economist)

Second ninety days:

This area has lagged for lack of funding. Some issues to be considered at the May conference. Funds needed. The foundation fundraising is focused on these and similar issues. All of the issues above appear crucial.

• **Improvement of planning for and training of professional health care workers and planners for Sonoma County employment**

Obviously in close collaboration with and support for the “Grow Your Own” project to train health care professionals for service in Sonoma County

First ninety days:

- The initiative and “Grow Your Own” are in goals and plans agreement, are in generally weekly contact now, as well as participating together in the monthly faculty-staff-student crisis study committee.

Substantial Sonoma County health care professions training takes place within the County, among the A substantial number of courses is already being taught both at SSU and at SRJC, and contacts are beginning to increase among the health care-related teachers.

Second ninety days:

This area is being handled skillfully by other organizations. This issue, along with doctor drain, will be a seminar topic on the Friday conference schedule.

• **Development of health plan and health system design**

Weaving all the parts of the foregoing into strong policy options for the consideration of Sonoma County institutions and citizens

First ninety days:

- As the next few months progress, the initiative will spend more time on plan and system design questions, in collaboration with other interested parties, about “next design solutions” in Sonoma County, including the potential for multi-employer consortia.
- Points from my afternoon presentation at the November 21st conference show a number of concepts for redesign, as do points from Ellen Shaffer, a health care consultant, D.C. and San Francisco, and Tom Moore. Notes will be placed on the website.

An initial multi-party plan and system design session is among key planning and fundraising priorities.

Second ninety days:

The end of this report enumerates a set of recommendations on aspects of this. Plan and system design are to be explored in a seminar on Friday at the May conference.

- **At the study’s fruition, potential development of large “buying coop(s)”**
Consideration of the potential utility and power of banding together around agreed-upon system design for the future, in conjunction with the appropriate institutions, alliances, and public agencies

First ninety days:

- Initially, this is taking place in public schools discussions, where all school districts in the County are already in one of two multi-employer systems – and where all schools employees in the County choose between Kaiser and HealthNet. The next few months could bring substantial improvements in their plans – both in intermediary administrative/trust systems and in plan characteristics and innovative and potentially more cost-effective collaborations among the two primary HMOs involved.

Second ninety days:

Only early discussions have taken place. This plan and system development direction may become important at a later stage of development in the crisis - and in relationship to the public’s response.