

Stakeholder Scenarios

Scenario #1 – Bob Martin, United Auto Worker member

Bob is age 29, a member of the United Auto Workers (UAW), and employed at U.S. Motors plant. His wife, Sally, is a homemaker and cares for their family of 5. He and Sally have 3 young children, ages 1, 3 and 6. Their 6 year old has had asthma since he was 2 and sometimes needs emergency room services during an asthma attack. Bob has an AA degree and has always worked in the metal trades. Sally finished high school, married Bob, and worked at Sears until their first child was born.

Bob's hours have been cut to less than 40/week, with the possibility of his being moved to half-time employment sometime in 2008. At half-time hours, he would fall out of the generous health care benefits offered by U.S. Motors. He is considering whether to look for another job with benefits or count on the possibility that the UAW will successfully bargain for holding on to his current level of benefits that include medical, dental, and vision.

Scenario #2 – Max Anderson, Vietnam Veteran

Max is age 61, divorced, and lives in a rural area of Washington State. He has been a smoker since the age of 16 and has several chronic and increasingly serious medical conditions—heart disease and emphysema. He works part-time at a local “big box” store for minimum wage in order to supplement his income. He had intended to stay in the military until he was fully vested, but developed breathing problems ten years after his return from Vietnam and had to leave the military. He would like to take advantage of the services offered at the VA center in Seattle, but he tires easily and the 4-hour roundtrip ride in the VA van is getting more difficult.

He has filled out several forms to qualify him for programs offered at the VA, but so far he hasn't heard anything. His friend who rides the van with him to Seattle told him that there is a huge backlog and that it could take up to a year before he can enroll in the specialized program.

Scenario #3 – Sarah Robbins, Chief Financial Officer, Large Coffee Company

Sarah is 48 years old, married with one child, age 9. Her husband works for an Internet company.

Sarah announced at a shareholders' meeting that their coffee beans now cost less than providing employees with health insurance benefits. The company recently offered their plan to employees at their many locations in order to cut down on a costly high turnover rate, but few could afford the employee share of the monthly premium. The premiums for the three types of benefit plans they offer employees (HMO, PPO, or major medical only) have on average gone up by more than 12% over the past two years. They

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are faced with increasing health costs as well as meeting the demands of their customers for more expensive to buy coffee beans that are fair-traded, shade-grown, and organic.

Sarah is advocating for shifting more of the costs to employees by: either raising the employee contribution to family coverage; raising copays and putting in a deductible for all plans except the HMO (which has been losing members); and offering a Health Savings Account (HSA). Their consultant says the HSA is a great deal for the healthy, single people, but Sarah is worried that it hasn't been around long enough to see if it is really an answer to their fiscal problem. And if the young people move into that plan, the premiums for older employees (about 34% of their workforce) may go up significantly (since they generally use more services). She is wondering why employers have to provide health care insurance at all and how to shift the country to another system.

Scenario #4 – Christy Greg, self-employed graphic artist

Christy is 41 years of age and was diagnosed with gestational diabetes during her pregnancy with her infant daughter. Christy worked for an advertising agency for many years, but wanted to be at home with the baby, rather than spend most of her salary on childcare. Christy earns about \$29,000 a year and with her diabetes, is unable to find individual coverage that she can afford. She is considering joining an association or the local chamber of commerce that might offer members a way to purchase affordable health insurance. The local Chamber's program was recently dropped by Aetna.

Currently, Christy is uninsured and paying out of pocket for the baby's care. She found a community clinic in Seattle that will provide some care for the baby at a reduced price. She was told by a friend to wait before applying for her insurance, since she would have to check diabetes on the required and very detailed health history.

Christy's same-sex partner is hoping that the small company (40 employees) where she works will offer dependent coverage for Christy and their daughter, but she is still waiting to hear.

Scenario #5 – Dr. Martha Middleton, Family Physician

Dr. Middleton is in her sixth year of private practice, has \$160,000 of debt left to pay off from medical training. She works four days a week in a practice with a group of 5 other family physicians. They each earn @ \$80,000/year. She has 1 child, age 3 at home with a nanny. Martha's husband works in new construction, but since the housing market slump has been going farther away from home to find work.

She and her colleagues are assessing how many Medicare and Medicaid patients they can afford to carry on their books due to the low reimbursement rates for each category. With fewer family physicians willing to take Medicare patients in their community, they are under a great deal of personal and ethical pressure to see more of the elderly. In order to make the financial numbers work, they must see a maximum number of patients with private insurance each day in the shortest amount of time. The brevity of contact is counter to their original reasons for going into family practice—starting out

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with young families and seeing them into their old age. The number of staff needed to handle the billing and paper work has increased as well.

Dr. Middleton is politically active and wants to see as many uninsured patients as possible, but when she averages out the reimbursement, she often receives reimbursement that is 50% or less of cost. The doctors are also faced with the developing trend of patients wanting referrals to specialists for conditions that they feel they are more than qualified to treat. They believe that this is the result of insurance companies selling “no need for a referral to see a specialist” programs in order to attract members.

Scenario #6 - Ernie Smith, independent insurance agent

Ernie has been an insurance agent, working on his own, for twenty years and wants to retire within the next two years, at age 63. His doctor has told Ernie that he will need at least one hip replacement soon. He will have to hire a temporary worker to help him with the business while he recovers.

He sells all lines of insurance: life, health, property & casualty, long-term care, etc. but is wondering with the elections coming up how his health insurance business will fare. He works with ten insurance companies so that he can offer his clients choice. He specializes in small businesses and acknowledges that it is getting harder to find affordable plans for his clients.

One other change in Ernie’s business is the Internet. Many people now bank, shop, and sign up for all manner of insurance and other programs online. The “e-insurance” business, Ernie fears, might well put his personal, face-to-face livelihood in jeopardy. He worries that much of the advertising he sees on these Web sites is misleading, making the “fine print” even smaller.

While Ernie believes that everyone should have basic health care coverage, if the insurance companies were eliminated, his income of \$85,000/year would take a significant hit. He is selling the HSA program to some of his clients, but feels compelled to tell them the downside as well as the affordable rates of the program. Experts are concerned that people will be moved to delay getting necessary care in order to keep the most money possible in their savings accounts.

Scenario #7 – Joyce Holmes, insurance claims department manager

Joyce has been working for a large for-profit insurance company for twenty-five years. She is 52 years old, divorced, and in good health. She has, however, sought relief from the stress of her job and is seeing a mental health counselor. With her son out of the house, this is the first time that she has been able to travel some and finally buy her dream house.

She began as a file clerk and over the years was promoted, most recently, to be the Manager of the claims department of more than fifty employees. She has taken industry courses in claims management, but has no professional medical training. The CEO of her company was fired by the board of directors and given a \$1.2 million severance plus lifetime health benefits last year.

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Joyce's best friend is the secretary to the Chief Financial Officer and says that the company is joining several other large insurance companies to lobby against health care reform. They will be running ads in prime time and have doubled the number of lobbyists in Washington.

Joyce went with some people from work to see the movie Sicko! and was shocked to hear her colleagues call Michael Moore a liar. She has had to work with procedures developed by the finance department that set up many barriers and cumbersome appeals for the last ten years. She has been increasingly unhappy at work, feels like she is on the wrong side of what is right, but doesn't know what else she could do for work that would pay her the kind of money she makes. She found well over 1 million "hits" on Google when she searched with the words: "claims health insurance issues."

Scenario #8 – Josh Holmes, graduate student

Josh Holmes is Joyce Holmes' son, age 22. He is in graduate school in a distant state, no longer eligible to be on her health insurance plan as a dependent, and doesn't see the need for insurance.

His mother has offered to help pay for a minimal medical policy for him, but he says he's healthy and doesn't want her to spend the money. Josh would rather have help with his auto insurance payments since he had several accidents as a teen driver and his car insurance premium is very high. He won't be eligible for a good driver reduction until age 25.

Scenario #9 – Andrew Vitale, retiree on Medicare

Andrew is age 70, lives on a small pension and Social Security. With his basic Medicare Part B deduction, a supplemental plan with AARP (\$150.00 each month), and his Part D premium (\$78 each month), he is spending nearly all of his income on rent, food, transportation and insurance.

Andrew's mother is 93 and lives with his sister, but will soon need to be moved to a facility due to advancing Alzheimer's and a heart condition. His visits to help out his sister and see his mother are getting to be too hard, given the 400 miles that separate them. He would move closer, but his sister lives in the city where rents are high and food is more expensive.

Andrew came to the U.S. as a young boy, worked in the garment industry until his retirement. He has a great deal of difficulty figuring out the bulletins and books that the government sends him, especially about Medicare programs. He would like to get help for himself and his mother, but doesn't know who to ask that he could trust or that could explain it to him "in plain English." He has always paid his bills on time and never taken a handout from anyone, even when his company moved the business overseas. He has always saved for a rainy day, but worries that if something happened to him, he would go through all his savings and have to go on "welfare."

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Scenario #10 – Representative James Timmons, (R-WA) elected to Congress in 1990

Representative Timmons is a lawyer by profession until he ran for his district's House seat, defeating a Democratic incumbent who proposed health care reform and changing some tax programs in order to support expanding universal coverage. He has met the "time in" requirement in order to receive full retirement and healthcare benefits as one of the 8 million federal employees.

Rep. Timmons has recently begun to dread going home to his district and hearing the desperate straits of some of his constituents who can't afford health insurance. He is also aware that the bankruptcy rate in his district has increased by 12% in the last three years due to medical bills. He can't see a way to expand Medicare to everyone without bankrupting the whole system given the surge of baby boomers coming into the program. He is fiscally conservative and would like to solve the health care crisis in an American way, rather than adapt some other country's system like Canada.

Rep. Timmons has more of an insider's view of the health care crisis than some of his colleagues. His son is an emergency room physician and was furious when he heard President Bush say that anyone can go to the emergency room, thereby giving all Americans access to care.

Scenario #11 – Emily Webb, Single uninsured mother with a child in the SCHIP program

Emily is 29 years old; her son, Billy, is age 7. They live in federally subsidized housing, receive food stamps, and Billy is currently enrolled in the State Child Health Insurance Program (SCHIP). Recent changes to the criteria may put his participation in jeopardy.

Billy is currently receiving services for a learning disability and neurological problems as a result of spiking fevers he had as an infant. He takes several expensive prescription drugs.

Emily is in a welfare-to-work program, studying to be a dental technician. She has only six months to go before has her certificate and can work under supervision in a nearby dental office. She will not qualify for medical benefits until she's been there six months and is worried that with her success in the work world, she will be giving up supportive programs, like SCHIP, that have made all the difference to her and Billy.

Emily does not currently have insurance and is still making payments to the hospital for Billy's five-day stay in the Intensive Care Unit shortly after he was born. She has worked with a credit counselor in order to stop the calls from the collection agencies that the hospital and doctors engaged. Until she found SCHIP, she and Billy both used the emergency room as their primary source of medical services. An emergency room doctor referred Emily to a pharmaceutical "mercy" program.