

Single Payer, Health Savings Accounts, or Managed Care? Minnesota Physicians' Perspectives

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Objective

- **To assess Minnesota physicians' preference attitudes towards 3 health care financing systems:**
 - **Multi-Payer Managed Care (MC)**
 - **Single-Payer System (SP)**
 - **Health Savings Accounts (HSA)**

Context

- **Cost pressures** ⇒ Access, financing, delivery
 - ⇒ Reform discussions (Mass., CA, ...)
- **MDs important stakeholders & informants:**
 - **System Functioning**
 - **Reflectors of Patient Satisfaction**

Context: Minnesota -a 'fixable' state

➤ #1 in Health Status (great disparities)

➤ Infant Mortality per 1000 live births

Afr.Am 13.7 AmI 15.2 Asian 7.5 H/L 6.6 W 5.6

➤ Relatively low uninsurance (2004) 7.4%

Afr.Am 12.8 AmI 21.0 Asian 9.0 H/L 34.2 W 5.9%

➤ No Minnesota physician survey to date

Adapted from K.Call, 2006, State Health Access Data Assistance Center (SHADAC), www.shadac.umn.edu

Data Collection Instrument

Adapted 2004 MD survey: MC, SP, FFS

(McCormick et al. *Arch Intern Med.* 2004; 164:300-4)

- **Changed Fee For Service to HSA**
- **Added system definitions**
- **Added general favorability question for Price-tiered MC, SP, HSA,**
- **Dropped: ‘your colleagues views?’**

Data Collection and Extraction

IRB \Rightarrow MN Medical Practice Board master file

- **17,776** MN MDs \Rightarrow - Out-of-State \Rightarrow **13,770**
- Need: **374** (95% Conf. Level / 5% Conf. Int.)
- User-seeded random vector (Minitab 14) \Rightarrow
Sort \Rightarrow Step function $\Rightarrow \dots$
- Base N=**1061** (for ca. 40% response rate)

Data Collection and Extraction

- **Mailed** (with online option, only 5):
 - **1st wave: 6 Dec. 05** (27 undeliv. rand. rep.)
 - **2nd wave: 6 Jan. 06** (Stopped: 13 Feb. 06)
- **408** responses (38.5%)
- **390** complete (needed: **374**)

Respondents ~ Population Parameters

- **0.6% ~ Sex (M>F)**
- **1.3% ~ Metro/Rural (M<R)**
- **0.4% to 2.6% ~ medical division**
 - **Primary Medicine - 0.4%**
 - **Medical Specialty + 1.1%**
 - **General Surgery + 1.8%**
 - **Surgical Specialty - 2.6%**

Characteristic (Sample to Parameters)	% Sample (n = 408)	% MN MDs (n= 13,770)	% US MDs (n= 884,974)
Male	72.2	71.6	73.4
Female	27.8	28.4	26.6
Primary Medical	46.4	46.8	42.1
General Surgical	6.2	4.4	5.0
Medical Specialty	35.0	33.9	36.3
Surgical Specialty	12.4	15.0	16.6
Non-metro	21.3	20	13.1
Metro (U 50.1, S 28.5)	78.7	80	86.9
Clinic →	65.1	72.1	60.9
Hospital	23.8	27.6	18.3
Nursing home	0.5	0.3	NA
Medical school →	6.6	1.3	1.2
Laboratory	0.8	0.9	NA

Analysis

- **Chi-square:** Preference x Physican characteristics / attitudes
- **Binary stepwise regression:** Demographic and attitude characteristics on system preference
- **Sensitivity analysis:** Rectified to pop. parameters for X^2 significant variables:
 - Sex, Geography, 4 Medical Divisions

Key Question

- Which of the following three structures would offer the best health care to the greatest number of people for a given amount of money?
 - **Multi Payer Managed Care**
 - **Single Payer System**
 - **Health Savings Accounts**

Definitions: Multi-Payer MC

The current multi-payer, market-based system in which individuals are enrolled in one of a variety of private insurance plans. Plans cover certain specific health care benefits, and manage practitioners and enrollees through utilization review to control costs and improve quality.

Definitions: Single Payer System

A single insurance plan administered by a governmental body or publicly-accountable commission, guaranteeing all Minnesotans coverage and access to necessary medical treatment. Hospitals will remain privately owned. Physician practices remain privately employed.

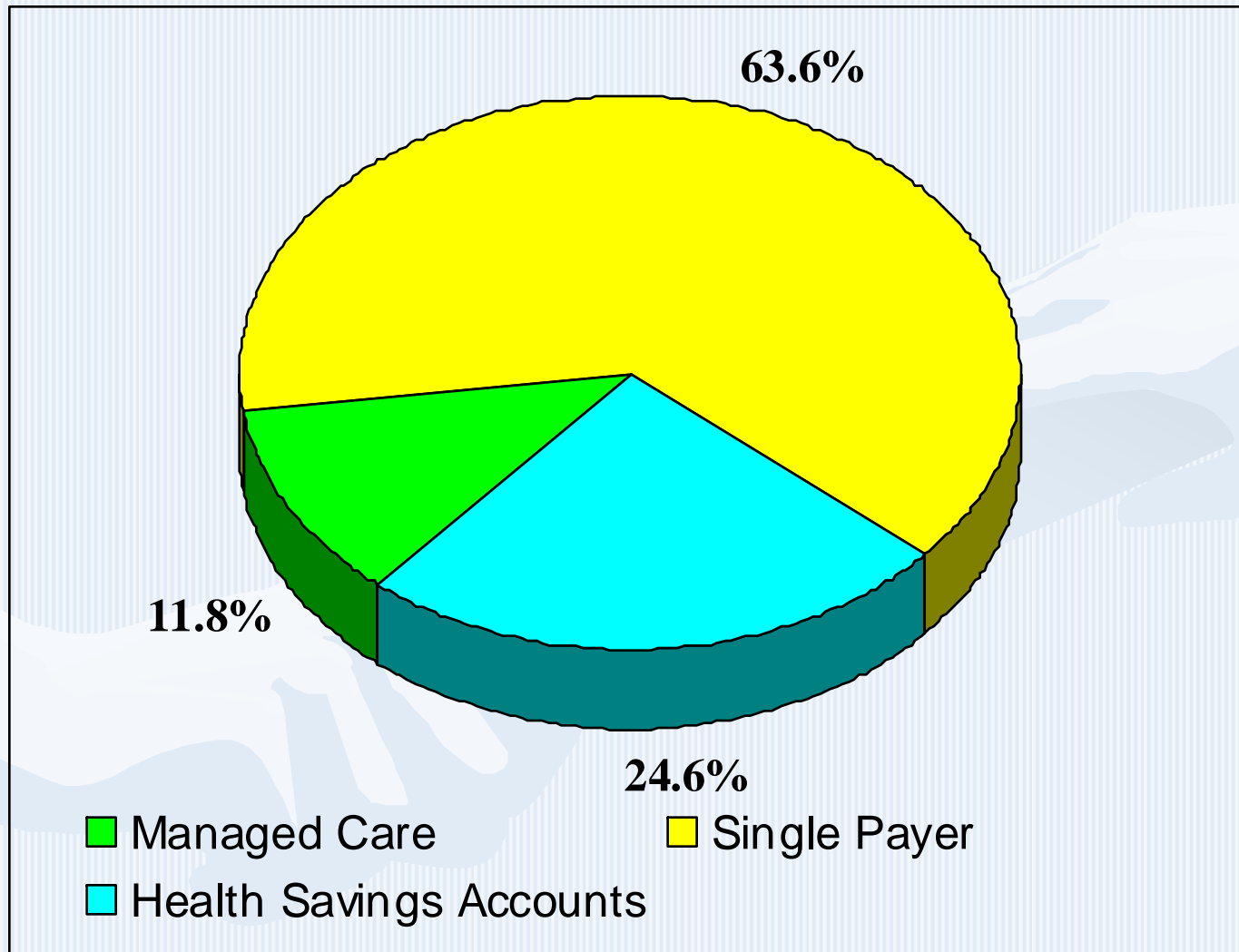
Definitions: HSA

A health insurance policy structure that allows individuals to pay for current and future health expenses from a pretax account. This structure is typically applied to policies with high deductibles.

[Note: Replaces McCormick's FFS]

Which System Results

63.6% SP, 24.6% HSA, 11.8% MC

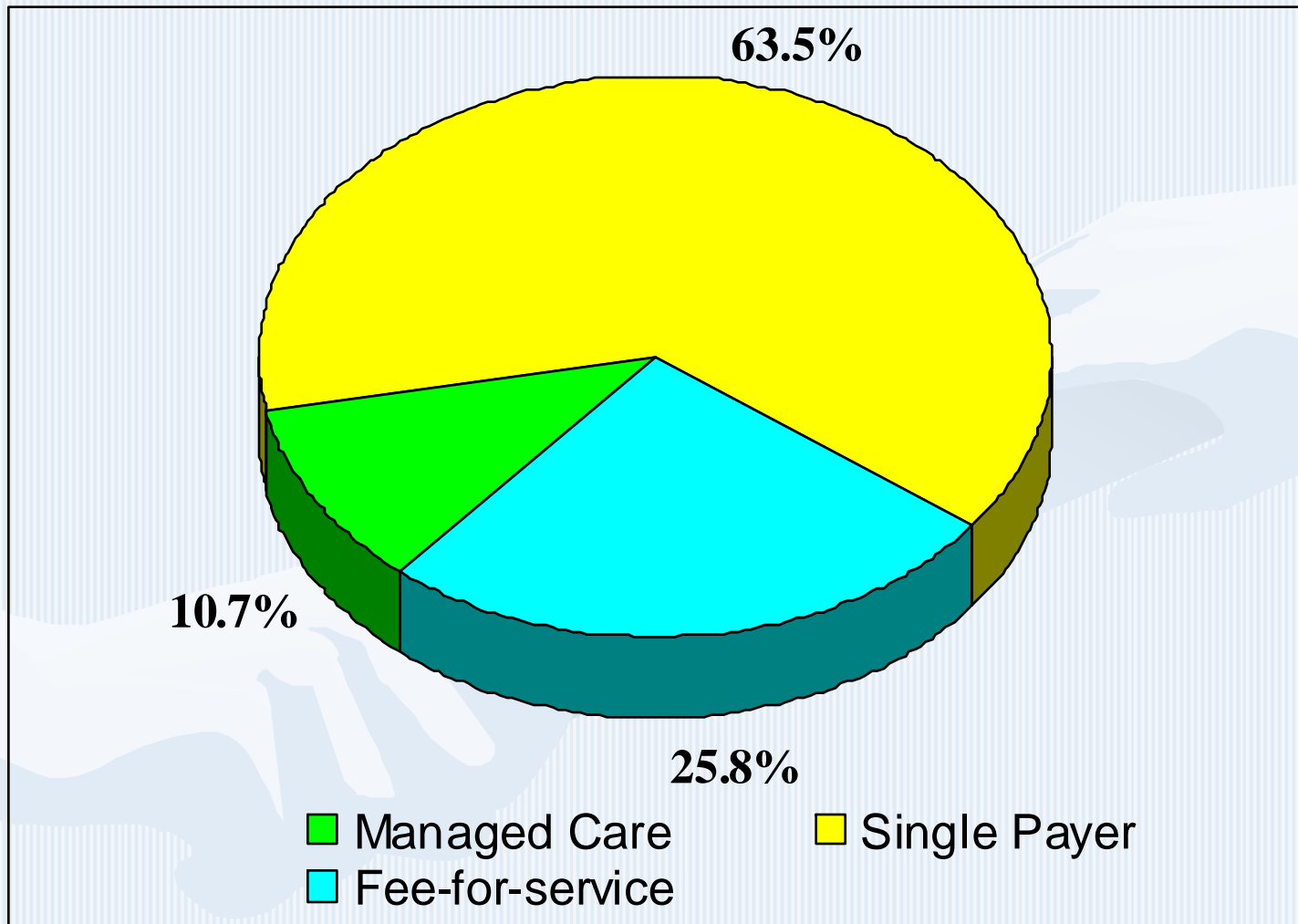


Sensitivity Analysis ~ Population Parameters

Sex, Geography, Med Division

System	Raw %	SA Adj%
MC	11.8%	11.9%
SP	63.6%	63.9%
HSA	24.6%	24.3%

Compare w/ McCormick et al (2004) (without definitions)



Minnesota / Massachusetts

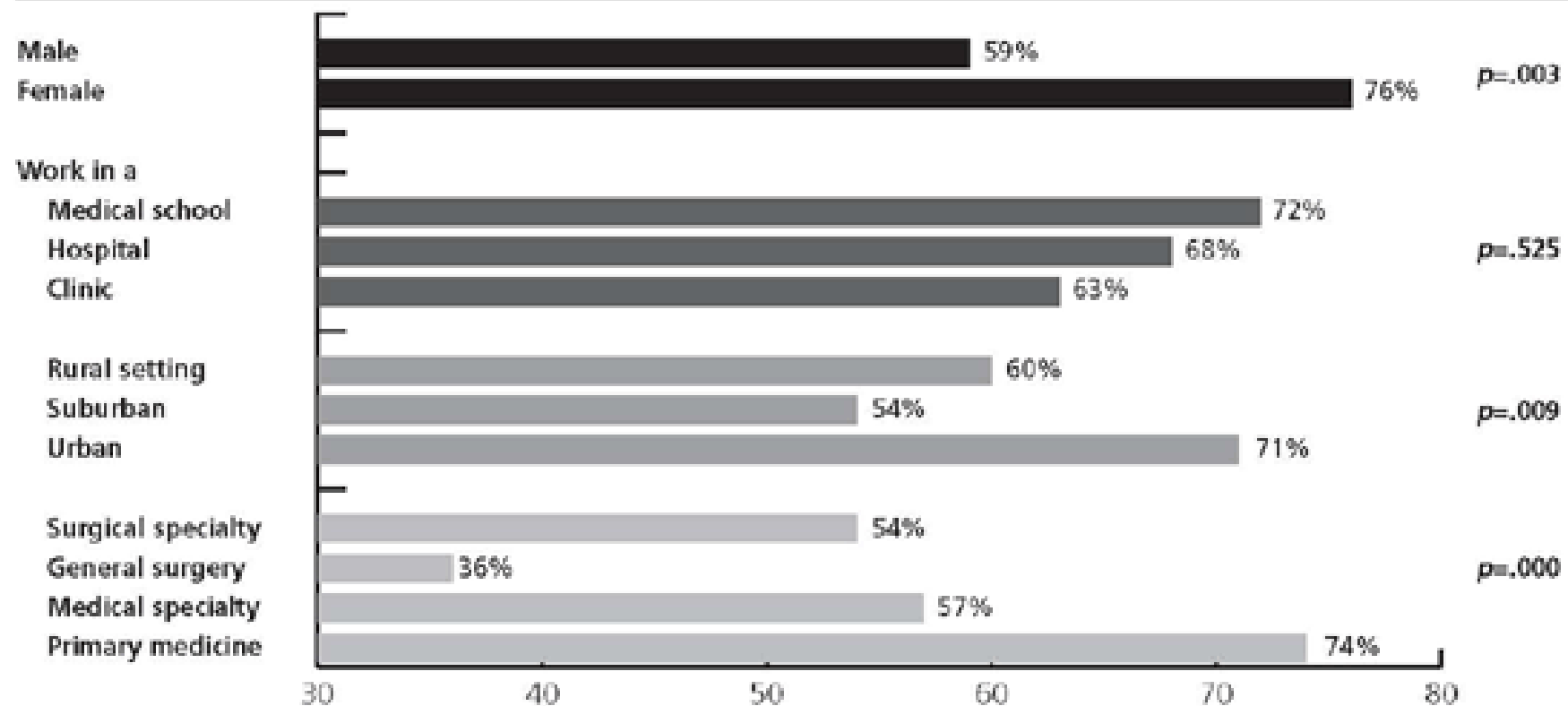
System	MN	Mass.
MC	11.8%	10.7%
SP	63.6%	63.5%
HSA/FFS	24.6%	25.8%

Single Payer x Characteristics

Albers et al. MN Medicine 2007;90:36-40

Figure 2

Minnesota Physicians Selecting Single-Payer System as the Best Health Care Financing Structure

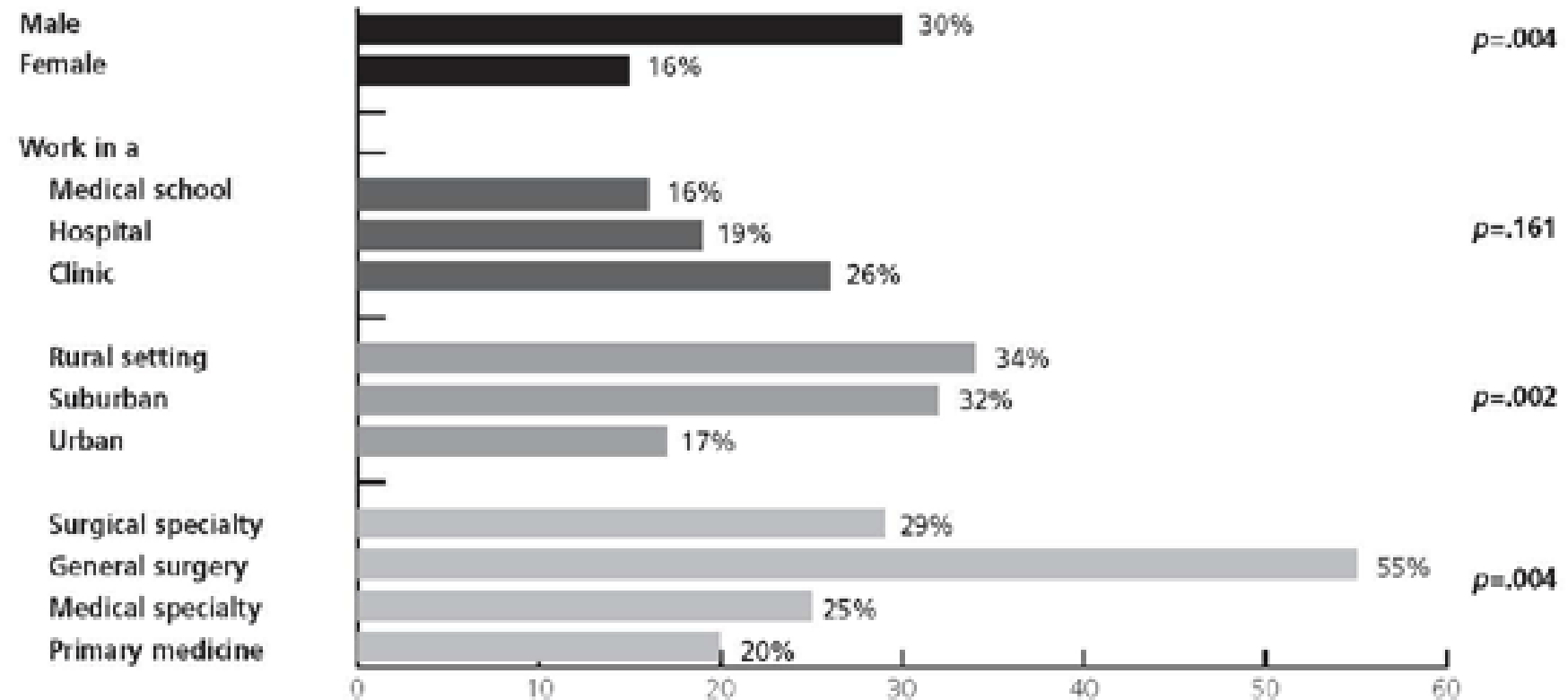


Female, Urban, Primary Med > 70% (only GS < 50% at 36%)

HSA x Characteristics

Figure 3

Minnesota Physicians Selecting Health Savings Accounts as the Best Health Care Financing Structure



Male 2:1

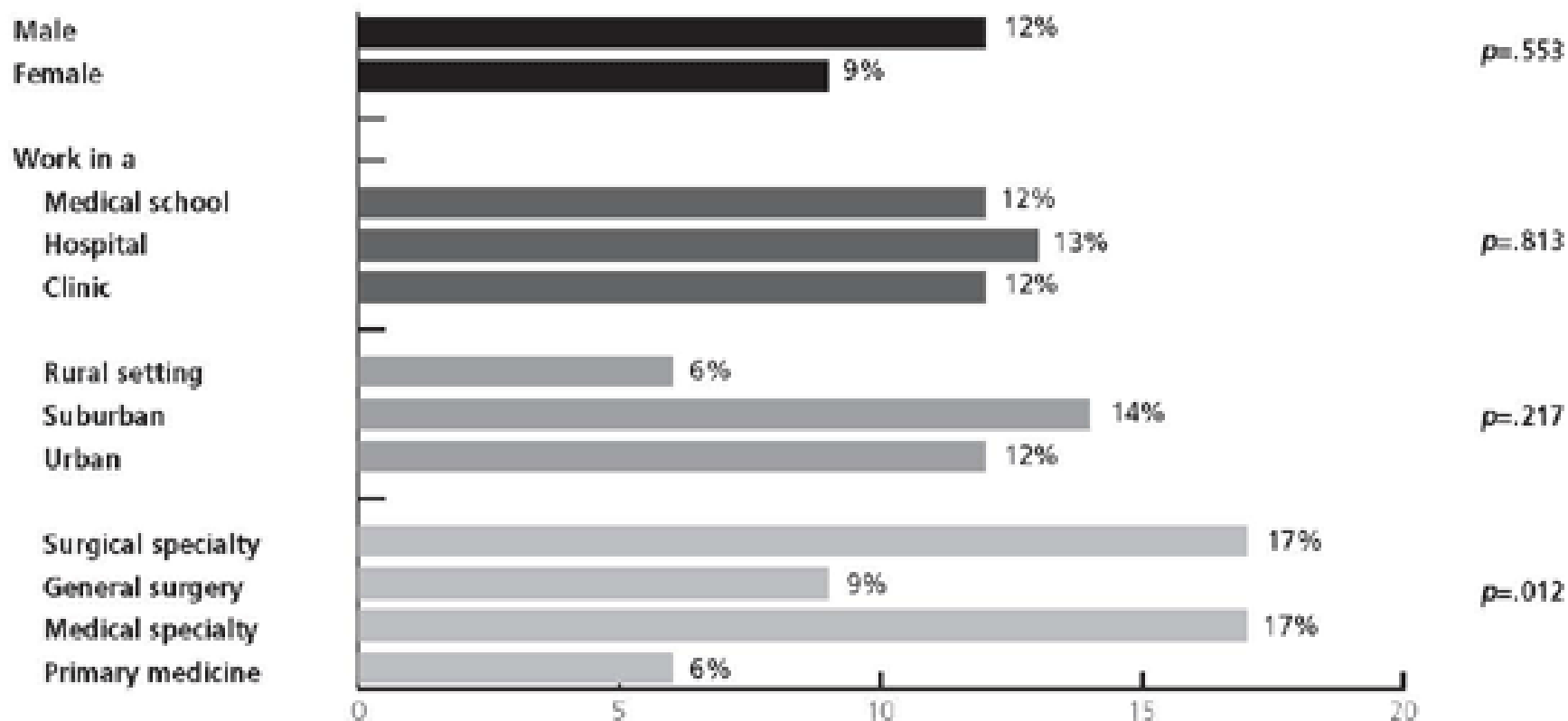
Not Urban 2:1

General Surgery (55%)

Managed Care x Characteristics

Figure 4

Minnesota Physicians Selecting Managed Care as the Best Health Care Financing Structure



Specialists > Generalists Least: Primary Med. & Rural (6%)

Societal Responsibility Question

Statement	Agree Strongly	Agree Some what	Disagree Some what	Disagree Strongly
<p>It is a responsibility of a society through its government to assure everyone has access to good medical care, whether or not they can afford it.</p>	<p>53.3</p>	<p>32.9</p>	<p>7.1</p>	<p>6.6</p>
	<p>86%</p>		<p>14%</p>	

McCormick (MA): 89%

Paperwork Reduction Question

Statement	Agree Strongly	Agree Some what	Disagree Some what	Disagree Strongly
I would be willing to accept a 10% reduction in fee for a very significant reduction in my paperwork.	35.2	35.9	17.6	11.4
	71%		29%	

McCormick (MA): 67%

Salary Question

Statement	Agree Strongly	Agree Some what	Disagree Some what	Disagree Strongly
I would favor paying physicians by salary if the salaries were guaranteed to be determined in a fair way.	28.1	35.7	16.0	20.2
	64%		36%	

McCormick (MA): 57%

Private Insurance Industry Role Question

Statement	Agree Strongly	Agree Somewhat	Disagree Somewhat	Disagree Strongly
The private insurance industry should continue to play a major role in the financing and delivery of medical care.	13.4	27.5	34.0	25.1
	41%		59%	

McCormick (MA) ~ 'Private Ins Role': No 70%

Gov't Resp. x Insurance Industry Role

Government Responsibility & Private Insurance Industry Role Compatible

At least 27% Yes

Single Payer preference significant regressors

Variable	Odds Ratio	95% CI	p
SP favorable over undecided	50.00	14.29, 100.00	.000
SP favorable over opposed	4.00	1.12, 14.29	.032
HSA opposed over favorable	2.96	1.09, 8.07	.034
HSA opposed over undecided	10.08	2.72, 37.34	.001
Price-tier MC undecided over favorable	4.24	1.36, 13.26	.013
+ Societal responsibility	13.51	2.85, 64.15	.001
- Insurance industry role	3.45	1.35, 8.33	.009
SP without attitude regressors (newly significant)			
Urban > Rural	2.78	1.32, 5.88	.008
+ Salary	2.67	1.47, 4.85	.001

HSA preference significant regressors

Variable	Odds Ratio	95% CI	p-value
SP undecided over favorable	20.19	7.01, 58.18	.000
SP opposed over favorable	6.61	1.89, 23.17	.003
Rural over urban	2.72	1.07, 6.93	.036
- Societal responsibility	4.76	1.79, 12.50	.002
HSA favorable <i>nearly significant</i>	2.44	0.98, 6.25	.055
HSA without general attitude regressors (newly significant)			
- Salary system	2.86	1.56, 5.26	.001
+ Insurance industry role	3.62	1.94, 6.74	.000

Managed Care preference significant regressors

Variable	Odds Ratio	95% CI	p
Price-tier favorable over undecided	2.63	1.12, 11.11	.030
SP undecided over favorable	51.17	7.48, 350.04	.000
HSA opposed over favorable	4.63	1.35, 15.85	.015
HSA undecided over favorable	12.52	2.84, 55.22	.001
<i>without</i> MC general attitude regressors (newly significant)			
+ Insurance industry role	7.30	2.87, 18.58	.000

Conclusions & Policy Implications

Ca. 65% of randomly sampled MN MDs:

Single Payer with privately owned hospitals / practices would provide best care for the most people for given \$ compared to HSA or MC.

However . . .

- **Preference to experience is inversely ordered!**

Preference: $SP > HSA > MC$

Experience: $SP < HSA < MC$

(Frustration with known, open to less known.)

Conclusions & Policy Implications

- Private insurance role and government responsibility *not* mutually exclusive (27%), but most oppose continuing private insurance role.
- **Less paperwork desired & salary entertained if fairly determined ⇔ billing fatigue.**
- MN and Mass. views are largely consistent.
 - Include MD views in policy debates.

MN Legislative Proposals 2007

86 Senate Health Insurance Bills

- 11 Modify or expand Minnesota Care
- 5 SP: Minnesota Health Care Act (SF 2324...)
- 5 Universal Health Care (e.g. SF 102)
- 2 Constitutional Amendments (e.g. SF 204)

“Every Minnesota resident has the right of health care. It is the responsibility of the governor and the legislature to implement all necessary legislation to ensure affordable healthcare.”

Limitations

- **Response bias/rate?** Sample proportions are near population parameters.
- **Definitions do not address variations in system alternatives** (e.g. SP variations)
- **However:** Results for SP and MC almost identical to McCormick (MA) without definitions (tabula rasa for projection by respondent).

Limitations

No operational definition ...

- “very significant reduction” (paper work)
- “paid in a fair way” (salary)

Future research: Need to concretize.

Stated vs. Revealed Preference differences:

Possible.

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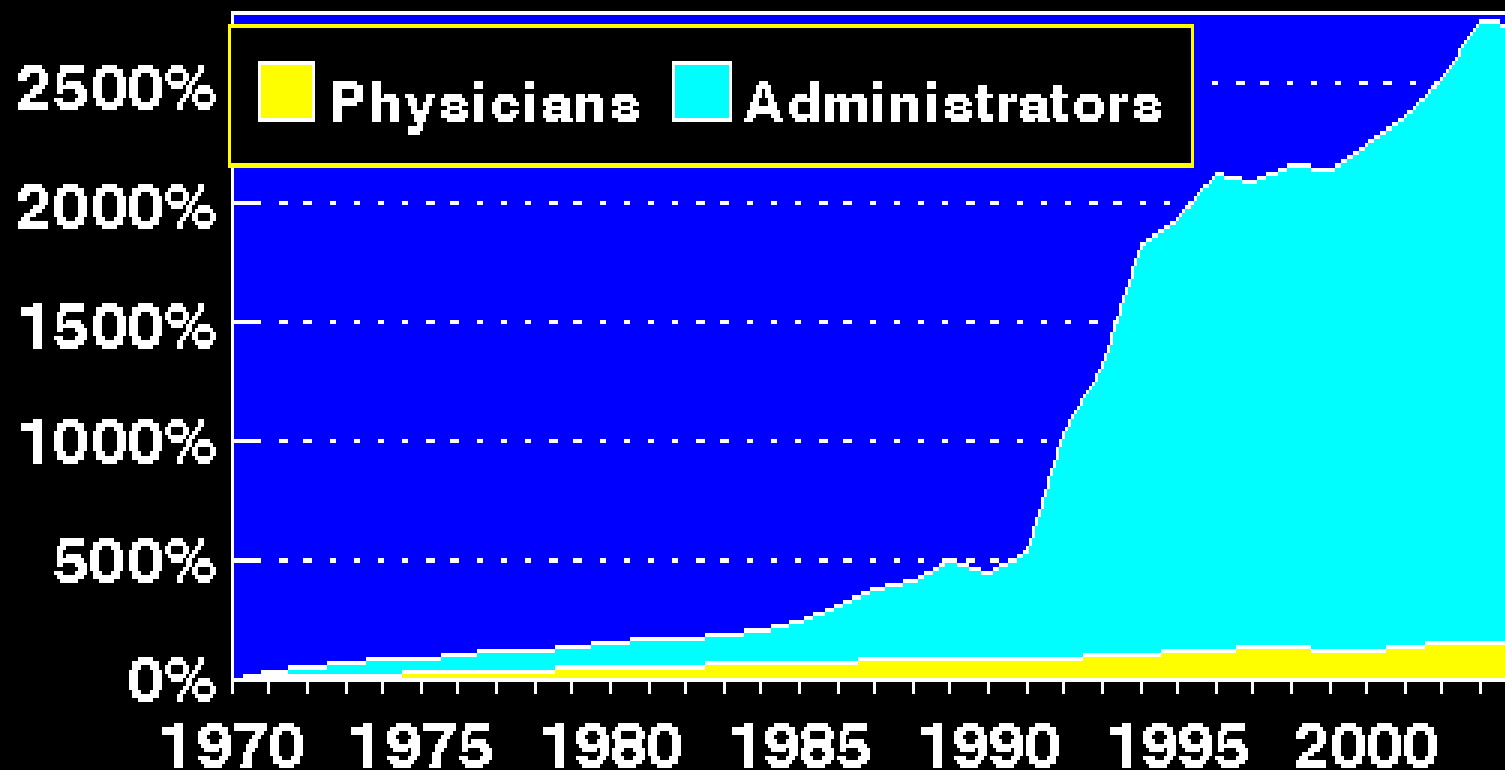
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Questions?

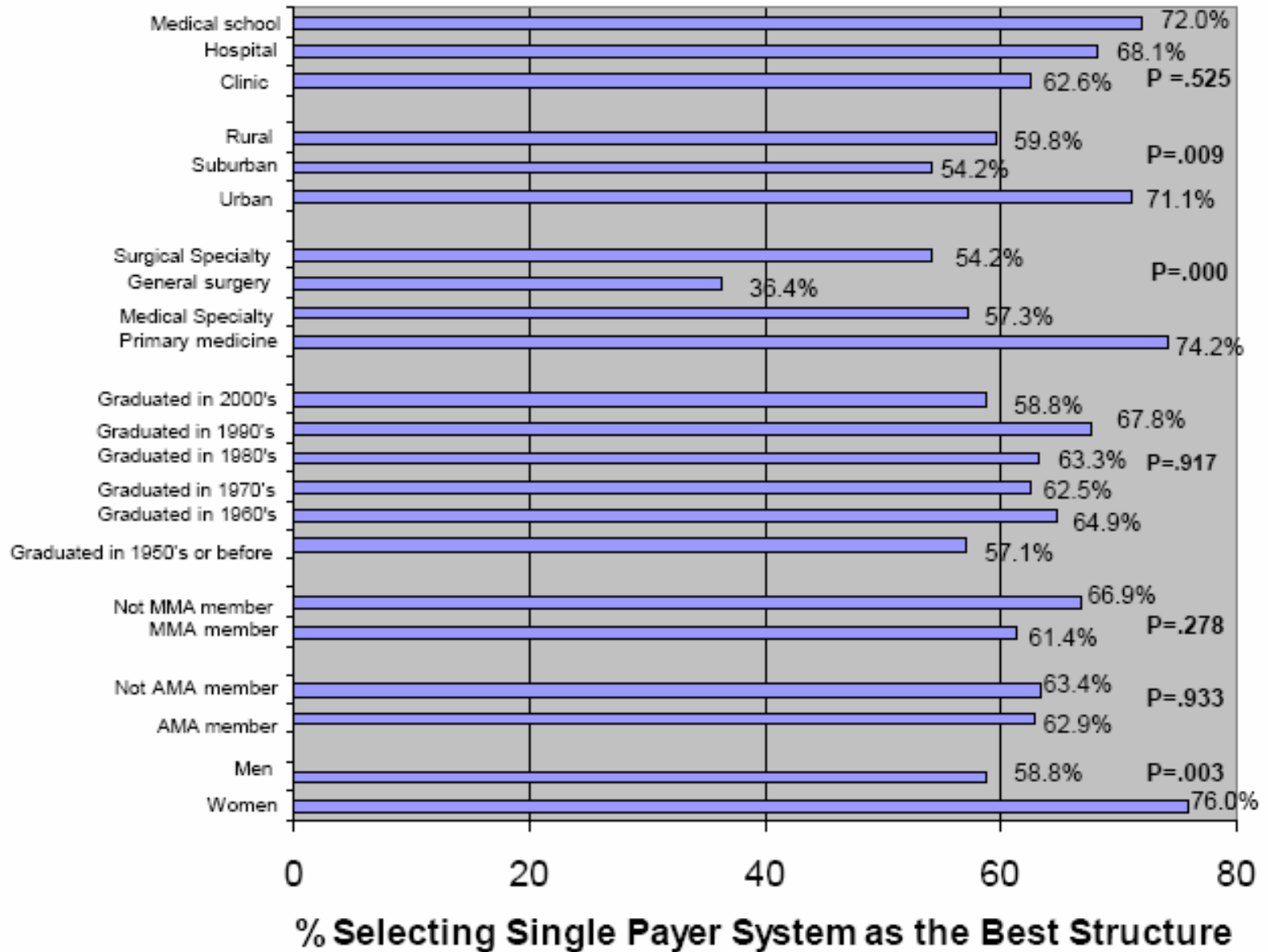
GROWTH OF PHYSICIANS & ADMINISTRATORS 1970-2004

GROWTH SINCE 1970

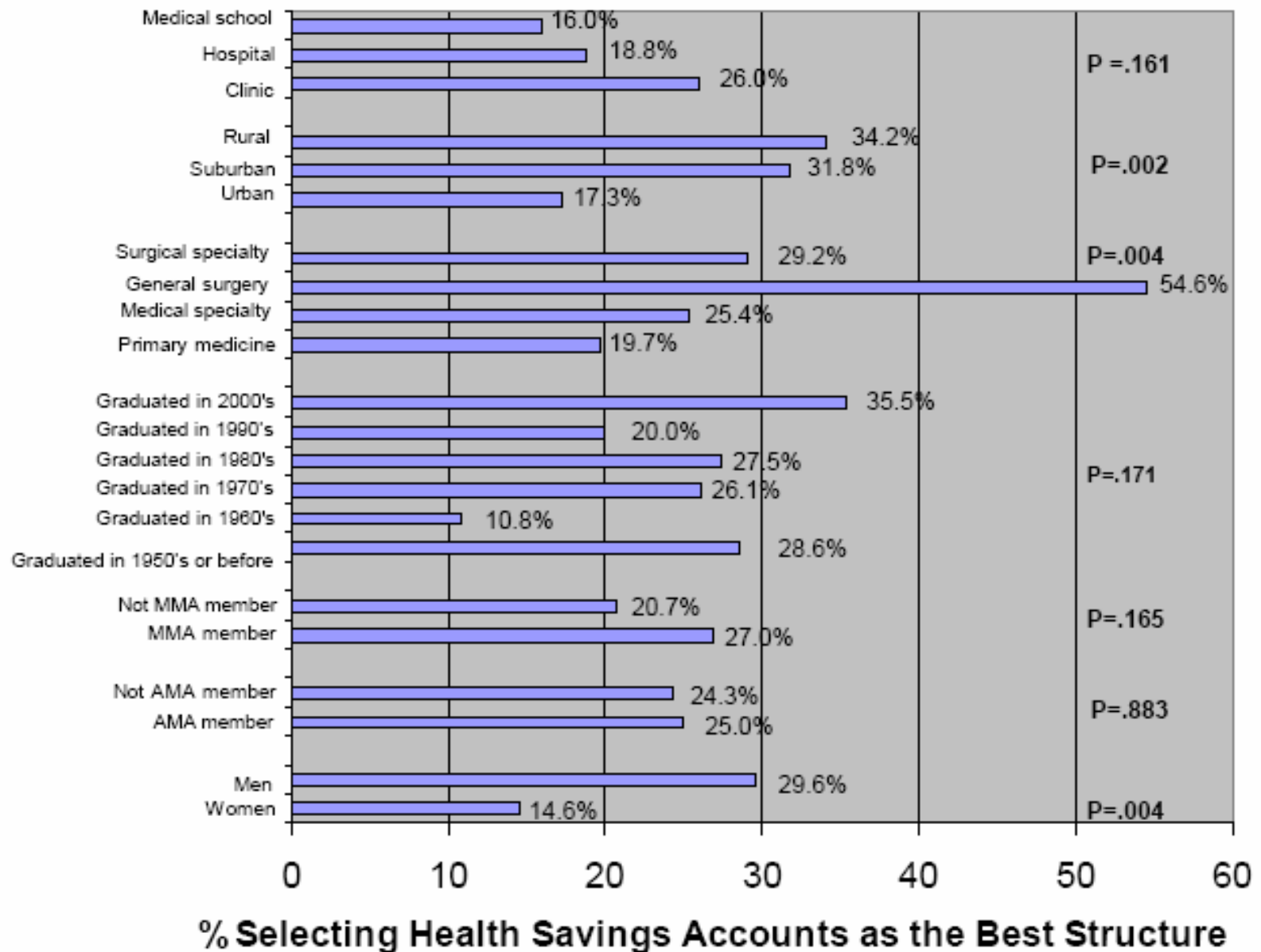


Source: Bureau of Labor Statistics; NCHS; and analysis of CPS

Selection of Single Payer System



Selection of Health Savings Accounts



Selection of Managed Care

