Minnesota's taking on corporate health care -- and winning!

“We’ve got to stop trying to use business strategies and start using healthcare strategies when it comes to fixing our healthcare system.” ***- Rose Roach***

Dispatcher: 911, what’s your emergency?

Caller: America’s healthcare system is broken and people are dying! (ambulance siren)

Welcome to **Code WACK!** where we shine a light on America's callous healthcare system, how it hurts us and what we can do about it. I'm your host **Brenda Gazzar.**

(music)

This time on **Code WACK!** How is Minnesota on the front lines of healthcare reform? What gains has the state legislature made when it comes to busting dangerous corporate healthcare mergers and moving closer to Medicare for All? To find out, we spoke to **Rose Roach,** chair of **Healthcare for All Minnesota** and national coordinator for the **Labor Campaign for Single Payer.** She recently retired as the executive director of the Minnesota Nurses Association.

Welcome back to Code WACK! Rose.

Roach: Thanks for having me back. Good to see you.

Q: So there seems to be a real conflict in America between good business and good health care and Minnesotans haven't been spared. As an informed Minnesota resident. Can you give us any insights into the recently failed merger between two major healthcare systems, Fairview and Sanford Health?

Roach: Yes, so this was something that really the citizens of Minnesota spoke out pretty loudly (on) – both the healthcare workers as well as the patients, in addition to students that were at the University of Minnesota because the campus hospital there was impacted by this potential merger. It made it really clear when the Attorney General went around and did these wonderful town halls to get input from everybody and the reality is hospital mergers, whether it's that one specifically in Minnesota or any of them across the board, hospital mergers, there's all kinds of studies that show that what's going on with this megamerger frenzy, and consolidation craziness inside of health care is not actually good for patients and it's not good for providers. There are studies that show that it increases costs, it doesn't decrease costs, and it ends up creating what we would call healthcare deserts as these big corporate healthcare companies decide where and how much services they're going to provide in any given community – and all of that is based on profit. It is not based on the health needs of the community. We've got to stop trying to use business strategies and start using healthcare strategies when it comes to fixing our healthcare system.

Q: Right. So do you think that all the concern over this merger was what stopped it?

Roach: I think it was a big part of it. It's interesting 'cause there was just an article done yesterday in the Minnesota Reformer about how this really brought up not just sort of concerns around antitrust and how huge these megamergers are happening and the impact of them – not even just to patient care, but even to workers and workers' wages and the community overall. So I think all of this really kind of came together in addition to a really, really important piece of legislation that our legislature passed just recently in this 2023 session that I think made these CEOs a little bit nervous when it came to actually being able to follow through. Because this legislation, I'm going to quote from the article here, "gave Attorney General Keith Ellison, his office, the power to investigate proposed mergers."

He found out more about that with his listening sessions and it really set us up as a national leader to put into place some real accountability measures and some

ability for the attorney general to take a look and see “if the merger would result in decreased quality of care or reduced access for patients, or if it would have negative effects on the healthcare workforce in the state, such as decreased wages or degraded working conditions.”

And he could stop it if any of those applied.

Q: Wow. So is Minnesota the first state to pass legislation like this?

Roach: I'm not clear on whether it is the very first state, but I know it is a state that now has some of the strongest of any of those types of regs in place when it comes to these mergers.

That’s wonderful.

Roach: Yes, it is. It's very exciting. It was good work our legislature did in 2023.

Q: Yes. So what healthcare access obstacles are there in Minnesota today?

Roach: Well, it's no different than any place. I mentioned healthcare deserts. That certainly is happening because we've corporatized health care taking mother/baby units away from small critical access hospitals in rural Minnesota, which is happening in rural communities, right, all across this country. So women are driving 50 miles in snowstorms in labor to deliver babies safely. I mean it's just insanity 'cause again all of that is based on, ‘well that's not profitable for us in that particular area or community.’ That's not how we should do a healthcare system. Right? It has to be based on the health needs of the community and the people. We're one of the highest cost states in the nation and that is all driven by the nonsense that has been going on.

And that all of our legislatures, I think over the course of time have actually unfortunately bought into over the last 50 years, which is this idea that a) we use too much health care and we use too much because our doctors are greedy and they prescribe too much care for us because they get paid by a fee for service sort of method. None of that bears out. There is research that shows just the opposite – that all of this managed care nonsense, whether it's, you've heard the terms Accountable Care Organizations or Health Maintenance, right, or HMOs and ACOs and PPOs and I often say E-I-E-I-O’s. None of that stuff is actually working. It's not decreasing costs. It is not increasing quality and it is certainly not having the impact we need in a positive way on health disparities, particularly racial health disparities. We are fighting those battles here in Minnesota the same as everybody is across the country.

Q: Wow. Thank you so much for that. When did single-payer efforts first begin in Minnesota and why?

Roach: This started to really raise itself up in about the nineties when it was kind of, again, it was not, I don't think we were unique necessarily to the rest of the country. Minnesota did something that was however a little unique, which is we created what was called MinnesotaCare. MinnesotaCare captured really folks who you would maybe put them in the category of the working poor in that they didn't qualify anymore for Medicaid, but they also couldn't afford – especially if they didn't get an employer-based health insurance product – they couldn't afford to go buy it on the open market. It was just too expensive.

So we helped people between 138% of poverty level and 275% of federal poverty level based on income, heavily subsidized by the state. A really, really good option for them to be able to access care, wide networks, hardly any out-of-pocket costs, and we started down that path back then and we were working at that towards getting single payer eventually. So the movement's been up and running here for at least 30-plus years. and MinnesotaCare still exists even under the Affordable Care Act. We were able to get a waiver to have that as a basic health plan so folks don't have to go right off of the Medicaid program and onto the exchange if in fact they don't get it through their employer.

Q: Oh, that's so great. Do you know of any other states that have a similar program?

Roach: My understanding is the only other state that has at least a basic health plan as quantified under the Affordable Care Act is New York. I don't know a lot about how their program is set up or how it operates, but my understanding is they're the other state in the nation under the Affordable Care Act that has a basic health plan. There may be other types of programs the various states have to help folks, I don't know. But this one in particular is a really successful plan. It particularly helps like our farmers whose income can go up and down, right, family farmers based on crop. So this makes it a little easier for them. It'd be nice if they knew they could just be on it all the time, but it has that income cap. Right. And so we're working on whether or not we can figure out how to expand that and actually make that available for far more people as an option for them to be able to access their health care.

Q: Wonderful. Tell us about the proposed Minnesota Health Plan. What is it and why does it matter to everyday Minnesotans?

Roach: The Minnesota Health Plan is our state bill that would really – no state's going to be able to do a hundred percent single payer. I mean, listen, the national bills create Medicare for All, but they keep Indian Health Services in place. They keep the VA in place, right, and will hopefully start to fund them so that they can care for their patient population properly 'cause that's the key issue for the struggles that both of those systems are having. Now, there would still be a few payers more than just a single payer in a state because people will still be accessing some care through, you know, like I said, the VA and Indian Health Services, et cetera. But the issue is everything else goes away and everyone would be part of the Minnesota Health Plan. So if you're an employer based, if you're in the single, like I said, individual market, if you've got Medicare and you need that gap insurance, right?

We've got to have that wraparound 'cause Medicare, got to improve it. It's an 80/20 plan. So we got to cover that 20%. That would be the Minnesota Health Plan that then would take care of all of that. It covers everything. It doesn't say that your teeth and your eyes and your ears and your brain are somehow not attached to your body. That actually covers all medical needs, including long-term care. It also absorbs long-term care so that we take care of Medicaid. It improves reimbursement rates for providers. It makes sure you know, everybody is in network in this one because it's literally the plan for the state. And it would guarantee healthcare for all. And we would do it again based on an income-type basis. And so we will all be paying for it, but we'll be paying for it according to what we can afford and then we will have affordable, accessible health care for all.

Q: Great. And when was the plan first proposed?

Roach: Senator Marty is the author of the bill and if memory serves me, I think John introduced it first back in the late nineties, maybe early two thousands. And you know, and has continued to introduce it. We use it as a tool to educate. We finally, this year, again, another really positive thing in our legislature, we passed a cost study bill so we are finally going to get a really deep comprehensive study done that compares the Minnesota Health Plan to the current system so we will know what the system would cost overall, and then we can start to peel that onion back to figure out where do those funds come from? How do we absorb, you know, federal funds through waivers? Where do we take state money that is already being put into the healthcare system? And then what would need to come instead of a premium to Blue Cross/ Blue Shield or whoever you're writing it to. The premium would simply go to our Minnesota Health Plan agency that then would act like CMS does for Medicare and just simply pay our providers for our health care. We don't

need all these middlemen in there. They're sucking up all this money and they're taking it away and it's not going to health care and that is not okay.

Q: Right, right. That sounds like that study's going to be a really important tool in moving towards single payer once you have that data.

Roach: Absolutely and you know, I mean, we're thinking really strategically about – all of us who care so deeply about this issue, particularly around healthcare justice, we want everyone to have healthcare access right now. Right? I mean, this is just nonsense what we're doing in this country, and it hurts our hearts and it hurts our common humanity. I don't think … any of us are going to get it tomorrow. You know, I mean, whether a state does it, whether the feds do it, I think we have to get realistic about the fact that we should start thinking strategically about how we start transitioning now. Maybe the whole thing all at once, which we would all be happy to have. But if that isn't going to happen, what can we do? Think of it this way, on the federal level, if you look at those two bills, they have a whole section on transition.

Yes, you're talking about Sen. Sanders' and Congresswoman Jayapal's Medicare for All bills.

Roach: And they talk about if f they passed it tomorrow, the next day we wouldn't get our Medicare for All cards.

It's a two-year transition in the House bill and it's five years in the Senate bill. So look at what they're doing. They say things like, well, 'first thing we do is take Medicare and drop the age from 65 to 60 in year one, and we'd include people from zero up to 18. And then we would start to lessen the out-of-pocket costs and we would start to negotiate the drug prices.' And, you know, there's all those kinds of really important things because that makes it so much easier on the implementation day to put us all in. Right? What are we waiting for? Why aren't we doing that stuff right now? President Biden has said he's not a supporter of Medicare for All, but he has said he would be willing to look at the age going from 65 to 60, Hey, let's do it! Let's start doing some of that. And we can do that, whether it's on a state level or a federal level. I think those transitional infrastructure building pieces of legislation will be important for us to think of in the movement.

Q: Right, right. Really good points. Thank you. Tell us about the work you're doing as the chair of Healthcare for All Minnesota to build the foundation for single payer.

Roach: So one of the big projects that we're engaged in right now is we are bringing together what we're calling the Health Justice Allies Coalition. So we are reaching

out to labor unions, faith-based organizations, community organizations, farm rural, you know, community organizations, women's reproductive rights, LGBTQ, you know organizations and communities of color. We're trying to bring everybody together to say we're all working. Healthcare for All is only working on health care for all but many of those organizations, of course, have multiple issues, right, that are very, very important for them to be working on and we're trying to talk about how the issue of health is the issue of intersectionality amongst the social justice movement itself, and that we can all pitch in on helping us win actual guaranteed, you know, health care for all.

And so we're, we're working to build that coalition with a strategic plan, as I said earlier, around what are those transitional infrastructure building types of legislation that give us wins, that help us expand coverage, start to control the cost toxify this industry and start poking them and getting them out of our public programs. That's job No. 1 right now. I'm telling you, Brenda. We have got to de-privatize our public health programs. They are stealing money from us and we don't even know where it's going. This is nuts. We've got to get back to direct contracting between whether it is a state program or the federal program and the providers. That will go a long way in helping us, again, build that infrastructure that we're going to need to put us all at some point in time, either in the state or in the nation.

So that's a big part of what we're doing right now is really focusing on what are those campaign components, what's everybody's lane and how can everybody be complimenting each other's work with an eye towards four or five years from now, actually having implementation of the Minnesota Health Plan here in Minnesota.

Thank you Rose Roach.

Stay tuned for next week's episode when Rose talks about how to take the burden of healthcare costs off the backs of workers.

Do you have a personal story you'd like to share about our 'wack' healthcare system? Contact us through our website at heal-ca.org.

Don't forget to subscribe to Code WACK! wherever you find your podcasts. You can also find us on ProgressiveVoices.com and on Nurse Talk Media.

Code WACK! is powered by HEAL California, uplifting the voices of those fighting for healthcare reform around the country. I'm Brenda Gazzar.