

Zaniya Project Task Force
Thursday, June 14, 2007
Kings Inn, Pierre, SD

The third meeting of the Zaniya project task force began with Lt. Gov. Dennis Daugaard welcoming the members. The agenda was approved, and the minutes from the previous meeting were approved as amended (re: Barb Smith presentation).

Dr. Ralph Brown presented the results of the survey conducted by Public Opinion Strategies (See handout, "South Dakota Uninsured Survey"). The statewide telephone survey was conducted May 21-24, 2007, and included 400 adults who are either currently uninsured or have been uninsured in the past two years.

According to the results, 9% of adults in South Dakota are uninsured. Most of the uninsured are working thirty hours a week at jobs that do not offer benefits, including government and health service positions. Many tend to be younger, female, and have nearly as much education as the overall population. One-fourth of the population surveyed have children who are uninsured, citing cost as a major prohibiting factor. Forty-two percent of those surveyed have been without insurance for more than five years, and 34% have been without health coverage for 1-5 years. Cost appears to be the most common determining factor for being uninsured, although this is less of an issue for Native Americans than for Caucasian respondents. Many Native American respondents reported difficulty in finding employment and get their care through Indian Health Services. Respondents showed willingness to take responsibility for their own health care coverage. The median amount a respondent would be willing to pay for individual coverage is \$70 monthly, or \$100 for family coverage.

Of the uninsured, 65% are currently employed, with 16% working two or more jobs. Fifteen percent of the unemployed are self-employed, while 49% are working for someone else. The uninsured are struggling financially, with 60% being below 200% of the federal poverty level.

Ed Haislmaier, Senior Research fellow with the Heritage Foundation, and Peggy Handrich, Senior Vice President of Sellers Feinberg, presented information on other states' initiatives. According to Ed, states need to look at the structure and development of insurance markets and restructure how public programs offer insurance. He also emphasized the need to understand South Dakota's strengths and weaknesses as compared to other states' strengths and weaknesses. Something that works in Massachusetts may or may not work in South Dakota.

Peggy Handrich (see handouts, "State-Based Health Initiatives" and "2007 Federal Poverty Level Guidelines") helped lead the health care reform initiative in Wisconsin as the state's Medicaid director under Governor Tommy Thomson. There are currently 23 states in the process of a health care reform, many of which are facing similar problems. However, each state is unique and no two states face identical situations.

Peggy discussed other states' approaches to the reform, including Michigan, Indiana, Washington, Texas, Colorado, and California.

Randy Moses, Division of Insurance, provided a contrast between the South Dakota and Massachusetts markets. He said Massachusetts did not take a person's lifestyles into account when determining insurance rates, while South Dakota does. He also said that Massachusetts has long list of mandates, while South Dakota does not have many in comparison.

Cindy Gillespie presented a summary of the information that the task force has received (see handout, "The Problem of the Uninsured in South Dakota"). Her summary was a brief overview of basic information from the 2007 survey. The information is organized into categories of access and affordability.

Health care coverage through Indian Health Services (IHS) is not considered insurance in any of the surveys. According to those polled about IHS services, 52% said that waiting time to see a provider was too long, and 39% rated the quality of IHS medical care as "not very good" or "poor". Location of services and transportation to those services was also a problem.

The members of the task force split into the following workgroups:

- Indian Health Services Workgroup, DHS Secretary Jerry Hofer, Chair
- Insurance, Randy Moses and Dennis Studer, Co-chairs
- Government Programs, DSS Secretary Deb Bowman, Chair
- Long-Term Cost Containment, DOH Secretary Doneen Hollingsworth and BOP Commissioner Sandy Zinter, Co-chairs

The workgroups will be meeting over the next couple of weeks to bring together specific data and to find possible solutions to bring to the task force. Cindy Gillespie's presentation includes a solutions template that will assist the workgroups in recognizing details and specifics of each possible solution.

The next Zaniya project task force meeting will be Thursday, July 12, at the Ramkota in Pierre. The workgroups will be meeting prior to the full group meeting.