

# What must Minnesota do to transform care services for its aging population?

Workshop: June 16 & 17, 2008

Citizens League  
Minnesota Anniversary Project

## Workshop Product Design Ideas

# MN Communities for a Lifetime

## Features:

- Community governance & ownership
- Core activities menu
- Meaningful incentives
  - “hold harmless”
  - Referenda: seniors / schools
  - Opt-in
  - Savings focused

**Target Market:** all sectors, shared ownership

**Finance and delivery:** “self-defined” communities

**First step:** Brand establishment, Standards, Visibility / marketing

# You Give. You Get.

renewed sense of community

## Features:

- volunteer point bank
  - perform volunteer tasks, get points
  - redeem points for services, discounts, exclusive events
- compulsorily savings for K-12
- share, save, spend savings plan

**Target Market:** everyone

**Finance:** sponsorships, grants, buy points, endowments

**Delivery:** Government & United Way

**First step:** feasibility study & pilot program

# Every Minnesotan a Millionaire--Enabling a Long Satisfying Life

## Features:

- Mandatory payroll deduction
- Matched by state if below threshold annual amount; paid for with a more progressive income tax and/or fed share of Medicaid; Medicaid adm savings and fraud
- Limited set of private investment options with/minimal adm fees
- Exempt from income taxes on contribution? Withdrawal?
- Release of funds contingent on having a financial plan; released over time; must retain some funds for end of life care; premised on trusting people to make good choices
- Unused funds passed on to family
- Eliminates Medicaid for LTC-- but safety net for catastrophic costs
- Optional enhanced match for service contributions? Incentives for employer match?
- Multiple themes to capture different people's values/imagination--include sense of why good for broader society

**First step:** Develop the concept with partners and younger generation to make sure how numbers would work--not a back door government trick to get more money--CREDIBILITY

# Americare, Secure USA, Life Security

combine financing into a single product that is person centered

## Features:

- Single product that covers wide variety of options (person-centered)
- Combines dollars from Medicare, Medicaid and LTC
- Employers and individuals obligated to pay in lieu of health care insurance into a national system
- Individually based, options to pay in, but at a certain threshold required (Parents who can afford, pay for children, sliding scale)
- Similar to medical/care savings account, if you don't use it, you can use it toward the care for later life. Incentive for health.
- Some stipulation for copayment
- Want more services you pay more
- It is like an annuity
- Payments in for everyone who is 50 and older is the starting and then we phase it back over 15 years
- Can't escape if wealthy, broader base, have nots will be better off
- Personal responsibility, annuity concept, as you pay in, you educate and mandate
- Payment model doesn't address community
- Efficiency, yes, \$200 billion in Star Trib today.

## Americare, Secure USA, Life Security (continued)

**Target Market:** Start with 50 (or 60) and over

### Finance and delivery:

- Define basic services like cable TV
- Education, it would be in the news, debated, when it hits the streets
- Won't cost less, but better results
- Deficit Reduction Act changed the spend-down dynamic, forces personal responsibility
- 10-15 year phase-in
- Two turning points, leadership to start the phase-in, set mechanisms that begin to bring revenue streams together
- By the time the baby boomers hit, the revenues will mainly be in the large pool

### First step:

- Turning point is the discussion that the system is broken
- Legislation that starts the phase-in nationally or the ultimate waiver for Minnesota

# Company Wonderful

**Description:** A social service organization using models from innovative companies to recruit, retain and support employees – including seniors of retirement age.

## Features: Valuing Employees

- Results only work environment
- Flexibility
  - Flexible scheduling
  - Flexible care time (childcare, senior care, etc.)
  - Flexible wage/benefits packages (e.g. employees earn “points” that can be redeemed for salary and/or benefits, including new insurance products for part-time employees.
- Reorganizing caregiving work to foster relationships
- Focus on wellness: wellness programs in the workplace, senior-friendly design
- Retraining (especially on computers) + laddering

## Company Wonderful (continued)

### Target Market:

- Employers: Health care and social service organizations
- Employees: At all life stages.

### How can we make this happen?

- Innovative for-profit companies partner with health care and social service organizations; mentor on creative human resources strategies. Nonprofits take advantage of Board members' companies.

**Financing:** This should improve the bottom line for organizations.

### Barriers

- Reimbursement
- Regulation
- Cost
- Time

# Keep Truckin'

## Incentive to work age 62-67 while drawing Social Security

### Need:

- Disincentive to work and collect SS between 62 (early retirement) – 67 (full retirement) because above a certain amount you earn, you must pay \$1 for every \$1 earned
- If you retire at 62, the SS amount you get starting at age 62 is the amount you get for life – lower than if you had waited until 67 to draw down

### Features:

- While you're working and drawing SS between 62-67, there is no additional pay-in above certain income level
- If you work and collect SS 62-67, your SS payment amount would be reset at 67 to full amount.

### Target Market:

- All workers. It will be part of the mindset of retirement planning

## Keep Truckin' (continued)

### Finance and delivery:

- Workers continue to pay in to SS while working longer.
- Increase the cap on amount workers pay in taxes to SS.
- SS no longer an entitlement program – above certain wealth (very high), you don't get SS when you retire.

### First step:

- Would need federal policy change
- Congress should call commission to study the details
- Could MN pilot a program? Maybe not possible with how SS is structured
- Education campaign – raise awareness of the way current system works, what current options are