

communityprofile



Many of Minneapolis's buildings are connected by enclosed walkways. The round building in the center is the US Bank Building. Just to the right is Piper Tower. The spire in the left center is the Foshay Tower, which was for many years the city's tallest building.

A Guiding Star The twin cities of Minneapolis and St. Paul, Minnesota, are leading the way in the evolution of health care. Practicing at the forefront stimulates some physicians and frustrates others.

By Pamela Prescott

MINNESOTA: THE GOPHER STATE, THE Land of 10,000 Lakes, the Land of Sky-Blue Waters, the Bread and Butter State. Each of Minnesota's nicknames sheds a little light on this northern state's character.

But it's the official state motto—L'Etoile du Nord, the North Star State—that best defines this state's role in health care and medicine.

As the national health-care system

navigates the difficult waters of rising medical costs, more consumer demands, and a large uninsured population, Minneapolis-Saint Paul and the state of Minnesota will likely be one of the guiding lights to a more equitable system.

Minnesota is charting the course in several important areas. Its attorney general filed a lawsuit in November against the federal government and Donna Shalala, the U.S. Secretary of Health and Human Services, over re-

imbursements it receives for Medicare patients. Although Congress has held firm in not increasing payments to HMOs operating under Medicare, payments to Minnesota plans amount to 50 percent to 60 percent of what's paid to managed-care entities in high reimbursement counties in New York, Pennsylvania, and Florida.

Medicare, created as "a nondiscriminatory, uniform, national program," suffers from "inequalities" and "dispar-

ities” even though all beneficiaries contribute equal percentages to Medicare’s funding, says the complaint filed in U.S. District Court in the District of Minnesota. As a result, for fiscal years 2000 and 2001 the Minnesota legislature has appropriated more than \$13 million and \$16 million respectively to cover unmet needs of senior citizens, an expense physicians and the attorney general view as a penalty for Minnesota’s efficient health-care system. The lawsuit calls for a complete reformulation of Medicare’s payment schemes.

Then, in January, at a health-care summit in the capital of St. Paul, Governor Jesse Ventura said that by the end of his term he wants health insurance for all Minnesota children, better access to health care for minorities, and a more streamlined health-care system that works better for everyone. Eight of his cabinet members, including the health and human services commissioners, have formed a Health Policy Council to look at health care issues as part of the administration’s so-called “Big Plan” that lays out broad goals for the future.

Post-It Notes to pacemakers

From conveniences for the home and office to landmark medical developments, the Twin Cities claims a number of innovations. The world can thank the Twin Cities for supercomputers, Rollerblades, Cheerios, electric toasters, Scotchtape, Post-It Notes, refastenable tapes on disposable diapers, and Spam.

This is also the city where the first successful open-heart surgery was performed. It happened in 1952, performed by F. John Lewis, MD, and C. Walton Lillehei, MD, on a five-year-old child at the University of Minnesota Hospitals and Medical School. Lillehei

distinguished himself as “the father of open-heart surgery,” employing controlled, cross circulation for the first time in 1954, then performing 45 consecutive open heart surgeries.

The world’s first successful heart-lung machine was developed at the University of Minnesota in 1955, and the first successful surgery to replace a heart valve with an artificial valve was performed in 1958. The first clinically usable pacemaker was developed here, which led to the formation of Medtronic, Inc., the world’s leader in the development and manufacture of pacemakers and other implantable and interventional medical therapies.

Christiaan Barnard, MD, the South African cardiac surgeon who performed the first heart transplant, and Norman Shumway, MD, who made it a clinically useful procedure, both received their cardiac surgery education at University of Minnesota.

Just as Minnesota gave direction in the field of cardiac surgery, so it did in the area of managed care. Minnesota was not the only state venturing into the arena in the 1940s, but its brand reflects a strong sense of community resourcefulness and determination.

Two Harbors was a bustling little town north of Duluth on Lake Superior’s north shore. When its only two physicians planned to retire in 1944, the town of 4,000 faced not only the loss of its doctors, but the closure of its hospital, which was owned by one of the physicians.

Raising money from the community, Two Harbors’ residents joined together to create the first non-profit community hospital association, kept the hospital open, and hired physicians to staff it. Their 55-year-old legacy is First Plan of Minnesota, a licensed non-profit health-care system. Although the hospi-

tal now is run by another community-based non-profit consortium, First Plan owns and operates clinics, pharmacies, a home-care service, and an ambulance service in a five-county area, including Duluth and Two Harbors. It also employs 14 physicians and has an HMO with 14,000 members in north-eastern Minnesota.

“The people who started us are an interesting example of average citizens—they were housewives, teachers, railroad workers—who had a phenomenal vision and a will to make it happen,” says Julie Stone, the chief operating officer at First Plan.

“There was a huge commitment to personal responsibility. They went out and raised money, and they weren’t popular with everyone, so they had to duke it out...But they didn’t say ‘somebody else needs to take care of me’.”

Evolving problems

Like managed-care plans everywhere, however, Minnesota’s system is facing some problems. Minnesota’s non-profit health plans reported net financial losses of \$6.1 million in 1998, compared to \$1.9 million in 1997, while reporting continuing enrollment growth to approximately 2.5 million members. This year, expecting the industry to see more expenses than revenue when 1999 financial reports are finalized April 1, Stone believes the solution must come from the consumer’s wallet.

“In this age of consumerism, we all want more but we don’t want to pay for it, and that’s a problem,” Stone says.

Consumers, she says, have been removed from many of the added costs that health plans struggle with as a result of increased use of pharmaceuticals, new pharmaceuticals, and new treatments and technology.

“They’re being brought back into the

fold, though, with cost-shifting measures such as additional co-pays and higher premium contributions," she says.

"Some folks need to be a little more thoughtful of their use of the system."

Minneapolis internist Eugene Ollila, MD, the president of the University of Minnesota Medical School Alumni Association, agrees that consumers are the missing link in the health-care debate, but he feels it's their voice more than their money that's needed.

"So far, it's been mostly HMOs or Congress discussing how to modify the health-care system. The patient hasn't really spoken yet," he says.

His prognosis of the system: "I think we're evolving, and I don't think HMOs are going to last."

"There's this hue and cry because all the health plans are not making much money. It's 'How do we keep the corporation healthy?' The discussion is not 'How do we care for patients?'" Ollila says.

"Our biggest problem is that we've made no societal decisions on how to manage health, disease, and death, and I think physicians will have to step up to the plate to lead those discussions. That's difficult to do when you're seeing patients, but if a doctor moves into administration, you lose that aura of being a physician. Eventually, there will be a separate class of physician/administrator that will lead the system."

Corporate physicians

For physicians in the Twin Cities, being at the fore of managed care can mean unpredictable incomes and changing work conditions. One such change is the cities' vanishing class of private-practice physicians.

"In the West Metro area, among primary-care physicians, the vast majority

are corporate-employed," says Ollila, 54, who practices in a downtown Minneapolis office.

He, like many other physicians, began in a small, physician-owned group practice that had merged with other groups before selling to a corporation.

"We joined Allina four years ago, in November 1995. They bought our office lock, stock, and barrel," he says of the buyout.

Allina Health System, based in Minneapolis, has doctors, hospitals, and health plans serving communities throughout Minnesota, western Wisconsin, and eastern North and South Dakota. It was created in 1994 as a not-for-profit integrated system through the merger of Medica Health Plans and HealthSpan Health System Corporation network of hospitals, clinics, and providers. The health plan has more than one million members. Allina employs or has contractual arrangements with more than 12,000 physicians and other providers.

"Going to Allina was a good fit," Ollila says of his group's move to the company. "They own Abbott Northwestern Hospital, the only hospital we went to, so they seemed to be friends. It was a win-win situation."

Four years later, he is quite discouraged by industry forces, although he says, "the relationship between administrators, hospitals, and physicians is much better here in the Twin Cities than in other places in the country."

Nonetheless, he senses less camaraderie and more self-protection in his profession recently, even in Minneapolis.

"If we want to go to a meeting or take time off, we have to file a form to OK it," Ollila says. "We used to take care of things like this ourselves to make sure things were covered, but now someone else han-

dles the paperwork, and it depersonalizes the process."

Although he says he earns more now as a "bought physician" than he did in private practice, he's also seeing more patients and spending much more time documenting care for official patient charts. He works 60-hour weeks and is on call four nights per week and every fifth weekend. "If you didn't love it, you wouldn't put these hours in," he says.

Still, between doctors, there's less communication and empathy. The organization, he says, does not encourage close relationships among physicians or community involvement.

A sort of survivalist mentality takes over, he says, "You end up fighting for your own circumstances a little bit more, and you forget that other physicians are in the same situation you are. Of course, it would be to a health plan's advantage for a physician not to know other physicians."

Contrary to the trend he sees among physicians, Ollila is a joiner and a leader. In addition to leading the med school alumni association, he also has been involved in the politics of medicine as a member of Hennepin County Medical Association. In 1991 and 1992 he was the chief of staff at Abbott Northwestern.

"The younger physicians are working pretty hard. They're emotionally, mentally, and physically exhausted and don't have a penchant for joining groups such as hospital committees, the county or state medical societies, or a society for their specialty.

"Working for a corporation, you can't be the Lone Ranger anymore," Ollila says. "I don't mean to imply that we're following by the nose now, but I believe people are less inclined to participate in certain kinds of things now,

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especially voluntary activities.”

Independent voices

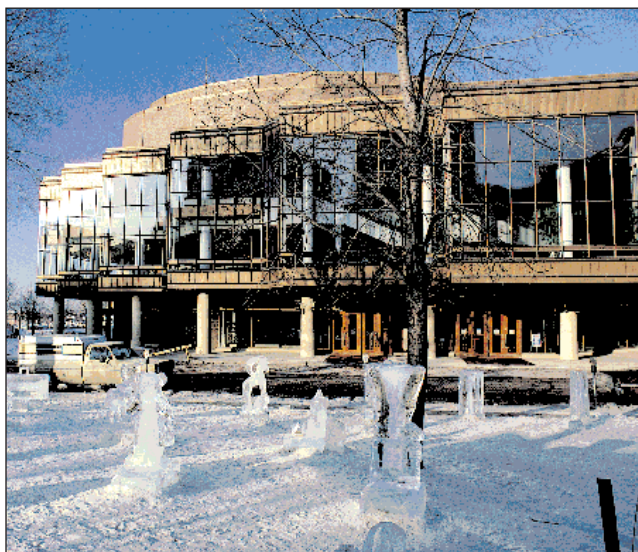
Internist Guilford G. Hartley, MD, has the rare perspective of working in a group of independent physicians. There are about 150 physicians with Hennepin Faculty Associates which provides staffing to the Hennepin County Medical Center hospital in Minneapolis. In his 14 years at HFA, the group has weathered the pressures of managed care and believes staying independent has been the right move for them.

“The medical practice atmosphere here is highly influenced by the managed-care milieu with a great and usually, but not always, constructive emphasis on cost containment,” says Hartley, 50. “We have a very competent, state-of-the-art, competitive community of physicians, surgeons, nurses, ancillary professionals, and institutions.”

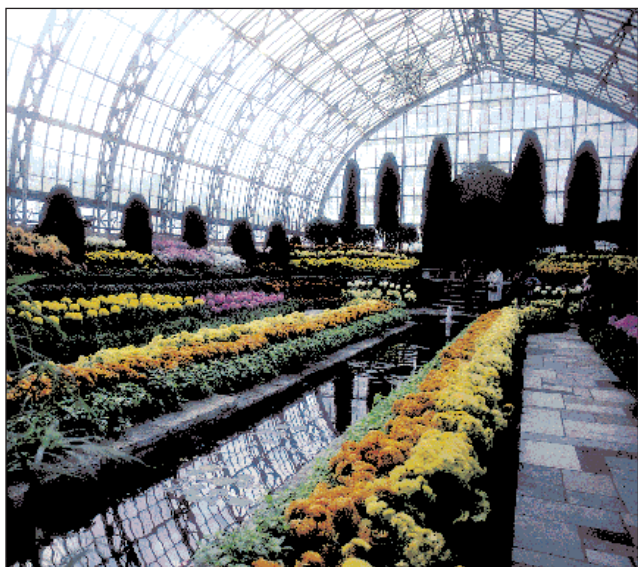
In addition to employing physicians, health plans such as HealthPartners, one of the Twin Cities’ largest, contract with physicians to provide services to their members. This provides these physicians with somewhat more independence than the employment situation.

Orthopedic surgeon Rolf Hauck, MD, has managed to avoid joining one of Minnesota’s big health-care companies by banding together with 17 other orthopedic surgeons.

“In the specialties, groups are merging and getting bigger, just like in other kinds of business.



ABOVE, “Spoonbridge and Cherry,” by Claes Oldenburg and Coosje van Bruggen, in the Minneapolis Sculpture Garden. LEFT, Broadway shows and the St. Paul Chamber Orchestra perform at the Ordway Performing Arts Center in St. Paul. BELOW LEFT, the annual mum show at Como Park Conservatory in St. Paul. The park also houses the Como Zoo.



POPULATION:

Metro Area: 2.68 million
Minneapolis: 368,838
St. Paul: 272,235

CLIMATE:

Annual rainfall: 26 inches
Annual snowfall: 46 inches
Average High/Low Temperatures:
January - 20°/2°, July - 83°/63°
Days of sunshine: 200

TRANSPORTATION:

AIRPORTS - Minneapolis/St. Paul International Airport.
RAIL - Amtrak
BUS - Greyhound, Metropolitan Council Transit Operations, and several regional bus lines.
INTERSTATES - Interstate 94 to Fargo, ND (240 miles) and Milwaukee, WI (338 miles) and Chicago, IL (409 miles); Interstate 35 to Duluth (173 miles), Des Moines (279 miles) and Kansas City (439 miles)

COST OF LIVING:

Indexed at 105.4 (100 is average)
Median home price: \$147,500
Per Capita Income: \$30,123

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In the present marketplace, where medicine is done contractually, it's much more effective to come into the payer and say 'We can take care of the whole city.' To sit down at the table and negotiate any kind of fair deal, you need to be at a certain size if you're going to be heard," Hauck says.

Because he started his practice in 1989 in the Twin Cities, Hauck has always worked in the managed-care environment. Yet he can easily recognize the extra demands the system places on those working independently.

"In my office of nine physicians, we have 50 other employees—[nurses], technicians, secretaries, and business support. We have people in our office who are experts for each of the payers."

While Hauck says he still makes a very good living in his practice, he has seen his income decline, and his group has no plans to add more physicians.

"It's getting harder to tell young doctors what they'll be making here, and for older doctors to maintain what they've been making," Hauck says.

Additionally, recruitment is difficult, especially in the subspecialties, because of the perception that Minnesota is low-paying, Hauck says.

Change of scenery

"In other issues," Hauck says, "the quality of life here is really good. You'd be crazy to come here, though, if you didn't like the weather."

With three daughters, ages 8, 11, and 14, Hauck family activities include cross-country skiing the trails around the lake where they live in North Oaks, near St. Paul, and annual trips to Utah or his native Colorado for downhill skiing. Summers find them at their cabin two hours away in Wisconsin, where they enjoy swimming and water-skiing.

For physicians who enjoy taking ad-

vantage of Minnesota's deep-freeze winters, an occasional warm February day can be a disappointment. When Ollila isn't seeing patients in his downtown Minneapolis office or discussing policy issues in meetings on the University of Minnesota campus, he heads for the outdoors. During the five-month winters, Ollila frequents the community ice rink in his Minneapolis neighborhood. He hits the cross-country ski trails that traverse snow-blanketed urban golf courses and skirt the shores of the Twin Cities' frozen lakes.

"It's a nice place here. I like it when it's cold and snowy. But at times, we have these thaws in January and February that mess up the skiing and skating," says Ollila, adding that after filling out charts all day, there's nothing worse than facing a slushy skating pond or a bald ski trail.

On weekends, as an assistant Boy Scout master, Ollila and his troop often venture to the troop's camp 90 minutes outside the city for outdoor winter camping. "I love it sleeping outside when it's minus 20."

When he can't get far away from the city, he likes to make quick getaways to Fort Snelling State Park, at the confluence of the Mississippi and Minnesota rivers just a few miles from his home. In the summer, historical re-enactors depict life for residents of the first official settlement built in the Upper Midwest, established in the 1820s. Ollila likes the woods and the river bluff views. "You feel like you're in another era. It's a nice respite."

To enjoy the Twin Cities' many cultural and sports offerings, Hauck and his wife, a health-system administrator, share season tickets to the renowned St. Paul Chamber Orchestra, and to Minnesota Vikings football games. They've divided season tickets with

three other couples for the NBA Minnesota Timberwolves, and they've already found someone to share tickets to the Minnesota Wild, St. Paul's new NHL expansion team that will launch its first season next fall.

They will be playing in a new 18,600 seat arena, just one of the venues in St. Paul's new multi-purpose convention, sports, and entertainment complex on the Mississippi River.

Twin Citians have also mitigated the cold by mastering the art of indoor shopping. Southdale, the first fully enclosed suburban shopping center in the country, opened in 1957 in Edina, just west of Minneapolis. Then, there's the Mall of America, a half-hour drive south of the Twin Cities in Bloomington on the former site of the Metropolitan Stadium, where the Minnesota Vikings and the Minnesota Twins once played.

With 4.2 million square feet of space, (five times the area of Moscow's Red Square) the Mall of America contains more than 520 stores, including well-known retailers Nordstrom, Macy's Bloomingdale's and Sears. Fourteen movie theaters, the 70,000 square foot Underwater World Aquarium, Legoland, and Knott's Camp Snoopy amusement park distract the shopping-weary.

Nicollet Mall is downtown Minneapolis' shopping avenue made famous by "The Mary Tyler Moore" show. Shoppers can opt to toss their hats inside the skyway system on chilly or rainy days.

There are many neighborhood shopping districts, such as the well-known Uptown in Minneapolis and Grand Avenue in St. Paul with a wide range of retailers befitting the Upper Midwest's second city only to Chicago.

Theater thrives in the Twin Cities.

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Theater-lovers here patronize the Tony-award winning Tyrone Guthrie Theater and its repertoire of classical and modern plays, Theater in the Round, one of the oldest continuously operating community theaters in the country, and the Old Log, a well-established dinner theater. The Minneapolis Children's Theater, adjoining the Institute of Art, is the largest children's theater in the US.

While winter is the season typically associated with the Twin Cities, summer brings a flurry of outdoor activity. Cyclists and Rollerbladers hit the bike trails, outdoor courts ring with dribbling basketballs, and the urban lakes are decorated with sailboats, canoers, kayakers, and row teams. The Land of 10,000 Lakes really has more than 12,000, and they all reflect the blue sky above, as described in the state's name, which is a Dakota Indian word for "sky-tinted water."

Festivals abound on summer weekends in the neighborhoods and parks. Maris Strautmanis, author of *Newcomer's Handbook for Minneapolis Saint Paul*, published by firstbooks.com, says of the warm-weather activity, "There's no shortage of summer things to do. It does seem to be a summer frenzy, and it belies how anxious people are about winter being just around the corner."

Strautmanis, who lived in the Twin Cities for seven years, was news director at a KFAI radio. He now lives in Oregon, where his wife teaches sculpture at a local college. He says he misses the diversity of people and activities in the Twin Cities.

"My general impression was how much people were willing to organize things, from hockey clubs to visiting people who couldn't get out. For community events, it was great, because there was always something going on,

and it was free too," says Strautmanis.

On the upswing

As the people of Minnesota and the Twin Cities are at work organizing a solution to health care's administrative problems, for some physicians, the changes can't come soon enough.

Internist Stephan Burgeson, MD, whose multi-specialty group divided itself between the Allina Medical Group and Aspen Medical Group in 1994, still bristles at the language of managed care.

"I'm provider No. 317. That's my little inside joke. We were assigned those numbers when we joined Aspen, and it's not what I went into medicine to become," the 37-year-old physician says. "I am a physician, and I practice medicine."

He has watched in disbelief as the number of major hospitals in St. Paul went from 10 to 4 in the past eight years, and as nurses and "less trained people" have taken over some of the work doctors once performed.

"My perspective is that the quality of care is diminished because nobody can afford to pay for that care. I do believe we've hit rock-bottom, and now premiums are starting to go up, and prices are going up for services."

Nevertheless, health care in L'Etoile du Nord is rated among the the nation's best. The 1998 ReliaStar State Health Rankings calls Minnesota the healthiest state in the nation. MinnesotaCare, the state's plan for low-income residents who don't have access to employer-assisted insurance, is a model for subsidized, low-premium coverage.

At the dawn of the 21st century, Minnesota's health plans, physicians, patients, and politicians recognize that each possesses important coordinates to the successful mapping of the state's health-care future. As in the early days

in Two Harbors, fitting their needs together requires a commitment to everyone's involvement and every person's health.

Look to the North Star State to find the way. ■

Pam Prescott is a free-lance writer based in Roscoe, Illinois.