

HEALTH AND HUMAN SERVICES COMMITTEE

MINUTES

Representative Paul Anders Ogren, Chair of the Health and Human Services Committee, called the twenty-ninth meeting to order at 10:10 A.M. on Friday, October 20, 1989 in Room 215 of the Southwest Technical College, Pipestone, Minnesota.

Representative Ogren instructed the clerk to note the roll.

Present were:

Ogren, Chair
Cooper
Dauner
Greenfield
Onnen
Ostrom
Swenson
Williams

All other members of the Health and Human Services Committee were excused.

The following persons testified before the committee relative to "Health Care on the Family Farm:"

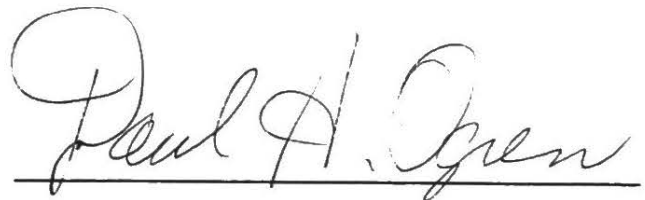
Erlin Weness, Area Farm Management Agent, Nobles County presented data and testimony relative to farm family health insurance trends (toward higher deductible/dropping health insurance) and issues (few groups available for farmers to buy insurance with, tax deduction limitations and "fairness" - farmers not able to enjoy tax benefits of incorporation). See Exhibits A and B.

Connie Schwartou, County Extension Agent, Home Economics, for Pipestone County presented data and testimony relative to Survey by the Rural Health Task Force of the Minnesota Coalition on Health in 1987. See Exhibit C.

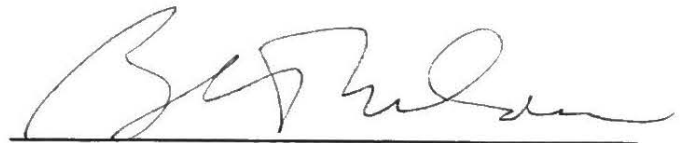
Other testifiers were:

Jim Bloch, Farmer/Contract Mediator, Westbrook, Minnesota.
Lou Anne Kling, Family Farm Advocate, Granite Falls, Minnesota.
Bonnie Fredrickson, Public Health Administrator, Nobles and Rock County. See Exhibit D.
Boyd Nelson, Farmer, Ruthon, Minnesota.
Dennis Martius, Insurance Agent for Lutheran Brotherhood in Luverne, MN.

Representative Ogren adjourned the meeting at 12:15 P.M.



PAUL ANDERS OGREN, CHAIR



Bruce Hall Nelson, Clerk

Attachments

A

TABLE 8
****** HOUSEHOLD AND PERSONAL EXPENSES FOR 1988 ******
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Profit / Loss)

	Average For All Farms	Average For Low 20%	Average For High 20%
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Number of Farms	120	27	17
Average Family Size	3.8	3.4	4.2
Household Expenses			
Food and Meals	4,467	3,926	4,601
Medical Care and Health Insurance	3,067	2,208	4,668
Church and Charity Donations	1,461	1,332	2,146
Operation and Supplies	1,977	1,903	1,965
Clothing and Clothing Materials	1,652	1,272	2,097
Personal Care and Spending	1,252	1,226	1,834
Child Care	177	177	120
Gifts and Special Events	1,419	1,190	1,402
Education	929	598	1,722
Recreation	1,350	1,129	1,625
Utilities (Household Share)	918	832	1,046
Nonfarm Vehicle Operatng Expenses	1,462	1,516	1,619
Household Real Estate Taxes	38	65	38
Dwelling Rent	125	87	126
Nonfarm Interest Expense	150	137	24
Living from the Farm (Noncash)	317	285	657
Total Family Living Expenses	20,761	17,883	25,689
Capital Expenditures			
Upkeep on Dwelling	309	190	327
Furnishings and Equipment	784	556	526
Personal Vehicle Purchases	1,462	1,533	838
Other Personal Purchases	2,930	252	8,679
Life Insurance Payments	1,352	1,433	1,275
Savings	2,489	1,676	6,177
Total Capital Expenditures	9,327	5,640	17,822
Income Taxes	7,311	6,313	13,912
Partnership Draws	475	0	0
Total Family uses of Cash	37,556	29,551	56,767
Percentage of family living expense spent on health care.....	15%	12%	18%
Rank of health care among categories.....	2nd	2nd	1st

Economic Report ER89-2
 Department of Agricultural and Applied Economics
 Institute of Agriculture
 St. Paul, Minnesota 55108
 May, 1989

COOPERATING AGENCIES:

University of Minnesota, Institute of Agriculture
 County Extension Services of the 16 Southwestern Counties
 Southwestern Minnesota Farm Business Management Association

B

SUMMARY
SOUTHWESTERN MINNESOTA FARM BUSINESS MANAGEMENT ASSOCIATION
INSURANCE SURVEY OF MEMBERS

APRIL 11, 1988

HEALTH INSURANCE

	MPLL Counties	MWCR Counties	NJ Counties
Number reporting	31/31	37/38	*28/36
Ave deductible amount	675	825	649
High deductible amount	2,000	2,500	2,000
Low deductible amount	200	100	250
<hr/>			
Ave major med coverage	1,000,000	882,142	1,068,000
High major med coverage	** (7) UL	** (1) UL	** (6) UL
Low major med coverage	250,000	250,000	250,000
<hr/>			
Total cost health ins.	\$37,280	\$51,177	\$54,364
Average cost health ins.	\$1,203	\$1,383	\$1,942
High cost health ins.	\$2,392	\$3,400	\$5,000
Low cost health ins.	\$408	\$180	\$528

* Three farms indicated they carried no health insurance.

** Unlimited coverage

Summarized and compiled by:
Dary Talley
Perry Fales
Erlyn Weness
Minnesota Extension Service
University of Minnesota

C

Survey conducted by the Rural Health Task Force of the Minnesota Coalition on Health in 1987

Health Insurance Coverage

Fee for Services -	83.2%
Health Maintenance Organization	2.5%
No Coverage	11.2%

How coverage is paid

All by Outside Source	8.4%
Part by Outside Source	12.9%
Farmer Pays all	63.4%
Other	1.2%

Deductible per person

No deductible	6.9%
\$100 or less	15.3%
\$101-\$200	8.3%
\$201-\$500	27.0%
\$501-\$750	9.3%
\$751-\$1000	10.7%
More than \$1000	6.1%

Amount spent in 1985 for Health Related costs has less Insurance premium

Less than \$200	10.4%
\$201-\$500	21.0%
\$501-\$750	14.1%
\$751-\$1000	12.9%
\$1000-\$1500	12.9%
\$1501-\$2000	8.7%
\$2001-\$3000	10.4%
More than \$3000	6.9%

Minnesota Farm Women Study - 1988

of women employed off the farm only 40% received health insurance as an employee benefit

HEALTH STATUS CONTINUUM

Optimum Health

Well

Risk Present

III

Premature Death



LEVELS OF PREVENTION

Primary Prevention

Secondary Prevention

Tertiary Prevention

Early Identification | Early Treatment



HEALTH PROMOTION STRATEGIES

Risk Avoidance

Risk Reduction

