

HEALTH CARE REFORM

EXECUTIVE SUMMARY

A Public Opinion Study

Winter 1998

Since the early 1990's, the concept of health care reform has received a great deal of attention from the media and policymakers. Only recently, however—after continual media attention exposed the public to potential policy alternatives and trade-offs related to those alternatives—has the public become engaged in the issue of health-care reform. The public has become aware of the specific issues related to health care and is now ready to address the topic of health-care reform.

This winter, Charlton Research was asked by the Congressional Institute to assess current attitudes toward health care and health-care reform.

Overall, our findings suggest that people have not yet come to a mature judgment about health-care reform. Instead, they are at the stage of weighing potential policy implications against personal values systems and health-care experiences. Although they are not ready to make a mature decision, the public is searching for leadership that will guide them through the health-care reform debate.

Back in 1991, the Congressional Institute conducted a research study which identified the underlying values surrounding health care in America. Their research found that the most important values people associate with health care include: Choice, Accessibility, and Quality. In 1992, the Congressional Institute commissioned Charlton Research to explore several additional values related to health care which include: Affordability, Effectiveness, Accountability, and Technology (See Figure 1).

The research also indicated that the issue of health-care reform was in Stage Three of the Public Judgment scale as Americans were just beginning to decide whether they wanted to deal with health-care reform on a national scale. The 'Public Judgment Model' offers an effective tool for identifying on what level issues are located in the decision-making process (See Figure 2). Understanding where specific issues fit into the scale allows us to determine if people:

- Are conscious of the issue
- Have begun weighing trade-off scenarios, or
- Have taken a firm stance that is consistent with their values.

HEALTH CARE VALUES



Fig 1

PUBLIC JUDGMENT MODEL



Fig 2

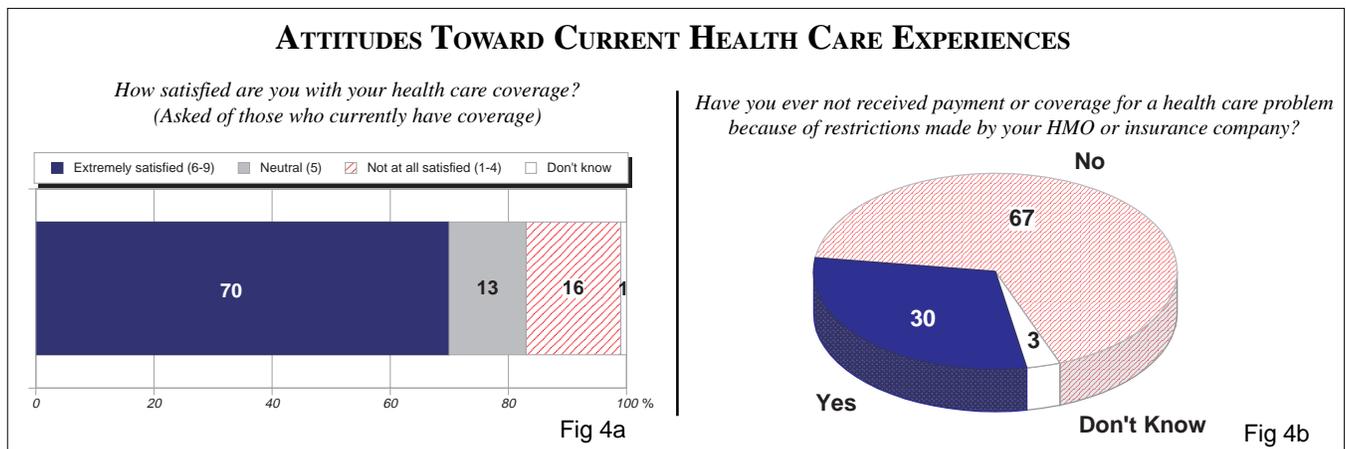
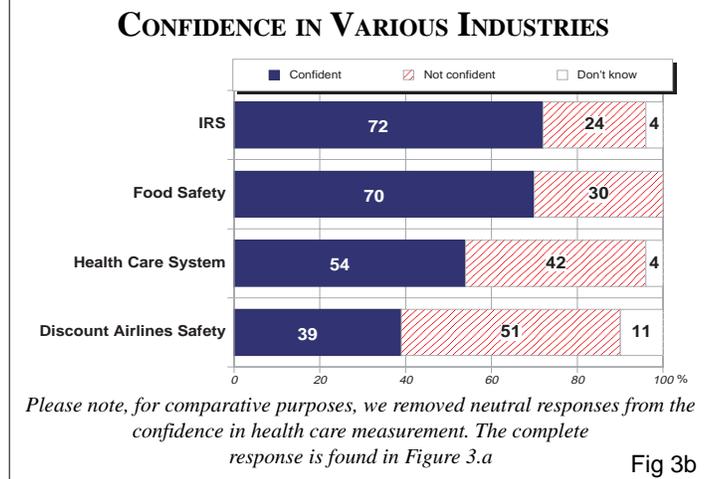
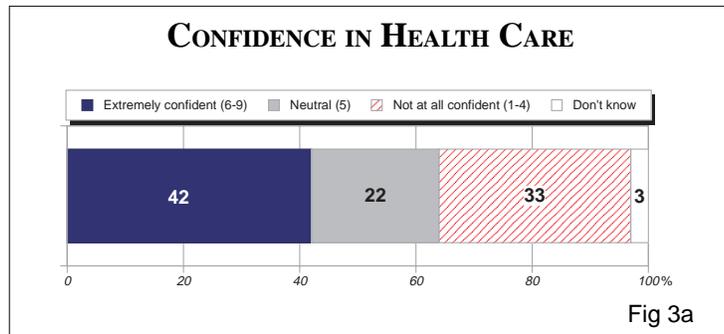
ANECDOTAL FEAR LEADS TO LOW CONFIDENCE IN HEALTH CARE SYSTEM

Less than half of all Americans say they are confident that America's health-care system effectively meets their needs (See Figure 3a).

When compared to confidence in other industries and organizations, health care ranks relatively low (See Figure 3b). In fact, about seventy percent of Americans are confident that the IRS will promptly and accurately handle taxpayers' returns and inquiries (Associated Press, April 1997) and that the food we eat in the United States is safe (Wirthlin Worldwide, August 1997). Only confidence in the safety of discount airlines ranks lower than confidence in the health-care system (Time/CNN, March 1997).

Interestingly, while people have relatively low confidence in the health-care system, those who have insurance are very satisfied with their current coverage (See Figure 4a). This indicates that a gap in perceptions has emerged between

people's actual health-care experiences and their fear of future health-care experiences. One reason why this gap may have appeared is that people view health-care issues in anecdotal—rather than rational—terms. Although a majority of people may not have had any problems in their health-care experiences (See Figure 4b), they have heard of someone who has, and fear a problem could happen to them in the future.



Recent attention given to the possibility that Medicare may go bankrupt in the future has also fueled fears about the future of health care. In fact, despite recent congressional action on the issue, eight-out-of-ten people said they are concerned that Medicare may go bankrupt in ten years; two-thirds of those people are very concerned about the bankruptcy possibility (See Figure 5a). Nevertheless, people liked the idea of allowing people between the ages of sixty-two and sixty-five to purchase Medicare coverage, even if it places additional burdens on the overall system (See Figure 5b).

FEAR OF MEDICARE BANKRUPTCY CAUSE PEOPLE TO FAVOR EXPANDED AVAILABILITY

How concerned are you that Medicare may go bankrupt in 10 years?

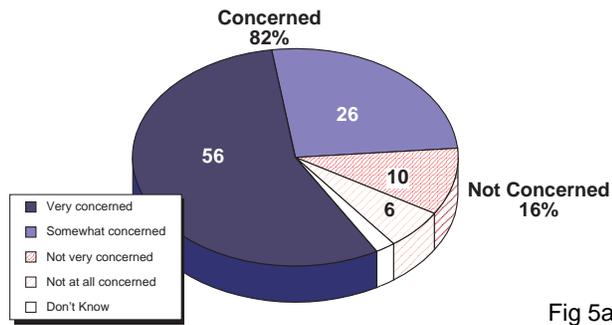


Fig 5a

Do you agree that people between the ages of 62 and 65 should be able to purchase Medicare health insurance, even if it places additional burdens on the overall system?

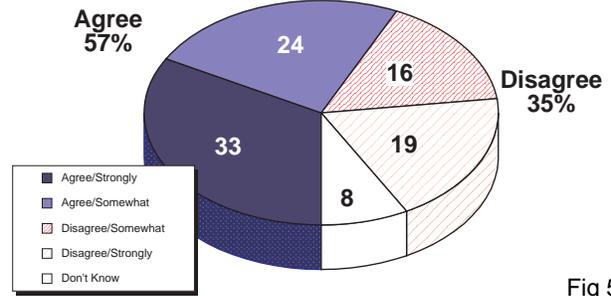


Fig 5b

HEALTH CARE EXPERIENCES—NOT DEMOGRAPHICS—DRIVE DESIRE FOR SYSTEM CHANGE

Not surprisingly, shaky confidence in the future of health care has also caused nine-out-of-ten Americans to desire some change in the system (See Figure 6). Over one-third of those people want the nation's health-care system to be substantially reformed. Interestingly, *demographic characteristics* are generally not the most important factors driving attitudes toward a health-care system change.

Instead, *experience* with the system is more likely to influence these attitudes. For example, those who claim to be enrolled in a managed care program are more likely than those who have fee-for-service or Medicare/Medicaid to believe the health-care system should be substantially reformed. Conversely, Medicare patients are much more likely than other respondents to want the system to remain exactly the same. In addition, those who indicated they were "not at all" confident in the health-care system are much more likely than others to believe that the health-care system needs substantial reforms, while those who are "somewhat" or "very confident" in the health-care system are more likely to believe the system requires only "some" changes to correct its shortcomings. Finally, people who are "not satisfied" with their current health-care coverage are more likely to believe the system needs to be substantially reformed.

Although many Americans want changes to the system, they do not want those changes to include more regulations. Two-thirds of respondents think health care in this country is regulated enough, and only one-quarter believe there should be more regulations. Of those who believe there should be more regulations, a majority would oppose those regulations if they would increase government bureaucracy or increase health-care costs (See Figure 7).

CHANGE IN THE HEALTH CARE SYSTEM

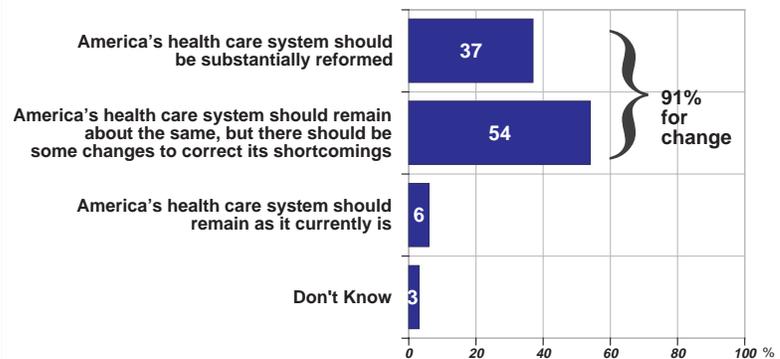


Fig 6

HEALTH CARE REGULATIONS

Do you think health care in this country is regulated enough, or should there be more regulation?

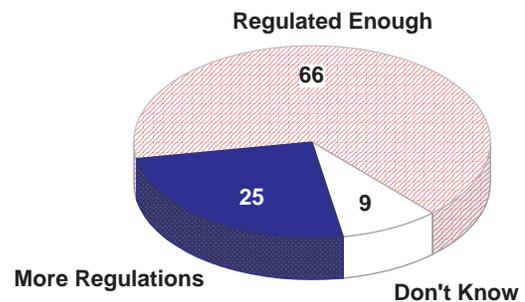


Fig 7

PATIENT CONTROL AND QUALITY STILL A CONCERN BUT COST ISSUES ALSO GAIN MOMENTUM

While people feel the health-care system has many problems, cost and lack of choice are the two most important problems identified by Americans (See Figure 8). In fact, sixty percent of people mentioned the overall cost of health care or the affordability of health insurance as the most important problems facing health care today. About one-third mentioned lack of choice for insurance plans and doctors. Issues such as quality, regulation, and access received much less attention.

Although they can identify the problems facing the health-care system, Americans are less able to identify specific solutions. Instead, most people mentioned the desire for overall general improvement of the system, a reduction in health-care expenses, or an increase in availability for all Americans (See Figure 9). Fourteen percent mentioned their desire to help specific groups including parents, children, or the elderly. Three percent said they wanted government to stay out of the health-care system. Finally, although they had named lack of choice as a relatively important health-care problem above, less than one percent of respondents identifying potential health-care solutions health said the health-care system should be changed to offer consumers more choice.

A split in attitudes emerged when people were given a series of trade-off scenarios to determine which policy alternatives were most favored as changes to the system. While slight majorities of people agreed that treatment availability and patient control should receive more consideration than costs, large portions of Americans believe that health care costs need to be controlled. For example, while fifty percent of Americans believe there are too many limits on treatments paid for by insurance companies, forty-three percent believe these limits are necessary to keep costs down and hold doctors accountable for not wasting scarce health-care dollars (See Figure 10a). Similarly, fifty-four percent believe that policymakers should focus on providing universal coverage, yet

MOST IMPORTANT HEALTH CARE PROBLEM

What is the most important problem facing health care today?
What is the second most important problem?

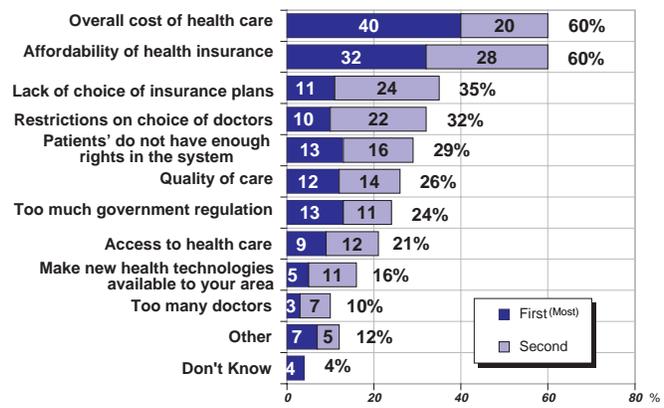


Fig 8

HEALTH CARE SOLUTIONS

How do you think America's health care system should be changed?

	First Mentions %	Total Mentions %
Overall Improvement	23	26
Make more affordable	20	25
Make more available	20	22
Help specific groups	14	16
No more government regulation	3	3
Other	6	8
Don't know	14	14

Fig 9

HEALTH CARE POLICY TRADE-OFF: PHYSICIAN ACCOUNTABILITY AND TREATMENT LIMITS

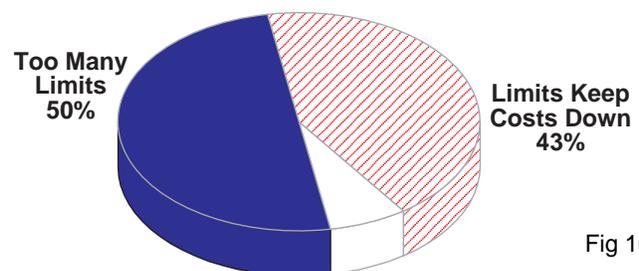
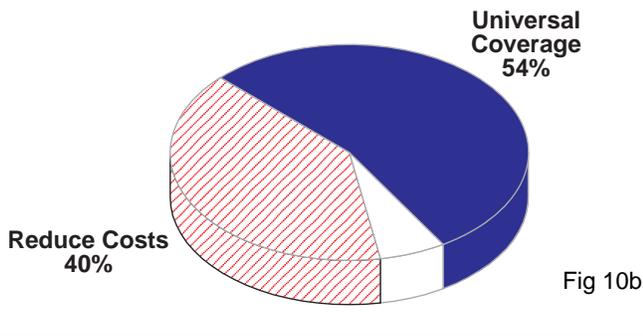


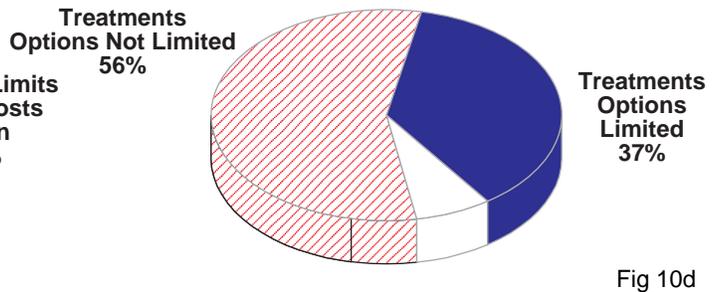
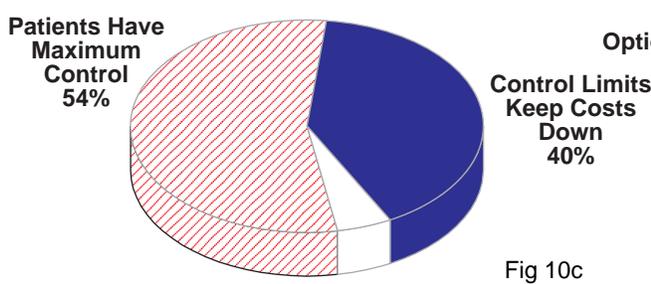
Fig 10a

**HEALTH CARE POLICY TRADE-OFF:
INSURANCE AVAILABILITY**



forty percent believe they should focus on reducing health-care costs (See Figure 10b). Fifty-four percent believe that patients should have maximum control over health care regardless of costs, while forty percent believe that patients need to accept some limits to keep health care affordable (See Figure 10c). Finally, fifty-six percent of Americans believe that a patient’s treatment options should never be limited, regardless of cost, while thirty-seven percent believe that treatment options need to be limited to control health-care costs (See Figure 10d).

**HEALTH CARE POLICY TRADE-OFFS:
PATIENT CONTROL**

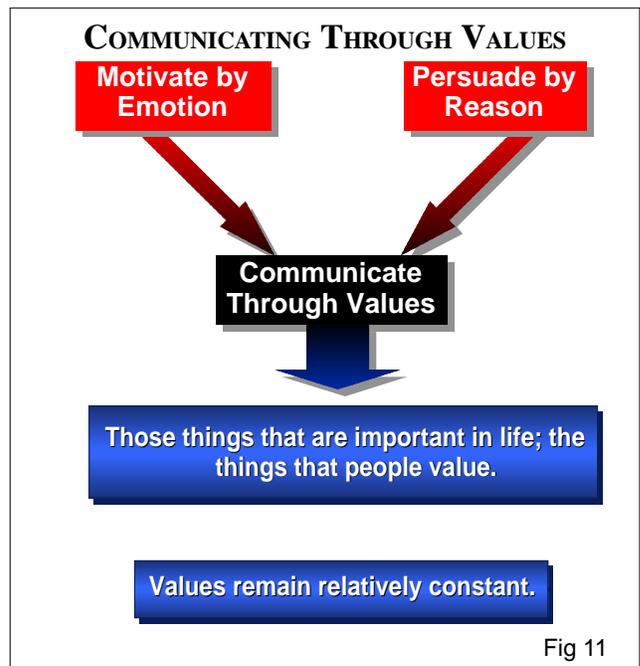


VALUES-DRIVEN MESSAGES HELP OVERCOME PERSONAL NATURE OF HEALTH CARE EXPERIENCE

The very personal and anecdotal nature of people’s health-care experience makes it difficult for policymakers to communicate with a wide audience of Americans. Identifying the underlying values people attach to health care gives policymakers a language from which to develop wide-reaching policies and educate the public about the issues.

Values are the things that lie just below the surface of opinions and attitudes. They are the things people consider most important in life and therefore offer a prism through which people can make a judgment on an issue. Like opinions and attitudes, values are also influenced by outside stimuli. However, values are simplified concepts that can be applied to many issues and allow different kinds of people to communicate on a level plane (See Figure 11).

The earlier research commissioned by the Congressional Institute identified seven values people associate with health care. These include:



HEALTH CARE VALUES

Quality—Satisfaction with care from doctors, nurses and hospitals

Affordability—Being able to afford insurance or cost of treatment

Technology—Improvement of drugs, treatments and medical devices

Accessibility—Ability for everyone to visit a desired doctor or hospital when needed

Effectiveness—Ability of health care system to meet individual needs

Choice—Ability to choose from different treatments and medical procedures

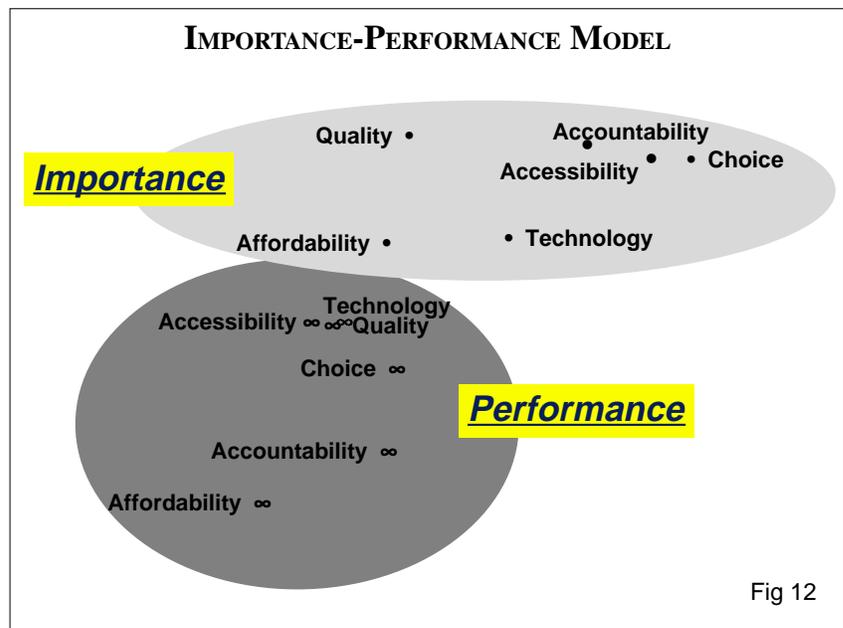
Accountability—Doctors, insurance companies and hospitals should be held accountable for their performance

Please note these values are listed in no particular order.

While all of these values associated with health care are important, people often focus on one value over another depending on where they may be in the public judgment process. For example, when first considering health-care reform policies, people may focus on concepts surrounding Quality and Control—two ideas equated with the pre-managed care system. As the issue moves along the policy debate life cycle, however, the concepts of Choice and Accessibility may become more important as people struggle with potential trade-offs.

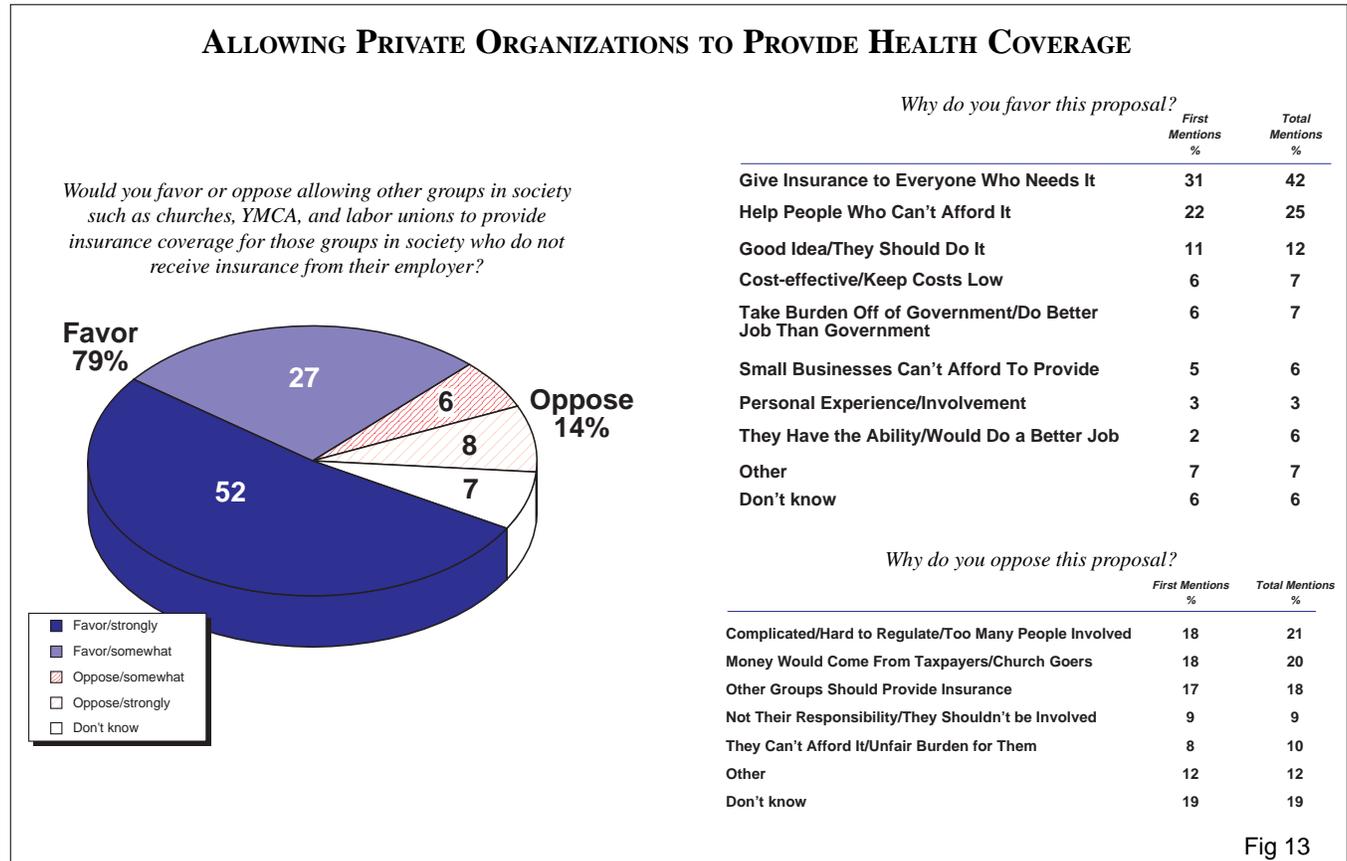
IMPORTANCE VS. PERFORMANCE GAPS

Using the Martilla-James Importance-Performance Model, we asked people to rate the importance of these values as well as how well they think each is being achieved by the current health-care system. In comparing people’s attitudes toward the importance of these values with their judgment of performance, we can identify where the American public would like policymakers to concentrate their reform efforts. The results indicate that, overall, people do not believe the health-care system is performing at the level they desire (See Figure 12). The largest disparity exists in people’s desire for Accountability and the system’s lack of performance in holding doctors, hospitals and insurance companies accountable for their services without waste, fraud or abuse. This Importance-Performance gap in Accountability was followed closely by a gap in the importance of Affordability and the system’s poor performance in keeping treatment and insurance affordable for all Americans. Finally, although not as large, Importance-Performance gaps also existed in Choice, Quality, Accessibility, and Technology.



PEOPLE WILLING TO EXPLORE POLICY ALTERNATIVES

People are interested in exploring new health-care policy alternatives which they hope will address their concerns. A particularly popular concept is one which would allow other groups in society—such as churches, YMCAs and labor unions—to provide insurance coverage for people who do not have access to health insurance from their employer (See Figure 13). Those who favored this idea liked the fact that it would increase accessibility to those who currently do not have insurance. People who did not like the idea, however, felt that it would just complicate the insurance process and take more money from taxpayers.



METHODOLOGY

A telephone survey lasting approximately 25 minutes was conducted among 800 adults nationwide from January 8—13, 1998. This sample size, which was proportionate to the country's demographics including geography, gender, voter registration and ethnicity, yields a $\pm 3.5\%$ margin of error.

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