

KAISER PUBLIC OPINION SPOTLIGHT

Kaiser Public Opinion Spotlights provide in-depth analysis of public opinion on a variety of health care and health policy topics. Each Spotlight uses public opinion data from Kaiser surveys and other sources to examine current views and trends.

Updated: January 2006

The Public, Managed Care, and Consumer Protections

While a comprehensive Patients' Bill of Rights hasn't been debated in Congress for several years, there has recently been state- and national-level legislative and judicial action on the issue of patients' right to sue their health plan. In June 2004, the U.S. Supreme Court overturned a Texas law that gave patients the right to sue their health plans for damages in state court.

This Public Opinion Spotlight uses current and historical public opinion data from the Kaiser Family Foundation and other polling organizations to examine the public's attitudes towards and experiences with their health plans, with a specific focus on managed care. It also looks at current and historical support for legislative action with regards to patients' rights.

Views of Health Plans and Managed Care in General

Privately insured adults under age 65 give consistently high ratings to their own health plans, with majorities giving their plans a grade of A or B. However, those in more restrictive managed care plans tend to give lower ratings than those in less restrictive plans.

Despite high ratings for their own plans, most express generally negative views about managed care's impact. While many say that managed care has increased access to preventive health services, majorities believe managed care has decreased access to specialists, the time doctors spend with patients and quality of care for the sick. Further, six in ten feel that managed care has not produced significant health care savings.

About one third (30%) of adults with health insurance say they are very worried about their health plan being more concerned about saving money than providing the best treatment, and another third (31%) say they are somewhat worried.

Despite the fact that the Patients' Bill of Rights debate has received less attention in Washington in the past few years, more people say that problems with managed care plans have gotten worse in the past 3 or 4 years (29%) than say they have gotten better (12%). Nearly half (48%) say they have stayed about the same.

Attitudes Towards Legislation

From 1998 through 2001, when a comprehensive Patients' Bill of Rights was being debated in Congress, large majorities of the public said they were in favor of such legislation. At that time, seven in ten (69%) said that it would be very or somewhat important to them that such a law includes the right to sue a health plan. More recently, in August 2004, 57% said they would favor a new law giving people the right to sue.

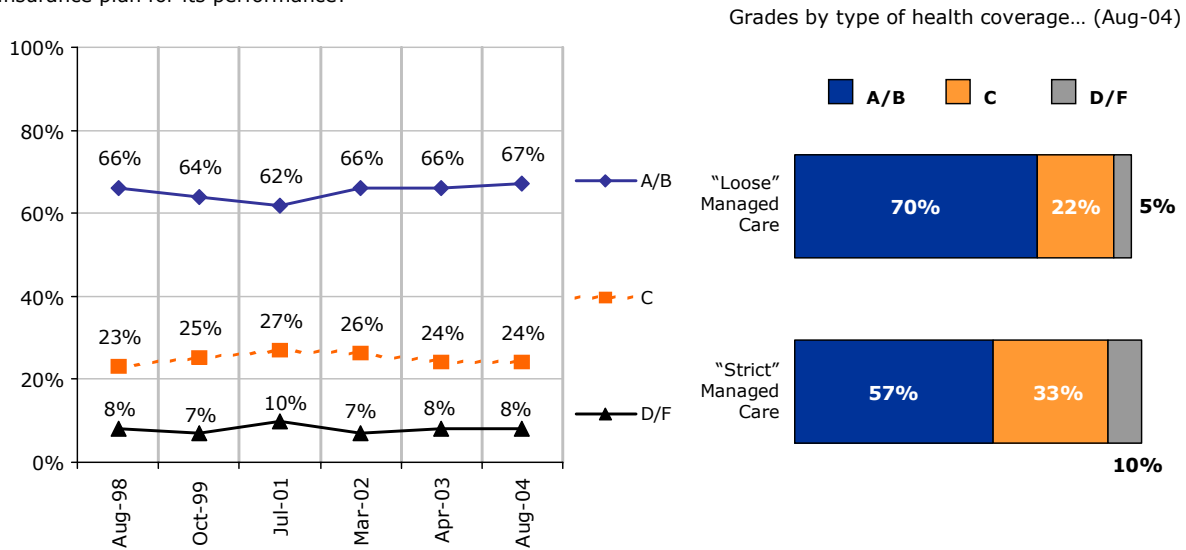
It's important to note that, while the public is supportive of patients' rights legislation, criticisms of such legislation register with the public. Despite high support for patients' rights legislation during the height of the debate, support decreased when potential cost consequences were raised. While eight in ten said they would favor a Patients' Bill of Rights in 2001, support dropped to 58% when supporters were read an argument often made by critics – that it would increase premiums by about \$20 a month. Support dropped even further – to 34% – when supporters were read the argument that it would mean that some companies might stop offering health insurance to workers for fear of being sued.

1. Consumer Ratings of Health Plans

Privately insured adults under age 65 give consistently high ratings to their own health plans, with majorities giving their plans a grade of A or B (67% in August 2004). However, health plan ratings differ according to how restrictive the plan is. Seven in ten adults in "loose" managed care plans give their plans a grade of B or higher, compared with fewer than six in ten (57%) among those in "strict" managed care plans¹.

Consumer Ratings of Health Plans

What letter grade would you give your current health insurance plan for its performance?



Based on adults ages 18-64 with private health insurance

Source: Kaiser Family Foundation Public Opinion Spotlight

¹ Respondents were divided into "strict" and "loose" managed care based on their responses to questions about whether their health plan requires them to do any of the following:

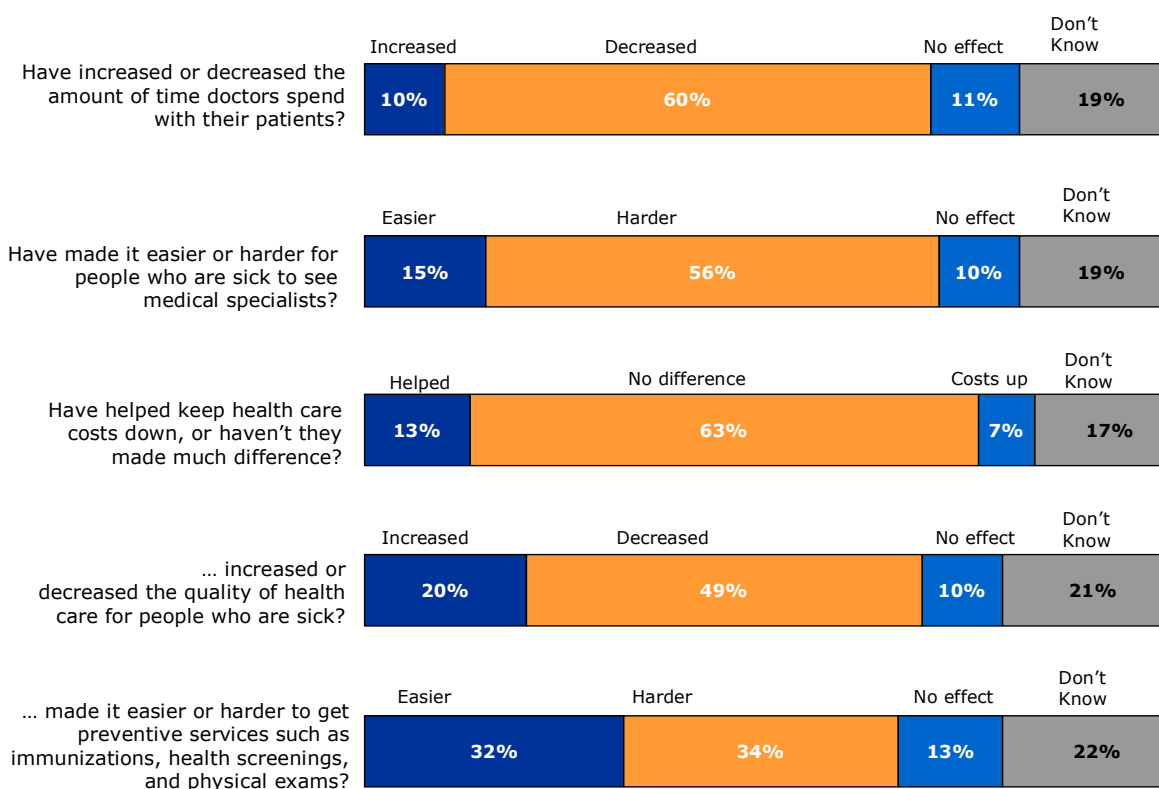
- Choose a doctor from a list
- Sign up with a primary care doctor for routine health care
- Get approval before visiting a doctor not in the plan
- Get a referral from a primary care doctor before seeing a specialist

2. Views About Managed Care's Impact

The public expresses generally negative views about managed care's impact. While about a third (32%) say that managed care has made it easier for people to get preventive health services, majorities believe managed care has decreased the time doctors spend with patients (60%) and made it harder for people who are sick to see specialists (56%), and nearly half (49%) say managed care has decreased quality of care for the sick. Further, six in ten (63%) feel that managed care has not produced significant health care savings.

Views About Managed Care's Impact

During the past few years, do you think HMOs and other managed care plans...



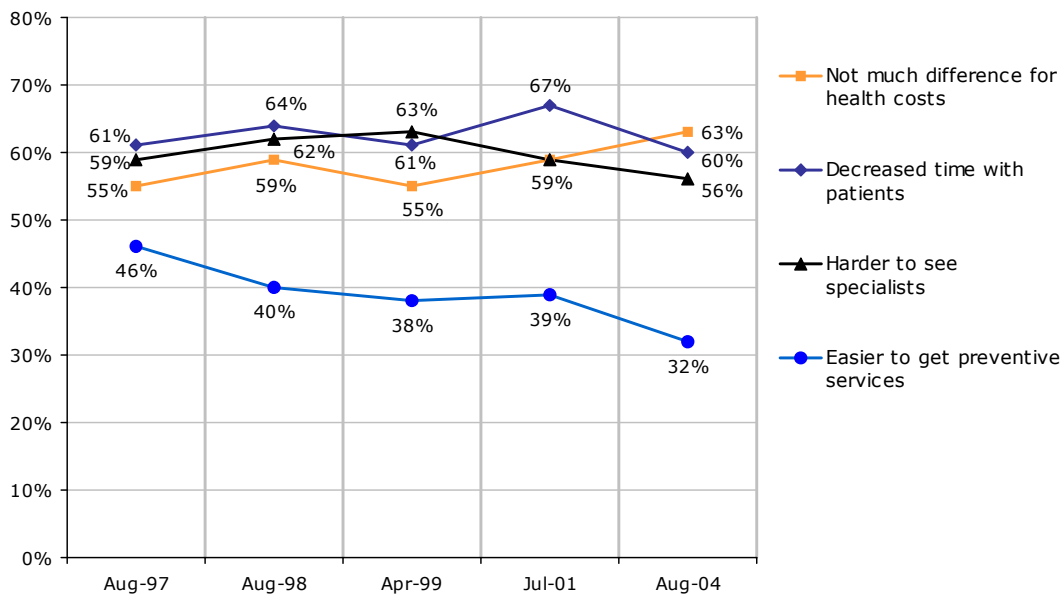
Source: Kaiser Family Foundation *Health Poll Report* survey (conducted August 5-8, 2004)

3. Views About Managed Care's Impact - Trends

The share of the public expressing negative views about managed care's impact has remained fairly steady since 1997, while the share saying that managed care has made it easier to get preventive services has declined somewhat, from 46% in 1997 to 32% in 2004.

Views About Managed Care's Impact - Trends

Percent saying that during the past few years, HMOs and other managed care plans have...



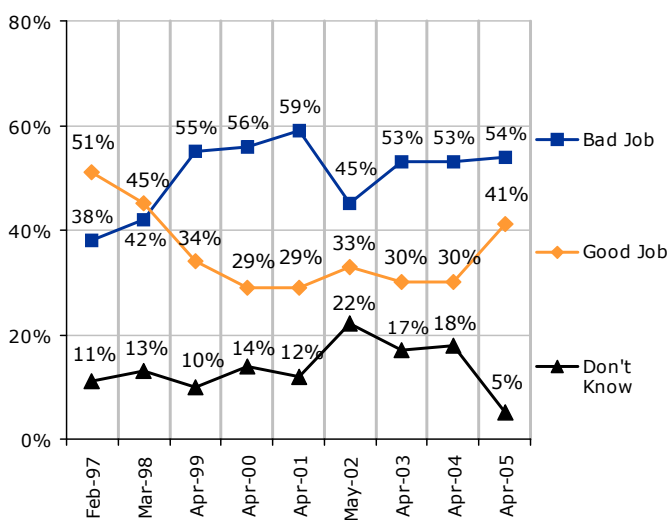
Source: Kaiser Family Foundation Public Opinion Spotlight

4. Views of Managed Care and Customer Service

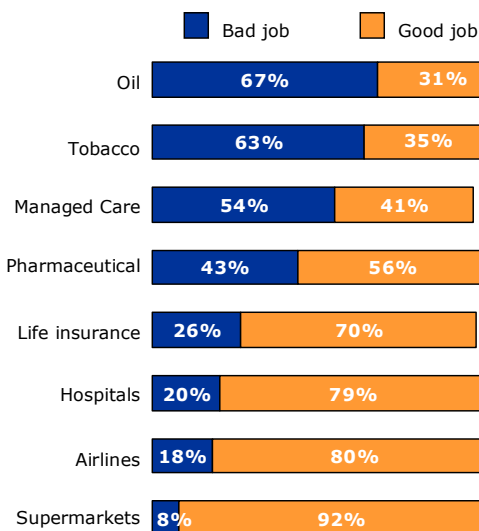
Since 1997, more people have said that managed care plans do a “bad job” than a “good job” serving consumers. In a survey in April 2005, the public was more likely to say that managed care plans do a bad job serving consumers (54%) compared with many other industries, including pharmaceutical companies (43%), life insurance companies (26%), hospitals (20%), airlines (18%), and supermarkets (8%). Oil companies (67%) and tobacco companies (63%) each received a worse rating than managed care.

Views of Managed Care and Customer Service

Do you think managed care companies generally do a good job or bad job serving their consumers?



Ratings of customer service in other industries.. (Apr-05)*



* Don't know responses not shown

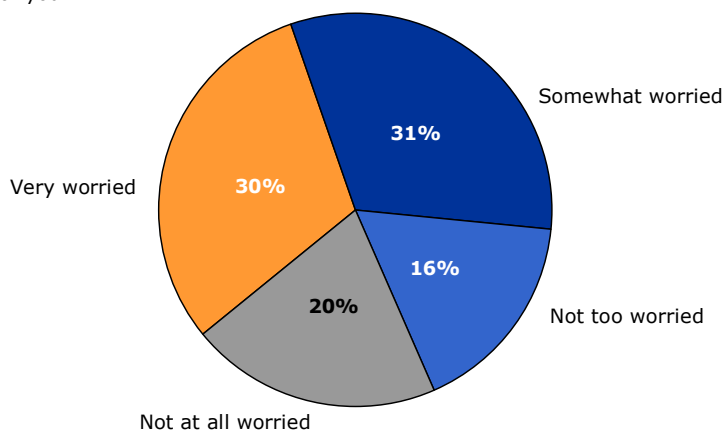
Source: Harris Interactive Polls

5. Worry About Health Plan Being Mainly Concerned About Saving Money

About one third (30%) of adults with health insurance say they are very worried about their health plan being more concerned about saving money than providing the best treatment, and another third (31%) say they are somewhat worried.

Worry About Health Plan Being Mainly Concerned About Saving Money

How worried are you about your health plan being more concerned about saving money for the plan than about what is the best treatment for you?



Note: Based on adults with health insurance. Don't know responses not shown.

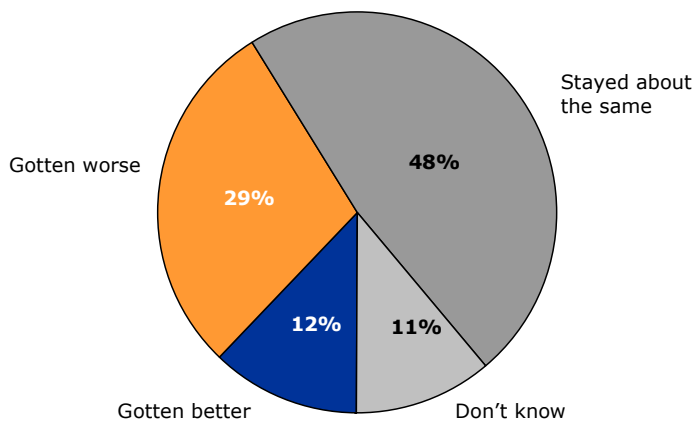
Source: Kaiser Family Foundation *Health Poll Report* survey (conducted October 4-9, 2005)

6. Perception of Change in Managed Care Problems Over Past Several Years

Despite the fact that the Patients' Bill of Rights debate has received less attention in Washington in the past few years, more people say that problems with managed care plans have gotten worse in the past 3 or 4 years (29%) than say they have gotten better (12%). Nearly half (48%) say these problems have stayed about the same.

Perception of Change in Managed Care Problems Over Past Several Years

Over the past several years, you may have heard about problems people have with HMOs and managed care plans. These problems could include things like denials of coverage for health care services, payment delays, and difficulty getting referrals to see a particular doctor. Compared to three or four years ago, do you think that these types of problems with managed care plans have gotten better, gotten worse, or stayed about the same?



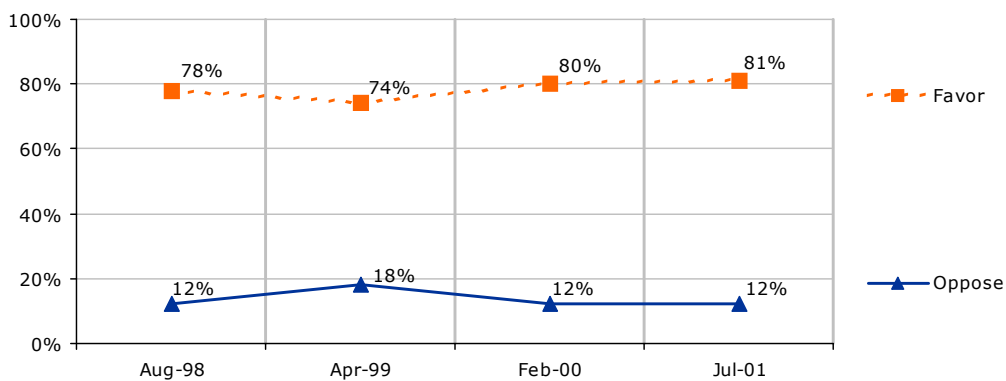
Source: Kaiser Family Foundation *Health Poll Report* survey (conducted August 5-8, 2004)

7. Views of the Patients' Bill of Rights Debate

From 1998 through 2001, when a comprehensive Patients' Bill of Rights was being debated in Congress, large majorities of the public said they were in favor of such legislation.

Views of the Patients' Bill of Rights Debate

A law, called the Patients' Bill of Rights, has been proposed that would require HMOs (Health Maintenance Organizations), other managed care plans, and health insurance companies to provide people with more information about their health plan, make it easier for people to see medical specialists, allow appeals to independent reviewers when someone is denied coverage for a particular medical treatment, and give people the right to sue their health plan. Do you favor or oppose such a law?



Note: Don't know responses not shown

Source: Kaiser Family Foundation Public Opinion Spotlight

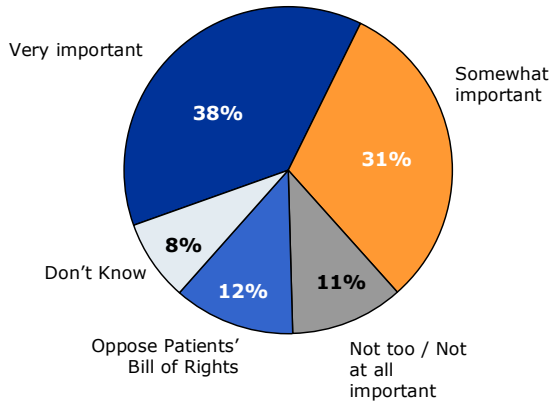
8. Support for the Right to Sue One’s Health Plan

While a comprehensive Patients’ Bill of Rights has not been debated in Congress for several years, there has been state- and national-level legislative and judicial action on the issue of patients’ right to sue their health plan. In June 2004, the U.S. Supreme Court overturned a Texas law that gave patients the right to sue their health plans for damages in state court.

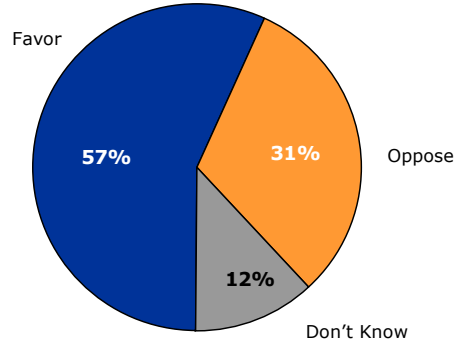
During the Patients’ Bill of Rights debate, in 2001, seven in ten (69%) said that it would be very or somewhat important to them that patients’ rights legislation includes the right to sue a health plan. In August 2004, 57% said they would favor a new law giving people the right to sue.

Support for the Right to Sue One’s Health Plan

How important is it to you that the Patients’ Bill of Rights includes the right to sue a health plan? (Jul-01)



Would you favor or oppose a new law that would give people the right to sue their health plan? (Aug-04)



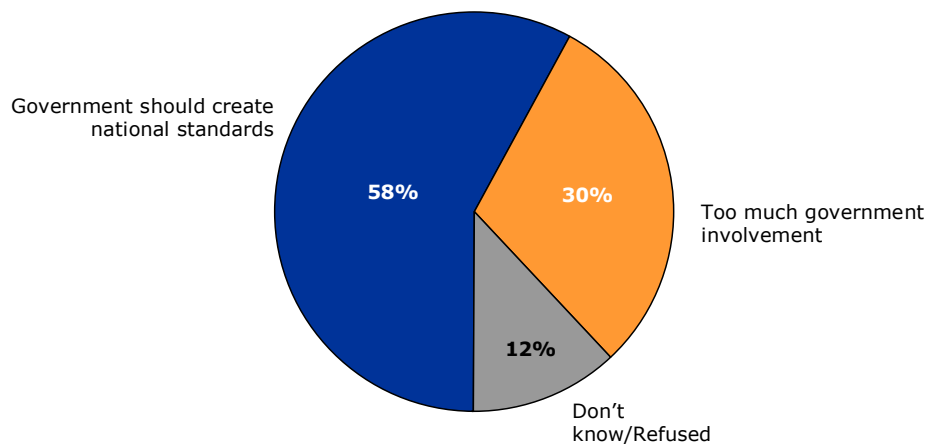
Source: Kaiser Family Foundation Public Opinion Spotlight

9. Criticisms of Patient Protections Register – Too Much Government Involvement in Health Care

It is important to note that, while the public is supportive of patients' rights legislation, criticisms of such legislation register with the public. During the Patients' Bill of Rights debate, in 2001, support for patients' rights legislation was somewhat lower (though still a majority) when the criticism was raised that this might mean too much government involvement in health care. While six in ten (58%) said they thought the federal government should create national standards to protect the rights of patients in HMOs and managed care plans, three in ten (30%) said this would get the government too involved in health care.

Criticisms of Patient Protections Register – Too Much Government Involvement In Health Care

Should the federal government create national standards to protect the rights of patients in HMOs and managed care plans, or would this get the government too involved in health care?

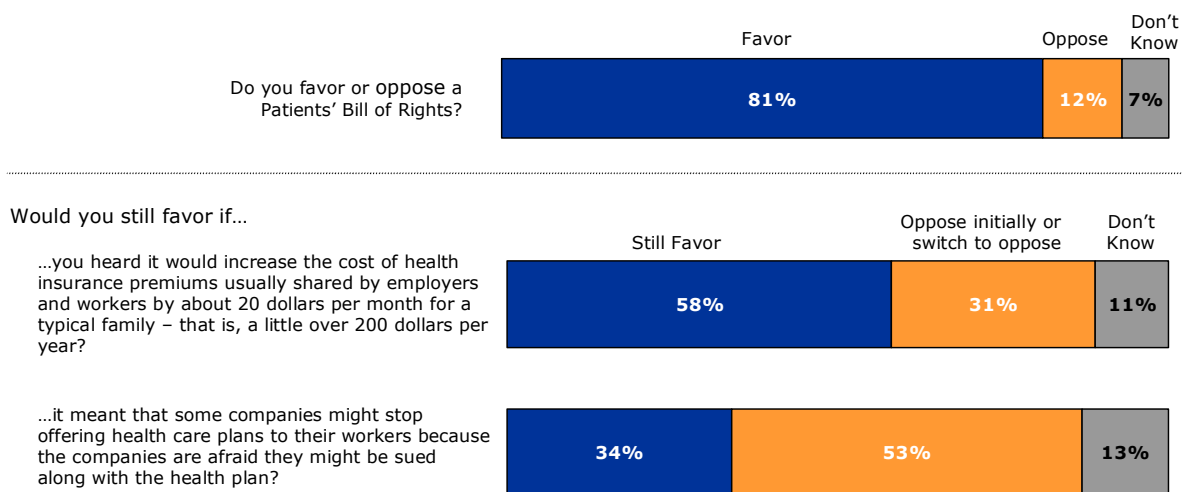


Source: Pew Research Center *News Interest Index Poll* (conducted June 13-17, 2001)

10. Criticisms of Patient Protections Register – Increasing the Cost of Health Care

It's important to note that, while the public is supportive of patients' rights legislation, criticisms of such legislation register with the public. Despite high support for patients' rights legislation during the height of the debate, support decreased when potential cost consequences were raised. While eight in ten said they would favor a Patients' Bill of Rights in 2001, support dropped to 58% when supporters were read an argument often made by critics – that it would increase premiums by about \$20 a month. Support dropped even further – to 34% – when supporters were read the argument that it would mean that some companies might stop offering health insurance to workers for fear of being sued.

Criticisms of Patient Protections Register – Increasing the Cost of Health Care



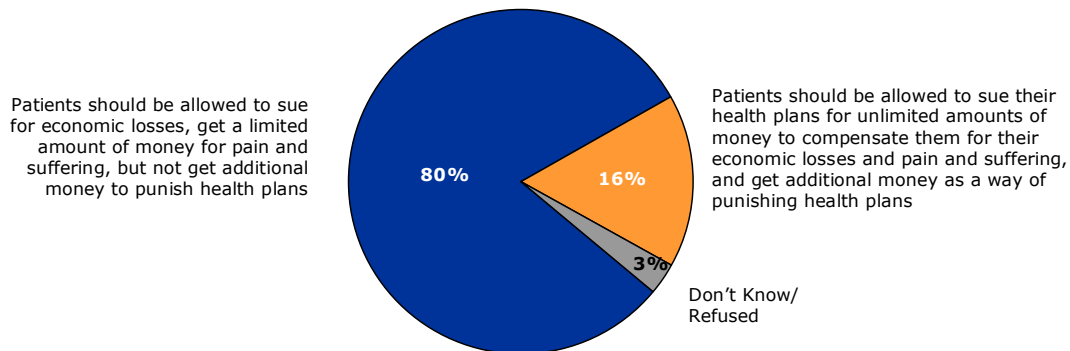
Source: Kaiser Family Foundation/Harvard School of Public Health *National Survey on Consumer Experiences With and Attitudes Toward Health Plans* (conducted July 2 – August 8, 2001)

11. Support for Right to Sue with Limited Damages

In 2001, a large majority agreed with a statement outlining a right to sue with limited legal damages in the face of potentially higher premium costs. When asked which was closer to their view, 80% choose "patients should be allowed to sue for economic losses, get a limited amount of money for pain and suffering, but not get additional money to punish health plans, because this would drive up the cost of people's health insurance premiums too much," versus 16% who choose "patients should be allowed to sue their health plans for unlimited amounts of money to compensate them for their economic losses and pain and suffering, and get additional money as a way of punishing health plans and discouraging bad conduct in the future."

Support for Right to Sue with Limited Damages

Suppose the Patient's Bill of Rights is enacted and includes the right to sue a health plan. Which ONE of the following two statements comes CLOSER to your own view of what patients should be allowed to do?



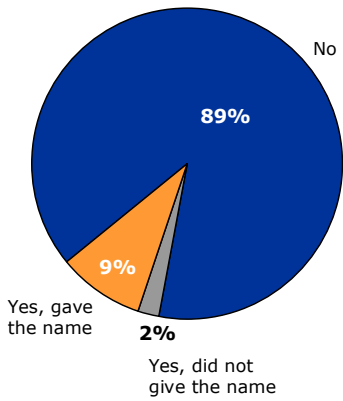
Source: Kaiser Family Foundation/Harvard School of Public Health *National Survey on Consumer Experiences With and Attitudes Toward Health Plans* (conducted July 2 – August 8, 2001)

12. Passing a Law Is Only Half The Story

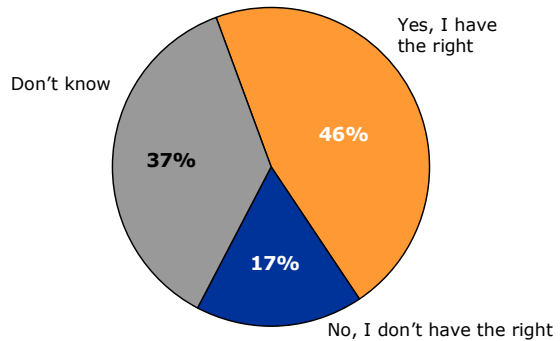
In 1999, the vast majority of the public did not know the name of the state agency or department that regulates HMOs and managed care plans, and a little less than half of those who had the right to appeal at the time of the survey if their health plan denied them services realized that they had this right. This lack of awareness suggests that passing patients’ rights legislation is only half the story, and challenges exist before such legislation is routinely understood and used by the public.

Passing a Law Is Only Half The Story

Do you know the name of the state agency or department in your STATE government that regulates HMOs and other health plans?



Do you know if in your state you have the right to appeal to the state or to an independent medical expert if your health plan refuses coverage for medical services you think you need?



Based on those who lived in the 21 states (including DC) where consumers did have the right to appeal at the time of the survey

Source: Kaiser Family Foundation *National Survey of Consumer Experiences with Health Plans* (conducted Oct. 20-Dec. 8, 1999)