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National Survey on Health Care

A new survey by NPR, the Kaiser Family Foundation, and Harvard's Kennedy School of Government points to a significant medical divide in the United States along socio-economic lines. The vast majority of people in the top income categories have very few problems getting health care or paying for it. But in the bottom income categories, many people are burdened by such problems, and when they are, the problems are likely to be serious. Moreover, the divide reaches beyond the lowest-income Americans and well into the middle class. Although Americans with higher incomes say they experience few such problems, many of them are worried that their good fortune will not continue. Only one in five Americans thinks the health care system works pretty well, and that proportion holds across all but the highest income grouping.

However, it does not appear that people's worries and experiences are causing them to push for sweeping change in the health care system. On key health policy questions, the survey found that most people favor sticking with current methods of providing health insurance through guaranteed benefits from employers and public programs. Most do not want to switch to what is called a defined contribution system, in which they would be given money to choose among available insurance options in the marketplace. Americans also recognize how important it is to have health insurance. One in four even say they have stayed in jobs longer than they otherwise would in order to keep their insurance.

When it comes to one of the biggest health care issues being discussed in Washington today — helping seniors pay for prescription drugs — most Americans say it is important. But a majority also believes that helping the uninsured is more important. In addition, the survey shows how difficult it will be to come up with a workable plan: Most seniors would not be willing to pay significantly more than they pay now for drug coverage under Medicare, and nearly all of the plans being discussed would require them to pay something.

Many people are experiencing problems with the health care system, especially the uninsured and those with lower incomes and less education. Four in 10 families (44%) reported at least one problem with access to health care, paying medical bills, or perceived quality of medical care in the past year. These include 22% who postponed seeking health care, 21% who had problems paying medical bills, 15% who felt there was a problem with the quality of the health care they received, 13% who did not get a prescription drug they felt they needed, 10% who did not get medical care they felt they needed, and 8% who tried to get health insurance but were unable. Those who are uninsured, those who earn less than \$25,000 a year, and those who have not graduated from high school are more likely to report having each one of these problems (see Table 1). Those with lower incomes are also more likely to say that they stayed in a job longer than they otherwise would in order to maintain their health insurance (31% of those earning less than \$25,000 a year versus 24% of those earning \$25,000 or more).

Problems paying medical bills represent a difficult situation for an even broader group of families. Many middle-income families (those earning between \$25,000 and \$50,000 per year) also have such problems (see Table 1). Among low- and middle-income families, 27% of those earning less than \$25,000 a year and 12% of those earning between \$25,000 and \$50,000 reported that they had been contacted by a collection agency at some time in the past year regarding money owed for medical bills. Most families that had problems paying medical bills reported that the bills were for doctors (89%) and hospitals (73%), while a smaller share had problems with bills for prescription drugs (38%), dental visits (36%), health insurance premiums (27%) and rehabilitation/physical therapy (21%). Few reported that their bills were for home care (10%) and nursing homes (5%). For those who had problems paying medical bills, almost nine out of 10 (86%) reported that the bills were a very or somewhat serious problem for their family. Having insurance did not eliminate problems with paying medical bills. Although nearly half (47%) of uninsured Americans said they had problems paying medical bills, 15% of households *with* insurance also had such problems.

Table 1. Percent reporting specific problems by insurance status, income, and education.

	Total	Insured		Income			Education		
		Yes	No	<\$25K	\$25-50K	\$50K+	<HS	HS grad	Coll. grad
Postponed seeking medical care	22	18	41	28	22	19	21	23	21
Problem paying bills	21	15	47	38	23	9	32	21	12
Problem with quality of health care	15	14	19	17	14	15	17	12	19
Did not get prescription drug	13	10	27	24	13	7	21	13	7
Contacted by collection agency	12	8	31	27	12	4	21	13	4
Did not get medical care	10	6	28	22	8	4	17	10	5
Tried to get insurance but unable	8	4	31	19	7	3	16	8	4
Any above problem	44	38	71	56	47	35	49	44	39

Problems experienced with the health care system often have serious consequences for families. Among the 10% who did not get medical care they believed they needed at some point in the past year, 84% said the problem seriously increased stress, over half (52%) said it caused a significant loss of time at work, school, or other important life activities, 44% said it resulted in a temporary disability that included significant pain and suffering, and three in 10 (29%) said it caused a long-term disability. For the 22% who reported delaying seeking medical care, slightly fewer reported serious consequences, but a similar pattern emerges: Two-thirds (63%) said postponing care seriously increased stress, four in 10 (41%) said it caused a temporary disability, three in 10 (29%) said it caused significant lost time at important activities, and 18% said it caused a long-term disability.

Lower-income Americans contrast sharply with upper-income Americans when it comes to problems accessing and paying for health care. Only 9% of American households making more than \$50,000 per year said they had problems paying for medical bills over the past year. But nearly four out of 10 households (38%) making less than \$25,000 per year had such problems, as did nearly a quarter (23%) of those earning \$25,000 to \$50,000 per year.

The number of people who worry about health care cost and access in the future is even greater than the number currently experiencing problems. Nearly half of Americans are very or somewhat worried about being able to afford health care services (46%) and prescription drugs (41%), and over half of those with insurance coverage are worried about not being able to afford insurance (51%) or having their benefits cut back (50%) in the coming year. Again, worries are greatest among those with lower incomes and those who do not have health insurance.

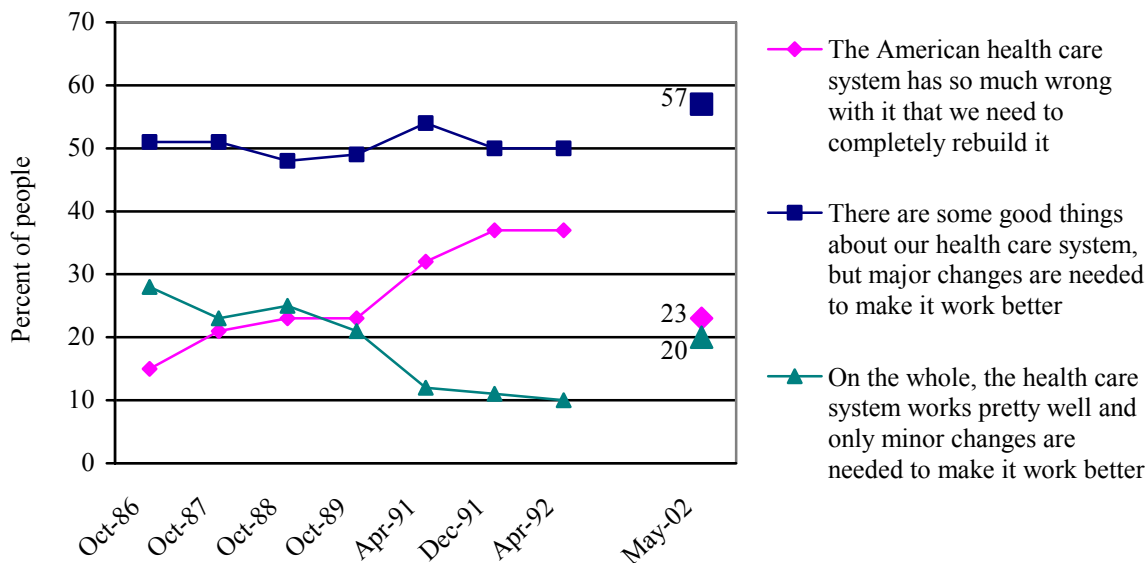
A quarter (25%) of Americans say that in the past two years they or someone in their family have stayed in a job longer than they otherwise would in order to keep their health insurance. This number is higher than in 1993, when 17% said yes to that question. Other surveys show that this number has been rising since the late 1990s. And although lower-income people were more likely to say yes than upper-income individuals, a substantial number of the latter also said yes (31% of those making less than \$25,000 per year, and 20% of those making more than \$75,000). Blacks (36%) were more likely to say yes than whites (22%).

People see rising health care costs as an important issue, but few report large increases in their own health care costs over the past year. When asked to name the two most important health care problems facing the country, health care costs (44%) and access to health care and insurance issues (43%) received the most mentions. A majority of insured Americans (54%) say that their premiums have gone up in the past year, with 19% saying they have gone up a lot. Nearly half (45%) say their co-payments and deductibles have gone up, with 15% saying they have gone up a lot. These numbers contrast starkly with the actual increases in health insurance costs over the last two or three years, which have been in the double digits. The reason for the difference in perception may be that employees have been insulated from the full brunt of the cost increase because their employers generally pay about three-quarters of their health care costs, and generally have absorbed a large share of the increases. With the downturn in the economy, though, it's possible that employers will begin passing more of the increase on to the employees.

Americans are most likely to cite high profits made by drug companies (71%) and the amount of greed and waste in the health care system (67%) as very important in causing rising health care costs. Majorities also believe malpractice lawsuits (59%) and the aging of the population (56%) are very important reasons. Given the fact that employers are absorbing much of the cost increase, and that people think profit and greed are to blame, it's not surprising that people are reluctant to make big sacrifices in order to control health care costs.

Americans favor building on the current system as a way of improving health care; they are not eager to make sweeping changes. When asked which comes closest to their overall view of the American health care system, 20% said it works pretty well and only minor changes are necessary, 57% said there are some good things about it but major changes are needed, and 23% said that it has so much wrong with it that we need to completely rebuild it. This parallels views seen in the late eighties more so than those seen in 1992, when more Americans called for completely rebuilding the system (see Chart 1).

Chart 1. Which of the following statements comes closest to expressing your overall view of the health care system in this country?



One of the current fundamental divides in Washington health care policy debates is whether to continue to build on the current system largely based upon providing a guaranteed benefit for a given population through employers or government programs, or to shift to a system where workers or seniors get a fixed amount of money (defined contribution) to shop for private plans. In terms of both Medicare and employer-based health insurance, the public favors building on the current systems and believes they are better off with the more traditional approaches that guarantee benefits.

For example, on the issue of helping seniors with prescription drug costs, two-thirds (67%) think the Medicare program should be expanded to pay for prescription drugs, while one-quarter (26%) think the government should help seniors buy private health insurance to cover their drug costs. When it comes to employer-based insurance, nearly half (46%) of Americans who currently have health insurance through their employer would prefer to have their employer pay for all or part of their health insurance policy, while only 13% would rather buy a policy themselves. Four in 10 (38%) say it wouldn't make much difference either way. Additionally, large majorities of those insured through their employer think purchasing their own policy would make it harder for them to get a good price for health insurance (78%), find and keep insurance while they're sick (75%), handle administrative issues (66%), and find a good-quality plan (65%).

People agree that the government should do something to help seniors with prescription drug costs. Two-thirds of Americans (64%) would support rolling back last year's tax cut and using the money to provide a prescription drug benefit under Medicare. There is no difference between seniors and younger people on this question. However, more Democrats (78%) than Republicans (52%) would support such a proposal. When forced to choose, more Americans favor covering the uninsured (55%) over helping seniors pay for prescription drugs (42%) as a government priority.

However, a majority of Americans age 65 and over (57%) and half of Republicans (50%) favor the second option. By contrast, 58% of those 18-64, 57% of Democrats, and 58% of independents prefer to help the uninsured.

Although most Americans agree that helping seniors with the costs of prescription drugs is important, they are divided over whether to help first all seniors or the lowest-income seniors first, and over how much seniors should have to pay. Americans disagree over whether a drug plan for seniors should cover a large share of the cost for the lowest-income seniors (44%) or cover a smaller share for seniors at all income levels (46%). Americans age 65 and over are more likely to recommend covering most costs for the lowest-income seniors (49%) versus covering fewer costs for those at all income levels (38%). When it comes to deciding what constitutes a good benefit for seniors, half (50%) of Americans think that, in order to have a good prescription drug benefit under Medicare, the government should pay at least three-quarters of the cost of each prescription. A smaller share (42%) said that it would be a good benefit if the government paid half the cost of each prescription.

However, seniors themselves generally want to pay much less. When asked what amount they think is *reasonable* for seniors to pay per month for a prescription drug benefit under Medicare, seniors give responses that are similar to their younger counterparts. Half (53%) think it is reasonable to ask seniors to pay up to \$30 a month in addition to their current Medicare premiums and half the cost of each prescription, while one-third (34%) think they could be asked to pay \$50 or more (see Table 2). But when asked how much they *personally* would be willing to pay, seven in 10 seniors (69%) picked amounts \$30 per month and under. In fact, six in 10 seniors (59%) said they would be willing to pay only \$20 or less, including 30% who said they wouldn't be willing to pay anything. Half (50%) of those under age 65 chose amounts \$30 and under, while 44% said they would be willing to pay between \$50 and \$100 (see Table 3). The lack of consensus over whom to help first and how much seniors should have to pay, combined with the high estimated price tag of a prescription drug benefit at a time of shrinking surpluses and a relatively fragile economy, makes the passage of a meaningful Medicare prescription drug benefit a challenge.

Table 2. Responses to the question: Suppose Congress and the president decided on a prescription drug plan for seniors in which the government pays half of the cost of each prescription. What is the most seniors could reasonably be asked to pay per month in premiums for this new Medicare benefit? This is IN ADDITION to their current Medicare premiums and half the cost of each prescription. Would you say \$100, \$75, \$50, \$30, \$20, or \$10 per month, or are none of these reasonable amounts?

	Total	18-64	65+
Medicare should not pay for prescription drugs	6	5	9
\$50-\$100 (NET)	34	35	28
\$100	7	7	5
\$75	6	6	3
\$50	21	22	20
\$0-\$30 (NET)	53	54	55
\$30	11	12	10
\$20	13	13	15
\$10	17	18	14
None	12	12	16
Don't Know/Refused	7	6	8

Table 3. Responses to the question: “The average senior citizen takes prescription drugs that cost about \$2,000 per year. The president and Congress are considering giving seniors some help with these bills. If you are now 65 years of age or older, or when you reach 65, which of the following amounts is the MOST YOU would be willing to pay per month in premiums for a drug plan that pays half the cost of each prescription? This would be IN ADDITION to your Medicare premiums and half the cost of each prescription. Is the MOST you would be willing to pay \$100, \$75, \$50, \$30, \$20 or \$10 per month, or none of these?”

	Total	18-64	65+
\$50-\$100 (NET)	42	44	26
\$100	12	12	10
\$75	7	7	6
\$50	23	25	10
\$0-\$30 (NET)	52	50	69
\$30	11	12	10
\$20	11	11	14
\$10	14	14	15
None	16	13	30
Don't Know/Refused	6	6	6

Americans agree that access to health care and insurance are important issues for the government to deal with, and they favor building on existing programs as the best way to help. One in five Americans (19%) named health care issues as one of the two most important *issues for the government to address*, making health care the third most mentioned issue, right behind the economy (23%) and war (20%). However, fewer Americans see health care as one of the biggest problems that the country faces. When asked about the two most important *problems facing the nation*, 10% mentioned health care, ranking further behind problems such as the economy (37%), terrorism (29%), war (21%), and crime (16%).

When asked more specifically to name the two most important *health care* issues for the government to address, access to health care and insurance issues (54%) received the most mentions. Large majorities favor a wide variety of options to guarantee health care for more Americans, including expanding state government programs for low-income people (84%), expanding neighborhood health clinics (80%), requiring businesses to offer insurance to employees (76%), and offering tax credits or other financial assistance to help the uninsured purchase insurance on their own (73%). The only option asked in this survey that was not favored by a majority is a national, single payer health plan (favored by 40%). Also, this survey did not ask respondents to choose among the various options, but other surveys have done so, and they have consistently shown that a majority of the public favors no single option. This fact, combined with the cost and winners and losers involved in any proposal, helps explain why consensus is often hard to reach in dealing with issues of expanding health coverage.

The role of health care in the upcoming congressional election? As mentioned above, health care is at the top of many people’s lists of issues for the government to address, ranking right behind the economy and the war. In thinking about the upcoming mid-term elections, it is worth keeping a few points in mind. First, seniors differ from younger Americans on which health care issues should be a priority for the government. While those under age 65 are more likely to pick helping the uninsured as a top priority, most seniors think that helping their peers with prescription drug costs is more important. And, as mentioned earlier, those over age 65 are more likely to favor helping the lowest-income seniors as opposed to providing more limited help to all seniors. Given that people over age 65 are more likely to vote than their younger counterparts, especially in a mid-term election, these differences in policy preferences by age may be particularly important.

Second, as we have seen in the past, on most health care issues asked in this survey, independents hold views closer to Democrats than to Republicans (see Table 4). Similarly, those who identify themselves as moderates hold opinions closer to self-identified liberals than to self-identified conservatives. But other surveys show that independents do not agree with Democrats on all aspects of the health care issue. On cost issues they are more likely to line up with Republicans.

Table 4. Differences by political party.

	Total	Rep	Dem	Ind
Favor as a way to guarantee health care for more Americans				
Expanding state government programs for low-income people	84	73	89	86
Expanding neighborhood health clinics	80	71	86	84
Requiring businesses to offer insurance to their employees	76	67	82	75
Offering the uninsured tax credits to help them purchase private insurance	73	69	74	75
National health plan financed by taxpayers	40	28	46	45
What should government do to help seniors pay for prescription drugs?				
Keep things as they are now; Medicare should not pay for prescription drugs	6	7	5	5
Expand Medicare to pay for part of prescription drug costs	67	58	71	72
Help seniors buy private insurance to pay for prescription drug costs	26	33	23	22
Support rolling back the tax cut to help seniors pay for prescription drugs?				
Support	66	52	78	64
Oppose	27	37	14	28
Who do you trust more on the issue of health care?				
Democrats	33	6	71	28
Republicans	27	69	5	20
Neither	23	16	14	33

Methodology

The NPR/Kaiser/Kennedy School National Survey on Health Care is part of an ongoing project of National Public Radio, the Henry J. Kaiser Family Foundation, and Harvard University's Kennedy School of Government. Representatives of the three sponsors worked together to develop the survey questionnaire and to analyze the results, with NPR maintaining sole editorial control over its broadcasts on the surveys. The project team includes:

From NPR: Marcus D. Rosenbaum, Senior Editor/Special Projects; and Jeanne Naujeck, Assistant Editor.

From the Kaiser Family Foundation: Drew Altman, President and Chief Executive Officer; Matt James, Senior Vice President of Media and Public Education and Executive Director of kaisernetwork.org; Mollyann Brodie, Vice President, Director of Public Opinion and Media Research; and Elizabeth Hamel, Research Associate.

From the Kennedy School: Robert J. Blendon, a Harvard University professor who holds joint appointments in the School of Public Health and the Kennedy School of Government; Stephen R. Pelletier, Research Coordinator for the Harvard Opinion Research Program; and John M. Benson, Managing Director of the Harvard Opinion Research Program.

The results of this project are based on a nationwide telephone survey, which was conducted between March 28 and May 1, 2002 among a random representative sample of 1,205 respondents 18 years of age or older. The fieldwork for the survey was conducted by ICR/International Communications Research. The margin of sampling error is plus or minus 3 percentage points for total respondents. For results based on subsets of respondents the margin of error is higher. For questions asked of fewer than 100 respondents, we believe there is insufficient data to draw meaningful conclusions, and this is noted in the topline.

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