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**Summary and Chartpack**



HARVARD  
SCHOOL OF  
PUBLIC HEALTH

The *USA Today*/Kaiser Family Foundation/Harvard School of Public Health

# Health Care Costs Survey

**August 2005**

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## Methodology

The *USA Today*/Kaiser Family Foundation/Harvard University Survey Project is a three-way partnership. *USA Today*, Kaiser, and Harvard jointly design and analyze surveys examining health care issues.

Representatives of *USA Today*, The Henry J. Kaiser Family Foundation, and Harvard University worked together to develop the survey questionnaire and analyze the results. *USA Today* retains editorial control over the content published by the paper. The project team included Jim Norman, *USA Today* polling editor; Drew E. Altman, president of the Kaiser Family Foundation, Mollyann Brodie, vice president and director of public opinion and media research, and Erin Weltzien, research associate; and Robert J. Blendon, professor of health policy and political analysis at the John F. Kennedy School of Government and the Harvard School of Public Health, and John M. Benson, managing director of the Harvard Opinion Research Program in the Harvard School of Public Health.

The current *Health Care Costs Survey* is a nationally representative survey of 1,531 adults ages 18 years and older, conducted between April 25 – June 9, 2005. Fieldwork was conducted by telephone by ICR/International Communications Research of Media, PA.

The margin of sampling error for the survey is plus or minus 3 percentage points for total respondents. For results based on smaller subsets of respondents the margin of sampling error is higher. Sampling error is only one of many potential sources of error in this or any other public opinion poll.

Values less than 0.5% are indicated by an asterisk (\*). “Vol.” indicates that a response was volunteered by respondent, not an explicitly offered choice. Percentages may not always add up to 100% due to rounding.

## **SURVEY FINDINGS**

*Health care costs are more than a barrier to access to care, our findings show that medical bills create a significant challenge for many American families, including those with insurance, impacting their lives in a variety of ways...*

- Nearly one-quarter (23%) Americans have had problems paying medical bills in the past year (Chart 1).
- More than six in ten (61%) adults who report problems paying medical bills are covered by health insurance (Chart 1). Among adults who had problems paying medical bills – majorities report that the bills were for basic care such as doctor bills (85%), lab fees (62%) and prescription drugs (56%) (Chart 2).
- More than one in five (21%) Americans currently has an overdue medical bill, and almost two in ten (19%) report experiencing serious financial consequences in the past 5 years due to medical bills (Chart 3):
  - 15% report being contacted by collection agency because of medical bills
  - 12% have used “all or most” of their savings
  - 8% report borrowing money or taking out another mortgage
  - 3% have declared bankruptcy
- Almost two in ten (18%) Americans say health care costs are their biggest monthly expense excluding rent or mortgage payments. More than three in ten (32%) name transportation, and nearly one-quarter each say food or clothing (24%) or utilities (23%) are their biggest expense excluding rent or mortgage costs (Chart 4).

*Health care costs create a significant barrier to getting health care for many Americans.*

- Nearly three in ten (28%) adults report a time in the past year when they did not have enough money to pay for medical or health care, and 62% of these adults are insured (Chart 5). This share has been stable since the mid-1980’s, but is considerably higher than in 1976 when 15% said there was a time they didn’t have enough money to pay for care (Chart 6).
- Nearly three in ten (29%) adults report that they or someone in their household skipped medical treatment, cut pills, or did not fill a prescription in the past year because of the cost (Chart 7).
- Among the 16% of adults who tried to buy insurance on their own, only three in ten (31%) were able to do so. Of those who tried but didn’t purchase insurance, 72% say the main reason they didn’t is because it was too expensive (Chart 8).

***More than 4 in 10 adults (44%) report having a chronic condition such as heart disease, cancer, asthma or diabetes, or a handicap or disability that limits their daily lives. This group has a significantly harder time accessing health care specifically because of the costs.***

- Nearly one-quarter (24%) of adults with a chronic health problem say health care costs are their biggest monthly expense after rent or mortgage, compared with 14% of healthier adults (Chart 10).
- Those with chronic health conditions are more likely their healthier counterparts to report a range of problems due to medical bills in the past 5 years – including using up “all or most” of savings or having been contacted by a collection agency due to medical bills (Chart 11).
- Adults with a chronic health problem (29%) are more likely than healthier adults (16%) to report having an overdue medical bill (Chart 11).
- Those with chronic health conditions (35%) are more likely to report not having enough money to pay for medical care in the past year, compared with 22% of healthier adults (Chart 10).
- Nearly four in ten (38%) adults with a chronic health condition report they or someone in their household skipped medical treatment, cut pills or didn’t fill a prescription because of the cost, compared with about two in ten (22%) healthier adults (Chart 10).
- A similar pattern emerges when looking instead at households with chronic disease or disabilities (Charts 12 and 13).

***Moderate and lower-income, working adults report significantly more problems paying for medical care compared to their higher-income peers and insured seniors...***

- One-third (33%) of insured, non-elderly adults who made less than \$75,000 last year said there were times in the past year when they didn’t have enough money to pay for medical care, compared with just 6% of insured adults who made \$75,000 or more, and 13% of seniors insured with Medicare (Chart 14).
- This group also reports more problems with medical bills – 26% of insured, non-elderly adults who made less than \$75,000 report problems paying medical bills in the past year, compared with just 5% of their higher income peers, and 8% of seniors insured with Medicare (Chart 15).
- Similarly, 24% of lower-income, insured, non-elderly adults say they currently have an overdue medical bill, compared with 10% of insured adults under age 65 who made \$75,000 or more last year, and 7% of seniors insured with Medicare (Chart 15).

***Uninsured adults (18% of the public) report considerably greater problems accessing health care because of the costs than those with insurance and say it's costs that keep them out of the health insurance market.***

- Seven in ten (70%) uninsured adults say the cost of insurance is the main reason they are uninsured, on the other hand just 6% say they don't have insurance because they don't think they need it (Chart 16).
- Uninsured adults are twice as likely as insured adults to report that they or a member of their household skipped medical treatment, cut pills or did not fill a prescription in the past year because of the cost (51% of uninsured versus 25% of insured) (Chart 17).
- Just over two in ten (21%) uninsured adults are “very” or “somewhat” confident that they have enough resources to pay for routine medical costs, compared with more than three-quarters (77%) of the insured (Chart 18).
- And, 61% of the uninsured who reported receiving medical care in the past year (79% of the uninsured) say they have NOT gotten medical care for free or a greatly reduced price (Chart 19).

***It appears that people see few alternatives to lower their health care bills beyond skipping care. Few report negotiating prices with their health care providers or seeking cheaper providers via the internet.***

- About one in ten (11%) adults report negotiating with a physician, a hospital, or other health care provider to try and get a lower price for health care services (Chart 20).
- However, more of those without health insurance report having negotiated for a lower price for health care – 24% of uninsured compared with 8% of insured (Chart 20).
- The results of negotiating are mixed – 58% of those who negotiated reported getting a lower price, while 41% did not (Chart 20).
- Fewer than one in ten Americans report going on the internet to try and find a lower price for prescription drugs (9%) or other health care services (6%) in the past year (Chart 22).
- And, 7% of insured adults report having switched doctors to lower the amount they had to pay directly out of their own pocket (Chart 22).
- About a third (35%) say that their doctor has NEVER explained the costs associated with a recommended procedure and another 17% say this has RARELY happened (Chart 23).

***Many Americans worry about paying for medical care...***

- Around four in ten Americans say they are “very” worried that they won’t be able to pay medical costs when they are elderly (40%) or in the event of a serious illness (37%) (Chart 24).
- About one-third (32%) of insured adults say they are “very” worried that their health insurance will become too expensive (Chart 24).

***...and many are experiencing rising health care costs. The public lays blame for these rising costs on profits made by drug and insurance companies; few view doctors as being part of the problem.***

- Two-thirds (66%) of insured adults say their health insurance premiums have gone up over the past five years, including 38% who say these premiums have gone up “a lot”. About one-quarter (24%) say premiums have stayed the same, while just 5% say they’ve gone down (Chart 25).
- Around half of insured adults say their co-payments for provider visits (52%) and health insurance deductibles (49%) have risen over the past 5 years. About four in ten say co-payments (40%) and deductibles (42%) have stayed the same, and few say these costs have gone down (5% co-payments, 3% deductibles have gone down) (Chart 25).
- More than a third (35%) of the public says high profits made by drug companies and insurance companies are the MOST important reason behind rising health care costs. The next most commonly cited reasons are the number of malpractice lawsuits (19%) and the amount of greed and waste that occurs in the health care system (14%) (Chart 26).
- Few (5%) say that doctors making too much money is the main culprit behind rising costs (Chart 26).
- Currently, the public is split on whether doctors are too interested in making money (49% agree, 49% disagree). However, the share who agree that doctors are too interested in money has fallen since the mid-1980’s when 67% agreed in 1984, compared with 56% in 1987 and 49% currently (Chart 27).

***Prescription drugs play an important role in many people's lives, and many report problems paying for these drugs...***

- About half of Americans (51%) take prescription drugs on a daily basis, and more than one-quarter (27%) take 3 or more drugs daily (Chart 28).
- Among those who take prescription drugs daily, more than one-third say it is very (12%) or somewhat (22%) difficult to pay for these drugs (Chart 29).
- Nearly one-quarter (24%) of Americans report that they or someone in their household did not fill a prescription, cut pills or skipped doses in the past year because of the cost (Chart 29).
- More than a third (35%) of the public says high profits made by drug companies and insurance companies are the MOST important reason behind rising health care costs (Chart 26).

***Lastly, it is important to note that the survey also shows that many Americans are at least somewhat satisfied with the cost of health insurance and feel the health care system works well for them personally, perhaps illuminating why there isn't a greater public outcry for health system reform. These findings set the context for the significant challenges faced by those who are most dependent on the system.***

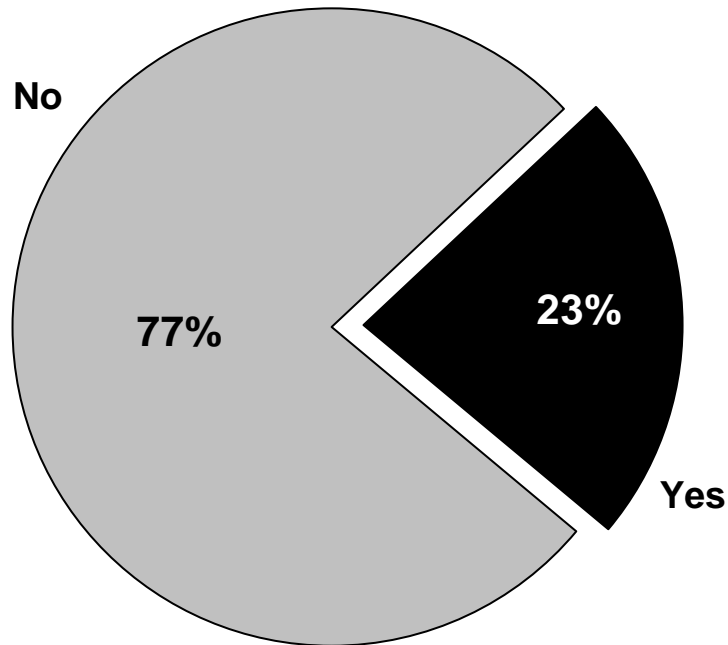
- Nearly eight in ten insured adults are very (39%) or somewhat (39%) satisfied with what they pay for their health insurance (Chart 30).
- Two-thirds of adults are either very (33%) or somewhat (33%) confident they have enough money or health insurance to pay for routine medical costs (Chart 18) and nearly six in ten are very (25%) or somewhat (34%) confident that they have enough resources to pay for a major illness (data not shown).
- More than eight in ten (84%) adults agree that most doctors are genuinely interested in helping people (Chart 31).
- More than seven in ten (74%) people said the amount of time they had to wait to see a doctor at their last visit was acceptable (average wait time = 37 minutes) (Chart 32). And, nearly eight in ten (79%) said the doctor spent enough time with them during their last visit (average visit = 21 minutes) (Chart 33).
- Eight in ten adults say the quality of health care they have received in the past 5 years has stayed the same (67%) or gotten better (13%), while fewer than two in ten say care has gotten worse (19%) (Chart 34).

# **PROBLEMS WITH MEDICAL BILLS**

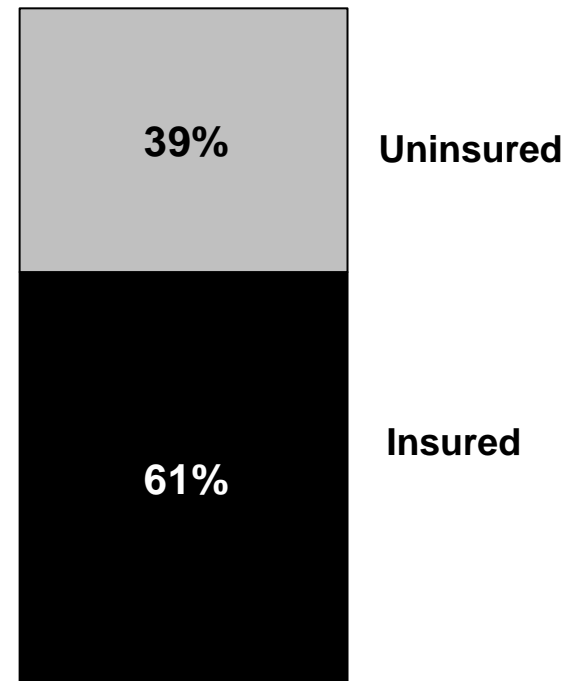


# Problems Paying Medical Bills

In the past year, have you had problems paying medical bills, or not?



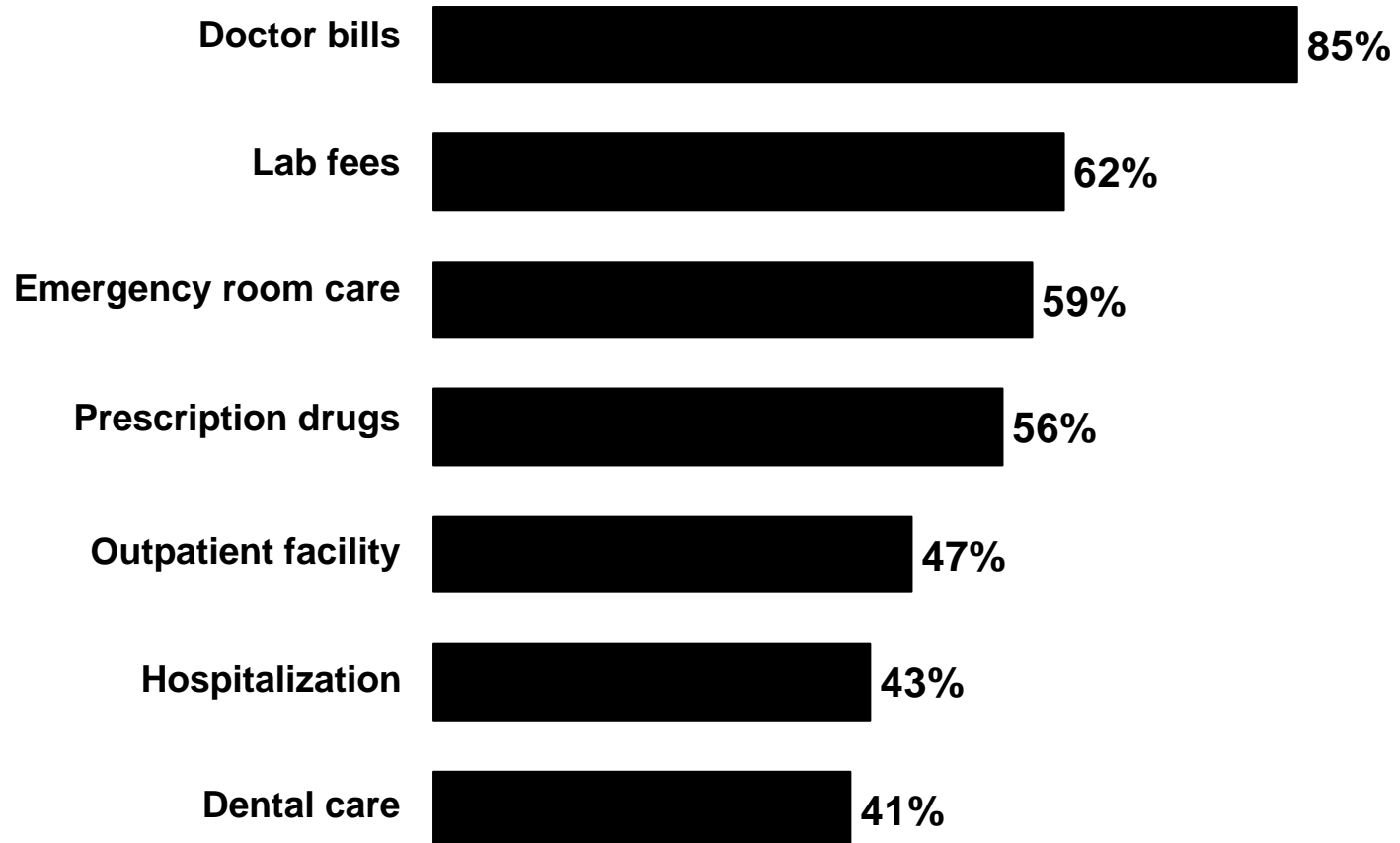
Health insurance status among the 23% who reported problems paying medical bills...



# Problem Medical Bills

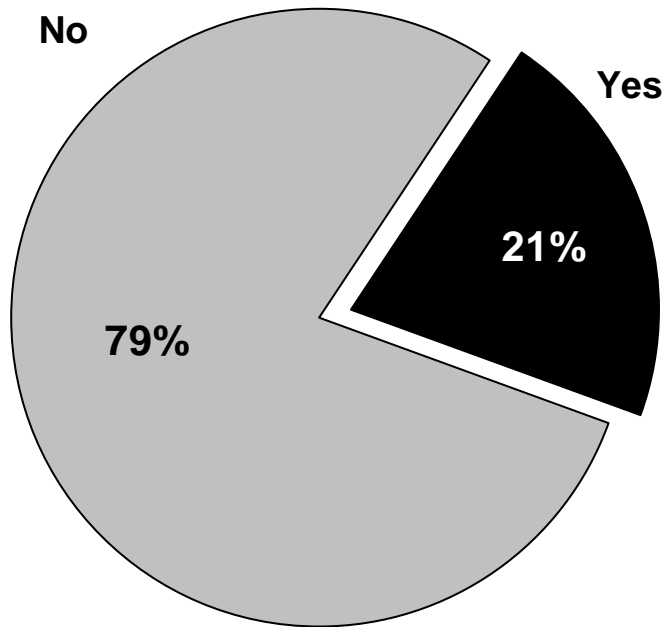
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Among the 23% who had problems paying medical bills, percent who say the problem bills included...

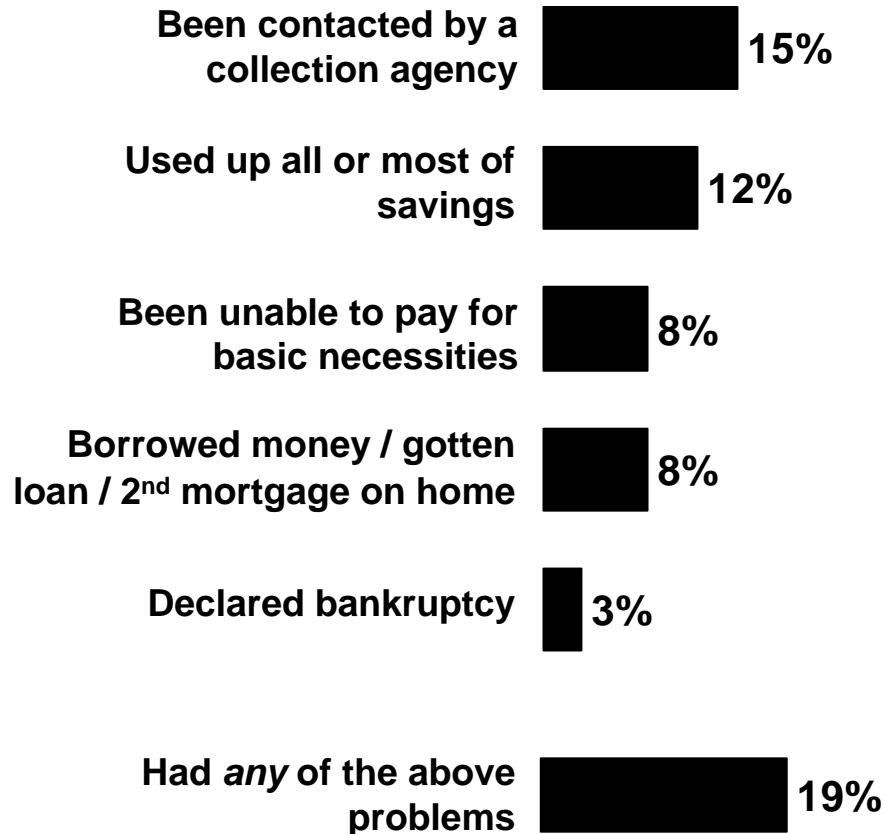


# Financial Consequences of Medical Bills

Do you currently have any medical bills that are overdue, or not?

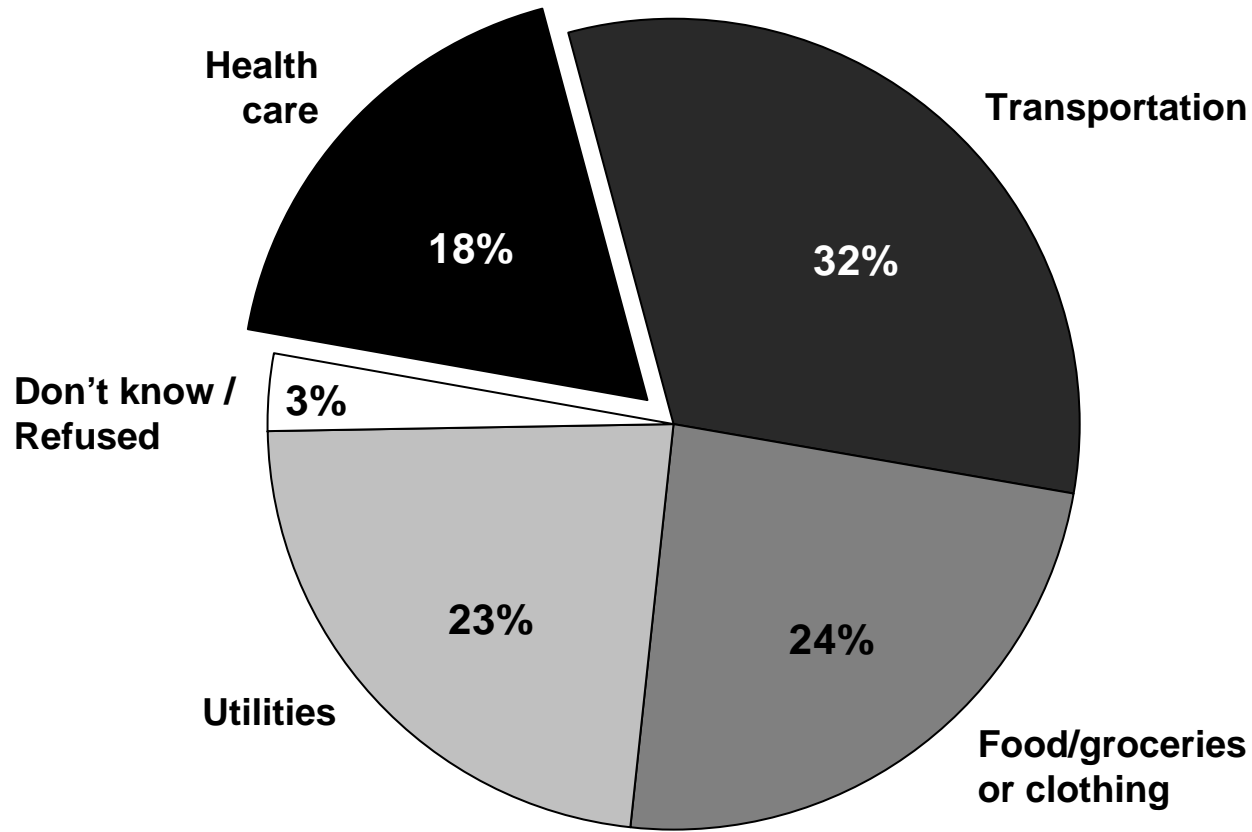


Percent who say they have had each of the following problems in the past 5 years because of medical bills...



# Health Care Costs

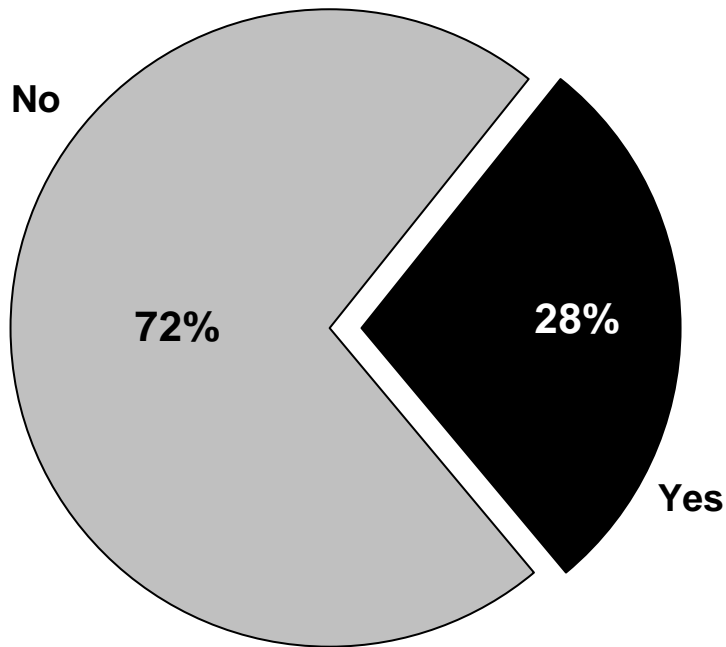
Not counting your mortgage or rent payments, which of the following is your biggest monthly expense?



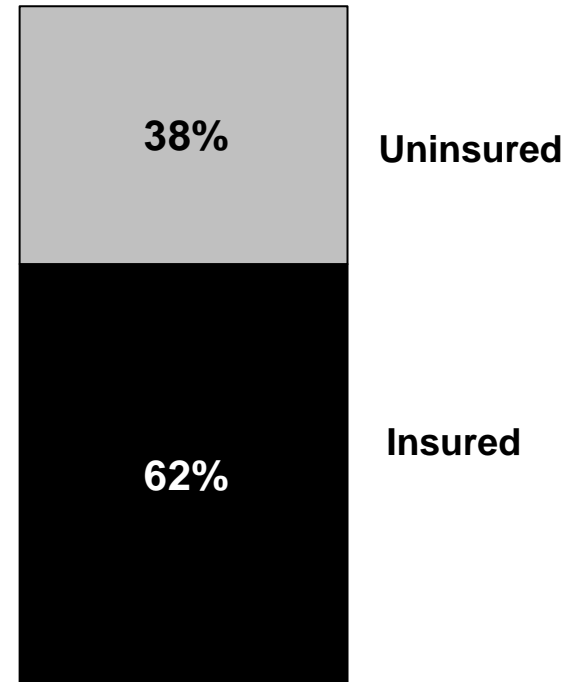
**HEALTH CARE COSTS CREATE A BARRIER**

# Problems Paying For Health Care

Have there been times during the past year when you did not have enough money to pay for medical or health care?

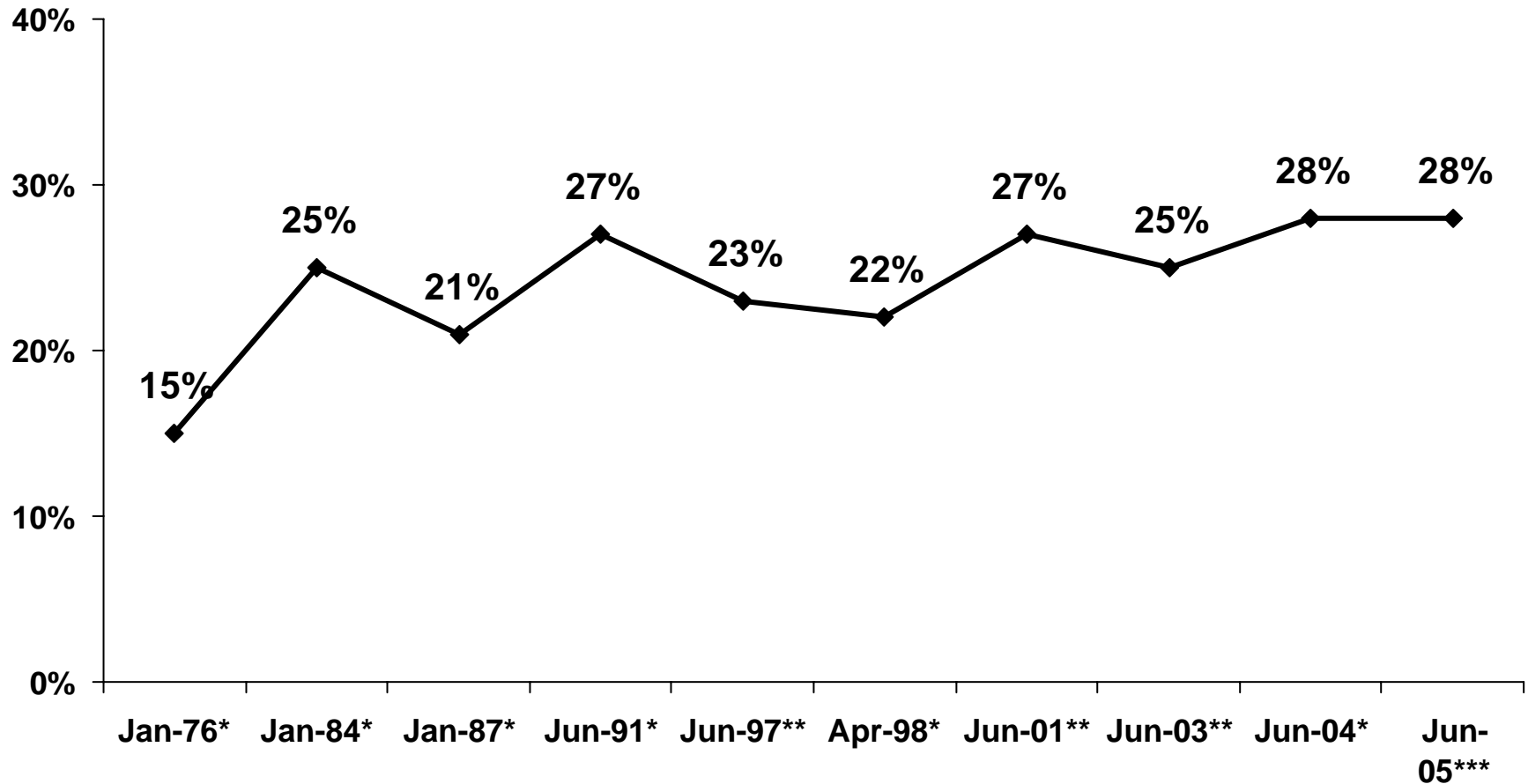


Health insurance status among the 28% who reported not having enough money to pay for health care in past year ...



# Trends in Ability to Pay for Health Care

Percent who say there have been times during the past year when they did not have enough money to pay for medical or health care...



\*Source: Gallup Organization

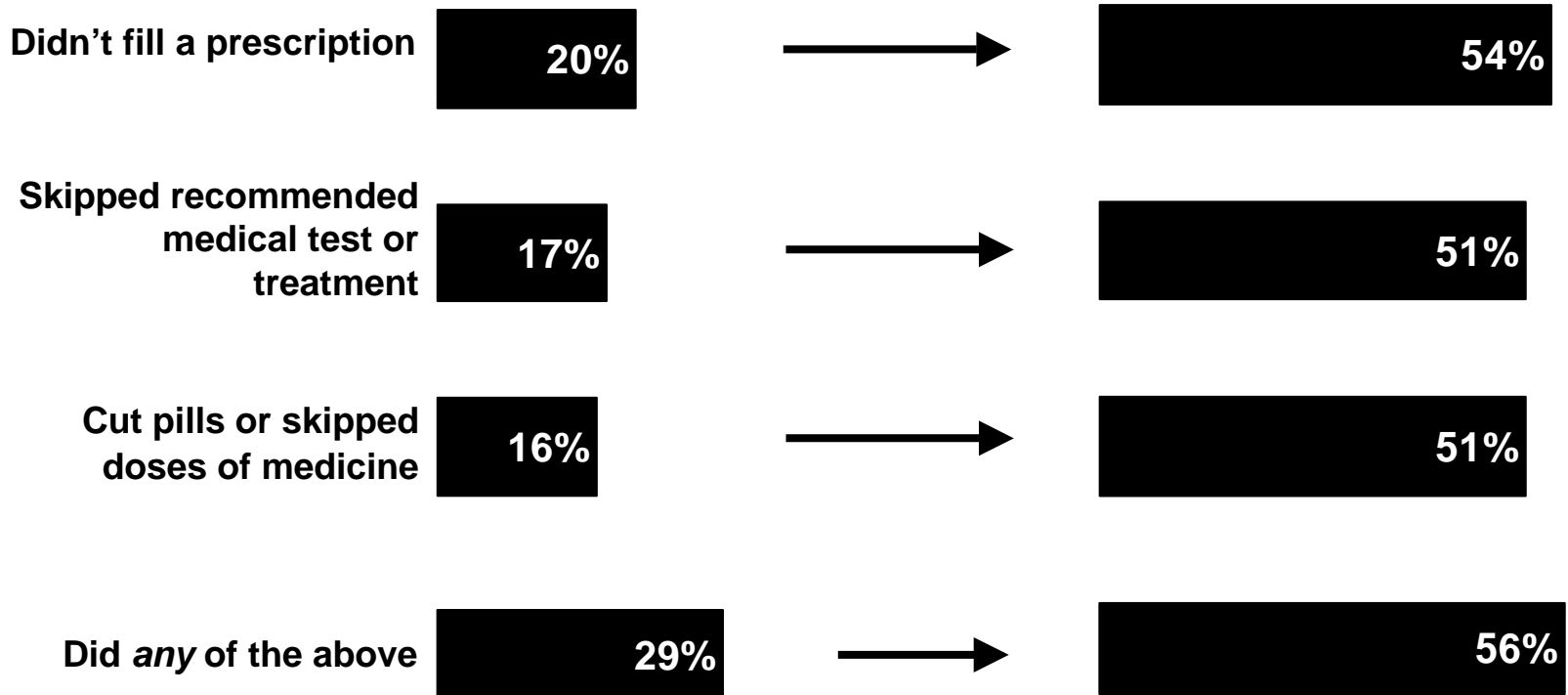
\*\* Source: Pew Research Center

\*\*\*Source: *USA Today*/Kaiser Family Foundation/ Harvard School of Public Health *Health Care Costs Survey* (conducted April 25 – June 9, 2005)

# Burdens Of Health Care Costs: Postponed Medical Care

Percent who say they or a family member have done each of the following in the past year because of cost...

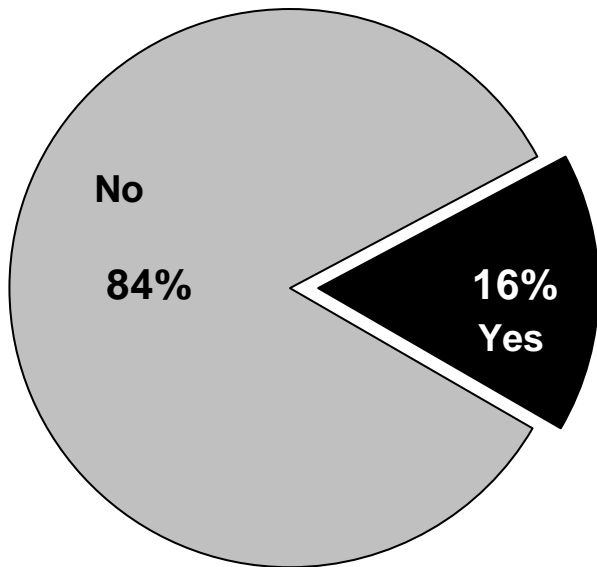
Among those that did each of the following: Percent who say their condition got worse as a result...



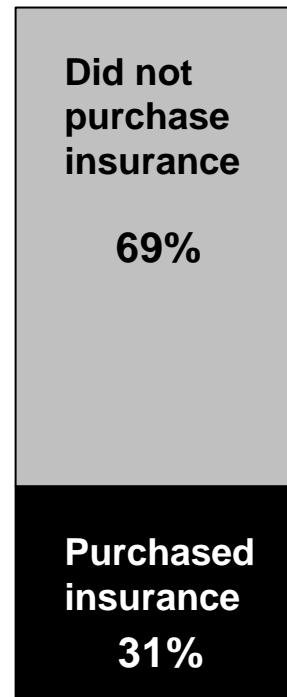


# Buying Insurance On Own

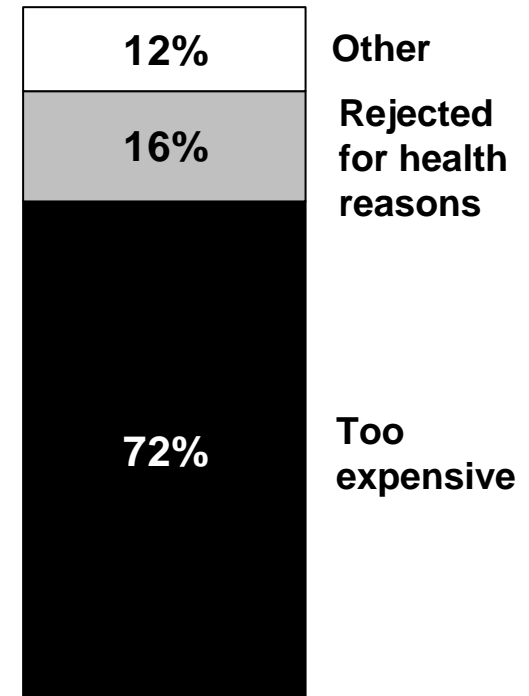
In the past year, have you tried to buy health insurance on your own?



Among 16% who tried to buy insurance on own:

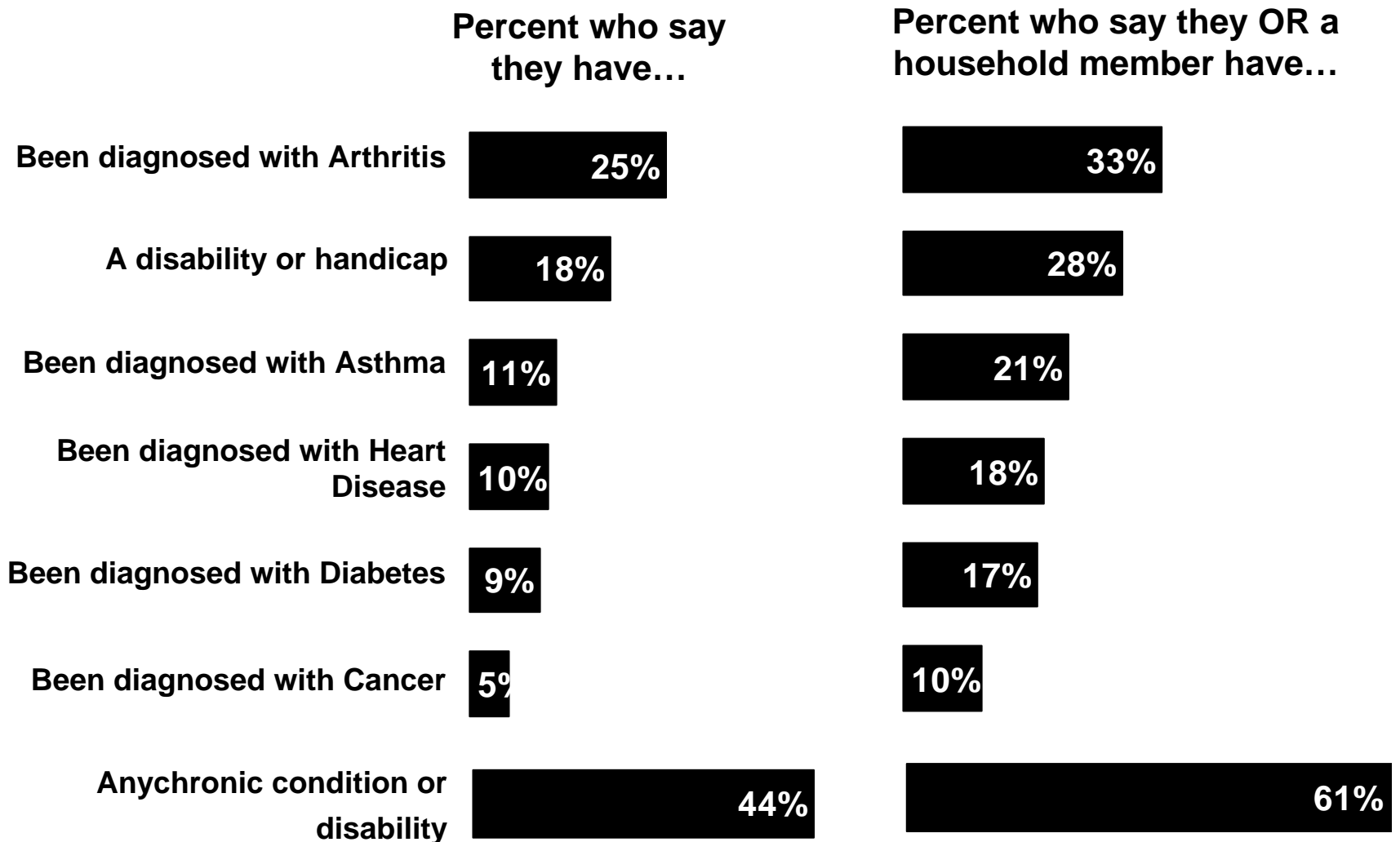


Among 11% who tried to buy insurance and didn't: What was main reason you did NOT purchase?



# **THE CHRONICALLY ILL**

# Chronic Health Conditions

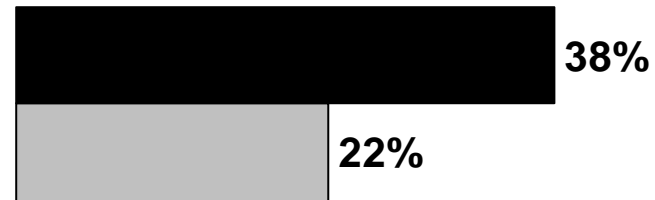


# Problems With Health Care Costs, By Individual Health Status

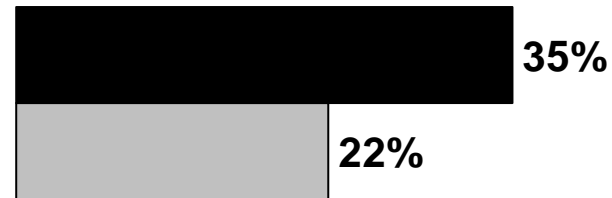
Percent who say...

■ Chronic condition or disability  
□ No chronic condition or disability

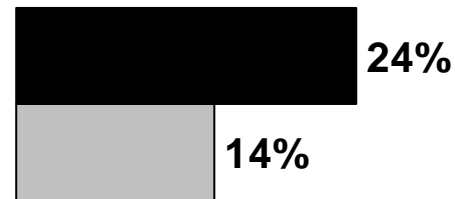
They or a family member skipped a medical test, cut pills or didn't fill a prescription in the past year because of the cost



There have been times in past year when they didn't have enough money to pay for health care

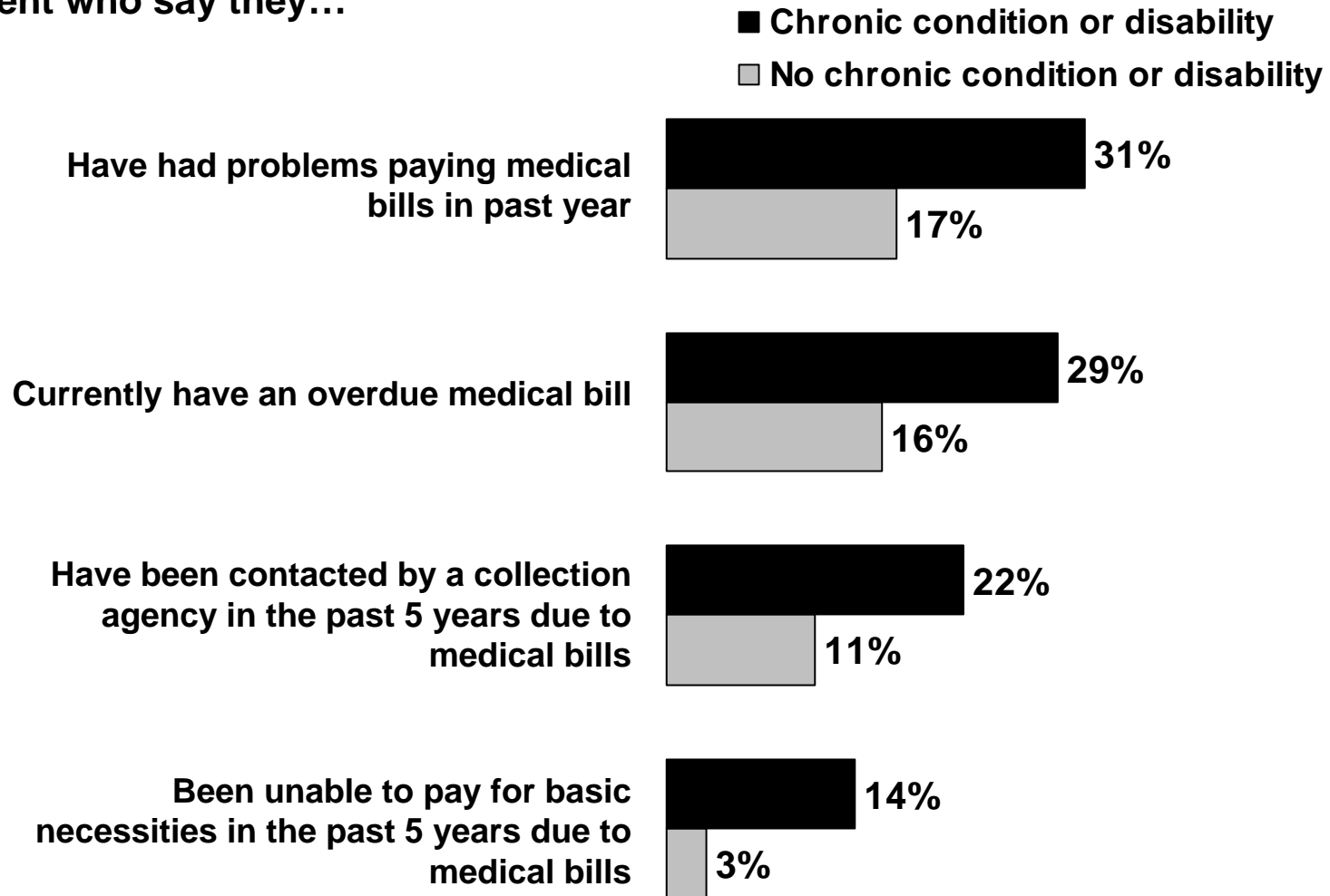


Health care is their biggest monthly expense after rent/mortgage payments

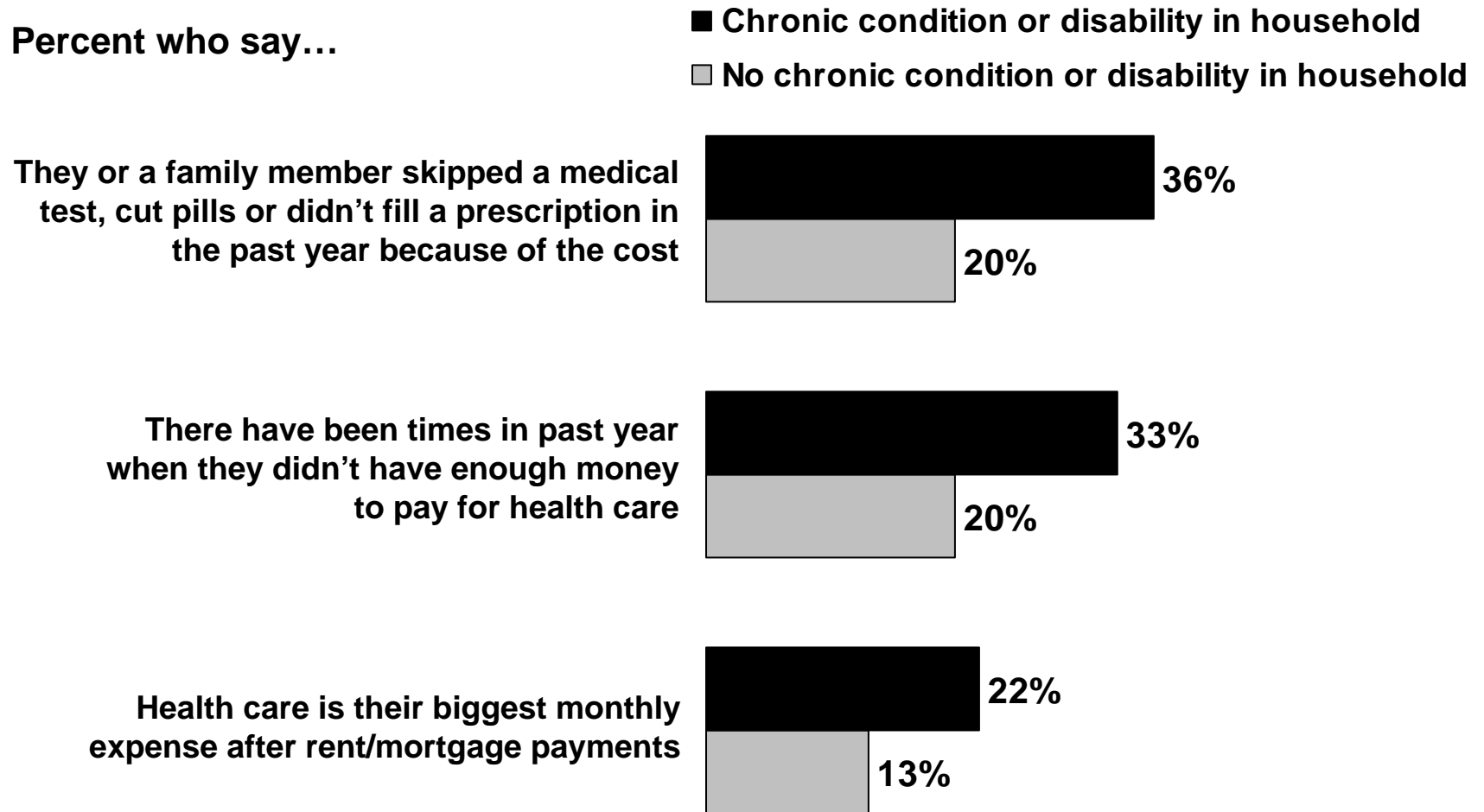


# Problems With Medical Bills, By Individual Health Status

Percent who say they...

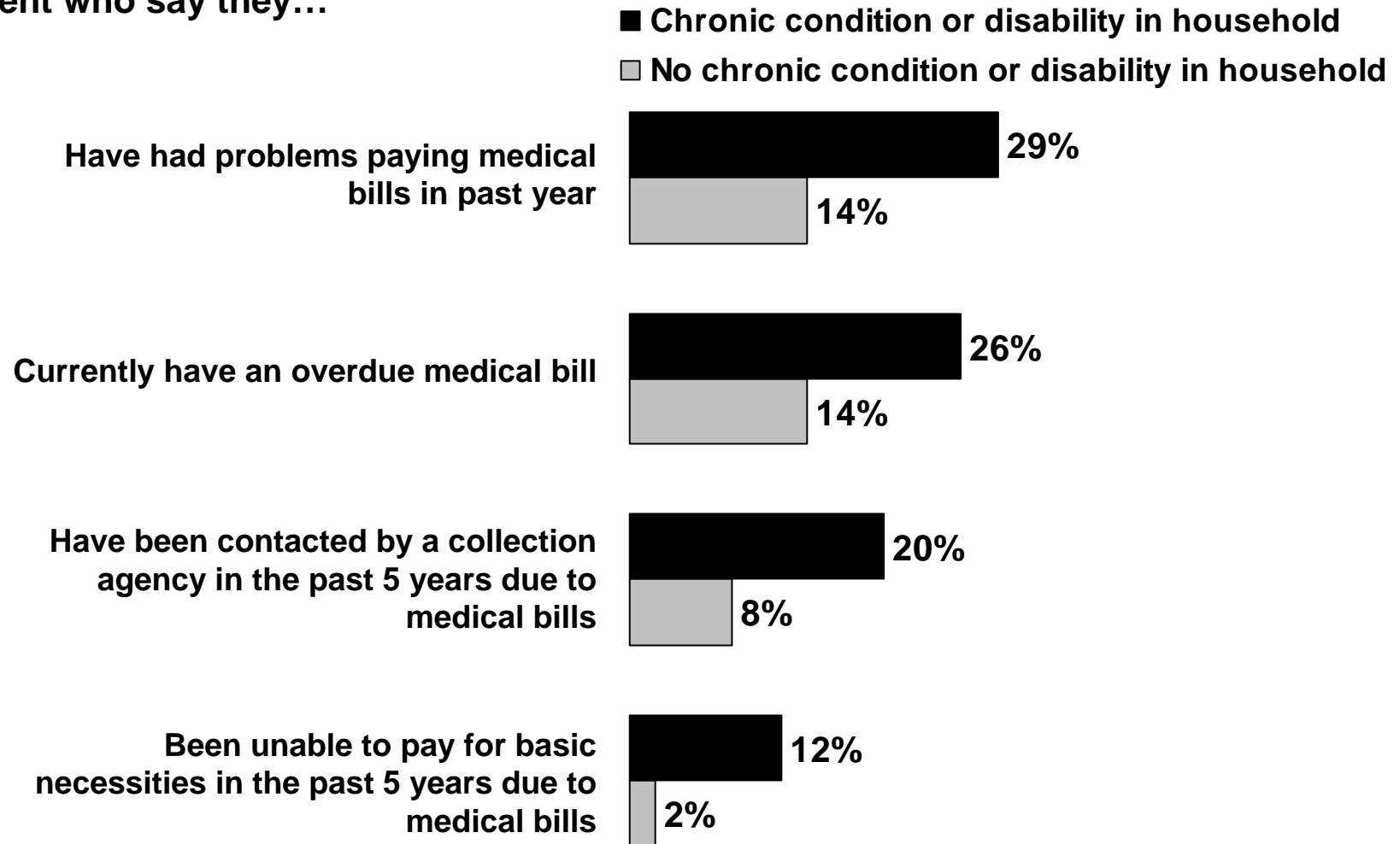


# Problems With Health Care Costs, By Household Health Status



# Problems With Medical Bills, By Household Health Status

Percent who say they...



**MODERATE AND LOW-INCOME, NON-ELDERLY  
ADULTS REPORT MORE PROBLEMS**

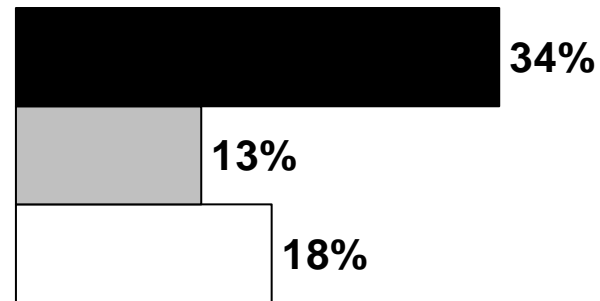


# Problems With Health Care Costs, By Age and Income

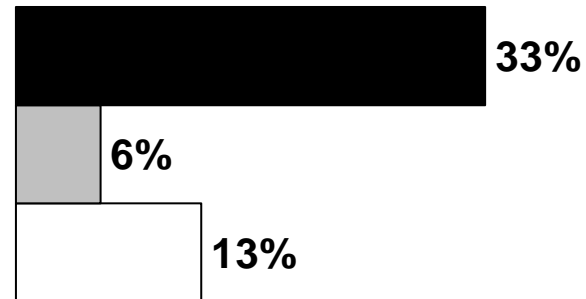
Percent who say...

- Insured non-elderly <75K
- Insured non-elderly >=75K
- Seniors insured with Medicare

They or a family member skipped a medical test, cut pills or didn't fill a prescription in the past year because of the cost



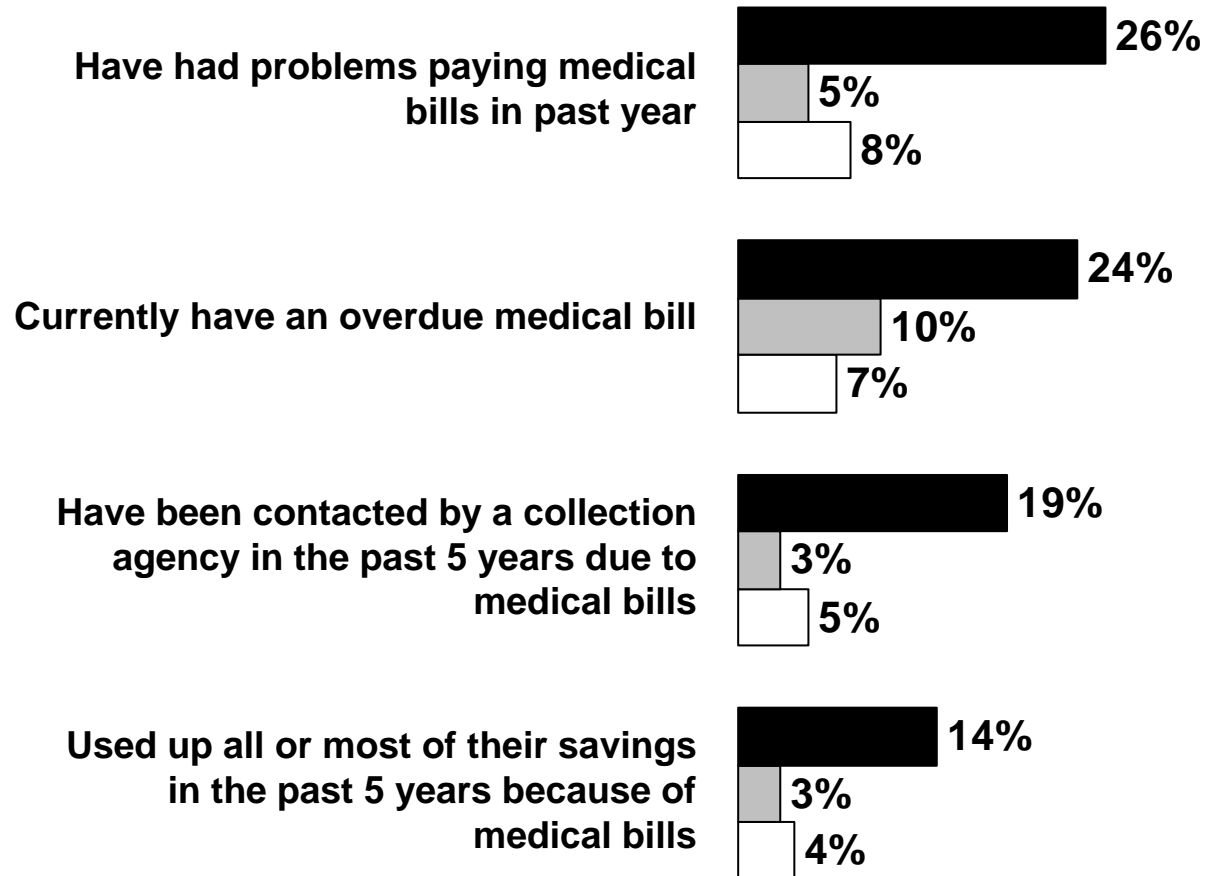
There have been times in past year when they didn't have enough money to pay for health care



# Problems With Medical Bills, By Age and Income

Percent who say they...

■ Insured non-elderly <75K  
 ■ Insured non-elderly >=75K  
 □ Seniors insured with Medicare

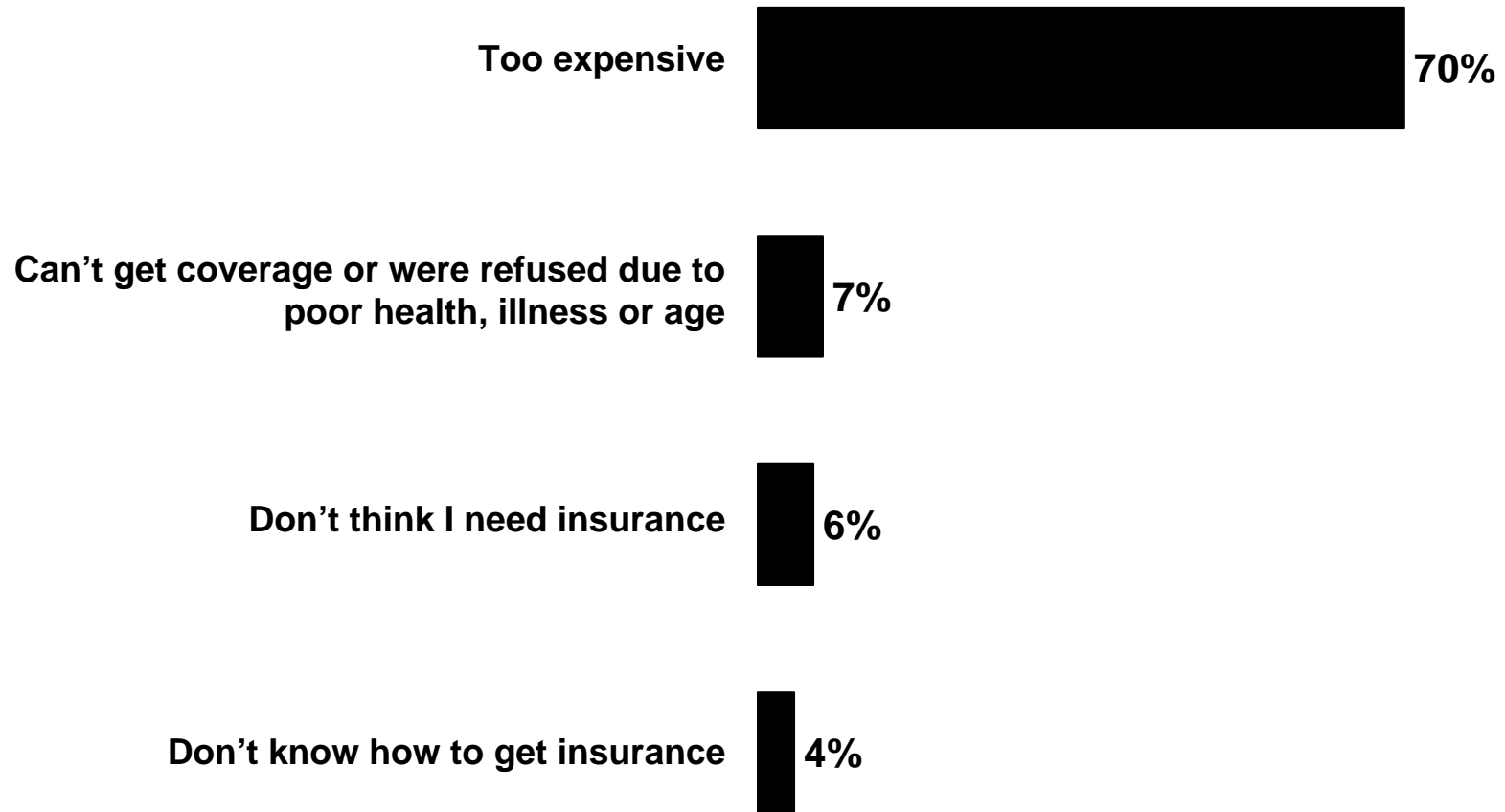


# **THE UNINSURED**

# Reasons For Not Having Insurance

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Among 18% who are uninsured: Which of the following best describes the reason you don't currently have health insurance?



Note: 13% listed some other reason

Source: USA Today/Kaiser Family Foundation/ Harvard School of Public Health *Health Care Costs Survey* (conducted April 25 – June 9, 2005)

# Postponed Medical Care, By Insurance Status

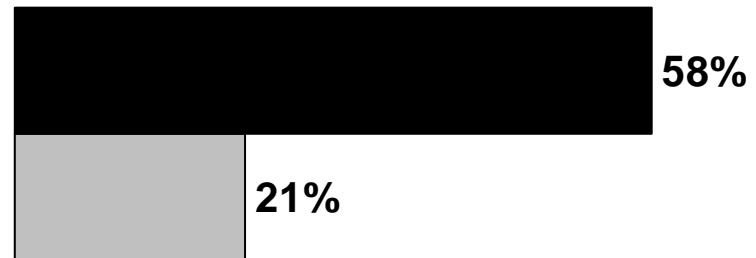
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Percent who say...

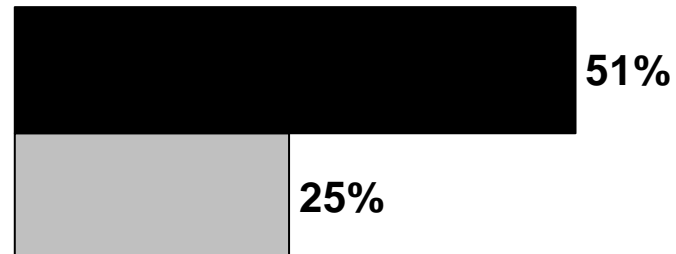
■ Uninsured

■ Insured

There have been times in past year  
when they didn't have enough money  
to pay for health care

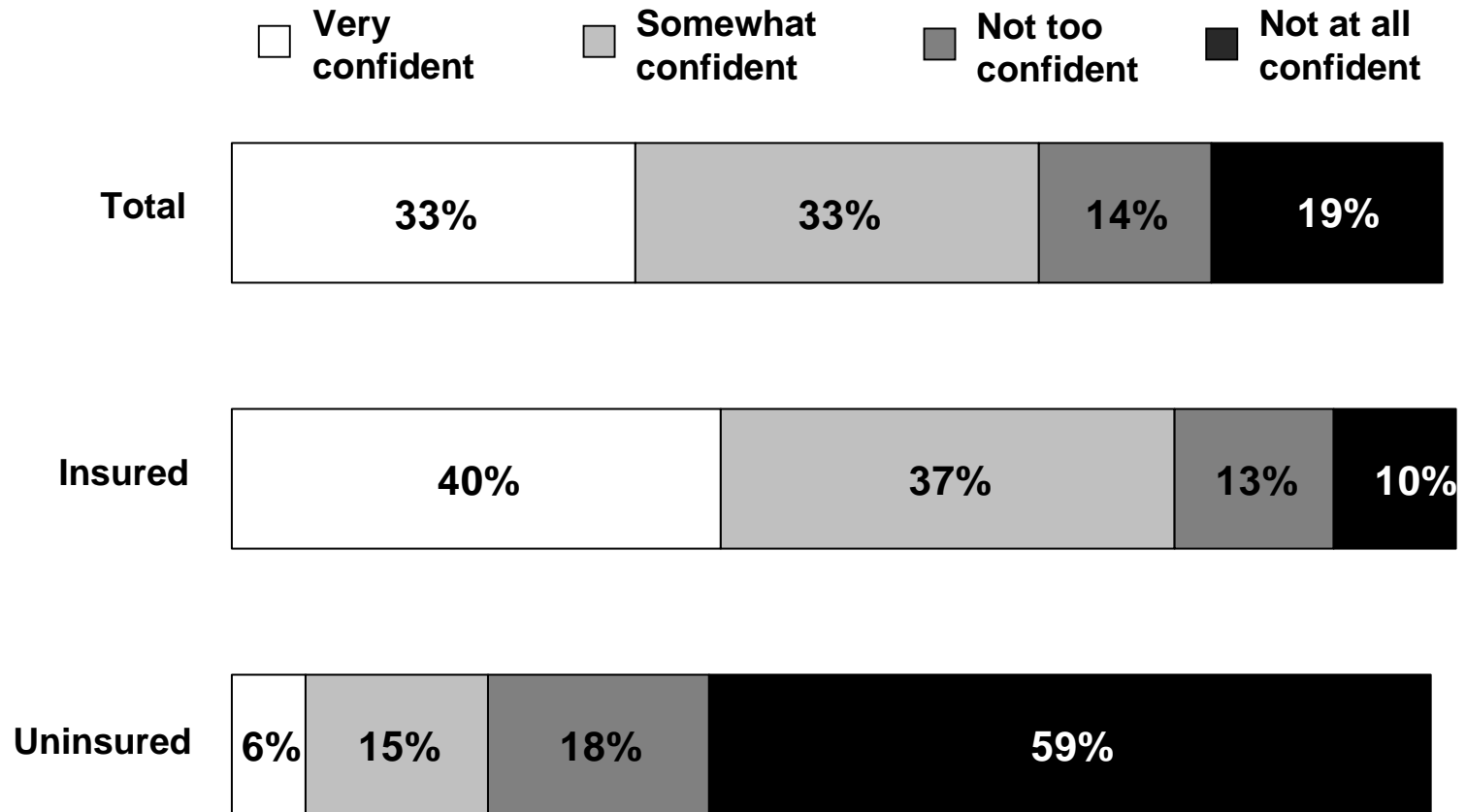


They or a family member skipped a medical  
test, cut pills or didn't fill a prescription in  
the past year because of the cost



# Perceived Ability To Pay For Care, By Insurance Status

Generally, how confident are you that you have enough money or health insurance to pay for the usual medical costs that a family requires?

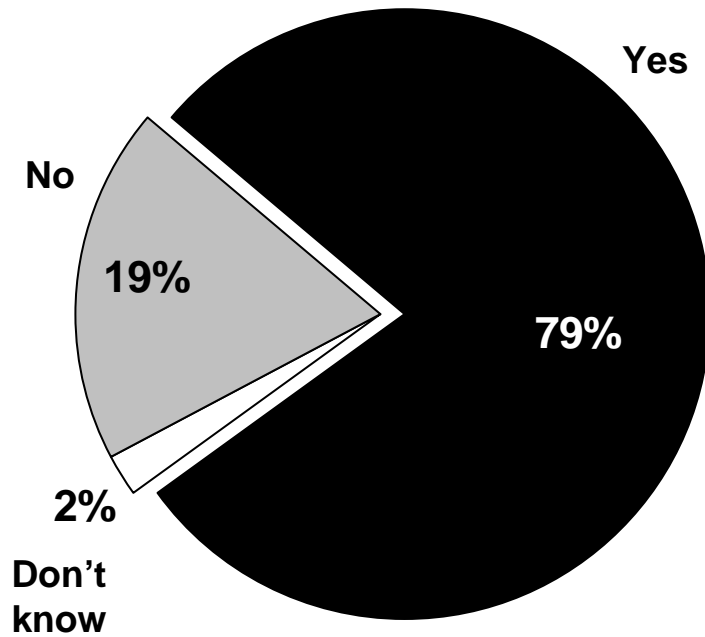


Note: Don't know/refused responses not shown.

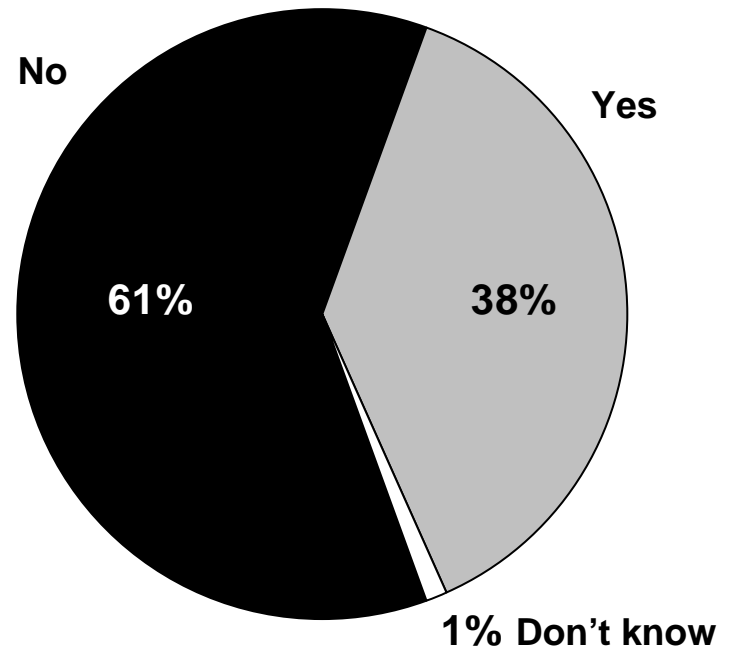
Source: USA Today/Kaiser Family Foundation/ Harvard School of Public Health *Health Care Costs Survey* (conducted April 25 – June 9, 2005)

# Free Medical Care Among Uninsured

Percent of uninsured adults who report receiving ANY medical care in the past year:



Among the 79% of uninsured adults who received medical care in the past year: Have you gotten any medical care FREE or at a greatly reduced cost because you could not afford to pay for it?

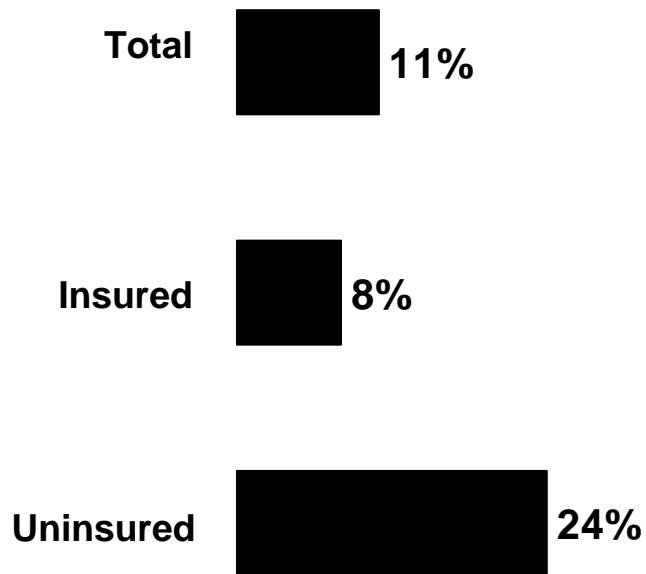


# **CONSUMER STRATEGIES TO LOWER COSTS**

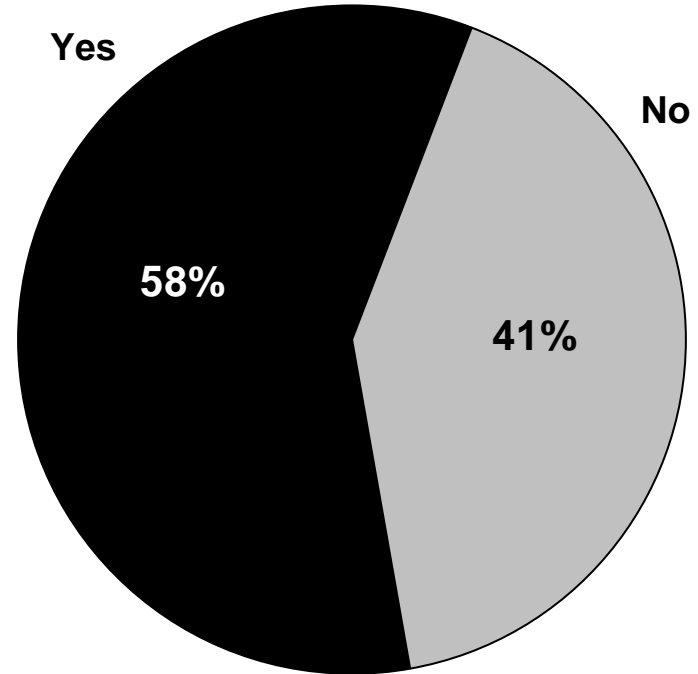


# Negotiating Health Care Costs

Percent who say they have negotiated with a physician or other health care provider to try and get a lower price for health care services in the past year...



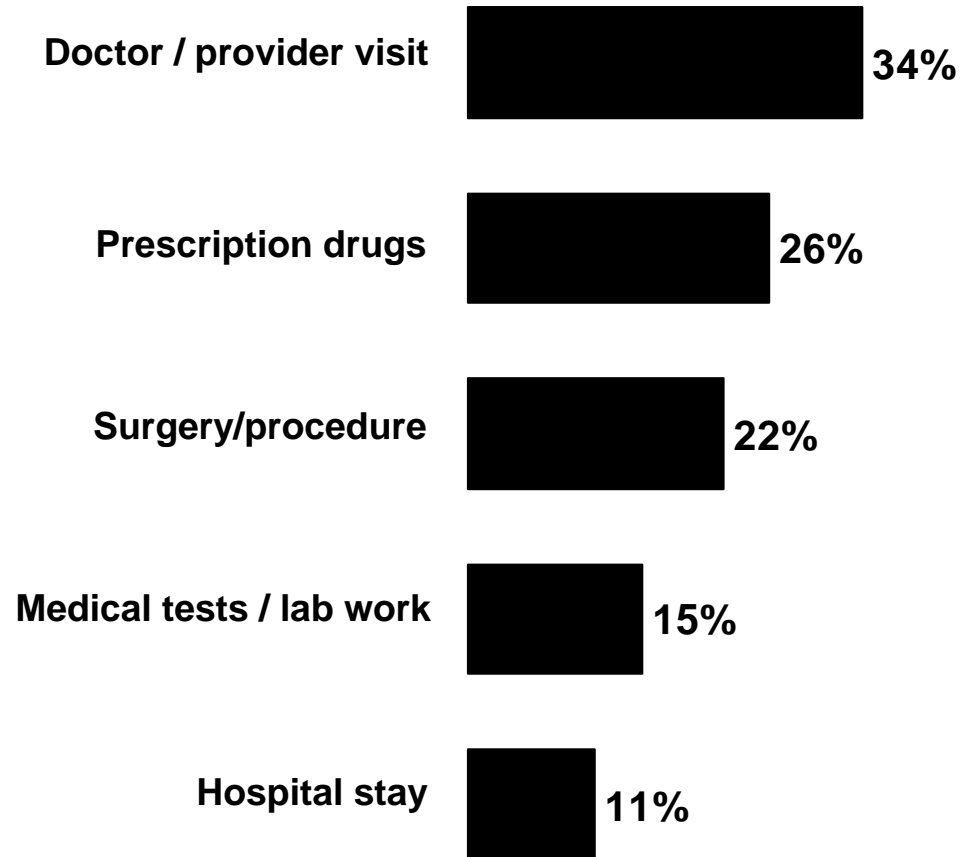
Among the 11% who negotiated prices: Did you get a lower price, or not?



# Types Of Services Negotiated For

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Among the 11% who negotiated for health care services: Percent who say they tried to negotiate for each of the following...

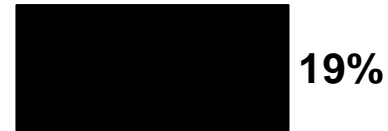


# Strategies to Lower Health Care Costs

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Percent who say, in the past year, they have...

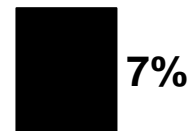
Had a doctor resubmit a claim that had been rejected \*



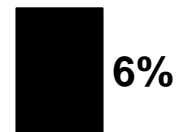
Gone on the Internet to try and find a lower price for prescription drugs



Switched doctors to lower the amount you pay directly out of your own pocket \*



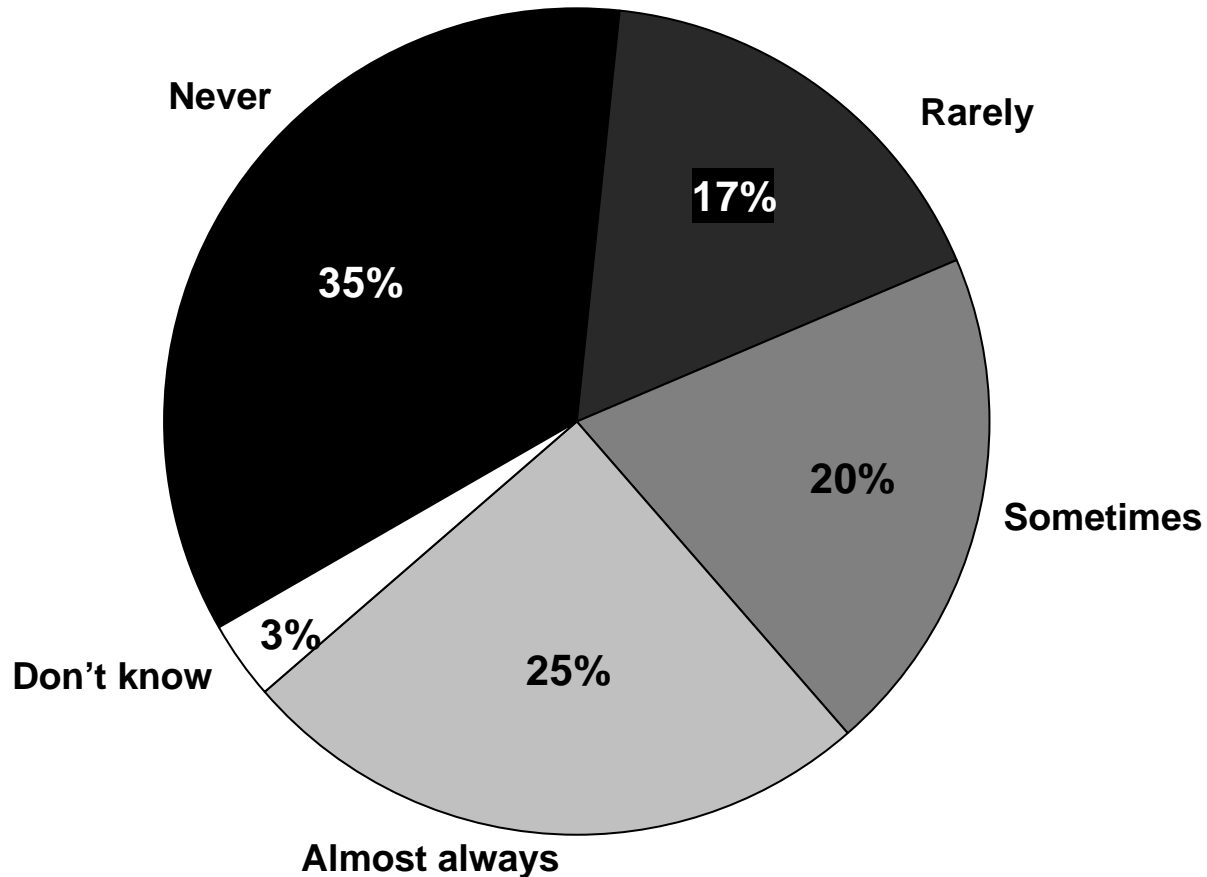
Gone on the Internet to try and find a lower price for any other type of health care services



\* Asked of insured adults only (n=1,333)

# Discussing Costs with Doctors

How often does your doctor explain to you the costs associated with recommended procedures (if insured – and whether they would be covered by your health insurance)?

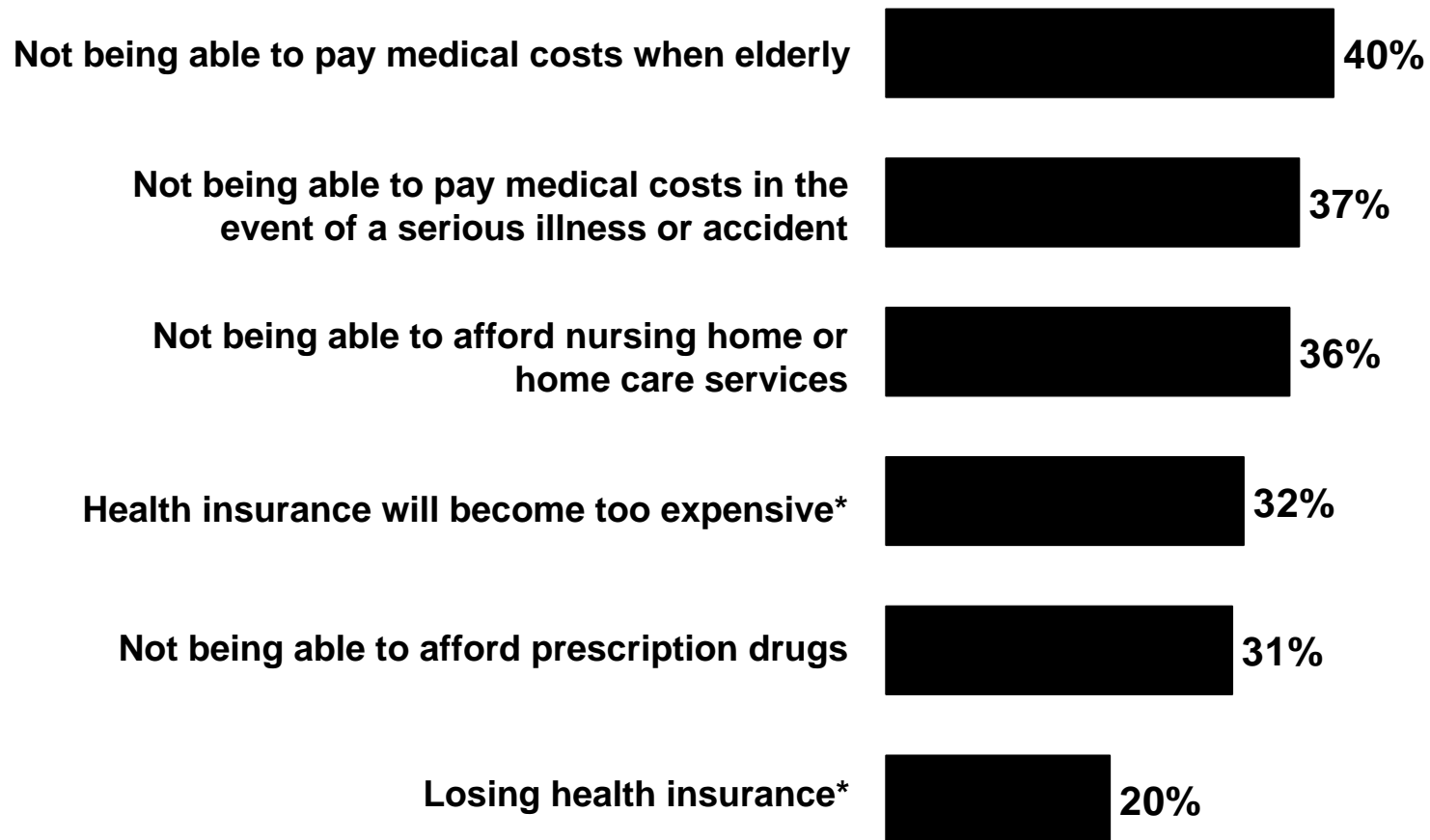


# **HEALTH CARE WORRIES**

# Health Care Cost Worries

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Percent who say they are “very” worried about each of the following...

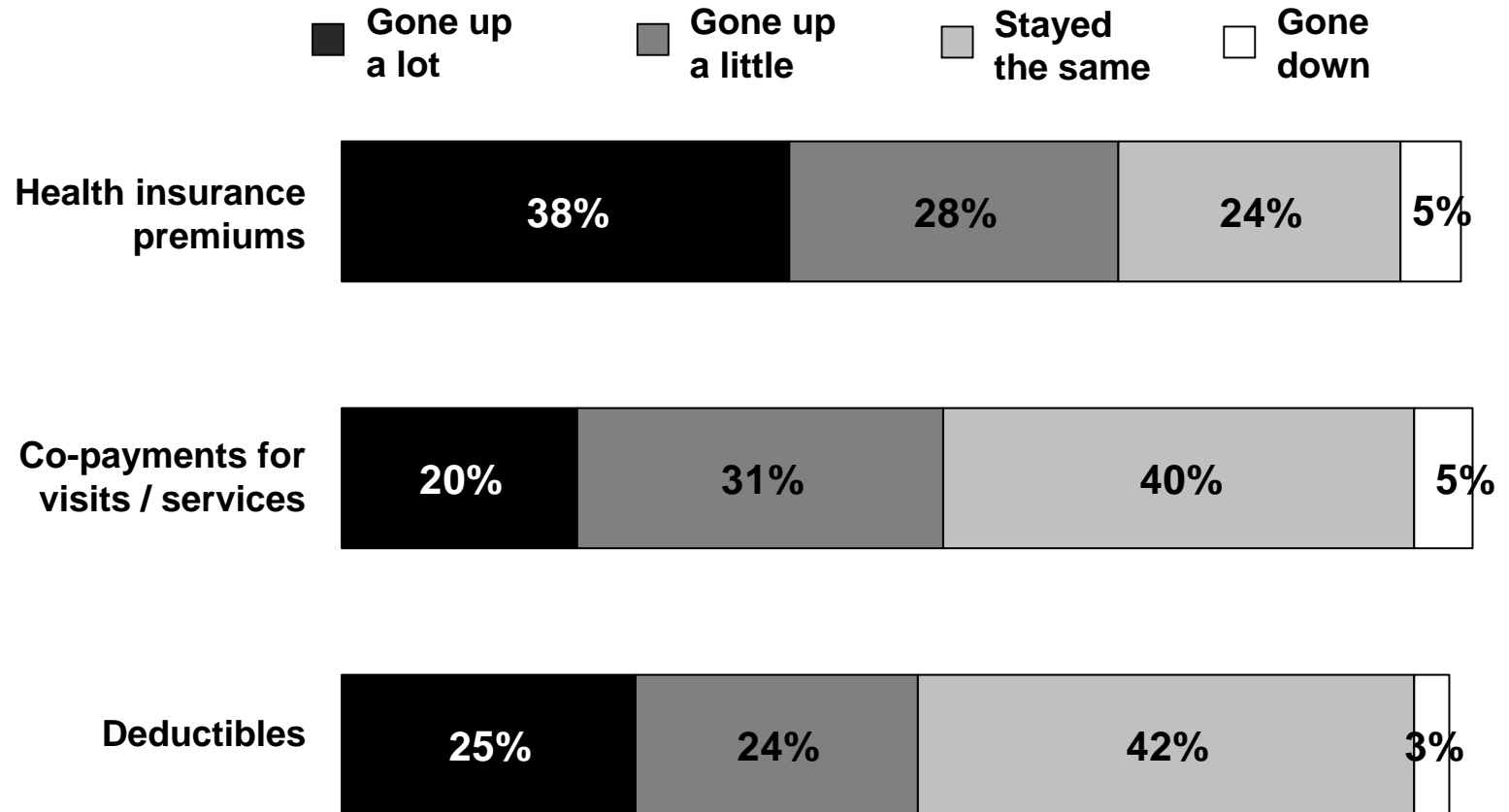


\*Asked of insured adults only (n=1,333)

# **RISING HEALTH CARE COSTS**

# Health Care Costs Among Insured

Among the 82% of insured adults: During the past 5 years, has the amount you pay for each of the following gone up, stayed the same or gone down?



Note: Don't know/refused responses not shown.

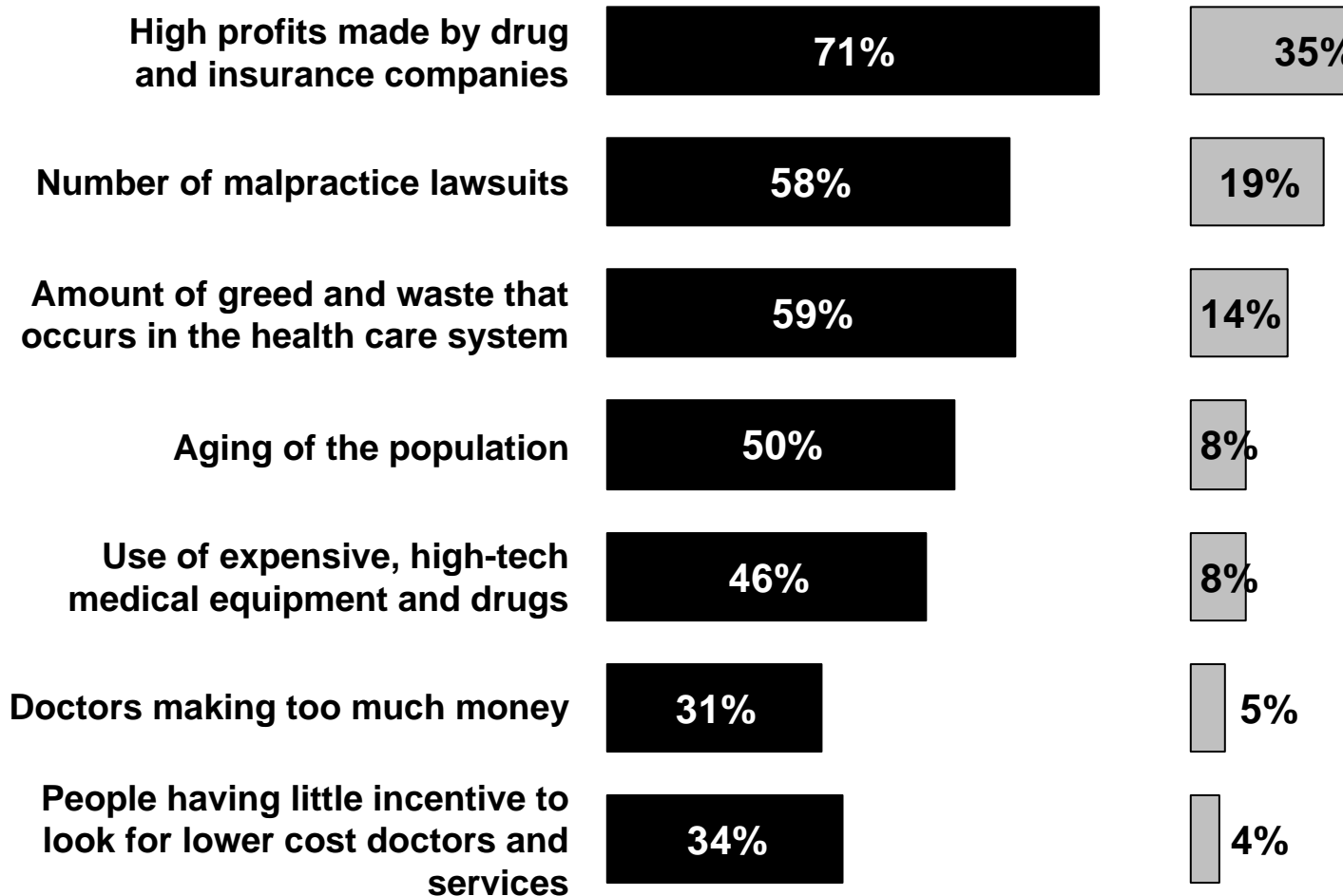
Source: USA Today/Kaiser Family Foundation/ Harvard School of Public Health *Health Care Costs Survey* (conducted April 25 – June 9, 2005)



# Perceived Reasons For Rising Health Care Costs

■ Percent who say each is a “very important” factor in causing higher health care costs...

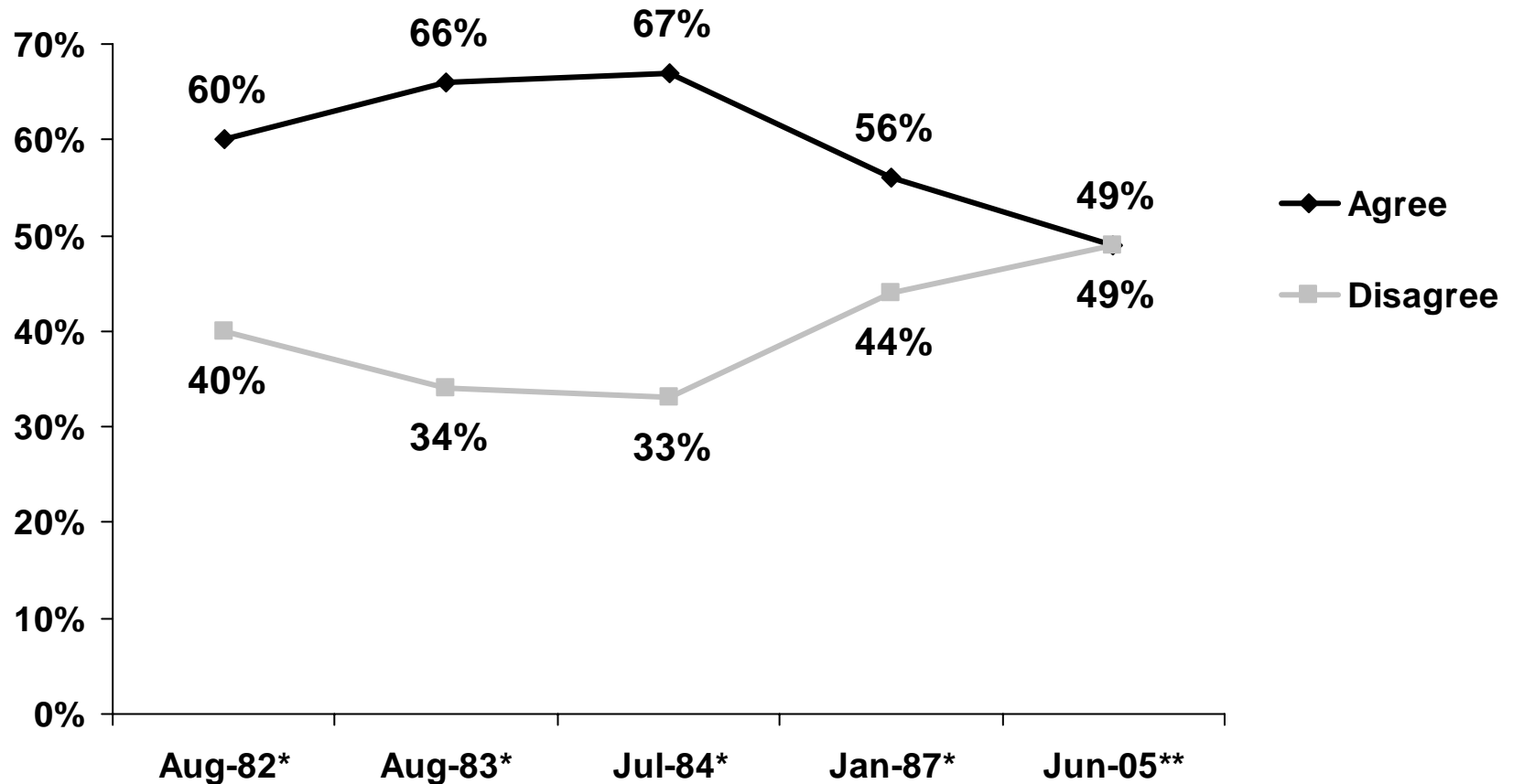
□ When forced to choose, percent who say each is the MOST important factor\*



\*Note: also includes those who said only one factor was “very important”

# Trends in Perception of Doctor Incomes

Percent of respondents who agree/disagree that doctors are too interested in making money:



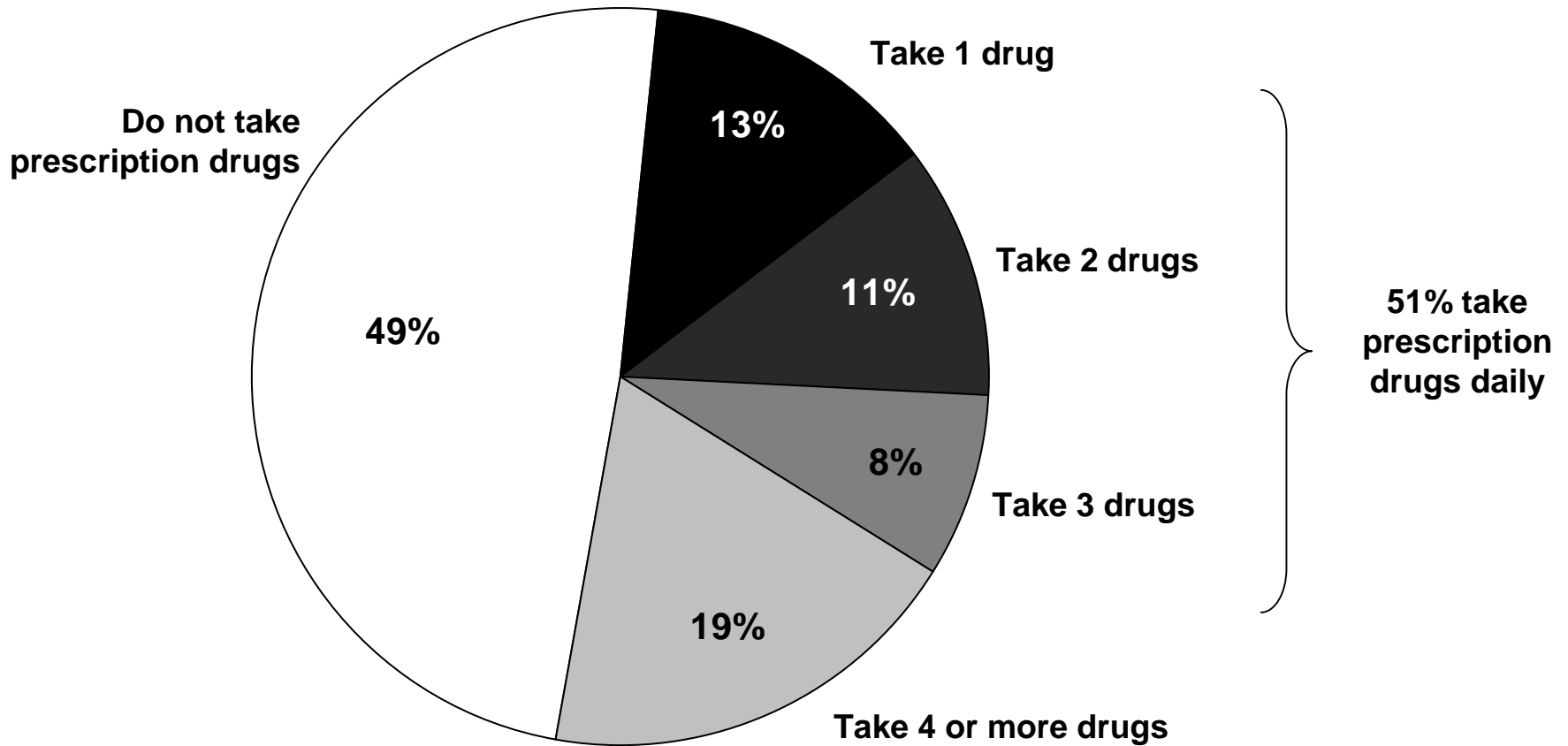
\*Source: American Medical Association

\*\*Source: *USA Today*/Kaiser Family Foundation/ Harvard School of Public Health *Health Care Costs Survey* (conducted April 25 – June 9, 2005)

# **PRESCRIPTION DRUGS**

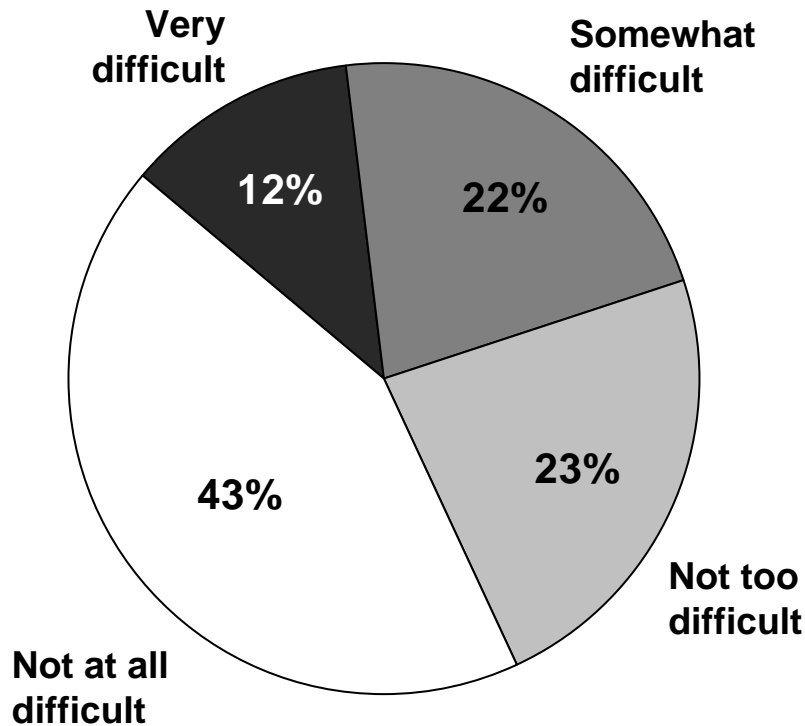
# Prescription Drug Use

Do you currently take any prescription medicine on a daily basis? If yes, how many different prescription drugs do you take?

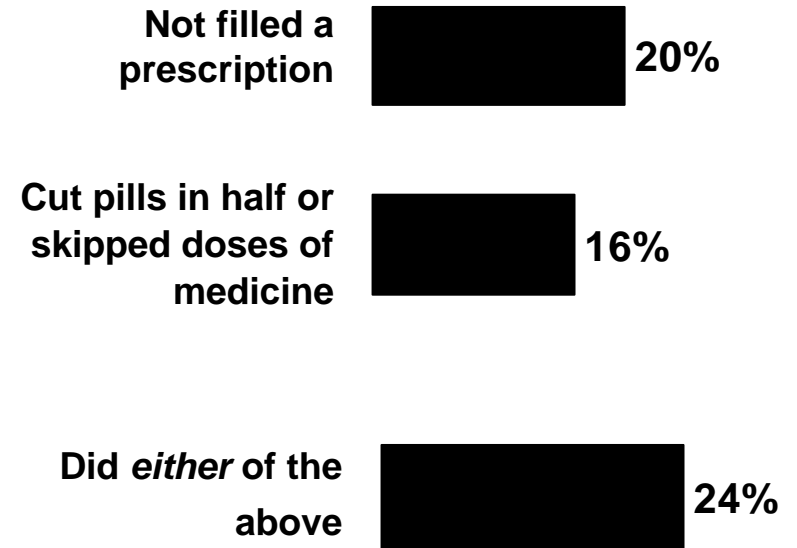


# Paying for Prescription Drugs

Among 51% who take prescription drugs daily: How difficult is it for you to pay for prescription medicines that you need?



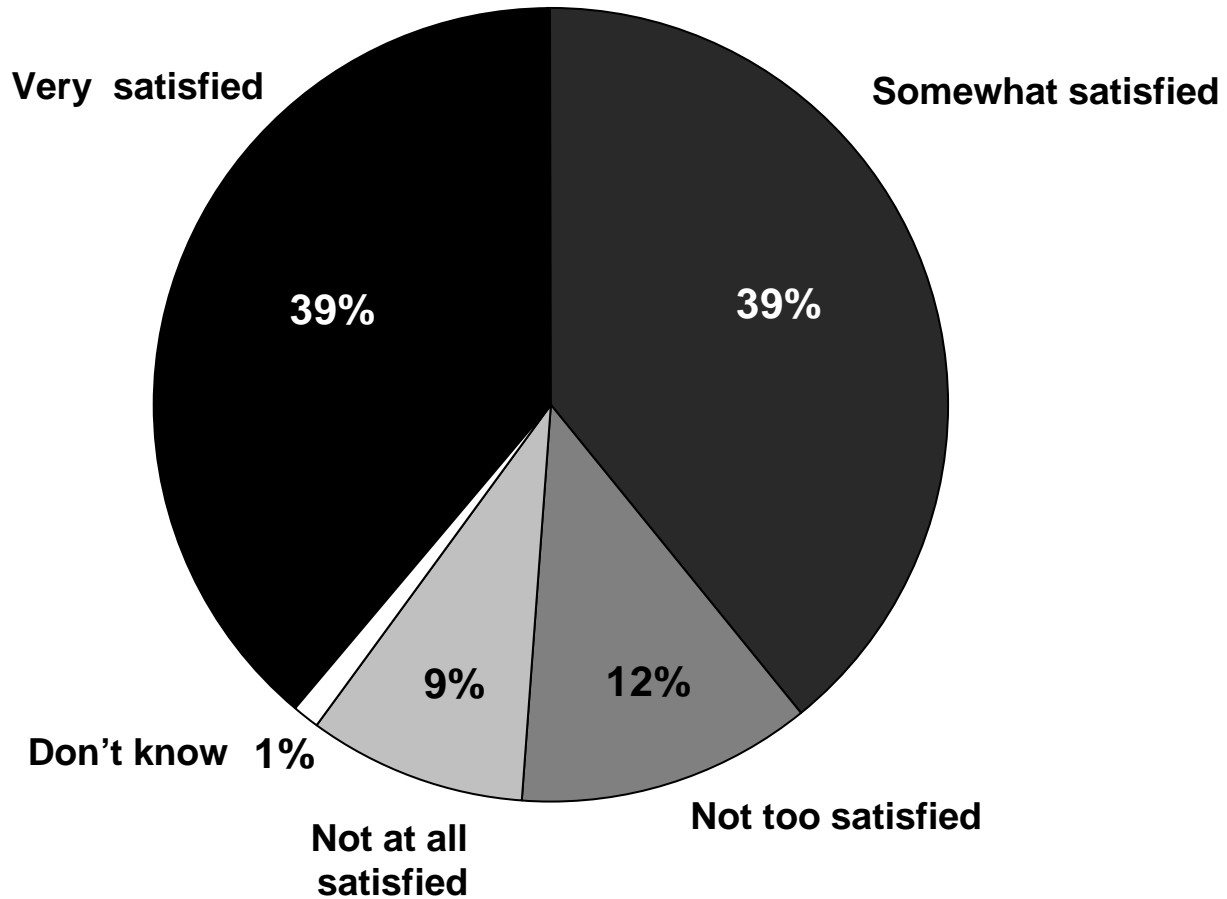
Percent of total who say they or a family member have done each of the following in the past year because of cost...



**ALTHOUGH MANY PEOPLE HAVE PROBLEMS,  
MOST THINK THAT OVERALL THE SYSTEM  
WORKS**

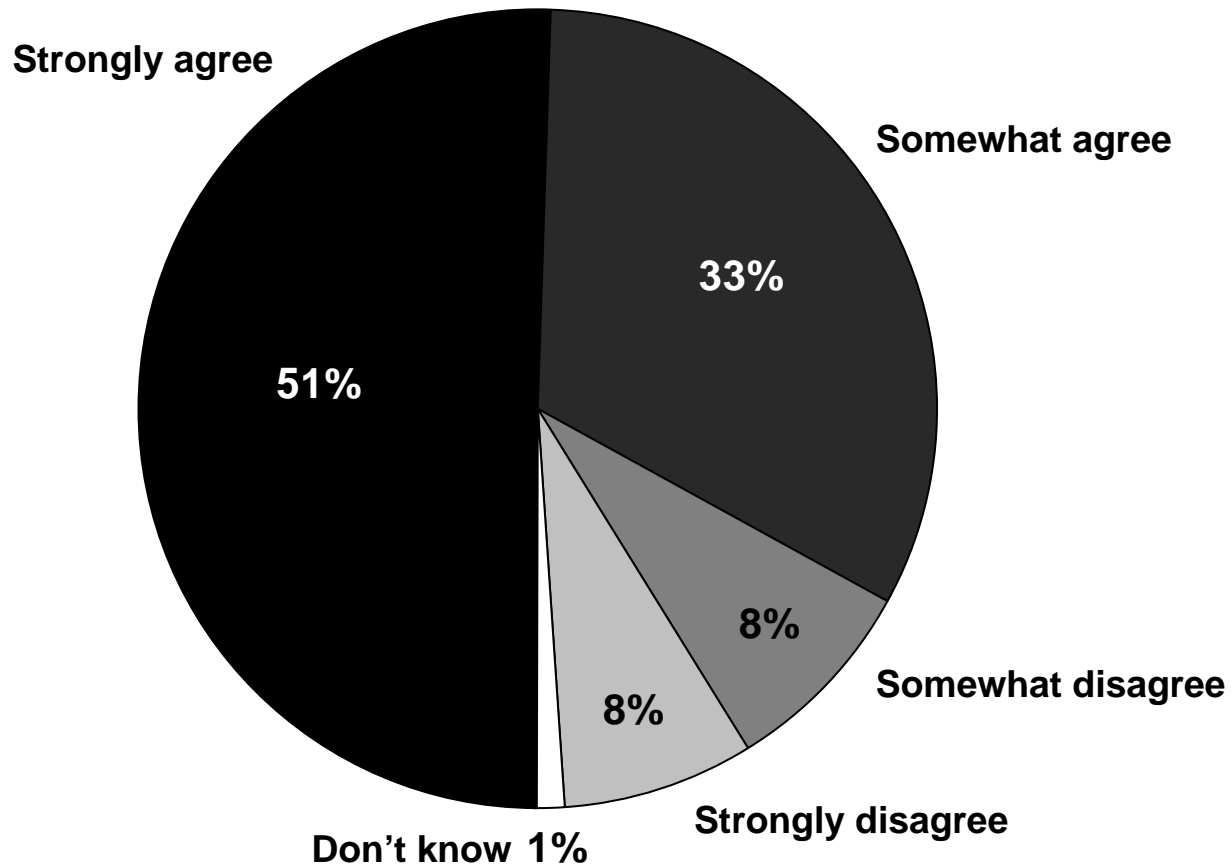
# Health Insurance Costs

Among 82% who are insured: How satisfied are you with what you pay for the health insurance you have?



# Views on Doctors

Do you agree or disagree that most doctors are genuinely dedicated to helping people?

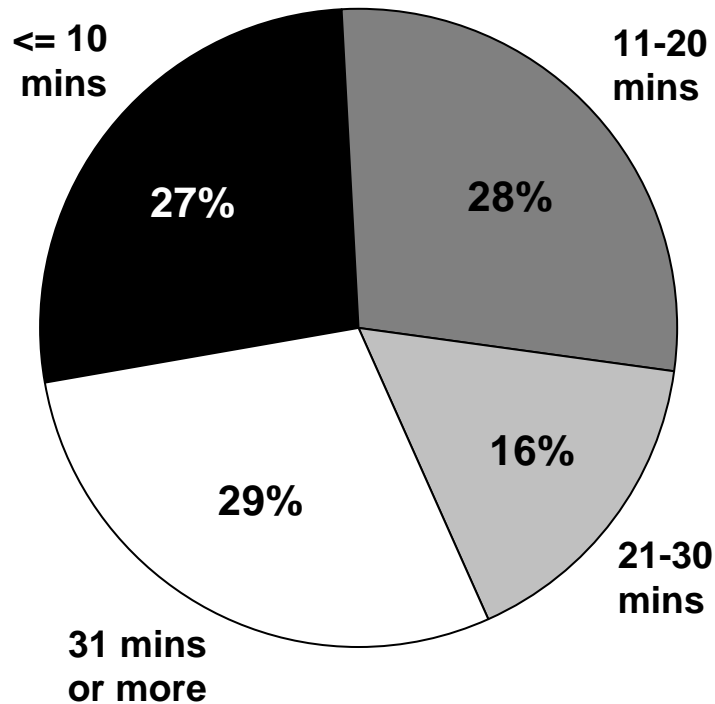




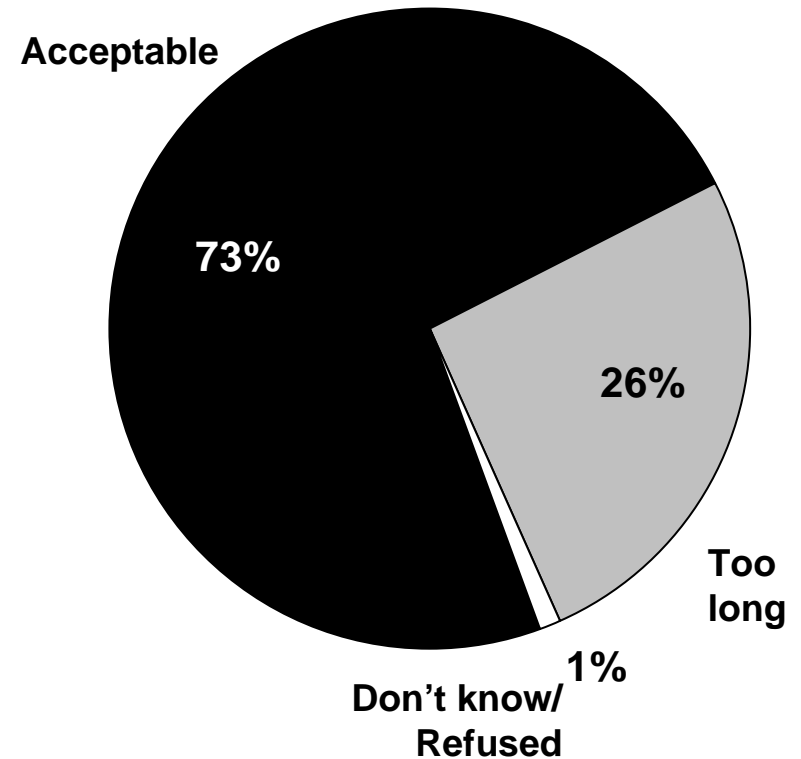
# Doctor Visit Wait Times

Among 89% who have gone to a doctor or clinic one or more times in the past year:

How long did you have to wait to see the doctor at your most recent visit?



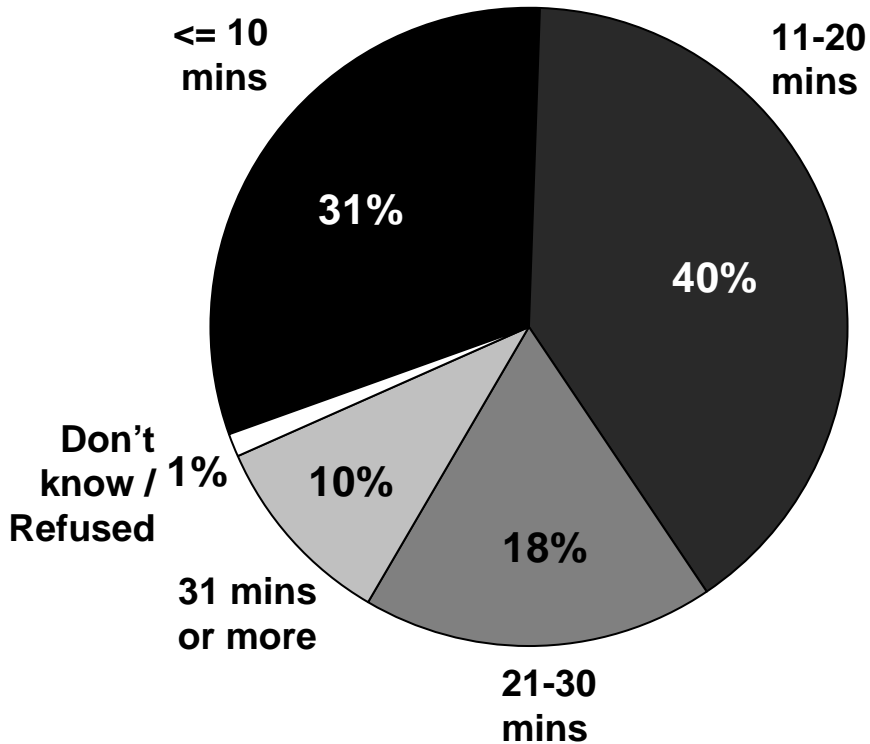
Was that too long to wait, or was it acceptable to you?



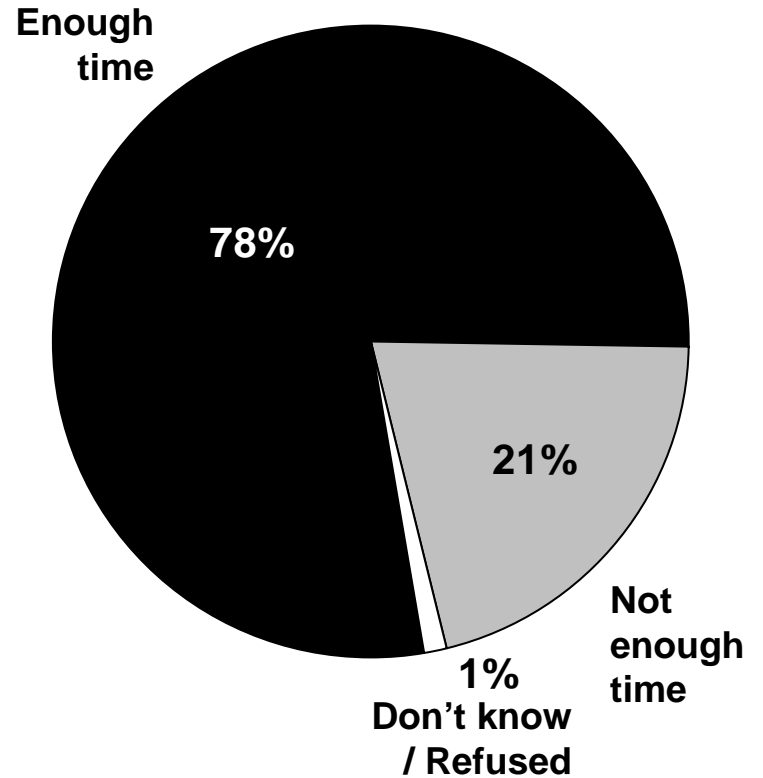
# Time Spent With Doctor

Among 89% who have gone to a doctor or clinic one or more times in the past year:

How long did the doctor spend with you in total during your most recent visit?

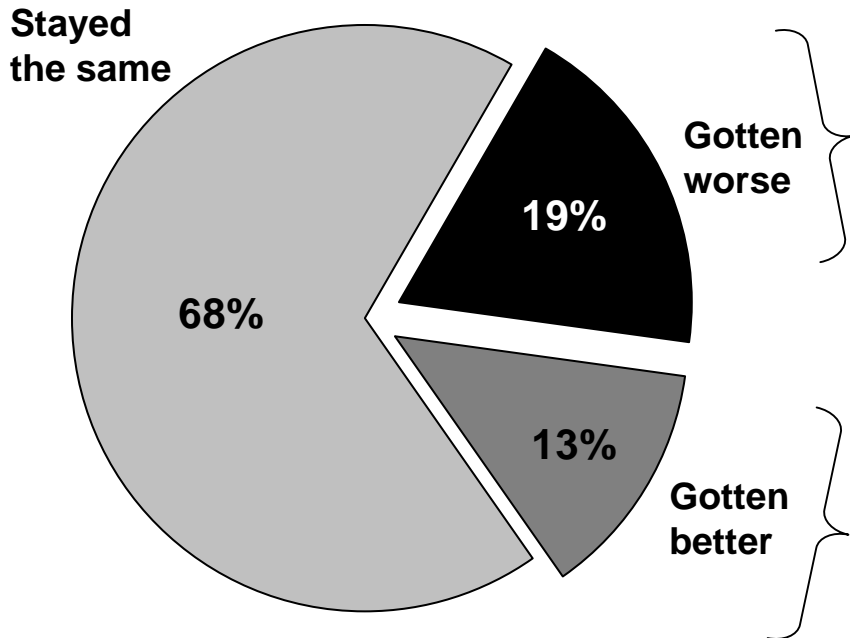


Was that enough time with the doctor, or not enough time?

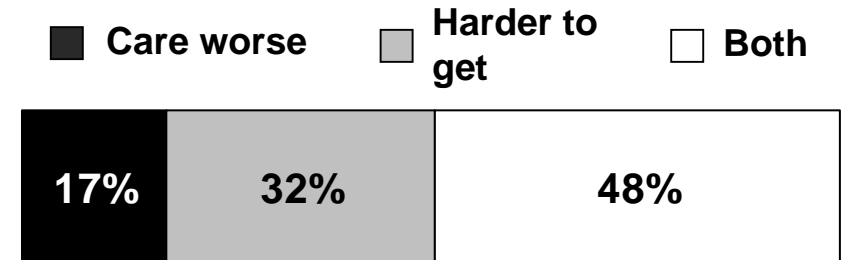


# Perceived Quality of Health Care

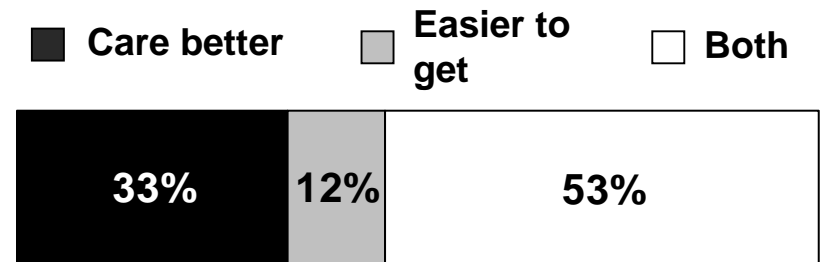
In the past 5 years, do you think the quality of health care you have received has...



Among the 19% who say care has gotten worse: Is that because the actual medical care has gotten worse, or because it's gotten harder to get care?



Among the 13% who say care has gotten better: Is that because the actual medical care has gotten better, or because it's gotten easier to get care?





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