

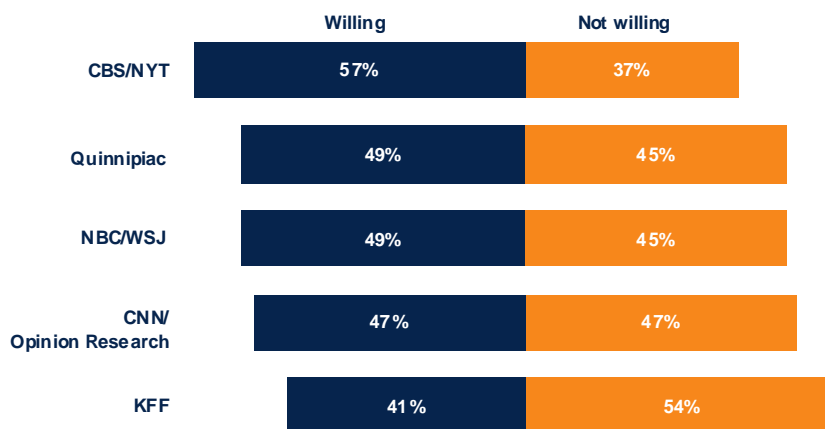
A few new surveys have tackled the important question of whether Americans – still fairly foggy on the details of legislation being drafted on the Hill – are going to be willing to foot the bill for an expansion of health care coverage to more of their fellow citizens. In this data note, we try to walk you through the thicket of findings on “willingness to pay.”

Willingness to pay in the abstract

The first cut on the topic is to find out whether – in the *abstract* – people feel willing to pay more to cover more Americans. This is, of course, much different than asking them to consider concrete proposals, particularly those with actual price tags or those that can be demonstrated to affect them personally. But it gets at the priority people place on expanding coverage: are they, at least in concept, willing to pay a price for it?

Surveys over the past several years have found that the answer to this question bounces around a 50-50 divide. Looking at five publicly released polls with similar questions on the subject reveals a range of results, with a low of 41 percent willing to pay in our most recent Foundation survey, a high of 57 percent willing to pay in a recent CBS/NYT poll, and three other surveys falling smack in the middle.

Willingness to Pay – Various Polls



Org.	Date	Question Wording: Willingness to Pay for Expanding Coverage	Willing	Not willing	DK/Ref
CBS/ NYT	Jun09	Would you be willing or not willing to pay higher taxes so that all Americans have health insurance they can't lose, no matter what?	57	37	6
Quinnipiac	Jun09	Would you be willing or unwilling to pay more in taxes for a health care overhaul plan that reduces health care costs and covers those who don't have health insurance? (Survey based on registered voters)	49	45	6
NBC/ WSJ	Mar09	Please tell me whether you agree or disagree with the following statement. 'I would be willing to pay higher taxes so that everyone can have health insurance.'	49	45	6
CNN/ Opinion Research	May09	Would you prefer a health care reform plan that raises taxes in order to provide health insurance to all Americans, or a plan that does not provide health insurance to all Americans but keeps taxes at current levels?	47	47	6
KFF	Jun09	Would you be willing to pay more – either in higher health insurance premiums or higher taxes – in order to increase the number of Americans who have health insurance, or not?	41	54	5

There are a number of factors that could be causing these somewhat variant results, though it's also worth noting that the laws of statistics mean that measuring opinions that divide at 50-50 is a pollster's trickiest task (a fact political pollsters know all too well).

First among them is question wording. Though these five questions are fairly similar, they do differ in certain ways. The Kaiser question mentions that premium hikes are a possibility along with tax hikes. The CBS/NYT question promises coverage you “can't lose, no matter what.” NBC/WSJ uses an agree/disagree format, which sometimes produces slightly differing results. Quinnipiac suggests reform would lower costs as well as increasing coverage. There are also inevitably going to be complicated order effects on surveys that ask multiple questions on the same topic.

Another possible difference is timing. The NBC/WSJ survey and the CNN/Opinion Research survey were conducted earlier in the year, while the Quinnipiac, Kaiser and CBS/NYT surveys were conducted in June. Though the latter two polls were fielded quite close together, they were also fielded at a time when the health care debate was breaking through to the public via the media and opinion was bound to be volatile, which could explain their difference. Arguing against that, both survey organizations have asked the questions before and their current results seem quite consistent with their previous findings.

Of course the easiest way to change results on an abstract question is to make it concrete. For example, when the CBS/NYT adapted their question to ask Americans whether they would be willing to pay “as much as \$500 a year or more in taxes,” support went down from 57 to 43 percent. Quinnipiac found that only 20 percent would be willing to pay more than \$500 per year. In the next section, we do more to focus on the specific plans currently being discussed.

Org.	Date	Question Wording	Willing	Not willing	Willing, but <\$500/DK
CBS/ NYT	Jun09	Would you be willing to pay as much as \$500 a year or more in taxes so that all Americans have health insurance they can't lose, no matter what?	43	45	12

Public opinion on specific revenue raisers

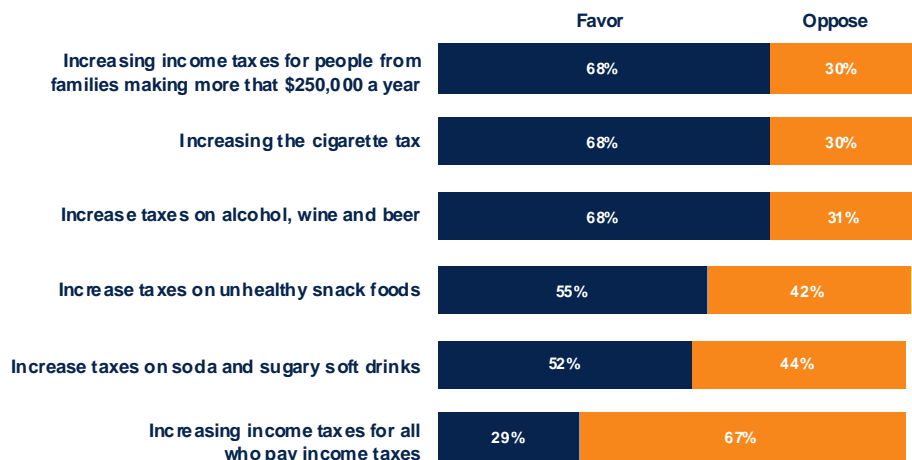
Since any plan to raise revenue will ultimately have a specific approach – approaches that differ in the number of Americans they will impact and the intensity with which they will impact them – it’s important to push beyond the abstract to see how the public responds to various proposals that are being considered.

One option currently being discussed is a change in the tax treatment of employer sponsored health benefits, particularly for those considered to have generous coverage. The six surveys listed below took different approaches to explaining this complex proposal, but each found opponents outnumber supporters. Support for the option varied across the surveys from 20 percent to 40 percent. Note that the CBS/NYT poll has a rather larger percentage saying they are “unsure” due to the fact that they specifically provide this response in the question wording.

Org.	Date	Question Wording: Changing Tax Treatment of Employer-Sponsored Health Benefits	Favor	Oppose	DK/ Unsure
		<i>Questions focused on 'Cadillac plans'</i>			
KFF	Jun09	Right now, workers do not pay taxes on the money that their employer puts into their health insurance benefits. Some policymakers are proposing that workers <i>with the most generous health care benefits</i> SHOULD pay taxes on a share of the money the employer puts into that health insurance, with those taxes helping to pay for health care reform including covering more of the uninsured. Do you favor or oppose changing the law so that workers with the most generous health care benefits would pay taxes on the money their employer puts toward their coverage?	40	54	6
NBC/ WSJ	Mar09	Experts currently estimate that this proposed health care plan will cost one trillion dollars over the next decade. I am going to read you some proposals for how the plan could be funded. After I read each statement, please tell me whether that proposal is acceptable or not acceptable. Require people <i>with expensive health plans with more generous benefits than a standard plan</i> to pay taxes on a portion of that plan's costs.	33	59	8
WP/ ABC	Jun09	Would you support or oppose a federal tax on health insurance benefits people receive through their employer <i>if those benefits cost more than \$17,000 a year?</i>	24	70	6
CBS/ NYT	Jun09	Currently, workers do not pay taxes on health insurance benefits they receive from their employers. Lawmakers have <i>proposed taxing some employees on some of the money that their employers pay</i> toward their health insurance. The tax money would then be used to help provide health insurance to people who do not have it. In general, would you approve or disapprove of taxing employer paid health insurance benefits, or are you unsure?	20	46	34

		<i>Questions focused on taxing all benefits</i>			
Quinnipiac	Jun09	Would you support or oppose a new tax on employees for the health care benefits that they receive from their employers? <i>(Survey based on registered voters)</i>	30	63	7
Diageo/ Hotline	Jun09	As you may know, people who currently have health insurance plans through their employers or through their spouse's employer do not currently pay taxes on the benefits they receive through those health insurance plans. One proposal being considered by Congress is to tax these benefits in order to help pay for the cost of expanding health coverage to Americans who currently don't have health insurance. Do you support or oppose this proposal? <i>(Survey based on registered voters)</i>	26	68	6
NBC/ WSJ	Mar09	Experts currently estimate that this proposed health care plan will cost one trillion dollars over the next decade. I am going to read you some proposals for how the plan could be funded. After I read each statement, please tell me whether that proposal is acceptable or not acceptable. Require all people to pay taxes on the cost of their private health insurance plans.	23	70	7

Please tell me if you would favor or oppose each of the following to help pay for health care reform and provide coverage for more of the uninsured. (KFF: Jun09)



There are, of course, other tax-related proposals on the table. Among the most popular as far as the public is concerned is taxing the rich. Between six and seven in ten back that in Kaiser, NBC/WSJ and WP/ABC News surveys. Fewer, though still a majority (55 percent), back the option when phrased as “limiting tax deductions for families earning over \$250,000” in the Quinnipiac survey. We have also found widespread support for increasing taxes on cigarettes, and alcohol, wine and beer (see chart at left). Views on upping taxes on unhealthy snack foods or sodas are somewhat closer to the 50-50 mark, though supporters currently outweigh opponents. And there is – not surprisingly – strong opposition to increasing income taxes across the board for all taxpayers.

Please tell me whether that proposal is acceptable or not acceptable to fund a health care plan. (NBC/WSJ: Jun09)



Would you support or oppose ... to help pay for health care reform? (WP/ABC: Jun09)



Would you support or oppose ... ? (Quinnipiac: Jun09)



Opinion is also somewhat divided when it comes to reducing Medicare provider payments. A recent Kaiser survey found the public tilting in favor, 53 percent to 37 percent, while a recent NBC/WSJ survey found it more evenly divided at 47-46. The Kaiser survey also found that seniors – that population already receiving Medicare benefits – were more reluctant to see this change than other age groups.

Org.	Date	Question Wording: Reducing Medicare Provider Payments	Favor	Oppose	DK/Unsure
KFF	Jun09	Currently, the government determines how much doctors and hospitals get paid to treat people on Medicare. Would you favor or oppose limiting future increases in these payments as a way to help pay for health care reform?	53	37	10
NBC/WSJ	Jun09	Experts currently estimate that this proposed health care plan will cost one trillion dollars over the next decade. I am going to read you some proposals for how the plan could be funded. After I read each statement, please tell me whether that proposal is acceptable or not acceptable. Reduce payments to doctors and hospitals for the services they provide to patients covered by Medicare and Medicaid, which are the government health programs for the elderly and low income.	47	46	7

Do we really need to pay anything?

Then there's this sobering finding from Kaiser's tracking poll: most Americans say that if policymakers made the right changes, they could reform the health care system without spending an additional dime. This feeling that change could come without pain likely makes Americans less likely to back anything with a price tag.

<i>Which comes closer to your opinion? (KFF)</i>	Jun09	Feb09
If policymakers made the right changes, they could reform the health care system without spending more money to do it	60	58
To make any real reforms to the health care system, policymakers will need to spend more money, either by raising some taxes, taking from other programs or increasing the deficit	34	36
Don't know/Refused	6	6

What next?

What the public thinks about health care reform from this point will depend on what they learn about any proposals over the course of the summer – whether it be the actual details of any plan that might emerge or the spin on such a plan that will inevitably come from ideologues on both sides, the health care industry itself, and interested advocacy groups. Our surveys have repeatedly found that opinion on most specific proposals is quite malleable and can be moved in both directions. Expect this to happen.

As survey watchers, it will be important to track both abstract views and support for specific revenue raising proposals. It is equally important to remember that revenue raising proposals don't exist in a vacuum – instead they are part of a larger plan which will undoubtedly also be offering benefits to many Americans. We'll be watching the public try to balance out the costs and the benefits as its leaders do the same.

This publication (#7931) is available on the Kaiser Family Foundation's website at www.kff.org.

The Henry J. Kaiser Family Foundation: Headquarters 2400 Sand Hill Road, Menlo Park, CA 94025 Phone: 650.854.9400 Fax: 650.854.4800

Washington Offices and Barbara Jordan Conference Center: 1330 G Street N.W., Washington, DC 20005 Phone: 202.347.5270 Fax: 202.347.5274 www.kff.org

The Kaiser Family Foundation is a non-profit private operating foundation, based in Menlo Park, California, dedicated to producing and communicating the best possible analysis and information on health issues.