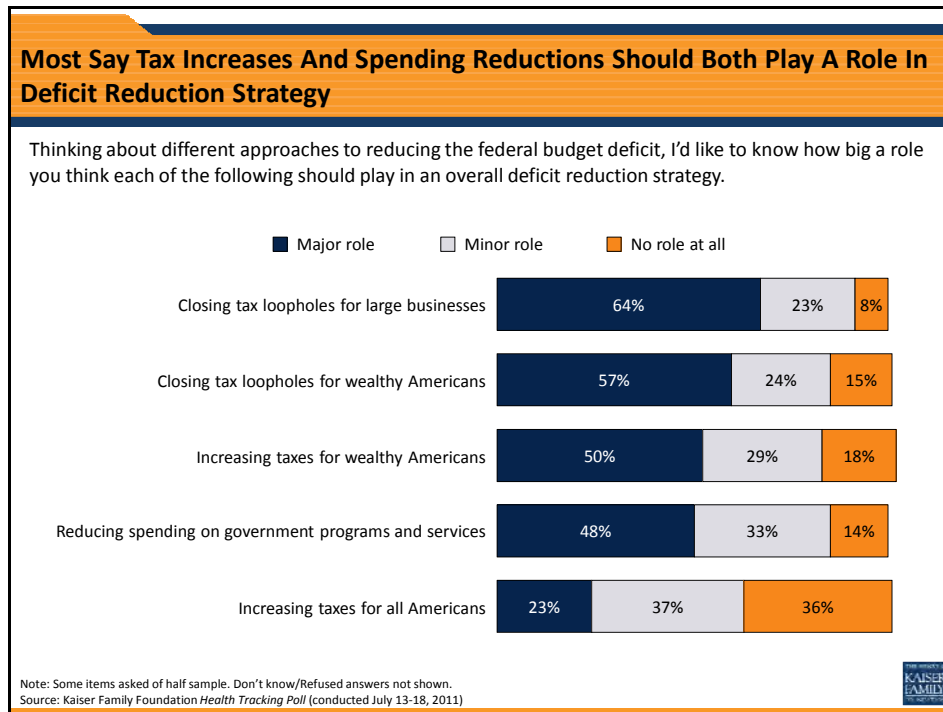


Health care, and particularly Medicare and Medicaid, continue to play a role in the national discussion over the federal budget deficit. In the midst of this debate, the latest Kaiser Health Tracking poll finds that Americans of all political stripes see a role for both spending reductions and tax increases as part of an overall deficit reduction strategy. Still, few are willing to support major spending reductions in Medicare, and a large majority believes the country's budgetary problems can be addressed without cutting Medicare spending. The ongoing debate about the deficit doesn't appear to have had much impact on the public's overall opinion of the health reform law, which remains divided this month. Despite the fact that consumer protections were one of the least controversial and most widely supported provisions of the ACA, just 20 percent of Americans think the law will lead to improvements in consumer protections for the average person with health insurance. On the other hand, half expect access to care for the uninsured to get better under the law.

DEFICIT DEBATE, TAXES, SPENDING, AND MEDICARE

As the debate continues in Washington over raising the debt limit and reducing the federal budget deficit, Americans see a role for both spending reductions and some tax increases in addressing the problem. While fewer than a quarter (23 percent) think tax increases for all Americans should play a *major* role in a deficit reduction strategy, half (50 percent) see a major role for tax increases on the wealthy. Support for tax changes is even higher when framed in terms of "closing loopholes" – majorities say a major part of deficit reduction should come from closing tax loopholes for large businesses (64 percent) and for wealthy Americans (57 percent). Just under half (48 percent) say "reducing spending on government programs and services" should play a major role in deficit reduction.



Not surprisingly, Republicans and conservatives are more likely to see a role for reduced government spending, while Democrats and liberals are more likely to support increases in taxes and closing tax loopholes to reduce the deficit. Still, a majority of Republicans and conservatives see at least a minor role for tax increases (including those that affect all Americans), and a majority of Democrats and liberals say spending reductions should play some part in deficit reduction.

| Should each of the following play a major role, minor role, or no role at all in reducing the federal budget deficit? | | | | | | |
|---|-------------|-------------|------------|-------------|----------|--------------|
| | By Party ID | | | By Ideology | | |
| | Democrat | Independent | Republican | Liberal | Moderate | Conservative |
| Closing tax loopholes for large businesses | | | | | | |
| Major role | 76% | 59% | 54% | 75% | 68% | 52% |
| Minor role | 20 | 22 | 32 | 17 | 23 | 29 |
| No role at all | 3 | 12 | 10 | 5 | 5 | 13 |
| Closing tax loopholes for wealthy Americans | | | | | | |
| Major role | 69 | 53 | 45 | 70 | 62 | 44 |
| Minor role | 17 | 31 | 29 | 18 | 24 | 32 |
| No role at all | 9 | 12 | 22 | 11 | 11 | 20 |
| Increasing taxes for wealthy Americans | | | | | | |
| Major role | 70 | 43 | 26 | 70 | 57 | 29 |
| Minor role | 25 | 30 | 40 | 18 | 30 | 36 |
| No role at all | 5 | 22 | 32 | 10 | 12 | 30 |
| Increasing taxes for all Americans | | | | | | |
| Major role | 26 | 27 | 13 | 30 | 26 | 16 |
| Minor role | 43 | 32 | 41 | 43 | 39 | 34 |
| No role at all | 27 | 39 | 44 | 26 | 33 | 49 |
| Reducing spending on government programs and services | | | | | | |
| Major role | 35 | 50 | 65 | 38 | 41 | 66 |
| Minor role | 42 | 31 | 26 | 44 | 39 | 19 |
| No role at all | 18 | 14 | 5 | 16 | 17 | 11 |

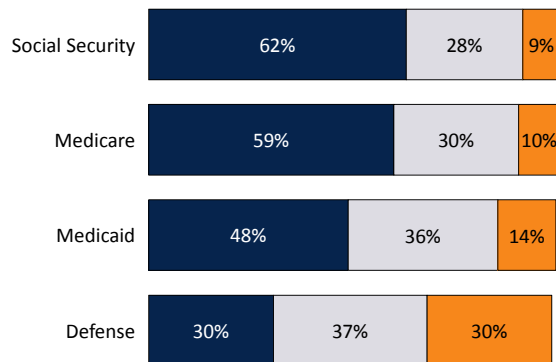
While most see a role for reducing spending in deficit reduction, majorities continue to say they would not support any reductions to spending on Social Security (62 percent) or Medicare (59 percent) and almost half (48 percent) say the same about Medicaid.

More directly, fewer than three in ten (28 percent) say reductions in Medicare spending need to be part of any discussion about reducing the deficit, while the large majority (67 percent) say the country's budgetary problems can be addressed *without* Medicare spending reductions. This includes majorities of Democrats (74 percent), independents (61 percent), and Republicans (64 percent).

Little Appetite For Spending Reductions In Social Security And Medicare To Reduce Deficit

If Congress decides to reduce the deficit by reducing federal spending, I'd like to know in which areas you would be willing to see spending reduced. For each area I name, please tell me if you would support major spending reductions, minor spending reductions or no reductions at all as a way to reduce the federal deficit.

■ NO reductions □ Support MINOR reductions ■ Support MAJOR reductions

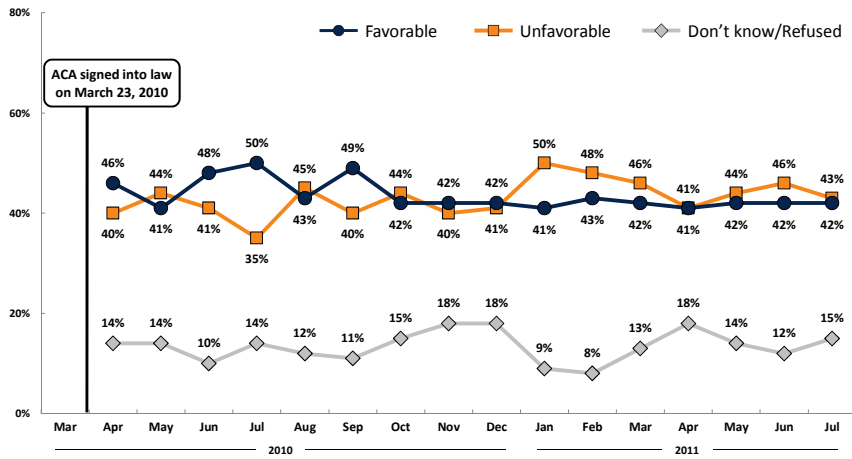


Note: Don't know/Refused answers not shown.
Source: Kaiser Family Foundation Health Tracking Poll (conducted July 13-18, 2011)



Views On Health Reform Remain Divided

As you may know, a health reform bill was signed into law early last year. Given what you know about the health reform law, do you have a generally favorable or generally unfavorable opinion of it?



Source: Kaiser Family Foundation Health Tracking Polls

OPINION ON HEALTH REFORM REMAINS DIVIDED

One thing the debt and deficit debate has not changed is the public's overall opinion of the Patient Protection and Affordable Care Act (ACA). Public views of the law remain split this month: 42 percent favorable and 43 percent unfavorable.

When asked to describe the main reasons for their favorable or unfavorable views in their own words, those who like the law are most likely to cite expanded access to health care and insurance (55 percent offered this type of response). Those who dislike the law are more divided in their reasons, the top ones being concerns

about costs (20 percent), government involvement in health care (16 percent), and opposition to the law's requirement that all individuals be covered by insurance (13 percent).

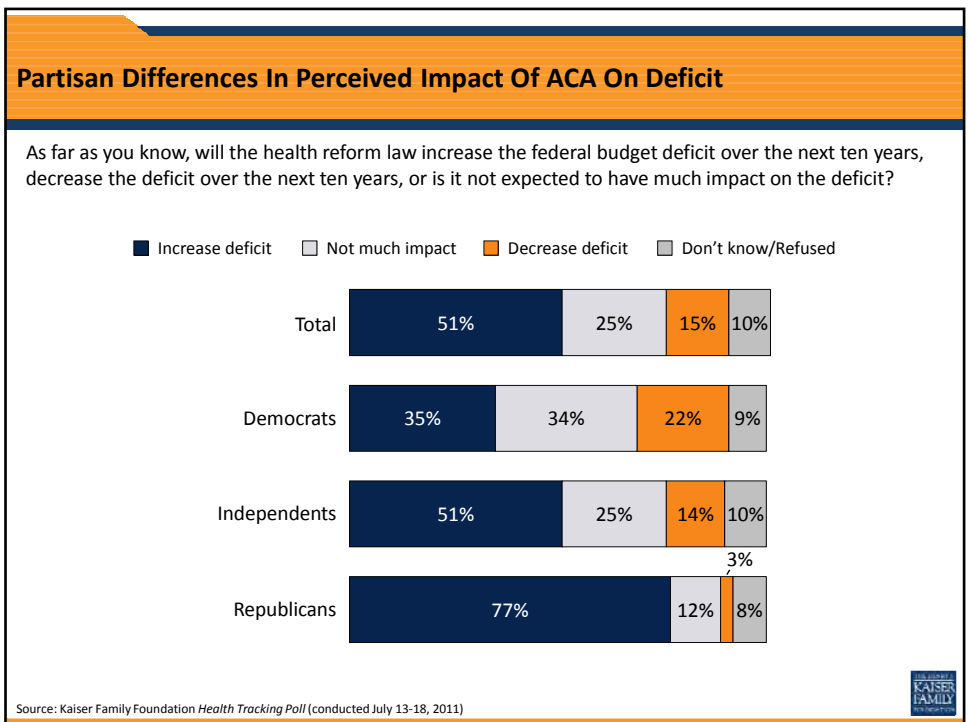
| IN THEIR OWN WORDS... (selected quotes from open-ended responses) | |
|--|--|
| Why do you have a FAVORABLE view of the health reform law? | Why do you have an UNFAVORABLE view of the health reform law? |
| "It will help low income families like myself to become insured for a reasonable price" | "It costs too much" |
| "I am grateful that it covers my adult children so that they can support themselves" | "I heard someone say that prices would be extremely high and you wouldn't get the kind of care that you need" |
| "All people deserve affordable health insurance" | "I don't want government in charge of my health" |
| "Well, hopefully it will control some costs in health care" | "It is unconstitutional; people shouldn't be forced to have insurance" |
| "Can't deny coverage for pre-existing conditions and they can't drop people when they get sick" | "It is cheating the elderly" |
| "Because it would make insurance companies pay for preventative health care and would be hard for them to deny coverage" | "Because I wanted it to have a single payer option which the final product did not" |
| "It is a step in the right direction" | "Because of the lack of information, they fail to tell us how it will be implemented, and what it involves" |
| "[It] closes the prescription doughnut hole" | "It is hurting the job market; it's keeping small businesses from hiring people. They believe they cannot afford it and don't get the exemption from the bill" |

The results of survey questions about the impact of the law on the country overall in certain areas echo these open-ended responses. While about half (49 percent) expect access to health care for the uninsured to get better under the ACA, the same share expect the cost of health care for the nation as a whole to get worse (49 percent). The public is also more likely to think the nation's health care quality will get worse (41 percent) rather than better (26 percent). When it comes to consumer protections for the average person with health insurance – one of the most popular components of the law according to previous polling – just 20 percent of the public expects things to get better, while equal shares say such protections will stay the same or get worse (37 percent each).

Not surprisingly, self-identified Democrats are more likely than Republicans and independents to expect positive impacts in each of these areas. But compared to other areas, Democrats are less likely to say the law will improve consumer protections. A plurality (47 percent) of Democrats say consumer protections for the average person with health insurance will stay the same under the ACA, while just three in ten say they will improve. Still, Republicans and independents are more pessimistic about consumer protections under the law, with a majority of Republicans (62 percent) and a plurality of independents (40 percent) saying they expect these protections to get worse.

| Under the health reform law, do you think each will get better, worse or will it stay about the same? | | | | |
|---|-------|-------------|-------------|------------|
| | Total | By Party ID | | |
| | | Democrat | Independent | Republican |
| Access to health care for the uninsured | | | | |
| Get better | 49% | 65% | 49% | 25% |
| Stay about the same | 23 | 17 | 25 | 32 |
| Get worse | 24 | 17 | 20 | 38 |
| Consumer protections for the average person with private health insurance | | | | |
| Get better | 20 | 30 | 20 | 7 |
| Stay about the same | 37 | 47 | 36 | 26 |
| Get worse | 37 | 19 | 40 | 62 |
| The quality of health care in the nation | | | | |
| Get better | 26 | 49 | 19 | 7 |
| Stay about the same | 28 | 31 | 32 | 15 |
| Get worse | 41 | 17 | 43 | 75 |
| The cost of health care for the nation as a whole | | | | |
| Get better | 28 | 51 | 19 | 9 |
| Stay about the same | 18 | 16 | 23 | 13 |
| Get worse | 49 | 29 | 53 | 73 |

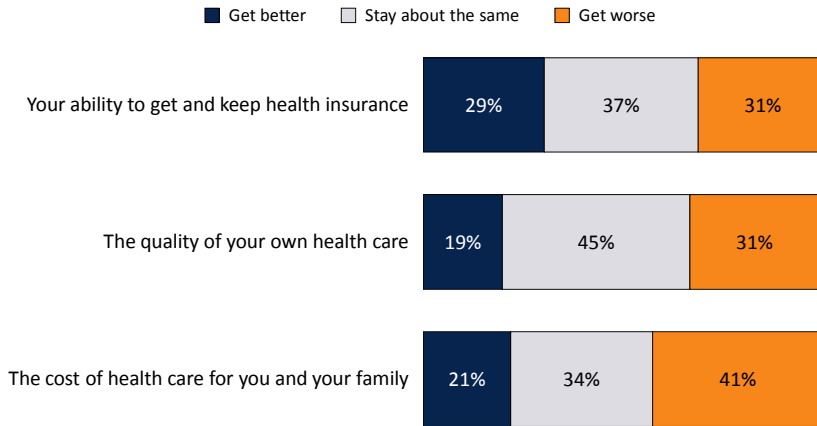
Perhaps tied to their concerns about the cost of the law, half the public (51 percent), and over three-quarters of Republicans (77 percent) believe the ACA will increase the federal budget deficit over the next ten years, despite Congressional Budget Office projections to the contrary¹.



¹ See <http://www.cbo.gov/ftpdocs/113xx/doc11379/AmendReconProp.pdf>.

Public Divided On ACA Impact On Their Own Access, More Expect Negative Impact On Cost

Under the health reform law, do you think each of the following will get better, worse or will it stay about the same?



Note: Items asked of half sample. Don't know/Refused answers not shown.
Source: Kaiser Family Foundation Health Tracking Poll (conducted July 13-18, 2011)

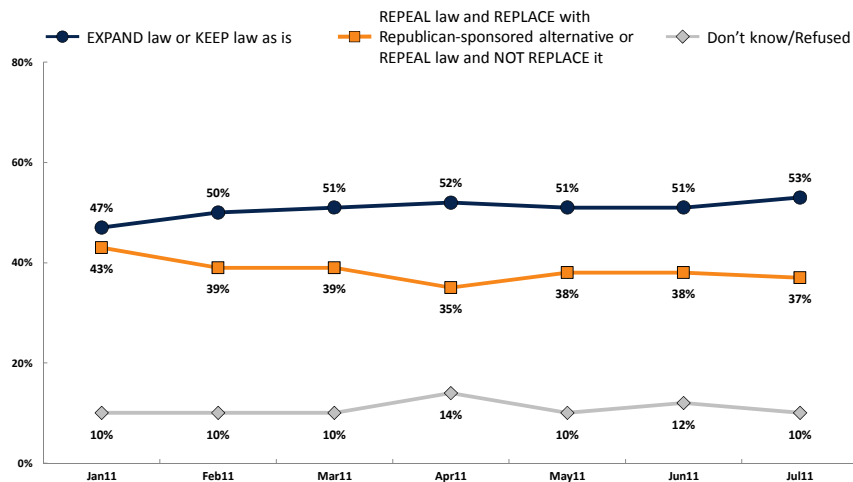
On a more personal level, the public is most likely to expect a negative impact on their own health care costs under the ACA; 41 percent say their costs will get worse, while just 21 percent think they'll get better. When it comes to the quality of care they personally receive, people are slightly more likely to expect a detriment (31 percent) rather than improvement (19 percent), but a plurality (45 percent) expects no impact. And the public is fairly evenly divided as to whether their own ability to get and keep insurance will get better (29 percent) or worse (31 percent), while nearly four in ten (37 percent) think it will stay about the same.

Asked about the law's impact on another key group – seniors – the public overall is divided as to whether those ages 65 and older will be better off (34 percent) or worse off (37 percent) under the ACA. However, seniors themselves are concerned about the law's potential impacts on Medicare; nearly half (45 percent) of those ages 65 and over expect Medicare to be worse off under the ACA, while just one in five seniors (20 percent) think the program will be better off.

Still, despite these concerns, the public continues to prefer expanding the law (33 percent) or keeping it as is (20 percent) over repealing it and replacing it with a Republican-sponsored alternative (16 percent) or repealing it outright (21 percent).

Half Want Health Care Law Kept As Is Or Expanded

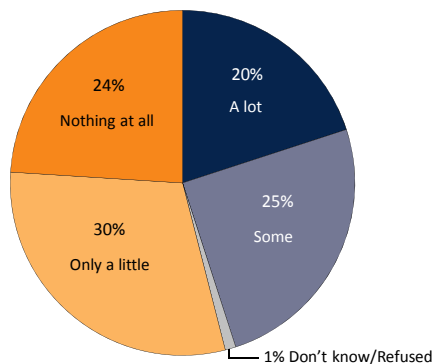
What would you like to see Congress do when it comes to the health care law?



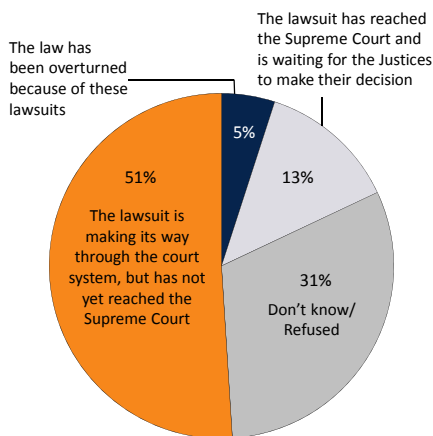
Source: Kaiser Family Foundation Health Tracking Polls

Public Awareness Of State Lawsuits Challenging Individual Mandate

As you may know, some state authorities have filed lawsuits challenging the federal government's right to require all Americans to have health insurance as part of the health reform law. How much would you say you've heard about these lawsuits?



As far as you know, which comes closest to the current status of the lawsuits filed by state authorities in opposition to the health reform law:



Source: Kaiser Family Foundation Health Tracking Poll (conducted July 13-18, 2011)

SOME ATTENTION TO LAWSUITS CHALLENGING INDIVIDUAL MANDATE

The status of lawsuits challenging the constitutionality of the law's individual mandate made some news last month, and just under half the public reports hearing a lot (20 percent) or some (25 percent) about these lawsuits, while slightly over half say they have heard only a little (30 percent) or nothing at all (24 percent).

When asked to identify the current status of these lawsuits, about half the public (51 percent) correctly identifies the fact that the suits are making their way through the court system but have not yet reached the Supreme Court.

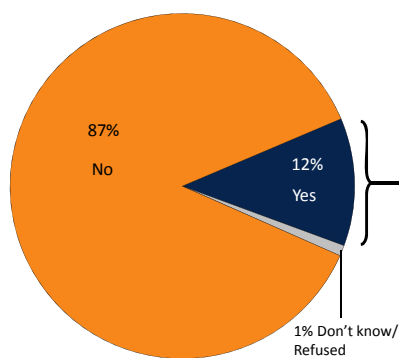
Small shares incorrectly believe the lawsuit has reached the Supreme Court (13 percent) or that the law has been overturned as a result of the suits (5 percent), while three in ten (31 percent) say they don't know enough to say.

CONFUSION CONTINUES; A FEW DISCUSS ACA WITH DOCTORS

More generally, public confusion about the ACA has not waned – nearly half (46 percent) of Americans say they are confused about the law. Previous surveys have shown that doctors are one of the public's most trusted sources for information about health care in general, but so far only a small share report talking with a doctor about the ACA specifically – roughly one in eight (12 percent) say they've done so in the past year. This is the same share who reported having conversations with a doctor about "proposed changes in the health care system" in August 2009, while the health law was still being debated, and similar to the share who said the same during the earlier health reform debate in September 1993 (16 percent).

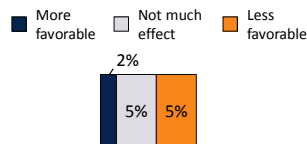
One In Eight Report Discussing Health Reform With A Doctor

Has any doctor you have come in contact with during the past 12 months talked to you about the health reform law, or not?

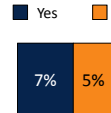


Asked of those who say they have talked to a doctor about the health reform law:

Did your conversations with this doctor make your opinion of the law more favorable, less favorable, or did they not have much effect either way?



Do you feel you have a better understanding of the health reform law after discussing it with a doctor, or not?



Source: Kaiser Family Foundation Health Tracking Poll (conducted July 13-18, 2011)

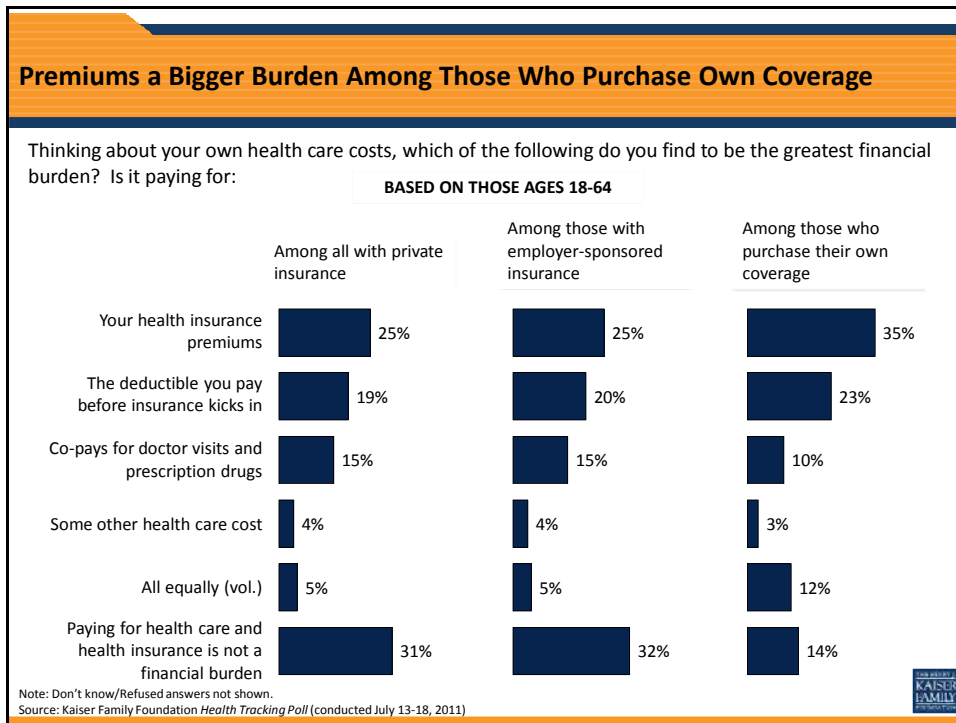
While the share who report discussing health reform with a doctor is small, most of those who have had these conversations say they have a better understanding of the law as a result (60 percent of those who've talked with a doctor, or 7 percent of the public overall). Those who've talked with a doctor are somewhat more likely to say the conversation made their opinion of the law less favorable (5 percent overall) than more favorable (2 percent), but another 5 percent say the conversation didn't have much effect either way.

RISING COSTS OF HEALTH CARE AND INSURANCE

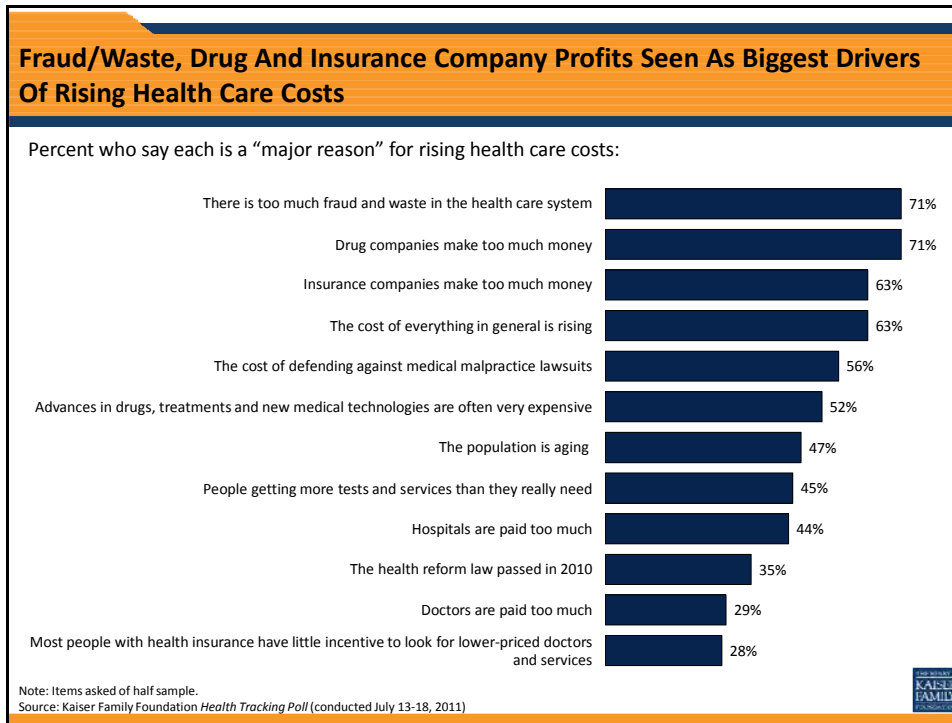
Amid discussions by national and state lawmakers about review and regulation of health insurance premium increases, many Americans report feeling the pinch of increasing premiums and cost-sharing. Among those ages 18-64 with private health insurance, six in ten (59 percent) say their premiums have been going up lately, and half say the same about their co-pays and deductibles. Overall, roughly three in ten of the non-elderly with private insurance say that increasing premiums (31 percent) and cost-sharing (29 percent) are a financial burden for them, up slightly from the last time this question was asked in March (24 percent and 19 percent, respectively).

| Does it seem to you that you that your (health insurance premiums/ deductible and co-pay) have been going up lately, going down, or holding steady? (If going up: Has this increase been a financial burden for you, or not?) | | | | |
|---|---------------------------|-------|-----------------------|-------|
| Based on those ages 18-64 with private health insurance | Health insurance premiums | | Deductible and co-pay | |
| | July | March | July | March |
| Going up (NET) | 59 | 54 | 51 | 42 |
| <i>Financial burden</i> | 31 | 24 | 29 | 19 |
| <i>Not a burden</i> | 28 | 30 | 22 | 23 |
| Going down | 1 | 2 | 2 | 2 |
| Holding steady | 34 | 37 | 44 | 53 |

When those ages 18-64 with private insurance are asked which component of their health care costs presents the greatest financial burden, a quarter choose their health insurance premiums (25 percent), while somewhat smaller shares say the biggest burden is paying their deductible (19 percent) or co-pays (15 percent). Three in ten (31 percent) say paying for health care costs is not a financial burden. Those who purchase their own insurance are somewhat more likely to say paying premiums is the biggest burden (35 percent), but even among the non-elderly with employer coverage, a quarter (25 percent) say premiums present the biggest problem. Still, those covered by an employer are more than twice as likely as those who purchase their own coverage to say that paying for health care and insurance is not a financial burden for them (32 percent vs. 14 percent).



Perhaps because of their own reported experiences with rising health insurance rates, insurance company profits are high on the list of reasons the public perceives for rising health care costs. At the top of the public's list of reasons are fraud and waste in the health care system and drug companies making too much money (71 percent each say these are "major reasons" for rising health care costs), followed closely by insurance companies making too much money and rising costs in general (63 percent each). Many also see medical malpractice (56 percent), expensive advances in treatments and technologies (52 percent), people getting more care than they really need (45 percent), and hospitals being paid too much (44 percent) as major reasons for rising health care costs. Fewer perceive major cost drivers to be the health reform law (35 percent), doctors being overpaid (29 percent), or lack of incentive to look for lower prices among people with insurance (28 percent).



Methodology

This *Kaiser Health Tracking Poll* was designed and analyzed by public opinion researchers at the Kaiser Family Foundation led by Mollyann Brodie, Ph.D., including Liz Hamel, Sarah Cho, and Theresa Boston. The survey was conducted July 13 through July 18, 2011, among a nationally representative random sample of 1,201 adults ages 18 and older. Telephone interviews conducted by landline (800) and cell phone (401, including 180 who had no landline telephone) were carried out in English and Spanish by Princeton Survey Research Associates.

The margin of sampling error is plus or minus 3 percentage points for results based on the total sample; For results based on subgroups, the margin of sampling error may be higher. Note that sampling error is only one of many potential sources of error in this or any other public opinion poll.

The full question wording, results, charts and a brief on the poll can be viewed online: <http://www.kff.org/kaiserpolls/8209.cfm>

This publication (#8209) is available on the Kaiser Family Foundation's website at www.kff.org.