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### **Nearly Half of Consumers Report Problems With Their Health Plans With Consequences Ranging from None to Serious** *Majority Supports Right-to-Sue, but Most Would Accept Limits on Damages*

*Menlo Park, CA* – More than six in ten (62%) privately insured American adults under age 65 give their health plans a grade of A or B, but nearly half (48%) report having some type of problem with their health plan in the last year with a range of consequences from hassles, to paying more, to adverse effects on their health, according to a new survey released today by the Kaiser Family Foundation and Harvard University School of Public Health. The survey found strong support for the right-to-sue a health plan, but also a willingness to accept limits on damages.

The most common types of reported problems involved delays or denials of coverage or care (13% of privately insured adults under 65), billing and payment problems (13%), and difficulty seeing a physician (10%). Significant minorities report difficulties with their health plans that had consequences for their lives. For example, 24% report a problem that resulted in them paying more for care (13% major effect, 11% minor); 21% report a problem that resulted in lost time from life activities (10% major, 11% minor); and 14% report a problem that resulted in a decline in their health (4% major, 10% minor).

“Many people continue to experience problems with their health plans, but the debate about patient’s rights in the Congress is now hung up on details of the right-to-sue health plans that no poll can help policy makers resolve,” said Drew Altman, Ph.D., president of the Kaiser Family Foundation.

Americans’ views of the managed care industry have grown substantially more negative over the last several years, but there has been little change recently. Thirty-nine percent (39%) say managed care plans do a “bad job” serving consumers, almost double the number in 1997 (21%). The percent that say health plans do a “good job” serving consumers has increased in the past year (24% to 32%) but is about the same as four years ago (34%). The public is more likely to say that managed care plans do a “bad job” serving consumers compared to pharmaceutical companies (33%) or lawyers (29%). Only oil companies receive a worse ranking (52%). Most people say HMOs and managed care have decreased the amount of time doctors spend with patients, made it harder to see medical specialists, not made much difference to health costs, and decreased the quality of care for people who are sick. On all these measures, the public is as negative or more negative than in 1997.

Americans continue to support patient protections, and nearly seven in ten Americans (69%) say it is very or somewhat important to include the right-to-sue a health plan in a patients' bill of rights. Half (50%) would not consider it a "real" patients' bill of rights without the right-to-sue. However, a strong majority (80%) appears willing to accept limits on damages in lawsuits. Overall support for a comprehensive patients' bill of rights remains strong at 81%, but as in prior Kaiser/Harvard surveys, that support erodes if people believe that the cost of health insurance may increase as a result (support drops to 58%), or that employers may drop coverage (support drops to 34%).

For the most part, the public has not yet focused on the details of the health plan liability debate. When asked about the differences between the right-to-sue provisions in the proposal backed by President Bush and the one backed mostly by Democrats in Congress, eight in ten (80%) said they did not know enough about the issue.

Substantial majorities of Americans say a number of health care issues should be very important priorities for the President and Congress, including protecting patients' rights in HMOs and managed care plans (75%). However, when forced to choose the most important health issue to address, protecting patients' rights (7% say most important) ranks behind making health care more affordable (30%), making prescription drug coverage affordable for seniors (15%), making Medicare financially sound (13%), helping the uninsured get coverage (13%), and helping families with the cost of long term care (13%).

"After several years of Congressional debate, the public still supports a patients' bill of rights, but it's not their top priority and they are not focused on the details," said Robert J. Blendon, Professor of Health Policy at the Harvard School of Public Health. "Politicians are unlikely to be punished at the polls as long as a bill passes that has some right-to-sue provision."

#### Methodology

The Kaiser Family Foundation/Harvard School of Public Health *National Survey on Consumer Experiences With and Attitudes Toward Health Plans* was designed and analyzed by researchers at the Kaiser Family Foundation and Harvard School of Public Health. The Kaiser/Harvard survey research team was led by Dr. Mollyann Brodie, Vice President of the Kaiser Family Foundation and Professor Robert Blendon of the Harvard School of Public Health. Fieldwork was conducted by telephone by Princeton Survey Research Associates between July 2 and August 8, 2001. The survey included a nationally representative random sample of 1,205 adults age 18 and over. The margin of sampling error for the total sample is plus or minus 3 percentage points. For the 721 respondents ages 18 to 64 with private health insurance, the margin of sampling error is plus or minus 4 percentage points. The margin of sampling error may be higher for some of the other sub-groups noted in the analysis.

Copies of the chartpack and toplines (#3172) are available on the Kaiser Family Foundation's web site at [www.kff.org](http://www.kff.org) or by calling the Foundation's Publication Request Line at 1-800-656-4533.

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