

# what the public really wants on health care

by ruy teixeira

In the aftermath of congressional elections dominated by Iraq and, less prominently, the economy and corruption, it has been all too easy for one of the public's chief concerns—health care—to be shunted to the side as a secondary issue. But it is not. The public desire for change in the health care arena is so strong that policymakers would be well-advised to start concentrating on the issue now, rather than face the wrath of a frustrated public in the next election cycle.

## The Public's Health Care Concerns

Not surprisingly, the public's top two health care concerns are rising costs and lack of access. Of the two, rising costs are typically viewed as the more pressing concern. In an open-ended question in an early November Gallup poll, for example, the public said that the two most important health care problems facing the country were the costs of health care (including health insurance) and access to health care.

Indeed, rising health care costs are consistently ranked as not just the most important health care problem, but the most important *economic* problem Americans currently face. That was true one year ago, in a Center for American Progress/Americans for Health Care (CAP/AHC) poll, where 29 percent said rising health care costs were the aspect of their personal economic situation that worried them the most, followed by unemployment (15 percent), saving for retirement (12 percent), and gas prices (10 percent). And it was true this November in a Lake Partners/Americans for Health Care poll (LP/AHC), where 29 percent said rising health care costs was what personally worried them most about the economy, followed by higher taxes (24 percent), a secure retirement (16 percent), and losing your job (11 percent).

The high salience of rising health care costs can be seen even more vividly in an October 2006 Kaiser Family Foundation (KFF) poll. In that poll, people were asked how worried they were about a wide range of problems. Forty-seven percent said they were “very worried” about “having to pay more for your health care or health insurance,” even more than those who reported being very worried about “your income not keeping up with rising prices” (45 percent). In contrast, only 30 percent were very worried about not being able to pay their rent or mortgage, 24 percent about losing their job, 23 percent about being the victim of a violent crime, and 14 percent about losing their savings in the stock market.

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The Kaiser Family Foundation has also done some very thorough surveys specifically on the issue of health care costs. The potent impact of rising health care costs on the public is well-summarized by these excerpts from their June 2005 survey report on this issue:

- Two-thirds (66 percent) of insured adults said their health insurance premiums have gone up over the past five years, including 38 percent who say these premiums have gone up “a lot.” About one-quarter (24 percent) said premiums have stayed the same, while just five percent said they have gone down.
- Around half of insured adults say their co-payments for provider visits (52 percent) and health insurance deductibles (49 percent) have risen over the past five years. About four in 10 say co-payments (40 percent) and deductibles (42 percent) have stayed the same, and few say these costs have gone down (five percent said co-payments have gone down, and three percent said deductibles have gone down).
- Almost two in 10 (18 percent) Americans said health care costs are their biggest monthly expense excluding rent or mortgage payments. By way of comparison, more than three in 10 (32 percent) said transportation is their biggest expense, and nearly one-quarter each said food, clothing, (24 percent) or utilities (23 percent) are their biggest expenses, excluding rent or mortgage costs.
- Nearly one-quarter (23 percent) of Americans said they had problems paying their medical bills over the past year. More than one in five (21 percent) said they currently have an overdue medical bill, and almost two in 10 (19 percent) report experiencing serious financial consequences in the past five years due to medical bills.
- More than six in 10 (61 percent) of adults who reported problems paying medical bills are covered by health insurance. Among adults who had problems paying medical bills, majorities reported that the bills were for basic care such as doctor bills (85 percent), lab fees (62 percent), and prescription drugs (56 percent).
- Nearly three in 10 (29 percent) adults reported 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.

### **Health Care Costs Are Chief Economic Worry**

**29 percent** say rising health care costs is the aspect of their personal economic situation that worries them the most.

**15 percent** are worried about unemployment.

**12 percent** are worried about saving for retirement.

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*November 2005 CAP/AHC Poll*

More recently, the Kaiser Family Foundation teamed up with ABC News and *USA Today* (KFF/ABC/USAT) on a survey about health care in America which asked about some of these same cost issues, as well as a wide range of other health care issues. In that survey, conducted in September 2006, a quarter of the public reported that they or a household member had had a problem paying medical bills in the last year. Of that group, 61 percent said their bill-paying problem had had a major impact on their family. In addition, 28 percent said they or a family member had had to put off medical treatment in the past year because of cost issues and, of that group, 70 percent said the condition for which medical treatment was delayed was a very or somewhat serious one.

Among those with health care coverage, 66 percent reported that their costs for health

### **Whom Does the Public Blame for Rising Health Care Costs?**

**86 percent** say “the drug and insurance companies making too much money” is one of the single biggest or a major reason for rising costs.

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*September 2006 Kaiser Family Foundation/ABC News/USA Today Poll*

insurance premiums have been going up recently and 48 percent said the same thing about their deductibles and co-pays. Looking ahead, 60 percent of this group said they were very or somewhat worried about being able to afford the cost of their health insurance in the next few years. Among those currently without health insurance, 85 percent said they were worried about affording health care over the next few years. And 56 percent of those currently insured said they were very or somewhat worried that they might lose their health insurance because of losing a job.

Whom does the public blame for rising health care prices? The most common target by far is “the drug and insurance companies making too much money.” Eighty-six percent said this is one of the single biggest (50 percent) or major (36 percent) reasons for rising health care costs.

### **Time to Provide Health Care for All?**

Given these concerns, it’s hardly surprising that the public wants serious action on this issue. In two surveys this year—a June Commonwealth Fund survey and a January CBS News/*New York Times* survey—an average of 83 percent thought the U.S. health care system needed either fundamental changes (48 percent) or to be completely rebuilt (35 percent). And in the CAP/AHC poll, 89 percent agreed that “with costs rising and the quality of health coverage declining, the health care system in our country is broken and we need to make fundamental changes.”

But what kind of changes does the public want and whom do they believe should make those changes? By and large, the public strongly favors moving toward a system that

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provides health care for all and expects the government to play a leading role in making that happen.

For example, in an October 2003 *Washington Post*/ABC News poll, by almost a two-to-one margin (62 percent to 33 percent), Americans said they preferred “a universal health insurance program, in which everyone is covered under a program like Medicare that’s run by the government and financed by taxpayers,” as opposed to the current employer-based system. Similarly, in Kaiser Family Foundation polls from 1992 to 2000, a large majority agreed that the federal government should guarantee medical care for people who do not have health insurance. In a slightly different question asked by Kaiser in June 2003, more than seven in 10 adults (72 percent) agreed that the government should guarantee health insurance for all citizens, even if it means repealing most of the tax cuts passed under President George W. Bush, while fewer than one-quarter (24 percent) disagreed with this statement.

In more recent polls, support for universal coverage remains very strong. In a January 2006 *New York Times*/CBS News poll, the public said by a 62 percent-to-31 percent margin that it was the federal government’s responsibility to “guarantee health care for all.” In the November Gallup poll, 69 percent agreed that “it is the responsibility of the federal government to make sure all Americans have health care coverage,” the highest level since this question was first asked in 2000. And in the October KFF/ABC/USAT poll, the proposal cited above to replace the current employer-based system with a universal government-run health insurance program like Medicare enjoys support by a 56 percent to 40 percent margin.

The public also says it is willing to pay more in taxes to provide every American with health care coverage. In August 2003, Pew Research Center found Americans favoring (by a 67 percent-to-26 percent margin) the U.S. government guaranteeing “health insurance for all citizens,” even if that meant repealing most of “recent tax cuts.” And the majority was scarcely diminished (67 percent to 29 percent) by referring not to repealing tax cuts, but more directly to “raising taxes.”

Similarly, Greenberg Quinlan Rosner/Public Opinion Strategies (GQR/POS) found, in January 2004, a 69 percent-to-28 percent

### **The Public Favors Health Care for All**

**62 percent** say it’s the federal government’s responsibility to “guarantee health care for all” (January, 2006 *New York Times*/CBS News poll)

**69 percent** say it’s the federal government’s responsibility to “make sure all Americans have health care coverage” (November 2006 Gallup poll)

### **And They Say They Would Be Willing to Pay More in Taxes to Make That Happen**

**67 percent** favor the US government guaranteeing “health insurance for all citizens” even if that means repealing most of “recent tax cuts” (August 2003 Pew Research Center poll)

majority saying they would be willing to pay more per year in federal taxes to assure every American citizen received health care coverage. In the KFF/ABC/USAT poll, 68 percent endorsed the idea that “providing “health care coverage for all Americans, even if it means raising taxes” was more important than “holding down taxes, even if it means some Americans do not have health care coverage” (28 percent). And in the LP/AHC poll, 67 percent said they favored expanding access to affordable quality health care for all Americans even if it meant raising their taxes, compared to 27 percent who did not.

But support for universal coverage drops significantly if such a program would mean limitations on access to medical care. For example, while 62 percent in the October 2003 *Washington Post*/ABC News poll said they wanted universal health care system run by the government rather than the current system, that support dropped to 35 percent if the universal system limited choice of doctors and to 38 percent if the universal system meant longer waits for non-emergency treatment. Similar drops in support were reported in the KFF/ABC/USAT poll.

This suggests that support for universal coverage is a “soft” commitment that is vulnerable to counterarguments from opponents (as should come as no surprise, given the results of the 1993-94 debate about the Clinton administration’s proposed health care plan). This softness can be illustrated most precisely by findings in the CAP/AHC poll. That poll found an astronomical 86 percent in favor of “reforming our current health care system to provide affordable health care for all Americans”; this poll documents the extent to which Americans view our current system as broken and in need of fundamental change.

But when asked a follow-up about supporting such reform “if it meant you would have to pay more in taxes,” support dropped to 59 percent. A separate follow-up about supporting such reform “if it meant government taking a much larger role in our health care system” recorded a similar drop to 63 percent. And here is the CAP/AHC report on the observed erosion in support when *both* of the follow-ups are taken into consideration:

*Previous research has consistently found that doubts about efforts to extend health coverage to all Americans revolve around two primary fears—big government and higher taxes. When both of these concerns are introduced separately—in an attempt to provide the most difficult test possible—49 percent of Americans remain solidly in support of reforming our health care system to provide affordable care for all Americans, with 37 percent withdrawing their initial support based on one or both of these concerns. This is a significant drop, which underscores the difficulty of overcoming deep-seated reservations on these issues.*

This softness raises the issue of whether support for fundamental health care reform can be firmed up. The CAP/AHC poll tested a number of general arguments along these lines and found that an emphasis on shared benefits and shared responsibilities for costs was most convincing in encouraging the public to shoulder the costs of moving to a new system.

In addition, the public’s specific fears about restricted choice of doctors, restricted access to treatments, and general government meddling in health care will likely have to be addressed and defused. And the whole issue of health care costs under a system that provides health care for all will likely have to be clarified. For example, if higher taxes are necessary to

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finance such a system—something to which the public is open—will those higher taxes mean the typical insured individual’s health care costs will actually go *up* under the new system? Or will those higher taxes be counterbalanced by reductions in other health care costs as a result of moving to the new system?

Right now, the public is not sure. In the recent CAP/AHC poll, 69 percent agreed with the general proposition that “providing health coverage for all Americans would reduce overall health care expenses.” Yet in the KFF/ABC/USAT poll, just 26 percent believed the cost of health care for “you and your family” would actually get better under a universal insurance system, compared to 26 percent who think it would get worse and 45 percent who believe it would remain the same. Put another way, 71 percent did not believe that moving to universal coverage would have a positive impact on rising health care costs for their family.

Given that, as we’ve seen, the rising cost of health care is the public’s number one economic problem, this is obviously a real obstacle to reform. Conversely, if a larger portion of the public could be convinced that universal coverage would, on balance, reduce their personal health care costs, the road to reform would be an easier one.

## **Support for Other Reforms**

Public support for reform, however, goes far beyond the general idea of a guaranteeing coverage for all. Indeed, a wide range of specific reforms and reform plans that would expand health care coverage receive strong support.

In a June 2005 Kaiser poll, the public said they favored tax deductions or credits for a range of purposes: for businesses (88 percent); for expanded state government programs like Medicaid (80 percent); for expanded Medicare to cover people 55-to-64 years of age (74 percent); for tax credits for uninsured individuals (73 percent); and for requiring business to offer employees health insurance (70 percent). In a December 2003 Harvard School of Public Health/Robert Wood Johnson/ICR poll, 80 percent supported expanding Medicaid and the State Children’s Health Insurance Program; 76 percent supported employers being required to offer a health plan; and 71 percent supported a tax credit plan. Trailing these options but still garnering majority support were a universal Medicare plan (55 percent) and an individual coverage mandate plan (54 percent). Finally, the 2004 GQR/POS poll found 74 percent favoring guaranteed health care coverage for all American children under 18 years old and 62 percent favoring catastrophic health insurance coverage for all Americans.

Most recently, the September KFF/ABC/USAT survey found 79 percent of the public saying the government should “require businesses to offer private health insurance for their full-time employees” (with 69 percent expressing strong support) and 64 percent saying the government should “require businesses to offer private health insurance for their *part*-time employees” (emphasis added). Another 75 percent expressed support for expanding Medicare to cover those Americans between 55 and 64 years old without health insurance. Finally, 65 percent said they could support an individual mandate-type system that would



“require all Americans to have health insurance, either from their employer or from another source, with tax credits or other aid to help low-income people pay for it.”

The public’s strong desire for change in the health care system is clear. So too is their openness to many possible ways of implementing such change. It is up to policymakers to respond to this interest and encourage discussion about which reform proposals could do the best job of addressing the public’s twin goals: expanding coverage and controlling costs. But what policymakers should *not* do is ignore the issue. The public is ready for change and the next election cycle is likely to punish those who stand in the way.