



The 1999 Health Confidence Survey (HCS) Summary of Findings

Overview

The 1999 Health Confidence Survey (HCS) finds that, in many ways, Americans appear happy with their experience of the health care system. Satisfaction with health care received and with current health insurance plans remains high, showing little change from last year.

- Among those respondents who have received care in the past two years,
 - Almost six in 10 are extremely or very satisfied with the quality of the medical care they received (57 percent); one-third are somewhat satisfied (32 percent); 10 percent were not satisfied.
 - Over one-half are extremely or very satisfied with their ability to choose their doctor (53 percent), while nearly one-fourth are somewhat satisfied (23 percent); 21 percent were not satisfied.
 - Close to one-half are extremely or very satisfied (46 percent), and four in 10 are somewhat satisfied (41 percent) with the care they received in general; 11 percent are not satisfied.
- One-half of Americans with health insurance are extremely or very satisfied with their current health insurance plan (51 percent). Almost four in 10 are somewhat satisfied (38 percent). Nine percent are not satisfied.

Confidence in many aspects of the health care system is high:

- Three-quarters of Americans are extremely or very confident that their pharmacist will fill their prescription correctly (74 percent), and two in 10 are somewhat confident (20 percent); 5 percent are not confident.
- Almost six in 10 are extremely or very confident (57 percent) and one-third are somewhat confident (33 percent) that they will be able to see a health care specialist if they need one; 10 percent are not confident.
- Just under one-half are extremely or very confident that they are able to choose their own doctor or hospital (48 percent confident; 34 percent somewhat confident; 17 percent not confident); that their doctor's treatment will be based on their health care needs rather than the cost of their care (46 percent confident; 36 percent somewhat confident; 18 percent not confident); and that doctors are up-to-date on information about medicine and medical conditions (46 percent confident; 41 percent somewhat confident; 12 percent not confident).

At the same time, the results of the HCS reveal a number of areas for concern. First, there is a great deal of confusion about what managed care is and whether or not individuals are enrolled in managed care programs. Most Americans' (54 percent) opinions of managed care are based on what they have been told by others rather than the actual experience that they, themselves, have had with managed care.

Some constituencies tend to be less satisfied and less confident about the American health care system. These include those in managed care, those in poorer health, and women.

While many are satisfied with the health care they have recently received, Americans feel that the overall health care system needs change. They are concerned about escalating health care costs, and they lack confidence in the future of health care in America.

Managed Care Confusion

The 1999 HCS confirms last year's finding that most people are extremely confused about what is meant by the term *managed care*. Although they are aware of their health plans' regulations and are familiar with the terms *HMO* (health maintenance organization) and *PPO* (preferred provider organization), the large majority of those enrolled in managed care plans are unaware that they are participating in managed care.¹

- Among those reporting that their insurance plan has one or more managed care design features, just two in 10 know they are enrolled in managed care (21 percent). More than six in 10 believe they have never been in managed care (62 percent).
 - Those in HMO-type plans are more likely to be aware of currently being in managed care than are those in PPO-type plans (24 percent versus 13 percent), but it is a minority in both cases.
- Six percent of those in fee-for-service plans believe they are currently enrolled in managed care, and an additional 2 percent do not know whether they are or not.
- Even those who identify their health insurance plan as an HMO or PPO are unlikely to be aware that these types of plans are managed care plans.
 - Thirty-seven percent of those who say they are enrolled in an HMO also state they are currently in a managed care plan.
 - Six percent of those indicating they are enrolled in a PPO acknowledge they are in managed care.

Given this confusion, it is not surprising that although a majority of respondents are enrolled in managed care plans (56 percent),² most say their opinion of managed care is based primarily on something other than personal experience.

| Opinion of Managed Care Primarily Based On: | Total Respondents |
|--|-------------------|
| Your own experience with a managed care plan. | 29% |
| What you've seen, heard, or read on television, in newspapers, or other media. | 29 |
| What you've learned from friends and family. | 23 |
| Something else. | 2 |
| Don't know. | 15 |

Among those who say that they are currently or were previously in managed care, one-fourth say their opinion of managed care is not based primarily on personal experience (25 percent). In fact, fewer than two in 10 Americans believe they are extremely or very familiar with managed care health plans.

| Familiarity With Managed Care Health Plans: | Total Respondents |
|---|-------------------|
| Extremely familiar | 6% |
| Very familiar | 13 |
| Somewhat familiar | 26 |
| Not too familiar | 21 |
| Not at all familiar | 31 |

¹ Plan type is categorized by the number of managed care plan design features (out of a total of four) a respondent reports as describing his or her health plan. Individuals enrolled in plans with three or four design features are considered to be in "HMO-type" managed care plans; individuals enrolled in plans with one or two of these features are considered to be in "PPO-type" managed care plans; and individuals enrolled in plans with none of the four features are considered to be in "traditional" fee-for-service insurance plans. All respondents age 65 and older are considered to be Medicare participants.

² Among respondents to this survey, 11 percent are enrolled in fee-for-service plans, 20 percent are Medicare participants, 4 percent participate in some other form of government insurance, and 10 percent are uninsured.

Satisfaction with Managed Care

The fact that most Americans base their opinions about managed care on something other than personal experience seems to support the assertion that public dissatisfaction with managed care is based largely on hearsay. Respondents enrolled in managed care plans—whether or not they are aware of being in managed care—tend to be less satisfied with, and to have less confidence in, the health care system than those in fee-for-service plans. This tendency is more pronounced among those experiencing greater degrees of managed care: Respondents enrolled in HMO-type plans are less likely to be satisfied or confident than are those in PPO-type plans.

Respondents enrolled in fee-for-service plans are most likely to be satisfied with various aspects of the health care they have received over the past two years, while those in HMO-type plans are least likely to be satisfied. This higher level of satisfaction among fee-for-service participants extends even to aspects generally considered to be strengths of managed care—paperwork and costs.

Percentage Extremely or Very Satisfied with Aspect of Health Care Received over the Past Two Years, by Type of Health Insurance Plan

| Aspect of Health Care Received in Last Two Years | HMO-Type Plan | PPO-Type Plan | Fee-for-Service Plan |
|--|---------------|---------------|----------------------|
| Quality of Medical Care Received | 35% | 49% | 48% |
| Ability to Choose Your Doctor | 30 | 54 | 82 |
| Care You've Received in the Last 2 Years | 46 | 60 | 71 |
| Hospitals You've Been Treated At | 35 | 39 | 51 |
| Benefits Covered by Your Insurer | 20 | 26 | 45 |
| Claims Processing | 20 | 20 | 16 |
| Cost of Your Health Insurance | 38 | 39 | 47 |
| Health Costs Not Covered by Your Insurance | 37 | 41 | 49 |

Percentage Somewhat Satisfied with Aspect of Health Care Received over the Past Two Years, by Type of Health Insurance Plan

| Aspect of Health Care Received in Last Two Years | HMO-Type Plan | PPO-Type Plan | Fee-for-Service Plan |
|--|---------------|---------------|----------------------|
| Quality of Medical Care Received | 43% | 30% | 25% |
| Ability to Choose Your Doctor | 36 | 24 | 8 |
| Care You've Received in the Last 2 Years | 47 | 37 | 36 |
| Hospitals You've Been Treated At | 30 | 25 | 20 |
| Benefits Covered by Your Insurer | 40 | 41 | 38 |
| Claims Processing | 25 | 29 | 27 |
| Cost of Your Health Insurance | 40 | 36 | 21 |
| Health Costs Not Covered by Your Insurance | 38 | 32 | 41 |

Percentage Not Satisfied with Aspect of Health Care Received over the Past Two Years, by Type of Health Insurance Plan

| Aspect of Health Care Received in Last Two Years | HMO-Type Plan | PPO-Type Plan | Fee-for-Service Plan |
|--|---------------|---------------|----------------------|
| Quality of Medical Care Received | 10% | 9% | 5% |
| Ability to Choose Your Doctor | 31 | 21 | 8 |
| Care You've Received in the Last 2 Years | 14 | 8 | 11 |
| Hospitals You've Been Treated At | 11 | 10 | 4 |
| Benefits Covered by Your Insurer | 24 | 18 | 11 |
| Claims Processing | 29 | 21 | 12 |
| Cost of Your Health Insurance | 38 | 34 | 28 |
| Health Costs Not Covered by Your Insurance | 39 | 37 | 35 |

Given these differences in satisfaction, it is not surprising that managed care participants are less likely than those in fee-for-service plans to say they are extremely or very satisfied with their current health insurance plan.

| Type of Health Insurance Plan | Extremely or Very Satisfied With Plan | Somewhat Satisfied | Not Satisfied |
|-------------------------------|---------------------------------------|--------------------|---------------|
| HMO-type plan | 35% | 50% | 14% |
| PPO-type plan | 49 | 39 | 10 |
| Fee-for-service plan | 64 | 31 | 4 |

Respondents enrolled in fee-for-service insurance plans are more likely to be confident about various aspects of the health care system than are those in PPO- or HMO-type plans. Differing levels of confidence are found even in areas where managed care and fee-for-service plans share facilities, such as pharmacies and hospitals. Confidence levels are lowest among all three groups regarding a system that will allow them to get a fair review if health insurance coverage is denied.

**Percentage Extremely or Very Confident
With Aspect of the Health Care System, by Type of Health Insurance Plan**

| Aspect of Health Care System | HMO-Type Plan | PPO-Type Plan | Fee-for-Service Plan |
|---|---------------|---------------|----------------------|
| Your pharmacist will fill your prescription correctly. | 68% | 72% | 81% |
| You are able to choose your own doctor or hospital. | 29 | 45 | 78 |
| You will be able to see a health care specialist if you need one. | 41 | 61 | 74 |
| Your doctor's treatment will be based on your health needs rather than the cost of your care. | 35 | 45 | 61 |
| Hospitals deliver quality medical care. | 37 | 41 | 54 |
| Your doctors will advise you of all possible treatment options whether they are covered by your insurance or not. | 37 | 41 | 49 |
| There is a system in place that will allow you to get a fair review if health insurance coverage is denied. | 17 | 19 | 27 |

Respondents who are aware that they are enrolled in a managed care plan (21 percent) tend to be less confident about certain aspects of the health care system than those who are not aware that the type of plan in which they are enrolled is a managed care plan.

**Percentage Extremely or Very Confident
With Aspect of the Health Care System, by Awareness of Being in Managed Care**

| Aspect of Health Care System | Aware of Being in Managed Care | Not Aware of Being in Managed Care |
|---|--------------------------------|------------------------------------|
| You will be able to see a health care specialist if you need one. | 43% | 56% |
| Your doctor's treatment will be based on your health needs rather than the cost of your care. | 33 | 43 |
| Your doctors will advise you of all possible treatment options whether they are covered by your insurance or not. | 30 | 42 |
| You are able to choose your own doctor or hospital. | 28 | 41 |

In addition, those who know they are in managed care are less likely than those who do not know to be satisfied with their current health insurance plan (34 percent versus 46 percent).

Health Care in America Today

Many are satisfied with, and confident about, the health care they are currently receiving. Americans have concerns, however, about the health care system overall.

- Four percent of Americans rate health care in America today as excellent or very good (11 percent). A majority say it is good (31 percent) or fair (34 percent), while 18 percent rate health care in America as poor.
- The proportion of Americans rating health care excellent or very good has declined slightly over the past year (16 percent, down from 20 percent in 1998).
- Health care is considered by 17 percent to be the most critical issue facing America today, ranking behind education (26 percent) and crime (19 percent) but ahead of drug abuse (13 percent) and Social Security (11 percent).
- Some respondents believe that health care in America has gotten worse over the last five years.

| | Believe Aspect Has | | |
|----------------------------|--------------------|---------------|-----------------|
| | Gotten Worse | Gotten Better | Stayed the Same |
| Health care, in general. | 37% | 24% | 36% |
| Health insurance coverage. | 59 | 11 | 27 |
| Health care costs. | 80 | 4 | 14 |

Fifty-three percent of HCS respondents believe that the health care system in America needs major change, and four in 10 think it needs some minor changes (42 percent). When given a list of goals and asked to choose the single goal that should be most important when reforming our nation’s health care system, respondents are equally likely to cite making health care more affordable and providing health insurance coverage to all Americans. Eleven percent cite quality, 8 percent physician choice, and 5 percent new medical technology.

| Most Important Goal | |
|--|-----|
| Making health care more affordable. | 37% |
| Providing health insurance coverage to all Americans. | 37 |
| Providing high quality health care. | 11 |
| Making sure people can select the doctor or hospital of their choice. | 8 |
| Making sure the system supports the development of new medical technologies. | 5 |

Health Care Costs

Fears about rising costs and decreasing affordability of health care may be driving concern about the health care system. Those who think health costs have gotten worse over the last five years cite a number of reasons to support their belief.

- Fifty-eight percent say they are paying more for health insurance than they used to.
- Eighteen percent believe they are now paying more for services not covered by insurance.
- Fifteen percent say the cost of seeing a doctor has increased.
- About one in 10 thinks the cost of prescription drugs has increased (10 percent) and the cost of going to the hospital has increased (9 percent).
- Five percent believe they are now paying more for medicines not covered by insurance.

The current cost of health insurance appears to be the primary reason respondents are uninsured. While small proportions of uninsured respondents say major reasons they do not have health insurance are that they are able to get the care they need without insurance (25 percent) or they are healthy so they do not need insurance (21 percent), three-fourths report a major reason is that their employer’s plan or individual coverage costs too much (77 percent). The low-cost or free insurance programs offered by states to alleviate this problem do not appear to be effectively publicized—just two in 10 of the uninsured say they have heard about such programs (20 percent).

The cost of health care is also affecting people's willingness to seek medical care. Eighteen percent of respondents indicate that there has been a time in the past two years when they thought they needed medical care but did not get it (16 percent of insured; 38 percent of uninsured). The most frequently mentioned reasons for not getting this care are cost (29 percent), lack of insurance (15 percent), and limitations of insurance coverage (13 percent). Finally, just 5 percent of respondents are extremely confident that they will be able to afford to pay for nursing home care if they or a family member needs it, and only one in 10 is very confident (9 percent). Almost three in 10 are somewhat confident (28 percent), but the majority (56 percent) are not too confident or not at all confident of being able to afford nursing home care (28 percent each).

The Future of Health Care in America

Most Americans are at least somewhat confident about the future of health care in America. Three-quarters are at least somewhat confident of getting the treatment they need; one-third of respondents are not too or not at all confident of being able to get the treatments they need during the next 10 years or until they are eligible for Medicare. Two-thirds are at least somewhat confident of having enough choice about who will provide their medical care or of being able to afford health care without financial hardship; one-third are not too or not at all confident.

Confidence During Next 10 Years

| | Extremely/ Very Confident | Somewhat Confident | Not Too/ Not At All Confident |
|--|------------------------------|-----------------------|----------------------------------|
| You will be able to get the treatments you need. | 34% | 41% | 24% |
| You will have enough choice about who provides your medical care. | 27 | 37 | 34 |
| You will be able to afford health care without financial hardship. | 24 | 36 | 38 |

Those in HMO- and PPO-type plans are less likely than those in fee-for-service plans to be confident about each of these aspects.

Confidence is lower when respondents consider health care once they are eligible for Medicare. One-half of those under age 65 years are not confident that they will be able to afford health care without financial hardship. There is also about an equal split regarding confidence of having enough choice about who provides their medical care. Sixty-one percent are confident of being able to get the treatments they need once they are eligible for Medicare; 40 percent are not.

Confidence Once Eligible for Medicare

| | Extremely/ Very Confident | Somewhat Confident | Not Too/ Not At All Confident |
|--|------------------------------|-----------------------|----------------------------------|
| You will be able to get the treatments you need. | 18% | 43% | 38% |
| You will have enough choice about who provides your medical care. | 14 | 39 | 45 |
| You will be able to afford health care without financial hardship. | 12 | 36 | 50 |

The lower levels of confidence about health care once they are eligible for Medicare is undoubtedly because many people are aware that Medicare is facing financial pressures and are not confident regarding the value of the benefits that they will receive from the program.

- Six in 10 of those under age 65 believe that when they become eligible for Medicare, they will receive benefits that are of less value than the benefits received by retirees today (60 percent).
- Twenty-eight percent think they will receive benefits of equal value.
 - Among those ages 55–64, 43 percent think they will receive benefits of equal value.
- Four in 10 believe Medicare is headed for a financial crisis (40 percent), and a similar proportion believe it is not headed for a crisis but does have major problems (43 percent).

If changes must be made to ensure that the Medicare program remains financially sound, it appears that respondents would be most likely to favor allowing Medicare beneficiaries to choose from many private health plans where the government contributes a fixed amount to the cost of the plan (75 percent) or using the budget surplus to pay some of the costs of Medicare (73 percent). Roughly six in 10 favor requiring seniors with income above \$50,000 to pay higher Medicare premiums (64 percent) and reducing payments to doctors and hospitals for treating people covered by Medicare (57 percent). Roughly one-third each favor increasing the amount Medicare recipients pay when they receive care (36 percent), increasing payroll taxes for current workers (33 percent), and increasing the eligibility age for Medicare to 67 (30 percent).

Despite a reluctance to increase taxes or the amount that Medicare recipients pay, seven in 10 say they would favor expanding Medicare to cover prescription drugs even though it may mean an increase in premiums, taxes, or both (34 percent strongly favor; 37 percent somewhat favor).

— Differing Views by Gender —

Distinct differences in satisfaction and confidence are found between men and women. Women, generally considered to be the primary household decision makers with respect to health care, tend to be somewhat less satisfied and less confident than men about the health care system.

- Women are more likely to say that health care in America today is fair or poor (56 percent versus 47 percent).
- Women are less likely to be satisfied regarding the quality of health care they have received in the last two years (51 percent versus 63 percent).
- They are less likely to say they are confident that hospitals deliver quality medical care (36 percent versus 49 percent).

Fewer women than men believe that health care is not getting worse.

- About six in 10 women think health care, in general, has gotten worse (57 percent, compared with 69 percent of men). Almost two-thirds of women say that health insurance coverage has gotten worse (64 percent, compared with 53 percent of men).
- Eight in 10 indicate that health care costs have gotten worse (83 percent, compared with 76 percent of men).

Seventy-nine percent of women and 85 percent of men said they have gotten the medical care they thought they needed. The most common reason they said they did not was cost (38 percent of women versus 16 percent of men).

Percentage Not Too or Not at All Confident

| | Over the Next 10 Years | | Once Eligible for Medicare | |
|--|------------------------|---------|----------------------------|---------|
| | Males | Females | Males | Females |
| You will be able to afford health care without financial hardship. | 33% | 43% | 46% | 55% |
| You will have enough choice about who provides your medical care. | 29 | 39 | 40 | 50 |
| You will be able to get the treatments you need. | 18 | 30 | 32 | 43 |

Perhaps because of these higher levels of concern about cost and the future, women are more likely than men:

- To say that the most important goal in reforming the nation’s health care system should be making health care more affordable (42 percent versus 33 percent).
- To favor using the budget surplus to pay some of the costs of Medicare (77 percent versus 68 percent).
- To favor expanding Medicare to cover prescription drugs (74 percent versus 68 percent).

— Differing Views by Health Status —

Satisfaction and confidence in the health care system also vary by the health of the respondent. Those who describe their health as good, fair, or poor are less likely than those who describe it as excellent or very good to be satisfied with their current health insurance plan.

| Health Status: | Health Status | | |
|----------------------|---------------------------------------|------------------------------|-------------------------|
| | Extremely or Very Satisfied With Plan | Somewhat Satisfied With Plan | Not Satisfied With Plan |
| Excellent/ very good | 56% | 36% | 6% |
| Good | 46 | 39 | 13 |
| Fair/ poor | 40 | 43 | 14 |

People rating their health as fair or poor are also less likely to be satisfied with the health care they have received over the past two years.

Percentage Extremely or Very Satisfied with Aspect of Health Care Received Over the Past Two Years

| Aspect of Health Care: | Health Status | | |
|---|---------------------|------|-----------|
| | Excellent/Very Good | Good | Fair/Poor |
| The quality of medical care you received. | 64% | 50% | 47% |
| In general, the care you've received in the last two years. | 50 | 41 | 40 |
| Benefits covered by your insurer. | 44 | 35 | 31 |
| Paperwork for submitting claims. | 44 | 34 | 30 |
| The cost of your health insurance. | 29 | 27 | 18 |

Healthier respondents are more likely to rate health care in America as excellent or very good (53 percent) than are those rating their health as good (41 percent) or as fair or poor (33 percent).

Respondents in fair or poor health are more likely to believe that health care has gotten worse over the last five years:

Percentage Saying Aspect Has Gotten Worse Over Last Five Years

| | Health Status | | |
|----------------------------|---------------------|------|-----------|
| | Excellent/Very Good | Good | Fair/Poor |
| Health care, in general. | 31% | 43% | 48% |
| Health insurance coverage. | 55 | 62 | 68 |
| Health care costs. | 77 | 80 | 87 |

Thus, it is not surprising that healthier respondents also tend to be more confident about the future.

Percentage Confident About Aspect During Next 10 Years

| | Health Status | | |
|--|---------------------|------|-----------|
| | Excellent/Very Good | Good | Fair/Poor |
| You will be able to get the treatments you need. | 41% | 27% | 18% |
| You will have enough choice about who provides your medical care. | 31 | 22 | 22 |
| You will be able to afford health care without financial hardship. | 32 | 16 | 13 |

These findings are part of the second annual Health Confidence Survey (HCS), a survey that examines a broad spectrum of health care issues, including Americans' satisfaction with health care today, their attitudes toward managed care, their confidence in the future of the health care system and Medicare, and their attitudes toward health care reform. The survey was conducted within the United States between May 13 and June 14, 1999, through 20-minute telephone interviews with 1,001 individuals ages 21 and older. Random digit dialing was used to obtain a representative cross section of the U.S. population and interview quotas were established by sex of respondent to reflect the actual proportions in the population.

In theory, a sample of 1,001 yields a statistical precision of plus or minus 3 percentage points (with 95 percent certainty) of what the results would be if the entire population ages 21 and older were surveyed with complete accuracy. However, there are other possible sources of error in all surveys that may be more serious than theoretical calculations of sampling error. These include refusals to be interviewed and other forms of nonresponse, the effects of question wording and question order, interviewer bias, and screening. While attempts are made to minimize these factors, it is difficult or impossible to quantify the errors that may result from them.

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