

2003 Health Confidence Survey

Summary of Findings

Overview

The findings from the sixth annual Health Confidence Survey (HCS) reflect Americans' relative satisfaction with health care in the United States as well as their growing concerns about the costs of health care and health insurance. The 2003 HCS represents the sixth wave of an annual survey to assess the attitudes of the American public regarding the health care system in the United States. It finds that almost one-half of Americans continue to be *extremely* or *very* satisfied with the health care they are receiving in general. However, the HCS also finds that confidence continues to wane, and Americans are growing increasingly concerned about their ability to get needed treatments and to afford health care. More Americans cite health care as the most critical issue for the nation, and more are dissatisfied with health care costs than in previous years.

- Among Americans who have received care in the past two years, 49 percent are *extremely* or *very* satisfied with the care they have received in general (statistically unchanged from 46 percent in 1998, but an increase from 44 percent in 2002).
- Just 3 in 10 Americans are *extremely* or *very* confident that they will be able to get the treatments they need during the next 10 years (33 percent in 1998, 31 percent in 2003), while roughly 2 in 10 are confident they will be able to get needed treatments once eligible for Medicare (18 percent in 1998, 21 percent in 2003).
- One-half of Americans receiving coverage through an employment-based plan report being *extremely* or *very* satisfied with their health plan (50 percent in 1998, 50 percent in 2003). Another 4 in 10 are *somewhat* satisfied (39 percent in 1998, 41 percent in 2003).
- Americans are more likely than in 1998 to identify health care as the most critical issue for the nation (14 percent in 1998, 20 percent in 2003). This places health care below the economy (27 percent) and about equal to terrorism and national security (17 percent). Health care ranks ahead of education (14 percent), which for years had been the issue considered to be most critical.
- More than 4 in 10 Americans who received care in the past two years say they are not satisfied with the cost of their health insurance (44 percent), compared with one-third in 1998 (32 percent). Forty-eight percent are not satisfied with the costs of health care not covered by their insurance (up from 37 percent in 1998).

Satisfaction With Health Care

Few Americans give today's health care system top marks. Just 5 percent say it is *excellent* and another 9 percent say it is *very good*. Instead, one-quarter describe it as *good* (26 percent), 3 in 10 say it is *fair* (30 percent), and 28 percent say it is *poor*. Moreover, the percentage rating it as *poor* has been increasing over time, from 15 percent in 1998 and from 21 percent in 2001 (Figure 1).

Figure 1
Rating of Health Care System in America Today, 1998–2003

	1998	1999	2000	2001	2002	2003
Excellent	4%	4%	3%	3%	4%	5%
Very Good	13	10	11	11	11	9
Good	33	29	30	32	29	26
Fair	34	35	32	32	30	30
Poor	15	20	23	21	24	28
Don't Know/Refused	1	2	1	1	2	2

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1998–2003 Health Confidence Surveys.

Satisfaction with some aspects of the health care Americans currently receive has shown little change in the six years tracked by the HCS (Figure 2). Among those receiving health care within two years of responding to the survey, the percentage saying they are *extremely* or *very* satisfied with the health care they have received, in general, is roughly the same in 2003 (49 percent)¹ as it was in 1998 (46 percent), although satisfaction dipped slightly in 2000 (39 percent). Approximately 4 in 10 continue to be *somewhat* satisfied with the health care they have received (40 percent in 1998, 38 percent in 2003). Likewise, more than one-half continue to be *extremely* or *very* satisfied with their ability to choose their doctor (54 percent in 1998, 54 percent in 2003) and the quality of the medical care they receive (57 percent in 1998, 57 percent in 2003). Satisfaction with health care tends to increase with age and household income.

Figure 2
Satisfaction With Selected Aspects of Health Care, Among Those Receiving Care in Past Two Years, 1998–2003

Health Care Received, in General	1998	1999	2000	2001	2002	2003
Extremely Satisfied	13%	11%	9%	10%	10%	14%
Very Satisfied	33	31	30	36	34	36
Somewhat Satisfied	40	43	44	42	41	38
Not Too/Not At All Satisfied	11	14	16	10	12	12
Don't Know/Refused	3	1	2	1	2	1
Not Applicable	-	-	-	-	-	-
Ability to Choose Your Doctor	1998	1999	2000	2001	2002	2003
Extremely Satisfied	19%	21%	20%	19%	18%	20%
Very Satisfied	35	32	33	38	39	34
Somewhat Satisfied	24	23	26	25	25	25
Not Too/Not At All Satisfied	19	20	21	17	18	19
Don't Know/Refused	1	1	1	<0.5	<0.5	1
Not Applicable	2	2	1	1	<0.5	<0.5
Quality of Medical Care Received	1998	1999	2000	2001	2002	2003
Extremely Satisfied	17%	14%	13%	14%	13%	17%
Very Satisfied	40	39	40	43	41	41
Somewhat Satisfied	33	34	37	34	36	34
Not Too/Not At All Satisfied	7	10	10	7	8	8
Don't Know/Refused	1	1	1	<0.5	1	1
Not Applicable	2	<0.5	<0.5	1	1	-

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1998–2003 Health Confidence Surveys.

However, Americans are increasingly likely to report being dissatisfied with health care costs (Figure 3). More than 4 in 10 say they are *not too* or *not at all* satisfied with the cost of their health insurance in 2003 (44 percent), compared with one-third in 1998 and 2001 (32 percent and 33 percent, respectively). Almost half report being *not too* or *not at all* satisfied with the costs of health care not covered by their insurance (48 percent), compared with 37 percent each in 1998 and 2001. This increasing dissatisfaction with cost is found among all age and household income groups.

Figure 3
Satisfaction With Health Care Costs, Among Those Receiving Care in Past Two Years, 1998–2003

Cost of Health Insurance	1998	1999	2000	2001	2002	2003
Extremely Satisfied	13%	7%	8%	11%	9%	7%
Very Satisfied	18	19	16	20	18	17
Somewhat Satisfied	32	34	31	30	29	27
Not Too/Not At All Satisfied	32	33	40	33	38	44
Don't Know/Refused	1	2	1	2	2	1
Not Applicable	4	5	4	4	3	4

¹ Percentages in text may not match those in figures due to rounding.

Figure 3 (continued)
Satisfaction With Health Care Costs, Among Those Receiving Care in Past Two Years, 1998–2003

Health Costs Not Covered by Insurance	1998	1999	2000	2001	2002	2003
Extremely Satisfied	7%	5%	5%	8%	6%	5%
Very Satisfied	14	17	15	18	16	16
Somewhat Satisfied	30	31	29	30	28	27
Not Too/Not At All Satisfied	37	37	43	37	44	48
Don't Know/Refused	4	2	2	2	4	2
Not Applicable	8	7	5	6	3	3

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1998–2003 Health Confidence Surveys.

Another indicator of Americans' concern about health care is the continuing identification of health care as a critical issue for the nation. In fact, Americans seem to report that health care is becoming more critical in comparison with other issues. In 1998, just 14 percent named it as the single most critical concern facing America. For the past four years, however, approximately 2 in 10 have identified it each year as the most critical issue in America today (20 percent in 2003). This places health care below the economy (27 percent) and about equal to terrorism and national security (17 percent) as an issue of concern. Health care ranks ahead of education (14 percent), Social Security (7 percent), the war (5 percent), and taxes (5 percent) as the most critical issue. The perception of health care as the most critical issue is related to age and gender (Figure 4). More than 2 in 10 of those ages 45 and over (22 percent) and women (23 percent) select health care as the most critical issue in America today, and women are more likely now than in 1998 to view health care as a critical concern (15 percent in 1998).

Figure 4
Most Critical Issue in America Today, by Gender and Age, 2003

	Total	Gender		Age	
		Men	Women	Under 45	45 and Over
The Economy	27%	29%	25%	28%	25%
Health Care	20	16	23	17	22
Terrorism and National Security	17	19	15	18	16
Education	14	13	15	18	11
Social Security	7	6	8	4	10
The War	5	4	6	5	5
Taxes	5	8	2	6	5
Don't Know/Refused	5	4	6	4	5

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2003 Health Confidence Survey.

Confidence in the Health Care System

Americans express a moderate degree of confidence in some aspects of today's health care system (Figure 5). One-half say they are *extremely* or *very* confident that they are able to get the treatments they need (51 percent). However, less than one-half are *extremely* or *very* confident that their medical records are confidential (47 percent) and that they have enough choice about who provides their medical care (43 percent). Only about one-third are *extremely* or *very* confident of being able to afford prescription drugs without financial hardship (35 percent) and being able to afford health care without financial hardship (31 percent). Moreover, the percentage saying they are *not too* or *not at all* confident in their ability to afford health care has increased over the past year, from 31 percent in 2002 to 37 percent in 2003. Over the same period, the percentage saying they are *not too* or *not at all* confident in their ability to afford prescription drugs has increased from 27 percent to 32 percent.

As Americans look to the future, they become less confident in the health care system (Figure 5). While almost 4 in 10 are *extremely* or *very* confident that their medical records will be confidential over the next 10 years or until they are eligible for Medicare (37 percent), just 3 in 10 are *extremely* or *very* confident that they will be able

to get the treatments they need during this time (31 percent), and only 27 percent are confident of having enough choice about who provides their medical care. Roughly 2 in 10 each are *extremely* or *very* confident of being able to afford health care without financial hardship (22 percent) and being able to afford prescription drugs without financial hardship (21 percent). At the same time, 41 percent are not confident of being able to afford health care in the next 10 years (up from 35 percent in 2002). Forty-one percent also are not confident of being able to afford prescription drugs without financial hardship (up from 36 percent in 2002).

Confidence in the future of the health care system reaches even lower levels as Americans look toward Medicare (the federal health care insurance program for the elderly and disabled) (Figure 5). Only 3 in 10 of those not yet eligible for Medicare are *extremely* or *very* confident that their medical records will be confidential once they are eligible for Medicare (30 percent). About 2 in 10 are *extremely* or *very* confident that they will be able to get the treatments they need once they are eligible for Medicare (21 percent), and fewer are confident that they will have enough choice about who provides their medical care (17 percent), that they will be able to afford health care without financial hardship (16 percent), or that they will be able to afford prescription drugs without hardship (16 percent). Again, the percentage saying they are not confident in their ability to afford health care without financial hardship during this period has increased since 2002 (from 44 percent to 49 percent); the percentage not confident in their ability to afford prescription drugs also has increased (from 44 percent in 2002 to 50 percent in 2003).

Figure 5
Confidence in Selected Aspects of the Health Care System, 2003

	Ability to Get Treatments You Need			Have Enough Choice About Who Provides Care		
	Today	Next 10 Years	Once Eligible for Medicare	Today	Next 10 Years	Once Eligible for Medicare
Extremely Confident	18%	9%	6%	13%	7%	5%
Very Confident	33	22	14	30	19	12
Somewhat Confident	34	42	40	36	41	33
Not Too/Not At All Confident	13	25	37	21	31	47
Don't Know/Refused	1	1	2	1	1	2

	Ability to Afford Health Care Without Financial Hardship			Ability to Afford Prescription Drugs Without Financial Hardship		
	Today	Next 10 Years	Once Eligible for Medicare	Today	Next 10 Years	Once Eligible for Medicare
Extremely Confident	13%	7%	5%	14%	7%	6%
Very Confident	19	15	12	22	14	10
Somewhat Confident	31	35	33	31	36	31
Not Too/Not At All Confident	37	41	49	32	41	50
Don't Know/Refused	1	1	2	1	1	3

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2003 Health Confidence Survey.

Perhaps not surprisingly, Americans who describe their health as *fair* or *poor* are more likely than those who describe it as *excellent*, *very good*, or *good* to say they are *not too* or *not at all* confident of being able to afford future health care (Figure 6). For example, 6 in 10 of those in *fair* or *poor* health are not confident of being able to afford health care once they are eligible for Medicare (60 percent), compared with half of those in *good* health (52 percent) and roughly 4 in 10 of those in *excellent* or *very good* health (43 percent). In addition, those who describe their health as *fair* or *poor* are more likely to say they are not confident of being able to get the treatments they need and being able to afford prescription drugs both during the next 10 years and once eligible for Medicare.

Figure 6

Confidence in Ability to Afford Health Care Without Financial Hardship Once Eligible for Medicare, by Health Status and Gender, 2003

	Total	Health Status			Gender	
		Excellent/ Very Good	Good	Fair/Poor	Men	Women
Extremely Confident	5%	6%	4%	1%	4%	5%
Very Confident	12	14	8	8	13	10
Somewhat Confident	33	35	32	26	38	28
Not Too/Not At All Confident	49	43	52	60	43	54
Don't Know/Refused	2	1	4	4	2	2

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2003 Health Confidence Survey.

Just as women are more likely than men to identify health care as the most critical issue facing America today (23 percent of women versus 16 percent of men), they are more likely to be concerned about the future of the health care system. In particular, women are more likely than men to be *not too* or *not at all* confident that, once eligible for Medicare, they will be able to afford prescription drugs without financial hardship (55 percent versus 45 percent), that they will be able to afford health care without hardship (54 percent versus 43 percent) (Figure 6), and that they will be able to get the treatments they need (41 percent versus 33 percent).

Despite their lack of confidence in the health care system, the large majority of Americans are at least somewhat confident that they have access to the information they need to choose a quality provider and make treatment decisions. Almost half are *extremely* or *very* confident that they have access to the information they need to choose a quality doctor or hospital (48 percent), and another 37 percent are *somewhat* confident. Likewise, 46 percent are *extremely* or *very* confident they have access to the information necessary to make decisions about treatment options. An additional 4 in 10 are *somewhat* confident they could find information about treatment options (40 percent).

The Consumer Cost Burden

When asked to identify the single biggest issue facing the health care system in America today, a majority of Americans name health care costs. While almost one-fourth cite health care costs in general (23 percent), 17 percent mention the cost of health insurance and 8 percent mention the cost of prescription drugs. One in 10 cite issues that relate to the uninsured, such as accessibility for the poor, Medicaid for lower income people, and universal health care (10 percent). In fact, no single category unrelated to cost garners more than 5 percent of responses (the largest non-cost category is restriction on choice of health care providers at 4 percent).

One-half of Americans say they have found medical bills to be a source of financial stress within the past two years (18 percent *major* source; 32 percent *minor* source). While those who do not have health insurance or who have had a gap in health insurance coverage in the past year are more likely to have found medical bills to be a source of *major* stress than are those who have had uninterrupted coverage (34 percent of those without coverage or with a gap in coverage versus 13 percent of those with continuous coverage), those with continuous coverage are more likely to say they have found these bills to be a source of *minor* stress (24 percent of those without coverage or with a gap in coverage versus 35 percent of those with continuous coverage).

Three in 10 Americans say that in the past two years they have delayed or decided not to get health care when they thought they needed it (29 percent). Those with continuous insurance coverage are just about as likely as those who do not have insurance to report having made this decision (26 percent with insurance during the past year; 33 percent without insurance). Those who are currently insured but who have had a gap in coverage during the past year were more likely than others to have delayed or decided not to get care (52 percent). Cost was the major reason why Americans delayed or did not get health care. Almost two-thirds of the insured (63 percent),

more than 8 in 10 of the uninsured (82 percent), and nearly 9 in 10 of those with a gap in coverage (87 percent) who delayed or decided not to get care say it was because they could not afford it, were not insured, or the condition or treatment was not covered.

As health care costs rise, insured Americans believe that consumers will be the ones most affected, with rising costs and fewer services. Nine in 10 each say that rising health insurance costs will require people with insurance to pay more (91 percent) and that more people will go without health insurance (90 percent). Almost two-thirds think fewer health care services will be provided to people with insurance (63 percent). Fewer think that someone else will step up to assist with costs. Four in 10 believe health care providers will be paid less for providing medical services (42 percent) and employers will pay more (41 percent), and 3 in 10 think the government will pay more (31 percent).

Asked about a hypothetical situation in which the cost of health insurance increased by set dollar amounts, 10 percent of Americans with private health insurance coverage say they would drop health insurance if it were to increase by \$25 per month (Figure 7). Another 12 percent would drop at a \$50 increase, and another 24 percent would drop coverage if the cost were to increase by \$100 a month. On the other hand, nearly 3 in 10 say they would not drop health insurance coverage even if it were to increase by \$200 a month (28 percent).

Figure 7
**Would Drop Health Insurance Coverage at Various Hypothetical Price Increases,
 Among Those With Private Health Insurance Coverage, 2003**

Would Drop at a \$25 Increase	10%
Would Drop at a \$50 Increase	12
Would Drop at a \$100 Increase	24
Would Drop at a \$200 Increase	19
Would Not Drop at a \$200 Increase	28
Don't Know/Refused	7

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2003 Health Confidence Survey.

Not surprisingly, the likelihood of keeping health insurance as its cost increases is strongly related to education and household income. Because health status is closely correlated with income, and thus the ability to afford premium increases, Americans in *fair* or *poor* health are more likely than those in *excellent*, *very good*, or *good* health to say they would drop at a \$25 per month increase (23 percent vs. 8 percent). This suggests that those with the greatest need for insurance coverage of health services would be the most likely to drop coverage if their premiums increased.

The HCS also asked what Americans with health insurance would do if the amount of money they paid at the point of receiving health care, such as their co-payments, were to increase significantly. This question was asked in two ways: (1) half of the respondents were asked an open-ended question to which they could give any reply, with no help or prompts; and (2) half of the respondents were read a list of pre-set responses, and they indicated whether they would or would not take each action. The question elicits very different answers, depending on the way it is asked. Those asked the question in the open-ended format most often say they would continue to use health care the way they do now (39 percent), they would look for cheaper coverage elsewhere (15 percent), they would delay going to the doctor (13 percent), or they would drop coverage (10 percent). Very few of them are apparently able to think of other alternatives to help control costs. However, of those who were read the list of alternatives, a majority say that they would use them (Figure 8). Almost 9 in 10 say they would choose generic drugs when available (87 percent) or talk to their doctor more carefully about treatment options and costs (86 percent). Nearly 8 in 10 say they would take better care of themselves (77 percent) or go to the doctor only for more serious conditions or symptoms (76 percent). Six in 10 would delay going to the doctor (59 percent), save additional money in a flexible spending account (59 percent of those who are employed), and switch to over-the-counter drugs (57 percent).

Figure 8
If the amount of money you pay at the point of receiving health care services, such as your copayments, were to increase significantly,

What would you do? (Volunteered Responses)		Would you ...? (Listed Responses: Yes/No)
1%	Choose Generic Drugs When Available	87%
1	Talk to Your Doctor More Carefully About Treatment Options and Costs	86
1	Try to Take Better Care of Yourself	77
7	Go to the Doctor Only for More Serious Conditions or Symptoms	76
13	Delay Going to the Doctor	59
1	Save Additional Money in a Flexible Spending Account	59
<0.5	Switch to Over-the-Counter Drugs	57
39	Continue to Use Health Care the Way I Do Now	n/a
15	Look for Cheaper Coverage Elsewhere	n/a
10	Drop Coverage	n/a
8	Other	n/a
10	Don't Know/Refused	n/a

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2003 Health Confidence Survey.

Most insured Americans say they are willing to accept some restrictions on health care in exchange for lower costs. Almost two-thirds say they would be willing to accept restrictions on their choice of prescription drugs (64 percent), and more than half each would be willing to accept restrictions on their choice of hospitals (55 percent) and physicians (52 percent) in exchange for lower costs. Somewhat fewer say they would accept restrictions on their choice of medical services, treatments, and procedures (47 percent). However, 2 in 10 indicate they would not be willing to accept restrictions on any of these health care choices to obtain lower health care costs (20 percent). Older Americans (age 65 and over) and those with annual household income of \$30,000 or more are more likely to say they would not accept any restrictions on their choice.

The Current System, With Changes?

Satisfaction levels with employment-based health benefits have remained relatively stable since the inception of the HCS. Most Americans receiving health benefits through an employment-based plan continue to be satisfied with their current health benefits (Figure 9). Half are *extremely* (13 percent in 2003) or *very* (37 percent) satisfied with their current plan, and 4 in 10 are *somewhat* satisfied (41 percent). Only 1 in 10 say they are *not too* satisfied (7 percent) or *not at all* satisfied (2 percent, down from 6 percent in 2002).

Figure 9
Satisfaction With Current Health Plan, Among Those Receiving Coverage Through an Employment-Based Plan, 1998–2003

	1998	1999	2000	2001	2002	2003
Extremely Satisfied	14%	12%	12%	11%	11%	13%
Very Satisfied	36	37	36	41	39	37
Somewhat Satisfied	39	38	40	36	37	41
Not Too/Not At All Satisfied	10	11	11	11	14	9
Don't Know/Refused	1	2	1	1	<0.5	<0.5

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1998-2003 Health Confidence Surveys.

While almost all Americans covered by employment-based health benefits remain at least *somewhat* confident that their employer will continue to offer health insurance coverage to its workers, confidence levels continue to decrease over time. Only 6 in 10 are now *extremely* or *very* confident that their employer will continue to offer health insurance (61 percent), compared with almost 7 in 10 in 2000 (68 percent). Roughly one-fourth are *somewhat* confident that their employer will continue to do so (26 percent in 2003, 25 percent in 2000). More than 1 in 10 say they are *not too* or *not at all* confident (13 percent, up from 7 percent in 2000). Those who rate health

care in America as *fair* or *poor* are more likely to be only *somewhat* confident or not confident that their employer will continue to offer coverage. In addition, those age 45 and over are considerably less likely to be confident about continuing coverage (Figure 10).

Figure 10
Confidence in Employer Continuing to Offer Coverage, by Age, 2003

	Total With Employment-Based Health Benefits	Age	
		Under 45	45 and Over
Extremely Confident	29%	35%	19%
Very Confident	32	33	30
Somewhat Confident	26	21	33
Not Too/Not At All Confident	13	11	17
Don't Know/Refused	<0.5	<0.5	<0.5

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2003 Health Confidence Survey.

Few Americans are confident that they would be able to afford to buy insurance on their own if their employer were to stop offering health benefits and did not increase their salary to help them pay for it. Just over 1 in 10 are *extremely* (5 percent) or *very* (7 percent) confident. About one-fourth are *somewhat* confident (27 percent). Six in 10 are *not too* (24 percent) or *not at all* (36 percent) confident of their ability to afford health insurance without additional income. Not surprisingly, those with higher household income and in better health are more likely to say they would be able to afford insurance.

The experience of the uninsured and those with gaps in insurance bear out the insureds' supposition. Of the 23 percent of those who either had no health insurance coverage or had a gap in coverage within the past year, 44 percent report having shopped for health insurance on their own. Overwhelmingly, the reason they did not buy the plan was because it cost too much (81 percent). Far fewer cited other reasons for not purchasing a plan, such as not being offered any plan to purchase (5 percent) or the plan they were offered not being a good plan (4 percent). In addition, one-fourth of those without insurance or with gaps in insurance say they were offered health insurance coverage by an employer that they decided not to take (24 percent). Again, the vast majority of them say they did not take up the coverage because it cost too much (91 percent).

While employment-based coverage is still the most popular type of system for health insurance coverage in the United States, support for government-sponsored health insurance is increasing. When asked whether they would prefer a system in which an employer provides them with health insurance, the government provides them with health insurance, or they purchase health insurance directly from an insurance company, 4 in 10 Americans say they would prefer to get health insurance through an employer (41 percent, down from 48 percent in 2002). At the same time, more than one-third would prefer to get insurance through the government (36 percent, up from 25 percent). Just under 2 in 10 would prefer to get insurance directly from an insurance company (18 percent in 2003, 19 percent in 2002). The remainder are unable to say what type of system they would prefer (5 percent). It is interesting to note that this move in preference away from employment-based health benefits toward government coverage is apparent among the various coverage-type groups (Figure 11).

Figure 11
Preference for Type of System, by Type of Health Insurance Coverage, 2002–2003

	Type of Health Insurance Coverage									
	Total		Employment-Based Coverage		Government Coverage		Other Coverage		No Coverage	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
A System in which an Employer Provides You With Health Insurance	48%	41%	63%	55%	24%	24%	37%	22%	33%	26%
A System in which the Government Provides You With Health Insurance	25	36	17	31	40	44	22	36	30	45
A System in which You Purchase Health Insurance Directly from an Insurance Company	19	18	14	11	23	22	33	40	29	23
Don't Know/Refused	8	5	6	3	13	10	8	2	8	6

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2002–2003 Health Confidence Surveys.

Many Americans would support changes to make sure all Americans have access to health insurance. When given a choice between three priorities (providing health insurance to people who are currently uninsured, a tax cut to all taxpayers, and providing prescription drug benefits for people covered by Medicare), one-half view providing health insurance to the uninsured as the most important priority both personally (47 percent) and nationally (51 percent) (Figure 12). One-fourth each say they would prefer a tax cut for all taxpayers, including themselves, or prescription drug benefits for people covered by Medicare.

Figure 12
Personal and National Priority, 2003

	Most Important to You and Your Family	Most Important Nationally
Providing Health Insurance to People Who Are Currently Uninsured	47%	51%
A Tax Cut for All Taxpayers, Including Yourself	26	22
Providing Prescription Drug Benefits for People Covered by Medicare	25	25
Don't Know/Refused	1	2

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2003 Health Confidence Survey.

Some demographic groups are more likely than others to express a preference for certain priorities. For example, Americans under age 65 and minorities are more apt to say providing health insurance to people who are currently uninsured would be the most important priority, both for themselves and for the nation. On the other hand, men and those with household income of at least \$75,000 are more likely than others to say a tax cut would be the most important priority. People age 65 and older, women, and those in *fair* or *poor* health are more likely than others to think that providing prescription drug benefits would be the most important personal and national priority.

A majority of Americans also support changes to the system that would impose limits on the amount beyond actual damages that can be awarded by juries in medical malpractice cases (69 percent). One reason for this may be that more than 7 in 10 think that high malpractice insurance premiums make it difficult for doctors to stay in business (72 percent). Americans age 45 and over and those with higher household income are more likely than others to think limits on malpractice awards should be imposed. Moreover, those who rate the health care system as *excellent* or *very good* are more likely than those who rate it as *good*, *fair*, or *poor* to think limits on awards should

be imposed (78 percent versus 67 percent). Somewhat surprisingly, the perception that the respondent or a close friend or relative has ever been involved in a situation where they believe a medical mistake has been made does *not* make a difference.

Retiree Health Care

Almost half of current workers age 40 and over say they think about access to health insurance a lot when determining the age at which they expect to retire (47 percent). Three in 10 think about it a little (31 percent), while 21 percent say they do not think about it. Nevertheless, almost 3 in 10 plan to retire before age 65 (28 percent), that is, before the age at which they become eligible for benefits from Medicare. One-third of workers age 40 and over expect to receive health insurance through a former employer or union during their retirement (34 percent, down from 40 percent in 2002 and 46 percent in 1998). Of those who are currently covered by health insurance but who do not expect to receive coverage from a former employer or union when they retire, 62 percent plan to work longer than they would like in order to continue receiving health insurance. At the same time, just 15 percent of workers who plan to retire at age 65 or later say they would retire earlier if they were guaranteed health insurance but were required to pay the full premium.

Retirees also say they thought about access to health insurance when determining the age at which to retire. Half thought about it a lot (49 percent) and one-fourth thought about it a little (24 percent). Of Americans who are retired or disabled, three-fourths left the labor force before age 65 (77 percent). Three in 10 report they obtained health insurance from their former employer or union (30 percent) and another 16 percent received insurance from their spouse's employer or union. Others say they obtained coverage through a private plan they bought themselves (14 percent), Medicare (12 percent), Medicaid or other government plan (8 percent), personal savings (3 percent), someone else's employer or union (3 percent), COBRA (1 percent), or used some other method (3 percent). One in 10 indicate they went without coverage during the period between leaving the work force and becoming eligible for Medicare (9 percent). Fifteen percent of those who are retired or disabled say they worked longer than they would have liked in order to keep health insurance coverage. Twelve percent of retired Americans indicate they would have retired earlier than they did if they had been guaranteed health insurance, even though they had to pay the full premium.

Three in five workers age 40 and over and retirees say that medical expenses are *extremely* (27 percent) or *very* (31 percent) important in planning for retirement. Another one-fourth think them somewhat important (25 percent). They are even more likely to think it is important to have a supplemental insurance policy in addition to Medicare during retirement. Of workers age 40 and over who are not yet on Medicare, at least 4 in 10 each say it is *extremely* (40 percent) or *very* (43 percent) important to have one. Thirteen percent think it is *somewhat* important to have this type of policy. However, they are much less confident about their ability to afford the policy. Among those who think supplemental coverage is at least somewhat important, only 3 percent are *extremely* confident of their ability to afford it, and 13 percent are *very* confident. About half are *somewhat* confident (47 percent), while almost 4 in 10 are not confident (36 percent).

Prescription Drugs

As discussed above, Americans' confidence is decreasing in their ability to afford prescription drugs now and in the future. Furthermore, among Americans age 65 and over, the cost of prescription drugs is regarded as the single biggest issue facing the health care system in America today, cited by 22 percent of that age group. Americans age 65 and over are more likely than those in other age groups to spend more than \$100 per month out-of-pocket on prescription drugs and are less likely to have no out-of-pocket drug expenses. Among those age 65 and over, 28 percent report spending more than \$100 monthly and 9 percent spend nothing. Among those under age 45, in contrast, 14 percent spend nothing and another 78 percent spend less than \$100 per month out-of-pocket. Americans ages 45 to 64 also are significantly more likely to spend \$100 or more out-of-pocket each month on

prescription drugs than are younger Americans (22 percent versus 9 percent). Those without prescription drug coverage are much more likely than those with coverage to spend \$100 or more per month out-of-pocket on prescription drugs (35 percent versus 12 percent).

Virtually all Americans say they are aware of a type of prescription drugs called generic drugs (96 percent). Of those who are aware of generic drugs, almost 9 in 10 say they choose generic drugs rather than brand name drugs when they are available (87 percent). Two in 5 of those who are aware of generic drugs but do not currently use generic drugs say they would be *extremely* (19 percent) or *very* (20 percent) likely to use them if they were offered a health insurance plan in which they would pay nothing for generic drugs but would pay a co-pay for brand-name drugs. Another one-fourth say they would be *somewhat* likely to use them in these circumstances (25 percent).

The cost of prescription drugs appears to be causing some Americans to move to lower-cost alternatives. Half of those who typically spend money each month on prescription drugs say the price of a prescription drug has caused them to switch to a lower-priced or generic prescription drug within the past year (51 percent). More than one-third report the price has caused them to use an over-the-counter product instead (36 percent), while 3 in 10 report they have decided not to fill the prescription and not to use a substitute due to the cost (28 percent). These results vary greatly by age. Fifty-eight percent of those under age 45 have switched to a lower-priced or generic drug due to the price of a prescription drug, while only 46 percent of those ages 45–64 and 38 percent of those age 65 and over have done so. Forty-six percent under age 45 report using an over-the-counter product instead of a prescription drug due to the price of the prescription drug, compared with 18 percent of those age 65 and over. Finally, 35 percent of those under age 45 report that they have decided not to fill a prescription and not to use a substitute product due to the price of a prescription drug, compared with only 12 percent of those age 65 and over (Figure 13). Americans more likely to have used these lower-cost alternatives also include those with children and those with lower household incomes.

Figure 13
Have Taken These Actions Due to the Price of a Prescription Drug, by Age, 2003

	Total Who Typically Spend Money on Prescription Drugs Each Month	Age		
		Under 45	45–64	65 and Over
Switched to a Lower-Priced or Generic Prescription Drug	51%	58%	46%	38%
Used an Over-the-Counter Product Instead	36	46	29	18
Decided Not to Fill the Prescription and Not to Use a Substitute Product	28	35	26	12

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2003 Health Confidence Survey.

Conclusion

Data from the 2003 Health Confidence Survey show that satisfaction with health care in the United States remains stable, while confidence in the future of health care in this country is declining. Americans in 2003 are more likely to say the American health care system is poor, but they continue to be at least somewhat satisfied with the health care they are receiving. They are increasingly dissatisfied with the cost of health insurance and the costs of care not covered by insurance, and they continue to identify health care as one of the nation’s most critical issues.

Americans continue to become less confident about certain aspects of health care as they look to the next 10 years and to the future of the Medicare system. Health care costs are identified as the biggest issue in health care, and many Americans report feeling stress because of medical bills. Many say they are willing to accept some restrictions on health care in exchange for lower costs. As Americans approach retirement, most say that they take

health care costs and coverage into consideration in making their retirement plans, and many expect to work longer than they would like to in order to keep health insurance coverage.

Americans, especially older Americans, are concerned about the cost of prescription drugs. Nearly all Americans are aware of generic drugs, and most choose them when they are available. The prices of prescription drugs have caused many to switch to lower-priced or generic drugs, to use over-the-counter products instead, or to forego medicines altogether in some instances.

Finally, Americans are becoming less confident that the current employment-based health insurance system—which provides coverage to the vast majority of health plan participants in the United States—will continue to provide coverage in the future, and a large proportion are not confident that they could afford to purchase coverage if their employer stopped offering it. Support for the employment-based health insurance system has declined while support for government-sponsored health insurance coverage has increased.

The 2003 HCS

These findings are part of the sixth annual Health Confidence Survey (HCS), a survey that examines a broad spectrum of health care issues, including Americans' satisfaction with health care today, their confidence in the future of the health care system and the Medicare program, and their attitudes toward health care reform. The survey was conducted within the United States between April 24 and May 24, 2003, through 20-minute telephone interviews with 1,002 individuals age 21 and older. Random digit dialing was used to obtain a representative cross section of the U.S. population. Interview quotas were established by sex of respondent, and the data were weighted by age and education to reflect the actual proportions in the population.

In theory, the weighted sample of 1,002 yields a statistical precision of plus or minus 3 percentage points (with 95 percent confidence) of what the results would be if the entire population age 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 impossible to quantify the errors that may result from them.

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