2007 Health Confidence Survey: Rising Health Care Costs Are Changing the Ways Americans Use the Health Care System, p. 2

New Publications and Internet Sites, p. 11

Executive Summary:

- **10th annual HCS**: The 2007 Health Confidence Survey (HCS) represents the 10th wave of an annual survey to assess the attitudes of the American public regarding the U.S. health care system.

- **Most Americans getting hit with higher health costs**: More than 6 in 10 Americans with health insurance coverage (63 percent) report they experienced an increase in the costs they are responsible for paying under their plan in the past year. Of these respondents, higher costs have caused them to increasingly:
  - Try to take better care of themselves (81 percent in 2007; 71 percent in 2005).
  - Talk to the doctor more carefully about treatment options and costs (66 percent in 2007; 57 percent in 2005).
  - Go to the doctor only for more serious conditions or symptoms (64 percent in 2007; 54 percent in 2005).
  - Delay going to the doctor (50 percent in 2007; 40 percent in 2005).
  - Not fill or skip doses of their prescribed medications (28 percent in 2007; 21 percent in 2005).

- **Effects on household finances**: Those experiencing higher costs are also likely to report that these increases have hurt their household finances. In particular, they indicate that increased health care costs have resulted in a decrease in contributions to retirement (30 percent) and other savings (52 percent) and in difficulty paying for basic necessities (29 percent) and other bills (36 percent).

- **Wellness programs supported in concept**: Although employed Americans are positive about wellness programs in general (82 percent), they are less comfortable with specific programs that employers might offer—and are suspicious of employer motivations for offering these types of programs.

- **Unhappiness with the health care system**: Six in 10 rate the health care system as fair (29 percent) or poor (30 percent). Moreover, many feel the health care system needs a complete overhaul (24 percent) or requires major changes (47 percent).

- **Strong support for employer mandate**: More than 9 out of 10 (91 percent) of those surveyed support an employer mandate. More than 4 out of 10 (42 percent) believe that all employers, regardless of size, should be included in a mandate requiring them to provide and contribute to health insurance coverage for their workers.
Overview

The 2007 Health Confidence Survey (HCS) represents the 10th wave of an annual survey to assess the attitudes of the American public regarding the health care system in the United States. Findings from the 2007 HCS demonstrate that rising health care costs increasingly are changing the way Americans use the health care system. Many of these changes are positive. Others, such as delaying going to the doctor and not filling or skipping doses of prescribed medications, could hurt their health status. Perhaps because of rising costs, Americans with employment-based health benefits value it above the actual dollar amount that employers pay toward the coverage, and many favor an employer mandate (meaning a law requiring employers to offer or contribute to health insurance coverage for their workers) that includes all employers, regardless of size.

Among the major findings in this year’s HCS:

• More than 6 in 10 Americans with health insurance coverage (63 percent) report they experienced an increase in the costs they are responsible for paying under their plan in the past year. Of these, a sizeable and increasing percentage say the increased costs have caused them to try to take better care of themselves (81 percent in 2007; 71 percent in 2005), talk to the doctor more carefully about treatment options and costs (66 percent in 2007; 57 percent in 2005), go to the doctor only for more serious conditions or symptoms (64 percent in 2007; 54 percent in 2005), delay going to the doctor (50 percent in 2007; 40 percent in 2005), and not fill or skip doses of their prescribed medications (28 percent in 2007; 21 percent in 2005).

• Those experiencing cost increases are also likely to report that these increases have negatively affected their household finances. In particular, they indicate that increased health care costs have resulted in a decrease in contributions to retirement (30 percent) and other savings (52 percent) and in difficulty paying for basic necessities (29 percent) and other bills (36 percent).

• Although employed Americans are positive about wellness programs in general (82 percent), they are less comfortable with specific programs that employers might offer. Moreover, many have reservations about employer motivations for offering these types of programs.

• Three-quarters of those with employment-based health coverage (76 percent) state they would prefer $7,500 in employment-based health benefits to an additional $7,500 in taxable income. When those preferring to keep their coverage were asked how much they would need in additional taxable income to willingly give it up, the median response is $12,000.

• Six in 10 rate the health care system as fair (29 percent) or poor (30 percent). Moreover, many feel the health care system needs a complete overhaul (24 percent) or requires major changes (47 percent).

• While half of Americans (51 percent) remain extremely or very satisfied with health care quality, less than 2 in 10 are satisfied with the cost of health insurance (18 percent) or with costs not covered by insurance (16 percent).

• More than 9 out of 10 (91 percent) of those surveyed support an employer mandate. More than 40 percent believe that all employers, regardless of size, should be included in a mandate requiring them to provide and contribute to health insurance coverage for their workers (42 percent). Almost 2 in 10 (18 percent) think employers with 30 or more workers should be included in the mandate, while 1 in 10 (12 percent) say those with at least 50 workers should be included.
The Cost of Health Care

Faced with health care costs that are rising faster than earnings, many Americans are changing the way they use the health care system. More than 6 in 10 Americans with health insurance coverage (63 percent) say the costs they are responsible for paying under their plan have increased in the past year. Of these, roughly 8 in 10 say these increased costs have led them to try to take better care of themselves (81 percent, up from 71 percent in 2005). Two-thirds say they now talk to the doctor more carefully about treatment options and costs (66 percent, up from 57 percent in 2006) and go to the doctor only for more serious conditions or symptoms (64 percent, up from 56 percent in 2006). In addition, half report they delay going to the doctor (50 percent, up from 40 percent in 2005) and almost 3 in 10 do not fill or skip doses of their prescribed medications (28 percent, up from 21 percent in 2005) (Figures 1 and 2). These last two methods of controlling expenses may be positive if they cause patients to delay seeking care for minor complaints or not fill noncritical medications. However, those taking these steps may be simply trading small, immediate savings for much larger expenses later on if they delay the diagnosis or impede the treatment of more serious conditions.

| Changes in Health Care Usage Resulting From Cost Increases, Among Those Experiencing Increase in Costs, 2004–2007 |
|---------------------------------------------------------------|--------------------------------|
| Try to take better care of yourself | 74% | 71% | 80% | 81% |
| Choose generic drugs more often | 81 | 79 | 82 | 78 |
| Talk to the doctor more carefully about treatment options and costs | 58 | 57 | 57 | 66 |
| Go to the doctor only for more serious conditions or symptoms | 57 | 54 | 56 | 64 |
| Delay going to the doctor | 45 | 40 | 44 | 50 |
| Switch to over-the-counter drugs | 40 | 33 | 36 | 42 |
| Look for cheaper health insurance | 26 | 28 | 26 | 29 |
| Look for less expensive health care providers | 28 | 27 | 26 | 33 |
| Not fill or skip doses of your prescribed medication | NA | 21 | 22 | 28 |


Other tactics these Americans report using to control health costs are choosing generic drugs more often (78 percent), switching to over-the-counter drugs (42 percent, up from 33 percent in 2005), looking for less expensive health care providers (33 percent, up from 26 percent in 2006), and looking for cheaper health insurance (29 percent).

The rising cost of health care also causes many Americans to encounter financial difficulties. Among those experiencing higher costs in their plan in the past year, 3 in 10 state they have decreased their contributions to a retirement plan (30 percent, down from 36 percent in 2006 but up from 25 percent in 2004) and more than half have decreased their contributions to other savings (52 percent) as a result. Three in 10 also indicate they have had difficulty paying for basic necessities, like food, heat, and housing (29 percent, up from 18 percent in 2004), while nearly 4 in 10 report difficulty paying other bills (36 percent, up from 30 percent in 2004). Almost 3 in 10 say they have used up all or most of their savings (28 percent) and approximately 2 in 10 each have increased their credit card debt (20 percent) and borrowed money (16 percent, down from 21 percent in 2006) (Figure 3).

Many Americans may feel helpless to affect rising health care costs, believing that individual consumers have little or no influence on the overall cost of health care. When asked how much influence various participants in the health care system have on the cost of health care, more than 9 in 10 (92 percent) say that prescription drug companies have a great deal or some influence. Almost as many indicate that health plans (86 percent) and hospitals (85 percent) have at least some influence on the cost of care. Three-quarters each believe that Congress and doctors influence the cost of care. However, less than 4 in 10 think individual consumers have a great deal or some influence on the cost of health care (Figure 4).
Wellness Programs

Many employers use or are considering wellness programs as a way of controlling health care costs, and in general employed Americans feel positively about employers offering programs that encourage workers to adopt healthier lifestyles. Eight in 10 report they feel strongly or somewhat positive about these types of programs (41 percent each). Less than 2 in 10 feel somewhat (12 percent) or strongly (4 percent) negative.

However, employees’ comfort with wellness programs decreases sharply as the programs become more managed. Six in 10 (60 percent) say they would be extremely or very comfortable if their employer were to offer lower-cost opportunities for health screenings and programs. Only half (50 percent) express this level of comfort with a program that sends reminders when annual checkups, health screenings, or prescriptions are due. Even less (44 percent) state they would be extremely or very comfortable if their employer were to offer insurance at reduced cost to workers who take a physical and qualify for the reduction, even if workers in poorer health or with at-risk behaviors could qualify by agreeing to take steps to manage their illness or lower their health risk (Figure 5).
Despite some discomfort with wellness programs, sizable portions of workers might take advantage of them if they reduced health insurance premiums. More than 4 in 10 employed Americans report they would be extremely (21 percent) or very (23 percent) likely to participate if it reduced their premium by 5 percent. Half say they would be extremely (29 percent) or very (21 percent) likely to participate if it reduced their premium by 10 percent. Nevertheless, almost 3 in 10 (28 percent) state they would be unlikely to participate for a 5 percent reduction, and 2 in 10 (21 percent) would be unlikely to participate even with a 10 percent reduction. Moreover, the data suggest that those in poorer health, with chronic conditions, or with at-risk behaviors would be considerably less likely than other workers to participate, even with a 10 percent reduction in premium.

Although many workers agree that wellness programs can help people develop healthier lifestyles, many have reservations about employer motivations for offering them. More than 8 in 10 each strongly or somewhat agree that wellness programs can help people or themselves develop healthier lifestyles. Three-quarters agree employers that offer wellness programs are showing concern for their workers. However, sizable portions of employed Americans also agree that employers that offer wellness programs are only concerned about their bottom line (65 percent) and are intruding on worker privacy (45 percent) (Figure 6).

Employment-Based Health Benefits

Perhaps because of the increased costs that many are experiencing, most Americans with employment-based health benefits value it above the actual dollar amount that employers pay toward the coverage. When employed Americans with health coverage are asked whether they would prefer $7,500 in employment-based health insurance coverage or an additional $7,500 in taxable income, three-quarters (76 percent) choose the employment-based health benefits. Of those, about one-quarter each say their employer would have to give them an additional $10,000–$14,999 (22 percent) or $15,000 or more.
(25 percent) in taxable income for them to willingly give up their coverage. Fifteen percent state no amount of taxable income would be enough. Six percent would accept less than $10,000, while 3 in 10 (31 percent) are unsure of the amount. These results are consistent with the results of similar questions asked in previous years.

Furthermore, most of those with employment-based coverage would prefer to continue receiving their current level of health benefits from their employer even if some of the premium were taxed (62 percent). Approximately one-quarter (27 percent) would choose to reduce the level of health benefits they receive from their employer so that they paid no taxes on the premium. One in 10 (9 percent) are not sure which they would prefer.

Most Americans with employment-based health benefits are confident that their employer or union will continue to offer health insurance for its workers. Almost 3 in 10 (28 percent) are extremely confident that this will continue to be the case. This represents a decrease from the 35 percent extremely confident in 2004, but is statistically equivalent to the levels measured in 2000 and 2002. Approximately 3 in 10 each are very (30 percent) or somewhat (28 percent) confident (Figure 7).

Few Americans who currently have employment-based health benefits are confident they could afford coverage on their own, even if their employer gave them the money it currently spends on their insurance to help them pay for it. Just 16 percent report they are extremely (7 percent) or very (9 percent) confident they could afford to purchase health insurance on their own if their employer stopped offering coverage. Nearly 3 in 10 (28 percent) are somewhat confident, but more than half are not too (22 percent) or not at all (32 percent) confident that they could afford coverage.

Nevertheless, a majority of those who currently have employment-based health benefits say it is extremely (37 percent) or very (22 percent) likely they would purchase health insurance on their own if their employer stopped offering coverage and gave them the money it currently spends to help them pay. Just 2 in 10 state they would be not too (7 percent) or not at all (14 percent) likely to purchase it. Findings from previous years suggest that the seeming contradiction between the large percentage saying they are not confident they could afford to purchase insurance on their own and the percentage reporting they are likely to purchase coverage anyway is explained by the fact that many would replace their richer employment-based plan with more basic coverage.
The American Health Care System

Given concerns about rising health care costs and affordability issues, it is not surprising that health care is an issue of concern for many Americans. When asked which one of seven issues they feel is most critical today, 15 percent of Americans identify health care. This is lower than the percentage that identify the war in Iraq as the most critical concern (23 percent), and roughly equivalent to the proportions choosing energy and gas prices (18 percent) and immigration (12 percent) as the most critical issue. Fewer select terrorism (10 percent), education (10 percent), or the economy (8 percent) as the single most critical issue facing America today.

While only a minority believe health care is the country’s most critical issue, dissatisfaction with the American health care system is widespread. One-quarter of Americans (24 percent) say that there is so much wrong with our health care system that it needs to be completely overhauled. Almost half (47 percent) indicate the statement “there are some good things about our health care system, but major changes are needed” best represents their view. Another quarter (24 percent) feel that the health care system works pretty well, but minor changes are needed. Very few (3 percent) think the health care system needs no changes.

When asked to rate the health care system, a majority describe it as poor (29 percent) or fair (30 percent). One-quarter consider it good (26 percent) and only a small minority rate it very good (10 percent) or excellent (4 percent). The percentage of Americans rating the health care system as poor doubled between 1998 and 2004 (rising from 15 percent to 30 percent), but has remained level since that time (Figure 8).

Confidence about various aspects of today’s health care system has also remained fairly level with findings from the 2006 HCS. More than half report being extremely or very confident that they are able to get the treatments they need (53 percent) and more than 4 in 10 are confident they have enough choice about who provides their medical care (44 percent). Three in 10 say they are confident they are able to afford health care without financial hardship (31 percent) (Figure 9).

In contrast to the ratings for the health care system overall, Americans’ ratings of their own health plan are generally favorable. More than half of those with health insurance coverage (55 percent) are extremely or very satisfied with their current plan, and one-third are somewhat satisfied (33 percent). Only about 1 in 10 (12 percent) say they are not too or not at all satisfied (Figure 10).

Dissatisfaction with the health care system appears to be focused primarily on cost. Indeed, satisfaction with health care quality remains fairly high, with half of Americans (51 percent) saying they are extremely or very satisfied with the quality of the medical care they have received in the past two years.
However, less than 2 in 10 are extremely or very satisfied with the cost of their health insurance (18 percent) and with the costs of health care services not covered by insurance (16 percent) (Figure 11).

Many Americans are confident that they have enough knowledge to question their doctor about their health care, but they are less likely to express confidence in their ability to make decisions about coverage. More than 7 in 10 (72 percent) are extremely or very confident they know enough to ask their doctor questions about their health care, and approximately two-thirds each are confident about knowing enough to question their doctor about the appropriateness of different treatment options (66 percent) and choose their own doctors (65 percent). However, the percentage of Americans who are extremely or very confident that they know enough to purchase health insurance is much lower (38 percent) (Figure 12).

**Health Care Policy**

The 2007 HCS asked some basic questions to gauge reactions to some of the health care policy changes that are currently being considered at a national level. Several of these questions concerned means by which health care coverage could be expanded to include all Americans. Others concerned the tax treatment of health care benefits.

One-quarter of Americans say they are extremely or very confident, that the federal government or employers could provide quality health care coverage to all citizens or workers who need it (27 percent confident in federal government, 26 percent in employers). Somewhat fewer have confidence in their state government’s ability to provide quality coverage to all residents (20 percent). At the same time, only one-quarter (24 percent) indicate they are not too or not at all confident in the ability of employers to
Figure 11
Satisfaction With Selected Aspects of Health Care Received in Past Two Years, 1998–2007a

<table>
<thead>
<tr>
<th>Quality of Medical Care Received</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely Satisfied</td>
<td>15%</td>
<td>13%</td>
<td>12%</td>
<td>13%</td>
<td>13%</td>
<td>15%</td>
<td>14%</td>
<td>15%</td>
<td>16%</td>
<td>14%</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>37</td>
<td>35</td>
<td>37</td>
<td>40</td>
<td>39</td>
<td>37</td>
<td>38</td>
<td>42</td>
<td>37</td>
<td>36</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>30</td>
<td>31</td>
<td>35</td>
<td>32</td>
<td>34</td>
<td>31</td>
<td>31</td>
<td>34</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>Not Too Satisfied</td>
<td>4</td>
<td>6</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>5</td>
<td>5</td>
<td>3</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Not At All Satisfied</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Don’t Know/Refused</td>
<td>1</td>
<td>1</td>
<td>&lt;0.5</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>&lt;0.5</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Not Applicable</td>
<td>11</td>
<td>11</td>
<td>6</td>
<td>9</td>
<td>6</td>
<td>8</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td></td>
</tr>
</tbody>
</table>

Cost of Health Insurance

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely Satisfied</td>
<td>12%</td>
<td>7%</td>
<td>7%</td>
<td>10%</td>
<td>9%</td>
<td>6%</td>
<td>9%</td>
<td>7%</td>
<td>5%</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>17</td>
<td>17</td>
<td>15</td>
<td>19</td>
<td>17</td>
<td>16</td>
<td>16</td>
<td>21</td>
<td>11</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>29</td>
<td>30</td>
<td>29</td>
<td>28</td>
<td>27</td>
<td>24</td>
<td>26</td>
<td>32</td>
<td>27</td>
</tr>
<tr>
<td>Not Too Satisfied</td>
<td>16</td>
<td>17</td>
<td>15</td>
<td>15</td>
<td>19</td>
<td>11</td>
<td>14</td>
<td>16</td>
<td>18</td>
</tr>
<tr>
<td>Not At All Satisfied</td>
<td>17</td>
<td>15</td>
<td>19</td>
<td>21</td>
<td>21</td>
<td>19</td>
<td>19</td>
<td>35</td>
<td>30</td>
</tr>
<tr>
<td>Don’t Know/Refused</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>12</td>
<td>15</td>
<td>9</td>
<td>12</td>
<td>8</td>
<td>12</td>
<td>13</td>
<td>6</td>
<td>4</td>
</tr>
</tbody>
</table>

Health Costs Not Covered by Insurance

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely Satisfied</td>
<td>7%</td>
<td>5%</td>
<td>5%</td>
<td>7%</td>
<td>5%</td>
<td>4%</td>
<td>6%</td>
<td>7%</td>
<td>4%</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>13</td>
<td>15</td>
<td>14</td>
<td>17</td>
<td>15</td>
<td>15</td>
<td>13</td>
<td>14</td>
<td>11</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>27</td>
<td>28</td>
<td>28</td>
<td>26</td>
<td>25</td>
<td>26</td>
<td>30</td>
<td>28</td>
<td>29</td>
</tr>
<tr>
<td>Not Too Satisfied</td>
<td>18</td>
<td>18</td>
<td>15</td>
<td>18</td>
<td>21</td>
<td>15</td>
<td>16</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>Not At All Satisfied</td>
<td>18</td>
<td>15</td>
<td>22</td>
<td>19</td>
<td>23</td>
<td>23</td>
<td>26</td>
<td>22</td>
<td>32</td>
</tr>
<tr>
<td>Don’t Know/Refused</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>16</td>
<td>17</td>
<td>11</td>
<td>13</td>
<td>8</td>
<td>11</td>
<td>13</td>
<td>10</td>
<td>7</td>
</tr>
</tbody>
</table>


a Statistics for 1998–2004 were recalculated and may not agree with previously published data. An intervening question screening out respondents who reported these questions were not applicable was omitted from the 2005–2007 Health Confidence Surveys. These respondents have been added to the “not applicable” category to achieve rough compatibility with 2005–2007 data.

provide quality health coverage, while more than 4 in 10 each are not confident in the ability of the federal (42 percent) or state (45 percent) governments to provide this coverage (Figure 13).

There is strong support for a legal mandate that employers provide and contribute to health insurance coverage for their workers. More than 9 out of 10 (91 percent) of those surveyed support an employer mandate. Furthermore, more than 4 in 10 (42 percent) believe that all employers, regardless of size, should be included in such a mandate. Almost 2 in 10 (18 percent) think only employers with 30 or more workers should be required to provide and contribute to coverage, while 1 in 10 each say employers with at least 50 workers (12 percent) or at least 100 workers (10 percent) should be required to do this. Just 5 percent indicate that only employers with 1,000 or more workers should be included in an employer mandate, and only 1 in 10 (9 percent) think that no employers should be required to provide and subsidize health insurance coverage.

Figure 12
Confidence in Knowing Enough to Make Various Health Care Decisions

<table>
<thead>
<tr>
<th>Ask your doctor questions about your health and health care</th>
<th>Extremely Confident</th>
<th>Very Confident</th>
<th>Somewhat Confident</th>
<th>Not Too Confident</th>
<th>Not At All Confident</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>38%</td>
<td>34%</td>
<td>23%</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>Choose your own doctors</td>
<td>32%</td>
<td>33%</td>
<td>25%</td>
<td>6%</td>
<td>3%</td>
</tr>
<tr>
<td>Question your doctor about the appropriateness of different treatments</td>
<td>30%</td>
<td>36%</td>
<td>28%</td>
<td>4%</td>
<td>3%</td>
</tr>
<tr>
<td>Purchase health insurance on your own</td>
<td>16%</td>
<td>22%</td>
<td>35%</td>
<td>15%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Two-thirds of Americans (68 percent) say they would be willing to pay 1 percent more in federal income taxes than they do now to make sure all Americans have health insurance. Four in 10 (39 percent) indicate a willingness to pay 3 percent more in taxes, and more than 2 in 10 (22 percent) state they would be willing to pay 5 percent more to ensure all Americans have health coverage.

Nevertheless, more than half (54 percent) think the fairest income tax treatment of the costs of health care and health insurance would be to allow people to deduct all of these expenses. Considerably fewer (36 percent) say the fairest tax treatment would be to allow people to deduct only those health care costs that exceed a certain percentage of their income. Five percent state that no one should be able to deduct health care costs, and the same percentage are unwilling to express an opinion on how these expenses should be treated.

At the same time, a majority of Americans (61 percent) say the fairest tax treatment is to have rules that take income into consideration, with larger tax breaks for those with lower income. Only about one-third (36 percent) state the rules should be the same for everyone, no matter what their household income.

The 2007 HCS

These findings are part of the 10th 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 May 17 and June 10, 2007, through 20-minute telephone interviews with 1,000 individuals ages 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 employment status, and the data were weighted by gender, age, education, and employment status to reflect the actual proportions in the population.

In theory, the weighted sample of 1,000 yields a statistical precision of plus or minus 4 percentage points (with 95 percent confidence) 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 impossible to quantify the errors that may result from them.

The HCS is co-sponsored by the Employee Benefit Research Institute (EBRI), a private, nonprofit, nonpartisan public policy research organization, and Mathew Greenwald & Associates, Inc., a Washington, D.C.-based market research firm. The 2007 HCS data collection was funded by grants from 15 private organizations. Staffing was donated by EBRI and Greenwald & Associates. HCS materials and a list of underwriters may be accessed at the EBRI Web site: www.ebri.org/hcs.

Endnote

1 This question directly followed the one regarding comfort with a wellness program that offers reduced premiums to workers who take a physical and qualify. However, it did not explicitly reference this program, and respondents may have been thinking about one of the other programs when answering.
2007 HCS Underwriters
The 2007 Health Confidence Survey was underwritten by the following organizations:

AARP
American Express
BlueCross BlueShield Association
Buck Consultants
Deere & Company
General Dynamics
IBM
NRECA
Principal Financial Group
Procter and Gamble
Sanofi-Aventis
Schering-Plough Corp.
Shell Oil Company
Society for Human Resources Management
The Commonwealth Fund

New Publications and Internet Sites
[Note: To order U.S. Government Accountability Office (GAO) publications, call (202) 512-6000.]

Employee Benefits

Health Care

Pension Plans/Retirement
Profit Sharing/401(k) Council of America. 50th Annual Survey of Profit Sharing and 401(k) Plans. PSCA members, $125; nonmembers, $325. Profit Sharing/401(k) Council of America, 20 N. Wacker Dr., Suite 3700, Chicago, IL 60606, (312) 419-1863, fax: (312) 419-1864, e-mail: psca@psca.org, www.psca.org

Web Documents


Trends in Health Care Costs and Spending www.kff.org/insurance/upload/7692.pdf

www.ebri.org
The Employee Benefit Research Institute (EBRI) was founded in 1978. Its mission is to contribute to, to encourage, and to enhance the development of sound employee benefit programs and sound public policy through objective research and education. EBRI is the only private, nonprofit, nonpartisan, Washington, DC-based organization committed exclusively to public policy research and education on economic security and employee benefit issues. EBRI's membership includes a cross-section of pension funds; businesses; trade associations; labor unions; health care providers and insurers; government organizations; and service firms.

EBRI's work advances knowledge and understanding of employee benefits and their importance to the nation’s economy among policymakers, the news media, and the public. It does this by conducting and publishing policy research, analysis, and special reports on employee benefits issues; holding educational briefings for EBRI members, congressional and federal agency staff, and the news media; and sponsoring public opinion surveys on employee benefit issues. EBRI's Education and Research Fund (EBRI-ERF) performs the charitable, educational, and scientific functions of the Institute. EBRI-ERF is a tax-exempt organization supported by contributions and grants.

**EBRI Issue Briefs** are periodicals providing expert evaluations of employee benefit issues and trends, as well as critical analyses of employee benefit policies and proposals. **EBRI Notes** is a monthly periodical providing current information on a variety of employee benefit topics. **EBRI Pension Investment Report** provides detailed financial information on the universe of defined benefit, defined contribution, and 401(k) plans. **EBRI Fundamentals of Employee Benefit Programs** offers a straightforward, basic explanation of employee benefit programs in the private and public sectors. The **EBRI Databook on Employee Benefits** is a statistical reference work on employee benefit programs and work force-related issues.

Contact EBRI Publications, (202) 659-0670; fax publication orders to (202) 775-6312. Subscriptions to **EBRI Issue Briefs** are included as part of EBRI membership, or as part of a $199 annual subscription to **EBRI Notes** and **EBRI Issue Briefs**. Individual copies are available with prepayment for $25 each (for printed copies). **Change of Address**: EBRI, 1100 13th St. NW, Suite 878, Washington, DC, 20005-4051. **Membership Information**: Inquiries regarding EBRI membership and/or contributions to EBRI-ERF should be directed to EBRI President/AEC Chairman Dallas Salisbury at the above address, (202) 659-0670; e-mail: salisbury@ebri.org

**EBRI Notes** is registered in the U.S. Patent and Trademark Office. ISSN: 1085–4452 1085–4452/90 $.50+.50

© 2007, Employee Benefit Research Institute–Education and Research Fund. All rights reserved.