

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

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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.

■ **2007 Health Confidence Survey: Rising Health Care Costs Are Changing the Ways Americans Use the Health Care System**

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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.

Figure 1
Changes in Health Care Usage Resulting From Cost Increases,
Among Those Experiencing Increase in Costs, 2004–2007

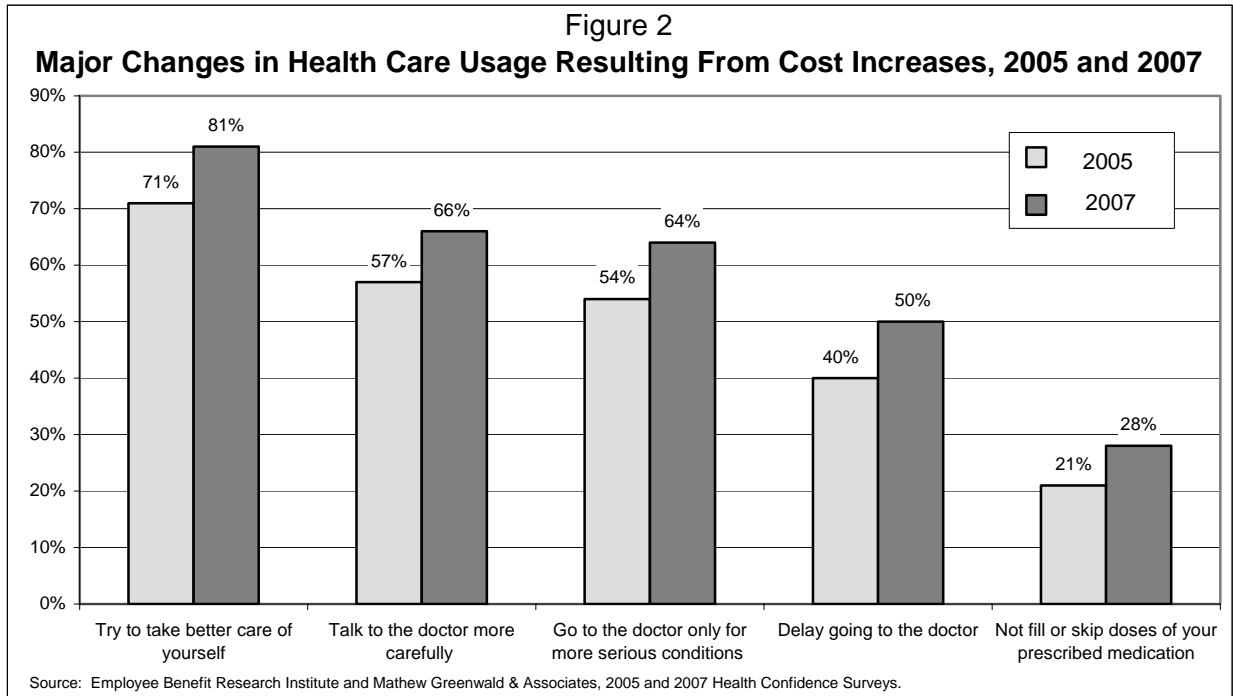
	2004	2005	2006	2007
Try to take better care of yourself	74%	71%	80%	81%
Choose generic drugs more often	81	79	82	78
Talk to the doctor more carefully about treatment options and costs	58	57	57	66
Go to the doctor only for more serious conditions or symptoms	57	54	56	64
Delay going to the doctor	45	40	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

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2004–2007 Health Confidence Surveys.

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).

Figure 3
Shifts in Resources Resulting From Cost Increases, Among Those Experiencing Increase in Costs, 2004–2007

	2004	2005	2006	2007
Decrease your contributions to a retirement plan, such as a 401(k), 403(b), or 457 plan, or an IRA ^a	25%	26%	36%	30%
Decrease your contributions to other savings	48	45	53	52
Have difficulty paying for basic necessities, like food, heat, and housing	18	24	28	29
Have difficulty paying other bills	30	34	37	36
Use up all or most of your savings	26	29	33	28
Increase your credit card debt	NA	NA	22	20
Borrow money	15	18	21	16

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2004–2007 Health Confidence Surveys.
^a Individual retirement account.

Figure 4
Influence on the Cost of Health Care

	A Great Deal of Influence	Some Influence	Only a Little Influence	No Influence	Don't Know/Refused
Prescription Drug Companies	71%	21%	4%	1%	3%
Health Plans	55	31	8	2	4
Hospitals	53	32	10	1	4
Congress	47	30	11	5	7
Doctors	37	39	18	4	3
Individual Consumers	12	26	36	25	2

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2007 Health Confidence Survey.

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.¹ 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).

Figure 5
Comfort With Different Wellness Programs, Among Those Employed

	Extremely Comfortable	Very Comfortable	Somewhat Comfortable	Not Too Comfortable	Not At All Comfortable
Provide workers with lower-cost opportunities for health screenings and programs for exercise, weight-loss, stress, or smoking cessation	36%	25%	27%	6%	5%
Select a health plan that reminds workers when annual checkups, health screenings, or other treatments are due. Workers with specific conditions might also be reminded to take tests or refill prescriptions.	22	28	30	7	11
Select a health plan that offers workers the opportunity to get insurance at reduced cost. Interested workers would be required to take a physical. If they have no illnesses or at-risk behaviors, they would qualify for a reduction in their health insurance premium. Workers with an illness or at-risk behavior would also qualify if they agreed to take steps to manage their illness or lower their health risk.	20	24	28	11	15

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2007 Health Confidence Survey.

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

Figure 6

Agreement With Statements About Wellness Programs, Among Those Employed

	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree
Wellness programs can help people develop healthier lifestyles	43%	45%	7%	4%
A wellness program would help you develop a healthier lifestyle	32	51	9	7
Employers that offer wellness programs are showing concern for their workers	26	50	16	6
Employers that offer wellness programs are only concerned about their bottom line	26	39	23	10
Employers that offer wellness programs are intruding on worker privacy	11	35	29	25

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2007 Health Confidence Survey.

(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).

Figure 7

Confidence That Employers Will Continue to Offer Health Insurance Coverage, Among Those With Employer-Based Coverage, 2000–2007

	2000	2002	2004	2007
Extremely Confident	30%	27%	35%	28%
Very Confident	38	34	27	30
Somewhat Confident	25	27	23	28
Not Too Confident	4	7	7	6
Not At All Confident	3	4	6	6

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2000–2007 Health Confidence Survey.

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.

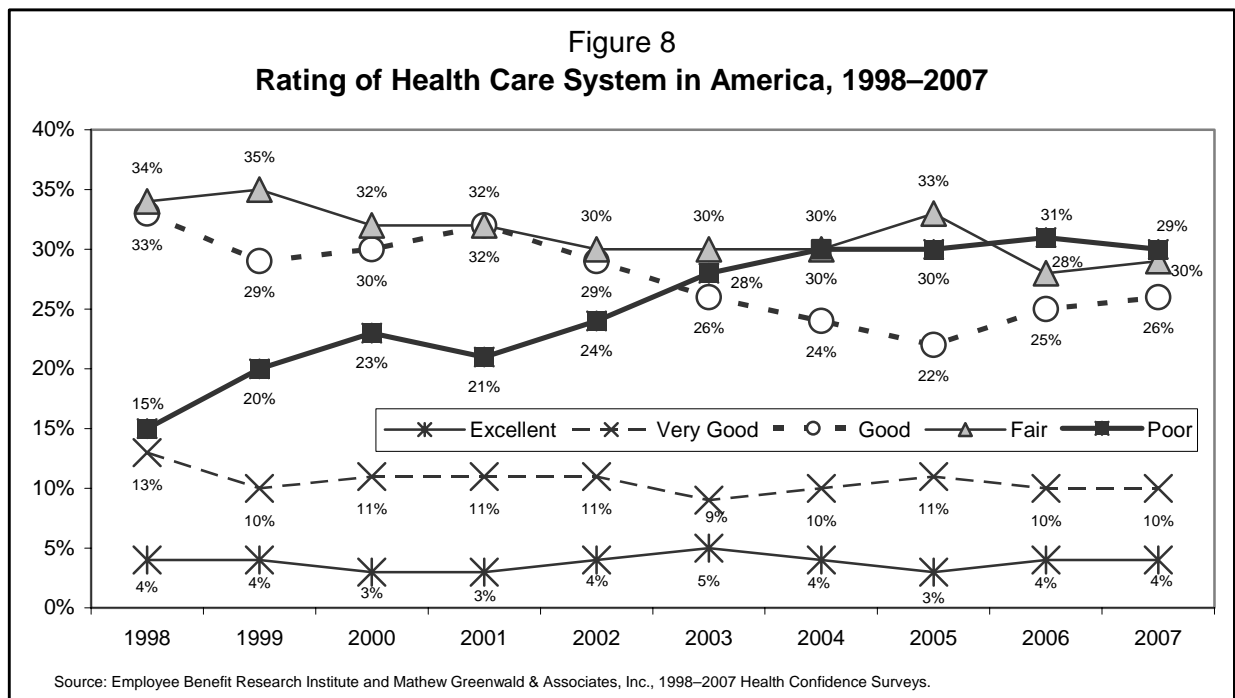
Nevertheless, a majority of those who currently have employment-based health benefits say it is *extremely* (37 percent) or *very* (22 percent) likely they would purchase health insurance on their own if their employer stopped offering coverage and gave them the money it currently spends to help them 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.

Figure 9
Confidence in Selected Aspects of Today's Health Care System, 2002–2007

	Ability to Get Needed Treatments					
	2002	2003	2004	2005	2006	2007
Extremely Confident	21%	18%	17%	22%	20%	19%
Very Confident	34	33	33	37	33	34
Somewhat Confident	32	34	34	29	31	32
Not Too Confident	6	7	7	5	7	7
Not At All Confident	6	6	9	6	8	8
	Enough Choice About Who Provides Medical Care					
	2002	2003	2004	2005	2006	2007
Extremely Confident	20%	13%	15%	16%	14%	12%
Very Confident	25	30	27	33	28	31
Somewhat Confident	35	36	36	32	38	35
Not Too Confident	10	11	9	8	7	9
Not At All Confident	8	9	12	9	11	11
	Ability to Afford Health Care Without Financial Hardship					
	2002	2003	2004	2005	2006	2007
Extremely Confident	14%	13%	11%	12%	11%	12%
Very Confident	21	19	23	21	18	19
Somewhat Confident	33	31	31	33	32	31
Not Too Confident	13	16	11	13	13	15
Not At All Confident	18	21	23	21	25	21

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2002–2007 Health Confidence Surveys.

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).

Figure 10
Satisfaction With Current Health Plan, 1998–2007

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Extremely Satisfied	16%	15%	14%	12%	13%	14%	16%	17%	18%	17%
Very Satisfied	36	38	36	39	39	36	31	37	36	38
Somewhat Satisfied	35	36	38	35	34	41	36	35	35	33
Not Too Satisfied	8	6	7	7	7	7	9	6	6	5
Not At All Satisfied	3	3	4	3	6	2	6	4	3	7
Don't Know/Refused	2	2	1	2	1	<.5	2	1	1	<0.5

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1998–2007 Health Confidence Surveys.

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, 1998–2007^a

	Quality of Medical Care Received									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Extremely Satisfied	15%	13%	12%	13%	13%	15%	14%	15%	16%	14%
Very Satisfied	37	35	37	40	39	37	38	42	37	36
Somewhat Satisfied	30	31	35	32	34	31	31	31	34	35
Not Too Satisfied	4	6	5	4	4	5	5	3	5	5
Not At All Satisfied	2	3	4	2	3	3	4	5	4	4
Don't Know/Refused	1	1	<0.5	<0.5	1	1	1	<0.5	1	1
Not Applicable	11	11	6	9	6	8	8	3	4	4
	Cost of Health Insurance									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Extremely Satisfied	12%	7%	7%	10%	9%	6%	9%	7%	5%	5%
Very Satisfied	17	17	15	19	17	16	16	21	11	13
Somewhat Satisfied	29	30	29	28	27	24	26	32	27	28
Not Too Satisfied	16	17	18	15	15	19	11	14	16	18
Not At All Satisfied	13	13	19	15	21	21	23	19	35	30
Don't Know/Refused	1	2	1	2	2	1	1	1	2	2
Not Applicable	12	15	9	12	8	12	13	6	4	3
	Health Costs Not Covered by Insurance									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Extremely Satisfied	7%	5%	5%	7%	5%	4%	6%	7%	4%	5%
Very Satisfied	13	15	14	17	15	15	13	14	11	11
Somewhat Satisfied	27	28	28	28	26	25	26	30	28	29
Not Too Satisfied	16	18	18	15	18	21	15	16	16	18
Not At All Satisfied	18	15	22	19	23	23	26	22	32	29
Don't Know/Refused	3	2	2	2	4	2	2	2	2	1
Not Applicable	16	17	11	13	8	11	13	10	7	7

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1998–2007 Health Confidence Surveys.

^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

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

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2007 Health Confidence Survey.

Figure 13
Confidence in Provision of Quality Health Care Coverage

How confident are you that...	Extremely Confident	Very Confident	Somewhat Confident	Not Too Confident	Not At All Confident
The federal government could provide quality health care coverage to all citizens who need it	12%	14%	31%	19%	23%
Your state government could provide quality health care coverage to all residents who need it	9	11	34	21	24
Employers could provide quality health care coverage to all workers who need it	9	17	48	16	8

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2007 Health Confidence Survey.

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:

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Employee Benefits

International Foundation of Employee Benefit Plans. *Employee Benefits Survey: U.S. and Canada 2007*. Available in print, e-book, or CD-ROM formats: IFEBP members, \$80; nonmembers, \$120. International Foundation of Employee Benefit Plans, Publications Department, P.O. Box 68-9953, Milwaukee, WI 53268-9953, (888) 334-3327, option 4; fax: (262) 786-8780, e-mail: books@ifebp.org, www.ifebp.org/surveys

Health Care

Atlantic Information Services, Inc. *Health Plan Facts, Trends and Data: 2007–2008*. Print edition, \$348; Print & CD editions, \$498 + \$5 S&H. Atlantic Information Services, Inc., 1100 17th St., NW, Suite 300, Washington, DC 20036-4631, (800) 521-4323 or (202) 775-9008, fax: (202) 331-9542, e-mail: customerserv@aispub.com, www.AISHealth.com

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.pzca.org

Web Documents

401(k) Fast Facts: Differences Between 401(k) Plans and Individual Retirement Accounts (IRAs)
www.americanbenefitscouncil.org/documents/401k-ira_chart.pdf

Baby Boomers and Retirement: A Generation's Catch-22—America's Largest Generation Faces a Large Gap Between Retirement Readiness and Expectations
www.thrivent.com/newsroom/pdf/TFLResearchReportFINAL.pdf

Consumer-Oriented Strategies for Improving Health Benefit Design: An Overview
www.ahrq.gov/downloads/pub/evidence/pdf/consumer/consorient.pdf

The Economics of Providing 401(k) Plans: Services, Fees, and Expenses, 2006
www.ici.org/issues/ret/fm-v16n4.pdf

Employer Generosity in Employer-Matched 401(k) Plans, 2002–03
www.bls.gov/opub/mlr/2007/09/art2full.pdf

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