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2008 Health Confidence Survey:

Americans Are Battered by Rising Health Care Costs, But Their Overall Confidence Is Steady, Survey Finds

WASHINGTON—Americans continued to be battered by rising health care costs this year, with more than half of those with health insurance reporting they experienced higher costs. Some said the increases adversely affected their household finances and some said the U.S. health care system is so flawed that it should be completely overhauled, according to the 2008 Health Confidence Survey (HCS).

Despite concerns about costs, confidence about various aspects of today's health care system has also remained fairly level with findings from the 2007 HCS. One-half (51 percent) report being *extremely* or *very* confident that they are able to get the treatments they need, and 42 percent are confident they have enough choice about who provides their medical care. Thirty-one percent say they are confident they are able to afford health care without financial hardship. However, 42 percent are *not too* or *not at all* confident about the affordability of health care, an increase from 36 percent in 2007.

The 2008 HCS, released today, is the 11th annual assessment of the American public regarding the health care system in the United States. The nonprofit Employee Benefit Research Institute (EBRI) and Mathew Greenwald & Associates, a public opinion and market research organization, sponsor the survey, which was underwritten this year by 20 private organizations. Full results appear in the October 2008 *EBRI Notes*, available at www.ebri.org

“The findings from the 2008 HCS, while in large part consistent with findings from previous years, are significant in that they come at a time when health care costs are continuing to rise, the economy is slowing, the housing market is in crisis, and food and energy price inflation is creeping up,” says Paul Fronstin of EBRI, co-author of the survey.

Here are some of the key findings from the 2008 HCS:

- Roughly half of Americans with health insurance coverage report having experienced an increase in health care costs in the past year (55 percent, down from 63 percent in 2007).
- Insured Americans who have experienced an increase in health care costs in the past year are more likely than those who have not to say they now choose generic drugs more often (74 percent vs. 60 percent), talk to the doctor more carefully about treatment options and costs (63 percent vs. 52 percent), and go to the doctor only for more serious conditions or symptoms (62 percent vs. 48 percent).
- 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

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decrease in contributions to retirement (29 percent) and other (54 percent) savings and in difficulty paying for basic necessities (27 percent) and other bills (34 percent).

- Twenty percent of Americans say there is so much wrong with our health care system that it needs to be completely overhauled. Fifty-one percent agree with the statement “there are some good things about our health care system, but major changes are needed.”
- A majority rate the nation’s health care system as *fair* (29 percent) or *poor* (31 percent). Only a small minority give it *excellent* (4 percent) or *very good* (11 percent) marks. While half of Americans (49 percent) remain *extremely* or *very* satisfied with health care quality, far fewer are satisfied with the cost of health insurance (17 percent) or with costs not covered by insurance (15 percent).
- Virtually all Americans say that *extremely* or *very* important goals when reforming our nation’s health care system should be to provide high quality health care (93 percent) and to make health care more affordable (90 percent).
- Strong support exists for tax incentives to help expand health insurance coverage, with 87 percent saying they would support tax incentives to help people pay for coverage they purchase on their own and 84 percent saying they would support tax incentives to help people pay for employer coverage. Substantial majorities also report they would support allowing the uninsured to buy into Medicare or Medicaid (78 percent) or to buy health insurance coverage offered to government employees (83 percent).
- Americans generally feel that centrally maintained electronic medical records that can be shared by authorized health care providers are important (60 percent say this is *extremely* or *very* important), but they have reservations about confidentiality. Sixty-two percent indicate they are *not too* or *not at all* confident that such records would remain confidential.

The 2008 Health Confidence Survey was conducted from May 24 to June 30, 2008, through 21-minute random telephone interviews with 1,000 individuals ages 21 and older in the United States. The survey has a margin of error of plus or minus 4 percentage points. EBRI is a private, nonprofit research institute based in Washington, DC, that focuses on health, savings, retirement, and economic security issues. EBRI does not lobby and does not take policy positions. www.ebri.org

The full October 2008 EBRI Notes will be posted early Oct. 7 on the EBRI Web site, www.ebri.org. Embargoed copies are available in advance upon request.