

PROSPECTS FOR NATIONAL HEALTH CARE REFORM

Tenth Annual Hilde and Bill Birnbaum Endowed Lecture
Group Health Center for Health Studies
May 6, 2009

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Plan

- 1. Introduction to the (Sad) History of Health Care Reform and Where We Are Today**
- 2. Challenges and Opportunities Facing Today's Reformers in terms of Getting and Maintaining Public Support for HCR**
- 3. Politically What's Different This Time**
- 4. Predicting an Outcome**

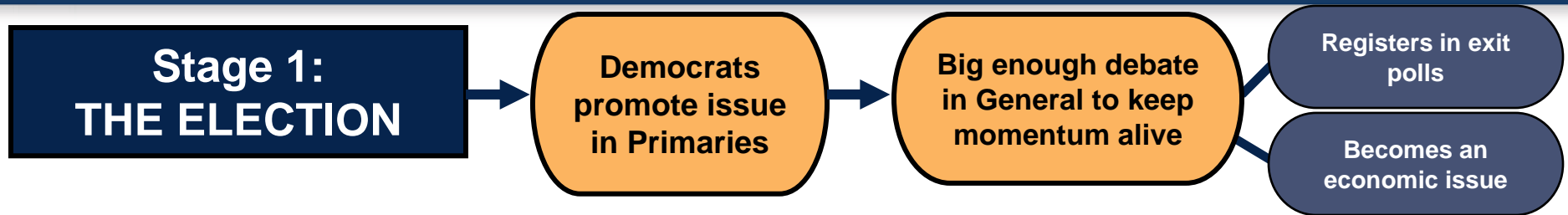
A Brief History of Health Reform

Who/When	What	Fate
Harry Truman (1950) LBJ (1965)	Universal Medicare & Medicaid	“a socialist plot” “Nothing in this title shall be construed to authorize any Federal officer or employee to exercise any supervision or control over the practice of medicine...”
Nixon / Ford / Wilbur Mills (1974) Jimmy Carter (1979)	Universal coverage, employer mandate Cost containment	Mills falls in Tidal Basin with Fanny Fox The “Voluntary Effort”
Bill Clinton (1994) 1997 2003	Health Security Act State Children’s Health Insurance Program Medicare Prescription Drug Act	Scary Plan, Bad Strategy # uninsured children falls progress and privatization
Barack Obama & the U.S. Congress (2009)	?	?

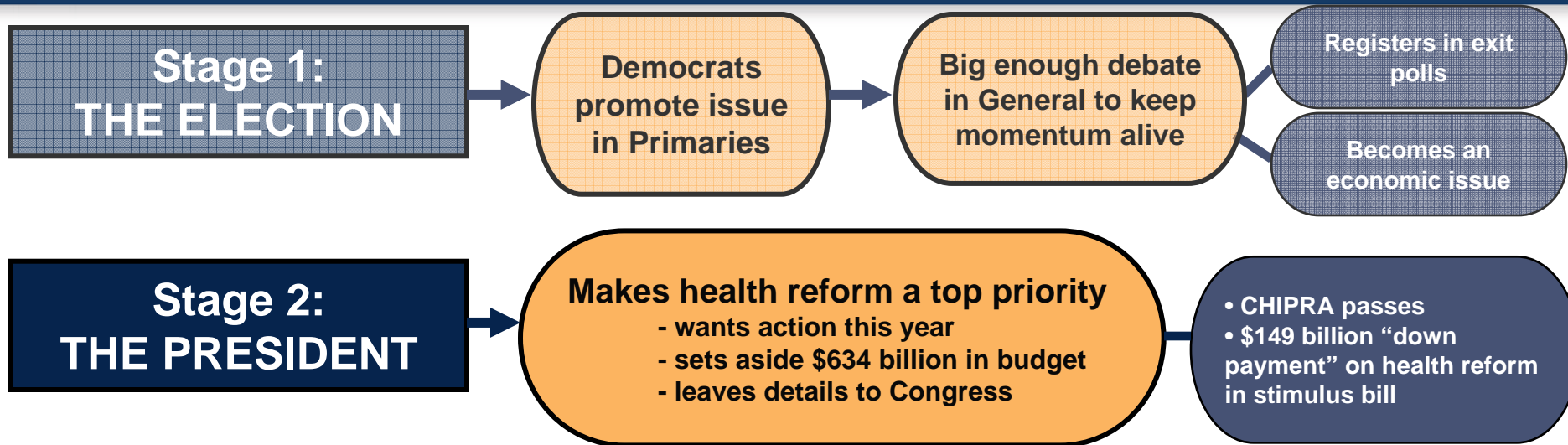
Average time between major national health reform windows:

19.7 YEARS

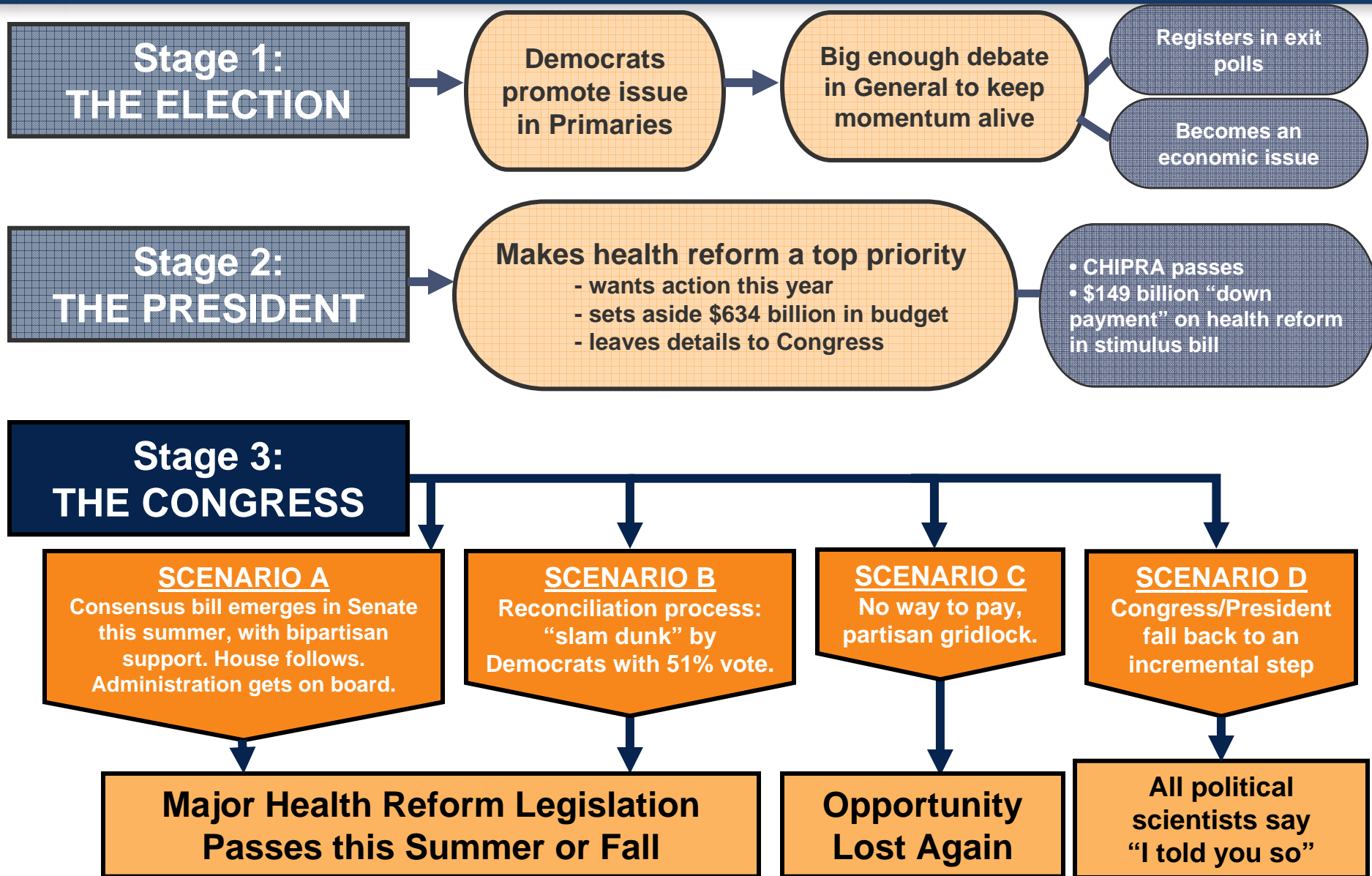
How We Got to Where We Are Today



How We Got to Where We Are Today



How We Got to Where We Are Today



The Public Opinion Landscape and the Prospects for Health Care Reform

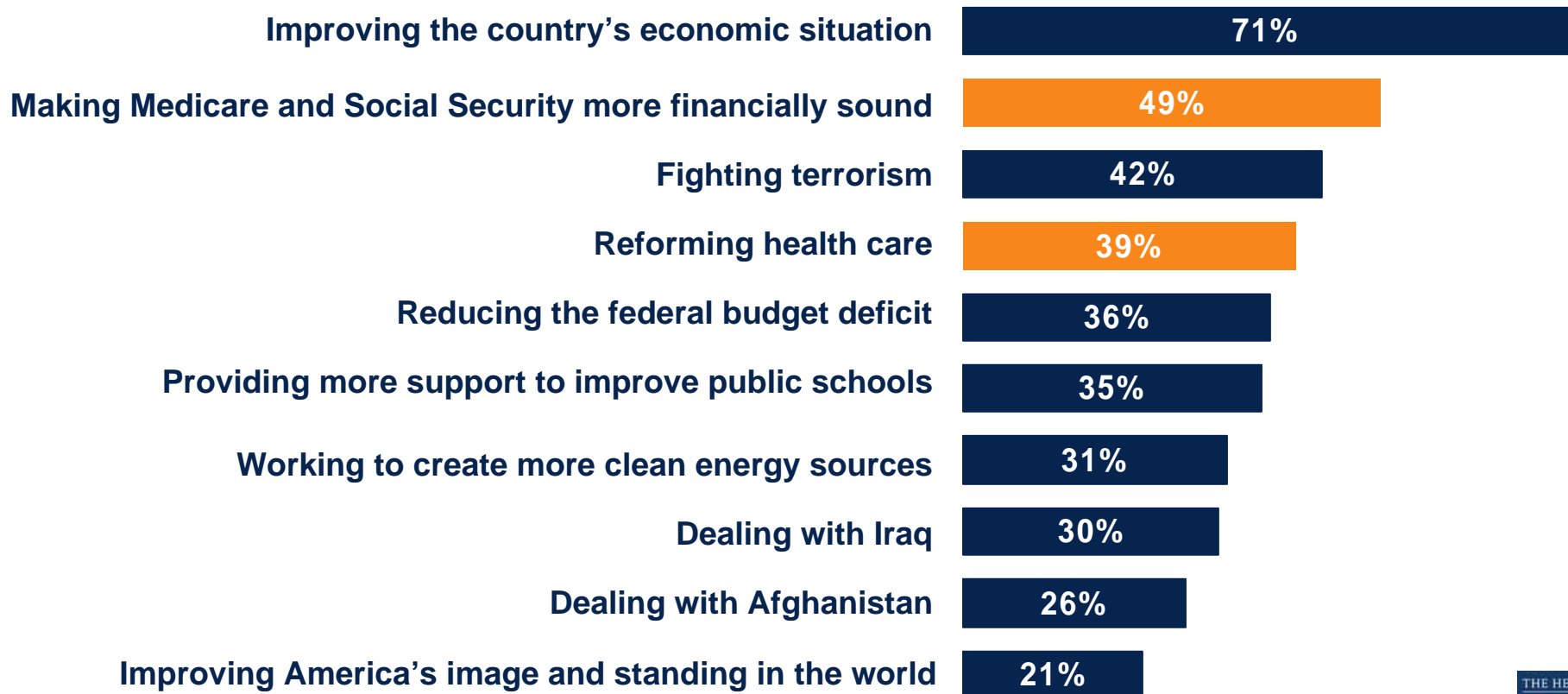
Challenges...

- **Salience, competing goals**
- **Easy to agree on goals, hard to find solutions**
- **Competing goals of health reform**
- **Partisan disagreement**
- **Evaluate how it affects them personally**
- **Understanding the facts**
- **Unwilling to sacrifice**
- **Messaging matters**

Competing priorities for the President and Congress

I'm going to read you a list of some different things the new president and Congress might try to act on.... As I read each one, tell me if you think it should be one of their top priorities, very important but not a top priority, somewhat important, or not that important.

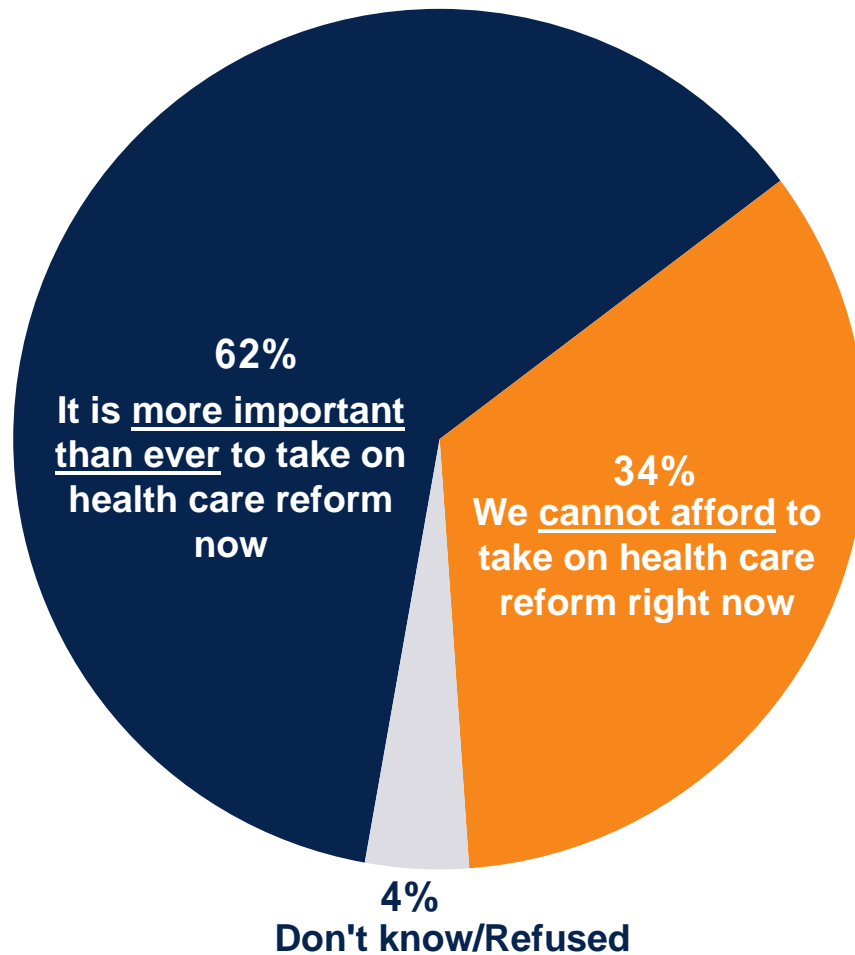
Percent saying each should be a top priority



Note: Various items based on half samples
 Source: Kaiser Health Tracking Poll (conducted Feb. 3-12, 2009)

Health Care Reform in Economic Hard Times

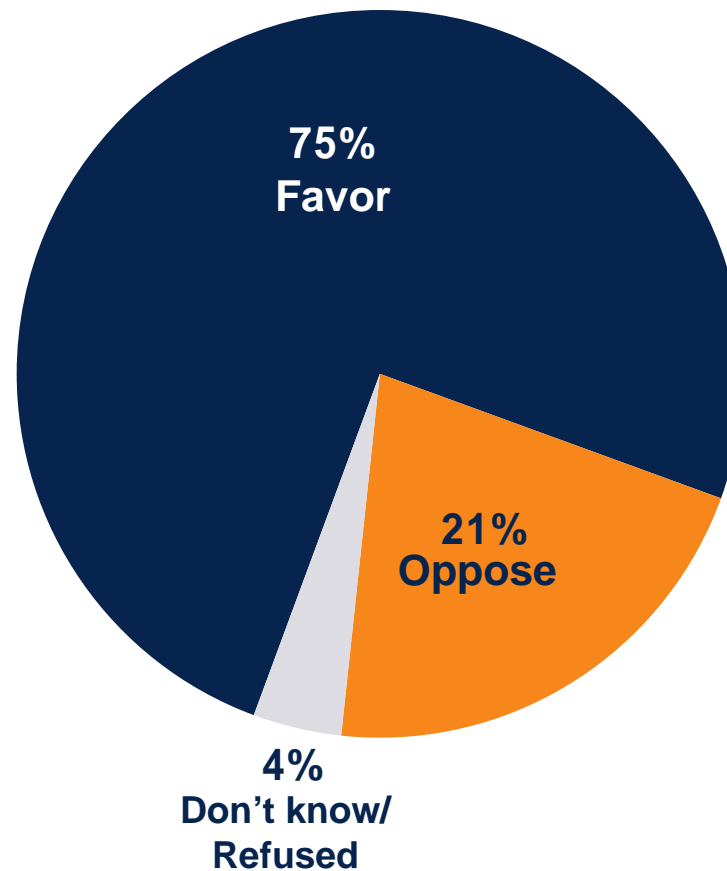
Which comes closer to describing your own views? Given the serious economic problems facing the country...



Source: Kaiser Health Tracking Poll (conducted Feb. 3-12, 2009)

Agreement on Goals...

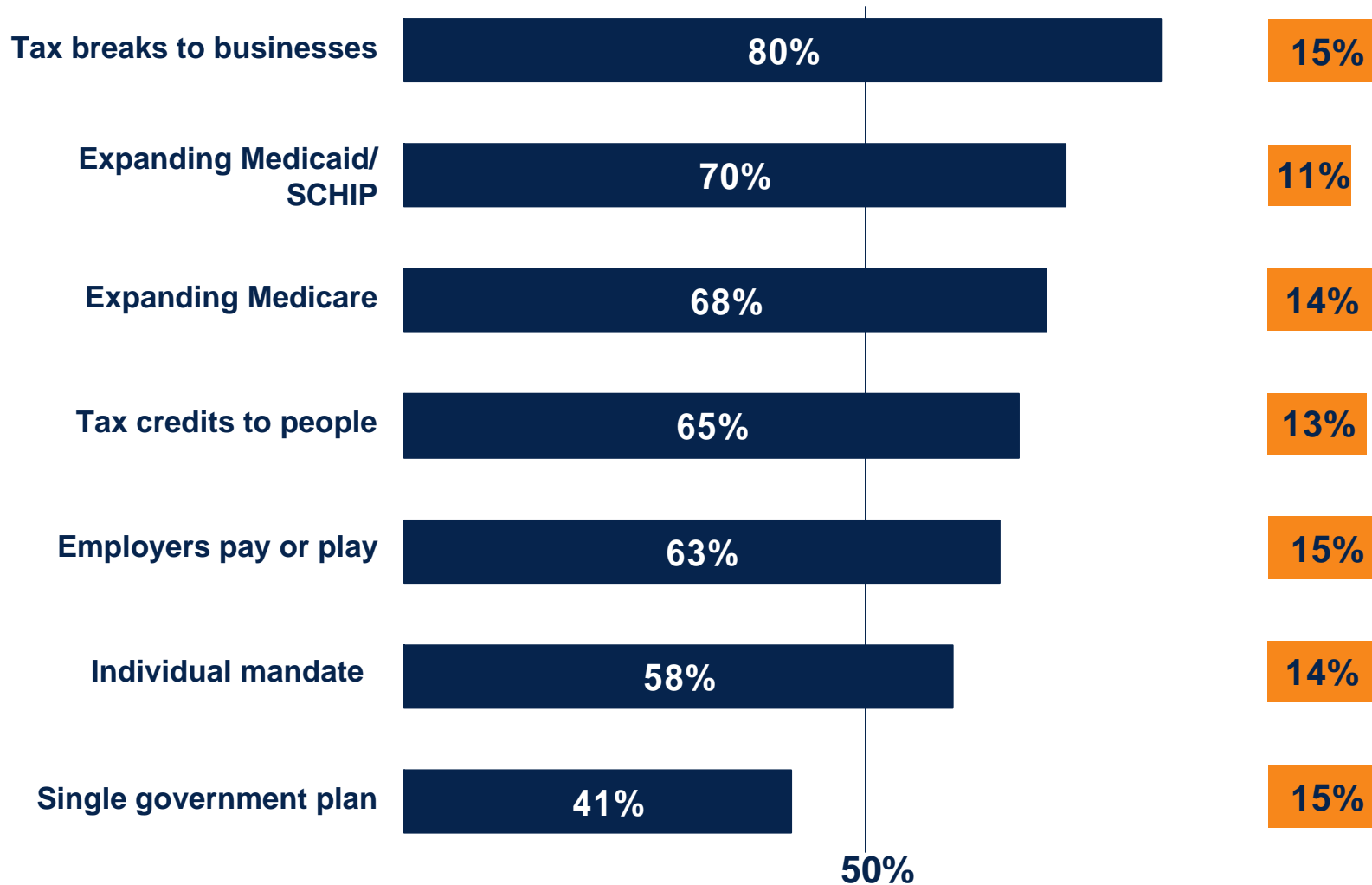
Do you favor or oppose the federal government doing more to help provide health insurance for more Americans?



... Many Paths Popular, But No Single Answer

Percent of registered voters who favor each way to expand coverage:

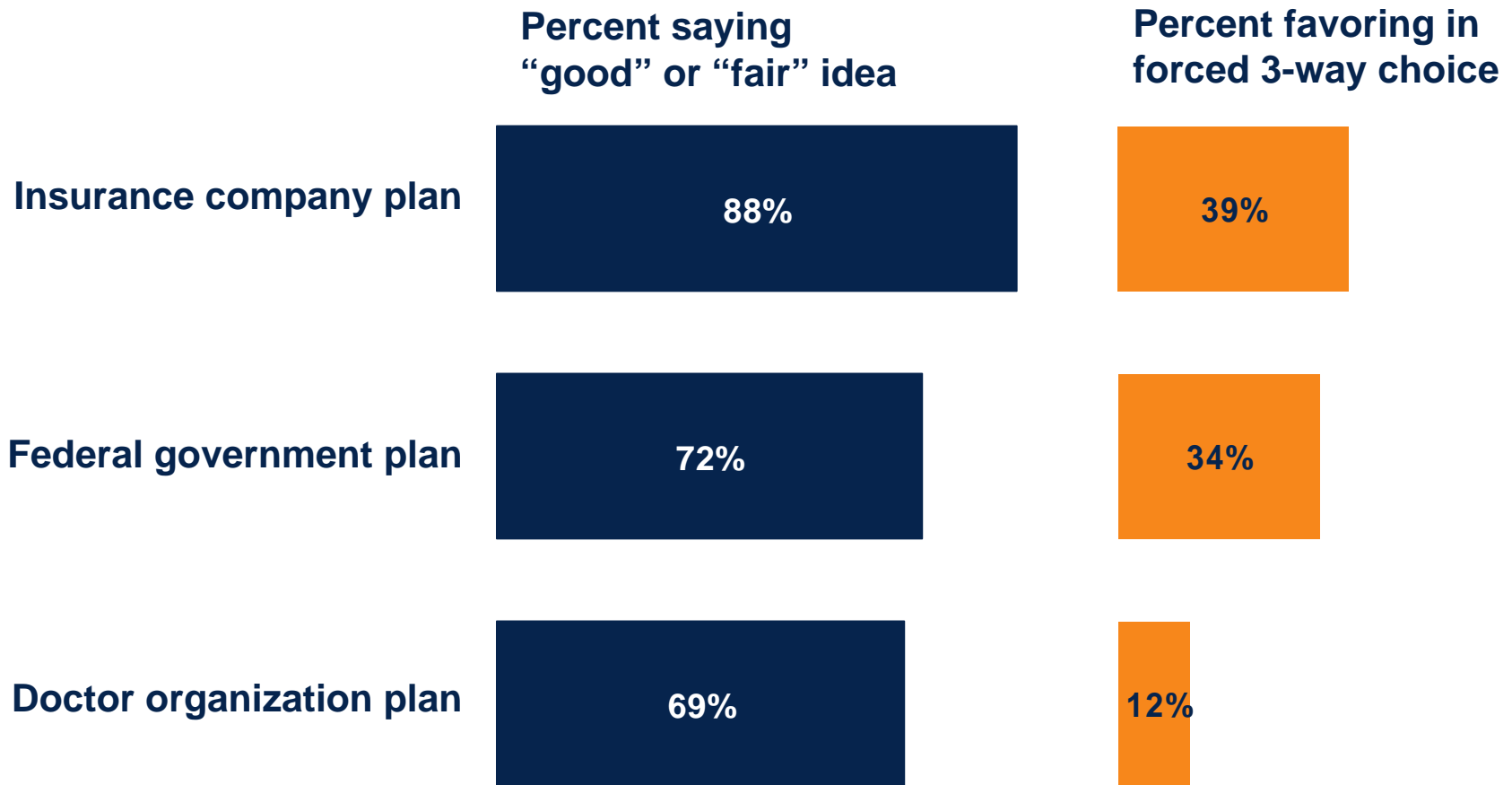
MOST preferred option



Note: Not exact wording of options

Source: Kaiser Health Tracking Poll: Election 2008 (conducted Sep. 8 -13 , 2008)

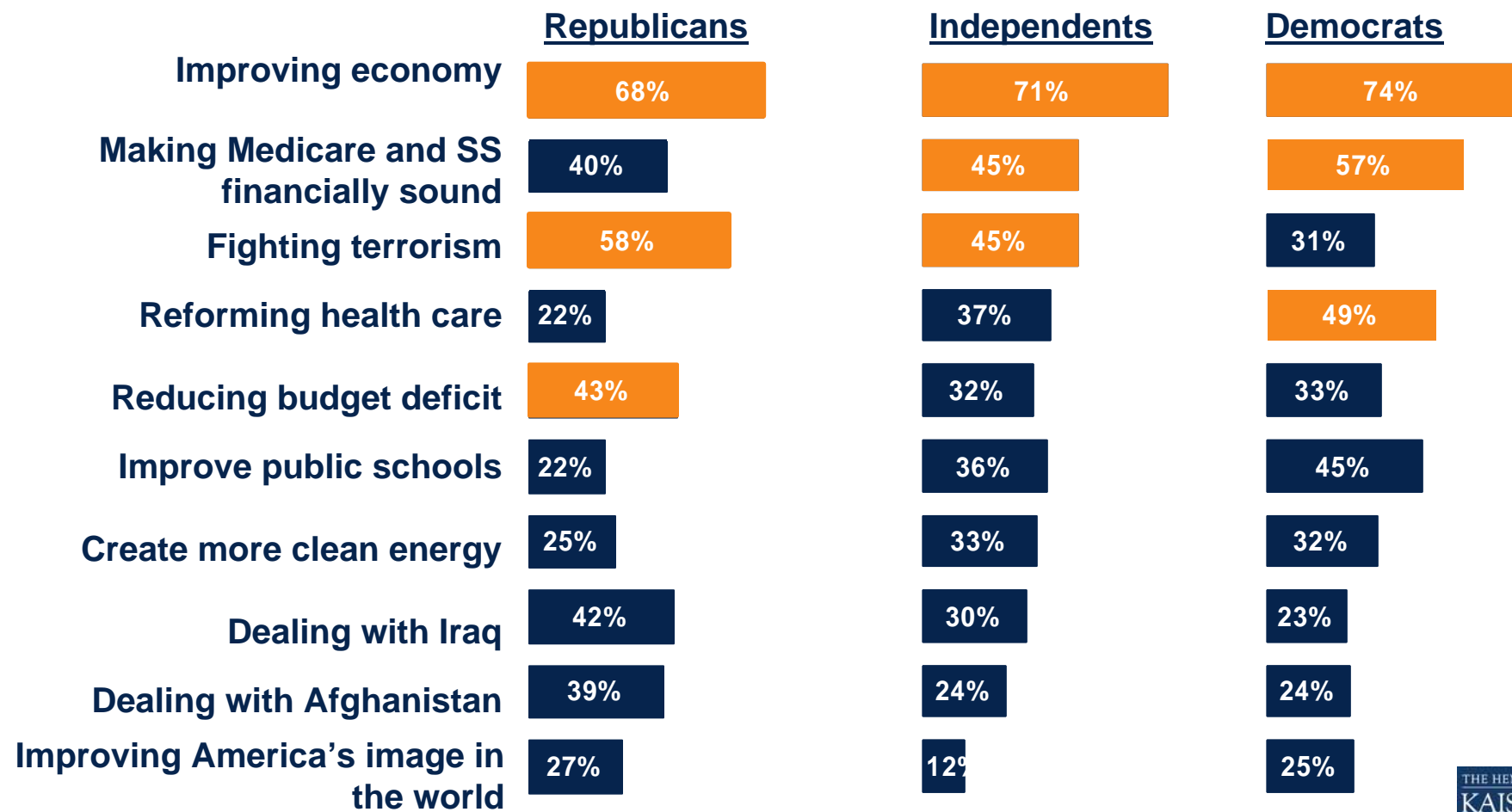
Nothing New: Level of Support for 3 Health Reform Plans, 1945



Source: Opinion Research Corporation Poll, 1945, cited in: Payne, Stanley. 1946. Some opinion research principles developed through studies of social medicine. *Public Opinion Quarterly*, 10 (1), 93-98.

Partisans Disagree: TOP Priorities

I'm going to read you a list of some different things the new president and Congress might try to act on.... As I read each one, tell me if you think it should be one of their top priorities, very important but not a top priority, somewhat important, or not that important.

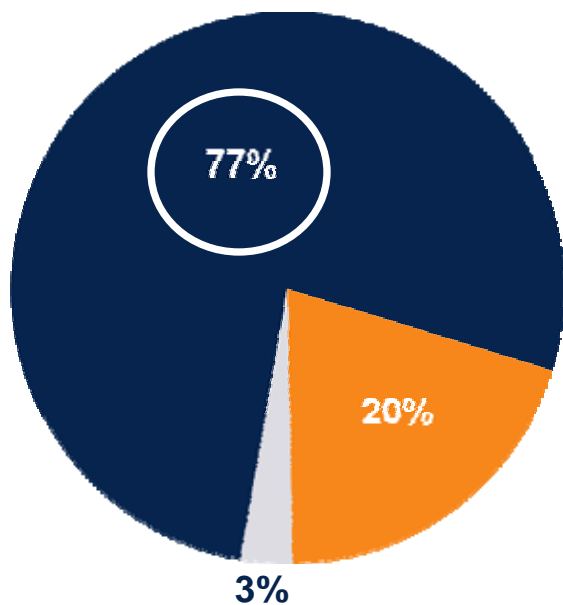


Note: Various items based on half samples
 Source: Kaiser Health Tracking Poll (conducted Feb. 3-12, 2009)

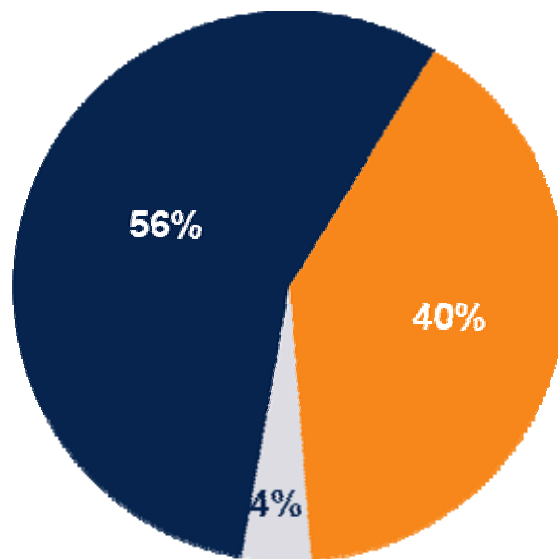
Partisans Disagree: Need for Reform Now

Which comes closer to describing your own views? Given the serious economic problems facing the country...

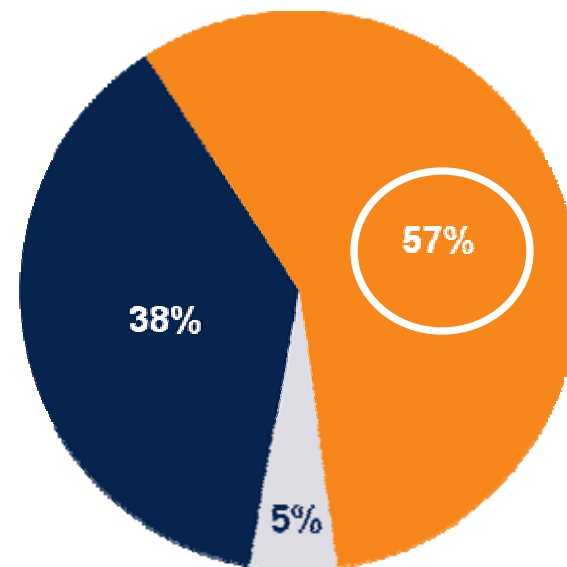
- It is *more important than ever* to take on health care reform now
- We *cannot afford* to take on health care reform right now
- Don't know/Refused



Democrats



Independents



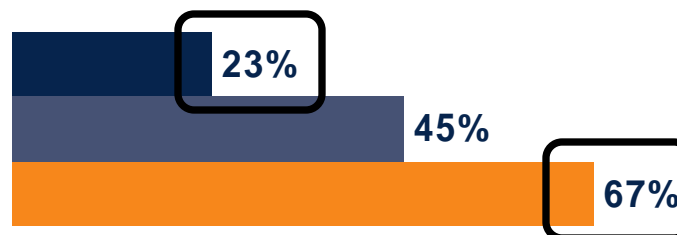
Republicans

Source: Kaiser Family Foundation *Health Tracking Poll* (conducted Apr 2-8, 2009)

Partisans Disagree: Amount of Effort

Which one of the following three things would you like to see in a health care reform proposal from the new president and Congress?

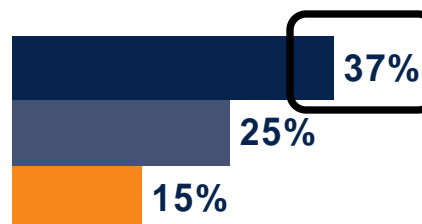
A new health care plan that would make a major effort to provide health insured Americans and would involve a substantial increase in spending



A new health plan that is more limited and would cover only some groups of uninsured Americans, but would involve less new spending



Keeping things basically as they are



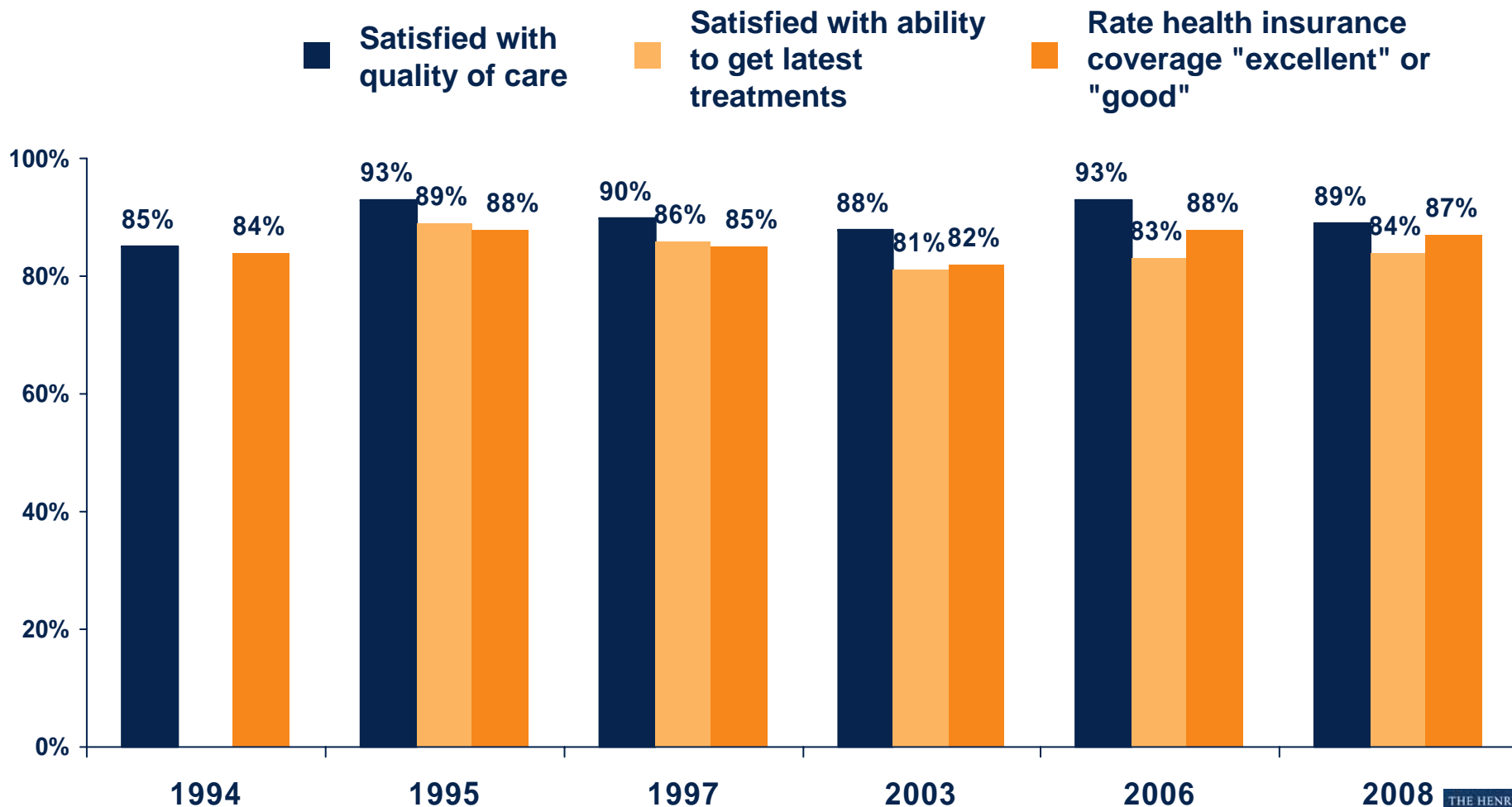
■ Republicans
■ Independents
■ Democrats

*Note: "Don't know/Refused" responses not shown.

Source: (U.S. Data)-Kaiser/Harvard *The Public's Health Care Agenda for the New President and Congress* (conducted December 4-14, 2008)

Majorities Insured Satisfied with Own Situation

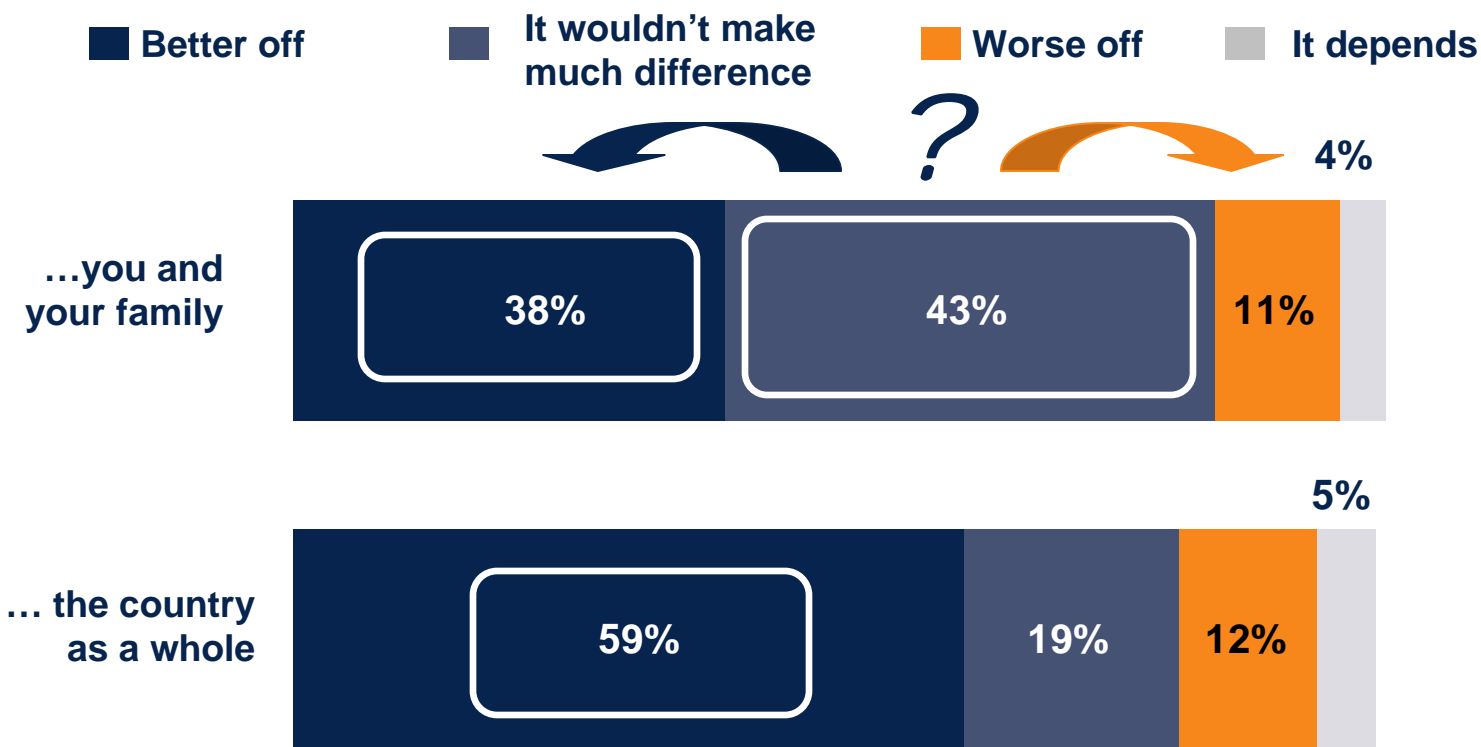
Among those with health care coverage, percent who...



Sources: ABC News Poll (Jul. 1994, Nov. 1995, Aug. 1997), ABC News/Washington Post Poll (Oct. 2003), ABC News/Kaiser Family Foundation/USA Today Poll (Sept. 2006), Kaiser Family Foundation (June 2008)

Good for Country, Not So Sure About Family

Do you think (you and your family/the country as a whole) would be better off or worse off if the president and Congress passed health care reform, or don't you think it would make much difference?

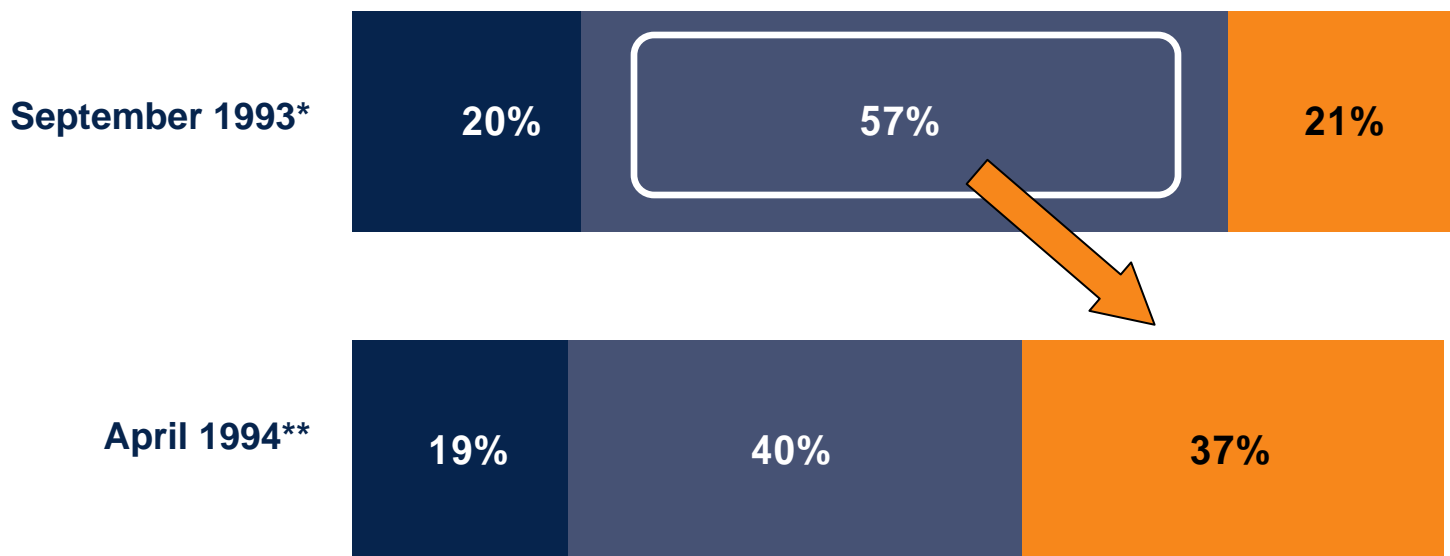


*Note: "Don't know/Refused" responses not shown.
 Source: (U.S. Data)-Kaiser Health Tracking Poll (conducted February 3 – 12, 2009)

Not So Sure About Family, Clinton Health Reform Debate

Do you think you (personally/your family) will be better off, worse off or won't it make a difference?

Better off
 It wouldn't make much difference
 Worse off
 It depends



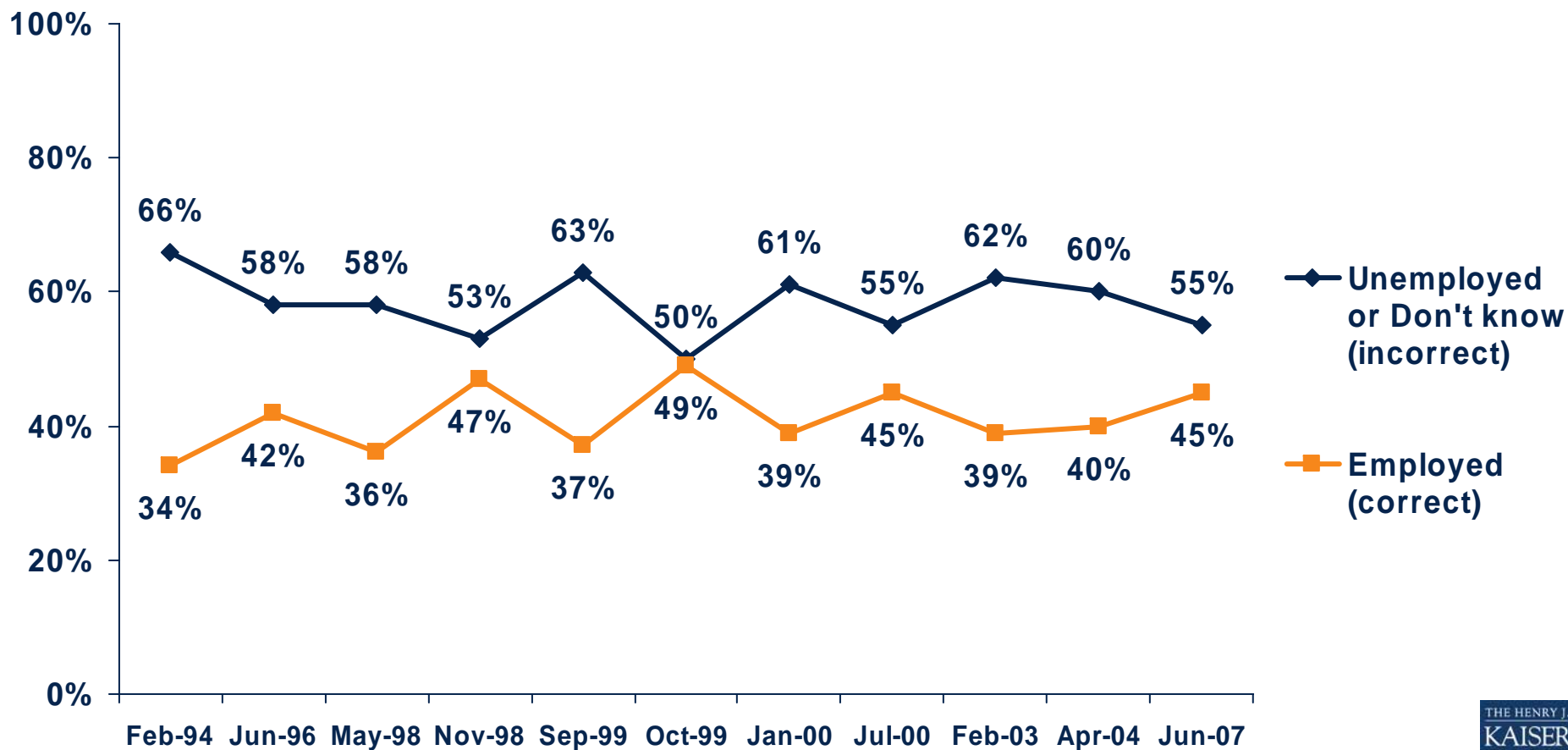
Note: "Don't know/Refused" responses not shown.

*Time/CNN/Yankelovich, September 1993. Question wording: "As you may know, the (President Bill) Clinton Administration is currently working on major proposals to reform the country's health care system. And from what you know of those health care reforms, do you think you and your family will, in general, be better off, worse off, or about the same?"

**Gallup/CNN/USA Today, April 1994. Question wording: Overall, if Congress passes a health care plan, do you think you personally will be better off, worse off, or won't the health care plan make much of a difference to you?"

Understanding of Key Facts

Would you say that more uninsured Americans are... employed or from families where someone is employed, or that more of these uninsured Americans are... unemployed or from families where no one is employed?



Source: Kaiser Family Foundation *Health Poll Report*

Understanding Basic Facts

For each item I name, please tell me if you think it's one of the single biggest factors in rising health care costs, a major factor, or less of a factor than that.

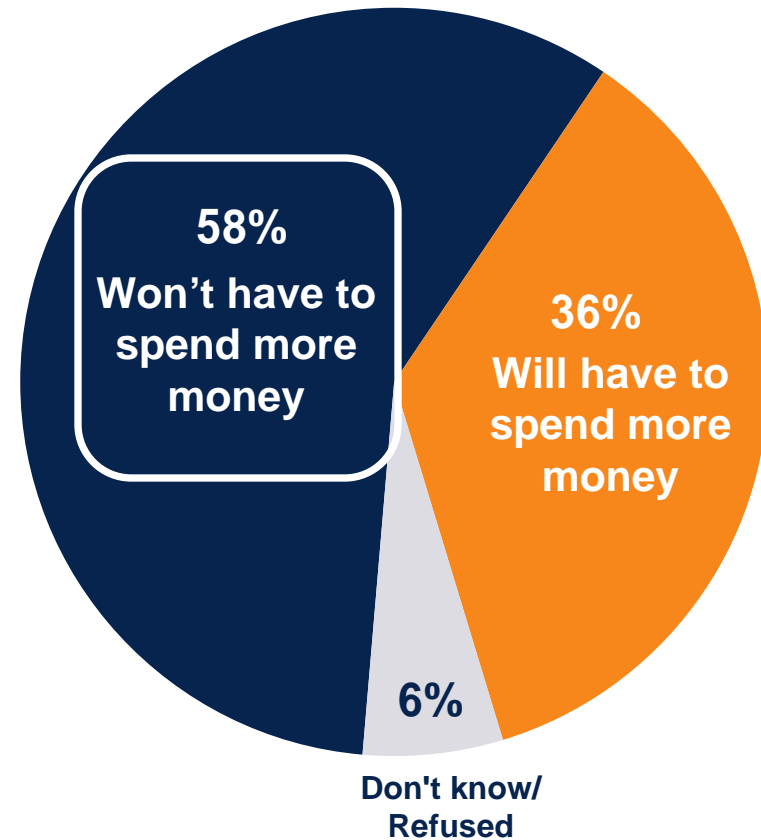
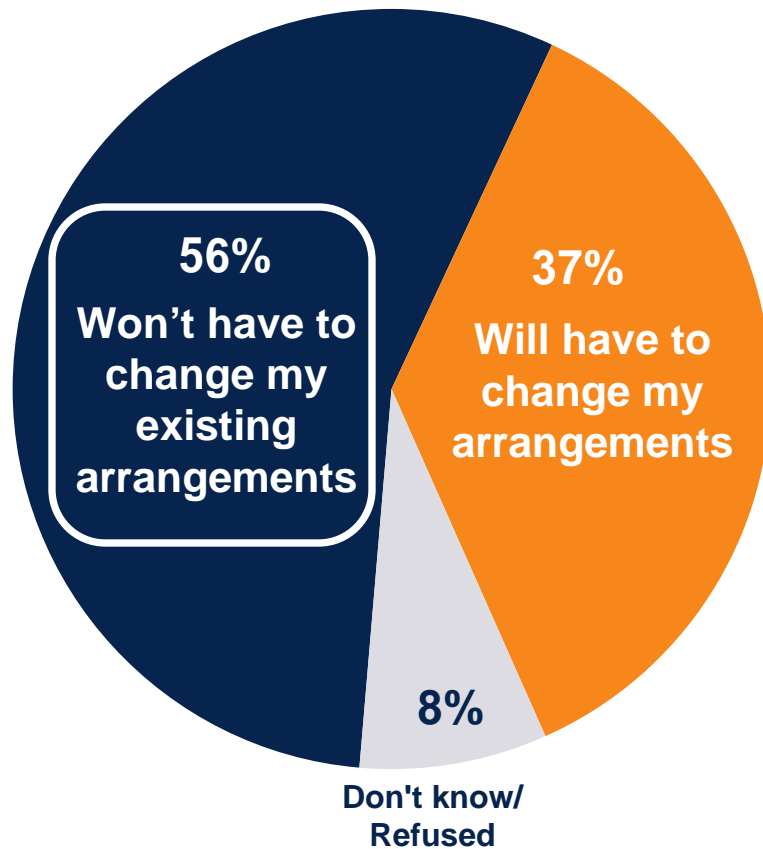
Percent who say that each is one of the biggest factor:



Source: (U.S. Data)-ABC News/Kaiser/USA Today *Health Care Poll* (conducted September 7-12, 2006)

Majority Say Reform Can Happen Without Sacrifice

Which comes closer to your opinion: To make any real reforms to the health care system, we...

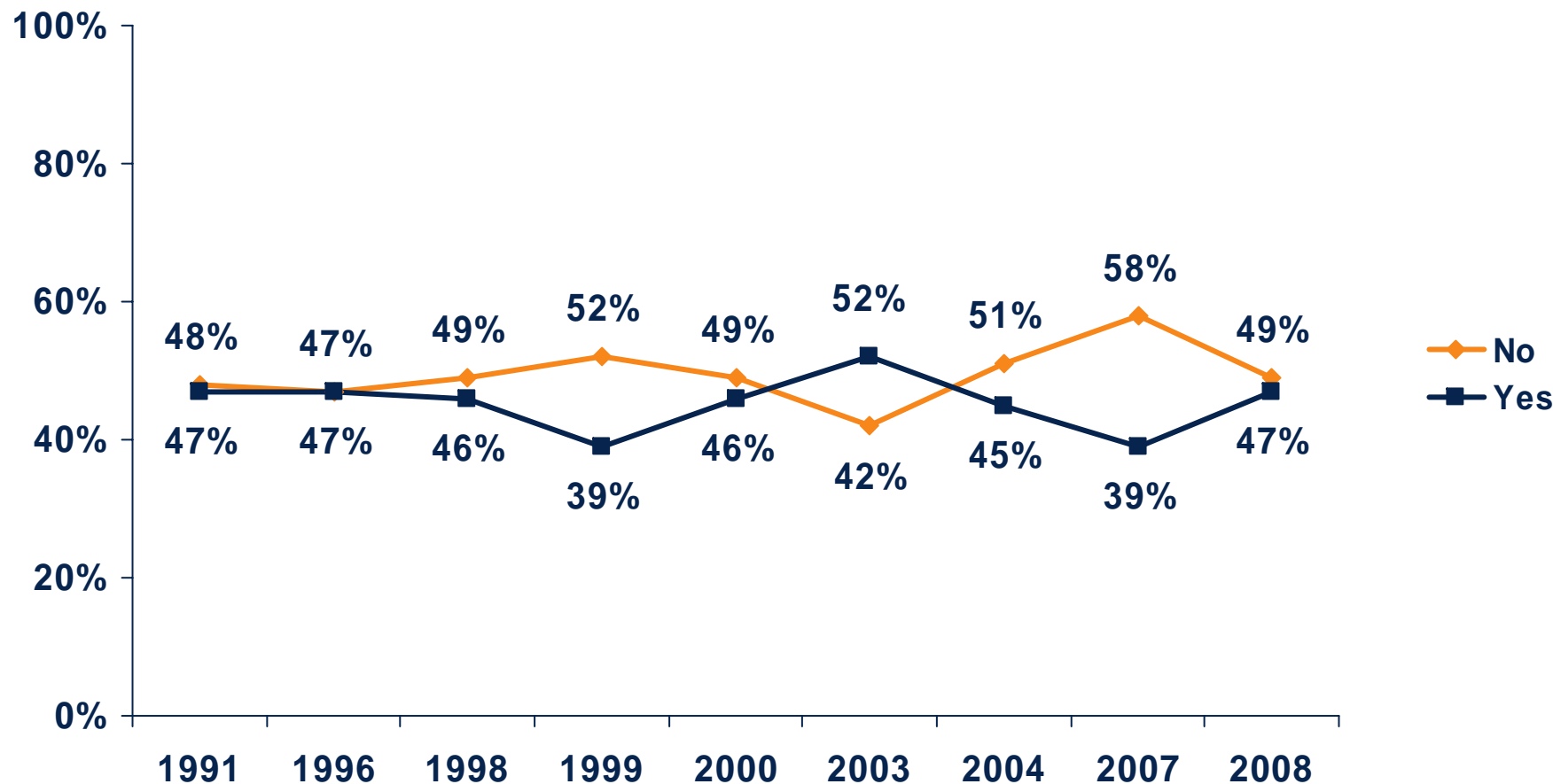


Note: Not exact question wording

Source: Kaiser Health Tracking Poll (conducted Feb. 3-12, 2009)

Willing to Pay More?

Would you be willing to pay more -- either in higher health insurance premiums or higher taxes -- in order to increase the number of Americans who have health insurance, or not?



Note: "Don't know/Refused" responses not shown.

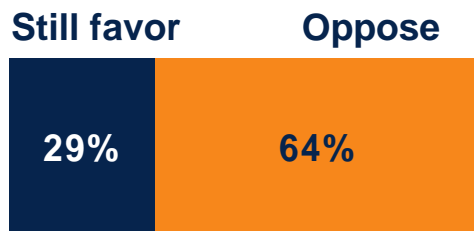
Sources: NBC News/Wall Street Journal Poll (Jun. 1991), KFF/HSPH/Harvard School of Public Health Polls (Nov. 1996; Nov. 1998; Oct. 1999; Nov. 2000; Feb. 2003; and Nov. 2004), Washington Post/KFF/Harvard Survey (May 2007), KFF/HSPH *The Public's Health Care Agenda for the New President and Congress* (Dec. 2008)

Messages Matter

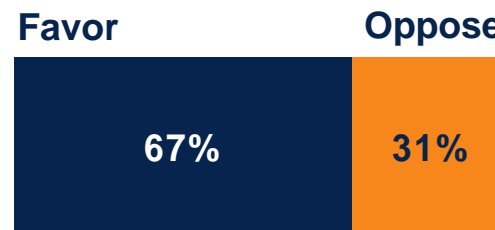
Would you favor or oppose requiring employers to either offer health insurance or pay money into a government pool?



What if you heard that paying for this may cause some employers to lay off some workers?



Would you favor or oppose requiring all Americans to have health insurance with help for those who cannot afford it?



What if you heard that this could mean that some people would be required to buy health insurance that they find too expensive or did not want?



Note: Follow up question asked of those who initially favored. Responses shown on bottom graphs are based on total, where opposed includes those who initially opposed and those who opposed after follow up.

“Don’t know/Refused” responses not shown.

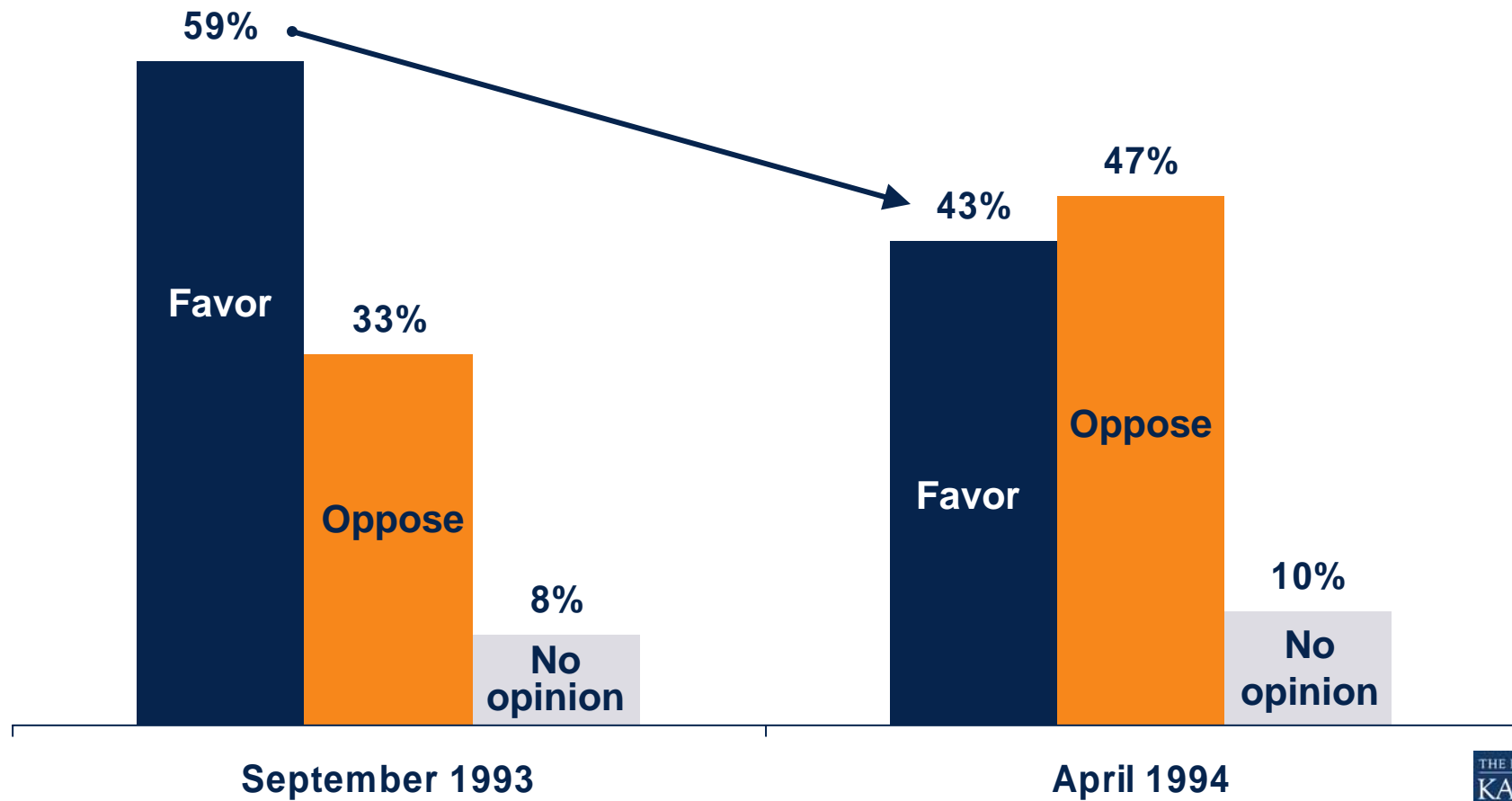
Source: KFF/HSPH *The Public’s Health Care Agenda for the New President and Congress* (conducted Dec. 4-14, 2008)

The “Issue-Attention Cycle” By Anthony Downs

1. The pre-problem stage
2. Alarmed discovery and euphoric enthusiasm
3. Realizing the cost of significant progress
4. Gradual decline in public interest
5. The post-problem stage

Debates and Messaging Matter: Clinton Health Reform Plan Debate

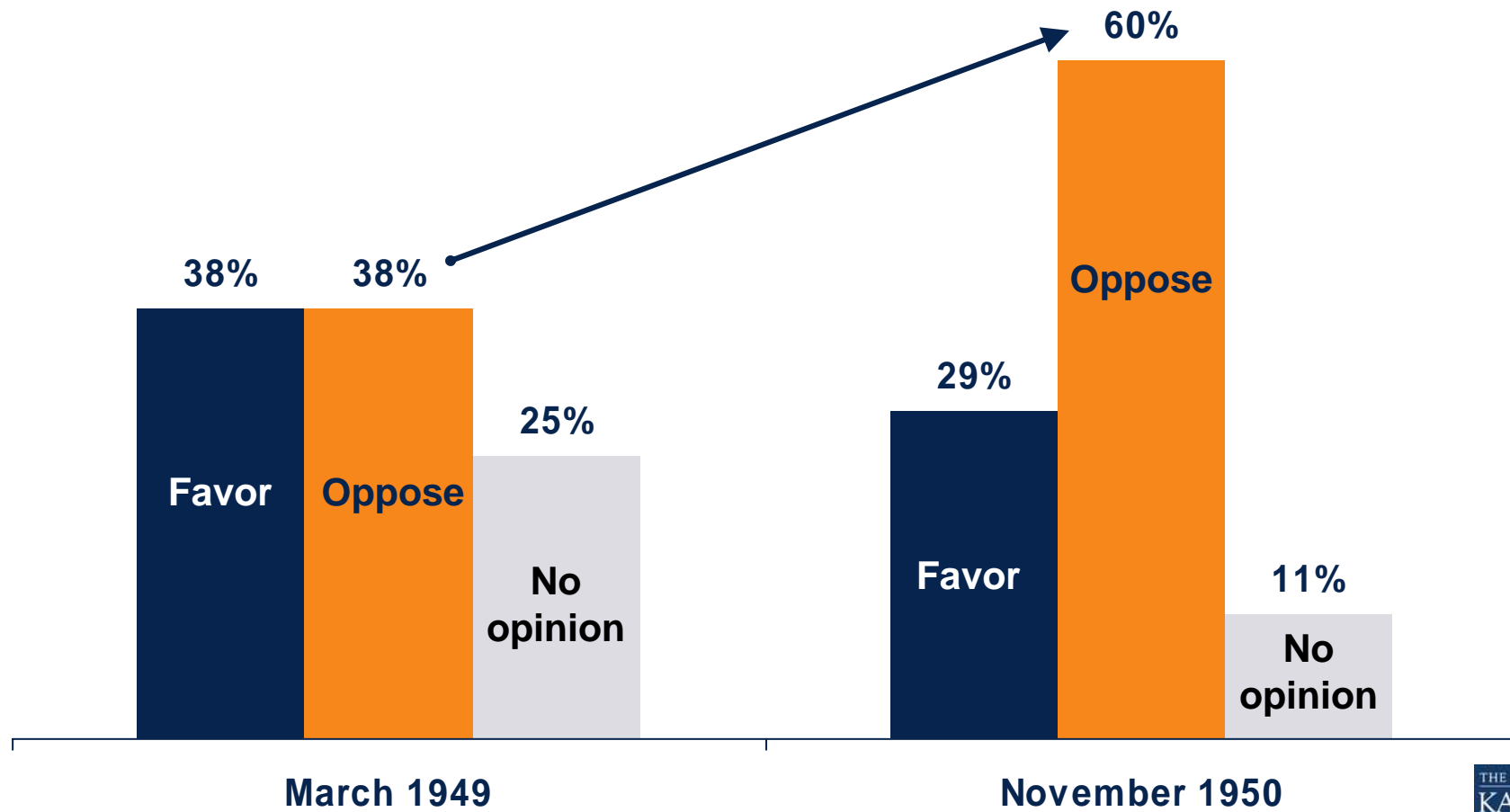
Change in public support for Clinton Health Reform Plan over time...



Source: Gallup/CNN/USA Today Polls, Sept. 24, 1993 and April 16, 1994.

Debates and Messaging Matter: Truman Health Reform Plan Debate

Change in public support for Truman Health Reform Plan over time...



Source: Gallup Polls, 1949 and 1950.

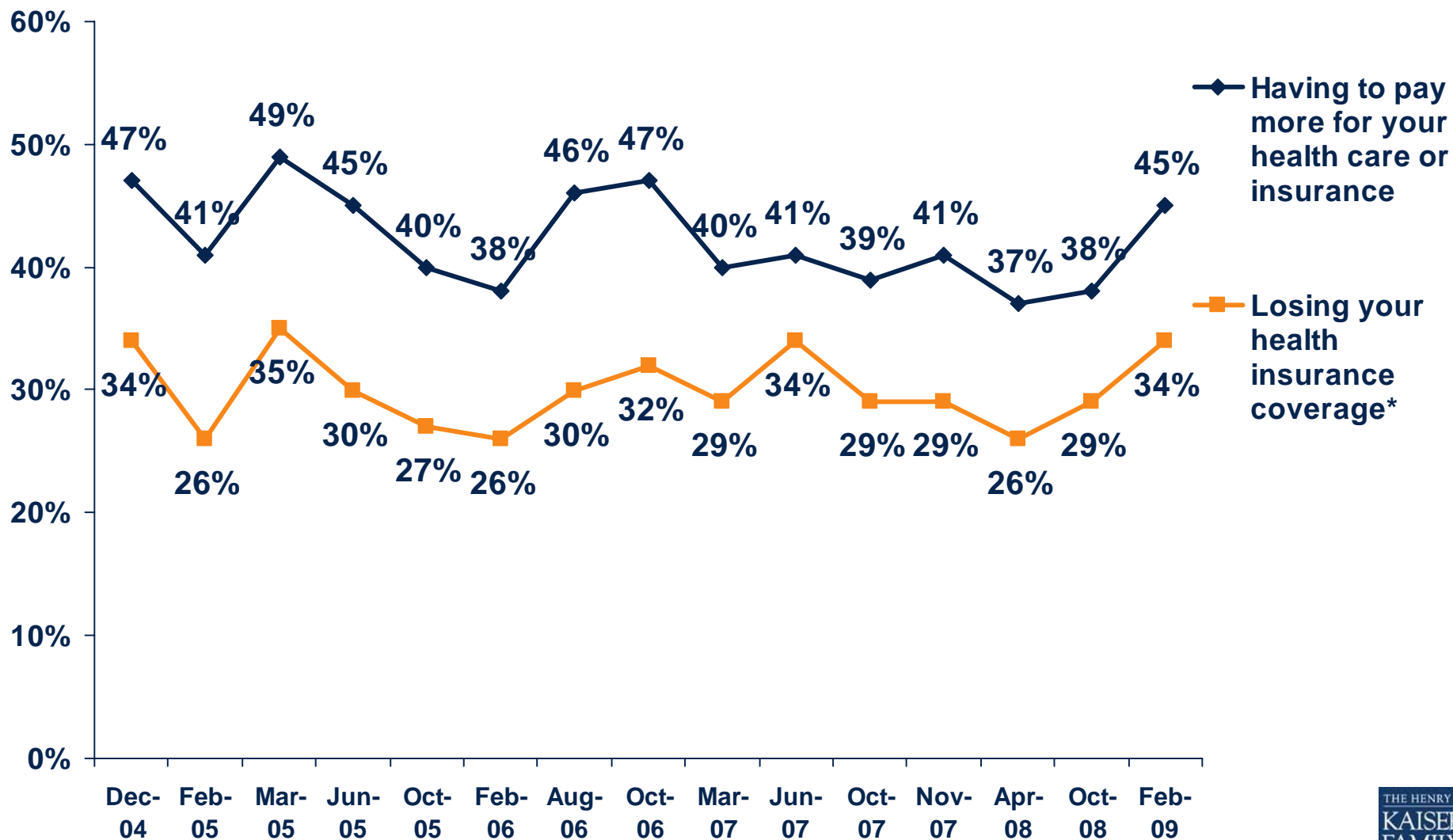
The Public Opinion Landscape and the Prospects for Health Care Reform

Opportunities...

- Insecure about costs
- Real people having real problems paying
- Opportunity to link to costs
- Some (just SOME) agreement by party
- Some (just SOME) appetite for revenue raisers
- Combine approaches

Insecure About Costs, Losing Coverage

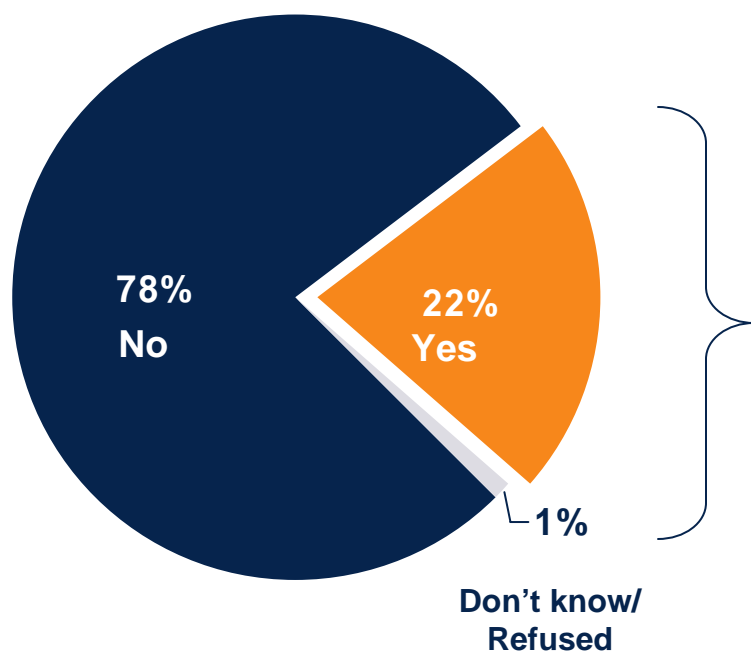
Percent saying they are VERY worried about the following...



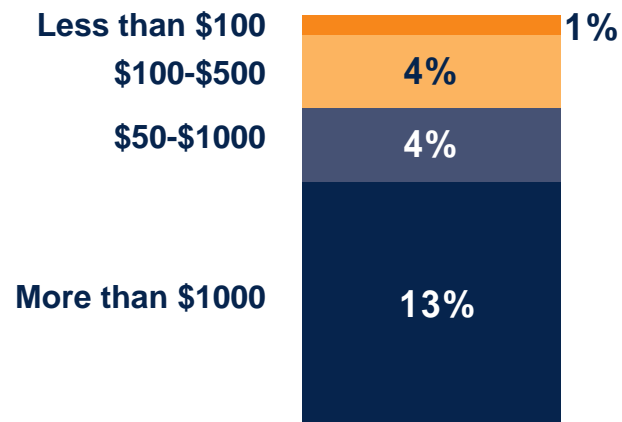
*Note: asked only of those with health insurance
 Source: Kaiser Family Foundation Polls

Many Face Medical Bill Problems

In the last 12 months, did you or another family member in your household have any problems paying medical bills, or not?



Would you say the amount of these medical bills was: (Based on total)*

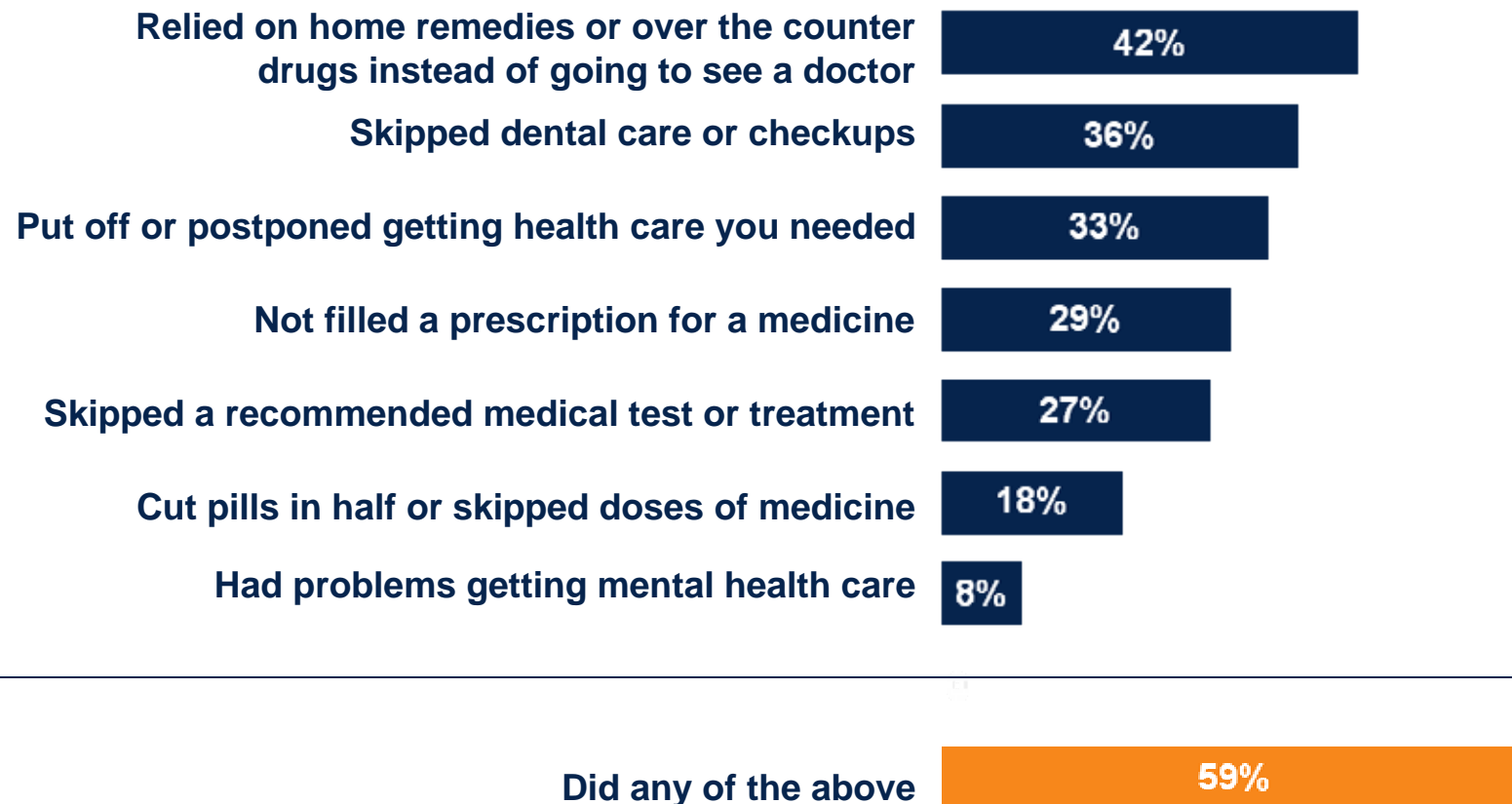


Source: Kaiser Health Tracking Poll (conducted Feb. 3-12, 2009)

*Note: "Don't know/Refused"

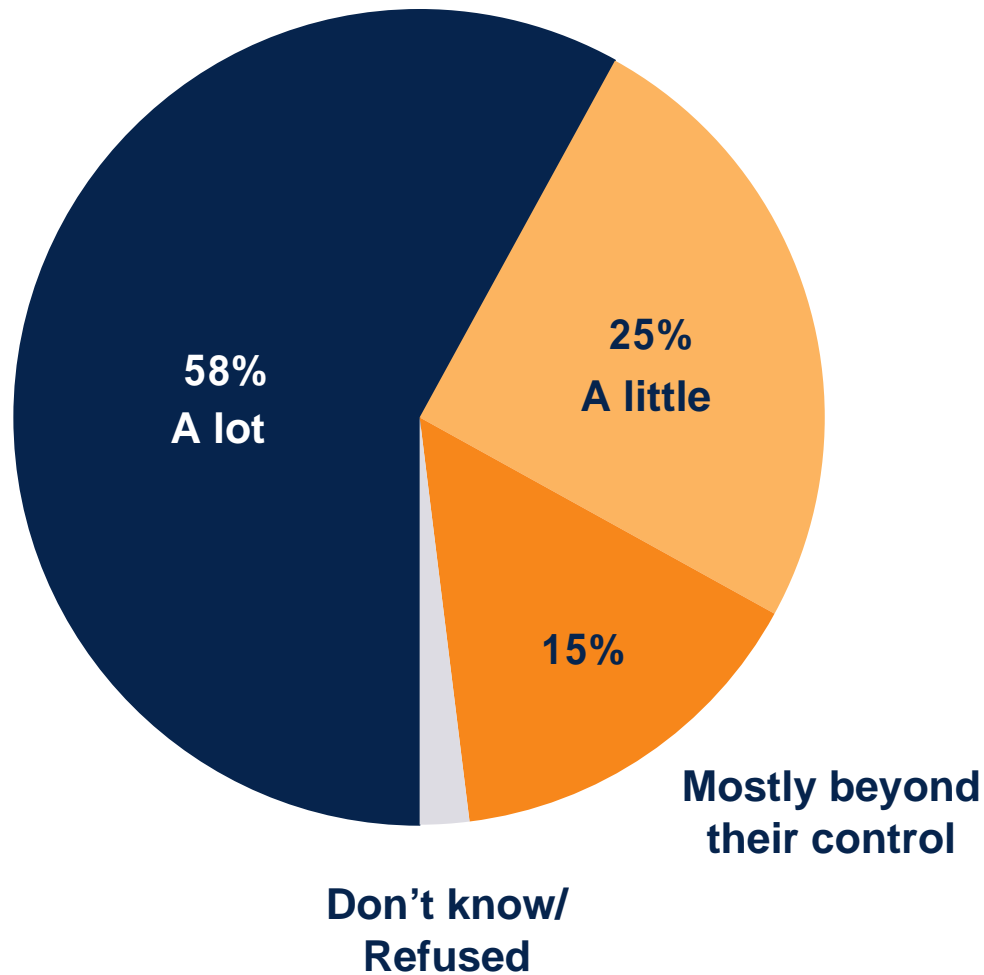
Putting Off Care Because of Costs

In the past 12 months, have you or another family member living in your household done each of the following because of the cost, or not?



Link Reforms to Costs

Do you think the cost of health care is something the president and Congress can do a lot about, do a little about, or is that mostly beyond their control?

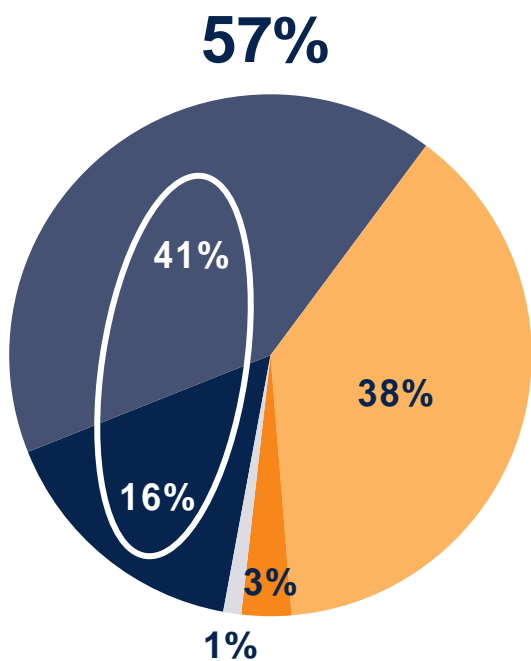


Source: Kaiser Family Foundation/Harvard School of Public Health, *Pre-Election Poll: Voters, Health Care and the 2008 Election* (conducted Sept 10-14, 2008).

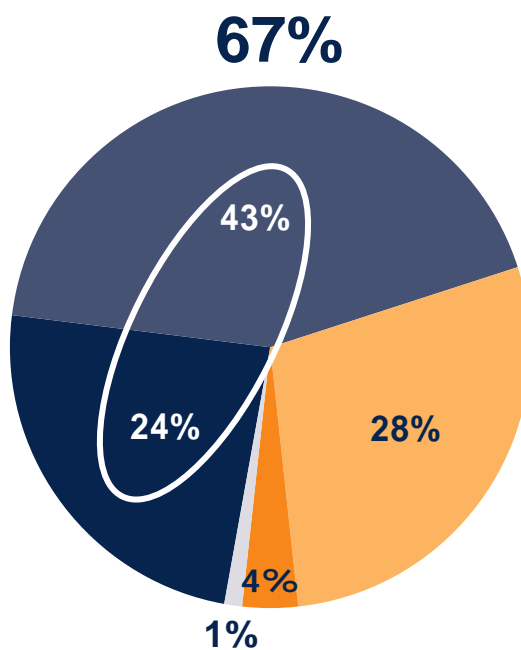
Partisans Agree: Major Changes Needed

Which one of the following comes closest to your view about the health care system in America today?

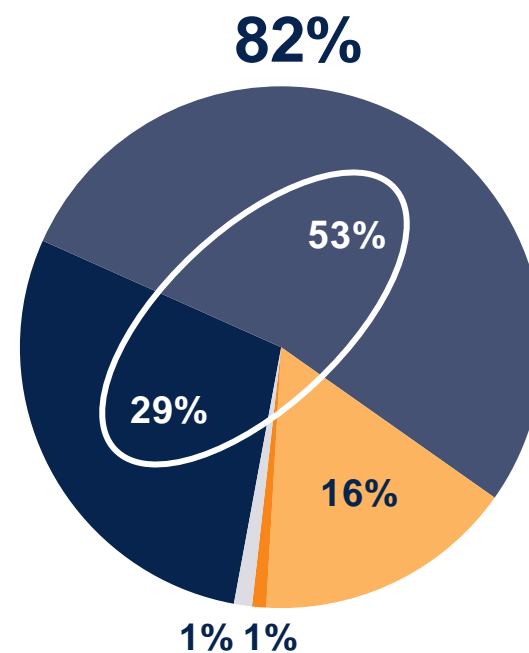
- Needs complete overhaul
- Needs major changes
- Needs minor changes
- Works fine as is
- Don't know/Refused



Republicans



Independents

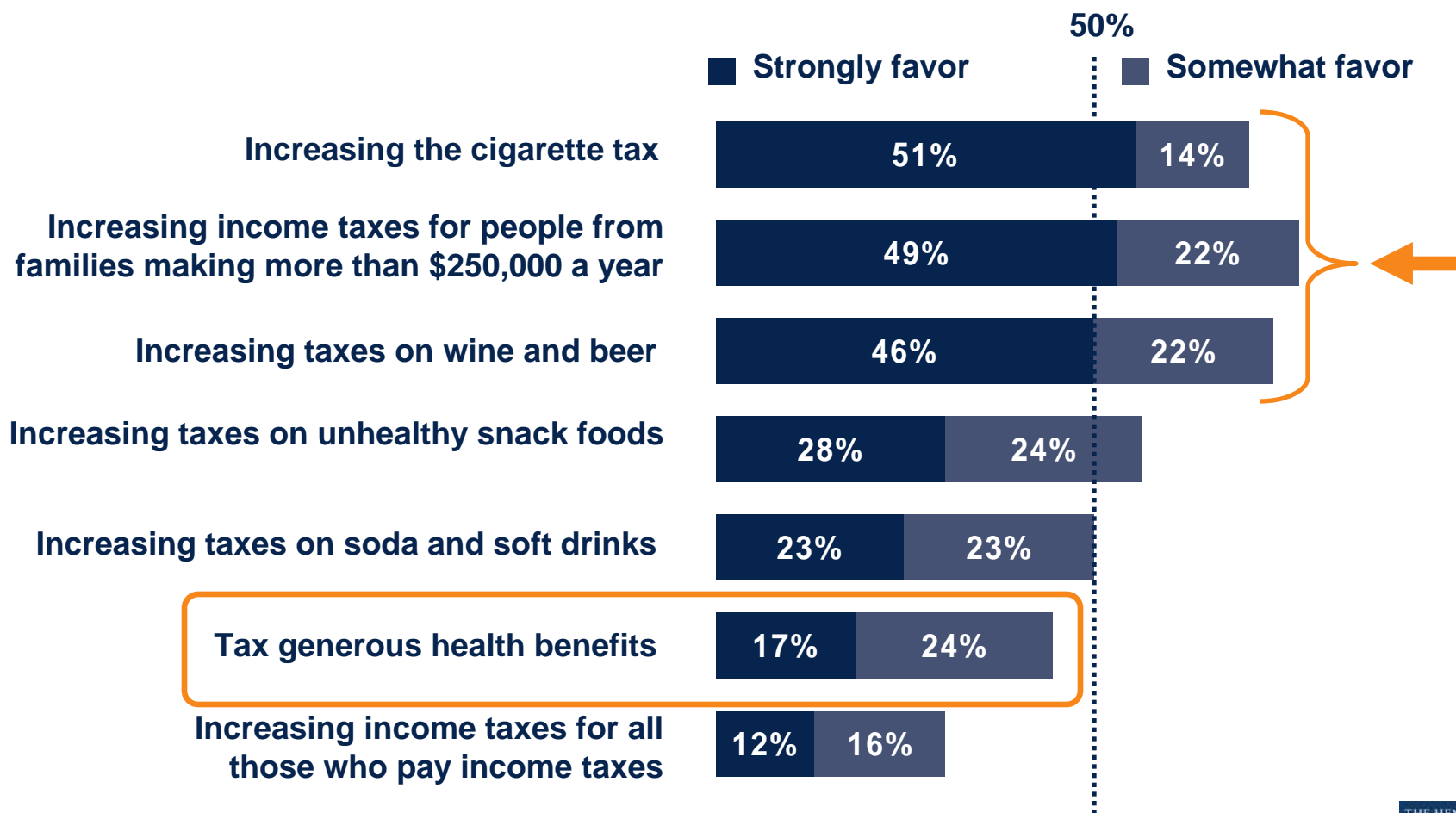


Democrats

Source: Kaiser Family Foundation/Harvard School of Public Health, *Pre-Election Poll: Voters, Health Care and the 2008 Election* (conducted Sept 10-21, 2008).

Paying for Reform Through Tax Increases?

Percent who said would favor each of the following:

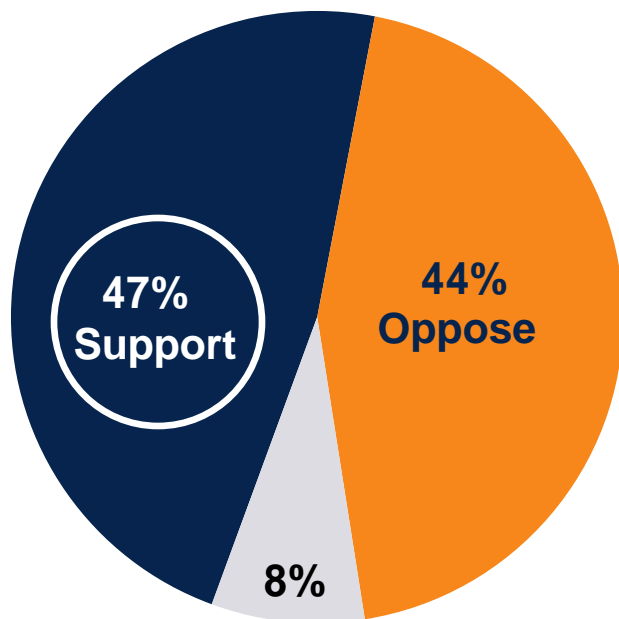


Source: Kaiser Family Foundation *Health Tracking Poll* (conducted Apr 2-8, 2009)

Opportunity to Combine Approaches

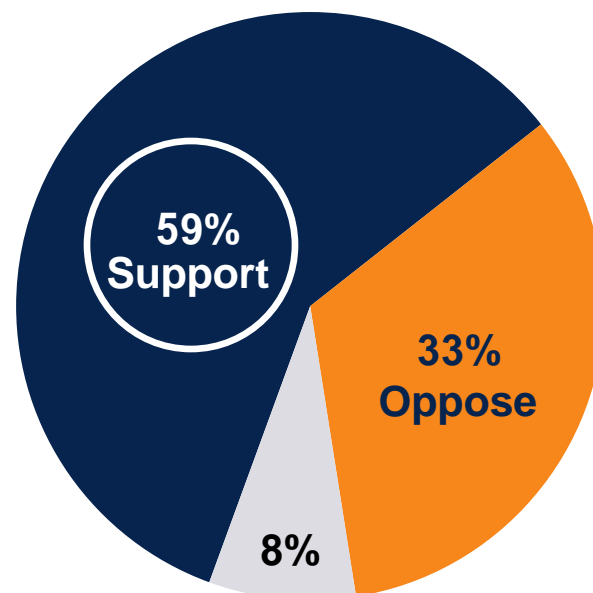
Example: Health insurance mandates

Requiring individuals to purchase insurance



Don't know/
Refused

Requiring individuals to purchase insurance; role for employers, the government and insurance companies



Don't know/
Refused

Note: Not exact wording of options

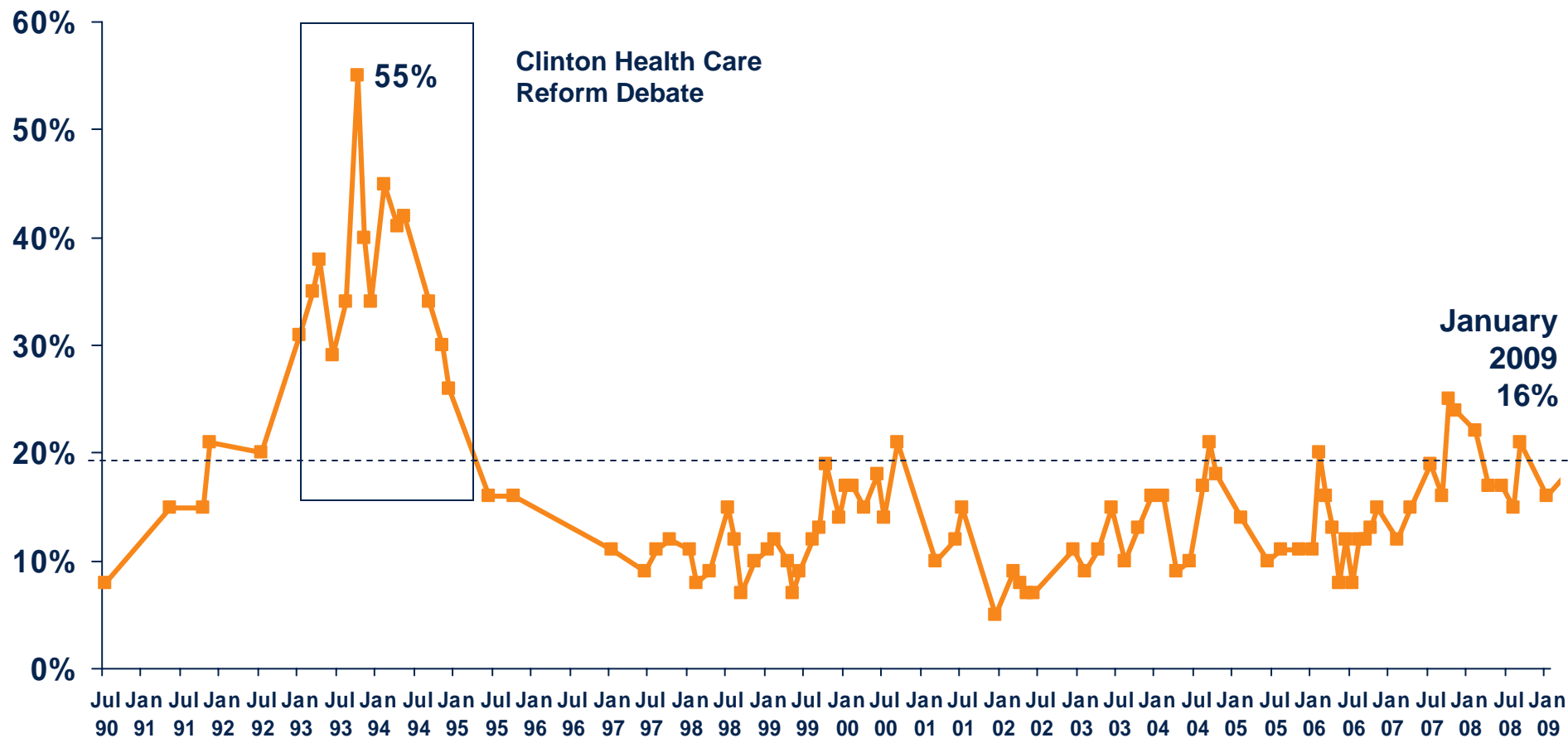
Source: NPR/KFF/HSPH *The Public on Requiring Individuals to Have Health Insurance* (Feb. 14-24, 2008)

What's Different So Far from 1993-1994 Debate?

- **President making it an early priority**
- **Leaving Congress to draft legislation**
- **Congressional leaders making it priority**

Top Down, Not Bottom Up

Percent naming health care one of two most important issues for government to address



Note: "Don't know" responses were included in the base when percentages were calculated.

Source: NBC/Wall Street Journal; Harris Polls

What's Different So Far from 1993-1994 Debate?

- **President making it an early priority**
- **Leaving Congress to draft legislation**
- **Congressional leaders making it priority**
- **Recognize short window of opportunity**
- **Interest groups lining up differently**

**BUT THERE'S NO PLAN YET
STILL EARLY "HAPPY TALK" PHASE
NO ONE YET ASKED TO SACRIFICE**

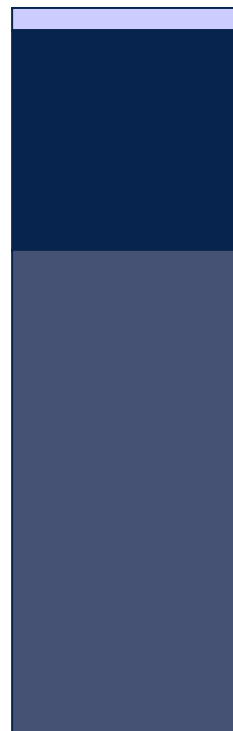
Rough Cost of a “Shared Responsibility” Universal Coverage Plan

Full Year Cost in 2009 Dollars

Small business tax credit
(\$5 B)

Medicaid expansion to
everyone under poverty
(\$50 B)

Subsidies for Low and
Middle Income
(\$110 B)



Total: \$165 Billion



**10 year cost
(assuming 7
years of
operation) =
about \$1.7
trillion**

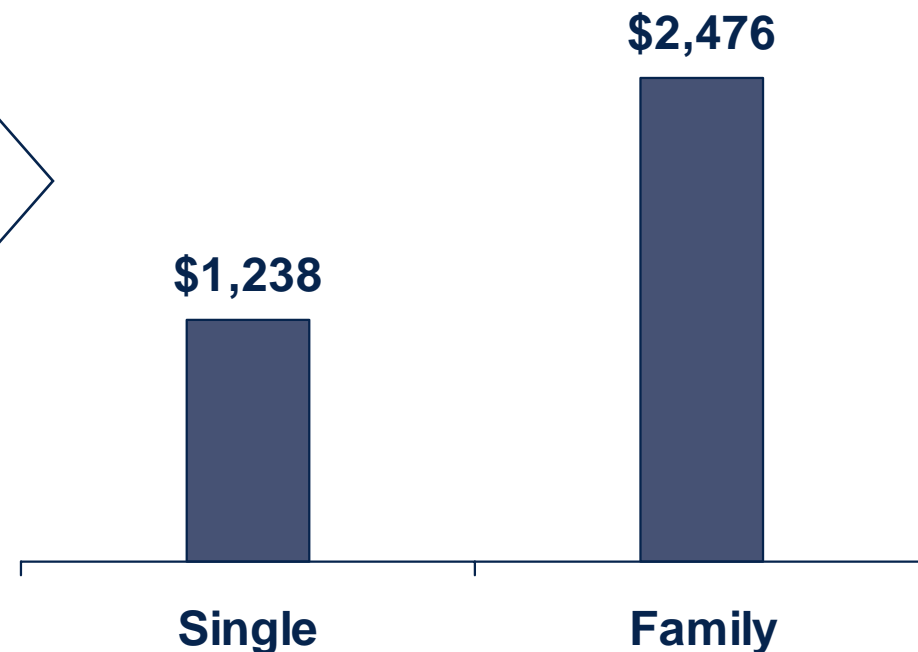
Source: Kaiser Family Foundation analysis based on modeling for the Foundation by Jonathan Gruber and other sources.

Understanding the Magnitude of the Cost of a Comprehensive Plan

What if a \$165 billion per year health reform plan were funded with a flat across-the-board income tax increase?



Additional Tax Per Tax Return With a Tax Liability

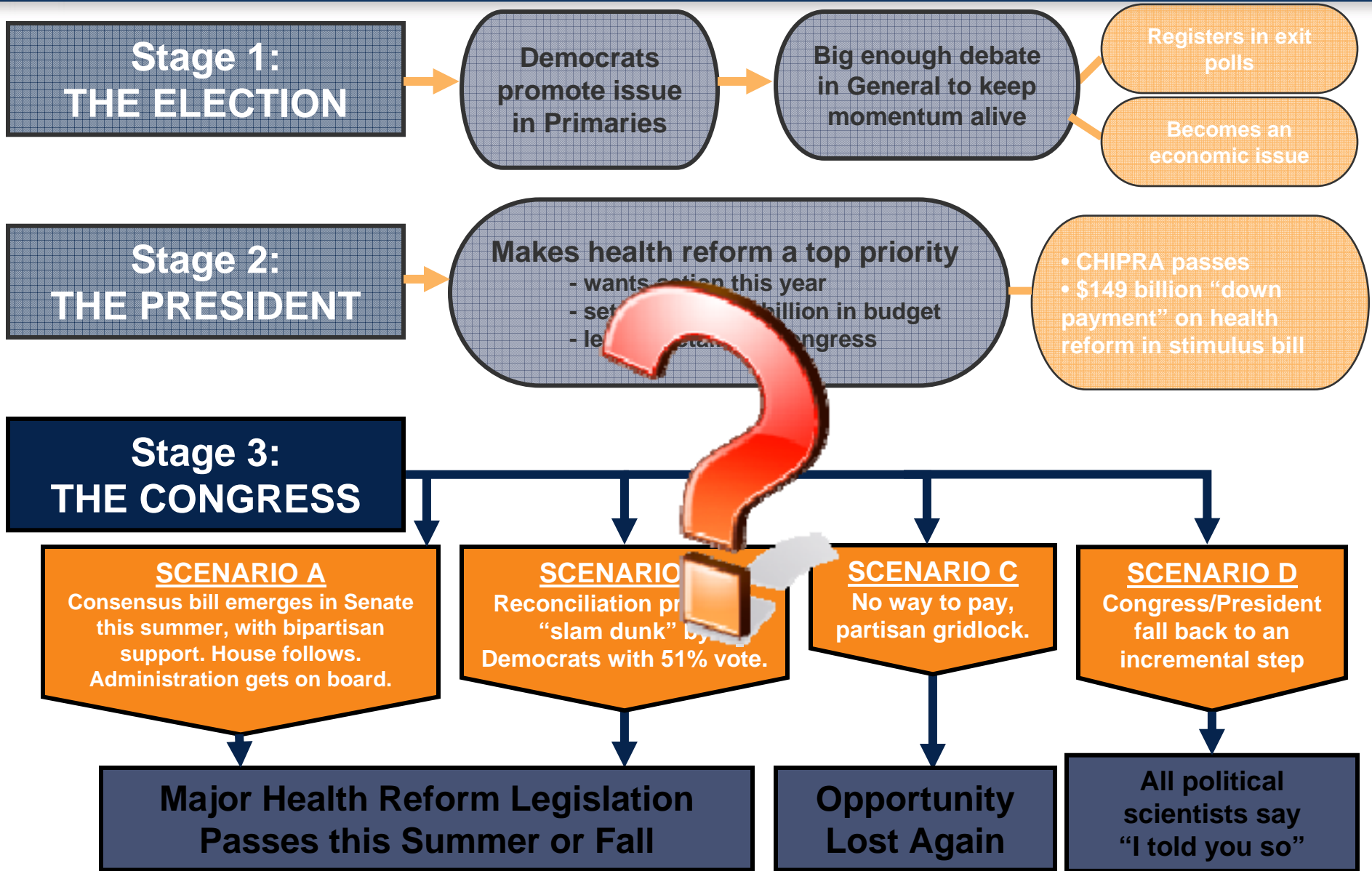


Source: Kaiser Family Foundation analysis based IRS figures for tax returns in 2006.

How They Might Get There

- **Reduce the price tag (without sacrificing the benefit package too much)**
- **Share the responsibility**
 - Employers
 - Consumers
- **Savings**
 - Cut increases in future Medicare payments to hospitals and doctors (sorry)
 - A public plan?
 - Delivery reforms
- **Revenues**
 - Taxing unhealthy behaviors
 - Cap the tax preference for employer-based insurance
 - Increase taxes on upper income people
- **Phasing In**
- **Triggers**

Which Scenario is Most Likely?



What to Watch For.....

- **Who is asked to sacrifice what in the actual legislative proposals?**
- **What is the tenor of political discussion around actual proposal?**
- **What do the interest groups do?**
- **What do the issue ad campaigns look like?**
- **Do people think they will be better off or worse off?**

THE HENRY J.

KAISER
FAMILY

FOUNDATION