AMERICANS’ VIEWS ON HEALTH CARE: FOOLISH INCONSISTENCIES?

by Jon Gabel, Howard Cohen, and Steven Fink

Prologue: The ebb and flow of public policy making, American style, is influenced by a wide variety of factors, certainly not the least of which is public opinion. While a large segment of the public pays little attention to federal and state policy making, most citizens do have opinions on the major issues of the day, including health and medical questions. Time and again, private interests and public decision makers employ the results of public opinion surveys as a way to influence policy. Recently, the American Association of Retired Persons, under attack from some quarters of the elderly lobby for its advocacy of Medicare’s new benefit to cover catastrophic medical expenses, unveiled a public opinion survey that 65 percent of those people over age sixty-five who were asked favored the new benefit. For the last decade, the Health Insurance Association of America (HIAA) has surveyed 1,500 American households annually in an effort to chart trends in the public’s view of health care. In this paper, Jon Gabel and Steven Fink of the HIAA and Howard Cohen, who recently departed that association after eight years for a position on Capitol Hill, report on the conflicting views of most Americans in relation to health care as reported by public opinion surveys. To the degree that their views conflict, they mirror those of most policymakers who are enthusiastic about expanding health care benefits, but a good deal less certain about how to pay their costs. Gabel, who is associate director, research and development, at HIAA, formerly worked as a senior economist at the National Center for Health Services Research and Health Care Technology Assessment. Fink, who oversees the daily conduct of polling at HIAA, holds a master’s degree in sociology from the University of Connecticut. Cohen joined the Republican staff of the House Energy and Commerce Subcommittee on Health and the Environment at the beginning of 1989. He holds a doctorate in psychology from the University of Massachusetts and a law degree from George Washington University.
In public and private affairs, no nation measures and determines the will of the people more through public opinion polls than the United States. Public opinion, measured through polls, made American withdrawal from Vietnam and Richard Nixon’s impeachment inevitable, bolstered the beliefs of Congress in resisting the will of a popular president in 1981 to repeal the Clean Air Act, and provided the impetus for the abolition of mandatory retirement. Corporate America’s faith in the use of polls is demonstrated by the billions of dollars spent annually in marketing studies. As in other aspects of American life, public opinion polls have helped to shape events in the world of health care. Overwhelming public support made the passage of recent Medicare catastrophic legislation inescapable. Marketing surveys showed a growing number of Americans interested in enrolling in a health maintenance organization (HMO) and stimulated many insurance companies to enter the HMO market.

The belief that polls help predict future private and public behavior underlies this article. Our objective is to examine Americans’ attitudes about health care issues. Brevity requires that we focus on financing and delivery issues: cost, access, and quality of care. Therefore, we do not review such highly controversial public health issues such as acquired immunodeficiency syndrome (AIDS), drug abuse, and the environment.

We identified nine major undercurrents of public opinion about health financing issues by analyzing responses to more than 1,000 public opinion questions asked by pollsters since 1955. These questions are included in the computer files maintained by the Roper Center at the University of Connecticut. The surveys were national in scope. With few exceptions, the major survey research firms conducted the polls: Gallup; Harris; Roper; Yankelovich, Skelly and White; National Opinion Research Center; and others. We rely extensively upon the results from the annual survey, Health and Health Insurance: The Public’s View, sponsored by the Health Insurance Association of America. This survey repeats questions either annually or biannually, thereby permitting one to chart trends in public opinion about health financing issues.

Nine Undercurrents Of Public Opinion

**Importance of good health.** When asked, “How important are the following factors to your personal happiness?,” over one-third of Americans identify “good health” as most important. Only “a loving relationship” was ranked higher. However, when pollsters ask Americans to identify the major issues facing the nation, no more than 2 percent of respondents mark health care costs or “health insurance” (Exhibit 1).
This pattern has held for over two decades. The public has never singled out quality of and access to care in these surveys as major issues.

When directly questioned, about 60 percent of Americans indicate that they consider the problem of rising health care costs “extremely urgent.”\(^6\) (In comparison, 80 percent consider the spread of AIDS “extremely urgent.”)\(^7\) By margins of three to one they identify the cost of care as a more serious problem than access to care and quality of care.\(^7\) Yet, when asked, “What do you think is the greatest health problem facing the nation?,” only 3 percent of respondents typically identify health care costs.\(^8\) Respondents are overwhelmingly more likely to identify AIDS, cancer, or drug abuse as the nation’s most serious health problems.

**Satisfaction with health care.** When asked during the years 1977–1987, “How satisfied are you with the health care you receive?,” approximately 80 percent of Americans described themselves as “highly satisfied” or “somewhat satisfied.” The public expresses slightly higher satisfaction with the quality of care provided by their doctors, and marginally lower satisfaction with their hospital care, with 84–88 percent very or somewhat satisfied with physician care and 79–84 percent satisfied with hospital care. Positive ratings exceed negative ratings for doctors by better than six to one, and for hospitals by five to one.\(^9\) Heavy users of health care, defined as individuals who were hospitalized during the past year or who had visited a physician more than ten times, rate their care even more highly than the rest of the public.\(^10\)

More remarkable than the high level of approval is the stability demonstrated through the past decade of unprecedented changes in the
financing of health care. The number of Americans dissatisfied with their care from their physicians remained unchanged. In 1977, less than 5 percent of Americans were enrolled in a managed care plan, defined as an HMO, preferred provider organization (PPO), or fee-for-service plan with prospective utilization review. Medicare and Medicaid reimbursed hospitals essentially on the basis of declared expenses. One decade later, more than 60 percent of Americans covered by group health insurance were enrolled in a managed care plan, and Medicare and Medicaid paid hospitals prospectively through diagnosis-related groups (DRGs).11 Within the health policy community, these changes have stimulated interest in measuring and assuring quality of care; yet there is little evidence of increased dissatisfaction among the American electorate in the care they receive.12

The 1988 Health and Health Insurance survey lends additional support to the inference that Americans are as satisfied with managed care and care under prospective payment as they were under the old system of unmanaged care and retrospective payment (Exhibits 2 and 3). Medicare and Medicaid beneficiaries’ high level of satisfaction with hospital care fails to support the assertion that Medicare patients perceive their hospital care as inferior (Exhibit 3).

Dissatisfaction with cost. Nearly 70 percent of the American public are somewhat or very dissatisfied with the cost of their health care. Thus,

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Exhibit 2
Americans’ Satisfaction With The Quality Of Care They Receive From Their Physicians. 1988

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Very satisfied</th>
<th>Somewhat satisfied</th>
<th>Dissatisfied</th>
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Type of health plan: HMO, Private insurance, Medicare/Medicaid

Source: HIAA Survey of 1,500 Households.
a dichotomy—high satisfaction with service and low satisfaction with cost—distinguishes American health care from other products and services. A recent Louis Harris poll reported that only 32 percent of the public agree that they are getting good value for their money.\textsuperscript{13} By a margin of eight to one they believe that costs can be reduced without sacrificing quality of care.

Satisfaction rates regarding the cost of health care changed little during the past decade, ranging between 26 and 29 percent.\textsuperscript{14} About 70 percent of the public perceive that health care costs outpace costs for other goods and services. Even during the energy-driven inflation years of 1979–1980, Americans incorrectly believed that health care costs were rising more rapidly than overall costs.\textsuperscript{15}

Whom does the public hold responsible for the rising cost of health care? Depending upon the year, about 70–75 percent of the public hold hospitals and doctors “a great deal” responsible (Exhibit 4). Slightly more than half the electorate find health insurance companies and drug companies “a great deal” responsible. A declining number of Americans find the federal government responsible (35 percent in 1987).\textsuperscript{16} However, the public grades the Reagan administration negatively by a four-to-one margin for the job it has done in controlling health care costs.\textsuperscript{17} Less than one-third find the American people “a great deal” responsible. We return to this point later.

**Satisfaction with insurance.** Americans are significantly more satisfied with the cost of health insurance than with overall health care costs. They point to hospital care as the most overpriced product or service but
consider the price of health insurance more reasonable than food, housing, and automobile prices. By 51 to 44 percent they believe the total cost of health insurance is reasonable. What is noteworthy about this statistic is that for the 85 percent of the public that obtain private coverage through an employer, the typical employee pays but 20 percent of the premium.

Americans are uneasy about their ability to meet the costs of a major illness. Exhibit 5 shows that there has been a significant decline in Americans’ confidence in their ability to pay for a major illness since 1983. This is surprising in light of the substantial growth of catastrophic thresholds during the past ten years in group health insurance.

About 75 percent of the public indicate that they are satisfied with the proportion of the costs paid by their health insurance and the medical services covered. This figure has changed little during the past decade. HMO subscribers grade their plans more highly than do those with conventional fee-for-service coverage or Medicare and Medicaid (Exhibit 6). Medicare and Medicaid beneficiaries rate their coverage similarly to Americans with conventional fee-for-service health insurance.

Support for public health care spending. Americans strongly believe
that we as a society should spend more on health care. Over 50 percent of the public believe we do not spend enough on health care, while only about 10 percent believe we spend too much (Exhibit 7). To probe this belief, Louis Harris and Associates asked the American public nearly a decade ago what percentage of gross national product (GNP) they believed was spent on health care and what percentage they felt was appropriate. During a period when health spending composed 8.2 percent of GNP, the public believed it accounted for 13–15 percent and
Exhibit 7

Americans’ Views On The Amount Of Money Society Spends On Health Care

Source: Kane, Parsons, and Associates, Survey of 1,510 Households, 1986.

identified 16–20 percent of GNP as appropriate.23 Despite the growing percentage of GNP consumed by the health care sector, the public shows no inclination to reduce health care spending. Medicare may be one of the most rapidly rising portions of the U.S. budget, but an overwhelming majority of Americans (74 percent) feel that we should spend more, not less, on the program. Americans favored increased Medicaid spending over budgetary slashes by nearly a ten-to-one margin.24 Health care is the public spending area that Americans are most willing to pay higher taxes to support.25 The public interprets more health care spending as better health care—not more expensive health care—for more Americans.

Faith in medical technology. Medical research and technology are now advancing at jetlike speed, and public opinion champions funding for biomedical research even more strongly than it supports the Medicare and Medicaid programs.26 There is, however, a consensus among health economists that advances in medical technology are a major culprit for the persistent increases in health care costs.

Americans are reluctant to ration technology to limit costs. By a 71 to 26 percent margin, they agree with the statement that, “Health insurance should pay for any treatments that will save lives even if it costs one million dollars to save a life.”27 Only one-third of the public find it reasonable that some health plans may cover some treatments and medical procedures while others do not. Only 5 percent accept that technology should be rationed according to ability to pay.

When forced to make choices, the public favors care for premature children over the elderly. They place a higher priority upon curing cancer
and helping people with disabilities than rehabilitating alcoholics or remedying infertility. By a two-to-one margin, the public would rather commit resources to making life much better for 100 arthritic patients than to a surgical procedure that would give one patient five more years of life. Interestingly, when forced to endure a battery of questions with painful choices among competing technologies, many people come to accept that, even in health care, we live in a world of economic limits. Thus, a majority of the public concedes ex post facto that health insurance cannot pay for all available technologies. One promising area is “living wills” or written instructions as to how to treat patients too sick to make the decision for themselves. Eighty-four percent of the public believe the law should allow doctors to honor “living wills,” even if it means allowing a patient to die.

**Concern about access to care.** Access to care has deteriorated somewhat over the past ten years. Gallup reports an increase from 15 percent to 21 percent between 1976 and 1987 in the number of Americans reporting, “. . . There have been times in the past year that I didn’t have money to pay for my health care.” Thirty-six percent of the public report that the cost of medical care often keeps them from going to the doctor or buying medicine in 1987, up from 27 percent in 1981 (Exhibit 8).

Whatever their own situation, Americans are concerned about the less fortunate. In 1976, over 62 percent describe themselves as a “great deal” concerned, and 29 percent, concerned “a fair amount,” about ensuring that all Americans receive adequate health care. Ten years later, by a margin of 73 to 24 percent, the public indicated that they favored a constitutional amendment guaranteeing every American “a right to adequate health care if he or she cannot pay for it.” In fact, 42 percent of the public believe the constitution already guarantees this right.

**Role of the public sector.** During the presidencies of Richard Nixon and Jimmy Carter, public opinion polls showed a majority (61 percent) of Americans favored national health insurance. A closer examination reveals, however, that the electorate often interpreted national health insurance as either expanding the number of Americans under federal coverage or increasing federal regulation of hospitals and doctors. The number of Americans who favored government-owned and -operated health insurance constituted but one-quarter of the electorate.

Following the election of Ronald Reagan in 1980, discussion of national health insurance waned. Nevertheless, as the number of uninsured Americans grew in the midst of a prolonged economic expansion, elected officials introduced legislation to extend coverage to the two-thirds of the thirty-seven million uninsured Americans who were from families with
Exhibit 8
Frequency With Which People Refrain From Using Medical Services Due To Costs

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<th>50</th>
<th>60</th>
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Source: HIAA Survey of 1,500 Households.

gainfully employed workers. The most publicized of these approaches was that of Sen. Edward Kennedy (D–MA)–to mandate that all employers offer their employees a basic health insurance package.

Public opinion polls show strong support for the federal mandate approach as well as other proposals to expand health coverage, such as expanding Medicare to cover the uninsured and encouraging states to cover the uninsured (Exhibit 9). However, the public opposes efforts to expand coverage when the package includes higher taxes on either health insurance or hospital revenues to pay for the coverage. On the other hand, Americans are willing to pay for expanded coverage through higher “sin taxes,” or taxes on the employer, but not via higher income taxes.

Undoubtedly, the seemingly “free-lunch” facet of employer-mandated coverage appeals to the public. As the debate proceeds over the merits of mandated coverage, and opponents identify the employment costs, we can expect support for mandated coverage to decline. It is noteworthy that following a year of moderate scrutiny, support for mandated coverage fell five points, while support for expanded Medicare coverage gained five points.

Cost containment. With over two-thirds of the public dissatisfied with
the cost of care, Americans by a 74 percent to 26 percent majority reject the claim that “on the whole, the health care system works pretty well, and only minor changes are necessary to make it work better.” Yet, when they are offered specific cost-containment initiatives, they fail to respond in a manner expected of a people searching for change.

Public support is greatest for initiatives that are de facto expansions in covered benefits. The strategy of these expansions is that they will lead to a substitution of inexpensive care for expensive inpatient care. Thus, by a 50 percent to 27 percent margin, Americans believe that expanding preventive benefits will effectively reduce costs. By 67 percent to 28 percent, they think that expanding outpatient preadmission testing will reduce costs. Americans support mandatory second surgical opinion programs by 68 percent to 30 percent. The majority of Americans believe employers should offer HMO and PPO plans as alternatives to their conventional insurance to reduce costs.

In the abstract, the public grudgingly accepts initiatives that may lower the demand for medical care. By a 48 to 14 percent margin, they concur that “patients and doctors would try harder to cut health care costs if health insurance did not pay most of people’s health care expenses.” Americans agree that coordination of benefit efforts (for families with

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**Exhibit 9**

Public Support To Expand Coverage For Groups Not Currently Covered, 1988

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<tr>
<th>Percentage</th>
<th>Favor</th>
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more than one insurance policy) will be effective by 42 percent to 30 percent.\(^{43}\)

When pollsters present cost containment as personal sacrifice of one’s own demand for care, however, the public voices disapproval. They reject treating a portion of the employer’s contribution for their health insurance as taxable income by a 29 percent to 63 percent margin.\(^{44}\) Americans reject higher coinsurance and increased contributions for health insurance as a solution to rising health care costs by 23 to 74 percent.\(^{45}\) If PPOs mean lower cost sharing when using preferred providers, the public approves by 58 percent to 36 percent. However, if PPOs mean higher cost sharing when using nonpreferred providers, they disapprove by 33 percent to 66 percent.\(^{46}\) With experience, support for preadmission certification has declined so that a minority of Americans now approve of these rapidly growing utilization review programs.\(^{47}\) Heavy users of health care services are particularly adamant in their opposition.\(^{48}\)

The public also overwhelmingly disapproves of any cost-containment initiatives that translate into lower quality of care. Thus they reject nonprice rationing such as longer waits for appointments or elective surgery by as much as 18 percent to 81 percent.\(^{49}\) Americans are almost evenly split about increased use of paraprofessionals and clinic settings to lower costs.

To control health care costs and assure quality of care, the American public generally supports government intervention in the marketplace. By 82 percent to 4 percent, Americans call for more rather than less government effort to control costs.\(^{50}\) They agree with the statement that, “Quality will decline without government standards or regulation.”\(^{51}\) They see the good of government regulation outweighing the bad by a 50 percent to 29 percent margin. Just as the public backed President Carter’s hospital cost-containment initiative in the late 1970s, they support regulation of hospital charges and other health care prices (Exhibit 10). Yet, the public also regards government as a culprit. Seventy-eight percent of the public believe that “. . . Government agencies that set and enforce health care standards . . . deserve a lot or some . . . of the responsibility for rising health care costs.”\(^{52}\)

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**Public Opinion And The Future Of American Health Care**

What do these attitudes suggest about the future of health policy? Humphrey Taylor, president of Louis Harris and Associates, identifies six conditions that increase the likelihood that public opinion will translate into policy: (1) a large majority favor the policy for an ample period of time; (2) the public appraises the issue as important; (3) the issue is
Exhibit 10
“Should State Governments Be Involved In Controlling Hospital And Health Care Charges?”


relatively simple; (4) the issue will not cost the individual taxpayer much money; (5) no powerful lobby opposes the issue; and (6) the policy does not conflict with other significant and popular policies.53

To this list, we add our interpretation of recent historical change in the United States—that the course of social change is not a smoothly sloping plain but a series of wide and steep steps. Historical accidents break decades of deadlock. An assassin’s bullet ushered in Medicare and the Great Society. A fanatical Ayatollah made it possible for a conservative landslide that reversed much of the Great Society legislation.

Regarding the role of public opinion in shaping future health policy, this synthesis of public opinion polls suggests the following. First, because Americans do not regard health financing as a major issue, events outside the health care arena are likely to shape major changes in the health delivery system. Thus, a presidential landslide such as that of Presidents Johnson and Reagan, driven by the issues of the economy or foreign policy, may spur fundamental change.

Second, public opinion will restrain any changes in health financing that the public regards as leading to a deterioration in the quality of care. Third, for over a decade a majority of Americans have supported an expansion of health insurance coverage to the uninsured. They generally favor this via the existing system of public and private insurance, not through a government-owned and -operated system. Two forces working against extending the financial protection of insurance to the thirty-seven
million uninsured are Americans’ resistance to higher taxes and the low status of health financing as a political issue. Under the right circumstances—such as the landslide election of a president who fervently supports universal coverage the necessary conditions are there for an expansion of the existing system. On the other hand, the strong support for Medicare and Medicaid renders any reversal of these programs unlikely.

Fourth, although Americans express great frustration with the cost of health care, they resist swallowing the “bitter medicine” necessary to control costs. Advocates of the competitive strategy of molding a more efficient marketplace by making Americans more sensitive to the cost of health care are unlikely to get help through public legislation. Americans adamantly oppose the taxation of employers’ contributions for health insurance premiums. Restrictive PPOs with negative financial penalties will be highly vulnerable to state legislation.

The forecast for the regulatory strategy is not quite so dark. The public will support direct regulation of the price of health care services. But experience has demonstrated that controlling health care prices does not control health care expenditures. There is an excellent likelihood that the public will interpret regulatory efforts to control utilization as diminishing access to and quality of care. Americans certainly will resist efforts to limit the uses of new technologies.

From a broader perspective, Americans’ views on health care reflect many of the same patterns of thought that the public holds on other issues. Ideologically conservative and pragmatically liberal, burdened with an appetite for public services that far exceeds its willingness to pay for them, the public is unlikely to offer American leadership a solution to the desire for more health care at a lower cost. The American public—42 percent who believe that the constitution assures access to care for those who can’t afford it—is the same public that, after six years of recurring gas lines, answered a 1979 CBS/New York Times poll question, “Do you think the United States has to import oil to meet our needs or do we produce as much oil as we need?” with a 51 percent, “Must import oil” response.

The authors thank Steven DiCarlo, Lucia Hatch, Cindy Jajich-Toth, Thomas Rice, and Humphrey Taylor for their excellent comments.
4. Ibid.
6. For example, see Roper Organization, U.S. News and World Report (December 1987).
15. Ibid.
28. Ibid., 7–10.
34. Opinion Research Inc., “Public Opinion Index” (July 1987); Yankelovich, Skelly and White, “Monitoring the Attitudes of the Public.”
43. Harris, “Equicor Healthcare Survey V.”
46. Ibid.
51. Gallup, “Attitudes in Health Care Issues.”
53. Taylor, “Attitudes as a Precursor of Change.”