

Health Care and Public Policy What Do Americans Really Want?

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The U.S. health care system sits at a crossroads. A new administration is taking office in Washington D.C., and is facing daunting economic challenges. Against the backdrop of a national financial crisis and fierce competition for shrinking federal funds, transforming the health care system to address major cost, quality and access issues has never been more imperative.

Americans across the demographic spectrum embrace the gravity of the situation, according to 'Health Care and Public Policy: What Do Americans Want', the latest new survey by the Deloitte Center for Health Solutions, part of Deloitte LLP. A vast majority of respondents say they are ill-equipped to handle the financial burdens of a serious medical emergency – only 6 percent describe themselves as fully ready for such a contingency, and less than 25 percent overall believe that their financial preparation is adequate. Families increasingly are so beset by medical costs that they have less to spend on other essentials. Many are falling behind in their medical payments; 84 percent of respondents believe that the economic tailspin will now make it even harder for people to pay their medical bills.

The survey, conducted in October 2008 by the Deloitte Center for Health Solutions measured public sentiment on a wide range of public policy issues. Overall, survey respondents are frustrated and disappointed in the system as it is currently performing. Only one in five gives the system an above-average report card grade, and more than half of respondents say 50 percent or more of the amount spent on health care in the U.S. is wasted.

The U.S. health care consumer has strong opinions about what's needed to fix the system, how active the government should be in pressing change and the means of achieving reform.

Start with the presidential election itself: What role did health care play in voters' decision-making? A critical role, the survey finds. Two in three consumers describe health care as a key consideration in casting their ballot, and two in three say it will be an important policy consideration during the new president's first term.

How involved should the new government be in revising key elements of health care funding and delivery? Significant numbers of respondents don't believe that government intervention is necessarily the cure. The survey reveals that Americans generally support the idea of ensuring that everyone has insurance, but not if it means higher taxes or an individual mandate. Nearly 75 percent outright oppose or are lukewarm to tax increases to cover the uninsured, and 63 percent express concern about forcing individuals to have health insurance. Requiring employers to provide insurance for employees wins more support (53 percent are in favor).

The survey reveals wide support for expanding teaching programs in U.S. schools of medicine to increase the supply of primary care physicians (74 percent). There is somewhat less support for allowing nurses to diagnose problems and administer care for uncomplicated conditions (47 percent). Many consumers are open to alternative methods being taught to med students. But one in five is against the teaching of holistic and non-traditional methods of care in U.S. medical schools as a requirement.

Asked about increased federal support for certain areas of care, 77 percent favor improved benefits and care for veterans and military personnel and 49 percent support increased funding for mental and behavioral health services.

State governments currently play a significant role in the delivery and regulation of health care services. On the question of whether the federal government should assume control of state Medicaid programs, only 26 percent are in favor. Another 43 percent are non-committal, a reflection of possible doubt about the merits of such a takeover. In one of the more intriguing survey responses, nearly half (49 percent) say they would like state legislatures to pass laws permitting them greater access to cheaper Canadian drugs.

In areas of emerging health care innovation, the consuming public is, by and large, still wary. Asked if they would support the “medical home” – the concept of assigning a primary care practitioner to coordinate care and referrals for an individual – 73 percent express opposition or mixed feelings, likely due to concerns about protecting personal choice and uncertainty about how the process would work. Less than 40 percent favor establishing a performance-based payment system for providers. Perhaps uninformed about performance-based approaches and methods, or unclear about their potential impact, two in five are unsure and one in five is opposed.

One distinct factor in enacting reform is how to take 20th-century care models and medical information systems to a more efficient and effective 21st-century level. In keeping up with a demand for change, how rigorous should the federal government be in enacting standards for medical care and the use of medical information? The survey finds that:

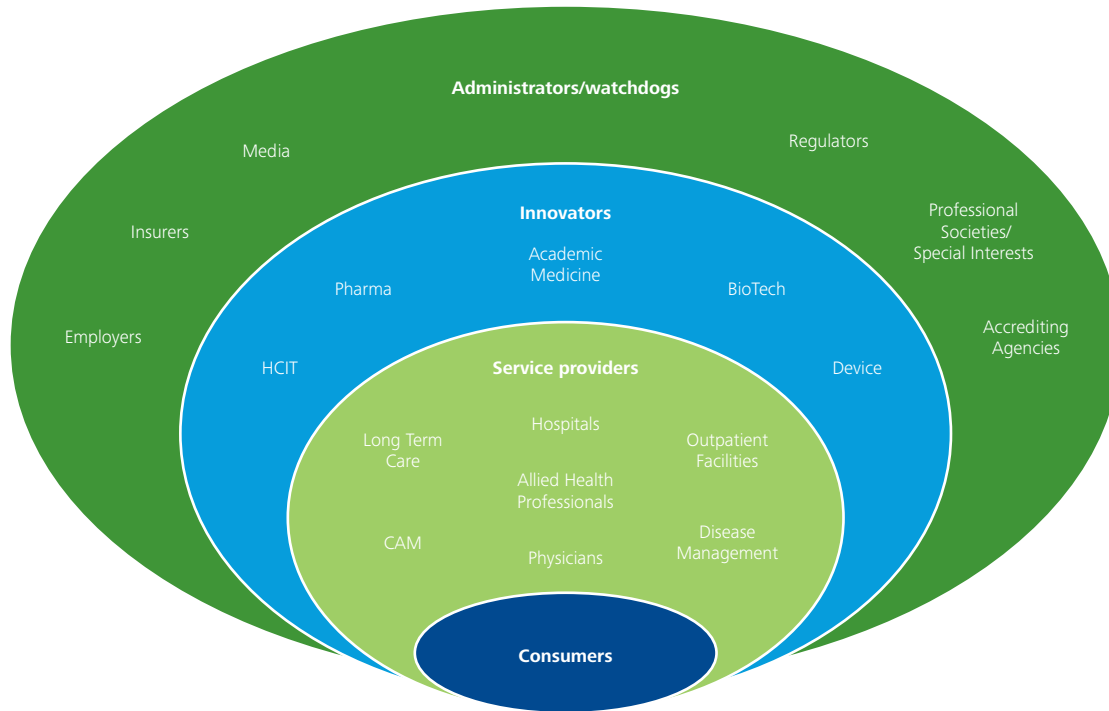
- Two-thirds of the survey pool cite opposition or have mixed views on the establishment of a national program of financial incentives for doctors who follow scientifically proven approaches – possibly indicating a lack of understanding about what evidence-based medicine entails.
- Only four in 10 favor increased government funding and incentives to support adoption of electronic medical records by doctors, hospitals and health plans.

- Six in 10 consumers endorse the government establishment of standards for how medical information is collected, stored, exchanged and protected – far surpassing the second option of leaving the task to health plans (21 percent).
- Nearly 60 percent of respondents don’t believe or have reservations that the Food and Drug Administration (FDA) should be allowed to compile information about those who take prescription medications to monitor safety and effectiveness after products have been released into the market.

In addition to more conventional public policy areas, Deloitte measured consumers’ interest in other aspects of health care reform, some of them less traditional and quite provocative. For instance, asked if they would support establishing a special court to consider medical malpractice claims based on scientific evidence, 54 percent say they do, and only 12 percent are opposed to the concept.

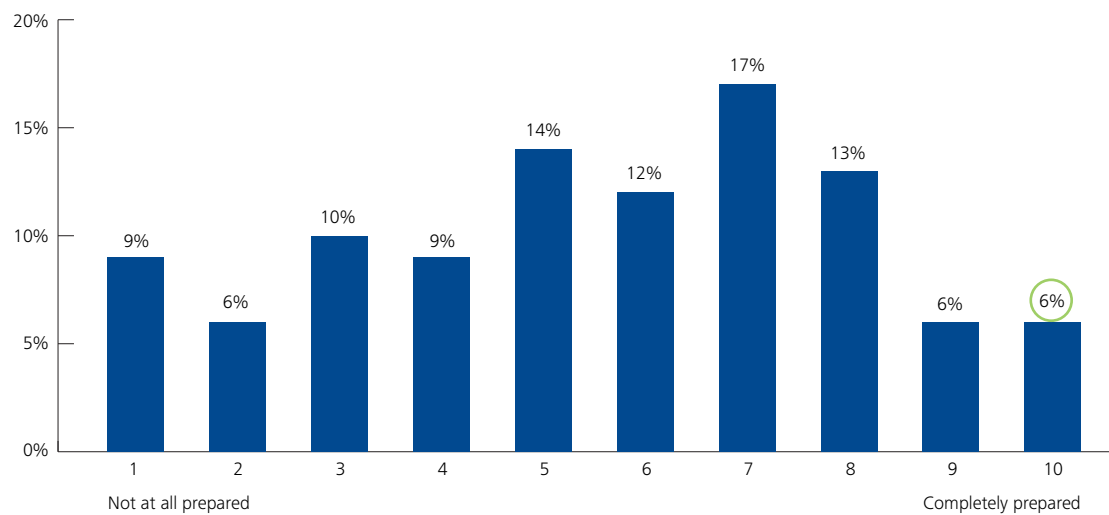
The survey collected opinions of a nationally representative sample of 4,001 adults on these and other issues. Questions addressed the overall economic impact of health care spending on their family, the anticipated importance of health care in the new administration’s first term, their level of support for 16 major policy proposals, and their views on which major players should take on specific system challenges. A deeper analysis of the survey results, including breakdowns by gender, age, race/ethnicity, insurance source, and health status, is included in the accompanying PowerPoint deck.

Context: The U.S. health system is big, complex, fragmented, expensive



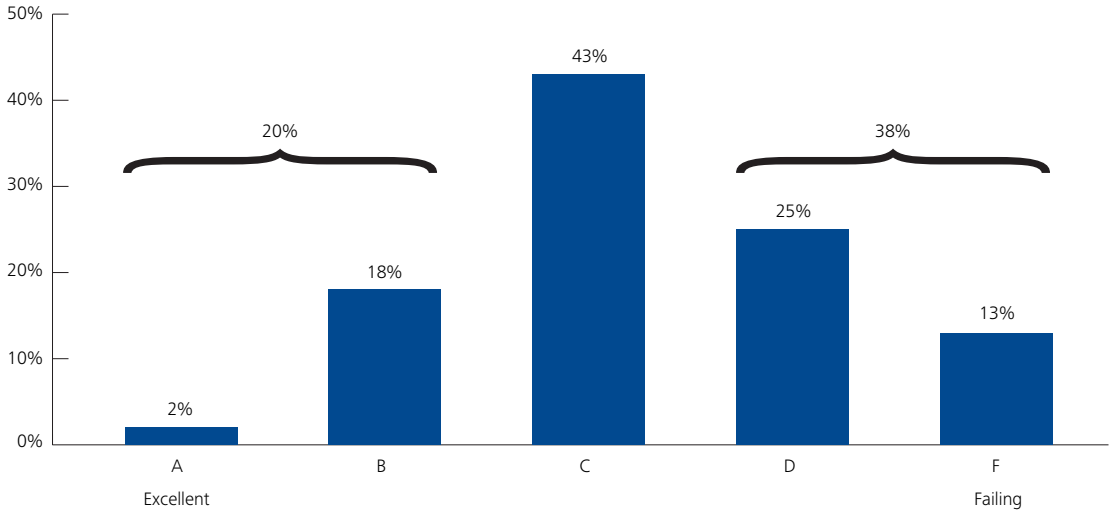
Only 6% say their household is completely prepared financially to handle anticipated health care costs

To what extent do you feel your household is financially prepared to handle future health care costs?



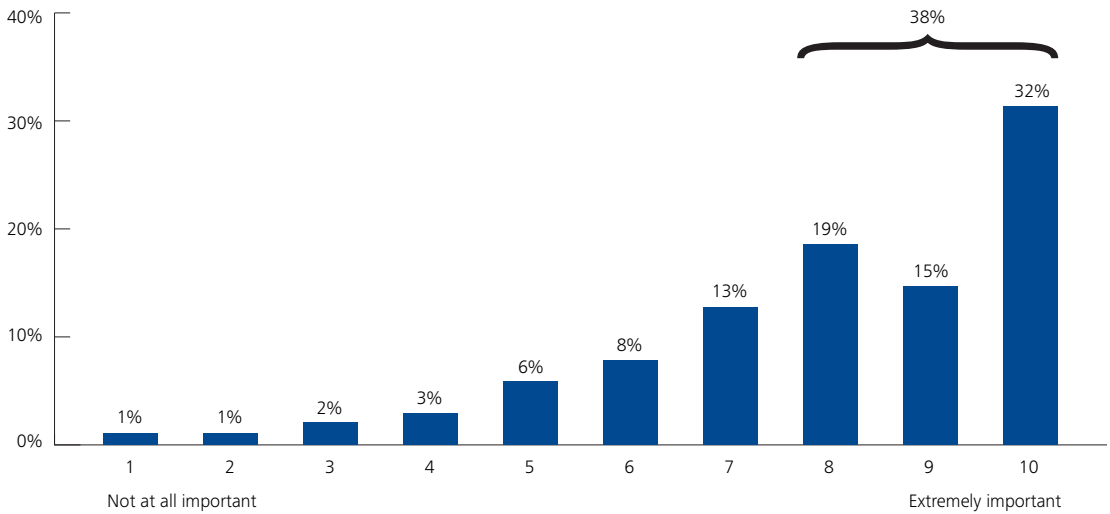
Only 1 in 5 consumers give the U.S. health care system an above-average report card grade; those grading the system "F" outnumber those giving it an "A" by 6 to 1

How would you grade the overall performance of the U.S. health care system?



2 in 3 consumers say health care will be important in the new administration

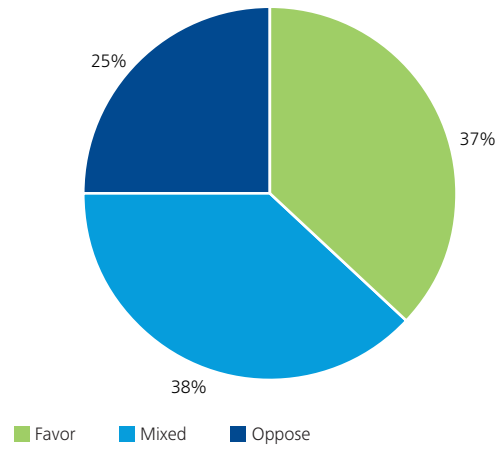
Given all the issues the new President will face, how important will health care be during his first term?



Individual mandate

Opinions about an individual mandate vary widely: there is no consensus

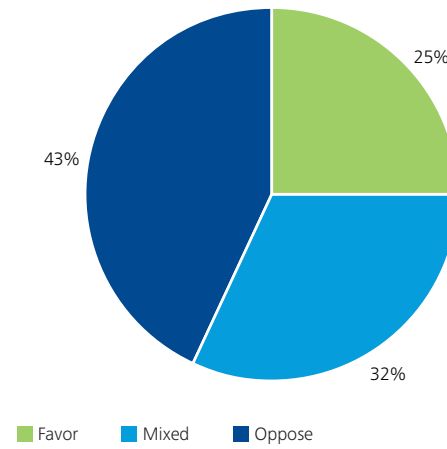
Requiring every American to have health insurance by purchasing on own, obtaining via employer, or enrolling in government program



Tax Increases to pay for the uninsured

The majority (75%) oppose or have mixed feelings about tax increases to fund universal coverage

Increasing taxes to help provide health insurance coverage for the 47 million Americans who do not currently have it



Contact Information

To learn more about the Deloitte Center for Health Solutions, its projects and events, please visit www.deloitte.com/centerforhealthsolutions.

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