

PUBLIC PERCEPTIONS OF HEALTH CARE COSTS IN MASSACHUSETTS

A REPORT FOR THE BLUE CROSS BLUE
SHIELD OF MASSACHUSETTS FOUNDATION

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EXECUTIVE SUMMARY

Health care costs in Massachusetts are higher than in the nation as a whole and rising. Because health care affects families so directly, public support is likely to be critical to the success of any policy approach aimed at reducing costs of care. This report presents the results of a recent poll of the Massachusetts public on their views of the current health care situation in the state today.

Given a choice of four health care problems typically cited as among the most pressing in the state, this poll finds that more Massachusetts residents consider the high cost of health care in the state to be a crisis or major problem than any of the other three problems cited (limited ability to access needed health care, low quality of health care services, and long wait times for medical appointments).

Concerns about the excessive charges of pharmaceutical companies, insurance companies, and hospitals dominate public opinion about the major reasons for high health care costs in the state. Between six out of ten and three-quarters of Massachusetts residents think that these members of the health care sector charge too much for products or services. In addition, nearly two-thirds of Massachusetts residents think that the medical costs incurred by individuals who do not take good care of their health are a major reason for high health care costs.

About half the Massachusetts public thinks several other factors are major reasons for high health care costs. These include excessive charges by physicians, medical malpractice lawsuits, limited efforts by Medicare or Medicaid to contain costs, too much paperwork in the health care system, individual overuse of medical services, and the bargaining practices of large hospitals and doctors' groups.

Massachusetts residents are least likely to cite overuse of expensive, high-tech medical equipment, misuse of expensive teaching hospitals, or people not shopping around for low-cost physicians as major reasons for rising health care costs.

Taken together, these findings suggest that the public is likely to respond more favorably to cost-containment measures that address the amount of money pharmaceutical companies, insurance companies, or hospitals charge for medicines, health insurance, or medical services. Massachusetts residents may also respond favorably to measures that create incentives for people to engage in health-promoting behaviors. Conversely, findings suggest the public may not respond as favorably to cost-containment measures designed to limit overuse of services or encourage patients to shop around for low-cost physicians or medical services.

The poll finds no public consensus on which group should take the lead on efforts to reduce rising health care costs. However, an overwhelming majority of Massachusetts residents do think the state government should take some major action to address high health care costs. Given that the public is skeptical of the state government's ability to solve tough problems, it may be helpful if state policymakers involved in these efforts initiate a dialogue about health care costs with insurance companies, hospitals, and physicians.

There is broad bipartisan consensus on the major reasons for high health care costs in the state today. However, Democrats are more likely than Republicans to think the government should take the lead in reducing health care costs in the state. They are also more likely than Republicans to be confident that the state government's action will actually reduce future costs of health care in the state.

Finally, the public in Massachusetts is not convinced that health care costs in the state have been addressed by national health care laws. The majority think the Affordable Care Act will either increase future health care costs in the state or not make much difference. Republicans are significantly more likely than Democrats to think the national law will increase future costs of care in Massachusetts.

INTRODUCTION

Health care costs in Massachusetts are higher than in the nation as a whole and rising. Policymakers, businesses, union leaders, and insurers have considered various measures to address health care costs in the state. Proposals range from a system of “global payments,” in which hospitals and doctors are paid a monthly per-patient budget for care, to requiring insurers in the state to reduce payments to high-cost providers. Because health care affects families so directly, public support is likely to be critical to the success of any policy approach aimed at reducing health care costs.

This report presents the results of a recent poll of the Massachusetts public on their views of the current health care situation, and examines three main questions:

1. What do Massachusetts residents see as the major health care problems in the state today?
2. What does the public believe are key reasons behind the high cost of health care in the state?
3. Who do Massachusetts residents think should lead future efforts to reduce high health care costs in the state?

METHODS

The data presented here come from a poll of the Massachusetts public designed by the Harvard School of Public Health and the Blue Cross Blue Shield of Massachusetts Foundation. The project team was led by Robert J. Blendon, professor of health policy and political analysis who holds joint appointments at the Harvard School of Public Health and the Harvard Kennedy School. The Harvard research team also included Gillian SteelFisher, Johanna Mailhot, and Sara E. Abiola.

Interviews were conducted via telephone (cell phones and landlines) with 1002 randomly selected Massachusetts residents age 18 and older, by Social Science Research Solutions of Media, Pennsylvania. Respondents could choose either the English or the Spanish version. The interviewing period was September 6-19, 2011. Resulting data were weighted to reflect key demographics of the state’s adult population, including gender, age, race, and geographic area as described by 2010 US Census Data, and education as described by the 2009 American Community Survey.

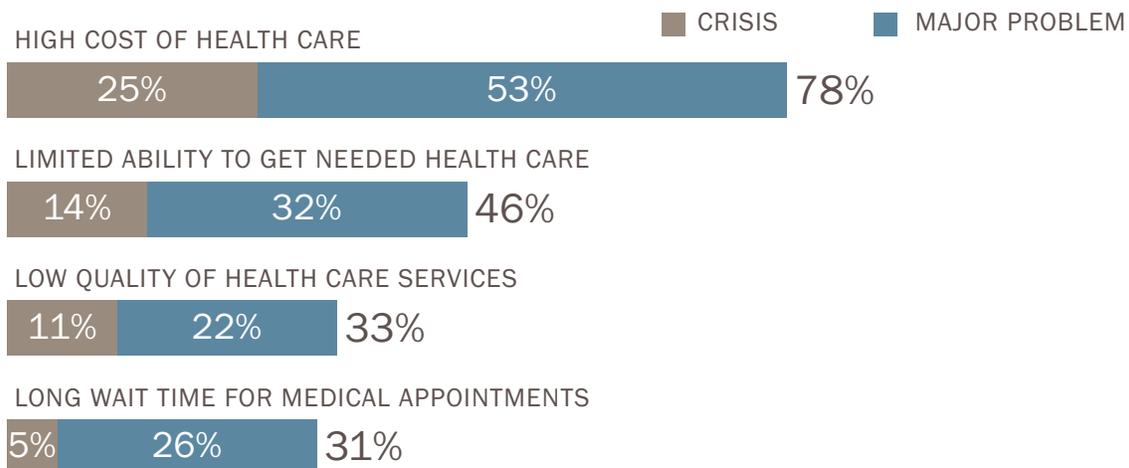
Since all polls are subject to sampling error, results may differ from what would have been obtained had the whole Massachusetts adult population been interviewed. The size of error varies with the number of persons polled and the magnitude of difference in responses to each question. The sampling error for this poll, for questions asked of the whole adult Massachusetts population, is ± 3.73 percentage points at the 95% confidence level.

I. PUBLIC VIEWS ON HEALTH CARE PROBLEMS IN MASSACHUSETTS

Respondents were asked to report the extent to which four different health care issues — the high cost of health care, low quality of health services, limited ability to get needed health care, and long wait times for medical appointments — were a problem in the state or not. More than three-quarters (78%) think the high cost of health care is a “crisis” or “major problem,” with slightly over half (53%) of Massachusetts residents calling it a major problem and 25% calling it a crisis in the state. The limited ability of people to get the health care they need is perceived as a major problem by 32% of Massachusetts residents; 14% think it is a crisis.

Q PLEASE TELL ME IF YOU CONSIDER IT TO BE A CRISIS, A MAJOR PROBLEM, A MINOR PROBLEM, OR NOT A PROBLEM IN THE STATE OF MASSACHUSETTS.

A



II. PUBLIC VIEWS ON REASONS FOR HIGH HEALTH CARE COSTS IN MASSACHUSETTS – PART 1

The poll asked Massachusetts residents to evaluate several different reasons for high health care costs in the state. More than six out of ten Massachusetts residents point to five different factors as major reasons for high health care costs. About three-quarters (77%) of Massachusetts residents think drug companies charging too much money is a “major reason” for the high health care costs in the state, while 72% think insurance companies charging too much is a major reason. Two-thirds (66%) think the amount of waste and fraud in the health care system is a major reason for high health care costs in the state.

Nearly two-thirds (63%) of Massachusetts residents think that hospitals charging too much is a major reason for high health care costs. The same percentage believes that the increased medical needs of individuals who do not take good care of their health is a major reason.

Q PLEASE TELL ME WHETHER YOU FEEL IT IS A MAJOR REASON, MINOR REASON OR NOT A REASON FOR HIGH HEALTH CARE COSTS TODAY.

A

DRUG COMPANIES CHARGING TOO MUCH MONEY

■ MAJOR REASON

77%

INSURANCE COMPANIES CHARGING TOO MUCH MONEY

72%

THE AMOUNT OF WASTE AND FRAUD THAT OCCURS IN THE HEALTH CARE SYSTEM

66%

HOSPITALS CHARGING TOO MUCH MONEY

63%

SOME PEOPLE DON'T TAKE GOOD CARE OF THEIR HEALTH,
SO THEY NEED MORE MEDICAL TREATMENT

63%

II. PUBLIC VIEWS ON REASONS FOR HIGH HEALTH CARE COSTS IN MASSACHUSETTS – PART 2

About half the public points to several other factors as a “major reason” for the high costs of health care in Massachusetts. Among these are the bargaining practices of large hospitals and doctors’ groups, individual overuse of medical services, the number of medical malpractice lawsuits, the amount of paperwork in the health care system, doctors charging too much money, and Medicare and Medicaid not doing enough to keep costs down. Overall, low-income respondents are significantly more likely than those in higher income categories to think that hospitals, doctors, and pharmaceutical companies charging too much money are major reasons for high health care costs (not shown).

Fewer Massachusetts residents cited the following issues as a “major reason” for high health care costs: excessive use of expensive, high-tech medical equipment and expensive drugs (37%), use of teaching hospitals for routine procedures (26%), and people not shopping around for lower-cost physicians and services (20%).

Q

PLEASE TELL ME WHETHER YOU FEEL IT IS A MAJOR REASON, MINOR REASON OR NOT A REASON FOR HIGH HEALTH CARE COSTS TODAY.

A

SOME LARGE HOSPITALS OR DOCTORS’ GROUPS USING THEIR INFLUENCE TO GET HIGHER PAYMENTS FROM INSURANCE

■ MAJOR REASON

54%

THE NUMBER OF MALPRACTICE LAWSUITS

49%

TOO MUCH PAPERWORK IN THE HEALTH CARE SYSTEM

49%

SOME PEOPLE GETTING MORE TESTS AND SERVICES THAN THEY NEED

49%

DOCTORS CHARGING TOO MUCH MONEY

46%

MEDICARE AND MEDICAID NOT DOING ENOUGH TO KEEP THEIR COSTS DOWN

45%

TOO MUCH USE OF EXPENSIVE, HIGH-TECH MEDICAL EQUIPMENT AND EXPENSIVE DRUGS

37%

THE USE OF MANY EXPENSIVE TEACHING HOSPITALS FOR ROUTINE PROCEDURES

26%

SOME PEOPLE NOT SHOPPING AROUND FOR LOWER-PRICED DOCTORS AND SERVICES

20%

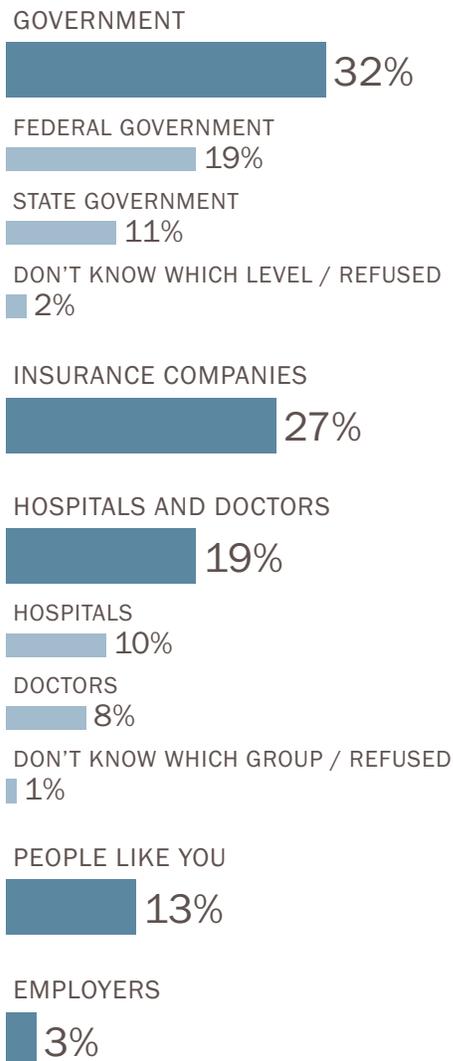
III. PUBLIC VIEWS ON LEADERSHIP TO CONTAIN COSTS OF HEALTH CARE IN MASSACHUSETTS

When the poll asked Massachusetts residents who they think should take the lead in reducing health care costs in the state, no consensus emerged. About a third (32%) thinks government should take the lead in reducing health care costs in the state, with 19% of the public thinking it should be the federal government and 11% thinking it should be the state government. Two percent were unsure or did not answer. *(Continued on next page.)*

Q

WHO DO YOU THINK SHOULD TAKE THE LEAD IN REDUCING HEALTH CARE COSTS IN THE STATE OF MASSACHUSETTS?

A



III. PUBLIC VIEWS ON LEADERSHIP TO CONTAIN COSTS OF HEALTH CARE IN MASSACHUSETTS (CONTINUED)

Significant partisan differences surfaced in views about government overall taking the lead in efforts to reduce health care costs in the state. Democrats (42%) are significantly more likely than Republicans (26%) and Independents (28%) to think government should take the lead in efforts to reduce costs (not shown).

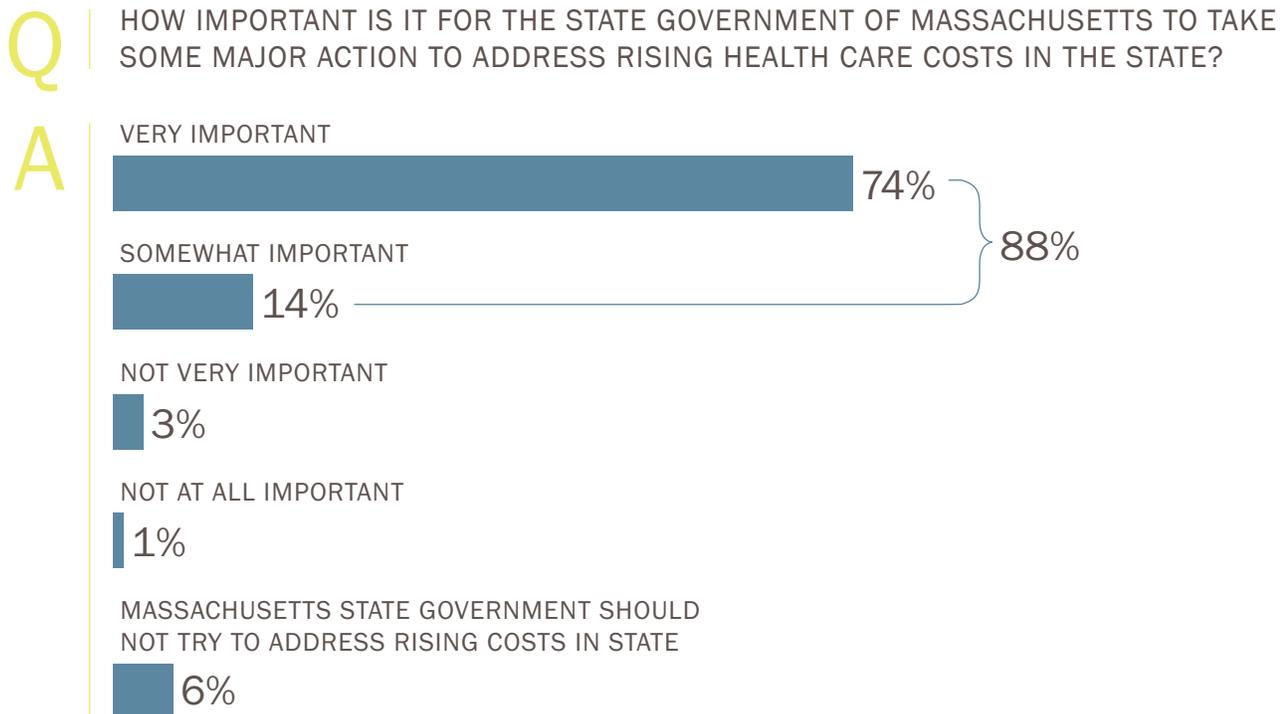
Almost half the public (46%) believes the lead should come from the health care sector — insurance companies, hospitals, and doctors. Among these health sector players, 27% of the public thinks insurance companies should take the lead.

Only 19% of the public think hospitals or doctors should lead efforts to reduce health care costs in the state; one in ten thinks that it should be hospitals and 8% that it should be doctors, with 1% unsure or not answering.

IV. PUBLIC VIEWS ON IMPORTANCE OF STATE GOVERNMENT ACTION TO ADDRESS RISING HEALTH CARE COSTS IN MASSACHUSETTS

Even though there is no public consensus about who should take the lead in reducing health care costs in the state, an overwhelming majority of the Massachusetts public (88%) thinks it is important for the state government to take “some major action” to address the rising costs of health care in the state. Three-quarters of the public (74%) call it “very important,” 14% “somewhat important.”

Bipartisan support for state government action to address the rising costs of health care in the state is strong (not shown). A majority of Republicans (64%), Democrats (80%), and Independents (73%) agree that it is very important for the state to take some major action to address health care costs in the state.



V. PUBLIC CONFIDENCE IN STATE GOVERNMENT TO REDUCE FUTURE HEALTH CARE COSTS IN MASSACHUSETTS

When Massachusetts residents were asked how confident they were that some major action taken by the state would reduce future health care costs in the state, they were almost evenly divided. Almost half (48%) the public believes the state government could take measures that would successfully reduce the costs of health care in the future, with 10% of the public “very confident” and 38% “somewhat confident.” About half (51%) is “not very” or “not at all confident” that state government’s action would be successful. Almost a third (32%) is not very confident and 19% not at all confident.

Partisan differences in public confidence in state government to reduce future health care costs in Massachusetts are significant (not shown). Democrats (64%) are more likely than Republicans (36%) and Independents (41%) to report being confident about the state government’s ability to actually reduce health care costs.

Q

IF THE STATE GOVERNMENT DID TAKE MAJOR ACTION, HOW CONFIDENT ARE YOU THAT IT WOULD BE SUCCESSFUL IN REDUCING FUTURE HEALTH CARE COSTS IN THE STATE OF MASSACHUSETTS?

A

VERY CONFIDENT

10%

SOMEWHAT CONFIDENT

38%

NOT VERY CONFIDENT

32%

NOT AT ALL CONFIDENT

19%

VI. PUBLIC VIEWS OF IMPACT OF NATIONAL HEALTH CARE LAW ON COSTS OF CARE IN MASSACHUSETTS

The poll asked Massachusetts residents about their views on the potential impact of the Affordable Care Act on future costs of care in the state. This is important, because it may suggest Massachusetts residents think the problem of high health care costs in the state has already been addressed by the new federal law. Few (12%) think the new law will lower health care costs in the state. About a third (34%) thinks it will make costs higher. Somewhat over a third (39%) thinks it will not make much difference.

Republicans and Democrats differ significantly in their views on the impact of the national health care law (not shown). A majority of Republicans (54%) thinks the law will make future costs of care in Massachusetts higher. Only 15% of Democrats agree. Independents are in the middle, with 41% expecting higher health care costs in Massachusetts as a result of the Affordable Care Act.

Q

WHAT DO YOU THINK THE IMPACT OF THAT NATIONAL HEALTH CARE LAW [THE AFFORDABLE CARE ACT] WILL BE ON FUTURE COSTS OF CARE IN MASSACHUSETTS – WILL IT MAKE THEM LOWER, HIGHER, OR WILL IT NOT MAKE MUCH OF A DIFFERENCE?

A

LOWER



HIGHER



NOT MAKE MUCH OF A DIFFERENCE



VII. PUBLIC VIEWS OF IMPACT OF NATIONAL DEBT CEILING BILL ON HEALTHCARE IN MASSACHUSETTS

The federal debt ceiling agreement has received considerable public attention in recent months. Massachusetts residents were asked their views on the potential impact of the new national law to raise the debt ceiling and cut federal spending on health care in the state. About half (49%) thinks it will not make much difference. Over a quarter (29%) thinks it will make health care worse; only 12% think it will make health care better.

Q DO YOU THINK [THE NATIONAL BILL TO RAISE THE DEBT CEILING AND CUT FEDERAL SPENDING] WILL MAKE HEALTH CARE OVERALL IN MASSACHUSETTS BETTER, WORSE, OR WILL IT NOT MAKE MUCH OF A DIFFERENCE?

