



Keeping Massachusetts Competitive



A Mass Insight Consumer Attitudes Report: HEALTH CARE

HIGHLIGHTS

Massachusetts Health Care Is First-Rate, Consumers Say

Massachusetts has one of the best health care systems in the world, and its citizens know it. They hold their doctors in high regard, have a great deal of confidence in their hospitals and insurance plans, and are increasingly comfortable with the protection their coverage provides. Yet at the same time, residents have been bombarded with messages about the daunting fiscal challenges facing the health care system. And they seem to be listening.

Gap Between What Consumers Hear and What They Experience

The **Mass Insight Consumer Attitudes Report** highlights the disconnect between Massachusetts residents' awareness of the health care system's financial stresses and their own positive personal experiences with the system. Residents rate their care and coverage highly, yet say the system needs revamping. Costs in the abstract are a worry, although affordability is not a problem for most people.

Better Technology and Consumer Information Key to Solving System's Woes

This report arrives at a critical juncture in the health care industry's understanding of what needs to be done. The leaders of two key policy research groups, Massachusetts Technology Collaborative Executive Director Mitchell Adams and New England Health Care Institute President Wendy Everett, have teamed up to push for reducing costs and improving quality through leveraging of technology.

"A lot of studies say the use of IT has the potential to transform the health care industry," says Carl Ascenzo, CIO of Blue Cross Blue Shield of Massachusetts. "But bottom line, unless as an industry we work collaboratively to make this happen, it will happen at an excruciatingly slow pace."

In a recent editorial, Harvard Pilgrim President and CEO Charles Baker argues that health care costs will continue to escalate unless consumers are finally privy to the true costs of their care. "If the whole thing is just a big black box," he writes, "why should we be surprised [the system] isn't as effective or efficient as we might like it to be?"

Costs are just one aspect of the challenges facing the Massachusetts health care system, according to Corinne Broderick, Executive Vice President of the Massachusetts Medical Society. "Physicians are addressing the high costs of health care because it inhibits patients' access to care," she said. "We want to ensure that access does not become a more significant issue."

Key Findings

The **Mass Insight Consumer Attitudes Report on Health Care** should be recognized as a call to encourage leaders to join together and strengthen the system financially without jeopardizing the quality consumers have come to expect.

- A majority of respondents believe **the system needs fundamental changes**, but don't believe the state has a strategy to restore financial stability.
- One out of four residents believes a **solution must involve a coordinated effort** that includes doctors, hospital leaders, state government, insurers and business leaders.

HEALTH CARE COSTS and ACCESS

Consumers hear about cost burden, but most say they don't yet feel it

Health care consumers have heard the steady drumbeat of reports and stories about the problems facing our health care system. They say the cost of health care coverage and prescription drugs are the system's greatest challenges. Interestingly, for most people, this general concern about health care costs hasn't yet hit home. Until costs affect their own pocketbooks, consumers probably won't change their behavior.

Health care costs in general are a big concern

- Consumers say cost of health care coverage and drugs are their top concerns, with 27% and 15%, respectively, naming them as a problem.
- Access and quality are troubling to only a small fraction of consumers.

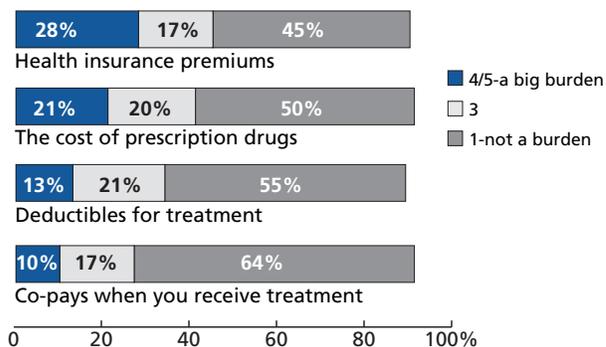
What is the single most important health care issue facing Massachusetts today?

Cost of healthcare/insurance	27%
Cost of drugs	15%
Universal coverage/care for all	13%
Elderly issues	9%
Uninsured	9%
Healthcare system in general	2%
Access to care	2%
Quality of care/service/finding MDs	2%
Name of affliction(various)	2%
Other	2%
Don't know/refused	17%

Cost on a personal level not as concerning for most

- While people are concerned about health care spending in general, most do not consider costs a big burden for them or their families.
- Deductibles and co-pays rate particularly low on the concern scale, while premiums and prescription drug costs loom a little larger.
- Health care premiums burden the poorest the most, with 35% of respondents rating it a 4 or 5
- 15% of those making \$20,000 to \$34,999 view deductibles as a very big burden
- Prescription drug costs are a very big problem for lower income consumers (28%) and seniors (31%).

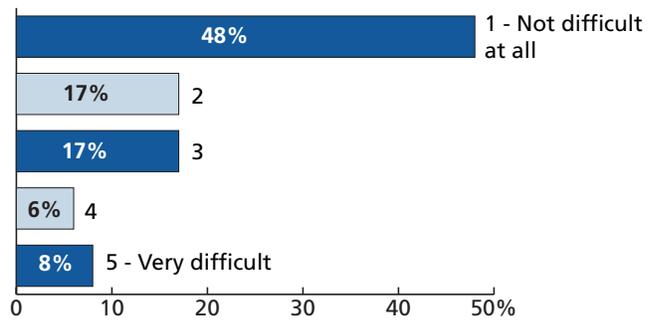
How large of a financial burden is each of the following aspects of health care to you and your family?



Health care remains easily accessible for most

- Accessing health care is not viewed as difficult for most consumers, with almost 1 in 2 saying it is not difficult at all. Fewer than 1 out of 10 people view access as very difficult.
- The lower a person's income, the tougher they say it is to access care, with 18% of the lowest income respondents rating their difficulty as a 5, while only 8% of all respondents say access is very difficult.

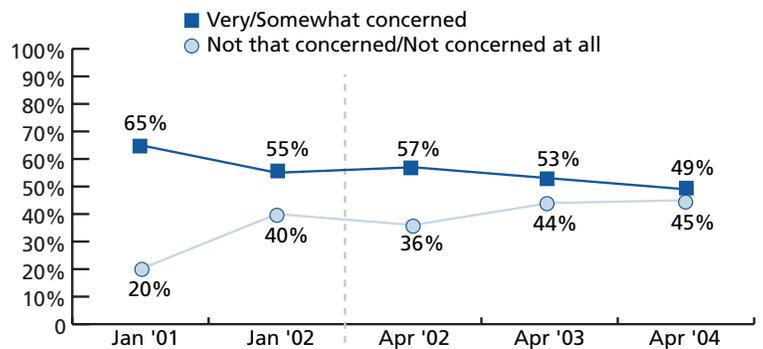
How would you rate the difficulty of obtaining health care services you need for yourself and your family?



Concern about limited access continues to decline

- While almost half of respondents are concerned about their insurer limiting access to health care, that number has declined steadily over the past several years. The number of respondents who say they are not concerned about their insurer limiting access has more than doubled since 2001, from 20% to 45%.

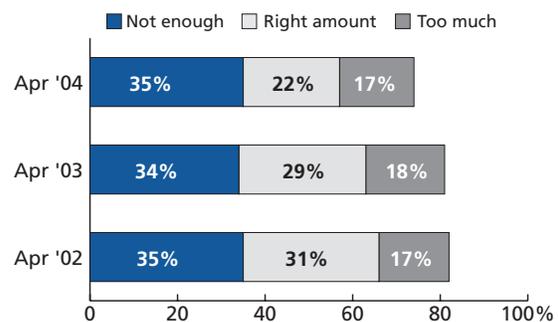
How concerned are you that your HMO or insurance carrier might limit your access to a particular doctor or hospital and force you to seek treatment somewhere else?



Some support for more Medicaid funding

- More than a third of respondents have said consistently over the past several years that they want the state to spend more to cover Medicaid expenses.

Do you think the state is spending too much, the right amount, or not enough for the hospital bills of Medicaid patients?



DOCTORS and HOSPITALS

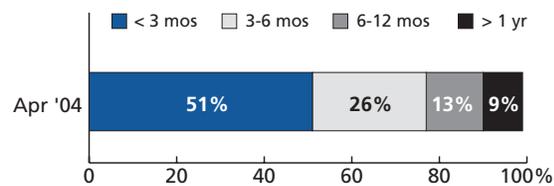
Consumers continue to value their doctors and hospitals

For a decade and a half, Massachusetts residents have rated the quality of their care very highly. Consumers have positive feelings about their doctors (87%), hospitals (80%), and insurers (78%).

Vast majority of consumers have visited their doctor within the last year

- Nine out of ten respondents have visited their doctor in the last twelve months.
- 61% of those earning \$0 to \$19,999 have visited a doctor in the last 3 months.
- 13% of those 31-45 have not visited a doctor in more than a year, compared to 8% of all respondents.

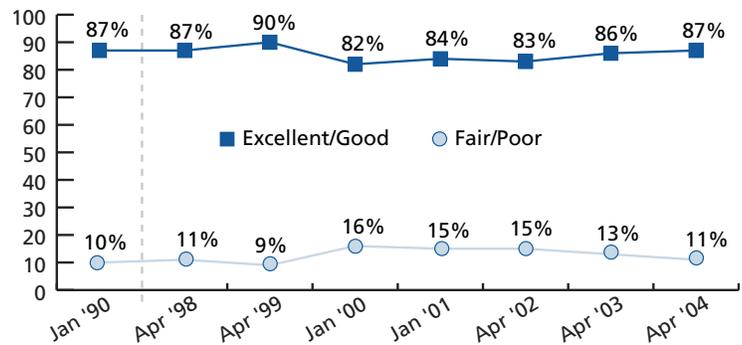
When was your last visit to a doctor?



Doctors and hospitals receive high ratings

- Consumers have a great deal of confidence in their doctors and have given them consistently high ratings over the last decade and a half.
- 8 out of 10 consumers report that their most recent hospital visit was good or excellent and that positive view of hospitals has been sustained over the years.

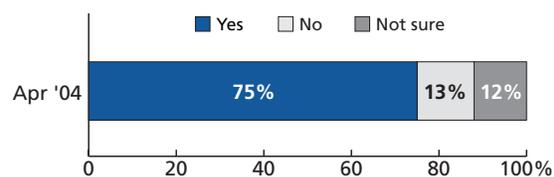
How would you rate the quality of care provided by your doctor?



Public sees malpractice rates as a concern

- Consumers worry about the cost of malpractice premiums for doctors, with 3 out of 4 respondents viewing it as a major problem.

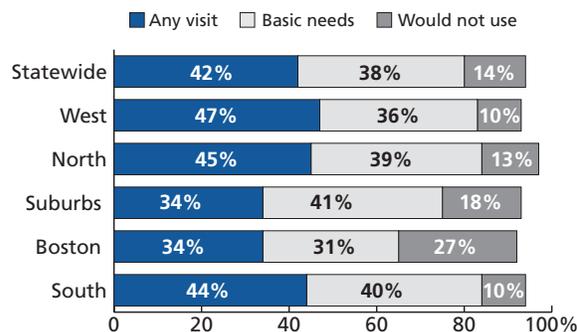
Do you think that the costs of malpractice insurance is a major problem for doctors?



Community hospitals remain valued

- 8 out of 10 residents would use community hospitals for non-emergency situations.
- People in the western part of the state value community hospitals the most, with 47% saying they would use them for any type of visit.
- Consumers generally express support for use of community hospitals for routine care, but have less confidence in them for emergencies.
- 22% of Boston residents say they would never use their community hospital.
- The lowest income respondents are the least likely to use their community hospitals, with 26% saying they would not use them under any circumstances.
- 27% of Boston residents, for whom the teaching hospitals serve as their community providers, are also less likely to use community hospitals, the highest response of any region. By comparison, 14% of those in the highest income bracket say they would never use them.

Which statement best describes your opinion of the community hospital closest to where you live:



COVERAGE and INSURERS

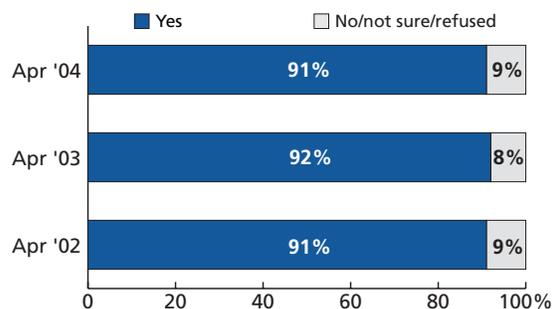
Insurance coverage remains high in Massachusetts

Most people are insured, and satisfied with their coverage. Lack of insurance is not a problem for most Massachusetts residents. And since 2001, as the managed care industry regained its financial footing, the public has become increasingly confident in the coverage their insurers provide.

Majority of Massachusetts residents are insured

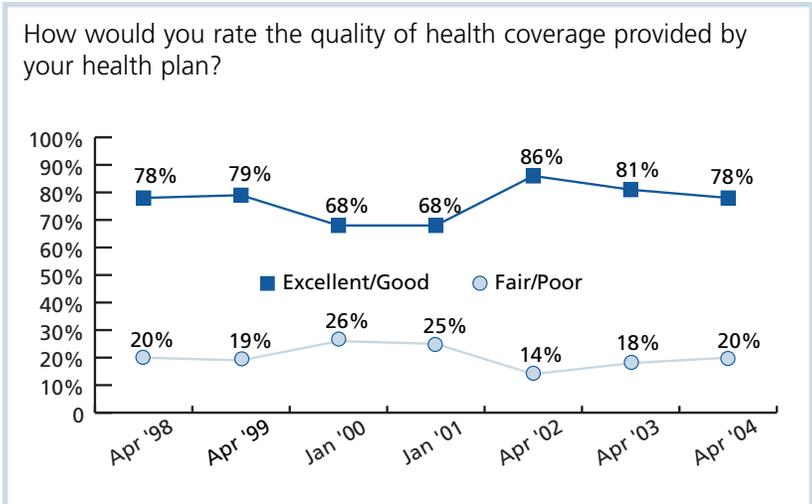
- More than 90% of residents in our survey said that they have some form of coverage.
- The 18-30 age group has the largest percentage number of uninsured at 15%.
- 26% of those earning less than \$20,000 are without health insurance.

Are you covered by some form of health insurance or HMO coverage?



Coverage receives glowing marks across the board

- Almost 8 in 10 respondents view their coverage as excellent or good – a rate that has generally held steady since the end of the HMO fiscal crisis in 2001.



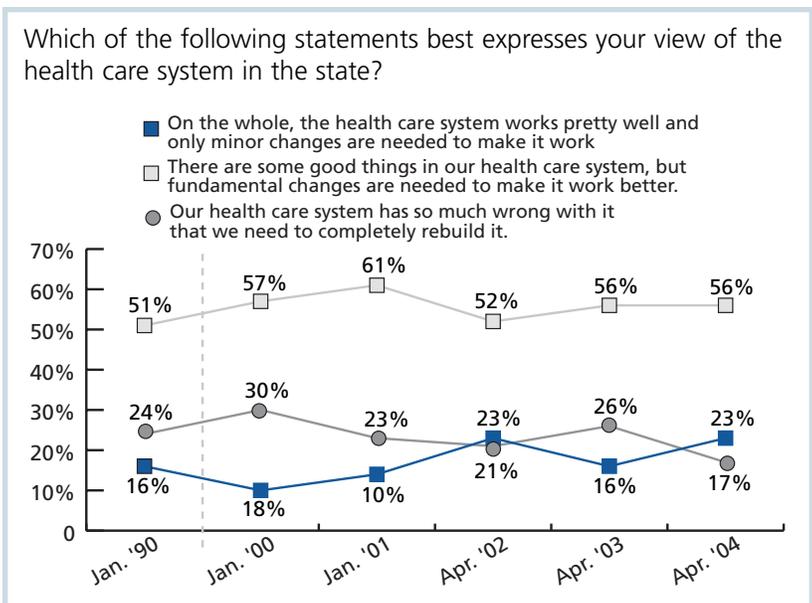
ISSUES and SOLUTIONS

Consumers want solutions, but find no consensus yet on best options

Despite high levels of personal satisfaction, a majority (56%) of residents think the Massachusetts health care system needs fundamental change. This call for action has remained constant over the last decade and a half. However, there is no sense that a solution is in the works. Opinion is evenly split over whether it's a good idea to raise state taxes to support adequate reimbursement to doctors and hospitals that care for the uninsured.

Consumers say system needs overhaul, despite satisfaction with their own health care

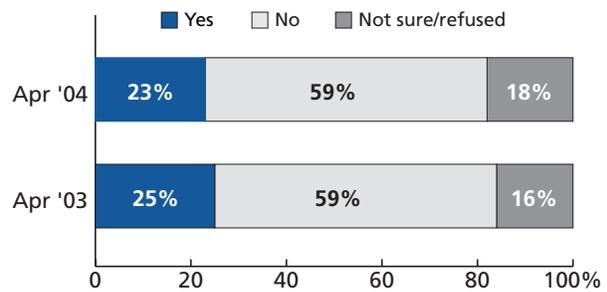
- Despite confidence in their coverage, doctors, hospital care, and the personal affordability of health care, 56 % of consumers still believe the system needs fundamental change.
- Just 2 out of 10 people feel that only minor changes are necessary to fix the current system.



The public wants a plan to solve health care woes

- The majority are still looking for a specific plan or strategy from state government to keep the system financially stable and don't believe the state has such a plan.
- The youngest and the oldest respondents were the most optimistic that the government has a plan to financially strengthen the system. 32% of those 18-30 believe a plan exists, compared to 31% of those over 65. Only 18% of all respondents believe the government has a strategy.

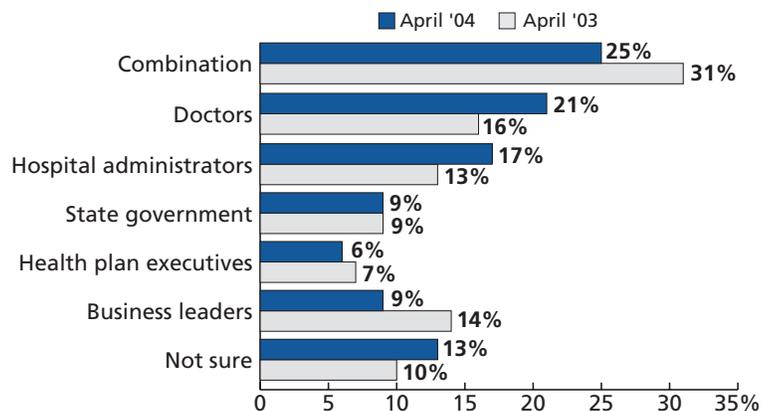
Do you think that the state government has a strategy to keep the health care system financially stable or not?



Coordinated, team approach needed

- Consumers are split on who should solve the problems with the health care system. The largest group see the solution coming from a coordinated effort including doctors, hospital leaders, insurers, the business community and state government.

Who would you have the most confidence in to solve the Commonwealth's health care problem?



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Fourteen Years of Tracking Health Care Attitudes

Mass Insight's Consumer Attitudes Report on Health Care builds on fourteen years of tracking the health care opinions of Massachusetts residents. The survey consisted of interviews with 500 randomly selected residents of Massachusetts between April 30 and May 3, 2004. New data, especially in the area of costs and their impact on consumers, adds significant depth to the historical data Mass Insight has collected over the years.

About Mass Insight Corporation

Mass Insight Corporation is a public policy research and consulting firm that seeks to keep Massachusetts and its businesses and institutions globally competitive. Through client and leadership networks, the firm shapes public-private dialogues and delivers policy results on issues where state actions and investments affect profitability, growth and new jobs.

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