

Public Opinion Monitor

A publication of  Public Sector Consultants, Inc.

Underwritten by  Michigan Hospital Association

The *Public Opinion Monitor* reports the findings of a series of surveys conducted each year on state policy issues. The *Public Opinion Monitor*, underwritten by the Michigan Hospital Association, interviewed 800 residents 18 years old and older from April 24 to 26, 1993. The survey included trend data on the governor's and legislature's approval ratings, economic confidence, and party affiliation.

The Michigan Hospital Association is underwriting the cost of the *Public Opinion Monitor* as a public service. The association hopes to promote a better understanding of the political climate, to more fully explore the public's attitudes about policy issues, and to assist in the development of a vision to shape the future of health care delivery in Michigan.

The complete survey, including questions and data, is available from Public Sector Consultants' Public Opinion Research Institute. For further information, call 517/484-4954.

The Time Is Now for Health Care Reform

by William Sederburg

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Public Sector Consultants, Inc.

This *Public Opinion Monitor* continues to track economic confidence, approval ratings of political leaders, and the public's priorities insofar as federal and state issues are concerned. Its special focus is on people's interest in health care reform.

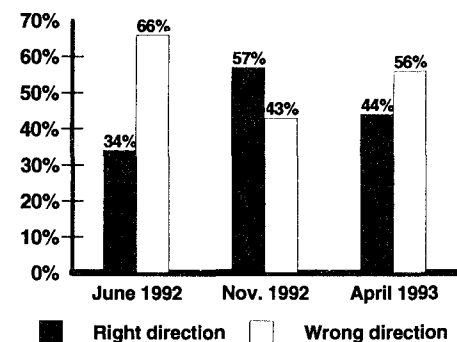
Major Findings

- Health care reform is identified as the second most important federal issue, slightly behind reducing the federal deficit.
- Affordability and accessibility are seen as the aspects of the health care system most in need of reform.
- Cynicism toward politics and politicians is the highest it has been since the inception of the *Public Opinion Monitor*.
- Returning to their pre-election pessimism, a plurality of Michigan residents again believes the country is headed in the wrong direction.
- Approval of Governor Engler has improved slightly since the November survey.
- Personal economic confidence continues to decline.

Most Important Federal Problem

	April '93	Nov. '92
Reducing the federal deficit	28%	32%
Making health care affordable and available	20	15
Reducing taxes on the middle class	13	11
Increasing the number of jobs	18	21
Reforming the political process	6	4
Maintaining world peace	3	2
Other	3	2

Pessimism Returns about the Direction of the Nation (% of respondents who expressed opinions)



Introduction

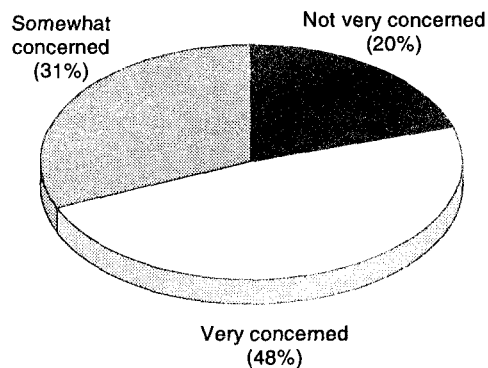
In April the *Public Opinion Monitor* surveyed 800 Michigan residents 18 years old and older from across the state to measure their opinions about federal and state issues and personalities. The particular focus of this survey was the public perception of the need for health care reform.

The belief that health care reform is necessary arises in large measure from concern about the cost of health insurance and whether people will have adequate coverage in the future. The public is willing to make some sacrifices in the form of higher taxes in order to pay for improved access to health care.

Our analysis of the poll leads us to believe that despite public support for reform of the current health care system, it will be difficult for President Clinton to succeed in pushing through a change of the magnitude being discussed. The president's "honeymoon" with Congress appears to have ended, and the findings that the public again is pessimistic about the future and cynical about politics and government combine to suggest

that the president does not have the political capital to push significant reform through the Congress. The brief period of renewed hope about the direction of the nation, measured in last November's survey, appears to have ended.

Are You Concerned that You Will Have Adequate Health Insurance Coverage in the Future?



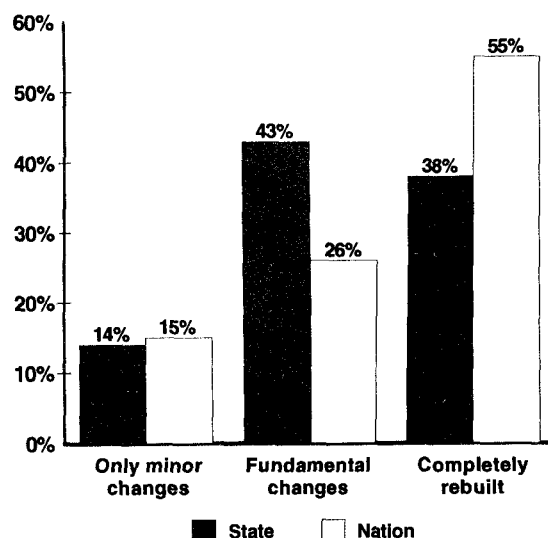
Desire for Health Care Reform

Since the November 1992 poll, the desire for health care reform has moved from the third most significant problem seen to face the federal government to the second (20 percent of respondents now identify it as most important). The number one problem in both the November and April polls was deficit reduction.

The public's support for health care reform also is evident in the finding that 81 percent of the respondents believe that the health care system should be *fundamentally changed* (43 percent) or *completely rebuilt* (38 percent). Support for the latter is less strong in Michigan than in the nation—a March 1993 national poll found that 55 percent favor rebuilding.

The public's support of health care reform comes at a crucial time. President Clinton's health care reform task force will be releasing its recommendations in the coming months and, according to the survey, Michigan residents are receptive to the idea of change.

How Much Health Care Reform Is Needed?



Basics of Health Care Reform

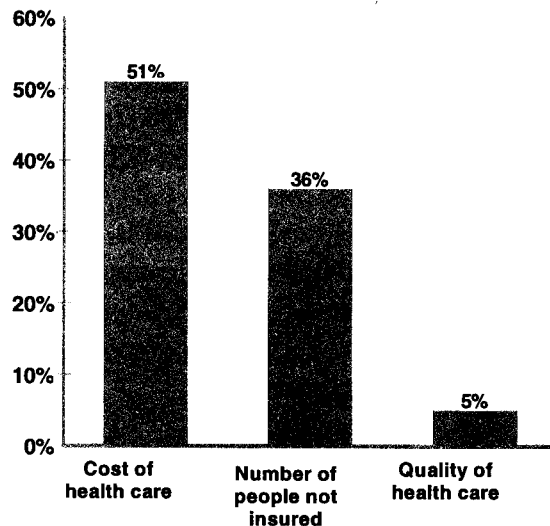
The Michigan public views health care reform primarily as a federal issue, and 50 percent of respondents believe the reform effort should be led by the federal government. There is, however, considerable support for state involvement as well: 23 percent believe reform should be led by state government. Eighteen percent support its being addressed at both levels.

In September the president's task force is expected to release recommendations to change the present system, and the *Public Opinion Monitor* asked respondents what they feel should be the major goal of health care reform. The response was clear: Most Michigan residents view health care reform as an access/affordability issue, not a quality of care issue.

Michigan residents are concerned about the need to expand the availability of health insurance. When asked what Congress's top priority should be in addressing health care, 34 percent cited providing more people with health insurance. Also cited were ensuring greater

efficiency (mentioned by 28 percent of respondents) and limiting future cost increases (16 percent). Improving the quality of health care trails, with 9 percent.

What Is the Most Important Health Care Issue?



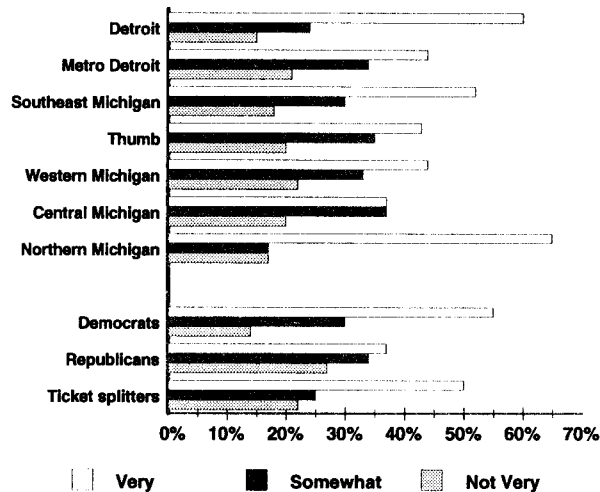
Concern about Health Insurance in the Future

Seventy-nine percent of respondents expressed concern about whether they will have adequate health insurance coverage in the future, and this concern is felt all across the state. We interpret these data to mean that a significant number of people are concerned about the future accessibility of health care.

The issue of availability of insurance and access to care is no longer worrisome only to lower-income individuals; it also has become a middle and upper-middle class issue. Moreover, concern crosses ideological and partisan political lines: Future access to health insurance is significant to both conservatives and liberals, and to Democrats as well as Republicans.

Cross-tabulation of poll responses reveals that individuals who have private insurance are more concerned about the adequacy of their coverage in the future than are individuals who have public insurance (Medicare and Medicaid).

Level of Concern about Future Adequacy of Health Insurance Coverage



What Sacrifices Will the Public Make?

If changing the health care system requires sacrifices, what will the public accept? The April survey posed a question similar to one asked in the NBC News/Wall Street Journal national poll of March 1993.

Michigan residents appear willing to make some sacrifices in order to pay for health care reform. The survey found 56 percent agreeing with the statement that "some kind of tax increase will be needed." The *Public Opinion Monitor* survey ascertained that most acceptable would be increases in taxes on beer and cigarettes and in the state sales tax. Michiganians appear to be evenly divided on the acceptability of a national sales tax. More Democrats (57 percent) than Republicans (40 percent) support such a proposal, liberals are more supportive than conservatives, and among geographical groups, Detroiters are most supportive.

Acceptability of Compromises Needed to Guarantee Reasonably Priced Health Care Coverage

	Acceptable		Unacceptable	
	Michigan	USA	Michigan	USA
10 cent per bottle tax increase on beer	84%	87%	15%	12%
Government limits on doctor and hospital charges	83	87	14	12
2 dollar per pack tax increase on cigarettes	71	70	26	28
3 percent national sales tax*	47		47	
Limits on patient's right to choose hospital*	30		69	
Limits on availability of high-tech equipment*	38		56	
One percent increase in state sale tax*	75		22	

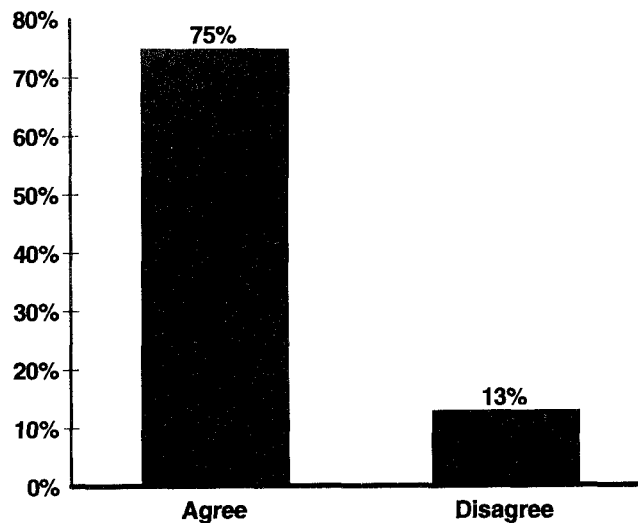
*Question was not asked in the national survey

Spirited Debate Can Be Expected

The debate about tax increases for health care will be spirited, as 75 percent of the respondents agreed with the statement that "health care spending could be reduced without hurting the quality of health care." Furthermore, the public may not be willing to make the kind of sacrifices called for by the Clinton administration. For example, limiting the patient's choice of hospital or the use of high-technology equipment are viewed as unacceptable. It appears that the public is willing to support tax increases only if convinced that adequate efficiency exists in the delivery of health services.

Considerable controversy centers on whether consumers will be willing to accept cost-saving restrictions such as limiting their choice of physician through the use of health maintenance organizations (HMOs). The survey suggests that imposing such restrictions may not be out of the question. Forty-seven percent said they would be willing to join an HMO if it were less expensive than seeing their own doctor. Fewer (40 percent) said they prefer to stay with their physician.

Do You Agree that Health Care Spending Could Be Reduced Significantly without Hurting the Quality of Health Care?



Standard Health Care Package

Central to President Clinton's wishes for health care reform is a guaranteed health care benefit package for every citizen. The *Public Opinion Monitor* asked respondents about specific services and whether they should be included in a basic package or paid for by the individual or his/her employer.

Of the specific services listed, four were identified by more than 60 percent of respondents as being desirable elements of a basic health benefits package: immunizations, health screenings, hospital costs, and visits to a physician's office.

The ability of people to differentiate among health services should be encouraging to health reformers. It may be possible for the Clinton administration to craft a package of basic health services that a majority of citizens will support.

Conclusions about Health Care Reform

Michigianians believe that the health care system needs to be changed substantially. The desire for reform is driven by economic concern about future affordability of health care insurance. It does not arise from negative attitudes toward the current quality of health care. Poll respondents believe the federal government has the primary responsibility for changing the health care system.

Although people say they are willing to make some financial sacrifices to achieve guaranteed access to health care, they do not wish to limit their access to high-technology equipment or their choice of hospitals.

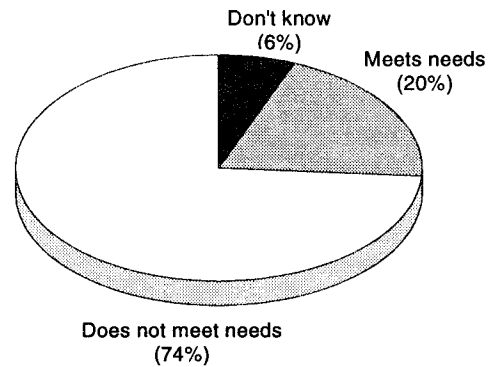
Survey highlights concerning health care include the following:

- An overwhelming percentage of people believe there is a crisis in health care funding.
- Affordability and access, not quality, are perceived as the major problems with the health care system.
- People of all income levels are very concerned about the future access to health care insurance.
- There is support for some tax hikes to pay for increased access, but there is not adequate support for a 3 percent national sales tax.
- Managed care is an option acceptable to nearly half of the public if it means lower medical costs.

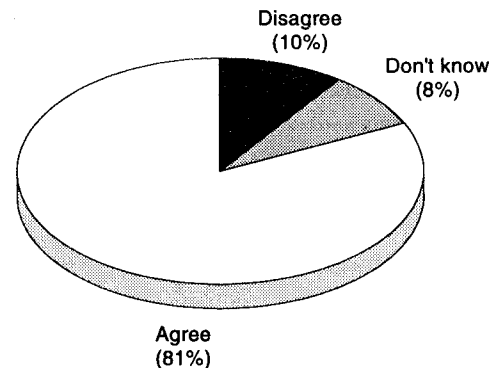
Percentage of Respondents Saying Service Should Be Part of a Basic Health Care Package

Immunization	87%
Health screening	72
All hospital costs	70
Doctor's office visits with a small payment by the patient	63
Mental health counseling	59
Vision services	55
Substance abuse services	50
Doctor's office visits without any payment by the patient	39
Chiropractic care	27

Does the Current Health Care System Meet the Needs of Most Americans?



Do You Agree that the Way We Finance the Health Care System Has Reached a Crisis?



Major State Issues

The April survey is the seventh in the series of *Public Opinion Monitor* polls. In all—regardless of how the question was asked—the state issue most on respondents' minds has been the need to reduce unemployment and improve job opportunities. In the recent survey an open-ended approach was used: interviewees were asked what they believe to be the most important state issue.

The major change since the November survey is that fewer people now identify crime and drug use as the most important state issue, and more mention education reform and financing. This shift could be due to the visibility being given at the time of the survey to school finance reform because of Proposal A.

The question about legislative priorities was closed-ended; that is, respondents were given a number of options from which to choose their top priority. Support for the various priorities is evenly distributed. When the responses to school finance reform and property tax reduction are combined, however, a clear plurality (32 percent) emerges.

Increasing Cynicism

The *Public Opinion Monitor* tracks public attitudes toward politics and politicians through a series of questions about the trust people have in the political system. Three questions comprise an "incumbency trust scale." Respondents are divided into *believers* (who trust politicians, think they make decisions for the betterment of society, and believe they keep their promises), *optimists* (who are slightly positive), *critics* (who are slightly negative) and *cynics* (who do not trust politicians, do not think they make good decisions, and do not believe they keep their promises).

The percentage of people classified as critics and cynics has increased dramatically since November: 67 percent of the respondents can be so classified. Fifteen percent more say that politicians do not even try to keep their campaign promises. Incumbency trust is independent of ideology, party, age, education level, or region of residence.

Following the 1992 election there was a drop in cynicism, but the pre-election antipolitian attitude

What Is Most Important Problem Facing Michigan Today?

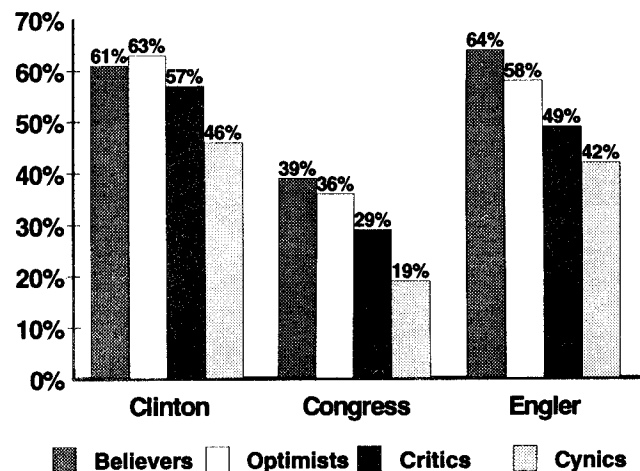
	April 1993	Nov. 1992
Jobs and the economy	30%	42%
High taxes/state budget	18	6
Education/education funding	15	9
Property tax relief	7	6
Health care reform	7	7
Reducing crime	6	15
Helping the needy	5	3
Protecting the environment	2	5

What Should Be the Legislature's Top Priority?

Stimulating economic growth	23%
Changing the way schools are financed	17
Health care reform	16
Reducing property taxes	15
Reducing influence of special interests	15
Balancing the state budget	9

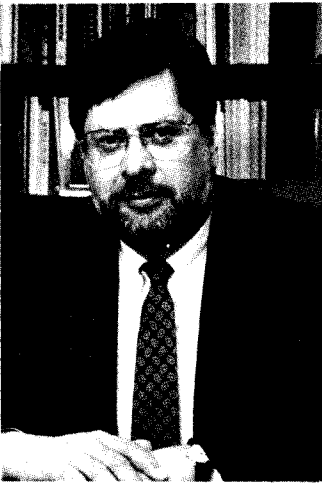
apparently has returned. In fact, in a statewide survey on Proposal A, Public Sector Consultants found that cynicism toward politics was the major factor working against its passage.

Incumbency Trust



FROM SPENCER C. JOHNSON

Consequences of Health Reform Remain Ambiguous



Spencer C. Johnson
President
Michigan Hospital
Association

Health care reform in this state is now being prodded, not so much by the traditional altruism of Michiganders toward the less fortunate, but by the self-interest of the insured middle class seeking guarantees for continued access to health care. The April *Public Opinion Monitor* survey showed that while the cost of health care remains the top immediate concern for about half of the state's residents, four out of every five Michiganders are worried about their future ability to obtain adequate health insurance coverage. If you combine that anxiety with the surprising fact that 75 percent of survey respondents would support a one cent state sales tax increase to expand health care coverage, state residents appear ready for reform.

In addition, support for substantially increasing taxes on alcohol and cigarettes to pay for reform was strong. We must not forget, however, that many different interests would compete to share that potential windfall. There simply may not be enough sinners to pay for all the saints and worthy causes that covet cigarette and alcohol tax revenues.

That brings up a revealing point from the survey: Just as the amount of sin tax revenue is likely overestimated, public expectations of health care reform likely exceed the eventual reality. Respondents appear willing to make minor contributions to achieve expanded access, but when asked what they would be willing to forgo in a basic benefit package, the majority named only chiropractic care and completely free doctor office visits. Paying more for a lower level of benefits, even in exchange for expanded access, may meet a chilly public reception.

The initial Clinton administration plans and promises, and the public's hopes, for a rich benefit package quickly implemented and painlessly paid for by savings from managed competition are fading. Half the respondents to this survey favored federal government leadership on reform. But because of the everpresent public wariness of the federal government, along with the local nature of health care, a substantial proportion (41 percent) favored strong state involvement. Only 38 percent of respondents approved of the overall job the state legislature was doing, yet that was better than the 28 percent approval the U.S. Congress received. Better the devil you know . . .

Republicans and Democrats, the affluent and the working poor, and an uneasy middle class are all looking for health care reform. This survey and numerous others confirm that the consequences of true reform are not fully understood nor are the tradeoffs clear. Like a mirage that recedes as we get closer to it, health care reform is still illusive for Michigan residents. This survey shows the confusion. On the one hand, three out of four respondents said the current system does not meet the needs of most Americans and that costs are the major concern. On the other hand, nine out of ten said that cost had not obstructed access to medical services for them and their families anytime in the last 18 months.

The ambiguity over health care reform will not end soon. In fact, even as details of the federal plan emerge, the issue may become more muddled before it becomes clear. The public, and the middle class in particular, cannot say exactly what they want from health care reform, but like a former Supreme Court justice's definition of obscenity, they'll know it when they see it.

Trends in Public Confidence

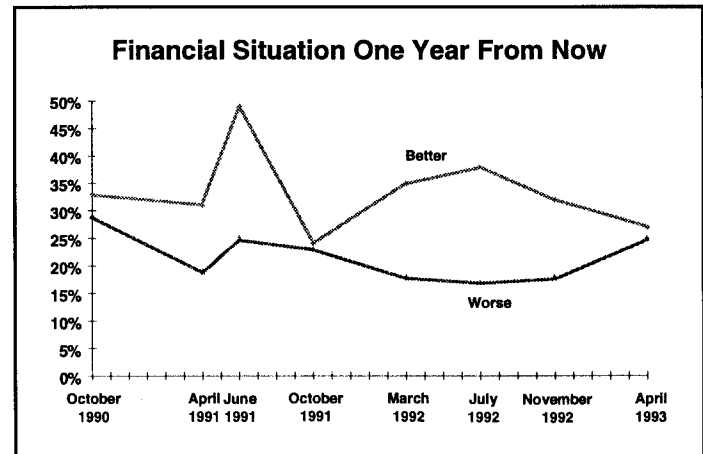
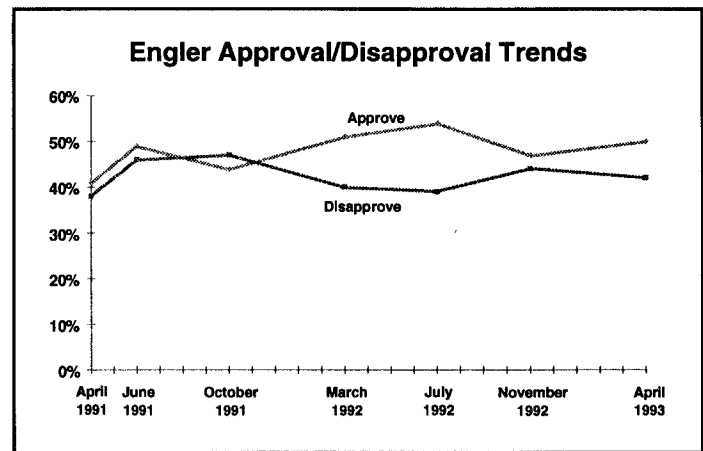
Gov. John Engler's approval rating has increased slightly (from 47 percent in November to 50 percent in April), and his disapproval rating has dropped (from 44 percent to 42 percent, respectively). He receives most approval in western and central Michigan (56 percent and 73 percent, respectively), and least in Detroit (only 23 percent approve) and the metropolitan area surrounding Detroit (48 percent approve).

The *Public Opinion Monitor* has begun tracking President Clinton's approval rating and finds that 54 percent approve of the job he is doing. The president's strength is greatest in Detroit (74 percent approve) and central Michigan (67 percent).

Although people now seem to feel a little better about the job Congress is doing (approval is up to 28 percent from 21 percent in November), 62 percent still disapprove.

Despite the House Fiscal Agency spending scandal, approval of the Michigan Legislature remains steady at 38 percent.

People are more pessimistic about their personal economic future than they have been at any time during the two years Public Sector Consultants has been conducting these surveys. Only 29 percent feel they will be financially better off a year from now than at the



METHODOLOGY

Public Sector Consultants' April 24-26, 1993, survey sampled 800 Michigan residents 18 years old and older yielding a margin of error of plus or minus 3.5 percent in 95 of 100 samples. Survey participants were not required to be registered voters. This sample was stratified with respect to geography and gender and was designed to represent the population correctly. The surveys were conducted by Florence Morros Interviews in Oak Park, Michigan. PSC is convinced that these numbers accurately reflect current political attitudes in Michigan.

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