

# Health Care: The Issue of the Nineties

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There is no question in the minds of those of us who monitor public opinion that health care has the potential to become one of the most explosive issues of the nineties. In fact, as health care has moved from a policy discussion into a full-fledged political debate, it has already taken on a divisive tone reminiscent of the Social Security debate of the seventies and eighties.

Over the last several years, the body of data on health care, from polling firms across the nation, has grown tremendously. While the most recent (December 1991) Tarrance Group/Greenberg-Lake national survey showed only a 2% increase (from 4% to 6% since June 1991) in Americans considering health care to be the most important problem in the United States, poll results such as these may be extremely misleading.<sup>1</sup> Under the surface, concerns over rising prices and, more importantly, over future costs, are creating an undertow that threatens to drown those politicians wading into the waters of health-care policy, believing them to be fairly calm and easy to navigate.

Policymakers must look to three distinct—yet seemingly contradictory—facts to understand public opinion on health care. First, in the short term, the prolonged recession has shifted the focus of health-care concerns from accessibility to cost, especially among Americans who believe health care is the primary problem facing the United States. Second, the American public remains largely satisfied with the *quality* of its current health care, and does not want to compromise that quality. Finally, Americans' flirtation with alternative health-care *systems*, such as nationalized health care, is driven by fear of their inability to afford quality health care should they become critically ill in the future.

## I. SATISFACTION WITH QUALITY OF PERSONAL HEALTH CARE

Data compiled over the last few years show that public satisfaction with the quality of personal health care remains extremely high. A 1990 Monitoring Attitudes of the Public (MAP) survey of 1,510 adults nationwide found that 83% were satisfied with their present health insurance coverage, 88% were satisfied with the quality of the health care they receive, and 79% were satisfied with the quality of care they received in hospitals.<sup>2</sup>

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1. CELINDA LAKE & EDWARD A. GOEAS III, *BATTLEGROUND '92: A NATIONAL SURVEY* (1991).

2. Cindy Jajich-Toth & Burns W. Roper, *Americans' Views on Health Care: A Study in Contradictions*, HEALTH AFF., Winter 1990, at 150-151.

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In August of 1991, Gallup released similar results, reporting that 67% of Americans were very satisfied with the care, attention, and treatment they received on their last doctor's visit, and 24% were somewhat satisfied.<sup>3</sup> Again, as in the MAP survey two years earlier, 88% of the respondents in the Gallup survey said that they were satisfied with the overall quality of the health care they receive.<sup>4</sup> Recent studies have also found that over three-fourths of all Americans feel confident about their ability to find health care when needed.<sup>5</sup> In fact, 90% of the respondents said that it would be easy to find a doctor to treat their medical problems.<sup>6</sup>

These are not the typical responses one would expect regarding a system people believed to be fatally flawed. And yet, over 80% of the American public agrees that this country's health-care system needs major reform.<sup>7</sup>

## II. CONTROLLING COSTS—THE REAL HEALTH-CARE ISSUE

Many public opinion analysts interpret the recent survey data to mean that Americans want to adopt an entirely new health-care system. To support this theory, the analysts point to the results of questionnaires focusing on comparisons among different health-care systems. This interpretation of the survey data, however, fails to explain the central sources of public frustration with American health care.

A December 1991 poll conducted by ABC News and the *Washington Post* indicated that 44% of the respondents preferred a health-care plan run by the government and financed by the taxpayers that would cover all Americans.<sup>8</sup> Thirty-two percent wanted a health-care plan that required businesses either to provide coverage for all their employees or to contribute to a federal fund that would cover all employees.<sup>9</sup> Twenty percent preferred to maintain the current system of private insurance, Medicare, and Medicaid.<sup>10</sup>

In the last year, the health-care debate has focused more specifically on a comparison between the health systems in the United States and Canada. In one of the most recent of those comparisons, respondents preferred the Canadian system to our health system by 68% to 29%.<sup>11</sup> In another 1991 Gallup poll, Americans found the Canadian health-care system to be superior to that

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3. Frank Newport & Jennifer Leonard, *The Crisis in National Health Care*, GALLUP POLL NEWS SERVICE, Aug. 4, 1991, at 5.

4. *Id.* at 1.

5. *Id.*

6. *Id.*

7. *Id.* at 2.

8. ABC News & Washington Post, *National Health Care?*, POLLING REP., Jan. 13, 1992, at 1.

9. *Id.*

10. *Id.*

11. The Harris Poll, *National Health Care?*, POLLING REP., Jan. 13, 1992, at 1.

of the United States by a margin of 43% to 26%.<sup>12</sup>

On closer examination, however, support for national health care in general, and the Canadian health-care system specifically, is extremely soft. For example, the initial results from a post-election survey by POS/Mellman-Lazarus following the recent Pennsylvania U.S. Senate race reflected Democrat Harris Wofford's emphasis on nationalized health care. The survey showed 60% of the voters supporting a Canadian system of health care.<sup>13</sup> *However, when those in support of a Canadian system were asked three follow-up questions mentioning the disadvantages of such a system, support dropped very quickly.* When the group of respondents favoring the Canadian health-care system was informed that installing a Canadian-styled system in the U.S. would cost roughly \$2,500 per household in taxes, support dropped to only 38%—or 23% of the total sample.<sup>14</sup> When informed that the Canadian system provides fewer incentives for funding to develop or test new life-saving medical procedures, support in the group fell to 21%—or 13% of the total sample.<sup>15</sup> Finally, when informed that patients in Canada requiring expensive medical care such as heart by-pass surgery frequently have to wait months for treatment, support by the group dropped to only 19%—or 11% of the total sample.<sup>16</sup> Survey research has registered similar declines in support for national health care when confronting the following issues: patient waiting lines, an increased tax burden, and limitations on access to new technology.<sup>17</sup>

This brings us full circle, from consideration of a new health-care system, back to consideration of health costs. Americans blame just about everything and everyone for the rising costs of health care. Eight out of ten people blame expensive medical equipment and technology, the amount hospitals charge, and doctors' fees.<sup>18</sup> Seven out of ten Americans blame those without insurance, malpractice lawsuits and awards, costs of prescription drugs, and longevity.<sup>19</sup> Two out of every three Americans also believe the costs of treating AIDS patients and using the health-care system for treatment of drug and alcohol abuse add to the high overall costs of U.S. health care.<sup>20</sup>

The solution to our health-care problems cannot be found in any of the major congressional health-care reform packages that call for the United States

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12. Larry Hugick, *American Unhappiness with Health Care Contrasts with Canadian Contentment*, GALLUP POLL MONTHLY, Aug. 1991, at 2.

13. PUBLIC OPINION STRATEGIES/MELLMAN & LAZARUS, PENNSYLVANIA POST-ELECTION STUDY: SUMMARY OBSERVATIONS 4 (Nov. 6-7, 1991).

14. *Id.* at question 57.

15. *Id.* at question 59.

16. *Id.* at question 58.

17. *Id.* at questions 57-59; PUBLIC OPINION STRATEGIES/MELLMAN & LAZARUS, HEALTH INSURANCE ASSOCIATION OF AMERICA POLL (Jan. 4-5, 1992).

18. Newport & Leonard, *supra* note 3, at 9.

19. *Id.*

20. *Id.*

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to move closer to a nationalized health-care system. The American public is not willing to move to a national health-care system at the expense of the quality of its own health care. Americans would, however, feel comfortable with a plan comprising incremental reforms that protect quality while aggressively attacking the high costs of health care on a multitude of fronts.

### III. FROM THE REALM OF PUBLIC POLICY TO THE REALM OF POLITICS

The largest obstacles facing health-care reform in the United States paradoxically derive from its evolution from a "public policy" issue into a "political" issue. As health care moves deeper into the "realm of politics," one can expect the concerns and fears surrounding health care to become part and parcel of the "politics of discontent," which characterizes voters' present attitudes towards the economy, unemployment, crime, taxes, and the institution of Congress as a whole.

Additionally, as the health-care issue moves further into the "political realm" it will be dealt with in accordance with the rules of political debate:<sup>21</sup>

- The complexity of the health-care issue will be simplified.
- Villains will be identified—doctors, hospitals, and insurance companies are the "easy" villains for political rhetoric.
- Rhetoric will become more important than fact.
- Important collateral issues to cost containment (like tort reform) will not influence the debate unless someone focuses heavily on inserting such issues into the overall debate.
- Reformers will focus much more on the problems with health care than on the solutions, because Americans lack consensus on any particular solution, and because most solutions require pain for one voter group or another.

There is no way to predict exactly how this debate will shape up once health care stands squarely in the "political realm." Politicization of health care will inevitably lead to demagoguery from politicians on both sides of the issue. On one hand, some politicians will begin hunting for the \$200 aspirin of the

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21. Edward A. Goetas III, Speech Given to American Society of Internal Medicine (Apr. 9, 1992) (copy on file with author).

nineties, just as they sought after the \$2,000 toilet seat of the eighties. Still others will attempt to label nationalized health care as a system that combines the efficiency of the U.S. Post Office with the compassion of the I.R.S. As this rhetoric intensifies, neither side will enhance the quality of a policy debate on Americans' real health-care concerns.

#### IV. NO EASY ANSWERS

If the American public is satisfied with the quality of its own health care, why then do nine out of ten people believe we are experiencing a crisis in health care?<sup>22</sup> The answer is quite simple: fear. Americans fear contracting a critical illness that can be medically treated, but not without financially bankrupting their families. Americans also fear developing an illness or medical problem that the health-care system simply cannot fix. Meanwhile, every day, Americans are bombarded with newspaper headlines and news stories about catastrophic illnesses such as cancer, heart disease, and AIDS. Thus, at a deeper level, Americans fear being let down by the health-care system and, as a result, meeting an untimely death.

These are the trepidations that politicians and policymakers may use to manipulate the American public at an instinctual level. Reformers will have a far more difficult time, however, addressing these concerns at a policy level. In the final analysis, the fears recorded in national surveys do not reflect a health-care system that achieves too little. Rather, they reflect a population that expects too much from its health-care system.

A better measure of Americans' frustration with health care focuses on health costs, not health-care systems. The American public understandably is concerned about health costs. By the year 2025, according to census bureau estimates, one person out of every five in the United States will have reached the age of sixty-five (the current ratio of senior citizens in the State of Florida today).<sup>23</sup> The Office of Personnel and Budget estimates that, at the present growth rate, total public and private spending on health care will skyrocket from 12% of GNP (the 1991 figure) to over 37% by the year 2030.<sup>24</sup> It is hard to imagine any economy that could survive under the weight of that level of health-care spending.

Every effort must be made to control costs on all health-care fronts: by placing limitations on malpractice (tort reform); educating the American public to be better informed health-care consumers; limiting the use of procedures

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22. Newport & Leonard, *supra* note 3, at 5.

23. RICHARD DARMAN, A PRESENTATION TO THE SENATE FINANCE COMMITTEE ON THE SUBJECT OF THE PROBLEM OF RISING HEALTH COSTS 18-19 (Apr. 16, 1991).

24. *Id.*

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that are ineffective or marginally effective (which means finding some consensus on health-care priorities); controlling the bureaucratic flood of government paperwork; clamping down on health-care fraud; opening up the pharmaceutical markets; and even limiting the supply side of health care (where the excess of medical technology, hospital beds, and specialists drive up costs). While many policymakers are promoting alternative systems, the fact of the matter is that the individual problems driving up medical costs would exist under any health-care system that might be implemented in the United States. For example, the two biggest culprits in health-care cost increases—medical malpractice and public demand for quality at any cost—are both considered basic rights and would exist in any health-care system, unless addressed directly through specific legislation.

### V. A FEW GOOD IDEAS

While most of the health-care proposals currently being studied by the U.S. Congress seek to replace the current health-care system, a few Senators and Representatives are attempting to deal more directly with the incremental problems generating the rising costs of health care. The most interesting of these proposals is H.R.4280, which has been introduced by a group of young Republicans in the House of Representatives.<sup>25</sup> H.R.4280, titled *The Health Care Choice and Access Improvement Act of 1992*, deals with four areas:

- MediSave Accounts Tax Incentives
- Long-Term Care Insurance Incentives
- Medical Practice Tort Reform
- Small Group Insurance Market Reform

*MediSave Accounts Tax Incentives* target cost control in two areas: (1) making individuals more aware, responsible consumers—returning to individuals the ability to make their own choices about what health care is appropriate for them, and (2) lowering administrative costs for employers and insurance companies. This proposal sets up tax-free accounts (identical to 401 (K) retirement accounts) specifically for employees' health-care costs. Individuals would enroll in higher deductible/lower cost health insurance plans and both

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25. H.R. 4280, 102d Cong., 2d Sess. (1992) (proposal to amend Internal Revenue Code to improve access to health care) (introduced by Rep. Rhodes).

individuals and employers would transfer excess funds from their current low deductible/high cost health insurance plans into these accounts. Routine medical expenses would then be paid out of the individual's MediSave Account. With over two-thirds of all health-care bills under \$5,000, eliminating such accounts from the time consuming and overburdened claims processing system of insurance companies would result in large savings for the overall health-care system. Furthermore, this proposal has the added benefit of promoting more cost-conscious consumers.

*Long-Term Care Insurance Incentives* promote the expansion of long-term health insurance markets by recognizing them as "health insurance" under the tax code (which is not presently the case). The plan also amends the tax code so that businesses can offer long-term care as a benefit in "cafeteria" plans, and allows penalty-free withdrawals from IRA's to purchase long-term care. Finally, this proposal establishes a \$2,000 tax credit for in-home custodial care of a dependent and allows insurance companies to offer accelerated death benefits for those currently in need of long-term care.

*Medical Malpractice Tort Reform* creates incentives for states to act now rather than wait for federal preemption of state tort laws. The need for tort reform stems not from the costs of malpractice suits and malpractice insurance, but from the tremendous cost of defensive medicine (estimated by the AMA to run as high as 25% of medical costs today). In order to receive enhanced Medicare and Medicaid reimbursements, states would reclaim responsibility of the state medical boards and national data bank to ensure medical quality. Community Health Centers would be brought under the Federal Tort Claims Act, freeing up \$58 million a year currently spent on malpractice insurance and allowing 500,000 more patients to be treated nationally.

*Small Market Insurance Reform* constitutes a proposal to make health insurance affordable for and accessible to the working uninsured and their dependents. It would have the National Association of Insurance Commissioners (NAIC) develop a model benefit package (that does not include expensive state mandates), which insurers would be required to offer to small businesses (i.e., businesses with between three and fifty employees).

The proposals described above are appealing for several reasons. First, they neither impose new financial burdens on the states nor create new federal taxes, making them much more palatable in the present anti-tax environment. Second, these proposals increase the levels of personal choice and individual involvement in health care while not compromising the present quality of personal health care. Third, they address the public's concern with long-term

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care. Finally, these proposals appropriately target the two greatest causes of health-care cost increases—medical malpractice and public demand for quality at any cost.

### VI. CONCLUSION

There is no question that health care will continue to be one of the salient issues of the nineties. Health care is rapidly moving from the elite “realm of public policy” into the popular “realm of politics.” While we have many reasons to applaud this progression, we must nonetheless be alert to its potential dangers. Specifically, as the politicians grab hold of the health-care issue, we must guard against impatient and simplistic approaches to problem solving, which could ultimately—and destructively—lead us to “throw the baby out with the bath water.” Over the next decade, we must confront the issues of access and health-care costs; but we also must keep in mind that the American public is very satisfied with the quality of its present health care.