



KANSANS SHARE THOUGHTS ON HEALTH CARE SYSTEM

SURVEY RESULTS: PART ONE

Introduction

Now that President Obama has been re-elected for a second term, implementation of the Affordable Care Act (ACA) seems likely to continue, though widespread opposition remains. Critics claim that the law is poorly designed and won't come close to achieving its goals; supporters insist that the health care system is doomed to fail without the major overhaul.

As Kansas policymakers contemplate the next steps for health reform in the state, it is important to include the perspectives of everyday Kansans in the planning. To better understand Kansans' thoughts on our health care system, the Kansas Health Institute was commissioned by the Kansas Insurance Department to conduct a telephone and online survey and a series of focus groups between November 2011 and January 2012. This brief, the first of two, summarizes what Kansans had to say about the current state of health care and the improvements they would like to see. The second brief, available at www.khi.org, illustrates Kansans' knowledge of the ACA and examines the health reform resources they find most trustworthy.

Most Kansans Satisfied with Private Insurance

Nearly one out of every five Kansas adults is uninsured. Those with private health insurance, however, seem generally happy with their coverage. KHI surveyed 834 Kansans between the ages of 18 and 64, and a large majority — 86 percent — of those with private health insurance indicated that overall they were very or somewhat satisfied with their coverage. This was true of people who receive health insurance from an employer or union as well as those who purchase coverage directly from an insurance company (such as an individual policy from Blue Cross Blue Shield). As shown in Figure 1 (page 2), only 13 percent of Kansans with private health insurance were somewhat or very dissatisfied with their coverage.

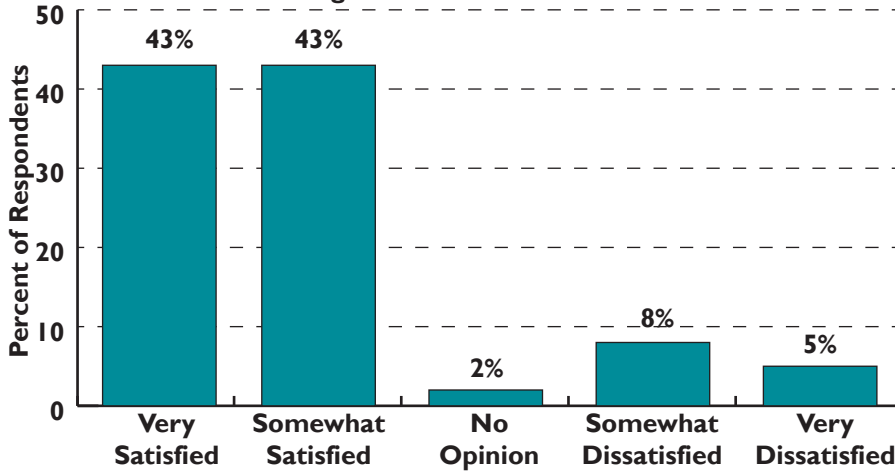
Out-of-Pocket Costs a Challenge

Even though most reported satisfaction with their coverage generally, more than one third (37 percent) of privately insured Kansans were dissatisfied with their out-of-pocket health care

KEY POINTS

- Kansans with private health insurance coverage are generally happy with that coverage.
- Kansans with individual insurance coverage are less satisfied with their out-of-pocket costs than those with employer-sponsored insurance.
- Kansans with limited or no health insurance cited cost, pre-existing conditions and lack of an employer health plan as barriers to coverage.
- The majority of Kansans believe that the health care costs of the uninsured are passed on to those who have health insurance.

Figure 1. Large Majority of Privately Insured Kansans Satisfied with Health Insurance Coverage

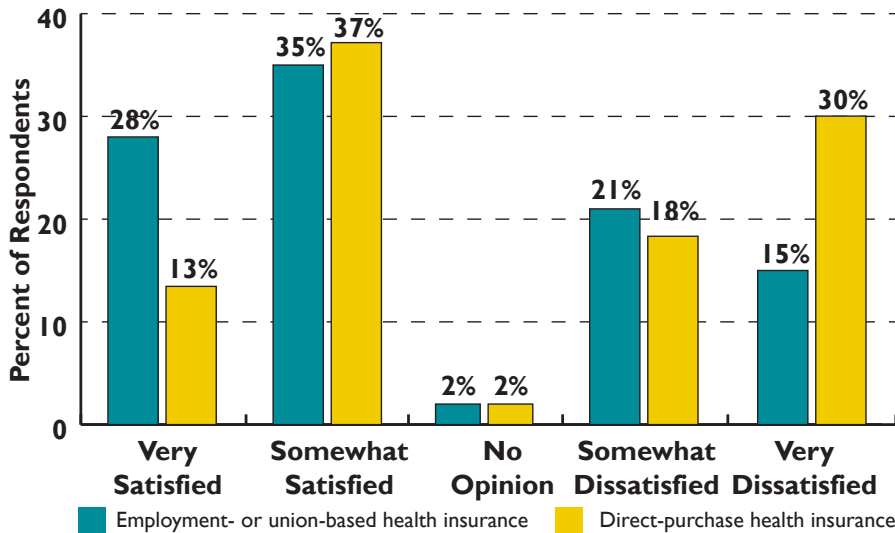


Percentage of Kansans with private insurance reporting satisfaction or dissatisfaction with health insurance coverage.

Note: Percentages may not sum to 100 percent because of rounding.

Source: KHI analysis of 2011–2012 survey.

Figure 2. Kansans with Direct-Purchase Health Insurance More Dissatisfied with their Out-of-Pocket Costs



Percentage of Kansans with employment-based and direct-purchase health insurance reporting satisfaction or dissatisfaction with out-of-pocket costs.

Notes: Percentages may not sum to 100 percent because of rounding.

Differences between insurance types significant at $p < 0.005$.

Source: KHI analysis of 2011–2012 survey.

“Right now I’m doing pretty well, but there was a time I was without insurance because of pre-existing conditions and we had to pay everything out-of-pocket and our drug bills were something like \$600 a month.”

— focus group participant

costs. Individuals purchasing policies directly from an insurance company were more dissatisfied than those with coverage from an employer or union. As shown in Figure 2, 36 percent of Kansans with employment-based insurance were somewhat or very dissatisfied with out-of-pocket spending, compared to 48 percent of those with direct-purchase coverage.

Nationwide, health care spending has been rising sharply. Other studies have shown that in Kansas, deductibles rose by 28 percent for single policies and 38 percent for family policies between 2003 and 2009, and these increases do not take into account other rising costs like office co-pays.

Choices and Competition Satisfactory for Most

Roughly three out of four (74 percent) Kansans with private health insurance are happy with the array of insurance companies they have to choose from for their coverage. Slightly fewer (65 percent) are satisfied with the variety of health insurance plans from which they can select. Health economists and researchers often cite competition in the health insurance market as a way to improve quality and drive down costs. In many states, a single insurance company dominates the insurance market. In Kansas, the individual market is more competitive than in other states, ranking 12th in market concentration. The Kansas small group market ranks 34th among the 50 states in market competitiveness.

Satisfaction Linked to Access

While many Kansans with private health insurance are relatively happy with that coverage, the uninsured in Kansas — nearly one in five adults — face significant challenges with access to health care.

Five focus groups were convened across the state involving 44 Kansans age 18–64. Focus group participants with and without insurance stressed that cost was the primary barrier to being insured. Other reasons cited included pre-existing conditions or the lack of a health insurance plan from an employer. About one in four focus group participants said that they had been denied health insurance or had their coverage limited in some way because of a pre-existing medical condition. Even those with health insurance remarked that they see cost or lack of an option through an employer as major reasons for Kansans to be uninsured, though several mentioned the “young invincible” population that may choose to not have coverage.

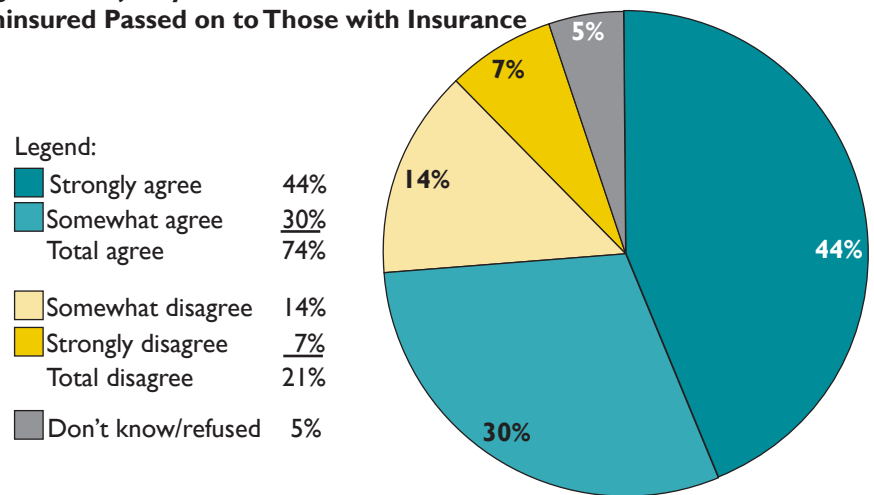
Who Pays for the Uninsured?

When people who are uninsured seek medical care and then cannot pay the bill, that cost is passed on to those who do have insurance through higher premiums. Almost three-fourths of Kansans (74 percent) strongly or somewhat agreed that this is the case, as shown in Figure 3. This belief was shared by both insured and uninsured Kansans.

Best Resources for Insurance Questions and Concerns

Kansans reported that they most often get their health insurance information from conversations with friends and family or from an employer. Given that two out of three Kansas adults have

Figure 3. Majority of Kansans Believe that Health Care Costs of Uninsured Passed on to Those with Insurance



Percentage of Kansans agreeing or disagreeing with the following statement: When people do not have health insurance and cannot pay their health care bills, some people believe this increases overall health costs and insurance premiums for those who do have insurance.

Note: Percentages may not sum to 100 percent because of rounding.

Source: KHI analysis of 2011–2012 survey.

employment-based insurance, it is not surprising that many individuals look to an employer for help with their insurance questions. Health care professionals, insurance companies and agents, and the Kansas Insurance Department also were identified as resources for health insurance information, as shown in Table I (page 4).

An ongoing discussion for policymakers is how to best protect consumers in the health insurance market. Consumer protection has historically been a state function, but with the Affordable Care Act there are a few ways that could change. One is the use of a federally facilitated health insurance exchange in Kansas rather than a partnership or state-based model. The other is Kansas’ participation in a “Health Care Choice Compact,” through which insurers could sell and consumers could purchase plans across state lines. A large majority of Kansans — 77 percent — indicated that when they have a problem or a question about their health insurance, it is important to them that they can call someone in Kansas as opposed to someone in another state.

Conclusion

The findings from the survey and focus groups indicate that on average, Kansans with private health insurance are satisfied with their coverage, although out-of-pocket costs are a major concern. The Kansans participating in the focus groups shared that cost, pre-existing conditions and no employer-sponsored plan were the primary barriers to having coverage. Many focus group participants also expressed concern that young people may choose not to purchase coverage because they believe they do not need it.

For insurance information, many Kansans turn to an employer or friends and family, and most surveyed indicated a preference for a local resource — a person or organization in Kansas — when insurance concerns or questions arise.

Table 1. Employers, Friends and Family Ranked as Top Resources for Health Insurance Information

Survey respondents reported getting health insurance information from the following:	
Employer	17%
Friends or family	16%
Personal doctor or pharmacist	12%
Insurance company	12%
Local insurance agent	11%
Kansas Insurance Department	8%
Local or state government agency that helps people get medical assistance	8%
Other	1%
Don't know/refused	14%

Note: Respondents were given an opportunity to select up to three resources from a list of seven choices. The percentages reflect the number of times each resource was named.

Source: KHI analysis of 2011–2012 survey.

“I work, but since I’m only considered a nine-month employee through the school system I’m not offered health insurance. ... I get the same check through the same administration office, but I’m not considered a full-time employee so I’m not entitled to any health insurance. ... The middle class is just as uninsured as the poor.”

— focus group participant

More About This Work

This brief summarizes information gathered from a telephone and internet survey and five focus groups conducted between November 2011 and January 2012. Participants were Kansans age 18–64 who were selected at random. For the survey, the combined telephone and internet data (sample size of n=834) were weighted based on congressional district. The margin of error for this survey is +/- 3.39 percent, with a 95 percent confidence interval. Among subgroups the sampling error will be higher. Detailed information about methodology can be found at www.khi.org/kidsurvey.

About the Issue Brief

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KANSAS HEALTH INSTITUTE

The Kansas Health Institute is a nonprofit, nonpartisan, independent health policy and research organization based in Topeka, Kansas. Established in 1995 with a multiyear grant from the Kansas Health Foundation, the Kansas Health Institute conducts research and policy analysis on issues that affect the health of Kansans.

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