

# **Altarum Institute Survey of Consumer Health Care Opinions**

## **Fall 2013**

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Released on January 8, 2014

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## I. Introduction

By all indications, consumers will continue to play an increasingly influential role in the selection and purchase of health care. Notably, the number of people enrolled in consumer-directed health plans (CDHP) is now equal to or greater than the number of people covered by health maintenance organizations. Americans have accumulated \$18 billion in health savings accounts. Large employers are accelerating their adoption of CDHPs. In addition, the most affordable plans offered in the new health insurance exchanges are those with high deductibles. The era of \$20 office visit copayments may become a thing of the past.

This ongoing shift toward greater consumer involvement in health care highlights the need to understand the ways in which people make medical decisions. The fall 2013 *Altarum Institute Survey of Consumer Health Care Opinions* is the fifth in an ongoing series of semiannual surveys intended to measure and monitor consumers' beliefs and preferences about health care.

## II. Topics

This report covers several topic areas. It begins with an overview of survey respondents, including a description of their demographic characteristics, health insurance deductible amounts, and self-reported health status. Consumers also described their recent use of health care services and prescription medications. Next, the report provides insight into consumer preferences such as their level of involvement in medical decisionmaking, the sources they rely on to choose a doctor, and their comfort in seeking (and applying) information about the cost and quality of health care.

In addition, consumers expressed their opinions about health care spending and the role of certain stakeholders in both contributing to and curbing costs. They were also asked about retirement savings set aside for health care expenses. Finally, consumers shared their use of electronic and mobile health technologies and described their experiences with health insurance exchanges.

## III. Methodology

Respondents were paid participants from a nationwide panel maintained by Survey Sampling International, Inc. They came from diverse age groups, incomes, educational levels, and regions. Only individuals who have indemnity or preferred provider organization health insurance coverage could respond to survey questions. Those who were uninsured or covered by Medicare, Medicaid, military, or other insurance were excluded. The survey was administered via a website in October 2013. A total of 3,004 participants took the survey. Responses for any participant whose patterns indicated either a lack of understanding or hasty completion were dropped from the sample. This resulted in a total of 1,974 final surveys.

Some questions are repeated in each semiannual survey. It should be noted that because different people respond to the survey, one cannot conclude with certainty that opinions have changed over time. However, consistent trends may be suggestive of a shift in general opinion.

## IV. Respondents

### Demographics

Survey respondents represented a demographically diverse sample of adults. They varied in age from 25 to 65, and about 65% were female. Most (83%) identified themselves as White, 7% as African American, 4% as Asian, and 2% as Hispanic. Two-thirds were married, and the majority of consumers were employed either full time (57%) or part time (12%). Annual household income levels ranged from less than \$20,000 to more than \$150,000, with a median income between \$60,000 and \$75,000.

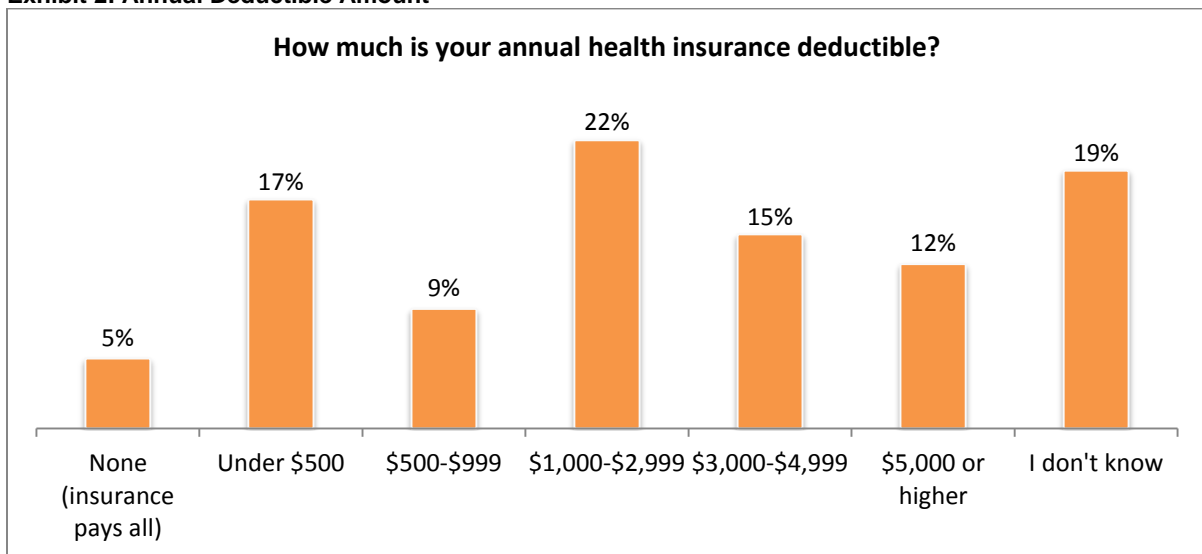
**Exhibit 1: Demographic Characteristics of Consumers**

|                        | %  |   | %  |
|------------------------|----|---|----|
| Gender                 |    | Employment status                         |    |
| Female                 | 65 | Full-time                                 | 57 |
| Male                   | 35 | Part-time                                 | 12 |
| Age (years)            |    | Housewife/househusband                    | 13 |
| 25–34                  | 24 | Retired/disabled                          | 9  |
| 35–44                  | 20 | Unemployed/student                        | 9  |
| 45–54                  | 25 | Annual household income                   |    |
| 55–64                  | 31 | Less than \$20,000                        | 3  |
| Race/ethnicity         |    | \$20,000–\$39,999                         | 16 |
| White                  | 83 | \$40,000–\$59,999                         | 23 |
| African American       | 7  | \$60,000–\$74,999                         | 15 |
| Asian                  | 4  | \$75,000–\$99,999                         | 15 |
| Hispanic               | 2  | \$100,000–\$149,999                       | 15 |
| Other/did not answer   | 3  | More than \$150,000                       | 8  |
| Marital status         |    | Don't know/did not answer                 | 6  |
| Married                | 66 |   |    |
| Single                 | 20 |   |    |
| Divorced/widowed/other | 10 | <i>Note:</i>                              |    |
| Domestic partner       | 4  | <i>Figures rounded to nearest percent</i> |    |

**Health Insurance Deductible Amounts**

Annual health insurance deductibles ranged from \$0 to more than \$10,000, with a median deductible between \$1,000 and \$3,000. Roughly one in five consumers reported that they did not know the amount of their health insurance deductible.

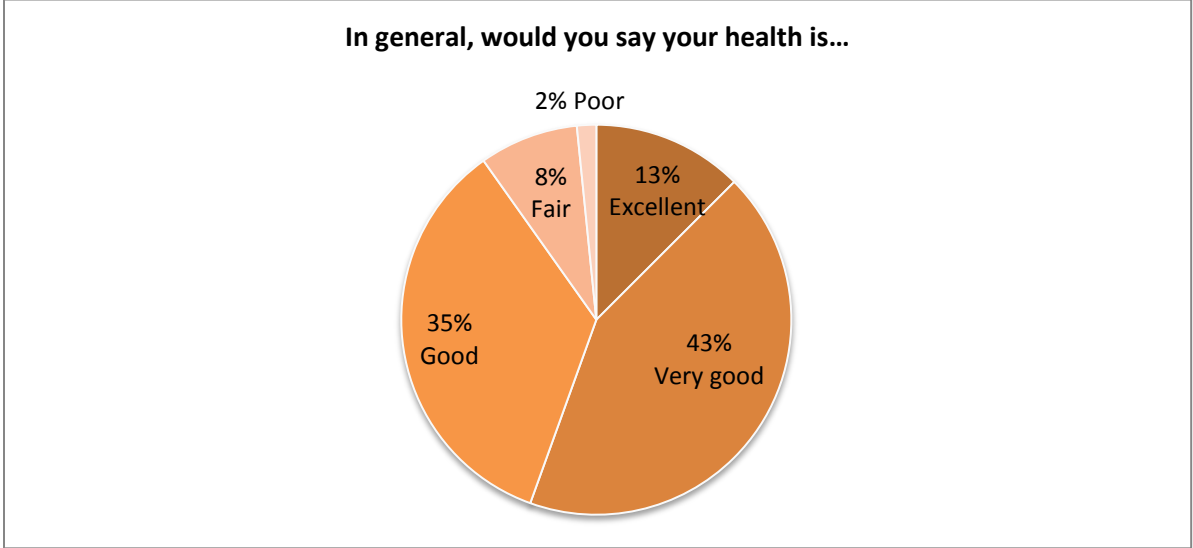
**Exhibit 2: Annual Deductible Amount**



**Self-Rated Health Evaluation**

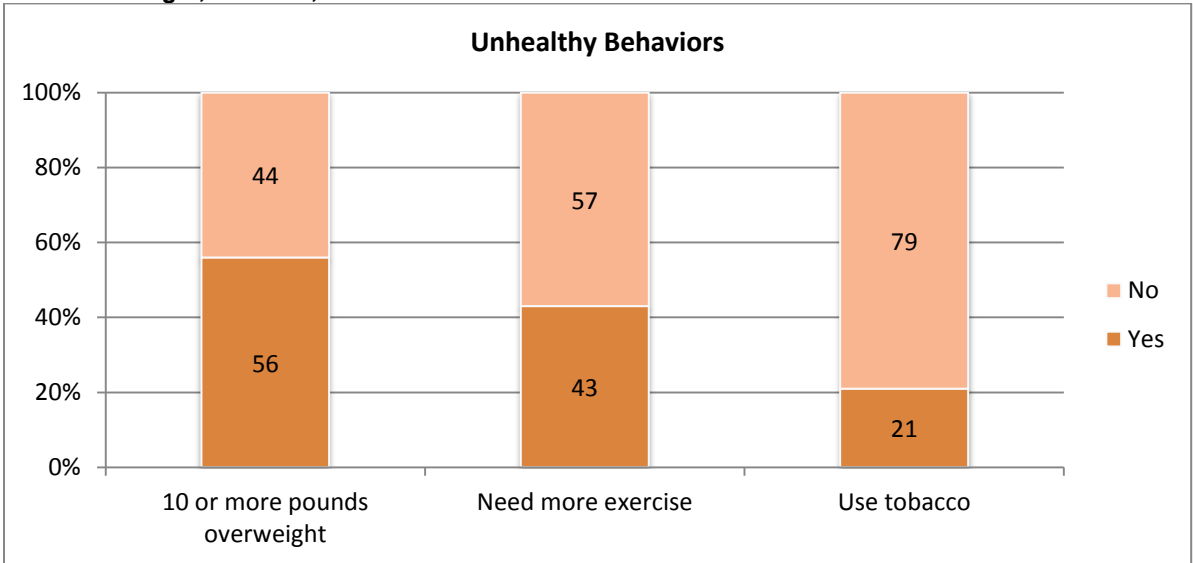
Respondents were asked to rate their own general health status. More than half (56%) reported themselves in excellent or very good health, and 35% reported themselves in good health. Only 10% rated their health as fair or poor.

**Exhibit 3: Self-Rated Health**



Although most respondents perceived themselves to be healthy, more than half reported that they are overweight, and 43% do not exercise regularly. About one in five (21%) reported using tobacco products (13% every day; 3% a few times per week; 5% a few times per month/year).

**Exhibit 4: Weight, Exercise, and Tobacco Use**

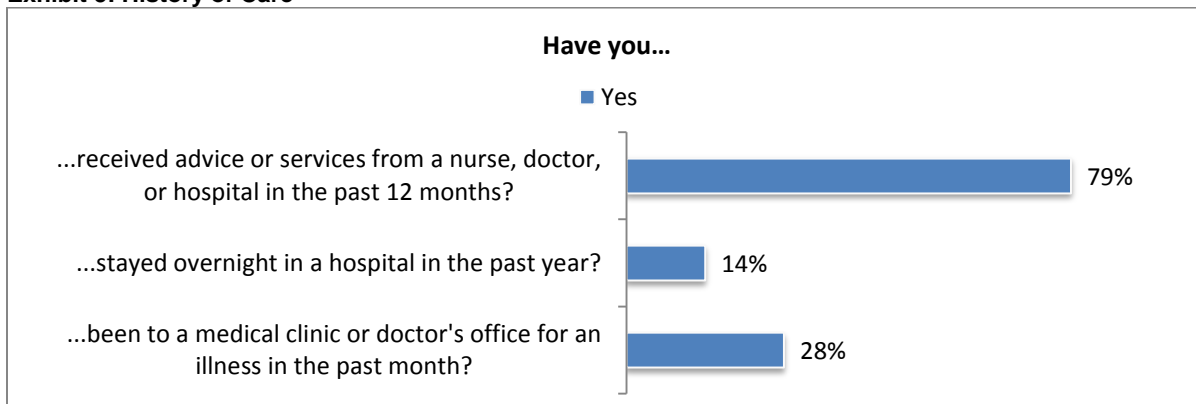


## V. Utilization

### History of Care

Consumers reported their recent use of health care services. Within the past year, four out of five (79%) received medical care or advice from a health care provider, and 14% were hospitalized. Approximately 28% of consumers visited a medical facility within the past month.

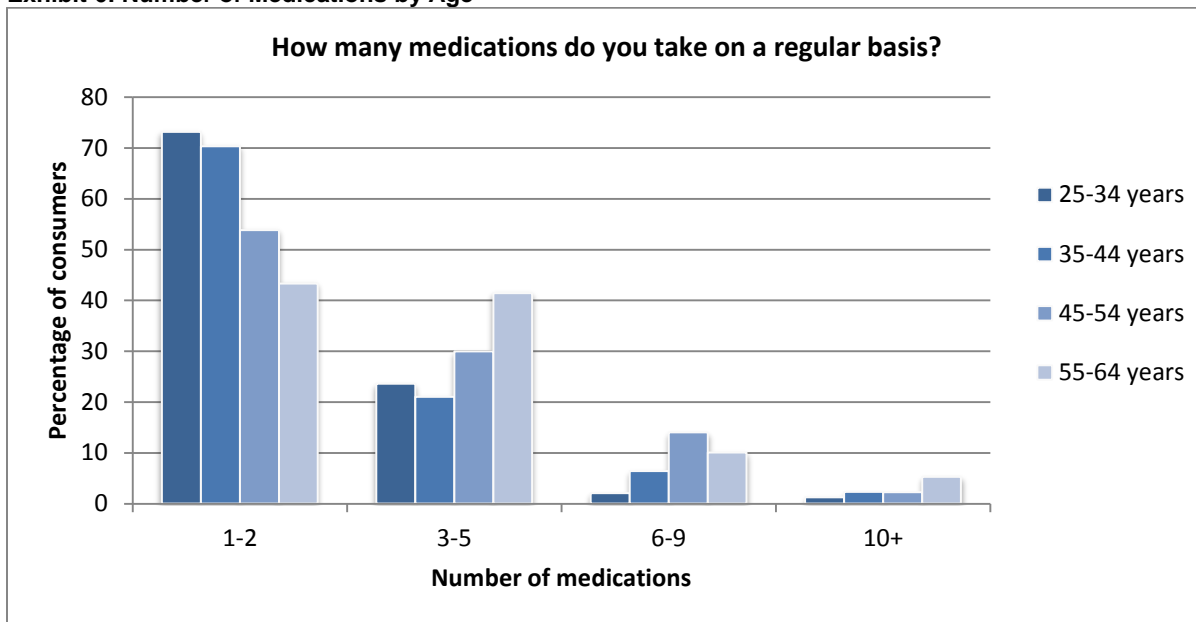
### Exhibit 5: History of Care



### Medications

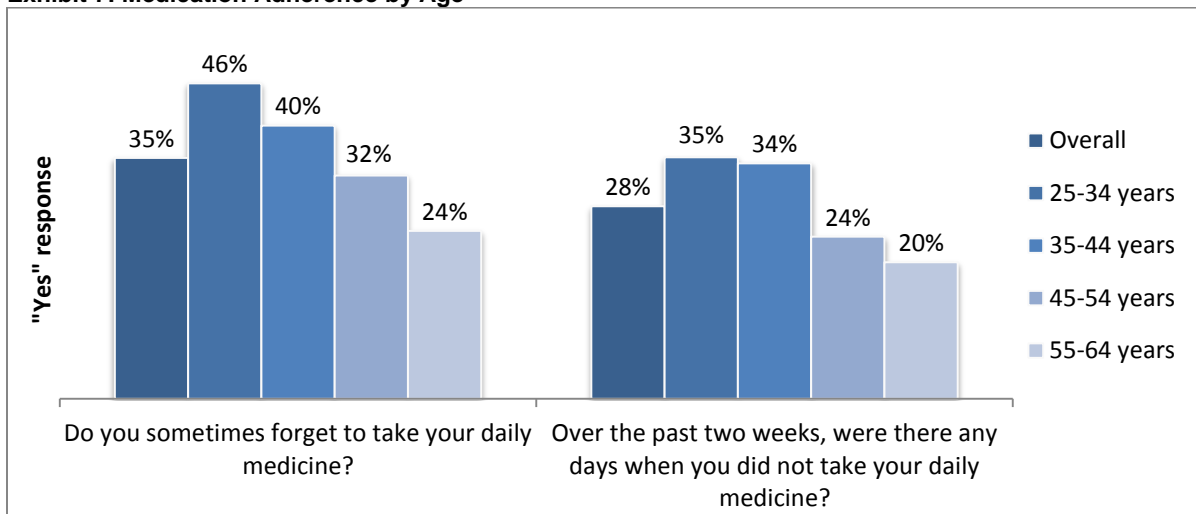
Overall, two-thirds of respondents use prescription medications. Among these individuals, most take one or two medications on a regular basis. Not surprisingly, older respondents reported taking more medications than those in younger age groups.

### Exhibit 6: Number of Medications by Age



In general, patients who are engaged in their own care are more likely to manage their health conditions and take medications as prescribed. The vast majority of respondents (93%) reported that they understand why they take each of their prescriptions. However, 35% sometimes forget to take their medicine, and 28% did not take their medication within the past 2 weeks. When examining rates by age, younger respondents were more likely to forget or skip medications.

**Exhibit 7: Medication Adherence by Age**

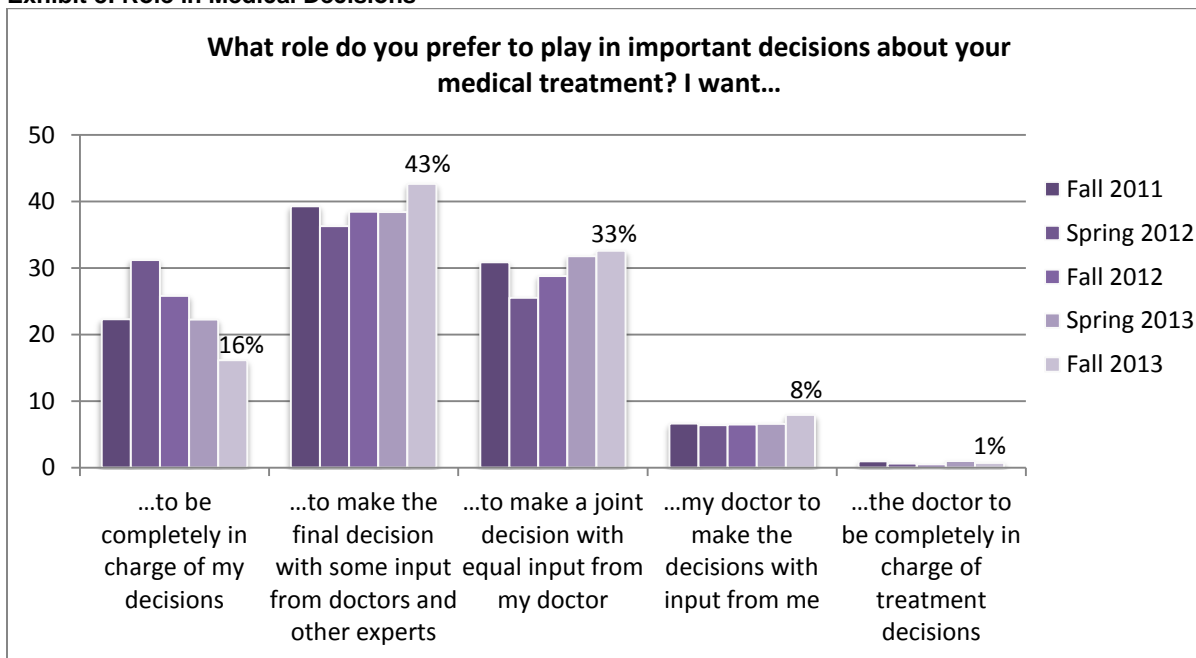


## VI. Decisions

### Preferred Role in Decisionmaking

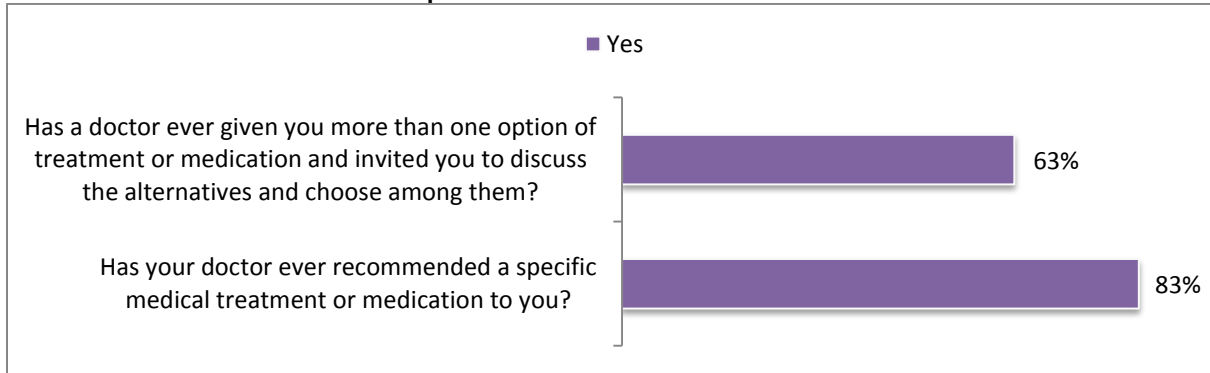
Consumers prefer to take an active role in decisions regarding their health care. One-third would like to make a shared decision with their doctor, and 43% want to make the final decision with some professional input. Fewer than 10% of consumers prefer the doctor to have the final say in decision making. These findings are consistent with previous survey results from 2011 and 2012. However, there appears to be a recent decline in the percent of consumers who want to be completely in charge of their decisions, from more than 30% in fall 2011 to 16% in fall 2013. This shift is consistent when controlling for age and gender.

**Exhibit 8: Role in Medical Decisions**



Patients need to understand the treatment options available to them in order to make informed decisions about their health. In this survey, 63% of consumers reported that a doctor has ever invited them to choose among different medications or treatments. A larger share (83%) reported that they have received a doctor's recommendation for a specific course of action. This suggests that despite their preference for an active role in decisionmaking, many patients may not know about the choices that they have or the implications of their treatment.

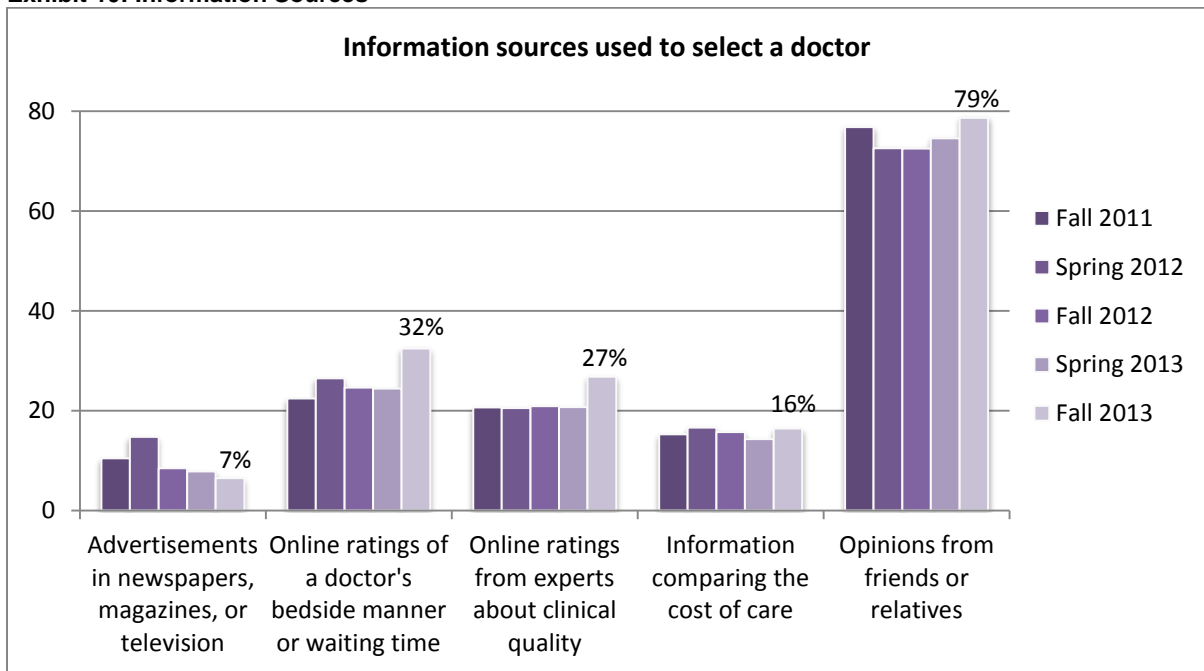
**Exhibit 9: Discussion of Treatment Options**



**Information Sources Used to Find a Doctor**

Similar to previous survey findings, consumers continue to rely mostly on word-of-mouth recommendations when choosing a doctor. Four out of five consumers (79%) use input from friends and relatives to guide them in their health care provider choices. More consumers tapped into online sources compared to prior years, nearly one-third (32%) reported that they use online ratings of a doctor's bedside manner or waiting time, and 27% use online quality ratings. Only 16% indicated that they look at cost information to assist them in selecting a doctor, and use of advertisements remains low at 7%.

**Exhibit 10: Information Sources**





## Seeking Cost and Quality Information

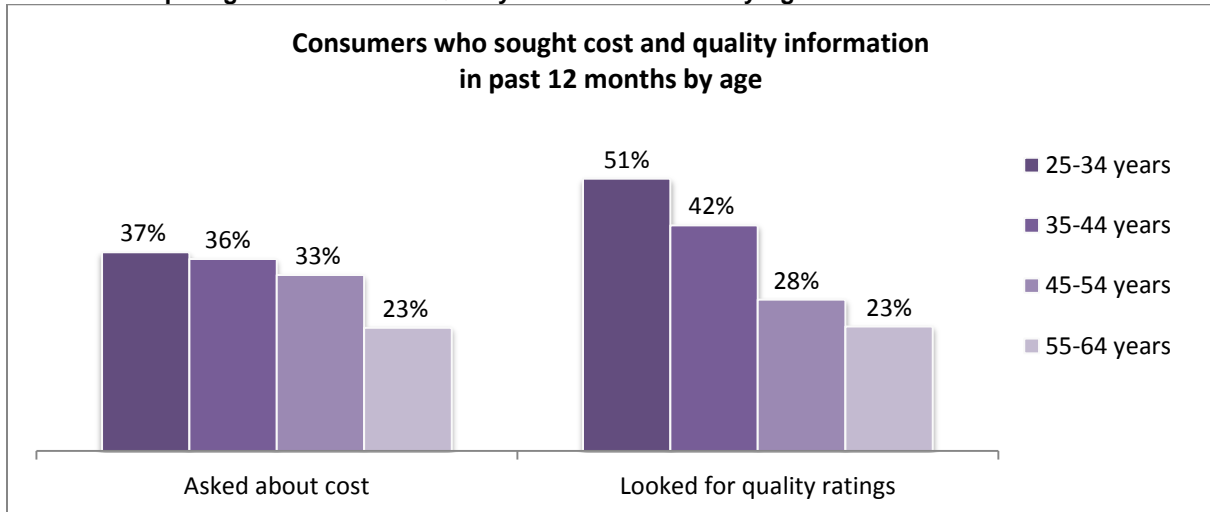
Consumers were asked questions about whether they consider the value of the health care services they purchase. Among those who received care within the past year, about one-third (32%) inquired about cost before the visit. Slightly more (35%) looked for information about quality ratings before choosing their provider.

**Exhibit 11: Inquiring About Cost and Quality in Past 12 Months**



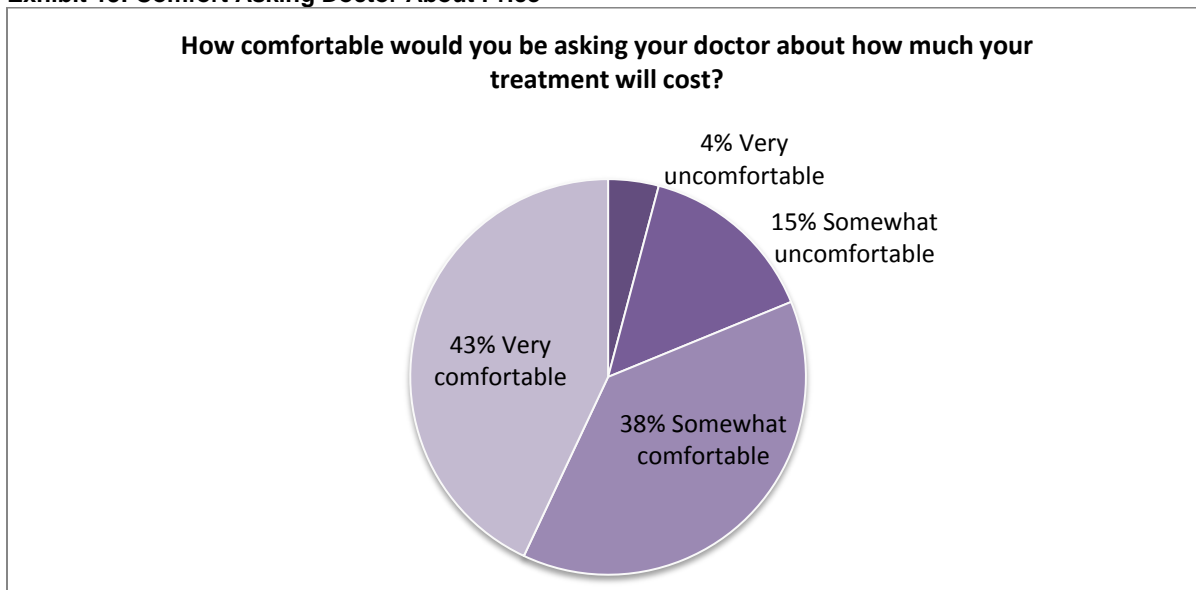
As shown in the graph below, younger consumers were more likely to ask about price and search for quality information before deciding on a doctor.

**Exhibit 12: Inquiring About Cost and Quality in Past 12 Months by Age**



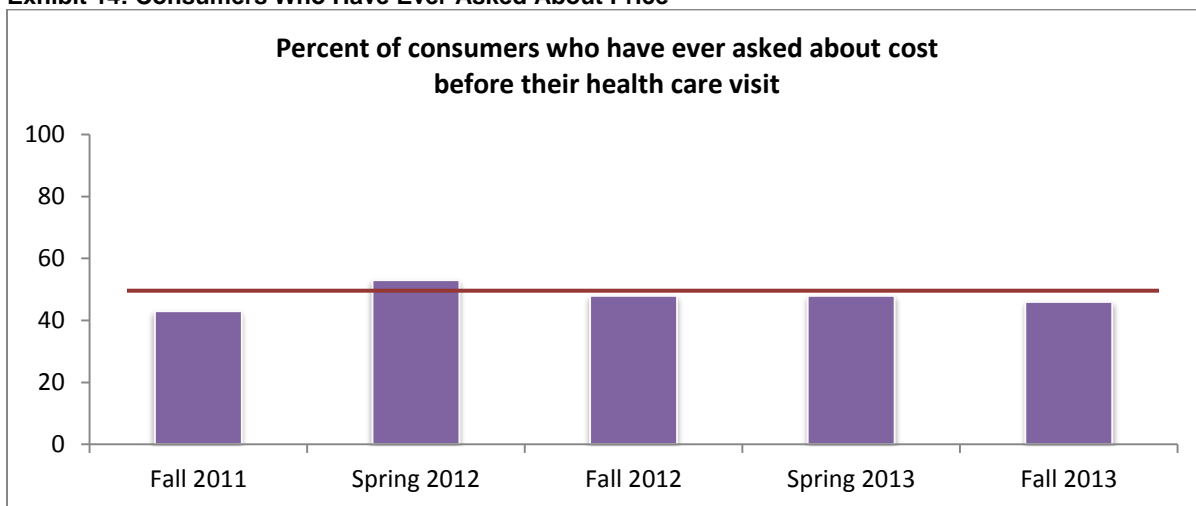
The majority of consumers indicated that they would be comfortable approaching their doctor about the cost of health care services. Four out of five are either somewhat or very comfortable asking about price. Only 15% and 4% are somewhat and very uncomfortable, respectively.

**Exhibit 13: Comfort Asking Doctor About Price**



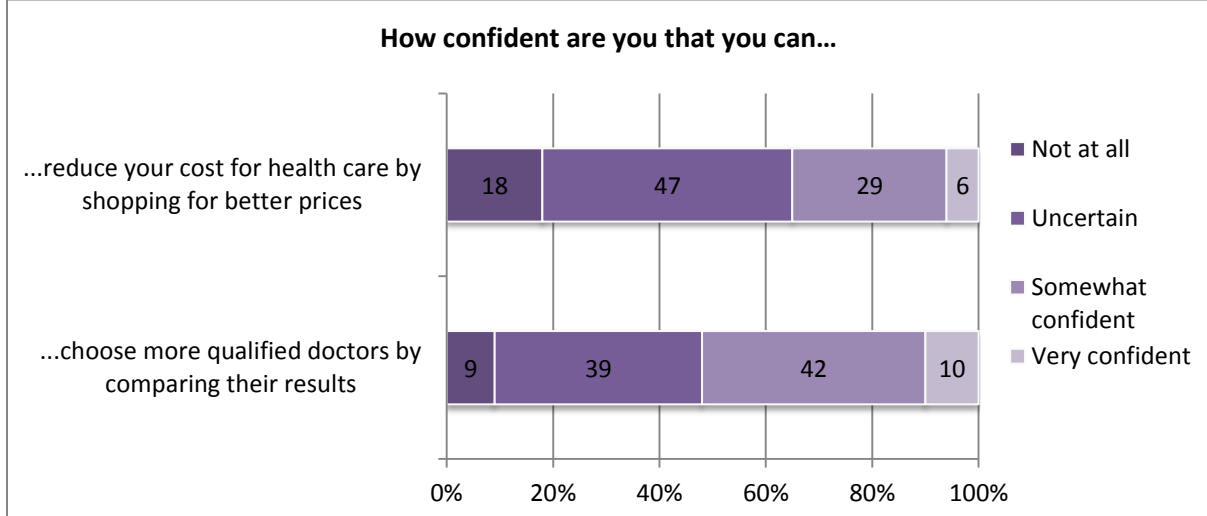
Despite these high comfort levels, fewer than half (46%) of all respondents reported that they have ever asked how much a visit would cost before going to the doctor. This is consistent with previous survey results.

**Exhibit 14: Consumers Who Have Ever Asked About Price**



Consumers also expressed little confidence in their ability to shop for better health care. Only 6% felt very confident and 29% were somewhat confident that they could take steps to find less expensive care. Nearly half (47%) were uncertain and 18% were not at all confident that they could reduce costs. They appeared to be slightly more convinced that they could shop for better doctors, if not better prices. Just a little more than half (52%) felt that they could compare information to select a more qualified health care provider, while 39% were uncertain and 9% were not at all confident. In both instances, younger consumers appeared to be more confident than those in older age groups.

**Exhibit 15: Confidence in Shopping for Better Care**

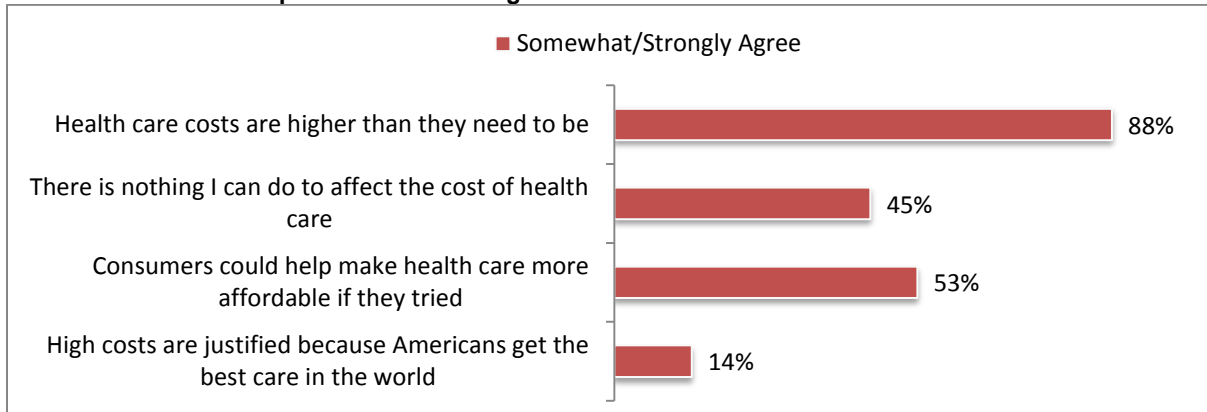


## VII. Costs

### Consumer Opinions About Health Care Costs

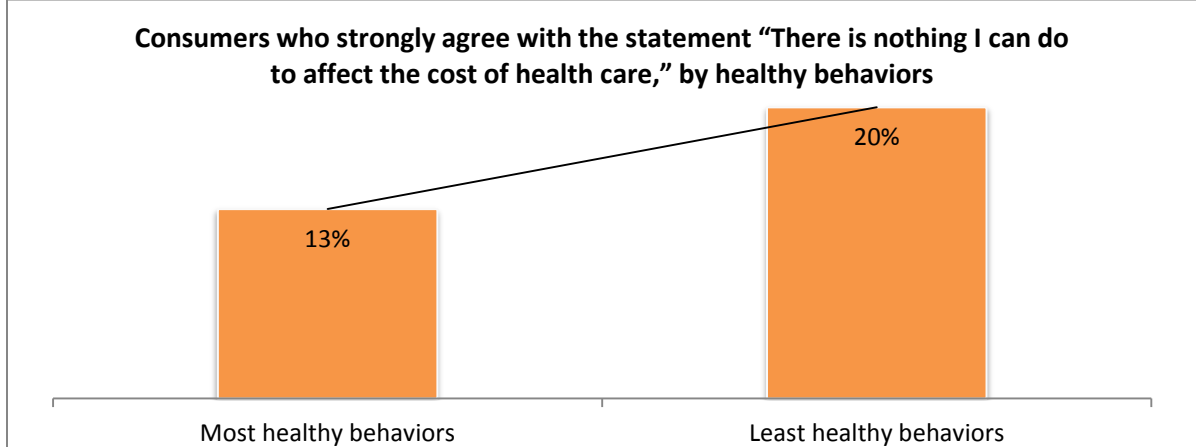
Health care costs have risen dramatically over the last several years. In 2003, the average cost of employer-sponsored health insurance for a family was \$9,000; in 2013, it was more than \$16,000. Additionally, the cost of health care in the United States is much higher than in other countries. While the vast majority (88%) of consumers in this survey acknowledge that costs are too high, they are less certain about the role that consumers can play in making health care more affordable. Just a little less than half (45%) report that there is nothing that they can personally do to influence health care costs. Slightly more (53%) believe that consumers in general may be able to make a difference if they try. Only 14% agreed that these costs are acceptable because the United States offers the best care.

**Exhibit 16: Consumer Opinions About Rising Health Care Costs**



Consumers who accepted no responsibility for the cost of care were also more likely to report the unhealthy behaviors that contribute to high costs. That is, 20% of individuals who strongly agreed with the statement “There is nothing I can do to affect the cost of health care” also reported that they are overweight, they use tobacco, or they do not exercise. Only 13% of patients who reported none of those unhealthy behaviors agreed with the same statement.

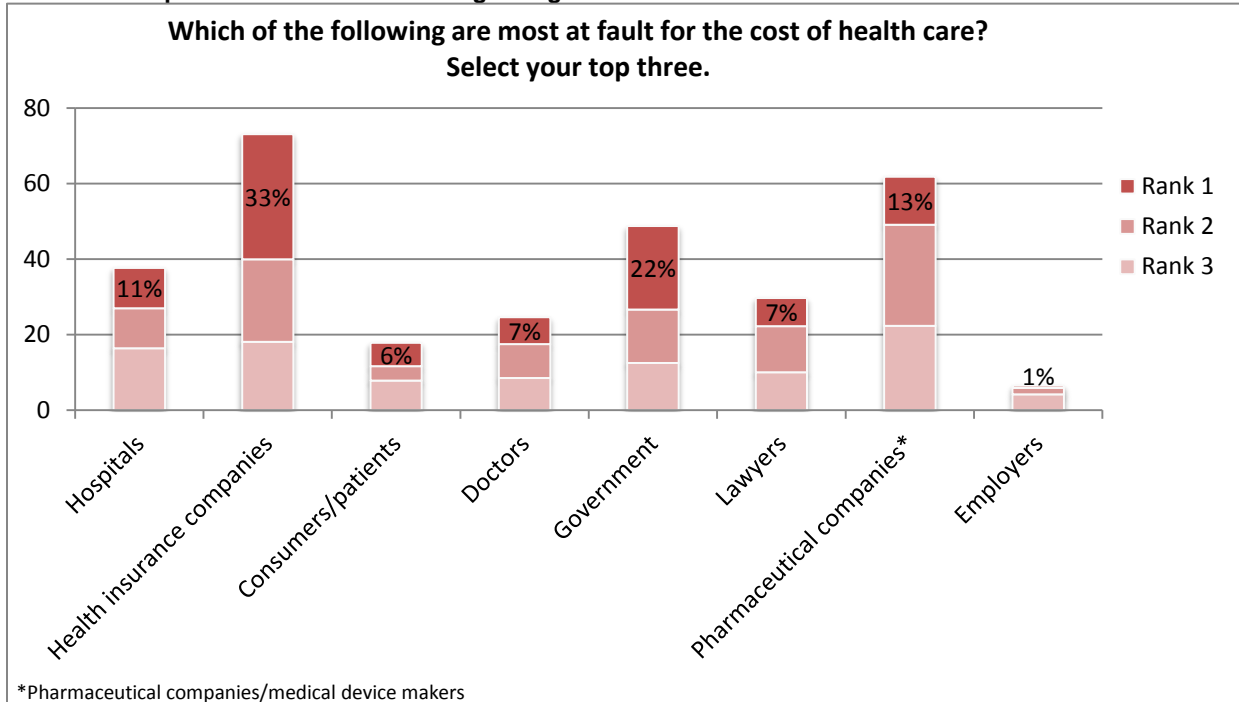
**Exhibit 17: Acceptance of Responsibility for Costs by Healthy Behaviors**



**Key Stakeholders**

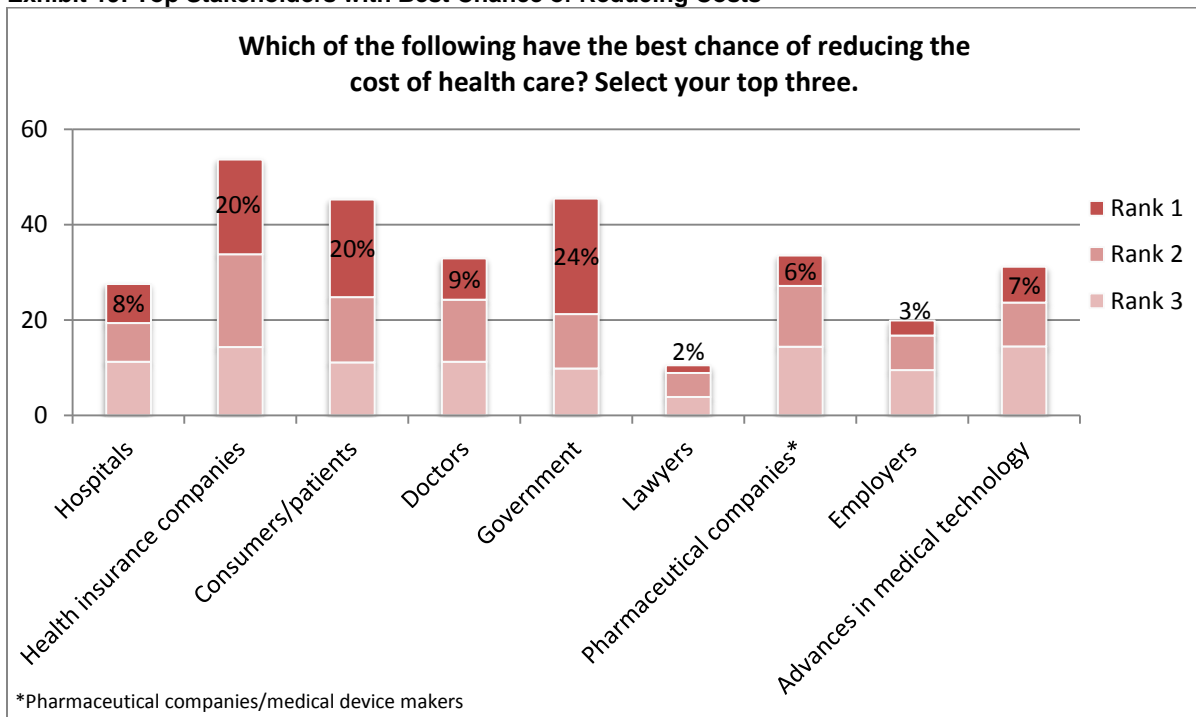
When asked about stakeholders that are most responsible for the cost of care in the United States, the majority of consumers identified health insurance companies, the government, and drug or medical device companies. About one-third listed insurance companies as their top choice; 22% and 13% chose government and drug companies for this category, respectively. One in 10 consumers felt that hospitals were primarily to blame for high costs, while fewer consumers identified lawyers (7%), doctors (7%), patients (6%), and employers (1%).

**Exhibit 18: Top Stakeholders Contributing to High Costs**



Although consumers listed the government and health insurance companies as the primary causes for expensive care, they believe that these two stakeholders can play a major role in lowering costs as well. Interestingly, they also ranked themselves—patients and consumers—among the top three stakeholder groups with the best chance of making care more affordable.

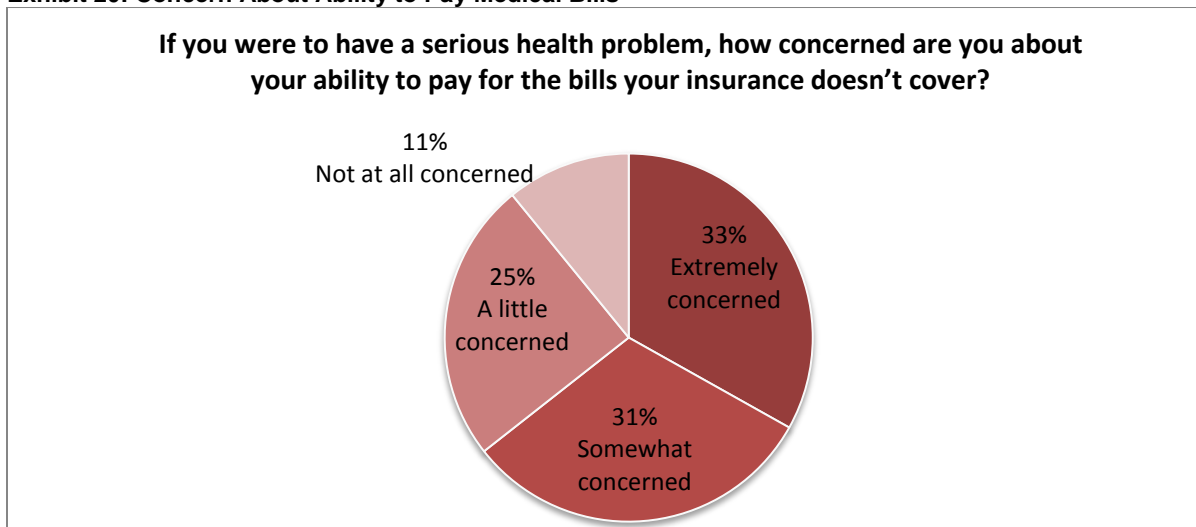
**Exhibit 19: Top Stakeholders with Best Chance of Reducing Costs**



**Concerns About Coverage and Ability to Pay**

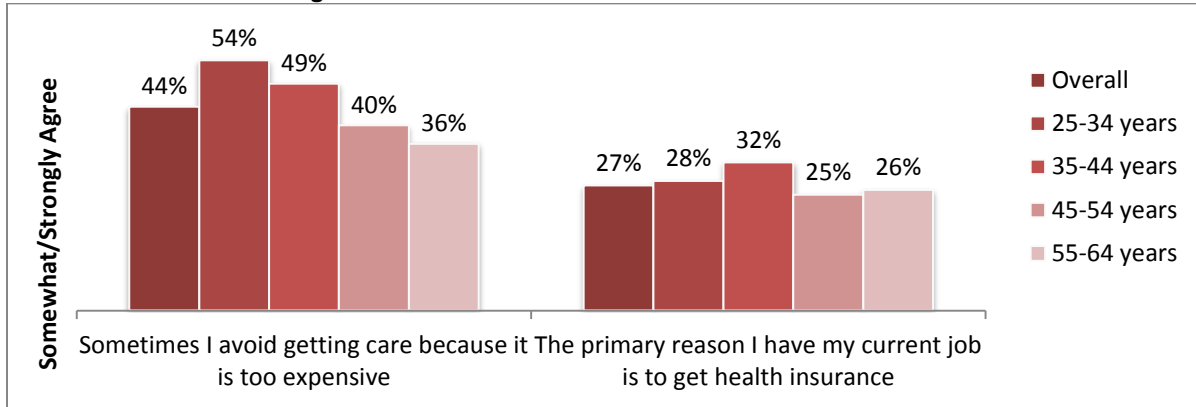
The vast majority of consumers worry about their ability to pay for unexpected medical bills. Nine out of 10 consumers expressed concerns about whether they could afford to pay for services that were not covered by their health insurance. Most (64%) were extremely or somewhat concerned about their ability to pay for bills if they were to experience a serious medical issue. Only 11% of consumers were not at all concerned.

**Exhibit 20: Concern About Ability to Pay Medical Bills**



Survey findings showed that many consumers are cutting back on care because of cost pressures. Three out of five (44%) reported that they sometimes choose to go without health care due to financial concerns. Additionally, 27% respondents reported that the main reason why they are currently employed is to receive health insurance benefits. In general, cost seemed to be more prohibitive for younger respondents.

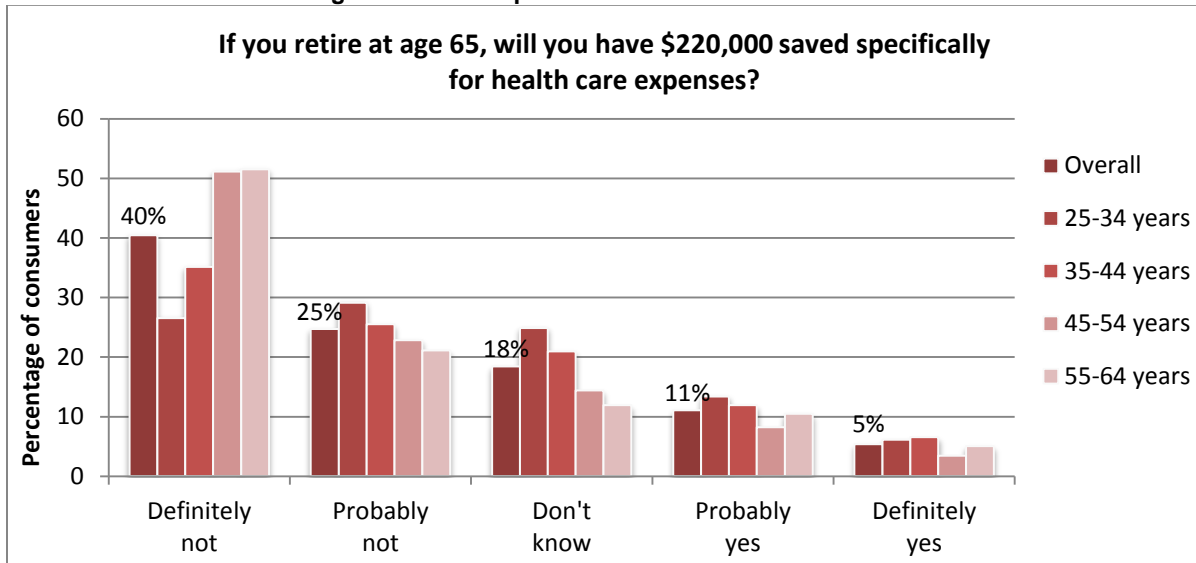
**Exhibit 21: Effects of Rising Costs on Patient Choices**



### Retirement Savings

Health care is a major expense for consumers during their retirement years. People retiring at age 65 will need substantial funds to cover health care costs for the rest of their lives, even with Medicare coverage.<sup>1</sup> Consumers were asked whether they would have \$220,000 saved for health care expenses in retirement. Only 5% reported that they would definitely have this amount set aside, and about 1 in 10 (11%) felt that they probably would. In contrast, the majority reported that they will definitely not (40%) or probably not (25%) have \$220,000 saved for future health expenses, and 18% were uncertain. Notably, more than half of consumers between the ages of 45 and 64—those closest to retirement—felt that they would definitely not achieve this level of savings.

**Exhibit 22: Retirement Savings for Health Expenses**



<sup>1</sup> The estimated savings needed for health care expenses in retirement varies widely. According to the Employee Benefit Research Institute, a 65-year-old couple retiring in 2019 will need \$450,000 to cover medical costs.

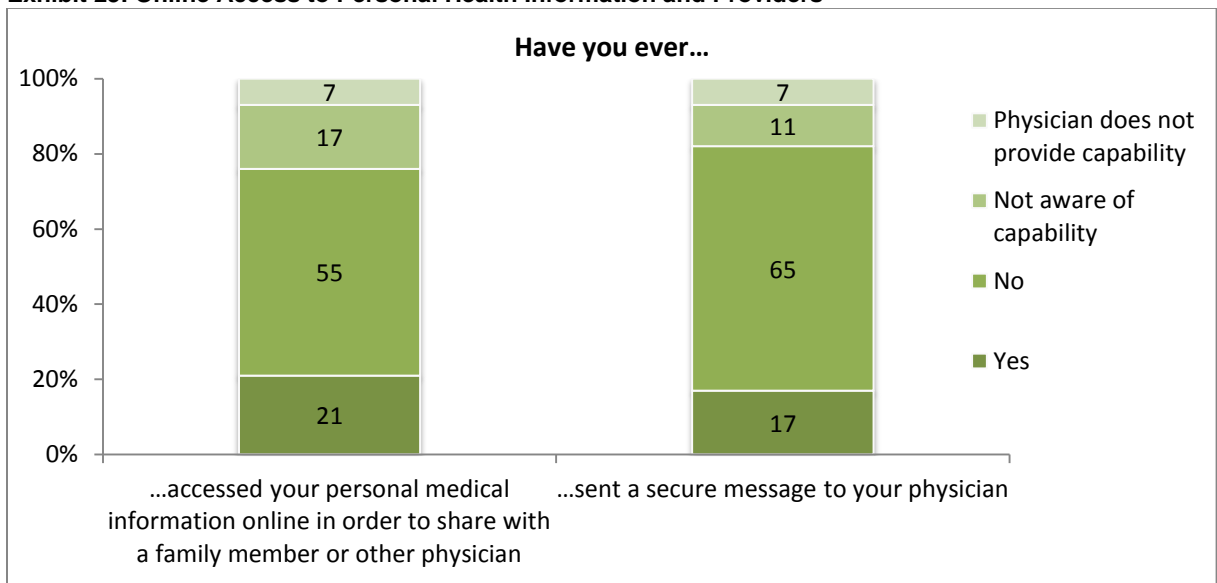
## VIII. Electronic and Mobile Health Technology

### Tracking Personal Health Information

Nationwide, people are beginning to turn to computers, tablets, and smartphones to monitor their health and the health of family members. A flurry of new technologies are designed to help patients keep track of information—such as medical conditions, appointments, test results, and medications—and measure progress toward health-related goals. Importantly, this information can also be shared with families, caregivers, and health care professionals, potentially opening new doors for communication and shared decisionmaking.

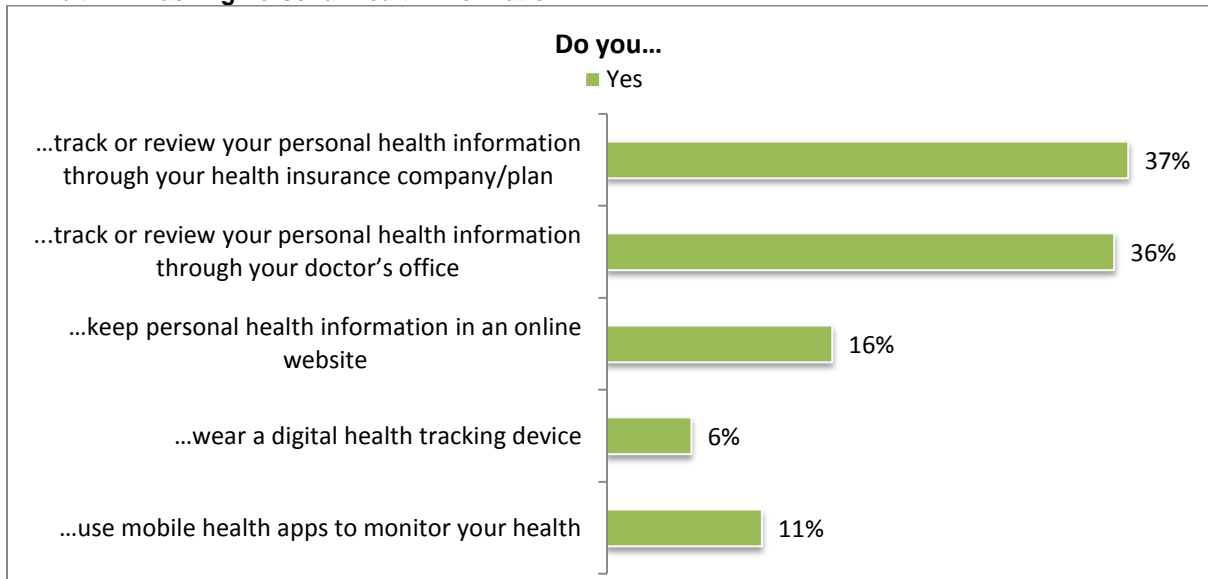
While they have potential to encourage patients to be more active participants in their health, electronic and mobile health technologies are not widely adopted by the general population. Similarly, few consumers in this study reported using “e-health” and “m-health” tools. One in five patients (21%) has ever obtained personal health data online for the purpose of sharing this information with family members or other physicians. Even fewer (17%) reported that they have ever sent an online message to their doctor. In both instances, only 7% said that their doctor did not provide the capability or function. This suggests that more education is needed to ensure that consumers understand the tools that may be available to them.

**Exhibit 23: Online Access to Personal Health Information and Providers**



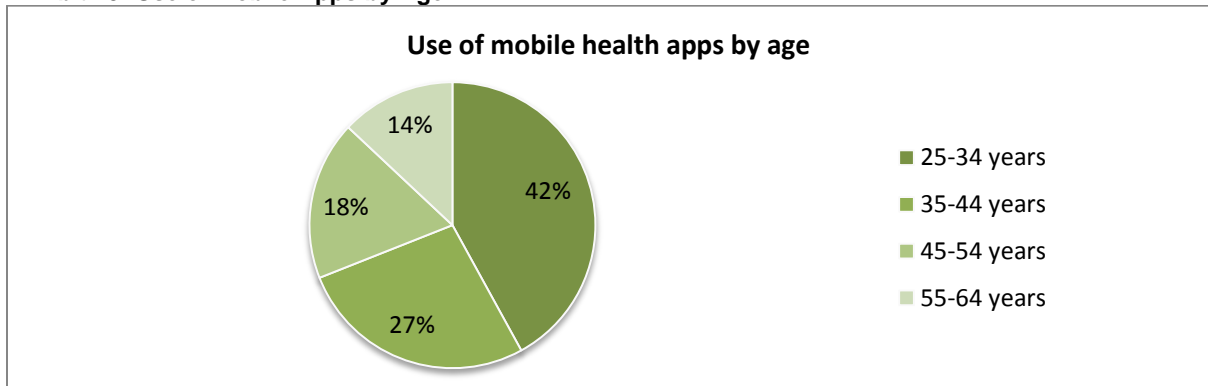
When asked about health tracking behaviors, 37% of patients indicated that they monitor personal health information through their health insurance company or health plan. This could involve an online portal or a website, for example. Roughly the same percentage (36%) tracked information through an electronic health record or other resource offered by their doctor. About 16% have taken steps to store their information in an online website, such as WebMD; or a personal health record, such as Microsoft HealthVault. Only 6% wear a digital health tracking device, and about 1 in 10 reported that they use mobile health apps.

**Exhibit 24: Tracking Personal Health Information**

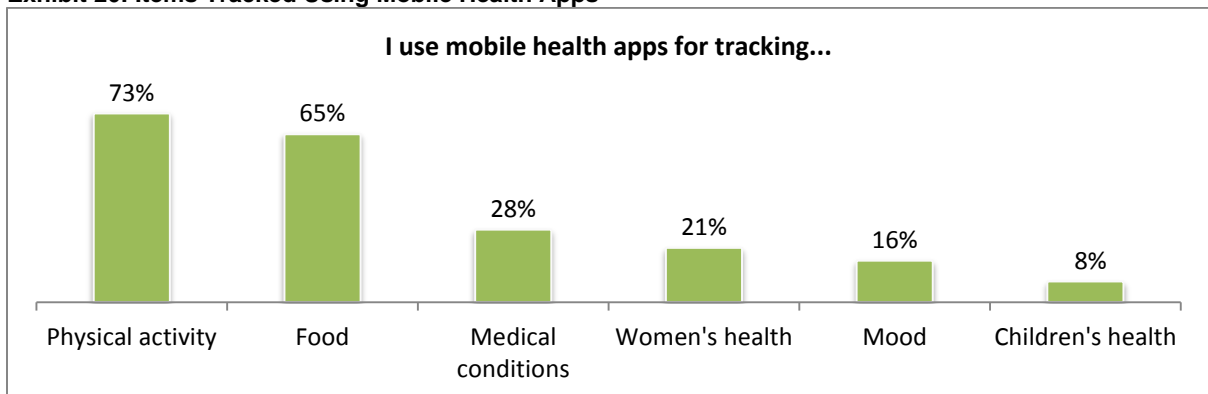


Among the consumers using mobile health apps, nearly 70% were between the ages of 25 and 44. Most reported using them to track physical activity (73%) and food (65%), while 28% use them to monitor blood sugar levels, heart function, and other health measures specific to their medical conditions. Consumers also reported using apps to track women's health issues (21%), their mood (16%), and children's health (8%).

**Exhibit 25: Use of Mobile Apps by Age**



**Exhibit 26: Items Tracked Using Mobile Health Apps**





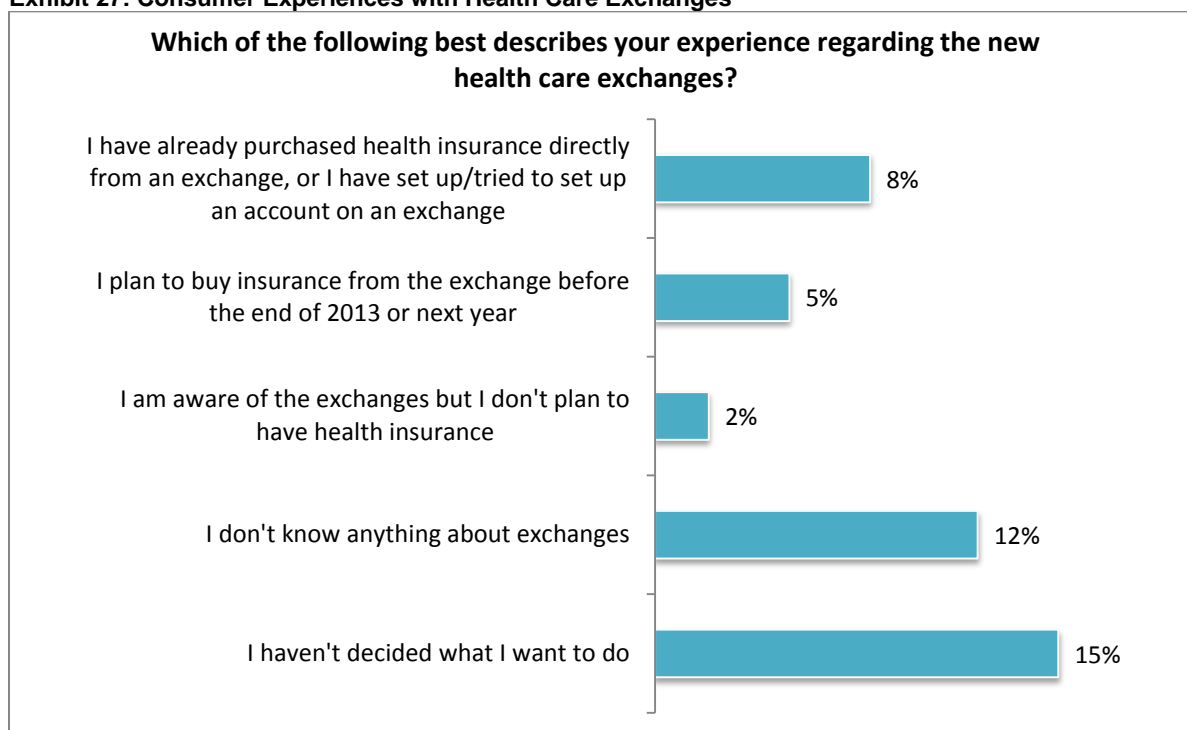
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## IX. Health Insurance Exchanges

### Experiences with Health Insurance Exchanges

Health insurance exchanges are a key feature of the Patient Protection and Affordable Care Act, or the health reform law. Consumers were asked to report their experiences with these new marketplaces.<sup>2</sup> Nearly three out of five (59%) indicated that they are aware of the exchanges but will not use them because they obtain health insurance from another source. Most of the remaining 41% of consumers are either undecided about whether to participate in the exchanges (15%) or do not know anything about them (12%). Fewer than 10% have already purchased insurance from an exchange or set up or tried to set up an account and a 5% plan to do so in the future. Only 2% of consumers reported that they do not plan to have any health insurance.

Exhibit 27: Consumer Experiences with Health Care Exchanges



## X. Summary

This report offers several key findings:

- ▲ **Consumers continue to embrace an active role in medical decisionmaking.** People appear to be moving away from the traditional model of care in which doctors possess most of the decisionmaking authority. Consistent with past survey results, the majority of consumers prefer to participate in decisions regarding their health and health care. They also continue to place a significant amount of trust and value in the opinions of friends and relatives when making health care choices.

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<sup>2</sup> This survey was administered in the first month following the launch of online health insurance exchanges. Therefore, the findings are preliminary and should be interpreted with caution.

- 
- ▲ **Consumers recognize that health care is too expensive, yet they do not feel equipped to influence the cost.** Most people acknowledge that health care costs are unreasonably high. They blame other entities for these prices—namely insurance companies, drug companies, and the government—and seem conflicted about the role that consumers can play in reducing costs. About half do not feel that they can personally affect health care prices, and half believe that patients have a good chance of improving the affordability of care. Interestingly, those who may be contributing most to the cost burden (i.e., consumers who are inactive or overweight or use tobacco) were least likely to accept any responsibility for the cost of care.
  - ▲ **Consumers face significant financial concerns, and most are unprepared for the cost of medical care in retirement.** Only 5% of consumers are certain that they will have the recommended savings needed to cover health expenses after they retire. On the other hand, more than 80% are either unsure or unlikely to have enough money set aside for health care post-retirement. The overwhelming majority also indicated that they worry about their ability to pay for unplanned medical expenses, which may be causing them to forgo care. Additionally, one in four reported staying at their current job primarily for the health insurance coverage.
  - ▲ **Although consumers claim to be comfortable asking doctors about health care prices, most never do.** The almost universal concern about high health care costs does not seem to be translating into more cost-conscious behavior on the part of consumers. Only about half have ever talked with their doctor about prices, despite the fact that most maintain that they would be comfortable doing so. This trend remains unchanged over the five times that this survey has been administered. In general, consumers remain hesitant to seek out information and shop for lower-priced, better-quality care; younger patients were more likely to do so.
  - ▲ **A small proportion of consumers monitor their personal health information through the use of e-health and m-health technologies.** Those who tracked their health care tended to use resources available through their health insurance plan or their doctor. One in 10 consumers used mobile health apps to track items such as exercise and eating behaviors. Younger people were more likely to adopt these technologies.