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Ad Astra Institute

Health Insurance Language Development

Focus Group Research

Final Report

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TABLE OF CONTENTS

I.	Executive Summary	3
II.	Background & Objectives	5
III.	Methodology	6
IV.	Attitudes toward Health Insurance	7
V.	Reactions to Concepts	10
	• A – Universal Healthcare with Single Payer	11
	• B – No Universal Healthcare or Single Payer	17
	• C – Universal Healthcare without Single Payer	21
VI.	Scenarios	25
VII.	Reactions to Terminology	28
VIII.	Appendices	29

I. EXECUTIVE SUMMARY

This report gives findings on swing voter attitudes towards universal health care coverage in general, and single payer health coverage mechanisms in particular, based on six Kansas focus groups conducted in January, 2008. The groups were segmented by gender, three income categories, and three urban locations (Overland Park, Topeka, and Wichita). Panelists were registered Republicans or Independents aged 30-65 who voted in the last two general elections and expressed neutral or somewhat positive attitudes towards universal health care.

Selected findings:

Almost no one recognized the term “single payer.” The single payer concept was introduced to panelists by a description that did not rely on that term.

Very few respondents knew much about Medicare or how it works. Therefore, phrases like “similar to Medicare” are unlikely to be helpful in explaining single payer concepts.

Panelists were introduced to two other concepts:

- A universal health coverage system based on sliding scale subsidies for private insurance plus a mandate that individuals buy insurance; and
- A non-universal system with enhanced tax incentives for medical savings plans and individually-purchased catastrophic insurance.

Most panelists tended to support single payer over the other two concepts. The non-universal system was marginally the least popular.

Finances would be the potential deal breaker for any reform scheme:

- Where are the cost savings? Is it credible?
- How much will it cost me?

High income people and males were more likely to endorse medical savings accounts than others were.

Many panelists felt a strong distaste for mandated private insurance.

Free choice of doctors was very important to panelists.

Many of the panelists showed strong confusion or ambiguity on questions of individual versus collective responsibility:

- They don't like asking high income people to pay more to help cover poor people, but
- They do think "the government" should help cover poor people.
- They think some people are undeserving (bankruptcies; welfare abusers; immigrants), but
- They think everyone should be covered.
- They say, let the market work, and government is inefficient, but
- They say the market isn't working and something needs to be done.

While panelists tend to be confused about what new policies to support, there was strong dissatisfaction with the existing system.

Their highest concerns were about costs and availability. Next highest were concerns about exclusions and copays. There was also plenty of anger at insurance companies about:

- Complexity and lack of transparency in insurance policies and administration
- Instability—constant changes in provisions and lists of eligible doctors
- Limited choice of doctors
- Phantom insurance—surprises about what isn't covered
- Unavailability of insurance for persons not in a covered employment group
- Constantly rising prices and falling coverage.

Even though the focus groups were asked about health coverage systems and not about health delivery systems, as much or more anger was expressed at hospitals and doctors as at insurance companies.

Surprisingly, the term "socialized medicine" received positive as well as negative responses. Panelists gave mixed reports on the relative desirability of coverage systems in Canada and other foreign countries. There was little evidence that international comparisons would be a useful selling point for single payer.

II. BACKGROUND & OBJECTIVES

The Ad Astra Institute of Kansas is interested in understanding attitudes held by Kansas Voters towards their current health insurance, the general concept of universal healthcare coverage, and the type of delivery mechanism generally known as single payer.

The objectives of this research were to:

- understand attitudes towards health insurance
- gauge reaction to ideas and language related to several insurance positionings or “concepts”
- explore the impact of specific terms and general family scenarios on health insurance attitudes.

The concepts, scenarios, terminology lists, target group definition, and segmentation scheme used in this research were developed by Ad Astra researchers David Burress, Liz Craig, Louise Hanson, and David Kingsley. Jonathan Dimbert of Jigsaw Marketing Research developed a screening instrument and a discussion guide, supervised recruitment of subjects, managed logistics, led the discussions, and wrote this report. David Burress served as Principal Investigator for the project and edited this report.

III. METHODOLOGY

Jigsaw Marketing Research conducted a series of six ninety minute mini Focus Group (seating 4 or 5 respondents each) in three cities in Kansas between January 21st and 23rd, 2008. Two groups were conducted in each market:

- Johnson County (Overland Park) on January 21st
- Sedgwick County (Wichita) on January 22nd
- Shawnee Country (Topeka) on January 23rd

All panelists were registered Republican or Independent voters between the ages of 30 and 65 who had voted in the previous two general elections. They were neutral or somewhat positive toward the following generic statement supporting universal health insurance:

The United States should have a health care system that provides health care coverage for everyone.

Panelists were screened to eliminate occupations such as marketing, market research, politics and/or insurance, and were asked about their past six month participation in marketing research activities. Panelists were paid a stipend of \$75.

Groups were segmented based on income, gender, and location:

Group	Income	Gender	City
1	Higher (More than \$75K)	Women	Overland Park
2	Higher (More than \$75K)	Men	Overland Park
3	Lower (Less than \$35K)	Women	Wichita
4	Medium (\$35K to 75K)	Men	Wichita
5	Lower (Less than \$35K)	Men	Topeka
6	Medium (\$35K to 75K)	Women	Topeka

IV. ATTITUDES TOWARD HEALTH INSURANCE

Current Insurance

Prior to discussion of the concepts, panelists were asked to detail their insurance and describe their attitudes toward their current coverage.

These panelists generally have a low level of involvement with their insurance. It is not something they think about regularly.

Factors which increase their likelihood to focus on their insurance include:

- ‘Testing’ their insurance – using their insurance at a higher level than previously experienced
- Losing their insurance – due to job loss, becoming a student, hard financial times
- Change in the cost of their insurance – due to retirement or change in policy at work

A small portion of panelists, generally those who are younger and who have not yet used their insurance said there were ‘grateful’ for their insurance.

“I’d hate to be somebody that’s uninsured with three little ones. I know I can always go to the doctor. I’m the crazy mom who pays a \$15 co-pay every time they have a sniffle.”

“I feel lucky to have it.”

ATTITUDES TOWARD HEALTH INSURANCE

Current Insurance (continued)

However, most panelists expressed negative feelings.

Some panelists said they felt cheated by their insurance.

“I don’t feel like I get full coverage. It should be more straightforward like car insurance. You pay the premium and you’re covered. They shouldn’t be questioning everything.”

“It is so complicated. You have a simple test at the hospital and you get nine different bills. You can’t tell what you owe and what has been paid. It takes forever to figure it out.”

Many panelists said they feel dependent or trapped by their insurance.

“You feel like you have to have it. You don’t have much choice in the matter, so you try to get the best you can get, wherever you can get it.”

“I feel worried because I keep seeing the price go up and it is almost exponential. I think it will be more than my house payment soon.”

Several panelists spoke about the controlling nature of their insurance.

“People tell me I should marry my boyfriend so I can be covered by his insurance. We’ve been together a long time, but we don’t want to marry. I shouldn’t have to mess with my relationship for this.”

“I see insurance as a threat to my retirement plan. I know a lot of people who would already be retired if they had a reasonable healthcare plan.”

ATTITUDES TOWARD HEALTH INSURANCE

Current Insurance (continued)

Panelists without insurance spoke about the worry and stress they experience.

“I’m frustrated that I can’t afford it. It is so expensive!”

“It is kind of dehumanizing. Now when doctors see that I don’t have insurance they immediately decide not to run tests – it makes me feel like I’m less valuable.”

“It is a bit depressing at times, but the kids have been healthy so far – I’m blessed with that.”

“I just want to wrap my boys in a bubble. I thought we’d be okay because we never used it much, but now my son jumps off the porch and all I can think about is ‘oh no, we don’t have insurance’.”

Insurance Improvements

Panelists were also asked to indicate how their insurance coverage could be improved.

By far the number one response was to make it more affordable. For those without insurance that means lowering the cost to a point they can handle. For those who already have insurance it means lowering their out of pocket costs, either through their portion of the premium, a lower deductible, or lower co-pays.

Other suggestions made by panelists were: increased choice of doctors and hospitals; eliminations of pre-approval; reduction in forms; and generally making the process easier to understand and use.

Panelists indicated these changes could reduce the burden they feel from their insurance either by reducing the actual cost or by simply making it easier to use their healthcare services.

V. REACTIONS TO CONCEPTS

INTRODUCTION

During the course of this research, panelists were exposed to three written concepts. Each concept was shown by itself and all discussion occurred prior to the exposure of the next concept. The order of presentations was rotated to reduce order bias. The complete concepts are given in Appendix I.

After panelists received the written concept, they were asked to follow along as the Moderator read through the concept. They were asked to identify elements they liked or disliked about each concept and to rate it on a five-point scale based on their personal interest in the concept and their perception that the concept was good for the country as a whole. A summary of the complete set of ratings is given in Appendix II.

In the following section panelists' reactions to the text of each concept is analyzed, line by line. The text of the concept is bolded and italicized. Words or sentences that received the strongest liking or disliking reactions have been underlined.

Each concept was given a working title for explanatory purposes only. These titles are {bracketed} in the text below and were *not* read to the panelists.

REACTIONS TO CONCEPTS (continued)

CONCEPT A – {UNIVERSAL HEALTHCARE WITH SINGLE PAYER}

Overview

This plan generated the highest level of interest of all plans examined in this research. It was rated highest by most groups and was the overall preferred plan, by a margin of two to one, for both ‘my needs’ and the ‘needs of the country’.

Acceptors of this plan clearly understood the plan’s promise of healthcare coverage for all at a reasonable cost.

Rejecters were concerned about the tax burden of the program and the government’s ability to successfully manage such a plan.

Names given to this plan by Acceptors reflect the benefits they feel it offers: Freedom’s Insurance Plan, True Healthcare Coverage, American Freedom of Health, and Affordable Healthcare Coverage.

Names provided by Rejecters suggest their concerns: Government Run Healthcare, Socialized Government, Tax, Tax, Tax!, and Too Good to Be True.

Specific Reactions (underlined text received the strongest reactions)

Health insurance companies compete for profits by refusing to cover customers who are likely to need expensive health care and by limiting your choice of doctors to ones they have a business relationship with. Their plans have high deductibles and co-pays as well.

While panelists did not disagree with this argument, they did not seem to feel very much outrage. They have come to accept the status quo and seem to consider doctors and/or hospitals to be just as ‘villainous’ as insurance companies.

“We’ve got CEOs at small hospitals making seven, eight digits.”

“You get a shot; the doctor not only charges you for the needle, but the plastic syringe part and another piece. The needle is the only new part, but they charge the insurance company for every patient they use it on.”

REACTIONS TO CONCEPTS

CONCEPT A – {UNIVERSAL HEALTHCARE WITH SINGLE PAYER}

Specific Reactions (continued)

It is difficult or impossible for certain people to get the health coverage they need: sick people, poor people, older people, people with pre-existing conditions, or people needing treatments the insurance companies judge to be “experimental.”

Panelists identified strongly with the claim that it is ‘difficult or impossible’ to get the required coverage. They understood and reacted negatively to the fact that many, including some of the panelists participating, cannot afford insurance or are denied the treatment they seek as experimental.

About half the population lack insurance coverage at some point in their lives. Insurance companies spend as much as 1/3 of insurance premiums on administrative costs on refusing coverage for certain individuals and rejecting claims from those who are covered.

A few panelists were suspicious about the above statistics, but most accepted them, without any real increase in their levels of concern. They understand the insurance companies’ profit motives but do not readily see an alternative.

As a result, health insurance costs too much and covers too little.

This sentence received more attention than any other in this paragraph. It is a strong, clear claim that panelists readily identify with.

REACTIONS TO CONCEPTS

CONCEPT A – {UNIVERSAL HEALTHCARE WITH SINGLE PAYER}

Specific Reactions (continued)

We need health insurance that automatically covers everyone, with free choice of doctors, at a reasonable cost.

The claims made in the above sentence are the main benefits of this concept.

- Automatically covers everyone – some had concerns with the term ‘automatically’, but most focused on the fact that everyone will receive coverage. When asked to explain why it is important to them that everyone be covered, panelists either cited a general altruistic view or suggested that overall healthcare costs will be kept down if you eliminate those who cannot pay because they don’t have insurance.

“We’re the United States for Pete’s sake. For years we’ve sort of been the leader in everything. We need to be doing better.”

- Free choice of doctors – this is a powerful promise, although only a minority listed it as a major problem with the current insurance. Several panelists shared stories of how going back to ‘their doctor’ enhanced their treatment. Overall, the concept of free choice does a lot to suggest a good level of coverage.
- Reasonable cost – while many panelists wanted to know more to ensure the cost will be reasonable to them, most considered this as the key hurdle to be met to create a workable solution for everyone.

REACTIONS TO CONCEPTS

CONCEPT A – {UNIVERSAL HEALTHCARE WITH SINGLE PAYER}

Specific Reactions (continued)

That means we need a federal system like Medicare ...

Overall panelists understood the second paragraph to be intended as an explanation of how the plan will work. In general they felt there were lots of explanations as to why a change is needed, but not enough about how the change will work.

“This first paragraph is long and tells you a lot of things about how people don’t have health insurance, but the second paragraph is real short. It doesn’t give you much information.”

Panelists have surprisingly little experience with or understanding of Medicare. Those who have experiences with Medicare expressed concerns regarding the level of coverage or complexity of choices based on watching their parents or friends deal with Medicare. They generally do not see Medicare as a solution that covers all the needs of the insured.

However, most do not have enough experience with Medicare to allow it to serve as a useful ‘brand’ for this solution. Once Medicare was explained to them by other panelists, they frequently raised concerns based on its similarity to Social Security, such as fear that it will run out before the younger generation can use it or that the monies collected will be mismanaged/misappropriated by the government.

Overall the use of the Medicare term is failing to provide this concept with any strong positive.

REACTIONS TO CONCEPTS

CONCEPT A – {UNIVERSAL HEALTHCARE WITH SINGLE PAYER}

Specific Reactions (continued)

...that covers all necessary medical treatments...

This was seen as a powerful promise, but the term ‘necessary’ raises lots of questions about who will decide what is necessary. Panelists were clear that these decisions should be made by doctors, not bureaucrats.

...and negotiates fair prices with doctors and hospitals.

This is a clear and powerful promise. Panelists readily understood this notion, describing it as a price list or standard/fixed pricing that will be acceptable to all doctors. Some raised concerns about doctors’ acceptance of the price plan and how ‘elective’ medical treatment would be handled.

This sentence is the closest the concept comes to explaining how it will work financially and many were left confused or somewhat unconvinced about the plan’s financial impact or viability.

When the following additional text was read, panelists generally agreed with the logic, but most still said they would like more specifics.

Cutting insurance companies out of the loop can save more than enough money to cover all the uninsured and underinsured people in American. That means that people who already have insurance will typically pay the same amount, or less, for the plan than what they pay now.

REACTIONS TO CONCEPTS

CONCEPT A – {UNIVERSAL HEALTHCARE WITH SINGLE PAYER}

Specific Reactions (continued)

The costs should be shared between employers, employees, and the federal government.

This closing sentence failed to engage these panelists and often led to confusion of who would be covered by the plan. Some panelists felt that people who were not in the workforce would not be covered by the plan. They quickly gave up this notion when other panelists explained the true situation, often with another comparison to Social Security.

Additionally, the role of employers was not well understood. Panelists wondered if the plan would place too large a burden on small businesses or would result in employees paying more than their current share, while employers paid less.

Overall, panelists seem less concerned to know the details of who will pay for the plan and much more concerned with understanding how their own costs, either for their insurance plan or their tax burden, will be affected.

REACTIONS TO CONCEPTS (continued)

CONCEPT B – {NO UNIVERSAL HEALTHCARE OR SINGLE PAYER}

Overview

This plan generated the lowest level of interest of all plans examined in this research. It was rated lowest by five of the six groups. In terms of preference it ranked a close third place for both 'my needs' and the 'needs of the country'.

Acceptors of this plan accepted the cost of insurance would decrease and believed that their personal medical expenses could be covered by the savings. In general, they tended to be supporters of less government interference in free trade. A few Acceptors were not very positive toward the plan, but rated it high because they felt it accomplished something positive for the many people who cannot currently afford insurance.

Rejecters were concerned about relying on individuals to save the money required for this plan to work. They point to Americans' difficulty in saving for retirement and suggest only the wealthy will be able to put aside money to cover day-to-day medical expenses. They describe their reaction to the plan in terms like uneasy, worried, concerned and troubled.

Many respondents were also concerned about what would be covered by catastrophic illness. They felt the likelihood they would find themselves not covered for expensive treatments was much greater under this plan.

Names given to this plan by Acceptors reflect the basis of their support: Market Driven Healthcare, Individual Healthcare Plan, Taxpayer Supplemented Medical Plan and Medical Savings for Individuals.

Names provided by Rejecters suggest their concerns: Double Talk, Dupe the Uninformed, The Government Plan and No Preventative Healthcare Option.

Overall this plan was not very well understood due to panelists' lack of familiarity with tax incentives and the lack of specific detail about what would be covered and the true costs of paying for day-to-day healthcare out of pocket.

REACTIONS TO CONCEPTS (continued)

CONCEPT B – {NO UNIVERSAL HEALTHCARE OR SINGLE PAYER}

Specific Reactions (underlined text received the strongest reactions)

The current health insurance crisis is being caused by government interference that keeps the free market from working effectively.

Panelists were split regarding the validity of this statement. A minority who were Acceptors of the plan agreed with this logic.

A majority who were Rejecters were largely against the notion of ‘government interference’ in general, but were not necessarily convinced that this was the true cause of the ‘health insurance crisis’.

Instead of letting individuals have free choice and responsibility for meeting their own health coverage needs, the government provides tax incentives to employers who offer their employees group health insurance plans.

Most panelists were not familiar with this type of tax credit. They are generally supportive of ‘free choice’, but really don’t understand what this sentence is referring to. They have not questioned why their employer offers health insurance.

Most of these health insurance plans are too expensive because in addition to major “catastrophic” illnesses or accidents, they also cover routine, day-to-day medical needs.

Since all panelists agree that health insurance is too expensive, they can readily agree with this sentence. However, this agreement becomes stressed when the details of what will be covered by their policy and what they will pay out of pocket are discussed later in the plan.

REACTIONS TO CONCEPTS

CONCEPT B – {NO UNIVERSAL HEALTHCARE OR SINGLE PAYER}

Specific Reactions (continued)

Under a true market-driven plan, individuals will pay less for their insurance, so they will have more money to cover their day-to-day medical needs.

Panelists have little reaction to this sentence. They like the notion of paying less for their insurance, but are waiting to understand the details of the plan.

We need to change the tax incentives in order to create a true market-driven health insurance environment.

Again, this sounds good to most respondents, but they do not yet have any sense of the true promise of the plan. This, and the above sentences, contribute to panelists' comments that this plan is 'unclear', 'complex' and 'not specific'.

Instead of providing tax incentives to employers who offer group plans, the government should offer large tax deductions for insurance that is limited to major medical expenses and purchased directly by individuals.

Panelists are split in terms of their reaction to this sentence. Acceptors like 'tax deductions', while Rejecters feel the government is simply shifting responsibility to the individual without doing anything to solve the overall problem.

REACTIONS TO CONCEPTS

CONCEPT B – {NO UNIVERSAL HEALTHCARE OR SINGLE PAYER}

Specific Reactions (continued)

There should also be large tax deductions for individual medical savings accounts, where people can put aside the money they will need for day-today medical expenses.

This is the primary promise of this plan. As a result it is one of the most liked sentences in the description.

However, many panelists are concerned about the implication of this change.

- They fear consumers will not save their money.

“Most people can’t save for retirement, so how are they going to save for their own medical expenses.”

“People won’t put the money aside.”
- They fear that without additional regulation, even day-to-day medical expenses will be too costly to manage on their own.

“I had to go see a colon doctor and just the office visit was \$1,200.”

“Without insurance an office visit is \$60 – just to walk in and talk for two minutes and get a prescription.”
- They fear they will be taken advantage of because they have little information or control.

“Puts the burden on the buyer to know exactly what is covered. Now I can’t ask my co-workers about our plan, but here I’m on my own.”

“This gives corporations more liberty to fight about the definition of major medical expenses. They’ll cover only what they want to.”
- They fear the government is just shifting the reasonability to them.

“I don’t think the government is doing enough. This doesn’t change the government’s involvement, it just shifts it.”

“This is worse than what we have now because it shifts the burden from the employers to the individual.”

REACTIONS TO CONCEPTS (continued)

CONCEPT C – {UNIVERSAL HEALTHCARE WITHOUT SINGLE PAYER}

Overview

This plan generated the second highest level of interest of all plans examined in this research. Its ratings were higher than plan A for only one group. In terms of preference it ranked a distant second place for both 'my needs' and the 'needs of the country'.

Acceptors of this plan support the notion of providing health insurance to everyone.

Rejecters raised one of several concerns.

- Unease at forcing participation
- Concern about the ultimate tax burden of subsidizing those who can't afford insurance
- Misuse of the system by 'welfare abusers' or illegal immigrants

Names given to this plan by Acceptors reflect their desire to see everyone covered; Insure Everyone, Safety net, Equal Health Plan and People's Insurance Plan.

Names provided by Rejecters suggest their concerns with forcing participation; Forced Insurance Coverage, Government Takeover, Socialist Insurance and Lack of Free Choice.

REACTIONS TO CONCEPTS (continued)

CONCEPT C – {UNIVERSAL HEALTHCARE WITHOUT SINGLE PAYER}

Specific Reactions (underlined text received the strongest reactions)

Too many people are falling through the cracks in our health care system.

This is a strong, powerful and clear message that panelists readily agreed with.

About half of Americans go without any health insurance at some point in their lives.

While many panelists found this number surprisingly, it did not greatly change their already high level of concern for the overall healthcare situation.

And people who do have insurance often find that the benefits are too small or too limited to meet their needs.

This statement met with little challenge, but did not have the strength of communication associated with the opening sentence.

More people are forced into bankruptcy by medical debts than by any other cause.

The claim of ‘forced into bankruptcy’ is very powerful, but was frequently challenged on several fronts:

- Questions regarding procedures to claim bankruptcy on medical debt and panelists’ experience paying bills off over several years
- Misuse of bankruptcy law
- Belief that poor use of credit and bad spending habits are more often the cause of bankruptcy.

These challenges diminish the overall persuasiveness of this claim.

REACTIONS TO CONCEPTS

CONCEPT C – {UNIVERSAL HEALTHCARE WITHOUT SINGLE PAYER}

Specific Reactions (continued)

We need to make sure *everyone is covered by health insurance policies that provide adequate benefits.*

The claim to cover everyone with adequate benefits was very appealing for these panelists. However, they begin to take issue with the specifics of how this will occur.

Everyone should be expected to purchase health insurance, just like automobile insurance.

Panelists were split in terms of their reaction to this sentence.

Many panelists took exception to the idea of forcing people to purchase health insurance, although few were able to articulate any rationale beyond the notion that it is wrong to force people to do anything.

Many other panelists were able to express how the cost for unpaid medical coverage incurred by the uninsured was transferred to the rest of the population and therefore saw some benefit to forcing everyone to have health insurance.

Discussion frequently centered on the difficulty of policing such a policy. Panelists were hesitant to have doctors reporting on their patients to the government and were also quick to point out that the government had a poor track record on similar issues, such as immigration and auto insurance.

REACTIONS TO CONCEPTS

CONCEPT C – {UNIVERSAL HEALTHCARE WITHOUT SINGLE PAYER}

Specific Reactions (continued)

People who can't afford health insurance on their own should be subsidized by government.

This sentence also received mixed reactions.

Acceptors liked the idea that those who could not afford coverage would be supported by the government via tax dollars.

Rejecters were concerned about the overall cost to cover these individuals, as well as potential abuses by Americans willing to misuse the 'welfare system' and/or illegal immigrants.

People who don't purchase health insurance should pay additional taxes on a sliding scale.

The idea of penalizing those without insurance was seen as a negative by most panelists. Even those who understood the benefits of everyone participating in the plan were hesitant to apply a penalty to 'force' people to have health insurance.

In general, the notion of forcing participation highlights concerns about those who will be subsidized and causes panelists to question the validity of their needs.

As a result, almost everyone will be covered.

While this was a positive for most panelists, they are hesitant to force participation and concerned about the overall tax burden this program may involve.

VI. SCENARIOS

After panelists had discussed all three concepts, they were exposed to a series of scenarios designed to highlight a variety of healthcare coverage situations.

Overall, panelists' reactions were remarkably similar, despite differences in their outlooks to the three concepts presented earlier. The following is a brief presentation of reactions to each scenario.

Scenario #1

Brad and Lisa own a small breakfast place in Garden City, Kansas. They make between \$35,000 and \$39,000 a year for a family of two -- barely enough to cover their business and living expenses. They cannot afford health insurance. Lisa recently had heart trouble and the couple is now faced with thousands of dollars in bills. They fear they will never "catch up" enough to even think about buying health insurance.

Nearly all panelists were able to identify with this couple's money problems. Nearly all agreed (when prompted) that if they could not afford insurance, a state agency should step in. Panelists agreed that to deny coverage based on Lisa's pre-existing condition was a common, but terrible practice.

Scenario #2

One year later, Brad and Lisa have slightly more income, but they also have a new born child. They still can't afford health insurance and are not eligible for Medicaid.

While most male groups suggested the couple had made a mistake by becoming pregnant, all groups agreed on the importance of ensuring healthcare for their child.

SCENARIOS (continued)

Scenario #3

Hal Stella, a 42 year-old district attorney, died of stomach cancer after his insurance company refused to approve the cancer treatment recommended by his doctor. The reason for denial of coverage was that it was determined to be experimental.

Most panelists agreed that it was horrible that Hal was denied coverage. They feel the insurance company is overly focused on profit and that these types of decisions should be made by the medical community. Even those who suggested some threshold of effectiveness for these types of treatment admitted they would want the procedure if their life was involved.

Panelists also suggested that coverage should never be denied, without offering an acceptable alternative treatment.

Scenario #4

Luke Jackson is a 26 yr.-old independent carpenter without health insurance. He recently cut his hand with a chisel and went to his local hospital's emergency room where seven stitches repaired the wound. He returned home after paying a \$1700 E.R. bill on his credit card. Soon thereafter, he bought an Army-Navy store field suture kit so that if he ever had a similar accident, he could do the repair himself.

Panelists saw several problems with this scenario. They feel the \$1,700 bill is realistic but far too high to be justifiable. Second, they caution Luke against using his credit card but related similar stories where hospitals or doctors wanted payment immediately. Lastly, they all agreed that Luke ran the risk of infection and perhaps worse problems by repairing his own wounds.

They agreed the ER is not a replacement for a family physician (when probed) and most agreed that it was unwise for young people to assume they would not require insurance.

SCENARIOS (continued)

Scenario #5

Jean Carlson was diagnosed with schizophrenia as a teenager. She is now 46 years old, single, an alcohol and drug abuser, chronically depressed, unemployed, and homeless. Jean has never held a steady job. No close relatives can be depended upon to help. In a few words, she is at the bottom of the social ladder. She has no hope of qualifying for health insurance and no means of paying for it even if she could.

Panelists universally agreed that Jean required the assistance of the state. They lamented her situation but had no expectation that she or anyone she knew could care for her. A few respondents described similar situations they were aware of.

Scenario #6

Maria Reinbeck is 52, an investment banker, the opposite of Jean Carlson in virtually every way: a well-paid professional with top-of-the-line health insurance provided through her employer.

Panelists were quick to agree that Maria should feel obligated to contribute to taking care of others, but they were hesitant to suggest this be done through taxes. They would prefer she voluntarily give the money to charity or some other system. When pressed, many agree or assume that she will bear a greater tax burden, and acknowledge the logic of it, but most do not want to suggest that she should be legally obligated to contribute funds.

VII. REACTIONS TO TERMINOLOGY

Panelists were asked to indicate their first reactions to several insurance related terms.

<u>POSITIVE TERMS</u>	<u>SPLIT TERMS</u>	<u>NEGATIVE TERMS</u>
<ul style="list-style-type: none">• Preventative health• Universal health care: everybody in, nobody out	<ul style="list-style-type: none">• Socialized medicine• Single payer• Government provided health insurance• Tax-funded health insurance	<ul style="list-style-type: none">• The uninsured

Positive Terms

Preventative health – a universal positive; take care of yourself so you don't get worse.

Universal health care; everybody in, nobody out – accepted position that society needs to provide care for all, partially driven by concern that uninsured drive up costs or that America should be able to provide health insurance for all

Spilt Terms

Socialized medicine – generally seen as poor or mediocre healthcare with limited or no choice, some see as a positive because it will provide some sort of solution to the uninsured.

Government provided health insurance – some see it as necessary to solve the current healthcare crisis, while others distrust the government and its ability to work efficiently.

Tax-funded health insurance – seen by some as the same as government provided, but others feel the use of the word tax more directly on their pocketbook

Single payer – totally unfamiliar term to respondents

Negative Term

The uninsured – universally negative; some feel a need to help them, while others feel they are negatively impacting the cost of insurance for those who are insured (e.g. by utilization of emergency room services without paying for them).

VIII. APPENDICES

APPENDIX I: Insurance Concepts

The following gives the full text of the concepts provided to the panelists.

Concept A.

Health insurance companies compete for profits by refusing to cover customers who are likely to need expensive health care and by limiting your choice of doctors to ones they have a business relationship with. Their plans have high deductibles and co-pays as well. It is difficult or impossible for certain people to get the health coverage they need: sick people, poor people, older people, people with pre-existing conditions, or people needing treatments the insurance companies judge to be "experimental." About half the population lack insurance coverage at some point in their lives. Insurance companies spend as much as 1/3 of insurance premiums on administrative costs on refusing coverage for certain individuals and rejecting claims from those who are covered. As a result, health insurance costs too much and covers too little.

We need health insurance that automatically covers everyone, with free choice of doctors, at a reasonable cost. That means we need a federal system like Medicare that covers all necessary medical treatments and negotiates fair prices with doctors and hospitals. The costs should be shared between employers, employees, and the federal government.

Followup discussion on cost to consumers:

Cutting insurance companies out of the loop can save more than enough money to cover all the uninsured and underinsured people in American. That means that people who already have insurance will typically pay the same amount, or less, for the plan than what they pay now.

Concept B.

The current health insurance crisis is being caused by government interference that keeps the free market from working effectively. Instead of letting individuals have free choice and responsibility for meeting their own health coverage needs, the government provides tax incentives to employers who offer their employees group health insurance plans. Most of these health insurance plans are too expensive because in addition to major "catastrophic" illnesses or accidents, they also cover routine, day-to-day medical needs. Under a true market-driven plan, individuals will pay less for their insurance, so they will have more money to cover their day-to-day medical needs.

We need to change the tax incentives in order to create a true market-driven health insurance environment. Instead of providing tax incentives to employers who offer group

plans, the government should offer large tax deductions for insurance that is limited to major medical expenses and purchased directly by individuals. There should also be large tax deductions for individual medical savings accounts, where people can put aside the money they will need for day-to-day medical expenses.

Concept C.

Too many people are falling through the cracks in our health care system. About half of Americans go without any health insurance at some point in their lives. And people who do have insurance often find that the benefits are too small or too limited to meet their needs. More people are forced into bankruptcy by medical debts than by any other cause.

We need to make sure everyone is covered by health insurance policies that provide adequate benefits. Everyone should be expected to purchase health insurance, just like automobile insurance. People who can't afford health insurance on their own should be subsidized by government. People who don't purchase health insurance should pay additional taxes on a sliding scale. As a result, almost everyone will be covered.

APPENDIX II: Ratings

The following tables summarize ratings and preferences recorded by panelists during the groups. Because of the non-random nature of focus group research and the small sample sizes, probability statistics cannot be applied to these measures.

As such they must be considered directional in nature and non-predictive of the population as a whole. Counts have been provided, instead of percentages, to reinforce the limits of these measures. The highest scores per column have been highlighted.

Note the following key for abbreviations of segmentation variables:

HI	High Income (>\$75k)
MI	Middle Income (\$35k-\$75k)
LI	Low Income (<\$35k)
M	Men
W	Women
OP	Overland Park
WI	Wichita
TP	Topeka

LIKELIHOOD TO USE PLAN FOR YOUR HEALTH INSURANCE

(Top 2 Boxes – Definitely Will/Probably Will)

Plan	Total	Group 1	Group 2	Group 3	Group 4	Group 5	Group 6
(segment)		HI,W,OP	HI,M,OP	LI,W,WI	MI,M,WI	LI,M,TP	MI,W,TP
(n size)	(27)	(5)	(4)	(4)	(5)	(5)	(4)
A	17	4	2	3	5	2	1
B	4	1	2	0	0	1	0
C	11	2	2	0	1	4	2

AGREEMENT - PLAN IS BEST FOR THE COUNTY AS A WHOLE

(Top 2 Boxes – Strongly/Somewhat Agree)

Plan	Total	Group 1	Group 2	Group 3	Group 4	Group 5	Group 6
(segment)		HI,W,OP	HI,M,OP	LI,W,WI	MI,M,WI	LI,M,TP	MI,W,TP
(n size)	(27)	(5)	(4)	(4)	(5)	(5)	(4)
A	20	4	3	3	3	3	4
B	7	1	3	1	0	2	0
C	10	2	1	1	0	3	3

PREFERENCE - FOR YOUR HEALTH INSURANCE

(# Prefer)

Plan	Total	Group 1	Group 2	Group 3	Group 4	Group 5	Group 6
(segment)		HI,W,OP	HI,M,OP	LI,W,WI	MI,M,WI	LI,M,TP	MI,W,TP
(n size)	(27)	(5)	(4)	(4)	(5)	(5)	(4)
A	15	2	0	4	5	3	1
B	5	1	4	0	0	0	0
C	7	2	0	0	0	2	3

PREFERENCE – BEST FOR THE COUNTRY AS A WHOLE

(Top 2 Boxes – Definitely Will/Probably Will)

Plan	Total	Group 1	Group 2	Group 3	Group 4	Group 5	Group 6
(segment)		HI,W,OP	HI,M,OP	LI,W,WI	MI,M,WI	LI,M,TP	MI,W,TP
(n size)	(27)	(5)	(4)	(4)	(5)	(5)	(4)
A	16	3	0	4	5	3	1
B	5	1	4	0	0	0	0
C	6	1	0	0	0	2	3