

Expectations for Health Care Quality, Access, and Costs in 2014

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At a Glance

- On seven measures of health care quality, access, and cost, the majority of adults expect to be neither better-off nor worse-off in 2014 than in 2013, but of those expecting a change in 2014, more expect to be worse-off than better-off.
- Adults are more pessimistic about health-related costs in 2014 than about health care quality and access.
- Compared with insured adults, a higher share of the uninsured—the group that stands to benefit most from the ACA—expects to be better-off in 2014.
- Younger adults tend to be more optimistic than older adults about overall health care quality, access, and cost.

Widespread skepticism of and public opposition to the Affordable Care Act (ACA), even among those likely to benefit from the new law, has been reported since the law was passed in 2010. In December 2013, for example, a New York Times/CBS News poll reported that uninsured people were confused about the law and worried that it would increase their health care costs. As a consequence, 6 in 10 said they had not looked into coverage and subsidy options in their state Marketplace.¹

In contrast to general sentiment questions in other public opinion surveys, this brief examines Americans' specific health-related expectations in order to preview potential post-reform concerns and provide insight about the trade-offs that people may make as they confront the ACA's new provisions. We focus on the period just prior to the opening of the exchanges, examining people's expectations of how they will fare in 2014. The uninsured, those with lower incomes, and those in the market for directly purchased nongroup (individual) insurance stand to gain more than others from the ACA's provisions, because of the Medicaid expansion underway in participating states, subsidies for nongroup insurance in the state and federal Marketplaces, and a range of market reforms designed to address coverage and benefit gaps in the private nongroup insurance market. We examine responses by insurance status (focusing on groups expected to benefit most under the law), by age, and by family income. To provide additional insight, we focus on how people expect the quality, access, and cost of their health care to change in 2014.

What We Did

This brief draws on data collected in September 2013 through the Health Reform Monitoring Survey (HRMS), just prior to the opening of the ACA's Marketplaces and Medicaid expansion. The survey asked a sample of nonelderly adults (age 18–64) to consider the following question for seven health care factors: “Compared to today, do you think you will be better-off, worse-off or about the same next year in terms of:

Quality and Access

1. The quality of health care available to you
2. Your choice of doctors and other health care providers
3. Your ability to get health care in a timely way
4. Your options for getting health insurance coverage

Cost

5. The protections you have against high medical bills
6. The premium you pay for insurance coverage
7. Your out-of-pocket costs when you see a doctor or other health care provider.”

Respondents who did not answer an item were categorized as “refused to answer.” In addition to separate estimates of the seven items, we combine results into two composite measures: one for quality and access and the other for cost. The quality and access measure combines the first four items; the cost measure combines the last three. Note that these survey data are self-reports and thus vulnerable to over- and under-reporting.

We analyze responses by five categories of health insurance (employer-sponsored insurance [ESI], Medicaid, Medicare, directly purchased nongroup coverage, and uninsured); we also summarize these into two categories: insured and uninsured. We then analyze responses by three categories of age (18–34, 35–49, and 50–64 years) and three categories of income (lower-income families, defined as those with incomes below 138 percent of the federal poverty level [FPL], which is the income cutoff for Medicaid eligibility in states opting for Medicaid expansion under the ACA; middle-income families, defined as those with incomes between 138 and 399 percent of FPL, which is the income cutoff for eligibility for the subsidies available in Marketplace plans; and higher-income families, defined as those with incomes at or above 400 percent of FPL).

What We Found

On seven measures of health care quality, access, and cost, the majority of respondents expect to be neither better-off nor worse-off in 2014 compared to 2013; of those expecting a change in 2014, more expect to be worse-off than better-off (figure 1). The majority of respondents (between 53.3 percent and 72.4 percent) expected to fare about the same in 2014 on each of the health care quality, access, and cost measures. The share expecting to be worse-off in 2014 ranges from 18.2 percent to 36.4 percent across the separate measures. The share expecting to be better-off is lower and varies much more narrowly (between 7.1 percent and 11.6 percent) across measures.

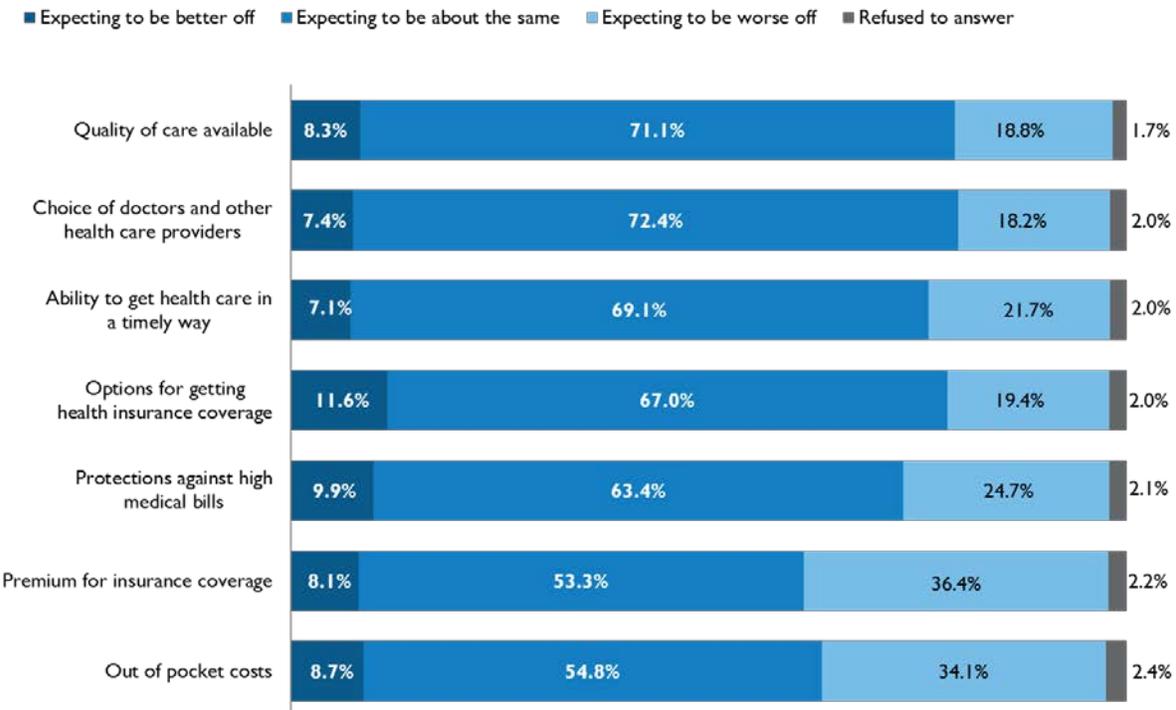
More respondents are worried about issues related to the cost of health insurance and health care in 2014, while fewer are worried about health care quality and access. For example, 36.4 percent of respondents expect to be worse-off in 2014 in terms of health insurance premiums, 34.1 percent expect to be worse-off in regard to out-of-pocket costs, and 24.7 percent expect to be worse-off in regard to protections against high medical bills. At the same time, 21.7 percent expect to be worse-off in 2014 in their ability to get timely health care, 19.4 percent in regard to options for getting health insurance coverage, 18.8 percent in regard to quality of care available, and 18.2 percent in regard to their choice of doctors and other health care providers.

Compared to insured respondents, a higher share of uninsured respondents—the group that stands to benefit the most from the ACA—expects to be better-off in 2014 and a lower share expects to be worse-off in not only quality and access but also cost. However, not quite 1 in 3 uninsured expect health care quality and access to improve

in 2014 and just 1 in 4 expect their health care cost situation to improve; about the same share expects to be worse-off in regard to quality and access, and a higher share expects to be worse-off in terms of cost (figures 2 and 3).

Uninsured respondents are much more optimistic about quality and access compared with those with nongroup coverage (29.8 percent versus 18.9 percent) and also more optimistic about cost (24.4 percent versus 17.8 percent).

Figure 1. Respondents Reporting Expected Changes in Health Care Measures in 2014



Source: Health Reform Monitoring Survey, quarter 3 2013.
Note: N=7,911

For uninsured respondents, the share expecting to be better-off was highest regarding options for getting health insurance coverage (24.8 percent), quality of care available (20.5 percent), and protection against high medical bills (20.4 percent) (table 1). For insured respondents, the share expecting to be better-off was highest for getting health insurance coverage (8.8 percent). Uninsured respondents were more optimistic across all the measures compared with the insured.

Table 1. Respondents Reporting Expected Changes in Health Care Measures in 2014, by Insurance Status (percent)

Change Measure	Share Expecting to Be Better-Off		Share Expecting to Be Worse-Off	
	Insured	Uninsured	Insured	Uninsured
Quality and Access Measures				
Quality of care available	5.7	20.5 ***	18.4	20.9 *
Choice of doctors and other health care providers	5.2	18.1 ***	17.6	21.1 **
Ability to get health care in a timely way	4.8	17.9 ***	21.3	23.7

Options for getting health insurance coverage	8.8	24.8	***	18.9	21.6	*
Cost Measures						
Protections against high medical bills	7.6	20.4	***	24.5	25.3	
Premium for insurance coverage	6.1	17.7	***	37.5	31.4	***
Out of pocket costs	6.5	19.0	***	35.0	29.8	**
Sample size	6,780	1,131		6,780	1,131	

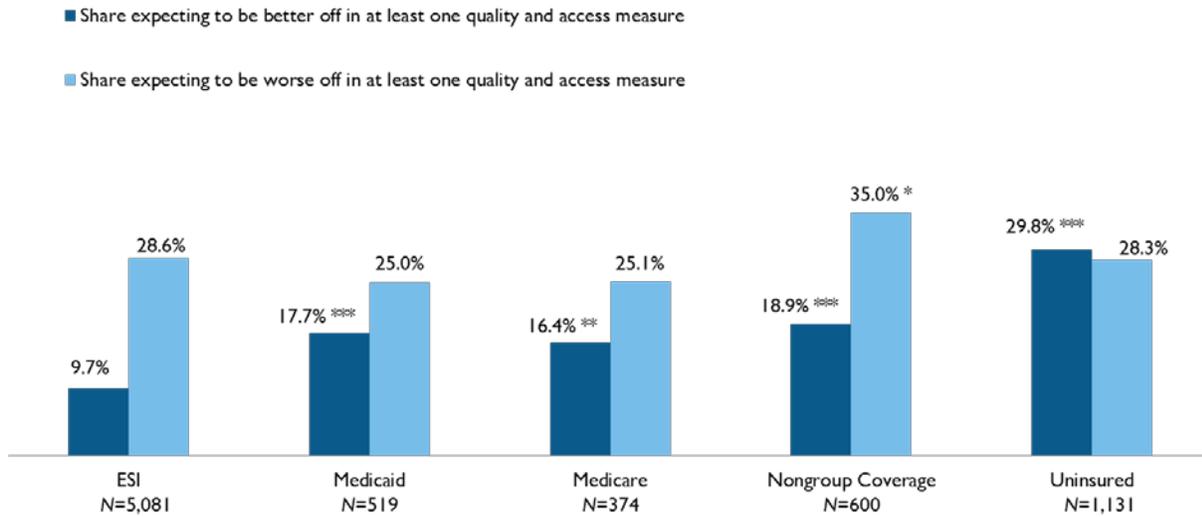
Source: Health Reform Monitoring Survey, quarter 3 2013.

*/**/** Estimate differs significantly from the insured group at the 0.1/0.05/0.01 level, using two-tailed tests.

Insured and uninsured respondents are similar in the share expecting to be worse-off on specific quality and access measures in 2014, but the insured were more pessimistic about specific cost measures than the uninsured (table 1). For example, the uninsured were more likely than the insured to expect to be worse-off regarding choice of doctor and other health providers (21.1 percent versus 17.6 percent). However, the uninsured were less likely than the insured to expect to be worse-off in terms of premiums for health insurance coverage (31.4 versus 37.5 percent) and out of pocket costs (29.8 versus 35.0 percent).

Of respondents with insurance coverage, those with nongroup coverage had the highest share expressing optimism about quality and access, with 18.9 percent expecting to be better-off in at least one quality and access measure (figure 2). However, they also had the highest share expecting to be worse-off on at least one quality and access measure (35.0 percent). Of all coverage groups, only the uninsured were more likely to expect positive changes in quality and access than negative changes. Of all coverage groups, respondents with ESI coverage were the least likely to expect positive change in at least one quality and access measure.

Figure 2. Respondents Reporting Expected Changes in Quality and Access Measures in 2014, by Insurance Coverage Type



Source: Health Reform Monitoring Survey, quarter 3 2013.

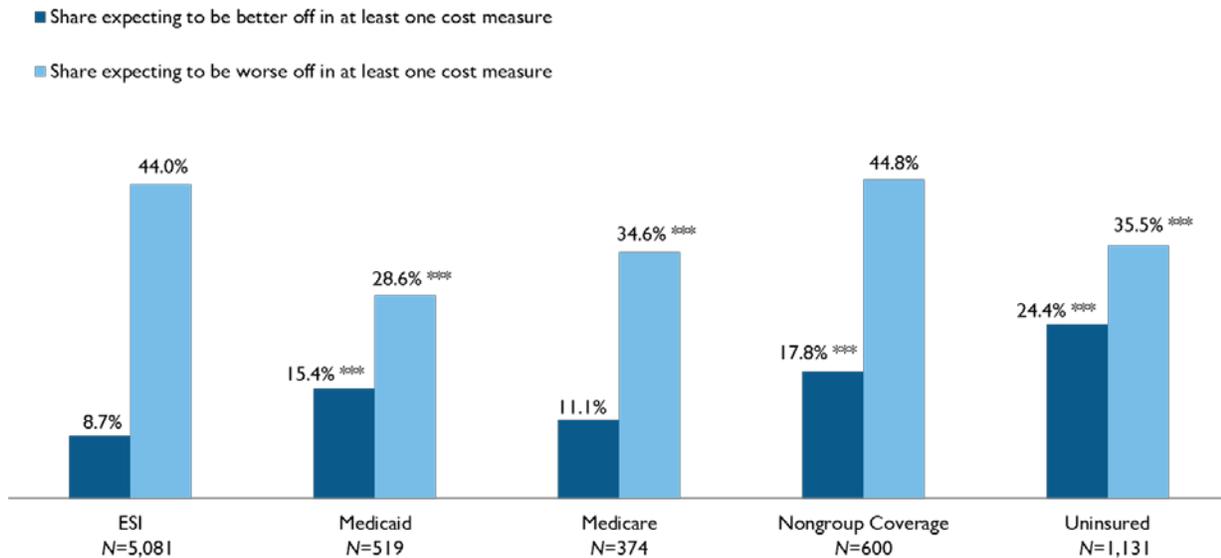
Notes: Quality and access measures are quality of care available, choice of doctors and other health care providers, ability to get health care in a timely way, and options for getting health insurance coverage.

We assign the following coverage hierarchy for insurance type: ESI, Medicare, Medicaid, nongroup coverage, nonspecified coverage, and uninsured. Coverage type was not specified for 206 insured respondents. These cases are excluded from the figure.

*/**/*** Estimates differ significantly at from the ESI group at the 0.1/0.05/0.01 levels, using two-tailed tests.

A higher share of respondents with nongroup coverage expected to be better-off on at least one cost measure (17.8 percent) than other covered groups (figure 3). The shares expecting to be worse-off in at least one cost measure are highest for respondents with ESI (44.0 percent) and nongroup coverage (44.8 percent). Of those with Medicaid coverage, 28.6 percent expected to be worse off. While lower than for all other coverage types, this finding may reflect the increasingly burdensome cost sharing and premium costs for some Medicaid enrollees,² as well as respondent fear and lack of awareness about how the ACA will affect Medicaid coverage.

Figure 3. Respondents Reporting Expected Changes in Cost Measures in 2014, by Insurance Coverage Type



Source: Health Reform Monitoring Survey, quarter 3 2013.

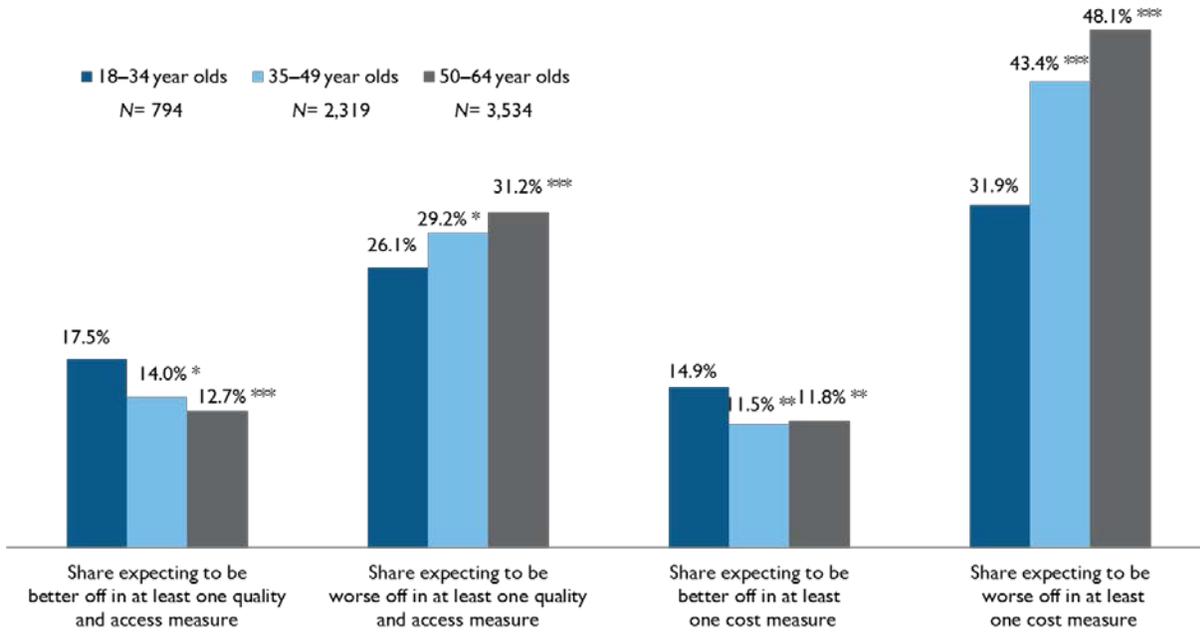
Notes: Cost measures are protections against high medical bills, premiums for insurance coverage, and out-of-pocket costs. We assign the following coverage hierarchy for insurance type: ESI, Medicare, Medicaid, nongroup coverage, nonspecified coverage, and uninsured. Coverage type was not specified for 206 insured respondents. These cases are excluded from the figure.

*** Estimates differ significantly from the ESI group at the 0.01 level, using a two-tailed test. No estimates differed significantly at the 0.1/0.05 (**/**) levels.

Younger respondents were more optimistic than older respondents in how they expected to be in both quality and access measures and cost measures in 2014 compared to 2013 (figure 4). The share of respondents expecting to be better-off in at least one quality and access measure is lower for older than for younger ages (12.7 percent for ages 50 to 64 versus 17.5 percent for ages 18 to 34). The share of respondents expecting to be worse-off in at least one quality and access measure is higher for older age groups (31.2 percent for ages 50 to 64 versus 26.1 percent for ages 18 to 34). Similarly, the share of respondents expecting to be worse-off in at least one cost measure is also higher for older age groups (48.1 percent for ages 50 to 64 versus 31.9 percent for ages 18 to 34).

Lower-income respondents—who along with the uninsured stand to benefit most from the ACA—are more likely than higher-income respondents to expect to be better-off in 2014 in quality, access, and cost (figure 5). Of lower-income respondents, 21.7 percent expect to be better-off in at least one quality and access measure compared with 9.5 percent of those in the highest income group. And 17.0 percent of lower-income respondents expected to be better-off in at least one cost measure compared with 8.7 percent of the higher-income group. The share expecting to be worse-off in at least one quality and access measure shows no strong income pattern; but the share expecting to be worse-off on at least one cost measure increases with income—only 33.2 percent of lower-income respondents versus 44.3 percent of the higher-income group.

Figure 4. Respondents Reporting Expected Changes in Cost Measures in 2014, by Age

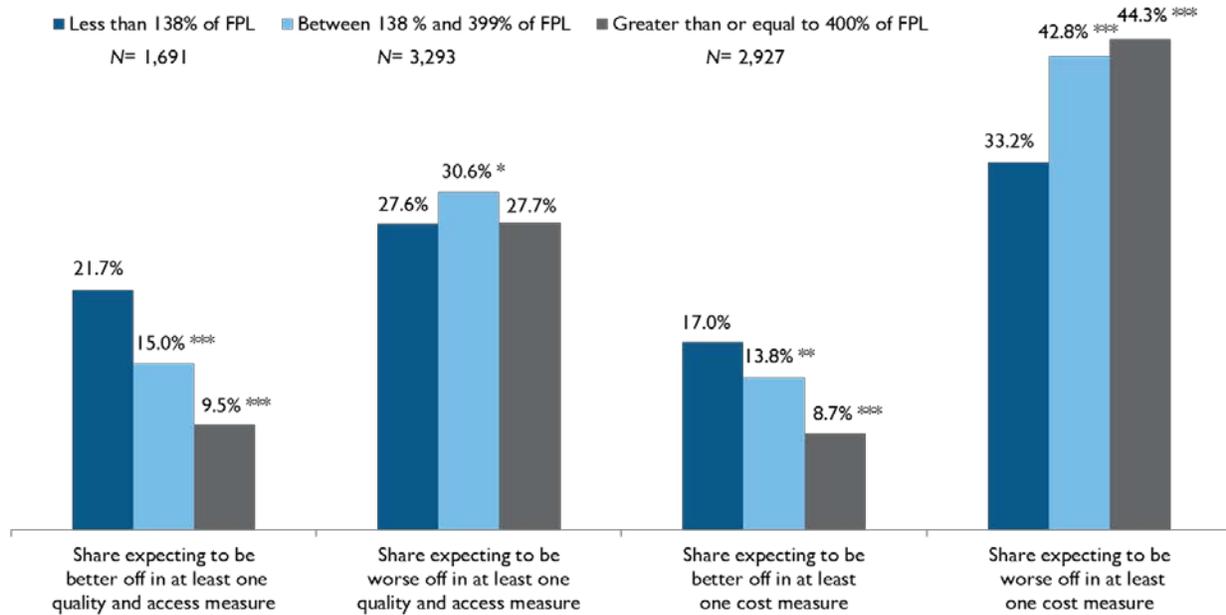


Source: Health Reform Monitoring Survey, quarter 3 2013.

Notes: Quality and access measures are quality of care available, choice of doctors and other health care providers, ability to get health care in a timely way, and options for getting health insurance coverage. Cost measures are protections against high medical bills, premiums for insurance coverage, and out-of-pocket costs.

*/**/*** Estimates differ significantly from the 18-34 year old group at the 0.1/0.05/0.01 levels, using two-tailed tests.

Figure 5. Respondents Reporting Expected Changes in Cost Measures in 2014, by Family Income



Source: Health Reform Monitoring Survey, quarter 3 2013.

Notes: Quality and access measures are quality of care available, choice of doctors and other health care providers, ability to get health care in a timely way, and options for getting health insurance coverage. Cost measures are protections against high medical bills, premiums for insurance coverage, and out-of-pocket costs.

*/**/** Estimate differs significantly from the "less than 138% of FPL" group at the 0.1/0.05/0.01 levels, using two-tailed tests.

What It Means

On the eve of initial ACA open enrollment, a majority of nonelderly adults expected that the quality and cost of the health care they received would not change in the following year. Among those who anticipated a change, however, pessimism outweighed optimism by a considerable margin. Among respondents with health insurance, those in the nongroup (individual) market were most likely to anticipate deterioration, but also most likely to anticipate improvement, in quality, access, and cost—this is the market undergoing the greatest changes due to the ACA. Respondents with ESI had the highest ratio of negative to positive expectations in quality, access, and cost.

Uninsured and lower-income respondents were more likely than their counterparts to anticipate positive developments. This is not surprising given previous HRMS research indicating that 40 percent of uninsured adults expected to gain coverage in 2014 (Blavin and Karpman 2014). Uninsured respondents were not much less likely than others, however, to anticipate a worsening of their situation in 2014. What is disturbing is that fewer than 1 in 3 uninsured respondents expect their quality and access to improve in 2014 and only 1 in 4 expect their health care cost situation to improve; similar shares expect to be worse-off on both measures. This result holds up even in states that are expanding Medicaid, suggesting a colossal failure in outreach about the ACA's effects.

According to estimates from the Urban Institute's health insurance policy simulation model, in Medicaid expansion states, 50.4 percent of the uninsured will be eligible for Medicaid and 18.2 percent will be eligible for subsidized Marketplace coverage. The same model estimates that in non-

expansion states, 17.9 percent of the uninsured will be eligible for Medicaid and 26.7 percent will be eligible for subsidized Marketplace coverage (Buettgens et al. 2013). In reality, however, widespread knowledge gaps about the ACA and what it means for Americans, particularly the low-income uninsured, have been well documented. For example, one HRMS brief shows that most adults, particularly low-income and uninsured adults, have heard little about the coverage provisions of the law, and very few know whether their state is expanding Medicaid (Long and Goin forthcoming). Another brief finds that while the uninsured are less likely to have an unfavorable view of the ACA compared with the insured, only 30 percent of the uninsured have a favorable or very favorable opinion of it, and 38 percent have no opinion one way or the other (Holahan and Fogel, forthcoming).

One important finding of this brief is that respondents' expectations are not the same for cost as they are for quality and access. Respondents displayed considerably more pessimism about the future of medical bills, premiums, and out-of-pocket costs, as compared with concerns about quality of care and consumer choice—showing the preeminence of pocketbook issues for consumers. These results are consistent with findings from a prior HRMS brief, in which consumers indicated willingness to trade off provider choice for lower premiums (Blumberg et al. 2014).

Placed in context, the prevailing negativity about the potential of the ACA to improve the health care environment should not be surprising. A majority of Americans still view the health care law negatively (Holahan and Fogel, forthcoming). More generally, negative expectations about future trends are a hallmark of current public opinion, where clear majorities regularly choose negative responses—such as that the country is on the “wrong track.” It is also important to understand that current satisfaction trends in public opinion are well below their historical average.³

It is encouraging that, despite the preponderant negativity, many Americans acknowledge having been affected by the ACA's early market reforms that address coverage and benefit gaps in the pre-reform health insurance market. For example, one HRMS brief states that about 40 percent of respondents report that they or their family have experienced at least one of the ACA's early market provisions, such as free preventive care, expanded availability of dependent coverage for young adults, and the prohibition on insurance companies refusing to cover children with pre-existing conditions (Clemans-Cope et al. 2014). In the face of such widespread experiences of provisions that provided new benefits, the negative expectations detailed in this brief provide further evidence of the frequent disconnect between public opinion and empirical estimates of the ACA's effects on coverage and consumer costs (Buettgens et al. 2011). They also suggest that the road to popularity for the ACA may be a long one.

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About the Series

This brief is part of a series drawing on the Health Reform Monitoring Survey (HRMS), a quarterly survey of the nonelderly population that is exploring the value of cutting-edge Internet-based survey methods to monitor the Affordable Care Act (ACA) before data from federal government surveys are available. The briefs provide information on health insurance coverage, access to and use of health care, health care affordability, and self-reported health status, as well as timely data on important implementation issues under the ACA. Funding for the core HRMS is provided by the Robert Wood Johnson Foundation, the Ford Foundation, and the Urban Institute.

For more information on the HRMS and for other briefs in this series, visit www.urban.org/hrms.

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Lisa Clemans-Cope is a senior research associate, Bowen Garrett is a senior fellow, and Nathaniel Anderson is a research assistant in the Urban Institute's Health Policy Center. Katherine Hempstead is a senior program officer at the Robert Wood Johnson Foundation. The authors gratefully acknowledge the suggestions and assistance of Genevieve Kenney, Michael Marazzi, and Stephen Zuckerman.

¹ Abby Goodnough. "Uninsured Skeptical of Health Care Law in Poll." *New York Times*, December 18, 2013. http://www.nytimes.com/2013/12/19/us/uninsured-americans-are-about-as-skeptical-of-health-care-law-as-the-insured-poll-finds.html?_r=0.

² Research shows a significant share of those with Medicaid, primarily sick or disabled adults, have out-of-pocket costs that are financially burdensome (Burns 2010). In addition, "two-thirds of the states (19 of 26) offering expanded

coverage for adults largely through Medicaid Section 1115 waivers charge premiums or enrollment fees, and almost half of those (nine states) charge premiums regardless of the enrollee's income level" (Brooks 2013).

³ Jeffrey Jones. "U.S. Satisfaction Up Slightly at Start of 2012, to 18%." *Gallup*, January 11, 2012.

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