



Health Security In America 2009

CATHOLIC HEALTHCARE WEST

**H E A L T H
S E C U R I T Y**

I N D E X

Why Measure Health Security?

Catholic Healthcare West (CHW) developed the Health Security Index™ in 2007 to gauge U.S. adults' perceptions and beliefs about their ability to access the care they need and maintain their health. The Index provides an opportunity to explore the degree to which perceptions of health security aligns with or diverges from confidence in the economy or prospects for employment. It also brings health security more fully into the health care reform debate.

In the United States, where access to health care is closely tied to employment, the health security of the people should be part of the evaluation of consumer confidence and the economic outlook for the country. Further, health care access and affordability are directly related to the people's overall wellbeing. Our economic outlook means little if the nation's people are not healthy.

While a number of tools exist to track economic trends in the U.S. including consumer confidence, hiring forecasts, financial security and job satisfaction, these important measures ignore the more than 16 percent of the gross domestic product tied to health care.

Health Security Index Methodology



The Health Security Index measures U.S. adult perceptions regarding their ability to maintain control of their health and the quality of the health care services they receive. CHW commissioned Yankelovich, a part of The Futures Company, to conduct the study, securing responses from 1,250 adults nationwide who participated in a 25-minute telephone interview. Interviewing took place in February 2009.

The Health Security Index ranking is calculated based on responses to a subset of 17 questions in the survey. The maximum ranking on the Index is 100. Respondents either rank low, medium, or high.

The 17 questions used to construct the Index can be grouped into five broad categories:

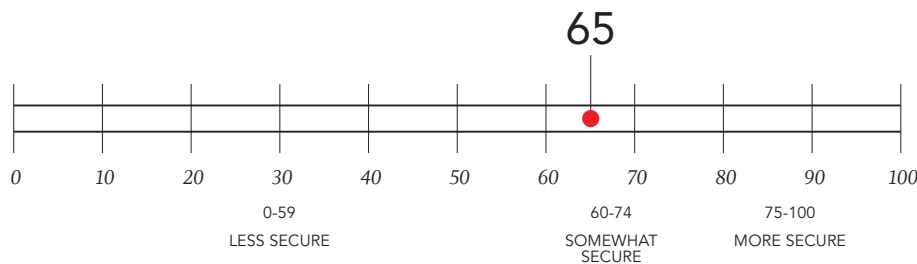
- Overall affordability of health care
- Ability to access quality health care
- Ability to pay for quality health care
- Level of concern about key health care issues
- Perceived individual health security

CHW will conduct the Index survey on an annual basis to track the status of the nation's health security over time. For the full data presentation, please visit: www.healthsecurityindex.org.

The 2009 survey has the added benefit of supporting qualitative research to better animate the narratives that have emerged from the survey findings. In November 2008, nine interviews were conducted in Los Angeles spanning the three days following the presidential election on November 4th. These interviews were conducted among men and women who represent various points on the Health Security Index. Participants were screened on a number of criteria: age, gender, ethnicity, insurance, and recent experience with acute and/or chronic conditions. The responses from some of these interviews are included in this document. More information, including video segments of the interviews, can be found at www.healthsecurityindex.org.

America's Health Security Ranking

Concerns primarily about affordability contribute to a national Health Security Index ranking for the United States of 65 out of a possible 100. This Index ranking is down from 2007 and 2008, in which the ranking was 66, illustrating that Americans are slightly less secure after one year's time.

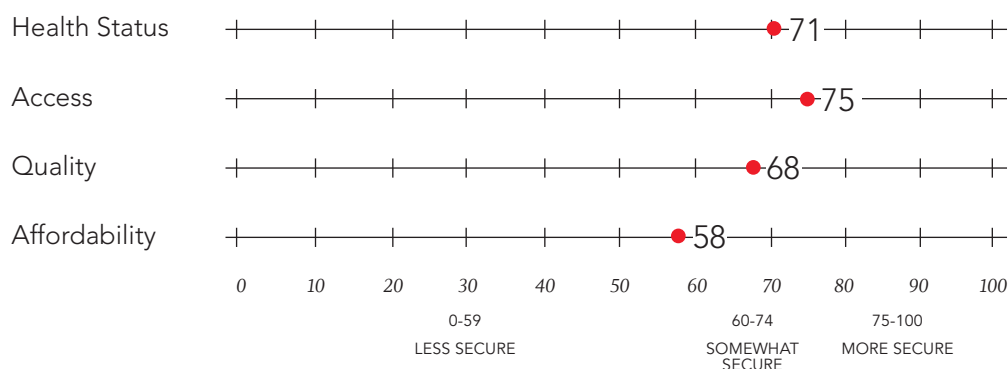


Understanding Health Security Rankings

The Health Security Index is a composite of four subindices measuring the perceptions U.S. adults express about their personal **health status**, their ability to **access** health care services, the **quality** of those services, and their ability to **afford** the care they need.

Concerns about the affordability of health care are largely responsible for insecurity in the U.S., as shown in Figure 1. Only 20 percent of U.S. adults indicate they are extremely secure about their health care, down from 26 percent in 2007 and 22 percent in 2008. Meanwhile, the number of respondents who say they are not secure has held steady at 15 percent. The rest of the nation hovers in the middle, secure for now because they are relatively healthy, feel confident in their ability to access quality care when they need it, and have employer or government sponsored health insurance.

Fig. 1: Overall Health Insecurity Driven by Affordability Concerns



Key Findings

In addition to the overall Index ranking, the national survey provides key insights into the perceptions U.S. adults have about their health and the health care system.

1. More people are concerned about the cost of health care (69%) than losing their jobs (37%).
2. Those closest to retirement (ages 50-64) are increasingly worried about the availability of Medicare when they retire (74% worried, up from 64% in 2007).
3. Seven out of ten (68%) believe the time has come for universal health care in America.
4. For the first time, more than half (51%) of U.S. adults believe the health care system in America is getting worse (up from 46% in 2007/2008).
5. Those living without health insurance are more than three times as likely to have to choose between paying for basic necessities and health care.

The State of the Nation's Health

For the first time more than half of U.S. adults (51%) believe the nation's health care system is getting worse.

U.S. adults' overall sense of their personal health remains resilient. More than half (53%) rates their health as excellent or very good while one in five (19%) rate their health as fair or poor.

However, as shown in Figure 2, individual perceptions of health status do not necessarily align with the risk factors that are known to adversely impact health. For example, while 53 percent of respondents rate their health as either excellent or very good, and 21 percent say their general health is better than it was one year ago, those who qualify as overweight or obese has increased in 2009 to 65 percent from 61 percent in 2007 (based on calculated BMI scores).

Fig. 2: Perceptions of Personal Health do not Align with Known Risk Factors

PERSONAL ASSESSMENT OF GENERAL HEALTH	PERCENTAGE	RISK FACTOR	PERCENTAGE
Excellent	19%	Overweight or obese	65%
Very good	34%	Takes 2 or more prescription medications	43%
Good	28%	Smokes or uses tobacco	20%
Fair	14%	Did not exercise for 30 or more minutes at one time in the previous seven days	30%
Poor	5%		

Confidence in the U.S. Health Care System

While the perceived quality of the U.S. health care system in comparison to other developed countries has improved somewhat (53% now say it is better than most or the best in the world, up from 48% in 2007), more adults have a pessimistic view of the future. For the first time, more than half of U.S. adults (51%) believe the health care system in the U.S. is getting worse (up from 46% in 2007/08).



"I think [the health care system] has gotten worse because it's become less affordable for the average person. I think as a lot of people's incomes are shrinking or employers are cutting back on providing health care that it's costing people more money. I think that's making it worse...If there's a way to offer a plan that people can buy into that will give you affordable health care that option should be there and it doesn't exist right now."

- Derek A., 51, employed by a cancer research nonprofit, which provides him with full health insurance coverage.

Access and Quality

Access to physicians, facilities, and quality care remain the areas where adults in the U.S. are most confident. As shown in Figure 3, eight in ten say they have a primary care physician, and another eight in ten say they have a doctor they trust. As the broadest measure, two-thirds (67%) of adults say they are confident in their ability to access quality medical care (up from 65% in 2008 and 61% in 2007).

Fig. 3: Access to Physicians, Facilities, and Quality Care

% WHO AGREE...	2007	2008	2009
I could get to a good hospital in my community if I had a medical emergency	88%	90%	89%
I have a doctor I trust	81%	80%	83%
I have a primary care physician	77%	80%	81%
% WHO ARE NOT AT ALL WORRIED ABOUT...			
Access to an emergency room for urgent care	64%	67%	66%
Ability to see a health care professional when sick	63%	63%	64%
Ability to see the doctor they want	59%	62%	58%

Two-thirds (67%) of U.S. adults say they are confident in their ability to access quality medical care.

Among those who are worried to some degree about their ability to see a health care professional when sick, reasons given for such concern are more a function of cost (33%) than physical distance (9%), wait times (12%), or an inability to get an appointment (5%).

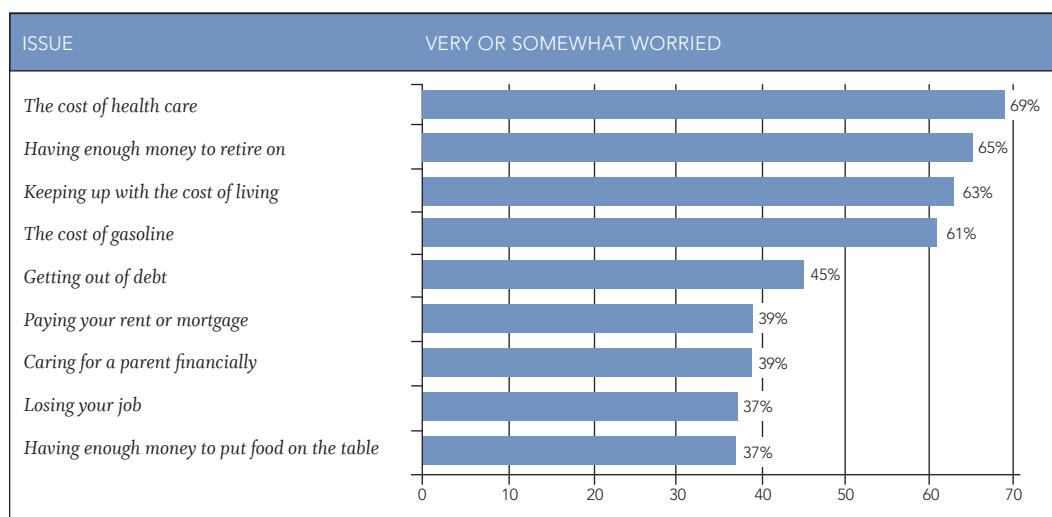
Access to Medicare

The percent of adults in the U.S. who are “very worried” about the availability of Medicare when they retire has steadily risen from 31 percent in 2007 to 33 percent in 2008 to 37 percent today. The level of concern has risen more sharply for those who are closest to retirement (age 50-64) with 74 percent expressing worry about the availability of Medicare when they retire (up from 64% in 2007).

Affordability

Concerns about affordability have risen, more so than issues related to access or quality. One in three (33%) say “affordable health care for all Americans” is the most serious health care challenge facing the nation today (up from 22% in 2007). As shown in Figure 4, more U.S. adults are concerned about the cost of health care (69%) than losing their jobs (37%). This worry is compounded by findings that show one third of respondents (32%) say they or someone in their immediate family had at least \$1,000 in out-of-pocket medical expenses in the last year.

Fig. 4: Concerns About Health Care Costs Outweigh Other Issues



Question: Now I'm going to ask you about some other issues that you may face in your life not necessarily related to health care. We would like to know how much you are worried about each issue. (Issues were presented to each respondent in random order.)



"I'm angry because I don't think the system is fair to middle and low income families. I really don't...I'm terrified each day that I wake up and when I go to bed at night I just ask God, 'Please give me health.'"

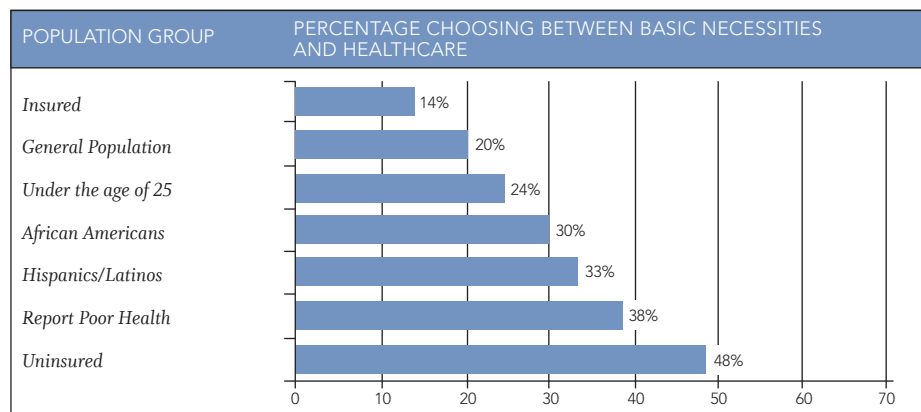
- Martha O., 45, on how she feels now, without health insurance, compared to how she felt when she could afford it.

Responding to Rising Costs

More than half (53%) of U.S. adults say their health care costs increased either significantly or slightly over the past year. In response to rising costs, one in four (25%) say they have tried to negotiate lower medical expenses at least once in the past year, and about one in seven (14%) say they changed their health insurance coverage during the year to save money.

As shown in Figure 5, those living without health insurance are more than three times as likely as those with insurance to have had to choose between paying for basic necessities (such as groceries or heat for their homes) and health care.

Fig. 5: U.S. Adults Choosing Between Basic Necessities and Health Care



Over the past year, I had to choose between buying medicine and paying for other necessities, like groceries or heat for my home.

More people are concerned about rising health care costs (67%) than losing their jobs (37%).

A Closer Look at Those without Health Insurance

Those living without health insurance have historically been the least secure group in the nation. This year's study devoted more time to understanding the challenging circumstances these individuals face. Affordability is the leading reason why individuals are without health insurance (59%), followed by unemployment (22%), and working at an organization that does not provide employee benefits (8%).

Nearly half of those currently lacking health insurance say they have gone without for three years or more (48%). On average, those without health insurance said they would be willing to give up as many as three of the seven items listed in Figure 6 to get it.

Fig. 6: Willingness to Make Lifestyle Sacrifices to Gain Health Insurance

Percent willing to give something up (NET)	77%
Eating out at restaurants	54%
Going to the movies	47%
Cable TV service	43%
Personal services (gym membership, spa or salon visits)	40%
Internet service	37%
Cell phone	36%
Automobile	18%
Not willing to give any of these things up	8%
Do not have anything left to give up	9%
Not Sure / No Answer	6%

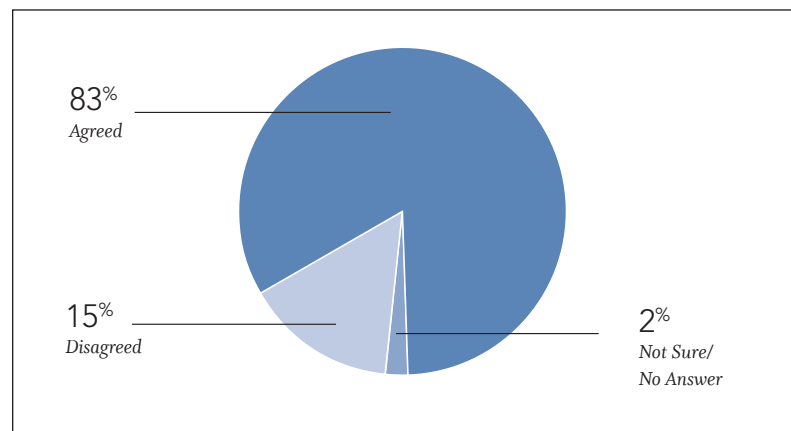
Attitudes About Health Care Reform

Seven out of ten U.S. adults (68%) believe the time has come for universal health care in America.

Broad systemic concerns about the health care system remain high on people's minds. Affordability is at the forefront, with one in three (33%) adults in the U.S. saying affordable health care is the most important health care challenge facing the nation today (unchanged since 2008 and up from 22% in 2007).

Today, even as the nation faces a growing number of crises related to the economy, more than eight in ten (83%) U.S. adults agree that making health care affordable for every member of society should be one of Congress' most important issues in the coming year, as shown in Figure 8.

Fig. 8: U.S. Adults Believe Congress Should Make Affordable Health Care a Top Priority in the Coming Year



Making healthcare affordable for every member of society should be one of Congress' most important issues in the coming year.

Support for Specific Reform Measures

Support for universal health care remains high, with seven out of ten U.S. adults (68%) believing the time has come for universal health care in America. However, the gap has widened between Democrats (86% agree today, 84% in 2008) and Republicans (42% agree today, 45% in 2008), while two thirds of Independents support it (65% today vs. 67% in 2008).

Support for raising taxes to achieve this end continues to hover at around 60 percent. Today 59 percent agree we need universal health care in America, even if it means increasing taxes, down from 63 percent in 2007, but up from 57 percent in 2008. Republicans are the least supportive of raising taxes (only 33% agree, down from 38% in 2008), while Democrats are the most supportive (76% agree), with Independents falling in between (55%).

The greatest challenge for health care reform is finding common ground on policies that appeal to a broad base of U.S. adults across party lines. As shown in Figure 9, there are three policies that have such cross-party support:

Fig. 9: Reform Concepts With Cross-Party Support

REFORM CONCEPTS	GEN. POP.	REP.	DEM.	IND.
America's health insurance system should allow each individual to choose the plan that best meets his/her needs	84%	89%	80%	79%
Lower income families should get tax credits so they can better afford health insurance	79%	76%	84%	75%
Employer-sponsored health care plans are the best way for people to get their health care coverage	71%	77%	67%	70%

There are varying levels of support for those policies that necessitate more government involvement and mandates:

- There is less support among Republicans for the government mandating that employers provide health coverage to their employees (51% support today vs. 57% in 2008), and more support among Democrats (81%, up from 77% in 2008).
- Only 41 percent of Republicans agree that the government should require all individuals to purchase health insurance coverage, but offer subsidies to those who can't afford it (down from 48% in 2008). Seventy percent of Democrats support this proposal, up from 68 percent in 2008.



"I'd tell [Congress] that this is a major issue of importance...I'd tell them that it's a priority for me, even though I have coverage, and that it's very important to come up with a plan that is affordable and can cover people adequately...It's very hypocritical of them to take the coverage of 100 percent or whatever they get, which is supposedly the best coverage there is, and leave everyone else with what people can afford, or people who are unemployed without anything."
 - Ross B., 26, on what he would say if given an opportunity to speak directly to a member of Congress.

Looking Forward

About three in ten (31%) adults say they are confident they will personally benefit from health care reform under President Obama's administration. Democrats are the most optimistic (50% are confident), with few Republicans sharing such sentiments (only 10% are confident).

CHW's Perspective

Health security is an issue that affects all of us. Every person has a fundamental human right to quality health care – health care that is affordable, accessible and compassionate.

As the nation begins to transform the health care system to one that is sustainable, it will be important that we, as a society, ensure that health care in the U.S. respects the dignity of every person and delivers the quality, compassionate care we expect and deserve.

Meaningful reform will require dialogue, the acceptance of diverse views and above all, compromise. With the human right of health care at stake, all of us must work together to make sure future generations inherit a health care system that embraces quality and compassion.

CHW is Committed to Being Part of the Solution

We are taking the necessary steps in the communities we serve to ensure affordability never deters someone from seeking needed care. In 2008 we provided \$967 million in charity care and community benefits (including the unpaid costs of Medicare and Medicaid). We offer one of the most generous financial assistance programs in the nation, we work to assist those without health insurance to sign up for government or private programs they may qualify for, and we've been active at the local, state and federal levels advocating for compassionate reform.

We believe any real, lasting solution to the crisis in health care must be guided by four principles:

- **Universal Access:** Every person has the right to be treated with dignity. That includes the right to high quality health care delivered with compassion. A fundamental decision must be made to ensure that everyone has access to health care.
- **Stable Financing:** A health care system that provides universal coverage to all persons must also include a financing structure that ensures reliable, long-term access to care. All sectors of society need to share the responsibility for a sustainable, universal health care delivery system. In so doing we can ensure the people providing care can deliver it to everyone who needs it.
- **Improved Quality:** Quality must become the primary focus for measuring the adequacy of the health care system. A compassionate, universal health care system must be committed to measuring, reporting, and constantly improving the quality of care provided.
- **Improved Accountability:** Local, state, and federal governments need to take greater responsibility for ensuring that health care is fully available, adequately financed, and of the highest quality possible. Government agencies must ensure that their decisions maintain access to care, provide for adequate financing, ensure quality services and support diversified, community-based care.



About CHW

Catholic Healthcare West (CHW), headquartered in San Francisco, CA, is a system of 41 hospitals and medical centers in California, Arizona and Nevada. Founded in 1986, it is one of the nation's largest not-for-profit hospital systems and the largest private health care system in California. CHW is committed to delivering compassionate, high-quality, affordable health care services with special attention to the poor and underserved. The CHW network of nearly 10,000 physicians and approximately 53,000 employees provides health care services to more than five million people annually. In 2008, CHW provided \$967 million in charity care and unsponsored community benefit. For more information, please visit our website at www.chwHEALTH.org



About The Futures Company

The Futures Company delivers measurable breakthroughs in marketing productivity for Fortune 500 clients. We identify for our clients specific, tangible opportunities for competitive advantage by moving them from simplistic targeting to advanced productivity solutions. The Futures Company was established in 2008 with the merger of Yankelovich, Inc., and Henley Centre HeadlightVision, creating an unparalleled global consultancy powered by unique database and segmentation solutions and unparalleled information-based insights into consumer motivations and lifestyles. More information available at www.thefuturescompany.com.



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