



Health Care Opinion Leaders' Views on Health Reform

KRISTOF STREMIKIS, KAREN DAVIS, SARA R. COLLINS,
AND CATHY SCHOEN

The mission of The Commonwealth Fund is to promote a high performance health care system. The Fund carries out this mandate by supporting independent research on health care issues and making grants to improve health care practice and policy. Support for this research was provided by The Commonwealth Fund. The views presented here are those of the authors and not necessarily those of The Commonwealth Fund or its directors, officers, or staff.

ABSTRACT: Leaders in health care and health care policy believe that Americans should have a choice of public and private health insurance plans, and two-thirds believe the public plan should incorporate innovative methods for paying providers, including global fees, according to the latest Commonwealth Fund/*Modern Healthcare* Health Care Opinion Leaders Survey. A large majority of opinion leaders supports the establishment of a national health insurance exchange with strong authority to enforce standards of participation, set rating rules, standardize benefits, and review or negotiate premiums. A majority thinks the standard required benefit package should be similar to the Federal Employees Health Benefit Program's standard BlueCross BlueShield option, although one-third support a less generous benefit package. Whatever their views concerning the details of health reform, two-thirds of respondents (68%) agree upon the urgency of enacting comprehensive changes, including an expansion of insurance coverage, this year.

★ ★ ★ ★ ★

Overview

In the United States—the only major industrialized country that does not guarantee health insurance coverage for its citizens—an estimated 46 million people are uninsured and another 25 million are underinsured.¹ These numbers have increased markedly since 2000, and they are projected to rise steadily through the next decade. Even before the current economic downturn, the number of uninsured was projected to grow to 61 million by 2020.²

President Obama has repeatedly called on Congress to deliver comprehensive health reform legislation this year that extends affordable health insurance coverage to all Americans. During his presidential campaign, he called for creation of a national health insurance exchange, a public health plan option for the under-65 population, and a requirement that employers provide coverage or contribute to a fund to finance coverage.³ As president, he has articulated a set of principles for health reform, leaving the details to Congress. Major proposals are currently under consideration in the House of Representatives and Senate.⁴

For more information about this study, please contact:

Kristof Stremikis
Research Associate
The Commonwealth Fund
ks@cmwf.org

To learn more about new publications when they become available, visit the Fund's Web site and register to receive Fund e-mail alerts.

Commonwealth Fund pub. 1304
Vol. 16

In the latest Commonwealth Fund/*Modern Healthcare* Health Care Opinion Leaders Survey, leaders in health care and health policy were asked for their views on a number of key health reform issues. A large majority of respondents supported the central components of leading health reform proposals, including the creation of a national health insurance exchange, a choice of private and public plans to employers and individuals through the exchange, a requirement that employers provide or contribute to coverage, and innovative provider payment methods within the public plan. Respondents differed on the details, including the appropriate level of payment for providers under the public plan, and whether conditions of participation should be linked to Medicare. Nonetheless, more than two-thirds of opinion leaders feel it is urgent to enact comprehensive health care reform this year.

These views are in line with the recommendations of the Commonwealth Fund Commission on a High Performance Health System, whose mission is to promote better access, improved quality, and greater efficiency across the U.S. health care system. The Commission has put forward an integrated set of insurance, payment, and delivery system reforms with the potential to extend affordable health insurance to all Americans and slow growth in health care spending by \$3 trillion through 2020.⁵ By encouraging the delivery of more effective and efficient care, the Commission's proposals could yield greater value for health spending, return substantial savings to families, businesses, and the public sector, and provide affordable health insurance coverage to all.

The Health Care Opinion Leaders Survey

The Commonwealth Fund and *Modern Healthcare* recently commissioned the survey research firm Harris Interactive to solicit the perspectives of a diverse group of health care experts on their priorities for expanding health care coverage. The 208 individuals who took part in the survey—the 19th in a continuing series of surveys assessing the views of experts on key health policy issues—represent the fields of academia and research; health care delivery; business, insurance, and other health industries; and government, labor, and advocacy groups (see Methodology, [Appendix A](#)).

Seven of 10 survey respondents think individuals should have a choice of public and private plan options within a national health insurance exchange. Sixty-nine percent of opinion leaders surveyed believe that people buying coverage through a new national health insurance exchange should have the option to purchase coverage through either a private plan or a new public plan (Figure 1). Those who support this most strongly are members of academic and research institutions (79%) and health care delivery organizations (77%) ([Table 1](#)). Opinion leaders in business, insurance, and other health care industries are least supportive, but nearly half (45%) support offering a choice of private and public plans. Only one of five opinion leaders think that the options offered within a national health insurance exchange should be limited to private plans only.

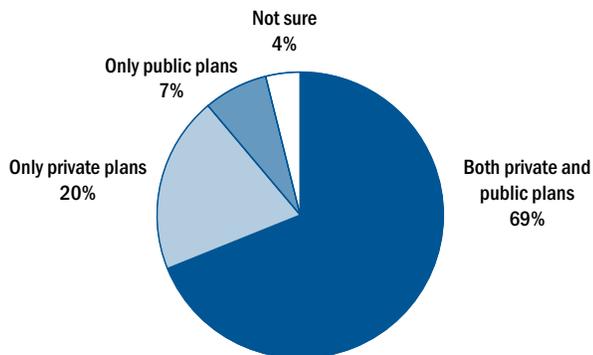
ABOUT THE HEALTH CARE OPINION LEADERS SURVEY

The Commonwealth Fund/*Modern Healthcare* Health Care Opinion Leaders Survey was conducted online within the United States by Harris Interactive on behalf of The Commonwealth Fund between June 8, 2009, and July 8, 2009, among 585 opinion leaders in health policy and innovators in health care delivery and finance. The final sample included 208 respondents from various industries, for a response rate of 36 percent. Data from this survey were not weighted. A full methodology is available in [Appendix A](#).

Figure 1. Choice of Public and Private Plan Options

"A key issue is whether to include a new public health insurance plan choice for the under-65 population within the national insurance exchange. People buying coverage through the exchange would have the option to select either a private or a public plan. Members of Congress have proposed different approaches and regulatory strategies in designing this option.

Do you think that the plans offered should include:"



Source: Commonwealth Fund Health Care Opinion Leaders Survey, June 2009.

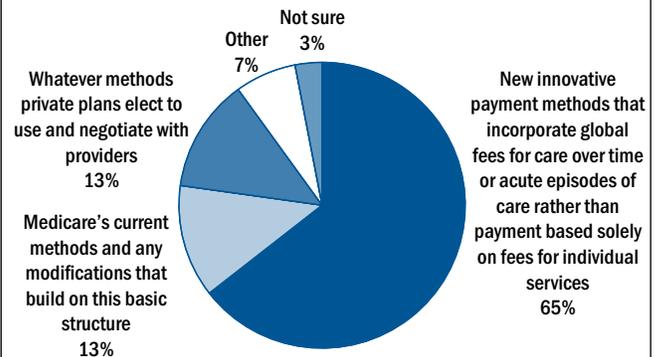
Nearly two-thirds of opinion leaders think a public plan should incorporate innovative payment methods.

Sixty-five percent of opinion leaders believe a new public plan should reimburse health care providers using a "bundled-payment" method, which provides a single payment for health services related to an episode of care, or for services rendered over a specified period. Rather than rewarding providers for providing a higher volume of services—as fee-for-service payment does—a bundled-payment approach would encourage providers to take broader responsibility for their patients' care and outcomes, and might also be an effective way to control health care costs while maintaining or improving quality of care (Figure 2). In the survey, support for bundled payments was substantial, even among those responsible for delivering care (60%) (Table 2). Small minorities of respondents favor the way private plans pay or the way Medicare pays.

A majority supports setting provider payment rates in a public health insurance plan at Medicare levels, or between Medicare and commercial plan levels. A controversial component of the health reform debate is the rate at which a new public health insurance plan should pay health care providers. Half of opinion leaders believe that provider payment rates should be set either between Medicare and commercial plan levels

Figure 2. Provider Payment Methods in a Public Plan

"If a public plan is offered, what do you think provider payment methods in the public plan should be based on?"



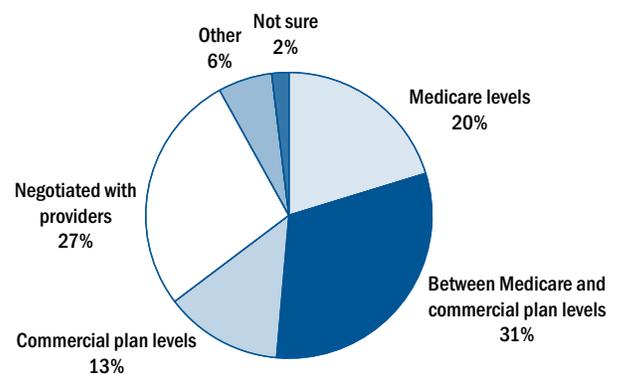
Source: Commonwealth Fund Health Care Opinion Leaders Survey, June 2009.

(31%) or at Medicare levels (20%) (Figure 3). Twenty-seven percent of respondents feel the rate should be negotiated with providers.

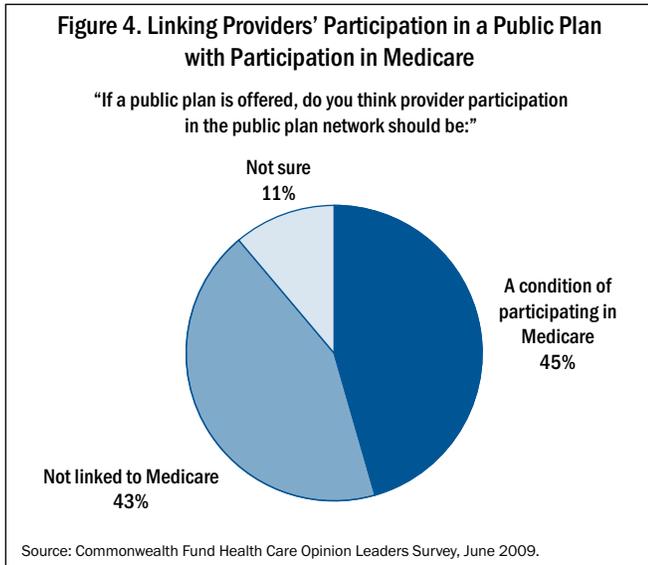
A recent report by the Commonwealth Fund examined the implications of these various payment rate policies on health system spending, savings, and coverage.⁶ Three scenarios were considered: one with a public plan paying at Medicare rates, another with a public plan paying between Medicare and commercial rates, and one with only private plans. The scenario paying at Medicare rates was projected to achieve the greatest health system savings over the 2010–2020

Figure 3. Initial Level of Provider Payment in a Public Plan

"If a public plan is offered, at what level do you think provider payment in the public plan should initially be set?"



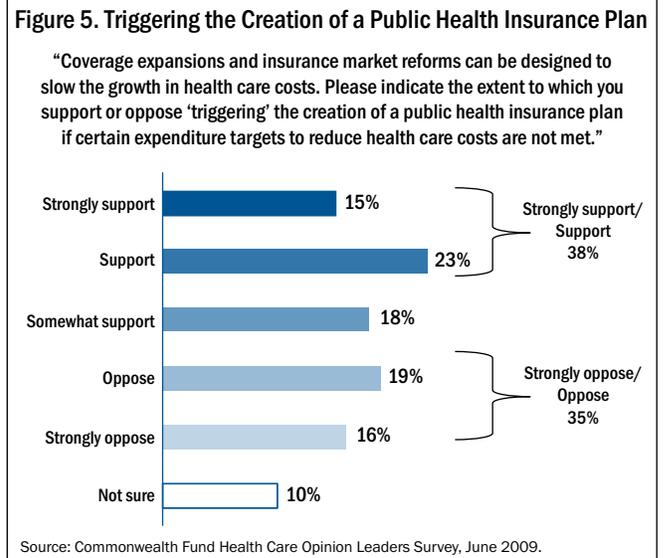
Source: Commonwealth Fund Health Care Opinion Leaders Survey, June 2009.



period, with cumulative savings of \$3 trillion. This was followed by \$2 trillion saved under a public plan option paying intermediate rates, and \$1.2 trillion saved under a scenario involving only private plans. A national insurance exchange, reform of Medicare payment policy, and other system reforms were common to all three scenarios and yielded most of the savings in the private plan scenario.

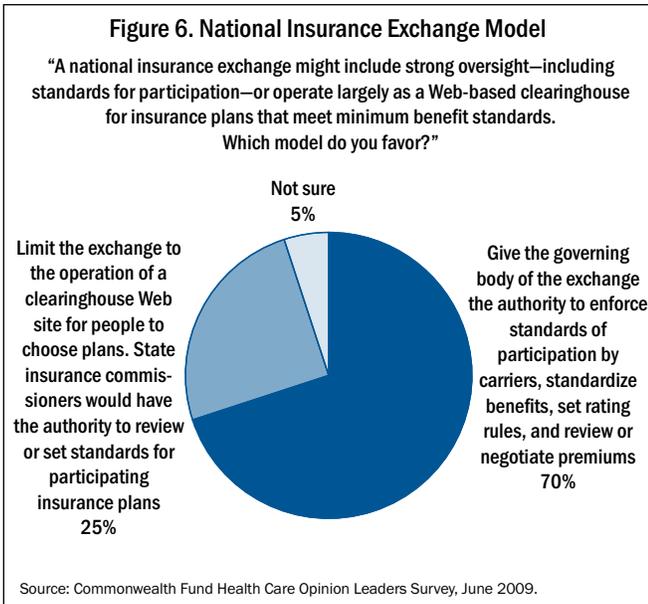
Opinion leaders are divided over provider participation rules. Forty-five percent of respondents believe that participation in Medicare should be conditional on participation in the public plan network—roughly the same proportion of respondents who believe that participation in the public plan should not be linked to participation in Medicare (43%) (Figure 4). Support for delinking participation in Medicare and the public plan option is highest among those in health care delivery (54%) (Table 4).

Opinion is split over the desirability of a trigger mechanism for creating a public health insurance plan. Given the controversy surrounding the creation of a public health insurance plan option, as well as recent voluntary commitments made by the private insurance industry to control cost growth, several

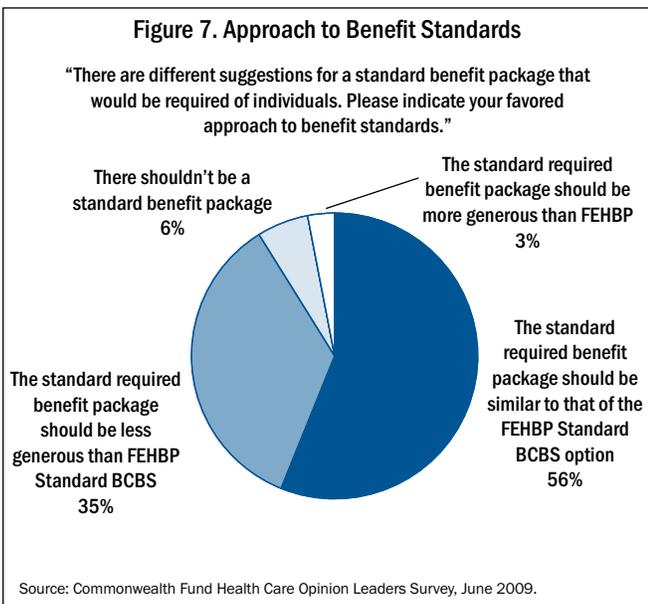


policymakers have proposed "triggering" the creation of a public plan, so that one would be created only if certain expenditure targets or geographic coverage conditions are not met.⁷ Thirty-eight percent of health care opinion leaders support or strongly support the trigger approach, while 35 percent oppose or strongly oppose the idea (Figure 5). Those in business, insurance, and other health care industries support the trigger strategy at lower levels (35%) than those in health care delivery (45%) (Table 5).

Most are in favor of a national health insurance exchange with strong authority. Seven of 10 opinion leaders favor a new national health insurance exchange, including the creation of a governing body with the authority to enforce standards of participation by carriers, standardize benefits, set rating rules, and review or negotiate premiums (Figure 6). Support for a new governing body with these functions is lowest among those in business, insurance, and other health care industries (56%) (Table 6). Just 25 percent of respondents favor restricting the exchange to the operation of a clearinghouse Web site where people could choose plans and investing state insurance commissioners or other regulators with the authority to review or set standards for participating insurance plans.

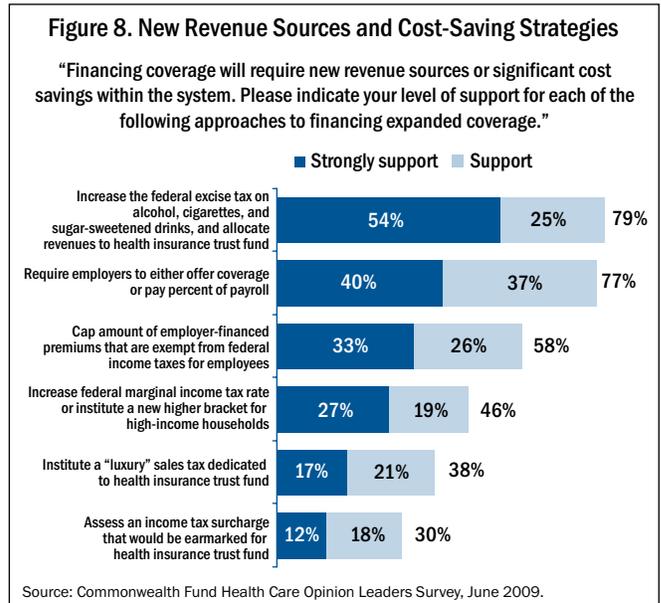


A majority of opinion leaders favors the establishment of a minimum basic benefit package similar to the standard plan for federal employees. Fifty-six percent of survey respondents favor the establishment of a minimum basic benefit package similar to the standard Blue Cross Blue Shield (BCBS) option offered by the Federal Employees Health Benefits Program (FEHBP) (Figure 7). Support is highest among those in health care delivery (61%) and in academic and research institutions (60%), and lowest among those in business, insurance, and other health care industries (42%) (Table 7). It is noteworthy, however, that one-third (35%) of opinion leaders favor a



package less generous than the FEHBP standard BCBS option, including half (53%) of those in business, insurance, and other health care industries.

Most favor increasing the federal excise tax on alcohol, cigarettes, and sugar-sweetened drinks and requiring employers to offer coverage or pay a percentage of payroll to finance coverage. Opinion leaders were asked to indicate their level of support for a variety of approaches to finance coverage expansion. Seventy-nine percent of respondents indicated they support or strongly support increasing federal excise taxes on alcohol, cigarettes, and sugar-sweetened drinks and allocating the revenues to a health insurance trust fund (Figure 8). Meanwhile, 77 percent of



leaders support or strongly support requiring employers to either offer coverage or pay a percentage of payroll to help finance expanded coverage. Three-quarters of respondents in business, insurance, and other health care industries are in favor of the pay-or-play requirement (Table 8). A majority (58%) of health care opinion leaders supports or strongly supports capping the amount of employer-financed premiums that are exempt from federal income taxes for employees. Increasing taxes on high-income households is supported by about half of opinion leaders, while about a third support a luxury sales tax (36%) or an income tax surcharge (30%).

There is substantial support for new insurance reporting requirements, joint negotiation of pharmaceutical prices and provider payment rates, limits to high-cost providers and overvalued services, and global fees. Opinion leaders were asked to indicate the extent to which they support or oppose several strategies to reduce health care costs. Nearly eight of 10 (78%) respondents support or strongly support a requirement that all private insurers report revenues, profits before taxes, administrative expenses, and claims expenses, using a common form (Figure 9). More than seven of 10 support or strongly support allowing public and private payers to negotiate prescription drug prices jointly with pharmaceutical companies (72%) and setting limits on payments to high-cost providers and/or overvalued services (71%). Allowing public and private payers to negotiate provider payment rates jointly (61%) and offering global fees to accountable care organizations (59%) also enjoy support from a strong majority of survey

respondents. About half (48%) favor limiting inflation updates for providers in high-cost geographic areas.

While fundamental payment reform has substantial support, very strong measures are less popular, including total elimination of fee-for-service payments (42%), setting expenditure targets on total outlays (29%), and setting expenditure targets on Medicare outlays (29%).

Seventy-two percent of leaders support ending the two-year Medicare waiting period for the disabled. Disabled adults must wait five months to begin receiving cash benefits from the Social Security Disability Insurance program and then an additional two years to begin receiving Medicare benefits. An estimated 1.8 million disabled people enroll in Medicaid while waiting for Medicare eligibility to begin, at significant cost to states.⁸ Seventy-two percent of health care opinion leaders support or strongly support ending the two-year waiting period for Medicare coverage (Figure 10). Support is highest among those in academic and research institutions (75%) and lowest among those in business, insurance, and other health care industries (65%) (Table 10).

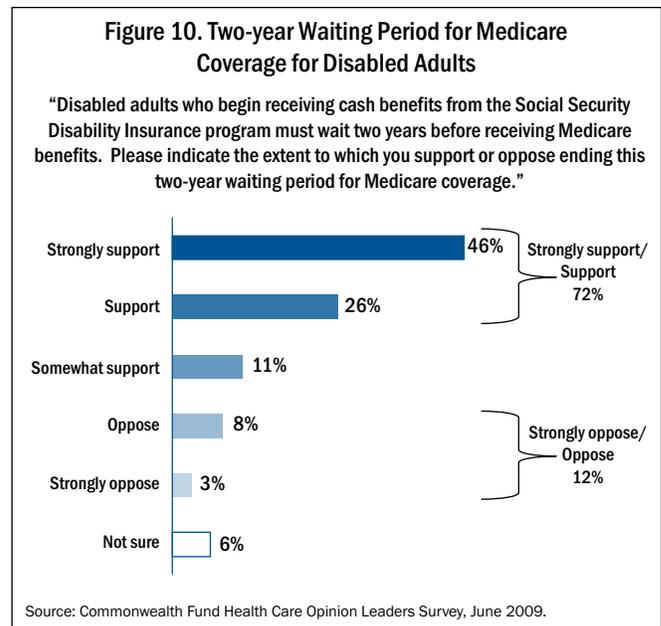
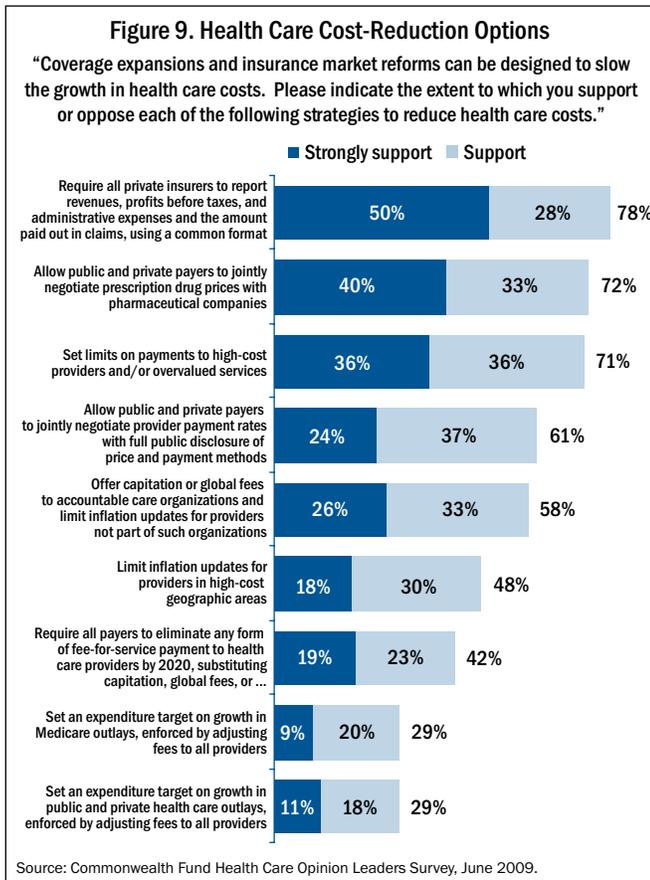
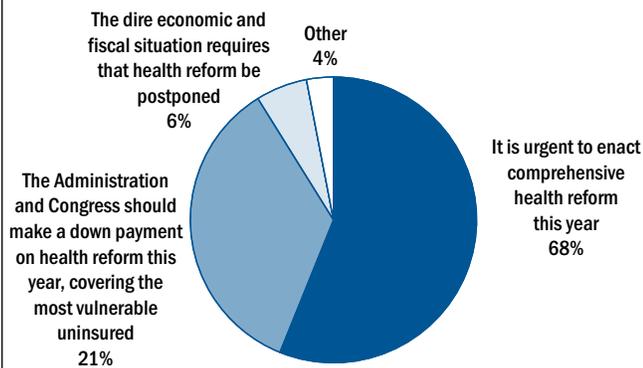


Figure 11. The Urgency of Action on Health Care Reform

"What is your view regarding the urgency of action on health reform?"



Source: Commonwealth Fund Health Care Opinion Leaders Survey, June 2009.

Over two-thirds of survey respondents believe it is urgent to enact comprehensive health reform legislation this year. A large majority of opinion leaders feels it is urgent to enact comprehensive health care reform this year (Figure 11). Support for comprehensive reform is high across all fields, including 60 percent of respondents in business, insurance, and other health care industries (Table 11). Just 6 percent of opinion leaders feel that the dire economic and fiscal situation requires that health reform be postponed. In part because of the nation's economic crisis, President Obama has called on Congress to deliver comprehensive health reform legislation that extends affordable health insurance coverage to all Americans this year. If appropriately designed, it could relieve financial pressures on households struggling to pay mortgages and medical bills as well as businesses fighting to survive while paying health insurance premiums for employees. Over the last decade, premiums have gone up three times as fast as wages—creating pressure on households and firms alike.

The Path to a High Performance Health System

Health care opinion leaders agree that enacting health reform this year is urgent. Major reform proposals being considered in the House of Representatives and Senate include provisions for a new national insurance

exchange, which would offer a choice of private and public health plans, sliding-scale premium subsidies, regulations against underwriting on the basis of health status, a minimum standard benefit package, Medicaid expansion, and an employer requirement to offer coverage.⁹

To ensure that families and individuals have access to needed care and financial protection and to provide a foundation for ongoing improvement in health care quality and efficiency, the Commonwealth Fund Commission on a High Performance Health System has put forward an integrated set of insurance, payment, and delivery system reform options with the potential to extend affordable health insurance to all and slow the growth of health spending by \$3 trillion by 2020.¹⁰ The number of uninsured—projected to rise to 61 million by 2020 absent significant reform—would instead fall to an estimated 1 percent of the U.S. population.

Many of the Commission's health reform strategies are endorsed by survey respondents. Offering a public health insurance option alongside private plans within a national health insurance exchange; moving toward innovative payment methods that reward value, not volume, of services; requiring employers to cover or contribute to coverage for employees—all are seen as effective strategies for ensuring affordable coverage for all Americans. Increasing federal excise taxes on alcohol, cigarettes, and sugar-sweetened drinks and having employers share in financial responsibility for coverage are both seen as legitimate sources of financing for health reform. Comprehensive and innovative changes such as these have the potential not only to make affordable coverage available to the millions of people who do not have any, but they can also put us on the path to a high performance health system that works for all Americans.

NOTES

- ¹ C. DeNavas-Walt, B. D. Proctor, J. C. Smith et al., *Income, Poverty, and Health Insurance Coverage in the United States: 2007* (Washington, D.C.: U.S. Census Bureau, Aug. 2008); C. Schoen, S. R. Collins, J. L. Kriss, and M. M. Doty, “How Many Are Underinsured? Trends Among U.S. Adults, 2003 and 2007,” *Health Affairs* Web Exclusive, June 10, 2008:w298–w309.
- ² C. Schoen, K. Davis, S. Guterman, and K. Stremikis, *Fork in the Road: Alternative Paths to a High Performance Health System* (New York: The Commonwealth Fund, June 2009).
- ³ S. R. Collins, J. L. Nicholson, S. D. Rustgi, and K. Davis, *The 2008 Presidential Candidates’ Health Reform Proposals: Choices for America* (New York: The Commonwealth Fund, Oct. 2008).
- ⁴ H.R. 3200, America’s Affordable Health Choices Act of 2009, July 14, 2009, 111th Congress, 1st session; “An American Solution: Quality Affordable Health Care,” House Tri-Committee Health Reform Discussion Draft Summary, Committees on Ways and Means, Energy and Commerce, and Education and Labor, July 14, 2009, available at http://energy-commerce.house.gov/Press_111/20090714/hr3200_summary.pdf; Affordable Health Choices Act, Senate Committee on Health, Education, Labor and Pensions, July 15, 2009, 111th Congress, 1st session; “In Historic Vote, HELP Committee Approves the Affordable Health Choices Act,” Senate Health, Education, Labor, and Pensions Committee Press Release and Summary, July 15, 2009, available at http://help.senate.gov/Maj_press/2009_07_15_b.pdf; and “Expanding Health Care Coverage: Proposals to Provide Affordable Coverage to All Americans,” Senate Finance Committee, May 14, 2009, available at <http://finance.senate.gov/Roundtable/complete%20text%20of%20coverage%20policy%20options.pdf>.
- ⁵ Commonwealth Fund Commission on a High Performance Health System, *The Path to a High Performance U.S. Health System: A 2020 Vision and the Policies to Pave the Way* (New York: The Commonwealth Fund, Feb. 2009).
- ⁶ Schoen et al., *Fork in the Road*, 2009.
- ⁷ A. Wayne, “Blue Dogs Demand Tight Constraints on Any Public Health Plan Option,” *CQ HealthBeat*, June 4, 2009.
- ⁸ S. Guterman and H. Drake, *The Long Wait: The Impact of Delaying Medicare Coverage for People with Disabilities* (New York: The Commonwealth Fund, May 2009).
- ⁹ H.R. 3200, America’s Affordable Health Choices Act of 2009, July 14, 2009, 111th Congress, 1st session; “An American Solution: Quality Affordable Health Care,” House Tri-Committee Health Reform Discussion Draft Summary, Committees on Ways and Means, Energy and Commerce, and Education and Labor, July 14, 2009, available at http://energy-commerce.house.gov/Press_111/20090714/hr3200_summary.pdf; Affordable Health Choices Act, Senate Committee on Health, Education, Labor and Pensions, July 15, 2009, 111th Congress, 1st session; “In Historic Vote, HELP Committee Approves the Affordable Health Choices Act,” Senate Health, Education, Labor, and Pensions Committee Press Release and Summary, July 15, 2009, available at http://help.senate.gov/Maj_press/2009_07_15_b.pdf; and “Expanding Health Care Coverage: Proposals to Provide Affordable Coverage to All Americans,” Senate Finance Committee, May 14, 2009, available at <http://finance.senate.gov/Roundtable/complete%20text%20of%20coverage%20policy%20options.pdf>.
- ¹⁰ Commonwealth Fund Commission, *Path to High Performance*, 2009.

APPENDIX A. METHODOLOGY

This survey was conducted online by Harris Interactive on behalf of The Commonwealth Fund among 208 opinion leaders in health policy and innovators in health care delivery and finance within the United States between June 8, 2009, and July 8, 2009. Harris Interactive sent out individual e-mail invitations to the entire panel containing a password-protected link, and a total of four reminder e-mails were sent to those that had not responded. No weighting was applied to these results.

The initial sample for this survey was developed using a two-step process. The Commonwealth Fund and Harris Interactive jointly identified a number of experts across different professional sectors with a range of perspectives, based on their affiliations and involvement in various organizations. Harris Interactive then conducted an online survey with these experts asking them to nominate others within and outside their own fields whom they consider to be leaders and innovators in health care. Based on the result of the survey and after careful review by Harris Interactive, The Commonwealth Fund, and a selected group of health care experts, the sample for this poll was created. The final list included 1,246 individuals.

In 2006, The Commonwealth Fund and Harris Interactive joined forces with *Modern Healthcare* to add new members to the panel. The Commonwealth Fund and Harris Interactive were able to gain access to *Modern Healthcare's* database of readers. The Commonwealth Fund, Harris Interactive, and *Modern Healthcare* identified readers in the database that were considered to be opinion leaders and invited them to participate in the survey. This list included 1,467 people. At the end of 2006, The Commonwealth Fund and Harris Interactive removed those panelists who did not respond to any previous surveys. In 2007, recruitment for the panel continued with *Modern Healthcare* recruiting individuals through their *Daily Dose* newsletter. In addition, Harris Interactive continued to recruit leaders by asking current panelists to nominate other leaders. The final panel size for this survey included 1,353 leaders. Only those who have responded to one or more of the Commonwealth Fund Opinion Leaders surveys over the last 16 months, October 2007 to January 2009, were included, totaling 565 active panelists. One hundred eighty-eight of these panelists completed the survey, and 20 additional interviews from opinion leaders who responded to the survey but who had not participated in any of the other recent surveys were added, for a total of 208 respondents. The response rate was 36 percent.

With a pure probability sample of 208 adults, one could say with a 95 percent probability that the overall results have a sampling error of ± 6.8 percentage points. However, that does not take other sources of error into account. This online survey is not based on a probability sample and therefore no theoretical sampling error can be calculated.

The data in this brief are descriptive in nature. They represent the opinions of the health care opinion leaders interviewed and are not projectable to the universe of health care opinion leaders.

ABOUT THE AUTHORS

[Kristof Stremikis, M.P.P.](#), is research associate for the president of The Commonwealth Fund. Previously, he was a graduate student researcher in the School of Public Health at the University of California, Berkeley, where he evaluated various state, federal, and global health initiatives while providing economic and statistical support to faculty and postdoctoral fellows. He has also served as consultant in the director's office of the California Department of Healthcare Services, where he worked on recommendations for a pay-for-performance system in the Medi-Cal program. Mr. Stremikis holds three undergraduate degrees in economics, political science, and history from the University of Wisconsin at Madison. In May 2008, he received a Master of Public Policy degree from the Goldman School at the University of California, Berkeley. He can be e-mailed at ks@cmwf.org.

[Karen Davis, Ph.D.](#), is president of The Commonwealth Fund. She is a nationally recognized economist with a distinguished career in public policy and research. In recognition of her work, Ms. Davis received the 2006 AcademyHealth Distinguished Investigator Award. Before joining the Fund, she served as chairman of the Department of Health Policy and Management at The Johns Hopkins Bloomberg School of Public Health, where she also held an appointment as professor of economics. She served as deputy assistant secretary for health policy in the Department of Health and Human Services from 1977 to 1980, and was the first woman to head a U.S. Public Health Service agency. A native of Oklahoma, she received her doctoral degree in economics from Rice University, which recognized her achievements with a Distinguished Alumna Award in 1991. Ms. Davis has published a number of significant books, monographs, and articles on health and social policy issues, including the landmark books *Health Care Cost Containment; Medicare Policy; National Health Insurance: Benefits, Costs, and Consequences*; and *Health and the War on Poverty*. She can be e-mailed at kd@cmwf.org.

[Sara R. Collins, Ph.D.](#), is vice president at The Commonwealth Fund. An economist, she is responsible for survey development, research, and policy analysis, as well as program development and management of the Fund's Affordable Health Insurance program. Prior to joining the Fund, Dr. Collins was associate director/senior research associate at the New York Academy of Medicine, Division of Health and Science Policy. Earlier in her career, she was an associate editor at *U.S. News & World Report*, a senior economist at Health Economics Research, and a senior health policy analyst in the New York City Office of the Public Advocate. She holds an A.B. in economics from Washington University and a Ph.D. in economics from George Washington University. She can be e-mailed at src@cmwf.org.

[Cathy Schoen, M.S.](#), is senior vice president for research and evaluation at The Commonwealth Fund and research director for the Commonwealth Fund Commission on a High Performance Health System, overseeing the Commission's Scorecard project and surveys. From 1998 through 2005, she directed the Fund's Task Force on the Future of Health Insurance. She has authored numerous publications on policy issues, insurance, and health system performance (national and international), and coauthored the book *Health and the War on Poverty*. She has also served on many federal and state advisory and Institute of Medicine committees. Ms. Schoen holds an undergraduate degree in economics from Smith College and a graduate degree in economics from Boston College. She can be e-mailed at cs@cmwf.org.

Editorial support was provided by Christopher Hollander.

