

Medicare Premium Support Survey

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Objective. The objective of this survey is to ascertain the views of a representative sample of Americans, ages 50 and over, to a proposed increase in Medicare Part B premiums that is over and above the regular annual increase in such premiums.

Method. The survey reported on here was conducted for AARP by ICR, an independent research company. Interviews were conducted from April 24 – May 2008 among a nationally representative sample of 1,038 respondents age 50 and older. More information about ICR can be obtained by visiting www.icrsurvey.com. Sampling error for the overall results is plus or minus 3 percentage points.

It should be noted at the outset that there are no statistically significant differences between the two primary age groups, 50-64 and 65+, on any of the questions in the survey.

A tabulated questionnaire is appended.

AARP is a non-partisan organization: It does not contribute to political campaigns nor does it endorse any candidates for public office.

Key Findings

The Fairness Issue. A large majority (81 percent) of the survey respondents consider it at least somewhat unfair were Congress to vote for additional increases on top of the expected increases to the monthly bills that people on Medicare pay without examining other ways to lower health care costs. A majority (53 percent) consider such an increase to be *very unfair*. Only 15 percent consider this to be fair (including only 3 percent as *very fair*), while 4 percent *do not know*. More women (84 percent) than men (76 percent) consider this proposed increase to be at least somewhat unfair, as do those at the lowest household income level—under \$25,000 a year (85 percent).

Opposition of Older Americans to the Premium Increase. A similarly large majority (81 percent) at least somewhat oppose Congressional action to make additional increases to the monthly bill that people pay for Medicare, and 61 percent *strongly oppose* any such action by Congress. Only 14 percent at least somewhat favor such Congressional action, including only 3 percent who *strongly favor* this action. (Four percent *do not know*.) Overall opposition is greater among women (85 percent) than among men (76 percent). *Strong opposition* is greatest among those with annual household incomes below \$25,000 (74 percent) and among those with high school or less education (65 percent).

Impact of Such Congressional Action on Voting Intentions of Older Americans. Nearly two-thirds (66 percent) say they would be less likely to vote for elected officials who did not examine other ways to lower health care costs, but who voted for additional increases on top of normal, expected increases to the monthly bills that people on Medicare pay. It is striking that

there are no statistically significant differences for <u>any</u> of the standard demographic variables. Only 5 percent say they would be *more likely* to vote for such elected officials, and one-quarter (25 percent) say that this *would not make any difference* in their vote.

Concern about Health Care Costs

Concern about Their Medicare Monthly Bills. More than 8 in 10 (81 percent) of those age 65+ are at least *somewhat concerned* about the monthly bill they pay for Medicare coverage, and a majority (54 percent) are *very concerned*. (Eighteen percent are not concerned in general, and only 7 percent are *not concerned at all*.) An even higher percentage (86 percent) of people age 50-64 say they are at least somewhat concerned about their Medicare payments at the time they become eligible for Medicare, including 61 percent who say they and *very concerned*. (Only 10 percent say they are not concerned, including 5 percent who say they are *not at all concerned*.) More women (66%) than men (55%) ages 50-64 say they are *very concerned*.

Concern about Other Bills They Pay for Health Care Coverage. More than 8 in 10 (82 percent) say they are at least somewhat concerned about the amount other bills they pay for health care coverage, including 60 percent who are *very concerned*. (Only 17 percent are not concerned, including only 6 percent who are *not at all concerned*.) More women (63%) than men (55%) are *very concerned*.

Concern about Their Current and Future Out-of-Pocket Health Care Costs. Eight in 10 say there are at least somewhat concerned about their current out-of-pocket health care costs, including 57 percent who say they are *very concerned*. Even more (88 percent) are at least somewhat concerned about their future out-of-pocket health care costs, including 71 percent who are *very concerned*. More women (90%) than men (84%) are at least somewhat concerned about future out-of-pocket healthcare costs, and more women (76%) than men (66%) are *very concerned* in this regard.

Implications

There are three main implications of this survey:

- The consistent and cumulative effect of opposition to further raising the Medicare monthly premium—opposition and concern figures in the 80+ percent range
- The lack of any statistically significant differences between the two main age groups: Those ages 50-64 and those ages 65+. This indicates that people ages 50-64 who are not yet on Medicare are as opposed and concerned about Medicare payments at the time they become eligible for Medicare as are those ages 65+ who are already on Medicare
- The fact that nearly two-thirds (66 percent) say they would be less likely to vote for elected officials who had voted for additional increases on top of normal, expected increases to the monthly bills that people on Medicare pay. This is the highest percentage of "less likely to vote for" of any AARP survey in which this type of question has been asked.

MEDICARE PREMIUM SURVEY

This study was conducted for AARP via telephone by ICR, an independent research company. Interviews were conducted from April 24 – May 4, 2008 among a nationally representative sample of 1038 respondents age 50 and older. More information about ICR can be obtained by visiting www.icrsurvey.com

(Sampling error for the overall results is plus or minus 3 percentage points.)

MP-1 The monthly bill that people on Medicare pay has doubled in the past 7 years. Congress continues to have difficulty paying for Medicare due to increased health care costs. Congress is currently considering voting for additional increases to the monthly bill that people on Medicare pay. These increases are in addition to the normal, expected increases. Of the options Congress has before it to pay for Medicare, which solution do you most favor?

	Limit or negotiate	Increase the monthly			
	lower health care	bills that people on	A mix of 1	Don't	
	costs	Medicare pay	and 2	know	Refused
5/4/08	56	4	33	6	1

MP-2If Congress decided not to examine ways to lower health care costs but opted to vote for additional increases on top of the normal, expected increases to the monthly bills that people on Medicare pay, how fair would you regard this solution to be? Would you say...?

		UNFAIR			FAIR			
	NET	Very	Somewhat	NET	Somewhat	Very	know	Refused
5/4/08	81	53	28	15	12	3	4	*

MP-3Congress is considering additional increases to the monthly bill people pay for Medicare. To what extent do you favor or oppose this action by Congress. Do you ...?

	FAVOR				OPPOSE			
	NET	Strongly	Somewhat	NET	Somewhat	Strongly	know	Refused
5/4/08	14	3	12	81	20	61	4	*

MP-4 If your representative or senators decided not to examine ways to lower health care costs but voted for additional increases on top of normal, expected increases to the monthly bills that people on Medicare pay, would this make you more likely to vote for the candidate, less likely, or wouldn't it make any difference?

	More likely	Less likely	Wouldn't make any difference	Don't know	Refused
5/4/08	5	66	25	3	1

MP-5 With health care costs remaining high and Congress uncertain about how to address them, how concerned are you about the following things? How concerned are you about (INSERT)? Would you say...?

a. Your current out-of-pocket health care costs

	N	OT CONCE	RNED	(CONCERNED			
	NET	Not at all	Not too	NET	Somewhat	Very	know	Refused
5/4/08	19	8	12	80	23	57	1	*

b. Your out-of-pocket health care costs in the future

	NOT CONCERNED			(CONCERNED			
	NET	Not at all	Not too	NET	Somewhat	Very	know	Refused
5/4/08	11	4	7	88	17	71	2	*

c. The amount of the monthly bill you pay for Medicare coverage (Asked of respondents age 65+; n = 502)

	N	NOT CONCERNED			CONCERNED			
	NET	Not at all	Not too	NET	Somewhat	Very	know	Refused
5/4/08	18	7	11	81	27	54	2	*

d. The amount of other bills you pay for health care coverage

	N	OT CONCE	RNED	CONCERNED			Don't	
	NET	Not at all	Not too	NET	Somewhat	Very	know	Refused
5/4/08	17	6	11	82	22	60	1	*

e. Your Medicare payments at the time you become eligible (Asked of respondents age 50-64; n = 536)

	NOT CONCERNED			CONCERNED			Don't	
	NET	Not at all	Not too	NET	Somewhat	Very	know	Refused
5/4/08	10	5	6	86	26	61	3	*