Survey of Alabamians on Health Care Reform

Results of a Survey Conducted October 2013
Released January 8, 2014

Project Team

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All faculty in the UAB Department of Health Care Organization & Policy
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The Lister Hill Center is a health policy research unit within the UAB School of Public Health. It has no position on the Affordable Care Act or on its implementation.

Survey Overview

- Conducted October 1 – 31, 2013
- Random digit dialing
  - Stratified by Public Health Region
- Residents aged 19 thru 64

- 601 respondents
  - +/- 4.0% margin of error
  - Weighted responses
Respondent Characteristics

<table>
<thead>
<tr>
<th>Gender &amp; Race</th>
<th>Survey</th>
<th>2010 Census</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>47.2%</td>
<td>48.5%</td>
</tr>
<tr>
<td>White</td>
<td>70.9%</td>
<td>68.5%</td>
</tr>
<tr>
<td>African-American</td>
<td>22.9%</td>
<td>26.2%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>2.3%</td>
<td>3.9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>Survey</th>
<th>2010 Census</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 19-25</td>
<td>6.2%</td>
<td>11.8%</td>
</tr>
<tr>
<td>Age 26-34</td>
<td>11.1%</td>
<td>21.4%</td>
</tr>
<tr>
<td>Age 35-44</td>
<td>15.3%</td>
<td>21.8%</td>
</tr>
<tr>
<td>Age 45-54</td>
<td>28.2%</td>
<td>24.4%</td>
</tr>
<tr>
<td>Age 55-64</td>
<td>38.3%</td>
<td>20.7%</td>
</tr>
</tbody>
</table>
Educational Attainment

<table>
<thead>
<tr>
<th>Schooling</th>
<th>Survey</th>
<th>ACS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than high school</td>
<td>9.7%</td>
<td>18.1%</td>
</tr>
<tr>
<td>High school graduate/GED</td>
<td>24.9</td>
<td>31.4</td>
</tr>
<tr>
<td>Beyond high school</td>
<td>30.5</td>
<td>27.5</td>
</tr>
<tr>
<td>Bachelor’s degree</td>
<td>19.0</td>
<td>14.0</td>
</tr>
<tr>
<td>Beyond bachelor’s</td>
<td>4.9</td>
<td>--</td>
</tr>
<tr>
<td>Post-grad or professional</td>
<td>9.7</td>
<td>8.0</td>
</tr>
</tbody>
</table>

Household Income

- <$30K: 27.1%
- $30K - $60K: 20.6%
- $60K - $100K: 18.7%
- >$100K: 11.7%
Employment

- Full-time: 49%
- Part-time: 7%
- Student: 3%
- Retired: 15%
- Disabled: 12%
- Homemaker: 6%
- Unemployed: 8%
- Part-time: 3%
- Full-time: 1%

Health Insurance Coverage
Insurance Coverage in Alabama

- 84.2% of Alabamians have health insurance

<table>
<thead>
<tr>
<th>Source</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer</td>
<td>59.1%</td>
</tr>
<tr>
<td>Non-Group</td>
<td>14.1%</td>
</tr>
<tr>
<td>Medicare</td>
<td>13.4%</td>
</tr>
<tr>
<td>Medicaid</td>
<td>5.3%</td>
</tr>
<tr>
<td>Other Gov't</td>
<td>4.6%</td>
</tr>
<tr>
<td>Parents</td>
<td>2.8%</td>
</tr>
<tr>
<td>DK/Refused</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

Those Without Coverage

- 15.2% of Alabamians lacked coverage on the day of the survey

Time Without Coverage

- < 3 Months: 7%
- 3 - 6 Months: 4%
- 1 - 2 Years: 7%
- 2+ Years: 41%
- DK/Refused: 41%
Age Distribution of Likely Exchange Participants

<table>
<thead>
<tr>
<th>Age</th>
<th>Non-Group Coverage</th>
<th>Uninsured</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 19-25</td>
<td>2%</td>
<td>12%</td>
</tr>
<tr>
<td>Age 26-34</td>
<td>11%</td>
<td>22%</td>
</tr>
<tr>
<td>Age 35-44</td>
<td>13%</td>
<td>21%</td>
</tr>
<tr>
<td>Age 45-54</td>
<td>20%</td>
<td>26%</td>
</tr>
<tr>
<td>Age 55-64</td>
<td>25%</td>
<td>47%</td>
</tr>
</tbody>
</table>

Health Status

<table>
<thead>
<tr>
<th>Self-Reported:</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellent</td>
<td>26.5%</td>
</tr>
<tr>
<td>Good</td>
<td>46.3</td>
</tr>
<tr>
<td>Fair</td>
<td>16.9</td>
</tr>
<tr>
<td>Poor</td>
<td>9.4</td>
</tr>
<tr>
<td>DK/Refused</td>
<td>0.9</td>
</tr>
</tbody>
</table>

Have a Pre-existing Condition

- Yes: 54%
- No: 44%
- DK/Refused: 3%

Have Been Denied Coverage

- Yes: 7%
- No: 91%
- DK/Refused: 2%
Health Status by Insurance Status

<table>
<thead>
<tr>
<th></th>
<th>Fair/Poor Health Status</th>
<th>Told Have a Pre-Existing Condition</th>
<th>Denied Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uninsured</td>
<td>31.9%</td>
<td>38.2%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Non-Group Coverage</td>
<td>17.5%</td>
<td>49.6%</td>
<td>12.4%</td>
</tr>
<tr>
<td>Employer-Sponsored Coverage</td>
<td>17.3%</td>
<td>47.7%</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

Knowledge of the ACA
77% of Alabamians were aware that the open-enrollment period had begun.

Knowledge of the ACA & Exchanges

Knowledge of the Exchanges among Likely Participants
Medicaid Expansion

Had Alabama Decided to Expand?
- Will Expand: 3%
- Will Not Expand: 4%
- Have Not Decided: 12%
- Not Heard: 54%
- DK/Refused: 0%

Alabama Should Expand
- Strongly Agree: 17%
- Agree: 46%
- Neutral: 10%
- Disagree: 17%
- Strongly Disagree: 3%
- DK/Refused: 7%

Obtaining Coverage through the ACA
Buy Coverage or Pay a Fine of 1% of Income. Would You:

- Buy Insurance: 42%
- Pay the Fine: 16%
- Uncertain: 37%
- Refused: 10%

Do You Think You Will Buy Coverage Through the Exchange During the Open Enrollment Period?

- Yes: 38%
- No: 69%
- Don't Know: 14%
- Refused: 9%
Thinking about Health Insurance:

<table>
<thead>
<tr>
<th>Age</th>
<th>Agree Insurance Not Too Important</th>
<th>Pay a Fine Rather than Buy Coverage</th>
<th>Likely Eligible for a Subsidy</th>
<th>Plan to Buy Coverage thru the Exchange</th>
</tr>
</thead>
<tbody>
<tr>
<td>19-25</td>
<td>7.7%</td>
<td>27.3%</td>
<td>32.8%</td>
<td>13.9%</td>
</tr>
<tr>
<td>26-34</td>
<td>4.9%</td>
<td>11.0%</td>
<td>28.1%</td>
<td>18.9%</td>
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<td>18.2%</td>
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<tr>
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<td>0.9%</td>
<td>17.4%</td>
<td>24.5%</td>
<td>19.8%</td>
</tr>
</tbody>
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Most Important Factor in Choosing a Plan:

- Low Premium: 22%
- Provider Availability: 22%
- Out-of-Pocket Costs: 26%
- Quality Ratings: 6%
- Trusted Brand: 6%
- Other: 3%
- Nothing: 4%
- DK/Refused: 13%
Most Important Factors among Likely Participants

- Low Premium: 27% (Uninsured), 24% (Non-Group)
- Provider Availability: 18% (Uninsured), 24% (Non-Group)
- Out-of-Pocket Costs: 24% (Uninsured), 24% (Non-Group)
- Quality Ratings: 8% (Uninsured), 4% (Non-Group)
- Trusted Brand: 10% (Uninsured), 4% (Non-Group)
- Other: 5% (Uninsured), 3% (Non-Group)
- Nothing: 13% (Uninsured), 5% (Non-Group)
- DK/Refused: 13% (Uninsured), 5% (Non-Group)

Eligible for a Subsidy?

- Alabamians’ Estimate: 55% Yes, 20% No, 9% Don’t Know
- Our Estimate: 61% Yes, 11% No, 28% Too Poor
Of Those Eligible for a Subsidy

- 28% of Alabamians aged 19-64
- 819,000 people
  - 201,000 are currently uninsured
  - 82,000 currently buy non-group coverage
  - 313,000 currently have employer-sponsored coverage

Would You Pay $___ for a $400/month Health Insurance Policy?

<table>
<thead>
<tr>
<th>Income Bracket</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$20,000</td>
<td>$ 90 / 61%</td>
<td>$ 35 / 72%</td>
<td>$ 35 / 80%</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>&lt;$30,000</td>
<td>$240 / 71%</td>
<td>$155 / 62%</td>
<td>$100 / 44%</td>
<td>$ 50 / 47%</td>
<td>$ 50 / 51%</td>
</tr>
<tr>
<td>&lt;$40,000</td>
<td>$315 / 49%</td>
<td>#275 / 66%</td>
<td>$215 / 63%</td>
<td>$160 / 91%</td>
<td>$115 / 30%</td>
</tr>
<tr>
<td>&lt;$50,000</td>
<td>---</td>
<td>---</td>
<td>$350 / 0%</td>
<td>$285 / 47%</td>
<td>$225 / 17%</td>
</tr>
<tr>
<td>&lt;$60,000</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>$345 / 45%</td>
</tr>
</tbody>
</table>
Premium Sensitivity

- Subsidized premium elasticity = -0.28
- A 10% decrease in premium increases the probability of buying coverage by 2.8%

Judging the ACA
Support the ACA?

Beliefs | Percent Agreeing
---|---
Individuals Required to Have Insurance | 50%
Large Employers Required to Provide | 71%
People w/ Pre-existing Should Not Pay More | 65%
Penalties Should be Imposed | 15%
Subsidies for Low-Income People | 72%
Children on Parents Policy to Age 26 | 67%

Judging the Success of the ACA

Affordability | 31%
% of People Uninsured | 8%
Comprehensiveness of Coverage | 3%
% Keeping Health Plan | 12%
% Keeping Their Doc | 6%
Other | 15%
DK/Refused | 23%
The Exchanges Will Lead to:

- Generally Higher Premiums: 52%
- Not Much Impact on Premiums: 12%
- Generally Lower Premiums: 17%
- Don't Know/Refused: 19%

Generally Higher Premiums
Not Much Impact on Premiums
Generally Lower Premiums
Don't Know/Refused

Exchanges Will Lead to:

- Larger Choice of Plans: 30%
- Little Change in Choice: 19%
- Smaller Choice of Plans: 35%
- Don't Know/Refused: 16%
As a Result of the ACA in 2014, Your Family Will Be:

- Better Off: 16%
- Unaffected: 23%
- Worse Off: 45%
- Don't Know/Refused: 16%

Family Wellbeing by Insurance Status:

- Uninsured: 35% Better Off, 30% Unaffected, 15% Worse Off, 5% Don't Know
- Non-Group: 20% Better Off, 20% Unaffected, 30% Worse Off, 5% Don't Know
- Employer-Sponsored: 15% Better Off, 15% Unaffected, 30% Worse Off, 5% Don't Know
Among Alabamians Aged 19-64

- 15.2% lack health insurance coverage
- 11.9% buy non-group coverage
  - Largely those aged 55-64
- 54% acknowledge having a pre-existing condition
  - Only 7% have been denied coverage
Knowledge of the ACA

- Knowledge of the ACA is very limited
  - 45% know little or nothing about the ACA
  - 59% know little or nothing about the exchange

Medicaid Expansion

- 54% have not heard whether Alabama was expanding Medicaid
  - 27% knew that it had not
- 63% believe Alabama should expand the program
  - Only 20% believe the state should not expand
Exchange Subsidies

- 28% of Alabamians will be eligible for a subsidy to buy insurance
  - 819,000 Alabamians overall
  - 201,000 of the currently uninsured
- 11% have incomes and family sizes that would have made them eligible for an expanded Medicaid
  - 331,000 people

Support for the ACA

- 53% do not support the ACA

But...

- 50% support an individual mandate
- 71% support an employer mandate
- 65% support elimination of pre-existing condition
- 72% support low-income subsidies
- 15% support penalties of foregoing coverage
Criteria to Judge ACA Success

- 31% say its affordability

But...
- Only 8% say the proportion remaining uninsured
- Only 3% say comprehensiveness of coverage
- 23% don’t know

Bad News for the ACA...

- 52% say Exchanges will lead to higher premiums
- 54% say Exchanges will lead to either no change or fewer plan choices
- 45% say their family will be worse off as a result of the ACA
  - 16% say their family will be better off
Questions?