

Public Attitudes on the Future Sustainability of Medicare

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Abstract

Background: As Medicare enters its 50th year, numerous programmatic changes aim to improve quality and ensure the program's financial sustainability. However, the Medicare Board of Trustees projects that the Hospital Insurance Trust Fund for Part A will become insolvent by 2030 due to the cost of caring for an aging population, particularly at end-of-life.

Objectives: We designed a study to evaluate Americans' attitudes on Medicare's future. We queried respondents on their opinions on Medicare's financial future, access to care, rationing end-of-life spending, and their likelihood of choosing private insurance that is cheaper but does not cover more expensive treatments.

Methods: We fielded a nationally-representative survey of American adults through the nonpartisan research firm YouGov (October 1-3, 2014). Using proprietary methodology, a random sample opt-in Internet panel was invited to participate, with gender, age, race, education, region, and voter registration matched to population statistics.

Results: Most respondents believed that Medicare will fall into economic crisis within the next 20 years. Few respondents believed that Medicare should ration spending on end-of-life care, but there were differences by age: people age 45-64 were much less likely to endorse rationing than those age 18-29. Most respondents, especially those over 65, reported that they would rather enroll in a private insurance plan that costs more money but would cover expensive treatments.

Discussion: Our results support previous surveys showing that most Americans are concerned about Medicare's forthcoming insolvency yet do not support major reductions in Medicare spending. Results suggest that cost-sharing reforms like those implemented through ACA offer viable solutions to Medicare's insolvency.

Key Words: Medicare, health policy, public opinions, public expenditure, health expenditure

Introduction

As Medicare enters its 50th year, numerous programmatic changes aim to improve quality and ensure the program's financial sustainability. However, the Medicare Board of Trustees projects that its Hospital Insurance Trust Fund for Part A will become insolvent by 2030 due to the cost of caring for an aging population.⁴ There are numerous options for meeting this shortfall, including raising the eligibility age, expanding beneficiary cost-sharing, limiting low-value services, and reducing provider reimbursement.³ Since public support will likely be an important consideration in the political process, we designed a study to evaluate Americans' attitudes on Medicare's future sustainability.

Methods

We fielded a nationally-representative survey of American adults through the nonpartisan research firm YouGov (October 1-3, 2014). Using proprietary methodology, a random sample of YouGov's opt-in Internet panel was invited to participate, with gender, age, race, education, region, and voter registration matched to population statistics from the United States Census Bureau's 2010 American Community Study and November 2010 Current Population Survey Registration and Voting Supplement. After discarding incomplete surveys, one thousand of the remaining 1,154 respondents were matched to characteristics of the original sample and selected to be included in the final analysis.

Our survey queried respondents on their opinions on Medicare's financial future, beneficiary access to care, rationing of end-of-life spending, and their likelihood of choosing a private insurance plan that is cheaper but does not cover the most expensive treatments. "Not sure/none of the above" responses were dropped in descriptive and regression analysis. Multivariate logistic regression was used to analyze responses, adjusting for age, gender, political identification, race, income, and region.

Results

Most respondents (67.3%) believed that Medicare will fall into financial crisis within the next 20 years (*Table 1*). Independent (OR 3.46 (2.18-5.51)) or Republican (OR 1.53 (1.02-2.28)) political affiliation was associated with greater pessimism about Medicare's financial future. Nearly half (47.5%) of respondents believed that it is already too difficult to get necessary treatment through Medicare. Few respondents (20.7%) believed that Medicare should ration spending on end-of-life care, but there were differences by age: people age 45-64 were much less likely to endorse rationing than those age 18-29 (OR 0.33 (0.20-0.54)). Most respondents (74.9%), including nearly all over 65 (92.6%), reported that they would rather enroll in a private insurance plan that costs more money but would cover expensive treatments. Increasing income was also associated with greater willingness to pay more for private insurance (for income >\$80,000, OR 2.24 (1.40-3.59) vs <\$40,000).

Table 1. Descriptive Statistics and Multivariate Regression Analysis of Responses (N=1,000)

	Medicare will fall into economic crisis within the next 20 years	It is too difficult to get necessary treatment through Medicare	Medicare should "ration" spending on end-of-life care	I would enroll in private insurance that costs more money but pays for the most expensive treatment
Age				
18-29 [#]	70.3% (78/111)	50.5% (56/111)	34.4% (43/125)	61.4% (78/127)
30-44	71.2% (146/205)	52.0% (103/198)	25.4% (53/209)	70.0% (131/187)
45-64	69.7% (212/304)	56.3% (170/302)	14.8% *** (50/338)	78.4% ** (203/259)
65+	53.0% *** (70/132)	21.1% *** (31/147)	15.6% ** (22/141)	92.6% *** (88/95)
Political Identification				
Democrat [#]	53.8% (142/264)	45.1% (123/273)	20.2% (60/297)	75.8% (182/240)
Independent	81.7% *** (161/197)	40.6% (78/192)	17.9% (36/201)	71.8% (122/170)
Republican	67.7% * (151/223)	49.5% (107/216)	22.5% (53/236)	79.3% (153/193)
Income				
<\$40,000 [#]	64.3% (175/272)	51.7% (149/288)	20.6% (63/306)	66.3% (161/243)
\$40,000- 80,000	65.8% (152/231)	42.7% * (99/232)	19.7% (47/238)	76.3% * (148/194)
>\$80,000	71.9% (179/249)	47.1% (112/238)	21.6% (58/269)	82.7% ** (191/231)
Total	67.3% (506/752)	47.5% (360/758)	20.7% (168/813)	74.9% (500/668)

*P<0.05, **P<0.01, ***P<0.001 in multivariate logistic regression models, which were also adjusted for gender, race, and region. [#]Indicates referent for covariate. "Not sure/none of the above" responses were dropped from analysis.

Discussion

Our results support previous surveys showing that most Americans are concerned about Medicare's forthcoming insolvency, yet they do not support major reductions in Medicare spending.^{1,2} Four out of five Americans are against rationing end-of-life care spending, although our use of the word rationing may have resulted in more respondents being opposed to spending reductions than previously reported. Traditionally, the public has not supported proposals to reduce the generosity of Medicare benefits; our results suggest that in 2014, framing reductions in spending as rationing remains unpopular.

Three out of four Americans surveyed, particularly those earning more than \$40,000, expressed willingness to spend more of their own money for coverage that pays for expensive treatments, consistent with the overall sentiment against losing access to services from rationing. This may suggest that cost-sharing reforms like those implemented through the ACA offer a viable solution to Medicare's insolvency. As stated preferences, however, these survey responses are not consistent with actual decisions made by Americans, including limited enrollment in higher metal level plans in the new Health Insurance Marketplace.⁵ Future research should focus on revealing the public's views toward out-of-pocket spending on end-of-life care, including the impact of preferences and value. Initiatives to improve Medicare should consider issues related to spending at the end of life.

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