

## INTRODUCTION

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The American Benefits Council Membership Survey was conducted by Harris Interactive Inc. on behalf of the American Benefits Council. The survey was conducted via the Internet with 200 members of the Council between August 28 and September 6, 2000.

### **Background**

The survey examines American Benefits Council members' views on employer-sponsored benefits issues. Survey participants were 200 senior-level benefits professionals from organizations that either sponsor directly, administer or service retirement health and stock compensation plans covering more than 100 million Americans. The survey focused on legislative and regulatory priorities, media coverage, and the influence of key stakeholders on benefits issues. This report is the third of three reports that detail the results of the survey. This report focuses on health benefits issues. The first report focused on general benefits issues, Congress, the media and emerging benefits issues. The second report covered retirement benefits issues.

The results of the survey are being released as the 2000 elections enter their final stage and are intended to contribute to the policy discussions taking place on the campaign trail. These elections will help shape the legislative and regulatory environment in which policy will be determined. Many of the most important issues that the next President and Congress must consider, including adding a prescription drug benefit to Medicare and further regulation of managed care plans, either directly or indirectly impact companies that provide health benefits to their employees. Thus, companies that provide or administer employee benefits have a large stake in these policy debates. This survey presents the voice of these companies.

### **Project Responsibility and Acknowledgements**

The Harris team responsible for the design and analysis of the questionnaire includes Katherine Binns, Senior Vice President, Kinga Zapert, Senior Project Director, and Michael

Newman, Senior Research Associate. Harris Interactive maintains responsibility for final determination of the topics, question wording, collection of the data, and analysis and interpretation of the report.

## EXECUTIVE SUMMARY

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The American Benefits Council Membership Survey was conducted by Harris Interactive Inc. on behalf of the American Benefits Council. The survey was conducted via the Internet with 200 members of the Council between August 28 and September 6, 2000.

**Council members believe the next President and Congress should focus on extending and broadening health care coverage to all Americans.** Strengthening the Medicare program, adding a prescription drug benefit to Medicare and increasing the number of Americans with health insurance are the highest legislative priorities of Council members. Council members prefer an incremental – rather than a comprehensive – approach to extending health insurance to more Americans. Making tax credits available to those who purchase individual coverage is a proposal favorably viewed by most members. Conversely, members give low priority to legislative proposals that expand the right of employees to sue their employers and health plans regarding coverage decisions and proposals that allow physicians to bargain collectively with health plans.

**Council members believe employees and the media have the most influence on Congress regarding employer-sponsored health benefits issues.** Of ten interest groups measured in the survey, employers were rated the fourth most influential behind the media, employees, and plaintiffs' lawyers. Employers were considered more influential than doctors, hospitals, pharmaceutical companies and insurance providers

**Members are worried about the impact of accelerating health care costs.** Members are concerned that rising health care costs could hurt both the national economy and the ability of employers to provide quality health care coverage to their employees.

**If legislation is passed to provide prescription drug benefits to Medicare recipients, members strongly agree employers should be reimbursed in the same manner as insurers and other entities that offer such coverage.**

## MAIN FINDINGS

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- I. Although prescription drug coverage and a Patients' Bill of Rights have dominated the health policy discussion of the election campaigns, Council members overwhelmingly believe the next President and Congress should, instead, focus on increasing the number of Americans with health insurance. Although providing a prescription drug benefit under Medicare was viewed as a high priority (70 percent), shoring up the Medicare program itself was viewed as a much higher priority (95 percent). Conversely, little support was indicated among members for giving employees the right to sue employers and health plans for incorrectly denied benefits or allowing physicians and other health care professionals to bargain collectively with health plans.
- Eighty-six percent believe increasing the number of Americans with health insurance should be either a very high (44 percent) or somewhat high (42 percent) priority with the next Congress and President. A majority of members (58 percent) feel providing tax credits to help enable individuals to purchase health care on their own, one solution to the uninsured problem, should be either a very (21 percent) or somewhat high (37 percent) priority.
  - Sixty-seven percent said protecting the confidentiality of personal health information should be a high priority.
  - Only 15 percent of members believe expanding the right to sue employers and health plans for incorrectly denied benefits is either a high or somewhat high priority. Fully, sixty percent of members said this should be a very low priority.
  - Similarly, only 15 percent believe allowing physicians and other professionals to bargain collectively with health plans, should be a very (2 percent) or somewhat (13 percent) high priority.

II. Members overwhelmingly agree increasing the number of Americans with health insurance should be achieved incrementally rather than comprehensively. Eighty-two percent of members prefer an incremental approach, focusing first on specific uncovered populations, while 18 percent prefer a comprehensive approach, which attempts at once to provide coverage for all uninsured.

III. Council members feel the media is the most influential group regarding employer-sponsored health benefits issues.

- Six in ten members (61 percent) say that the media has a lot of influence on Congress regarding employer-sponsored health benefit issues.
- Employees (including unions and employee advocacy groups) are viewed as the next most influential groups on Capitol Hill when it comes to health benefit issues. Thirty seven percent feel employees have a lot of influence, and an additional 57 percent say they have some influence.
- Plaintiffs' lawyers and employers (including their advocacy groups) each are considered influential by 86 percent of members. (This compares to 63 percent who believe plaintiffs' lawyers are influential when it comes to pension policy — see Report II of Harris Survey of Council members.) Significantly, however, more members consider plaintiffs' lawyers to have a lot of influence compared to employers. While 46 percent of members believe plaintiffs' lawyers have a lot of influence on health benefit issues, only 13 percent consider employers to have a lot of influence on these issues.
- The media, plaintiffs' lawyers, employees, and employers are all ranked ahead of groups more narrowly focused on health care issues. Twenty-eight percent of members say insurance providers have a lot of influence in Congress; 27 percent say doctors have a lot of influence; and 23 percent say pharmaceutical companies have a lot of influence in Congress regarding health benefit issues.

IV. Contrary to other recent studies that appear to suggest no correlation between health care costs and coverage, Council members are concerned that rising health care costs could negatively impact the U.S. economy and weaken the employer-sponsored health benefits system.

- Nine in ten members are either very (43 percent) or somewhat (49 percent) concerned that continued increases in health care costs could adversely affect the U.S. economy as a whole.
- Council members are even more concerned about the negative impact of rising health costs on private insurance coverage. Seventy-two percent of members are very concerned and 24 percent of members are somewhat concerned that rising costs will adversely impact the ability of employers to provide quality health coverage to employees.

V. Eighty-six percent of members agree (46 percent strongly agree), if federal legislation is enacted to expand prescription drug coverage, employers should be reimbursed in the same manner as insurers and other entities that offer such coverage.

## **Appendix A Charts**

## **Appendix B Methodology**

## METHODOLOGY

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This methodology describes the sampling and interviewing procedures used by Harris Interactive, Inc. for the *American Benefits Council Membership Survey*. The survey questionnaire was self-administered online by means of the Internet to 200 members of the Council. Interviewing took place between August 28, 2000, and September 6, 2000.

### **Online Interviewing Procedures**

All interviewing was conducted between August 28, 2000, and September 6, 2000. The interviews averaged fifteen minutes in length. Interviews were conducted using a self-administered, online questionnaire, via Harris' proprietary, web-assisted interviewing software. The Harris Online interviewing system permits online data entry of interviews by the respondents. Questionnaires are programmed into the system with the following checks:

1. Question and response series
2. Skip patterns
3. Question rotation
4. Range checks
5. Mathematical checks
6. Consistency checks
7. Special edit procedures

For questions with pre-coded responses, the system only permits answers within a specified range; for example, if a question has three possible answer choices (e.g., "Agree," "Disagree," "Not sure"), the system will only accept coded responses corresponding to these choices. All data is tabulated, checked for internal consistency and processed by computer. A series of computer-generated tables is then produced for each sample group showing the results of each survey question, both by the total number of respondents and by important subgroups.

### **Control of the Sample**

In order to maintain the reliability and integrity in the sample, each invitation contains a password uniquely assigned to that e-mail address. A respondent is required to enter the password at the beginning of the survey in order to gain access into the survey. Password protection ensures a respondent completes the survey only one time and that any other non-invited respondent cannot use the URL.

### **Editing and Cleaning the Data**

The data processing staff performed machine edits and additional cleaning for the entire data set. Our edit programs act as a verification of the skip instructions and other data checks written into the online program. The edit programs list any errors by case number, question number and type. These are resolved by senior EDP personnel, who inspect the original file and make appropriate corrections. Complete records are kept of all such procedures.

### **Reliability of Survey Percentages**

The results from any sample survey are subject to sampling variation. The magnitude of this variation is measurable and is affected both by the number of interviews involved and by the level of the percentages expressed in the results.

Table A.1 shows the range of sampling variation that applies to percentage results for this survey. The chances are 95 in 100 that the survey results do not vary, plus or minus, by more than the indicated number of percentage points from the results that would have been obtained had interviews been conducted with all persons in the universe represented by the sample. For example, if the response for a sample size of 1000 were 30 percent, then in 95 out of 100 cases the response of the total population would be between 27 percent and 33 percent. Note that survey results based on subgroups of a small size can be subject to large sampling error.

**Table A.1**  
**Approximate Sampling Tolerances (At 95% Confidence) To**  
**Use In Evaluating Percentage Results Appearing In This Report**

Number Of People Asked Question On Which Survey Result Is Based	Survey Percentage Result At 10% Or 90%	Survey Percentage Result At 20% Or 80%	Survey Percentage Result At 30% Or 70%	Survey Percentage Result At 40% Or 60%	Survey Percentage Result At 50%
7,500	1	1	1	1	1
5,000	1	1	1	1	1
3,000	1	1	2	2	2
2,000	1	2	2	2	2
1,500	2	2	2	3	3
1,000	2	2	3	3	3
900	2	3	3	3	3
800	2	3	3	3	3
700	2	3	3	4	4
600	2	3	4	4	4
500	3	4	4	4	4
400	3	4	4	5	5
300	3	5	5	6	6
200	4	6	6	7	7
100	6	8	9	10	10
50	8	11	13	14	14

Sampling tolerances are also involved in the comparison of results from different parts of a sample (subgroup analysis) or from different surveys. Table A.2 shows the percentage difference that must be obtained before a difference can be considered statistically significant. These figures, too, represent the 95 percent confidence interval.

**Table A.2**  
**Approximate Sampling Tolerances (At 95% Confidence) To Use**  
**In Evaluating Differences between Two Percentage**  
**Results Appearing In Survey**

Approximate Sample Size of Two Groups Asked Question on Which Survey Result is Based	Survey Percentage Result at 10% or 90%	Survey Percentage Result at 20% or 80%	Survey Percentage Result at 30% or 70%	Survey Percentage Result at 40% or 60%	Survey Percentage Result at 50%
5,000 vs. 2,000	2	2	2	3	3
1,000	2	3	3	3	3
500	3	4	4	5	5
300	3	5	5	6	6
200	4	6	6	7	7
100	6	8	9	10	10
50	8	11	13	14	14
2,000 vs. 2,000	2	2	3	3	3
1,000	2	3	3	4	4
500	3	4	4	5	5
300	4	5	6	6	6
200	4	6	7	7	7
100	6	8	9	10	10
50	8	11	13	14	14
1,500 vs. 1,500	2	3	3	4	4
1,000	2	3	4	4	4
500	3	4	5	5	5
200	4	6	7	7	7
100	6	8	9	10	10
50	8	11	13	14	14
1,000 vs. 1,000	3	4	4	4	4
500	3	4	5	5	5
300	4	5	6	6	6
200	5	6	7	7	8
100	6	8	9	10	10
50	9	11	13	14	14
500 vs. 500	4	4	6	6	6
300	4	6	7	7	7
200	6	7	8	8	8
100	6	9	10	11	11
50	9	12	13	14	15
300 vs. 300	5	6	7	8	8
200	5	7	8	9	9
100	7	9	10	11	11
50	9	12	14	15	15
200 vs. 200	6	8	9	10	10
100	7	10	11	12	12
50	9	12	14	15	15
100 vs. 100	8	11	13	14	14
50	10	14	16	17	17
50 vs. 50	12	16	18	19	20

**Non-Sampling Error**

Sampling error is only one way in which survey findings may vary from the findings that would result from interviewing every member of the relevant population. Survey research is susceptible to human and mechanical errors as well, such as respondent recording errors, in addition to errors resulting from the experimental nature of current Internet research. However, the procedures used by the Harris firm, including the online sampling, weighting and interviewing systems described earlier, keep these types of errors to a minimum.

**Appendix C**  
**The Questionnaire**

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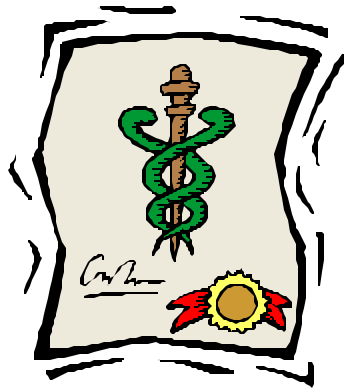
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# **American Benefits Council Membership Survey**

## **Report III: Health Benefits**



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August 18, 2000

Title: American Benefits Council Membership Survey

Field Period: August 22 – September 6, 2000

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SUBJECTS FOR QUESTIONNAIRE

Section 300: Health Issues  
Section 100: Thank You

Proprietary Questions Not To Be Released: None

<b>SECTION 300: HEALTH ISSUES</b>
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**BASE: ALL RESPONDENTS****Q300** Health Issues

Please indicate the level of priority the next President and Congress should give to each of the following *health care* legislative issues.

Q301		1	2	3	4	8	
		Very High Priority	Somewhat High Priority	Somewhat Low Priority	Very Low Priority	Not Sure	
()	1	Increasing the number of Americans with health insurance	<b>44</b>	<b>42</b>	<b>10</b>	<b>2</b>	<b>3</b>
	2	Protecting the confidentiality of personal health information	<b>22</b>	<b>46</b>	<b>25</b>	<b>7</b>	<b>2</b>
	3	Making Medicare financially sound	<b>55</b>	<b>41</b>	<b>4</b>	<b>-</b>	<b>2</b>
	4	Providing prescription drug coverage for seniors	<b>25</b>	<b>45</b>	<b>20</b>	<b>8</b>	<b>3</b>
	5	Providing tax credits to encourage individuals to purchase health care on their own	<b>21</b>	<b>37</b>	<b>24</b>	<b>14</b>	<b>5</b>
	6	Expanding the right to sue employers and health plans for incorrectly denied benefits	<b>4</b>	<b>11</b>	<b>22</b>	<b>60</b>	<b>4</b>
	7	Allowing physicians and other health care professionals to bargain collectively with health plans	<b>2</b>	<b>13</b>	<b>27</b>	<b>52</b>	<b>8</b>

**BASE: ALL RESPONDENTS**

**Q305** How much influence does each of the following groups have on Congress regarding employer-sponsored health benefits issues?

Q306			1	2	3	4
			A Lot	Some	Not	No
			of	Influence	Much	Influence
[ROTATE ITEMS]			<u>Influence</u>	<u>Influence</u>	<u>Influence</u>	<u>At All</u>
()	01	Employees (including unions and employee advocacy groups)	37	57	7	-
	02	Employers (including their advocacy groups)	13	73	13	2
	03	Policy think tanks/academics	8	66	26	2
	04	Media	61	35	5	-
	05	Plaintiffs' lawyers	43	43	15	-
	06	Doctors	27	54	17	3
	07	Hospitals	8	59	30	4
	08	Insurance providers	28	54	16	2
	09	Medical technology companies	8	46	46	2
[ANCHOR]						
	10	Pharmaceutical companies	23	59	17	3

**BASE: ALL RESPONDENTS**

**Q310** The next President and Congress -- regardless of who is elected -- is likely to consider legislation intended to increase the number of Americans with health insurance coverage. How do you believe they should approach this major issue?

1	On an incremental basis focusing first on specific groups of Americans (e.g., low-income families, small employer groups, children)	82
2	On a comprehensive basis attempting to achieve health coverage for all Americans at the same time	18

[DISPLAY Q315 AND Q320 ON THE SAME PAGE]

**BASE: ALL RESPONDENTS**

**Q315** If health care costs continue to increase at their current rate, how concerned are you that this could adversely affect the U.S. economy as a whole?

0		
1	Very concerned	<b>43</b>
2	Somewhat concerned	<b>49</b>
3	Not very concerned	<b>8</b>
4	Not at all concerned	<b>1</b>

**BASE: ALL RESPONDENTS**

**Q320** If health care costs continue to increase at their current rate, how concerned are you that this will adversely affect the ability of employers to provide quality health coverage to their employees?

0		
1	Very concerned	<b>71</b>
2	Somewhat concerned	<b>24</b>
3	Not very concerned	<b>5</b>
4	Not at all concerned	<b>-</b>

**BASE: ALL RESPONDENTS**

**Q325** Please indicate whether you agree or disagree with the following statement: If federal legislation is enacted to expand prescription drug coverage, through either public or private programs, employers should be reimbursed in the same manner as insurers and other entities that offer such coverage.

0		
1	Strongly agree	<b>46</b>
2	Somewhat agree	<b>40</b>
3	Somewhat disagree	<b>10</b>
4	Strongly disagree	<b>5</b>

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**SECTION 100: THANK YOU**

**BASE: ALL RESPONDENTS**  
**Q199 (NON-HPOL COMPLETE)**

**Thank you very much for participating in this survey.**

**If you have any other comments or questions about this survey, please contact Susan Richards or John Milton at our Survey Help Desk ([SurveyHelp@HPOL.harrisinteractive.com](mailto:SurveyHelp@HPOL.harrisinteractive.com)).**

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**To visit the Harris Interactive Corporate website, go to: [www.HarrisInteractive.com](http://www.HarrisInteractive.com).**

**BASE: ALL RESPONDENTS**  
**Q199 (NON-HPOL SUSPEND)**

**Thank you for your interest in this survey.**

**If you wish to complete the survey, simply click on the link in the email invitation and enter your password again. You will be returned to the point in the survey at which you left off.**

**If you have any other comments or questions about this survey, please contact Susan Richards or John Milton at our Survey Help Desk ([SurveyHelp@HPOL.harrisinteractive.com](mailto:SurveyHelp@HPOL.harrisinteractive.com)).**

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