

January 26, 2022

To: Interested Parties
Fr: Brian Stryker / Luke Martin
Re: Health Care Focus Group Findings

Health care loomed large over the last two election cycles and based on the six focus groups we recently conducted, the cost of health care looks to be as important as ever going into 2022 with voters more cost sensitive and focused on inflation. From millennials to seniors, Phoenix to Pittsburgh, Black, White, Latino – everyone we talked to about health care put the cost of every aspect of it as the foremost issue in the system. A few things stood out to us about these voters:

1. **Inflation is the most top of mind issue to these voters and they are especially sensitive to any cost increases in their daily lives, health care included.** Most are acutely aware that their health care costs have risen unabated year after year.
2. **They don't dislike their current insurance and have very positive things to say about their own point-of-care experiences.** Their concerns about cost aren't enough for them to want to swap the current system for something similar to Canada or England.
3. **Neither party is trusted to bring down health care costs.** Even Democrats don't trust or give the Democratic Party any credit for their efforts because at the end of the day, their health care is more expensive than it was before.
4. **None of them have any real knowledge or preferences for existing reforms or policy solutions to bring down health care or prescription costs.** This includes allowing Medicare to negotiate drug pricing which many assume already happens.
5. **What they are looking for most is concrete and straightforward solutions that have a real impact on bringing down out-of-pocket costs.** They favor a direct approach – capping out-of-pocket prescription costs as a percent of income or total annual expense – even more than allowing Medicare to negotiate drug pricing.
6. **They are less interested in indirect measures to control the costs of care and prescriptions,** or wholesale change that compromises the quality, choice, and access that to them defines the American health care system. Some voters are also wary of too-harsh restrictions that could result in less innovation which they see as a positive attribute of our current system.

Impact Research (formerly ALG) conducted six online focus groups between November 16th and 18th, 2021. These included 34 total participants from five groups of swing voters – senior men in Philadelphia and college educated suburban women in Pittsburgh, Pennsylvania, Latino men and college educated suburban women in Arizona, and college educated men in Georgia – and one group of Democratic Black women in Georgia. Because this is qualitative research these results cannot be extrapolated onto the population as a whole.

The following key findings and verbatim excerpts from the focus groups provide additional context.

The Current Health Care System

- **The economy, and specifically inflation, dominates their top of mind issues.** In every group it came up unprompted, and many of these participants relayed the very personal impact rising prices have had on them and their families.

“I’m in construction, I’m a general contractor. I’m worried about construction costs, about inflation, about costs going up a lot. The work we’re performing, we give them a proposal, and if costs go up we have to pass that along to the client. I’m worried about it, I’ll be honest I’m pretty worried about the economy and inflation.” – Latino man swing voter in Arizona

- **Top of mind associations with health care are driven by cost.** The following word cloud, where words that came up more often are larger, is illustrative of this:

What is the first word or phrase that comes to mind when you hear, “health care?”



- **There isn’t one single cost that worries them the most: all health care costs are “out of control” for them.** Even when given a finite list of out-of-pocket costs to choose from (copays, deductibles, premiums, out-of-network costs, hospital / emergency care, and prescription drug costs), a single option did not stand out as being the most worrisome.

“I have insurance but I had an aneurysm and I got a bill in the mail for \$80,000, and I almost had another aneurysm when I saw it. But I called the insurance company and kept at them and I ended up paying nothing. Where’s the sense in that?” – College educated woman swing voter in suburban Arizona

- **People that have good insurance know they are fortunate and are aware of the struggles of those who don’t.** Most of these participants have insurance and most agreed they were satisfied with what they have. This is in part due to the fact that they are acutely aware of how bad things are for those with poor coverage or not coverage at all, leaving them grateful for whatever they have.

“From what I’ve heard other people have I guess I’m really satisfied.” – College educated woman swing voter in suburban Arizona

- **Neither political party is seen as doing anything to help fix the problems with health care.** These participants view the government and all politicians as greedy and self-interested actors who are more interested in maintaining the status quo of the system than to actually do anything to fix it. Even in a group of Black Democratic women from Georgia, only two of the six participants said they trusted Democrats more to even *try* to fix things.

“I am a Democrat, and I really think the Democrats can change things, but I also believe that the Democratic Party isn’t a true Democratic party anymore. The Republican party isn’t a true Republican party anymore. I think people are out to actual advance themselves and say what people want to hear.” – Black Democratic woman in Georgia

- **Even with the high costs, no one is eager to trade away the choice and quality of the U.S. health care system.** There is a strong belief among these voters that the U.S. health care system is better than the rest of the world for three main reasons: the quality of their point-of-care services, how quickly and easily they can get care, and the choices they have in providers and treatments options.

“What makes the U.S. better is the ability to make choices in your health care. Our quality is better than any other country in the world.” – College educated swing voter woman in suburban Pittsburgh, Pennsylvania

Policies to Lower Prescription Drug Costs

- **Some are worried that too-harsh restrictions could slow innovation or risk losing access to vital treatments.** The spirit of innovation is seen as a positive that allows new drugs to be manufactured quickly, but there is some concern that regulating the pharmaceutical industry could jeopardize new drugs, or cause them to cease making drugs that become unprofitable even if people still need them.

“If they were losing money on it they might not make it, and that would be detrimental to people too.” – College educated man swing voter from suburban Georgia

- **Very few voters have demonstrable knowledge of any existing health care policies that would improve the system or lower prescription costs, including allowing Medicare to negotiate prescription prices.** No one raised awareness of any health care reforms they were familiar with beyond basic concepts like “free health care.” There was also absolutely no awareness of the debate around any health care provisions in Build Back Better, whether ACA or prescription drug related.
- **Many already assume Medicare can negotiate prescription prices and it lacks the reach and direct nature of price caps.** No one came in aware that this policy was something already being talked about, and it was the least supported policy supported we tested. To the more conservative swing voters in our groups, this policy gives too much power to the government, and to everyone else there’s

not enough trust that the government has enough power to negotiate lower prices. Polling, including polls we have done, has shown this as incredibly popular—we're not arguing that voters don't like this policy. But it certainly wasn't the be-all-end-all of health care cost issues for voters, or even of drug-price costs for them.

- **Direct price caps on the total dollar amount people could be charged for out-of-pocket prescription costs was the proposal that received the most support from voters in these groups.** To them, this was the most direct measure to gain control over costs and was seen as logical, least open to manipulation, and critically, the most likely to actually lower out-of-pocket prescription costs.

"It has more absolute measure over the prices... it's the more clear-cut way to just ensure you get down the price immediately." – Latino swing voter man from Arizona

- **A proposal to require insurance companies that sell to Medicare to put a cap on out-of-pocket prescription costs tied to a percentage of income received nearly as high support.** Participants routinely described the approach of tying the cap to a percentage of income as "fair". When asked what percent seemed to make the most sense, most answers fell somewhere below 5% but all were under 10%.

"It just sounds like if it's based off of their income then everyone would be paying percent-wise the same amount. It doesn't matter if you make \$50,000 or \$1,000,000, if's set at a percent of their income it's fair for everyone." – College educated man swing voter from suburban Georgia

- **Voters liked drug-pricing transparency but had no expectation it would affect costs.** Voters like increased transparency and think it would give consumers more power, but they also have a pragmatic understanding that when someone is dealing with a serious health condition they're unlikely to have the ability to shop around.

"You take a drug like Viagra, not everyone has to have that, they're not going to die without it, but people are willing to pay a lot of money for that. That's supply and demand, and supply and demand is OK with Viagra, but it's not OK with a drug that's going to save your life." – Senior swing voter man in Philadelphia, Pennsylvania

Views of the Health Care Industry

- **They like doctors and nurses a lot, and hospitals some.** They like parts of the health care system that have cared for them or a loved one, generally. However, hospitals also carry some corporate and cost-related baggage.

"For our local hospitals I'd give them a 10, we have the best health care – hospitals, doctors, everything – in the world." – Senior swing voter man in Philadelphia, Pennsylvania

- **Pharmaceutical companies in general elicited negative reactions from participants, but the industry does get *some* credit for recent innovations.** While they aren't always aware of the specific companies, they have seen horror stories on the news about Martin Shkreli-type price hikes for things like insulin and life-saving treatments.

"My Mom and Dad are on a fixed income and I caught my Dad cutting his pills in half. He could die doing that, and do these companies care? No." – College educated swing voter woman in suburban Pittsburgh, Pennsylvania

- **Anti-PhRMA views are contained specifically to the industry, not toward the products.** These participants were quick to separate the two and speak positively about the quality of treatments the pharmaceutical industry offers and how appreciative and impressed they were with the COVID-19 vaccine.

"Are you talking about the products or the costs? There's two different things there. They have tremendous products but ridiculous costs." – Senior swing voter man in Philadelphia, Pennsylvania

- **Vaccine creators were the most known and most liked drug companies.** These companies on their own are more liked than the industry as a whole, and in every group there was near universal awareness of the three major vaccine manufacturers which wasn't there for other large drug companies like Merck. Other prominent pharmaceutical companies that didn't create COVID-19 vaccines, even ones that carry significant baggage like Purdue, were mostly unknown to participants.

"I didn't really know anything about Pfizer until they had this shot that popped up." – Latino man swing voter in Arizona

- **Insurance companies carry a reputation as being greedy middle-men who create more confusion and complexity in the system than is necessary.** They don't believe these companies serve any real purpose other than as paid gatekeepers that don't have patients' best interests at heart.