

State *Of the* State Survey

*Medicare, Medicaid, and the Federal Budget:
Public Opinion in Michigan*

*by John H. Goddeeris
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Briefing Paper No. 95-14

Medicare, Medicaid, and the Federal Budget: Public Opinion in Michigan

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The State of the State Survey
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The analyses and interpretations in SOSS Briefing Papers are those of the authors and do not necessarily represent the views of IPPSR or of Michigan State University.

BACKGROUND

The federal government supports health care for the elderly under the Medicare program. Nearly all U.S. citizens aged 65 and over qualify for Medicare, which currently pays for about half of all health care used by the elderly. All workers support Medicare through a tax on earnings (1.45%, plus a matching amount paid by employers). Medicare expenditures have been rising rapidly and are projected to continue to do so under current law. Medicare revenues are not projected to keep pace with this expenditure growth. Current Congressional proposals would reduce the rate of growth of federal spending on Medicare over the next seven years by about 14% below what is projected under current law, making Medicare a focus in current debates over how to balance the federal budget.

Medicaid is a joint state/federal program that provides health care for the poor. In Michigan, 15% of the non-elderly population receives health care under Medicaid, including 55% of those living in poverty. Medicaid is also the largest source of funds for those receiving long term care in nursing homes. Because Medicaid expenditures have also been growing rapidly, it too has been a focus in federal budget debates. Current Congressional proposals would reduce federal spending on Medicaid over the next seven years by about 19%, compared with what is projected under current law. The states would have more discretion in defining Medicaid eligibility, and in administering the program.

THE SURVEY

A telephone survey of 1,013 adult residents of the state of Michigan was conducted by Michigan State University's Institute for Public Policy and Social Research between October 13 and November 10, 1995. This is the fifth quarterly MSU State of the State Survey (SOSS). It focused on issues related to health policy and managed care. The sampling error is $\pm 3.1\%$. Interviews lasted an average of 17 minutes. Questions about Medicare, Medicaid and the federal budget consumed about one minute of that time.

The sample is designed to provide representative information for respondents from major regions of the state: Detroit City, Southeast Michigan (excluding Detroit), Southwest Michigan, Central Michigan (West and East), northern Lower Michigan, and the Upper Peninsula. (See attached information sheet for list of counties included in each region.) The data reported here are weighted to make the results representative of the adult population of Michigan.

KEY FINDINGS

Opinions about Health Care for the Elderly and the Poor

- **Respondents endorse government support for equality and choice of health care for the elderly.** Michigan residents strongly affirmed the view that “[e]ven if spending has to be cut, the government should provide the same quality and choice of health care coverage for the elderly that is available to the non-elderly” (Figure 1). Statewide, 65% “strongly agree” with the statement above, and an additional 26% “somewhat agree.” Only 4% “somewhat disagree” with the statement, and 4% “strongly disagree.” Similarly strong support was found across gender, party, and age groups, and in all regions of the state. Thus, the concept of Medicare appears to enjoy very widespread support.

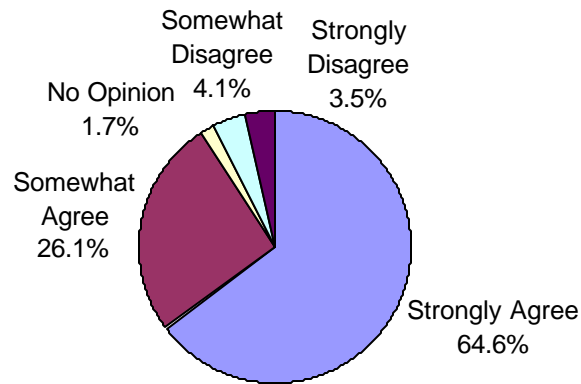
- **Residents approve of asking more from wealthier Medicare beneficiaries.** At the same time, most Michigan residents agreed that “Medicare recipients who can afford to pay for a larger share of their health care costs should be expected to do so” (Figure 2). Statewide, 41% strongly agree and 35% somewhat agree, while 10% somewhat disagree and 12% strongly disagree. Although the degree of support varies among population subgroups, the idea that those who can afford to should pay more appears to be quite broadly supported. More than two-thirds of respondents in each region of the state agree with it at least somewhat.
- **There is little support for cuts in Medicare and Medicaid.** When asked about cutting Medicare and Medicaid as part of an overall strategy to reduce government spending, two-thirds of Michigan residents disapproved (Figure 3). Only 7% strongly favor such cuts, and 21% somewhat favor them, while 22% somewhat oppose and 46% strongly oppose cuts. Fully 72% of Detroit residents strongly oppose cuts. Even among those who identify themselves as Republicans, only 14% strongly favor cutting Medicare and Medicaid, while 30% strongly oppose such cuts (Figures 4 and 5).

Ambiguity in the notion of “cutting Medicare and Medicaid” may make this question difficult to answer, and the results difficult to interpret. Congressional proposals do not cut federal spending in dollar terms, but rather decrease rates of spending growth from those projected under current law. Whether or not these reductions in growth would lead to cuts in services received by program beneficiaries is a matter of debate.

- **Respondents split on limiting choice in health care for the poor.** Michigan residents are rather evenly split on whether the poor should face more limits on the availability of health care than those who can provide for their own care. Overall, 11% strongly agree that the poor should face more limits, 34% somewhat agree, 25% somewhat disagree, and 27% strongly disagree (Figure 6).

On the question of limits on choice for the poor, opinions divide to some degree by political affiliation (Figure 7). Among those who view themselves as Republicans (about 27% of the population), 57% agree at least somewhat with limits. Among Democrats (about 30% of the population), only 37% say they agree. There are also rather marked regional differences (Figure 8). Residents of the Southwest region are the most supportive of limits, with 53% agreeing at least somewhat with the concept. Only 24% of Detroit residents agree, while 47% of them strongly disagree with the idea that the poor should face more limits. There was also a significant gender difference on this policy, with slightly more than half of the men agreeing with the policy, while less than 40% of women agree with it (Figure 9).

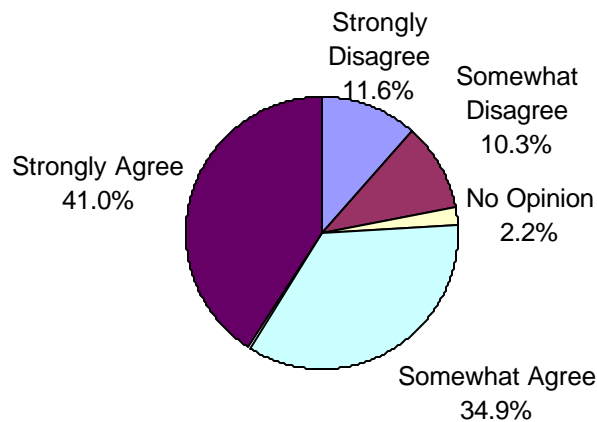
Figure 1. Should Government Support Health Care For the Elderly?



"Even if spending has to be cut, the government should provide the same quality and choice of health care coverage for the elderly that is available to the nonelderly."

MSU State of the State Survey (SOSS), October 1995, N=1,013, Sampling Error=3%, Michigan State University IPPSR

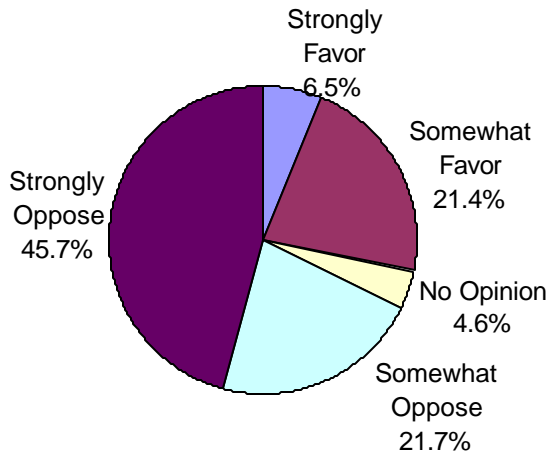
Figure 2. Should Wealthier Medicare Beneficiaries be Expected to Pay More?



"Medicare recipients who can afford to pay for a larger share of their health care costs should be expected to do so."

MSU State of the State Survey (SOSS), October 1995, N=1,013, Sampling Error=3%, Michigan State University IPPSR

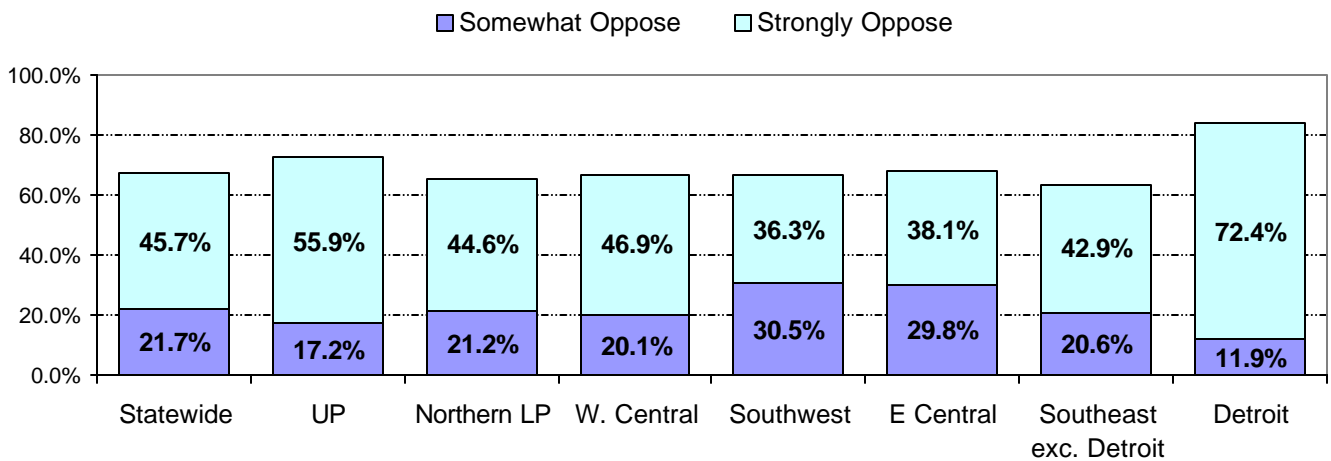
Figure 3. Should We Cut Medicare and Medicaid to Reduce Government Spending?



"How strongly do you favor or oppose cutting Medicare and Medicaid expenditures as part of an overall strategy to reduce government spending?"

MSU State of the State Survey (SOSS), October 1995, N=1,013, Sampling Error=3%, Michigan State University IPPSR

Figure 4. Should We Cut Medicare and Medicaid to Reduce Government Spending? Results by Region

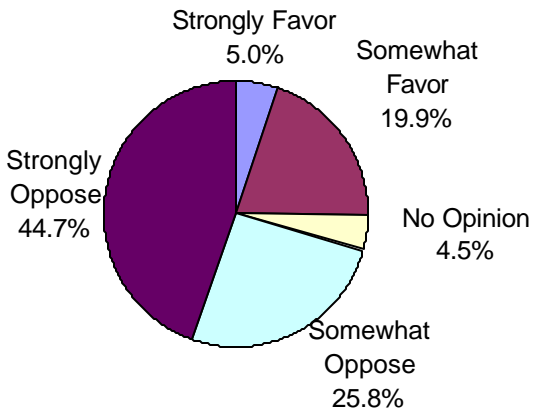


"How strongly do you favor or oppose cutting Medicare and Medicaid expenditures as part of an overall strategy to reduce government spending?"

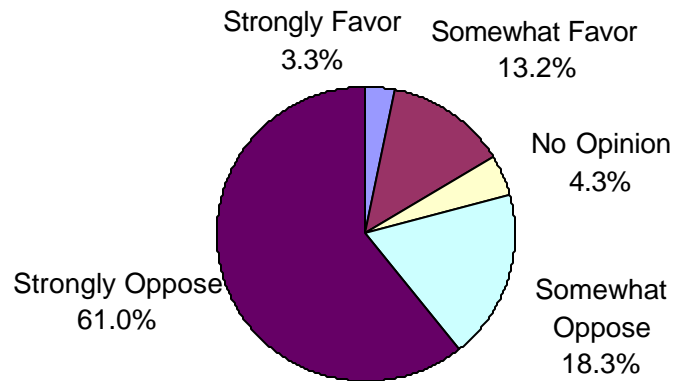
MSU State of the State Survey (SOSS), October 1995, N=1,013, Michigan State University IPPSR

**Figure 5. Should We Cut Medicare and Medicaid to Reduce Government Spending?
Results by Political Affiliation**

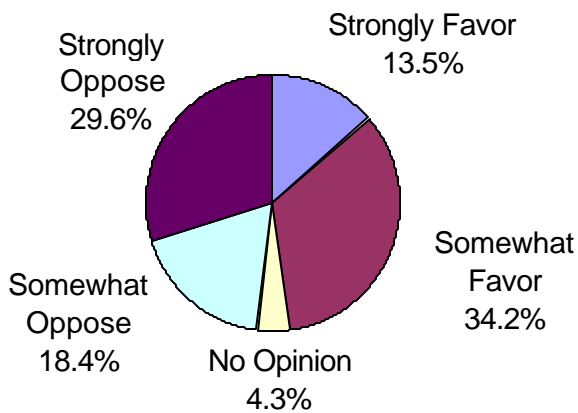
Independent/Other



Democrat



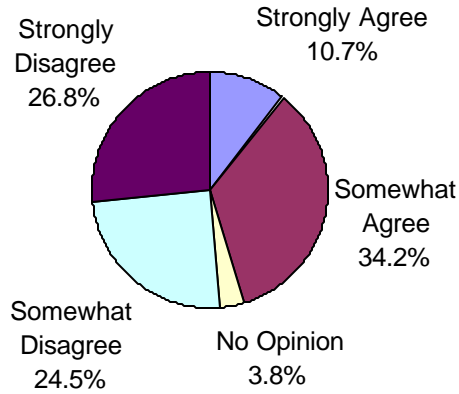
Republican



"How strongly do you favor or oppose cutting Medicare and Medicaid expenditures as part of an overall strategy to reduce government spending?"

MSU State of the State Survey (SOSS),
October 1995, N=1,013, Sampling
Error=3%,
Michigan State University IPPSR

Figure 6. Should the Poor Face More Limits on Health Care Availability

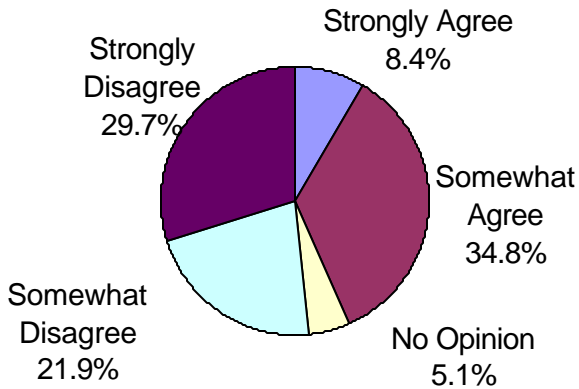


"Individuals who cannot afford to pay for their own health care should face more limits on when and where they get care than those who can afford it."

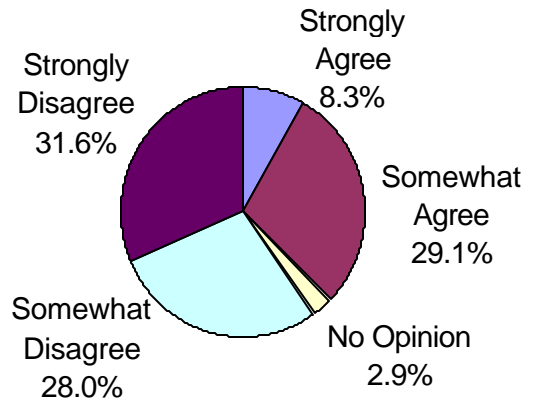
MSU State of the State Survey (SOSS), October 1995, N=1,013, Sampling Error=3%, Michigan State University IPPSR

Figure 7. Should the Poor Face More Limits on Health Care Availability? Results by Political Affiliation:

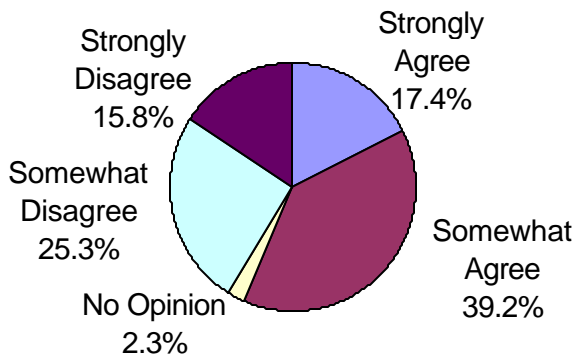
Independent/Other



Democrat



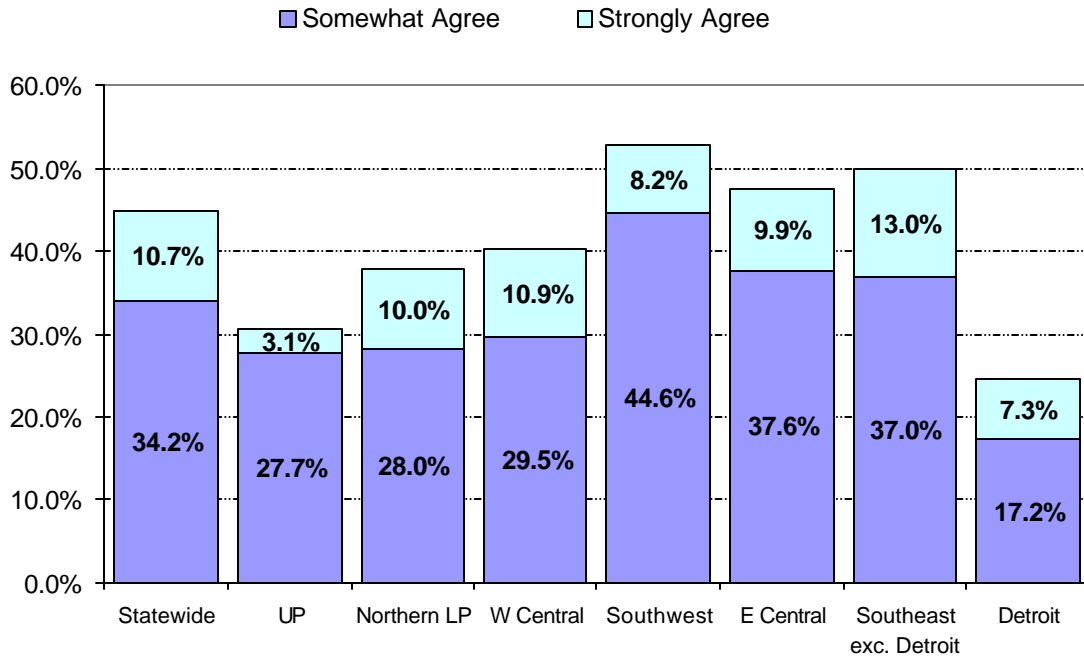
Republican



"Individuals who cannot afford to pay for their own health care should face more limits on when and where they get care than those who can afford it."

MSU State of the State Survey (SOSS), October 1995, N=1,013, Sampling Error=3%, Michigan State University IPPSR

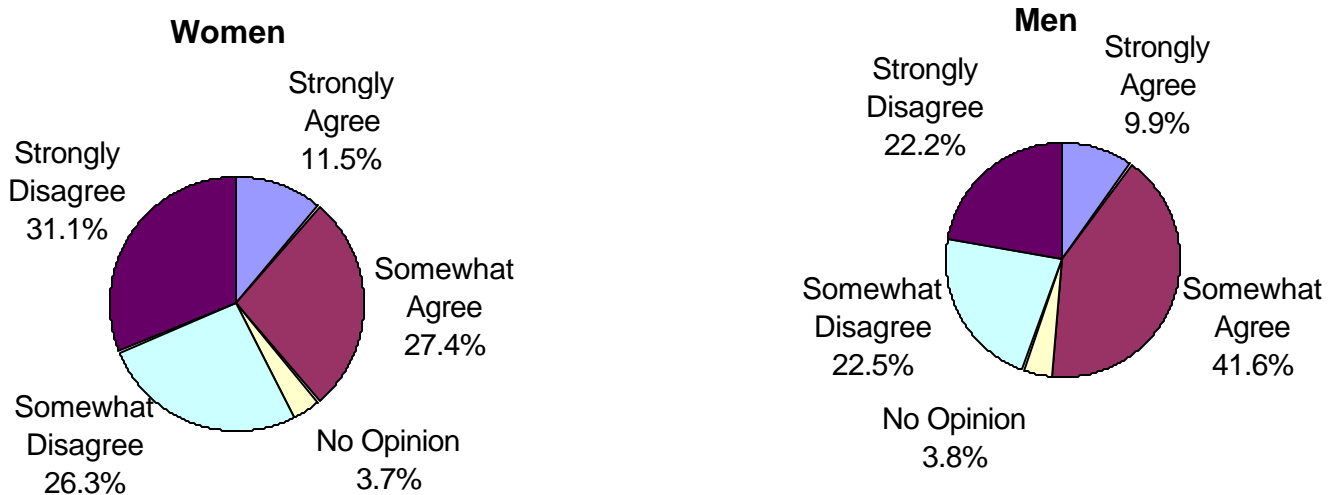
Figure 8. Should the Poor Face More Limits On Health care Availability? Results by Region



"Individuals who cannot afford to pay for their own health care should face more limits on when and where they get care than those who can afford it."

MSU State of the State Survey (SOSS), October 1995, N=1,013, Sampling Error=3%, Michigan State University IPPSR

Figure 9. Should the Poor Face More Limits on Health Care Availability? Results by Gender:



"Individuals who cannot afford to pay for their own health care should face more limits on when and where they get care than those who can afford it."

MSU State of the State Survey (SOSS), October 1995, N=1,013, Sampling Error=3%, Michigan State University IPPSR

REGIONAL CATEGORIES

NOTE: These regions are the ones used by the Michigan State University Extension Service, except that we treat Detroit City as a separate region.

Detroit: City of Detroit

Southeast: Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, Wayne (excluding Detroit)

Southwest: Berrien, Branch, Calhoun, Cass, Eaton, Hillsdale, Ingham, Jackson, Kalamazoo, St. Joseph, Van Buren

West Central: Allegan, Barry, Ionia, Kent, Lake, Manistee, Mason, Mecosta, Montcalm, Muskegon, Newaygo, Oceana, Osceola, Ottawa

East Central: Arenac, Bay, Clare, Clinton, Gladwin, Gratiot, Huron, Isabella, Midland, Saginaw, Sanilac, Shiawassee, Tuscola

Northern L.P.: Alcona, Alpena, Antrim, Benzie, Charlevoix, Cheboygan, Crawford, Emmet, Grand Traverse, Iosco, Kalkaska, Leelanau, Missaukee, Montmorency, Ogemaw, Otsego, Oscoda, Presque Isle, Roscommon, Wexford

U.P.: Alger, Baraga, Chippewa, Delta, Dickinson, Gogebic, Houghton, Iron, Keweenaw, Luce, Mackinac, Marquette, Menominee, Ontonagon, Schoolcraft

Background Information

Michigan State University State of the State Survey [MSU SOSS]

What Is MSU SOSS?

The MSU State of the State Survey is a quarterly statewide survey of a random sample of the residents of Michigan. Although dozens of surveys are conducted in Michigan every year, none is designed to provide a regular systematic monitoring of the public mood in major regions of the state. Through SOSS, MSU aims to fill this information gap. SOSS has five main purposes: (1) to provide timely information about citizen opinions on critical issues; (2) to provide data for scientific and policy research by MSU faculty; (3) to provide information for programs and offices at MSU; (4) to develop survey research methodology; and (5) to provide opportunities for student training and research.

Each quarterly round or “wave” of SOSS has a different main theme: (a) October (even numbered years) – politics, the election, and political issues; (odd-numbered years) – health and the environment; (b) January – quality of life, governmental reform, higher education; (c) April – family, women, and children; (d) July – ethnic and racial groups, Michigan communities.

Who Is Conducting SOSS?

The State of the State Survey is administered by the Survey Research Division (SRD) of the Institute for Public Policy and Social Research (IPPSR), using its computer-assisted telephone interviewing (CATI) technology.

The design and overall planning of SOSS is the responsibility of a 14-person Steering Committee chaired by Dr. Brian D. Silver, Professor of Political Science. The Steering Committee consists of representatives from sponsoring units, which are primarily colleges and other administrative offices within MSU.

Subject to final approval by the Steering Committee, the questionnaire for each wave of SOSS is developed by a Working Group, most of whom also serve as principal investigators or analysts for that wave. The Working Group for the October 1995 wave was comprised of:

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