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August 21, 1997

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### New Survey Findings

## **Americans' Confidence in For-Profit Health Care Declines**

### **But Many Still View For-Profit Health Care Organizations Favorably on Key Criteria**

Menlo Park, CA -- At a time when for-profit health care providers like Columbia/HCA are receiving increasing scrutiny and media attention, Americans' confidence in for-profit health care has declined, though many still view for-profits favorably. A new survey released in the Kaiser/Harvard *Health News Index*, compared to a survey just five months ago, shows that fewer Americans today believe for-profit hospitals and health plans offer better quality care, are more responsive, or are more efficient than their nonprofit counterparts. Both surveys also find that Americans believe two to one that the trend to for-profit health care is "bad" for the country.

"The public's perceptions about for-profit health care are part of a growing angst about the changing health system that is fueling renewed interest in consumer protection and government regulation," said Drew Altman, President of the Kaiser Family Foundation. "How far the pendulum swings back remains to be seen."

When asked about hospitals and health plans in March, the majority of Americans thought that for-profit providers offered higher quality care and were more responsive and efficient than nonprofits. Just five months later, public opinion largely leveled between for-profit and nonprofits on two measures: *quality* and *responsiveness*. Opinions about *efficiency* also declined, but a higher percentage of Americans continue to perceive for-profit health care organizations as more efficient than nonprofits.

Noticeable shifts in opinion were identified about *both* health plans and hospitals, but the changes in opinion were particularly significant regarding hospitals:

Americans who said for-profit hospitals were *more responsive* dropped from 53% to 41%; those who said for-profit hospitals *provided better quality care* dropped from 55% to 42%; and the opinion that for-profit hospitals were *more efficient* dropped from 57% to 48%.

While public opinion shifted on for-profit care, attitudes about *nonprofit* health care providers remained relatively constant in the two surveys. The only exception was the decline in the percentage of Americans who believed that service from nonprofit providers *cost less*, which dropped from 71% to 57% for hospitals and from 68% to 58% for health plans.

Which kinds of organization...	HOSPITALS				HEALTH PLANS			
	Nonprofit		For-profit		Nonprofit		For-profit	
	3/97	8/97	3/97	8/97	3/97	8/97	3/97	8/97
Are more helpful to the community	60%	61%	29%	23%	60%	60%	28%	24%
Cost you less	71%	57%	18%	18%	68%	58%	20%	21%
Are more responsive to customers	37%	40%	53%	41%	40%	41%	50%	40%
Provide better quality care	32%	37%	55%	42%	38%	37%	48%	39%
Are more efficient	30%	31%	57%	48%	38%	35%	50%	44%

Sources: August 1997 Kaiser/Harvard Health News Index  
March 1997 Kaiser Family Foundation Survey

### Health News Index

This data is included in the most recent Kaiser/Harvard *Health News Index*, a bi-monthly publication tracking the public's awareness and understanding of leading health news stories. The *Index* is provided as a service to journalists to help inform their coverage of breaking health stories.

In addition to the information above, the *Index* indicated that 27% of people surveyed followed the Columbia/HCA story closely. Thirty-nine percent of Americans knew that the chain was a for-profit company and 46% knew the government is investigating Columbia/HCA for possible Medicare fraud.

### Methodology

The study was conducted by Princeton Survey Research Associates August 7-10, 1997 and was a national, random sample, telephone survey of 1,000 adults nationwide. Margin of error is +/- 3%. This data relates only Americans' *perceptions* about for-profit and nonprofit health care. It does not report on people's actual knowledge of the profit-status of their own health care providers or their real-life experiences with those providers.

### More information

Copies of current and previous issues of the *Health News Index*, can be obtained by calling the Kaiser Family Foundation's toll-free publication request line at (800) 656-4533; information is also available on the organization's web site at [www.kff.org](http://www.kff.org).

The Kaiser Family Foundation, based in Menlo Park, California, is a nonprofit, independent national health care philanthropy and is not associated with Kaiser Permanente or Kaiser Industries. The Foundation's work is focused on four main areas: health policy, reproductive health, and HIV/AIDS in the United States, and health and development in South Africa.