



Toward Evidence-Based Health Care Reform

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The AARP Survey: What it doesn't say about the uninsured.

Welcome to "Toward Evidence-Based Health Care Reform," a periodic e-memo providing facts, figures, examples and analysis of current issues in health care reform in Vermont. The memo is written by Jeanne Keller, Keller & Fuller, Inc., and sponsored by BRS, Inc., a member organization providing a range of services and support to Vermont's small businesses. For more about BRS, please visit our website: [LINK](#)

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Policy makers should be careful drawing conclusions about the uninsured based on AARP's recent survey, and here's why.

The October 2005 AARP poll reported findings of "a telephone survey conducted with 1,000 Vermont residents 18 and older on the issue of health insurance coverage." The results are predictive of Vermonters at large with an error rate of plus or minus 3.1%, with 95% confidence.

However, the survey is on shakier ground in its analysis of the uninsured, because it consisted of only 118 respondents (just 12% of the total survey sample). The detailed report of the survey even includes a footnote saying "Due to the small number of respondents who are without insurance, these results should be interpreted with caution."

Statisticians will tell you that the plus/minus 3.1% margin of error on the total sample of 1000 does *not* apply to the uninsured subgroup of 118 people. Nevertheless, some provocative conclusions were drawn about the uninsured based on this very small and not statistically significant number.

For example, one of the bullet points in the Executive Summary states "over half of the uninsured residents have been uninsured for at least two years (most of them for five years or more.)" Because only the 118 respondents in the uninsured subgroup were asked this question, the 37% who reported being uninsured for five years or more translates to 44 people out of 1000. This is certainly not a figure with sufficient statistical significance to predict something in the general population of uninsured. That is why the detailed report included the footnote suggesting caution in interpretation.

Despite the report's warning, politicians jumped on the statement as though 37% of all uninsured Vermonters are uninsured for 5 years or more (based on 44 of the 118 uninsured responding). Senator Peter Welch, was quoted in the Rutland Herald (10/26/05) saying "That is actually stunning and alarming." House Speaker Gaye Symington told the reporter the figure "added to a growing 'sense of urgency' among lawmakers."

BISHCA's Division of Health Care Administration is updating its insurance survey this fall. According to the Division, its survey will over-sample the uninsured in order to have more valid numbers for drawing conclusions. Until that or some other poll sampling more than 118 uninsured is released, we hope that legislators exercise some caution, and won't craft legislation based on anecdotes heard at focus groups, self-selecting "public hearings," or miniscule survey samples.

The survey raises a number of other questions. Here are a few:

- According to the survey, 64% of the uninsured lack coverage because they "cannot afford" it. How many of them are among the 43% of uninsured in a BISCHA survey who were eligible for Medicaid but hadn't applied for it? Would knowing that almost half of the uninsured could be covered in existing programs reduce "the sense of urgency" among lawmakers to impose payroll taxes to create yet another state-run program?
- Only 66% of the insured reported having coverage for mental health services, and only 47% reported coverage for substance abuse treatment. The fact is Vermont requires all commercial insurance policies

to cover mental health and substance abuse services to the same extent that other services are covered. This means that 100% of the insured MUST have coverage for mental health and substance abuse, calling into question the accuracy of self-reporting as a measure of what people have and don't have for coverage.

- Even more odd is that only 96% and 95% reported having coverage for hospitalizations and doctors visits, respectively, when Vermont law requires 100% of policies in the state to cover those services.
- Those with insurance were asked whether they “worried that their insurer was more concerned with profits than quality.” Eleven percent (11%) reported being “extremely worried,” with another 19% “very worried,” and 25% being “somewhat worried.” The answers are odd considering that over 90% of the insurance in Vermont is provided by two non-profit insurers. Additionally, the two non-profit insurers pay out more than 90% of premiums dollars in claims, leaving only 10% for all administrative costs, reflecting a high level of efficiency.
- Almost as many people responded that VT’s health care system has “no problems” - 6% - as responded that the system is in “crisis” – 8%. More people (9%) said they “didn’t know” what state the system was in, than said the system was in “crisis.” And yet, the first bullet in the Executive Summary highlights the number of people who say the system is “in crisis.”
- A “strong majority” reported that “all residents should have access to the same basic coverage,” according to the survey. What does that question mean to you? Does it mean: “We all have the same plan?” Does it mean: “We should all have the same coverage?” Does it mean: “We all should have a floor of basic coverage but we can have more?” Does it mean: “My employer should be required to me with basic coverage?” Does it mean: “I’m willing to pay an income tax or payroll tax and have a basic state plan instead of having the plan that I have now?” Does it mean: “If I lose my current coverage, I’d like to have access to a basic policy, and everyone should have that same access.”

There are no perfect surveys. It’s hard to design a survey where polling methods and questions do not introduce bias into the results. That’s why it is important to not rely on the headlines to know what surveys mean. And it’s extremely important when writing legislation to also know what the results do NOT mean.