



2009 Survey of  
Health Care Consumers:  
*Key Findings, Strategic  
Implications*



# Foreword



On March 5, 2009, the White House hosted a Health Summit to officially launch a bi-partisan effort to rein in health care costs while expanding access to health insurance for the 46 million Americans who are currently uninsured.

Anticipating the importance of health care reform to economic recovery, the Obama team in December 2008 conducted 3,276 community discussions about health reform involving 30,608 consumers. The findings, although not surprising, underscored the public's discontent with the status quo and desire for needed reform. Poor service, high costs and frustration in navigating the complexities of insurance topped the list of concerns.

The transformation of the U.S. health care system requires a deep understanding of the role that consumers play – how they think and behave relative to the lifestyles they choose, the purchases they make and the assumptions they follow in preparing for future health problems and possible costs.

Consumerism in health care is to some an ill-conceived notion: The idea that individuals have the ability to make informed decisions about diagnoses, therapeutics, healthiness, insurance and over-the-counter products and services is thought risky since these matters are complex. Others believe that engaging consumers is key to correcting flaws in the system. This group reasons that the disconnect between the goods and services consumers use and the costs associated with consumption contributes to avoidable costs and suboptimal care.

The *2009 Survey of Health Care Consumers*, conducted by the Deloitte Center for Health Solutions, is Deloitte's second-annual study of health care consumers' attitudes, behaviors and unmet needs. It offers health care industry leaders and policymakers a timely look at how health care consumerism is evolving and a comprehensive perspective about how Americans approach their health, health care and health insurance.

The study's framework reflects a broad-based view of consumerism in six zones: (1) wellness and healthy living, including self-care and health management; (2) information sources helpful in consumer decision making; (3) traditional health services provided by medical professionals, hospitals, and retail clinics, as well as prescription medications and medical devices; (4) alternative health services sometimes described as complementary medicine; (5) insurance coverage and other financial considerations; and (6) opinions about health care reform.

The results of this study are conclusive: Consumers want better performance from their health care system. They think it is wasteful, inefficient, complex and expensive. They are frustrated that the tools useful to them in making decisions about their health are not readily available. They like innovations that result in lower costs and more convenience. They want better value for the dollars they spend and believe fundamental changes are necessary to achieve these goals.

Although the health care consumer market is complex, it is imperative that providers, payors, policymakers, device, pharmaceutical, technology and biotech organizations understand and respond to consumers' expressed concerns, interests and needs. Engaging consumers appropriately is fundamental to health care reform. Consumerism in health care is a trend, not a fad.

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# Introduction

## Conceptual Framework

Initiated in 2008, Deloitte's longitudinal study of health care consumers is designed to provide a comprehensive view of health care consumerism in the United States, a view that goes beyond the conventional boundaries of what health and health care are commonly thought to encompass. In addition to the traditional services that doctors and hospitals provide, the study's framework takes into account the expanding spectrum of treatment alternatives, delivery settings, information sources and programs that are coming into existence to promote wellness and self-care, address health needs and finance health care.

The 2009 survey builds on Deloitte's 2008 survey by exploring consumers' behaviors, attitudes and unmet needs in six areas (Figure 1):

- Wellness and healthy living
- Traditional health services
- Alternative health services
- Information resources
- Health insurance
- Health policy

Highlights of the results are included in this summary. Additional and more detailed findings are reported in accompanying charts.

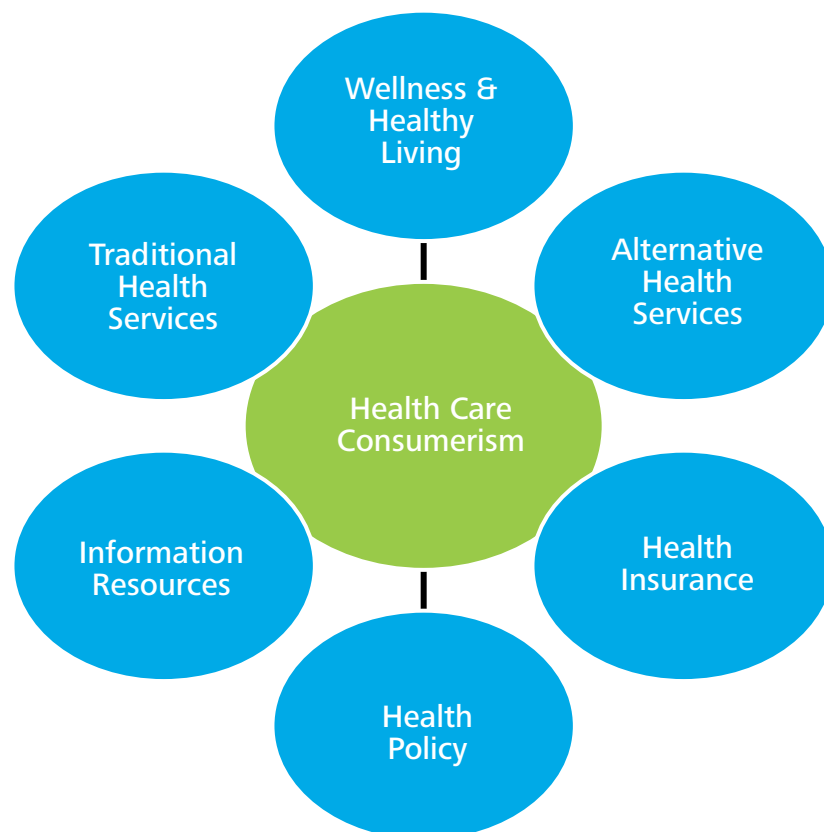
## Methodology

A nationally representative sample of 4,001 American adults, ages 18 and older, was surveyed between October 2 and 10, 2008, using a web-based questionnaire. The results were weighted to assure proper proportional representation to the nation's population, as reflected in the U.S. Census, with respect to age, gender, income, race/ethnicity and geography. The margin of error around the U.S. point estimates is +/- 1.6% at the .95 confidence level.

The survey consisted of 95 questions, with 42 potential follow-up questions. English and Spanish versions were available. Participants were asked about behaviors before attitudes within each topic area to reduce response bias.

Comparisons are made to Deloitte's 2008 *Survey of Health Care Consumers* wherever possible, but differences in question wording and response scales – pursued in an effort to improve the survey instrument – preclude direct comparison in some cases until those questions are repeated in future surveys. Questions from the 2008 and 2009 surveys will be repeated periodically in future surveys to assess how health care consumerism is evolving in the United States.

Figure 1: Zones of Health Care Consumer Activity



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# Key Findings

## Context: Views of the U.S. Health Care System

Most consumers believe that the U.S. health care system is complicated, expensive, wasteful and under-performing.

- Most (73%) are confused about how the U.S. health care system works.
- Most (94%) believe that health care costs are a threat to their personal financial security (regardless of the insurance they have/don't have or their health status).
- Over half (52%) believe that 50% or more of the dollars spent on health care in the U.S. are wasted.
- Most believe that the system is performing poorly: 80% give it a grade of C (42%) or below (38% give it a D or F); only 20% give it an A or B.

Consumers navigate the U.S. health care system in very different ways.

- There are six unique consumer segments that differ in their approach in many ways, including care preferences, levels of satisfaction and adherence, use of information, and openness to innovative, non-conventional and alternative options.
- In the past year, the most traditional segment (Content & Compliant), the most alternative-leaning segment (Out & About), and the least engaged segment (Casual & Cautious) have declined slightly in size, giving way to small increases in the segments that are most active with respect to various reflections of consumerism (Sick & Savvy, Online & Onboard, Shop & Save) (Figure 2, next page).

## Zone One: Wellness and Healthy Living

Interest in personal wellness is high, but actual effort to improve and maintain health is mixed.

- 7 of 8 Americans believe themselves to be in good health.
- Over half (54%) are actively putting effort into learning more about their personal health risks, preventing health problems and feeling good emotionally and mentally.
- Smokers insist they are trying to quit: 2 in 3 say they tried to cut back in the past year.
- 2 in 5 alcohol users say they tried to reduce consumption.
- However, less than half say they act in ways to make themselves healthier: 44% are trying to reduce stress, 44% are focusing on eating a healthy diet, 39% are putting effort into managing weight and 35% are exercising.

Interest in programs, tools and resources to assist with health improvement is high.

- 19% say they participated in a healthy living/wellness program in the last 12 months (up from the 17% who in 2008 said they had participated in the previous 24 months); 7 in 10 say they would participate if they were given a financial incentive such as a reduced insurance premium or monetary reward.
- 64% say they would be interested in using an in-home medical device that could help them know what to do, and when, to improve their health or treat a health condition.
- 44% express interest in programs and tools such as classes, fitness memberships, and health diaries that could help them monitor and improve their health.
- 37% say they are interested in using online tools that could help them assess, monitor and manage their health.
- Developing a "healthy lifestyle roadmap" based on a risk profile identified through risk assessment tools, screening and genetic testing is of interest to 39%.
- 1 in 3 consumers indicate they would be interested in working with a personal health coach who could help them create and stick to a personal health plan.
- 68% are interested in home monitoring devices that enable them to check their condition and send the results to their doctor.

Consumers with chronic conditions want self-care resources and health coaching to manage their condition.

- 7 in 10 adults with one or more chronic conditions (55% of total) say they follow their treatment regimen(s) closely, but adherence varies by age and insurance status.
- 32% of those with a chronic condition currently participate in a health/disease management program.
- Reported adherence increases with age: 48% of Gen Y, 60% of Gen X, 76% of Boomers, and 88% of Seniors report following their treatment regimen(s) closely; adherence is high among Medicare enrollees (85%), but low among the uninsured (51%).
- 3 in 5 say financial penalties such as higher insurance costs would increase their adherence to their chronic treatment regimen(s); 76% of consumers say they would participate in a health/disease management program; and 78% say they would agree to see a doctor or registered nurse regularly if a financial incentive was offered.

Figure 2: Profiles of the Six Health Care Consumer Segments

Selected Distinctions	Content & Compliant	Sick & Savvy	Online & Onboard	Shop & Save	Out & About	Casual & Cautious
Size (2008)	29.3%	24.3%	7.3%	1.6%	9.1%	28.4%
Size (2009)	28.5%	25.3%	8.0%	2.4%	8.2%	27.6%
Change	-0.8%	+1.0%	+0.7%	+0.8%	-0.9%	-0.8%
System use	Medium	Highest	High	Medium	Medium	Lowest
Care preferences	Traditional, most likely to prefer authoritarian doctors	Traditional, but wants to be engaged with providers in making decisions	Traditional, but open to non-conventional (e.g., retail clinics)	Traditional, but open to non-conventional, seeks lower-cost doctors	Alternative, prefers holistic approaches and natural remedies, open to non-conventional	Disengaged, but currently leans toward traditional, seeks lower-cost doctors
Satisfaction	Most satisfied	Satisfied	Satisfied	Less satisfied	Least satisfied	Less satisfied
Adherence	Most compliant	Compliant	Compliant	Less compliant	Least compliant	Less compliant
Information	Least likely to seek information and compare alternatives	Strongest sense of quality differences, likely to seek coverage details, trust websites, have personal health record	Most likely to compare doctors, use cost/quality info, trust websites, have personal health record	Likely to compare doctors, use cost/quality and coverage info, have personal health record	Least likely to trust doctor's advice	Weakest sense of quality differences, less likely to seek information
Switching	Least likely to switch providers or plans	Likely to ask for drug by name, less likely to switch providers, plans	Likely to ask for drug by name, switch plans, switch doctors	Most likely to switch plans, change insurance, switch doctors	Likely to switch doctors	Less likely to switch providers or plans
Innovation	Most likely to prefer standard approach	Most receptive to new treatments and devices	High interest in innovative devices	No strong preference	Receptive to new treatments	Likely to prefer standard approach
Other	Most confident in effectiveness of medications	Most prepared financially, mental/behavioral health coverage is important, want enhanced plan	Likely to participate in wellness, contact plan for advice, want enhanced plan and mental/behavioral health coverage	Likely to participate in wellness, not fill prescription due to costs, contact plan w/question or complaint	Likely to delay doctor's recommendation, most open to traveling out of U.S., want enhanced plan	Least prepared financially for future costs

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## Zone Two: Information Resources

### Online resources to assist in decisions about treatments, providers and insurance are important to consumers.

- 30% of consumers report comparing doctors before choosing one in the last 12 months, up from the 23% who in 2008 reported doing so during the previous 24 months.
- Before going to the hospital, 32% say they checked to see if their insurance covered the treatment they were going to receive and 34% checked to see if the hospital accepted their insurance; 15% compared hospitals.
- Trusted sources for information about providers are websites sponsored by doctors or medical practices (48%), medical associations (34%), independent health-related websites (33%) and hospital associations (28%).
- 6 in 10 consumers say they looked online for information about treatment options in the past year.
- Among prescription medication users, 1 in 3 consumers say they compared available treatment options.
- For information about the effectiveness and safety of treatment options, medical associations and academic medical centers are most trusted (50% trust these sources); health plans and manufacturers are least trusted (13% or less trust these sources).
- For information about treatment costs, academic medical centers and medical associations are viewed as the most trustworthy sources of information (37% and 35%), followed by community hospitals (31%) and health plans (29%); manufacturers (13%) and the FDA (19%) are trusted by the fewest consumers.
- 22% say they looked or asked for information about a health insurance plan in the last 12 months, and 20% say they compared plans before choosing the one they purchased.
- Trusted sources useful in comparing health plans include websites sponsored by insurance companies (44%), followed by employers (23%) and independent health-related websites (19%).

### Consumers use quality and cost information to select providers and health plans.

- 27% say they looked online for information about the quality of care provided by specific doctors within the last 12 months, up slightly from the 26% who had reported in 2008 doing so over a 24-month period.
- 13% say they looked online for cost information within the last 12 months (22% in 2008 said they had done so within a 24-month period).
- 57% say they would use quality rankings to compare doctors and hospitals in their community and 58% are interested in using cost information – higher than the 50% who reported being interested in 2008.
- Among those who sought information before a recent hospital stay, 74% say they looked for quality or satisfaction ratings, 67% looked for information about the types of services provided, 59% looked for safety records and 35% looked for information about the costs of services.
- Health plan shoppers say they focused on premium costs (74%), extent of coverage (73%), providers included in networks (53%) and quality/satisfaction ratings (35%) when comparing plans.

### Consumers want to control their health information and prefer providers who use Internet-based tools to augment care.

- 9% have a computerized personal health record (PHR), compared to 8% in 2008.
- 57% want a secure Internet site that would enable them to access their medical records, schedule office visits, refill prescriptions and pay medical bills.
- 42% want access to an online personal health record connected to their doctor's office.
- 55% want to be able to communicate with their doctor via email to exchange health information and get answers to questions.
- Privacy and security of personal health information is an issue: 38% are very concerned vs. 24% who are not at all concerned.
- 60% believe that the government should set standards for how medical information is collected, stored, exchanged and protected, while others view this as a role for health plans (21%) and employers (5%); 14% say no entity should set standards.

### Zone Three: Traditional Health Services

#### Consumers use the traditional health care system heavily.

- 3 of 4 consumers say they saw one or more health professionals in the past year.
- Half say they used a hospital service in the last 24 months: 1 in 3 received outpatient care, 1 in 4 used the emergency room and nearly 1 in 5 was admitted for an overnight stay.
- 57% take one or more prescription medications, 38% currently take over-the-counter medications and 2 in 3 take vitamin/mineral supplements on a regular basis.

#### Physicians

#### 8 of 10 consumers have a primary care physician – satisfaction is high (71%) but half believe that the quality of primary care varies among doctors.

- 19% do not currently have a PCP: 1 in 3 cited affordability and lack of insurance coverage as reasons.

#### Poor service and cost concerns drive decisions to switch physicians.

- 16% say they switched physicians in the last year.
- 2 in 3 report they switched because they were dissatisfied with the service they received.
- 1 in 4 consumers say they switched due to costs, either because their insurance changed, they wanted to use a doctor who was covered by their insurance or because they wanted to find a doctor who charges lower fees.

#### Consumers select physicians based on clinical reputation, out-of-pocket costs and the clinical philosophy of the practice.

- 27% lean strongly toward “the best doctor” they can find regardless of cost, while 18% lean strongly toward choosing “a lower-cost doctor.”
- Physicians who are more prescriptive (paternal) in dealing with patients are preferred by a ratio of 2:1 over physicians who act less authoritarian; the preference for an authoritarian approach is strongest among Seniors (36%), less pronounced among Baby Boomers (27%), Gen X (27%) and Gen Y (23%), suggesting that younger generations are more receptive to physicians who act as a “health coach.”

#### Decisions to forego or delay treatment are prompted by cost concerns.

- 24% say they decided not to see a doctor or get health care services when they were sick or injured; these decisions occurred most frequently among uninsured (36%) and Gen Y (37%) consumers.
- 38% of these consumers (70% of the uninsured) cite cost concerns as the reason they skipped seeking medical attention.
- 15% say they delayed or decided against following a course of treatment recommended by their doctor.

#### Hospitals

#### Satisfaction with hospital care overall is high (74%), although ER satisfaction (68%) lags.

- Satisfaction rose from 60% of hospital users in 2008 to 74% of hospital users in 2009.
- Satisfaction varies widely by insurance source, ranging from a low of 57% among the uninsured to a high of 81% among Medicare enrollees and 82% among the military.
- Fewer ER users are satisfied (68%) compared to inpatient (74%) and outpatient (79%) users.

#### Differentiation of hospitals based on perceived quality is significant and increasing.

- Consumers (62%) believe that hospitals vary with respect to quality, an increase from 55% in 2008.
- Comparing hospital quality is higher for inpatient use (15%) compared to outpatient use (8%).
- Most rely on recommendations from medical professionals (67%), websites (57%), friends and relatives (48%) and health plans (42%) to learn about quality differences.

#### Insurance coverage is the most important factor to consumers in selecting a hospital.

- 2 in 5 outpatients, and 1 in 3 inpatients, say they checked to see if their insurance would cover the service and/or if the hospital accepted their insurance prior to their hospital visit.
- Top factors that consumers consider important to hospital choice include insurance coverage (74%), doctor recommendation or referral (64%), hospital reputation (64%) and specialization in needed services (61%).

### *Retail Medicine*

#### **Retail medicine is a popular channel for primary care services: Convenience and cost drive its use.**

- 13% of consumers say they used a retail clinic in the past 12 months (16% over a 24-month period in 2008).
- Younger adults are core users: 17% of Gen Y, 15% of Gen X, 13% of Boomers and 7% of Seniors report seeking care in a retail clinic in the past year.
- Retail clinic use is similar across insurance groups: 10% of Medicaid, 11% of Medicare and 13% of commercially insured adults.
- 28% report they would be likely to use a retail clinic if they could be seen immediately rather than wait up to a week to see a doctor in a doctor's office.
- 30% say they would be likely to use a retail clinic if it cost them 50% or less than seeing a doctor in a doctor's office.

### *Medical Tourism*

#### **Most consumers stay close to home, but the potential to save money may prompt traveling for care.**

- 8% say they sought health care services outside their local community in the last 12 months.
- 43% say they would be likely to travel out of their local area to undergo a test, procedure or treatment if it would cost 50% or less than staying in their community.
- 1% report traveling outside the U.S. for care; 1 in 10 (and nearly 2 in 10 of the uninsured) say they would consider it if they could save 50% or more.
- Receptivity to medical tourism is highest among younger adults: 12% of Gen Y and 10% of Gen X say they would be likely to seek care outside the U.S., compared to 7% of Boomers and 6% of Seniors.

### *Prescription Medications*

#### **Use of medications and over-the-counter therapeutics is high.**

- 86% of consumers are currently using health care products on a regular basis to treat a health problem or improve their health: 65% take vitamins or minerals, 57% take prescription medications, 38% use over-the-counter medications and 20% use other nutritional or herbal supplements.
- More than half (52%) of prescription medication users take three or more medications; 24% take five or more.

#### **Consumers believe that the medications they use are safe and effective.**

- 73% feel that they have a good understanding of the risks and benefits of the prescriptions they take (Baby Boomers and Seniors are more likely to grasp the risk/benefit than Gen Y and Gen X).
- 75% are confident their medications are effective; that figure increases with the age of the consumer.

#### **Medication adherence is low: Only 4 in 10 say they take meds as directed.**

- 6 in 10 say they "almost always" fill their prescriptions.
- While 8 in 10 say they adhere to drug labels most of the time, only 4 in 10 say they "always" take their medications as directed. Adherence is highest among Medicare enrollees, lower among the uninsured, Gen Y and Medicaid enrollees.

#### **Cost considerations lead many to skip, switch or seek cheaper prescription medications.**

- 35% of those who report not filling a prescription did so because of cost concerns.
- 3 in 10 say they switched medications in the last 12 months; 38% of these switched to save money.
- 6 in 10 prefer generic drugs over branded drugs to save money, unless they believe a specific brand is more effective.
- 8 in 10 say they would consider switching from a physician-recommended medication if a pharmacist indicated that a cheaper alternative was available.

#### **Buying medications through the Internet or mail order is attractive to consumers.**

- 30% of prescription medication users say they purchased medications online or through the mail in the past 12 months – an increase from 2008.
- 4% of prescription medication users report buying from a foreign source; 20% of all consumers say they would be likely to buy from a source outside the U.S. if they could save 50% or more.
- The uninsured are least likely to use the Internet or mail for their drugs (5%); Medicare enrollees are highest (37%).
- 41% of all consumers say they would be "likely" to order medications online or through mail order if needed.

**Interest in personalized therapeutics (genetically-based therapeutics) is significant among those who are aware of them.**

- 7 in 10 estimate that a genetic test to help identify a chronic problem would cost \$100 or less; estimates of costs for genetic tests ranged from less than \$100 to \$5,000.
- 1 in 6 say they would choose an experimental drug for a serious but not life-threatening problem, even if it hasn't been widely tested.
- Familiarity with "biologics" (defined as a class of drugs that uses human cells to create the drug instead of chemicals) is low – 12% say they understand the term.

*Medical Devices*

**Consumers see advantages to technology-enabled care management.**

- 68% are interested in home/remote monitoring devices that enable self-monitoring of their condition and electronic reporting of results to their physician; Seniors (78%) and consumers with a chronic condition (75%) express highest interest.
- 64% are interested in home/remote devices that include prompts and reminders to improve adherence to a health improvement or treatment plan; interest is especially high among consumers with chronic conditions (71%) and ranges from 51% of Gen Y consumers to 76% of Seniors.

**Zone Four: Alternative Health Services**

**Alternatives to traditional health services are attractive to a sizeable segment of consumers: Preference and use are driven by a belief that traditional medicine is not optimal for treating their problem; cost savings are secondary, although a factor.**

- 19% report treating a health problem with an alternative approach or natural therapy in the last 12 months; the percentage is slightly higher among Baby Boomers and the uninsured.
- 13% say they consulted an alternative health care practitioner in the last year, up slightly from the 12% in 2008.
- 16% report using an alternative approach or natural therapy in addition to a prescription medication, while 9% report substituting an alternative approach or natural therapy for a prescription medication during the last 12 months (same as during the 24-month period reported in 2008).

- Among users, 49% say they wanted to try a different approach first, 43% say they prefer such treatments over conventional medicine and 31% say reduced cost was important.
- 1 in 5 consumers prefer alternatives to traditional medicine, including homeopathic, chiropractic and naturopathic approaches and therapies.
- 12% express strong preference for natural therapies over prescription medications (same as in 2008).

**Consumers frequently use alternative approaches without the knowledge of their physician.**

- Of those who used an alternative approach or therapy, 19% say they had not informed their physician and 14% are not sure if their physician is aware.
- 10% of consumers say they prefer doctors who have an orientation toward holistic or alternative treatments (up from 7% in 2008) and another 20% lean that way.

**Zone Five: Health Insurance**

**Consumers are concerned about their ability to manage their health care costs.**

- 6% believe that their family is completely prepared to deal with future costs.
- Confidence in managing future health care costs ranges widely from those with military insurance (48%) and seniors (41%) to Gen X (18%) and the uninsured (6%).
- 84% believe that current economic conditions will make it harder for consumers to pay their medical bills; 28% say they had problems paying medical bills in the past year.
- Nearly 40% of consumers (70% of the uninsured) who decided to forego care when they were sick or injured cite costs as the reason.
- Among consumers who skipped or delayed care recommended by a physician, 2 in 5 consumers (4 in 5 uninsured) say they did so because costs were too high.

**Consumers enrolled in commercial, military and Medicare health insurance programs are satisfied with their coverage; the uninsured and Medicaid enrollees are less satisfied.**

- 90% report they have health insurance in some form, either through a government-sponsored program or commercial plan.

- 51% consider themselves adequately insured and 39% feel that they are well insured (90% in total); those citing highest levels of adequacy are military (97%) and enrollees in employer-based plans (95%), lowest levels are Medicaid (87%) and individual policy holders (82%).
- 53% are satisfied with their health plan – an increase from 44% in 2008. Satisfaction is highest among enrollees in Medicare (70%) and military health programs (67%), lowest among individual policy holders (45%).
- 46% say they would recommend their health plan to others.

**Cost is the reason the uninsured lack coverage.**

- 45% of the uninsured say it is too expensive to purchase health care coverage.
- 13% say they could no longer afford to pay for coverage.
- 37% say they had it from an employer, but no longer work there.
- 13% say their employer does not offer coverage.

**Consumers prefer customized plans that offer comprehensive coverage (medical, dental, hospital, prescription drugs, wellness, holistic services), a wide network of providers, online resources to assist in self-care and low premiums.**

- 4 in 10 insured consumers report they had no choice of health plans when they obtained their current coverage (only one plan was offered).
- 65% of consumers believe that the quality of health plans varies – up from 53% in 2008.
- 4 in 10 say they would like to customize their insurance product by selecting benefits and features from a menu, knowing the cost would reflect what they choose; the desire to customize is higher among the uninsured (57%), lower among Medicare enrollees (36%).
- Customizable features that consumers consider most important include prescription coverage (81%), dental coverage (69%), waiver of referrals to specialists (67%) and pre-authorization (60%), and a wide provider network (60%).
- Familiarity with and the reputation of the insurance company is important to 3 in 5 consumers.
- 17% of insured consumers say they switched insurance companies or plans in the past year, an increase from 13% in 2008: Lower premiums and co-pays (29%) and job changes (25%) were major reasons for changes.

**When comparing plans based on costs and features, the majority say they would purchase an all-inclusive plan.**

- 70% say they would choose an enhanced plan (wider network, coverage for traditional, alternative, and dental services, access to secure information systems, and availability of wellness and health management programs); 22% would choose the comprehensive plan (coverage for all services within a local area and prescription drugs); 3% would choose the basic plan (coverage only for services in the case of a major accident or illness).
- 35% are willing to accept a smaller provider network for a reduced premium and lower co-payments.
- 28% are willing to accept a provider network that excludes their current primary care provider in exchange for a reduced premium and lower co-payments.

**Consumers have frequent interaction with their health plan, primarily seeking answers to questions and registering complaints about bills and services.**

- 25% say they looked or asked for information about coverage for a service, treatment, procedure, test or prescription drug in the last 12 months.
- 18% say they asked a question or expressed a complaint related to a claim or payment.
- 11% report they asked for advice about a health problem or health care need.
- 7% say they asked a question or expressed a complaint about care they or a family member had received.

**Zone Six: Health Policy**

**Reforms that increase access to care, prescription drugs, and insurance and use of performance-based payments are widely supported.**

- 77% favor improving benefits and care for veterans and military personnel (5% oppose).
- 74% support expanding teaching programs in U.S. medical schools to increase the supply of primary care physicians (5% oppose).
- 53% say they would like employers to be required to provide health insurance for employees (17% oppose).
- 49% favor passing state laws to allow consumers to purchase medications directly from Canada (15% oppose).
- 49% support increased funding for mental and behavioral health services (17% oppose).

- 47% support allowing nurses to diagnose problems and administer care for uncomplicated conditions (21% oppose).
- 40% favor establishing performance-based payment systems that pay doctors and hospitals based on clinical results and outcomes rather than number of patients served or services provided (21% oppose).

**Consumers believe that the government plays an important role in creating standards for health information technologies, monitoring product safety and addressing malpractice reform.**

- 6 in 10 consumers feel that the government should establish standards for how medical information is collected, stored, exchanged and protected (leaving this to health plans is a distant second, supported by 21%).
- 4 in 10 support allowing the Food and Drug Administration (FDA) to compile information about individuals who take prescription medications to monitor safety and effectiveness after products have been marketed (24% oppose).
- 4 in 10 favor increasing government funding and incentives to support adoption of electronic medical records by doctors, hospitals and health plans (21% oppose).
- 54% say they support the establishment of a special court to consider medical malpractice claims based on scientific evidence (12% oppose).

**Opinions vary widely about the role of government in the actual delivery of care.**

- 1 in 3 favor a national program of financial incentives for doctors who follow scientifically proven approaches; 44% have mixed feelings, possibly reflecting a lack of understanding about what evidence-based medicine entails (23% oppose).
- 38% support and an additional 42% are open to requiring that holistic and non-traditional methods of care be taught in medical schools (20% oppose).
- 26% favor the federal government assuming control of state Medicaid programs; another 43% feel mixed about the proposal (31% oppose).

**Government mandates that infringe on individual choices are a concern to consumers.**

- 37% favor a mandate requiring every American to obtain health insurance either through direct purchase or through an employer or government program.
- 27% say they would support the concept of establishing a “medical home” – assigning a primary care practitioner to coordinate care and referrals for an individual – but the majority oppose (38%) or express mixed feelings (35%) due to concerns about protecting personal choice and uncertainty about how the process would work.

**Additional taxation to cover the uninsured is unpopular.**

- 25% favor increasing taxes to help cover the uninsured (43% oppose and 32% are lukewarm).
- Support is higher among the uninsured (33%) and Medicaid enrollees (32%) than among enrollees in employer-based plans (24%), individual policy holders (25%), Medicare enrollees (26%) and military (18%).
- Similar levels of support exist within the generations: 26% of Gen Y, 26% of Gen X, 25% of Baby Boomers and 24% of Seniors are in favor.

# Major Conclusions

## **#1: Health care is a consumer market – consumers find ways to navigate the complexities of the U.S. system by comparing service, quality and costs.**

For most consumers, the system of care in the U.S. is complicated and often frustrating. When making purchasing decisions, most rely on perceptions of service, quality and costs based on their personal experiences with doctors, hospitals, insurance companies and others, although consumers' use of more objective information is on the rise. Consumers are increasingly aware of out-of-pocket costs and are sensitive to errors, poor service and lack of useful online tools that could help them navigate more effectively. As a result, they are receptive to innovations that offer greater value: better service, higher quality, lower costs.

## **#2: The health care market is not homogeneous – it is comprised of six unique segments.**

Consumers interact with the health care system based on deeply personal beliefs and attitudes that vary widely. Most adhere to a belief that traditional Western medicine is adequate and comprehensive; others seek non-conventional approaches that are thought to be more holistic. Some use the Internet religiously to compare and contrast treatment options, self-care options, and health plan features; others appear to be offline and disinterested. Some pursue healthy living; others are oblivious. Some are price-driven in purchasing health care goods and services; others care little about costs.

Currently, the consumer market is a complex mosaic of six distinct segments: 28% remain strong traditionalists (Content & Compliant), 44% are activists in different ways (Sick & Savvy, Online & Onboard, Shop & Save, and Out & About), and 28% are disengaged (Casual & Cautious).

## **#3: Cost concerns are changing behaviors.**

Consumers cite costs as reasons for delayed or neglected care, choices of doctors and hospitals, and selections of insurance programs. Across all generations and income groups, escalating health care costs are a concern driving many, even the well-insured, to fear the possibility that an accident or circumstance beyond their control might undermine their financial security. Consumers understand that health care costs are increasing. They vary in their ability to deal with cost increases and, in some cases, believe it is beyond their control. Health reforms that fail to address insecurity about health care costs will be rejected by consumers.

## **#4: Consumers want holistic care and resources to pursue wellness and healthy living.**

Consumers place high value on healthiness and want resources to assist them in changing their lifestyle. Healthiness is not a matter of education for consumers: It's about access to tools and products that support improved lifestyles, assistance through effective coaching, and motivation with incentives. And for some, it involves selecting doctors and health plans that feature alternative medicine that they associate with healthier care.

## **#5: Consumers embrace innovations that enhance self-care, convenience, personalization and control of their personal health information.**

Retail medicine, e-visits with physicians, personal health records, self-monitoring devices, personalized physician referrals and customized insurance products are innovations that consumers support. They are willing to try new services, change providers and hospitals and use their money in different ways to obtain better value from the health care system. And they are highly receptive to technology-enabled care that eliminates redundant paperwork, replaces unnecessary tests and saves time and money.

# Stakeholder Implications

The 2009 survey results suggest that health care consumerism is intensifying and represents key challenges for stakeholders in the system (Figure 3).

**Figure 3: Implications of Consumerism for Stakeholders in the U.S. Health Care System**

Stakeholder	Challenges
Hospitals and Health Professionals	How should providers adapt to consumer demand for improved service, price transparency, integration of holistic care with conventional services, and demonstrated quality via publicly-reported outcomes?
	Can provider organizations transition from patient-oriented clinical models to consumer-focused models that feature shared decision making and technology-enabled care?
	What clinical services represent the greatest opportunities for provider organizations to deliver value to consumers?
	How should providers adapt programs and services to accommodate distinct segments of the consumer market?
	What is the likely impact of price transparency on consumer payments, allowances for bad debt and perceptions of “value”?
	What is the impact of transparency about quality, outcomes, adherence to evidence-based practices, and satisfaction on market share, volumes, brand positioning, physician affiliations and financial results?
Health Plans	How should health plans develop benefits programs that balance enrollees’ preferences for wide networks and customized features with their desire for lower premiums and out-of-pocket costs?
	Can health plans be consumers’ trusted source of information to assist them in navigating the health system?
	Can health plans encourage healthy behaviors among enrollees as a means of reducing costs and improving population-based outcomes?
	How can health plans help members save money and receive better health care from providers?
	How can health plans differentiate themselves based on quality, cost and service?
	What is the optimal configuration of benefits that would satisfy the price-driven segments of the market and those that want basic coverage?
	How should health plans engage with employers to enhance employee wellness and healthy living?
	How should health plans assist individuals in making clinical decisions, selections of providers and self-care?
Health Information Technology Companies	How can HIT companies facilitate the coordination of care between providers and consumers using information technology to reduce costs while improving service and quality?
	Can HIT companies leverage clinical and administrative health applications to provide personal technology solutions?
	How can HIT companies partner with providers and plans to enhance self-care and reduce avoidable costs from complications, non-adherence and mistakes?
	How can HIT companies differentiate themselves based on strength and accuracy of clinical prompts, alerts and reminders to providers? To consumers?
Medical Device Firms	Can medical diagnostic and monitoring devices leverage consumer receptivity to technology-enabled care management into innovative solutions that improve outcomes and reduce costs?
	What direct-to-consumer market opportunities exist for medical device and monitoring companies?
	How will transparency of pricing for medical devices change the dynamics between provider recommendations and consumer willingness to pay? What role will a “national device formulary” model have?
	What innovative channels offer increased access to consumer markets?

Stakeholder	Challenges
Pharmaceutical and Biotechnology Companies	Can therapeutics makers assist consumers in medical adherence and healthier lifestyles?
	Can therapeutics companies create demand for their products when formulary designs and health plans influence otherwise?
	How can drug and biotech companies create and sustain brand loyalty among users?
	How will the implementation of comparative effectiveness programs modify brand positioning and consumer preferences for products?
	What is the optimal marketing strategy? What is the right balance of push through health professionals and pull through direct-to-consumer channels?
State and Federal Policymakers	What innovative channels offer increased access to consumer markets?
	Can policymakers shift responsibility to consumers for self-care and adherence to treatment plans to reduce avoidable costs?
	Can policymakers encourage consumer-centric innovations via oversight policies and regulations?
	How should policymakers structure incentives to encourage healthy living for enrollees in government-sponsored programs?
	What tools and resources should policymakers make available to enrollees to assist in self-care, provider selection, health plan selection or use of monies for products and services?

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# Closing Thoughts

Consumerism in health care is not a threat to stakeholders that recognize the value of connecting with end users who ultimately drive demand for the goods and services sold in the U.S. health care system. It is threatening only when stakeholders conclude that consumers are incapable of acting responsibly in their self-interest and are unwilling to take an active role.

The findings of this study suggest that growing numbers of consumers want to be actively engaged. They see variance in service, quality and costs. They are comparing doctors, hospitals, medications, devices, health plans and self-remedies. They are exploring alternatives to conventional approaches and spending money to achieve their health goals.

Consumerism is a formidable force in health care, a defining characteristic between its past and its future that will impact every stakeholder's value proposition and business models. Consumerism is not a fad; it is a trend of enormous significance.

# Information

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