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WHAT THE PUBLIC THINKS ABOUT HEALTH CARE REFORM

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## PROCEEDINGS

MR. GALSTON: Good afternoon. Let me welcome you all to this event at which a new survey on public attitudes towards health reform is being released. This is a topic that requires almost no introduction and so I will give it almost no introduction. After months of debate, most Americans are aware, at least in general terms, of what the issues are and what the stakes are, and many, indeed, most, are in the process of forming their opinions about it.

My name is Bill Galston, and I'm a Senior Fellow here in Governance Studies, and I'd like to tell you a little bit about the genesis of this survey. A couple of weeks ago, Steven Kull, whom I'll introduce in just a minute, encountered me and said, in effect, "hey, are you satisfied with the current state of research on health care public opinion," and I said, "no, I'm certainly not," and he said, "I'm not either," pause, "so you think we can do better?" And I said, "I sure hope so."

And so we entered into a speeded-up partnership to generate a survey instrument, to conduct it, and to write the report which is being released today, and to arrange this event. The order of events will be as follows; Steve Kull will introduce and summarize the report, and then E.J. Dionne, who's had a long standing previous engagement, will

offer about ten minutes of commentary, I'll do the same thing, Henry Aaron will do the same thing, and we'll be off to the show.

Let me introduce very briefly the speakers. Steve Kull is Director of the Program on International Policy Attitudes, PIPA for short. He is a political psychologist who studies world public opinion on international issues. He also directs the PIPA Knowledge Networks Poll, which conduct ongoing surveys of the U.S. public, of which today's survey is the latest iteration. He's a widely published author. His most recent book, co-written with Mack Destler, is entitled, *Misreading the Public, the Myth of a New Isolationism*.

Next will be E.J. Dionne, who is a Senior Fellow here at Brookings, a syndicated columnist for *The Washington Post*, and a University Professor in the Foundations of Democracy and Culture at Georgetown University. That single sentence will explain why, when I was asked to describe E.J. a few weeks ago in two adjectives, I paused for a minute and said, polymathic and ubiquitous. He's been doing his column now for the better part of two decades, and he writes books, as well. His best selling book, *Why Americans Hate Politics*, was published in '91, it won the *LA Times* book prize and was a national book award nominee. His other books, and I won't have time to mention them all, include, *They Only Look Dead: While Progressives Will Dominate the Next Political Era*,

and most recently, *Souled Out, S-o-u-l-e-d, Reclaiming Faith in Politics After the Religious Right*.

And finally Henry Aaron, who's currently the Bruce and Virginia McCleary Senior Fellow in the Economic Studies Program at the Brookings Institution. He is one of the most distinguished scholars of and commentators on health and health policy in the United States. He's a member of the Institute of Medicine, the American Academy of Arts and Sciences, and the Visiting Committee of the Harvard Medical School.

He is the author also of the single best quotation that I know on the current health care debate, and it reads in its entirety as follows; "Groucho Marx famously said that he would not join any club that would have him as a member. American voters are about to find out whether the U.S. Congress will vote for any health care plan that it is willing to pay for." And with that, I give the podium to Steve Kull.

MR. KULL: Good afternoon and thank you all for coming. I have quite a lot of material to cover so I'm going to be moving with all due speed to share with you the results of this new survey that we did working together with Bill Galston from Brookings.

The poll we did, just fresh out in the field, it was conducted September 26 through October 5. The sample size overall was 1,400, the most questions went to approximately 840, always more than 800. So the

margin of error ranges from 2.6 to three and a half, depending on the sample size.

It was administered or was fielded by Knowledge Networks, which is based in California. They have a probability base sample that's recruited over the telephone, and then if people do not have internet access, they're given internet access, and then they receive the questionnaire over the internet, which gives them -- allows them to take all the time they need to really understand the question, and we think it's the best method, particularly for this kind of study.

Because there are some complex issues, and one of the things that we really wanted to do in this poll is to really dig down deep into how people are thinking to present people more information, to present people pro and con arguments, and to go beyond sort of the more surface response. A question, you know, do you favor, oppose health care reform, this is very general, and yet these are -- some polls do ask questions like that. So we really wanted to know what was the -- what were the underlying values, what did people really -- what conclusions did they arrive at when they really had a chance to think it through.

So, first of all, I want to tell you about how we got started on this. Last August, we did a poll in 21 nations about the responsibility of the government for health care. The question we asked in the U.S. was,

do you think the U.S. government should be responsible for ensuring that its citizens can meet their basic needs for health care or do you think that is not the government's responsibility?

And here you can see that overwhelming majorities in most countries say that their government should be responsible, and last August, 77 percent of Americans agreed. And though we're down at the bottom of the list of this particular pile, interestingly, it was still three out of four agreeing. Now, with these kinds of questions, it's very unusual for there to be significant change over time. Usually when it's a fundamental value question, it's very stable, but that's not what's happened here, this is something that's really quite unusual and it really says something about what's going on in the health care debate.

So this time when we asked the question, only 60 percent said that the U.S. should be responsible, a drop of 17 points, really quite extraordinary; still majority, but a significant drop.

And what's really interesting is that the Republicans went from being -- the majority saying that the government should be responsible, 55 percent, to 69 percent saying that that's not the government's responsibility. And there were some downward movements even among Democrats and independents.

Now, there's talk about government health care as it is, you know, idea that people certainly will shrink from, so we thought, well, let's find out where people are because this is something that's hurled at ideas, oh, well, that's really just going to health care, so we asked, would you favor or oppose the idea of having the government provide health care services directly to all Americans who want it? We had a few more sentences explaining exactly what that means, that the government would own the hospitals and clinics and so on. And we were surprised to find that the views were actually pretty divided on this. Forty-seven percent actually favored the idea. It was very divided along -- on partisan lines, though, with Republicans being overwhelmingly opposed, and Democrats -- two-thirds of Democrats being in favor and it's like a majority of independents being in favor.

Now, we want to try to find out more about how people view the current situation, and this is actually the question we asked globally first; keeping in mind the limits of the U.S. government's resources, please tell me how well the government is ensuring that people can meet the basic need for health care.

And the rating was not very good, two-thirds said not low at all or not very well, and this was pretty much a -- there was pretty much the bipartisan consensus on this, and 58 percent of Republicans were

critical, as well as even more so Democrats, and even more than that, three-quarters of independents.

And interestingly, over the last year that has not changed much. You know, 69 percent said not very well. And interestingly, Americans give their government one of the lowest ratings in the whole world, the fourth from the bottom, so other countries see their -- it's not that people intrinsically think that the government is not doing a good job on this kind of thing.

A substantial concern about the affordability of insurance; we asked, how concerned are you that at some point you and your family will not be able to get health insurance at a price you can afford, and how concerned are you about whether Americans in general can get health insurance at a price they can afford.

And for themselves, 42 percent say they were very concerned, 32 percent somewhat concerned, and an even larger number said Americans in general, 46 percent very concerned, 38 percent somewhat.

Now, how important is it to take action? And we thought, like you say, it's important to take action, that's kind of easy to say yes. So we put arguments on both sides. And on one side the American health care system is basically sound because it is part of the competitive free market



that can adapt to future challenges. If the government interferes by imposing changes, it will only make things worse, versus, the cost of health care is increasing faster than inflation, and as the population ages, the government has to cover more and more people under Medicare. Clearly, the government needs to take major steps to reform the American health care system.

And on this one it came out clearly, more than two to one saying that it is necessary. And the cost factor is key. People, we found out, are not as concerned on the quality front, the quality of Medicare, but they are concerned about the economic viability.

This was not a bipartisan consensus, the majority of Republicans endorse the free market argument, it was almost tailored to their orientation, but and a majority did go for that.

How are people reacting to the health care debate? What is the impact of the health care debate? Well, we've already seen one, which is the support for the government, having responsibility for health care is down dramatically, particularly among Republicans.

Now, what I wanted to know, well, you know, are people getting engaged by this, are they taking sides, what's happening? So we ask, as the partisan debate over health care has grown more intense, has this led you to feel more supportive of the Democrats' ideas, more

supportive of the Republicans' ideas, or less supportive of both sets of ideas? And the dominant response, 50 percent was less supportive of both sets of ideas.

Democrats went more for the Democrats, Republicans more for the Republicans, but only about half, the rest, they were kind of turned off. There's this sort of -- there's a lot of data shown that when one -- the parties fight, when leaders fight, the public gets turned off and just tends to pull back.

Now, there's also a substantial amount of anxiety this has stirred up, you know, there's all these scary things being said, people are going to die, so we ask, which position is closer to yours. I'm confident that government action can improve our health care system or I'm afraid the government action will only make our health care system worse.

And here you have slightly more saying I'm afraid the government action will make our health care system worse. So definitely this debate has stirred up fear about whether this is going to work. Now, it's very different, and Democrats are confident and the Republicans are overwhelmingly afraid, and independents are more on the afraid side. Now, is this a good time, you know, we're in an economic downturn, so we said, well, would you say that the American health care system needs major changes and the government should make that now? It does need

major changes, but right now the government is overextended and should wait a few years before making them or major changes are not needed. Well, very few said major changes are not needed. Another really important fact, that only 14 percent say no changes.

The largest number says make them now, but a substantial number, 36 percent, say that the government is overextended. And this is -- this does divide along party lines.

Okay. Now we wanted to really dig down into the options themselves. These are sort of general feelings about health care reform, what did you think about the concrete proposals, and to really get into -- we gave people pro and con arguments first, we first described it with some detail, each one, and then we gave them a pro-argument. Let me give you an example, this one, the pro-argument on the public option. People cannot find affordable coverage, the government needs to provide them with an option. Furthermore, the competition provided by the public option would force private insurers to lower their overhead costs, making insurance cheaper for everyone. And overall, 68 percent found that convincing. And what's particularly interesting was that majorities of every party found that convincing, including 51 percent of the Republicans. This is really key, watch this as we move along here.

Now, on the con argument, because the government would not need to make profits, the government run health insurance program would unfairly undercut private insurance company. This would inevitably lead to a government takeover of health care and put the government between you and your doctor.

Fifty-two percent found that convincing, not as many, but still a slight majority. This is -- when we say convincing, we're not asking them to make a final judgment, it's like how much does that poll you.

And here you had a kind of mixed response, the Republicans really went for it, Democrats and independents not so much. Then we said, okay, now, do you favor or oppose creating a government administered health insurance option that anyone can purchase to compete with private insurance plans, and overall, 57 percent said yes. When this question by another group was asked without the pro and con arguments, it was 59 percent, so the arguments didn't have overall much of an effect, and usually they don't. Now, on this one you get a pretty clear division with Democrats and independents quite in favor, but not the Republicans.

Now, remember, this says anyone can purchase it, so we had a follow on question, and most of the questions out there about public

option imply it's generally available, even though that's not what's in most legislation. Most legislation implies something that's much more limited.

So we asked those who opposed it, what if the government administered health insurance plan were offered as an option only to people who cannot get insurance through their employers, and then you put those together with those in favor of the general option and you get 75 percent in favor and only 23 percent opposed, and even 59 percent of Republicans favor it. So this is -- you know, one of the key questions here is, where is the common ground, and clearly, the limited public option is very much a point of common ground between all the parties. Now, I'm going to move through some of the others, and I'm not going to read out all the pro and con arguments because I don't have time, they're all in the material that you have, but I do want to point some things out as we go along. The pro argument for cross state purchasing which was explained in some detail, while 84 percent found the argument convincing, and all of the party breakouts found that very persuasive, the con argument got more of a divided response, and it was overall mixed with the Republicans, more unconvinced, Democrats slightly convinced, and independents more not convinced, so it's more of a divided response, but the pro argument was very strong, and when it comes right down to you,

their executive question, overall two-thirds favored it, and this is very much a bipartisan position.

On insurance company regulation, we asked about accepting every applicant for coverage, including those with pre-existing medical conditions, overwhelming support up and down the line.

Not dropping insurees who might have made a mistake in their original application form, overwhelming support for that. Tort reform, which we did define in some detail, giving them pro and con arguments, here again, the pro arguments all found them convincing. The con argument got much more mixed response when it came down to whether they favor opposed, a modest majority favored it, and here again, this was a consensus position, bipartisan support. The employer mandate, here again, the pro arguments all got support; the con arguments also got support. This happens in the human mind, you know, that both arguments can be persuasive. And then when we said, okay, so where do you come down, a modest majority favored it, but it was not a consensus position. The Republicans opposed it, Democrats and independents favored it.

On the individual mandate, the pro argument, majorities in every case found it convincing; the con arguments were also convincing up and down the line. And when it came down to the final decision, you had a slight majority favoring it, but it was not bipartisan.

Okay. The question of cutting health care costs is a big issue. One key point we tried to get at was the question, in regard to waste, fraud and abuse in the health care system, do you think it could still be cut while still giving people the treatment that they need, or their efforts to cut it leads to denying people the treatment they need, which, you know, is a big discussion particularly of concern of people on Medicare, and -- however, this is nuts. Overwhelming majorities in every -- by every stripe say that it can be cut while still giving people the treatment they need, there's very little concern about this.

What about the impact of health care reform on taxes and the deficit? We asked, do you think that if health care reform is enacted, that you will or will not, you will or will not pay higher taxes? Well, only 18 percent said that they won't, and among those who think that they will, 20 percent say a little, 30 percent somewhat, and 29 percent a lot.

And there's a substantial variation on that among -- between the parties. Fifty-one percent of Republicans say it's going to be -- only 11 percent of Democrats, 31 percent of independents.

In terms of the deficit, do you think that if health care reform is enacted, enough savings and revenue will be found to offset the costs or it will increase the federal budget, and the deficit a little -- And only 33 percent say enough savings will be founded to offset the costs, and as you

can see, a substantial number, 35 percent, think the deficit will go up a lot, others, a little or somewhat. And again, a big variation by party, the 62 percent of Republicans say a lot, but only 14 percent of the Democrats. Now, the real important question is how do these assumptions affect support for reform? And so we cross tab this in terms of a whole variety of ones, but I'm just going to give you the example of the public option, the one that -- first, the general one that would go to everyone.

And if you think that taxes -- your taxes will not go up, you overwhelmingly favor the general option. Even if they go up just a little bit, you overwhelmingly; somewhat, still the majority; a lot, that changes it. There's the borderline between somewhat and a lot.

The same thing happened on beliefs about the deficit and the general public option. If you think it's going to be all the way up to somewhat higher on the deficit, still strong support for the general public option, but shifting over completely on the deficit going up a lot.

When it comes to the limited public option, you get overwhelming support at every level, and a lot higher for the taxes, it's divided. And on the deficit, basically the same pattern. In fact, on the deficit, it even goes to 51 percent in favor for the limited public option. So I'm just going to make one last set of comments and then pass it over. I'm going to do something that posters generally don't like doing, I'm going to



make a prediction, and my prediction is that if health reform is passed, over time the public will become more comfortable with it. That's something that I see in these data and then, in a way, is one of the most central questions to be asked, why.

Well, one is that grim assumptions about taxes and deficits are already factored into the market here. They're starting from a really low baseline of expectations as to what will happen, so it's likely they're going to be somewhat -- I mean if what we hear from the Congressional Budget Office is true, it's probably going to be better than they assume.

There's underlying support for the government role. What we have here is a somewhat unusual situation, and it's more likely that over time it will regress more to the mean, where you have more consensus in favor of the idea that the government does have a role in assuring access to health care.

As I pointed out as we went along, most people, including all partisan stripes, see some merit in all of the changes, that the arguments in favor of them got a slight -- at least a slight majority in every case. So though they may not come down in favor of it, they do think while there's some value in this, it's not that they think it's a terrible thing.

Most change will occur during the economic recovery. There was a question showing a lot of concern about the current economic

conditions, but mostly the key changes that have impact economically don't really kick in until two to four years out, when things will probably be pretty different economically.

One of the first things they're going to encounter is regulation of the insurance companies and people like that a lot, that's going to give them a lot of satisfaction. And then finally, basically a lot of what we're encountering here is anxiety about the unknown, the -- they don't know and so on, and people are just getting real nervous.

Once things start happening, once the, you know, as time goes on, people will just -- anxiety will tend to subside naturally as they get more familiar with it. So those are my predictions, and I'm looking forward to hearing the comments from our discussants. Thank you for your attention.

MR. DIONNE: Thank you very much. That was an excellent presentation. And I actually want to agree with Steve's conclusions, but then since I am sympathetic to health care reform, as Mrs. Thatcher once said of an opponent, he would say that, wouldn't he. But I think that the -- I think there's evidence in his survey to support those conclusions in the end.

I also want to say I think this is an excellent survey, and I particularly like the method of offering people contradictory arguments,

and testing how big majorities actually are, and that we shouldn't be surprised that people can be persuaded by arguments on opposite sides of an issue. I think it gives a good sense of how strongly people feel about something or how firmly their mind is made up.

I have a couple quibbles I'll get to with a couple of the arguments made, but on the whole, I think this works very well. I think one of the other things you're going to learn today is, surveys can be like Rorschach tests, because Henry Aaron and I were talking earlier, and I found this actually quite a heartening series of findings for supporters of health care reform, and Henry, not because we disagree on the politics, but because we have a different temperament about the current debate, found them actually less heartening than I did, so you'll see that contrast.

I want to apologize that I have to leave. Somebody I know from the Australian government is visiting and I made an appointment to see her a long time ago. But there is -- it's worth noting, and this is not heartening for supporters for health care reform.

I was talking to someone in the Australian Labor Party who said he wasn't surprised by the velocity of our argument, because when they passed universal coverage in the 1970's, they had the same ferocious argument, but not only that, when the conservative government came to power, it repealed their health care reform and they had to do it all over

again. So I think supporters of health care reform are hoping that part of the Australian experience they don't revisit.

I'm going to make a few very general observations, and then just because it was easier for me, it might be easier for you, I want to go through the document you have to make a couple of specific observations as we go along. First, Eugene Debs said blessed are they who expect nothing for they shall not be disappointed. There should be a -- attitude. And, therefore, I found some of these findings quite heartening for health care reform. In particular, I think it's true of all of us, both in our lives as consumers and citizens, that we want a lot of things and we want to pay as little as possible for them. And we get impatient with citizens when they do that because that's where deficits come from, but, in fact, I don't think that's at all surprising.

And it struck me in this survey that people are actually willing to pay something in the end for health care reform. Now, that somewhat number, we don't know what that is, you know, it could be in the low triple digits or it could be more, but still, I think there's some room there.

The second general or third general observation, a famous political science study by -- Cantrell showed that Americans are ideological conservatives and operational liberals, by which they meant that ideologically, we're skeptical of government, but operationally, we

want government to do a lot for us. And I think that whether conservatives or liberals are prevailing at any point in the conversation depends upon whether peoples' worries about government efficacy trump their desire to have the government do something, or if their desire to get something done trumps their worries about government efficacy, I think you're seeing that play out in this health care debate quite a lot. And again, on balance, I see the findings of this survey suggesting that there is a significant desire for change, but still that ideological skepticism of government present in the public.

The last general observation, I think the whole health care debate comes down to the great desire to fix problems that people see in the system versus the fear that whatever fixes happen will actually make their own situation worse, and I think this survey sheds light on that dynamic.

And on the whole, again, as I read it, I think desire for change trumps fear by a little bit. But I think as the debate goes on, I urge you to watch it with that optic in mind, because I think you're going to have supporters dwelling on what's wrong with a system that needs fixed and opponents saying you've got a lot to lose here, be careful.

I want to just start with -- I want to take you to page four in the survey. I think the desire for change versus fear of change comes out

very clearly when you take findings two versus findings three. Two out of three Americans, including clear majority of all parties, believe the U.S. government is doing a poor job of ensuring that people meet their basic needs for health care. That goes with number one, three, and five; Americans believe the government has a responsibility to ensure that citizens can meet their basic needs.

Yet, in number three, more expressed fear to government action will make the health care system worse than expressed confidence that government action will help, there is that dynamic.

There's very good news here for advocates of the public option, and I will get to that in more detail further into the study. But I think it's worth noting, as Steve underscored, that not only is there support for a strong public option, but there's overwhelming support for the more limited public option that will actually be the one in any of the health care bills if a public option gets into the health care bills.

My own view, which doesn't get direct support from the study, but certainly the findings on the public option suggested is -- and I think a lot of Americans, even if they're skeptical of government, would like a deliverable out of this, and I think an important deliverable is some alternative to private health insurance that they can turn to if they're not happy, if they're discriminated against because of a pre-existing condition.

My sense is the public option is actually gaining some modest ground in the Congress for that reason, and because a lot of people are worried that you won't be able to enforce the insurance reforms very easily. There's a very good piece by David Hilzendraf in *The Washington Post* showing how hard it is to enforce these rules on insurance companies. I think that's going to build support for the public option.

Surprise, surprise, all the insurance company regulations are very popular. Surprise, surprise, we prefer an importer mandate to an individual mandate. Again, we want the importer to pay for us more than we want to pay for ourselves, that's not surprising at all, I guess I feel that way myself in a pinch, yet again, I was surprised that there were versions of the argument in favor of an individual mandate that worked.

And I think on the party splits, and boy, does this survey underscore how partisan an issue this has become. I actually asked before the session for what the party breakdown was of the sample, because I think the party split is so deep that if you have a few more Republicans, you tilt it one way, a few more Democrats, you tilt it the other way, you'll be happy to know that the party split the sample as broadly similar to the party splits being picked up in other surveys.

I am really, as I say, I'm encouraged that people are willing to pay something for this. And number seven on page six I think is very important. There's a lot of talk in the debate that Americans think this system is the best in the world and they don't want to change it.

There's a lot of realism about this system among Americans. Americans know there are a lot of good things that happen in our health care system, but they know there are a lot of things wrong. And I don't think health care reform would have gotten as far as it's gotten now if the finding of number seven weren't true. I think that is accurate.

The chart at the bottom of page seven is very important. First of all, boy, does Maddow really have a strong view on this, but that's not what I wanted to call your attention to. But I don't think I've ever seen a 99 percent poll finding before, not even support for the Red Sox in my year at Boston, though close. This underscores, if you will, the point that Bill Kristol made in his famous memo in 1993. Some of you may remember that Bill Kristol wrote a memo saying Republicans have to oppose health care reform. His worry was that once health care reform passes, once Americans get accustomed to this kind of help from government, they will reward the Democrats and they won't change their minds about it. I am loosely paraphrasing Bill Kristol here.



And I think if you had this question about, for example, social security, you would find broad acceptance. I do think that once people get accustomed to this sort of assistance from government, and once it works reasonably well, people tend to continue to support it, Medicare being the primary example.

One of the most amusing things in this debate is that opponents of health care reform have sort of fallen back on the idea that if we pass this, it'll hurt Medicare, and therefore, we should oppose government sponsored health care reform. I was actually surprised by the finding at the bottom of page eight, government health care, would you favor or oppose the idea of having the government provide health care services directly to all Americans who want it. Forty-seven percent is a higher number than I would have anticipated. And what really strikes me about that question is that not only a healthy majority of Democrats say yes, but a majority now of independents say yes.

On the whole watch through, as you read through this survey after the session, on the whole, with a few exceptions, independent seem to be leaning more on the Democratic or pro reform side on this survey, and I think that's consistent with other surveys, which, again, I think is why there is an opening to health care reform.

The chart at the bottom of page 12, assessment of the current situation, again, that negative view of the current situation, that was bigger than I would have expected, and again, it's not simply Democrats, but look at that 75 percent who agree with the negative assessment of the current situation, again, fruitful ground for health care reform.

And right at the top of page 11, you have the clearest explanation for that. Three and four Americans are concerned that sometime in the future the cost of health insurance may slip out of reach. That's an enormous share of Americans. And 84 percent think that will be true of someone else, again, total ground for reform. Jumping to page 13, this one I think is the hardest to read in terms of its meaning, and I'm curious, maybe Steve can elaborate on it. It'll be -- 47 percent, needs major change, now 37 percent, yes, but it can wait only 14 percent says the system does not need major changes.

I suspect there's a lot of interesting work to be done with that 36 percent in the middle. Again, reformers start out the debate with a roughly four to one advantage over clear opponents, but that middle group could go either way in this debate.

I think one of the things you're probably going to hear a lot about is this reform pass is noting that a lot of these reforms will not take effect for another several years.

On page 14, I've ready talked about the public option and particularly the support. For the limited public option, as you see it on page 15, here are just a couple of my quibbles on section boarding. On the whole issue of cross state purchasing of health insurance, first of all, I'm not sure anybody has well established views on the issue of cross state purchasing of health insurance. And I was struck that there was a -- I thought there was bias in this question and in another. The pro side allowed people to shop anywhere in the country for health insurance. As a general proposition, we all believe we should be able to shop anywhere in the country for anything we want, yet the negative says it will benefit the young and healthy at the expense of the old and sick.

I would bet that the vast majority of people taking this survey feel that they are healthy, indeed, they're healthy enough to sit in front of the computer and answer the survey. I have a feeling that the concreteness of the second question may have tilted that argument a little bit on that issue.

That's an interesting issue that comes up between the parties, it's not central to the survey, but I just call the attention to my

doubts about that one. Another surprise in the survey for me is that, on tort reform, you even found a modest majority on the side opposing it. I mean it shows that this issue which I would have thought was, especially when you read the newspapers, I am a journalist and so maybe that's self-criticism.

I was surprised at how big the opposition was to tort reform. When you made an argument for it, obviously people aren't in favor of it. But you can see why politicians have room to resist it if they wish. I think, again, when doctors fight lawyers, a lot of people are cross-pressured, and I think that suggests that. I also had questions on the employer mandate. I thought it was a bit, even though you got, in the end, support for the employer mandate, I thought the specific argument against was very concrete, it will force them to pay lower wages, lay off workers, or will drive small companies out of business. I think people responded to the strength of those words. The argument for it was more a vague, kind of moral argument. I'm wondering if you redid the language there, if you'd get a different result. Those are my only two criticisms, by the way, of the question wording.

Just a couple of other very quick points before I conclude, again, I think the findings on page 25 in terms of taxes really suggest that

is room to do more, at the very least there's room to pay for this if the various cuts and revenues put in the bill don't pay for it.

Again, I was surprised at how -- that people were willing to support this at every level of taxation except when you thought that taxes would be a lot higher. I suspect people wouldn't pay for very much of anything on the issue of people being -- of taxes being a lot higher. So unbalance -- oh, and the last point, on older Americans, and this, I'd really throw this out as a question to Steve. I think that we've seen a lot about older Americans being skeptical of this. Some of that is attributed I think correctly to the fears that older Americans have that some of the savings coming out of Medicare might negatively effect them.

But I also think it's very important to remember who these generations are right now. We have an image of older Americans and I think it's still a hangover from the era when most people over 65 are New Dealers. The older generation now are people out of the Eisenhower era. This is a fairly conservative group in the electorate.

If I remember correctly, Bill, correct me if I'm wrong, there were more strongly -- they were McCain's strongest constituency in the electorate. So there's going to be skepticism among seniors right now about this, even without the Medicare issue, for ideological reasons.

I think there is a swing group within seniors who will be affected by this Medicare debate, and so I think that is very important. But again, when you have people start talking about older folks and this health plan, bear in mind, that is a conservative generation, and bear in mind that people under 30 are a very -- the most liberal generation to come along since those new dealers. So, in conclusion, I do think health care reform, something will pass, I think it might not even be such a bad bill, and I agree with Steve that I think the cost of politicians will pay for it could be quite small, and for Democrats I think are much smaller than what they would pay if they did nothing at all. Thank you very much.

MR. GALSTON: And, E.J., thank you for making room for us on your very, very hectic schedule. If you need to leave at 2:45, you're five minutes late. Because we're running a little bit late, and because I'm the host, I'm required to display good manners, which I'll try to do, and therefore, I'm going to keep my remarks very short. I just want to make four points very briefly.

These four points all have to do with the characteristic concerns of people who labor in Brookings Governance Studies program about political institutions and processes. What does this have to say about the democratic process, what does this have to say about the state of the American people right now? Here are my four points very briefly.

First of all, the prevailing belief that the American people are ignorant and easily manipulated by demagogues on this and many other issues is not really born out by this survey. First of all, the people are reasonably attentive, which is not such a big surprise when you consider the amount of time that this issue has been above the fold. Every newspaper had led -- every nightly news broadcast.

Secondly, everybody has heard the story about the pensioner who stands up in some sort of local meeting and wags his or her finger at the local congressman and says, whatever you do, don't let the government touch my Medicare, and everybody says "haha, they don't know that Medicare is a government program," which is not true.

I mean we actually decided to put a nail in the coffin of this particular canard. Ninety-five percent of Americans understand that the difference between a public program and a private program, they know that Medicare and VA and programs like that are public and that Blue Cross Blue Shield and Kaiser Permanente are private. There's no public confusion about that.

And furthermore, as E.J. said in passing, people are not -- Americans are not health care jingoists, not in the slightest. They have a very -- and differentiated view of how the American health care system stacks up to others around the world. They rightly see us as being world

class in areas like medical research and innovation and the proliferation of technology, they likely see us as mediocre at best in areas like infant mortality, and they see that we have big problems relative to the rest of the world when we're talking about cost access and coverage, so that's point number one, a reasonably well informed public.

Point number two, the public is deeply ambivalent about this issue of health reform. Why? Because a pervasive lack of trust and confidence in government pulls against their intuitive support for specific reforms. As you've already heard, 53 percent of Americans are afraid that one of the four health reform are against it, that increased government involvement will only make our health care system worse.

And as an evidence of this mistrust, despite repeated assurances to the contrary from the President on down, substantial majorities believe that the enactment of health care reform will increase the budget deficit, and even more believe that they personally will pay higher taxes as a result of health reform. They have received, as I said -- assurances that that is not the case, they just don't believe it. If we were in a more trusting mood, I think we would be more likely to believe it.

Point number three, and this is, as Steve put it to me in a private conversation, a glass half full, glass half empty observation. He



has underscored the surprising degree of bipartisan agreement on some specifics of health reform, and that's absolutely right.

I look at the glass as being half empty because I also see pervasive evidence of partisan polarization, especially on background assumptions about and understandings of health care, but also on some specifics, and let me just give you a couple of examples of what I have in mind.

What is the moral standing of health care, first of all? Sixty-three percent of Republicans understand health care mostly as a privilege, and 78 percent of Democrats understand it mostly as a right. Well, the famous Ed Koch question, how are we doing, 58 percent of Republicans think that the American health care system is basically sound, only 13 percent of Democrats feel the same way. Conversely, and not surprisingly, 67 percent of Democrats believe that the American health care system needs major changes right now, and only 25 percent of Republicans agree. Sixty-seven percent of Democrats believe that if nothing happens, our health care system will get worse, only 26 percent of Republicans agree. With regard to the famous mandate question, 68 percent of Democrats approve an employer mandate, only 38 percent of Republicans do, 73 percent of Democrats approve of an individual mandate, and only 33 percent of Republicans do.

So, yes, there is some considerable agreement, but there is also some considerable disagreement, and that's why the report is entitled Battleground of Common Ground. The answer to that question is, yes.

And fourth and finally, you don't need to know a lot about contemporary American politics to know two things. First of all, the ranks of independents are swelling, and secondly, as independents go, so go elections, because neither party at this point commands anything like a majority share of the vote, indeed, Democrats are barely one-third of the total if you just look at strong partisan identifiers, and Republicans are about a quarter.

So looking at independents, breaking out independents, giving some special attention to them makes sense analytically and politically. And in some ways independents are a breed apart, in other ways not. But let me just make, in conclusion, a few points about what distinguishes them from the rest of the pool. First of all, they, in particular, loathe the tone and temper of the health care debate. Indeed, the debate that they've heard so far has made 73 percent of independents less supportive of both Democratic and Republican ideas.

Secondly, independents are really quite sour on government. They are more likely than either Democrats or Republicans to see

government as performing badly in the area of health care. And I suspect that if we talk to them about more issues, we'd get similar responses.

They are much more likely than are Democrats to see government involvement as probably making things worse. That's the view of 59 percent of independents as opposed to only 24 percent of Democrats. They are the group that is most concerned, interestingly, about escalating health care costs for themselves and their family, which probably explains why they're as open to health reform as they are despite their sour view of government. And finally, they're the only group in the population that delivers a split decision on the two mandates.

Independents favor employer mandates, but they oppose individual mandates, and that is consistent with the general view that independents tend to have a stronger libertarian streak on average than the do the proponents and partisans of either political party.

So those are the four points, and they point to a public that is attentive to the issue, mistrustful of government, deeply polarized in a number of ways along partisan lines, and increasingly characterized by an independent streak that, in some respects, is saying at this point a plague on both your houses. With that, over to you, Henry.

MR. AARON: Thank you, Bill. If being a good host is being brief, then being a good guest is also being brief. If one wanted to frame a

single question that this poll answers, what would it be, and I think it would be something along the following lines.

If we had direct democracy in the United States and had a national vote on the broad outlines of a health care reform, it would pass, and it would look, roughly speaking, probably something like the bills that are now under discussion. We don't have this direct democracy, we don't vote on broad principals. We have two houses of Congress and they're going to vote on specific bills. So the question here is, does this poll give reason to think that there might be a major shift or a move away from the rather horribly partisan split that now exists within Congress.

If one had to ask how many Republicans are likely to vote for any of the health reform plans now under discussion, a good friend of mine who is extremely well informed said there may be one in the Senate and there may be one in the House, one, out of all of the four bodies. So is there something here to suggest that that -- there might be reason to expect that to shift?

And I want to echo what Bill just said and what both of the first two speakers also said, I think the answer is, no, there really is not. I looked at the same kinds of splits that Bill just emphasized, on the public option. Overall, three to two in favor, Democrats 79 percent in favor, Republicans 65 percent against.

Player pay, which is the requirement that employers either sponsor insurance or contribute to the cost on behalf of their employees, Democrats 68 percent in favor, Republicans 61 percent against. On an individual mandate, the requirement that individuals have coverage, Democrats 73 percent for, Republicans 64 percent against. So if you're a senator from a substantially Republican state, I think the message in this poll is, you're in about the right place if you are opposing the legislation now being debated before Congress.

I happened also to look at another poll today in preparation for this, more intensive in that the questions were far more detailed, and this one asked individuals specifically, after a description, of whether they would support or oppose the Senate Finance Committee Bill. There was a description of the contents of the bill.

The response, and it by no means got the response rates that are present here, but the split on that poll was 59 percent opposed, 27 percent in favor. But if certain changes were made to that bill, there were three of them that were particularly salient, if malpractice reform was included, and it was described quite well in terms of establishing mediation and the divulging of information, not nearly as capping compensation for non-economic losses, if you eliminated the individual mandate and left only subsidies to individuals so that they could afford health insurance

coverage, and if you replace the coop option in the Senate Finance Committee Bill with a public option, then the majority shifted, and 57 percent were in favor, 41 percent opposed. Now, there's a bit of a problem here because if you get rid of the individual mandate, of course, you're going to have to get rid of another feature of the bill, which is among its more popular ones, which are the restrictions on the heinous practices of many insurance companies in denying people coverage based on pre-existing conditions or jacking up premiums or dropping them if they make particularly large claims, so the bill comes unglued.

But the point here was that if you looked at the bill more or less as defined, even when you got specific, the majority of support wasn't there. So again, the question is, does the polling data provide reason to think that the divisions that now exist in Congress will shift, and I think the answer is no.

In the service of brevity, I'm going to pass only to the question of what if we win, what happens if a bill something along the lines of those now under discussion get enacted, will this be the, more or less the end of the story, which is perhaps an overstatement, Steve, of what you said. On this one, I want to take a completely different position. I believe that if the Senate passes a bill and it's successfully conferenced, the President signs it, the intensity of debate about health care reform will

not diminish in the slightest, but that it will become the major issue used by opponents of health insurance reform as a wedge issue in the 2010 election and the 2012 election.

As currently written, the bill almost encourages it, because the phase-ins are substantially delayed until 2013 or 2014. So there is an invitation here to start running our computers, look at the impact of the plan on all kinds of different households in different particular circumstances, and talk about the hardships that will be inflicted on those individuals forced to buy insurance, but not provided in the judgment of critics with adequate subsidies to make it affordable.

I say this despite what I think is a profound irony. In fact, the bills now under discussion will not have a significant effect on the lives of the vast majority of those Americans who currently have insurance. That, however, I don't think will be a significant obstacle in the use of this issue in order to try and gain electoral advantage.

MR. GALSTON: Well, Henry, thank you so much. And we now have close to 25 minutes for discussion, general discussion. And let me preface the general discussion with three pleas and an announcement; first the three pleas. Plea number one, identify yourself before you begin, or as you begin would be more precise, wouldn't it. Secondly, ask a question. And third, ask the question briefly, in fairness to

all the other people who have questions and who are waiting patiently for their turn.

The announcement is that there will be a couple of roving mics rotating through the room. As I recognize you, please wait until the microphone arrives because of the way in which this program is being recorded. So I see a question on the aisle.

DOCTOR POPLIN: Hi, I'm Doctor Caroline Poplin, a primary care physician, and I have a question for Mr. Kull. Did you in your survey look at the contradiction between the popularity of Medicare and the skepticism about government financed health care, not government provided health care, government financed health care?

MR. KULL: Well, there isn't really -- I mean the limited option is basically in a way taking Medicare and expanding it out another rung, and about three quarters support that. If you talk about going the whole way so that everybody can have access to government provided insurance, you still get a majority in favor, though it's not bipartisan. So it's not -- people with this whole notion of government involvement does stir some people, particularly Republicans, and it's not as strong as it used to be, so that the effect of this discourse, this critique of this idea has had an impact, but it's still not -- the majority of people don't go, oh my God,



the government being involved with health care, what a terrible idea, that's not the case.

And, yes, I think that Medicare is a key reference point. In poll questions, the mention Medicare, it tends to -- in relation to the public option, that tends to increase support a little bit because it's something that people are familiar with.

MR. GALSTON: Yes, there's a gentleman up in front here.

SPEAKER: As you said, first I need to introduce myself. My name -- instead I will say what I am. I'm a refugee in this country, I am simply 78 years old, as human being, but young American, 19 years old. So I have experience in Soviet Union, where we have not -- we have not election, but it was imitation of election, not election. In this country, we have -- which, for me, is imitation of public option. And election, which is - election. And, therefore, I am very skeptical about the poll and what is influenced on anything, because as -- scientist -- remedial science, I am a physicist, I am I -- and technology, I'm not political, right, and not political scientist. So every research must finish with some result, otherwise, for what reason to do the research? And I don't see any new result.

MR. GALSTON: Okay. I'm going to interpret that as your question, what are the new results.

SPEAKER: No, I -- a different question.

MR. GALSTON: Well, you're taking a while to get to it, sir.

SPEAKER: My question is this, I followed three of your suggestions how I need to speak, and my question is this –

MR. GALSTON: The third one –

SPEAKER: Give me, please, one new result of your new poll. And finally, I need to say is that elections is -- and false is –

SPEAKER: Okay. One new result is the attitudes about the limited public option, that has not been asked before. And three quarters approve of that, including a substantial majority of Republicans. So this is a bipartisan view support for a form of the public option.

MR. GALSTON: Yes, on the aisle.

MR. NADEL: Hi, I'm Mark Nadel, I'm actually a colleague of E.J.'s at the Georgetown Public Policy Institute. This is a question for Henry Aaron. You stated that you thought the bill would really not impact people currently insured and that kind of parallels what the President has been telling us. So I'd like you to put your economist hat on, and that being the case, how can we possibly bend the health care cost curve without changing the way that the majority of people interface with the health care system, including, you know, choice of physicians, unlimited choice of procedures and so on.

MR. AARON: Over time, you're 100 percent right, if this reform succeeds, the delivery system will be transformed. I was speaking more narrowly with respect to the nature of peoples' current health insurance coverage, the premiums that they would be confronted with, and truth to tell, the near term cost of the services that they will be using. But if that is true ten years from now, then the reform will have failed.

MR. GALSTON: Yes, on the aisle.

MS. TAYLOR-CLARK: Hi, my name is Kalahn Taylor-Clark, I'm a Research Director here at the Brookings Institution. I run the Racial and Ethnic Equity Initiative and the Engelberg Center for Health Care Reform. My question is actually around whether we have any other evidence of Americans' priorities around different policy options.

Specifically, we have a piece here about tort reform, where, of course, people are supportive of tort reform, but the question is, what is that priority compared to, for example, the public option.

SPEAKER: Well, the question -- this isn't something that we went after so much. I mean you can look at how large the majorities are, but that doesn't necessarily tell you what the priorities are. I think from the point of view of policy-makers, it's a concern if you're trying to get elected and you're -- you want to put something in the public eye that really matters to people, but really the public doesn't say, well, do what I think is

the highest priority, take the totality and do pay attention to public opinion, and what we find is basically the public is saying, yeah, they're acquiescent, you might say, yeah, it sounds like you're on the right track is the basic message of the majority of Americans. And they certainly understand that things are interconnected and that it's not something that's done piecemeal. So I don't -- we didn't try to answer that question and I don't think really that is the key question because it is a -- there are a panoply of factors that do need to be addressed in their totality.

MR. GALSTON: Let me come at your question in a complimentary way, and that is, first of all, I found Henry's observation based on another survey at least tantalizing, though not dispositive, namely, that when you added three elements, of which tort reform was one, to a description of the Baucus bill, you moved a very substantial chunk of the electorate.

Now, you can't prove on that basis unless there was -- in the survey that tort reform was one-third -- contributed one-third of the movement, it may have been more, it may have been less, but the odds are, it did make a difference, it was enough of a voting issue to people for a chunk of the electorate, maybe as much as ten percent, or even 15, to flip them from one place to another.

But your question provides me an opportunity to make a broader point, and that is that if you want to state some of our specific results in partisan terms, people favored a lot of reform proposals that are identified with the Democratic party; they also favored a lot of reform proposals that are associated with the Republican party. And it might well be the case, and this is consistent, once again, with the evidence that Henry put on the table from the other survey, that a bill that bowed more in both directions than the -- bill does might broaden the base of public support, and could conceivably embarrass some members of the opposition who are now disposed and vote no into voting yes.

And I think it's fair to say that Democrats have not given tort reform much of a hearing. I think it's also fair to say that once Tom Daschle wrote in his book that cross state purchasing would spark what he dubbed a race to the bottom, that that phrase has been repeated as a mantra, there may be some truth to it, but I don't think that the discussion has made a lot of concessions to something that clearly matters a lot for a number of people who are now on the opposition.

And I'm not sure whether the bill, as it evolves, is going to broaden out in that direction or not, but from a political standpoint, if you happen to believe the late Senator Daniel Patrick Moynihan that in doing changes that are really built on standard majorities, and certainly not

partisan majorities, that there may be a case for concessions that you don't need in order to get 218 votes in the House and 51 votes in the Senate, but that's, you know, that's just the -- as the Justice would say. Henry, do you want to say anything about that?

MR. AARON: Well, what I want to say is, in a way, responsive to a number of the questions, including the one about polling. What's going on I think is very -- is complicated and subtle. The psychologist, Daniel Conoman, who won the Nobel in economics, once wrote a paper, the early title of which was Economists Have Preferences, Psychologists Have Dispositions. I think the paper got published with a different title in the end.

Now, with respect to health care, we all are bundles of conflicting dispositions. There are lines that one can say -- lines or slogan lines, that would resonate with all of us that are at odds with each other with respect to any plausible health reform.

So what is going on, what polling tells us is something about those dispositions. And they don't have to tell us new things, they can tell us that the same things we thought were true before are still true, and that's important information for understanding, first of all, the debate, and secondly, how elected officials are appealing to us. And it gives them information on what strings to try to pull in order to gain our support.

The reason I think the debate has produced the result that was reported in this poll, namely, a growing disenchantment with both sides, is that we are having our conflicting dispositions made apparent to us, and that creates a kind of dissonance, a dissatisfaction, a discomfort, and a loss of satisfaction with each side because there are some conflicts coming from each of the parties as mediated by our own disposition.

The real question here is whether this is going to end up resulting in a kind of paralytic stasis, politically a refusal to move ahead, because of the elicitation of these conflicts, or whether the sentiment that E.J. expressed before, which I think is really important, that from a political standpoint, the failure to act may be seen as more damaging by the party in power, which happens to be the Democrats now than any particular course of action they might choose.

This is -- I'm sure, like the rest of you, I'm sitting here observing what's going on, fascinated, I have my druthers, things I want to see happen, but the primary feeling I have is just one of fascination at the complexity and cross currents in this whole process.

SPEAKER: Can I follow?

MR. GALSTON: Yeah.

SPEAKER: This issue of the dissatisfaction of the government is highly related to this frustration with the parties. They see -

- we've done polling on this, and people get very frustrated when they see the parties fighting and trying to take advantage of the underlying value conflicts that people feel.

They don't want to have to choose between values, and they want policy-makers to find a way to blend them, to integrate them, and they get frustrated because they see parties as using one side or the other of debates to build their political power. That's their perception, and that interferes with what they think is a more natural process, where there's -- each side expresses priorities and values, but then the business is somehow finding preferences that integrate those values that are not -- they perceive as not intrinsically contradictory.

MR. GALSTON: Sir.

MR. DONAHUE: Yeah, thank you. Sean Donahue with Eli Lilly and Company. I think, Doctor Aaron, you just answered the question I was going to ask, but I want to make the comment anyway. It strikes me that the bucket democrat and Republican doesn't work in this context anymore because we're all sharing characteristics across party lines with respect to whether or not we're insured, whether we have coverage, whether we have access.

I guess one question is, did you look at how those answers break out with respect to whether or not people have coverage. And then



I think I'd suggest, there's probably as much political geographic disparity as what there is Medicare spending disparity, and that we have so many blue members out of red states and red districts, though, we have the blue dogs, we have the new Dems, and I'm just kind of wondering how those kind of new politics, the growth of the independents, will play out in this debate; if you have a comment.

SPEAKER: We've only had the data a few days, so I don't think we have the answer to that question about the variation by coverage. What I can point out is that what was interesting was that people were more concerned about Americans as a whole having access to insurance than they were for themselves personally. To the extent that I think it's somewhat surprising when people address these kinds of issues, they do go behind what John Rawls calls the veil of ignorance. They're not so much oriented to, you know, where do I fit in the system, but what makes a better system than not knowing who I would be in the system.

And there's a fair amount of data suggesting this to people who vote more according to what's good for the economy as a whole than what is good for them personally, and I think that applies in this case, as well.

There's a rational element to it because they may end up being without insurance even if they're in a secure position right now. So

it's -- while we might find that there's some relationship between peoples position, vis-à-vis, coverage and income and so on, it's oh so surprising how little that tells you, that it's more what people are asking the question what works best overall.

MR. GALSON: Yes, on the aisle.

MR. GLUCK: Yes, thank you, my name is Peter Gluck. I think it was William Galston who said earlier that the public was so turned off to this whole discussion that they don't even believe assertions that the President makes about the cost not adding to the deficit, et cetera. Do you think that, in light of the Congressional Budget Office report yesterday, that it will reduce the deficit over a long term and that the cost is actually coming in under what the President said is his upper limit target, that that would change public assessment at all, or do you think the public just sort of writes off the CBO the way it does everyone else on Capital Hill?

MR. GALSTON: Well, first of all, and I'm trying to figure out whether I'm saying this with pleasure or regret, it's not clear to me that the American people as a whole pay quite as much attention to CBO as we do inside the beltway, but let me give you a serious answer, okay, and that is, the issue of trust in government is one that I have studied for a very long time.

The current level of mistrust in government is not something that happened yesterday or the day before or the day before that, it is the culmination of a process that began more than 40 years ago, and it is preceded almost unbroken since the hay day of political -- of popular trust and confidence in the American national government, in the early and mid 1960's.

If we had a very long time, I could tell you why I think this has happened, but let me cut to the chase. In my experience, political views that represent the shifting of tectonic plagues, that develop slowly over time based on an accumulation of experience do not tend to change very quickly. If you've ever read Thomas Kuhn's Structure of Scientific Revolutions, once the frame is established, you need a whole lot of contrary evidence to begin to disrupt the frame.

And I think the frame of mistrust is now solidly enough established in the majority of the American people that it's going to require more than one report, indeed, more than one success, more than one episode of a major promise honored before people begin to admit into their consciousness the possibility of a contrary frame or set of presumptions.

That's the best I can do. I think that if there is going to be health care reform this year, it will be in the teeth of pervasiveness mistrust of government and not by overcoming it. I think there's a

question, yes, there is a question here, and then one more on the aisle, and I think that will have to be about it.

MS. KRIMGOLD: Thank you. My question is for Henry Aaron. My name is Barbara Krimgold, I'm the Director of the Kellogg Health Scholars Program at the Center for Advancing Health. My question is whether you believe that if an option had been -- if the option had been the possibility of buying into a Medicare program rather than this ill defined public option, whether it would have been more popular with the public, whether it would have been a better idea, and whether it was a political mistake for the Democrats not to have framed it better that way, or to have framed it that way given the political liability it was suggested the Democrats might have in 2010 and 2012?

MR. AARON: I'm not trained in politics, so -- and I don't follow it nearly as closely as Bill does, so the question perhaps would be better, I hope he will weigh in on this, as well.

My own reaction is that it would not have made a material difference, that in the end, the impact on cost would have been much the same. It might have, in fact, been, at least relative to the coop option, which is now not scored as an addition to government spending, might have made the public sector look even bigger, and that would have been a

further subject for partisan divisiveness. But I should shut up and listen to somebody with a more important view.

MR. GALSTON: Well, I'm not sure I do have a more important view, although I reach the same bottom line as you do. And the reason is actually rooted and one of the important findings of our survey. Namely, there are a whole bunch of people who think that health reform is a good idea in principal, but not now because "the government is overextended." In other words, the theory in some corners in the White House quite pungently expressed is that the economic crisis created an opportunity for all sorts of created social programming.

My view is just the reverse, namely, that by forcing the government to spend so many hundreds of billions of dollars to rescue the financial system and to stimulate the economy, public consciousness of government spending, the size of government, the threat of the debt, et cetera, is making it more difficult to proceed on the major elements of the agenda on which the President campaigned and won.

I can't prove that, but I strongly believe it, and I think that if the White House were trying to do the same health care bill absent the economic crisis and all of the spending that it has induced and I believe necessitated, I think they'd be having an easier time, not a harder time.

SPEAKER: Comparing the public option to Medicare does increase support for a modest amount, but it doesn't dramatically change it.

MR. GALSTON: And the last question will have to go to the gentleman with the distinguished beard on the aisle.

MR. ALTMAN: Hi, my name is Fred Altman, and the question is for Henry Aaron. If the changes that you -- the three changes you talked about were implemented, would it affect the CBO estimate on the Finance Committee bill, or if it doesn't, it might give some flexibility?

MR. AARON: Eliminating the individual mandate would have a significant effect on cost on the assumption that many who would otherwise come into the plan would elect not to do so and would not, therefore, receive subsidies. But as I indicated, I think that if, when eliminated, the individual mandate, the entire approach to reform comes unglued.

MR. GALSTON: That's absolutely right, it's a fantasy. Well, let me thank you all for coming, for your patience, and remark, in conclusion, as the son of a scientist, that I was taught that it's sometimes important to confirm prior results, that that adds strength to the findings. So in addition to the new things that we found, the fact that we found some old things I think is not so bad. Thank you very much.

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I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

/s/Carleton J. Anderson, III

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