

**New Models
Messaging on SGR/Medicare Reform, Hillary Clinton’s
Email Controversy, and the Economy**

April 2015

OVERVIEW

Presentation Testing conducted two mixed-gender focus group dial tests with moderate Independents in Tampa, FL, on April 1, 2015. One group was comprised of 10 Romney-voting moderate Independents, and the other was comprised of 10 Obama-voting moderate Independents. All respondents have at least graduated from high school, and are age 22 or older. An actress named Jean spoke as the advocate in the dial test video in support of recently-proposed changes to Medicare and the SGR. Carla spoke as the advocate against those changes. They engaged in a point-counterpoint debate about Medicare reform, which is referenced throughout the report.

KEY FINDINGS

- 1) Romney-voting Independents slightly favored the messaging in favor of Medicare reform. Obama-voting Independents were split on the issue.**

During each session, we conducted a 16-minute point-counterpoint dial test, where we contrasted the messaging of those who support the recently-proposed changes to Medicare and the SGR with messaging from those who oppose those changes (read by actresses from a teleprompter).

After the video, we asked respondents in each group which argument they found more persuasive.

	Romney INDs	Obama INDs	Total
Advocate <u>for</u> SGR reform (Jean)	6	5	11
Advocate <u>against</u> SGR reform (Carla)	4	5	9

In each group, we began our discussion by asking how many respondents came into the session knowing that the House had passed the “doc fix” during the previous week (specifically, on Thursday, March 26th). None responded affirmatively.

Then, we asked respondents why they found one advocate’s arguments more persuasive than the other advocate’s arguments.

Romney-voting Independents who sided with Jean cited her goal of finding a long-term solution to fix Medicare, which resulted in some viewing Jean as more “compassionate.” Also, they agreed with Jean that fewer and fewer doctors are willing to treat Medicare patients, and they were concerned about the impact that would have on them as they get older and require more medical services.

We also heard that seniors with higher incomes should pay a higher percentage of their Medicare premiums than those with lower incomes. Lastly, respondents told us that they liked Jean’s focus on rewarding quality of care rather than quantity of care (the current fee-for-service system that pays doctors based on the number of tests and procedures they order).

Obama-voting Independents who sided with Jean agreed that doctors are leaving their private practices to work for large hospital systems because the current Medicare payment formula is deeply flawed. One respondent explained:

“I sided with Jean because she did make a good point saying how there are a lot of doctors that are closing their practice or private office to go work for major hospitals. The reason being is because they make more [money] at the major hospitals where if you [were] to pay the doctors a little more [through Medicare], they can stay with their private office and actually make more money to help out the seniors and not have to go to the major hospitals to help out seniors. They can do it one-on-one. They can get to know their patients much better.” – Alex, Obama-voting Independent

Also, some Obama-voting Independents agreed with Jean’s idea that higher-income seniors should pay a higher percentage of their Medicare premiums.

Obama-voting Independents who sided with Carla disagreed with Jean’s idea that doctors should get a permanent solution to the SGR situation while children would get a short-term solution—a two year extension for CHIP. They liked that Carla called for a four-year extension of that program. Also, they thought that Jean’s plan, which calls for short-term deficit spending, would lead to permanent increases in spending because in their view, there is no such thing as a temporary spending increase. Lastly, we heard some opposition to Jean’s idea about increasing the percentage that higher-income seniors would pay for their Medicare premiums because for some, it sounded like the government would be taking away benefits for which they have already paid.

Romney-voting Independents who sided with Carla opposed increasing the percentage that higher-income seniors would pay for their Medicare premiums, suggesting that everyone should pay a flat fee. Also, some respondents did not buy Jean’s argument that short-term deficit spending would lead to savings over the long-term.

- 2) Even though Independents were nearly split overall about their view of SGR reform, there were several areas of messaging that worked for those in favor of the proposed reform**

The impact of the “doc fix”

During the dial test video, Jean stated:

Without the annual “doc fix,” reduced fees would result in fewer doctors willing to see Medicare patients—at a time when the number of Americans relying on Medicare is growing.

Romney-voting Independents expressed agreement with this statement during our conversation, and they viewed it as “bad news.” Obama-voting Independents turned their dials up from 60 to 69 (on a zero to 100 scale of agreement) during this part of the dial test video.

The proposed solution

During the dial test video, Jean said:

This system has to be fixed. [The bipartisan replacement] would enable Congress to support a system that provides quality care. This new system would reward quality, efficiency, and innovation. The bill would repeal the SGR, and end the annual threat to seniors’ care. It would improve the fee-for-service system by moving away from paying doctors based on the number of tests and procedures they order, and towards a value-based system—one that would reward improved care with higher payments. It would incentivize the use of alternative payment models to encourage doctors and providers to focus more on coordination and prevention to improve quality and reduce costs. And it would make Medicare more transparent by giving patients more access to information and by supplying doctors with data they can use to improve care. The bipartisan bill is an important first step in saving Medicare for our seniors, and in moving the program toward a more patient-centered system. Congress **could** continue to kick the can down the road by extending the current damaging doctor payment system for another year or two—as they have done 17 times already. We don’t want that. Or, they can pass this permanent solution that improves care for seniors, putting the broken SGR in the rearview mirror forever. That would make more sense.

Overall, this messaging scored very well. In both groups, it scored mostly in the 70s and 80s, reaching the low 90s (on a zero to 100 scale of agreement) among Romney-voting Independents at one point. Both groups turned their dials down drastically when Jean stated that “Congress **could** continue to kick the can down the road by extending the current damaging doctor payment system for another year or two—as they have done 17 times already” because they disagreed that that should happen. Romney-voting Independents turned their dials down from 91 to 70 (on a zero to 100 scale of agreement) and Obama-voting Independents’ average score dropped from 89 to 60 (using that same scale) before both groups turned their dials back up again when Jean said, “We don’t want that.”

The verbiage describing the proposed solution was among the highest-scoring in the dial test in both groups, which is very positive.

Means testing

During the dial test video, Jean stated:

Wealthier seniors would pay more for their own Medicare, and taxpayers would pay for less. This makes sense. Too many working families are struggling to pay their bills. Why should their tax dollars be used to pay the Medicare premiums of people who make more than they do?

Romney-voting Independents turned their dials up from 52 to 67 (on a zero to 100 scale of agreement) during this part of the dial test video. Obama-voting Independents turned their dials up from 58 to 68 (using that same scale) during that period.

During our discussion with Romney-voting Independents, we learned that most were hesitant to support means-testing because they did not like the idea of punishing those who have been successful. One respondent pointed out that Democrats are transparent in that they want to take from the rich to give to the poor. Some were troubled that Republicans in the House would support a bill that followed that same line of thinking. However, by framing the argument as Jean did—that too many working families are struggling to pay their bills, and that tax dollars should not be used to pay for the Medicare premiums of people who make more money than they do—that garnered modest support.

Our discussions revealed that the issue of means-testing is still an uphill climb for supporters of SGR reform, especially among Romney-voting Independents.

We asked respondents in each group if they would be annoyed or angry if they were to find out that their Member of Congress voted for this bill in support of means-testing for Medicare. Five of 10 Romney-voting Independents, and two of 10 Obama-voting Independents responded affirmatively.

However, Jean's verbiage on this issue, as stated previously, is your best argument in favor of means-testing for Medicare.

Short-term vs. long-term impacts on our spending

During the dial test video, Jean said:

Don't forget that maintaining the status quo—a flawed reimbursement system requiring annual patches—also results in deficit spending. Program changes that will generate significant savings down the road are worth short-term deficit spending. And if changing the way we pay doctors improves health outcomes by changing the way doctors care for our seniors, then those future savings will be worth waiting for. It all depends on how willing we are to accept short-term costs in order to gain long-term structural reform of Medicare.

Among Romney-voting Independents, this messaging spiked from 59 to 76 (on a zero to 100 scale of agreement) during the dial test video. During our discussion, they all agreed that short-term spending now to reduce deficit spending in the future was a good idea, describing it as “pragmatic.” Obama-voting Independents remained in the high 70s to low 80s (using that same scale) during this part of the dial test video.

3) Obama-voting Independents expressed concern that the current Medicare Sustainable Growth Rate, or SGR, bases doctors’ fees on the rate of growth of the U.S. economy

During the dial test video, Jean stated:

In 1997, in an attempt to keep Medicare costs down, Congress passed what they called the Medicare Sustainable Growth Rate, or SGR for short. It’s a formula to set doctors’ fees based not on the quality of care, or access to care, but on the rate of growth of the U.S. economy.

Obama-voting Independents turned their dials down during this part of the dial test video. They contended that the primary concern should be for Medicare patients’ quality of care. They objected to the idea that doctors’ fees would be determined by the rate of growth of the U.S. economy because seniors need medical care whether the U.S. economy is growing or contracting. They disagreed that those two variables should be tied together.

Note: We did not discuss this issue with Romney-voting Independents.

4) Romney-voting Independents thought that it was a fairly serious problem that former Secretary of State Hillary Clinton conducted all State Department business using a private email account on a private server that she set up in her home, and they thought that Congress should investigate the issue. Overall, Obama-voting Independents were more split on how serious of a problem it was that Hillary Clinton did that and whether or not Congress should investigate the matter.

In the beginning of each session, we asked:

On a scale from zero to 10, how serious of a problem do you think it is that former Secretary of State Hillary Clinton conducted all State Department business using a private email account on a private server that she set up in her home?

	Romney INDs	Obama INDs	Total (avg.)
0=Not at all serious to 10=Very serious	7.1	5.3	6.2

Romney-voting Independents indicated that this is a serious issue, but they were trying to give her the benefit of the doubt because they do not think that she acted with malicious intentions. Some respondents suggested that she may not have realized that she was mixing private emails with business emails.

Obama-voting Independents were more split. Some respondents told us that Hillary Clinton should not have mixed private emails with business emails because she was handling sensitive materials and her private server would not have contained the top level security encryption that government servers have. Others commented that Hillary Clinton is going to run for President and Republicans are trying to use this issue to damage her politically.

Also, we asked:

*On a scale from zero to 10, how strongly do you agree or disagree with this statement:
“Congress should investigate Hillary Clinton’s use of a private email account while she was Secretary of State.”*

	Romney INDs	Obama INDs	Total (avg.)
0=Strongly disagree to 10=Strongly agree	7.7	5.3	6.5

Romney-voting Independents said that Congress should investigate because we do not have all of the details about what was going on with her email during her tenure as Secretary of State. Also, they suggested that Hillary Clinton could have avoided this issue by keeping her private emails and government emails separate, and she should have known that.

Obama-voting Independents were more hesitant to say that Congress should investigate. They do not know how much of the email on her private server was personal and how much of it was business. One respondent pointed out that our cyber security has been hacked by other governments in the past (i.e., China). He contended that if there were any materials or verbiage in Hillary Clinton’s emails that could damage our national security, then Congress should investigate her use of a private email account while she was the Secretary of State. Others thought that an investigation would be a waste of time because it would not amount to anything substantive.

- 5) Romney-voting Independents agreed with the House Committee that Hillary Clinton should turn over her email server to a neutral third party for review. Obama-voting Independents were more split on the issue.**

In the beginning of each session, we asked:

*On a scale from zero to 10, how strongly do you agree or disagree with this development:
The House Committee investigating the 2012 attack on the U.S. consulate in Benghazi,*

Libya has formally asked Hillary Clinton to turn over her email server to a neutral third party for review, to ensure public confidence that her records were in fact retained, recovered, and returned to the State Department.

Answer choices	Romney INDs	Obama INDs	Total (avg.)
0=Strongly disagree with committee to 10=Strongly agree with committee	8.0	5.7	6.9

Romney-voting Independents agreed that Hillary Clinton should turn over her email server to a neutral third party because we still do not know all of the details about what happened in Benghazi, and they want to shed light on donations made from foreign countries to The Clinton Foundation while she was the Secretary of State.

Obama-voting Independents were split on how much they agree or disagree with the committee. Some indicated that it is important to find out what was in those emails. Others argued that this issue does not impact anyone's life and we should be focusing on more important issues, including feeding the children in our country, providing immunizations, and addressing illiteracy.

- 6) Almost half (four of 10) of Obama-voting Independents would be less likely to support Hillary Clinton as a candidate for President in 2016 as a result of the email controversy.**

Toward the end of our session with Obama-voting Independents, we asked if the issue of Hillary Clinton's email server impacted their willingness to support her as a candidate for President in 2016. Four of 10 respondents in that group told us that they would be less likely to support her as a result of this issue.

- 7) Obama-voting Independents were optimistic about the direction of the U.S. economy compared to one year ago, with eight of 10 in that group indicating that the U.S. economy is getting somewhat better. Romney-voting Independents indicated that the U.S. economy is at least stabilizing and even getting better compared to one year ago, with only one of 10 saying that the U.S. economy is getting worse.**

In the beginning of each session, we asked respondents the following question:

Compared to one year ago, is the U.S. economy...

Answer choices	Romney INDs	Obama INDs	Total
1=getting much worse	0	1	1
2=getting somewhat worse	1	0	1
3=staying as is	5	1	6
4=getting somewhat better	3	8	11
5=getting much better	1	0	1

We asked respondents in each session who believe that compared to one year ago, the U.S. economy is getting at least somewhat worse or at least somewhat better what evidence they have for their belief.

Romney-voting Independents who believe that compared to one year ago, the U.S. economy is getting somewhat better or much better cited:

- One respondent's house has significantly increased in value since she bought it two years ago
- Increased construction in the local area
- Less economic tension—people are less afraid of losing their homes
- The unemployment rate has declined, nationally and statewide
- Lower gas prices

Obama-voting Independents who believe that compared to one year ago, the U.S. economy is getting somewhat better cited:

- The housing market has improved
- The job market has improved
- Gas prices have gone down
- The stock market is flourishing
- Consumer confidence has increased—people have more disposable income
- The banks and car companies have repaid their bailout money
- Auto sales have increased

The only Romney-voting Independent who believes that compared to one year ago, the U.S. economy is getting somewhat worse cited:

- The stock market has stalled
- The high-end jewelry business has been flat for more than one year

The only Obama-voting Independent who believes that compared to one year ago, the U.S. economy is getting much worse cited:

- The housing market is improving, but it is creating another housing bubble
- The bond market is unstable—tax-free municipal bonds are paying higher interest rates than junk bonds
- The government keeps changing what goes in to make up the cost-of-living index
- The Federal Reserve has been printing trillions of dollars
- The national debt is so large, the U.S. cannot afford to pay the interest on the debt

- The U.S. economy will “explode” when the Federal Reserve raises interest rates, which is expected to happen later this year

8) Obama-voting Independents were far more optimistic than Romney-voting Independents about where they believe the unemployment rate will be one year from today, with five of 10 saying that the unemployment rate will fall below 5% by that time. However, six of 10 Romney-voting Independents believe that the unemployment rate will increase to at least 6% one year from today.

In the beginning of each session, we asked respondents the following question:

The unemployment rate in the U.S. now stands at 5.5%. A year from today, do you expect it to be...

Answer choices	Romney INDs	Obama INDs	Total
1=Under 5%	1	5	6
2=Between 5% and 6%	3	3	6
3=Between 6% and 7%	5	1	6
4=Between 7% and 8%	0	0	0
5=Between 8% and 9%	1	0	1
6=Between 9% and 10%	0	0	0
7=Above 10%	0	1	1