

APPENDIX I

IOWA DEPARTMENT OF PUBLIC HEALTH – IOWA BUSINESS SURVEY

1,003 Iowa Business Decision-makers

SELZER & COMPANY

March 4-18 2004

Margin of Error: +/- 3.5

(Ask for name on list.)

Hello. This is _____ calling from SELZER & COMPANY, a survey research firm

located here in Iowa. We're taking a short survey today on important issues that affect businesses

like yours. Your individual responses will be kept confidential and the results will be used to

inform public policy. This survey is being done on behalf of a state agency, and we're looking

for the most senior person who can talk about your company's performance, and employment

trends. This will take only a few minutes of your time. **(If contact name suggests another**

person, verify it is a senior level person with influence on major company decisions.)

1. I'd like to begin by asking about your view of the nation and the state. In general, do you think things in the nation are headed in the right direction, or have they gotten off on the wrong track?

Right direction

Wrong track

Not sure

2. What about here in Iowa? Do you think things in the State of Iowa are headed in the right direction, or have they gotten off on the wrong track?

Right direction

Wrong track

Not sure

3. Compared to last year, would you say your company's financial situation is improving, staying the same, or getting worse?

Improving

Staying the same

Getting worse

1 Not sure

4. I'm going to mention some approaches businesses can take to be more profitable. For each, please tell me if this is a top priority for your company, a mid-level priority, or whether this is really not a current focus.

Top

Priority

Mid-level

Priority

Not a
Current
Focus
Not
Sure

A-2

Iowa SPG

- A. Attracting new customers to increase revenue
- B. Adding new services or products so that you do more business with existing customers to increase revenue
- C. Holding down expenses on materials or supplies
- *D Holding down employee-related expenses

5. Within the next year, do you expect to add employees, keep the same number of employees, or downsize the number of employees or leave open positions unfilled at your company?

18 Add employees **Ask b**

Keep the same number of employees **Skip to Q.6**

Downsize the number of employees or
leave open positions unfilled

Ask c

Not sure **Skip to Q.6**

b. How many employees do you anticipate adding? (**Let respondent volunteer.**)

Mean: Median: Fill in number 1-999 **then skip to Q.6.**

c. How many employees do you anticipate you will lose? (**Let respondent volunteer.**)

Mean: Median: Fill in number 1-999

6. I'm going to mention some employee benefits businesses sometimes offer their workers. For each, please tell me if this is something you currently offer, something you don't offer but are strongly considering, or something you don't offer and aren't considering. (**Rotate list.**)

Currently

Offer

Don't offer/

Considering

Not

Considering

Not

Sure

A. Dental insurance

B. Vision insurance

C. Health insurance

D. Life insurance

E. Disability insurance

F. Company contribution to a retirement plan

Note: This question defines companies who DO offer health insurance (Q.6c, AC = 1) and Those that DO NOT offer health insurance (Q.6c, AC = 2,3).

(Ask Q.7-Q.X only of those that currently offer health insurance.)

7. I want to focus the next few questions on health insurance. How would you describe the quality of coverage in your health insurance plan—is it very good, reasonably

good, barely adequate, or not really adequate? (n=353)

A-3

Iowa SPG

Very good

Reasonably good

Barely adequate

Not really adequate

Not sure

8. Does your company pay all, part, or none of the premium for your employees' policies? (n=353)

Company pays all **Ask b and c**

Company pays part **Ask b and c**

Company pays none **Skip to Q.9**

Not sure **Skip to Q.9**

b

.

Can you give me an idea of the average dollar amount the company pays per employee for health insurance on a monthly basis?

Mean: Median: Fill in number 1-999

c. How many employees does that number represent?

Mean: Median: Fill in number 1-9999

9a. In the past year or two, have your health insurance premiums gone up, down, or stayed about the same? (n=353)

Went up **Ask b**

Went down **Ask b, then skip to Q.11**

Stayed the same **Mark "0" for Q.9b and skip to Q.11**

b Can you give me an idea of the percent change in the cost of premiums for health insurance just for last year?

Mean: Median: Fill in number 1-99

(Ask Q.10 only if AC = 1 in Q.9a.)

10. How did your company handle the increased cost of health insurance—did your company: **(Read list. Rotate. Mark all that apply.) (n=286) (Percentages do not add to 100)**

Absorb most of the cost

Require employees to pay more of the premium than before

Raise prices on the goods or services you sell

Reduce or eliminate employee pay, in salary or bonuses

Put off buying equipment or making other purchases

Lay off some workers

Put off hiring new workers or leave open positions unfilled

Convert some workers to part-time to reduce the number of employees in the

A-4

Iowa SPG

plan

Live with lower profits for your company

Reduce or eliminate other employee benefits

Cut back on investments you would ordinarily make in the company for

development of new products or services

None of these (VOL)

Not sure

11. I'm going to mention some things companies do to try to keep the cost of health insurance down. Please tell me if this is something you have done in the past two years, something you are considering doing within the next two years, or something you're not considering. (n=353)

Have

Done

Haven't

done/

Considering

Not

Considering

Not

Sure

A. Changed to a less costly plan with more restrictions on coverage

B. Increased the dollars employees contribute to the premium

C. Lowered or dropped company contributions for coverage of spouses or children

D. Raised the deductible amount employees must pay

E. Raised the co-pay amount for doctor visits

12. Have you seriously considered whether there may come a time your company can no longer offer health insurance as an employee benefit because of expense? (If yes, ask:) What do you see as the likely time frame for that happening—the next couple of years, the next five to ten years, or beyond 10 years? (n=353)

Yes, within the next couple of years

Yes, within the next five to ten years

Yes, beyond 10 years from now

No, do not see a time the company will drop health insurance plan

Not sure

13. For the following statements, please tell me if you agree strongly, agree, disagree, or disagree strongly. (n=353)

Agree

Strongly Agree Disagree

Disagree

Strongly

Not

Sure

A. I have been careful about hiring because I worry about the cost of health insurance

B. I am personally worried about the security of my own health insurance

A-5

Iowa SPG

C. My company is not as financially successful

as it could be because of what's happened
with the cost of health insurance

D. If health insurance were not as expensive, I
would probably hire more employees

E. I use contract workers instead of hiring
because of health insurance costs

F. I feel like there is a good return on investment
for the money spent on health insurance

G. Because my employees have health insurance,
they are more productive on the job

H. If things continue the way they are going, the
cost of health insurance threatens my
company's viability

I. We've had job offers turned down by people
the company would like to hire because our
health insurance plan isn't generous enough

J. I've thought twice about hiring more
experienced people because my insurer
charges a much higher premium for older
people

K. My company has lost business to companies
in other countries because their employee
costs are lower

(Ask Q.14 and Q.15 only if AC = 1 in Q.9a.)

14. I'd like you to consider how your company might react if in the next two years or so
the cost of your health insurance plan increase at the same rate each year as you
experienced last year [INSERT RATE FROM Q.9b]. For each strategy I mention,
please just answer yes or no if this is something your company would likely do or not.

**(Read list. Rotate. Mark all that apply.) (n=286) Multiple answers accepted,
percentages add to more than 100.**

Absorb most of the cost

Require employees to pay more of the premium than before

Raise prices on the goods or services you sell

Reduce or eliminate employee pay, in salary or bonuses

Put off buying equipment or making other purchases

Lay off some workers

Put off hiring new workers or leave open positions unfilled

Convert some workers to part-time to reduce the number of employees in the
plan

Live with lower profits for your company

Reduce or eliminate other employee benefits

Cut back on investments you would ordinarily make in the company for
development of new products or services

None of these (VOL)

Not sure

A-6

Iowa SPG

15. I'm going to return to the short list of ways businesses can be more successful that we talked about earlier. Still imagining that for each of the next two years the cost of health insurance would rise the same percentage it has recently, how would that affect your ability to do each of the following—would rising health insurance costs be a major obstacle, a minor obstacle, or no real obstacle (**n=288**)

Major

Obstacle

Minor

Obstacle

No real

Obstacle

Not

Sure

A. Your ability to attract new customers to increase revenue

B. Your ability to add new services or products so that you do more business with existing customers to increase revenue

C. Your ability to hold down expenses on materials or supplies

D. Your ability to hold down employee-related expenses

(Ask everyone.)

16. Would you say your company is reasonably committed to your current health insurance plan or something like it, OR are you open to some other arrangement that would include participation by employees, employers, and government to insure Iowan? (**n=353**)

Committed to current health insurance plan or something like it

Open to some other arrangement

Not sure

Now skip to Q.20

(Ask Q.17 through Q.19 only of companies who do not offer health insurance, AC = 2,3,4 in

Q.6c.)

17. I'm going to mention some reasons companies don't have health insurance plans for employees. For each, please tell me if this is a major reason you don't have health insurance, a minor reason, or if it really does not apply to your company. (**n=650**)

Major

Reason

Minor

Reason

Does not

Apply

Not

Sure

A. Most employees are covered elsewhere

B. Employees prefer wages or other benefits

C. Revenue is too uncertain to commit to a plan with

monthly expenses

D. The business can't afford it

E. A large portion of the company's workers are seasonal, part-time, or high-turnover

A-7

Iowa SPG

F. The company does not need to offer health insurance to recruit and retain good workers

G. It's common in this industry not to provide health insurance

H. Not offering health insurance allows the company to be more profitable than our competitors

18. Has the company ever offered employees some type of health insurance plan? **(If yes, ask:)** Was that within the last five years, or longer ago than that? **(n=650)**

Yes, within last five years **Ask b**

Yes, but longer ago than the last five years

Ask b

No, has not ever offered health insurance

Skip to Q.19

Not sure **Skip to Q.19**

b. Which one or two of the following would you say are the main reasons the company decided to drop its coverage? **(Read list. Accept up to two answers.) (n=108)**

The cost was increasing

Too few employees were enrolled in the plan

Employees had other coverage

The company's financial situation changed and couldn't keep paying for it

The owner got coverage somewhere else and decided to drop the employee plan

None of these (VOL)

Not sure

19. If the cost of health insurance were not a burden to your company, do you think you would be able to attract a different kind of worker with better skills than you have now if you offered health insurance? **(n=650)**

Yes

No

Not sure

(Ask everyone.)

20. I want to talk now about some changes that might be made to the way companies buy and pay for health insurance. For each, I want you to think about your company and its future and tell me whether this is something you would strongly favor, favor, oppose, or strongly oppose.

Strongly

Favor Favor Oppose

Strongly
Oppose
Not
Sure
A-8

Iowa SPG

A. The state would set the standards for the only three types of policies insurers could sell—a basic policy, an expanded policy, or a premium policy—making shopping for insurance easier.

B. Instead of buying health insurance, employers would pay a fixed taxdeductible amount per month into an employee-directed medical savings account for use only on health care expenses

C. The state would require all Iowans to have, at minimum, a policy for catastrophic coverage for themselves and their families, which would cost no more than \$100 per month

D. Money individuals spend to buy their own health insurance would not be taxed, as it is now

E. The government would help lowincome individuals buy catastrophic insurance and pay medical expenses.

This would replace the current Medicaid program.

(For those whose companies do not offer health insurance—AC=2,3,4 in Q.6---, ask only those items with asterisks.)

21. Some of the ideas above are based on a few basic principles. For each I mention, please

tell me if you strongly agree, agree, disagree, or strongly disagree

Strongly

Agree Agree Disagree

Strongly

Disagree

Not

Sure

A. Companies are being hurt by the cost of health insurance (**n=353**)

B. Government programs are not doing all they could, as there are still many without health insurance in Iowa

(n=353)

C. My company would trade-off having fewer choices in what kind of health coverage we could buy if our costs were lower and stable

(n=1003)

D. Health insurance is creating a state of crisis for businesses **(n=353)**

A-9

Iowa SPG

E. My company could expand if health insurance costs weren't a concern

(n=1003)

F. My company would save on employee time if buying and administering the health insurance plan weren't so time consuming **(n=1003)**

G. My company can't plan effectively for the future when we don't know what might happen with health insurance costs **(n=1003)**

H. When individuals have to pay for health care themselves, they are more careful than they are when insurance pays all or most of the cost **(n=353)**

(Ask Q.22 and Q.23 only if respondent agrees in Q.21e, AC=1,2.)

22. You indicated your company could expand if health insurance costs were no concern. About how many new employees might your company add with that kind of expansion? .

Mean: Median: Fill in number 0-999

23. What sort of percentage increase in your annual revenue might that kind of expansion result in?

Mean: Median: Fill in number 0-99

A-10

Iowa SPG

24. We're almost to the end of the survey. I want to describe to you a change to the way health insurance is currently provided. It includes participation by individuals, employers, and the government, when needed. Of course, there are more details than I can reasonably give you, but we're interested in your first impression. At the end of the description, I'll ask whether you think the plan would be good for your business or bad for your business.

All Iowans would be responsible for having a catastrophic health insurance policy to cover major medical expenses for things like injuries from major accidents, cancer, heart disease, diabetes, and so on. The cost would be somewhere around \$100 per month for a family of four. Low-income Iowans would get help if needed.

Employers would no longer pay for health insurance, but would pay a fixed amount into each employee's medical savings account. This money would be used to pay for

ordinary medical expenses, such as doctor visits, routine tests, and prescription drugs. Employers could choose to pay more, but the standard amount would be \$3,000 per year or \$250 per month per employee. Unused money rolls forward to successive years, and earns untaxed interest. The idea is to help businesses control costs and stabilize expenses, yet still provide a genuine benefit for employees.

In general, does a system like this, given time to get up and running, sound like your company would be a lot better off with a system like this, a little better off, a little worse off, or a lot worse off?

A lot better off

A little better off

A little worse off

A lot worse off

Not sure

25. What about you personally? Under a system like this, do you think you would be a lot better off with a system like this, a little better off, a little worse off, or a lot worse off

A lot better off

A little better off

A little worse off

A lot worse off

Not sure

These final questions are just to help us learn what cross-section of Iowa businesses we have interviewed.

101. How many employees does your company currently have?

Mean Median

a. Fill in exact number (1-99,999) and code below

b.

One

Two

A-11

Iowa SPG

Three to four

Five to nine

Ten to 19

20 to 49

50 to 99

100 or more

Refused/not sure

102 I'm going to mention some broad industry categories. Which one best fits your company? (Read list. Read parenthetical comments if necessary.)

Manufacturing

Professional (law, medical)

Retail trade

Wholesale trade

Finance, investments, insurance, real estate

Construction

Personal services (hair, cleaning, lawn, etc.)

Business services (computer consultant, marketing, research)
Agriculture or ag-related business
Transportation, communications, electric, gas, or sanitary services
Non-profit
Other (specify)
Refused/not sure

103 How many years has your company been in business?

Less than two years
Two years up to five years
Five years up to 10 years
10 years or more
Not sure

104 Is your company headquartered in Iowa or in another state?

In Iowa
In another state
In another country (VOL)
Not sure

105 What is your title?

President, CEO, Chair, Owner
Chief Financial Officer (COO), Chief Operations Officer (COO)
Senior or Executive Vice President
Other (specify:)
Refused/not sure

A-12

Iowa SPG

106. Finally, can you tell me a rough figure for your annual sales revenues?

Mean Median

a. Fill in exact number (0-99,999,999) and code below

b.

Less than \$200,000
\$200,000 to \$499,999
\$500,000 to \$749,999
\$750,000 to \$999,999
\$1,000,000 and over
Refused/not sure

Pull in from sample.

107 Record county from sample

108 Record congressional district from sample

109 If a researcher were to contact you, would you be willing to talk more about your responses would you prefer not?

Yes, willing to talk more

No, prefer not

If yes, ask entire name: _____

Verify phone number: _____

110 Sample Geography

Main

Adams

Mahaska

*When there is a dropped base, the n is shown as the number of unweighted bodies.

APPENDIX I

IOWA DEPARTMENT OF PUBLIC HEALTH – IOWA BUSINESS SURVEY

1,003 Iowa Business Decision-makers

SELZER & COMPANY

March 4-18 2004

Margin of Error: +/- 3.5

(Ask for name on list.)

Hello. This is _____ calling from SELZER & COMPANY, a survey research firm located here in Iowa. We're taking a short survey today on important issues that affect businesses like yours. Your individual responses will be kept confidential and the results will be used to inform public policy. This survey is being done on behalf of a state agency, and we're looking for the most senior person who can talk about your company's performance, and employment trends. This will take only a few minutes of your time. **(If contact name suggests another person, verify it is a senior level person with influence on major company decisions.)**

1. I'd like to begin by asking about your view of the nation and the state. In general, do you think things in the nation are headed in the right direction, or have they gotten off on the wrong track?

Right direction

Wrong track

Not sure

2. What about here in Iowa? Do you think things in the State of Iowa are headed in the right direction, or have they gotten off on the wrong track?

Right direction

Wrong track

Not sure

3. Compared to last year, would you say your company's financial situation is improving, staying the same, or getting worse?

Improving

Staying the same

Getting worse

1 Not sure

4. I'm going to mention some approaches businesses can take to be more profitable. For each, please tell me if this is a top priority for your company, a mid-level priority, or whether this is really not a current focus.

			Not a	
	Top	Mid-level	Current	Not
	<u>Priority</u>	<u>Priority</u>	<u>Focus</u>	<u>Sure</u>

- A. Attracting new customers to increase revenue
 - B. Adding new services or products so that you do more business with existing customers to increase revenue
 - C. Holding down expenses on materials or supplies
 - *D Holding down employee-related expenses
5. Within the next year, do you expect to add employees, keep the same number of employees, or downsize the number of employees or leave open positions unfilled at your company?

18	Add employees	Ask b
	Keep the same number of employees	Skip to Q.6
	Downsize the number of employees or leave open positions unfilled	Ask c
	Not sure	Skip to Q.6

- b. How many employees do you anticipate adding? (**Let respondent volunteer.**)

Mean: Median: Fill in number 1-999 **then skip to Q.6.**

- c. How many employees do you anticipate you will lose? (**Let respondent volunteer.**)

Mean: Median: Fill in number 1-999

6. I'm going to mention some employee benefits businesses sometimes offer their workers. For each, please tell me if this is something you currently offer, something you don't offer but are strongly considering, or something you don't offer and aren't considering. (**Rotate list.**)

Currently	Don't offer/	Not	Not
<u>Offer</u>	<u>Considering</u>	<u>Considering</u>	<u>Sure</u>

- A. Dental insurance
- B. Vision insurance
- C. Health insurance
- D. Life insurance
- E. Disability insurance
- F. Company contribution to a retirement plan

Note: This question defines companies who DO offer health insurance (Q.6c, AC = 1) and Those that DO NOT offer health insurance (Q.6c, AC = 2,3).

(Ask Q.7-Q.X only of those that currently offer health insurance.)

7. I want to focus the next few questions on health insurance. How would you describe the quality of coverage in your health insurance plan—is it very good, reasonably good, barely adequate, or not really adequate? (**n=353**)

Very good
Reasonably good
Barely adequate
Not really adequate
Not sure

8. Does your company pay all, part, or none of the premium for your employees' policies? (n=353)

Company pays all	Ask b and c
Company pays part	Ask b and c
Company pays none	Skip to Q.9
Not sure	Skip to Q.9

- b Can you give me an idea of the average dollar amount the company pays per employee for health insurance on a monthly basis?

Mean: Median: Fill in number 1-999

- c. How many employees does that number represent?

Mean: Median: Fill in number 1-9999

- 9a. In the past year or two, have your health insurance premiums gone up, down, or stayed about the same? (n=353)

Went up	Ask b
Went down	Ask b, then skip to Q.11
Stayed the same	Mark "0" for Q.9b and skip to Q.11

- b Can you give me an idea of the percent change in the cost of premiums for health insurance just for last year?

Mean: Median: Fill in number 1-99

(Ask Q.10 only if AC = 1 in Q.9a.)

10. How did your company handle the increased cost of health insurance—did your company: (Read list. Rotate. Mark all that apply.) (n=286) (Percentages do not add to 100)

Absorb most of the cost
Require employees to pay more of the premium than before
Raise prices on the goods or services you sell
Reduce or eliminate employee pay, in salary or bonuses
Put off buying equipment or making other purchases
Lay off some workers
Put off hiring new workers or leave open positions unfilled
Convert some workers to part-time to reduce the number of employees in the

- plan
- Live with lower profits for your company
- Reduce or eliminate other employee benefits
- Cut back on investments you would ordinarily make in the company for development of new products or services
- None of these (VOL)
- Not sure

11. I'm going to mention some things companies do to try to keep the cost of health insurance down. Please tell me if this is something you have done in the past two years, something you are considering doing within the next two years, or something you're not considering. (n=353)

	Haven't		
Have	done/	Not	Not
<u>Done</u>	<u>Considering</u>	<u>Considering</u>	<u>Sure</u>

- A. Changed to a less costly plan with more restrictions on coverage
- B. Increased the dollars employees contribute to the premium
- C. Lowered or dropped company contributions for coverage of spouses or children
- D. Raised the deductible amount employees must pay
- E. Raised the co-pay amount for doctor visits

12. Have you seriously considered whether there may come a time your company can no longer offer health insurance as an employee benefit because of expense? (If yes, ask:) What do you see as the likely time frame for that happening—the next couple of years, the next five to ten years, or beyond 10 years? (n=353)

- Yes, within the next couple of years
- Yes, within the next five to ten years
- Yes, beyond 10 years from now
- No, do not see a time the company will drop health insurance plan
- Not sure

13. For the following statements, please tell me if you agree strongly, agree, disagree, or disagree strongly. (n=353)

Agree		Disagree	Not
<u>Strongly</u>	<u>Agree</u>	<u>Disagree</u>	<u>Strongly</u>
			<u>Sure</u>

- A. I have been careful about hiring because I worry about the cost of health insurance
- B. I am personally worried about the security of my own health insurance

- C. My company is not as financially successful as it could be because of what's happened with the cost of health insurance
- D. If health insurance were not as expensive, I would probably hire more employees
- E. I use contract workers instead of hiring because of health insurance costs
- F. I feel like there is a good return on investment for the money spent on health insurance
- G. Because my employees have health insurance, they are more productive on the job
- H. If things continue the way they are going, the cost of health insurance threatens my company's viability
- I. We've had job offers turned down by people the company would like to hire because our health insurance plan isn't generous enough
- J. I've thought twice about hiring more experienced people because my insurer charges a much higher premium for older people
- K. My company has lost business to companies in other countries because their employee costs are lower

(Ask Q.14 and Q.15 only if AC = 1 in Q.9a.)

14. I'd like you to consider how your company might react if in the next two years or so the cost of your health insurance plan increase at the same rate each year as you experienced last year [INSERT RATE FROM Q.9b]. For each strategy I mention, please just answer yes or no if this is something your company would likely do or not. **(Read list. Rotate. Mark all that apply.) (n=286) Multiple answers accepted, percentages add to more than 100.**

- Absorb most of the cost
- Require employees to pay more of the premium than before
- Raise prices on the goods or services you sell
- Reduce or eliminate employee pay, in salary or bonuses
- Put off buying equipment or making other purchases
- Lay off some workers
- Put off hiring new workers or leave open positions unfilled
- Convert some workers to part-time to reduce the number of employees in the plan
- Live with lower profits for your company
- Reduce or eliminate other employee benefits
- Cut back on investments you would ordinarily make in the company for development of new products or services
- None of these (VOL)
- Not sure

15. I'm going to return to the short list of ways businesses can be more successful that we talked about earlier. Still imagining that for each of the next two years the cost of health insurance would rise the same percentage it has recently, how would that affect your ability to do each of the following—would rising health insurance costs be a major obstacle, a minor obstacle, or no real obstacle (**n=288**)

Major Minor No real Not
Obstacle Obstacle Obstacle Sure

- A. Your ability to attract new customers to increase revenue
 B. Your ability to add new services or products so that you do more business with existing customers to increase revenue
 C. Your ability to hold down expenses on materials or supplies
 D. Your ability to hold down employee-related expenses

(Ask everyone.)

16. Would you say your company is reasonably committed to your current health insurance plan or something like it, OR are you open to some other arrangement that would include participation by employees, employers, and government to insure Iowan? (**n=353**)

Committed to current health insurance plan or something like it

Open to some other arrangement

Not sure

Now skip to Q.20

(Ask Q.17 through Q.19 only of companies who do not offer health insurance, AC = 2,3,4 in Q.6c.)

17. I'm going to mention some reasons companies don't have health insurance plans for employees. For each, please tell me if this is a major reason you don't have health insurance, a minor reason, or if it really does not apply to your company. (**n=650**)

Major Minor Does not Not
Reason Reason Apply Sure

- A. Most employees are covered elsewhere
 B. Employees prefer wages or other benefits
 C. Revenue is too uncertain to commit to a plan with monthly expenses
 D. The business can't afford it
 E. A large portion of the company's workers are seasonal, part-time, or high-turnover

- F. The company does not need to offer health insurance to recruit and retain good workers
- G. It's common in this industry not to provide health insurance
- H. Not offering health insurance allows the company to be more profitable than our competitors
18. Has the company ever offered employees some type of health insurance plan? **(If yes, ask:) Was that within the last five years, or longer ago than that? (n=650)**

Yes, within last five years	Ask b
Yes, but longer ago than the last five years	Ask b
<hr/>	
No, has not ever offered health insurance	Skip to Q.19
Not sure	Skip to Q.19

- b. Which one or two of the following would you say are the main reasons the company decided to drop its coverage? **(Read list. Accept up to two answers.) (n=108)**

The cost was increasing
 Too few employees were enrolled in the plan
 Employees had other coverage
 The company's financial situation changed and couldn't keep paying for it
 The owner got coverage somewhere else and decided to drop the employee plan
 None of these (VOL)
 Not sure

19. If the cost of health insurance were not a burden to your company, do you think you would be able to attract a different kind of worker with better skills than you have now if you offered health insurance? **(n=650)**

Yes
 No
 Not sure

(Ask everyone.)

20. I want to talk now about some changes that might be made to the way companies buy and pay for health insurance. For each, I want you to think about your company and its future and tell me whether this is something you would strongly favor, favor, oppose, or strongly oppose.

Strongly Favor Strongly Oppose Not Sure
Favor Favor Oppose Oppose Sure

- A. The state would set the standards for the only three types of policies insurers could sell—a basic policy, an expanded policy, or a premium policy—making shopping for insurance easier.
- B. Instead of buying health insurance, employers would pay a fixed tax-deductible amount per month into an employee-directed medical savings account for use only on health care expenses
- C. The state would require all Iowans to have, at minimum, a policy for catastrophic coverage for themselves and their families, which would cost no more than \$100 per month
- D. Money individuals spend to buy their own health insurance would not be taxed, as it is now
- E. The government would help low-income individuals buy catastrophic insurance and pay medical expenses. This would replace the current Medicaid program.

(For those whose companies do not offer health insurance—AC=2,3,4 in Q.6---, ask only those items with asterisks.)

21. Some of the ideas above are based on a few basic principles. For each I mention, please tell me if you strongly agree, agree, disagree, or strongly disagree

Strongly			Strongly	Not
<u>Agree</u>	<u>Agree</u>	<u>Disagree</u>	<u>Disagree</u>	<u>Sure</u>

- A. Companies are being hurt by the cost of health insurance (**n=353**)
- B. Government programs are not doing all they could, as there are still many without health insurance in Iowa (**n=353**)
- C. My company would trade-off having fewer choices in what kind of health coverage we could buy if our costs were lower and stable (**n=1003**)
- D. Health insurance is creating a state of crisis for businesses (**n=353**)

- E. My company could expand if health insurance costs weren't a concern **(n=1003)**
- F. My company would save on employee time if buying and administering the health insurance plan weren't so time consuming **(n=1003)**
- G. My company can't plan effectively for the future when we don't know what might happen with health insurance costs **(n=1003)**
- H. When individuals have to pay for health care themselves, they are more careful than they are when insurance pays all or most of the cost **(n=353)**

(Ask Q.22 and Q.23 only if respondent agrees in Q.21e, AC=1,2.)

22. You indicated your company could expand if health insurance costs were no concern. About how many new employees might your company add with that kind of expansion?

Mean: Median: Fill in number 0-999

23. What sort of percentage increase in your annual revenue might that kind of expansion result in?

Mean: Median: Fill in number 0-99

24. We're almost to the end of the survey. I want to describe to you a change to the way health insurance is currently provided. It includes participation by individuals, employers, and the government, when needed. Of course, there are more details than I can reasonably give you, but we're interested in your first impression. At the end of the description, I'll ask whether you think the plan would be good for your business or bad for your business.

All Iowans would be responsible for having a catastrophic health insurance policy to cover major medical expenses for things like injuries from major accidents, cancer, heart disease, diabetes, and so on. The cost would be somewhere around \$100 per month for a family of four. Low-income Iowans would get help if needed.

Employers would no longer pay for health insurance, but would pay a fixed amount into each employee's medical savings account. This money would be used to pay for ordinary medical expenses, such as doctor visits, routine tests, and prescription drugs. Employers could choose to pay more, but the standard amount would be \$3,000 per year or \$250 per month per employee. Unused money rolls forward to successive years, and earns untaxed interest. The idea is to help businesses control costs and stabilize expenses, yet still provide a genuine benefit for employees.

In general, does a system like this, given time to get up and running, sound like your company would be a lot better off with a system like this, a little better off, a little worse off, or a lot worse off?

- A lot better off
- A little better off
- A little worse off
- A lot worse off
- Not sure

25. What about you personally? Under a system like this, do you think you would be a lot better off with a system like this, a little better off, a little worse off, or a lot worse off

- A lot better off
- A little better off
- A little worse off
- A lot worse off
- Not sure

These final questions are just to help us learn what cross-section of Iowa businesses we have interviewed.

101. How many employees does your company currently have?
- | | | |
|------|--------|--|
| Mean | Median | |
|------|--------|--|
- a. Fill in exact number (1-99,999) and code below
- b.
- | | |
|-----------------------|-----|
| <input type="radio"/> | One |
| <input type="radio"/> | Two |

Three to four
 Five to nine
 Ten to 19
 20 to 49
 50 to 99
 100 or more
 Refused/not sure

- 102 I'm going to mention some broad industry categories. Which one best fits your company? (Read list. Read parenthetical comments if necessary.)

Manufacturing
 Professional (law, medical)
 Retail trade
 Wholesale trade
 Finance, investments, insurance, real estate
 Construction
 Personal services (hair, cleaning, lawn, etc.)
 Business services (computer consultant, marketing, research)
 Agriculture or ag-related business
 Transportation, communications, electric, gas, or sanitary services
 Non-profit
 Other (specify)
 Refused/not sure

- 103 How many years has your company been in business?

Less than two years
 Two years up to five years
 Five years up to 10 years
 10 years or more
 Not sure

- 104 Is your company headquartered in Iowa or in another state?

In Iowa
 In another state
 In another country (VOL)
 Not sure

- 105 What is your title?

President, CEO, Chair, Owner
 Chief Financial Officer (COO), Chief Operations Officer (COO)
 Senior or Executive Vice President
 Other (specify:)
 Refused/not sure

106. Finally, can you tell me a rough figure for your annual sales revenues?
- | | | |
|------|--------|--|
| Mean | Median | |
|------|--------|--|
- a. Fill in exact number (0-99,999,999) and code below
- b.
- | |
|------------------------|
| Less than \$200,000 |
| \$200,000 to \$499,999 |
| \$500,000 to \$749,999 |
| \$750,000 to \$999,999 |
| \$1,000,000 and over |
| Refused/not sure |

Pull in from sample.

- 107 Record county from sample
- 108 Record congressional district from sample
- 109 If a researcher were to contact you, would you be willing to talk more about your responses would you prefer not?
- | |
|---------------------------|
| Yes, willing to talk more |
| No, prefer not |
- If yes, ask entire name: _____
- Verify phone number: _____
- 110 Sample Geography
- | |
|---------|
| Main |
| Adams |
| Mahaska |

*When there is a dropped base, the n is shown as the number of unweighted bodies.