

Market Probe – Pharma Division executes study of 272 physicians across the US utilizing online sampling and data collection firm, e-Rewards Market Research.

Perspectives of a Key Ally in Healthcare Reform – The Physician

Synopsis: President Barack Obama has committed to healthcare reform; the ideas and their implementation come at a price. Any kind of reform will impact health providers first and foremost, so how well do they understand these ideas, what “Universal Healthcare” means and what it brings in its wake? Do they have suggestions for improving the general state of healthcare?

Undoubtedly, one of the fiercest debates today is around the issue of healthcare – the leadership is committed to providing universal coverage in the face of rising health costs. Everyone is debating the feasibility and practicality of this idea, given at least the financial commitment it will take, to implement new reform and regulation, curb the rising costs of healthcare, bring transparency to the system and find a way, essentially, to scale the “Massachusetts Model” at the national level, to meet the ever increasing demand for healthcare and services given macro trends around an aging population and the burden of chronic disease.

The economic downturn has, of course, placed this debate into sharp focus by creating a renewed sense of urgency around finding ways to control the rising costs of healthcare.

Reform to the healthcare system will likely affect providers disproportionately and early in the process. To better understand the effects of current economic conditions on US healthcare as well as the anticipated impact of President Barack Obama’s healthcare reform goals from a provider (physicians) perspective, Market Probe Inc.[®] executed a study of 272 physicians across the US utilizing online sampling and data collection firm, e-Rewards Market Research. Physicians were recruited both through the online e-Rewards Opinion Panel as well as through direct mail sourced from the American Medical Association (AMA) database. Participants included 177 primary care physicians, 47 endocrinologists, and 48 cardiologists.¹ Data was collected May through August 2009.

We were keen to understand physician awareness and their perspectives on some core items to the healthcare agenda. We also gave them a chance to propose ways to reform healthcare.

¹ Note that question scales were asked with 7 points, and for purposes of analysis were collapsed into 3 groups – positive, negative, and unsure responses.

Summary of Findings:

Only just over half of the physicians we interviewed have high familiarity² with planned healthcare reforms³ and appear to rely on the same information sources as the general public, with respect to healthcare reform.

It appears that there is a high level of enthusiasm for healthcare reform in general, however, physicians have a somewhat unclear understanding of the details surrounding the implementation of some of these reforms and appear divided on several reform issues, including a key one – **universal coverage**. The idea has appeal, yet there is fear that implementation tactics will likely dilute the benefits suggested by the idea.

Eight out of ten physicians feel that current health care plans restrict their ability to provide optimal care to their patients. Insurance reform (malpractice, tort) is the most often cited suggestion to improve healthcare and curb costs. They have seen a rise in cash paying and Medicare/Medicaid patients in the past year, and opine this to be due to the economic climate.

As physicians will likely play a key role in implementing any changes to US healthcare policy, it will be critical to understand their opinions regarding these issues and address their concerns. Physicians understand and agree that there are problems with the current system, yet in terms of specific reforms, however, physicians are divided on the best approach.

Our study suggests that the Obama Administration would benefit from appealing directly to health care providers, who continue to be key influencers of healthcare choices made today. There is an opportunity to improve awareness of healthcare reforms in general among physicians. To develop a powerful ally in this community, it will also be important to hear their concerns, particularly around insurance reform.

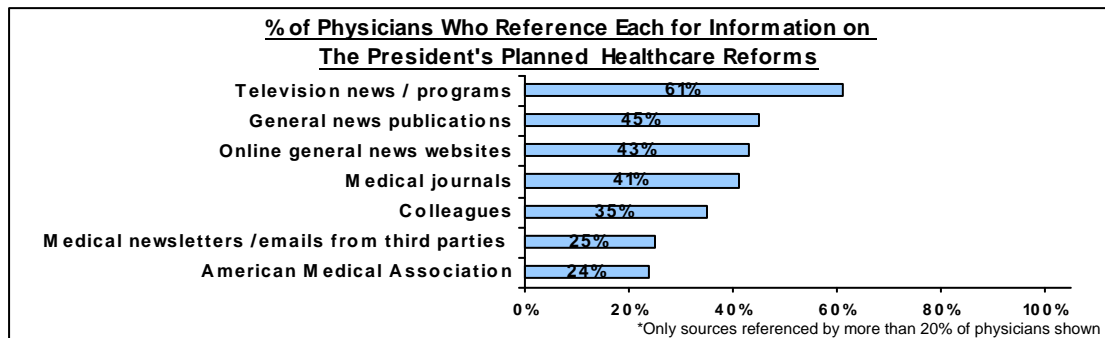
To win the support of the physician community, it is clear that the Obama Administration will need to communicate how reforms will not only help patients, but will also allow physicians to provide better care with less hassle and risk to their practice.

² Top 3 mentions on a 7-point Familiarity Scale

³ Source: <http://www.whitehouse.gov/> May-Aug 2009

Overall Findings:

Healthcare professionals receive information on healthcare reform from the same sources as the general public; only about half say they are highly familiar with the planned approach to healthcare. Thinking generally about current events and issues affecting the medical community, 84% of physicians receive much of their information from colleagues, discussing current topics with colleagues at least several times per month – this is the 2nd most frequented overall source of information after medical journals. However, specifically regarding plans for healthcare reform, physicians receive much of this information from the same sources as the general public – television news programs and general news publications (both print and online). About half of physicians (54%) state they have high familiarity with President Obama’s planned approach to reform healthcare.



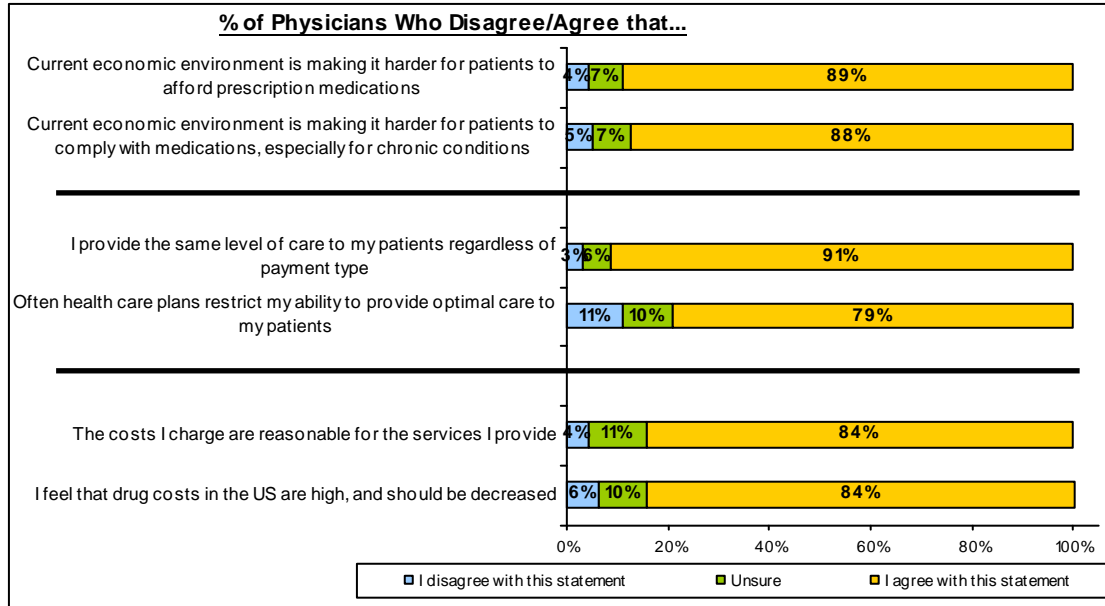
Physicians consistently cite insurance limitations, lack of coverage, and healthcare costs (including medication costs) as the primary barriers to providing quality healthcare⁴. Here are some telling verbatim comments from physicians:

- *“Decreased reimbursement, higher co-pays for patients on office visits and drugs; this translates into patients coming less frequently, not getting the lab work they need because they have to pay more on it, and forcing me to practice “Walmart medicine.”*
- *“None of my patients have any money. My diabetics can't afford to eat properly, if at all. I am losing a lot of patients because of the economics.”*
- *“Doctors have no power but have all the responsibility. We are dictated to how to practice medicine by non-physicians (Bureaucrats, Insurance CEOs, Hospital CEOs, Lawyers etc.).”*

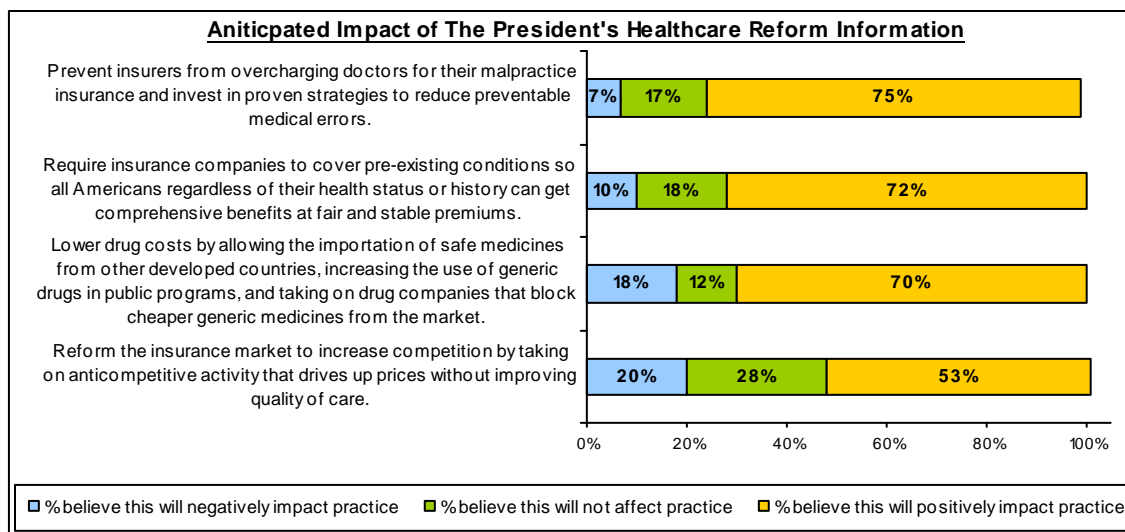
An overwhelming majority of physicians (88-89%) agree that current economic conditions make it more difficult for patients to afford prescription medication and for patients to comply with their recommendations on how to take medication, especially for chronic conditions. Compared to one year ago, 37% of physicians have seen an increase in their load of Medicare/Medicaid patients, and 35% of physicians have seen an increase in patients who pay by cash only – overall these physicians believe current economic conditions are driving these changes. Almost all physicians feel they

⁴ These are “Unaided” or unprompted mentions

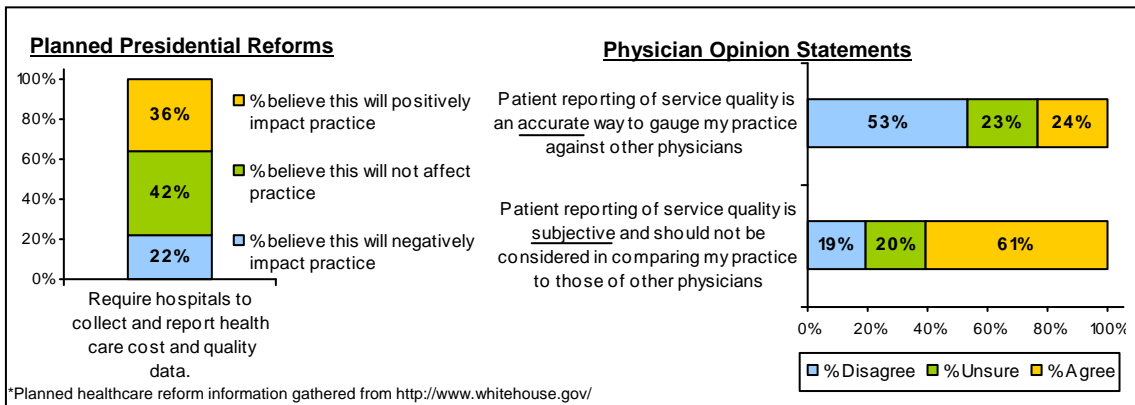
provide the same level of care to patients regardless of payment type; however, 79% feel that health care plans often restrict their ability to provide optimal care to their patients. Also, physicians feel the costs they charge for their services are reasonable, but 84% of physicians agree that drug costs are high and need to be reduced.



There is a high level of enthusiasm for healthcare reform in general among the physician community. The majority feel some of the President’s reforms will positively impact their practice, such as requiring insurance companies to cover pre-existing conditions (72%), as well as preventing insurers from overcharging doctors for malpractice insurance (75%). Also, physicians overall feel lowering drug costs and increasing the use of generic drugs in public programs will also have a positive impact (70%), and half agree that reform of insurance to increase competition will improve their practice.

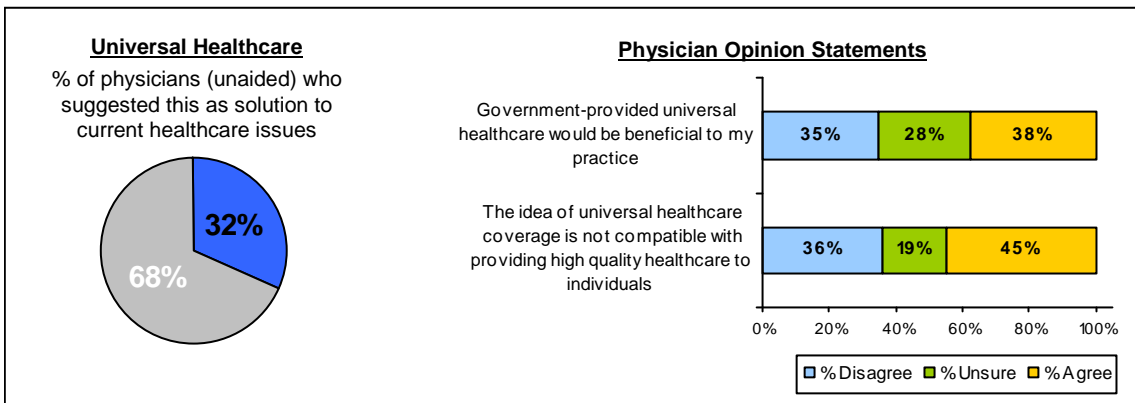


However, physicians have a somewhat unclear understanding of the details surrounding the implementation of some of these reforms. For example, one component of the planned Obama reforms includes reporting of care cost and quality data – while some physicians feel this impact will be positive, others worry this will negatively impact their practice. Half of physicians feel that patient reporting of service quality is not accurate, and 61% agree it should not be considered in comparing practices.



Also often presented for improving US healthcare is the use of electronic medical records - 51% of physicians feel the need to incentivize the adoption of Electronic Health Records suggests that the marketplace is not quite ready to adopt this technology, and 36% worry about adhering to privacy/HIPAA regulations in considering the adoption of Electronic Health Records.

Another issue where the physician community is heavily divided is the idea of universal coverage. When asked to propose unaided suggestions on reforming healthcare, 32% of physicians surveyed suggested some form of universal coverage. While 38% of physicians feel government-provided universal healthcare would be beneficial to their practice, 35% disagree; 36% worry the idea of universal healthcare coverage is not compatible with providing high quality healthcare to individuals.



Other top suggestions provided by physicians for reforming healthcare include tort and malpractice reform (25%), reducing costs (35%), particularly drug costs, and

improving reimbursement (13%), particularly for Primary Care Physicians. Some telling verbatim comments below:

- *“Malpractice Insurance premiums increases should also be controlled by the government to make sure that premiums don't go up for the physician who has never been sued”*
- *“Standardize formulary coverage for non generic drugs”*
- *“Allow us to have more time to see each patient without negatively affecting the economics of my practice”*
- *“Improve primary care reimbursements as the current inequity is not appropriate and will keep new docs out.”*

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About e-Rewards Market Research

e-Rewards Market Research, based in Dallas, TX, is a leading global online sampling and online data collection company, recognized for delivering high-quality panelists, high response rates, and industry-leading panel retention rates. With its December 2009 acquisition of and merger with Research Now Limited, the company expanded its global presence. The company now operates panels with more than 6 million panelists in 36 countries around the globe. Offering a full suite of data collection services including online sample, survey programming and hosting, and survey translations, the company serves over 2,000 clients with a multilingual staff located in 18 offices around the globe. For more information visit www.e-rewardsresearch.com or visit www.researchnow.co.uk.