

Divided We Fail

Key Findings in Iowa

Health care costs are skyrocketing and retirement savings are inadequate. The American people have said that these issues are top domestic priorities and they want answers, action, and accountability from our elected officials now.¹

By the Polls

Washington is stuck in gridlock and too dominated by special interests.

- 67% of Iowans age 18 and older believe that the political system in Washington is seriously broken.
- 62% of Iowans age 18 and older are angry about the job politicians in Washington are doing to get things done on issues of concern to the people.

But Iowans believe the system can be fixed.

- 58% believe that our health care system and Social Security can be fixed without adding to the deficit and burdening future generations.

Iowans age 18 and older want solutions for our health care system.

- 95 % support the idea that insurance companies and health care providers should provide clear explanations of health care costs so patients know how much they will be charged up front.
- 94% support the idea that health care is a basic necessity and that Americans should be able to get the health care they need when they need it.
- 90% support the need for a long-term care system that is affordable and doesn't require spending all that you have to get coverage.
- 87% support the idea that insurance companies, doctors, and hospitals should invest in information technology to improve quality of care, reduce medical errors, and control health costs.
- 85% support the idea that health care costs can be lowered if patients with multiple chronic conditions get better preventive care management.

Iowans age 18 and older believe that lifetime financial security is at the core of the American dream.

- 89% support the idea that schools should teach financial literacy to young people, beginning at a very early age.
- 88% support the idea that laws against age discrimination should be strengthened so workers 50 and older can keep working.
- 82% support the idea that tax incentives should be simplified and increased to help working families save for retirement.
- 77% support the idea that every worker should be enrolled in a savings plan, like a 401(k), so they can keep more of what they earn.²

¹ Associated Press/AOL/IPSOS Public Affairs, Conducted January 16-18, 2007.

² AARP Iowa Divided We Fail Survey March 2007.

Health Care Facts

Too many Iowans are uninsured.

- 9 % of Iowans do not have health insurance, including 12% of those ages 19-64, 6% of children, and 31% of Hispanics.³

Health care costs too much.

- Since 1980, health care expenditures in Iowa have grown an average of 7.6% per year.⁴
- The average total single premium for enrolled employees at private firms in Iowa that offer health coverage rose from \$2,191 in 1998 to \$3,270 in 2003, an increase of 49% in inflation-adjusted dollars.⁵
- The average employee contribution for health insurance rose from \$392 per year in 1998 to \$680 per year in 2003.⁶
- Over the last seven years, the average manufacturers' price of 153 common drugs increased almost 54%, more than 2 and one-half times the inflation rate.⁷

Financial Security Facts

Social Security is vital to the well-being of older Iowans.

- In 2003, one in five Iowa residents received Social Security. Two-thirds of beneficiaries are retirees; one-third of beneficiaries are widows or widowers, disabled workers, wives or husbands of workers, or children.⁸
- Social Security makes up at least half of the income for over half of Iowans age 65 and older. One-fifth of older Iowans rely on Social Security as their only source of income.⁹
- Over half (53%) of Iowa's population 65 and older (179,000) would be living in poverty if they were not receiving Social Security.¹⁰

Americans haven't saved enough to retire.

Just 23% are very confident of achieving a comfortable lifestyle in retirement.¹¹

- Only 21% believe that they are very prepared for retirement.
- Only 25% of baby boomers believe they are prepared.¹²

Only 42% of workers have actually tried to figure out how much money they will need in order to live comfortably throughout retirement.¹³

³ Health Insurance Coverage of the Total Population, states (2004-2005). statehealthfacts.org, downloaded 2/21/07. Urban Institute and Kaiser Commission on Medicaid and the Uninsured estimates based on the Census Bureau's 2005 and 2006 Current Population Survey).

⁴ Health Care Expenditures, FY 2004. National Health Expenditure Data, health expenditures by state, Centers for Medicare and Medicaid Services, Office of the Actuary, National Health Statistics Group.

⁵ Shifting Ground: Changes in Employer-Sponsored Health Insurance, a report prepared for the Robert Wood Johnson Foundation for Cover the Uninsured Week 2006 by the State Health Access Data Assistance Center, U of MN.

⁶ Ibid

⁷ AARP Rx Watchdog, March 2007.

⁸ Social Security: Iowa Quick Facts, AARP 2006.

⁹ Ibid

¹⁰ Social Security: Iowa Quick Facts, AARP 2006.

¹¹ 7th Annual Transamerica Retirement Survey 2005

¹² Allstate Retirement Reality Check Survey

¹³ 2006 Retirement Confidence Survey EBRI, April 2006.