



**Texas insurance issues**

August 25-29, 2010



**Statewide poll**

Commissioned by



# Background

- **Methodology**

- Statewide sample of 600 voters
- Interviews conducted August 25-29, 2010
- Margin of error of  $\pm 4.0\%$  for 600 cases

- **Disclosures**

- To avoid bias, particular care taken to carefully order questions and use neutral language when describing legislative proposals
- Survey commissioned by Texas Watch Foundation ([www.texaswatch.org](http://www.texaswatch.org)), a non-partisan consumer-advocacy 501(c)(3)
  - For client's internal strategic-messaging purposes, some items tested split-sample; released results reflect combined data for entire sample of 600

- **Contributors**

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- Dr. Stephen H. White, Assistant Director
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# Key findings

part 1 of 2

- **As of late August 2010, the Texas electorate...**
  - Is clearly dissatisfied with the status and direction of public life (pg. 5)
  - Expresses significant affinity with the spirit and goals of the so-called “Tea Party” protest movement (pg. 6)
  - Remains divided and uncertain in preference for either incumbent Republican Governor Rick Perry or Democratic challenger Bill White (pp. 7-9)

# Key findings

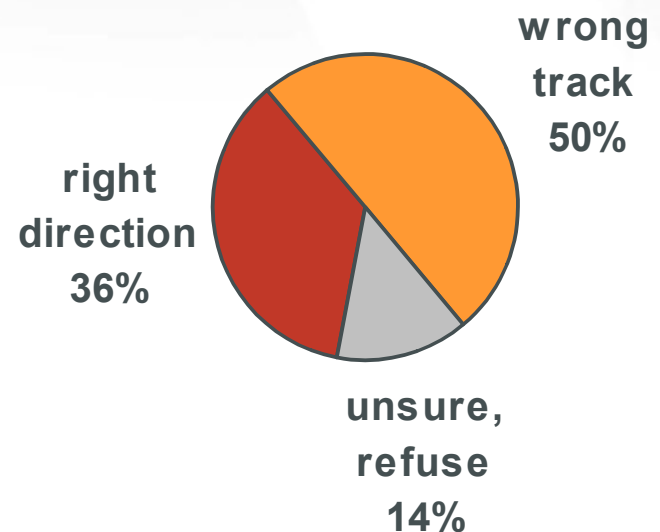
part 2 of 2

- **By significant margins and across partisan, geographic, age, gender and ideological lines, voters in Texas are...**
  - Anxious about the high cost of homeowners' insurance (pg. 10)
  - Unhappy with the perceived value of their current policies, and disappointed with the pace and effect of legislative actions to address these concerns thus far (pg. 11)
  - Broadly supportive of reform proposals such as Prior Approval (pg. 12), Fair Claims (pg. 13), Uniform Standards (pg. 14), Neutral Review (pg. 15) and Direct Election (pg. 16); overview of ballot tests (pg. 17)
  - Much more likely to back candidates for elective office that support this reform agenda (pg. 18), regardless of age/gender or region of the state (pg. 19), partisanship or affinity for the "Tea Party" (pg. 20), or whether they are currently backing Perry, White, or are presently an "undecided" voter (pg. 21)

# State of the State

- Half of all voters express dissatisfaction with the status and flow of public life in Texas as they experience and perceive it
- Unhappiness is strongest among Democrats (56% wrong track), but widely evident among Independents (52% wrong track) and Republicans (45% wrong track) as well
- Older women and rural areas are least satisfied

**Right direction vs. Wrong Track**  
“Do you feel things in your part of Texas are going in the right direction these days, or do you feel things have pretty seriously gotten off on the wrong track?”



Hill Research Consultants on behalf of Texas Watch Foundation, 600 statewide voters, August 25-29, 2010, margin of error  $\pm$  4.0%



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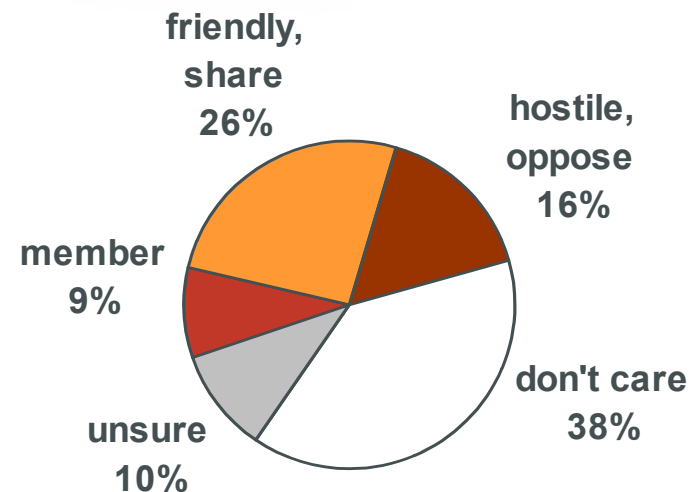
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# Tea Party Stance

- 1 in 10 voters identify as “members” of the Tea Party
- Fully 1/3<sup>rd</sup> think of themselves as at least friendly towards and sympathetic, while just half that (16%) say they are hostile towards or oppose the movement’s goals
- Nearly half (48%) of the electorate doesn’t care or is uncertain of their stance on the Tea Party agenda either way

**Participation in & Perception of Tea Party**  
*“Is any member of your household active in the so-called ‘Tea Party’ protest movement, either in person or online?”*  
[If “no,” follow-up]  
*“Thinking about the Tea Party protest movement, would you say you are friendly towards and share its goals, hostile towards and oppose its goals, or don’t care about the Tea Party movement and its goals either way?”*



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# Gubernatorial ballot test

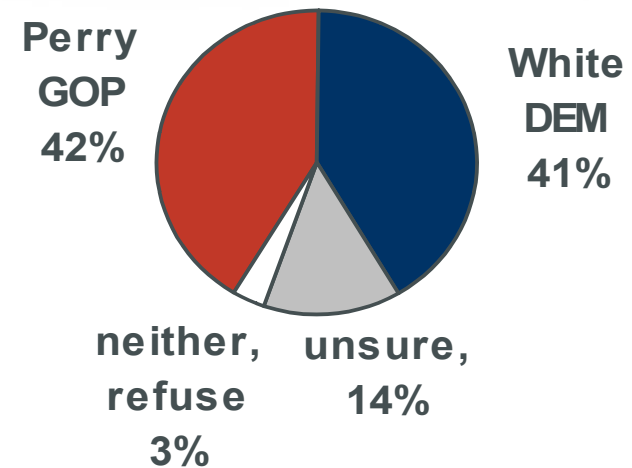
part 1 of 3

- Heading into the traditional post-Labor Day season of full-tilt campaigning, the electorate is divided and uncertain in its preference for either incumbent Republican Governor Rick Perry or Democratic challenger Bill White

- Survey methodology (i.e., live telephone interviews) and question wording intentionally allowed respondents to express uncertainty, rather than forcing a choice between candidates before Fall campaign is fully engaged

## Perry vs. White

*“Based on what you know right now, if the election for Governor of Texas was held today, and you had to make a choice, would you be voting for Republican Rick Perry OR Democrat Bill White?”*



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# Gubernatorial ballot test

part 2 of 3

Perry is doing best among older men; →  
White's clearest advantage is among older women

White is currently running strongest in →  
major metropolitan regions,  
Perry in more rural areas

	Perry	+ / -	White	other	neither	unsure
All voters	42%	+ 1	41	0	2	14
Men 18-49	42%	+ 1	41	0	3	14
Women 18-49	42%	- 1	43	0	3	13
Men 50+	49%	+ 16	33	0	2	15
Women 50+	36%	- 8	44	1	2	16
Gulf Coast	43%	- 3	46	0	2	9
Central Corridor	38%	- 9	47	1	1	13
Metroplex	42%	+ 2	40	0	2	15
Other	43%	+ 13	30	1	4	22

East, Plains & South contain greatest pockets of current Undecideds

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# Gubernatorial ballot test

part 3 of 3

Perry enjoys a slight lead among Independents, a bloc among whom 1 in 4 remain undecided

Both Perry and White are currently losing double-digit levels of their respective partisan bases

Tea Party members and sympathizers lean heavily towards Perry; those indifferent or hostile to movement favor White

Partisanship & Tea Party Stance						
<i>“Based on what you know right now, if the election for Governor of Texas was held today, and you had to make a choice, would you be voting for Republican Rick Perry OR Democrat Bill White?”</i>						
	Perry	+ / -	White	other	neither	unsure
All voters	<b>42%</b>	+ 1	<b>41</b>	0	2	14
Republicans	<b>74%</b>	+ 59	<b>15</b>	1	1	8
Independents	<b>37%</b>	+ 4	<b>33</b>	1	4	25
Democrats	<b>11%</b>	- 68	<b>79</b>	0	2	8
Tea Party (combo)	<b>76%</b>	+ 64	<b>12</b>	1	3	8
Member TP	83%	+ 73	10	2	3	3
Friendly/Support TP	74%	+ 61	13	1	2	10
Don't Care about TP	<b>30%</b>	- 20	<b>50</b>	0	3	17
Hostile/Oppose TP	<b>6%</b>	- 76	<b>82</b>	0	0	11

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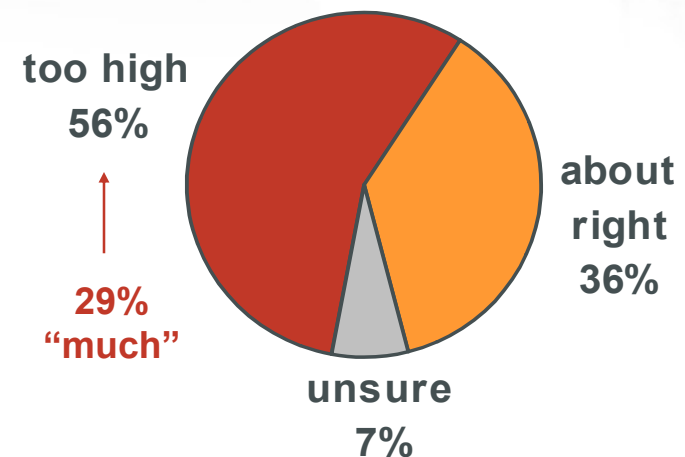


# Cost of homeowners' insurance

- Voters who own their own home express clear-cut concerns about the high costs of homeowners' insurance rates
- Almost 1/3<sup>rd</sup> express acute anxiety, saying their rates are “much” too high; no-one believes their rates are “too low”
- Sentiment is expressed across Gulf Coast region, Metroplex, and rural parts of the state; Independents and older women particularly likely to feel financially pinched

## Perceptions of cost

*“Would you personally say that the cost of homeowners' insurance in Texas these days is much too high, somewhat too high, about right, somewhat too low, or much too low?”*



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# Reforms, regulations & value

- Decisive margins and widespread consensus across the electorate

## Perceptions of reforms, regulations and value

*“Here are some opinions other Texans have expressed about homeowners insurance, which may or may not be true in your view. For each, tell me whether you agree strongly, agree somewhat, disagree somewhat, or disagree strongly with that statement.”*

ranked by percentage “agree”	strong	agree	+ / -	disagree	strong
With higher premiums, larger deductibles and expanded exclusions, it seems like we’re paying more and more for homeowners insurance these days while getting less and less in return.	54	<b>79%</b>	<b>+ 65</b>	<b>14</b>	7
Texas’ current system of regulation favors powerful insurance companies and their lobbyists over consumers and homeowners.	44	<b>69%</b>	<b>+ 49</b>	<b>20</b>	10
Politicians in Austin have promised to help homeowners for years now, but most of the so-called “reforms” they’ve passed simply benefited the insurance industry without actually lowering rates for consumers.	39	<b>65%</b>	<b>+ 43</b>	<b>22</b>	9

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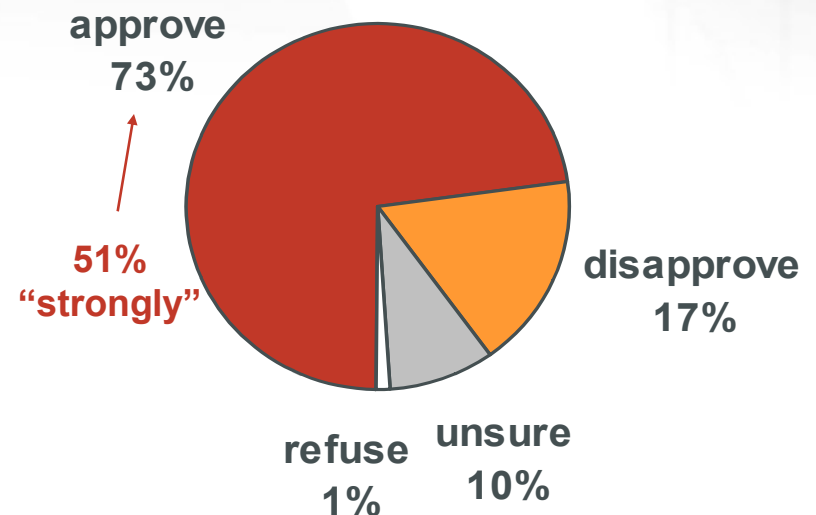
# Reform Proposal: Prior Approval ballot test

*note: measure tested “cleanly,” before any potentially biasing statements read to respondent*

- While this measure is popular across a full-range of sub-categories, support is particularly notable...
  - ... in the Central Corridor region (63% strongly approve)
  - ... among very conservative voters-- 72% approve (52% strongly) vs. 17% disapprove
  - ... with Independents (80% approve, 55% strongly)
  - ... even among homeowners who say the cost of insurance is “about right” (67% approve, 49% strongly)

## Prior Approval ballot test

*“Require insurance companies submit and justify rate increases for review by the Texas Department of Insurance before they could go in to effect, not after”*



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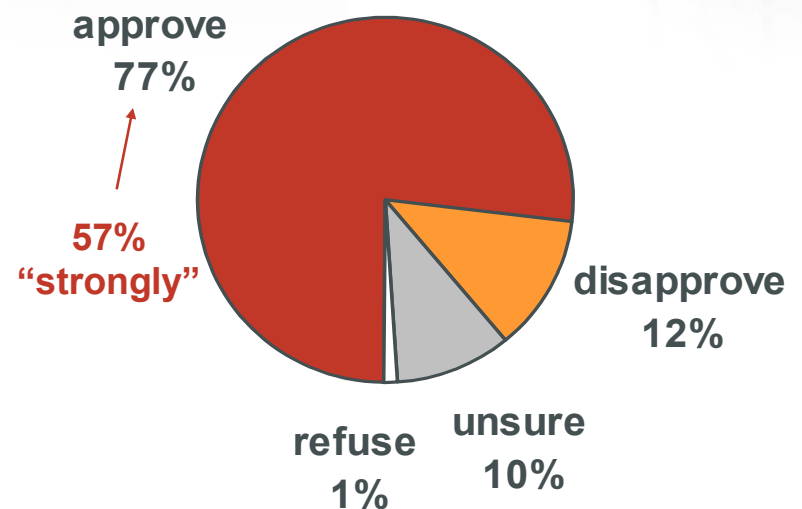
# Reform Proposal: Fair Claims ballot test

*note: measure tested “cleanly,” before any potentially biasing statements read to respondent*

- Again, measure is broadly-backed across all categories of voters
  - Most appealing in the Central Corridor (82% approve, 66% strongly), among younger women (80% approve, 64% strongly) and with older Independents (83% approve, 53% strongly)
  - Contra stereotype, measure is “even” supported by Republican men (71% approve, 42% strongly), very conservative voters (76% approve, 54% strongly) and Tea Party members/sympathizers (76% approve, 48% strongly)

## Fair Claims ballot test

*“Give consumers stronger legal remedies and enhance damages and sanctions against insurance companies that unfairly deny, delay or underpay legitimate claims”*



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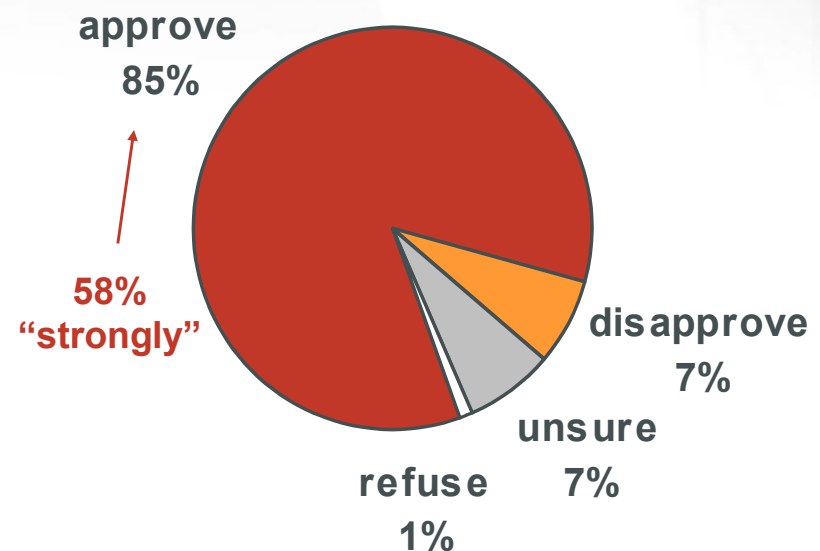
# Reform Proposal: Uniform Standards ballot test

*note: measure tested “cleanly,” before any potentially biasing statements read to respondent*

- The most popular measure tested
- Backed by nearly-unanimous margins among every demographic, partisan and ideological voting faction examined

## Uniform Standards ballot test

*“Require insurance companies offer a few standard policies written in plain language that would be consistent across the industry”*



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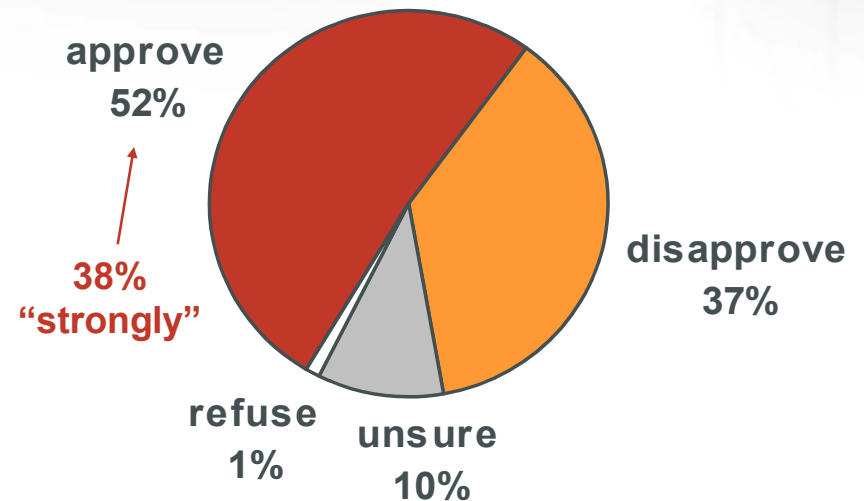
# Reform Proposal: Neutral Review ballot test

*note: measure tested “cleanly,” before any potentially biasing statements read to respondent*

- Still garnering majority support, albeit narrower in relation to other reform measures tested
  - Approval strongest in Metroplex (59%), among minorities (58%), younger women (48%) and moderates (46%)
  - Disapproval strongest among older men (41%), strong conservatives (47%) and those with homes valued above \$200k (46%)
  - Opinion dynamic likely reflects reaction to foreclosure crisis, with many voters likely faulting low standards and lax reviews of consumer credit-worthiness

## Neutral Review ballot test

*“Prohibit insurance companies from using a person’s credit rating when deciding whether to charge higher prices or deny coverage”*



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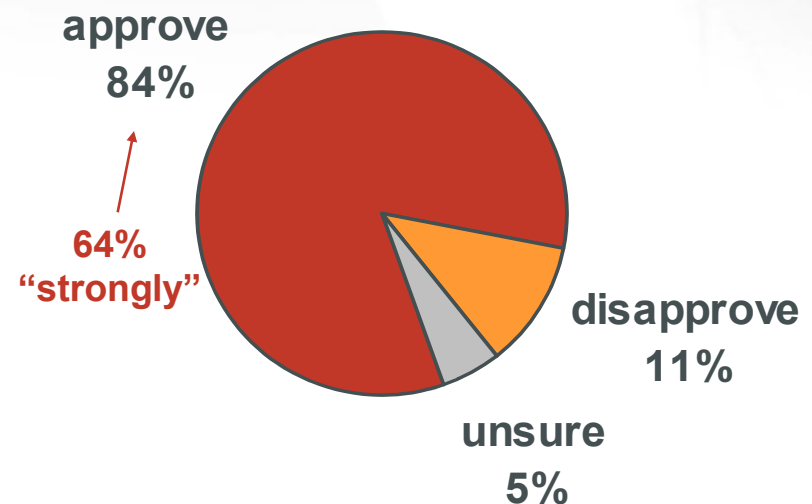


# Reform Proposal: Direct Election ballot test

*note: measure tested "cleanly," before any potentially biasing statements read to respondent*

- Larger opinion climate of populist distrust of government and desire for greater accountability is reflected in overwhelming support for making Insurance Commissioner a publicly-elected position rather than an appointed one
- Male and female; young and old; Republicans, Democrats, and Independents; conservatives, moderates and liberals--all back this proposal whole-heartedly

**Direct Election ballot test**  
*"Make the Insurance Commissioner a state-wide elected position chosen by voters, rather than appointed by the Governor"*



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# Overview of reform proposal ballot tests

*note: measures tested “cleanly,” before any potentially biasing statements read to respondent*

ranked by percentage “approve”	strong	<b>approve</b>	+ / -	<b>disapprove</b>	strong
UNIFORM STANDARDS: Require insurance companies offer a few standard policies written in plain language that would be consistent across the industry	58	<b>85%</b>	+ 78	<b>7</b>	2
DIRECT ELECTION: Make the Insurance Commissioner a state-wide elected position chosen by voters, rather than appointed by the Governor	64	<b>84%</b>	+ 73	<b>11</b>	7
FAIR CLAIMS: Give consumers stronger legal remedies and enhance damages and sanctions against insurance companies that unfairly deny, delay or underpay legitimate claims	57	<b>77%</b>	+ 65	<b>12</b>	8
PRIOR APPROVAL: Require insurance companies submit and justify rate increases for review by the Texas Department of Insurance before they could go in to effect, not after	51	<b>73%</b>	+ 56	<b>17</b>	8
NEUTRAL REVIEW: Prohibit insurance companies from using a person’s credit rating when deciding whether to charge higher prices or deny coverage	38	<b>52%</b>	+ 15	<b>37</b>	25

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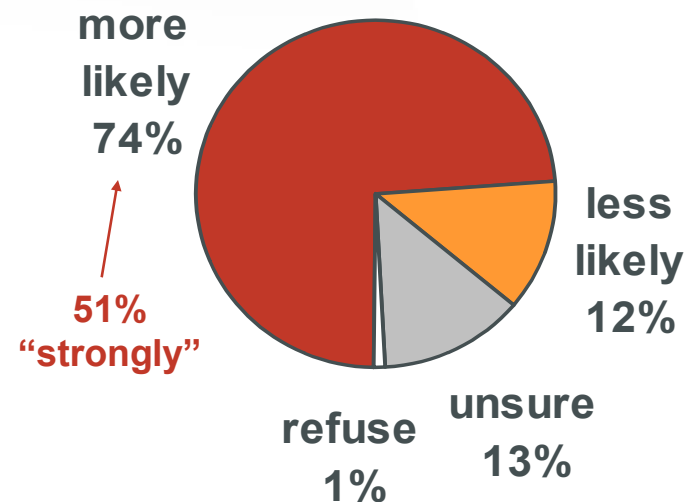
# Impact of supporting reforms on voting preference

part 1 of 4

- Prominently embracing a homeowners' insurance reform agenda is a simple, direct and powerful way both Perry and White can appeal to voters...
  - ... in every part of the state
  - ... from all demographic backgrounds;
  - ... regardless of partisan affiliation;
  - ... and across the ideological spectrum

## Impact on voting preference

*"And in terms of elected officials and candidates running for office in Texas... would you personally be more likely to vote for them or less likely to vote for them if they supported insurance reforms like prior approval, direct election, neutral review, uniform standards and fair claims?"*



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# Impact supporting reforms on voting preference

part 2 of 4

**Championing reform proposals is a political winner among all age/gender demographic groups, and in every region of the state**

## Impact on voting preference

*“And in terms of elected officials and candidates running for office in Texas... would you personally be more likely to vote for them or less likely to vote for them if they supported insurance reforms like prior approval, direct election, neutral review, uniform standards and fair claims? {Follow-up} And do you feel strongly about that?”*

	strong	some	<b>MORE</b>	+ / -	<b>LESS</b>	some	strong
All voters	51	23	<b>74%</b>	+ 62	<b>12</b>	7	5
Men 18-49	46	33	<b>79%</b>	+ 65	<b>14</b>	6	7
Women 18-49	51	21	<b>71%</b>	+ 61	<b>10</b>	10	0
Men 50+	54	24	<b>78%</b>	+ 66	<b>12</b>	6	7
Women 50+	53	17	<b>70%</b>	+ 58	<b>12</b>	6	6
Gulf Coast	52	24	<b>76%</b>	+ 65	<b>11</b>	6	5
Central Corridor	46	26	<b>72%</b>	+ 58	<b>14</b>	10	4
Metroplex	57	19	<b>76%</b>	+ 64	<b>12</b>	7	5
Other	49	23	<b>71%</b>	+ 60	<b>11</b>	6	5

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# Impact of supporting reforms on voting preference

part 3 of 4

Championing reform proposals is a political winner across partisan and ideological/“Tea Party” lines

## Impact on voting preference

“And in terms of elected officials and candidates running for office in Texas... would you personally be more likely to vote for them or less likely to vote for them if they supported insurance reforms like prior approval, direct election, neutral review, uniform standards and fair claims? [Follow-up] And do you feel strongly about that?”

	strong	some	<b>MORE</b>	+ / -	<b>LESS</b>	some	strong
All voters	51	23	<b>74%</b>	+ 62	<b>12</b>	7	5
Republicans	43	27	<b>69%</b>	+ 54	<b>15</b>	10	5
Independents	55	23	<b>78%</b>	+ 72	<b>6</b>	4	2
Democrats	62	18	<b>80%</b>	+ 67	<b>13</b>	6	7
Tea Party (combo)	45	25	<b>70%</b>	+ 55	<b>15</b>	8	7
Member TP	51	31	<b>82%</b>	+ 72	10	0	10
Friendly/Support TP	43	22	<b>66%</b>	+ 49	17	12	5
Don't Care about TP	53	26	<b>79%</b>	+ 67	<b>12</b>	7	5
Hostile/Oppose TP	75	8	<b>84%</b>	+ 78	<b>6</b>	4	2

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# Impact of supporting reforms on voting preference

part 4 of 4

Championing reform proposals is a political winner among both Perry's and White's political bases, and offers both candidates an opportunity to attract significant support among undecided voters

## Impact on voting preference

*“And in terms of elected officials and candidates running for office in Texas... would you personally be more likely to vote for them or less likely to vote for them if they supported insurance reforms like prior approval, direct election, neutral review, uniform standards and fair claims? [Follow-up] And do you feel strongly about that?”*

	strong	some	<b>MORE</b>	+ / -	<b>LESS</b>	some	strong
All voters	51	23	<b>74%</b>	+ 62	<b>12</b>	7	5
Voting for Perry	42	29	<b>71%</b>	+ 56	<b>15</b>	10	4
Voting for White	64	18	<b>81%</b>	+ 71	<b>10</b>	6	5
Undecided Voters	42	24	<b>66%</b>	+ 58	<b>8</b>	3	5

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