



ACCESS AND AFFORDABILITY: HOW KENTUCKY ADULTS EXPERIENCE THE HEALTH SYSTEM

Lynn Quincy, Director

Aug 23, 2018

@LynnQuincy, @HealthValueHub, #AffordableCareNow

Altarum

A 450 employee, non-profit health services research organization that creates and implements solutions to advance health among vulnerable and publicly insured populations.





What is the Healthcare Value Hub?

With support from the Robert Wood Johnson Foundation:

- We monitor, synthesize, translate and disseminate evidence about interventions intended to improve value for our healthcare dollar.
- We support and connect consumer advocates across the U.S., providing comprehensive fact-based information to help them advocate for change, and networking them to researchers and other resources.

A High-Value Health System....



- ...delivers care that is equitable, affordable, and patient-centered.
- This system allocates resources wisely and delivers uniformly high health outcomes.

We Don't Have a High Value Healthcare System



High and rising
prices, plus
unwarranted
variation

**HEALTH
CARE
PRICES**



Unacceptable
variation in
healthcare quality

**QUALITY
UNEVEN**



Too little cost
and quality
transparency

**NO
TRANSPARENCY**

How Consumers Experience Affordability Problems



Going without
coverage due to:

**HIGH
PREMIUMS**



Delaying or
foregoing care
due to concerns
about:

**HEALTH
COSTS**





Getting care but
struggling to pay
resulting:

**MEDICAL
BILLS**

New Poll of Kentucky Adults





DATA BRIEF NO. 7 | MAY 2018

Kentucky Residents Struggle to Afford High Healthcare Costs; Express Bipartisan Support for a Range of Government Solutions

Nationally, consumer worry about healthcare affordability is well documented but now—for the first time—a new survey reveals how affordability concerns and ideas for action play out in Kentucky. A survey of more than 900 Kentucky adults conducted from Feb. 7-Feb. 23, 2018, found that:

- 72% experienced healthcare affordability burdens in the past year;
- even more are worried about affording healthcare in the future; and
- many express strong bipartisan support for policymakers to address these problems.

AFFORDABILITY BURDENS TAKE MANY FORMS

All told, a shocking 72% of adults in Kentucky experienced one or more of the following healthcare affordability problems.

BEING UNINSURED DUE TO HIGH PREMIUM COSTS

- 12% of Kentucky adults were uninsured all or part of the prior 12 months
- 67% of them cite “too expensive” as the major reason for not having coverage.

DELAYING OR FOREGOING HEALTHCARE DUE TO COST

More than half (55%) of Kentucky adults who needed healthcare during the year encountered one or more cost related barriers to getting that care. In descending order of frequency, they report:

- 39%—Delayed going to the doctor or having a procedure done
- 33%—Avoiding going altogether to the doctor or having a procedure done
- 30%—Skipped a recommended medical test or treatment
- 29%—Did not fill a prescription
- 23%—Cut pills in half or skipped doses of medicine
- 11%—Had problems getting mental healthcare

Moreover, cost was far and away the most frequently cited reason for not getting medical care, exceeding other barriers, like transportation, difficulty getting an appointment, or lack of childcare.

Of the various types of medical bills, the ones most frequently associated with an affordability barrier were dental care, doctor bills and prescription drugs, likely reflecting the frequency with which Kentucky adults seek these services—or, in the case of dental, lower rates of coverage for these services.

Results from Altarum's Consumer Healthcare Experience State Survey

Altarum's Consumer Healthcare Experience State Survey (CHESS):

- ▲ designed to elicit respondents' unbiased views on a wide range of health system issues
- ▲ uses a web panel from *SSI Research Now* of ~1,000 Kentuckians 18 and older
- ▲ fielded Feb. 7-Feb. 23, 2018
- ▲ English language only

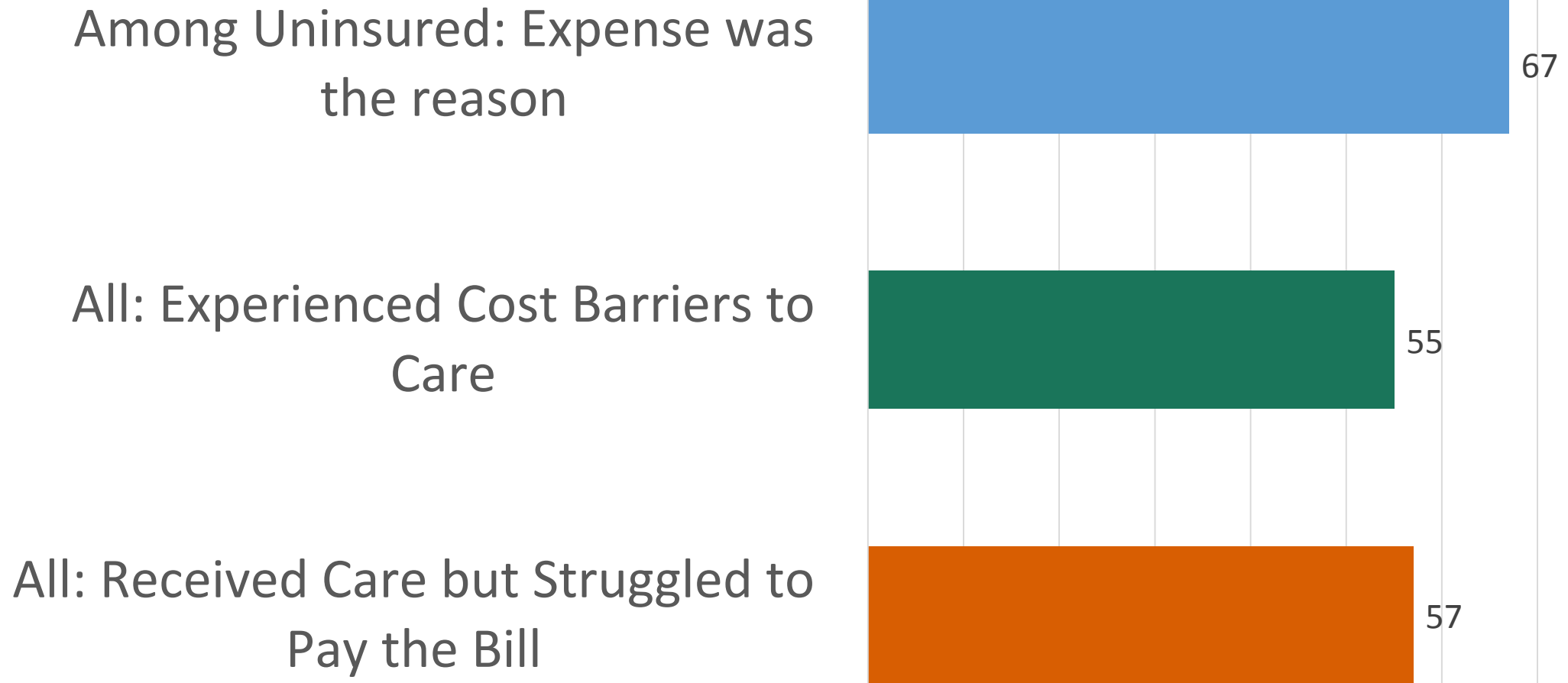
More Methodology and demographics available at:
HealthcareValueHub.org/KY-2018-Healthcare-Poll

High Healthcare Affordability Burdens in Kentucky



72% of respondents had one or
more healthcare affordability
burdens

Types of Affordability Burdens: *Percent of Kentucky Adults*



Cost Barrier to Care: Detail



- ▲ **40%** - Delayed going to the doctor/having a procedure done
- ▲ **33%** - Avoiding going to doctor/having procedure done
- ▲ **31%** - Skipped recommended medical test or treatment
- ▲ **30%** - Did not filled a prescription
- ▲ **23%** - Cut pills in half/skipped doses of medicine
- ▲ **12%** - Had problems getting mental health care

Cost the most common reason for delaying/foregoing medical care



	Percent Citing this Barrier to Care
Costs too much	27
Was taking care of it myself/home remedies	17
Could not get an appointment	17
Could not get off work	15
Not covered by insurance	15
Too nervous or afraid	14



2018 Poll of Kentucky Adults Struggled to Pay Medical Bills:



- ▲ **25%** - contacted by a collection agency
- ▲ **20%** - used up all or most of their savings
- ▲ **13%** - placed on a long-term payment plan
- ▲ **12%** - unable to pay for basic necessities (food, heat, or housing)
- ▲ **12%** - racked up large amounts of credit card debt
- ▲ **9%** - borrowed money/got a loan/another mortgage on home

\$12,596 ER Bill that Insurance Didn't Pay



- ▲ Brittany Cloyd went to ER after a night of fever and increasing pain on right side.
- ▲ After tests, determined Cloyd had ovarian cysts, not appendicitis.
- ▲ Insurer denied coverage: emergency room visit was “inappropriate”



High Levels of Healthcare Worry in Kentucky



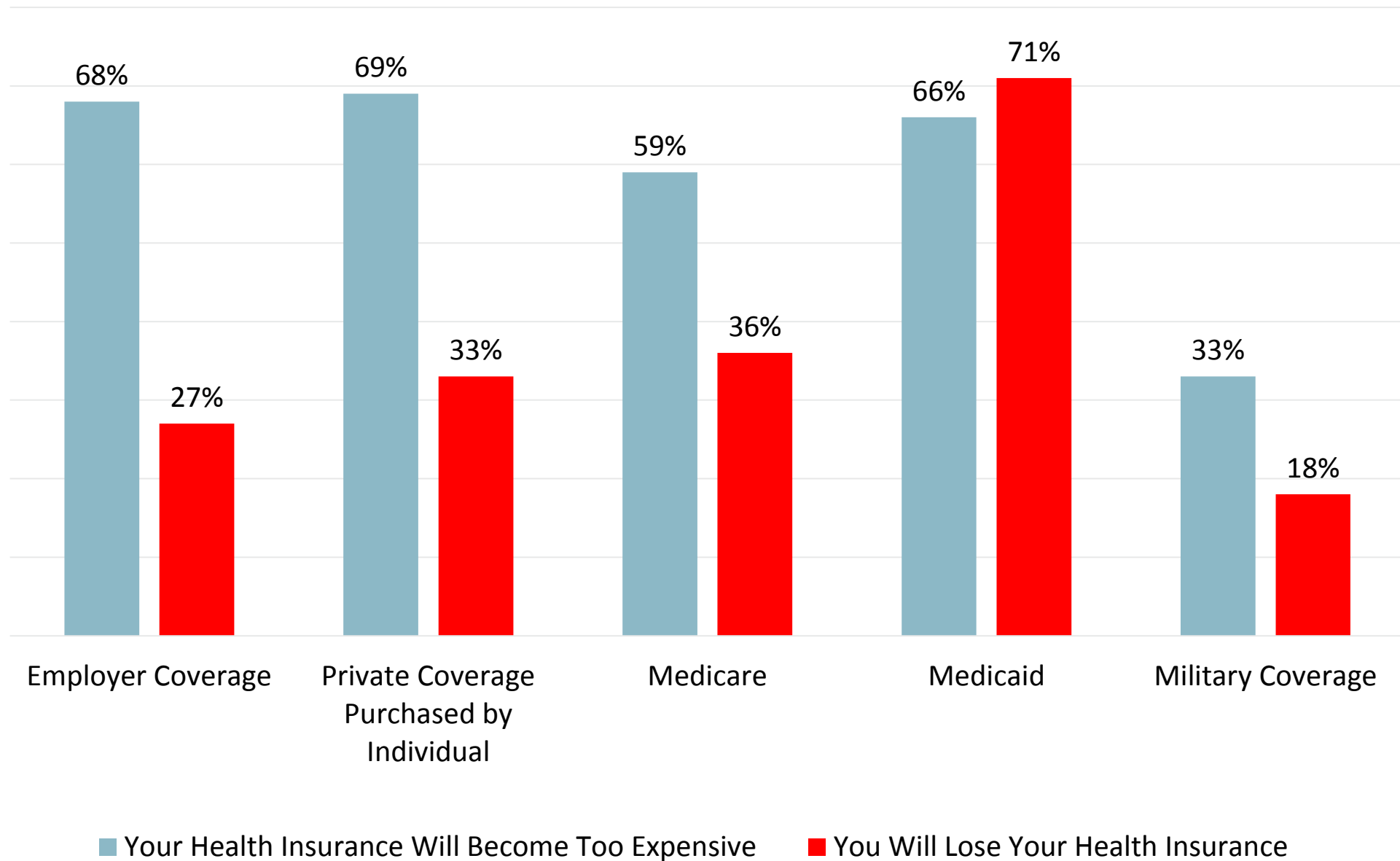
2018 Poll of Kentucky Adults

High Levels of Worry: Unable to afford...



- 71% - Medical costs when elderly
- 69% - Cost of a serious illness or accident
- 59% - Prescription drug costs

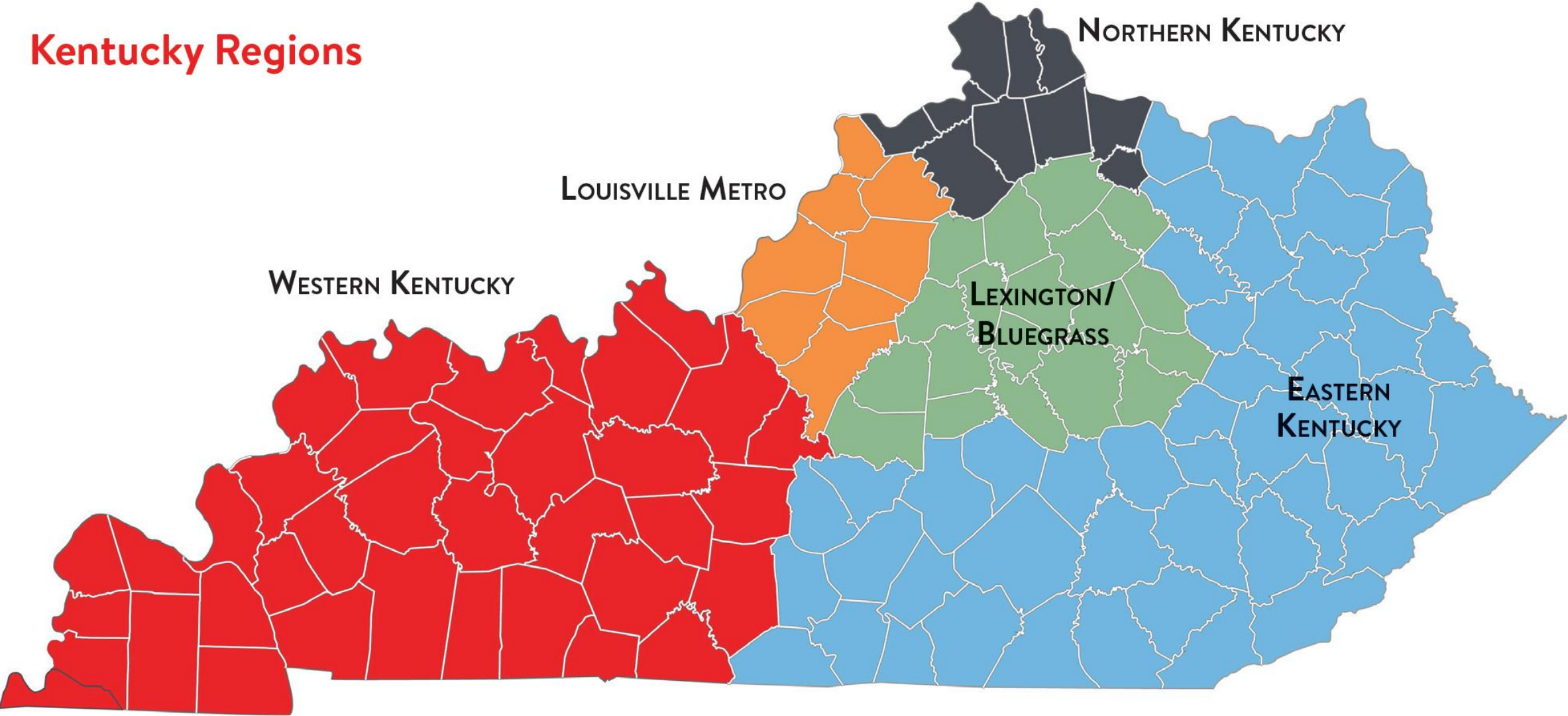
Somewhat or Very Worried About Health Insurance



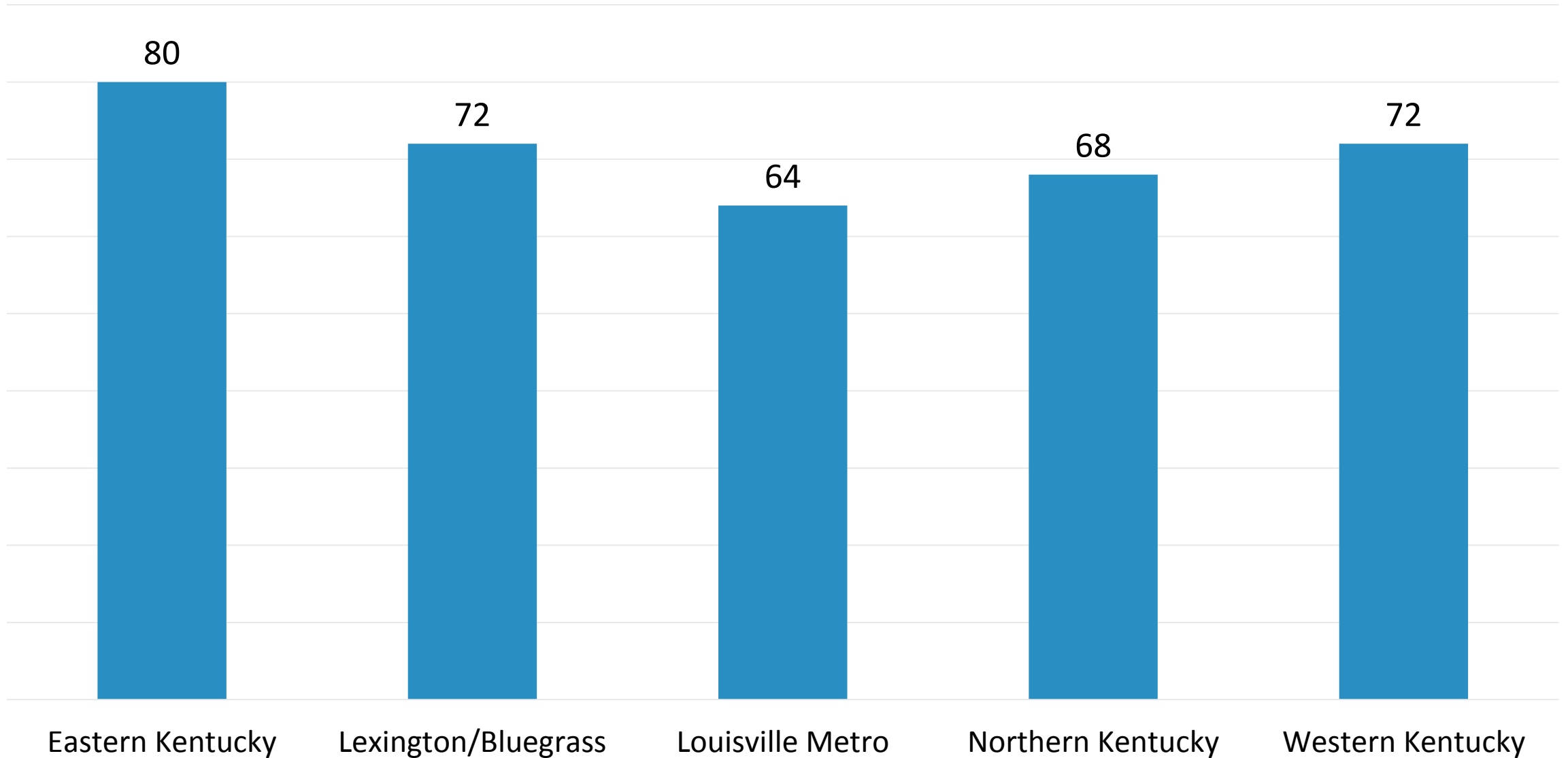
Regional Differences



Kentucky Regions



Percent of KY Adults With Any Affordability Burden in Past Year



Bipartisan Support for Change



2018 Poll of Kentucky Adults: Views on the Health System



Percent who <i>Agree</i> or <i>Strongly Agree</i> :	Total	Generally speaking, do you think of yourself as...		
		Republican	Democrat	Neither
We have a great health care system in the US	19%	25%	16%	17%
The US health care system needs to change	74%	75%	78%	69%

2018 Poll of Kentucky Adults: A “Major Reason” for High Costs



	Total	Generally speaking, do you think of yourself as...		
		Republican	Democrat	Neither
Drug companies charging too much money	81%	79%	84%	79%
Hospitals charging too much money	74%	73%	75%	74%
Insurance companies charging too much money	72%	70%	76%	70%
Well-known or large hospitals/ doctor groups use their influence to get higher payments from insurance companies	61%	61%	60%	64%

2018 Poll of Kentucky Adults: Support for Specific Changes



Percent who <i>Agree</i> or <i>Strongly Agree</i> :	Total	Generally speaking, do you think of yourself as...		
		Republican	Democrat	Neither
Make it easy to switch health plans if health plan drops			96%	92%
Show what a fair price is for a specific procedure			94%	93%
Require insurers to provide cost estimates to consumers	95%	94%	95%	90%
Authorize the Attorney General to prevent price gouging or unfair prescription drug price hikes	93%	91%	96%	91%

#WeAgree

Other strategies that garnered 90% or more support



- ▲ Require drug companies to provide advanced notice of price increases and information to justify those increases
- ▲ Require hospitals and doctors to provide up front patient cost estimates
- ▲ Prohibit drug companies from charging more in US than abroad
- ▲ Set standard payment to hospitals for specific procedures
- ▲ Set standard prices for drugs to make them affordable

What's the
bottom line?

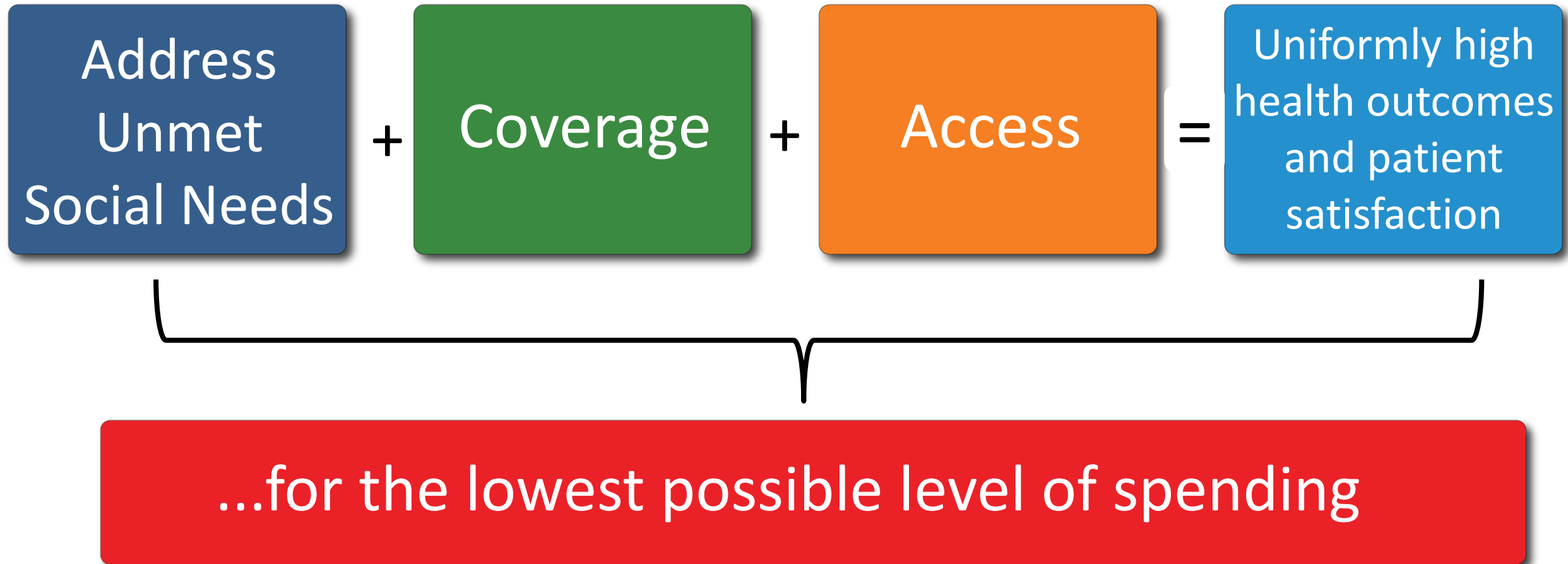


Take-aways



- ▲ High levels of burden; high levels of healthcare worry among Kentucky adults
- ▲ High levels of support for change - across party lines
- ▲ Asking detailed questions paints a more vivid and actionable picture of how Kentuckians are faring

Creating a high-value health system:



Coverage and Healthcare Value are Intertwined



- ▲ Coverage is the top factor in improving access to care, coordination of care and quality outcomes.
- ▲ Better healthcare value is essential to sustaining coverage gains.
- ▲ Reforms designed to produce better healthcare value (provider payment reform, etc.) rely on a population with coverage. Otherwise, payers and regulators cannot steer the ship.

Hub Resources



ALTARUM
HEALTHCARE VALUE HUB

DATA BRIEF NO. 13 | AUGUST 2018

Many Privately-Insured Kentuckians Receive Unexpected Medical Bills; Nearly One-Quarter Unhappy with Resolution, may not Understand Options for Assistance

Unexpected medical bills are surprisingly common. They can take many forms, from charges higher than expected, to bills from unexpected doctors, to bills from out-of-network providers when patients thought they were in-network. States around the nation are taking a close look at these issues, particularly where patients received an unexpected bill from an out-of-network provider through no fault of their own.

A 2018 survey of Kentucky adults examined show prevalent these experiences are in the Commonwealth. Respondents reported receiving unexpected bills regardless of insurance status. This analysis focuses on the respondents with private insurance (about 500 responses). Compared to adults with Medicare, Medicaid, Tri-care or Veterans Health, consumers with private insurance have fewer protections against high and unexpected out-of-pocket costs.

NEARLY ONE-THIRD OF PRIVATELY-INSURED KENTUCKY ADULTS RECEIVED AN UNEXPECTED MEDICAL BILL. Surprise medical bills are very common. Altogether, 32% of privately-insured Kentucky adults reported receiving a medical bill that included an unexpected expense in the prior 12 months. Unexpected bills included:

- 23%—the amount charged was higher than expected
- 10%—a bill from a doctor they didn't expect

Smaller numbers reported being charged out-of-network rates when they thought the doctor was in-network (3%); being charged for services they did not receive (2%) or experiencing something else unexpected (4%). The prevalence of unexpected bills aligns with similar surveys of privately-insured adults.¹

KENTUCKIANS TRIED A NUMBER OF STRATEGIES TO ADDRESS THE SURPRISE BILL BUT WERE OFTEN NOT SATISFIED WITH THE RESOLUTION. Fifty-five percent of privately-insured Kentuckians who received a surprise bill tried to resolve the bill before paying it. As a first step, 38% contacted their insurance plan and 31% contacted the doctor, hospital or lab to resolve their unexpected medical bill (see Table 1).

Table 1: First Step After Receipt of Unexpected Medical Bill

Contacted the health plan or consulted insurance policy/provider directory	38%
Contacted doctor, hospital or lab	31%
Payed the bill without disputing it	20%
Asked a friend or family member for help	3%

Source: 2018 Poll of Kentucky Adults, Ages 18+, privately insured who received an unexpected medical bill, Altarum Healthcare Value Hub, Altarum's Consumer Healthcare Experience State Survey

Results from Altarum's Consumer Healthcare Experience State Survey

- *Easy Explainers* – short 2 pagers
- *Research Briefs* – longer reports that navigate the research and discuss consumer considerations
- *Interactive Infographics* - an overview of value strategies, cost drivers, consumer harm, etc.
- State news pages focused on healthcare value
- Recommendations for experts

All available at: **HealthcareValueHub.org**



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State News

Kentucky

*Since 2013, Kentucky has seen a 37 percent increase in the use of preventive care services that residents need to stay healthy and avoid chronic illness. After expanding the Medicaid program in Kentucky, the state increased focus on improving public health through the state's **KYHealthNow** initiative to track the progress of healthcare reforms and advance the well being of Kentucky's citizens. The state's uninsured rate dropped by almost half in 2014 alone, from 14.3 percent to 8.5 percent—the largest decrease in the country.*

After winning the 2015 election, Governor Matt Bevin has focused primarily on modifying the Medicaid expansion with a waiver from the federal government.

Kentucky | February 14, 2018 | News Story

Bevin's Medicaid Changes Actually Mean Kentucky will Pay More to Provide Health Care



Your Questions?

Thank you!



Contact Lynn Quincy at **lynn.quincy@Altarum.org** with your follow-up questions.

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