



NEWS RELEASE

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For further information, contact:
Mary Mahon: (212) 606-3853, mm@cmwf.org
Bethanne Fox: (301) 448-7411, bf@cmwf.org
Twitter: [@commonwealthfund](https://twitter.com/commonwealthfund)

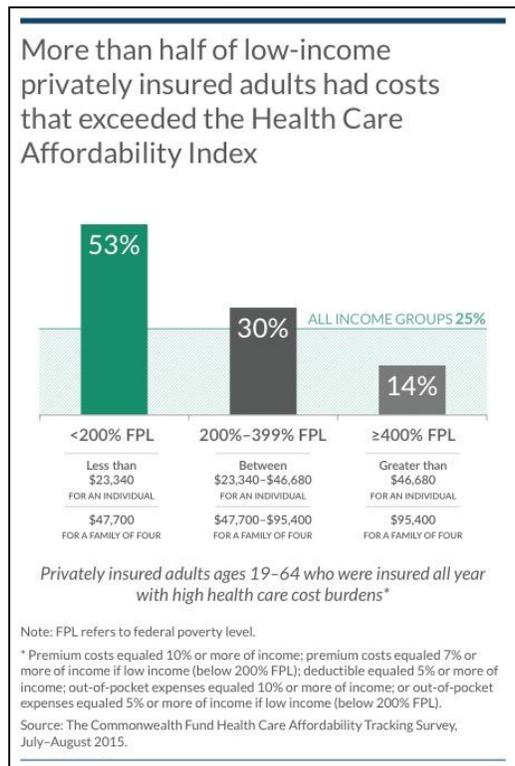
**COMMONWEALTH FUND HEALTH CARE AFFORDABILITY INDEX
FINDS COSTS UNAFFORDABLE FOR A QUARTER OF WORKING-AGE
ADULTS WITH PRIVATE HEALTH INSURANCE**

New Survey Finds Some Privately Insured Adults Are Skipping Needed Health Care and Prescriptions

New York, NY, November 20, 2015—Health care costs are unaffordable for 25 percent of privately insured working-age adults, according to the Commonwealth Fund Health Care Affordability Index. The new index identifies 30 percent of people with moderate incomes and 53 percent with low incomes as having unaffordable health care costs. People with exposure to high health care costs relative to their incomes were the most likely to skip needed health care and not fill prescriptions.

The new index was released today in the report, *How High Is America’s Health Care Cost Burden?* Based on an annual Commonwealth Fund survey of U.S. adults’ health costs, it measures premiums, deductibles, and out-of-pocket spending as a share of income for a population of insured people, made up primarily of people with employer coverage (90%), but also including people in marketplace plans (6%) and with individual coverage (5%). A detailed description of the index and how it defines affordability, can be found in the methods description at the end of the press release. The Commonwealth Fund will update the index regularly.

“Consumers feel the effect of health care costs every time they pay their premiums or reach into their pockets



at the doctor’s office,” said lead author Sara Collins, Vice President for Health Care Coverage and Access at The Commonwealth Fund. “Our index looks at how working-age adults are spending money on health care, using a fairly conservative measure of affordability to highlight how many people have costs that likely make it difficult to afford other necessities like food and housing.”

Can People Afford Their Premiums, Deductibles, and Copays?

According to the report, high deductibles are a major reason people struggle to afford health care—43 percent of all of those surveyed and 51 percent of low- and moderate-income people said their deductible is difficult or impossible to afford.

The report finds that some respondents’ perceive their cost burdens to be higher than what the affordability index shows. According to the researchers, such perceptions are important because they affect how people use their health plans to get care.

Most people find premiums and copayments or coinsurance somewhat easier to afford than deductibles. Still, 34 percent of low-income adults (an individual making less than \$23,340 a year) reported difficulty affording their copayments and coinsurance.

Going Without Needed Health Care

The report finds that having high health care costs, particularly high deductibles, or a low income often means going without care.

- Forty percent of people with high deductibles relative to their incomes said they had not gone to the doctor when they were sick, had not gotten a preventive care test, skipped a recommended follow-up test, or had not gotten specialist care they needed because of their deductible.
- Thirty-nine percent of low-income adults said that because of copayments or coinsurance, they did not fill a prescription or go to the doctor when they were sick, skipped a medical test or follow-up visit, or did not see a specialist when they or their doctor said they needed one.

“More Americans than ever have health insurance, but these findings show that too many people with all types of coverage aren’t getting care because of high costs,” said Commonwealth Fund president David Blumenthal, M.D. “As the Affordable Care Act moves into its next phase, when it will focus on improving quality of care and keeping costs down, policies to mitigate cost burdens for families may also be needed.”

Additional Survey Findings

- Nearly two of five (37%) of adults said they were not aware or did not know whether their health plan covered preventive services with no out-of-pocket costs, as required by the Affordable Care Act. About half (49%) of low-income adults said they were not aware that preventive care was fully covered.
- A quarter (26%) of people who had been billed for services their insurer wouldn’t cover said it was because the doctor was out-of-network.

The full report will be available at: <http://www.commonwealthfund.org/publications/issue-briefs/2015/nov/how-high-health-care-burden> when the embargo lifts.

The Commonwealth Fund Health Care Affordability Index Explained

Our index is a composite measure that assesses the percent of adults ages 19–64 who were insured all year with either employer, individual, or marketplace coverage and had

High premium costs

*Premium costs were 10% or more of income or 7% or more if low income**

OR

High deductible costs

Deductible equals 5% or more of income

OR

High out-of-pocket costs**

*Out-of-pocket costs were 10% or more of income or 5% or more if low-income**

* Below 200% of the federal poverty level, less than \$23,340 for an individual or less than \$47,700 for a family of four.

** Does not include premiums.

Source: S. R. Collins, M. Gunja, M. M. Doty, and S. Beutel, *How High Is America's Health Care Cost Burden? Findings from the Commonwealth Fund Health Care Affordability Tracking Survey, July–August 2015*, Nov. 2015.

METHODS

The Commonwealth Fund Health Care Affordability Tracking Survey, July–August 2015, was conducted by SSRS from July 15 to August 9, 2015 as a part of SSRS’s weekly nationally representative omnibus survey. The survey consisted of a 15-minute telephone interviews in English or Spanish and was conducted among a random nationally representative sample of 2,762 adults ages 19 to 64 living in the continental United States. Overall 1,060 interviews were conducted with respondents on landline telephones and 1,702 interviews were conducted on cellular phones, including 1,116 with respondents who live in households with no landline telephone access. This is the second wave of the Affordability Tracking Survey. The first wave was conducted in September 10–October 5, 2014. The analysis in this issue brief focuses on 1,687 adults who were insured continuously for the prior 12 months with private coverage, either through an employer, the Affordable Care Act’s marketplaces, or the individual market. The majority of the sample is comprised of people in employer-based plans.

The data are weighted to adjust for the fact that not all survey respondents were selected with the same probabilities, the overlapping landline and cellular phone samples, and disproportionate nonresponse that might bias results. Data are weighted to the U.S. 19-to-64 adult population by age, race, gender, region, marital status, education, and population density, based on the U.S. Census Bureau’s 2014 March Supplement to the Current Population Survey and household telephone use using the CDC’s National Health Interview Survey. The resulting weighted sample is representative of the approximately 190.7 million U.S. adults ages 19 to 64.

The survey has an overall margin of sampling error of ± 2.1 percentage points at the 95 percent confidence level. The landline portion of the survey achieved a 10 percent response rate and the cellular phone sample achieved a 5.5 percent response rate. The overall response rate was 6.9 percent.

The Commonwealth Fund is a private foundation supporting independent research on health policy reform and a high performance health system.