



Minnesota Residents Struggle to Afford High Healthcare Costs; Support a Range of Government Solutions Across Party Lines

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 Minnesota.¹

A survey of more than 930 Minnesota adults conducted from Dec. 20, 2018 to Jan. 2, 2019, found that:

- Nearly half experienced healthcare affordability burdens in the past year;
- Even more are worried about affording healthcare in the future; and
- Across party lines, they express strong support for policymakers to address these problems.

A RANGE OF HEALTHCARE AFFORDABILITY BURDENS

Like many Americans, Minnesota residents currently experience hardship due to high healthcare costs. All told, **47%** of Minnesota adults experienced one or more of the following healthcare affordability burdens in the prior 12 months.

1.) BEING UNINSURED DUE TO HIGH PREMIUM COSTS

43% of uninsured adults cited “too expensive” as the major reason for not having coverage, far exceeding reasons like “don’t need it,” “don’t know how to get it” and other reasons.

2.) DELAYING OR FOREGOING HEALTHCARE DUE TO COST

40% of Minnesota adults who needed healthcare during the year encountered one or more cost-related barriers to getting that care. In descending order of frequency, they reported:

- **31%**—Delayed going to the doctor or having a procedure done
- **23%**—Avoided going to the doctor or having a procedure done
- **22%**—Skipped a recommended medical test or treatment
- **16%**—Did not fill a prescription
- **12%**—Cut pills in half or skipped doses of medicine
- **9%**—Had problems getting mental healthcare

Moreover, cost was by far the most frequently cited reason for not getting needed medical care, exceeding a host of other barriers, including transportation, difficulty getting an appointment, lack of childcare and other reasons.

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

3.) STRUGGLING TO PAY MEDICAL BILLS

More than one-quarter (27%) of Minnesota adults experienced one or more of these struggles to pay their medical bill:

- 11%—contacted by a collection agency
- 10%—used up all or most of their savings
- 9%—racked up large amounts of credit card debt
- 7%—were unable to pay for basic necessities like food, heat, or housing
- 7%—borrowed money or got a loan or another mortgage on their home
- 7%—placed on a long-term payment plan

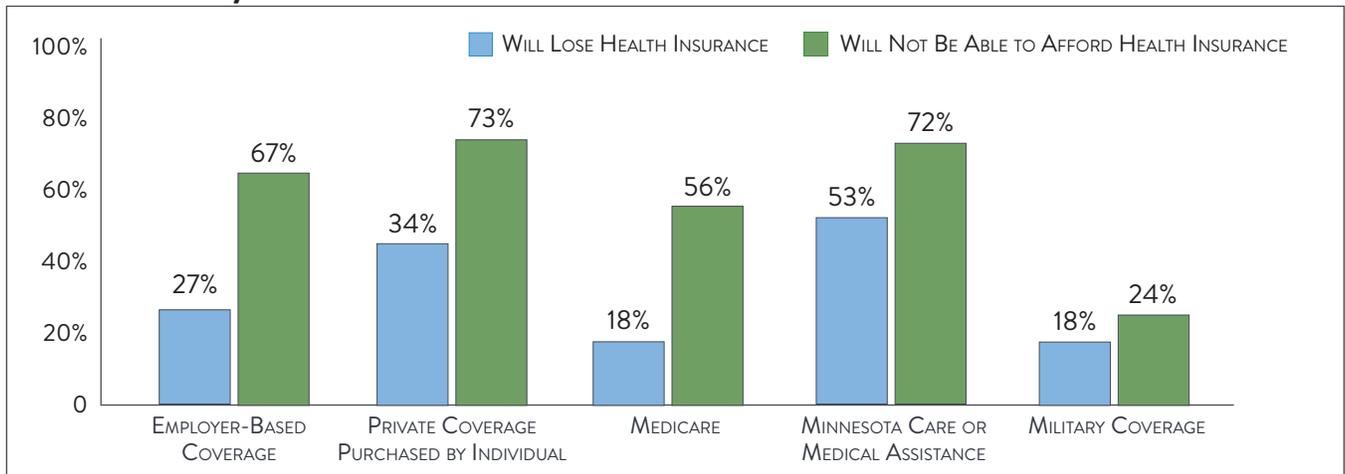
HIGH LEVELS OF WORRY ABOUT AFFORDING HEALTHCARE IN THE FUTURE

Minnesota adults worry about affording healthcare in the future in numbers that exceed the number currently experiencing a healthcare affordability burden. Overall, more than three-fourths (79%) reported being “worried” or “very worried” about affording some aspect of healthcare, including:

- 67%—Cost of nursing home and home care services
- 64%—Cost of medical care when elderly
- 59%—Cost of a serious illness or accident
- 51%—Prescription drug costs

In addition, respondents were “worried” or “very worried” about not being able to afford health insurance in the future (65%). The greatest concern was among those that buy private health coverage or have Medicaid (Minnesota Care or Medical Assistance)—nearly three quarters of those adults were worried (see Figure 1). In addition, more than half of Medicaid recipients were worried about losing their coverage. Veterans, or those with TRICARE, experience lower levels of worry about affording health insurance.

Figure 1
Somewhat or Very Worried About Health Insurance



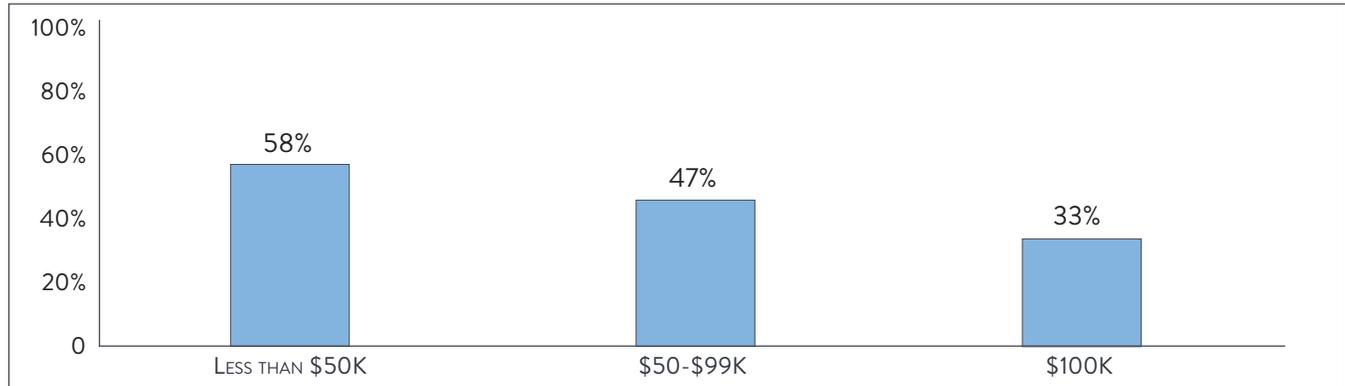
Source: 2018-2019 Poll of Minnesota Adults, Ages 18+, Altarum Healthcare Value Hub’s Consumer Healthcare Experience State Survey

INCOME DIFFERENCES IN HEALTHCARE AFFORDABILITY BURDENS

Families with household incomes of less than \$50,000 reported starkly higher levels of healthcare affordability burdens (see Figure 2) and worry (see Table 1). Surprisingly, the data also show affordability burdens and worry affect families quite far up the income ladder. As a reminder, median household income in Minnesota was \$65,699 in 2016.²

Figure 2

Percent of Minnesota Adults with Any Healthcare Affordability Burden in Past Year, by Household Income



Source: 2018-2019 Poll of Minnesota Adults, Ages 18+, Altarum Healthcare Value Hub's Consumer Healthcare Experience State Survey

Table 1

Worry About Affording Healthcare, by Household Income

	LESS THAN \$50,000	\$50,000-\$99,999	MORE THAN \$100,000
WORRY ABOUT AFFORDING MEDICAL COSTS WHEN ELDERLY	69%	59%	46%
WORRY ABOUT AFFORDING NURSING HOME AND HOME CARE SERVICES	71%	70%	59%
OVERALL WORRY OF AFFORDING ANY HEALTHCARE BURDEN	83%	80%	71%

Source: 2018-2019 Poll of Minnesota Adults, Ages 18+, Altarum Healthcare Value Hub's Consumer Healthcare Experience State Survey

DISSATISFACTION WITH THE HEALTH SYSTEM AND SUPPORT FOR CHANGE

In light of these healthcare affordability concerns, it is not surprising that Minnesota residents were extremely dissatisfied with the health system. Statewide:

- Just **27%** agreed or strongly agreed with the statement “We have a great healthcare system in the U.S.”
- While **80%** agreed or strongly agreed “the system needs to change.”

The survey asked about both personal and governmental actions to address healthcare system problems.

PERSONAL ACTIONS

Minnesota residents do see a role for themselves when asked about personal actions that could address healthcare affordability. When asked to rank the top three personal actions, out of ten options, that would be most effective in addressing the affordability of healthcare, top vote getters were:

- 59%—Taking better care of their personal health
- 44%—Write or call my STATE representative asking them to take action
- 43%—Write or call my FEDERAL representative asking them to take action
- 30%—Research treatments myself, before going to the doctor

Respondents also report specific actions they are willing to take, such as:

- 84%—Would switch from a brand to a generic if given the option
- 38%—Have tried to find out the cost of a drug beforehand

GOVERNMENT ACTIONS

But far and away Minnesota residents see government as the key stakeholder that needs to act to address health system problems. Moreover, addressing healthcare problems trumps other issues that Minnesota residents want their elected representatives to work on.

At the beginning of the survey, respondents were asked what issues the government should address in the upcoming year, healthcare was the most frequently cited issue, far exceeding the other eight options. The top vote getters were:

- 73%—Healthcare
- 40%—Taxes
- 35%—Immigration

When asked about the top three *healthcare* priorities the government should work on, the top vote getters were:

- 63%—addressing high healthcare costs, including prescription drugs
- 42%—preserving consumer protections like: you can't be denied coverage or charged more if you have a pre-existing medical condition; and
- 31%—getting health insurance to those who cannot afford coverage

Of more than 20 options, the options cited most frequently as being a “major reason” for high healthcare costs were:

- 79%—Drug companies charging too much money
- 66%—Insurance companies charging too much money
- 65%—Hospitals charging too much money
- 51%—Some well-known or large hospitals or doctor groups using their influence to get higher payments from insurance companies

When it comes to tackling costs and other fixes, respondents endorsed a number of strategies, including these top vote getters:

- 94%—Make it easy to switch insurers if a health plan drops your doctor
- 93%—Show what a fair price would be for specific procedures
- 93%—Authorize the Attorney General to take legal action to prevent price gouging or unfair prescription drug price hikes
- 92%—Require insurers to provide upfront cost estimates to consumers

SUPPORT FOR ACTION ACROSS PARTY LINES

What is remarkable about the findings is high support for change regardless of the respondent's political affiliation (Table 2).

The high burden of healthcare affordability, along with high levels of support for change, suggest that elected leaders and other stakeholders need to make this consumer burden at top priority. Annual surveys can help assess whether or not progress is being made.

Table 2
Percent Who Agreed/Strongly Agreed, by Political Affiliation

SELECTED SURVEY QUESTIONS	TOTAL	GENERALLY SPEAKING, DO YOU THINK OF YOURSELF AS...		
		REPUBLICAN	DEMOCRAT	NEITHER
DO YOU AGREE WE HAVE A GREAT HEALTHCARE SYSTEM IN THE U.S.?	27%	41%	22%	22%
DO YOU AGREE THE U.S. HEALTHCARE SYSTEM NEEDS TO CHANGE?	80%	74%	87%	78%
MAJOR REASON FOR RISING HEALTHCARE COSTS: DRUG COMPANIES CHARGING TOO MUCH MONEY	79%	71%	85%	80%
MAJOR REASON FOR RISING HEALTHCARE COSTS: HOSPITALS CHARGING TOO MUCH MONEY	65%	63%	64%	67%
THE GOVERNMENT SHOULD AUTHORIZE THE ATTORNEY GENERAL TO TAKE LEGAL ACTION TO PREVENT PRICE GOUGING OR UNFAIR PRESCRIPTION DRUG PRICE HIKES	93%	90%	96%	92%
THE GOVERNMENT SHOULD REQUIRE DRUG COMPANIES TO PROVIDE ADVANCED NOTICE OF PRICE INCREASES AND INFORMATION TO JUSTIFY THOSE INCREASES	92%	90%	95%	89%
THE GOVERNMENT SHOULD SHOW WHAT A FAIR PRICE WOULD BE FOR SPECIFIC PROCEDURES	93%	91%	94%	93%

Source: 2018-2019 Poll of Minnesota Adults, Ages 18+, Altarum Healthcare Value Hub's Consumer Healthcare Experience State Survey

NOTES

1. For other survey results, including Minnesota residents' concerns about prescription drug costs and regional reports go to <https://www.HealthcareValueHub.org/Minnesota-2019-Healthcare-Survey>.
2. Guzman, Gloria, *Household Income: 2016, American Community Survey Briefs*, U.S. Census Bureau (September 2017). <https://www.census.gov/content/dam/Census/library/publications/2017/acs/acsbr16-02.pdf>

Methodology

Altarum’s Consumer Healthcare Experience State Survey (CHESS) is designed to elicit respondents’ unbiased views on a wide range of health system issues, including confidence using the health system, financial burden, and views on fixes that might be needed.

The survey used a web panel from SSI Research Now containing a demographically balanced sample of approximately 1,000 respondents who live in Minnesota. The survey was conducted only in English and restricted to adults ages 18 and older. Respondents who finished the survey in less than half the median time were excluded from the final sample, leaving 934 cases for analysis with sample balancing occurring in age, gender and income to be demographically representative of Minnesota. After those exclusions, the demographic composition of respondents is as follows.

Demographic Composition of Survey Respondents

DEMOGRAPHIC CHARACTERISTIC	FREQUENCY	PERCENTAGE
HOUSEHOLD INCOME		
Under \$30K	185	20%
\$30K - \$40K	69	7%
\$40K - \$50K	97	10%
\$50K - \$60K	82	9%
\$60K - \$75K	121	13%
\$75K - \$100K	122	13%
\$100K - \$150K	161	17%
\$150K+	97	10%
PARTY AFFILIATION		
REPUBLICAN	272	29%
DEMOCRAT	365	39%
NEITHER	297	32%
AGE		
18-24	39	5%
25-34	156	17%
35-44	180	20%
45-54	131	14%
55-64	189	21%
65+	225	24%

DEMOGRAPHIC CHARACTERISTIC	FREQUENCY	PERCENTAGE
GENDER		
MALE	439	47%
FEMALE	495	53%
INSURANCE STATUS		
HEALTH INSURANCE THROUGH EMPLOYER OR FAMILY MEMBER’S EMPLOYER	443	47%
HEALTH INSURANCE I BUY ON MY OWN	73	8%
MEDICARE	227	24%
MEDICAID	137	15%
TRICARE/MILITARY HEALTH SYSTEM	9	1%
DEPARTMENT OF VETERANS AFFAIRS (VA) HEALTH CARE	8	1%
NO COVERAGE OF ANY TYPE	27	3%
I DON’T KNOW	10	1%
HEALTH STATUS		
EXCELLENT	123	13%
VERY GOOD	351	38%
GOOD	311	33%
FAIR	126	13%
POOR	23	2%

Source: 2018-2019 Poll of Minnesota Adults, Ages 18+, Altarum Healthcare Value Hub, Altarum’s Consumer Healthcare Experience State Survey



ABOUT ALTARUM'S HEALTHCARE VALUE HUB

With support from the Robert Wood Johnson Foundation, the Healthcare Value Hub provides free, timely information about the policies and practices that address high healthcare costs and poor quality, bringing better value to consumers. The Hub is part of Altarum, a nonprofit organization with the mission of creating a better, more sustainable future for all Americans by applying research-based and field-tested solutions that transform our systems of health and healthcare.

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