



DATA BRIEF NO. 15 | OCTOBER 2018

## Pennsylvania 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 Pennsylvania. The survey of more than 960 Pennsylvania adults, conducted from Aug. 28-Sept. 14, 2018, found that:

- **1 in 2** Pennsylvania adults experienced healthcare affordability burdens in the past year, including **1 in 3** who struggled to pay medical bills.
- **4 in 5** are worried about affording healthcare in the future.
- Not surprisingly, a very similar number agreed that the system needs to change. Across party lines, **4 of 5** residents expressed dissatisfaction with the current health system.
- Also across party lines, **9 of 10** supported a broad array of solutions.

### A RANGE OF HEALTHCARE AFFORDABILITY BURDENS

Like many Americans, Pennsylvania residents currently experience hardship due to high healthcare costs. All told, 51% of Pennsylvania adults experienced one or more of the following healthcare affordability burdens in the prior 12 months.

#### BEING UNINSURED DUE TO HIGH PREMIUM COSTS

74% 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.

#### DELAYING OR FOREGOING HEALTHCARE DUE TO COST

Two out of five (41%) Pennsylvania 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:

- **29%**—Delayed going to the doctor or having a procedure done
- **25%**—Avoided going altogether to the doctor or having a procedure done
- **24%**—Skipped a recommended medical test or treatment
- **19%**—Did not fill a prescription
- **17%**—Cut pills in half or skipped doses of medicine
- **11%**—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 like 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 Pennsylvania adults seek these services—or, in the case of dental, lower rates of coverage for these services.

**STRUGGLING TO PAY MEDICAL BILLS**

One-third (32%) of Pennsylvania adults experienced one or more of these struggles to pay medical bills:

- 15%—Contacted by a collection agency
- 12%—Used up all or most of their savings
- 10%—Unable to pay for basic necessities like food, heat, or housing
- 8%—Racked up large amounts of credit card debt
- 7%—Borrowed money or got a loan or another mortgage on their home
- 6%—Placed on a long-term payment plan

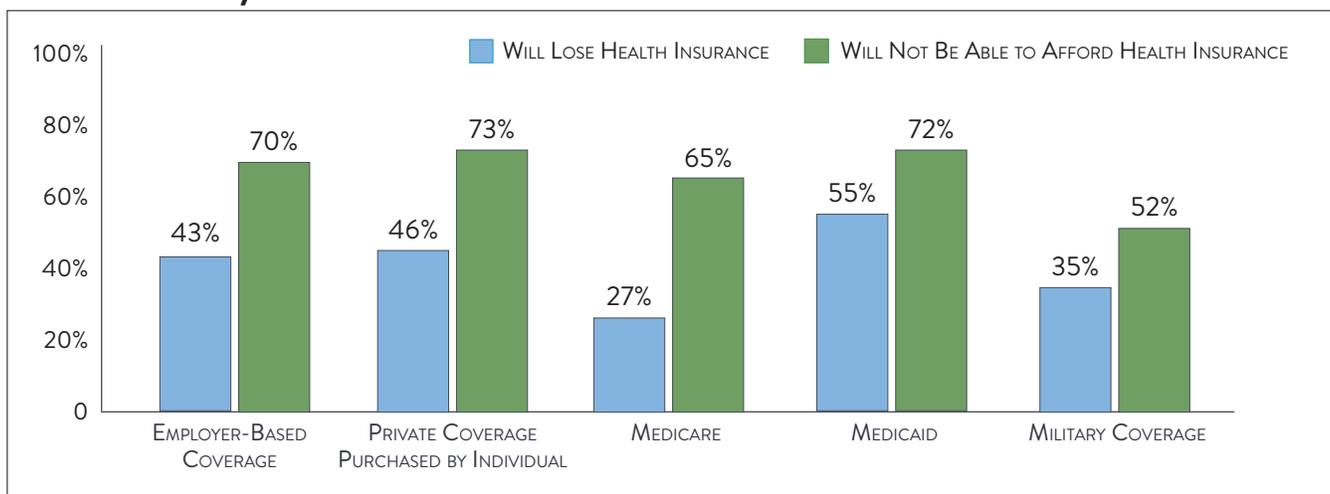
**HIGH LEVELS OF WORRY ABOUT AFFORDING HEALTHCARE IN THE FUTURE**

Pennsylvania adults worry about affording healthcare in the future in numbers that exceed the number currently experiencing a healthcare affordability burden. Overall, more than four out of five (83%) reported being “worried” or “very worried” about affording some aspect of healthcare, including:

- 71%—Won’t be able to afford nursing home and home care services
- 70%—Won’t be able to afford medical costs when elderly
- 70%—Cost of a serious illness or accident
- 67%—Prescription drug costs

In addition, respondents were “worried” or “very worried” about not being able to afford health insurance in the future (68%). The greatest concern was among those who buy private health coverage or have Medicaid—nearly three quarters of adults were worried (Figure 1). In addition, more than half of Medicaid recipients were worried about losing their coverage.

**Figure 1**  
**Somewhat or Very Worried About Health Insurance**



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

## REGIONAL DIFFERENCES IN HEALTHCARE AFFORDABILITY BURDENS

The survey also revealed regional differences in how Pennsylvanians experience healthcare affordability burdens (Figure 2).

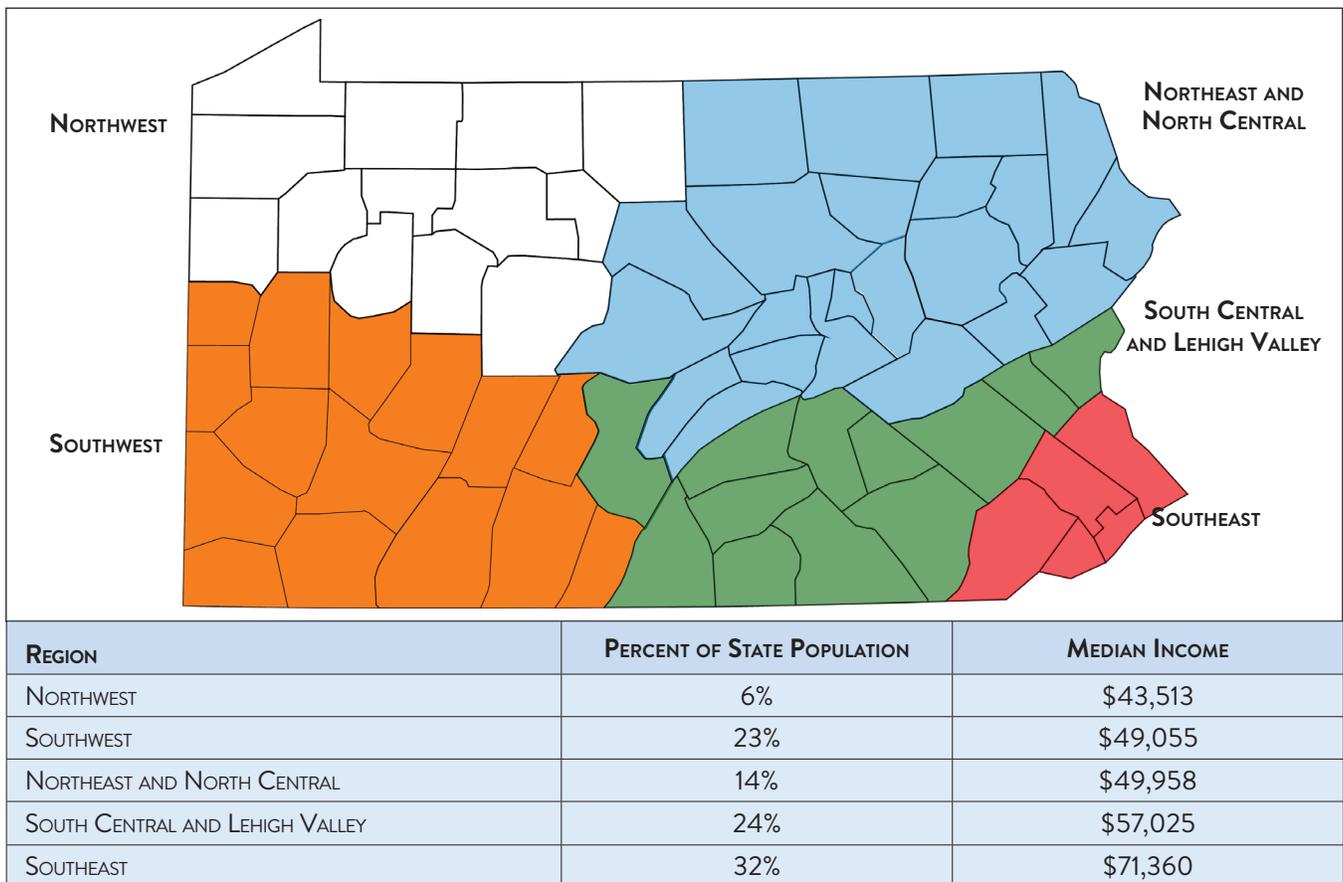
The Southwest region reported the greatest rate of healthcare affordability burdens—58% of adults had one or more of the three types of burdens described above. In contrast, the South Central and Lehigh Valley region showed the fewest affordability burdens, although still high, affecting nearly half (47%) of adults (Figure 3). *The number of survey responses in the Northwest region was insufficient to produce reliable estimates for that region.*

Perhaps reflecting these high rates of healthcare affordability burdens, residents of Southwest Pennsylvania also reported starkly higher levels for specific healthcare worries:

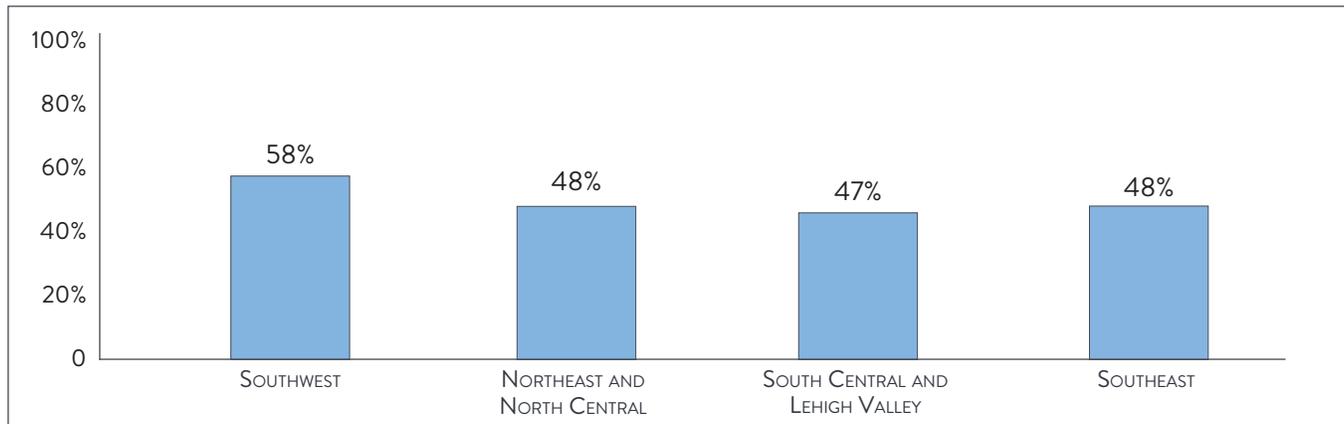
- Worry about affording medical costs when elderly spiked at 78% for the Southwest region, compared to 66% for the Southeast region.
- Worry about affording the costs of serious illness or accident spiked at 71% for the Southwest region, compared to 64% for the Northeast and North Central region.

But overall levels of worry about any healthcare burden was high across regions—80% or higher. More detail and regional reports available at [www.HealthcareValueHub.org/PA-2018-Healthcare-Survey](http://www.HealthcareValueHub.org/PA-2018-Healthcare-Survey).

**Figure 2**  
Regional Demographic Characteristics in Pennsylvania



Source: Population and income from U.S. Census Bureau

**Figure 3****Percent of Pennsylvania Adults with Any Healthcare Affordability Burden in Past Year, by Region**

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

**DISSATISFACTION WITH THE HEALTH SYSTEM**

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

- Just 25% agreed or strongly agreed with the statement “*We have a great healthcare system in the U.S.,*”
- while 78% agreed or strongly agreed “*the system needs to change.*”

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

- 76%—Drug companies charging too much money
- 72%—Insurance companies charging too much money
- 70%—Hospitals charging too much money
- 57%—Some well-known or large hospitals or doctor groups using their influence to get higher payments from insurance companies

**HIGH SUPPORT FOR MANY SPECIFIC FIXES TO HEALTH SYSTEM**

When it comes to tackling costs, respondents endorsed a number of strategies:

- 93%—Make it easy to switch insurers if a health plan drops your doctor
- 92%—Show what a fair price would be for specific procedures
- 91%—Require insurers to provide upfront cost estimates to consumers
- 91%—Authorize the Attorney General to take legal action to prevent price gouging or unfair prescription drug price hikes

While Pennsylvania residents are united in calling for a role for government in addressing high healthcare costs, they also see a role for themselves:

- 80%—Would switch from a brand to a generic if given the option
- 60%—Reported that taking better care of their personal health is one of the top three actions that would be most effective in addressing affordability.
- 49%—Have tried to find out the cost of a drug beforehand

**Table 1**  
**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.?	25%	36%	20%	19%
DO YOU AGREE THE U.S. HEALTHCARE SYSTEM NEEDS TO CHANGE?	78%	74%	82%	76%
THE GOVERNMENT SHOULD AUTHORIZE THE ATTORNEY GENERAL TO TAKE LEGAL ACTION TO PREVENT PRICE GOUGING OR UNFAIR PRESCRIPTION DRUG PRICE HIKES	91%	90%	94%	90%
THE GOVERNMENT SHOULD REQUIRE DRUG COMPANIES TO PROVIDE ADVANCED NOTICE OF PRICE INCREASES AND INFORMATION TO JUSTIFY THOSE INCREASES	90%	88%	92%	89%
THE GOVERNMENT SHOULD SET STANDARD PRICES FOR DRUGS TO MAKE THEM AFFORDABLE	88%	86%	91%	86%
MAJOR REASON FOR RISING HEALTHCARE COSTS: DRUG COMPANIES CHARGING TOO MUCH MONEY	76%	73%	79%	74%
MAJOR REASON FOR RISING HEALTHCARE COSTS: HOSPITALS CHARGING TOO MUCH MONEY	70%	69%	71%	70%

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

## SUPPORT FOR CHANGE ACROSS PARTY LINES

What is remarkable about the findings is high support for change regardless of the respondent's political affiliation (Table 1). For example, 90% think the government should require drug companies to provide advanced notice of price increases and information to justify those increases, including 88% of Republicans and 92% of Democrats.

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

## 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. All reports are available at [www.HealthcareValueHub.org/PA-2018-Healthcare-Survey](http://www.HealthcareValueHub.org/PA-2018-Healthcare-Survey).

The survey used a web panel from SSI Research Now with a demographically balanced sample of approximately 1,000 respondents who live in Pennsylvania. 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 969 cases for analysis with weighting occurring in age, gender and income to be demographically representative of Pennsylvania. After exclusions, the demographic composition of respondents can be found in the table below.

## Demographic Composition of Survey Respondents

DEMOGRAPHIC CHARACTERISTIC	FREQUENCY	PERCENTAGE	DEMOGRAPHIC CHARACTERISTIC	FREQUENCY	PERCENTAGE
<b>HOUSEHOLD INCOME</b>			<b>GENDER</b>		
Under \$15K	85	9%	MALE	500	52%
\$15K - \$25K	81	8%	FEMALE	460	48%
\$25K - \$50K	228	24%	<b>INSURANCE STATUS</b>		
\$50K - \$75K	204	21%	HEALTH INSURANCE THROUGH EMPLOYER OR FAMILY MEMBER’S EMPLOYER	473	49%
\$75K - \$100K	137	14%	HEALTH INSURANCE I BUY ON MY OWN	107	11%
\$100K - \$200K	132	19%	MEDICARE	233	24%
\$200K - \$500K	21	4%	MEDICAID	92	9%
\$500K+	5	<1%	TRICARE/MILITARY HEALTH SYSTEM	11	1%
<b>PARTY AFFILIATION</b>			DEPARTMENT OF VETERANS AFFAIRS (VA) HEALTH CARE	9	9%
REPUBLICAN	332	32%	NO COVERAGE OF ANY TYPE	29	3%
DEMOCRAT	367	38%	I DON’T KNOW	15	2%
NEITHER	280	30%	<b>REGION</b>		
<b>AGE</b>			SOUTHWEST	249	26%
18-24	75	8%	SOUTHEAST	318	33%
25-34	204	21%	SOUTH CENTRAL/LEHIGH VALLEY	182	19%
35-44	107	11%	NORTHEAST/NORTH CENTRAL	141	15%
45-54	127	13%	NORTHWEST	73	7%
55-64	222	23%			
65+	225	23%			



### 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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