



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

- 5% of Kentucky adults were uninsured for 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:

- 40%—Delayed going to the doctor or having a procedure done
- 33%—Avoiding going altogether to the doctor or having a procedure done
- 31%—Skipped a recommended medical test or treatment
- 30%—Did not fill a prescription
- 23%—Cut pills in half or skipped doses of medicine
- 12%—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.

MANY WHO RECEIVED CARE STRUGGLE TO PAY THE RESULTING MEDICAL BILLS

More than half (57%) of Kentucky adults experienced one or more of these struggles to pay their 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 like food, heat, or housing
- 12%—Racked up large amounts of credit card debt
- 9%—Borrowed money or got a loan or another mortgage on their home

HIGH LEVELS OF WORRY ABOUT AFFORDING HEALTHCARE IN THE FUTURE

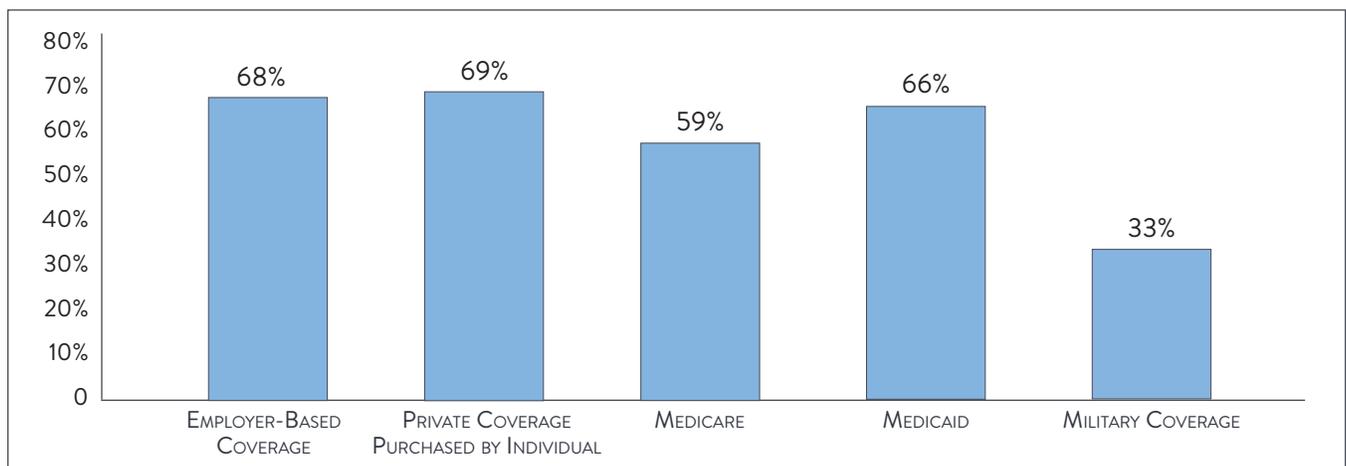
Kentucky adults also exhibit high levels of worry about affording healthcare in the future, reporting they were "somewhat" or "very" worried about:

- 71%—Affording medical costs when elderly
- 69%—Affording a serious illness or accident
- 59%—Prescription drug costs

Kentucky adults also exhibited high levels of worry about affording health insurance coverage—except for those with military coverage (Figure 1). Affordability concern among Medicaid beneficiaries (with low or no premium expenses) may stem from fears of losing their coverage. The survey found that 71% of Medicaid enrollees report being "somewhat" or "very" worried about losing coverage.

All told, 82% of adults in Kentucky have one or more of these worries.

Figure 1
Somewhat or Very Worried About Affording Health Insurance



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

REGIONAL DIFFERENCES IN HEALTHCARE AFFORDABILITY BURDENS

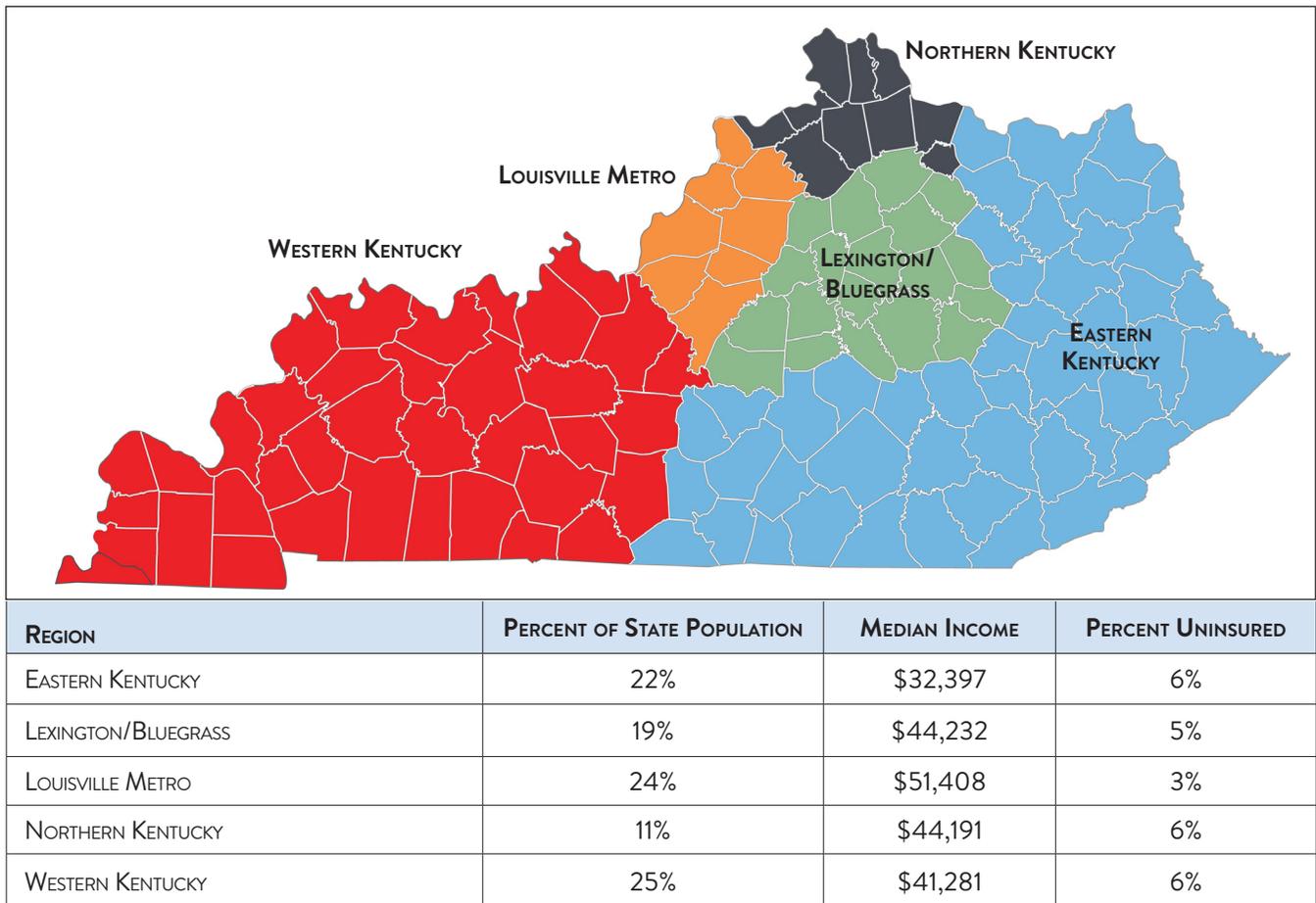
The survey also explored five regions in Kentucky (Figure 2) and revealed differences in how Kentuckians experience healthcare affordability burdens. The eastern Kentucky region reported the greatest number of healthcare affordability burdens (80% of adults, see Figure 3) with the Louisville metro area showing fewest affordability burdens (although still high, affecting 64% of adults).

Perhaps reflecting these high rates of healthcare affordability burdens, residents of eastern Kentucky also report starkly higher levels of worry:

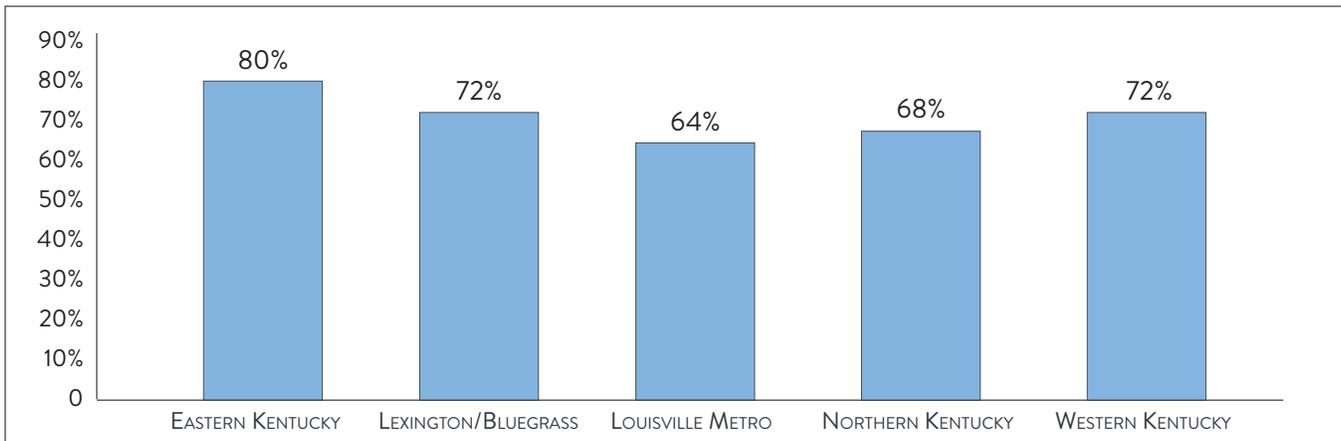
- Worry about affording prescription drugs spiked at 71% for eastern Kentucky, compared to 55% for remaining regions.
- Worry about affording the costs of serious illness or accident spiked at 78% for eastern Kentucky, compared to 66% for remaining regions.
- Overall worry about healthcare affordability burdens was highest in eastern Kentucky (85%), compared to the northern (83%), Louisville (83%), Lexington (82%) and western (79%) regions.

Additional detail and regional reports are available at www.HealthcareValueHub.org/KY-2018-Healthcare-Poll.

Figure 2
Regional Demographic Characteristics in Kentucky



Sources: Population and income from U.S. Census Bureau; Uninsurance from 2018 Poll of Kentucky Adults, Ages 18+ - Altarum Healthcare Value Hub, Altarum’s Consumer Healthcare Experience State Survey

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

Source: 2018 Poll of Kentucky Adults, Ages 18+ - Altarum Healthcare Value Hub, Altarum'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 Kentucky residents are extremely dissatisfied with the health system. Statewide:

- just 19% agree or strongly agree with the statement “We have a great healthcare system in the U.S.,”
- while 74% agree or strongly agree “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:

- 81%—Drug companies charging too much money
- 74%—Hospitals charging too much money
- 72%—Insurance companies charging too much money
- 61%—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, respondents endorsed a number of strategies:

- 94%—Make it easy to switch insurers if a health plan drops your doctor
- 93%—Require insurers to provide upfront cost estimates to consumers
- 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

What is remarkable about the findings is high support for change regardless of the respondent's political affiliation (Table 1)

Table 1
Percent Who Agree/Strongly Agree, 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.?	19%	25%	16%	17%
DO YOU AGREE THE U.S. HEALTHCARE SYSTEM NEEDS TO CHANGE?	74%	75%	78%	69%
MAKE IT EASY TO SWITCH INSURERS IF A HEALTH PLAN DROPS YOUR DOCTOR	94%	95%	96%	92%
REQUIRE INSURERS TO PROVIDE UPFRONT COST ESTIMATES TO CONSUMERS	93%	94%	95%	90%
SHOW WHAT A FAIR PRICE WOULD BE FOR SPECIFIC PROCEDURES	93%	93%	94%	93%
THE GOVERNMENT SHOULD AUTHORIZE THE ATTORNEY GENERAL TO TAKE LEGAL ACTION TO PREVENT PRICE GOUGING OR UNFAIR PRESCRIPTION DRUG PRICE HIKES	93%	91%	96%	91%
THE GOVERNMENT SHOULD REQUIRE DRUG COMPANIES TO PROVIDE ADVANCED NOTICE OF PRICE INCREASES AND INFORMATION TO JUSTIFY THOSE INCREASES	93%	92%	94%	92%
THE GOVERNMENT SHOULD SET STANDARD PRICES FOR DRUGS TO MAKE THEM AFFORDABLE	91%	88%	93%	90%
MAJOR REASON FOR RISING HEALTHCARE COSTS: DRUG COMPANIES CHARGING TOO MUCH MONEY	81%	79%	84%	79%
MAJOR REASON FOR RISING HEALTHCARE COSTS: HOSPITALS CHARGING TOO MUCH MONEY	74%	73%	75%	74%

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

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

- 86% would switch from a brand to a generic if given the option
- 69% have tried to find out the cost of a drug beforehand
- 64% reported that taking better care of their personal health is one of the top three actions that would be most effective in addressing affordability.
- 48% reported that people not taking care of their health is a major reason for high health care costs

The high burden of healthcare affordability along with high levels of support for change suggest that elected leaders and other stakeholders should 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. Regional reports are available at www.HealthcareValueHub.org/KY-2018-Healthcare-Poll.

The survey used a web panel from SSI Research Now with a demographically balanced sample of approximately 1,000 respondents who live in Kentucky. 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 924 cases for analysis. After those exclusions, the demographic composition of respondents can be found in the table below. Additional information on the survey instrument is available upon request by emailing hubinfo@altarum.org.

Demographic Composition of Survey Respondents

DEMOGRAPHIC CHARACTERISTIC	FREQUENCY	PERCENTAGE	DEMOGRAPHIC CHARACTERISTIC	FREQUENCY	PERCENTAGE
GENDER			AGE		
MALE	476	52%	18-24	83	9%
FEMALE	442	48%	25-34	219	24%
HOUSEHOLD INCOME			35-44	185	20%
Under \$20K	147	16%	45-54	146	16%
\$20K - \$29K	119	13%	55-64	160	17%
\$30K - \$39K	105	11%	65+	125	14%
\$40K - \$49K	102	11%	INSURANCE STATUS		
\$50K - \$59K	83	9%	HEALTH INSURANCE THROUGH EMPLOYER OR FAMILY MEMBER’S EMPLOYER	419	45%
\$60K - \$74K	102	11%	HEALTH INSURANCE I BUY ON MY OWN	42	5%
\$75K - \$99K	84	9%	MEDICARE	165	18%
\$100K - \$149K	29	3%	MEDICAID	191	21%
\$150+	54	6%	TRICARE/MILITARY HEALTH SYSTEM	24	3%
PARTY AFFILIATION			DEPARTMENT OF VETERANS AFFAIRS (VA) HEALTH CARE	21	2%
REPUBLICAN	338	37%	NO COVERAGE OF ANY TYPE	46	5%
DEMOCRAT	294	32%	I DON’T KNOW	16	2%
NEITHER	292	32%			

Source: 2018 Poll of Kentucky 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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