

PRIVATELY INSURED IN AMERICA: OPINIONS ON HEALTH CARE COSTS AND COVERAGE



INTRODUCTION

A new survey conducted by the Associated Press-NORC Center for Public Affairs Research shows that most, but not all, privately insured Americans age 18-64 are satisfied with their health plans, are not deterred from using their health benefits due to cost, and say health care costs do not have a large impact on their finances. A significant minority of those with private health insurance, however, including those covered by high-deductible health plans (HDHPs), are greatly impacted by the out-of-pocket cost of health care—they are concerned with the uncertainty of major expenses, skip necessary medical treatment, and experience real financial burden when obtaining health care. All told, about 1 in 8 privately insured Americans—or more than 16 million people—face major financial hardships like going without food or using up all of their savings as a result of medical bills.

In the United States, enrollment in HDHPs has been increasing—in 2007, 17 percent of the privately insured under age 65 were enrolled in a HDHP, and that proportion more than doubled by 2014.¹ This new survey finds that the growing population covered by HDHPs is less likely than other privately insured adults to go to the doctor when sick or get recommended medical treatment, and is more likely to need to use their savings for medical care.

Five Things You Should Know

From the AP-NORC Center's Cost and Coverage Poll

Among adults 64 and under with private health insurance:

- A quarter worry about the financial consequences of a major unexpected medical expense such as a surgery or life threatening illness.
- Nearly 20 percent don't go to the doctor when they are sick because they worry about the cost of health care, even though they have insurance.
- Those with high-deductible health care plans are especially likely to worry about the impacts of health care costs on personal finances and to think about costs when making health care decisions.
- Most privately insured Americans have experience changing health care plans. After changing plans, 41 percent say their costs went up, but only 18 percent of them think they are getting higher-quality care in exchange for those higher costs.
- Fifty-two percent say they'd rather pay higher premiums in exchange for limiting their out-of-pocket costs, and 40 percent would prefer to trade lower premiums for higher out-of-pocket costs.

¹ Centers for Disease Control and Prevention. Health Insurance Coverage: Early Release of Estimates from the National Health Interview Survey, January-March 2014. <http://www.cdc.gov/nchs/data/nhis/earlyrelease/insur201409.pdf>. Accessed on October 7, 2014.

The nationally representative survey, conducted with funding from The Robert Wood Johnson Foundation, also shows that those who have switched health plans believe that their new plans cost more, but without a corresponding increase in quality of care. And while new research from the Kaiser Family Foundation / Health Research & Educational Trust (HRET) Survey has shown that, so far, the cost of premiums and the proportion of employers offering health insurance have remained stable,² the new AP-NORC Center survey reveals that consumers ultimately prefer plans with higher premiums and lower out-of-pocket costs.

As more provisions of the Affordable Care Act (ACA) are implemented over the next decade, the government projects that approximately 12 million additional people younger than 65 will enter the private insurance market.³ This survey provides new and actionable data about the opinions of private insurance consumers during this moment of profound reform to the health insurance market. As both the private market and the government seek ways to control health care costs, these data reveal important insights for policymakers, health care plans, and purchasers and also provide an understanding of privately insured individuals' views on the price of health care, how health costs impact their health care utilization decisions, and the extent to which other aspects of their lives are affected by health care costs.

The AP-NORC Center conducted interviews with 1,004 privately insured adults age 18-64, including 267 who report having a high-deductible health plan. The key findings and conclusions from the study are summarized below.

Having private health care insurance doesn't completely protect some adults age 18-64 from the high costs of health care and the impacts they can have on health care decisions and personal finances.

- As a result of health care costs, significant minorities of privately insured individuals don't go to the doctor when they are sick (19 percent), go without preventive and recommended care (18 percent), use up all or most of their savings (18 percent), and go without basic needs (13 percent).
- A quarter of privately insured adults age 18-64 lack confidence in their ability to pay for a major unexpected medical expense.

The impact of costs on health care utilization and personal finances are even greater for those who report having a high-deductible health plan (HDHP). Enrollment in HDHPs has been increasing, and currently 36 percent of privately insured adults under age 65 are covered by a HDHP.⁴

- The privately insured who report having a HDHP are more likely than those who do not to decrease their contributions to savings (41 percent vs. 26 percent) and retirement plans (28 percent vs. 15 percent) as a result of health care costs.
- Nearly 1 in 4 adults age 18-64 covered by a HDHP reports that paying for health care expenses caused them to use up their savings.

Privately insured Americans perceive rising health care coverage costs without corresponding increases in quality, and a sizable minority of consumers are limited in their choice of plans.

- Among the privately insured who have changed health plans, 41 percent say their current plan costs more than their previous plan, 31 percent say they are paying the same, and 23 percent say their current plan costs less.
- A majority of privately insured Americans who have changed health plans (62 percent) say that their current plan offers the same quality of care as their previous plan, 23 percent say it provides higher-quality care, and 12 percent say the quality of care is lower.
- Thirty-five percent of those surveyed indicate that when enrolling in a health insurance plan, their current plan was the only option available.

Americans who are privately insured prefer lower out-of-pocket costs over lower monthly premiums.

- With out-of-pocket costs emerging as a major source of uncertainty among the privately insured, more privately insured Americans choose a health care plan with a relatively high monthly premium but lower out-of-pocket costs (52 percent) over a plan with relatively low premiums and higher out-of-pocket costs (40 percent), when presented with the tradeoff.

2 Kaiser Family Foundation and Health Research & Educational Trust. *Employer Health Benefits Summary of Findings*. <http://files.kff.org/attachment/ehbs-2014-abstract-summary-of-findings>. Accessed on September 25, 2014.

3 Congressional Budget Office. *Updated Estimates of the Effects of the Insurance Coverage Provisions of the Affordable Care Act, April 2014*. http://www.cbo.gov/sites/default/files/cbofiles/attachments/45231-ACA_Estimates.pdf. Accessed on September 25, 2014.

4 Centers for Disease Control and Prevention. *Health Insurance Coverage: Early Release of Estimates from the National Health Interview Survey, January-March 2014*. <http://www.cdc.gov/nchs/data/nhis/earlyrelease/insur201409.pdf>. Accessed on October 7, 2014.

- But, there isn't overwhelming support for plans with select networks⁵ designed to keep out-of-pocket costs low. Twenty percent say they are extremely or very willing to

participate in this type of plan, 38 percent are somewhat willing, and 40 percent are not too or not at all willing.

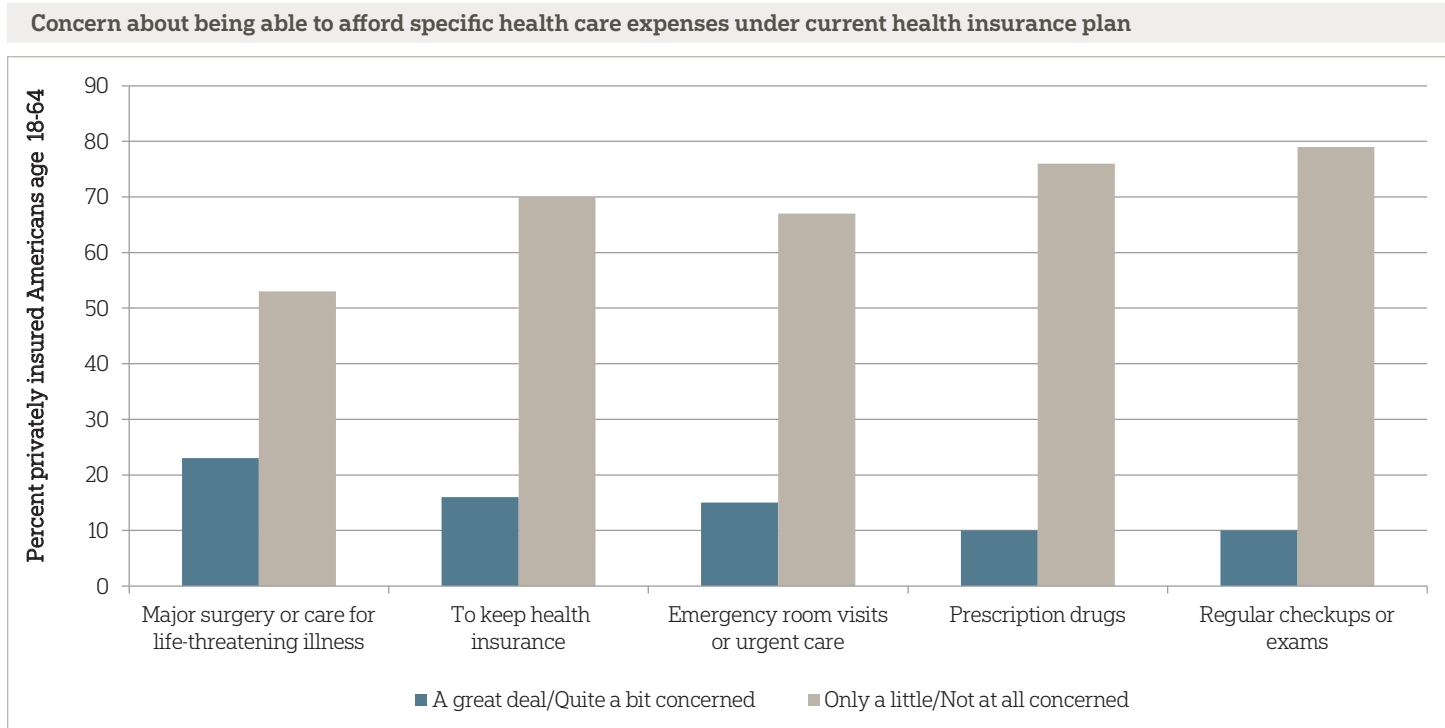
EVEN AMONG THE PRIVATELY INSURED, PEOPLE LACK CONFIDENCE IN THEIR ABILITY TO PAY FOR MAJOR UNEXPECTED EXPENSES—A WORRY THAT IS MORE PRONOUNCED AMONG THOSE WHO REPORT HAVING A HDHP.

When asked generally about paying for medical care, most privately insured Americans age 18-64 express confidence in being able to pay for it. Yet when these consumers are probed about major unexpected expenses related to medical care, confidence drops.

Nearly 6 in 10 privately insured adults (57 percent) are extremely or very confident that they can pay for the usual medical care that they and their families require, 30 percent are somewhat confident, and 13 percent are not too or not at all confident.

Far fewer, however, express the same level of confidence in their ability to pay for a major unexpected medical expense. Thirty-six percent are confident they can handle such an expense, 39 percent are moderately confident, and 25 percent are not too or not at all confident.

When asked about specific health care expenses, most privately insured Americans express relatively low levels of concern regarding costs. Of greatest concern (23 percent) is their ability to pay for a major surgery or a life-threatening illness. Sixteen percent are concerned about affording their health insurance generally, and 15 percent are concerned about affording emergency room visits or urgent care. One in 10 express a great deal or quite a bit of concern that they will not be able to afford the prescription drugs or regular checkups they need; nearly 8 in 10 say they are only a little or not at all concerned.



Question: "How concerned are you that you won't be able to afford...? Would you say it causes you a great deal of concern, quite a bit of concern, a moderate amount of concern, only a little concern, or no concern at all?"

⁵ Respondents were provided with the following definition of select networks: "Some health insurance plans offer select networks that are composed of only health care providers with records of providing high-quality care while keeping costs low. People receiving medical care from these providers pay lower out-of-pocket costs, but their choice of providers might be more restricted."

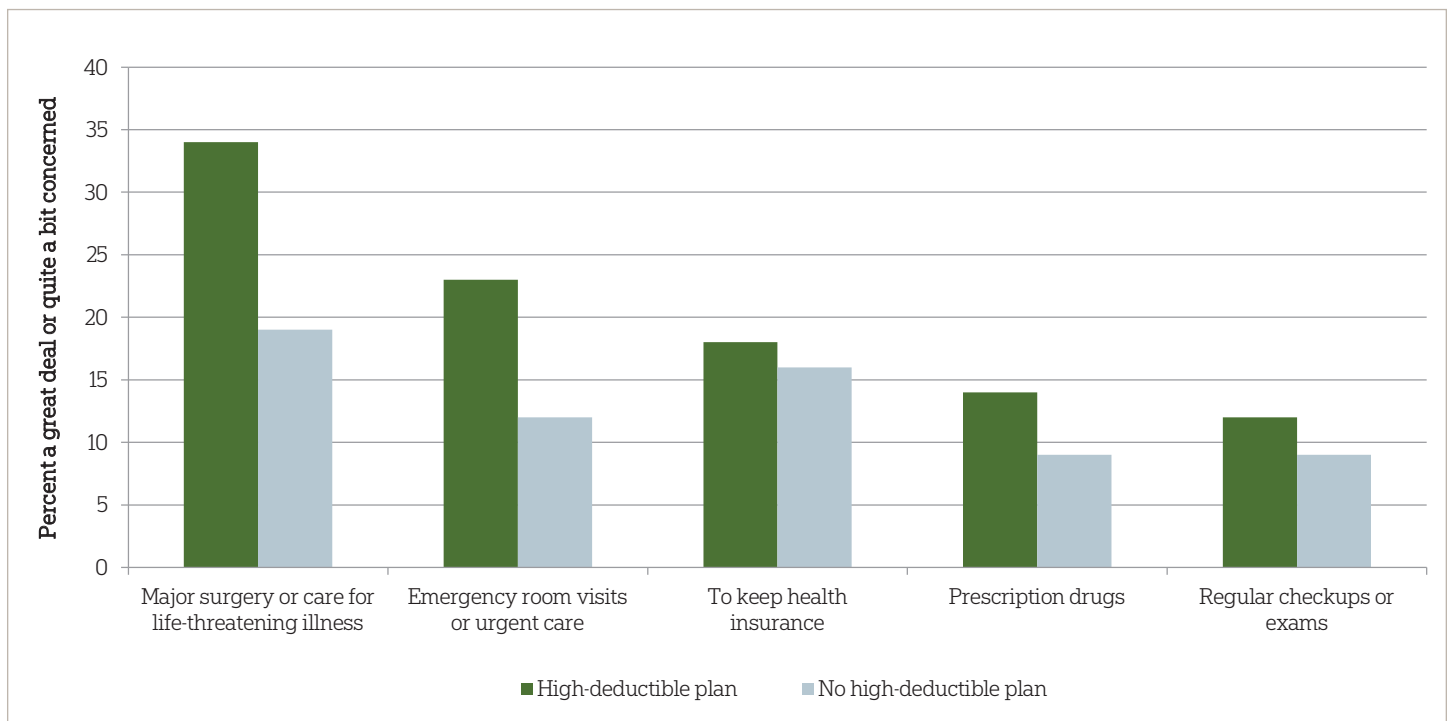
Privately insured Americans who say they have HDHPs⁶ appear to feel more financial pressure when it comes to health care related costs than do those who say they do not have HDHPs. They are less likely to express confidence in their ability to pay for both usual medical care (47 percent vs. 61 percent) and unexpected medical expenses (28 percent vs. 39 percent).

Those who say they have HDHPs also voice more concern than those who do not about their ability to pay for several specific health care expenses asked about in the survey. Approximately a third of those who report having a HDHP say paying for the cost of care for a major surgery or life-threatening illness (34 percent) is a great deal or quite a bit of a

concern, compared to 19 percent of those who say they do not have a HDHP. Twenty-three percent of those who say they have a HDHP are concerned with the costs of emergency room visits or urgent care; 12 percent of others say the same.

There are smaller differences between those who say they have a HDHP and those who do not when it comes to concern with paying for the prescription drugs and regular visits to the doctor. There are no significant differences in levels of concern for affording to keep their current health insurance, however.

Concern about being able to afford specific health care expenses under current health insurance plan among those who say they have HDHPs versus those who say they do not have HDHPs



Question: "How concerned are you that you won't be able to afford...? Would you say it causes you a great deal of concern, quite a bit of concern, a moderate amount of concern, only a little concern, or no concern at all?"

⁶ The survey asked respondents to self-report if they have a HDHP. Individuals were provided with a simple definition of what it means to have a high-deductible health plan, and then were asked, based on that definition, whether they thought their plan was a high-deductible one, or not. Twenty-six percent of respondents in the survey report they have a HDHP, 65 percent say their plan is not a HDHP, and 8 percent are unsure. Respondents who answered in the affirmative were asked a follow-up question on how confident they are that their plan is a HDHP. Eighty percent of respondents are very (65 percent) or somewhat (15 percent) sure that they have a high-deductible health plan, 6 percent are neither sure nor unsure, and 14 percent are somewhat (6 percent) or very (8 percent) unsure. Mentions of HDHP holders in the report refer to those who reported that they have a HDHP in the first question above. However, in analyzing the data among respondents who reported that they have a HDHP and were sure that they have a HDHP, the significant differences between those with and without HDHP plans remain robust in both bivariate and multivariate models.

AS A RESULT OF HEALTH CARE COSTS, ABOUT HALF OF PRIVATELY INSURED AMERICANS AGE 18-64 REPORT EXPERIENCING SOME SORT OF FINANCIAL HARDSHIP OR SKIPPING HEALTH CARE SERVICES.

When asked about nine specific behaviors to reduce personal health care expenses, about half of privately insured adults age 18-64 experienced at least one of them. In an effort to control personal health care costs, 19 percent of privately insured Americans say they did not go to the doctor when sick or injured—and a similar proportion (18 percent) report they went without a routine physical or other preventive care—at least once in the last year. This translates to nearly 24 million privately insured adults under 65 who have skipped going to the doctor or getting preventive care due to costs. Thirteen percent of privately insured Americans say there was a time over the past year when they needed medical care but did not get it because of cost.

Those who say they have a HDHP are more likely than others to report they did not go to a doctor when sick or injured (29 percent vs. 15 percent), went without a routine physical or other preventive care (24 percent vs. 14 percent), or skipped a recommended medical test or treatment (23 percent vs. 15 percent).

The cost of medical care is a greater deterrent for women and for people who have children under 26 years old. Women (16 percent) are more likely than men (9 percent) to report not receiving needed care because of cost. Likewise, 16 percent of people with children under 26 years old report not getting needed medical care due to cost, compared with 9 percent of those without children under 26 years old.

Asked about financial difficulties as a result of paying for health care expenses, about half of privately insured Americans have sometimes or often faced at least one of the nine financial difficulties tested in the survey. The most common financial impacts related to health care costs are a decrease in the amount of money for entertainment (33 percent), a decrease in their savings contributions (31 percent), and a decrease in the amount of money available for shopping for items such as extra clothes or household goods (31 percent). The least common financial impacts due to health care costs are paying for basic necessities such as food (13 percent) and needing to borrow money (9 percent). Still, this translates to approximately 16.5 million privately insured adults under 65 going without basic necessities, such as food, as a result of health care costs.

More privately insured Americans who say they have a HDHP face financial difficulties due to health care expenses than people who say they do not have a HDHP. Notably, those who report having a HDHP are more likely to face financial challenges that could have broader implications for their long-term financial well-being, such as decreasing their contributions to savings (41 percent vs. 26 percent), decreasing contributions to retirement plans (28 percent vs. 15 percent), using up all or most of their savings (24 percent vs. 16 percent), and having difficulty paying other bills (24 percent vs. 14 percent) than those who do not indicate their insurance plan is a HDHP.

Percent of privately insured who have done the following behaviors at least once since enrolling in health insurance plan

	% All privately insured age 18-64	% High-deductible plan	% No high-deductible plan
Did not go to the doctor when sick or injured	19	29*	15
Went without a routine physical or other preventive care	18	24*	14
Chose a lower cost option for recommended test or treatment	17	23*	14
Skipped a recommended medical test or treatment	17	23*	15
Did not fill a prescription or took less than the prescribed dose of medicine	15	18	13
Went to an urgent care clinic instead of a primary care doctor	15	23*	10
Changed doctor or other health care provider	12	9	13
Went to an emergency room instead of a primary care doctor	12	13	11
Went without mental health care when needed	7	8	6

*Indicates a statistically significant difference from those without a high-deductible plan at $p < .05$.

Question: "Thinking more about the costs of health care, since you have been enrolled in your health insurance plan, how often, if at all, have you done any of the following because of cost? Would you say you have done this because of cost more than once, one time, or never since enrolling in your health insurance plan?"

Percent of privately insured who have done the following behaviors sometimes or often due to health care costs

	% All privately insured age 18-64	% High-deductible plan	% No high-deductible plan
Decreased the amount of money you might use for entertainment	33	43*	30
Decreased your contributions to your savings	31	41*	26
Decreased the amount of money you might use for shopping	31	43*	27
Decreased your contributions to a retirement plan	19	28*	15
Used up all or most of your savings	18	24*	16
Had difficulty paying other bills	17	24*	14
Increased your credit card debt	16	19	15
Had difficulty paying for basic necessities like food	13	16	10
Borrowed money	9	10	8

*Indicates a statistically significant difference from those without a high-deductible plan at $p < .05$.

Question: "Thinking more about paying for health care expenses under your current health insurance plan, how often, if ever, does paying for health care expenses cause you to...? Would you say that paying for health care expenses under your current health insurance plan has caused you to do this often, sometimes, rarely, or never?"

WHEN ASKED TO CHOOSE, MORE PRIVATELY INSURED AMERICANS PREFER PLANS WITH HIGHER MONTHLY PREMIUMS AND LOWER OUT-OF-POCKET COSTS, BUT THERE ISN'T OVERWHELMING SUPPORT FOR PLANS WITH SELECT NETWORKS DESIGNED TO KEEP OUT-OF-POCKET COSTS LOW.

Most privately insured Americans prefer higher monthly premiums and lower out-of-pocket costs. Some are also willing to participate in select networks that are composed of only health care providers with records of providing high-quality care, while keeping costs low.⁷

When presented with a tradeoff, more privately insured Americans choose a health care plan with a relatively high monthly premium but lower out-of-pocket costs (52 percent) over a plan with relatively low premiums and higher out-of-pocket costs (40 percent). The higher premium and lower

out-of-pocket cost option is preferred by blacks more than whites (65 percent vs. 49 percent), and by those who are younger (61 percent of those age 18-29 vs. 49 percent of those age 30 and older).

Although designed to keep out-of-pocket costs lower, there isn't overwhelming interest in plans with select networks. Twenty percent say they are extremely or very willing to participate in this type of plan, 38 percent are somewhat willing, and 40 percent are not too or not at all willing.

IN GENERAL, THE PRIVATELY INSURED ARE SATISFIED WITH, UNDERSTAND, AND DO NOT HAVE MANY PROBLEMS WITH THEIR HEALTH PLANS; BUT YOUNGER ADULTS UNDERSTAND THEIR PLANS LESS.

Privately insured Americans age 18-64 are generally satisfied with their health insurance plans, though satisfaction levels vary depending on the type and length of the coverage. Seventy-five percent of privately insured Americans indicate they are somewhat or very satisfied with their current health insurance plan, while 11 percent report they are somewhat or very dissatisfied. Those who report their insurance plan is a HDHP are less satisfied (55 percent) than people who do not say their coverage is a HDHP (84 percent). Further, 59 percent of those who have had their coverage for less than a year are

satisfied with their plans, compared to 84 percent of people who have had their health coverage for five years or more.

Few privately insured Americans report that they do not understand their health insurance plan's scope of coverage. Half say they understand what their current health insurance plan covers and what it doesn't cover extremely or very well, 38 percent say they understand their coverage moderately well, and 12 percent say they understand it not too or not well at all.

⁷ Select networks were defined for respondents as: "Some health insurance plans offer select networks that are composed of only health care providers with records of providing high-quality care while keeping costs low. People receiving medical care from these providers pay lower out-of-pocket costs, but their choice of providers might be more restricted."

Younger Americans with private health insurance are less likely to say they understand what their health insurance plan covers. Forty-four percent of those age 18-49 say they understand what their plan covers and what it doesn't, compared with 59 percent of those age 50-64.

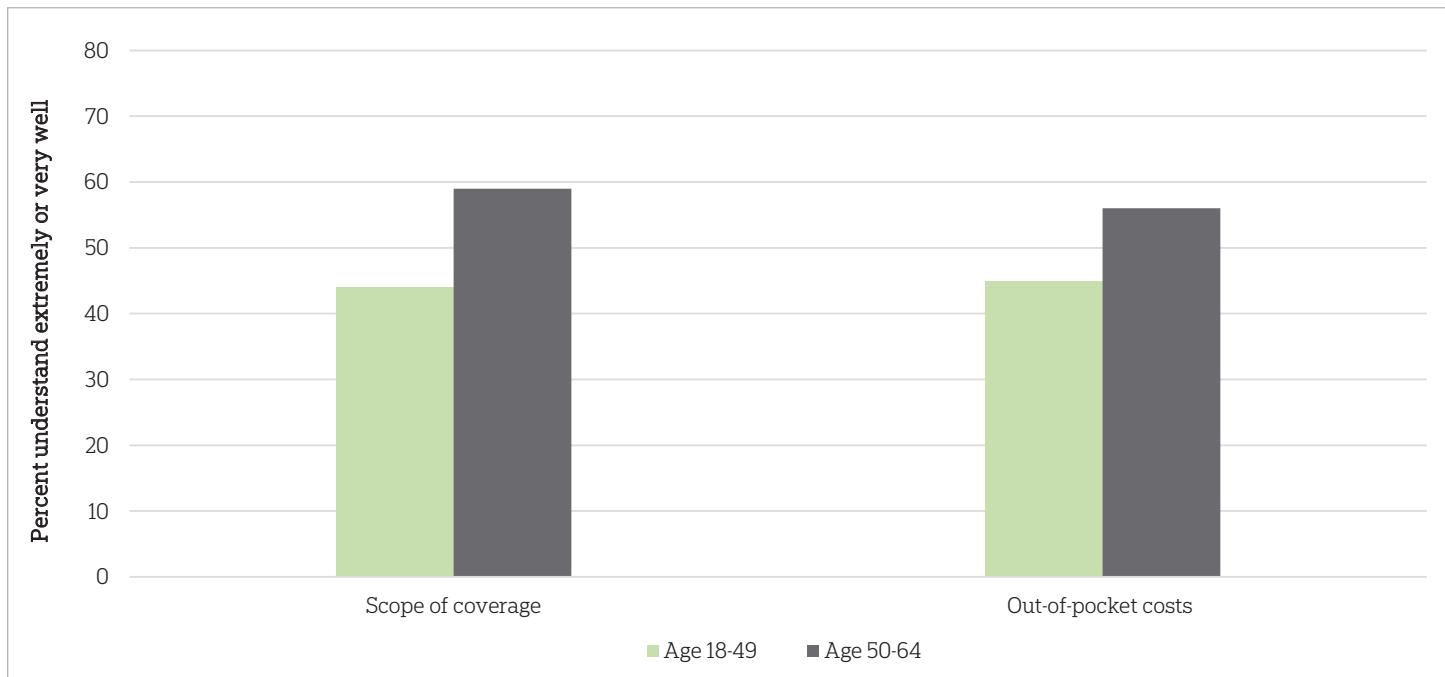
When it comes to understanding their health insurance plan's out-of-pocket costs, the privately insured express similar levels of understanding as with their plans generally. Nearly half (49 percent) say they understand very or extremely well what their out-of-pocket costs will be when they seek medical care through their plan, 36 percent say they understand moderately well, and 14 percent say they understand not too well or not well at all.

Moreover, when controlling for other demographic variables and frequency of using health care, age is once again related to how well people understand their out-of-pocket medical costs. Fifty-six percent of those age 50-64 say they understand what the out-of-pocket costs will be when they seek medical care under their current health insurance plan; less than half (45 percent) of those age 18-49 report the same level of understanding.

Respondents were asked about whether they had negative experiences with health care since enrolling in their current health insurance plan and the potential problems they may have encountered. Relatively few express having experienced the specific problems tested in the survey. Twenty-five percent of privately insured adults age 18-64 say confusion over which health services their plan covers has been a major (5 percent) or a minor (21 percent) problem. Another quarter say their plan not covering a particular treatment or kind of care has been a major (8 percent) or a minor (18 percent) problem. Just under a quarter say not being able to get a specific medication has been a major (8 percent) or a minor (15 percent) problem. Nineteen percent say difficulty finding a doctor or other health care provider covered by the plan has been a major (5 percent) or a minor (14 percent) problem.

Of those who indicate they have used health care services since enrolling in their current health insurance plan, 39 percent say the out-of-pocket costs being higher than expected has been a major (14 percent) or a minor (24 percent) problem. Seventeen percent say being denied reimbursement for care or treatment they have received has been a major (6 percent) or a minor (10 percent) problem, and 12 percent say receiving health care that was lower quality than expected has been a major (6 percent) or a minor (6 percent) problem.

Adults age 18-49 are less likely to understand their health insurance plans than adults age 50-64



Questions: "How well do you feel you understand what your current health insurance plan covers and what it doesn't? Would you say you understand it extremely well, very well, moderately well, not too well, or not well at all?" "How well do you feel you understand what the out-of-pocket costs will be when seeking out medical care under your current health insurance plan? Would you say you understand it extremely well, very well, moderately well, not too well, or not well at all?"

Problems encountered among the privately insured since enrolling in current health plan

	% Major problem	% Minor problem	% Not a problem at all	% Not applicable, don't know, or refused
Out-of-pocket costs higher than expected*	14	24	59	2
Plan not covering a particular treatment	8	18	71	4
Not being able to get specific medication	8	15	75	3
Denied reimbursement for care received*	6	10	78	5
Receiving lower-quality health care than expected*	6	6	84	4
Confusion over which health services plan covers	5	21	73	2
Difficulty finding a doctor covered by the plan	5	14	79	2

*Asked of those who report using health care services since enrolling in current plan.

Question: "Thinking about your experience with health care since you enrolled in your current health insurance plan, has/have [ITEM] been a major problem for you, a minor problem, or not a problem at all?"

Those who say they have a HDHP are more likely to report experiencing problems—particularly related to cost—with their health insurance plan than those who do not have a HDHP. Nearly 6 in 10 (57 percent) of the privately insured who say they have a HDHP and have used their health plan indicate that higher than expected out-of-pocket costs have been a major (31 percent) or a minor (26 percent) problem; far fewer (30 percent) of those who do not report having a HDHP say the same (7 percent major problem vs. 23 percent minor problem). Further, those who say they have a HDHP are more likely than those who say they do not have a HDHP to report that confusion over which health services their plan covers has been a major (10 percent vs. 2 percent) or a minor (28 percent vs. 18 percent) problem.

As the health care marketplace is evolving with the advent of new exchanges, those who purchase their health insurance plans directly or through exchanges are more likely to express difficulty finding health care providers covered under their plans. Thirty-five percent of people with private insurance purchased directly from an insurance company or through an exchange say difficulty finding a doctor covered by the plan has been a major (12 percent) or minor (23 percent) problem; 16 percent of those with a plan through an employer say this has been a major (4 percent) or minor (13 percent) problem.

FOR THE NEARLY 6 IN 10 AMERICANS WHO HAVE A CHOICE WHEN IT COMES TO SELECTING A HEALTH INSURANCE PLAN THROUGH THEIR EMPLOYER OR THE PRIVATE MARKET, COVERED SERVICES, PHYSICIAN NETWORK, AND PREMIUMS ARE THE KEY FACTORS IN THEIR DECISION TO ENROLL.

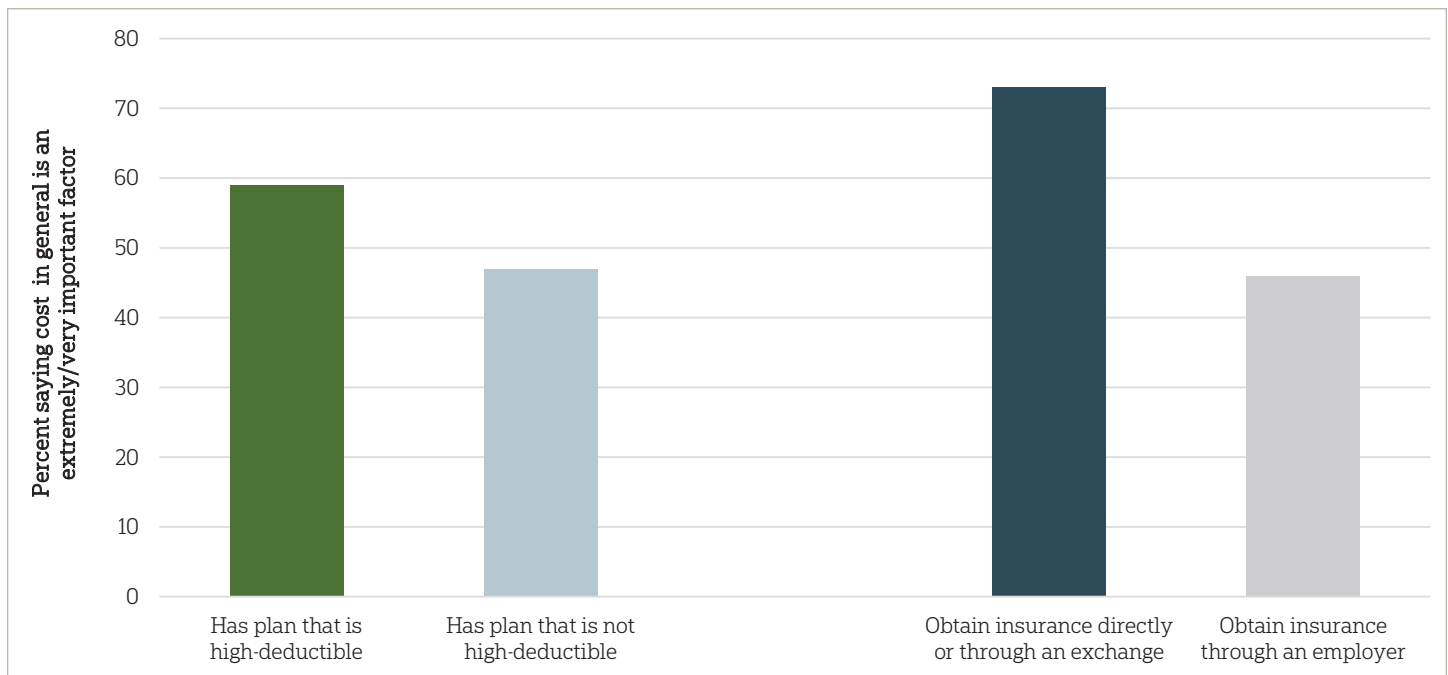
Most privately insured report having had a choice in health insurance plans. Overall, about 6 in 10 people report that when enrolling in their current health plan, they had a choice, and 35 percent say their current plan was the only option available. Not surprisingly, those who obtain health insurance directly or through an exchange are more likely to say they had a choice (74 percent) than people with employer-sponsored insurance (57 percent).

Cost in general is an important factor when privately insured Americans are choosing their health insurance plans, and this is especially true for those with HDHPs. Overall, 50 percent of privately insured adults age 18-64 say cost is an extremely or very important factor in their decision to enroll in a health

insurance plan. Those with HDHPs consider it an especially important factor in their decision to enroll. Nearly 6 in 10 of those who consider their coverage a HDHP (59 percent) see cost as an important factor in their decision, compared with 47 percent of people who do not consider their plan to be a high-deductible one.

Overall costs are also especially important for people who obtain private insurance directly or through an exchange, rather than through an employer. Privately insured Americans covered directly or through an exchange (73 percent) are more likely than people with private insurance through their employers (46 percent) to see cost as an important factor when making purchasing decisions.

Importance of cost in decision to enroll in a health insurance plan



Question: “When choosing to purchase your current health insurance plan, how important was cost as a factor in your decision? Would you say cost was a not at all important factor, a not too important factor, a moderately important factor, a very important factor, or an extremely important factor?”

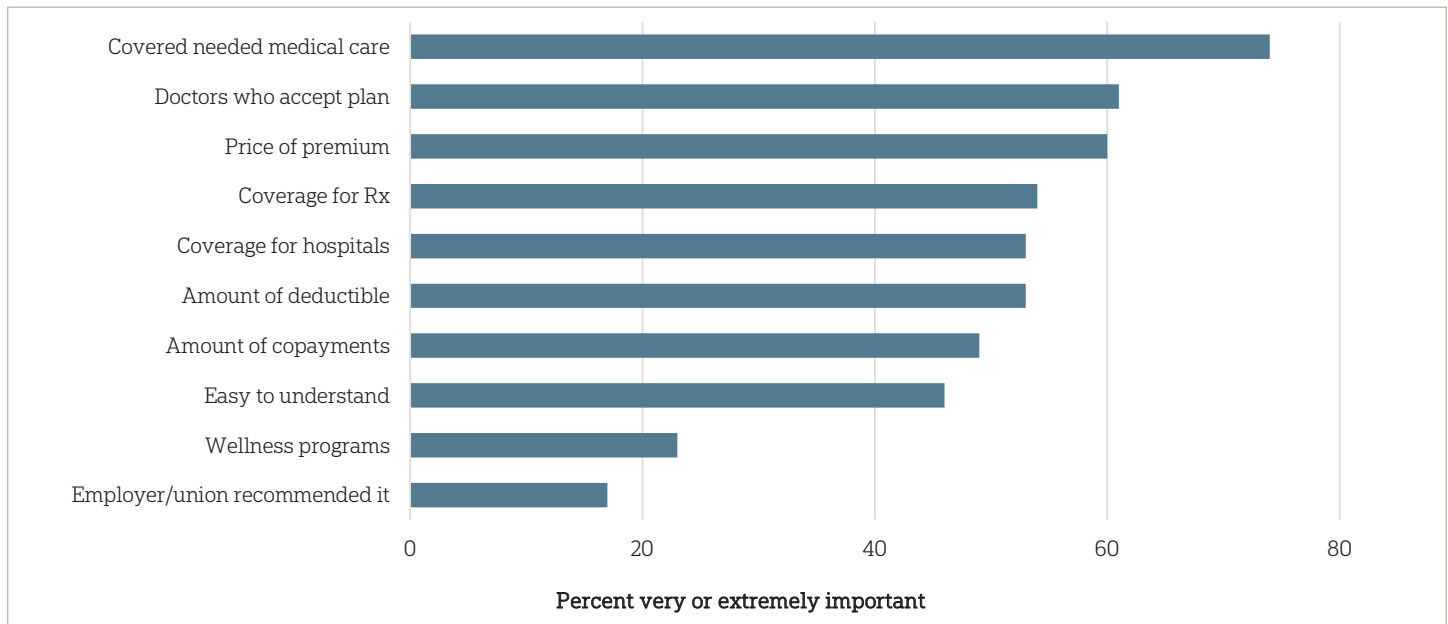
Survey respondents were also asked to rate the importance of a number of other specific reasons they chose the plan they are currently enrolled in over others. Given a choice in health plans, what specific factors matter most for the privately insured when making purchasing decisions? For the nearly 6 in 10 people who had a choice in plans, both the type of medical care covered and cost issues—particularly the price of premiums—are important factors in their enrollment decision. How understandable the plan is, whether it includes wellness programs, and whether employers recommended the plan are relatively less important factors.

Three in 4 privately insured Americans who had a choice in health plans report that whether the plan covered necessary medical care was an important factor when selecting a plan. Six in 10 say the price of premiums was important, and about half report that specific cost factors—such as the amount of deductibles and copayments—were important. Less than a quarter (23 percent) indicate that wellness programs were an important factor when they chose their plan. And among the privately insured who had an employer make a plan recommendation, just 17 percent report that the recommendation was important in their decision.

Specific cost factors are more important in choosing a plan for people with insurance purchased directly or through exchanges than those with insurance purchased through an employer. People who purchase health insurance directly or through an exchange are more likely to say the price of the premium (71 percent) and the amount of deductible (67 percent) are extremely or very important factors than are those with employer-covered insurance (57 percent and 50 percent, respectively).

Few who are covered through their employers say that their employer recommended one health plan over another. Asked whether their employers recommended a health insurance plan, 63 percent of those with direct coverage through an employer say their employer did not recommend any health insurance plans, 28 percent say their employer recommended all plans equally, and 7 percent say their employer recommended a specific plan.

The importance of several reasons the privately insured choose a health insurance plan



Question: "Please tell me whether each of the following was a not important at all reason, a not too important reason, a moderately important reason, a very important reason, or an extremely important reason you chose your current health insurance plan over the other choices available?"

THE HEALTH PLANS EMPLOYERS OFFER, AS WELL AS PLAN COST, ARE THE MOST IMPORTANT REASONS PEOPLE HAVE SWITCHED TO, AND AWAY FROM, HDHPS.

Given the current changes in the health insurance market and to find out more about why people change health insurance plans, respondents were asked whether they were previously enrolled in another health insurance plan, or if they were uninsured prior to enrolling in their current plan. Among those who were previously covered under another plan, being limited by their employers' offerings and the cost of plans were top reasons for changing. Further, there is not a lot of movement among consumers between HDHP and non-HDHP plans—people tend to stick with the same type of plan.

What proportion of privately insured Americans were previously covered under another plan, and what proportion

have changed between HDHP and non-HDHP plan types? About 7 in 10 (71 percent) of those age 18-64 who are privately insured say they were previously covered by another health insurance plan prior to enrolling in their current plan, and 26 percent report they were previously uninsured. People who have switched from one plan to another are most likely to remain with the same kind of plan—either a HDHP or non-HDHP. About half (51 percent) of those who have changed plans report going from a non-HDHP to another non-HDHP. Fourteen percent switched from a HDHP to another HDHP. Twelve percent switched from a non-HDHP plan to a HDHP, and 11 percent switched from a HDHP to a non-HDHP.⁸

Respondents' reported types of health insurance plan they purchase, among those who were previously covered under another plan

	Current plan is a high-deductible health plan	Current plan is not a high-deductible health plan	Don't know
Previous plan was a high-deductible health plan	14%	11%	-
Previous plan was not a high-deductible health plan	12%	51%	5%
Don't know	1%	4%	1%

Questions: "Is your current health insurance plan considered a high-deductible health plan or is it not considered a high-deductible health plan? Yes, considered a high-deductible health plan, or no, not considered a high-deductible health plan." "Was your previous health insurance plan a high-deductible plan, or not?"

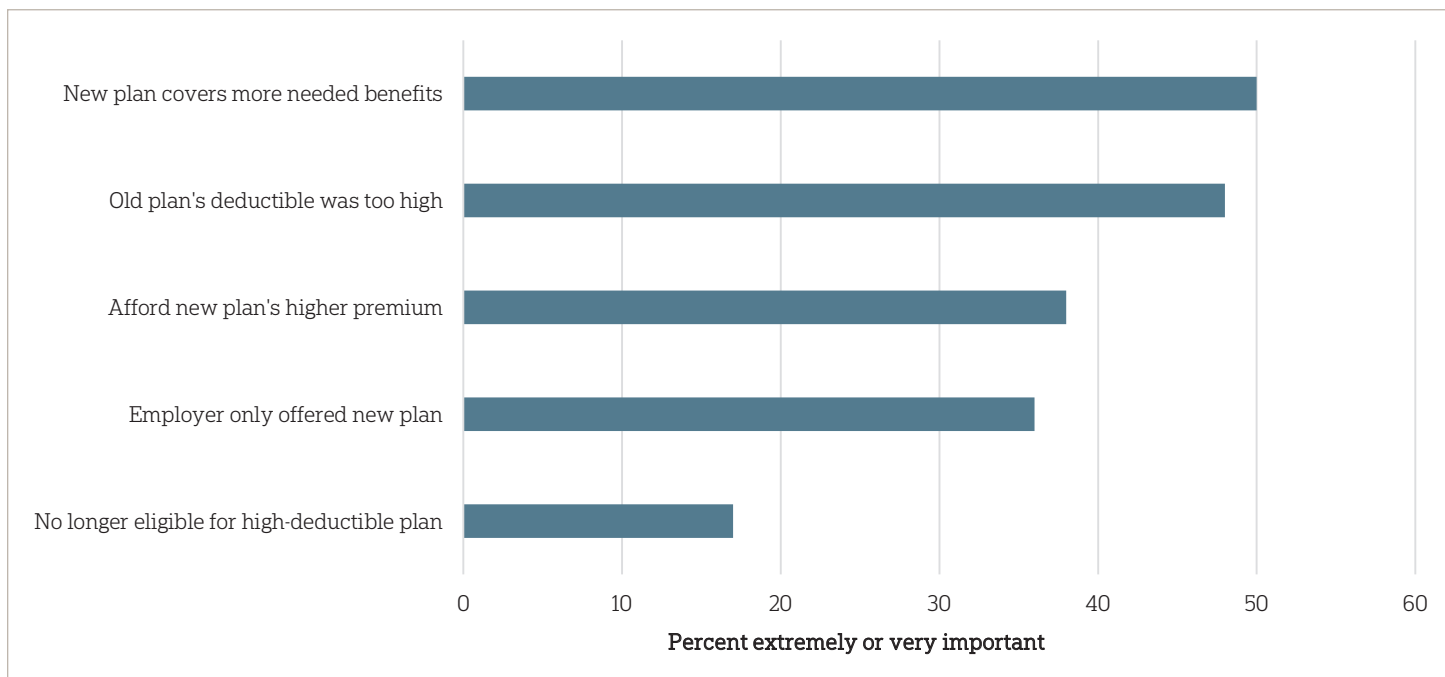
⁸ Note, estimates are based on an unweighted subgroup size of n=87 respondents who report switching from a HDHP to non-HDHP and n=93 respondents who report switching from a non-HDHP to a HDHP.

Those who switched from a HDHP to a non-HDHP report doing so for a variety of reasons, but reasons given tend to relate more to the plans' costs and scope of coverage than to eligibility requirements. Fifty percent say an important reason why they switched plans was that the new plan covers more of the benefits they need. Nearly as many, 48 percent, say an important reason was that the old plan's deductible was too high. Additionally, 38 percent say that their ability to pay the new plan's higher monthly premium was an important reason why they switched from a high-deductible insurance plan. Eligibility was a less important reason, with 17 percent saying they switched plans because they were no longer eligible for a HDHP. For those who get their coverage through their own or a family member's employer, 36 percent say an important reason for making the switch away from a HDHP was that the employer only offered the new plan.

Within the group who say they switched from a non-HDHP to a HDHP, between nearly 1 in 5 and 2 in 5 report switching because it was the only plan offered by the employer, they could afford the new plan's higher deductible, the old plan's monthly premium was too high, or they did not need as much coverage as their previous plan offered.

When asked about utilization of health care under their new plan compared to their old plan, most privately insured Americans age 18-64 who switched health plans report using health care services with similar frequency. Such services include going to the doctor when they are sick or injured (66 percent), getting routine physicals (65 percent), filling prescriptions (65 percent), getting recommended tests and treatments (60 percent), using primary care doctors instead of emergency rooms (58 percent), and getting mental health care (57 percent). Few report they are less likely to use care under their current plans.

Reasons why the privately insured switched from a HDHP to their current plan



Question: "Please tell me whether each of the following was a not at all, a not too, a moderately, a very, or an extremely important reason why you switched from a high-deductible insurance plan to your current plan. Was this a not at all important, a not too important, a moderately important, a very important, or an extremely important reason?"

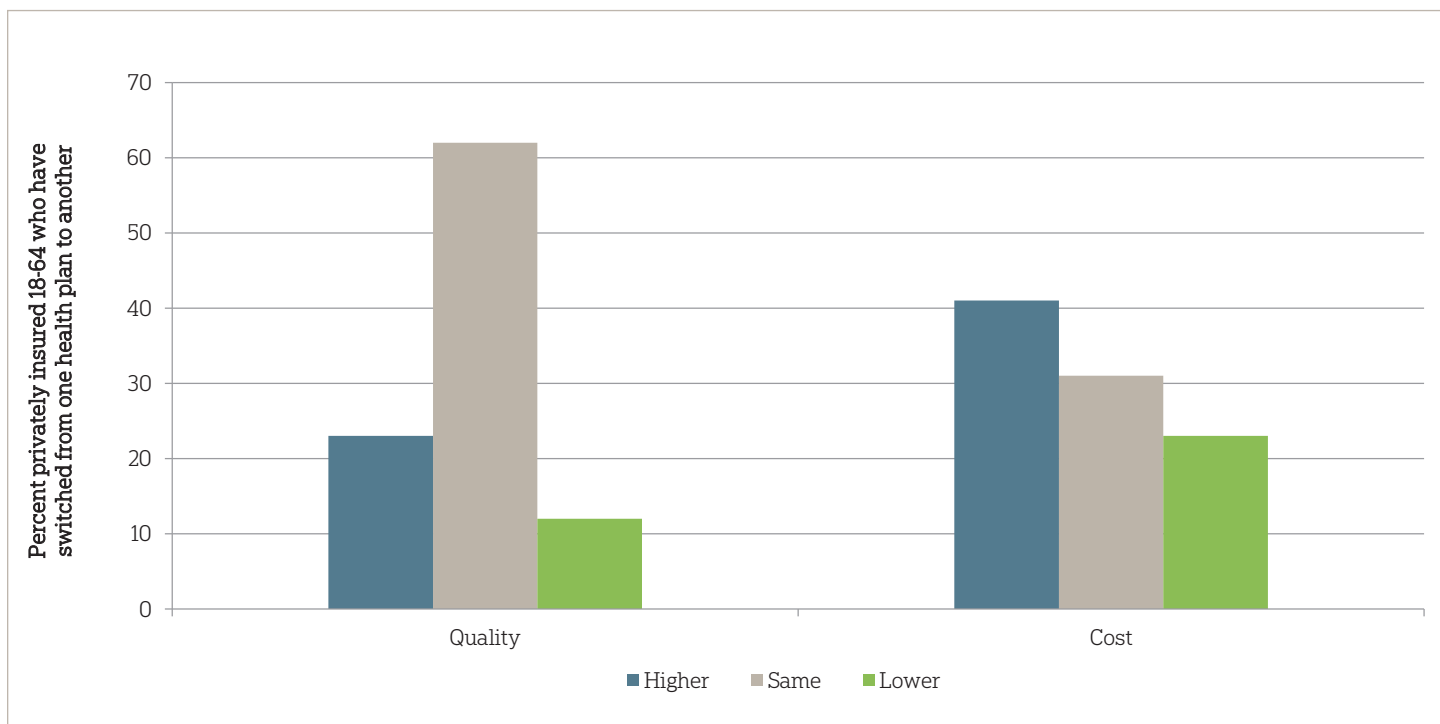
AMONG THE 7 IN 10 AMERICANS WHO HAVE SWITCHED FROM ONE HEALTH PLAN TO ANOTHER, MOST REPORT INCREASED COSTS WITHOUT AN ASSOCIATED INCREASE IN QUALITY OF CARE UNDER THE PLAN—ESPECIALLY THOSE WHO SAY THEY CURRENTLY HAVE A HDHP.

In general, privately insured Americans age 18-64 who were previously covered believe their most recently purchased health insurance plans are more costly—but cover the same level of health care quality—as their old plans. Of the 71 percent who have switched from one health plan to another, a majority (62 percent) say that their current plan offers the same quality of care as their previous plan, 23 percent say their current plan provides higher-quality care, and 12 percent say it provides lower quality care.

For a majority of these Americans, while quality of care has remained steady, costs have increased. About 4 in 10 say they are paying more under their current plan than under their previous plan. Just 2 in 10 say their current plan costs less than their previous plan. Three in 10 say their current plan costs the same. Among those who say they are paying more under their current plan, 18 percent think the care provided is higher quality.

Those who have changed health insurance plans and say they have HDHPs are especially likely to cite increased costs without a corresponding increase in quality. Fifty-four percent of those who say they have a HDHP report that their current plan costs more, and 13 percent say there has been an increase in the quality of health care covered by the plan. Comparatively, 36 percent of those who say their current plan is not a HDHP report their plan costs more. And 27 percent of those who say they do not currently have a HDHP consider the quality of health care covered by their plan to be higher.

Changes in quality and cost of health insurance plans for those who have switched from one health plan to another



Questions: “Compared with your previous health insurance plan, do you think your current plan covers higher-quality health care, lower-quality health care, or is the quality of health care it covers the same? Is that much higher quality or somewhat higher quality, or is that much lower quality or somewhat lower quality?” “Compared with your previous health insurance plan, does your current health insurance plan generally cost more, cost less, or is the cost the same? Is that much more or somewhat more, or is that much less or somewhat less?”

ABOUT THE STUDY

Study Methodology

This survey, funded by The Robert Wood Johnson Foundation, was conducted by the Associated Press-NORC Center for Public Affairs Research between the dates of July 22 and September 3, 2014. Staff from NORC at the University of Chicago, the Associated Press, and The Robert Wood Johnson Foundation collaborated on all aspects of the study.

This random-digit-dial (RDD) survey of the 50 states and the District of Columbia was conducted via telephone with 1,004 privately insured adults age 18-64. In households with more than one adult age 18-64, we used the most recent birthday method to randomly select which eligible adult would be interviewed. The sample included 602 respondents on landlines and 402 respondents on cell phones. Cell phone respondents were offered a small monetary incentive for participating, as compensation for telephone usage charges. Interviews were conducted in both English and Spanish, depending on respondent preference. All interviews were completed by professional interviewers who were carefully trained on the specific survey for this study.

The RDD sample was provided by a third-party vendor, Marketing Systems Group. The final response rate was 23 percent, based on the American Association of Public Opinion Research (AAPOR) Response Rate 3 method. Sampling weights were calculated to adjust for sample design aspects (such as unequal probabilities of selection) and for

nonresponse bias arising from differential response rates across various demographic groups. Poststratification variables included age, sex, race, region, education, and landline/cell phone use. The weighted data, which thus reflect the U.S. population age 18-64 with private health insurance, were used for all analyses. The overall margin of error was +/- 4.1 percentage points, including the design effect resulting from the complex sample design.

All analyses were conducted using STATA (version 13), which allows for adjustment of standard errors for complex sample designs. All differences reported between subgroups of the U.S. population age 18-64 with private health insurance are at the 95 percent level of statistical significance, meaning that there is only a 5 percent (or less) probability that the observed differences could be attributed to chance variation in sampling. Additionally, bivariate differences between subgroups are only reported when they also remain robust in a multivariate model controlling for other demographic, political, and socioeconomic covariates. The unweighted sample sizes for the main subgroups evaluated in the report are listed in the table below.

A comprehensive listing of all study questions, complete with tabulations of top-level results for each question, is available on the AP-NORC Center for Public Affairs Research website: www.apnorc.org.

Demographic groups	
Health plan provider	
Insurance purchased through employer	n=829
Insurance purchased through exchange	n=175
Plan choice	
Had a choice when selecting health plan	n=640
Employer made a plan recommendation*	n=28
Employer recommended all options equally*	n=91
Employer didn't make any recommendations*	n=213
Didn't have a choice when selecting health plan	n=331
Type of health plan	
High-deductible health plan	n=267
Very or somewhat sure insurance plan is a high-deductible plan	n=224
Neither sure nor unsure, somewhat unsure, or very unsure they have HDHP	n=43
Other type of health plan	n=737

Switched health plans	
Previously uninsured	n=217
Previously covered by another plan	n=769
Currently have HDHP	n=208
Switched from HDHP to HDHP	n=106
Switched from non-HDHP to HDHP	n=93
Currently have non-HDHP	n=525
Switched from HDHP to non-HDHP	n=87
Switched from non-HDHP to non-HDHP	n=410
Gender	
Male	n=488
Female	n=516
Age	
18-29 years of age	n=118
30-39 years of age	n=126
40-49 years of age	n=169
50-59 years of age	n=328
60-64 years of age	n=243
Income	
Income under \$50,000	n=254
Income \$50,000-\$100,000	n=354
Income \$100,000+	n=305
Parental status	
Does not have a child under 26 years of age	n=546
Has child under 26 years of age	n=457
Child is covered under insurance	n=348
Child is not covered under insurance	n=109

*Asked of those who had a choice when selecting a health plan and have insurance through employer.

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About the Associated Press-NORC Center for Public Affairs Research

The AP-NORC Center for Public Affairs Research taps into the power of social science research and the highest-quality journalism to bring key information to people across the nation and throughout the world.

- The Associated Press (AP) is the world's essential news organization, bringing fast, unbiased news to all media platforms and formats.
- NORC at the University of Chicago is one of the oldest and most respected, independent research institutions in the world.

The two organizations have established the AP-NORC Center for Public Affairs Research to conduct, analyze, and distribute social science research in the public interest on newsworthy topics, and to use the power of journalism to tell the stories that research reveals.

The founding principles of the AP-NORC Center include a mandate to carefully preserve and protect the scientific integrity and objectivity of NORC and the journalistic independence of AP. All work conducted by the Center conforms to the highest levels of scientific integrity to prevent any real or perceived bias in the research. All of the work of the Center is subject to review by its advisory committee to help ensure it meets these standards. The Center will publicize the results of all studies and make all datasets and study documentation available to scholars and the public.

The complete topline data are available at www.apnorc.org.

For more information, visit www.apnorc.org
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