## Americans' Challenges with Health Care Costs

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Lunna Lopes, Alex Montero, Marley Presiado, and Liz Hamel Published: Mar 01, 2024

that health care costs factor into decisions about insurance coverage and care seeking. These costs and the prospect of unexpected medical bills also rank as the top financial worries for adults and their families, and recent <u>polling</u> shows that lowering out-of-pocket health care costs is by and large the public's top health care priority. Health care affordability is also one of the top issues that voters want to hear presidential candidates talk about during the 2024 election. This data note summarizes recent KFF

For many years, KFF polling has found that the high cost of health care is a burden on U.S. families, and

polling on the public's experiences with health care costs. Main takeaways include: About half of U.S. adults say it is difficult to afford health care costs, and one in four say they or a family member in their household had problems paying for health care in the past 12 months. Younger adults, those with lower incomes, adults in fair or poor health, and the uninsured are particularly likely to report problems affording health care in the past year.

- The cost of health care can lead some to put off needed care. One in four adults say that in the past 12 months they have skipped or postponed getting health care they needed because of the cost. Notably six in ten uninsured adults (61%) say they went without needed care because of the cost. The cost of prescription drugs prevents some people from filling prescriptions. About one in five
- adults (21%) say they have not filled a prescription because of the cost while a similar share say they have instead opted for over-the-counter alternatives. About one in ten adults say they have cut pills in half or skipped doses of medicine in the last year because of the cost. Those who are covered by health insurance are not immune to the burden of health care costs.
- About half (48%) of insured adults worry about affording their monthly health insurance premium and large shares of adults with employer-sponsored insurance (ESI) and those with Marketplace coverage rate their insurance as "fair" or "poor" when it comes to their monthly premium and to out-of-pocket costs to see a doctor.

**Health care debt is a burden for a large share of Americans.** About four in ten adults (41%) report having debt due to medical or dental bills including debts owed to credit cards, collections agencies,

- family and friends, banks, and other lenders to pay for their health care costs, with disproportionate ala ana af mha al canal ddiga and a a dichag comanna, panamang ala ana cidala haceda ana ang anad cindina cidad saying they have health care debt. Notable shares of adults still say they are worried about affording medical costs such as unexpected bills, the cost of health care services (including out-of-pocket costs not covered by insurance, such as co-pays and deductibles), prescription drug costs, and long-term care services for themselves or a family member. About three in four adults say they are either "very" or
- "somewhat worried" about being able to afford unexpected medical bills (74%) or the cost of health care services (73%) for themselves and their families. Additionally, about half of adults would be unable to pay an unexpected medical bill of \$500 in full without going into debt. **Difficulty Affording Medical Costs**

Many U.S. adults have trouble affording health care costs. While lower income and uninsured adults are

the most likely to report this, those with health insurance and those with higher incomes are not immune to the high cost of medical care. About half of U.S. adults say that it is very or somewhat difficult for them to afford their health care costs (47%). Among those under age 65, uninsured adults are much more likely to say affording health care costs is difficult (85%) compared to those with health insurance coverage (47%). Additionally, at least six in ten Black adults (60%) and Hispanic adults (65%) report difficulty affording health care costs compared to about four in ten White adults (39%). Adults in households with annual incomes under \$40,000 are more than three times as likely as adults in households with incomes over \$90,000 to say it is difficult to afford their health care costs (69% v. 21%). (Source: KFF Health Care

## Large Shares Of The Uninsured, Black And Hispanic Adults, And Those With Lower Incomes

Debt Survey: Feb.-Mar. 2022)

Figure 1

Less than \$40K

\$40K-\$89.9K

NOTE: See topline for full question wording.

SOURCE: KFF Health Care Debt Survey (Feb. 25-Mar. 20, 2022) • PNG

\$90K+

Hispanic

Asian

White

Household income

Less than \$40,000

\$40,000-\$89,999

\$90,000 +

27%

21%

23%

30%

27%

14%

21%

29%

27%

18%

21%

61%

Men

Household income

Less than \$40,000

\$40,000-\$89,999

Insurance Status

\$90,000 +

Insured

Uninsured

Poll: March 2022)

Figure 4

Figure 5

Total

Age

18-49

50-64

65+

Household income

Less than \$40K

Race/Ethnicity

Black, non-Hispanic

White, non-Hispanic

NOTE: See topline for full question wording.

SOURCE: KFF Health Tracking Poll (July 11-19, 2023) • PNG

\$40K-\$89.9K

\$90K+

Hispanic

Number of prescription drugs

Taking 4 or more prescription drugs

Taking 1-3 prescription drugs

In general, how easy or difficult is it for you to afford your health care costs? Very/Somewhat easy Very/Somewhat difficult 53% 47% Total Insurance status among adults ages 18-64 47% 52% Insured 15% 85% Uninsured Race/Ethnicity 60% Black, non-Hispanic 40% 65% 34% Hispanic 61% 39% White, non-Hispanic Household income

When asked specifically about problems paying for health care in the past year, one in four adults say

31%

51%

79%

69%

49%

21%

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Half Of Adults Say It Is Difficult To Afford Health Care Costs, Including

they or a family member in their household had problems paying for care, including three in ten adults under age 50 and those with lower household incomes (under \$40,000). Affording health care is particularly a problem for those who may need it the most as one-third of adults who describe their physical health as "fair" or "poor" say they or a family member had problems paying for health care in the past 12 months. Among uninsured adults, half (49%) say they or a family member in their household had problems paying for health care, including 51% of uninsured adults who say they are in fair or poor health. Figure 2 Reports Of Problems Paying For Health Care Highest Among Those In Lower Income Households And The Uninsured Demographics Health Status and Insurance Type Percent who say in the past 12 months, they or a family member living with them had problems paying for health care: 24% Total Age 18-29 30% 30-49 50-64 24% 65+ 9% Gender 27% Women 20% Men Race/Ethnicity 25% Black

NOTE: Black and Asian groups include multiracial and single-race adults of Hispanic and non-Hispanic ethnicity. Hispanic group includes those KFF who identify as Hispanic regardless of race. White includes single-race non-Hispanic adults only. See topline for full question wording. SOURCE: KFF Survey on Racism, Discrimination, and Health (June 6- August 14, 2023) • PNG The cost of care can also lead some adults to skip or delay seeking services. One-quarter of adults say that in the past 12 months, they have skipped or postponed getting health care they needed because of the cost. The cost of care can also have disproportionate impacts among different groups of people; for instance, women are more likely than men to say they have skipped or postponed getting health care they needed because of the cost (28% vs. 21%). Adults ages 65 and older, most of whom are eligible for health care coverage through Medicare, are much less likely than younger age groups to say they have not gotten health care they needed because of cost. One in four immigrant adults (22%) say they have skipped or postponed care in the past year, rising to about a third (36%) among those who are uninsured. Seven in ten (69%) of immigrant adults who skipped or postponed care (15% of all immigrant adults) said they did so due to cost or lack of health coverage. (Source: The 2023 KFF/LA Times Survey of Immigrants: Apr.-June 2023) Six in ten uninsured adults (61%) say they have skipped or postponed getting health care they needed due to cost. Health insurance, however, does not offer ironclad protection as one in five adults with insurance (21%) still report not getting health care they needed due to cost. Figure 3 Six In Ten Uninsured Adults Say They Have Skipped Or Postponed Getting Health Care They Needed In The Past 12 Months Due to Cost Hispanic Black Asian White Percent who say, in the past 12 months, they have skipped or postponed getting health care they needed because of the cost: 25% Total Age 18-29 36% 32% 30-49 22% 50-64 65+ 7% Gender 28% Women

Dental Services Top List Of Health Services Adults Most Likely To Delay Due To Cost Percent who say they have delayed or gone without each of the following in the past year due to the cost: 35% Dental services 25% Vision services, including eyeglasses 24% A visit to a doctor's office Mental health care 18% 14% Hospital services Hearing services, including hearing aids NOTE: See topline for full question wording. KFF SOURCE: KFF Health Tracking Poll (Mar. 15-22, 2022) • PNG A 2022 KFF report found that people who already have debt due to medical or dental care are disproportionately likely to put off or skip medical care. Half (51%) of adults currently experiencing debt due to medical or dental bills say in the past year, cost has been a probititor to getting the medical test or treatment that was recommended by a doctor. (Source: KFF Health Care Debt Survey: Feb.-Mar. 2022) **Prescription Drug Costs** For many U.S. adults, prescription drugs are a component of their routine care. More than one in four (28%) adults say it is either "somewhat" or "very difficult" for them to afford to pay for prescription drugs. Affording prescription drugs is particularly difficult for adults who take four or more prescription medications (37%) and those in households with annual incomes under \$40,000 (40%). Black and Hispanic adults are also more likely than White adults to say it is difficult for them to afford to pay for

NOTE: Black and Asian groups include multiracial and single-race adults of Hispanic and non-Hispanic ethnicity. Hispanic group includes those

KFF health polling from March 2022 also looked at the specific types of care adults are most likely to

report putting off and found that dental services are the most common type of medical care that people

hospital services (14%), and hearing services, including hearing aids (10%). (Source: KFF Health Tracking

report delaying or skipping, with 35% of adults saying they have put it off in the past year due to cost.

This is followed by vision services (25%), visits to a doctor's offices (24%), mental health care (18%),

who identify as Hispanic regardless of race. White includes single-race non-Hispanic adults only. See topline for full question wording.

SOURCE: KFF Survey on Racism, Discrimination, and Health (June 6- August 14, 2023) • PNG

prescription drugs. (Source: KFF Health Tracking Poll: July 2023)

Percent who say it is either "somewhat" or "very difficult" to afford to pay ...

28%

18%

37%

30%

27%

25%

40%

29%

11%

36%

33%

24%

Who Has Difficulty Affording Their Prescription Drugs?

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The high cost of prescription drugs also leads some people to cut back on their medications in various ways. About one in five adults (21%) say in the past 12 months they have not filled a prescription because

Figure 7 Large Shares Of Adults With ESI And Marketplace Coverage Rate Their Insurance Negatively When It Comes To Premiums And Out-Of-Pocket Costs Percent who rate the following aspects of their current health insurance as either fair or poor: Total insured ESI Medicare Medicaid Marketplace adults The amount they have to pay out-of-pocket to see 55% 41% a doctor The amount they have to pay for their health 39% 27% 10% 55% insurance each month The amount they have to pay out-of-pocket to fill a 32% 35% 43% prescription NOTE: See topline for full question wording. KFF SOURCE: KFF Survey of Consumer Experiences with Health Insurance (Feb. 21-Mar. 14, 2023) • PNG investigative journalism project on health care debt conducted by KFF Health News and NPR, *Diagnosis* Debt. This project found that health care debt is a wide-reaching problem in the United States and that someone else's care, including about a quarter of adults (24%) who say they have medical or dental bills that are past due or that they are unable to pay, and one in five (21%) who have bills they are paying off over time directly to a provider. One in six (17%) report debt owed to a bank, collection agency, or other lender from loans taken out to pay for medical or dental bills, while similar shares say they have health care debt from bills they put on a credit card and are paying off over time (17%). One in ten report debt owed to a family member or friend from money they borrowed to pay off medical or dental bills. While four in ten U.S. adults have some type of health care debt, disproportionate shares of lower income adults, the uninsured, Black and Hispanic adults, women, and parents report current debt due to medical or dental bills. Figure 8 Four In Ten Adults Currently Have Debt Due To Medical Or Dental Bills Percent who say they have each of the following types of debt due to medical or dental bills for themselves or for someone else's care, such as a child, spouse or parent: Medical or dental bills that are past due or that they 24%

21%

17%

17%

10%

41%

Vulnerabilities and Worries About Health Care and Long-Term Care

A <u>February 2024 KFF Health Tracking Poll</u> shows unexpected medical bills and the cost of health care

services are at the top of the list of people's financial worries, with about three-quarters of the public –

and similar shares of insured adults younger than 65 – saying they are at least somewhat worried about

their families. Just over half (55%) of the public say they are "very" or "somewhat worried" about being

able to afford their prescription drug costs, while about half (48%) of insured adults say they are worried

29%

35%

34%

29%

affording unexpected medical bills (74%) or the cost of health care services (73%) for themselves and

KFF

8%

11%

13%

15%

18%

16%

21%

21%

## Unexpected medical bills The cost of health care services Gasoline or other transportation costs Your monthly utilities like electricity or heat

Very worried Somewhat worried Not too worried Not at all worried

45%

39%

31%

35%

With Lower Household Incomes, Black And Hispanic Adults Suppose you had an unexpected medical bill, and the amount not covered by any insurance you may have came to \$500, how would you pay the bill? ■ Would not be able to pay the bill at all ■ Would go into debt to pay the bill ■ Would pay the bill without going into debt 50% 19% 30% 50% Total Gender Women 23% 34% 42% 12% 27% 59% Men Household income 40% 39% 20% Less than \$40K 9% 26% \$40K+ 64% Race/Ethnicity 37% Black, non-Hispanic 25% 41% 32% Hispanic White, non-Hispanic 59% 13% 26% NOTE: "Would go into debt to pay the bill" includes those who said that, in order to pay the bill, they would put it on a credit card and pay it off

35% 20% 17% Food 27% 35% 26% 19% 19% Paying down debt 35% 23% 18% 24% Your rent or mortgage 29% 25% Your prescription drug costs 26% 21% Your monthly health insurance premium\* 27% 28% 23% 20% 18% 39% Child care\*\* NOTE: \*Asked of insured adults. \*\*Among parents or guardians of a child under age 18 living in their household. See topline for full question KFF wording SOURCE: KFF Health Tracking Poll (Jan. 30-Feb. 7, 2024) • PNG Many U.S. adults may be one unexpected medical bill from falling into debt. About half of U.S. adults say they would not be able to pay an unexpected medical bill that came to \$500 out of pocket. This includes one in five (19%) who would not be able to pay it at all, 5% who would borrow the money from a bank, payday lender, friends or family to cover the cost, and one in five (21%) who would incur credit card debt in order to pay the bill. Women, those with lower household incomes, Black and Hispanic adults are more likely than their counterparts to say they would be unable to afford this type of bill. (Source: KFF Health Care Debt Survey: Feb.-Mar. 2022) Figure 10 About Half Of Adults Would Be Unable To Pay For An Unexpected \$500 Medical Bill In Full, Including Larger Shares Of Women, Those

Less than \$40K 25% 27% 22% \$40K-\$89.9K 19% \$90K+ 15% 17% Race/Ethnicity Black, non-Hispanic 23% 21% 21% 32% Hispanic 12% White, non-Hispanic 20% 12% 17% Gender Women 24% 21% 21% Men 18% NOTE: See topline for full question wording. KFF SOURCE: KFF Health Tracking Poll (July 11-19, 2023) • PNG **Health Insurance Cost Ratings** Overall, most insured adults rate their health insurance as "excellent" or "good" when it comes to the amount they have to pay out-of-pocket for their prescriptions (61%), the amount they have to pay out-ofpocket to see a doctor (53%), and the amount they pay monthly for insurance (54%). However, at least three in ten rate their insurance as "fair" or "poor" on each of these metrics, and affordability ratings vary depending on the type of coverage people have. Adults who have private insurance through employer-sponsored insurance or Marketplace coverage are more likely than those with Medicare or Medicaid to rate their insurance negatively when it comes to their monthly premium, the amount they have to pay out of pocket to see a doctor, and their prescription co-pays. About one in four adults with Medicare give negative ratings to the amount they have to pay each month for insurance and to their out-of-pocket prescription costs, while about one in five give their insurance a negative rating when it comes to their out-of-pocket costs to see a doctor. Medicaid enrollees are less likely than those with other coverage types to give their insurance negative ratings on these affordability measures (Medicaid does not charge monthly premiums in most states, and copays for covered services, where applied, are required to be nominal.) (Source: KFF Survey of Consumer Experiences with Health Insurance) **Health Care Debt** In June 2022, KFF released an analysis of the KFF Health Care Debt Survey, a companion report to the 41% of U.S. adults currently have some type of debt due to medical or dental bills from their own or

over time; borrow money from a bank, payday lender, or friends or family to pay the bill; make a payment plan with a provider; or pay over time (unspecified) Vol. "Would pay the bill without going into debt" includes those who said they would pay the bill right away or those who said they would put it on a credit card and pay it off in full at the next statement. See topline for full question wording. SOURCE: KFF Health Care Debt Survey (Feb. 25-Mar. 20, 2022) • PNG

of the cost. A similar share (21%) say they have taken an over-the-counter drug instead of getting a prescription filled – rising to about one third of Hispanic adults (32%) and more than one in four adults (27%) with annual household incomes under \$40,000. About one in ten adults say that in the past 12 months they have cut pills in half or skipped doses of medicine due to cost. (Source: KFF Health Tracking Poll: July 2023) Figure 6 Two In Ten Adults Say They Have Not Filled A Prescription Or Taken An Over-The-Counter Drug Instead Due To Cost Percent who say in the past 12 months, they have done each of the following due to cost: Taken an over-the-counter drug Cut pills in half or skipped doses of Not filled a prescription for a instead of getting a prescription medicine medicine filled 21% 12% Total 21% Household income

are unable to pay Medical or dental bills they are paying off over time

directly to a provider

medical or dental bills

Yes to any of the above

Costs

card and are paying off over time

NOTE: See topline for full question wording.

Debt they owe to a bank, collection agency, or other lender that includes debt or loans used to pay

Medical or dental bills they have put on a credit

Debt they owe to a family member or friend for

money they borrowed to pay medical or dental bills

SOURCE: KFF Health Care Debt Survey (Feb. 25-Mar. 20, 2022) • PNG

about affording their monthly health insurance premium. Worries about health care costs pervade among a majority of adults regardless of their financial <u>situation</u>. Among adults who report difficulty affording their monthly bills, more than eight in ten say they are worried about the cost of health care services (86%) or unexpected medical bills (83%). Among those who report being *just* able to afford their bills, about eight in ten say they are worried about being able to afford unexpected medical bills (84%) or health care services (83%). And even among adults who say they can afford their bills with money left over, six in ten nonetheless say they are "very" or "somewhat worried" about being able to afford unexpected medical bills (62%) or the cost of health care services (60%) for themselves and their family. (Source: KFF Health Tracking Poll: February 2024) Figure 9 About Three In Four Adults Say They Are Worried About Being Able To Afford Unexpected Medical Bills, The Cost Of Health Care How worried, if at all, are you about being able to afford each of the following for you and your family?

Among older adults, the costs of long-term care and support services are also a concern. Almost six in ten (57%) adults 65 and older say they are at least "somewhat anxious" about affording the cost of a nursing home or assisted living facility if they needed it, and half say they feel anxious about being able to afford support services such as paid nurses or aides. These concerns also loom large among those between the ages of 50 and 64, with more than seven in ten saying they feel anxious about affording residential care (73%) and care from paid nurses or aides (72%) if they were to need these services. See The Affordability of Long-Term Care and Support Services: Findings from a KFF Survey for a deeper dive into concerns about the affordability of nursing homes and support services.