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A Monthly Reprint of Articles of Importance to Employers

87% Of Consumers Were Surprised by a Medical Bill in 2021

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Editor's Note

Off The Wire is a reprint of articles for Human Resources professionals and business owners. It is published monthly and we always try to address the needs and concerns of the business community with a focus on benefits and HR-related topics.

We are interested in your feedback and welcome any comments! If there are any topics that interest you, feel free to contact us at (206) 414-4635.

We will gladly do the research for you!

If you would like to view past issues, they can be found on our website.

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(206) 414-4635



InstaMed recently released the *Trends in Healthcare Payments Twelfth Annual Report*—highlighting trends from the major industry stakeholders: consumers, providers and payers. The report delves into the financial toll that the pandemic has had on the healthcare ecosystem. Those realities have shed light on the need for providers and payers to prioritize and accelerate improvements to their payments processes. Survey results in the report reflect a growing disconnect between perception and reality for consumers in healthcare payments.

Price transparency: Eighty-seven percent of consumers were surprised by a medical bill in 2021, while only 21% of providers prioritize price transparency for patients.

Paper dominates: Seventy percent of consumers receive medical bills via mail, but only nine percent of consumers want to pay that bill with a paper check. One in four consumers ended a transaction for a medical bill because they couldn't pay with a credit or debit card.

Loyalty impacts: Seventy-four percent of millennial consumers would switch providers for a better healthcare payments experience, yet 39% of providers still believe billing and collection efforts have no impact on the patient experience.

The ongoing pandemic and the steep growth in digital experiences and payments across industries has influenced perceptions within the healthcare industry.

Consumers want online payments: Ninety percent of consumers pay recurring bills online, and 87% of consumers want to make all of their healthcare payments in one place.

Providers want free EFT: Eighty-seven percent of providers prefer EFT without fees, while only 10% preferred checks, and only one percent preferred EFT with fees from payers.

Payers prioritize member experience: Eighty-six percent of payers prioritize member engagement in 2022, while 87% of payers think members are likely to recommend their health plans.

The Trends in Healthcare Payments Twelfth Annual Report highlights quantitative data derived from \$460 billion in healthcare payments processed on the InstaMed platform and features qualitative proprietary, independently gathered survey data from consumers, providers and payers nationwide. The report is available for download, free of charge, at www.instamed.com/trends.

Half of Consumers Have Abandoned a Prescription at the Pharmacy Because of Cost

Even with the availability of price-transparency tools, many patients are still left in the dark about prescription costs, with half of consumers abandoning needed medications at the pharmacy, according to a recent consumer survey sponsored by DrFirst.

“This is a danger zone for public health,” said Colin Banas, MD, MHA, chief medical officer for DrFirst. “For some patients, especially those with chronic health conditions like diabetes, heart disease and high blood pressure, prescription abandonment can lead to serious health problems and hospital readmissions.”

Cost-related non-adherence could become a leading cause of death in the U.S. by 2030, surpassing diabetes influenza, pneumonia, and kidney disease according to a study by the nonprofit West Health Policy Center and Xcenda. To better understand the issue, DrFirst surveyed 200 American consumers about their experiences with prescriptions and price transparency. The survey found that:

- Nearly half of consumers (43%) say their doctors did not discuss prescription costs within the last 12 months.
- Half (49.5%) say they have abandoned a prescription at the pharmacy within the past few years because it was too expensive.
- Almost a quarter (24%) say they’ve stopped prescribed therapy because they could no longer afford it.
- One in every 10 consumers (11%) report taking less than the prescribed amount to save money.

“Sticker shock continues to be a barrier to medication adherence, and there is simply no reason for it,” said Banas. “Patients shouldn’t ever be surprised by the cost of medication at the pharmacy counter. Price-transparency tools available today allow prescribers to see their patients’ copay information in real time to discuss medication costs and possible alternatives.”

In addition, patients say they appreciate texts that share costs and savings information to help avoid surprises. Participants rank getting information about their out-of-pocket costs as most valuable (41%), followed by general information about the medication (23%), digital coupons that reduce costs (18.5%) and the cost of a prescription if they do not use insurance (18%).

“Medication adherence is a shared responsibility between healthcare providers and patients, so providers need to understand out-of-pocket costs as well as the costs of alternative therapies so they can have meaningful discussions with patients and make informed prescribing decisions,” said Dr. Banas. “And patients should have access to copay information for their prescriptions regardless of whether their provider discusses it with them.”

If you or your employees need help understanding your company’s health benefits, contact us at Benecorp. We would be happy to help you find the answers you need.

Call us at (206) 414-4635

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