

Impact of Rising Health Care Costs on Individuals and Families in Oregon

Presented to the Oregon Legislature

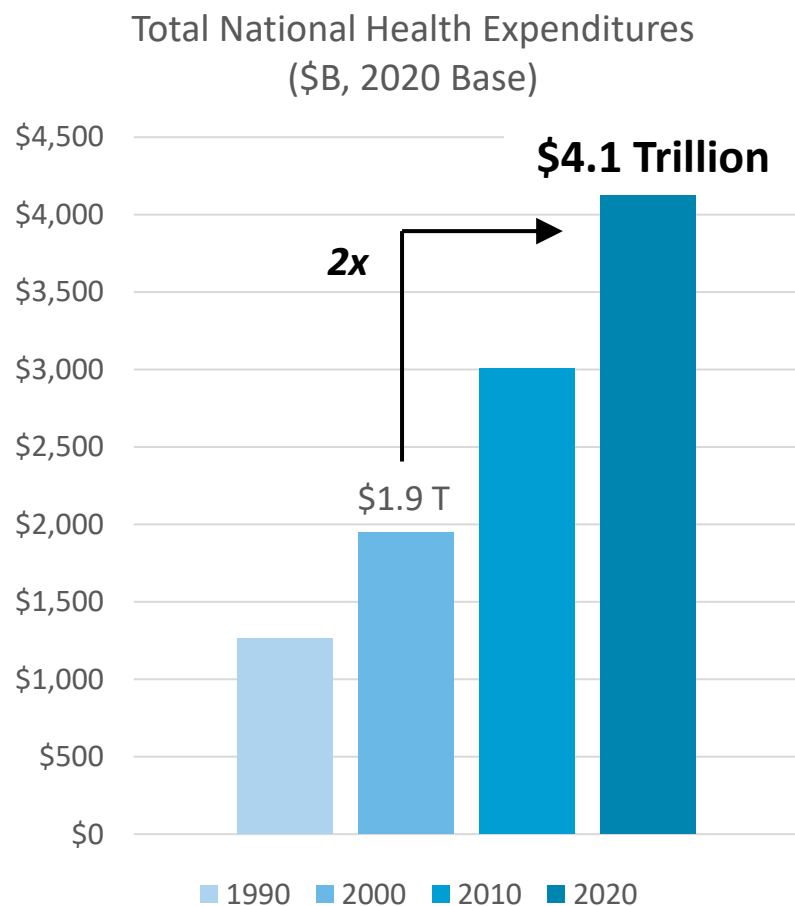
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December 8, 2022

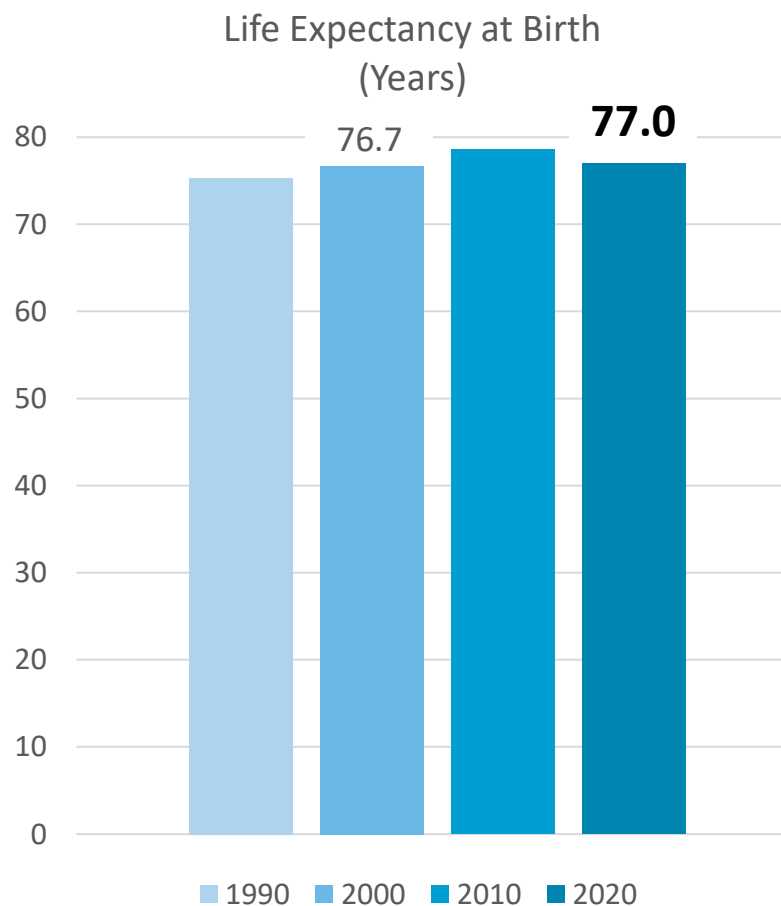
(1) U.S. health care spending continues to grow unabated

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U.S. health care spending has doubled since 2000

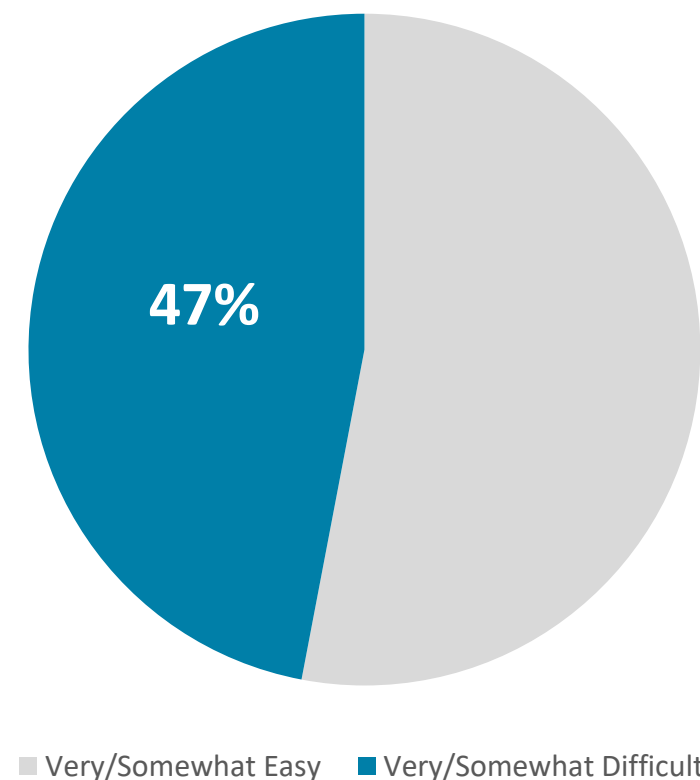


U.S. life expectancy at birth is virtually unchanged since 2000



Half of surveyed U.S. adults report difficulty affording health care

How easy or difficult is it for you to afford your health care costs? (2022)



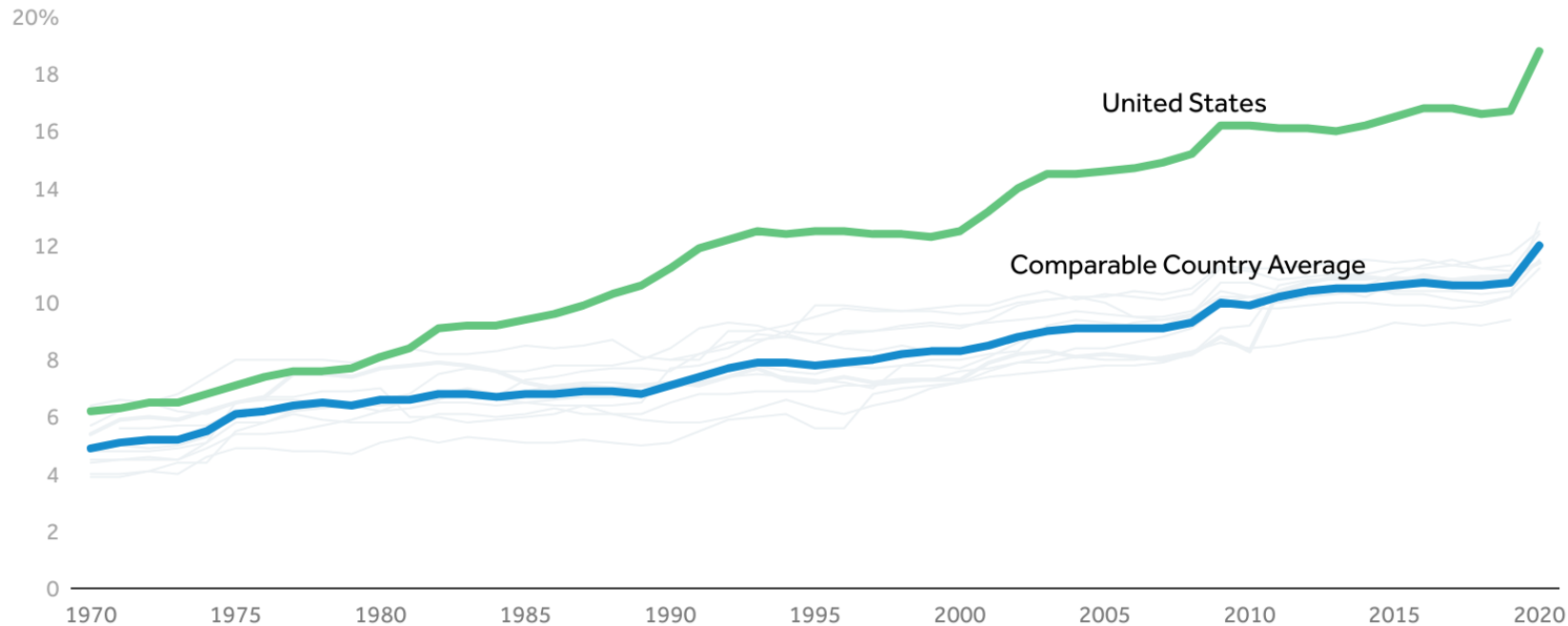
Sources: [1] "National Health Expenditure Data," CMS. Accessed May 25, 2022. Available [here](#). "How does health spending in the U.S. compare to other countries?" Peterson-KFF Health System Tracker, January 21, 2022. Accessed July 27, 2022. Available [here](#). "Americans' Challenges with Health Care Costs," KFF, July 14, 2022. Accessed July 27, 2022. Available [here](#).

(2) U.S. health care cost and cost growth is unparalleled internationally...

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The U.S. spends nearly twice as much on health care per person as other wealthy countries, with the difference only increasing over time.

Health consumption expenditures as percent of GDP, 1970-2020



Notes: U.S. values obtained from National Health Expenditure data. Health consumption does not include investments in structures, equipment, or research. 2020 data not yet available for Australia, Belgium, Canada, Japan or Switzerland. Provisional 2020 data for Austria, Germany, Netherlands, Sweden and the United Kingdom. Provisional 2019 data for Canada. Data for Australia and Japan in 2019 and France in 2020 is estimated. France data before 1990 is not shown.

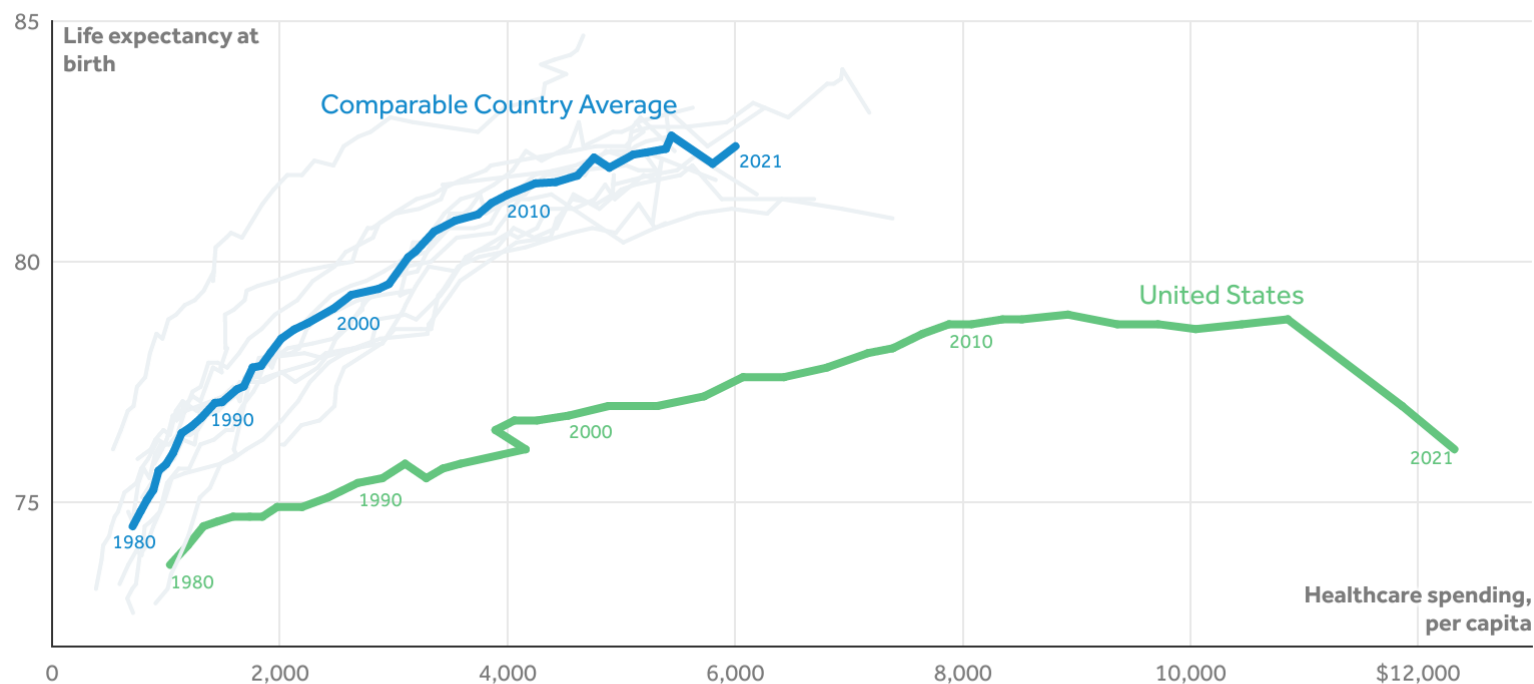
Source: KFF analysis of OECD and National Health Expenditure (NHE) data

Peterson-KFF
Health System Tracker

(3) ... Matched only by its health outcomes.

America spends more on health care per person than any other developed country
yet has the lowest life expectancy among them.

Life expectancy and healthcare spending per capita, 1980-2021



Notes: See Methods section of "How does U.S. life expectancy compare to other countries?"

Source: KFF analysis of CDC, OECD, Japanese Ministry of Health, Labour, and Welfare, Australian Bureau of Statistics, and UK Office for Health Improvement and Disparities data

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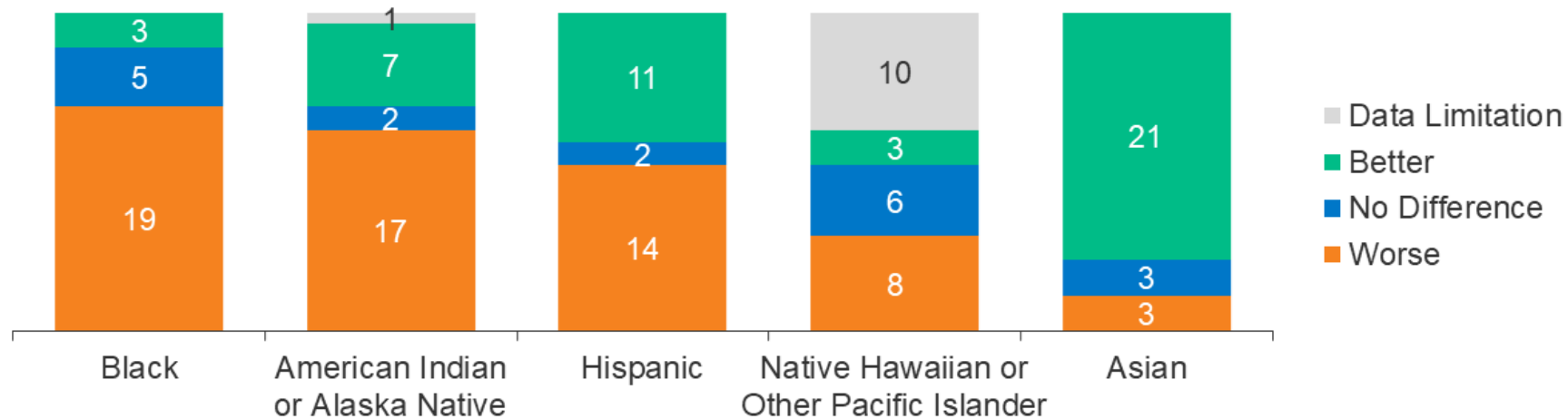
Sources: [1] "How does health spending in the U.S. compare to other countries?" Peterson-KFF Health System Tracker. January 21, 2022. [2] "How does U.S. life expectancy compare to other countries?" Peterson-KFF Health System Tracker. September 28, 2021.

(4) U.S. racial and ethnic health disparities remain pervasive and have been compounded by the COVID-19 pandemic.

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Across health outcomes measures, such as infant mortality, pregnancy-related deaths, prevalence of chronic conditions, overall physical/mental health status, people of color fare worse compared to their White counterparts.

Number of health status measures for which group fared better, the same, or worse compared to White counterparts:



Note: Measures are for 2018 or the most recent year for which data are available. "Better" or "Worse" indicates a statistically significant difference from Whites at the $p < 0.05$ level. No difference indicates no statistically significant difference. "Data limitation" indicates data are no separate data for a racial/ethnic group, insufficient data for a reliable estimate, or comparisons not possible due to overlapping samples. Persons of Hispanic origin may be of any race but are categorized as Hispanic for this analysis; other groups are non-Hispanic.

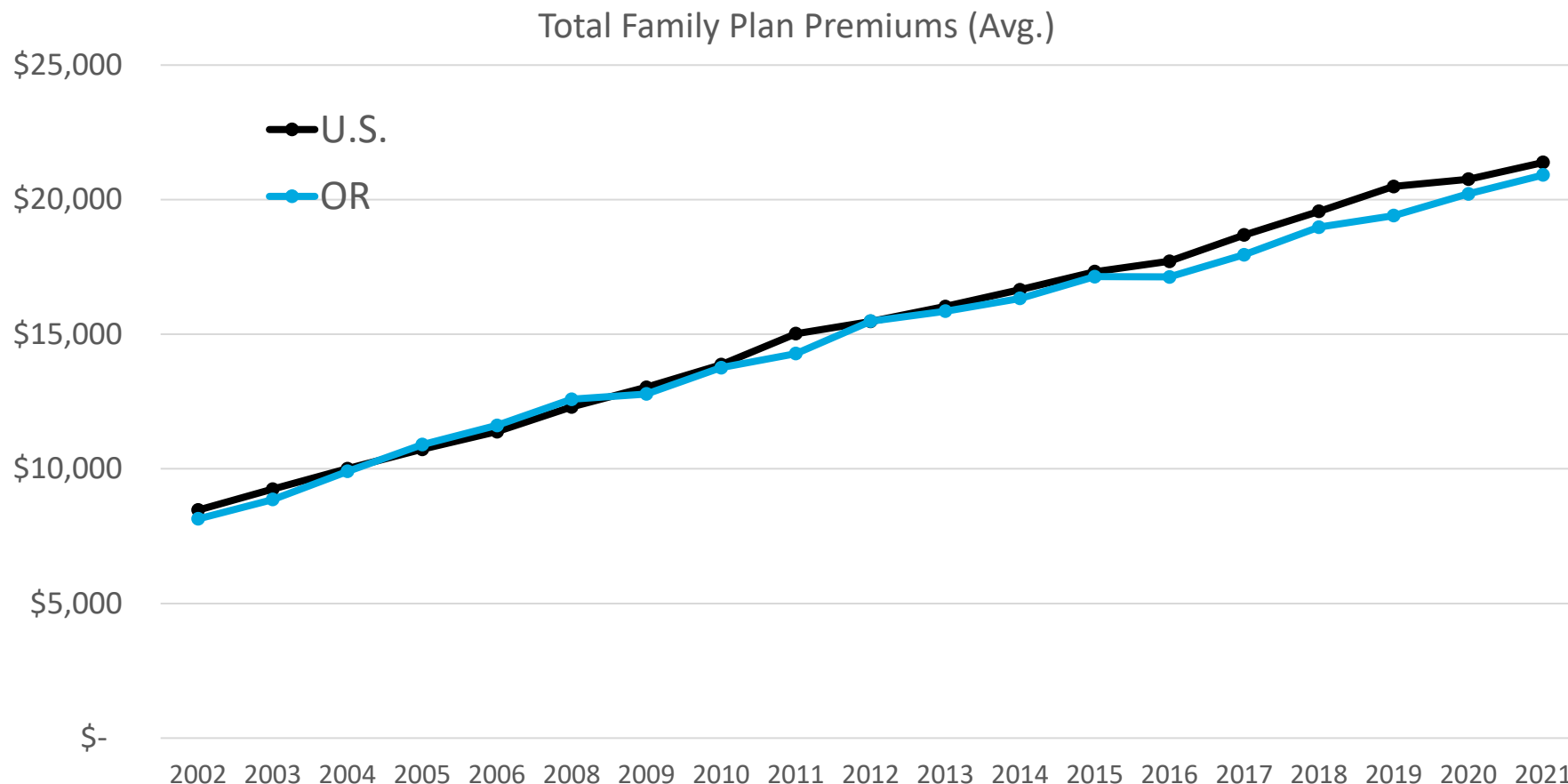
KFF

Source: <https://www.kff.org/racial-equity-and-health-policy/issue-brief/disparities-in-health-and-health-care-5-key-question-and-answers/>

(5) Like the U.S., Oregon families and employers confront rising health care costs

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Along with the nation, premium costs for Oregonians have more than doubled over the past twenty years, and increased by 35 percent over the past decade alone.



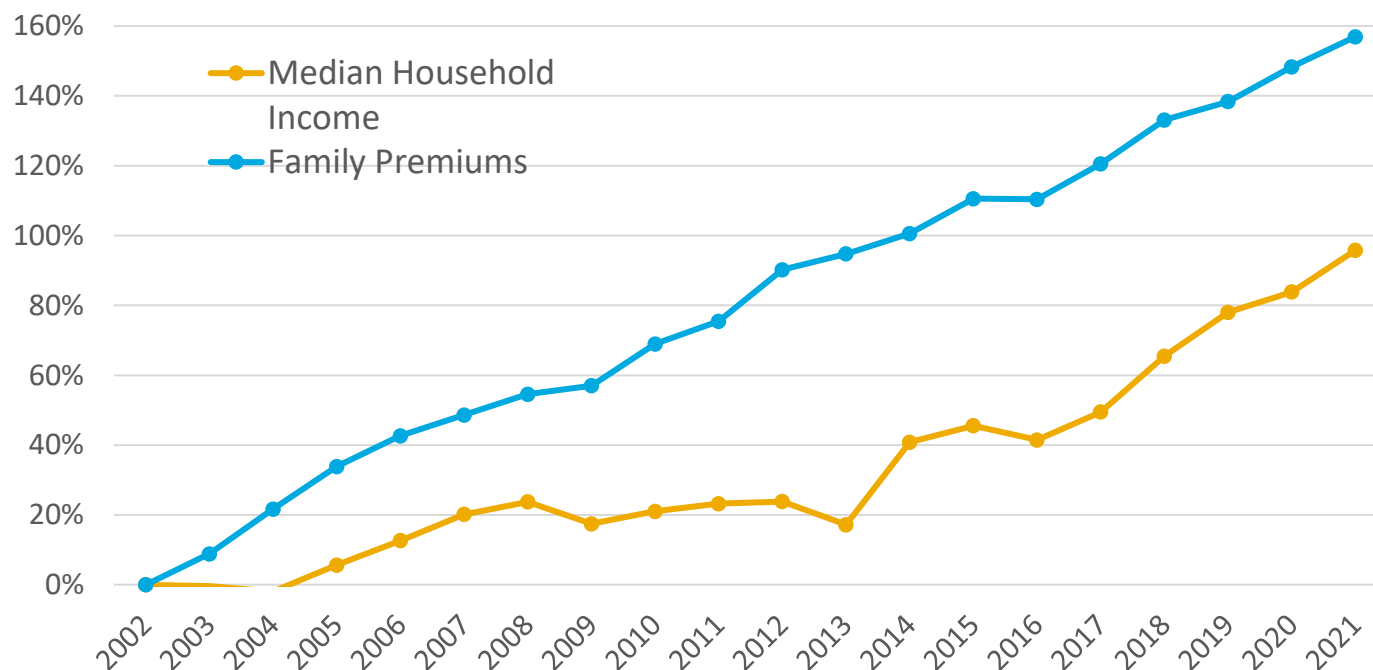
Source: US. HHS AHRQ. MEPS-IC Data. Manatt analysis. Data available here: https://meps.ahrq.gov/survey_comp/Insurance.jsp

(6) Oregon premiums continue to grow faster than household income

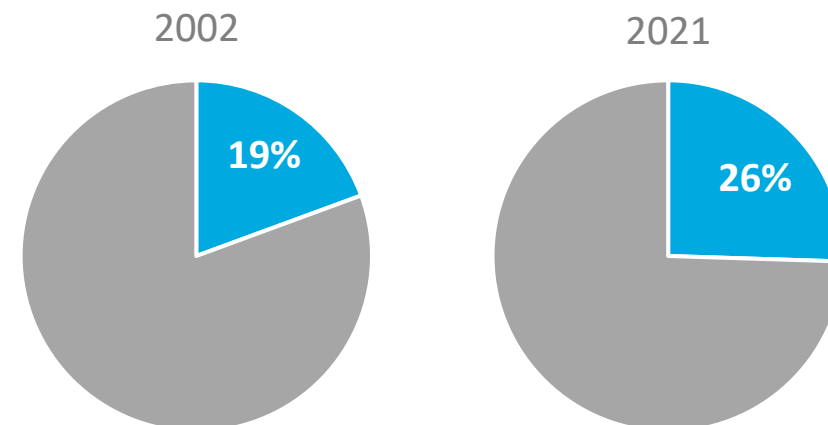
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Oregon's premium cost growth continues to exceed its median household income growth.

Oregonian Household Income Growth vs. Family Premiums Growth Since 2002



Family Premiums as a Proportion of Total Household Income



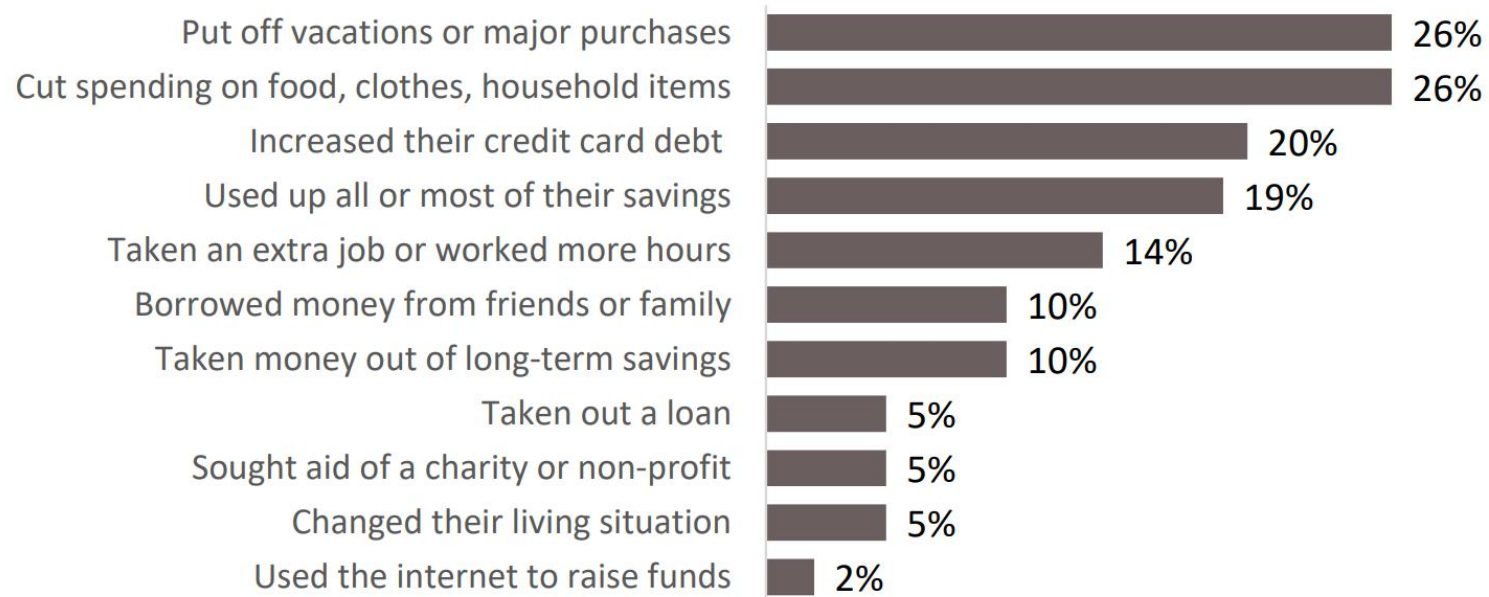
Source: US. HHS AHRQ. MEPS-IC Data. Manatt analysis. Data available here: https://meps.ahrq.gov/survey_comp/Insurance.jsp. St. Louis Fed. Median Household Income. Data available here: <https://fred.stlouisfed.org/series/MEHOINUSORA646N>. Analysis counts total family premium against the income households receive for illustration purposes.

(7) An April 2021 poll found that two-thirds (60%) of people in Oregon worry about affording medical costs from a serious illness or accident

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Nationally, in the last year, **26% of adults with employer-sponsored insurance reported cutting spending** on food, clothing, and household items to pay for health-related expenses; 20% said that they took on additional credit card debt.

 **Percent of adults with employer-sponsored insurance who report doing each in the past 12-months to pay for health care or insurance costs**



[Source: Impact-of-Health-Care-Costs-on-Oregonians.pdf](#)

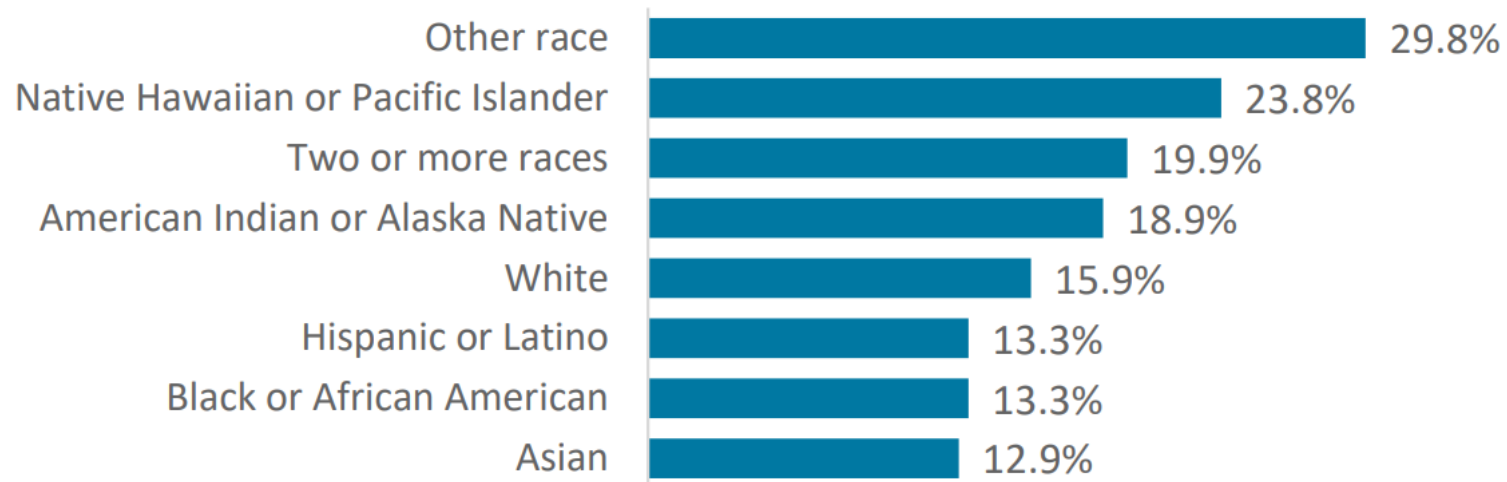
(8) 15.7 percent of Oregonians reported delaying medical care due to costs, but some communities were more likely to experience delays than others

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For example, among Native Hawaiian or Pacific Islanders in Oregon, 23.8 percent reported delaying medical care due to cost, compared to 15.9 percent of individuals who were White.

People in Oregon reporting they delayed medical care due to cost, by

Race/Ethnicity



Note: *Estimates for Asian, Native Hawaiian/Pacific Islander, and other race have small sample sizes and are statistically unreliable; interpret with caution.

Advancing transparency and health care cost accountability will continue to be critical to Oregon's efforts to address rising health care costs and consumer affordability.

Existing programs and data assets such as **Oregon's Sustainable Health Care Cost Growth Target Program** and the **All Payer All Claims (APAC) Reporting Program** will be essential to support state leadership in advancing data-driven, informed policymaking and efforts to effectively address rising health care costs.



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