
Impacts of Health Care Costs on People in Oregon

Senate Committee on Health Care
September 27, 2023



OHA published a report summarizing health care spending for people in Oregon in 2021 and the impacts they experienced.

https://www.oregon.gov/oha/HPA/HP/Cost%20Growth%20Target%20documents/2021-Impact-of-Health-Care-Costs-on-Oregonians_FINAL.pdf

**Impact of Health Care Costs on
People in Oregon, 2021**

September 2023



Published September 2023

High health care costs lead to many negative impacts for people in Oregon



Delaying
care



Difficulty
paying
medical bills



Using up
savings to pay
medical bills

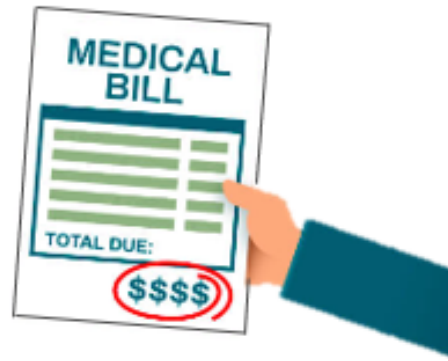


Bankruptcy

OHA received 100+ comments about health care costs submitted via email/social media

One in four adults with health insurance say they **cut spending on food, clothes, and other items to help pay for health care.**

Share your story about the impact of health care costs via email or public comment at our online public hearing.



My premiums are more than that a year PLUS I have an \$8,000 out of pocket before my benefits fully kick in. I have to pay almost \$20,000 before my insurance covers (almost) fully. It's an outrageous amount of money and I can't fathom how so many families make it if they don't have coverage thru their employers.

2d Like Reply



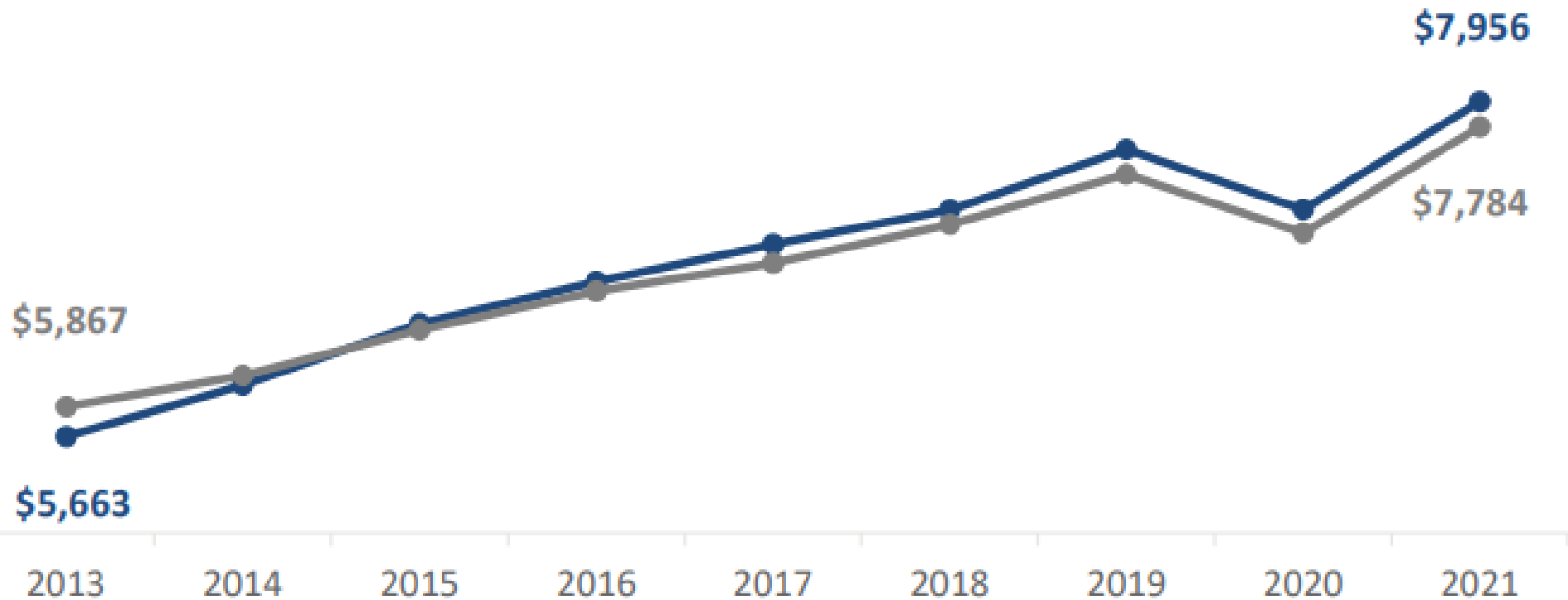
**How much are people in Oregon
paying for health care?**



Health related spending is the biggest part of Oregon household budgets.

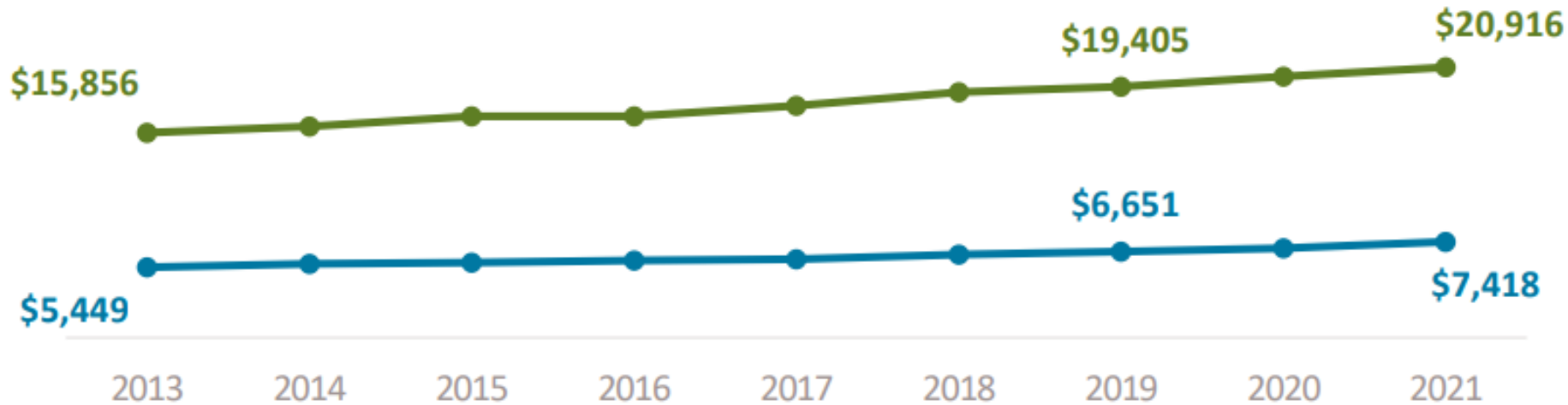
In 2021, Oregon households spent almost 22% of their budget on health-related expenses.

Per person personal consumption expenditures on health care, Oregon and USA



Per person spending for health care has increased 40% in Oregon since 2013

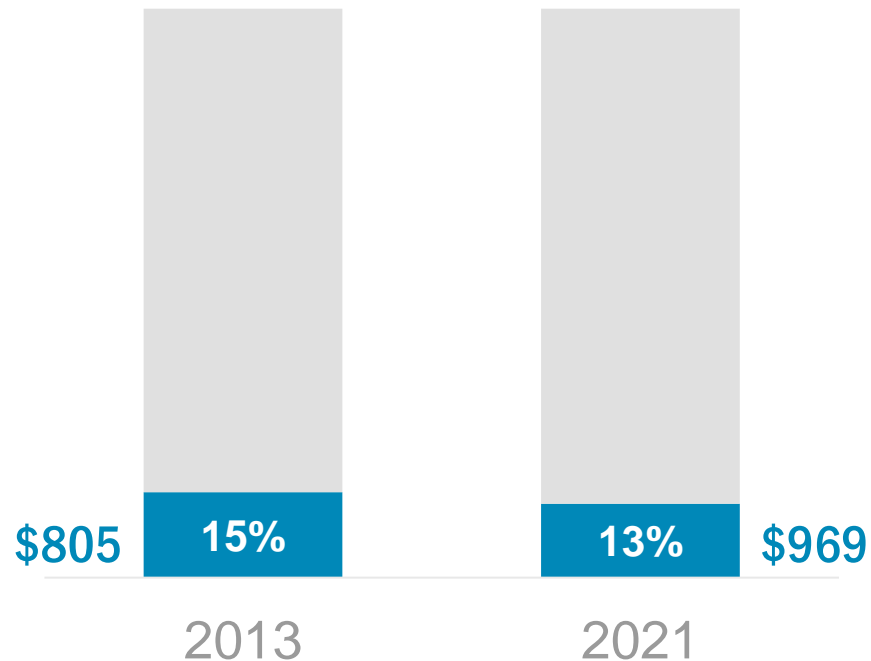
Average Oregon **single** and **family plan** commercial health insurance premiums (annual)



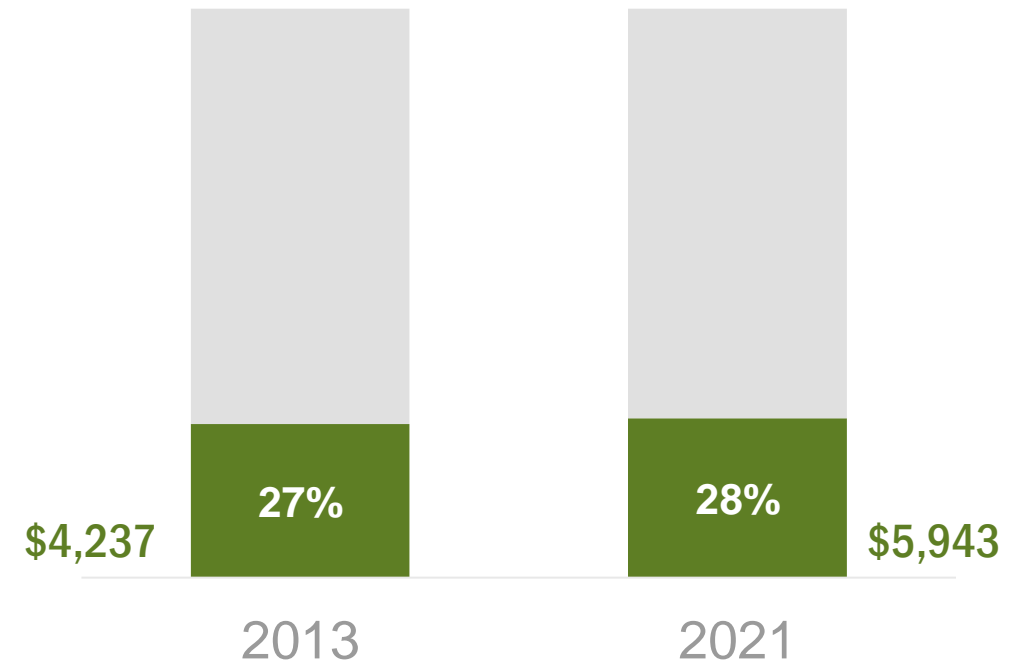
Commercial health insurance premiums in Oregon have increased 36% for single plans and 32% for family plans since 2013

Employee share of commercial health insurance premiums remains stable, but the \$ is increasing

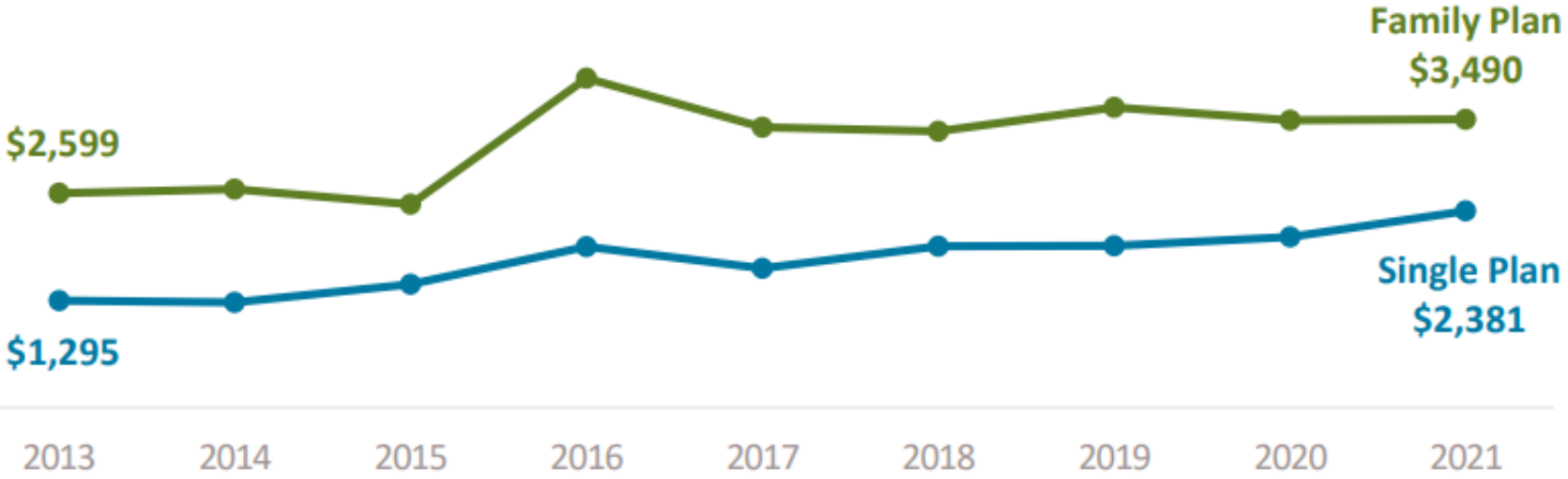
Employee share of commercial health insurance premium for **single plan**



Employee share of commercial health insurance premium for **family plan**



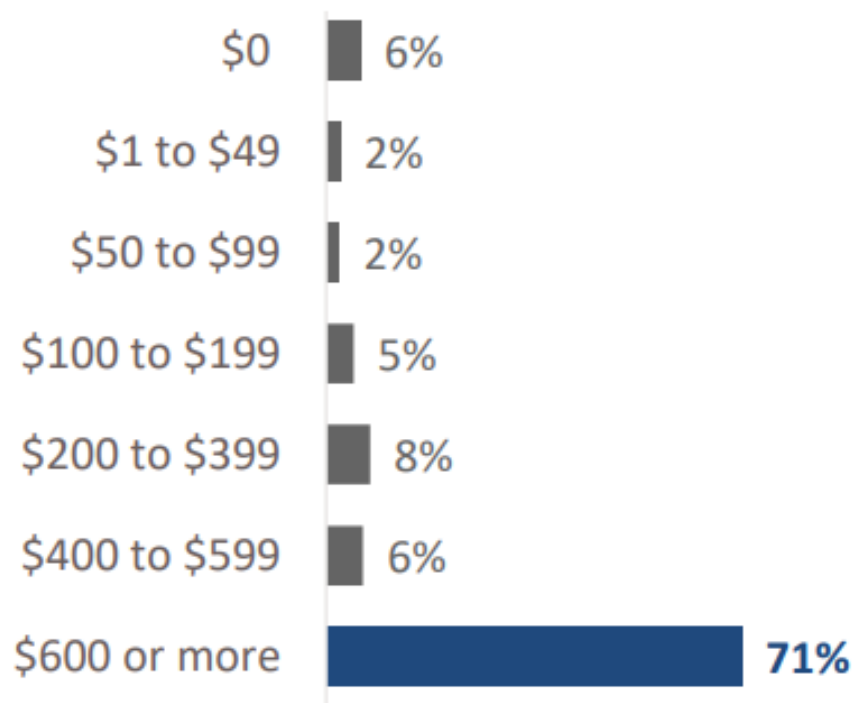
Average Oregon **single** and **family** deductible amounts for commercial health insurance plans



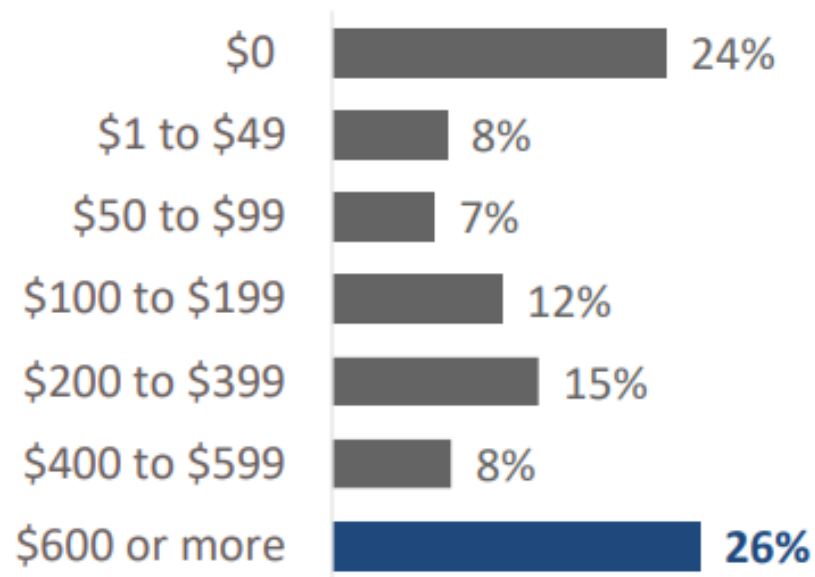
By 2021, almost 60% of private-sector employees in Oregon were enrolled in a High Deductible Health Plan (HDHP)

Many people are also paying out-of-pocket for health care (in addition to premiums & deductibles)

Percent of people reporting out-of-pocket expenses, by amount, 2021



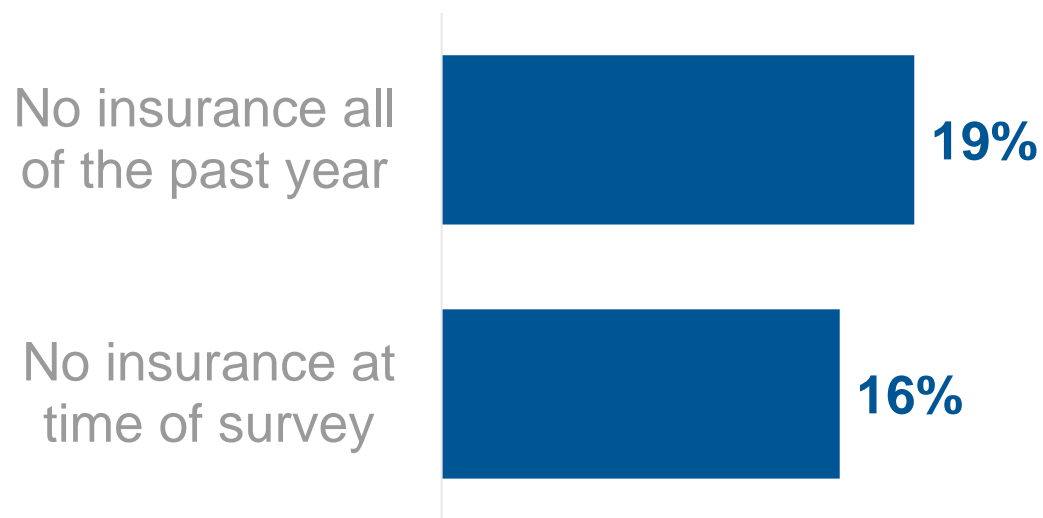
Percent of people reporting out-of-pocket expenses for prescriptions, by amount, 2021



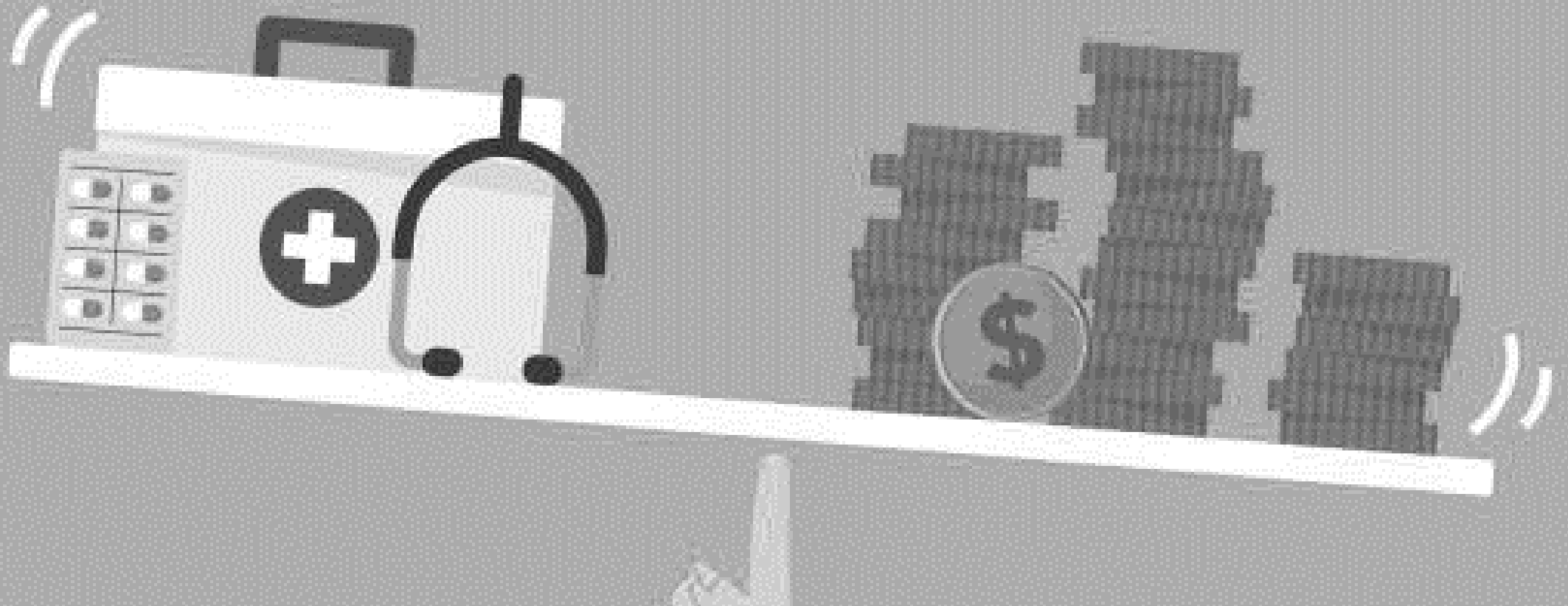
What challenges do people in Oregon face with rising health care costs?

People are uninsured because of actual and perceived costs

Among people in Oregon who don't have insurance, percent who reported not having insurance because premiums were too expensive, 2021

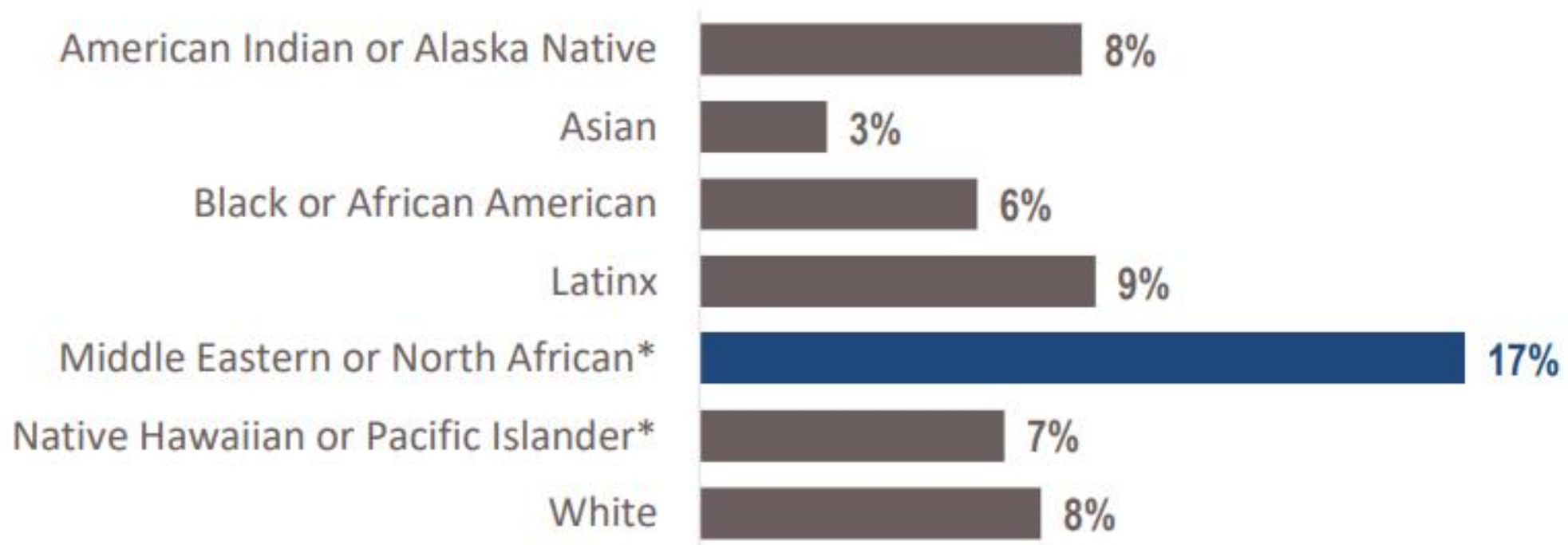


My OHP healthcare is expiring at the end of October, and along with that notice came an estimate for “affordable” insurance silver plan cost of \$350. per month based on my income LAST YEAR; which is significantly lower than the 30K I’m making now. I already have to pay half of my take home pay to rent every month. This is before utilities and all of the other bills I have to pay including food. This amount is untenable.”



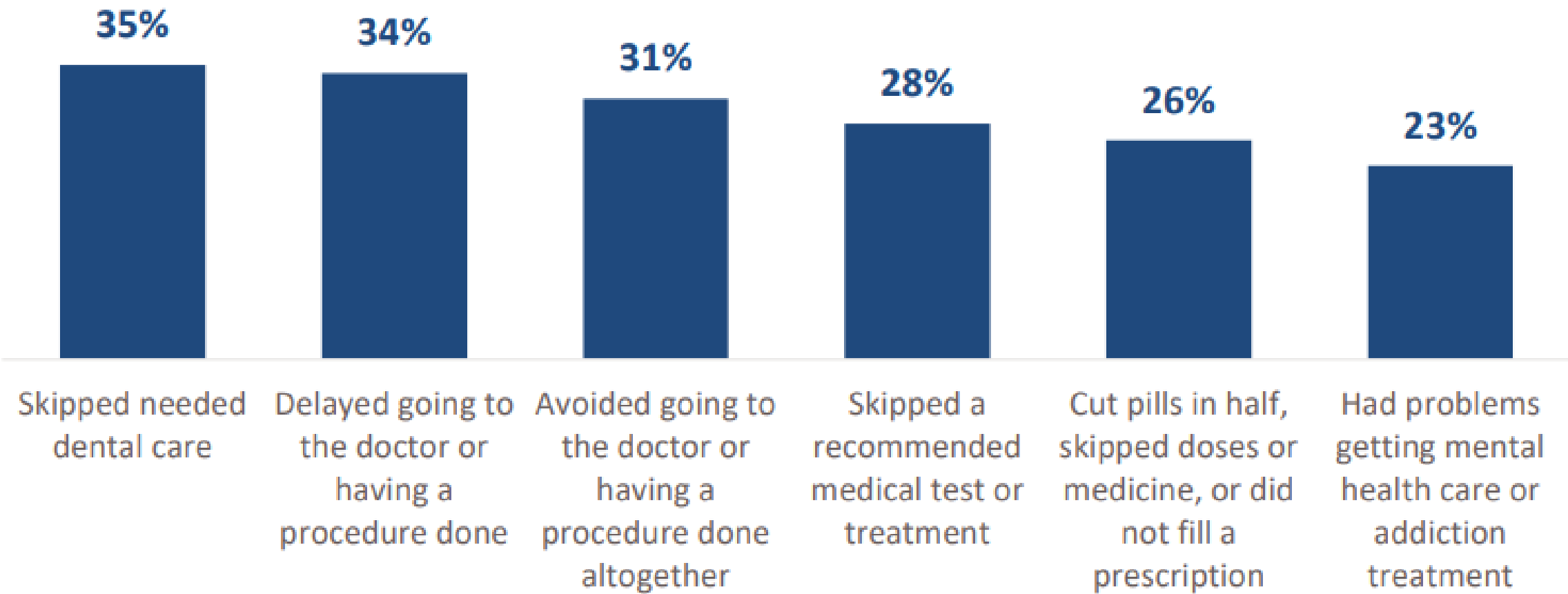
People with health insurance can't afford to use it

7% of people in Oregon report delaying health care because of costs



*Estimates for Middle Eastern or North African and Native Hawaiian or Pacific Islander have small sample sizes and are statistically unreliable; interpret with caution.

Percent of Oregon adults reporting delaying or foregoing health care due to cost, 2021



Used up all or most of their savings



Contacted by a collections agency



Unable to pay for basic necessities like food, heat, or housing



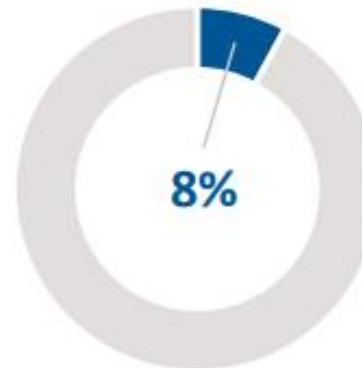
Borrowed money, got a loan or another mortgage on their home



Racked up large amounts of credit card debt



Placed on a long-term payment plan



More than a third of Oregon adults experienced one of more of these struggles to pay their medical bills



10% of people in Oregon report using up most or all of their savings to pay medical bills

What are we doing about it?

Containing growing health care costs is an Oregon priority



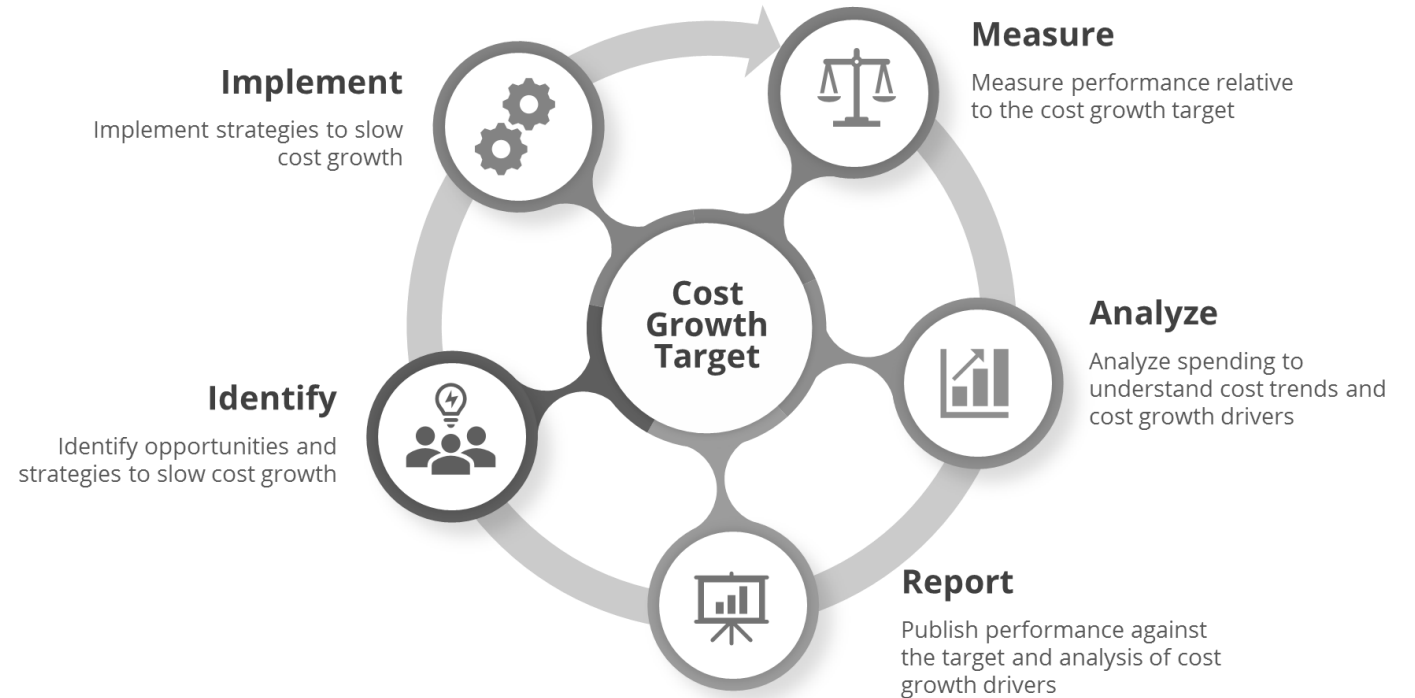
Value-Based Payment Compact



Health Care Market Oversight

Setting a cost growth target will not slow the rate of growth by itself.

A cost growth target is a **catalyst** for implementing cost growth mitigation strategies.



For More Information



Email:

HealthCare.CostTarget@oha.oregon.gov



Website:

<https://www.oregon.gov/oha/HPA/HP/Pages/Sustainable-Health-Care-Cost-Growth-Target.aspx>

Medical Bills

How many people reported problems with medical bills?

The OHIS has questions related to the difficulty some people have paying medical bills and accumulating medical debt. These charts show the rates of two main cost challenges and a follow-up question to each.

In red, how many people had **medical bills that they were paying off over time**, and the amount they were paying off over time. In blue, how many people had **problems paying medical bills in the past year**, and what were the main type of services that led to those bills. Note that the top four types of care are listed. Additional types of care are included in the downloadable data.

Key Insights:

- The percent of people who struggled with medical bills decreased slightly in 2021.
- Care for a dental concern and emergency room care were often the most common types of care that led to problems paying for

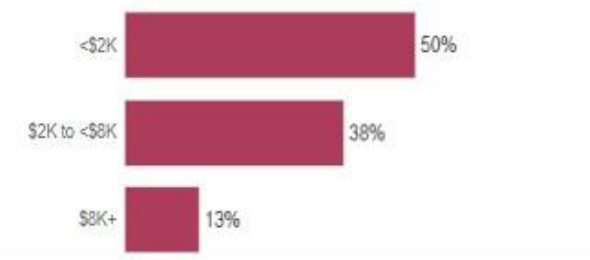
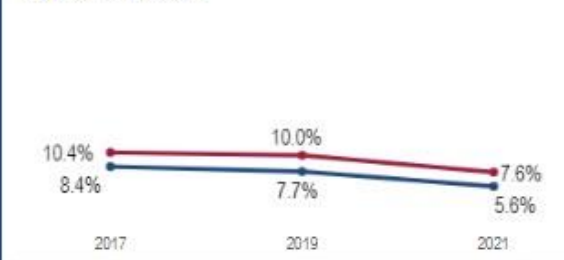
Rates of people who reported **paying off medical bills over time** or had **problems paying medical bills in the past year**.

Select a year:

Click on each line to switch data in the bar charts at the right

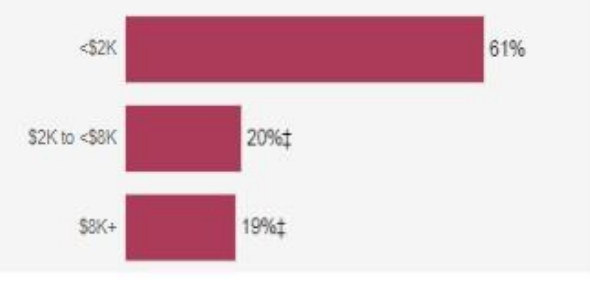
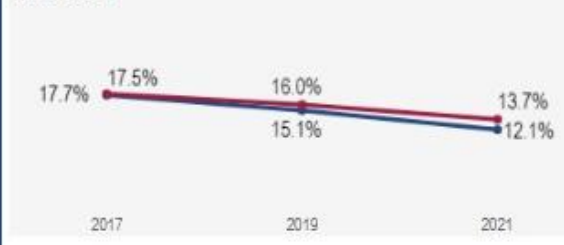
Among those who were paying off medical bills over time, these are the amounts of money people owed in medical bills. 2021 survey.

All people in Oregon



Show data by and select a subgroup

Uninsured



‡ May be statistically unreliable; interpret with caution.
 † Estimate succeeded; statistically unreliable. Sample size (n) was too small.

Oregon Health Insurance Survey Dashboard

Interactive dashboard will be updated with the 2021 cost data in the next few weeks

<https://www.oregon.gov/oha/hpa/analytics/pages/insurance-data.aspx>