Independent Physicians:  
HIGH-DEDUCTIBLE HEALTH PLANS ARE A BARRIER TO NEEDED CARE

*NORC survey of independent physicians shows costs that insurance doesn't cover are a barrier*

Four out of five independent physicians in the United States (80%) say their patients refuse or delay medical care due to concerns about cost, and just as many (79%) say that high insurance deductibles are a leading cause. The findings come from a survey of more than 700 independent physicians administered by NORC at the University of Chicago for the Physicians Advocacy Institute (PAI).

Conducted prior to the COVID-19 pandemic, the survey offers insight into how high-deductible health plans (HDHP), which make patients financially responsible for thousands of dollars in healthcare costs, are leading physicians to change the way they care for patients. Other key findings include:

- Fifty-five percent of the independent physicians surveyed said patients’ cost concerns are causing them to alter their preferred approach to the timing of treatments provided
- Sixty-six percent have changed their decision about whether to prescribe drugs;
- Sixty-one percent changed the type of medical treatment provided; and
- Eighty-six percent have changed which type of drugs they prescribe.

As COVID-19 transitioned from epidemic to pandemic in the United States, the Internal Revenue Service issued regulations to require insurers to suspend cost sharing, where patients shoulder all or a portion of the cost for medical services, under high-deductible and other types of insurance plans. No longer having to worry about affording COVID-19 related expenses, more patients received immediate or timely access to essential coronavirus testing and treatment.

“Before COVID-19, patients had to delay or forego medical care due to the financial challenge of satisfying their insurance plan’s high deductible,” said Kelly Kenney, chief executive officer of the Physicians Advocacy Institute. “The pandemic has made it clear that making patients wholly responsible for thousands of dollars their insurance plan used to cover benefits no one but insurers.”

The NORC survey also shows how HDHPs are changing physicians’ roles. Most say their office staff spends more than 300 hours per year educating patients about their insurance coverage. Yet three-out-of-four independent physicians (75%) say they don’t have most of the information they need to have cost of care conversations.

COVID-19 has added to the financial challenges facing independent physician practice. NORC researchers report more than half of physicians say that when patients delay necessary medical treatments due to cost, it results in capacity or scheduling issues. Three in four independent doctors (74%) say it takes more than a month to receive payment from insurers for services rendered.

“High-deductible health plans were supposed to make us better healthcare consumers, but they have failed,” said Donald J. Palmisano, Jr., executive director and chief executive officer of the Medical Association of Georgia. “They force people attracted by low premiums to choose between healthcare and housing, or food. They’re an idea that turned out to be bad for both patients and doctors.”

The survey was conducted by NORC at the University of Chicago using SurveyHealthcare’s physician panel. Interviews with 706 practicing independent physicians were completed for this survey.
from December 11 through December 18, 2019. Methodological information about SurveyHealthcare’s physician panel is available here. This survey was funded by PAI.

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*The Physicians Advocacy Institute, Inc. (PAI) is a not-for-profit 501(c)(6) advocacy organization established in 2006 whose mission is to advance fair and transparent payment policies in order to sustain the profession of medicine for the benefit of patients.*