DATA BRIEFING 3

The Kentucky Health Insurance Research Project

Substantial Portion of Insured, Working-Age Kentuckians Discouraged from Seeking Needed Health Care by Costs

A substantial population of working-age Kentuckians who have health insurance are foregoing health care because of the cost, according to findings from the Kentucky Health Insurance Research Project's 2005 survey of Kentucky households. Many may be underinsured; that is, they cannot afford the cost of the premiums, deductibles, and/or copayments they must pay before gaining access to health care. While a significantly higher percentage of uninsured Kentuckians did not seek medical care due to its costs, *at least twice as many insured, working-age adults* did not go to a doctor when they were sick, skipped a medical test or treatment prescribed by a doctor, or did not see a specialist because of costs. More than three times as many insured, working-age adults did not fill a physician-ordered prescription because of the cost. Insured status aside, costs discouraged an estimated 29% or 755,000 working-age Kentuckians from getting needed health care in the past year.

As employers shift more of the cost of health care to their employees to control costs and discourage unnecessary utilization, these findings suggest that many are making health care decisions based on cost, rather than need. A growing body of research documents the rising burden of out-of-pocket health care costs and their link to such choices.[1] Consequently, cost as a lever to control utilization poses significant risks. As Paul Ginsburg of the Center for Studying Health Systems Change observed in a 2003 commentary on health care costs, "Having patients share more costs can benefit consumers when it leads them to forego care that has very limited benefits. But when the tools are used bluntly—as when they are applied equally to care that is deemed essential and care that is considered to be more discretionary—they can pose a barrier to important care or cause financial hardship for patients with low incomes or substantial medical needs."[2]

Estimated Number and Percent of Working-Age Kentuckians Who Did Not Seek Medical Care in the Past Year Because of the Cost, by Insured Status, 2005

	Number of Insured	Number of Uninsured	Total Number	Total Percent
Sick or had a medical problem but did not go to a doctor	**503,029**	**251,938**	**754,967**	**28.5%**
Skipped a medical test, treatment or follow-up recommended by a doctor	**480,164**	**194,352**	**674,516**	**25.5%**
Did not fill a prescription for medicine	**594,489**	**190,753**	**785,242**	**29.7%**
Did not see a specialist when they or their doctor thought one was needed	**342,974**	**151,163**	**494,137**	**18.7%**

Source: UK Center for Rural Health, Kentucky Long-Term Policy Research Center, UK Survey Research Center, and U.S. Census Bureau

[1] See, for example, findings from the *USA Today*/Kaiser Family Foundation/Harvard School of Public Health, Health Care Costs Survey, Aug. 2005; Mark Merlis, Douglas Gould, and Disundev Mahato, *Rising Out-of-Pocket Spending for Medical Care: A Growing Strain on Family Budgets*, The Commonwealth Fund, Feb. 2006; Karen David, President, The Commonwealth Fund, (presentation) "Health Savings Accounts," Jan. 27, 2006; and Linda J. Blumberg, Lisa Clemans-Cope, and Fredric Blavin, "Lowering Financial Burdens and Increasing Health Insurance Coverage for Those with High Medical Costs, *Health Policy Briefs*, The Urban Institute, 17, Dec.2005.

[2] Paul B. Ginsburg, "Controlling Health Care Costs," *The New England Journal of Medicine* 350:16 (2004): 1591-1593.

KENTUCKY LONG-TERM POLICY RESEARCH CENTER

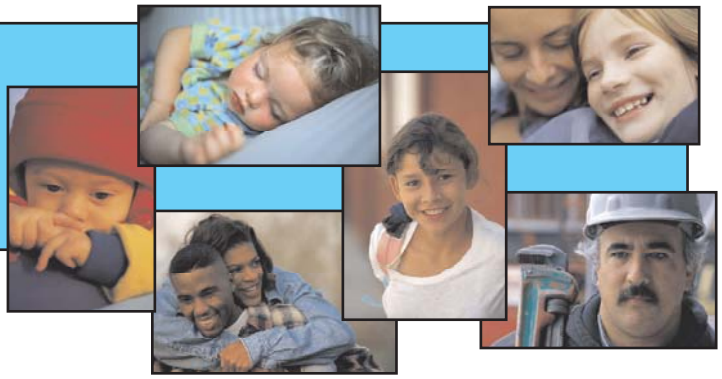
UNIVERSITY of LOUISVILLE dare to be great

Steering Committee

Rodney Berry, Public Life Foundation of Owensboro; *Dr. William T. Betz*, Pikeville College School of Osteopathic Medicine; *Sen. Walter Blevins*, General Assembly; *Robert W. Brooks*, Trover Foundation; *Rep. Tom Burch*, General Assembly; *Dr. Forrest Calico*, retired health administrator; *Chris L. Corbin*, Kentucky Office of Insurance; *Dennis R. Chaney*, Barren River District Health Department; *Robert G. Clark*, Clark Publishing Inc.; *Brad Cowgill*, Office of the State Budget Director; *Sr. Sandy Delgado*, Catholic Diocese of Lexington; *Sen. Julie C. Denton*, General Assembly; *Nancy Galvagni*, Kentucky Hospital Association; *Dr. Tom Foster*, UK College of Pharmacy; *Bob Gray*, retired state health policy analyst; *Dr. David Green*, Health Help; *Nancy Jo Kemper*, Kentucky Council of Churches; *Sylvia Lovely*, Kentucky League of Cities; *Mary Lyle*, Ford-United Autoworkers; *Dr. William McElwain*, Health Kentucky; *Sharon Eli Mercer*, Kentucky Nurses Association; *Rich Miller*, Kentucky Association of Health Care Facilities; *Rep. Stephen R. Nunn*, General Assembly; *Rachel Phelps*, Government Strategies; *Dr. Julia Richerson*, Family Health Centers of Louisville; *Dr. Sheila Schuster*, Foundation for a Healthy Kentucky; *Rich Seckel*, Office of Kentucky Legal Services Programs; *Joseph Smith*, Kentucky Primary Care Association; *Dr. Adewale Troutman*, Louisville Metro Health Department; *Dr. Bernie Vonderheide*, AARP; *Marty White*, Kentucky Medical Association.

About the Project and the Data

The Kentucky Health Insurance Research Project is funded by a federal state planning grant from the Health Resources and Services Administration (HRSA). HRSA facilitates state-level responses to the problems of the uninsured by providing resources for identifying root causes and strategies for change. The University of Kentucky Center for Rural Health, based in Hazard, Kentucky, is the lead agency on the grant, working in partnership with the Kentucky Long-Term Policy Research Center, a state agency, and the University of Louisville. A multidisciplinary team from these institutions examined the problems of under- and uninsured Kentuckians through large- and small-group meetings; statewide surveys of the general population and small businesses; and an analysis of the social and economic costs of uninsurance. Additionally, the project has analyzed policy options available to the state and will propose strategies for increasing access to health insurance, based on the characteristics of Kentucky's uninsured population and transferable models from other states.

The data presented here are from a 2005 telephone survey conducted by the University of Kentucky Survey Research Center between May 27 and September 12. Households were selected using random-digit dialing, which gives each telephone line in Kentucky an equal probability of being called. A total of 2,068 surveys were completed for a response rate of 38.3%. (The CASRO response rate was 51.5%.) The margin of error is approximately $\pm$ 2.16% at the 95% confidence level.

The Kentucky Health Insurance Research Project
111 St. James Ct.
Frankfort, Kentucky 40601
www2.mc.uky.edu/RuralHealth/
www.kltprc.net