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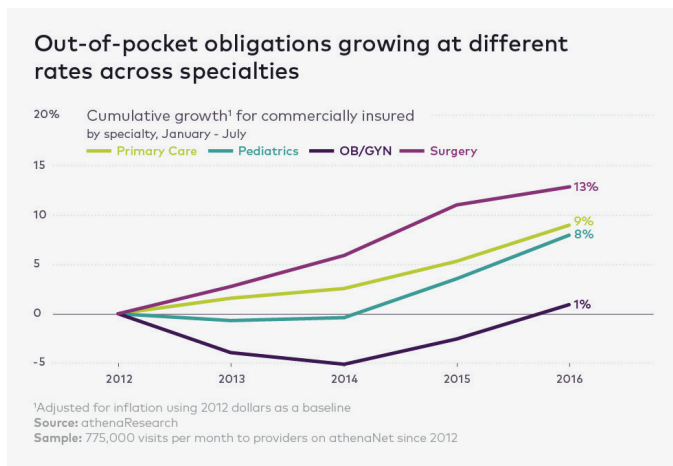
Out-of-pocket patient costs are rising

By Allison Pohle | March 17, 2017

Much of the roiling debate over healthcare reform has focused on rising cost of care — and the way high deductible plans have increased patients' out-of-pocket costs.

But those costs don't apply uniformly to every patient visit. athenahealth data shows that, while out-of-pocket obligations per visit have increased across the board for commercially insured patients, the amount of increase varies based on the doctor's specialty.

Out-of-pocket obligations growing at different rates across specialties

Cumulative growth[1] for commercially insured by specialty, January - July

Primary Care   Pediatrics   OB/GYN   Surgery

[1]Adjusted for inflation using 2012 dollars as a baseline
Source: athenaResearch
Sample: 775,000 visits per month to providers on athenaNet since 2012

Researchers analyzed 775,000 visits per month to providers on the athenahealth network over a period

of five years. They found that out-of-pocket costs for primary care visits rose from an average of $28.37 per visit in 2012 to $30.90 per visit in 2016 — a 9 percent increase after adjusting for inflation.
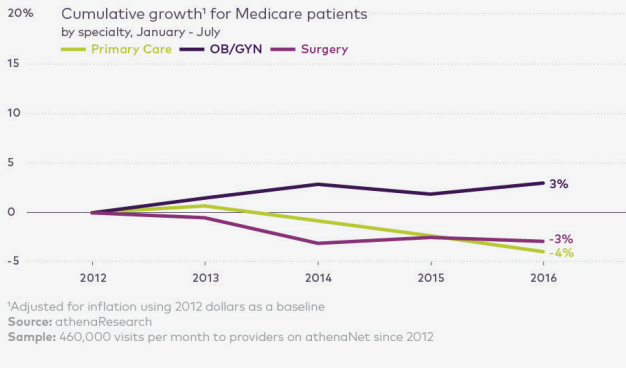
Out-of-pocket costs rose at a similar rate for visits to pediatricians, with an 8 percent increase after inflation. Surgical visits saw a 13 percent inflation-adjusted increase.

The outlier among specialties was OB-GYN visits, which saw only a 1 percent increase over the time period, after inflation. In fact, out-of-pocket obligations for OB-GYN visits were lower from 2013 to 2015 than they were in 2012 — likely because the Affordable Care Act mandates insurance coverage without copays for birth control, contraception devices, and some preventive screenings.

For Medicare patients, meanwhile, out-of-pocket costs largely decreased over the same time period, falling 4 percent after inflation for primary care and 3 percent after inflation for surgery.

The outlier for Medicare patients was OB-GYN visits, which increased 3 percent.

Out-of-pocket obligations for Medicare patients growong only for OB/GYN services

Cumulative growth[1] for Medicare patients
by specialty, January - July
— Primary Care — OB/GYN — Surgery

[Line chart showing cumulative growth from 2012 to 2016, y-axis from -5 to 20%. OB/GYN ends at 3%, Surgery ends at -3%, Primary Care ends at -4%.]

[1]Adjusted for inflation using 2012 dollars as a baseline
Source: athenaResearch
Sample: 460,000 visits per month to providers on athenaNet since 2012

The study focused on claims during the months of January through July, to leave time for payers to adjudicate claims.

The shift of cost to patients has led many healthcare practices to redouble their collection efforts; one Georgia orthopedic group, which collects 92 percent of its patient payments, uses surgery schedulers to explain obligations and set up payment plans.

Meanwhile, some physicians have raised concerns about how the burden of rising out-of-pocket costs — even if they average just a few dollars each year — could affect patients' finances and health. A September 2016 study in JAMA Internal Medicine found that between 2009 and 2013, the amount of inpatient hospitalization costs shared by patients also increased by 3 percent — driven by an 86 percent increase in the amount of inpatient costs applied to deductibles.

"What you can't pick up from these averages is how a small number of patients might be severely affected," says Budd Shenkin, M.D., a pediatrician and preventive medicine specialist in Oakland, California. "If you're spending 10 to 20 percent of your entire income on healthcare each year, and are living at the poverty line, an increase like this — though it seems small because of the average — will have a huge impact."

Health insurance deductibles were designed, in part, to influence patient behavior. A previous athenaInsight analysis showed that high deductibles created an uptick in visits in the final months in the year, when patients are likely to pay less out of pocket.

At the time, healthcare providers told athenaInsight that high out-of-pocket costs could cause patients to forego care altogether.

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