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How High Is America's Health Care Cost Burden? Findings from the Commonwealth Fund Health Care Affordability Tracking Survey, July–August 2015

Sara R. Collins, Munira Gunja, Michelle M. Doty,
and Sophie Beutel

Abstract One-quarter of privately insured working-age adults have high health care cost burdens relative to their incomes in 2015, according to the Commonwealth Fund Health Care Affordability Index, a comprehensive measure of consumer health care costs. This figure, which is based on a nationally representative sample of people with private insurance who are mainly covered by employer plans, is statistically unchanged from 2014. When looking specifically at adults with low incomes, more than half have high cost burdens. In addition, when privately insured adults were asked how they rated their affordability, greater shares reported their premiums and deductible costs were difficult or impossible to afford than the Index would suggest. Health plan deductibles and copayments had negative effects on many people's willingness to get needed health care or fill prescriptions. In addition, many consumers are confused about which services are free to them and which count toward their deductible.

BACKGROUND

More Americans than ever before have private health insurance, in large part because of the coverage expansions of the Affordable Care Act (ACA), now in their third year.¹ At the same time, as more people than ever are gaining coverage, many of those enrolled in private plans, including employer-based and ACA marketplace plans, have high deductibles and other forms of cost-sharing. These elements can place a great financial burden on individuals and families, especially those with low or moderate incomes.²

This issue brief draws from the second installment of the Commonwealth Fund Health Care Affordability Tracking Survey to measure the extent to which U.S. adults have high health care cost burdens.³ We

created what we call the Commonwealth Fund Health Care Affordability Index, a composite measure that assesses the share of U.S. adults who have high premium costs, high deductibles, and/or high out-of-pocket health care costs relative to their incomes (see graphic below). In addition, we asked adults about how they perceive the affordability of their premiums, deductibles, and copayments or coinsurance. Adults also told us how their deductibles and copayments affected their health care decisions in the past year.

The Commonwealth Fund Health Care Affordability Index Explained

Our index is a composite measure that assesses the percent of adults ages 19–64 who were insured all year with either employer, individual, or marketplace coverage and had

High premium costs

Premium costs were 10% or more of income or 7% or more if low income*

OR

High deductible costs

Deductible equals 5% or more of income

OR

High out-of-pocket costs**

Out-of-pocket costs were 10% or more of income or 5% or more if low-income*

* Below 200% of the federal poverty level, less than \$23,340 for an individual or less than \$47,700 for a family of four.

** Does not include premiums.

Source: S. R. Collins, M. Gunja, M. M. Doty, and S. Beutel, *How High Is America's Health Care Cost Burden? Findings from the Commonwealth Fund Health Care Affordability Tracking Survey, July–August 2015, Nov. 2015.*

For a more detailed description of the measures, see [About the Commonwealth Fund Health Care Affordability Index](#).

The data reflect the health insurance and health care expenditures reported by adults who were insured continuously all year with private insurance through an employer, the Affordable Care Act's marketplaces, or the individual market.⁴ The majority of the survey sample has employer coverage (90%), but the sample also includes people in marketplace plans (6%) and with individual coverage (5%). In the survey, 61 percent of U.S. adults had been insured continuously with private coverage for the prior 12 months, up from 56 percent one year earlier (data not shown).

FINDINGS

How Many Privately Insured Adults Have Unaffordable Health Care Costs?

In the 12-month period ending in July–August 2015, 25 percent of privately insured adults had unaffordable health care costs as measured by the Affordability Index. (Exhibit 1, Table 1). In other words, these adults either had premiums, deductibles, or out-of-pocket costs that were unaffordable as measured by the threshold levels in the Index: 13 percent of adults had premiums that were unaffordable, 10 percent had unaffordable deductibles, and 11 percent had unaffordable out-of-pocket costs.⁵ The percentage of adults with unaffordable costs is lower than it was in 2014, but it is statistically unchanged from that year.

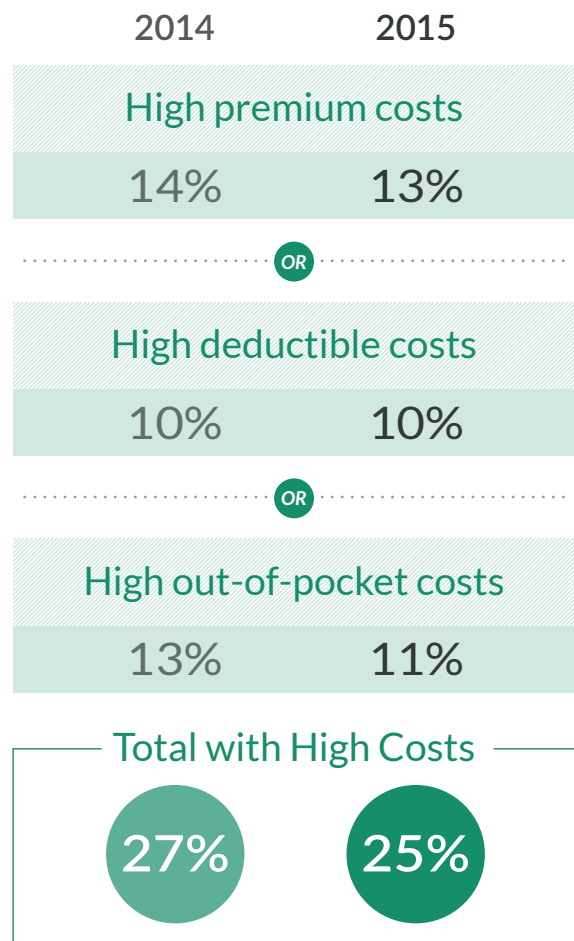
Insurance and health care costs had by far the greatest impact on the budgets of low- and moderate-income families (Exhibit 2, Table 2). More than half (53%) of privately insured adults with incomes under 200 percent of poverty (\$23,340 for an individual or \$47,700 for a family of four) had unaffordable health care costs.⁶ Three of 10 (30%) adults with moderate incomes (up to \$46,680 for an individual or \$95,400 for a family of four) had unaffordable costs, which was double the rate of higher-income adults.

How Do Consumers Rate the Affordability of Their Premiums, Deductibles, and Copayments?

We asked adults for their thoughts on how affordable their health insurance costs and cost-sharing responsibilities are. Our measures of affordability for premiums and deductibles diverged from consumers' views. According to our Affordability Index, 13 percent of privately insured adults had unaffordable premiums (Exhibit 1). However, one-quarter of privately insured adults said their premiums were difficult or impossible to afford (Exhibit 3). Adults with low and moderate incomes were more likely to report that their premiums were difficult to afford than higher-income adults.

Exhibit 1
Health Care Affordability Index,
2014–2015

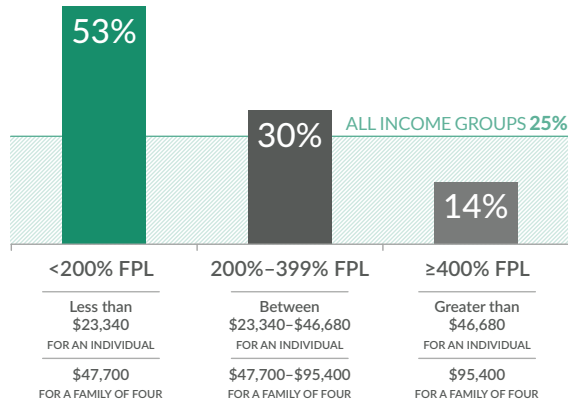
Percent of adults ages 19–64 who were insured all year with either employer, individual, or marketplace coverage and had



Source: The Commonwealth Fund Health Care Affordability Tracking Survey, September–October 2014 and July–August 2015.

Exhibit 2

More than half of low-income privately insured adults had costs that exceeded the Health Care Affordability Index



*Privately insured adults ages 19-64 who were insured all year with high health care cost burdens**

Note: FPL refers to federal poverty level.

* Premium costs equaled 10% or more of income; premium costs equaled 7% or more of income if low income (below 200% FPL); deductible equaled 5% or more of income; out-of-pocket expenses equaled 10% or more of income; or out-of-pocket expenses equaled 5% or more of income if low income (below 200% FPL).

Source: The Commonwealth Fund Health Care Affordability Tracking Survey, July-August 2015.

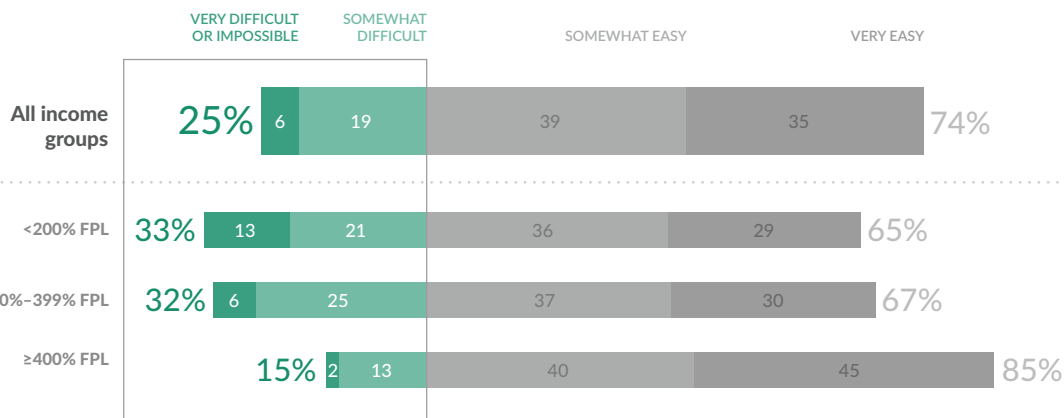
People reported even greater difficulty affording their health plan deductibles. According to our Affordability Index, 10 percent of privately insured adults had unaffordable deductibles. (Exhibit 1). However, when we asked privately insured adults about their views of how easy or difficult it was to afford their deductible, 43 percent said their deductible was difficult or impossible to afford (Exhibit 4). Half of low- and moderate-income adults expressed difficulty affording their deductibles. In addition, a large share (32%) of adults with higher incomes reported it was difficult to afford their deductibles.

People had fewer problems affording copayments and coinsurance when they visited a doctor or filled a prescription (Exhibit 5). However, the lowest-income adults reported struggling with these costs. One-third (34%) of adults with incomes under 200 percent of poverty said it had been difficult or impossible to afford their copayments or coinsurance when they had gone to the doctor or filled a prescription in the past year.

Exhibit 3

One of four privately insured adults said it was difficult or impossible to afford their premium costs

How easy or difficult is it for you to afford the premium costs for your health insurance?



Privately insured adults ages 19-64 who were insured all year and pay all or some of their premium

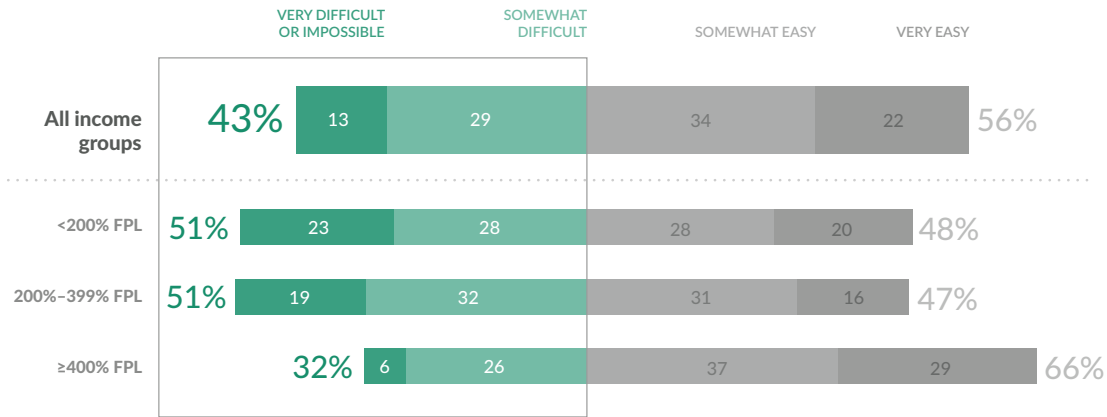
Note: FPL refers to federal poverty level. 200% FPL is \$23,340 for an individual or \$47,700 for a family of four; 400% FPL is \$46,680 for an individual and \$95,400 for a family of four. Bars may not sum to 100% because of "don't know" responses or refusal to respond; segments may not sum to subtotals because of rounding; "All income groups" includes adults who do not report their income and may therefore not be the average of the income categories.

Source: The Commonwealth Fund Health Care Affordability Tracking Survey, July-August 2015.

Exhibit 4

Two of five privately insured adults said it was difficult or impossible to afford their deductible

How easy or difficult is it for you to afford your deductible?



Privately insured adults ages 19-64 who were insured all year and who have a deductible

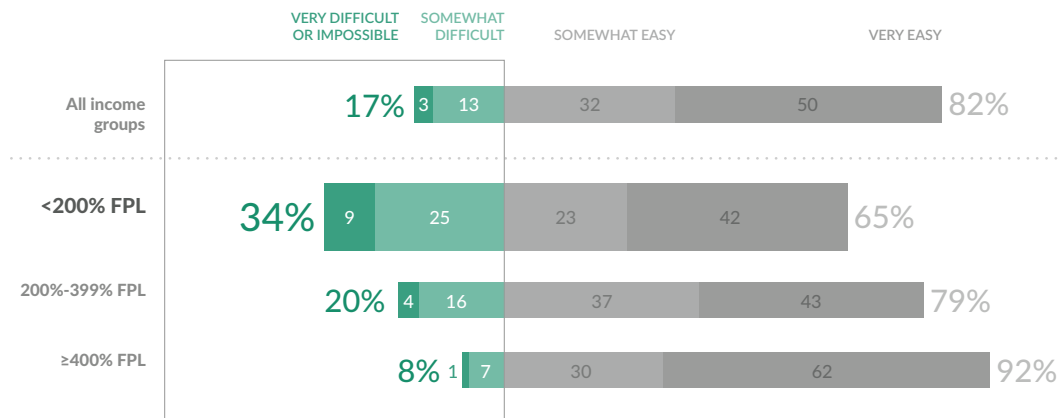
Note: FPL refers to federal poverty level. 200% FPL is \$23,340 for an individual or \$47,700 for a family of four; 400% FPL is \$46,680 for an individual and \$95,400 for a family of four. Bars may not sum to 100% because of "don't know" responses or refusal to respond; segments may not sum to subtotals because of rounding; "All income groups" includes adults who do not report their income and may therefore not be the average of the income categories.

Source: The Commonwealth Fund Health Care Affordability Tracking Survey, July-August 2015.

Exhibit 5

Lower-income adults had the greatest difficulty affording their copayments and coinsurance

In the past 12 months, how easy or difficult was it for you to afford your copays or coinsurance when you visited a doctor or clinic, or when you filled a prescription?



Privately insured adults ages 19-64 who were insured all year and pay a copayment or coinsurance

Note: FPL refers to federal poverty level. 200% FPL is \$23,340 for an individual or \$47,700 for a family of four; 400% FPL is \$46,680 for an individual and \$95,400 for a family of four. Bars may not sum to 100% because of "don't know" responses or refusal to respond; segments may not sum to subtotals because of rounding; "All income groups" includes adults who do not report their income and may therefore not be the average of the income categories.

Source: The Commonwealth Fund Health Care Affordability Tracking Survey, July-August 2015.

How Do Deductibles and Copayments Affect People's Health Care Decisions?

Employers and insurers have made the argument that deductibles and copayments in health plans create disincentives for consumers to overuse health care or use services that might be of limited value. The survey finds evidence that cost-sharing also creates disincentives for people to get necessary care, like going to the doctor when they are sick or filling prescriptions for their medications. These findings are consistent with past research conducted by The Commonwealth Fund.⁷

Effects of Deductibles on Health Care Decisions

We asked adults whether their deductibles had affected their decisions to get needed health care over the past year. Adults whose deductibles were high relative to their income were significantly more likely to report delaying or avoiding needed health care than those with lower deductibles. Two of five (40%) adults with deductibles that amounted to 5 percent or more of income reported that because of their deductible: they had not gone to the doctor when sick, did not get a preventive care test, skipped a recommended follow-up test, or did not get needed specialist care (Exhibit 6). Adults with lower deductibles relative to their income were less likely to avoid needed care, but one of five (21%) said they did not get needed care because of their deductible.

Many people with deductibles appeared to be confused about which services count toward that amount—that is, how much they need to pay in full before their insurance kicks in—and which services are paid outright by their insurance and therefore, free to them. Under the Affordable Care Act, all health plans, including employer plans, must provide free preventive care services, such as cancer and cholesterol screenings, regardless of whether an individual has met his or her deductible (see box on next page). But despite this protection, 18 percent of adults with high deductibles relative to their income and 10 percent of those with lower deductibles relative to their income said they did not get a preventive care test because of their deductible.

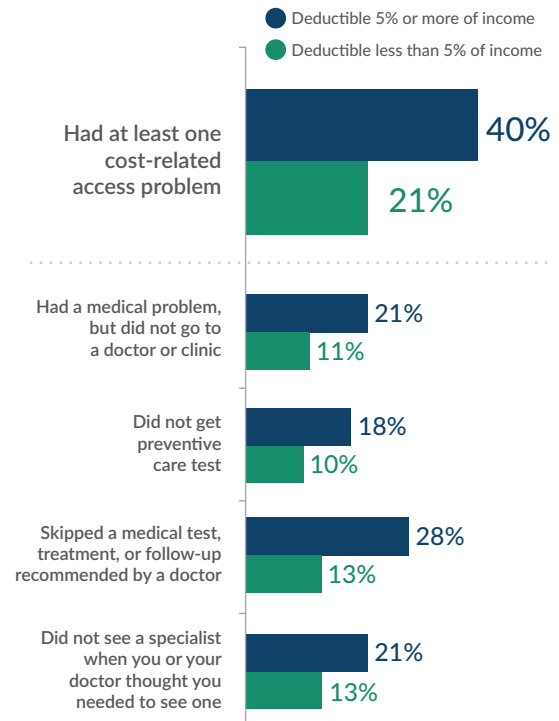
To further probe people's understanding of their deductibles, we asked adults who had a deductible whether their health plan covered the full cost of preventive care services. Nearly two of five (37%) adults either said their health plan did not fully cover preventive services or that they

Exhibit 6

Two of five adults with high deductibles relative to their income delayed or avoided needed care because of their deductible



In the past 12 months, was there any time when you delayed or did not get any of the following because of the amount you would have to pay toward your deductible?



Percent of privately insured adults ages 19–64 who were insured all year, who have a deductible and responded “yes”

Note: This analysis includes respondents who reported their income level and deductible amount for their private insurance plan.

Source: The Commonwealth Fund Health Care Affordability Tracking Survey, July–August 2015.

PREVENTIVE CARE AND OTHER EXCLUSIONS FROM DEDUCTIBLES

For plan years beginning on or after September 23, 2010, all nongrandfathered group health plans (including self-insured plans), individual market, and marketplace plans are required by law to cover recommended preventive services without charging copayments, coinsurance, or deductibles.⁸ Covered services include those that the United States Preventive Services Task Force rate as either “A” (high certainty that the net benefit is substantial) or “B” (high certainty that the net benefit is moderate); immunizations recommended by the Advisory Committee on Immunization Practices; and evidence-informed preventive care and screening for infants, children, adolescents, and women, supported by the Health Resources and Services Administration.

While these standards apply nationwide, there is variation across states in other services that are excluded from consumers' deductibles. California's marketplace Covered California, for example, excludes physician visits and outpatient services from the deductible for all silver level and higher plans.⁹ A CMS analysis of silver level plans in 2015 found that 80 percent of consumers selected plans that had one of seven service exclusions including primary and specialty care visits, generic and brand name drugs, mental health and substance use disorders services.¹⁰

didn't know if it did (Exhibit 7). Adults with lower incomes were more likely to be unaware that their health plans covered these services, compared to adults with higher incomes (49% vs 32%).

Effects of Copayments and Coinsurance on Health Care Decisions

Copayments and coinsurance also created disincentives for many people—especially those with low incomes—to get needed health care services. Two of five (39%) adults with incomes under 200 percent of poverty (\$23,340 for an individual or \$47,700 for a family of four) said that because of their copayments or coinsurance, they had either not filled a prescription, not gone to the doctor when they were sick, skipped a medical test or follow-up visit recommended by a doctor, or not seen a specialist when they or their doctor thought they needed one (Exhibit 8). One of five (19%) adults with relatively higher incomes also reported that their copayments were barriers to filling prescriptions or getting needed medical care.

Many Adults Report Receiving Surprise Provider Bills

The reality of a high deductible or copayment for a prescription drug can be a bracing experience for families when someone falls ill. But while the deductible is a known potential cost at the time of enrollment, there have been widespread anecdotal reports about people who have

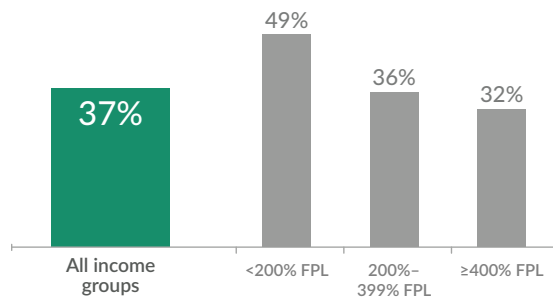
Exhibit 7

Two of five privately insured adults are unaware their health plans fully cover preventive care services



Does your health plan fully cover preventive care services at no cost to you, regardless of whether or not you have met your deductible?

Privately insured adults ages 19–64 who were insured all year, have a deductible and said “no” or “don't know”



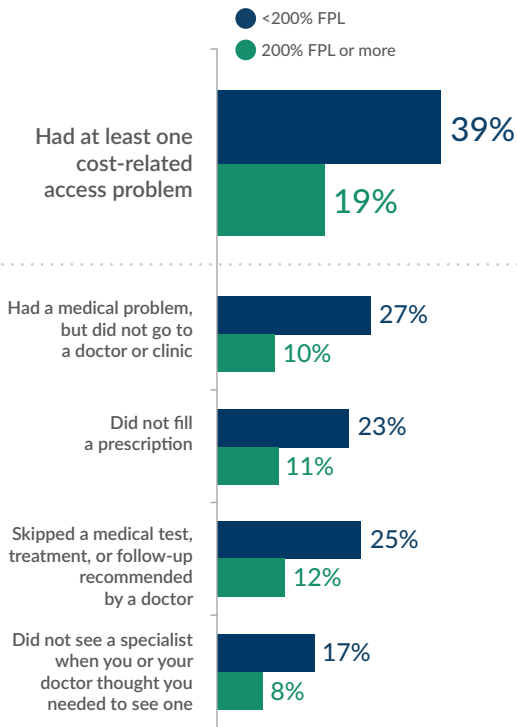
Note: FPL refers to federal poverty level. 200% FPL is \$23,340 for an individual or \$47,700 for a family of four; 400% FPL is \$46,680 for an individual and \$95,400 for a family of four. “All income groups” includes adults who do not report their income and may therefore not be the average of the income categories.

Source: The Commonwealth Fund Health Care Affordability Tracking Survey, July–August 2015.

Exhibit 8

Two of five adults with low incomes reported they had delayed or avoided getting care because of their copayments or coinsurance

Thinking about what you have to pay when you visit the doctor or fill a prescription, in the past 12 months, was there any time when you did any of the following because of your copayments or coinsurance?



Percent of privately insured adults ages 19–64 who were insured all year, pay a copayment or coinsurance and responded “yes”

Note: FPL refers to federal poverty level. 200% FPL is \$23,340 for an individual or \$47,700 for a family of four; 400% FPL is \$46,680 for an individual and \$95,400 for a family of four.

Source: The Commonwealth Fund Health Care Affordability Tracking Survey, July–August 2015.

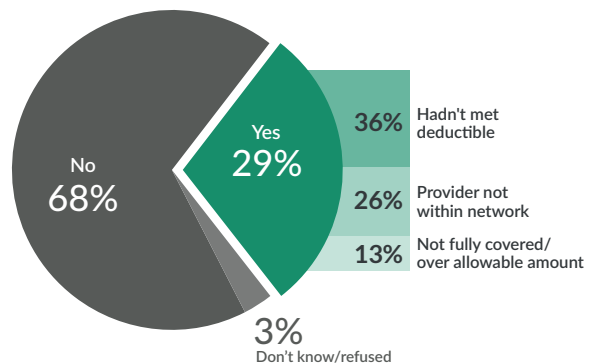
received surprise bills from providers that were assumed to be in network. For example, a patient may have surgery in an in-network hospital by an in-network surgeon, but receive a bill from an anesthesiologist who is outside the network. Providers outside a plan’s network may charge patients the difference between their allowed amount and what they charge. This is commonly known as “balance billing.”

We asked adults whether there had been a time over the past year when a provider charged anyone in their family more than the insurance would pay and then billed them for the difference. Three of 10 (29%) respondents reported they had experienced this (Exhibit 9). We then asked these adults why they believed this had happened: 36 percent said it was because they had not yet met their deductible and 26 percent said it was because the provider was not within their network.

Exhibit 9

Three of ten insured adults reported a provider had billed them for the difference between what their plan would pay and the provider charge

Thinking about the health care that you and your family have received over the last 12 months, was there ever a time when a health care provider charged anyone in your family more than the insurance plan would pay and then billed for the difference?



Privately insured adults ages 19–64 who were insured all year

Note: Segments may not sum to 100 percent because of rounding.

Source: The Commonwealth Fund Health Care Affordability Tracking Survey, July–August 2015.

CONCLUSION AND POLICY IMPLICATIONS

The Commonwealth Fund Health Care Affordability Index indicates that one-quarter of Americans with private health insurance had premiums, deductibles, and/or out-of-pocket costs that were unaffordable in 2014 and 2015. But a larger portion of adults viewed key components of the Index—premiums and deductibles—as more difficult to afford than the Index would suggest.

Ultimately, consumers' perceptions of cost and their understanding of their health plans are what matter most. If people believe that their deductibles or copayments are unaffordable, it will affect the way they make health care decisions. Two of five adults who had high deductibles according to our Index reported not getting needed care because of their deductible, including not going to the doctor when they were sick or delaying or not getting a follow-up test recommended by a physician. But one of five adults with deductibles that were considered "affordable" according to the Index also said they delayed needed care because of their deductible. In addition, some people seemed to be unclear about which services were free to them and which were subject to meeting a deductible limit.

Our measure of premium affordability is based roughly on the definitions of premium affordability for marketplace and employer plans under the ACA. But it is a conservative measure. For example, the Index would not identify someone with a low income as having an unaffordable premium if he or she was spending less than 7 percent of income on an employer premium, but more than they would spend if they were enrolled in a subsidized marketplace plan or Medicaid.

Perceptions of premium affordability also affect consumer behavior. A recent Commonwealth Fund survey found that 47 percent of adults in marketplace plans viewed their premiums as difficult to afford.¹¹ In addition, 57 percent of people who visited the marketplaces in the last open enrollment period but failed to sign up said they could not find an affordable health plan.¹² Among those who didn't get coverage elsewhere, more than half had incomes that made them eligible for premium subsidies. Some people may not realize that they are eligible for subsidies or understand the actual costs of marketplace plans once subsidies are factored in. Others may simply view their premiums as unaffordable to them, despite what the law considers "affordable" in theory.

In the current open enrollment period, the federal and state governments are aiming to simplify the marketplace shopping experience to help consumers better understand their choices. In addition, if more states choose to expand their Medicaid programs, there will be more affordable choices for many low-income people, including those who currently have employer coverage. But ultimately, to reach the goal of allowing all Americans to have access to affordable health insurance and health care, policymakers must listen carefully to what consumers are telling them about their costs.

NOTES

- ¹ According to the federal National Health Interview Survey, from January to June of 2015 the share of working age adults with private health insurance climbed to 70.6 percent, up from 64.2 percent in 2013, just prior to the major coverage expansions. The share of nonelderly adults with coverage through either Medicaid or Medicare rose from 16.7 percent to 18.2 percent. M. E. Martinez and R. A. Cohen, *Health Insurance Coverage: Early Release of Estimates from the National Health Interview Survey, January–June 2015* (Washington, D.C.: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Health Statistics, Nov. 2015).
- ² S. R. Collins, M. Gunja, P. W. Rasmussen, M. M. Doty, and S. Beutel, *Are Marketplace Plans Affordable? Consumer Perspectives from the Commonwealth Fund Affordable Care Act Tracking Survey, March–May 2015* (New York: The Commonwealth Fund, Sept. 2015); G. Claxton, M. Rae, N. Panchal et al., “Health Benefits in 2015: Stable Trends in the Employer Market,” *Health Affairs*, Sept. 2015 34(10):1779–88; S. R. Collins, P. W. Rasmussen, S. Beutel, and M. M. Doty, *The Problem of Underinsurance and How Rising Deductibles Will Make It Worse—Findings from the Commonwealth Fund Biennial Health Insurance Survey* (New York: The Commonwealth Fund, May 2015); and C. Schoen, D. C. Radley, and S. R. Collins, *State Trends in the Cost of Employer Health Insurance Coverage, 2003–2013* (New York: The Commonwealth Fund, Jan. 2015).
- ³ S. R. Collins, P. W. Rasmussen, M. M. Doty, and S. Beutel, *Too High a Price: Out-of-Pocket Health Care Costs in the United States—Findings from the Commonwealth Fund Health Care Affordability Tracking Survey, September–October 2014* (New York: The Commonwealth Fund, Nov. 2014).
- ⁴ Unlike the Commonwealth Fund Affordable Care Act Tracking Surveys, we did not oversample for people enrolled in marketplaces plans, so we group people who have coverage through these three sources of private coverage. See, for example, Collins, Gunja, Rasmussen et al., *Are Marketplace Plans Affordable?* 2015.
- ⁵ The majority of adults in the sample reported per-person deductibles; 2 percent reported a family deductible amount.
- ⁶ The Health Care Affordability Index for this income group declined from 62 percent in 2014 to 53 percent in 2015, but the change was not statistically significant.
- ⁷ Collins, Rasmussen, Beutel et al., *The Problem of Underinsurance*, 2015; and Collins, Rasmussen, Doty et al., *Too High a Price*, 2014.
- ⁸ U.S. Department of Health and Human Services, “Preventive Services Covered Under the Affordable Care Act” (Washington, D.C.: DHHS, Sept. 22, 2015); and Centers for Medicare and Medicaid Services, “Affordable Care Act Implementation FAQs—Set 12” (Washington, D.C.: CMS).
- ⁹ J. C. Robinson, P. Lee, and Z. Goldman, “Whither Health Insurance Exchanges Under the Affordable Care Act? Active Purchasing Versus Passive Marketplaces,” *Health Affairs Blog*, Oct. 2, 2015.
- ¹⁰ K. Counihan, “Five Facts About Deductibles,” *The CMS Blog*, Centers for Medicare and Medicaid Services, Nov. 17, 2015.
- ¹¹ Collins, Gunja, Rasmussen et al., *Are Marketplace Plans Affordable?* 2015.
- ¹² S. R. Collins, M. Gunja, M. M. Doty, and S. Beutel, *To Enroll or Not to Enroll? Why Many Americans Have Gained Insurance Under the Affordable Care Act While Others Have Not* (New York: The Commonwealth Fund, Sept. 2015).

ABOUT THE COMMONWEALTH FUND HEALTH CARE AFFORDABILITY INDEX

The Commonwealth Fund Health Care Affordability Index is a composite measure that assesses the percent of adults ages 19–64 who were insured all year with either employer, individual, or marketplace coverage and had high premium costs, high deductible costs, or high out-of-pocket costs relative to income. Below is our rationale for our threshold measures of affordability.

Premiums

Under the Affordable Care Act, workers covered by employer health plans who have premium contributions greater than 9.5 percent of their income for single coverage are potentially eligible for subsidies to purchase health plans in the health insurance marketplaces. People who buy coverage through the marketplaces are eligible for subsidies that effectively cap their premium contributions as a share of income. People with incomes of 100 percent of the federal poverty level pay no more than 2.01 percent of their income for a benchmark plan. Premium contributions rise with income: at 200 percent of poverty people pay no more than 6.34 percent of income and at 300 percent to 400 percent of poverty no more than 9.56 percent.^a Therefore, we define someone as having a high premium cost burden if their:

- premium costs are equal to 10 percent or more of household income; or
- premium costs are equal to 7 percent or more of household income if income is under 200 percent of the federal poverty level (\$23,340 for an individual and \$47,700 for a family of four).

Deductibles

For deductibles and out-of-pocket costs on medical care, we use threshold levels relative to income, as developed previously for The Commonwealth Fund's measure of underinsurance.^b The measure takes into account an insured adult's reported out-of-pocket costs over the course of a year, not including premiums, and his or her health plan deductible. This combination of actual expenditures and the potential risk of expenditures, as represented by the deductible, are then compared with household income. People who are insured all year are defined as having deductibles that leave them at risk of high out-of-pocket costs if:

- the deductible is 5 percent or more of household income.

Out-of-Pocket Health Care Costs

We asked survey respondents how much they spent out-of-pocket for medical treatments and services for themselves or their family that were not covered by their health insurance over the prior 12 months. They were asked to think of all their expenditures, including copayments, when they went to the doctor or hospital, as well as their costs for prescriptions and vision and dental care. We consider a person who is insured all year to have high out-of-pocket costs if:

- family out-of-pocket costs, excluding premiums, over the prior 12 months are equal to 10 percent or more of household income; or
- family out-of-pocket costs, excluding premiums, are equal to 5 percent or more of household income if income is under 200 percent of the federal poverty level.

^a The full premium tax credit caps for 2015 are:
 100%–<133% of the federal poverty level (FPL): 2.01%
 133%–149% of FPL: 3.02–4.02%
 150%–199% of FPL: 4.02–6.34%
 200%–249% of FPL: 6.34%–8.1%
 250%–299% of FPL: 8.1%–9.56%
 300%–399% of FPL: 9.56%

<http://www.commonwealthfund.org/interactives-and-data/health-reform-resource-center>

^b S. R. Collins, P. W. Rasmussen, S. Beutel, and M. M. Doty, *The Problem of Underinsurance and How Rising Deductibles Will Make It Worse—Findings from the Commonwealth Fund Biennial Health Insurance Survey* (New York: The Commonwealth Fund, May 2015).

HOW THIS SURVEY WAS CONDUCTED

The Commonwealth Fund Health Care Affordability Tracking Survey, July–August 2015, was conducted by SSRS from July 15 to August 9, 2015, as a part of SSRS’s weekly, nationally representative omnibus survey. The survey consisted of a 15-minute telephone interviews in English or Spanish and was conducted among a random nationally representative sample of 2,762 adults ages 19 to 64 living in the continental United States. Overall 1,060 interviews were conducted with respondents on landline telephones and 1,702 interviews were conducted on cellular phones, including 1,116 with respondents who live in households with no landline telephone access. This is the second wave of the Affordability Tracking Survey. The first wave was conducted from September 10 to October 5, 2014. The analysis in this issue brief focuses on 1,687 adults who were insured continuously for the prior 12 months with private coverage, either through an employer, the Affordable Care Act’s marketplaces, or the individual market. The majority of the sample comprises people in employer-based plans.

The data are weighted to adjust for the fact that not all survey respondents were selected with the same probabilities, the overlapping landline and cellular phone samples, and disproportionate nonresponse that might bias results. Data are weighted to the U.S. 19-to-64 adult population by age, race, gender, region, marital status, education, and population density, based on the U.S. Census Bureau’s 2014 March Supplement to the Current Population Survey and household telephone use using the CDC’s National Health Interview Survey. The resulting weighted sample is representative of the approximately 190.7 million U.S. adults ages 19 to 64.

The survey has an overall margin of sampling error of +/- 2.1 percentage points at the 95 percent confidence level. The landline portion of the survey achieved a 10 percent response rate and the cellular phone sample achieved a 5.5 percent response rate. The overall response rate was 6.9 percent.

Table 1. Health Care Affordability Index Indicators, 2014 and 2015

	2014 (%)	2015 (%)
Health Care Affordability Index indicators among adults insured all year with private health insurance*		
Base: Adults ages 19–64 insured all year with private health insurance**		
<i>Cumulative percent, using two premium indicators below</i>	14	13
Premium equals 10% or more of income	12	10
Premium equals 7% or more of income if low income***	7	5
Deductible equals 5% or more of income	10	10
<i>Cumulative percent, using two out-of-pocket medical expenses indicators below</i>	13	11
Out-of-pocket medical expenses equal 10% or more of family annual income	11	8
Out-of-pocket medical expenses equal 5% or more of income if low income***	7	6
<i>Cumulative percent, using all five indicators</i>	27	25

* Health Care Affordability Index includes adults who were insured all year with private insurance and experienced one of the following: premium costs equaled 10% or more of income; premium costs equaled 7% or more of income (below 200% of the federal poverty level, or FPL); deductible equaled 5% or more of income; out-of-pocket expenses equaled 10% or more of income; or out-of-pocket expenses equaled 5% or more of income if low income (below 200% FPL).

** Private insurance includes adults with either employer, individual, or marketplace coverage.

*** Less than 200% FPL.

Source: The Commonwealth Fund Health Care Affordability Tracking Survey, September–October 2014 and July–August 2015.

Table 2. Demographics of Privately Insured Adults Who Were Insured All Year, 2014 and 2015

	Total privately insured adults,* ages 19–64, insured all year, 2015	Privately insured all year, ages 19–64, 2014		Privately insured all year, ages 19–64, 2015	
		Percent with costs that DO NOT exceed the Health Care Affordability Index**	Percent with costs that exceed the Health Care Affordability Index***	Percent with costs that DO NOT exceed the Health Care Affordability Index**	Percent with costs that exceed the Health Care Affordability Index***
Percent distribution	100	73	27	75	25
Unweighted n	1,687	–	–	–	–
Race/Ethnicity					
Non-Hispanic White	69	74	26	73	27
Black	10	73	27	82	18
Latino	12	69	31	77	23
Age					
19–34	30	74	26	77	23
35–49	33	71	29	77	23
50–64	36	74	26	70	30
Poverty status					
Below 200% poverty	19	38	62	47	53
200%–399% poverty	27	72	28	70	30
400% poverty or more	40	87	13	86	14
Education					
High school or less	30	70	30	69	31
Some college/Technical school	29	70	30	71	29
College graduate or higher	41	78	22	82	18
Health status					
Fair/Poor health status, or any chronic condition**** or disability	53	69	31	71	29
No health problem	47	77	23	79	21
Region					
Northeast	20	76	24	79	21
North Central	22	73	27	71	29
South	34	72	28	72	28
West	24	73	27	79	21
Employee size					
Less than 50 employees	30	66	34	69	31
50 employees or more	69	77	23	81	19

* Private insurance includes adults with either employer, individual, or marketplace coverage.

** Includes privately insured adults who have low health care costs relative to their incomes and adults who are unaware of their premium, deductible, or out-of-pocket costs.

*** Health Care Affordability Index includes adults who were insured all year with private insurance and experienced one of the following: premium costs equaled 10% or more of income; premium costs equaled 7% or more of income if low income (below 200% of the federal poverty level, or FPL); deductible equaled 5% or more of income; out-of-pocket expenses equaled 10% or more of income; or out-of-pocket expenses equaled 5% or more of income if low income (below 200% FPL).

**** At least one of the following chronic conditions: hypertension or high blood pressure; heart disease; diabetes; asthma, emphysema, or lung disease; or high cholesterol.

Note: None of the year-to-year changes are statistically significant.

Source: The Commonwealth Fund Health Care Affordability Tracking Survey, September–October 2014 and July–August 2015.

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