

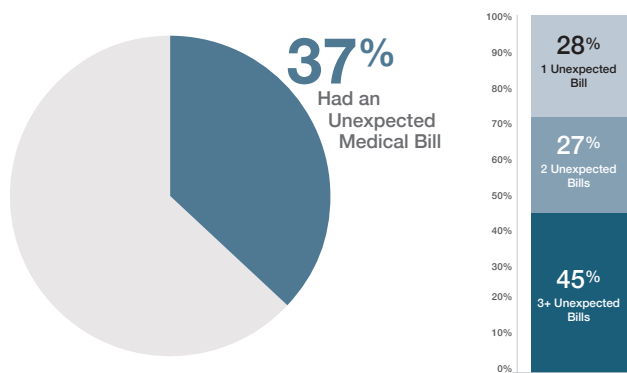
AN INSIDE LOOK:

Unexpected Medical Bills Are a Challenge for Many

Findings from the Massachusetts Health Insurance Survey (MHIS)

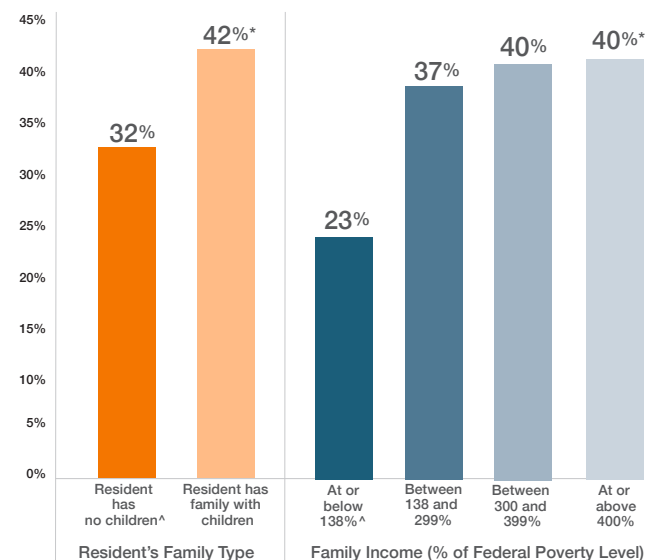
While health insurance coverage is expected to reduce or eliminate medical bills for consumers, unexpected medical bills arise when a health plan pays less than expected or does not pay at all. Unexpected medical bills can create financial burdens for families and are often associated with other health care affordability problems. In the 2019 Massachusetts Health Insurance Survey, residents in the Commonwealth who were insured all year were asked about their experiences with unexpected medical bills.

Figure 1. Prevalence and Frequency of Unexpected Medical Bills among Insured MA Residents and their Families in 2019



In 2019, over one in three (37%) Massachusetts residents with health insurance coverage all year⁸ reported that they or a family member had received an unexpected medical bill in the past 12 months (Figure 1). Almost half (45%) of residents reporting unexpected medical bills received three or more unexpected bills.

Figure 2. Prevalence of Unexpected Medical Bills by Insured MA Resident's Family Type and Family Income in 2019



The likelihood that a resident or their family member received an unexpected medical bill differed by key family characteristics. Residents in families with children (42%) were more likely to report unexpected medical bills than residents without children (32%) (Figure 2). Additionally, residents with family income at or below 138% of the Federal Poverty Level (FPL) were less likely to receive an unexpected bill compared to residents with family income at or above 400% FPL (23% and 40%, respectively). This likely reflects the higher levels of MassHealth coverage, with limited co-payments and no deductibles, for low-income families.

37%

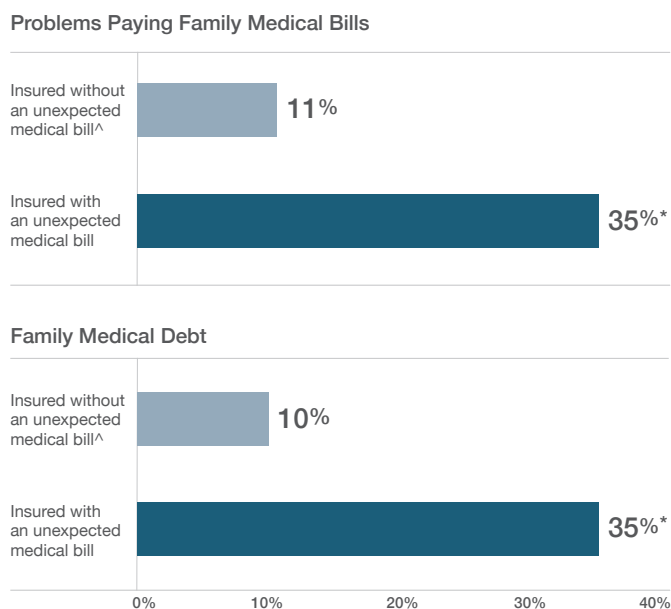
In 2019, 37% of insured residents had an unexpected medical bill in their family.

Residents who received an unexpected medical bill in their family were more than three times as likely as those who did not to experience affordability issues in 2019.

3x

The most commonly reported reasons for why the medical bills were unexpected included that the amount of the bill was higher than expected (57%), there were separate bills from multiple providers for the same episode of care (30%), and the bill was from a provider from whom they did not expect to get a bill (25%) (data not shown).

Figure 3. Prevalence of Affordability Issues among Insured MA Residents by Whether They Had Received an Unexpected Medical Bill in their Family in 2019



Health care affordability is an ongoing concern in Massachusetts despite more than a decade of near-universal health insurance coverage. Insured residents who received an unexpected medical bill for themselves or a family member were three times more likely than those without unexpected medical bills to experience problems paying family medical bills (35% and 11%, respectively) and to have family medical debt (35% and 10%, respectively) (Figure 3). While those affordability issues cannot be attributed to the unexpected medical bills, it is likely that such bills contributed to affordability problems for many.

Unexpected medical bills may reflect a variety of factors, including gaps in health insurance literacy, receiving care from an out-of-network provider who was thought to be in-network, or balance billing by providers (defined as billing the patient directly for the balance not covered by insurance). Unexpected bills may contribute to additional health care affordability issues, such as problems paying family medical bills or family medical debt, further exacerbating the financial burden of health care for Massachusetts families. With nearly two out of every five insured residents receiving unexpected medical bills, it will be important for policymakers to understand the root cause of these bills so that fewer families are surprised by the cost of their health care.

Read the full report at www.chiamass.gov/massachusetts-health-insurance-survey

Notes

§ This analysis is restricted to fully insured residents and their fully insured family members.
[^] Reference category.
 * Significantly different from the reference category at the 5% level.

About the MHIS

The Massachusetts Health Insurance Survey (MHIS) provides information on health insurance coverage, health care access and use and perceived health care affordability for the non-institutionalized population in Massachusetts. The 2019 MHIS included a random digit dialing and an address-based sample and was fielded between April and July of 2019. Surveys were completed with 4,873 Massachusetts households, collecting data on 4,873 target persons, including 529 children aged 0 to 18, 3,058 non-elderly adults aged 19 to 64, and 1,286 elderly adults aged 65 and older. The overall response rate for the 2019 MHIS was 16.5 percent. A follow-up survey was fielded between December 2019 and January 2020 with 1,133 Massachusetts households, collecting data on 1,133 target persons including 104 children aged 0 to 18, 686 non-elderly adults aged 19 to 64, and 343 elderly adults aged 65 and older. The overall response rate for the 2019 MHIS Re-contact Survey was 5.0 percent, combining the response rate of 16.5 percent for the main MHIS and 30.6 percent for the follow-up survey. All estimates based on the survey are prepared using weights that adjust for the complex survey design, for undercoverage, and for survey nonresponse. Additional information is available in the [MHIS Methodology Report](#).

For more information, please contact:

CHIA CENTER FOR HEALTH INFORMATION AND ANALYSIS
 501 Boylston Street www.chiamass.gov
 Boston, MA 02116 [@Mass_CHIA](https://twitter.com/Mass_CHIA)
 (617) 701-8100