

CONSUMER REPORTS® NATIONAL RESEARCH CENTER
Survey Research Report

Surprise Medical Bills Survey
2016 Washington State Online Survey

Introduction

In December, 2015 - January 2016, the Consumer Reports National Research Center conducted a representative online survey to assess the experience of consumers with private health insurance. The objective was to ascertain (1) the frequency of insurance issues, namely unexpected medical bills, and (2) what consumers know about their rights regarding conflicts with health insurers. GfK Group administered the survey to a representative sample of 367 adult Washington state residents. The data were statistically weighted so that respondents in the survey are representative of the Washington state population.

Highlights

Seven Out of 10 Privately Insured Washingtonians Give Their Plan Good Grades

- Seven out of 10 privately insured Washingtonians would give their plan a grade of 'B' or higher.
- However, of the respondents who received a surprise medical bill, few (5%) would give their health plan an 'A' for its response; many (58%) gave their plan a grade of 'C' or lower.

Many Washingtonians Would Complain about an Unexpected Medical Bill

- Many (64%) Washingtonians are *very* (32%) or *somewhat likely* (32%) to complain about an unexpected medical bill.

Over a Third of Privately Insured Washingtonians Had a Problem with Their Insurer

- In the past two years, over 1 in 3 privately insured Washingtonians had at least one of the listed problems (e.g., billing issue, coverage denial) with their health insurer.
- Among just the *Hospital* subgroup (individuals who had emergency room visits/hospitalizations/surgery in the past two years), the number rises to 45%.

Nearly a Third of Privately Insured Washingtonians Received a Surprise Medical Bill

- In the past two years, 30% of privately insured Washingtonians received a surprise medical bill (a medical bill where the health plan paid less than expected); among just the *Hospital* subgroup (individuals who had emergency room visits/hospitalizations/surgery in the past two years), the number rises to 34%.
- Among those who received a surprise medical bill, 1 out of 5 got a bill from a doctor they did not expect to get a bill from.
- While many (66%) took action to resolve their billing issue, a third did not.

Only Twenty-Eight Percent Satisfied with How Insurance Billing Issue Resolved

- Only 28% of privately insured Washingtonians with billing issues were satisfied with how the issue was resolved.
- For many (43%) the issue was either resolved unsatisfactorily (31%) or not resolved at all (12%).

Consumers Unaware of Health Insurance Rights and State Entities

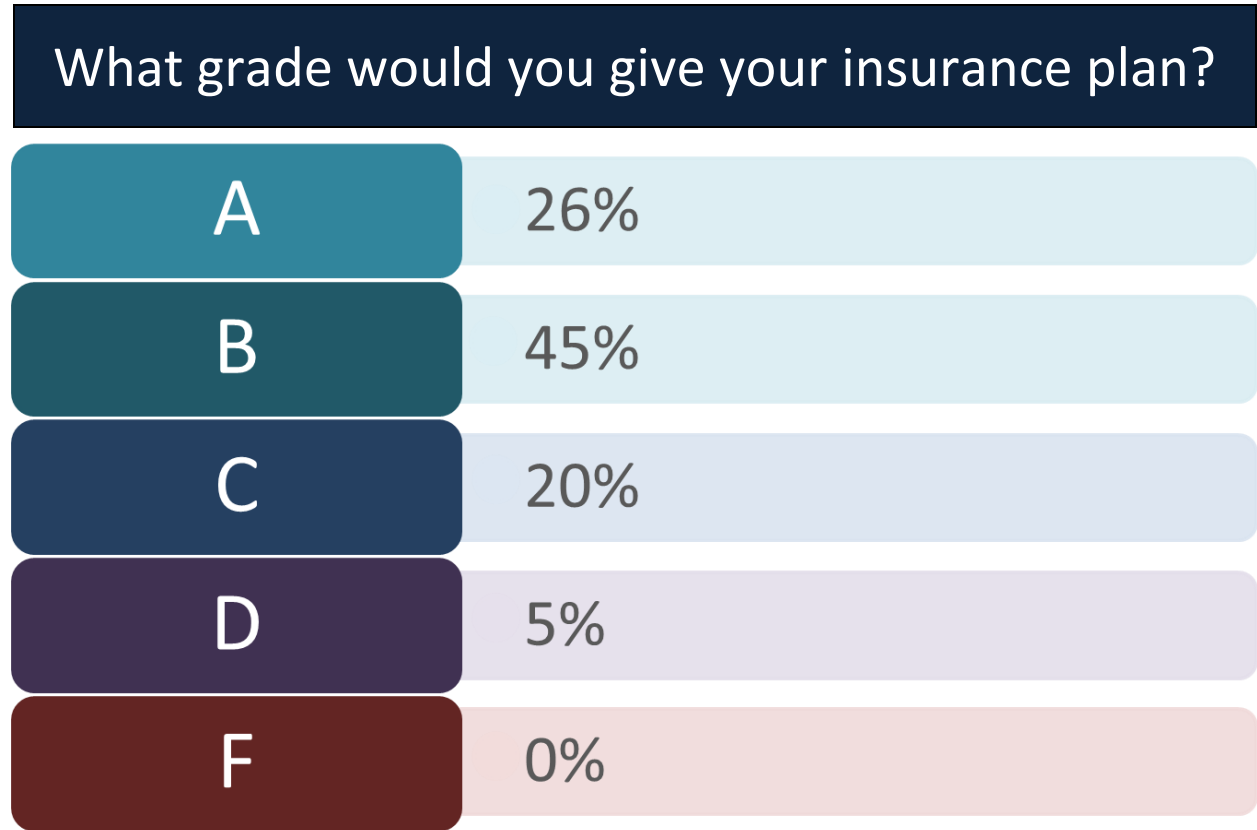
- Two-thirds of privately insured Washingtonians are uncertain about which state entity is responsible for resolving issues with health insurance billing.
- Most (80%) don't know the state agency/department tasked with handling health insurance complaints.
- Many (72%) are unsure if they have the right to appeal to the state/an independent medical expert if their health plan refuses coverage for medical services they think they need.

Most Washingtonians Are Not Complaining to Government Agencies

- Washingtonians are generally not complaining to government agencies; indeed most (78%) never complained to a government agency about any of the listed issues (e.g., cable bill, credit report error, bank fees).

Seven Out of 10 Privately Insured Washingtonians Give Their Plan Good Grades

Seven out of 10 (71%) privately insured Washingtonians would give their plan a grade of 'B' or higher. Over half (56%) of privately insured Washingtonians get their health plan from their current employer. Many (62%) have had this insurance for 4 years or more.



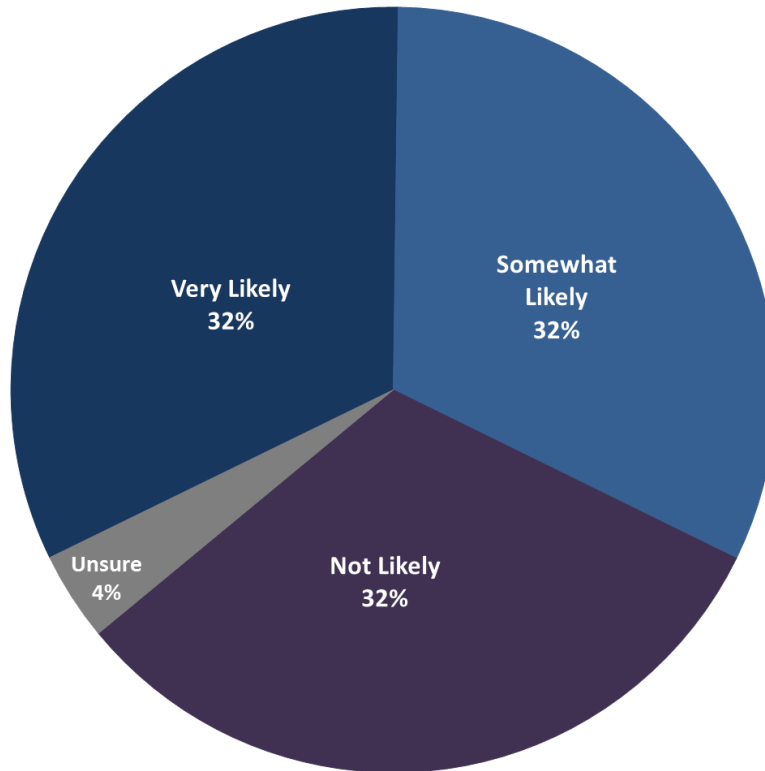
Base: All respondents; Unsure: 3%

When asked about their (or a member of their household's) emergency room visits, hospitalizations or surgeries in the past two years, more than half reported NO emergency room visits/hospitalizations (59%) or surgeries (66%).

Many Washingtonians Would Complain about an Unexpected Medical Bill

Many (64%) Washingtonians are *very* (32%) or *somewhat likely* (32%) to complain about an unexpected medical bill.

Consumer Likelihood to Complain about Surprise Medical Bill



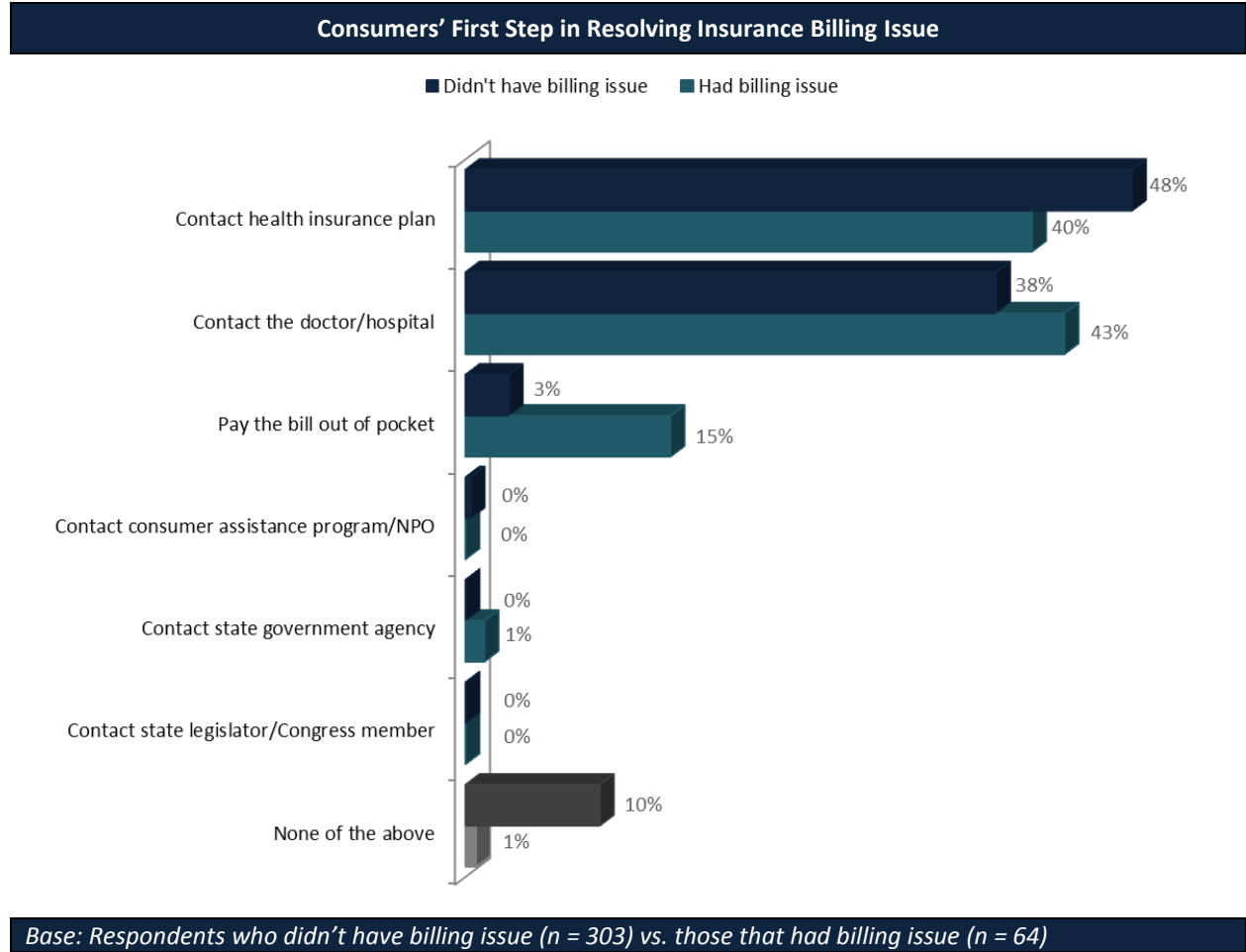
Base: All respondents

Over a Third of Privately Insured Washingtonians Had a Problem with Their Insurer

In the past two years, over 1 in 3 (37%) privately insured Washingtonians had at least one of the listed problems (e.g., billing issue, coverage denial) with their health insurer. Among just the *Hospital* subgroup (individuals who had emergency room visits/hospitalizations/surgery in the past two years), the number rises to 45%.

Problems Consumers had with Their Medical Insurer		
	WA	WA*
	%	%
<i>(Net) Had any problem</i>	37	45
Billing or payment for medical services	18	21
A coverage denial	10	16
A problem with health services that plan does or does not cover	10	13
Not being able to get the specific medication needed	7	9
Difficulty getting appointment with doctor	9	13
Difficulty getting someone from plan on phone to answer questions	6	6
Being forced to change doctors or doctor being dropped from plan	6	5
Delays in receiving care or treatment	6	8
Administrators or other plan staff being insensitive or not helpful	6	6
Difficulty getting referrals to see a medical specialist	3	3
A problem with a listing in the plan's provider directory	2	2
Other	3	2
None of the above	62	55
Refused	1	1
<i>Total</i>	367	183
<i>* Sample of individuals who had emergency room visits/hospitalizations/surgery in the past two years</i>		
<i>Base: All respondents</i>		

When faced with a problem with billing/payment of services, 40% would first contact their health insurance plan (even among those who did NOT have this problem, nearly half reported this would also be their first course of action). Forty-three percent would first contact their doctor, hospital, or health care provider.



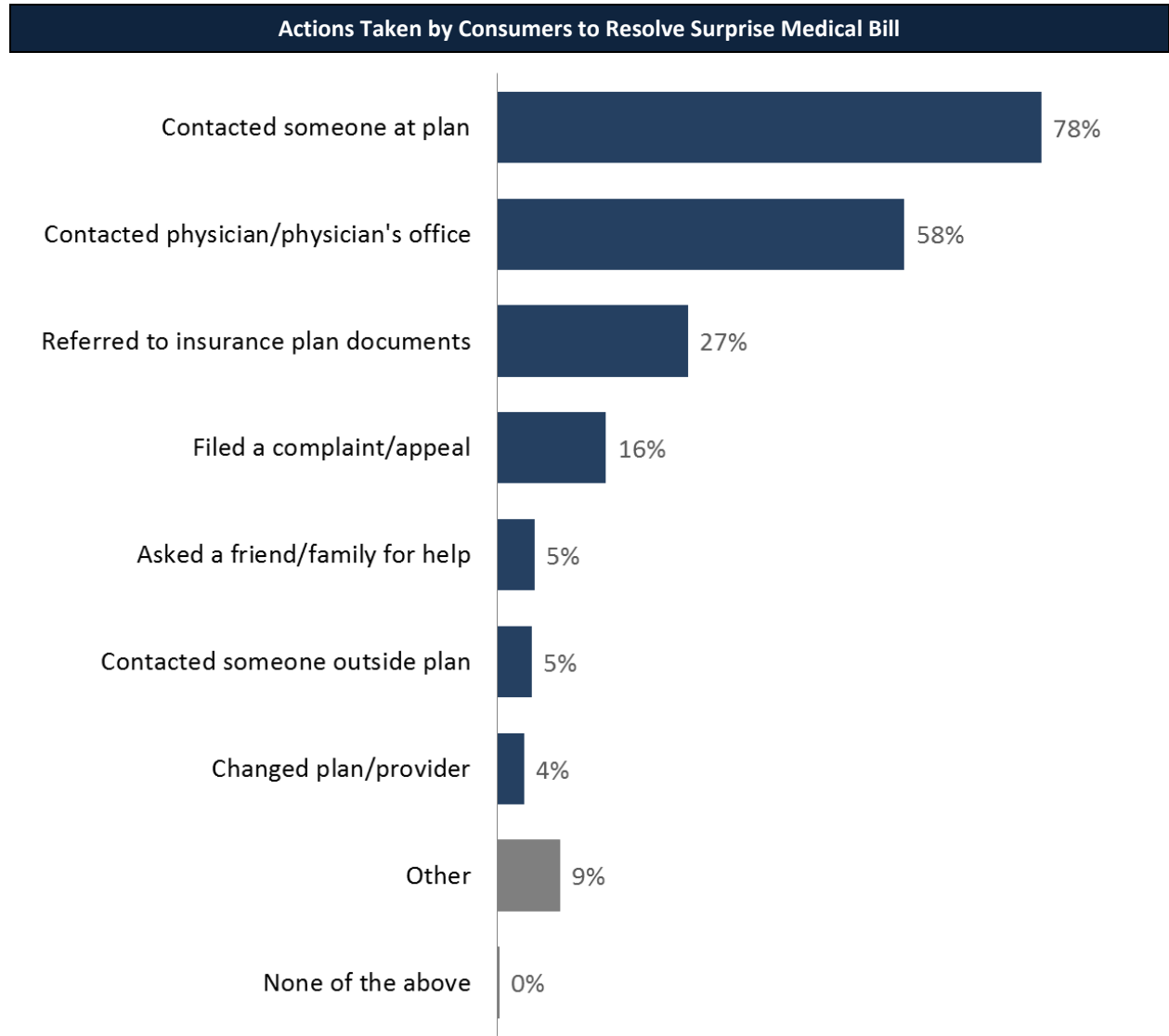
Nearly a Third of Privately Insured Washingtonians Received a Surprise Medical Bill

The majority (92%) of Washingtonians say they review their medicals bills *sometimes or more*. In the past two years, 30% of privately insured Washingtonians received a surprise medical bill (a medical bill where the health plan paid less than expected). Among just the *Hospital* subgroup (individuals who had emergency room visits/hospitalizations/surgery in the past two years), the number rises to 34%.

Many (64%) who received a surprise medical bill were surprised that the total amount charged was higher than expected. One fifth got a bill from a doctor they did not expect to get a bill from.

Surprise Insurance Billing Issues		
	WA	WA*
	%	%
The total amount charged was higher than expected	64	60
Got a bill from a doctor did not expect to get a bill from	19	24
Got separate bills from multiple providers	18	21
Was charged at out-of-network rate when thought the provider was in-network	14	12
Was charged for services did not receive	2	4
Other	13	15
Refused	2	0
<i>Total</i>	<i>110</i>	<i>61</i>
<i>* Sample of individuals who had emergency room visits/hospitalizations/surgery in the past two years</i>		
<i>Base: Received surprise medical bill</i>		

While many (66%) took action to resolve their billing issue, a third (34%) did not. Among those who took action, over three fourths (78%) contacted someone at the plan, and over half (58%) contacted their physician. Over a quarter (27%) referred to health insurance plan documents for information. Few (5%) contacted someone outside of their health plan (e.g., lawyer or state agency).

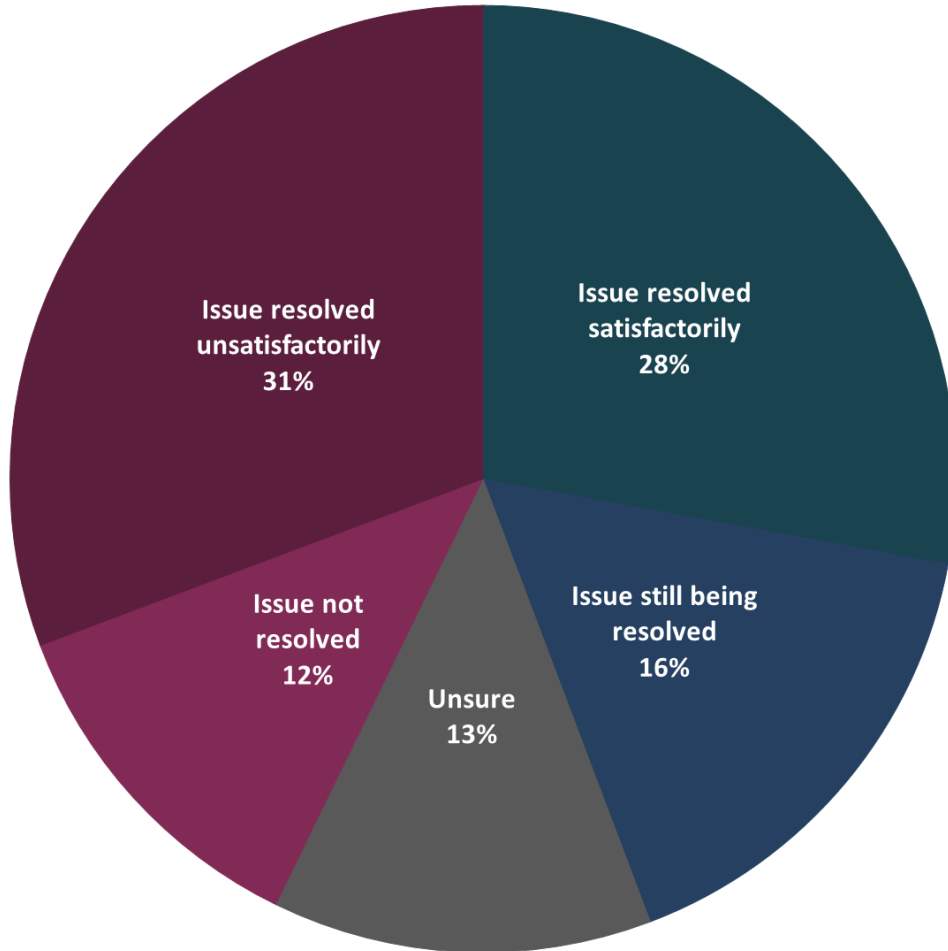


Base: Respondents who had billing problem and took action to resolve (n = 73)

Only Twenty-Eight Percent Satisfied with How Insurance Billing Issue Resolved

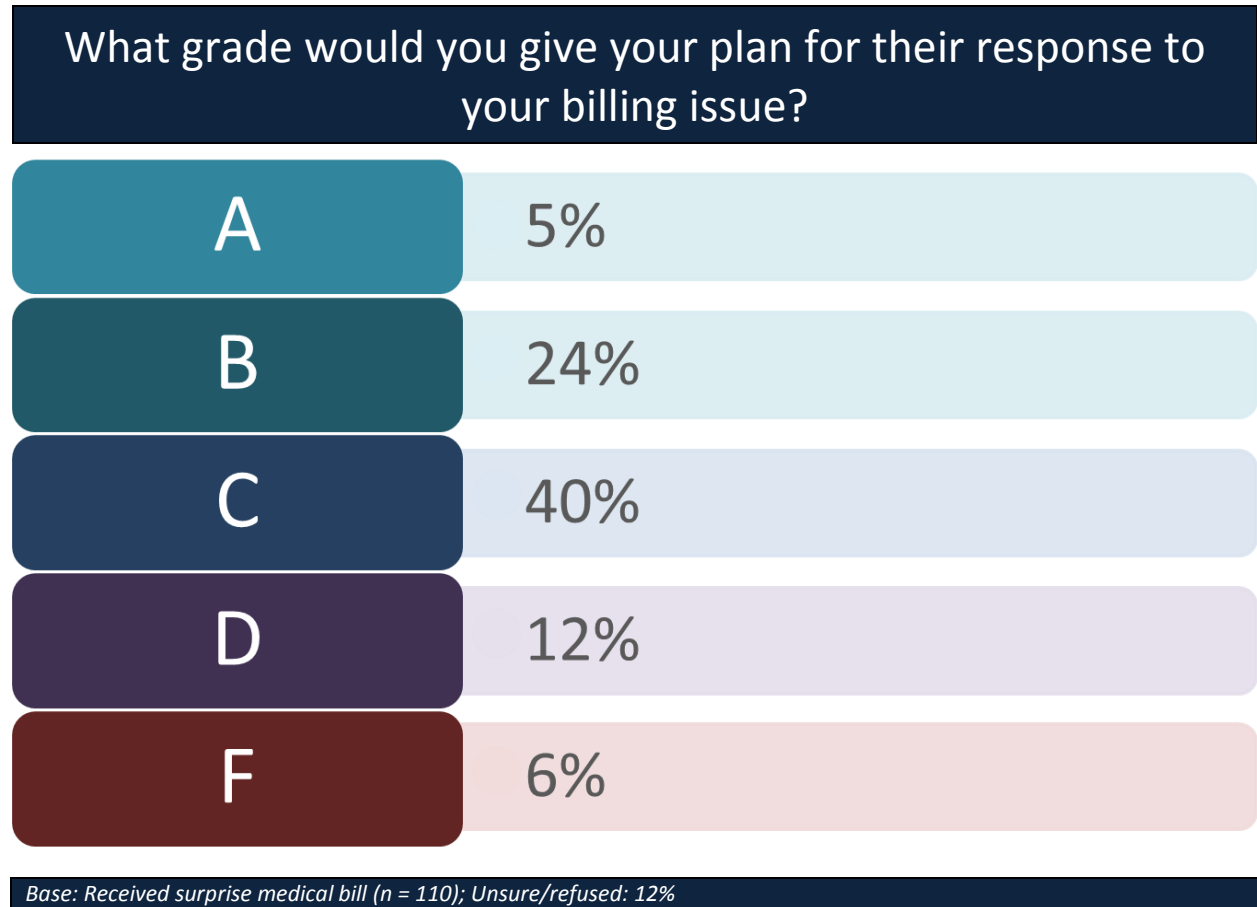
Only 28% of privately insured Washingtonians with billing issues were satisfied with how the issue was resolved. For a notable percentage (43%) the issue was either resolved unsatisfactorily (31%) or not resolved at all (12%).

Outcome of Insurance Billing Issue

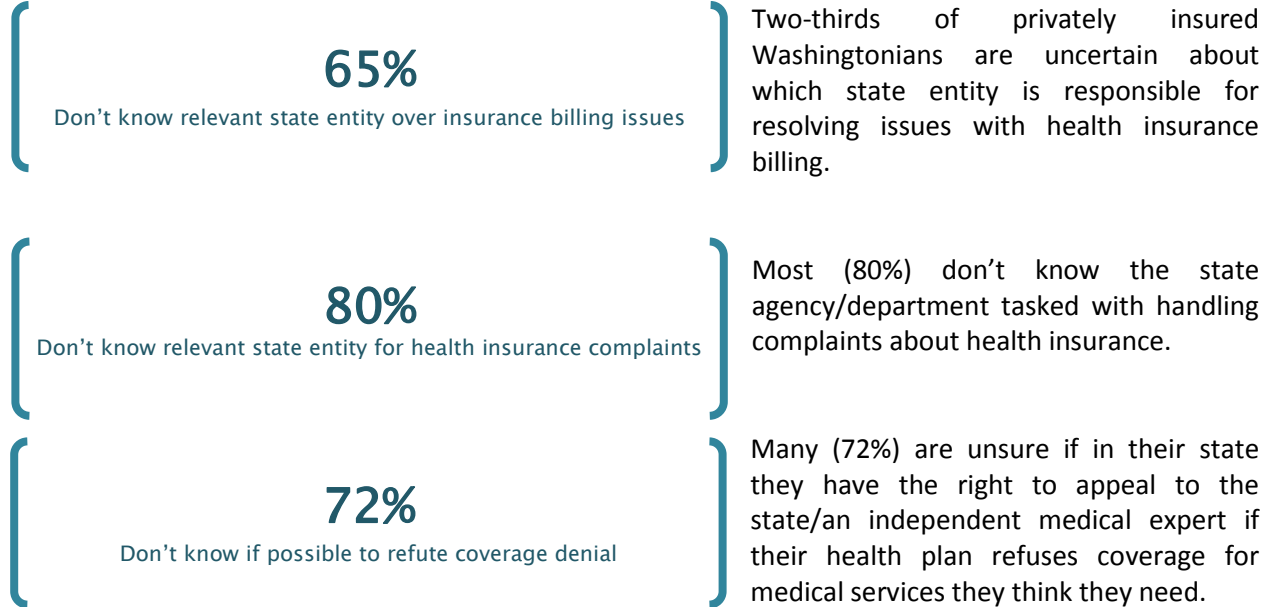


Base: Respondents who received surprise medical bill (n = 110)

Of the respondents who received a surprise medical bill, few (5%) would give their health plan an 'A' for its response; many (58%) gave their plan a grade of 'C' or lower.

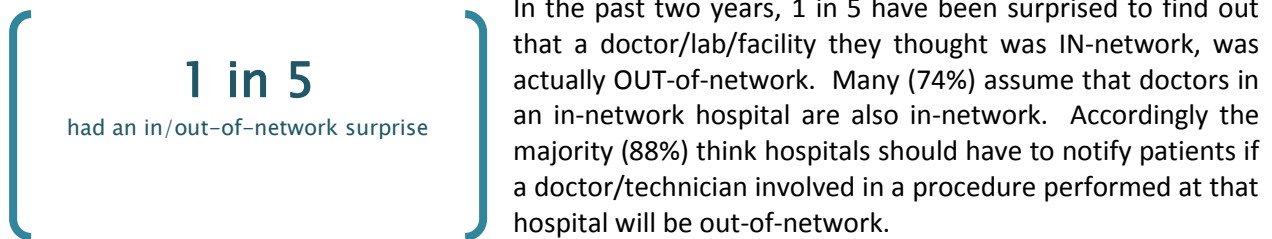


Consumers Unaware of Health Insurance Rights and State Entities



Consumer Knowledge of In/Out-of-Network Issues

In the past two years, few (14%) have tried to use a doctor/facility outside of their plan's network.



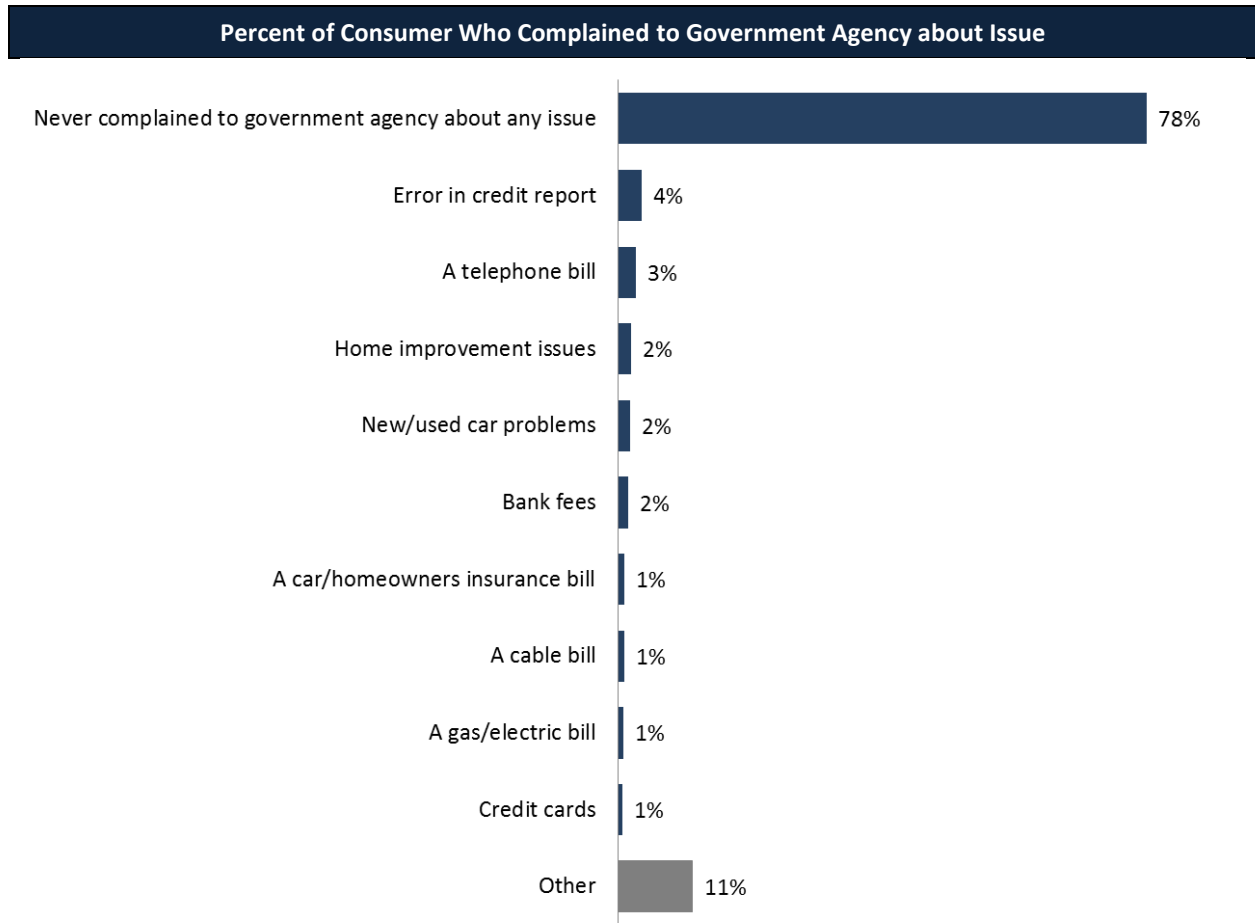
While a quarter (24%) believe they must pay the extra cost if an error in their plan's provider directory causes them to go to a doctor/hospital that is actually out-of-network, many (59%) are uncertain about this.

Consumer Issues with Health Plan's Online Provider Directory

Nearly half (48%) of privately insured Washingtonians have used their plan's online provider directory in the past two years; many (81%) used the directory (while enrolled in their plan) to find in-network doctors/facilities. The majority (84%) found the directory *somewhat easy* (62%) or *very easy* (22%) to use. Accordingly, most (93%) were able to find the information they were looking for. Over a third (35%) were highly satisfied (*completely or very satisfied*) with their plan's directory.

Washingtonians Are Not Complaining to Government Agencies

Washingtonians are generally not complaining to government agencies; indeed most (78%) never complained to a government agency about any of the listed issues.



Base: All respondents

Summary

In recent years a sizable percentage of privately insured Washingtonians have received a surprise medical bill. While many took action to resolve this issue, quite a number did not. Perhaps relatedly, when we surveyed Washingtonians about health insurance policies and the state entities governing health insurers, we found most consumers are in the dark. These survey results suggest surprise medical bills are a problem, and some consumers don't know where to turn for help.

Methodology

This online survey was fielded by GfK from December 17, 2015 – January 11, 2016. The target population consisted of the following: 18+ Washington state residents who have private health insurance. The Washington state sample was targeted using GfK Profile data.

The survey consisted of two stages: the initial screening for private health insurance and the main survey with the study-eligible respondents. To qualify for the main survey, a panel member must have been:

- 18 years or older
- Insured by one of the following in 2014:
 - A health plan from a current employer
 - A health plan from a previous employer
 - A health plan from their spouse's/partner's employer
 - A health plan through their parents or parent's employer
 - A privately-purchased health plan that they buy on their own
 - A health plan from healthcare.gov or their state health insurance marketplace

681 Washington residents completed the screener; 367 were eligible for the survey. The margin of error is +/- 7.0 percentage points at the 95% confidence level.