



Michigan's Healthcare System Public Opinion

Survey Analysis

September 2024



Provided by the Michigan Health
Purchasers Coalition (MHPC)

INTRODUCTION

In September 2024, the Michigan Health Purchasers Coalition (MHPC) surveyed Michigan residents' opinions about the state's healthcare system ahead of the November 2024 elections. MHPC is a 501(c)(4) organization that brings together employers, families, and healthcare stakeholders to address the high prices of employer-sponsored healthcare in the state. Their efforts focus on promoting transparency in hospital pricing, preventing anti-competitive contracts and billing practices, increasing oversight on mergers and consolidations, and ensuring fair pricing across healthcare payers.

The survey included 600 respondents from different regions of Michigan, with the majority from the metro Detroit area. The respondents were almost evenly split between males (48%) and females (52%), with varying age groups: 18-34 years old (22%), 35-49 years old (28%), 50-64 years old (28%), and 65+ years old (22%).



RESULTS

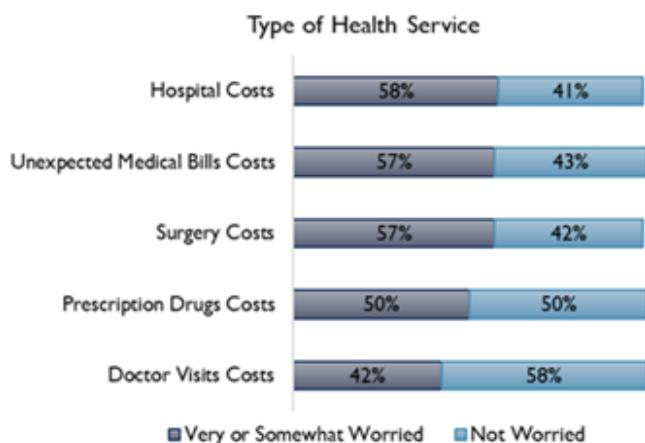
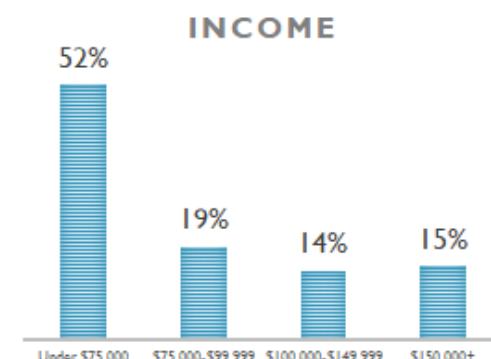
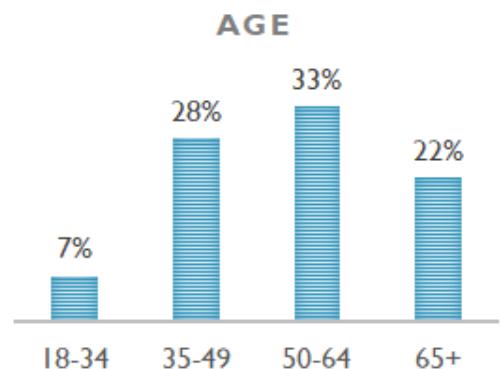
Concerns About Cost

The survey results indicate that 53% of respondents expressed concerns about their health and the affordability of healthcare.

Respondents in the 35-64 age range are more concerned about their health and healthcare costs than younger and older age groups. Furthermore, more than half of individuals earning less than \$75,000 expressed increased worry about being able to afford healthcare services.

Moreover, the survey findings showed that respondents have different levels of concern about the cost of healthcare services for them and their families:

- ✓ Doctor visit costs: 42% expressed being very or somewhat worried.
- ✓ Surgery costs: 57% expressed being very or somewhat worried.
- ✓ Prescription drug costs: 50% expressed being very or somewhat worried.
- ✓ Hospital costs: 58% expressed being very or somewhat worried.
- ✓ Unexpected medical bills: 57% expressed being very or somewhat worried.



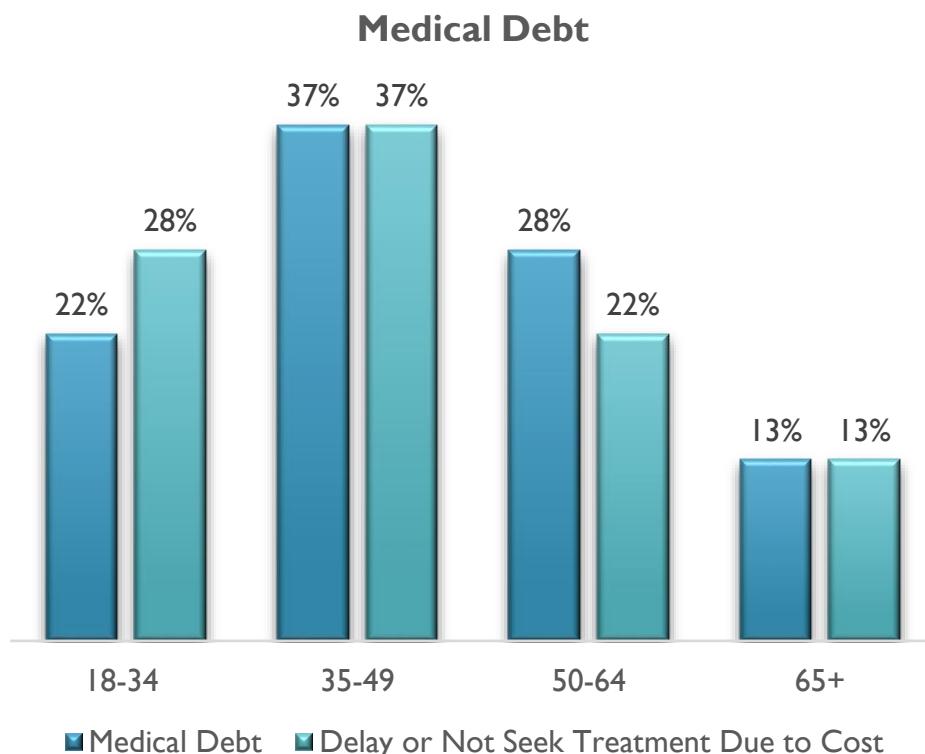


Medical Debt

According to the survey, nearly 70% of the respondents stated that they had not incurred medical debt for themselves or their families. Additionally, 71% reported that they had not postponed seeking medical care or treatment due to medical debt.

However, age and income both play a role in the likelihood of experiencing medical debt and postponing or not seeking care due to debt. Among those who have faced medical debt, individuals aged 35-49 were nearly three times as likely to have medical debt compared to those aged 65 and older. This age group was also the most prone to postponing medical care or treatment due to financial concerns.

The likelihood of delay or not seeking care due to cost was highest for those with an income below \$75,000 (59%).

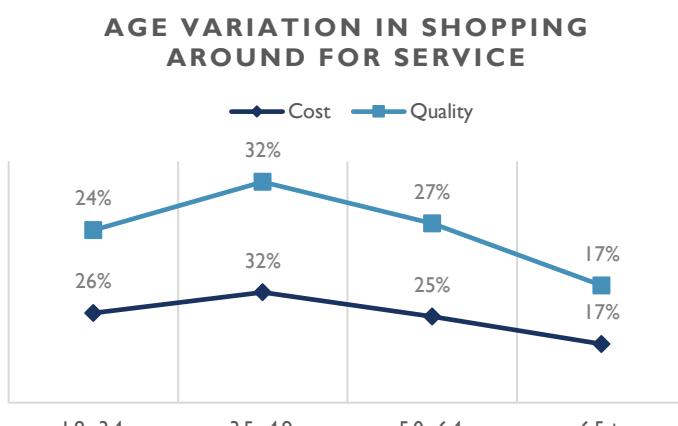
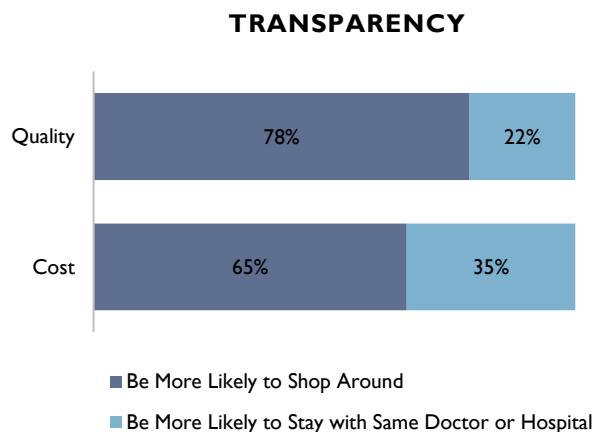


Demanding Health Transparency

Ninety-four percent of respondents believe that individuals should know the price of a healthcare item or service before receiving it. Additionally, 74% of respondents are against hospitals charging patients a hospital facility fee when they visit a physician's office owned by a hospital system.

The majority of the respondents indicated that they would be more likely to seek a better price if they had access to transparent pricing information before receiving healthcare services. This inclination increased by over ten percent when it came to seeking better quality before undergoing a healthcare procedure.

It's worth noting that the likelihood of shopping around for services or quality of care decreases with age, which is understandable as difficulty with transportation or comfortability with medical care increases. However, this is concerning given the increasingly complex healthcare needs of older adults.



Lack of Trust

Over half of respondents (58%) expressed a lack of trust in healthcare providers' ability to accurately bill patients. Additionally, 79% of respondents do not have faith in private healthcare companies' ability to regulate healthcare costs effectively. An overwhelming **81% of respondents expressed the opinion that the healthcare system in Michigan needs substantial changes, and 91% of the respondents emphasized the importance of elected leaders and government officials in the state taking proactive measures to address and reduce healthcare costs.**

CONCLUSION

Survey respondents are worried about the cost of healthcare services. Adults, 35-64 years of age, the largest age group in the workforce, are particularly concerned about the affordability of healthcare. They are more likely to have experienced medical debt and to delay or avoid seeking treatment because of their debt.

Hospital costs emerged as the most significant cost concern. This is unsurprising, as hospital prices have emerged as the primary driver of escalating healthcare costs, accounting for nearly half of employer healthcare expenses. Between 2010 and 2020, payers in Michigan experienced an almost \$12 billion (40 percent) increase in costs for hospital services. In addition to hospital costs, health insurance is also rapidly increasing. The average annual premiums for employer-sponsored health insurance in 2024 are \$8,951 for single coverage and \$25,572 for family coverage. Over the last year, the average single premium increased by 6%, and the average family premium increased by 7%.

Transparency in healthcare pricing is a crucial issue. The survey results expressed a need for more trust in healthcare providers and private healthcare companies' ability to regulate costs effectively. They advocated for price transparency and said they would shop around for services if prices were transparent before the service. Previous studies conducted by MHPC reveal that prices for the same services vary widely across different hospitals in the state, even within the same geographic area and health system, with little evidence that the variation is driven by underlying hospital quality or access.

The survey emphasized the need for policy makers to address and reduce healthcare costs proactively. Legislative measures are currently being proposed to policymakers with the aim of promoting fair competition, protecting consumer well-being, and enhancing transparency in the healthcare market. This includes preventing anti-competitive practices commonly seen in healthcare contracts, banning facility fees, increasing transparency, safeguarding competition, and ensuring that mergers and acquisitions benefit the public. The proposed measures also seek to improve transparency and predictability for patients regarding out-of-pocket costs related to scheduled healthcare appointments.

Overall, the survey findings indicate a strong demand for transparency, affordability, and accountability in the healthcare system, emphasizing the urgent need for reforms to ensure fair pricing and accessibility to healthcare services for all Michigan residents.

ABOUT MHPC

Michigan Health Purchasers Coalition (MHPC) is a 501(c)(4) established to mobilize employers, families and other healthcare stakeholders across the state to rein in the excessive prices paid for employer-sponsored healthcare for over half of all Michiganders.

MHPC initiatives include increasing hospital price transparency, prohibiting anti-competitive contracts and billing, increasing oversight on consolidations and mergers, and incorporating fair pricing among all payers of healthcare.

To view detailed hospital price details in Michigan, go to www.mihpc.org and click on the Hospital Price Transparency Dashboard.



HEALTH PRICE TRANSPARENCY DASHBOARD

The Michigan Health Purchasers Coalition Health Price Transparency Dashboard was constructed with data obtained from the National Academy for State Health Policy. This interactive tool provides the payer mix, operating profit margins, and the percentage commercial health plan sponsors pay a hospitals relative to the breakeven cost for that hospital to provide those services to all of its patients. Graphic reports can be displayed based on a variety of filters including individual hospital, hospital size, hospital system, and hospital year. All data inputs are estimated from two separate data sources. One is hospital own operational data, submitted annually to compete with the Center for Medicaid and Medicare Services Hospital Cost Report. The other is data from the ongoing RAND Corporation Hospital Transparency Study. In Michigan the median commercially charged amount is 195% while the median breakeven amount is 103% of Medicare. Definitions for terms used in the dashboard can be found [here](#).

MAKE SELECTIONS TO FILTER HOSPITAL VIEW

SELECT type of geography Select a year

FILTER BY GEOGRAPHY AND YEAR

FILTER BY HOSPITAL ATTRIBUTES

Filter for hospital size <input type="button" value="105,200