



NEW RESEARCH: Half of Working-Age Americans Struggle to Afford Health Care; Nearly One-Third Saddled with Medical Debt

Commonwealth Fund Survey Finds Regardless of Insurance Status or Type, Health Care Costs and Medical Debt Are Causing Many Americans to Forgo Care, Leading to Worsening Health

Fifty-one percent of working-age Americans struggle to afford their health care and about one of three (32%) are saddled with medical debt, according to findings from a Commonwealth Fund survey released today.

The survey reveals that half of adults with medical debt (52%) incurred it for care related to ongoing health conditions, rather than one-time or unexpected health events. Moreover, more than half (57%) of those who reported delayed or forgone care because of affordability concerns said they experienced aggravated health problems as a result. This trend was consistent across all insurance types.

The *Commonwealth Fund Health Care Affordability Survey* is the newest in the Fund's ongoing research reporting on working-age adults' ability to afford health care and the way these costs affected their lives. For the first time, these findings are broken down by public and private insurance type, insurance status, and income level.

The key findings include:

- **Wide-ranging affordability struggles.** When analyzed by insurance type, 43 percent of people with employer coverage, 45 percent with Medicaid, 51 percent with Medicare, and 57 percent with a marketplace or individual-market plan reported difficulty affording their care.
- **Substantial medical debt.** Eighty-five percent of people with medical debt reported debt loads of \$500 or more, with nearly half carrying \$2,000 or more. More than two-thirds of working-age adults with medical debt said they were making payments directly to providers.

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The Commonwealth Fund is a private, nonprofit foundation supporting independent research on health policy reform and a high-performance health system.

- **Access to care hindered.** Almost two of five (38%) working-age adults reported delaying or skipping needed health care or prescription drugs in the past year because they couldn't afford the expense, including 29 percent of those with employer plans. Rates were higher for individuals with marketplace or individual-market plans (37%), Medicaid (39%), and Medicare (42%).
- **Squeezing household budgets.** More than half (57%) of working-age adults reported that 10 percent or more of their monthly budget goes toward health care costs. For marketplace enrollees and low-income individuals with employer plans, nearly a quarter reported allocating 25 percent or more of their monthly budget to health care costs.

Approximately 30 percent or more of working-age adults across various insurance types mentioned that health care costs made it harder to afford necessities like food and utilities.

POLICY IMPLICATIONS

The study authors note that while it's much better to have health coverage than not, people with health insurance of all types struggle to pay for premiums, copayments, coinsurance, and uncovered health services. They detail policies that could reduce cost burdens, organized by insurance type, including:

All Insurance

Protect consumers from being financially ruined by medical debt. State and federal governments could better enforce and expand existing protections including access to financial assistance for patients. Congress could enact medical debt protections, including banning aggressive collection tactics, to prevent debt from impeding care.

Employer Coverage

Adjust premiums and cost sharing based on employee income. Employers could reduce premium contributions for lower-wage workers. In 2022, **just 10 percent of employers** with more than 200 employees had programs to do this.

Marketplace and Individual-Market Plans

Permanently extend the enhanced marketplace premium subsidies set to expire in 2025. These larger subsidies have dramatically lowered household premiums and led to record enrollment in the marketplaces. Congress could make these enhanced subsidies permanent.

Medicaid

Eliminate or limit cost sharing for high-value services. For this very low-income group of people, even relatively modest copayments can dissuade households from getting timely health care or leave them with medical debt.

Sara Collins, lead author and Commonwealth Fund Senior Scholar and Vice President for Health Care Coverage and Access & Tracking Health System Performance

"This survey reveals that millions of Americans, regardless of their insurance status, cannot afford to be healthy. High health care costs are forcing them to delay needed treatments. As a result, they get sicker and may take on significant medical debt. While having health insurance is always better than being uninsured, even people who have health insurance frequently cannot afford care. We need policies that expand coverage and tackle the root causes of health care cost growth, particularly rising prices for health care services and prescription drugs."

Joseph Betancourt, M.D., Commonwealth Fund President

"Americans have among the highest rates of chronic disease in the world and millions fall deeply into debt simply trying to get well. Or worse, they realize they can't afford to get well and skip the care they need entirely. This is unsustainable for our health care system, and our nation — we need major reforms to ensure people can get the care they need, when they need it most."

HOW WE CONDUCTED THIS SURVEY

The Commonwealth Fund 2023 Health Care Affordability Survey was conducted by SSRS from April 18 through July 31, 2023. The survey consisted of telephone and online interviews in English and Spanish and was conducted among a random, nationally representative sample of 7,873 adults age 19 and older living in the continental United States. A combination of address-based (ABS), SSRS Opinion Panel, and prepaid cell phone samples were used to reach people. In all, 4,417 interviews were conducted online or on the phone via ABS, 2,718 were conducted online via the SSRS Opinion Panel, and 738 were conducted on prepaid cell phones.

The sample was designed to generalize to the U.S. adult population and to allow separate analyses of responses from low-income households. Statistical results were weighted in stages to compensate for sample designs and patterns of nonresponse that might bias results. The data are weighted to the U.S. adult population by sex, age, education, geographic region, family size, race/ethnicity, population density, civic engagement, and frequency of internet use, using the 2022 U.S. Census Bureau's Current Population Survey (CPS).

The resulting weighted sample is representative of the approximately 251 million U.S. adults age 19 and older. The survey has an overall maximum margin of sampling error of ± 1.5 percentage points at the 95 percent confidence level. As estimates get further from 50 percent, the margin of sampling error decreases. The ABS portion of the survey achieved a 15 percent response rate, the SSRS Opinion Panel portion achieved a 2.8 percent response rate, and the prepaid cell portion achieved a 2.9 percent response rate.

This brief focuses on 6,121 adults in the survey under age 65. The resulting weighted sample is representative of approximately 194.9 million U.S. adults ages 19 to 64. The survey has a maximum margin of sampling error of ± 1.7 percentage points at the 95 percent confidence level for this age group.

The full report will be available after the embargo lifts at:

<https://www.commonwealthfund.org/publications/surveys/2023/oct/paying-for-it-costs-debt-americans-sicker-poorer-2023-affordability-survey>

ADDITIONAL PERTINENT RESEARCH

[State Protections Against Medical Debt: A Look at Policies Across the U.S.](#)

[How Policies to Expand Insurance Coverage Affect Household Health Care Spending](#)

[State Strategies for Slowing Health Care Cost Growth in the Commercial Market](#)
