

Unexpected medical bills plague US consumers— here are 2 key reasons why this could improve soon

Article

The data: 20% of adults or their families got slapped with a surprise medical bill this year, and 22% were charged over \$1,000 unexpectedly, [according to](#) a June Morning Consult survey of 2,210 US adults.

Digging deeper into the data: Many US adults aren't aware of new legislation that protects them from unanticipated billing.

- The **No Surprises Act** went into effect in January to reduce the number of unanticipated out-of-network medical bills during emergency care.
- Yet, **only 16% of US adult consumers say they've heard, read, or seen content** about the No Surprises Act, per Morning Consult.

US patients aren't relying on insurers for deals: They're taking matters into their own hands and tapping low-cost pharmacies or tools like **Mark Cuban's pharmacy, GoodRx, and Blink Health.**

- For example, during its Q1 call, GoodRx claimed its **prescription transactions revenues increased 16%** year over year, with an average of over 6.4 million monthly active consumers.

These digital-first companies are becoming more reliable for consumers, whether they're insured or uninsured. That's because having insurance doesn't guarantee immunity from surprise medical billing.

- 21% of insured adults say they received a surprise bill this year, while only 17% of uninsured patients said the same, per Morning Consult.

2 things will ease billing woes: But they'll take considerable time to implement.

1. Price transparency rules

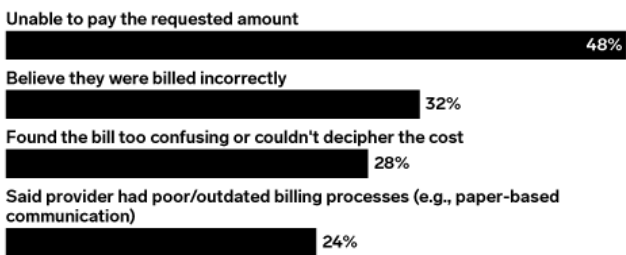
Although hospitals are [lagging](#) on posting CMS-mandated prices for their procedures, it appears insurers are ahead of the game. Payers like **United Healthcare** and **Anthem** have already [posted their rates](#) online. It's too early to tell whether or not it'll reduce surprise billing for the long haul, but it could give consumers more clarity on insurance rates for certain procedures before getting treatment.

2. State-led initiatives

California recently announced it's taking the plunge to develop its own low-cost insulin as consumer healthcare spending skyrockets.

- California will allocate **\$100 million** of the state budget to manufacture affordable meds, per Governor Newsom. Half of the funding will go toward building a state-based manufacturing facility, and the other half will cover the cost of producing insulin products.
- It will likely take a while to roll out to Californians—but if successful, it could become a blueprint for other states to take a similar strategy.

Reasons Their Medical Bill Went into Collections
According to US Healthcare Consumers, Oct 2021
% of respondents



Note: ages 26+ who visited, for themselves or for a dependent, a doctor, or hospital at least once in the past 12 months, and are responsible for healthcare decisions and paying the bill
Source: Cedar, "2021 Healthcare Consumer Experience Study" conducted by EI Studios, Dec 7, 2021

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