

High-deductible health care plans curb both cost and usage, including preventive care

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A team of researchers based at IUPUI has conducted the first systematic review of studies examining the relationship between high-deductible health care plans and the use of health care services. They found these plans reduce both the cost and the use of health care services, according to an article published in the October issue of the journal *Health Affairs*.

Those reductions are the result of a decrease in patient use of many types of medical services, including desirable services like preventive care or cancer screenings, said Nir Menachemi, a professor of [health](#) policy and management and chair of the Department of Health Policy and Management in the Indiana University Richard M. Fairbanks School of Public Health at IUPUI, who is one of the authors of the paper.

"For high-deductible health plans to work in the ideal, patients need to be educated on the fact that preventive care does not usually incur out-of-pocket costs in these types of plans," Menachemi said. "Traditional insurance plans shield patients from all of the financial decisions that are made. The fact that you are shielded financially from health care decisions makes you potentially more likely to over-consume services, which raises the average of care for everyone and increases premiums for everyone."

The review identified the most rigorous methodological studies previously published and ultimately summarized findings across 28 articles. The review found that high-deductible health plans were associated with a significant reduction in [preventive care](#) in seven of 12

studies and a significant reduction in office visits in six of 11 studies—which in turn led to a reduction in both appropriate and inappropriate care.

High-deductible health plans have lower premiums but higher deductibles compared to traditional insurance plans. Many policymakers view high-deductible health plans as a way to curb [health care costs](#) by providing patients with incentives to make more cost-conscious health care decisions.

The review highlights the decline in use of preventive [health care services](#) under high-deductible plans, which another study has shown occurs when patients change their health care behavior and forgo needed care to save money.

However, few if any high-deductible health plans charge members for preventive screenings, suggesting patients didn't understand they could use these services at no cost, Menachemi said.

Given that nearly every [health care reform](#) proposal at the state and federal level involves some use of high-deductible health plans to manage costs and patients' demands for services, a synthesis of existing studies was needed to provide policymakers with the best available evidence as the U.S. moves toward a system increasingly centered on high-deductible [health care](#) plans, Menachemi said.

More information: "High-Deductible Health Plans Reduce Health Care Cost and Utilization, Including Use of Needed Preventive Services," *Health Affairs* (2017).

Provided by Indiana University

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