

High Health Care Costs Are Impacting Americans' Physical and Mental Health

More than half of consumers feel stressed when paying their medical bills, and more than 9 in 10 say these payments have impacted their physical and mental health, according to a study from health care payment processing company PayMedix. Unaffordable medical bills, higher deductible health plans and confusing bills have increased physical and mental health issues for many insured Americans.

“A surprising finding from this research is that most American workers with employer-provided health insurance face daunting health care billing and payment problems. Much of it stems from higher out-of-pocket costs as more employers have had to transition workers into higher-deductible plans to share in increased cost burden of health coverage.”

- PayMedix report

The 2023 PayMedix study polled more than 1,000 Americans with employer-provided health insurance and over 200 HR benefits managers. Consider the additional key findings from the 2023 survey:

- **The affordability of medical bills is shifting for credit-challenged Americans.** Almost half (44%) of people with a credit score of 669 or lower say their deductible is not affordable.
- **The impact of high medical bills is forcing employees to make tough financial decisions.** Almost one-third (30%) of Americans say they dug into their savings after an unexpected medical bill, and 17% delayed payments.
- **Consumer confusion is a compounding factor for Americans.** Employees receive more than 70 bills or statements annually, and more than a quarter are unable to decipher what they owe.
- **Employees want help from their employers to address financial stress and confusion.** More than half (60%) say their employers are responsible for providing financial strategies. Many want flexible payment options and guaranteed credit for out-of-pocket maximums.

Billing complexities are adding to the health equity crisis in the country. Many underprivileged populations still struggle to access financial credit—even when insured. Furthermore, these affordability challenges are causing many Americans to avoid care or disengage with the health care system altogether.

Employer Takeaway

The high cost of health care is taking a toll on the health of Americans, with health care billing and payment worries physically making Americans sick. While health care is a crucial benefit, it's causing widespread stress and confusion. Today's workers seek employers that provide financial strategies to manage their health insurance.

Contact us for more information.