

Costs are keeping patients from care Copayments rise as families struggle

By Kay Lazar, Globe Staff | June 21, 2009

People with robust health insurance are putting off doctors' appointments and skimping on prescriptions because they can't afford the increasing costs of copayments and deductibles, according to managers of patient-assistance hot lines in Massachusetts.

Not that long ago, such dilemmas were typically faced by lower-income families, often on publicly subsidized insurance. But with many consumers struggling to pay rising healthcare costs amid today's shrinking family budgets, these tough choices are becoming commonplace - even among families with employer-provided health insurance, consumer advocates say.

"Our medical debt resolution program is hearing repeatedly that copayments are a problem," said Mark Rukavina, executive director of the Boston-based Access Project, a nonprofit organization that helps consumers with healthcare issues.

"Previously it was the uninsured," Rukavina said. "Now we are seeing people with insurance, but they are struggling to pay their bills."

The problem appears particularly acute for people with chronic illnesses such as diabetes, asthma, and cancer. They make frequent visits to doctors and often take multiple medications.

The issue has become so widespread that state lawmakers have scheduled a hearing Wednesday to address aspects of the problem, including a proposal to allow residents with chronic illnesses to buy prescribed medications and medical devices without facing a copayment or deductible.

As healthcare costs rise and the recession's grip has tightened, more employers have slashed their health costs by shifting more costs onto their workers, according to Families USA, a Washington-based consumer group. As a result, more employees are shouldering heftier copayments.

In 2004, most patients had copayments of \$15 or less for a visit to a primary care physician, according to the Kaiser Family Foundation, a health research nonprofit group. By 2008, a majority were paying \$20 or more per visit. Many insurance plans now require even higher copayments for visits to specialists, the doctors typically seen by people with chronic illnesses.

Christina Knowles of Boston said she canceled two appointments with pain specialists this spring because she couldn't afford the \$25 copayments. Despite having what she thought was decent health insurance, the 26-year-old had accumulated more than \$2,000 in medical debt from copayments for surgery, frequent follow-up care, and prescriptions, after having a benign tumor removed from deep within her jaw.

"It's both incredible and sad to think that I am the poster child for the new demographic of people who cannot afford medical care," said Knowles, statewide manager for the

Massachusetts chapter of the National Organization for Women. Her annual salary was in the low-\$30,000s until she got a raise this month.

The surgery left her with partial facial paralysis and a gnawing pain, but Knowles said she was so cash-strapped that she resorted to frequent ice packs and Advil instead of going to the pain specialist recommended by her physician.

“There were days where it bothered me so much, I had ice on my scar all day,” said Knowles, whose pain has since eased.

In Framingham, Dr. James Kenealy, an ear, nose and throat specialist, said his patients increasingly cite copayments as a hurdle to continuing with allergy treatments. The care typically includes weekly shots for several months, with copayments ranging from \$20 to \$50, per shot, depending on the patient’s insurance plan.

“Probably once a week, there will be a patient deciding to discontinue allergy injections or not pursue that as a therapy because they have high copays,” Kenealy said.

Even patients without chronic illnesses are finding themselves in a copayment crunch.

“If you are a family with four or five kids . . . copayments are going to add up,” said Worcester family physician Dr. James Broadhurst, noting that children visit doctors frequently for illnesses and preventive care.

Especially in the past year, Broadhurst said he’s encountered more families asking him to treat or prescribe over the phone because they can’t afford the copayment of an office visit.

As part of Massachusetts’ pioneering 2006 healthcare overhaul, the state created the Safety Net program, which helps people of any income pay large medical bills. But it specifically excludes coverage for copayments.

“Oftentimes, these people end up using their credit cards to pay their copays and end up with medical debt,” said Kate Bicego, help line manager at Health Care for All, one of the state’s largest consumer groups.

Bicego said calls to the nonprofit group’s helpline are up roughly 65 percent from last year, and many of those seeking help are struggling with copayments and deductibles.

One of the proposed laws, cosponsored by Senator Mark C. Montigny, a New Bedford Democrat, and Representative Charles A. Murphy, Democrat of Burlington, would prohibit insurers from charging copayments or deductibles for any prescribed drugs or medical devices that are “necessary for the treatment or maintenance of a chronic disease, illness or condition.”

But the trade association that represents most of the state’s insurers says employers and consumers would just end up paying higher monthly premiums, instead, because the costs have to be covered somehow.

“Right now, employers are struggling with increased costs for healthcare in general, and this is not the time to be adding to their healthcare costs,” said Dr. Marylou Buyse, president of the Massachusetts Association of Health Plans.

Buyse said the state's Connector Authority, which oversees the 2006 law that requires most adults to have health insurance, carefully considered the issue of high copayments and deductibles when it crafted rules that define the minimum health plan a resident must have in order to avoid a tax penalty. Those rules generally say out-of-pocket costs - deductibles, copayments and other patient fees - cannot exceed \$5,000 for individuals and \$10,000 for families, but allow copayments and deductibles for prescription drugs to be excluded from the calculation.

"The state struck a delicate balance to make sure individuals have adequate coverage, while guarding against standards too few could afford," Buyse said.

Jon Kingsdale, the authority's executive director, said it has taken no position on the bill or on another legislative proposal, also sponsored by Montigny. That measure is aimed at requiring the Connector Authority to consider the total amount of copayments and deductibles a consumer pays when calculating affordability thresholds used to exempt some residents from paying the tax penalty assessed for having no insurance.

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