



# TransUnion Healthcare Report

JUNE 2016



# Introduction to the Healthcare Report

## Background

The TransUnion Healthcare Report includes anonymous data estimates from thousands of providers, including hospitals and healthcare clinics from across the nation.

## Key data

The data points focus on patient payment responsibilities for key, commonly administered procedures. That information was, in turn, compared with financial data gathered from TransUnion's proprietary Industry Insights Report, powered by Prama<sup>SM</sup> analytics.

## Objective

The TransUnion Healthcare Report looks at available revolving credit as an indicator for how consumers might cover out-of-pocket medical costs.

**The study demonstrated how payment responsibility for medical costs continues to shift from employers to patients**

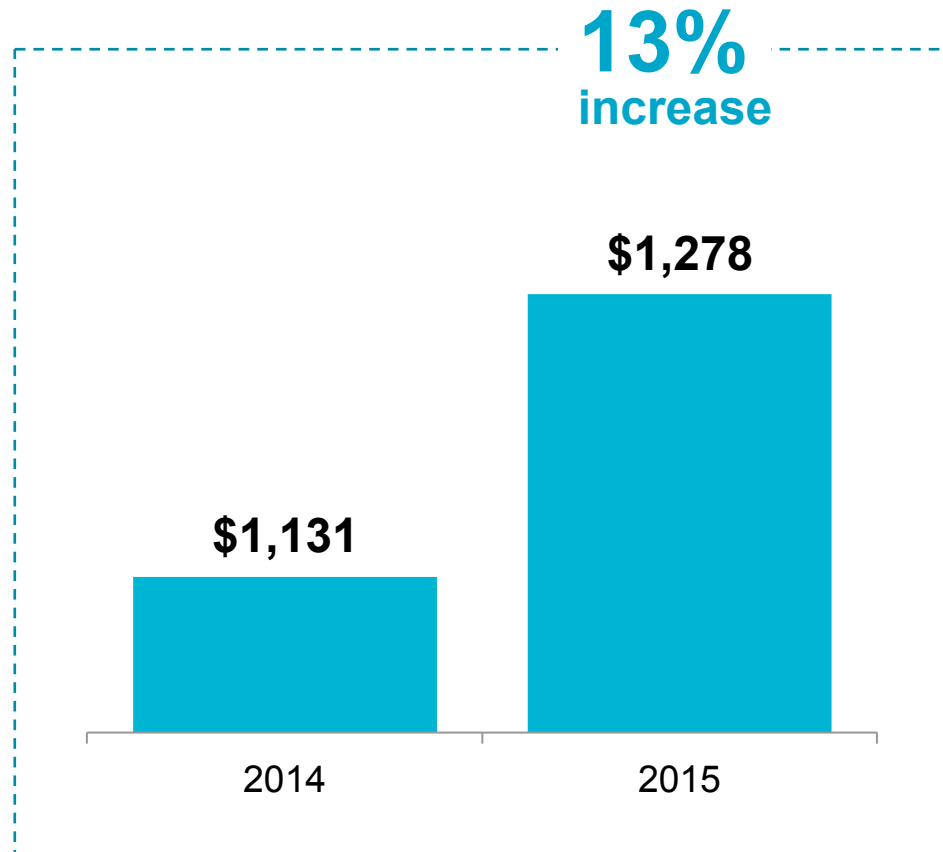
# TransUnion Healthcare Finds Patients Face Increased Financial Burden

- TransUnion Healthcare's analysis found that patients continue to face an increased financial burden as their healthcare costs rise and revolving credit lines decline.
- The Healthcare Report demonstrated how payment responsibility for medical costs continues to shift from employers to patients.
- Higher medical costs are likely impacting how consumers pay their medical bills.
- With millions of dollars of unpaid medical bills, many hospitals are instituting new processes to recover monies owed to them.

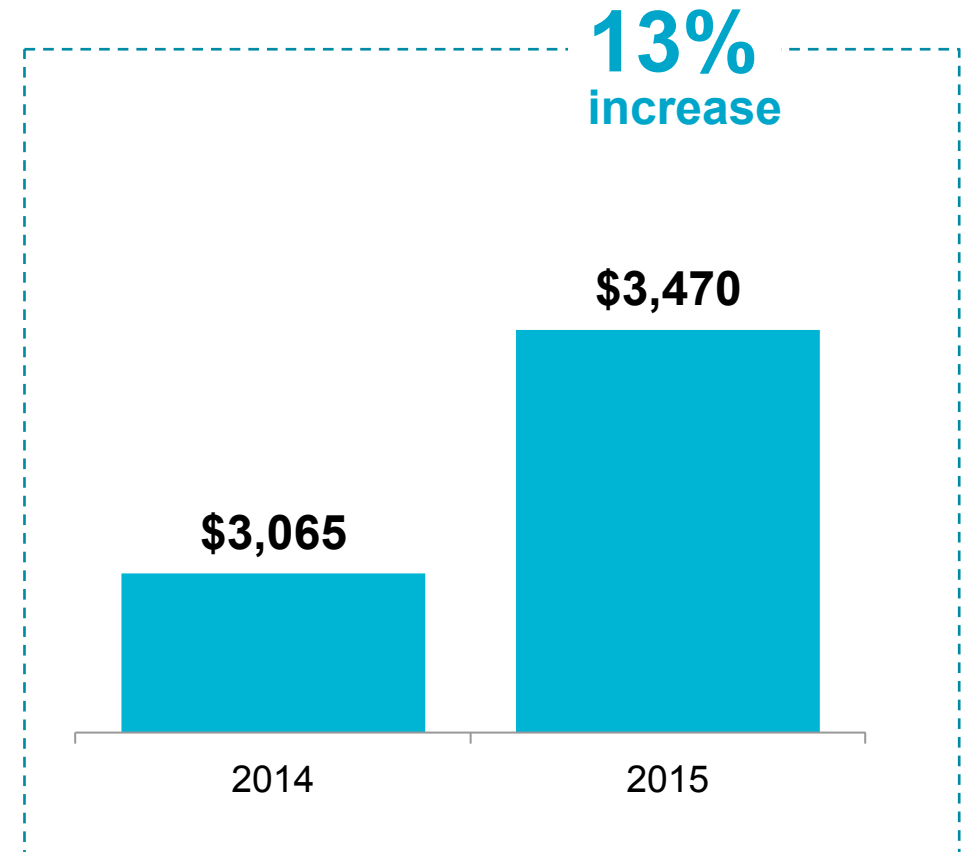




**Between 2014 and 2015, patients experienced a 13% increase in both deductible and out-of-pocket maximum costs.**

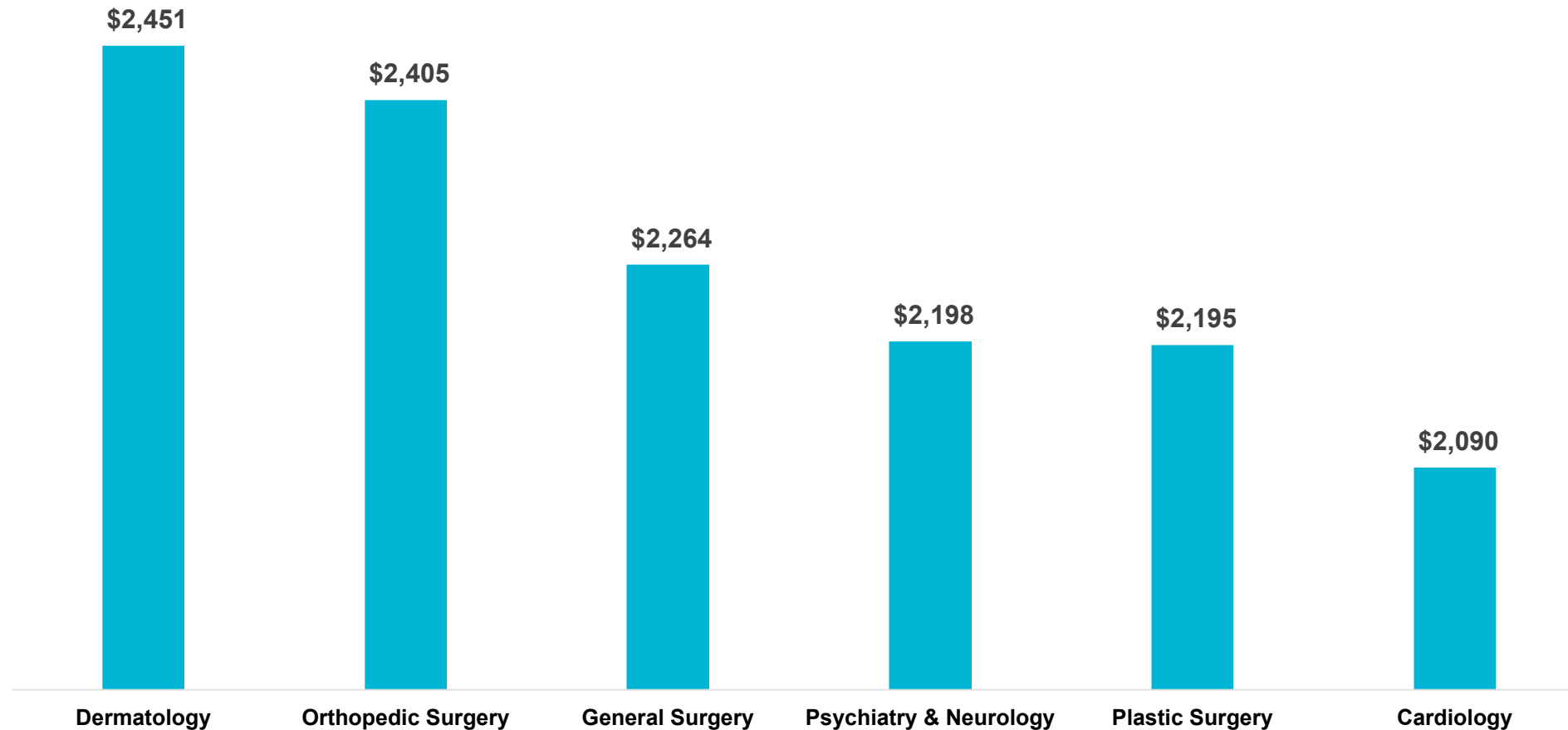


**Average deductible**



**Average out-of-pocket costs**

# Medical procedures with the highest out-of-pocket costs in 2015.



# Higher medical costs are likely impacting how consumers pay their medical bills.



As of Q1 2016, approximately 51% of patients owe more than \$1,000 to their healthcare providers.



Nearly eight in 10 patients (77%) owe more than \$500.





**For every \$100 in healthcare costs, consumers had the following revolving credit to potentially make those payments**

TransUnion Healthcare Cost Ratio (Q1 2014 – Q1 2016)

Consumers/ Year	Q1 2014	Q1 2015	Q1 2016
All Consumers	\$2,310	\$2,250	<b>\$1,720</b>
Subprime Consumers	\$660	\$600	<b>\$420</b>



*“Our findings emphatically demonstrate that despite the advent of the Affordable Care Act, more patients are struggling to pay their healthcare costs. In fact, patient payment responsibility continues to rise even as they have less available credit to make their healthcare payments. It’s a precarious position for consumers and healthcare providers alike, but fortunately many hospitals are beginning to implement new technologies that can help alleviate some of these issues now and in the future.”*

– **Gerry McCarthy, president of TransUnion Healthcare**





## **Solutions for insurance discovery**