

High Deductible Health Plans, Health Savings Accounts and Cancer Patients



High deductible health plans (HDHPs) and health savings accounts (HSAs) are becoming more common in employer-sponsored insurance and the individual and small group markets. These types of plans have risks and features that must be implemented carefully so they do not harm cancer patients, survivors or those at risk for cancer.

What is a High Deductible Health Plan (HDHP)?

A HDHP is a plan that requires more payment “up-front” for health care. If an insurance plan has a deductible, the enrollee must pay for their health care costs in full until he or she has met the deductible. While in most cases, these plans have lower premiums – the enrollee’s monthly bill – the plans have higher deductibles and enrollees often pay a much higher share of the cost for health care services. Shopping by premium alone can result in large out-of-pocket costs in HDHPs. The IRS defines a HDHP as any plan with a deductible of at least \$1,400 for an individual or \$2,800 for a family.¹ Starting in 2010, certain preventive services were required to be exempt from deductibles – so plans cannot charge enrollees any cost sharing for preventive services like mammograms or colonoscopies.

HDHPs are sometimes paired with health savings accounts (HSAs) – most often when they are employer-sponsored insurance plans.

What is a Health Savings Account (HSA)?

A health savings account allows the enrollee to set aside pre-tax dollars for qualified medical expenses. In some arrangements, employers contribute money to HSAs for their enrollees, and the employee can also have contributions deducted directly from their paychecks. In other arrangements it is only the enrollee contributing money. The money is intended to help the enrollee pay for pre-deductible expenses, as well as any co-pays or co-insurance required after meeting the deductible.

What are the Concerns for Cancer Patients, Survivors, and Those at Risk?

HDHPs – even when accompanied by an HSA – are not appropriate for everyone. While some preventive services and cancer screenings are currently required to be exempt from deductibles, some HDHP enrollees still assume they will be charged in full for their preventive services – or don’t understand the difference between preventive services and other medical care – and are discouraged from seeking care. One study showed that switching to a HDHP was associated with a downward trend in overall colorectal cancer screening rates after two years.² There are also some services important to preventing cancer and cancer recurrence – like nutrition counseling – that are not part of the current requirement and therefore subject to deductibles.

HDHPs are even more concerning for cancer patients and survivors. Once a patient is suspected of having cancer, he or she undergoes many tests that are not considered preventive services and therefore are subject to the deductible. Costs continue after the patient is diagnosed and undergoes surgery, radiation and/or chemotherapy. These costs are high, and they come fast – many cancer patients face paying their whole deductible in the first month or two after diagnosis.³ One study of women with metastatic breast cancer showed that patients enrolled in HDHPs paid 55 percent more out-of-pocket costs than patients in low deductible health plans.⁴ Unsurprisingly, these up-front and higher costs lead to financial hardship. Having a HDHP has been shown to make a cancer survivor more likely to experience several types of financial hardship.⁵

Being required to pay for these high costs up-front can cause treatment delays, especially for lower-income patients. Research is starting to show the negative consequences of HDHPs to cancer treatment and outcomes. For instance, studies have shown that HDHP enrollment is associated with a decrease in imaging tests⁶— the tests a patient needs if there is a positive screening test for suspected cancer – and that women who were switched to an HDHP were more likely to experience delays in diagnostic breast imaging, breast biopsy, early-stage breast cancer diagnosis, and chemotherapy initiation.⁷ Among individuals with a history of cancer, HDHPs are associated with more delayed or foregone care, although these access to care problems are lessened somewhat if the patient has an HSA.⁸ Another study showed that breast cancer patients with HDHPs show delays in care even when researchers divide patients by income level⁹ - meaning higher incomes do not insulate cancer patients from the effect of being required to pay large bills up front for cancer care.

ACS CAN Position

ACS CAN has serious concerns about the proliferation of HDHPs – especially among enrollees who have low- and middle-incomes and may not fully understand the implications of a high deductible plan and therefore be ultimately ill-equipped to pay their deductible. These individuals and families are likely to experience problems accessing preventive care, cancer care and other health care services when they need them. To address these problems, ACS CAN supports policies that:

- Ensure that certain health care services are not subject to the deductible, and therefore are available for free or lower cost sharing so patients are not deterred from receiving them. This includes services that prevent disease, detect cancer early, and help maintain patient health.
- Increase enrollment assistance and financial navigation services so that potential and current enrollees can receive help understanding their insurance benefit and what they will have to pay up-front for health care services. These services should be targeted towards low- and middle-income individuals.
- Monitor and track the size of deductibles and study the impact of these deductibles on enrollees' access to care and health outcomes.

¹ U.S. Department of Health and Human Services. Healthcare.gov Glossary. High Deductible Health Plan. Accessed November 2, 2020. <https://www.healthcare.gov/glossary/high-deductible-health-plan/>.

² Wharam JF¹, Graves AJ, Landon BE, Zhang F, Soumerai SB, Ross-Degnan D. Two-year trends in colorectal cancer screening after switch to a high-deductible health plan. *Med Care*. 2011 Sep;49(9):865-71. doi: 10.1097/MLR.0b013e31821b35d8.

³ ACS CAN. Costs of Cancer. April 2017. www.fightcancer.org/costsofcancer.org

⁴ Leopold C, Wagner AK, Zhang F, et al. Total and out-of-pocket expenditures among women with metastatic breast cancer in low-deductible versus high-deductible health plans. *Breast Cancer Res Treat*. 2018;171(2):449–459. doi:10.1007/s10549-018-4819-6

⁵ Zheng Z, Jemal A, Han X, Guy GP Jr, Li C, Davidoff AJ, Banegas MP, Ekwueme DU, Yabroff KR. Medical financial hardship among cancer survivors in the United States. *Cancer*. 2019 May 15;125(10):1737-1747. doi: 10.1002/cncr.31913. Epub 2019 Jan 21. PubMed PMID: 30663039.

⁶ Zheng, S; Ren, ZJ; Heineke, J; Geissler, KH. Reductions in Diagnostic Imaging with High Deductible Health Plans. *Medical Care*. February 2016 - Volume 54 - Issue 2 - p 110–117. doi: 10.1097/MLR.0000000000000472

⁷ Wharam JF, Zhang F, Lu CY, et al. Breast Cancer Diagnosis and Treatment After High-Deductible Insurance Enrollment. *J Clin Oncol*. 2018;36(11):1121–1127. doi:10.1200/JCO.2017.75.2501

⁸ Zheng Z, Jemal A, Banegas MP, Han X, Yabroff KR. High-Deductible Health Plans and Cancer Survivorship: What Is the Association With Access to Care and Hospital Emergency Department Use?. *J Oncol Pract*. 2019 Aug 8;:JOP1800699. doi: 10.1200/JOP.18.00699. [Epub ahead of print] PubMed PMID: 31393809.

⁹ Wharam JF et al. Vulnerable And Less Vulnerable Women In High-Deductible Health Plans Experienced Delayed Breast Cancer Care. March 2019. *Health Affairs*. <https://doi.org/10.1377/hlthaff.2018.05026>