COST SHARING INCURRED DURING PREVENTIVE WELLNESS VISITS

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INTRODUCTION

Since 2010, the Patient Protection and Affordable Care Act (ACA) has required private commercial health insurance plans to cover certain preventive care services without out-of-pocket patient spending (cost sharing), including copays, coinsurance, and deductibles.[1] There is substantial evidence that the imposition of cost sharing leads to reduction in use of both low- and high-value care when it is applied to all kinds of services.[2,3,4,5] The preventive care mandate of the ACA seeks to facilitate the use of high-value preventive services by exempting them from cost sharing.[6]

Although the ACA preventive care mandate has reduced preventive care cost sharing for patients both nationally and in Massachusetts, patients may still pay out-of-pocket for preventive care in ways that may be both consistent and inconsistent with the mandate.[7,8,9,10] In Massachusetts specifically, as of 2018, approximately 10% of all Massachusetts residents with employer-sponsored insurance paid out-of-pocket costs for some preventive care.[11]

OBJECTIVES

Under the ACA preventive care mandate, private commercial health insurance plans must cover annual preventive visits (i.e., checkups, physicals) without patient cost sharing. However, plans may impose cost sharing for non-preventive services that occur during the preventive visit episode, such as lab tests or problem-based evaluation and management (E&M) services for health concerns patients raise with their clinicians. Guidance allows clinicians to bill separately for addressing such concerns, by billing a separate problem-based visit – for which standard patient cost sharing would apply – in addition to the preventive visit.[12,13] However, this cost sharing may be unexpected for patients who anticipate a fully covered visit. This study examined cost sharing associated with preventive visit episodes in Massachusetts.

STUDY DESIGN

This study used the Massachusetts All-Payer Claims Database, including seven commercial payers, to measure cost sharing for preventive visit episodes for 2019 and 2023. Preventive visit episodes were defined as all services taking place at same person, same day encounters that included a Current Procedural Terminology (CPT) code indicating a preventive visit. Analysis included Massachusetts residents ages 0-64 with 12 months of commercial insurance enrollment, with claims for care provided in ambulatory settings retained for analysis. Restructured Berenson-Eggers Type of Service (BETOS) codes were used to group CPT codes for analysis of services taking place during preventive visit episodes.

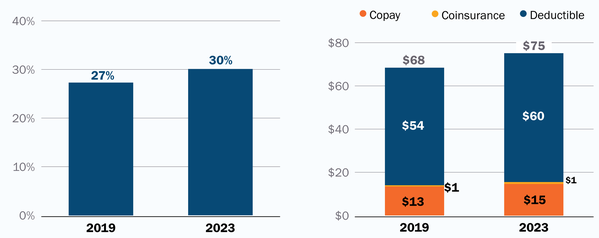
RESULTS

The share of patients with cost sharing incurred as part of a preventive visit rose from 27% in 2019 to 30% in 2023. Patients with cost sharing in 2023 paid about $75 on average per visit, $60 of which was due to deductibles (**Exhibit 1**). The share of preventive visit episodes with cost sharing varied widely among payers, ranging from 18% to 44%.

Problem-based E&M codes and lab tests were the most common sources of cost sharing for preventive visit episodes: 15% of preventive visit episodes in 2023 had problem-based E&M codes, 87% of which had cost sharing. Likewise, 49% of preventive visit episodes had lab tests, 32% of which had cost sharing (**Exhibit 2**).

Cost sharing was more common for adults than for children: 40% of preventive visit episodes for adults had cost sharing in 2023, compared to 17% for children. Patients with chronic conditions were more likely than patients without chronic conditions to have a preventive visit episode that included a problem-based code, and to pay cost sharing.

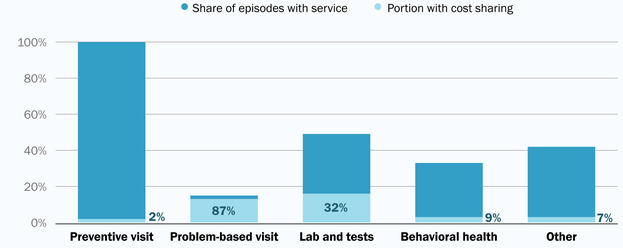
EXHIBIT 1. Share of preventive visit episodes with any cost sharing and average cost sharing amounts for preventive visit episodes with any cost sharing, 2019 and 2023



Notes: Includes commercial members ages 0-64 with full year medical coverage. Preventive visit episodes identified as same-person, same-day episodes of care provided in Massachusetts office, hospital outpatient department, ambulatory surgical center, retail clinic, or lab settings including Current Procedural Terminology (CPT) codes 99381-99387, 99391-99397, G0438-G0439, 99432, 99461, 99420, 99429. Preventive visit episodes with total allowed amounts lower than 20% of the median or higher than 10 times the median excluded from analyses of cost sharing amounts.

Sources: HPC analysis of Center for Health Information and Analysis All-Payer Claims Database V2023, 2019 and 2023.

EXHIBIT 2. Share of preventive visit episodes including codes for preventive visits, problem-based visits, lab services, behavioral health services, and other services, and share of each with cost sharing, 2023



Notes: Includes commercial members ages 0-64 with full year medical coverage. Includes care provided in Massachusetts office, hospital outpatient department, ambulatory surgical center, retail clinic, or lab settings including Current Procedural Terminology (CPT) codes 99381-99387, 99391-99397, G0438-G0439, 99432, 99461, 99420, 99429. Problem-based visits identified with CPT codes 99201-99215, 99241-99245. Berenson-Eggers Type of Service (BETOS) codes used to identify labs and tests and behavioral health services.

Sources: HPC analysis of Center for Health Information and Analysis All-Payer Claims Database V2023, 2023.

CONCLUSIONS

Cost sharing for preventive visit episodes is common in Massachusetts. Consistent with the ACA, cost sharing is largely applied to labs and problem-based services taking place during a preventive visit episode rather than to preventive services or to the visit itself.

POLICY IMPLICATIONS

Receiving unanticipated bills for cost sharing for problem-based care received during preventive visits may undermine patients' trust that preventive services will be covered and deter use of future preventive services. By permitting the application of cost sharing when patients raise health concerns at their checkups, current policy may also undermine the goal of having a fully-covered annual preventive visit during which health concerns can be monitored and addressed in a timely way, particularly for individuals with chronic conditions. Primary care practices may also face increased administrative burden due to fielding questions and concerns from patients confused about their bills.

Addressing the challenge of cost sharing for preventive care may help reduce administrative complexity for providers and increase transparency, predictability, and affordability for patients.

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