



More employees deferring care may mean higher costs for employers

Increasing health care costs and economic pressures are causing employees to defer or delay care, leading to higher costs for the employer in the long term.

After months of dealing with record levels of inflation, a Gallup poll revealed that more than 1 in 3 Americans delayed health care for themselves or a family member in 2022 due to cost.¹

Breaking that down even further, more than a quarter of those delayed care for a serious condition and 11% for a non-serious condition, according to Gallup.¹

While decisions to defer care — whether for serious or non-serious conditions — may help employees save in the short term, they can have negative repercussions in the form of worse health outcomes, decreased productivity and increased costs in the future for both the employee and their employer.²

Consider an employee who is newly diagnosed with diabetes. If that employee were to skip regular physicals, eye exams or dentist appointments because of the expense, they might save on some immediate out-of-pocket costs. But in the long term, that employee could risk missing diagnoses of adverse health conditions, such as kidney damage, heart disease, glaucoma or gum infections,³ all of which people with diabetes are at a higher risk for and all of which may cost a lot more to treat than routine physician visits do.

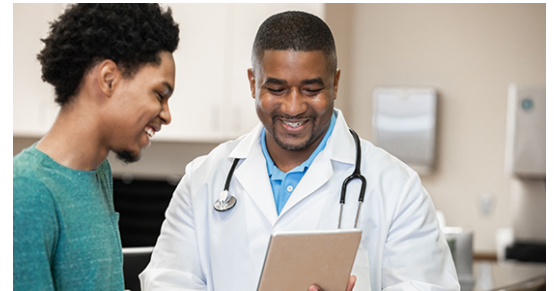
There are also short-term repercussions of employees putting off care for the employer, such as decreased productivity at work. For instance, workers who experienced medical care delays or avoidance due to the COVID-19 pandemic were much more likely to show a productivity loss than those who didn't experience medical care delays or avoidance.⁴

High health care costs, on top of rising costs of living, look like they're going nowhere fast. However, employers may help prevent their employees from making choices such as deferring or delaying care to save money by offering them the right blend of health plan and network designs along with clinical and employee engagement programs designed to work in concert to help reduce costs and boost health outcomes.

Here are 5 ways employers can help:

1. Avoid shifting costs on to employees

In a challenging economic environment, shifting health care costs to employees through higher premiums or out-of-pocket costs may seem enticing for employers. But these decisions can be disadvantageous over the long term. High living expenses are already putting financial pressure on employees, so decisions like these could be even more impetus for employees to defer, delay or forgo health care and coverage altogether, which could lead to worse health outcomes and higher costs for the employee and ultimately their employer.⁵



2. Choose a health plan that keeps cost-effectiveness in mind

Selecting the right plan design may also help employers and employees get the most out of their health plan. For instance, level funded plans can offer employers predictability related to both their risks and costs, plus the opportunity for a surplus refund. Surest, a UnitedHealthcare company, is another example. With its upfront pricing information, employees may make more informed decisions, which may help drive lower costs.

3. Ensure the selected network meets employee needs

Different provider networks can have cost implications for employees too. For instance, if there aren't enough providers in a network, some employees may look out-of-network, which could result in either higher out-of-pocket costs or the decision to delay or forgo care. But networks that include virtual care options may appeal to more employees, may allow them to stay healthier and potentially reduce the number of costlier and unnecessary urgent care or ER visits.

4. Consider offering clinical programs that help support employees on their health care journeys

Clinical management programs aim to play an integral role in containing costs and helping support employees along their health care journeys. More than half of Americans have 1 or more chronic conditions,⁶ which may lead to high costs and poor health outcomes over the long term. Leveraging advanced analytics, UnitedHealthcare can identify gaps in care for those employees and guide them to clinical programs designed to help, which may lead to better outcomes and lower costs.

5. Empower employees with tools and programs designed to lead to more informed health care decisions

Empowering employees with tools to maintain or pursue a healthier lifestyle has both direct and indirect impacts on cost. In fact, research shows that higher levels of engagement are linked to improved health outcomes, higher productivity and lower costs.⁷ When employers offer wellness programs tied to rewards and incentives for healthier choices, they may help drive engagement to prevent or manage chronic conditions, and ultimately, lower costs. Plus, this may help enable employees to manage their health more proactively.

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1 Gallup, "Record High in U.S. Put Off Medical Care Due to Cost in 2022," January, 17, 2023.

2 CivicScience Poll, United Health Group, 2022

3 Preventing Diabetes Problems. U.S. Department of Health and Human Services, National Institute of Diabetes and Digestive and Kidney Diseases. Available: <https://www.niddk.nih.gov/health-information/diabetes/overview/preventing-problems>.

4 Ishimaru, Tomohiro. Tsuno, Kanami, et al. Disrupted care during the COVID-19 state of emergency and productivity loss attributed to presenteeism in workers: a nationwide cross-sectional study. Occupational and Environmental Medicine, December 14, 2021. Available: <https://bmjopen.bmj.com/content/11/12/e050068>.

5 CivicScience Poll, UnitedHealth Group, 2022.

6 About Chronic Diseases, Centers for Disease Control and Prevention, Accessed April 17, 2021.

7 UnitedHealthcare large employer analysis of highly activated individuals (HA>75%) 2018 allowed costs vs. median (adjusted for risk, geography, age/gender, catastrophic claimants). 4.9M members.

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