



## **FAIR Health Survey: Millennials Are Avid Online Comparison Shoppers, but Skip Price Checks for Medical and Dental Care**

*50 Percent of Consumers Surprised by Out-of-Pocket Medical Expenses*

*People 55 to 64 Most Likely to Experience Healthcare Sticker Shock*

**NEW YORK, NY, May 19, 2015** – More than 59 percent of millennials, ages 18 to 34, report using the Internet to check the price of consumer electronics, and 35 percent comparison shop online for automobiles, but when asked about medical or dental care, the numbers plummeted to 19 percent, according to a new consumer survey from FAIR Health.

The FAIR Health survey results come at a time when high deductible health plans and narrow and tiered medical networks are becoming more widespread. Consumers are being asked to bear more of the cost of their medical and dental care and become more engaged in their healthcare decisions. Comparison shopping for medical and dental care can help consumers to save money. FAIR Health’s website and online tool for looking up specific prices in consumers’ own areas can assist their decision-making.

The 2015 survey of more than 1,000 adults in the U.S. also reveals that half of consumers are surprised by their out-of-pocket medical expenses. Consumers aged 55 to 64, who may be facing increased health issues as part of the natural aging process, are most likely to say that out-of-pocket medical costs are much more than they expect, especially when compared to millennials (ages 18 to 34) and seniors (age 65+). Millennials are relatively healthy due to their youth and seniors qualify for Medicare which has deductibles and copays that are modest compared to many commercial plans.

### ***Engaging Tech-Savvy Millennials***

Despite the millennial generation’s reputation for digital savvy, when it comes to using technology to check the cost of medical and dental care, there was no significant difference between them and other age groups.

“Since many millennials are dealing with their own insurance for the first time, the new healthcare paradigm that requires more consumer engagement and cost sharing is the only model that many of them know,” said Robin Gelburd. “While it might seem odd that they are not using their technology skills to comparison shop online for healthcare, this will likely change as they age and need more complex care, and healthcare costs become more transparent. It also may point to the need for more education about health insurance and reimbursement models for those new to the workforce and private insurance.”

### ***The survey asked:***

*Q. In the past year, you used a smartphone, mobile device or computer to check the cost or comparison shop for:*

<b>Age</b>	<b>Any Item</b>	<b>Consumer Electronics</b>	<b>Medical/Dental Care</b>	<b>Credit, Mortgage/Loan Rates</b>	<b>Groceries</b>	<b>Automobile</b>
<b>18-34</b>	74%	59%	19%	23%	26%	35%
<b>35-44</b>	57%	45%	12%	19%	21%	34%
<b>45-54</b>	54%	43%	16%	22%	22%	30%
<b>55-64</b>	48%	36%	14%	12%	17%	26%
<b>65+</b>	35%	20%	13%	9%	14%	15%
<b>Total Ages</b>	56%	43%	15%	18%	21%	29%

### ***Surprise Medical Bills***

According to the FAIR Health survey:

- Half of U.S. consumers said their out-of-pocket medical costs were more than they expected.
- A third of all consumers said their out-of-pocket medical costs were much higher than expected. This percentage jumps to 39 percent among Baby Boomers in the 55 to 64 age group, yet only 14 percent of Boomers state that they comparison shop for healthcare online.
- Women (35 percent) were more likely than men (28 percent) to say that their out-of-pocket medical costs were in line with their expectations.

### ***Healthcare Cost Transparency***

Several states, including Texas, California, Oregon, Colorado and New York are at various stages of developing and implementing healthcare cost transparency policies designed to help consumers plan and avoid surprise medical expenses. The Affordable Care Act (ACA) requires hospitals to publicly report their prices each year and more than 42 states now have rules that require hospitals to make their price information public. Many aspects of these new requirements are supported by key stakeholders, including hospitals, doctors and insurers. And, some of their trade organizations are recommending policies that go above and beyond the laws.

Free resources to help improve consumer healthcare literacy and estimate out-of-pocket medical expenses are available at [www.fairhealthconsumer.org](http://www.fairhealthconsumer.org) or in Spanish, at

[www.consumidor.fairhealth.org](http://www.consumidor.fairhealth.org). More information about New York State’s transparency law can be found at [www.fairhealthny.org](http://www.fairhealthny.org).

In addition to consumers, government officials, employers, brokers, hospitals, medical facilities, doctors, insurers and others use FAIR Health data for a variety of purposes. Those uses include:

- Informing in-network and out-of-network fee schedules rates
- Creating workers’ compensation fee schedules
- Advancing strategic planning
- Supporting All Payer Claim Databases
- Resolving legal disputes
- Conducting health and dental research
- Developing customized healthcare literacy and transparency tools, including online treatment cost calculators.

#### **About FAIR Health**

FAIR Health is a national, independent, nonprofit corporation dedicated to bringing transparency to healthcare costs and health insurance information through comprehensive data products, consumer resources and health systems research support. FAIR Health uses its database of billions of privately billed medical and dental services to power an award-winning free website ([fairhealthconsumer.org](http://fairhealthconsumer.org)) and to create data products serving a wide range of healthcare stakeholders. For more information, visit [fairhealth.org](http://fairhealth.org).

#### **About the Survey**

The survey was conducted March 5-8, 2015 by ORC International’s Telephone CARAVAN®. The study was conducted using two probability samples: randomly selected landline and randomly selected mobile phone numbers. The combined sample consists of 1, 011 U.S.-based adults. The margin of error is +/- 3.08 percent at the 95 percent confidence level.

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