

Consumerism driving changes in health care, study finds

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Credit: 123RF/Rice University

Rising costs and changing attitudes about convenience and the ability to personalize life choices are driving a trend toward greater consumer purchasing power and individual responsibility in health care services, according to a new issue brief by experts at Rice University's Baker Institute for Public Policy.

"Making 'Cents' for the Patient: Improving Health Care Through Consumerism" was co-authored by Vivian Ho, the James A. Baker III Institute Chair in Health Economics and director of the institute's Center for Health and Biosciences, and Anaeze Offodile, a physician at the

University of Texas MD Anderson Cancer Center. The issue brief explores and identifies the impetus for rising consumerism in [health care](#), available levers to increase consumerism, changes underway to health care data management as well as points of concern with consumerism.

"We live in a world where an individual's discretionary choices (food, clothing and travel) are increasingly driven by convenience and amenability to control—for example, online shopping—and the prevalence of mobile apps," the authors wrote. "These attitudes will only heighten with future generations and it should come as no surprise that they greatly influence how people interact with the health care sector. The increasing prevalence of walk-in clinics, patient experience/satisfaction surveys, online physician reviews, telemedicine and concierge medicine speak to this. More importantly, they add an air of permanence to the present consumerism movement."

The idea that patients should have more purchasing power and, consequently, individual responsibility over their [health care services](#) has translated into a redesign of health insurance benefits, the authors said. Consumers now bear more out-of-pocket expenses (through high deductibles) before cost-sharing with the insurer kicks in, they said. "These high-deductible health plans can be coupled with a health savings account or health retirement account—or so-called consumer-directed health plans—and have predominantly manifested in the employer-sponsored market and insurance exchanges, both public and private," the authors wrote.

According to a recent analysis, more than 30 percent of workers are currently enrolled in a high-deductible health plan, and nationwide out-of-pocket health care spending grew by 40 percent from 2010 to 2014, the authors said.

"By shifting the 'first dollar risk' through these structures to patients, the hope is that they will become more conscientious and engaged in decisions about which drugs (generic versus name-brand), treating clinician (specialist versus primary care) and treatment setting (inpatient versus outpatient) are the most appropriate to use," the authors wrote. "In theory, this should help check [health care costs](#) by incentivizing the use of lower-priced options and reducing unnecessary variations in health care utilization."

The authors cited several barriers against health care consumerism: Patients rarely have to pay the full "sticker price" for health care, due to insurance coverage, thereby creating a "moral hazard" by consuming more care; it can be difficult to navigate the complex U.S. [health care](#) system; and there is a considerable knowledge gap between providers and patients with regard to treatment plans and medical diagnoses.

"Making cost and quality data of shoppable services available to consumers in a format that is timely, actionable and easy to interpret will be critically important," the authors wrote.

More information: Making "Cents" for the Patient: Improving Health Care through Consumerism: www.bakerinstitute.org/media/f...hb-consumerism-1.pdf

Provided by Rice University

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