

The COVID-19 pandemic is influencing consumer health behavior. What does this mean for health insurers?

Consumer survey findings from PwC's Health Research Institute

May 2020

The COVID-19 pandemic is changing the economy, the way we work and the health system. A comparison by PwC's Health Research Institute (HRI) of American consumer sentiment before and during the pandemic reveals that people are accessing health information in new ways. Their trust has shifted as well. HRI, which surveyed 2,533 Americans between April 2 and 8, found that employers could play a greater role than ever in their employees' health.

The delivery of care may look very different after the pandemic, HRI found. Much has been reported about the explosion of telehealth since the crisis began. HRI's consumer survey found that new telehealth users include generally healthy people looking for a quick sick-care visit and, critically, people with more complex medical conditions who need to manage their health.

HRI also found that American consumers are taking on a more active role in the health system. For example, many people are willing to participate in clinical trials or share their personal data to help discover new treatments or ways of delivering care.

HRI's results signal that US businesses could play an even bigger role in protecting the health of their workers, that the health system likely will make more room for telehealth and other forms of virtual care, and that the American consumer may take a more active role in managing health and participating in a system that is being remade.

Delayed doctor visits, procedures and prescriptions could have long-term impacts on health, productivity and costs

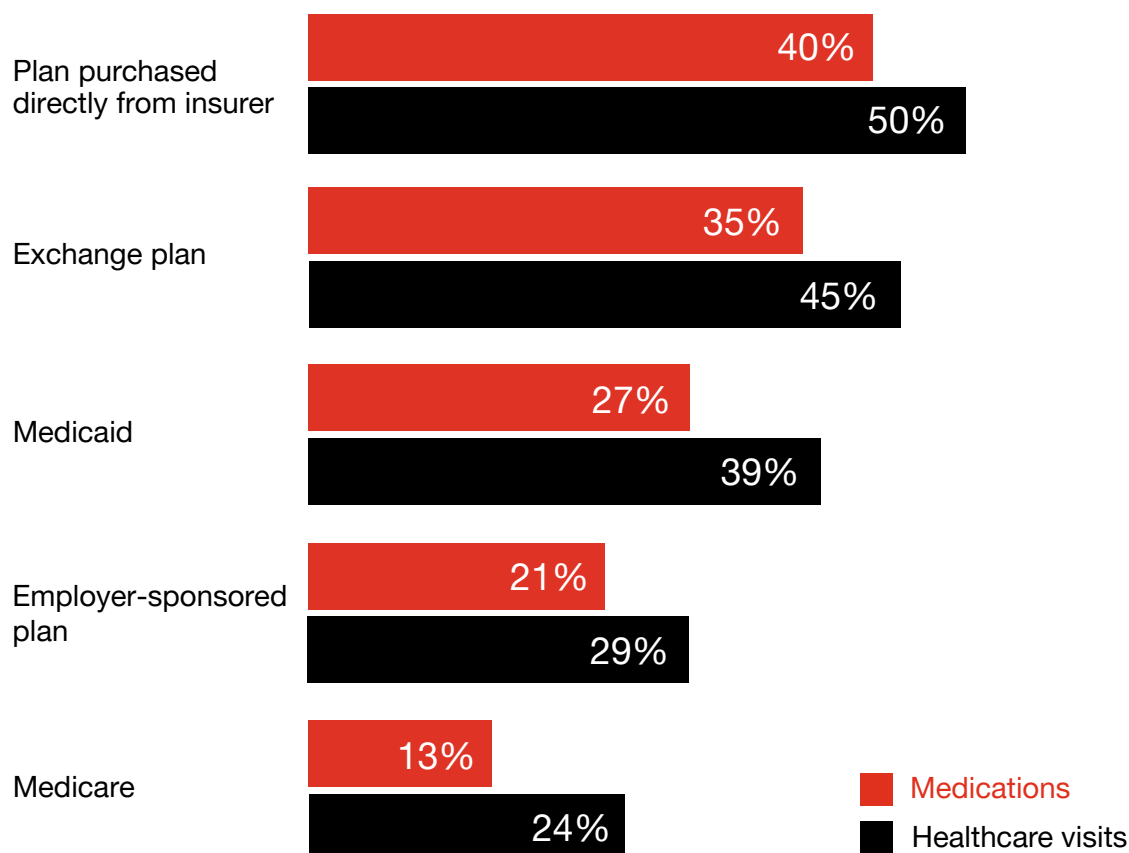
Consumers are concerned about the impact of the pandemic on their health and wallets, and are behaving accordingly. Thirty-two percent of survey respondents told HRI that they had already made or were planning adjustments to their spending on healthcare visits as a result of COVID-19. Consumers with exchange plans (45%) or private plans (50%) directly through an insurer were more likely to report that they were adjusting spending on healthcare visits (see figure).

Seventy-eight percent of consumers adjusting their spending said they would skip at least one visit such as a well visit, maintenance visit for a chronic illness, elective procedure or recommended lab test or screening. Thirty percent predicted that their spending on healthcare visits would increase overall.

Implications: Delaying procedures, reducing spending on preventive care and chronic care, and decreasing adherence to medications may have negative long-term impacts on health status, although the extent is unknown.

As a result of the impact of COVID-19, have you already or do you plan to adjust your spending on healthcare visits or medications?

Percent responding “Yes or plan to”



Consumers with exchange plans or private plans directly through an insurer are more likely to be adjusting spending on medications

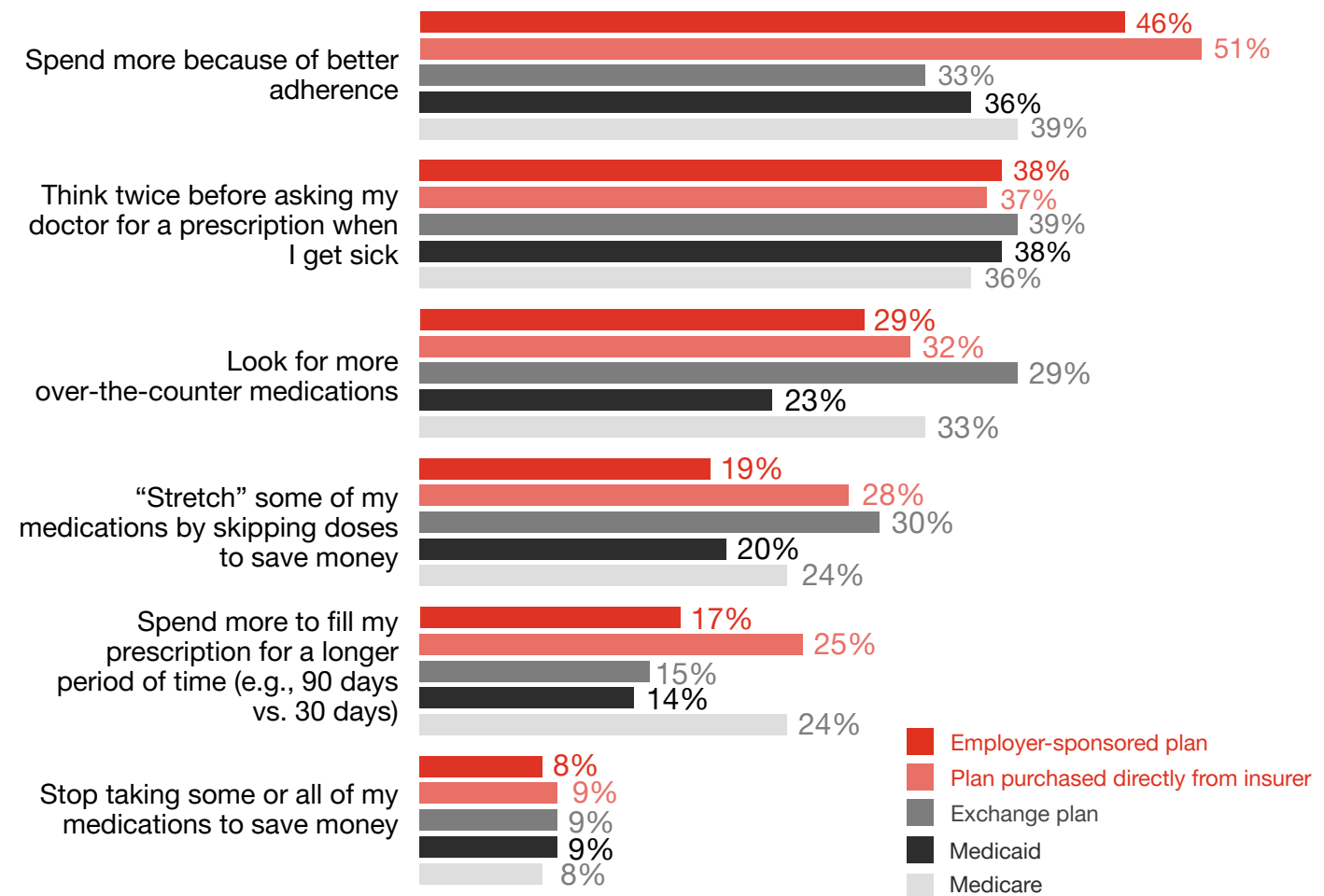
Forty-two percent of consumers adjusting their spending told HRI they would spend more because of better adherence. Those with employer-based insurance or a plan purchased directly from an insurer were the most likely to expect increased spending (see figure).

Twenty-two percent said they would “stretch” the medication they had by skipping doses. Those with employer-based insurance were least likely to say they were doing so (19%).

Nine percent said they planned to stop taking their medications altogether to save money. This did not vary across insured consumers.

Many consumers, regardless of insurance type or status, indicated that they planned to “think twice” about asking their doctor for a prescription the next time they get sick. Some said they would consider more over-the-counter options.

As a result of the COVID-19 pandemic, how have you adjusted or are considering adjusting your spending on medications?



PwC Health Research Institute COVID-19 Consumer Survey, April 2 - 8, 2020
Base = 549 individuals surveyed who said “yes, I plan to” or “yes, I already have” adjusted spending on medications.

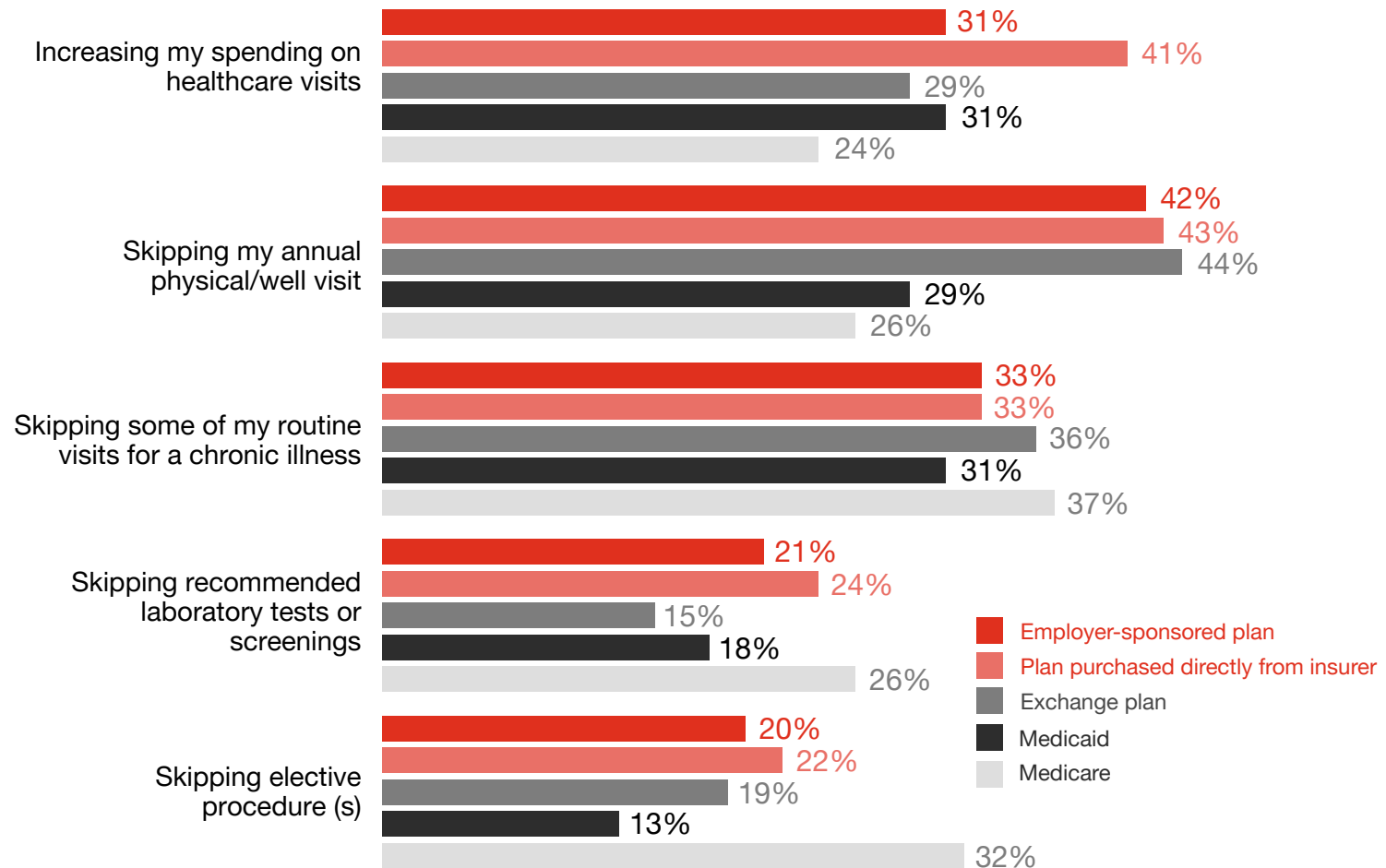
Medicare consumers more likely than others to be skipping routine visits for chronic illness, tests or screenings and electives

Of the consumers who said they already have or plan to adjust their spending on healthcare visits, the privately insured (42%) were more likely than those with public insurance (28%) to say they would skip an annual physical. Medicare consumers were more likely to say they would skip some of their routine visits for a chronic illness or an elective procedure.

Consumers with a private plan purchased directly from an insurer were more likely (41%) than all other consumers to say they expected to increase their spending on healthcare visits.

Implications: Getting consumers to come back for care may depend on how much trust the health system can build with them over the next few months. Helping newly unemployed consumers find insurance through Medicaid, ACA insurance exchanges and other means should be a priority for the health system.

As a result of the COVID-19 pandemic, how have you adjusted or are considering adjusting your spending on healthcare visits?



PwC Health Research Institute COVID-19 Consumer Survey, April 2-8, 2020
Base = 32% of respondents (782) who said they already are or plan to adjust spending on healthcare visits

New telehealth users during the pandemic most likely to have employer-based insurance

HRI's survey found that 5% of American consumers reported that they or a family member used telehealth for the first time during the pandemic. Applied to the broader US population, this could mean about 16.5 million Americans have started using telehealth in the past couple of months alone. Eighty-eight percent of these new users said they would use it again.

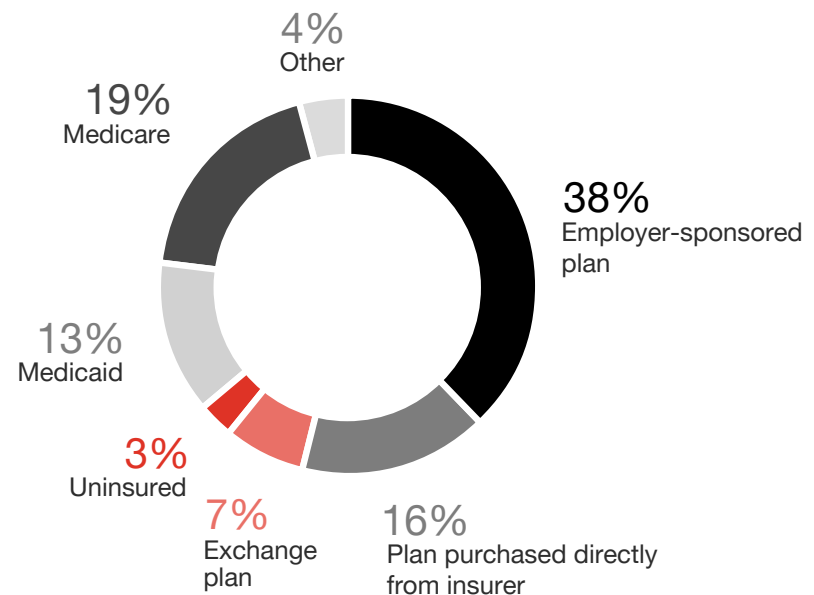
The vast majority of new telehealth users were white, had insurance through an employer (see figure), had chronic conditions and were middle-aged.

Implications: HRI found telehealth is being used not just for the occasional sniffle or rash, but also to help manage chronic conditions during the pandemic. Payers should consider offering new telehealth benefits or promoting those they already provide, especially in their Medicare, Medicaid and exchange businesses.

Payers can help employers increase utilization of telehealth. Doing so may help them reduce absenteeism caused by employees taking time off for in-person visits.

During the pandemic, have you or a family member received healthcare treatment for the first time through a video telehealth visit?

Breakdown by insurance type of the 5% of consumers who said they used telehealth for the first time during the pandemic



PwC Health Research Institute COVID-19 Consumer Survey, April 2-8, 2020

Across insurance types, Americans report more problems with social determinants of health during the pandemic

Fifty-three percent of consumers reported that before the COVID-19 outbreak, at least one social or environmental factor—such as sleep, affordable housing or childcare—was affecting their ability to adopt a healthy lifestyle. During the pandemic, 61% reported to HRI that they are affected by at least one of these social determinants of health.

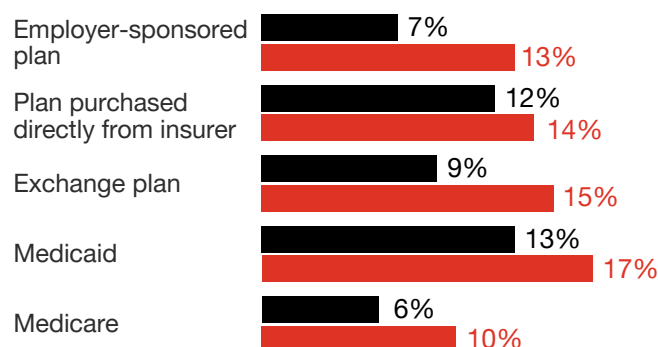
Across insurance types, HRI found the biggest differences between the pandemic and the time preceding it are related to feelings of isolation or loneliness, spending too much time on technology and lacking access to healthy food and a safe place to exercise. Consumers who purchased insurance through an employer saw the largest jump in feeling isolated or lonely and spending too much time using technology.

Implications: What happens outside the doctor's office is more important than ever. Payers should consider proactively intervening with members through education, social determinant assessments and care management. Payers to some extent already direct patients to the right resources and can serve as the first point of triage to resources in the region. They can work with their employer customers to create programs to help manage the social factors impacting employees to keep the workforce healthy.

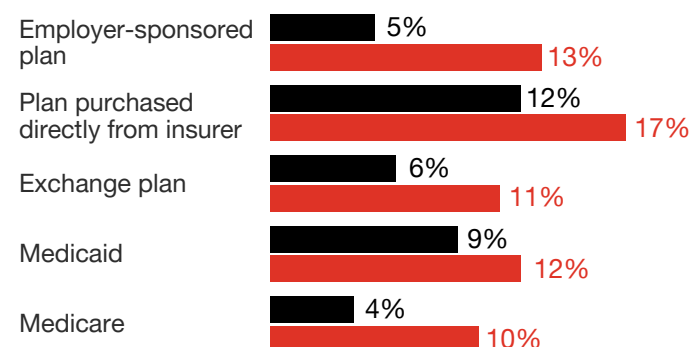
Which, if any, of the following challenges in your daily life are impacting your ability to adopt a healthy lifestyle?

By insurance type

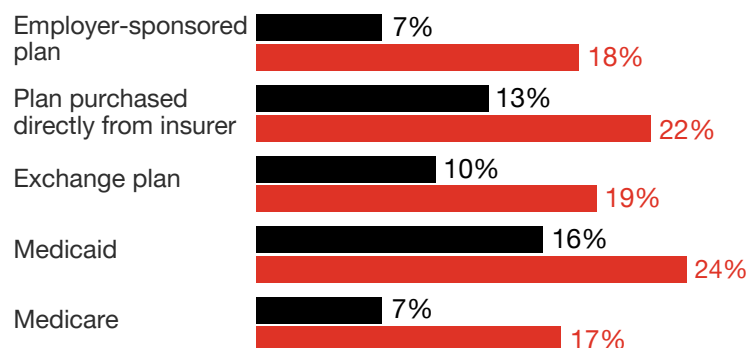
Limited choice of healthy food options



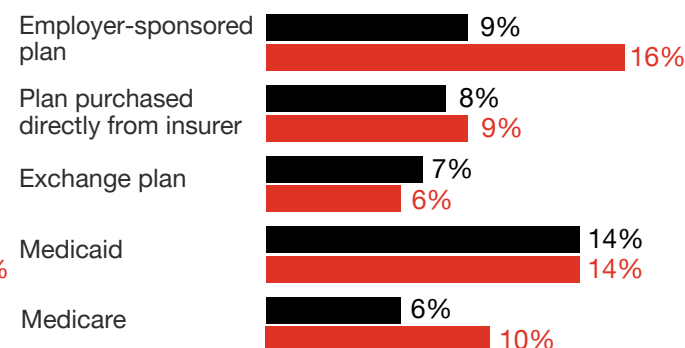
Access to safe environment to exercise in



Feeling isolated or lonely



Too much time spent using technology



PwC Health Research Institute COVID-19 Consumer Survey, April 2-8, 2020
Not shown: Other, uninsured

■ Before pandemic ■ During pandemic

Regardless of insurance type, most consumers are willing to get their medications from on-line retailers if it costs them less

Most (73%) of consumers who take medication routinely said they are getting their prescriptions during the pandemic the same way they did before, primarily through a retail pharmacy.

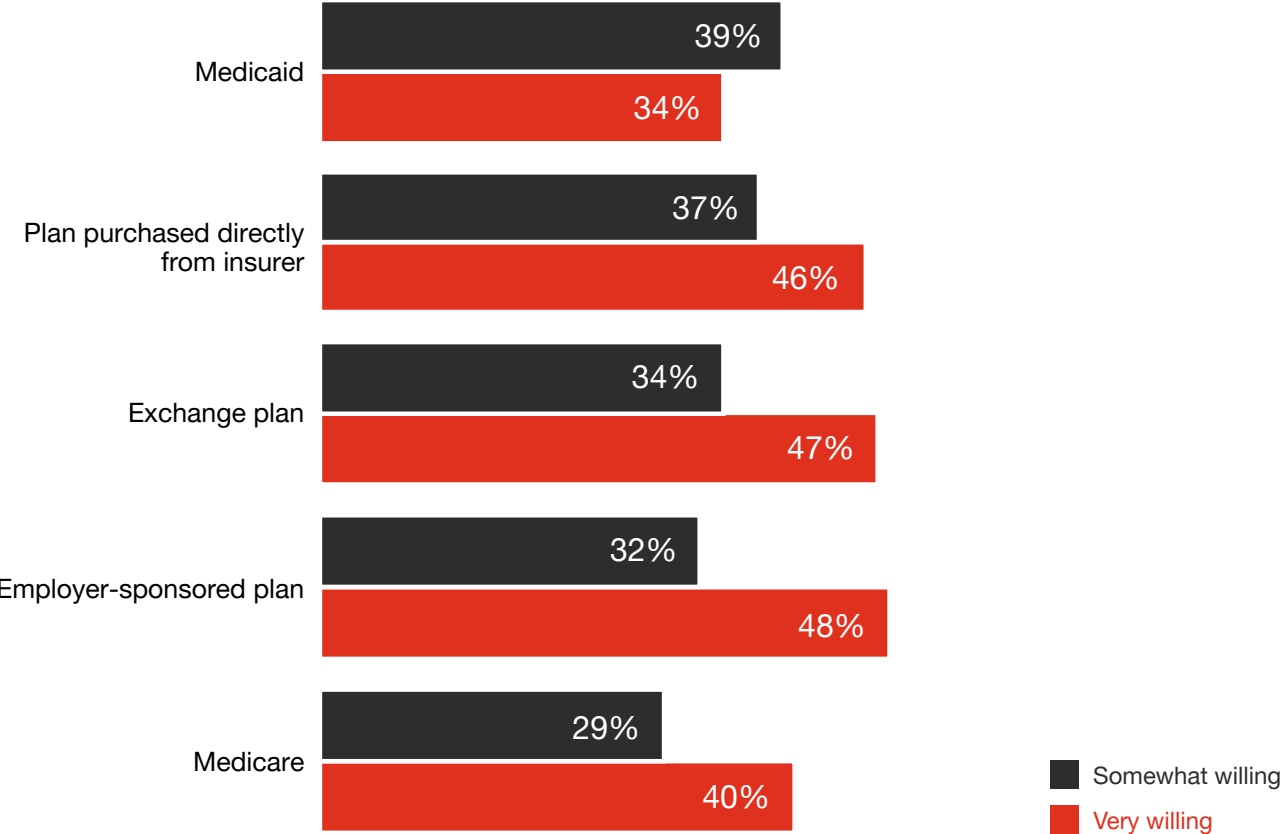
HRI found that utilization of mail order services for medications has not increased over the last year. About one-sixth (16%) of all consumers said they get their medications this way.

Yet more than three-fourths of consumers reported that, if the prices were cheaper, they are at least somewhat willing to switch to an on-line retailer to get their medications.

Implications: Payers might persuade consumers, especially vulnerable populations, to switch to mail order pharmacies or home delivery of prescriptions during the pandemic to avoid having to pick up medications in person.

If the prices were cheaper, how willing would you be to have your prescriptions sent to an on-line retailer, which would deliver them to you within a few days, versus picking them up at your local pharmacy?

Consumer responding very or somewhat willing



PwC Health Research Institute COVID-19 Consumer Survey, April 2-8, 2020
Not shown: Other, uninsured

About this research

From April 2 to 8, PwC's Health Research Institute conducted an online survey of 2,533 US adults representing a cross section of the population in terms of insurance type, age, gender, income and geography.

HRI also screened survey respondents to obtain data on its seven proprietary consumer health segments, which were created using data from the Medical Expenditure Panel Survey. These segments include the Frail elderly: Over the age of 75, living at home, facing health issues related to falls or dementia and suffering generally poor health; Complex chronic: Have one or more chronic diseases affecting multiple body systems and often requiring complicated disease management; Chronic disease: Have problems affecting a single body system such as hypertension and require uncomplicated disease management; Mental health: Mental illness is primary health issue versus comorbid condition, face depression and mood disorders, post-traumatic stress disorder, addictions and suicidal ideations; Healthy families: Households with healthy dependent children under the age of 18; Healthy adult enthusiasts: Value a regular physical and wellness/coaching services, and get recommended screenings; Healthy adult skeptics: Generally avoid interacting with the health system and are less likely to have health insurance than other consumer groups.

The survey collected data on consumer perspectives about the healthcare landscape before and during the COVID-19 pandemic, including their use of health services and thoughts about how they will interact with the health system in the future.

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About the PwC Health Research Institute

PwC's Health Research Institute (HRI) provides new intelligence, perspectives and analysis on trends affecting all health-related industries. The Health Research Institute helps executive decision-makers navigate change through primary research and collaborative exchange. Our views are shaped by a network of professionals with executive and day-to-day experience in the health industry. HRI research is independent and not sponsored by businesses, government or other institutions.

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