



Utahns

**SPEAK UP**

***Even with private health insurance, the Christensens still spent 20% of their income on medical bills...***

### **Julie & Marshall Christensen: Provo, UT**

Luckily, the Christensens have private insurance for their family and Medicaid for their daughter. Marshall has Type 1 Diabetes, Julie has epilepsy, and their daughter has Dravet Syndrome, a severe form of epilepsy. But before their daughter qualified for Medicaid, this Utah family was spending 20% of their income on medical bills, even with private insurance.



### ***Twenty Percent of a family's income going to medical bills is not affordable***

*"Before my daughter qualified for Medicaid, we put out 20% of our paycheck to medical bills each month--even with private health insurance for our family. Then we struggled to find the money for rent, bills and food on top of that,"* says Julie. *"We were going bankrupt."* Weekly doctors visits, co-pays, prescriptions, and Jessica's hospital stays led to skyrocketing expenses.

Even basic necessities became unaffordable. Luckily, their church's storehouse helped with food costs. Their family helped as they could. But, the Christensens can't afford to own a home. *"The first time something would have needed to be repaired or Jessica would have needed to be in the hospital, we would not have been able to make the mortgage payment,"* Julie explains. The bills eventually made having more children unfeasible. And, on top of it all, Marshall had to repay his student loans.

With Medicaid as a secondary insurance for their daughter, the Christensens' out-of-pocket expenses have dropped to 6% of their paycheck, which is *"better, but still difficult at times."* With the severity of Jessica's condition and its resistance to treatment, the Christensens' will be accessing drugs and alternative treatments that are not covered by insurance. This will be a huge increase to their out-of-pocket expenses.

### ***A Policy Solution: Conduct an Affordability Study***

An affordability study will answer the question, "what is affordable health care," by determining what percentage of income is reasonable to expect families to pay for health care at varying income levels. For example, Massachusetts determined that health care, costs, premiums, co-pays, and deductibles can consume 8.5% of a family's income at or above 600% of the federal poverty level (FPL). For people at 300% of FPL and below a "lower-bound" of affordability was set at 4% of income.

Yet, what is affordable in Utah will differ from what is affordable in other states. A Utah affordability study will provide a uniquely Utah perspective by evaluating household income, family budgets, costs of living, and costs of insurance and medical care. This data will be vital as Utah's moves forward with health system reform.