

## CHAPTER 5: WOMEN AND HEALTH CARE COSTS

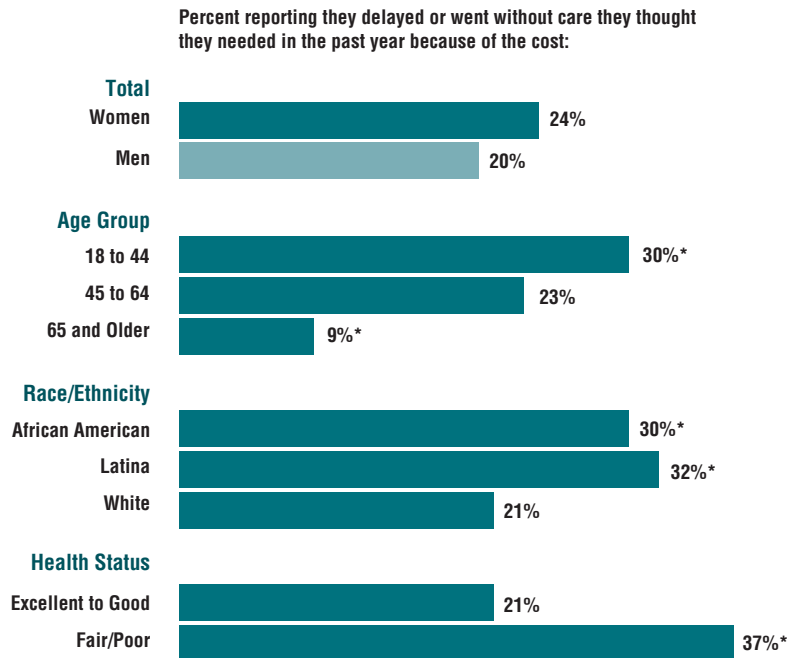
One of the nation's greatest public policy challenges is addressing health care costs, which have been rising at double-digit rates for several years. Patients, providers, and employers are all affected by the growth in costs and have been searching for ways to slow the rate of growth. While several factors—technology, prescription drugs, the aging of the population—have been posited as contributing to rising health care costs, strategies for controlling costs have not been particularly effective. There is also some evidence that costs are increasingly being shifted to consumers in the forms of premiums, deductibles, and co-pays.<sup>9</sup> These out-of-pocket costs hit women hard because of their lower incomes, and potentially hinder their access to care.

This section looks at the impact of costs on women's access to care, the barriers women face because of the costs of prescription drugs in particular, some of the strategies and tradeoffs women employ to cope with drug costs, and how much women spend out-of-pocket on prescription medicines.



Exhibit 5a

## Delayed or Went Without Care Because of Cost, by Selected Characteristics, Women Ages 18 and Older



\*Significantly different from reference group (45 to 64, White, excellent to good),  $p < .05$ .  
Data source: 2004 Kaiser Women's Health Survey, Kaiser Family Foundation.

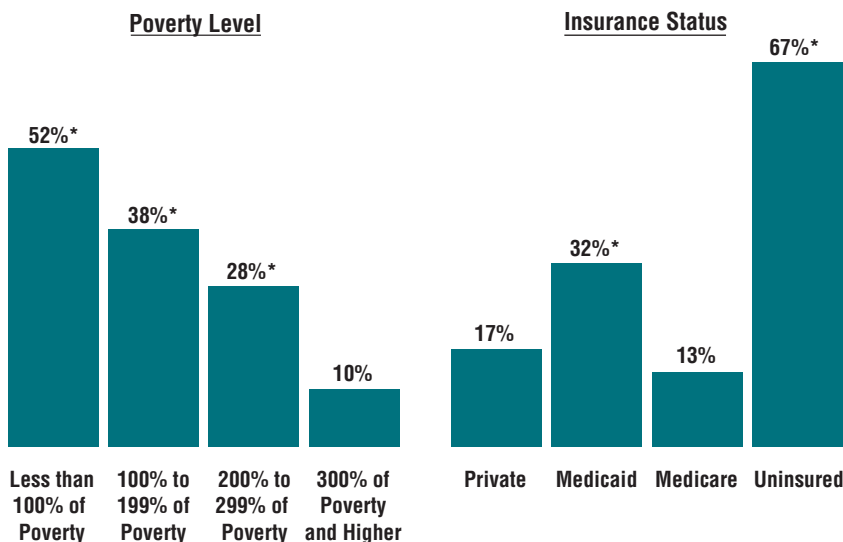
A sizable minority of women cannot afford needed health care. One-quarter of women (24%) delayed or went without care in the past year because of the cost of that care, slightly higher but not statistically different than men (20%). Younger and midlife women are more likely to have delayed/forgone care than women 65 and older (30%, 23%, and 9%, respectively). This could be related to the fact that seniors have nearly universal coverage through Medicare.

Women of color are at higher risk for delaying or missing care because of costs. Approximately one in three African American women (30%) and Latinas (32%) report delayed/forgone care due to costs, compared to one in five white women (21%). Also of concern is the high proportion of women whose health is fair or poor who reported access problems due to costs (37%). Both women of color and women in poorer health are more likely to be on the lower ends of the income scale, affecting their ability to pay for out-of-pocket expenses.

Exhibit 5b

## Delayed or Went Without Care Because of Cost, by Poverty and Insurance Status, Women Ages 18 and Older

Percent reporting they delayed or went without care they thought they needed in the past year because of the cost:



Note: 100% of the federal poverty threshold was \$14,776 for a family of three in 2004.  
\*Significantly different from reference group (300% of poverty and higher, Private),  $p < .05$ .  
Data source: 2004 Kaiser Women's Health Survey, Kaiser Family Foundation.

Women with the fewest resources—lower incomes and lack of insurance—have the greatest difficulty affording health care. There are stark disparities between low-income and upper-income women as well as between the uninsured and women with health insurance in ability to pay for needed care. One-half of poor women (52%) and 38% who are near-poor (100 to 199% of poverty) report they delayed or did not get needed health care because of the cost. Costs were also a concern for modest-income women, with 28% reporting a cost barrier to care. Two-thirds of uninsured women (67%) report delayed/forgone care due to costs, compared to 17% of women with private coverage and 13% of women with Medicare. Women on Medicaid, who tend to have very low incomes, delay care at twice the rate of privately insured women, but still less than uninsured women.

Exhibit 5c

## Prescription Drug Costs, by Selected Characteristics, Women Ages 18 and Older

Percent of women reporting that in the past year they:	Total		Age Group			Race/Ethnicity			Poverty Level	
	Women	Men	18 to 44	45 to 64	65 and older	African American	Latina	White	Less than 200% of poverty	200% of poverty and higher
Did not fill prescription medicine due to cost	20%	14%*	23%	20%	11%*	23%	24%*	18%	32%*	15%
Skipped or took smaller doses of prescription medicines to make them last longer	14%	11%	15%	17%	7%*	16%	15%	14%	23%*	11%
Spent less on basic needs for family to have enough money for prescription medicines	8%	5%*	8%	9%	8%	13%*	16%*	6%	16%*	4%

Note: 200% of the federal poverty threshold was \$29,552 for a family of three in 2004.

\*Significantly different from reference group (Women, 45 to 64, White, 200% of poverty and higher), p < .05.

Data source: 2004 Kaiser Women's Health Survey, Kaiser Family Foundation.

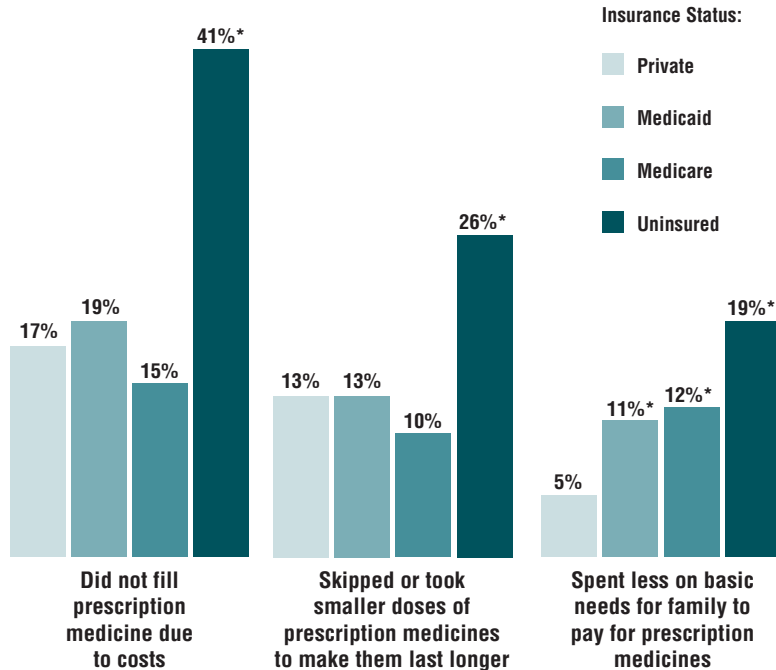
A significant share of women, even those with insurance coverage, cannot afford to buy prescription drugs. One in five women (20%) report there was a time in the past year when they did not fill a prescription medicine because of the cost, a rate higher than for men (14%). Fourteen percent of women manage prescription drug costs by skipping or taking smaller doses of medicines to make them last longer. Non-elderly women (under age 65) are more likely to not fill a prescription or skip/reduce doses due to costs than women 65 and older. Latinas are also more likely than white women to not fill a prescription because of the costs. These cost barriers are particularly problematic for low-income women. Because of costs, one-third (32%) of low-income women report they did not fill a prescription and nearly one-quarter (23%) say they skipped or took smaller doses to make them last longer.

Women also face other tradeoffs because of the cost of prescription medicines. Nearly one in 10 women (8%) report that they spent less on basic needs for the family to have enough money to pay for prescription medicines, a rate slightly higher than men (5%). Women of color and low-income women are more likely to be faced with this financial tradeoff than their counterparts.

Exhibit 5d

## Prescription Drug Costs, by Insurance Status, Women Ages 18 and Older

Percent reporting that in the past year they:



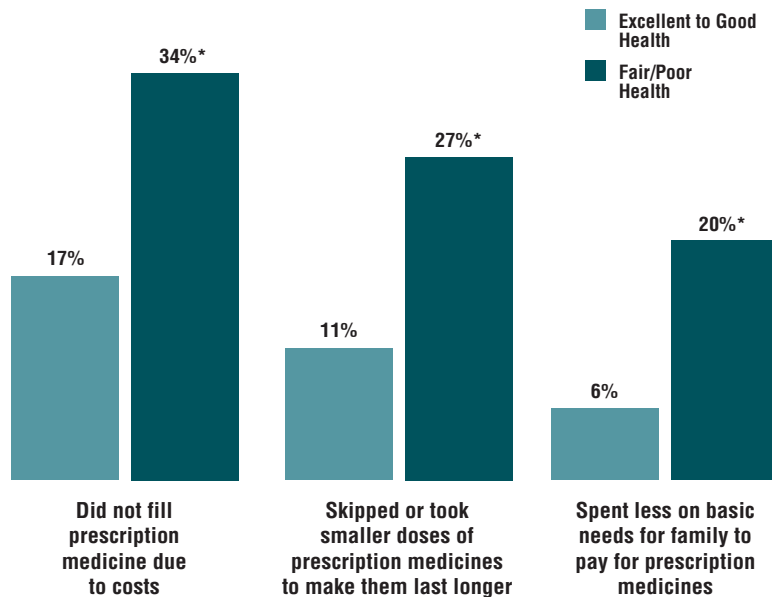
\*Significantly different from Private, p < .05.

Data source: 2004 Kaiser Women's Health Survey, Kaiser Family Foundation.

By all measures, uninsured women face the most severe cost barriers to prescription medicines. Four in 10 uninsured women report they did not fill a prescription due to costs, and 26% skipped or took smaller doses to make medicines last longer. One in five report they spent less on basic family needs to pay for their medicines. Although insurance coverage makes an important difference for women, it does not eliminate the cost barrier. Many women with insurance face obstacles due to prescription drug costs, highlighting the need to consider drug affordability for all women, not just those who are uninsured or on Medicare, which has received widespread public attention.

**Exhibit 5e**  
**Prescription Drug Costs, by Health Status,  
 Women Ages 18 and Older**

Percent reporting that in the past year they:



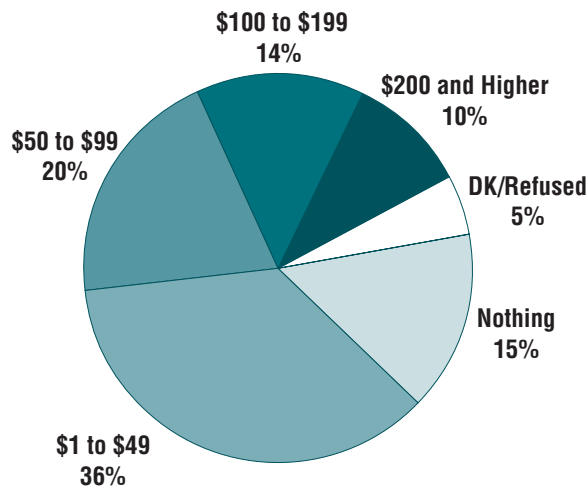
\*Significantly different from Excellent to good, p < .05.  
 Data source: 2004 Kaiser Women's Health Survey, Kaiser Family Foundation.

**W**omen in poorer health, the vast majority of whom take a prescription medicine regularly (80%), experience greater challenges affording the costs of their medicines. This disparity is particularly alarming since gaps in prescription drug use among women in poorer health may jeopardize their already fragile health.

One-third of women in fair or poor health (34%) report they did not fill a prescription medicine due to costs, twice the rate of women in better health. Nearly three in 10 (27%) say they skipped or took smaller doses to make the medicine last longer and one in five (20%) spent less on basic needs for their families to pay for prescription medicines.

**Exhibit 5f**  
**Out-Of-Pocket Expenditures on Prescription Drugs,  
 Women Ages 18 and Older**

Percent reporting level of expenditures on prescription medicines in past month:



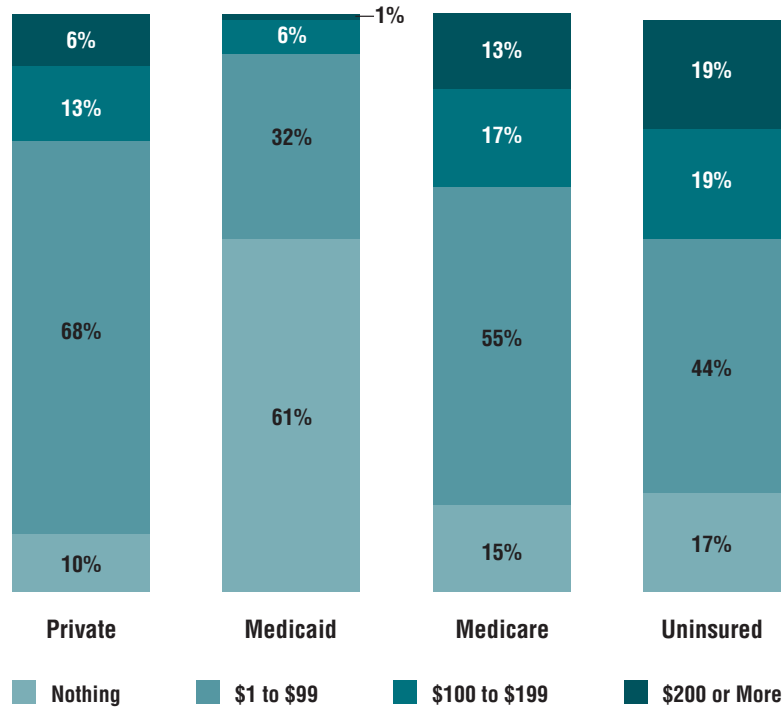
Note: Includes women who take at least one prescription medicine on a regular basis.  
 Data source: 2004 Kaiser Women's Health Survey, Kaiser Family Foundation.

**M**ost (80%) women who use prescription medicines regularly pay for some portion of the costs out-of-pocket. While 15% of women report they paid no out-of-pocket costs for their medicines in the past month, over one-third (36%) say they paid up to \$50 and an additional 20% paid from \$50 to \$99 of their own money. However, one in four women (24%) face significant out-of-pocket expenses for prescription medicines, paying \$100 or more in the past month, including 10% who paid at least \$200 in the past month for their medicines.

Exhibit 5g

## Out-Of-Pocket Expenditures on Prescription Medicines, by Insurance Status, Women Ages 18 and Older

Percent reporting level of expenditures on prescription medicines in past month:



Note: Among women who take at least one prescription medicine on a regular basis. Only includes women who were able to respond to question. Excludes those who did not know expenditure level or refused to answer question: Private (2%), Medicaid (<1%), Medicare (13%), Uninsured (1%).  
Data source: 2004 Kaiser Women's Health Survey, Kaiser Family Foundation.

Uninsured women have the highest out-of-pocket expenses for prescription medicines. Nearly four in 10 uninsured women (38%) say they spent \$100 or more in the past month, including 19% that spent \$200 or more. Given that most uninsured women are disproportionately low-income, these costs place a great strain on their already very tight budgets. However, women with insurance are not immune to the costs of prescription medicines either. Three in 10 women with Medicare coverage and nearly one in five (19%) privately-insured women spend \$100 or more monthly on their medicines. The lowest out-of-pocket expenses are among women with Medicaid. Six in 10 (61%) report no spending for their medicines, a much higher proportion than women in the other insurance categories. This is because Medicaid policy only permits nominal or no cost-sharing for drugs, affording many poor women protection against the out-of-pocket costs of prescription drugs.