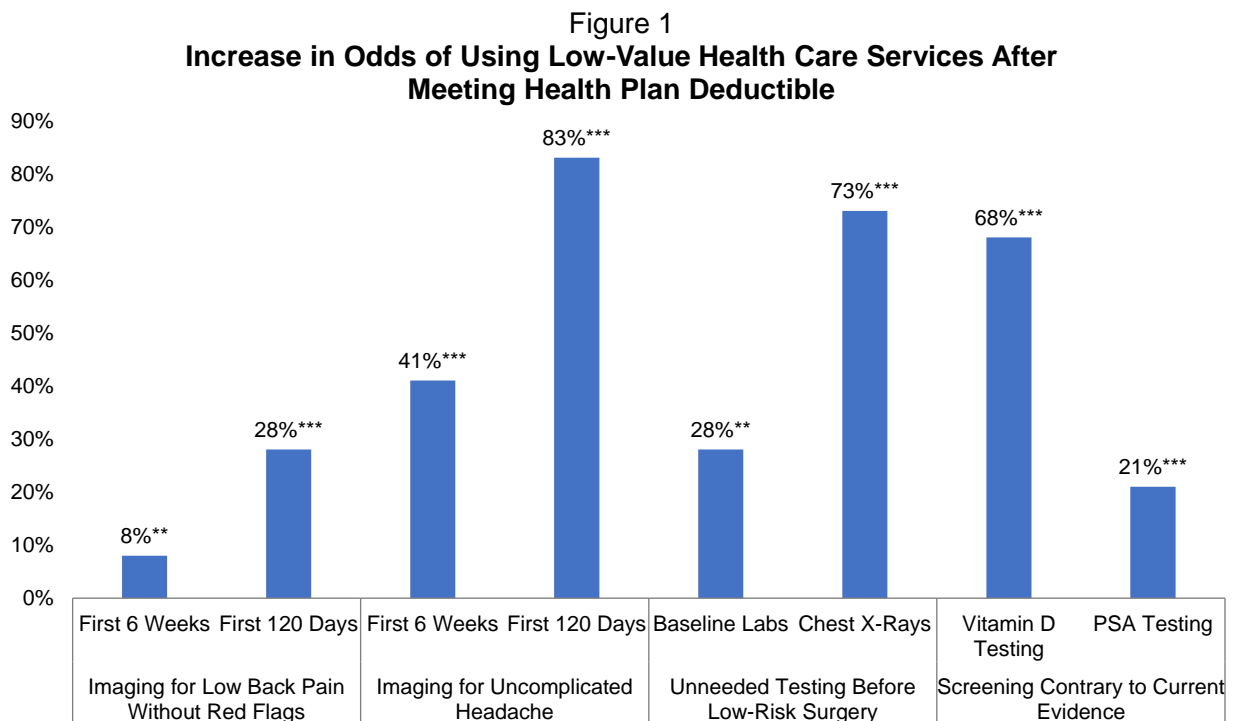


Use of Low-Value Health Care Services Rises After People Satisfy Health Plan Deductibles

The use of cost sharing, such as deductibles, is an increasingly common strategy to enhance health care consumerism and lower health care spending. Proponents speculate that high levels of cost sharing enhance consumers' tendency to discriminate between high- and low-value care. In other words, cost sharing is a tool for teaching members to "choose wisely" throughout the plan year when it comes to the services they use. But does this work?

In a recent study, "[Do People Choose Wisely After Satisfying Health Plan Deductibles? Evidence From the Use of Low-Value Health Care Services](#)," the Employee Benefit Research Institute (EBRI) examined the extent to which members who satisfy their plan deductible continue to discriminate when it comes to services used. To quantify whether deductibles help patients learn to "choose wisely" and avoid low-value care once deductibles have been met, six commonly overutilized imaging, screening, and pre-surgery testing services were compared among 1.5 million individuals enrolled in commercial health plans with a deductible who had, and had not, satisfied the deductible.

The use of the specified low-value health care services was demonstrably higher among patients satisfying their plan deductible when compared with patients who had not met their deductible (Figure 1). The study found that the likelihood of receiving low-value health care services increased by as much as 83 percent, depending on the service, for those who had satisfied their plan's deductible relative to those who had not.

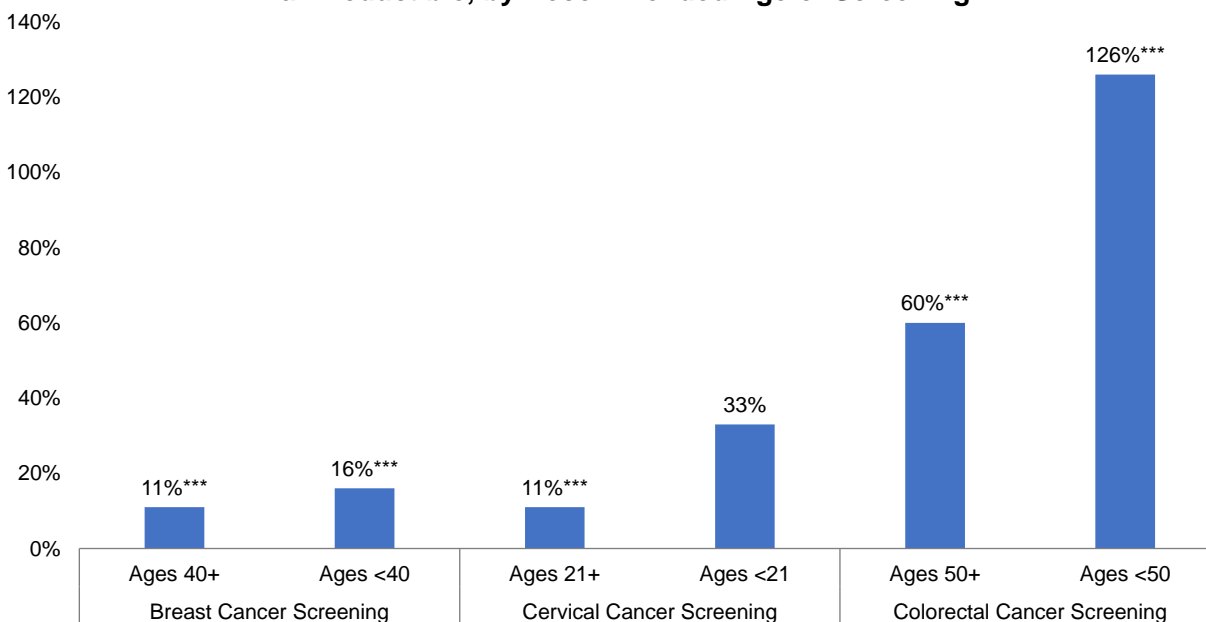


Source: Authors' analysis of 2015 Truven MarketScan.

*p < 0.05, **p < 0.01, ***p < 0.001.

We also examined cancer screenings and found that use of these screenings was higher among those who did not meet the age recommendations once deductibles were met. The largest effect was seen for colorectal cancer screenings (Figure 2). We found a 126 percent increase in use of colorectal cancer screenings once individuals reached their deductible among individuals under age 50, whereas screenings increased 60 percent among individuals ages 50 and older.

Figure 2
Increase in Odds of Having Cancer Screening After Meeting Health Plan Deductible, by Recommended Age of Screening



Source: Authors' analysis of 2015 Truven MarketScan.
 *p< 0.05, **p<0.01, ***p<0.001.

These findings have implications for deductible-level setting specifically and future benefit designs more generally as they relate to efforts to reduce use of low-value health care services. A lack of nuance in plan design regarding coverage of low-value services may contribute to the observed patterns for those enrollees who satisfy their deductibles (or expect to). In addition to more nuanced plan designs that effectively discourage low-value care, these findings underscore the need to implement provider-facing initiatives to reduce low-value care — and ensure that policies are aligned with consumer cost sharing to achieve low-value-care avoidance.

The EBRI report, “Do People Choose Wisely After Satisfying Health Plan Deductibles? Evidence From the Use of Low-Value Health Care Services,” is published as the October 2020 *EBRI Issue Brief*, and is available online [here](#).

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