At a Glance | January 12, 2023

Employers Unlikely to Reintroduce Cost Sharing If Allowed. Savings Are Negligible.

Plan sponsors are currently prohibited from imposing cost sharing for select preventive services and medications. A recent federal judicial opinion in Texas could change that.

AT WHAT COST?

In addition to the potential negative clinical and equity effects of restoring cost sharing, recent evidence suggests that the implementation of out-of-pocket costs on a select number of services would have a minimal impact (less than one-half of 1 percent) on aggregate employer health care spending.

Relatively Few Employers Would Impose Cost Sharing If Allowed by Law

12% "It Depends"

8% of Employers *Would* Impose Cost Sharing If Allowed by Law

80% Would *Not* Impose Cost Sharing

SELECT SERVICES

Our findings demonstrate that the incremental costs of eliminating cost sharing are very low. Reintroducing 20 percent coinsurance would have a minimal impact on overall employer health care spending.

Preventive Services Usage and Savings If Coinsurance Reintroduced

Service	Annual Member Use of Service	Employer Savings From 20 Percent Coinsurance
Breast Cancer Screening	10%	0.11%
Cervical Cancer Screening	9%	0.01%
Colorectal Cancer Screening	4%	0.15%
HPV Vaccination	3%	0.03%

PREVENTIVE MEDICINE

Preventive medications are similarly low cost. If employers imposed 20 percent cost sharing on these fully covered medications, employer spending would fall by just 0.3 percent.

Usage and Impact of Coinsurance for USPSTF "A" and "B" Rated Medications on Employer Savings

Medication	Annual Member Use of Service	Employer Savings From 20 Percent Coinsurance
Contraceptives	9%	0.14%
Statins (Ages 40–64)	8%	0.04%
Breast Cancer Preventive Drugs (Ages 35–64)	1%	0%
HIV PrEP Medication	0.2%	0.08%
Total	**17%**	**0.3%**

SOURCES: Fronstin, Paul, "The Impact of Covering Select Preventive Services on Employer Health Care Spending," *EBRI Fast Facts*, no. 444 (October 20, 2022); Fronstin, Paul, "Will Employers Introduce Cost Sharing for Preventive Services? Findings From EBRI's First Employer Pulse Survey," *EBRI Fast Facts*, no. 445 (October 27, 2022).