## **Weekly Checkup**



## Higher Cost-Sharing in Exchange Plans Leads to Higher Overall Medical Spending, Relative to ESI Plans

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While the Exchanges established by the Affordable Care Act (ACA) have provided millions of individuals with a new outlet for obtaining health insurance, the result for many has been a false sense of health and financial security. As many reports have shown, the insurance provided by the Exchanges is not comparable to the plans typically offered by employers—the deductibles and cost-sharing requirements are higher and the networks are narrower. A new study examined the impact of the higher cost-sharing for prescription drugs on patients with chronic conditions. The findings show that such cost-prohibitive provisions result in patients taking and refilling fewer prescription medications, but consequently increasing spending for other medical services, resulting in a net increase in spending of \$298 for individuals with 4 or more chronic conditions. The chart below shows the expected annual changes in health care spending for individuals with chronic conditions if they were to switch from an employer-sponsored insurance (ESI) plan to an Exchange plan.

