

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.

