Policygenius

Health Insurance Literacy Survey 2020

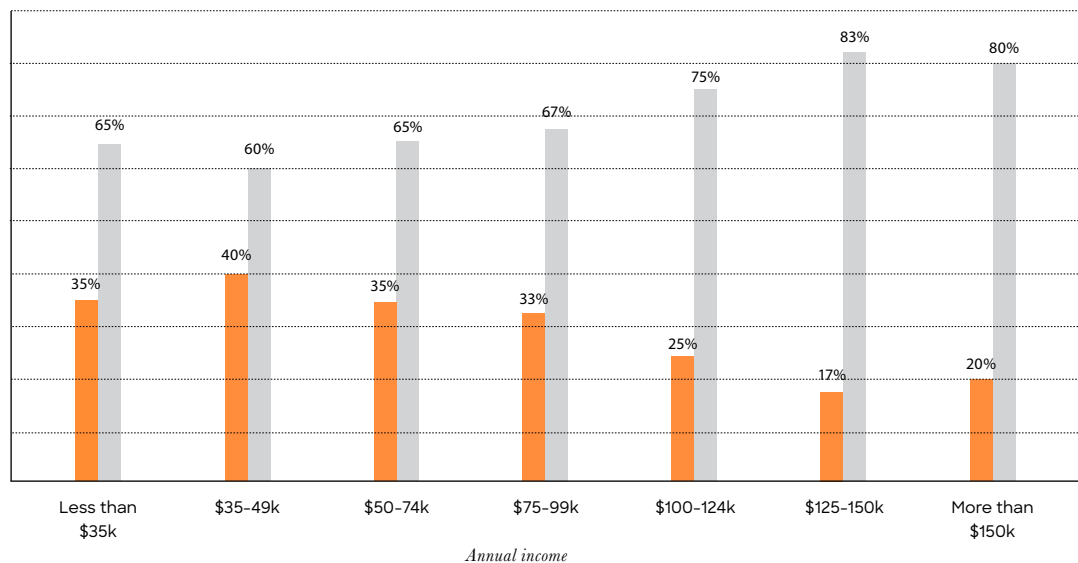## DATA HIGHLIGHTS

By Hanna Horvath

Introduction

Health care is a major voter issue in America. However, Americans' understanding of health care plans — and the laws that govern them — remains low, especially for the uninsured, according to the results of Policygenius' fourth annual Health Insurance Literacy Survey. This year's findings are essentially unchanged from our 2019 survey, suggesting American's health literacy has not improved, even in an election year.

The following results are based on a survey of a nationally representative sample of 1,501 adults conducted by Google Surveys from Sept. 23 through Sept. 28, 2020.

Have you ever avoided care or treatment because you were unsure of what your insurance covers?

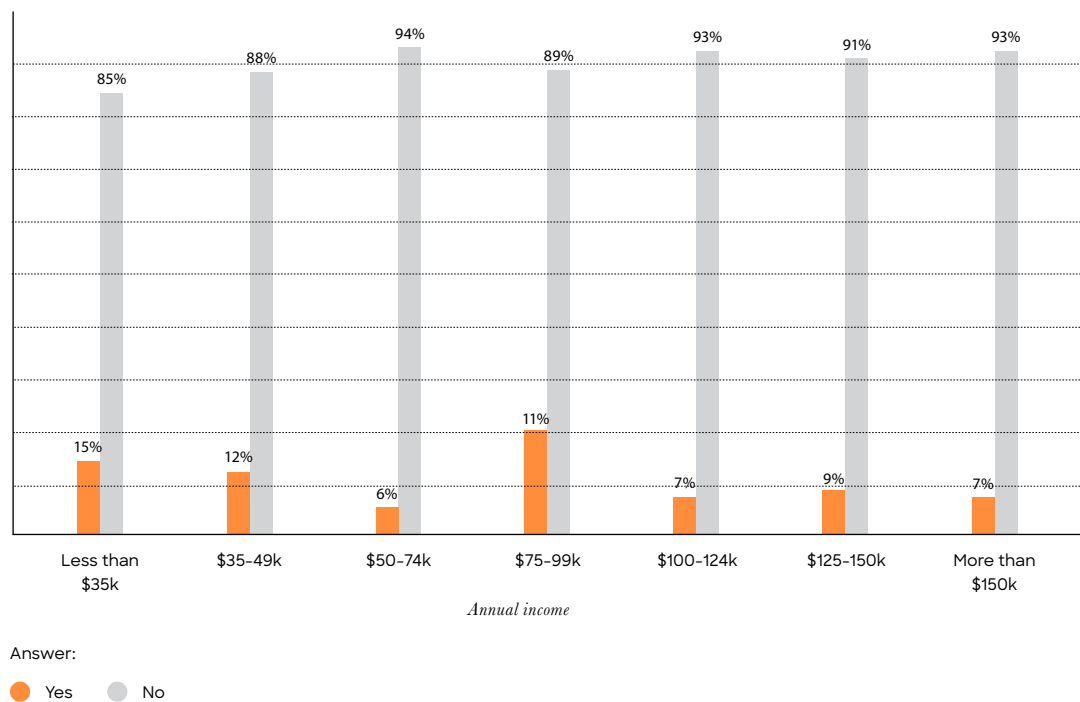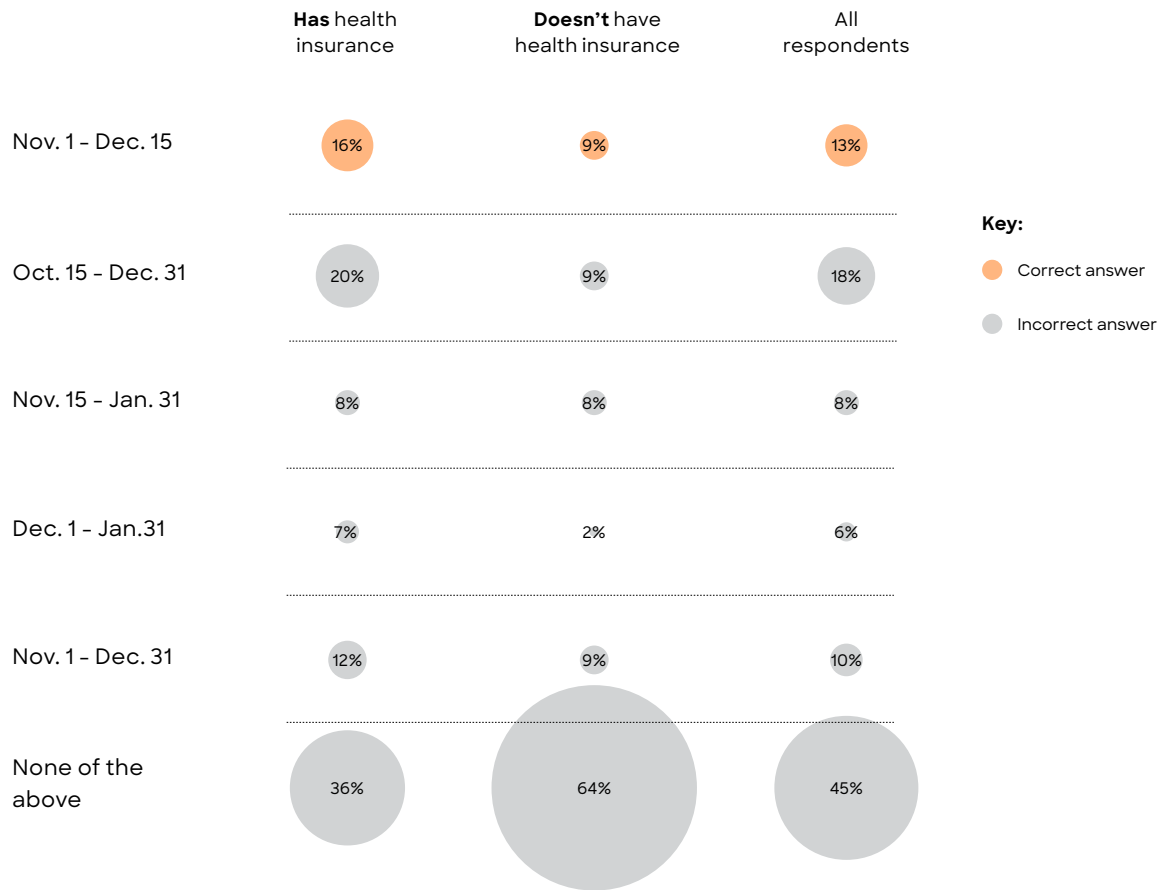| Annual income	Yes	No
Less than $35k	35%	65%
$35–49k	40%	60%
$50–74k	35%	65%
$75–99k	33%	67%
$100–124k	25%	75%
$125–150k	17%	83%
More than $150k	20%	80%

Annual income

Answer:

● Yes   ○ No

Around one in four Americans avoided care because they didn't know what their health insurance plan covered. Americans with lower incomes are more likely to avoid care: 36% of people making less than $75,000 annually said they avoided care because of uncertainty over what their health insurance covered, compared to 24% of those making more than $75,000.

Have you ever avoided testing, care or treatment for COVID-19 because you were unsure of what your insurance covers?

85%   88%   94%   89%   93%   91%   93%

15%   12%   6%   11%   7%   9%   7%

Less than $35k | $35-49k | $50-74k | $75-99k | $100-124k | $125-150k | More than $150k

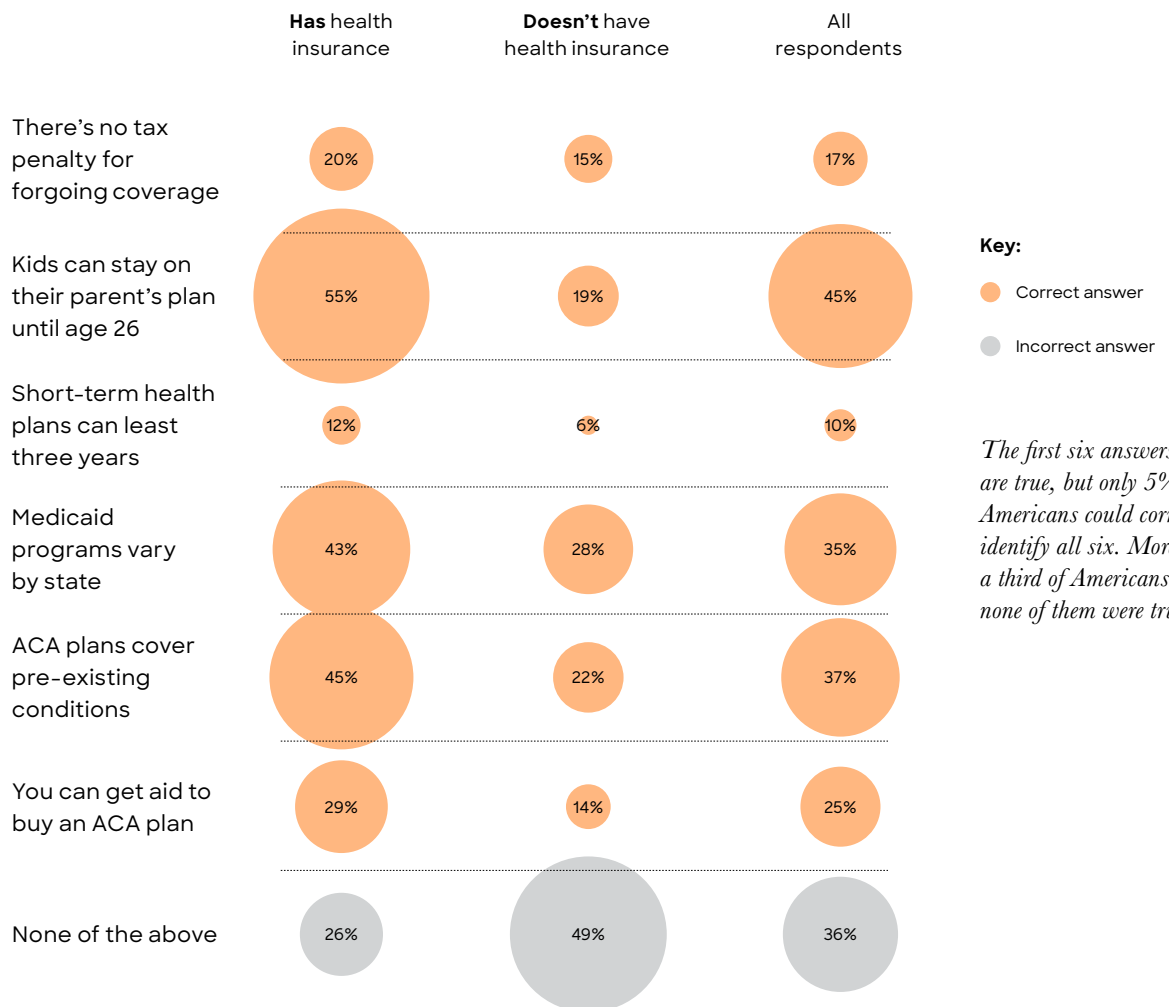*Annual income*

Answer:

● Yes   ○ No

More than 8% of respondents said they avoided COVID-19 testing, treatment and care because they were unsure whether it was covered. Like health insurance coverage, COVID-19 is a key election issue: More than one in five voters say the pandemic is their top issue, according to a September poll by the Kaiser Family Foundation.

When does open enrollment for the federal health insurance marketplace take place?

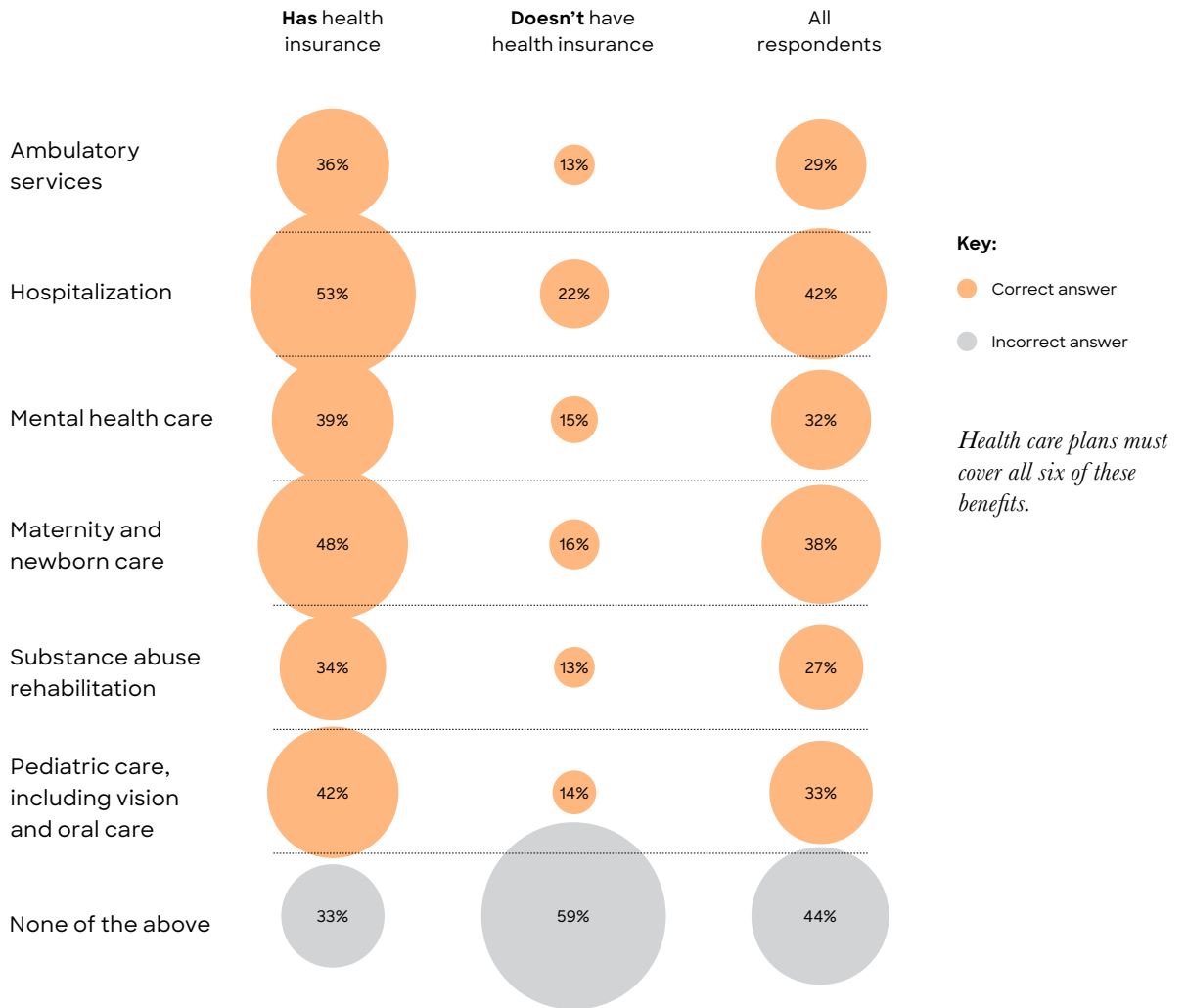|	**Has** health insurance	**Doesn't** have health insurance	All respondents
Nov. 1 – Dec. 15	16%	9%	13%
Oct. 15 – Dec. 31	20%	9%	18%
Nov. 15 – Jan. 31	8%	8%	8%
Dec. 1 – Jan.31	7%	2%	6%
Nov. 1 – Dec. 31	12%	9%	10%
None of the above	36%	64%	45%

Key:

● Correct answer

● Incorrect answer

Open enrollment for Healthcare.gov, the federal health insurance marketplace, takes place from Nov. 1 through Dec. 15, 2020. These dates have remained unchanged since 2017. While some states have their own exchanges and extended deadlines, the majority use Healthcare.gov to enroll individual residents. Still, around 87% of Americans could not identify the correct time to sign up for a plan.

Which statements about U.S. health care law are true?

	Has health insurance	**Doesn't** have health insurance	All respondents
There's no tax penalty for forgoing coverage	20%	15%	17%
Kids can stay on their parent's plan until age 26	55%	19%	45%
Short-term health plans can least three years	12%	6%	10%
Medicaid programs vary by state	43%	28%	35%
ACA plans cover pre-existing conditions	45%	22%	37%
You can get aid to buy an ACA plan	29%	14%	25%
None of the above	26%	49%	36%

Key:

● Correct answer

● Incorrect answer

The first six answers are true, but only 5% of Americans could correctly identify all six. More than a third of Americans said none of them were true.

Only 37% of respondents knew Affordable Care Act plans covered those with pre-existing conditions, a defining characteristic of the law and a political flashpoint during the 2020 election season. An estimated 19% to 50% of non-elderly Americans have a pre-existing health condition, according to the Centers for Medicare and Medicaid Services.

6

Plans sold through Healthcare.gov must cover:

	Has health insurance	**Doesn't** have health insurance	All respondents
Ambulatory services	36%	13%	29%
Hospitalization	53%	22%	42%
Mental health care	39%	15%	32%
Maternity and newborn care	48%	16%	38%
Substance abuse rehabilitation	34%	13%	27%
Pediatric care, including vision and oral care	42%	14%	33%
None of the above	33%	59%	44%

Key:

● Correct answer

● Incorrect answer

Health care plans must cover all six of these benefits.

The Affordable Care Act requires all plans, not just those sold on the federal and state marketplaces, to cover 10 essential health benefits, including the six above. More than four in 10 Americans believe plans sold on Healthcare.gov cover none of the above benefits. Around 22% of people were able to correctly identify all six benefits.

What is a copay?

Answers:

■ **A fixed amount you pay for a covered expense (correct answer)**

■ The amount you pay before coverage kicks in

□ The amount you pay each month for insurance

■ None of the above

Has health insurance
- 50%
- 29%
- 3%
- 19%
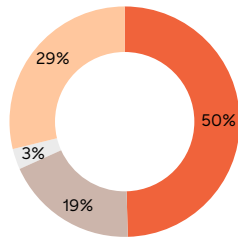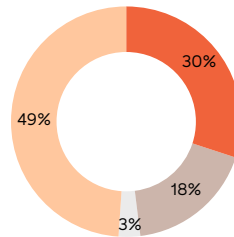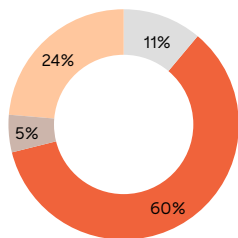
Doesn't have health insurance
- 30%
- 49%
- 3%
- 18%
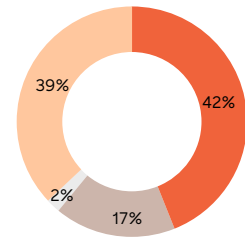
All respondents
- 42%
- 39%
- 2%
- 17%

What is a deductible?

Answers:

■ **The amount you pay before coverage kicks in (correct answer)**

■ The amount you pay each month for insurance

□ A fixed amount you pay for a covered expense

■ None of the above

Has health insurance
- 11%
- 24%
- 5%
- 60%
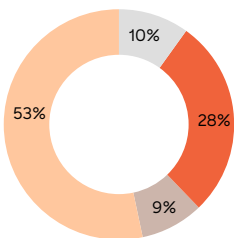
Doesn't have health insurance
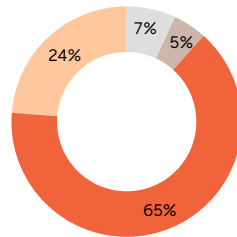- 10%
- 53%
- 9%
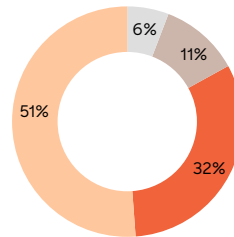- 28%
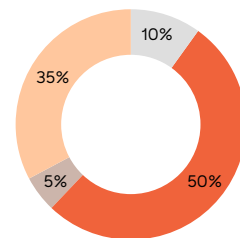
All respondents
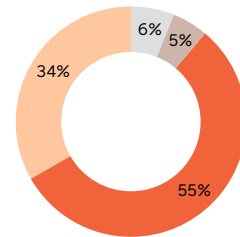- 10%
- 35%
- 5%
- 50%

What is a premium?

Answers:

■ **The amount you pay each month for insurance (correct answer)**

■ The amount you pay before coverage kicks in

■ A fixed amount you pay for a covered expense

■ None of the above

7% 5%

24%

65%

Has health insurance

6%

11%

51%

32%

Doesn't have health insurance

6% 5%

34%

55%

All respondents

Premiums, copays and deductibles are three of the most common health care expenses people pay, yet only 32% of respondents were able to correctly define all three terms. Even among those with health insurance, only 38% knew all three terms. Like most of the survey, these findings were not significantly different from our 2019 survey results.

About the author

Hanna Horvath is a health insurance expert at Policygenius. She previously worked at WNBC in New York and her work has appeared in NBC News, Business Insider and MSN.

Survey methodology

About Policygenius

Policygenius is the nation's leading online insurance marketplace, with headquarters in New York City and Durham, North Carolina. We've helped more than 30 million people shop for all types of insurance like they shop for everything else — online — and have placed over $60 billion in coverage. Policygenius launched in 2014 and is one of the early insurtech pioneers. Policygenius launched wills and trusts through a new mobile app in 2020. Policygenius was named to Forbes' list of Best Startup Employers (2020), Crain's Fast 50 (2019) and Inc. Magazine's Best Workplaces (2018, 2019, 2020).

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