

Kelly Gullo
585.214.7172
kgullo@harrisinteractive.com

Haggling Over Healthcare Costs Happens about as Much Today but with Better Results Compared to Three Years Ago

A new Wall Street Journal Online/Harris Interactive Health-Care Poll shows that U.S. adults are no more likely to haggle over healthcare costs with various providers today than they were three years ago. However, when they do engage in discussions about costs, they are more likely to feel that they have been successful in negotiating a lower price for health-related products and services. The survey also shows that despite this increased feeling of success, adults are less likely today than three years ago to say that if their out-of-pocket healthcare expenses increased in the next two years, they would be likely or very likely to negotiate a better price for medical bills (44% now compared to 53% in 2002).

Below are the results of the online survey of 2,027 U.S. adults conducted by Harris Interactive between November 15 and 17, 2005 for The Wall Street Journal Online's Health Industry Edition.

There has been little or virtually no change in the percentage of adults who have talked with healthcare service providers to negotiate a lower price for products or services. Specifically:

- Thirteen percent (13%) say they have talked with a pharmacist to see if they could pay a lower price than what they had been billed, compared to 17 percent in 2002.
- Twelve percent (12%) say they have negotiated with a doctor, compared to 13 percent in 2002.
- One in ten (10%) say they have negotiated with a dentist, compared to 12 percent in 2002.
- Nine percent (9%) have negotiated with a hospital, compared to 10 percent in 2002.

This year, adults were also asked whether they have tried to negotiate a lower price with a health insurer or plan, and 13 percent report having done so.

Health-Care Poll

While these numbers have not changed much since 2002, the percentage of adults who talked with these providers and said they were successful in negotiating a lower price, did increase significantly.

- Seven in 10 (70%) adults who talked with a hospital say they were successful in negotiating a lower price for their medical bills, up from 45 percent 2002.
- Approximately two-thirds (64%) of adults who negotiated with a dentist say they were successful, compared to 47 percent three years ago.
- Approximately three in five (61%) adults who negotiated with a doctor say they were successful, up from 54 percent in 2002.
- More than half (56%) of those who talked with a pharmacist say they were successful in negotiating a lower price, compared to 48 percent in 2002.

In addition, among those who tried to negotiate a lower price with a health insurer or plan, less than half (45%) say they were successful.

“We can see that consumers who have engaged in discussions about costs have had success in negotiating lower prices for health-related products and services,” states Katherine Binns, president of the Healthcare and Public Relations Research Practice at Harris Interactive. “This suggests that as we continue to move toward a world of ‘consumer-directed healthcare,’ consumers may find it increasingly necessary to confront health care providers and insurers about costs, and that they will become increasingly confident in negotiating for health-related goods and services as they do in other sectors of the economy.”

TABLE 1

Ever Talked to Various Healthcare Providers to Try to Negotiate a Lower Price

“In the last 12 months, have you ever talked to any of the following to see if you could pay a lower price than they had billed you, or wanted to bill you?”

Percent who say they have talked to each particular service provider

Base: All Adults

	2002	2005
	%	%
Pharmacist	17	13
Health Insurer or Plan	NA	13
Doctor	13	12
Dentist	12	10
Hospital	10	9

Health-Care Poll

TABLE 2

Proportion of Those Who Tried to Negotiate Lower Price Who Were Successful

"Were you successful in getting to pay a lower price?"

Percent saying "was successful"

Base: Talked to (particular) provider about medical bills (base varies)

	2002	2005
	%	%
Pharmacist (n=253)	48	56
Health Insurer or Plan (n=239)	NA	45
Doctor (n=232)	54	61
Dentist (n=221)	47	64
Hospital (n=174)	45	70

TABLE 3

Likelihood to Try to Negotiate Lower Prices if Out-of-Pocket Costs Increase

"In the next two years, if the out-of-pocket cost to you of your medical bills, that is, after whatever your insurance pays for, increases substantially, how likely would you be to negotiate a better price for a medical bill?"

Base: All Adults

	2002	2005
	%	%
Very likely/Likely (NET)	53	44
Very likely	32	23
Likely	21	21
Somewhat likely/Not at all likely (NET)	34	39
Somewhat likely	22	20
Not at all likely	12	19
Not sure	12	18

Note: Percentages may not add up exactly to 100% due to rounding.

Health-Care Poll

Downloadable PDFs of Wall Street Journal Online/Harris Interactive Health-Care Polls are posted at http://www.harrisinteractive.com/news/newsletters_wsj.asp.

Methodology

Harris Interactive conducted this online survey within the United States between November 15 and 17, 2005 among a national cross section of 2,027 adults, ages 18 years and over. Figures for age, gender, race/ethnicity, education, income and region were weighted where necessary to align with population proportions. Propensity score weighting was also used to adjust for respondents' propensity to be online.

In theory, with probability samples of this size, one could say with 95 percent certainty that the overall results have a sampling error of plus or minus 3 percentage points of what they would be if the entire U.S. adult population had been polled with complete accuracy. Sampling error for the sub-samples listed in Table 2 is higher and varies. Unfortunately, there are several other possible sources of error in polls or surveys that are probably more serious than theoretical calculations of sampling error. This includes refusals to be interviewed (nonresponse), question wording and question order, and weighting. It is impossible to quantify the errors that may result from these factors. This online sample is not a probability sample.

These statements conform to the principles of disclosure of the National Council on Public Polls.

About the Survey

The Wall Street Journal Online/Harris Interactive Health-Care Poll is an exclusive poll that is published in the award-winning Health Industry Edition of The Wall Street Journal Online at www.wsj.com/health.

About The Wall Street Journal Online

The Wall Street Journal Online at WSJ.com, published by Dow Jones & Company (NYSE: DJ; www.dowjones.com), is the largest paid subscription news site on the Web. Launched in 1996, the Online Journal continues to attract quality subscribers that are at the top of their industries, with 764,000 subscribers world-wide as of Q3, 2005.

The Online Journal provides in-depth business news and financial information 24 hours a day, seven days a week, with insight and analysis, including breaking business and technology news and analysis from around the world. It draws on the Dow Jones network of more than 1,800 business and financial news staff—the largest network of business and financial journalists in the world. The Online Journal also features exclusive content, including interactive graphics on business and world news, and online-only columns about the automotive industry, technology, personal finance and more.

The Online Journal offers two industry-specific editions: the award-winning Health Industry Edition and the Media & Marketing Edition. The Health Industry Edition offers authoritative analysis, breaking news and commentary from top industry journalists. The Media & Marketing Edition is designed for



THE
WALL
STREET
JOURNAL
ONLINE

Health-Care Poll

4 | Volume
23 | Issue
December 1
2005

professionals in the advertising, marketing, entertainment and media industries. Subscribers to both online editions also get access to the full content of the Online Journal.

In 2005, the Online Journal was awarded a Codie Award for Best Online News Service for the second consecutive year, and its Health Industry Edition was awarded Best Online Science or Technology Service for the third consecutive year. In 2004, the Online Journal received an Eppy Award for Best Internet Business Service over 1 million monthly visitors.

The Wall Street Journal Online network includes CareerJournal.com, OpinionJournal.com, StartupJournal.com, RealEstateJournal.com and CollegeJournal.com.

About Harris Interactive

Harris Interactive Inc. (www.harrisinteractive.com), based in Rochester, New York, is the 13th largest and the fastest-growing market research firm in the world, most widely known for *The Harris Poll*[®] and for its pioneering leadership in the online market research industry. Long recognized by its clients for delivering insights that enable confident business decisions, the Company blends the science of innovative research with the art of strategic consulting to deliver knowledge that leads to measurable and enduring value.

Harris Interactive serves clients worldwide through its United States, Europe (www.harrisinteractive.com/europe) and Asia offices, its wholly-owned subsidiary Novatris in Paris, France (www.novatris.com), and through an independent global network of affiliate market research companies. EOE M/F/D/V

To become a member of the Harris Poll OnlineSM and be invited to participate in future online surveys, go to www.harrispollonline.com

Get Smart!

Did you know that Harris Interactive conducts up to five free webinars a month? Spanning a variety of business issues facing a handful of industries, these one-hour interactive sessions allow you to catch up on the latest research advancement, propriety industry findings, and best practices. Register for one or more sessions at <http://harrisinteractive.webex.com>. Visit often as our schedule changes weekly.

For a complete list of events, including webinars, where Harris Interactive thought leaders are presenting, exhibiting and sponsoring, visit <http://www.harrisinteractive.com/news/events.asp>.

To Subscribe

Please submit your contact information online at <http://www.harrisinteractive.com/news/healthcaresubscribe.asp>.

To Unsubscribe

Please send an e-mail to Health_Care_News@harrisinteractive.net requesting to be removed from this newsletter distribution list.

For more information, please contact us at:
877.919.4765
or visit our healthcare webpage
www.harrisinteractive.com/healthcare

Media inquiries, contact:
Kelly Gullo 585.214.7172
kgullo@harrisinteractive.com

Nancy Wong 585.214.7316
nwong@harrisinteractive.com

©2005, Harris Interactive Inc. All rights reserved.
Other product and/or company names used herein
are trademarks of their respective owners.