
Why Do Cost-of-Care Conversations Matter?

Cost-of-Care Conversations Practice Brief #1

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Aim / This Practice Brief provides you with information and data points to create buy-in among your peers and your organization's leadership on the importance of cost-of-care (CoC) conversations.

Key Takeaways /

- CoC conversations can take less than 1 minute and may result in time and resource savings by preventing treatment and testing escalation, additional follow-up visits, and unnecessary hospitalizations
- CoC conversations can address your patients' immediate cost burdens, build your patients' trust in you, and possibly improve their outcomes
- Clinicians and patients want to discuss the costs of care, including both out-of-pocket (OOP) and [indirect costs](#) (e.g., transportation, child care, and lost wages)

"I'll see the patient back in a few months, and their diabetes is under poor control, but they don't tell me anything. So, I'll call them a couple of days later, and say: 'You know, your numbers came back, and your diabetes isn't doing well. I'm surprised that the medicines I put you on aren't helping.' And at that point, the patient says: 'Well, I haven't been taking those new medicines because I couldn't afford them.'"

- Physician, Consumers Union study (2)

What Are CoC Conversations?

CoC conversations include discussing all the costs your patients and their families face, from OOP to indirect costs (e.g., transportation, child care, and lost wages) for a healthcare option. Although important to discuss financial tradeoffs, you should always hold CoC conversations within the context of the quality of a healthcare option. CoC conversations can be brief, and preliminary conversations can take less than 1 minute (1).

Cost-of-Care Conversations Can Improve Patient Care

Engaging in CoC conversations with your patients has the potential to:



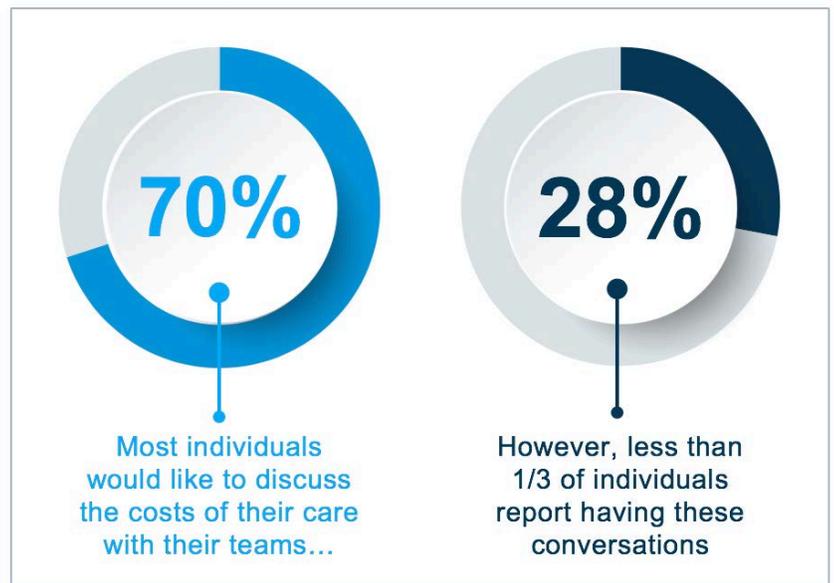
Address a Substantial Frustration and Barrier to Care for Patients /

“They’ll ask me side effects of the medicine. And I’ll say, hey, the side effect of this medicine is going to be cost. I’ll even list it as a side effect... Oh, I could go on and on. It’s a big issue.”

- Physician, Consumers Union study (2)

Engaging in CoC conversations can help you address a substantial frustration and barrier to care that your patients face, however, research shows that CoC conversations do not happen as frequently as they should.

For example, the Center for Health Progress study found that there was a significant gap between patients at community-based organizations in Adams County, Colorado who reported cost concerns and physicians who perceived those concerns and initiated cost discussions (3). These findings are supported by a nationally representative survey which found that although 70% of patients want to discuss costs of care with their care teams, only 28% actually do (4).



In a recent study, when patients were asked what frustrates them most in healthcare, the top 3 answers were related to affordability (5):

- 29% noted difficulties they faced in understanding basic medical costs
- 28% shared determining whether a treatment would be covered
- 25% struggled with comprehending their bill

Support Patient-Clinician Communication & Trust /

“I have 2 kids, and I’m the planner of the family. It feels respectful of my time and intellect to plan [for costs] and understand what’s going on.”

- **High-risk pregnancy patient, Sinai Urban Health Institute/University of Illinois at Chicago study (6)**

While clinicians often report feeling uncomfortable talking about money with their patients, doing so can provide patients with a sense of support and build trust.

Engaging in CoC conversations can help you improve trust with your patients. Several Robert Wood Johnson Foundation (RWJF) grantees’ studies found that patients welcome transparency and that CoC conversations can lead to greater trust in their clinicians. Similarly, other research has shown that CoC conversations are a form of empathetic communication, which facilitates patient-clinician trust building and further strengthens this relationship (7, 8). Specifically, empathetic communication has been shown to facilitate patient trust and disclosure as patients often demonstrate greater trust with a clinician who addresses their issues with genuine concern (9).

Improve Patient Care Quality & Outcomes /

“Patients wait to follow-up with referrals until they have the money to pay for them.”

- **Office Manager, Clinica Colorado, Center for Health Progress study (3)**

In some cases, the costs of care cause patients to delay needed care. Clinicians might prevent this delay by sharing estimated costs and/or resources for addressing costs during or after visits.

Financial hardship can directly impact health outcomes. For example, an analysis of data collected in the 2010 National Health Interview Survey (n=2,108) found that financial burden associated with cancer care costs is the strongest independent predictor of poor quality of life (QOL) amongst cancer survivors. Patients who reported that their cancer care caused “a lot” of financial problems for them and their family were 4 times less likely, than patients who reported no cancer care-related financial problems, to rate their QOL as “excellent,” “very good,” or “good” (10). Furthermore, an analysis of Western Washington SEER Cancer Registry records (n=3,841) found that severe financial hardship leading to bankruptcy filing following a patient’s cancer diagnosis, is a risk factor for mortality (11). Therefore, engaging in CoC conversations has the potential to help improve care quality and outcomes by addressing cost concerns early in the care planning process.

The high costs of some healthcare treatments can also lead to delays in patient access to recommended care and subsequently reduced quality outcomes. A nationally representative survey found that in 2015, 20.1 million individuals across the US reported delaying medical care because of cost concerns and 14.2 million individuals reported not receiving needed medical care because of high costs (12).

These data are especially concerning given that the number of patients spending \$1,000 or more annually on OOP healthcare costs has increased from 17% to 24% over the last decade; and that 40% of adults today would be unable to directly cover an unexpected expense of \$400 (13, 14).

Studies also show that paying for healthcare can lead patients to struggle with other necessities of life. For example, a 2018 survey found that, as a result of paying for healthcare costs (15):

- 30% of patients had difficulty paying for basic needs like food, heat, and housing
- 36% noted they have had to use up all or most of their savings
- 32% reported borrowing money or increasing credit card debt

Suggested Next Steps

1 Use the research findings in this Practice Brief to engage your colleagues and practice leadership through conversations and/or in a presentation during a staff meeting to take action

2 See [Practice Brief #5](#) for what your organization needs to know to integrate CoC conversations into the clinical workflow

3 Integrate these research findings and stories, as well as your own clinical experiences with discussing costs of care with your patients, into a CoC conversation training for your organization's staff

For Further Information

This Practice Brief summarizes research funded by the RWJF and offers practical ways for both patients and care providers to improve the value and CoC conversations. For the full set of briefs, please see [here](#).

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