



DATA BRIEF NO. 142 | JANUARY 2023

New Jersey Residents Worry about High Hospital Costs; Have Difficulty Estimating Quality/Cost of Care; and Express Bipartisan Support for Government Action

Hospitals provide essential services and are vital to the well-being of our communities. However, a survey of more than 1,100 New Jersey adults, conducted from October 2 to October 24, 2022, finds that many New Jersey residents worry about hospital costs and support a variety of government-led solutions across party lines.

HARDSHIP AND WORRY ABOUT HOSPITAL COSTS

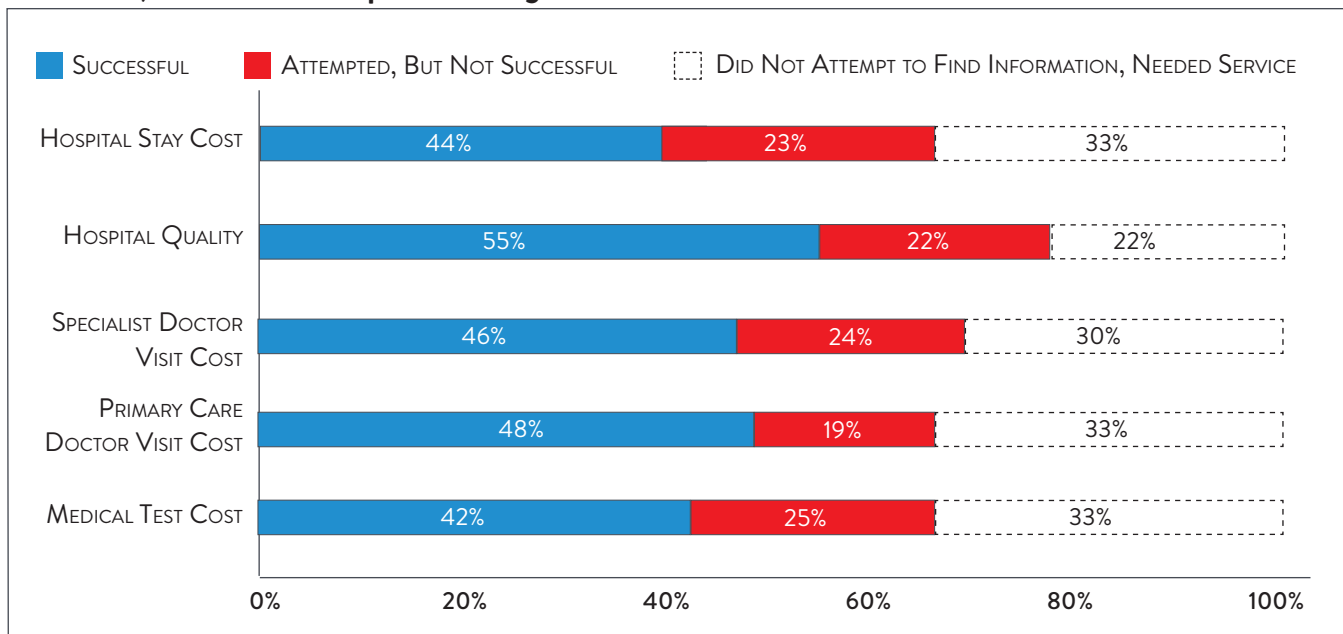
A substantial portion of New Jersey respondents worry about affording healthcare costs both now and in the future, and many reported experiencing financial hardship due to hospital costs. Three in five (60% of) respondents reported being “worried” or “very worried” about affording medical costs from a serious illness or accident. New Jersey respondents may have cause to worry about affording hospital care—of the 25% of respondents who reported receiving an unexpected (a.k.a. surprise) medical bill in the past year, 45% say that at least one such bill came from a hospital.

SKILLS NAVIGATING HOSPITAL CARE

New Jersey respondents reported fairly high confidence in their ability to know when to seek emergency care, with 63% reporting that they are very or extremely confident about knowing when to go to the emergency department versus a primary care provider. However, they are less confident in their ability to find hospital costs and quality information. Fifty-three percent of respondents are NOT confident they can find out the cost of a procedure ahead of time, and 46% are NOT confident they can find quality ratings for hospitals.

New Jersey respondents’ lack of confidence may be reflected in the low rates of searching for hospital price and quality information. Out of all respondents, 31% tried to find the COST of a hospital stay ahead of time and 15% needed a hospital stay but did not search for cost information. Out of those respondents who tried to find hospital cost information or needed a hospital stay (but did not search for cost information), 44% reported finding the information they were looking for, 23% did not find the information they were looking for and 33% did not attempt to find cost information when they needed a hospital stay.

Forty-four percent of all respondents reported that they have tried to find QUALITY information on hospitals and 13% needed a hospital but did not try to look for quality information. Out of those respondents who tried to find hospital quality information or needed a hospital stay (but did not search for quality information), 55% were successful at finding quality information, 22% were unsuccessful and 22% did not attempt to find quality information when they needed a hospital (see Figure 1). Figure 1 also captures other healthcare costs integral to hospital services, including medical tests and primary care/specialist doctor visits.

Figure 1**Out of Those Who Tried to Find the Out-of-Pocket Cost or Quality of Hospital Services in the Past 12 Months, Percent Who Reported Being Successful and Unsuccessful**

Source: 2022 Poll of New Jersey Adults, Ages 18+, Altarum Healthcare Value Hub's Consumer Healthcare Experience State Survey

Among respondents who needed a hospital stay but did not seek out price or quality information, the most frequently reported reasons for not seeking information were:

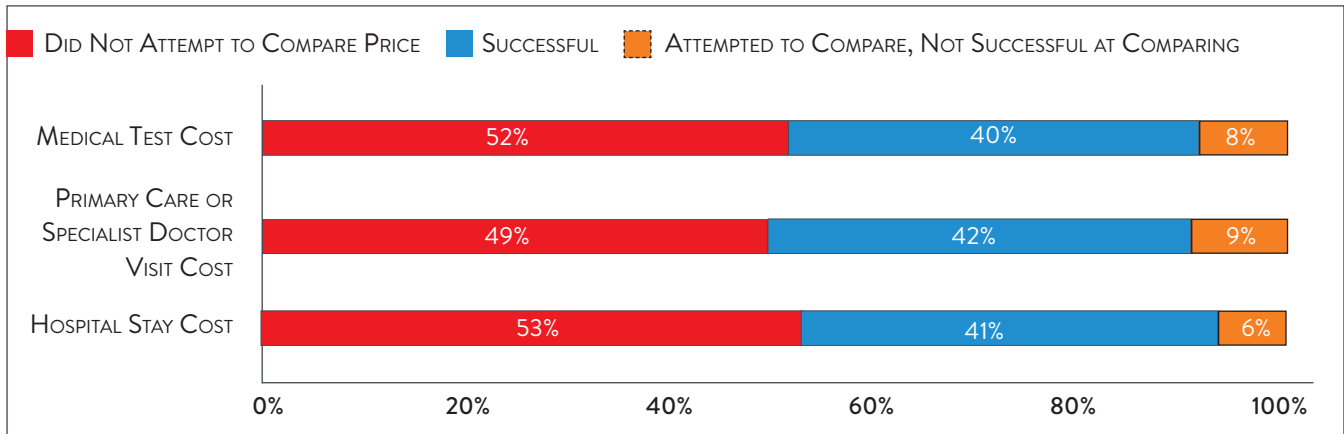
- 35%—Followed their doctors' recommendations or referrals
- 25%—The act of looking for information felt confusing or overwhelming
- 30%—Did not know where to look
- 21%—Did not have time to look

Notably, few of these respondents reported that out-of-pocket cost or quality were unimportant to them (13% and 7%, respectively).

Respondents who attempted to find hospital cost or quality information but were unsuccessful faced a variety of barriers. Among those who were unsuccessful searching for cost information, respondents reported that resources available to search for price information were confusing (35%), their insurance plan or provider/doctor/hospital would not give them a price estimate (33% and 34%, respectively) and that price information was insufficient (26%). In unsuccessful searches for hospital quality information, respondents reported that resources available to search for quality information were confusing (27%) and that the quality information available was not sufficient (20%).

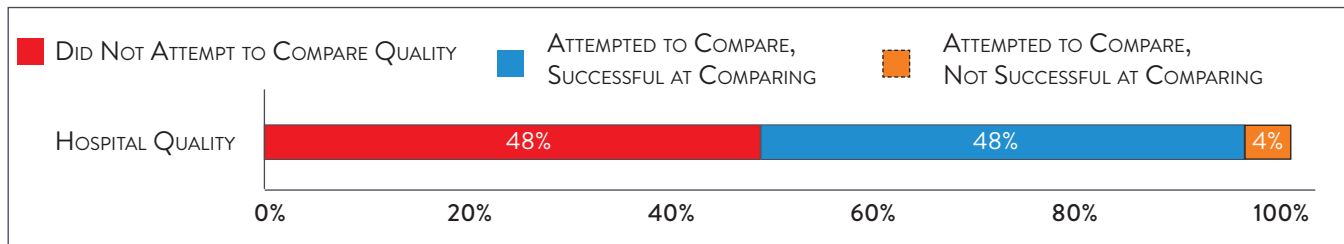
Among those who were successful at finding hospital cost or quality information, roughly half reported not comparing prices or quality between providers (i.e. “shopping”). Still, 41% compared costs between multiple hospitals and 48% compared quality between multiple hospitals (see Figure 2 and Figure 3).

Figure 2
Of Those Who Were Successful at Finding Hospital Cost Information, Percent Who Were Successful at Comparing Cost Between Multiple Providers



Source: 2022 Poll of New Jersey Adults, Ages 18+, Altarum Healthcare Value Hub's Consumer Healthcare Experience State Survey

Figure 3
Of Those Who Looked for Hospital Quality Information, Percent Who Were Successful at Comparing Between Multiple Providers



Source: 2022 Poll of New Jersey Adults, Ages 18+, Altarum Healthcare Value Hub's Consumer Healthcare Experience State Survey

Among those that did compare cost or quality information for different services, many reported that the cost or quality comparison ultimately influenced their choice of which provider to seek care from. Eighty-two percent of those who compared primary care or specialist doctor visit costs, 78% of those who compared medical test costs and 82% of those who compared hospital stay costs said the comparison influenced their choice. Among those who looked for hospital quality information, 88% had their choice influenced by the information.

Although many of the respondents who sought out hospital price and quality information were ultimately successful, many respondents never attempted to find this information. Even among those who were successful at finding hospital cost or quality information, roughly half did not compare prices or quality between providers (i.e. “shopping”). Respondents identified a variety of barriers to finding and comparing cost and quality information, including following doctors’ recommendations,

confusion over where or how to find cost or quality information and providers and insurers not providing cost estimates. These reasons could also be influenced by this information not being accessible, despite federal price transparency mandates for hospitals.¹

It could also stem from the fact that some consumers don't view healthcare as a shoppable commodity, especially in emergency situations and settings that lack a selection of treatments/providers. Lack of knowledge of hospital quality and potential costs impedes New Jersey residents' ability to plan for needed care and budget for the expense of a hospital stay, which can be costly,² particularly for residents who are un- or under-insured.

SUPPORT FOR “FIXES” ACROSS PARTY LINES

Hospitals, along with drug manufacturers and insurance companies, are viewed as a primary contributor to high healthcare costs. When given more than 20 options, those that New Jersey respondents most frequently cited as being a “major reason” for high healthcare costs were:

- 74%–Drug companies charging too much money
- 74%–Hospitals charging too much money
- 72%–Insurance companies charging too much money
- 60%–Large hospitals or doctor groups using their influence to get higher payments from insurance companies

New Jersey respondents strongly endorse a number of hospital-related strategies, including:

- 89%–Require hospitals and doctors to provide up-front cost estimates to consumers³
- 89%–Set standard payments to hospitals for specific procedures
- 87%–Impose price controls on contracts between insurers and healthcare providers
- 86%–Strengthen policies to drive more competition in healthcare markets to improve choice and access
- 85%–Set up an independent entity to rate doctor and hospital quality, such as patient outcomes and bedside manner.

What's even more interesting is the level of support for some of these strategies across party lines (see Table 1).

CONCLUSION

The findings from this poll suggest that New Jersey respondents are somewhat motivated when it comes to searching for hospital cost and quality information to help inform purchasing decisions and plan for a future medical expense. However, New Jersey respondents searched for hospital cost information less than specialist or primary care provider costs, and they were less successful at finding hospital cost than other services, despite recent action at the federal level to make hospital prices more transparent.^{4,5}

It is not surprising that New Jersey respondents express strong support for government-led solutions to make price and quality information more readily accessible and to help consumers navigate hospital care. Many of the solutions that respondents support would take the burden of research and

Table 1
Percent Who Agreed/Strongly Agreed, by Political Affiliation

SELECTED SURVEY QUESTIONS/STATEMENTS	TOTAL	GENERALLY SPEAKING, DO YOU THINK OF YOURSELF AS...		
		REPUBLICAN	DEMOCRAT	NEITHER
MAJOR REASON FOR RISING HEALTHCARE COSTS: <i>HOSPITALS CHARGING TOO MUCH MONEY</i>	74%	73%	75%	74%
THE GOVERNMENT SHOULD REQUIRE HOSPITALS AND DOCTORS TO PROVIDE UP-FRONT COST ESTIMATES TO CONSUMERS	89%	89%	91%	88%
THE GOVERNMENT SHOULD SET STANDARD PAYMENT TO HOSPITALS FOR SPECIFIC PROCEDURES	89%	88%	90%	87%
THE GOVERNMENT SHOULD IMPOSE PRICE CONTROLS ON CONTRACTS BETWEEN INSURERS AND HEALTHCARE PROVIDERS.	87%	80%	92%	85%
THE GOVERNMENT SHOULD STRENGTHEN POLICIES TO DRIVE MORE COMPETITION IN HEALTHCARE MARKETS TO IMPROVE CHOICE AND ACCESS	86%	89%	88%	82%
THE GOVERNMENT SHOULD LOWER THE AMOUNT PATIENTS ARE CHARGED FOR THE TREATMENT AND MAINTENANCE OF CONDITIONS THAT DISPROPORTIONATELY AFFECT DISADVANTAGED GROUPS OF PEOPLE, SUCH AS DIABETES.	86%	83%	88%	85%
THE GOVERNMENT SHOULD SET UP AN INDEPENDENT ENTITY TO RATE DOCTOR AND HOSPITAL QUALITY, SUCH AS PATIENT OUTCOMES AND BEDSIDE MANNER	85%	85%	87%	83%
THE GOVERNMENT SHOULD SET LIMITS ON HEALTHCARE SPENDING GROWTH AND PENALIZE PAYERS OR PROVIDERS THAT FAIL TO CURB EXCESSIVE SPENDING GROWTH	84%	84%	85%	82%
THE GOVERNMENT SHOULD REQUIRE A MINIMUM AMOUNT OF SPENDING THAT PAYERS AND PROVIDERS IN THE STATE MUST DEVOTE TO SERVICES THAT KEEP PEOPLE HEALTHY, SUCH AS PRIMARY CARE	81%	84%	83%	77%
THE GOVERNMENT SHOULD SET A MINIMUM AMOUNT THAT NONPROFIT HOSPITALS MUST SPEND ON COMMUNITY BENEFIT AND REQUIRE THEM TO DEVOTE A PORTION OF THE FUNDS TO PROGRAMS INTENDED TO REDUCE HEALTH DISPARITIES	80%	76%	84%	78%

Source: 2022 Poll of New Jersey Adults, Ages 18+, Altarum Healthcare Value Hub's Consumer Healthcare Experience State Survey

guesswork off of consumers' shoulders; by standardizing payments for specific hospital procedures, requiring hospitals and doctors to provide consumers with cost estimates for certain procedures and establishing an entity to conduct independent quality reviews. Policymakers should investigate the evidence on these and other policy options to respond to New Jersey respondents' bipartisan call for government action.

NOTES

- As of January 1, 2021, the Centers for Medicare and Medicaid Services (CMS) requires hospitals to make public a machine-readable file containing a list of standard charges for all items and services provided by the hospital, as well as a consumer-friendly display of at least 300 shoppable services that a patient can schedule in advance. For more information, see: Centers for Medicare and Medicaid Services, *Hospital Price Transparency*, <https://www.cms.gov/hospital-price-transparency/hospitals> (Accessed Aug. 19, 2022).

2. According to Health Forum, an affiliate of the American Hospital Association, hospital adjusted expenses per inpatient day in New Jersey were \$3,232 in 2020—above the national average. See: Kaiser Family Foundation, *State Health Facts Data: Hospital Adjusted Expenses per Inpatient Day*, <https://www.kff.org/health-costs/state-indicator/expenses-per-inpatient-day/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Expenses%20per%20Inpatient%20Day%22,%22sort%22:%22desc%22%7D> (Accessed Aug. 19, 2022).
3. Ibid.
4. This survey was conducted after the Centers for Medicare and Medicaid Services’ rule requiring hospitals to publicly display all standard charges for all items and services, as well as shoppable services, in a consumer-friendly format went into effect. However, the well-documented low compliance from large hospitals indicates that the rule has yet to demonstrate the desired effect. See: Kelly, Susan, “Hospitals Still Fall Short on Price Transparency, Consumer Group Says,” *Healthcare Dive* (Aug. 10, 2022). <https://www.healthcaredive.com/news/hospitals-price-transparency-law-patient-rights-advocate/629300/> See also: Kurani, Nisha, et al., *Early Results from Federal Price Transparency Rule Show Difficulty in Estimating the Cost of Care*, Kaiser Family Foundation, (April 9, 2021). https://www.healthsystemtracker.org/brief/early-results-from-federal-price-transparency-rule-show-difficulty-in-estimating-the-cost-of-care/?utm_campaign=KFF-2021-Peterson&utm_medium=email&_hsmi=120528629&_hsenc=p2ANqtz-8_ES1kAalANzVR1h7tdNU6tL_1BhH6Wc4tTOP-liDVglzovshb7Cg3rUH4jEYAvOrv3KRFxwBsJn9599O2nQ16x0cfTeUouCuOBX_X95W0xdAJ7Wg&utm_content=120528629&utm_source=hs_email.
5. For more detailed information about healthcare affordability burdens facing New Jersey respondents, please see Healthcare Value Hub, [New Jersey Residents Struggle to Afford High Healthcare Costs; Worry About Affording Healthcare in the Future; Support Government Action across Party Lines](#), Data Brief No. 140 (January 2023).



ABOUT ALTARUM'S HEALTHCARE VALUE HUB

With support from Arnold Ventures, the Healthcare Value Hub provides free, timely information about the policies and practices that address high healthcare costs and poor quality, bringing better value to consumers. The Hub is part of Altarum, a nonprofit organization with the mission of creating a better, more sustainable future for all Americans by applying research-based and field-tested solutions that transform our systems of health and healthcare.

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Methodology

Altarum’s Consumer Healthcare Experience State Survey (CHESS) is designed to elicit respondents’ unbiased views on a wide range of health system issues, including confidence using the health system, financial burden and possible policy solutions.

This survey, conducted from October 2 to October 24, 2022, used a web panel from online survey company Dynata with a demographically balanced sample of approximately 1,231 respondents who live in New Jersey. Information about Dynata’s recruitment and compensation methods can be [found here](#). The survey was conducted in English or Spanish and restricted to adults ages 18 and older. Respondents who finished the survey in less than half the median time were excluded from the final sample, leaving 1,139 cases for analysis. After those exclusions, the demographic composition of respondents was as follows, although not all demographic information has complete response rates:

Demographic Composition of Survey Respondents

DEMOGRAPHIC CHARACTERISTIC	FREQUENCY	PERCENTAGE
GENDER		
WOMAN	650	57%
MAN	464	41%
TRANSWOMAN	2	<1%
TRANSMAN	2	<1%
GENDERQUEER/NONBINARY	9	1%
INSURANCE STATUS		
HEALTH INSURANCE THROUGH EMPLOYER OR FAMILY MEMBER’S EMPLOYER	483	42%
HEALTH INSURANCE I BUY ON MY OWN	98	9%
MEDICARE, COVERAGE FOR SENIORS AND THOSE WITH SERIOUS DISABILITIES	281	25%
NEW JERSEY MEDICAID, COVERAGE FOR LOW INCOME EARNERS	163	14%
TRICARE/MILITARY HEALTH SYSTEM	7	1%
DEPARTMENT OF VETERANS AFFAIRS (VA) HEALTH CARE	6	1%
NO COVERAGE OF ANY TYPE	62	5%
I DON’T KNOW	39	3%
RACE/ETHNICITY		
AMERICAN INDIAN OR NATIVE ALASKAN	24	2%
ASIAN	97	9%
BLACK OR AFRICAN AMERICAN	315	28%
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER	7	1%
WHITE	645	57%
PREFER NOT TO ANSWER	31	3%
TWO OR MORE RACES	29	3%
HISPANIC OR LATINX – YES	241	21%
HISPANIC OR LATINX - NO	898	79%
AGE		
18-24	227	20%
25-34	207	18%
35-44	183	16%
45-54	158	14%
55-64	188	17%
65+	171	15%

DEMOGRAPHIC CHARACTERISTIC	FREQUENCY	PERCENTAGE
HOUSEHOLD INCOME		
Under \$20K	149	13%
\$20K - \$30K	85	7%
\$30K - \$40K	103	9%
\$40K - \$50K	84	7%
\$50K - \$60K	100	9%
\$60K - \$75K	138	12%
\$75K - \$100K	158	14%
\$100K - \$150K	179	16%
\$150K+	143	13%
SELF-REPORTED HEALTH STATUS		
EXCELLENT	185	16%
VERY GOOD	404	35%
GOOD	357	31%
FAIR	165	14%
POOR	28	2%
DISABILITY		
MOBILITY: SERIOUS DIFFICULTY WALKING OR CLIMBING STAIRS	149	13%
COGNITION: SERIOUS DIFFICULTY CONCENTRATING, REMEMBERING OR MAKING DECISIONS	94	8%
INDEPENDENT LIVING: SERIOUS DIFFICULTY DOING ERRANDS ALONE, SUCH AS VISITING A DOCTOR’S OFFICE	86	8%
HEARING: DEAFNESS OR SERIOUS DIFFICULTY HEARING	55	5%
VISION: BLINDNESS OR SERIOUS DIFFICULTY SEEING, EVEN WHEN WEARING GLASSES	45	4%
SELF-CARE: DIFFICULTY DRESSING OR BATHING	49	4%
NO DISABILITY OR LONG-TERM HEALTH CONDITION	828	73%
PARTY AFFILIATION		
REPUBLICAN	247	22%
DEMOCRAT	502	44%
NEITHER	390	34%

Source: 2022 Poll of New Jersey Adults, Ages 18+, Altarum Healthcare Value Hub’s Consumer Healthcare Experience State Survey

Percentages in the body of the brief are based on weighted values, while the data presented in the demographic table is unweighted. An explanation of weighted versus unweighted variables is [available here](#).

Altarum does not conduct statistical calculations on the significance of differences between groups in findings. Therefore, determinations that one group experienced a significantly different affordability burden than another should not be inferred. Rather, comparisons are for conversational purposes. The groups selected for this brief were selected by advocate partners in each state based on organizational/advocacy priorities. We do not report any estimates under N=100 and a co-efficient of variance more than 0.30.