HEALTHCARE VALUE HUB

Data Brief | August 2025

Michigan Survey Respondents Worry about High Hospital Costs; Face Challenges Understanding Quality and Cost of Care; Support a Range of Government Solutions

Summary

Hospitals provide essential services and are vital to the well-being of our communities. However, a recent survey of over 1,350 Michigan adults, conducted from June 30 to July 29, 2025, revealed widespread concern about the cost of hospital care, a lack of confidence in navigating the health care system, understanding their cost sharing obligations, and bipartisan support for government-led solutions. These challenges are sometimes attributed to insufficient levels of *health insurance literacy* or *health literacy,* which is associated with poorer health outcomes, lower patient satisfaction and higher costs.[1,2,3] This brief surfaces respondents' experiences operating within the health care system, interpreting their cost-sharing obligations and highlights support for related policy solutions.

Concern about Affording Hospital Services

A majority of Michigan respondents report being concerned about their ability to afford care. In fact, 76% of Michigan respondents reported being worried about affording health care, both now and in the future, and nearly three in every five (58% of) respondents reported being "worried" or "very worried" about affording medical costs in the event of a serious illness or accident. Additionally:

- Fifty-eight percent (58%) of respondents reported being "worried" or "very worried" about affording medical cost when elderly.
- Sixty-two percent (62%) of respondents reported being 'worried" or "very worried" about being able to afford home health care services.

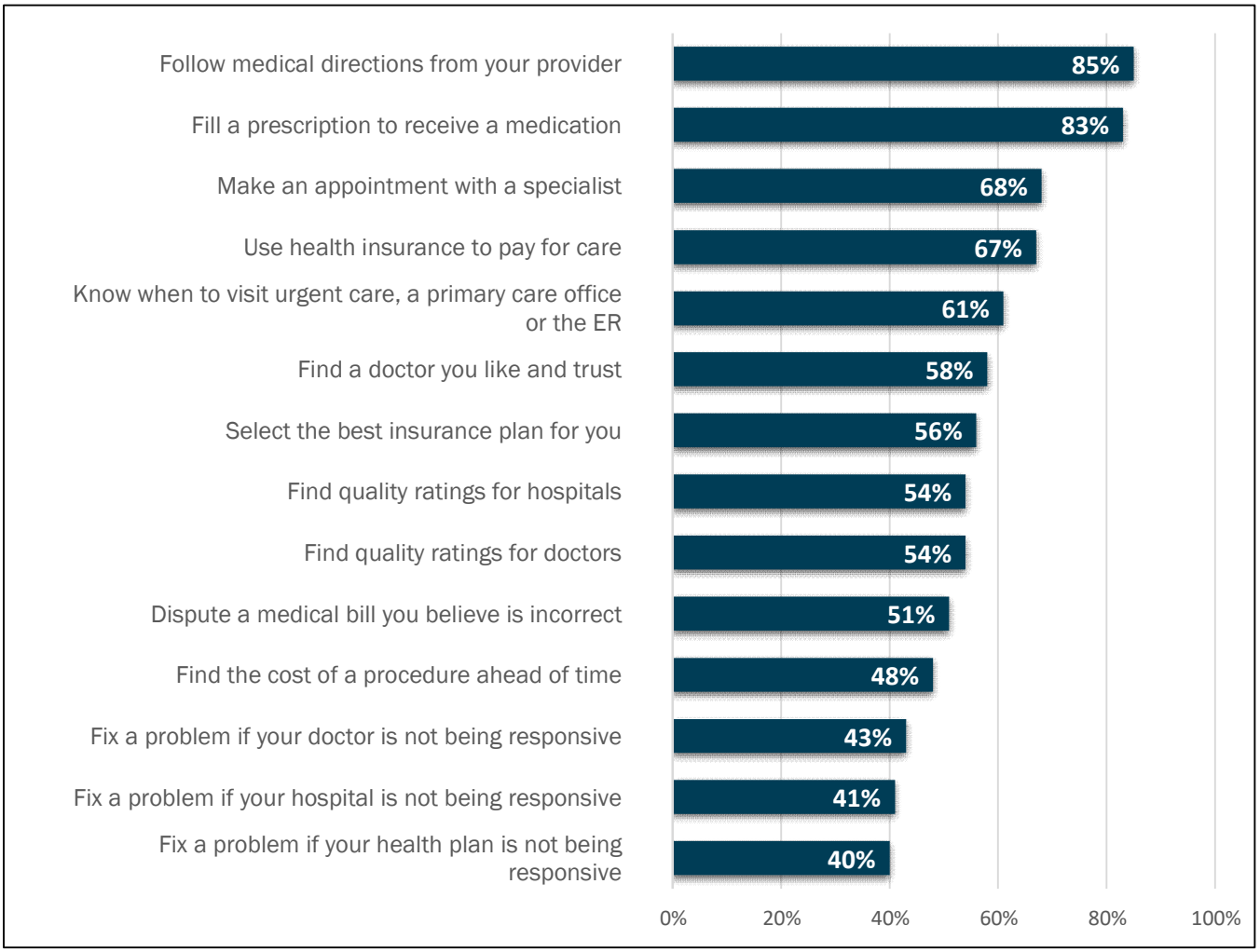
Some respondents also reported cost burdens following care. In total, 37% reported experiencing a financial burden due to medical bills and 38% of respondents reported receiving an unexpected medical bill in the past year. Among respondents who reported receiving an unexpected medical bill in the past year, nearly half (53%) said at least one of those bills came from a hospital.

Confidence Seeking Hospital Care, Quality, Billing Information

Limited knowledge of health care quality or costs can hinder consumers' ability to budget for care, which can be especially detrimental to the under- and uninsured.[4] Michigan respondents are fairly confident in their ability to recognize when to seek emergency care, follow directions provided by their doctor, and their ability to fill a prescription. Sixty-one percent (61%) of respondents are very or extremely confident that they know when to visit the emergency department as opposed to an urgent care center or a primary care provider (see Figure 1).

Figure 1

Percentage of Respondents Who Feel "Very" or "Extremely" Confident They Can Complete Select Health Care Related Tasks



Source: 2025 Survey of Michigan Adults, Ages 18+, Altarum Healthcare Value Hub's Consumer Healthcare Experience State Survey

However, respondents are less confident in their ability to find hospital costs and quality information before a service. They are also less confident in their ability to resolve concerns related to financial obligations, such as disputing a medical bill. Out of all respondents:

- Fifty-two percent (52%) of respondents reported they were not confident in their ability to have enough money to cover their usual necessary medical cost;
- Sixty-five percent (65%) of respondents reported they were not confident in their ability to have enough money to cover major unexpected illnesses or injuries;
- Seventy-two percent (72%) of respondents reported they were not confident in their ability to afford home health care services;
- Fifty-two percent (52%) of respondents reported they were not confident in their ability to determine the cost of a medical procedure in advance;
- Sixty percent (60%) of respondents reported they were not confident they could resolve an issue if their health plan was not being responsive;
- Forty-six percent (46%) are not confident in their ability to find quality ratings for doctors; and
- Forty-six percent (46%) are not confident in their ability to find quality ratings for hospitals.

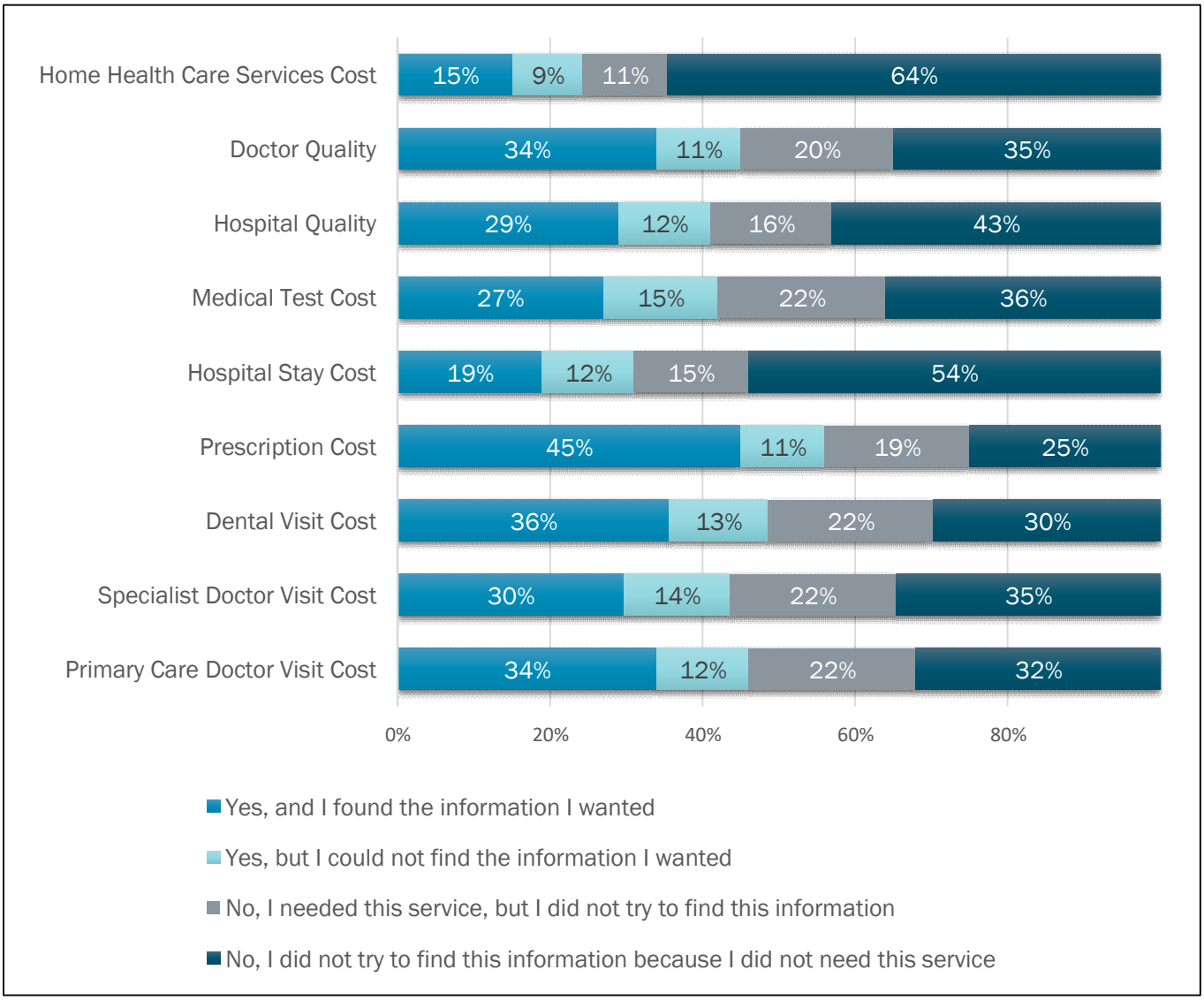
This lack of confidence may be reflected in the low rates of searching for hospital price and quality information. Only 31% of respondents reported trying to find the cost of a hospital stay ahead of time, while 15% of the respondents that reported needing a hospital service did not search for cost information at all. Among the respondents that did search for cost information or who required a hospital service:

- 19% were able to find the information they needed, and
- 12% attempted to find hospital cost information but were unsuccessful.

Similarly, fewer than half (41% of) Michigan respondents reported searching for hospital quality information. Among those that searched, 29% found the information they needed, 12% did not find what they needed, and 16% reported needing a hospital stay but not searching for quality information (see Figure 2). Among those that did search for hospital quality information, 51% were successful in their search, while 21% searched for hospital quality information but were unsuccessful.

Figure 2

Percentage of Respondents Who Did and Did Not Search for Hospital Cost or Quality Information in the Past Year, by Outcome



Source: 2025 Survey of Michigan Adults, Ages 18+, Altarum Healthcare Value Hub's Consumer Healthcare Experience State Survey
Note: Totals may not equal 100% due to rounding.

Few respondents indicated that cost and quality information was not important to them (10% and 4%, respectively). Despite federal price transparency mandates for hospitals, hospital costs and quality ratings are still not always accessible.[5] The most frequently cited reasons respondents did not attempt to find cost or quality information include:

- 28% followed their doctors' recommendations or referrals;
- 28% did not know where to look;
- 24% reported that searching for information felt too confusing or overwhelming;
- 19% did not have time to look; and
- 15% reported that it did not occur to them to look for quality or price information.

The respondents who did attempt to find hospital *cost* information, but were unsuccessful, described several challenges:

- 30% reported that the available *cost* information was confusing;
- 28% reported that their insurer would not provide a price estimate;
- 25% reported that their provider or hospital would not provide a price estimate; and
- 22% reported that the price information was insufficient

Similarly, among the respondents who were unsuccessful in their search for hospital *quality* information, 22% reported that the resources were confusing and 11% reported that the quality information was not sufficient.

Comparing Cost and Quality Information

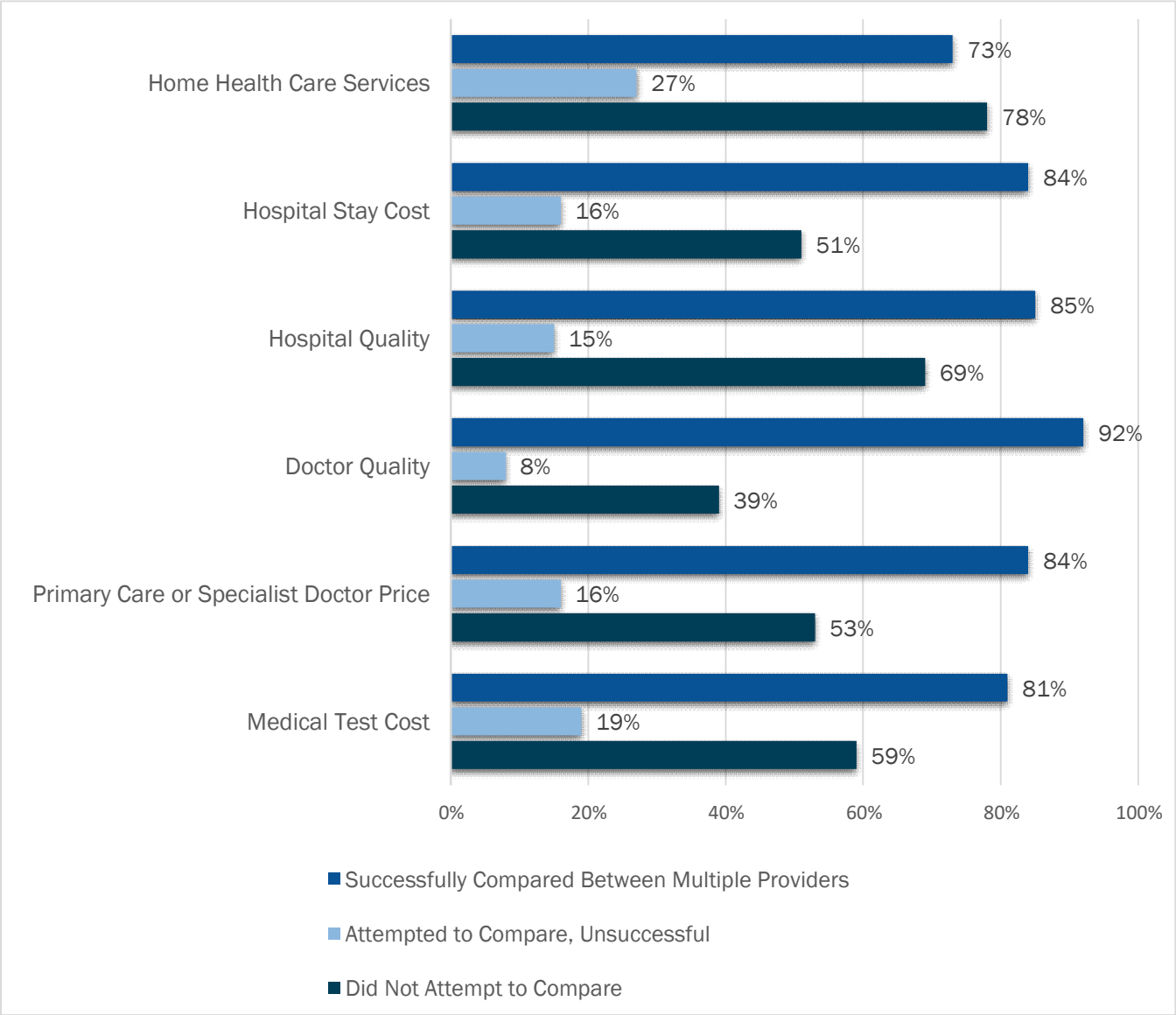
Among the respondents who were able to successfully locate sufficient cost or quality information, 84% reported they were able to find enough information to successfully compare the costs of a hospital stay between two or more options, and 85% reported finding enough information to compare quality ratings across hospitals (see Figure 3).

Respondents who were able to successfully compare cost or quality information between multiple providers reported that the comparison ultimately influenced their choice of which provider to seek care from. Specifically:

- 87% of respondents that compared costs for a primary care or specialist visit;
- 87% of those who compared the cost of medical test providers;
- 86% of those who compared the cost of a hospital stay; and
- 83% of respondents who searched for hospital quality information reported that the comparison influenced their decision.

Figure 3

Percent of Respondents Successful in Finding Hospital Cost and Quality Information and Using that Information to Compare Cost and Quality Between Multiple Providers

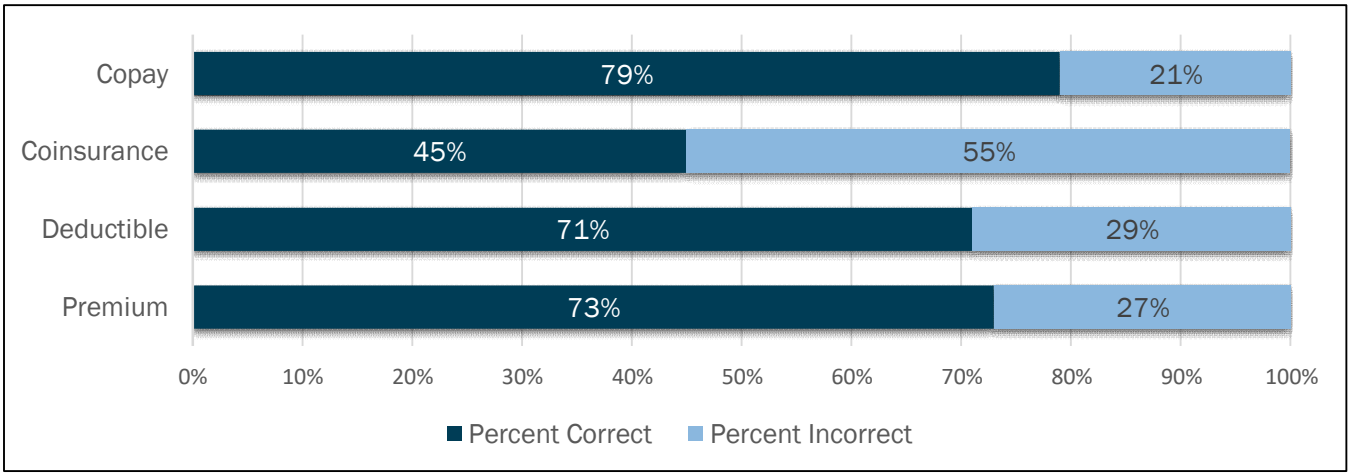


Source: 2025 Survey of Michigan Adults, Ages 18+, Altarum Healthcare Value Hub's Consumer Healthcare Experience State Survey
Note: Totals will not equal 100% due to multiple measures being reported

Difficulty Understanding Common Health Terms

Research indicates that nearly half of insured adults find at least one aspect of their insurance difficult to understand.[6] When given multiple choices, nearly three out of four (73% of) Michigan respondents were able to correctly define "premium," and a similar amount (71%) were able to correctly define "deductible." However, fewer than half (45%) were able to accurately define "coinsurance" (see Figure 4). Of note, more educated respondents generally performed better when asked to define these terms (see Table 1).

Figure 4
Percent Who Chose the Correct Insurance Term Definition



Source: 2025 Survey of Michigan Adults, Ages 18+, Altarum Healthcare Value Hub's Consumer Healthcare Experience State Survey
**Note:* Totals may not equal 100% due to rounding.
Definitions: "Premium" is a fee paid on a regular schedule for an insurance policy; "Deductible" is the money you pay before an insurance company will pay a claim; "Coinsurance" is the percentage of a health care bill you pay after the deductible is met; "Copay" is the portion you pay for using specific covered services.

Table 1
Percent Who Correctly Defined Select Insurance Terms, by Education Level

	Coinsurance	Premium	Deductible	Co-Pay
High School Diploma or GED	28%	56%	52%	67%
Some College, Training, or Certificate	44%	73%	74%	82%
Associate Degree	38%	75%	74%	78%
Bachelor's Degree	53%	78%	81%	89%
Graduate School	64%	87%	81%	82%

Source: 2025 Survey of Michigan Adults, Ages 18+, Altarum Healthcare Value Hub's Consumer Healthcare Experience State Survey
**Note:* Totals may not equal 100% due to rounding.
**Respondents who reported completing some high school. Graduating from high school, or receiving a GED are represented in the "High School Diploma or GED" row; respondents who reported that they attended some or completed a graduate degree program are represented in the "Graduate School" row.
Definitions: "Premium" is a fee paid on a regular schedule for an insurance policy; "Deductible" is the money you pay before an insurance company will pay a claim; "Coinsurance" is the percentage of a health care bill you pay after the deductible is met; "Copay" is the portion you pay for using specific covered services.

Impact, Concerns about Hospital Consolidation*

In some cases, health care consolidation, which occurs when hospitals and other health care facilities are joined together through a merger, acquisition, or other change of ownership, can magnify the challenges consumers face when seeking, comparing, and affording care.[7] Although the number of survey respondents who reported they have been impacted by a consolidation transaction is too small to report reliable estimates, the survey results indicate that some encountered new challenges following consolidation.

* Note: The sample size of respondents who said they were affected by a merger was not large enough to report reliable estimates, so the values in this section should be interpreted with caution.

There have been four changes in ownership (CHOW) involving Michigan hospitals through mergers, acquisitions, and other transactions involving health care organizations since 2017.[8] Michigan requires that the State Attorney General must be notified of nonprofit hospital transactions, who has approval authority over transactions involving both nonprofit and for-profit hospitals.[9] In total, 39% of respondents reported that they are aware of a health care consolidation transaction in their community.

Out of the 39% of respondents who reported being aware of a health care consolidation transaction, over one in ten (15%) reported that they or a family member lost access to a preferred health care organization due to changes arising from the merger. Among respondents who lost access to their preferred provider:

- 40%—switched to an in-network provider;
- 39%—skipped filling a prescription medication;
- 37%—skipped one or more recommended follow-up appointment(s) due to a merger;
- 30%—changed their health insurance plan to keep their preferred provider;
- 29%—delayed or avoided going to the doctor or having a procedure done because they could no longer access their preferred health care organization due to a merger;
- 19%—switched to telehealth options to continue seeing their preferred provider;
- 19%—continued seeing their provider but must now pay out-of-network prices; and
- 6%—had to change their preferred provider due to a merger resulting in a service closure

Some respondents reported additional challenges beyond losing access to their preferred health care provider. Out of those who reported that the merger caused an additional burden for them or their families, the most frequently reported consequences include:

- 28%—reported that the merger created an added financial burden;
- 22%—reported that the merger created an added wait time burden when searching for a provider who accepts new patients;
- 21%—reported that the merger led to additional transportation burdens; and
- 19% reported that the merger created a gap in the continuity of my care

Some respondents also provided examples of how they have been personally impacted following hospital consolidation. Examples include:

- ❖ “I cannot access my previous lab results due to the merger.”
- ❖ “I lost the physical therapist I’ve been working with for three years. They offered her another position over an hour away from her home. She declined. Her replacement has caused me a lot of pain ever since. Still working through that with a new place.”
- ❖ “After the merger my preferred doctor was no longer in-network, forcing me to switch providers and delaying needed care due to unfamiliar system and referrals.”
- ❖ “I lost a psychiatrist I had been working with for 5 years.”
- ❖ “Wait times for appointments became much longer after the merger.”

Although only a small number of respondents indicated that they have been personally impacted by health care consolidation, far more respondents (53%) reported being somewhat, moderately or very worried about the potential impacts of a consolidation transaction should one occur. When asked about their biggest concerns:

- 28% are concerned that their doctor may no longer be covered by their insurance;
- 22% reported that they are worried they would have fewer choices for care;
- 22% are concerned that they will have to pay more to see their doctor;
- 14% are concerned that the consolidation will result in lower quality of care; and
- 11% are concerned they will have to travel farther to receive care.

Respondent Perceptions of Health Care Systems, Policy Solutions

Hospitals, along with drug manufacturers and insurance companies, are viewed as a primary contributor to high health care costs. Out of eleven possible options, Michigan respondents most frequently reported believing that the reason for high health care costs due to powerful industry stakeholders, such as:

- 75%—Drug companies charging too much money
- 71%—Insurance companies charging too much money
- 69%—Hospitals charging too much money

Respondents endorsed a number of strategies to address high health care costs and transparency-oriented strategies, including:

- 93%—Show what a fair price would be for a specific procedures;
- 92%—Require insurers to provide up-front cost estimates to consumers;
- 91%—Require hospitals and doctors to provide up-front cost estimates to consumers;
- 87%—Set standard payments to hospitals for specific procedures;
- 86%—Strengthen policies to drive more competition in health care markets;
- 83%—Establish an independent entity to rate doctor and hospital quality, such as patient outcomes and bedside manner;
- 90%—Lower cost of follow-up care and treatment for people with chronic conditions like diabetes, liver disease and cancer.
- 82%—Require routine health services to cost the same no matter what facility those services are conducted at; and
- 84%—Establish limits on health care spending growth.

Table 2

Percent Who Agreed or Strongly Agreed that the Government Should Employ Select Strategies, by Political Affiliation

Selected Survey Statement	Total Percent	Republican	Democrat	Independent
Show what a fair price would be for specific procedures	93%	93%	94%	92%
Require insurers to provide upfront cost estimates to consumers	92%	92%	94%	90%
Require hospitals and doctors to provide up front patient cost estimates	91%	91%	92%	90%
Set standard payments to hospitals for specific procedures	87%	83%	91%	88%
Strengthen policies to drive more competition in health care markets to improve choice and access	86%	85%	88%	85%
Set up an independent entity to rate doctor and hospital quality, such as patient outcomes and bedside manner	83%	82%	88%	80%
Lower the cost of follow-up care and treatment for people with chronic conditions like diabetes, liver disease or cancer	90%	86%	93%	90%
Require that routine health care services should cost the same no matter the kind of facility those services are conducted in	82%	81%	85%	81%
Set limits on health care spending growth and penalize payers or providers that fail to curb excessive spending growth	84%	83%	88%	82%

Source: 2025 Survey of Michigan Adults, Ages 18+, Altarum Healthcare Value Hub's Consumer Healthcare Experience State Survey

The survey findings indicate that while some Michigan respondents are motivated to search for hospital cost and quality information to inform their decisions and plan for future medical expenses, over half did not seek this information at all. This suggests that price transparency initiatives alone may not effectively influence consumer behavior. The lack of knowledge of hospital quality and potential costs may impede Michigan residents' ability to plan for needed care and budget for the expense of a hospital stay, which can be costly, particularly for residents who are uninsured or under-insured.[10]

Michigan respondents reported support for government-led solutions to make price and quality information more accessible and to help consumers navigate hospital care. Many favored solutions could reduce the burden on consumers, such as standardizing payments for specific procedures, requiring cost estimates from hospitals and doctors, and establishing an independent entity for quality reviews. Policymakers should consider these and other policy options to address the bipartisan call for government action.

Notes

1. A person's ability to seek, obtain, and understand health insurance plans, and once enrolled, use their insurance to seek appropriate health care services.
2. A person's ability to obtain, process, and understand basic health information and services needed to manage one's health and make appropriate health decisions.
3. Shahid, R., Shoker, M., Chu, L.M. *et al*. (2022). Impact of low health literacy on patients' health outcomes: a multicenter cohort study. *BMC Health Serv Res* **22**, 1148. https://doi.org/10.1186/s12913-022-08527-9
4. 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. However, Compliance from hospitals has been mixed, indicating that the rule has yet to demonstrate the desired effect. https://www.healthaffairs.org/content/forefront/hospital-price-transparency-progress-and-commitment-achieving-its-potential
5. According to Health Forum, an affiliate of the American Hospital Association, hospital adjusted expenses per inpatient day in Michigan were $2,595 in 2023. See: Kaiser Family Foundation, State Health Facts Data: Hospital Adjusted Expenses per Inpatient Day, (Accessed August 2025).
6. Pollitz, K., Pestaina, K., Montero, A., Lopes, L., Valdes, I., Kirzinger, A., Brodie, M., (2023, June 15). KFF Survey of Consumer Experiences with Health Insurance, https://www.kff.org/report-section/kff-survey-of-consumer-experiences-with-health-insurance-methodology/ (Accessed August 2025).
7. A CHOW typically occurs when a Medicare provider has been purchased (or leased) by another organization. The CHOW results in the transfer of the old owner's identification number and provider agreement (including any Medicare outstanding debt of the old owner) to the new owner…An acquisition/merger occurs when a currently enrolled Medicare provider is purchasing or has been purchased by another enrolled provider. Only the purchaser's CMS Certification Number (CCN) and tax identification number remain. Acquisitions/mergers are different from CHOWs. In the case of an acquisition/merger, the seller/former owner's CCN dissolves. In a CHOW, the seller/former owner's CCN typically remains intact and is transferred to the new owner. A consolidation occurs when two or more enrolled Medicare providers consolidate to form a new business entity. Consolidations are different from acquisitions/mergers. In an acquisition/merger, two entities combine but the CCN and tax identification number (TIN) of the purchasing entity remains intact. In a consolidation, the TINs and CCN of the consolidating entities dissolve and a new TIN and CCN are assigned to the new, consolidated entity. Source: Missouri Department of Health and Senior Services, Change of Ownership Guidelines—Medicare/State Certified Hospice. Retrieved December 5, 2024, from https://health.mo.gov/safety/homecare/pdf/CHOW-Guidelines-StateLicensedHospice.pdf
8. Centers for Medicare and Medicaid Services. (2023). Hospital Change of Ownership. Retrieved June 5, 2024, from https://data.cms.gov/provider-characteristics/hospitals-and-other-facilities/hospital-change-of-ownership.
9. The Source on Health Care Price and Competition, Merger Review, Retrieved December 5, 2024 from https://sourceonhealth care.org/market-consolidation/merger-review/
10. According to Health Forum, an affiliate of the American Hospital Association, hospital adjusted expenses per inpatient day in Michigan were $2,595 in 2023. See: Kaiser Family Foundation, State Health Facts Data: Hospital Adjusted Expenses per Inpatient Day, (Accessed August 2025).

About the Altarum Healthcare Value Hub

With support from the Robert Wood Johnson Foundation and Arnold Ventures, the Healthcare Value Hub provides free, timely information about the policies and practices that address high health care 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 health care.

Contact the Hub:
(734) 302-4600 | www.HealthcareValueHub.org

Methodology

Altarum's Consumer Healthcare Experience State Survey (CHESS) is designed to elicit respondents' 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 June 30 to July 29, 2025, used a web panel from Dynata with a demographically balanced sample of approximately 1,500 respondents who live in Michigan. 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 1,387 cases for analysis. After those exclusions, the demographic composition of respondents was as follows, although not all demographic information has complete response rates:

Demographic Characteristic	Frequency	Percent
Sex		
Woman	724	53%
Man	647	47%
Sexual Diverse	198	14%
Insurance Type		
Health insurance through my or a family member's employer	503	44%
insurance I buy on my own	133	9%
Medicare, coverage for seniors and those with serious disabilities	327	24%
Michigan Medicaid	305	16%
TRICARE/Military Health System	12	1%
Department of Veterans Affairs	15	1%
No coverage of any type	55	4%
I don't know	37	2%
Race		
American Indian/Native Alaskan	59	4%
Asian	71	5%
Black or African American	428	31%
Native Hawaiian/Other Pacific Islander	9	> 1%
White	837	60%
Prefer Not to Answer	17	1%
Two or More Races	94	6%
Ethnicity		
Hispanic or Latino	71	5%
Non-Hispanic or Latino	1316	95%
Age		
18-24	290	21%
25-34	224	16%
35-44	221	16%
45-54	236	17%
55-64	241	18%
65+	165	12%
Party Affiliation		
Republican	375	27%
Democrat	529	38%
Independent	483	35%

Demographic Characteristic	Frequency	Percent
Household Income		
Under $20K	270	19%
$20K-$29K	176	13%
$30K - $39K	156	11%
$40K - $49K	120	9%
$50K - $59K	145	10%
$60K - $74K	119	9%
$75K - $99K	153	11%
$100K - $149K	150	11%
$150K+	98	7%
Education Level		
Some high school	63	5%
High school diploma/GED	393	28%
Some college or training/certificate program	328	24%
Associate degree	158	11%
Bachelor's degree	263	19%
Some graduate school	29	2%
Graduate degree	153	11%
Self-Reported Health Status		
Excellent	186	13%
Very Good	409	29%
Good	525	38%
Fair	211	15%
Poor	56	4%
Disability		
Mobility	234	17%
Cognition	147	11%
Independent Living	106	7%
Hearing	81	6%
Vision	78	6%
Self-Care: Difficulty dressing or bathing	64	5%
No disability or long-term health condition	933	67%

Source: 2024 Poll of Michigan 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.