



# An Employer Challenge: Wage Status and Healthcare Utilization Patterns

Question: What percentage of the US workforce has net pay of less than \$30,000/year?

- A. Less than 10%
- B. Between 10-20%
- C. Between 20-30%
- D. Between 30-40%
- E. Between 40-50%
- F. More than 50%

# Socioeconomic status impacts health – and consumerism behaviors

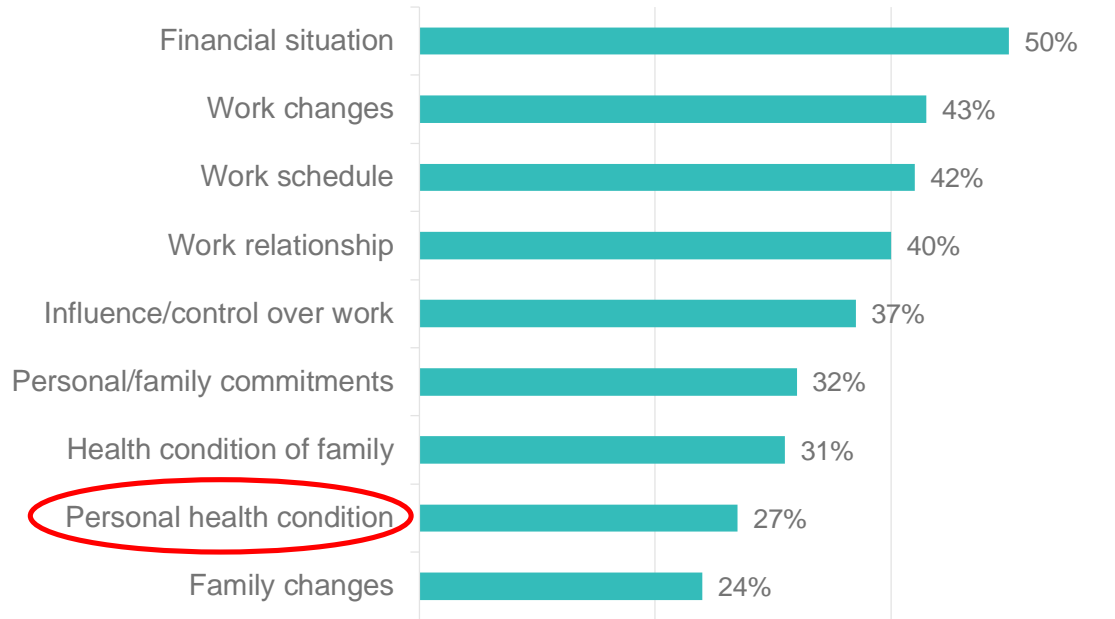
## Low-wage workers:

- High prevalence of unhealthy behaviors and chronic conditions
- High proportion of healthcare costs as a percentage of wages
- Low health literacy and healthcare consumerism engagement

## Differences in:

- Prioritization of personal health concerns relative to other life priorities
- Health benefits selection (influenced more by premium cost)
- Utilization of healthcare services (out-of-pocket cost and financial stress)

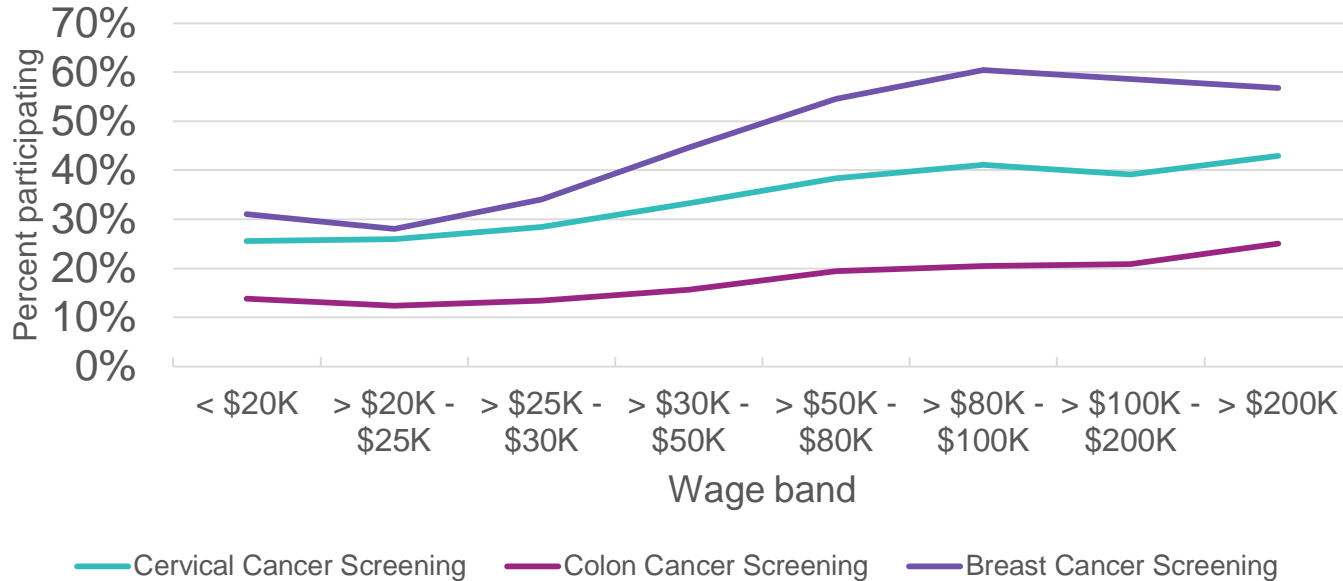
# Factors that stress people most intensely



What does this mean for prioritization of personal health issues?

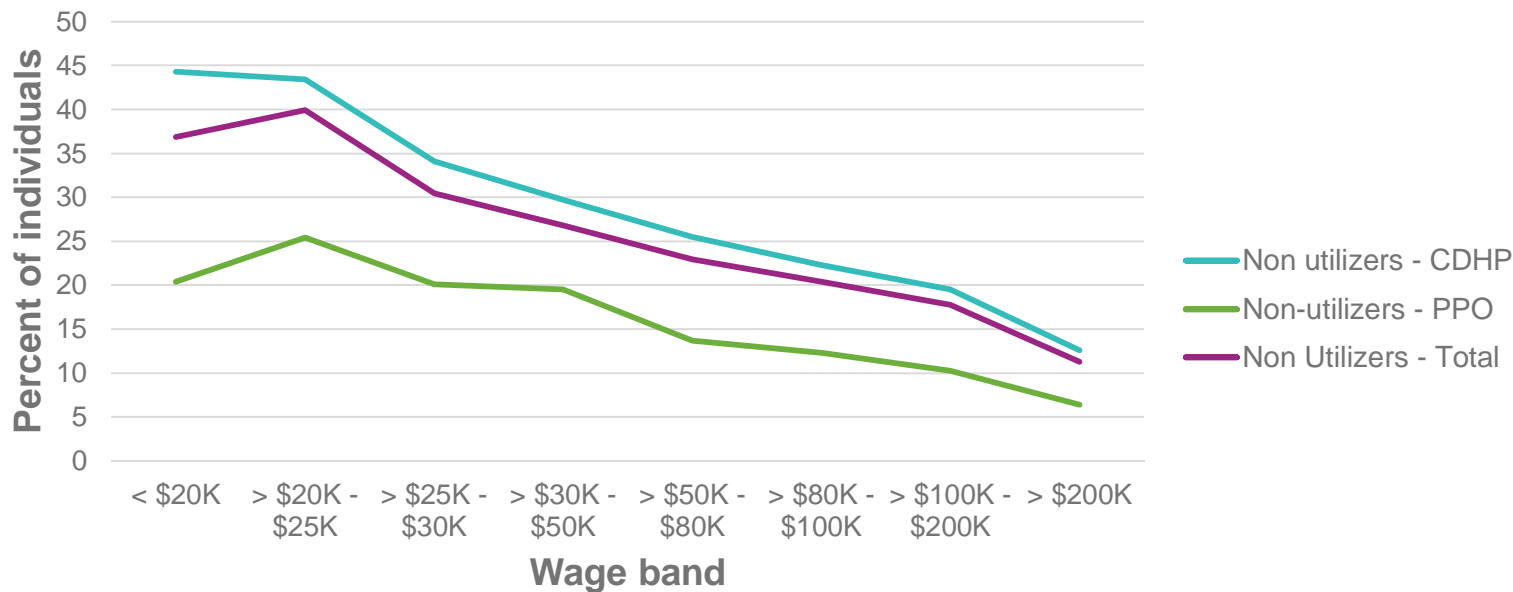
# Low-wage workers have lower compliance with cancer screening

## Cancer Screening Rates Among Eligible Individuals

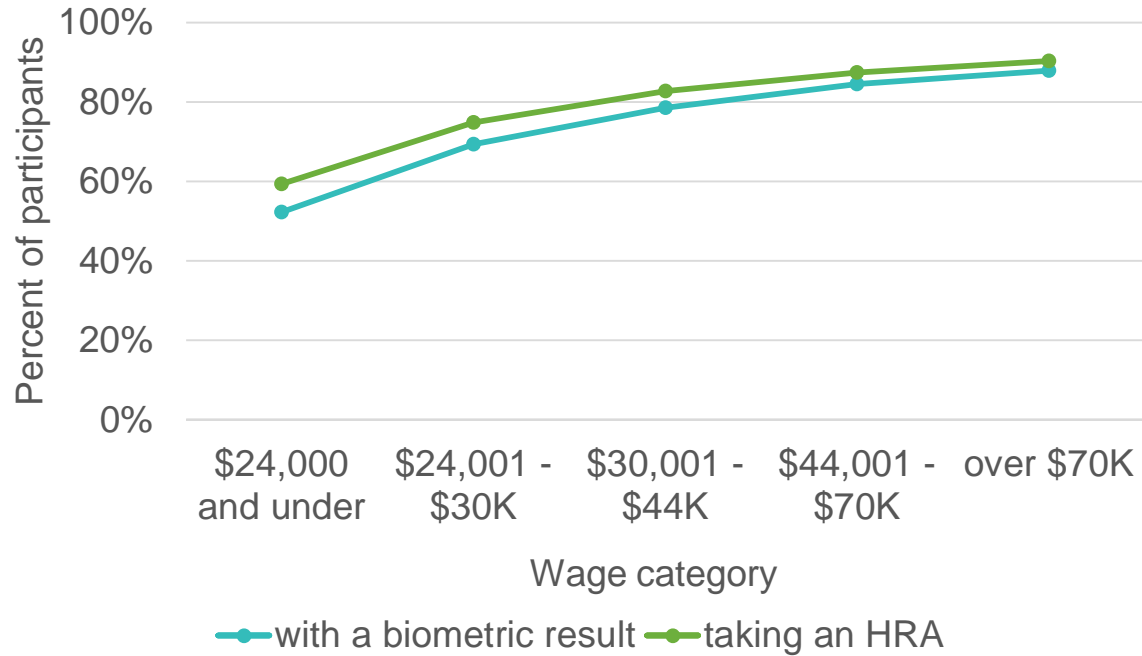


# Low-wage workers use less healthcare – despite higher risk scores

## Percentage of Enrollees Not Filing Medical or Pharmacy Claims by Wage Band



# HRA and biometric screening participation rates are lower among low-wage earners



# Implications for employers

## Benefits design considerations for low-wage workers:

- Equality – or equity?
- Any impact of wage-based premiums?
- What role for incentives?
- How should well-being issues be addressed?

**Opportunities exist to rethink benefit design for low-wage workers**

