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# Health Disparities in Employer-Sponsored Insurance

JPMorgan Chase & Co.

# Executive Summary

With 180 million covered lives, employer-sponsored insurance (ESI) is the most common type of coverage in the U.S., and offers access to high-quality health care for many consumers. But despite significant investments by both employers and their employees in health care, some populations see stark disparities in access to services and health outcomes. Some of these disparities have lessened over time, while others stubbornly persist. To assess these disparities and track their evolution, Morgan Health developed a snapshot of health outcomes and disparities among individuals with ESI.

01

Lower-income individuals with ESI are less connected to basic health care.

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Lesbian, Gay and Bisexual (LGB) individuals with ESI experience greater mental health needs and substance use.

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Black, Hispanic and Asian individuals with ESI had significantly better mental health and lower rates of substance use than white counterparts.

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Black, Hispanic and Asian populations with ESI interacted with their health care with varying levels of affordability and notable gaps in preventive care.

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Black and Hispanic individuals with low-risk pregnancies delivered by cesarean section at higher rates.


## Lower-income individuals in ESI are less connected to basic health care.

Alarmingly, data showed that the lowest income group (<$50,000) had less connection to primary care – meaning they were less likely to have a usual source of care and more likely to seek care from the emergency department. Of note, 4.4 points fewer of those in the lowest income group had a usual source of care and 3.0 points higher reported visiting the emergency department 2+ times in the prior year compared to those in the highest income group.

Unsurprisingly, the lowest income group continues to shoulder a higher burden of their health care costs and are less likely to receive preventive care – adding to a growing body of evidence showing that income and health outcomes are directly linked. In fact, the lowest income group (<$50,000) reported difficulty paying medical bills 17.8 points higher than the highest income group.

# Lesbian, Gay and Bisexual (LGB) individuals with ESI experience greater mental health needs and substance use.

LGB individuals had higher rates of mental health treatment overall and also specifically among all people with depression 18.8% compared to 4.1% of straight individuals. The silver lining here, though, is that LGB individuals had a high willingness to seek help and engage in mental health services. Compared to Straight-identified individuals, LGB individuals were significantly more likely (more than twice as much) to report having seen a doctor about feelings and receiving treatment.

LGB individuals also had higher rates of tobacco use; alcohol use, including drinking behavior considered as alcohol abuse or dependence; and illicit drug abuse, including at levels considered as illicit drug use or drug dependence. Most notably, illicit drug use for LGB individuals was 14.9% -- compared to 8% for Straight individuals.


## Black, Hispanic and Asian individuals with ESI had significantly *better* mental health and *lower* rates of substance use than white counterparts.

Compared to their white counterparts, Black, Hispanic and Asian individuals had lower mental health burden and less need for mental health care. This includes lower prevalence of serious psychological distress, depression, or major depressive episode in the prior year.

However, one notable disparity emerged among those with depression: Asian individuals with depression had statistically significantly lower rates (4X less likely) of getting treatment than whites, yet they were impacted by depression at the same rate. This likely points to a stigma in the Asian community associated with receiving care in the Asian community.
We believe these are two untold stories within the mental health space that require additional attention and focus.

# Black, Hispanic and Asian populations with ESI interacted with their health care with varying levels of affordability and notable gaps in preventive care.

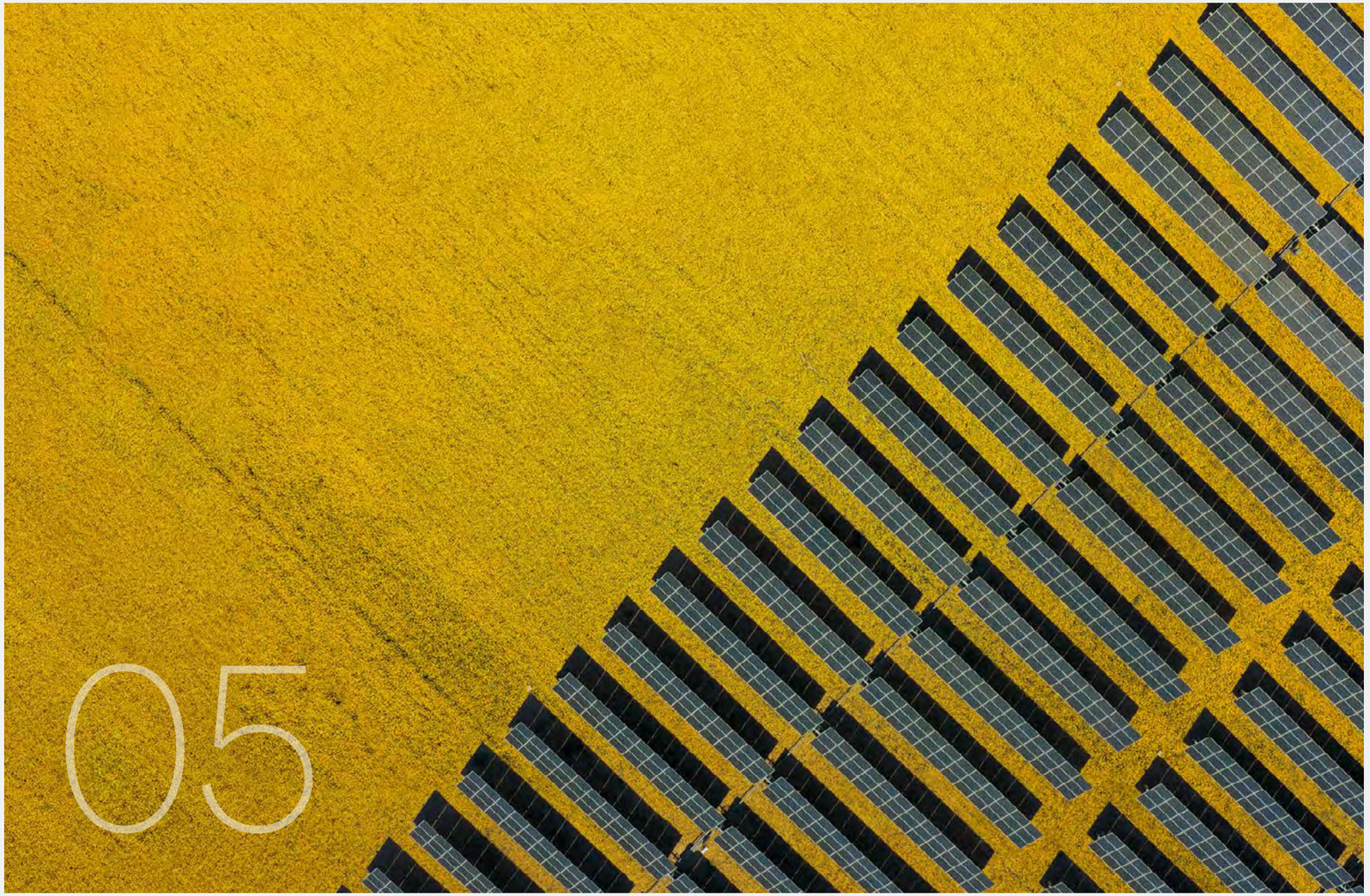
**A few key distinctions:**

Asian individuals reported fewer financial barriers to care (11.2% reported difficulty paying for medical care) and had mixed evidence of preventive health care use.

Hispanic individuals reported lower financial burden of care (14.8% reported difficulty paying for medical care) but had consistently lower rates of preventive health care use.

Black individuals had higher financial burden of care (18.5% reported difficulty paying for medical care), but higher rates of preventive health care use.

*For reference, 13.8% of white individuals reported difficulty paying for medical care.




# Black and Hispanic individuals with low-risk pregnancies delivered by cesarean section at higher rates.

Black and Hispanic individuals had significantly higher rates of delivery by cesarean section, while Asian individuals had a lower rate. Yet, for low-risk pregnancies specifically, Black, Hispanic and Asian individuals all had statistically significantly higher rates of cesarean section deliveries.

| All C-section Deliveries: | |
|---|---|
| **White Women** | 32.5% |
| **Black Women** | 41.8% |
| **Asian Women** | 31.8% |
| **Hispanic Women** | 35.8% |

| Low Risk C-sections: | |
|---|---|
| **White Women** | 13.7% |
| **Black Women** | 20.4% |
| **Asian Women** | 17.6% |
| **Hispanic Women** | 17.1% |

*Black, Asian, and Hispanic women's rates were all statistically significantly higher than White women's with $p<0.001$, after adjusting for mother's age.

# Conclusion

"Employers must engage with these disparities, seek to understand their origins, and conduct outcomes research about the solutions they implement to know the true impact on health equity in the ESI population," said Dan Mendelson, CEO of Morgan Health. "The health of employees – and by extension all employers' businesses – requires it."

It is our intent that these findings help employers take action to reduce disparities and improve health outcomes across their plan membership. With that in mind, we recommend that employers and other purchasers consider **six key recommendations:**

**Recommendations**

Introduce financial incentives for lower income employees to access primary and preventive care.

Expand mental health and substance use support for all employees, with particular emphasis on LGB communities; consider incentives for LGB individuals to access mental health care.

Consider tailored preventive care services, such as culturally sensitive or population-specific primary care, which emphasize subpopulations' unique needs and use targeted patient engagement strategies.

Use employee resource groups as channels for connecting less engaged employee subpopulations to relevant care options.

Incorporate doula services and midwifery care into maternal health care offerings, both of which are associated with lower rates of cesarian sections for low-risk pregnancies.

Consider additional support for employees to find lower cost, high quality care, such as publishing quality scores for in-network providers or steering employees toward new price transparency data tools.

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