



Data brief

Healthcare affordability challenges for working Ohioans

For many Ohioans, the cost of basic necessities — such as housing, childcare, food, transportation and health care — is outpacing their income. The median household income in Ohio is \$67,769, lagging below the national median of \$77,719.¹ Simultaneously, the cost of necessities continues to rise, particularly health care. Total healthcare spending rose 7.5% in 2023 alone², putting an increasing burden on Ohio families.

In light of coming policy changes, this brief presents current data on:

- The cost of basic needs for working Ohioans
- Access to adequate health insurance
- The cost of health care for Ohio families
- Implications of going without necessary care

What is ALICE?

ALICE is a tool developed by the United Way that stands for Asset Limited, Income Constrained, Employed. It is used to demonstrate the challenges of working families who cannot afford basic necessities despite having a job and earning above the federal poverty level.

The ALICE Household Survival Budget estimates the minimum income needed to afford basic essentials like housing, child care, food, transportation, health care, technology and taxes. The Household Budget also accounts for assistance from programs such as Medicaid and Temporary Assistance for Needy Families.



3 Key findings for policymakers

- 1 Many Ohioans are struggling to make ends meet**, with almost 2 in 5 families living below the ALICE household survival budget (defined below).
- 2 Healthcare costs are rising**, and out-of-pocket costs are significant, even for Ohioans who are insured.
- 3 Many Ohioans are opting out of necessary healthcare services**, often because of cost concerns, which can result in worse outcomes and higher costs in the future.

ALICE Household Survival Budget and federal poverty level, Ohio, 2023

Nearly **40% of Ohio households** had incomes below the ALICE threshold in 2023

ALICE Survival Budget

 One adult	Single adult \$26,892 (\$13.45 per hour)	1 adult, 1 child \$40,092 (\$20.05 per hour)	1 adult, 1 child in childcare \$46,452 (\$23.23 per hour)
 Two adults	2 adults \$40,500 (\$20.25 per hour)	2 adults, 2 children \$65,016 (\$32.51 per hour)	2 adults, 2 children in childcare \$79,224 (\$39.61 per hour)

Source: United for ALICE

How much do Ohioans need to pay basic expenses?

The ALICE Household Survival Budget for the family of four described below varies depending on where they live in Ohio. Residents of Mercer County, for example, need an estimated \$71,172 a year to meet their basic needs, and families in Warren County need \$92,508 a year. The survival budget also depends on factors such as family size and number of children in child care.

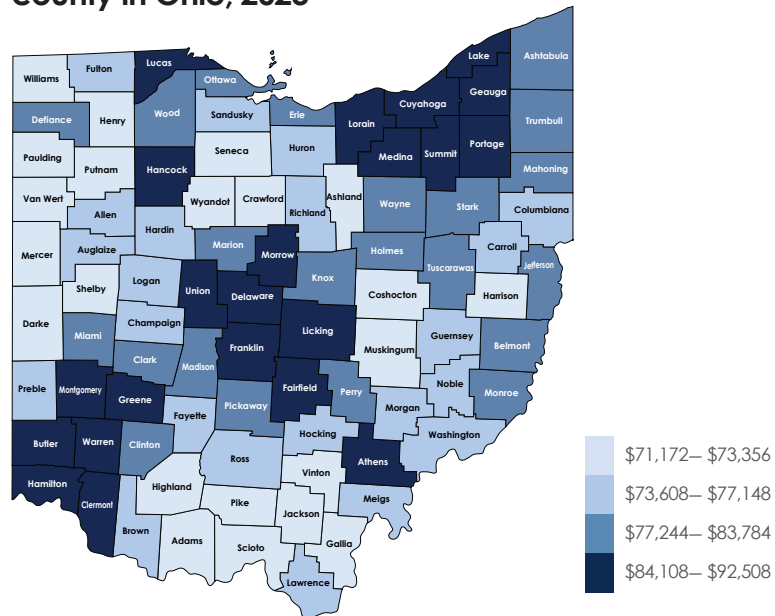


A family of four in Ohio, with two children in child care, needs to earn

\$79,224 a year

to afford health care and other essential needs

ALICE Household Survival Budget for a house with two adults, one infant and one preschool-age child, by county in Ohio, 2023



Note: The ALICE Household Survival Budget, developed by the United Way, estimates the minimum income needed to afford basic essentials like housing, child care, food, transportation, health care, technology and taxes.

Source: United for ALICE

In 2023, nearly two out of five Ohio households had incomes below the ALICE threshold.³ Working families in Ohio frequently have insufficient funds to cover basic needs that are essential to health and well-being, including housing, food, health care and more. **Stress resulting from financial insecurity** has also been shown to lead to poor health outcomes, including the development of mental health conditions.⁴

Rising healthcare costs and medical bills have the potential to exacerbate these financial constraints for Ohio families, even for those who are working and insured.

Health insurance access and adequacy

Insurance coverage is a key component of a person's ability to afford health care. Over half of Ohioans receive health insurance through their employer. However, employment does



Earlier this year, HPIO convened a focus group to understand the experiences of Ohioans accessing and affording health care. The focus group consisted of seven community members representing a diverse range of counties, income levels and occupations, including management positions.

Participants provided personal accounts about using and paying for health services in Ohio. Excerpts from this focus group are used throughout this brief to illustrate the difficulties that Ohioans face with affording health care.

Insurance coverage for working-age Ohioans (ages 19-64), by type



Source: Ohio Medicaid Assessment Survey, 2023

not guarantee insurance coverage; 16.2% of working Ohioans were not offered coverage through their employer in 2023, which is below the U.S. average (15.1%).⁵ Lower-wage workers in particular are less likely to be offered health insurance by their employer.⁶

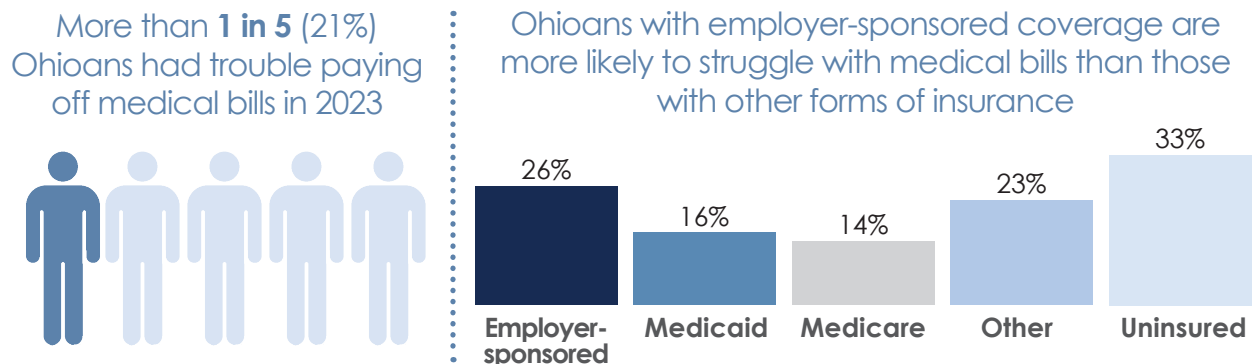
"My commercial health care is one of the better plans — but it still has copays and some of the meds I need are way too expensive for me to afford."

— Access and affordability focus group member

Even with access to health insurance, Ohio families may still be responsible for significant costs in the form of premiums, required cost sharing (e.g., co-payments), and uncovered or out-of-network services. For many insurance plans (described further on page 4), consumers are responsible for a large portion of total healthcare expenses, even after paying premiums.⁷ Although health coverage is an important component of affordability, even fully insured Ohio families are still at risk of experiencing catastrophic health care expenditures, which can worsen financial insecurity and their ability to pay for other necessities.

Uninsured Ohioans were most likely to struggle with medical bills, as illustrated below, with 33% having trouble paying off bills in 2023. However, individuals who are covered through the employer or a public program such as Medicaid also frequently have trouble paying their medical bills.

Percent of Ohioans who had trouble paying off medical bills in the last year, 2023



Source: Ohio Medicaid Assessment Survey, 2023

"I have an adult son who has to pay for health care, and he gets it through his job. But then, you know, he also has a portion of it to pay, and it impacts him significantly. Some things medically he goes without because he can't afford to pay for it even though he has insurance. Yeah, or sometimes he'll go without eating so that he can pay for medicine or things that his insurance doesn't pay for."

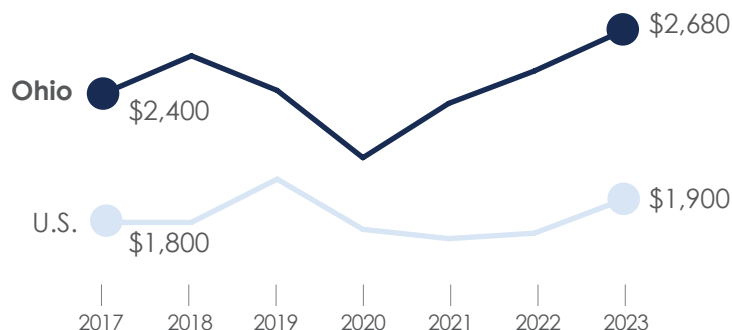
— Access and affordability focus group member

What are Ohioans spending on health insurance and health care?

In 2023, Ohio families spent a median of \$2,680 on healthcare costs, including insurance premiums, co-pays, uncovered services, and more.⁸ This amount greatly exceeds the costs for families in the U.S. overall, and costs have continued to rise since 2020. Consistent with these increases, one in six Ohio families spend greater than 10% of their total income on healthcare costs.⁹

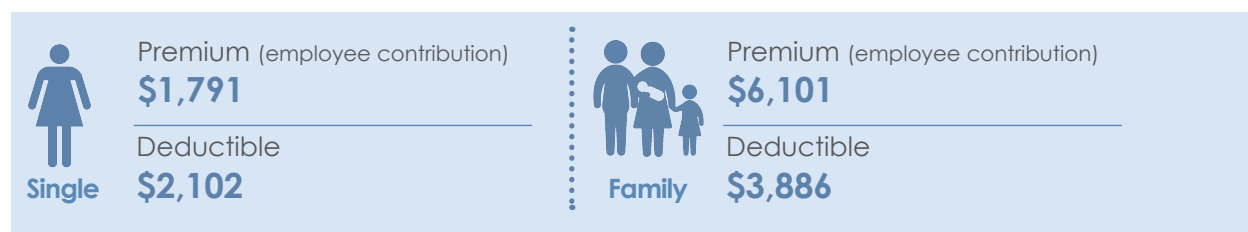
As previously mentioned, individuals with employer-sponsored health insurance are not insulated from high health care costs. Premiums for an employer-sponsored plan in Ohio are on average \$1,791 for an individual and \$6,101 for a family plan.

Median medical out-of-pocket spending for families, Ohio and U.S.



Source: Current Population Survey's Annual Social and Economic Supplements Public Use Microdata, as compiled by State Health Access Data Assistance Center

Average annual premium and deductible for a single and family plan, employer-sponsored insurance, 2023



Source: Medical Expenditure Panel Survey Insurance Component, as compiled by KFF

Most plans have a deductible: a certain amount of health care costs that are paid out-of-pocket by the consumer before insurance begins covering expenditures. In 2023, the average deductible for an employer-sponsored plan was \$2,102 for a single individual and \$3,886 for a family. Insurance plans with high deductibles (called high-deductible health plans) have become increasingly common in Ohio¹⁰, and can include deductibles that exceed \$5,000.¹¹ High-deductible health plans are associated with reduced care use, including for preventative services that can catch disease in early stages.¹²

"The cost of insurance has forced many of our employees to go without coverage as they do not qualify for Medicaid [because of their income level] and cannot afford to pay the premiums."

— Access and affordability focus group member

What happens when people go without needed health care?

Health care expenses do not just constrain the budgets of Ohio families. When individuals must choose between health care and other living expenses, it can have significant long-term financial and health consequences.

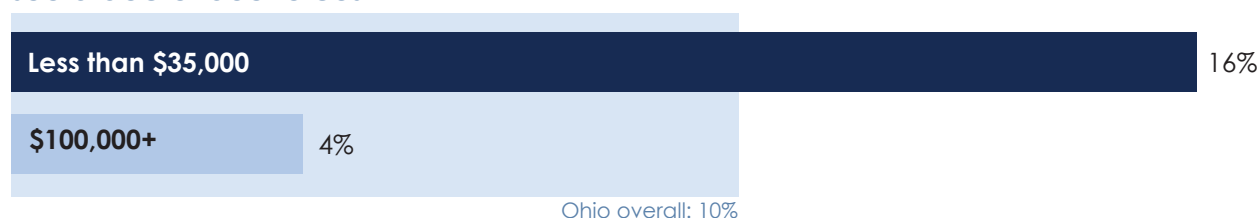
"My co-payment alone makes it challenging for me to see my provider when I am sick."

— Access and affordability focus group member

Approximately one in 10 Ohioans described being unable to see a doctor because of cost.¹³ However, this proportion varies substantially across household income levels.

Ohioans unable to see a doctor due to cost, by household income, 2023

Ohio households earning less than \$35,000 are **four times more likely** to be unable to see a doctor due to cost



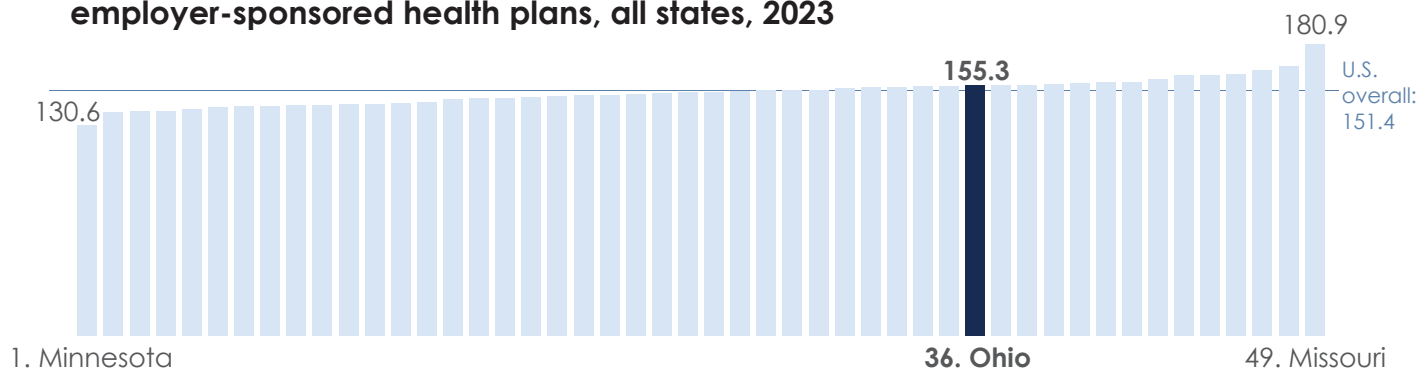
Source: Behavioral Risk Factor Surveillance System

Treating health problems in outpatient settings, such as a primary care office, before they become emergencies saves money for both the individual and the overall healthcare system.¹⁴ Ohio performs worse than most other states, ranking 36 out of the 48 states and D.C. for which data is available on potentially avoidable emergency department visits.

Research has found that when insurance plans require patients to be responsible for higher levels of cost sharing (through a large deductible, for example), individuals tend to forgo care.¹⁵ When making a decision about whether to access care, most people cannot successfully distinguish between necessary and unnecessary care¹⁶, which can lead to the development of more severe disease.

For many types of conditions, appropriate early detection and treatment is associated with substantial cost savings.¹⁷ Discovering cancer in early stages through preventative screenings, for example, can result in treatment costs that are up to four times less expensive than cases where cancer is discovered in more advanced stages.¹⁸

Potentially avoidable emergency department visits per 1,000 enrollees in employer-sponsored health plans, all states, 2023



Note: Data is not available for Delaware and Vermont

Source: Merative MarketScan, as compiled by The Commonwealth Fund

How might recent federal policy changes impact healthcare affordability in Ohio?

HR 1, the federal reconciliation bill sometimes referred to as the “Big Beautiful Bill,” was signed into law on July 4, 2025. HR 1 contains many provisions related to healthcare access and the cost of living, impacting key programs such as Medicaid, the Federal Health Insurance Marketplace, and the Supplemental Nutrition Assistance Program (SNAP). While HR 1 lays out requirements, future rules and guidance issued by the federal government will set the details of how the law will be implemented.

This section includes selected provisions of HR 1 that may affect healthcare affordability and the cost of living for Ohio families. For more details, see the HPIO fact sheet [Major federal and Ohio healthcare access and affordability policy changes](#), which provides an overview of health-related policy changes in HR 1 and the recently passed state biennial budget bill.

Medicaid work requirements: HR 1 includes new work/community engagement requirements for the Medicaid expansion population (ages 19-64) with exemptions for people with certain medical conditions, parents of young children, and more.

Ohio's previous state budget bill required the Ohio Department of Medicaid (ODM) to request a waiver from the federal government that would permit the state to implement work requirements for expansion enrollees, [which was submitted in early 2025](#).

Previous evidence suggests that work requirements may cause many Ohioans to lose their insurance, even if they are employed or have a condition that exempts them from new requirements. While the exact impact of these requirements will differ depending on upcoming federal guidance and state decisions, existing analyses based on Ohio's submitted work requirements waiver suggest that [up to 200,000 Ohioans could lose coverage](#). Without insurance, individuals may avoid getting care and struggle with paying off medical bills.

Medicaid cost sharing: HR 1 includes a provision requiring cost sharing for some Medicaid expansion enrollees of up to \$35 per service, with exclusions for services such as primary care and mental health/substance use treatment.

Higher levels of cost sharing (in the form of deductibles and co-payments, for example) create a financial barrier for low-income families and may lead to poor health outcomes, medical debt or [delays in receiving care](#).

Medicaid eligibility redeterminations: HR 1 requires more frequent eligibility redeterminations for the Medicaid expansion population, assessing eligibility every six months as opposed to once a year.

More frequent eligibility determinations raise the possibility of enrollees losing their coverage due to missing information or challenges filling out paperwork, even if they meet all requirements. [The Congressional Budget Office estimates that this change will increase the national number of people who are uninsured by 700,000.](#)

Federal Health Insurance Marketplace subsidies: HR 1 did not extend enhanced premium tax credits for Marketplace coverage that expire at the end of 2025.

Many Ohioans who are not eligible for Medicaid rely on enhanced Marketplace tax credits in order to afford health coverage. Without these subsidies, **premium costs may increase by an average of \$800 annually in Ohio, likely leading to many individuals dropping their Marketplace coverage.**

Medicaid and Marketplace access for immigrants: HR 1 restricts Medicaid eligibility for certain categories of immigrants, including many refugees and asylees, and restricts immigrant access to subsidies for the Federal Health Insurance Marketplace.

Major restrictions to Medicaid eligibility for immigrants will mean that some individuals will need to find coverage or care through other ways, **which may not be possible given changes to other health programs.** For example, some categories of immigrants who will lose Medicaid coverage will also not have the ability to access subsidies on the Federal Health Insurance Marketplace, increasing their risk of going uninsured and paying large amounts out-of-pocket.

SNAP work requirements and eligibility restrictions: HR 1 limits eligibility for SNAP by expanding work requirements for individuals up to age 64 and those who are parents of older children, and by restricting eligibility for certain categories of documented immigrants, including many refugees and asylees.

The expansion of work requirements to older individuals and parents of older children, as well as new eligibility restrictions on some types of immigrants, **will likely result in many Ohioans losing their SNAP benefits**, resulting in additional food expenses for Ohio families.

Conclusion

Many Ohio families are facing significant cost of living challenges, of which healthcare expenses are an increasingly pressing problem. While having adequate health insurance is important, individuals with all coverage types may face large medical bills, leading to difficult financial decisions. When individuals forgo care due to cost, it can lead to even larger expenditures later in life, including expensive emergency department visits and inpatient hospitalizations.

Recent state and federal policy changes are likely to be consequential for health care affordability in Ohio, especially among people enrolled in Medicaid and the Federal Health Insurance Marketplace plans (see HPIO's **fact sheet on state and federal policy changes**). Given the high healthcare costs and challenging situations that many Ohio families already face, policy changes impacting insurance access and out-of-pocket spending may continue to exacerbate financial insecurity and disparities across different communities.

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Notes

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About HPIO's healthcare access and affordability in Ohio series

This **series of HPIO publications** includes data and analysis about the current challenges facing working Ohioans and examines how recent policy changes, such as the federal **HR 1** (the federal reconciliation bill) and **HB 96** (the state budget bill) will impact access to care and affordability in Ohio. HPIO recently released a **fact sheet**, the first publication in the series, that provides a high-level summary of several provisions in HR 1 and explores potential impacts and future policy changes that Ohio leaders will need to consider.

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