Public programs absorb nearly two-thirds of the costs of low health literacy.

In 2000, nearly half of the U.S. population had a chronic condition, and those direct medical costs totaled $510 billion. By 2020, those costs are expected to double to more than $1 trillion, as it is estimated that 157 million Americans will have at least one chronic condition, and 60 million will have two or more. Health literacy has a direct impact on those costs. For example, one study of patients with diabetes found that low health literacy increased the likelihood of having poor blood sugar control and additional complications (such as blindness). Increased complications mean increased costs.

DEFINING THE PROBLEM

Health literacy is “the ability of an individual to access, understand, and use health-related information and services to make appropriate health decisions.” For a woman with diabetes, health literacy means understanding the importance of tracking her blood sugar levels and knowing how to do so. For a man with high cholesterol, health literacy means being aware of the warnings on his prescription bottle, as well as understanding the importance of changing his diet. For all individuals, their level of health literacy directly influences the quality of care they receive. Recent research has found health literacy to be a better predictor of health status than age, ethnicity, or socioeconomic status.

Individuals with low health literacy…
- are less likely to use preventative services,
- know less about managing a health problem,
- are less likely to take their medications correctly,
- are more likely to be re-hospitalized,
- are more likely to report their health as “poor,” and
- have higher overall health care costs.

The cost of low health literacy affects more than just patients. In 2003 the health care industry spent an estimated $73 billion a year in misdirected health care services due to poor health literacy among patients. In a nation where health care expenditures are estimated to reach $3.6 trillion by 2013, or 18 percent of the GDP, the cost of poor health literacy cannot be ignored. If steps are not taken to address the health literacy problem, it will only continue to get worse. This is best illustrated in chronic conditions, one of the primary areas affected by health literacy.

UNDERSTANDING THE SIGNIFICANCE

Poor health literacy impacts a significant portion of the population. In 2003 it was estimated that more than 90 million Americans could not adequately understand simple health care information. According to the National Adult Literacy Survey, about a quarter of the adult population has poor health literacy.

A study conducted of English-speaking patients at two public hospitals found that one-third could not read and understand basic health-care materials. Of the participants, 26 percent of them could not read their appointment slips and 42 percent did not understand the labels on their prescription bottles. With such high numbers of the population being affected, health literacy has become an emerging issue in health care, one with lots of promise for reducing medical errors and increasing patients’ ability to follow their doctors’ orders.

In the Healthy People 2010 report issued by the Department of Health and Human Services (DHHS), improving health literacy was listed as one of the key objectives.
health literacy was listed as one of the key objectives. In 2003, the Institute of Medicine (IOM) released a report which listed health literacy as one of the 20 priority areas in improving the quality of health care. And globally, the World Health Organization (WHO) and the U.S. Agency for International Development (U.S. AID) identified health literacy as an important contributor towards a healthier society. There is growing support both in the national and international arenas to improve health literacy for all individuals.

OPPORTUNITIES FOR IMPROVEMENT

While the problem may seem overwhelming, there are opportunities to increase the health literacy skills of both providers and patients. However, it will take a combined systematic effort by patients, providers, and policy makers to bring about the improvements necessary to reduce poor health literacy significantly.

Proven best practices include...

- providing economic incentives to hospitals and providers who implement programs aimed at improving health literacy;
- developing non-reading solutions such as videos, pictures, audiotapes, and even basic verbal explanations, or simplify current materials by lowering the reading level;
- including health literacy in preexisting quality improvement campaigns;
- providing funding for health literacy research; and
- ensuring health literacy is included in the training of health professionals

creating a “shame-free” environment where patients aren’t afraid to ask for help, and assistance is routinely offered.

CONCLUSION

It’s estimated that public programs absorb approximately 63 percent of the costs of low health literacy. For example, if a Medicaid recipient is re-hospitalized after an illness because he or she didn’t understand when to take their medication (and it wasn’t properly explained to them by a physician or pharmacist), then the state must cover those costs. Between 2001 and 2005, Missouri’s Medicaid expenditures increased by almost 50 percent (from $4.2 to $6.3 billion). For the state of Missouri, poor health literacy has considerable implications when it comes to health care and the state budget.

On local, state, and national levels, there is a push to improve our overall health care system. Programs such as the more recent Medicaid Part D are being set up in the hopes of improving health care for targeted populations. But if these individuals have poor health literacy, their ability to utilize these programs will be compromised. Establishing new programs and initiatives without addressing health literacy will only increase current waste and misuse. But if steps are taken to target health literacy in the state of Missouri, it could lead to reduced health care spending and better quality of care for all of its citizens.

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