



MILLENNIALS:

Digital Natives Disrupting Healthcare

MILLENNIALS: DIGITAL NATIVES DISRUPTING HEALTHCARE

KEY FINDINGS:

Millennials are shaking up healthcare as we know it. New research from national nonprofit Transamerica Center for Health Studies® reveals that compared with older generations — including Generation X and Baby Boomers — Millennials:

- Have less insurance, less disposable income, and less ability to afford prescription drugs
- Visit a doctor's office less frequently
- Are more likely to rely on digital sources of health information than personal contact

Despite this, Millennials report being:

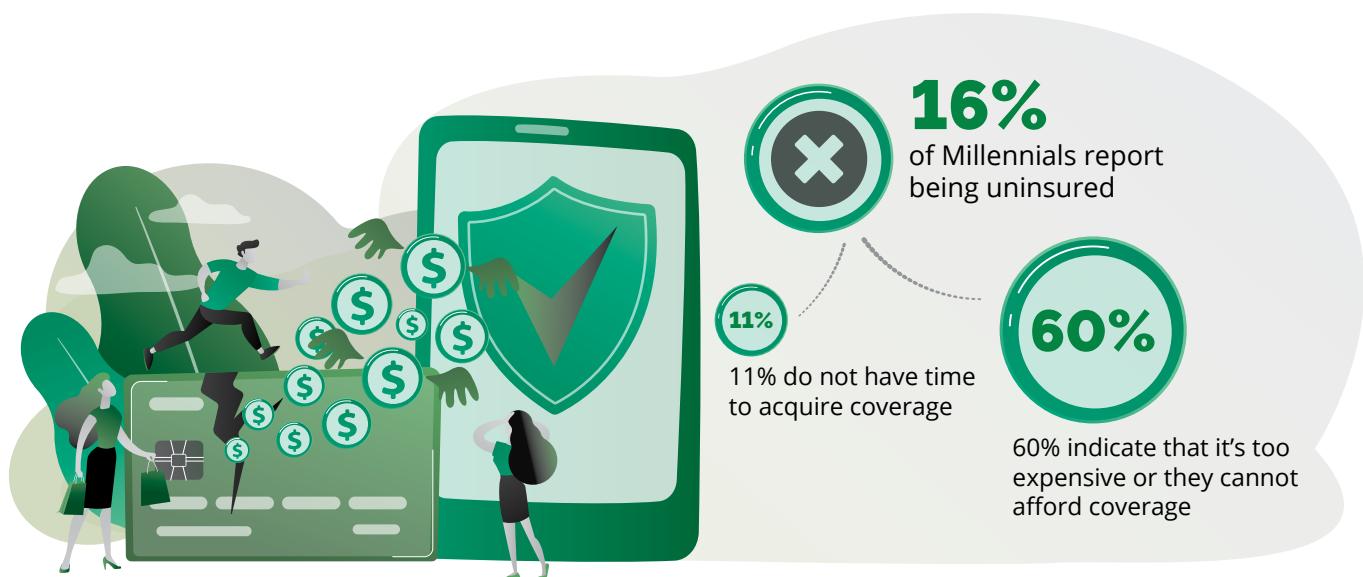
- Healthier, more interested in workplace wellness, and more interested in healthy workplace food options
- More likely to visit a mental health professional
- More likely to save for healthcare expenses and more aware of potential changes to health policy

As they overtake Baby Boomers as the largest generation in the United States, Millennials continue to garner a great deal of attention from the media, market researchers, and healthcare executives.^{1,2} Millennials represent a massive working, spending, and voting block with far-reaching economic and public policy implications. They are the first generation of digital natives, with boundless information and consumer power at their fingertips. They are not beholden to their predecessors in how they exercise their consumer power, especially when it comes to healthcare.

To gain insight into Millennials and healthcare, Transamerica Center for Health Studies® (TCHS) analyzed data from its [6th Annual Consumer Healthcare Survey](#). The new report, [Millennials: Digital Natives Disrupting Healthcare](#), illuminates the pressures they face that impact their healthcare decisions, their access to healthcare, their perception of the U.S. healthcare system, and their current state of health. The research offers clear trend analysis and actionable insights for the general public.

MILLENNIALS ARE STRESSED ABOUT THE AFFORDABILITY OF HEALTHCARE.

Research indicates Millennials have amassed approximately \$1 trillion in debt – particularly in student loans and credit cards.³ This debt limits the disposable income Millennials have to spend on healthcare.^{4,5} Indeed, Millennials (16 percent vs. 12 percent of Gen X and 8 percent of Boomers) are more likely to report being uninsured, an increasing trend since 2016. When asked why they lack insurance, 60 percent of uninsured Millennials say it is too expensive/they cannot afford it—and more than any other generation, uninsured Millennials (11 percent) indicate that they do not have time to acquire coverage.



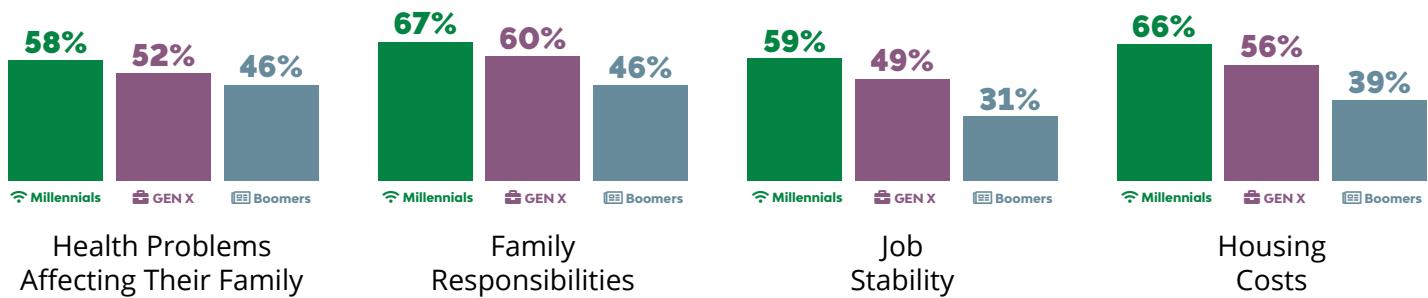
Nearly two in three Millennials (63 percent) cite healthcare costs as a significant source of stress. With so many Millennials struggling to afford coverage, access to care is difficult. Millennials say, “being able to pay for the care I need” (34 percent) is the most important aspect of the healthcare system to them, followed by being seen by a doctor in a timely manner (22 percent). With many Millennials avoiding the doctor’s office, it is possible that some conditions are going undiagnosed.

“It’s difficult to justify paying \$500 per month for health insurance when you don’t feel ill, but many of today’s illnesses are silent,” says Dr. J. Dean Dabbah, MD, MS, Medical Director of Pure Benefits Wellness in Scottsdale, Arizona, “You really don’t notice diabetes, hypertension, and hyperlipidemia until it’s too late.”

One in five Millennials (20 percent) say they cannot afford routine healthcare expenses. Millennials and Generation X (both 18 percent) have a more challenging time affording prescription drugs, compared with Baby Boomers (13 percent). In an effort to keep up, Millennials are also more likely than older generations to pay for significant out-of-pocket healthcare expenses with:

- Credit cards (44 percent vs. 38 percent of Gen X and 33 percent of Boomers)
- 401k withdrawals (16 percent vs. six percent of Gen X and three percent of Boomers)

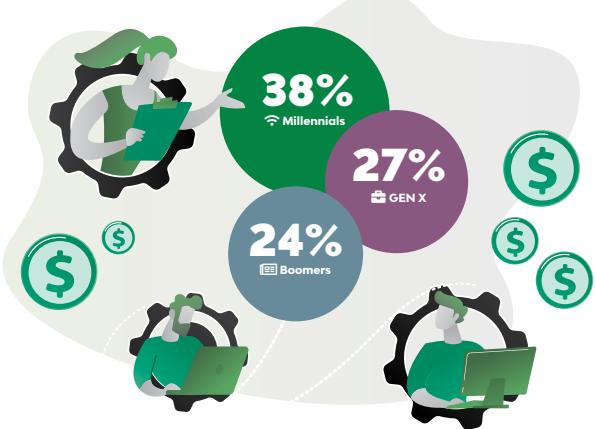
Sources of Stress, 2018



Difficulty affording healthcare and other expenses is a common theme among Millennials. Forty-four percent feel their health insurance premiums, deductibles, and out-of-pocket expenses increased within the last year. Millennials also face a host of significant stresses – health and otherwise – at greater levels than older generations, including:

- Health problems affecting their family (58 percent vs. 52 percent of Gen X and 46 percent of Boomers)
- Family responsibilities (67 percent vs. 60 percent of Gen X and 46 percent of Boomers)
- Job stability (59 percent vs. 49 percent of Gen X and 31 percent of Boomers)
- Housing costs (66 percent vs. 56 percent of Gen X and 39 percent of Boomers)

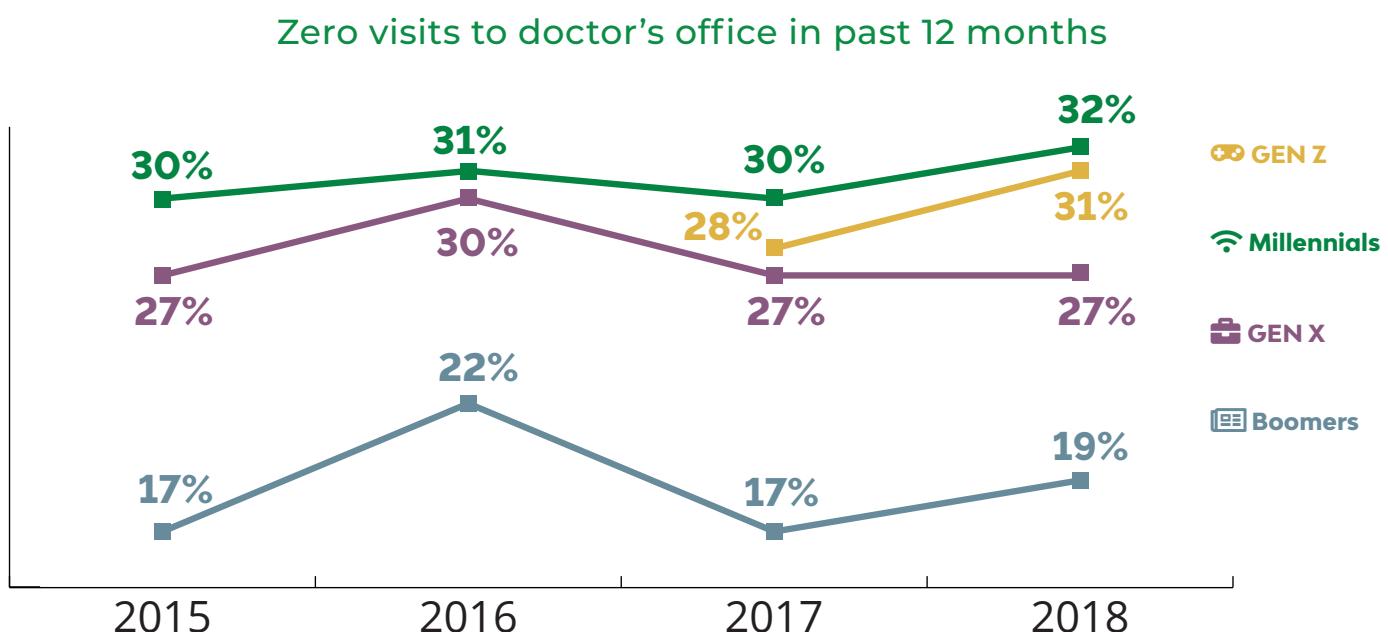
Saving for Healthcare, 2018



More Millennials are entering the workforce and the benefits available to them through their employers are important to them.⁶ More than half of Millennials (53 percent) report staying at their current job because of the health benefits. About a quarter of Millennials are using Flexible Spending Accounts (24 percent) and Health Savings Accounts (25 percent) to pay for health expenses. Millennials are also more likely to report currently saving for healthcare (38 percent vs. 27 percent of Gen X and 24 percent of Boomers), which has increased each year since 2014.

MILLENNIALS ARE MORE LIKELY TO BE UNHAPPY WITH THE QUALITY OF THEIR HEALTHCARE, ARE LESS RELIANT ON HEALTHCARE EXPERTS, BUT FOLLOW HEALTHCARE POLICY CLOSELY.

More than any other generation, Millennials (21 percent) say they are “not at all” or “not very satisfied” with the quality of healthcare to which they have access — a dissatisfaction that has increased since 2016. This dissatisfaction, coupled with limited finances, may contribute to why Millennials reported visiting their doctor’s office less often (32 percent with no visits vs. 31 percent of Gen Z, 27 percent of Gen X, and 19 percent of Boomers) than other generations from 2015-2018.

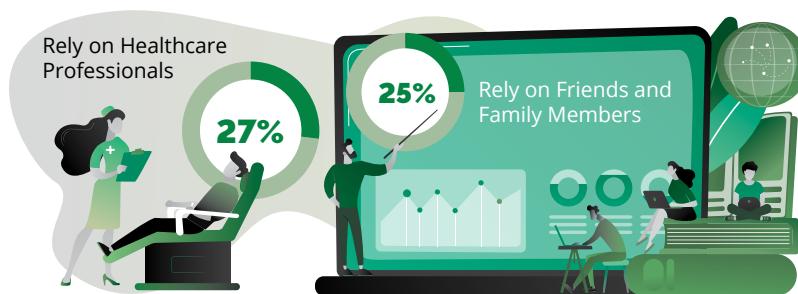


As the most educated and digitally-savvy generation, Millennials are comfortable conducting research through the Internet, and as such, are less reliant on the opinions of healthcare experts during in-person visits.^{7,8} However, this puts Millennials at greater risk of exposure to dubious medical information from unreliable sources.⁹

“An overreliance on internet resources can be harmful — both in misinformation and misinterpreted information,” says Dr. Nathan Delafield, MD, an internal medicine physician at the Mayo Clinic, “Every patient is different, and it’s important to talk to your physician who knows your health status, test results and needs, and not solely rely on outside information.”

Millennials do not just use the Internet to research their own diagnoses, they are also more likely than other generations to use online sources to gather information about their health, health insurance, and healthcare providers (43 percent vs. 36 percent of Gen X and 33 percent of Boomers). This technological expertise also has an impact on Millennial clinicians.

"Being a Millennial doctor, I have many advantages. If a patient has a question I don't know the answer to, I sift through countless research articles in a matter of seconds with the patient sitting next to me. I can easily forward them educational materials or a research article so they can make the informed decision," says Dr. Dabbah, the Medical Director in Scottsdale, "A big difference with Millennials is they like having a choice. When I have this talk with them I also break down pricing with their insurance, what's covered versus what isn't, because time and money are really the determining factors for a lot of these patients."



As for policy, Millennials (30 percent) are the generation most likely to say they are "extremely" or "very aware" of healthcare policy changes in Washington, D.C. (20 percent of Gen X and 20 percent of Boomers), of which most (57 percent) are "extremely" or "very concerned" about these policy changes. Millennials' biggest policy-related fear (29 percent) is losing their healthcare because of a pre-existing condition.

Millennials (27 percent) are most likely to say they rely on physicians, nurses, and other healthcare professionals for information about their health, health insurance, and healthcare system, but they are almost as likely (25 percent) to rely on family and friends for this information.



"I am worried about losing my coverage due to a pre-existing condition because I have so many. [If I were to lose my coverage] I would not be able to pay any of my medical bills off. I have problems doing that now and I have great insurance. I would not be able to afford my expensive medications, so I would have to stop taking them, to stop attending my therapy." Female Millennial respondent (22 years old)

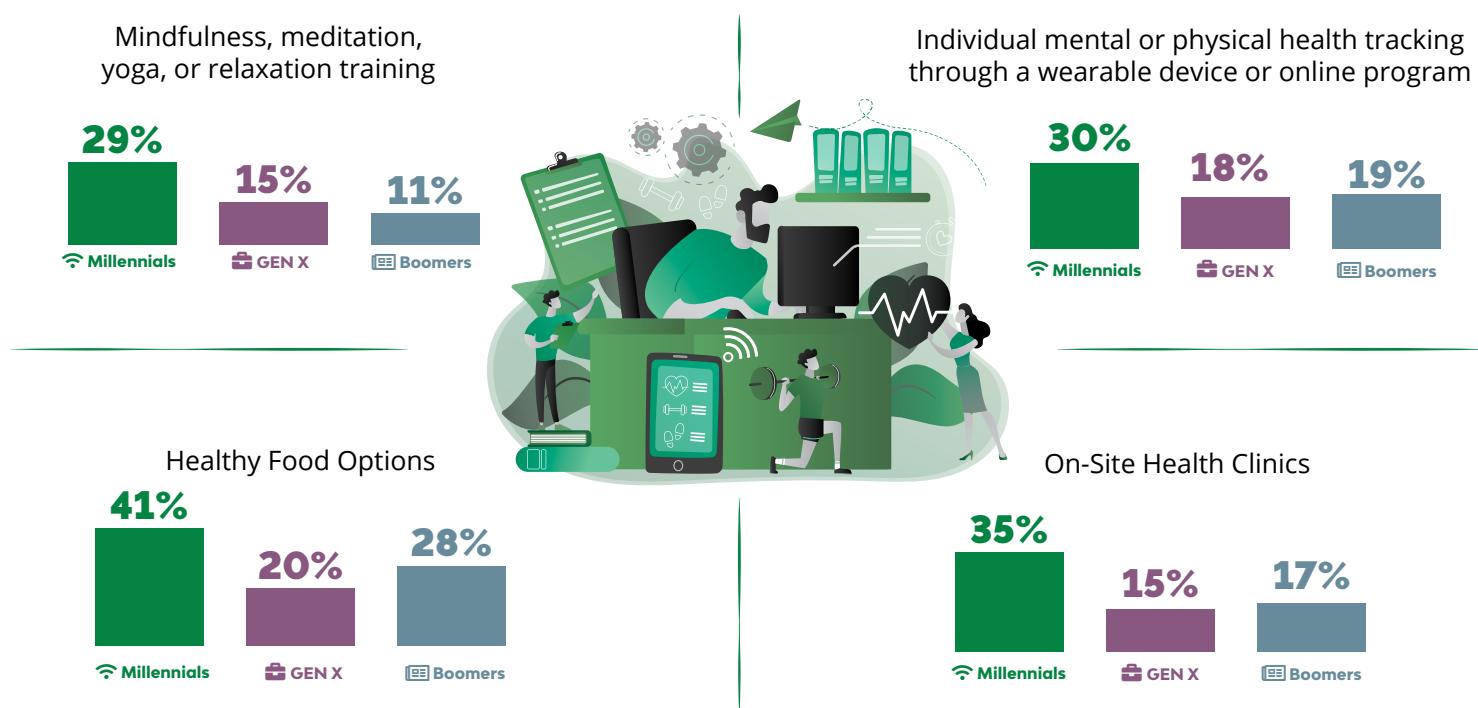
MILLENNIALS VALUE HOLISTIC HEALTH AND PREVENTION, AND ARE REPORTEDLY HEALTHIER THAN OTHER GENERATIONS.

Regardless of their concerns, Millennials report the highest levels of health and wellness. Eight in 10 Millennials (80 percent vs. 75 percent of Gen X and 74 percent of Boomers) rate their health as excellent or good, even higher than the younger Generation Z (75 percent). More than half (55 percent) of Millennials say their current, most important health-related priority is “staying healthy and covering preventive healthcare expenses.”

Employers also appear to be playing their part in keeping Millennial employees healthy by providing health and wellness programs, and Millennials are receptive to such efforts. Among the 39 percent of workers who are offered worksite health programs, Millennials are most likely to take advantage of them:

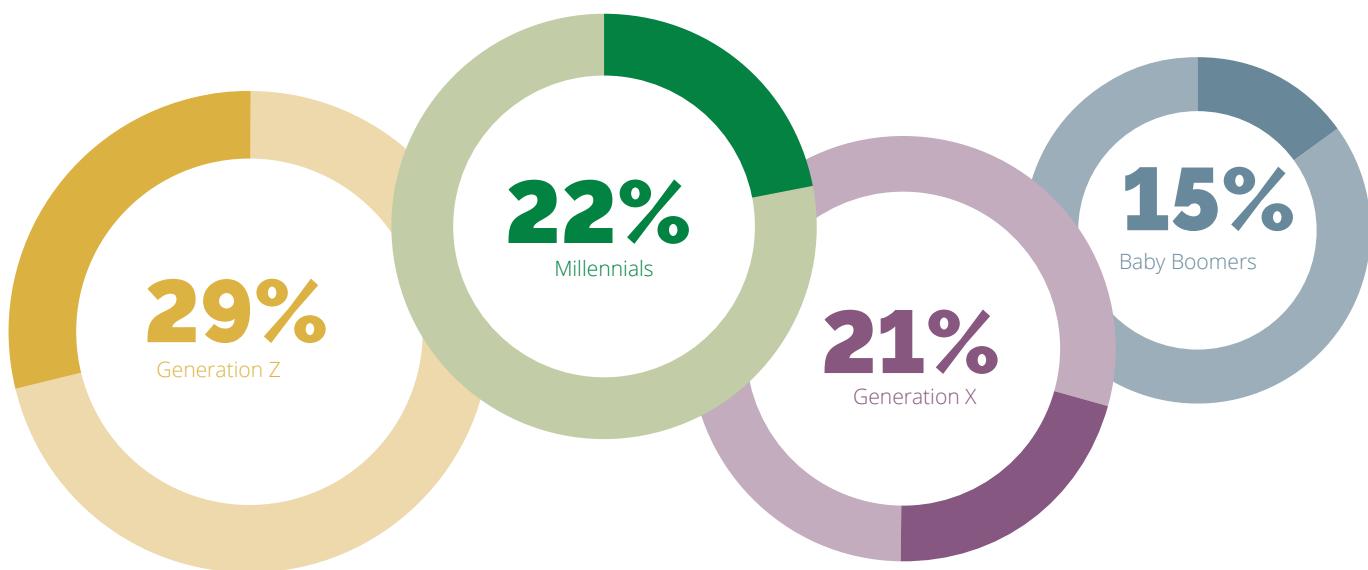
- Healthy food options (41 percent vs. 20 percent of Gen X and 28 percent of Boomers)
- On-site health clinics (35 percent vs. 15 percent of Gen X and 17 percent of Boomers)
- Individual mental or physical health tracking through a wearable device or online program (30 percent vs. 18 percent of Gen X and 19 percent of Boomers)
- Mindfulness, meditation, yoga, or relaxation training (29 percent vs. 15 percent of Gen X and 11 percent of Boomers)

Enrolled in Company Offered Wellness Programs, 2018



Still, approximately half of Millennials (51 percent) say they have been diagnosed with a chronic illness, most commonly depression (17 percent), being overweight (12 percent), migraines (12 percent), anxiety (11 percent), and high blood pressure (9 percent). Additionally, from 2016-2018, over one in five Millennials (22 percent) indicate they have been diagnosed with a mental health condition (such as depression or anxiety), a finding higher than for Generation X and Baby Boomers.

Diagnosed with a Mental Health Condition by a Healthcare Provider, 2018



Millennials, however, do not shy away from mental health and alternative treatment options. More than older generations, in the past twelve months Millennials are more likely to have one or more:

- Mental health visits (20 percent vs. 11 percent of Gen X and 7 percent of Boomers)
- Chiropractor visits or massage therapy (19 percent vs. 12 percent of Gen X and 9 percent of Boomers)
- Acupuncture visits (13 percent vs. 3 percent of Gen X and 2 percent of Boomers)

"Stigma around mental health is less than past years and a lot [of Millennials] talk about emotional intelligence," says Karen Simms, LMHC, Psychotherapist at Mindful Therapy Group in Seattle, "More Millennials are being raised knowing they have a right to happiness and understanding self. Many are also still on their parents' insurance so they aren't aware of the pain they may feel in the pocketbook after age 26, or perhaps they are very aware of the gift of insurance and are using it for all its worth."

CONCLUSION

As millions of Millennials enter their peak spending and earning years, understanding their unique consumption patterns, beliefs, and underlying values will be crucial in shaping the modern healthcare landscape. Millennial preferences represent a departure from those of older generations, but certain elements of traditional healthcare are beneficial, regardless of financial constraints. The Millennial trend of avoiding the doctor's office sets a dangerous precedent for themselves and younger generations that follow in their footsteps. As health systems address this, and adapt to Millennial preferences through modalities such as telemedicine, providers will be in a better position to also care for Generation Z, a younger but comparable generation to Millennials, many of whom will lose eligibility and coverage on their parents' insurance at age 26.

"Living paycheck to paycheck has become much more common for Millennials compared to older generations, so their healthcare is usually discarded," says Dr. Dabbah, "However, the most important thing a Millennial can do is take care of their health; it will save them thousands in future healthcare dollars."

Healthcare providers looking to better serve Millennials can make their expertise more accessible to these digital natives through mobile technology and social media. Constantly connected and increasingly informed, Millennials often seek out low-cost, holistic practitioners, and likely appreciate employers that offer health-related perks that keep employees healthy and productive. Healthcare services that Millennials can integrate into their daily routine to save them time and money, such as workplace wellness programs, will likely remain particularly popular with this demographic. Furthermore, Millennials will seek more accessible healthcare, more flexibility for supporting family, more mental health services, and guaranteed pre-existing condition coverage. Perhaps even more importantly, healthcare leaders who address these priorities will play a key role in supporting the largest living generation¹⁰ in the U.S., at this time in which health outcomes are crucial to the overall success and health of our economy and country.

For more detailed research findings, please view the full report, [Millennials: Digital Natives Disrupting Healthcare and Stressed Out: Americans and Healthcare](#).

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Transamerica Center for Health Studies® (TCHS) – a division of the Transamerica Institute® – is focused on empowering consumers and employers to achieve the best value and protection from their health coverage, as well as the best outcomes in their personal health and wellness. TCHS engages with the American public through national surveys, its website, research findings and consumer information. TCHS also collaborates with healthcare experts and organizations that are equally focused on health coverage and personal health and wellness.

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6TH ANNUAL TCHS CONSUMER HEALTHCARE SURVEY REPORT

The analysis contained in *Millennials: Digital Natives Disrupting Healthcare* was prepared internally by the research team at TCHS. The results of the study – conducted by The Harris Poll via a self-administered online survey among a nationally representative sample of 3,604 U.S. adults (ages 18-64 including Gen Z (18-21) n=267, Millennials (22-38) n=1172, Gen X (39-53) n=1003, Baby Boomers (54-64) n=1162) in August 2018 – represent the sixth annual survey from Transamerica Center for Health Studies. Figures for education, age by gender, region and household income were weighted where necessary to align them with the population of U.S. residents ages 18 to 64, then separately by race, and combined into a total General Population sample. A separate weight was created for U.S. residents ages 18-64 who are currently uninsured, as well as for age and ethnicity. A separate weight was created for Millennials and Generation Z to ensure representativeness. A full methodology is available in the report.

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Hector De La Torre is the Executive Director of TCHS, as well as a board member at LA Care, the largest public health plan in the United States, and a Trustee at Occidental College. De La Torre served as a State Assemblymember for California's 50th District from 2004-2010. Prior to that, he was Mayor and Councilmember in his hometown of South Gate. He has a bachelor's degree in Diplomacy and World Affairs from Occidental College and attended the Elliot School of International Affairs at The George Washington University.

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Giselle Dizon serves as Program Specialist for TCHS. Giselle is passionate about the intersection of mental health and the law, and eliminating the stigma around the subject of mental health. She aspires to apply her passion for mental health in curating and creating content that empowers consumers in navigating the complex systems of both mental health treatment and the U.S. healthcare system. Giselle is a graduate of the University of Southern California, with a bachelor's degree in Neuroscience and minor in Psychology & Law.

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