



SURVEY REPORT

Voice of the Market Survey Series

Consumers Expect More from Their Health Plans:
Better Costs, Communication and Customer Service

With the growth of consumerism in healthcare, health insurers must evolve engagement strategies to meet customer demands and expectations. Health plans want to create better experiences for their members; they are at the center of payer organizational goals and growth strategies. However, member satisfaction remains a top challenge for [health plan executives](#).

To capture perspectives on critical factors, such as what impacts member satisfaction and what consumers look for in a health plan, HealthEdge commissioned an independent study of 3,000 insured adults across the country.

Opportunity for Consumers Individual Market to Grow Membership

According to the survey results, Medicare Advantage (MA) plans have the most satisfied members, with 55% of respondents with MA plans giving their insurance providers five stars. While this is the fastest-growing health insurance plan segment, it is highly competitive. It will be challenging for MA plans to convert new members from existing plans; they should instead focus on the 11,000 Baby Boomers turning 65 every day.

Health plans that are individually purchased on a public exchange received the lowest satisfaction scores, with almost 25% of respondents giving their plan a 2-star or 1-star rating. These satisfaction levels could indicate why more than half (52%) of these members plan to scan the market during open enrollment. Coupled with the fact that more than one million Americans have signed up for the ACA coverage on the federal exchange in the first three months since it reopened, this presents a phenomenal opportunity for health plans in the individual market with high customer satisfaction to gain new members.



Member satisfaction fuels our growth because the renewal rate is critical to our success. We can't count on always winning in a market and taking somebody else's members. We have to count on renewing our own members first. Customer satisfaction is a key requirement."

SAL GENTILE
CEO AND CO-FOUNDER
FRIDAY HEALTH PLANS

Younger Generations Want to Maintain a Healthy Lifestyle and Mental Wellness

Despite being mostly satisfied with their health insurance providers, younger generations are open to looking at other options—56% of Millennials and 52% of Generation X (versus 31% of Boomers and 19% of the Silent Generation) plan to scan the market during open enrollment.

56% of Millennials plan to scan the market during open enrollment.

When selecting a health plan, Millennials and Generation X want coverage for behavioral health and financial incentives for healthy behaviors. Furthermore, younger generations are more likely to use depression/mental health resources if covered by their insurance (44% of Millennials versus 6% of the Silent Generation), as well as access to healthy foods (51% of Millennials versus 24% of the Silent Generation).

Younger generations understand the value of preventive care and seek benefits that help them maintain a healthy lifestyle and mental wellness to ultimately drive down costs. With increasing recognition that value-based care and social determinants of health are the best ways to keep members healthy, health plans must create innovative and advanced reimbursements for services their members want.

Outreach to Most Vulnerable Populations Lacking

Health plans must recognize that consumers are focused on preventive care and staying healthy. Today, there are so many data sources that can combine with a health plan's core system to make meaningful healthcare predictions possible. Predictive analytics can serve as a differentiator in how health plans manage their business and assist in proactive member outreach and preventive care.

However, when asked if a health insurance company, primary care physician, or a specialist directed the consumer to a community resource like Meals on Wheels or housing assistance to further support



The member is the center of everything we do. How we treat our members today will influence whether they stay with us going forward ... We've learned that when you can segment the population into services and benefits that are tailored to the unique needs of people, it's a much more viable way to serve the individuals on our plans."

GHITA WORCESTER
SVP OF PUBLIC AFFAIRS
AND CHIEF MARKETING OFFICER
UCARE

their care, 72% said no, including 83% of MA members and 77% of Medicare members. Furthermore, 84% of Boomers and 91% of the Silent Generation said they had not been directed to a community resource.

There is a significant communication gap and missed opportunity for the most vulnerable populations to take advantage of the resources available to help improve their care and overall well-being. There is also evidence that consumers will use these resources if they know they exist. For those directed to community resources, 81% engaged with the services—up from 57% in 2019.

81% of consumers took steps to engage with a community resource once they knew it was available.

To improve care and ultimately lower healthcare costs, health plans must incorporate community resources into the ecosystem, educate providers, and improve member outreach.

Improving Member Engagement Requires Regular Communication

According to [a survey](#) of 220 health plan executives, 53% of respondents said they want to improve member engagement strategies. However, only 50% of consumers say they know all of the services and offerings covered under their current plan. Health plans must improve member outreach and how they communicate available resources to their members.

Just **50%** of consumers say they know all of the services covered under their current health plan.

Email is the preferred method among all age groups to communicate with their health plan (64%), and social media is the least preferred (10%). Communication preferences vary among age groups. Younger generations are more likely to use text (48% of Millennials versus 13% of Silent Generation) and mobile apps (42% of Millennials versus 6% of Silent Generation). In comparison, older generations are more likely to prefer to communicate by phone. Generation X consumers seem to be the most flexible with communication as they selected the greatest number of methods overall.

More consumers say regular communication through a variety of channels will improve their member satisfaction (26% today versus 18% in 2018). Health plans should take notice and adjust their engagement strategies accordingly.

Consumers prefer **EMAIL** to communicate with their health plan



Cost is Negatively Impacting Satisfaction Scores, and Blame is Shifting from Pharma to Health Plans

Consumers say cost and surprise billing/difficult transactions have the greatest negative impact on member satisfaction; 44% of respondents have even contested a bill for healthcare services.

Consumers are focused on affordability and the lowest out-of-pocket costs over everything else when selecting a health plan. Tools or information to help understand benefits and financial responsibility (55%) and tools or information to help find less costly care (49%) topped the list of services that consumers said would improve their current level of satisfaction.

When asked who is most responsible for the high cost of healthcare, the top answer was health insurance companies (32%). While 24% of respondents blame pharmaceutical companies, this presents a notable shift from 36%, the top choice in HealthEdge's [2018 independent consumer survey](#).

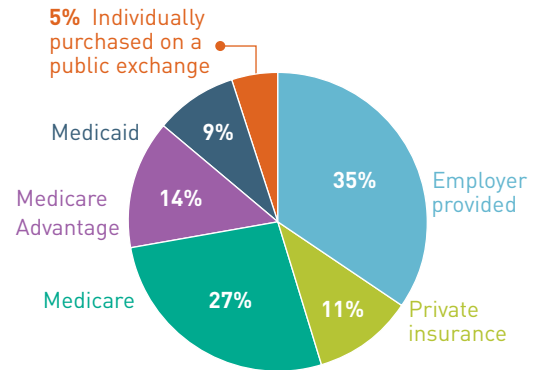
This should serve as a massive wake-up call for health insurance companies. Cost is negatively impacting satisfaction scores, and consumers say that health plans are to blame. Health plans should pay attention and evolve, or risk losing membership.

Today, 58% (majority) of consumers still trust the current health insurance model over government-run models, private-public ventures, and partnerships led by retailers such as CVS or Walmart. Still, that trust is starting to take a dip, down from 69% in 2018. Furthermore, younger generations seem to trust mega-merger partnerships more than older generations (18% of Millennials versus 6% of the Silent Generation).

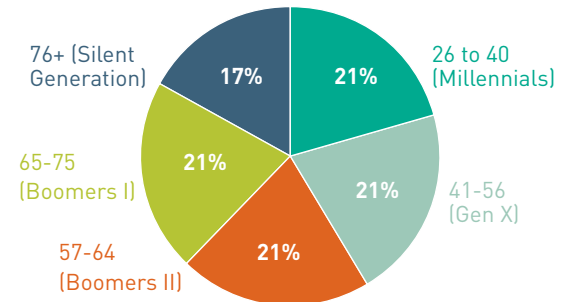
As the largest demographic age group, Millennials will only expand their influence as they continue to increase their use of health insurance benefits. They continue to expect their interaction with the health system to resemble or be as good as what they are accustomed to with other industries. Health plans should not waste this opportunity to improve engagement strategies and find ways to lower costs before it's too late.

Survey Results

1) Which of the following best reflects the type of health insurance you currently have?



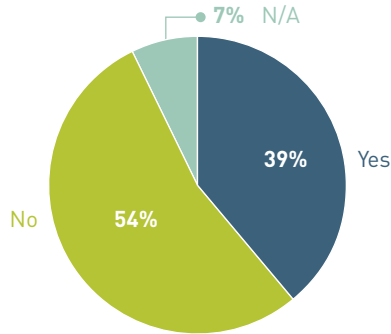
2) Please select your age group



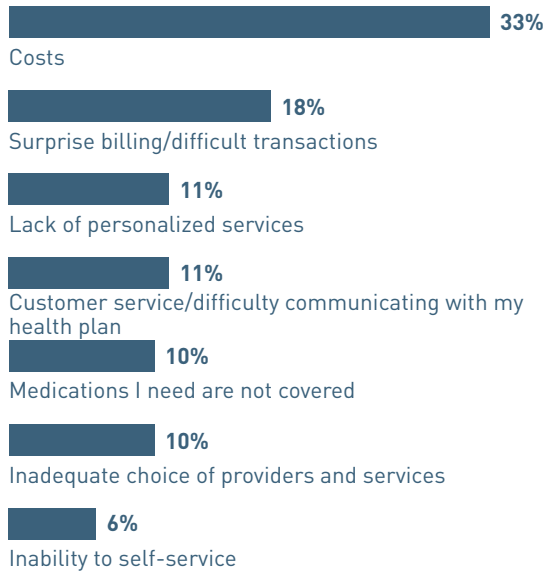
3) How would you rate your health insurance?



4) Do you plan on scanning the market for a new health plan during open enrollment?



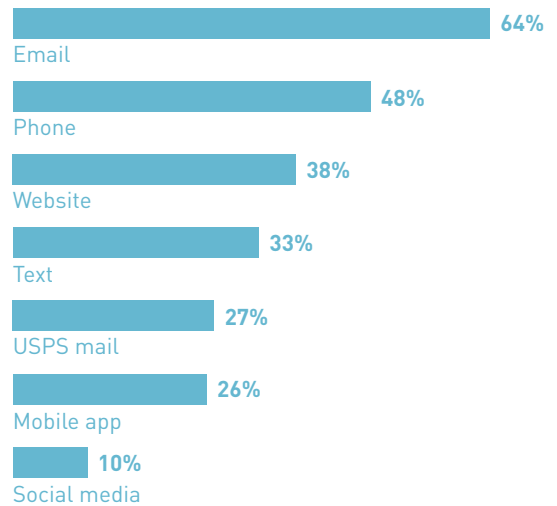
5) What has the greatest negative impact on your satisfaction?



6) From the list below, what are the top three services that would help to most improve your current level of satisfaction with your health plan?



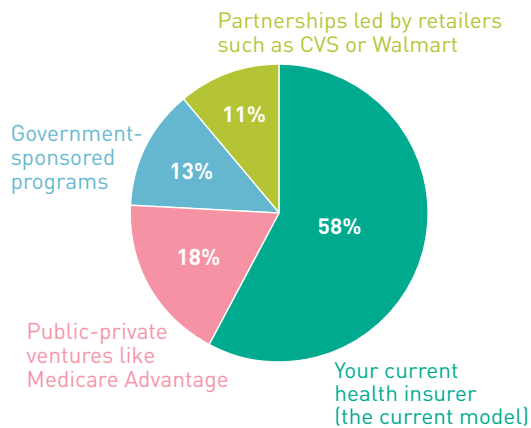
7) Which methods do you prefer to communicate with your health plan? Select all that apply.



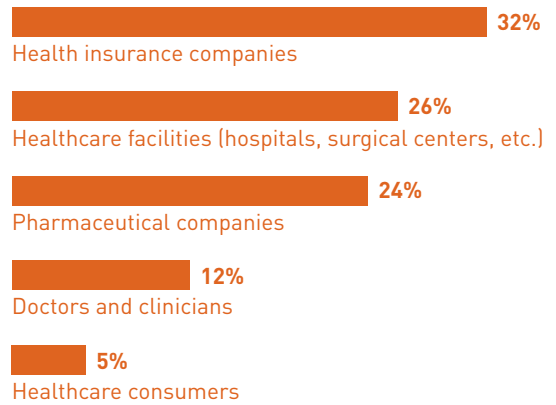
8) What is the most important factor you look for when selecting a health plan?



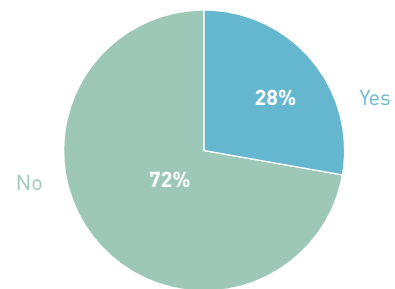
9) Which one of the following models would you trust the most with administering your health insurance?



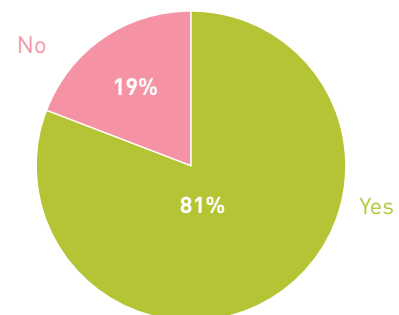
10) Which one of the following factors do you believe is most responsible for the high cost of healthcare?



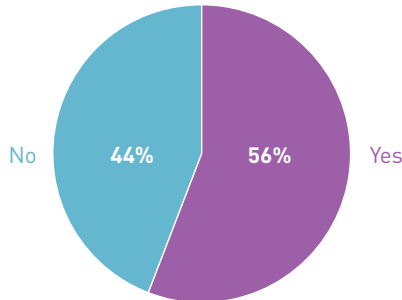
11) In the last 12 months, has your health insurance company, primary care physician, or a specialist directed you to a community resource (e.g., Meals on Wheels, housing assistance) to further support your care?



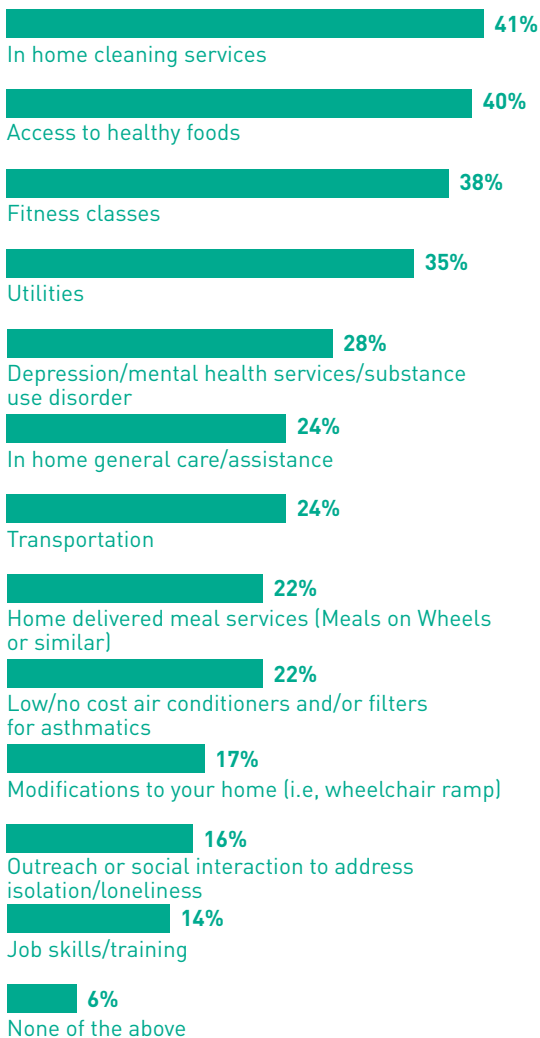
12) If yes, did you take steps to engage with the recommended community resource?



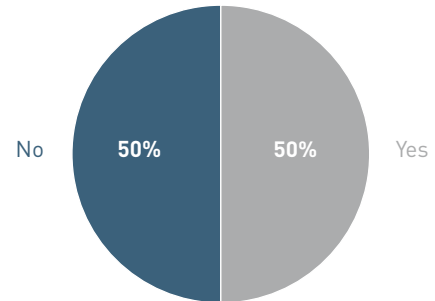
13) Have you used virtual care/telehealth services in the past year?



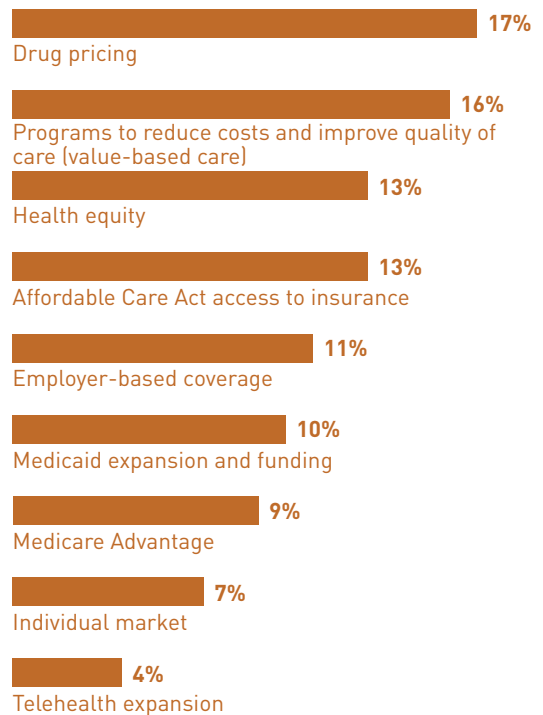
14) What services would you use if covered by your insurer?



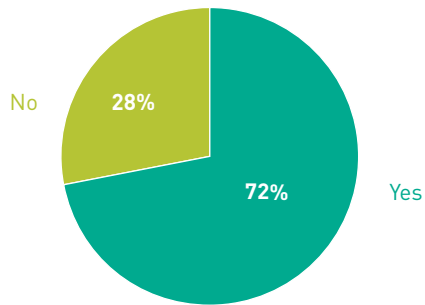
15) Do you believe you know all of the services/offerings (e.g., substance use treatment, new mother groups, access to healthy foods, in-home care, etc.) covered under your current plan?



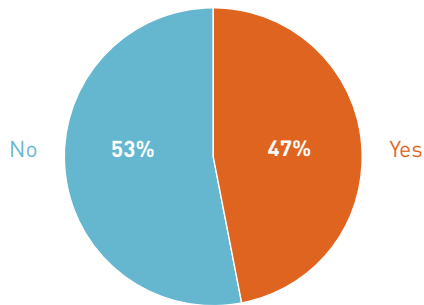
16) With a new administration in Washington, DC, where do you expect the greatest disruption?



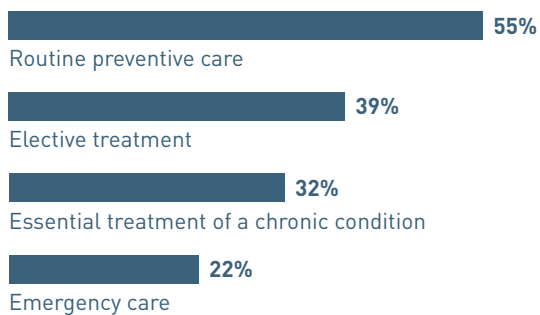
16) In the last 12 months, do you feel your insurance provider gave you adequate information regarding testing options, vaccinations, etc. as it relates to COVID-19?



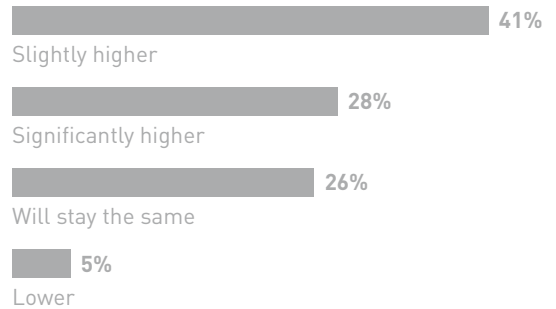
17) Did you postpone care in the past year?



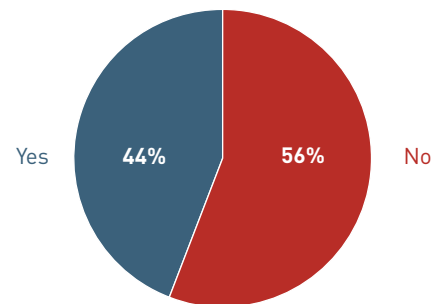
18) What type of care did you postpone?



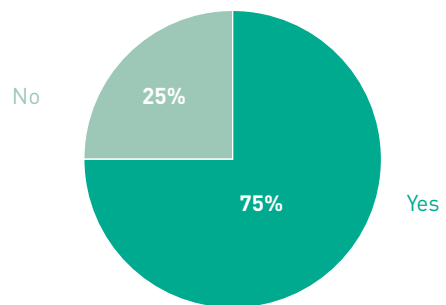
19) How do you think COVID-19 will impact health insurance premiums?



20) Have you ever contested a bill for health care services?



21) Do you trust your health insurance to pay your claim correctly the first time?



About HealthEdge

HealthEdge provides modern, disruptive healthcare IT solutions that health insurers use to leverage new business models, improve outcomes, drastically reduce administrative costs, and connect everyone in the healthcare delivery cycle. Its next-generation enterprise solution suite is built on modern, patented technology and is delivered to customers via the HealthEdge Cloud or onsite deployment. In 2020, HealthEdge was acquired by Blackstone. HealthEdge's product portfolio includes HealthRules Payor,[®] Altruista Health's GuidingCare,[®] and Burgess Source.[®]

METHODOLOGY DETAILS

HealthEdge commissioned this independent survey of 3,000 American adults (26 years and older) with health insurance in the United States. The survey was conducted between May 6, 2021, and May 10, 2021, using the Pollfish survey delivery platform, which delivers online surveys through mobile apps and the mobile web, along with the desktop web.

For more information, visit: healthedge.com or call: 781.285.1300