

ACA: YEAR 2

WHAT SHOPPERS DID... AND WHY

Survey results and strategic insights
for health insurance marketers

Post-Enrollment Survey: April 2015

competiscan



media logic®

**With the second ACA Open Enrollment period in the books,
some obvious trends are solidifying –
AND NEW CHALLENGES ARE EMERGING.**

Competiscan and health care marketing agency Media Logic teamed up again to better understand how Exchange consumers shop for, choose and use their health plans – to help health insurers improve the member experience and prepare for Open Enrollment.

Survey insights include...

**How many Exchange consumers chose
a new insurer for 2015 – and why**

Better ways to target and talk to prospects

**The importance of onboarding for
“self-help” consumers**

Advice to improve member retention



**READ ON TO SEE
THE FINDINGS.**

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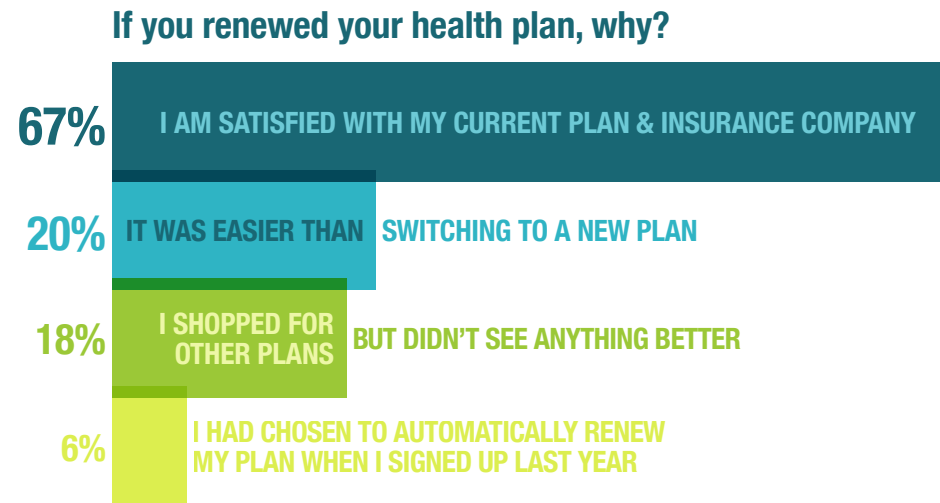
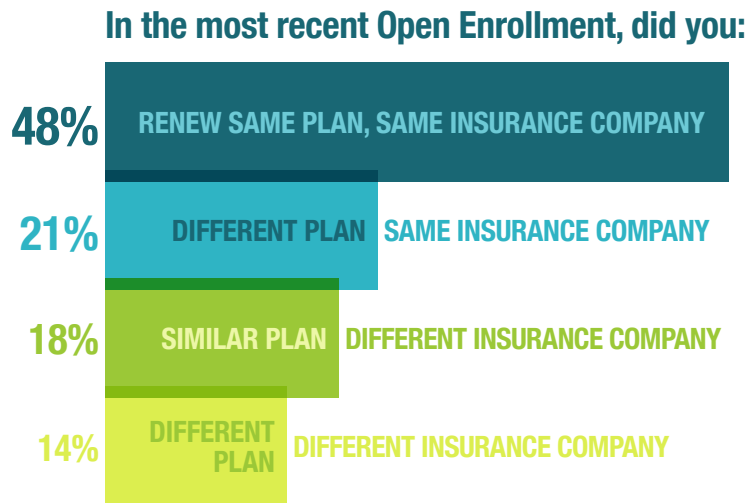
Retention Insights (among consumers returning to the Exchange)



- ▶ The fact that almost 1/3 (32%) of Exchange consumers decided to switch insurers is concerning. For instance, only 13% of Medicare members change insurers each year, and less than 8% of consumers on employer-sponsored plans make a change (per HHS March 2015). Retention will clearly be an annual challenge for Exchange products.

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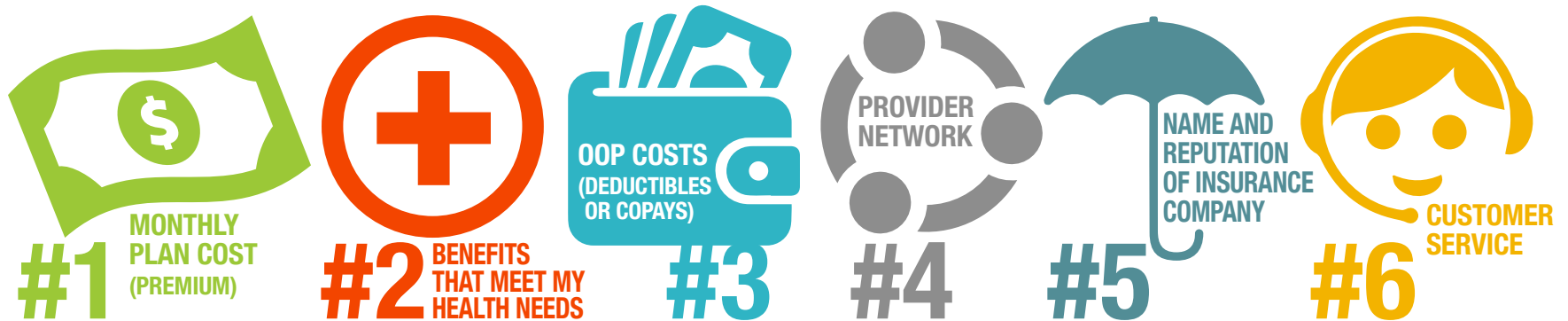
Retention Insights (among consumers returning to the Exchange)



- ▶ **Here's a closer look at the retention numbers and the reasons that consumers renewed. The top reason to stay: "I am satisfied with my current plan and insurance company." Insurers will need to increase this satisfaction – with better plan design, onboarding and customer experience – to maximize retention.**

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Plan Preferences



TOP REASONS TO CHOOSE A PLAN

- ▶ While it's not surprising to see that premium cost is the top reason, it's interesting that "benefits" and "out-of-pocket (OOP) costs" were perceived as more important than "provider network" or "reputation of company." After a year of ACA, consumers have learned that benefits and OOP costs can vary significantly among the different metal levels... and they are becoming better informed when it comes to choosing a plan. Insurers must develop solutions that balance cost and coverage.

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The Bumpy Process of Onboarding

26% REPORTED

THAT THEY DID NOT RECEIVE AN ORIENTATION GUIDE WITH THEIR NEW HEALTH PLAN

((DIS))ORIENTATION

Among those who did, 49% found it “moderately helpful” at best

- ▶ With all the dollars being invested, are your onboarding materials working hard enough? Are they easy to navigate or just a “pile of stuff?” Have you thought of ways to personalize your materials to make them more relevant for each member?

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The Bumpy Process of Onboarding

ONLY 35% SAID THEY FULLY UNDERSTAND THEIR PLAN BENEFITS

And only 36% fully understand how their deductibles work



- ▶ **Managing deductibles and out-of-pocket dollars can be complicated – are you providing the tools and support that members need to feel in control of their health care?**

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The Bumpy Process of Onboarding

ONLY 25% SAID THEY FULLY UNDERSTAND THE WELLNESS AND DISEASE MANAGEMENT PROGRAMS THAT CAME WITH THEIR PLANS



- ▶ **If you offer wellness/disease management programs, are you merchandising them to your members to maximize usage and perceived value?**

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Supporting the DIY Health Consumer



THE TOP 5 MOST HELPFUL TOOLS/RESOURCES

- ▶ While a dedicated phone line is vital, self-service is the new normal – and transparency is key. In a post-ACA world, consumers need (and expect) easier ways to shop for doctors and manage their health care costs.

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How Exchange Consumers Shop

53% VISITED A
HEALTH INSURER'S WEBSITE



► **This was the most-cited shopping method by respondents – more than double any other. Insurers need to take a fresh look at their sites and make sure they are optimized for Exchange consumers:**

Is it easy to find plan info and rates?

Do you offer a subsidy calculator and tools to help consumers estimate their costs?

Is your site responsive for mobile users?

Are you capturing leads with “request info” forms and other assets?

Do you offer live chat functionality?

Are you monitoring and leveraging usage data?

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How Exchange Consumers Shop

25% LOOKED AT
HEALTH INSURER REVIEWS ONLINE

And 18% used Google or YouTube

Google™
YouTube



► **Take a moment and Google your health plan.**

How would you react to the results if you were a shopper? You obviously can't control everything that's said online, but effective content marketing and strategic SEO can make an impact on what's seen by shoppers.

Publish positive content such as awards, ratings, community relations and membership growth. Respond to both positive and negative comments on third party sites, or follow up directly (this demonstrates that you take customer feedback seriously).

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How Exchange Consumers Shop

22% READ DIRECT MAIL FROM HEALTH INSURERS

- ▶ DM is still a great way to make your case.

10% SPOKE WITH AN INSURANCE BROKER

- ▶ Don't forget about supporting the broker channel and private insurance agents.

ONLY 3% ATTENDED AN INFORMATIONAL MEETING

- ▶ Though results may vary by market, insurers should question if developing, promoting and staffing these events is worth the investment for Exchange consumers.



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Improving the Customer Experience

WE ASKED “WHAT’S THE ONE THING YOUR INSURER COULD DO TO MAKE YOUR EXPERIENCE BETTER?”
OTHER THAN “REDUCE COSTS,” THE TOP 3 THEMES WERE:



#1 SIMPLIFY LANGUAGE / CLEARER COMMUNICATIONS (33%)

“Simplify! It is crazy that you have to read a novel-length write-up and are still not able to understand if your basic needs will be covered.”



#2 BETTER CUSTOMER SERVICE (26%)

“Make sure all customer service reps are taught the same thing; shorter phone wait times; better call center hours.”



#3 BETTER WEBSITE FEATURES & FUNCTIONALITY (12%)

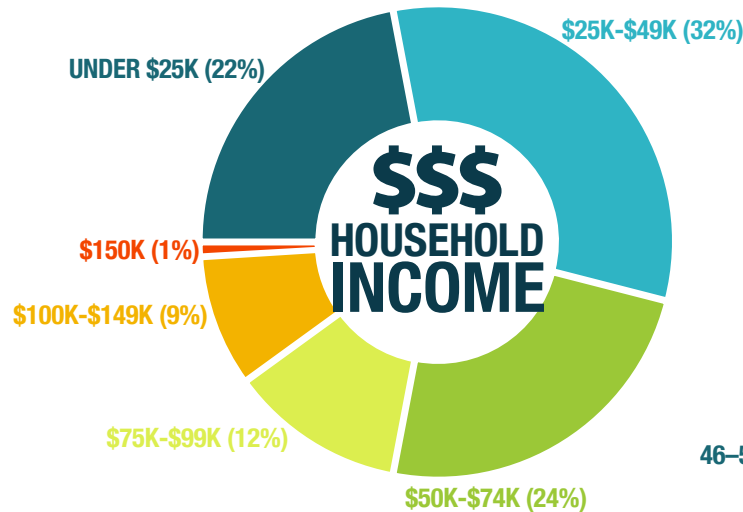
“Need how-to videos instead of waiting three hours on phone; provide more thorough information; make it easier to find doctors.”

► **We hear it, loud and clear: consumers want more help, more support and less jargon.**

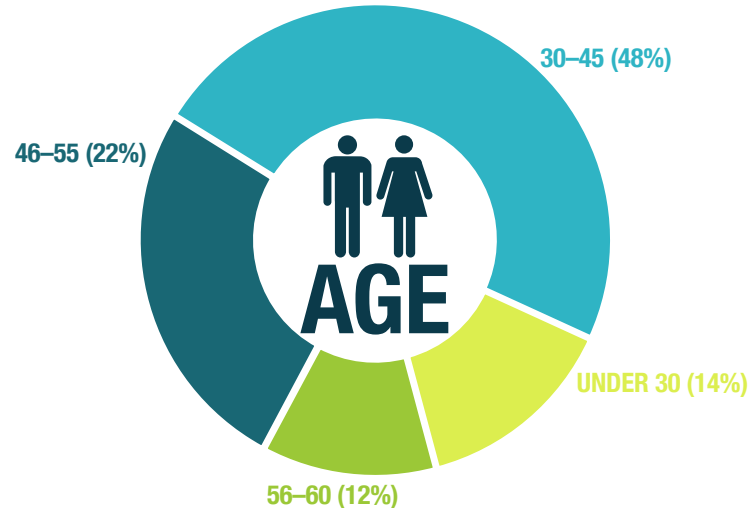
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Methodology / Demographics

The survey was designed and analyzed by researchers at Competiscan and Media Logic and was conducted February 27 – March 1, 2015, among a nationally represented sample of 157 adults ages 26 through 60 who had purchased health insurance through a federal or state Exchange during the second ACA Open Enrollment period.



NEW TO THE EXCHANGE: 32%
RETURNING TO THE EXCHANGE: 68%



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About Competiscan

Founded in 2006, Competiscan provides its valued clients insights into the direct marketing strategies of competitors. Competiscan and its powerful web-based search utility monitors direct mail, email, mobile, online banners, print and social networking communications targeted at consumers, businesses, financial advisors, insurance producers and providers over time. As the market leader, Competiscan's clients are better informed, leading to more effective communications and marketing with the ultimate goal of staying ahead of the competition. Visit www.competiscan.com for more information.

About Media Logic

Media Logic is a national leader in health care marketing – providing strategic, breakthrough solutions that drive business. Media Logic offers deep experience in branding and lead generation, and it is expert at turning research and segmentation data into actionable plans. Leveraging more than two decades of health plan marketing knowledge, Media Logic understands the nuances of group, Medicare and the individual market. From traditional ad campaigns to retention efforts to content marketing, everything Media Logic does is focused on generating results for clients... giving them an edge in a competitive, constantly changing environment. Visit www.medialogic.com for more information.

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If you have any questions about this report
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Richard Goldman
CEO & Founder
Competiscan

312.546.3489
richard@competiscan.com

Jim McDonald
Director of Business Development
Media Logic

866.353.3011
jmcdonald@medialogic.com

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