

Shattering the Member Engagement **Myth**



Individual buyers demand individual attention.

By 2018, 87 million customers could be purchasing insurance in the individual market.

As health plans make this transition, they'll have to adjust to the demands of millions of stakeholders.

Shifting to the Individual Market

“For health insurance in the past, the strongest member engagement with a plan constituted a member showing their insurance card to the doctor. There was no two-way communication strategy. This is all changing with health plans now who want to move into the B2C market.”

*Senior Executive
Mobile Technology Company*

In an individual market, plans will have to figure out what satisfies each member, every year—whether that's low premiums, care management, tools, etc.

Now, it's your job to find out what your new members value to retain business.

Plans want to engage with their members to overcome the historic disconnect between them.

Unfortunately, customers aren't interested in telling you about themselves.

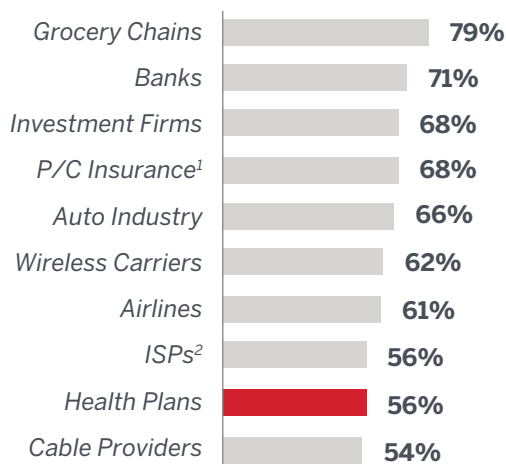
You don't know your customers, and they don't want to talk to you—consumers report that health plans are impersonal, untrustworthy, and opaque.

In fact, health plans are among the least popular industries, nestled between Internet service providers and cable companies at the bottom of customer experience rankings.

43%

Portion of consumers who distrust health plans

Customer Experience Ratings



In the past, this didn't affect your business much because experienced buyers understood the complexity of the situation. Now that you have to work directly with consumers, their experience could make all the difference.

1) Property casualty insurance.

2) Internet service providers.

Early engagement efforts are not promising.

Health plans are investing in online tools, digital portals, online risk assessments, and new retail sites in hopes of providing opportunities for members to take a more active role in their health decisions.

The use rates are shockingly low.

Typical Uptake Rates of Engagement Strategies



2%

Use online tools



10%–25%

Utilize digital portals



<1%

Visit retail sites



25%

Respond to calls



5%–35%

Complete comprehensive
risk assessments

Plans struggle to find a **consistent definition** of member engagement.

The lack of a definition makes it hard to know where to focus.



Health Plan Definitions of Member Engagement

“Member engagement is any contact with a member, any opportunity for them to reach out to the plan or opportunity for the plan to reach out to them.”

“Consumer engagement is meeting members where they are.”

“Member engagement is empowering members to be more directly responsible for their health care.”

“Member engagement is promoting shared decision making.”

“Consumer engagement is when the consumer is asking questions, when they are playing an active role in their health care, when they make informed decisions about when and where to seek care.”

Engagement is about thinking, feeling, and doing.

To make it easier to understand engagement, our research has narrowed it down to three central themes: Immersion, Passion, and Activation. By looking at the key components of each theme, it's clear that traditional engagement is an unachievable goal for health plans.

Immersion

Q: How much time do your members spend thinking about their health insurance plan?

A: Probably very little, unless a bill comes or it's time to renew their plan.

Passion

Q: Is there an emotional connection between the individual and the plan?

A: Consumers don't rate their relationship with health plans very highly.

Activation

Q: Do members seem willing to expend their time and energy on behalf of the plan?

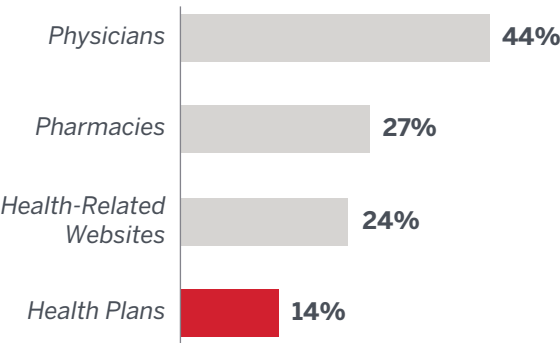
A: Most members avoid contact with the plan as much as possible.

Health plans are **not a trusted source** of health information.

Immersion asks a simple question: **“Are your members thinking about you?”**

To answer this, consider a situation where members might reach out for help, such as when they need health information.

Trust in Health Information, by Source
Percentage of Consumers Reporting “A Lot” of Trust in:



Health plans are only the fourth most trusted source for health information, lagging behind physicians, pharmacies, and health-related websites.

Consumers associate doctors and other providers with their health, and health-related websites are an easily accessible way to learn more about symptoms or possible treatments. Health plans, despite their vast resources, are not thought of as a trusted source for health information.

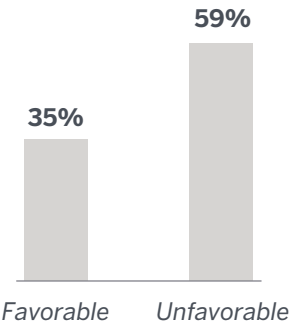
If members don't see the plan as a place to go to ask about health problems, it will be impossible for plans to engage consumers on better health.

Individuals are emotional about their health, so why can't health plans get an emotional connection with their members?

Individuals worry about their health. But, this high emotional connection with an individual's sense of personal health does not translate to a positive emotional sentiment toward their health plan. In fact, emotions about health insurance often sway the other way.

Consumer Perceptions of Health Insurance Companies

Consumers Who Currently Purchase Own Insurance or Tried to in Past Three Years



The people who have the most informed opinion of health insurance are those who have recently purchased it. They compared plans, learned more about coverage, and were required to actively make trade-offs according to their preferences. Yet, of these most informed individuals, only a third have a favorable opinion of health plans.

Consumers have largely neutral to negative feelings about health plans, and there are few cases to demonstrate that health plans can reverse this to attain passionate levels of engagement.

Members are not acting in anyone's **best interest**.

If members were “activated,” they would be following care guidelines, eating right and working out, turning to the health plan for guidance, and recommending the health plan to their friends and colleagues. Health plans are not seeing any of these member actions.

Members Don't Always Make Informed Choices



24%

Non-emergent³ ED visits by commercially insured members



40%

Exchange enrollees expected to choose plan that do not minimize total costs⁴

There are a number of reasons that individuals don't access care in the proper way, and it is not just a failure of the plan to find the right way to assist them.

Members don't pursue care correctly because they are uninterested, they don't see the urgency, or they see alternative options as more convenient.

The inconvenient truth of consumer engagement efforts: health plans have tried and failed in immersion, passion, and activation.

3) Non-emergent is defined as medical care that is not required within 12 hours.

4) Total costs include premiums and out-of-pocket expenses.

Health plans **can't engage their members**, making it difficult to find the right way to help them.

Health plans are already working to serve the needs of their sickest members. Health plans provide one-on-one care management, social workers, and transportation to appointments. At face value, health plans already seem to have an engaged population.

Sickness Drives Usage

“When looking at traditional metrics for engagement, the ‘most engaged’ are typically those who are the sickest and interact regularly with the care delivery team—seeing their doctor, ordering prescriptions, checking test results online.”

*Director of Consumer Relations
1M+ Member Health Plan*

Health plans provide financial security and an array of services that help members use the products they purchase. Moreover, with all of the experience and member data health plans have, they can help members decide which provider is best for them and advise on the best way to pay for their care. **Health plans can make a positive difference in people's lives, but the question is how?**

Health plans must **strike the right balance** of activity to reach members without overwhelming them.

Unlike many service industries, health plans do not create more value with more action. In fact, they might see negative repercussions if they are too aggressive in trying to reach their members. Too much involvement will lead to member irritation at best and a sense of privacy violation and anger at worst. Health plans face a unique challenge: they must be involved enough to affect member behavior, but not so much to cause them to shut down.

Spectrum of Plan Involvement



Who else has an effort-to-outcome curve that looks like this? **Diplomats.**

5) Health risk assessment.

6) Primary care physician.

Applying **diplomatic principles** will help health plans balance member contact.

Health plans have a lot in common with the modern diplomat. Both have to be objective, while still caring about the needs of others. Both sit in the middle of an industry, without actively directing the behavior for any single party. Both try to influence their partners to act in the best interest of everyone involved.

Below, we've included four diplomatic principles that plans should apply to their member interactions. Health plans should use these principles of diplomacy to help members achieve better outcomes without overwhelming force.

01 Establish a **Lasting Rapport**

Understand negotiating partners

02 Create a **Coalition**

Partner with organizations that have similar goals

03 Provide **Safe Passage**

Give partners space to change course

04 Deploy **Power Selectively**

Selectively act to build plan legitimacy

01 Establish a **Lasting Rapport**

Ensure baseline understanding as a **first step**

If health plans can't explain what members need to do to work with them, members will fail to realize the full value of their plans.

How health plans say things is as important as what they say.

Health plans should tell members all of the need-to-know information up-front so that members can immediately start to understand their health plan.

CASE STUDY

Health Net Uses Visual Communication Channel

Some plans are starting to move away from the old model of sending information with difficult-to-decipher terminology and unclear next steps for the member. Health Net has taken a new approach by sending a customized video to 25,000 new enrollees on the exchanges.

Customized Videos Emailed to New Exchange Enrollees



Language preference
(spanish, english)



Explanation of
product-specific
information



Member
name

25K Exchange enrollees
receive video



Timeline for first
payment



Guided process for
how to select PCP



Personalized
premium value

52% Members opening
email

37% Members click to
open video

90% Members who open
video that finish it

The video, lasting two minutes, is animated, making it easy to insert the customized data into the video. Health Net took the first step to share who they are with the member to build a stronger rapport.

02 Create a **Coalition**

Working with allies can increase a health plan's impact on member health. Sometimes it's not about the message, **it's about the messenger.**

New Mexico Health Connection (NMHC), a 12,000 member co-op plan, is working with local partners to improve medication adherence. The plan pays FQHCs to hire community health workers who help NMHC members follow their care plan.

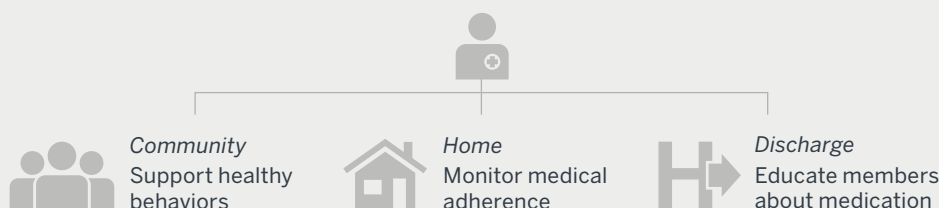
CASE STUDY

New Mexico Health Connection Partners with Community Workers

A community health worker's close relationship with a member helps to bridge the trust gap that health plans have historically had with their members.

The community health workers help members remember to take their medication and can go into the member's home to find any trouble spots that might arise. Working alongside the clinical staff, they can establish a relationship with the member and their family that helps to ensure care adherence.

Community Health Worker Touch Points



Though this won't necessarily drive engagement to the plan, it can improve outcomes and experience—two things members are likely to remember when it comes time to renew.

03

Provide **Safe Passage**

Members are not known to always make rational decisions; plans must provide safe passage.

In cultivating a diplomatic relationship with members, health plans must learn to recognize moments when they need to make a task especially easy.

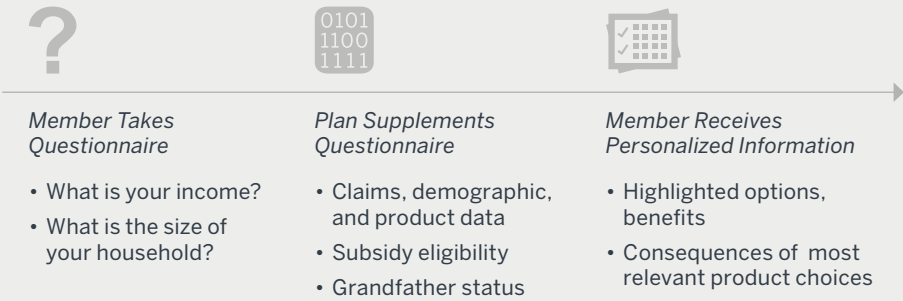
The health plan’s responsibility is to ensure that members have all the information they need to make well-considered decisions.

CASE STUDY

**Blue Cross Blue Shield of North Carolina (BCBSNC)
Guides Renewal Process**

BCBSNC created a navigation tool that helps people better understand their options when choosing a plan, so they won’t be surprised by something like a high deductible if they choose a low-premium plan. The goal isn’t so much to guide them to the lowest short-term costs, but to find the best product option for their particular needs.

“Blue Map” Offers Guided Renewal Process



Blue Cross Blue Shield of North Carolina Informs Member Choices

86,000

Visits to Blue Map from members and prospects

87%

Completion rate for members who reached start page

2,000

Member portal registrations driven by Blue Map campaign

04 Deploy **Power Selectively**

Helping members take the right actions for themselves is important, but sometimes the **plan has to act on their members' behalf.**

With their vast resources, communication systems, and data warehouses, plans can have a huge impact on consumer behavior.

However, plans must use their power selectively—too much force can alienate members or sour relationships.

CASE STUDY

Passport Health Schedules for Members

Passport Health, a 177,000 member Medicaid plan in Kentucky, is using a specialized team in their call center to proactively connect members with primary care physicians.

Process for Scheduling Member Appointments

<i>Assign</i>	<i>Assess</i>	<i>Schedule</i>
<ul style="list-style-type: none">• Ensure that member has correct PCP assignment	<ul style="list-style-type: none">• Help member complete HRA• Prescreen for care needs	<ul style="list-style-type: none">• Talk with member to find time for physician visit• Arrange transport if needed

When members are on the phone with Passport, the call center rep makes sure the member has a PCP; if not, the rep schedules an appointment immediately.

So far, **800 new members** have gotten a PCP appointment through Passport scheduling and other incentive programs.

Conclusion

The strategy of driving engagement to increase brand loyalty and lower medical spend doesn't work. It does not appropriately take into account the reality of the current market circumstances—consumers do not trust their health plan and they are not looking to the health plan to guide their decisions.

Health plans can't wait for members to become engaged.

Health plans have the data and resources to support consumers in their health care decisions. With so much to offer, health plans should carefully balance their actions to establish a trusted connection without overwhelming their members.

They can do this by following the **Principles of Diplomacy**.

- 01 Establish a Lasting Rapport
- 02 Create a Coalition
- 03 Provide Safe Passage
- 04 Deploy Power Selectively

Ultimately, the success or failure of establishing a trusted relationship with individual consumers will come down to plan action rather than consumer engagement. Health plans must assume responsibility for all interactions to see more immediate success in their efforts.

Additional Resources

What Can You Expect Technology to Do for Consumer Engagement?

White Paper | Determine what consumer engagement tools and technology to invest in for optimal results in an increasingly competitive market.

What Health Plans Need to Know about Consumer Choice

Expert Insight | Learn how consumers' top health care priorities stack up, and what it all means for health plans.

Care Management Readiness Audit

White Paper | Use our new audit to determine which providers need care management support from your health plan and which are on the path to full ownership of their care management efforts.

Should You Pay Your Members to Run a Triathlon?

Expert Insight | Discover the different types of incentive programs health plans are using to lower costs and improve member health.

The Right Care Management Approach for Specific High-Risk Populations

Resource | View this simple drop-down menu to view care management programs for specific high-risk populations, such as patients with severe mental health issues, medically complex children, and the high-risk elderly.

Resources for Patient Engagement

Resource | Download resources from Bellin Health and Ochsner Health System to understand how to keep patients in-network and motivate patient activation.

What You Can (and Should) Do for Health Patients

On-Demand Presentation | Learn more about how you can support your provider partners in their population health management efforts by understanding the economics behind low-risk patients.

Learn more at advisory.com/hpac

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