CHOOSING A HEALTH PLAN: WHAT SHOULD CONSUMERS LOOK FOR?

SUMMARY

As with any major purchase, consumers should “shop around” to find the health plan that best meets their needs. Numerous resources are available to help consumers make a decision, including health plan websites, employer-provided materials, other health-related websites and feedback from family, friends and coworkers.

Research conducted by WellPoint Inc.\textsuperscript{1, 2} found that six areas strongly influence consumers’ overall experience with their current health plans. As these areas contribute to satisfaction, they are important factors for consumers to consider when choosing the plan that best meets their needs:

1. Choice of networks and doctors
2. Affordability and health plan value
3. Health and wellness tools and services
4. Health plan communications
5. Access to information on the cost and quality of services and providers
6. Customer service

CHOICE OF DOCTOR AND NETWORK MATTER IN SELECTING A HEALTH PLAN

Consumers report that convenient access to a wide variety of quality health care providers is a factor in selecting a health plan. Seventy percent of consumers said that the health plan must have a good selection of primary care physicians and specialists. Furthermore, seventy-five percent also agreed that the availability of \textit{quality} doctors and hospitals matters (Figure 1).
Most health plans provide access to their provider directories. Take advantage of these tools to help you make informed selections. Also, decide what is most important to you (the number of doctors and hospitals, locations, etc.).

QUESTIONS TO ASK YOURSELF: GETTING STARTED

- Am I satisfied with my current choice of networks and doctors?
- Are my current doctors covered by this health plan?
- What doctors, hospitals and clinics are available, and are they high-quality?

AFFORDABILITY AND HEALTH PLAN VALUE ARE PRIORITIES

Seventy-five percent of health care industry experts surveyed said that affordability is a “very important” priority for the industry to address. Further, nearly one in five insured consumers (16%) and one-third of consumers without insurance (33%) said that they have faced significant financial hardship in the last year due to medical bills.

Only four in ten consumers (44%) feel that they receive “good value” for what they pay for in a health plan. Communications from health plans and employers about premiums, coinsurance and out-of-pocket consumer costs (affordability) will help consumers select a plan that is the best value for them and most likely to meet their individual needs.
QUESTIONS TO ASK YOURSELF: THE HEALTH SERVICES YOU USE AND NEED

- What is my household’s current and anticipated health care service usage, what are the kinds of things we will need?
- What are my out-of-pocket expenses and monthly premium costs? Does it make sense for me to pay a higher premium for lower out-of-pockets, or vice versa?
- Prescriptions are one of the most utilized benefits. What coverage is provided by the plans I’m evaluating? Are my current prescriptions covered and at what level?
- Are there less costly but equally effective alternatives my doctor can suggest?
- How much will it cost me if an emergency situation occurs?

HEALTH AND WELLNESS TOOLS CAN HELP EFFECTIVELY MANAGE EXISTING CONDITIONS

Seven in ten households report at least one member living with a diagnosed medical condition such as high blood pressure, high cholesterol, diabetes or asthma (Figure 2).

![Figure 2](image)

When consumers take part in programs offered by their health plan to help manage their condition or improve their health, 90% find these programs to be valuable and 83% felt their health had improved since they began participating.

And with three-quarters of consumers saying their most important health care issues are managing a current condition or preventing future conditions or illnesses; having services available such as preventive care, care management and healthy lifestyles information is another aspect for consumers to consider when choosing a health plan.
QUESTIONS TO ASK YOURSELF: PROACTIVELY MANAGE YOUR HEALTH

- What types of health or wellness programs could I (or my family) benefit from?
- Are these types of programs offered by the health plan I’m evaluating?

COMMUNICATION PLAYS AN IMPORTANT ROLE IN HEALTH PLAN EXPERIENCES

Communications between a health plan and its customers play a significant role in a consumer’s overall experience with the plan, particularly communications around what is and is not covered and how to find a doctor or clinic within the network. However, research found that only 53% of the consumers surveyed rate communications from their insurer as “good” or “excellent.” Only one-third said that they know which services are covered and just over one-half said they know which doctors, hospitals and clinics they can go to (Figure 3).

![Figure 3: When medical services are needed, do you know...](image)

QUESTIONS TO ASK YOURSELF: ASK AROUND

- What kind of experience are my friends and family members having?
- After reviewing materials received at enrollment, are they clear? Helpful?
- Does the carrier’s website provide tools to help me evaluate?
- Have I looked into health plan report cards provided by independent organizations?
- Do I communicate my needs to my health plan provider?
ACCESS TO COST AND QUALITY INFORMATION IS ESSENTIAL

Because affordability is a priority issue for consumers, most feel that it’s important to know the cost of health care services and prescription medications before they use them (83%). Two out of three consumers (67%), however, report they do not always know how much they will need to pay for health care services before receiving care and over half (56%) aren’t always sure what the medications they need will cost them.

Health plan members also want information about the quality of the doctors, hospitals and clinics available to them – 59% report looking for this information. Information may include the physician’s education, licensing, board certification, professional memberships and patient feedback. Health plan members typically find this information by contacting their health plan; speaking with the doctor, hospital or clinic they are thinking of using; talking to friends, family or coworkers; or reviewing websites, magazines or books (Figure 4).

Many plans provide cost estimating calculators which can help walk you through documenting your costs and getting the best value. Some also provide quality assessment tools you can use for specific doctors and/or hospitals. Find out whether the plans you’re evaluating offer these kinds of tools to their members. Take advantage of all available resources. Also, other independent groups provide provider choice tools and quality rating services, and many state medical boards provide online information searches.

QUESTIONS TO ASK YOURSELF: INFORMATION IS KEY

- Do the health plans I’m evaluating provide tools for estimating the costs of health care services?
- Are those tools easily accessible and relevant to my specific needs?
- Do I know enough about the quality of the health care providers available to me?
- Do the plans I’m evaluating help me understand and interpret quality indicators?
EFFECTIVE CUSTOMER SERVICE IS VALUED BY CONSUMERS

At some point most consumers will have a question or an issue about their health plan benefits and will want it resolved quickly and easily. Forty-nine percent of customers reported calling customer service in the past year. When contacting their insurer’s customer service department, consumers say they want to speak with someone who is:

1. Easy to reach by phone (i.e. a live person and short hold time);
2. Knowledgeable and able to present solutions;
3. Caring and compassionate; and
4. Able to answer their question or resolve the problem.

For the most part, insurers aren’t meeting consumers’ expectations around problem resolution. Less than one-quarter (24%) of those surveyed rated their insurers’ customer service an “A.” In fact, consumers handed out mostly C+ grades (Figure 5).

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<th>Figure 5: The health plan’s customer service representative ...</th>
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<td>Was easy to reach</td>
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<td>Was sensitive to my situation</td>
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<td>Took responsibility for resolving my question, concern or problem</td>
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<td>Presented solutions</td>
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QUESTIONS TO ASK YOURSELF: CUSTOMER FOCUS

- What types of experiences are friends and family having with their health plans when they have questions?
- Are there multiple ways for me to locate information and get my questions answered?
- Is my customer service representative easy to reach, knowledgeable and sensitive to my situation?
- Are my customer service needs met quickly and efficiently?
- How often am I presented with solutions by my customer service representative?
CONCLUSIONS

Knowing what impacts customers’ experiences with their health plans, and which factors most impact their satisfaction, can give you a leg up when choosing the plan that’s right for you. Today’s health plan customers are in a better position than ever before to become educated health care consumers and make informed choices about which health plan is best for them, based on their individual needs.

1 WellPoint, Inc. is the largest health benefits company in terms of medical membership in the United States. WellPoint is an independent licensee of the Blue Cross and Blue Shield Association and serves its members as the Blue Cross licensee for California; the Blue Cross and Blue Shield licensee for Colorado, Connecticut, Georgia, Indiana, Kentucky, Maine, Missouri (excluding 30 counties in the Kansas City area), Nevada, New Hampshire, New York (as Empire Blue Cross Blue Shield in 10 New York City metropolitan and surrounding counties and as Empire Blue Cross or Empire Blue Cross Blue Shield in selected upstate counties only), Ohio, Virginia (excluding the city of Fairfax, the town of Vienna and the area east of State Route 123.), Wisconsin; and through UniCare. Additional information about WellPoint is available at www.wellpoint.com.

2 Data based on quantitative and qualitative research conducted by an independent, third party marketing research firm for WellPoint’s Customer Viewpoint Program. Insights derived from approximately 100,000 responses from consumers, employers and industry thought leaders across 16 states between 2005 and 2007. Data are weighted to be representative of demographic census information.