OSDH Health Insurance Study

BARK UP THE *RIGHT* TREE

Consumer Research

EVOLVE
RESEARCH

Executive Summary

BARK UP THE *RIGHT* TREE

Executive Summary

- Health insurance is **expensive**.
  - The biggest barrier to obtaining health insurance is **affordability**.
  - **Without a subsidy or employer contribution, insurance is largely unobtainable.**

- Health insurance is **confusing**.
  - Oklahomans are not certain how health insurance works.
    - Terminology, conflicting information from co-workers, friends, family, doctors and insurance companies add to the challenge of understanding health insurance.
  - Oklahomans sign up and pay for health insurance knowing that they do not entirely understand what it covers or what they are entitled to.

Executive Summary

- Plan **selection is dictated by premium** price.
  - Other factors are involved, but Oklahomans initially qualify a plan by its monthly impact on their pocket-book.
- Oklahomans do **not understand out of pocket expenses and co-insurance**.
  - Deductible and OOP are used interchangeably.
  - Oklahomans are willing to sign up for plans which have co-insurance without understanding what co-insurance is.
    - This is **potentially a huge financial misunderstanding,** as most assume it is related to having two insurance plans.

Executive Summary

- There are mixed views about the usability of Healthcare.gov.
  - Some **Oklahomans report the website is generally not difficult to use** – it clearly guides you through the process.
  - Most problems are related to confusion surrounding terminology, trying to use the site to figure it out, and a **lack of understanding about health insurance.**

- Healthcare.gov can be technically unreliable.
  - Most UX issues encountered relate to the site "breaking."
    - The site freezing or constantly "thinking" are the biggest UX irks.

Executive Summary

- **Scenario-based examples** can better explain plans.
  - Insurance plans are not communicated in a clear language.
  - Applying different plans to a selection of scenarios can help explain the actual cost implications of a plan.

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Conclusions and Recommendations

BARK UP THE *RIGHT* TREE

Conclusions

Consumers have major problems understanding health insurance.

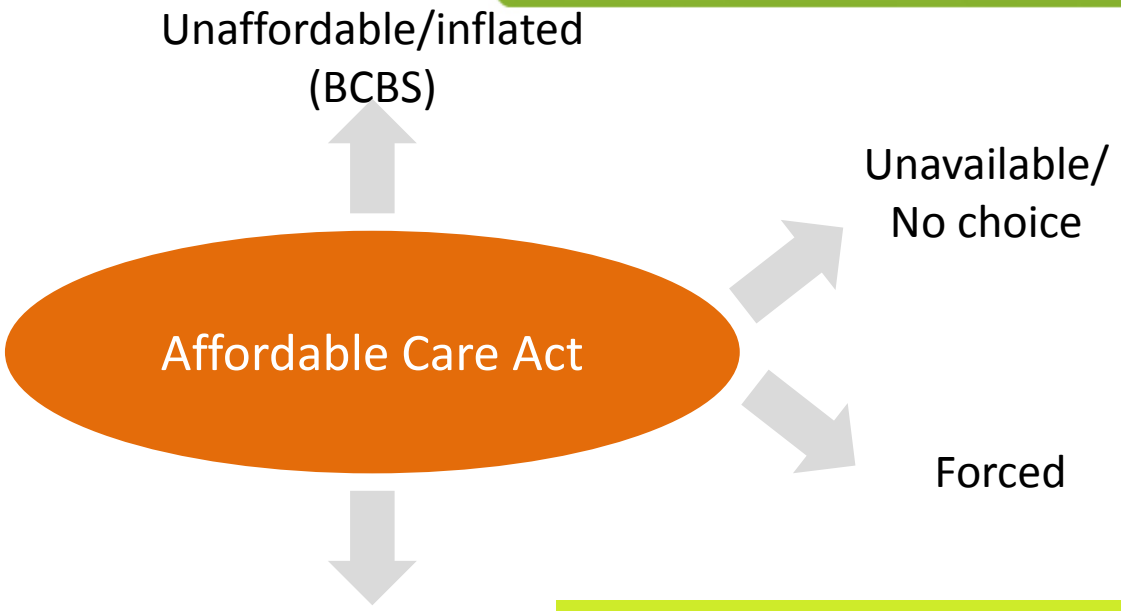
There is little confidence and trust in the system.

Conclusions

- The complexity of health insurance is derived from the **product, the process and the industry**.

Product	Process	Industry
Terminology *Plan selection* *Needs assessment* *Price* *Subsidy awareness*	*Being charged for "extras"* *Knowing you'll pay more*	*Out to get you* *Not helpful*

ACA Perceptions



To help promote the ACA/healthcare.gov, these barriers need to be overcome.

Among the **Uninsured and Visitors**, there are **key negative associations** with the "brand."

Whether true or not, they act as a **barrier to seeking health insurance** through the Affordable Care Act.

Messages

- We have tried to keep our recommendations practical, but our findings have shown that some of the confusion and problems surrounding health insurance are deep-set and are at an industry-level:
  - E.g. conflicting information from insurance companies, rising costs due to the technicalities of the ACA, etc.

Inform And Educate

COMMUNICATION MESSAGES

ALL AUDIENCES

Why do you need health insurance?

UNINSURED, VISITORS

Health insurance can be affordable

ALL AUDIENCES

You CAN understand what it all means

Why?

ALL AUDIENCES

Why do you need health insurance?

Because you/your family really could **need it tomorrow.**

It will **stop you from worrying**/give you peace of mind.

The **impact of being uninsured** on the price of insurance.

You're not THAT healthy, **no-one should go without**.

*People need **compelling reasons to understand why they need insurance** - important for the Uninsured.*

Affordable

UNINSURED, VISITORS

Health insurance can be affordable

Have you really checked? It (might be) less than you think – subsidies.

The actual cost versus the potential of winding up in hospital.

You can check out the price easily…healthcare.gov

However, for some, health insurance is truly unaffordable.

You Can Understand It

ALL AUDIENCES

You CAN understand what it all means

- Scenario-based help to aid plan selection.
- Terms/items people need to look for (including co-insurance).
- Things to ask doctors and insurance companies.
- The basics – why premiums exist.

The major challenge is health insurance IS complex by nature. ***How can it be understood if everyone is not on the same playing field?***

A New Standard

- By working with employers and health insurance providers, can **a simplified system for plan presentation be formulated?**
  - System-wide scenarios which can be applied to all provider plans to help show the real cost of health insurance.

Getting The Uninsured Insured

- The Uninsured need to know:
  - They can get affordable healthcare if they qualify for a subsidy.
  - Reasons of why they need health insurance.
    - ”What if” scenarios.
    - They need to be fit and healthy for their kids.
  - Reasons why health insurance is obligatory.
  - How to get affordable insurance.
    - Some Uninsured aren’t aware of where to go.
    - Be present in local markets, WalMart, etc.

From Uninsured To Insured

- There main motivations for obtaining health insurance:
  1. A costly medical bill as a direct result of not having insurance.
  2. Learning of “affordable healthcare” *and qualifying for a subsidy*.
  3. Not wanting to pay the tax penalty.
  4. Finding employment where health insurance is offered.

Scenarios

- Oklahomans are resigned to the fact that if something happens to them, they do not really know beforehand what it will end up costing them.
- Scenarios could play a major role in helping consumers understand the implications of insurance plans on the real costs of healthcare.
- Healthcare.gov could be a huge resource involving scenario-based cost feedback.
  - It could even help drive people to the website.