

Uncovering Member Insights

The Power of Strategic Health
Insurance Communications





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THE WHAT AND THE WHY BEHIND THE STUDY

Health insurance companies spend billions of dollars each year on their members' regulatory and transactional communications. Naturally, companies are looking for ways to reduce costs—primarily through converting members to digital delivery. However, even if a member signs up for digital delivery, it doesn't always equate to mail suppression. Members who receive both print and digital communications, often referred to as “double dippers”, create even greater costs for health insurance companies.

Realizing the importance of member communications, we set out to understand:

- Do members read what they receive from their health insurer?
How important are these communications to members?
- What could health insurers do to convince members to go paperless?
- Are communications tied to member retention and, if so, to what degree?

While it is easy to make assumptions, you may be surprised by what members told us.

Join us as we walk through this exciting research and discover ways insurers can not only maximize communications to enhance relationships with existing members but also attract new ones.

- *Broadridge and The Center for Generational Kinetics*

METHODOLOGY

- Custom 25-question survey designed by Broadridge and The Center for Generational Kinetics.
- Study was administered to 1,000 U.S. respondents ages 23-72 who currently have health insurance with 53% having employer-provided insurance, 25% government-provided or subsidized insurance, and 19% privately purchased insurance. The sample was weighted to current U.S. Census data for age, gender, and region.
- Figures are statistically significant at the 95% confidence level. Margin of error is +/-3.1 percentage points.



SECTION ONE

Healthcare Consumer Snapshot

OVERALL, CONSUMERS FEEL KNOWLEDGEABLE ABOUT HEALTH INSURANCE AND ARE SATISFIED

Consumers may not have every aspect of health insurance coverage figured out, but, by and large, they are surprisingly confident about knowing how health insurance works. In fact, 44% give themselves a 4 out of 5 and another 14% consider themselves an expert.

And how are these health insurers doing overall?

Quite well, in the estimation of their members: 68% of members say they are satisfied or very satisfied with their health insurance company overall.

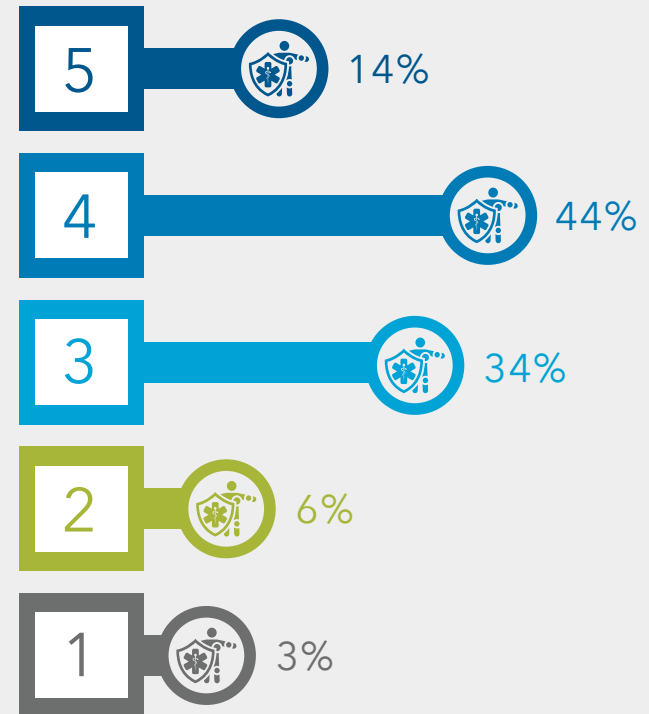
68%



of members say they are satisfied or very satisfied with their health insurance company overall

LEVEL OF CONFIDENCE IN KNOWING HOW HEALTH INSURANCE WORKS

I am an expert

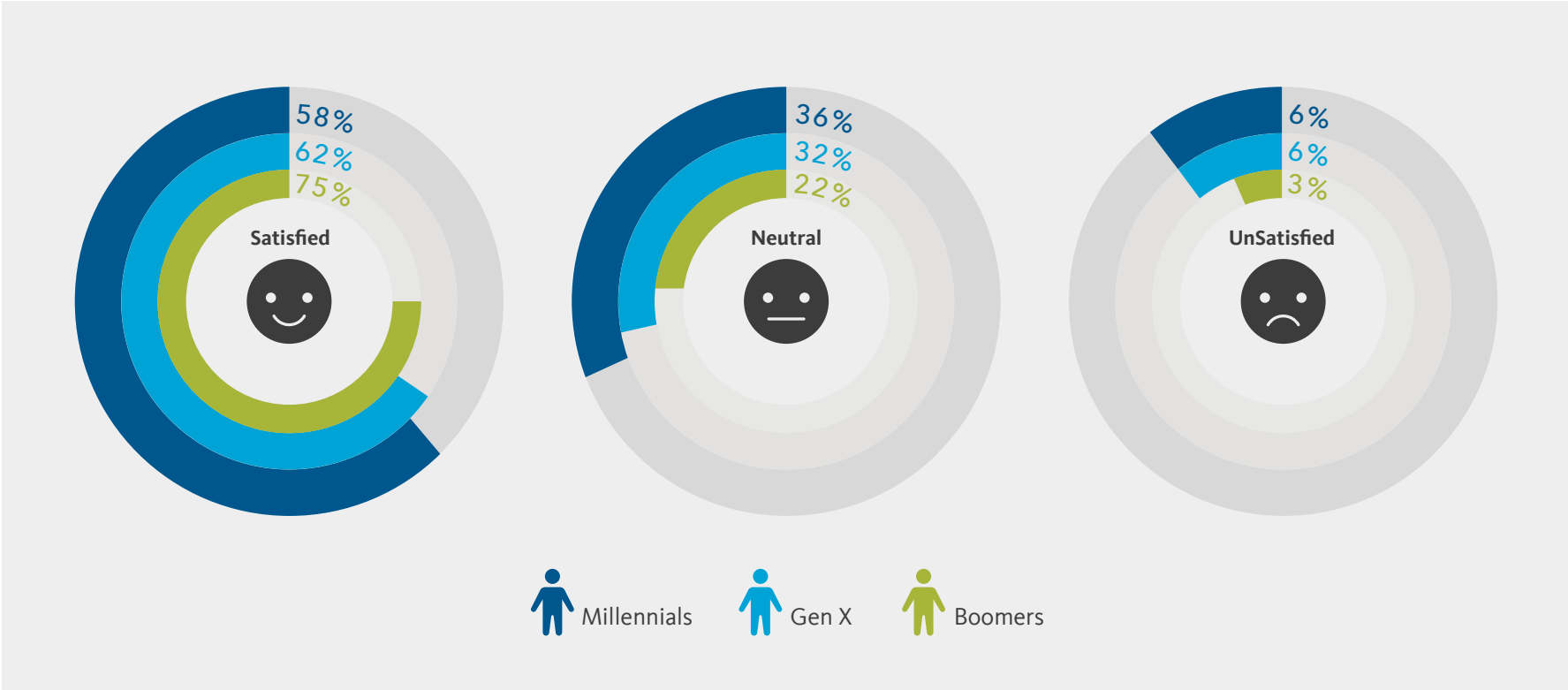


Not at all knowledgeable

MEMBER SATISFACTION WITH INSURER COMMUNICATIONS VARIES BY AGE

When considering the content and quality of the communications from their current health insurer, most members are satisfied or very satisfied. However, Millennials, or those members aged 23-41, are the least satisfied of any generation. This group is much more likely than Baby Boomers to feel neutral about the communications, and twice as likely to be unsatisfied or very unsatisfied.

LEVEL OF SATISFACTION WITH THE CONTENT AND QUALITY OF COMMUNICATIONS FROM CURRENT INSURER



WHEN IT COMES TO PAYING INSURANCE PREMIUMS, DIGITAL WINS

Across generations, consumers most often prefer to pay their monthly health insurance premium with auto-draft through their bank. In fact, more than a quarter (26%) say this is their preference. Another 21% prefer to pay online each month through the insurer's website or app and 18% prefer to pay monthly through their bank's website or app.

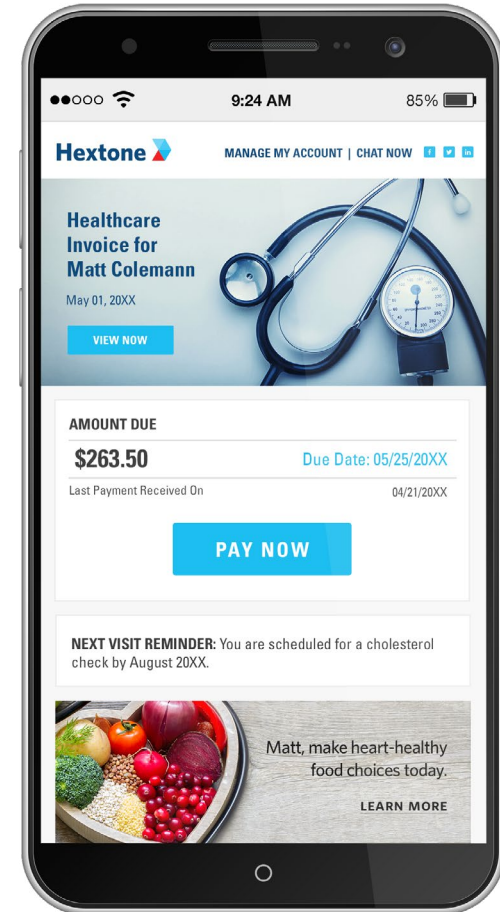
PREFERENCE FOR PAYING PREMIUMS



26%
auto-draft through bank

21%
prefer to pay online
monthly through
insurer's website or app

18%
prefer to pay online
monthly through
bank's website or app





SECTION TWO

The Importance of Health Insurance Communications

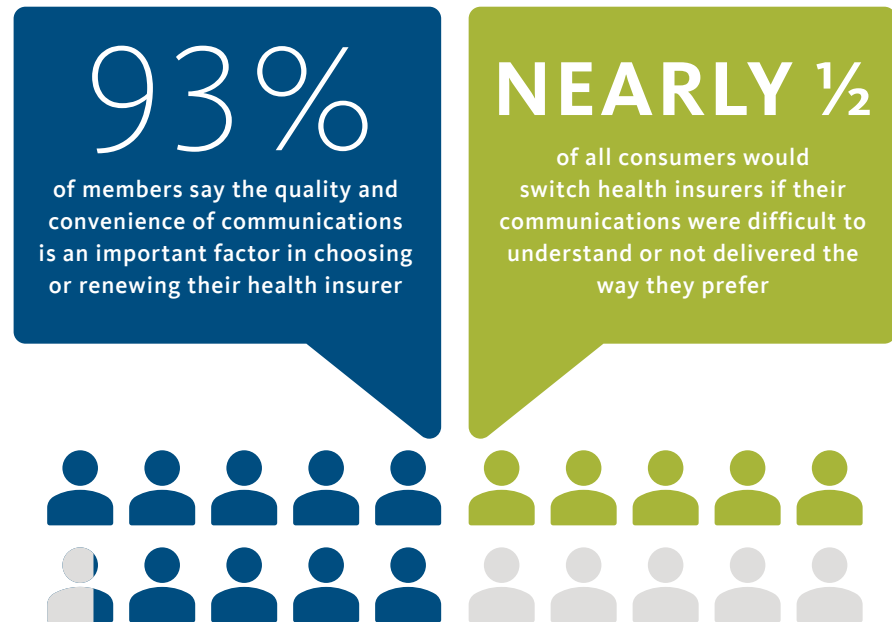
COMMUNICATIONS CAN HAVE A HUGE IMPACT ON MEMBER DECISIONS

Even though consumers feel a reasonably high level of confidence in knowing how health insurance works, they still need and expect effective communication from their insurer. In fact, 93% of members say that the convenience and quality of the communications from a health insurer is definitely one of the most important factors when choosing an insurer or choosing to renew their health insurance membership.

Communications are a good draw for consumers, but can they also be a deterrent?

The research found this to be a very real possibility.

Nearly half of all consumers would switch health insurers if their communications were difficult to understand or not delivered the way they prefer.



COMMUNICATION CHANNELS ARE NOT ONE-SIZE-FITS-ALL

Although apps and cloud storage are on the rise, members generally want communications in three main ways: print, email, or through their insurer's website.

Print is strongly preferred for enrollment information and premium bills; many also prefer print for EOBs. While secure email falls behind print, it is viewed as a good way to receive information with personal information related to plans and coverage.

TOP TYPES OF INFORMATION FOR EACH CHANNEL

PRINT



Highly personalized information, like EOBs enrollment, benefits, and premium bills

MOBILE



Personalized information about plans, coverage, and medications

WEB



Non-personalized information, such as provider directory, plan benefits, and healthy living tips

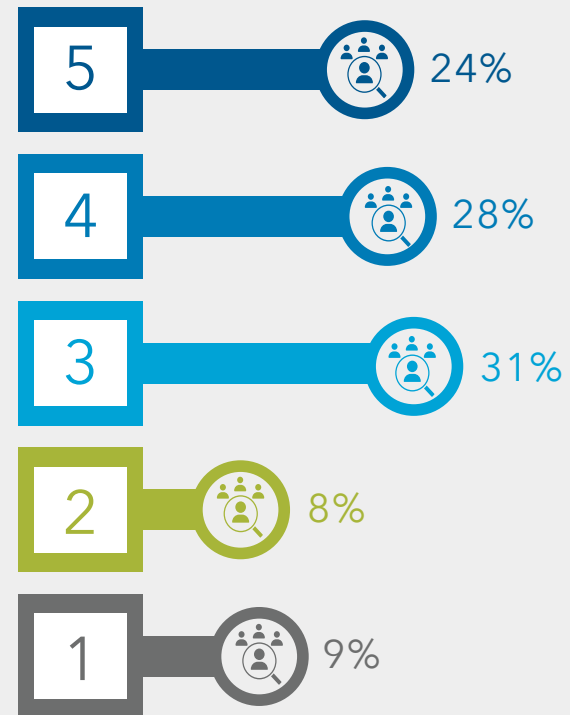
PERSONALIZATION IS THE WAVE OF THE FUTURE—ACROSS ALL INDUSTRIES

Personalization has become a hot topic as companies operate in an increasingly connected digital world and continually adapt to what consumers want. But does the push for personalization apply to the arena of health insurance? It certainly does!

The research uncovered that half of consumers want the communication they receive from their insurer to be personalized or highly personalized. The 24% who want it highly personalized say this means communications are customized as specifically as possible to their situation and needs.

LEVEL OF PERSONALIZATION MEMBERS WANT FROM THEIR HEALTH INSURER

Highly personalized



Not at all personalized



SECTION THREE

Print & Digital Experiences

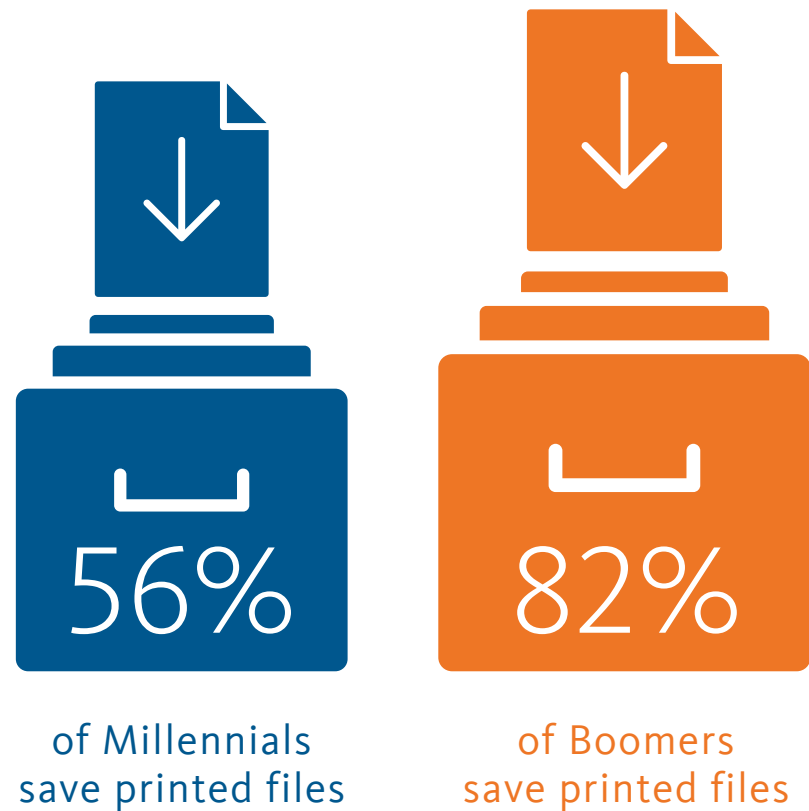
PRINT IS STILL DESIRABLE

Despite the pervasiveness of the digital age, the desire for print communications remains strong. This is especially true when it comes to certain information from health insurers. Overall, members would most like to receive EOBs and monthly coverage bills in print. Email wins second place.

And what happens to those printed mailings?

Boomers are more likely than Millennials to save them. In fact, 82% of Boomers save them while only 56% of Millennials do the same.

PERCENTAGE OF MEMBERS WHO SAVE BILLS OR EOBs IN PRINT

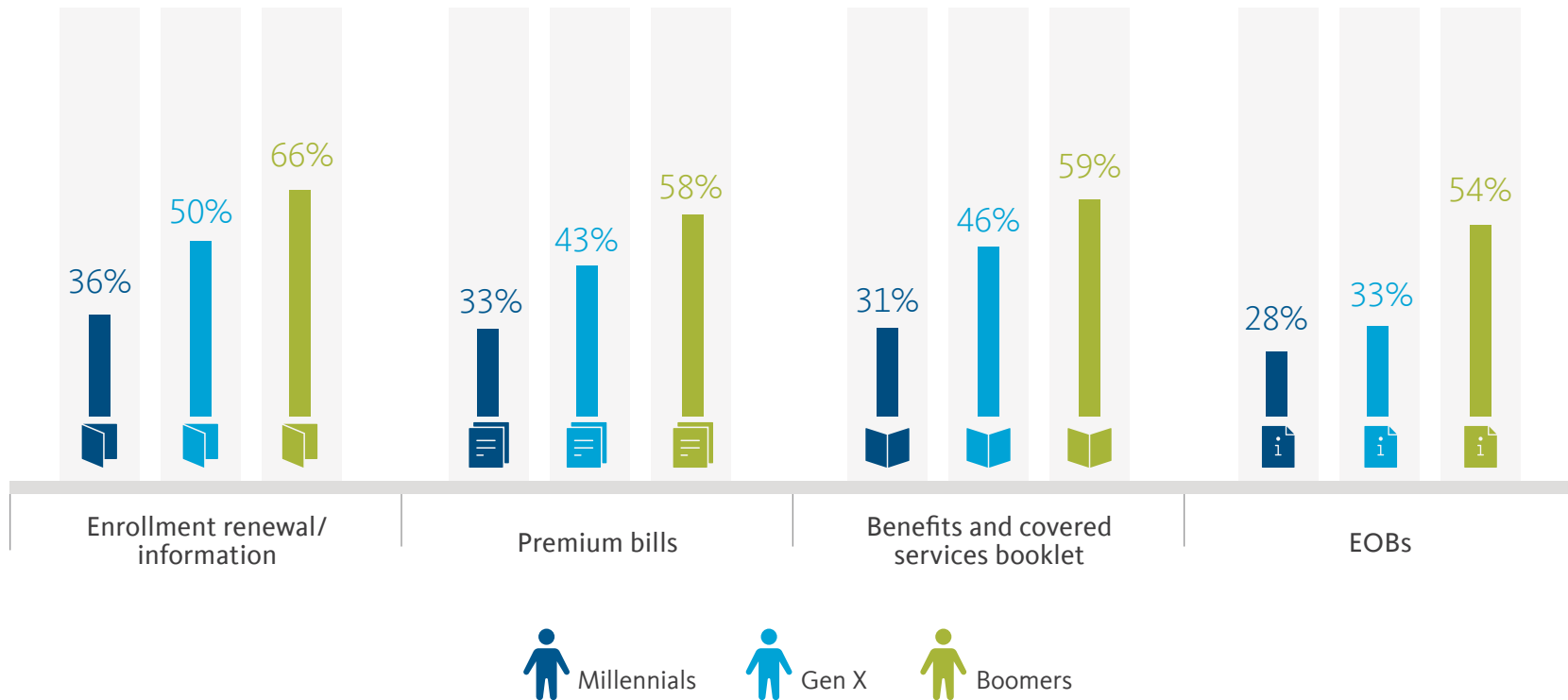


WHAT MEMBERS WANT IN PRINT

Most members—across all generations—say they read printed information more thoroughly than digital information. The generations even agree on the types of information they would most like to receive in print, namely, enrollment and renewal information, benefit and plan information, EOBs, and premium bills.

However, there are big differences in how strongly each generation prefers to receive different types of insurer information in print.

MEMBERS PREFER TO RECEIVE THIS INFORMATION IN PRINT FROM THEIR HEALTH INSURER



SWITCHING TO DIGITAL SHOULD BE A STRATEGIC MOVE—OR YOU RISK FRUSTRATING NEARLY ONE-THIRD OF MEMBERS

Forcing a switch to digital communications is not exactly a cut and dried issue. Instead, if an insurer were to stop sending updates, statements, and other information by mail and only send them digitally, the result would be a very mixed reaction. About 30% of members would be happy or fine with it, another 39% are in the middle with the majority of these saying it depends on which information is sent digitally. However, there is another 30% that would be irritated or angry by the switch.

Members would be interested in receiving EOBs digitally, with 28% choosing this option as one of their top 3; however, respondents also specified their desire to receive EOBs in print. A quarter of members would be interested in receiving information about in-network doctors digitally.

INFORMATION MEMBERS ARE MOST INTERESTED IN RECEIVING DIGITALLY

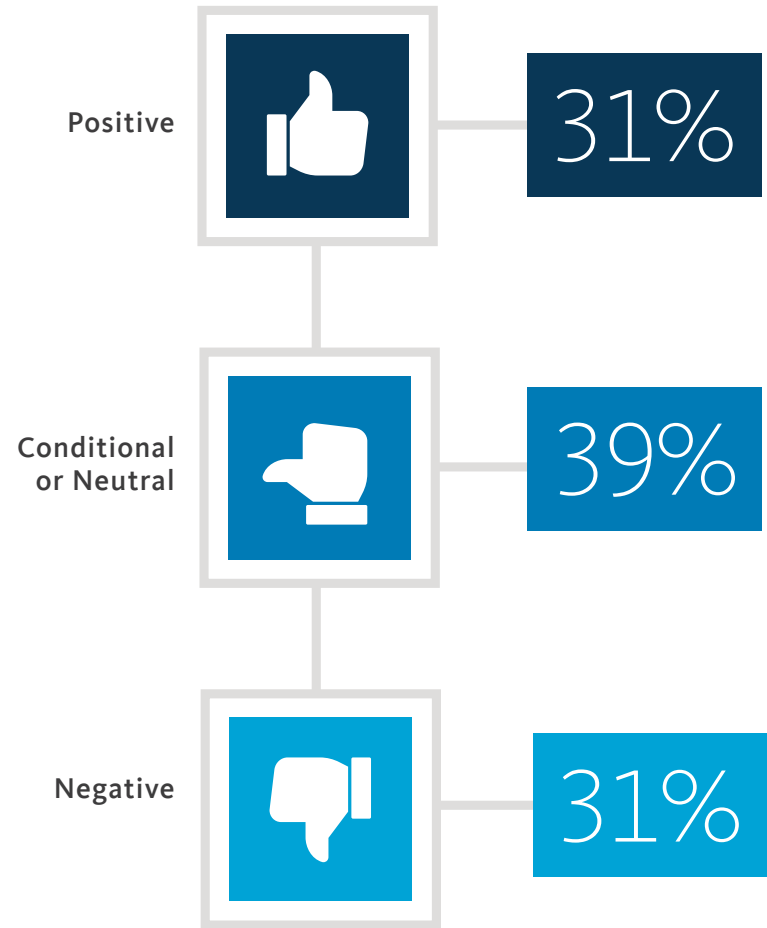


28%
want their EOBs digitally



25%
want the provider directory digitally

MEMBER REACTIONS TO HEALTH INSURER INFORMATION PROVIDED ONLY DIGITALLY



CLOUD STORAGE HAS SOME APPEAL TO MEMBERS OF EVERY AGE

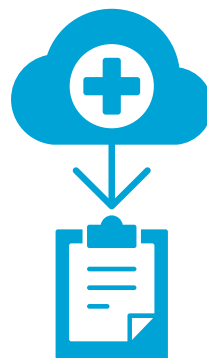
Personal cloud storage has become commonplace for personal photos and music, but what about as a way to access information from a health insurer?

The answer is yes. In fact, one in four members are interested in their health insurance information being delivered to a personal cloud channel, like Google Drive, Amazon Drive, and Dropbox. Millennials are the group most interested in having insurer information delivered to a personal cloud account, with 38% saying they are interested or very interested. Millennials are also the most likely of any group to keep digital copies of their records by accessing them via the insurer website.

DIGITAL PREFERENCES AND BEHAVIOR OF MEMBERS



12%
of members save digital copies
of health insurer records



1 in 4
members are interested in
health insurance information
being delivered to a personal
cloud channel

KEY TAKEAWAYS AND ACTIONS

Communications are a vital part of the entire healthcare coverage decision process—from enrollment through renewal each year. These communications affect the satisfaction of members and often become a factor in determining whether or not they stay with their health insurer. It is imperative that insurers develop a unified communications strategy across print and digital to effectively reach and engage members. This includes understanding the differences among members—across generations—when it comes to communication preferences in both form and substance.

Now is the ideal time to implement simple strategies to maximize the power of communications and ensure they are a positive part of the healthcare journey.

Here are three communication strategies based on the research:

- 1. Segment your members by communication type and other variables**
to address their communication channel preferences. This includes understanding that different age groups have very different affinities for print versus digital forms of communications. Members also vary in their openness to new digital forms of communication, such as cloud storage or insurer apps.
- 2. Deliver additional information digitally, but do it strategically.**
More than two-thirds of members are either already positive about going entirely digital or are open to the idea, depending on which type of information is being sent. Make digital options more appealing by investing in digital platforms and channels. Providing a seamless, user-friendly experience will go a long way toward inspiring members to opt-in for digital communications.
- 3. Find ways to add more personalization to communications.**
Insurers who lead the way in delivering data-driven, relevant communications will benefit from being in front of the ever-increasing tide of consumer demand for more customization and personalization.

ABOUT THE AUTHORS

BROADRIDGE

Broadridge distributes 5 billion digital and print communications per year on behalf of 5,000 brands. Our solutions transform how insurers communicate with their members and provider network by creating an integrated digital and print experience. We help clients increase digital adoption, maximize print and postage efficiencies, and improve quality and engagement.

Make every communication more valuable by visiting Broadridge.com/healthcare or calling +1 (800) 353-0103.

THE CENTER FOR GENERATIONAL KINETICS

The Center for Generational Kinetics is the leading research, speaking, and solutions firm focused on Gen Z, Millennials, and solving cross-generation challenges. The Center's team of PhD researchers, strategists, and speakers help leaders around the world solve tough generational challenges in areas ranging from leading across multiple generations in a global company to selling and marketing to Gen Z and Millennials.

Each year, The Center works with over 180 clients around the world, from car manufacturers and global hoteliers to insurance companies, hospital groups, and international software firms. The Center's team is frequently quoted in the media about the effect of generational differences on everything from shopping and parenting to work style and social media.

Learn more about The Center at GenHQ.com.



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