

OSDH Health Insurance Study



BARK UP THE *RIGHT* TREE

# Consumer Research

**EVOLVE**  
RESEARCH



BARK UP THE *RIGHT* TREE

# Executive Summary

# 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.



**EVOLVE**  
RESEARCH



BARK UP THE *RIGHT* TREE

# Conclusions and Recommendations

**Consumers have major problems understanding health insurance.**

*There is little confidence and trust in the system.*





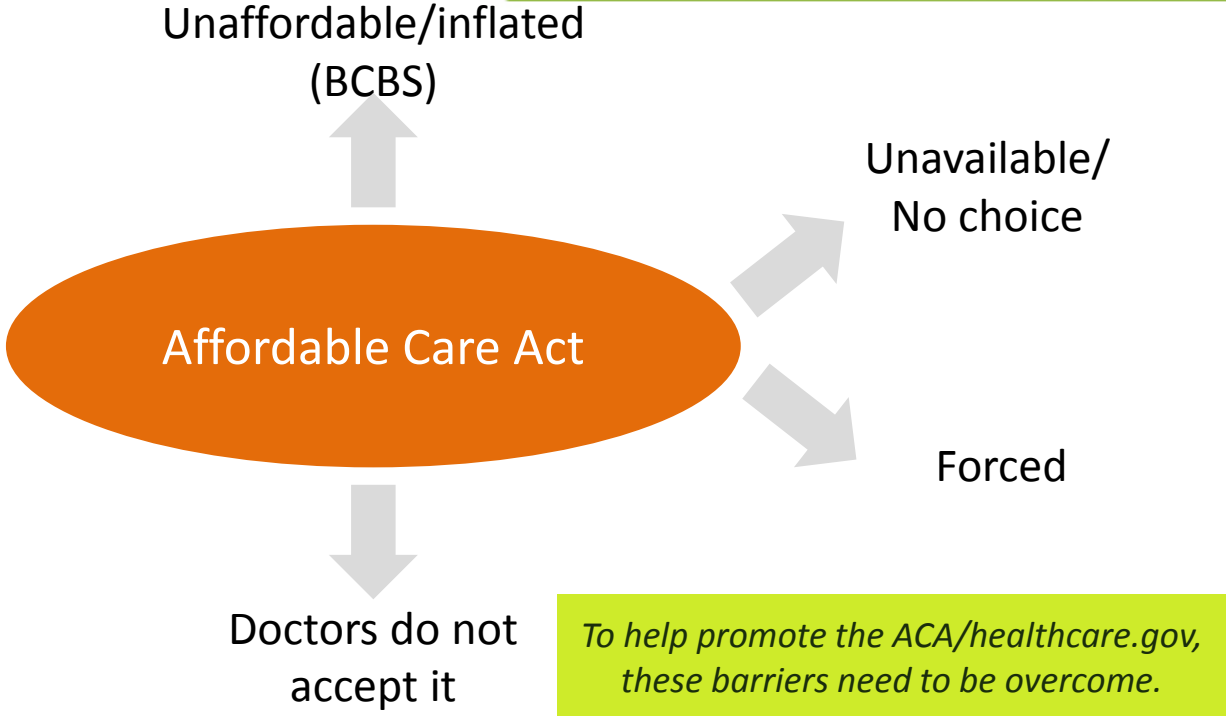
# Conclusions

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

Product	Process	Industry
<i>Terminology Plan selection Needs assessment Price Subsidy awareness</i>	<i>Being charged for “extras” Knowing you’ll pay more</i>	<i>Out to get you Not helpful</i>



# ACA Perceptions



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.



- 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](http://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.

