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# Members Weigh–In on Consumer Experience

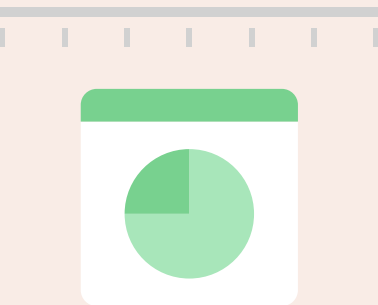With some surprises for Payers

# Key Takeaways

With years of health research to show that members' engagement in their own health is key to driving better health outcomes and reduced healthcare costs, consumer experience (CX) for members is a critical ongoing challenge for payers. Zipari and partner Ipsos conducted primary, direct market research leveraging an online survey distributed to health plan members and health plan representatives across the US. Respondents were asked about their health insurance consumer experience (CX) and digital consumer experience perspectives.

This report includes a description of some key initial findings, and related insights and interpretations from industry health-tech expert, Zipari.
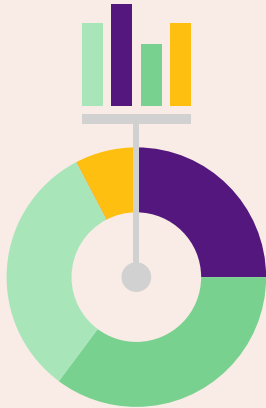
## Key Findings

- The call center is the heart of member engagement and still a preferred communication channel for many members.

- Members still expect strong digital consumer experience options; and providing/improving these options would improve member engagement with their health plans.

- Digital access is a significant predictor of member satisfaction.

- Payers who make investments in digital CX are seeing the pay-off.

- Payers still do not have an accurate read on member perspectives - creating a huge opportunity for those payers who are willing and able to improve their collection and use of real-time member data to drive satisfaction.

- Making wise digital CX decisions will optimize payers' abilities to personalize member experiences across channels. For example, leveraging existing industry-specific solutions for foundational CX functions, and internal resources for configurations and build-ons, will lead to faster ROI on digital investments and consumer satisfaction.

# About The Survey

With years of health research to show that members' engagement in their own health is key to driving better health outcomes and reduced healthcare costs, consumer experience (CX) for members is a critical ongoing challenge for payers. Zipari partnered with Ipsos, one of the world's leading insights and analytics research firms, to conduct primary research with statistically reliable results on member and payer perspectives of CX and digital CX in the health insurance industry. This information is especially relevant as we conclude a year of pandemic-related digital acceleration.

## Survey Details

- Completed April 2021
- Online survey in all 50 US States
- 3,000 health plan members Age 26+, aligned with census demographics (gender, race, ethnicity, urban/rural)
- 400 payer representatives, 80% manager and above

Our survey asked members and payers to use a five-point scale to rate their level of satisfaction with different components of their member experience (CX), including through a member portal or mobile app. Other questions asked respondents to select from a menu of responses about health plan frustrations and preferences, including N/A or 'Other' to avoid forcing respondents into choices.

There were 27 foundational questions, although through branching logic, different respondents answered only those survey items that were applicable to their circumstances. Responses were stratified by market segment, rurality, age group, overall satisfaction with health plan, frequency of health plan contact, and access to digital CX. In general, response patterns did not differ significantly by gender or rurality, but in many instances, did differ by generation, and by status of digital access.

This topline report focuses on immediately relevant findings, and will be supplemented by future analyses and reporting. We are presenting results directly from the survey along with key insights from Zipari throughout the report.

# About The Respondents

Member respondents (3,000) were adults, 26 and older enrolled in Employer-Sponsored health insurance (37%), Individual (14%), Medicare (33%), Medicaid (13%), and Military-Sponsored health insurance (4%). Twenty-six percent of the respondents were of the Millennial generation, 31% GenX, and 43% Baby Boomer. About equal proportions of each age group were male and female. Race and ethnicity distributions were aligned with the US Census; and about half of the member respondents were from suburban areas while about a quarter each were from urban and rural areas. Thirty-seven percent were employed full time and 29% were retired, about half were married, and about 60% had completed at least some college.

Payer respondents (400) were from small (66%) and large (27%) payer organizations. 48% held mid-level positions, and 47% were identified as decision makers. 51% offered employer-sponsored health plans, 50% offered individual plans, and 83% offered government-sponsored plans, like Medicaid and Medicare. Most payers served members in a combination of rural, suburban, and/or urban areas.

**43%**
of members still prefer the call center as their health plan communication channel

**71%**
Shorter Hold Times

**65%**
Service Reps with my Info

Self-service Info

**63%**
Personalized Recs

**3 of the top 4 responses** about what members felt would increase their health plan engagement **had to do with call-center experiences**

# The Call Center is the Heart of Member Engagement

To cut right to the chase of the survey findings, one of the clear themes we saw in the data is that the call center is still at the heart of health insurance — and that the call centers have room for improvement.

Members across markets still cite the call center as a preferred way to communicate with their health plans, with **43% of the full sample endorsing the call center as their preferred way to communicate with their plan**.

And, long hold times are still the greatest frustration across the entire health insurance experience. Of members who report frustrations with their health plan, the greatest frustration comes from contacting customer service, and this holds true across all market segments and generations.

Similarly, when we asked members what would increase their health plan engagement, **71% of members said shorter hold times**. This was closely followed by the proportion of members who want service reps to have their information available right away (65%) — and would be motivated to engage more frequently with their health plans if this were the case.

In fact, three of the top four responses about what members felt would increase their health plan engagement had to do with call-center experiences.

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*Insight*

Qualitative feedback shows that health plan leaders are not surprised by this call-center focus, despite huge recent advances and adoption of digital CX tools. While some aspects of managing and utilizing health plan benefits are routine and can be easily accomplished via self-service platforms, other aspects, such as navigating a health crisis or the financial stress of unexpected and costly healthcare bills, are highly emotional experiences.

When people are experiencing these hardships, they want to speak to a real person who has insight, empathy, and the ability to explain confusing information and support them in important health and financial decisions.
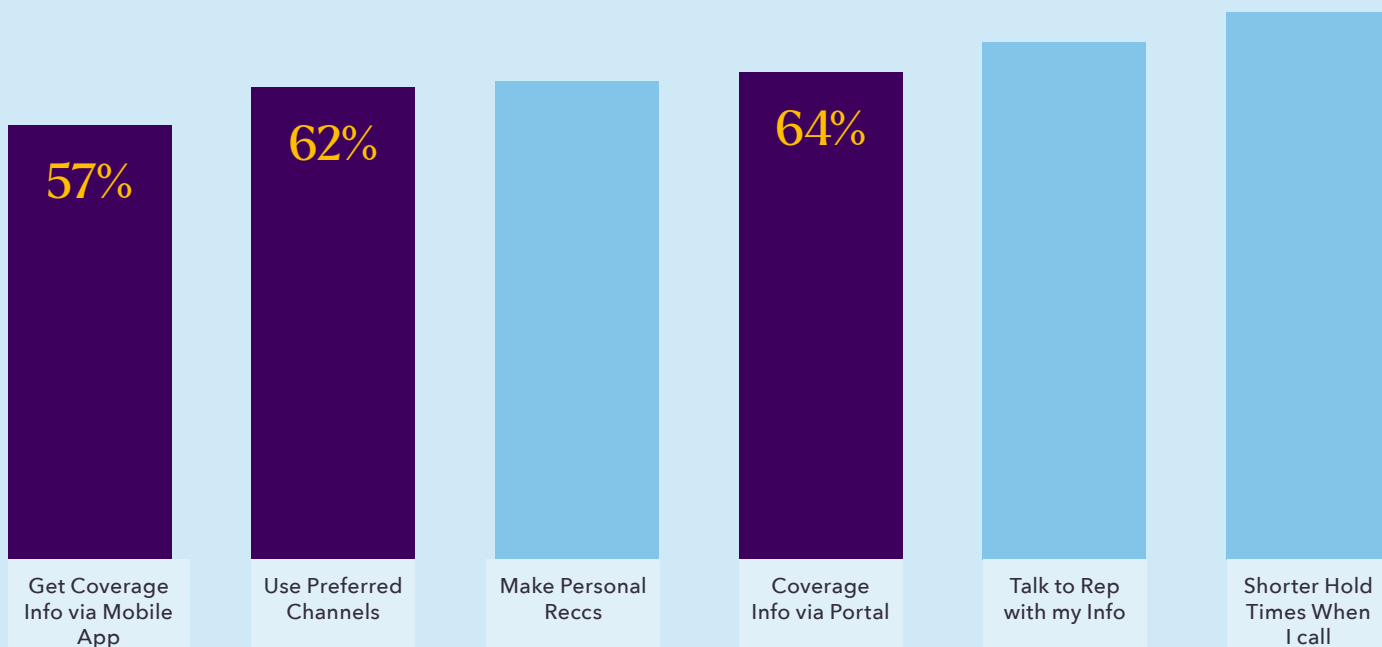
# But Members Also Expect Digital Self Service

Our survey shows that digital self-service shares the stage with the call center, with 42% preferring web portal or mobile app as a preferred way to interact with their plan.

Similarly, while we saw that the greatest proportion of members wanted call-center improvements; self-service, wasn't far behind. About 60% of members endorsed each of these digital engagement options as service improvements that would encourage them to engage more: self-service access to benefits information through a portal, receiving communication only through preferred channels, and self-service access to benefits information through a mobile app.

When members are able to accomplish basic tasks on their own, it creates less pressure on the call center, reduces long hold times, and sets up opportunities for what health insurance leaders identified as a key competency: more time and empathy for members who are calling because of stressful health and or financial challenges.

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## What would make you more likely to engage with your health plan?

| Get Coverage Info via Mobile App | Use Preferred Channels | Make Personal Reccs | Coverage Info via Portal | Talk to Rep with my Info | Shorter Hold Times When I call |
|---|---|---|---|---|---|
| 57% | 62% | | 64% | | |

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## Insight

Members are clearly saying that they would engage more with their health plan if there were improvements in wait times and access to representatives who immediately had their personalized information. This creates a huge opportunity for payers. Health plans who can ensure a seamless and personalized experience across both channels (digital and call center) will gain competitive advantage and drive both member satisfaction and operational efficiency, essentially the biggest competitive advantages there are.

In fact, research shows about $8 in avoided costs per call when members leverage digital self-service, instead of calling the service center, for basic tasks*. A review of three years of call center data shows that over half of one payer's service center calls were for tasks like finding a provider, managing enrollment in health plan programs (i.e. wellness), checking claims, downloading ID cards etc. For this particular payer, this presents an opportunity to realize $2.1M per year in savings.

*: https://pricecomparisonadvisor.com/call-center-services/how-much-do-inbound-call-center-services-cost/

# Generational Trends

Digital consumer access is increasing in importance across younger generations

"Access to self-service, through an app or portal, would increase my health plan engagement"
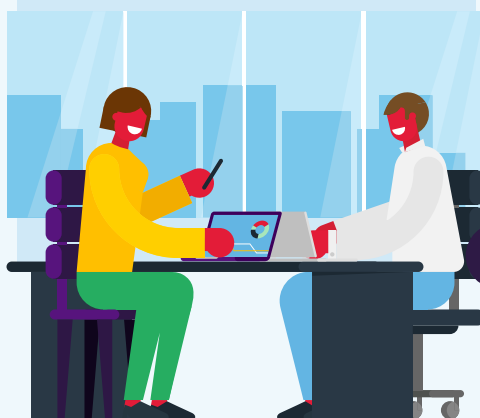
## 69%

Millennials

Our survey findings also reinforce the **increasing importance of digital member engagement access over time**, with younger generations and digital natives accounting for an increasing proportion of health plan membership.
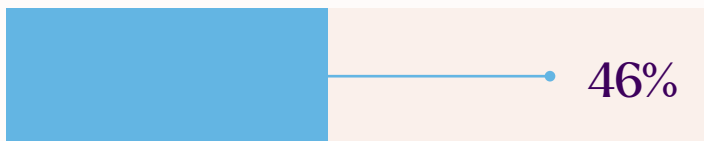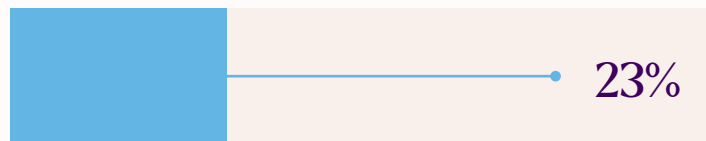
## 61%

GenX

## 54%

Boomers

# Digital access is a significant predictor of member satisfaction

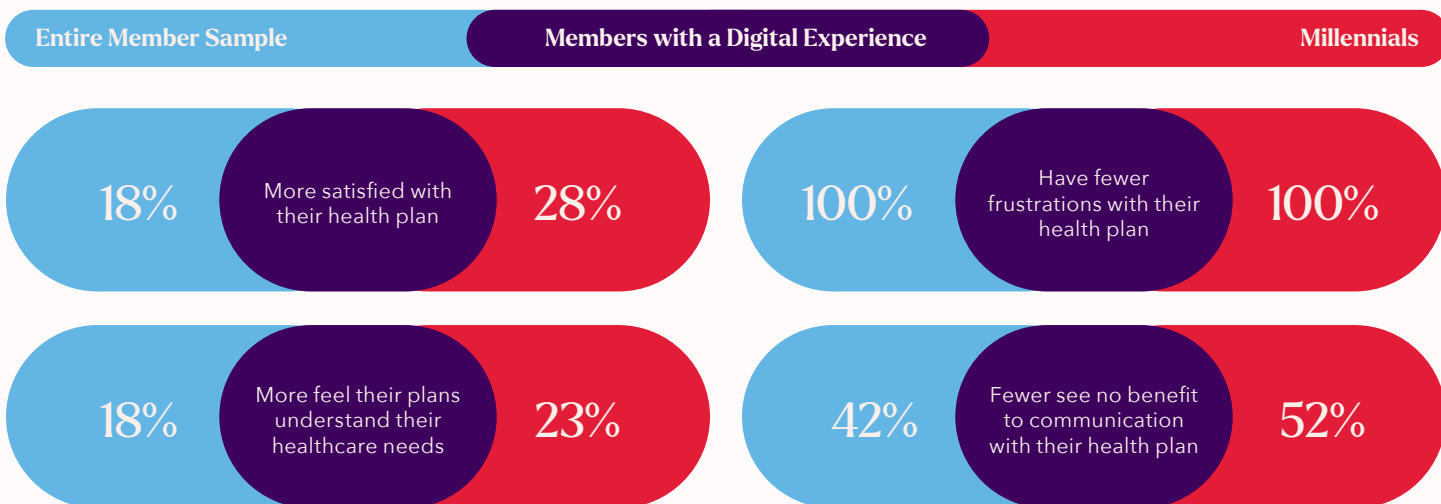**Members with App or Portal: No Frustrations**

46%

**Members with NO App or Portal: No Frustrations**

23%

*The industry has been saying it - and our data supports it: digital self-service is closely tied to member satisfaction across all generations*

We split the full member sample into those who reported that they had an app or portal for their health plan and those who did not. Having access to digital engagement was associated with 18% higher proportion of members who were satisfied with their health insurance plan. Digital access was also associated with lower rates of health plan frustrations, and a more positive perspective on the benefits of health plan communication and engagement. In fact, while 46% of members with digital access reported that they really had no frustrations with their health plan, only 23% of those without digital access could say the same.

**Entire Member Sample** — **Members with a Digital Experience** — **Millennials**

| 18% | More satisfied with their health plan | 28% |
| 18% | More feel their plans understand their healthcare needs | 23% |

| 100% | Have fewer frustrations with their health plan | 100% |
| 42% | Fewer see no benefit to communication with their health plan | 52% |

Discrepancies are even more pronounced between younger members with and without digital access to their health plan through a member app or portal. Millennial members with digital access are more satisfied than millennials without and felt their plans better understood their personal healthcare needs. The majority of millennials without digital health plan access, on the other hand, are experiencing frustrations with their health plan and were less likely to see the benefit of increased communication with their health plans.

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## Insight

Younger generations comprise an increasing proportion of payer memberships. Further, cross-industry data shows that almost 60% of consumers have higher expectations for customer support than they did before the pandemic, and that organizations now see customer satisfaction as the greatest predictor of business success - even over revenue.

As all generations have experienced an accelerated tech adoption, and millennial expectations become the norm, basic, pre-built digital self-service tools are a quick way to increase satisfaction now; while you focus on building the configurations that will offer the omnichannel and personalized service experiences to optimize not just customer service, but lower costs for each of your key membership segments.

Industry-specific technology allows you to leverage these pre-built options, and the more of these you take advantage of, the more of your tech and strategic resources are available to focus on personalization, journey mapping, and optimizing your competitive advantage.

# Payers Report Big Benefits from Digital CX Investments

*Payer-reported impacts of using digital platforms to engage members*

| | |
|---|---|
| **93%** | **Membership Increase** |

| | |
|---|---|
| **84%** | **CAHPS Scores Improved** |

| | |
|---|---|
| **83%** | **NPS Scores Improved** |

| | |
|---|---|
| **73%** | **Membership Turnover Decrease** |

Reducing member frustration and increasing satisfaction is critical, not just as an end goal in itself, but because it drives the financial wins of retention and acquisition, endorsed here by essentially all payers, as well as the financial incentives and awards that come with higher plan ratings and satisfaction scores. Digital transformation across industries has been associated with 13 - 22 point increases in NPS scores; a significant boost for payers where the industry average before the pandemic was at 12 points - well behind almost every other industry[*].

Member retention can be particularly valuable - with Medicare Advantage data from 2018 estimating a $240 cost savings associated with member retention vs. acquisition. Correspondingly,  positive response rates were even higher for payer respondents with digital platforms - from government-sponsored plans – where satisfaction scores are even more directly tied to per-member-per-month payments and incentive dollars. Medicare bonus payments to Medicare Advantage plans with high Stars ratings totaled $11.6B in 2021[**].

[*]  https://inform.tmforum.org/customer-centricity/2017/10/using-nps-measure-digital-success/
[**] https://www.kff.org/medicare/issue-brief/medicare-advantage-in-2021-star-ratings-and-bonuses/

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### Insight

While the call center is still at the heart of the health plan, enabling effective and convenient digital access is an equally important and complementary effort.

When members are able to accomplish routine tasks on their own, it reduces the pressure and cost of your call center, cuts long hold times, and creates opportunities for what health insurance leaders identified as a key competency - providing time and empathy to members who are calling in to the call center because of stressful health and or financial challenges.

As younger generations comprise an increasingly large proportion of membership, digital access is becoming an expectation that increasingly drives member satisfaction, as well as a financial advantage for payers who can do it well.

# Payers Should Assess their Ability to Deliver Omnichannel Personalization

Another theme in the data was the importance of creating a personalized experience for members. Members were clear that personalized information and recommendations would make them more likely to engage with their health plan (63% of the full sample). This finding points to the importance of making a careful CX platform choice. Neither the call center nor any digital outreach or portal interaction can provide a personalized experience unless payers can leverage holistic member data and a platform that takes disparate data and brings it together in a meaningful way on a real-time basis. These platform capabilities should be top-of-mind for payers as they strive to meet current member expectations. A related and key finding was that members with digital access felt their plans understood their personal healthcare needs at a higher rate (80%) than members without (68%).

## 63%
of members say personalized recommendations would increase their engagement

"My plan understands my personal health needs"

The majority of respondents noted that personalization would increase their engagement. And, personalization requires understanding individual healthcare needs. This puts payers without digital CX platforms at a disadvantage, with 18% fewer members without digital CX reporting that their plans actually do undertand their needs.

Personalized outreach and education can be particularly critical for high utilizers. Years of healthcare and health insurance data show that a small number of high-needs members account for the majority of healthcare costs in this country; meaning a small number of members are using their health insurance benefits a lot more frequently than others.
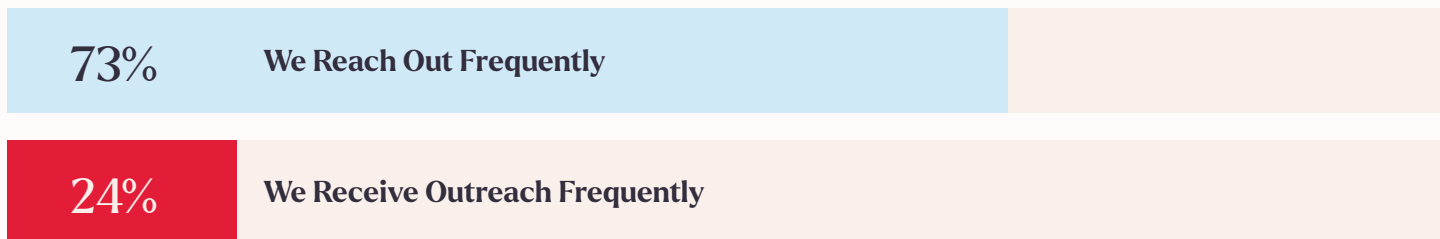
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## Insight

Our data shows that those who are frequently (weekly or monthly) contacting their health plans also have lower rates of satisfaction; about 10% lower, which can also be enough to impact NPS or CAHPS scores. Having the data to identify these high utilizers - reaching out using their self-identified preferred channels, making their self-service tasks easier to accomplish, and providing personalized call center support as needed - all represent a high ROI potential for health plans.
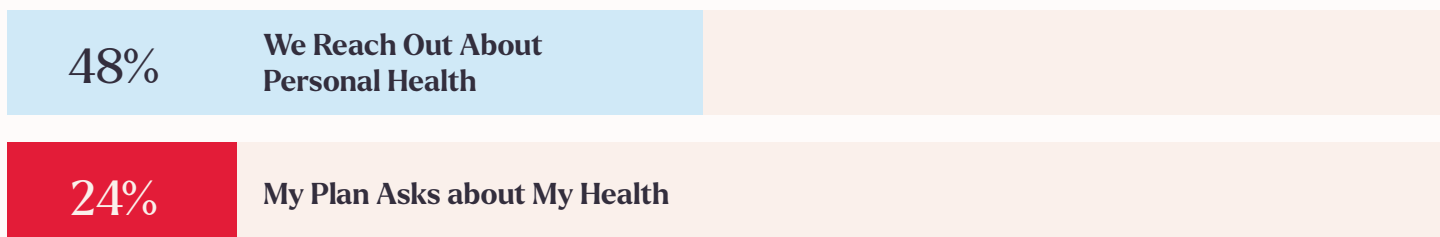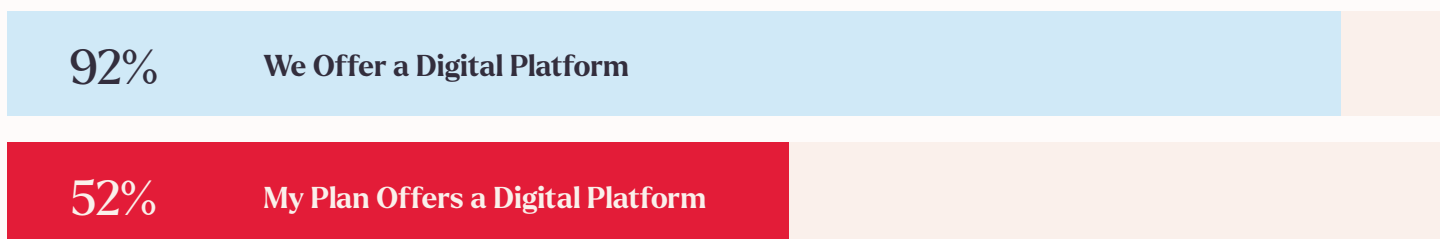
Zipari's Ipsos survey data shows that these high utilizers are open to health plan outreach. When asked for the one thing their health plan could do to improve their health plan experience, over half endorsed getting outreach and information from their health plan. The top responses specifically from high utilizers were: help me reduce healthcare costs; help me improve my health; and get personalized health information. The remaining proportion of high utilizers felt that other payer tactics like making information easier to find online, or offering or improving app or portal functionality, would make the biggest positive impact on their health plan experience.

**17%** *Improve Health*

**21%** *Reduce Costs*

# 58%

**Over half of frequent utilizers indicated that they were open to receiving outreach from their health plan**

**11%** *Personalized Health Information*

**9%** *General Health Information*

# Different Perspectives Reveal Clear Payer Opportunities

**Payers** **Members**

**73%** **We Reach Out Frequently**

**24%** **We Receive Outreach Frequently**

This brings us to another key finding about outreach. While a lot of payers feel like they are always reaching out to members, and even worry about information overload or outreach fatigue, this is not the perception of the members! While almost three-quarters of of our payer respondents felt they were reaching out frequently (defined as weekly or monthly) only about one-quarter of members said they experience it. Payers and members in fact, had different perspectives across a few different areas.

**92%** **We Offer a Digital Platform**

**52%** **My Plan Offers a Digital Platform**

**50%** **We Reach Out About Satisfaction**

**17%** **My Plan Asks if I'm Satisfied**

**48%** **We Reach Out About Personal Health**

**24%** **My Plan Asks about My Health**

# 4 Key Takeaways

Personalization is dependent on real-time member data, aggregated across traditionally disparate sources into useful information. And this personalization may present a particularly high ROI opportunity for a health plan's high-utilizing members. Having this data to define the perception discrepancy between payers and members on the cadence of outreach may change payers approach.

**1**
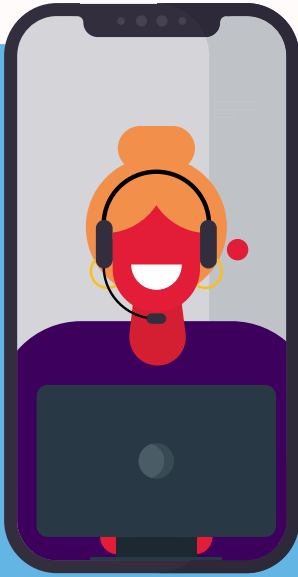
Members want digital self-service and call-center access

**2**

Members do not feel inundated with communication from their health plan but payers should use the right channels

**3**

Members are interested in more outreach when it is aligned with their goals of cost reduction, and health improvement and information

**4**

Members want shorter call wait-times and to talk with reps who understand their personal profile

# Aligning Your Call Center & Self Service Strategies

Payers are making the right investments to offer digital access to members, but it isn't enough. Payers resoundingly confirmed a successful shift to self-service when members are given digital CX access. In fact, almost all payers (93% of all payers and 95% of payers from government sponsored plans) report increases in member self-service behavior with the implementation of a member app or portal. But, the data also shows the importance of leveraging self-service appropriately - which means making sure your members also get the human connection they want. Recall that even with the very high self- service metrics, 71% of members are still indicating that shorter hold times for the call center would increase their health plan engagement.

**Be sure your strategy includes tight alignment between how members experience your plan on their own (self–service) and when they're talking to your representatives.**

Members endorsed almost equal preference for self-service (42%) and call center (43%) access. Getting it right means a coordinated and personalized approach to both. Digital self service is meant for accomplishing routine tasks and accessing information, and it reduces call demand on the call center. And, while this creates a tempting opportunity for payers to downsize for cost savings, this path won't likely bring long term success. There is a clear call from members in our survey to make improvements to the call center, which is still at the heart of health insurance. When we remember that members calling the service center are likely experiencing a health and/or financial stressor, and that these are likely emotionally charged experiences, we recognize that a human connection will likely always be a critical part of an effective health insurance model.

**Self–Service Plus**
THE RIGHT SERVICE AT
THE RIGHT TIME

# 63%
of members would engage
more with digital access to
their coverage info

# 71%
of members want shorter
call center wait times

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## Insight

Orchestrating a seamless experience among both the call-center and portal or mobile app is critical to a payers' ability to gain a competitive edge in today's marketplace.

In an effective health plan model, payers leverage digital CX for personalized outreach, education, and self-service access, taking the space created by reduced call-center demand to improve service competencies. The most competitive payers will enable their service center representatives with easy-to-access profile data for each caller, and train them to provide personalized service and empathy, supporting members who are in crisis and/or in need of human connection with the best recommendations.

# The Bottom Line

Members have clearly expressed their expectations to have their needs understood, to have digital access to self-service at any time, and be able to have a human connection when they need to. They are open to, and in fact seeking, increased communication and outreach, and motivated to reduce their health care costs.

Payers should reevaluate their ability to personalize a consistent experience between digital and call center operations. Making wise platform and product decisions and partnering with an industry-specific tech partner can turn these challenges into competitive advantages.

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**Insight**
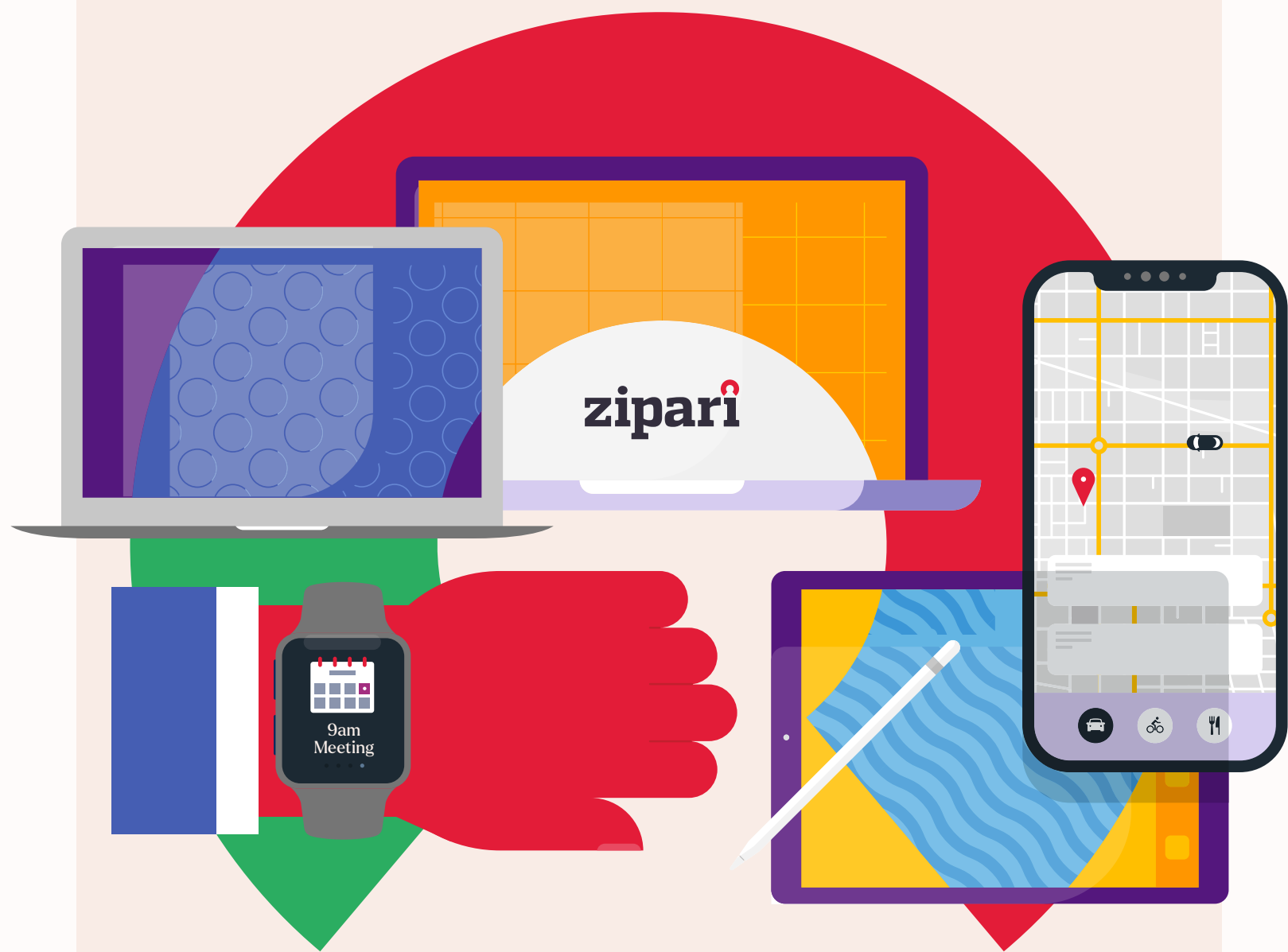
For a sure path to rapid ROI, find a tech partner with healthcare expertise and leverage their ability to stay on top of tech advances, API integrations, existing and evergreen goal packaging algorithms, as well as ever-changing healthcare policy. That frees-up internal tech resources for unique configurations to help differentiate and brand your plan, and design and test unique digital outreach programming specifically tailored for your population segments and plan priorities.

For payers who are not as far along this CX continuum, this may seem overwhelming and impossible to resource. Fortunately, payers have a variety of implementation options and can choose a stepped, product-by-product approach, or a concurrent, total CX platform implementation. By selecting API-first platforms, either approach ensures product compatibility and connectivity to comprehensive member profiles- as well as compatibility with existing technology and data repositories. Further, with an industry-specific CX platform vendor, payers are able to leverage out-of-the-box functionality in months not years - while prioritizing and building-on with unique configurations as it fits in with organizational resource and need timelines.

# Want to chat more about CX?

**Get in Touch**
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