

Consumer Experience in Consumer- Driven Health Plans: Results From a Survey of University of Minnesota Employees

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Why a Survey of Consumers?

- Variety of conflicting opinions have been expressed about how consumers will experience CDHPs
- CDHPs emphasize consumer involvement and consumer decision support tools and help-lines in marketing, creating expectations about how consumers will experience CDHPs

Why a Survey of Consumers?

(continued)

- Employers offering CDHPs have expectations about how employees will use the various features embodied in these plans
- Some policy advocates and consumer groups have expressed concerns that consumers may not understand and appropriately use personal spending accounts and other CDHP features
- Data to inform these opinions and views is sparse or non-existent

The Savvy Consumer?

- Financially savvy consumer calculates expected values for competing plan choices, and selects CDHP, adequately informed about its features and limitations
- Accesses CDHP website to compare provider price and quality information when seeking care
- Accesses website for disease management advice and pharmaceutical price data when treating illness

The Savvy Consumer? *(continued)*

- Regularly tracks expenditures and status of personal care account on the internet, making wise trade-offs, on margin
- Coordinates spending from flexible spending account and personal care account
- Happily rolls forward unused dollars to reduce potential out-of-pocket liability in next year

The Naïve Consumer?

- Lacking understanding of financial structure of CDHP relative to more traditional plans, makes uninformed selection of CDHP
- Lacking internet access at home, or having strong existing provider relationship, doesn't use price/quality data in selecting provider
- Is internet illiterate, so disease management advice and information on pharmaceutical prices on CDHP website is not accessed

The Naïve Consumer *(continued)*

- Unwittingly spends money for services not reimbursable under personal care account
- Exhausts care account without utilizing on-line account manager to track expenditures
- Fails to establish flexible spending account for uncovered expenses
- No funds are left in personal care account at end of the year; unhappily, total out-of-pocket expenditures are higher than in the past with less care management or coordination

Survey of Minnesota Employees

- Survey basics covered by Roger Feldman
- Survey topics related to consumer experience in CDHP

Survey of Minnesota Employees (*continued*)

All Plan enrollees (Other Plan versus Definity Comparison)

- Use of flexible spending account
- Use of plan customer services; evaluation of helpfulness
- Experience with plan paperwork
- Rating of health plan

Survey of Minnesota Employees

(continued)

Definity enrollees only (comparison of subgroups)

- Ease of use of personal care account
- Expectations about roll-over amount
- Use of internet tools
- Recommend Definity to family member, friend, or colleague

Survey of Minnesota Employees

(continued)

Subgroups used in analysis of Definity enrollee responses

- Chronic Illness: Answer to survey question - *Do you or your dependents have a chronic condition such as asthma, hypertension (high blood pressure) diabetes or arthritis? Yes/No*
- Age: From employee information data set
- Job classification: From employee information dataset, aggregated to four categories:
 - professional/administrative, non-union civil service,
 - union civil service, and faculty

What Health Plan Features Do Definity Members Value Most?

Percent of respondents listing feature in top three:

Definity

Doctor in plan: 77%

No referrals needed: 51%

Preventive services covered: 47%

Other Plans

Doctor in plan: 65%

Preventive services covered: 52%

Small out-of-pocket expense: 37%

QUESTION: What are the three most important features you want in a health plan?

List of possible responses: National provider network; my doctor in plan; preventive services covered; no referrals or preauthorization needed; small paycheck contribution; small out-of-pocket expense; no co-payments; medical account rolls over; online tools; DK; refused

What Health Plan Features Do Definity Members Value Most?

- Top three features were the same and percentages were comparable for subgroups with chronic illnesses
- National network of providers was very important to faculty in Definity (51%) versus other subgroups (all 36% or less)
- Small out-of-pocket expense and no co-payments were much less likely to be among top three features for Definity members in general and across all subgroups

Does Enrolling in Definity Stimulate Use of Flexible Spending Accounts?

- Are Definity enrollees more likely to have flexible spending accounts than enrollees in other health plans?

YES: 47% versus 35%

- Are Definity enrollees more likely to understand the critical limitation of these accounts – that you have to spend all the dollars in the account in the calendar year?

NO: 25% of Definity enrollees with these accounts believe they can “roll them over” versus 18% of enrollees in other plans with accounts.

Does Enrolling in Definity Stimulate Use of Flexible Spending Accounts? *(continued)*

- Written comments suggest some Definity enrollees are confused about the joint management of flexible spending accounts and personal care accounts

How Does Definity Customer Service Compare to Other Plans?

- Definity enrollees are more likely to call customer service for information or help
65% versus 49% in other plans
- For those calling, about 90% of enrollees in each group said getting the help they needed was “no problem” or a “small problem”
- Paperwork was more likely to be considered a “big problem” by Definity enrollees (19%) versus enrollees in other plans (12%)

How Complex is Management of the Personal Care Account?

- How accurate are Definity members in their expectations about personal care accounts?
 - 76% who thought they would have money left at the end of the year were correct
 - 76% who thought they would not have money left were correct
 - About 25% of Definity enrollees in each case were surprised

How Complex is Management of the Personal Care Account? *(continued)*

- How easy was it to use the personal care account to pay for health services?

Very easy	70%
Somewhat easy	20%
Somewhat difficult	6%
Very difficult	4%

How Complex is Management of the Personal Care Account? *(continued)*

- Younger enrollees (<35 years) were more likely to say it was very easy (81% versus 69%)
- There was some variation in assessment of ease of using the personal care account (very or somewhat easy) by job category, but not necessarily as expected:

Professional/administrative	93%
Non-union civil service	98%
Union civil service	90%
Faculty	83%

Do Definity Enrollees Use the Available Internet Tools?

- 37% used at least one of Definity's internet tools in 2002. Of these:
 - 76% used the personal account manager
 - 80% used the provider directory
 - 22% used the disease management/support tool
 - 33% used pharmacy pricing tool

Do Definity Enrollees Use the Available Internet Tools? *(continued)*

- 44% used Definity's internet site to monitor their personal care account in 2002
 - 42% with chronic illness versus 45% without
 - 37% over age of 55, versus 44% 35-54 and 59% under 35
 - 33% of faculty versus 55% of union civil service, 52% non-union civil service, and 47% professional/administrative

Overall, How Do Definity Members Feel About Their Experience in the Plan?

Would you recommend Definity to a Friend, Family Member or Colleague? *(Asked of Definity Members Only)*

	Yes	Maybe	No
Member with Chronic Illness	33	58	10
No Chronic Illness	30	56	14
Age of Employees:			
<35	32	52	16
35-54	31	58	12
55+	31	57	12
Job Classification:			
Professional/Administrative	22	65	12
Non-union Civil Service	34	55	11
Union Civil Service	37	47	16
Faculty	33	56	10

Overall, How Do Definity Members Feel About Their Experience in the Plan?

Would you recommend Definity to a friend, family member or colleague?

Yes versus Maybe/No

OR

Yes/Maybe versus No

- More likely if members had money left in their personal care accounts

* Logit analysis controlling for personal characteristics

Overall, How Do Definity Members Feel About Their Experience in the Plan?

For all health plan members, rating of experience in health plan in 2002 (0 = worst plan possible; 10 = best plan possible)

Overall Mean = 7.5

- The plan chosen is not a significant predictor - - Definity does no better or worse than other plans*
- No significant differences for subgroups of employees**

* Regression analysis controlling for personal characteristics

** Regression analysis with plan/personal characteristic interaction terms

Observations

- In general, employees enrolled in Definity are neither “savvy” or “naïve”
- There is no indication, based on the survey responses, of major issues related to use of the plan or satisfaction with it
- Perhaps, from a consumer standpoint, the plan is not viewed as particularly complicated or difficult

Observations *(continued)*

Needed follow-up research:

- Do perceptions of early enrollees change over time?
- Do perceptions of later adopters differ from early adopters?
- Do perceptions vary depending on other available plan options or the characteristics of the plan in which the respondent was previously enrolled?