



# The Marketplace Consumer: Understanding the Marketplace Population Through Two Years' Worth of Data



Health Insurance [Marketplace](#) [HealthCare.gov](#)

# Lessons Learned from The Individual Marketplace

## Horizon Blue Cross Blue Shield of New Jersey



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***June 9, 2016***



Health Insurance Marketplace

**HealthCare.gov**

# Discussion Points

- Horizon's Learnings in the Individual Segment
  - Key environmental/market factors
  - Product and pricing actions
  - Consumer engagement and go-to-market strategies

# Horizon BCBSNJ Individual Market – Lessons Learned

## *Market Factors*

### Pre-ACA Marketplace

- **Horizon had the leading market share pre-ACA:** Horizon entered the ACA world with a large block of members in the Basic and Essential (B&E) plan. Biggest challenge was how to retain these members with the withdrawal of the B&E, with new plans at higher premiums.

### High Risk and Uninsured Population

- **High risk consumers had access to specific plans (NJ Protect) prior to ACA.** However, with ACA, they became part of the same risk pool as the rest of direct consumer buyers.
- **Pre-ACA uninsured rate was about 12%, or 1.2 million residents.** Of these, we expected about 161K would come into the exchange.

### Transitional Plans

- **We decided against offering transitional plans,** meaning we did not offer the “old” products as an alternative to the new products. We have a single risk pool.
- Many other plans (outside of New Jersey) decided otherwise and had more than one risk pool, resulting in adverse selection.

### Pre-ACA testing

- Given all the uncertainties, we conducted a significant amount of consumer research prior to ACA to refine our product line up, pricing, membership forecasts and marketing messaging.
- Research included product simulations to test our proposed product line-up and pricing vs. the projected competitive set, conjoint analysis to determine primary drivers of product selection and understand trade-offs between specific features and premium pricing, and focus groups with uninsured and insured to better understand consumer needs and motivations.

# Horizon BCBSNJ Individual Market – Lessons Learned

## *Product & Pricing Factors*

### Prudent Pricing

- **We intentionally went with conservative assumptions about morbidity and priced for a reasonable margin in 2014.** Our conjoint and product/pricing simulation research helped us in guiding our pricing decisions.
- For 2015, our posture was “competitive but not reckless.”

### Simple Product Offerings

- **We offered 5 products in 2014, under a philosophy of “keep it simple.”** Product simulation testing again helped us determine our final product portfolio, including not offering a Platinum product in either 2014 or 2015, and only offering a Gold tiered network plan in 2014.
- In contrast, some other NJ plans offered 50 or more products, only to withdraw many of them, forcing consumers to shop around.

### Use of Tiered Networks

- **We developed tiered network products and offered them as a lower-premium alternative to traditional broad networks.** Note that these tiered products still offered access to Horizon’s broad managed care network.

### Off Exchange Presence

- **We offered our products both on and off exchange.** Our competitors play either exclusively or primarily on the exchange.

# Horizon BCBSNJ Individual Market – Lessons Learned

## *Consumer Engagement/Go-to-Market*

### Consumer Analytics

- We leveraged our consumer analytics to develop a segmentation model and an approach for identifying potential uninsured segments.
- We used a multi-channel marketing strategy to not only build awareness but to directly target likely uninsured populations.

### Integrated Marketing

- Outdoor, transit and social were used primarily to build awareness for Horizon products.
- Direct mail, targeted digital and email were focused on specific segments.
- We developed a simplified enrollment process and more consumer-friendly welcome kits patterned after credit card welcome letters.

### Latino Market Focus

- We recognized that the Latino market was underserved and comparatively healthy; we launched a Spanish website and a grass roots effort to sign them up.
- We ran separate Spanish language marketing campaigns using transit, direct mail and digital.
- We grew from 8,000 Latino members to 30,000 by OEP 2016.

### Retail Presence

- We set up a retail center in South Jersey and also deployed pop-up retail kiosks in major NJ malls during open enrollment. We also deployed our Blue to You vans at community events.
- In 2015, we also launched a Hispanic retail center in a major NJ city with a high percentage of Hispanic residents.

### Retention

- We stepped up our retention efforts beginning 2015, including addressing major consumer pain points in enrollment and billing, outbound welcome calls to new members, handing off “at risk” members from CSRs to sales, and targeted marketing to reinforce benefits (beyond access to doctors) to demonstrate more value for monthly premiums.

# Horizon Outdoor and Transit Ads



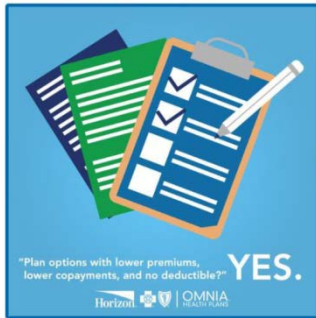
# Horizon Social, Digital and Direct Mail

## SOCIAL MEDIA

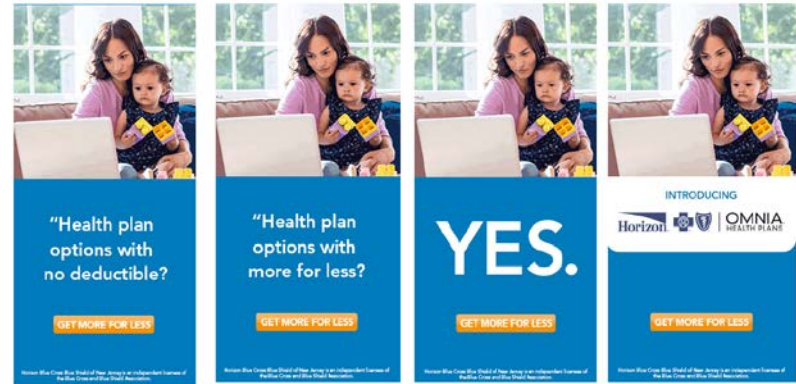
Horizon BCBSNJ @HorizonBCBSNJ · 11 Dec 2015  
 "Plan options with lower premiums, lower copayments, and no deductible?" YES.  
[shout.it/bl6vm](https://www.facebook.com/shout.it/bl6vm) #OMNIANJ



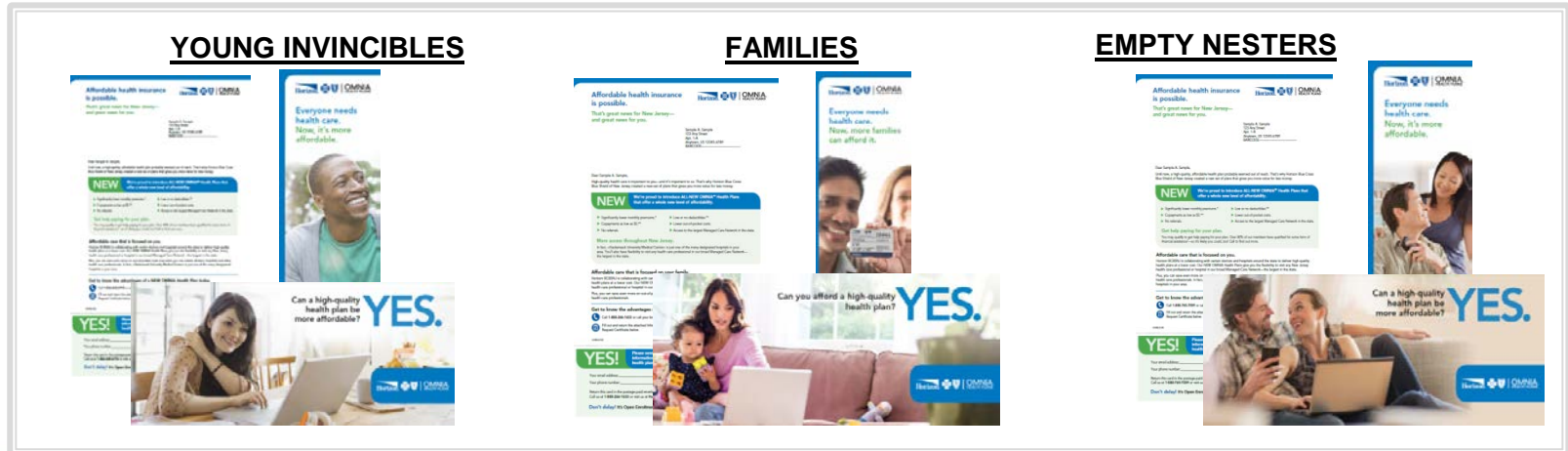
Horizon BCBSNJ @HorizonBCBSNJ · 9 Nov 2015  
 "Plan options with lower premiums, lower copayments, and no deductible?" YES.  
[shout.it/bhKWN](https://www.facebook.com/shout.it/bhKWN) #OMNIANJ



## DIGITAL



## DIRECT MAIL





# Spanish Language Campaign

"¿Opciones de planes con tarifas más bajas, copagos bajos y sin deducible?"

¡Claro que **SÍ!**

**PRESENTAMOS**

**Horizon.**  **OMNIA HEALTH PLANS**

Nuestros nuevos Planos de salud OMNIA ofrecen tarifas más bajas para obtener acceso a nuestra red completa de doctores y hospitales, la más grande en New Jersey. Además, usted y su familia pueden ahorrar aún más en gastos de bolsillo cuando utilizan a ciertos doctores, hospitales y otros profesionales del cuidado de la salud de OMNIA. Todo sin necesidad de ser referido y con una docena de beneficios en bienestar para usted y su familia.

Es otra forma en la que decimos, ¡Claro que Sí! a la reducción en costos en atención médica en New Jersey.

[HorizonAzul.com/OMNIA](http://HorizonAzul.com/OMNIA) • 888-765-7061

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"¿Un mejor cuidado de la salud puede costar menos?"

**Sí.**

[Leer más](#)

**Sí.**

[Leer más](#)

PRESENTANDO

**Horizon.**  **OMNIA HEALTH ALLIANCE**

EL PODER DEL SÍ

[Leer más](#)

# Retail Presence

## Mall Pop Up Retail Kiosks



## Blue 2 You Travelling Van



# Horizon BCBSNJ Individual Market – Lessons Learned

## *Membership Trends*

### 2014 – 2016 Individual Business Highlights

Year	Enrollment
2013	120,000
2014	128,000
2015	168,000
2016 est.	200,000

# Marketplace Consumers

## SelectHealth

Rachel Reimann & Russ Elbel  
*June 9, 2016*



Health Insurance Marketplace

HealthCare.gov

# Enrollment and Outreach Strategies for the Marketplace Population

Rachel Reimann  
June 9, 2016

# Who We Are

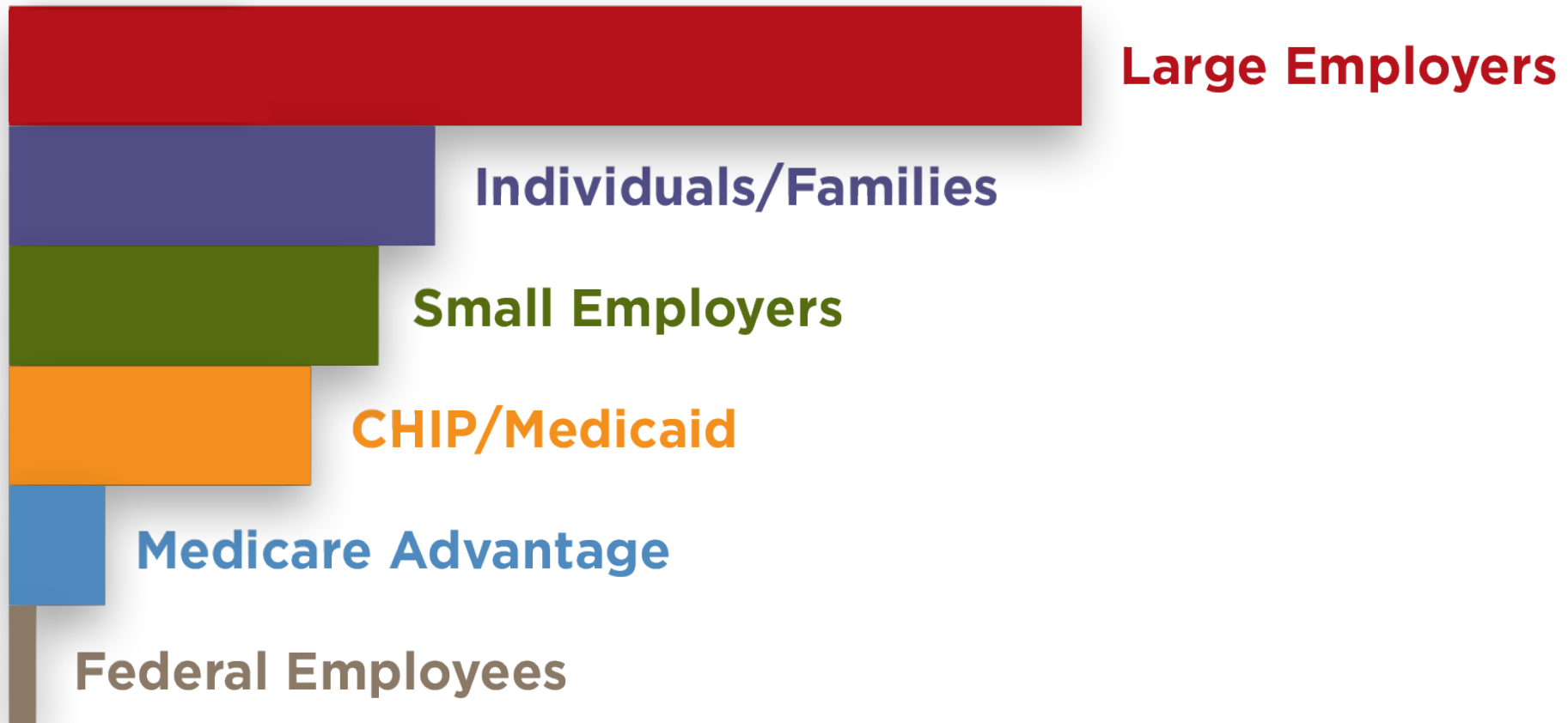


HEADQUARTERS: Salt Lake City, UT  
ESTABLISHED: 1984  
EMPLOYEES: 1,500  
PRESIDENT/CEO: Patricia R. Richards  
SERVICE AREA: Utah and Idaho  
OWNED BY: Intermountain Healthcare®



# Who We Serve

SelectHealth covers more than 880,000 members in Utah and Idaho—more than 780,000 of those are in Utah.



# Annual Open Enrollment Themes

- Year One — Get Educated
- Year Two — Get Covered
- Year Three — We'll Come to You



# Year One—Get Educated

## Healthcare Reform.

We don't make the laws. But we do make sense of them.

[selecthealth.org/reform](http://selecthealth.org/reform)



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## Most people are confused about healthcare reform.

Don't be one of them.

[selecthealth.org/reform](http://selecthealth.org/reform)



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# The ABCs

## Healthcare Coverage ABCs

Maybe you've never had health insurance before, or maybe you're just buying it on your own for the first time. No matter the case, we can help you find the best way to choose and pay for your family's healthcare—every step of the way.

Because of the Affordable Care Act (ACA), **everyone** qualifies for coverage, even if you have pre-existing health issues.



The government is offering a tax credit (sometimes called a "subsidy") to help you pay for your health insurance. Depending on your age and income, your subsidy might cover your *entire* monthly payment.



We have online tools that make it easy to see if you qualify for a tax credit and, if so, how much it will pay for.



[selecthealth.org/calculator](http://selecthealth.org/calculator)

## Healthcare Coverage 123s

### 1 I picked a plan on [healthcare.gov](http://healthcare.gov)—now what? > Pay your premium.

- We recommend that you pay your first month's premium through [healthcare.gov](http://healthcare.gov). This will give you the quickest access to your plan and your materials.
- If you are unable to make your payment through [healthcare.gov](http://healthcare.gov), you may call us, bring payment to our building in Murray, or mail us your payment. You will not be enrolled or receive any plan materials until your premium has been paid.
- We will contact you for future payment options that will be paid directly to us.

### 2 I paid my premium—what happens next? > You will receive your member materials.

- You will receive your ID Card within two weeks of paying your premium.
- You will also receive a copy of your Contract that describes your benefits in detail.

### 3 I need to use my benefits but don't have my materials—what should I do? > Call us or visit our website.

- You can find a doctor, learn about preventive care, or find a pharmacy, on [selecthealth.org](http://selecthealth.org).
- If your ID Card doesn't arrive before you need to receive care, you may call us to get your subscriber ID# and a copy of your card.
- Once you have your ID#, you may log in to *My Health*, our secure member website at [selecthealth.org/myhealth](http://selecthealth.org/myhealth). This site allows you to send secure messages and provides you with access to a copy of your ID Card.

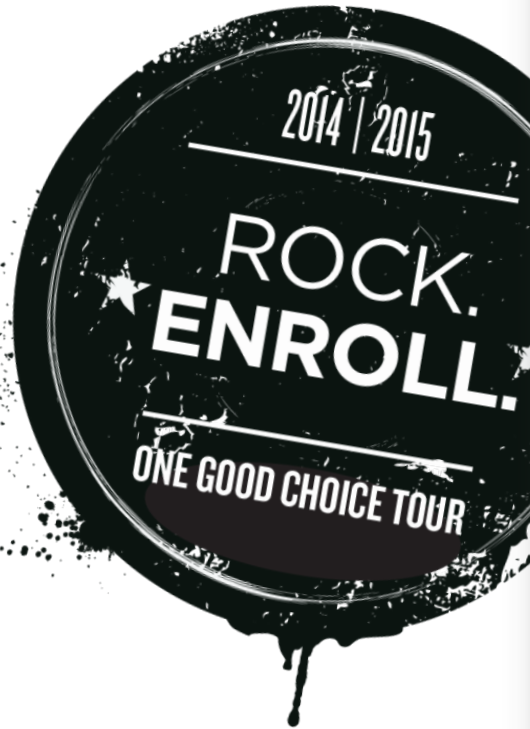
Member Services is available during extended hours to answer questions. Call **800-538-5038** weekdays, from 7:00 a.m. to 8:00 p.m., and Saturdays, from 9:00 a.m. to 2:00 p.m. TTY/TDD users should call 711.



[selecthealth.org/reform](http://selecthealth.org/reform)

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# Year Two—Get Covered



- Boots
- Helmet
- Goggles
- Health Plan

Get the coverage  
you **really** need.  
**Enroll by  
February 15.**



You've still got time for a few more ski runs, but the chance to sign up for health insurance coverage is running out. **To get coverage for this year, you must enroll by February 15.\***

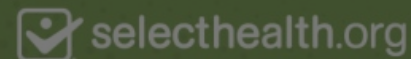
We can help you find the right plan, answer your questions, *and* chat about the weather—faster than you can navigate the bunny hill.

Walk in with questions, walk out with a plan.

## LAST CHANCE ENROLLMENT FAIRS:

**Red Lion Hotel Canyon Springs**  
Oak Room, 1357 Blue Lakes Boulevard North  
Twin Falls, ID 83301  
Friday, February 6 | 2:00 p.m. to 6:00 p.m.

**The Village at Meridian**  
3600 East Fairview Avenue, Fountain Square  
Meridian, ID 83642  
Saturday, February 7 | 10:00 a.m. to 3:00 p.m.



\*Outside of open enrollment, coverage is only available with certain special enrollment periods. For a list of qualifying events and to learn more about SEPs, read our blog at [selecthealth.org/blog/SEP](http://selecthealth.org/blog/SEP).

# Event Venues



# Last Chance Events

- Events were better attended near the deadline.
- Online enrollment was difficult for new insurance purchasers.
- Consumers appreciated one-on-one assistance.

**OPEN ENROLLMENT ENDS FEBRUARY 15**

Get your ticket to healthcare for 2015. **Rock. Enroll.**

selecthealth.org

- Enroll on-site—walk in with questions, walk out with a plan
- Talk to an independent insurance agent
- Find out if you qualify for a reduced premium price
- Avoid possible tax penalties
- Enjoy games, fun, and prizes

**ROCK. ENROLL.**

Remember when you listened to albums from beginning to end? Sometimes a song you barely noticed at first became your favorite tune. Don't settle for just the hits. Get the full album—coverage for everything you need—in one place. If you want insurance for 2015, you need to enroll by February 15. Think of it as a limited-release party, and you're invited.

**LAST CHANCE ENROLLMENT FAIR:**

SelectHealth  
5381 South Green Street  
Murray, UT 84123

Friday, February 13  
2:00 p.m. to 6:00 p.m.

Saturday, February 14  
10:00 a.m. to 3:00 p.m.

**MOSH PITS  
Rock.  
MONEY PITS?  
Do not Rock.**

**STANDING ROOM ONLY  
Rocks.  
EMERGENCY ROOM ONLY?  
Does not Rock.**

**AFFORDABLE COVERAGE  
Rocks.  
TAX PENALTIES?  
Do not Rock.**

Know what else rocks? Access to great doctors. Preventive care. Coverage when you're out of town. A health plan that cares about its members. We've got an entire album of benefits—hear the full set list at a Rock, Enroll, event near you.

ONE GOOD CHOICE TOUR

Get the coverage you *really* need.  
Enroll by February 15.

# Affordable Coverage Promotion

Affordable  
healthcare



is  
no  
longer  
out  
of  
reach.



“Health insurance is too expensive for me.”

“I applied years ago and I didn’t qualify.”

“I can’t get coverage for my family.”

Think health insurance is out of reach? **Think again.**

Affordable Care Act (ACA) changes may help you qualify for and afford health insurance coverage:

- **Coverage is guaranteed** — You won’t be turned down for insurance based on your health status, age, gender, or a pre-existing condition when you apply during the annual enrollment period.
- **Tax credits are available** — The government may help pay for your plan with a tax credit (also known as a subsidy). For some, these tax credits cover their entire payment! Learn more and see if you qualify for these or other medical assistance programs at [selecthealth.org/calculator](http://selecthealth.org/calculator).

Great benefits are within your reach...

A family of four with a household income of \$32,000 per year, could pay around

**\$35**  
per month  
for a silver plan,  
after tax credit.

Continue to get care from one of the region’s top healthcare networks.



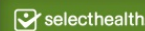
Health insurance isn’t just for when you get sick. Get preventive care at no cost to you.



Find out your own tax credit amount by visiting [selecthealth.org/calculator](http://selecthealth.org/calculator) on your computer, phone, or tablet.

You already know that you get great care at Intermountain Healthcare®. And no other health plan works as closely with Intermountain as SelectHealth.

So what are you waiting for? Health insurance is within reach. Visit [selecthealth.org/plans](http://selecthealth.org/plans) or call us at 855-442-0220.



# Year 3—We'll Come to You

- Community Centers
- Grocery Stores
- Personal Appointments
- Expert Phone Bank
- News Stories



# Community Centers

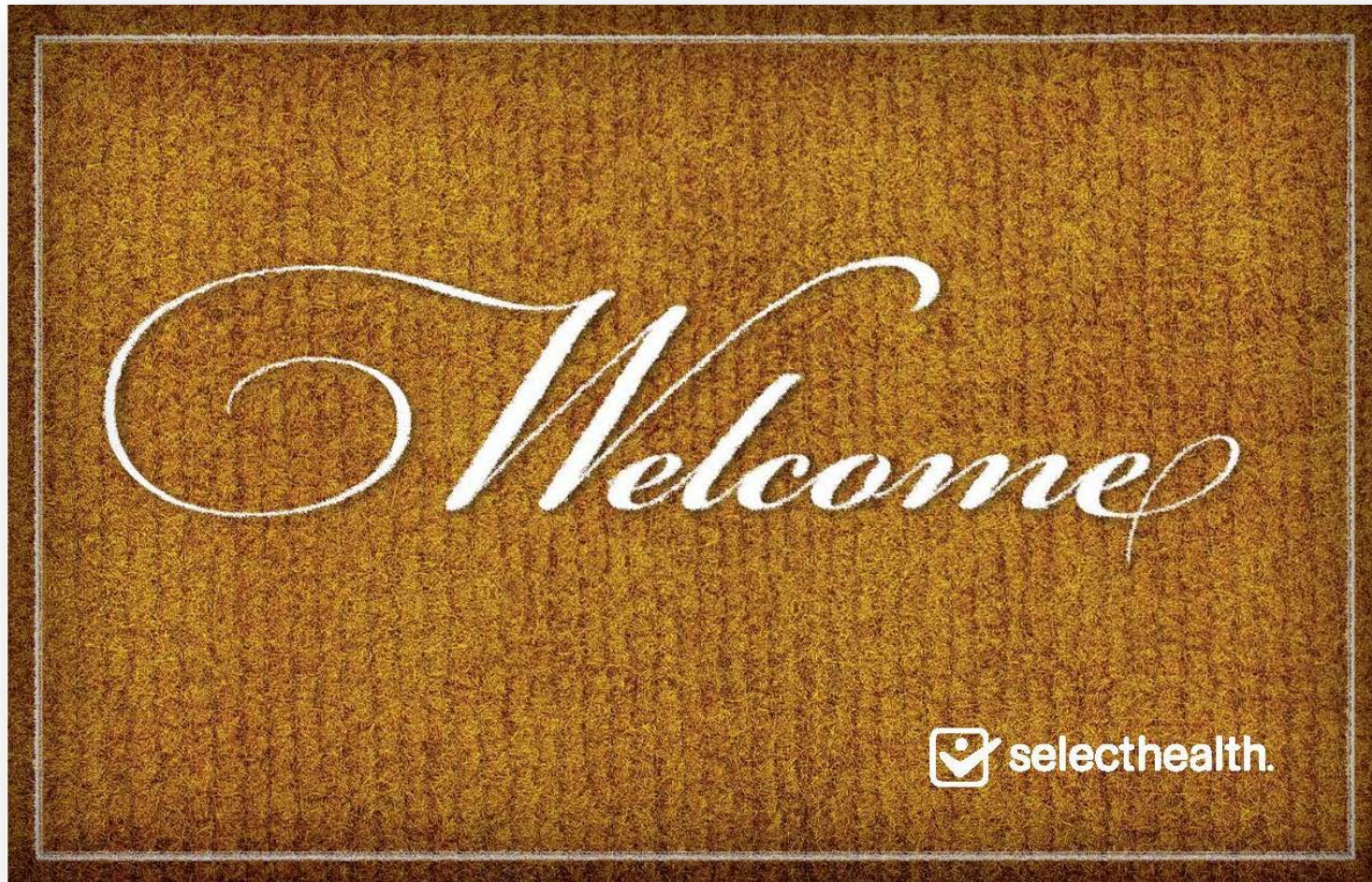




# Ask the Expert



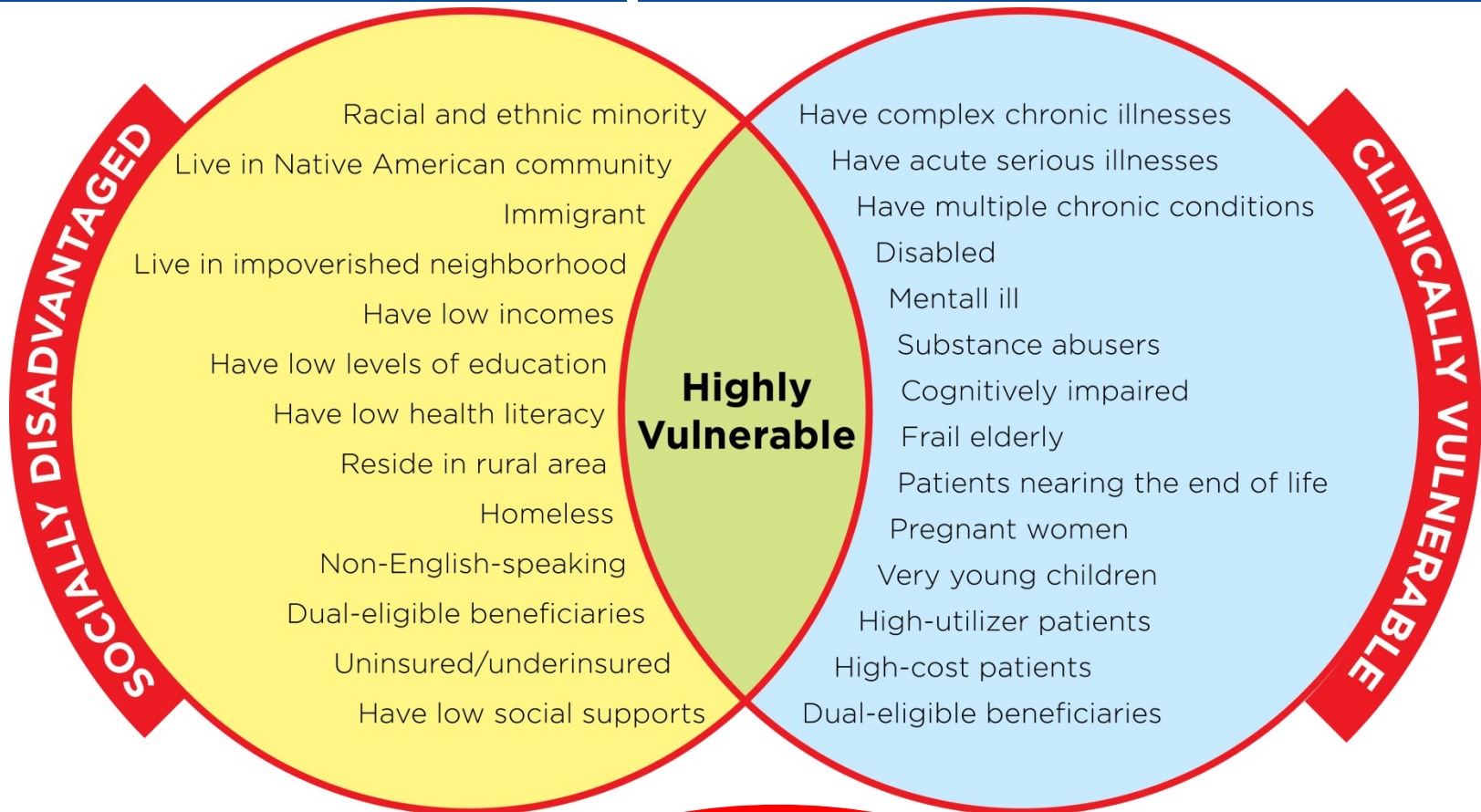
# Simplified Communication



# Integration and Coordination with the Delivery System and Community Services

Russ Elbel  
June 9, 2016

# Categories and Overlap of Vulnerable Populations



**IMPORTANT CHARACTERISTICS:**

Geographic concentration  
 High use of social services  
 Health care concentrated in low-performing health care systems

**IMPORTANT CHARACTERISTICS:**

Social needs exacerbate clinical needs  
 Greatest opportunity to reduce cost, improve quality, and reduce disparities

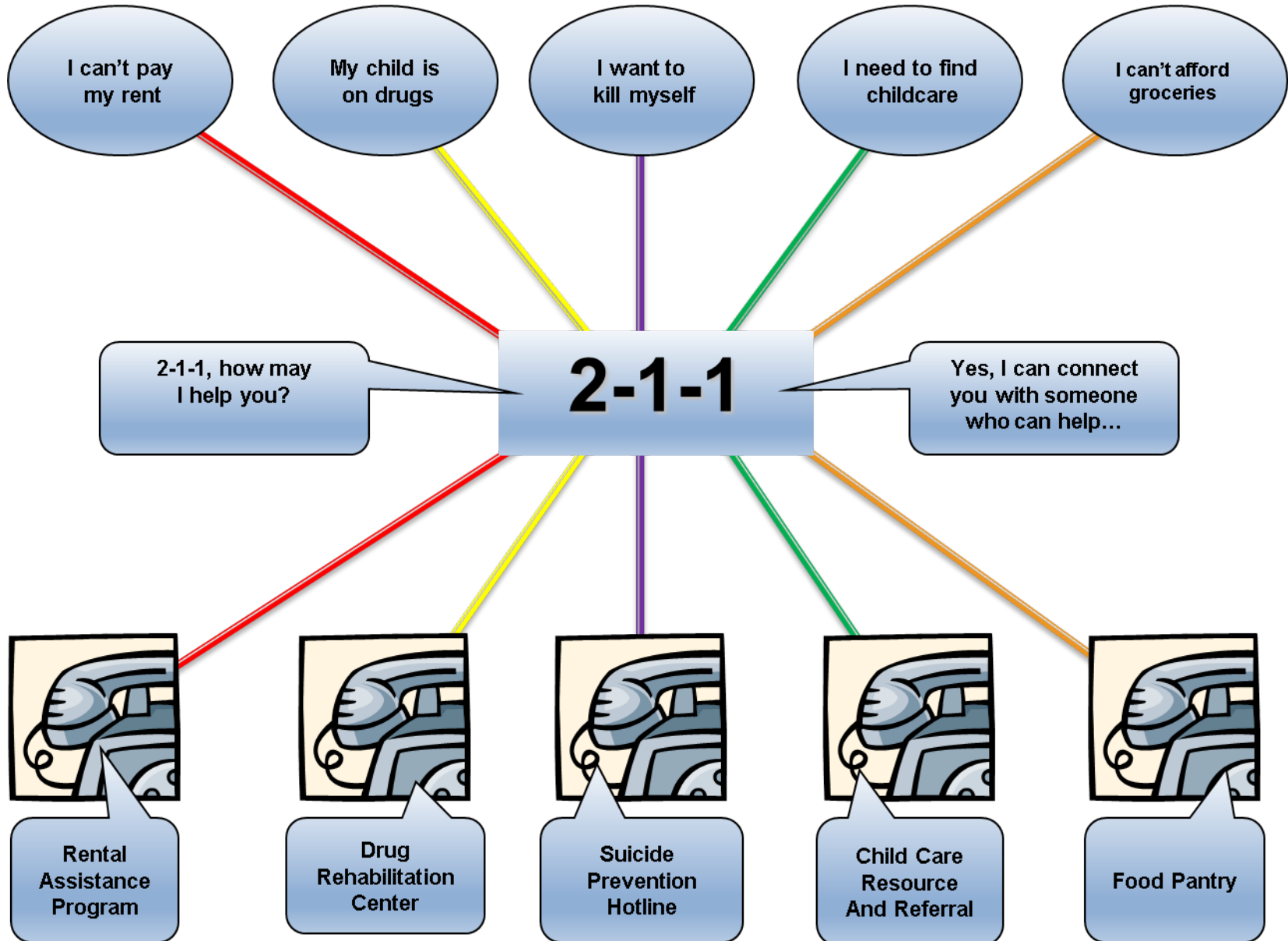
**IMPORTANT CHARACTERISTICS:**

Geographically dispersed  
 High use of clinical care  
 All socioeconomic groups affected

# Member Engagement

- Early Innovations
  - Comprehensive Care Clinic
  - Community Care Management
- Recent Innovations
  - Telehealth
  - Community Health Workers

# People Need Help Finding Help



# 2-1-1 Search

Intermountain.net > Integrated Care Management > Resources > 211 Search

## 211 Search

[Search](#) [Resources](#) [Services](#) [My Account](#) [Help](#)

### Common Searches

- [Food Resources »](#)
- [Housing »](#)
- [Dental Services »](#)
- [Mental Health Services »](#)
- [more »](#)

[Add a resource to this directory »](#)

### Log Out

[Click here to log out.](#)

### Advanced Search »

Search by keywords, locations and other fields.

### Search by Service Topics »

Use our service tree to find resources.

### MY RESOURCE GROUPS

- [Chronic Disease- Stroke »](#)
- [Dental »](#)
- [Food »](#)
- [Housing »](#)
- [Interpersonal Violence »](#)
- [Respite Care »](#)
- [Support Groups »](#)
- [Transportation »](#)
- [Utilities »](#)
- [Manage resource groups...](#)

# Continuum of Care



**CARE MANAGEMENT**



**EMERGENCY BEHAVIORAL  
HEALTH SERVICES (EBHS)**



**MOBILE CRISIS SERVICES (MCS)**



**ACUTE INPATIENT SERVICES**



**SUB-ACUTE TREATMENT**



**RESIDENTIAL SERVICES**



**PARTIAL HOSPITALIZATION  
(DAY TREATMENT)**



**INTENSIVE OUTPATIENT SERVICES  
(IOP)**



**OUTPATIENT SERVICES**



**COMMUNITY SOCIAL SERVICES**



# TACO

**NOT THIS**



**THIS**

## **Total Accountable Care Organization (TACO)**

A health care system where all physical health, behavioral health, long-term services and supports (LTSS), and elements of public health and social services are integrated for targeted high-need populations

CHCS, Jan. 2014, and Health Affairs blog, Jan. 23, 2014.  
Introducing Total Accountable Care Organizations:  
[Thhttp://www.chcs.org/media/Introducing-Totally-Accountable-Care-Organizations\\_Nov2014.pdf](http://www.chcs.org/media/Introducing-Totally-Accountable-Care-Organizations_Nov2014.pdf).

# Profiling Marketplace Enrollees

Rebecca Owen FSA, MAAA  
*June 9, 2016*



Health Insurance Marketplace

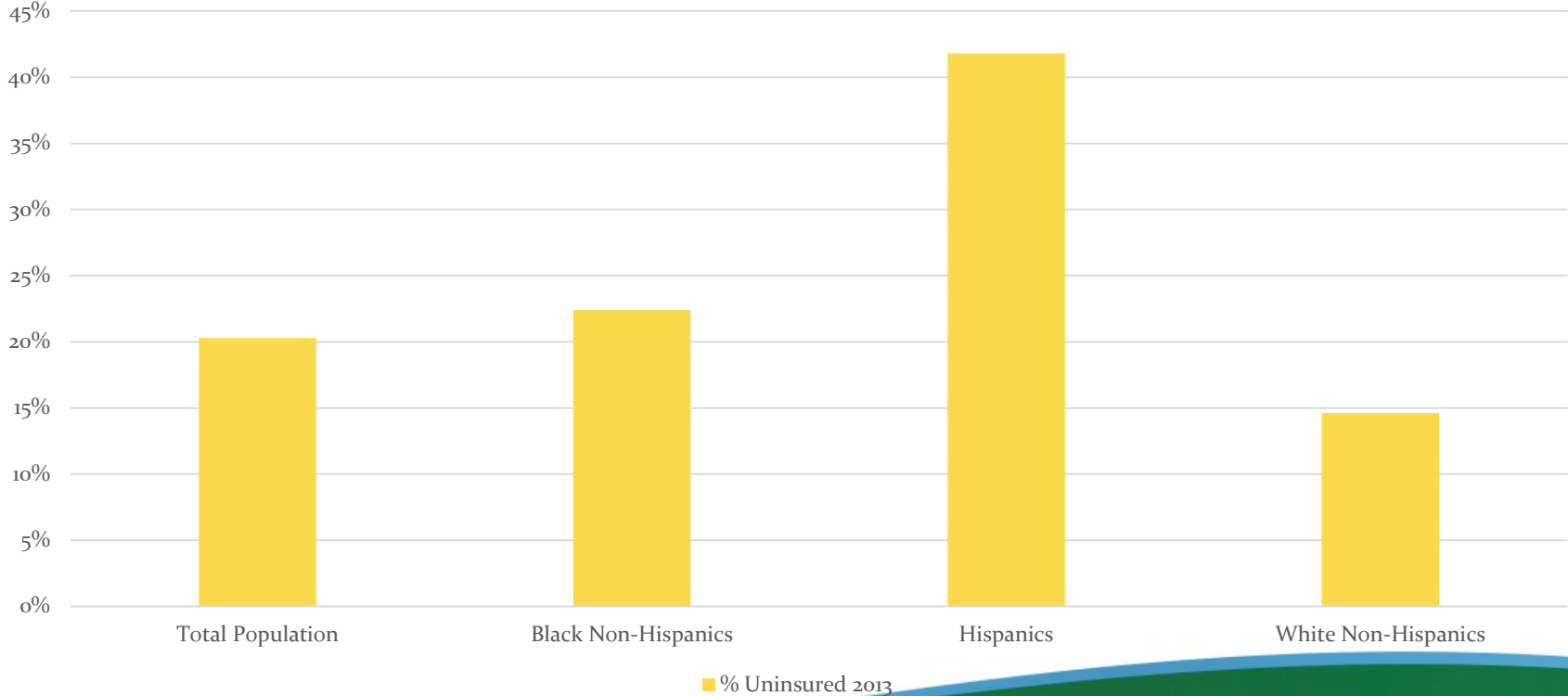
HealthCare.gov

# Content

- Summary Statistics
- State Variations
- Plan Experience
- Member Profiles
- Thinking about the information

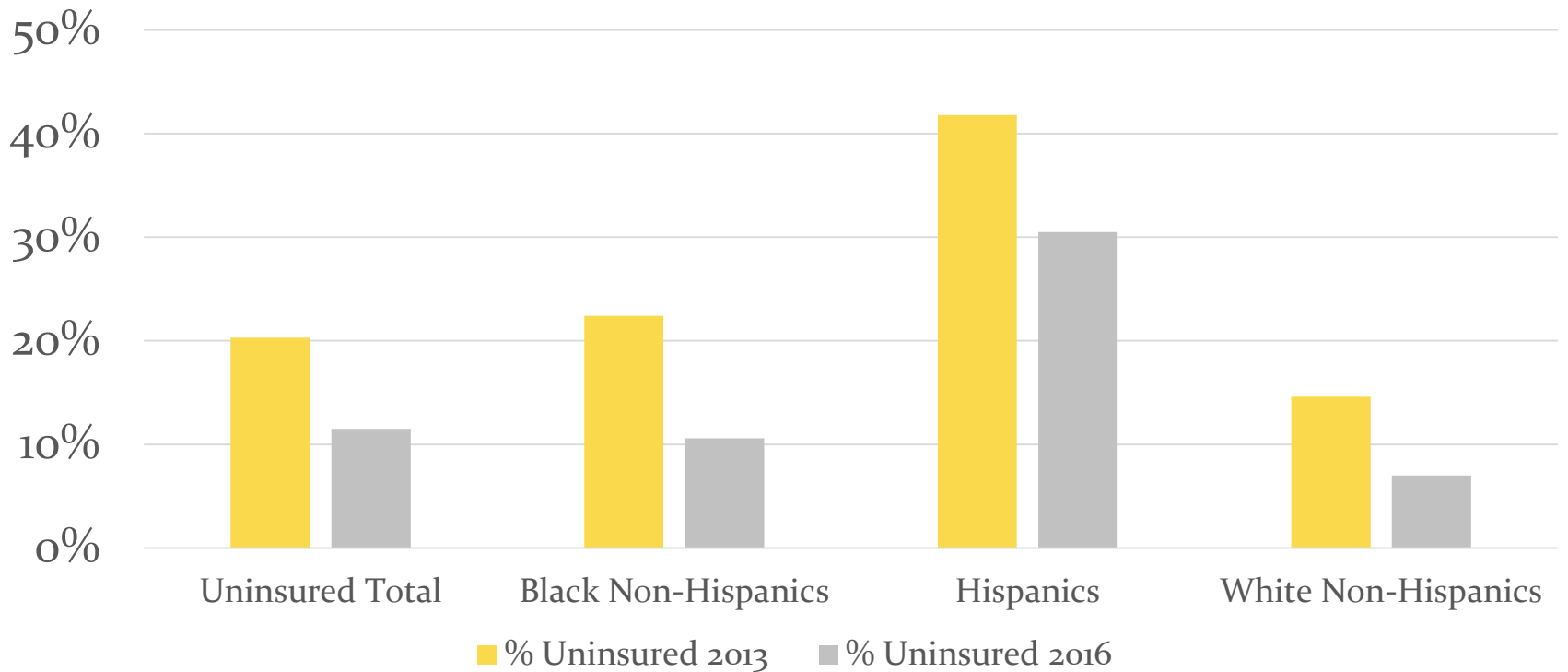
# Before the ACA

Uninsured Rate for Non-Elderly Adults (2012-2013)  
ASPE Issue Brief March 3, 2016



# After the ACA

Gains in Coverage for Non-Elderly Adults  
ASPE Issue Brief March 3, 2016



# Who obtained coverage?

- Steady increase in coverage:  
NCHS reported people with private coverage increased from 6.7 million in (Q4 2014) to 9.1 million (Q4 2015).

# Enrollee Financial Assistance

- 85% of enrollees on the Federally Facilitated Marketplace qualified for Financial Assistance
- 77% for the State/Federal Marketplaces
- 89% in California (2014)

# Age Distributions

Enrollment Distribution by Age Group	
<18	9%
18-25	11%
26-34	17%
35-44	16%
45-54	21%
55-64	25%
>-65	1%



# Variation by State

Each state had a different starting point.

And no two implementations were the same.

# Transition Plans

- Transition plans allowed people to re-enroll and renew plans that did not comply with ACA protections. These can be maintained through December 31, 2017.

# Medicaid Expansion

2013	Expansion	Non Expansion
Uninsured	18.4%	22.7%
Public	17.7%	15.6%
Private	65.2%	63.2%
2015	Expansion	Non Expansion
Uninsured	9.8%	17.5%
Public	21.5%	14.7%
Private	70.0%	69.0%

# Choosing a health plan

- Cost sharing insulated some members from making price based decisions.
- Familiarity with plans is an important part of the decision and Medicaid plans have name familiarity among lower income groups.
- Networks were important for both cost and access.

# Special Enrollment Periods

- Loss of health coverage
- Changes in household size
- Changes in residence
- Life circumstances

# Moral hazard

- Purchase health insurance for non-chronic emergent care and terminate insurance after the procedure.
- Providers choosing to help with premiums in order to get higher reimbursement.
- Self insured plans purchasing individual coverage for expensive members
- Nonpayment of premium while retaining coverage.

# Information about the health status of newly insured

- Plans reported that newly insured members tended to have more conditions as well as more complex conditions.
- There was some evidence of pent-up demand.
- Chronic disease prevalence was evident.

# Specialty Pharmacy

- Hepatitis C
- HIV medication
- Cancer Care
- Drugs for Chronic Diseases



# Thinking about the numbers

# Prevalence of Chronic Disease by Income Category

## Prevalence of two or more of nine selected chronic conditions in 45 + year olds by income category

Below 100 %	33%
100-199%	30%
200-299%	21%
400% or more	16%

# Looking forward

- **There are still 11.5% uninsured.**
- **Transition plans will enter the pool.**
- **Plans will enter and exit the market.**
- **Recovering economy may mean more people receive coverage through employers**
- **Experience will drive better understanding**
- **There will continue to be variation from market to market.**

# Thank you

Rebecca Owen, FSA MAAA

Health Research Actuary

Society of Actuaries

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