

Minnesota HIX Communications: Broker Research

FINAL REPORT

Presentation to:
Mary Sienko
Minnesota Health Insurance Exchange
February 13, 2013

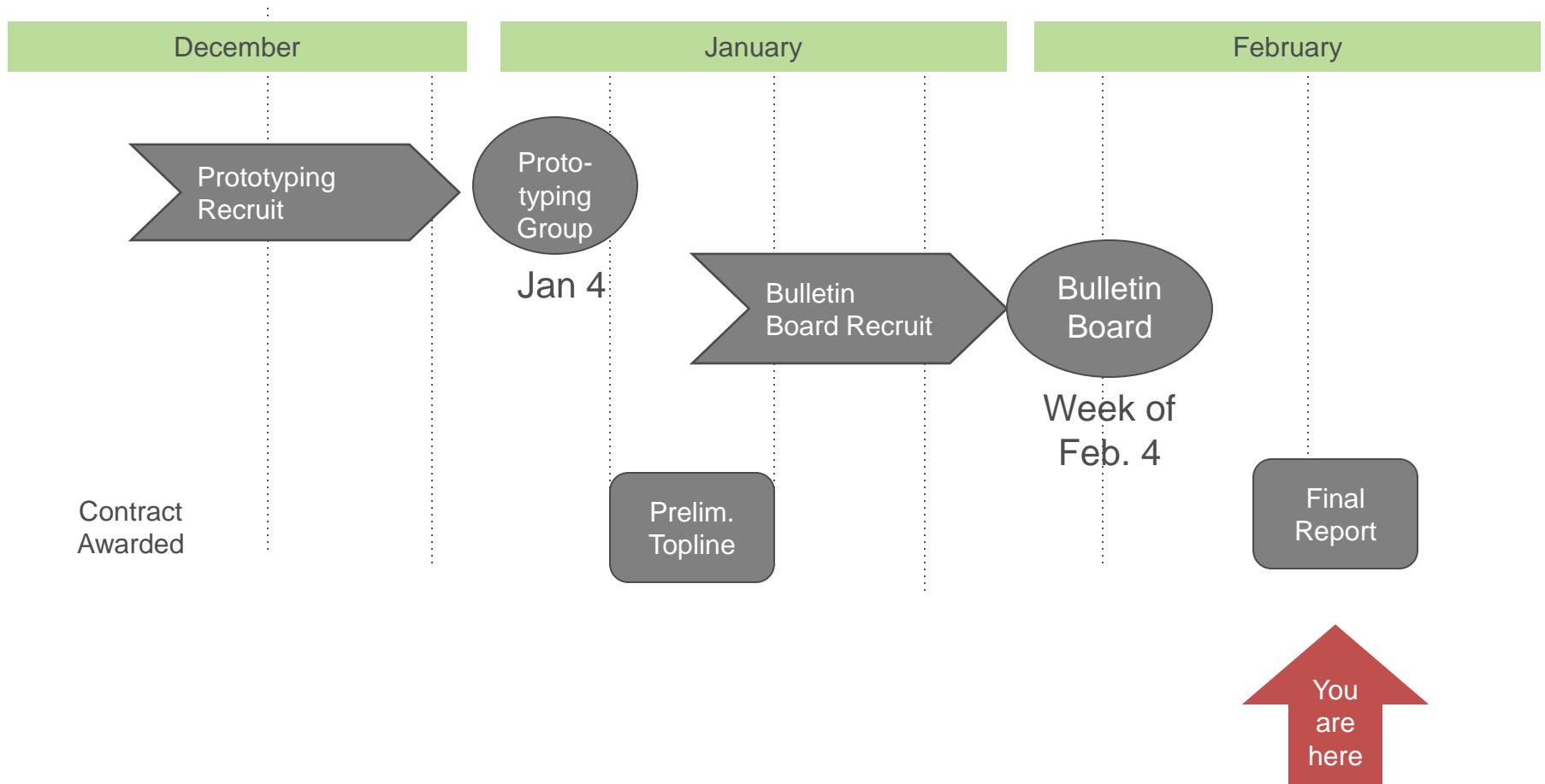


Today's Presentation

- Project Status
- Project Goals
- Findings
- Recommendations

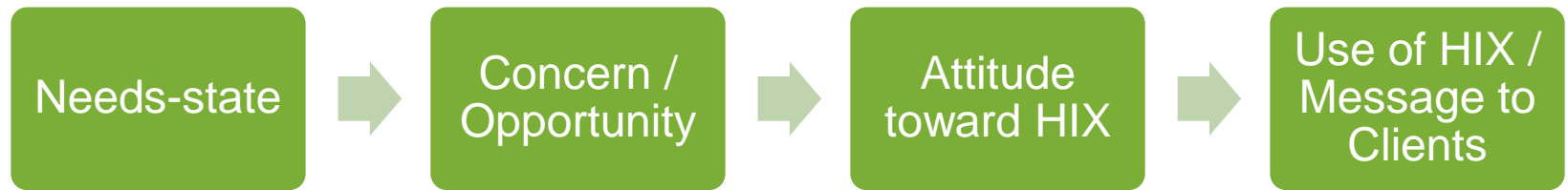


Project Status: Broker



Goals for this research

Determine what might drive broker behavior



How do we address what brokers need to encourage use and promotion of the HIX?

Methodology

Prototype Session:

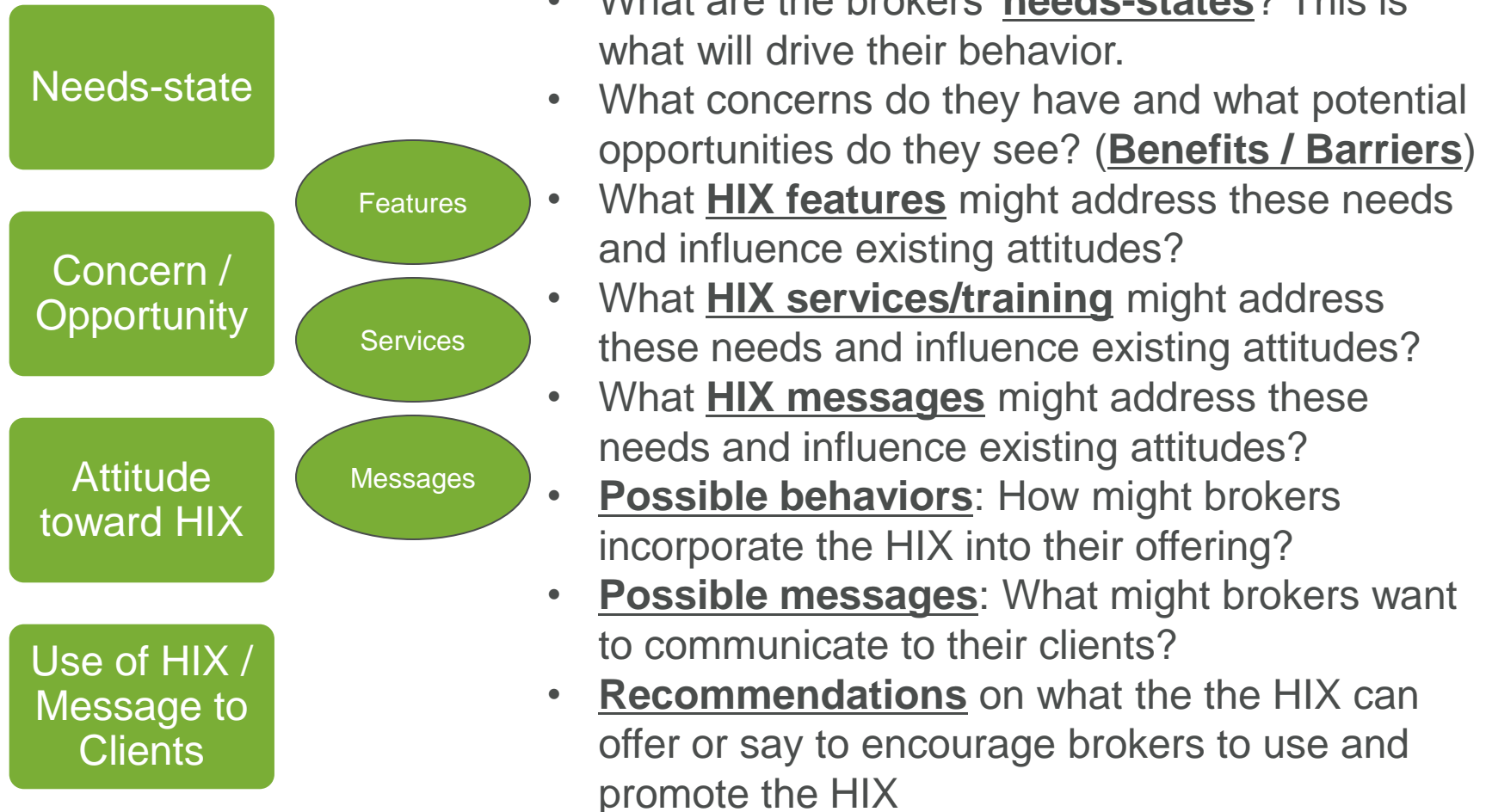
- January 4, 2013
- 20 Minneapolis-area insurance brokers
 - Half recruited by professional research recruiting facility; half recruited through referrals of local insurance broker
 - Provide health insurance for individuals or small businesses, defined as fewer than 50 employees
 - At least somewhat likely to consider using the health insurance exchange

Online Bulletin Board

- January 30 through February 1, 2013
- 17 Minnesota-based insurance brokers
 - Half recruited by professional research recruiting facility; half recruited through referrals of local insurance broker
 - Provide insurance for individuals or small businesses, defined as fewer than 50 employees
 - At least somewhat likely to consider using the health insurance exchange

Goals for this research

Specific Research Questions



Needs-States

Show value to clients

Survival

“What the exchange is doing is the same thing we are doing right now ... What benefit is there for me to have another competitor?”

“Let me tell you something about those individuals buying insurance ... They need our help more than ever.”

“We don't want to change because this is working.”

Stability



The HIX from a broker's point of view

Benefits of using HIX

- Can compare multiple plans
- Simpler way to select plans
- Forces fiercer plan competition / Offers lower cost plans
- Increases awareness of insurance
- Avenue for employee education
- ACA makes insurance compulsory
- Access to tax credits / subsidies for certain clients
- Community-rated pool could help place hard-to-reach groups
- Avenue for brokers to do business in new markets (e.g., other states)
- Can offer multiple networks to employees of small employers
- Can offer multiple plans for to employees for very small (2-4)
- Can offer plans to part-time employees

Barriers to using HIX

- Low knowledge of what it is / how it works (so difficult to design offers)
- Possible competitor to broker
- Could reduce choice / competition among plans / fewer plans
- Interface might focus on average person needs (versus broker needs)
- Self-employed fall through the cracks
- Skews market forces (legislative mandate vs. market forces), so certain popular products (e.g., high-deductible) discouraged
- Fixing what (to brokers) is not broken
- “Iron curtain” between individuals and small business



The HIX 'Iron Curtain'

The “Iron Curtain” could simply be strong imagery from opposition to expose rigidity and dysfunction in the HIX without providing evidence.

A majority of believe there will be roadblocks and barriers between using the individual exchange and the SHOP. Many have termed this an “iron curtain.”

However, when pressed for details about potential barriers, most brokers fall back on arguments against government-run healthcare, concerns over consumer confusion or simply say they don't know enough information, rather than point to any real hurdle between the two platforms.

The “iron curtain” argument could dissipate with more education for brokers on both their role within the exchange and clarification on how it will work.

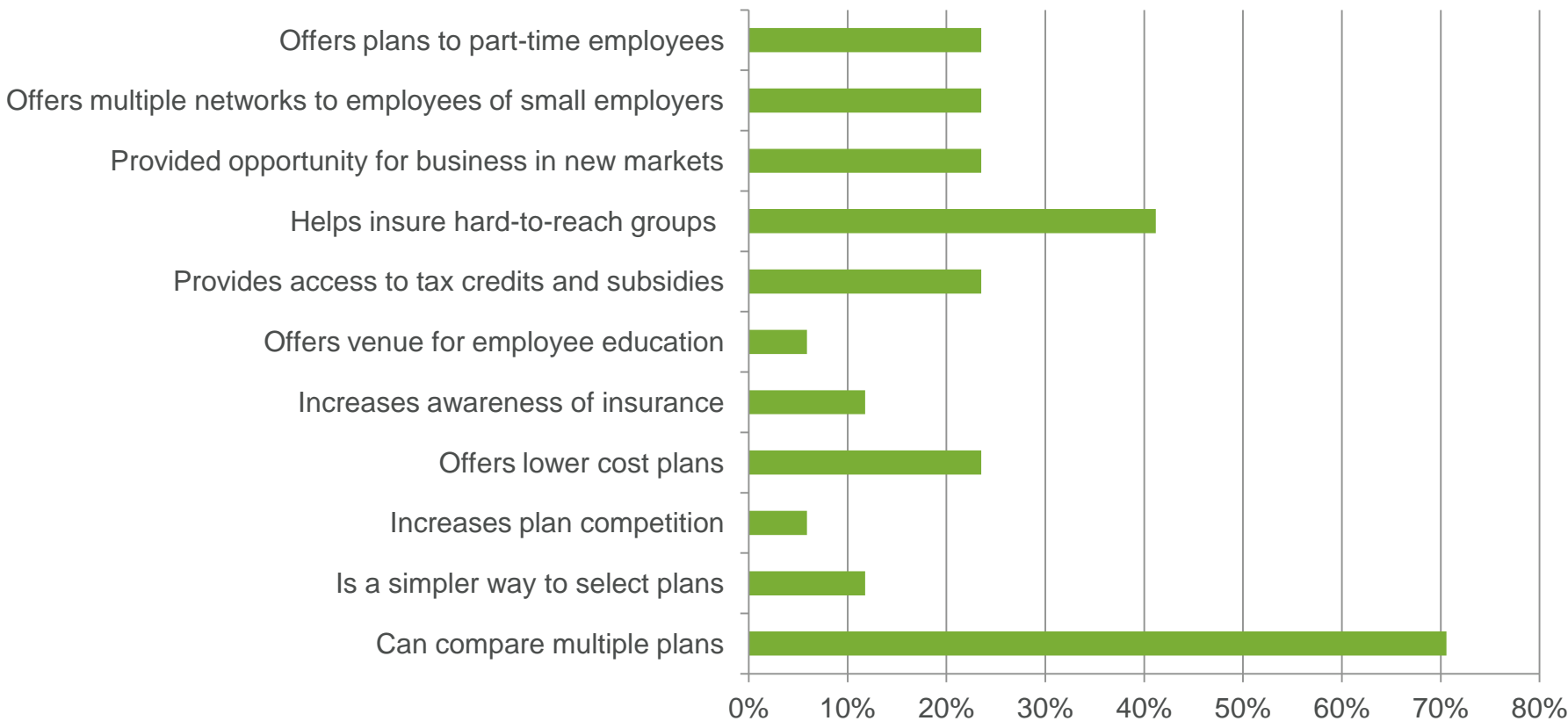
“The democratic Party sees health insurance companies as evil and have said this publicly.”

“In all honesty, the average client is overwhelmed by insurance to begin with, and are easily confused by the "what is best, etc".

“Lack of information on the set and structure of the exchange make this a difficult question .”

Top Three Benefit Rankings

Asked to pick their three most important HIX benefits, brokers participating in the bulletin board zeroed-in on arguably the most tangible benefit: comparing multiple plans.



Features brokers would like from the HIX

Brokers described several features of the Exchange they would like the state to offer. (Listed in order of popularity).

- A **dedicated phone line** / email specifically developed to provide assistance to brokers.
- The ability to apply to **multiple carriers on one form**.
- **Giving brokers access** to all relevant information regarding their client (the small business) and their client's employees
- The ability to perform all functions **online**
- **An API** allowing third-party vendors to integrate Exchange data into comparison software. This allows brokers the option of using their favorite commercial software product. It might also allow brokers to compare Exchange plans with off-Exchange options.
- **A web portal** designed specifically for brokers to manage both employers and their employees

Preferred features confirmed

Brokers in the bulletin board confirmed the importance of the features uncovered in the prototype. Overall, brokers are more concerned with the HIX being a complete one-stop shop to make their job easier.

	Essential	Very Important	Somewhat Important	Not at all Important
Dedicated customer service designed specifically for brokers	71%	24%	6%	--
Applying to multiple carriers on one form	56%	44%	--	--
Access to all relevant enrollee information	50%	28%	22%	--
Complete online functionality	56%	28%	17%	--
Integration with third-party software	33%	39%	11%	17%
Integration with excel	17%	17%	50%	17%
Broker-specific web portal	39%	33%	28%	--
Printable forms	56%	39%	6%	--

Multiple Carrier Forms

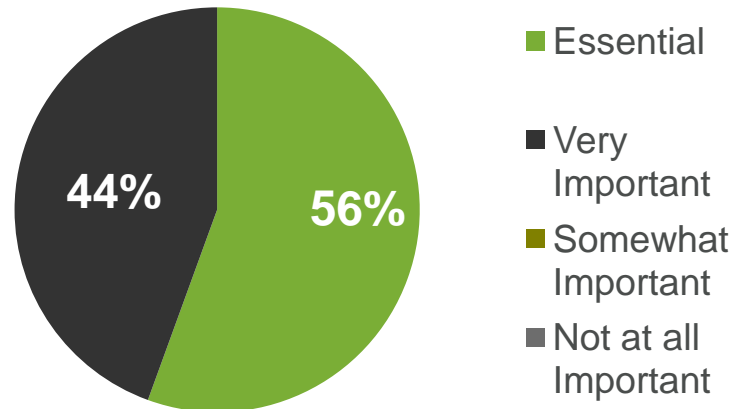
Applying to multiple carriers on one form is important to brokers. Some claim they have the ability to do so now, others see it as the ultimate-time saver.

“We've been doing it this way for 8 years -- doing it any differently would be a huge step backwards.”

“This is something that we have always wanted when going out to market with our small groups . It simplifies the process for all involved. Many times employers have a difficult time getting their employees to complete 3 sets of apps in a timely manner.”

“Our time is limited and the ability to apply for more than one company at a time, would help make it easier to serve our customers ' needs.”

How important do you think [the ability to apply multiple carriers on one form] is for the SHOP?



Employer/Employee Info

Brokers want access to a combination of personal information and insurance details for both employers and employees.

Enrollee Details

- Health history
- Names
- Birthdays
- Contact information, including addresses
- Smoker status
- Claim and coverage history
- Number in household
- Policy eligibility

Employer Details

- Company size
- Contact information, including address
- Company name
- Contribution percentage or dollar limit

Insurance Details

- Available networks
- Plan details, including benefits covered, premium, deductibles and co-pays
- Effective dates of coverage, for company and individual enrollees
- Policy status
- Claims
- Plan waiting period

Form functionality

Brokers have a fairly specific wish list regarding form functionality that ultimately boils down to ease of use.

- Online forms that can be printed, emailed, faxed and downloaded as PDFs, Word documents or Excel spreadsheets
- Dynamic pricing that updates as quote specifics change
- Typing tools that allow for typing directly into forms
- “Smart” functions that prompt or hide additional questions based on previous answers
- Multiple-carrier acceptance for single forms
- Auto-populated data from previous forms, applications or enrollment
- Electronic signature
- Key word and form number search function
- Help buttons or explanatory hover text
- Requiring only essential forms, but providing access to a library of all potentially needed forms
- General simplicity and lack of repetition
- Online training over webex, archived video demonstrations, printable take-away

“Most of the carriers have their information on a website with access so there are less forms than there used to be in the past. If the exchange is focusing on forms and creating ages requiring signatures then technology is going back in time. I would suggest that the exchange decide what forms are essential and why and try to reduce that list. Especially the small employers that they are looking to bring into the insurance system are not going to be paper tigers on a lot of forms.”



Possible Customer Service Offerings

Popular (in order of popularity)

- Training program that certifies brokers (using current training approach)
- Customer service agents assigned to specific brokers
- Dedicated phone line for agents
- Liaison with other exchanges
- Automatic rate calculator
- Coverage map
- FAQs posted to website
- Web-based tool to compare costs

Less popular

- 24/7 state-based telephone customer service*
- 24/7 online customer services*
- Extra space for carriers to list their special services (beyond standard plan)
- Web-based tool to compare quality / features
- Example enrollment

* - Several brokers felt 24/7 availability was not important.



Training

Brokers were less uniform in their thoughts about HIX-related training.

- A few brokers saw value in **linking HIX training to license** requirements, arguing that it should be part of the licensing process. More, simply felt that they should be receiving continuing education credit toward their license requirement for training on HIX. Still a couple don't want HIX training tied to licensing in anyway.
- Most brokers said that HIX-approved brokers should be **fully licensed and trained in order to participate**. A few encouraged additional training on specific product lines and ethics.
- A number side-stepped the question on broker training to stress their perspective that **support groups and navigators** or more likely to **need extensive training** in order to be effective in assisting customers.
- Some brokers preferred on-going training; others felt that initial training should suffice. A large number of brokers recognized, though, that the HIX will go through great transformation early and **that brokers could really benefit from initial and on-going training**. Perhaps the most effective would be to require annual training and offer supplemental trainings.

Potential training topics: general HIX functionality, product-specific training from carriers, unknown SHOP-specific issues

Potential training methods: simulated environment, limited in-person seminars, webinars, archived instructional videos, role playing, case studies

Broker-specific customer service

Generally, brokers expect customer service to be efficient, effective and accurate. Ultimately, as long as those expectations are met, the nature of the representative is less important.

Business-Dedicated Representatives

“The relationship that works best and seems to be the most efficient is to have highly trained individuals who are assigned to our office. That way we have their contact info and over time we develop a professional working relationship.”

Specialized Agents

“I would like specialized agents that can answer a variety of questions as opposed to agents dedicated to one area. If I can make one phone call as opposed to trying to figure out who I should call, it is much easier.”

Subject Matter Experts

“The more expert the person is the better they will be. I would value that over talking to the same person who may not know much about the question. So I guess I would want the subject matter expert.”

Customer service should be available between 7 am and 7 pm, staffed more heavily during peak hours and available both online and by phone immediately.

Coverage map

Most brokers think that a coverage map is an essential service feature for the HIX. They have a number of suggestions for bells and whistles, but most are seen as “nice-to-haves.”

Potential Coverage Maps Bonuses

- Show all clinics and hospitals in region, highlighting network facilities
- Show any potential discounts at facilities, as well as out-of-pocket costs
- Ranking by treatment outcomes and level of expertise
- Plans that cover current facilities and doctors being used
- Population density and demographics
- Dynamic, hover text that outlines facility information and contact details

Guidance on how to speak with brokers

- Avoid qualitative judgments: Don't say something will be "good" or "helpful" show it."
- Stick to what you know for sure. Example: HIX may not be a "good" option; it is definitely a "new" option. Just say "new."
- Talk about "options" versus mandates. "We love options."
- Consider unintended messages: Brokers are listening for anything that intimates new clues about compensation, choice or competition. Consider what conclusions they might draw from statements that don't appear to address those issues

Brokers reactions to specific messages

Popular Messages

- **Acknowledging the role of brokers:** “Clients will rely on the expertise of professionals like you to help them make good decisions.” / “Health insurance brokers are still an invaluable partner when making decisions about health care for employees”
- **Emphasizing new options:** “Employees can chose from multiple plans and insurance companies just like larger employees offer” / “The employer gets just one bill.”
- **Showing advantage of tool:** “Manage your SHOP accounts with an interactive online portal that helps you stay organized with reminders, alerts and management tools” / “Use SHOP tools designed especially for brokers to help integrate the SHOP into your business strategy”

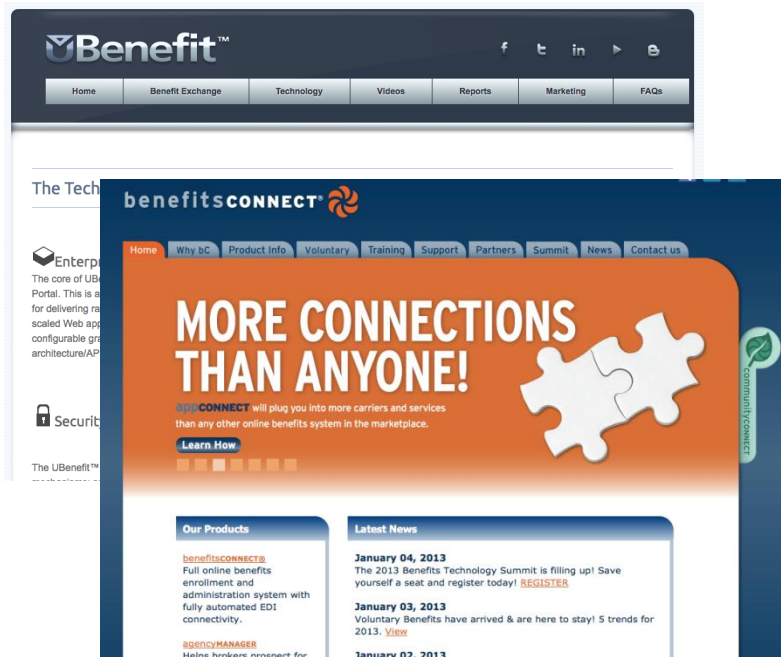
Unpopular Messages

- **Statements that make a judgment brokers do not share:** “The SHOP presents a good opportunity” (new, not necessarily good) / “Build your business base with a new audience of small employers attracted by expanded options” / “Providing health insurance for employees ensures they are happier, healthier and loyal. This is good for the employees – and the business.”
- **Factual claims brokers dispute:** “Small businesses can save up to 7.5 percent off premium costs by purchasing health insurance for their employees through the Exchange”
- **Statements that seem to indicate the HIX is moving into new areas:** “Employers can decide if they want to offer dental insurance.”
- **Emphasizing government:** “This is the Minnesota Exchange. Minnesota is taking control of the decisions and the decisions being made are in the best interest of all Minnesotans, including businesses”



Comparison Tools Being Used Now

When asked what tool they use to compare plans today, brokers mentioned using five branded software products and two other approaches. The main thing these tools offer is also the main thing they want out of the HIX: the ability to apply to multiple carriers in one form.



- Enroll Ease (enrollease.net) / (enrollease.com)
- Instant App
- Ubenefit (ubenefit.net)
- Benefits Connect (benefitsconnect.net)
- Uno quotes
- Templates developed in-house in Microsoft Excel or Access
- Individual carrier sites
- “Human beings” – having employees get quotes

Most popular ways for brokers to use HIX

Most popular broker offers connected to HIX

- Offer plans from the HIX as one option (also: outside-the-HIX plans)
- Show clients apples-to-apples comparisons
- Offer small business clients multiple networks or (for very small businesses) multiple plans
- Give clients access to tax credits / subsidies
- Offer insurance to part-time employees

Other ways to use the HIX

- Use HIX as comparison tool to share with clients
- Offer consulting on how to use the HIX
- Leverage notification about client changes
- Use HIX as advertising or marketing platform
- Use HIX to manage employees online
- Use HIX to reach diverse clients (multiple languages)
- Use HIX to facilitate payment / billing
- Show clients more low-cost plans
- Offer health insurance to more clients by leveraging community rating on HIX
- Use HIX to correspond with clients

Reaching diverse clients

Many brokers welcome the opportunity to build their portfolio with foreign-language clients, but they currently lack the capability.

- Most brokers currently do very little to expand into a foreign-language market, primarily due to cost. Some brokers who do handle foreign-language clients rely on **employees who speak the language** or their **clients' involving a bilingual representative**. Only a few use translation services at the moment.
- A number of brokers would expect the HIX to be offered in multiple languages. **Spanish and Hmong** are the foreign languages most likely to be encountered. Somali, Russian and Arabic were also mentioned.
- Short of full foreign-language versions of the HIX, brokers would be willing to use **translation services**, but questions quickly arise over **who is going to pay for it**.
- Perhaps the best solution comes in the form of multi-cultural and bi-lingual navigators dedicated to foreign-language clients. Brokers see this not only as a good solution, but a concrete expectation..

Notification correspondence

Brokers expect the same level of correspondence through the HIX that they receive from carriers currently. But they prefer to retain their control on correspondence directly to clients.

HIX to Broker Notifications

- renewal information
- rate changes
- benefit changes
- provider changes
- state and federal mandates
- claims data
- educational opportunities
- industry trends
- enrollment confirmation
- payment information
- agent of record notices

Broker to Client Notifications

- renewal information
- monthly updates
- enrollment status
- eligibility status
- legislative updates
- benefit changes
- provider changes
- rate changes

“We are in constant contact with our clients and at minimum do an annual review to make sure things are right with all the business they have with our agency. We want to continue to be the conduit to our clients not SHOP.”

Tax assistance

Brokers have no desire to assist clients with tax issues. They lack expertise and do not wish to take on the liability of advising on an issue they do not know. They expect to have little to no responsibility in this regard through the HIX.

“Guidance only. As most agents aren't tax experts, I'm not sure how detailed we can get without it looking like we are a financial counselor. I expect it to be very difficult to provide anything other than general information regarding the tax consequences.”

“I would expect to be involved to ‘an awareness level.’ In other words I believe we would need to know what resource would be best able to help them . Of course, our industry tends to evolve and add additional services for our clients so it's possible in the future we may help them directly.”



“I don't expect to be involved. I think that unless you happen to be versed in tax law and insurance you would be doing a disservice to the client. I will do what I do now with taxation related questions. I will offer the name of a tax accountant that I know and trust as a point of contact and drop it at that.”

Client funnel and marketing

While most brokers would appreciate business being funneled to them from the HIX or from navigators, most are skeptical of it happening. Marketing expectations are generally limited to plan and website details, and don't concern flow of clients.

Expected Marketing Materials

- Exchange overview
- Summaries of plans and carriers
- Benefits included
- Network information
- General advertising for the HIX
- SHOP-specific details, including language explaining legal requirements

Potential Referral Plan

While most brokers don't believe a referrals will actually be sent to their agency, they do have thoughts on how such a system should work:

- Zip-code look-up of area brokers
- Referrals given on rotating basis
- Measurable performance standard for inclusion
- Safeguards of navigators favoring one broker over others

Carrier appointment

Brokers feel that any financially-sound carrier with a respectable reputation should be included in SHOP and available for brokers to recommend and clients to select.

“I feel all carriers should have the ability to be appointed to SHOP. I feel SHOP will be very successful and we will need a large pool of carriers. Obviously the carriers need to be willing to work with SHOP and they need to be financially sound.”

“I think any carrier that currently offers plans that meet the criteria of affordable health legislation should be allowed to request appointment. So long as their plans meet minimum standards they should all compete for business. Anything less would be government interference.”



How to make working with HIX easy

Ways to use the HIX	How HIX could make it easy
Compare health plan possibilities to share with clients	<ul style="list-style-type: none">• Show site visitors there are brokers available to help• Ability to upload an Excel spreadsheet to fill out form or download data as CSV/Excel for analysis• Keep site updated with latest plans, latest changes
Find coverage for those eligible for tax credits or subsidies	<ul style="list-style-type: none">• Tool to quickly determine eligibility• Notify broker when employees eligible for credit• Notify broker when person loses coverage, misses premium
Online enrollment system for employees	<ul style="list-style-type: none">• Strong employee interface
Offer multiple plans / carriers to small groups	<ul style="list-style-type: none">• Strong employee interface
Securing tax credit for employer	<ul style="list-style-type: none">• Tracking and notifying broker of status / eligibility• Calculator to quickly determine eligibility• Strong connection with state system (e.g., unemployment)
Work with diverse populations	<ul style="list-style-type: none">• Interface available in multiple languages

Some Recommendations

Broker Needs-State	How HIX might meet that need
Survival	<ul style="list-style-type: none">• Be cautious about positioning the HIX as a competitor. Test for brokers: How many employers are being encouraged to circumvent brokers?
Stability	<ul style="list-style-type: none">• Continue with existing arrangements when possible.• Show how market forces are being harnessed, not replaced.
Showing value	<ul style="list-style-type: none">• Show that the HIX can accomplish what they need most and what they currently get from their comparison software in a more efficient and more effective manner.