2021 ANNUAL CONSUMER SENTIMENT BENCHMARK

The State of Healthcare Transparency and Health Plan Member Engagement

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There's no denying that the pandemic cast a dark cloud over 2020 – it was an intense and difficult year.

As COVID-19 spread through our communities, we made dramatic changes to how we live, work, and play.

As we grew accustomed to those changes, though, already-low levels of trust in the American healthcare system dipped further in 2021. Half (49%) of consumers reported that COVID-19 changed the way they receive healthcare, with 24% using more virtual care and 16% deciding against getting preventive care due to the safety risk.

Those sentiments of fear and uncertainty are reflected in our annual benchmark report, but they're accompanied by another important marker for the future – optimism. While things aren't back to normal – and many of our new routines are here to stay, in one form or another – the changes we've witnessed aren't all negative. For example, the fact people are accessing virtual care at higher rates highlights expands access to care for many consumers. While usage isn't likely to remain at pandemic levels as we move through 2021, it has shown that we can deliver care differently.

Against this backdrop, the state of healthcare transparency remains mixed. One in four consumers we surveyed avoided getting healthcare services because they were unsure what they would cost. Consumers are less likely to use transparency tools – online tools from insurance companies where members can search for in-network providers, get cost estimates for procedures, learn about treatment options, and/or get guidance on insurance-covered services – in 2021 than they were in 2020. More consumers, however, now agree that their insurance-provided tools help them better understand and manage their healthcare.

More change is ahead, and we're excited to be a part of it. There's an increased recognition that consumers need and deserve better information about their healthcare choices, and the industry is taking the first steps toward defining what that future will look like with new government mandates as a driving force. People want help navigating healthcare, and they're looking to their health plans for guidance. Our hope is that the data cited in this report can help guide us as continue our work to make healthcare better for all.

In good health,

The HealthSparq team

ABOUT THE SURVEY

We partnered with Hanover, a leading research firm, for the third year to develop a consumer survey focused on perceptions, attitudes, and behaviors around healthcare transparency efforts, with a specific emphasis on the impacts to health plans.

Size:

1,013 U.S. RESIDENTS

Date:

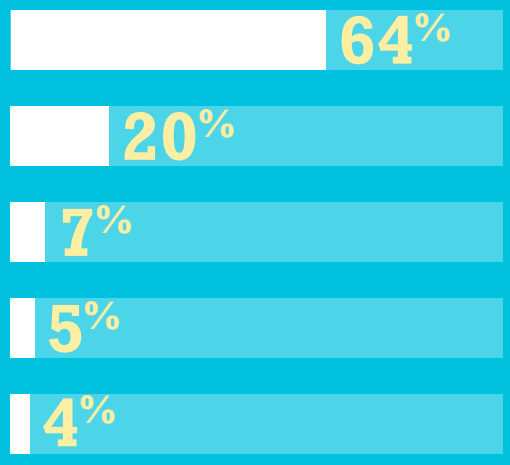
JANUARY 2021

Gender:

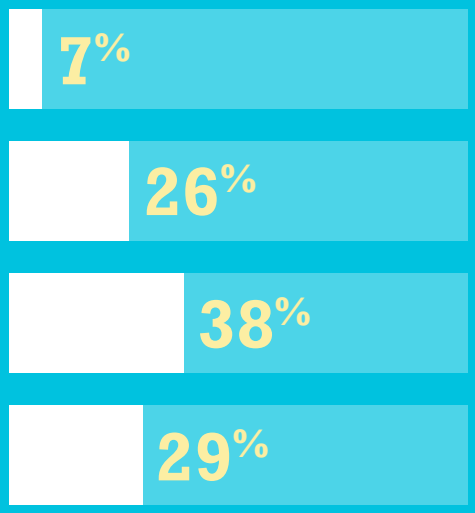
WOMEN
47%

MEN
53%

Type of health insurance:



Age:



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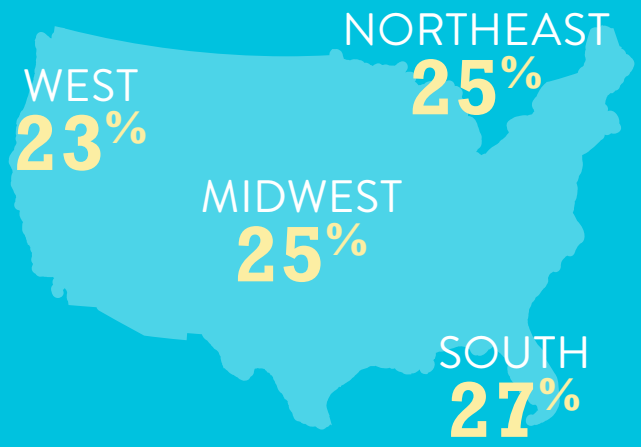
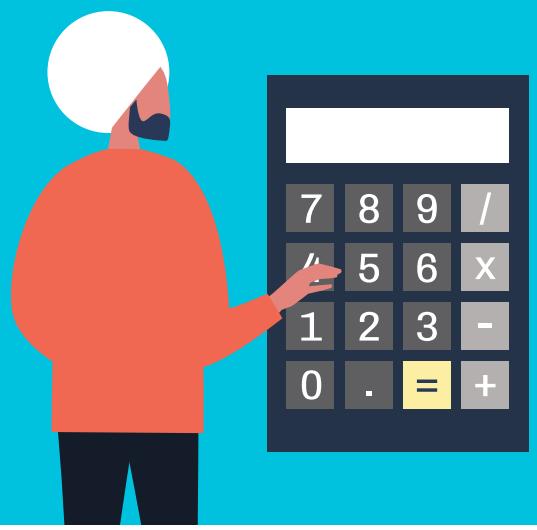


CONSUMER DEMAND AND PERCEPTIONS AROUND TRANSPARENCY TOOLS

Demand for healthcare cost information remains high, but fewer people report having transparency tools available through their health plan in 2021. The pandemic is likely to blame. With fewer consumers getting scheduled services due to COVID-19, they spent less time seeking information. And, many health plans have concentrated most of their communications on COVID-19 rather than sharing with members the full array of tools and services they offer.

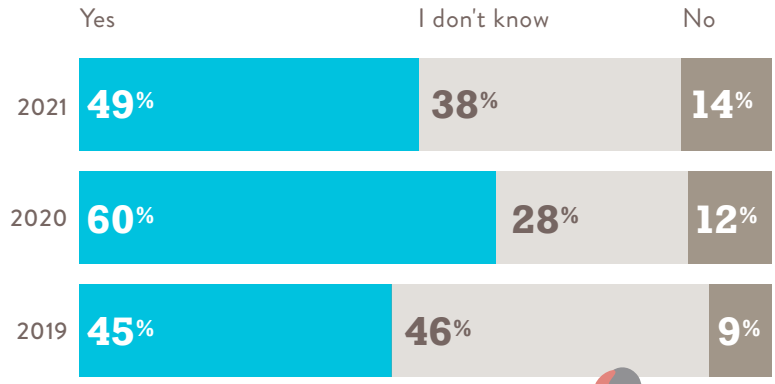


People WANT to understand costs.

Year after year, people report wanting to know what they should expect to pay for care. This information is key for people to be able to make informed healthcare decisions.

of those with commercial health plans want accurate information about out-of-pocket costs.

Does your health plan offer healthcare transparency tools?



In 2021, more people were uncertain whether they have access to transparency tools — understandable with fewer people using healthcare services due to the pandemic and the lack of communications from insurers.

Of those who report having transparency tools in 2021,

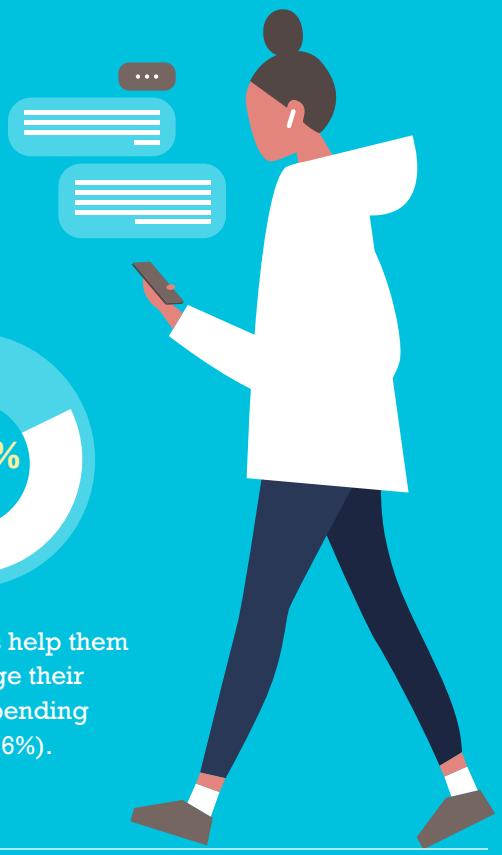
59%

have used the tools in the last 12 months (down from 71% in 2020).

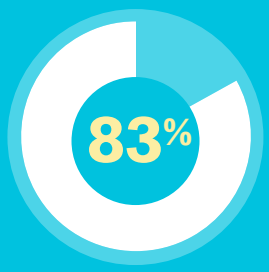
For the study, healthcare transparency tools are defined as online tools from insurance companies where members can search for in-network providers ("Find a Doctor"), get cost estimates for procedures, learn about treatment options, and/or get guidance on insurance-covered options.

People who use transparency tools, use them often.

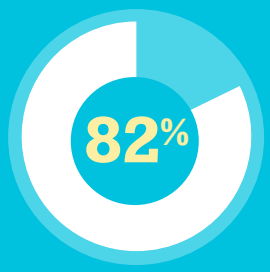
Of those who have used their transparency tools in the past year, seven in ten report using them at least once a quarter. This correlates with the high levels of satisfaction that people have with healthcare transparency tools overall when they know they have them and use them.



believe their insurance-provided tools help them make informed decisions (up from 79%).



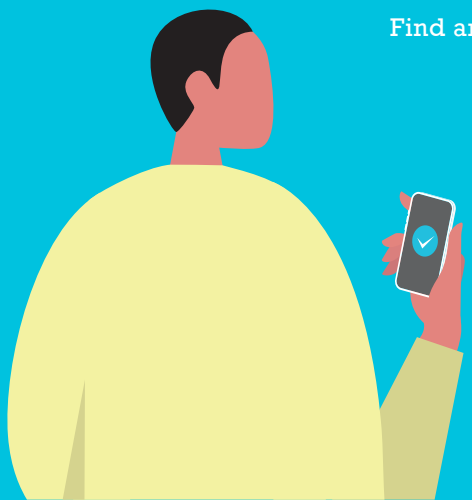
believe the tools help them better understand their coverage and benefits (up from 79%).

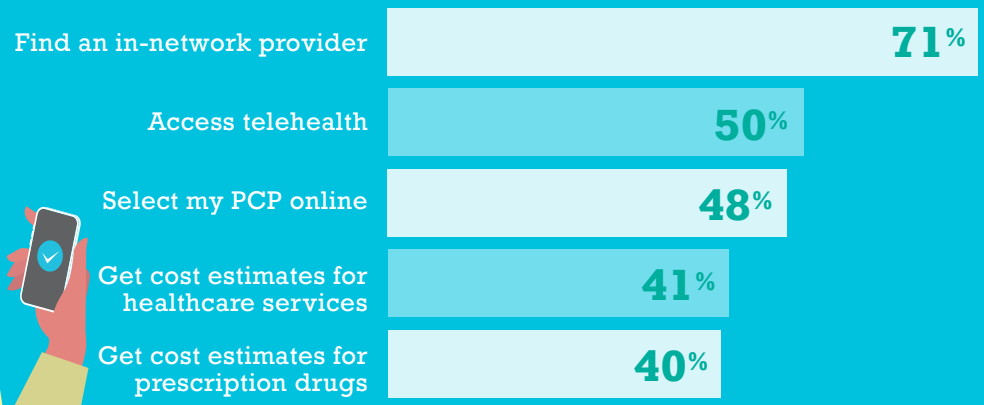


believe the tools help them better manage their healthcare spending (up from 76%).

Which transparency tools do people have today?

Respondents report the availability of the following transparency tool capabilities:





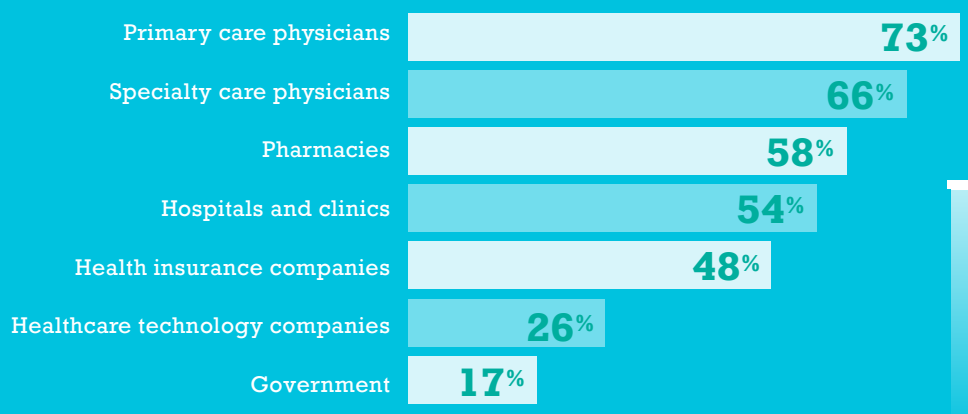
People want healthcare cost information but not everyone is utilizing their health plan website to find it. Arm your customer service reps and provider networks with the information so that you can meet your members where they are!

CONSUMER TRUST AND HEALTH PLAN INTERACTION

When it comes to making smarter healthcare choices, consumers continue to want and need transparency. Providing cost and quality information about doctors, hospitals, medical services, and medications increases the level of customer service and builds trust – a critical consideration in an industry with historically low levels of consumer trust.

Once again in 2021, healthcare providers are the most trusted healthcare entity.

Overall, people report rating their level of trust as high or very high with the following entities:



BETTER TOGETHER. Partnering with your provider network can increase utilization of your digital tools. **Nearly half (47%) of consumers with access to healthcare transparency tools** report that a recommendation from their doctor would make them more likely to use them.

Gender is a dividing line for trust.

When breaking out trust-related findings by gender, we found some striking results related to trust in each healthcare entity. In particular, women are less likely to report a high level of trust compared to men across key categories:

Primary care physicians

WOMEN **67%**

MEN **78%**

Specialty care providers

WOMEN **61%**

MEN **71%**

Hospitals and clinics

WOMEN **44%**

MEN **62%**

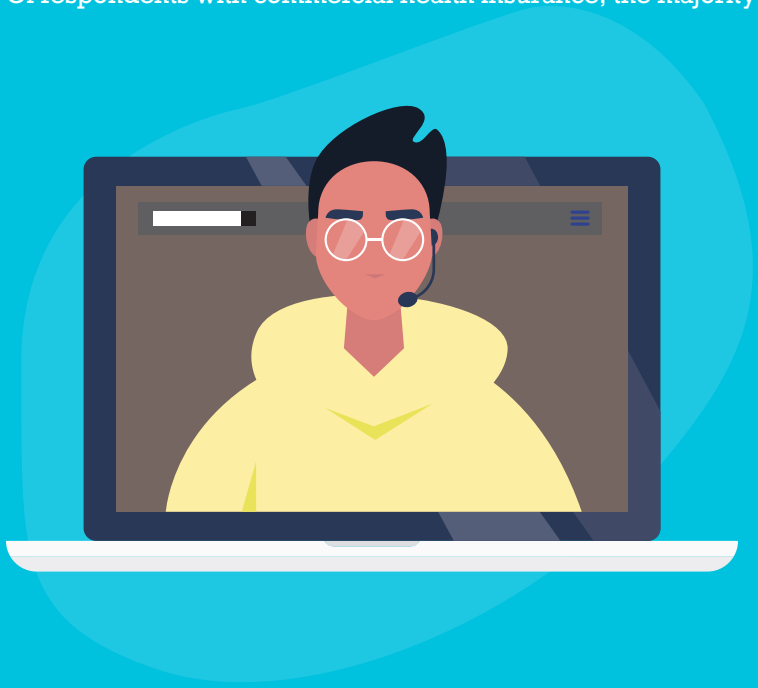
Health insurance companies

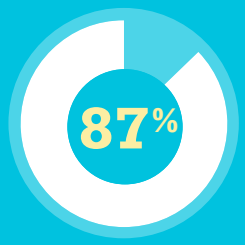
WOMEN **43%**

MEN **53%**

People feel comfortable discussing healthcare costs.

Of respondents with commercial health insurance, the majority are comfortable discussing healthcare costs:





are comfortable discussing healthcare costs with their health insurance company.

are comfortable discussing healthcare costs with their primary care physician.

When do people search for cost information?

Respondents with commercial health insurance most frequently research healthcare cost information in the following scenarios:

A major procedure (e.g., surgery) **every time** they need care.

20%

A visit with a specialty care provider **most or every time** they need it.

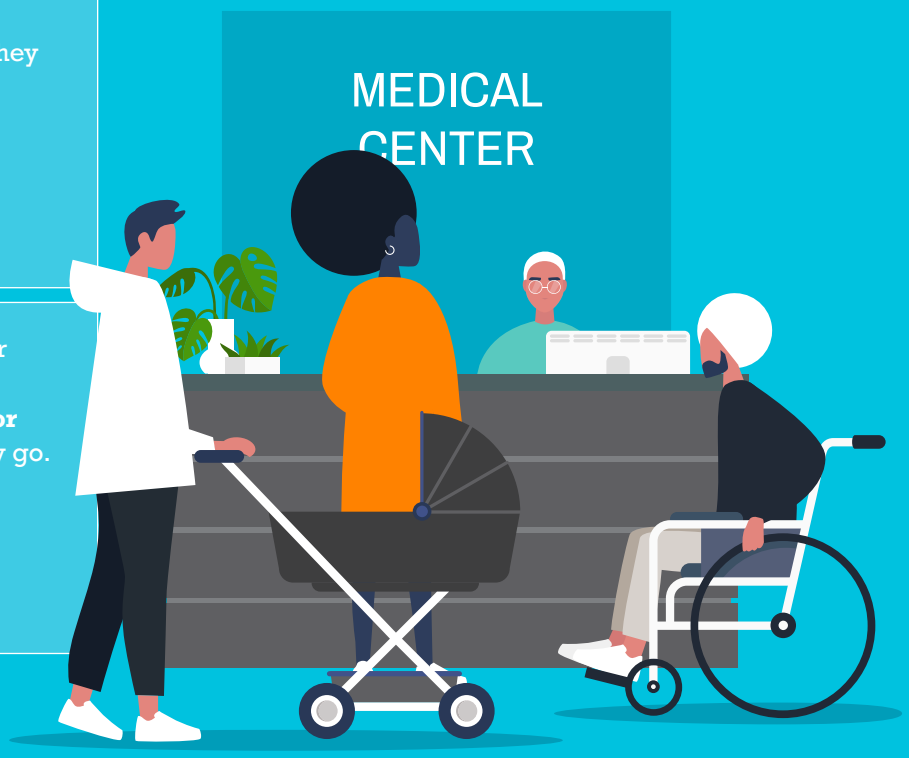
39%

A minor service or procedure **most or every time** they need one.

37%

A visit with their primary care provider **most or every time** they go.

35%



HEALTH PLAN COMMUNICATIONS

We've seen in this year's report that consumers are less aware of transparency tools than they were a year ago, in spite of deeper national conversations on the topic and new government mandates requiring more transparency in healthcare. Regular communication remains critical for health plans to increase awareness and utilization of healthcare transparency tools.

Communication remains a priority.

38% of consumers are unsure whether their health plan offers transparency tools.

25% have avoided getting healthcare due to a lack of information on healthcare costs.

Communicating with your members will increase utilization.

35% of respondents with access to healthcare transparency tools say they'd be more likely to use the tools if their health plan communicated more about them.

Once they try them, they're more likely to use them again (70% of those who use their transparency tools use them at least quarterly).

How health plan members want to hear from their health plan.

46% Email

18% Mail

13% Phone

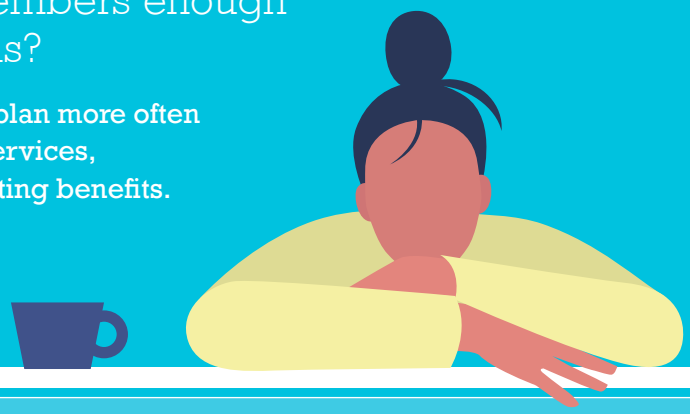
7% Text message

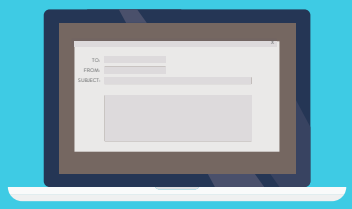
6% Through messages in health plan web portal

5% Mobile app (e.g., push notifications)

Are you reaching out to members enough via their preferred channels?

People want to hear from their health plan more often than you might think regarding new services, helpful guidance, and tools for navigating benefits.





FOR THOSE WHO PREFER EMAIL

82% would like to hear from their health plan at least quarterly.

FOR THOSE WHO PREFER MAIL

60% want to hear from their health plan at least once quarterly.

FOR THOSE WHO PREFER PHONE

52% would like to hear from their health plan at least quarterly.

FOR THOSE WHO PREFER TEXT

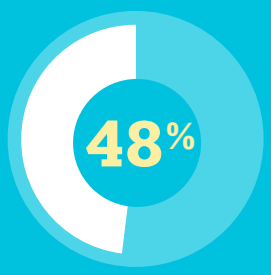
52% would like to hear from their health plan at least once a month.

Update Your Address Book! 70% of respondents have not been asked by their health plan for a phone number or email address so they can be contacted – or they aren't sure if their health plan has asked for this information. Ensure you include communication preferences and preferred channels prominently as part of member onboarding so that your messaging doesn't get missed.

WHAT CONSUMERS WANT FROM HEALTH PLANS

While the Transparency in Coverage mandate sets the framework for transparency – sharing what a member will pay out-of-pocket to a specific provider for a service – it is just the beginning. Health plans need to take it a step further and think more strategically about how to use the data to guide members.

People expect their health plans to help them navigate healthcare:



of respondents with a commercial health plan want **more** help understanding and navigating healthcare options.

of all respondents would be interested in their health plan guiding them through the process of finding a provider.

Health plan members want help saving on care.

When it comes to healthcare savings, health plan members are on board with their plan lending a helping hand.

1 in 3 would like their health plan to provide healthcare savings recommendations based on their personal claims data/ medical history.

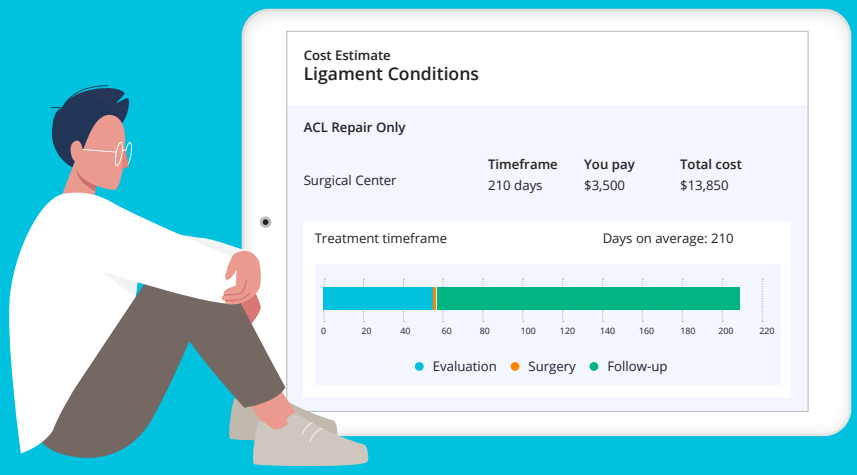
7 in 10 would like to know ways to save on care when planning a major surgery along with the cost.

Your 'Find a Doctor' tool offers an opportunity for personalization and guidance.

What do people value most when searching for a new doctor? (Respondents were asked to rank items in order of importance to them).

People need to know that a provider is in network, but they also want additional details such as cost, areas of expertise, quality, and more. Going beyond the basics can help your plan stand out.

1 Whether the doctor is in network	7 Cost of service/care
2 Expertise in my condition	8 Experience with patients like me
3 Distance from home or work	9 Reviews from other patients
4 Appointment availability	10 Preferred treatment approaches
5 Years of experience/in practice	11 Ability to schedule appointments online
6 Quality ratings/scores	12 Option to use telehealth/virtual visits



82% of consumers would like more than just financials on surgery – they also want insights into the time involved for each phase of care.

Make shopping for healthcare like other online experiences:

93% believe scheduling a healthcare appointment should be as easy as booking a dinner reservation online.

91% say comparing prices on healthcare services should be as simple as comparing prices on your favorite retail site.

DEEPER INSIGHTS FROM THE REPORT: DEMOGRAPHICS

Consider your audience: Giving your members an experience and communications that are contextualized to their unique needs and preferences will build trust and increase usage of transparency tools. In this section, we highlight a few important differences across ages and genders that emerged in this year's study.

Awareness

YOUNGER HEALTHCARE CONSUMERS REPORT A GREATER AWARENESS AND USAGE OF TRANSPARENCY TOOLS.

59%

of those under 55 say they have transparency tools (compared to 49% of the population overall).

Of those, 78% have used the healthcare transparency tools provided by their health plan in the past 12 months (compared to 59% overall).

YOUNGER CONSUMERS ARE MORE INTERESTED IN USING DIGITAL TOOLS FROM THEIR HEALTH PLAN:

of those under 35 would **use online appointment scheduling** if offered by their health plan, compared to 70% of those over 55.

of those under 35 would **switch providers in order to have a service via telehealth**, compared to 29% of those over 35.

Usage

Of those who have used healthcare transparency tools in the past 12 months, men are more likely to be monthly users than women.

WOMEN **19%**

MEN **31%**

Communication

Age has an impact when it comes to how people say they prefer to hear from their health insurance company. Younger consumers show a preference for communications via mobile app (eg. push notifications) and text message. Here are the **top three channel breakdowns** among age groups.

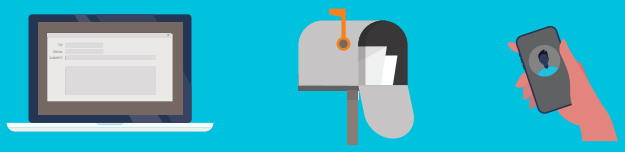
UNDER 35

EMAIL **36%**

MOBILE APP **18%**

TEXT MESSAGE **16%**

35-54

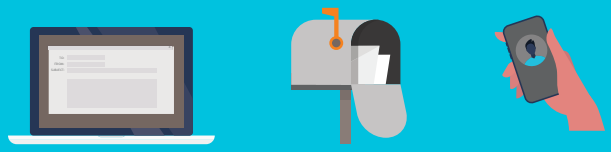


EMAIL **47%**

MAIL **13%**

PHONE **13%**

55-64

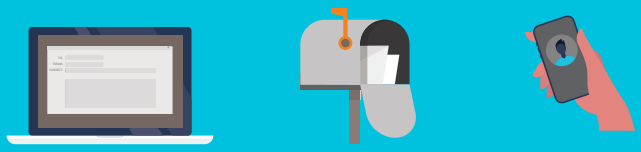


EMAIL **52%**

MAIL **20%**

PHONE **10%**

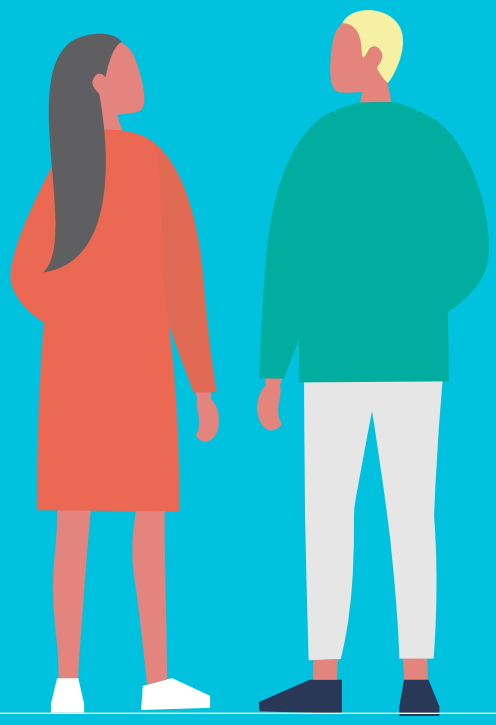
65+



EMAIL **41%**

MAIL **23%**

PHONE **16%**



Guidance

Those with a high deductible plan are much more likely to say they need more help understanding and navigating healthcare options (56%) compared to those who do not have a HDHP (36%).

79%
of those with a high deductible plan would like their health plan to enable them to manage all of their healthcare in one place via an online tool or mobile app.

THE OPPORTUNITY FOR 2021: A MEANINGFUL EXPERIENCE FOR MEMBERS

People want transparency tools. When they have them, they use them. And when they use them, they appreciate them. That said, those of us in the industry may feel healthcare transparency is common knowledge because we hear about it every day, but much work remains in order to increase awareness and utilization among members.

The real opportunity, however, lies in going beyond mere compliance with the CMS transparency rules. Health plans need to move beyond providing data delivering guidance to consumers who don't necessarily understand healthcare or healthcare costs. People need context for their unique health situation, actionable insights into their options, and help making the right choice based on all those variables. For health plans, that means acting as an expert who can help guide them.

For HealthSparq, our 2021 began by becoming part of Kyruus. Our vision for the future is to help people better navigate healthcare by creating a more seamless platform connecting payer and provider organizations, giving patients more detailed insights into physician and making it easier for people to find and schedule an appointment with providers who meet their needs.

We're optimistic and hopeful for the remainder of 2021 and beyond. Change is afoot, and we are excited to be a part of it. Together, we can make healthcare better for people.

We're happy to share additional data from our surveys in order to help you position your organization for success. To learn more, please visit ***healthsparq.com*** *or contact us today at* ***marketing@healthsparq.com****.*