

Maximizing Enrollment in Coverage Programs for Low-Income Adults

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Genesis of the Study

- ❑ Study 1: For U.S. Assistant Secretary of Policy and Evaluation, MPR examined how price responsiveness affects enrollment (and use of services) in subsidized coverage initiatives*
- ❑ Study 2: “non-price” program features can affect enrollment as much as price

*This 2006 study can be viewed at www.mathematica-mpr.com/publications/PDFs/priceline.pdf.

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What Are Non-price Program Features?

- ❑ Outreach approach: targeting, method, intensity
- ❑ Benefit design/provider network
- ❑ Enrollment process: length of application, availability of enrollment assistance, etc.

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Starting Point

- ❑ Evidence that programs featuring similar (post-subsidy) premiums can attract different levels of enrollment
- ❑ Significant research showing non-price features attract/deter enrollment of CHIP and Medicaid children and Medicare seniors
- ❑ Some descriptive literature on the program features that attract non-elderly adults, but no rigorous studies

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Study Approach

- ❑ Question: When and how do non-price features attract/deter enrollment of low-income, non-elderly adults into subsidized health coverage programs?
- ❑ Approach:
 - Literature review
 - Discussions with 67 program representatives and other informed observers
 - Synthesis of findings

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Coverage Programs Studied

Coverage Approach	Programs in Study
Brokered access to subsidized care	Health Advantage (Marion County, IN) Healthy San Francisco (San Francisco County, CA) Ingham Health Plan (Ingham County, MI)
Subsidized nongroup coverage for adults	AdultBasic (PA) Alliance Family Care (Alameda County, CA) FHIAP (OR) Insure Oklahoma (OK) Primary Care Network (UT)
Premium subsidies for workers	FHIAP (OR) RiteShare (RI) Utah Premium Partnership (UT)
Premium subsidies for employers and workers	ARHealthNetworks (AR) Brooklyn Healthworks (selected areas of NYC) HealthChoice (Wayne County, MI) Insure Montana (MT) Insure Oklahoma (OK) SacAdvantage (Sacramento County, CA)

These programs are described in Appendix B of the final report.

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Coverage Approaches in Federal Reform Legislation

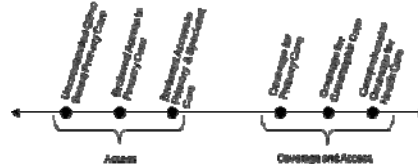
Coverage Approach	Included in Proposed Federal Reforms?
Brokered access to subsidized care	Not included.
Subsidized nongroup coverage for adults	New affordability "credits" for non-group coverage for families up to 400% of FPL. State option to create a subsidized "basic" health plan for residents under 200% of FPL.
Premium subsidies for workers	States must offer "premium assistance" for employer sponsored insurance and wrap-around benefits.
Premium subsidies for employers and workers	New small employer tax credits (nominally for the employer's share of the premium). Small firms can offer health insurance exchange coverage.

These programs are described in Appendix B of the final report.

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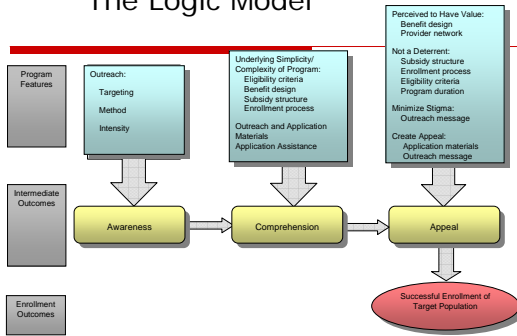
Coverage Approaches Overlap

Not all programs fit cleanly into a category. In reality, there is a continuum of coverage approaches.



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The Logic Model



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Disclaimer

The following findings represent the views of the study authors.

The findings do not represent the views or opinions of the U.S. Department of Health and Human Services.

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Generally Applicable Study Findings

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1. There Is Inadequate Knowledge to Guide Program Designers

- Program designers cannot—
 - Accurately predict the level and pace of enrollment, given the program's features
 - Evaluate design alternatives in terms of their impact on enrollment levels

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2. Outreach Is Critical



Even appealing programs will not attract enrollment if no one is aware of them.

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3. Use Outreach to Create Awareness That Leads to Enrollment

- Effective outreach—
 - Is targeted
 - Is decentralized
 - Is community-based
 - Employs a broad spectrum of partnerships
- When a prospective enrollee hears about the program from a trusted source—and that information is reinforced by other sources—he or she is much more likely to enroll

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An Effective Outreach Partner Is a Source Trusted by the Community

Coverage Approach	Effective Partners
Brokered access to subsidized care	Safety-net providers, trusted community leaders
Subsidized nongroup coverage for adults	Safety-net providers, trusted community leaders
Premium subsidies for workers	Employers, brokers
Premium subsidies for employers and workers	Brokers, chambers of commerce, well-regarded political leaders

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Working Well with Outreach Partners

- Engage partners in the program's design phase
- Provide outreach/enrollment support from the program office
- For Brokers: provide training sessions; offer continuing education credits and a "sellable" product

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Role of Mass Media

- Used alone, mass media is not effective
- If used with other forms of outreach, mass media can be effective because it reinforces messages, but it is not critical. (Hearing about a program from multiple sources increases the chance of enrollment.)

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4. Word-of-Mouth Is Powerful

- Can either attract or deter enrollment
- Program's ability to control word-of-mouth is limited, but—
 - Circulate complete and correct program information, especially around eligibility criteria
 - Manage expectations: make initial goals modest, run an enrollment pilot to gauge reactions, and fine-tune the process

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5. Many Applicants Have Difficulty Understanding Program Features

- Universally noted: difficulty understanding income eligibility criteria and insurance concepts
- Implications
 - One-on-one enrollment assistance is critical (expect to allocate significant resources)
 - Simplify program design/application process as much as possible
- Necessary but insufficient: writing materials at the sixth-grade reading level and in languages other than English

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6. Stigma Can Deter Enrollment But Is Easily Avoided

- Don't operate out of Welfare/Medicaid office
- Raise upper end of income eligibility threshold (for example, to 200 percent of FPL or more)
- Make as similar to commercial coverage as possible
 - Charge premiums and copays (however modest)
 - Insurance card
 - Develop a "brand" that doesn't have government connotations

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Study Findings Specific to the Coverage Approach

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Subsidized Coverage Offered Directly to Adults

- Critical for enrollment:
 - Awareness and promotion by a trusted source
 - Application assistance
- Valued by target population but not critical for enrollment:
 - Program understanding
 - Comprehensive benefits
 - Simple enrollment applications

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Premium Assistance Programs Face Unique Enrollment Challenges

- Inherent enrollment limitations reflecting the limited number of workers who are both income-eligible *and* have access to qualifying employer coverage
 - Difficult to target outreach
- Eligibility criteria are often complex due to CMS requirements
- Few effective enrollment strategies identified
 - Involve brokers in outreach and education
 - Less restrictive enrollment periods

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Programs That Subsidize Premiums for Employers and Workers

- Reaching workers via small employers is more difficult than offering coverage directly
 - Must persuade the employer and the worker (and sometimes the broker) to participate
 - Target firms are typically very small (fewer than 10 employees)
 - Owners of small firms often have little time to invest in human resource issues

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Some Owners of Small Firms Cannot Be Persuaded to Offer Coverage

- Key workers might have coverage from another source
- Uninsured workers may be more interested in cash compensation than health coverage

From a business perspective, the decision to not offer coverage may be rational.

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Many Owners of Small Firms Want to Offer Coverage, but ...

- Can't find affordable coverage
- Are confused about the regulatory and tax treatment of health coverage
- Can't be burdened with the administrative duties associated with finding and maintaining health coverage

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Small-Firm Participation Requires A Design With Broad Appeal

- Use brokers (critical)
- Use local outreach and facilitate word-of-mouth
- Include health insurance education in outreach efforts
- Make coverage appeal to firm owners
- Minimize owners' administrative burden
- Allow owner and all employees to participate
- Emphasize—
 - Program is credible and permanent
 - Coverage is easy to sign up for and use
 - Coverage is affordable

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Study Caveats

- Qualitative in design: reflects the views of a limited number of coverage program stakeholders
 - Enrollee perceptions filtered through others (program staff, enrollment counselors, community advocates, brokers)
- Retention/disenrollment not studied

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Additional Research and Improved Dissemination Needed

- Rigorous evaluations that relate program design and implementation features to enrollment of nonelderly adults
- Development of information systems that provide real-time feedback to program designers
- Suggested focus areas:
 - Measuring and overcoming comprehension difficulties
 - "Selling" programs with more substantial (but still subsidized) premiums
 - Simplifying income eligibility criteria and minimizing the intrusiveness of income verification

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The Full Study...

... (all 120 pages) is available on the ASPE and MPR websites.

<http://aspe.hhs.gov/health/reports/08/subenroll/report.shtml>

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