

THE MOMENTS THAT MATTER MOST

TO HEALTH PLAN CUSTOMERS

And why benefit sponsors should pay close attention.

Together, all the way.®



Whether you are considering a change in health plan providers, a change in benefit design, or staying the course, understanding the engagement moments that matter most to employees on their health care journey can help you and your benefits provider ensure you're getting the most value from your plan.

In this report, we've summarized our own consumer insight research findings and industry expert perspectives to uncover engagement strategies that can help your organization position itself for success.

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CHOOSING A PLAN

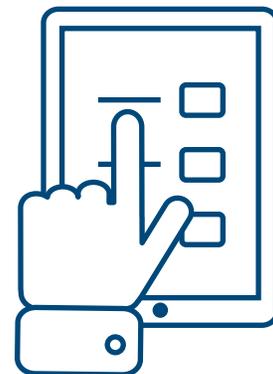
Our Moments that Matter research shows that Choosing a Plan during annual enrollment is one of the top reasons consumers engage with their health plan provider. It's also one of the moments where consumers experience the most stress and frustration. And if you're shifting to a new health plan provider or introducing new plan designs, the angst can be even greater.

For many consumers, the purchase of a health care plan is one of their largest purchases of the year. Whether they come into the plan feeling anxious and worried (“*Did I buy the right plan? Will it meet my needs? What will it really cost me?*”) or feeling confident (“*I know what I have and what costs to expect.*”) can have a big impact on their perception of the plan – and their satisfaction.

According to an article by McKinsey & Company (*Great customer experience: A win-win for consumers and health insurers, April 2016*), consumers are taking a more active role in health care and have come to expect great service from their health insurance company – including when choosing which health plan to select. Providing the right support during this critical moment that matters can boost their confidence and help improve satisfaction with their benefits.

At a very basic level, consumers want protection for themselves and their families to help them get needed care and prevent financial hardship in the process. And because many are being asked to take on a growing portion of their health care expenses, consumers approach the Choose a Plan moment much like they do a major retail purchase or banking transaction.

They want options and choices. And they have come to expect uber-convenient, simple experiences and personalized support – available live and online – to help them make the right decision for them and their families.



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In an effort to help, health plans may inundate consumers with mounds of information and data riddled with difficult terms. This can raise the level of frustration and anxiety for your employees.

Our Moments That Matter research shows that during the Choose a Plan moment, customers want:



Concise, accurate information about their options



Quick and easy answers to any questions



Good value for their money

KEY TAKEAWAY

Plan sponsors should look for health plan providers that provide human and digital pre-enrollment support to help employees understand and evaluate their options based on what matters most to them, their budget, geographic location and the available plans they are being offered. By creating simple and relevant support during pre-enrollment, your benefit provider can help reduce employee stress and frustration during this initial and important moment that matters.

STARTING OFF

First impressions are lasting impressions. And health insurance is no exception. Yet some health plan providers may not bother to welcome customers to their plan. Or provide information on how the plan works or how to get the best value from it.

Instead, the first time a customer hears from their health plan may be a plastic ID card in the mail. Or a package of communications full of jargon and terms they don't understand. Or worse, a rejected claim.

When customers don't feel welcomed by their health plan, it's a missed opportunity to build trust and engagement. And when customers don't understand their plan and how it works, it creates confusion and frustration that can lead to higher costs - for them and for plan sponsors. Like when they think a doctor is in-network, but they aren't. Or they think they're taking the right steps to control their chronic condition, but they're not.

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Our *Moments That Matter* and *Future Service Design* research shows that many consumers don't understand the basics of their health insurance plan.

- › What terms like “copay” and “deductible” mean
- › What services and support their plans offer
- › How to access and use the services and support

As one survey respondent put it, “I have no idea what kind of plan I have. I don't pay attention ... it's too complicated.”*

* Cigna, Moments that Matter Research, 2015

When customers don't feel welcomed and don't understand how their plan works, it's hard for them to get the most value out of it. Which is why Starting Off is on the list of top moments that matter most to health plan customers.

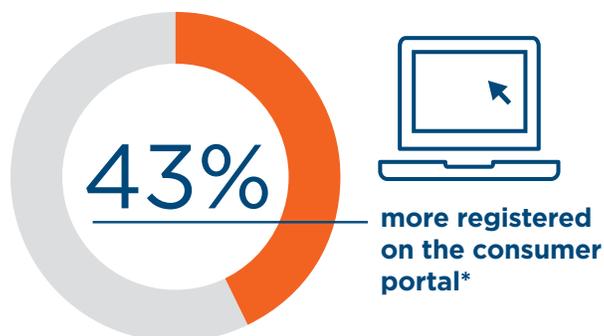
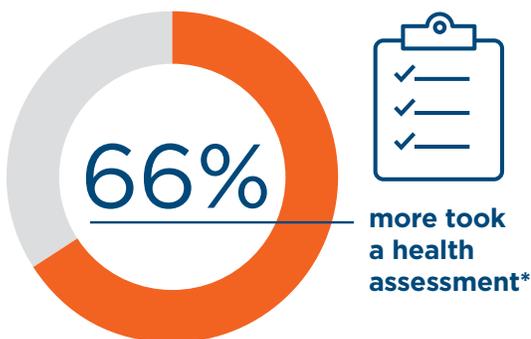
According to our *Moments That Matter* research, at the start of a new health plan year, customers want to:

- › Feel welcomed when they enroll in their plan
- › Understand how their plan works
- › Receive guidance on how to get the best value from the plan

Health insurers should pay attention to improving the Starting Off experience. A pilot conducted by Cigna confirmed the significance of capitalizing on this moment after enrollment.

Customers in the pilot who received welcome kits and informative messages with their ID cards at the beginning of their plan year showed significant improvement in engagement.*

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* Cigna Onboarding & Welcome Kit pilot results, March 2015.

KEY TAKEAWAY

When shopping for a health plan provider, look for one that proactively engages and educates employees at the beginning of the plan year. When employees understand how their plan works and the services and support their health plan provider offers, they'll be less frustrated and better able to take control of their health and health spending.

GETTING MEDICINE

Many of us currently take some sort of medicine. And, most likely, each of your employees will need to get medicine for themselves or someone they love. So it shouldn't be any surprise that by 2020, it's estimated that pharmacy costs will account for 31% of overall health care costs, making it the number one cost driver of health care expenses for employers.*

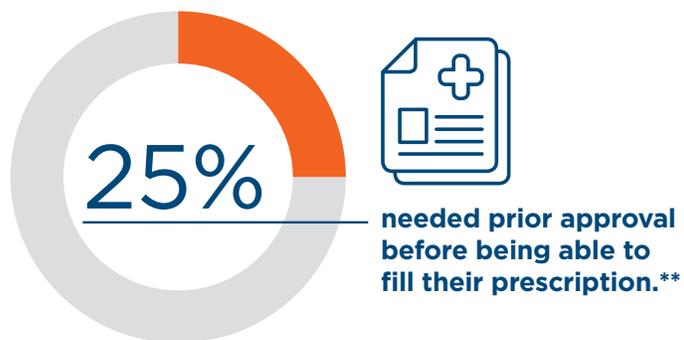
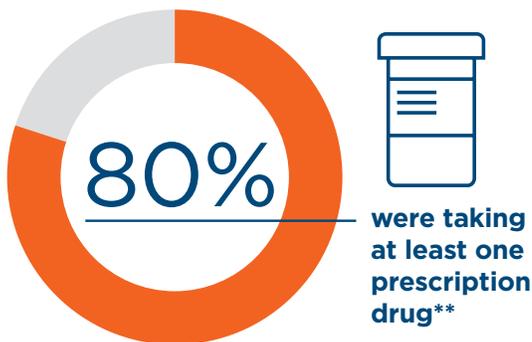
But what might be surprising to learn is that Getting Medicine is also the number one reason people engage with their health plan provider.

According to our research,* 68% of consumers experience this moment in their health care journey, and 38% of them engage with their health plan provider.

Getting medicine is the **#1** reason people engage with their health plan provider.*

As a top cost driver and top reason for engagement, Getting Medicine is clearly a moment that matters, and one your health plan provider should be focused on.

Among consumers we surveyed for our *Moments That Matter* research study:



That means there is a likelihood that some consumers could face frustration or an unexpected delay or expense if they don't understand how their pharmacy benefits work.

* A Closer Look at the Specialty Pharmacy Market, Cigna, April 2017

** Cigna, Moments that Matter Research, 2015

Our Moments that Matters research identified what customers want and need during this moment that matters.

- › Help me reduce my cost
- › Help me ensure I have coverage
- › Make it easy to order and receive my medication
- › Be responsive to my needs when I have an issue

Being able to deliver on these wants and needs quickly – anytime, anywhere from mobile devices – has become even more important to consumers. According to an article by Bain & Company (*Digital Customer Experience, November 16, 2016*), consumers are increasingly gauging their satisfaction with companies based on how long it takes for them to get what they need. The Bain article suggests offering digital customer service delivered on mobile devices so it can be anywhere, anytime, quick, easy and simple.

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KEY TAKEAWAY

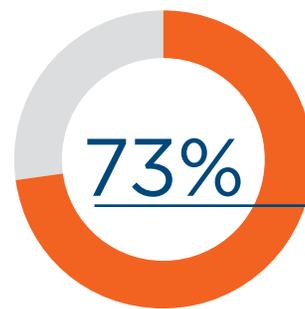
During enrollment, health plan providers should help employees understand their pharmacy coverage. Once enrolled in the plan, health plan providers should provide support via mobile devices that allow consumers to compare drug costs anytime, anywhere – like when they are sitting in the prescriber’s office. This allows employees to have conversations with their doctors and make more cost-effective decisions together. And always make sure employees have a quick and easy way to order their meds and connect with the health plan provider if they encounter an issue.

FINDING CARE

Finding the right doctor, specialist or treatment facility can be stressful, especially when you or your loved ones are already not feeling well. There are a host of things to consider.

- › What specific care or condition do I need treatment for?
- › What are their credentials?
- › Are there reviews by other patients?
- › Which is most convenient for me to visit?

Our *Moments That Matter* research shows that Finding Care is a critical moment that matters to employees. And for those who experience the moment, 73% engage with their health plan provider.



engage with their health plan provider during the Finding Care moment.*

During the Find a Care moment, customers want and expect quick and easy access to relevant information that's personalized to their needs – and specific to their plan.

- › Is the care provider in my health plan network?
- › What will my treatment cost?
- › What portion will I be responsible for paying?

A recent study (*2017 Consumer Health Survey*) by Oliver Wyman in collaboration with FORTUNE Knowledge Group points to the importance of personalization when it comes to serving the needs of today's health plan consumers. The study cites the complexity of the consumer market, and the need for providers to adopt multifaceted, highly personalized consumer engagement strategies to simplify the experience.

Customers want and expect quick and easy access to relevant information that's personalized to their needs – and specific to their plan.

KEY TAKEAWAY

When finding care, consumers need quick and easy access to relevant information that is personalized to their needs – and their plan. Health plan providers should be providing this information in both live and digital service channels to ensure employees can get it whenever and wherever they need it.

* Cigna, Moments that Matter Research, 2015

AVOIDING SURPRISES

Customers could receive costly and unexpected health expenses for many reasons including lack of familiarity with their benefits, denied claims and unintentional utilization of out-of-network medical and/or emergency services.

Customers may get frustrated and lose their trust in the health plan provider when caught off guard with surprise and excessive bills, especially when they believe the expenses should have been covered.

According to our *Moments That Matter* research, over one in four health care consumers have received a surprise bill from a health care provider, and many contact their health plan provider about it -making it one of the top drivers of consumer engagement.

But you'd probably agree that this is not the type of consumer engagement we really want.

According to our *Moments that Matter* research, receiving a surprise bill can be the result of events occurring in other moments in the customer journey, such as Starting Off, Getting Medicine and Finding Care.

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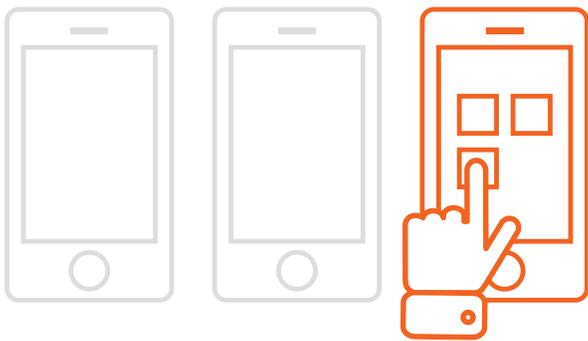
Over **1/4** of health care consumers have received a surprise bill.*

Health plan providers can help consumers avoid this frustrating moment by:

- › Educating them at the beginning of the plan year
- › Anticipating the customers' ongoing needs
- › Connecting with them quickly as needs arise
- › Delivering guidance and assistance when they need care or medicine
- › Being available to answer questions anytime, anywhere - online or offline

Doing so can improve the overall experience and help prevent surprise bills. More and more consumers own smartphones and mobile apps – that travel with them – providing a convenient way to deliver this support.

But a report by Deloitte Monitor, Insurers Get a Digital Health Check, 2016, cautions that only one-third (32%) of health plan customers know their provider offers a mobile app. Improving customer awareness and adoption of apps could put much needed education and support in the hands of consumers.



Only one-third (**32%**) of health plan customers know their provider offers a mobile app.

KEY TAKEAWAY

Ask your health plan provider what support they offer to help educate and guide customers throughout their health care journey. Ideally, support should be available 24/7 and through digital mobile devices to ensure customers have access whenever and wherever they need it. Find out if support is available through a mobile app, and ask what the health plan provider is doing to promote those apps to customers.

EARNING INCENTIVES

Companies have great interest in keeping workers healthy, productive and satisfied while cutting health care and insurance costs.

Many plan sponsors and health plans are using incentives – such as cash, gift cards, coaching and gym membership reimbursement – to encourage employees to change their behavior and improve their health. According to the National Business Group on Health, almost three-quarters of employers offered financial incentives in 2016.

Almost **3/4** of employers offered financial incentives in 2016.*

Incentives drive engagement and healthy living behavior for those who need it most. People who are not intrinsically motivated to participate in their health or fitness are motivated to engage by incentives offered by their employer.

Our *Moments That Matter* research found that Earning Incentives was among the top moments that matter most to customers – with 33% saying they engage with their health plan provider about incentives.

Conversely, the research found that 68% of consumers never really think of their health plan provider in terms of being a resource for healthy living support.

Earning Incentives was among the top moments that matter most to customers.

68% of consumers never really think of their health plan provider in terms of being a resource for healthy living support.

Our research found consumers would be most likely to engage in healthy living programs when the experience was:

- › Easy to understand
- › Easy to participate
- › Easy to get incentives
- › Sufficiently motivating

*National Business Group on Health, Website Topics: Engagement Incentives, accessed August 1, 2017.

By linking incentives to healthy living – and continuously promoting those programs to customers – health plan providers can encourage behaviors that help improve health and health spending. And they help customers feel they’re getting more value from their health plan.

Results of a 2016 study (MotivateMe® Incentive Program Study*) by Cigna provided evidence that incentive programs can lead to better health engagement, clinical outcomes and cost savings. According to the study, the company distributed more than \$154 million in health improvement related incentives to customers who completed nearly 2.8 million health goals. With the introduction of proactive healthy living incentive messaging alerts through its mobile app, the company is taking another step to drive healthy living habits and cost savings.



Incentive programs help drive **better health engagement, clinical outcomes and cost savings.**

KEY TAKEAWAY

Incentives can be a powerful motivation to get employees to engage in healthy living – but not if employees don’t know the programs exist, or how to participate. To optimize engagement, make sure your health plan provider is proactively using customer service agents and digital outreach (apps, websites, emails) to remind employees about the plan and make it easy and motivating for them to engage.

* *Cigna MotivateMe Incentive Program Study, 2016.* Results based on Book of Business analysis of customers enrolled in Cigna plans with MotivateMe program during 1/1/2016 to 12/31/2016.

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