



Intelligent Payer: Retaining Your Membership Is More Important Than Ever

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AUDIO TRANSCRIPT

Loren McCaghy: Hello, and welcome to our session today: **Intelligent Payer: Retaining Your Membership is More Important Than Ever.** Thank you all for joining us. We're very excited to present some research and we have a very exciting panel.

My name is Loren McCaghy. I'm director of consumer engagement and product insight with Accenture. I'm going to be joined by my colleague, Tamara Clough, in a few minutes who's going to present some of our recent Medicare research on retention and shopping. And later on, we're going to be joined by Joya Bond, vice president of Medicare operations from Florida Blue, and Archie Day, director of consumer experience and insight at SCAN Health. We're very excited to have this great group with us today.

Just to set a context, a lot of what we're going to talk about from an Accenture perspective today is based

on a couple of consumer surveys that we have done in the past year, specifically our 2020 consumer experience benchmark that was run in the first quarter of this year. This is a large survey with over 15,000 consumers, U.S. adults across all spectrums of healthcare. And then in June, we ran a survey specific to COVID-19 experience, focused on people's experience with care, delivery, and their mindsets and trust types of questions. I think we all understand we're dealing with a very different situation right now and it's going to have impacts as we go into this year's annual enrollment cycle for Medicare Advantage. We've seen, since COVID, 48% of Medicare Advantage members have had to defer or delay care, in many cases because their doctors canceled, or they couldn't get appointments and frequently, it was because of safety concerns. They're concerned about their ability to pay for healthcare and they don't necessarily

believe that they've been getting a lot of information from their payer. They have from their provider and other sources, but not necessarily from their payer. The result of that is really an erosion of a net promoter score and trust with their payers which could have an impact as we go into this year's annual enrollment cycle. That's some context for where we are. I'm going to turn it over to my colleague, Tamara, and she's going to walk through some of our other research associated with shopping and retention for this year.

Tamara Clough: Thank you, Loren, and hello everyone. As usual, there's a lot going on in the market in advance of AEP this year. I know in prior years, some markets have had to deal with things like hurricanes, fires, other challenges that typically impacted some, but not all markets. And I think it's fair to say this year the challenges are unusually broad and universally impactful. You might be wondering, how important is retention as you think about your growth strategy for this upcoming AEP? And, you know, Def Research did a study earlier this year that suggested one of the impacts of COVID might be that switching activity might not be as widespread this upcoming AEP and seniors had expressed in their study some reluctance to consider making a change in coverage. But, remember what Loren just shared a couple of minutes ago regarding NPS scores; those have taken a hit across the board. There's this level of mistrust almost across the industry that is just a reality of the business for many- not

all, but for many plans. The question is can you afford to take your eye off the retention ball and maybe focus on some of the other strategies and should you continue to make investments in retention programs during this AEP and even beyond during OEP?

Our own research suggests now is really not the time to pause, but you may want to rethink the approach and the focus of your retention strategies. We definitely think retention is still super important. Why? Well, first of all, it is still AEP and despite relatively high average retention rates across MA plans, I know specific plans experience a lot of variation in that. The reality is that January will still be the highest growth month for most plans. The other considerations are more COVID related. What do we know about how COVID has impacted our target market? Well, they have more time on their hands because they spend less time, 56% less time socializing with friends and family, and they're spending more time, over 40%, watching TV and following the news. So, that means they're reachable through some of those broader media channels, right? What else are they doing more of? Well, we know they're using telehealth. Utilization of telehealth services has at least doubled this year.

We know they're ordering groceries online and over the counter medicines online. If this session were live, I would now ask the audience for a show of hands on how many people are familiar with the acronym BOPIS,

B-O-P-I-S, which stands for buy online, pick up in store. And utilization of BOPIS services has increased 62% just in essentially one month, back in the March/April timeframe. The message here is your members are online. They're using their devices and that means they're also reachable online. And when you combine those factors- more time and reachability - with the fact that acquisition strategies during AEP are really aggressive these days, everyone is trying to grow and they're often doing so by putting more focus on digital spend and digital tactics. The reality is MA plans are simply getting really smart and very effective in their acquisition strategies. All those factors combined means your members are vulnerable to shopping and thus switching. We do encourage plans to remain focused on retention.

Now, do you need to focus equally on all members? Well, no. So, which members should you focus on? Well, it's actually your newest members who are the most at risk for shopping and switching. In our consumer research, 60% of MA members who had been with their plan less than one year, reported a willingness and intent to shop and only 30% of members with a plan for three years or more respond similarly. I encourage you to think about the interactions you have with members at each phase of the journey with your plan and think about the number of opportunities you have in that first year and in the first few months to create a really positive experience and engage members in a positive way. That's

where your retention efforts are going to have the most impact. Now, yes, you can profile all your current members to identify who's at risk and I know a lot of plans that do that. It involves seeing who has called customer service a lot, figuring out which members are basically already mad at you and target them with outreach and engagement strategies. And don't get me wrong; that's still a very solid strategy, but with that approach you've got to overcome some negative experience that a member already had with your plan. With those depressed NPS scores that Loren talked about, they probably didn't trust you much to begin with. You have low trust, plus a bad experience. It's really hard to get stellar results with that kind of strategy.

A more effective approach would involve creating positive experiences as new members enroll and as they onboard to your plan. Don't wait for them to use their benefits or get a prescription filled. Ask yourself, what are you doing to create a consistent and positive experience for your members from the first day and the first interaction with your plan during those early interactions with your plan and your organization? Those are the members that are the most at risk and susceptible to the acquisition strategies of your competitors.

We know a few other things about MA members from our own research. We know that creating positive experiences early is very important to increasing brand loyalty and retaining

members. And there are some specific experiences that we know impact an MA member's likelihood to stay. For example, enrollment materials. Members who find their materials clear and easy to understand are over five times more likely to stay. Ask yourself, how many calls is your organization fielding from members who thought a benefit or a process for accessing a benefit was a certain way only to discover that's not how it actually works. And how often do members of your sales team complain about how a certain benefit is explained in a brochure or a sales piece. You need to listen to that feedback. We also know that the hassle factor matters a lot. Members who find accessing care easy with minimal hassle are seven times more likely to stay with your plan. And then one of my favorites is members want to be heard, respected, and responded to in a timely way. And when they walk away from an experience with that feeling, they are five times more likely to stay with you.

So, how do you best engage and retain membership? Well, first of all, again, focus on the new members. They are the most apt to switch and if you've been signing up agents and first-time enrollees all year long, understand those members are at risk and they know how to shop online. They may not have enrolled in your plan online, especially the initial enrollees who were new to Medicare, but don't think they aren't going to shop and potentially switch online. Focus on the early interactions; look upstream to your sales organization

because that's often the first interaction people have with your plan. Retention is not a byproduct of just the service team and the service experience. And finally, I'll close with a recommendation based on some early insights on another piece of our research and that is around supplemental benefits. CMS gave MA plans a lot of flexibility in the supplemental benefit space. Ask yourself this: what are you doing to ensure members are aware of those benefits and know how to access them and which of those benefits can they access on day one as a new member before they have a significant health issue? Our research suggests a wide variation in awareness of supplemental benefits. Members generally understand they have some coverage for vision, dental, hearing, but the other supplemental benefits, the more creative ones that you all are starting to introduce, those benefits have very low awareness rates. However, members who use those supplemental benefits have much higher NPS scores, 48% higher in fact. Again, think about how to leverage that fact in your retention strategies and don't forget the hassle factor matters. They need to understand the benefits; they need to know when they're available to them, and how to access them. Really challenge yourself and your organization to make that as easy as possible, especially for your new members. On that note, I want to thank you for your time and for listening on this topic I'm quite passionate about and I'm looking forward to hearing what our

panelists have to share. I'll turn it back over to my colleague, Loren, to get that portion of our session going. Thank you.

Loren McCaghy: Thanks, Tamara. I'm very excited to move into our panel discussion with our two panelists. Let them introduce themselves first, Joya Bond from Florida Blue, you want to go ahead and introduce yourself?

Joya Bond: Yes, hello. Thank you for having me today. Very excited to participate in this panel discussion. I'm the vice president of Medicare operations for Florida Blue and I am accountable for a whole lot of things, but the point today is around the member management/member retention efforts that I also manage for the organization.

Loren McCaghy: Great, thanks Joya. Archie Dey, from SCAN Health, you want to go ahead and introduce yourself, please?

Archie Day: Yeah, definitely. Thanks for having me and thanks for the opportunity to discuss this. I'm Archie. I lead the consumer experience and insights at SCAN and I really focus on creating insights which could be member pain points or moments that matter to them and really try to design experiences to address those pain points.

Loren McCaghy: Great, thank you both very much for joining us. We're very excited for this. We're going to start off with some questions. As you guys are thinking about this year, this

coming AEP and the impacts of COVID, what are you thinking about differently this year and what are you doing differently? Archie, why don't we start with you?

Archie Day: I think these are unprecedented times. One of the areas we are focusing on is how can we stand next to the member and really help them with whatever they need. One of the big things which we are doing is really what we call the social outreach calls. Right now we have completed close to over 60,000 social outreach calls. We are reaching out to our members, especially the high risk members, to really talk about some of the challenges they're facing and how we can help them, which could be anywhere from access to care, to food, or to housing, or any other need. Especially we are seeing that there's a high uptick in calls related to mental and behavioral health. And so, part of this is also supporting those members with those resources. In addition, what we are doing is what we have called a COVID-19 tracking tool where we really try to understand all the questions members are asking us about COVID-19, which could be out of area service, how do they access care, which could be about testing sites, which could be: I have a symptom, what should I do? Or, how do I get access to my doctor? Or how do I get telehealth? One of the big things we are trying to do is how can we be next to the member? I think of the old adage: the friend in need is a friend indeed. That's what we're doing. And then the other thing we're

doing is the service recovery process. Once we identify that there is an issue, which could be an access to member or something around the health care navigation, we reach out to the member and help them with the problems they're facing. And then the third thing we are doing is how can we enable the provider group, especially in California. We're in a delegated network so part of the work is how do we enable the provider group and the doctors with all the best practices which could be around telehealth or other resources. We can help them so that they can take care of the members too. Those are the three things we are really focusing on to help retain the members.

Loren McCaghy: Great, thanks Archie. Joya? How about you? Same question.

Joya Bond: Thanks. We are doing a lot of the same things that Archie just outlined. So, I'm glad to hear we are in good company. Thank you, Archie. We're calling ours bubble wrapping the members- trying to get our arms around them. And it's really about getting down to the individual needs of the members. We do the outbound call because we care. We're calling them just to check in on them. How are you coping? Do you need appointments? Are you able to get all of your medications? Do you have any issues getting to see the doctors and doing Teladoc and all of that. It's really about engaging with them on an individual level and making sure that they understand that we're here and that we're ready to meet their

needs as best as we possibly can- a lot of the same approaches that Archie outlined.

Loren McCaghy: Great, thanks, Joya. Let's build it up a little bit with Florida. I know you guys rely, generally rely heavily, on your retail centers as a part of your AEP strategy and actually throughout the whole year. I would imagine those are significantly impacted by what's going on right now. So, how are you addressing that as a formal approach this year? What are you doing differently? What's that impact look like for you?

Joya Bond: And you're right, Loren, we do normally rely heavily on the retail centers as part of our AEP strategy and we have 28 centers across Florida, but with COVID, obviously we've shut them down. We've decided that even with the shield and the masks, it's just not worth the risk to the folks that would come in and from the community, in addition to our members. It's not worth the risk to keep the centers open. So, what we're doing is looking at how can we repurpose that. Can we do something like mobile testing on the property, outside, but on the property, so we're exploring that now and other ways that we can work with our care management team to reach out and try to have some sort of connection with our members. But, it's a bit of a challenge when you're looking at the beneficiaries and the folks from the community that aren't already Florida Blue Medicare members. We're still exploring what other options we can implement to

have an impact on the community. But, right now we're really focusing mostly on the testing and using the centers for that.

Loren McCaghy: Thanks. And Archie, I know, obviously this new world with COVID means there's going to be substantial changes, anything that we would normally do face-to-face. How is that impacting your approach at SCAN this year?

Archie Day: I think one of the areas we are focusing on is how do we deliver the same experience, but virtually. Part of it is investments in chat functionality where people can really communicate. There's the concept of Zoom - how can the members and the brokers in the field channels communicate and also investments into the online enrollment area so that the members can communicate and do it on their own. Those are some of the areas where we are really exploring and really trying to figure out how we can help members so it's less of a major change for them. But again, the point is that we can't just replicate the entire face-to-face experience. So, how do you deliver a similar experience, but virtually? Those are some of the thoughts which we are exploring as part of the transition.

Joya Bond: Can I add something to that for Archie? Just to share, we're doing that chat as well and it works wonderfully well. The members love that so I would encourage you in that. That's a great option to give them.

Loren McCaghy: Great. That's awesome. Thanks, Joya. As Tamara discussed in the research, MA members' consumer sentiments are highly correlated to their initial experiences with a health plan. As you think about your strategies, how much focus and emphasis do you put on those initial interactions and what are some tactics and techniques that you use as a part of those initial interactions to get people engaged and basically on board with you with a positive experience right out of the gate? Joya, you want to start with that one?

Tamara Clough: Sure. We're trying to make a real effort to touch these members as early as possible. We all do things like welcome calls, which are sort of on their way out, but we're still engaging in those as well. We're doing all sorts of written communication with the members, letting them know that we're here for them. We're trying to connect with them before they even get their welcome kit because we want to welcome them into the family. We want to give them instructions on how to access their benefits, find out if they have any needs coming in that we can assist them with right off the bat. That's pretty much where we're focusing a lot of our efforts right now in trying to think of new and inventive ways to get in front of them because the calls are more problematic. The connection rate/success rate tends to be low. We sent out sorry we missed you cards and mailings when we couldn't connect with the members

that included masks, which I think all health plans are doing now. We're just looking at other ways that we can touch them as soon as possible.

Loren McCaghy: Great. Archie, how about you? What are you doing at SCAN around those initial engagements to get people engaged?

Archie Day: It's really about a pre-effective experience as I always think about the member journey; especially from a prospect to a member, I feel like there's the radio silence period. What I call between when the member is enrolled, but not effective yet. And there's that anxiety about what's going to happen. Our efforts are very similar to what Joya was talking about. The way we have been thinking about it is how can we, as Joya you mentioned, how can we understand the needs of the members and help the members? In addition, we are thinking of a startup guide concept- how do we set the right expectations or how do we manage the expectations of the member or the prospect coming in? And then the other area we are really thinking about is as they are coming in, what are some of the surprise or the unknown areas which they might encounter, which could be something around, how do I use the benefit, or what does that mean to my current state of healthcare? And so, the areas we are really focusing on are the coordination of care, coordination of medicines, specific around building that pre-effective journey experience. Those are some of the areas where we are focusing in addition to what Joya,

you were talking about, which I think are excellent. I would expect my mom to go through that same experience and have that experience of really understanding what she is getting into and so that she is aware of it.

Loren McCaghy: Great, thanks. Tamara, you want to talk a little bit about what we're seeing more broadly in the industry around there?

Tamara Clough: I love that term pre-effective and the whole radio silence because when is that period the longest, but during AEP, right? We have seen plans putting more focus on the onboarding process, but a lot of times that focus is still in the time period I would call post enrollment and so where I think there's opportunity is upstream within the sales and enrollment process as agents are having those initial interactions with prospective members. Again, onboarding is often thought of as a service team or enrollment team responsibility. And, in many cases, you have a multidimensional sales strategy, right? With members coming in through a variety of sources, you might have external brokers, internal captive agents, telesales, online sales. Dropping them to a common onboarding experience definitely makes sense and it gives everyone a common starting point, but you have to remember that all those other earlier interactions are part of that member's journey. And like Archie said, you have to think about what expectations are you setting during those early phases because those are

going to have a significant impact on that member's loyalty to your plan. And, they bring their baggage with them when they come on. You have to take that into consideration and do as much as you can to make sure that's a consistent, positive experience and one where expectations are set clearly for what happens next.

Loren McCaghy: Great, thanks Tamara. Archie, I know you have done a lot of analysis on the impact a customer experience has on NPS and retention. What insights would you like to share on how SCAN is leveraging those insights to improve the customer journey?

Archie Day: Yes, we employ a multitude of tactics which encompass both focus groups, qualitative research, ethnographic, plus quantitative where we use machine learning to really analyze a lot of the unstructured data, such as calls, to really create the insights. When we looked at the onboarding journey, both from a lens of brand and brand loyalty, such as NPS and recommendation, as well as retention, what we saw was I think what Tamara was also speaking about. The first year members, especially members in the first year of tenure, are way more likely to leave the plan compared to a member who is three or more years. And even when we look at that from an NPS perspective, a net promoter score for a new member is always less than an NPS for the members with higher than three years. One of the interesting insights we also found is

what I call the “may I” experience. What it really means is that when we looked at the analysis of why people, especially the new members, didn't give a highest (neither a promoter or a detractor), but they were passives, what we realized for them it was like a “may I” experience- I didn't know you well enough to become a promoter of you and neither I don't like you enough that I want to be a detractor. They were in that good passive zone. This brings home the point, which we were just talking about, about how do we build that welcoming experience, that red carpet experience, or that white glove experience so that when they come in, the onboarding is awesome. That's one of the biggest insights which we understood about onboarding and the relationship to NPS, which really helped us think about building that pre-effective kind of journey.

Loren McCaghy: Great, thanks. Joya, how do you leverage analytics and how do you assess how you are doing and make adjustments?

Joya Bond: We actually use a lot of what most plans use- the predictive analytics. We do various surveys. We do a lot of the things that Archie just laid out. We do white glove service, making sure that we are really trying to give the members specialized service. We've done that within our member services organization. We've done it with our pharmacy partner because pharmacy is normally a big pain point for our members. And interestingly, even though the national numbers are down, our

numbers are up on Medicare. I probably shouldn't say that without knocking on something. I think that's because of the extra work that we're putting in to really get our hands around the members and let them feel that we are here and that we are going to be with them and walk them through the journey. We're also doing several of things Archie mentioned – the packages that we're sending out, how we give and create these how to packages, how to access the care, how to make sure your drug is on the formulary, how to access the supplemental benefits. We're doing a lot of that type of work as well.

Loren McCaghy: Great, thanks Joya. Earlier we touched a little bit on the role and importance of digital and mobile solutions as an enabler of engagement and how that's becoming more and more important, especially as agents come in. In general, seniors are becoming more digital and mobile and COVID has just accelerated that. Let's talk about specific examples we're seeing in the industry in terms of solutions, focus, and maybe what's working or not working in terms of digital and mobile solutions. Tamara, why don't we start with you on what we're seeing broadly in the industry. Then we'll go to Joya and Archie.

Tamara Clough: I would reiterate much of what you just said, Loren. Digital is only going to become more important in the Medicare space and plans can no longer cite under utilization by this segment of the market as a reason not to invest in

digital-based services, digital-based solutions. People coming into Medicare now, they're not just browsing for new shoes, right? They're buying the shoes and they're going to keep doing that with the organizations that give them the best experience. Things like free shipping, free returns, and other perks. Their expectations for a digital-based experience are much higher. I'm not sure across the industry if anyone's really doing a crackerjack job in this space right now. There's a ton of opportunity and certainly a lot of efforts, but enabling members to log on and check claim status on an app on their phone, that's kind of underwhelming at this point, right? It's not going to wow them. Now, if you can give them a way to access all their supplemental benefits on day one in a cool app on their phone and it connects with all the different vendors that you've hired to administer those supplemental benefits and they can look up a drug on the formula, to Joya's point, or the formulary, that could wow them in this space. And I think there is a lot of great thinking going on in this space. I haven't seen a ton of examples of a real wow factor at this point in time. I'd love to hear them if they're out there.

Loren McCaghy: She has thrown down the gauntlet with what you're working on. Joya, could you tell us a little bit about Florida Blue and how you're approaching people with mobile?

Joya Bond: Yeah that's tough. She's

absolutely right. We have an entire initiative called digital transformation that was recently launched because we are absolutely committed to getting into this space and figuring out how to do it well because it is a challenge. In this sort of untapped territory, we've got a couple of things going on. We have that whole initiative where we're looking at new and inventive ways to really explore and expand the touch point with the members and that's from a digital perspective. And then we're trying to enhance what we already have. When we have our member health link, where they go on and they do their assessments and access information, we're making modifications to that. I'm going to use claims as an example; they check their claim status, but they can also check their out-of-pocket costs. They can check their benefits. They can check to see if their drugs are covered on the formulary. They can do a slew of other activities. We're rolling that out now, fine tuning that, looking at things like how do we connect them in the social space? Because the seniors today are much savvier, right? And that's something that will help them in COVID, but it'll also help us all as we move forward. Trying to connect them through other social channels where there are like-minded or people in their same age demographic, or in the same situation that they're in, that they can touch point with over the internet and over their phone or through their computers. We're looking at things like that as well, but really just trying to peel back anything we can find that would be impactful

in this area. It's a tough one. I'm hoping, Archie, you've already discovered some things that I can take some notes from as we move forward.

Loren McCaghy: Yes, Archie, do you want to chime in from a SCAN perspective?

Archie Day: I wish, right? I think this is a challenge. This is an opportunity. I like the point, Tamara, you were making about how expectations have changed within the very last few years. People think if I'm trying to get into a new plan, let me call the health plan up. And it was intentionally complex. The behavior has completely changed now where they would rather go to the health plan's website and actually look for the information by themselves, make some sort of decision and calling is kind of the last thing they're doing just to either close the deal or to get more information to make a decision. At SCAN we have been thinking how we can help the prospect make a good decision about the choice of their health and their healthcare. A lot of our investments are around the prospect-facing portion of the website, where they are able to make good decisions. There is a sort of geocode base plan finder answering some of the basic questions such as, how do you find your drugs are covered? How do you find out if your doctor is covered? And if you don't, how do you find the right doctor for you? A lot of the work which we have been doing has been focusing on that. In addition, as I mentioned, we

are spending a lot of time and energy in understanding electronic enrollment, understanding how online check can help. As Joya said, we focus on understanding their needs and helping them achieve their needs, which is part of self service, which is part of ease, effectiveness and meaningfulness, which is our vision of our experience. How do we make it super easy? How do we make it solve their problem? And how do we make that experience meaningful so that they can remember that experience. It's like the adage: it's not how it was; it's how it made me feel. We focus on that.

Loren McCaghy: Great, thanks. We've just got a couple minutes left, but I wanted to touch a little bit on the last point Tamara was making around what we're seeing in terms of the importance of supplemental benefits as an enabler of retention and how important that is as people are thinking about the shopping and retention experience. Archie, how are you approaching supplemental benefits and then Joya, we'll let you close out.

Archie Day: One of the things which we work on, the supplemental benefits, we understand are super important, especially dental benefits. Dental is different from medical benefit, but it's viewed as if it's a medical benefit. We focus on teletalks where we actually talk about the benefits with a large swath of members and explain a lot of the supplemental benefits- what it means, how to access it. Then through our

contact center services, we really try to help the member access those services as easily as they can.

Loren McCaghy: Great. Joya?

Joya Bond: I like the teletalk. I made a note on that one. I'm going to look at that. We actually walk members through our member services department, much as Archie said. We're also covering it in those quick touch points that I had mentioned earlier. When the member enrolls, we immediately are trying to reach out to them and walk them through because the supplemental benefits are often problematic. They become a point of dissatisfaction with a lot of members. We want to make sure they know how to access them and how they can benefit them, and then walk them through whatever questions they may have. We're looking at putting together a flyer or a "how to access" piece of communication that goes out in our welcome kits or as a separate mailing to get them educated. The big key is getting them in quickly, making sure they understand how to access all their benefits, and supplementals are key to that. We are also focusing now on how we educate caregivers on benefits, including supplementals, because they have more and more of a presence with our seniors as they get older. We're incorporating that piece into a lot of the efforts that we have underway at the moment.

Loren McCaghy: Thank you all. And thank you to our panel for all your insights today. We really appreciate your joining us. I'm sure all of the folks

listening in really appreciated the feedback and the information that you gave them. Once again, if you're interested in learning more about anything you heard today, in the slides that will be available to you, there's contact information. Please feel free to reach out to myself or Tamara, or Joya and Archie. I'll speak for them, that they would be willing to field any questions you have as well. Thank you very much for joining. We look forward to hearing from you.