

DEBUNKING MYTHS ABOUT THE DIGITAL MEDICAID CONSUMER

Five Myths You Can't Afford to Believe

Preconceived notions about the Medicaid population are causing payers and providers to miss opportunities to improve the way they engage, treat and manage this large segment.

Are you ready for the truth?

DEBUNKING THE MYTHS

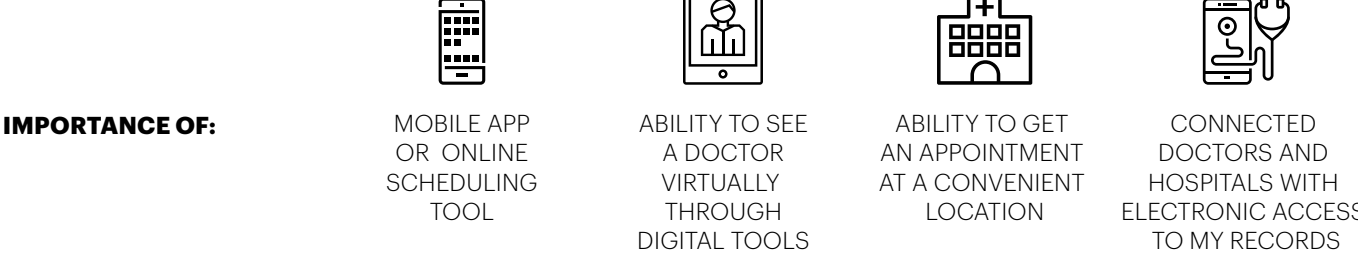
1. The Digital Divide



MYTH: The Medicaid population does not use digital tools.

TRUTH: The Medicaid population's competency with and access to digital technology is not far behind the general public; in fact, this group more highly values digital doctors.

The "digital intensity" of the Medicaid population mirrors the masses with 74% being digitally "experimental" or "transitional" compared to 80% of the general population.¹

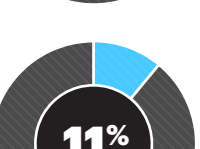


Legend: ■ TRADITIONAL ■ TRANSITIONAL ■ EXPERIMENTAL ■ SAVVY



TRADITIONAL

THEY MOSTLY RELY ON TRADITIONAL CHANNELS & INTERACTIONS. EVEN THEN, THEY LEAVE DIGITAL TRACES.



TRANSITIONAL

THEY SELECTIVELY ENGAGE IN DIGITAL FOR UTILITY VALUE & DISCOVERING HOW THE EXPERIENCE IMPROVES.



EXPERIMENTAL

THEY STRIVE TO LEVERAGE DIGITAL MORE BROADLY BUT MAY NOT ALWAYS BE ABLE TO DO SO.

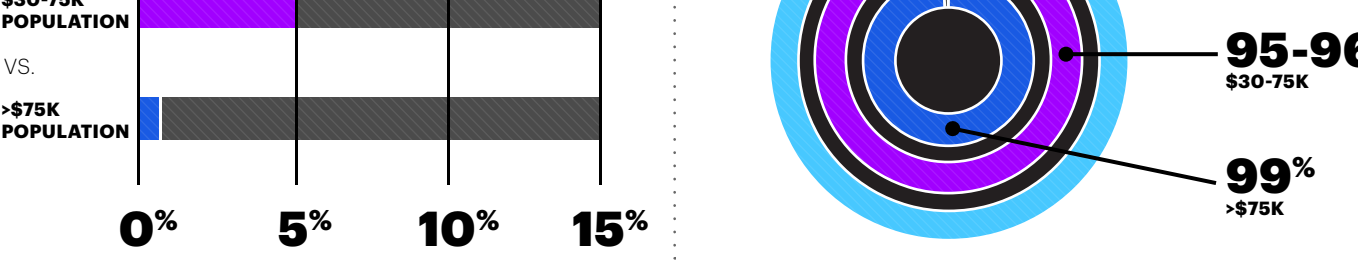


SAVVY

THEY MAKE DIGITAL TECHNOLOGY PART OF ALL DIMENSIONS IN THEIR LIFE. MOBILE ACCESS IS KEY.

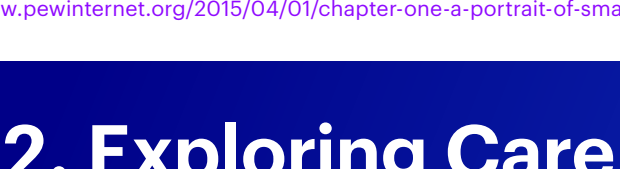
INCREASED SPEED / HIGHER DIGITAL INTENSITY

The Medicaid population values digital capabilities.²



Those making <\$30K per year are more dependent on smartphones for internet access than other demographic groups.

More than half of individuals making <\$30K per year own a smartphone.³



Almost all individuals making <30K per year own a cell phone.⁴

In fact, 64% of individuals making less than \$30K per year have a smartphone.

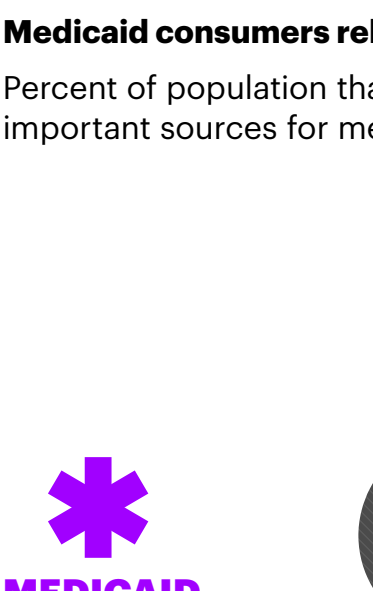


WHAT PAYERS AND PROVIDERS SHOULD DO

To win in the digital era, payers and providers must apply digital as a tool in the same way that they do with other payer populations.

¹ Accenture 2015 Health Consumer Survey
² www.pewinternet.org/2015/04/01/chapter-one-a-portrait-of-smartphone-ownership/

2. Exploring Care, Digitally

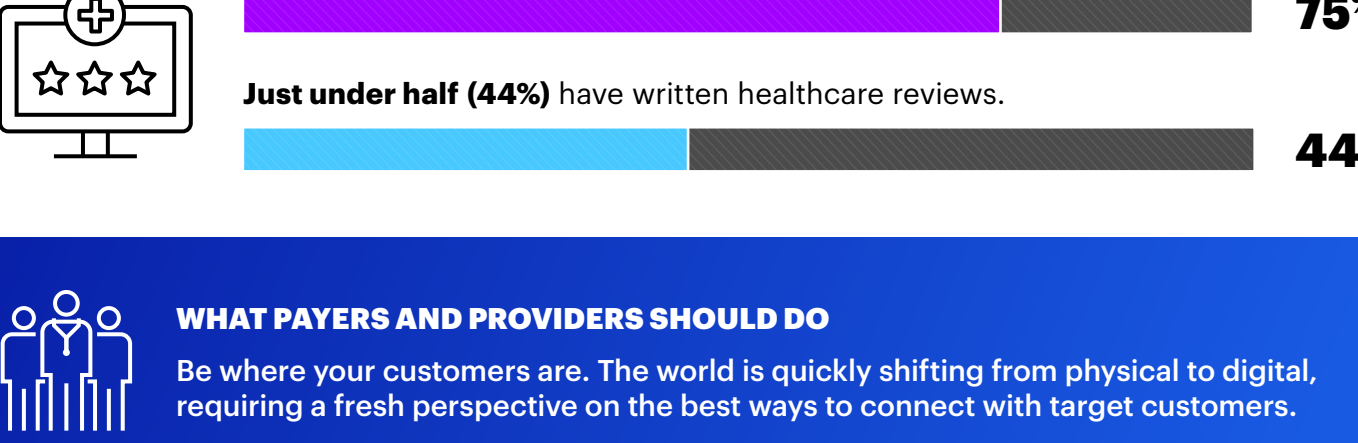


MYTH: The Medicaid population does not use "digital" channels to research, discover and explore care options.

TRUTH: Medicaid recipients rely more heavily on digital channels (e.g., internet, health websites, social media) than the non-Medicaid population, which tends to turn to friends, family and physicians for advice and referrals.⁵

Medicaid consumers rely more on digital channels than the non-Medicaid population.

Percent of population that considers the following channels as one of the top two most important sources for medical advice:



75% of low-income consumers surveyed have read online healthcare reviews.

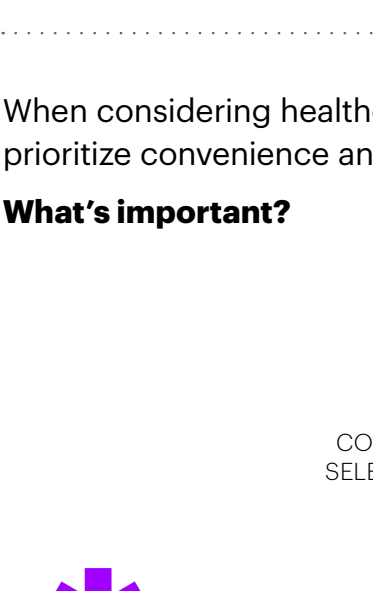


WHAT PAYERS AND PROVIDERS SHOULD DO

Be where your customers are. The world is quickly shifting from physical to digital, requiring a fresh perspective on the best ways to connect with target customers.

³ Accenture 2015 Transparency Survey

3. Experiencing Healthcare



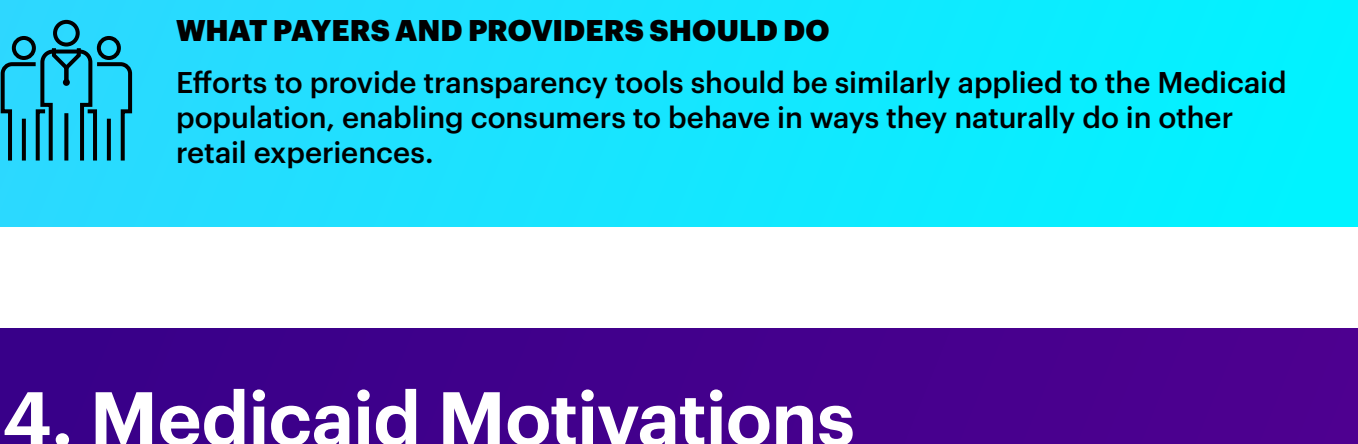
MYTH: When making healthcare decisions, the Medicaid population considers health care cost, access and quality just like the non-Medicaid population.

TRUTH: The Medicaid population is more concerned with convenience and quality of care than the non-Medicaid population.

75% say the most important expectation from a doctor or hospital is the "ability to get an appointment quickly when I need care."

When considering healthcare insurance, Medicaid beneficiaries are far more likely to prioritize convenience and outcomes than the non-Medicaid population.

What's important?

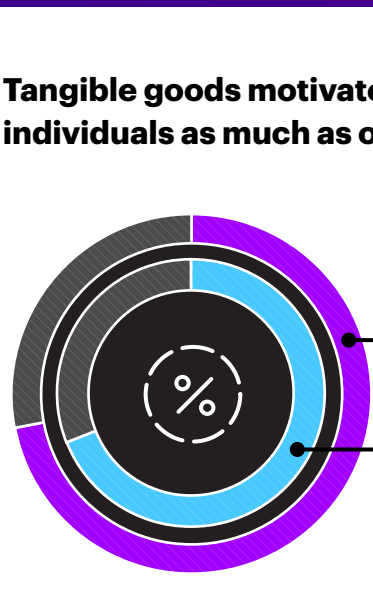


WHAT PAYERS AND PROVIDERS SHOULD DO

Efforts to provide transparency tools should be similarly applied to the Medicaid population, enabling consumers to behave in ways they naturally do in other retail experiences.

⁴ Accenture 2015 Transparency Survey

4. Medicaid Motivations



MYTH: The Medicaid population is not motivated by the same incentives and advertisements as the non-Medicaid population, limiting the ability for payers and providers to change behavior.

TRUTH: Medicaid and non-Medicaid populations react similarly to non-financial incentives; however, non-low income individuals are more likely to act when financial incentives are involved.

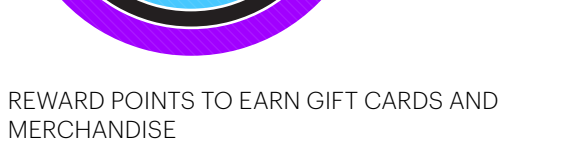
Tangible goods motivate low-income individuals as much as others.⁶



DISCOUNTS OFF ANCILLARY HEALTH SERVICES (E.G. GYM MEMBERSHIP)



REWARD POINTS TO EARN GIFT CARDS AND MERCHANDISE



Financial incentives are more likely to motivate non-low income individuals.

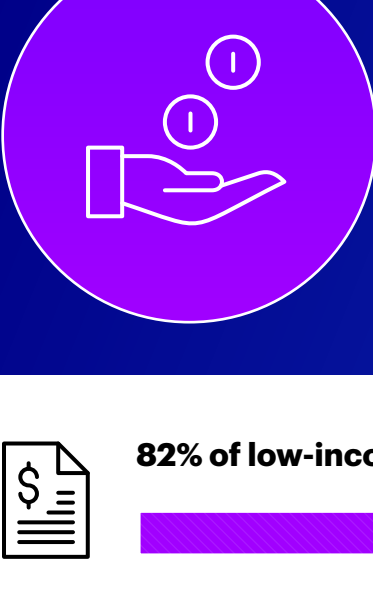
 ARE MOTIVATED BY DISCOUNTS ON PREMIUMS |

WHAT PAYERS AND PROVIDERS SHOULD DO

New approaches to behavior modification should be tested within the confines of federal and state laws, including personalized or contextually relevant incentives and outreach.

⁵ Accenture 2015 Transparency Survey

5. Mindful Shoppers



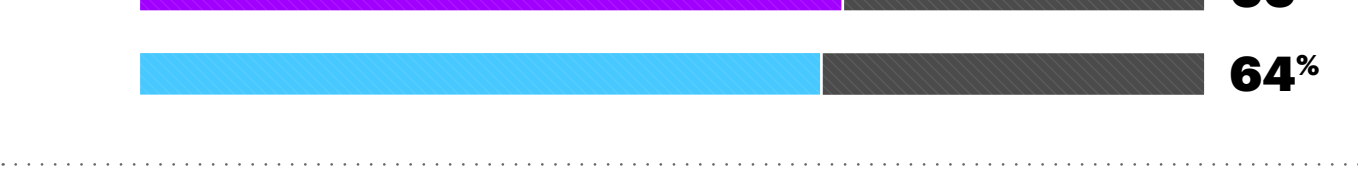
MYTH: The Medicaid population is not concerned with the cost of its state-sponsored care.

TRUTH: The Medicaid population is highly likely to consider cost-saving information, if provided the right way, and is more concerned about out-of-pocket costs.

82% of low-income individuals want cost-saving information from their doctors.



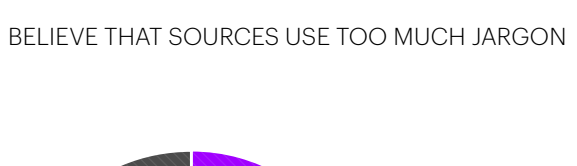
Low-income individuals estimate out-of-pocket costs at a higher rate than the non-low-income population (44% to 39%).



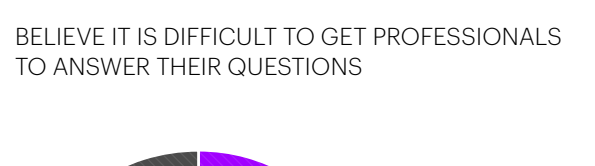
66% of low-income individuals believe that their insurer isn't clear and accurate about out-of-pocket costs (vs. 64% non-low income).



Low-income individuals believe at a far higher rate that medical information provided to them is incomprehensible:



BELIEVE THAT SOURCES USE TOO MUCH JARGON



BELIEVE IT IS DIFFICULT TO GET PROFESSIONALS TO ANSWER THEIR QUESTIONS



BELIEVE THAT INFORMATION TAKES TOO LONG TO UNDERSTAND



BELIEVE SOURCES ARE STEERING THEM IN THEIR PREFERRED DIRECTION



BELIEVE SOURCES ARE NOT CLEAR AND DON'T APPLY TO THEM



BELIEVE THAT SOURCES ARE NOT OBJECTIVE

WHAT PAYERS AND PROVIDERS SHOULD DO

Presenting personalized content will enable consumers to make informed shopping decisions that are right for them, and beneficial to bottom lines.

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About the Research

This research is based on analysis of Medicaid-specific data from two Accenture Health surveys, the 2015 Health Consumer Survey, which captures consumer behavior, preferences and assessment of health insurance, and the 2015 Transparency Survey, which examines the sources of information consumers seek during their healthcare decision-making process, and how they perceive these sources.

¹ Accenture 2015 Health Consumer Survey

² www.pewinternet.org/2015/04/01/chapter-one-a-portrait-of-smartphone-ownership/

³ Accenture 2015 Transparency Survey