



PBGH
Pacific Business
Group on Health

PBGH Consumer Engagement

Supporting Informed
Health Plan Choice

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Ted von Glahn is the Director of Consumer Engagement at the Pacific Business Group on Health (PBGH). Ted is responsible for developing services to help consumers choose and use health care providers, plans and services. This work includes developing quality performance scoring and communications methods and creating and implementing Web-based decision support tools for consumers. He supports the California Office of the Patient Advocate in publishing the statewide consumer report card for health plans and medical groups. Recent activity also includes the development of doctor-level member experience surveys in use by 20 California medical groups, and research about how consumers use such information in doctor choice.

Supporting Informed Health Plan Choice

Employees face increasingly complex choices when selecting a health plan. More than ever, employees need to have information to match care needs with the best health plan option. Trade-offs among cost, quality and service options can be made more transparent by using a plan decision support tool. The Pacific Business Group on Health (PBGH) and its members developed the Web-based Health Plan chooser to help employees evaluate various health plan choices (HMOs, PPOs, personal account plans) and make informed decisions.

PBGH is constantly working to validate the Health Plan Chooser's application and adapt the tool based on member needs. This report showcases how employees and their dependents use the Plan Chooser Tool for decision support. By understanding the key drivers in health plan choice, purchasers can better engage employees, support value distinction, and increase satisfaction with health plan options.

About the Health Plan Chooser

The PBGH Health Plan Chooser enables consumers to report their health status and likely use of health services to project associated out-of-pocket costs, as well as their premium contribution. Integrated health plan quality and member experience information help guide employees to make a value-based purchasing decision. Provider information allows employees to confirm if a family doctor is within the plan's network. Ultimately, the tool

enables employees to create a customized report card of plan attributes and to rank them in order of preference to facilitate plan selection. As employees purchase coverage that best matches their needs, an opportunity is created to better manage total benefits costs.

It is important for a consumer to be able to personalize the information in a decision support tool. Within the Health Plan Chooser, health plan features and characteristics are organized into the following six topics:

- Enrollee's annual premium cost
- Enrollee's estimated annual costs at time of service based on plan coverage
- Doctors affiliated with plan
- Plan quality and service ratings
- Plan rules and features including selection of PCP, referrals, availability of disease management, nurse advice and treatment choice support services
- Covered services and co-payment/cost-share amount

The screenshot displays the PBGH Health Plan Chooser interface. At the top, there are logos for PBGH (Pacific Business Group on Health) and CalPERS. Below the logos, the page title is "Health Plan Chooser" and "CalPERS 2005 Health Benefit Summary". A navigation menu includes "About You", "Costs", "Doctors", "Quality Ratings", "Features", "Services", and "Results".

The main content area is titled "Doctors in Plan" and includes instructions: "Is it important that your health plan include your regular doctor? Use this page to find which plans include your doctor. If using a particular doctor is not important to you leave the not rated selection and click on Continue Rating Plans." Below this, there are instructions on how to find doctors by following three steps: 1. Search for Your Doctors, 2. Close the Doctor List Window and Plans, and 3. Repeat Steps 1 and 2 for More Doctors.

The "Doctor Last Name Search" section shows a search for "Johnson, 95814" with a total of 41 doctors found. The results are displayed in a table with columns for Name, Address, Specialty Certification, and Health Plan (Accepting Patients).

Name	Address	Specialty Certification	Health Plan (Accepting Patients)
Johnson, Anthony	151 N Sunrise Ave Roseville, CA 95681 (Map)	Family Practice	CAHP (Association) (accepting patients) PERS Choice (accepting patients) PERSCare (accepting patients) PORAC (Association) (accepting patients)
Johnson, Beth	775 Sunrise Ave Roseville, CA 95681 (Map)	Marriage and Family Therapy	CAHP (Association) (accepting patients) PERS Choice (accepting patients) PERSCare (accepting patients) PORAC (Association) (accepting patients)
Johnson, Bethelen, MD	2020 Sutter Pl Davis, CA 95616 (Map)	Obstetrics/Gynecology	CAHP (Association) (accepting patients) CCPOA (Association) - North (accepting patients) CCPOA (Association) - South (accepting patients) PERS Choice (accepting patients) PERSCare (accepting patients) PORAC (Association) (accepting patients)
Johnson, Bethelen	475 Pioneer Ave Woodland, CA 95776 (Map)	Obstetrics/Gynecology	CAHP (Association) (accepting patients) CCPOA (Association) - North (accepting patients) CCPOA (Association) - South (accepting patients) PERS Choice (accepting patients) PERSCare (accepting patients) PORAC (Association) (accepting patients)

Measuring Employee Perspectives on Health Plan Choice

For the third consecutive year, PBGH assessed how employees make plan selection decisions using the tool. The most recent survey conducted during fall 2004 open enrollment represents the largest employee feedback base to date – 6,144 employees.¹ Findings remain consistent and validate the usability and functionality of the Health Plan Chooser tool. PBGH also incorporates user feedback to refine the tool.

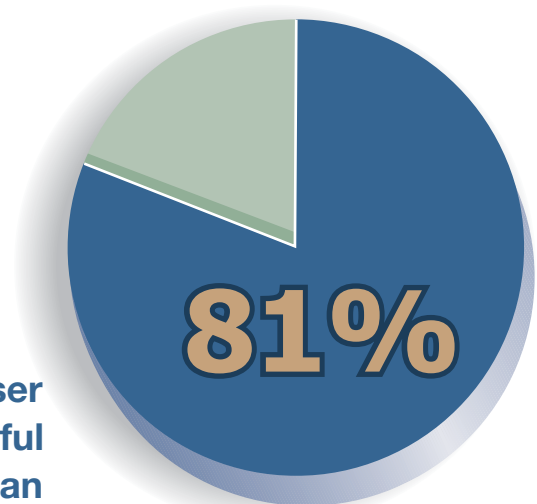
Respondents completed a brief online survey that appeared as a pop-up on the Health Plan Chooser's summary results page. These users were drawn from five PBGH members who provide the tool to their workforce or covered populations: Bechtel Corporation, CalPERS, Stanford University, University of California and Wells Fargo & Company. Most of these enrollees are commercially insured, though a small number of Medicare covered enrollees are included.

Key Findings

Effectiveness of Decision Support

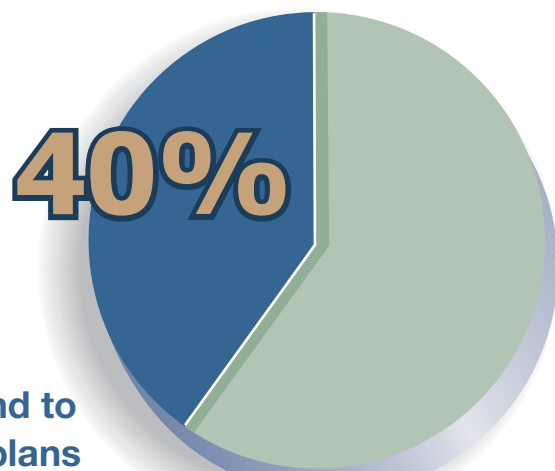
As employees' health plan decisions carry more and more weight, a decision support tool's utility is ultimately determined by its perceived usefulness to employees as part of their health plan selection. Survey findings show the Health Plan Chooser is a useful resource. Eight of ten respondents reported that the tool was helpful or very helpful in selecting a health plan. For the remainder who did not find the Health Plan Chooser to be useful, it is important to acknowledge that online resources may not meet all employees' needs and preferences.

said the plan chooser was helpful/very helpful in selecting a plan



Since the Health Plan Chooser tool helps employees better match their specific health care needs with the most appropriate health plan, the survey measured employees' intentions to change plans. Results showed four of ten respondents intended to change health plans. Notably, the proportion of respondents who intended to change plans varied considerably by employer – from 37 to 70 percent across the five organizations using the Health Plan Chooser. Premium contribution and benefit design changes likely are factors in these differences across purchaser groups.

intend to switch plans



¹ Survey results represent 6,144 respondents or 14 percent of the 43,813 employees and dependents that used the PBGH Health Plan Chooser tool during the 2004 fall open enrollment period.

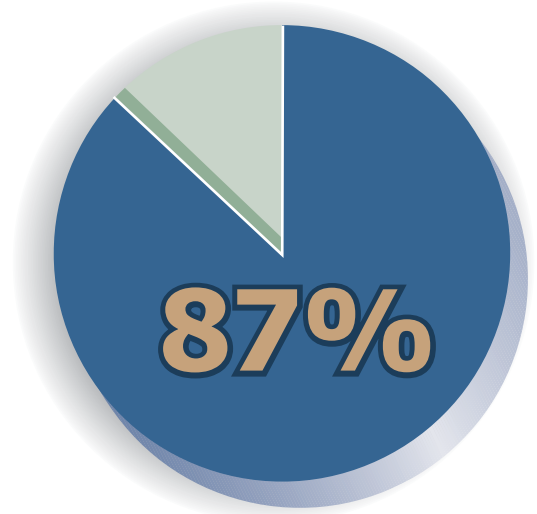
Importance of Health Plan Features and Characteristics in Selecting a Plan

Nearly 9 of 10 survey respondents reported that the Health Plan Chooser’s key attributes to consider when selecting a plan represent a complete set of important plan features.

agree/strongly agree - tool included features most important to employee

As employers aim to achieve value purchasing, it’s critical to know what factors employees rated as most important in health plan selection. The survey asked respondents to rank five aspects of health plan choice (listed below). While each aspect is important to a sizable segment of respondents, the relative importance ranges considerably.

The importance of costs (covered services and monthly premiums) and the availability of a personal doctor to more than half of respondents affirm other evidence that these are threshold choice issues for many. In fact, slightly more than two-thirds of users are interested in looking up a particular doctor within a plan, which is consistent with other survey findings in which 65 to 70 percent of commercial insureds have an existing doctor relationship that is an important factor in their plan selection.



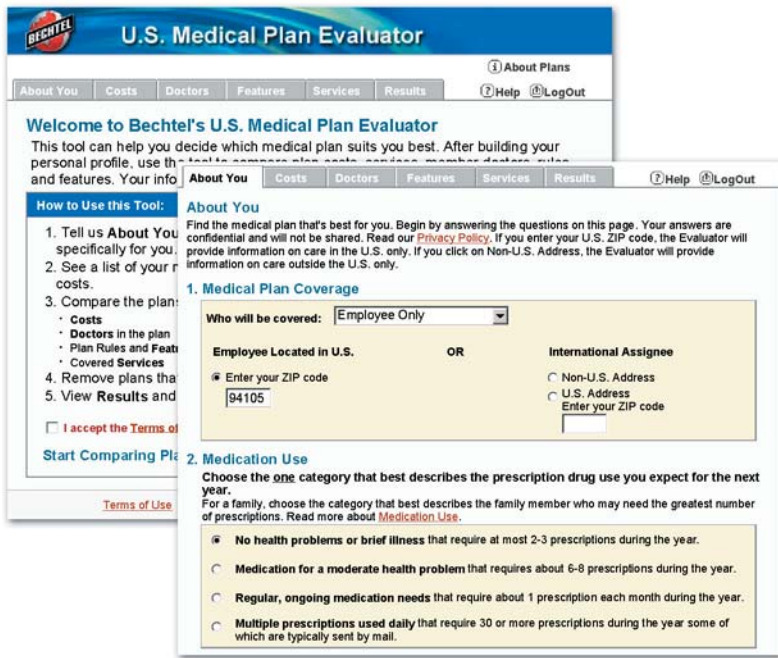
Notably, the health plan choice attributes of highest importance to the most respondents (covered services, monthly premium cost and doctors in plan) pose decision support challenges – a subset of the doctor affiliation data is in constant flux because of changing networks and doctor panels; and cost calculators will need to be increasingly sophisticated as benefit designs become more complex.

While research has shown consumers are actively using comparative quality information when available to choose their doctors and to make hospital choices, this survey showed plan quality was rated important by one-quarter of respondents and unimportant (as compared to other factors) by half of respondents. It is unclear if respon-

Employee Ranking of Health Plan Choice Attributes

	Rated Important % Respondents	Rated Unimportant % Respondents	Mean Rating of Importance*
Covered services and your cost when getting care	61%	19%	3.71
Your monthly premium cost	59%	21%	3.63
Doctors in plan	59%	26%	3.58
Rules to choose and use PCP or specialist	30%	55%	2.58
Plan quality and service ratings	28%	49%	2.37

* 5 = highly important to 1 = unimportant



the population is enrolled in PPO plans with no PCP/referral requirements, b) another subset of people have a history of operating within these rules and c) consumers think the rules are unimportant “as long as their personal doctor is in the plan.”

While “managed care rules” and “plan quality and service” rated the lowest overall, they were still cited as important to a significant number of respondents. More simply, the results may reflect the relative importance of these factors as compared to “cost” and “access to doctors,” but do not necessarily imply that they are unimportant.

A small number of survey respondents reported an interest in considering the

dents, who rate its importance low, discount the usefulness of quality information (e.g. lack of health plan discrimination), its relevance to their health and care experiences, or are deterred because of the cognitive effort of interpreting unfamiliar performance information.

Managed care rules, which include those rules used to choose and/or use a PCP or specialist, obtain referrals, etc., were ranked as important to one-third of employees and unimportant to slightly more than half of employees. The relatively low importance of “managed care rules” may be explained by several factors: a) a segment of

following additional aspects of a health plan when making a plan choice:

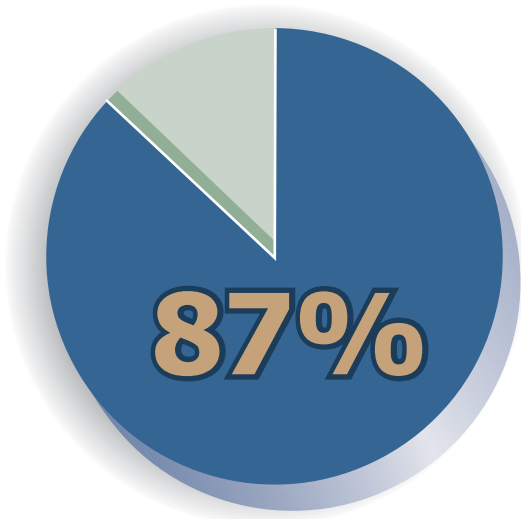
- Medications covered with the plan’s drug formulary
- Hospitals in plan network
- Member/family plan eligibility rules (e.g., dependent age/residence conditions)

These additional plan attributes highlight the fact that consumers are becoming more informed about benefit designs and how these complexities can affect them personally.

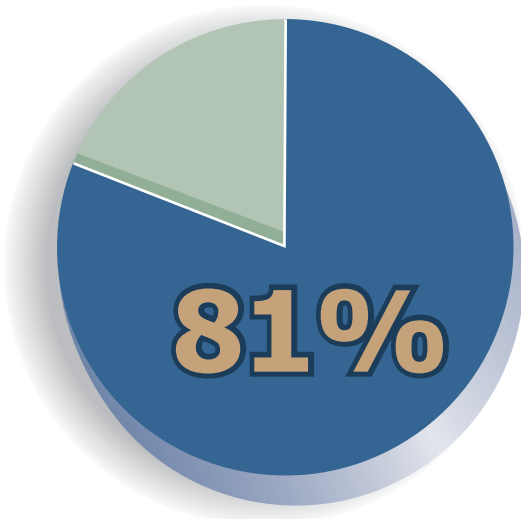
Health Plan Chooser Tool Use by Web Page Topic

	Visits to Web Page % Site Visitors*
User’s premium cost and estimated annual costs at time of service	89%
Doctors affiliated with plan	69%
Plan quality and service ratings	53%
Plan rules and features: selection of a PCP, referrals, availability of disease management nurse advice and decision support services	47%
Covered services and co-payment/cost-share amount	45%

* page visits as a percentage of “About You” page visits - user begins session here



said the Plan Choose was easy to use



said the information was clear

Decision Support Tool Use

Online health resources are available at consumers' fingertips and are being used more and more. This technology can help many consumers feel comfortable accessing and evaluating health care information.

Eighty-seven percent of respondents found the plan Health Plan Chooser easy to use, affirming the tool's intuitive navigation and function, as well as the relevance of the plan attributes to plan choice.

Overwhelmingly, surveyed employees reported benefits information, provided via the tool, was clear. The Health Plan Chooser's instant, easy access to comprehensive benefits information, including explanations that elaborate on a typical benefits grid, supported information clarity.

Improving Use and Adoption

Usefulness of Health Plan Choice Applications

Rather than relying on a 65-page benefits booklet, employers are increasingly adopting online benefits administration tools that reduce dissemination costs and make a broad array of information readily available. User feedback validates that the PBGH Health Plan Chooser provides important information and brings value to employees. Insights from early adopters will help to further evolve the Health Plan Chooser to best reflect employee information needs and preferences, as well as meet employers' specific benefit support needs.

Areas for enhancement of the tool and benefits information include:

- Verified doctor information
- Expanded cost calculator functionality
- Customized plan benefit comparisons

To advance the tool and assess other decision support resources, it is valuable to analyze feedback from the minority of survey respondents who did not find the Health Plan Chooser helpful. As previously mentioned, the tool will not meet all employees' needs. Certain groups of employees may be unresponsive to online

Plan Rules & Features

Medical plans' rules and features affect which doctors you can see, whether you get care that's proven to work and if you're well informed about your treatment choices. Use this page to decide which medical plans' rules and features best fit your needs. [Read more about Medical Plan Rules and Features.](#)

Rate each plan based on how well its rules and features match your needs. **Good fit** means you can do what you want in the areas you care most about. Choose **so-so fit** if the rules or features limit your choice in a key area. **Poor fit** means you think the rules or features restrict you too much in important areas.

Tip: You may pay extra to use certain hospitals, doctors or services in some plans. See the services page for details about coverage.

Health Plan	Rate or Remove Plan	Choosing Doctors and Hospitals	Seeing a Doctor	Getting Help with Treatment Choices	Programs for People with These Medical Conditions	Plan Provides First Dollar Coverage
Group Health Cooperative	So-so fit	Choose plan providers from list	Must select PCP; referral required for specialist	Nurse advice by phone. See medical record online	Asthma, Heart Disease, Depression, Diabetes	Pay copays
PacificCare SV HMO - Washington	So-so fit	Choose plan providers from list	Must select PCP; referral required for specialist	Nurse advice by phone	Cancer, Coronary Artery Disease, Depression, Heart Failure, Diabetes, Renal Disease, Neonatal Intensive Care	Pay copays/coinsurance
WF Definity Health Plan Gold	So-so fit	Can see non-plan providers but pay more	No PCP required; can self-refer to specialist	Coaching for health problems and treatment choices. Medical care cost estimator online. Nurse advice by phone. Choose a hospital online aid	Asthma, Chronic Obstructive Pulmonary Disease, Coronary Artery Disease, Heart Failure, Diabetes	Pay provider fee with Personal Care Account dollars; rollover any remainder for future years
Wells Fargo Health Plan	Good fit	Can see non-plan providers but pay more	Must select PCP	Medical care cost estimator online. Nurse advice by phone. Choose a hospital online aid	Asthma, Chronic Obstructive Pulmonary Disease, Heart Failure, Coronary Artery Disease, Diabetes, Low Back Pain	Pay copays/coinsurance in network

Specifically for Wells Fargo, PBGH developed a new display with health plan quality performance data and service information – providing quality ratings across more than 35 health plans coast-to-coast.

In 2004, PBGH released updated versions of the Health Plan Chooser for participating purchasers. New features included consumer-directed plan evaluations highlighting the cost implications of using a personal health account. PBGH Break-through Strategy elements were also added that allowed health plans to be compared on their disease management and treatment option support services, creating further differentiation among plans based on the availability of these high-value services.

Promoting Use of Decision Support Tools

The Health Plan Chooser site visitors who used the tool, as a proportion of total health benefit eligible employees, ranged from 5 to 23 percent of employees. The number of employees who used the Health Plan Chooser, ranged from 36 to 100 percent of employees

as a proportion of employees who selected and/or changed health plans.

The frequency and type of communications provided to employees had a direct impact on the number of employees from each organization who used the tool. Key learnings reflect how employee communication strategies affected usage of the Health Plan Chooser tool. Communications steps that employers can take to yield higher levels of employee use during open enrollment include:

Frequent direct-to-employee communications.

Communication about various aspects of open enrollment, including the Health Plan Chooser tool, ranged from seven direct-to-employee communications to employees, which resulted in the highest tool use; to one communication, which in turn, saw the lowest use of the tool by employees.

applications and prefer more traditional benefits information materials. For example, some employees indicated they had difficulty in using the tool or preferred print materials – particularly side-by-side comparative benefit grids. Others desired “insurance contract” details on particular coverage or eligibility terms or an “answer” on a specific plan recommendation, rather than the best plan options. Some users expressed frustration with accuracy of doctor availability. Dissatisfaction with the underlying health benefits program was also mentioned. Many of these concerns/needs are beyond the capabilities of any decision support application. In light of these findings, an employer should consider maintaining alternative resources to meet varied employee needs.

Purchasers can adapt the Health Plan Chooser tool to meet their needs, such as tailoring the front page to emphasize core benefit messages. In the fall of 2003, Wells Fargo collaborated with PBGH to launch the first nationwide application of the Health Plan Chooser.

Email communication with link to tool. This type of communication ranged from four to zero employee email communications. There was a clear relationship between the number of email communications and the level of Health Plan Chooser use. The most intensive company effort included two emails that were dedicated to the Health Plan Chooser, in addition to other emails that addressed all aspects of open enrollment.

Mandatory online enrollment. Two employers required all enrollment transactions to be completed online. This yielded the highest chooser tool participation rates among employees who changed plans.

Online enrollment was available at work or home via the Internet.

Strategies to engage employees and encourage Health Plan Chooser use included:

- Email communications with site link
- Health fairs
- Online enrollment with site link
- Benefit site link
- Internal mail (paper) listing web site address
- Other employee benefits packet sent by mail
- Mandatory online enrollment

Implications

As demonstrated in survey and user statistics, Web-based chooser tools represent a valuable employer and employee resource. It is important for employees to have resources that clarify and contrast health plan options and understand how key features affect out-of-pocket costs, access to primary care and specialty doctors, and member support services. As workers have better information to make informed decisions about their choice of health plans, higher employee satisfaction can be realized.

The PBGH Plan Chooser, by personalizing benefits information for employers and employees, streamlines benefits communications and reduces administration expenses. From a human resources perspective, there is a key

foundation for an “HR self-service model” through online support and use of personalized information. Chooser tools, like PBGH’s, can lower print and phone support costs, while also making it easier for employers to track employee benefit preferences. The Health Plan Chooser tool also can bolster employers’ value-purchasing strategies by reinforcing core corporate messaging about services like disease management, generic and mail order drugs and nurse advice and health coach resources.

PBGH recognizes that demand for support tools will only grow. Therefore, PBGH will continue to enhance the Health Plan Chooser tool and study other innovative applications that bring the most value to employers and their employees.



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