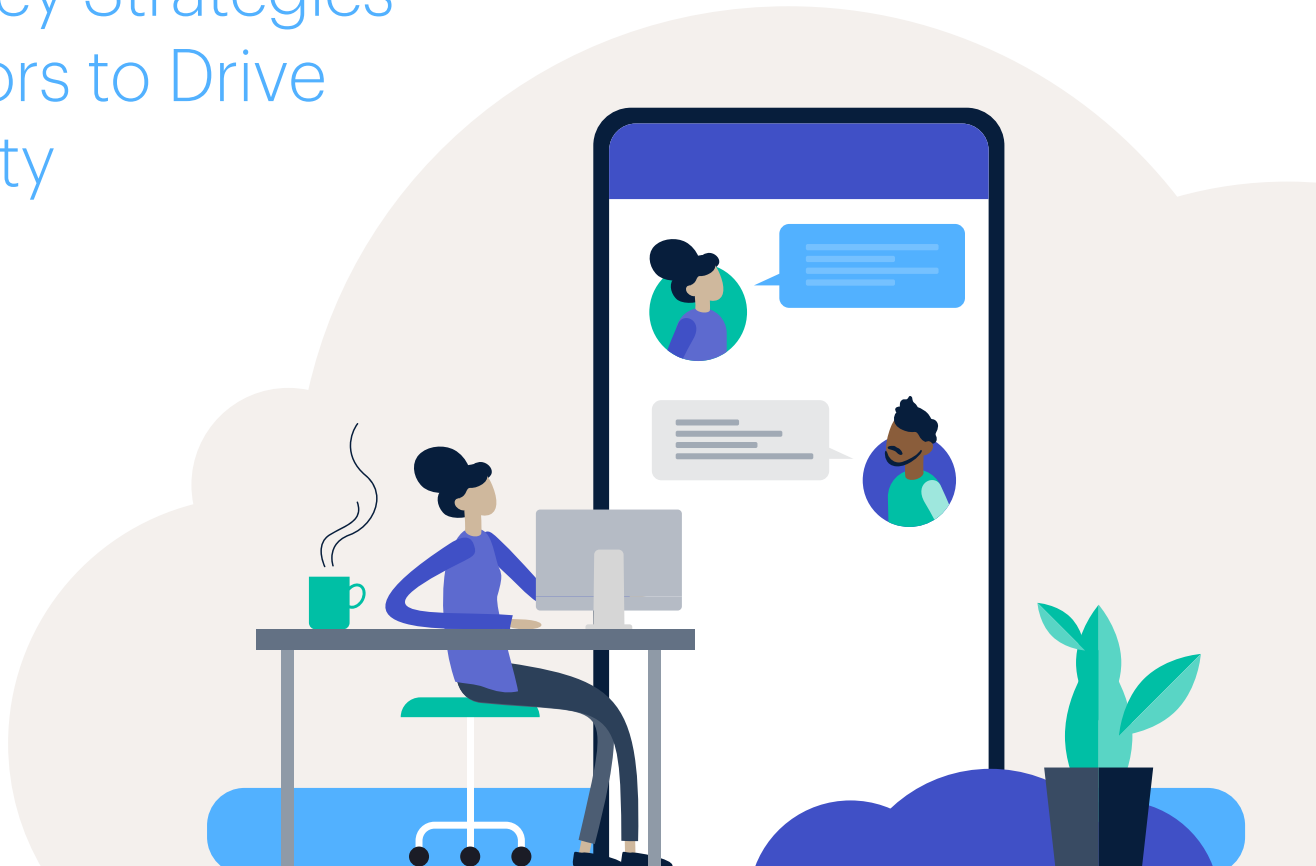


HEALTH INSURANCE REPORT

The Race to Modernize Member Experience

Findings Illuminate Key Strategies
for Employers & Payors to Drive
Engagement & Loyalty

Medallia Zingle



Introduction

The past 18 months have caused society to reevaluate many facets of our lives. From where we live and work to how we consume goods and services, many aspects of life look drastically different today. Few things, however, have been impacted as much as how we think about health and healthcare. As such, never has there been more of a focus on the patient and member experiences -- something particularly relevant as we head into Open Enrollment season.

This year, Open Enrollment comes at a time [when millions of Americans are reevaluating their job situation](#), prompting them to reprioritize employer-sponsored benefits heading into 2022. With a myriad of new offerings aimed at mental, physical and financial

health as a result of the pandemic, employers have a unique opportunity to leverage their healthcare plan to retain and recruit talent at a time when workers have increased freedom and leverage about where and how they work.

With this in mind, the team at Medallia Zingle wanted to see how the Covid-19 crisis has impacted the way American workers think about their healthcare, get a better sense for the benefits experiences that businesses are providing their employees, and see how all these shifts are impacting health insurance companies. To do so, we commissioned a survey to over 1,000 US-based individuals who receive their healthcare insurance through their employers. Here's what we found.

The Increased Urgency Around Open Enrollment & Education

Open Enrollment is always an important time of the year for employers and their staff, but this year, there's much more on the line. Employees are taking a much closer look at what their employers are offering as the Covid-19 crisis continues to illuminate the importance of comprehensive healthcare that meets the unique needs of individuals. Not surprisingly, we found that nearly a third (32%) of all employees that get their health insurance through their employer say that Covid-19 has made them more interested in modifying their health insurance coverage than in years prior.

On the surface, the fact that employees are being more mindful of their health insurance benefits in light of the events of the past 18 months is great news. However, there are several challenges that threaten to complicate

things when it comes to getting employees enrolled in the benefits that are right for them and their families. For one, health insurance is a complex topic that many simply don't fully understand. In fact, we found that a significant 62% of employees say that they only have a basic understanding of their healthcare options and benefits.

Secondly, a 2020 study from [Colonial Life](#) found that 73% of employees spend less than an hour, and 41% spend less than 30 minutes, reviewing their benefits at enrollment time. With a pervasive lack of understanding of the options and benefits available to them, it makes sense then that most employees don't allocate enough time to what, in reality, is an incredibly important decision in ordinary times.



32%

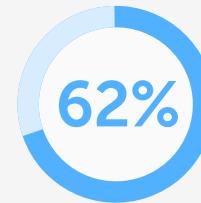
of all employees say that Covid-19 has made them more interested in modifying their health insurance coverage than in years prior.

Further complicating this year's Open Enrollment season is the fact that many organizations are now either fully remote or operating in a hybrid capacity. This has rendered things like in-person meetings — of which nearly a quarter (23%) of employees say their employer relies on to communicate messaging around OE — less effective and contributes to employees' lack of education and awareness about the benefits available to them. With newfound flexibility blurring the lines between the work/home balance, organizations must ensure that even a channel like email (the most popular channel used by employers for Open Enrollment communication (85%)) is still effective without the option to supplement important updates and information through in-person communication.

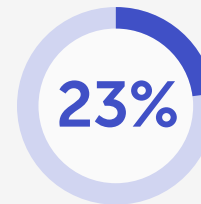
This year, Open Enrollment communication must be done early and often. And with 46% of employees saying that their employer has not started to communicate with them around Open Enrollment as of November 1st, it's clear that some organizations need to pick up the pace and execute a communications strategy that empowers their employees to engage in two-way conversation and get the coverage they need and deserve.

Open Enrollment Season

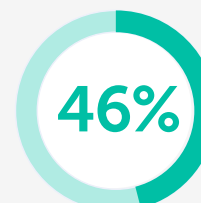
Key Findings



of employees say that they only have a basic understanding of their healthcare options and benefits.



of employers still rely on in-person meetings to communicate messaging around Open Enrollment.



of employees saying that their employer has not started to communicate with them around Open Enrollment as of November 1st.

Health Insurance Payors Facing Less Room for CX Error

Employers and employees aren't the only ones facing new challenges when it comes to healthcare today. Insurers themselves are navigating an infinitely more complex environment as the pandemic has brought forth a myriad of challenges leading to operational and financial obstacles. From the sheer increase in activity that they've faced over the past 18 months as the pandemic heightened the need for individuals to engage with payors, to the misalignment of claims paid and premiums collected due to the financial stress caused by surging unemployment. Insurers are under pressure from all angles.

And now, adding to this strain are the increasing expectations from members when it comes to the level of service and overall member experience that they receive. For instance, 51% of employees who get their insurance through their employer say that

they would switch health insurance providers after just 2 or 3 poor customer service interactions. Under normal circumstances, this is a worryingly small margin for error. But when you consider the fact that many individuals are having to engage more with their health insurance around things like claims processes than they ever have before -- something that more than a quarter (27%) of respondents say is a difficult and confusing process -- the pressure is ratcheted up on insurance payors and their call centers even further.

Consumers are raising their expectations for the service and experiences businesses provide. While this ever-evolving raising of the bar is a challenge for any organization to meet, for complex industries like banking and health insurance where there are multiple touchpoints and stakeholders involved in the experience, consistent and frictionless experiences can be harder to achieve.

As such, it's not surprising that the healthcare industry has traditionally struggled to build customer loyalty -- something that still holds true today. When we asked respondents if they felt a sense of loyalty to their health insurance payor, nearly 60% said "no." In this environment of unpredictability, health care organizations can't afford to leave loyalty on the table. As the industry continues to advance, so too do the choices that consumers have when it comes to choosing a payor that meets their needs and expectations.



60% = No Loyalty

When we asked respondents if they felt a sense of loyalty to their health insurance payor, nearly 60% said "no."

Breaking Down Barriers & Building Loyalty With Communication

When we asked the 42% of consumers who say they do feel a sense of loyalty to their insurance payor what factors make them feel that way, the number one response was “fast and reliable communication.” Similarly, when those that said they did not feel a sense of loyalty to their health insurance payor were asked what they could do to improve this, “fast and reliable communication” was the second most popular response, trailing only behind “quick resolution to my claims and coverage related concerns”. Which, interestingly, is something that is really only possible through a speedy and efficient communications channel.

Few topics are more urgent and as emotionally charged as a person’s health, so it’s no surprise that insurance companies and HR teams with an effective communications strategy are more able to effectively build confidence and loyalty with their members and employees. Indeed, more and more healthcare organizations —

from providers to payors — are adopting technology-driven communication strategies to meet their customers on the channels that they prefer with the immediacy they’re seeking.

For example, HIPAA-compliant text messaging platforms have become especially popular since the onset of Covid-19, when the value of contactless communications methods was realized in telehealth. Leveraging real-time messaging tools, organizations have been able to introduce a whole new level of convenience and personalization in their interactions with their customers at scale. Not to mention how they directly provide patients and policyholders with a voice to communicate their questions, feelings, and even their frustrations, and how they enable healthcare providers and insurance payors to prove to their customers that they are available to listen and take action.



Fast & Reliable Communication

The number one reason consumers feel a sense of loyalty to their insurance payor is because of fast and reliable communication.

After all, no patient wants to feel like a support ticket and no employee wants to feel invisible. This is especially true when it comes to health insurance where an inability to tailor products and services to the customer can result in serious financial and medical repercussions. Yet, we found that only 44% of individuals report that they feel that their unique needs and life situation are heard and understood by their health insurance provider. This further highlights the need for conversational and real-time communication tools, which payors can leverage to not only establish more effective channels for members to easily field questions about claims or coverage, but to build the relationships that allow them to feel understood.

And for teams that are short-staffed or feel that they don't have the bandwidth to execute

a two-way communication strategy that meets their customers' expectations, automated messaging has become indispensable. HIPAA-compliant text messaging platforms that utilize automations prevent teams from getting bogged down by a large influx of messages during peak times or busy periods, especially during Open Enrollment. Research published in the [Applied Clinical Informatics Journal](#) shows that this type of approach has the potential to improve collaboration, communication, and operational efficiency. Meanwhile, experts have written about the [impact of healthcare's digital transformation on productivity and satisfaction](#), with automation in particular yielding positive outcomes when it comes to reducing errors and improving work processes.



HIPAA-compliant text messaging platforms that utilize automations prevent teams from getting bogged down by a large influx of messages during peak times or busy periods, especially during Open Enrollment.

Looking Ahead

It's certainly a unique landscape that health insurance companies, healthcare providers, employers and employees find themselves in. The global health crisis has caused employers to reexamine the employee experience and the benefits they offer their workers, and look at how they can improve support to attract the best talent in this competitive jobs market. Meanwhile, many Americans have armed themselves with heightened expectations of what their member experience should look like, and a greater desire to understand the different insurance options available to them. Unfortunately, their journey to being more informed has been a rocky one, through no fault of their own.

The good news is that effective communication holds the key to fixing many of the challenges hindering payors, employers, and employees' pursuit of a frictionless member experience. When underpinned by effective channels for communication, organizations can fulfill much more than their members' and employees'

needs. They can actually facilitate better relationships with them by giving them more and immediate visibility into their policies, and facilitate more streamlined and personalized interactions in the moment, so their unique needs can be met quicker.

When organizations are able to do this, they can drive increased loyalty and satisfaction, two critical elements that our research shows have been hard to obtain. Not to mention the impact this will have on employers' ability to deliver better employee experiences, and employees' reassurance that they have adequate insurance that meets their unique health needs. So while significant challenges continue to threaten the quality of the insurance members' experience, there is also a tremendous opportunity for employers and insurance payors to upscale their offerings and reward members and employees with exceptional and memorable service today and into the future.



83%

of health insurance customers who feel valued will advocate for the brand.

Source:
Forrester's US Health Insurers Customer Experience Index, 2020

Key Findings



32%

of all employees say that Covid-19 has made them more interested in modifying their health insurance coverage than in years prior.



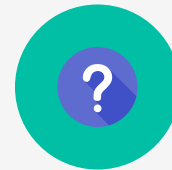
51%

of employees who get their insurance through their employer say that they would switch health insurance providers after just 2 or 3 poor customer service interactions



62%

of employees say that they only have a basic understanding of their healthcare options and benefits.



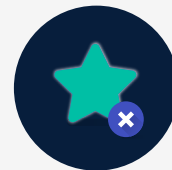
27%

of respondents say having to engage more with their health insurance around things like claims processes than they ever have before is difficult and confusing.



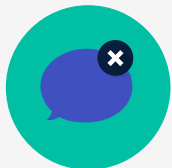
23%

of employees say their employer still relies on in-person meetings to communicate messaging around Open Enrollment.



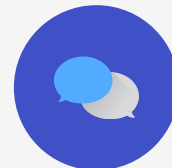
60%

When we asked respondents if they felt a sense of loyalty to their health insurance payor, nearly 60% said "no."



41%

of employees saying that their employer has not started to communicate with them around Open Enrollment as of November 1st.



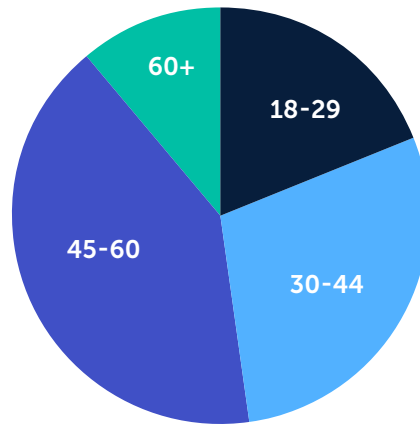
42%

of consumers who say they do feel a sense of loyalty to their insurance payor what factors make them feel that way, the number one response was "fast and reliable communication."

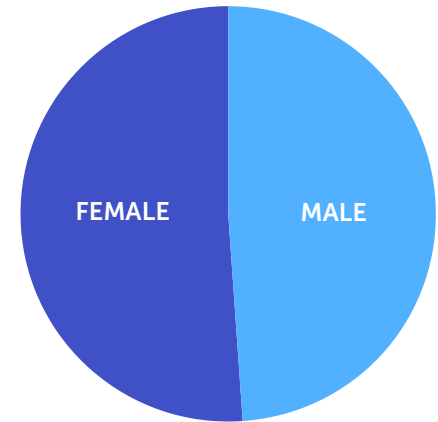
Methodology

A digital survey between October 6, 2021-October 29, 2021 of over 1,100 American individuals who are currently enrolled in their employer's health insurance offering was weighted by age, region, and gender.

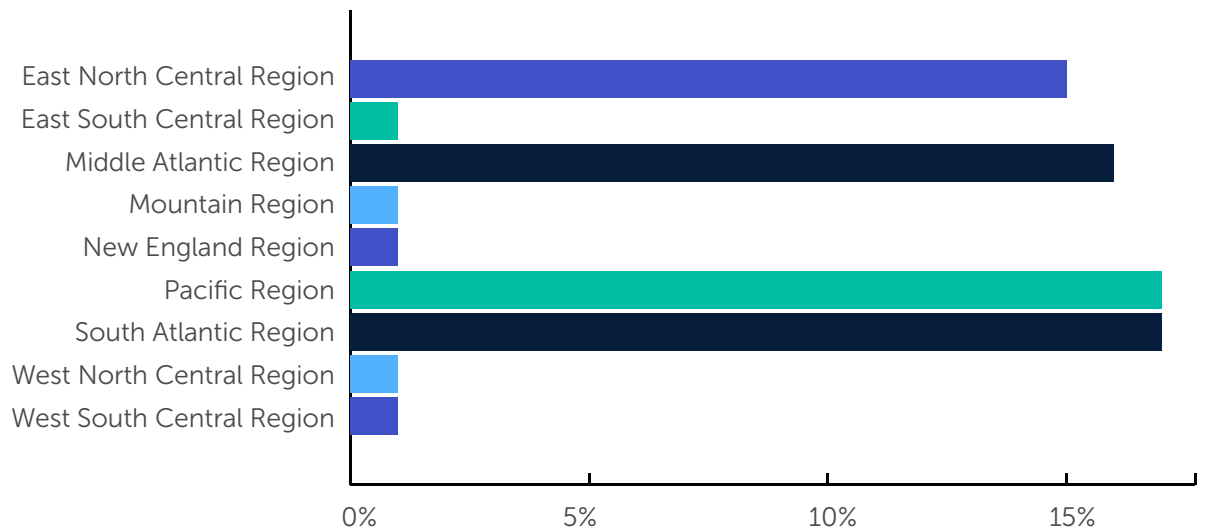
Age Breakdown



Gender Breakdown



Geographic Breakdown



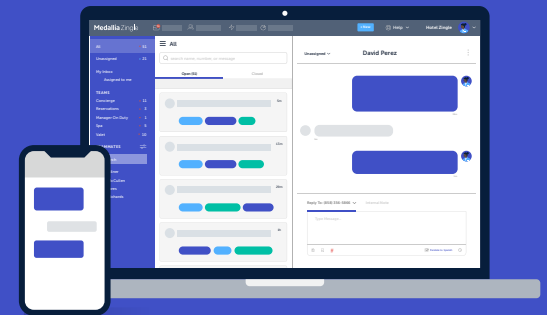
About Medallia Zingle

Medallia Zingle empowers businesses to engage, support and respond to customers in more meaningful and impactful ways. Zingle's customer engagement platform combines artificial intelligence and machine learning with workflow automation and mobile messaging, allowing brands to easily deliver exceptional customer experiences in real time. Leading brands across different verticals, including hospitality, food & beverage, retail, and more, use Zingle to increase efficiency, improve operations and delight their customers. Zingle is a division of Medallia, the pioneer and market leader in experience management. Find out more at zingle.com.

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