

State Health Reform Assistance Network

Charting the Road to Coverage

ISSUE BRIEF

Executive Summary
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Boosting Enrollment: Lessons Learned from 2013-2014

Prepared by *Jon Kingsdale, Kathie J. Mazza and Kerry Connolly, Wakely Consulting Group*

Executive summary

As part of Wakely Consulting Group's (Wakely) participation in the Robert Wood Johnson Foundation's State Health Reform Assistance Network, the authors interviewed staff at five successful state-based marketplaces (SBMs), as well as field personnel under contract to the same SBMs, to learn what could be used from the first open enrollment to improve sign-ups for 2015. While broad educational efforts, such as informing citizens about the Affordable Care Act (ACA) and helping patients navigate the health care delivery system, are certainly worthy objectives, this paper focuses on the challenge of getting low- to moderate-income people to purchase qualified health plans (QHPs). While marketplaces also play a role in Medicaid/Children's Health Insurance Program (CHIP) enrollment, QHP enrollment is uniquely their responsibility, and selling a selection of health plans differs significantly from enrolling beneficiaries in free coverage. This paper focuses on QHP enrollment because improving the ability of SBMs to reach and enroll more people in commercial insurance, especially the uninsured, is so challenging. To the extent that SBMs believe that they should, and can afford to, pursue broader goals than QHP enrollment, they should recognize that the recommendations in this paper relate to only a subset of their outreach and communications mission.

Of course, fixing the basic functionality of SBMs so that consumers, brokers, navigators and insurers can rely on the marketplace to perform its core functions well, and to provide credible and timely information, is the single most important "fix" for improving sales. This is well recognized by all, and there is little that this study has to offer by way of suggestions for doing so. Rather, the authors focus on the marketing and sales efforts that can optimize enrollment, assuming that an SBM's core functions work.

We organize these recommendations based on observations drawn from Colorado, Connecticut, Kentucky, Rhode Island and Washington, plus an occasional reference to other states. We have reviewed the observations and recommendations with staff of the five SBMs in an effort to improve accuracy and ensure validity. Nevertheless, these are qualitative assessments, based primarily on interviews filtered through the authors' experience in operating and consulting with SBMs and private health plans. The recommendations are set forth in this Executive Summary with a brief summary of related observations. The observations are detailed in the associated issue brief.

ABOUT STATE NETWORK

State Health Reform Assistance Network, a program of the Robert Wood Johnson Foundation, provides in-depth technical support to states to maximize coverage gains as they implement key provisions of the Affordable Care Act. The program is managed by the Woodrow Wilson School of Public and International Affairs at Princeton University. For more information, visit www.statenetwork.org.

ABOUT WAKELY CONSULTING GROUP

Wakely Consulting Group is an actuarial and healthcare consulting firm specializing in government healthcare programs including state and federal reform, Medicaid and Medicare Advantage. For more information, visit www.wakely.com.

ABOUT THE ROBERT WOOD JOHNSON FOUNDATION

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For more information, please contact Jon Kingsdale at jonk@wakely.com or 617.939.2008.

SUMMARY OF OBSERVATIONS

Observation: All five states consider an early start to building public awareness and generating leads to be important to enrollment success. These states feel that they did begin early, but some felt that it was not early enough. Navigators, brokers and issuers generally commented that training on websites and back-office systems was neither adequate nor timely, and the SBMs generally agreed. The states are all concerned about renewals for 2015, and understand that renewal planning should begin as soon as possible and that training for both new enrollment and renewals should be better than it was in 2013.

Recommendations:

1. Evaluate penetration of target markets (neighborhoods, towns, counties, linguistic groups, demographic groups, etc.) as soon as possible, and focus advertising and sales on specific population segments. Coordinate advertising with the ground game of enrollment events, and coordinate both advertising and enrollment events with the brokers, navigators and other enrollment assisters that have special ties to those target markets. End-to-end coordination is key to direct sales.
2. Continue to generate leads for brokers, navigators and other enrollment assisters, but develop less expensive ways than those typically used in 2013 to build awareness. Having built a baseline of awareness, SBMs must continue some use of mass media to maintain awareness, but should carefully target much of the advertising dollars to high-priority segments (e.g., postcards and billboards in certain zip codes, foreign language media, digital advertising).
3. Renewing existing enrollees is a high priority for 2015. SBMs need to develop both subsidy redetermination and QHP re-enrollment processes for renewing enrollees, including decision support and default options. They also need to develop corresponding communications plans with issuers, brokers and navigators. Since these enrollees are also clients and members of brokers, navigators and issuers, they should be included in a joint plan for the renewal process, if only to clarify their respective roles. Doing so as soon as feasible will help in executing a systematic, timely and consumer-friendly renewal process.

Observation: Wrapping a touring RV or bus to generate local buzz increases awareness and visibility, provides recognition to coalition partners and can be used by enrollment assisters to qualify prospects, i.e., to develop lists of potential purchasers. In large cities and densely populated states, walk-in stores and pop-up enrollment centers proved effective, if well located. Enrollment centers physically reinforce the presence of the SBM in target communities, and provide a setting where consumers who feel stymied can get the personal attention they need; and they can be staffed in a cost-effective manner by a combination of brokers, navigators and marketplace employees.

Recommendations:

4. Test and evaluate different ways to establish a cost-effective physical presence in high-priority communities. The experience with stores and vans and buses on tour seems to have been positive, but can be expensive. As the focus shifts from awareness and education to maximizing enrollment with a limited spend, SBMs should track the cost per acquisition (CPA) for different set ups in cities and smaller towns, such as permanent storefronts, roving vans, or pop-up centers, staffed by employees, brokers, assisters or some combination of all three.

Observation: Individual sales are very expensive compared to large group sales, so SBMs will need to focus their resources on the most effective outreach tactics to identify qualified leads and call them to act. For example, to the extent that navigators require grant support from SBMs newly challenged by limited funding, particular scrutiny should be given to their effectiveness as enrollers. Even at the point where a motivated consumer makes contact, there are still many opportunities to lose the sale. For example, Connecticut averaged four 11-minute calls to the contact center before prospects eventually enrolled through this channel. Barriers to enrollment—such as a challenging web experience, long waits to reach a customer service representative, multiple transfers, dropped calls, the inability to resolve problems in one call, different answers from different customer service representatives or glitches in billing—can decrease the ratio of sales closed and exacerbate the general confusion about health insurance. Even with generous federal funding, some SBMs did better than others in generating qualified leads, eliminating barriers to enrollment and integrating the entire marketing and sales effort.

With less time and money for the next open enrollment season, SBMs must increase the efficiency and return on investment of their marketing spend. With far more experience and data, they can develop a more cost-effective sales focus.

Recommendations:

5. Building on the theme of a cost-effective sales focus, integrate all marketing and sales activities. Sales and marketing activities can be most readily integrated by a single, unified management structure under a senior manager responsible for advertising, other promotional activities, internal sales staff and management of external sales channels.
6. Hire commercial insurance expertise and adopt standard industry tools and measures to evaluate and refine the marketing and sales process.
7. Carefully manage the cost of attracting and enrolling members, or the CPA. This requires SBMs to track the cost and results of marketing campaigns and different sales channels in order to compare the costs for enrolling customers in QHPs using standard metrics and techniques for direct marketing and sales.

Observation: The management and training of navigators and brokers is challenging. Because SBMs were all racing to develop their systems for October 1, 2013, there simply wasn't time for adequate, hands-on training. Moreover, the two sets of actors are very different in orientation and expectations. For example, most navigators do not depend upon the volume of sign-ups to determine their personal compensation. They are instead driven by mission to help clients with eligibility determination for public programs and may be most familiar with their state's Medicaid and CHIP programs. Most brokers are "producers," focused on commercial enrollment and coordination with the health insurance issuer, but are unfamiliar with Medicaid and CHIP. Typically, navigators know the Medicaid/CHIP programs far better than brokers, and typically brokers know commercial insurance far better than navigators. Moreover, many navigators view their role as supportive, with or without enrollment, whereas brokers define their productivity in terms of enrollments (and renewals) per month. These and other differences, as well as brokers' fears that marketplaces intend to replace them with navigators, sometimes led to mutual suspicion and distrust between brokers and navigators. While far from entirely dissipated, over time some brokers and navigators found ways to overcome distrust and work together productively, recognizing their complementary strengths and knowledge.

Recommendations:

8. Recognize and accommodate the different roles of navigators and brokers. Do this by: (a) introducing and helping brokers and navigators work together or make referrals to each other; and (b) developing data collection tools that allow both to share credit for cooperating on enrolling a client.
9. Focus navigator and broker training programs less on the basics of the ACA, and more on the specifics of the insurance application and the operational support available for problematic cases or application glitches. While timing of systems development for 2014 delayed hands-on training, in-person, hands-on training on the SBMs' systems in advance of November 15, 2014 will be critical.
10. First and foremost, SBMs must fix their systems, and a systematic assessment would be very helpful. Evaluate the obstacles to enrollment and ensure execution of those components critical to an easy and simple enrollment experience.

Observation: Navigator programs were most successful when tailored to a specific region or community. Particularly for linguistic and ethnic communities with high rates of uninsured, use of navigators with roots in the community was very helpful. Similarly, certain brokers in some areas proved very effective, whereas many certified brokers did not produce much enrollment, at least in the initial open enrollment period. To maximize productivity across the state, it will be important to identify and work with effective navigators and productive, motivated agents in each region. The concept of lead entities for navigators by region seems equally applicable to lead brokers by region.

One of the most credible and widely cited sources of information about SBMs was local news stories. They can be relatively inexpensive to generate. Similarly, issuers will be advertising in advance of the next open enrollment season, and should have a strong interest in joint marketing activities.

Recommendations:

11. Focus marketplace's limited human and financial resources on the navigators most effective at enrolling individuals and families, particularly in QHPs. On the one hand, this may necessitate culling navigators focused more on mission-based outreach and less on QHP enrollment; on the other hand, continuing support for some of them will be especially important for enrolling hard-to-reach target segments and for maintaining politically important alliances.

12. To maximize the use of brokers as a free resource (excluding a few “non-brokered” markets), consider developing local marketing and sales plans built around lead agents for each community. Identify those producers across the state that are committed to, and capable of, retaining and enrolling many new clients—initiate a campaign early to recruit them, and focus sales resources and planning on supporting their efforts. Joint planning should aim to drive qualified prospects to them and support their efforts to develop highly productive enrollment processes.
13. To maximize the use of other free or low-cost resources, focus on generating as much earned media and marketing support from issuers as possible.