

---

---

# Helping Consumers Use Their Coverage

---

---



Get Covered Illinois Partners,

The Marketplace Open Enrollment Period allows consumers to access affordable and quality health coverage. We know that many newly insured consumers, who will be using coverage for the first time, probably will have questions, but could be reluctant to reach out for help when navigating the health care system.

As an Assister, you are a valuable resource for consumers who have questions about using their health coverage. By communicating in a clear and concise way, you can help consumers understand their health coverage. This toolkit will help guide you and provide resources for when you are working with consumers.

Health literacy refers to the ability to process and understand basic health information and services. This allows a person to make appropriate health decisions, especially when it comes to their health insurance. Health literacy could include being able to define a premium versus a deductible, knowing how coinsurance will impact their out-of-pocket costs, and understanding the dosage for a given prescription.

Without adequate health literacy, consumers are less likely to make appropriate choices when selecting and using a health insurance plan.

In order to improve a consumer's experience using health insurance, we want to give you the right resources to enable you to fulfill your role in informing consumers of what the basics of health insurance are, how different components of health insurance impact a given health plan, and what that means for the person purchasing and using the plan.

We have put together answers to common questions about the importance of health literacy, who it affects and how to best help consumers. We have also developed materials that are included in this packet to help you educate consumers. Materials include:

- **Fact sheets** to help a person increase their health literacy and understand health insurance.
- **A slide deck** with example PowerPoint slides for consumer presentations. The slides outline health insurance topics and explain important concepts.

We appreciate your partnership during our enrollment season and look forward to continuing to work with you to help Illinois residents move from coverage to care. We are here to answer your questions as you work to educate consumers about the ins and outs of coverage. Feel free to reach out to us by email with any questions.

### **Policy Team**

*Get Covered Illinois*

Email | [Gov.ILMarketplace@illinois.gov](mailto:Gov.ILMarketplace@illinois.gov)

## Frequently Asked Questions for Navigators

### *Best Practices for Helping Consumers Understand Insurance*

#### What is health literacy?

Health literacy is the ability to process and understand basic health information and obtain services needed to make appropriate health decisions.

Tasks that require adequate levels of health literacy include:

- Understanding information in medical pamphlets
- Understanding advice and recommendations from a doctor
- Understanding labels and instructions on prescription medications
- Choosing and comparing insurance plans
- Understanding estimated expenses when comparing health plans
- Making calculations for expected out-of-pocket costs for health services provided by a plan

#### Who is affected by low levels of health literacy?

According to the National Assessment of Health Literacy, only 12% of Americans surveyed had proficient health literacy. **This means almost 9 out of 10 Americans have some difficulty understanding health care topics.** Most adults (53%) had intermediate health literacy or basic health literacy (22%) and about 14% had below basic health literacy. As Assisters, you should always anticipate health care terms and concepts to be unknown to the consumer.

This is especially true for tasks that involve calculations, like determining out-of-pocket costs for a hospital stay or identifying how much premiums, copays and deductibles will be. In a Kaiser Family Foundation survey, only 16% of surveyed Americans were able to calculate out-of-pocket costs correctly when coinsurance was applied to a bill.

#### Why is health literacy important?

Adults with lower health literacy are more likely to lack health insurance than adults with proficient health literacy and are more likely to report their health status as poor. Lower health literacy has also been linked to lower usage of preventive services, higher rates of hospitalization and overall higher health care costs.

#### What should I focus on as an Assister?

As mentioned above, the majority of Americans have difficulty applying health insurance terms (deductible, copays, etc.) to calculate out-of-pocket costs in actual health care scenarios.

- More than 37% of enrollees do not know the amount of their deductible.
- Almost half of enrollees who are receiving a premium tax credit do not know that they are receiving one (and only half of those who do know they are receiving financial help know how much they are receiving).
- About 40% of consumers are unsure of the definitions of basic health insurance terms.

Taking the time to walk through these concepts with consumers can make a major impact. There are resources available through the Get Covered Illinois website and through your Regional Outreach Coordinator that you can use in your appointments, conversations and presentations that break down topics and use visuals to make terms easier to grasp.

## What are best practices in helping to educate consumers?

**Create a comfortable and friendly environment.** Studies have shown that consumers are unlikely to tell you that they don't understand a health insurance concept because they feel embarrassed or nervous asking questions. You can help get around this by creating a welcoming environment in a few ways:

- Encourage questions
- Let them know that other people have difficulty with these concepts and encourage them to share any concerns
- Offer to read parts of forms or applications out loud

**Always define medical terms,** scientific words and any health insurance jargon, like deductible, co-insurance or out-of-pocket maximum, even when unprompted. You can clearly communicate by following these tips:

- Ask open-ended questions
- Organize information when speaking so that the most important points come first
- Break complex information into smaller, understandable parts
- Provide examples if relevant
- Use simple or plain language that your audience can understand the first time they hear it (called "living room" language). This includes using:
  - "You" and other pronouns
  - Active voice
  - Short sentences
  - Common, everyday words
    - Ex. "You can sign up for a 2016 health insurance plan from November 1 until January 31," instead of "The enrollment period for 2016 health insurance begins on November 1 and ends on January 31."
    - Ex. "A premium is how much you pay for health insurance for coverage. For example, I pay a premium of \$200 a month. This allows me to use my health insurance every month," instead of "A premium is the amount of money a policyholder pays to the health plan to purchase health coverage for a defined period of time."

**Use the "teach back" method.** Teaching back is a way to confirm that you have explained to consumers what they need to know in a manner that they understand. Accomplish this by simply asking the consumer to explain a term or concept back to you. To do this, you can say things like:

- "I want to be sure I went over everything. Tell me how you would help your spouse compare these plans at home."
- "Just to be sure I was clear: show me how you would find this information on a website."

**Be sure the materials and messages you are using will resonate with the age, social and cultural diversity, language, and literacy skills of the intended users.**

- Acknowledge cultural differences and practice respect: remember that some people you speak with will have different attitudes or values
- If the client is bilingual, ask what language they would prefer
- Teaching back is a useful tool to ensure that there are no language barriers

## How can I be sure a consumer really understands their health plan and how to use it?

**As you work with consumers there are some guiding questions you may want to have on-hand** to ask them as you go through the enrollment process. If you ask the following questions during and after enrollment, the consumer will have the opportunity to learn more about confusing terms without having to directly ask about an unfamiliar concept or term. Remember, consumers who are already enrolled in a health insurance plan do not necessarily understand their plan. Key questions to ask to ensure consumers understand how to choose a plan include:

- Do you know what a deductible is?
- Do you know what in-network or out-of-network means?
- Do you know what a prescription is?

Other key concepts to ask about: out-of-pocket limit, coinsurance, health insurance formulary, health insurance premium, copay, coinsurance and provider network.

**It is also important that consumers can apply their understanding of the terms above** when choosing a plan. Ask the following questions to make sure they understand how to use these concepts to compare plans:

- Is your provider or hospital within this plan's network? Do you know how to find a provider list for the plan?
- Will you be able to see your specialists under this plan's network? Do you know how to find the list of specialists covered under this plan?
- Are your prescriptions covered by this plan? Do you know where to find the formulary to check?
- How much are your premiums, deductible, copays, etc.? Do you know where to find this information?

**Providing examples** (*i.e.* if your hospital visit costs \$3,000 and you have a deductible of \$5,000, you will have to pay for the entirety of the visit in addition to the premium for that month) will help make sure consumers understand health insurance concepts.