

Engagys

RISE

Resource Initiative & Society for Education

SUBMITTED BY

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Survey Overview

Purpose

Engagys conducted our second annual examination of healthcare consumer engagement practices to further understand the rate at which the techniques pioneered by consumer marketing firms have been adopted by healthcare organizations.

Just as we had expected in year one that there would be wide variation in the level of sophistication and adoption of advancing practices, once again, the survey results were consistent with that expectation. We hope to leverage these findings to advance understanding of such techniques and improve the ability of healthcare enterprises to influence consumer behavior leading to better care at lower cost.

We purposely took an expansive view of consumer engagement. We focused on the ability of payers and providers to gain and sustain the attention of members and patients as they make decisions related to their consumption of healthcare-related products and services. These consumer decisions can have significant impacts on the financial performance of healthcare enterprises with implications to processes ranging from risk adjustment administration to gap-in-care closure.

This report offers data-centered context for assessing relative effectiveness of consumer engagement efforts within the healthcare enterprise.

Methodology

Emails were sent with a link to a web-based survey instrument to over 2,000 individuals—RISE members and others—during October, 2017. Up to two reminders were sent within a week.

As an incentive to participate, respondents were offered a chance to receive one of two complementary passes to the STAR Ratings Master Class held December 12, 2017, in San Diego, California.

The 2017 methodology closely mirrors the approach utilized in 2016. The analysis is based on responses from nearly 150 individuals working for health plans, providers, and others.

Participants

The majority of the data was collected from director and manager-level employees, most of whom worked for health plans.

The number of valid responses varied by question.

My job title is:

- C-Level or Vice President: 13%
- Director: 40%
- Manager: 30%
- Analyst: 17%

My organization is a:

- Health Plan: 78%
- Provider Organization or ACO: 7%
- Hospital or Hospital System: 10%
- Other: 5%

Much like 2016, the types of health plans represented are approximately evenly distributed:

- Regional Plan: 32%
- Blue Cross or Blue Shield Licensee: 38%
- National Plan: 30%

Scale and Growth of Engagement Activities

Survey results suggest that most teams dedicated to consumer engagement are small, and similar to last year's results, leadership attention to engagement is strong, and continues to grow even faster than budgets.

Additionally, it is clear from the data that respondents sometimes answer on behalf of their departments, and as indicated in 2016, a significant number of respondents report that they do not have adequate budgetary knowledge (see Figures 1 & 2 below for year-over-year comparisons).

In other Engagys projects where we have the opportunity to conduct more detailed research, we have seen enterprises with engagement-focused expense budgets in the \$20 - \$30 per consumer served range. The data collected in the survey suggests engagement-related spending among both health plans and some providers ranges from \$5 per consumer served to more than \$20 per consumer served annually.

Figure 1. The budget for my department is:

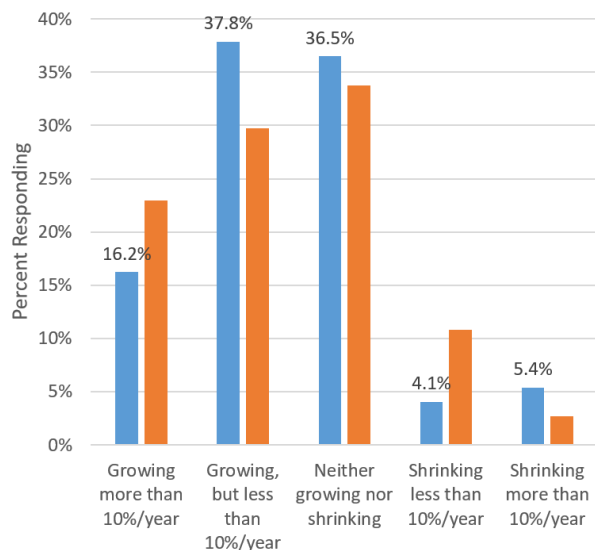
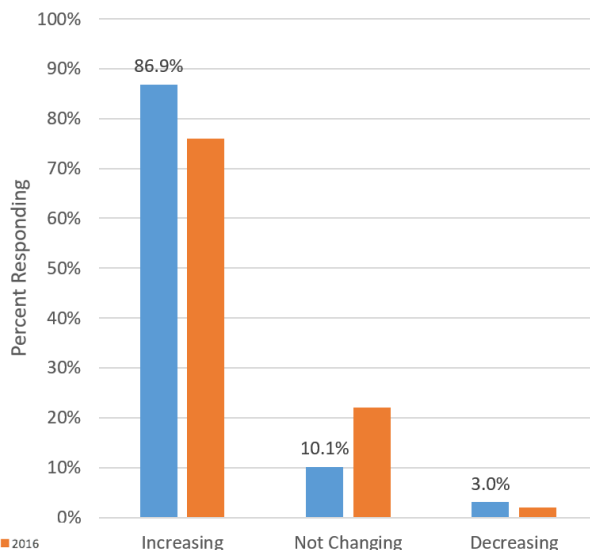


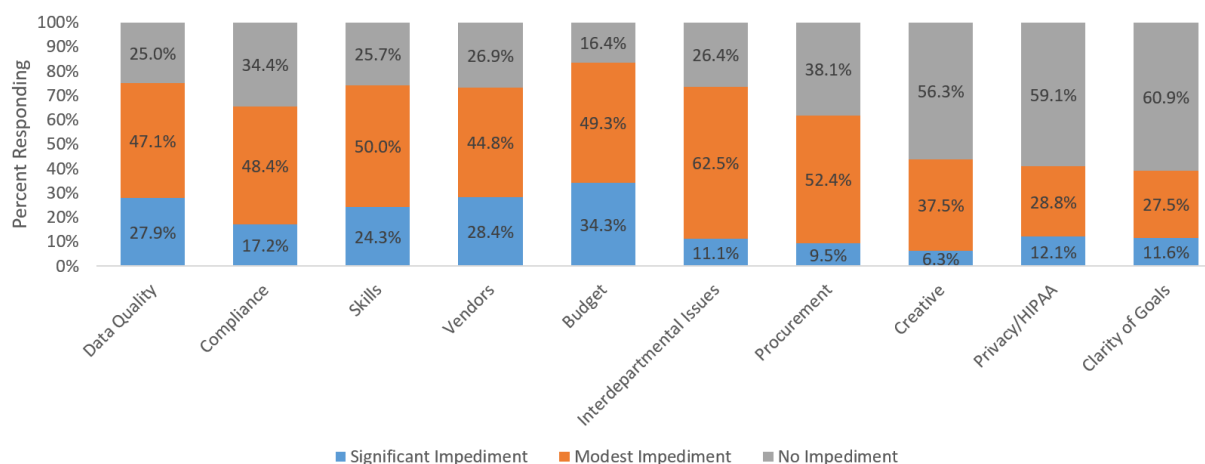
Figure 2. The attention given to my dept. by top leadership is:



Budgets in this area are reported by more than half of respondents over the last two years to be growing, and less than 10% report shrinking budgets in 2017. Not surprisingly, this year, budgets are the top concern among respondents.

When asked “To what extent do the following factors impede your ability to be successful?” results validated the idea that leadership attention to engagement-related challenges continues to grow at a faster rate than budget availability to address issues. In Engagys’ view, this points to a need for ruthless prioritization – focusing efforts where the most benefit is to be gained. As expected, this approach is challenging to implement across disparate silos.

Figure 3. To what extent do the following factors impede your ability to be successful? Please answer on a scale from Significant Impediment, Modest Impediment, No Impediment, I don't know/Not Applicable.



Unlike 2016, both budgetary issues and vendors surpass data quality as the most significant impediments to success. However, if we evaluate both significant and modest impediments, much like 2016, budgeting, interdepartmental issues, vendors, skills, and data quality rise to the top of the list.

Once again, the fact that budget is still the single largest overall impediment is consistent with the earlier observation that attention from senior leaders is rising, but budgets are not keeping pace. Much like 2016, creative was reported as least likely to be an impediment. However, yet again, other data collected suggest that respondents may deprioritize creative without fully understanding its impact on results.

Approach to Engagement Management Activities

The survey asked several questions related to the approach taken by consumer engagement teams – channel selection, use of vendors, design techniques, and more. There was a dramatic variation among respondents regarding their approaches.

In our work with clients, the most consistent trend we see is continued reliance upon live agents and print materials, with reported live agent use increasing over the 2016 survey results. However, we have seen marked progress in recent years in the attempts at some enterprises to embrace digital channels. For example, in rare cases, the number of outbound emails sent exceeds the number of inbound phone calls enterprise-wide. Yet, we continue to see much confusion about what types of direct-to-consumer interactions are permissible. Regulations such as the Telephone Consumer Protection Act (TCPA) and CAN-SPAM, and entities such as the Mobile Marketing Association (MMA), can spur confusion internally. Engagys has found that when all outbound engagement application areas are pooled, print mail is the most commonly employed means to attempt engagement with members and patients.

However, we observe that coordination with physicians is believed to be a more effective technique to successfully influence behavior change among healthcare consumers. Despite its promise and popularity in other industries, SMS text messaging remains a rarely used channel, and SMS text messaging was widely reported by respondents as ineffective in healthcare.

Additionally, both coordination with physicians and directing members to portals have decreased year-over-year. For example, in 2016, those in risk management put a premium on working with physicians. In 2017, this difference disappeared.

Figure 4. Please rank the channels that your department uses as part of your consumer engagement strategy from most commonly used (1) to the least commonly used (11). If you do not use a channel, please mark "N/A".

Channel	2017 Average	2017 Median	2016 Average	2016 Median
Printed Letters	3.38	2	2.93	3
Coordination with Physicians	4.67	5	3.61	2
Call Center Agents	3.14	2	3.63	3
Incentives	4.39	4	3.79	4
Automated Phone Calls	4.80	4	4.06	4
Email	4.69	4	4.19	4
Direct members or patients to portal or website	5.51	6	4.29	4
Other	6.98	7	4.51	4
Nurse or Care Coach	4.88	5	4.63	4
Co-branded Materials with employers or retiree groups	5.23	5	5.11	5
Text Messaging	5.86	6	5.57	7

We also asked respondents to describe their view of the effectiveness of individual communication channels and tactics. Respondents reported the number of expected successful engagements per 100 consumers targeted. A successful engagement was defined as persuading the individual consumer to take the action desired.

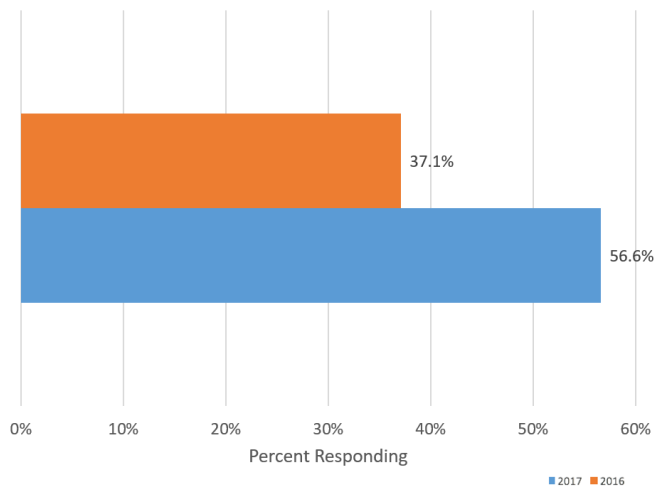
Overall, respondents rate effectiveness for all channels higher in 2017 than 2016. Call center agents and automated calls moved on a relative basis. We continue to see increased levels of cooperation among plans and providers. It's an expensive choice, but an effective one; managing the complexities of varying financial models (FFS vs. risk sharing) begs for automation to help streamline operations.

Figure 5. Please describe the overall success rate of each channel. For every 100 members or patients identified for a communication channel, how many do you successfully motivate to do what you ask them to do?

Channel	2017 Average	2017 Median	2016 Average	2016 Median
Coordination with Physicians	51.6	57.5	36.7	25.0
Nurse or Care Coach	51.3	48.5	34.3	27.5
Incentives	36.2	30	27.9	20.0
Call Center Agents	42.7	30	25.9	20.0
Printed Letters	38.0	41	24.4	20.0
Direct members or patients to portal or website	34.1	20	19.0	12.5
Co-branded Materials with employers or retiree groups	32.7	27	18.9	5.0
Automated Phone Calls	39.7	30	16.8	10.0
Email	26.1	20	16.1	10.0
Text Messaging	28.2	17	4.9	1.0

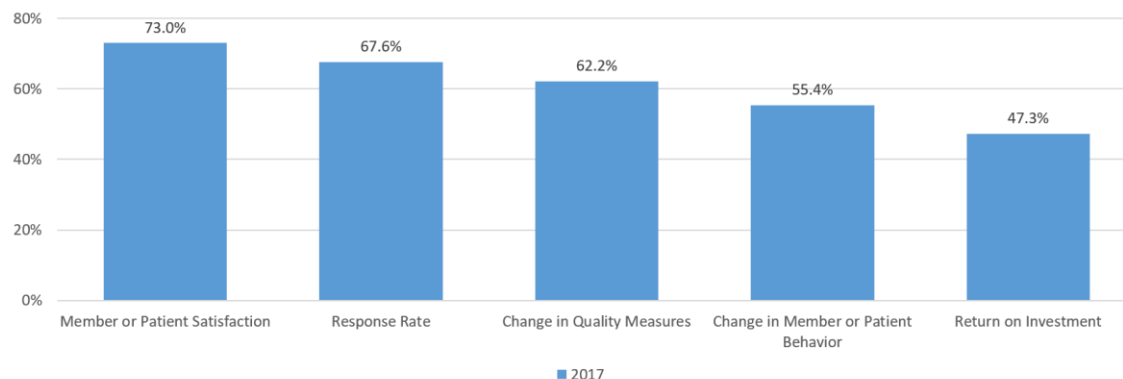
Once again respondents were also asked about their use of A/B testing (i.e., champion/challenger testing). In a change from 2016, this year's data shows that even the smallest of teams have begun to use A/B testing more often.

Figure 6. Does your department actively engage in testing different tactics? This may be referred to as A/B Testing or Champion/Challenger testing.



Finally, respondents reported that they measure success in a number of different ways. Not surprisingly, multiple measures of success further complicate the issue of prioritization, with 58% of respondents reporting more than two approaches.

Figure 7. How does your department measure the success of consumer engagement programs? Please select all that apply.



Summary and Observations

The survey results outlined in this report offer quantifiable context for consumer engagement professionals working in the healthcare industry. The key takeaway from the 2017 survey results is that the trend toward consumerism continues. This year's survey results are consistent with the data and information Engagys sees when working directly with our own clients.

As we had predicted in our 2016 survey summary, increased executive attention in 2017 has created pressure to do more with less. Leadership is applying pressure to demonstrate progress in achieving competitive advantage by improving consumer engagement capabilities. There is much work to do—and insufficient resources to complete the desired tasks successfully.

As noted in 2016, this is a theme we have seen in healthcare for some years now, and it requires greater attention to measurement details, better balance among higher touch engagement techniques with digital approaches, and more consistent adoption of cross-industry best practices.

In many ways individual departments within large healthcare organizations are rising to the challenge—showing improvements in results and increased use of proven tactics like A/B testing. However, adopting and executing these tactics is difficult work. According to J.D. Power¹ overall improvements in member satisfaction at health plans improved close to 2% in 2016, and it is no secret that hundreds of millions of dollars are being spent to drive those incremental improvements.

The consistent message for such enterprises continues to be how best to do more with less, working smarter through prioritization, measurement, and improvement.

We continue to see that healthcare remains in the early stages of adoption of proven consumer engagement techniques. Once again, this inference is based on the data presented here, responses to unreported open-ended questions, and our many years of experience supporting healthcare enterprises in their efforts to improve consumer engagement.

¹ J.D. Power, J.D. Power 2016 Member Health Plan StudySM

Engagys is prepared to help. Our team has learned firsthand how to improve consumer engagement for healthcare enterprises. We are experts in healthcare, engagement design, technology, and analytics. These disciplines provide the foundation needed to vault our clients into the top tier of performers. Please contact us to learn how our consulting and research services can support your efforts.

The Engagys Team

Engagys is a healthcare consumer engagement advisory firm offering services to health plans, providers, and other healthcare enterprises. Our services include engagement strategy and design, technology selection and program management, and research and benchmarking. Our research practice delivers insights through quantitative and qualitative consumer surveys, competitive benchmarking, focus groups, journey-mapping, and other projects.



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More than 20 years of experience in healthcare and technology. Has led and supported hundreds of healthcare consumer engagement projects. Former Welltok (Silverlink), Ernst & Young, and Johnson & Johnson.

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