

Marketing State Coverage Programs

State Coverage Initiatives
National Meeting

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CENTER FOR HEALTH PROGRAM
DEVELOPMENT AND MANAGEMENT

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SCI released two reports completed by the Center in 2007 on state experiences with coverage initiatives

- A six state study of practical experiences in four program areas (with HRSA)
 - Program design
 - Program financing
 - Methods to keep the program affordable
 - Program administration
- A four state study examining marketing and enrollment



Issue brief on marketing and enrollment addressed two questions

- What lessons can be learned from states about how to market coverage expansions to eligible employer groups and employees?
- What strategies can states pursue to bring enrollment closer to projected targets?

AKA: If you build it, will they come?



Data was collected through telephone interviews

- Structured interviews with state program administrators and insurance agents/brokers in each state
 - Arizona
 - Montana
 - New Mexico
 - Oklahoma



What is the best way to create awareness among the target population?

- Where to find a concentration of eligible employers and employees to target marketing efforts?
- Will traditional, broad-based commercial venues (e.g., billboards, TV, radio) provide an adequate return on investment?



Marketing and public awareness requires a multi-faceted approach

- Marketing strategy will depend on program structure
- Most states target employers - the ones who make decisions about ESI
- Offering health insurance may improve employee retention
- “Word of mouth” can be an effective tool



Take advantage of “free” marketing opportunities

- The power of the bully pulpit
- Partner with agents and brokers
- Capitalize on the Robert Wood Johnson Foundation’s “Cover the Uninsured Week”
- Press releases can generate publicity



Enrollment: Do not underestimate the challenges

- Lack of understanding of health insurance among small employers and uninsured employees
- Small employers do not have dedicated human resources departments
- Regulatory barriers may impede state flexibility and responsiveness



The enrollment process requires support and multiple entry points

- Make the program accessible
- Be responsive to potential enrollees, agents, and brokers
- Do not neglect the importance of a smooth renewal process



Plan design encourages, but does not assure, enrollment

■ Challenges

- Creating an affordable product that will attract enrollment but not promote crowd out
- Balancing affordability with an attractive benefit package
- Public perceptions
 - Government handout/government intrusion
 - Long-term viability of the subsidy
 - Confusing income and asset guidelines
 - Young, healthy see little value in purchasing insurance



If you build it...will they come?

- While subsidized insurance may look affordable compared to commercial insurance, it's still a “new cost” to those with no coverage
- Highlight the program's benefits when developing an outreach strategy
- Make eligibility guidelines easy to understand
- Avoid use of the term “Federal Poverty Level”



Take advantage of agents and brokers

- Experience with health insurance industry
- Knowledge of small group employers and their preferences
- Marketing experience



Agents and brokers can play many roles

- Input on the product and program design
- Marketing the product to small employers and their employees
- Able and willing to provide personal assistance to employers and employees during application process



Factors that influence the role of agents/brokers include...

- Whether coverage expansion is built on ESI
- Commission opportunities



Be creative in your use of agents and brokers

- Share advertising costs with them
- Offer continuing education credits for attending seminars on your program
- Maintain a list of certified brokers on the program website in return for attending a minimum number of training sessions



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