

Thank you for joining us for today's webinar:

**Health Insurance Literacy and Consumer
Engagement Webinar**

**The webinar will begin promptly at 12pm CT
(1pm ET, 11am MT, 10am PT)**



Health Insurance Literacy and Consumer Engagement Webinar



April 26, 2016

12pm-1pm CST

Brought to you by:

Center for Financial Security
at the University of Wisconsin- Madison

Our Presenters



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The push for health insurance “consumerism”

Insurance Plans



Doctors



Medical Facilities



Health-Insurance Choice

Choice Overload



Especially relevant for: ACA exchanges and Medicare Part D plans

Insurance Complexity



Relevant across all insurance choices

Which option would you choose?

Option	Annual Deductible	Annual Premium
A	\$1,000	\$817
B	\$750	\$1,321
C	\$500	\$1,419
D	\$250	\$1,957

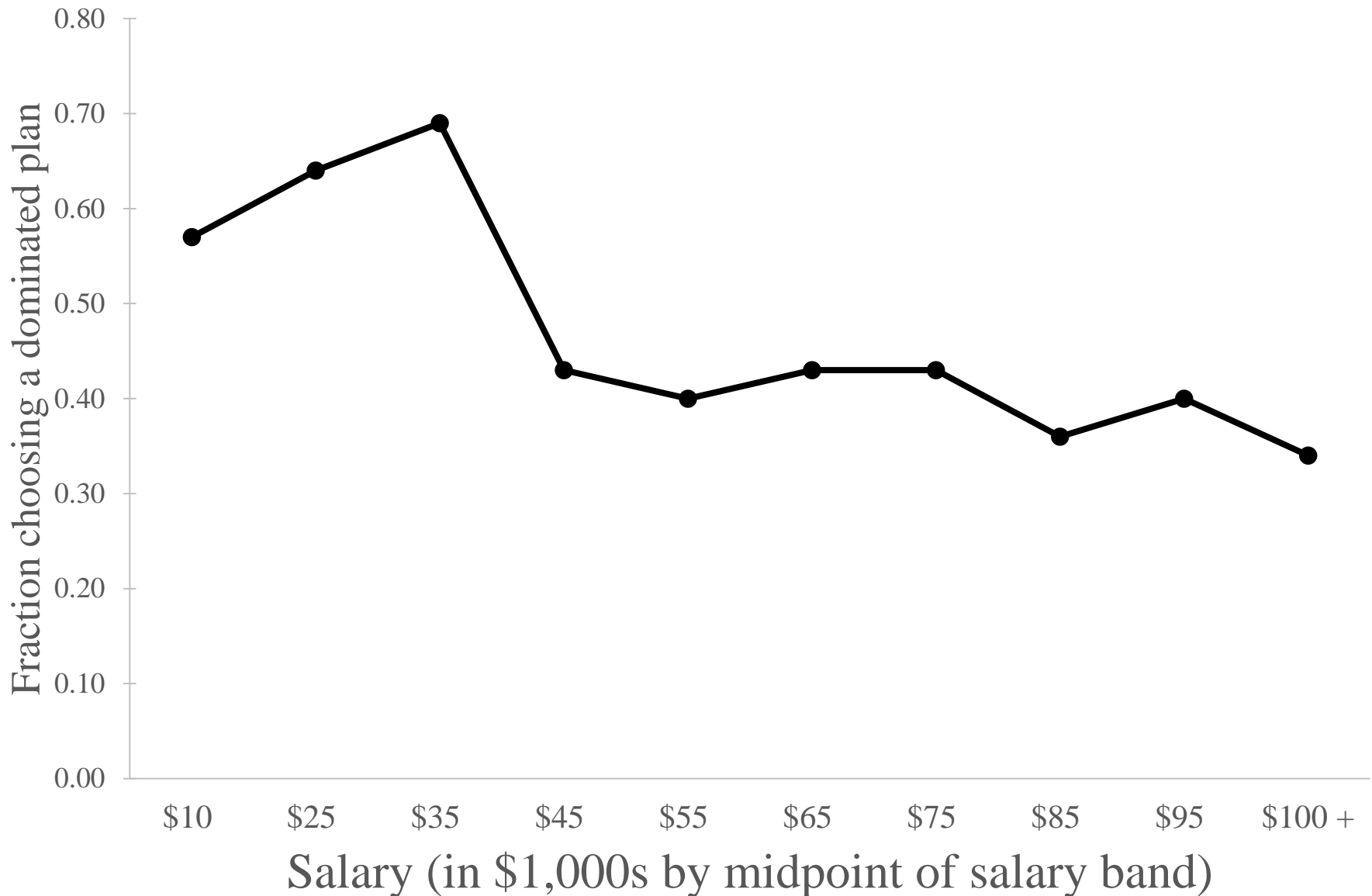
Which option would you choose?

Option	Annual Deductible	Annual Premium
A	\$1,000	\$817
B	\$750	\$1,321
C	\$500	\$1,419
D	\$250	\$1,957

Option A dominates the other options.

Compare A to C. With C you pay \$602 more for the year in premium. You can save up to \$500 in out-of-pocket costs with the lower deductible. So with C you pay more for sure for the year.

Our study: majority chose dominated options



Won't competition eliminate bad plans?



Standard
Markets

Competition should generally drive bad products from the market



Plan A

Insurance plans tend to reflect the costs of *those who choose them*.

Insurance
Markets

If people needing more care select plans together, they lose benefits of pooling.



Plan B

More likely if they do not understand financial value

What happens if you make consequences clear?

Here are the four plans that are available for next year:

PLAN	PREMIUM	DEDUCTIBLE	SPENDING IF HEALTHY	SPENDING IF UNHEALTHY
A	\$1,950	You pay first \$350, plan covers remaining expenses	\$1,950	\$2,300
B	\$1,400	You pay first \$500, plan covers remaining expenses	\$1,400	\$1,900
C	\$1,300	You pay first \$750, plan covers remaining expenses	\$1,300	\$2,050
D	\$800	You pay first \$1,000, plan covers remaining expenses	\$800	\$1,800

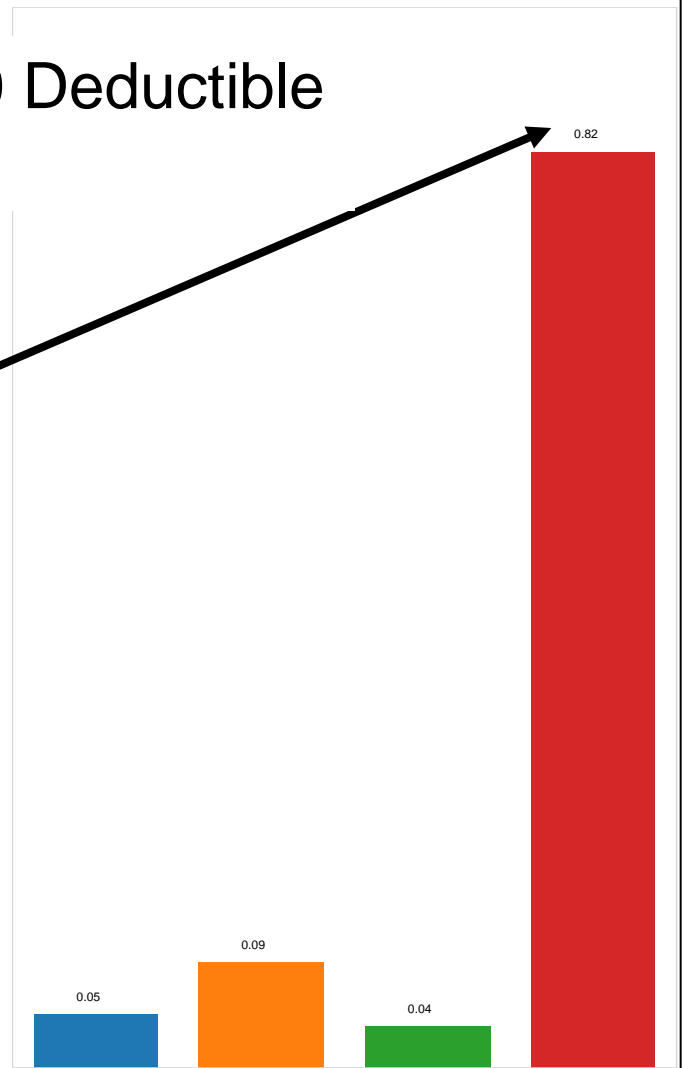
Deductible Choice by Clarity of Menu

High Clarity Menu

Fraction choosing \$1,000 Deductible rises from 52% to 82%



Deductible Choice



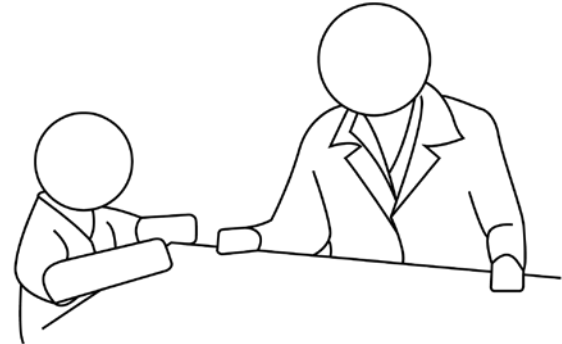
Deductible Choice

Some key research takeaways

1. Need to find ways of making consequences of options more transparent
 - Currently working on developing an approach using graphs
2. Small, but important, fraction willing to pay high costs to avoid out-of-pocket
 - Importance of developing budgeting approaches with health insurance
 - High deductibles only work if you set aside money to cover costs
3. High-deductible health plans do not lead patients to comparison shop for care
 - Important study this year (Brot-Goldberg et al.)
 - Shopping tools not used even when easily available to high-tech workers

Center for Financial Security Webinar
April 26, 2016

Helping Consumers Choose and Use Health Insurance



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Introduction



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About Covering Wisconsin

- Established in 2003
- Offices at University of Wisconsin-Madison and in Milwaukee
- Work to improve access to coverage and care for Wisconsin residents
- Focus on lower income and other vulnerable populations
- Lead the Wisconsin Navigator Collaborative

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Goals

- Review in-person consumer health insurance enrollment assistance options
- Describe experience of Wisconsin Navigator Collaborative
- Identify other consumer assistance tools
- Preview resources available to support consumer health insurance decisions



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covering
Wisconsin
Connect to Care, Engage in Health

Health Insurance Options

Employer Coverage – If you can get affordable health insurance (9.66% of your income) through your job, you will not be able to get Marketplace discounts. Call the Marketplace to check.

Medicare – Must be over 65, OR receiving Social Security Disability, OR have end-stage kidney disease

BADGERCARE+



access.wi.gov

Also known as BadgerCare, Medicaid, MA, or by the Forward Health card.

Marketplace



healthcare.gov
1 (800) 318-2596

Also known as Affordable Care Act (ACA), Health Insurance Marketplace, or Obamacare.

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The Federal Marketplace

(Exchange, ACA, Obamacare, HealthCare.gov)

- Financial assistance is available for:
 - people based on income. (see chart below)
 - individuals and families who do not have an offer of “affordable” health insurance from a job (*plan for employee only is less than 9.66% of salary*).
- Sign up November 1, 2015 - January 31, 2016.

TOTAL people in household:					
1	2	3	4	5	6
\$47,080 or less	\$63,720 or less	\$80,360 or less	\$97,000 or less	\$113,640 or less	\$130,280 or less
You can still sign up for The Marketplace if your income is higher, but you will not get financial help.					

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BadgerCare Eligibility

BadgerCare Plus

- BadgerCare Plus is available for adults and children who have limited incomes. This plan is provided by the State of Wisconsin (Medicaid) and covers most health needs.
- Low-cost or free comprehensive health coverage.
- People can sign up at any time!

TOTAL people in household:					
1	2	3	4	5	6
\$11,880 or less	\$16,020 or less	\$20,160 or less	\$24,300 or less	\$28,440 or less	\$32,580 or less
Children and Pregnant women qualify at incomes listed below					
\$35,640 or less	\$48,060 or less	\$60,480 or less	\$72,900 or less	\$85,320 or less	\$97,742 or less

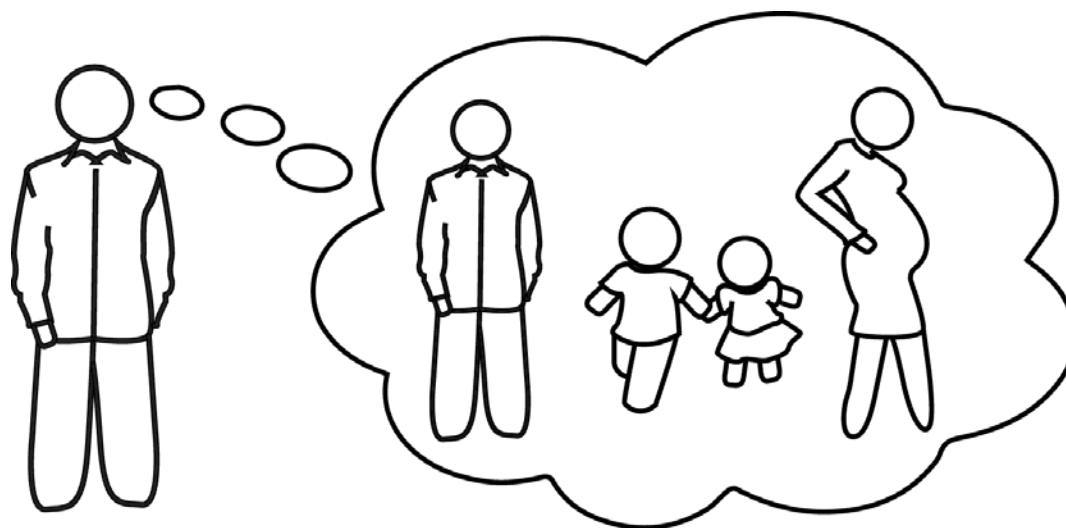
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Health Insurance is Complex

Language and plan descriptions are too difficult for most people to understand.

Consequence: Consumers may not choose the best plan for their needs or budget.



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Consumer Assistance

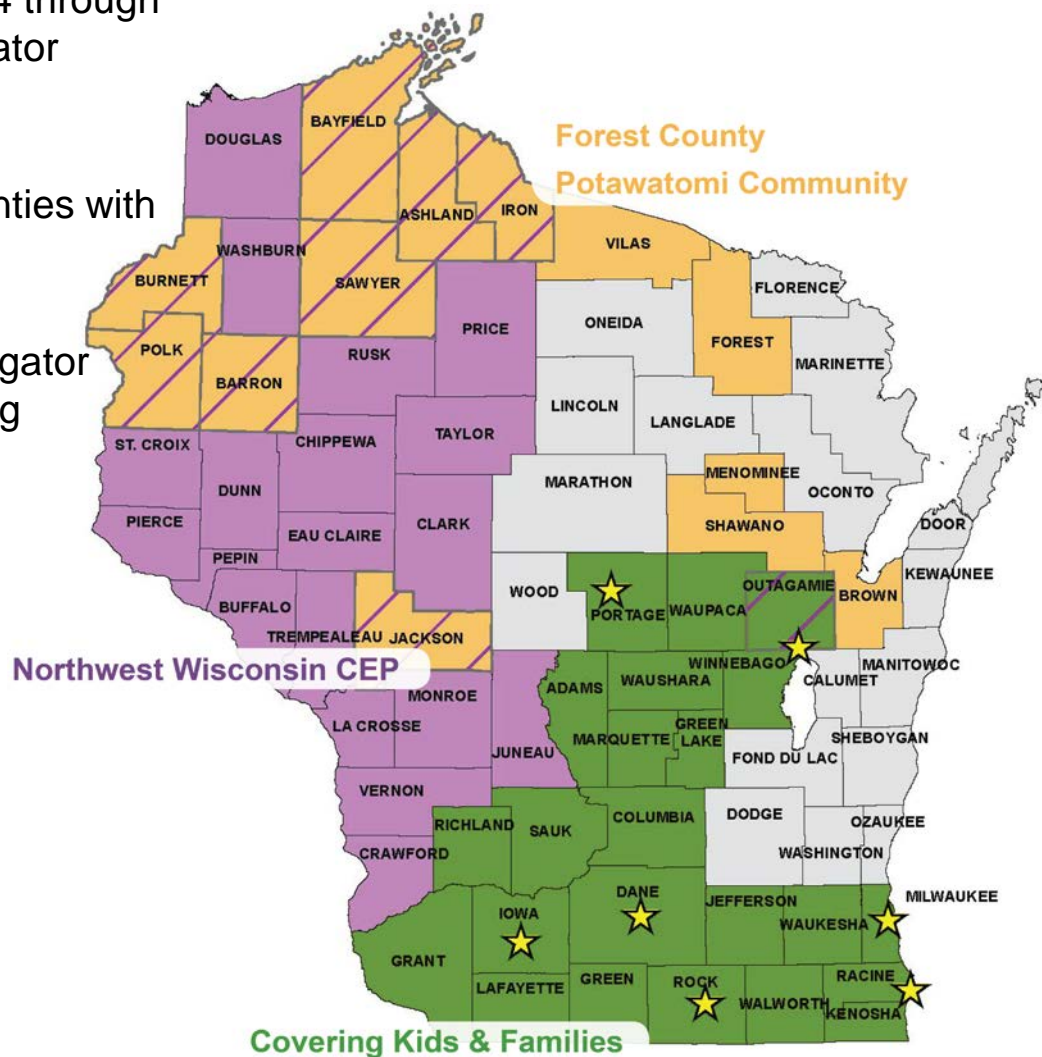
Type	Description	Requirements	Funding
Navigator	Public education, outreach and enrollment assistance	At least two awardees per state, Federal and state training required	Federal or state funding
Agent/Broker	Assist people with securing insurance, in and outside of the Marketplace	State licensure and registration requirements and CMS training required	Generally paid by insurers or work on commission
Certified Application Counselor	Assist people with enrolling in public health insurance or private insurance through the Marketplace	Federal and state training, registration with state and CMS, certification	FQHCs may apply for one-time federal funding
Public Program Enrollment Assister	Assist people with applying for public benefits only	May participate in trainings offered by partners	Federal pass through to public health entities

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Wisconsin Navigator Collaborative

- Began in 2014 through federal Navigator funds
- Serve 23 counties with 16 Navigators
- One of 3 Navigator entities serving Wisconsin



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Anatomy of Navigator Assistance

- Nov-Jan: 1,429 enrollment appointments
- Most often assist those with lower income or complex cases
- Time spent on a single consumer case: anywhere from 2 hrs to 12 hrs, or beyond
- Appointments held in accessible spaces often connected to other public services
- Navigators also:

Provide Education	Coordinate Events	Conduct Outreach
Research Complex Cases	Connect with Community Partners	Collaborate with other Assistors
Design Materials	Receive Training	Work with Media
File Appeals	Assist with Tax Issues	Discuss HI Use

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How to Find Enrollment Assistance

- CMS: Find Local Help
<https://localhelp.healthcare.gov>
- Enroll America: Get Covered Connector
<https://www.getcoveredamerica.org/connector/>
- Call 211: Ask for an Enrollment Assister, Navigator, or Certified Application Counselor (CAC).

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Other Tools

CMS Marketplace Plans & Prices Tool

healthcare.gov/see-plans/

Enroll America: Get Covered Plan Explorer

enrollamerica.org/get-covered-America/get-covered-plan-explorer

Enroll America: Health Insurance Literacy Resource Hub

enrollamerica.org/hil/

Covering Wisconsin: Health Insurance Literacy Materials

coveringwi.org/resources-and-links/materials/

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Marketplace Plans & Prices Tool

82 plans available

SORT BY

Premium

PLAN TYPE

Health plans

FILTERS

Monthly premium

less than \$200 (1)

less than \$300 (29)

less than \$400 (63)

less than \$500 (81)

less than \$600 (82)

Plan category

Bronze plans (21)

Silver plans (32)

Gold plans (18)

Platinum plans (11)

Plan type

HMO (78)

EPO (6)

Medical management programs

Asthma (68)

Heart Disease (82)

Depression (61)

Dean Health Plan · Dean Focus Network Bronze HSA-E 6450X

Bronze EPO | Plan ID: 38345WI0080031

Estimated monthly premium

\$196

Deductible ⓘ

\$6,450

Estimated Individual Total

Out-of-pocket maximum ⓘ

\$6,450

Estimated Individual Total

Estimated total yearly costs

Total premiums for the year \$2,350

Deductible, copayments, and other costs \$440

Total **\$2,791**

Your doctors, medical facilities, and prescription drugs

ASSOCIATED PHYSICIANS, LLP

Internal Medicine

✗ Out of Network

EDIT

BETA ⓘ

Copayments / Coinsurance ⓘ

Emergency room care: No Charge After Deductible

Generic drugs: No Charge After Deductible

Primary doctor: No Charge After Deductible

Specialist doctor: No Charge After Deductible

EDIT

Understand this ⓘ

LEARN MORE ABOUT THIS PLAN

COMPARE

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Enroll America Plan Explorer

There are
82 plans
available.

Plans are sorted by our estimate of how much you'll spend during the year based on the health information you provided. Sort or filter plans by using the options below. Select up to 3 plans to compare.


Sort by

Total estimated yearly cost

Filter by ▼

Showing 82 of 82 plans

Dean Focus Network Bronze Value Copay 6750X,
Dean Health Plan

 **Compare this plan**

Bronze | Plan ID #38345WI0080029

Monthly premium: \$204

Your est. 2016 cost: \$3,199



\$0 Your 2016 cost range: \$2,448 – \$9,198

\$11,500

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Enroll America Resource Hub

Choosing the Health Plan That's Right for You

By Families USA

[Available in Spanish](#) [Direct to Consumer](#) [Fact Sheet](#)

This fact sheet provides consumers with the information they need to pick the right health plan for their needs.

RATE THIS RESOURCE



Consumers' Checkbook: Illinois Marketplace Plan Comparison Tool

By Center for the Study of Services

[Digital Tool](#) [Direct to Consumer](#) [State-Specific](#)

This site allows consumers to input some basic information about their household and compare plans available on the Illinois marketplace. It breaks down the cost of each plan, shows consumer plan ratings and doctor availability, and provides an estimate for how much financial assistance a consumer could be eligible for.

RATE THIS RESOURCE



Explore My Options

By National Health Council

[Digital Tool](#) [Direct to Consumer](#)

An interactive tool that helps people understand how unexpected health needs can affect out-of-pocket costs under different metal levels of health plans, so they can make the choice that best fits their needs.

RATE THIS RESOURCE



Free Enrollment Assistance Tools

By Consumer Reports

[Available in Spanish](#) [Consumer-Tested](#) [Direct to Consumer](#) [Fact Sheet](#)

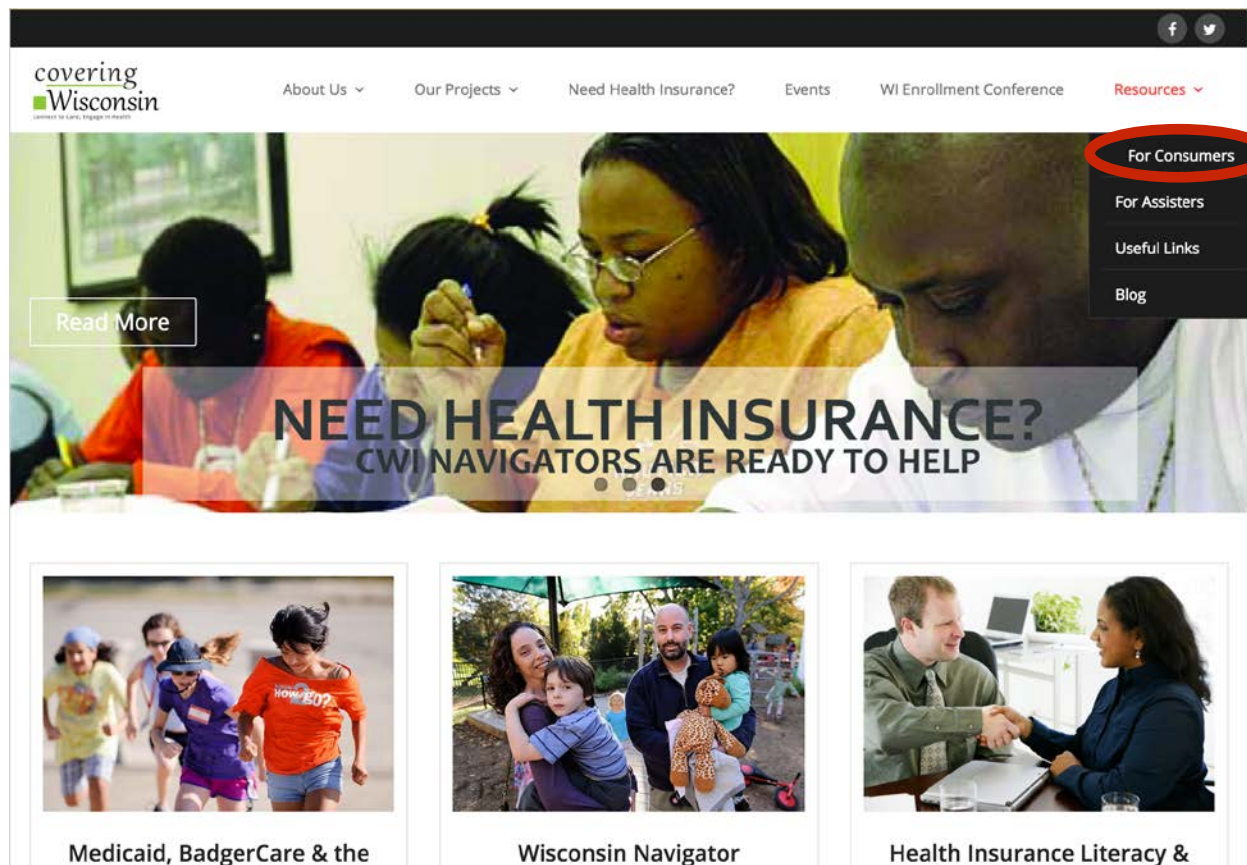
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Covering Wisconsin Health Insurance Literacy Materials



The screenshot displays the Covering Wisconsin website. The header includes the logo and navigation links: About Us, Our Projects, Need Health Insurance?, Events, WI Enrollment Conference, and Resources. The Resources dropdown menu is open, showing options: For Consumers (highlighted with a red circle and a red arrow), For Assisters, Useful Links, and Blog. The main banner features a photo of people and the text 'NEED HEALTH INSURANCE? CWI NAVIGATORS ARE READY TO HELP'. Below the banner are three featured sections: 'Medicaid, BadgerCare & the', 'Wisconsin Navigator', and 'Health Insurance Literacy &'.

covering Wisconsin
Connect to Care, Engage in Health

About Us | Our Projects | Need Health Insurance? | Events | WI Enrollment Conference | Resources

Resources

- For Consumers
- For Assisters
- Useful Links
- Blog

NEED HEALTH INSURANCE?
CWI NAVIGATORS ARE READY TO HELP

Medicaid, BadgerCare & the

Wisconsin Navigator

Health Insurance Literacy &

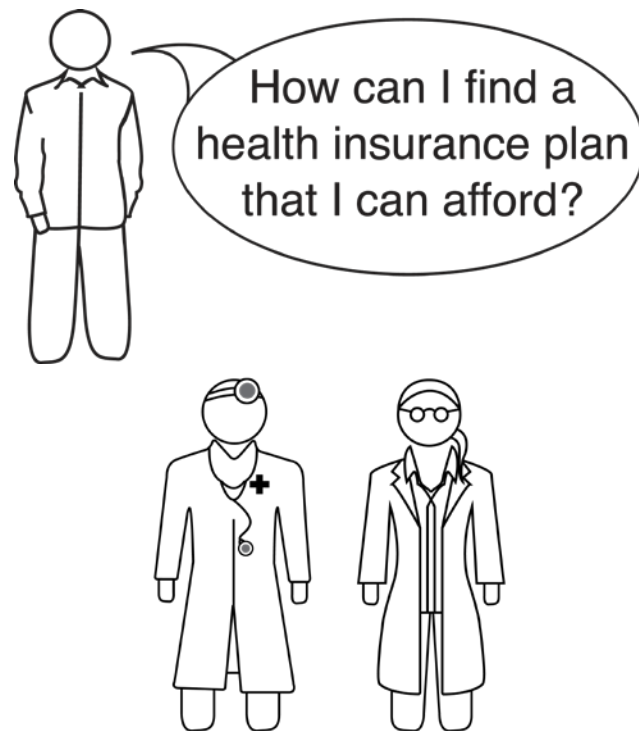
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Incorporation of Literacy Needs

To meet the needs of low literacy consumers, our materials use:

- Action steps
- Plain language
- Relevant images
- White space
- Large fonts
- Consumer testing
- Usually only 1-3 key messages



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Getting Started

- Health Insurance costs depend on the plan
- Typical costs:
 - Premium
 - Deductible
 - Co-payment
 - Co-insurance


HEALTH INSURANCE MARKETPLACE
also known as: Obamacare, healthcare.gov, the Marketplace

GETTING STARTED




1. Choose a plan with **premiums** that you can afford every month.

A **premium** is the **monthly** payment you make to the insurance company for your health care policy.




2. Find a plan that will help you pay the **out-of-pocket costs**.

Out-of-pocket costs are NOT included in your monthly premium. This is the amount you must pay during a year for your health care in addition to your premium. This includes any **deductible**, **co-pay**, **co-insurance**, or extra costs for services.



Deductible:
The amount you need to pay before the insurance company will start to pay its part.

you pay all (including co-pays) → insurance pays part, you pay part

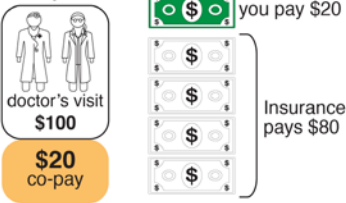


\$ deductible

After the deductible is paid, you only pay co-pays or co-insurance.

Co-pay:
The fixed amount you pay for a service.

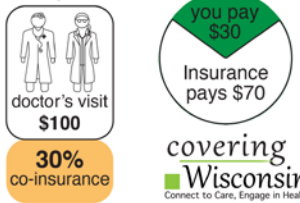
Example:



doctor's visit \$100
\$20 co-pay
you pay \$20
Insurance pays \$80

Co-insurance:
The percentage you pay for a service.

Example:



doctor's visit \$100
30% co-insurance
you pay \$30
Insurance pays \$70

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Getting Started (back side)

- Premium and out-of-pocket costs based on plan level
- A worksheet for estimating costs

Coverage Levels in the Marketplace

There are 4 levels of health insurance plans available in the Marketplace: **bronze, silver, gold, and platinum.**

Silver

Silver plans have the most cost savings for individuals and families with lower incomes.

Coverage Levels percent insurance pays	Monthly Premium	Out-of-Pocket Expenses
Platinum 90%	\$ \$ \$ \$ \$	\$
Gold 80%	\$ \$ \$	\$ \$
Silver 70%	\$ \$	\$ \$ \$
Bronze 60%	\$	\$ \$ \$ \$ \$

Pay a higher monthly premium, pay less for out-of-pocket costs.

If you need regular prescription medications or to visit the doctor several times a year, you might need a gold or platinum plan, or a special silver plan (cost-sharing reduction).

Pay a lower monthly premium, pay more for out-of-pocket costs.

Breakdown for the Year

Monthly Premium

Pay \$ _____ /month

Out-of-Pocket Cost

Before the Deductible is reached, you pay the full amount for services.

\$ _____ Deductible

After the Deductible is reached, you pay a part of the cost for services.

\$ _____ Max out-of-pocket cost

Once you reach the max out-of-pocket cost, you no longer pay for health care services.

Cost per Visit

	Before Deductible	After Deductible
Primary Dr.		
Specialist		
Emergency Room		
Prescriptions name-brand R		
Prescriptions generic R		

1. Pay full cost

Pay full amount for services until deductible is paid.

This includes the full cost, including co-pays, for all doctor visits, emergency room visits, and specialists.

2. Split the cost

Pay part of the bill and the insurance company will pay most of the bill.

3. Pay nothing

The insurance company pays the full amount of the bill for covered services.


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A Plan For Your Budget

- Pick a plan you can afford
- Consider if you qualify for a cost-reduction plan
- Coverage levels:
 - Platinum
 - Gold
 - Silver
 - Bronze

HEALTH INSURANCE MARKETPLACE
also known as: Obamacare, healthcare.gov, the Marketplace



HealthCare.gov

A PLAN FOR YOUR BUDGET

1.

Think about your health needs.

A.

Do you regularly take prescription medicine?

B.


Do you think you will need to see the doctor several times in the next year?


C.

Do you have a disease or illness that requires a specialist, needs regular management, or surgery?

D.


How often do you usually go to the emergency room during a year?



 If you need regular prescription medicines or need to visit the doctor several times a year, you might need a gold or platinum plan.









2.


Check if you qualify for a special silver plan (cost-sharing reduction).
These are silver plans with lower out-of-pocket costs.

Number of People in Household:	1	2	3	4	5	6
 2015 Yearly Income:	\$11,670 - \$29,175	\$15,730 - \$39,325	\$19,790 - \$49,475	\$23,850 - \$59,625	\$27,910 - \$69,775	\$31,970 - \$79,925

The special silver plan is for lower incomes.

If you qualify, you pay for a silver plan, but get the lower out-of-pocket costs of a gold or platinum plan.

Coverage Levels percent insurance pays	Monthly Premium	Out-of-Pocket Expenses
Platinum 90%		
Gold 80%		
Silver 70%		
Bronze 60%		



Pay the monthly premium of a silver plan, but pay the out-of-pocket costs of a gold or platinum plan.

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Using the Fact Sheets

The goal is to help explain topics you may already be addressing, not adding more work

Can be used as a curriculum packet or as individual sheets

We recommend finding "teachable moments" where you can address 1 or 2 topics specific to the consumers' needs

- Most consumers best learn information that responds to their specific question or need
- Additional information is often overlooked or not read

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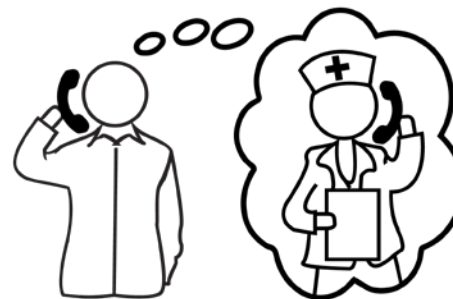
Questions?

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Q & A



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Thank you for joining the Center for Financial
Security for today's webinar:

Health Insurance Literacy and Consumer Engagement Webinar

Please remember that today's webinar was recorded and will be
posted on our website: cfs.wisc.edu
within three days.



Please contact Hallie Lienhardt with questions:

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Please join us in May for a CFS and AFN
Webinar when we will present findings from the
first ever **2015 Financial Coaching Census**
Registration link to follow shortly.