



Lessons from the Frontlines: Strategies for Supporting Informed Consumer Decision-Making in the Health Insurance Marketplace

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national partnership
for women & families

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About the National Partnership for Women & Families

At the National Partnership for Women & Families, we believe that actions speak louder than words, and for more than four decades we have fought for every major policy advance that has helped women and families.

Today, we promote fairness in the workplace, reproductive health and rights, access to quality, affordable health care, and policies that help women and men meet the dual demands of their jobs and families. Our goal is to create a society that is fair and just, where nobody has to experience discrimination, all workplaces are family friendly, and no family is without quality, affordable health care and real economic security.

Founded in 1971 as the Women's Legal Defense Fund, the National Partnership for Women & Families is a nonprofit, nonpartisan 501(c)3 organization located in Washington, D.C.

Lessons from the Frontlines: Strategies for Supporting Informed Consumer Decision-Making in the Health Insurance Marketplace

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Executive Summary

Roughly 16.4 million people have gained health coverage in the five years since passage of the Affordable Care Act (ACA), and more than 11 million signed up for marketplace plans during the second open enrollment period alone.^{1,2}

As consumers gain familiarity with their health coverage, they are increasingly looking for help selecting plans that align with their financial circumstances and health care needs. In response, policymakers are working to improve the accessibility and transparency of information on key plan features and to develop consumer-friendly tools that make it easier to compare and select health plans.

In light of growing interest in how best to support consumer decision-making in the marketplace, this qualitative analysis offers recommendations for improving plan comparison and selection processes. Designed to complement “Supporting Informed Decision-Making in the Health Insurance Marketplace: A Progress Report,”³ an analysis of the online plan selection tools that were available to marketplace consumers during the 2015 open enrollment period, this new report provides insight into Navigators’ experiences helping consumers with enrollment. Under the ACA, Navigators are entities that are certified to help consumers choose coverage and enroll in Marketplace plans.⁴ They have extensive experience with how consumers select plans and can offer insights from the frontlines on how to improve plan comparison and selection processes. This new report is based on interviews with national consumer assistance experts and Navigators in California, Colorado, Florida and Illinois conducted by Manatt Health in the spring of 2015.

Key Findings

Consumers – and particularly those who already have experience with marketplace plans – are eager for more help selecting health coverage. They want to be able to identify the plans that cover their preferred providers and prescription drugs, and that protect them from excess out-of-pocket costs. Interviews with Navigators and national experts suggest that the following will help consumers identify the marketplace plans that best meet their health care needs and align with their financial circumstances.

- ▶ **Policymakers and marketplace officials should continue working to improve consumer health literacy.** After two open enrollment periods, Navigators still report that when they sit down with consumers to review plan options, they often must “back up” and provide basic information on what health insurance is and how it works. In light of this, policymakers and marketplace officials should continue to develop and share creative materials to enhance consumer health literacy. Such tools should be integrated into the plan selection process.
- ▶ **Policymakers and marketplace officials should continue to promote the development and application of tools that simplify and streamline plan comparison and selection.** The Navigators interviewed in this study reported that plan analysis and comparison is the most complicated and time-consuming part of their appointments with consumers. To simplify the plan comparison and selection process, policymakers and marketplace officials should improve and/or develop and utilize four critical tools:
 - **Summary of Benefits and Coverage Template:** A tool that enables consumers to compare plans across standardized plan elements, including benefit design and cost-sharing structuring.
 - **Integrated Provider Directory:** A tool that enables consumers to enter the names of their providers and then see which plan(s) include those preferred providers in-network.
 - **Integrated Prescription Drug Directory:** A tool that allows consumers to enter the names and dosage levels of their prescription drugs and then see which plan(s) cover those medications.
 - **Out-of-Pocket Cost Calculator:** A tool that enables consumers to estimate their annual out-of-pocket costs under different plans, based on anticipated health care usage.
- ▶ **Policymakers should work to ensure that health plan information presented in the marketplace is accurate and reliable.** Navigators report that consumers are sometimes presented with inaccurate or out-of-date plan information, particularly with respect to which providers are in-network and which prescription drugs are covered. Since accurate and reliable data is critical to informed consumer decision-making, policymakers and health plans should work together to ensure that health plan information is accurate and updated regularly.

Looking Ahead

As the third open enrollment period approaches, marketplaces are well-positioned to strengthen and improve the tools and resources offered to consumers to support informed decision-making with regard to plan selection. Policymakers and marketplace officials should consider the insights of Navigators, who can offer a frontline perspective on how well plan comparison and selection processes have worked to date and how they can be improved. A detailed set of recommendations that emerged from this analysis is provided in the body of this report. A summary of these recommendations is included at the end.

Introduction

Roughly 16.4 million people have gained health coverage in the five years since passage of the Affordable Care Act (ACA).⁵ During the second open enrollment period alone, more than 11 million people signed up or were automatically enrolled in marketplace plans.⁶

As marketplaces prepare for the third open enrollment period, consumers are increasingly invested in selecting plans that meet their health care needs and align with their financial realities. Consumers recognize that their choice of plans can directly affect their access to providers, ability to afford prescription drugs and out-of-pocket spending. Thus, there is growing demand among consumers for information and tools that will help them evaluate plan options. In response, policymakers and marketplace officials are seeking to enhance consumer access to information on health plan features, particularly concerning provider participation in plan networks, cost-sharing charges and coverage of prescription drugs.

This report is intended to complement and build upon the National Partnership for Women & Families' earlier analysis of online plan comparison and selection tools available to marketplace consumers during the 2015 open enrollment period, "Supporting Informed Decision-Making in the Health Insurance Marketplace: A Progress Report."⁷ It is based on interviews with Navigators and national experts. Under the ACA, Navigators are entities that are certified to help consumers apply for and choose coverage; provide fair and impartial information on marketplace plan options, premium tax credits and cost sharing reductions; facilitate enrollment in marketplace plans; and conduct public education activities to raise awareness of coverage options.⁸ Navigators have been helping consumers select health plans during the last two open enrollment periods and have extensive experience with how consumers use plan comparison and selection tools.

By focusing on the insights of Navigators, this new analysis offers a frontline perspective on ways to improve the plan comparison and selection experience for consumers. It is a qualitative analysis that assesses, from the perspective of Navigators, how certain tools, including some identified in the National Partnership's previous report, are helping consumers compare and select plans. It also offers recommendations for improvement.

Drawing on Navigators' experiences, this analysis identifies three key pathways for supporting informed consumer decision-making in the marketplace: (1) supporting improved consumer health literacy; (2) developing and applying tools that simplify and streamline plan comparison and selection; and (3) ensuring health plan information is accurate and reliable. These key pathways and accompanying recommendations are detailed throughout the remainder of this report. A summary of key recommendations is included at the end.

Methodology-In-Brief

To gauge Navigators' perceptions of how consumers are selecting plans and the effectiveness of key comparison and selection tools made available to consumers, Manatt Health conducted interviews with national consumer assistance experts and Navigators who work directly with consumers in California, Colorado, Florida and Illinois during the spring of 2015.

Interviewees were asked to provide insight into consumers' priorities for and their approaches to plan selection; the availability and effectiveness of plan comparison and selection tools; and recommendations for how to improve consumers' plan comparison and selection experiences.⁹

Drawing from these interviews, this analysis sought to evaluate Navigator experience in states operating state-run marketplaces (California and Colorado) and states that rely on Healthcare.gov as their marketplace (Florida and Illinois). Three of the four states were selected because they have developed particular consumer-targeted online tools to support plan comparison and selection, such as smart sort tools that display plan options based on a consumer's estimated annual health care costs (California); integrated provider directories and integrated prescription drug directories (Colorado); and a health plan comparison tool that allows consumers to compare plans across a number of factors, including total estimated costs and provider participation (Illinois). Given that such tools were identified as promising practices in the first National Partnership report, this new analysis sought to assess, from the perspective of Navigators, how well these tools are working for consumers.

Navigator Perspectives on Consumer Experience with Health Plan Information and Plan Comparison and Selection Tools

Based on interviews with consumer assistance experts and Navigators, this analysis found that consumers, particularly those who already have experience in the marketplace, are eager for help comparing and selecting health plans.

Consumers want help identifying plans that cover their providers and prescription drugs, and that protect them from excess out-of-pocket costs. For consumers, the process of sorting through and comparing plan options remains time-intensive and complex, particularly when decision-making tools are not integrated into the plan comparison and selection process. Navigators say health literacy aides and plan comparison and selection tools have proven to be enormously helpful to consumers. Strengthening these tools and applying them to all marketplace websites will greatly improve consumers' experiences during future enrollment periods.

Navigators and national experts interviewed for this report identified the following key pathways for supporting informed consumer decision-making in the marketplace: (1) supporting improved consumer health literacy; (2) developing and applying tools that simplify and streamline plan comparison and selection; and (3) ensuring health plan information is accurate and reliable. These key pathways are discussed in detail below.

Supporting Improved Consumer Health Literacy

Prior to the launch of the ACA marketplaces, many consumers targeted for marketplace enrollment were not confident that they understood important health insurance terms.¹⁰ Navigators still identify low consumer health literacy levels as an additional challenge to already complex plan comparison and selection processes. When Navigators sit down with consumers to review plan options, they often must “back up” and provide consumers with basic information on what health insurance is and how it works.

A number of Navigators reported that they have developed tailored strategies for addressing health literacy issues. For example, some have developed informal “checklists” of items that consumers should consider when selecting plans, such as cost, inclusive of the premium and the deductible, and whether preferred physicians and prescriptions are covered. See Figure 1, which captures a page on the Connect for Health Colorado marketplace website that outlines important considerations for consumers and defines health insurance terms.

Figure 1. Connect for Health Colorado Resource on Key Factors to Consider When Choosing Health Insurance

CONNECT for HEALTH COLORADO

855-PLANS-4-YOU (855-752-6749)
M-F 8AM - 6PM, SAT 8AM - 5PM

Get Started Resources News & Events About Us

Our Customer Service Representatives are available to help. Call us at 1-855-752-6749!

Choosing Insurance

Choosing health insurance is a personal decision. There are many things you will want to consider when selecting a plan. We are committed to helping you find the right coverage for your health and financial needs.

Factors to Consider

Cost: Do you want a higher monthly premium and pay less when you need medical coverage? Or, do you want a lower monthly premium and pay more when you need medical coverage?

Our health insurance plans are classified by coverage levels – bronze, silver, gold or platinum. These levels show, on average, how much of the cost of medical services is covered by the carrier and how much is paid for by the customer. These new coverage levels are one way to compare costs. Other cost considerations include:

- How much you pay for care before your insurance company starts to pay its share (a **deductible**)
- What you pay out-of-pocket for services after you pay the deductible or for services that can be used without paying toward your deductible (**coinsurance or copayments**)
- How much in total you might have to pay for medical services over the plan year (the **out-of-pocket maximum**)

Doctors: Do you have a preferred doctor or specialist? When comparing plans you may search the Connect for Health Colorado Provider Directory to see if your doctor is included. Or, do you have a preferred medical facility? Perhaps you need to have one that is close to your home. While shopping on Connect for Health Colorado®, you can check to see if a health plan covers services at a particular medical facility.

Prescription Coverage: Want to get an idea of what prescriptions will cost? You can check to see how much prescriptions will cost, along with exclusions and limits. Depending on your health needs, this may or may not be important to you.

[Click to close](#)

Coverage Levels

[Click to expand](#)

Calculate Your Savings

Use our savings calculators to see if you will be able to lower the cost of your health insurance.

Individuals & Families **CALCULATOR**

Small Businesses **CALCULATOR**

Customer Stories

"I am extremely pleased with my new Connect for Health Colorado health plan. Having a good health plan is very important to me." Hear more from our customers like Tom.

[Learn More >>>](#)

RESOURCES FOR OUR PARTNERS: Help Customer Calculate Savings, Resources for Partners

BROKERS: Login, Certification, Broker Directory, Questions

HEALTH COVERAGE GUIDES: Login, Certification, Assistance Site Directory

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Source: Connect for Health Colorado

The federal government also has sought to improve consumer health literacy by developing and promoting materials that explain key health care and health insurance terms and offer information on how health plans work.¹¹ As part of the “Coverage to Care” initiative, the Centers for Medicare & Medicaid Services (CMS) has published consumer-friendly videos and resources that define key terms and offer advice on plan selection. As CMS continues to build on the “Coverage to Care” initiative and promote health literacy, its initiatives could be strengthened through greater integration into the marketplace plan comparison and selection process. Navigators reported that while the “Coverage to Care” materials are useful and provide a strong base for consumer education, few consumers are willing to read or watch such materials unless they are integrated into the real-time plan shopping experience and “pop up” as they go through the process. As one Navigator noted, consumer communications need to consider “when the information is delivered, from which messenger and how it is reinforced.”

For example, Healthcare.gov offers a comprehensive checklist for consumers to review before entering the plan browsing experience, as shown in Figure 2, below.¹² Additional promising practices include the use of “hover mechanisms” and marketplace avatars. Hover mechanisms define key terms for consumers throughout the browsing experience: When a consumer places the cursor over a key term on a marketplace website, a pop-up definition for that term appears. Hover mechanisms are currently utilized by marketplace websites in Connecticut, New York and Washington. Similarly, avatars help define key terms and help consumers navigate the marketplace website. The marketplace websites for Connecticut and Colorado currently employ avatars to help consumers throughout the plan browsing experience.

Figure 2. Healthcare.gov Resource on Different Types of Health Insurance Plans

HealthCare.gov Individuals & Families Small Businesses Log in Español

Get Coverage Change or Update Your Plan Get Answers Search SEARCH

How to choose Marketplace insurance

Type of plan and provider network

Comparing health plans

Marketplace insurance categories

Monthly premiums

Out-of-pocket costs

Type of plan and provider network

Benefits

How to keep your doctor

How to find health care provider information

Catastrophic health insurance plans

There are different types of Marketplace health insurance plans designed to meet different needs. Some types of plans restrict or encourage you to get care from the plan's network of doctors, hospitals, pharmacies, and other medical service providers. Others pay a greater share of costs for providers outside the plan's network.

Types of Marketplace plans

Depending on how many plans are offered in your area, you may find plans of all or any of these types at each [metal level](#) – Bronze, Silver, Gold, and Platinum. There are different types of Catastrophic plans too.

Some examples of plan types you'll find in the Marketplace:

- **Exclusive Provider Organization (EPO):** A managed care plan where services are covered only if you use doctors, specialists, or hospitals in the plan's network (except in an emergency).
- **Health Maintenance Organization (HMO):** A type of health insurance plan that usually limits coverage to care from doctors who work for or contract with the HMO. It generally won't cover out-of-network care except in an emergency. An HMO may require you to live or work in its service area to be eligible for coverage. HMOs often provide integrated care and focus on prevention and wellness.
- **Point of Service (POS):** A type of plan where you pay less if you use doctors, hospitals, and other health care providers that belong to the plan's network. POS plans require you to get a referral from your primary care doctor in order to see a specialist.
- **Preferred Provider Organization (PPO):** A type of health plan where you pay less if you use providers in the plan's network. You can use doctors, hospitals, and providers outside of the network without a referral for an additional cost.

Get more information on [what you should know about provider networks \(PDF\)](#).

Learn more about plans you're considering

To get details about any plan you're interested in you can view a [summary of benefits](#), a plan brochure, a provider directory, and a [list of covered drugs](#). You'll find links to all of these when you're comparing Marketplace plans.

You'll also find this information when you [compare plans and prices before you apply](#).

If staying with your current doctors is important to you, make sure they're included in the [provider directory before enrolling](#). Call the plan or the provider to be sure.

[Back to top](#)

Source: Healthcare.gov

RECOMMENDATIONS:

- **Continue to develop and share creative materials and tools to improve consumer health literacy, and integrate these tools into the plan comparison and selection process.**

Policymakers and marketplace officials should leverage existing health literacy materials and continue finding creative, interactive and visual ways to explain information to consumers. Information should be provided to consumers when they need it in real-time, both during the plan comparison and shopping experience and throughout the year when they seek health care services. Amongst other key elements, health literacy materials should address, in multiple languages other than English, the following information:

- Factors each consumer should consider when selecting a plan, such as covered services; the total cost of the plan, inclusive of the premium, deductible and other cost-sharing charges; whether preferred physicians are in-network; and whether prescriptions are covered by the plan.
- Definitions of key health care and health insurance terms, such as premium, copayment, coinsurance, deductible and out-of-pocket maximum.
- Guidance on how to review and use a provider directory.
- Guidance on how to review and use a prescription drug formulary.
- Definitions of and differences between plan products and provider network models.
- Information about how to use health care coverage, similar to the step-by-step instructions on how to fill prescription medications and access medical care provided in the “Using your new Marketplace health coverage” section on Healthcare.gov.¹³

Policymakers and marketplace officials should work with consumer advocacy organizations, organizations representing minority populations, Navigators and others to identify how best to deliver information, integrate health literacy tools into the plan selection and comparison process and reinforce educational information throughout the year.

- **Provide consumers with a checklist of information they should have on hand prior to shopping for a plan.**

All marketplace websites should provide consumers with a checklist of information to have on hand before they begin the plan comparison and selection process. This should include, at minimum, income and citizenship information, the names and addresses of their current providers and a list of health care services and prescription medications they may need. Interview subjects noted that it is important for consumers to gather such information prior to beginning the plan shopping experience.

Developing and Applying Tools That Simplify and Streamline Plan Comparison and Selection

Navigators reported that, during the 2015 open enrollment period, plan comparison was the most complicated and time-consuming part of assisting consumers with enrollment. Navigators often sit with consumers with a pencil, paper and a calculator in order to determine which plans cover preferred providers and prescription medications, and to estimate what the consumer's annual out-of-pocket costs may be under various health plans.

Navigators in states with a large number of participating qualified health plans (QHP) reported that sorting through plan options was time-intensive and that Navigators often have time to review only a few plans with consumers during appointments. One Navigator said it could take a full hour to review just three plans, describing the plan comparison and selection process this way: If a consumer wants to understand out-of-pocket costs, the Navigator uses a calculator to help the consumer estimate how much he or she will spend given a plan's premium, deductible and cost-sharing structure and the individual's personal medical circumstances. The Navigator then helps the consumer "click through" to a plan's provider directory to see if the consumer's preferred providers and facilities are in the plan's network. If the consumer requires particular medications, the Navigator "clicks through" to the plan's formulary to ascertain whether the plan covers those prescriptions. The Navigator noted, "It's like puzzle pieces – you have to put together all of the pieces to figure out what will be best for the consumer."

To meet consumer demand for enhanced comparison tools, a growing number of advocacy groups, provider networks and others are producing tools that identify or recommend specific plans that work well for consumers with particular situations or health conditions. For example, one Navigator reported that many of her clients with cancer arrive with a "cheat sheet" that identifies the plans that have been recommended by a local cancer center because those plans include the facility in-network and cover many medications required by cancer patients.

Additionally, states are piloting promising plan comparison and selection tools.¹⁴ In many instances, Navigators had experience with plan selection tools available in their state's marketplace, such as an integrated provider directory and prescription drug directory (Colorado; see Figure 3), a "smart sort" tool (California) and a Marketplace Health Plan Comparison Tool (Illinois). Navigators in Colorado reported that the integrated provider and prescription drug directories were particularly helpful, greatly simplifying consumers' ability to identify which plans included their preferred providers in-network and which covered their medications. These Navigators had recommendations for how the tools could be improved; in one case, for instance, by enabling the integrated provider directory to identify plans that include multiple preferred providers in-network. (Currently, the tool only allows consumers to search one provider at a time.) Navigators also recommended that the tool be enhanced to alert consumers to differences in cost-sharing obligations for primary care providers versus specialists and between tiers of primary care doctors.

Figure 3. Connect for Health Colorado's Integrated Provider Directory

CONNECT for HEALTH COLORADO

Apply for Coverage Find a Plan My Account Learn More Get Assistance

Find a Health Care Provider [Back to plan list](#)

Selected Providers (0)
You have not added any doctors or facilities to your list. You can add upto 5 providers and facilities.

Preferred Health Care Provider search results (0)

Name	Address	Zip Code	Phone	Actions
No Providers Found				

Showing 0 to 0 of 0 entries

Find a Health Care Provider
Find your health care provider by entering the information below and clicking the Search button.

Provider's First Name Hospital or Facility Name

Provider's Last Name OR

Zip Code

Distance

Provider information contained in this directory is updated on a monthly basis. Providers may join or leave a carrier's network at different points throughout the year. If you have selected a provider but not completed your plan selection and the directory is updated, you will have to re-establish your filters to continue to shop. Note that you may be required to obtain a referral or pre-authorization to see a provider even if they are in your selected network. Please check with your carrier before scheduling an appointment or receiving services to confirm whether a provider is in network or requires a referral or pre-authorization. For additional network questions, we suggest you reach out to the carrier for more details. Need to find a new provider? Try [Advanced Search](#)

[Privacy Policy](#) | [Terms of Use](#) | [Feedback](#)


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Source: Connect for Health Colorado

In Illinois, Navigators saw value in the Marketplace Health Plan Comparison Tool, which offers consumers an estimate of annual out-of-pocket costs for a plan. They reported that the tool greatly simplifies the challenge of figuring out how much consumers might spend under a given plan based on their particular health care needs. One suggestion for improvement was to modify the tool to query consumers about prescription drug use. (Currently, the Marketplace Health Plan Comparison Tool does not ask consumers for information on prescription medications and therefore may not adequately estimate a consumer's out-of-pocket costs.)

Federal policymakers are in the midst of major efforts to provide consumers with improved plan selection tools, including a more comprehensive Summary of Benefits and Coverage (SBC) template (see Figure 4), enhanced provider and prescription drug directories and out-of-pocket cost calculation tools. Designed to allow consumers to compare plans across standardized elements, the SBC presents information about a plan's benefit design, including key covered health care services and cost-sharing obligations associated with those services. The ACA requires all issuers to make an SBC available to consumers. While Navigators reported that the SBC template is a helpful tool, they identified a number of ways it could be improved. Consumer advocates, too, have recommended improvements. For example, Navigators and consumer advocates agree that, from reviewing the SBC template alone, it can be difficult to determine which health care services are subject to the plan's deductible. Consumers also have difficulty discerning from the current SBC template whether important services and prescription drugs, such as specific birth control procedures and products, are covered by the plan.

Figure 4. Summary of Benefits and Coverage (SBC) Template

Summary of Benefits and Coverage: What this Plan Covers & What it Costs		Coverage Period: [See Instructions]
		Coverage for: _____ Plan Type: _____
 This is only a summary. If you want more detail about your coverage and costs, you can get the complete terms in the policy or plan document at www.[insert] or by calling 1-800-[insert].		
Important Questions	Answers	Why this Matters:
What is the overall deductible?	\$	
Are there other deductibles for specific services?	\$	
Is there an out-of-pocket limit on my expenses?	\$	
What is not included in the out-of-pocket limit?		
Is there an overall annual limit on what the plan pays?		
Does this plan use a network of providers?		
Do I need a referral to see a specialist?		
Are there services this plan doesn't cover?		
<p>OMB Control Numbers 1545-2229, 1210-0147, and 0938-1146 Released on April 23, 2013 (corrected)</p> <p>Questions: Call 1-800-[insert] or visit us at www.[insert]. If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can view the Glossary at www.[insert] or call 1-800-[insert] to request a copy.</p>		

Source: CMS.gov

To address consumer concerns, in December 2014 the Internal Revenue Service (IRS), the U.S. Department of Health and Human Services (HHS) and the U.S. Department of Labor (DOL) proposed regulatory changes to the SBC that include revisions to its template, to instructions for completing it and to its uniform glossary of terms.¹⁵ Final regulations concerning the SBC were published on June 16, 2015.¹⁶ As per the final rule, a finalized updated SBC template and associated documents should be issued by January 2016 and will apply to plan years beginning in 2017.¹⁷

In addition to improvements to the SBC, federal policymakers have demonstrated intent to improve consumer ability to compare plan options based on plans' provider networks, prescription drug formularies and out-of-pocket costs. In February 2015, HHS issued a final rule¹⁸ requiring QHP issuers to publish up-to-date, accurate and complete provider directory and formulary information. This information must be updated at least monthly and submitted to HHS in a machine-readable format. HHS has also published a Request for Information (RFI) to explore development of a tool that provides consumers with out-of-pocket cost estimates.¹⁹ At the time of publication, HHS is currently accepting comments on a proposed out-of-pocket cost estimates tool and options for incorporating such a tool into Healthcare.gov.²⁰

These developments signal important progress in providing greater support for consumers who are comparing and selecting plans. Both Healthcare.gov and state-run marketplaces must continue to improve the plan comparison and selection process and provide consumers with the tools they need to make informed enrollment choices.

RECOMMENDATIONS:

► **Continue to improve and develop tools that allow consumers to compare plans across key dimensions.**

There are four fundamental tools that marketplaces should continue to develop and improve that would support more informed consumer decision-making: (1) the SBC template; (2) an integrated provider directory; (3) an integrated prescription drug directory; and (4) an out-of-pocket cost calculator. These tools should be easily accessible and integrated into the plan selection process. In addition, consumers should find the tools easy to use and should be able to easily revise and filter search criteria.

Summary of Benefits and Coverage Template. The SBC template should be revised to be more consumer-friendly. Recommendations for improvement include:

- Further simplify the key health care terms it uses.
- Modify the template to clearly identify preventive services and their exemption from cost-sharing obligations.
- Provide greater clarity with respect to which services are subject to the plan's deductible.
- If a plan has multiple deductibles, provide clear explanations of how its deductibles interact with one another (e.g., the relationship between a medical deductible and a prescription drug deductible).
- Provide greater clarity about how a deductible applies to an individual plan versus to a family plan, and about the different types of family deductibles and how they apply.

- Put greater emphasis on the implications of accessing services out-of-network.
- Include additional coverage examples, such as for a simple injury or for a catastrophic event, and estimates for how much a consumer can expect to spend in those scenarios.

Integrated Provider Directory. Integrated provider directories should allow consumers to enter the names of their providers and quickly identify which plan(s) include those providers in-network. They should include the following features:

- Ability to enter several preferred providers into one search and to identify plans that cover all or a subset of searched providers.
- Permit searches to be conducted for the following criteria, using a drop-down menu and/or a free text search field:
 - In-network hospitals
 - In-network provider practices
 - In-network facilities
 - Provider type (e.g., family medicine, allergist)
 - Distance (e.g., based on the consumer's residential ZIP code, county, other)
- Alert consumers to cost-sharing obligations that apply to particular providers or facilities if the plan tiers in-network providers and facilities.

Integrated Prescription Drug Directory. Integrated prescription drug directories should allow consumers to enter the names of their prescription drugs and quickly identify which plan(s) cover them. Integrated prescription drug directories should include the following features:

- Ability to enter several prescription drugs into one search and to identify plans that cover all or a subset of searched prescription drugs. The search results should clearly specify which plans cover which medications.
- Ability to enter medication dosage levels.
- Alert consumers to prescription drug tier-placement and cost-sharing obligations, including utilization management restrictions.
- Notify consumers if the plan covers a generic version of the searched prescription drug.
- Enable users to save a drug list in their Healthcare.gov or state-run marketplace website profile.

Out-of-Pocket Cost Calculator. Out-of-pocket cost calculators should allow consumers to estimate their annual out-of-pocket costs under different plans based on their anticipated health care and prescription drug usage. Out-of-pocket cost calculators should include the following features:

- Ability to synthesize and present information on all the costs a consumer might incur, including premiums, deductibles and cost-sharing charges.

- Ability for consumers to provide detailed information on their health status and the health care services and prescription drugs they expect to utilize during the plan year, including, for example:
 - Primary care provider office visits
 - Specialist office visits
 - Anticipated services
 - Categories of surgeries
 - Pregnancy and delivery
 - Common chronic conditions
 - Common illnesses, such as the flu
 - Prescription drugs
 - Income information
 - Eligibility for premium tax credits and cost-sharing reductions
- Ability for consumers to “customize” the amount of data they want to enter about their personal circumstances in order to secure estimates of out-of-pocket costs.
- Clear explanations that the tool is providing an estimate of out-of-pocket costs, and that a person’s actual expenditures will depend on their actual health care usage during the plan year.
- Clear explanations of the tool’s methodology and limitations.

Ensuring Health Plan Information Is Accurate and Reliable

Navigators reported that the accuracy of plan information is critically important to consumers and raised concerns about the reliability of the plan information presented in the marketplace, particularly with regard to participating providers and covered prescription drugs. Navigators reported having worked with consumers who have selected a plan based on its provider directory, believing their preferred providers would be in-network only to learn after open enrollment closed that the provider no longer contracts with the plan. Navigators also reported similar, although less frequent, issues with respect to plans’ prescription drug formularies. For now, Navigators are advising consumers to directly contact a provider prior to enrollment to confirm participation in a plan. They also routinely advise consumers with significant prescription drug needs to call an insurance carrier directly to verify whether their medications are included in a plan’s formulary.

Navigators also flagged inconsistencies with how plan data is displayed across multiple information sources. For example, data on a plan’s deductible and cost-sharing structure presented in its SBC template sometimes differs from how that same information is presented in the plan’s underlying documents. In addition, how a plan is named in a marketplace website’s anonymous browsing tool sometimes does not match how the plan is named on the issuer’s website, making it difficult for consumers to contact the issuer for further information.

As noted above, recent federal regulatory action requiring plans to update provider directories and drug formularies monthly is an important step toward improving the accuracy of this data.²¹ To ensure that consumers are accessing accurate and reliable plan information when they compare and select plans, marketplace officials should take additional measures as detailed below.

RECOMMENDATIONS:

► Take specific steps to ensure plan information is complete, accurate and up-to-date.

Policymakers should require marketplaces to take, at minimum, the following steps to ensure that information is accurate and easily accessible:

- Conduct occasional spot checks to assess the accuracy and reliability of plan data, including provider directories, prescription drug formularies and descriptions of out-of-pocket costs.
- Establish procedures that consumers and Navigators can use to report issues with featured plan data. Consumers and Navigators should be able to report inaccuracies or problems to both the plan issuer and to the marketplace.
- Provide consumers and Navigators with a specific process for securing additional information on plans, as needed (e.g., a dedicated call-in line).
- Ensure that information provided by plans for marketplace summary platforms, such as the SBC or a “plan details” webpage, is consistent with the plan’s underlying documents.
- Provide clear disclaimers on “plan details” webpages and other relevant marketplace webpages that plan information is updated by plans continuously. Direct consumers to where they can learn when a plan last updated its data and provide guidance on how consumers can secure the most current information, if needed.
- Hold QHP issuers accountable for reporting requirements set forth by federal and state policy.

Conclusion

After two open enrollment periods, millions of consumers are enrolled in insurance plans through the ACA.

Increasingly, consumers in the marketplace are focused on selecting plans that align with their specific health care needs and financial circumstances. To help consumers select the plans that are best for them, marketplaces should continue to provide information and tools that help consumers compare and weigh their options.

A key support system for consumers comparing and selecting marketplace plans, Navigators provide valuable insights into the tools consumers are currently using, how those tools could be improved and what additional tools are needed. States, Healthcare.gov, Navigator organizations and public and private entities have taken important steps to synthesize information and provide tools that simplify and streamline plan comparison and selection. Even so, enrollment remains a time-consuming, complex and hugely challenging process for many consumers.

Additional health literacy materials, and in particular tools that are integrated into the plan shopping experience, would support informed consumer decision-making. Consumers also would benefit from enhanced tools that help them analyze and compare plans, such as integrated provider and prescription drug directories and out-of-pocket cost calculators. Policymakers should continuously refine these tools so they address diverse consumer needs and include customizable options. Such enhancements will especially benefit consumers with extensive or specific health care needs and their families. Finally, consumers need plan information to be accurate and up-to-date so that they can rely on this data to make informed decisions about the plans that are best for them and their families.

While great progress has been made over the first two open enrollment periods, advocates and policymakers must continue collaborating to develop and refine tools that will help consumers make informed decisions about the health plans that best meet their health care needs and financial circumstances. Only then can the promise of the health care marketplace be fully realized.

Summary of Recommendations: Strategies for Improving Informed Consumer Decision-Making

Support Improved Consumer Health Literacy

- ▶ **Continue to develop and share creative materials and tools to improve consumer health literacy and integrate these tools into the plan comparison and selection process.** Health literacy materials should include a list of factors to consider when selecting a plan; definitions of key health care terms; guidance on how to use a provider directory and review a prescription drug formulary; information on differences between plan products and provider network models; and direction on how to use health care coverage. Policymakers and marketplace officials should work with advocacy organizations, Navigators and others to identify how best to deliver this information, how to integrate health literacy tools into the plan selection process and how educational information can be reinforced throughout the year.
- ▶ **Provide consumers with a checklist of information they should have on hand prior to shopping for a plan.** Before beginning the plan comparison and selection process, all marketplace websites should provide consumers with a checklist of information to have on hand, such as income and citizenship information, the names and addresses of their current providers and a list of health care services and prescription medications they may need.

Develop and Apply Tools That Simplify and Streamline Plan Comparison and Selection

- ▶ **Continue to improve and develop tools that allow consumers to compare plans across key dimensions.** There are four fundamental tools that marketplaces should continue to develop and improve that would support informed consumer decision-making: (1) the Summary of Benefits of Coverage (SBC) template; (2) an integrated provider directory; (3) an integrated prescription drug directory; and (4) an out-of-pocket cost calculator. These tools should be easily accessible and integrated into the plan shopping experience.

Summary of Benefits and Coverage Template. The SBC template should be revised to be more consumer-friendly by further simplifying the terminology it uses and by providing information on the covered services consumers frequently ask about, such as preventive services. The SBC template should clearly explain a plan's cost-sharing structure and include information about when a service is subject to the deductible and how multiple deductibles may interact.

Integrated Provider Directory. Integrated provider directories should allow consumers to enter the names of their providers and quickly identify which plan(s) include those providers in-network. They should be able to filter plans by multiple providers and by different types of providers. If a plan has different tiers of providers and facilities, the tool should alert consumers to the cost-sharing obligations that apply to a particular provider or facility.

Integrated Prescription Drug Directory. Integrated prescription drug directories should allow consumers to enter the names of their prescription drugs and quickly identify which plan(s) cover them. They should allow consumers to enter several prescription drugs into one search function and view which plans cover all or a subset of them. They should alert consumers to tier-placement and cost-sharing obligations, including utilization management restrictions, and notify consumers if a generic version of the drug is covered. Lastly, the tool should allow users to save drug lists in their Healthcare.gov or state-run marketplace website profiles.

Out-of-Pocket Cost Calculator. Out-of-pocket cost calculators should allow consumers to estimate their annual out-of-pocket costs under different plans based on their anticipated health care and prescription drug usage. They should be equipped to present information on the costs a consumer can expect to incur, based on his or her health status and expected utilization of services, including premiums, deductibles and cost-sharing charges. These tools should clearly explain their methodology and note that they are providing estimates of out-of-pocket costs, with actual expenditures dependent upon health care usage over the course of the plan year.

Ensure That Health Plan Information Is Accurate and Reliable

- **Take specific steps to ensure plan information is complete, accurate and up-to-date.** At minimum, marketplaces should conduct occasional spot checks to assess the accuracy of plan information and establish procedures that consumers and Navigators can use to flag any inaccuracies or issues with plan data. Marketplaces should notify consumers that plan information is updated continuously and provide guidance on how consumers can access updated information. Policymakers and marketplaces must hold QHP issuers accountable for reporting requirements set forth in federal and state policy.

Appendix A – Methodology for Interviews

Manatt Health conducted interviews with national experts and frontline Navigators during the spring of 2015 (March 17, 2015 to May 8, 2015).

The purpose of the interviews was to evaluate the strategies and tools that Navigators currently use to help consumers select plans that best meet their health care needs and financial circumstances, and to identify additional tools that would be helpful in supporting consumer decision-making. To identify current and promising plan selection practices, Manatt relied on the insights of a number of national consumer assistance experts and frontline Navigators in Florida, California, Colorado and Illinois (see Appendix B for a list of interviewees).

These four states were chosen because they represent both state-run marketplaces and states that use Healthcare.gov. Additionally, California was selected because it has a “smart sort” tool that allows consumers to rate medical and prescription drug utilization for each member of their family from low to very high. Based on the consumer’s responses, the tool sorts plans by estimated annual health care costs, including premiums and out-of-pocket expenses. Colorado was selected because it has an integrated provider directory and prescription drug directory. Illinois was selected for its Marketplace Health Plan Comparison Tool, a Consumers’ Checkbook product that compares plans across a number of factors including total estimated costs, plan quality and provider participation.

The following is a list of the interview questions that were the foundation for the interviews.

CONSUMERS’ PRIORITIES FOR AND APPROACH TO MARKETPLACE PLAN SELECTION

- ▶ How often do consumers look to you for assistance with marketplace plan selection? What role do you play in supporting their plan selection decision-making?
- ▶ How well do you think consumers understand their plan choices?
- ▶ What are the key factors that consumers tell you are important when they are trying to select marketplace plans (e.g., price, quality/effectiveness information, coverage of a particular drug/device, proximity to providers)?
- ▶ In general, how do consumers approach plan selection? For example, how often do they use the comparative information on websites versus relying on recommendations from friends and other strategies? How often do they pick one of the first plan options that is presented on the results page rather than engaging in further shopping?

AVAILABILITY AND EFFECTIVENESS OF EXISTING PLAN SELECTION TOOLS AND STRATEGIES

- ▶ What tools do you find are the most useful in your efforts to support people in selecting plans? How much do you rely on marketplace websites? On other tools/sources of data?
- ▶ How readily can you find information on key features of marketplace plans for consumers, such as cost-sharing policies, benefits, provider networks and prescription drug policies?

- ▶ To what extent are you able to access and review plan formularies to determine whether consumers' prescription drugs are covered? What tools do you have and need to explain cost sharing to consumers?
- ▶ Are there tools that exist that you do not use and if so, why do you not use them?
- ▶ If you have had any experience with Medicare Part D selection, how do the tools available for this process compare to the tools provided on marketplace websites?

RECOMMENDATIONS TO IMPROVE MARKETPLACE PLAN SELECTION EXPERIENCE

- ▶ From your perspective, what promising strategies/tools should be made available so that consumers and those assisting them can identify plans that are right for them given their health care and financial needs?

Appendix B – Navigator and National Expert Interviewees

In order to understand how consumers are making plan selection decisions and the tools available to support consumer decision-making, in the spring of 2015 Manatt Health conducted a series of interviews with national consumer assistance experts and frontline Navigators who work directly with consumers in California, Colorado, Florida and Illinois. The following is a list of the interviewees.

Navigators

CALIFORNIA

- Griselda Vazquez, Outreach and Enrollment Coordinator, Livingston Community Health, April 16, 2015
- Jan Spencley, Executive Director, San Diegans for Healthcare Coverage, May 16, 2015

COLORADO

- Eileen Hunt, Certified Enrollment Counselor, Broomfield County Health and Human Services, April 20, 2015

FLORIDA

- Jodi Ray, Principal Investigator/Project Director, Florida Covering Kids & Families, April 2, 2015
- Karen Basha Egozi, Chief Executive Officer, Epilepsy Foundation of Florida, April 15, 2015

ILLINOIS

- Jessica Palys, Navigator, Campaign for Better Health Care, April 23, 2015

National Experts

- Lynn Quincy, Associate Director of Health Reform Policy, Consumers Union, April 16, 2015
- Karen Pollitz, Senior Fellow, Kaiser Family Foundation, April 14, 2015
- Kirsten Sloan, Senior Director of Policy Analysis and Legislative Support, and Anna Howard, Policy Principal, Access and Quality of Care, American Cancer Society Cancer Action Network, April 17, 2015
- Sophie Stern, Deputy Director, Best Practices Institute, Enroll America, May 8, 2015
- Mara Youdelman, Managing Attorney, National Health Law Program, March 17, 2015
- Amy Rosenthal, Director of External Affairs and Policy, Community Catalyst, March 17, 2015

Endnotes

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- 4 Patient Protection and Affordable Care Act. Section 1311(i) and 45 C.F.R. § 155.210.
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- 8 Patient Protection and Affordable Care Act Section 1311(i) and 45 C.F.R. § 155.210.
- 9 The full list of interviewees and detailed information on the questions asked of interviewees is available in Appendix A and B of this report.
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- 12 Centers for Medicare & Medicaid Services. *Type of plan and provider network*. Retrieved 10 June 2015, from <https://www.healthcare.gov/choose-a-plan/plan-types/>
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- 15 Department of the Treasury, Department of Labor, Department of Health and Human Services. (2014, December 30). *Summary of Benefits and Coverage and Uniform Glossary; Proposed Rule*. Retrieved 10 June 2015, from <http://www.gpo.gov/fdsys/pkg/FR-2014-12-30/pdf/2014-30243.pdf>. Note: All Summary of Benefits and Coverage and Uniform Glossary materials are available at: <http://www.dol.gov/ebsa/healthreform/regulations/summaryofbenefits.html>
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