Information Tactics of Individuals Making Health Insurance Purchase Decisions

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health insurance literacy

“the extent to which consumers can make informed purchase and use decisions”

(Kim, Braun, & Williams, 2013, p. 3)
Why does this matter?

(Department of Health and Human Services, 2008, p. 7)

"The success of health system reform will depend in large part on the capacity of individuals, families, and communities to make informed decisions about their health."

Introduction  Methods  Findings  Discussion
Research Questions

How do people understand health insurance concepts?

How do individuals make their own health insurance decisions?

What are the factors that impact health insurance literacy and decision-making?
Participants

Participants were recruited through the pool of new employees who participate in benefits training from the Human Resources Department at a large university in the southeastern United States.
Study Design

• Demographic questionnaire
• Interviews
  • Micro-Moment Time-Line Interviews*
• Photographs of materials
• Health Insurance Literacy Measurement (HILM)**

Tracing the Timeline

<table>
<thead>
<tr>
<th>Participant 24 Timeline</th>
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</thead>
<tbody>
<tr>
<td>Talked with friend about what plan she had</td>
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<tr>
<td>Talked with dad about insurance terminology (i.e., FSA, deductibles)</td>
</tr>
<tr>
<td>Googled terms (i.e., FSA, CDHP) and comparison of plans</td>
</tr>
<tr>
<td>Used cost calculator on the state health plan website</td>
</tr>
<tr>
<td>Used drug calculator on the state health plan website</td>
</tr>
<tr>
<td>Let the information sink in (“percolate”) overnight</td>
</tr>
</tbody>
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Introduction  Methods  Findings  Discussion
Information Tactics

- Comparing plans side-by-side (n=30)
- Reviewing costs (n=30)
- Calculating costs (n=18)
- Ignoring/Eliminating information (n=16)
- Avoiding Overthinking (n=9)
- Should have done more (n=4)
- Not a logical choice (n=4)

“The way my brain works it's usually several things at one time” (P18)
Costs (n = 30, total of 96 times)

• Participants varied on which costs were most meaningful
  • Premiums vs. medical costs within the plans
  • May be necessary to conduct research on preferred cost structures

<table>
<thead>
<tr>
<th>Office Visits</th>
<th>15% after deductible; $25 added to HRA if you use PCP on ID card; $20 added to HRA if you use Blue Options Designated specialist</th>
<th>35% after deductible</th>
<th>$25 for primary doctor; $10 if you use PCP on ID card; $85 for specialist; $45 if you use Blue Options Designated specialist</th>
<th>40% after deductible</th>
</tr>
</thead>
</table>
Ignoring/Eliminating Information

• Eliminated or ignored information in coverage areas that did not apply
  • inpatient, prescription drug, and/or dependent coverage

• Eliminated entire plans to simplify choice
Personal Reflection

• Past experience with health insurance (n=27)
• Forecasting needs for the next year (n=26)
• Forecasting worst case scenario/unknown (n=15)
• Reflecting on health status (n=16)
• Age as a factor (n=14)
• Reflecting on past year’s use of coverage (n=9)
Priority Coverage Areas

- Prescription coverage (n=16)
- In-network vs out-of-network coverage (n=16)
- Preventive care (n=14)
- Specific coverage need (n=13)
- Coverage for dependents (n=12)
- “Sufficient coverage” (n=10)
- Out-of-pocket maximums (n=8)
- Office visits and copays (n=6)
Interpersonal Information Sources

- Spouse/partner (n=13)
- Colleague (n=12)
- Parents (n=10)
- Other source (n=5)
- Benefits officer (n=10)
- Friends (n=8)
Health Insurance Information Behavior

• Comparing plans side-by-side
  ➣ Continued use of online calculators

• Eliminate/ignore information
  ➣ Preferences for smaller size set*
  ➣ Interactive health materials where users could hide irrelevant information

*Barnes et al., 2012; Barnes et al., 2013; Hanoch et al., 2011; Szrek & Bundorf, 2014; Wood et al., 2011
Shared Decision-Making

• Participants consulted spouses, partners, colleagues, parents, benefits officers, and friends
  • due to domain expertise, familiarity with available plans, and awareness of health care needs
  • through a variety of media, including in person, by phone, through text, and via social media
Outcomes

Provide better assistance with enrollment

- Librarians and information professionals: Support process and provide access to quality health insurance informational materials
- ACA Navigators: Policy implications for funding information assistance
- Human resources officers: Save large employers money with savvier insurance purchasers

Introduction ➔ Methods ➔ Findings ➔ Discussion
Thank you!
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Analyze Data – Process

Micro-Moment Time-Lines
- Identified strategies and sources

Coding Interviews
- Hand coded individually
- Codes = participants’ words

Analysis
- Compared w/ info seeking & use models
- Reviewed Integrated Framework

Memos

Introduction Methods Findings Discussion