



# Information Tactics of Individuals Making Health Insurance Purchase Decisions



#ASIST18

@evardell

**Emily Vardell, PhD**

2018 ASIS&T SIG-USE Symposium

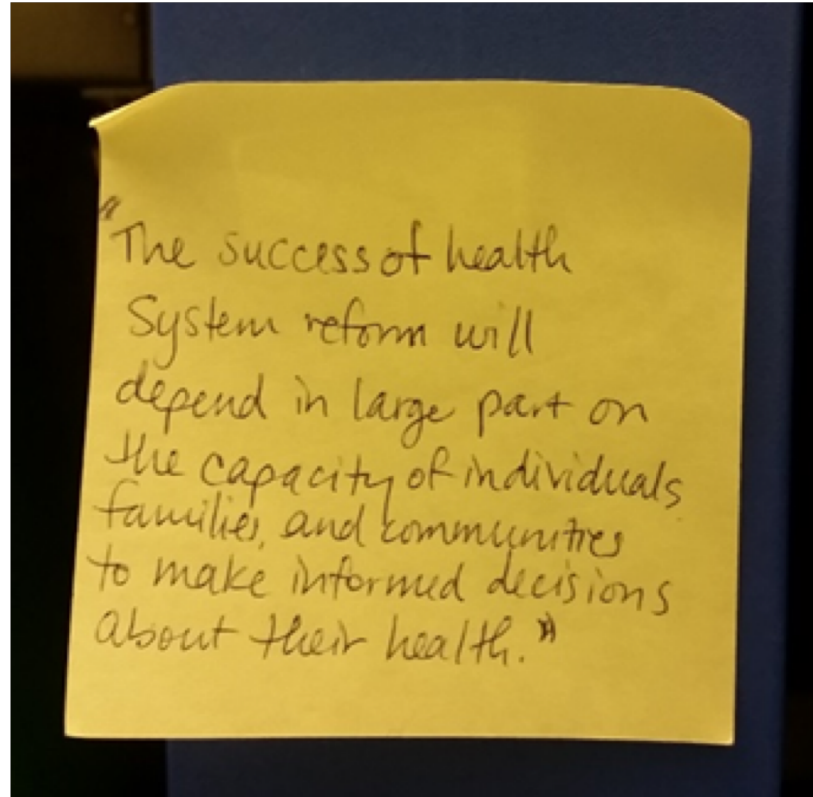
November 10, 2018

# 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)

**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?



**Introduction**

Methods

Findings

Discussion



# 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.



Introduction

**Methods**

Findings

Discussion

# Study Design

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



\*Dervin, B. (1983). An overview of sense-making research: Concepts, methods and results. Paper presented at the annual meeting of the International Communication Association, Dallas, TX, May.

\*\*Paez, K.A., Mallery, C.J., Noel, H., Pugliese, C., McSorely, V.E., Lucado, J.L., & Ganachari, D. (2014). Development of the Health Insurance Literacy Measure (HILM): Conceptualizing and Measuring Consumer Ability to Choose and Use Private Health Insurance. *Journal of Health Communication*, 19(Supplement 2), 225-239.

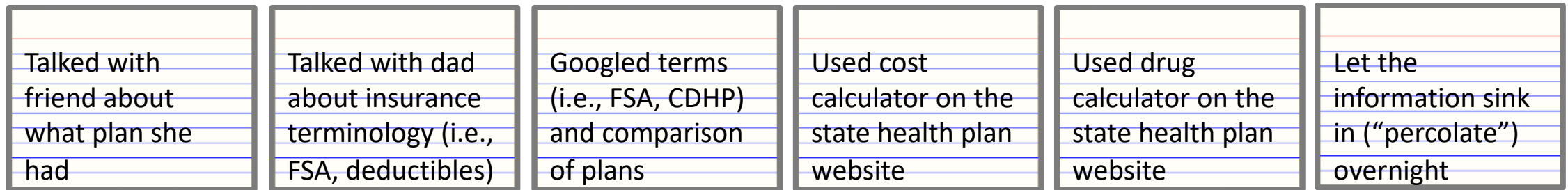
Introduction

**Methods**

Findings

Discussion

# Tracing the Timeline



Participant 24 Timeline



# 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

Office Visits	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	35% after deductible	\$25 for primary doctor; \$10 if you use PCP on ID card; \$85 for specialist; \$45 if you use Blue Options Designated specialist	40% after deductible
---------------	--	----------------------	---	----------------------

# 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

## 2017 STATE HEALTH PLAN COMPARISON

Active and Non-Medicare Subscribers

PLAN DESIGN FEATURES	CONSUMER-DIRECTED HEALTH PLAN (CDHP) (85/15)		ENHANCED 80/20 PLAN		TRADITIONAL 70/30 PLAN	
	IN-NETWORK	OUT-OF-NETWORK	IN-NETWORK	OUT-OF-NETWORK	IN-NETWORK	OUT-OF-NETWORK
HRA Starting Balance*	\$600 Employee \$1,200 Employee +1 \$1,800 Employee + 2 or more		N/A		N/A	
Annual Deductible	\$1,500 Individual \$4,500 Family	\$3,000 Individual \$9,000 Family	\$1,250 Individual \$3,750 Family	\$2,500 Individual \$7,500 Family	\$1,250 Individual \$3,750 Family	\$2,160 Individual \$6,480 Family
Coinurance	15% of eligible expenses after deductible	35% of eligible expenses after deductible and the difference between the allowed amount and the charge	20% of eligible expenses after deductible	40% of eligible expenses after deductible and the difference between the allowed amount and the charge	30% of eligible expenses after deductible	50% of eligible expenses after deductible and the difference between the allowed amount and the charge
Medical Coinsurance Maximum	N/A	N/A	N/A	N/A	\$4,388 Individual \$13,164 Family	\$3,776 Individual \$26,328 Family
Medical Out-of-Pocket Maximum	See Out-of-Pocket Maximum		\$4,350 Individual \$10,300 Family	\$8,700 Individual \$26,100 Family	N/A	N/A
Pharmacy Out-of-Pocket Maximum	See Out-of-Pocket Maximum		\$2,500 Individual \$4,000 Family	\$2,500 Individual \$4,000 Family	\$3,360	
Out-of-Pocket Maximum (Combined Medical and Pharmacy)	\$3,500 Individual \$10,500 Family	\$7,000 Individual \$21,000 Family	\$6,850 Individual \$14,300 Family	\$11,200 Individual \$30,100 Family	N/A	N/A
Affordable Care Act (ACA) Preventive Services	\$0 (covered at 100%)	35% after deductible dependent on service	\$0 (covered at 100%)	40% after deductible dependent on service	\$40 for primary doctor; \$94 for specialist	40% after deductible dependent on service
Office Visits	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	35% after deductible	\$25 for primary doctor; \$10 if you use PCP on ID card; \$85 for specialist; \$45 if you use Blue Options Designated specialist	40% after deductible	\$40 for primary doctor; \$94 for specialist	50% after deductible
Urgent Care	15% after deductible	15% after deductible	\$70	\$70	\$100	\$100

# 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



Introduction

Methods

**Findings**

Discussion

# 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

**PLAN COMPARISONS**  
January 1, 2016 — December 31, 2016

*B64* *still good* **X**

	Enhanced 80/20 Plan		Consumer-Directed Health Plan		Traditional 70/30 Plan	
Plan Design Features	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
HRA Starting Balance	N/A		\$600 Employee \$1,200 Employee + 1 \$1,800 Employee + 2 or more		N/A	

\*Barnes et al., 2012; Barnes et al., 2013; Hanoch et al., 2011; Szrek & Bundorf, 2014; Wood et al., 2011

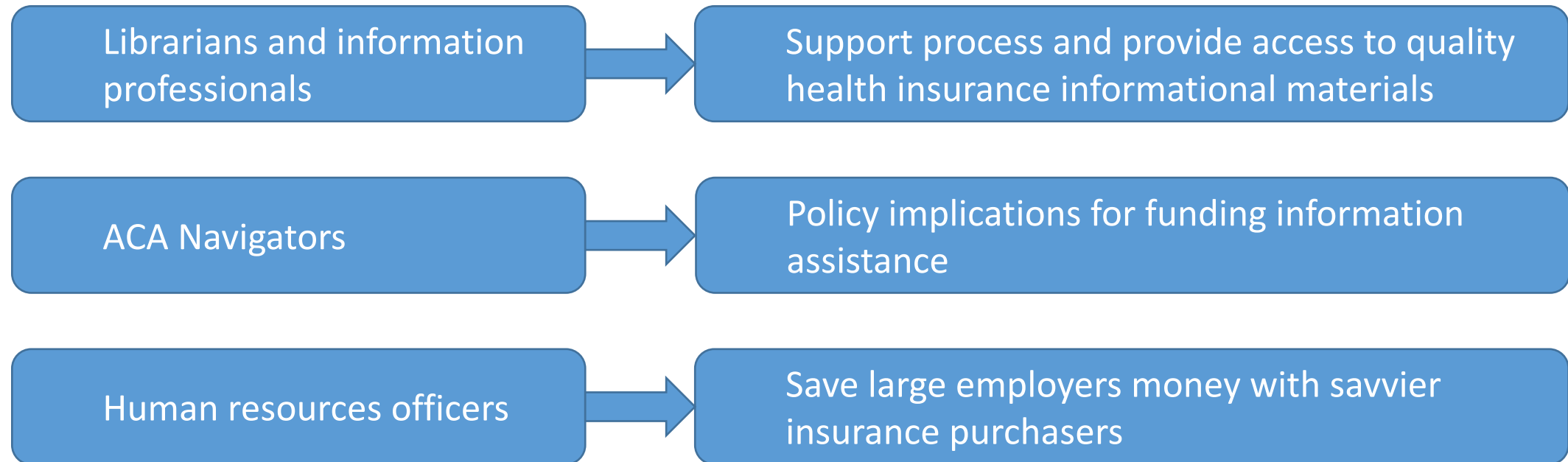
# Shared Decision-Making



- 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





# Thank you!

Emily Vardell, PhD  
[evardell@emporia.edu](mailto:evardell@emporia.edu)

Assistant Professor  
School of Library and Information Management  
Emporia State University

# Analyze Data – Process

