Improving Health Insurance Literacy in the State of Connecticut

Lessons from the FAIR Health Engage Health CT Program

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Executive Summary
The state of Connecticut has made impressive gains in insuring its residents since the passage of the Affordable Care Act (ACA): More than 700,000 individuals have enrolled in public or private coverage through the Access Health CT health insurance marketplace since 2013, lowering the state’s uninsured rate from 12.3 percent to 3.8 percent between 2013 and 2016.1 With this commendable progress in increasing the number of residents with insurance coverage, there is an urgent need to advance health insurance literacy (HIL) among the newly insured. HIL is defined as “the degree to which individuals have the knowledge, ability, and confidence to find and evaluate information about health plans, select the best plan for their own (or their family’s) financial and health circumstances, and use the plan once enrolled.”2 Barriers to achieving adequate levels of HIL disproportionately affect the newly insured, minority groups and those with lower incomes and educational levels. In 2015, FAIR Health received generous funding from the Connecticut Health Foundation to launch the Engage Health CT initiative, which is intended to promote HIL through the development and dissemination of a mobile app that offered education on health insurance terms and concepts and geographically-specific cost estimates for medical and dental services. FAIR Health undertook qualitative research through focus groups intended to generate a more robust understanding of the state of HIL in Connecticut. Findings confirmed low levels of HIL among uninsured and newly insured Connecticut residents and highlighted the lack of understandable healthcare information available to minority communities. Findings also highlighted challenges that the target population experienced in using health insurance and healthcare successfully, and thus emphasized the need for efforts to promote HIL in Connecticut. Indeed, amid the current uncertainty surrounding the future of the Affordable Care Act, consumers—including the newly insured, uninsured and minority groups—will have an even greater need to access objective, clear and accurate information about health insurance and the costs of their care so that they can effectively navigate the ever-changing healthcare landscape.

Background
With the growing cost of healthcare in the United States, obtaining and effectively using health insurance is essential to achieving good health. With the implementation of the Affordable Care Act (ACA), which expanded coverage to approximately 11 million individuals nationwide, and with the growth of benefit plan designs featuring higher deductibles and narrower provider networks, more Americans than ever before must make a number of complex healthcare decisions that carry significant cost implications.3 Yet, despite the need to understand health insurance basics to effectively navigate the US healthcare system, research continues to show that most Americans lack adequate levels of health insurance literacy (HIL). HIL is defined as “the degree to which individuals have the knowledge, ability, and confidence to find and evaluate information about health plans, select the best plan for their own (or their family’s) financial and health circumstances, and use the plan once enrolled.”3 HIL is especially critical for a significant number of newly insured individuals who have gained coverage under the ACA: Their lack of insurance history means that they are more likely to be unfamiliar with how health insurance works.

Promoting HIL among newly insured individuals is a particularly salient issue in the state of Connecticut—where the uninsured rate dropped from 12.3 percent to 3.8 percent between 2013 and 2016.4,5 During the 2015-2016 open enrollment period alone, 116,000 Connecticut consumers became newly insured. Given Connecticut’s phenomenal success in promoting first-time access to health insurance among its

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residents, the state now faces the challenge of linking these residents to tools and resources aimed at improving HIL and understanding healthcare costs.6,7

The need for HIL is particularly critical for low-income racial and ethnic minorities as these groups are disproportionately uninsured.8 Hispanics, who comprise 14 percent of the population in Connecticut, face cultural and linguistic barriers to understanding and acting upon healthcare information.9 Supporting this point, a survey conducted by FAIR Health found that African Americans and Latinos, groups that typically have lower HIL, were more likely to report that they would use the emergency room for non-emergent care.10 Ironically, barriers to understanding and using coverage may reinforce the racial/ethnic disparities that the ACA sought to eliminate, undermining the law’s potential to advance health equity. However, findings in a recent report by Pew Research Center suggest that HIL education may potentially be enhanced by mobile technologies: The majority of lower-income individuals use smartphones to access health information; 13 percent of Hispanic Americans and 12 percent of African Americans are totally dependent on their smartphones to access the Internet.11

The Engage Health CT Program
To address the need for greater HIL in the state of Connecticut, in 2015 the Connecticut Health Foundation awarded FAIR Health a grant to support its Engage Health CT initiative, which involved the development and dissemination of a Connecticut-centric mobile app, FH® Cost Lookup CT12, that would help improve HIL, increase consumer engagement in healthcare and promote transparency in medical and dental costs. At the time, Connecticut lacked a standard, reliable and free tool promoting consumer engagement and HIL to support healthcare decision making. FAIR Health is an independent, national not-for-profit that uses its robust database of billions of privately billed medical and dental claims to power award-winning, free medical and dental cost lookup tools. The Engage Health CT initiative complemented other HIL initiatives underway in Connecticut. For example, in 2015, the Health Disparities Institute (UConn Health) launched the five-year Health Insurance Advance (HIA) initiative, with funding from the Connecticut Health Foundation, with the goal of “enhancing the value of health insurance for the newly insured and in doing so improve their overall health and well-being.” The HIA project aims to take meaningful steps toward simplifying health insurance products sold in the state of Connecticut while also promoting the development of HIL curricula and awareness campaigns.

Engage Health CT Focus Groups
As part of the Engage Health CT program, FAIR Health took steps to understand the populations affected by low HIL in the state in order to inform the development of the FAIR Health mobile app and offer qualitative information to complement the available quantitative data regarding HIL deficiencies reported in minority populations. FAIR Health engaged the Hispanic Health Council (HHC) to conduct focus groups with African American/Black and Latino/Hispanic adults living in Connecticut who were uninsured or recently enrolled in a qualified health plan through Access Health CT.13 HHC’s Institutional Review Board approved two rounds of focus groups that were conducted in the spring and fall of 2016, respectively.

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12 FH Cost Lookup CT, available for free on the iTunes App Store or Google Play, enables both insured and uninsured healthcare consumers to estimate the costs of medical and dental services received in Connecticut and the neighboring states of New York, Massachusetts and Rhode Island. Available in English and Spanish, the FH Cost Lookup CT app includes medical and dental cost lookup tools; educational articles that explain health insurance and Connecticut-specific healthcare issues; and links to community resources for related services, such as healthcare and transportation assistance.
13 Community-based research at the HHC helps to identify needs related to health inequities experienced by diverse communities and facilitates the development of programmatic and policy-related solutions.
Findings from the focus groups confirmed low levels of HIL in the target populations. For example, Spanish speakers discussed the challenges they faced with respect to using health insurance and healthcare successfully. Their stories highlighted the lack of understandable healthcare information available to them. Many reported experiencing challenges in accessing and retaining Spanish-speaking healthcare providers. More generally, the Black and Hispanic participants expressed confusion about how health insurance works. One recently insured man said he knew “nothing” about it and needed to learn “everything.” Another participant stated that he wanted to “learn more about insurance.” And, as one woman noted, it was important for her to understand health insurance because she does not always know what her insurance will cover and she “needs to be prepared.” Similar comments from other participants indicated a recognition of the value of HIL among the target population.

Online tools (including those offered by FAIR Health) are now widely available to help consumers estimate healthcare costs. For uninsured individuals or those whose care will not be covered by their plans, such tools can help patients negotiate fees and/or payment plans with their providers. However, the FAIR Health focus groups highlighted barriers that may hinder the effective use of these tools. The lack of clear information provided to patients in healthcare settings was identified, suggesting the need to empower patients to ask questions about their care in order for them to effectively use healthcare cost tools. As one participant noted, “I would be able to navigate [the app] if I knew exactly what would be done.” Notably, personalismo, a Hispanic cultural trait that refers to the importance of personal as opposed to institutional relationships, may simultaneously impede and encourage the use of healthcare cost tools among the Hispanic community. While Hispanic participants stated that they would use an app to compare healthcare costs, many also indicated a preference for verifying the information verbally with a perceived expert. One participant remarked, “I’m sorry, I like it, the Internet and everything, but I like to call.” These findings suggest that, when introducing Hispanic consumers to online healthcare cost tools, personalismo coupled with training on patient empowerment strategies may effectively spur discussions about care between Hispanic consumers and their providers.

Regardless of race or ethnicity, most focus group participants were unaware that negotiating with a provider on costs was possible or acceptable. One participant was quoted as stating, “But negotiate what? Negotiate if you don’t have insurance?” Another said, when told about the ability to negotiate with providers, “To tell you the truth.....I’ve never hear[d] that. All my life, I mean, all the time that I’ve been living here, I never hear[d] that. It is the first time that I hear it. But that’s good....you go to a clinic, well, I never knew that. I mean, I always have doctors, you know, private doctors, and I never know that you can—that you can do that. Hey doctor, how much you gonna bill me?”

Finally, the focus group findings suggest that low HIL hinders Connecticut consumers’ ability to utilize available tools to plan for health expenses efficiently and confidently. Participants in the groups needed a great deal of background information on insurance terms and benefit design features before they could start to use the FAIR Health app. This finding suggests engaging consumers with the requisite educational assistance necessary to understand health insurance and healthcare costs may make the information in the tools more meaningful and useful to those consumers. Such assistance may involve community-based workers who work with a range of healthcare-related issues.

**Potential for the Future**

A 2016 survey funded by the New York State Health Foundation and conducted by FAIR Health and Opinion Research Center (ORC) International offered a nuanced view into consumers’ attitudes and practices related to those areas. It offered additional confirmation that consumers regard health-related issues as challenging and complicated. For example, while consumers clearly desire healthcare value, they may lack the requisite information to make decisions involving healthcare costs. The survey results indicate a desire for better HIL education earlier in life: 76 percent of respondents indicated that the ability to understand health insurance plans was a skill that should be learned before or during high school (41 percent) or during college (35 percent).14 Despite broad support for improving the

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scope and effectiveness of HIL education initiatives, doing so remains a complex task that will require a sustained effort by all healthcare stakeholders, including providers, consumer advocates, community organizations and the health insurance industry.

Conclusion
The FAIR Health research confirmed that many newly insured Connecticut consumers lack a basic understanding of health insurance and that newly insured and uninsured individuals are not aware that they can discuss healthcare prices with providers either before receiving a service or after receiving a bill. Given their low HIL, these individuals will be less able to make informed healthcare decisions, use their coverage effectively, access primary care appropriately and navigate a mutable and complex healthcare system. Efforts to advance HIL and consumer empowerment coupled with transparency in healthcare costs can equip the more than 700,000 newly insured consumers in Connecticut to make informed decisions about their health coverage and care. The success Connecticut has had in insuring large numbers of the previously uninsured and the expressed appetite consumers have for learning about health insurance in school, coupled with the investment that the Connecticut Health Foundation has already made in identifying the existing gaps in HIL, place Connecticut in an optimal position to address this critical, yet often overlooked, component of the healthcare process. With the future of the ACA uncertain, consumers will require access to objective, clear and accurate information about health insurance and costs that enables them to effectively navigate the ever-changing healthcare landscape.

Initial areas of focus for addressing HIL may include:

1. Developing age-appropriate, standardized curricula for teaching health insurance basics to students as early as high school and/or college; collaborating with educators about effective strategies to disseminate such curricula;

2. Developing educational content and making it available in community-based settings; such content would arm community-based staff with culturally relevant, in-person health insurance information that could be delivered to consumers during appointments and events related to health, coverage enrollment and social services; and

3. Coupling in-person educational efforts with free mobile and web-based tools that offer healthcare cost information and that promote consumer engagement in navigating the healthcare system, including clear glossaries, instructional videos and recommended questions to pose to healthcare providers and plan representatives.
About FAIR Health
FAIR Health is a national, independent, nonprofit organization dedicated to bringing transparency to healthcare costs and health insurance information through data products, consumer resources and health systems research support. FAIR Health uses its database of billions of privately billed medical and dental claims to power an award-winning free consumer website and to create data products serving all healthcare stakeholders, including government officials, researchers, consumers, providers, insurers and other businesses. FAIR Health has been certified by the Centers for Medicare & Medicaid Services (CMS) as a Qualified Entity, eligible to receive all Medicare claims data for use in nationwide transparency efforts. In addition, FAIR Health’s data have been designated as the official data source for a variety of state health programs, including workers’ compensation and personal injury protection (PIP) programs, as well as state consumer protection laws governing surprise out-of-network bills and emergency services. As part of a new consumer protection law, Connecticut has designated FAIR Health’s claims repository as the official benchmarking database for determining reimbursement for emergency services received out of network. For more information, visit www.fairhealth.org.

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