Executive summary

# First Class Status:

Creating a VIP experience to activate, engage and close gaps for Medicare Advantage members

# Contents:

The year-over-year growth story of Medicare Advantage (MA) is a simple one: Things are headed up.

Between 2007 and 2022, MA enrollment steadily increased from eight to twenty-eight million—with nearly one in two Medicare beneficiaries now choosing an MA plan instead of traditional Medicare. At the same time, the competitive landscape surrounding MA plans has surged: On average, members can choose from one of 43 plan options in 2023, up from 38 in 2022 and more than twice the choices they had in 2018.

As that sizeable and competitive market shifts to commercial payers, and as Star Ratings become quadruple-rated for member experience, health plans are getting more serious about attracting, engaging and satisfying new customers with a differentiated member experience. After decades of medical debt and GDP-outpacing healthcare inflation, helping members thrive has become an objective of virtually every health plan.

Technology enables this movement: Health plans are mobilizing a fastpaced digital transformation that taps into the increasing tech savviness of seniors. Previously, with most Medicare beneficiaries being 65 or older, conventional methods gravitated toward paper-based engagement tools. But now, health plans have a new opportunity to capitalize on digitization with a combination of personalized platforms and high-powered analytics.

This light paper will share strategies and expert insights that health plans can use to build the VIP experience necessary to recruit and engage members, and close gaps for this important market.

# Changing dynamics in member engagement

Just a decade ago, many Medicare beneficiaries had limited knowledge of the availability of Medicare Advantage plans. By now, thanks to recent awareness campaigns—in part heralded by celebrities such as Joe Namath and William Shatner—the familiarity of these commercial options has become more mainstream.

Meanwhile, the larger shift toward a preventive and proactive support away from sick and reactive care has also reached these populations.

Today's Medicare population is seeking a more vibrant lifestyle, including their healthcare. They're using and interacting with their health plan in a new way. Less transaction and more interaction. This supports plans economically-motivated drive to get and keep populations healthier with preventive services and care.

MA plans have, in turn, seen more enrollment activity, competition and member choosiness, and voice. That pressure—combined with other factors such as Star Rating changes that now weigh customer satisfaction more heavily—has pushed health plans to be more intentional about the member experience.

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There are more plans and options than ever before. And the competitive landscape of the MA market is forcing a lot of changes. Seniors are also tech savvy, especially in how they shop and engage digitally. These trends are encouraging plans to invest more in features that would traditionally have been considered "nice to have" but are now necessary to drive healthier populations and a more rewarding member experience.

While digital isn't the only engine powering an improved member experience, it creates new opportunities that weren't available before. For example, digital tools have helped plans hyper-segment populations to better personalize outreach. With data and technology, they can reach the right member with the right message at the right time.

Through these capabilities, payers can now direct their outreach in a more targeted way that matches gaps in care—such as sending refill reminders, initiating care management calls or helping schedule follow-ups. Data and tools can also help address social determinants of health (SDOH), a key imperative given that these nonclinical factors can affect up to 80% of healthcare outcomes.

SDOHs that are specific to the MA population may differ from social disparities seen among non-seniors but are no less impactful on everyday health outcomes, adds Dr. Jeffrey Jacques, Chief Medical Officer of Personify Health:

"Things most relevant to this audience: Do they have access to transportation?" he said. "Do they have a support system? Do they live alone? Are they widowed? Do they have a steady income through social security? All of these questions and more can influence their healthcare needs, and also the personalized outreach that may work best for them."

As these trends take shape, members have already experienced some changed behaviors. Consumers' comfort level with hybrid care models, particularly coming out of COVID-19, has increased. With innovations across telehealth and digital therapeutics, they are familiar with digitized healthcare experiences. Seniors are no exception, with roughly one in two of them undergoing virtual visits in 2020, for example.

That appetite for digital experiences presents an opportunity for health plans to bolster satisfaction among MA members in an age when there is room for improvement: four in ten MA members report little interaction from their health plans, according to a 2021 J.D. Power report.

Together, these developments are helping health plans meaningfully engage Medicare beneficiaries, dig deeper into data and analytics, and expand tech investments. The next few sections of this light paper explore the implications of these trends for the modern-day MA member and plan.

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>
> **Dr. Jeffrey Jacques, Chief Medical Officer, Personify Health**

# Understanding the Medicare Advantage member

MA members vary not just from traditional commercial plan members, but also among themselves: As the general public tends to be, they're diverse, nuanced and motivated by unique health drivers.

The many microtraits defining the United States' aging population have made it more challenging for health plans to meet these members where they are. Instead of a blanket approach that treats all seniors the same, health plans need to lean into specific insights that help to individualize outreach strategies.

Consider this nuance: In a Personify Health survey, 25% of Medicare Advantage members said digital ways to access care have become more important. But when you zoom into various psychographics, that number grew among people who lived in the south, dual-eligible members, Hispanics and fulltime workers.

Similarly, Medicare beneficiaries also have disparate experiences across SDOHs. For example, members without a college degree value transportation assistance more than those with a college degree.

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## 3 out of 4 members say that technology is now a part of their daily lives.

But for a health plan, which relies largely on historical claims data rather than predictive analytics, it can be challenging to access those kinds of insights at all, much less in the granular nature required for hypersegmentation. Member-specific barriers and preferences that come from third-party providers such as Personify Health can help fill the gaps, Dr. Jacques explains.

"We have the benefit of much more comprehensive analytics that can inform outreach," he said. "For example, we might know that Susan's shopping habits and gym memberships indicate that she's health conscious. But we might also know that her husband, Frank, is less so. All these variables come together to help us create a more predictive analysis. Maybe Frank is at risk for diabetes and hasn't yet scheduled his eye screening. We know and can address why he's not going, such as by providing education around benefits coverage or community resources."

As this fusion between claims and consumer data occurs, health plans benefit from new ways to promote health and wellbeing outside traditional healthcare settings. Payers can activate these insights for more targeted— and impactful—campaigns.

# Encouraging everyday vitality with personalized interactions

The more health plans understand their members, the more they can personalize self-service and guided experiences to encourage vitality and close care gaps.

Some of those efforts derive from digital capabilities. Apps that provide nutrition guidance, disease prevention and lifestyle changes, can be combined with other products and tools as part of an aggregate ecosystem for personalized support and convenience.

Even so, digital experiences aren't the only touchpoint that matters—not for any member, and particularly not for MA beneficiaries. While nearly three in four of Personify Health's survey respondents said that technology is now part of their daily lives, health plans have seen the most success when they combine efforts across a high-tech, human-touch model. By engaging multichannel campaigns among text, email, automated voice (IVR), direct mail and other channels, payers stand to increase outreach effectiveness by up to 300%.

Going back to Dr. Jacques' example of Frank and Susan, here's how that might pan out:

Imagine that they both get calls, reminders and updates at a regular cadence, but the content they see is personalized to them. Frank might receive reminders to schedule his next specialist visit, take his statin or engage the services of a health coach. Susan might get information about more advanced exercise regimens, nutrition planning and benefit perks.

In both examples, Susan and Frank receive regular touchpoints from their plan—but the next best actions they encourage, as well as the content outputs of those encounters, are vastly different. This is the personalized and predictive VIP experience that today's seniors have come to expect, and data and tools make it possible.

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# Making personalization more scalable with AI

Through artificial intelligence (AI) and machine learning, health plans can more readily and rapidly assess member analytics, predict who's at risk and determine the types of interventions and support most likely to work. This helps prioritize gaps in care outreach and it also automates a more dynamic and responsive member journey.

After all, a hike wouldn't be recommended to someone who just had hip surgery. AI-powered tools can help stratify MA beneficiaries according to those many clinical and nonclinical insights.

They can then scale outreach across thousands upon thousands of members.

But these tools must be wielded effectively: Health plans have historically struggled to make data more actionable, according to Deloitte research. The need to align and look at multiple data sources has become essential for making informed program decisions, and that's exactly what AI promises.

Moreover, personalized platforms account for more comprehensive health influences, such as SDOHs. Considerations such as the need for transportation and care support factor in for these populations, as do ones such as loneliness. AI-powered intelligence and automation can help combat these with multichannel outreach that addresses the insidious yet integral factors missing from claims data to better predict risk and proactively engage members.

# Recommended strategies to activate and engage seniors

As payers look to personalize the member experience for MA members, they have ample opportunity to activate and engage seniors through more powerful campaigns and targeted outreach.

## Here are four recommended strategies:
## 1. Coordinate between business units

With MA members, health plans have limited airspace, which emphasizes the need for coordination. Helath plans should begin by looking across all lines of business to ensure that they are not competing with different internal units that are trying to reach the same member.

Consider, for example, that the quality team is planning an outreach to close a gap in care. Simultaneously, the PBM group might send an alert to encourage a member to switch to mail order while
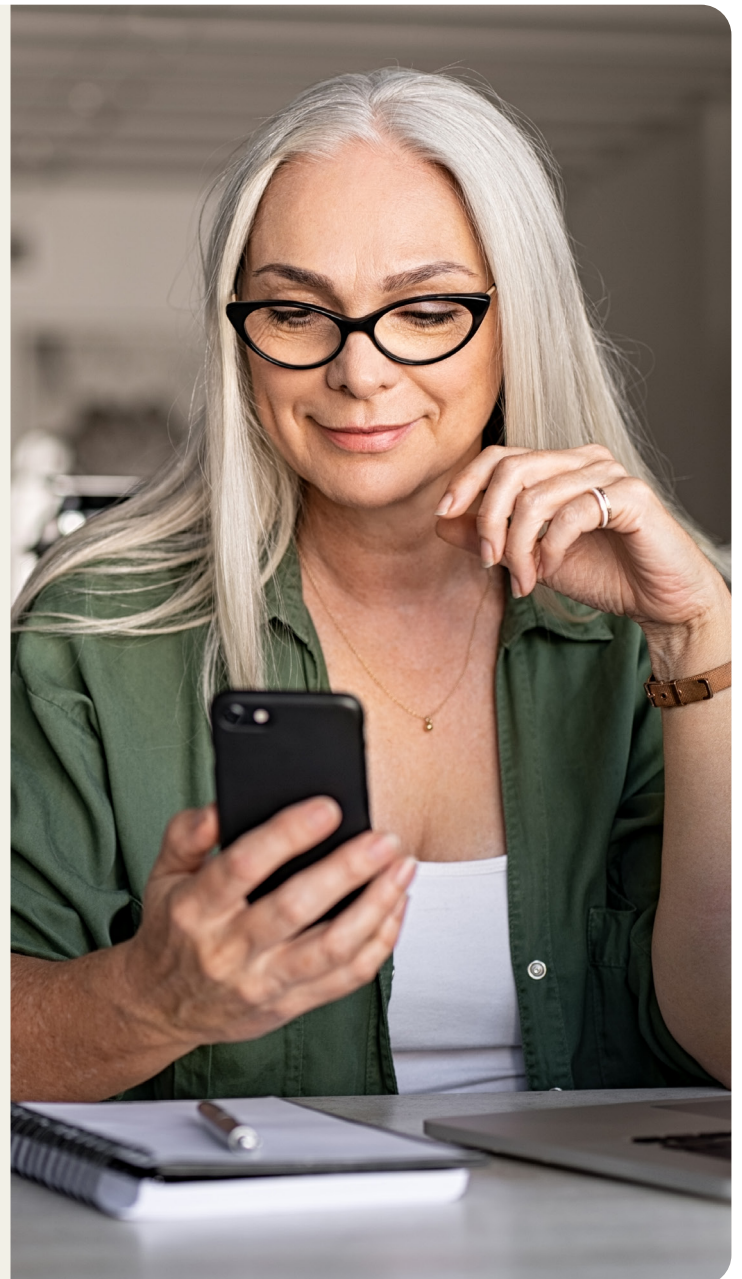
the claims department reaches out about an unpaid claim. Meanwhile, the plan distributes an ANOC the same week as a satisfaction survey. With any member, this volume of crisscrossing touchpoints can be overwhelming. With MA members especially, though, it's a classic paradox of choice, adds Dr. Jacques.

"If you have too many things you're told or asked to do, you get overwhelmed and risk doing nothing," he said. "Younger people may be much more comfortable with the volume of to-dos we have every day, but with the older generation, you've got to understand their threshold for communications expectations and independent care management."

## 2. Balance intrinsic and extrinsic rewards

When stakeholders think of rewarding MA members, they almost always consider financial motivators, such as giving gift cards or premium discounts in exchange for healthy behaviors. These kinds of rewards are outwardfacing—extrinsic—and known to be successful: In our survey among MA members, 43% of respondents said they'd engage in healthier choices if they received such financial perks.

But at the same time, health plans shouldn't disregard the potential of inward-facing—or intrinsic–reward systems such as points or leaderboards.

Plans need a smart mix of intrinsic and extrinsic rewards. Gamification may not be something people think the senior population would respond to, but they do! This is an effective, yet overlooked strategy for this audience.

## 3. Embrace multichannel programs

The everyday relevance and reliance on platforms and tools have steadily advanced expectations among health and wellbeing: Adults who are 50 or over report a 43-point percentage gain in using smartphones for activities such as virtual visits, prescription orders or appointment scheduling, according to Personify Health's survey.

And indeed, putting technology into the hands of underserved populations has become an important

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function of the "tech equity" movement. Concerning MA members, for example, that might mean platforms and tools that specifically target SDOHs known to affect seniors, such as ridesharing or nutrition assistance.

Even so, tech-based strategies are just one half of the equation. Multi-channel campaigns zoom out from those one-size-fits-all models toward a blended approach of online and offline outreach—from phone and direct mail to self-service software. When programs consider the full spectrum of member touchpoints, they're much more likely to be effective.

A multi-channel approach accounts for more than just the limited ecosystem of digital tools. By broadening your efforts, you create a bigger scope of outreach strategies that can be utilized for more predictive modeling, and personalization through dynamic content.

## 4. Capitalize on external resources and support

As the sprawl of data quickly exceeds payers' internal capabilities to process it, many are turning to experienced partners such as Personify Health. That external support means that health plans can look beyond claims and toward more meaningful insights about SDOHs, census insights, shopping habits and other inputs.

A key advantage of third-party partnerships is having access to resources such as AI and machine learning. Automated tools are helping health plans predict which populations need what content and support, as well as scale and sustain that support over their expansive member networks.

# Conclusion

MA enrollment has experienced unprecedented gains, and as a result, health plans now find themselves operating in an ultra-competitive landscape. As members encounter more choice—and Star Ratings reweight member satisfaction—improving the experience has become a must-have for payers.

By personalizing encounters with dynamic campaigns, health plans can meet seniors where they are and capitalize on this expanding market's desire to take a more empowered role in their wellbeing. Digital innovation can support these efforts as tech becomes a more relevant part of everyday health and wellbeing but remember that a multichannel approach is always the most effective one.

In addition, AI-powered tools and predictive analytics can help health plans identify which members to target with which content and when, helping them keep outreach going across their large member populations. To do so efficiently, consider Personify Health's recommendations: coordinate outreach, reimagine rewards, embrace multichannel strategies and capitalize on third-party innovations.

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Personify Health is the first and only personalized health platform to provide health plan administration, holistic wellbeing solutions, and comprehensive health navigation – all in one place.

Personalized, human-centric, and powerfully simple, Personify Health helps organizations optimize healthcare investments while empowering people to engage more deeply with their health. Personify Health addresses the issues of increasing healthcare costs and complexity by breaking down traditional silos and rejecting a one-size-fits-all mentality.

Backed by decades of experience and global operations, Personify brings together health, wellbeing, navigation, and benefits solutions to offer a first-of-its-kind personalized health platform.

Our AI-powered outreach solution provides health plans with a data-driven, personalized experience that educates and activates members of all ages and demographics, delivering health improvements and demonstrable results, including:

• Reduced member risk and costs
• Enhanced member experience and loyalty/enrollment
• Improved Stars & HEDIS scores
• Increased revenue and growth

**If you're looking to revitalize your MA member experience efforts, see what Personify Health can do for you.**
**Get started at personifyhealth.com**

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