

EXECUTIVE BRIEFING

With more online enrollment, MAOs must add ‘personal touch’

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As Medicare Advantage organizations prepare to promote their plans for the 2022 Medicare Annual Election Period (AEP), marketing experts say they see a continued shift to year-round and online campaigns. But with the increased use of digital engagement and enrollment leading to some member dissatisfaction, plans must take extra steps to ensure a positive experience early on, they warn.

CMS as of press time had not yet released its annual “landscape” files for the MA and Part D programs, but data released this time last year indicated that MA beneficiaries in 2021 had an average number of 47 plan choices per county, up from 39 in 2020, and that more than 4,800 MA plans were operating in 2021, compared with 4,300 in 2020. Marketing for the AEP begins on Oct. 1, and open enrollment runs from Oct. 15 through Dec. 7.

In her work assisting MAOs with their AEP marketing, DMW Direct Executive Vice President Renee Mezzanotte observes that while last year’s election-related disruptions are behind them, “plans and consumers are still dealing with the uncertainties of COVID.” And that’s not just having an impact on in-person engagement but in the “unexpected channel” of direct mail, she tells AIS Health, a division of MMIT.

“As a result of the COVID economy, plans have been faced with a shortage of paper and higher prices. On top of that, there has been a postal increase,” points out Mezzanotte. “Knowing what was coming, we planned well in advance with our clients to optimize the direct mail channel in conjunction with the other top lead generation channels of digital and DRTV [direct response TV]. And we made sure to secure paper and print presses early to avoid any disruption of mail schedules. So, pre-heat campaigns are already in the market and the first AEP direct mail is getting ready to launch.”

The right pre-AEP campaigns can boost enrollment by as much as 24%, she adds. “Catching the consumer[’s] attention, offering relevant (not generic) guidance, and timely follow-up make all the difference in the world when it comes to campaign performance.”

Another challenge of the current economic environment is that plans are having trouble staffing their call centers for the upcoming AEP, says Cary Badger, principal at HealthScape Advisors, a Convey company. “The service industry is struggling overall and the call centers are getting caught up in that labor shortage,” he tells AIS Health.

Meanwhile, as COVID cases began to surge again this summer, MAOs that planned in-person events had to scale those back. “While early in May and June it seemed that in-person meetings would be back in full force, it became clear pretty quickly that would not be the case,” says Mezzanotte. “So, everything has been developed to be able to accommodate both online as well as smaller in-person meetings — and the means to be able to pivot depending [how] the AEP progresses.”

Lindsay Resnick, executive vice president with Wunderman Thompson Health, says he doesn’t expect to see a big return to in-person seminars. “I think health plans were hoping [they’d go away]. They weren’t having great results, and we’ll see some areas that have them, but we won’t see the pre-COVID levels of in-person seminars that we used to,” he predicts. At the same time, he says clients had mixed results with virtual seminars and instead sees “continued steerage toward the call center” and “much more investment in digital channels” by all types of plans.

“Everybody understands that while it’s been slower in Medicare, that’s where the market’s going,” he says of online tools. “How easy is your portal to use? How easy is it for [members] to sign up digitally? Certainly, for the younger [end] of the MA market” those are important considerations, he suggests. “At a minimum, that’s everybody’s first [method of] learning and initial shopping. Is everyone enrolling and buying? Not yet, but every year that number creeps up and up.”

AEP Switchers Aren’t Big Target

There was, however, not a lot of switching between plans and carriers during last year’s AEP, as Deft Research observed in this year’s Medicare Shopping and Switching Study, Resnick points out. “Plans are realizing that the AEP switcher market isn’t a growth market...so you’re seeing a shift in budget from moving more toward year-round, ‘Let’s make sure we’re getting our share of the age-ins’” strategy, says Resnick. “The challenge there is that’s not just a 65-year-old market anymore. People are [working until 67 or 68 and] staying on an employer plan...so the trick is making sure that you are staying in front of somebody as best you can as a resource when they have to make that Medicare decision.” And having good data is critical for that effort, he advises.

Whether it comes to marketing for the Medicare AEP or Affordable Care Act open enrollment, Resnick espouses the importance of collecting “competitive intelligence.” But keeping track of the competition has gotten tougher because of three main factors: (1) the increased presence of electronic marketing organizations that work with a handful of big names and a local insurer or two in a given region, (2) the rise of venture capital-backed MAOs that use technology as differentiators and deploy sales agents aggressively, and (3) companies like CVS/Aetna and Humana Inc. that have a strong retail presence

through in-store clinics and other locations where health insurance advisers are in place to help steer them to one of their MA or Part D products.

Mezzanotte agrees that online engagement continues to gain prominence in AEP marketing campaigns. “Because consumers are doing more online than they ever have before, the emphasis has been on providing prospective members with a guided online experience to help them find the information they need, make it easy to choose a plan and enroll,” she remarks.

She adds that DMW is employing QR codes as a part of the online engagement experience and is “not just using them in direct mail and print but including them on banners and kiosks in provider and hospital areas that might be restricted due to COVID. Through the QR codes on these ‘self-serve’ banners, consumers can easily scan to learn more or scan to sign up for a virtual seminar.”

Online Enrollment Runs Risk of Lapsing

With the increased use of online enrollment and marketing in recent years, there is the risk of unhappy customers, warns Badger. “We’re seeing that show up in two kinds of measures: one is lapsing, when a person enrolls in a plan and changes their mind before coverage starts, and the other is higher churn rates with those members the next year.”

Whereas the marketing focus used to be on “acquisition and differentiation strategies to acquire the member, with Medicare managed care members staying for very long periods of time, now we’re seeing [more focus] on the member experience, or the member journey as we call it, where you’re trying to give them support throughout their experience to bond them closer to the plan,” says Badger. “That starts with the first touch following the sale, because they’ve got to prevent those members from lapsing. And they’re swapping out because they don’t have the personal touch or validation they expect when they’re signing up through large online distributors resulting in markedly different results where this used to be a super loyal population.”

First Contact With Member Is Critical

Effective engagement strategies early on can include things like “member advocates and incentive plans,” whereby companies are deploying support services after the point of sale to help enrollees navigate their new benefits and offering incentives for members to schedule their first health screening.

Differentiators that plans are using to market continue to include supplemental benefits, such as allowances for an array of things like food and over-the-counter medical supplies, but effectively communicating innovative benefits and how they work is also critical now, adds Badger. For example, “we are seeing some unique payments for the Part B premium, but it’s a bit confusing to the consumers because they don’t really understand how that would actually work within the Medicare Advantage plan benefit. It is attractive, but it’s also pretty expensive for plans to do that, so they have to often trade off benefits and other areas of coverage to pay for it,” he observes.

Other differentiators include virtual medicine, “hospital at home,” and remote monitoring devices, says Resnick. “But it’s up to the industry to help people navigate this stuff and make the right decision for themselves....and [it] is something the industry needs to do a better job helping the customer with,” he argues. “Are wearables a solution? They’re really a tool for making care better, they’re not the solution....Having someone interpret that is where we’re falling short.”

Another competitive advantage, adds Mezzanotte, is having “a collaborative working relationship” with providers. “It is easier if a plan is provider-owned, but even for plans that are not, it is possible to work in conjunction with providers to help support member acquisition,” she says. “It is a differentiator not easily carried out by national plans. Local plans that are in the community have the credibility and the standing to partner with providers.”

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