

Audience Profile – Individual

Current Demographics/Landscape

[Total Minnesota population: 5.3 million]

Uninsured ¹			
53.8%	Male	30.1% *	101 – 200% FPL
46.2%	Female	25.1% *	201 – 300% FPL
31.7%	Age 35 – 54	24.1% *	0 – 100% FPL
27% *	Age 25 – 34	33%	Some college/tech school
15.7% *	Age 18 – 24	31.8% *	High school graduate
72.1% ^	White	19.5% *	Less than high school
11.5% *	Black	67.8%	Employed
3.3%	American Indian	81.1% *	Employed by someone else
5.8%	Asian	79.9% ^	Hold one job
13.4% *	Hispanic/Latino	24.3% *	Employer size: 11 - 50
24.2% *	Not US born	22.8% *	Employer size: 2 - 10
43.2%	Live in greater Minnesota	78.3 % ^	Permanent type job
66.8% *	Not married		
* Indicates statistically significant higher difference from total population			
^ Indicates statistically significant lower difference from total population			

Current Non-Group/Individual Insurance Buyers ²			
	<i>Demographic info coming from MDH</i>		

Current Non-Group/Individual Insurance Buyers²			
Total non-group/individual buyers	250,000		
Percentage in relationship to entire MN population	4.7%	Percentage of private health insurance market	7.7%
Coverage			
5.2%	Percent change in premium per member		
\$3,000	2009 median per person annual deductible		
28%	\$4000-\$5999		
20%	\$2000-\$2999		
20%	\$1000-\$1999		
16%	\$3000-\$3999		
\$5100	2009 median family annual deductible		
31%	\$4000-\$5999		
29%	\$6000-\$9999		
16%	\$2000-\$3999		
15%	\$10,000-\$14,000		
Cost Sharing Requirements (by share of total enrollment)			
36.6%	20% coinsurance for office visits		
35.1%	20% coinsurance for hospitalizations		
42%	100% coverage after policy deductible for prescription drug benefits		
Health Plan Market Share (Volume: \$648 million)			
68.4%	Blue Cross Blue Shield		
9.5%	HealthPartners		
9.4%	Medica		
8.3%	Assurant Health		
1.7%	America Family Mutual Insurance Company		
1.1%	World Insurance Company		
1%	PreferredOne		
.8%	Others		

Target Groups

1. Current non-group insurance buyers

2. New to market

Subgroups

- Self-employed
- Uninsured
- Part-time worker
- Unemployed
- Early retirees
- Young adults
- Underserved/Minorities
- Aging out of foster care
- Straight to work
- Military families

Audience Characteristics

Overall

1. Value shoppers
2. Perception that insurance is too costly
3. Typically seek lower monthly premiums – fewer benefits and higher deductible
4. Will need high level of guidance (new to market)

Current Non-Group Buyers

1. Comfortable with online application
2. Used to doing by themselves
3. Seek out from various place so need to reach them through multiple channels
4. Highly value insurance coverage
5. Want apples-to-apples comparisons
6. Suspect others get a better deal
7. Got help from expert
8. Hate sales calls and spam
9. Split between doing it on their own and getting help from a broker/agent
10. Some may be paying more if they don't qualify for subsidy

Uninsured

1. Feel cheated and defeated: premiums are out of reach
2. Many cite pre-existing conditions
3. Face financial and emotional stress
4. Dislike “handouts”
5. Being uninsured is the norm

Underserved/Minorities

1. Oftentimes lower income – many will qualify for subsidies
2. Will need high level of guidance

3. Will need additional encouragement to shop
 - a. Different message delivery
 - i. More grassroots
 - ii. Emphasize the importance of insurance
4. Being insured may not be the norm
5. May be concerned about legal status

Early Retirees

1. Self navigators
2. Typically seek lower monthly premiums – fewer benefits and higher deductible

Young Adults

1. Invincible – Don't see the need since they are young and healthy
2. Don't factor in the possibility of accidents
3. Been covered on parent's plan – no real understanding of how expensive health care can be

Barriers

For Individual Enrollee:

- Hard to reach
- Lack of trust/welcome
- No interest
- Cost – may not qualify for subsidies
- Cost perception – think it's more expensive than it is
- Industry terminology
- Language
- Culturally appropriate messages
- Transitory membership (unemployed)
- Transience of some populations makes accessibility difficult
- May not be priority; food, housing take precedence
- May pay more if don't qualify for subsidy
- Technology challenge – lack of knowledge of computers
- Transportation
- Internet access

Within Distribution Channels:

- Some channels/touchpoints have limited reach
- No existing channel (part-time worker)
- Resource limitations, e.g. length of time on library computers or full bulletin boards for flyer posting

- Volume of info, finding best avenue for the institution
 - Identifying appropriate messenger/champion
 - Consumer can't use organizations they've come to trust
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Sources

1. Minnesota Department of Health, 2011 data
(<http://www.health.state.mn.us/divs/hpsc/hep/publications/coverage/healthinscovmhas2011.pdf>)
2. Minnesota Department of Health, 201 data
(<http://www.health.state.mn.us/divs/hpsc/hep/chartbook/section2.pdf>)
(<http://www.health.state.mn.us/divs/hpsc/hep/chartbook/section4.pdf>)
3.)

Audience Profile – Medicaid Enrollee

Current Demographics

[Total Minnesota population: 5.3 million]

Program Breakout¹ (Total enrollees: 700,000)			
Medical Assistance	9.7%	GAMC	0.7%
Minnesota Care	2.6%	TriCare	1.1%

Enrollees²			Enrollees³		
Children	350,100	50%	Individual – married	138,000	6.0%
Adults	350,300	50%	Individual – not married	400,000	15.7%
At Least 1 Full Time Worker	375,000	54%	Family – married	376,000	10.4%
Part Time Workers	155,600	22%	Family – not married	347,000	22.1%
Non Workers	169,800	24%	Health Status – good/ very good/excellent	601,000	12.7%
Female	365,600	52%	Health Status – fair/ poor	122,000	27.6%
Male	334,700	48%			
White	460,700	66%			
Black	108,500	15%			
Hispanic	54,600	8%			
Other	76,500	11%			

Coverage Rates					
At Least 1 Full Time Worker	375,000	10%	Female	400,000	15.2%
Part Time Workers	155,600	32%	Male	323,000	12.7%
Non Workers	169,800	50%	White	437,000	9.9%
Under 100% FPL	308,600	48%	Black	124,000	55.9%
Under 139% FPL	408,100	46%	Hispanic	61,000	26.3%
139-250% FPL	177,500	22%	Asian	64,000	31.4%
251-399% FPL	68,100	7%	Other	38,000	35.8%
400%+ FPL	46,600	3%			

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Target Groups

1. Those already on Medicaid, Minnesota Care or other public assistance program

- partner with DHS on communications

2. Those eligible but not on Medicaid

•Due to lack of coverage, these individuals likely either go without health care or utilize hospital emergency rooms, community health centers, migrant clinics and similar non-primary care, non-coordinated services. This unifying characteristic may provide the means to identifying the proper channel(s) for outreach, communications, and enrollment.

Audience Characteristics

Current

1. Feel disrespected; seeking common courtesy and respect
2. Dislike in-person application process
3. Prefer help from real people

New to Medicaid

1. Resistance; don't want to be there
2. Wanting to do online
3. May need a lot of assistance/information

Barriers

For Individual Enrollee:

- Language
- Work yet keep benefits
- Not working but need cash
- Renewal
- Political opposition
- Transience of population makes accessibility difficult
- Lack of trust/welcome
- May not want to participate
- Capture attention
- Time consuming to gather documentation
- Perception of low quality care providers to Medicaid
- Lack of privacy in rural areas

Within Distribution Channels:

- Lack of staff
 - Lack of knowledge/training to identify enrollee
 - Communication not always coordinated between areas of agency/organization
 - Proper documentation not completed or filed
 - Program administrators must have direct communication w enrollees (fed regulations)
 - May not be first priority – best to work from top down
 - Volume of info, finding best avenue for the institution
 - Identifying appropriate messenger/champion
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Sources

1. Minnesota Department of Health, 2010 data
(<http://www.health.state.mn.us/divs/hpsc/hep/chartbook/section2.pdf>)
2. Kaiser Family Foundation, 2011 data
(<http://www.statehealthfacts.org/profileind.jsp?cat=3&sub=42&rgn=25&cmprgn=1>)
3. State Health Access Data Assistance Center [SHADAC]
(<http://mn.gov/commerce/insurance/images/ExchNavGroupHealthInsCovEstimates.pdf>)

Audience Profile – Small Employer

Current Landscape

Firm/Establishment	
80%	Establishments with 2-50 employees ¹
4%	Establishments with 51-100 employees ¹
32.7%	Firms with fewer than 50 employees who offer insurance to their employees ²
93.9%	Firms with 50 employees or more who offer health insurance to their employees ²
Employee ³	
58.5%	Percent of employees in firms with 1-49 employees offering health insurance
73.4%	Percent of employees in firms with 1-49 employees eligible for health insurance
77.2%	Take-up rate by employees in firms with 1-49 employees
Coverage ³	
359,775	Individuals enrolled in small group health insurance
5.5%	Premium increase per member in 2010
\$1,500	2009 median per person annual deductible
25.1%	\$1000-\$1999
36%	\$2000 or more
\$3,000	2009 median family annual deductible
25.1%	\$2000-\$3999
37%	\$4000 or more
Health Plan Market Share (Volume: \$1.49 billion) ³	
43.02%	Blue Cross Blue Shield
23.52%	Medica
24.53%	HealthPartners
5.15%	PreferredOne
3.35%	Federated Mutual
.19%	Principal Life
.13%	Time Insurance (formerly Fortis)
.11%	Others

Snapshot: 2011 top selling small group plans for HealthPartners⁴

1. \$1,000 deductible, \$25 co-pay
2. \$500 deductible, \$25 co-pay
3. No deductible, \$25 co-pay, 100% coverage
4. \$1500 deductible, 100% coverage (HSA)
5. \$2000 deductible, 100% coverage (HSA)
6. \$300 deductible, \$25 co-pay

Target Groups

1. Establishments who currently offer health insurance to employees

2. New Purchasers

- Independent contractors
- Firms with 2-25 employees; eligible for tax credits

Audience Characteristics

Establishments who currently offer health insurance to employees

1. Dissatisfied with current insurance status
2. Getting insurance isn't easy
3. Strong trust in and loyalty to broker/agent
4. Believe others like them are the same – either offer or don't offer insurance (norm affect)
5. Frustrated with frequent premium increases
6. Options are becoming more limited
7. Plans are too complex
8. Difficult to compare benefits/prices across plans
9. Difficult to understand what is covered by the plans
10. Open to the exchange concept
11. Typically pay 18% more in health insurance costs than large companies

New purchasers

1. Open to the exchange concept
2. Will need to be shown that they can afford it
3. Will need a lot of assistance/information

Barriers

For Small Employer:

- Cost – may not qualify for tax credit
- Cost perception – think it's more expensive than it is
- Language
- Political opposition
- Lack of trust of government
- Industry terminology
- Technology challenge – lack of knowledge of computers
- Internet access
- May have access to national group insurance (non-profit associations)
- Participation requirements
- Capture attention

Within Distribution Channels:

- Some channels/touchpoints have limited reach
- Some channels/touchpoints may not be receptive to the exchange
- May view as political issue and want to stay non-political
- May not see it as a business opportunity – compensation issue
- May already have direct connection to target audience/group

Sources

1. Small Group Health Insurance Market Working Group report to the Minnesota Health Care Access Commission, November 15, 2010 (<http://archive.leg.state.mn.us/docs/2010/mandated/101424.pdf>)
2. Kaiser Family Foundation, 2011 data (<http://www.statehealthfacts.org/profileind.jsp?cat=3&sub=42&rgn=25&cmprgn=1>)
3. Minnesota Department of Health, 2010 data (<http://mn.gov/commerce/insurance/images/ExchSmEmpMDHpresentation3-21-12.pdf>)
4. Greg Sailer, Sailer Benefit Services