

Consumer Research Findings

Summary Report on the General Medicare Population

Executive Summary

Background

As part of its long-term strategic plan, the Health Care Financing Administration (HCFA) has undertaken an Agency-wide initiative to adapt its operations to improve communications with Medicare beneficiaries and with its provider partners. Helping beneficiaries to understand their choices among health care plans, providers, and treatment options is especially important now that the Balanced Budget Act (BBA) of 1997 has expanded the plan design options available to beneficiaries and presents them with a much more complex set of choices. Medicare beneficiaries need to understand the various features of different plans in order to choose the design that best meets their needs.

Research Purpose and Methods

Simply providing information will not help beneficiaries if they do not:

- Know that the information is available,
- Know how to access the information, or
- Understand the information well enough to make good choices or use their Medicare benefits judiciously.

The Market Research for Beneficiaries project was designed to provide HCFA with answers to the two fundamental questions that underlie effective communication strategies:

- What information do beneficiaries want or need from HCFA?
- What are the best ways to communicate that information to them?

The market research project is particularly important given that the communication environment is changing in several important ways. Messages about insurance and health care delivery are becoming increasingly complex, especially as the BBA expands beneficiaries' health plan options; the Medicare population is becoming larger and more diverse; and, perhaps most importantly, exciting new communication technologies continue to emerge and offer HCFA increased opportunities to interact with beneficiaries and its partners.

The Market Research for Beneficiaries project collected data from three sources:

- An inventory of "best communication practices" from a variety of organizations and individuals who work with Medicare beneficiaries;
- Focus groups with Medicare beneficiaries; and,
- A national survey of the Medicare population.

Each of the data sources has particular strengths. Together, they can provide HCFA with an understanding of communication with beneficiaries that is broad in scope, deep in content, and representative of the non-institutionalized elderly Medicare population. The survey of Medicare beneficiaries helps ensure that the information gathered is representative of beneficiaries, while the focus groups and inventory of organizations contribute more in-depth information than can be obtained from a large-scale survey. A description of methodologies for each of the data collection modes is contained in a separate appendix.

This report synthesizes key findings from the three sources, focusing on information needs and effective communication strategies for the general Medicare population that is 65 years old or older and not living in a short- or long-term care facility. Subsequent reports will summarize key findings from the three data sources for the following beneficiary groups, who may have special information needs or require tailored communication strategies:¹

- African American beneficiaries,
- Hispanic American beneficiaries,
- Beneficiaries who are dually eligible for Medicare and Medicaid,
- Beneficiaries who live in rural areas,
- Beneficiaries with vision impairments,
- Beneficiaries with hearing impairments, and
- Beneficiaries with a limited education or low literacy skills.

Each summary report will contrast and compare the findings from the three sources of data for the specific subgroup. Taken together, the eight summary reports will provide HCFA with an overall picture of how it can best design communication strategies to improve the information flow to all Medicare beneficiaries.

Key Findings and Implications for HCFA

Key Findings

The Market Research for Beneficiaries project has identified many communication techniques and organizational development issues that can help HCFA better serve its primary customers – Medicare beneficiaries. These findings have been detailed in project reports, briefs, and presentations. They are also summarized in the following sections of this report. Seven key themes emerge from the market research:

1. Many elderly Medicare beneficiaries lack the most basic understanding of the Medicare program, and even beneficiaries who are familiar with the program often have significant information gaps.

Beneficiaries' lack of basic knowledge has important implications for HCFA's communications strategies. Many current efforts to inform Medicare beneficiaries

about their choices- including those planned for informing them of their new Medicare+Choice options- make use of detailed information to compare benefit packages, costs, and the many other features of each type of plan or compares plans of the same type in a market area across these characteristics. However, beneficiaries who have misconceptions or gaps in knowledge about how the current program works will have a difficult time recognizing and understanding what is new or changing about the program. They will also have great difficulty in understanding the nuances of the comparative plan information that will be provided to them.

2. Beneficiaries have three primary types of information needs:

- basic information needs,
- navigational information needs, and
- situation-specific information needs.

Basic information needs encompass whether and how to enroll in Medicare Part B; whether to join a managed care plan or remain in the traditional fee-for-service Medicare system; whether some kind of supplemental insurance coverage is needed, which includes knowledge about which broad categories of services (e.g., long-term care, prescription drugs) Medicare does or does not cover and Medicare's cost-sharing requirements for covered services.

As beneficiaries "navigate" their way through the Medicare system, they also need to understand how to make the best choice among managed care plans or supplemental insurance plans for their own situation, how to choose health care providers that will meet their needs, how to access specialists in a managed care or fee-for-service environment, and the importance of receiving preventive services to maintain good health.

Other information needs are specific to certain beneficiaries in certain situations, such as locating a participating physician in a given geographic area, whether a piece of durable medical equipment is covered by Medicare, or how much the out-of-pocket expenses will be for a new pair of eyeglasses.

3. Information needs of beneficiaries evolve and change over time.

As beneficiaries enter the program, begin using Medicare-covered services, and continue to age, their health needs and informational needs change. Because the information needs of beneficiaries change over time, it is critical that information is available at the time they need it, on relevant topics, and that beneficiaries know how to access it.

4. Beneficiaries differ in their approaches to gathering information.

Beneficiaries generally adopt one of the following three strategies for seeking information:

- A minority of beneficiaries appear to proactively gather information;

- A second, and much larger, group of beneficiaries tend to seek information as it is needed, in a reactive mode; and
- A large number of beneficiaries appear to be passive information-seekers.

Proactive information seekers collect and review a considerable volume of information about Medicare-related topics and may do so in advance of needing the information. They contact many sources for information on the Medicare program, and value comprehensive, accurate, and up-to-date information.

In contrast, reactive information seekers tend only to search for information for a specific need when it arises, prefer to get information from a single source, and place a premium on being able to find an adequate answer to their specific question quickly.

Passive information seekers lack specific strategies for gathering information they need, may be overwhelmed by the Medicare system, and rely heavily on information that is delivered to them automatically or that is obtained from family members or other trusted advocates. They may make poor decisions or fail to obtain valuable services due to lack of information.

5. Preferred sources of information and preferred communication modes for obtaining that information often depend on the topic.

The MCBS analysis indicates that beneficiaries were more likely to prefer Medicare sources (the Medicare program, a Medicare carrier, or a Medicare 800 number) to obtain information about the Medicare program in general, about the availability and benefits of Medicare HMOs (or HMOs if one is located in their area), and about beneficiary charges for Medicare-covered services. They most preferred to contact a doctor or other medical provider for information on how to choose a doctor or how to stay healthy, and an insurance company for information on supplemental insurance.

Information on broad topics- the Medicare program in general, information about staying healthy- is most effectively disseminated via non-interactive modes such as pamphlets and brochures, radio, television and videos, or magazines and newspapers. In contrast, beneficiaries prefer to use interactive communication modes when they have specific questions about their health care needs or the Medicare program. Interactive modes include one-on-one conversations either in-person at counseling centers, senior groups, or other community-based organizations that partner with HCFA or via the toll-free telephone lines, and interactive uses of the computer and Internet.

6. The preferred communication approach also depends, in part, on a beneficiary's information-seeking behavior:
 - Written materials (e.g., pamphlets, the Medicare Handbook) tend to be good sources of general information for people with proactive search behavior. Proactive information seekers often choose detailed printed material that they can review thoroughly and refer back to when needed.
 - Beneficiaries with specific and immediate information needs who reactively seek information generally prefer interactive communication formats (e.g.,

telephone hotlines, the Internet, one-on-one counseling through State Health Insurance Assistance Programs (SHIPs)) where they can hone in on the particular information they require without having to wade through a lot of perceived extraneous material. Printed material is also valuable for reactive information seekers when they can refer to the material to answer a specific question through an easily accessible format.

- Beneficiaries who are passive information seekers are best served by interactive modes for all types of Medicare information. They are also particularly likely to benefit from information strategies that involve diverse media (e.g., TV, radio, telephone hotlines), formats (e.g., written and audio), and channels (e.g., through local TV and radio stations, through community organizations such as senior groups, churches and civic organizations, and through SHIPs). Disseminating information through a variety of sources and channels increases the chance that passive information seekers will come upon the information they need.

7. Information needs to be simplified and presented in a layered approach.

- A layered approach to presenting complex information should be used in which the initial presentation is simple and concise- in summary format- and is followed by content that is more technical or detailed. The aim of layering is to help beneficiaries identify and get the level of detail they prefer without having to work through information they do not want, and to build more complex ideas on a solid knowledge base of basic ideas. Proactive information seekers can choose their own level of detail, while reactive information seekers can focus on the information they need most immediately.
- Before any text is written, the material to be communicated should be broken down into its component ideas, and organized into basic conceptual "chunks." This allows the audience to identify each single and basic concept, around which more detailed and complex information can then be presented.
- All Agency communications with beneficiaries should avoid technical language, jargon, and difficult words; use active voice and simple sentence structure; and highlight major issues, using short sentences, and elaborate on confusing issues.
- Also, unless previously explained, definitions nested within other undefined terms should be avoided, as should mixing summary information with more detailed information.

Strategies for Understanding Beneficiaries' Information Needs

In addition to identifying the information needs and information-seeking styles of Medicare beneficiaries, the market research project gathered information on how organizations understand and meet the needs of their customers. The four key findings of the market research include the following:

- Gathering data on customer information needs is a critical and ongoing component of the quality improvement cycle.
- Effective organizations use both formal and informal methods to understand customer needs on a continuing basis. Formal techniques include surveys and focus groups. Informal approaches include periodic discussions with customer

service representatives and collecting and disseminating studies, articles, etc., on the target population.

- Effective organizations make it easy for customers to provide feedback. The organizations we spoke with use a variety of techniques to facilitate customer feedback, from callbacks to a sample of customers who used a toll-free number to on-the-spot surveys of customer satisfaction.
- Effective organizations build the use of customer feedback into their on-going quality improvement process. For example, some organizations formally incorporate using customer feedback to make needed changes into the performance appraisals of their staff.

HCFA has already established many strong partnerships with organizations serving beneficiaries. By building on existing partnerships and developing others, HCFA can leverage its resources to obtain additional or targeted feedback on the information needs of beneficiaries.

Implications for HCFA

The market research findings that beneficiaries have large information gaps, have different types of information needs at different points in time, and use various styles for obtaining information implies that:

HCFA should pursue three distinct communication strategies

1. HCFA should continue to work to improve its widely available information and reference material, such as the Medicare Handbook and new enrollees' packet. These materials serve to inform proactive information seekers and provide an excellent source of Medicare information for some passive and reactive information seekers who prefer information in this format.
2. HCFA should conduct "outreach and awareness campaigns." This type of campaign would ensure that beneficiaries are aware of a Medicare-related topic (e.g., "Do you know that some doctors charge more than Medicare will pay them?"), that the information on the topic is available when beneficiaries need it (e.g., "If you encounter such a situation, Medicare can tell you how to avoid these extra charges."), that beneficiaries know how to access the information (e.g., "To find out what your out-of-pocket expenses might be or how to avoid them, call 1-800-XXXX), and that the information answers beneficiaries' questions without requiring them to expend a lot of time or energy (e.g., the toll-free number quickly puts the beneficiary in contact with a knowledgeable person). A main message of this approach is: "Information is available on a given topic, and here's how to obtain it."

This communications strategy will especially appeal to reactive information seekers who want to know how to find information quickly and easily at the time they need it. The approach will also be very useful for passive information seekers by making

them aware of topics they might not know about, and by substantially reducing barriers to obtaining the information.

3. HCFA should pursue "targeted education campaigns." This type of campaign would focus on a few select topics HCFA most wants beneficiaries to know about, conveyed through an intensive multi-faceted communication campaign. The campaign would be designed to inform the widest possible audience, including passive, reactive, and proactive information seekers, about important and specific topics.

All three components of such a communication strategy will appeal to proactive information seekers, who will be able to easily find information as they actively search for it. However, the proactive beneficiary is not the only audience for HCFA's messages. The Agency also must assure that beneficiaries who only look for information when it is needed and those who do not even know how or where to begin to obtain the information they need will also be able to find answers to their questions.

Prior to discussing the three communication strategies in more detail, several chapters profile the elderly Medicare beneficiary population in terms of their demographic, socioeconomic, and health characteristics, and provide an overview of different information-seeking behaviors and information needs observed during the market research. In order for HCFA to effectively manage its resources and develop useful communications for the various members of its audience, HCFA needs to first understand who their audience is. The Agency can then segment beneficiaries into meaningful groups that share similar characteristics in order to tailor marketing messages and communication approaches to those unique characteristics.

Organization of Report

This report is organized around the two basic research questions indicated above. Chapter 2 provides a profile of elderly beneficiaries that emphasizes the changing characteristics of beneficiaries as they age. Chapter 3 summarizes the most important information needs and knowledge gaps of elderly Medicare beneficiaries. Because the market research found that effectively communicating information to beneficiaries depends heavily on individuals' approaches for searching for information, Chapter 4 introduces the three distinct types of information-seeking behavior observed during the market research. Based on both beneficiary information needs and the various ways they seek information, Chapter 5 provides details about three distinct approaches to communication that, if undertaken, should significantly improve the information flow from HCFA to all beneficiaries.

¹ "About-to-enroll" beneficiaries were also selected for special study, but the work on this subgroup has not yet been completed.