

# Summary Report on the Limited Education/Low Literacy 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 and the implications of those choices on cost, quality, access and outcomes is especially important now that the Balanced Budget Act of 1997 (BBA) has expanded the health plan options available to beneficiaries. The full range of choices envisioned under BBA is not currently available in the market but an increasing number of beneficiaries will face a much more complex set of choices in the coming years. Medicare beneficiaries not only need to understand the various features of these different options in order to choose the design that best meets their needs, they also need basic knowledge about many aspects of the Medicare program.

### Research Purpose and Methods

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

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

The Market Research for Beneficiaries project collected data from three sources to answer the questions:

- An inventory of perceived information needs and effective communication strategies from a variety of organizations and individuals who work directly with Medicare beneficiaries,
- Focus groups with Medicare beneficiaries, and
- A national survey of the Medicare population - the Medicare Current Beneficiary Survey (MCBS).

Each of the three data sources has particular strengths. Together, they can provide HCFA with a broad, deep, and representative understanding of communication with beneficiaries. The survey of Medicare beneficiaries helps ensure that the information gathered is representative of Medicare beneficiaries,<sup>1</sup> 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 tools is contained in a separate appendix.<sup>2</sup>

As part of HCFA's commitment to adapt its operations and communication strategies to better serve all Medicare beneficiaries, the Agency identified a diverse set of beneficiary subgroups that it believes may have special information needs regarding

the Medicare program or that may require innovative communication approaches to effectively convey information to the subgroup. This report synthesizes key findings from the three data sources for one of the identified "hard to reach" beneficiary subgroups – beneficiaries with a limited education and/or poor literacy skills. The report compares the subgroup's information needs and best communication strategies with those of the general elderly Medicare population. Additional summary reports examine the information needs and best communication strategies for African American beneficiaries, Hispanic beneficiaries, those dually eligible for Medicaid and Medicare, beneficiaries who live in rural areas, and vision- and hearing-impaired beneficiaries.

## Key Findings and Implications for HCFA

### Key Findings

Compared with the general Medicare population, beneficiaries with a limited education and low literacy skills:

- Have a greater need for basic Medicare program information,
- Are far less knowledgeable of many specific aspects of the Medicare program, and
- Prefer informal and familiar sources and modes of communication, including one-on-one in-person delivery of information, telephone helplines, and advice from family and friends.

Many Medicare beneficiaries, regardless of their educational background, lack a basic understanding of the Medicare program. This lack of knowledge is exacerbated for the low-literate population by the less effective ways in which they process information, and their greater likelihood of having a low income, of being of minority status, and of relying on Medicaid. They are also more likely to be in fair or poor health. Thus, low literacy complicates all their interactions with the health care system (e.g., coordination of Medicare and Medicaid coverage), and at the same time their poorer health status increases their need for such interactions.

In particular, low-literate beneficiaries have information needs regarding:

- The general structure of the Medicare program,
- How to obtain medical services,
- The extent of their Medicare, and sometimes Medicaid, coverage, and
- Out-of-pocket costs associated with their Medicare benefits.

While low-literate beneficiaries and Medicare beneficiaries in general tend to use the same sources and ways to obtain information across a number of Medicare-related topics, low-literate beneficiaries:

- Rely to a greater extent on informal sources, such as friends and family, for Medicare information;
- Demonstrate an overwhelming preference for in-person one-on-one contact compared with the general Medicare population;
- May feel intimidated and overwhelmed in the medical setting and prefer provider encounters that are in a comfortable and respectful atmosphere;

- Identified telephone conversations and simple brochures as helpful information sources; and
- Generally are not comfortable using newer technologies, such as computers and the Internet, to access Medicare information.

### Implications for HCFA

There are several key implications for HCFA for designing effective communication strategies for beneficiaries with poor literacy skills:

- The inventory, focus group, and MCBS analyses found that low-literate beneficiaries rely heavily on information that is communicated in-person rather than in writing. This allows them to better use their compensating skills to gather information, such as enhanced listening and memory abilities and reliance on verbal explanations and visual cues. Given such a finding, a short, simple brochure outlining the basics of the Medicare program and containing a prominently displayed collection of telephone numbers to call or places to go for additional information (such as State Health Insurance Assistance Programs (SHIPs)) may successfully address the information needs of many beneficiaries with relatively low literacy skills.
- Print materials may be used even though some individuals with the lowest education may not be able to use them. Brochures and pamphlets written at most a 4<sup>th</sup> grade reading level should address the needs of most Medicare beneficiaries. However, since skill levels vary widely, an even simpler version may be needed for the low literacy group.
- The low-literate population had obtained Medicare information from Medicare sources in the past, including the Medicare Handbook, and ranked HCFA high on trustworthiness in the focus groups. However, the low-literate population was more likely than the general Medicare population to find the Handbook difficult to understand. Inventory respondents noted that the Handbook is written for readers who are more sophisticated readers than many older adults. HCFA should consider making the Handbook less text heavy, and employ more white space and graphics. Other possibilities include putting the most important points in a pull quote, sidebar, or subheadings to draw attention to them.
- HCFA should rely more heavily on partnerships with community groups, such as senior citizen centers, literacy advocacy groups, and local aging and insurance agencies (as planned for its National Medicare Education Program), to provide Medicare information to low-literate beneficiaries or to involve them in presentations of Medicare materials in follow-up to, or simultaneously with, distribution of simplified brochures.
- HCFA should also heavily advertise the services provided through its increased funding for SHIPs, especially in campaigns targeted to low literacy groups. Although few beneficiaries currently rely on SHIPs as a source of information, more might do so if they were aware of the possibility of one-on-one explanations and answers to questions.
- A number of inventory respondents suggested that it is best to use a variety of communication modes and sources for all beneficiaries, thereby allowing

multiple opportunities for beneficiaries to access information. Very often, low-literate individuals have developed compensatory strengths, such as enhanced listening and memory skills, and are often very attuned to nonverbal or body language.

- For the low-literate population, it appears that "official" sources of information - such as providers - can be intimidating, while informal sources - such as family and friends - are more familiar and comfortable. Providing Medicare information to the family and friends of the low-literate elderly population (e.g., through the workplace or at local libraries) is an important strategy since such individuals often have someone who can assist them with literacy-related tasks. Low-literate beneficiaries value feeling comfortable and respected when discussing personal matters and consider their family and friends trustworthy. Family and friends may also be able to assist these beneficiaries in better understanding Medicare program information.

## Organization of Report

This report is organized into four additional chapters:

- A profile of elderly low-literate Medicare beneficiaries, with their characteristics compared with the general elderly Medicare population;
- A summary of low-literate beneficiaries' information needs;
- A discussion of information sources preferred by low-literate beneficiaries; and
- A summary of communication modes preferred by the low literacy group.

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<sup>1</sup>The MCBS data used in this report apply only to Medicare beneficiaries age 65 years old or older who were not living in a short-term or long-term care facility during the first two rounds of data collection in 1997.

<sup>2</sup>See the Appendix to Cahill, et al., Increasing Medicare Beneficiary Knowledge Through Improved Communications: Summary Report on the General Medicare Population, Final Draft, October 1988, Health Care Financing Administration.