

Health plan brands: national versus local – what matters to consumers?

Survey 2024



Survey Overview

Understanding how consumers perceive national vs. regional/local health insurers can help both types of companies win more affinity by playing to their perceived strengths and targeting their communications.

For-profit national health insurers have long dominated the market. And yet, there are hundreds of regional and local payers that continue to find success in nearly every MSA in the U.S. The answer to how and why both co-exist is driven by the mindsets of the consumers they serve. This inspired our *Consumer In Sight* research team to conduct a study on how consumers view national and regional/local insurers – their perceptions, expectations and preferences.

Media Logic conducted a survey with 300 adults aged 26-64 across the United States. Respondents included group (employer-based) health insurance members, Medicaid beneficiaries and consumers who enrolled in their insurance through a marketplace or exchange. The survey's findings may help health insurance marketers better understand the dynamics in their regions and refine their messaging accordingly.

**Please note: Percentages in findings are rounded to the nearest whole number.*

Executive Summary

Key Findings:

- 1. Plan preference differentiation:** While a majority of respondents (59%) show no preference between national and local/regional health insurance plans, those who do differentiate prefer national companies by more than three times over local/regional ones.
- 2. Community connection:** Over half of the respondents believe that local companies better understand community healthcare needs. This sentiment is reinforced by 80% of respondents who deem it moderately to extremely important for their health insurance provider to be attuned to local needs.
- 3. Engagement with health events:** Although 69% of respondents are unaware of or have not attended health-related events hosted by insurers, the 74% who feel positively influenced by such events highlight significant potential for increasing engagement through these activities.
- 4. Not-for-profit predisposition:** 66% of respondents attribute moderate to extreme importance to health insurance companies operating as not-for-profit organizations. And when “slightly” important is included, the numbers increase to 80%.
- 5. Performance expectations:** Respondents are divided, with up to 56% expecting national companies to perform better in drug coverage, affordability and access to preferred doctors and hospitals, while local/regional companies are perceived to provide better customer service and benefits that align with personal needs.
- 6. Advertising effectiveness:** Ads featuring real providers and local member testimonials are most effective. Conversely, ads with actor portrayals of doctors or celebrities are the least appealing.
- 7. Preferred messaging:** Effective messaging includes “best-in-class healthcare providers,” “highest member satisfaction ratings,” “largest provider network” and “comprehensive drug benefits.”
- 8. Appeal of payvider models:** A significant proportion of respondents (58%) find it appealing for a health plan to be owned by a health system or hospital.

Executive Summary (cont'd)

Marketing implications for health insurance companies:

1. **Strengthen local presence:** Emphasize understanding and involvement in local community health needs through targeted communications and community-based initiatives, like sponsoring local health and wellness events.
2. **Leverage perceived advantages:** Eligible health plans should highlight their "not-for-profit" status, especially in the context of community relations.
3. **Make authentic connections:** Focus on authenticity in advertising by showing real healthcare providers and genuine patient testimonials when possible.
4. **Leverage integrated care models:** Highlight integrated care models, such as those involving direct partnerships with hospitals or health systems (payvider models), which are appealing to consumers seeking comprehensive and seamless care experiences.
5. **Customize offerings:** Where possible, health insurers should

promote community alignment and products and services that are specific to localized needs.

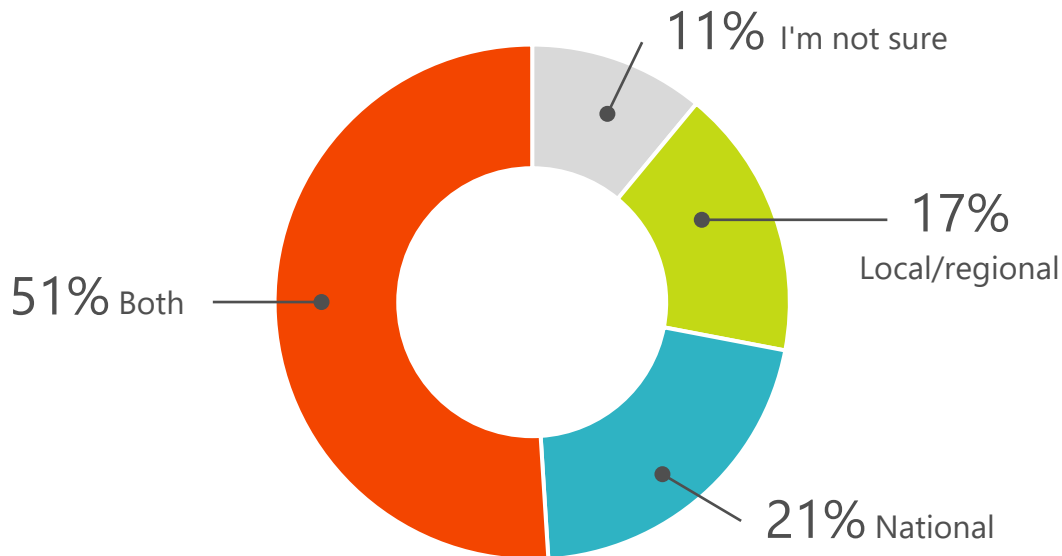
6. **Speak to consumer priorities:** Use messaging that reflects consumer preferences for quality and comprehensive care.

By focusing on these strategic areas, health insurance companies can better meet consumer expectations, enhance satisfaction and strengthen their market position.



Over half of respondents say they have access to both national and local/regional health plan options.

Q. Which kinds of health insurance companies offer plans where you live?

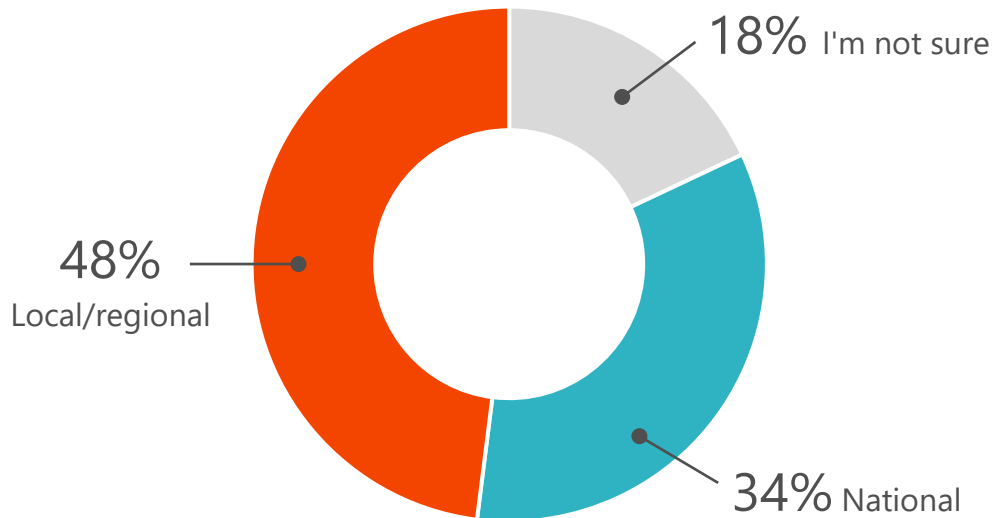




Almost half of Medicaid recipients say their plan is from a local/regional company.

(Respondents who are on Medicaid)

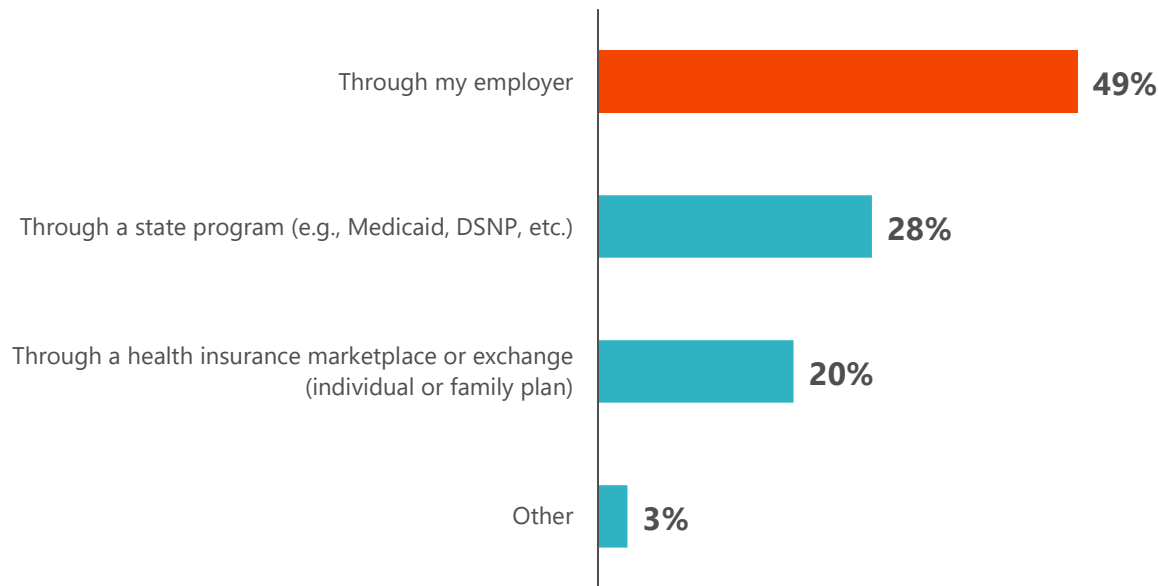
Q. From what type of health insurance company do you get Medicaid?





Nearly half of survey respondents currently get their health insurance through their employer.

Q. How do you get your current health insurance coverage?

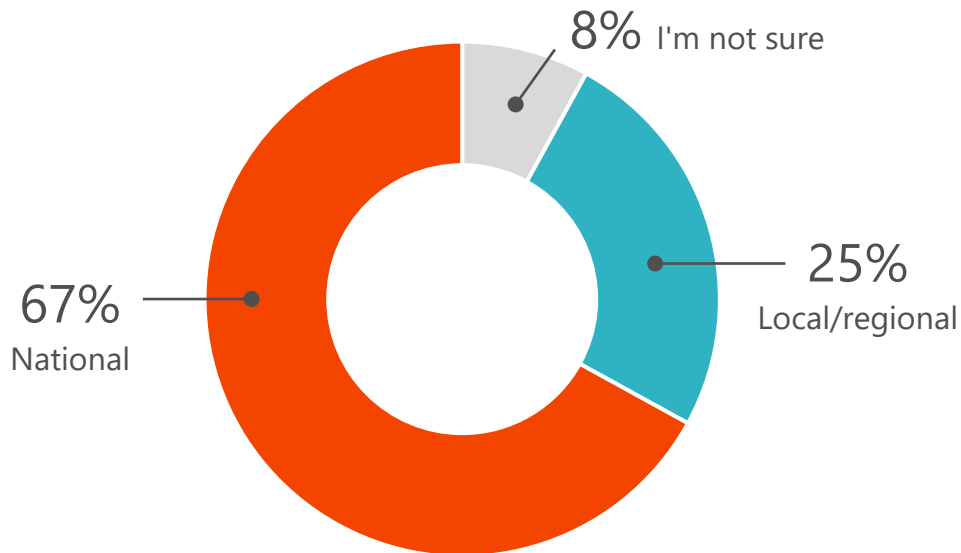




Over two-thirds of respondents who receive their health insurance through their employers get it from a national company.

(Respondents who receive health insurance through their employer)

Q. Which type of company provides your current health insurance?

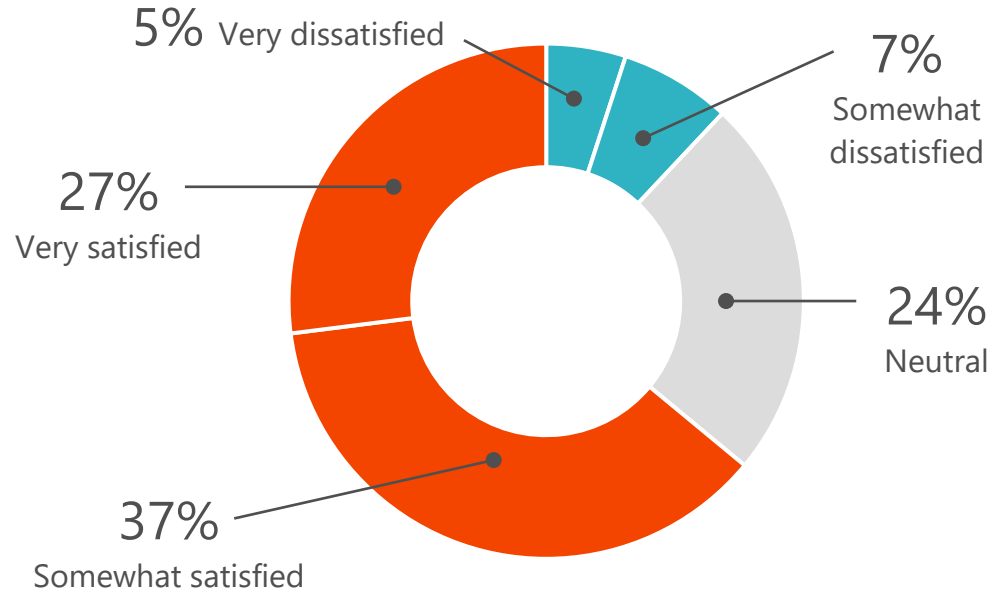




Two-thirds of respondents who receive their coverage through their employers are “somewhat” or “very satisfied” with their plan options.

(Respondents who receive health insurance through their employer)

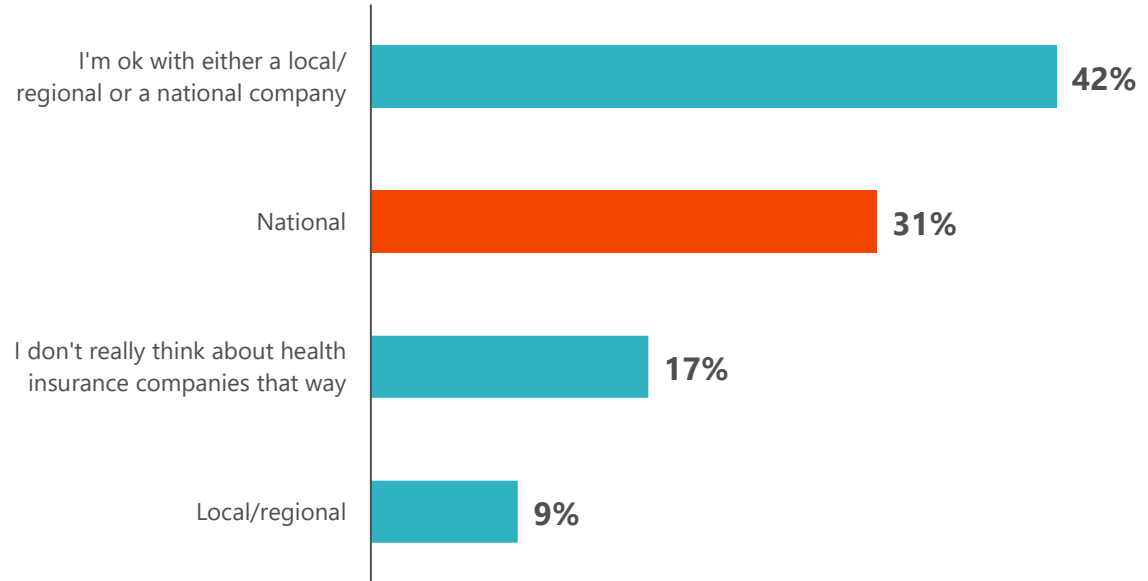
Q. How satisfied are you with the health insurance options available through your employer?





While 59% of respondents do not differentiate preference between types of health insurance companies, **those who do differentiate, prefer national companies over local/regional plans by more than 3X.**

Q. When thinking about health insurance coverage, which best describes your preference for the type of company to get it from?

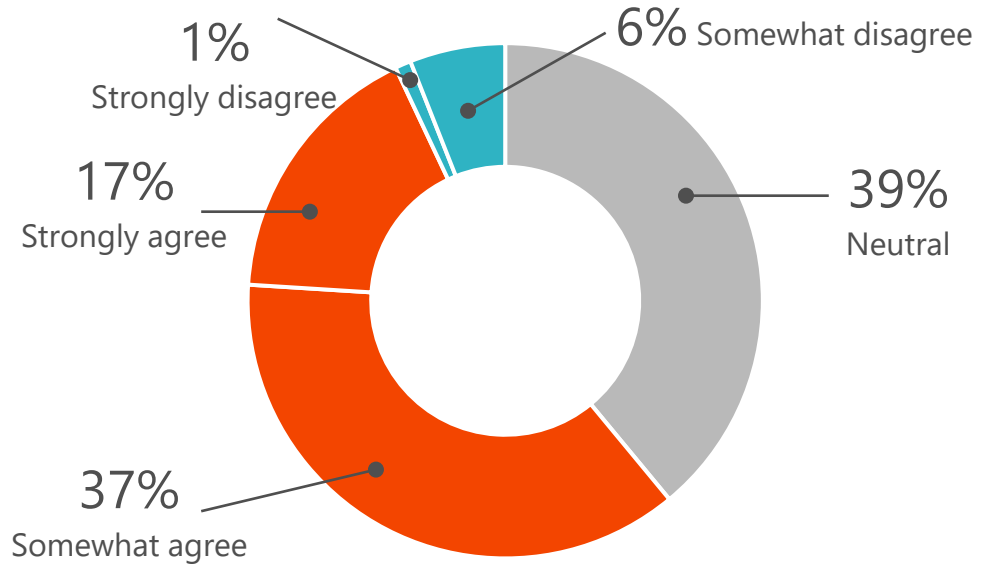




Over half of respondents believe that **locally based companies understand their community's healthcare needs better than national companies.**



Q. Do you agree or disagree that health insurance companies based in your community understand the healthcare needs of your community better than national companies?

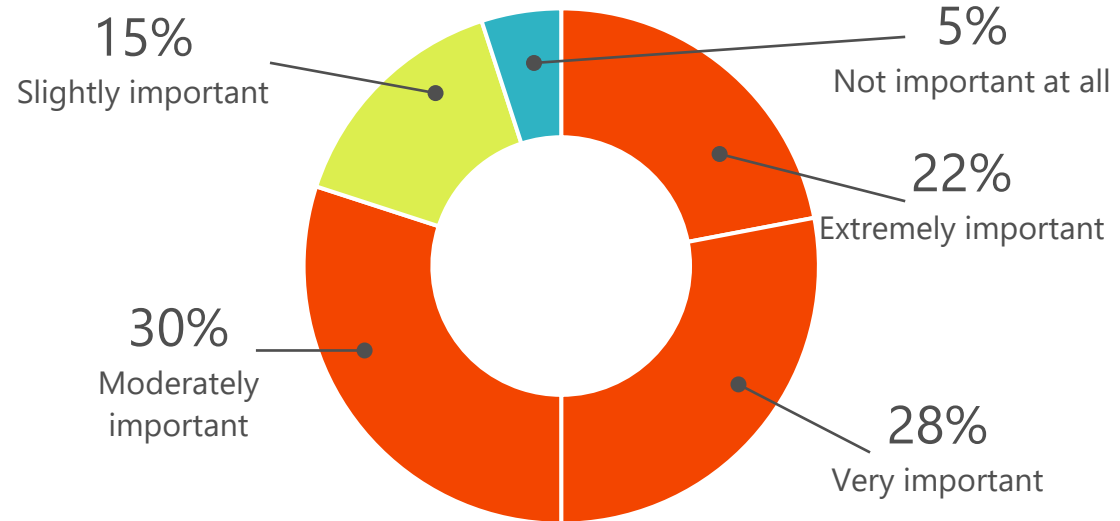




Half of respondents believe that **it is “very important” or “extremely important” for their health insurance company to understand the needs of their local community.**

Only 5% of respondents believe it is not important at all.

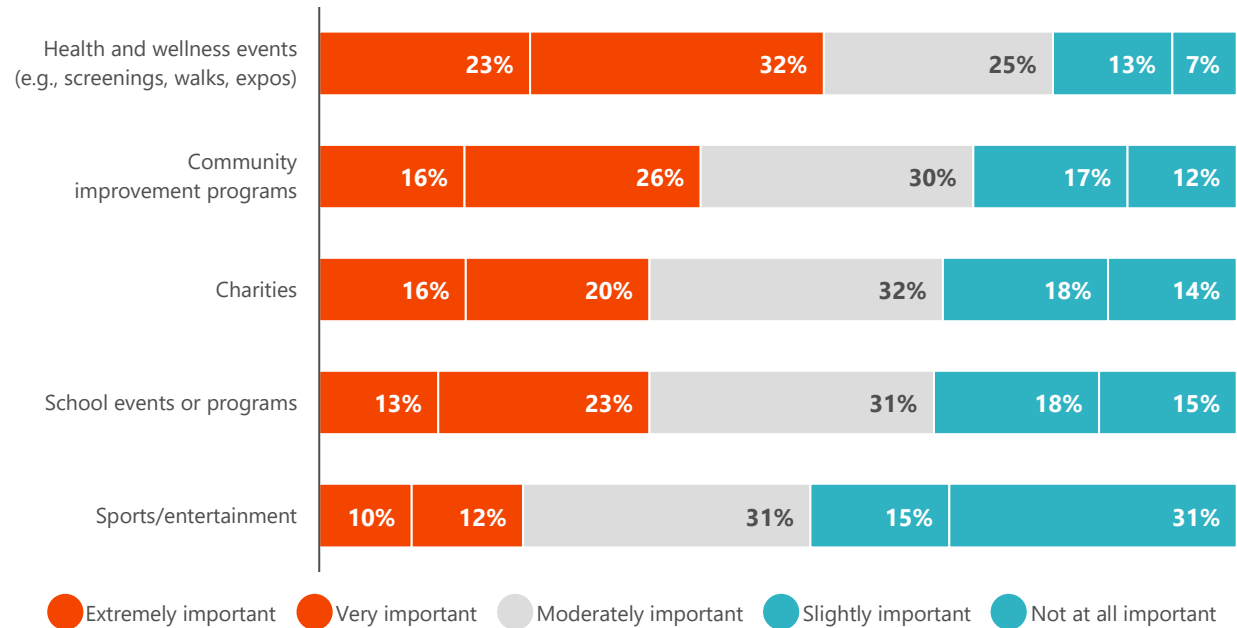
Q. How important is it for your health insurance company to understand the needs of your local community?





When it comes to supporting local communities, respondents say that sponsorship of health and wellness events is of top importance.

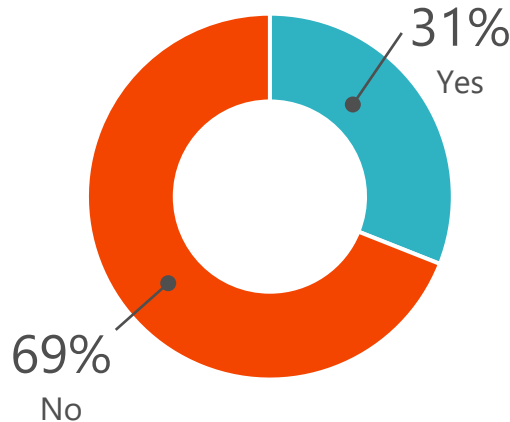
Q. How important is it for your health insurance company to support the following groups or activities based in your community?



A significant proportion of respondents (69%) remain unaware of or have not attended health-related events hosted by health insurance companies.

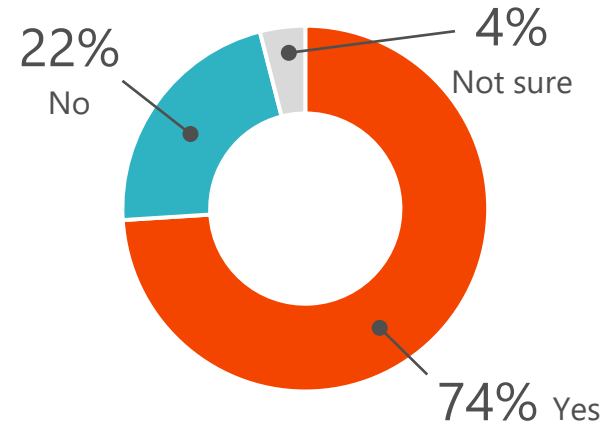
However, **74% of respondents who are aware of or have attended such events, have a positive impression of the participating health plan.**

Q. Are you aware of or have you attended any type of health-related events or programs (e.g., community-based health screening, locally based walking/running program, health fair, etc.) that a health insurance company hosted?



(Respondents aware of or who have attended health company-hosted events)

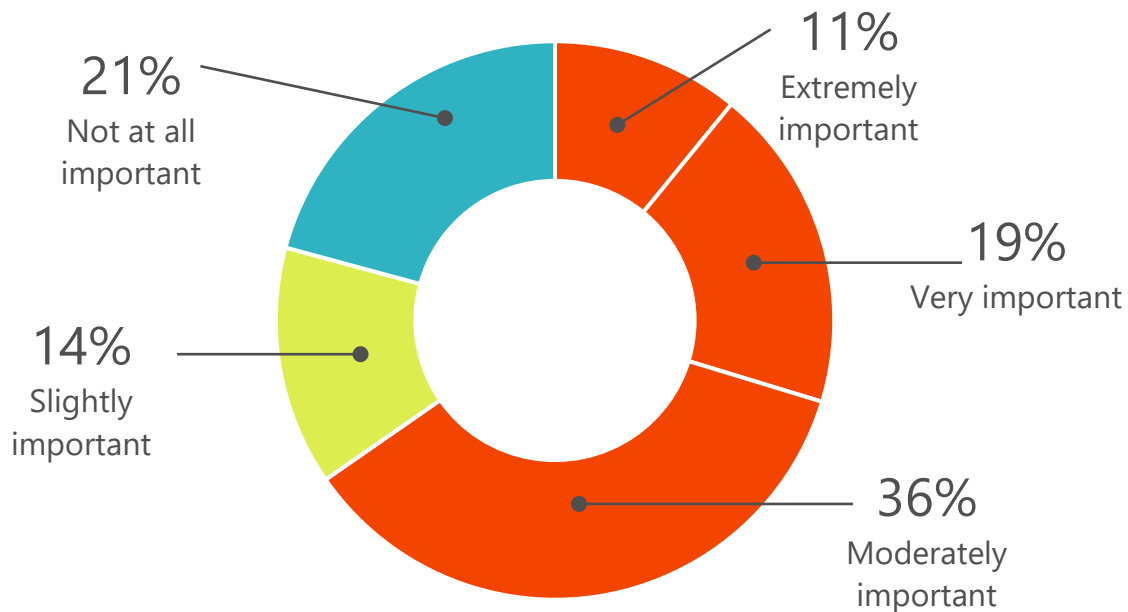
Q. Did these events positively influence your perception of the health insurance company?





66% of respondents believe it is moderately to extremely important for a health plan to be a not-for-profit organization.

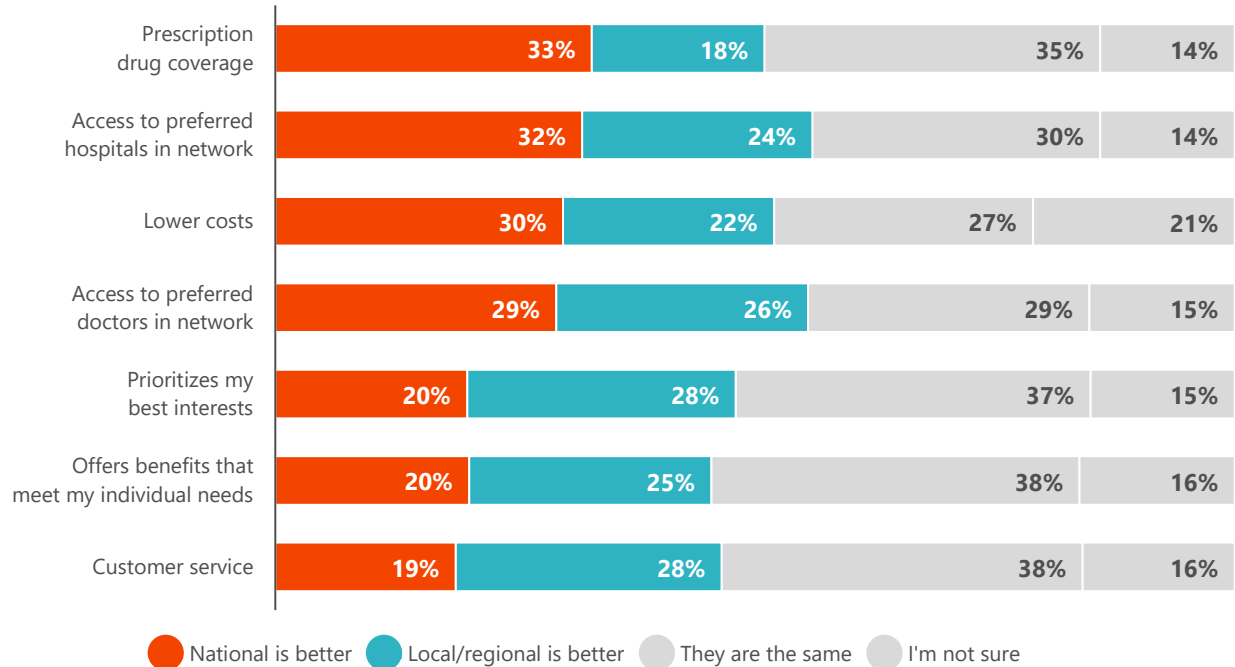
Q. How important is it for your health insurance company to be a not-for-profit organization?



Based on consumer expectations, national health plans outperform local/regional plans most definitively in prescription drug coverage (15-point spread) and access to preferred hospitals in network (12-point spread).

Local/regionals outperform nationals most definitively in customer service (9-point spread) and prioritizing consumer interests (8-point spread).

Q. Consider two health insurance options – one offered by a national health insurance company (e.g., Anthem, United Healthcare, Cigna, Aetna or Humana) and the other by a local/regional company. In what ways do you expect plans from each type of insurer to be similar or better in the following aspects?

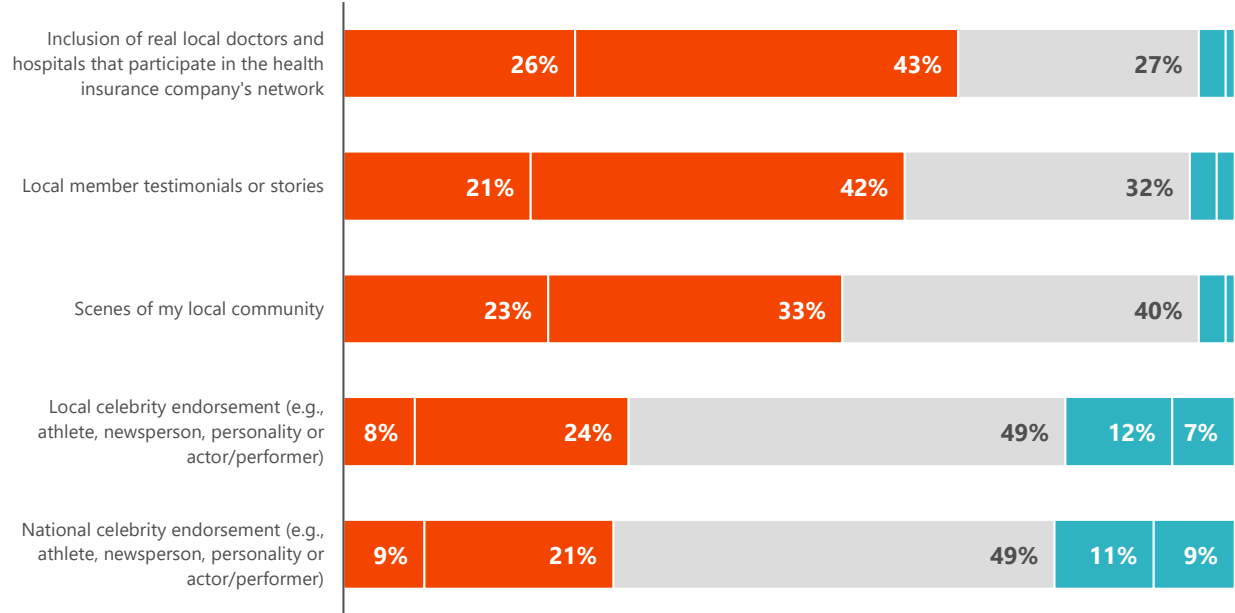




Respondents say that health insurance ads that resonate most with them feature real doctors and hospitals that participate in the plan, followed by local member testimonials or stories.

Note: The least appealing ads feature celebrities or actors portraying doctors.

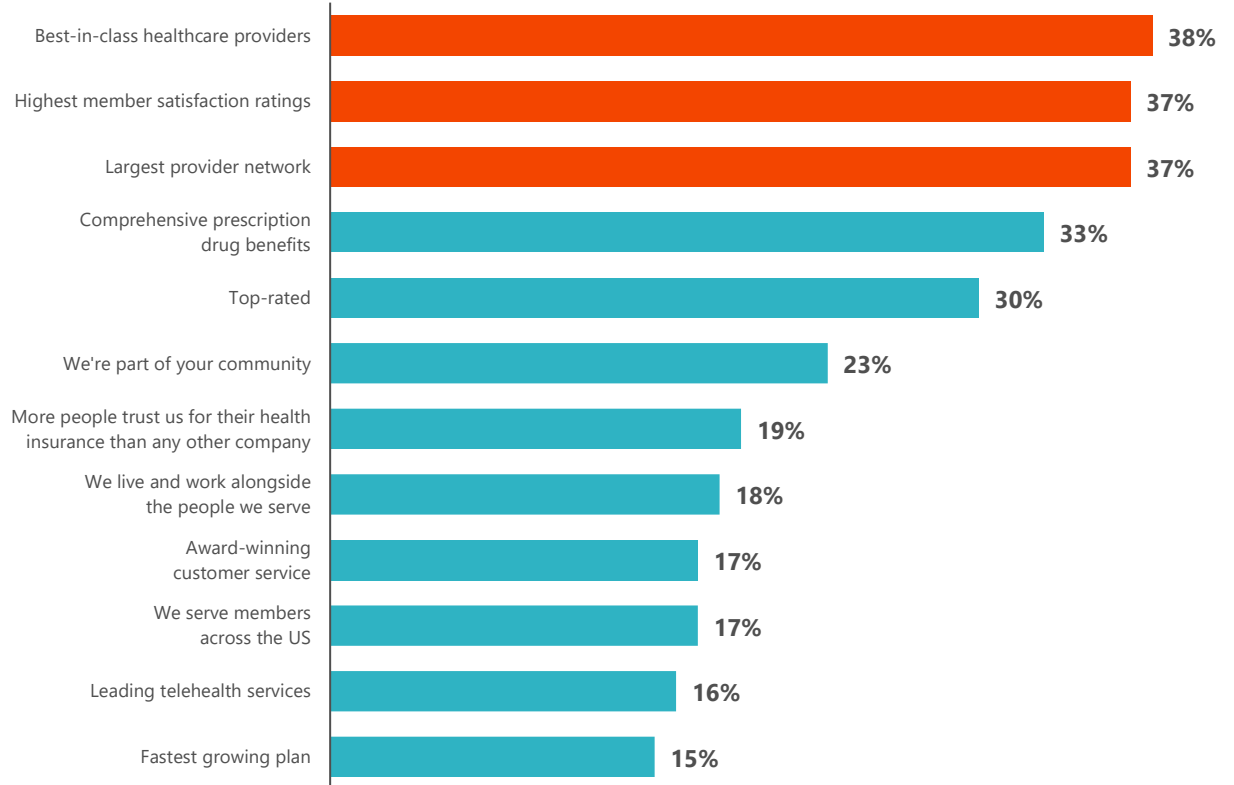
Q. If you saw an ad from a health insurance company that included the feature below, how would it make you feel about the company?



Very positive Somewhat positive Neutral Somewhat negative Very negative

When it comes to superlative messaging, the **phrases that resonated most with respondents** are **“best-in-class healthcare providers,” “highest member satisfaction ratings” and “largest provider network”**.

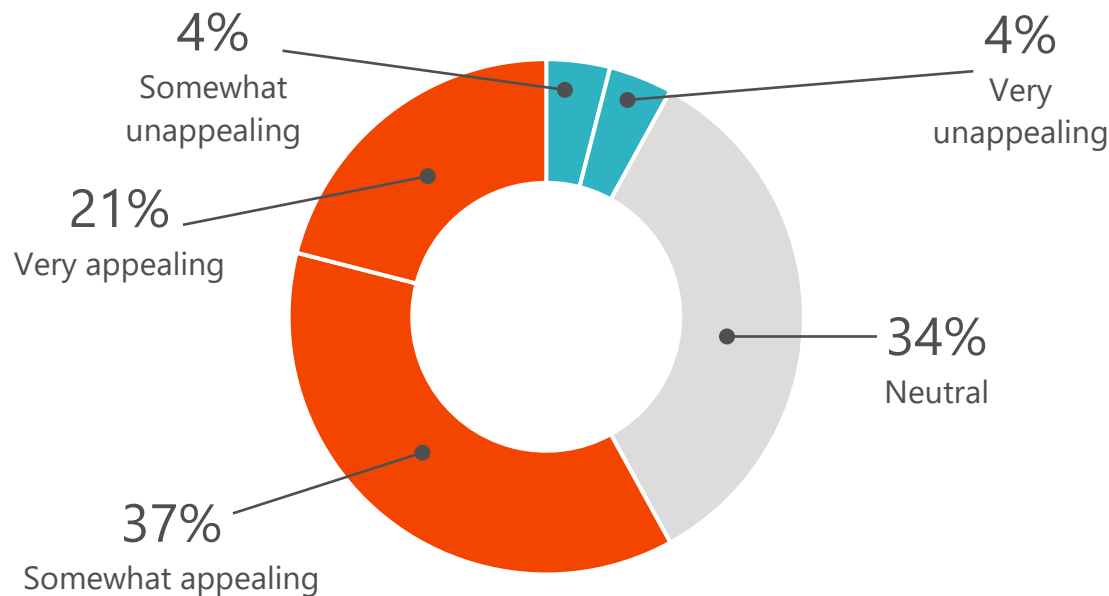
Q. If you saw the following statements in advertisements for a health insurance company, which ones would appeal most to you? (Please select your top three.)





Good news for payviders: **58% of respondents would find it “somewhat” or “very appealing” for a health plan to be owned by a health system or a hospital.**

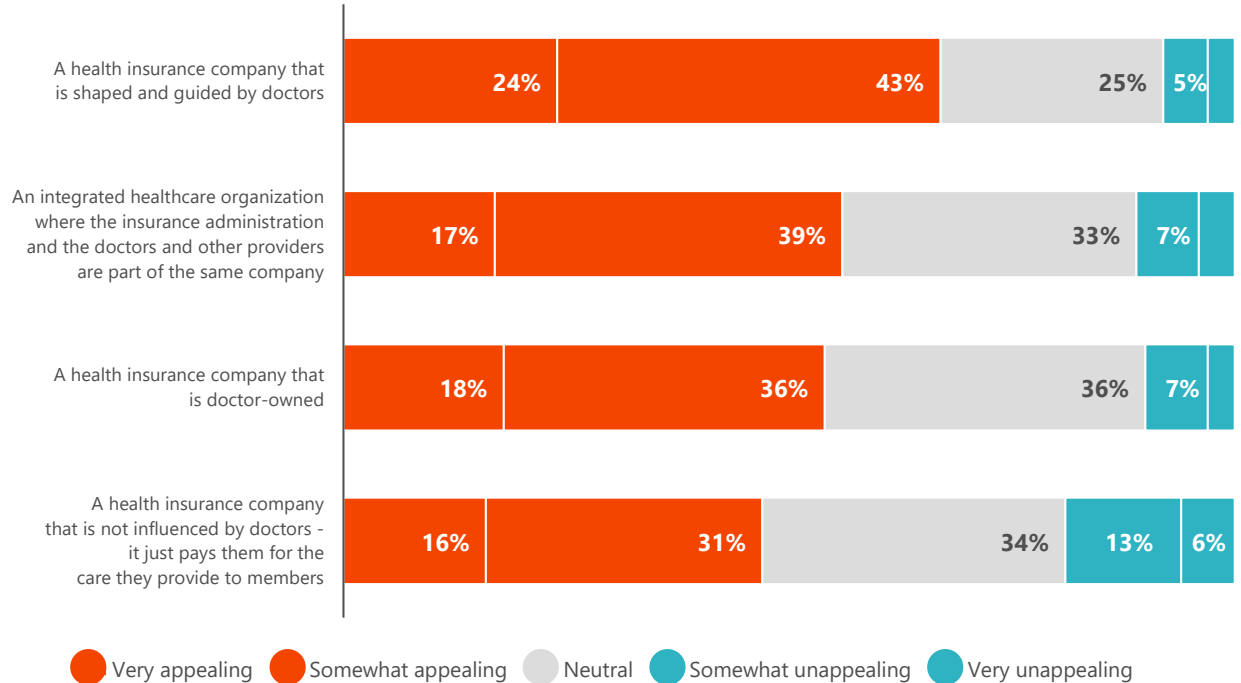
Q. How would you think about a health plan that is owned by a health system or hospital where you might be a patient?



Respondents favor collaborative health care insurance company structures, with the highest affinity toward companies guided by doctors.



Q. Please rate the appeal of the following health insurance company structures.





Consumer In Sight (CIS) is an investigative research series conducted by Media Logic, with the aim of gaining new insights into consumer preferences and behaviors in the healthcare and financial services industries. Using an industry-leading software platform, we survey geo-targeted and national panels to track the changing marketing landscape and support clients in connecting with consumers through creative executions and multichannel media.

About Media Logic

Media Logic is a national leader in healthcare marketing – providing strategic, breakthrough solutions that drive business. Media Logic offers deep experience in branding and lead generation and is an expert in turning research and segmentation data into actionable plans. Leveraging more than two decades of health plan marketing knowledge, Media Logic understands the nuances of Medicare, group and individual exchange prospects. From traditional ad campaigns to retention efforts to content marketing, everything Media Logic does is focused on generating results for clients – giving them an edge in a competitive, constantly changing environment.

Learn more about Media Logic at medialogic.com and subscribe to our healthcare marketing newsletter at medialogic.com/newsletter.



If you have any questions, please contact:

Jim McDonald

Head of Strategic Growth

518.940.4882

jmcdonald@medialogic.com

Contact Information:

Jim McDonald
Head of Strategic Growth
ph: 518.940.4882
e: jmcdonald@medialogic.com



media logic®

4 Tower Place, Suite 602, Albany, NY 12203

t 518.456.3015

f 518.456.4279

www.medialogic.com

The information contained in this presentation is copyrighted and may not be distributed, modified, or reproduced in whole or in part without the prior written permission of Media Logic. The images from this presentation may not be reproduced in any form without the prior written consent of Media Logic.

The Media Logic logo is a trademark of Media Logic. All other trademarks are acknowledged as being the property of their respective holders.

Proprietary and Confidential, © 2024 Media Logic. All Rights Reserved.