



# Findings from Deloitte's 2016 Consumer Priorities in Health Care Survey

Health care consumers are unlike typical consumers. Their experiences are varied and complex as they engage with multiple parties on emotional and personal topics. Health care is not a simple, one-time transaction with a single seller. Health care consumers face a multitude of options for services and are forced to use a confusing payment system. And, as we all know, the stakes are much higher in health care than in typical consumer transactions. Given these complex and evolving dynamics, having an in-depth understanding of consumer attitudes and behaviors has never been more important for health care players.

To dig deeper into how consumers make health care decisions and how health plans and providers can tailor their offerings to meet this more focused demand, Deloitte set out to understand not just what consumers *generally* prefer from their health plans and providers, but how health care consumers make tradeoffs when deciding what is *most important* to them in their health care experience. Findings from the 2016 Consumer Priorities in Health Care Survey paint a more detailed picture of what matters most to health care consumers.

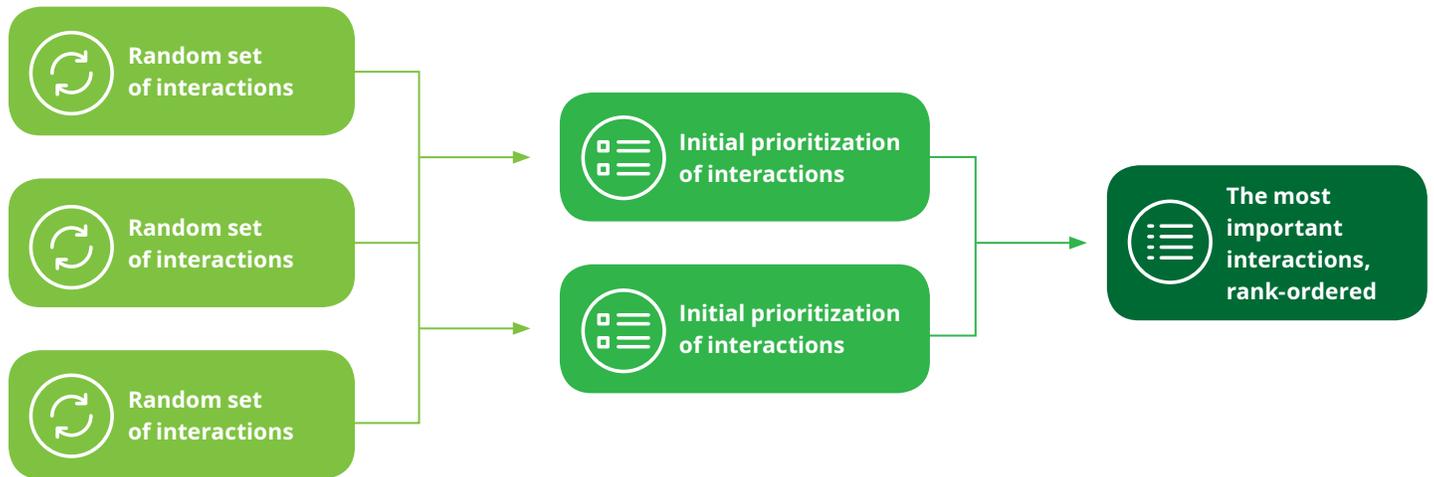
“How do health care consumers make tradeoffs when deciding what is most important to them in their health care experience?”

The importance of the health care provider relationship remains the top priority for consumers. Consumers trust their providers and want personalized experiences with them. Good “bedside manner,” after all these years, is still something the typical health care consumer demands. What was striking based on this study, however, was the magnitude of the demand for personalized provider experiences relative to other types of interactions (such as cost or convenience).

Another surprising finding from this research was related to digital interactions: in relative terms, digital engagement is much less important to consumers based on digital engagement tools and mechanisms offered today. Given the investment in digital resources and the experiences consumers are having with digital capabilities outside of health care, it might seem like digital tools are an essential part of individual health care management (scheduling, billing, disease management, etc.). We found that this isn't necessarily the case today. Our respondents generally reported not using, or understanding, the health care digital tools and resources available to them, and ranked these types of interactions significantly less important than any other type of interaction.

## The study: Forced consumers to prioritize which health care interactions are most important

**64 interactions across the health care ecosystem** (health plans, health care providers, pharmacy, etc.) were evaluated using the Bracket™ methodology, a **tournament-style approach to prioritization**



### What we studied and how we did it

As we have learned, there are many, many things that consumers say are important to them, and in many surveys, respondents will indicate that *all* things are important (in varying degrees of importance). Our research design *forced* consumers to prioritize the health care interactions that are *most* important. Here's how we did it.

**Focus group:** We started by conducting a focus group composed of a random, representative section of consumers to learn more about the health care interactions that mattered most and why. We asked a range of questions about services or products they found appealing, which became the foundational basis for our quantitative survey. Our goal was to ensure that the interactions tested quantitatively would be a reflection of real consumer attitudes and worded directly in consumers' language and phrasing.

**Quantitative survey:** From there, we fielded the Consumer Priorities in Health Care Survey, an online study of 1,787 respondents, with oversampling for select consumer segments (Seniors on Medicare and Hispanic consumers) that we analyzed more deeply. We used a Bracket™ method akin to those used in sports tournaments. It pitted against one another 64 random sets of statements about consumers' interactions with the health

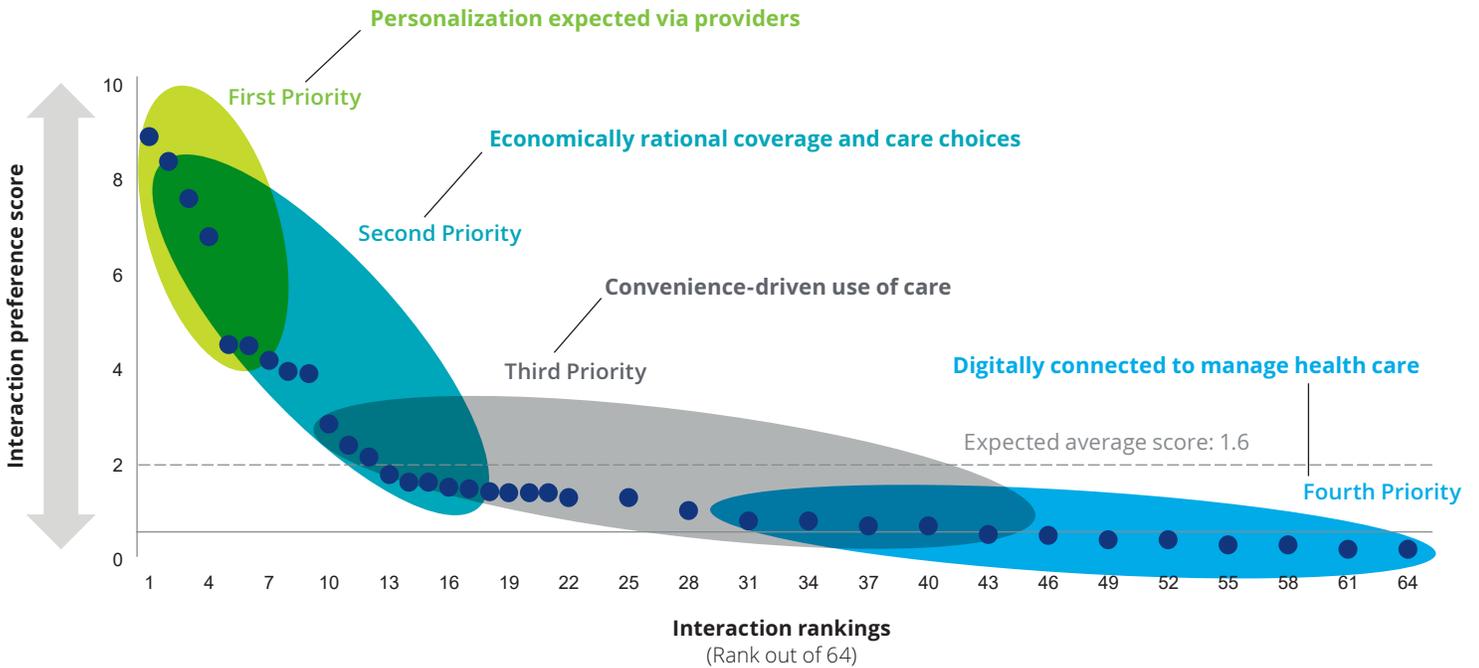
care ecosystem. Here's an example of how this worked: "What is more important to having a positive customer experience with the health care system... (a) The ability to find a doctor that is accepting new patients, or (b) Assistance estimating the potential long-term financial costs associated with a diagnosis?" The 64 interaction statements that we tested were comprehensive across the health care ecosystem.

Using this method, the total value of all interactions rated by consumers was designed to add up to 100. Therefore, and if respondents rated all interactions equally, each interaction would have an expected value of 1.6 (=100/64). Interaction scores ranged from 8.9 to 0.2, indicating a clear distribution of preferences.

**Sorting and prioritizing:** This led to a prioritization of interactions and ultimately a stratified list of the most important interactions for consumers across their health care experience. When forced to make actual choices and tradeoffs about what is most important between different dimensions of an experience, these consumer respondents provided us with meaningful insights.

The results: Consumers want to be heard, understood, and given clear directions through a personalized health care experience.

Rankings across the general population of consumers



Source: Deloitte 2016 Consumer Priorities in Health Care Survey (Deloitte Note: Only every third point from Interaction Ranking #22 onwards is shown).

What we found

Our survey has led us to a number of important conclusions about what genuinely matters to health care consumers and what it should mean for health plans. Based on data patterns seen in the 2016 Consumer Priorities in Health Care Survey responses, four clusters of interactions emerged, listed below in descending in order of importance to consumers:

- 1. Personalization expected via providers** (doctors, hospitals, and other health care providers) – 6 interactions, scoring on average 2.9x above the expected average (of 1.6) (i.e., significantly above average)
- 2. Economically rational coverage and care choices** – 8 interactions, scoring on average 1.9x above the expected average (i.e., above average)
- 3. Convenience driven access and use of care** – 15 interactions, scoring on average 0.7x of the expected average (i.e., slightly below average)
- 4. Digitally connected to manage health care** – 18 interactions, scoring on average 0.3x of the expected average (i.e., meaningfully below average)

In the coming pages, we'll go into detail the health care interactions that stood out in each of the four thematic clusters. We'll call out both surprises that emerged, especially for consumer sub-segments, and findings that affirm our current understanding of the health care consumer experience, emphasizing where health plans should focus their efforts. Finally, we will offer a series of implications that should guide health plans' actions.

**Most important cluster: Personalization expected via providers**

Our study revealed that personalized experiences with providers are the most important interactions that consumers have with the health care ecosystem. Consumers want to be heard, understood, and given clear directions through a personalized health care experience. Providers are best positioned to deliver on these desires, and interactions that fit into this cluster ranked almost three times as high as any other set of interactions in our study.

Top health care experience interactions in this cluster, as cited by survey respondents, include:

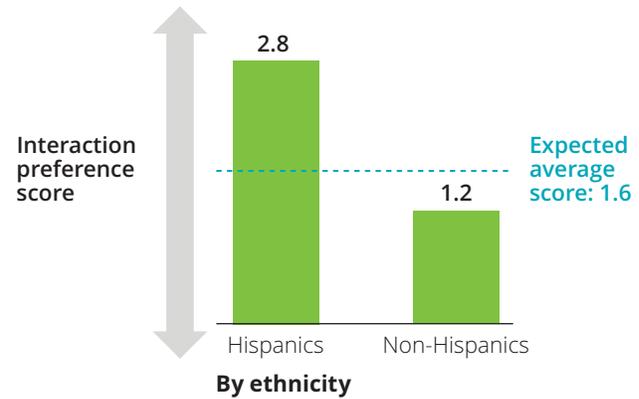
- Doctors or other health care providers who spend time with me and do not rush (ranked #1 overall, 5.6x above average)
- Doctors or other health care providers who listen and show they care about me (#3 overall, 4.8x above average)
- Doctors or other health care providers who clearly explain what they are doing and what I need to do later (#4 overall, 4.3x above average)
- Clear, helpful information about my diagnoses and conditions (#6 overall, 2.8x above average)

Considering the interactions that fell into this highest-scoring cluster, it became clear that all consumers—across all key demographics—believe that doctors and other health care providers who connect productively with them will have the greatest impact on creating a positive overall health care experience. And it wasn't just about appointment durations or active listening during an appointment; respondents also prioritized elements of communicating what to do *after a visit*, including communicating with other doctors in managing a patient's care.

While this finding was true for all consumers, it was particularly true for Hispanic and Senior consumers. Importantly, Hispanic consumers' preferences revealed the special importance of relationships between their providers and *families*. For this group, interactions such as "Providing updates to family during and after a procedure," "A care provider who helps me and my family create a care plan," and "A network of home care professionals to assist me (or a family member) at home" scored significantly higher than for all other demographic groups. And for Seniors, what was striking was not that different interactions scored more highly, but rather that the most popular interactions amongst all consumers scored even higher for Seniors. This means that Seniors place substantial importance on their provider interactions above all others, and that the gap in importance relative to other later categories such as cost and convenience will be greater.

Within this cluster of interactions, some interactions were ranked closer to the average. We observed *indirect* care interactions (like pre-appointment planning or post-appointment follow-ups) were relatively less important than *direct*, in-person interactions with providers. Consumers still clearly believe that the direct receipt of care is the most critical to their overall health care experience.

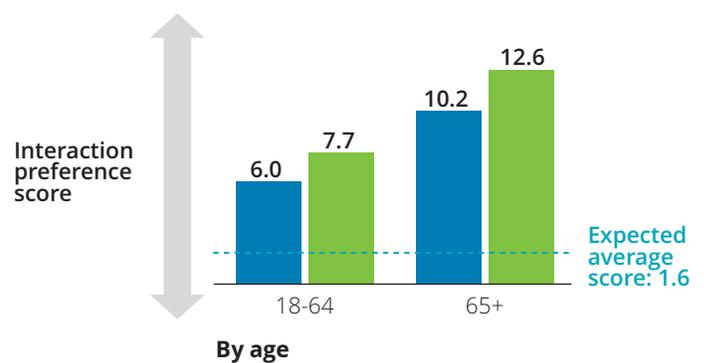
## Personalization via providers: Hispanics vs. Non-Hispanics



**Key interaction:** Accurate cost information for a particular service/procedure with a particular doctor or hospital

Source: Deloitte 2016 Consumer Priorities in Health Care Survey  
 Note: "Seniors" = 65+ years old, with commercial coverage (data are pulled from General Population and Medicare oversample, an additional 345 respondents), "Medicare" = Some form of Medicare coverage (data are pulled from General Population only)

## Personalization via providers: Ages 18-64 vs. 65+



**Key interaction:** Doctor or other health care provider who clearly explains what they are doing during the exam and what I need to do after the visit

**Key interaction:** Doctor or other health care provider who spends time with me and does not rush through the exam

Source: Deloitte 2016 Consumer Priorities in Health Care Survey  
 Note: "Seniors" = 65+ years old, with commercial coverage (data are pulled from General Population and Medicare oversample, an additional 345 respondents), "Medicare" = Some form of Medicare coverage (data are pulled from General Population only)

Our survey confirmed that interactions with providers are the most critical to the health care consumer experience, but there is also a significant role for health plans to play. For example, health plans have access to a large volume of information that could make experiences more personalized. And plans can assist consumers in managing conditions once consumers have left their doctor's office or been discharged from a hospital. Additionally, plans can provide consumers with data and guidance on how to make the most of their upcoming and follow-up provider interactions. Below, we'll lay out specific actions plans can take.

### *Why and how this matters for health plans*

- Rethink the “four walls” customer experience design common in the industry. A consumer-oriented health plan should reassess what portion of the consumer experience investment is possible within its own organization versus what investments should be made alongside external ecosystem stakeholders like providers and pharmacies.
- Give consumer experience (“CX”) teams a seat at the table in the design and ongoing management of provider partnerships and provider experience. Health plans' CX teams can enable better patient engagement, like access to data, predictive modeling, and innovative experience design.
- Refocus CX teams' time and energy, having them spend more time with Provider, Medical Management, and Quality teams and perhaps spending less time with the traditional CX functions (e.g. Service Ops).
- Provide personalized support to families and communities. Health care is not a solitary experience. Coordination with family, caregivers, and even friends and neighbors improves both the experience and outcomes.

To draw a stark contrast, now let's turn to the health care interactions that ranked least important to consumers – those interactions related to digital engagement.

### **Least important cluster: Digitally connected for managing health care**

#### *Insights*

The cluster of digital engagement interactions tested in this study ranked least important among all types of health care interactions. The study concludes that, by and large, the manner in which plans are investing in digital tools aren't serving consumers' highest priority needs and aren't leading to broader digital adoption. While digital tools and processes are increasingly emerging to help consumers manage different aspects of their health care, such tools haven't risen to the top of consumers' list of priorities, scoring significantly below the other categories in our survey (0.3x of average).

Some of the interactions in this cluster included the following. Note: No interaction in this cluster ranked higher than #29 (out of 64 interactions).

- Ability to schedule an appointment with a doctor or hospital online or via my mobile device (ranked #48 overall, 0.4x of average)
- Ability to share data from my personal health monitoring tools and trackers with my doctor or family (ranked #50 overall, 0.4x of average)
- Web chat that enables me to quickly and easily resolve my issues (#59 overall, 0.2x of average)
- Advice on reliable online resources and/or social networking communities for health information and support (#61 overall, 0.2x of average)
- Access to electronic tools and trackers for managing my health (#62 overall, 0.2x of average)

So why is 'digital' registering as less important in this survey? One interpretation, supported by what we observed in our focus group, is that there are low levels of digital health awareness and usage of digital resources. No digital interaction type saw a past or present use by more than 36% of the respondents in our survey (general population averages); several digital interaction types saw use by less than 5%, especially respondents who are 55 years of age and older. And, yes, this survey showed that Millennials (consumers under the age of 35) are up to 3.5 times as likely to be using digital health tools, depending on the tool) when compared to the next closest scoring age group (e.g., telehealth and social networking support tools showed the largest difference). However, for Millennials, the importance of using digital tools to track and manage their health ranked almost 4 times below the expected average for all interactions. So, while Millennials see digital tools as more important than other age groups do, Millennials still prioritize interactions related to provider experience and affordability over digital engagement. These findings are consistent with another Deloitte study from 2015 that explored utilization of digital applications in health care and found that the number of consumers applying technology to their care management had risen from 17 percent to 28 percent from 2013-2015, with Millennials far more likely to find digital sources more advantageous<sup>1</sup>.

Although digital interactions lagged in “head to head” matches against other health care interactions, digital capabilities may increasingly be demanded by and useful for consumers who are involved in managing their own care.

<sup>1</sup> Harry Greenspun, Sarah Thomas, Gregory Scott, and David Betts, Health Care Consumer Engagement: No “One-Size-Fits-All” Approach, Deloitte Consulting, 2015 Washington, DC: US

# Who's using digital tools?

Have 2+ family members  
on their plan



Have income over \$75,000  
Be college educated  
Reside in an urban area



Compared to those who  
**don't use** digital tools,  
**users of digital tools**  
are more likely to...



**Be more frequent health insurance utilizers:**

- More likely to have a regular primary care physician
- Greater annual out-of-pocket health care spending, on average
- Take more prescriptions, on average
- More likely to have a chronic condition

The health care industry as a whole is digitally immature compared to other industries, and it will take time for health care players to develop the usability and connectivity that will make digital assets more effective and more valuable to consumers, and therefore drive more adoption. Next, we'll discuss some specific actions health plans can take on this road to digital maturity.

#### Why and how this matters for health plans

- (Re)evaluate (don't reduce) digital spend to create integrated and seamless digital experiences. Plans and other players need to assess whether and how their digital tools are being utilized and which digital tools actually matter for each member segment.
- Focus digital investments on the health care interactions that matter most to consumers: provider experience and affordability. By focusing on what's most important to consumers, plans can drive better and broader digital adoption and earn the permission space to digitally engage consumers for other reasons (e.g., scheduling, health monitoring, web chat, etc).
- Leverage digital tools to better support the provider-payer-member engagement model. Emphasize to providers what digital tools and data from the plan they have at their disposal to be more efficient, to be more personal with members, and help them to better manage costs, improve outcomes, and make the payment and reimbursement experience more seamless.
- Use digital to improve members' experiences to promote better affordability and cost transparency and network affirmation – this is consistent with what consumers ranked most highly in this survey.
- Update experience and quality measures to track what really matters to consumers. Track the use of digital tools to see what works, and compare change over time relative to the provider considerations discussed earlier. And when, and if, success is observed and measured, market it thoroughly to prospective and existing consumers to build awareness.

*Now, let's transition back to discuss one of the more highly prioritized clusters of health care interactions.*

#### Second most important cluster: Economically rational coverage & care choices

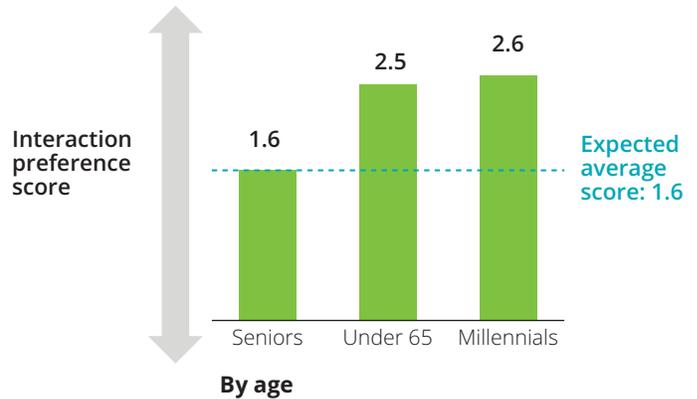
##### Insights – The top interactions

Our study showed that consumers want affordable care, with no surprises about what care is covered and what it costs. This cluster of interactions was the second highest-ranked, scoring almost twice as high as the expected average interaction score.

Top health care experience interactions in this cluster included:

- All my doctors are in-network and covered (ranked #2 overall, 5.3x above average)

## Economically rational coverage and care choices: Seniors, under 65, Millennials



**Key interaction:** Rate cost information for a particular service/procedure with a particular doctor or hospital

Source: Deloitte 2016 Consumer Priorities in Health Care Survey  
Note: "Seniors" = 65+ years old, with commercial coverage (data are pulled from General Population and Medicare oversample, an additional 345 respondents), "Medicare" = Some form of Medicare coverage (data are pulled from General Population only)

- Knowing when a component of my care will not be covered by my insurance or covered at an out-of-network level (#8 overall, 2.4x above average)
- Accurate cost information for a particular service/procedure at a particular hospital (#11 overall, 1.5x above average)

Regardless of their demographic segment, *most* all consumers want to know what medical care is in-network so that they can access either specific providers, or a network of providers they feel meets their needs. However, some demographic differences do emerge for consumers who are 64 years of age and younger, especially Millennials who are under 35 years of age; more than their older counterparts, younger consumers prioritize accurate and clear medical costs. This defies some expectations that Medicare, and other fixed income consumers, may be the most cost-conscious. One explanation could be that Medicare may provide some protection through reduced out-of-pocket exposure, while Millennials may have increased exposure in high-deductible products or still be learning how insurance works, resulting in Millennials receiving billing surprises.

Apart from what scored highly in this cluster, there was a significant drop in survey scores for interactions that involved financial decision-making for medical planning and long-term medical financial costs. In other words, it appears that consumers make medical decisions with a short-term view of the future.

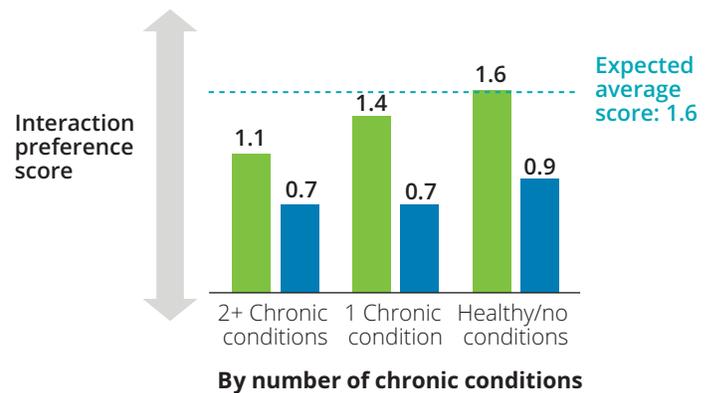
Two additional types of economic interactions that scored highly in our survey, and were fervently discussed in our focus group included: 1) interactions related to medical billing and 2) the stability of an insurance product's network and price from year to year. The scores for these interactions may indicate that there is a set of "table stakes" interactions that, when absent, cause a consumer's perception of their overall experience health care experience to be lower.

Health plans can play a critical role in easing consumers' minds about their health care costs. Next, we'll discuss specific actions that plans can take to play this role more effectively.

#### Why and how this matters for health plans

- Establish better cost transparency. Costs, billing, and claims data should be in one easily accessed location (e.g. website) and regularly communicated for awareness to build a single, comprehensive, and easy-to-understand view of past, present, and future costs for the consumer. And any changes regarding costs should be quickly clearly communicated, and understanding affirmed. Additionally, plans should develop ways to go beyond average cost estimates with more personalized breakdowns, creating more interactive cost estimator tools, complemented by Explanation of Benefits (EOB) statements that improve explanations of cost.
- Reassess traditional product design to simplify and standardize product variables (e.g. co-pays and coinsurance). Standardization makes products less overwhelming to consumers at the point of sale, and may allow for easier reconciliation after care. Beyond benefit design, clearly demonstrate the value that products deliver, especially for consumers who do not receive high volumes of care. Resist the notion that the complexity of insurance is 'just the way it is.' While this mindset is understandable, it is not what consumers expect, especially in light of the simplicity of their service and product experiences in other industries.
- Identify circumstances more likely to require pre-authorizations. Automate these processes through advanced analytics, both in the execution of the processes as well as in the identification and communication to consumers to avoid surprises.
- Contemplate marketing-friendly campaigns like a network guarantee. Communicate a few simple steps that consumers can take to "guarantee" in-network coverage, and stand by that guarantee if the steps are fulfilled. Use the campaign to also promote the great network the plan has assembled. While simple in concept, this could be a breakthrough in some markets or products with narrower networks.

### Convenience-driven use of care: 2+ chronic conditions, 1 chronic conditions, healthy



**Key interaction:** Assistance finding the right doctor, hospital or treatment facility for my specific condition

**Key interaction:** Quick access to a live customer service or billing agent when I need to resolve a problem

Source: Deloitte 2016 Consumer Priorities in Health Care Survey  
 Note: "Seniors" = 65+ years old, with commercial coverage (data are pulled from General Population and Medicare oversample, an additional 345 respondents), "Medicare" = Some form of Medicare coverage (data are pulled from General Population only)

#### Third (or average) most important cluster: Convenience-driven access to & use of care

##### Insights – The Top Interactions

Consumers seek access to care when, how, and where they believe it best suits them. And although this cluster of interactions falls below the first two clusters (0.7x of the average), our findings suggest that on matters of convenience in health care, some interactions remain sufficiently important to merit a high level of attention from plans.

Interactions in this cluster that were closer to the top of the pack in the survey results included:

- Minimal to no wait time at doctor's offices, laboratories, hospital waiting room, etc. (ranked #10 overall, 2.8x above average)
- Appointments are available for the date and time when I need them (#12 overall, 1.3x above average)
- A customer service representative or billing agent who will work on an issue until it is completely resolved, even if it means research and multiple calls on their end (#18 overall, 0.9x of average)

Convenience, as we expected, matters more to some consumers than others. For example, consumers without any chronic medical conditions have a stronger desire to get guidance that helps them identify the right provider for their health needs (compared to consumers with one or more chronic conditions). Specifically, for consumers with no chronic medical conditions, interactions such as assistance finding the right doctor, access to reliable provider outcomes and consumer rating data, and the ability to find a doctor accepting patients were more important.

So, for consumers not accessing the health care system as regularly as those with a chronic illness, additional initial guidance and assistance to help them access the care continuum for would *likely* lead to a more positive consumer experience and increase their likelihood to stay with their health plan for a longer time period (i.e., not switch carriers).

While several convenience-oriented interactions that emphasized immediacy scored more highly in our survey, customer service scored below average in terms of importance to the overall health care experience. For example, health plan service operations functions such as call centers and websites scored below the expected average. Our interpretation is that service interactions may be considered “table stakes.” Investment may be required to get to “table stakes,” but initial focus should be on getting the most immediate consumer needs right.

Finally, several interactions in this cluster implied that consumers desire having the ability to research providers by convenience vs. quality. Convenience clearly won, and this finding is contradictory to the belief that consumers will always seek the best possible outcome or quality. Connecting these dots, consumers want the best they can get, as quickly as they can get it, so long as insurance sufficiently covers the cost.

Many health plans already have initiatives and processes underway to increase the convenience of their members’ experience. But plans should consider rebalancing their convenience-oriented investments based on these findings.

### *Why and how this matters for health plans*

- Recognize that consumer segmentation is critical, since convenience and access mean different things and are more important to some consumers compared to others.
- Understand how geography matters. Site of care proximity matters for many consumer segments, such as those in rural areas facing transportation challenges, or those managing a chronic condition with a full-time job and a family at home. In segmenting consumers by market characteristics, plans should factor in considerations like commuting distance and access to retail or urgent care clinics.
- Integrate provider finder tools with provider systems to allow for more seamless scheduling, with prediction times and network guarantees (see previous section).
- Master the basics of service. Meet the needs of consumers, and provide an experience that puts the consumer before policies (or, even better, has consumer needs and strategy inform policy) much like they expect in their other retail interactions. Realize that many consumers are calling because some other aspect of the experience broke down, and invest in analysis and resources into solving upstream root causes.
- Provide convenience in the locations that matter most to consumers. Home-based care is increasing in prevalence,<sup>2</sup> and while not critical to most consumers’ experience at this time, we expect the trend to continue.<sup>3</sup> Similarly, make community, religious, and neighborhood resources known and available to members – ‘access’ is often a function of knowledge shared through personal relationships.

<sup>2</sup> “The traditional U.S. home health care market, valued at \$77.8 billion in 2012, is projected to grow to \$157 billion by 2022.” Ben Jonash, Jeff Wordham, Christine Chang, and Rajeev Ronanki. *The convergence of health care trends: Innovation strategies for emerging opportunities*. Deloitte Consulting, 2015 Washington, DC: US

<sup>3</sup> Sarah Thomas, Leslie Korenda, Wendy Gerhardt, and Claire Boozer, *Home Health Care: New opportunities and Challenges for Care* Provided Inside the Home, Deloitte Consulting, 2014 Washington, DC: US

# What it all means

Reaching the proper balance of investments in the health care consumer experience isn't an easy undertaking for plans. Plans face ongoing challenges in the new era of the engaged health care consumer, including the continued evolution of health insurance exchanges, new value-based business models and regulations, and changing consumer demographics. Combine these market forces with fast-moving digital developments and bulky legacy core admin systems that aren't designed with consumers in mind, and it's understandable that plans feel challenged on the road to consumerism.

The consumer-centric health plan of the future will boldly face these challenges along the journey. Most critically, successful health plans should acknowledge that provider interactions are at the heart of the typical consumer's health care experience and therefore plans should partner with providers in new ways. Working ever more closely with providers—and others in the consumer health care ecosystem—the leading health plans of the future should provide more cost transparency before and after care events, remove barriers to care in a more segment-based manner, and make more targeted digital investments in support of these more important consumer priorities.

Not all plans will successfully embrace or execute their consumerism journeys in the years to come, but those that are successful can enable lower-cost and higher-quality care, creating more loyal consumers and generating mutual value—between consumers, health plans, providers, and other ecosystem players—along the way.

## Contacts

### Start the conversation:



#### **Leslie Read**

Principal, US Health Plans Consumer & Digital Transformation Leader  
Deloitte Consulting LLP  
lread@deloitte.com



#### **Matt Kaye**

Senior Manager, US Health Plans Consumer & Digital Strategy  
Deloitte Consulting LLP  
mkaye@deloitte.com

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