



Enhancing Health Plan Engagement: Strategies for Effective Engagement Programs

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Introduction

Health plans today face a dual challenge: improve member outcomes while managing costs effectively. To tackle these challenges, health plans are increasingly turning to innovative strategies, such as incentive programs, to drive positive behavior changes among members. These programs, like popular food-as-medicine initiatives, leverage behavioral economics to incentivize health and well-being among member populations.

However, programs cannot achieve health plan goals — better outcomes at a more affordable price — without proper engagement. These programs rely on robust member engagement to not only effectively incentivize positive behavior changes but also to target the right populations and overcome challenges associated with social determinants of health, personal member preferences and access to resources.

Member engagement is the lifeblood of health plans. Meeting members where they want to be and in the manner they want to be engaged is critical to building trust between plans and members and implementing programs that improve outcomes through a more holistic health approach.



Key elements of effective member incentive programs

Incentive programs are a powerful tool for health plans to drive positive behavior changes. Through rewards, plans can achieve their goals, whether they are increasing preventative care utilization, driving members to lower-cost care sites, or maximizing member engagement.

Unlike traditional benefit strategies, [incentive programs leverage the principles of behavioral economics](#) to encourage specific behaviors.

“If a member doesn’t have anything to gain from participating, then they’re less likely to behave in particular activities, in part because of the way that employers have structured their benefit designs,” says Kristin Gasteazoro, senior vice president of SmartShopper sales and client performance at Zelis.

Health plans may offer a rich benefit design with a low deductible, which attracts and retains members while providing them access to necessary services. However, incentive programs may still be needed to drive certain behaviors, like shopping at a care location that is high quality, but lower cost. Many clients are unaware of the cost difference between facilities or procedures that are only a few miles apart. For example, in a single zip code in North Carolina, costs for an MRI can range from below \$800 to above \$5,000, according to data available from Zelis.

Incentives like a gift card for attending an annual wellness visit, point accruals for health and wellness activities like hitting a daily step goal, or a prepaid card for receiving the flu shot, prompt specific behaviors. But are these popular incentives effective at truly motivating the change needed to improve member outcomes and reduce unnecessary spending?



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That depends on the program, according to Gasteazoro. Several factors, like program design and incentive strategy, can make or break a plan's incentive program.

Health plans must be strategic about program design to ensure rewards appeal to members and align with overall health plan performance goals. Otherwise, plans risk going over budget without the positive outcomes to show for their efforts.

"Health plans can very easily blow their budgets out of the water by not implementing a comprehensive program design and a strategy that really understands what the key performance indicators are, what success means, and who they ultimately want to drive to get the reward," she explains.

Health plans need to lay out what is important for performance. Are wellness behaviors, such as ongoing health and well-being, a top priority? Or are plans looking to contain [rising costs of chronically comorbid members](#) or influence performance on Healthcare Effectiveness Data and Information Set (HEDIS), Medicare Advantage Star Ratings, or other standardized quality measure sets?

With a specific performance goal, plans can target the right population for incentive programs. This helps to overcome a major obstacle with incentive programs: They attract members who are already active participants in their healthcare decision-making. Plans typically want to deploy incentive programs to more reserved members who need that extra nudge to engage. Identifying a specific population for the incentive program is a pillar of effective program design.

Then, health plans need to dive deeper into the incentives they plan to offer members for specific actions.

"Just offering members incentives is not enough," Gasteazoro says. "Incentives should increasingly be thoughtful and considered as part of a strategy."

Plans must tie a meaningful incentive to the desired actions. For example, accruing points can incent health and wellness behaviors, while cash incentives can drive more immediate action that has a lot of perceived barriers to getting it done, like getting a colonoscopy. Typically, a \$25 gift card is not enough for members to undergo an invasive procedure.

How members want to receive their rewards is also crucial. Traditionally, incentive programs rely on physical gift cards as rewards. But that's an archaic way of running a program, according to Gasteazoro.

"Most of our members are digital in every aspect of their life. It's time to help them become digital in their healthcare as well," she says.

Health plans aren't living up to [member expectations for a more digital experience](#). The digital revolution has been decades in the making, but the COVID-19 pandemic accelerated digital transformation and utilization, especially among consumers who needed an online format to interact with everyday tasks.

A recent [survey](#) found the most challenging activities for payers included providing a seamless digital experience for members and personalizing member communications. Delivering digital communications with more modern rewards, like virtual gift cards, aligns with this new member experience and allows health plans to be more flexible in a digital world. Digital rewards can also enable health plans to be more in control of what members use their rewards on, such as healthy foods at a grocery store.

Providing a digital incentive program also opens the doors for health plans. For example, mobile applications, emails, and texts can be easily scaled to target member populations for incentive programs. These means of communication also reach members where they want to be reached, making them more likely to engage with incentive programs. Health plans should consider how tailored messaging across several means of communication can boost participation in programs, especially among their target audience.

"This all goes back to that idea that people aren't always doing what they should to be healthy, and those are the populations that you want to use the incentive for," Gasteazoro states. "That's money well spent."

Using member engagement to balance personalization and participation

Health plans are on a mission to provide their members with the best services, resulting in more holistic health at an affordable price. Incentive programs and other initiatives help plans achieve these goals by driving positive changes in member behaviors and connecting members to appropriate resources.

Plans and members can significantly benefit from these programs. A new [case study](#) shows over \$2.6 million in annual savings for a payer after implementing a food-is-medicine program for its Medicaid and Marketplace members. The success of these programs, though, depends on the right balance of robust participation and personalized communications, whether plans are helping members access healthy foods or directing them to lower-cost care sites.

“For example, widespread participation when utilizing incentives and engagement strategies ties nicely when plans are looking at impacting the cost of care,” explains Gasteazoro. In this example, Gasteazoro points to plans that use a digital platform to educate and direct members to lower-cost care sites.

“We want to encourage as many people as possible to use that platform. The more they do, the more savings plans can generate by redirecting to a different and lower-cost site of service,” she continues.

Meanwhile, plans looking to improve scores for the Healthcare Effectiveness Data and Information Set (HEDIS), Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey or pay-for-performance models should lean more on personalized communications. Similarly, a more targeted approach to payer programs can benefit employer clients with, for instance, a high concentration of employees with diabetes. Targeted engagement is more of a priority to ensure members with diabetes benefit from the program.





"Giving our members the choice of how they interact with us is important."

Reagan Greene, Vice President of Brand, Marketing and Communications at Blue Cross Idaho

"It's something to consider when we tie back to program design and incentive strategy. Those considerations come into play to determine personalization and the overarching participation strategy," Gasteazoro says.

Striking the right balance between robust participation and targeted communications is challenging for health plans. After all, all types of programs need at least some of each to drive engagement and improve outcomes. Plans must be strategic about engagement, leveraging technology and personalized communications for programs across their lines of business to generate ROI and support members.

"Giving our members the choice of how they interact with us is important," states Reagan Greene, vice president of brand, marketing and communications at Blue Cross Idaho. "We want to use all the tools available to us to help create a more personalized experience that gives us the better chance to increase member engagement in a way the member wants and helps us achieve our goals as a business."

However, health plans sometimes must depend on paper to communicate with members, especially on employer plans where members typically enroll with their employer without providing a personal email address to the health plan. That's a challenge for engagement. While some members may prefer paper for communications, and plans at times need to send mail to comply with rules and regulations, it is better for many members and the health plans to drive toward a more digital experience.

Members, even older populations like those in Medicare, have increasingly adopted digital tools. That's why plans should integrate digital engagement strategies through an [omnichannel communications](#) approach. In addition to paper, the omnichannel toolbox includes texts, outbound calls, an interactive voice response system, emails and web-based access to communications.

When health plans use such a diversified communications approach, members can engage with their health plans using their preferred method, while plans can encourage a more convenient, digital experience.

"Taking advantage of all the channels you have, and letting members choose how to interact, is key to building better engagement," Greene explains. "We've found it's important to use digital channels like text or email in conjunction with online self-service tools and educational information, while also allowing one-on-one connections as well for clinical programs to help members navigate the complexity of the health care system and improve their health. Giving members options puts them in the driver's seat, which helps build trust and encourages engagement," she emphasizes.

Trust in health plans is generally low. Members tend to trust their providers more than their health plans, creating challenges for payers looking to implement a holistic-health approach to care. Plans should consider how to foster improved trust and transparency with programs to engage members in a way the member prefers and meets them where they're at in wanting to engage on their health. Providing meaningful communications to members can help to foster trust and participation in payer programs.

"Payers message their members a lot already, and they partner with vendors who message their members a lot," Gasteazoro states. "In many instances, they're working on creating a cohesive member experience and trying to reduce the touches to membership to those that are most meaningful."



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How plans communicate program goals and design is important to participation and ongoing engagement. Personalized communications help members understand their specific goals and what needs to be done to achieve them. Members should also be able to monitor the status of their rewards or improved outcomes. For plans to provide this level of personalization, they need a [digital front door](#).

A digital front door facilitates interactions between members and plans at every major touchpoint of their health and well-being journey. This often takes the form of a digital platform accessed through the web for a seamless member experience, even if plans are running programs concurrently. These platforms can support widespread participation and personalization by delivering the messaging members need to interact with and actively participate in programs.

The technology powering a plan's digital front door should deliver personalized messaging in a user-friendly format that provides support across communication channels. Members should be able to use the technology to engage in payer programs, understand their benefits and access support for a more holistic approach to care.

By employing these strategies, plans can effectively balance personalization and robust participation in incentive programs, ultimately driving better health outcomes for their members.



A spotlight on food is medicine: Creating sustainable programs

About 44.2 million people lived in food-insecure households in 2022, according to the [latest data from the US Department of Agriculture](#) (USDA). And that figure seems to be part of an upward trend in food insecurity across the US.

Food access and security significantly impact health and well-being, with many illnesses directly related to a person's diet. The social determinant of health also carries a hefty price tag, with [obesity alone costing the health system \\$173 billion annually](#).

It is no surprise that more health plans and employers offer food-as-medicine programs to address prevalent social determinants of health and reverse the [rising rate of diet-related chronic diseases](#).

"All members can benefit from a food-is-medicine program," says Gasteazoro. "These programs direct members to go to the outer sides of a supermarket, not down the aisles where more saturated

fats, carbs, and fats exist. But goods in those aisles—think the chips, the cookies—tend to cost less than the produce and proteins on the outer sides. For this reason, food-is-medicine programs when designed appropriately, can be strategic in that way."

Being strategic is vital to the success of these incentive programs, and most traditional food-is-medicine models lack the necessary program design to improve outcomes and reduce costs while generating ROI for the health plan.

"Traditional ways of managing food-is-medicine programs are very clunky and antiquated," explains Ken Erickson, CEO of iQpay, a company specializing in digital card payments to boost engagement. "The traditional way of designing these programs is to use plastic gift cards. However, it's impossible for health plans to see how members are using the funds and what types of food they are purchasing."



The problem with the physical gift card strategy is that the programs tend to be one-size-fits-all versus tailored to the populations plans want to target for improved outcomes. Designing a program across an entire member base is extremely challenging and can lead to excessive costs on items plans don't necessarily want members to be buying.

Food-is-medicine programs need to enter the digital age to achieve scale and ROI.

Digital cards are convenient for members who are likely very comfortable in the increasingly connected world of digital wallets. Members can use digital cards via text or email, and certainly on their phones, to pay for groceries wherever they shop. Digital cards can also be tied to a QR code that, when scanned by a cashier, takes off the amount for qualifying foods.

Health plans also have more flexibility with digital cards and programs, enabling them to be more strategic about who they are targeting and what they can buy. Rather than a physical gift card that can be spent at a specific store or only covers a certain amount of money, digital cards can be tied to approved food lists clearly communicated to a member through an application with personalized messaging. For example, a person with diabetes can use a digital card to view qualifying low-sugar food items, then take a QR code or barcode to buy those items along with their weekly groceries.

Health plans can scale these types of incentive programs to entire member populations with specific chronic conditions or, more broadly, to all members for a healthy holiday meal, for instance.

"A flexible platform can serve all the needs of members and allows plans to launch multiple programs," Erickson says. "It helps to define what food-is-medicine specifically

means to a health plan or employer and the goals they want to achieve through the program. As we move more into this field as an industry, we will find that food-is-medicine means multiple things, not just a prescription for the diabetic population.”

Digital food-is-medicine models can also support health-plan efforts to collect critical data from members, including social determinants of health, to boost engagement. Member engagement is another pillar of success with food-is-medicine programs.

“Gathering member emails and contact information is one of the biggest struggles that health plans encounter with engagement and outreach of member populations,” Gasteazoro states. “When we think about food-is-medicine programs, it’s not just how we deliver the card to them; it’s how we capture the information, feed it back to the plan, and tailor programs.”

Health plans can use emails and other contact information from members to “generate multiple touchpoints to continue to drive relevant and ongoing behaviors that are critical to program design and strategy,” she explains.

Engagement is critical to the success of sustainable, strategic food-is-medicine programs. With any program health plans stand up, engagement is a major obstacle to scalability, ROI, and improved outcomes. Digital-based programs can provide the outreach necessary to engage the right members to motivate healthy behaviors while making it convenient to use over again.



Conclusion

Healthcare spending is on an unsustainable path while [Americans face worsening outcomes](#). Implementing successful engagement programs is as important as ever to combat these trends. Health plans must focus on program design, meaningful incentive strategies, and digital member activation programs to drive member engagement and desired outcomes. Technology, particularly through a consumer-friendly platform, can support health plan efforts to create effective programs that target the right populations and motivate members to participate in their health and well-being. The ideal technology-enabled program should offer health plans scalability, ROI, personalized experiences and meaningful engagement with its members.





How Zelis can help

Zelis offers a powerful and robust member activation solution that makes highlighting open opportunities for care easy and convenient. With an omni-channel approach, SmartShopper Propel focuses on meeting the consumer where they are to build engagement and trust. Propel is designed to help health plans meet plan goals – whether that’s improving HEDIS, Star or CAHPs scores or lowering total cost of care. You can learn more about Propel [here](#).

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