J.D. Power Finds Medicaid Enrollees More Satisfied Than Commercial Health Plan Members

Healthy Indiana Plan Earns High Marks for Cost Satisfaction, Despite Higher Out-of-Pocket Costs

COSTA MESA, Calif.: 31 July 2017 — With 74 million Americans now receiving health coverage through Medicaid, the government program has become the single largest source of health insurance in the United States. According to the J.D. Power 2017 Managed Medicaid Special Report published today, Medicaid recipients are more satisfied with their coverage than traditional, commercial health plan members.

The inaugural study measures overall satisfaction with managed Medicaid organizations based on six factors (in order of importance): provider choice; coverage and benefits; customer service; cost; information and communication; and claims processing. Satisfaction is calculated on a 1,000-point scale.

Following are some of the key findings:

- **Managed Medicaid customer satisfaction higher than commercial customers:** Overall satisfaction with managed Medicaid organizations is 784, on average, which is 78 points higher than commercial health plan member satisfaction as measured by the J.D. Power 2017 Member Health Plan Study.SM

- **Provider choice a key driver of member experience:** Unlike the commercially insured population, where the coverage and benefits factor is the key driver of customer satisfaction, Medicaid enrollees indicate provider choice as the most important factor of overall member experience.

- **Cost remains barrier to care:** More than four in 10 (42%) Medicaid managed care recipients put off getting the medical treatments they needed because of cost. Likewise, 40% avoided buying prescription medications due to cost.

- **Not all states created equal:** According to study findings, Medicaid recipients in states where a dominant regional plan or a plan that owns a health system have the easiest access to doctors and hospitals, underscoring the importance of building robust networks and focusing on coordination of care between providers. Iowa, Tennessee, Arizona and Indiana have the easiest access to doctors and hospitals, compared with the other states included in the study.

- **Indiana raises out-of-pocket costs without compromising satisfaction:** The controversial Healthy Indiana plan, which is the only one of its kind to require every recipient to contribute to a health savings account (HSA), has higher out-of-pocket expenditures than the national average, without a corresponding drop in cost satisfaction among recipients.

“With the future of Medicaid funding as uncertain as ever, it is critical for state Medicaid agencies and managed care organizations to understand the enrollee mindset,” said Valerie Monet, senior director of...
U.S. health insurance operations at J.D. Power. “While, on the whole, Medicaid managed care organizations are scoring relatively high marks for overall customer satisfaction, there are some significant challenges involving access to care and cost of care that have the potential to have a counterproductive effect on patient engagement, and, ultimately, population health.”

State Medicaid Agency Performance
Directionally, the states with higher levels of satisfaction among Medicaid recipients are Iowa, Colorado, and Arizona.

The 2017 Managed Medicaid Special Report is based on responses from 2,145 managed Medicaid health plan members in 36 states and Washington, D.C. The study was fielded in January-March 2017. Medicaid managed care plans evaluated in the study include and/or are operated by the following parent companies: Aetna, Anthem; BlueCare Tennessee; BlueShield of California; CalOptima; CareSource; Centene; EmblemHealth; Health Care Service Corporation (HCSC); HealthFirst; Horizon Blue Cross and Blue Shield of New Jersey; Humana; Independence Health; Inland Empire Health Plan; LA Care Health Plan; Meridian Health Plan; Molina Healthcare; NYS Catholic Health Plan; Partnership Health Plan of California; United Healthcare; University of Pittsburgh Medical Centers (UPMC); and WellCare Health Plans.

See the online press release at http://www.jdpower.com/pr-id/2017143.

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