

Medicare Advantage Plans Struggle to Communicate Effectively with Members, J.D. Power FindsHighmark Ranks Highest in Overall Customer Satisfaction with Medicare Advantage Plans

TROY, Mich.: 18 June 2020 — Despite having a highly motivated customer base that is interested in searching for information about healthcare options, Medicare Advantage plans continue to miss the mark when it comes to effective communication with their members. According to the J.D. Power 2020 U.S. Medicare Advantage Study,SM released today, information and communication is a weakness for member satisfaction, which is driving a general lack of engagement among consumers and increases the likelihood of health plan members switching plans.

“Medicare Advantage plans are unique in the health insurance industry because they are highly consumer-driven,” said **James Beem, managing director of global healthcare intelligence at J.D. Power**. “Members can shop and switch plans much more freely than with other types of health insurance coverage, and they tend to take a proactive role in seeking information about the best options for their unique healthcare needs. Against this backdrop, Medicare Advantage plans have a huge opportunity to increase member satisfaction, trust and loyalty by providing them with more frequent and helpful information. Yet, few plans manage to get the communication formula right—a fact that has been amplified by COVID-19.”

Following are some of the key findings of the 2020 study:

- **Effective communication drives satisfaction and trust:** Clear, helpful, proactive communication provided by Medicare Advantage plans to members is a key driver of overall customer satisfaction and consumer perception of trust. Overall member satisfaction increases 209 points (on a 1,000-point scale) when plans meet three key performance indicators related to information and communication: making sure members fully understand their out-of-pocket costs; providing health education; and delivering useful reminders for preventive services.
- **Missing the mark on communication:** Despite the significant positive effect on member satisfaction, just 15% of Medicare Advantage plans deliver all three information and communication performance indicators. This gap has been amplified during the COVID-19 pandemic as consumers are 3.3 times more likely to receive a helpful communication from their bank than from their health plan, based on additional data from current J.D. Power financial industry studies.
- **Digital plays key role in plan selection:** Despite Medicare Advantage plan members being older, on average, than traditional commercial health plan members, more than 40% of Medicare Advantage members utilize digital means when gathering information regarding their health coverage. In fact, information gathering in general is significantly more likely among Medicare Advantage members (87%) than among those commercially insured (82%), and Medicare Advantage members are just as likely as auto insurance customers to have an online account with an insurer, based on additional data from current J.D. Power auto insurance studies.
- **Growing interest in telehealth:** Prior to the COVID-19 pandemic, just 5% of Medicare Advantage members had used telehealth. Based on additional J.D. Power research conducted since the beginning of the pandemic, 20% of Medicare plan members say they are interested in receiving information about telehealth.

Study Rankings

Highmark ranks highest in Medicare Advantage plan overall satisfaction, with a score of 830. **Kaiser Foundation Health Plan** (829) ranks second and **Humana** (806) ranks third.

The study, now in its sixth year, measures member satisfaction with Medicare Advantage plans—also called Medicare Part C or Part D—based on six factors (in order of importance): coverage and benefits (29%); provider choice (17%); cost (15%); customer service (14%); information and communication (13%); and billing and payment (12%).

The 2020 Medicare Advantage Study is based on the responses of 3,314 members of Medicare Advantage plans across the United States. It was fielded from January through March 2020.

For more information about the 2020 Medicare Advantage Study, visit <https://www.jdpower.com/business/resource/us-medicare-advantage-study>.

To view the online press release, please visit <http://www.jdpower.com/pr-id/2020068>.

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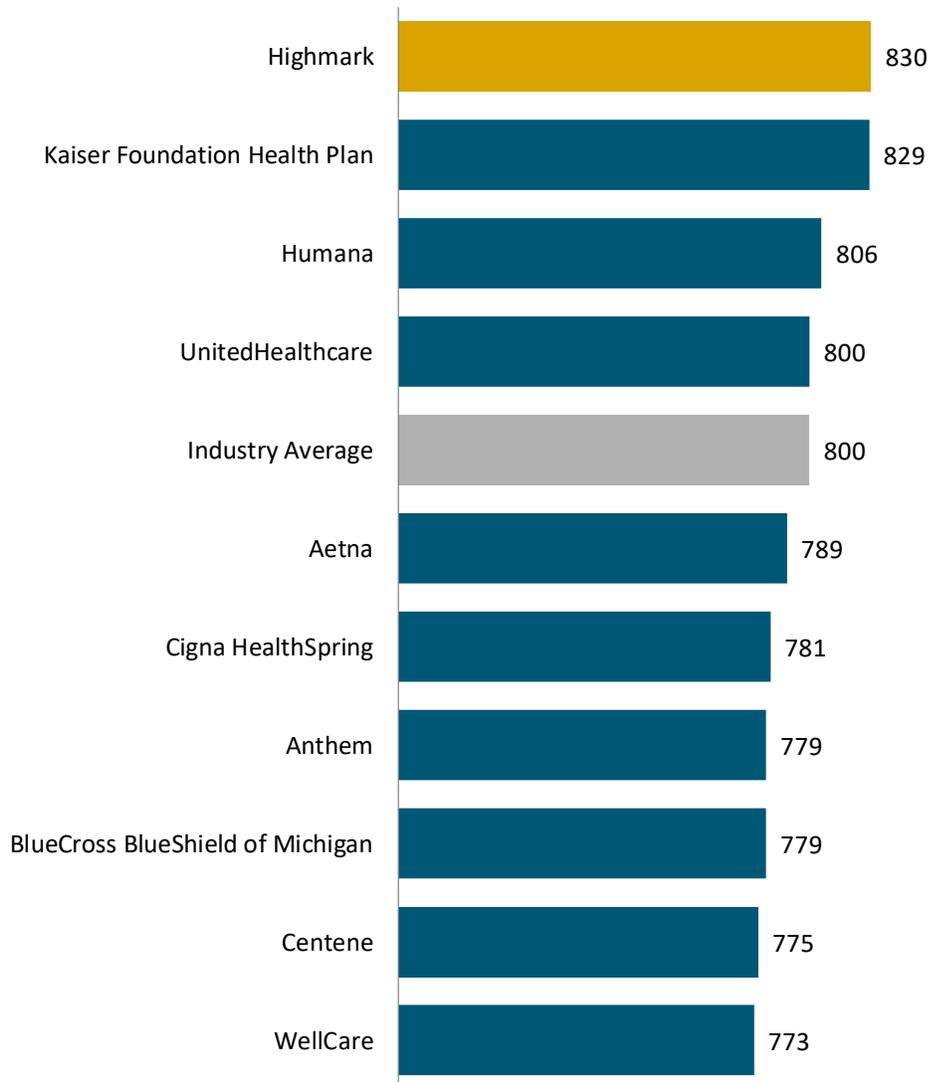
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NOTE: One chart follows.

J.D. Power 2020 U.S. Medicare Advantage StudySM

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)



Source: J.D. Power 2020 U.S. Medicare Advantage StudySM

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