For Third Enrollment Period, Marketplaces Expand Decision Support Tools to Assist Consumers

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Abstract
In the latest open enrollment period, ACA marketplaces added features to help consumers browse and pick a health plan, including total cost estimators and provider look-up tools. Marketplaces differ in how they estimate out-of-pocket costs and how they display plan choices, although most continue to present plans in premium order.

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KEY FINDINGS: In the latest open enrollment period, ACA marketplaces added features to help consumers browse and pick a health plan, including total cost estimators and provider look-up tools. Marketplaces differ in how they estimate out-of-pocket costs and how they display plan choices, although most continue to present plans in premium order.

THE QUESTION

The design of the Affordable Care Act’s online health insurance marketplaces, including how plan options are displayed and the tools available to help consumers, can improve how consumers make complex health plan choices. During the third open enrollment period, LDI Senior Fellow Charlene Wong and colleagues went “shopping” on the 13 state-based marketplaces (SBMs) and HealthCare.gov. They documented what consumers saw during “window-shopping” (before creating a personal account) and “real-shopping” (after creating a personal account). How had the choice environment changed from previous years?

THE FINDINGS

Compared to previous enrollment periods, the researchers found greater adoption of some decision support tools, such as total cost estimators and integrated provider lookups. In real-shopping, both California and Kentucky provided consumers with an estimate of their total out-of-pocket costs (premiums plus cost-sharing). In window-shopping, HealthCare.gov, Kentucky, Connecticut, Minnesota and Washington DC had total cost estimators. The marketplace websites differed on the information required in order to estimate these costs. Some asked about self-reported levels of medical use and prescription use, while others had consumers select from lists of medication conditions, expected treatments, and ongoing prescriptions.

In real-shopping, eight SBMs and HealthCare.gov had integrated provider look-ups, where consumers could search for participating providers. Six of them allowed consumers to search for in-network providers by radius around a ZIP code, specialty or language spoken. Only two states (Massachusetts and Rhode Island) provided an indicator of network size for each plan. Five sites offered quality ratings, although the criteria used to create the ratings varied. Other aspects of the choice environment and shopping experience are summarized below.

<table>
<thead>
<tr>
<th>Consumer Decision Aids</th>
<th>Window-Shopping</th>
<th>Real-Shopping</th>
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<td>Total cost estimator</td>
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<td>2</td>
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<td>Integrated provider lookup</td>
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During real-shopping, nine of 13 SBMs, as well as HealthCare.gov, presented plans in the order of premiums, from cheapest to most expensive. Two states (California and Kentucky) listed plans based on total out-of-pocket costs. Massachusetts listed silver plans first, explaining that these plans were among the most popular and “offer a good balance between monthly premiums and out-of-pocket costs.” Minnesota listed plans in order of best fit based on consumer preferences.
The study

The research team went shopping on the 13 SBMs and on Healthcare.gov in November 2015 (the beginning of the third open enrollment period). At least two researchers independently surveyed each site with detailed screenshots. The process simulated a typical marketplace shopping experience, both in terms of “real-shopping” (after consumers create an account with personal identification) and “window-shopping” (when browsing plan options anonymously before creating an account).

They examined each marketplace’s default order of health plans, filtering and sorting functionality, indicators of a health plan’s network size, availability of consumer decision aids, and whether and how total cost estimates were generated.

THE IMPLICATIONS

The most notable additions in the third enrollment period compared to the first two periods were total cost estimators and integrated provider lookups. Certain key tools, such as cost estimators, were available only to window-shoppers on some marketplaces. Few marketplaces offer consumers consistent indicators of network size or quality. Greater adoption of decision tools can help consumers pick an optimal plan, or at least avoid a poor choice.

Further refinements are needed to improve the default order of plans. Most marketplaces still organize plans according to a single attribute: the monthly premium. Because the default order has a strong influence on consumers, marketplaces could consider presenting plans in more sophisticated ways, such as in order of estimated out-of-pocket cost, best fit, or a “smart default” that nudges consumers towards plans that are best for their needs. This is especially important for consumers that can only use cost reduction subsidies if they choose a silver plan.

More research on actual plan choices is needed to discern the value and impact of different decision tools and choice environments. These data will help both consumers and marketplace officials as they seek to improve the next iteration of health care marketplaces.