

Acknowledgements:

We would like to thank the members of the innovation challenge team. From Commonwealth: Mellissa Gopnik, Amaris Kinne, and Antonia Agbeh. From CHXD: Kathryn Hautanen, Amy Cueva, and Aidan Hudson-Lapore. Thank you also to our judges, Anupa Bir, Amy Cueva, Melissa Gopnik, Amar Hamoudi, Sarah Oltmans, Gary Robinson, Jane Sarasohn-Kahn, and Dr. Bruce Sherman. Thank you to our participatory workshop participants, who generously shared their time and insight to guide the innovation challenge. Finally, thank you to everyone who entered the challenge and contributed their ideas to improve the open enrollment experience and better serve financially vulnerable workers.

References:

Center for Health Experience Design, *Commonwealth Design Challenge: Participatory Workshop Debrief*. CHXD and Commonwealth, June 6th, 2018, <https://centerhxd.com/wp-content/uploads/2018/06/Commonwealth-Design-Challenge-Final-COMPRESSED-SM.pdf>.

Commonwealth, "High-Deductible Health Plans," *Commonwealth*. <https://buildcommonwealth.org/work/high-deductible-health-plans>.

Henry J Kaiser Family Foundation, "2016 Employer Health Benefits Survey," *Henry J Kaiser Family Foundation*. September 14th, 2016, www.kff.org/report-section/ehbs-2016-summary-of-findings/.

Bruce Sherman, "Wage Matters: Emerging Evidence on the Impact of High Deductible Plans," *National Alliance of Healthcare Purchaser Coalition*. August 18th, 2017. <https://connect.nationalalliancehealth.org/viewdocument/wage-matters-emerging-evidence-on-1>.

Envisioning Solutions for Financial Decision-Making During Open Enrollment

Design & Innovation Challenge Outcomes

Center for Health Experience Design + Commonwealth

commonwealth

CHXD

CENTER FOR
HEALTH
EXPERIENCE
DESIGN

POWERED BY mad+poll



Commonwealth believes that lasting social and economic prosperity requires that everyone has wealth-of opportunity, tools, and financial assets.

At last year's Health Experience Design conference, Commonwealth partnered with The Center for Health Experience Design (CHXD) to launch a design & innovation challenge to prompt the financial, healthcare, and design communities to envision novel solutions to support employees with household incomes under \$55,000 to balance their health and financial needs at open enrollment

Commonwealth wanted to encourage innovation around the open enrollment experience to better support lower-income employees who enroll in a high deductible health plan (HDHP), so they set out to run a design and innovation challenge in partnership with Mad*Pow's Center for Health Experience Design to grow awareness of this problem space and crowdsource novel solutions.

Background

Medical expenses are the #1 cause of bankruptcy in the US. One of the factors that is increasingly contributing to financial insecurity is health expenses—the average annual deductible grew 125% from 2006-2015¹, causing out-of-pocket care costs to quickly grow. Employees with an annual household income below \$55,000, who often do not have access to financial resources such as savings and affordable credit, are particularly at risk of financial insecurity imposed by unexpected health expenses. One industry reaction to increasing costs is the increasing prevalence of high deductible health plans.

HDHPs are attractive because they provide short-term cost savings on premiums to both the employer and employee. As of 2016, it's estimated that 84% of employers now offer such plans and 33% offer only this option². However, unless they are well designed, HDHPs increase the risk of high out-of-pocket health expenses for employees, which can lead to medical debt, delayed medical care, missed work, and loss of productivity in the workplace.

HDHPs are intended to reduce healthcare spending under the premise that members having "skin in the game" in the form of a high deductible will encourage comparison shopping and reduce unnecessary health expenditures. Though HDHPs have been shown to reduce spending, this is often due to members cutting all expenses, including beneficial ones. Members of HDHPs are more likely to forgo preventative care,

screenings, and prescriptions for chronic conditions than members of PPOs or HMOs³. In addition, the ability to comparison shop for healthcare is limited by the lack of price transparency, difficulty of getting upfront estimates of procedure or visit costs, and the fact that health needs are often too urgent to allow sufficient time to research costs.

HDHPs can be offered alongside a range of savings products designed specifically for health care expenses—Health Reimbursement Accounts (HRA), Flexible Spending Accounts (FSA), and Health Savings Accounts (HSA) are the most common. These savings products are specifically designed to accompany HDHPs to offset the risk imposed by the higher deductible. According to the Kaiser Family Foundation, only 29% of workers with employer policies have HDHP coverage with a savings option. More than half of employers offering coverage through HSA-qualified HDHPs do not contribute towards the HSAs that their workers open.

Framing the Challenge

CHXD and Commonwealth co-facilitated a participatory design workshop to gather further insights about the goals, needs, wants, and obstacles of people with household income below \$55,000 in order to inform the direction of the innovation challenge.

The goals of the workshop were to gain a deeper understanding of lower-wage workers' decision-making processes and the financial and health implications of their choices, identify significant pain points and challenges employees face in understanding their coverage and benefits, and identify opportunities to improve the experience through digital experience design. During the workshop, participants shared stories about financial surprises they had experienced when engaging with their health insurance, mapped their anticipated healthcare needs over the course of the next year, and walked facilitators through how they budgeted for health insurance premiums, HSAs/FSAs, co-pays, and unpredictable expenses. Finally, participants created "magic objects" that spoke to their biggest needs in the open enrollment process.

The workshop findings supplemented Commonwealth's research on the impact of HDHPs. Participants expressed that current tools provided at open enrollment don't help them determine the best plan, given how complex, expensive, and opaque the healthcare system is. In particular, the workshop highlighted that making the "best" choice at open enrollment doesn't eliminate the need to make tough choices throughout the year. Participants expressed frustration at restricted plan choice, lack of transparency around the cost of care, unexpected expenses, and the lack of clarity around deductibles, co-pays, and benefits like their HSA.

1 Henry J Kaiser Family Foundation, "2016 Employer Health Benefits Survey," Henry J Kaiser Family Foundation. September 14th, 2016, www.kff.org/report-section/ehbs-2016-summary-of-findings

2 Commonwealth, "High-Deductible Health Plans," Commonwealth. <https://buildcommonwealth.org/work/high-deductible-health-plans>.

3 Bruce Sherman, "Wage Matters: Emerging Evidence on the Impact of High Deductible Plans," National Alliance of Healthcare Purchaser Coalition. August 18th, 2017. <https://connect.nationalalliancehealth.org/viewdocument/wage-matters-emerging-evidence-on-1>.

The Challenge

The challenge launched at the 2018 Health Experience Design Conference. The final challenge prompt asked:

Can you design an innovation to improve the health insurance open enrollment experience so that it protects the financially vulnerable from hardship?

The workshop illustrated that in addition to confusion around the open enrollment experience itself, there is significant opportunity to empower workers to successfully manage their HDHPs throughout the year. As a result, we broke the challenge into two prizes: one for best open enrollment solution, and one for best ongoing support after open enrollment.

PRIZE 1 Best Open Enrollment Solution

Successful entries for best open enrollment solution needed to address issues and opportunities focusing on the design of materials/tools employees encounter during the open enrollment process itself, including choice overload, sense of helplessness to make an informed decision between plan options, difficulty comparing tradeoffs between premium and deductible, and making sense of opaque plan descriptions.

“Who’s going to read all this? You have to read everything, but what’s the difference between insurance? Then you have to call someone to figure it out.”
–Workshop participant

PRIZE 2 Best Ongoing Support after Open Enrollment

Successful entries for best ongoing support after open enrollment needed to address issues around how the employee interacts with their chosen health plan throughout the year. This may include resources to support financial literacy, usability of the health plan and related components, e.g., EOB, FSA, HSA, and building understanding of individual needs before the next open enrollment period. The conversation in our participatory workshop emphasized that many employees lack a clear understanding of how to coordinate these components to best balance their health and financial needs. As one participant put it, “There’s choosing the best plan, and then there’s making the best of the plan you chose”.

“How do you take money out of an HSA? I don’t even know...I never had to know how it worked. It used to be everything I needed to get done I got done, and that was it. I think [my employer] had the option to do an HSA. I always paid the higher premium before. Some people knew about it, but I chose to pay higher premium so everything was covered, but then that went away. I had no idea the bill would be so high.” –Workshop participant

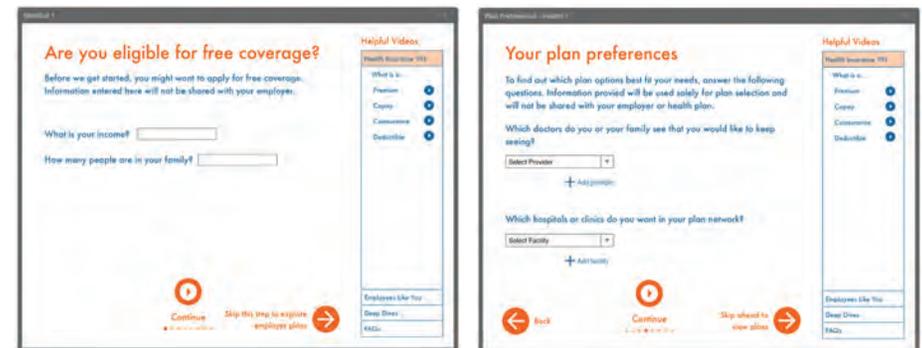
“I’m assuming in a few years I will know more about [deductibles], but before then I was used to having everything covered...I tend to wait too long to go to the doctors, and then they tell me I need something right away. Once they find one thing wrong, they find something else wrong. I’m just terrified...I don’t even go to the doctor until something is wrong.” –Workshop participant

“It’s like a second part time job at times looking for a clear understanding [of what the plan will cover]. It’s not even clear. It’s an educated guess or probability of what I think is a good idea based on my gut instinct or rolling dice. But it feels unsettled a lot. And that’s stressful, causes more health problems, like insomnia.”
–Workshop participant

Teams had three months to research and submit their solutions. Each submission included a written design brief, a pitch video, visual compositions, and a journey map. Submissions were scored by the Challenge Advisory Panel, consisting of senior experts in healthcare and finance, and given additional feedback by two consumer judges. The Challenge Advisory Panel met to discuss the leading entries and determine honorable mentions, commendable design ideas, and the final winner of each prize.

PRIZE 1 WINNER: Best Open Enrollment Solution

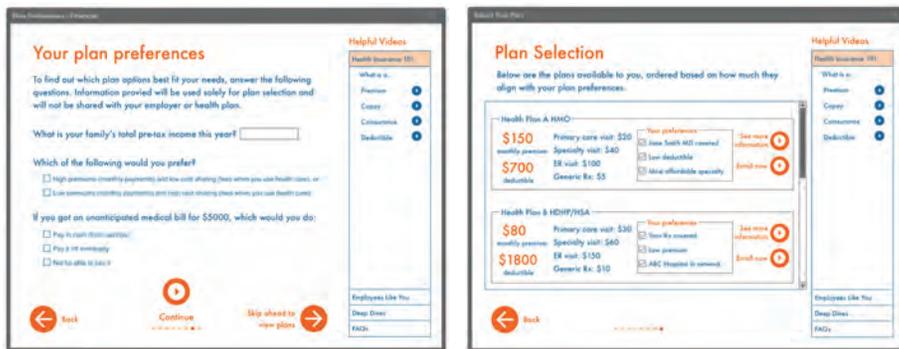
Plan Picker 2018, Team Meercats



Team Meercats created an app called Plan Picker to empower employees to select the most appropriate health plan based on their needs and preferences. Employees complete a questionnaire about medical use, financial assets, and risk tolerance; this information directs employees to the plan that best fits their health and financial needs. Plan Picker also screens users for Medicaid eligibility. Post-enrollment support features within the app include a deductible calculator, a prescription drug price checker, and a doctor visit co-pay estimator. Educational videos explain key healthcare terms, explain how to use an HSA, and introduce users to “employees like you” and the decision-making processes that they went through to help guide plan selection.

Plan Picker's core design principle is to consolidate relevant plan data from disparate sources that are usually inaccessible to the consumer, such as provider directories, co-pay information, and availability of condition-specific coverage, thereby making it possible for employees to search for plans based on what is most important to them. It also takes care to ensure the information can be easily understood by everyone; all materials are written at a third-grade reading level and are available in multiple languages.

Our judges agreed that of all submissions, Plan Picker 2018 was most grounded in the needs of financially vulnerable workers. This was most evident in Plan Picker's Medicaid eligibility screening tool, a feature that was not included in any other submission. Judges commended Plan Picker's focus on gathering consumer-centric data, such as preferred providers, risk tolerance, ability to cover a high deductible, and routine medication costs. One judge noted it was the only submission that addressed the difficulty of choosing a plan not offered by an employer.



TOP FEATURES

- Medicaid eligibility screening
- Select plan by preferred provider, preferred clinic/hospital, medications, health conditions, frequency of doctor visits, preference for high premium vs. low deductible, and availability of liquid assets to cover an unexpected medical expense
- Suggests most cost effective medications, providers, and clinics
- Written at third grade reading level and available in multiple languages

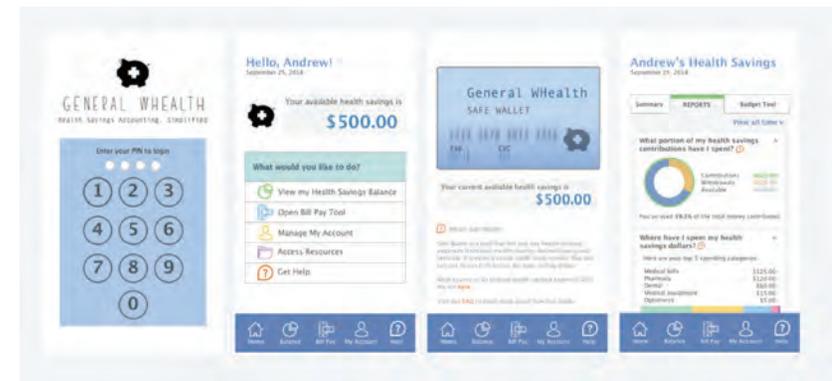
Prize 2 Winner: Best Ongoing Support after Open Enrollment

General WHealth, CareCollective

CareCollective designed an app called General WHealth that helps people take ownership of their HSAs. Referencing the design and functionality of a banking app, General WHealth features a "virtual HSA card" that gives users instant access to their HSA funds for online, in-person, or phone-based purchases (through Apple Pay and Google Play integration). General WHealth divides its reporting pages into past use, current status, and future projections, presenting data-heavy reports with easy-to-read guidance and statistics. Educational resources are accessed through the app's library or a Help icon that pops up to explain account management features.

CareCollective chose to focus on helping employees fully take advantage of their HSA. During their research, they found that employees often do not feel a sense of ownership over their HSA and are reluctant to invest money into a single-use account, especially when financial resources are limited. General WHealth's core design principal is that the best way to help people to take advantage of their HSA is to encourage them to use the account in the first place.

Our judges appreciated CareCollective's focus on increasing usage of HSAs, since so many employees start HSAs and then stop contributing after a year, leaving orphan accounts. They thought the concept of the virtual card and transaction management was strong, and felt that though the app was narrow in scope, the design succeeded in making a complex concept simple and usable.



TOP FEATURES

- Virtual account number/debit card billpay
- HSA budgeting tool
- In-app HSA contribution adjustment

Honorable Mentions:

LifeCents

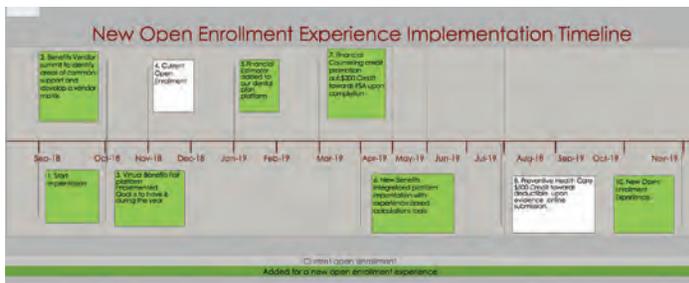
Focus on financial literacy, novel interactions, and strong visual design



LifeCents is a financial health and wellness app that supports employees during open enrollment and throughout the year. LifeCents takes a unique approach by evaluating a user's holistic financial health, which helps determine where someone may need help and empowers them to improve. Through the app, employers can introduce Challenges that increase employee engagement with financial decision-making and goal-setting. Meanwhile, the app's Connections feature can be used to help employees pick the health plan that best fits their needs, as well as to set savings goals in order to offset the financial risk of a HDHP. The judges commended LifeCents for their focus on and novel implementation of financial literacy education, especially for teaching numeracy. Judges thought the gamification mechanic was a creative approach, and were curious to see how it would play out in practice. To further support lower-wage workers, LifeCents could add education specifically related to navigating HDHPs and offer more targeted support during the open enrollment process.

Health First Inc.

Employer-led initiative



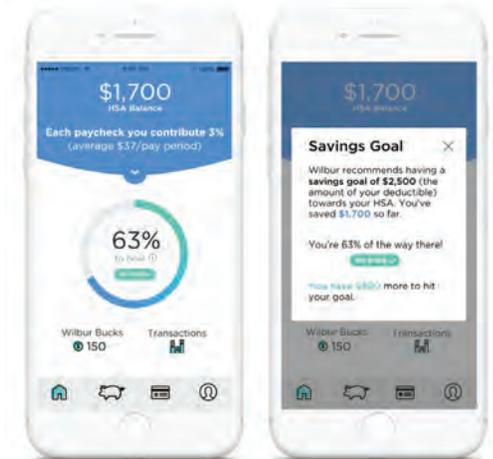
HF Benefits Champions redesigned its open enrollment software platform, allowing users to compare benefits offerings as well as receive recommendations based on previous experiences, expected healthcare events, and a user's budget. Due to be implemented in April 2019, the platform also offers the option for a Virtual Benefits Fair, which helps remote or home-based employees to access benefits information at their convenience. The platform's financial counseling services have also been redesigned in order to better address health benefits.

Judges loved that an employer rolled up their sleeves to address challenges surrounding open enrollment. The judges agreed that the initiative showed promise and are looking forward to seeing its impact.

Slalom Boston: Wilbur

Micro-learning and payment plan features

Slalom Consulting created an app called Wilbur to serve the 25 million shift workers in the United States, who have unique needs based on their busy schedules and inconsistent hours. The app is built around a rewards-driven HSA; as employees hit financial savings goals and track healthy activity, they receive "Wilbur Bucks" that increase their HSA contributions. The app uses microlearning by presenting content in short snippets when it is immediately relevant, making users more likely to retain the information presented to them. Wilbur includes a live chat feature so employees can ask questions about their health plan options and up-front care costs.



Judges appreciated the micro-learning embedded within the app and that Slalom considered a payment-plan approach to health expenditures, a feature unique to Wilbur. Judges felt the user experience approach was polished, and that further usability testing would help determine how Wilbur Bucks compared to using traditional dollar amounts.

Conclusion

What guidelines would we like to see shape solutions implemented in the market?

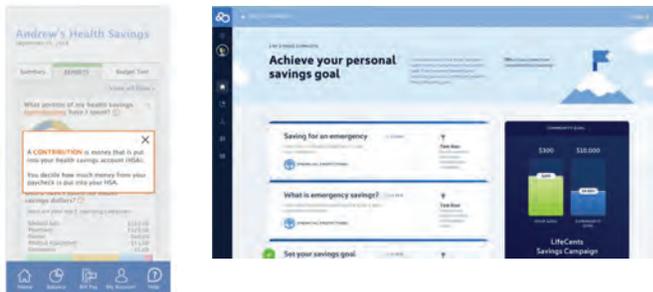
Limit information to what is relevant in the moment.

Support consumer decision making during and after open enrollment by limiting the information presented to the employee. Ideally, personalize this information based on what is most meaningful to that individual, and consider both their needs and their preferences. Include only the information that is relevant to the decision being made at the time, whether that is deciding what health plan to select, how much to contribute to an HSA, which provider seek out, or how to save money on prescriptions.



Offer contextual resources to build health and financial literacy.

Health and financial services are full of opaque terms, unfamiliar concepts, and poor explanations. There is opportunity to build health and financial literacy before, during, and after open enrollment. Provide resources to educate members on common points of confusion about open enrollment, health plans, HDHP features, and HSA usage. This could be as small as defining unfamiliar terms (e.g., deductible) or as large as providing recommendations about how an HSA can be used during retirement.



Emphasize preventative care.

Since many HDHP members cut back on preventative care, offer ways to connect members to free or low-cost services or otherwise incentivize members to seek it out.

Demystify HSAs.

Since HSAs are such an important part of insulating employees from the burden of a high deductible, services should offer much more support around understanding and using this benefit. We saw parallel design decisions in General WHealth and Wilbur that we want to highlight: show HSA deposits and expenditures in context, make it easier to access and spend HSA funds via electronic payments, and provide guidance around contribution amount.



Call to action

High-deductible health plans are likely here to stay, but the entries to this innovation challenge show that they needn't impose financial hardship on their members. There is ample opportunity for innovation in the HDHP space, and Commonwealth looks forward to supporting these ideas (and the ideas inspired by these challenge entries) in the marketplace.

commonwealth