

COVID-19 DIGITAL LISTENING for

HEALTH INSURANCE

Group and Individual Benefits Insights and Competitor Trends

04.03 – 04.09 BRIEFING



MARKETBRIDGE



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IMPLICATION

Members will remember the support they received from carriers after the COVID crisis has passed – potentially generating positive brand equity in the marketplace, as well as member loyalty.

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HEALTH PAYER

Insurers are accelerating provider payments to ease COVID-19 treatment.

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The COVID-19 crisis is amplifying consumers' desire for behavioral health resources.

IMPLICATION

Consumers are likely to be more receptive to carrier-curated behavioral health benefits during this crisis. Post-pandemic, these types of benefits are likely to remain at the forefront of consumers' minds.

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CONSUMER

Consumers are unclear about how they will be covered after losing employer coverage.

IMPLICATION

As recently laid-off consumers look to cut costs in a stagnant economy, they may question the need for health insurance – especially if the White House Administration covers COVID-19 treatment costs for the uninsured.

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COVID-19 cost-waiving is quickly becoming status-quo among insurers.

WHY THIS IS IMPORTANT

- As carriers begin to waive treatment costs, they are reducing barriers to care for consumers who may have been hesitant to receive treatment.
- Experts indicated consumers may avoid care because of associated high costs; Kaiser Family Foundation research reports “inpatient treatment for COVID-19 could top \$20,000... with 96 hours of ventilation closing in on \$90,000.”
- Humana, UnitedHealthcare, Cigna and Aetna previously announced they would cover treatment costs for COVID-19 patients.

WHAT ARE THE DETAILS



- Waiving all cost-sharing for treatment of COVID-19 through May 31. This applies to BCBS fully insured commercial, individual and Medicare members.



- Waiving all member out-of-pocket costs to “all fully insured benefit plans, in all lines of business, in all markets” (individual, commercial, Medicare, Medicaid). The waiver applies to all services through May 31, 2020.

Carriers are delivering
on their promise
of care to members.

IMPLICATION

Members will remember the support they received from carriers after the COVID crisis has passed – potentially generating positive brand equity in the marketplace, as well as member loyalty.

Insurers are accelerating provider payments to ease COVID-19 treatment.

WHY THIS IS IMPORTANT

- Providers are facing a surge of sick patients, but do not necessarily have the funds to properly care for them.
- Providers will now see increased cash flows from carriers which will likely be used to avoid making tough decisions, like laying off essential staff or rationing supplies.
- Hospitals need to convert “regular hospital wards into ICU level of care... which means adding new equipment like heart monitors, oxygen monitors and ventilators.” This can cost “up to \$45,000 for equipment alone.”

WHAT ARE THE DETAILS



- Paying providers “nearly \$2 billion in accelerated payments” to help them treat the surge of patients in need of COVID-19 treatment.



- Working with financial service partners to “provide up to \$200 million in direct support to healthcare providers and hospitals.”
- Fast-tracking a pilot patient billing program with technology startup OODA Health that allows a provider to “receive the patient's portion of the bill at the time of claim adjudication.”

Carriers are fast-tracking provider payments to remove barriers of care.

IMPLICATION

Carriers that work to remove administrative burdens for providers will likely generate lasting positive relations with health systems.

The COVID-19 crisis is amplifying consumers' desire for behavioral health resources.

WHY THIS IS IMPORTANT

- Consumers are unsure how to cope with mental illness during the COVID-19 quarantine, as many are experiencing a heightened sense of anxiety and mental distress.
- A recent American Psychiatric Association poll found 36% of Americans feel the pandemic has had a serious impact on their mental health.
- Additionally, consumers are reaching out for help; a crisis mental health line received an 891% spike in calls for the month of March compared to the previous year.

WHAT ARE THE DETAILS



- “My heart feels like we are going up at the beginning of a rollercoaster, and we never seem to reach the peak. Honestly, this is making me very anxious.”
- “Yesterday I cried in my car and I only slept about 4 hours last night because of coronavirus anxiety.”



- Leading mental health advocacy groups, national health insurance companies and the Department of Veterans Affairs launched a COVID-19 Mental Health Resource Hub.
- The hub, called Psych Hub, will provide individuals and providers with free digital resources to help address mental health needs.



- Providing all members with free access to Livongo's myStrength mental health app.
- Features include “coronavirus-specific modules to manage heightened stress, tips for parenting during challenging times and ideas to manage social isolation.”



- Providing SilverCloud Health's digital behavioral platform at no cost for members.



Consumers are clamoring for behavioral health benefits.

IMPLICATION

Consumers are likely to be more receptive to carrier-curated behavioral health benefits during this crisis. Post-pandemic, these types of benefits are likely to remain at the forefront of consumers' minds.

Consumers are unclear about how they will be covered after losing employer coverage.

WHY THIS IS IMPORTANT

- Americans are skeptical of how they will receive treatment coverage if diagnosed with COVID-19.
- Recent reports of coronavirus hospitalization costs for uninsured Americans indicate bills could reach close to \$90,000.
- Many Americans are losing their jobs due to a stagnant economy and, as a result, are also losing their health insurance coverage. Bank of America predicts employers will cut “between 16 million and 20 million jobs” between April and June.
- Health Management Associates (HMA) expects Medicaid enrollment to skyrocket from 71 million to 94 million while enrollment in employer plans will drop from 163 million to 128 million if unemployment reaches 25% in the U.S.

WHAT ARE THE DETAILS

- The White House Administration announced it would cover coronavirus treatment costs of uninsured individuals.
- Consumers considered dropping their health insurance coverage after the announcement, but were doubtful of the administration's ability to pay for treatment costs
 - “Yeah sure you will. Can I see that in writing? How about passing a law?”
 - “I wouldn’t believe it unless it was a law.”
 - “Wondering if I should dump my health insurance right now...”
 - “Ok, then everyone needs to pretend they have no insurance so they won't be slapped with a \$20k bill.”

Uninsured consumers want assurance their bills will be covered if they incur COVID related medical bills.

IMPLICATION

As recently laid-off consumers look to cut costs in a stagnant economy, they may question the need for health insurance – especially if the White House Administration covers COVID-19 treatment costs for the uninsured.

Industry News Related to Coronavirus

As of April 9, 2020

RECENT EHEALTH SURVEY INDICATES MOST TOP INSURERS DO NOT PLAN ON RAISING 2021 PREMIUMS IN RESPONSE TO CRISIS

- The survey, conducted March 30 to April 2, 2020, found 97% of insurers, covering group and individual plans, are waiving out of pocket costs for coronavirus testing and 60% are allowing members impacted by the virus to defer premiums.
- 87% percent of insurers do not plan on raising premiums, while 17% plan to raise premiums no more than 5%.
- 96% of insurer respondents say they are seeing increased demand for telemedicine services (virtual doctor visits). 85% think the coronavirus crisis will drive increased demand for telemedicine benefits into the future

NPR PROVIDES RESOURCES FOR THOSE IN-NEED OF HEALTH INSURANCE

- For those who have never had to apply for unemployment or health insurance outside of the workplace, many are unsure where to even start.
- The article provides scenarios for applying to various health insurance programs, including COBRA, the ACA exchange and Medicaid.

AHIP AND INSURERS ASK CONGRESS TO CREATE A SPECIAL ENROLLMENT PERIOD FOR THE ACA

- After the White House Administration announced it would not open the federal ACA Exchange last week, many Americans were frustrated and shocked with the decision.
- AHIP and top insurers are warning Congress that “gaps in coverage can lead to serious disruption in care and significant health consequences” as millions of Americans lose their jobs and employer-sponsored health insurance.
- States with their own health insurance exchanges have created Special Enrollment Periods for their citizens; however many states rely on the federal ACA exchange to offer health insurance to individuals.

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