

CONVERTING PROSPECTS TO MEMBERS USING BEHAVIORAL AI

a study by Medorion

TWO SIDES OF THE COIN, THE SAME QUESTION

One of the main challenges of member prospecting is that health plans do not have access to concrete information about potential clients. They may know general details such as eligibility according to age group, e-mail, and income level (elementary SDOH), but they do not know anything about their lifestyle, overall health, or chronic conditions they might be managing. These missing pieces of information, especially the clinical parameters which prove to be the 'make or break' in the purchasing decision, make it particularly toilsome to drive enrollment.

On the other end stand the customers, many of whom do not fully understand the costs and benefits of each plan and thus have a difficulty in choosing the right health plan for them. Surveys indicate that 50% of individuals do not even understand basic insurance models. Individuals nearing retirement or considering retirement, in general, face several important considerations as they shift from Group to Individual coverage (G2I). Should they compare plans, switch plans, stay on board, or abandon their health plan altogether? What benefits should they be looking for, considering their personal health needs?

The competition for their attention and Medicare Advantage enrollment is unrelenting, and as scores of individuals reach eligibility each year, health plans are confronted with the same question: given that we know almost nothing about these important prospects, how can we get to know them better and drive our enrollment rates?

We set out on a year-long study to understand what drives prospects' purchasing decisions and learned that the cookie cutter approach is not only faulty, but also overlooks prospects who are ready to choose you for all the right reasons but are missed among the masses. Medorion examined several Medicare Advantage plans and learned that targeted, custom messaging drove enrollment by 30% in the first 30 days alone, proving that even with close competition, the opportunities for improving enrollment rates are virtually limitless.

“The best way to optimize health plan membership is to think personal. Know thy customer”

WHERE DID WE GO WRONG?

The next logical phase in the lifecycle of an individual at retirement would be to shift plans to Medicare Advantage. Yet, acquiring Medicare Advantage clients has always been a long-standing challenge for health plans. Marketing agencies are hired to create campaigns in order reach every single eligible beneficiary of the Medicare population, known as the “pay and pray” approach. In this highly competitive environment, many health plans wage a price tag battle, pushing the lowest price plans to all prospects.

This approach has one major flaw: many members go completely unnoticed, such as those with multiple chronic conditions who require a more comprehensive set of services and are not interested in the lowest price, rather the best service. As it turns out, price is *not* everything.

Understanding the member’s perspective is everything. No matter how creative or costly the campaign, a lack of insight into clinical parameters, and an inability to relate to the underlying factors that are behind the member’s decisions to buy a plan, result in poor marketing performance and enrollment results.

The question is, if we do not have access to the clinical data, how can we target those members whose clinical parameters have a huge impact on their acquisition decisions around retirement?



WHERE MEDORION GOT IT RIGHT

With missing data still out of reach, health plan marketers can turn their attention inwards and consider another strategy using the data they already have, this time with Medorion. Assuming there is already an existing member base, Medorion will apply Behavioral AI technology to access data and sort through tens of thousands of combinations of member plans to understand why they are buying specific plans - and in the case for Medicare Advantage, to understand what factors and clinical determinants influence their purchase decisions.

While traditional segmentation can target low-cost plans at low-income populations, members in this segment also have very different needs related to their unique clinical condition. Medorion's behavioral AI engine goes beyond this presupposed sensitivity to cost, and factors in thousands of additional parameters taken from clinical data.

Individuals managing a chronic condition that is not hypertension or diabetes may want a mid-tier plan regardless of their income level

Members that are managing a chronic condition that is hypertension or diabetes and have a lower income may prefer a low-tier 'value for money' plan

WHY?

It is almost impossible to know such information on prospects using standard AI.



Based on the feeds, and leveraging the constant data refinements generated by Medorion's technology, marketers can design several campaigns in parallel for each cluster and apply Medorion to gain a better understanding of the members' profile. Using the ongoing feeds by Medorion, they can continuously refine the messages and track member engagement. The campaigns offer valuable insight, allowing health plans to finally understand what works - and *why*. In this way, health plan marketers can sell the most relevant plan that accurately fits a member profile.

For example, Medorion knows what plan would best fit a member with diabetes and why, taking into consideration factors such as co-pays, deductibles, access to networks, and doctor visitations. The platform knows to discern which of the multiple plan benefits are most important to a specific population, allowing health plan marketers to then highlight these benefits and circulate two completely different campaigns to the same population yet with very distinct needs.

PLAN 1

If you're managing a chronic condition such as diabetes, look into a low-tier plan with zero co-pay, zero deductible on drugs, and access to doctors

PLAN 2

If you are generally healthy and are looking for a plan with good value for money, consider our light tier plan with zero-dollar premiums

With the ads in circulation, the system continues to learn what the population reacts to the highlighted benefits and generates new information of the member profile, allowing marketers to adjust and maximize engagement. As we learn, there is no singular member lifecycle, but a continuous evolution.

CLICK THROUGHS THAT CONVERT

Medorion studied several plans for the Medicare Advantage-eligible population from early 2019 to 2020. Rule of thumb holds that eligible persons must wait for the annual enrollment period (October). This means that if a campaign starts in August, health plans would not see a change in enrollment. However, the campaign led by Medorion showed a significant surge of enrollment among the Medicare-eligible population halfway through the study, followed by a massive increase in enrollment trends in January 2020. Results showed an immediate upsurge of 30% enrollment rate in the first 30 days. As the study transitioned to the annual enrollment period (AEP/OEP), a large volume of enrollment was evident, resulting in an ROI x21.



With Medorion's technology powering the campaign behind the scenes, health plan marketers can discover and understand the motivations behind the decisions that people make. Where standard analytics can identify individuals who are most likely to act in a certain way, Behavioral AI journeys deeper to reveal why these individuals make a specific choice. The combination of advanced AI, behavioral science heuristics, demographic data and clinical parameters highlight the underlying psychological motivations and enable health plans to build relationships, reinforce communication standards, and circulate campaigns that speak directly to members' needs.

WHY KNOWLEDGE IS POWER

Being able to tap into the target segment's concerns is an important advantage because health plan marketers shift from selling any plan to selling the right plan, and they quickly learn that it is not just about selling a plan that is good for members, but knowing why that plan will sell.

The 'why' factor changes everything, and it changes constantly. Every member's click is a decision, a hint into the personal considerations and hidden patterns of hundreds of thousands of members, opening a new opportunity to optimize member engagement. This strategy is far more effective than random campaigns and the conventional 'pay and pray' approach.

Understanding the impact of clinical factors on members' decisions offers the opportunity to transform health care and exponentially improve member engagement to achieve the organization's objectives. Medorion knows how clinical parameters affect members' decisions, what plan they are most likely to buy, and why. This insight teaches health plans how to structure effective campaign messages and tailor them to specific individuals in a way that motivates them to purchase the plan.