What's on health plan members' digital wish lists?

Executive summary

Right now, healthcare payers have an opportunity to build long-term connections with members by providing them with digital tools that deliver the features they want. That window is narrowing. Healthcare consumers will favor organizations that offer them streamlined, personalized experiences that blur the lines among industry players. Yet even as new industry business models emerge and the largest national payers pursue convergence strategies, many payers offer only limited digital capabilities, placing them at increasing risk of losing business to competitors.

These are the broad conclusions we draw from our latest Voice of the Member survey. Since our first survey in 2016, members' comfort level with digital tools and services has steadily increased. This latest survey reveals that member adoption rates for payer portals and apps has surged since our 2021 report. Member willingness to share their digital data from wearables and other devices increased by more than 30%.

> And for the first time, survey respondents reported that a health plan's digital capabilities were more important to them than physician availability when considering switching plans.

These findings signal that the consumer behavioral shifts driven by the COVID-19 pandemic are now entrenched. Post-pandemic, consumers expect digital self-service options from all their service providers. Virtual visits changed expectations—if patients can reach a doctor 24X7, surely they can expect similar from their health plan. Meanwhile, COVID home testing kits likely helped many consumers become attuned to monitoring their health.

Overall, convenience has become the viral app, with consumers simply assuming they will be able to carry out any transaction they wish, digitally, from the comfort of home.

In general, our survey reveals these behavioral trends across all health plan members, with some variation among age groups. We also asked specific questions to understand the digital demands of Medicare Advantage and Medicaid members. Qualitative research with a group of health insurance consumers provided additional insight and context around our top findings. These are:

1. Members have adopted digital tools and services at significantly increased rates. However, they have an extensive wish list of features that payers still don't offer. Most payers offer less than half of the 28 features we listed in our survey.

2. A plan's digital capabilities are now more important to member buying decisions than whether a member's preferred physicians participate in the plan.

3. Members are emphasizing wellness and show continued willingness to share their health data from wearables. Even healthy members will engage with payers who offer strong wellness management features.

4. Digital capabilities that make transactions seamless across payer and provider lines are becoming important to members.

5. Commercial, Medicare Advantage and Medicaid members have different priorities that will require payers to customize digital investments for these groups.

6. There's still plenty of room—and need—to grow members' digital adoption rates.

Bridging the capability gap

Members are telling payers what digital features they need and want. By acting on this business intelligence, payers can build more meaningful, long-term relationships with members. Yet as we've also seen in nearly a decade of conducting these surveys, payers' digital offerings are not meeting member demand in terms of both quality and quantity. Many payers continue to treat digital channels as extras, not as integral to core business processes. Our survey results map out how payers can better meet member expectations with a digital strategy that simplifies the healthcare experience and offers greater value while helping payers establish new relevance in a rapidly changing healthcare industry.

Figure 1: **Health plan members' never-ending wish list of digital features**

While more health payers offer some of the features members say are important to them, these have become mere table stakes. The next frontier is offering features that differentiate one plan from the next. Real leaders will look ahead and start delivering the features just emerging as important to members.

Relative availability versus importance of healthcare insurance digital features
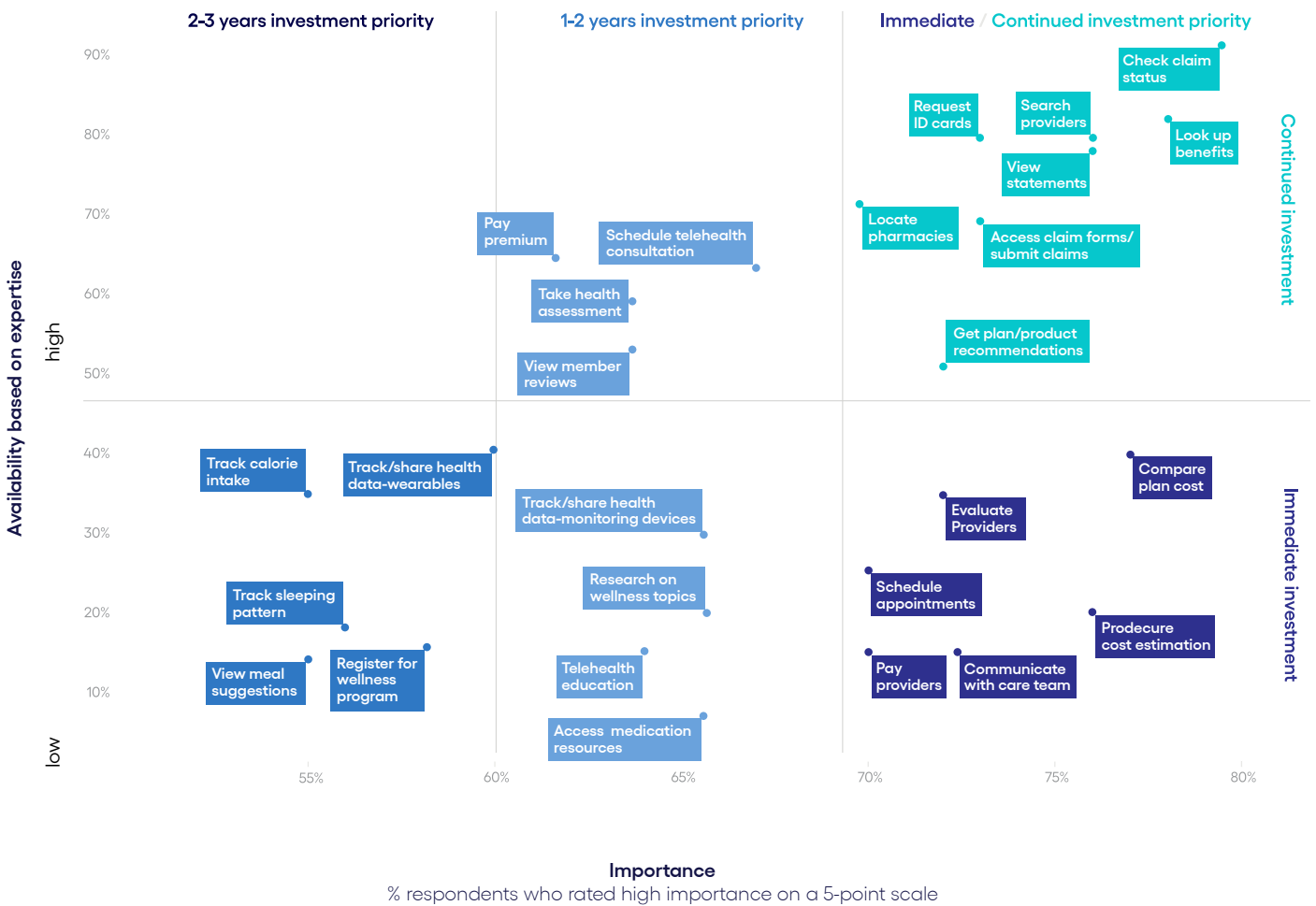
Key finding number 1:

In the last two years, members adopted digital tools and services at significantly increased rates and have specific wish lists for the features they are still missing.

Since our initial survey in 2016, health plan members have steadily increased their use of health plan mobile options. Member downloads of their payers' mobile apps almost doubled since 2021.
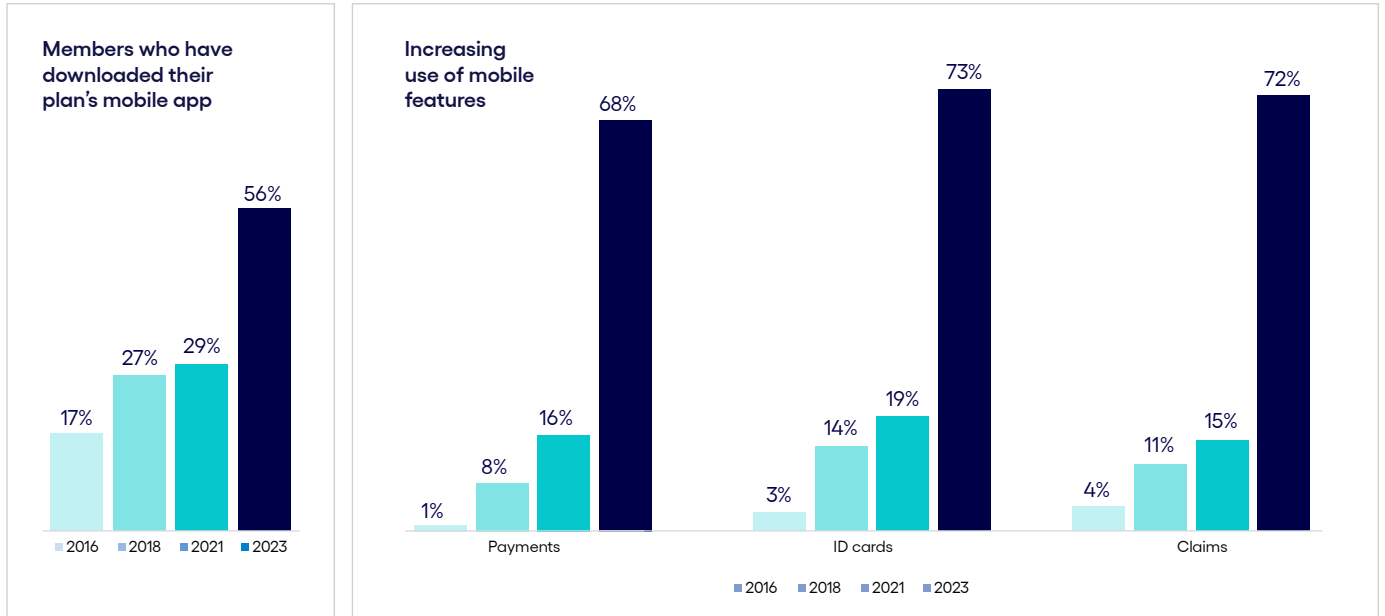
Members clearly want digital features that enable them to self-manage more of their healthcare experience. These features include determining estimated costs for procedures, searching and comparing plan costs, scheduling appointments, paying providers, and interacting with a nurse or case manager. The importance members placed on self-service options (such as looking up benefits) and price transparency tools increased by 10%. And yet, only a small number of payers offer these services. For the few that do, their members report quality is lacking.

Figure 2: **Mobile runs away with digital adoption growth**
Members have finally embraced their health plans' apps. Adoption rates for payer portals also remain healthy. Members carry out different tasks on the two channels, so payers must ensure their web and mobile offerings seamlessly mesh.

Members are increasingly engaging with traditional plan features via mobile

Members who have downloaded their plan's mobile app
- 2016: 17%
- 2018: 27%
- 2021: 29%
- 2023: 56%

Increasing use of mobile features

Payments
- 2016: 1%
- 2018: 8%
- 2021: 16%
- 2023: 68%

ID cards
- 2016: 3%
- 2018: 14%
- 2021: 19%
- 2023: 73%

Claims
- 2016: 4%
- 2018: 11%
- 2021: 15%
- 2023: 72%

Our insights

Offering high-quality digital tools is a prerequisite for competing successfully against large industry players as well as new entrants. The large national insurers typically receive the highest member satisfaction ratings for digital features. The bottom line is that post-COVID, consumers expect convenience and service at all hours, features only digital can provide.

The findings indicate that members use payer apps and payer web portals to carry out different activities. This suggests payers must take a strategic holistic approach to designing digital experiences, appreciating that digital channels are the initial links in their value chain. While we stand by our advice to take a "mobile first" approach when designing and building digital features, payers must also ensure their portal experiences keep up with the mobile app.

Figure 3: **Members' preferences vary by digital channels**

Top 5 features by channels

Mobile App
- View online statement
- Communicate with care team
- Pay premium
- Check claim status
- Request ID card

Web / Portal
- Request ID card
- Pay provider bill
- Pay premium
- Check claim status
- View online statement

Availability of wellness features is one of the biggest gaps between member wish lists and payer offerings. Members want to track calories, receive meal plans, monitor sleep patterns, participate in wellness programs, research health and wellness topics, tap meditation resources and receive guidance on interpreting health data from wearables. Such apps are relatively easy to build or white label, yet we see few payers investing in this space. That's a missed opportunity to connect with members. By establishing themselves as trusted experts in the wellness space, payers can connect more frequently with healthy members, making those relationships stickier.

Figure 4: **Payment features make members' top ten list**

Members put high value on digital features that help them compare plan costs and calculate estimated costs and out-of-pocket expenses. Payer compliance with the No Surprises Act and Price Transparency rules should enable them to meet member expectations for these features; those that go beyond compliance could build market-differentiating offerings.

Rank (High to low)		Feature	Rank (High to low)		Feature
1	↑	Checking on claim status	15	↑	Telehealth visit with doctor, or nurse practitioner
2	↓	Looking up benefits, accessing plan options, reviews and features	16	↑	Education about services/treatments
3	★	Searching and comparing plan costs	17	↑	Ongoing monitoring, care and follow-up via telehealth
4	↑	Viewing statements online	18	↓	Paying health insurance premiums
5	↑	Determining estimated costs for procedures	19	↑	Reading about members' experiences
6	↓	Searching for providers and computing out-of-pocket expenses	20	↑	Researching and browsing health and wellness topics, nutrition or recipes
7	↑	Requesting or printing ID cards	21	★	Taking health surveys or assessments
8	↔	Requesting, accessing and submitting claims	22	↑	Transmitting data on health status tracked using monitoring devices
9	↑	Interacting with a nurse or a case manager	23	★	Accessing videos or lessons on meditation
10	↓	Researching providers	24	↓	Participating in a wellness program
11	★	Online tools to assist/recommend plans based on previous selections	25	↓	Exchanging information using FitBit, Apple watch or other wearable devices
12	↔	Scheduling appointments	26	★	Monitoring sleep patterns
13	↓	Paying healthcare providers	27	★	Receiving dietary recommendations based on health needs
14	↓	Locating pharmacies or refilling prescriptions	28	★	Accesing a calorie tracker to track calorie intake

Change in rank from 2021   ↔ No change   ↑ Increase   ↓ Decrease   ★ Feature added in 2023

Key finding number 2:

A health plan's digital feature set has become a bigger influence on a member's buying decision.
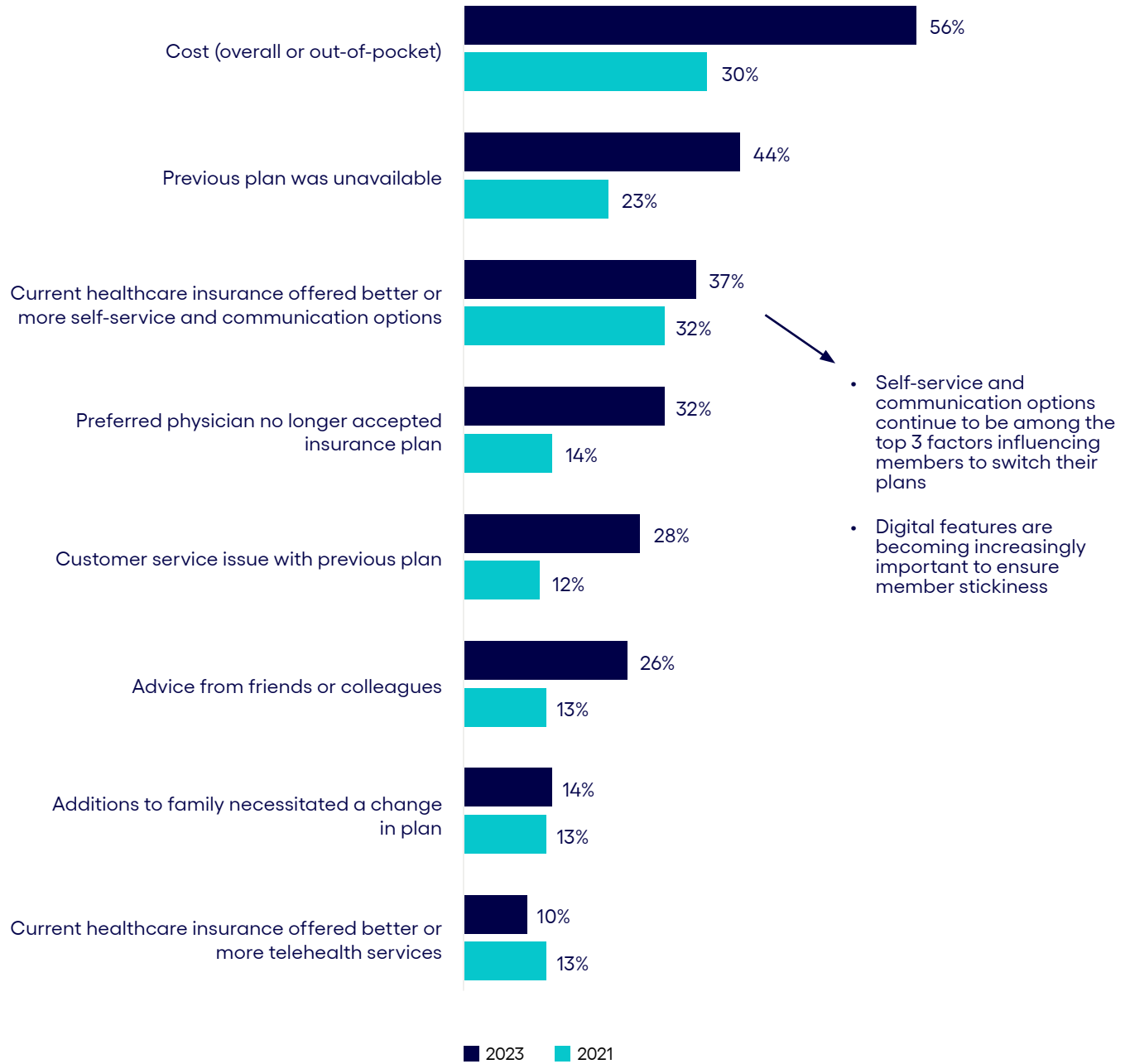
When the cost and availability of different health plans are equal, consumers increasingly base their buying decision on which plan has the stronger digital features. We have been tracking this metric since 2016, when just 14% of members said that a plan's self-service and/or communication options were important to their buying decisions. That figure has more than doubled, to 37% of members who said digital options were the strongest influencer after plan cost and availability. Members are prioritizing these digital options when deciding whether to switch health plans, ranking them higher in importance than customer service issues, advice from friends and colleagues, or even whether their preferred physician accepts the plan.

Figure 5: **Why members switch health plans**

While cost and plan availability are still the leading decision factors, a plan's digital features now rank as the third most important influence on plan selection.

Comparison of factors influencing members to switch their health plans (2023 vs 2021)

Cost (overall or out-of-pocket): 56% (2023), 30% (2021)

Previous plan was unavailable: 44% (2023), 23% (2021)

Current healthcare insurance offered better or more self-service and communication options: 37% (2023), 32% (2021)

Preferred physician no longer accepted insurance plan: 32% (2023), 14% (2021)

Customer service issue with previous plan: 28% (2023), 12% (2021)

Advice from friends or colleagues: 26% (2023), 13% (2021)

Additions to family necessitated a change in plan: 14% (2023), 13% (2021)

Current healthcare insurance offered better or more telehealth services: 10% (2023), 13% (2021)

• Self-service and communication options continue to be among the top 3 factors influencing members to switch their plans

• Digital features are becoming increasingly important to ensure member stickiness
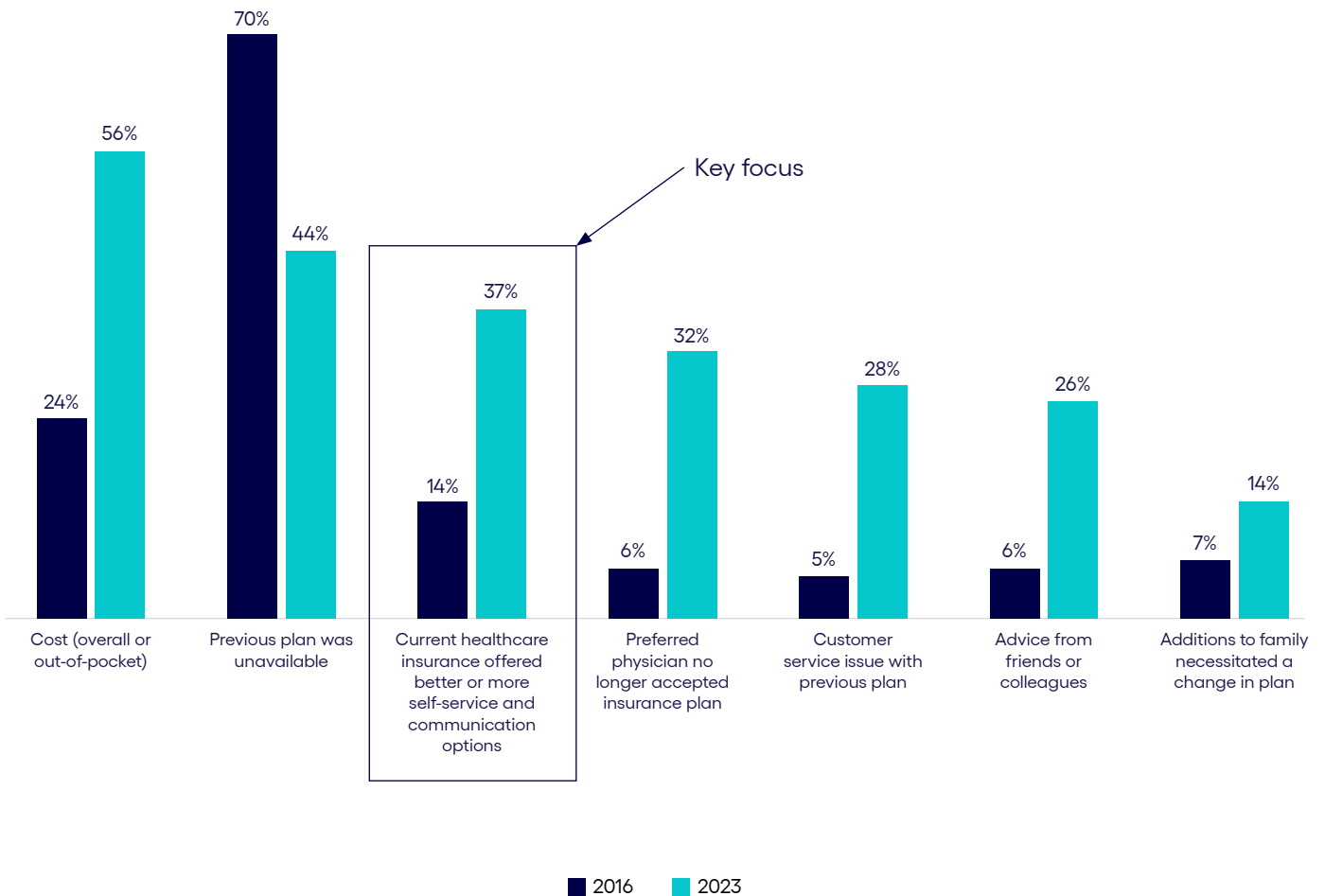
2023   2021

Our insights

The more than 100% growth in digital features as an influence on health plan selection since 2016 is another strong signal of the importance consumers place on the availability of digital tools and experiences from their service providers. Simply put, when digital is the most important buying factor after cost and availability, payers that neglect their digital investments likely are losing members and prospects.

The opportunity here is to offer digital tools that benefit both payers and members. Self-service options that incorporate chatbots, email and text can help payers deflect members from high-cost channels while improving their satisfaction. Enabling enrollment and other significant transactions from a mobile app can help payers capture and support members at key decision points.

However, payers cannot merely drape digital window dressing on old processes and procedures. Today's digitally savvy health consumers have many high-quality digital service benchmarks to which they may compare their experiences with health payers. Payers are competing with all these experiences as well as those offered by large national plans.

Figure 6: **Why are members changing plans?**

Over the last seven years, influence of plan management features offered by payers, such as quality of self-service and communication options, has consistently increased and directly impacts consumer health plan buying decisions.

Key focus

	2016	2023
Cost (overall or out-of-pocket)	24%	56%
Previous plan was unavailable	70%	44%
Current healthcare insurance offered better or more self-service and communication options	14%	37%
Preferred physician no longer accepted insurance plan	6%	32%
Customer service issue with previous plan	5%	28%
Advice from friends or colleagues	6%	26%
Additions to family necessitated a change in plan	7%	14%

■ 2016 ■ 2023

Key finding number 3:

Wellness is increasingly important to members, who are willing to share wearables data and continuously engage with payers offering strong wellness features.

The growth in members willing to share personal data they collect from wearables and other digital devices in return for value-added services has increased. In 2021, 45% of members said they would share data. That number grew to 59% in 2023.

Figure 7: **Members willing to share health information with payers using wearables**

2023	59%
2021	45%

The continued willingness to share wearables data complements the finding that wellness has become greatly important for many members. Among these members,

42% would like to manage their wellness goals online or via an app

38% want calorie tracking features in payer apps

65% say using games or mobile apps to educate and explain plan benefits would be effective.

Our insights

The COVID-19 pandemic raised consumer awareness and adoption of health monitoring devices and contributed to more self-directed and in-home health and wellness activities. Health payers need to meet members where they are on this trend. Consumers often share data from watches and wearables with Apple and FitBit; payers either need to partner with such technology providers or develop robust alternative apps that deliver greater insight into the data members share.

Offering personalized services alongside health insurance would put payers on trend with many other modern, high-dollar purchases that feature customer care programs. Yet health insurance, one of the most expensive purchases consumers make, generally comes with no personal contact until a member becomes ill or injured. Checking a payer app that provides personalized insights and coaching based on data they provide could become part of members' daily routines.

> By continually connecting with healthy members, payers can build so-called sticky relationships that can result in greater lifetime value as satisfied members transition to a payer's other offerings as they age or their circumstances change.

Success will depend on payers offering real expertise in helping members achieve their health and wellness goals. AI and machine learning can help payers derive meaning from member data streams.

Key finding number 4:

Features that make healthcare transactions seamless, whether with payers or providers, are becoming more important to members.

Digital features that make the boundaries of payers and providers transparent, such as paying provider bills and scheduling appointments through a single app, have become even more important to members since our previous surveys. Features such as calculating the estimated costs of a service, determining out-of-pocket costs, checking claims status and looking up explanations of benefits (EOB) online have been among the top 10 features members want since our original survey.

Features around price transparency and managing costs have steadily increased in importance. In line with our wellness and self-service findings, members especially want to see virtual care and virtual nurse interaction available digitally. However, in many cases, app features that members rank as highly important are not offered by most payers.

Figure 8: **Streamlining the healthcare experience**

From making appointments to estimating costs to paying providers, plan members want to manage their healthcare business from a single app.

Importance of payer-provider integration-related features on the payer app

Feature	2023	2021
Provider search	76%	73%
Cost estimation	76%	68%
Care team	72%	68%
Scheduling appointment	70%	60%
Virtual nurse interaction	67%	54%
Paying provider bills	62%	53%
Ongoing virtual care	62%	48%

■ 2023   ■ 2021
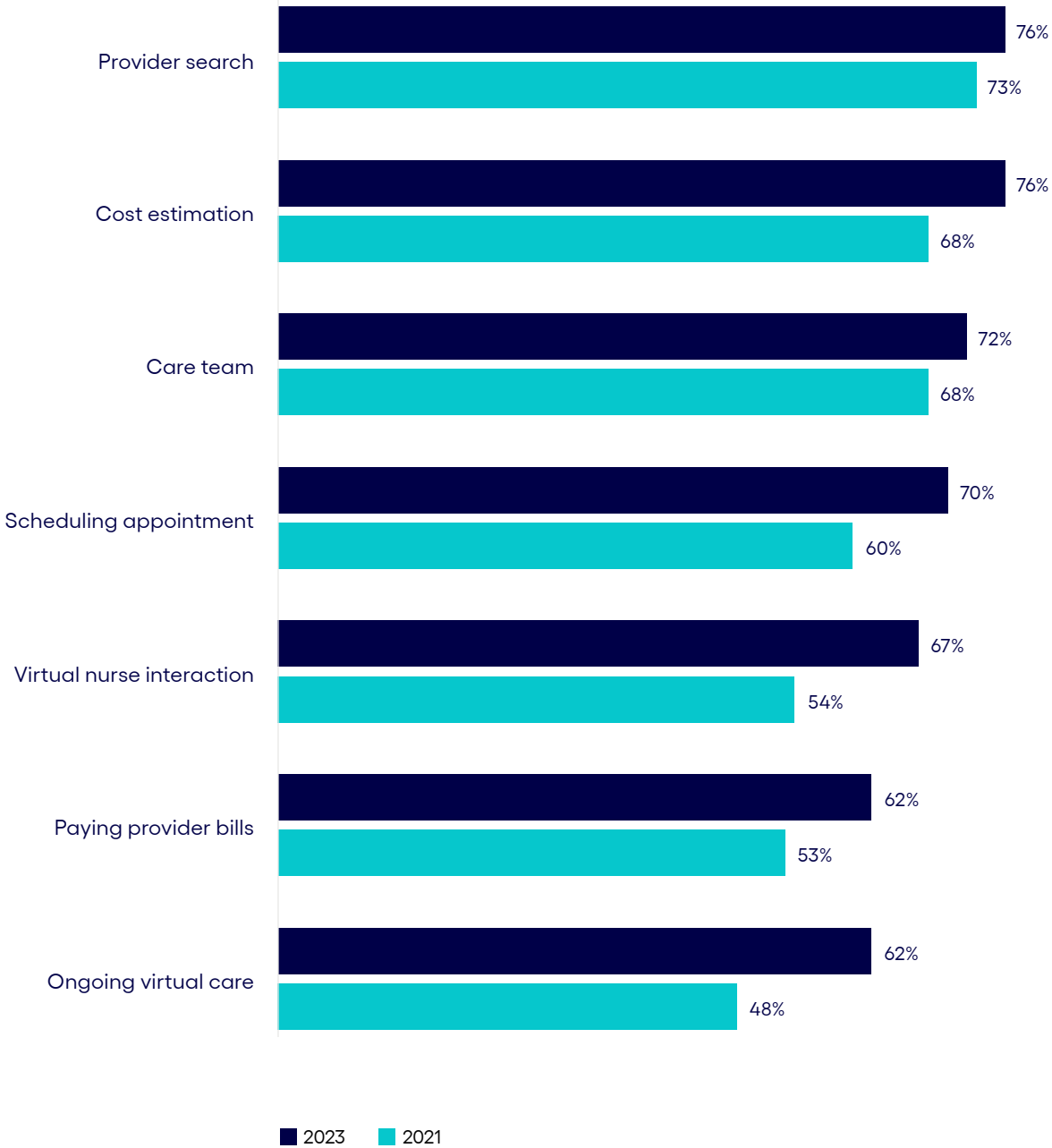
Our insights

Increased demand for easy, seamless transactions shows that the industry push to shorten and smooth the industry's gnarled value chain is on the right track. Payers could build what Gartner calls the "superapp" so that members work with a single entity to manage all their healthcare administrative and payment transactions.

The more utility an app provides, the more often members will use it and by extension, build a relationship with their health payer. We have noted before that property and casualty (P&C) insurers enjoy a much higher digital adoption rate than health insurers. When we asked a group of healthcare consumers why they use their P&C app more than their health insurance app, they explained they can make payments through the P&C app.

Payers that adopt a convergence or super-app strategy must beware of getting locked into one vendor's roadmap and speed of innovation. Payers with open platforms will be better positioned to take advantage of technology developments as they emerge and prove useful.

Reimagining the member financial experience

Today's member experience after receiving care is complex and frustrating, especially when members compare it to their digital retail banking, brokerage and shopping experiences. In general, healthcare bills are difficult to understand. They often arrive from multiple providers, and tracking and managing payment is left to the member. A single missed payment—even one the member is disputing—can result in delinquency notices. That translates into member friction, regardless of who's at fault.

Our survey results indicate payers that streamline this process will clearly differentiate themselves. Members want to pay providers and manage more of their health plan administrative tasks through a single tool. The model could be Gartner's "superapp," in which a complex transaction involving several entities is managed and streamlined by one service provider. For healthcare payers, this would involve consolidating all provider bills in a single app or portal, with the payer actively helping its members manage their post-care financial experience.

Payers are in the best position to calculate co-pay, deductible and allowed amounts, spot duplicate or erroneous bills, and advocate for their members. Payers could team up with financial service providers to offer payment plans and other financial assistance. Developing a "health bill 360" solution is yet another way payers can build stronger relationships with members and shift toward being trusted health advisors.

Key finding number 5:

Commercial, Medicare Advantage and Medicaid members have very different needs and priorities that payers must address by customizing their digital developments.

Health plan member priorities are not monolithic. Here's what the survey revealed about different member groups:

Employer groups

- Health and wellness features are more important to these members than to others. Yet the features they want most, including meal planning, sleep quality and calorie tracking, are rarely offered by their plans.

- These members are more likely to have switched health insurers because of customer service issues, at a rate nearly 20% higher than members in other lines of business.

- These members give the highest importance to features that make payer-provider integration seamless, such as estimating cost of procedures, scheduling appointments and paying provider bills from a single app or portal.

Individual

- 28% of these members switched health insurers because their new payer offered better or more self-service options. These consumers also were the least satisfied with online tools to assist them in shopping for health plans.

- These members place higher importance on self-service features such as checking claim status, viewing online statements, accessing forms online, locating a pharmacy, etc.

Medicaid

- Medicaid plan members first turn to websites (68%), then to their healthcare provider (49%), for getting information and counseling about which health plan to choose.

- These members want to access add-on services such as transportation, housing assistance, etc., through mobile apps and websites instead of through contact centers.

- Members want wellness features, but these are not available through their member portal or app.

Medicare Advantage

- These members continue to prefer using websites to gather information while shopping for healthcare insurance.

- These members currently use digital tools at lower rates than other member groups but say searching healthcare providers, computing out-of-pocket costs, looking up benefits and shopping features are important digital features.

Serving digitally smart Medicare and Medicaid members

Medicare Advantage and managed Medicaid plan members want digital too—just in different times and channels. That's been the case since we first surveyed these plan members in 2018. To achieve high quality and satisfaction ratings and retention in these lines of business, payers should focus on how these members—and prospective members—are becoming more attuned to and adept at using digital channels and tools.

Younger Medicaid members typically use smartphones as their main channel for interacting with payers. They want more features delivered digitally, such as the ability to tap into services such as transportation, food shopping, etc. Making access to these services simple and easy will likely be an important differentiator among payers with the Centers for Medicaid & Medicare Services (CMS) emphasizing health equity-related quality metrics.

About 97% of the Medicaid population has access to cell phones, and 76% to smartphones, as compared to 57% with home broadband. Mobile is clearly the channel to prioritize, and payers can make a variety of neighborhood and social determinant of health-focused services accessible through an app. The app should enable Medicaid members to book appointments, arrange for rides, connect with wellness coaches, etc.

Payers also should recognize their future Medicare Advantage members will have different digital expectations. A 60-year-old person today is likely using a smartphone, setting up curbside delivery, managing their banking through an app or website, booking hotel rooms online, etc. When that person considers joining a Medicare Advantage plan in five years, they will expect high-quality digital interactions. That's another reason payers should select flexible, open platforms that will complement best-in-class applications and services as these develop vs. locking into one vendor's view of the future.

Figure 9: **Different lines of business, different priorities**

Payers need to customize digital investments for commercial, Medicare and Medicaid.

Digital features	Commercial	Medicare	Medicaid
Find care	Continue to invest	Immediate invest opportunity	Continue to invest
Self service	Immediate invest opportunity	Medium term investment priority	Medium term investment priority
Telehealth	Continue to invest	Continue to invest	Continue to invest
Wellness & wearables	Medium term investment priority	Immediate invest opportunity	Immediate invest opportunity
Transparency tools	Continue to invest	Medium term investment priority	Medium term investment priority
Payments	Medium term investment priority	Continue to invest	

Legend:
- ■ Immediate invest opportunity
- ■ Medium term investment priority
- ■ Continue to invest

Our insights

There's more to customizing an app than hiding or disabling features based on a member's login identity. True customization aligns with members' priorities, needs and comfort level with technology, all of which may constantly be changing as they adopt digital solutions and features offered in other industries. When a person can buy a car online and have it shipped to their home, issues with filling prescriptions or toggling among several apps to find a provider, make an appointment and confirm eligibility are frustratingly unfathomable.

Payers should recognize that taking a holistic approach to digital services and customer experiences based on open, modern core platforms, will provide them with the flexibility to accommodate the needs of different member personas. Beyond flexibility, well-designed digital member experiences will help payers compress front-, middle- and back-office functions, use more automation and machine learning and achieve higher accuracy and operations performance at lower costs.

Key finding number 6:

Members are primed to adopt their health plans' digital tools—and there's a lot of room for adoption growth.
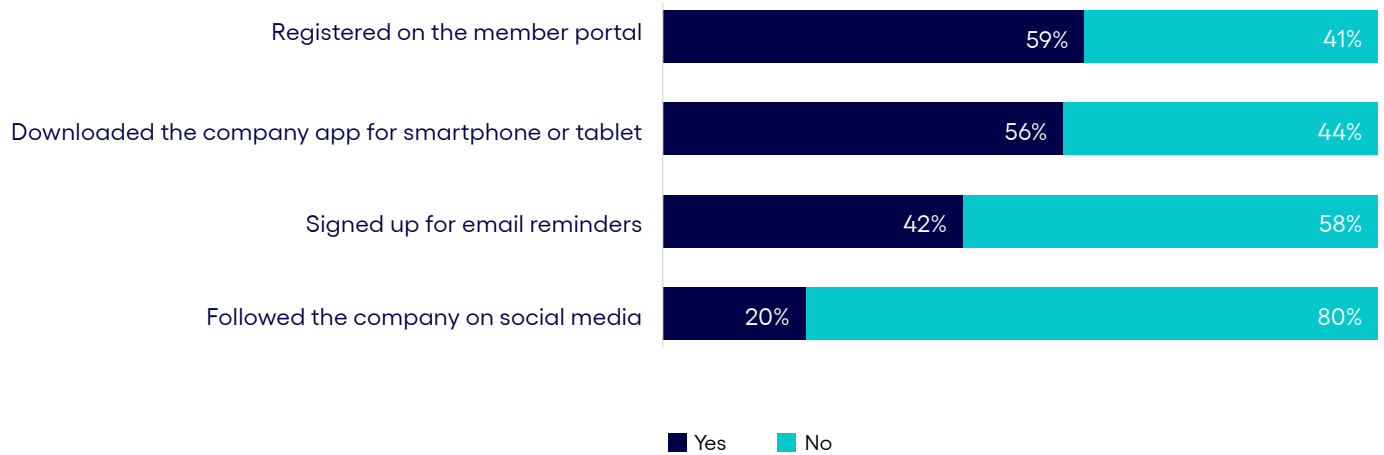
Despite the jump in members' adoption of mobile apps, 44% of members still have not downloaded their health insurer's mobile app, 41% of members have not registered on their payer's member portal and 80% of members don't follow their insurer on social media. More than 50% of the members who never had any digital interaction with their insurer are aged 50 or above.

Figure 10: **Member adoption rates across digital channels**

Web and mobile remain the most popular channels for health plan members, but less than two-thirds of members say they've registered on the member portal or downloaded the payer app. A majority of members don't use email reminders or follow a plan's social channels. All these digitally unconverted members represent opportunity for payers to improve adoption rates and gain efficiencies.

Stages of digital adoption by members

Channel	Yes	No
Registered on the member portal	59%	41%
Downloaded the company app for smartphone or tablet	56%	44%
Signed up for email reminders	42%	58%
Followed the company on social media	20%	80%

■ Yes ■ No

Our insights

Our suspicion is that member digital adoption rates remain relatively low because most payers don't offer useful apps and other digital tools. Many of the tools they offer only engage members when they are shopping for a plan or need to check a benefit or claim status. Plans must wrap member experiences into digital modernization strategies to grow market share in the face of competition from new industry players and the comprehensive convergence strategies of large national payers.

Payers that have invested in well-designed digital experiences may need to build awareness of these features through marketing and advertising campaigns. They also can add wellness and coaching functions members can use every day.

For social media, payers can look beyond traditional channels to the plethora of walled gardens and smaller social networks that have sprung up or even create private communities of their own centered on different affinities, from training for marathons to healthy eating during pregnancy to mental wellness.

Driving digital adoption should be a key piece of a payer's plan to streamline internal operations and shift to being a health and wellness partner. Consumers have shown they will embrace digital offerings that save them time, money and hassle. Payers that please members with those benefits will also equip themselves with the digital speed and responsiveness required to adapt to healthcare's evolving marketplace.
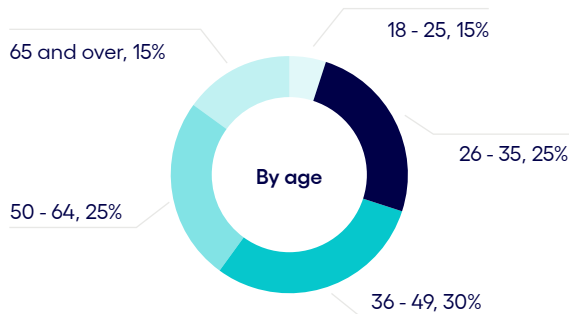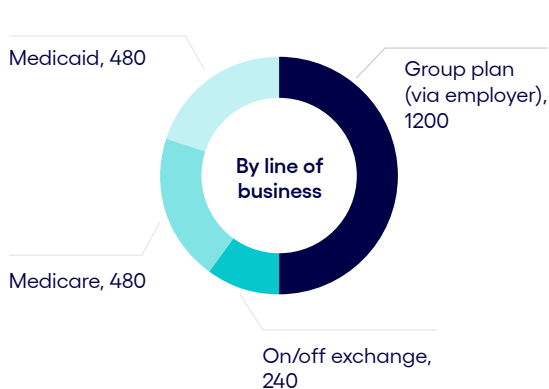
Methodology

In May 2023, we surveyed 2400 health plan members across 50 states; 59% were national plan members; 31% Blues plan members; and 10% regional plan members. Of these, 1200 were in employer group plans; 480 in Medicare Advantage plans; and 480 in Medicaid plans. Another 240 respondents were members of health marketplace plans.

Cognizant surveyed healthcare consumers aged 18+ and across health plans to identify member expectations from key demographics.

Figure11: **Cognizant's Voice of the Member Survey 2023**

Survey demographics

By line of business

Medicaid, 480
Group plan (via employer), 1200
Medicare, 480
On/off exchange, 240

By age

65 and over, 15%
18 - 25, 15%
26 - 35, 25%
50 - 64, 25%
36 - 49, 30%

2,400
respondents across 50 states

Based on size of plan:

59%
National

31%
Blues

10%
Regional plans

To learn more about how Cognizant can help you better understand the needs of your health plan members, visit Cognizant.com/consulting, Cognizant.com/healthcare or contact the authors:

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