

Marketing, Outreach & Building Consumer Awareness

California Exchange Board
March 22, 2012

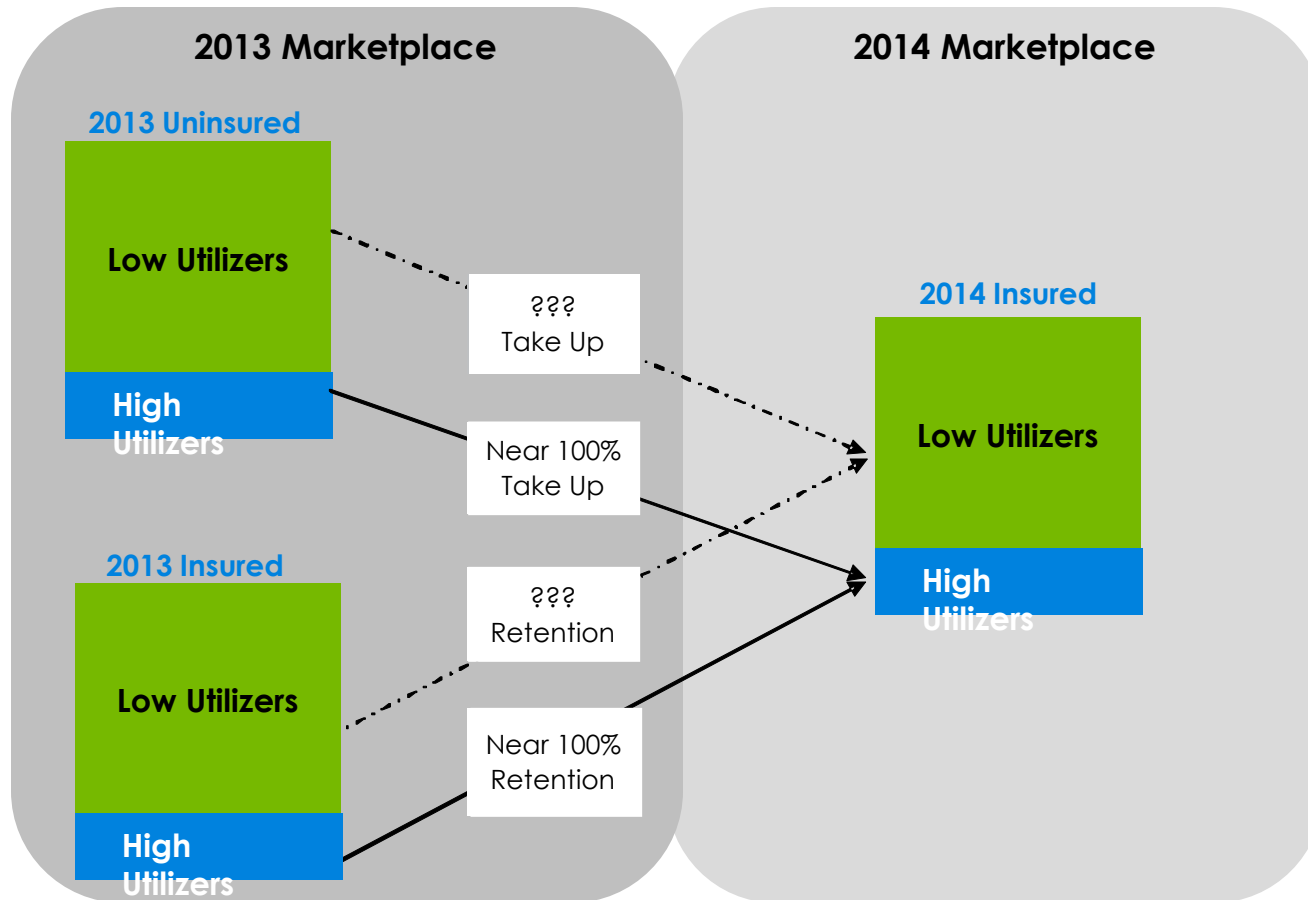
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How the risk pool could change in 2014

The insured population is not the same

- 12% of the highest utilizing members account for 80% of the costs
- It is imperative to bring in the majority of the other 88% to keep costs affordable for all
- Low utilizing consumers must understand the value of insurance



IFP Marketing Today

IFP Turnover

- About one-third of members turn over each year

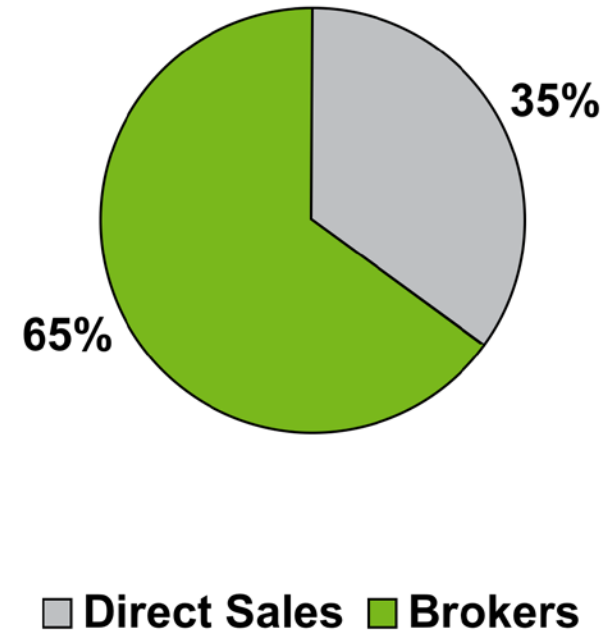
Types of Products Purchased

- IFP members purchasing through direct sales are more likely to purchase based on price
- Those purchasing through brokers buy products that are more specifically tailored to the individual's needs

Demographics of IFP compared to General Membership

- IFP members slightly more likely to be single (23% vs. 17%)
- Same as general members in terms of gender
- Slightly higher household income

IFP Sales Channels Statewide

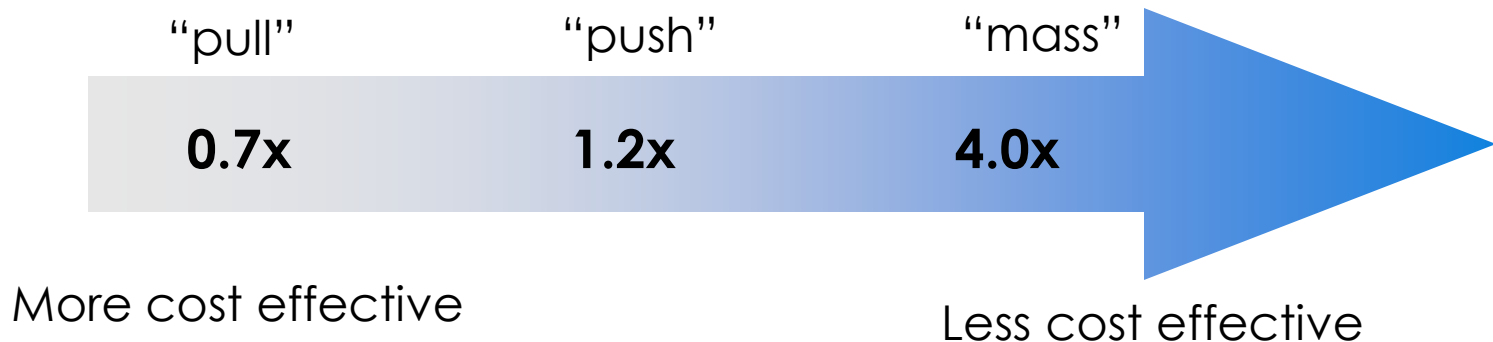


Commercial Direct to Consumer Marketing

Marketing Outreach

- “pull” – consumer seeks information (e.g. paid search)
- “push” – message to targeted consumer (e.g. direct mail, email)
- “mass” – message sent to a broad market (e.g. TV, Radio)

Average Acquisition Cost



Healthy Families Program Outreach

The Exchange will need to use different strategies to reach some market segments



Marketing outreach for Healthy Families Program

- Community based through certified application assistants (e.g. k-8th grade schools, Boys and Girls Clubs, churches, community based events & markets)
- Professional conferences (e.g. child/health care)
- Providers

Creating a Culture of Coverage

Recommendations for the Exchange

- Establish an Exchange “Brand”
- Conduct a broad public relations campaign to establish “brand awareness,” value of insurance, requirement to purchase insurance and subsidy availability
 - Needs to be started well in advance of open enrollment
 - Leverage low cost marketing channels including media coverage approaching 2014, foundations, grassroots community, and providers



Creating a Culture of Coverage

Recommendations for the Exchange

- Market in a variety of non-traditional venues. May want to consider establishing partnerships with retailers.
- “No wrong door” applications, and multiple mediums: Online, paper, over the phone, taken by Enrollment Entity, Health Plan, CAA, broker, etc.
- Opportunity for both the Exchange and health plans to promote greater consumer engagement on the benefits of having health insurance



blue  of california