

Virginia Health Benefit Exchange Advisory Committee Meeting

Sabrina Corlette, Chair

September 15, 2022

Welcome, Call to Order

Reminder:

- Only committee members should have cameras turned on.
- Committee members can raise their hand to ask a question of the presenter.
- Stay muted until you are called on to speak.
- The transcript of this meeting will be made available online at <https://www.scc.virginia.gov/pages/Exchange-Administration>

Roll Call

Ex-officio Members:

Secretary John Littel – Health and Human Resources

Acting Director Cheryl Roberts – Department of Medical Assistance Services

Commissioner Colin Greene – State Health Commissioner

Commissioner Danny Avula– Department of Social Services

Commissioner Scott White – Bureau of Insurance

Appointed / Voting Members:

Sabrina Corlette, Chair

Julie Green Bataille

Lee Biedrycki

Scott N. Castro

Elizabeth Cunningham

Doug Gray

Ikeita Cantu Hinojosa

Starla Kiser

Kenn Penn

SCC Liaison:

Holly Mortlock– Chief Government Relations Officer, VA-HBE

Agenda

Welcome, Call to Order

Roll Call

Exchange Director's Update

Subcommittee Reports

- Outreach & Education

Other Business

- Communications Strategies
- Committee Discussion

Public Comments

HBE Director's Update

Recent Milestones



Marketing Plan



New Staff Hires



**Blueprint
Submitted to CMS**



**2023 Navigator
Programs Grant
Award**

Looking Ahead to Plan Year 2023

- Rates for 2023 are projected to be approximately 17% lower than PY 2022.
- The Commonwealth Health Reinsurance Program is new for 2023.
- There are at least two carriers in every region of the Commonwealth.
- American Rescue Plan Act (ARPA) subsidies are extended to 2025.
- For Plan Year 2023 consumers will continue to enroll at [HealthCare.gov](https://www.healthcare.gov).

Marketing and Outreach: Open Enrollment PY 2023

- Educate consumers about the importance of coverage and options for obtaining coverage.
- Strategies:
 - Statewide digital and radio advertisements.
 - 32 navigators at 24 physical locations statewide.
 - Leverage navigators and community-based non-profits to engage hard to reach populations.
 - Utilize in-person events at libraries, community centers, schools, churches, and other community events.

State and Federal Policy Update

- **American Rescue Plan Subsidies- Extended to 2025**
- **Closing the Family Glitch Proposed Rule**
 - On June 27, the IRS held a public hearing pertaining to its proposed rule to fix the family glitch.
 - HBE continues to monitor for finalization.
 - For further detail: [Federal Register :: Affordability of Employer Coverage for Family Members of Employees](#)
- **Section 1557 Proposed Rule-Nondiscrimination in Health Programs and Activities**
 - On August 4th, the U.S. Department of Health & Human Services issued a [new proposed rule](#) to reapply and strengthen non-discrimination provisions of Section 1557.
 - Comments are due on or before October 3, 2022.
 - [For further detail: Fact Sheet: Nondiscrimination in Health Programs and Activities Proposed Rule Section 1557 of the Affordable Care Act | HHS.gov.](#)
- **Public Health Emergency**

Commonwealth Health Reinsurance Program

Brad Marsh, Bureau of Insurance

Commonwealth Health Reinsurance Program

Bradley Marsh, BOI Health Insurance Policy Advisor

Health Benefit Exchange Advisory Committee Meeting
September 15, 2022



Commonwealth of Virginia

STATE CORPORATION COMMISSION

Background

- Reinsurance is a mechanism for spreading the costs of expensive claims by pooling them together and paying for them through a separate financing system so that insurers do not have to price those costs into their standard premiums.
- SCC was directed by Va Code [§ 38.2-6606](#) to apply for a State Innovation Waiver under Section 1332 of the Affordable Care Act to permit and help fund the reinsurance program
 - Waiver application was submitted on December 30, 2021

Waiver Approval

- On May 18, 2022, federal reviewers issued a [letter](#) approving Virginia's State Innovation Waiver application to establish the Commonwealth Health Reinsurance Program (CHRP) for an initial period of up to five years, beginning in 2023.
 - Virginia joins [15 other states](#) that have received federal approval to use federal funds to establish state-based reinsurance programs
 - Federal “pass-through” funding is provided for federal savings from reduced premium tax credits due to lower health insurance premiums.
- [Special Terms and Conditions](#) accompanied this approval and lay out Virginia's responsibilities, including required reports and steps to amend or adjust the waiver terms.

How does Reinsurance Work?

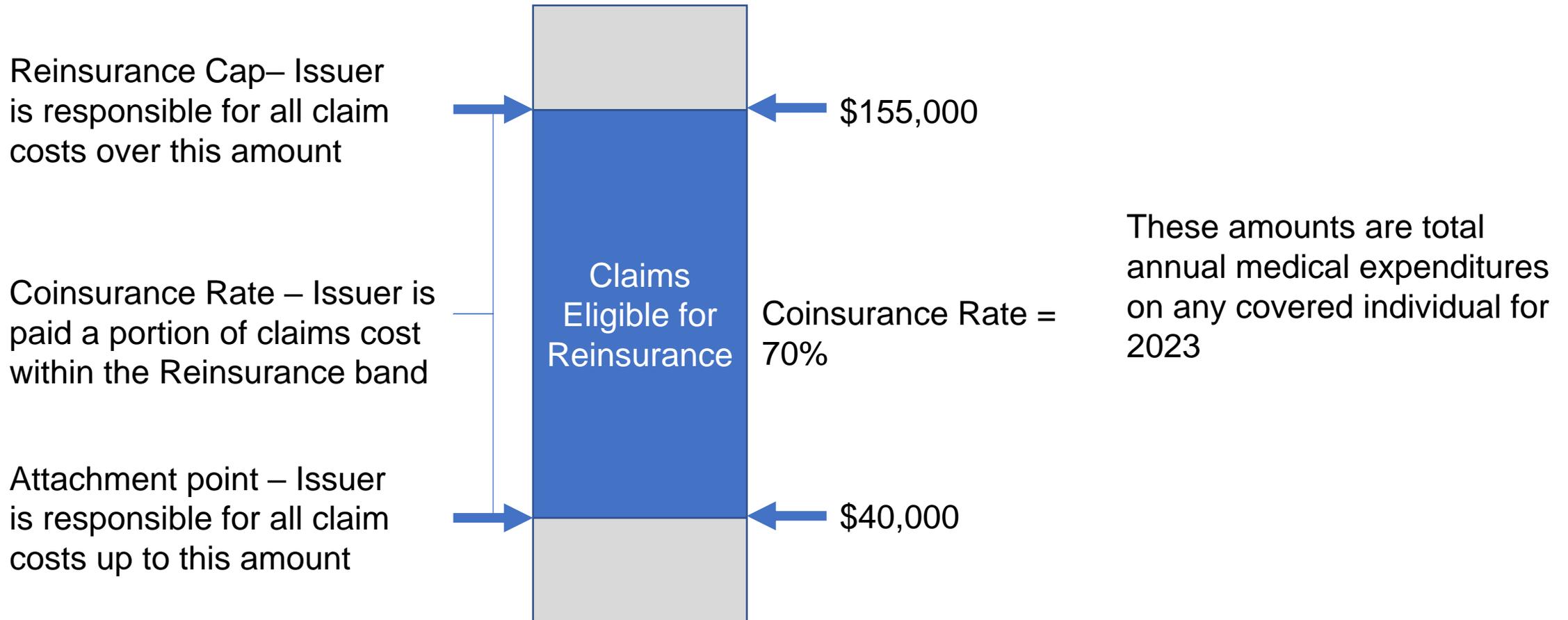
Reinsurance Cap– Issuer is responsible for all claim costs over this amount

Coinsurance Rate – Issuer is paid a portion of claims cost within the Reinsurance band

Attachment point – Issuer is responsible for all claim costs up to this amount



2023 Reinsurance Payment Parameters



Reinsurance Program Impact

- Subsidized individuals on the Exchange will see, on average, minimal difference in out of pocket because their premium tax credits (PTCs) will be reduced in line with the reduction in premium rates.
- Unsubsidized individuals who benefit from premium reduction are expected to move onto the Exchange (from off-exchange plans or being uninsured.)

Original Projected Reinsurance Program Funding

	2022	2023	2024	2025	2026	2027
Cost of Reinsurance Program (millions)	\$0.00	\$292.50	\$308.50	\$325.70	\$343.80	\$362.90
Federal Pass Through Funding (millions)	\$0.00	\$223.90	\$244.50	\$258.40	\$273.10	\$288.60
State Funding (millions)	\$0.00	\$68.60	\$64.00	\$67.30	\$70.70	\$74.30

- State share of the program costs will be paid from State General Funds.
- In the original model submitted in the waiver application, estimated state costs for 2023 ranged from \$60.8M-\$83.3M based on scenarios of how membership, premium price, and medical costs are impacted.
- However, passage of the Inflation Reduction Act (IRA) of 2022 provided funding to continue the enhanced healthcare marketplace subsidies that began under ARPA, which changes these projections.

Revised Reinsurance Program Funding

- The increased premium tax credits (PTCs) authorized under the IRA will increase the federal savings from Virginia's Reinsurance program, resulting in substantially more federal pass-through funds.
- This will lower the state share of program funding from \$68.6 million to less than \$20 million based on actuarial analysis.
 - The General Assembly included \$20 million for Reinsurance in the FY 2024 budget, which now represents full funding of the 2023 program.

Establishing the CHRP

- **Setting Parameters** – each year, BOI will need to set the parameters of the program for the upcoming year by May 1
- **Rate Review** – Carriers submit rates based on these parameters.
- **Carrier Reporting** – Carriers report quarterly on enrollees whose claims have pierced the attachment point
- **Funding** – Once state funds are provided, federal share of program funding will be released in the Spring. All funds to be deposited in non-reverting special fund to be spent on implementation costs and paying carrier claims.

Establishing the CHRP (cont.)

- **Carrier Reinsurance Claim Filing** – Carriers must request payments in accordance with requirements established by SCC. They must provide access to their federal claims data submissions and attest their compliance with federal data rules regarding these submissions.
 - Deadline of April 30 of the following year to file claim
- **Claim Assessment and Payment Calculation** – BOI will evaluate whether claims qualify for reimbursement and assess whether carrier claims are consistent with federal claims data.
 - Carriers notified of reinsurance payments by September 30 of the following year
- **Disbursement of Funding** – Once carrier claims have been assessed and calculated, payments will need to be disbursed from the CHRP Special Fund.
 - Deadline of November 15 of the following year to pay claims

Reinsurance Impact on Premiums

- Carriers originally submitted rates that did not take reinsurance into account as the reinsurance program did not go into effect until July 17, 2022.
 - Prior to adjustment for reinsurance, carrier-submitted rates were, on average, 2.0% higher for 2023 over 2022.
- Carriers were asked to revise their rates taking reinsurance into account by July 17, 2022 and provide documentation to support.
- Lower expected claims cost for insurers under the Reinsurance program resulted in a 17.2% reduction in premiums from 2022 to 2023.
 - The weighted average premium PMPM prior to reinsurance is \$598.66; the weighted average premium PMPM after reinsurance is \$495.80
 - Rate adjustments for reinsurance ranged from -10.3% to -33.5%

2023 Premium Drivers

- Individual Market (-17.2%)
 - Experience: 7.5%
 - Trend: 5.6%
 - Reinsurance: -19.5%

- Small Group Market(3.1%)
 - Trend: 6.9%
 - Morbidity: 3.9%
 - Experience: 1.9%

Questions?

Bradley Marsh

BOI Health Insurance Policy Advisor

bradley.marsh@scc.virginia.gov



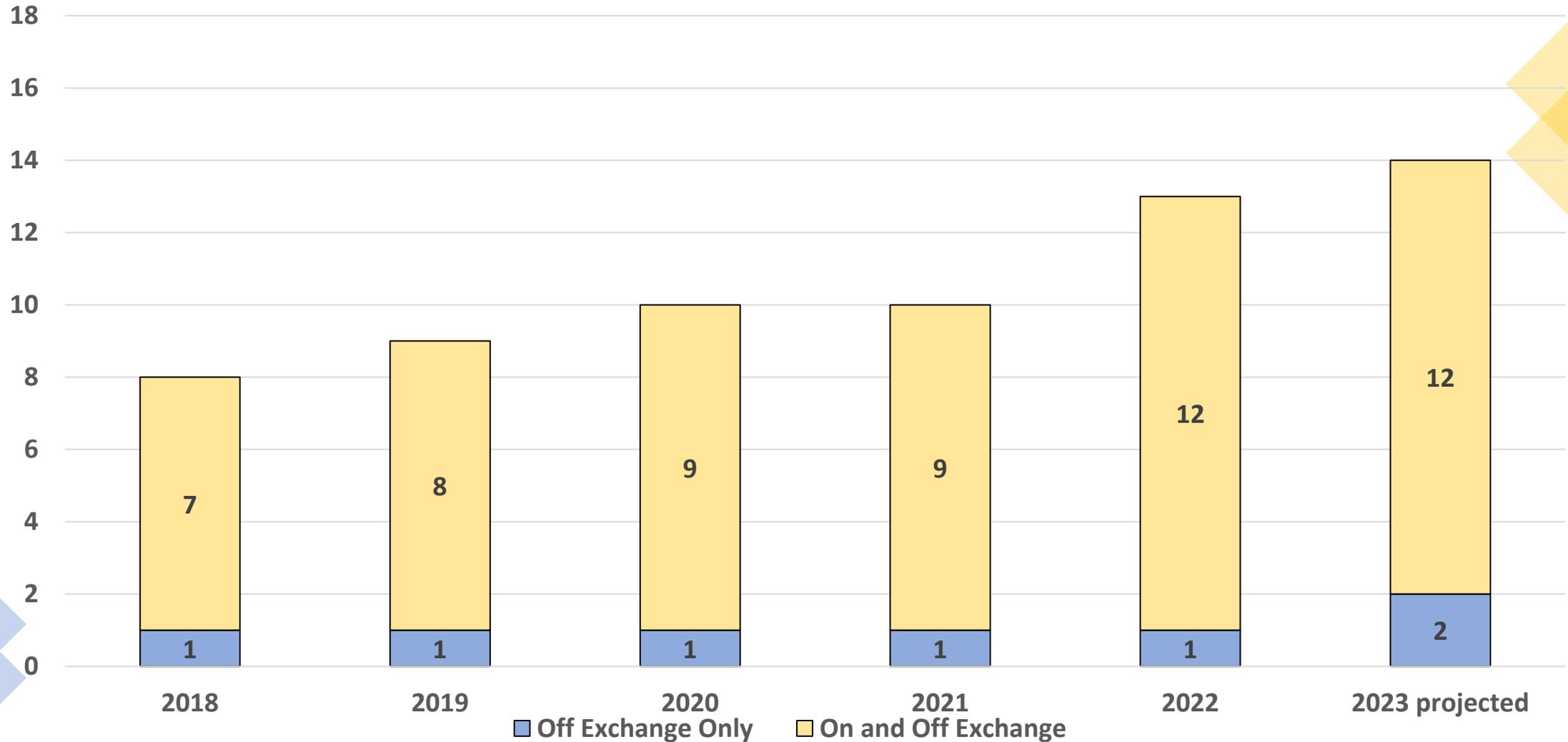
Commonwealth of Virginia

STATE CORPORATION COMMISSION

2023 Rates Summary

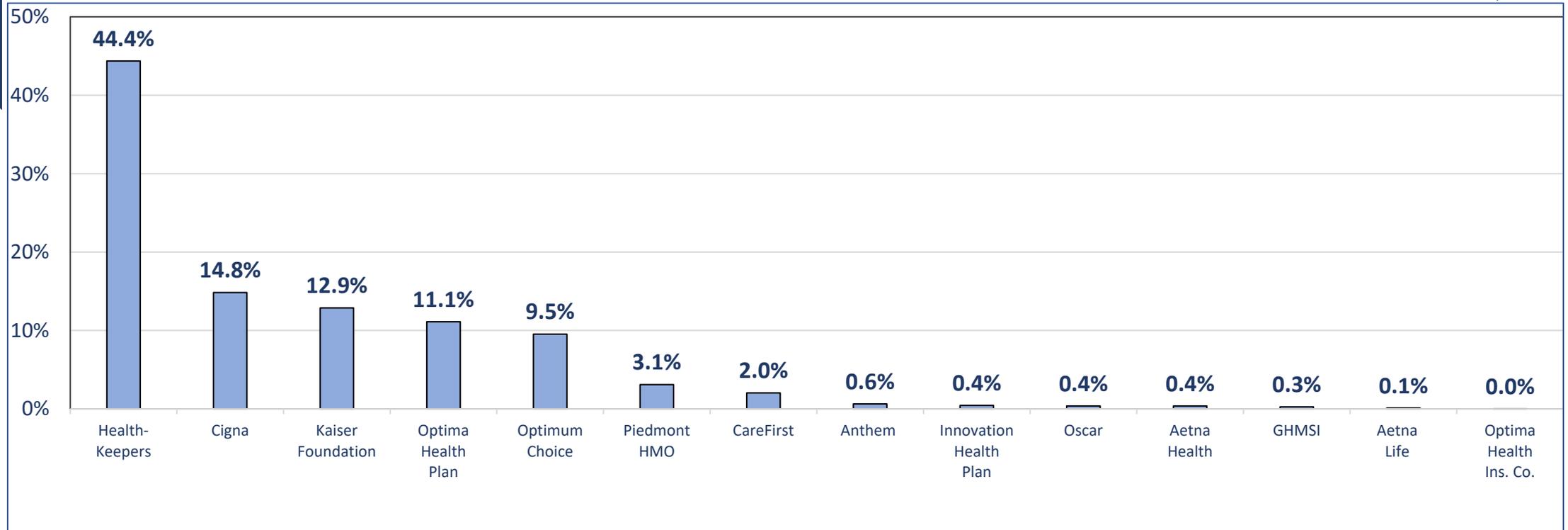
David Shea, Bureau of Insurance

Number of Carriers in Virginia in the Individual Market On and Off Exchange



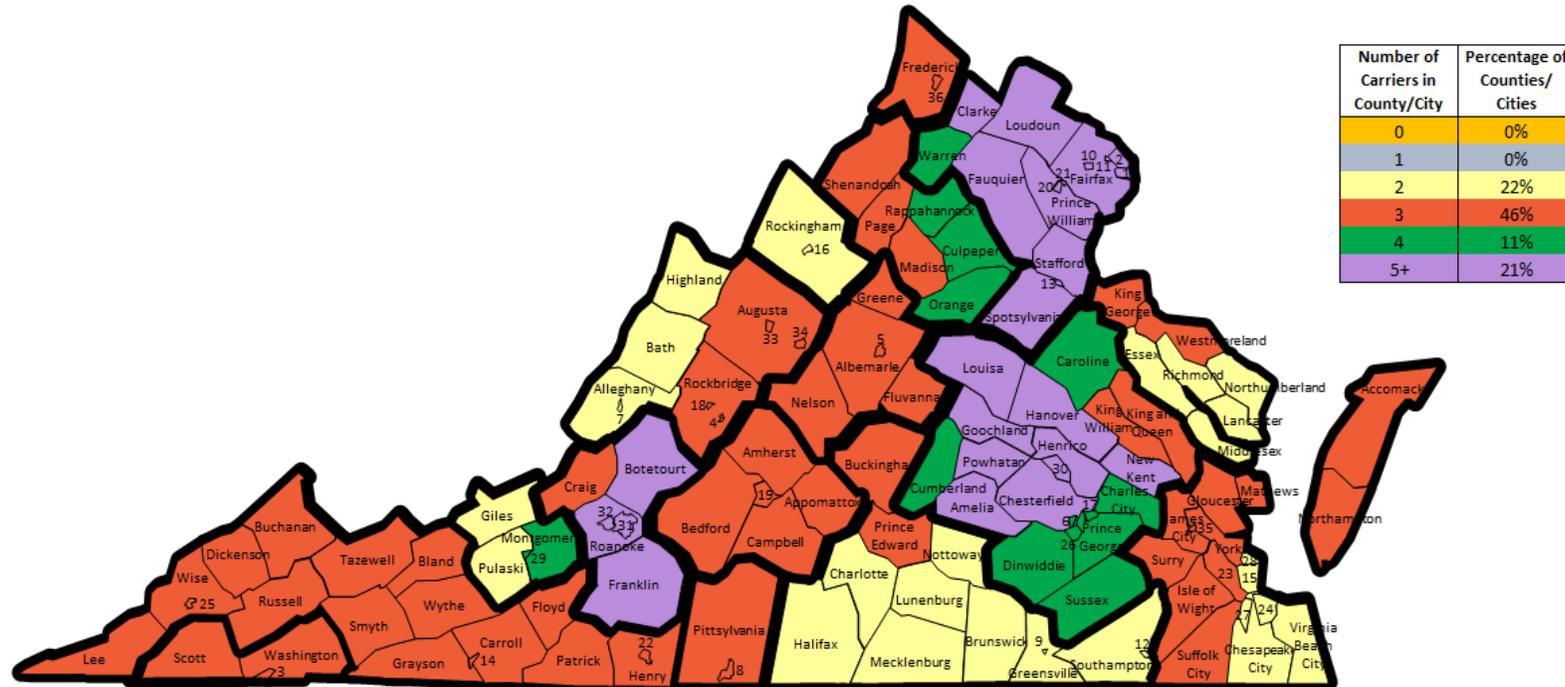
*2023 QHP applications received through SERFF

Virginia Individual Market Share – by 2023 Projected Covered Lives*



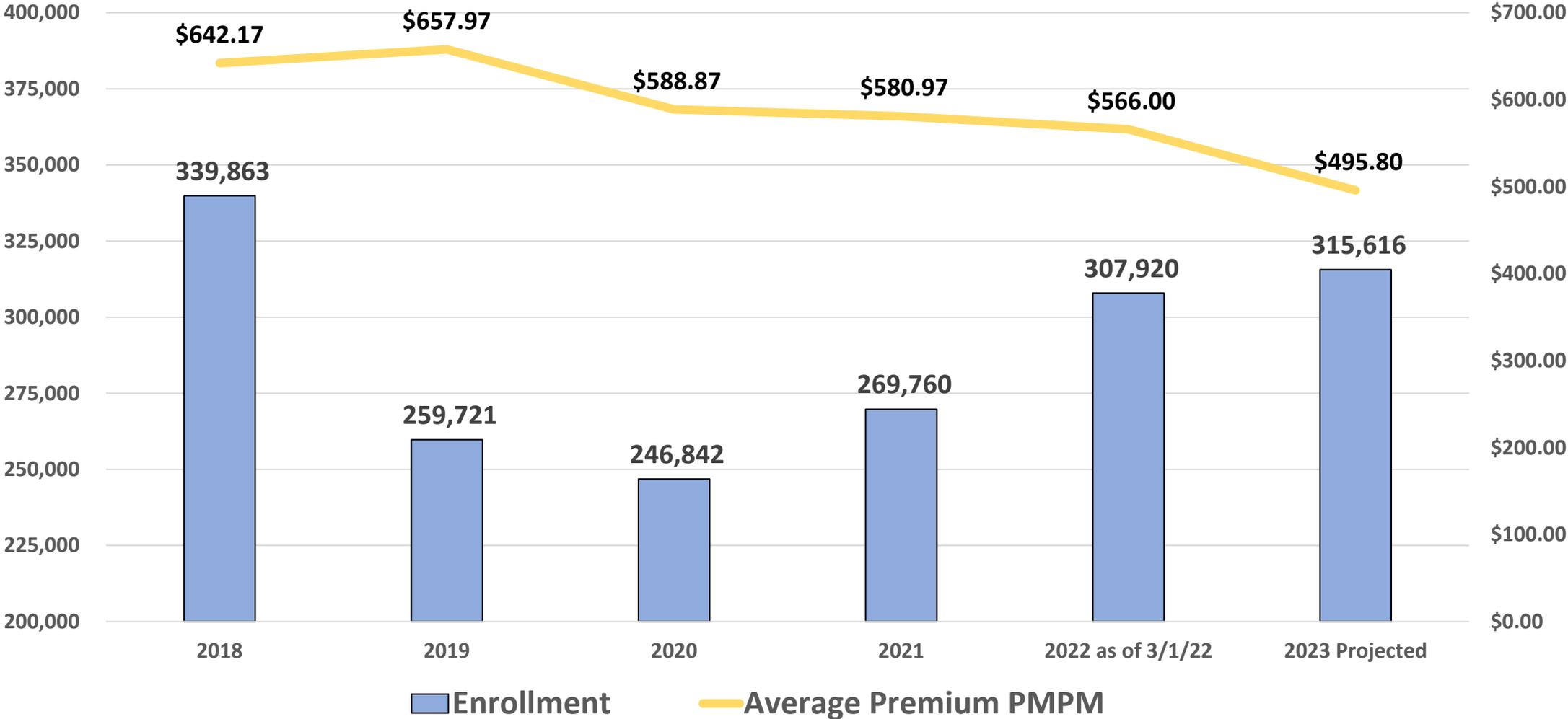
* Covered lives based on carrier projected member months submitted in the carrier Virginia Rate Filing Templates

2023 Individual On-Exchange Market Carrier Service Area Applications As of 08/01/2022



1) Alexandria City	5) Charlottesville City	9) Emporia City	13) Fredericksburg City	17) Hopewell City	21) Manassas Park City	25) Norton City	29) Radford City	33) Staunton City
2) Arlington	6) Colonial Heights City	10) Fairfax City	14) Galax City	18) Lexington City	22) Martinsville City	26) Petersburg City	30) Richmond City	34) Waynesboro City
3) Bristol City	7) Covington City	11) Falls Church City	15) Hampton City	19) Lynchburg City	23) Newport News City	27) Portsmouth City	31) Roanoke City	35) Williamsburg City
4) Buena Vista City	8) Danville City	12) Franklin City	16) Harrisonburg City	20) Manassas City	24) Norfolk City	28) Poquoson City	32) Salem City	36) Winchester City

Virginia Individual ACA Total Enrollment and Average Premium PMPM 2018 – 2023



Source: 2021 and prior - premium and enrollment from experience period data submitted in carrier ACA filings. 2019 and 2020 exclude data from Virginia Premier with approximately 5000 members. 2022 and 2023 - projected PMPM premium and enrollment from carrier ACA filings, actual 3/1/2022 enrollment for 2022. 2022 data excludes Bright Health.

Premium Subsidies through the Virginia Health Benefit Exchange

Enrollment Status	Number of Consumers with a Marketplace Plan Selection	Average Premium	Consumers with a Premium \leq\$10 after APTC	Consumers with APTC	Average APTC among Consumers Receiving APTC	Average Premium after APTC among Consumers Receiving APTC
Active Re-enrollees	166,232	\$ 596	28%	92%	\$ 521	\$ 83
Auto Re-enrollees	75,974	\$ 575	30%	82%	\$ 519	\$ 67
New Consumers	65,740	\$ 532	28%	89%	\$ 453	\$ 91

Source: CMS 2022 Marketplace Open Enrollment Public Use Files, November 1, 2021 – January 15, 2022



Key Takeaways

- **Individual market continues to show signs of a healthy market**
 - Increased carrier participation/competition
 - At least two carriers in all areas of Virginia
 - Lowest average rate PMPM since 2017 (Reinsurance)
 - ARPA subsidies – increasing enrollment
 - PHE/Medicaid unwinding – not a factor yet
- **Small group market may be facing some challenges**
- **Reinsurance Program new for 2023**
 - Reduces unsubsidized premium
 - Increases unsubsidized enrollment



2023 Premium Drivers

Top 3 Premium Drivers

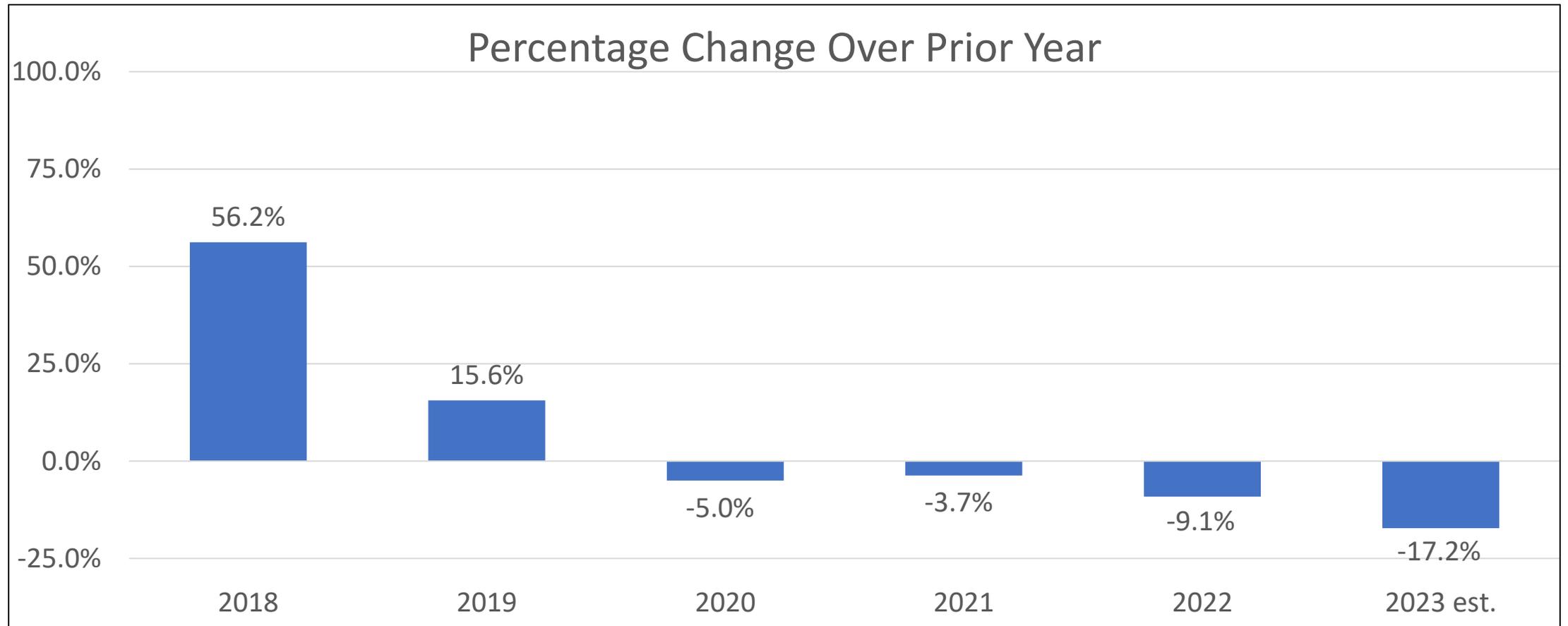
INDIVIDUAL (-17.2%)

- Experience: 7.5%
- Trend: 5.6%
- Reinsurance: -19.5%

SMALL GROUP (3.1%)

- Trend: 6.9%
 - Morbidity: 3.9%
 - Experience: 1.9%
- 

Virginia Individual Average Rate Change



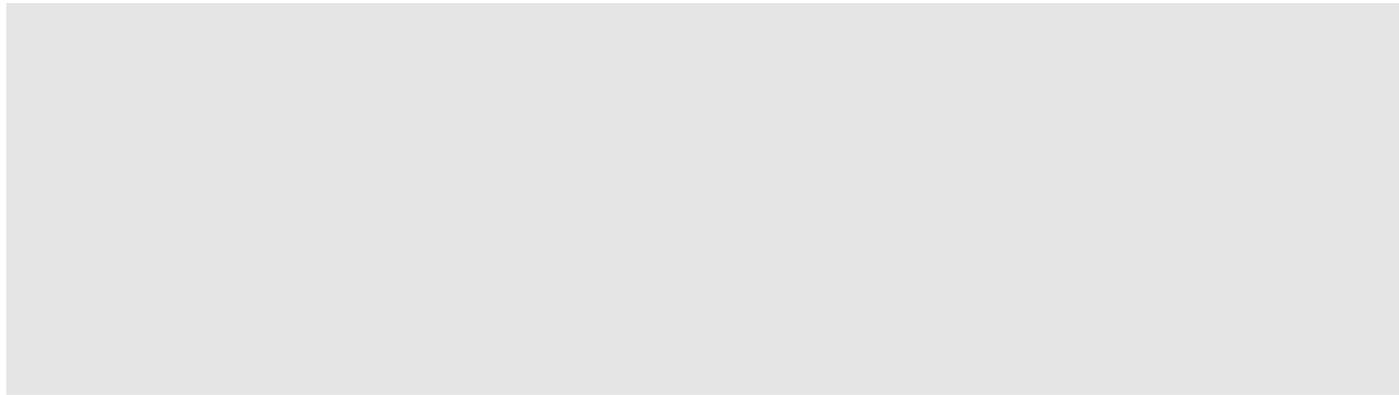
Source: Average change in approved Calibrated Plan Adjusted Index Rates, annual carrier ACA rate filings



Key Takeaways

- **2023 rate changes are consistent with historical ones for both individual and small group, even prior to reinsurance**
- **Pricing trends are within historical ranges as well**
- **With year over year average rate decreases, increasing membership and competition, the individual market is thriving**

Subcommittee Reports

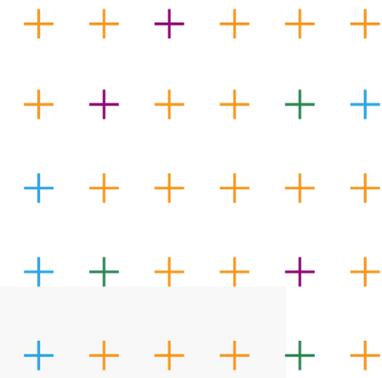


Other Business

Topics for Committee Discussion
Communications Strategies

Messages and Best Practices to Drive Enrollment

Julie Bataille, GMMB



Messaging Best Practices to Drive Enrollment

Virginia Health Benefit Exchange Advisory Committee

September 15, 2022

Julie Bataille
Senior Vice President & Managing Director, GMMB



Agenda

- + Barriers to Coverage
- + Marketplace Awareness
- + Messaging to Drive Enrollment
- + Messaging for Special Enrollment and Public Health Emergency unwinding

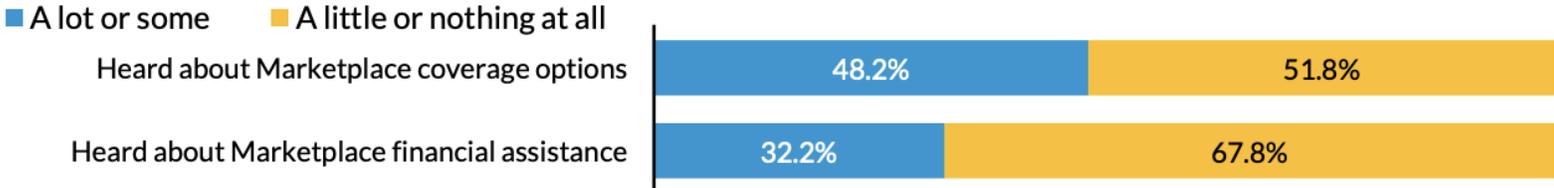
Barriers to Coverage

- + Cost
- + Confusion and lack of awareness about programs and eligibility
- + Complexity of process and need for assistance

Marketplace Awareness

- + Many individuals lack basic knowledge of coverage options available to them and timelines for enrollment.
- + Those who have lost employer sponsored coverage due to COVID-19 may not be aware of other coverage options, including the Marketplace.
 - Less familiarity of Marketplace among uninsured
 - Low awareness of financial help

Awareness of Marketplace Health Plans and Financial Assistance among Uninsured Adults Ages 18 to 64, April 2021



URBAN INSTITUTE

Source: Haley, J.M. and Wengle, E. (2021) The Urban Institute. Uninsured Adults' Marketplace Knowledge Gaps Persisted in April 2021.

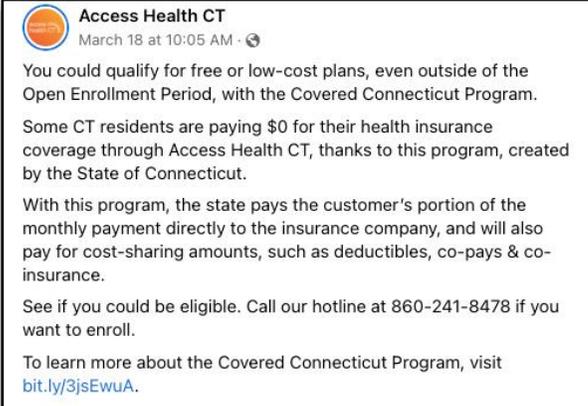
Messaging to Drive Enrollment

Tone and Key Themes

- + Consumers appreciate straightforward, matter of fact tone and information.
- + Messaging to overcome barriers to coverage and give people a reason to look is still most resonate. Key themes to emphasize to drive enrollment include:
 - Affordability
 - Choice
 - Consumer Assistance
 - Covered benefits and services
 - Deadlines
 - Protection from unexpected medical bills
 - Peace of mind/financial security
 - Plans and prices change each year

Affordability

- + Cost is primary barrier to enrollment. Emphasize low cost and availability of financial help.
 - Emphasize low cost and availability of financial help.
 - Premium is biggest deciding factor for shoppers, followed by doctor network, deductible and other out of pocket expenses.



Access Health CT
March 18 at 10:05 AM · 🌐

You could qualify for free or low-cost plans, even outside of the Open Enrollment Period, with the Covered Connecticut Program.

Some CT residents are paying \$0 for their health insurance coverage through Access Health CT, thanks to this program, created by the State of Connecticut.

With this program, the state pays the customer's portion of the monthly payment directly to the insurance company, and will also pay for cost-sharing amounts, such as deductibles, co-pays & co-insurance.

See if you could be eligible. Call our hotline at 860-241-8478 if you want to enroll.

To learn more about the Covered Connecticut Program, visit bit.ly/3jsEwuA.



You may qualify for free or low-cost plans with the Covered Connecticut Program



access health CT



BeWellnm
December 22, 2021 · 🌐

Fun fact New Mexico. Affordable health care can cost less than a pack of gum... 🍬 Enroll today at beWellnm.com or call 1-833-862-3935.

WHAT DOES AFFORDABLE HEALTH CARE COST?

LESS THAN A PACK OF GUM.



enroll now! **be well nm** OPEN ENROLLMENT IS NOW OPEN!
ENROLL AT BEWELLM.COM

👍 4 11 Comments 1 Share



Get Covered NJ
March 11 at 9:34 AM · 🌐

New Jerseyans at certain income levels are eligible for a new Expanded Access Special Enrollment Period. Those eligible for the new SEP can access free to low-cost health coverage. Learn more at GetCovered.NJ.gov

#GetCoveredNJ #HealthInsurance

9 IN 10 PEOPLE QUALIFY FOR FINANCIAL HELP.



GetCovered.NJ.gov **Get Covered NJ**
New Jersey's Official Health Insurance Marketplace

👍 2 9 Shares

Choice

- + Remind consumers about the variety of options, and their ability to shop and compare plans in one place on the marketplace.
 - Having plans to pick and choose from is something consumers like – it puts them in control.
 - Longer time marketplace consumers savvier and better equipped to read the fine print and understand what is covered and not covered. Need to calibrate for new shoppers and those less familiar with QHP process.



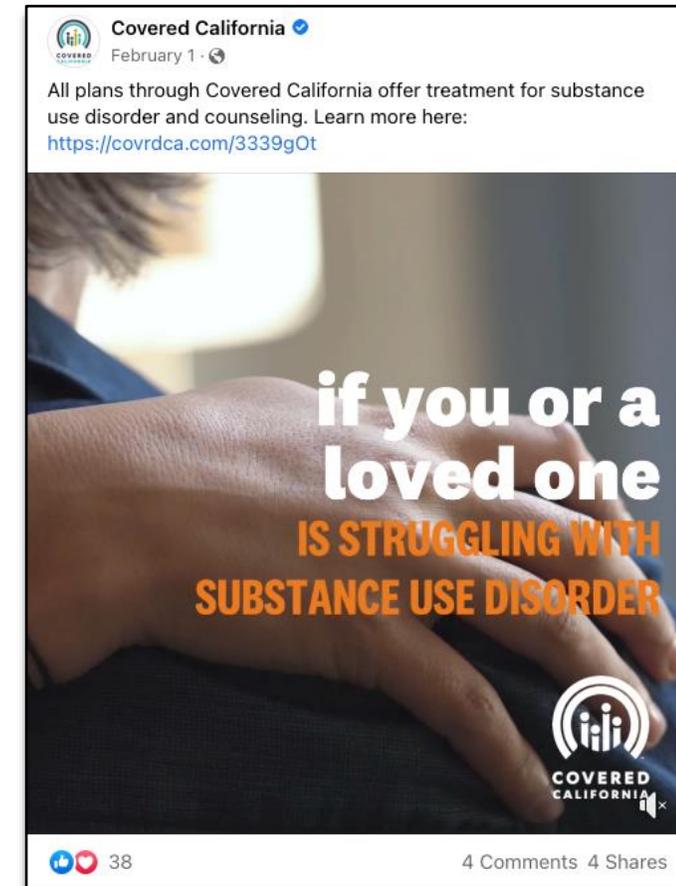
Consumer Assistance

- + Emphasize the customer service and kinds of assistance available to help consumers through the process.
 - Reinforcing options for where/when customer support is available (e.g. 24/7; in person, online chat, etc.)
 - Availability of help in languages other than English.



Covered Benefits and Services

- + Describe what marketplace plans cover to help consumers can see services applicable to them and reinforce value of coverage.
- + Call out doctor visits, prescriptions, hospital stays, preventive screenings and more.
- + Emphasizing coverage for mental health services and telehealth visits is particularly resonate now.



Deadlines

- + Consumers are more likely to act when they know a deadline is set/approaching.
- + Some consumers are not aware of the dates of open enrollment, and many are often not aware of special enrollment periods or who qualifies.

DC Health Link
November 23, 2021 · 🌐

Open Enrollment is here! Help protect yourself and your family by enrolling in quality, affordable health insurance coverage. The American Rescue Plan lowers monthly premiums for qualified residents for the entire 2022 plan year. Visit DCHealthLink.com.
#GetCoveredDC #StayCoveredDC

DC HEALTH LINK #GetCoveredDC #StayCoveredDC

NOW

Open Enrollment November 1 - January 31
DCHealthLink.com | (855) 532-5465/TTY

WE ARE GOVERNMENT OF THE DISTRICT OF COLUMBIA
DC MURIEL BOWSER, MAYOR

Pennie @PennieOfficial · 1/12/22

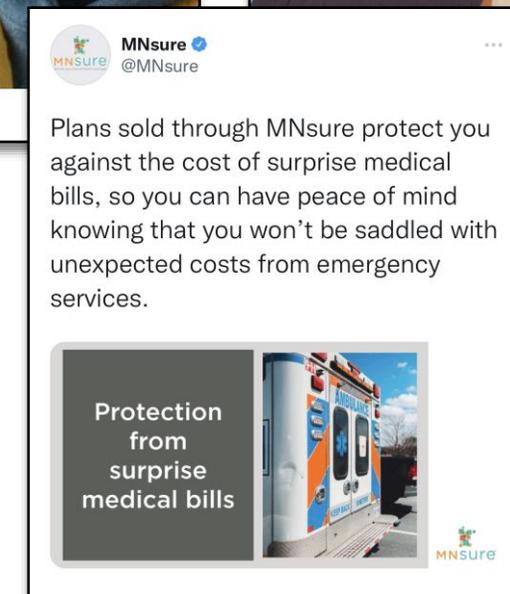
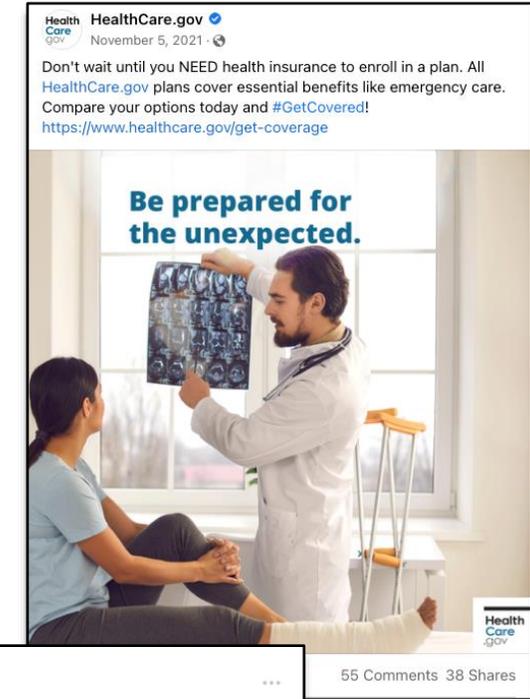
Avoid the last-minute race for coverage and visit pennie.com to get enrolled today! The **deadline** for 2022 coverage is Saturday January 15th so don't delay!

Get your 2022 coverage!
Pick your plan by January 15th
Enroll now at pennie.com

1 6 4

Peace of Mind and Financial Security

- + Touch on the “What if?” factor of out-of-pocket costs without insurance.
- + Illustrate how insurance protects against unexpected medical bills.



Plans and Prices Change Each Year

- + Give people a reason to look and shop each year.
- + Remind people what's new.

Connect for Health Colorado
November 24, 2021 · 🌐

- ✓ Lower Prices for 2022 plans
- ✓ More People Qualify
- ✓ More Plans Available

Connect for Health Colorado
Open Enrollment

Free Enrollment Assistance
ConnectAurora.org

303-923-6519

CONNECT FOR HEALTH COLORADO

The advertisement features a woman with red hair and glasses sitting at a desk with a laptop, smiling. The background is a blue and purple gradient.

HealthCare.gov
December 1, 2021 · 🌐

Thanks to the [#AmericanRescuePlan](#), there's increased financial assistance available to consumers. It is estimated that 210,000 [#LGBTQ+](#) Marketplace enrollees now have access to a \$0 premium plan. Enroll today and [#GetCovered](#):
[#https://www.healthcare.gov/get-coverage](https://www.healthcare.gov/get-coverage) [#MarketplaceOE](#)

- ✓ **New law.**
- ✓ **Lower prices.**
- ✓ **More people qualify.**

40 5 Shares

HealthCare.gov

The social media post includes a photograph of a woman and a young child looking at a laptop screen together. The woman is wearing glasses and a denim shirt, and the child is wearing a green shirt. The background is a soft, indoor setting.

Audience Centric Information

- + Target consumer populations, when possible, to increase message resonance with specific groups that may be eligible to enroll outside of OEP windows.
- + SEPs for life changes; unemployment status; loss of other coverage.

Nevada Health Link
@NVHealthLink

Did you know the [#SpecialEnrollment](#) Period assists [#Nevadans](#) with obtaining [#HealthInsurance](#) coverage outside of the [#OpenEnrollment](#) Period? Find out if you qualify: nevadahealthlink.com/sep/. [#GetCovered](#)

If you're experiencing a **Qualifying Life Event**, you may be eligible for coverage during the **SPECIAL ENROLLMENT PERIOD**

Washington Healthplanfinder
March 18 at 5:01 PM · 🌐

How exciting! You're retiring early! But do you have a health plan? Early retirement can qualify you for special enrollment. This means you can sign up outside of open enrollment. Find a plan that works for when you don't at www.wahealthplanfinder.org [#StayCoveredWA](#)

Retiring early? We got you covered

Learn more at [wahealthplanfinder.org](https://www.wahealthplanfinder.org)

Washington Healthplanfinder
WA's online marketplace

Covered California
February 16 · 🌐

9 out of 10 Covered California members got financial help for health insurance. If you've recently had a major life event, you may be able to enroll today. <https://www.coveredca.com/get-started/>

life changes.

GET COVERED WHEN IT DOES.

This way to health insurance >

COVERED CALIFORNIA

11 1 Share

Messaging for the End of the PHE

- + Focus on those no longer eligible for Medicaid and provide information about Marketplace coverage options and financial help.
- + Coordinate with Medicaid agencies and recognize the need for updated contact information.

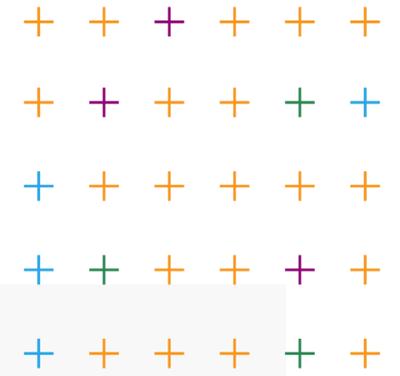
The screenshot shows a tweet from WA Healthplanfinder (@WAplanfinder) with the text: "Let us know what's new with you! If you've recently moved, update your contact info in your Washington Healthplanfinder account. This makes sure you get the latest info on your coverage and other news. Keep us in the loop at wahealthplanfinder.org and #StayCoveredWA." Below the tweet is a graphic with the Washington Healthplanfinder logo, the text "LIFE IS A ROLLERCOASTER", "Keep us in the loop", and "Update your info at wahealthplanfinder.org". The graphic features a background image of two women laughing on a roller coaster.

The screenshot shows a tweet from MD Health Connection (@MarylandConnect) with the text: "Does anyone in your family get their health insurance through Medicaid or MCHP? Make sure your contact information is correct. We will be reaching out in the coming months. Visit MarylandHealthConnection.gov to check your contact info. #GetCoveredMD". Below the tweet is a graphic with the text "For Marylanders with Medicaid" and "Keep your information up to date. Keep your coverage." The graphic features a background image of a woman kissing a baby.

The screenshot shows a tweet from Cover Virginia (@coverva) with the text: "Quality coverage makes a difference in your life, and we want all eligible Virginians to get and keep their health care coverage. Make sure your contact information is current so that you get important updates from Virginia Medicaid. ow.ly/INo430snCK1". Below the tweet is a graphic with the text "COVER VIRGINIA" and a background image of a woman sitting at a desk with a laptop, looking at a document.

Questions?

Thank You.



Julie Bataille
Julie.Bataille@gmmb.com



Survey Results

Reingold

Virginia Health Benefit Exchange

Advisory Committee Meeting

Campaign Audience Survey Findings

September 15, 2022

Agenda

- Survey Background
- Respondent Demographics
- Key Takeaways
- Audience Segmentation

Survey Background

Overview

Reingold and our research partner conducted an online survey of **833 Virginians** who are eligible to use the forthcoming Virginia health benefit exchange.

The sample included **117 respondents** who primarily speak Spanish.

We screened respondents based on eligibility criteria for using the exchange, including age, household income, and insurance status.

Research Goals

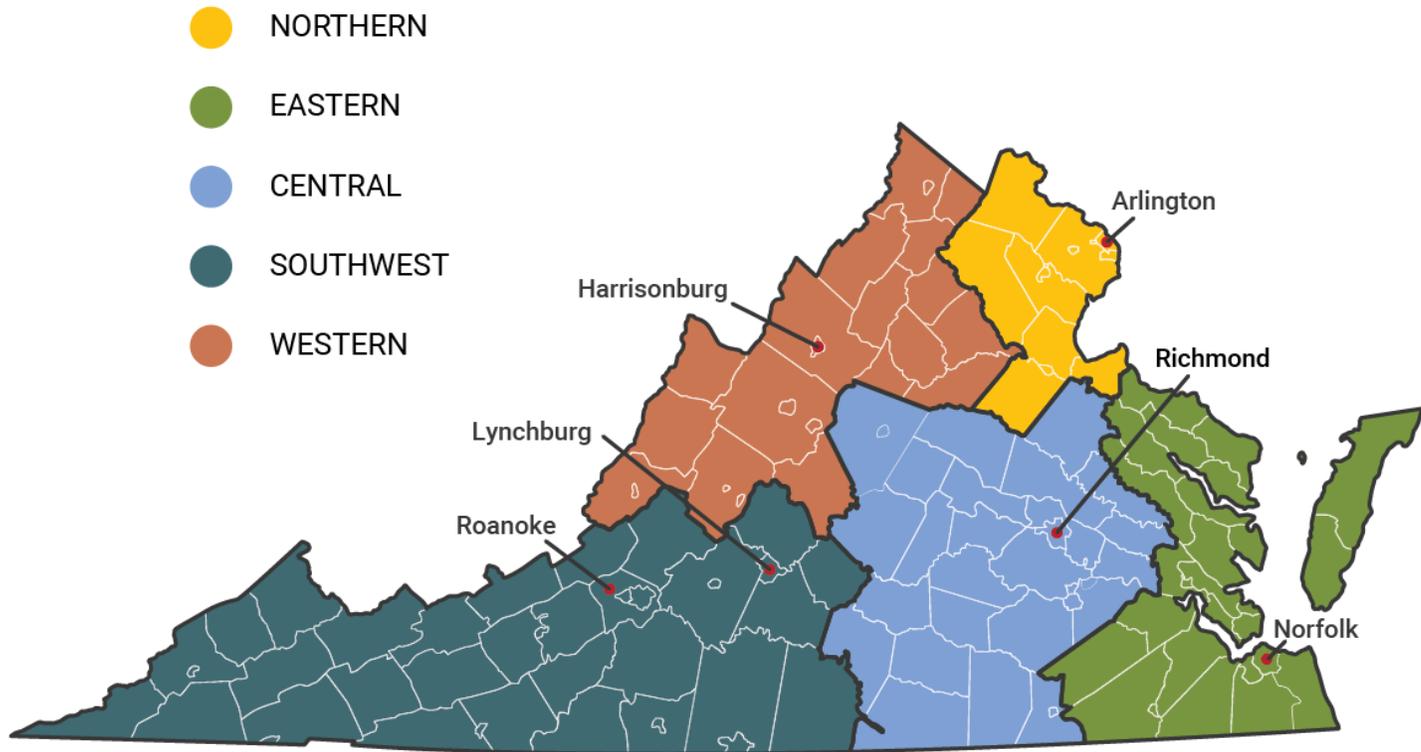
The survey aimed to understand campaign audiences' attitudes, motivations, and barriers related to purchasing health insurance. The data we collected will inform communications about the exchange.

We sought to answer the following questions:

- What motivates audiences to buy health insurance?
- What factors do audiences prioritize when buying health insurance?
- What prevents audiences from buying health insurance, and what might persuade them to purchase it?
- What are the most effective ways to tell consumers about Virginia's exchange?

Respondent Demographics

Regional Representation



Virginia Regions

Central: 25%
 Eastern: 24%
 Northern: 24%
 Southwest: 17%
 Western: 11%



Respondent Demographics

Audience Segments

Diverse Low-Coverage: 38%
Cosmopolitan: 28%
Rural Low-Coverage: 21%
Spanish-Speaking Enclaves: 8%
Affluent Suburban: 5%

Geography

Rural: 29%
Urban: 27%
Suburban: 41%

Race

White: 52%
Black: 21%
Hispanic: 18%
Asian: 7%
Other: 2%

Gender

Male: 45%
Female: 54%

Health Care Payment

Mostly out of pocket: 52%
Covered in other ways: 48%

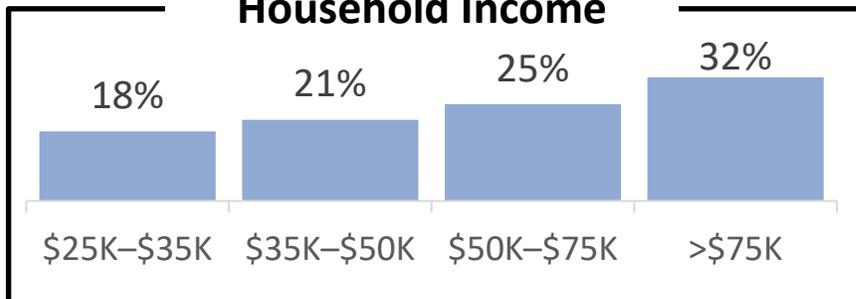
Education

Less than high school grad: 3%
High school grad: 25%
Some college: 33%
College grad: 25%
Post-grad: 8%

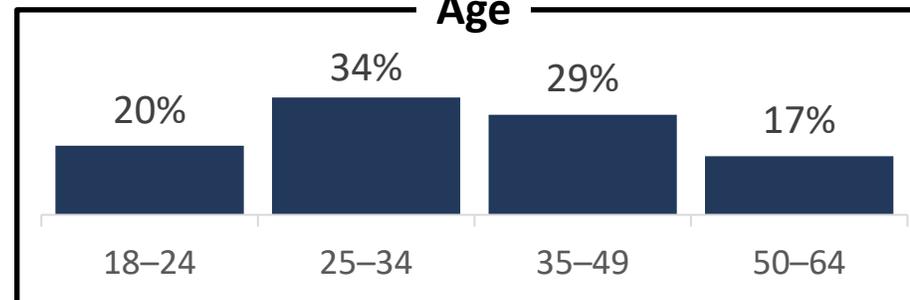
Job Stability

Same company for 1+ years: 69%
2+ companies in past year: 28%

Household Income



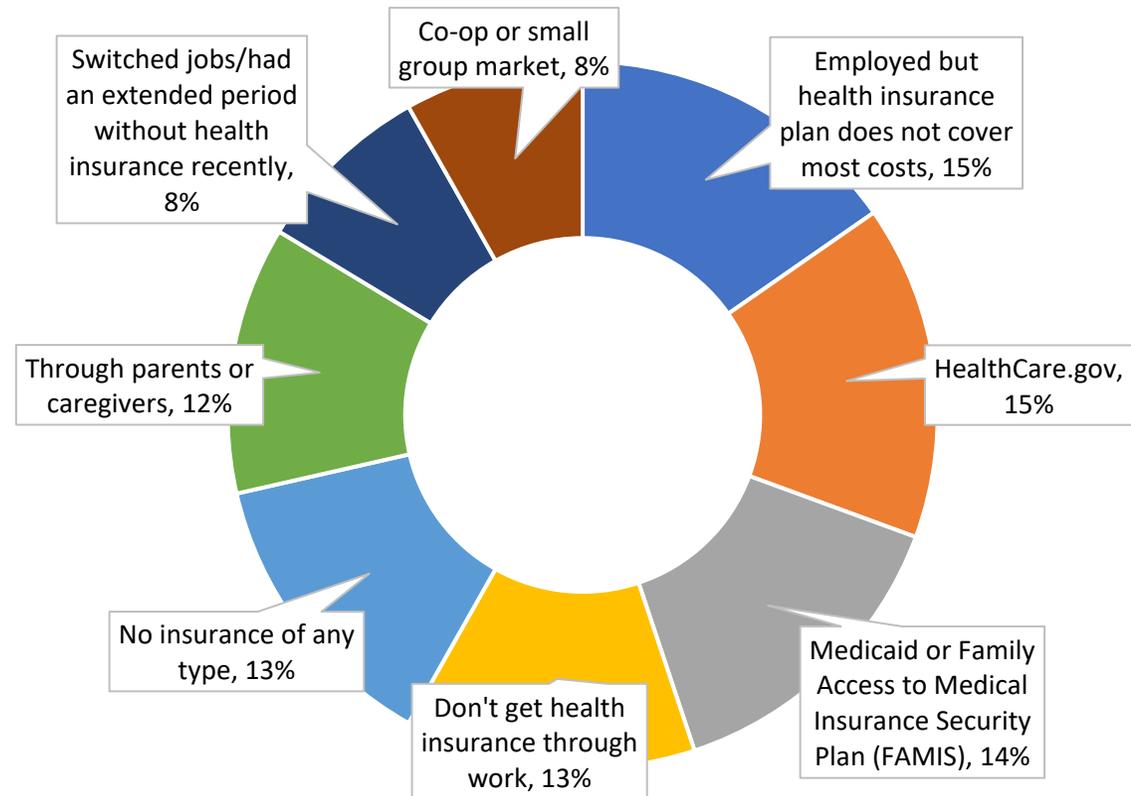
Age



Respondent Health Insurance Status

Respondents have a range of health insurance and employment experiences:

- 26% are uninsured
- 15% are insured via HealthCare.gov
- Many others are under-insured or in insecure insurance situations



Key Takeaways

Attitudes

- **Value placed on health insurance.** The vast majority of respondents (93%) believe it is important to have health insurance.
 - Respondents ages 18–24 and respondents in the Rural Low-Coverage audience segment have the lowest percentages of “very important” responses — 62% and 63%, respectively.
- **Willingness to use the exchange.** Most respondents (73%) say they would be willing to use Virginia’s exchange to purchase health insurance.
 - Respondents ages 18–24 and respondents with household incomes below \$35,000 have the lowest percentages of “very likely” responses — 13% and 17%, respectively.

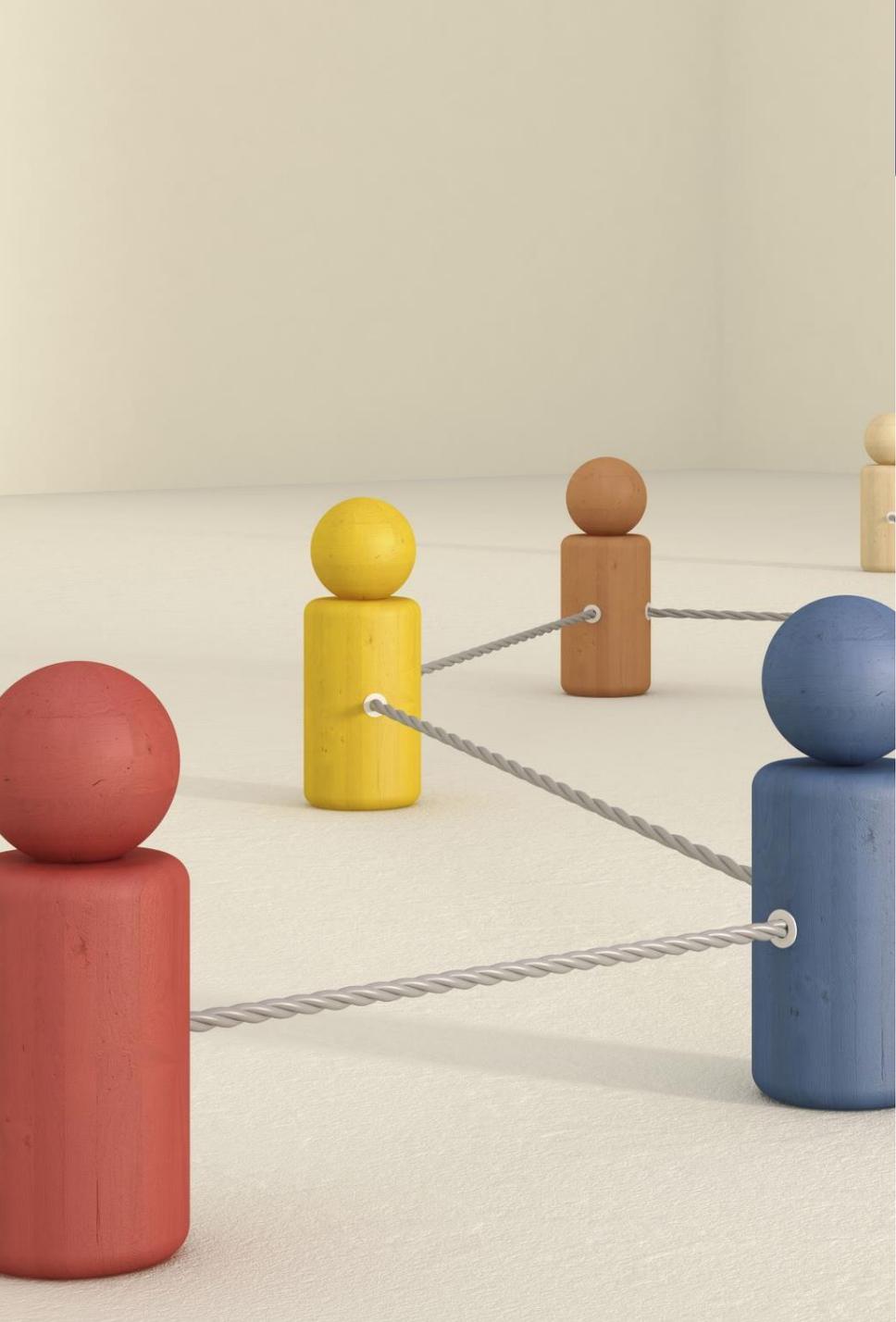
Barriers

- **Cost.** 50% of all respondents cite cost as the most significant barrier in the decision to buy health insurance.
 - Older respondents, respondents with lower incomes, and unemployed respondents are most sensitive to costs.
- **Job uncertainty.** 17% of respondents cite job uncertainty as a barrier — the next highest after cost.
- **Complexity.** 16% of respondents cite the complexity of navigating the insurance process as a barrier.

Motivators

- **Lower cost.** 41% of respondents say that lower cost would motivate them most to purchase health insurance. 19% would be motivated by financial assistance.
- **Affordability, quality, and reliability.** 73% of respondents say affordability is one of the most important features they look for in insurance coverage. 50% of respondents say quality is an important feature, and 49% say reliability is.
- **Doctor visits, hospitalization, and prescriptions.** 50% of respondents say doctor visits are among the most important services for health coverage. 37% say hospitalization, and 37% say prescriptions.
 - These services were rated even more important by individuals ages 50–64 and those with household incomes below \$35,000.

Audience Segmentation



Segmentation Overview

Given the state's diversity and exchange eligibility, not all Virginians should receive the same message or extent of communications.

We will tailor communications to appeal to **distinct audience segments**. These segments will:

- Help us **shape the messaging, creative, and volume of advertising** each audience receives.
- Provide a framework for **understanding campaign audiences** based on their underlying characteristics.
- **Establish priorities** for which audiences need greater amounts of outreach.
- Enable the SCC to **plan an efficient campaign** that sends the right messages to the right people in the right places.

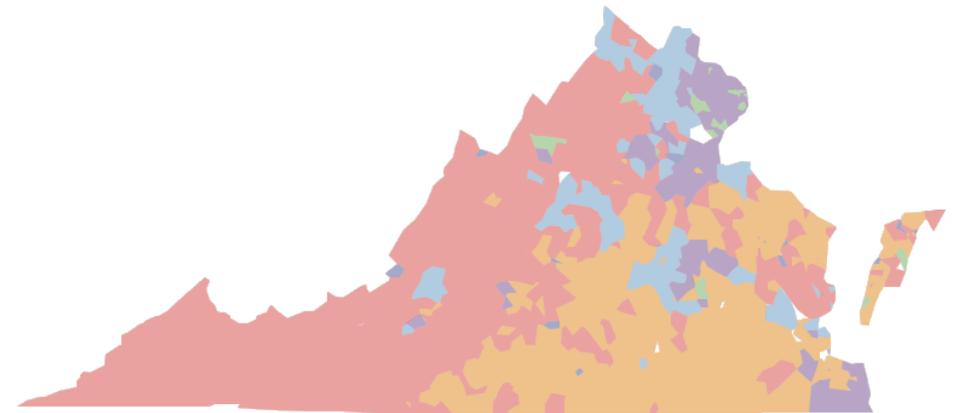
Segmentation Methodology

Using U.S. Census Bureau data, Reingold developed audience segments by grouping ZIP codes whose populations share demographic characteristics including:

- Insurance status
- Racial/ethnic composition
- Income and education levels
- Language spoken at home
- Internet connectivity

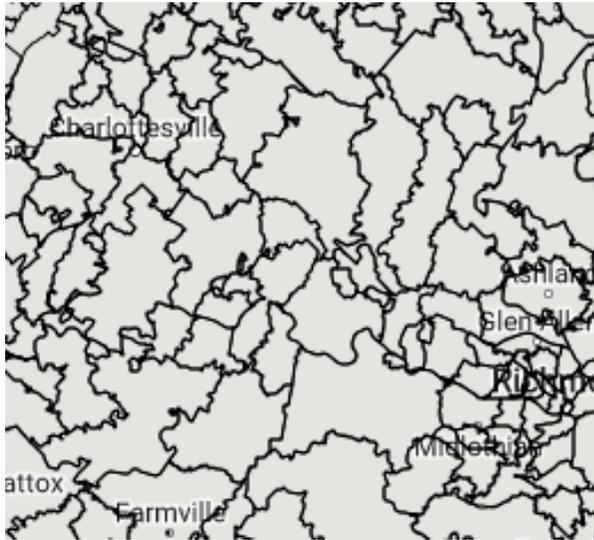
We supplemented this geographic segmentation with the survey of Virginians' attitudes, barriers, and motivators related to purchasing insurance.

Note: Survey respondents were screened for their eligibility to use the exchange, so responses may not be representative of the segment population as a whole.



Geographic Audience Segmentation

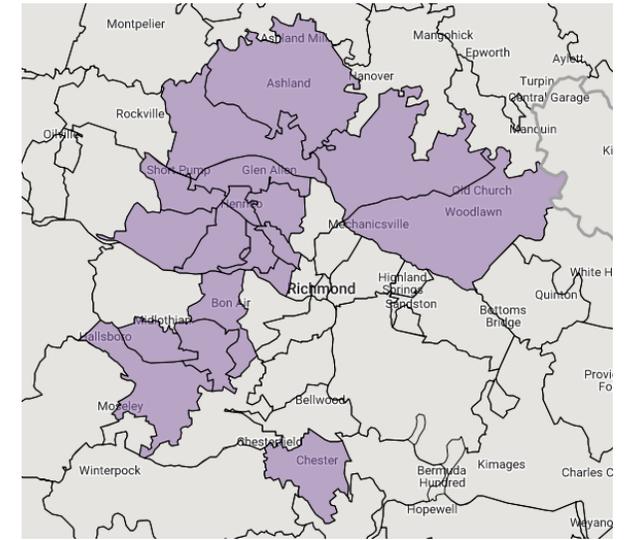
ZIP Code Aggregation



Virginia comprises nearly 900 ZIP codes.



Populations within ZIP codes have unique demographic characteristics by insurance status, racial/ethnicity, income level, and other factors, as well as psychographic characteristics including attitudes toward insurance.



Segmentation sorts ZIP codes into groups based on common characteristics.

Audience Segments



Segment 1: Diverse Low-Coverage
Population size (ages 18-64): 1,253,653
No insurance: 14.6%
Public coverage: 17.2%
Race/ethnicity: Largest percentage Black
Geography: Urban and rural



Segment 2: Cosmopolitan
Population size (ages 18-64): 1,996,507
No insurance: 8.1%
Public coverage: 6.9%
Race/ethnicity: Greatest ethnic diversity
Geography: Urban



Segment 3: Rural Low-Coverage
Population size (ages 18-64): 976,867
No insurance: 14.7%
Public coverage: 18.3%
Race/ethnicity: Predominantly white
Geography: Rural



Segment 4: Spanish-Speaking Enclaves
Population size (ages 18-64): 429,283
No insurance: 20.9%
Public coverage: 10.3%
Race/ethnicity: Largest percentage Hispanic
Geography: Urban



Segment 5: Affluent Suburban
Population size (ages 18-64): 346,520
No insurance: 7.9%
Public coverage: 7.4%
Race/ethnicity: Predominantly white
Geography: Suburban

Note: Insurance status is for the civilian noninstitutionalized population ages 19–64 (throughout).



Attitudes

Identify as “very healthy” 37%

Find health insurance “very important” 72%

“Very likely” to purchase from Virginia’s exchange 36%

Segment 1: Diverse Low-Coverage

- **Top Issues**

- Cost (43%)
- Complexity (19%)

- **Motivating Factors**

- Concern about health problems (51%)
- Reduce out-of-pocket expenses (48%)

- **Most Valued Services**

- Doctor visits (47%)
- Prescriptions (37%)
- Dental (37%)

- **Differentiators**

- Strongest belief they are “very healthy” (37%)
- Greatest willingness to use Virginia’s exchange (36%)
- Highest rate of identifying insurance complexity as a barrier (19%)
- Greatest interest in financial assistance (21%)
- Greatest value placed on dental coverage (37%)
- Highest rate of learning about health insurance through TV ads (26%)



Attitudes

Identify as “very healthy”	30%
Find health insurance “very important”	72%
“Very likely” to purchase from Virginia’s exchange	30%

Segment 2: Cosmopolitan

- **Top Issues**
 - Cost (52%)
 - Complexity (15%)
 - Lack of knowledge about marketplace (15%)
- **Motivating Factors**
 - Concern about health problems (50%)
 - Reduce out-of-pocket expenses (48%)
- **Most Valued Services**
 - Doctor visits (52%)
 - Hospitalization (36%)
 - Prescriptions (36%)
- **Differentiators**
 - Highest rate of wanting insurance to protect spouse or family (38%)
 - Highest rate of not knowing where to find insurance options (15%)



Segment 3: Rural Low-Coverage

- **Top Issues**

- Cost (56%)
- Unemployment (15%)

- **Motivating Factors**

- Reduce out-of-pocket expenses (55%)
- Concern about health problems (50%)

- **Most Valued Services**

- Doctor visits (52%)
- Prescriptions (44%)
- Hospitalization (42%)

- **Differentiators**

- Least likely to believe they are “very healthy” (13%)
- Lowest frequency of visiting a health care provider (15% “almost never”)
- Highest rate of covering costs out-of-pocket (65%)
- Highest rate of not receiving insurance through work (18%)
- Lowest belief that having health insurance is “very important” (63%)
- Lowest rate of learning about health insurance online (43%)
- Greatest trust in state government as a source of information (33%), though low trust in federal government (

Attitudes

Identify as “very healthy” 13%

Find health insurance “very important” 63%

“Very likely” to purchase from Virginia’s exchange 20%



Attitudes

Identify as “very healthy” 18%

Find health insurance “very important” 70%

“Very likely” to purchase from Virginia’s exchange 21%

Segment 4: Spanish-Speaking Enclaves

- **Top Issues**

- Cost (50%)
- Job uncertainty (31%)

- **Motivating Factors**

- Reduce out-of-pocket expenses (70%)
- Concern about health problems (53%)

- **Most Valued Services**

- Doctor visits (49%)
- Prescriptions (41%)
- Hospitalization (38%)

- **Differentiators**

- Highest rate of concern about health problems (53%)
- Greatest emphasis placed on reducing out-of-pocket expenses (70%)
- Greatest interest in quality of insurance coverage (58%)
- Greatest interest in seeing information about financial assistance on the marketplace (43%)
- Highest rate of learning about health insurance via word of mouth (41%)



Segment 5: Affluent Suburban

- **Top Issues**

- Cost (78%)

- **Motivating Factors**

- Reduce out-of-pocket expenses (56%)
- Concern about health problems (40%)

- **Most Valued Services**

- Doctor visits (58%)
- Prescriptions (40%)
- Emergency services (35%)

- **Differentiators**

- Greatest belief in value of insurance (80%)
- Greatest sensitivity to cost (78%)
- Most concerned about information privacy and security (85%)
- Greatest value placed on reliability of insurance (59%)
- Greatest value placed on doctor visits (58%)

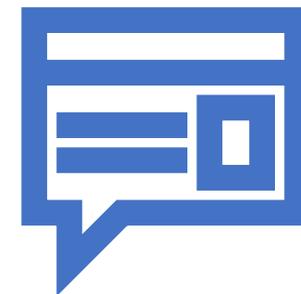
Attitudes

Identify as “very healthy”	29%
Find health insurance “very important”	80%
“Very likely” to purchase from Virginia’s exchange	20%

Other Business

- 4th Quarter Meeting: December 1, 2:00-4:00pm.
- In Person or Virtual?
- Vice Chair Election, December meeting

Public Comments



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