

Quantum Health Survey Findings

The real problem with healthcare.
New research shows how benefits complexity affects consumers.

HEALTHCARE COMPLEXITY IS NOTHING NEW

Decades of commentary and research show that, in one form or another, complexity appears to be an inherent and almost expected characteristic when accessing the U.S. healthcare system or using employer-sponsored health benefits. Fast-forward to 2021, and a new study from Quantum Health, *"How healthcare complexity affects consumer health and workplace productivity,"* reveals that healthcare complexity is not only real, but it has significant, negative effects on individuals, as well as the employers who provide health benefits to their employees.

ABOUT THE SURVEY

Quantum Health retained SNG Research, an independent research firm, to survey individual consumers, employers, and U.S.-based benefits consultants and brokers. This survey is one of the first and most comprehensive efforts in the industry to explore the impact of healthcare complexity on individuals and the employers who pay for and sponsor healthcare benefits. Researchers collected data during March and April 2021.

CONSUMERS:	EMPLOYERS:	CONSULTANTS:
1,001 participants	More than 250 employer organizations in 11 industry segments across the United States.	152 employer benefits consultants and brokers across the United States who represent employers in 11 different industry segments.
Individuals ages 18-64 who received health insurance through an employer.	Participants represented current Quantum Health clients, as well as companies that have no experience with Quantum Health.	Although participants were drawn from the Quantum Health database, this was a blinded survey.
Completed a 15-minute questionnaire. Participants currently receive health insurance coverage through a company that has 1,000 or more employees.	Completed a 14-minute questionnaire.	Completed a 12-minute questionnaire.

The majority of consumers face multiple challenges when using healthcare

One of the clearest takeaways from this new research is that no matter what else has changed over the years, consumers continue to struggle with healthcare complexity. In fact, the majority of individuals surveyed say they faced multiple challenges when using the healthcare system in the last two years.



79% of individuals who received healthcare in the past two years experienced **an average of three challenges when doing so**, including understanding coverage levels; making use of all available benefits; finding a provider; and understanding insurance claims or bills.

90% of respondents with **complex or ongoing clinical needs face additional challenges**, predominantly related to tasks like getting prior authorizations approved; understanding test results or diagnosis and treatment options; and developing a plan of care for more complex health issues.

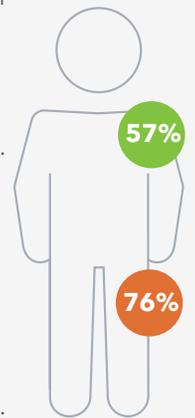
WHY IT MATTERS TO EMPLOYERS

A low understanding of healthcare and ancillary benefits can lead to low participation and engagement in employer-sponsored offerings, all of which are designed to keep employees healthy and productive, while creating a supportive work culture. To understand the connection between healthcare literacy and health status, simply consider the fact that states with higher rates of health literacy typically have lower rates of chronic conditions and lower overall healthcare costs.

Physical and mental well-being suffers due to complexity

The complexity of the healthcare system is more than just a source of frustration for individuals. It can also compromise their physical and mental health.

- Among the 79% of individuals who experienced challenges with healthcare, 57% suffered a negative impact.
 - 19% experienced a decline in mental wellbeing.
 - 17% experienced a decline in physical health.
 - 16% experienced interference with a prescribed treatment plan.
- Those impacts are even more pronounced among individuals with complex or chronic conditions.
- 76% of individuals with complex or chronic conditions said they had suffered a negative health impact.
 - 28% experienced a decline in mental wellbeing.
 - 37% experienced a decline in physical health.
 - 28% experienced interference with a prescribed treatment plan.



Research has shown one-third of individuals with long-term physical health problems also have mental health concerns. That means employer-sponsored benefits must support all aspects of employee health and wellbeing to create a workplace culture of health that enables employees to perform to their highest abilities.

Healthcare complexity drains workforce productivity

Dealing with administrative tasks related to healthcare cuts into employees' work time, which reduces productivity and adds to the stress that employees already feel about healthcare.

- The average amount of time spent completing healthcare-related tasks overall, whether at work or at home, was 46 minutes each time.
 - 60% of individuals said they had to use work time to manage healthcare-related tasks for themselves or a loved one.
 - 27 minutes was the average amount of time employees spent dealing with healthcare tasks at work each time they had to do so.
- Taking time out of work to handle healthcare tasks creates even more stress and anxiety for employees. When individuals have to take time from work for healthcare:
- 59% feel stressed.
 - 47% say they worry this will create problems at work.

THE BIGGER PICTURE

While the current Quantum Health study did not analyze the cumulative impact of these outcomes for employees or employers, it's easy to see the broader effect on employers.



- Considering that 60% of consumers surveyed have had to deal with an average of 3 healthcare system challenges during work time in the past two years, averaging 27 minutes each time they do, the total time impact is 81 minutes per employee.
- For a company with 5,000 employees, the total potential impact is 243,000 minutes or 4,050 hours of employee work time spent dealing with healthcare challenges during work time.

Confidence in health benefits: the disconnect between employers and their employees

It may surprise many employers and human resources professionals to learn that their employees aren't as confident in their understanding of their benefits as employers think they are.



- **88% of employers** surveyed believe their employees are confident in understanding and using their health benefits.
- However, only **52%** – barely half – of individuals surveyed actually say they feel confident;
- **Only 45%** find it easy to use their health benefits; and
- **Only 35%** find it easy to navigate the healthcare system.
- In addition, **78%** of individuals surveyed do not see it getting any simpler to navigate healthcare and use their benefits.

THE CASE FOR HEALTHCARE NAVIGATION

Consumer healthcare navigation, which gives individuals an experienced guide throughout their healthcare journey, helps employees make sense of their healthcare needs and options no matter where they are on their journey, but it can be particularly helpful for those managing chronic and complex health issues. The survey findings illustrate why healthcare navigation is a solution to the problem of healthcare complexity.



39% of individuals overall and **56%** of those with chronic conditions agree that they need professional healthcare navigation services to make their healthcare experience less stressful, to increase their confidence in understanding and using their benefits, and to save time.



50% of people with chronic or complex conditions said navigation would improve communication with doctors or providers and improve clinical health outcomes.

Quantum Health navigation and care coordination

As the leader in consumer healthcare navigation and care coordination, Quantum Health's unique approach of integrated care coordination and early intervention in an employee member's healthcare journey reduces healthcare costs for employers through better utilization of benefits.

Quantum Health's healthcare navigation and care coordination has proven to be effective and sustainable at reducing claims costs for employers, and administrative burden for their benefits professionals while also improving the overall healthcare experience for their covered employee members.

This results in employee members and their eligible dependents getting the most effective and efficient care within their coverage limits. Quantum Health proactively engages employee members early in the healthcare process with Real-Time Intercept™, a proprietary model that uses comprehensive industry, member, and provider interaction data that leads to cost savings and improved outcomes for employers.

There are benefits for employers who provide navigation – and benefits to having that support come from employers rather than insurance companies.

BUILD TRUST. Only 54% of individuals surveyed feel employers have created a culture of health. HR benefits departments are described as “empathetic and caring” by 43% of individuals, and that drops to 37% for health insurance companies. Offering independent, employer-sponsored navigation services that specifically help employees maximize their health benefits demonstrates that employers are committed to employee health and wellbeing.

IMPROVE EMPLOYEE SATISFACTION. Individuals who receive healthcare navigation assistance through their employers are more likely to rate their workplace culture of health highly (71%) compared with those who receive no assistance (50%).

PROVIDE SUPPORT FOR INTERNAL HR TEAMS. According to this survey, 23% of individuals with chronic or complex conditions say they regularly turn to employer benefits or human resources for guidance, which can become a significant investment of time for HR teams. In fact, benefits experts surveyed by Quantum Health said they spend an average of 30% of their time in any given week answering healthcare system or benefits questions for employees – questions that can be answered by healthcare navigation care coordinators, thereby relieving human resources of a significant burden.

WHY IMPROVING HEALTHCARE COMPLEXITY MATTERS NOW MORE THAN EVER

The workforce has gone through an extraordinary evolution since early 2020, and employers across a wide array of industries find themselves facing severe workforce talent issues. There are a number of factors influencing this, including the fact that employees are increasingly looking for positions that will allow them to continue to work remotely. This is leaving many companies short staffed. According to one survey, 97% of employees say they do not want to return to the office full time.

Other contributing factors to workforce staffing challenges include increased opportunities for skilled laborers, continuing economic stimulus options, as well as uncertain schooling

arrangements for children and other family caregiving commitments that are affected by closures due to the pandemic and current variants.

Another timely and important consideration for employers when addressing the problem of healthcare complexity is the anticipated growth in critical health issues expected as a result of delayed care and preventive services during COVID-19 shutdowns. Clinicians are bracing for an **increase** in everything from breast and colon cancer to irreversible heart damage to mental health issues to advanced dental needs – all stemming from the inability to seek preventive care or to seek timely treatment during the pandemic.

Employers will become acutely aware of these needs as employees begin returning to their normal care routines and catching up on missed appointments, which may now require much more intensive clinical treatment.

Employers who are committed to the health and wellbeing of their workforce can protect their investment in employee health by providing professional navigation support to help employees and their dependents fully utilize these benefits – without all the problems that healthcare complexity causes.

WHY IT MATTERS TO EMPLOYERS

Today’s workers have high expectations for the benefits they receive from an employer. In fact, most employees prioritize workplace culture over salary, and personalized benefits packages are becoming increasingly important. As a result, employers invest handsomely in supporting the health and wellbeing of their workforce. Consider that the average annual premiums for a fully insured health plan are \$7,420 for individuals and \$21,342 for family coverage. Meanwhile, average total healthcare spending per employee was estimated to reach **\$14,769 in 2020**, with employers paying about \$10,340 of that cost.

To learn more about this study, “How healthcare complexity affects consumer health and workplace productivity;” or about Quantum Health’s consumer healthcare navigation and care coordination services, contact connect@quantumhealth.com or (800) 257-2038.