Assessing and Addressing Individuals' Health Insurance Literacy Skills

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Background

The concept of health insurance literacy, which can be defined as **"the extent to which consumers can make informed purchase and use decisions"** (Kim, Braun, & Williams, 2013, p. 3), has only recently become a focus of health literacy research. The Affordable Care Act has brought the issues of health insurance literacy to the spotlight. For the large number of adults with lower levels of health literacy, **their ability to procure appropriate levels of health insurance coverage and interact with the health care system successfully may be limited.**

Methods

This **qualitative study** explored how new employees enrolling in a health insurance plan understand health insurance concepts and make health insurance purchase decisions through:
- semi-structured **interview questions**
- a **demographic questionnaire**
- the **Health Insurance Literacy Measurement (HILM)** developed by Paez et al. (2014)

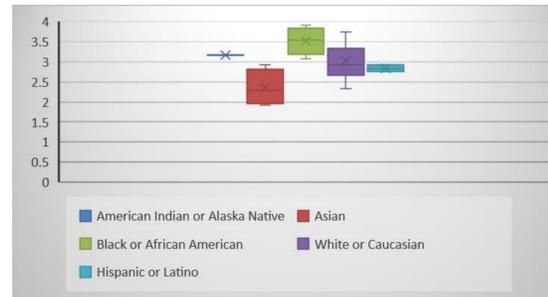## Health Insurance Literacy Measurement (HILM) Scores

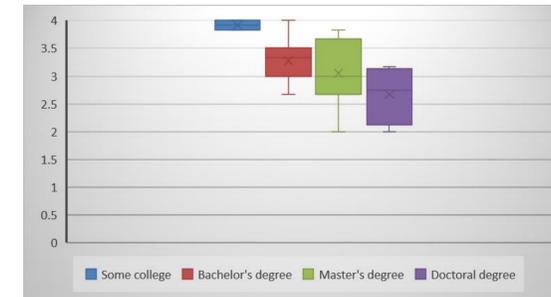

Figure 1: Cumulative HILM Score by Race/Ethnicity

Figure 2: HILM Behavior Scale by Education Level

Familiarity with the United States health care system culture played an important role in individuals' perceived health insurance literacy abilities. The two participants most familiar with non-U.S. health care systems had the lowest HILM scores of any of the participants. The average cumulative HILM score for those selecting health insurance for the first time was 2.82, also below the average HILM score for participants in this study (3.00). It can reasonably be concluded that a **lack of familiarity with the health care and health insurance system in the United States leads to a lower HILM score**.

Discussion

This study offers unique contributions to the field of health insurance literacy research by **presenting an in-depth look at measuring individuals' health insurance literacy with both quantitative and qualitative approaches**. In a time when more people are enrolling in health insurance than ever before, understanding the literacy challenges presented during health insurance enrollment can help professionals create more effective information materials and provide evidence-based one-on-one assistance.

Research Questions

- How do people **understand** health insurance concepts?
- What are the **factors that impact** health insurance literacy and decision-making?

Researchers can offer community engagement support by **better understanding knowledge gaps** and addressing the unmet information needs that leave many individuals in the dark and unable to make the most appropriate health insurance choices.

Participants' Characteristics

- 80% of participants were **female** and 20% male.
- 46.67% of participants were **between 27-35 years old**, 20% 18-26 years old, 20% 36-45 years old, 10% 46-55 years old, and 3.33% 56-64 years old.
- 63.33 % of participants were **white**, 13.33% Black/African American, 13.33% Asian or Asian American, 6.67% Hispanic/Latino, and 3.33% American Indian.
- 43.33% of participants had a **Master's degree**, 36.67% had a Bachelor's degree, 13.33% had a Doctoral degree, and 6.67% had some college.
- 56.67% of participants were **single**, 36.67% were married, and 6.67% had a domestic partner.

Interview Findings

Even outside of the formal Health Insurance Literacy Measurement (HILM), discussions of health insurance literacy cropped up in the interviews, including questions about terminology, lingering confusion, and confidence navigating the health insurance system. In talking through the coverage details, **participants revealed both clear understanding and misunderstandings.**
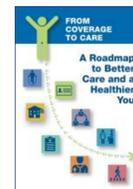
Through the course of the interviews, five participants (P3, P4, P8, P16, and P23) demonstrated some misunderstandings around specific coverage items. **Misunderstood coverage areas** included ability to select a preferred physician (P4), coinsurance (P8), pharmacy coverage (P16), and required appointments (P23). On average participants who demonstrated misunderstanding scored lower on the cumulative HILM (2.82) than the average (3.00).

Project Outcomes

This research study provides further data on **health insurance literacy skills and how they vary across groups**. It explores the different types of data available with quantitative approaches (the Health Insurance Literacy Measurement) and qualitative approaches (semi-structured interview questions). This study proposes **specific populations that are more likely to have difficulty navigating health insurance**.

Recruitment

Participants (n = 30) were recruited at new hire orientation sessions at a large, public university in the southeastern United States.

Potential Solutions

Participants expressed a desire for assistance with enrolling in health insurance. They spoke of a desire for help understanding terminology as well as an interest in one-on-one assistance with the process.
Here are a few **vetted information resources** for those seeking to assist individuals making health insurance decisions:

http://www.myhealthmyvoice.com/

https://go.cms.gov/c2c

https://medlineplus.gov/healthinsurance.html

Acknowledgements

References

Kim, J., Braun, B., & Williams, A.D. (2013). Understanding health insurance literacy: A literature review. *Family and Consumer Sciences Research Journal, 42*(1), 3-13.

Paez, K.A., Mallery, C.J., Noel, H., Pugliese, C., McSorely, V.E., Lucado, J.L., & Ganachari, D. (2014). Development of the Health Insurance Literacy Measure (HILM): Conceptualizing and measuring consumer ability to choose and use private health insurance. *Journal of Health Communication, 19*(Supplement 2), 225-239.