

Carenet Health

Engaging. For the better.™

Healthcare
Consumer
Engagement
Forecast
2022

Fourth Annual List of Predictions



ABOUT THIS PUBLICATION

2022 Healthcare Consumer Engagement Forecast
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The Healthcare Consumer Engagement Forecast is published annually by Carenet Health, an industry-leading healthcare engagement and telehealth partner connecting with more than 25 million healthcare consumers each year on behalf of our clients. The forecast was created to help elevate the conversation and planning around engagement in healthcare and inspire ideas and action. The publication is based on qualitative interviews.

The 2022 forecast includes insights from:




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INTRODUCTION

The COVID-19 pandemic continues to be a catalyst for significant change in the U.S. healthcare ecosystem—including how, when and where care is delivered. The world of healthcare consumer engagement is no exception.

That's why producing a forecast in times like this can be risky at best. After all, the ramifications of the pandemic are still rippling out from center. It's sometimes difficult to see where we'll be in two weeks, let alone a year.

Yet there is one thing that appears to be crystal-clear as we all work toward a more stable 2022: The industry is actively working to rebuild the healthcare consumer experience.

What's happened ...

It's not an understatement to say that health-related consumer behavior and expectations

have been turned upside down since the pandemic began. Patients have been forced to use telehealth, and for the most part, they've liked it. Individuals are more involved in their own care and wellness than ever before. Healthcare, with all of its advances and challenges, became an everyday, every-time subject of conversation.

And then there's this: A recent study found that almost 60% of consumers acknowledge that they interact with healthcare differently than they did just one year ago.¹

Meanwhile, the use of digital health and the move to more care at home are continuing to increase. Pharmacies like CVS Health are turning drugstores into healthcare super-clinics. Walmart and other atypical players are making new moves in telehealth and primary care.

The very nature of healthcare customer service is also undergoing a disruption, thanks to the demand for 24/7 consumer access, health equity concerns, remote and hybrid team environments, ongoing staffing challenges in both clinical and non-clinical support areas, and more.

As a result—and even as economic pressures persist—organizations in every corner of the industry are now choosing to invest more time, energy and money into what it takes to effectively support the healthcare consumer.

... and what's next

When asked to weigh in on what we should expect in 2022, Carenet Health CEO John Erwin put it this way: "COVID-19 has changed the mindset of the industry and the trajectory of healthcare engagement.

For the first time, we're seeing our clients reconsider their entire service infrastructure and design—not just how they're organized, but how they're staffed, how technology and facility resources are being used, and how it all relates to performance in areas like outreach, quality of care, follow-up, coordination and loyalty."

That insight is backed by data. Research shows nearly all healthcare organizations are prioritizing engagement innovation²—whether it's relationship management platforms, Medicare Advantage Stars efforts, telehealth systems, social determinants of health initiatives or population health partnerships.

At Carenet Health, we have a cross-industry view of these changes, supporting 250+

healthcare organizations and engaging with 70,000 patients and health plan members every day.

Several years ago, we launched this now-annual Healthcare Consumer Engagement Forecast to help the industry stay informed of key trends we see emerging in the market and to provide an opportunity for us all to share collective insights. We certainly didn't imagine then that we'd soon be dealing with a once-in-a-century public health crisis.

If the recent past has taught us anything, it's that the path forward in 2022 won't be straightforward or easy. Yet we also know that payers, providers and healthcare service companies seem better prepared to act and are dedicated to exploring what's possible.

The next steps are substantial. Together, we'll need to acknowledge that there's been a seismic shift, decode the lasting impacts, and implement strategies that will make a difference for the individuals and families we all serve.

On the following pages, you'll find our experts' top seven predictions for healthcare consumer engagement in 2022. We'd love to hear your feedback and input, as well. Please join the conversation on our **LinkedIn page**.

For the first time, we're seeing clients reconsider their entire service infrastructure and design.



AT A GLANCE

Our 2022 Predictions

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Now, let's discuss each prediction in detail.

1. Consumer experience, satisfaction and trust will be top-priority targets for improvement.

A new healthcare consumer is emerging from the pandemic—one whose trust in the healthcare system has been shaken and whose expectations of service and convenience have changed.

According to multiple national surveys, consumers want better ways of addressing both physical and mental health challenges, and more choice in which healthcare organizations they engage with and how that engagement happens.³ They want care and guidance that's personal. And they want more transparency to support decision-making.

A new consumer is emerging—one whose trust in the healthcare system has been shaken and whose expectations of service have changed.

Unfortunately, they aren't very satisfied, either. According to the Verint Experience Index,⁴ the average customer satisfaction score for health insurers is 79.8 out of 100. Average hospital patient satisfaction scores are comparable or lower. And in the Verint study, none of the nation's top health plans achieved a

Net Promoter Score (NPS) that reached the level of excellent or world-class.^{4,5}

Steve Harstad, Chief Strategy Officer for Carenet, says it's been apparent for some time that health plan members and patients want to experience healthcare like they experience retail, hospitality and other similar industries they interact with every day.

"Pre-pandemic, healthcare as a whole has been slow to react. Now consumers are newly empowered. The tide is turning and there's urgency where there hasn't been in the past," Harstad says.

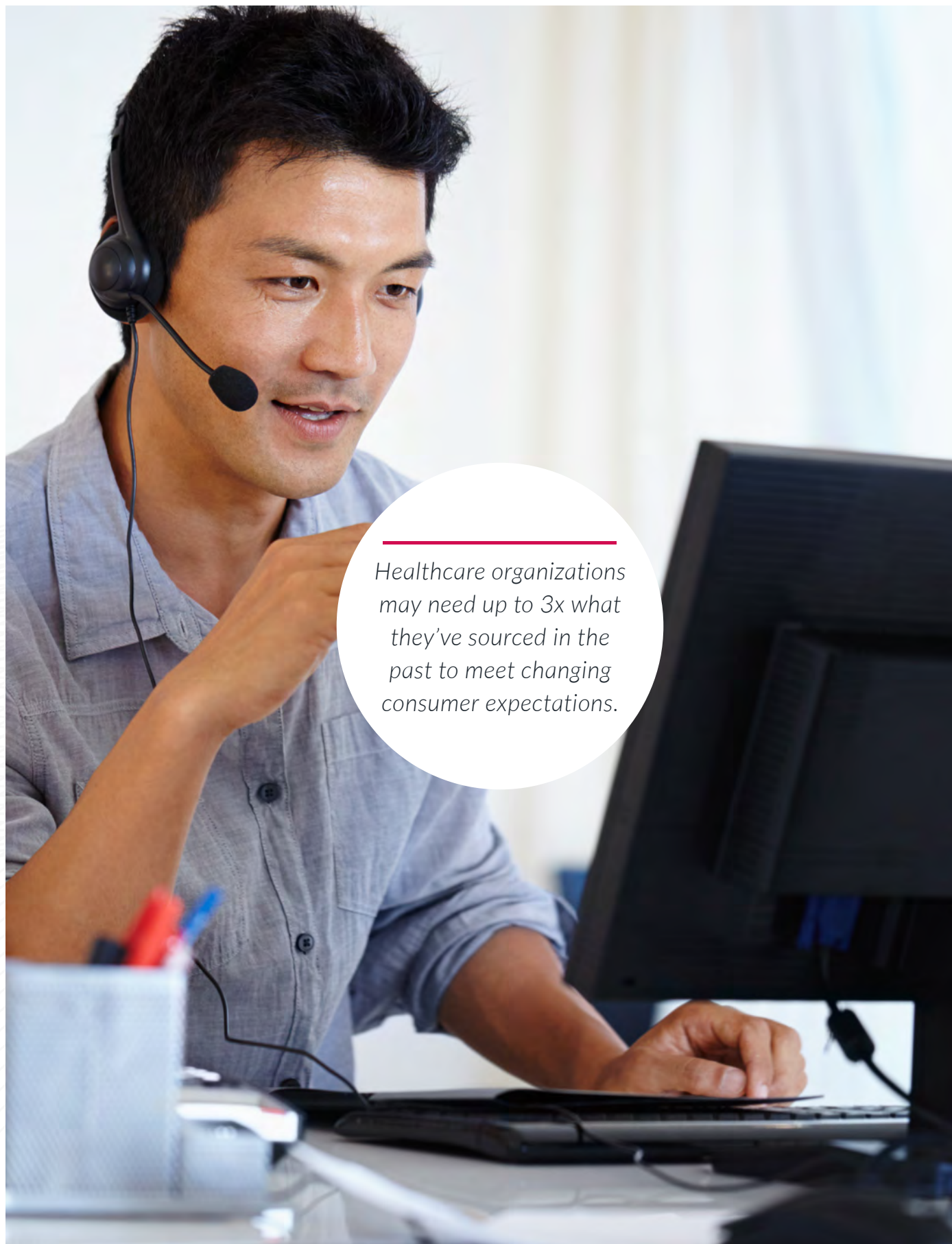
Carenet Health President Mick Mazour agrees. "Consumers are no longer going to be content with healthcare organizations that are merely transactional in their engagement—processing claims, scheduling appointments," he says. "Consumers want meaningful relationships and a true anticipation of their specific



personal needs. We're seeing more and more health plans and health systems taking the right steps to make that happen."

A factor in making these visions reality will be patient and member experience road-mapping. Vikie Spulak, Carenet's Chief Client Officer, says cohesive strategies that address each touchpoint in a holistic way are a hot topic.

"It's really about determining the best ways to build trust without causing engagement fatigue and abrasion," Spulak says.



Healthcare organizations may need up to 3x what they've sourced in the past to meet changing consumer expectations.

2. Continued workforce challenges will drive an unprecedented restructuring of healthcare service and support.

The national labor crunch, clinician shortages and burnout, higher turnover and recruiting competition, the use of temporary staffing—all of these elements are affecting organizations' abilities to meet the growing needs for access, service and support.

One analysis found that currently rising costs translate into an additional \$24 billion in nationwide annual spending on healthcare labor,⁶ and that's only for the clinical workforce.

The non-clinical, patient-service picture will continue to be challenging, as well. That's why all signs point to a re-evaluation of every facet of consumer service and outreach, pinpointing the augmentations necessary to perform well.

Erwin says it's a disruption that's pushing the industry to uncover the right recipe for the future.

"Everything is on the table—where and when teams work, how they work and what tools, talent and tech investments are needed."

Healthcare organizations are recognizing there must be a different strategy now, and they're asking the questions to get there, such as:

- How can we equip our organization for 24/7 access to service and information?
- What role should brick-and-mortar contact center facilities play versus remote teams?
- How can humans and chatbots work better together to provide service access?
- Can leveraging additional digital, AI and self-service tools help reduce call volume?
- How can we make sure digital-divide disparities aren't made worse with our decisions?
- When is voice-to-voice needed and why?
- How can offshore resources contribute?
- Are there new partnerships we should consider?
- How do we protect the employee experience throughout change?

Taking a proactive approach is a particular focus for Medicare Advantage (MA) plans in relation to their Centers for Medicare & Medicaid Services (CMS) Stars program ratings.⁷

Walter Burkhardtmeier, Director of Medicare Programs for Portland-based Moda Health, says that with daily, direct and indirect engagement with MA members being a critical influence for so many Star measures, ensuring excellent member support is vital.

"It's getting difficult to replace customer service representatives in the traditional ways we've been used to," he says. "As a Medicare program director, I'm a little nervous as we head into the first-quarter CMS calls. They will be checking on interpreter services, how quickly we answer the phone. These are Star measures that we have direct control over. And I expect us to be a 5-Star in that space every year," Burkhardtmeier says.

Erwin is also warning plans and other healthcare organizations that they may need two or three times what they've sourced in the past to meet changing consumer expectations.



3. Digital solutions will shine—if they’re implemented thoughtfully.

We expect the migration to all things digital to continue at full speed, whether it’s digital health or digital channel engagement. As evidence, a recent survey of healthcare executives found that 81% expect their organizations to fast-track further digital transformation.⁸ The industry commitment to digital health funding is certainly the highest it’s ever been at \$21.3 billion in the first three quarters of 2021, shattering 2020’s full-year record of \$14.6 billion.⁹

Healthcare consumers seem to agree with the push, too. One study found a 25%-plus increase in healthcare consumers who want to use digital tools.¹⁰

Whether we’re talking about wearable devices and remote patient monitoring or mobile apps and texting, digital technology stands to aid treatments, enhance the delivery of support and improve overall

wellness. Efficiency gains are also a driver of adoption in today’s landscape. That’s why we anticipate a quick maturing of existing solutions, increased interoperability and a stronger dedication to both staff and patient education. Amid the growth and excitement, though, both health plans and providers will need to use caution. A digital-first organization shouldn’t push aside the need for a consumer-centric approach. Just because consumers say they want digital options doesn’t mean they can be left without access to authentic, knowledgeable and human support.

Plus, the preference for digital engagement varies by demographics, sometimes in unexpected ways. It’s true that Baby Boomers prefer live interactions and Millennials prefer digital support. However,

In healthcare engagement, when it’s time to be human, we must be human.



Generation Z has a higher preference for live call support than Millennials, and Boomers also have a relatively high preference for digital engagement.¹¹

When it comes to voice-to-voice interactions, Mazour says he’s not worried that healthcare will abandon them; they’re too powerful. But providing choice is paramount. “We have to do more across the industry to ask how consumers want to engage. Let’s put it in their hands. And then deliver what they ask for.”

Harstad is on the same page. “Automation and self-service are very good things, and we as an industry have to embrace it. But we also need to remember that when it’s time to be human in healthcare engagement, we must be human.”

Let’s talk about the digital front door

If we had to choose one phrase we’ve heard the most recently, it would be “digital front door.” How consumers first interact with the healthcare system and individual organizations is having a renaissance. And while offering streamlined access is not new, it’s gotten complicated.

“Health plan members and patients are overwhelmed with what’s out there—information, apps, portals, systems—that they end up not using any of them,” Spulak says. “Organizations are realizing this and working to architect a better way.”

Harstad agrees the market is ready for enhanced integration and control. “There hasn’t really been a strategy for what a digital front door should look like,” he says. “The bottom line is consumers need a simple starting point—for guidance and care ... physical and mental health support.”

4. Telehealth will find its best-fit place in the care ecosystem.

Thanks to the pandemic, telehealth utilization took a huge step forward, but that growth has stabilized and the pace has slowed. Now, it's time for virtual care—especially those services considered on-demand—to settle into a role that aligns with what consumers want and what works for the healthcare system.

Harstad says providers and payers alike are moving away from a check-the-box mentality

for telehealth, and the market is growing more dynamic and sophisticated because of it. “We’re seeing a lot of movement in areas like virtual-first primary care and on-demand specialty telehealth. There have been conversations about using nurse-first telehealth as an entry point for emergency telemedicine and at-home care.” All of these concepts would support cost-savings through avoidance of unnecessary in-person care.

Spulak added that Carenet clients are also exploring how to maximize the telehealth interactions that are already in play. “For instance, while we have patients on the line for symptom triage, there's so much more that can be done to support them—provide information about vaccines, assist with coordination of care, answer questions about benefits ... there are numerous opportunities for enhancement.”

Most large health systems, according to recent KLAS research, plan to expand their use of telehealth in 2022.¹² Areas of intensifying interest include chronic care management and behavioral health support. Other interesting findings in the KLAS study include:

- Telehealth appears to be improving providers' value-based care programs by increasing access to care.
- More than 60% of provider respondents said patient access to technology is the top challenge to expanding telehealth.

Erwin says when he thinks of the future of telehealth, he always comes back to a mobile banking analogy. “Consumers, no matter the industry, want convenience and 24/7 access. It took several years for mobile banking to take off, but now, if you're asked to drive to the bank for any reason, you're frustrated. We need to bring as many aspects of healthcare as possible to the consumer's smartphone, laptop and home.”

The industry will also be seeking ways to increase engagement. More than 30% of consumers don't think their insurer covers telehealth appointments or aren't sure if they do.¹³

Education will be central to additional adoption, including helping patients understand when a virtual visit is more appropriate for care than being seen in-person.

Telehealth will continue to be key to cost-savings from avoidance of unnecessary in-person care.



Telehealth and the customer satisfaction issue

J.D. Power's 2021 U.S. Telehealth Satisfaction Study identified several growing pains for telehealth that will need to be addressed in 2022:¹³

- Overall satisfaction with both direct-to-consumer and payer-sponsored telehealth services declined in 2021 from 2020.
- Top consumer frustrations included limited services, lack of information about costs and providers, and confusing technology requirements.
- Overall satisfaction was 85 points lower (on a 1,000-point scale) for patients with the lowest self-reported health status than those who consider themselves to be in excellent health.



5. Access to behavioral healthcare services will accelerate, thanks to momentum in the digital space.

The demand for behavioral health services increased by more than 50% during the COVID-19 pandemic.¹⁴ That came at a time when, according to Kaiser Family Foundation data, only 27% of the need for mental health professionals in the U.S. is being met.¹⁵

Fortunately, the virtual mental health space continues to heat up, offering greater access to those who need it. In fact, as a percentage of all digital health funding, behavioral health funding represents nearly 20%.¹⁶

The digital behavioral/mental health space includes a range of support types, including direct-to-consumer apps, treatment apps designed to be prescribed for patients by a clinician, and on-demand mental health therapy platforms offered by health plans and large employers.

Interest is especially high right now in specialty behavioral health digital providers. These providers offer tailored solutions for specific needs, such as pediatrics or high-severity conditions, compared to generalist solutions, which support lower-severity conditions, such as anxiety.¹⁹

Harstad says that regardless of the type of mental health support offered, health plans and providers will be placing more emphasis on helping individuals understand what's available to them.

"There are a lot of discussions right now about finding better ways to bridge the behavioral health gap with education and engagement," he says. "We should be asking questions like: How can we make those conversations about mental health easier? Are new skillsets needed?"

Spulak adds that integration and synchronization will be necessary. "How can telehealth services and other types of care providers pick up on the signs of an untreated mental health condition? And what protocols are in place to make sure that a patient is referred and engaged with?"

Did you know?



There are now 20,000+ apps available through Apple and Android operating systems that address mental health.¹⁷



Mental health benefits are especially important to Generation Z, Millennials and people with children in the household.¹⁸

6. Payer-provider collaboration will ramp up.

Connected and coordinated communication between payers and providers has perhaps never been as important as it is right now. That sentiment is being heard as a call to action echoed across the industry.

After all, both types of healthcare organizations are dedicated and passionate about health and satisfaction, and can be strong allies working together to strengthen the healthcare consumer experience.

Many of Carenet’s health plan clients are focusing on clinical collaboration as part of their Medicare Stars, HEDIS and CAHPS initiatives. After all, the easier it is for a member to use and benefit from their plan, the happier the member.

Burkhartsmeier says helping provider networks stay engaged with his plan’s Medicare membership will continue to be a high priority for his teams.

“We’re keeping an eye on the long term—because once we come out of this pandemic, everything changes. Cut points on Star measures are going to be volatile for a while. You have to be thinking quickly and proactively,” he says. “Provider engagement is not just about training or revenue. It’s the community perception of your health plan and the quality of care that you drive.”

Harstad expects payer-provider engagement to become more comprehensive, as well. “We definitely expect to see some infrastructure build in this area. Think better systems integration, better outreach to populations that are most at risk of adverse outcomes and readmissions, and unified contact centers that support affiliated plans and health systems.”





7. In-home care will grow (and help address the deferred care crisis, too).

Care is provided in a patient's home—whether it's hospital-at-home programs, imaging and other diagnostics, modern house-calls, mental health services or sensory-activated virtual monitoring—has a big place in the future of healthcare. The global in-home care market is already valued at around \$300 billion and expected to expand sizably over the next several years.²⁰

Fueling that growth are many of the factors already discussed in this forecast: the growing senior population, value-based care, healthcare consumerism and technology that's maturing in sophistication. Tackling high costs is also a driver. One study found that hospital-at-home programs can result in a 30% reduction in the cost of care while ensuring patient comfort.²¹

Medicaid and Medicare markets are especially motivated to improve at-home care opportunities.

"The solutions are there, the partnerships are there or emerging, but they're not well activated yet. The engagement need is huge, especially as the industry works on addressing social determinants of health and health equity," Erwin says.

The good news is that more than 75% of consumers surveyed by the PwC Health Research Institute said they were willing to get in-home care for needs ranging from a well visit to chronic disease management.²²

The urgent need to address pandemic-driven deferred care will also move at-home services further into the spotlight. More than 40% of U.S. healthcare consumers have postponed care since the pandemic began.²³ One in every five households has recently delayed care for serious illnesses, including diabetes, hypertension and heart disease.²⁴



Luis Somoza, Member Services Director at the Central California Alliance for Health, said his organization is seeing a similar, alarming trend in children and adolescents not receiving immunizations. The Alliance is a nonprofit plan that works in partnership with contracted providers to promote prevention, early detection and effective treatment for its members.

Many plans and providers like the Alliance are planning to optimize the use of at-home services to help the situation, including in-home screening kits. Because these kits have been utilized for several years now, there's good data and

engagement experience to apply to targeting and campaign efforts.

Just like outreach for in-office appointments and testing, patient engagement for at-home care will require targeted, multi-modal, culturally sensitive outreach for engagement and re-activation.

"At the Alliance, we're increasing direct outreach efforts by calling our most vulnerable populations, providing information about how they can continue to receive necessary care," Somoza says.

Spotlight on the PwC Health Research Institute Health consumer survey findings on in-home care²²

The following are response results from this question: How willing would you be to use DIY care or have a clinician visit your home for the following types of care?



WRAP-UP

The pandemic has caused healthcare to throw the engagement playbook out in many ways. Consumers have changed; they have more skin in the game and expectations are growing. Technology has changed; disruptors are in ample supply. Healthcare organizations are having to rethink long-held paradigms.

The questions are imperative ones. What does excellent, high-quality, highly effective consumer engagement look like now? How will care access shift tomorrow? Five years from now? And how do we staff for it? How do we know what innovations to bet on, when they could be outdated in a matter of weeks?

As we all move forward together, we'll have to sort out how to manage not only the healthcare consumer experience, but also the plethora of tools available. We'll have to share learnings and data. We'll have to partner in new ways.

It won't be simple, but we're up for it. How about you?



We welcome your questions, discussion and feedback. Please direct your response to marketing@carenethealthcare.com.

Join the conversation on our social channels.

For more Carenet Health insights, visit our online Resource Center at [carenethealth.com](https://www.carenethealth.com).

About Carenet Health

Carenet Health is a leading provider of healthcare engagement, clinical support, telehealth and advocacy solutions and a trusted extension of 250+ of the nation's premier healthcare organizations. We are 100% dedicated to the healthcare industry and to exceptional healthcare consumer experience. More than 86 million Americans—one in every four—have access to our teams of engagement specialists, care coordinators, registered nurses and other licensed healthcare professionals each year.

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Note: This publication contains general information based on the knowledge of Carenet Health experts and the experience gained from client interactions and program successes. It should not be used as the basis of business or care decisions or actions.