

Grant Outcomes Report

Increasing Access to Health Insurance Options: NYC Health Insurance Link

I. Executive Summary

Self-employed workers and those who work for small businesses struggle to obtain affordable health insurance and are often unaware of the insurance options available to them. Nearly two-thirds of the City's uninsured adults and more than half of the City's uninsured low-wage workers are employed by one of 300,000 small businesses—defined as having between two and 50 employees—or they are self-employed, according to the New York City Human Resources Administration (HRA) Office of Citywide Health Insurance Access (OCHIA). To address these issues, OCHIA developed and promoted a new online outreach tool to inform and educate self-employed workers, low-wage workers, and small business owners about affordable insurance options. This grant funded the creation of a new online outreach tool: www.nyc.gov/HILink. Data from Google Analytics indicate high web traffic volume to the site; however it is currently unknown whether this traffic resulted in increased insurance enrollments.

II. The Problem

Small businesses are a vital component of the New York City economy, yet many of these businesses do not offer health insurance to their employees, only cover full-time employees, or limit coverage to owners and managers. According to OCHIA, most of New York City's uninsured adults are not unemployed, but are low-wage workers employed by the City's 300,000 small businesses, or are self-employed and unable to afford health insurance for themselves and their families.

While consumer online insurance tools do exist, OCHIA has found that they have limitations. OCHIA cites ehealthinsurance.com, for example, which provides insurance options available in New York City. Yet, only five of the nine health insurance companies doing business in New York City, such as Aetna, pay to have their plans published on the website, and the site does not publicize the Healthy NY option. According to OCHIA, at the time of its proposal, Aetna publicized 12 small business plans on ehealthinsurance.com, yet Aetna had at least 35 plans available for small businesses in New York City. Small businesses often chose to use insurance brokers to assist them in finding health insurance.

KEY INFORMATION:

GRANTEE

New York City Human Resources Administration (HRA) Office of Citywide Health Insurance Access (OCHIA)

GRANT TITLE

Increasing Health Insurance Coverage for Low-wage Workers at New York City's Small Businesses

DATES

December 1, 2007 to September 30, 2009

GRANT AMOUNT

\$114,982

Because of variations in broker knowledge about available plan options and the manner in which commissions are structured (commissions are paid by the insurance company, typically as a percentage of the monthly premium), small businesses may not always receive the best plan at the best price when working through an insurance broker. Small businesses may also be unaware of the tax advantages of using IRS Section 125 plans, which allow employees to pay their portion of premiums on a tax-advantaged basis. These plans save businesses money because employers do not pay Medicare and Social Security taxes on these pre-tax premium payments. These taxes are approximately 1.45% and 6.2% of employee wages, respectively, according to OCHIA. IRS Section 125 plans can help small businesses and their workers make health insurance coverage more affordable.

This landscape leaves workers and small business owners unaware of all the affordable options that are already available to them. Health insurance options, such as Healthy NY, Brooklyn HealthWorks, and HealthPass, are open to enrollment and include options for low-wage workers, yet workers and small businesses are unable to easily compare these plans' prices and benefits to determine which plan best suits them. A comprehensive online tool would provide workers and small businesses with a more complete range of options so that they could compare plans, costs, and benefits, and find a plan that is more tailored to their own needs. "There is absolutely an overwhelming number of plans and options," said David Sandman, Senior Vice President of the New York State Health Foundation (NYSHealth), "and this [tool] was designed to help workers and small businesses navigate their way through this maze."

III. Grant Strategy

Under this grant, OCHIA developed, created, and marketed an online tool that would provide low-wage workers, self-employed individuals, and small businesses with a more comprehensive resource where they could research available and affordable health insurance plans. Specifically, OCHIA:

- Developed and launched a consumer-friendly website to inform and educate individuals and small businesses about health insurance plans.
- Worked with health insurance brokers to educate them about publicly financed and lower-cost options so that brokers could better inform their clients, particularly small businesses.
- Promoted IRS Section 125 plans to inform small businesses how insurance coverage can be more affordable.

IV. Grant Activities

Work on the project began in December 2007 when OCHIA drafted specifications and requirements for an online health insurance tool. NYSHealth awarded OCHIA the grant in January 2008. OCHIA partnered with the Management Information Systems department within HRA to create the Web tool. This involved contracting with PruTech Solutions, Inc., an information technology consulting firm,

to hire a programmer dedicated to development of the new website. Most of the grant was used towards the PruTech contract, which totaled \$103,194. The original amount for PruTech had been \$99,646.

Throughout winter 2008, OCHIA developed the design of the website, the application protocols, research domain names and website hosting options, and online IRS Section 125 calculators. During this time, OCHIA also began to map out its strategy for building its relationship with the broker community. OCHIA developed content for use in seminars with insurance brokers to educate them about lower-cost insurance plans that may be of interest to small businesses and self-employed individuals. This content included presentations for brokers serving individuals and businesses in New York City about the range of more affordable private health insurance options that were not fully known or understood by brokers, such as Healthy NY, Brooklyn Health Works, and Health Pass, as well as an overview of public health insurance programs. In June 2008, OCHIA utilized this content at a day-long conference with more than 110 insurance brokers.

During this time, OCHIA also developed mailings and other promotional materials to educate small businesses about taking advantage of IRS Section 125 plans. In August 2008, OCHIA mailed promotional materials to 1,200 newly established businesses in New York City. OCHIA also developed an op-ed piece entitled "Increasing Health Insurance Affordability through Section 125 Plans," which was published in the Brooklyn Chamber of Commerce's newspaper, *Progress*, in October 2008. Plans were also underway to begin testing the new online tool.

In spring 2009, OCHIA tested a prototype of the website with end-users, including small business owners, freelancers, and individuals buying coverage on their own in New York City. During these one-on-one usability testing sessions, participants were asked to use the website while

EXPECTED OUTCOMES

OCHIA hoped to achieve the following outcomes as a result of the work conducted under this grant:

- Reach up to 42,000 small businesses in New York City and facilitate access to insurance for up to 84,000 previously uninsured workers.
- Generate 400 enrollments per month through the new online tool.
- Increase the number of New Yorkers with health insurance by 9,600 to 33,600 people during its first year of operation.
- Generate 4,000 hits per month based on the 8,000 monthly hits OCHIA's existing website received.
- Create 50,000 pieces of marketing materials prior to the formal launch of the website and provide information about the new website in English, Spanish, Russian, Chinese, Korean, Arabic, and Haitian-Creole.
- Conduct website demonstrations at one to two business expositions/conferences per month to inform small businesses about the new website.

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staff recorded their navigation of the site and obtained feedback from the participants on their experience. Separate testing was also conducted via a questionnaire and in person with select key stakeholders and experts in health insurance.

Significant revisions to the design and functionality of the site were made based on the results of this end-user and stakeholder testing. Additional development was also done during the remainder of spring and summer 2009, including revisions to information on ways for small businesses and low-wage workers to make coverage more affordable, such as by pairing private coverage with Child Health Plus and enrolling in the Family Health Plus premium assistance program for eligible employees.

The website was formally launched at a press conference held on September 21, 2009, at a small business—a furniture store called Uhuru Design—in Red Hook, Brooklyn. Participants at the event included Mayor Michael Bloomberg, Deputy Mayor for Health and Human Services Linda Gibbs, HRA Commissioner Robert Doar, OCHIA Executive Deputy Commissioner Marjorie Cadogan, NYSHealth Senior Vice President David Sandman, and Uhuru Design owners Bill Hilgendorf and Jason Horvath.

V. Challenges

OCHIA faced two major challenges with this project. One challenge was the nature of the project itself—a website—which is a dynamic communications vehicle that would require continuous maintenance and updating. In addition, health insurance information is subject to change given the ongoing health care reform debate at the Federal level, so OCHIA had to be mindful of that factor and of keeping its information relevant to the targeted populations. Marjorie Cadogan, the project's director and Executive Deputy Commissioner of OCHIA, said that the site information is updated at least monthly.

The second major challenge was promoting and marketing the website to the public. OCHIA had communicated directly with insurance brokers, but how would it reach the public? Marketing expenses had not been included in the grant, so OCHIA faced the challenge of finding resources outside the allotted grant to create and distribute marketing materials to the public. Cadogan said marketing expenses totaled approximately \$100,000, which was provided by HRA.

VI. Key Findings

The grant helped create a comprehensive, consumer-friendly website for New Yorkers to inform small business owners, low-wage workers, self-employed workers, and uninsured individuals about the range of plans available to them, including lower-cost insurance plans. Cadogan said the website was the first of its kind for a municipality.

Despite exceeding its own projected outcomes for Web traffic, it is unknown whether the project achieved its project enrollments. User feedback and enrollment data are needed to determine whether Web traffic resulted in New Yorkers actually enrolling in an insurance plan featured on the new website.

The OCHIA project produced three key deliverables: the website, an increased awareness of a broader range of private and public health insurance options among insurance brokers as a result of OCHIA's outreach and education initiatives, and a model to increase awareness among small businesses of IRS Section 125 plans.

The primary deliverable, the website, was formally launched in September 2009 when the advertising campaign "Find What Fits" kicked off. Information about the website was posted on 25 telephone kiosks around New York City for eight weeks. The website was also advertised on subways, other websites, and a 30-second 311 public service announcement. The press conference and launch in September received significant media coverage and was reported by major news organizations, including *New York Daily News*, NY1, Good Day New York (a local Fox TV show), and several websites, including Allbusiness.com, Civsourceonline.com, myfoxny.com, and ibrooklyn.com. HealthConnect, an online network company that provides small business plan information for www.nyc.gov/HILink, sent out its own press release announcing its involvement with the website. HealthConnect's press release was featured on several business websites, including Forbes.com and Biz.Yahoo.com.

OCHIA also participated in online social networking (Facebook and Delicious) to boost buzz about the new website. The *NYC HI Link* Facebook¹ page is updated regularly with news related to insurance, such as website updates (for example, additions of new premiums, press releases from the White House about health care reform, and links to chambers of commerce). For example, on February 9, 2010, the Facebook page featured an announcement about a new link with the Hispanic Chamber of Commerce of Queens.

OCHIA has partnered with New York City agencies, private organizations, and cultural institutions to spread the word about the new website. These agencies and organizations include the Department of Cultural Affairs, the New York City Chamber of Commerce, and New York City public libraries.

Web traffic data indicated the website was generating the desired interest. During its first five weeks after launch, www.nyc.gov/HILink exceeded its projected usage with 8,500 visits to the website and 6,700 unique visitors. During this time, more than 51,000 pages were viewed with an average of 1,500 pages viewed daily. OCHIA used Google Analytics to track website traffic and found that to date, approximately 80% of the new website users are individuals and self-employed workers, and approximately 20% are small businesses. OCHIA also learned that approximately 2,300 of the website's visitors had incomes below 250% of the Federal poverty level.

Web traffic data collected from September 21, 2009 to October 25, 2009 showed steady visitation patterns, as well as the sections and pages that appeared to be more popular among visitors. This data will help OCHIA gauge user interest and make adjustments to better accommodate New Yorkers' needs for health insurance information.

¹ www.facebook.com/pages/New-York-City-Health-Insurance-Link/145920551598

The second deliverable, increased awareness among insurance brokers about lower-cost plan options, reflected the impact of the seminars and outreach efforts. On June 11, 2008, OCHIA hosted a daylong seminar at its offices on Water Street. The event was sponsored by the New York State Department of Insurance, OCHIA, and the Brooklyn Chamber of Commerce. Keynote speaker Troy Oechsner, New York State Department of Insurance Deputy Superintendent for Health, spoke about health care reform efforts in New York State and efforts in developing universal coverage. Representatives from several insurance companies, including Aetna and Empire Blue Cross Blue Shield, also spoke at the event. The brokers who attended the event provided positive feedback in their evaluations and said they would be interested in attending another seminar. Prior to the website launch, OCHIA held a focus group with nine insurance brokers to discuss www.nyc.gov/HILink, and how this website could serve as a useful “and unbiased tool to show their clients,” said Cadogan. To date, there has been no follow up with the insurance brokers to obtain enrollment data on the number of clients who signed up for insurance after being introduced to the new website. However, OCHIA plans to continue its relationships with insurance brokers by developing appropriate means to update them about website developments.

The third deliverable, increased awareness among small businesses about IRS Section 125 plans, was a 13-month process that began in August 2008 and ended with the formal launch of www.nyc.gov/HILink in September 2009. There are currently no data to show how many small businesses have signed up for IRS Section 125 plans as a result of the educational material OCHIA mailed to small businesses or through use of www.nyc.gov/HILink. Data from Google Analytics show that calculator use on the website is lower than expected, including the Section 125 calculators, which allow employees and employers to estimate their respective potential tax savings through use of these plans.

VII. Lessons Learned

Despite obtaining data about user visits, there are no data about small businesses, low-wage workers, self-employed individuals or uninsured individuals actually enrolling in an insurance plan as a result of visiting www.nyc.gov/HILink.

Moreover, creating, maintaining, and promoting a website is resource-intensive and will require ongoing financial support. “Building a website is



just the beginning of a project,” said Cadogan. The cost of developing, building, promoting, and maintaining a website significantly exceeded the Foundation grant amount of \$114,982. According to Cadogan, development of the project has cost more than \$500,000. “Those development costs reference the content development and programming costs to build the Web tool itself; all of these costs beyond the Foundation grant were covered by the New York City Human Resources Administration,” said Cadogan. This half-million dollar figure does not include the marketing and ongoing maintenance of www.nyc.gov/HILink. “The costs of ongoing maintenance, updating, marketing and further development are current operating costs that are now being covered by HRA as well,” Cadogan said.

The Google Analytics Web traffic data indicate users may not be obtaining all the information that is available to them on www.nyc.gov/HILink, such as the example with the Section 125 calculators. The plan information may also be overwhelming to many small businesses, lower-income workers, and self-employed and uninsured individuals—both in terms of number of plans listed and in the comparability of the benefit information provided for the plans.

In New York City, more than 30,000 plan variations are available for brokers quoting through HealthConnect, the online resource that houses health plan benefit and premium data. In addition, through end-user testing of a prototype of the website, OCHIA learned that residents and small business owners value different benefits and features within plans. For example, only showing plans with the lowest premiums would not meet their needs. In order to provide users with a more manageable number of plans than 30,000 and still provide them with unbiased and comprehensive range of options, a plan selection methodology was developed. This methodology ensures that all types of plans available from all insurance carriers in New York City are represented on the site. Thus, a small business that does not choose any health plan preferences may find upwards of 150 plans listed on NYC HI Link, while one that chooses all of the available options may see fewer than 10 plans.

In addition, plan information typically comes from the insurance company, so not all plans will be equally thorough or easy to understand because the language is not consistent plan to plan, making it a challenge for consumers to make clear comparisons. “The consumer is still confused,” said Sandman. “There are still many choices for consumers. Development of the website highlights the need for standardizing health insurance information. This project produced insights into the types of hurdles small businesses and lower-income workers face in trying to navigate health insurance plans.” Sandman explained. These insights could “help inform a policy discussion in Albany.”

VIII. The Future

OCHIA will continue to use Google Analytics to capture visitor behaviors and preferences, which will help inform the direction of the website. The goal is to make www.nyc.gov/HILink a more sophisticated, consumer-friendly product. OCHIA intends to use these data to make adjustments and improvements to the content, functionality, and features on the website. OCHIA is also developing a user survey to obtain feedback from the user experience. Again, this information can

help OCHIA improve the website so that it better meets New Yorkers' needs in accessing affordable health insurance. Going forward, OCHIA intends to focus on five key areas:

WEBSITE MAINTENANCE AND MARKETING: OCHIA's ongoing maintenance of the site involves monthly updating of health plan information and related data (e.g., insurer contact information); posting news alerts and updating content to reflect changes in policies and health insurance options; refining and improving existing pages and functionality; and responding to consumer inquiries and requests for help finding or understanding their health insurance options. OCHIA has developed a yearlong marketing plan that will target small businesses, self-employed, low-wage workers, and the uninsured. OCHIA will also partner with chambers of commerce and other organizations that serve these populations to better inform them about the website. OCHIA is also looking to develop a public service announcement that could be aired in a variety of media outlets.

WEBSITE FUNCTIONALITY: OCHIA wants to provide users with the ability to submit a request to a facilitated enroller or insurer for help with a plan. The website will ultimately include links to downloadable applications, online public coverage renewal, and other forms of electronic access to coverage. Once these functionalities are added, OCHIA will pursue collecting data from insurers on the outcome of these user actions. In the short term, planned programming will allow OCHIA to track the number of users who leave www.nyc.gov/HILink to go to an insurance carrier, association, or purchasing alliance website as an indication of the level of user seriousness or interest in pursuing coverage.

TRANSPARENCY OF PLANS AND COST/BENEFIT COMPARISONS: OCHIA will lead efforts to standardize insurance plan language to make it easier for users to understand.

CONTENT DEVELOPMENT: OCHIA will add and fine-tune content for specific audiences to make the user experience more customized. The public health insurance content and screening will be expanded, a section targeting young adults will be added, and a primer on buying health insurance will be developed for small business owners.

CONSUMER NEEDS AND PREFERENCES ASSESSMENT: OCHIA is developing a user survey to capture more detailed information about what users liked and disliked about the new website. This feedback will help inform the direction of the website, as well as help inform other insurance websites. Using Google Analytics, OCHIA monitors weekly utilization of the website, including popularity of specific pages. These data, as well as comments submitted by users, are analyzed to identify areas of the site that may benefit from changes or the addition of new information or materials. As a result, OCHIA contemplates further improvements to the site to enhance the visibility and utilization of key features such as the Section 125 calculators. Finally, OCHIA is interested in pursuing a more comprehensive evaluation of the site and instituting an ongoing process for obtaining user feedback and guidance on existing and new features prior to their release.

BACKGROUND INFORMATION:

ABOUT THE GRANTEE

The mission of the Human Resources Administration's (HRA) Office of Citywide Health Insurance Access (OCHIA) is to expand access to health insurance for all New Yorkers. The office has two key priorities: to ensure that uninsured New Yorkers who are eligible for public health insurance programs, such as Child Health Plus, Family Health Plus, and Medicaid are enrolled, and to expand access to affordable health insurance for the City's small businesses, sole proprietors, and working individuals.

As part of its efforts to expand access to private insurance, OCHIA partners with business and civic organizations, such as local chambers of commerce, Business Improvement Districts (BIDs), and other entities that serve the needs of small business and self-employed residents. Through these partnerships, OCHIA conducts forums on health insurance issues to reach a broader audience about the importance of health insurance and to learn firsthand about the issues that small businesses and individuals face as they select and purchase coverage.

OCHIA also works with other City agencies, as well as private and community-based partners, through the HealthStat Initiative to develop outreach and enrollment strategies, and to reach residents who are eligible for public health insurance, but not enrolled. These same partnerships are leveraged so that residents ineligible for public coverage can be informed about NYC Health Insurance Link, where they can learn about other health insurance options available to them.

Finally, as part of its work to improve access to health insurance options, OCHIA engages in policy initiatives that complement and support its outreach and enrollment efforts. This work involves monitoring trends in eligibility and enrollment and exploring ways to expand the range of affordable health options available to New York City residents.

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