

Grant Outcomes Report

A Market Research Initiative to Investigate Small Business Barriers to Offering Employee Insurance in New York State's Tri-Lakes Region

The Problem:

Businesses with fewer than 50 employees represent approximately 90% of employers in New York State's North Country—Clinton, Essex, Franklin, Hamilton, and northern Warren Counties. Workers in small businesses are less likely to receive health insurance through work and thus more likely to be uninsured because:

- ▶ Only approximately half of small companies offer insurance.
- ▶ Workers in small businesses are less likely to enroll when coverage is offered.
- ▶ Small businesses pay higher premiums than larger businesses.¹

Grant Activities & Outcomes:

The Plattsburgh North Country Chamber of Commerce serves more than 3,200 members with a range of services, including a menu of insurance plans.

The Plan

With a planning grant from the New York State Health Foundation's "Expanding Coverage Options in the Small Group and Individual Market in New York State" program, the Chamber of Commerce conducted market research to determine the health insurance perceptions, preferences, and needs of small businesses.

¹ New York State Health Foundation Request for Proposals, "Expanding Coverage Options in the Small Group and Individual Market in New York State." Retrieved from: <http://www.nyshealthfoundation.org/userfiles/file/Small%20Group%20%20Individual%20Market%20RFP.pdf>, November 29, 2010.

KEY INFORMATION:

GRANTEE

Plattsburgh-North Country Chamber of Commerce

GRANT TITLE

Overcoming Tri-Lakes Small Business Barriers to Offering Employee Insurance

DATES

September 1, 2008 to August 31, 2009

GRANT AMOUNT

\$99,438.06

GRANT ID

2369439

FUNDING

Expanding Coverage Options in the Small Group and Individual Market in New York State (2008 RFP)

Market research consultants undertook a three-phase initiative²:

- ▶ **THE EXPLORATORY PHASE.** In February 2009, the consultants convened five focus groups to explore topics, such as “Why don’t you have/offer health insurance?” and “What are the advantages and disadvantages of offering health insurance?”
- ▶ **THE CREATIVE PHASE.** In March 2009, the consultants posted an online survey soliciting respondent reactions to six branding concepts designed to interest businesses in securing health insurance. Approximately 25 people responded to the survey.
- ▶ **THE QUANTITATIVE PHASE.** In April 2009, the consultants presented proposed advertisements to three focus groups for reactions. They also asked participants to complete a questionnaire regarding how they preferred to receive insurance information.

The Results

The consultants concluded, “There is an information access and use problem... related to understanding which health insurance programs and options are available and how they apply to an individual’s situation.” Their findings included:

- ▶ Business owners and workers are confused about their options, feel overloaded with information, and are frustrated trying to understand or administer various plans.
- ▶ Businesses are confused about Health Savings Accounts and know little about State-sponsored programs.
- ▶ Business owners said they would most likely respond to information if the message was targeted to small businesses and was delivered via an article rather than an advertisement, if it came from a trusted source, and if they had a local liaison.
- ▶ Preferred methods of communication were a knowledgeable person, printed tables, and a clear Web site.
- ▶ Businesses and workers most wanted to know information about premium costs, out-of-pocket costs and deductibles, restrictions on pre-existing conditions, income guidelines, prescription information, and if their provider would accept the plan.

² A summary of work done in each phase is available at http://adironackresearch.com/clients/utf_documents/. Enter user name “trilakes” and password “uninsured.”

The Chamber of Commerce submitted a “North Country Get Insured!” action plan to the Foundation proposing activities to address the marketing and communication needs identified.

The Foundation decided not to fund the action plan because it focused on promoting existing options rather than on expanding the number of options. A national conversation about health care reform had also begun, introducing new circumstances related to insurance coverage.

Publications

“UTF Marketing & Business Plan Documents 2009.” This publication presents summaries of activities undertaken by consultants Holmes & Associates and Place Creative during each of the three phases of market research. The publication is available at http://adirondackresearch.com/clients/utf_documents/. It requires the following username and password: User name = trilakes, and password = uninsured.

BACKGROUND INFORMATION:

ABOUT THE GRANTEE

The Plattsburgh-North Country Chamber of Commerce is a regional Chamber serving Clinton, Essex, Franklin and northern Warren Counties. With more than 3,200 members, it is the largest business and economic development alliance in northern New York. Its regional structure includes partnership agreements with several community Chambers of Commerce. The Chamber is the exclusive provider of health insurance services through its partnership agreements, and it is the largest provider of health insurance to sole proprietors and small businesses in the North Country region. Approximately 500 groups are enrolled in health insurance through the Plattsburgh-North Country Chamber.

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