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HEALTH POLICY
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# Making Health Insurance Choices Understandable for Consumers

SUMMARY

Consumers Union held a public forum to discuss the importance of making health insurance choices understandable for consumers. The session highlighted the findings from a recent Consumers Union study and featured four expert panelists. Specific sources of confusion were examined, including understanding the function of insurance, the terminology used by the industry, and calculating out-of-pocket costs. This brief distills the discussion into a list of barriers, actionable solutions, and evidence gaps.

In February 2011, Consumers Union held a public forum to discuss the importance of making health insurance choices understandable for consumers. Among other things, the session focused on consumers' ability to understand the function of insurance, the terminology used by the industry, and calculating out-of-pocket costs.[1] Several presenters reviewed the lessons from key studies to provide a consolidated view of how to *Make Health Insurance Choices Understandable for Consumers*.

This brief distills the forum discussion into a list of barriers, actionable solutions, and evidence gaps as an aid to state regulators, federal agencies, policymakers, advocates and insurers. A complete list of presenters and their topics is included at the end of this document.

## Background

The Patient Protection and Affordable Care Act (ACA), enacted in March 2010, contains many provisions which will affect how consumers interact with the health insurance market. There will be new ways to purchase insurance (through the state health insurance exchanges), new transparency provisions, new standards for health plans, and myriad other provisions designed to improve consumers' health insurance choices.

At a high level, it is well understood that many consumers struggle with health insurance concepts and dread having to evaluate their plan choices. Yet, the

health insurance choices consumers make will determine, in large part, the success or failure of these health reform initiatives and other actions by policymakers and insurance regulators. Will consumers understand the insurance products being offered well enough to pick the one that best meets their needs? Will consumers select high-value health plans over low-value plans?

Understanding and addressing consumer confusion about health insurance must be a key objective for policymakers and regulators if consumers are to play a meaningful role in this marketplace.

## Barriers to Understanding Health Insurance

All panelists participating in this forum acknowledged that the function and use of health insurance is not well understood by consumers. While experience using insurance improves their understanding, far too many consumers have an inadequate understanding of how their coverage works—a situation that frustrates consumers and undermines their ability to be effective health care consumers. Panelists identified the following barriers to understanding coverage.

### LACK OF FAMILIARITY WITH BASIC INSURANCE CONCEPTS

Dr. Carman noted that many people do not understand the basic concepts of health insurance, including who pays, what the actual costs are, the implications of their choices, and the role of the employer in employer-sponsored coverage. These basic building blocks, which form an understanding of the fundamental purpose of insurance, are not available for ready reference by most consumers. In the absence of a "mental map," new information, such as changes in the rules, changes in benefits and cost sharing information will have nothing to be "anchored" to.

### UNDERLYING COMPLEXITY OF HEALTH PLANS

Health plans are inherently complex. The legal documents describing a health plan can run for hundreds of pages. Two key sources of complexity were identified by the panelists.

**Cost-Sharing Complexity.** A recent Consumers Union (CU) study demonstrated that consumers really struggle with the cost-sharing provisions in health plans.[2] In this study, participants were asked to estimate their out-of-pocket costs for a specific service or common scenario using prototype health insurance disclosures. All participants had difficulty with this exercise, even those with good numeracy skills and a high degree of prior experience with insurance. These participant struggles suggest that most consumers can not meaningfully compare their coverage options. If they cannot figure out the level of financial protection offered by a health plan, consumers cannot be relied on to make good health plan choices.

**Unfamiliar Jargon.** Unfamiliar jargon can cloud meaning and cause confusion. If a lot of jargon is used, it reduces the transparency of consumer disclosures. Part of the consumer struggles identified in the CU study were due to insurance

jargon that was unfamiliar to participants, including terms like "allowed amount," "preferred drugs" and "out-of-pocket limit." Furthermore, the study found that a separate glossary containing definitions did little to alleviate this confusion. Participants preferred definitions in the context of the insurance document itself. They also suggested that concrete examples (numeric examples in the case of cost-sharing terms) would help more than definitions alone. Dr. Sofaer cited an earlier study that looked at how to equip consumers to make Medicare and Medigap choices.[3] This study found people didn't understand the terms that were being used such as Part A, Part B and other terms specific to Medicare options and benefits. For example, Dr. Sofaer cited an example in which people said they had Medicare Part B when they meant Medigap Plan B, because the terms themselves were not meaningful to them.

## TOO MANY CHOICES

Consumers will take shortcuts, especially when the information is complex, the outcomes uncertain and there are competing messages.
*-Frank Funderburk*

While we sometimes believe that more choices are better for consumers, in reality, too much information can be confusing. Too much choice can actually paralyze consumer decision making. [4] This widely recognized phenomenon is sometimes referred to as the "paradox of choice." This problem can be compounded when people are asked to make decisions that are complex and where outcomes involve a certain degree of risk or uncertainly. To illustrate, one might imagine spending the better part of a day trying to figure out whether one of 12 PPOs (with deductibles ranging from $400 to $800) will be better for us than any of 10 HMOs (with deductibles ranging from $300 - $1,000) - only to realize that we forgot to consider differences in co-pay levels, if our current provider(s) accepted the plan, if we needed a home health benefit, and if maternity coverage was included. Several panelists noted that consumers will take shortcuts when the information is complex. One common short-cut is "sticking with what we know." In the world of health insurance, this often translates to sticking with the plan or policy you have, even if doesn't cover needed care or more attractive health plans are available. Another short cut is to enroll in a highly advertised plan or one with a familiar brand, rather than researching to find high-value plans.

## CONSUMERS ARE BACKWARD LOOKING, NOT FORWARD LOOKING

Another short-cut that consumers use to understand their current insurance options is to rely heavily on their prior health insurance experience. For example, if co-payments counted towards the deductible in a previous plan, many participants in the CU study assumed current plan offerings adopted the same convention. Ms. Quincy explained that this shortcut could lead to erroneous conclusions about the level of financial protection offered in their health insurance options. Health plans calculate their deductibles and coinsurance in different ways; they may also have different protocols for when they cover a particular service and what they pay. For example, one insurer may have different reimbursement rates than another insurer, leading members to pay more in their health plan than in another plan even though they both require 20 percent coinsurance. Consumers who have little prior experience with insurance may be at even greater risk. As Ms. Pollitz pointed out, most health plans are bought when consumers are healthy. Consumers don't necessarily plan for or

know what they will need when they get sick—possibly leading to even more faulty assumptions about their plan choices.

### LACK OF CONFIDENCE, LACK OF TRUST

Ms. Quincy reported that participants in the CU study were able to use the new disclosure form to choose among plans but they did so without confidence, especially with respect to level of financial protection offered by the plan. Even participants with good numeracy skills wanted a broker or other "expert" to check their work because they were sure that "something" was hidden in the fine-print of the policy. Most study participants had a general understanding of the risk (the potentially high cost to themselves) if they mis-judged the coverage offered by the plan.

Another study presented at the forum underscored why consumers aren't confident. Ms. Pollitz described a detailed comparative study of health plans in Massachusetts and California.[5] This study found that plans with seemingly similar provisions would have left policyholders with out-of-pocket obligations that differed by thousands of dollars. For example, a typical course of breast cancer treatment would end up costing nearly $4,000 in one plan but $38,000 in the other plan—despite the fact the plans contained similar deductibles, co-pays and out-of-pocket limits.

### CONSUMERS DREAD SHOPPING FOR HEALTH INSURANCE

Participants in the CU study revealed that they disliked shopping for health insurance. They approached the task with dread and found it to be extremely difficult. This attitude makes it all the more difficult to design and successfully implement solutions that address consumer confusion.

Insurance information needs to be grounded to be useful for consumers. They must see the big picture or have a "mental map". *-Kristin Carman*

### IMPLEMENTING SOLUTIONS HAS COSTS

As Ms. Pollitz pointed out, implementing solutions will take a lot of work and resources on all sides, including health plans that will bear the burden of additional paperwork and redesigning plans. As advocates, regulators and insurers work together to craft solutions, they will need to be cognizant of these costs.

## Solutions: Helping Consumers Understand their Health Plans

Fortunately, there was widespread agreement among the panelists on approaches to help consumers understand their health plans.

### PROVIDE A MENTAL MAP

Dr. Carman explained that we must provide a mental map that serves to anchor all other information about health insurance. When people see the "bigger picture" of how insurance works, they have a "map" on which to tack the details. Consumers need to see health insurance from the point of view of what it means to them to be able to make use of its multi-faceted information.

## REDUCE THE COMPLEXITY/ SIMPLIFY CHOICES

The solution to the underling complexity of health plans—noted by all—is to look for ways to standardize choices and reduce the number of choices to a manageable number. The ACA includes several provisions that make choices more standardized but more standardization and simplification may be needed.[6]

## TAILOR INFORMATION TO THE CONSUMER

Dr. Sofaer suggested that when the underlying complexity couldn't be further simplified, the remaining complexity needs to be displayed in such a way that reduces the number of apparent choices. In Dr. Sofaer's Medicare studies, concerted efforts were made to present the right amount of information in a way that was more easily understood. To do this, the information was applied to concrete, realistic circumstances that people may well face. Illustrating cost-sharing provisions using "episodes of illness" proved to be a useful approach for consumers.[7]

Mr. Funderburk explained that in developing the *HealthCare.gov* insurance web portal, CMS applied principles learned from consumer testing. These studies found that information needed to be tailored to the consumer and relevant to their needs. For example, the specific plans presented to consumers were based on where they lived and their individual responses to a brief coverage needs questionnaire. When comparing plans, the default sort order was based on maximum out-of-pocket costs to encourage consideration of plan features other than premiums alone He noted that the goal was to help the consumer focus on the most important information by striving for simplicity, minimizing cognitive burden, and requiring fewer inferences.

## CONDUCT CONSUMER TESTING/ COLLECT FEEDBACK

Panelists noted that efforts to communicate with consumers can fail if the approach used is not in line with consumers' views, wishes or capacities. To avoid this outcome it is important to get input and feedback from the intended audience (the consumers). The CU study demonstrated how consumer testing can fill important evidence gaps and help realize policy's intended goals. The study findings led to the development of a set of recommendations to improve the user friendliness of the insurance disclosure form.

Each of the presenters emphasized the importance of consumer testing prior to the launch of a new product or process, and the necessity of collecting feedback on an on-going basis. They said that policymakers, advocates and others working on behalf of consumers cannot know what consumers want unless they ask them. Panelists stressed that assumptions must not be made about consumers' knowledge of the subject nor of their value choices, and that policymakers and others must not equate their own perspective with that of the consumer.

In light of its critical importance, it is surprising how little investment is made in measuring consumer reactions and fine-tuning health policy and regulations using consumer feedback. Panelists noted that there were examples of industries

where consumer testing was done routinely. A study by the Center for Advancing Health examined consumer decision support systems in other industries and learned that the successful entities did not question the necessity of conducting consumer testing.[8] They did it routinely.

Consumer testing was not explicitly called for nor funded in the ACA. Hence, it will be important for funders to encourage and support projects that include consumer testing of the ACA's new disclosures, products and services. States may want to consider using some of their consumer assistance grant funding to conduct consumer testing and to strengthen their consumer feedback mechanisms.

## STANDARDIZE TERMS ACROSS INSURERS, ACROSS ALL CONSUMER FACING PRODUCTS, AND OVER TIME

The ACA requires a uniform set of definitions for terms used in the Summary of Coverage disclosure form but does not require these same definitions be used across all consumer facing documents related to health insurance.[9] Greater consistency would promote consumer understanding and therefore clarify choices. Furthermore, the CU study indicated that additional standardization may be needed, particularly with regard to definitions of covered services, cost-sharing features, and the interactions between cost-sharing features. (For example, having the patient out-of-pocket maximum always include copayments, instead of having this vary between plans.) HHS and state insurance regulators should monitor remaining areas of plan variability and consumer understanding with respect to terms, looking for opportunities to reduce confusion.

## FOSTER CONSUMER TRUST IN INSURANCE DISCLOSURES

Better consumer tools will accomplish little unless they are trusted by consumers.[10] Ms. Quincy noted that improved consumer disclosures, standardization of insurance terms, and simplification of choices in 2014 will provide important groundwork for developing trust but more will be needed. She recommended that insurers and states partner to find ways to explicitly gain consumers trust over time.

The Center for Advancing Health project (noted above) found that successful decision aids use a variety of strategies to create a basis for trust: careful use of objective methods, systems that maintain institutional independence, transparency with rating methods, rigorous testing, buyer/seller feedback systems, and government oversight.

On a closely related note, one audience member expressed concern about the preponderance of misinformation about the health reform law. It was agreed that this messaging presents a challenge to policymakers. States must play an important role in disseminating accurate consumer information, so that they themselves are recognized as a trusted source for information.

### DEVELOP AND USE HEALTH INSURANCE LITERACY MEASURES

The CU study revealed that health insurance literacy—that is, familiarity with, understanding of, and confidence using health insurance concepts—greatly influenced participants' ability to use the health insurance disclosure forms.[11] While a widely accepted tool for measuring health insurance literacy needs to be developed (see "Evidence Gaps" below), policymakers, researchers and those tasked with providing one-on-one assistance to enrollees must become familiar with its role in consumer understanding of health coverage. Once a measurement tool is in place, it must be used to facilitate rigorous comparisons across studies and better calibration of consumer products.

The process of testing materials and messages, evaluating behavioral impact and refining materials, needs to be an ongoing effort that is repeated and repeated.
*-Frank Funderburk*

### USE SOCIAL MARKETING

Social marketing is the use of marketing principles and techniques for the social good. Mr. Funderburk recommended that social marketing strategies can be used to improve consumer tools. Consumer testing for understanding the target audience, their health insurance literacy, culture, language, attitudes and perceptions is part, but not all that is involved in social marketing. He stressed that it is important to identify barriers to reaching the target audience, test materials and messages, and measure the behavior change and outcomes that occur as a result of education and outreach.[12] This must be an ongoing effort as the process is refined and testing repeated. Sharing the results of testing, as done in this forum and other venues, can help to establish a repository of "lessons learned" that states developing exchanges can use to inform their efforts.

### ONE-ON-ONE CONSUMER ASSISTANCE

All panelists agreed that one-on-one assistance will be needed to convey insurance choices to some consumers. No matter how well crafted, stand-alone tools and comparisons will not meet the needs of all consumers. While the right mix and best practices remain to be determined, panelists agreed that the assistance needs to be from a trusted person or group. These "assistors" should be familiar with the profound confusion about basic insurance concepts, and armed with tested tools to explain and illuminate consumer's insurance choices.

## Addressing Remaining Evidence Gaps

All panelists agreed that significant evidence gaps remain. There is much that could be learned about the barriers facing consumers and the tested, workable solutions that can overcome these barriers.

## HEALTH INSURANCE LITERACY MEASUREMENT TOOL

As already mentioned, there is no standard tool for measuring health insurance literacy. A dialog among experts should be quickly engaged to create a reliable screening tool for health insurance literacy. Once tested with consumers and disseminated to researchers, this tool will facilitate more rigorous comparisons across studies and better calibration of consumer insurance products.

## CONSUMER TESTING TO ILLUMINATE THE FOLLOWING:

- Plan features that are hard to adequately disclose, e.g., impact of drug formularies on consumers or network adequacy. On network adequacy, the presenters noted that consumers are concerned mainly with whether their physician or hospital is in the network and they may choose a plan based on this information. However, networks change all the time. For reasons of consumer trust and utility, it will be important to explore means of increasing and measuring network stability. It would not be in the consumer's best interest to be locked into a plan in which their physician no longer participates. Drug formularies, and more important drug needs, can also change.
- An examination of younger cohorts of consumers and whether their issues were different than older consumers. In response, panelists agreed that it might be necessary to use more creativity in engaging younger consumers because they have a different sense of risk. It also might be helpful to get younger consumers involved in developing and spreading the information to other members of their age cohort, or using social media in outreach efforts.
- Ms. Quincy suggested that we have not yet learned how to convey health plan cost-sharing and a sense of the overall financial protection offered by health plans to consumers. Additional consumer testing is needed to provide usable guidance on this issue. Greater standardization of insurance terms and new summary measures may be required.

## DEVELOPING NEW MEASURES

Ms. Pollitz suggested we think creatively and develop new measures, e.g., medical debt, uncompensated care, foregone care in order to understand the impact of policy on consumers.

Ms. Quincy noted that consumers would prefer more health plan summary measures (so there is less detail to sift through). The ACA calls for HHS to develop a rating system that would indicate the relative quality and price for qualified health plans, and an enrollee satisfaction survey system to evaluate the level of satisfaction with qualified plans. The CU study revealed that other types of summary measures may also be needed. Many study participants wished for a summary measure that accomplished one of two things: provided a measure of their maximum exposure to out-of-pocket costs or an overall indication of plan generosity.[13]

## In Conclusion

Attendance at the forum, and follow-up evaluations, reveal that there is a great deal of interest in tested, workable approaches to improving consumer information about their health insurance choices. In order to make an informed health care plan choice, consumers needed clear, accurate, and reliable information.

As the panelists noted, however, information alone is not enough. Information alone does not lead to engagement or informed decision-making. The complexity of the healthcare system and myriad choices make information processing abilities a critical component of informed choice. Numerous barriers, including knowledge, attitudes and self-efficacy limit people's motivation and ability to participate in decision-making and, if unaddressed, ultimately jeopardize their access to quality healthcare information and services.

Diane Archer, moderator for the forum, closed on a hopeful note that in the future it will be easier for consumers to understand and navigate their health insurance choices. Consumers Union affirmed that they will continue their efforts through policy briefs and public forums. Ms. Pollitz noted there is reason to be encouraged as evidenced by the ACA requirement to improve consumer information, and the hard work by the National Association of Insurance Commissioners working group that developed the new heath insurance disclosure form.

*Lynn Quincy and Deanna Okrent prepared this synopsis of the February 4, 2011 meeting*: ***Making Health Insurance Choices Understandable for Consumers***.
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# PANELISTS AND PRESENTERS

Note: Presentation materials and related studies can be found on the event webpage: http://cu.convio.net/2011_Health_Choices

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|  | **DIANE ARCHER**<br>Special Counsel and Co-Director of the Health Care for All Project, Institute for America's Future (IAF)<br><br>Ms. Archer moderated the event. | Ms. Archer is an attorney and health care authority. As Co-Director of the Health Care Project at IAF, she leads a national effort to discuss and debate solutions to the challenge of providing quality, affordable health care to everyone in America. Ms. Archer is the past president of the Medicare Rights Center (MRC), a national consumer service organization dedicated to ensuring that older and disabled Americans get the health care they need. Ms. Archer currently serves on the Board of Directors of Consumers Union, publisher of Consumer Reports. She holds a B.A. in Philosophy from Wellesley College and a J.D. from Harvard Law School. |
|  | **LYNN QUINCY**<br>Senior Health Policy Analyst, Consumers Union<br><br>**Featured presentation:** Ms. Quincy presented findings from a recent Consumers Union study that examined consumer responses to a health insurance disclosure. The study also looked at health insurance background of the participants, familiarity and comfort level with insurance concepts (i.e. "health insurance literacy"), and health insurance shopping preferences. The study suggested numerous small tweaks to the form such as adding numeric examples to the cost-sharing definitions. The study also found a few most significant barriers facing consumers, the most important being difficulty understanding the plan's cost-sharing features. | Ms. Quincy works on a wide variety of health policy issues, focusing primarily on the areas of consumer protection and health insurance reform at the federal and state levels. Ms. Quincy serves as a consumer representative with National Association of Insurance Commissioners (NAIC). She recently completed a grant-funded project that conducted consumer testing of the new health insurance disclosure forms being developed by the NAIC. Prior to joining CU, she held senior positions at Mathematica Policy Research, the Institute for Health Policy Solutions, and Watson Wyatt Worldwide (now Towers Watson). She holds a master's degree in economics from the University of Maryland. |

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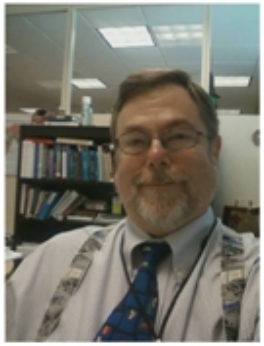
|  | **FRANK FUNDERBURK**<br>Director, Division of Research, CMS<br><br>Mr. Funderburk spoke about the results of consumer testing by CMS and the value of social marketing. He emphasized it is important to identify barriers to reaching the target audience and to test materials and messages. Mr. Funderburk pledged that CMS will continue to work on a process that "improves the ability of consumers to navigate the evolving health care system, make better decisions and find appropriate and affordable health care coverage." | Mr. Funderburk is responsible for the strategic planning, implementation and analysis of a variety of health care research efforts that support and enhance CMS communications activities. Areas of focus include developing data-driven communication strategies that can overcome persistent informational, attitudinal, and motivational barriers to better health care, including those related to health and digital literacy. His research has included evaluation of the effectiveness of a variety of outreach and education campaigns as well as a recent experimental study of direct marketing strategies for improving outreach to vulnerable beneficiaries eligible for but not enrolled in the Low Income Subsidy. |
|  | **SHOSHANNA SOFAER**<br>Luciano Professor of Health Care Policy<br>Baruch College/CUNY<br><br>With the objective of seeing that the ACA provisions succeed and to avoid repeating errors from the past, Shoshanna Sofaer reviewed the results of earlier studies (1985) that looked at how to inform consumers and equip them to make Medicare and Medigap choices. | Dr. Sofaer has over 25 years of experience studying how best to provide usable information to consumers that helps them make important health care decisions. Her early work tested an innovative model called the Illness Episode Approach that helps people compare the actual out of pocket costs they might face under different health care coverage options without having to learn the jargon of health insurance. This early work is being re-examined to help develop decision support tools under the PPACA. Other work includes additional exploration of information needed by people choosing a plan, as well as providers of all kinds. She completed her M.P.H. and Dr.P.H. degrees at the UC Berkeley School of Public Health, specializing in health planning, policy and management. |

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|  | **KRISTIN CARMAN**<br>Co-director of Health Policy and Research, AIR<br><br>Dr. Carman spoke about ways to reach the target audience, including the importance of providing a mental map, simplifying choices and adopting a user-centric perspective. | Dr. Carman co-leads a team of over 40 health services research professionals conducting research on issues of public importance in health care quality, access, health-related communications, financing, comparative effectiveness research, and consumer engagement. Her work includes a specific emphasis on explaining evidence-based information for use in decision-making. In addition, Dr. Carman is a nationally known expert on reporting health care quality and delivery information and the development and testing of effective data displays of complex information (paper and web-based). Dr. Carman has developed products, materials, and technical assistance to support organizations and communities to engage the public in their health and health care. |
|  | **KAREN POLLITZ**<br>Director, Office of Consumer Support, Center for Consumer Information and Insurance Oversight, CMS<br><br>Ms. Pollitz addressed the question "Where do we go from here?" She concurred on several of the problems and elaborated on the challenges. She addressed the role that Center for Consumer Information and Insurance Oversight could play. | Prior to joining the Department of Health and Human Services, Ms. Pollitz served as a Research Professor at the Georgetown University Health policy institute. There she directed research on health insurance reform issues as they affect consumers and patients. Her areas of focus included regulation of private health insurance plans and markets, managed care consumer protections, and access to affordable health insurance. She was also an adjunct professor in Georgetown's Graduate Public Policy School. Before joining the Institute faculty, Ms. Pollitz served as Deputy Assistant Secretary for Health Legislation at the U.S. Department of Health and Human Services from 1993 to 1997. From 1984 to 1991, Ms. Pollitz worked as a health policy advisor to several Members of Congress. |

## ENDNOTES

1 This forum focused on the insurance function of health insurance – that is, the role of insurance in protecting consumers against high medical bills in exchange for a monthly premium. Health insurance also plays an important role in structuring how health care is delivered, for example through gatekeeper arrangements, provider payment mechanisms and provider contracting practices. Consumer understanding of a health plan's insurance function, but not these health delivery functions, was the topic of this forum.

2 A consumer testing study conducted by Association of Health Insurance Plans contained almost identical findings. http://www.naic.org/documents/committees_b_consumer_information_101012_ahip_focus_group_summary.pdf

3 Sofaer, S., E. Kenney and B.N. Davidson, "The Impact of the Illness Episode Approach on Medicare Beneficiaries' Health Insurance Decisions" Health Services Research, December, 1992, Vol. 27(5):671-694. NOTE: the ACA's "coverage facts label" requirement builds on this research.

4 Shaller D. Consumers in Health Care: The Burden of Choice, California HealthCare Foundation, October 2005.

5 Karen Pollitz, Eliza Bangit, Jennifer Libster, Stephanie Lewis, and Nicole Johnston. *Coverage When It Counts, How much protection does health insurance offer and how can consumers know?,* Center for American Progress Action Fund, May 8, 2009.

6 L Quincy. Making Health Insurance Cost-Sharing Clear to Consumers: Challenges in Implementing Health Reform's Insurance Disclosure Requirements, Commonwealth Fund, February 3, 2011.

7 Sofaer, S., op. cit.

8 "Getting Tools Used: Advancing Healthcare Decision Aids," Center for Advancing Health, 2009. www.cfah.org/activities/Getting_Tools_Used/.

9 For example, different definitions could be used on the Explanation of Benefits statement insurers provide to consumers when claims are filed.

10 Quincy, op. cit. and Center for Advancing Health, op. cit.

11 Health insurance literacy differs from health literacy, a broader concept that has been well-defined and has had several measurement tools developed. See L. McCormack, C. Bann, J. Uhrig et al., "Health Insurance Literacy of Older Adults," Journal of Consumer Affairs, Summer 2009 43(2):223–48.

12 F. Funderburk. "Communicating about Health Insurance Options: Some Evidence-based Best Practices," presentation to State Health Access Program All Grantee Meeting, National Academy of State Health Policy & HRSA, Washington, DC, January 2011. http://healthcarecommunities.org/WorkArea//DownloadAsset.aspx?id=10951

13 Patient out-of-pocket limit is a measure that, in theory, would meet the first need but many plans have too many exceptions to this limit for it to be useful. See Pollitz, op. cit.