Consumerism in Health Insurance: How to Evaluate Consumer Driven Health Plans

> ***"There is nothing more powerful than an idea whose time has come."***
> **Victor Hugo**

Introduction………………..1

History of Healthcare Consumerism……………...2

Problems…………………..3

Solutions…………………..3

All CDHPs are not Created Equal……………..3

Is it Working?……………10

Where do we go From Here?………………11

Notes…………………….13

Introduction

Consumer Driven Health Plans (CDHPs) are growing in popularity across the United States, providing enrollees with a less restrictive, more affordable alternative to managed care. In times of incessant double-digit premium increases, more and more people are using CDHPs as a way to reduce health insurance costs. In fact, CDHPs are projected to account for $88 billion in premiums and equivalents in 2007 – a six-fold increase over 2005, according to industry observer Forrester Research, Inc.[1]

Most health insurance companies are now offering CDHP products of one kind or another to satisfy the ever-growing demand in the marketplace. UICI, through its wholly-owned insurance subsidiaries (collectively, "UICI"), created a portfolio of highly innovative CDHP products that were among the first plans in America to create *healthcare consumerism*. This paper will examine exactly what a CDHP is, and discuss how UICI products create fundamental changes in enrollees' behavior – unlike many "look-alike" plans trying to cash in on the excitement being generated by the concept. We pose four questions to evaluate an insurance company's commitment to consumerism.

But first, just what do we mean by healthcare consumerism?

© 2005 UICI. All Rights Reserved.

This white paper is for informational purposes only and should not be used to solicit insurance.

A Brief History of Healthcare Consumerism

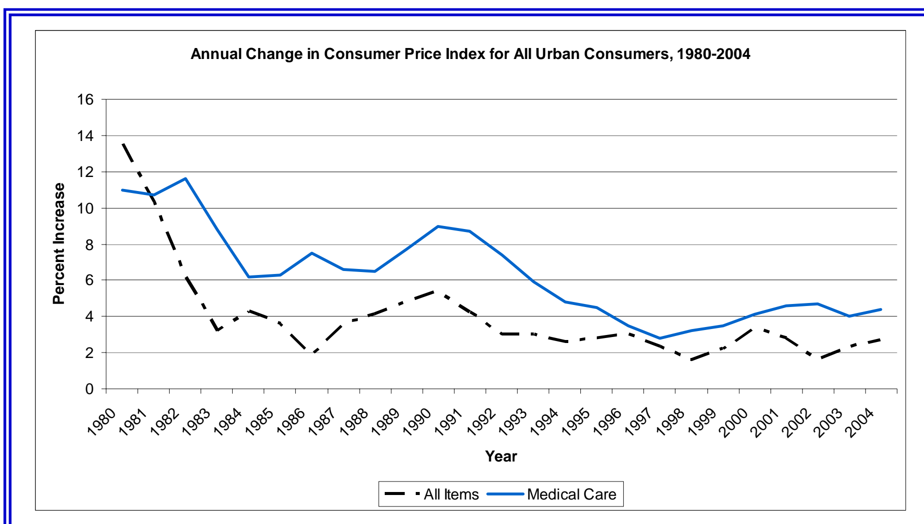
In short, consumerism means that enrollees have the same information and tools available to them when buying healthcare goods and services as they do in any other industry. Until now, healthcare has been the one industry in America where the buyer of the service has had difficulty in obtaining the *cost* of the service!

CDHPs promise a return of free-market forces to some of the most important, costly decisions a consumer may make: those involving healthcare. Representing over 15 percent of the U.S. Gross Domestic Product, the healthcare industry can ill afford to exist without free-market forces.[2]

Consumerism is not new to healthcare. It just took a 40-year sabbatical. As recently as the 1960s, consumers paid a much larger share of health costs out of their own pockets than they do today. The direct business relationship between caregivers and their patients that existed at that time kept costs low and service levels high.

After decades of managed care, however, the vast majority of healthcare plans have diminished the enrollee's role to little more than contributing nominal co-payments and choosing an in-network doctor.

Most are so accustomed to this structure that it no longer feels bizarre. But it is. To illustrate, imagine a shopping trip to the local supermarket, where there aren't any price tags on any of the goods! Typically, enrollees of a managed care health plan don't know the actual cost of a doctor or hospital visit. The cost is usually revealed months after services have been rendered, if at all. Indeed, the managed-care world did create a bizarre and inefficient system that eliminated the competitive forces of the free market. It's little wonder that healthcare spending dramatically outpaced overall inflation when managed care came on the scene.



The Consumer Price Index (CPI) for medical care continues to outpace the CPI for all items.

Source: This chart was derived from data made available by the U.S. Department of Labor, Bureau of Labor Statistics at http://www.bls.gov/cpi/ (August 25, 2005).

© 2005 UICI. All Rights Reserved.

This white paper is for informational purposes only and should not be used to solicit insurance.

Problems…

We believe that the following are the major problems created by the lack of consumerism in the managed-care world today:

1. Buyers of healthcare services do not know the cost of the services they buy.
2. Enrollees lack any sense of ownership over the money they spend.
3. Information on quality, outcomes, and training of physicians and hospital staff is unavailable.

…And Solutions

CDHPs offer a different approach. They allow consumers to make common-sense purchasing decisions about the price and value of their healthcare. The idea is that once consumers can shop for their healthcare the way they shop for any other service, they will take more interest — not just in cost, but in comparing the quality of providers and even in becoming more knowledgeable about their personal health conditions. As with any big new idea, many thought these predictions too optimistic, but recent studies show strong support for healthcare consumerism.

A June 2005 McKinsey & Co. study found that CDHPs do create beneficial behavior changes in enrollees. Compared with managed-care enrollees, CDHP members were

- 30 percent more likely to get an annual check-up
- 33 percent more likely to identify treatment alternatives independently
- 50 percent more likely to ask questions about cost
- 100 percent more likely to ask their doctor about reducing prescription costs

Source: Consumer-Directed Health Plan Report – Early Evidence is Promising, June 2005, North American Payor Practice, McKinsey & Company.

All CDHPs are not Created Equal

So CDHPs are earning respect through results. But buyer beware! As more and more insurance companies jump on the CDHP bandwagon, many of them are churning out “me too” products so quickly that they are settling for superficial solutions that do not address the fundamental problems in the healthcare system. Many insurance companies seem to use the term as little more than a marketing buzzword meaning “low benefits / low cost.” While reducing premiums is an important *objective* of CDHPs, it is not the *only* factor that matters in constructing a consumer-friendly plan that positively influences consumer behavior over time.

© 2005 UICI. All Rights Reserved.

This white paper is for informational purposes only and should not be used to solicit insurance.

Only true CDHPs will provide the benefits that the US healthcare system needs. Insurance companies that wish to wear the mantle of a CDHP must integrate consumerism at every step. So, what does that look like?

The following questions will help in differentiating the real thing from the look-alikes:

1. Do members have a sense of ownership of the money they spend?
2. To what extent does the plan offer provider cost information?
3. Does the plan give access to provider quality and outcomes information?
4. What education and support services are available to enrollees?

Any CDHP can be quickly evaluated by asking these questions, and it will become apparent whether an insurance company has merely built a low-cost health plan and called it consumer driven – or whether it is the real deal.

Question 1: Do members have a sense of ownership of the money they spend?

A good CDHP will create a sense of ownership about the healthcare dollars spent. It is self-evident that people take better care of their own assets than those they don't own. That's why no one washes rental cars, but will spend two hours on a Sunday scrubbing their own vehicle.

When insurance companies set up the co-pay as the only responsibility an enrollee has, it's no wonder the enrollee doesn't care what the overall charges are! CDHPs rethink the entire structure so that enrollees have some incentive to care about the costs. Everybody is better off as a result.

When insurance companies set up the co-pay as the only responsibility the enrollee has, it's no wonder the enrollee doesn't care what the overall charges are!

At UICI, our CDHPs give enrollees a sense of ownership through several innovative structural designs:*

> **A. The MAC**, or Maximum Allowable Charge, is the foundation of all UICI CDHPs. The MAC is the maximum fee the plan pays for a given service. It is set for each covered service, with a large portion of contracted providers at or below the MAC. It is set locally, based on provider contracts. If the enrollee goes to a provider who charges more than the MAC, the enrollee must pay the difference out of his or her own pocket. Thus, it's no surprise that most people choose providers who charge below the MAC and are depicted as "In the Green" on the enrollee's personal website.[3] Market forces are at

*The following is only a general description of UICI's plan designs. Contact UICI for more specific plan information.

© 2005 UICI. All Rights Reserved.

This white paper is for informational purposes only and should not be used to solicit insurance.

work, pointing the way to those physicians who charge reasonable rates in relation to their experience, location, and qualifications.

B. The *StartWell*℠ Account is available in many plan designs and presents an excellent example of how to create a sense of ownership over spending. On day one of coverage, enrollees take ownership of a spending account for many routine, preventive, and diagnostic care services (options range from $500 to $1,250). If the member ends the year with a positive balance, he or she is entitled to roll over all or a portion of that balance on renewal of the policy, which is added to the next year's replenished beginning balance. If the fund is depleted, routine services remain covered, but are subject to deductibles and coinsurance.

The *StartWell* Account is applied to services such as check-ups, mammograms, allergy testing, and lab tests – all with no deductible, coinsurance, or co-payment. This plan design is actually *richer* than most co-pay plans, but with the critical difference that the enrollee now has his or her first experience in caring about the cost of care. We call this "consumerism with training wheels."

Enrollees are delighted when they are able to carry forward some of this year's dollars to the next, thereby achieving a richer benefit from year to year. The result is an enrollee population that spends money only when needed – and takes cost into consideration when choosing a provider for healthcare services. This is consumerism at its finest.

> ***For many enrollees, managing the StartWell℠ Account is their first experience as a healthcare "consumer." We call this "consumerism with training wheels."***

C. UICI SMARTFUNDS are available with some UICI CDHPs and sets a maximum total dollar amount — an allowance — to treat various carefully-chosen conditions from beginning to end. Once a SMARTFUND allowance has been exhausted, the insured is responsible for the excess cost of services.

Allowances are like a personal budget based on the insured's particular needs. They are "smart" because the allowances take into account factors such as geographic location, age, gender, underlying medical conditions such as hypertension, and even complications arising *during treatment.*

UICI SMARTFUNDS provide a strong incentive to use healthcare services effectively and spend wisely. UICI SMARTFUNDS generally apply to conditions and procedures the consumer can influence, such as an upper respiratory infection or knee surgery.

© 2005 UICI. All Rights Reserved.

This white paper is for informational purposes only and should not be used to solicit insurance.

Many CDHP companies today use Health Savings Accounts (HSAs) to create a sense of ownership over healthcare spending. These accounts set up a personal financial asset that enrollees can spend as they see fit. This is an excellent way to encourage consumerism since enrollees now have a personal stake in their spending. What is important – and often lacking – is that the insurance company must give enrollees the tools and information they need to be able to spend their own money wisely. This means knowing the costs before buying services. The best HSA plan, without cost information, is only half the puzzle. It's a superficial solution that leaves enrollees frustrated and unable to spend their own money wisely.

Question 2: To what extent does the plan offer provider cost information?

Cost transparency is the crown jewel of the UICI Consumer Driven model, helping enrollees evaluate healthcare services in the same way that they would shop for any other important service.

Every enrollee has access to a comprehensive personal website that is chock full of consumer information. One of the most popular features of this site is the ability to look up participating physicians and hospitals anywhere in the country and compare cost information relative to the Maximum Allowable Charge (MAC). Many enrollees are surprised to learn that excellent, board-certified doctors may charge vastly different prices for the same medical procedure.

Our website is organized so that the first screen provides a quick overview of providers' charges. The unique "thermometer scale" allows enrollees to visually scan the list of providers and quickly determine who charges a lot or a little compared with the rest of the market. A doctor "In the Green" is less expensive than a doctor colored red. The low-cost physicians are listed first, with the high-cost physicians last. A physician can move up the display ranking if he or she brings charges into line with the rest of the market.

Cost transparency at UICI: This screen shows enrollees the general overview of a provider's charges relative to the MAC. Consumers choose where to go, but out-of-pocket costs will likely be higher at "red" providers.

© 2005 UICI. All Rights Reserved.

This white paper is for informational purposes only and should not be used to solicit insurance.

If an enrollee desires more detail than the general overview provides, he or she can click to the next screen, which allows for a deeper look at out-of-pocket costs for a specific service, down to the minute detail of charges for each service. This information is also available over the telephone for those without computer access.

Most importantly, cost information is available to enrollees *in advance* of an office visit or procedure so that they may take this information into account when making healthcare decisions. Providing this information to an enrollee after the medical service has ended is like telling car buyers to look at the price tag only *after* they have ordered the car they want to drive.

Cost For Individual Services

Larrey, Matthew - 105 Main Street, Houston, TX 77065 (281) 555-1234

Specialty = Internal Medicine

Service Category: All Common Services

« Back to detailed ratings

Service Code Search (CPT): | Service Keyword Search: | Amount We Pay: All | Amount You Pay:* All

Pages (11): [1] 2 3 4 5 6 7 8 9 10 11 Next » 217 Results

Service Code (CPT)	Service	Amount We Pay (MAC)	Amount You Pay*
11440	Exc Face-Mm B9+Marg 0.5 < Cm	$143.00	$13.00
17000	Destroy Benign/Premlg Lesion	$72.00	$10.00
17003	Destroy Lesions, 2-14	$22.00	$0.00
36415	Routine Venipuncture	$10.00	$0.00
36416	Capillary Blood Draw	$16.20	$0.00 (estimated)
45330	Diagnostic Sigmoidoscopy	$143.00	$12.00
45378	Diagnostic Colonoscopy	$507.00	$43.00
64550	Apply Neurostimulator	$42.00	$0.00
69210	Remove Impacted Ear Wax	$51.00	$17.00
70210	X-Ray Exam Of Sinuses	$75.00	$0.00
70220	X-Ray Exam Of Sinuses	$67.00	$0.00
71010	Chest X-Ray	$42.00	$0.00

Cost transparency at UICI: This screen shows enrollees the relative out-of-pocket costs associated with visiting different physicians – with information available even down to the detailed levels of CPT codes.

Question 3: Does the plan give access to provider quality and outcomes information?

Not only is it crucial to offer provider cost information, but it is essential to also provide data about a provider's *quality of services.* To focus only on the money and not on quality would be to miss the whole point of spending that money.

In the same way that a buyer of, say, an Mp3 player reviews both the cost and the relative quality of the contemplated purchase, a healthcare consumer ought to have enough information to consider the quality of the provider.

UICI's CDHPs enable enrollees to benefit from access to quality metrics on physicians and hospitals. Examples of these metrics for physicians include board certification, medical school, and years in practice; examples for hospitals include adherence to patient safety standards, volume of procedures, and clinical outcomes. The website even allows enrollees to offer feedback on physicians, so that once results are made available, one enrollee will be able to benefit from the feedback of another, just as eBay® [4] or Amazon.com® [4] users can read what other users have said about various sellers.

All this information is made available to enrollees before they make what may be life-altering healthcare decisions. Not everybody uses it, but those who do invariably feel that it has helped them make the best decision possible.

© 2005 UICI. All Rights Reserved.

This white paper is for informational purposes only and should not be used to solicit insurance.

Finally, enrollees' personal websites also offer access to detailed sources of health information such as in-depth health libraries. These enable enrollees to research symptoms, conditions, and treatments; determine a physician's hospital-admitting privileges; and even compare hospital survival rates for various procedures.

Hospital Clinical Experience and Outcomes for Selected Procedure
Angioplasty (PTCA) and Stents: Inpatient

	General Hospital
Patients Treated in One Year	162
Severely Ill Patients Treated in One Year	80
Complication Rate	As Expected
Post-Operative Infection Rate	As Expected
Patient Safety Standard for Procedure Experience	Willing to Report

▲ Return to Top

Hospital Patient Safety Standards

Computerized Physician Order Entry	
Intensive Care Unit Physician Staffing	
Safe Practices (Leapfrog Quality Index)	

▲ Return to Top

Hospital Reputation

Public Perception for Heart Care	
JCAHO Accreditation	

▲ Return to Top

Hospital Characteristics

Number of Beds	
Teaching Facility	
Children's Hospital	
Latest Technology Available	
Intensive Care Unit (ICU)	
Cardiac Intensive Care Unit (CICU)	
Trauma Center Level	
MRI (Magnetic Resonance Imaging)	
CT Scanner	
Angioplasty	Yes
Cardiac Catheterization Laboratory	Yes

▲ Return to Top

Physician Profile

Here is detailed information for the physician(s) you selected. Click on a factor

	Smith, John
Hospital Affiliation(s)	HEALTH NETWORK
Medical Group Affiliation(s)	North Texas Surgical
Specialties	Cardiology / Cardiovascular, Surgery, Thoracic Surgery
Board Certified Specialties	Surgery - Cardiovascular, Surgery - General
Medical School	GEORGE WASHINGTON UNIV SCH OF MED & HLTH SCI
Residency	General Hospital
Years Since Graduation	18
Gender	Male
Physician Satisfaction	Rate this Physician
Information Last Updated	Mar 21, 2005

<< Back to Previous Page
Questions to Ask your Doctor or Insurance Company

Hospital Clinical Experience and Outcomes for Related Procedures:
Cardiac Catheterization and Angiocardiography: Inpatient

	General Hospital
Patients Treated in One Year	469
Severely Ill Patients Treated in One Year	174
Complication Rate	As Expected
Post-Operative Infection Rate	As Expected

Hospital Clinical Experience and Outcomes for Related Procedures:
Coronary Artery Bypass Graft Surgery (Heart Bypass): Inpatient

	General Hospital
Patients Treated in One Year	200
Severely Ill Patients Treated in One Year	152
Complication Rate	As Expected
Post-Operative Infection Rate	As Expected
Mortality Rate	As Expected
Patient Safety Standard for Procedure Experience	Good Early Stage Effort

▲ Return to Top

Without quality information, healthcare decisions may be driven by factors such as cost and provider location to the exclusion of other equally important factors. Any value shopper takes both cost and quality into consideration.

Provider Quality information is made available to UICI enrollees by Subimo, LLC through the Subimo Physician Advisor™ and Healthcare Advisor™.

© 2005 UICI. All Rights Reserved.

This white paper is for informational purposes only and should not be used to solicit insurance.

Question 4: What education and support services are available for enrollees?

We have seen before how a CDHP will provide enrollees with both responsibility and information not given to them by prior insurance companies. As much as a CDHP tries to make life easier for enrollees, healthcare consumerism is simply more involved than shopping for groceries. Therefore, it is imperative to provide enrollees with outstanding education and support. Without this component, plans may frustrate customers who understand the importance of making wise spending decisions and who know that the information is out there somewhere – but just don't know how to navigate the system to get it.

The otherwise glowing McKinsey & Company June 2005 report found an "Achilles' heel" in many plans that call themselves "consumer driven": 80 percent did not provide sufficient information on the prices doctors charge. Less than half of the consumers studied reported that they were at least as satisfied with their consumer-driven plan as they had been with their previous plan. "The long-term success of CDHPs will be highly dependent not only on whether consumers receive appropriately transparent information to help them make decisions, but also on whether the information can be easily obtained," the report concluded.

UICI offers enrollees an unparalleled array of support services that help to make them savvy users of the consumer tools described above. Following are just a few examples.

Our CDHP enrollees are asked to participate in an "activation call" upon joining the plan. This five-minute call allows a customer service representative to describe in detail how the plan works and how the enrollee and his or her family can use the many online and telephonic support tools to their advantage. By the end of the conversation, the enrollee has discussed the MAC and, if applicable, the *StartWell*℠ Account and UICI SMARTFUNDS with the customer service representative. He or she has been told how to look up a physician and hospital to obtain price information. Many callers tell us that, although the plan design requires more consumer participation, the activation call helped them to understand it better than they did their prior insurance.

Another source of education about the plan is the customer service representatives who take phone calls from enrollees. In addition to handling traditional health insurance questions, these representatives are trained to discuss the critical issues faced by healthcare consumers: how to compare costs among various providers; how to use online self-service tools; and how to manage financial accounts, such as the *StartWell* Account or UICI SMARTFUNDS. These specially-trained representatives are indispensable to new enrollees who are learning how to become healthcare consumers for the first time.

UICI's *Personal Assistant* program is made available to many enrollees – currently, those enrolled in a group plan – in order to help them with their day-to-day questions on navigating the healthcare maze. The *Personal Assistant* program allows enrollees access to a toll-free number

© 2005 UICI. All Rights Reserved.

This white paper is for informational purposes only and should not be used to solicit insurance.

staffed by professionals who act as a *concierge* service. Some of the actions they take on behalf of enrollees and their family members include

- Getting medical records transferred
- Arranging for transportation
- Discussing bills or unexpected charges with the provider
- Finding home-care or adult daycare programs for an enrollee's elderly parent
- Setting up appointments to see specialists
- Putting the enrollee in touch with our 24/7 Nurse Line.

A good CDHP recognizes that there is a partnership between the CDHP and the enrollee. The CDHP is asking for more participation in healthcare decisions and so must offer greater education, services, and support tools than the industry has previously offered to enrollees. Each of these education and support services is important to the mission of fostering healthcare consumerism among enrollees.

Is it Working?

UICI CDHPs put consumers in control and help restore market forces to the healthcare industry. With consumers interested in keeping costs down while armed with information about which providers are the most economical, any need to impose controls such as referrals, pre-certification, and network restrictions has vanished. UICI CDHPs operate without these controls and instead trust the consumer and the chosen physician to make the best healthcare decisions. Given the right tools and incentives, consumers can take control of their healthcare *and* ultimately lower healthcare costs overall.

The following UICI statistics show the power of our CDHP plans to involve enrollees and keep them happy [5]

- **40** percent of households have done a web-based provider search. Two-thirds were repeat users.
- **78** percent of enrollees rolled over surplus money in their *StartWell* Account.
- **86** percent of physician services fell under the MAC.
- **89** percent of customers would recommend their health plan to another buyer.
- **97** percent of new customers said they are "happy" with their benefits after learning about them on the Activation Call.

© 2005 UICI. All Rights Reserved.

This white paper is for informational purposes only and should not be used to solicit insurance.

In Conclusion…

CDHPs should be evaluated based on answers to the four questions posed in this paper. To omit any of these critical components is to risk making the plan unworkable. Either it will fail to offer consumers adequate tools to make informed financial decisions, or it will not establish incentives that encourage enrollees to take an active role in their healthcare.

But with a true CDHP, enrollees are able to see healthcare in a new light, giving rise to a new set of questions. "Do I need a referral?" will become "Who is the best doctor for my overall needs?" And "What is my co-payment?" will change to "What is the total cost of this visit?"

Where do we go From Here?

The nation did not arrive at its current consumer-unfriendly system overnight, so unleashing the power of consumerism in America will take time. We at UICI expect to be able to provide enrollees with increasingly sophisticated CDHP products. We plan to steadily raise the level of customization in plan designs, services, and enrollee tools.

As people get a taste for consumer tools and the savings they can amass from using them, they will demand more sophisticated tools. Many managed-care companies are still offering high deductible plans, tacking on a Health Savings Account and calling the plans "consumer driven." These laggards may eventually catch up and begin offering comprehensive CDHPs. If not, their customers will catch up with them – and switch to another insurance company.

More often, the market asks its current insurance companies to meet these needs. In many cases, the market is frustrated with the lack of progress. Now, banks and other financial institutions are beginning to enter the health insurance industry as they notice that consumers' demand is left largely unsatisfied by traditional insurance companies. Of course, the traditional companies have an advantage in keeping their own customers, but the financial industry may be able to make inroads if it answers the demands of the marketplace with innovative solutions built around principles of consumerism. After all, the financial services industry is expert in providing simple consumer tools in an intimidating field. In short, it provides a need the insurance industry fails to meet: *mass customization.*

Certainly, there will be mass customization in healthcare, just as there are made-to-order Levi's® [4] and customized Dell™ [4] Computers. What will that look like in the health insurance industry? No longer will every person in a large company have to use the same one or two networks of providers and choose from among the same old options of deductibles and co-payments. Over time, the market will demand tailored benefits that each enrollee can fashion according to his or her own needs and wants. Why not let enrollees choose their own groups of physicians? Why not let them do this at the point of enrollment, *before* they face a health crisis?

© 2005 UICI. All Rights Reserved.

This white paper is for informational purposes only and should not be used to solicit insurance.

Why not instantaneously show them the effect on their premium of those point-of-enrollment decisions? Why not let them choose any combination of financial structures, such as deductibles, coinsurance, and co-pays to dial up or down that premium? In the future, we believe that this type of mass customization will become commonplace in health insurance. The question is not whether such services *will* be provided, but *who* will provide them!

At UICI, we believe in a future where all health plans sold in America will be of the consumer-driven variety – serving energized, savvy enrollees who understand how to manage their healthcare decisions as well as they do their vacation-planning or refrigerator inventory. Enrollees will be as fluent with the language and options of healthcare as they are with those of 401(k)s and mortgage options. We are building this future now, planning to bring increased levels of service, benefit plan customization, and support tools to the marketplace.

There really is nothing more powerful than an idea whose time has come.

***

UICI
9151 Grapevine Highway
North Richland Hills, Texas 76180
(817) 255-5200
www.uici.net

Glen Moller, Vice President of Marketing
UICI Agency Marketing Group
gmoller@healthmarket.com

© 2005 UICI. All Rights Reserved.

This white paper is for informational purposes only and should not be used to solicit insurance.

NOTES

[1] Bradford J. Holmes with Eric G. Brown and Sara E. McAulay, “Consumer-Directed Health Plan Leaders Poised for Growth” *Brief (Whole View™, TechStrategy™ Research), Forrester Research, Inc.* July, 22 2003.
[2] Cynthia Smith, Cathy Cowan, Art Sensenig, Aaron Catlin, and Health Accounts Team, “Trends: Health Spending Growth Slows in 2003” *Health Affairs* (January 11, 2005).
[3] Selecting providers “In the Green” is not a guarantee that enrollees will stay within the MAC for a particular service. Providers change their charges from time to time. When charges exceed the MAC, enrollees will be responsible for the difference. To confirm that a provider’s charges will be at or below the MAC, enrollees should speak with their provider before receiving services.
[4] No relationship exists between eBay®, Amazon.com®, Levi’s®, Dell™ and UICI. Reference to these parties does not constitute an endorsement or recommendation by these parties of UICI’s products or services.
[5] These statistics have been compiled from multiple sources:

- “40 percent of households have done a web-based provider search. Two-thirds were repeat users” is based on a review of website usage reports for the website at www.healthmarket.com in May 2005.
- “86 percent of physician services fell under the MAC” is based on review of claims data between 11/1/04 and 4/1/05 for enrollees of HealthMarket℠ Consumer Driven Health Plan underwritten by The Chesapeake Life Insurance Company.
- “89 percent of customers would recommend the health plan to another buyer” is based on a survey of employer groups enrolled in a HealthMarket℠ Consumer Driven Health Plan underwritten by The Chesapeake Life Insurance Company conducted in August 2005.
- “78% of enrollees roll over surplus money in their StartWell Account” is based on review of a full year of small group policies underwritten by American Travelers Assurance Company (ATAC) with claims paid from 5/1/2002 through 12/31/04; and “97 percent of new customers said they are “happy” with their benefits after learning about them on the Activation Call” is based on a survey of HealthMarket℠ Consumer Driven Health Plan enrollees underwritten by ATAC following the Activation Call in November 2003. Claim and survey data has been furnished courtesy of ATAC and is used with permission. ATAC and UICI are not affiliated companies. The use of this claim and survey data by UICI does not constitute or imply any endorsement or sponsorship by either ATAC or UICI of the other party’s products or services.

© 2005 UICI. All Rights Reserved.

This white paper is for informational purposes only and should not be used to solicit insurance.