

CUSTOMER RESEARCH, EXPERIENCE & ADVOCACY (CREA) – STRATEGIC INSIGHTS

BRANDED RELATIONSHIP MEMBER NPS

2023 YEAR-END UPDATE

Commercial

- **BCBSMA's NPS remains strong and leads competitors** in 2023.
- **Affordability and plan value remain pain points across all Commercial segments** with one fifth of members reporting avoiding care due to cost
- **Personalization is highly influential on NPS and receives lower ratings from both Commercial and Medicare** members. It is also an area where BCBSMA does not have a strong competitive advantage in either market.
- **Plan understanding remains sub-optimal** with members giving low ratings to several key drivers including, makes it easy to understand what is and isn't covered and makes health insurance simpler.

Medicare

- **BCBSMA's Medicare NPS remains strong and leads United** but is at parity with Tufts
- **BCBSMA leads Tufts on market leadership perception, but Tufts outperforms BCBSMA on affordability**, which may have a greater influence on plan choice in a price-sensitive market.

BCBSMA COMMERCIAL AND MEDICARE NPS SCORES ARE AT STATISTICAL PARITY WITH 2022



MASSACHUSETTS

Branded Relationship Member NPS - Commercial	2022	2023	Change from 2022
Total Commercial MA	38	36	-2
Merged Market	16	13	-3
Fully Insured 51+	35	37	+2
Commercial ASC	41	35	-6
Municipal and Labor	46	44	-2

Branded Relationship Member NPS - Medicare	2022	2023	Change from 2022
Total Medicare	68	71	+3
Medicare Advantage	66	72	+6
Medicare Supplement	68	70	+2

What happened:

- BCBSMA’s 2023 Commercial Relationship NPS (34) is at parity with 2022.
- Enterprise segment NPS scores are also consistent with 2022, although Commercial ASC declined directionally.
- The majority of key drivers are stable but market leader (70% v. 73 in 2022) and makes it easy to get claims paid (62% v. 65% in 2022) are significantly lower than last year.

Improvement opportunities:

- Plan understanding and cost are the greatest improvement areas with satisfaction levels falling below 50% on several key drivers including, makes it easy to understand what is and isn’t covered (48%), makes health insurance simpler (47%), good value for the money (48%) and is an affordable plan (40%)

Implication: Continued focus on the “understanding benefits” journey should help alleviate some member burden in 2024.

What happened:

- BCBSMA’s Total Medicare Relationship NPS (71) is statistically equal to 2022. Medicare Advantage (71) directionally improved and Medicare Supplement (70) is stable.
- Medicare Advantage member give significantly higher scores to four key drives: good value for the money (87% v. 80% in 2022), makes it easy to understand what is and isn’t covered (76% v. 68%) has reasonable deductibles (75% v. 67% in 2022) and helps me understand how much BCBSMA paid for services and what I still owe (86% v. 81% in 2022).

Improvement opportunities:

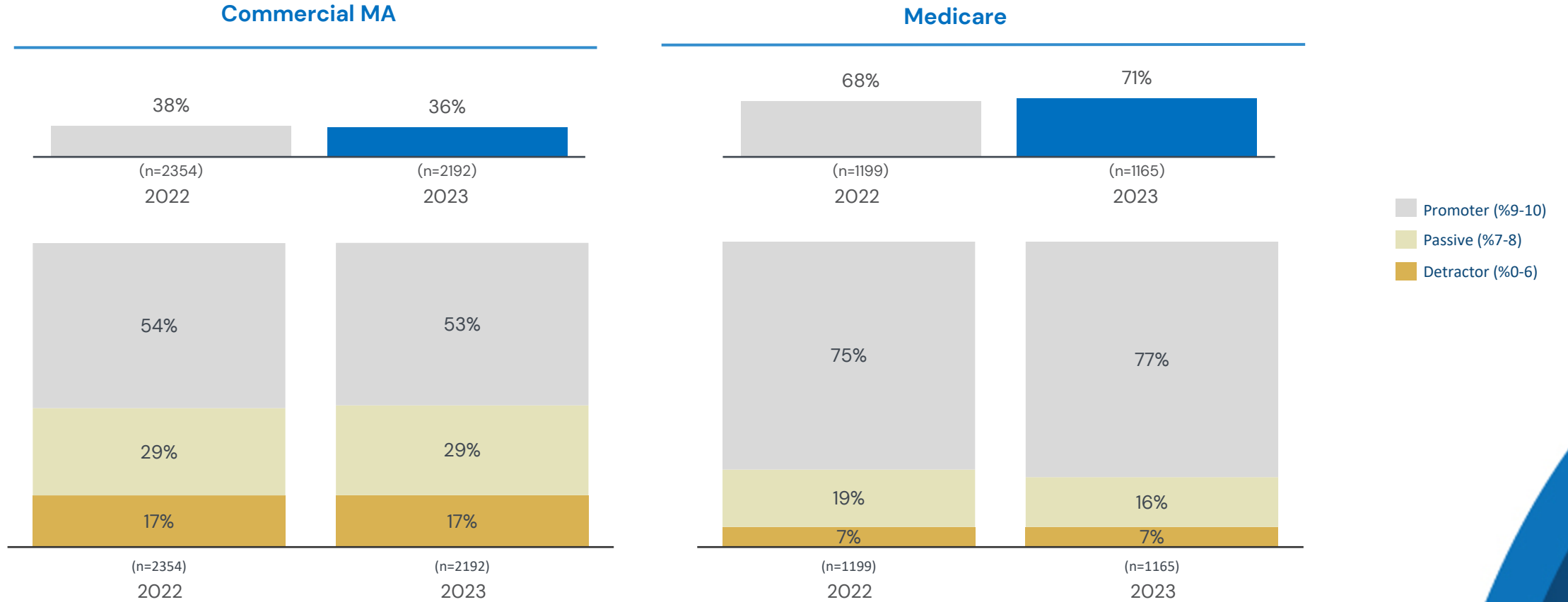
- Plan education tools and plan simplification, along with alternative care coverage and rewards for health behaviors are the key drivers rated the lowest among Medicare members. Affordability and prescription drug coverage are also a key concerns among Medicare Supplement members.

Implication: Strategic focus on growing MAPD business and STARS improvement should contribute to maintaining or improving NPS in the future.

COMMERCIAL AND MEDICARE NPS ARE AT PARITY WITH 2022, WITH OVER HALF OF COMMERCIAL MEMBERS AND OVER THREE QUARTERS OF MEDICARE MEMBERS GIVING PROMOTER RATINGS



BRANDED MEMBER RELATIONSHIP NPS



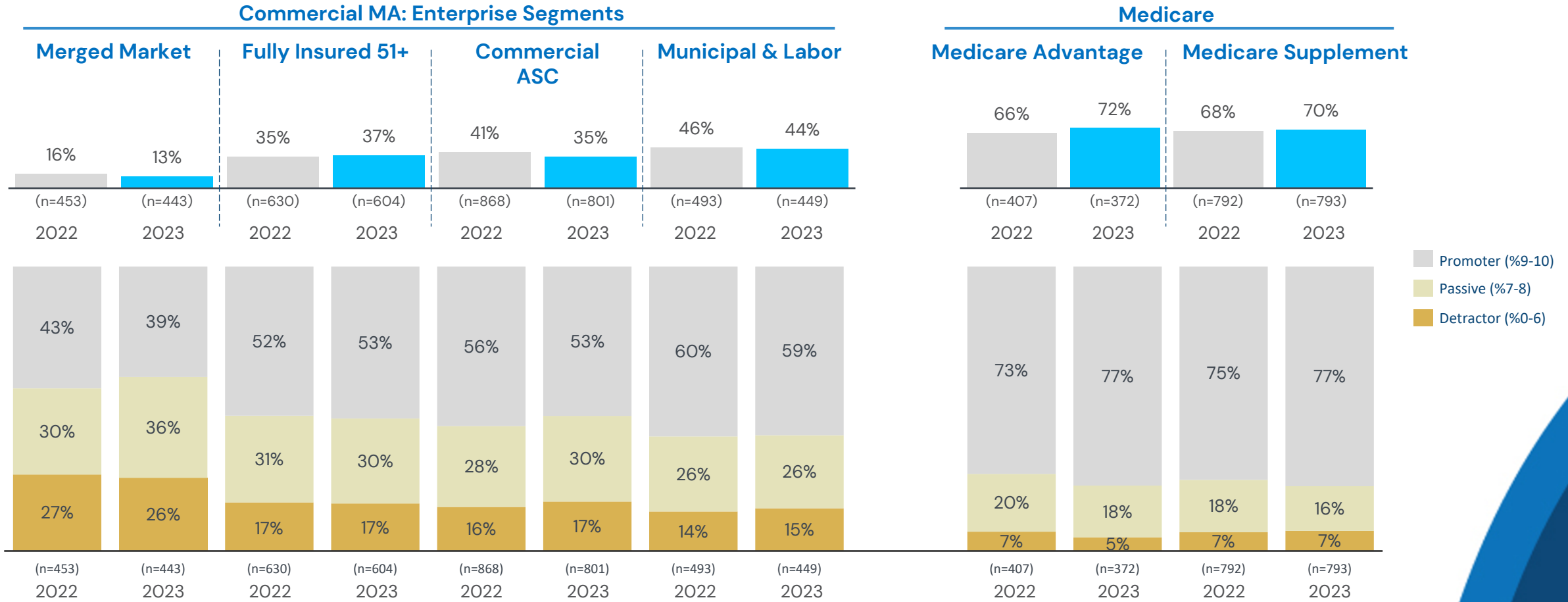
■ Promoter (%9-10)
■ Passive (%7-8)
■ Detractor (%0-6)

LO1. Using any number between 0 and 10 where 0 means "Not at all likely" and 10 means "Extremely likely", how likely would you recommend Blue Cross Blue Shield of Massachusetts to a friend or colleague?

NPS IS FAIRLY STABLE BY COMMERCIAL ENTERPRISE SEGMENT AND MEDICARE PRODUCT



BRANDED MEMBER RELATIONSHIP NPS



L01. Using any number between 0 and 10 where 0 means "Not at all likely" and 10 means "Extremely likely", how likely would you recommend Blue Cross Blue Shield of Massachusetts to a friend or colleague?

24 attributes were tested using a statistical model to determine their impact on NPS

What is important to our customers?

- Identify attributes that have the strongest impact on NPS

How are we doing?

- Identify attributes where performance is stronger and where performance is weaker

What actions should we take?

- Focus on improvement opportunities

Factors used to identify improvement opportunities

- Level of influence on NPS
- Performance
- Organizational actionability

Key Drivers are bucketed into 6 categories and opportunity areas are identified within each



Company Attribute



Access & Coverage



Plan Understanding



Plan Value



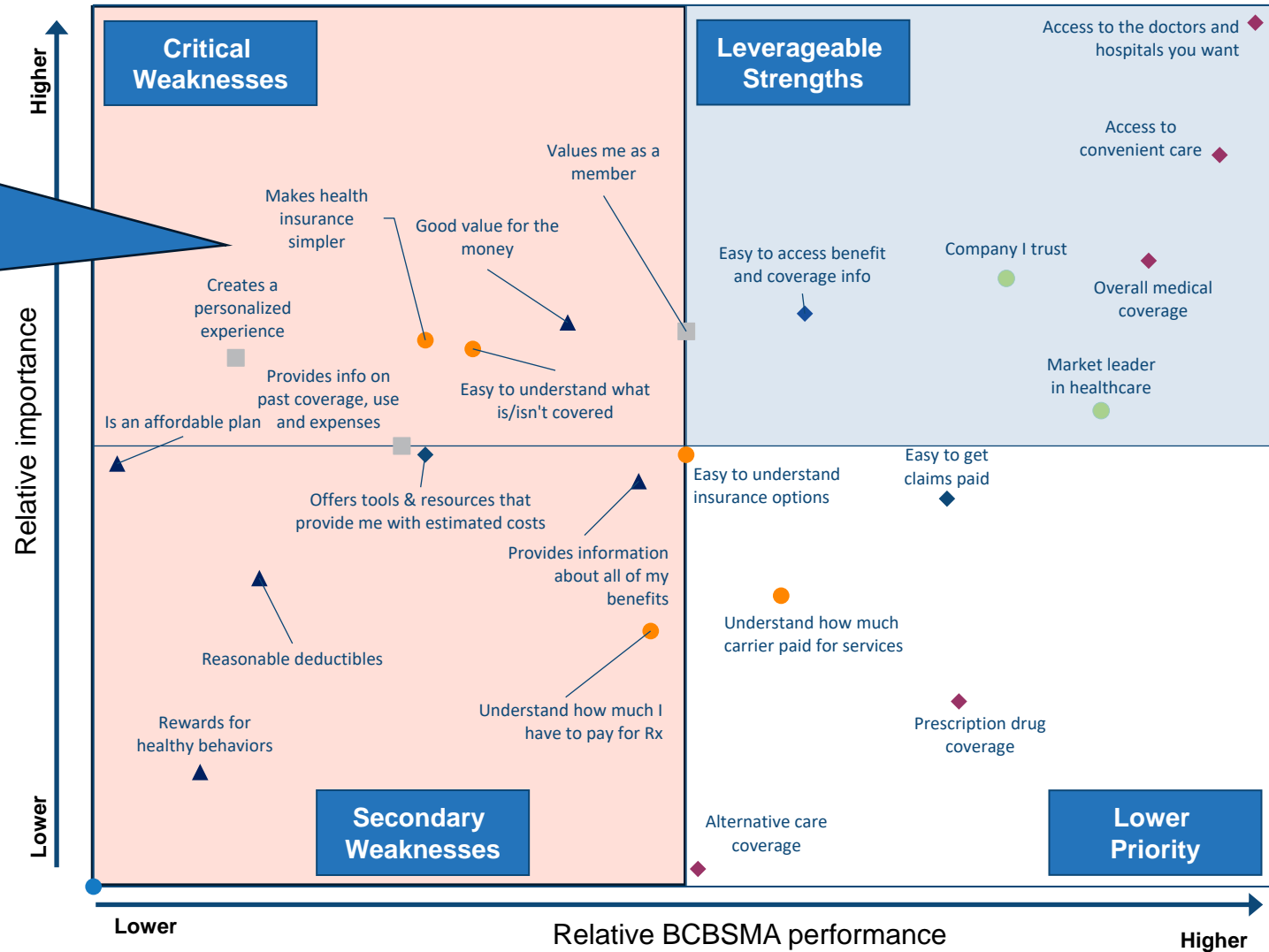
Ease of Using the Plan



Personalization

AFFORDABILITY, PERSONALIZATION AND PLAN UNDERSTANDING ARE TOP IMPROVEMENT AREAS WITH RESPECT TO DRIVING MEMBER NPS

Where BCBSMA needs to prioritize



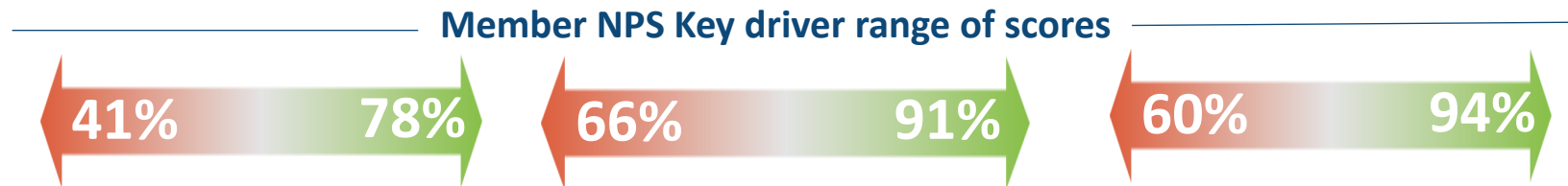
24 attributes were tested using a statistical model to determine their impact on NPS

- ◆ Access and Coverage
- Company Attributes
- ▲ Plan Value
- ◆ Ease of using the plan
- Personalization
- Plan Understanding

AFFORDABILITY IS THE TOP PAIN POINT FOR COMMERCIAL AND MEDICARE SUPPLEMENT MEMBERS WHILE PERSONALIZATION AND PLAN UNDERSTANDING CONTINUE TO BE POINTS OF FRICTION FOR ALL MEMBERS



	COMMERCIAL	MEDICARE ADVANTAGE	MEDICARE SUPPLEMENT
IS AN AFFORDABLE PLAN	41%	80%	60%
CREATES A PERSONALIZED EXPERIENCE	48%	68%	69%
MAKES IT EASY TO UNDERSTAND WHAT IS AND ISN'T COVERED	48%	76%	71%
MAKES HEALTH INSURANCE SIMPLER	48%	70%	72%



Medicare Competitive Performance*: Significantly ahead of United “makes it to understand what is covered.” Significantly below United on “affordable plan.”

Competitive Medicare performance compare is not by product so product mix should be considered when interpreting comparisons: **BCBSMA** MAPD: 22%, Medicare Supp: 78%, **Tufts** MAPD: 88%, Medicare Supp: 12%, **United** MAPD: 69%, Medicare Supp: 31%

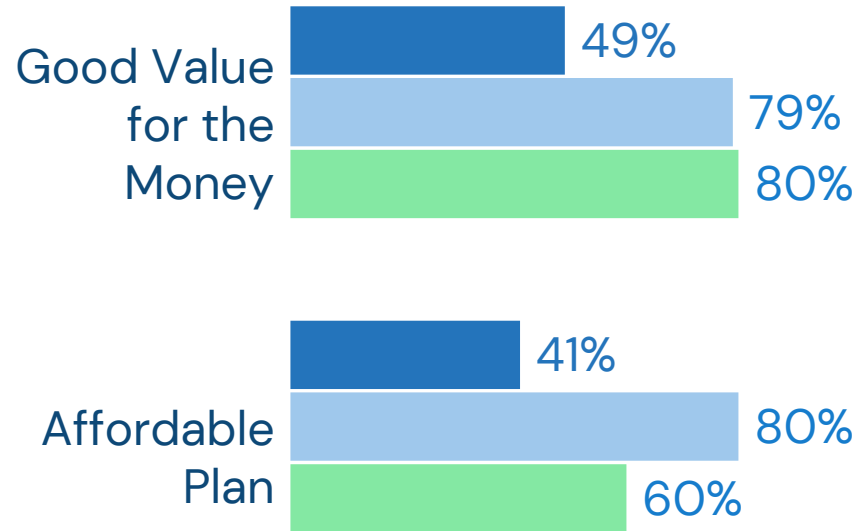
Commercial Competitive Performance: Significantly ahead of Harvard and United; Significantly below MGH on all 3 drivers

AFFORDABILITY IS THE LOWEST RATED SURVEY ATTRIBUTE AMONG COMMERCIAL MEMBERS AND ALMOST ONE QUARTER HAVE FORGONE CARE DUE TO COST



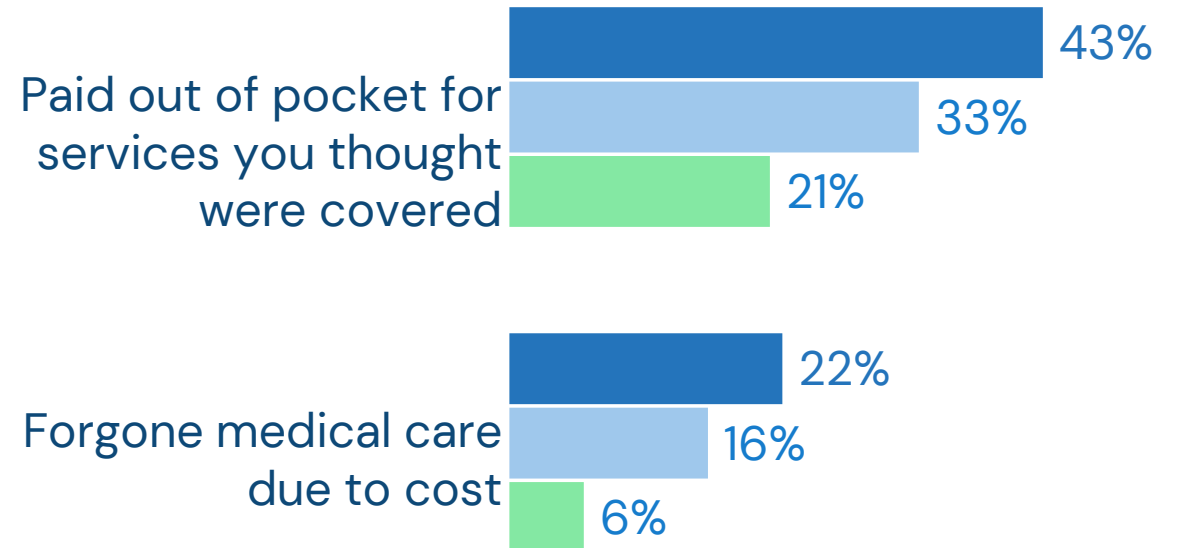
Member Perception

%8, 9 or 10 rating



Member Experience

Incidence in past 12 months (% 1+ times)



- Affordability is the leading area for opportunity, underscoring the need for BCBSMA to **continue its focus on managing cost and improving access to affordable and equitable care** through **prioritization of the *Find and Navigate Care* journey** as well as the pursuit of market leading product design.
- Member challenges with plan understanding emphasizes the need to **deliver exceptional service center and digital experiences** as well as **prioritization of the *Understand Benefits* journey**.
- Personalization is a key NPS driver where all competitors underperform, **representing an opportunity for market differentiation**. Initiatives in the ***Know Me*** journey including member segmentation and CRM are critical priorities for BCBSMA.
- BCBSMA's Medicare NPS is strong, but **efforts to improve Medicare CAHPS** in support of achieving a 5-STAR rating will improve member experience and strengthen BCBSMA's competitive position.

APPENDIX

DETAILED RESULTS



RATINGS FOR MARKET LEADER AND THE EASE OF GETTING CLAIMS PAID DECREASED SIGNIFICANTLY FROM 2022 AMONG COMMERCIAL MEMBERS.

Total Commercial MA: Top Drivers	2022 n=2509	2023 n=2346
Access to the doctors and hospitals you want	79%	78%
Access to care in the way that is most convenient for you	77%	76%
Overall medical coverage	74%	73%
Is a company I trust	67%	65%
Makes it easy to access benefit and coverage info when I need it	60%	57%
Is a good value for the money	51%	49%
Values me as a member	52%	52%
Makes health insurance simpler	49%	48%
Makes it easy to understand what is and isn't covered by my plan	50%	48%
Creates a personalized experience that's right for me	44%	44%
Is a market leader in healthcare	74%	71% ↓
Provides information on past coverage, use and expenses to help determine if my current health plan offering meets my needs	48%	46%













Total Commercial MA: Secondary Drivers	2022 n=2509	2023 n=2346
Makes it easy to understand the various insurance options available to me when enrolling	55%	54%
Offers tools and resources that provide me with the estimated costs of my healthcare services	51%	49%
Is an affordable health plan	41%	41%
Provides information about all of my benefits so I get the most value out of my plan	54%	52%
Makes it easy to get claims paid	66%	62% ↓
Has reasonable deductibles	47%	48%
Helps me understand how much BCBSMA paid for services and what I still owe	58%	55% ↓
Makes it easy to understand how much I have to pay for my prescription drugs	56%	55%
Prescription drug coverage	70%	69%
Rewards me for participating in healthy behaviors	47%	46%
Alternative care coverage (i.e., chiropractor, acupuncture)	52%	56%












- Company Attribute
- Access & Coverage
- Plan Value
- Plan Understanding
- Ease of Using the Plan
- Personalization







*% 8,9 or 10 rating on a 0 to 10 scale

↑↓ Indicates a result statistically significant than 2022 at 95% C.L.

AMONG MERGED MARKET MEMBERS, ALL KEY DRIVERS ARE AT PARITY WITH LAST YEAR.

<i>Merged Market: Top Drivers</i>	2022 n=464	2023 n=451
 Access to the doctors and hospitals you want	71%	70%
 Access to care in the way that is most convenient for you	70%	65%
 Overall medical coverage	60%	58%
 Is a company I trust	56%	54%
 Makes it easy to access benefit and coverage info when I need it	48%	53%
 Is a good value for the money	34%	35%
 Values me as a member	41%	42%
 Makes health insurance simpler	35%	39%
 Makes it easy to understand what is and isn't covered by my plan	38%	43%
 Creates a personalized experience that's right for me	33%	36%
 Is a market leader in healthcare	68%	65%
 Provides information on past coverage, use and expenses to help determine if my current health plan offering meets my needs	39%	41%

<i>Merged Market: Secondary Drivers</i>	2022 n=464	2023 n=451
 Makes it easy to understand the various insurance options available to me when enrolling	42%	45%
 Offers tools and resources that provide me with the estimated costs of my healthcare services	40%	44%
 Is an affordable health plan	30%	27%
 Provides information about all of my benefits so I get the most value out of my plan	43%	42%
 Makes it easy to get claims paid	58%	60%
 Has reasonable deductibles	30%	30%
 Helps me understand how much BCBSMA paid for services and what I still owe	51%	49%
 Makes it easy to understand how much I have to pay for my prescription drugs	44%	44%
 Prescription drug coverage	57%	53%
 Rewards me for participating in healthy behaviors	39%	41%
 Alternative care coverage (i.e., chiropractor, acupuncture)	40%	41%

-  Company Attribute
-  Access & Coverage
-  Plan Value
-  Plan Understanding
-  Ease of Using the Plan
-  Personalization

*% 8,9 or 10 rating on a 0 to 10 scale

↑↓ Indicates a result statistically significant than 2022 at 95% C.L.



THE MAJORITY OF KEY DRIVER RATINGS AMONG FULLY INSURED 51+ MEMBERS ARE CONSISTENT WITH 2022, BUT RATINGS FOR PROVIDES INFORMATION ON PAST COVERAGE DECLINES SIGNIFICANTLY

Fully Insured 51+: Top Drivers	2022 n=645	2023 n=614
Access to the doctors and hospitals you want	77%	81%
Access to care in the way that is most convenient for you	75%	77%
Overall medical coverage	70%	70%
Is a company I trust	65%	64%
Makes it easy to access benefit and coverage info when I need it	58%	55%
Is a good value for the money	49%	45%
Values me as a member	50%	49%
Makes health insurance simpler	45%	44%
Makes it easy to understand what is and isn't covered by my plan	46%	44%
Creates a personalized experience that's right for me	40%	40%
Is a market leader in healthcare	72%	68%
Provides information on past coverage, use and expenses to help determine if my current health plan offering meets my needs	46%	40% ↓

Fully Insured 51+: Secondary Drivers	2022 n=645	2023 n=614
Makes it easy to understand the various insurance options available to me when enrolling	52%	51%
Offers tools and resources that provide me with the estimated costs of my healthcare services	49%	48%
Is an affordable health plan	40%	36%
Provides information about all of my benefits so I get the most value out of my plan	52%	50%
Makes it easy to get claims paid	59%	60%
Has reasonable deductibles	43%	43%
Helps me understand how much BCBSMA paid for services and what I still owe	53%	54%
Makes it easy to understand how much I have to pay for my prescription drugs	51%	51%
Prescription drug coverage	68%	67%
Rewards me for participating in healthy behaviors	49%	48%
Alternative care coverage (i.e., chiropractor, acupuncture)	46%	51%

- Company Attribute
- Access & Coverage
- Plan Value
- Plan Understanding
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- Personalization

*% 8,9 or 10 rating on a 0 to 10 scale

↑↓ Indicates a result statistically significant than 2022 at 95% C.L.



SIMILAR TO OTHER SEGMENTS, MOST COMMERCIAL ASC MEMBER KEY DRIVER RATINGS ARE AT PARITY WITH 2022.

THE ONE EXCEPTION IS FOR MAKING IT EASY TO ACCESS BENEFIT AND COVERAGE INFO WHICH SIGNIFICANTLY DECLINED.

<i>Commercial ASC: Top Drivers</i>	2022 n=893	2023 n=817
Access to the doctors and hospitals you want	80%	77%
Access to care in the way that is most convenient for you	79%	78%
Overall medical coverage	76%	74%
Is a company I trust	66%	65%
Makes it easy to access benefit and coverage info when I need it	61%	55% ↓
Is a good value for the money	54%	53%
Values me as a member	52%	53%
Makes health insurance simpler	48%	48%
Makes it easy to understand what is and isn't covered by my plan	49%	47%
Creates a personalized experience that's right for me	45%	45%
Is a market leader in healthcare	72%	70%
Provides information on past coverage, use and expenses to help determine if my current health plan offering meets my needs	48%	50%

<i>Commercial ASC: Secondary Drivers</i>	2022 n=893	2023 n=817
Makes it easy to understand the various insurance options available to me when enrolling	55%	56%
Offers tools and resources that provide me with the estimated costs of my healthcare services	48%	49%
Is an affordable health plan	45%	45%
Provides information about all of my benefits so I get the most value out of my plan	54%	55%
Makes it easy to get claims paid	65%	62%
Has reasonable deductibles	51%	52%
Helps me understand how much BCBSMA paid for services and what I still owe	58%	56%
Makes it easy to understand how much I have to pay for my prescription drugs	54%	55%
Prescription drug coverage	72%	73%
Rewards me for participating in healthy behaviors	40%	44%
Alternative care coverage (i.e., chiropractor, acupuncture)	56%	60%

- Company Attribute
- Access & Coverage
- Plan Value
- Plan Understanding
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- Personalization

*% 8,9 or 10 rating on a 0 to 10 scale

↑↓ Indicates a result statistically significant than 2022 at 95% C.L.

MUNICIPAL AND LABOR MEMBERS GIVE SIGNIFICANTLY LOWER RATINGS TO FIVE KEY DRIVERS INCLUDING, COMPANY I TRUST, COST ESTIMATION TOOLS, EASE OF GETTING CLAIMS PAID, UNDERSTANDING OF AMOUNT OWED FOR SERVICES AND REWARDS FOR HEALTHY BEHAVIORS.

<i>Municipal and Labor: Top Drivers</i>	2022 n=500	2023 n=454
Access to the doctors and hospitals you want	84%	80%
Access to care in the way that is most convenient for you	78%	81%
Overall medical coverage	81%	80%
Is a company I trust	78%	72% ↓
Makes it easy to access benefit and coverage info when I need it	65%	66%
Is a good value for the money	59%	55%
Values me as a member	62%	57%
Makes health insurance simpler	60%	55%
Makes it easy to understand what is and isn't covered by my plan	60%	56%
Creates a personalized experience that's right for me	51%	51%
Is a market leader in healthcare	79%	76%
Provides information on past coverage, use and expenses to help determine if my current health plan offering meets my needs	54%	51%

<i>Municipal and Labor: Secondary Drivers</i>	2022 n=500	2023 n=454
Makes it easy to understand the various insurance options available to me when enrolling	61%	58%
Offers tools and resources that provide me with the estimated costs of my healthcare services	64%	53% ↓
Is an affordable health plan	42%	47%
Provides information about all of my benefits so I get the most value out of my plan	61%	57%
Makes it easy to get claims paid	78%	65% ↓
Has reasonable deductibles	53%	58%
Helps me understand how much BCBSMA paid for services and what I still owe	67%	59% ↓
Makes it easy to understand how much I have to pay for my prescription drugs	70%	64%
Prescription drug coverage	74%	73%
Rewards me for participating in healthy behaviors	55%	46% ↓
Alternative care coverage (i.e., chiropractor, acupuncture)	58%	63%

- Company Attribute
- Access & Coverage
- Plan Value
- Plan Understanding
- Ease of Using the Plan
- Personalization

*% 8,9 or 10 rating on a 0 to 10 scale

↑↓ Indicates a result statistically significant than 2022 at 95% C.L.



MEDICARE ADVANTAGE MEMBERS GIVE SIGNIFICANTLY HIGHER MARKS TO SEVERAL KEY DRIVERS INCLUDING, GOOD VALUE FOR THE MONEY, EASE OF UNDERSTANDING WHAT IS COVERED, REASONABLE DEDUCTIBLES, UNDERSTANDING OF HOW MUCH IS OWED AND ALTERNATIVE CARE COVERAGE.

Medicare Advantage: Top Drivers	2022 n=413	2023 n=374
Access to the doctors and hospitals you want	89%	91%
Access to care in the way that is most convenient for you	87%	85%
Overall medical coverage	87%	87%
Is a company I trust	87%	89%
Makes it easy to access benefit and coverage info when I need it	78%	82%
Is a good value for the money	80%	87% ↑
Values me as a member	80%	79%
Makes health insurance simpler	69%	70%
Makes it easy to understand what is and isn't covered by my plan	68%	76% ↑
Creates a personalized experience that's right for me	67%	68%
Is a market leader in healthcare	86%	87%
Provides information on past coverage, use and expenses to help determine if my current health plan offering meets my needs	73%	69%

Medicare Advantage: Secondary Drivers	2022 n=413	2023 n=374
Makes it easy to understand the various insurance options available to me when enrolling	72%	75%
Offers tools and resources that provide me with the estimated costs of my healthcare services	69%	71%
Is an affordable health plan	78%	80%
Provides information about all of my benefits so I get the most value out of my plan	75%	79%
Makes it easy to get claims paid	86%	87%
Has reasonable deductibles	67%	75% ↑
Helps me understand how much BCBSMA paid for services and what I still owe	81%	86% ↑
Makes it easy to understand how much I have to pay for my prescription drugs	73%	77%
Prescription drug coverage	76%	76%
Rewards me for participating in healthy behaviors	66%	66%
Alternative care coverage (i.e., chiropractor, acupuncture)	56%	68% ↑

- Company Attribute
- Access & Coverage
- Plan Value
- Plan Understanding
- Ease of Using the Plan
- Personalization

*% 8,9 or 10 rating on a 0 to 10 scale

↑↓ Indicates a result statistically significant than 2022 at 95% C.L.



COMPARED TO 2022, MEDICARE SUPPLEMENT MEMBERS GIVE SIGNIFICANTLY HIGHER RATINGS TO CREATES A PERSONALIZED EXPERIENCE AND PROVIDES INFORMATION ON PAST COVERAGE, USE AND EXPENSES.

<i>Medicare Supplement: Top Drivers</i>	2022 n=809	2023 n=803
Access to the doctors and hospitals you want	93%	94%
Access to care in the way that is most convenient for you	90%	90%
Overall medical coverage	89%	91%
Is a company I trust	88%	89%
Makes it easy to access benefit and coverage info when I need it	77%	80%
Is a good value for the money	71%	74%
Values me as a member	76%	80%
Makes health insurance simpler	70%	72%
Makes it easy to understand what is and isn't covered by my plan	71%	71%
Creates a personalized experience that's right for me	63%	69% ↑
Is a market leader in healthcare	88%	90%
Provides information on past coverage, use and expenses to help determine if my current health plan offering meets my needs	66%	75% ↑

<i>Medicare Supplement: Secondary Drivers</i>	2022 n=809	2023 n=803
Makes it easy to understand the various insurance options available to me when enrolling	69%	71%
Offers tools and resources that provide me with the estimated costs of my healthcare services	65%	67%
Is an affordable health plan	60%	60%
Provides information about all of my benefits so I get the most value out of my plan	66%	70%
Makes it easy to get claims paid	87%	89%
Has reasonable deductibles	NA	NA
Helps me understand how much BCBSMA paid for services and what I still owe	79%	81%
Makes it easy to understand how much I have to pay for my prescription drugs	66%	66%
Prescription drug coverage	62%	66%
Rewards me for participating in healthy behaviors	59%	61%
Alternative care coverage (i.e., chiropractor, acupuncture)	67%	70%

- Company Attribute
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*% 8,9 or 10 rating on a 0 to 10 scale

↑↓ Indicates a result statistically significant than 2022 at 95% C.L.

APPROACH

Competitive

- **Field Dates:** May 15, 2023 – June 26, 2023/October 6, 2023 – November 17, 2023
- **Total Completes:** 2,881
- **Competitors:** Harvard, Tufts, United, Cigna and Aetna
- **Line of Business:** Individual, Commercial, Medicare
- **Branding:** BCBSMA not identified as sponsor
- **Methodology:** Online Panel

Branded

- **Field Dates:** May 22, 2023 – July 7, 2023/October 19, 2023 – December 21, 2023
- **Total Completes:** 3,542
- **Lines of Business:** Individual, Commercial and Medicare
- **Branding:** BCBSMA identified as sponsor
- **Methodology:** Phone and Mail-to-Online