



Revitalizing Medicare Advantage Member Engagement with Direct Mail

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Executive Summary

This whitepaper explores the critical role of direct mail within the digital age, particularly in engaging Medicare Advantage (MA) members. By integrating innovative direct mail with modern digital strategies and leveraging the emotional resonance of Hallmark greeting cards, health plans can significantly enhance member satisfaction, improve retention, and boost overall Star ratings.



Introduction

In today's digital-first world, direct mail stands out as a powerful tool for health plans aiming to connect with an evolving population of MA-eligible seniors. According to KFF research, the average beneficiary could choose from 43 MA plans - more than twice the average number in 2018.

Consequently, member loyalty and retention are becoming increasingly important. Many plans can effectively meet the needs of their members, but not as many can make a lasting connection. Effective member engagement requires reaching out during critical times such as just before annual CAHPS surveys, just before annual HOS surveys, during AEP and OEP, as well as consistently throughout the year to enhance member experience and improve health plan Star ratings.





The Enduring Appeal of Direct Mail: Five Long Lasting Benefits

In a world increasingly dominated by digital communications, direct mail retains a distinctive charm and effectiveness, especially among demographics such as seniors eligible for or enrolled in MA plans. Below, we explore five key reasons why direct mail remains impactful: first impressions, member preferences and response rates, time treasured, lasting influence, and return on investment (ROI) - each underscoring the substantial benefits direct mail brings to health plan communications.

First Impressions

Direct mail creates a powerful first impression, providing a tangible connection that digital communications often lack. This physical aspect helps establish a health plan's commitment to personal care from the outset. For instance, 71% of consumers feel that direct mail is more personal than online digital communication, and recipients feel more valued.





Member Preferences and Response

Direct mail aligns closely with the preferences of those who are 65 and over, who often respond more positively to physical mail compared to digital alternatives. This preference is also reflected in higher response rates seen in direct mail campaigns; 85% of consumers read direct mail versus less than 33% for email.

Time Treasured

A GLW Media study found that an average email lasts only 2 seconds. In contrast, direct mail has an average lifespan of 17 days during which a consumer sees and interacts with the piece of mail multiple times. This extended engagement is crucial for conveying more complex health plan benefits and building a strong connection.

Lasting Influence

Direct mail's influence extends beyond initial contact by significantly affecting purchasing decisions. It is perceived as more trustworthy and credible than digital material, making it an impactful tool in influencing member decisions during enrollment periods. This is especially important in an era where more seniors are exhausted by the news with increasing levels of distrust.

Return on Investment (ROI)

In 2024, an LOB and Compermedia report stated that 84% of marketers report that direct mail gives the highest ROI of any channel they use. Such a statement is backed by action, as a similarly high percentage of marketers are planning to increase direct mail spend this year. With increasing investment in direct mail marketing across the industry, the ability to personalize and elevate your collateral becomes essential to maximize ROI.



Hallmark Moments: The Optimal Medium for Direct Mail

The choice of medium can profoundly influence the effectiveness of the communication. Hallmark, with its century-long legacy of crafting meaningful connections, is an impactful medium for direct mail campaigns aimed at enhancing member engagement within health plans. This section explores how Hallmark greeting cards, distinguished for their quality and emotional resonance, offer unique advantages that are particularly effective for driving member engagement. We'll discuss three main aspects - the power of recognition, emotional connections, and personalized precision - that make Hallmark not just a tool for sending messages but a strategic asset for deepening relationships with MA members.

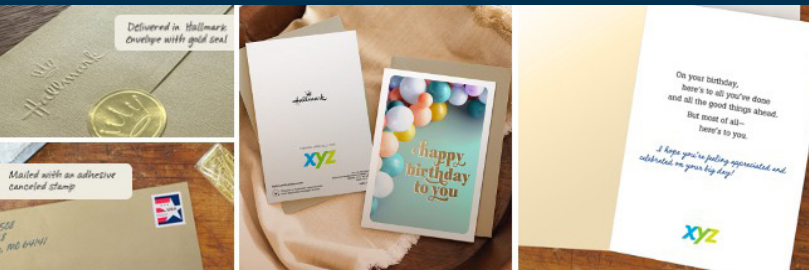


Power of Recognition

The iconic Hallmark brand resonates deeply with seniors, evoking a sense of familiarity and trust. Hallmark's slogan that emerged in 1944, "When you care enough to send the very best," encapsulates the essence of the brand's impact through direct mail.

95% of Hallmark cards get opened versus 35% of other direct mail formats. Hallmark cards have a dramatically higher open rate than most direct mail, getting your content the views and responses your business needs.

"When you care enough to send the very best."



Emotional Connections

Hallmark cards are designed to evoke strong emotional responses, enhancing the personal connection between health plans and their members. These emotional ties are crucial for long-term member retention and satisfaction.

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For instance, a regional health plan reported that 86% of card recipients feel more connected to health plans that send Hallmark cards which supports the Deft Research Study - Shopping and Switching During AEP finding that 76% of members who received consistent, clear outreach are loyal to their plan.

Personalized Precision

Hallmark offers features that allow for high customization and personalization of direct mail pieces, making each communication uniquely relevant to the recipient.

These features include a Customer Care (print-on-demand) Program designed for health plans, making it possible for customer services reps and clinical care managers to send personalized Hallmark cards to individual members or prospects right after interacting with them. Proprietary technology allows for real handwriting fonts, custom creative led by Hallmark's team of creative strategists, designers, and writers, pre-sorted mailing discounts, and language translation services.

Integrating Digital and Direct Mail: Best of Both Worlds



In today's multifaceted communication landscape, combining the strengths of digital and direct mail strategies creates a cohesive, omnichannel approach that maximizes member engagement. This section examines how health plans can harness the noticeable impact of direct mail alongside the real-time analytics and scalability of digital methods. By aligning these two powerful mediums, health plans not only reinforce their messaging across multiple touchpoints but also optimize their outreach for efficiency and effectiveness. We'll explore three strategic reasons to integrate digital and direct mail marketing - reinforced messaging, data integration, and cost efficiency - ensuring that every campaign delivers a more personalized and impactful member experience. This approach preserves the personal touch so crucial in healthcare communication while also enhancing it with the precision and reach of digital technologies.



Reinforced Messaging

By integrating digital and direct mail, health plans can ensure that their messaging is consistent across all channels, reinforcing key information and campaigns effectively. For instance, consumers who receive direct mail are more likely to search online for more information regarding the brand.

Data Integration

Leveraging data collected from digital interactions helps to tailor direct mail campaigns more precisely, enhancing the relevance and impact of each mailed piece. This drives deeper engagement with direct mail, increasing its effectiveness.



Cost Efficiency

A strategic integration of digital and direct mail can optimize marketing budgets, focusing resources on high-impact strategies that yield the best returns on investment. For example, when direct mail leads digital campaigns, it results in a 27% ROI. Additionally, our clients report that sending Hallmark cards generates a 70% higher conversion rate than not sending them.



Success in Action

To illustrate the tangible benefits of integrating direct mail into member engagement strategies, consider the results below from leading health plans using Hallmark direct mail strategies.

This section examines the targeted use of personalized Hallmark cards demonstrating the direct impact of such campaigns on critical performance metrics for improving Quality Scores including Stars, CAHPS, HEDIS and HOS.

CAHPS & HEDIS:

In a recent study, a national health plan saw 8 of 9 CAHPS measures increased after mailing Hallmark Cards in Q1.

A regional health plan increased mammogram completion rate from 5% to 44% by switching from a letter to a Hallmark card.

A client with a regional multistate market fields 5,000 calls per day at their call centers. From their ongoing CX research, they found that 89% of Hallmark card recipients give the highest possible satisfaction rating on surveys.

RETENTION:

Soon after 300,000 Hallmark cards were mailed to members of a regional health plan, this client conducted a member survey. The findings were that 86% of respondents said they feel like their health plan really cares about them, and further 72% said that the message inside the Hallmark card was very meaningful.

A national health plan using over 10 million Hallmark cards annually saw a 16% higher retention rate with recipients of Hallmark greeting cards compared with non-Hallmark card recipients.

These successes not only highlight the effectiveness of direct mail campaigns during critical periods but also underscores the broader implications for health plans striving to enhance member engagement and satisfaction. With these insights in mind, below are four key takeaways that can be systematically implemented across various member touch points throughout the year.



What Does This Mean for Health Plans?

Building on the insights above, this section outlines key takeaways for health plans considering the significance of direct mail within their MA member engagement strategies. These recommendations are designed to help health plans effectively engage MA members, improve key performance metrics, and enhance overall member satisfaction and loyalty.

Key Takeaways for Engaging MA Members with Direct Mail:

Improve Stars, CAHPS, HEDIS, and HOS:

Direct mail can be a powerful tool to educate members about healthcare services and improve Quality Scores. Leverage that “feel good” feeling of receiving a Hallmark card to make a meaningful connection with your members and increase your survey results. With CMS triple-weighting HOS, health plans are finding Hallmark cards help with survey results.



Consider Year-Round Communication and Creative Formats

Establishing a calendar of direct mail touchpoints throughout the year helps maintain continuous member engagement. Consider birthday cards and anniversary cards, along with other creative formats such as sending calendars to your members.

For example, members of health plans like Horizon BCBS NJ love to receive and use their Hallmark member wellness 13-month calendar all year long that features wellness messages and reminders specific to each month. This one direct mailer offers 13 touchpoints as members flip through each page every month. Establishing a calendar of direct mail touchpoints throughout the year helps maintain continuous member engagement. Consider birthday cards and anniversary cards, along with other creative formats such as sending calendars to your members.



Advance Health Equity

Addressing social determinants of health (SDOH) through tailored mailings can enhance member health outcomes and loyalty. The Health Equity Index (HEI) score was created by CMS to incentivize Part C and Part D health plans to improve care for the most vulnerable patients. The index will consolidate a subset of Star Ratings measures, such as the measures included in CAHPS, into one score. See your HEI results positively rise by sending the perfect greeting card with a “take care of your health” message and an engaging insert with self-care tips. Low utilizers tend to be less trustful of health authorities and health information, while also at higher risk of attrition. Supporting members to obtain the care they need is a win-win for members and insurers.



Enhance Personalization at Optimal Times

Tailoring communications to member needs at the right time enhances the effectiveness of direct mail campaigns. Hallmark cards have been proven to combat rapid disenrollment during OEP when sent at just the right time with a thoughtful message. According to the Deft Research Study - Shopping and Switching During AEP, of all the MA members that shopped during AEP, 49% did their shopping between November 15th and December 5th. Thanksgiving is the perfect opportunity to share a message of gratitude to help push the retention needle during this pivotal re-enrollment timeframe.



Conclusion

Direct mail remains a vital tool for health plans, particularly effective in engaging senior members and enhancing their experience with MA plans. By leveraging the unique capabilities of Hallmark cards and integrating thoughtful direct mail strategies, health plans can significantly improve their member engagement, retention rates, and overall health plan Star ratings.



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