

# **2009 Managed Care Payor & Employer Survey Fact Sheet**

*New Survey Reveals Best and Worst Health Insurance Companies*

# New Survey Reveals Best and Worst Health Insurance Companies

*Aetna is the Preferred Partner, UnitedHealthcare is the Bad Actor*

The only survey of its kind in the country, the National Payor Survey of health plan reputation targeted hospital leaders who negotiate contracts with major health insurance companies - hospital CEOs, CFOs and directors of managed care. Total responses represented more than 18% of the hospitals in the country, which is an increase of 78% from the 2007 survey.

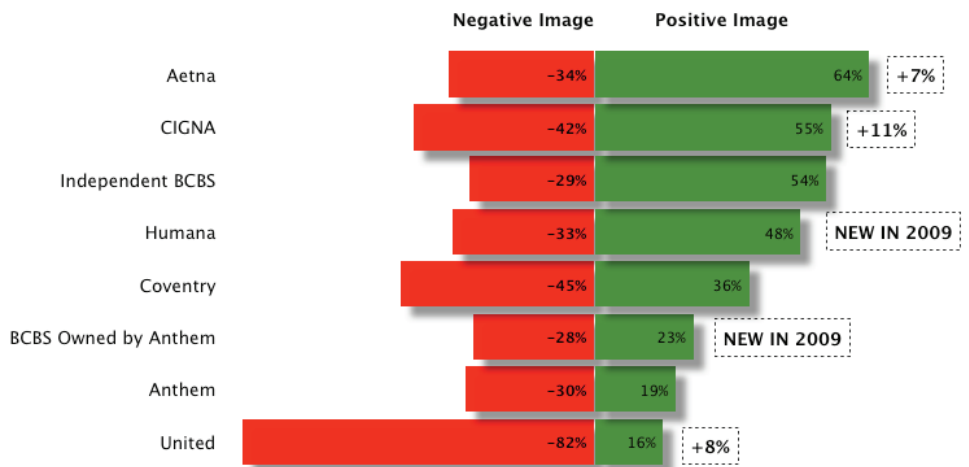
Although health plans are rated poorly in a variety of other surveys - including JD Powers and Harris Poll - the DAVIES survey revealed two outliers in the health insurance community. For the first time, hospitals identified a preferred business partner in Aetna. And for the second straight year, UnitedHealthcare stood out dramatically as a bad actor in its ratings.

## Aetna is the Preferred Partner

For the first time, the survey revealed a preferred partner for hospitals and physicians. Aetna received a 64% favorable rating (compared to a 34% unfavorable rating), which was 9% better than CIGNA, the second-best rated plan and a full 48% better than the worst rated plan, UnitedHealthcare. The survey reveals a strong preference from hospitals based on trust, honesty, business practices and good faith negotiations.

“Aetna is clearly the preferred health insurance partner for hospitals and health systems across the United States,” said Brandon Edwards, President/COO of DAVIES. “When you combine this survey data with recent publicly traded health plan earnings announcements, it’s clear that provider trust and satisfaction are leading indicators of organic membership growth. This bodes well for Aetna, and perhaps CIGNA, as they look at 2009 commercial enrollment retention, as well as 2010 commercial enrollment growth.”

## PAYOR IMAGE AND REPUTATION

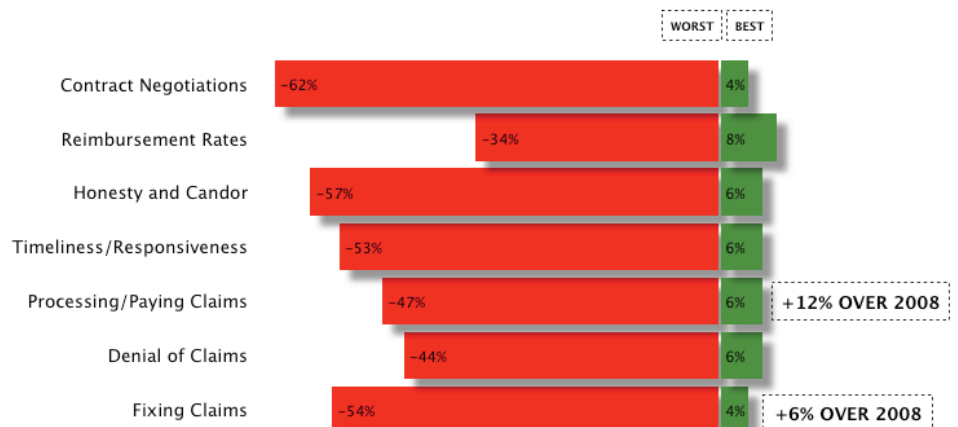


## UnitedHealthcare is a Negative Outlier

The survey revealed that 82% of respondents indicated an unfavorable opinion of UnitedHealthcare, which is actually an 8% improvement for them over last year. This contrasts with an average unfavorable rating of 34% among all other insurance companies in the survey.

The survey makes clear that dissatisfaction is driven by distrust, dishonesty, flawed business process, inadequate claims processing, claims denials, and other business process problems.

## UNITED IS THE CLEAR OUTLIER AMONG PAYORS – TWO YEARS IN A ROW



The survey gathered data on hospital leaders' opinions on the largest health insurers or insurer groups in the nation: Aetna, CIGNA, Coventry, Wellpoint/Anthem, Humana (new to the survey this year), UnitedHealthcare, and independent nonprofit Blue Cross and Blue Shield plans. Participants were asked to rate these companies on more than a dozen categories, from image and reputation to detailed contract negotiation and claims processing issues.

For employers faced with deciding which health plan they ok to cover their employees, the survey provides valuable data on the stability of healthcare provider networks. An insurer who has a consistent record of poor negotiations with hospital executives is more likely to force that hospital out-of-network, meaning significant disruption in care for employees forced to travel to a different hospital. In addition to premiums and benefit design, network stability is one of the most important criteria in evaluating a health plan - and, it has historically not been effectively measured.

The results of the first National Payor Survey of employers demonstrated a clear disconnect from the hospital viewpoint. The survey targeted benefit managers and human resource executives responsible for selecting health plan coverage. These respondents generally give a favorable rating to their own health plan. However, their concerns are dominated by the issue of cost as it relates to rising premiums. Overall, nearly half the employers surveyed blame health plan profits, industry malpractice costs, and the cost of caring for the uninsured as the top factors fueling higher insurance premiums.

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<b>Contract Negotiations</b>	<b>#1</b>	<b>#2</b>	<b>Worst</b>
Contract Negotiations (Overall)	Aetna	Humana	United
Reimbursement Rates	Aetna	Coventry	United
Honesty and Candor	Independent BCBS	Aetna	United
Timeliness and Responsiveness	Aetna	Independent BCBS	United
Processing and Paying Claims	Aetna	Independent BCBS	United
Claims Denials	Aetna	Independent BCBS	United
Fixing Claims	Aetna	Independent BCBS	United

<b>Critical Hospital Issues</b>	<b>#1</b>	<b>#2</b>	<b>Worst</b>
Dealing with Hospitals	Aetna	Independent BCBS	United
Paying Hospital Claims	Independent BCBS	Aetna	United
Reducing Paperwork for Hospitals	Aetna	Independent BCBS	United
Reimbursement Rates	Coventry	CIGNA	United

These opinions, when combined, shed light on an interesting and dynamic disconnect: that the reality on the ground, in the world of everyday purchasers and participants, is very different from the looming conversations emerging around healthcare reform priorities and the legislative focus of lawmakers. It is clear the primary issue for employers is cost. For hospitals, the clear concern is adequate reimbursement and maintaining reasonable, professional relationships with the major health plans. The breakdown occurs between the hospital's view of UnitedHealthcare and employers' relatively high level of satisfaction with UnitedHealthcare and other health plans.

The complete survey results are available online at:  
[www.DaviesPublicAffairs.com/healthcarenews](http://www.DaviesPublicAffairs.com/healthcarenews)

## **Media and Speaker Contacts**

If you have questions about the survey or would like more details, please contact Brandon Edwards, President/COO of DAVIES.

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