



## 2024 DUAL ELIGIBLE RETENTION STUDY EXECUTIVE RESEARCH BRIEF

### **As Growth in the D-SNP Space Slows, Retention Becomes Paramount. But is the Move to HIDE/FIDE a Complementing or a Complicating Factor When It Comes to Retention?**

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Deft Research recently published the *2024 Dual Eligible Retention Study*. This national market research report of nearly 1,200 Full Duals over the age of 65, Partial Duals over 65, and Duals under 65 delves into retention KPIs and what drives them – from CAHPS “Best Health Plan” measures to NPS and even to renewal intent this fall. The study also illuminates how various human interactions such as Customer Service, at-home medical care, agent interactions, and case managers lead to feelings of personal connections between the Dual and the human who is helping forge loyalty between beneficiary and carrier. Furthermore, the *2024 Dual Eligible Retention Study* highlights the communication channels that Duals use today with their carrier (and the ones they wish their carrier used), it quantifies the degree to which Duals are ready to be converted to C-SNP, and it shows which supplemental benefits Duals need in order to stay loyal.

This Executive Research Brief will examine a couple of interesting points from the study as they relate to new rule changes, the move to the HIDE/FIDE model, and what those factors means for new retention strategies in 2025 and beyond. Armed with the insights from this study, carriers, agencies, and sales organizations will have a better grasp of how to hold onto what has been the most volatile senior enrollment as we quickly approach the 2025 AEP when Dual member loyalty will be greatly tested. For more information on the rest of the report please contact your Deft Research Client Services associate or email [info@deftresearch.com](mailto:info@deftresearch.com).

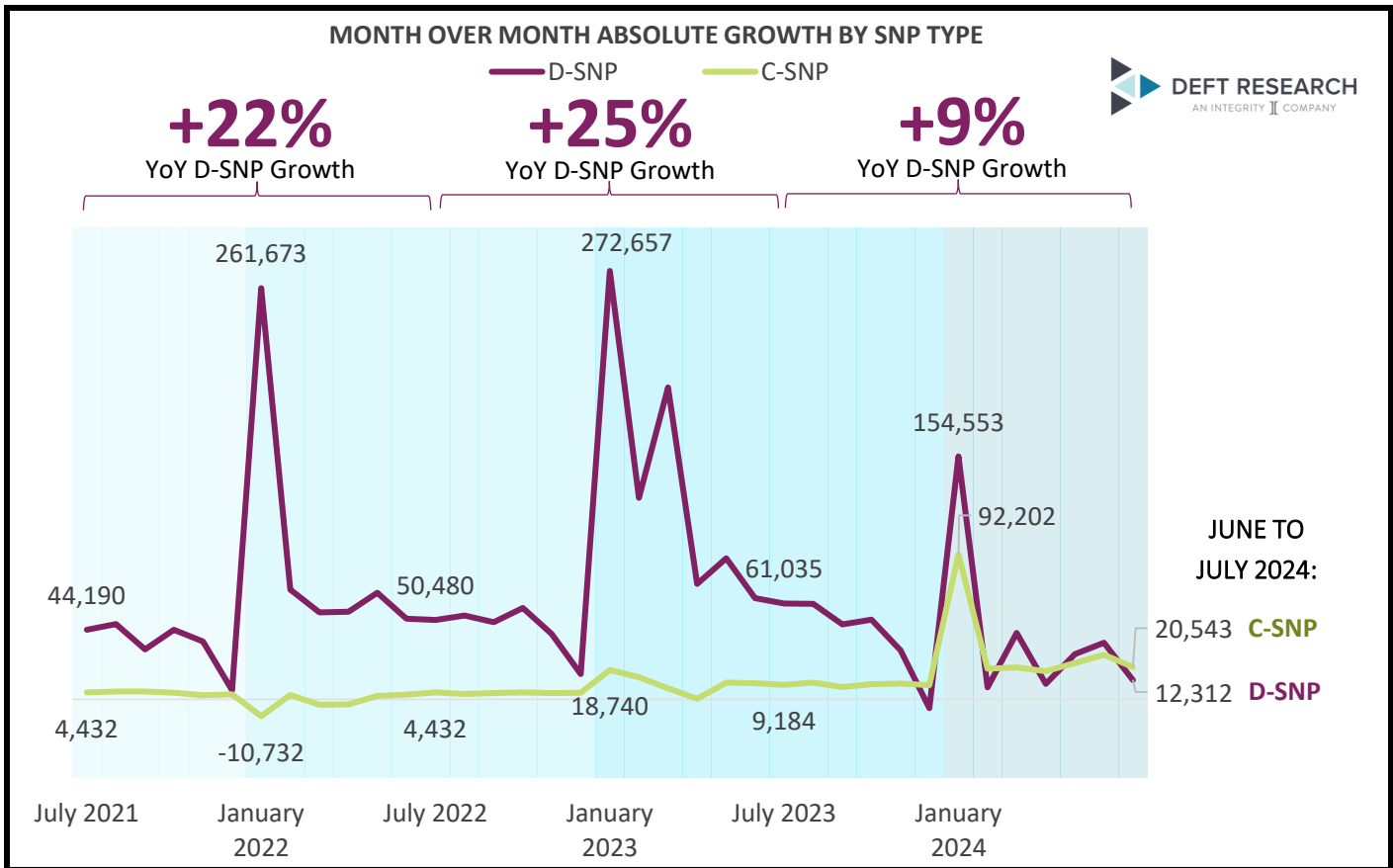
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That high-pitched, ear-piercing noise we all heard this last year wasn't a runaway train hitting the breaks to avoid a damsel in distress. Rather, it was the collective sound of the industry reversing course on D-SNP enrollment. When examining D-SNP growth from the past three years, we can see that the D-SNP train had been barreling down the track at breakneck speeds early on. During that first July 21' through July 22' period, D-SNP enrollment grew 21.8%, and then picked up even more momentum next year in July '22

through July '23 by hitting 25.4% growth. And with millions and millions more seniors in both unmanaged Medicaid and lookalike plans, the path to continued 20% or higher growth was there for the taking.

That is, until this past 12-month period when that same growth came screeching back to earth at just 8.7% and 280,000 lives below the PHE trend. What happened?

The short-term ramifications of Medicaid redetermination may have had a drag on growth, especially in the latter half of 2023 and start of 2024. But most of those eligibles who were disrupted are back in coverage now. And when the 2024 *Dual Eligible Acquisition Study* published at the end of the OEP, D-SNP growth was in line with the PHE, growing 18% January 23' through 24' with some slowdown through March. Perhaps the movement to C-SNP siphoned off some of the D-SNP industry's mojo?

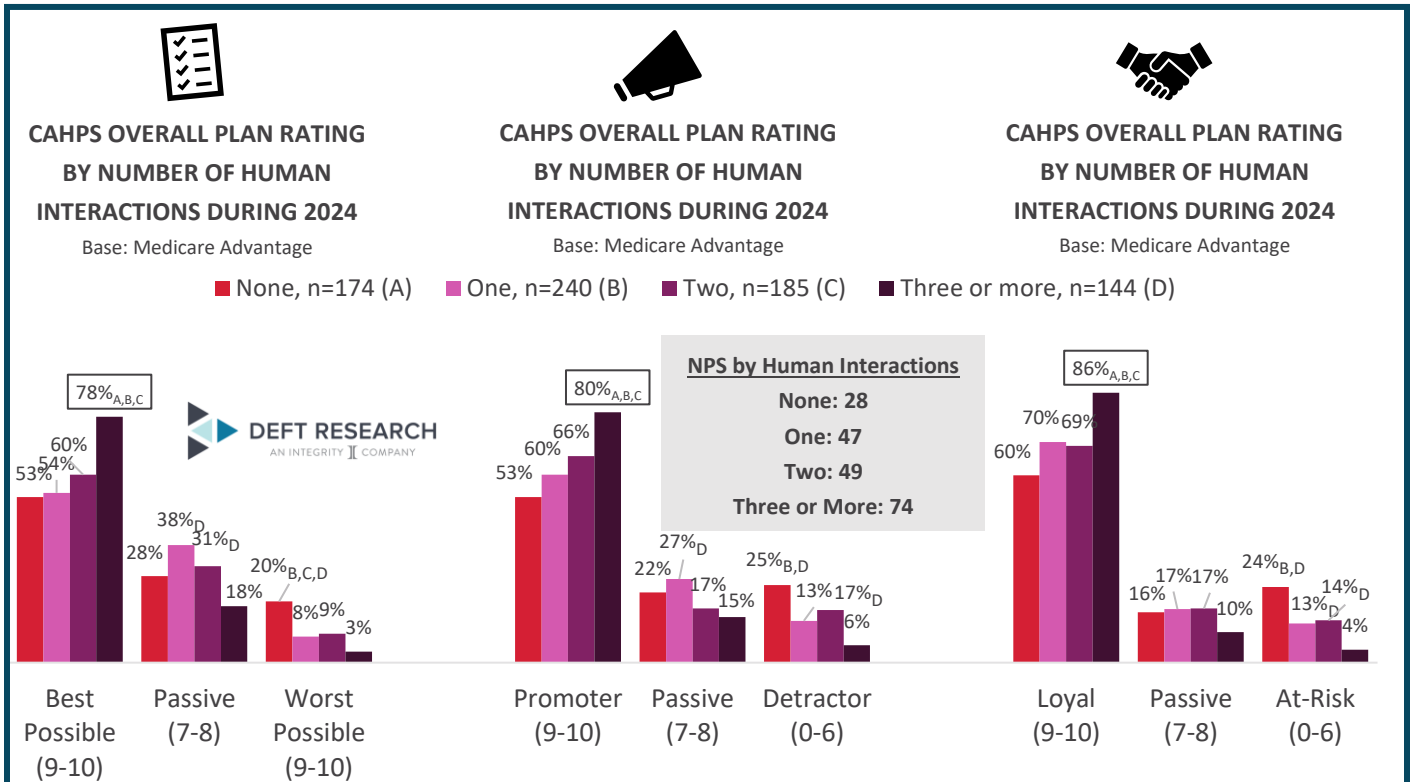


Shown above is the “heartbeat” of the SNP market. Over the same three-year period when D-SNP was growing by 20.2%, 23.9% and then just 8.1%, C-SNP was growing at 3.7%, 22.2% and then a whopping **54.3%**. Industry observers who have been in government programs for more than a minute don’t believe in coincidences. C-SNP may very well be the new growth darling for larger carriers who have set up operations to support seniors with specific chronic conditions. It sure looks as though some of the enrollment and distribution effort that once bolstered D-SNP has shifted to C-SNP.

But despite D-SNPs lesser recent growth, it still promises some of the best near-term growth in all of Medicare. D-SNP is growing at almost twice the rate of Full-pay MA during the same last 12-month time period (4.7%) and it’s racing past MedSupp which has actually thrown it into reverse these last three years.

As D-SNP growth slows, “retention attention” becomes much more important. Retention in the Dual space has always been much worse than in the Full-pay space as demonstrated by Dual Eligible switching running at about twice the rate of non-Dual switching over recent AEPs. And as the saying goes, when membership is cramming through the front door, losses pouring out the backdoor are less noticeable. But when less comes in, losses stick out, as is the case with D-SNP today.

One of the rule changes for 2025 that will reduce attrition is the move away from quarterly SEPs for Duals in non-HIDE/FIDE SNPs. Although outside of AEP switching is less common than switching in the AEP, it still nears almost 10%. Eliminating that SEP will help slow down the foot traffic toward the backdoor in 2025, but HIDE/FIDE SNPs will feature a monthly SEP which, at least in theory, could open up the front door even wider for carriers with that level of coordination and integration. But don’t bank on HIDE/FIDE doing anything other than preserving loyalty over the long term.



As seen above, KPIs ranging from “Best Health Plan” to NPS and even to renewal intent rise as the number of human touchpoints the Dual has with their carrier rises. And increased human touchpoints are the promise of what highly or fully integrated SNPs ought to deliver to Duals. But it may take some time: today, HIDE/FIDE SNP members report loyalty no different than those in CO SNP.

Going back to the bad ‘ole days of a monthly SEP may seem like the antithesis of what a retention-starved industry needs today. But if carriers can deliver the level of human assistance that HIDE/FIDE promises, the one monthly SEP a Dual uses to move into a more integrated plan may be the only one they ever use.

HIDE/FIDE will open the front door wide open – and it will stay open with a permanent door wedge. But the personal connections that HIDE/FIDE ought to deliver may close the backdoor on Dual attrition for good.

**Don't miss these offerings related to the Dual Eligible Retention Study:**

- [National Dual Eligible Benefit Design Conjoint Study](#) examines the tradeoffs that Dual Eligibles make when selecting a plan, providing a deeper dive into what benefits Duals enjoy – and at what price.
- [Dual Eligible Acquisition Study](#) provides insight into how seniors with Medicaid eligibility (D-SNP or otherwise) shop and consider new coverage.
- [2024 Dual Eligible Market Assessment](#) can help you understand the total number of Dual Eligible lives available in your service area – and the areas around you. Market Assessments can help your team understand the total available market for your Medicare products to find where plans can thrive today and identify where they can expand tomorrow. Assessments are available for three groups of consumers:
  - General Medicare Market
  - Age-In Market
  - Duals Market

**Keep the insights coming all year with our syndicated studies.**

The **2024 Senior Market Insights Service** includes the following studies:

- [National Dual Eligible Benefit Design Conjoint Study](#) examines tradeoffs between supplemental benefit preferences, amounts, and purses to identify what Dual Eligible consumers value the most.
- [National Dental Benefit Design Conjoint Study](#) identifies the tradeoffs that consumers are willing to make based on their current dental needs in either an embedded dental plan or standalone.
- [Medicare Shopping and Switching Study](#) highlights what made members venture to new products during this past AEP.
- [National Part D Addendum Study](#) provides insight into seniors' price sensitivity to drug plan changes and how that may influence migration from standalone Part D to MAPD.
- [Dual Eligible Acquisition Study](#) provides insights into how seniors with Medicaid eligibility (D-SNP or otherwise) shop and consider new coverage.
- [Medicare Open Enrollment Period and Disenrollment Prevention Study](#) focuses on the experiences that keep members loyal during the "redo" period.
- [Medicare Age-In Study](#) shows the products, channels, and enrollment preferences of the next generation of boomer eligibles.
- [AEP Gut Check Study](#) examines the pain points carriers and agents must address as we near the AEP.
- [Dual Eligible Retention Study](#) helps to better understand the member experience carriers, agencies, and consultants need to consider to win with this fastest growing segment of the Medicare space.
- [Medicare Digital Tools Study](#) gives an in-depth look at how seniors use digital tools for product selection, navigation, and accessing healthcare.
- [Medicare Member Experience Study](#) shows what causes attrition, switching intention, and lower CAHPS scores.

Our **2024 Commercial Market Insights Service** studies for the Individual Under 65 Market include:

- [Individual and Family Plan Shopping and Switching Study](#) examines the traditional OEP enrollment period, the channels that best connected with consumers, and how these individuals shopped for coverage.
- [Commercial Group and ICHRA Study](#) illuminates how current commercial group members feel about a potential move to ACA coverage and compares these experiences to those already in ACA coverage through ICHRA.
- [Individual and Family Plan Digital Tools Study](#) gives an in-depth look at all aspects of digital healthcare, including online shopping, portal management, e-brokers, virtual care, and virtual-first plans.
- [Individual and Family Plan Member Experience Study](#) identifies the experiences that either inflate or depress loyalty so that carriers can hold onto ACA members.