



2024 MEDICARE DIGITAL TOOLS STUDY EXECUTIVE RESEARCH BRIEF

As Senior Adoption of Technology Surges, Why Is Interest in Using Aging in Place Technology Lukewarm, and What Is the Leap of Faith the Industry Must Take to Heat It Up?

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Deft Research recently published the 2024 Medicare Digital Tools Study. This national market research report of over 3,300 Medicare Advantage, MedSupp, and Original Medicare Only beneficiaries – as well as soon-to-be-Medicare beneficiaries – helps the industry understand how to best deploy cost-saving and efficiency-driving digital tools in the Medicare space, all while bettering the member experience. The Medicare Digital Tools Study includes several sections on technology in healthcare, including AI, aging in place, and member portal technologies. The study also covers seniors' overall digital engagement and online shopping experiences. Additionally, Deft incorporated a qualitative element to this year's study through the execution of in-home interviews that examine where digital technology fits in with the lives of boomer seniors today.

Armed with both quantitative and qualitative insights from this study, carriers, vendors, and agencies alike will be better positioned to capitalize on the growing digital healthcare space within senior products. For more information on the rest of the report, please contact your Deft Research Associate or email info@deftresearch.com.

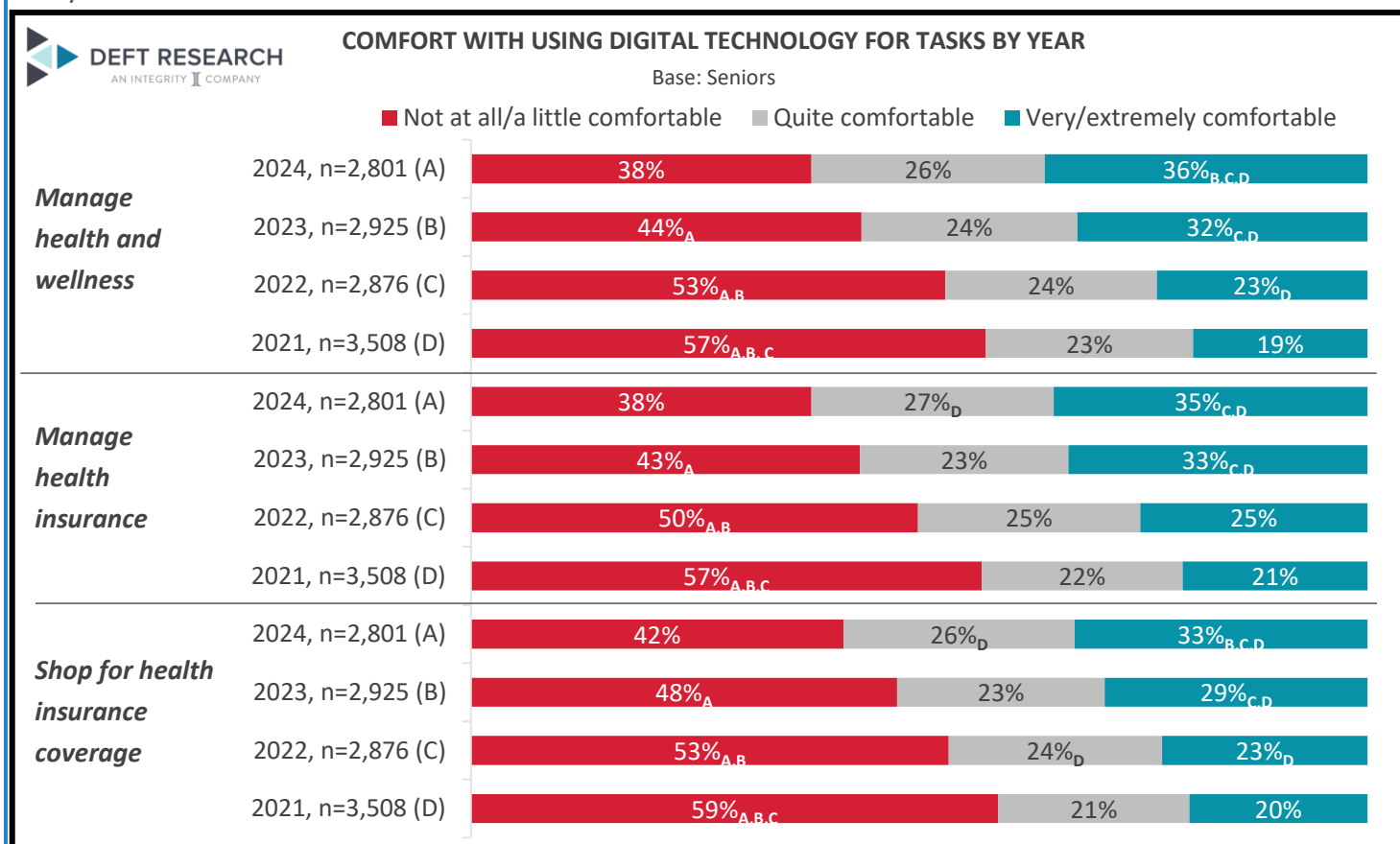
10 years ago, Medicare carriers hardly bothered to collect email addresses from their members let alone cell numbers for texting. For all Customer Service and Medicare member communications, it was basically phone (landline!), mail, or bust. But as a growing market research firm a decade ago, we at Deft were particularly attuned to changes in the data collection world. At the time, willingness to take a telephonic survey was greatly diminishing. People (even seniors) were cutting their cords, and because more people had cell phones only, respondents didn't want to burn their precious cell minutes with a survey, nor did they want their "fun" phone ruined with too many annoying business calls.

For these reasons, data collection via phone was becoming a major problem. Every dollar of sample now cost twice the price but with lower response quality and half the sample.

Thankfully, our clients and the Medicare industry in general came around (and not a moment too soon). Efforts to ramp up email capability for research and even general member communications began in earnest, dollars

designed for portal implementation appeared, and we all merrily galloped into the 21st century nearly two decades after it started.

But the move to digital in Medicare, as rushed as it felt then, may still not be fast enough now to meet the needs of today's beneficiaries.

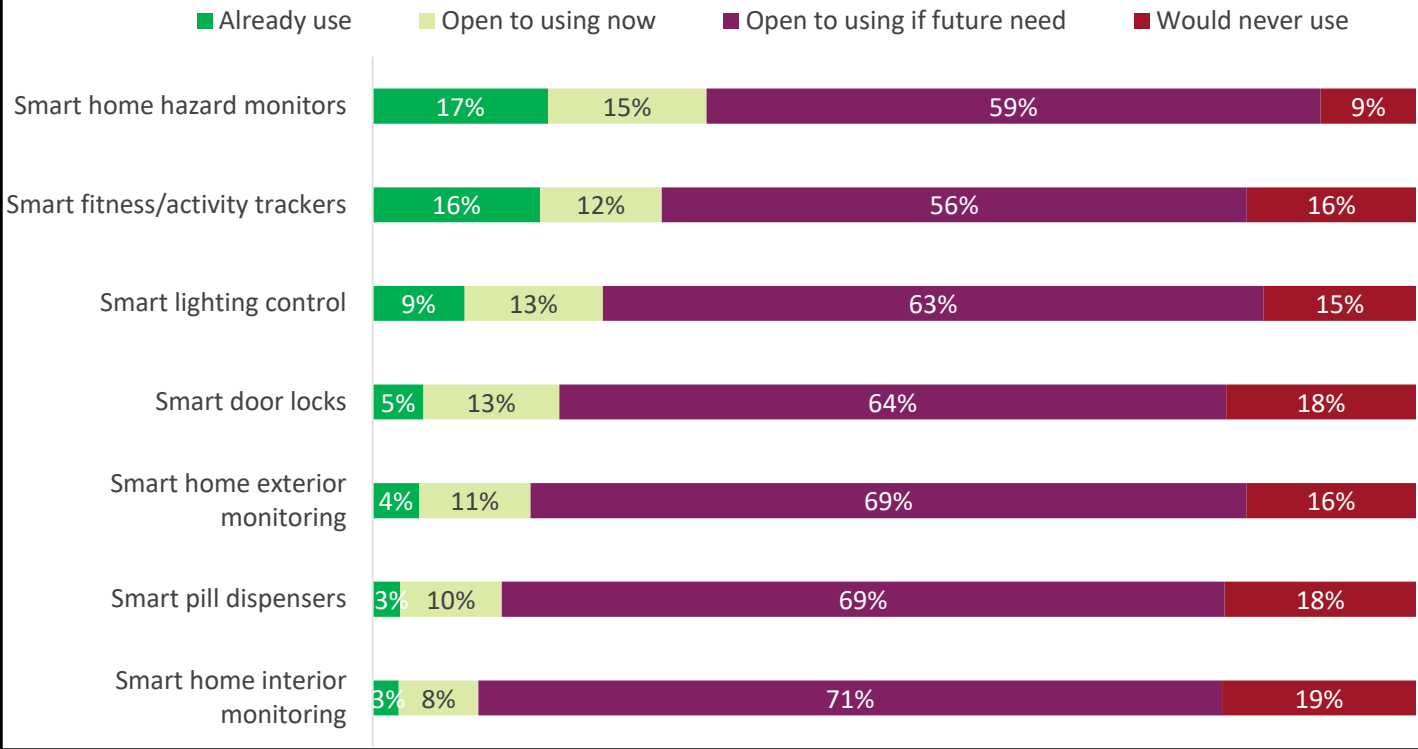


As seen on the chart above, the percentage of seniors who are not at all or just a little comfortable managing their health and wellness, or managing their health insurance, or shopping for health insurance online has decreased significantly every year of this study's existence without fail. For the first time, there are nearly as many seniors who are the most comfortable managing their health insurance benefits online as there are those who are the least comfortable (36% to 38%). From this point forward, seniors who only want non-digital solutions from their carrier will be in the minority. Let that sink in for a second.

The 2024 [Medicare Digital Tools Study](#) delves into how the industry can best meet these fast-growing needs through proper usage of AI, how (and where) telemedicine is still poised to grow, how technology can boost both pharmaceutical and medical adherence, and what the promise of technology means for all of us as we age and confront the specter of diminished independence. As it relates to loss of independence, aging in place technology exists today that ought to help keep seniors in their homes longer and safer.

ADOPTION OF AGING IN PLACE TECHNOLOGY

Base: Senior, Does Not Live In Assisted Living/Nursing Home, n=2,797



As seen above, less than a fifth seniors are outright opposed to smart technology that is designed to assist with aging in place, and less than a tenth are opposed to technology that can smartly monitor for things like CO2 and fire. A solid majority in each category are open to using these systems in the future which highlights just how much promise these tools have for a better Medicare – and aging human – experience.

Nearly twice as many seniors (48%) would rather use aging in place technology than rely on traditional in-home support services (28%), which help preserve home comforts longer while keeping costs down for carriers. However, skepticism with the technology remains. Despite an overall preference for aging in place technology over traditional in-home support, 4 in 10 seniors show little-to-no-willingness to actually consider using the technology. Why?

According to the 2024 Medicare Digital Tools Study, there may be two answers to consider.

In-home, in-depth qualitative interviews completed by our VP of Qualitative Services allowed Deft to dive deeper into Senior’s interaction with technology for this year’s report than ever before. The possible reason we learned for seniors’ reluctance? Human morbidity.

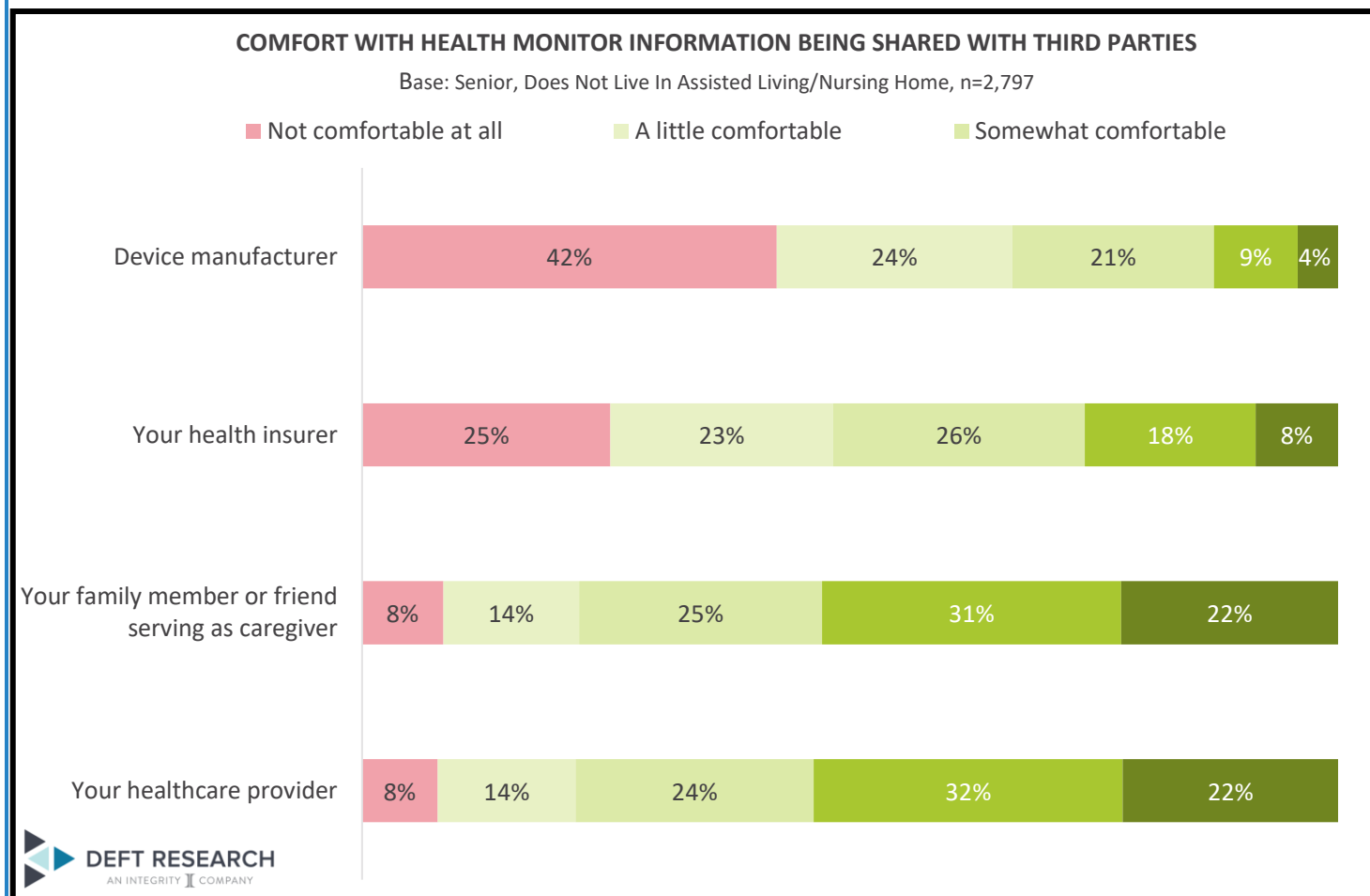
The qualitative portion of the research shows just how resistant the elderly can be in accepting their age or even hearing about it. It’s quite possible that the naming convention the industry uses to refer to this amazing technology that offers so much promise and so much good may be hurting – not helping – its adoption. The word “aging” is front and center in “aging in place” and that is not something many seniors want to think about.

To everyone else, including carriers, it’s clear elderly need more help to combat the consequences of old age. But that can be something the elderly want no reminders of. “We don’t like to be reminded that we are getting older!” exclaimed one senior to our researcher during the in-home visits. As we all age, we don’t want to be constantly told

of our weakened physical abilities – let alone the prospects of diminished independence. We know in our hearts what is lurking around the corner.

The American electorate was just witness to this very thing when it came to a sitting President who didn't want to accept the reality that the vast majority of the nation sadly saw. That bit of living history should serve as a permanent reminder to all of us of how we need to deal with this sensitive topic in all of our lives as well as our business interests. Seniors want what "aging in place" technology can achieve – something that makes life for all of us more convenient and preserves the dignity of independence. Let's get the term "aging in place" and replace it with "convenience technology" – that's job #1.

Step two – and this is the hard one – carriers will need to divorce themselves of the data some of this smart technology collects.



Nearly half of seniors show a lack of comfort in the data from aging in place convenience technology being shared with at least one kind of third party. They are quite willing to share this data with friends and family and medical providers, but having that data sent to their insurance company may be a little too "big brother" for today's senior. Paying for "convenience technology" without accessing the valuable data it can generate cannot sit too well with insurance companies who have seen their MLRs soar as their reimbursement dwindles. The data carriers collect is the oxygen they breathe. But if MA carriers can prosper more by accepting that the benefits of safer and healthier seniors through higher technology adoption outweigh the potential data gains that "convenience technology" may provide, then that leap of faith may be one worth taking for all of us, both young and old alike.

Don't miss these offerings related to the 2024 Medicare Digital Tools Study:

- [Medicare Member Experience Study](#) shows what causes attrition, switching intention, and lower CAHPS scores, providing the insight needed to integrate your digital experience plans within the broader member experience.
- [MA and PDP Disruption Tool](#) can help you assess the impact of 2025 plan changes in your market and adapt quickly to what is likely to be a historically turbulent AEP.
- For those in the ACA market, the [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 for IFP members.

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.