



What members want in a lab services provider—**and what they don't know**

A survey of health plan members
October 2018



Many health plan members now approach their healthcare experiences the same way they do their retail experiences. They shop around for the right providers and services—at the right price.

They engage in more aspects of their care, from reviewing medical information through patient portals to scheduling appointments via apps. And they want more transparency regarding costs, from providers and health plans.

According to a recent report from McKinsey & Company, members want to be better healthcare consumers, fully able to make informed choices about the care they receive.¹ And yet, when it comes to choosing lab services providers, they have yet to take control. Why?

Quest Diagnostics commissioned this report, *What members want in a lab services provider—and what they don't know*, to uncover how members approach lab services providers: how they choose, what they expect, and what's most important to them. One thousand consumers between the ages of 18 and 80 were surveyed online.



When it comes to lab services, what matters most to members?

Our report revealed 3 key findings:

- 1 What members do: current and future behaviors**
Members don't shop around—they rely on their physicians for recommendations.
- 2 What members know: lack of awareness**
Members lack awareness of both coverage and cost of lab testing.
- 3 What members want: top 3 expectations**
Members expect 3 things from lab services: price transparency, convenience, and a good experience.



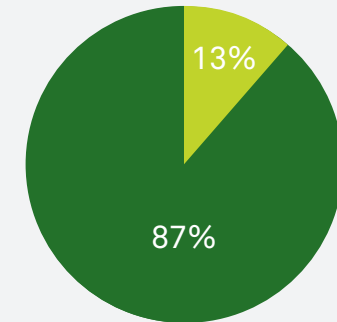
Despite consumerism trends, members remain passive when choosing a lab

Patient and member consumerism may be the current trend—and the future of healthcare—but it doesn't currently extend to lab services, and may not anytime soon. Most members (87%) don't comparison shop for lab providers, and many say they aren't likely to do so in the near future (70%).

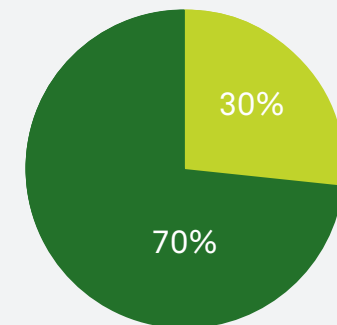
87% of members don't comparison shop for lab providers

Comparison shopping

Past behavior



Future behavior



■ YES | ■ NO

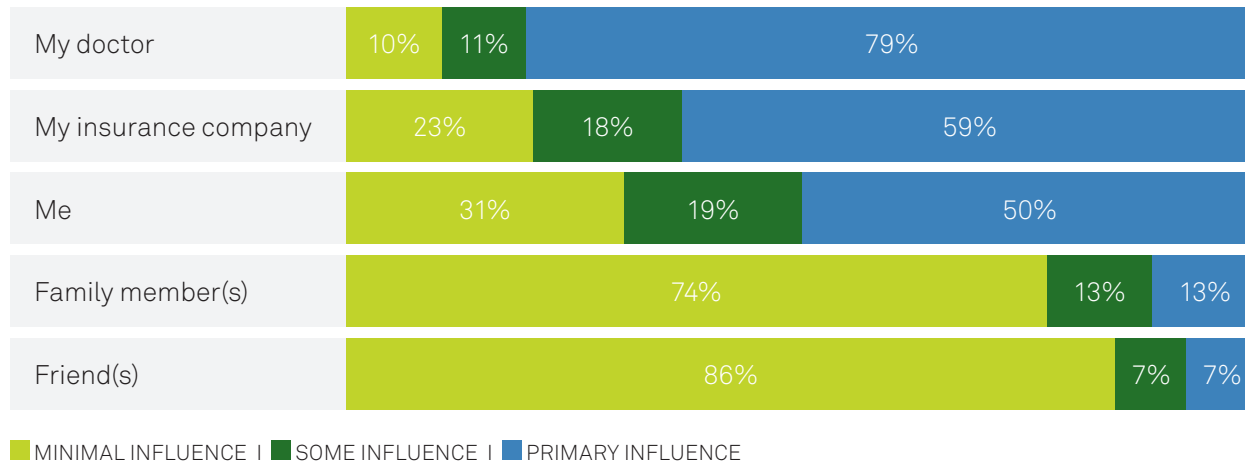
Survey finding: what members do

Members defer to physician recommendations

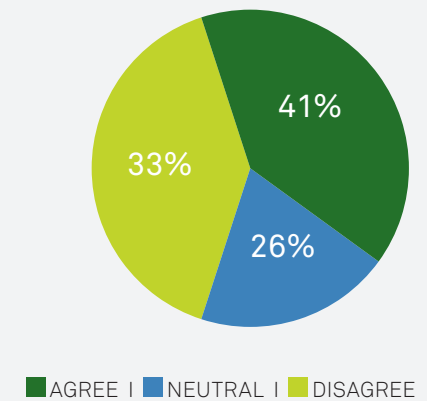
Members aren't comparison shopping for labs. So how do they decide where to get their lab work done? Easy: their physicians.

Some 79% of members say their physicians are the primary influence when it comes to choosing lab providers; health plans come in second (59%). And while 41% of members know they have a choice in selecting a lab provider, 64% have their lab work done through their physician's office.

Influencers in lab provider decisions



“I have a choice in selecting a lab provider”



79% of members say physicians are the primary influence on their lab choice

Survey finding: what members know

Half of members surveyed don't know what lab testing they're covered for or what it will cost

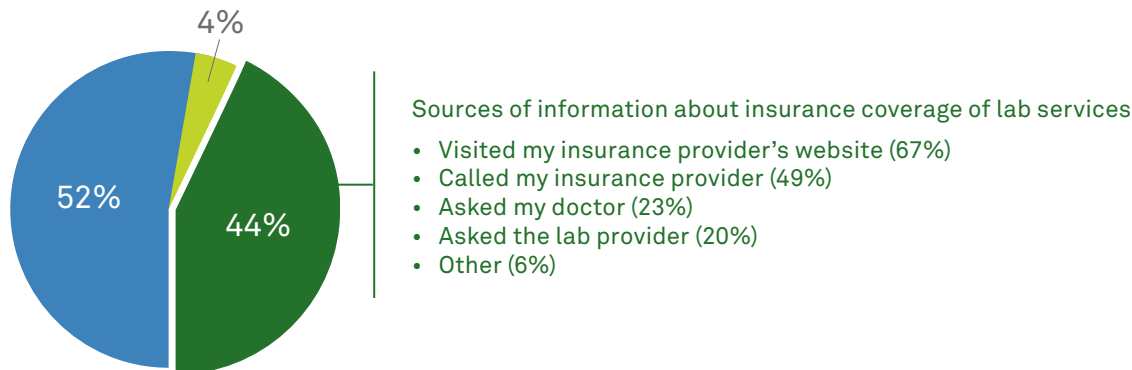
While most members don't comparison shop for lab services, almost half of them (48%) are only somewhat or not at all aware of what their health plan pays for lab services. Sixty-one percent don't know how much their copay would be for a lab test.

The reasons for this vary. Thirty-seven percent say it's extremely difficult to find out the cost of a lab test—yet 52% have never looked into how their health plans cover lab services.

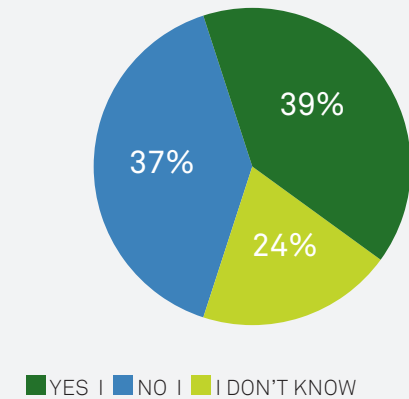
Are you aware of what your insurance company pays for lab services?



Have you ever looked into how your insurance covers lab services?



Do you know how much your copay would be for a lab test?



37% of members say it's extremely difficult to find out the cost of a lab test

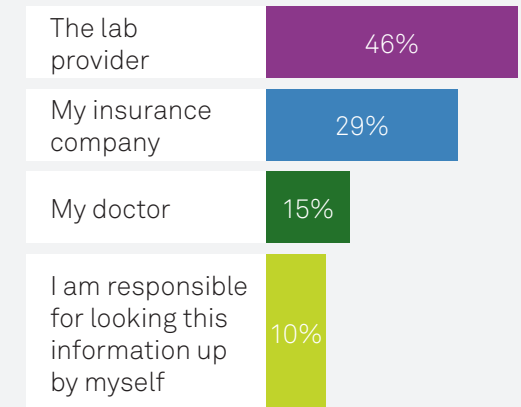
When it comes to cost, there's a disconnect between what members do and what they want

What do members want in a lab? Three expectations rise to the top: price transparency, convenience, and a good experience.

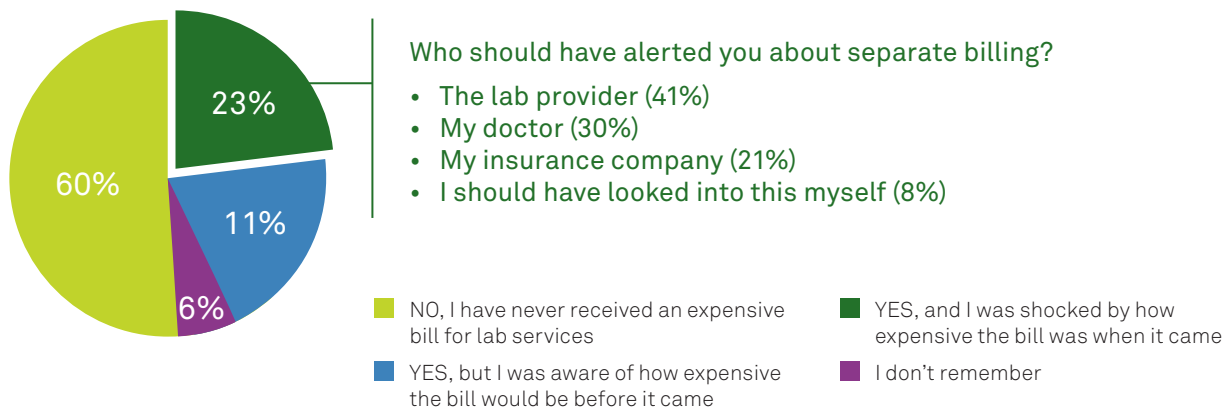
While half of members don't investigate lab services coverage or cost, they say health plan reimbursement is a key driver of lab provider preference. A majority of members (58%) say price strongly influences their choice of lab provider.

Rather than doing the legwork themselves, they expect to receive pricing information from their lab services provider (46%), followed by their health plan (29%).

In general, who should inform you about costs of lab testing?



Have you ever received an expensive bill for lab services?



68% of members say they would travel farther (up to 50 additional minutes) to pay less for testing

Convenience is a key driver when selecting a lab services provider

Though many members may be willing to travel farther to a lab if it saves them money, 27% ranked convenience as the most important factor when choosing a lab, and 33% will continue to use a lab if the location is convenient. Members also value labs that send their results directly to their physicians—another top consideration when choosing a lab provider.

27%
of members
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when choosing a lab



33%
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When it comes to choosing a lab provider, what matters most to you?



Convenience is...important. I don't want to have to drive long distances, especially if I am fasting.

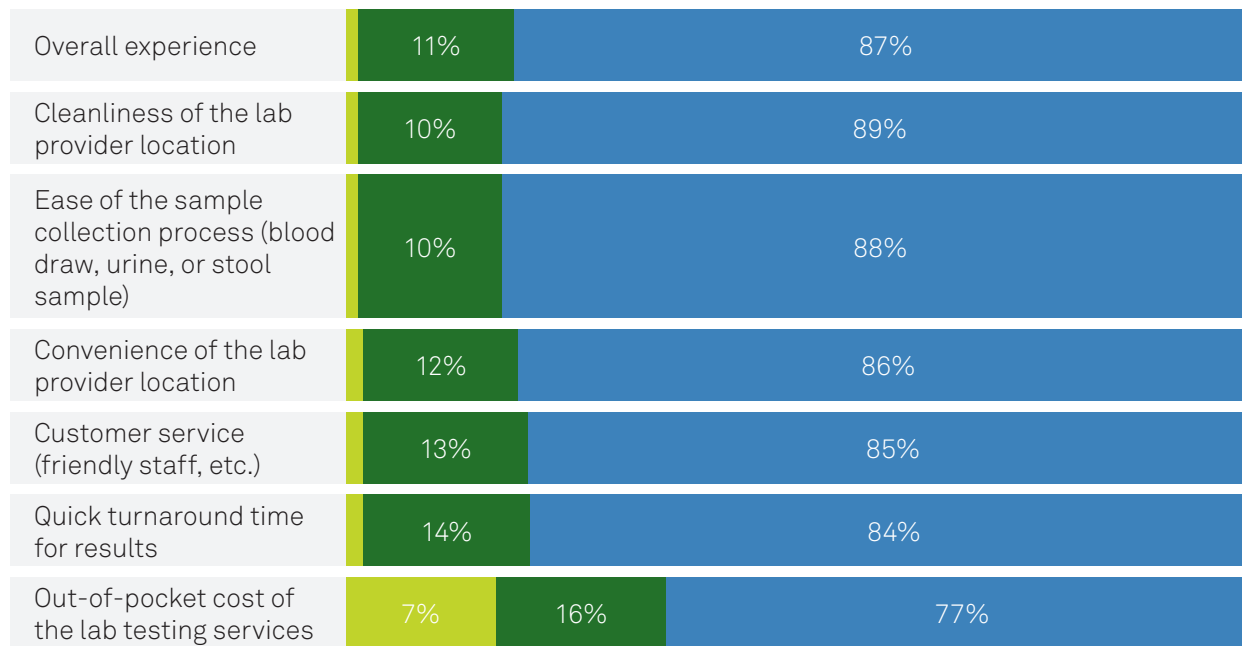


Convenience of scheduling as well as convenience of location, hours, etc. The entire experience should be easy!

Not surprisingly, a good experience is important too

Beyond insurance coverage, the main reasons to discontinue using a lab provider are connected to the customer experience. In particular, top reasons include: lack of trust with some aspect of the experience (28%), a negative experience with a phlebotomist (28%), and poor customer service (26%).

Satisfaction with recent lab test experience



■ DISSATISFIED | ■ NEUTRAL | ■ SATISFIED

26% of members say poor customer service is a top reason to discontinue using a lab

Knowing more is necessary

For health plans, the message is clear: when it comes to lab testing coverage, members need to know more. And they're looking to all healthcare players—providers, health plans, and labs—to provide this knowledge.

While members feel they have a choice in selecting a lab services provider, most defer to their physicians or health plans for recommendations. Communicating in-network coverage to both providers and members, then, is essential to help members make the most efficient and cost-effective decisions.

On the subject of cost, while it matters to members, many don't know what lab testing will cost them. Being transparent about copays and cost can help health plans improve member satisfaction. And the lab experience itself matters too, which is why aligning with high-quality labs that are focused on the member experience is vital.

Providing convenient, high-quality, in-network lab options and more information about coverage and cost can help ensure not just a better lab experience for members, but also better outcomes for everyone.



Methodology and demographics

Sample:

1,000 members

Recruitment criteria:

- Consumers between the ages of 18–80
- Have health insurance
- Primary healthcare decision-makers for themselves/their families
- Have had screening or diagnostic testing within the past year

Gender:

51% female
49% male

Market:

US

Methodology:

20-minute online survey

Insurance status:

62% private health insurance (PPO or HMO)
36% Medicare/Medicaid
2% other government insurance

Quest Diagnostics empowers people to take action to improve health outcomes.

For more information, visit **[QuestDiagnostics.com/HealthPlans](https://www.questdiagnostics.com/HealthPlans)**.

Reference

1. Cordina J, Kumar R, Martin C, et al. Healthcare consumerism 2018: an update on the journey. McKinsey & Company. July 2018.

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