

# Insurance Consumer Education/Information Issues

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# Background: A Survey of State and Local Grassroots Consumer Organizations

- Survey conducted to inform the work of state insurance regulators and the NAIC—especially the Special (EX) Committee on Race and Insurance
- Focus on **disparities and inequities** in intersectional and overlapping systems of oppression
- Assess common themes and patterns across demographic groups
- Assess familiarity of community organizations with state departments of insurance
- Funded by Robert Wood Johnson Foundation

# Methodology

- An online survey fielded May 17-June 16, 2021
- Sample identified via grassroots sampling, seeking leaders or senior employees of nonprofit and community consumer organizations.
  - Collectively, a mix of focus areas across different lines of insurance
  - Geographic diversity and population focus diversity; and
  - Robust state and local contact lists.
- 72 unique respondents who are leaders or senior employees of consumer organizations, primarily at the state, local, and regional level

# Respondents: Organization Profiles

BC

Geography	Percent (%)
Local city	7
Local region	14
Statewide	54
Region	10
National	15

Insurance Line	Percent (%)
Health	85
Disability	54
Auto	44
Property	42
Long term care	40
Workers' compensation	35
Life	32
Liability	29
Flood, earthquake, or wind	25
Other	18

# Respondents: Constituents

BC

Constituency	%
Black or African American	90
Hispanic or Latino	90
South Asian	63
East Asian	64
American Indian or Alaskan Native	59
Native Hawaiian or Pacific Islander	53
Middle Eastern or North African	59
All of the above	44
Other	53

Primary constituency served	%
Low-income people	89
Racial and ethnic groups	82
Working-age adults	79
LGBTQ people	72
Women	71
Young adults	71
Immigrants or refugees	69
Senior citizens	68
People with disabilities	67
Unemployed	67
Rural residents	64
Children and youth	61
Veterans	60
Other	51



# Findings

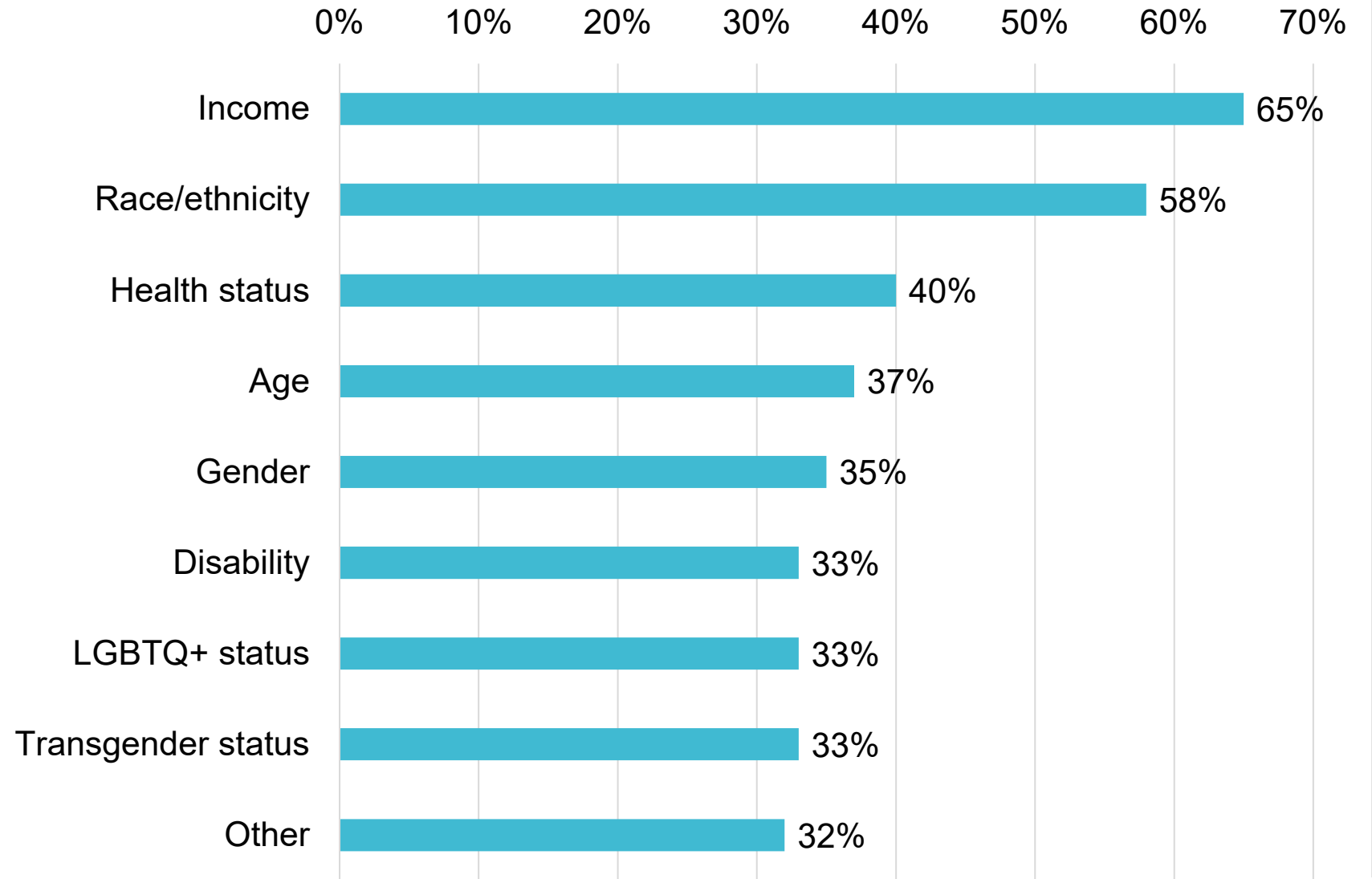
# Challenges in Insurance Availability and Affordability

Issues	Health	Property	Flood, earthquake, wind	Auto
Insurance products are unaffordable	90%	60%	67%	58%
Difficulty understanding coverage	77%	57%	50%	45%
Difficulty understanding costs	70%	40%	44%	39%
Available insurance products don't provide sufficient coverage (e.g., benefits are limited)	70%	43%	44%	27%
Insurance claims aren't paid	28%	40%	<b>56%</b>	<b>30%</b>
Filing insurance claims is difficult	31%	30%	39%	15%

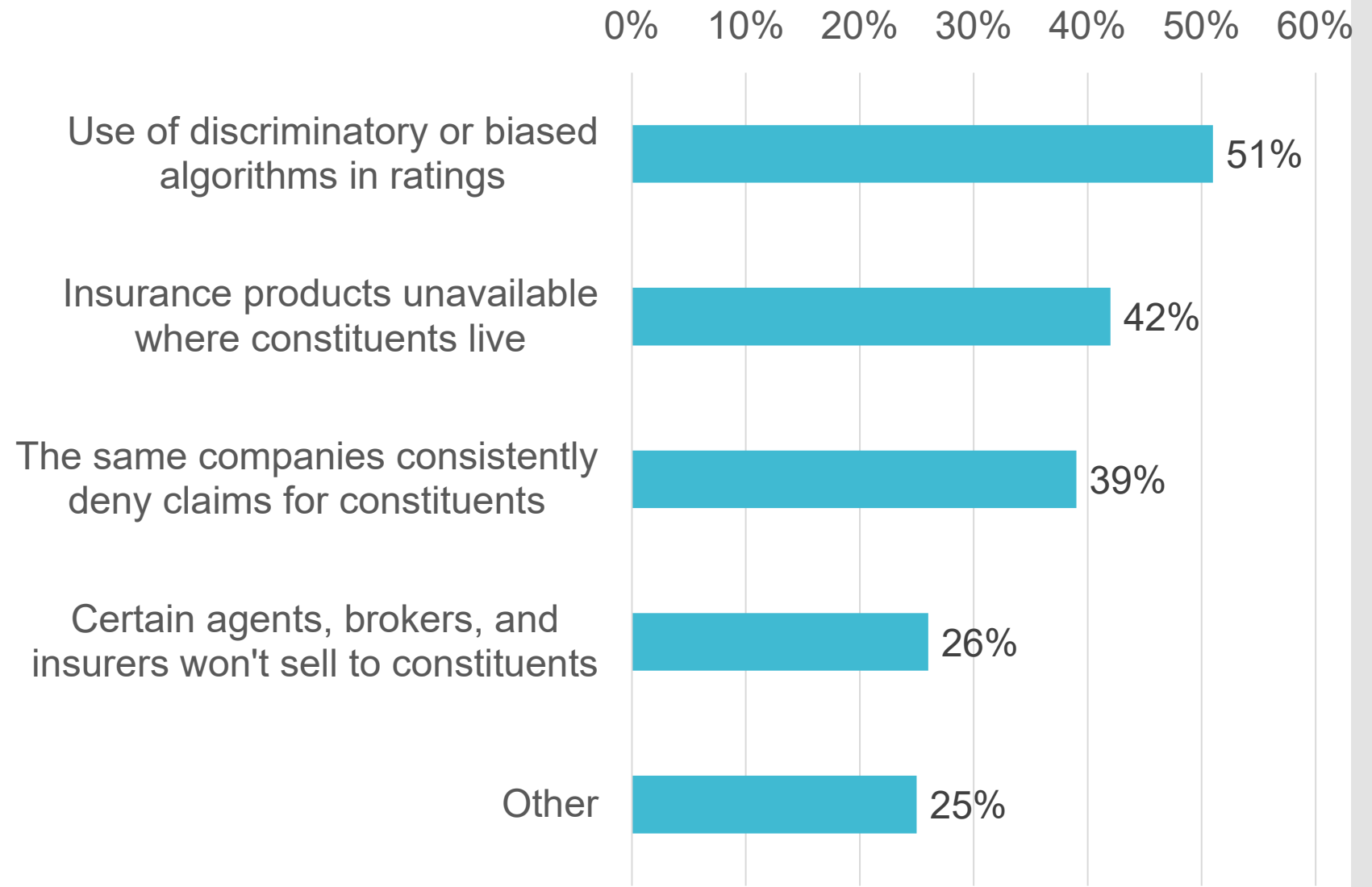
# Challenges in Insurance Information and Education

Issues	Health	Property	Flood, earthquake, wind	Auto
Difficulty understanding coverage	77%	57%	50%	45%
Difficulty understanding costs	70%	40%	44%	39%
Applying for insurance too difficult	66%	45%	22%	18%
Language barriers	51%	37%	28%	21%
Consumer education/information isn't written for our constituents	33%	33%	22%	21%
Consumer education/information isn't available	30%	37%	22%	27%
State insurance department isn't helpful	26%	20%	22%	24%

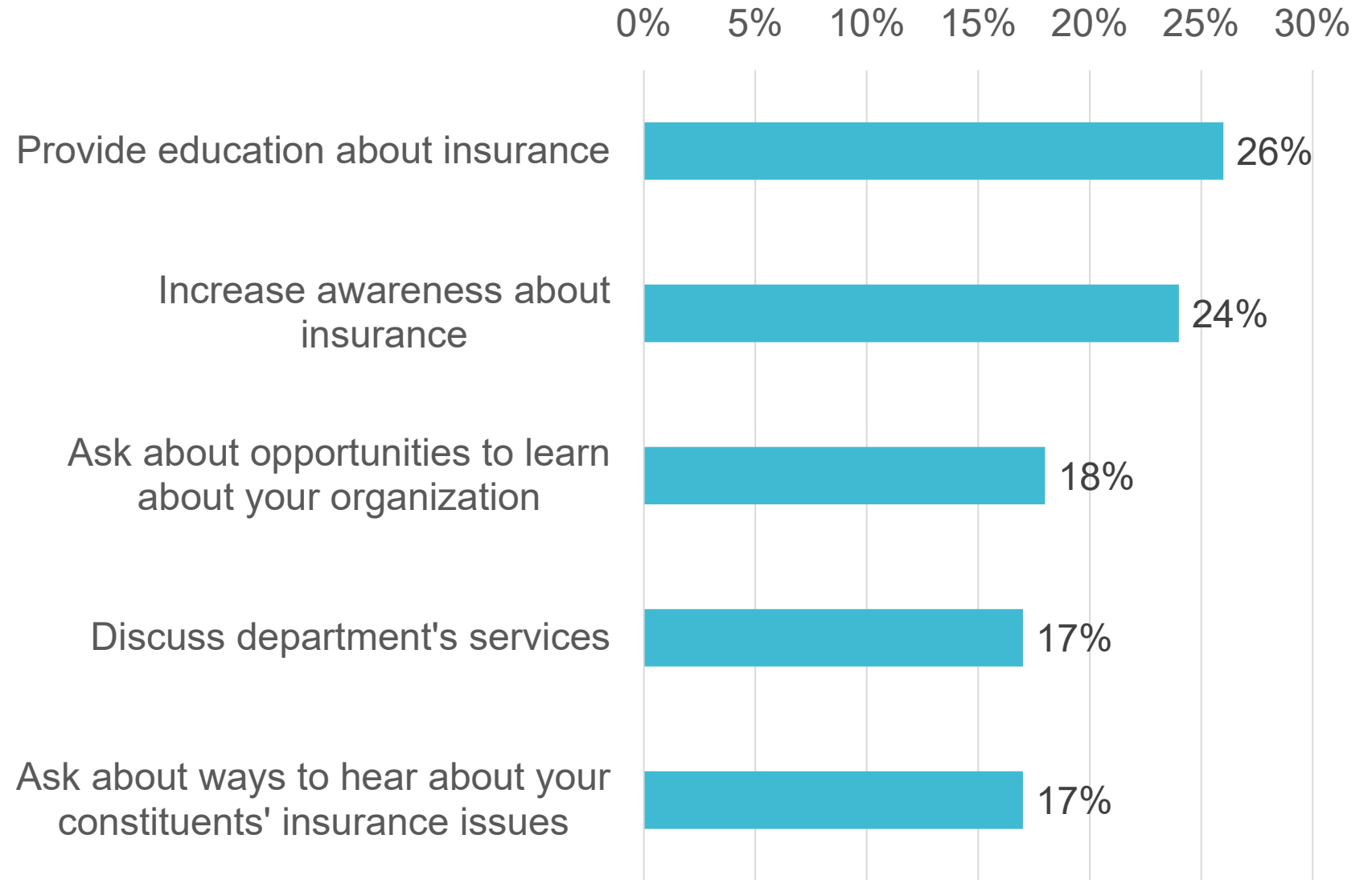
# Source of Discrimination /Bias



# How Discrimination /Bias Demonstrated



# State Insurance Department Contact with Constituents





# Recommendations

## Regulator/ NAIC Recommendations

- Collect more data to better assess and address systemic inequities
- Examine current industry practices and public policies that disproportionately and negatively impact certain groups
- Prioritize enhanced data collection and reporting of demographic data
- Conduct a deeper review of the algorithms plans use to set rates

## Regulator/ NAIC Recommendations

- Develop more expansive partnership networks with community organizations, especially those serving low-income communities and communities of color
- Embrace active, ongoing engagement with community partners and develop relationships that go beyond passive information sharing

### NAIC

- Identify, promote, and replicate best practices across states
- Create minimum community engagement standards

# Rural Communities May Have No Community- Based Organizations

- Or do they?
  - Churches
  - Cooperative Extension Service
  - Public library
  - Civic organizations
  - Chamber of Commerce
  - Elected county officials



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# Acknowledgements

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You can access the report (Disparities in Insurance Access) at [Georgians for a Healthy Future.](#)