



To: Connect for Health Colorado Board Members

From: Linda Kanamine, Chief Marketing Officer

Subject: Media Buying Services

Date: September 8, 2014

Request to negotiate contract for new media buyer services

Essential Question: Can we find more flexible & efficient contractor to aid in advertising buy strategy and purchasing?

Goals/Objectives of Connect for Health Colorado

To increase enrollment in private health insurance through the Marketplace. Use effective advertising media placement strategy to raise awareness of Connect for Health Colorado and drive enrollments.

Background

In 2013 through the first Open Enrollment Period, Connect for Health Colorado used its advertising agency of record, PILGRIM, to also conduct media placement and buying with a 9% service fee. This kept the full range of services contained to a single contractor.

For the second enrollment period, the Marketing team is pursuing alternative types of media buying, including marketing agreements with broadcast companies to allow for more flexibility and variety of options. This entails finding a media buying partner more experienced in alternative approaches, as well as traditional spot buys, with potentially lower fees affecting our budget. We investigated three vendors with expertise in the area and recommend a Colorado-based company, EMICO, which has worked statewide, has good measurement and reporting tools and flexibility to quickly shift buys based on our needs. They come recommended by HCA-HealthONE in Denver and Vail Resorts.

Guiding Principles

To support the business strategies of Connect for Health Colorado, including increasing awareness of the Marketplace and its choice and affordability for Coloradans, while using resources efficiently and effectively.

Stakeholder Considerations

We compared costs, capabilities and other criteria of three media-buying vendors, including our current partner, to determine which best meets our need for sound strategic advice, proven ability to deliver and efficient costs and processes – including measurement and tracking.

Recommendation – Allow the CEO to contract with EMICO media-buying agency to work with the Chief Marketing Officer to fulfill the goals/objectives of Marketing for Connect for Health Colorado. Total contract will not exceed 8% of media buy (estimated less than \$2M buy – fees will not exceed \$160,000 under this contract)