

# Top health care trends

And how they will impact  
U.S. employers and the workforce



# Table of contents

1. Introduction.....	P. 1
2. An evolution in care delivery and navigation.....	P. 2-4
3. Population health and health equity.....	P. 5-7
4. A focus on access, experience, and outcomes to improve behavioral health care..	P. 8-11
5. Plan and benefits design.....	P. 12-14
6. Health care’s human-tech synthesis.....	P. 15-17
7. Curbing increasing pharmacy costs.....	P. 18-20

## Introduction

Increasing health care costs, issues accessing and navigating care, and a growing need for convenience are driving people to demand more as they seek care that meets their needs and preferences. At the same time, data and technology are powering a health care transformation with the potential to drive greater access, engagement, and innovation, to improve health outcomes for patients, and to reduce costs for the employers who provide health insurance to their workers and their families.

With those factors in mind, here are six trends for employers to keep an eye on in 2024.



# 1 An evolution in care delivery and navigation

Today, a **third of Americans** lack a primary care physician, and **80% of physicians** say they are overextended. Improvements in the efficiency of the care delivery system, new care delivery models, and other emerging trends have the potential to mitigate the effects of the physician shortages facing many communities. For example, nontraditional care models such as digital tools, virtual care, and virtual health monitoring allow in-person providers to practice at the top of their license. Patients can seek nontraditional care for minor conditions, and increasingly for some chronic and specialty conditions, while allowing physicians to focus on higher-risk patients and more acute conditions.

This redistribution of care delivery to nontraditional care models can increase the capacity of providers and the overall care delivery system. The advantages for patients can be considerable, including shorter wait times for appointments, the availability of more doctors accepting new patients, and higher patient satisfaction with primary care providers.

## Different types of sites of care



### In-person

- Retail health clinics
- Urgent care centers
- Worksite clinics
- Freestanding emergency rooms
- Diagnostic and testing centers



### At home

- Virtual care appointments
- Home care visits



### Remote monitoring

- Patient monitoring devices
- Digital apps and tools
- Digital diagnostics

## An evolution in care delivery and navigation

Health care is fragmented, which can make it difficult to navigate. In fact, **more than half** of American adults struggle to understand and navigate the complexities of the U.S. health care system. This lack of health care literacy can delay care, which costs employers and other plan sponsors in the long run because without timely intervention, health issues can escalate into more serious and more costly conditions.

Patient navigation rooted in personalized support can help alleviate these issues. Programs that remind employees to get an annual check-up, guide them to the closest in-network urgent care, or help them track health-related expenses are just some of the tools that have proved important for maximizing overall health – and employees expect this type of support, which empowers them to take control of their health and health care costs.

**A hybrid approach to care that blends technology and human-centered support is essential in 2024.**



Patients seek care from multiple channels. That's precisely why a hybrid approach that blends technology and human-centered support is essential in 2024. From a technology standpoint, mobile notifications, digital tools that support healthy lifestyle changes and improve medication adherence, and online health coaching will continue to grow in importance. Patient navigation is also key, as are services to connect individuals with real people – guides – who specialize in matters such as finding the health care provider who best meets the patient's needs and are available to answer questions about preventive services, health improvement programs, and any financial rewards available through the employer.

## An evolution in care delivery and navigation

**Value-based care**, which comes in many shapes and sizes, holds tremendous potential for improving health while reducing unnecessary costs and advancing a more sustainable health care system. Broadly speaking, value-based care incentivizes coordination of care, quality outcomes, and cost efficiency. According to McKinsey, value-based care could lead to **\$1 trillion in systemic value**, benefiting consumers, employers and other payers, industry shareholders, and other stakeholders.

U.S. employers, who provide health insurance for **159 million people** and have a vested interest in a healthy and productive workforce, and must invest in the safety, health, and well-being of employees. As primary payers of health care in the U.S., employers can use their scale and influence to accelerate a systemwide transition to value-based care, changing the trajectory of health care.

Doing so, however, will require changing how employees engage in their health care. In particular, employers that take on full financial risk for their employees' health insurance can engage more holistically in value-based care by purchasing innovative solutions to drive market changes, offer incentives to members for healthy behaviors, and influence provider behavior.

### Employers can help accelerate the move to value-based care by:

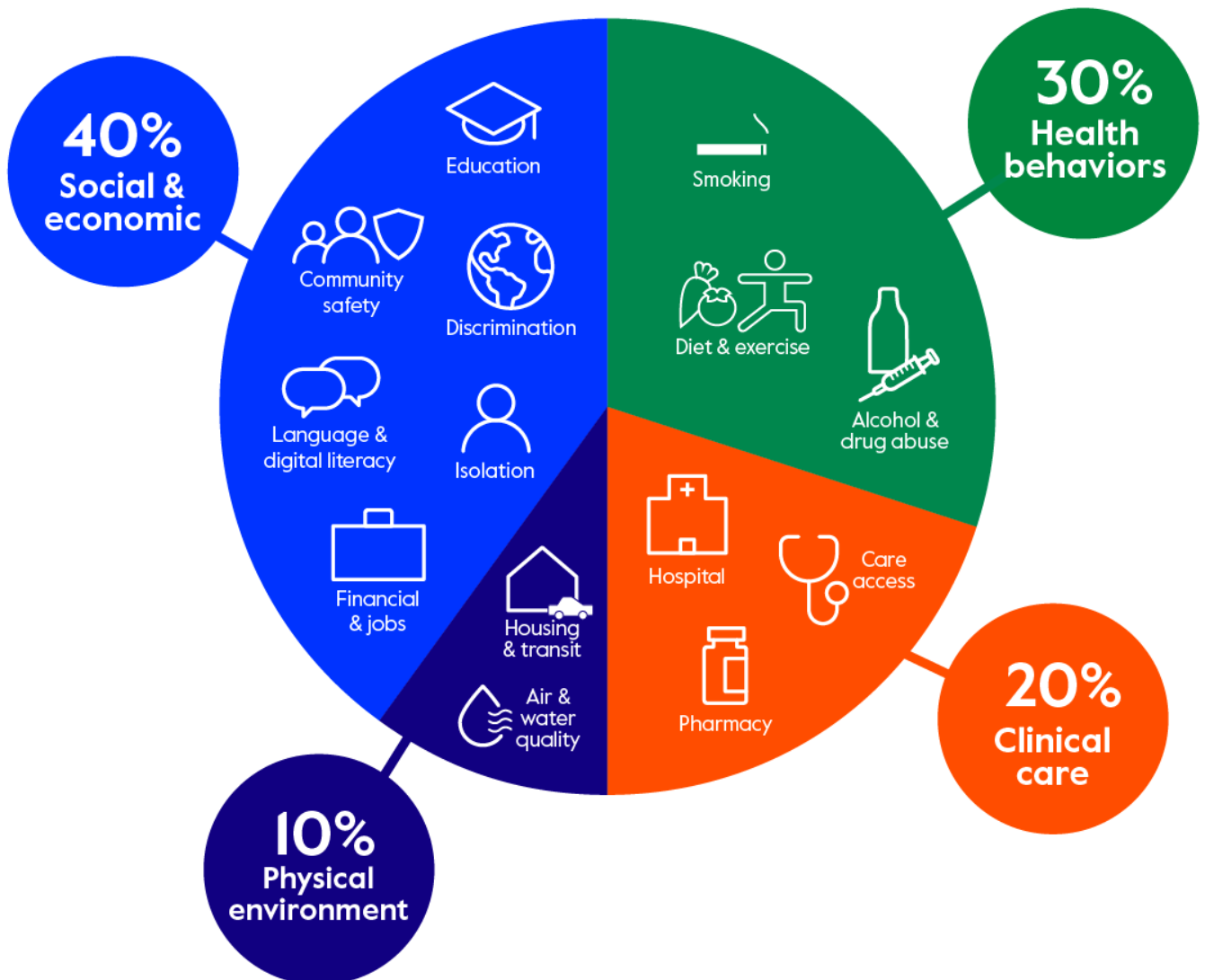
-  Guiding employees to quality providers and toward value-based arrangements
-  Collaborating with health services and insurance providers to design a benefits structure that meets the needs of their unique employee population and employees' families
-  Focusing benefits-related communications and programming on keeping people healthy

# 2

## Population health and health equity

While numerous factors can impede the quest for better health, physical, environmental, and social and economic factors – known as social determinants of health (SDOH) – have a more significant collective impact on health and health outcomes than clinical care.

### Social determinants of health (SDOH)



We expect to see a greater interest from organizations of all sizes in addressing the SDOH that impact health equity in order to ensure all people have the same opportunities to achieve their full health potential, regardless of social, economic, or environmental circumstances.

Personalized and inclusive benefits can help reduce health disparities, by improving access to care and reducing barriers to engagement that may be preventing workers from achieving optimal mental and physical health.



Benefits can include virtual care, digital care, onsite health clinics, and home delivery pharmacies – all designed to give employees what they need, when and where they need it.

We also will see a concerted effort in 2024 among employers and their health insurance and health services partners to build equitable benefit plans rooted in **personalized consultation** – to ensure an optimal benefits mix that is based on the organization's unique workforce. This starts with data. Who are your current employees? What are their daily challenges, in and out of work? Who are you recruiting for employment?





With these insights, employers can become more aware of SDOH factors affecting their workforce today and better prepare for the diverse workforce of the future.

## Population health and health equity

A data-driven approach to health equity helps employers identify and prioritize employees who may be at risk for certain conditions. This insight informs and identifies the additional support or resources these employees may need, such as personalized information about disease prevention or how to find a doctor in a [healthcare “desert”](#) where few health care professionals are located.

A consultative health insurance partner that layers social determinants of health data and insights on top of the client population and provider data to offer personalized support is key, whether the organization is in manufacturing, technology, or another industry. This data-driven approach helps organizations succeed because it can be used to build a more sustainable and successful benefits mix to better support an increasingly diverse workforce.

Employers have the opportunity to substantially influence the status quo and help each employee attain their best health. Start by:

-  Reviewing company demographic health data to understand benefit utilization variations by gender, race/ethnicity, age, job role, and geography
-  Asking employees if they can understand, access, and use the benefits they're offered
-  Determining if employees are equipped with the resources they need to make decisions that will improve their overall well-being
-  Re-examining benefit and wellness strategies to ensure they address the needs of the whole person, including physical, emotional, financial, environmental, and social connectedness



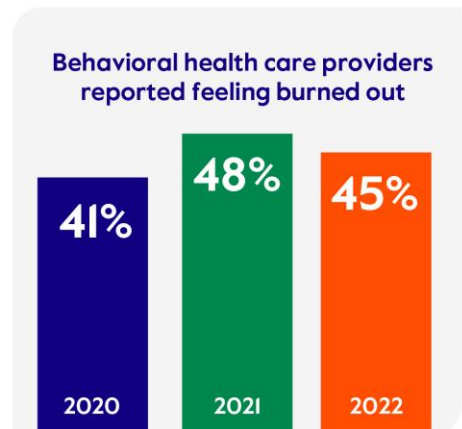
# 3

## A focus on access, experience, and outcomes to improve behavioral health care

Research finds that 22% of people have a diagnosed behavioral condition, and they account for 41% of health care spend. A main driver of these disproportionate health care costs is that 50% of adults with a diagnosed behavioral health condition do not receive treatment, which drives up total costs in the long run.

People are not getting the care that they need for a number of reasons. First, there's a lack of general awareness about behavioral health treatment and the support that's available. Limited access, long wait times, a fragmented health care system, and social determinants also play a role.

### Behavioral health care providers' top challenges



#### Top barriers to care:



Limited access



Long wait times



Fragmented health care system



Social determinants

## A focus on access, experience, and outcomes to improve behavioral health

Building bridges to provide greater access to care will be key in 2024. Finding the right behavioral care provider is one of the top challenges people face in health care. As of March 2023, 160 million Americans lived in [areas with a shortage of mental health professionals](#). Meanwhile, [45% of behavioral health providers reported](#) feeling burned out in 2022, with similar levels reported in 2020 (41%) and 2021 (48%).

The rise in virtual care, a result of the pandemic, has made access much easier. Research finds that [57% of respondents](#) in a survey were open to using virtual care options like telehealth for behavioral health services, but only 25% have done so.

Virtual care has opened access to people in remote areas of the country that require long drives to see a provider and in urban areas, where even a few miles of distance can be inaccessible.

Digital tools are also helping improve access to behavioral care. For example, a variety of new tools connect individuals to mental health treatment and support whenever they need it, seamlessly and confidentially. These digital apps and portals provide individualized, clinically driven guidance and can connect individuals to live behavioral health advocates who can help people find the care they need. Another big opportunity is provider matching, which takes a data-driven approach to helping people connect with providers who have a particular specialty, language, or ethnicity, ensuring people get the help they need in a way that is most impactful for them.



## A focus on access, experience, and outcomes to improve behavioral health

Timely intervention also is critical to driving better behavioral health outcomes. Data-driven identification models and real-time outreach to people who need help is essential. Integrated medical, pharmacy, dental, and behavioral health benefits provide integrated data. Layering on digital engagement and social determinants of health data is a huge opportunity to proactively identify those who may need support. This integrated view makes it possible to guide people to care with the right providers, resulting in better health outcomes and lower costs.

**Health care's fragmentation is felt by patients, providers, and plan sponsors.**



Aligning health care and data is a rich opportunity to provide a more cohesive care journey and a higher standard of health care benefits delivery. Taking a data-informed, proactive approach to behavioral health care can improve accessibility, patient experiences, and outcomes. We need to start creating connections to care that pave the way to better health for all people.

To help people achieve optimal health, we must address physical and mental symptoms together. Behavioral health plays a critical role in overall health, including physical health, well-being, and vitality. When a behavioral health problem goes untreated, physical health often suffers. For example, people diagnosed with depression are at increased risk of developing chronic physical conditions like diabetes and cardiovascular disease. The opposite is also true: When people struggle with chronic and complex conditions such as diabetes, musculoskeletal conditions, or cancer, their physical health can affect their mental health.

**A focus on access, experience, and outcomes to improve behavioral health**

Treating physical conditions and mental health separately can also drive up health care costs. According to [data from Evernorth](#), the health services division of The Cigna Group, oncology patients who do not get behavioral outpatient treatment are twice as likely to have avoidable emergency room visits than those who utilize outpatient behavioral care.

**The additional costs to plan sponsors average from \$173 to \$243 per member per year.**



In 2024, organizations will need to dig deeper into their data – understanding how certain conditions and health events affect their people’s mental health. For example, losing a pregnancy can have traumatic psychological impacts. When unaddressed, this trauma can have long-lasting effects on the health and well-being of women and their families.

Our [research](#) found that post-miscarriage depression is prevalent in about 11.5% of women who have suffered a miscarriage, yet only about 10% of those who develop depression receive the full spectrum of treatment (therapy and antidepressants). Data like this is key in identifying areas where there’s a need to raise awareness, break down stigma, and identify those who need assistance to connect them and their families to the resources and treatment they need.

# 4 Plan and benefits design

Healthy employees equate to a healthy business. But compensation alone doesn't build the kind of engagement and sense of belonging that come from a well-designed benefit and wellness program. That's why we expect to see increased investment from employers into benefit plan design as a tool in retaining talent.

The proof is in the numbers: **70% of employees** enrolled in wellness programs have reported higher job satisfaction than those not enrolled in such programs. Additionally, **85% of executives agree** that employee health is key to improving productivity. Studies also have found a significant financial impact in engaging employees to participate in health improvement programs, such as wellness coaching. In **one study**, employees who participated in wellness coaching saved their employers more than \$1,400 per person per year.

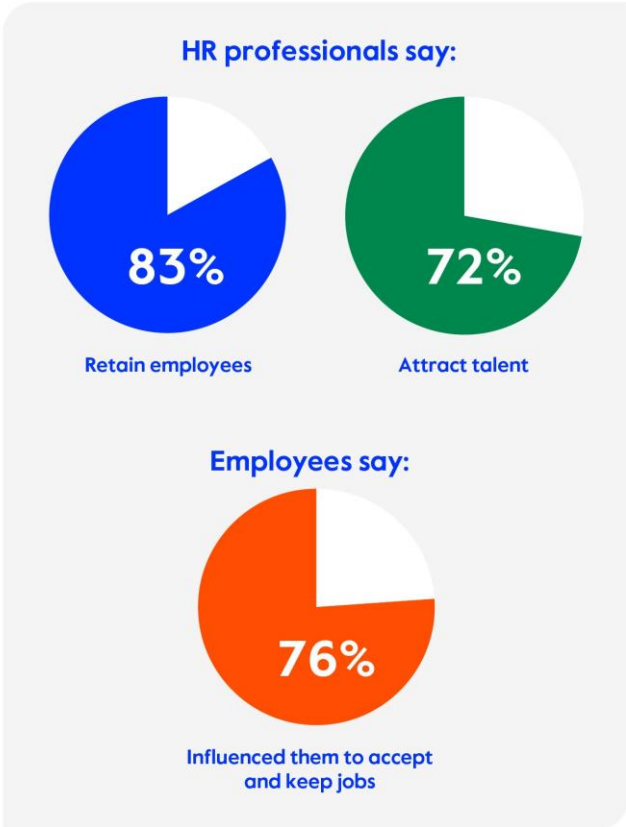
Over the next year, we expect to see a greater focus on holistic health care, which combines in-person care with digital well-being experiences (such as digital health coaching, motivational tools, and apps that enable healthy habit tracking) to enable personalized experiences that provide real-time insights and greater opportunity to engage people in their own health and well-being.

Finances were cited as the **top stressor for workers** in a study conducted in 2023, which surveyed more than 10,000 adults in the U.S. The financial burden of a serious injury or critical illness can easily throw a person's life into disarray at home and at work. **Nearly half** of U.S. adults are unable to pay an unexpected \$500 medical bill unless they borrow money, and **nearly one-fifth** of adults with health-care-related debt say they will never be able to repay it.



Fortunately, a growing number of employers recognize the importance of supplemental health plans to help offset those costs and to alleviate related stress and anxiety. In fact, supplemental health plans are a critical factor in an employer’s ability to attract and retain qualified employees. In a recent survey, 3 in 4 employees identified these and other voluntary benefits as a key reason to work for and stay with an employer.

### Advantages of providing voluntary health benefits



Roughly one-fifth of employees who experienced a serious health event needed to take time off work. Many of those who remain on the job are extremely stressed and have trouble concentrating on their work. In fact, the same survey found that nearly one-third of employees reported that the health event had a negative impact on their work and career advancement. Including supplemental health coverage as a core component of a comprehensive benefits package can help stave off these productivity issues by improving employee health and, again, providing financial and emotional peace of mind.

Supplemental health coverage helps provide financial protection to employees and their covered family members in the event of a significant health issue. For example, critical illness plans offer a lump-sum cash benefit when an enrolled employee is diagnosed with a covered condition such as cancer, heart attack, or stroke – typically \$10,000 to \$30,000, depending on the coverage selected. Supplemental health plans also provide payment in the case of accidental injury or hospitalizations. Employees can use the cash provided by these policies for whatever they need, including medical expenses, transportation costs, rent, child care, utility bills, and groceries. These cash benefits, paid at the time the employee needs them most, help address individual employee-level health care affordability concerns.

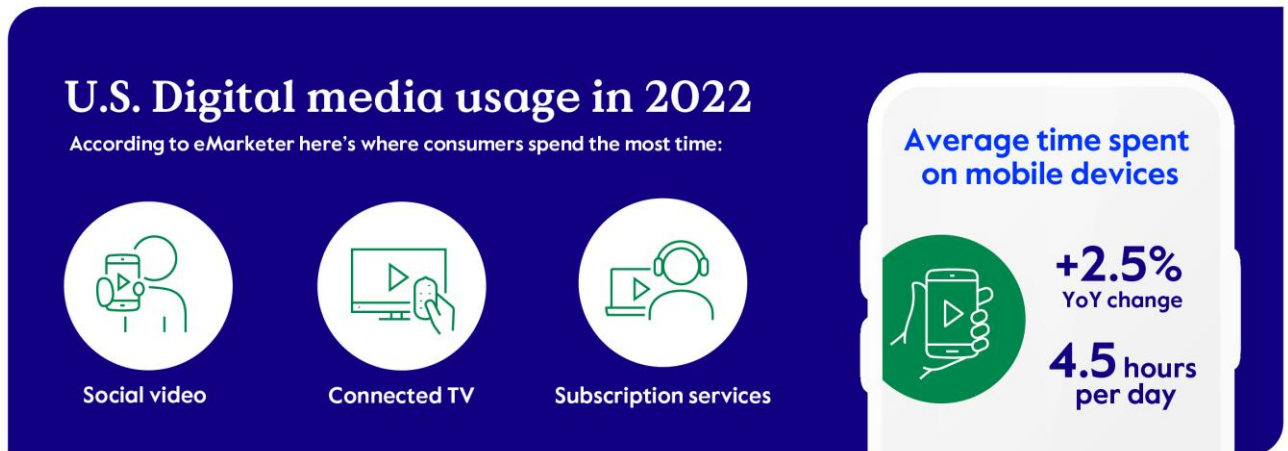
Some supplemental health plans include financial incentives for receiving preventive care, meaning employees can qualify for benefits even if they do not experience a covered illness or injury during the plan year. For example, in some cases, employees can receive wellness payments for qualifying preventative care visits. We expect more employers to start offering supplemental health as a valuable benefit to improve employee vitality and help lower the out-of-pocket costs of care.

Supporting employee mental health will continue to be paramount in 2024, and we will see increases in investments by employers in this area. To truly support employees, employers must understand and address the gaps that exist between employees' needs and their awareness of which support resources are available. Employers must leverage data to identify, understand, and support the social determinants of health that affect their employee population and where there might be gaps from a behavioral health standpoint.



# 5 Health care's human-tech synthesis

Digital technology is ingrained in our lives. Consumers spent an average of more than **4.5 hours a day on mobile devices in 2022**, their usage of social platforms increased substantially, and about two-thirds of U.S. adults watched connected TV.



Source: eMarketer

What's more, Apple, Amazon, Netflix, and other companies are shaping what consumers demand of their digital experiences. Today's consumers expect seamless, connected, and personalized digital experiences in all parts of their lives – including health care. Today, **90%** of U.S. adults use at least one digital health tool. And while digital can never fully overtake in-person health care, it can help drive down costs, make care more personalized, and improve health outcomes.

We are at a pivotal moment in health care. As people increasingly take charge of their own health, digital tools offer many opportunities to improve the overall health care experience, lower the costs of care, and drive greater access to care. Additionally, the data gleaned from digital engagement informs a more real-time dialogue with individuals and allows more proactive and relevant care delivery.



Digital health coaching is a good example of the power that technology can have in health care. By employing digital tools, health coaching transcends geography and time constraints, offering personalized guidance to patients at their convenience. While many are familiar with digital health coaching in the behavioral/mental health space, it is rapidly becoming an important tool to support people with chronic conditions by keeping them engaged in their care between doctor visits, when their commitment to treatment goals may decline.

**Remote patient monitoring, another facet of digital health, has become a game-changer in real-time health care delivery and a crucial component in supporting patients living with chronic health conditions.**



Benefits may also include early detection of complications and the ability to enhance adherence to treatment plans through reminders, alerts, and real-time progress notifications. These can add up to improved health outcomes that help reduce the total cost of care by minimizing hospitalizations, readmission rates, and emergency room visits.

Estimates show that at least **60.6 million Americans** will use remote patient monitoring tools such as wearables, sensors, and mobile apps in 2024. By 2027, the global market for these systems is estimated to be \$1.7 billion.

As virtual monitoring continues to gain acceptance and adoption, incorporating these technologies into telehealth services such as virtual primary care has vastly improved providers' ability to deliver continuity of care and enabled patients and providers to work together to make more informed and personalized decisions.

Telehealth has also emerged as a pioneering pathway between health care providers and patients, melding the irreplaceable expertise of doctors with the power of technology.

Through virtual consultations, patients can seek medical advice without the barriers of geographical distance or time constraints. It's a remarkable stride toward making health care more accessible and responsive, especially in areas where medical facilities are sparse or in situations that require immediate attention.

Virtual care companies are at the helm of this digital health care transformation. By providing virtual services such as urgent care, primary care, chronic care management, dermatology, and behavioral health, virtual care platforms are increasing patient access and convenience while showcasing the tremendous potential of a harmonized human-tech interaction in enhancing the scope and quality of health care delivery.

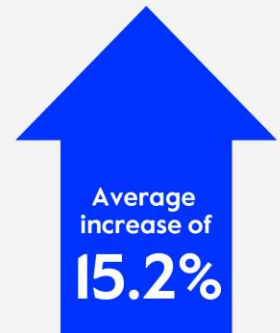


# 6 Curbing increasing pharmacy costs

Rising prices are no surprise to anyone who shops for food or buys almost any other good or service – including prescription medicines. The U.S. Department of Health and Human Services, which [tracks drug costs](#), found that prescription drugmakers increased the list prices of more than 4,200 prescription products during 2022, with an average increase of 15.2%. In a separate analysis, AARP found that the list prices for [25 top drugs](#) filled under Medicare Part D have more than tripled since they first reached the market.

Prescription drugmakers increased the list prices of more than

**4,200**  
prescription products  
during 2022



Patients and plan sponsors grapple with these costs; as a result, the question of how to rein in drugs prices is a topic of conversation, editorials, and debate on Capitol Hill. [Pharmacy benefit managers \(PBMs\)](#) are frequently called to task, but the truth is that drug manufacturers set prices, while PBMs are the only ones working to lower net prices for employers and other clients and their members.

We expect the [GLP-1](#) market to continue to evolve in 2024, as more data, simpler drug delivery in the form of a pill, and potential new indications continue to drive more utilization. With the promise of this new class of drugs comes additional costs and complexity for health plans and employers grappling with how to provide sustainable coverage. We anticipate health plans and sponsors will take a coordinated approach that balances the need for medications for patients who can benefit the most with lifestyle support that ensures long-term success.

## Curbing increasing pharmacy costs

Specialty drugs also can require special handling and complex administration, such as infusions or injections, adding to their expense. Within the specialty class of drugs are gene and cellular therapies, which can treat or even cure a growing number of rare conditions, ideally with a single dose. These highly targeted medications **introduce genetic material into a person's DNA to "edit" or replace faulty or missing genetic material that leads to disease**. The average cost to research and develop one gene therapy **exceeds \$5 billion**. A recently approved gene therapy for hemophilia **is priced at more than \$3.5 million per treatment**, making it the most expensive drug ever created.

While only a handful of gene therapies have been approved and reached the market in the United States, more than **1,000 gene and cell therapies** are currently in the pipeline, and an estimated **50 to 75 gene therapies** are expected to be available in the U.S. by 2030. As employers and other plan sponsors grapple with these potential costs in 2024, they should be aware of the complexities of gene therapies and the dynamics of the drug pipeline, and work with a partner that can protect them with **the right strategy** to make these cutting-edge medications available to those who need them.

Biosimilars are a bright spot in the specialty pharmacy space. These clinically equivalent alternatives are rapidly coming to market as their originator products' patents expire, creating competition that can ultimately save an estimated \$225 billion to \$375 billion dollars in pharmacy spend over the next decade, according to an **Evernorth analysis**. According to **data collected by the National Institutes of Health (NIH)**, the average annual cost of biologic medications, including biosimilars, ranges from \$10,000 to \$30,000 annually, with the costliest products topping \$500,000.



Some biosimilars must be prescribed by name to be dispensed. The FDA has determined others to be interchangeable, meaning they can be dispensed when their originator biologic is prescribed, much like generics can be dispensed in place of brand drugs. In the coming year, we will see more interest from employers and health plans to [promote competition and drive long-term savings](#) by advocating for the approval and adoption of biosimilars [as well as](#) thoughtfully managing formularies, optimizing plan design, and integrating cost-control tools such as site-of-care redirection for infusions and medical drug management, which leverages data analytics to determine if a biosimilar should be covered under the pharmacy or medical benefit for maximum cost savings.

Elsewhere, as the pharmacy landscape continues to change, independent pharmacists are increasingly well-positioned to help close gaps in care. As large chain pharmacies continue to grapple with closures, staffing shortages, and walk outs, independent pharmacists not only continue to deliver convenient, high-quality pharmacy, but many are expanding their services to include certain routine, preventive, and chronic care services.

Lastly, now more than ever, patients are looking for straight forward information to help them make better decisions about their own care and avoid surprises at the pharmacy counter. We think there's an opportunity to help them see their pharmacy benefits at work – before and after picking up their medications.

**Don't just pay for a health plan.  
Invest in a growth plan.**

[Learn more](#)

