

# The Future of Healthcare:

*More Insured, Difficult Access, Less Trust,  
& Costs Continue to Rise!*

Presented by:

Mike Wojcik, Executive Vice President, MBA, CLU, CFP, GBA

# Agenda

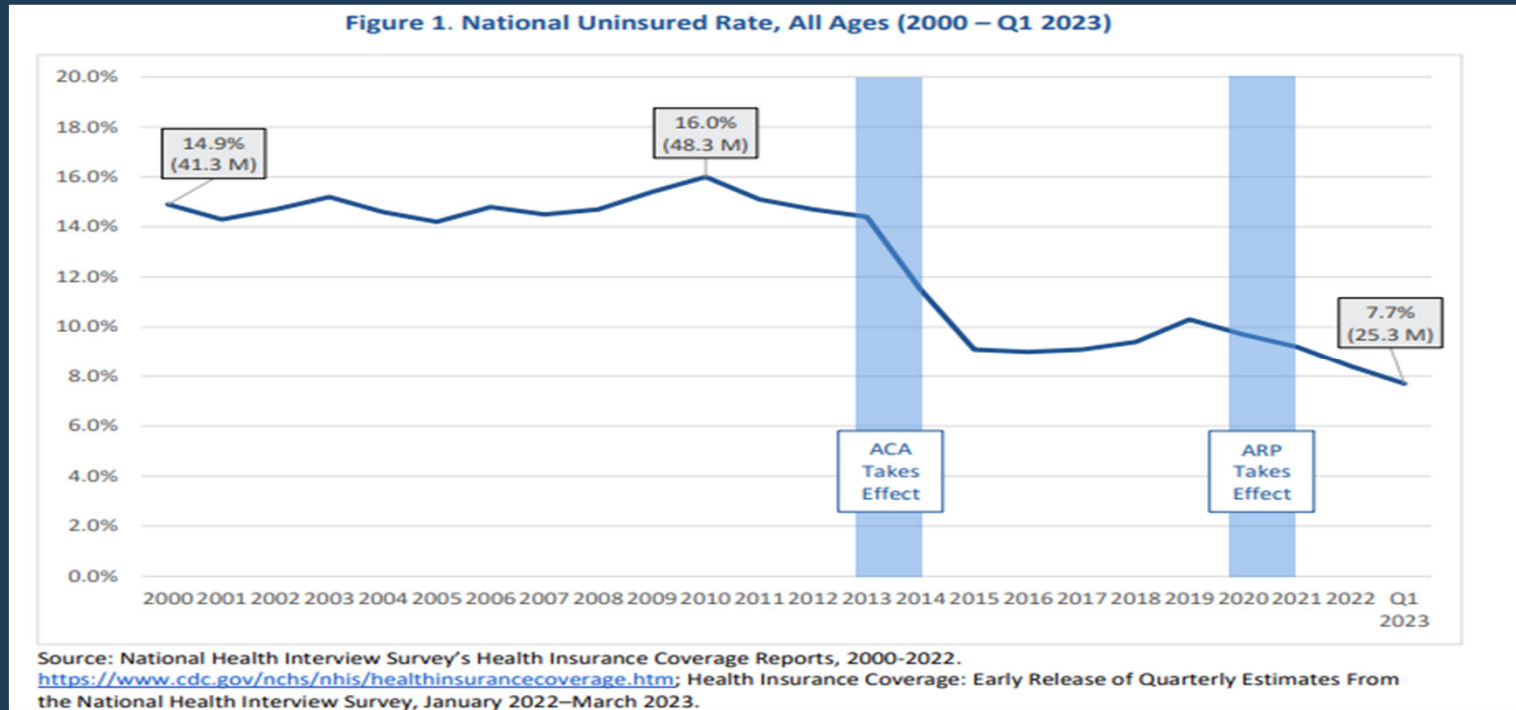
- State of the Healthcare Market
- Drivers & What We Can Expect To Change
- Developments Impacting Benefit Options
- Common Strategies to Control Cost
- 2024 Compliance

HEALTHCARE

# The State Of The Healthcare Market



# Good News! Uninsured Rate At An All-Time Low for Adults 18-64 = 7.7%\*

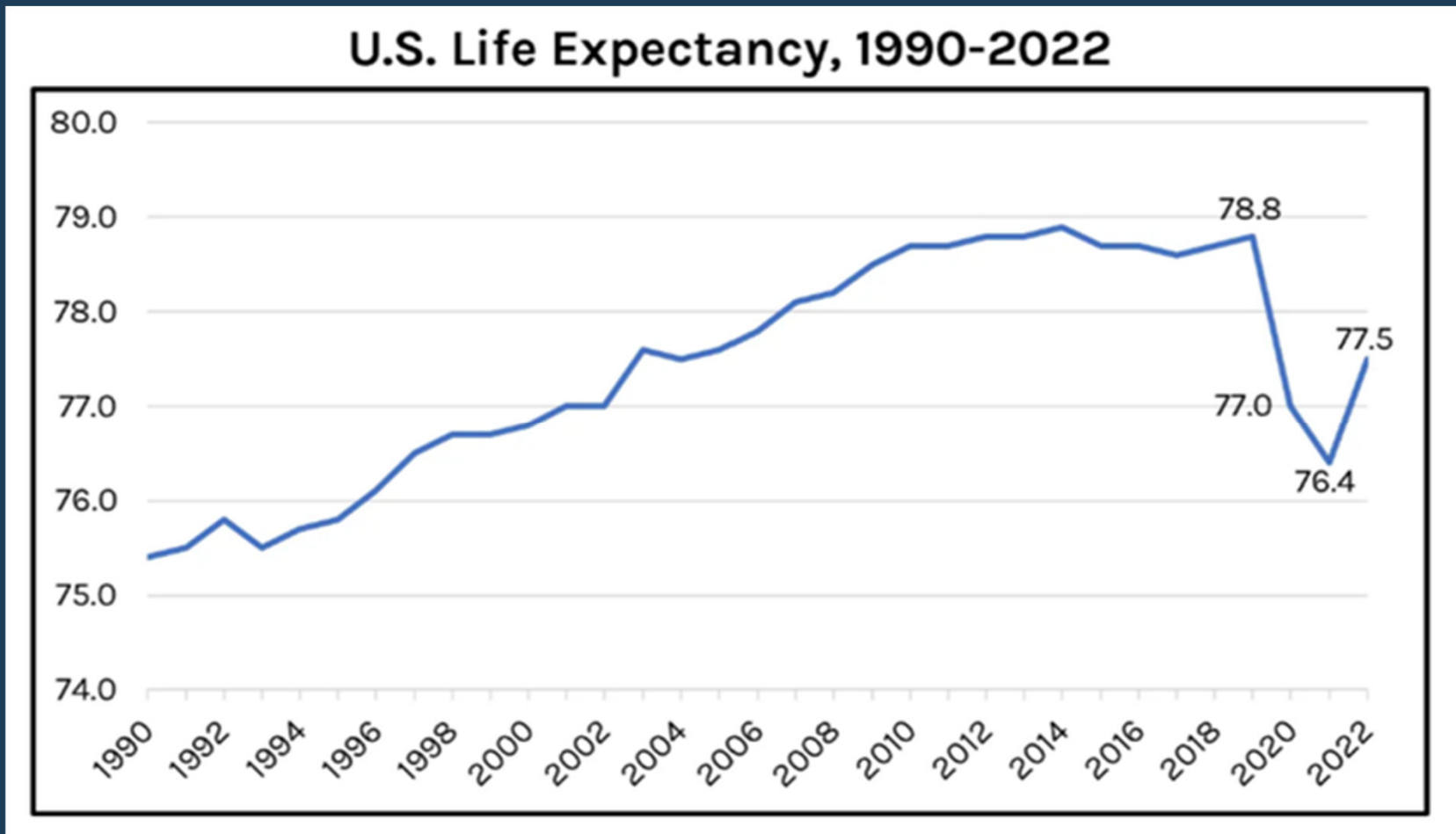


- The Marketplace continues to attract Membership (20M in 2024) with premium tax credits for those with incomes between 100% and 400% FPL, improving affordability.
- Individual rates in Illinois increased 10% for 2024, 342,995 enrolled.

\*HHS

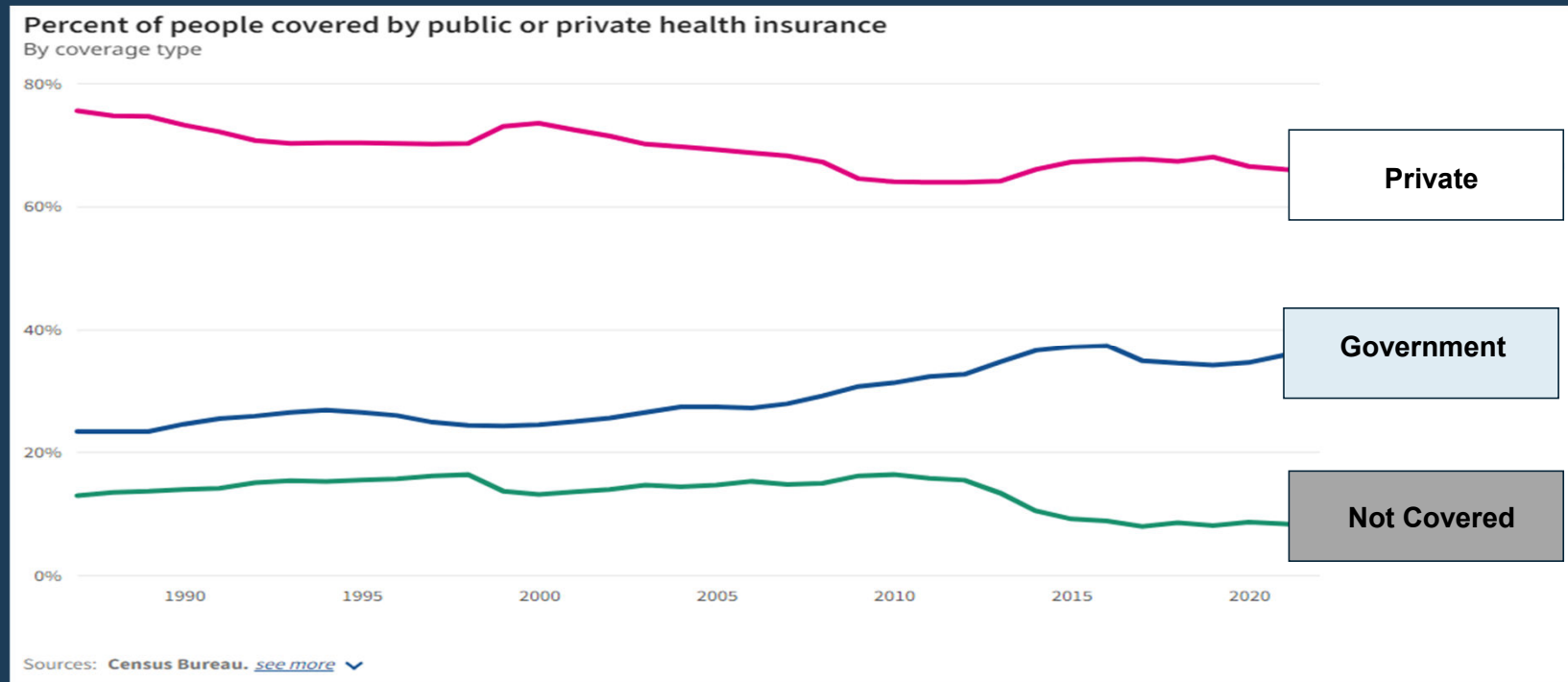
# Life Span Rebounds Partially Since Pandemic

- U.S. Average Life Expectancy dropped from 79 in 2019 to 76 in 2021 and increased to 77.5 in 2022\*.



# Employers Still Insure Majority in U.S.

- Employer Plans insure 54% of the U.S. population, Medicare 18.4%, Medicaid 17.8%, and Direct Purchase 10.5%, TRICARE 2.8% and CHAMPVA .9%.\*



- What you should know: Medicare and Medicaid account for 60% of hospital revenue. Both underpay Hospitals and Providers by 13% on average\*\*. In turn, Hospitals and Providers have to upcharge commercial insurance plans as much as 50% to make up the shortage.

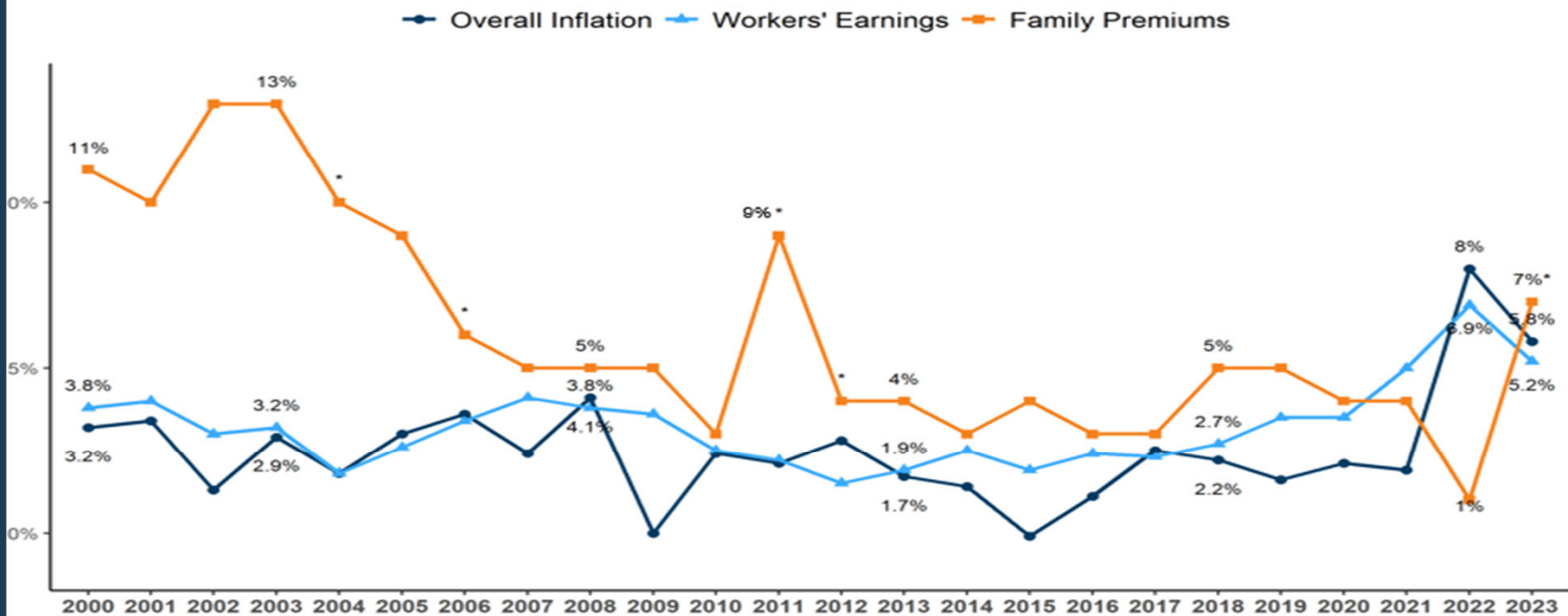
\*USA Facts and \*\*American Hospital Association

# Increases On The Rise Again

On average the annual Single and annual Family premiums increased by 7% over the last year. Comparatively, workers' wages increase 5.2% and inflation 5.8%. Over the last five years, the average increased by 22% compared to a 27% increase in workers' wages and 21% inflation\*.

**Figure 2**

**Average Annual Increases in Premiums for Family Coverage Compared to Other Indicators, 2000-2023**



\* Family Premiums Estimate is statistically different from estimate for the previous year shown ( $p < .05$ ).

SOURCE: KFF Employer Health Benefits Survey, 2018-2023; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2017. Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation, 1999-2023; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 1999-2023.



\*2023 KFF Survey

# Consultant Trend Projections for 2024

- Healthcare is expected to grow more rapidly than the overall economy. It is projected to be 19% of GDP by 2031 compared to 17.4% today.\* Other high-income economies average 9.6% today.\*\*

Consultant	Overall Trend No cost cutting measures – All size groups. Medical & Pharmacy combined.
AON	7.6%
Business Group on Health	6%
International Foundation of Employee Benefit Plans	7%
Mercer	6.6%
PWC	7%
Kaiser	7%
Pharmacy Markets	10%-14%

- Keep in mind, **PREMIUMS = Trend + Risk + Demographic changes**

\* Office of Actuary

\*\*Keckley Report



# Public Healthcare Opinion Worsens

HEALTH • HEALTH CARE

Exclusive: More Than 70% of Americans Feel Failed by the Health Care System

- 61% say healthcare is not affordable.
- 60% grade the U.S. health care system C, D or F.
- 44% have skipped or delayed care they needed in the past two years.
- 40% feel healthcare is too focused on profit.
- 31% It takes too long to get an appointment.
- 28% Difficulty understanding what is covered.
- 19% The healthcare system is only focused on treating illness and injury, not preventative care or wellness.
- 13% Inequities / bias within the system.
- 13% Lack of primary healthcare providers.
- 12% I have to coordinate care across too many providers.

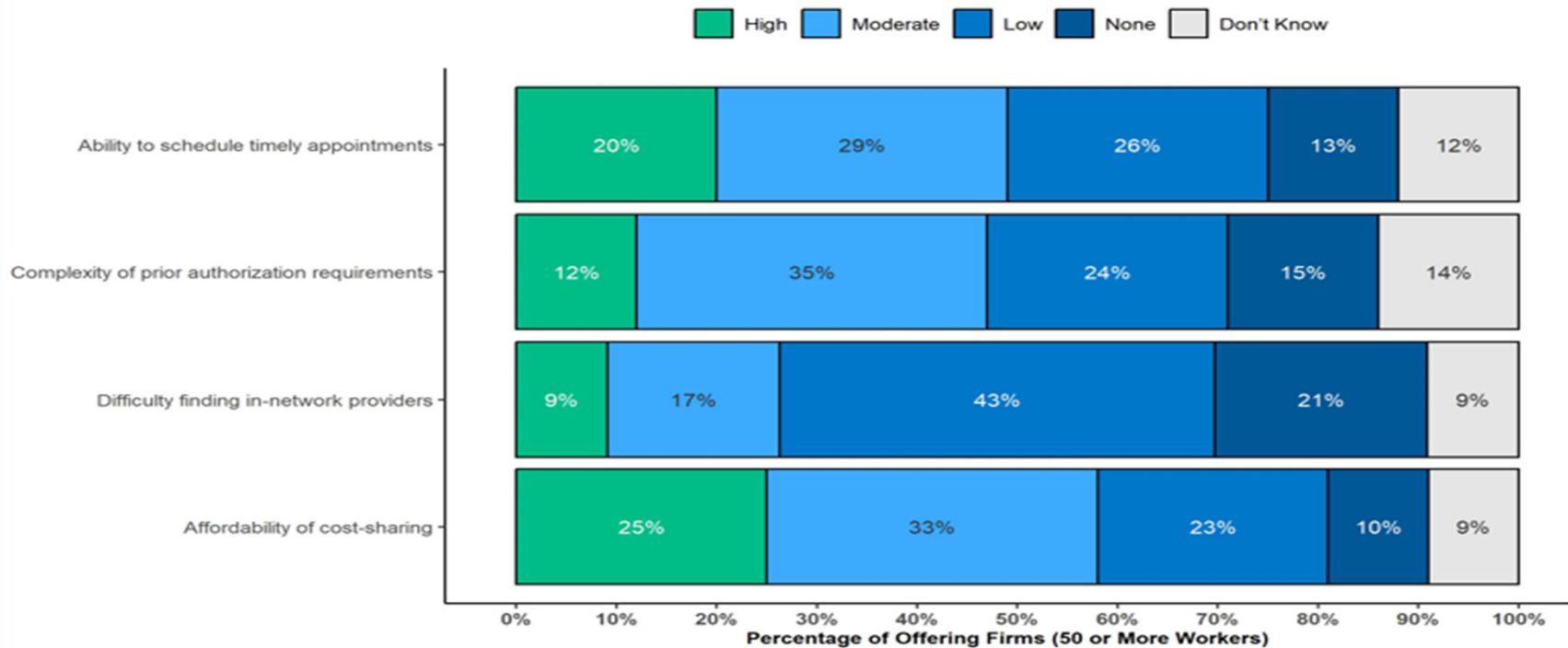
\*Time - Harris Poll Commissioned by the American Academy of Physician Associates

# Employer Concerns - Access & Cost

- Most Concern – Getting Timely Appointments, Affordability, Complexity.
- Little Interest in changing benefits over the next two years.
- Average deductibles dropped to \$1,735 for all firms from \$1,763.

**Figure 27**

**Among Firms Offering Health Benefits, How Much Concern Do Employers Have With Various Elements of the Firm's Plans, 2023**



NOTE: Firms have 50 or more workers. Cost-sharing may include copays, coinsurances and deductibles.

SOURCE: KFF Employer Health Benefits Survey, 2023

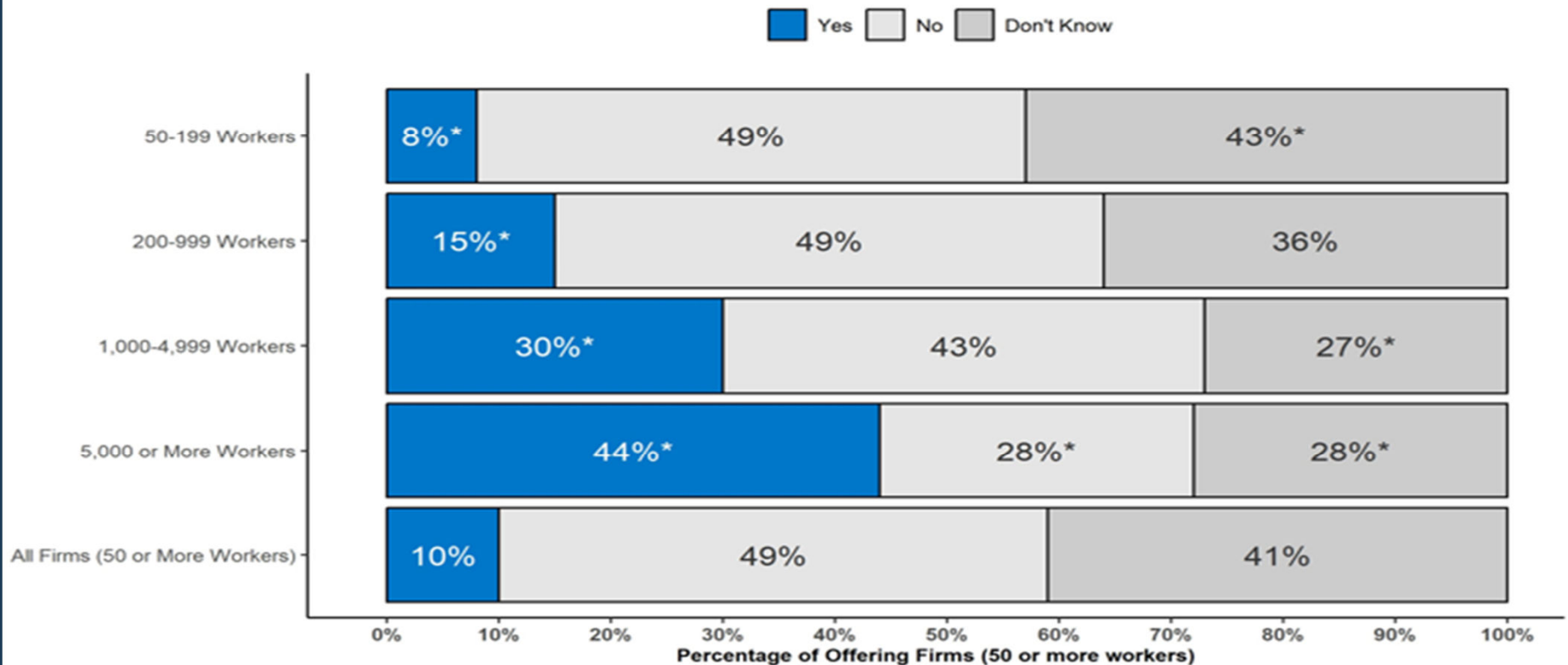
**KFF**

# Employer Concerns – Mental Health Access

- The larger the employer, more interest in expanding Mental Health and Substance Abuse providers.

**Figure 26**

**Among Firms Offering Health Benefits, Percentage of Firms That Have Taken Any of the Steps to Increase the Number of Mental Health Providers in Your Plan's Network in the Last Twelve Months, by Firm Size, 2023**



\* Estimate is statistically different from estimate for all other firms not in the indicated size category ( $p < .05$ ).

NOTE: Firms with multiple plans were asked about their plan with the largest enrollment.

SOURCE: KFF Employer Health Benefits Survey, 2023

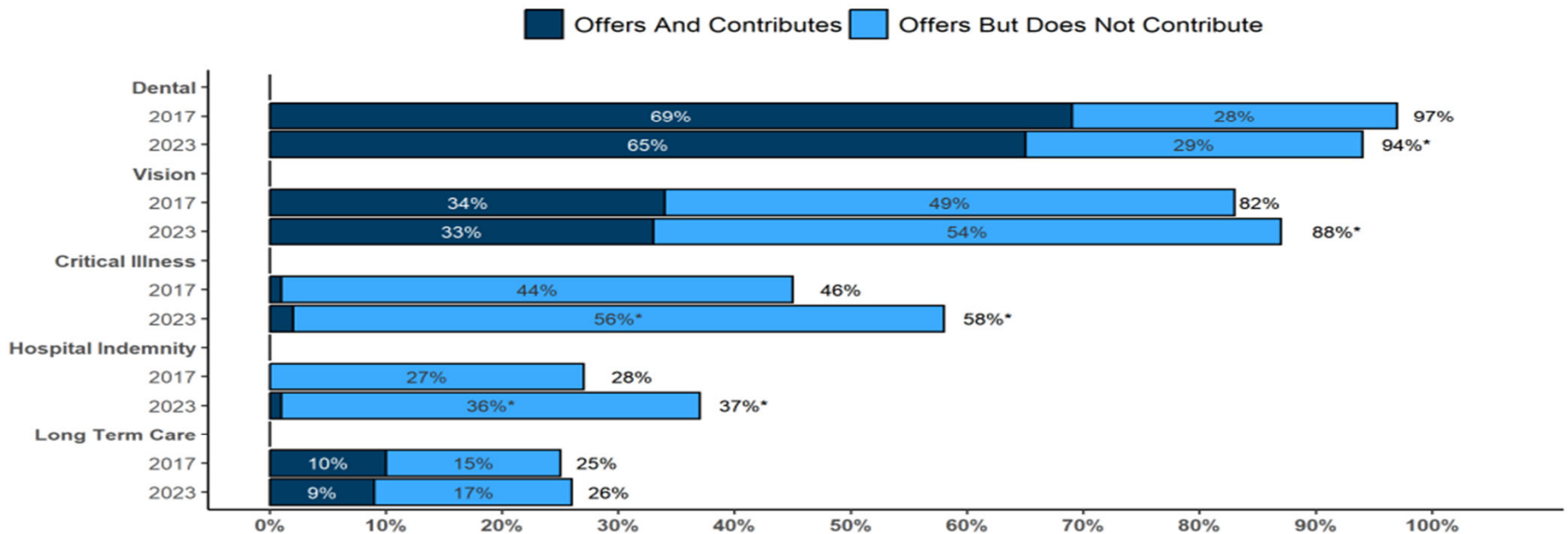
**KFF**

# Voluntary Insurance Options Grow

- As generations and family needs shift, Voluntary interest grows.

**Figure 2.16**

**Among Large Firms Offering Health Benefits, Percentage of Firms That Offer Voluntary Insurance Benefits in Addition to Benefits Offered Through the Health Plan, by Firm Size, 2017-2023**



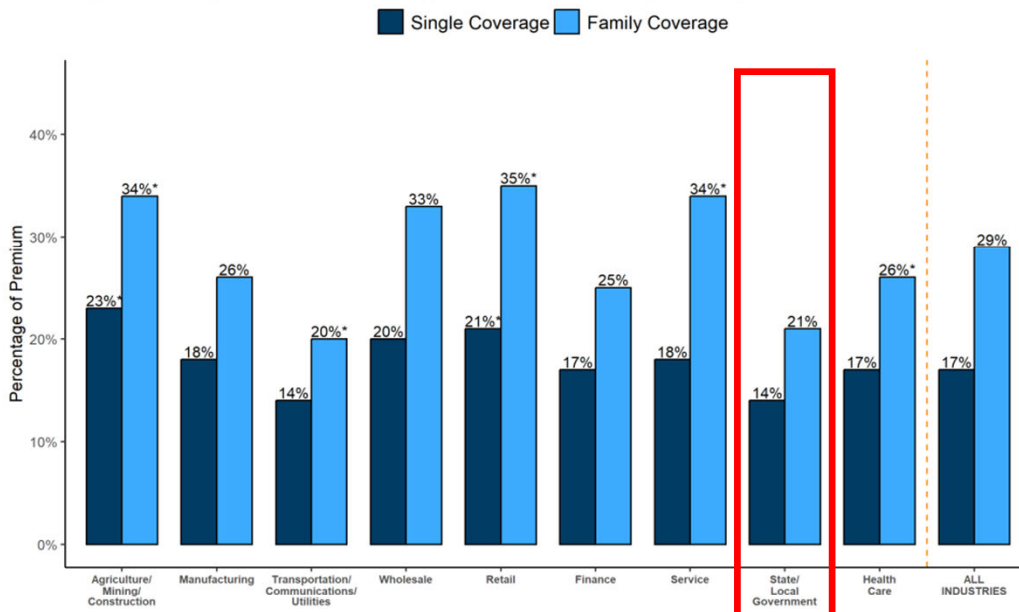
\* Estimate is statistically different from estimate for the previous year shown ( $p < .05$ ).

NOTE: Large Firms have 200 or more workers. Critical illness insurance provides a cash benefit when an enrollee is diagnosed with a specified condition, such as cancer. Hospital indemnity plans provide a cash benefit when an enrollee is admitted to the hospital or has a certain type of outpatient surgery. Long term care insurance covers assistance with daily living not generally covered by health insurance such as care from a home health worker or nursing home. The survey asks firms that offer health benefits if they offer or contribute to voluntary benefits that are separate from any their health plans might include.

SOURCE: KFF Employer Health Benefits Survey, 2023; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2017

# 2022 & 2023 Cost Share Benchmarks

**Figure 6.21**  
Average Percentage of Premium Paid by Covered Workers, by Industry, 2023

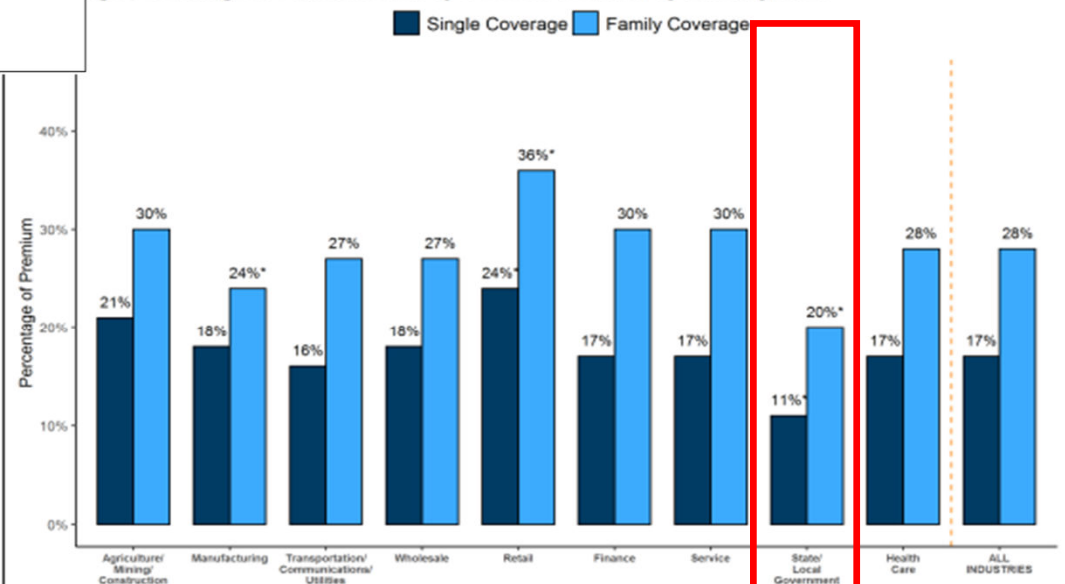


\* Estimate is statistically different within coverage type from estimate for all other firms not in the indicated industry category ( $p < .05$ ).  
SOURCE: KFF Employer Health Benefits Survey, 2023

- Most industries pass along increases especially in family contributions.

- Government Cost share remains generous but has increased from 11% Single to 14% and Family to 21% from 20%.

**Figure 6.21**  
Average Percentage of Premium Paid by Covered Workers, by Industry, 2022



\* Estimate is statistically different within coverage type from estimate for all other firms not in the indicated industry category ( $p < .05$ ).  
SOURCE: KFF Employer Health Benefits Survey, 2022

## HEALTHCARE

Drivers of Healthcare and  
What Can We Expect to  
Change.

Who are the Influencers in  
Healthcare?



# Employer Survey - Drivers of Healthcare\*

- Mental Healthcare
  - 77% vs. 44% in 2023. 16% anticipate increase in the future.
- Pharmacy Costs
  - Median spend increased from 21% in 2021 to 24% in 2022.
  - 92% concerned about high-cost drugs in the pipeline and pharmacy cost trend overall.
  - 73% want more PBM transparency in pricing, additional reports & quality measurement.
- Cancer Treatment
  - 50% of employers report cancer is the number one driver of healthcare costs mainly due to late-stage diagnosis due to pandemic.
  - 53% will offer cancer-focused “centers of excellence” approach in 2024
- Healthcare Delivery
  - #2 priority for 2024 is to implement more virtual health opportunities.
  - 53% offer or plan to offer on-site clinics in 2024.

\* Business Group on Health 2024 Survey

# 100 Most Influential Individuals in Healthcare

## What Industries or Entities are Represented Most.\*

- Health Services / Hospital – 47
- Health Insurance – 15
- Health Administrative Resources – 12
- Government – 11
- Pharmacy – 8
- Physician – 8
- Venture Capital – 4
- Nurses – 3
- Health Foundation - 2
- AARP – 1
- Union – 1

## Most Notable\*

- #1: CMS-Administrator  
Chiquita Brooks LaSure
- #2: United Healthcare –  
CEO Andrew Witty
- #3: EPIC – CEO Judy Faulkner
- #13: Mark Cuban – Co-Founder of  
Cost-Plus Rx



# Follow The Money

Health Lobbying through September 28, 2023: **\$553,439,341**

Top Influencers in Healthcare*	Total Spend on Lobbying
Pharmaceuticals/Health Products	\$285,957,864
Health Services / HMOs	\$96,655,740
Hospitals/ Nursing Homes	\$94,519,864
Health Professionals	\$70,014,512
Miscellaneous Health	\$6,291,361

\* *Open Secrets*

# Healthcare Provider Headwinds Remain

- Burnout from the pandemic has taken its toll on the industry.
- 70% of Physicians today are employed by Insurance Carriers, Hospitals (50%) and Private Equity (20%).
  - Resident doctors' unions are gaining membership.
  - Critical shortages in Family Practice, Internal Medicine, OB-GYN and Anesthesiology.\*
- Nurses are coming back but remain in shortage.
  - Many negotiated Union contracts to secure better working conditions and pay. In addition, better benefits were offered, burnout reduction programs, efforts to reduce clinical turnover with flexibility and better staffing pipelines.\*\*
- Hospital Operating Margins are recovering from the pandemic as normal discharges and services return.\*\*\*

\* *Modern Healthcare*

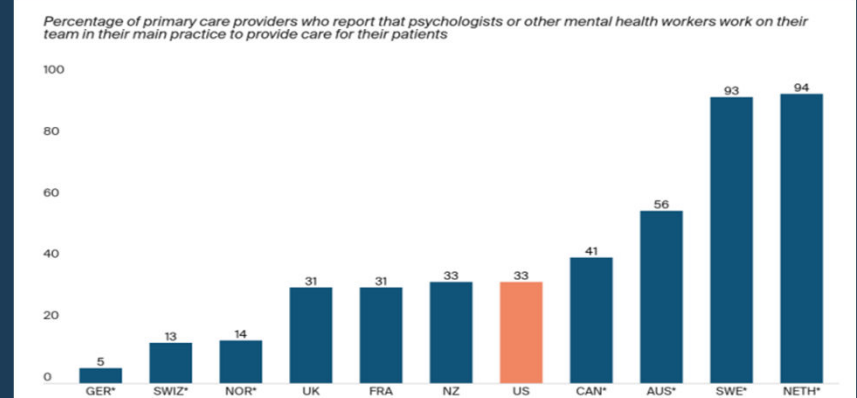
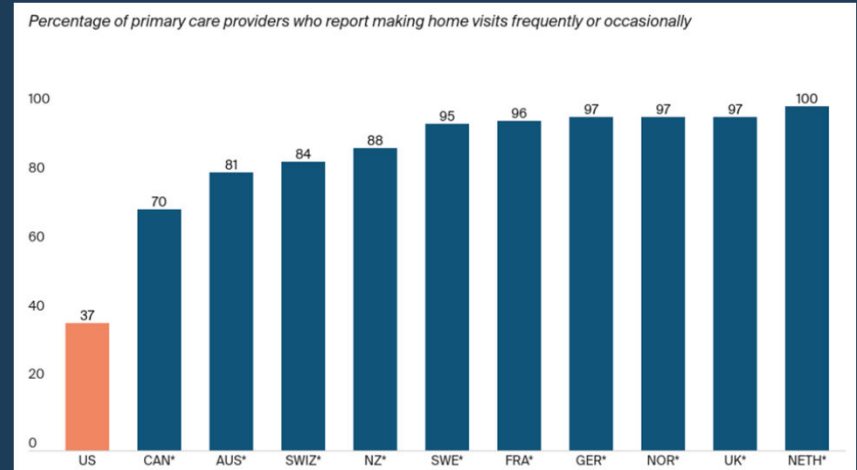
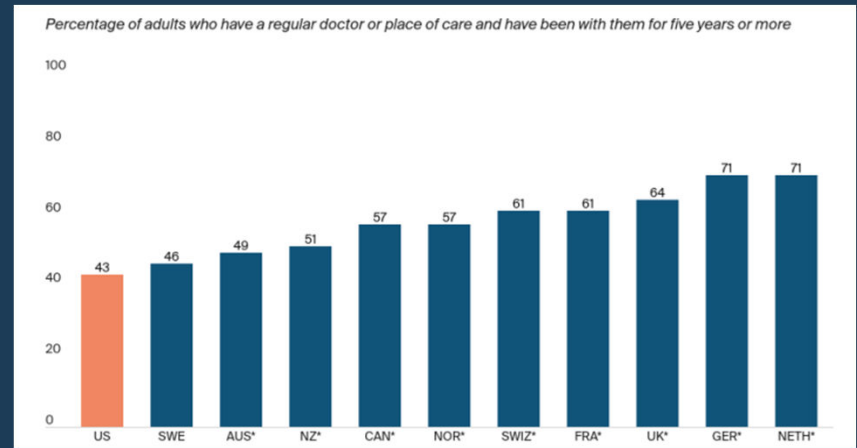
\*\* *The Keckley Report*

\*\*\* *Kaufman Hall Report*

# How Do We Solve Primary Care?

- US adults are the least likely to have a longstanding relationship with a primary care provider.\*
- U.S adults are the least likely to have access to home visits by a primary care provider.\*
- One-Third of U. S. primary care physicians have mental health providers in their practice.

*\*Primary Care in high-income countries –  
The Common Wealth Fund*



# The Future of Hospitals

- Hospitals are looking for Efficiencies. Too much duplication, waste and lack of direction – Emphasis on social needs and health equities.
- Hospital Mergers will continue. However, look for more rules from the FTC curtailing larger monopolistic mergers; state requires 30-day notice.
- Many will take place with no geographic overlap, but for benefits of scale and talent. (Advocate-Midwest and Atrium-Southeast; BJC – Missouri and St. Luke –Pennsylvania).
- Acquisitions of private practices, and out-patient expansion of Ambulatory Surgery Centers (ASC) continues. More services are done out-patient.
- Centers of Excellence and Specialty Hospitals develop.
- Mergers of Skill - Hospital talent alone can't do it all. Look for Skill Collaboration amongst competitors.
- AI is being tested in many areas.

# Home Health

- The concept started, during the COVID-19 pandemic. CMS allowed Acute Hospital Care an at Home Waiver Program, which reimbursed hospitals the same rate for home-based care as it does for in-facility care to help free up beds. 300 hospitals are participating in the study.
- A recent JAMA study of 11,000 patients over 16 months found great results with low mortality rates, minimal complications and low rehospitalization rates.
- Many hospitals are expanding this program already, and training family caregivers to help in the process. Look for AI to play a role to monitor and help make decisions where help is limited.
- Congress will decide in fall if the program will continue or not.
- Home health is the fastest growing component of health spending.\*

*\*Altarum Health Sector Economic Indicator*

# Insurance Carriers

- The biggest challenge Insurers are facing is the rising costs of risk due to late diagnosis. The \$2M claim is common.
- Adding to the rise in risk is specialty Rx for chronic conditions (weight loss – diabetes, etc.) and gene therapy drugs with hundreds in the pipeline.
- Insurers are negotiating provider contracts due to increased costs from the pandemic. Look for Value contracts, two-tiered networks.
- Service has suffered: According to Forrester Research, Health Insurance Customer Service is Ranked 15<sup>th</sup> Out of 19 Industries with all carriers.
- Insurers are looking for AI and Digital technology to help the process improve timelines and efficiencies by predicting the necessity of care, expediting physician reimbursement and reducing fraud.
- There have been some early setbacks with Algorithms being challenged and lawsuits resulting.

# Mental Health

- Mental Health Network Inadequacy. Even with parity laws of 1996 and 2008, stressing similar benefits for mental health and physical health, large differences occur with network availability. Look for more Transparency requirements.
- Two –thirds of Americans with a diagnosed mental health condition were unable to access treatment, even though they had insurance.\*
- 3 in 10 of U.S. adults have a mental health problem, and more than 1 in 5 youths between ages 13 and 18 have had a “seriously debilitating mental illness” during their life.\*\*
- Suicide & Crisis Lifeline’s 988 hotline marked its one-year anniversary in July 2023 noting a 33% increase from previous year numbers. It received close to 4 million calls, chats, and texts.
- Many Plans are using supplemental carriers as bolt-ons to improve accessibility for their members.\*\*\*

\*\*CDC

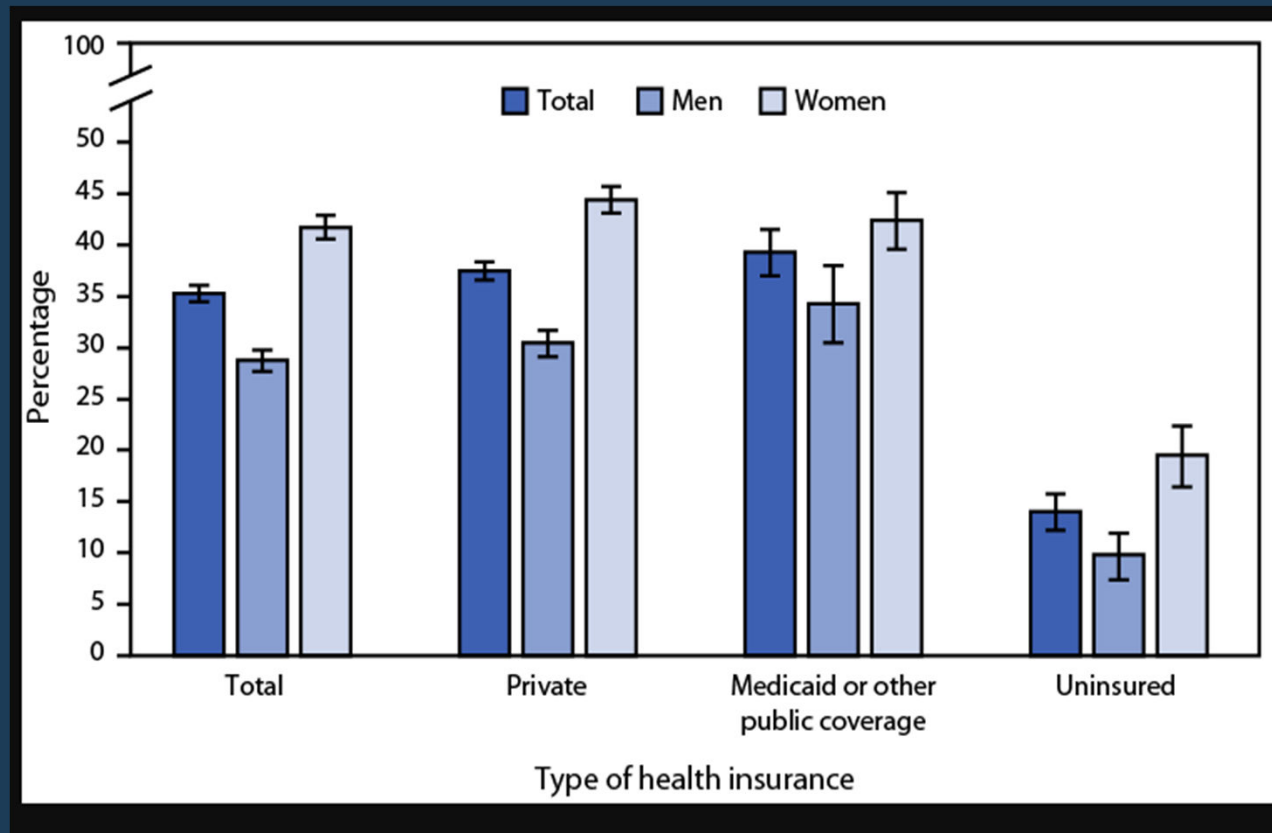
\*Milliman Report

\*\*\*KFF

# Will Telehealth Gain Permanency

- **Telehealth:** 24/7 services to treat urgent care needs, replacing or supplementing doctor and hospital emergency room visits.
- Congress is currently considering making pandemic-era telehealth coverage permanent. Options are set to expire at the end of 2024.
- The American Hospital Association supports the action.\*

- CDC National Health Insurance Survey of Adults 18-64 who used Telemedicine in the last 12 months.
- AMA says spikes hit 70% use but after the pandemic down to 25%. They expect it to grow.



\*McKnights Senior Living



# AI in Healthcare

- To meet demand amid caregiver shortages, AI will be tested in many healthcare applications including administration, operations, patient safety and pharmacy.
- AI will provide big data and analytics to improve timelines & efficiencies.
- Most users want AI to help make a caregiver's job easier, less burnout and more efficient, not replace them.
- Accenture estimates 70% of healthcare workers' tasks could be reinvented by AI or automation.
- Physicians surveyed by the AMA say they see the advantages of AI but are concerned of patient relationships and privacy. 74% saw advantages in improving documentation (EMR) and 69% automating prior authorization. 72% saw advantages in diagnostics.
- The AMA published policy regarding augmented intelligence, a form of AI that requires human involvement. They are currently lobbying Congress to take action about AI use in health insurance carriers.

# A DIY Health Clinic

- New AI-powered doctor's office allows patients to draw blood, take vitals.



Forward's CarePod stand-alone doctor's office. Photo: Courtesy of Forward

- The plan requires a monthly membership to unlock the door. Patients run through a series of apps, make choices then scanners, sensors and trays open with instructions. Options can include a biometric body scan, DNA sequencing, heart and many other tests. Results are reviewed by doctors offsite that you can visit virtually while in the CarePod.

# Pharmacy

- Cost and time to market remains excessive. Will AI make a difference?
- As costs continue to grow on average at 10% per year, Americans pay up to 3xs more for brand name drugs than in other countries.\*
- Retail and Specialty Pharmacy spend increase from 21% of spend to 24% of spend this past year.\*\* Costs in Municipal sector averages closer to 30% due to heavy family participation and older average age.
- Specialty drugs account for 50% to 60% of pharmacy spend and are increasing at double digit rates per year, partially due to explosive growth of weight loss category (GLP-1s), if the plan covers it.
- Ozempic costs \$936 in the U.S. per injection compared to \$169 in Japan and \$96 in Sweden.\*\*\*
- Pharmaceutical Benefit Managers (PBMs) are under scrutiny and legislatively are being requested for more Transparency.

\*Healthcare Finance News

\*\*Business Group on Health Survey

\*\*\* Peterson KFF Health System Tracker

# Pharmacy - Disruption

- Due to the Inflation Reduction Act, Medicare will negotiate prices of high-cost medications starting with 10 for 2026 and more beyond that. It is unsure what impact this will have on Medicare and Commercial payors, as price increases are expected in other categories.
- Mark Cuban Cost Plus Rx has already partially disrupted the retail market pushing his transparent pricing model of Cost +15% plus \$5 dispensing fee + delivery cost.
- CVS Cost Vantage and Express Scripts Clear Network, two of the largest PBMs introduced new models following Mr. Cuban's Cost-Plus Approach.
- Walgreens, UHC's Optum Health and Elevance Health (Anthem) are all following suit.\*
- It should be noted that none these models have yet to fully disclose their pricing formulas similar to Mr. Cuban's model.\*\*

\* Beckers Hospital Review

\*\* AHealthcareZ

# Specialty Drug Disruption

Patents are expiring on some biologic (specialty) drugs and biosimilar alternatives are entering the market at much lower costs.

Biosimilar is a biological agent that has no meaningful clinical difference from an existing FDA approved biologic drug.\*

- Approximately 75% of physicians see biosimilars as equally safe and 71% of patients said they would take with a doctor's approval.
- Since 2015, 40 Biosimilars have been approved by the FDA.
- In 2023, 12 Biosimilar products were approved to enter the market to compete with Humira.
- Plan designs need to be modified to incent use of Biosimilar options.

The FDA approved the State of Florida to purchase some drugs from Canada at much lower costs. Will they allow Specialty?

\*Optum Rx

# Precision Specialty Medicines\*

- Personalized Medicines based on your DNA is here.

## ARE WE READY FOR IT?

- Rx Mapper is a personalized medication platform and telehealth consult practice developed in collaboration with Mayo Clinic. The model has been clinically vetted by Mayo Clinic and is currently being rolled out commercially.
- What They Found:
  - 50% of patients do not take their medicines.
  - 48% of Drugs Prescribed are the wrong drug or dose.
  - 75% of Cancer Drugs are the wrong drug or dose.
- Benefits:
  - Reduces Specialty Spend, Improves Health Outcomes and Improves Adherence.

\*RxMapper

# Evolving Drug Innovation

- Gene Therapy and Genetically modified Cellular Therapies involve new technology designed to focus on cures for conditions that were once untreatable.
- They are billed as a medical expense, not pharmacy and administered by a medical professional, typically done through outpatient infusion.
- Average wholesale cost of a single dose of therapy approved is \$3M.
- Risk of a plan with <600 enrollees to have a member in need 1:5000.\*
- Total cost spend for a plan with 600 enrollees is estimated to double with the addition of one single gene therapy.
- There are 31 therapies available today with 10 –20 new therapies expected to be approved every year starting 2025.\*\*
- Sickle Cell Gene therapy was most recently approved at cost of \$2.2-\$3.1M.

*\*Aetna Innovation*

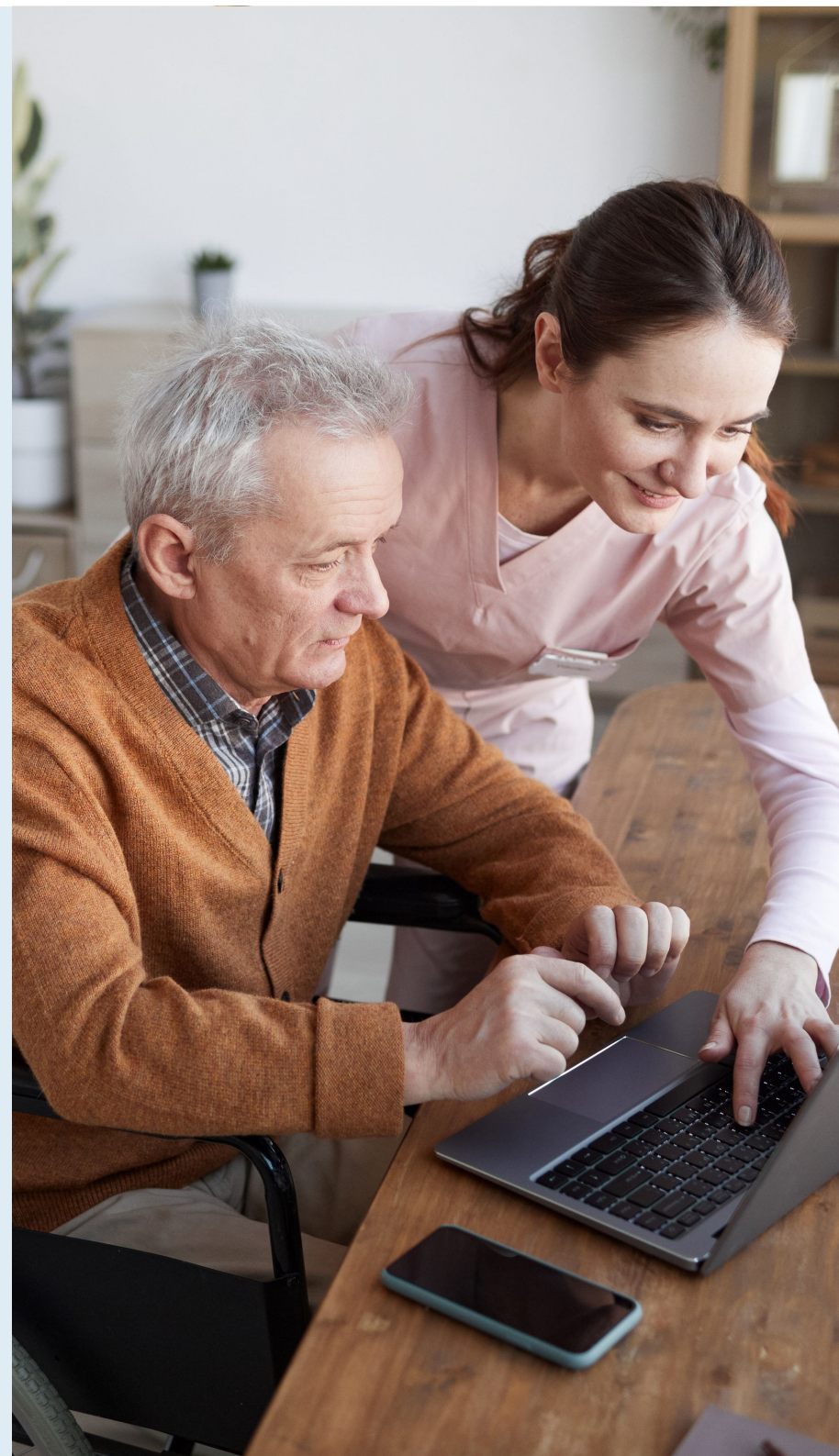
*\*FDA*

## HEALTHCARE

# Developments Impacting Benefit Options

“The Great  
Resignation is Over.”\*

*\*SHRM ZipRecruiter*

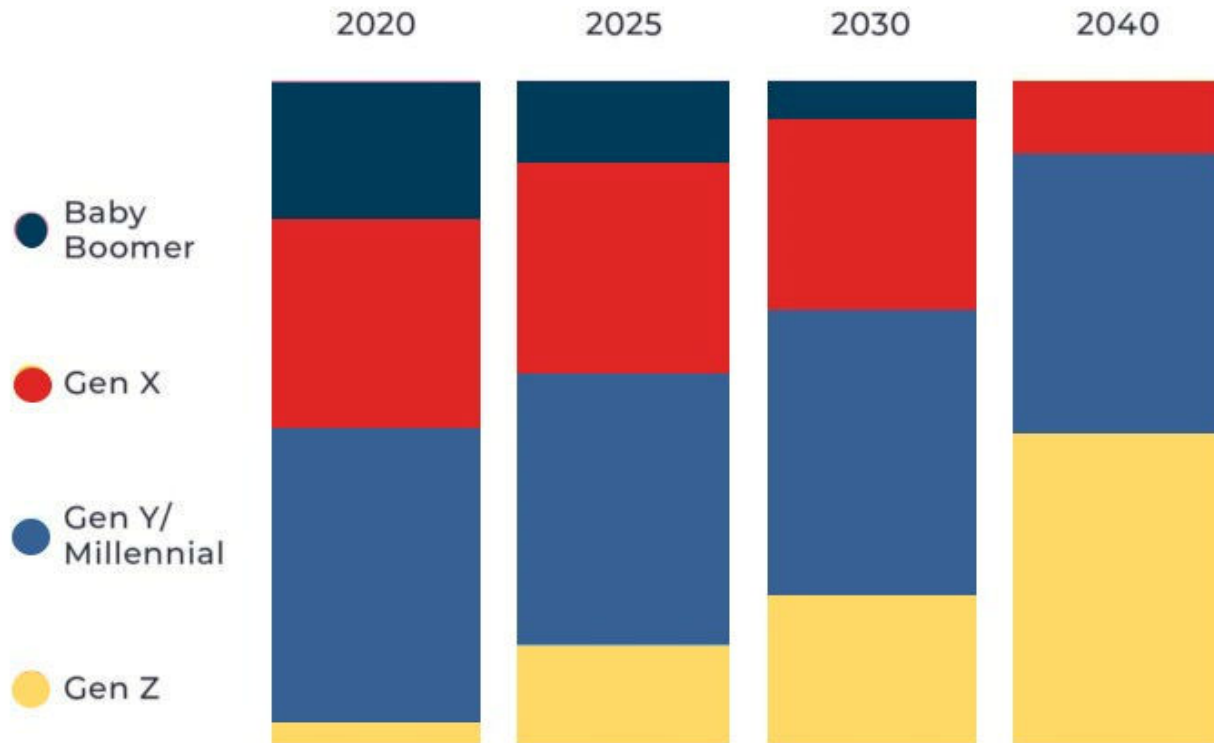




# Demographic Impact

Baby Boomers are decreasing, Gen X are static, Millennials are increasing and Generation Z, coming off their parent's plans, increase.

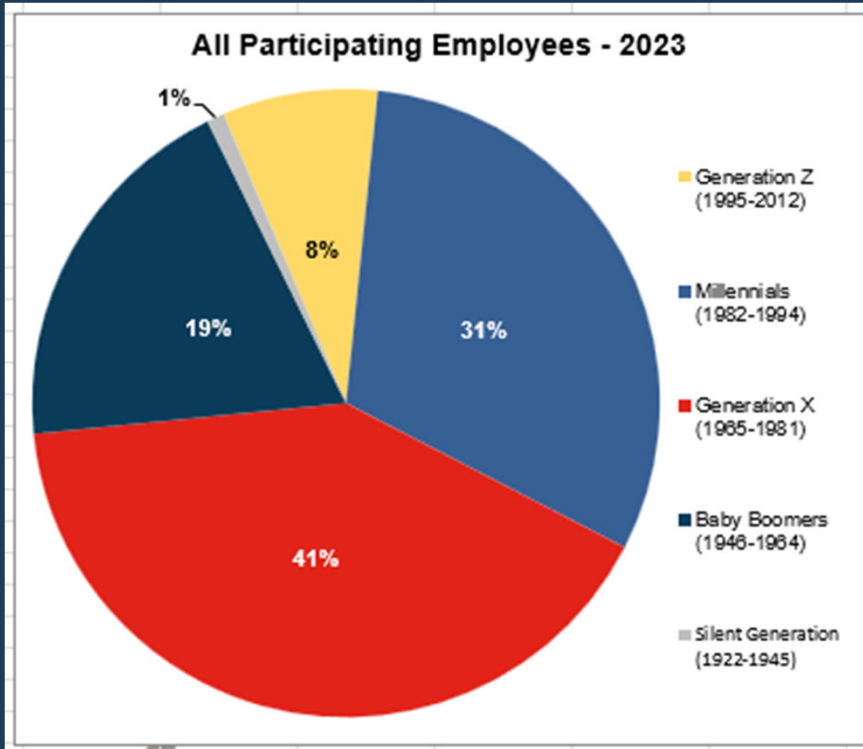
## Workforce Percentages



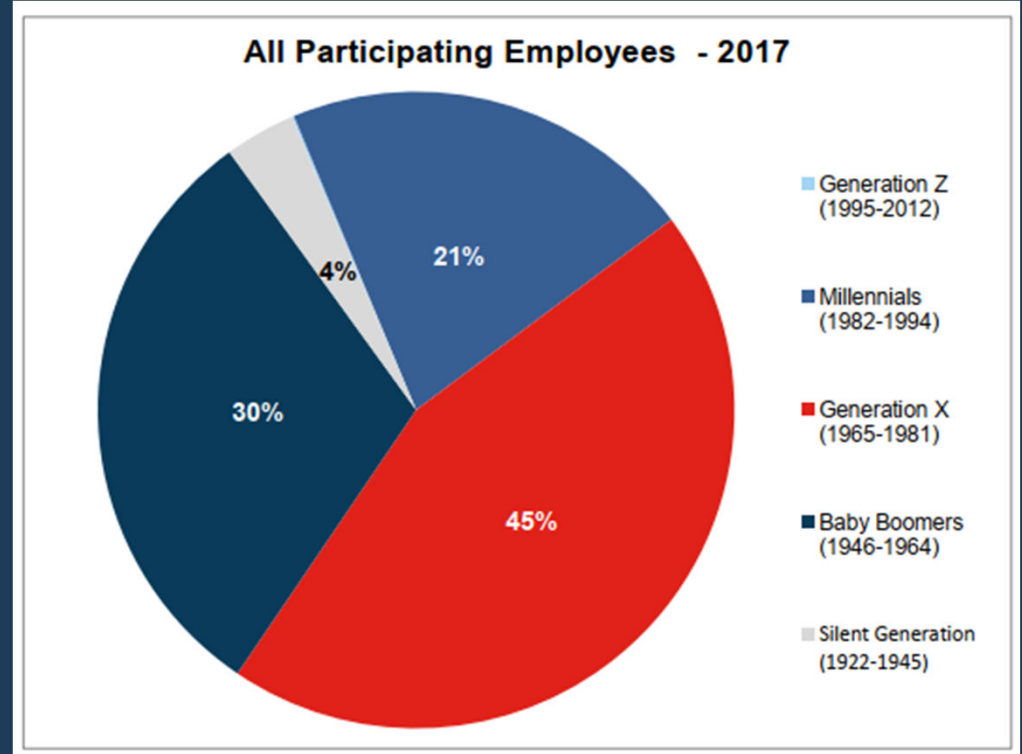
Source: U.S. Census Bureau

# Demographic Shift Over 6 Years\*

Active EE's - 2023



Active EE's - 2017



- Millennial population increased 48%; Gen Z from 0% to 8%.
- Baby Boomers continue large decrease from 30% to 19%
- Silent Generation cut to 1% and Gen X about static.

# BCBSIL Generational Profiles

Generation Alpha	Generation Z	Millennials	Generation X	Baby Boomers +
<i>Date of Birth Between January 1, 2011 and December 31, 2025 "Glass Generation"</i>	<i>Date of Birth Between January 1, 1995 and December 31, 2010 "Digital Natives"</i>	<i>Date of Birth Between January 1, 1981 and December 31, 1994 "Work my Way"</i>	<i>Date of Birth Between January 1, 1965 and December 31, 1980 "Work to Work"</i>	<i>Date of Birth Before January 1, 1965 "Love to Work"</i>
<b>13.1%</b> of Members	<b>25.1%</b> of Members	<b>23.5%</b> of Members	<b>25.7%</b> of Members	<b>12.6%</b> of Members
Prior Period: 11.9%	Prior Period: 24.9%	Prior Period: 23.3%	Prior Period: 25.7%	Prior Period: 14.2%
<b>\$344.05</b> Allowed PMPM	<b>\$257.39</b> Allowed PMPM	<b>\$395.26</b> Allowed PMPM	<b>\$597.18</b> Allowed PMPM	<b>\$954.66</b> Allowed PMPM
\$316.52 Prior Allowed PMPM	\$238.61 Prior Allowed PMPM	\$367.58 Prior Allowed PMPM	\$548.64 Prior Allowed PMPM	\$891.68 Prior Allowed PMPM
<b>Top Diagnostic Conditions</b>	<b>Top Diagnostic Conditions</b>	<b>Top Diagnostic Conditions</b>	<b>Top Diagnostic Conditions</b>	<b>Top Diagnostic Conditions</b>
<b>Perinatal</b>	<b>Mental Health</b>	<b>Pregnancy</b>	<b>Neoplasms</b>	<b>Neoplasms</b>
<b>Health Status</b>	<b>Injury and Poisoning</b>	<b>Musculoskeletal</b>	<b>Musculoskeletal</b>	<b>Musculoskeletal</b>
<b>Mental Health</b>	<b>Musculoskeletal</b>	<b>Mental Health</b>	<b>Circulatory</b>	<b>Circulatory</b>
<b>Top Chronic Conditions</b>	<b>Top Chronic Conditions</b>	<b>Top Chronic Conditions</b>	<b>Top Chronic Conditions</b>	<b>Top Chronic Conditions</b>
<b>Asthma</b> 4.0%	<b>Anxiety</b> 13.0%	<b>Low Back Pain</b> 17.0%	<b>Low Back Pain</b> 30.9%	<b>Hypertension</b> 42.2%
<b>ADHD</b> 2.8%	<b>Low Back Pain</b> 9.3%	<b>Anxiety</b> 14.0%	<b>Hypertension</b> 24.1%	<b>Low Back Pain</b> 36.7%
<b>Anxiety</b> 1.9%	<b>ADHD</b> 7.9%	<b>Hypertension</b> 6.3%	<b>Anxiety</b> 15.7%	<b>Diabetes</b> 16.3%

- Generation Alpha added this year, includes our Insured Children, which carry higher cost.
- Top conditions similar to 2022 however, Musculoskeletal jumps to Millennial and Generation Z top 3, and cancer is being caught at a later stages causing higher spend and risk factors for underwriters.

# The Communication Process

- Communications efforts play a critical role in getting value for your benefits, and equally important, how employees should use them.
- Open Enrollment Communication styles have moved from onsite to virtual, and include voice-over presentations, call centers, benefit technology enrollment or a combination of all.
- Even without plan changes, many members have questions:
  - 1) Generation Z coming of age, required to move from their parent's plans and learning of benefits for the first time.
  - 2) Millennials enter the family era. They have questions how to navigate the shortages of OBGYN's.
  - 3) Inflation having an impact on the family budget causing members to select different plans. (Smaller Networks, HDHP with HSA).
  - 4) Employees being offered Voluntary or Bolt-On programs to supplement HDHPs to meet their generational preferences.

HEALTHCARE

# Most Common Strategies To Control Cost



# Data Drives Decisions

- **Employers Explore Alternate Funding**
  - Level-Funding, Partial Self-Funding or Captive type programs can start at 50 employees. They have grown as employers want control.
- **Use Analytics to develop actionable strategies:**
  - Drive Centers of Excellence for specialty care and drug infusion.
  - Narrow Networks, Value Based Networks
  - PBM Initiatives: 6-tier copay options, step therapy, prior authorization, biosimilar steerage, cost plus and rebate negotiation.
  - Eligibility Management - Retiree Alternatives
  - Cost Sharing Alternatives
  - Wellness Programs – Point to Point Plan Solutions

# Eligibility Management Strategies

Employers are focusing on Cost Sharing Models to be competitive with like industry and competing employer groups, of course Public Sector heavily driven by CBAs.

Public Sector on average has 2.5 members : 1 employee participating, all Industries average 2:1. Which means more claims, higher per-cap.

Most common strategies:

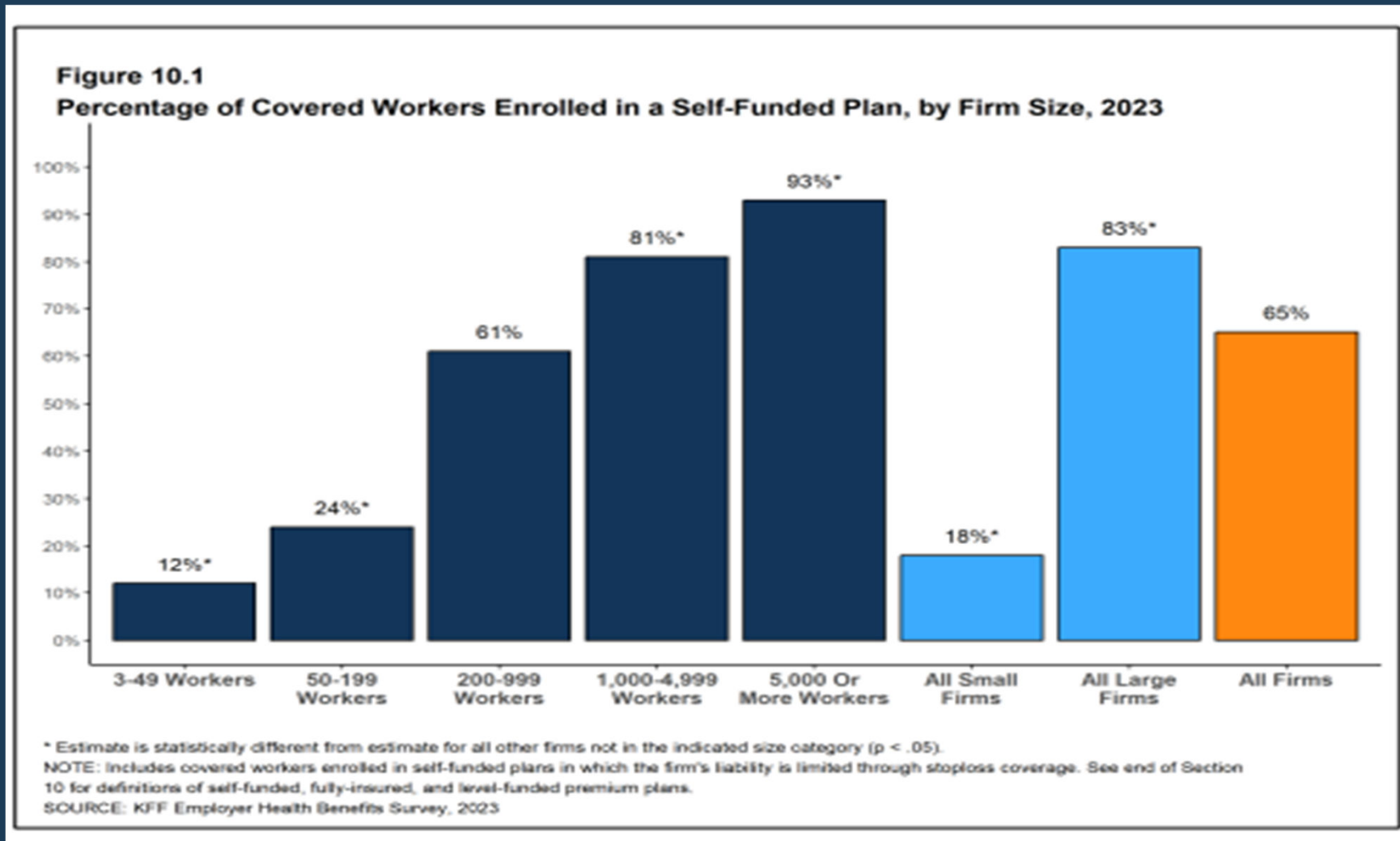
- 4-Tier rate structures, all industries.
- Post – 65 Retiree Carve-Out Plans.

Slow adoption but still being considered:

- Spousal opt-out incentive HRA program.
- The Family Glitch fix - options for dependents to move to Exchange.
- ICHRAs – moving risk to employer paid individual plans.
- Pre-65 Retiree Opt-Out Incentive HRA.

# Self-Funded Market Grows

- Of all size firms, 65% are self-funded most with stop-loss protection, with Small Firms moving to Level-Funded options.





# Employers Engage Wellness

- It All Starts With The Root Cause.....
- Chronic diseases continue to rise in the United States; 6 in 10 U.S. Adults have a chronic disease and 4 in 10 have two or more.\*

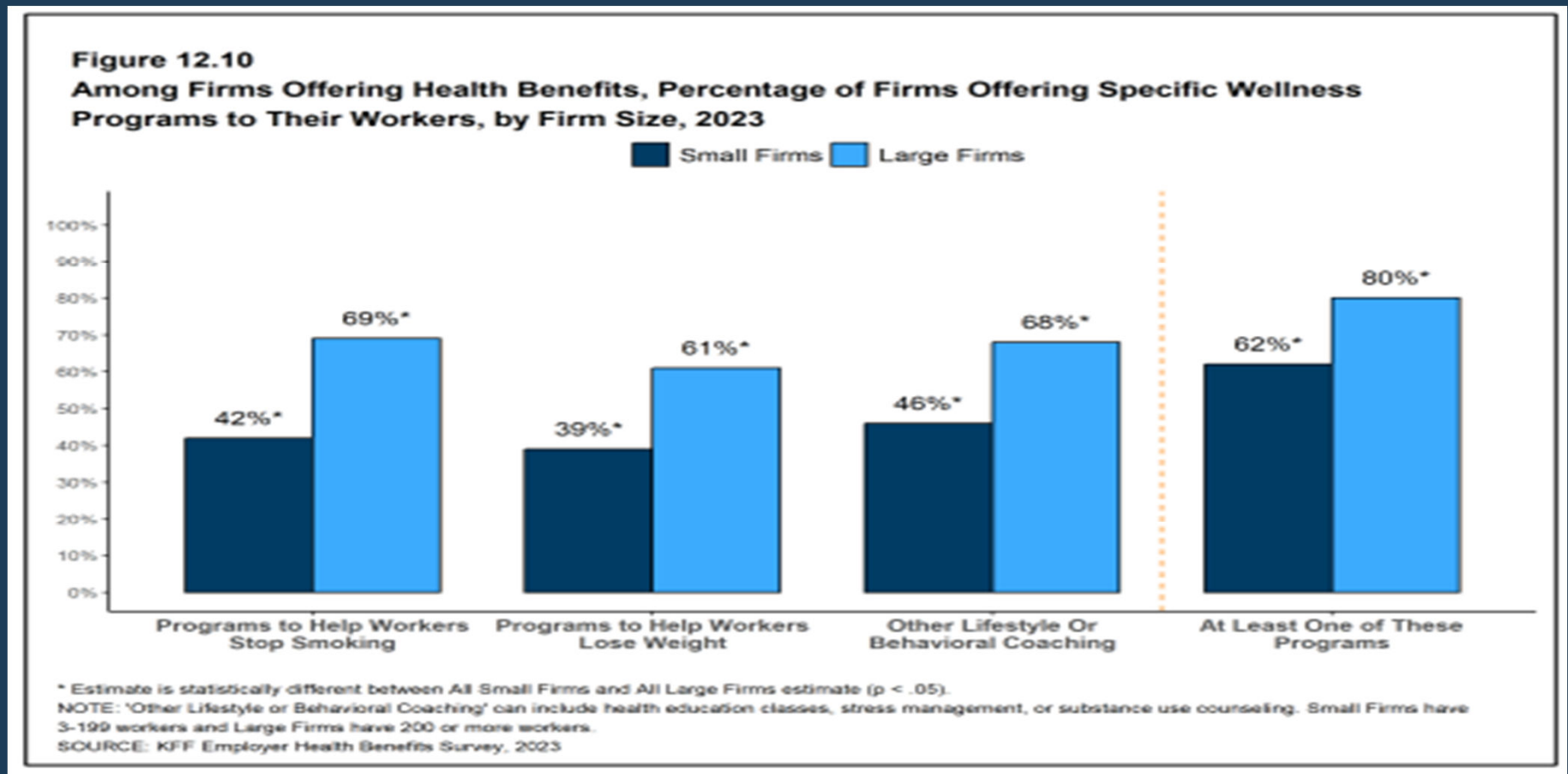


Chart provided by KFF 2023 Survey

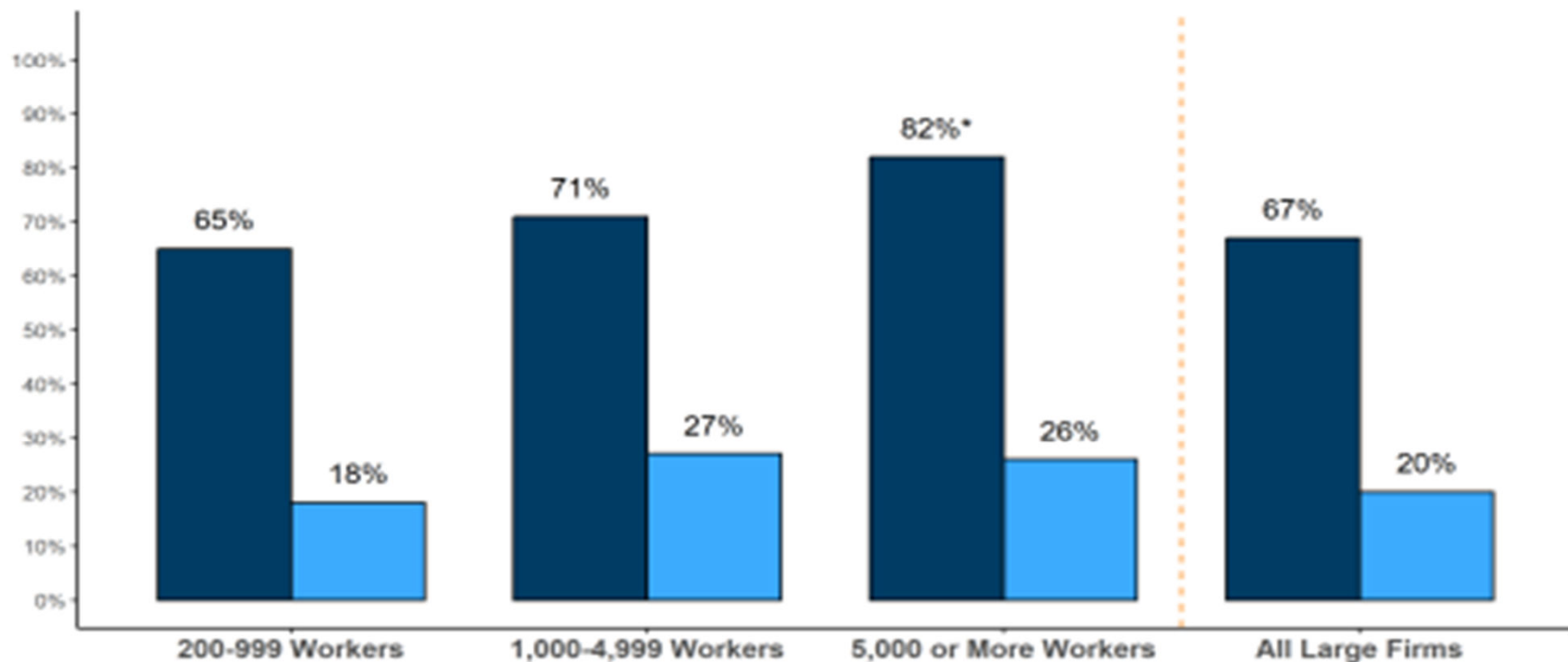
\* CDC

# Incentives Drive Most Wellness Programs

**Figure 12.5**

**Among Large Firms Offering Health Benefits and Providing an Opportunity to Complete a Biometric Screening, Percentage of Firms with Incentives to Complete the Screening or Achieve Biometric Outcomes, by Firm Size, 2023**

■ Incentives to Complete Biometric Screening ■ Incentives to Achieve Biometric Outcomes



\* Estimate is statistically different from estimate for all other firms not in the indicated size category ( $p < .05$ ).

NOTE: Large Firms have 200 or more workers.

SOURCE: KFF Employer Health Benefits Survey, 2023

# Where to Focus Your Efforts

## Customize your plan and Communications:

- Identify high-cost and chronic care needs and communicate management and treatment options available on their plan. Promote Point to Point Solution programs, i.e., musculoskeletal, diabetes, weight management, behavioral health.
- Emphasis on Prevention – Communicate and encourage use of preventive coverage.
- Hire a Wellness/Nutritional Coach.
- Expand Mental / Behavioral Health benefits and communication of them, supplement with Bolt-Ons if current network is lacking.

\*Partnership to Fight Chronic Disease

# Where to Focus Your Efforts



**HORTON**

## Wellness & Population Health Vendors

The Horton Group's Wellness & Population Health Team works with a range of great vendors. Highlighted below are vendors our clients enjoy partnering with and use often as well as specialty vendors to fit clients' unique needs.

### Biometric Screening

		Smallest group size:
	<b>eHealthScreenings</b> is a technology-driven biometric health screening company. eHealthScreenings offers a variety of convenient screening programs and testing options to fit specific wellness needs.	25 participants per event
	<b>CHC Wellbeing's</b> onsite and telephonic experience provides clinically based interventions that improve member health. Services include biometric screenings, health coaching, educational tools, program challenges and more!	25 - 30 participants per event
	<b>Empower Health Services</b> wellness programming focuses on catching health risks in their earliest stage to support participants in preventing a life-threatening illness.	25 - 30 participants per event

### Employee Assistance Programs (EAP)

		Smallest group size:
	<b>CuraLinc Healthcare</b> delivers transformative mental health care fueled by connectivity, marrying technology and personalized advocacy to engage, empower and support employees throughout their care journey.	2 employees
	<b>Perspectives</b> provides a robust EAP, counseling and psychotherapy services, and dynamic workforce strategy and development.	10 employees
	<b>ComPsych's GuidanceResources</b> is an integrated, comprehensive approach to addressing employee issues that combines the best in EAP, behavioral health, work-life, wellness, HR and absence management services.	Subject to implementation pathway

**HORTON**

## Wellness & Population Health Vendors

<b>HealthJoy</b> connects members with the right benefits at the right time and makes staying healthy easy. Bolt on options make this a one stop shop.	<b>CardiOptics</b> administers a comprehensive, pain-free, completely non-invasive screening for cardiovascular diseases and cancers.	<b>Sword Health</b> is the only digital, clinical-grade, virtual solution proven to outperform in-person physical therapy.	<b>Barbie Boules Longevity Wellness</b> expertly serves corporations in effort to offer unique engagement with employees.
<b>Bloom</b> addresses pelvic conditions through adulthood, pregnancy, postpartum, and menopause. Bloom is designed for women and individuals age 18 and older with vaginal anatomy.	<b>Garner</b> created a better measure of doctor performance. The result is improved health outcomes and savings for patients and employers.	<b>Les Mills</b> provides users with an exclusive at-home workout benefit through the LES MILLS On Demand platform.	<b>Marani</b> is dedicated to improving outcomes of mothers & their babies by improving access to care and empower expectant mothers with pregnancy insights.

company events, or participate in companywide activity challenges.

**HORTON**

## Care/Behavioral Health Care

		Smallest group size:
	<b>Primary360</b> is the new primary care. Talk to a board-certified primary care doctor by phone or video and get dedicated, personalized support to help you get healthy and live healthy.	Subject to implementation pathway
	<b>Mental Health Complete</b> provides accessible, evidence-based, and personalized support for a wide range of mental health conditions and severity levels.	25 primary employees
	<b>General Medical</b> gives members 24/7 virtual access to board-certified doctors anytime, anywhere. Members can avoid unnecessary trips to the doctor's office and costly visits to the emergency room.	2 employees

**HORTON**

## Wellness Platforms

		Smallest group size:
	<b>HCActive</b> offers digital solutions with robust capabilities that provide personalized, consumer centric member engagement.	20 primary members
	<b>WellRight</b> delivers a customizable and complete wellness program to support employees in their wellness journey.	1,000 eligible lives
	<b>Virgin Pulse</b> offers a comprehensive suite of services to enhance the health, productivity, and satisfaction of employees.	50 eligible lives or minimum of \$2,500 client spend

**HORTON**

## Onsite & Near Site Clinics

		Smallest group size:
	<b>Everside Health</b> – Delivering better health outcomes & driving savings. Your workers gain access to meaningful and trusted provider-patient relationships.	Subject to clinic type
	<b>Marathon Health</b> – Healthcare, Simplified. Marathon Health's independent advanced primary care model drives healthier employees and meaningful savings.	Subject on clinic type

HEALTHCARE

# 2024 Health Plan Compliance - What You Need To Know.



# Compliance Requirements

- Look for continued transparency & reporting requirements. 94% of adults want to make better buying decisions.\*
  - Hospital Pricing Transparency
  - Rx Reporting (RxDC)
  - Gag Clause Attestation
  - Mental Health Providers – Network Adequacy
- Affordability Test moves to 8.39% for 2024. PCORI = \$3.22.
- No Surprise Billing Continues.
- Congress' Short List for 2024 consists of easier ACA reporting process, Lower Healthcare Costs, More Transparency Bill, PBM Transparency, Telehealth, and Site Neutral Billing. The Administration wants states to ensure ACA Plans cover enough doctors & hospitals.

*\*The Hill – Patient Rights Advocate*

# In Closing....

- As we near the one-year anniversary of the pandemic emergency ending, healthcare markets remain volatile. All stakeholders are redefining their purpose and mission.
- Will clinical talent shortages remain? Will we curb the risk factor and bend the trend? Will we control Rx costs? Will transparency improve buying habits? Will more government intervention help? Without change, cost increases for employer plans may not be sustainable.
- The public doesn't trust Healthcare. They feel it's more concerned about profits than patient care. How will the industry improve the patient experience?
- Employers still control half the market, are they ready to demand more?
- Federal and State Government will insure a growing share of the U.S. population. Will Commercial plans tolerate the cost shift to subsidize?
- Will AI find its place in Healthcare without causing suspicion of purpose?

# HORTON



# Questions?

**For more information contact:  
Mike Wojcik, Executive Vice President**

***[Mike.Wojcik@TheHortonGroup.com](mailto:Mike.Wojcik@TheHortonGroup.com)***

**Office: 708-845-3126    Cell: 708-650-1557**