

2024 HEALTH CARE IN FOCUS

Key insights for moving forward and driving progress



EVERNORTH

Research InstituteSM

Executive Snapshot

When our clients and members talk, we don't just listen. We respond by collaborating to create solutions designed to address unmet needs, close gaps in care, and optimize outcomes.

With a focus on improving overall vitality for millions of Americans, we are committed to making the system better, and making people better.

In Q4 2023, the **Evernorth Research InstituteSM** partnered with Ipsos to conduct a nationwide survey of **575** employers who select and manage employee benefits for their organization, along with **79** health plan leaders who determine the benefits partners and suppliers that a health plan offers to groups and clients. The study also surveyed **3,000** consumers with employer-sponsored health insurance.

These responses, together with data analysis and market trend expertise from the **Evernorth Research Institute**, revealed insights to help employers and health plan leaders arm their plans and stay ahead:



Cost concerns are growing in urgency as they actively shape **behaviors, priorities,** and **accessibility**.



While artificial intelligence and other **digital health technologies** hold great promise, they also call for a new level of **communication** and **commitment**.



Plan sponsors are providing **more solutions** than ever before. But consumers struggle to understand what **health benefits they actually have**, how to use them, and when.

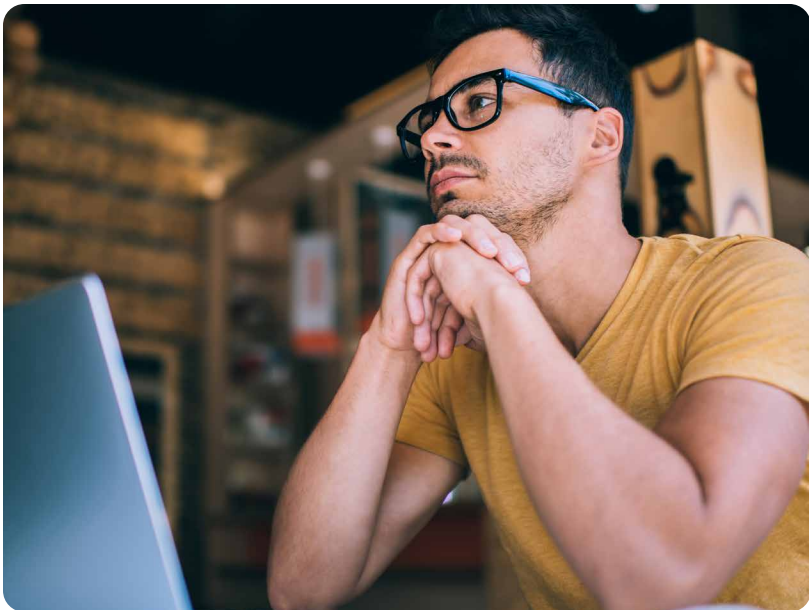
These perspectives are uniquely designed to put members and outcomes first. With a focus on improving overall vitality for millions of Americans, we're enabling the best, most effective care possible, and improving the system and health for all.



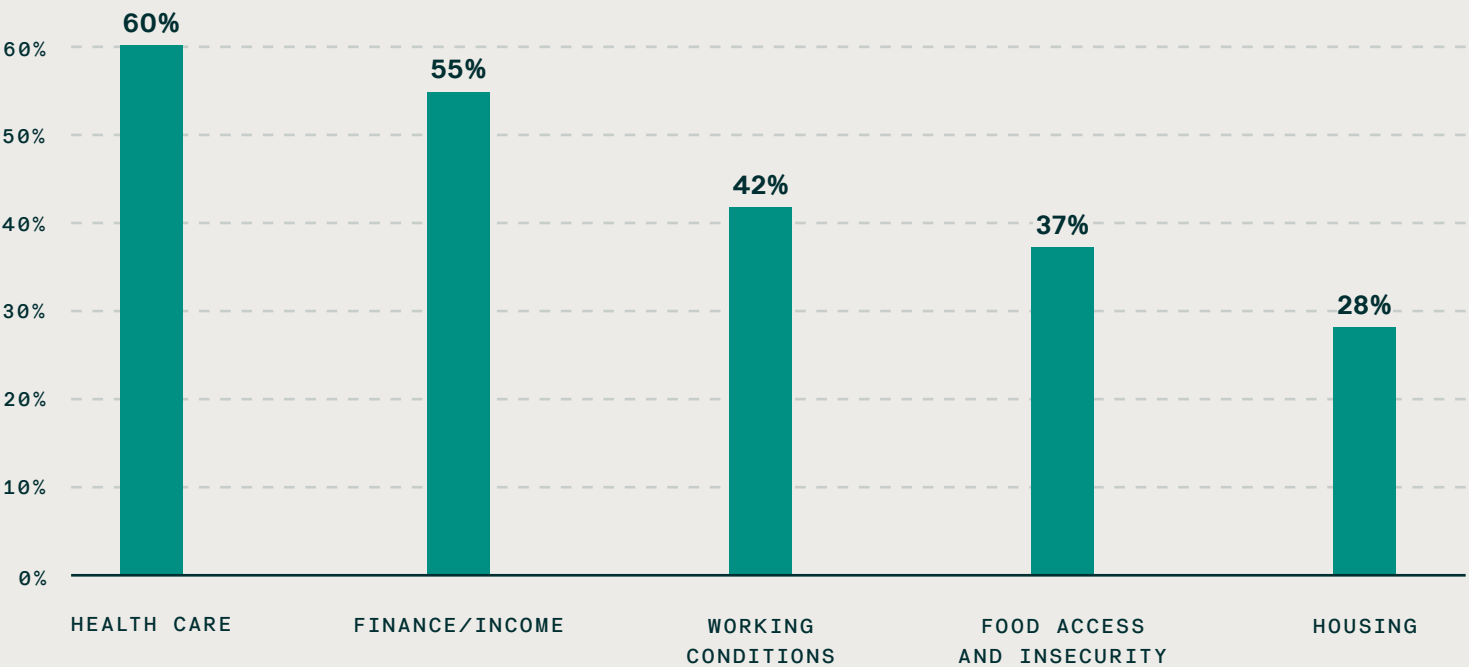
Cost crisis forces need for difficult prioritization

Anxieties about affordability show no signs of abating, and in fact have continued to grow in urgency as they actively shape consumers’ behavior and plan sponsors’ priorities.

These apprehensions not only shape consumers’ attitudes about the role of employers in supporting their well-being, but also draw greater attention to the importance of social determinants of health—including factors like employment and socioeconomic status.



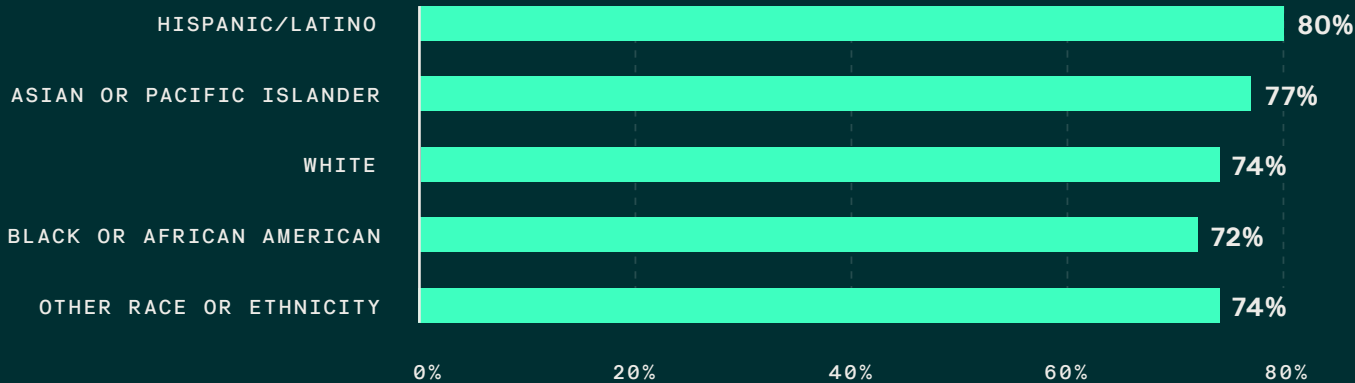
Consumers’ top needs in order to stay healthy



Concerns about health care costs disproportionately affect households with lower income, households with children, those under the age of **57**, and those living in urban zip codes—as well as consumers who describe themselves as Hispanic/Latino.

Concerned about unaffordable medical costs

RACE/ETHNICITY



At the same time, rising costs are now motivating consumers to adopt new behaviors, both within their plan benefits and beyond. Many are seeking digital, direct-to-consumer (DTC) solutions for clinical needs. Meanwhile, plan sponsors (i.e., both employers and health plan leaders) express reservations about this trend, and are particularly concerned about proper management of health conditions, as well as the possibility of hidden costs to consumers.

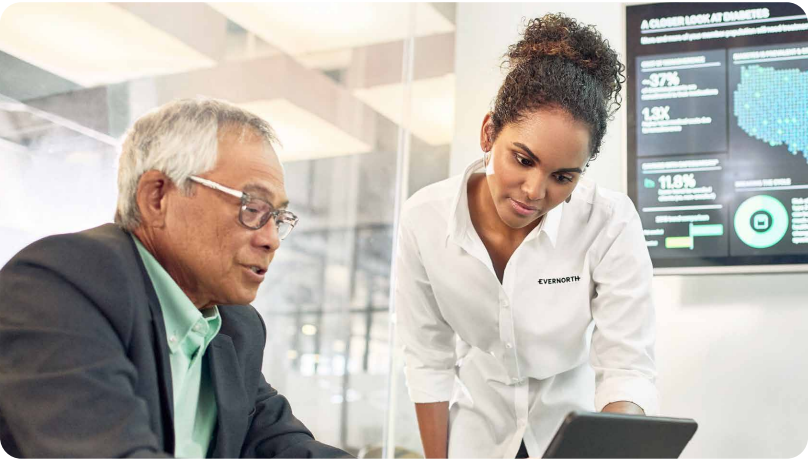
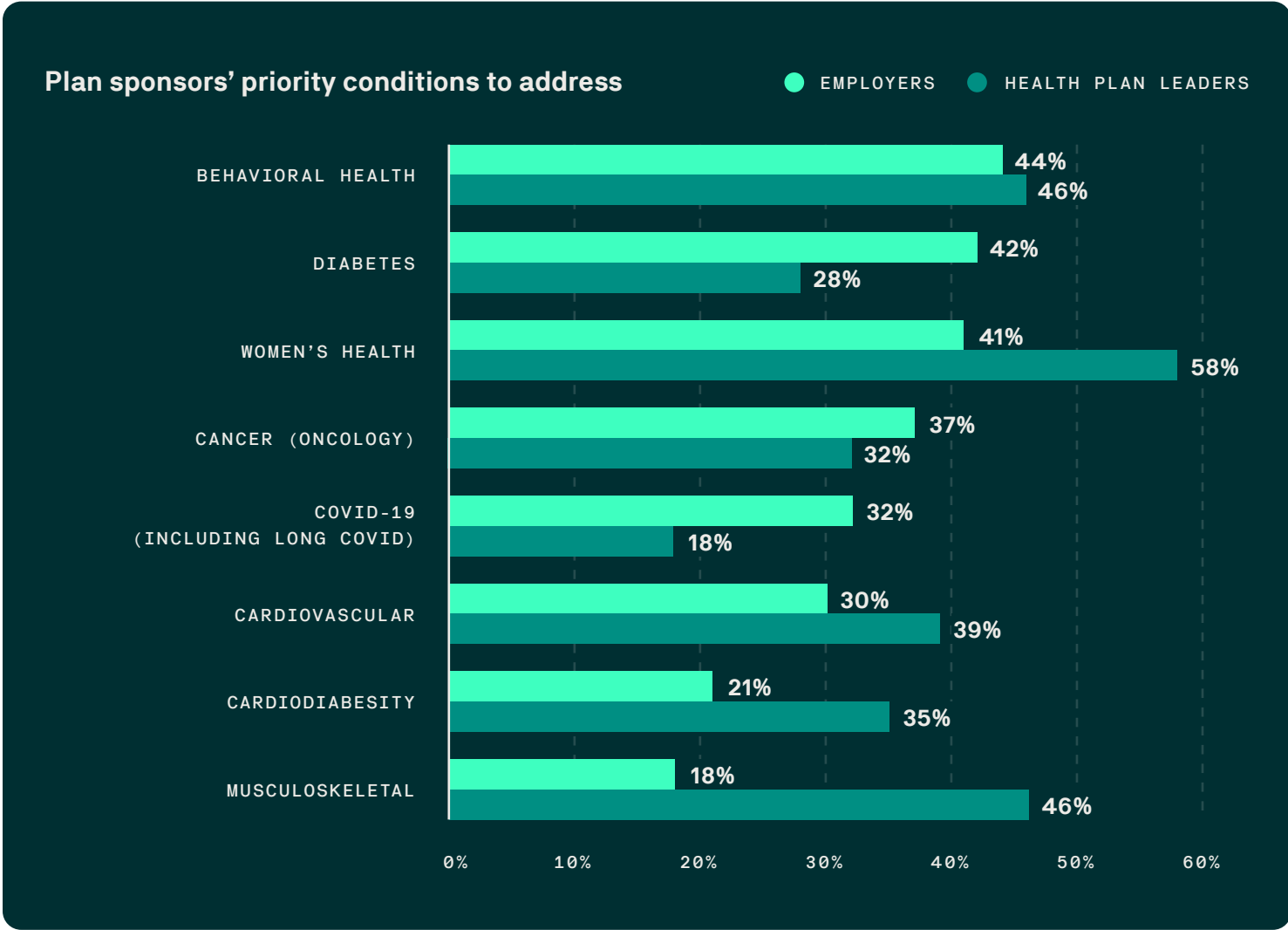
Technological advancements in research and development of medications for cancer and other complex conditions can help to keep the disease at bay. But because they add time, they also add cost to treatment protocols that were already extremely expensive. For employers and plan sponsors, this can create a moral dilemma and force more stringent plan guidelines to ensure longevity of the plan for all members.



34% of consumers have used a digital DTC health care solution outside of their plan benefits because it costs less.



Consumers aren’t the only ones confronting these cost concerns in new ways. Plan sponsors indicate top investments of behavioral health, women’s health, diabetes, and musculoskeletal conditions.



A growing number of plan sponsors note the importance of wellness, prevention, and value-based programs as key components of controlling and managing costs—and are increasing their investment in these programs by an average of **46%**.

Digital heath solutions viewed as accurate but equity still a challenge

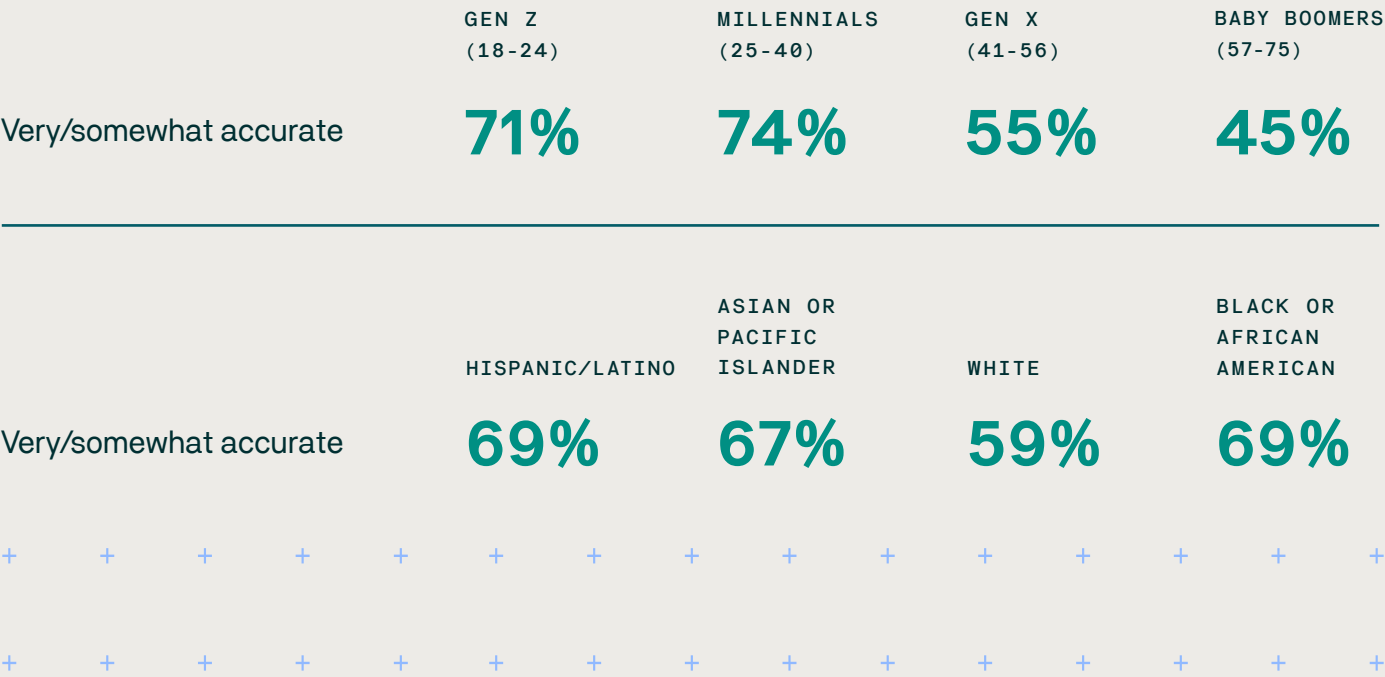
Staying abreast of advancements in the digital health space is critical to reaching consumers where they are and empowering them to safely take control of their health care through proven, trusted solutions.

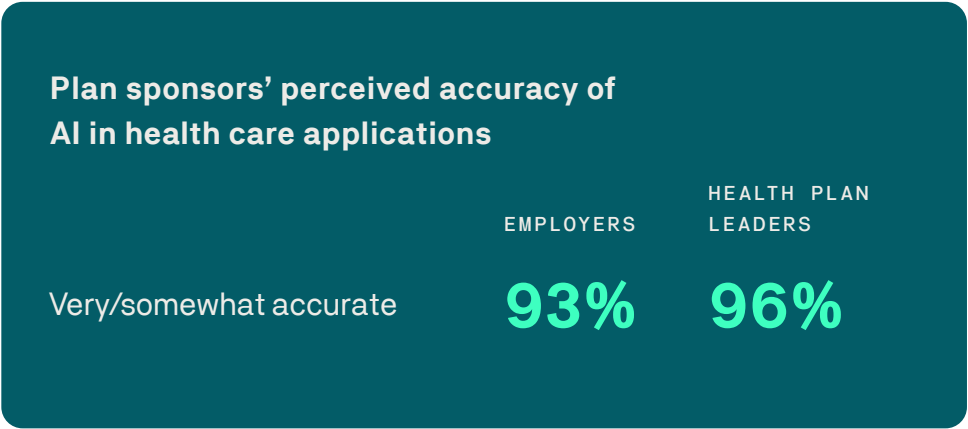
For example, artificial intelligence (AI) has been growing in prominence for years across a number of industries, but only recently has it begun to have a palpable impact on health care—as well as on consumers’ and plan sponsors’ perspectives. The potential benefits that AI solutions can offer to improving health care warrant thoughtful

investigation to ensure maximum benefit and minimal risk to optimizing outcomes.

Three in five consumers (**61%**) believe that AI is very or somewhat accurate, with Millennials being the generation most likely to say so. Consumers that identify as a race or ethnicity other than white are more likely to agree with health care AI use cases, and more likely to perceive its applications as accurate. Meanwhile, plan sponsors are broadly united, with **93%** of employers and **96%** of health plan leaders agreeing on the accuracy of AI applications in health care.

Consumers’ perceived accuracy of AI in health care applications

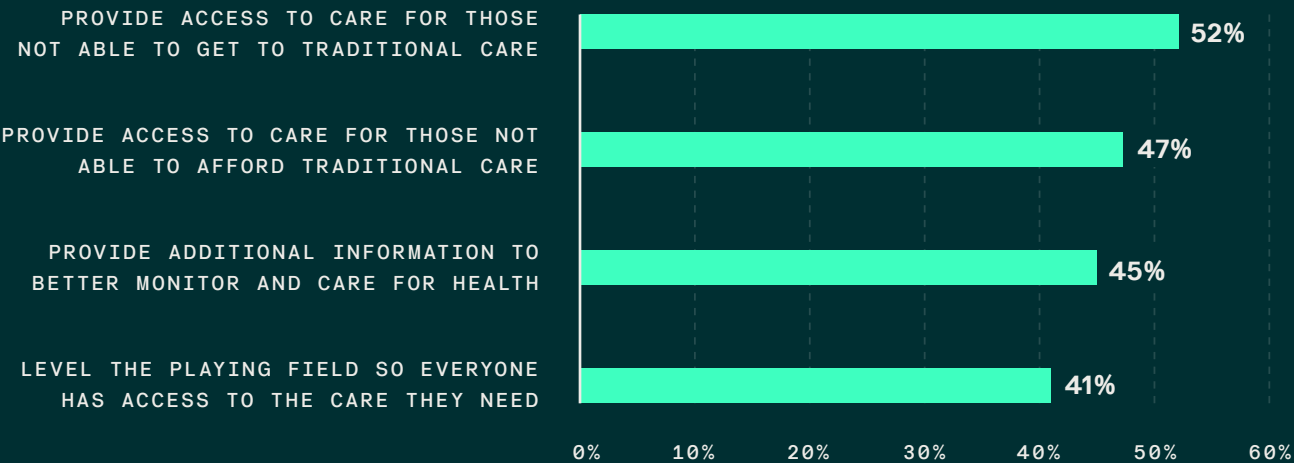




Roughly half of consumers believe digital health solutions can improve access to care, but they also insist that in-person provider interactions also be preserved.

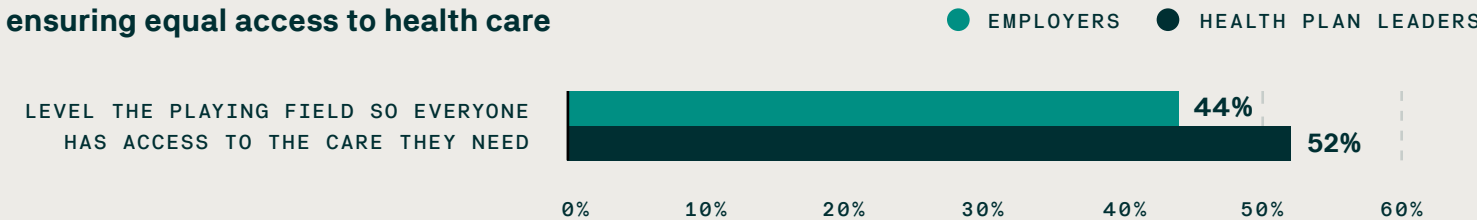


Consumers' view of digital health solutions' role in ensuring equal access to health care



Health plan leaders are more optimistic than employers about the potential of digital health care solutions to deliver equal access to care. While many factors may contribute to their enthusiasm, plan sponsors may be more likely to have encountered specific evidence of the advantages of these solutions for vulnerable populations.

The role of digital health solutions in ensuring equal access to health care



As in-person models of care delivery are increasingly enhanced by virtual care and other solutions, awareness of available digital tools remains a top concern for both consumers and employers.

30%

of consumers say they lack awareness of what digital solutions are available.

47%

of employers say they are concerned about consumers' lack awareness of what digital solutions are available.

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Consumers also report other challenges, including a lack of understanding how digital health solutions work (29%), lack of reliable internet service (23%), and a lack of access to devices such as smartphones or computers (20%). Member engagement will be essential to addressing the ongoing impact of digital health solutions on health equity and to overcoming challenges to access. Just as plan sponsors invest in additional digital tools and solutions, they must also invest in educating their populations about which tools to use—as well as how and when to use them.



Benefit navigation concerns punctuated by confusion over women's and behavioral health coverage

Consumers voice a desire for expanded health care benefits while simultaneously communicating deep concern that those same benefits could be eliminated.

58%

of consumers are concerned employers will **reduce medical insurance benefits** in the future.



Plan sponsors have no intention of reducing benefits, and in fact are actively investing in areas most important to consumers. However, they share a growing focus on addressing employees' whole-person health and wellness, with employers' anticipated investment increasing by **5 percentage points** since 2021, and health plan leaders' by **10 percentage points**.

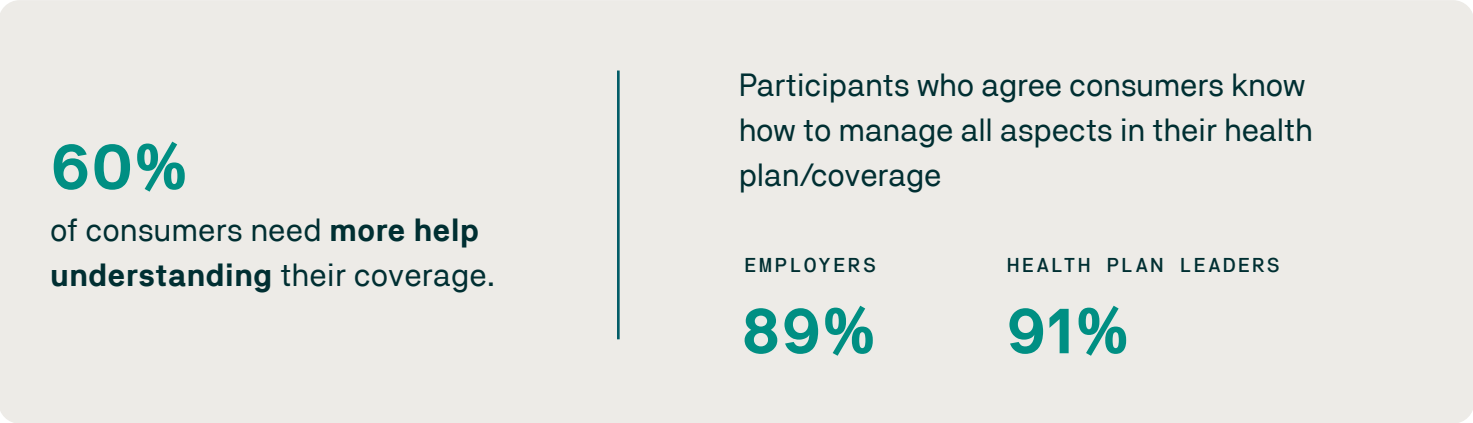
With a growing assortment of options, consumers remain unclear about **their benefit offerings**, how to navigate them, and the tools available to them.

Health equity highlight

Among consumers, women and men agree that employers should expand their benefits offerings, and are largely aligned on the specific types of benefits they wish to see enhanced—including medical benefits (**92%** for both women and men) and benefits to support overall wellness (**92%** of women vs. **91%** of men).

In addition, concerns about the potential loss of medical benefits are higher among consumers who identify as African American or Black (**58%**) or white (**57%**) than among those who identify as Asian or Pacific Islander (**70%**) or Hispanic/Latino (**62%**).

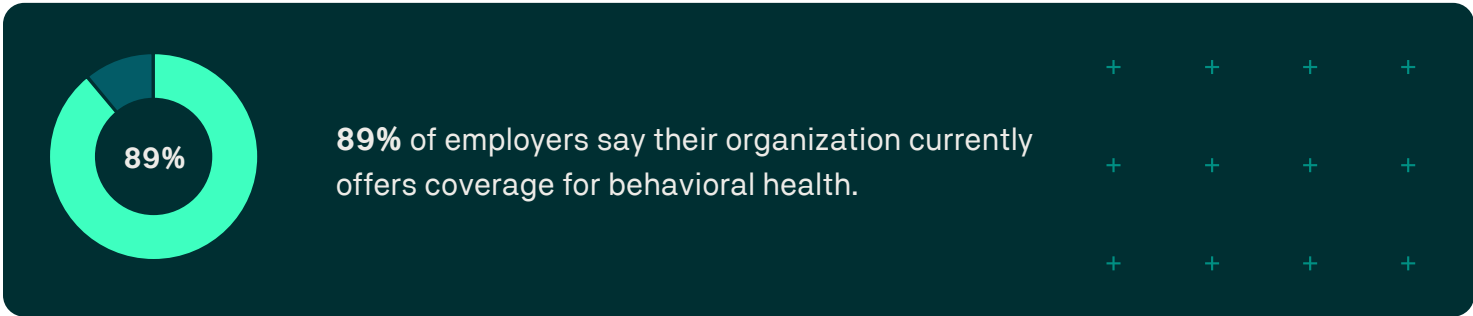
While **89%** of employers and **91%** of health plan leaders agree that consumers know how to manage all aspects of their benefits, **60%** of consumers say they still need help understanding their coverage.



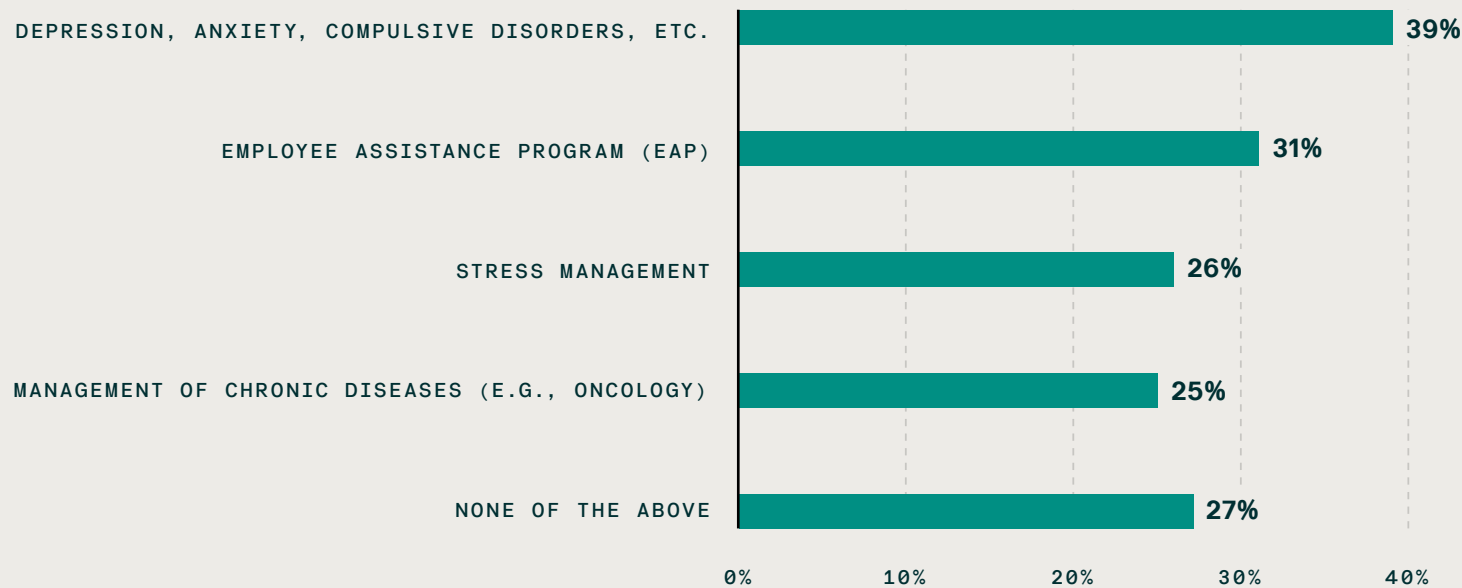
The distinction between plan sponsors’ areas of focus and consumers’ concern about the elimination of benefits is especially profound when it comes to women’s health. For example, although **89%** of consumers agree that employers should expand women’s health benefits in the future, **48%** fear they will actually be reduced by employers.



Similarly, a strong majority of employers (**89%**) indicate that they currently offer behavioral health benefits and are continuing to prioritize them for the future. But more than a quarter of consumers (**27%**) say they do not believe any behavioral health conditions or programs are covered by their employer-sponsored insurance, indicating a lack of awareness of such benefits.



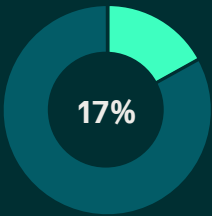
Behavioral health offerings that employees believe are covered by their insurance



Such confusion is causing consumers not only to seek care outside of their benefits, but also to pay more than is necessary.

42%

of consumers say they **paid 100% out-of-pocket** to a behavioral health provider in the past year.



17% of consumers say they have used a digital, DTC app-based service in place of a behavioral health care provider covered by their plan benefits.

Education efforts, clear communication, and transparency about organizational investments will be essential to reassuring consumers about their existing benefits and their security for the future.



Looking ahead

The health challenges of today and tomorrow call for a wide-angle lens and new thinking.

By leading with people-first principles and practices, we can do more than just listen. We can make the system better, and make people better. We can respond with bold new ideas. Solve greater challenges. Build stronger connections. And together, we can carve a new path forward for communities, for businesses—for all.

Explore the full report at [Evernorth.com](https://evernorth.com). And to learn even more, contact your Evernorth account representative today.

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