

# The Growing Cost of Healthcare & Consumers' Demand for Change

An opportunity for Self-Funded Employers and Benefits Consultants to Impact Change



## The Challenges

The healthcare system is broken. It's expensive and people are getting sicker

**14%↑**  
13.9% growth of people experiencing high financial burden from 2014-2019

**48%↑**  
48% of the same population had an increase in mean medical care spending  
*Impax Report*



National health spending is projected to grow at an average annual rate of 5.4 percent for 2019-28 and to reach \$6.2 trillion by 2028.  
*Peterson and Kaiser Foundations*

### 1 Non-communicable diseases continue to rise in the US



WHO Noncommunicable Diseases Country Profiles 2018

### 2 Providers are incentivized NOT to change the status quo

**37%↑** Employer-provided healthcare premiums for family coverage rose 37% from \$15,545 in 2015 to \$21,342 in 2020.

**\$1.25T** The pharmaceutical industry has grown exponentially from \$390B in 2001 to over \$1.2T in 2020.



Why Do Health Costs Keep Rising

### 3 The global Health Care Sector faces many issues

#### Digital transformation & interoperable data

- Transitioning from standardized clinical protocol to personalized medicine
- Leveraging AI to provide real-time care, interventions, and nudges to change consumer behavior and patterns



#### Socioeconomic shifts

- Programs to support a person's holistic well-being
- Recognition of the need to focus on underserved populations and work with governments to modify policies and programs



#### Care model innovation

- Changing focus from acute care to prevention and well-being
- Transitioning from standardized clinical protocols to personalized medicine
- Evolving payment models: value-based/outcome-focused, universal coverage
- Making financial, operation, and performance improvements.



#### Work & talent

- Introduction of new business models, exponential technology, and agile ways of working
- Capacity and demand analysis to match the pandemic's needs
- Utilization of remote staff (clinical and nonclinical)



#### Consumers & the human experience

- Consumer's increased ownership of their health and data
- Provision of clear and concise information on treatment care and cost
- Balance between virtual visits and a trusted physician's relationship



#### Collaborations

- Ecosystems that enable real-time data and analytics and serve as centers for education, prevention, and treatment
- Ecosystems that connect consumers to virtual, home, in-person, and auxiliary care providers



Deloitte Insights: 2021 Global Health Care Outlook

## Consumers are Driving Change

COVID-19 has challenged consumers' sense of well-being and accelerated their desire and determination to become more:

- More ACTIVE
- More ENGAGED
- More EMPOWERED

in managing their health



## Benefits Consultants

Benefits Consultants are in a unique position to catalyze change. They sit between self-funded employers, the payers, and the healthcare networks, advocating for the best possible solution for their clients.

Hive Wellness' predictive AI allows you to optimize your clients' health benefits by:

- Predicting health and chronic disease risk
- Predicting costs
- Predicting utilization
- Providing visibility into care gaps
- Measuring network quality, performance, and effectiveness
- Automating and augmenting trend reporting



We can help. Let's Talk!

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