THE NUMEROF 2024 US HEALTH INSURANCE OUTLOOK

Key Action Steps

- <u>Actively engage providers</u> to improve outcomes, reduce cost, and increase value.
- Identify providers that can assume accountability and risk.
- Develop <u>analytic and influence capabilities</u> required for success in risk-based models. Evaluate the utility of Al.
- <u>Demonstrate value</u> tangibly to plan sponsors and members, with a focus on total cost of care.
- Engage with consumers differently to reduce membership churn and gain share in new markets.

State & Federal Agencies

Consumers

Employers

Political and legislative uncertainty creates risk and opportunity. Growth in narrow networks focuses attention on network adequacy. Price and quality transparency rules create pressure for greater value.

Continued tension over drug pricing. New formulary and risk-based pricing approaches. More FDA focus on RWE and outcomes.

New competitors,

models obviating need

for traditional health

insurance. Increased

contracting, providers

on new sites of care.

offering insurance. Focus

employer direct

Pharma

New

Market

Entrants

Health Insurance

Consumers seek greater transparency, competitive prices. More focus on consumer as customer. Virtual care creates more opportunities for engagement. MA

popularity spurs growth &

New potential for *risk-based pricing* and *collaboration* on outcomes. Growth of wearables, remotemonitoring, and home-use devices.

Devices

Growing reliance by providers on *defined networks* and *service level agreements*for standard protocols, data sharing,
outcomes, and process alignment.
Opportunity for *innovative care models*.

Post-Acute

Physicians

Hospitals Systems & IDNs

More *regulatory demands*, *burnout*, and *reimbursement hurdles*. Physicians continue to opt for employment, plus wider use of care paths and financial incentives to *align physician interests*. More direct contracting and on-site clinics. Pressure for greater transparency for employees. Pressure for new, lower cost models delivering outcomes that matter.

pushback.

More and new forms of *consolidation*. Greater *physician/hospital alignment*. Growing openness to *new payment models, risk assumption, narrow networks, and alliances* with payers, employers. More interest in data sharing and outcomes, but still challenged to manage variation.



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