

Global insurer survey report 2023

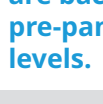
MMB Health Trends in Asia

Navigating cost trends and using innovation in employer-provided healthcare



Five key trends from our insurer survey

226 insurers across 56 countries participated in this year's study, including 11 markets in Asia.



Trend
Per-person medical cost increases are back to pre-pandemic levels.



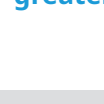
COVID-19 continues to impact claims experience.



Plan modernization has begun.



Mental health gaps persist.



Plan management requires greater rigor.

What it means

Plan sponsors must factor forecasted cost increases into budgets and determine how to balance empathy with economics.

Insurers say people are experiencing the effects of disrupted care alongside ongoing COVID claims.

Digital health support is rapidly evolving, but there has been limited progress on health sustainability.

Despite progress, plans continue to exclude mental health care, or provide minimal coverage. Employers are left to fill the gap in other ways.

Benefit managers must develop more robust strategies and prepare for more complex underwriting and plan design decisions.

Key findings from Asia

73% of insurers expect plan sponsors to prioritize improvements despite forecasted double digit medical trend rates in some markets.

49% of insurers reported an increase in later stage diagnosis of illness due to deferred care.

3 in 5 insurers have or expect to change eligibility requirements and eligible expenses to make coverage more inclusive for those who identify as LGBTQ+.

16% of insurers report not providing plans that cover mental health services.

More than 1 in 5 insurers are changing adjusting medical plan premiums based on COVID-19 vaccination status.

Trend 1 Per-person medical cost increases are back to pre-pandemic levels

Medical trend rates are expected to exceed 2019 levels in 2022 and 2023 due to rising prices, supply chain issues and deferred care.

2019-2023 Medical Trend – Global vs. Asia

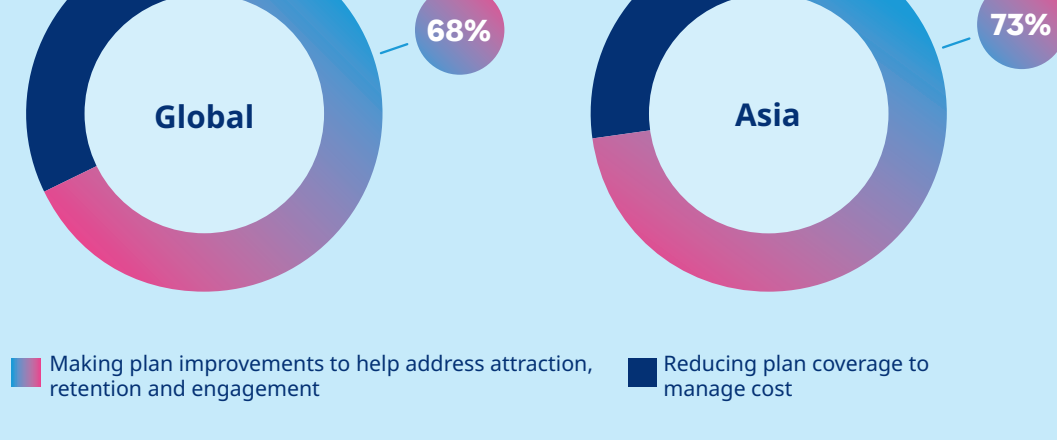
	2019	2020	2021	2022	2023
Global	9.7%	5.7%	10.1%	12.7%	12.6%
Asia	10.2%	3.5%	8.9%	10.7%	11.5%

Rates for 2019, 2020 and 2021 are retrospective. Rates for 2022 and 2023 are prospective. Unweighted global averages used.

Be aware that inflation in the wider economy may further affect medical trend rates, and plan for a higher-inflation environment.

Despite this, employers are expected to prioritize making plan improvements over reducing plan coverage in 2023.

Based on your experience with recent medical plan renewals which of the following objectives do you think most employer plan sponsors will prioritize over the next year?

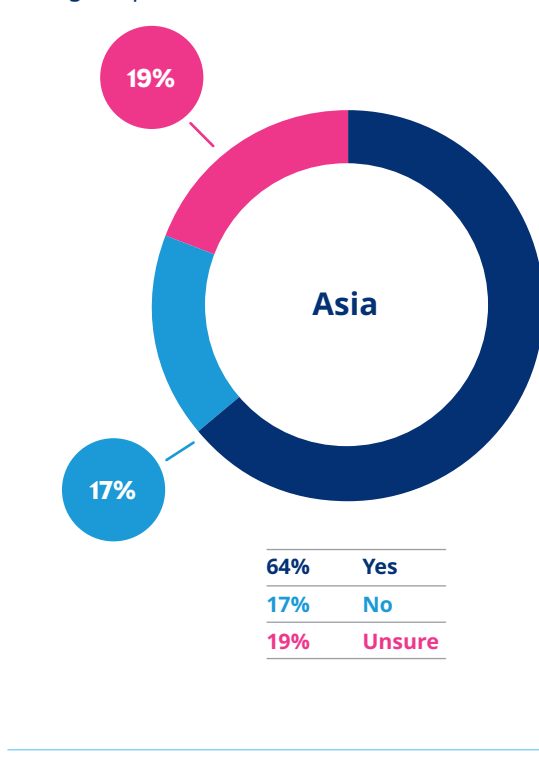


In a tight labor market, an employer may see an opportunity to differentiate through benefits in lieu of salary increases.

Trend 2 COVID-19 continues to impact claims experience

The pandemic has led to higher cost care for the majority of insurers.

In 2022 have you experienced changes in group medical plan claiming patterns due to deferred care during the pandemic?



How has the pandemic manifested itself in current (2022) claims experience?

	Global	Asia
Higher cost per claim due to more advanced treatment due to deferred care	58%	55%
More later stage illness diagnoses due to deferred care	55%	49%
Increase in utilization of mental health services	40%	37%
Higher incidence of chronic conditions due to lifestyle changes	37%	38%
Increase in individuals reaching annual sub-limits/caps	26%	30%
Increase in utilization of musculoskeletal services	24%	27%

Captures responses from all insurers.

Top claims in Asia include cancer, respiratory conditions and diseases of the circulatory system.

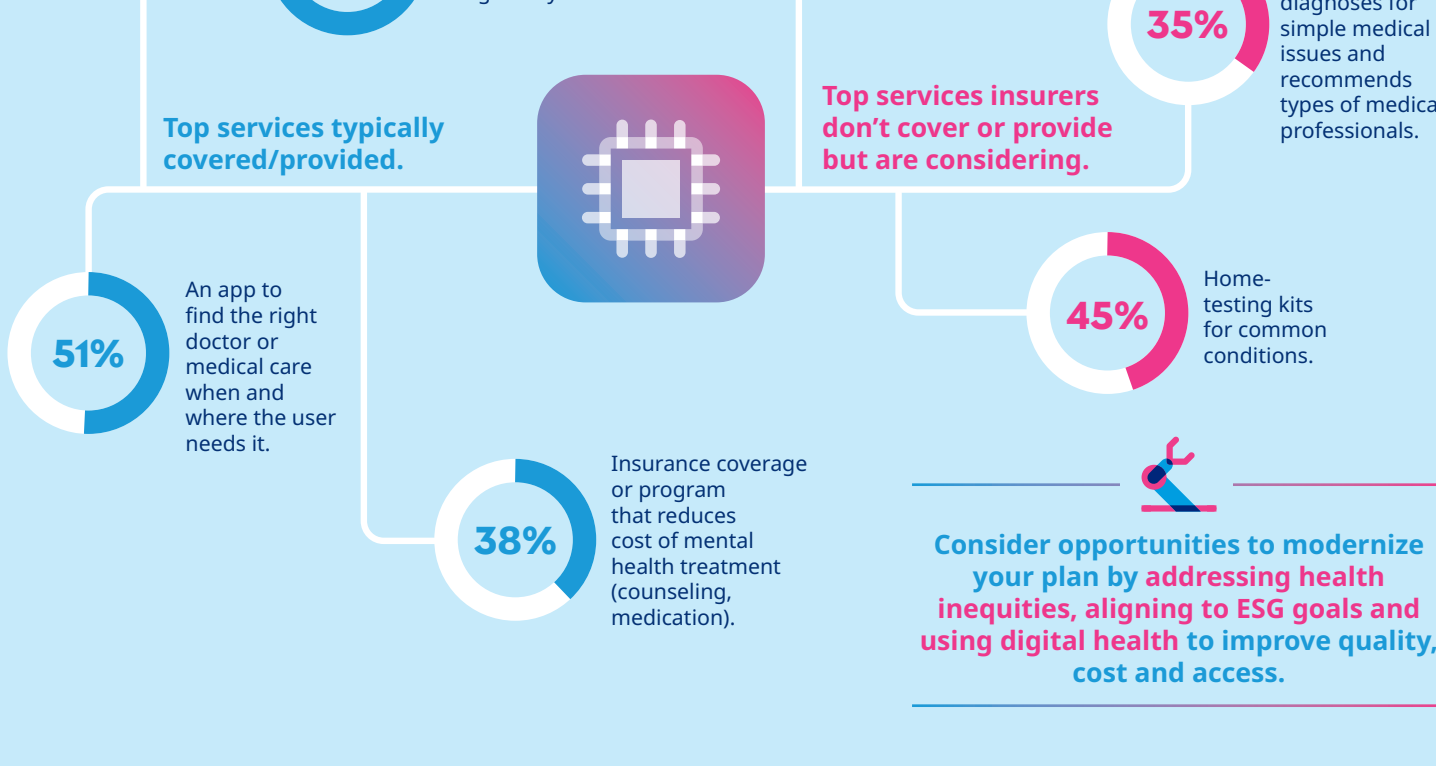
What were the top causes of claims in 2021 based on your book of group or overall business?

	Claim dollar amount (Asia)	Claim frequency (Asia)
1	Cancer	Respiratory conditions
2	Diseases of the circulatory system	Diseases of the circulatory system
3	Respiratory conditions	Gastro-intestinal diseases
4	Gastro-intestinal diseases	COVID-19
5	COVID-19	Cancer

Employers should consider specific strategies to address cancer, including prevention and use of treatment centers of excellence.

Trend 3 Plan modernization has begun

Some modern health solutions have been widely adopted, but new and innovative solutions are on the horizon in Asia.



Consider opportunities to modernize your plan by addressing ESG health inequity, aligning to ESG goals and using digital health to improve quality, cost and access.

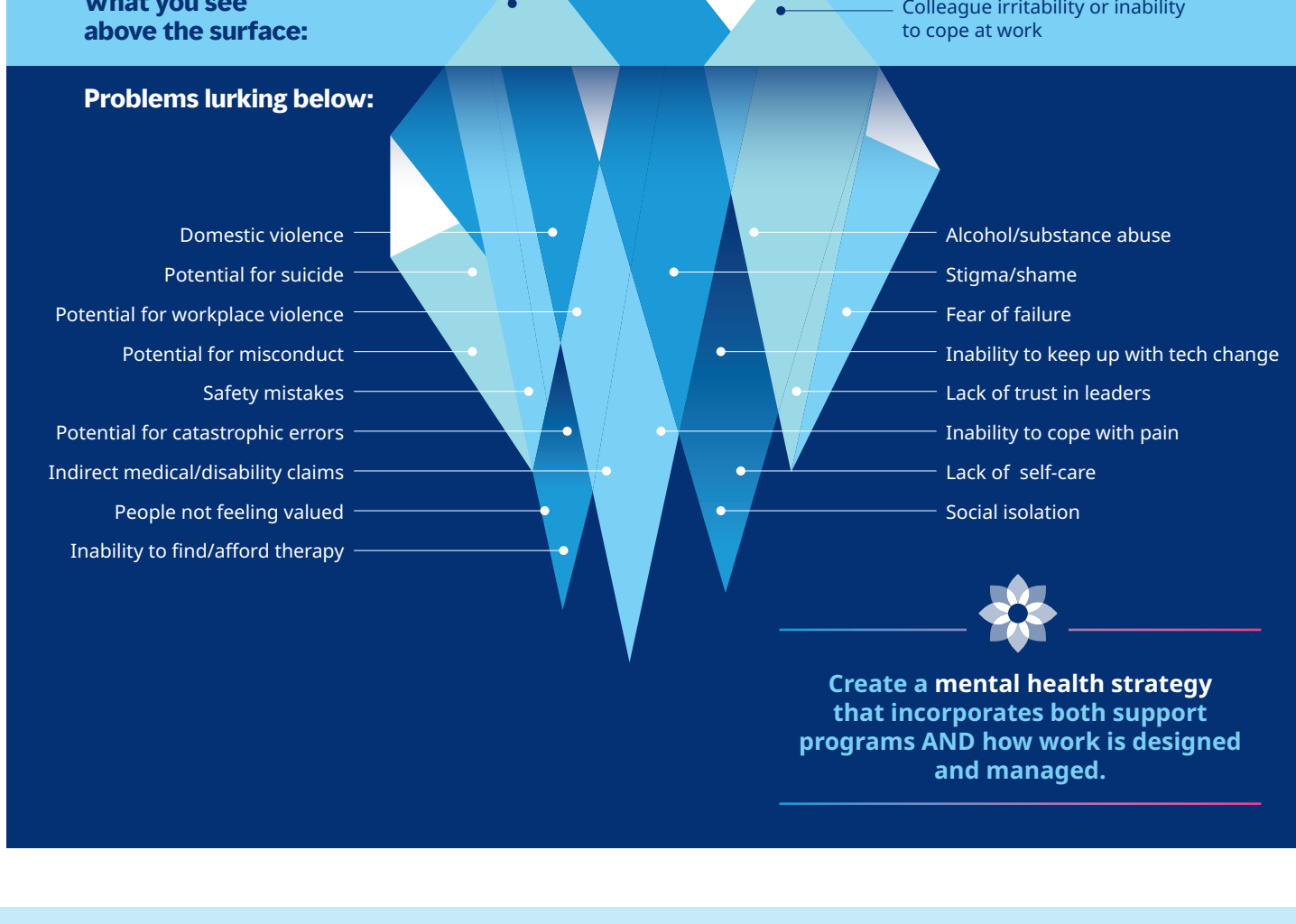
Trend 4 Mental health gaps persist

Opportunities exist to fill the gaps in mental health coverage, particularly for preventive care and more specialized needs.

What are you doing to provide access to mental health prevention, management and treatment as part of your insured medical plans?

	Global	Asia
Covering psychological and/or psychiatric counseling sessions	66%	55%
Covering inpatient treatment for mental health	53%	54%
Supplying virtual mental health counseling via video chat with a therapist to manage anxiety, sadness or personal relationship issues	40%	30%
Supplying information on mental topics, like how to access crisis support lines	38%	37%
Covering preventative resilience or mindfulness coaching	27%	20%
Covering substance abuse treatment	8%	5%
We do not provide plans that cover mental health services	16%	16%

Mental health issues risk being a blind spot for many organizations.

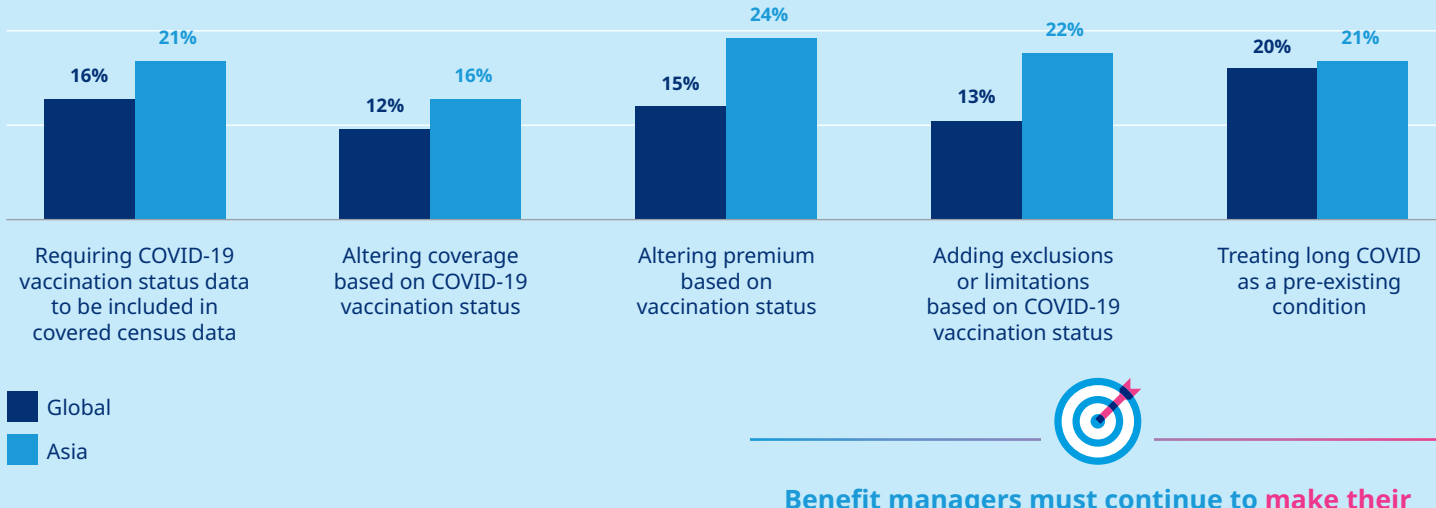


Create a mental health strategy that incorporates both support programs AND how work is designed and managed.

Trend 5 Plan management requires greater rigor

Underwriters require more information around participants' health than before to secure a renewal.

Are you making any of the following changes to your group medical insurance policies because of COVID-19?



Benefit managers must continue to make their benefit management approach more strategic due to increased c-suite involvement, scrutiny from stakeholders and changing underwriting practice.

In summary

As medical trend returns pre-pandemic levels, the pressure to manage employee health programs grows ever stronger. Partner with MMB to explore how market innovation offers opportunities to modernize plans and increase value for money.

- Determine how to balance empathy for employees' financial wellbeing with economics of the business.
- Explore and deploy high-value, new to market, digital health solutions.
- Promote early screening and diagnosis for serious illness.
- Understand insurer coverage for mental health and where gaps exist.
- Monitor and be ready to meet new insurer renewal requirements.

Reach out to one of our specialists to have a conversation around the actions that are right for your employees and your business.

Download the MMB Health Trends 2023 report to learn more.

