

EVERNORTHSM

HEALTH CARE IN FOCUS

THREE WAYS THE MARKET IS EVOLVING



Contents

- 03 Introduction
- 04 Key Insight: **Health Care Comes Home**
 - Rising digital demand
 - A new level of convenience
 - Transformation through emerging technologies
- 15 Key Insight: **Solidifying the Mind-Body Connection**
 - A need for more access to care
 - Opportunity to align to mental health needs and growing expectations
 - Getting proactive about personal health
- 22 Key Insight: **The Cost-Care Conundrum**
 - Balancing coverage with savings
 - Leveraging data and advanced analytics to realize savings
 - Expanding condition-specific coverage
- 29 Looking Ahead
- 30 Methodology
- 32 Key Terms

Focus on the Future

The past year challenged our health care system like no other. But we're always looking forward, identifying ways to redefine what health care can and should be.

We are EvernorthSM—health services built on the recognition that health is the starting point for human potential and progress. Evernorth brings together powerful health services capabilities to create innovative, effective solutions for health plans, employers and other organizations. All to unlock new value and better anticipate and deliver what plan sponsors and members need.

In order to assess the state of health care in the years ahead, we conducted a poll of more than 1,000 consumers who have employer-sponsored health insurance and more than 600 Human Resources decision-makers (HRDMs) and health plan leaders (HPLs) across the United States.

We identified **three insights:**

- 01 Increased acceptance and adoption of virtual health care solutions
- 02 Proactive quest for whole-person health
- 03 Desire for greater predictability and affordability

These findings represent more than passing trends; they offer an opportunity for business leaders and health care decision-makers to work together to elevate health for every member, for every employee, for all.

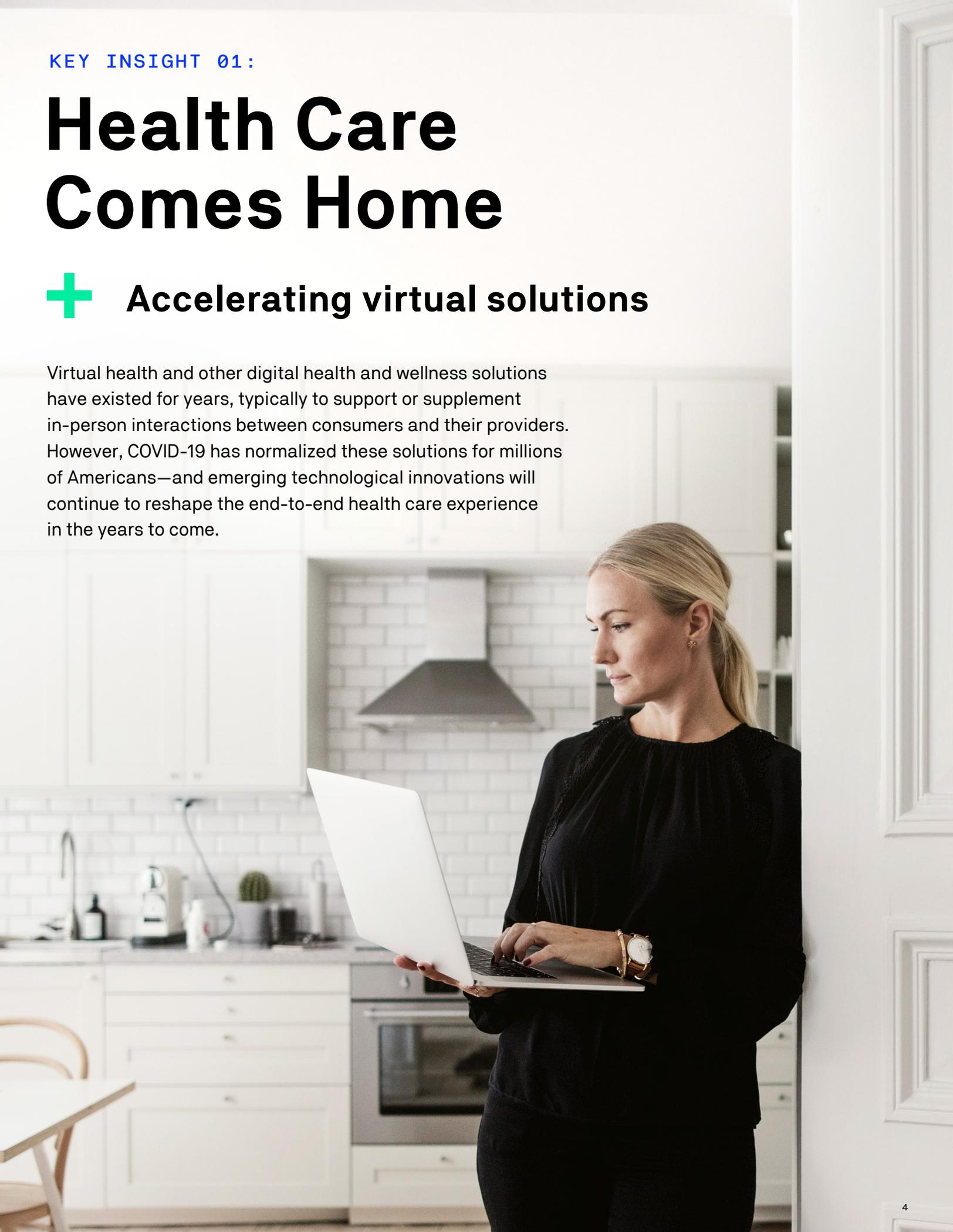


KEY INSIGHT 01:

Health Care Comes Home

+ Accelerating virtual solutions

Virtual health and other digital health and wellness solutions have existed for years, typically to support or supplement in-person interactions between consumers and their providers. However, COVID-19 has normalized these solutions for millions of Americans—and emerging technological innovations will continue to reshape the end-to-end health care experience in the years to come.



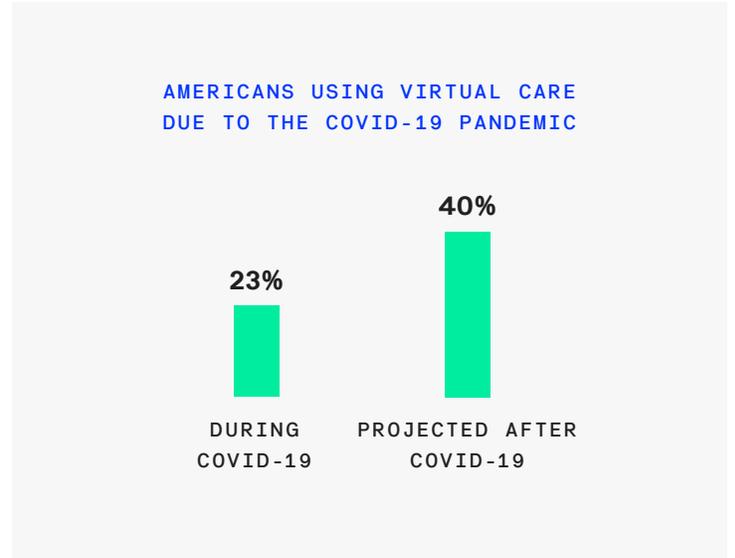


Rising digital demand

There are **more than 300,000 digital health applications** on the market, with approximately 200 more being added each day.¹ Since the beginning of the COVID-19 pandemic, digital health and virtual solutions have moved from a supporting role to center stage.

Consumers are more comfortable using digital touchpoints along their current health care journey—and plan to continue using them in the future. In fact, Americans expect the use of digital health options and virtual care to increase as the pandemic subsides and beyond, indicating these trends are here to stay.

76 percent of Americans—and **81 percent** of middle-aged adults—believe that more care will be delivered at home in the future, versus in a typical health care setting.



Consumers are more likely to feel comfortable replacing in-person care with virtual care if:

50%

Symptoms are mild

47%

It's more convenient

44%

It decreases costs

EXPERT PERSPECTIVE

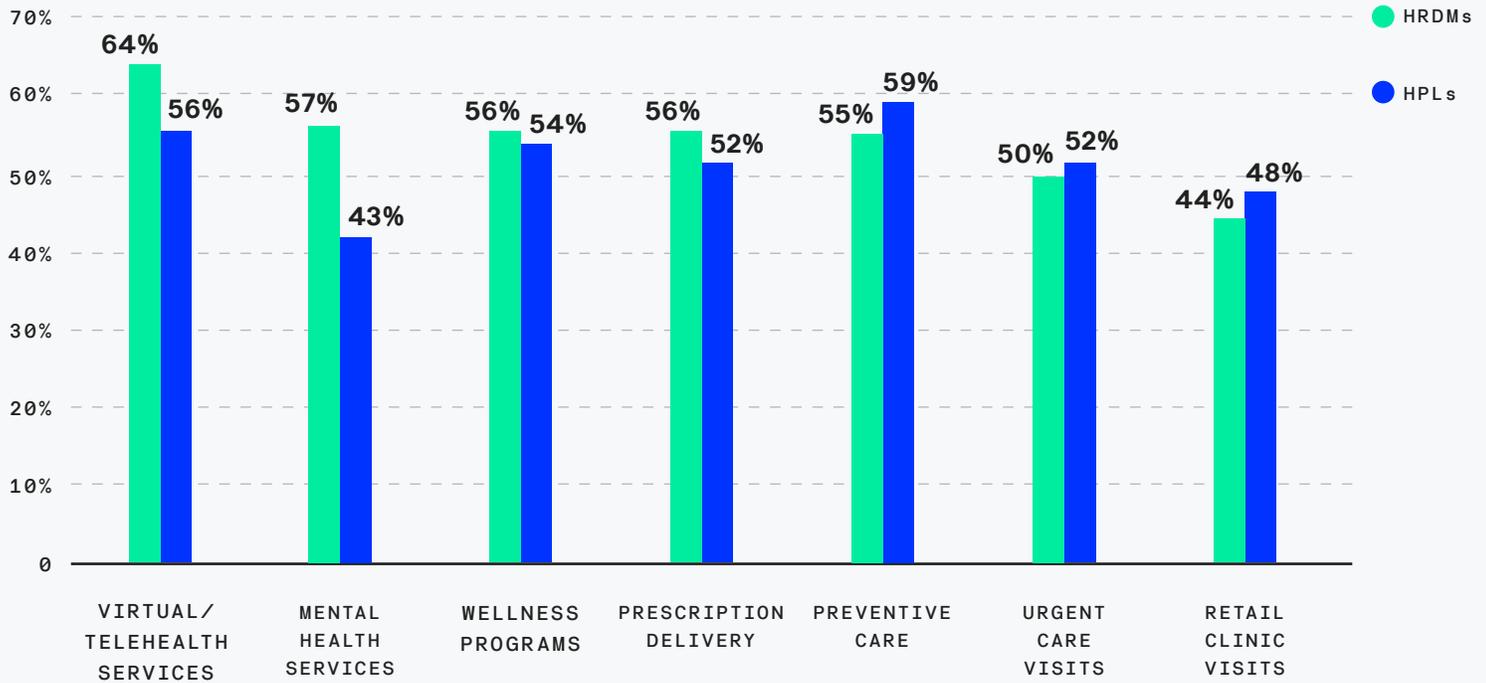
“Even before COVID-19, this trend was particularly apparent in the health care space as the global digital health market was projected to reach **\$380 billion by 2024, growing 26 percent annually**. This is why harnessing digital innovation for the benefit of members was a priority for benefits buyers in 2020 and beyond.”

MARK BINI | CHIEF PATIENT EXPERIENCE OFFICER, EVERNORTH

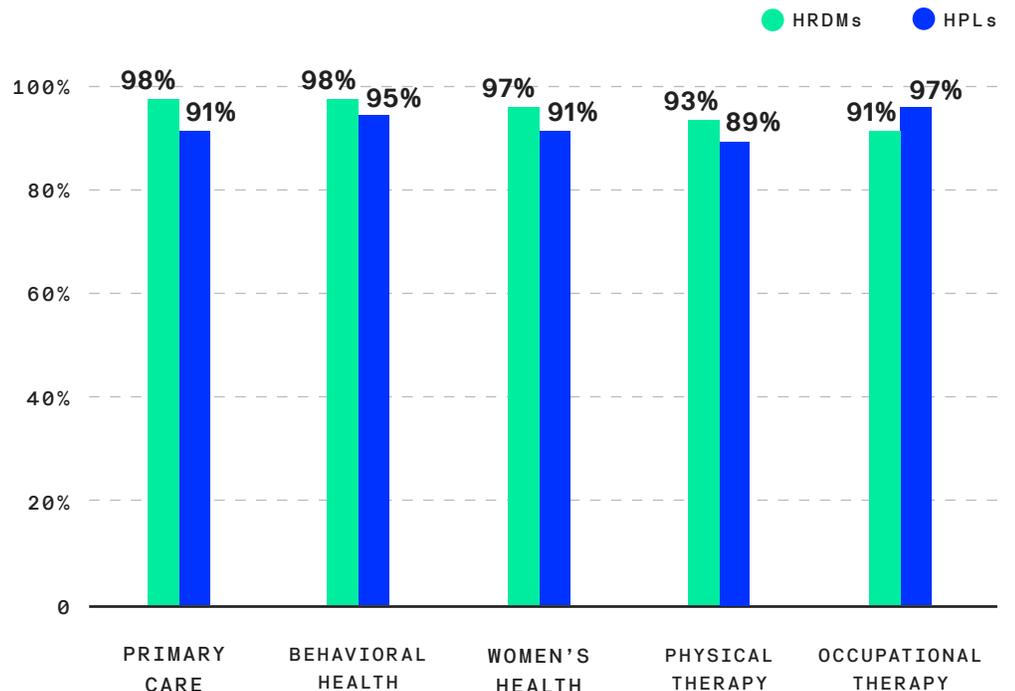
1. <https://www.iqvia.com/insights/the-iqvia-institute/reports/the-growing-value-of-digital-health>



While Human Resources decision-makers (HRDMs) and health plan leaders (HPLs) value services and solutions differently, they share an interest in virtual/telehealth services. Since COVID-19 began, plan sponsors are placing greater value on the following:



Recognizing the growing utilization of virtual health solutions, decision-makers are very interested in virtual care expansion across many areas of health care. Health plan leaders are most interested in virtual care expansion for occupational therapy while Human Resources decision-makers are more interested in expanding primary care and behavioral health.





EXPERT PERSPECTIVE

“We have heard from many of our clients that they simply do not have the resources or capacity to take on the breadth of responsibilities required to confidently deploy—and continuously manage—a digital health initiative.”

MARK BINI | CHIEF PATIENT EXPERIENCE OFFICER, EVERNORTH

The **Evernorth Digital Health Formulary** offers a solution, reviewing new-to-market and existing digital health solutions on behalf of organizations and recommending only those that meet our strict clinical standards and rigorous security, privacy and value criteria.

Recommendation

It's important for plan sponsors to continue to evaluate the digital health options they offer as they learn to navigate the rapidly changing environment.





A new level of convenience

The virtual world has set a new standard for convenience when it comes to health care, and the demand for convenience will continue to increase throughout the customer journey—from seeking care to managing follow-ups to accessing prescriptions. **89 percent** of consumers report satisfaction with their virtual care experiences so far.



PRE - VISIT

Top factors consumers say their ideal health care experience would feature when initially seeking care:

53% Schedule an appointment for same-day care

42% Search appointment availability



POST - CARE

After seeking care, consumers would ideally want to:

56% Receive prescriptions promptly through preferred pharmacy

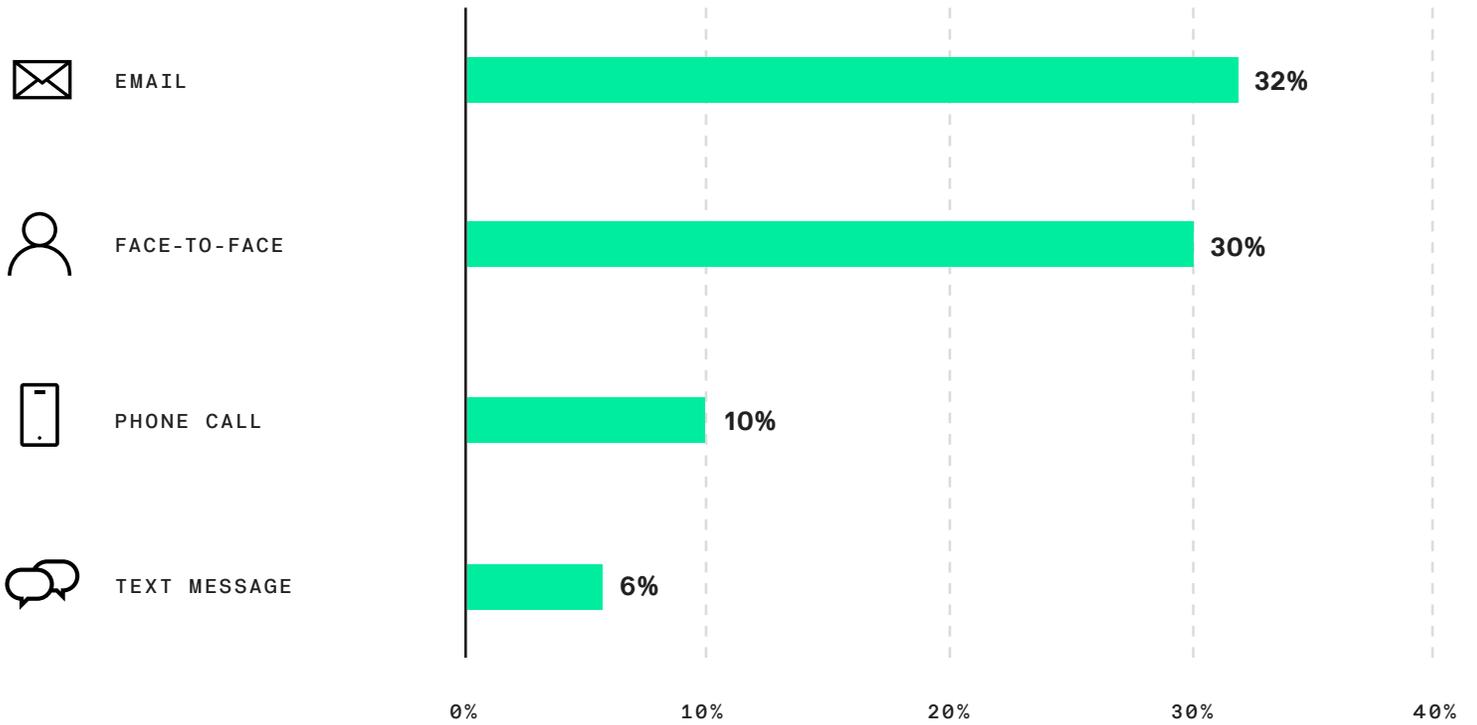
51% Email doctor with follow-up questions

“[Employees] express that they like the convenience of not needing to leave the house in order to get the medical attention they need.”

HUMAN RESOURCES DECISION-MAKER SURVEY RESPONDENT



Although consumers have embraced virtual/telehealth for health care visits and monitoring, they still prefer to receive health information by email or face-to-face interaction, followed by mobile. This information goes against commonly held beliefs about the convenience of mobile communication during COVID-19.



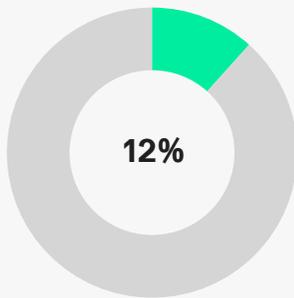


Prescriptions represent an opportunity to maximize convenience for consumers, particularly through home delivery and 90-day fills of medications.

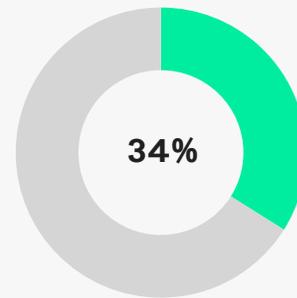
EXPERT PERSPECTIVE

“Overall, we are seeing an increase in prescription volume across all products due to more members moving their prescriptions to 90-day fills through the Express Scripts Pharmacy for home delivery. This is a positive trend since it’s the most convenient, cost-effective and safest way for members to get their medications.”

AMY BRICKER | PRESIDENT, EXPRESS SCRIPTS PBM



Consumers that **switched to a 90-day supply of prescription medications** as a result of COVID-19



Consumers that expect to **continue receiving prescriptions by mail or home delivery** after COVID-19

Decision-makers rank home delivery among the top trends emerging from COVID-19, **and one in three expect home delivery to remain a long-term solution:**



“I think visits will become more virtual unless absolutely necessary to have them in person. Follow ups will be virtual and prescriptions will be more likely mail ordered.”

CONSUMER SURVEY RESPONDENT



EXPERT PERSPECTIVE

“We also know that **when members have a 90-day supply on hand, they are 19 percent more adherent to their medications.** This keeps them healthier, saves the plan money in downstream medical costs and provides peace of mind in the midst of disruption and uncertainty, like COVID-19.”

JEN AWSUMB | VICE PRESIDENT, CHANNEL AND CONSUMER SOLUTIONS, EXPRESS SCRIPTS

In addition to cost savings, safety benefits and convenience for members, home delivery from the [Express Scripts Pharmacy](#) also cuts down on pharmacy-related waste—a significant problem in our health care system.

Recommendation

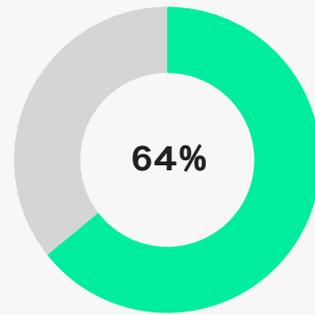
Plan sponsors should continue to evaluate ways to optimize convenience for their members. Better adherence can be achieved when health care fits more seamlessly into members' lives.





Transformation through emerging technologies

Consumers, Human Resources decision-makers and health plan leaders all consider technology an essential component of the evolving health care industry and expect it to take an even greater role in the future.



Nearly two-thirds of consumers say they would be comfortable using emerging technologies— such as robotics, virtual reality, augmented reality and artificial intelligence—for preventive care and health monitoring. Similarly, **65 percent believe these technologies are trustworthy** for preventive care and health monitoring.

“In the next two years, digital technology is very important to strengthen the data management of the insurance industry.”

HEALTH PLAN LEADER SURVEY RESPONDENT

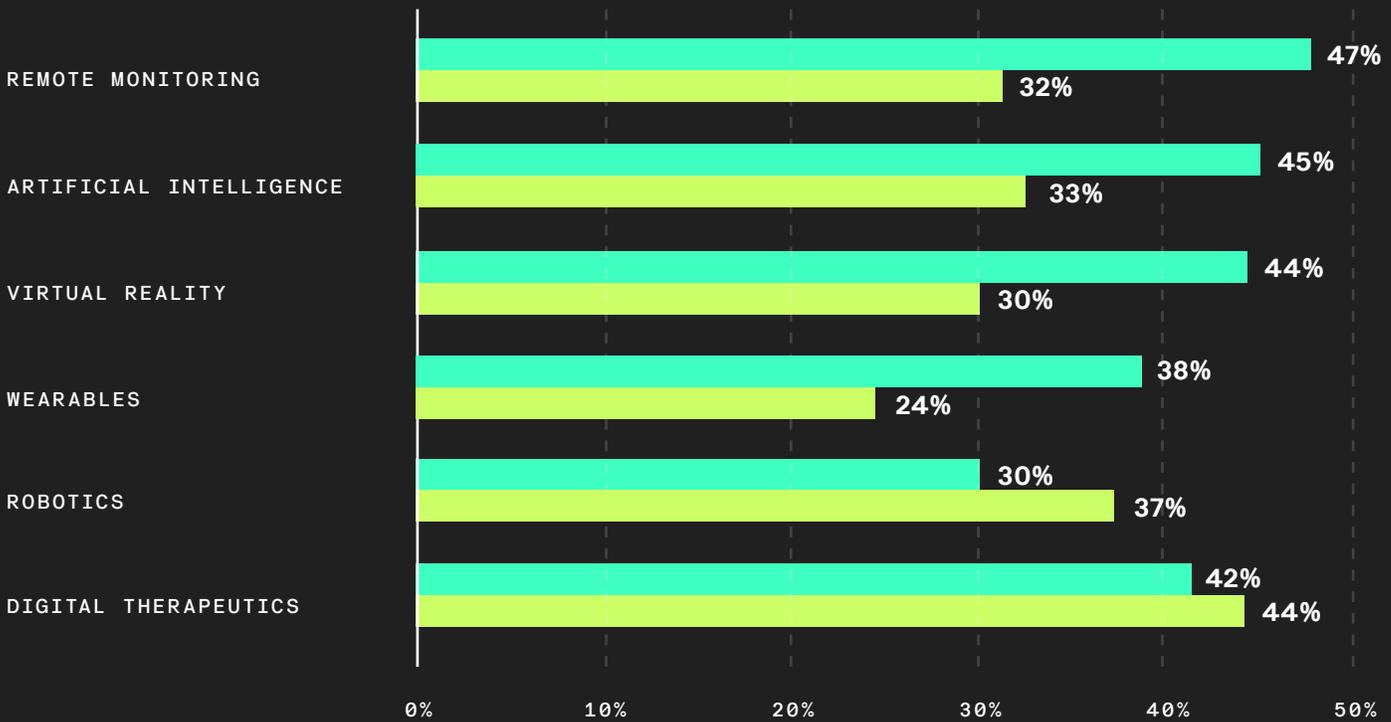


Human Resources decision-makers believe remote monitoring, artificial intelligence, virtual reality, digital therapeutics and wearables are the emerging technologies that will have the greatest impact on transforming health care.

Health plan leaders, on the other hand, rank digital therapeutics, robotics, artificial intelligence, remote monitoring and virtual reality as emerging technologies or advances in digital health that will transform health care the most.

Emerging technology that decision-makers believe will have the greatest impact on health care in the future:

● HRDMs
● HPLs



While some decision-makers believe advances in technology will transform health care, consumers are more open to using these new technologies (**64 percent**)—identifying a gap between consumer and decision-maker beliefs. This is likely due to the practical challenges that decision-makers face when implementing new technology.

“Traditional medicine management and professional virtual medical remote technology have a lot of technical problems.”

HEALTH PLAN LEADER SURVEY RESPONDENT



Data without actionable insights is virtually meaningless. To elevate service capabilities for companies, providers and members, our enterprise data team built a proprietary tool that allows us to collect feedback from member and provider interactions in their natural, unstructured form. We then digitize, organize and apply algorithms to reveal member preferences, detect problems and proactively create solutions.

EXPERT PERSPECTIVE

“In the next decade, we are going to see health care change dramatically, and we believe technology will play an even greater role in a person’s care than ever before.”

GLEN STETTIN, MD | CHIEF INNOVATION OFFICER, EVERNORTH



Recommendation

As both consumers and plan sponsors adapt to the role of technology, continued advances will accelerate health care in the coming years. Decision-makers should watch this space closely and evaluate opportunities to incorporate future technologies.



Solidifying the Mind-Body Connection

+ Embracing whole-person health

COVID-19 has underscored the connection between physical, mental and social health. While many consumers are currently engaged in some form of wellness activities, the focus on health has inspired many to take a more proactive approach to their whole well-being. In recognition of this trend, **57 percent** of Human Resources decision-makers report the value of mental health services has increased as a result of COVID-19.

While consumers and decision-makers both express strong desire for whole-person support and behavioral health benefits, our research indicates they define these benefits differently.



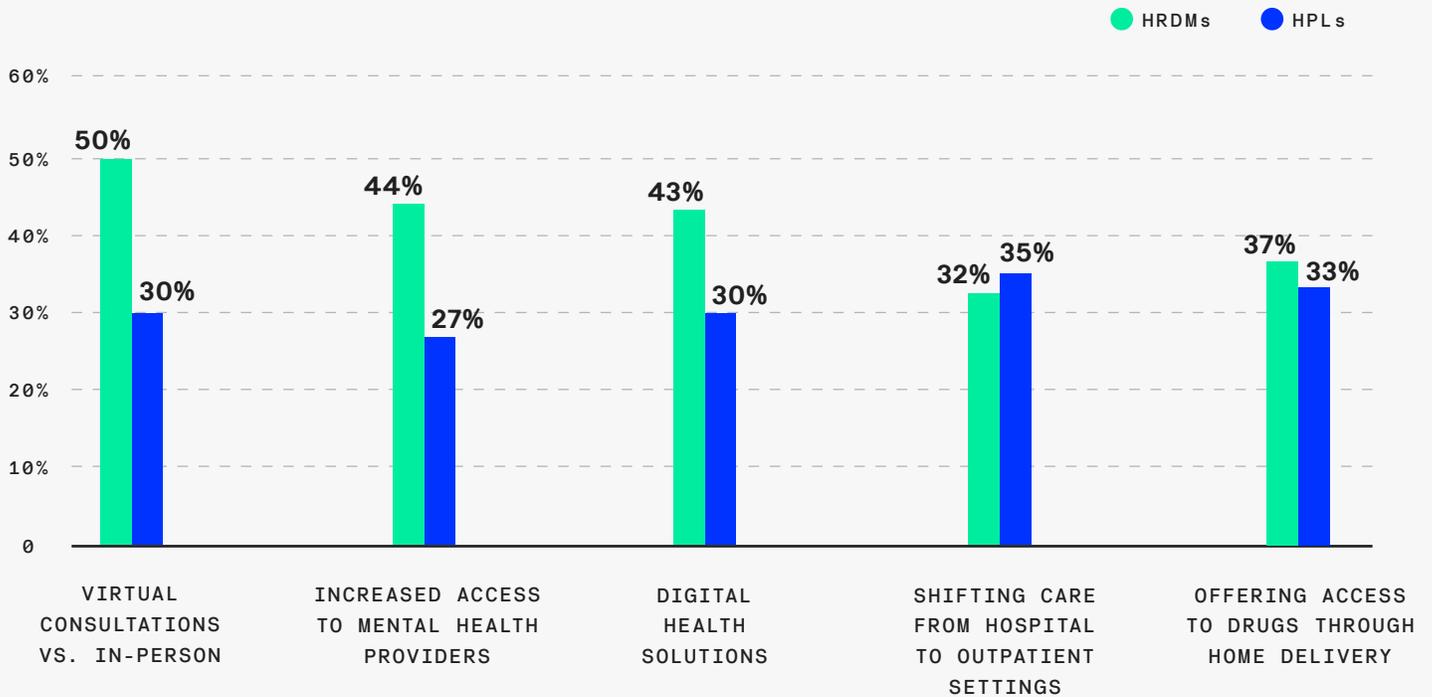


A need for more access to care

Nearly one in five Americans live with a mental illness. However, many adults with a mental illness are not receiving care. In fact, in 2019, only **45 percent** of adults with any mental illness had actually received mental health services in the past year.²

Among top trends that emerged as a result of COVID-19, **44 percent** of Human Resources decision-makers and **27 percent** of health plan leaders ranked **increased access to mental health providers** as a trend that they expect will become a long-term solution for their organization.

Health care trends accelerated by COVID-19 that will become long-term solutions for organizations

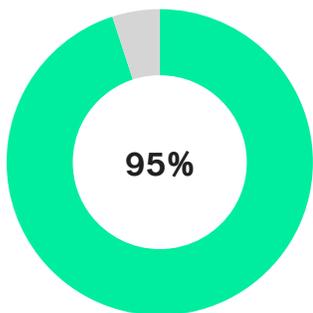


2. National Institute of Mental Health: <https://www.nimh.nih.gov/health/statistics/mental-illness.shtml#:~:text=In%202019%2C%20among%20the%2013.1,treatment%20in%20the%20past%20year>

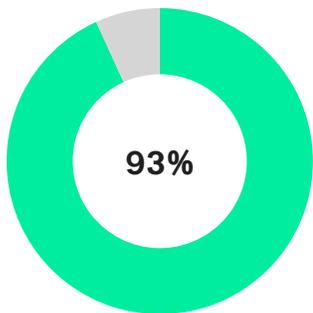


Opportunity to align to mental health needs and growing expectations

Plan sponsors recognize the growing need to provide members with resources to support their mental health.



95 percent of health plan leaders are concerned about the mental health of their members given the impacts of COVID-19. While only one in four health plan leaders currently offer mental health education, **40 percent** of health plan leaders plan to expand mental health education offerings in the future.



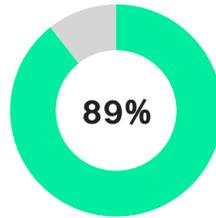
93 percent of Human Resources decision-makers voice concern about employees' mental health. Currently, employers focus their mental health support primarily on education, access to counseling or medications, mental health crisis support hotlines, and stress management seminars and tools.



Investing more: **40 percent of Human Resources decision-makers** and **13 percent of health plan leaders** anticipate their organization will invest more on mental/behavioral health solutions in the next two to three years.



What consumers rank as ideal mental health tools and resources vary from the mental health support areas decision-makers are focused on offering and investing in over the next two to three years.



89 percent of consumers agree their employers should expand offerings related to mental health, but they are more likely to define ideal mental health benefits that pertain to employer culture—such as work/life balance, flexibility and mental health days.

2.5x

2.5 times more consumers are planning to engage in stress management support.

2x

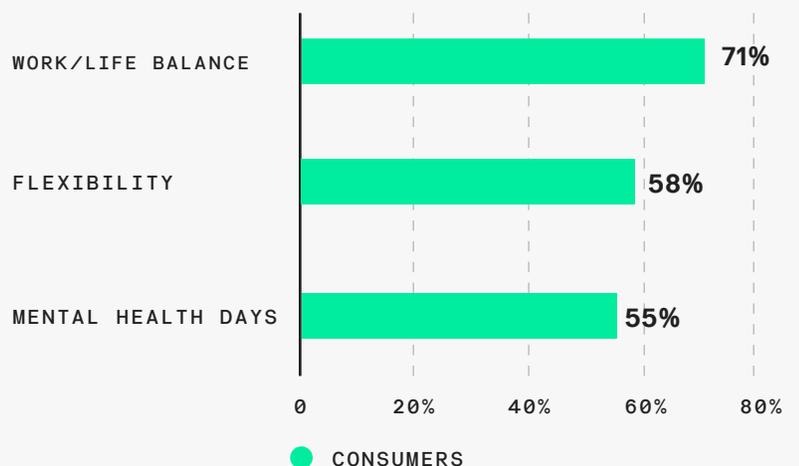
Nearly **2 times more consumers** are planning to engage in mental health support/therapy in the future—reinforcing the increased need for access.

Consumers rank **work-life balance, flexibility, such as remote work and flexible scheduling, and mental health days** as their top three ideal employer-sponsored mental health support needs.

Nearly **one in five** consumers feel dissatisfied with the current mental health support and benefit offerings received from their employer.

55 percent of consumers would like mental health days included in their benefits, yet only **12 percent** say their employers offer them today.

TOP THREE IDEAL MENTAL HEALTH SUPPORT RESOURCES FOR CONSUMERS





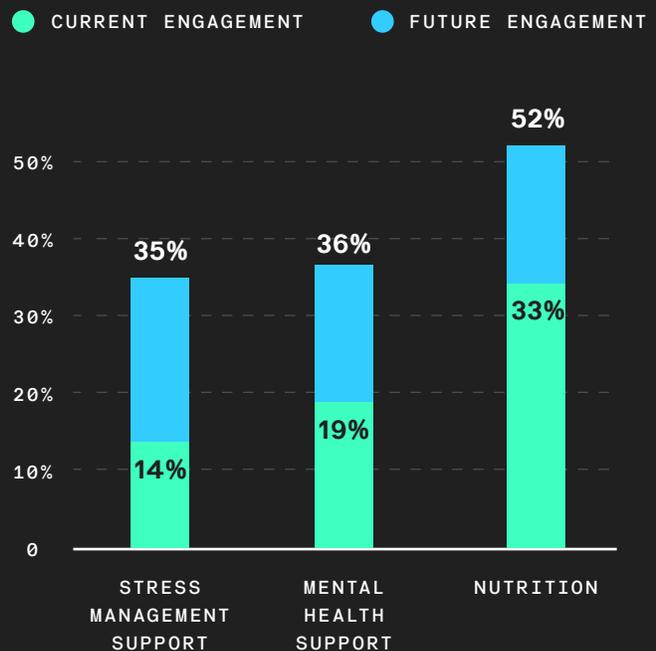
Getting proactive about personal health

Consumers are embracing wellness programs, and the enthusiasm has grown during COVID-19. In fact, **93 percent** of consumers completely agree or somewhat agree that their employer should provide benefits for whole-person health.



Increasing whole-person health care

More consumers expect to participate in the following types of whole-person health care in the future compared to how they engage today:





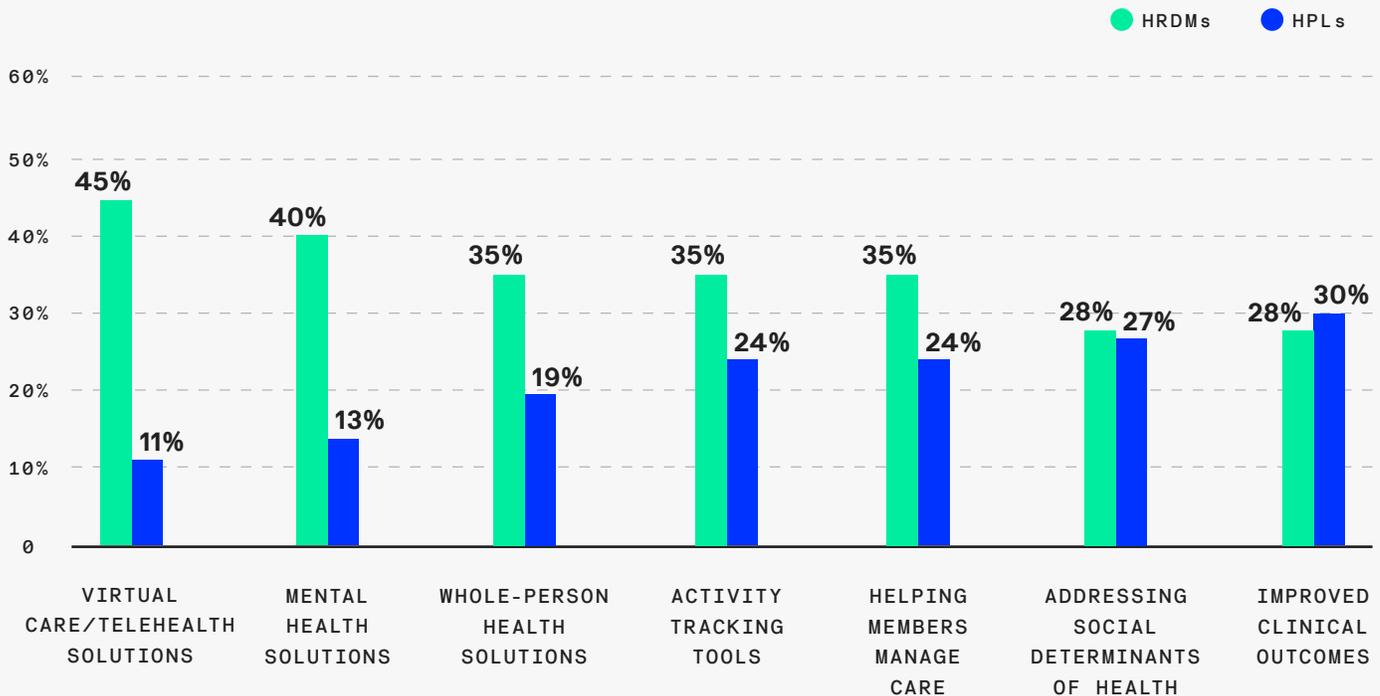
Wellness and whole-person health are a vital area for investment and represent a relatively high priority for Human Resources decision-makers. Approximately **38 percent** of Human Resources decision-makers expect whole-person health and wellness solutions to be a key benefit most likely to grow in importance.

Likewise, approximately **35 percent** of Human Resources decision-makers anticipate prioritizing whole-person health and wellness solutions as an investment over the next two to three years.



35 percent of Human Resources decision-makers expect their company to invest more in tools (including devices) or resources for employees to track physical activity or other wellness metrics.

Anticipated areas for investment in the next two to three years:





The number of mental health prescriptions peaked the week ending March 15, 2020, when COVID-19 was declared a pandemic.³

Evernorth inMyndSM takes a holistic, comprehensive approach to mental health care at a time when members with anxiety, depression and insomnia need it most.

- + Access to individualized support and resources
- + Condition-specific care through our Neuroscience Therapeutic Resource Centers
- + New digital Cognitive Behavioral Therapy program

EXPERT PERSPECTIVE

“The impact of the pandemic on mental health will be long-lasting, and there is an urgent need to expand easy and timely access to care. Through Evernorth, we are delivering a more coordinated approach to health services that will make it easier for people to get the care they need, when they need it.”

EVA BORDEN | VICE PRESIDENT, BEHAVIORAL HEALTH, EVERNORTH

Recommendation

Educate members about the mental health benefits available to them and advocate for the use of these benefits.



3. Express Scripts' America's State of Mind Report: <https://www.express-scripts.com/corporate/node/2332>

The Cost-Care Conundrum

+ Making every dollar count

Keeping health care costs down remains a consistent priority for both consumers and decision-makers. In fact, it's a dilemma that affects nearly every plan: How is it possible to do more with less—and still provide high-quality, low-cost, high-touch care?





Balancing coverage with savings

Despite their desire for expanded benefits across the board—particularly in areas like medical, wellness and prescription drug coverage—many are worried that their employers will reduce offerings in these key areas. **55 percent** of consumers are concerned that their medical benefits will be reduced in the future, and **54 percent** are worried about reduced access to medications. At a time when so much uncertainty exists in the world, members need predictability in their coverage and savings.



66 percent of consumers are very/somewhat concerned about the inability to afford rising premiums.



69 percent of consumers are very/somewhat concerned about unaffordable medical costs despite plan coverage.



29 percent of consumers are very/somewhat concerned about a reduction to fertility benefits in the future.

Human Resources decision-makers and health plan leaders wish to expand coverage while finding solutions to manage costs and maximize predictability. Specifically, decision-makers are looking for partners/solutions that can make:



Drug costs more **affordable**

HRDMs

94%

HPLs

95%



Drug costs more **predictable**

94%

92%



The overall health care experience **simpler**

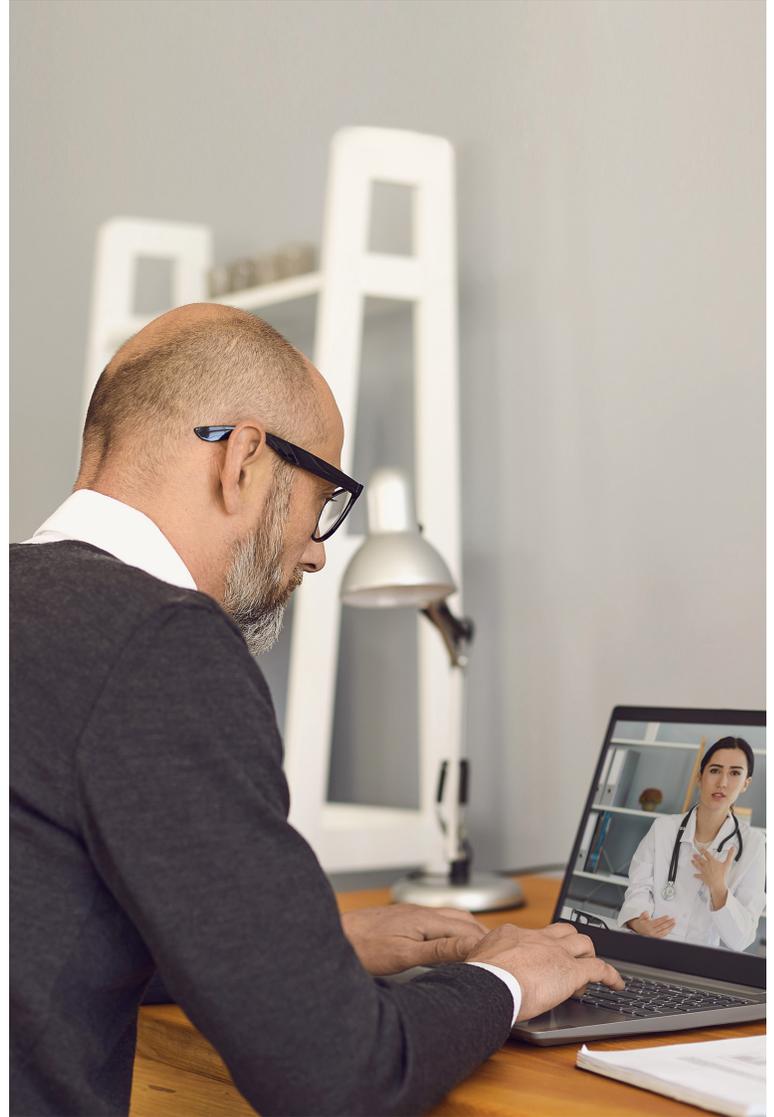
96%

94%



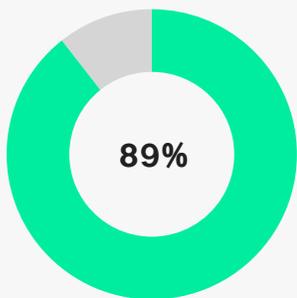
“Our benefit strategy over the next 2-5 [years] is consolidating the different vendors that we currently work with. We have quite a bit of overlap ... which is confusing for our employees and causes additional administrative work.”

HUMAN RESOURCES DECISION-MAKER
SURVEY RESPONDENT

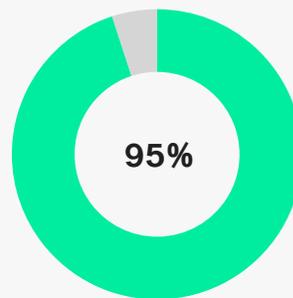


Decision-makers are every bit as concerned as consumers about affordability. However, while all audiences are aligned on the desire to expand care and reduce costs, ultimately employers must strike a balance between benefits coverage and costs.

Survey respondents who said they will tolerate a small amount of disruption for maximum cost savings with equal or better clinical programs:



89 percent of Human Resources decision-makers



95 percent of health plan leaders



The **Patient Assurance ProgramSM** is one example of how managing health care can provide greater predictability for patients, and help those needing medications better plan for their care experience. For people with diabetes, insulin can be as essential as air. A recent Yale study highlighted that **one in four** people with diabetes who use insulin **admitted to cutting back on the use of insulin because of cost.**⁴

To ensure people who need insulin get the access and affordability they need, we partner with insulin manufacturers to lower copayments to \$25 at the point of sale.

EXPERT PERSPECTIVE

“Individuals who are eligible for the program will save approximately **40 percent**, as well as gain peace of mind in knowing they will have access to improved affordability. Better care and better outcomes are rooted in greater choice, affordability and access, and we can bring all of these to people with the greatest needs.”

JOHN WIGNESWARAN, MD | CHIEF MEDICAL OFFICER, EVERNORTH

Recommendation

Consumers need to know what to expect from their benefits and coverage. Offer your members peace of mind and help them plan ahead for care they need to get and stay healthy.

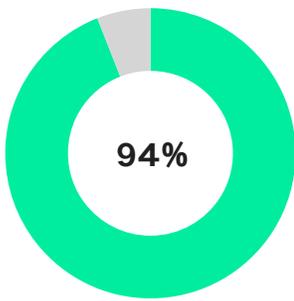


4. <https://www.express-scripts.com/corporate/articles/patient-assurance-program-offers-greater-affordability-and-cost-predictability-insulin>



Leveraging data and advanced analytics to realize savings

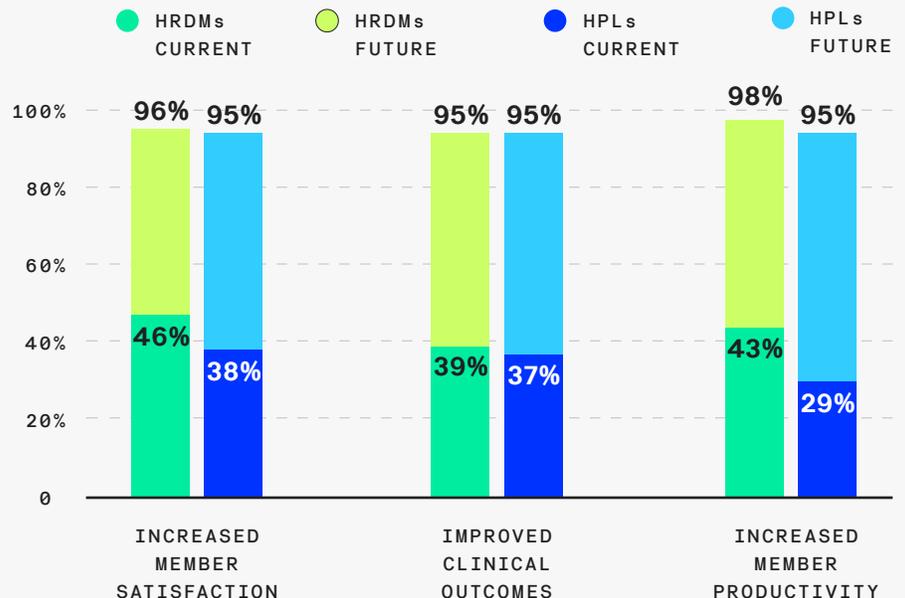
Consumers and decision-makers seek the best possible benefits while saving money. By relying on data and advanced analytics, Human Resources decision-makers and health plan leaders can manage plan costs while also giving members clarity and certainty when it comes to the costs of care. Data offers insight into those costs, helping to avoid surprises and allowing for more informed choices about where and how to seek care.



On average, **94 percent** of health plan leaders expect that data and analytics will solve their clients' future organizational challenges across a number of categories (e.g. absenteeism, cost savings, etc.).

Organizational challenges solved using data and analytics solutions

Decision-makers vary in how they use data and analytics solutions to solve current organizational challenges. Looking ahead, nearly all decision-makers expect data and analytics will solve many organizational challenges tied to health benefits and broader workforce categories.





Expanding condition-specific coverage

Current condition-specific benefits that decision-makers offer most commonly address diabetes, women’s health, cardiovascular, mental health and pulmonary solutions. Future planning indicates a spike in decision-makers expanding coverage for Alzheimer’s and fertility solutions.

Fertility benefits, including diagnoses and treatments, were also one of the most widely cited areas of interest for consumers. Since COVID-19 began, consumers’ plans for family size remain largely unchanged, with **60 percent** of respondents reporting that they are not changing their family planning due to COVID-19. Our recent research in this space indicates that as we recover as a society and economy, the need for fertility coverage will rise.⁵

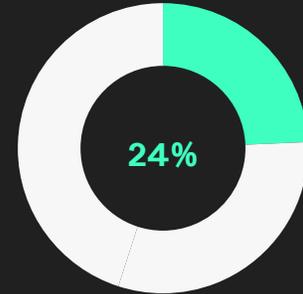
Among women surveyed⁶:

75% report interest in additional fertility benefits offered by their insurance plan or employer

62% would consider domestic adoption if infertility were an issue

37% would consider domestic surrogacy

34% would change jobs, or encourage a partner to change jobs, for more competitive pregnancy, fertility and adoption coverage



24 percent of employers and health plans say they currently offer fertility coverage to members and employees.⁷

5. Please note that this data includes only women who have insurance through an employer (either their own or from a spouse or partner).

6. “Assessing COVID-19’s Impact on Women’s Attitudes and Behaviors toward Family Planning,” Online survey among 2,000 women with employer-sponsored insurance, Evernorth, November 2020

7. “Assessing Perception of and the Need for Enhanced Fertility Solutions,” Quantitative Research Study, Express Scripts, March 2020



The right fertility benefit provides the right treatment to meet each individual member's needs while delivering value to the plan.

Companies are facing pressures from various sources, including state mandates, their own employees and the market to start offering more comprehensive fertility benefits.

In fact, our research shows that **62 percent** of health plans and **61 percent** of employer groups plan to increase their fertility offering in the next three to five years.⁸

Evernorth FamilyPathSM streamlines fertility treatments and care, identifies expert fertility providers and provides proactive patient support in a comprehensive solution that leads to simple, more cost-effective fertility-care decisions.

EXPERT PERSPECTIVE

“For some, the decision to start a family is one of the most important and impactful decisions that they will make in their lives. And encountering challenges when starting a family can have substantial ramifications on a member's mental, physical and financial health. Plan sponsors have the unique opportunity to support their members during a time of personal crisis by putting the tools and benefits in place to be by their side every step of the way.”

KAJAAL PATEL, RPH | DIRECTOR, EVERNORTH



8. <https://www.evernorth.com/articles/four-considerations-for-designing-fertility-benefit>

Looking Ahead

We all have reason to hope that the years ahead will involve a greater measure of predictability—and that the insights and patterns Evernorth has identified will continue to evolve.

By working together, we can continue moving forward in ways that are strategic, innovative and connected. These patterns are an invitation to drive progress. And there's no limit to what we can achieve together.



Visit [Evernorth.com](https://www.Evernorth.com) or contact your Evernorth account representative today.



EVERNORTHSM

Methodology

Health Care in Focus is based on data collected from two November 2020 surveys, conducted by Ipsos on behalf of Evernorth.

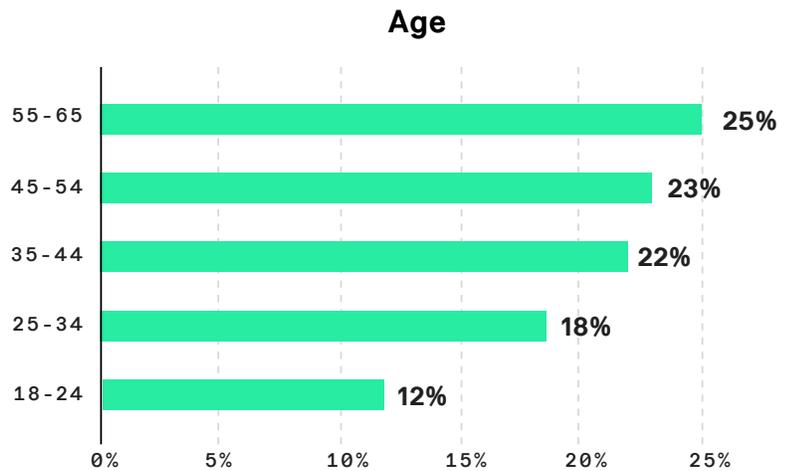
Consumer survey

FIELD DATES: NOVEMBER 9-16, 2020

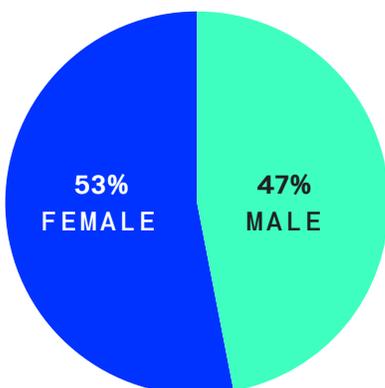
Survey respondents were recruited by Ipsos. To participate, respondents must have health insurance coverage, including prescription drug coverage, for themselves or someone in their household through their employer or union, government employment or military/VA.

 **Consumers:**
1,001

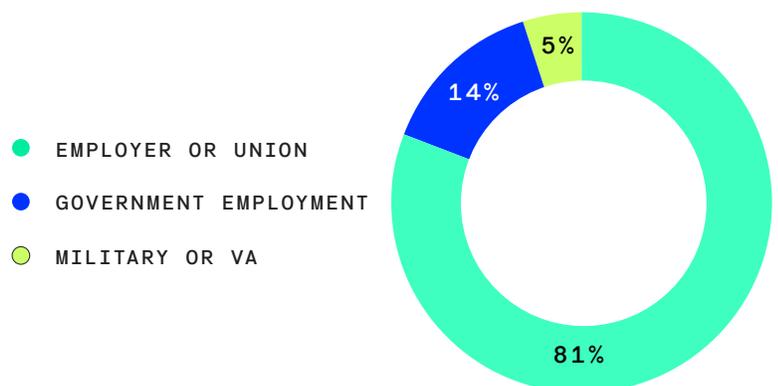
 **Average household income:**
\$93.6k



Gender



Primary health insurance coverage



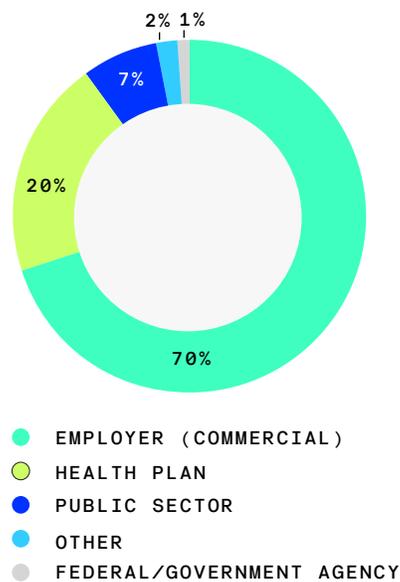
Decision-makers

FIELD DATES: NOVEMBER 12-23, 2020

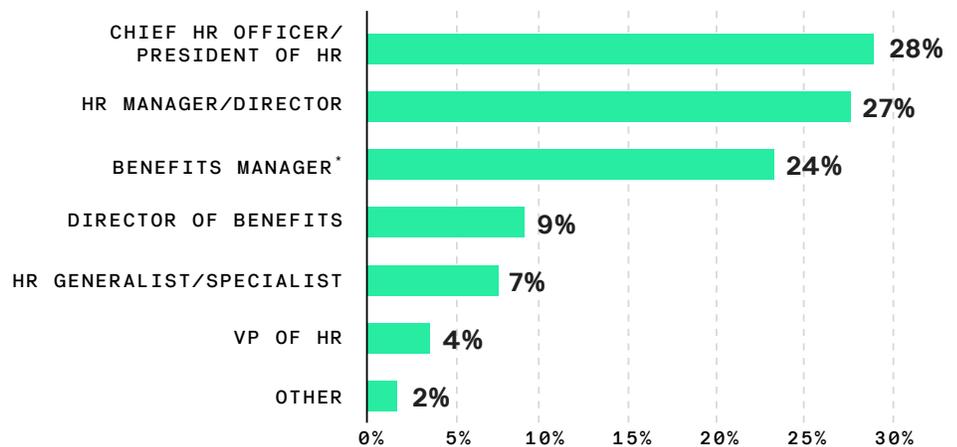
575 Human Resources decision-makers

To participate, Human Resources decision-maker respondents must work full-time for a company with at least 1,000 employees that provides both medical and pharmacy benefits. The respondent must be a decision-maker when it comes to selecting and managing the employee benefits for their organization.

Type of organization



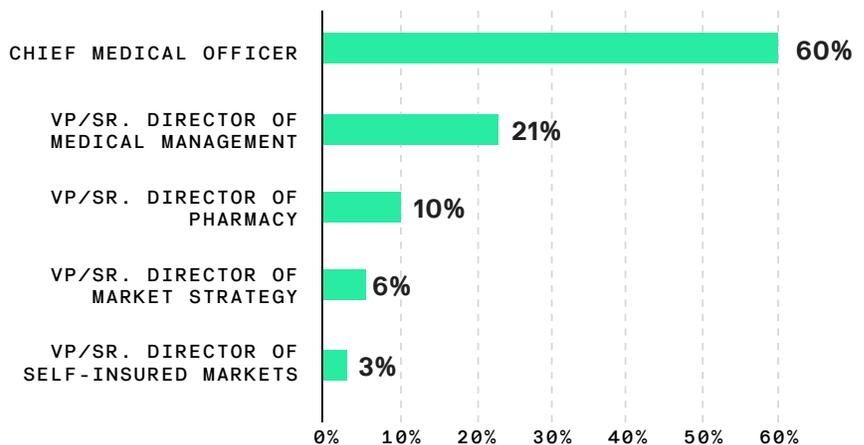
Job title



63 Health plan leaders

Health plan leader respondents must work full-time for a national or regional health plan serving at least 100,000 members. The respondent must be a decision-maker when it comes to determining the benefits partners/suppliers that health plan offers to groups/clients.

Job title



*Titles may also include Benefits Specialist, Administrator, Coordinator or Supervisor



Key Terms

- + **Artificial intelligence:** Also known as AI, artificial intelligence refers to computers that are programmed to think, learn and solve problems like humans (and mimic their actions).
- + **Augmented reality:** Also known as AR, augmented reality takes digital information (such as graphics) and superimposes it on a user's view of a physical environment.
- + **Behavioral health:** Describes the connection between the health and well-being of the body and the mind.
- + **Digital health solutions:** Tools that track patient data outside standard health care settings like physicians' offices or hospitals.
- + **Mental health days:** Days that employees take off from work to alleviate stress or to rest. These days may be officially designated by the employer as benefits or taken as employee sick days.
- + **Social health:** Our ability to form meaningful, rewarding and healthy interpersonal relationships.
- + **Whole-person health:** Considers the physical, behavioral and social needs of a single patient as part of a whole system, with each element contributing to long-term outcomes.