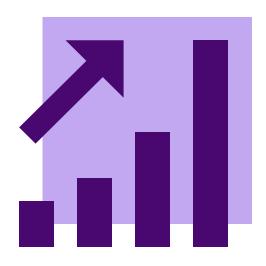
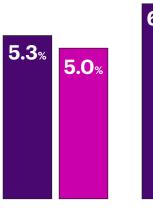
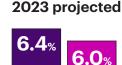
Wtw Employers move to stem rising healthcare costs and boost affordability



Healthcare costs projected to climb 6% in 2023

2022 expected



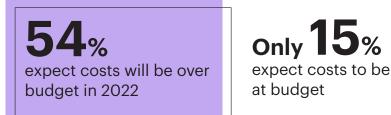




Before plan changes After plan changes

7 in 10 employers expect moderate to significant cost increases over the next 3 years

2 out of 3 employers will prioritize controlling healthcare costs over the next 3 years



To address a higher-cost environment:



Only 1 in 4 will shift costs to employees through higher premium contributions

Concerns about healthcare costs extend to employee affordability

Structure payroll contributions that reduce costs for targeted groups, such as low-wage employees

28% Action taken 2022

13% Planning/ Considering



Add/Enhance vendor solutions and voluntary benefits in case of a catastrophic event



35% Action taken 2022 **27%** Planning/ Considering

Add more dollars to healthcare plan without reallocating from other benefits or pay

20% Action taken 2022

30% Planning/ Considering



Actions to take now!



reduce total costs



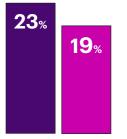
Develop strategies that balance employee affordability goals with rising prices to help avoid budget overages

Employers also focus on:



Subsidization

Use a defined contribution strategy with a fixed dollar amount provided to all employees, differing by plan tier Value-based cost sharing Implement higher out-ofpocket costs for use of less efficient services or site of care



Action taken 2022

Planning/Considering

11%

Identify potential new cost-saving initiatives and evaluate effectiveness of existing programs



Engage in employee listening to uncover needs and evaluate healthcare coverage as it pertains to diversity, equity and inclusion

About the survey: A total of 455 U.S. employers participated in the 2022 Best Practices in Healthcare Survey, which was conducted in August 2022. Respondents employ 8.2 million workers.