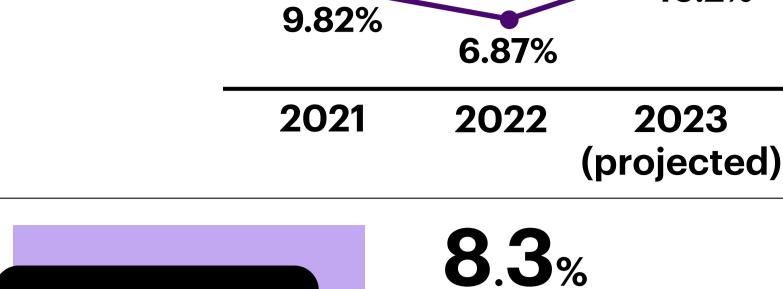
As medical costs soar in 2023, Asia Pacific employers look for balance

2023 medical cost increase in Asia Pacific is the highest in 10 years

Medical trend in Asia Pacific in 2023





anticipate higher or significantly higher medical trend over the next three years.

Over **seven in 10** insurers

Australia 8.8%

Hong Kong

10.6% Indonesia

15.0% New Zealand

9.8%

Singapore **7.9**%

Thailand

8.6%

India

13.8% Malaysia 12.6%

Philippines **7.8**%

Taiwan 10.0%

Vietnam

External factors:

What's driving the cost increase?

Higher costs due to new medical technologies **57%** Profit motives of providers **53%** Epidemics and global pandemics (including COVID-19) **32%** Plan design without any cost-sharing features 30% Limited/Poor networks to effectively control costs 19%

Overuse or misuse of care due to medical

Insured members/Provider behaviour:

practitioners recommending too many services **79%** Overuse or misuse of care due to lack of integration between primary, specialty and facility care **59%** Insured members' poor health habits **53%** Lack of understanding by insured members of how to use the plan 39% Underuse or lack of preventive services **26% Top three conditions in 2023** By incidence: By cost:

Circulatory system

the medical products you offer?

2022

Member coinsurance

2021

Annual limit on out-of-pocket expenses

	3 Musculoskeletal and connective tissue	3 Respiratory
	Mental and behavioural health issues are some of the fastest-growing conditions by incidence of claims in Asia Pacific in the next 18 months.	
Managing the medical trend		

How typical are the following cost-sharing approaches for

Digestive

40%

36%

35%

Deductible Member copays

22% (% indicate "Very typical" and "Typical")

Employers continue to invest in

employee wellbeing and access Biggest change made to medical portfolio: **57%** Addition of telehealth services 35% Addition of new wellbeing

services

applying DEI elements into plans **Exclusions of Diversity, Equity and Inclusion (DEI) elements**

Asia Pacific lags other regions in

Global



Review your vendor strategy through market reviews; ensure you are leveraging local or global purchasing power.

Identify opportunities to create a resilient workforce by supporting holistic wellbeing, including mental and financial health. Take advantage of digital tools and technology, such as

telehealth, to help employees access benefits that matter

to them. Use employee listening to better understand what benefits employees want and need, and build this into a communication strategy.