

Employee Health Trends

Executive Summary | 2023



The Insight You Need to Optimize Your Impact

Each year, Springbuk publishes the Employee Health Trends report based on aggregate data in our health data analytics platform. For 2023, that comprised data from **more than 4,300 employer customers**.

Since Springbuk's inception, our team's goal has been to equip employers and their benefits advisors with easy-to-use information to improve employee health, manage costs, and understand program impact.

To help accomplish this, our expert data scientists, clinicians, and population health leaders dedicate significant amounts of time and resources to provide our community, clients, and partners with trend analyses that **go beyond the "what" is driving costs in their population by delivering insight into the "why."**

Below, we'll highlight the trends covered in Employee Health Trends 2023. To read the full report, please visit springbuk.com/eh23



Increased Emphasis on Health and Well-being in Overall Workforce Strategy

When we released the 2022 Employee Health Trends report, the pandemic-moving-toward endemic had become the ringmaster in how we would return to work, adapt to a new normal, and navigate “The Great Resignation.”

And while uncertainty loomed around every corner, **employers made one thing abundantly clear: they are dedicated to the health and well-being of their employees.**

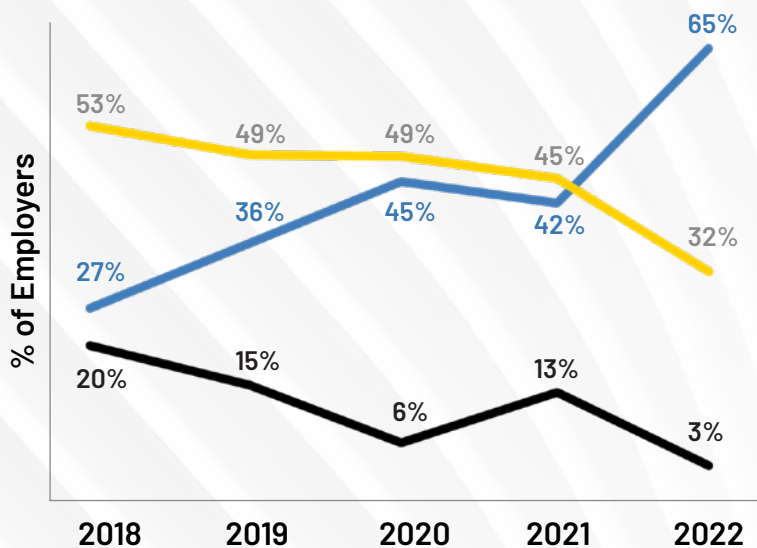
“When we incorporate data from the Business Group on Health’s Large Employer Survey, **we see that even before the pandemic, there is a noticeably steady increase in employers that recognize their health and well-being strategy as an integral part of their overall workforce strategy.**”



Jennifer Jones
Springbuk Enterprise Practice Leader



Business Group on Health's Large Employers Survey: The Role of Health and Well-being in Large Employers' Workforce Strategy 2018-2022

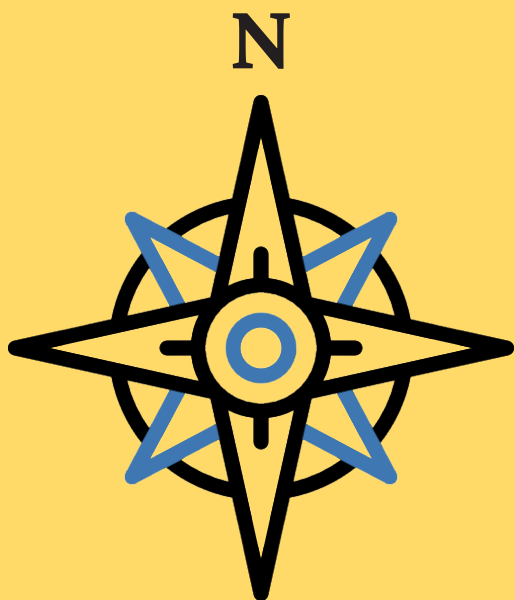


Our health and well-being strategy is an **integral part** of our workforce strategy.

Our health and well-being strategy is a **consideration** of our workforce strategy.

Our health and well-being strategy is viewed **separately** from our workforce strategy.

Yet as the workplace settled into 2022, a looming recession consumed news headlines, and employers began grappling with how they would protect their **organization's bottom line** while still giving the same level of commitment to **employee health and well-being**.



Through times shrouded in distress, our team has found that **data can serve as a north star**, helping to illuminate a path forward for employers.

When “Business-As-Usual” Isn’t “Business-As-Usual”

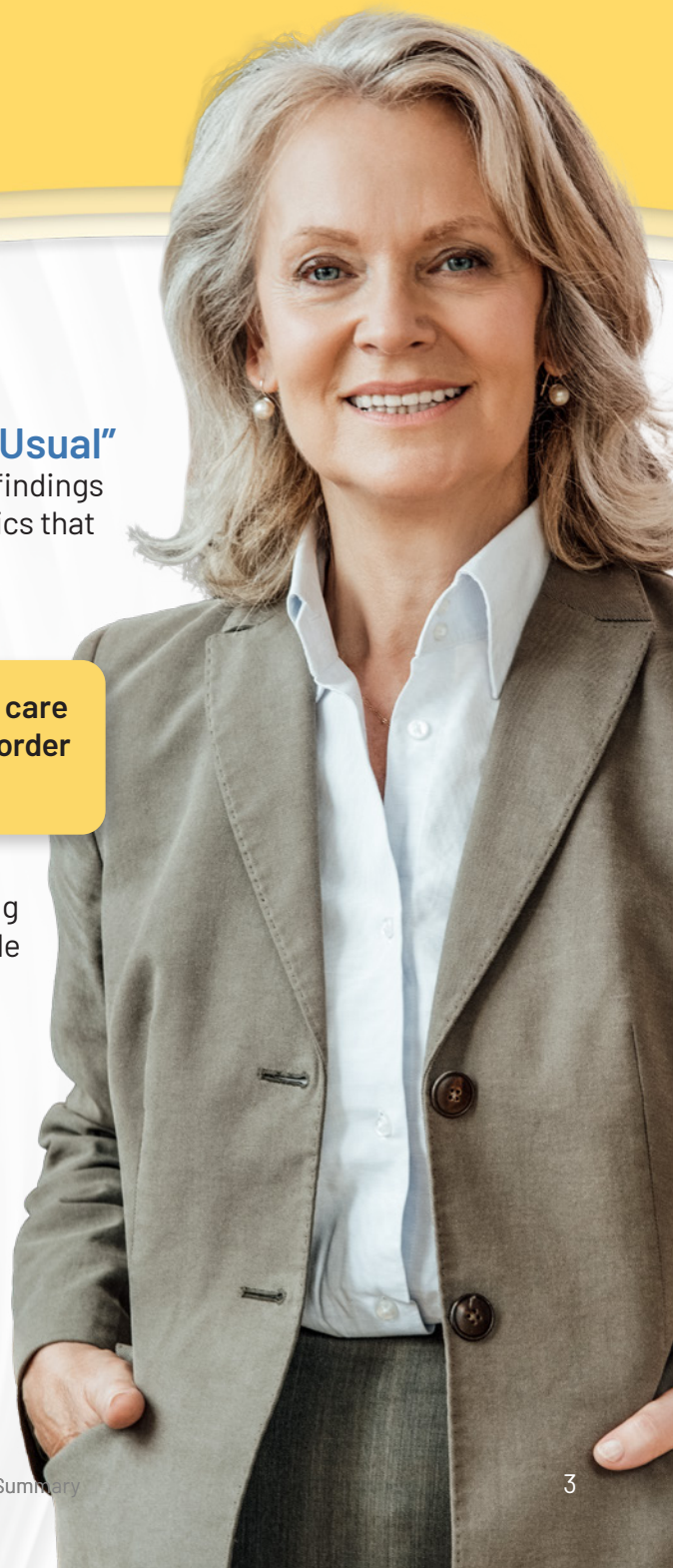
With each annual report, we’ve had the opportunity to present findings on various types of care trends. One of the most intertwined topics that will undoubtedly continue to shape trends for years to come: the impact of COVID-19.

Now is the time to direct our attention back to all areas of care impacting member populations and how to balance costs in order to maximize financial investment.

In today’s workplace landscape, employers are no longer bracing for the aftershocks of a pandemic; rather, they are riding its ripple effects as they try to make sense of:

- › Return-to-work options
- › Workforce strategies to combat the Great Resignation
- › Challenges with inflation
- › A looming recession

Through each line item above, a common predicament presents itself: **how can employers provide the best experience possible while protecting their financial bottom line?**



At first glance, the odds appear to continue to stack themselves against employers with the potential to derail all the effort dedicated to employee health and well-being. **But throughout the chaos, we're reminded there is opportunity.**

The 2023 Employee Health Trends report **focuses more closely on capturing employees' current health needs and building your confidence** to take on tomorrow's ever-changing healthcare landscape.

1

Lingering Effects of COVID-19: Overall Costs & How Long COVID Impacts Health

Looking at the diagnosis code alone for Long COVID is likely to cause employers to underestimate its impact on employees' health and healthcare costs.

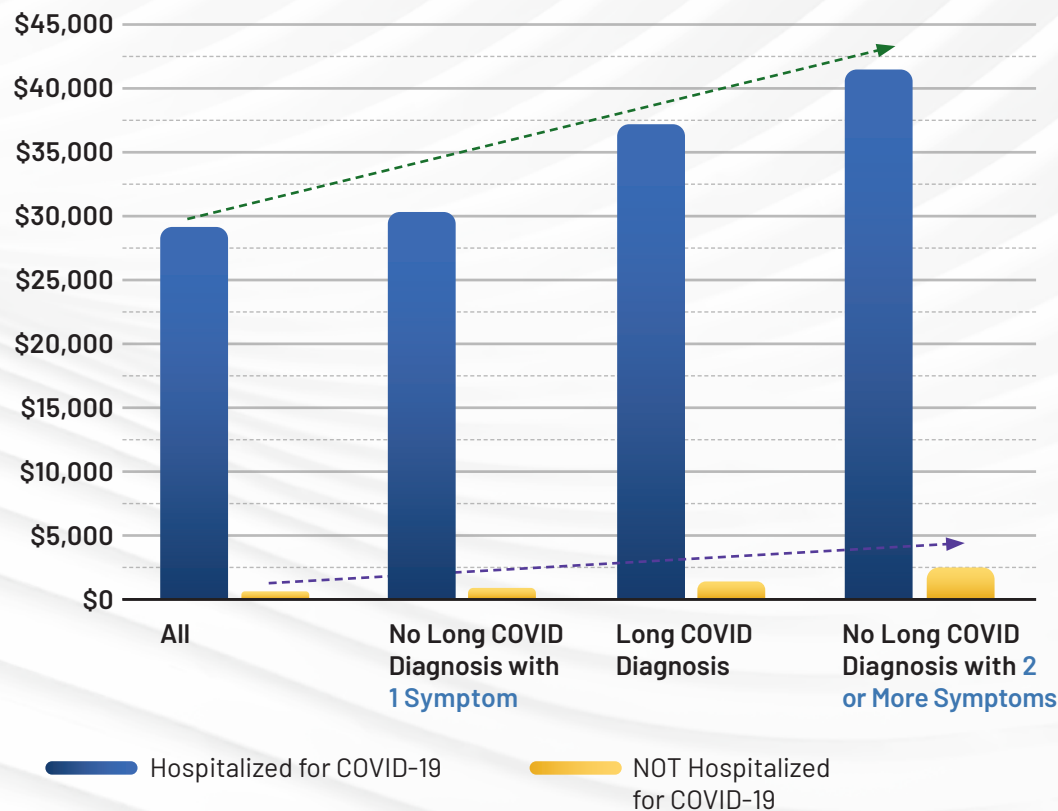
- › Springbuk data scientists and clinicians found that only **16.0% of inpatients and 1.6% of outpatients had a Long COVID-19 diagnosis**
- › An additional 22.1% of inpatients and 18.0% of outpatients have claims with one or more symptoms 90-180 days after their COVID-19 diagnosis

Members with two or more symptoms without a Long COVID-19 diagnosis are associated with the highest increases in median plan paid amounts six months post-diagnosis, with **increases in plan paid amounts of over \$42,000 for hospitalized members, and over \$2,600 for non-hospitalized.**



Increase in Median Plan Paid Amounts

During Initial 6 Months Following COVID-19 Diagnosis



Many members without a Long COVID diagnosis have symptoms 90-180 days later.

Plan paid **increases** for members without a Long COVID diagnosis with the number of ongoing symptoms recorded.

Increase in median plan paid represents the difference between median plan paid in 6 months following COVID-19 diagnosis compared to median plan paid for the same time period 1 year earlier.

Action Items and Key Takeaways

Do not underestimate the impact of COVID-19 on the long-term health of your members.

- › Long COVID may be undercoded due to ambiguity in defining the condition
- › The high rate of individuals with ongoing symptoms and the associated increase in plan paid amounts for these members suggests both an underreporting of Long COVID and an additional cost burden that may not be captured based on Long COVID diagnosis

To see the full effect Long COVID could have on your members, and additional recommendations, **read the full report [here](#).**





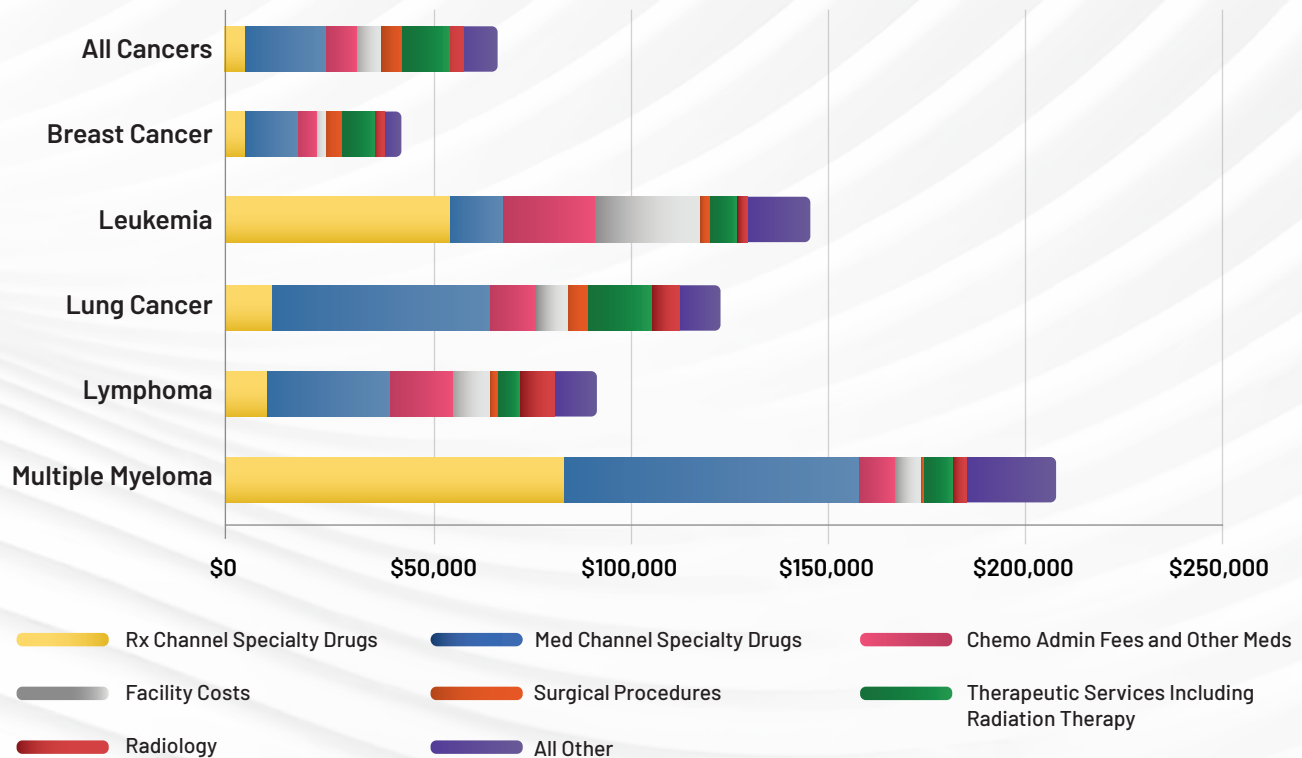
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Surges in Cost of Treating Cancer

Our team identified **specialty drugs as the largest cost driver in cancer treatment** - when narrowing our focus to all cancers with active treatment, **almost 44% of plan paid is for specialty drugs:**

- › Medical channel specialty drugs are the biggest drivers of cost for breast cancer, lung cancer, and lymphoma
- › Rx channel specialty drugs are the biggest driver for leukemia
- › Multiple myeloma costs are driven by both medical channel specialty drugs and Rx channel specialty drugs

Average Plan Paid per Claimant by Service Class



This classification is a Springbuk proprietary method

Note that plan paid and services utilized are likely to vary within each general cancer type based on factors that are not typically available in administrative data – including the more specific type of cancer, based on pathology and cancer stage.



Action Items and Key Takeaways

Specialty drugs play a key role in treating numerous forms of cancer; however, many of these drugs come at a very high price.

- Employers should look for alternative drugs and treatments to ensure their members still receive the best possible care at the lowest cost
- Biosimilars, generics, place of service, and using centers of excellence/second opinions may be helpful in ensuring that members are getting the right care

For deeper insight into the key cost drivers in cancer treatment and additional cost containment opportunities through biosimilars, **read the full report [here](#).**



3

Specialty Drug Utilization & Rising Costs

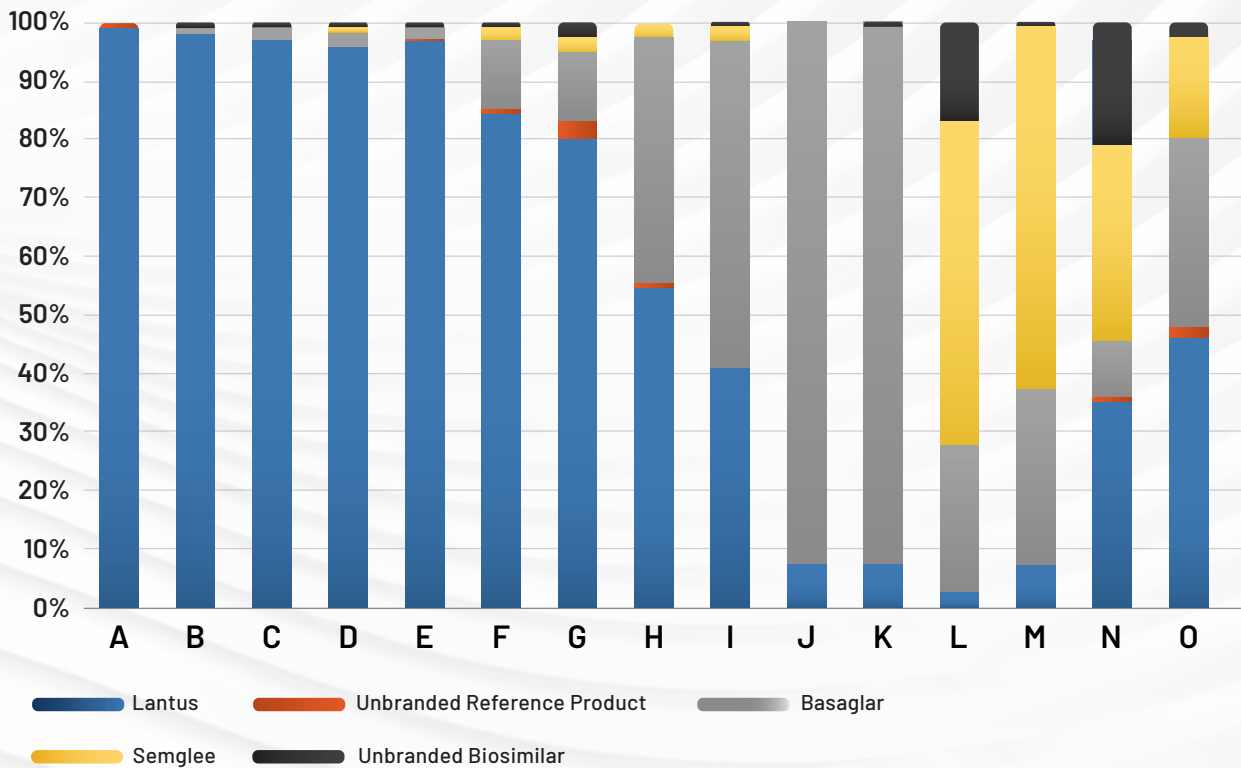
Biosimilars may help reduce specialty drug spending. In addition to costing less, they often drive down the cost of the reference product through competition.

The recent launch of a biosimilar for Lantus (insulin glargine) may help us understand biosimilar adoption in the Rx channel.

- › While insulin is a biologic, it was developed many years before the FDA started a separate approval process for biologics
- › Until 2020, insulin was considered to be a drug, but in 2020, it was moved so that approval of new forms of insulin is now under the biologic regulatory framework



Use of Lantus vs. Biosimilars for Carriers A to O



Note: All drugs shown are insulin glargine or biosimilar. Lantus is the reference product.
 *Unbranded reference product is insulin glargine and unbranded biosimilar is Insulin glargine-yfgn.



Action Items and Key Takeaways

As more biosimilars enter the market, it will be important for employers to work with PBMs to understand which of these drugs offer the lowest net cost.

- › It's essential to understand which drugs are on the formulary for your population
- › Biosimilar adoption will only occur if they are included in the formulary, and being on a lower tier than the reference product creates a greater incentive for their use

To see how you can introduce biosimilars to your workforce and build trust for successful adoption, **download the full report [here](#).**



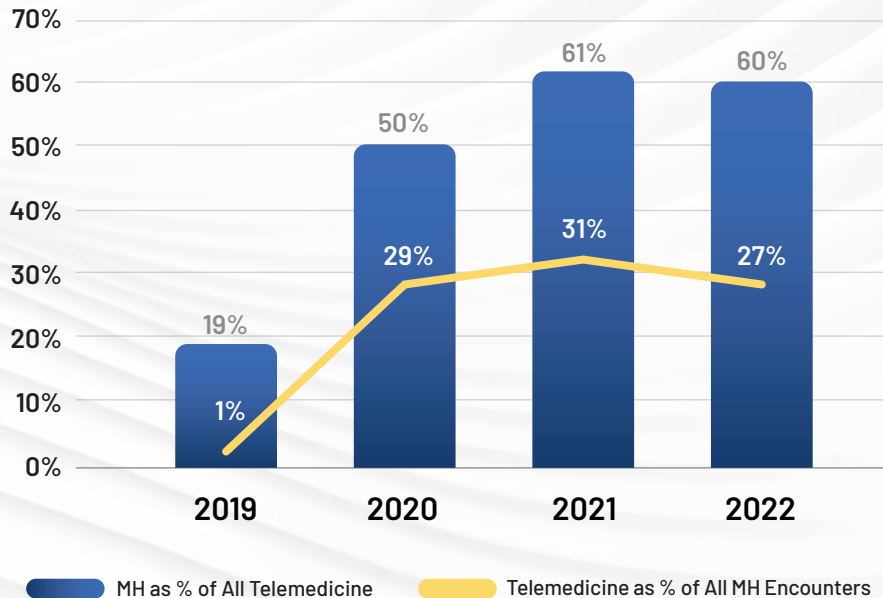
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Telemedicine & Mental Health Services

In 2019, Springbuk data indicated that only 1% of mental health encounters were conducted via telemedicine. **In 2022, we see that roughly 30% of all mental health encounters are through virtual visits.**



Mental Health (MH) and Telemedicine Trends



Using 2021 as an example:

Mental health related encounters represented **61%** of all telemedicine encounters.

Only **31%** of all mental health encounters were conducted via telemedicine, indicating an opportunity for continued growth and savings.

Telemedicine seems to be here to stay, especially given the increased need for mental health visits and the value it provides related to access, affordability, and situational context.



Action Items and Key Takeaways

As mental health conditions become more prevalent, and cost pressures continue to grow, we believe employers can benefit from the lower cost and increased access and efficiency that telemedicine provides:

- › Expanded access to mental health services may help reduce inequities within health plans
- › A lower cost option per service for members, a win/win for employers and their workforce

To see why offering members telemental health resources shows your dedication to their mental well-being, **read the full report [here](#).**



What You Can Do From Here

Your health data hold the key to providing the unique mix of benefits your employees need, without sacrificing your organization's bottom line.

To maximize the impact of your health benefits investment, you need the tools and insights to efficiently identify opportunities and meaningfully direct your resources.

Our Employee Health Trends report can help make that happen.

When you download the full report, you'll receive **deeper insights** and discussions on the four major trends, extended analysis, additional charts and visuals of key findings, and actionable recommendations you can act on today.

Download the Employee Health Trends 2023 report at springbuk.com/eht23

