



Driving Change Together



2024 YEAR IN REVIEW

For 50 years, Business Group on Health has been a community of members, a team of experts, an ally for employers, an objective and trusted health and benefits authority and a tenacious voice in health care policy. As 2024 draws to an end, we reflect on the challenges and complexities that employers face in managing health, well-being and workforce strategies.

This summary highlights the key focus areas from 2024 and how our multistakeholder membership was supported by the Business Group team through events, conversations, innovations and numerous resources.

Health care costs continued to climb at alarming rates: The time is now for employers to drive change through quality.

While health care costs have long been a concern for employers, the results from our 2025 Employer Health Care Strategy Survey were stunning. 2024 health care cost trend projection before plan design changes was +7.2% and projected to rise 7.8% in 2025, the highest rate of increase in more than a decade. The compounding effect of continued annual cost increases poses significant challenges for employers. Employers struck a balancing act of striving for near-term cost improvement while pursuing higher-quality programs and solutions, all while holding vendor partners accountable.

Employers re-examined vendor relationships in search of greater efficiency, fewer siloes and better overall outcomes, a key focus of much dialogue and learnings during our 2024 Annual Conference, in our Institute, Committee and Forum meetings, as well as during webinars and discussions throughout the year.

Addressing health care cost and quality issues were topics across many of our forums, in particular within our Cost & Delivery Institute, Executive Committee on Value Purchasing, Pharmacy Benefits Committee and Evidence-based Benefit Design Committee.

Equally important is the continued drive toward value. Investment in high-performance networks and centers of excellence (COEs), advanced primary care's increasingly important role and employer prioritization of patient outcomes, particularly for high-cost chronic conditions, were covered in several of our guides and resources. *Employers Driving Change Now and Into the Future* is a call-to-action exploring the critical role employers play in driving the market forward, including the push for more effective value-based care arrangements and alternative payment models, which marks a shift from fee-for-service models to payment structures built on quality outcomes and cost-effectiveness.

Multinational employers eyed value-based care through purchasing agreements, globally consistent design strategies, providing on-site high-value care directly and ensuring access to high-quality provider networks. Our resource entitled *Driving Value in Health Care Around the Globe* details how to build a global value-based care strategy. Global employers also looked to captive insurance to overcome funding barriers.

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2025 Employer Health Care Strategy Survey

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Optimizing a Captive Approach for International Employee Benefits

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Value-based Purchasing Employer Guide

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Employers Driving Change Now and Into the Future

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On the Frontline: Employers as Health Care Activists

Cancer remained the top driver of health care costs, but new innovations brought promise to the oncology treatment landscape.

Once again, cancer was the top driver of cost in 2024. The rise in late-stage cancers coupled with expensive therapeutics and innovations remains a concern for employers. Equally alarming is the increase in cancer diagnoses in younger populations, as discussed on our podcast and in various forums. Despite the increased incidence of diagnoses, there is a reduction in cancer mortality. In our Thought Leadership Series on cancer, we explored new cancer blood detection tests, mobile mammograms, on-site skin checks and lung cancer detection as helpful tools for employers to leverage for early detection of cancers.

Precision medicine has brought a wave of innovation to the cancer treatment landscape. Naturally, that brings more complex navigation, higher costs and the potential to exacerbate disparities in care. The rise in cancer incidence pushed employers to ponder how they could improve the patient and caregiver experience through cancer treatment. Must-do action steps are detailed in our viewpoint, *Taking Action on Cancer*.

Supporting employees diagnosed with cancer and employees who act as caregivers for loved ones with cancer was a topic at many of the Business Group's Institute, Committee and Forum meetings, including our Leave Optimization Forum.

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2025 Employer Health Care Strategy Survey

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Taking Action on Cancer: A Business Group Viewpoint

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Thought Leadership Series: Cancer

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By the Numbers: Cancer Facts & Figures 2024

Employers addressed pharmacy to reduce costs and continue to push the industry toward transparency.

Rising drug costs, fueled in part by increased utilization of GLP-1s and cell and gene therapies, have resulted in pharmacy consuming a growing share of employers' health care budgets. Employers turned to a combination of deploying mature solutions and including a variety of programs to manage costs. Through our resources we provided guidance on cell and gene therapies, including the challenges, considerations and opportunities for providing cell and gene therapy coverage as well as a robust list of recommendations to support employers in crafting their benefits strategy.

Employers continued to double down on the need for greater transparency through novel pharmacy solutions and partners. Options discussed at Business Group events throughout the year ranged from engaging with multiple partners to manage pharmacy and more transparent pricing models from existing PBM partners to discount programs outside the PBM structure that offer lower out-of-pocket cost options. Business Group on Health advocated for policy changes that facilitate fair and transparent negotiations between employer plans and pharmaceutical stakeholders and enhanced access to appropriate medication and treatment for our members.

Throughout 2024, the Business Group Pharmacy Benefit Committee and the Executive Committee on Value-based Purchasing discussed new benefit and payment models for driving better transparency of pharmacy benefits.

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Prescription Drug Pricing and Pharmaceutical Supply Chain Reform Policy Position Statement



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Connecting Employees to Cell and Gene Therapies Outside the United States: Opportunities and Challenges



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Integrating Pharmacy and Primary Care: Driving Better Health & Lowering Costs



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Addressing Pharmacy Challenges and Opportunities Head On



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Specialty Drugs and Gene Therapies: Driving Value and Mitigating Volatility



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Managing GLP-1 Medications and Related Costs



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Cell and Gene Therapy: Key Considerations for Employers with U.S.-based Populations



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High-Cost Drugs Create Accessibility, Affordability Challenges

Employers continued to make progress on mental health.

Mental health was among the top five drivers of health care costs, driven in large part by the increased utilization of mental health services, signifying that more employees are pursuing and accessing needed services. Employers, both U.S.-based and multinational, continued to focus on access, provider quality and vendor selection.

Throughout the year, we addressed increased levels of mental health needs, the key areas where employers made investments, pediatric and adolescent mental health, training managers and leaders, and how to implement data-driven mental health strategies and mental health treatment innovations, such as ketamine and psychedelic-assisted therapies, administered under the supervision of medical professionals.

Employers also addressed specific mental health needs, such as substance use disorder, neurodiversity and maternal mental health. They sought to reduce stigma, customize care, maximize virtual health offerings and innovate where possible to address substance use disorder. Additionally, employers aimed to identify approaches to achieving better health outcomes and workplace experiences for their neurodivergent population. They also endeavored to understand how they can make inroads to improved maternal mental health through plan selection, network coverage, destigmatization and leave and workplace flexibility policies. We brought these topics to life in our Innovation Showcases, Institutes, Committees and Forums, podcasts and resources for employers.

The Business Group's Leadership Forum on Employee Experience discussed novel ways to improve employee mental health needs, while our Health Innovation Forum examined new market solutions to address mental health in the workforce.

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Thought Leadership Series: What's Ahead for Well-being: Employer Trends and Future Outlook



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Quick Survey Findings: Mental Health Support in 2024



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Growing Mental health Needs Drive Costs Globally, Requiring Employers to Push for Value



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Playing the Mental Health Long Game



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A Spectrum of Benefits for Neurodiverse Employees



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Innovation Showcase Recap: Substance Use Disorder



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Innovation Showcase Recap: Ketamine and Psychedelics for Mental Health Treatment



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Mindful of Motherhood: Prioritizing Maternal Mental Health

Expanding the scope of well-being programs to encompass a holistic approach.

Employer investments in well-being remained consistently strong, even when confronted with unprecedented high health care costs. This signals employers' unrelenting commitment to employee well-being. As with other health and well-being investments, employers entered into a period of reassessment of their existing partners and programs and sought to streamline benefits and recoup greater outcomes with robust solutions. Employers leveraged data to drive decisions to optimize their offerings, including the adoption of data management platforms that allow for seamless aggregation of data across vendors for greater insights, access and control of data, as well as increased ability to evaluate existing and novel vendors.

Informed by discussions among members, we developed comprehensive resources and guides and convened both virtual and in-person meetings to discuss these well-being topics in depth. Topics covered included highlighting multidimensional well-being strategy approaches and initiatives and how to harness the power of managers.

Our Well-being & Workforce Strategy Institute convened regularly throughout the year to discuss all aspects of employee well-being.

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2025 Employer Health Care Strategy Survey



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Taking Action on Well-being: A Business Group Viewpoint



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Employer Trends Across Six Dimensions of Well-being



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Harnessing the Power of Managers in Your Well-being Strategy



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What if Data Wasn't an Obstacle Anymore? Rethinking How Better Insights Can Shape Benefit Strategy



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Employers Consider Additional Forms of Leave to Bolster Workforce Well-being



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Yes, And: When Employers Spotlight Workplace Well-being, Outcomes Improve

Globalization of health and well-being programs presents challenges and opportunities.

Multinational employers have always been challenged with providing globally consistent health and well-being benefits and programs across borders. Increasing costs remain a challenge for multinational employers and as a result, they have set their sights on driving value. To better manage the cost dilemma, employers pursued value-based care models and captive insurance.

There was an increased focus on preventive care and a drive toward COEs to ensure affordable, high-quality care. Consideration was given to establishing regional COEs to ensure access to high-quality care and to lay the foundation for regional innovation hubs, where initiatives can be piloted and scaled. Employers further established supportive leave policies and travel and lodging benefits for employees to travel to receive high-quality care.

Mental health was a top priority across all regions, and efforts to reduce stigma and increase access to culturally appropriate supports were implemented. Multinational employers are tasked with providing holistic well-being for their employees and expanded offerings that were locally/regionally relevant, in compliance with regulatory requirements and which supported global consistency efforts. This is particularly true in the case of mental health services as well as aspects of well-being such as leave and financial well-being.

Our Regional Meeting series (Latin America, Asia Pacific and Europe, Middle East and Africa) and various Institute and Committee meetings generated discussions ranging across the spectrum of health and well-being, with a focus on challenges and solutions, as well as what's on the horizon.

Throughout the year, the Global Institute tackled the complex challenge of benefit harmonization facing multinational employers.

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Regional Meeting Insights: Asia Pacific September 2024



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Regional Meeting Insights: Latin America November 2024



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Regional Meeting Insights: Europe, Middle East and Africa March 2024



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Growing Mental Health Needs Drive Costs Globally, Requiring Employers to Push for Value



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Well-being Beyond Borders: The Global Consistency Challenge



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Managing Chronic Conditions Globally: Employer Considerations and Recommendations

Employers' perspectives on policy issues are critical as employers look to improve workforce health and well-being.

In 2024, we worked on behalf of Business Group members to represent employer interests before the U.S. Administration, regulators, legislators and other key stakeholders.

We began the year advocating for greater transparency, fair dealing, competition and innovation to ensure affordability of, and value within, employer-sponsored health plans. We also issued policy positions on Medicare payment delivery and reform, prescription drug pricing and pharmaceutical supply chain reform and transparency.

The Business Group supported a balanced approach to continued implementation of the No Surprises Act that would bring greater clarity for patients, promote prompt and efficient payment resolution and reduce independent dispute resolution (IDR) processes.

We acknowledged ERISA's 50th anniversary and advocated for ERISA preemption as well as providing guidance to the House HELP subcommittee. We further monitored developments on challenges to the law's fiduciary duty component.

We carefully monitored the U.S. Supreme Court's (SCOTUS) new 2024 term and the health care related cases and regulations brought under judicial review. Business Group on Health continues to support employers by educating them on potential implications for their plans. We continue to monitor impacts from the 2024 U.S. Election, including cabinet appointments and policy implications for members.

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ERISA at 50: the Bedrock for Employer-Sponsored Health Benefits

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New Legal Challenge to ERISA Fiduciary Duty as Landmark Law Turns 50

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Thought Leadership Series: Leave Policy

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Policy Position Statements

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What your CEO is Reading: PBMs - Continued Inquiry, Important Themes, New Risks, Oversimplification, and the Extent of Government Oversight

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Supreme Court 2024 New Term Update

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Thought Leadership Series: 2024 Election: Policy Implications

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Public Policy Webinar: Regulatory & Compliance Update November 2024 Post-Election

Power through Community

The strength, impact and influence of our multistakeholder member community continue to grow. Throughout the year and in a variety of formats, we convened members to network, learn from each other, collaborate on meaningful topics and hear from experts on the latest pressing issues. Whether virtually or in-person, members had extensive opportunities to productively participate and engage. The following are representative examples:

Annual Conference:



Business Group on Health's 2024 Annual Conference convened nearly 700 employers and industry stakeholders in Tucson, Arizona. This highly regarded 3-day event featured compelling sessions and speakers spanning an array of critical health and well-being issues. This event was a key opportunity for collaboration, learning and connection among employers and industry; it demonstrated the strength of our membership community's commitment to the advancement of workforce health and well-being.

Here's a snapshot of the events the Business Group hosted in 2024:



Held
32
webinars



Convened over
150 leaders
from 88 multinational
employers across
24 countries
for events spanning Europe,
Middle East and Africa, Asia
Pacific and Latin America



Convened
31
Institute, Committee and
Forum meetings



Held
14
Employer-to-Employer
discussion calls



Produced
20
informative podcast episodes on
the most relevant health, well-
being and workforce issues



Hosted
4
innovation showcases that
explored significant topics on
the future of health and
well-being



In 2024 we added even more opportunities for our members to meaningfully engage through the following:



Thought Leadership Series:

We launched a new video series that features conversations with leaders at Business Group on Health. Through this new format, we shared insights and opportunities about the most pressing issues in health care cost and delivery, well-being and workforce strategy. We released a total of 10 videos on topics ranging from health equity, cancer, employer actions to manage costs to discussing policy, data insights and themes from our Annual Conference.



Partner Perspectives:

We kicked off Partner Perspectives, a video series where we invite our Industry Partner members to share a source of innovation, an emerging solution or research on a unique topic on trends shaping modern health care issues relevant to employers. The inaugural session showcased a unique data-driven approach that supports how employers manage rising drug costs and complex conditions.

Employer Community Posts:

Over 730 posts/replies were added to our Employer Community, an online forum for employer members to connect on all health and well-being topics and get questions answered in real time, directly from other employer members. The forum had over 400 active employer members and was viewed over 15,000 times this year. In 2024, the Employer Community saw a 17% increase of posts from 2023, signaling how meaningful this platform is for employers to connect and support each other.





Looking ahead to 2025

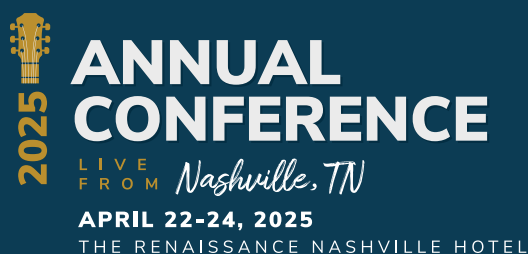
On behalf of our members, we will continue to focus on the most pivotal areas of health, well-being and workforce strategy for employers and the millions of people they represent. This includes continuing to focus on essential topics such as health care costs, affordability, pharmacy benefits, mental health, health equity, well-being, navigation and patient experience, innovation and technology, impacts from the 2024 election and the role of employers as stewards of health and well-being. Our robust membership community – representing over 60 million lives in 200 countries – allows us to provide unparalleled and objective insights and thought leadership to drive meaningful impact.

As we look ahead to 2025, we are looking forward to continuing to represent employer perspectives on optimizing workforce strategy through innovative health, benefits and well-being solutions and on advocating for health policy issues that support the improved health and well-being of the global workforce and their family members.

Health and Well-being Trends to Watch in 2025:

- Health care costs are growing at historic rates – sparking an impetus for change.
- Employers must tackle rising pharmacy costs to control overall expenses.
- Progress has been made in mental health, yet more challenges lie ahead.
- Employers will hold their vendor partners to higher standards.
- Employers may need to defend physical well-being programs; more sophisticated approaches are needed.
- Employers and vendors must better enable employees to find the right support at the right time.
- U.S. policy changes and global economic shifts will affect both employers and employees.

We look forward to seeing you in 2025!



The 2025 Annual Conference will bring employers and industry experts to Nashville, Tennessee, from April 22-24, 2025, for several days of thoughtful discussions and immersive experiences. Attendees will have the unique chance to network, collaborate, learn and explore the latest trends in health care cost and delivery and well-being and workforce strategy with the goal of advancing opportunities for improved employee health, well-being and benefits transformation.

Registration and accommodation are expected to sell out early, so don't delay in reserving your spot!

To learn more about the Institutes, Committees and Forums referenced throughout this document, [click here](#).