



MARKET REPORT

Inside the Fortune 500: How industry leaders manage population health

Top executives share their challenges and aspirations for providing personalized and effective benefit programs*

*Interviews were conducted with 20 decision-making executives, mostly at the Fortune 100, 250 level.

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On the right track

How decision makers are tracking key performance indicators to optimize benefits programs

We at Merative, have a passion for helping employers evaluate the performance of health and benefits programs and personalize employee wellness with confidence, but we wanted to take it a step further. To keep a pulse on what challenges are top of mind, we sat down with Fortune 500 executives responsible for employee benefits program success. In those conversations, they revealed challenges they face in monitoring, evaluating, and improving their health benefits plans and programs. There was also a shared desire to deeply understand cost drivers, enhance employee engagement, improve mental health programs, and boost efficiency despite limited staffing and resources.

Decision makers currently evaluate programs by monitoring various key performance indicators (KPIs), but are always looking for better metrics to help determine effectiveness. According to respondents, two KPIs that they are eager to track include a more granular view to better understand cost drivers, as well as a more precise measurement of return on investment (ROI) in relation to healthcare spending.

Access to these additional KPIs will continue to help unlock insights within employee populations and optimize healthcare spending to address key challenges. Of the common KPIs reported, many members of the group emphasized the importance of benchmarking data to remain competitive in the market.



“We would like more targeted information, to identify more targeted programs, that specifically target those issues from a wellness perspective.”



“[We would like to see] a return on the investment and then how it’s helping our overall healthcare spend.”



“Benchmarks are super important and a major selling point to us. We always want to know where we are relative to other people.”

Sailing through fog

What strategic and capability gaps decision makers need to fill to uncover clear insights

As healthcare analytics become more advanced, interviewees continue to face challenges related to analytic capabilities and strategic needs.

Capability challenges

- Access to actionable, quality population health data
- Hard to understand cost-drivers and patient-level details
- Ability to benchmark against competitors
- Lack of analytic expertise and resources

Solving these capability challenges will help benefits professionals achieve their strategic goals with informed decisions and increased confidence.

Strategic goals

- Identify specific areas to optimize healthcare spend
- Better understand healthcare program performance
- Inform decisions to improve employee health
- Improve healthcare access and affordability for all

When you combine these top strategic goals, the organization is armed with confidence to reduce costs and increase productivity. Employees also gain easy access to more personalized and effective programs for themselves and their loved ones. Sitting with these executives provided a glimpse of a bright future, yet it also highlighted the presence of underlying challenges that need to be overcome first.



Navigating a maze

Top-of-mind challenges that employee benefits departments are trying to overcome

In the conversations, many mentioned challenges around motivating employees to take advantage of preventive healthcare and wellness programs, which would ultimately improve health and reduce costs. But many challenges tie back to lack of analytic expertise and complex data.

Limited insights

Managing healthcare spend is a complex and arduous process, impacted by many variables, making it hard for departments to identify specific high-cost areas. As mentioned previously, there is a hunger for more granular views to help identify more targeted programs to reduce costs and improve ROI.



“Not having specifics on what exactly is going on with spend is a limiting factor in being able to identify what targeted interventions we should focus on.”

Unknown value

On day 1, employers make a commitment to their employees to support their health, but it comes with a high cost to maintain. In today's economy, every dollar counts and it's imperative for organizations to support programs that are valued and utilized by employees.



“We have great programs, but it's only going to amount to something if we have people who participate.”



Behavioral health overload

There was also a heavy emphasis on struggles associated with mental health expansion and all of the new employee support programs. While access to various behavioral health services is critical and long overdue, managing all these new multiple point solutions is proving to be overwhelming.

Tight resources

Benefits directors are desperate for ways to more efficiently evaluate opportunities and engage employees in intervention programs, but often they're stretched for time and resources.

Many interviewees mentioned a need for an easy-to-use analytic solution that you don't need to be an analytic expert to use – helping translate data into actionable and meaningful outcomes, while monitoring the bottom line. As benefits leaders increase their access and expertise with healthcare analytics, they will be able to deeply understand employee needs, view current program utilization, and better inform plan designs. Healthcare analytics offer up a gold mine for enhancing employee engagement – helping uncover trends, understand utilization, and identify efficiencies.



“Anytime you can have analytics and insights is huge. When you think about that, that's where we need to go. We have data, but sometimes the insight is not there. I love the thought of having drillable dashboards.”



“[I want to] click on a button and have what I need at a baseline, at a certain level without [the need for] additional skills.”



Dream come true

Making employer dreams a reality with powerful insights and easy-to-use healthcare analytics


Interviewees were blindly introduced to Merative Health Insights, an easy-to-use, best-in-class analytic tool. The group was excited to see how Health Insights can help them address their top program challenges, backed by powerful analytics and a team of trusted industry experts ready to help.

For over 40 years, we've been partnering with clients to evaluate current spending and trends, impact of new-to-market drugs, and identify savings opportunities. We've seen great success combining our advanced analytics with our client's healthcare data to look at areas like biosimilars, therapeutic equivalents, appropriate place of service, and provider price variation.

Learn why 40% of the Fortune 100 trusts Health Insights:


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 Access actionable, quality population health data **with strong data hygiene**

 Understand cost-drivers and patient-level details **with drillable dashboards**

 Benchmark against competitors **with industry-specific data**

 Collaborate with analytic experts **with decades of experience**



“It seems like it hits the mark... Previously it's all just been a reactive or retro look at what the cost has been. This provides a proactive look at what the risks and the potential interventions could be, so it seems pretty comprehensive to me.”



“It definitely helps with understanding whether the programs in place are working, and if it's improving health and wellness.”





About Merative

Merative is a data, analytics and technology partner for the health industry, including providers, health plans, employers, life sciences companies and governments. With trusted technology and human expertise, Merative works with clients to drive real progress. Merative helps clients orient information and insights around the people they serve to improve decision-making and performance. Merative, formerly IBM Watson Health, became a new standalone company as part of Francisco Partners in 2022.

Learn more at www.merative.com

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Produced in the United States of America
April 2023

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MHI-4378589935 Rev 1.0