



June 2021: Health Plan Industry **Market Intelligence Report**

DistilINFO HEALTHPLAN

Right Info | Right Audience | Right
Time



DistilINFO **HEALTHPLAN**

What Topics did **100,000+** Subscribers of our Publications Read?

Digital Health
Surging

Mental Health is
Community
Health

Quality Care is
Paramount

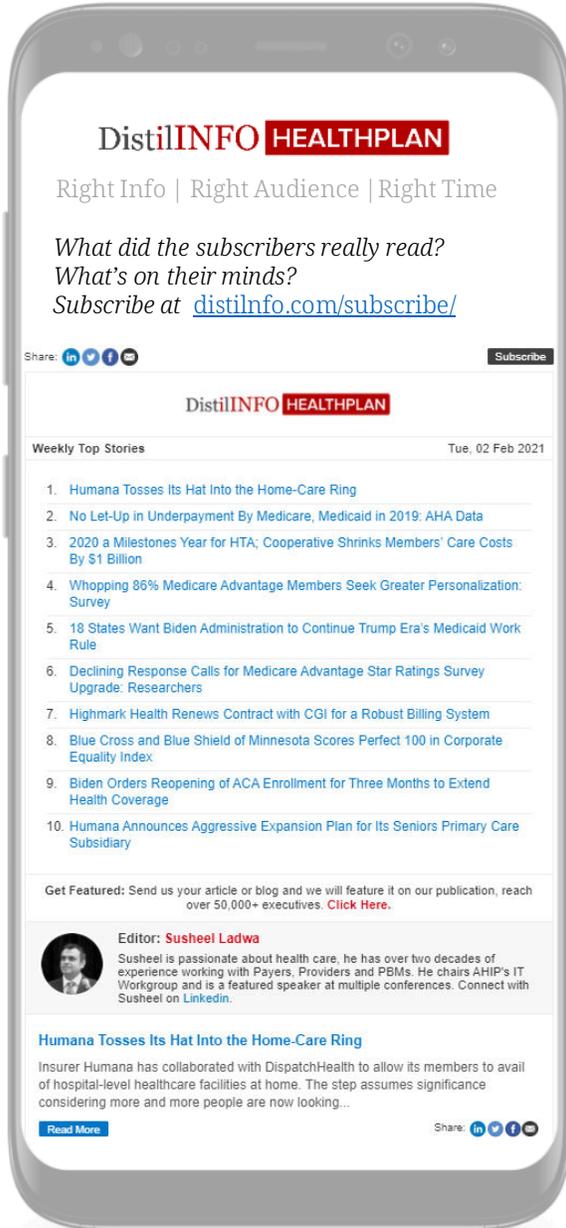
Profitability for
Health Plans

Editor's Pick

**4 payer CEOs among 15
Highest-Paid Bosses in
Healthcare Industry**



Top 10 Most Read articles in
May 2021 in Health Plan Newsletter



We studied and analyzed
reader interest across
Health Plan Industry for this
report.

9,000+
CxO Level
Readers

13,000+
VP Level
Readers

1,800+
Health Plan Affiliated
Organizations

31,000+
Director Level
Readers

1. [Majesco, Cigna Unite to Accelerate Digital-Health Solutions](#)
2. [7 Blue plans sue CVS for alleged Overpricing of Generic Drugs](#)
3. [BCBS California collaborates with Gemini Health to transform pharmacy care](#)
4. [Humana collaborates with Nowpow to improve community health](#)
5. [Expansion in Medicare would make more affordable for seniors: Avalere](#)
6. [Is investing in UnitedHealth shares Profitable?](#)
7. [SAMHSA Pledges \\$3 Billion Grant to Check Addiction, Mental Health Crisis](#)
8. [Every American Deserves Quality Care Without Discrimination: AHIP CEO](#)
9. [5 Reasons Why India Failed to Contain Second COVID Wave](#)
10. [Top 7 Payers See Revenue Increase in Q1](#)

Here is what

CxO, VP, Director Level health plan audience is interested in.



CxO, VP Level Audience

Digital Health Surging: How do a boost to digital health ecosystem create opportunities for the health plans?

Mental Health is Community Health: Why is mental health surfacing like an iceberg? How to address it to make our communities better?

Overall Business Audience

Quality Care is Paramount: Every wants the quality of care to be excellent. What is the business case for health plans?

Profitability for Health Plans: Help us understand the profitability of the payer organizations in the post pandemic 2021. Where should the time, money, and energy be invested?

Digital Health Surging

Digital Health Surging: How do a boost to digital health ecosystem create opportunities for the health plans?



- **64%** of healthcare leaders are investing heavily in digital health technology
- **41%** leaders have highlighted the importance of forming strategic partnerships with technology companies or other healthcare facilities to jointly roll out new digital technology. ¹

- Technology-enabled ecosystems is expected to contribute to offloading around a quarter of hospital care, insurance underwriting, and claims burden
- 19% of healthcare leaders are prioritizing investments in AI but 37% said they plan to do so over the next three years. ¹
- By 2023, 60% of health insurance products will be characterized by two communities, standard or individualized, which will be portable and accommodate social determinants of health.
- By 2024, the proliferation of data will result in 60% of healthcare organizations' IT infrastructure being built on a data platform that will use AI to improve process automation and decision-making. ²

Health insurance can prove to be a risky business. Investing blindly into people knowing only a few details about their lives and lifestyles might not prove profitable to make fully-informed decisions. As such, more data could help them make better decisions and this is possible with new technologies like personal health sensors. Some insurance companies already saw the potential in such approaches and put them into practice. ³

1

[This is what healthcare leaders see as the future for digital health](#)



2

[What to expect in 2021 and beyond? IDC offers 10 healthcare predictions](#)



3

[5 Insights About The Future Of Health Insurance In The Digital Health Age](#)



Mental Health is Community Health

Mental Health is Community Health: Why is mental health surfacing like an iceberg? How to address it to make our communities better?



A high percentage of adults experienced this mental distress in Australia (23%), Canada (26%), France (24%), New Zealand (23%), the United Kingdom (26%) and the United States (33%), and lower rates of distress were seen in the Netherlands (14%), Norway (10%) and Sweden (18%) (Commonwealth Fund, 2020).¹

The Substance Abuse and Mental Health Services Administration (SAMHSA) is distributing \$3 billion in American Rescue Plan funding — the largest aggregate amount of funding to date for its mental health and substance use block grant programs. The Community Mental Health Services Block Grant (MHBG) Program and Substance Abuse Prevention and Treatment Block Grant Program (SABG) will disperse \$1.5 billion each to states and territories.²

- Overall spending on mental health claims increased nearly 25% year-over-year in 2020.
- Members with stop-loss (high-cost) claims related to mental health disorders increased by 21%.
- The average cost of a mental health claim per person in 2020 was about \$80,000.³

Alcohol-related disorders, opioid-related disorders and depressive disorders ranked as the top 3 subcategories for mental health claims, and individuals with complex health conditions were found to have an increased likelihood of also having a mental health issue.³

1

[Tackling the mental health impact of the COVID-19 crisis: An integrated, whole-of-society response](#)



2

[SAMHSA Pledges \\$3 Billion Grant to Check Addiction, Mental Health Crisis](#)



3

[Pandemic Drives Up Mental Health Claims in Insurer's Report](#)



Quality Care is Paramount

Quality Care is Paramount: Every wants the quality of care to be excellent. What is the business case for health plans?



Under the Hospital OQR Program, hospitals must meet administrative, data collection and submission, validation, and publication requirements, or receive a **2%-point reduction in payment for failing** to meet these requirements, through the Outpatient Prospective Payment System (OPPS) payments and copayments for all applicable services. ¹

Under the agreement with Google, HCA Healthcare will consolidate and store data from digital health records and internet-connected medical devices with Google. HCA Healthcare and Google engineers will develop algorithms to improve operating efficiency, monitor patients and guide doctors' decisions.. ²

“While protecting patient privacy and the security of data, HCA Healthcare uses **information from our 32 million annual encounters** to identify opportunities to improve clinical care and support its 93,000 nurses and 47,000 active and affiliated physicians. HCA Healthcare has ... developed algorithm-informed decision support tools for caregivers and identified clinical practices that reduce infections and improve perinatal care.” ²

- The **interoperability mandate** will give people greater access to their health records by removing barriers that have prevented easy data sharing between providers.
- The **price transparency mandate** will help people and their families with financial planning around healthcare. Recent surveys have shown up to one-third of insured people do not get the healthcare they need, either because they didn't know what it would cost, or the cost was too high. ³

1

[CMS Hospital Outpatient Quality Reporting Program](#)



2

[HCA Healthcare and Google Cloud join forces to improve healthcare](#)



3

[How CMS mandates can drive quality care and improved patient experiences](#)



Profitability for Health Plans



- Through the end of 2020, gross margins among individual market and fully-insured group market plans were **4% and 16% higher**, respectively, than they were in 2019.
- **Annual gross margins per member** per month for managed care organizations (MCOs) in the Medicaid market were **45% higher** in 2020 than they were in 2019. ¹

- **CVS-Aetna** saw total **revenue increase 6.7%**, and adjusted operating income increase 19.5%. The company gained 214,000 new members since Dec. 31.
- **Cigna** recorded **revenue of \$41 billion** in the Q1, up from \$38.5 billion in 2020 Q1. The Q1 profit is \$1.2 billion, nearly unchanged from 2020 Q1.
- **Humana's revenues grew 9.2%** a year over year to \$20.7 billion in Q1. The Q1 profit, \$828 million, is 75.1 % higher than it was in the same period last year.
- **UnitedHealth Group's revenue grew to \$70.2 billion** in Q1, compared to \$64.4 billion in 2020. UnitedHealth ended the Q1 with a \$4.9 billion profit, up from \$3.4 billion in 2020 Q1. ²

Given that IoT fuels a data-driven framework, it leaves room for automation, which can reduce costs by nearly 30% for insurers.

- Insurance businesses can become custodians of historical and real-time data, which will offer deep insights into customer behavior.
- IoT in health insurance also lays the groundwork for preventive care rather than reactive risks and losses. ³

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Profitability for Health Plans: Help us understand the profitability of the payer organizations in the post pandemic 2021. Where should the time, money, and energy be invested?

1 [Health Insurer Financial Performance in 2020](#)



2 [Top 7 Payers See Revenue Increase in Q1](#)



3 [Can IoT Boost Insurance Profitability? Absolutely Yes!](#)



Key Takeaways



Digital is a Marathon just beginning!

- Digital health is where the eCommerce was in early 2000
- The digital health initiatives are an amalgamation of healthcare providers, payers, and tech players
- Tech is making it possible for the insurers to plug the holes and improve the operational efficiency
- Digital health is the answer to many regulations relating to interoperability, quality, data, and pricing

Invest, Collaborate, implement the Digital Health



Invest to tackle mental health, yesterday!

- Mental health issues are impacting the insured and uninsured population at large
- Health plans must address the non-medical situations like distress, social habits, financial practices, etc. to ensure sustainability demonstrate corporate responsibility
- Community depends upon the mental and social wellbeing for producing an environment conducive for business

Mental health is the driver of population health



Quality is the business and the LAW!

- Health providers are now forced to share the data regarding their quality outcomes, else face a 2% cut in the payout
- Health plans have the opportunity to use this data (and pricing transparency data) to make better underwriting and claims decisions
- Healthcare is undergoing a transformation on multiple fronts, thanks to the democrats, republicans, and the pandemic.

Help customers to get better quality care



Profits are too good to be true!

- The current inflation in revenues and profits by double % digits is neither organic nor sustainable
- The current positive numbers are a shock response to the ongoing pandemic
- Post-pandemic, health plans will have to part away with some of these profits
- Payers and their investors should be prepared to see a couple of dry spells, before everything is set in equilibrium

The supranormal profits will be corrected soon

Executives' Insights



Artificial Intelligence is democratizing the access to quality care



The best way serve your clients is to care for their health



Smart plans for self insured is picking up



Data will help to serve members with higher clinical risk



Dr. Koepsell
Co-founder, and CTO of Caption Health

“We have made great strides on our journey to reconstruct healthcare by leveraging the power of artificial intelligence to democratize high-quality medical imaging. I am excited to work with Steve as we continue our mission to make ultrasounds more accessible than ever, enabling critical diagnoses that may have otherwise come too late.”



Larry C. Glasscock
CEO of Anthem, Inc

“Anthem’s continued strong showing recognizes the guidance and dedication of our 20,000 associates to perception and meeting the needs of our customers and ensuring their satisfaction. We will remain focused on our customers and on our mission of improving the health of the people we serve.”



Edmundo Gonzalez
CEO of Marpa Health stated

“Ronnie’s (our COO) leadership and experience in the self-insurance and TPA industries are widely known and valued; her deep and broad expertise across the many facets of the business are critical as we launch deep learning and the first SMART Health Plan Services System into the self-insured market.”



Dr. Benjamin Edelshain
VP, Clinical Engagement & Digital Innovation, Highmark

“We are proud to receive this Brand Innovation Award and to be recognized nationally for the innovative ways we are reaching members with higher clinical risk.”

Our Publications
Your Lead Gen Platform

DistilINFO HEALTHPLAN

Publication	Reach	eNewsletter Frequency	Ad Options	Impact
DistilINFO HEALTHPLAN	100,000+	Every Tuesday & Thursday	Banner Ad	Visibility
DistilINFO HOSPITAL IT	60,000+	Every Monday	eBlast	MQL
DistilINFO POPHEALTH	11,000+	Alternative Fridays	Static Banner	Visibility
DistilINFO GOVHEALTH	35,000+	Alternative Wednesdays	Interview Ad	MQL
DistilINFO LIFE SCIENCES	42,000+	Every Monday & Tuesday	Content Ad	Visibility
DistilINFO AGING	24,000+	Alternative Fridays	Google Ads	MQL
			Linkedin Ads	Visibility

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Run Campaigns | Generate Leads | Increase Visibility | [Request Media Kit](#)

Promote your brand to
100,000+ Health Plan
focused decision makers..

Typical Results

Visibility	In a Week..	In a Month..
CxO Level	~75+	~150+
VP Level	~200+	~300+
Director Level	~400+	~600+
Others	~500+	~800+

Marketing Qualified Leads

MQL's	~20 to ~50	~50+
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