



2024 Global Medical Trends

Executive summary

Near double-digit global medical costs projected in 2024 despite decline from 2023 highs

The cost of medical care globally reached a historic high in 2023, with the medical trend rate climbing into the double digits for the first time. However, the WTW 2024 Global Medical Trends Survey reveals a near-term improvement in trend while longer-term challenges persist.

After surging from 7.4% in 2022 to a high of 10.7% in 2023, the medical cost trend for 2024 is projected to decrease to a global average of 9.9%.

Several factors are contributing to this decline. The spike in elective procedures, consultations and other medical care resulting from delayed or postponed care due to the pandemic is starting to ease. In addition, global inflation, which was a significant factor in driving up healthcare costs, is expected to continue to fall in 2024.

But while medical trend is projected to decline, it remains elevated. The high cost of new medical technologies is a key reason for persistently high trend. Furthermore, in some regions, ongoing geopolitical conflicts and resulting displaced populations have negatively affected medical

costs due to an increased need for care and reduced availability of providers.

The growth in medical costs is projected to decline or remain unchanged in most regions in 2024 (Figure 1). Healthcare insurers participating in our survey expect the sharpest decrease to occur in Europe, where medical trend is projected to drop from 10.9% in 2023 to 9.3% in 2024, the lowest rate of increase projected in any region. While this decline is encouraging, Europe has traditionally seen much lower levels of trend. The stubbornly high medical trend in Europe can be attributed primarily to higher healthcare cost increases in countries in Eastern Europe and in Turkey (Figure 2).

Survey findings reveals a near-term improvement in trend while longer-term challenges persist

Figure 1. Global medical trend 2022 – 2024, globally and by region

	Gross			Net**		
	2022	2023	2024 (projected)	2022	2023	2024 (projected)
Global†	7.4	10.7	9.9	-0.3	5.2	6.5
Latin America†	10.5	12.4	11.6	2.7	6.3	7.9
North America	8.0	9.8	9.4	0.5	5.6	7.1
Asia Pacific	7.2	9.9	9.9	2.2	5.6	7.0
Europe	6.7	10.9	9.3	-2.4	5.0	5.9
Middle East and Africa	9.8	11.3	12.1	2.6	4.2	6.8

† Global and Latin America numbers exclude Argentina and Venezuela
**Net of general inflation

The growth in medical trend in Latin America is expected to decrease from 12.4% to 11.6%, while in Asia Pacific the trend rate is projected to remain unchanged at 9.9%. In North America, it is anticipated that medical trend will drop from 9.8% to 9.4%, due in large part to abating inflation. At the same time, in the Middle East and Africa, insurers expect trend to increase slightly from 11.3% to 12.1%.

58%

of insurers anticipate higher or significantly higher medical trend over the next three years

Medical costs are expected to rise over the longer term

While the growth in medical trend is projected to slow globally in 2024, insurers expect costs to resume their ascent over the longer term. Over half of insurers (58%) anticipate higher or significantly higher medical trend over the next three years. Eighty-four percent of insurers in the Middle East and Africa expect higher or significantly higher healthcare cost increases during this time period as do over half of insurers in Europe (57%) and Asia Pacific (59%); however, in the Americas, less than half of insurers (45%) anticipate this level of cost increase.



Key findings

Our survey uncovers the key factors influencing medical trend rates and opportunities to control costs

- **More insurers cite musculoskeletal disorders as a top condition by incidence. Mental health ranks among the fastest-growing conditions by incidence and costs.**

Musculoskeletal disorders remain the top condition by incidence of claims, followed by cardiovascular disease and cancer. The percentage of insurers ranking musculoskeletal disorders as a top condition in this category increased from 46% in 2022 to 57% in 2023. These disorders are associated with issues ranging from carpal tunnel syndrome to chronic neck, shoulder and back pain. Poor ergonomics in employees' home work environments and a sedentary lifestyle are key factors contributing to musculoskeletal disorders.

Employees also continue to struggle with mental health issues, including anxiety and depression, which can affect overall employee wellbeing and productivity. Mental and behavioral health disorders are expected to remain among the top five fastest-growing conditions by both cost and claims over the next 18 months. In the Americas, mental health is the top condition by incidence of claims. Additionally, mental and behavioral health disorders rank among the top five conditions by cost in all regions except in Asia Pacific and in the Middle East and Africa, where sociocultural stigmas around mental health may still exist and coverage exclusions may be in place.

Cancer remains the top condition affecting costs globally and across all regions. Moreover, cancer is projected to be the fastest-growing condition globally by cost and the second-fastest-growing condition by incidence in the next 18 months. This is likely due in part to delayed access to or avoidance of care during the pandemic. Missed screenings can lead to cancer being diagnosed at later stages, resulting in higher costs. Furthermore, in many regions, including Europe, cancer claims are becoming more prevalent and more expensive due to the high cost of medications and new technology.

- **New medical technologies and overuse of care drive healthcare spend.** The use of new medical technologies ranging from artificial intelligence-powered diagnostic tools to gene therapy remains the leading external factor contributing to increased medical costs. This

is particularly the case in Asia Pacific where rapid development of medical technologies has occurred in an effort to catch up with other regions.

Additionally, insurers continue to be concerned about overuse of care due to providers recommending too many services, which is the leading factor driving up medical costs per person. This commonly occurs where systems are overburdened and providers have limited time to spend with patients. As a result, members are directed to inappropriate treatment, bypassing preventive care steps, resulting in inefficient use of the healthcare plan.

But there is progress to report on this front. The percentage of insurers that regard overuse of care as a significant cost driver declined from three-quarters (74%) in 2022 to 59% in 2023. This decline may be due to the easing of the surge in care following the COVID-19 shutdown, which likely contributed to overuse of care.

- **Exclusions and other variations in healthcare programs thwart the impact of wellbeing and DEI initiatives.** In regions such as Asia Pacific and the Middle East and Africa, many organizations' medical insurance programs continue to exclude coverage for treatment of certain conditions for which treatments exist and despite a recognized need for care among the insured population. These exclusions — which include drug and alcohol abuse treatments, HIV/AIDS medications, fertility treatments and gender-affirming care — can significantly affect employee wellbeing and diversity, equity and inclusion (DEI) efforts. Insurers are increasingly interested in expanding eligibility in these programs to be more inclusive, but legal or major sociocultural considerations in some countries pose barriers to change.

Public healthcare systems in other regions have embedded inclusion and widespread program eligibility in their scope of coverage; however, in countries with public systems where quality of and access to care have deteriorated, coverage gaps exist, and private insurers have not yet caught up to these needs.



Furthermore, many insurers include wellbeing services as free “value-adds” to healthcare programs. This can result in employers having multiple and duplicative benefits, which creates confusion as to what wellbeing support is available. Often, employers forget that these benefits are in place or they do not communicate them to employees, resulting in little to no program utilization.

- **Weakened public healthcare systems put more pressure on private insurers and providers.** The decline in the quality and funding of public healthcare systems has increased as a top driver of private medical costs, from 27% in 2022 to 34% in 2023. Public healthcare systems are facing major challenges due to geopolitical conflicts, inflation and risks of a global recession. Moreover, many of these systems face a backlog of scheduled procedures that resulted from the COVID-19 pandemic. At the same time, the number of medical practitioners and staff in social healthcare systems has reportedly declined in many local markets, contributing to lengthy wait times.

Consequently, the demand for private healthcare to bridge the gaps within public systems is higher than ever. To fulfill this demand, private insurers are continuing to contract with local networks of providers and facilities. The prevalence of contracting with networks has increased from 2022, reflecting the growing need to provide healthcare at competitive rates.

- **Telehealth offerings continue to be a priority for insurers.** In 2023, 40% of insurance organizations globally added telehealth services, making this one of the top coverage changes insurers are making to their medical portfolios. Telehealth has redefined and improved healthcare delivery by providing speedy and efficient access to a range of medical services, including primary care and specialist care, prescription drugs, mental and behavioral health programs, and care navigation support for acute illnesses. Additionally, insurers recognize that telehealth provides opportunities to manage healthcare costs more effectively. Telehealth and virtual care help reduce the need for costly emergency room visits and provide cost-efficient access to specialists, especially in the area of mental health.

While the use of telehealth globally continues to rise, there is considerable variation across regions in the medical services delivered through telehealth. Member preferences also vary. In some countries, members are utilizing healthcare more than ever due to the accessibility that virtual care affords. In others, there is a noted member preference for in-person care. But our Global Benefits Attitude Survey shows that employees globally view virtual consultations favorably in comparison to in-person consultations.



Gain a competitive advantage through your healthcare benefits

Global medical trend is expected to decrease in 2024 but remains elevated in the double digits. Moreover, the majority of insurers anticipate higher or significantly higher healthcare cost increases over the next three years. This situation prompts a call to action for employers to mitigate costs where possible.

While recognizing that some factors influencing costs may be out of their control, employers can focus on actions to drive effectiveness of healthcare programs and continue to put the employee experience first.

- **Conduct a program review** to analyze if coverage is the right fit, identifying potential gaps in programs and opportunities to mitigate risks.
- **Review policy utilization** using data and predictive analytics to understand health risks and key drivers of policy usage to make data-driven decisions.
- **Optimize communications** so that employees understand what's available, when and how to use what coverage, and why it's valuable to them.
- **Boost preventive healthcare** by offering screenings and other proactive prevention services, including digital- and technology-based solutions.
- **Prioritize wellbeing** by formulating a corporate global wellbeing strategy and ensuring wellbeing benefits are accessible to all employees and their families.

By understanding the factors affecting healthcare, employers can develop strategies to build resilience and combat the ever-present threat of rising costs.

Figure 2. Global medical trends, by market

	Gross			Net**			Inflation rates (From IMF World Economic Outlook)		
	2022	2023	2024	2022	2023	2024	2022	2023	2024
Weighted									
Global†	7.44	10.72	9.86	-0.28	5.20	6.46	7.91	5.53	3.45
Latin America†	10.51	12.40	11.64	2.68	6.28	7.90	7.97	6.12	3.76
North America	8.00	9.83	9.41	0.49	5.56	7.07	7.51	4.27	2.34
Asia Pacific	7.18	9.91	9.90	2.15	5.56	6.97	5.00	4.34	2.92
Europe	6.68	10.91	9.31	-2.40	5.00	5.93	8.83	5.57	3.27
Middle East/ Africa	9.84	11.30	12.08	2.60	4.20	6.85	9.40	8.83	6.63
By market									
Latin America									
Argentina	92.00	135.00	90.00	19.57	36.41	29.85	72.43	98.59	60.15
Brazil	18.52	16.31	16.62	9.24	11.29	11.82	9.28	5.03	4.79
Chile	1.00	7.50	4.00	-10.65	-0.38	-0.04	11.65	7.88	4.04
Colombia	8.62	9.56	10.10	-1.57	-1.30	4.66	10.18	10.85	5.44
Costa Rica	14.00	12.00	10.00	5.73	6.81	6.44	8.28	5.19	3.56
Ecuador	11.00	9.50	13.50	7.53	7.04	11.96	3.47	2.47	1.54
El Salvador	10.00	25.00	10.00	2.80	20.88	7.91	7.20	4.12	2.10
Guatemala	20.00	35.00	27.50	13.12	27.60	21.96	6.89	7.40	5.54
Honduras	10.00	15.00	15.00	0.91	8.06	9.72	9.09	6.94	5.28
Mexico	8.66	10.04	12.30	0.76	3.77	8.41	7.90	6.27	3.89
Nicaragua	6.50	6.50	6.50	-3.95	-2.03	1.50	10.45	8.53	5.00
Panama	11.87	11.63	13.00	9.01	9.39	10.76	2.86	2.24	2.24
Peru	8.75	10.80	10.40	0.88	5.11	7.98	7.87	5.69	2.43
Venezuela	26.75	27.75	17.25	-174.16	-372.23	-182.73	200.91	399.98	199.98
North America									
Canada	9.85	12.35	10.13	3.05	8.45	7.74	6.80	3.90	2.39
United States	6.79	8.17	8.94	-1.20	3.65	6.63	7.99	4.52	2.32
Asia Pacific									
Australia	4.17	9.37	9.53	-2.45	4.02	6.34	6.62	5.35	3.20
China	7.38	7.50	8.35	5.50	5.52	6.16	1.88	1.99	2.19
Hong Kong	7.53	8.27	8.36	5.65	5.97	5.96	1.88	2.30	2.40
India	10.51	9.38	10.50	3.84	4.44	6.07	6.67	4.95	4.43
Indonesia	10.00	11.50	12.74	5.79	7.12	9.71	4.21	4.38	3.03
Malaysia	10.99	12.07	13.36	7.61	9.18	10.30	3.38	2.89	3.06
New Zealand	3.00	12.50	8.50	-4.17	7.05	5.86	7.17	5.45	2.65
Philippines	15.50	13.67	13.94	9.68	7.33	10.71	5.82	6.34	3.24
Singapore	8.44	10.33	10.67	2.32	4.54	7.19	6.12	5.80	3.48
South Korea	9.00	10.67	11.67	3.91	7.12	9.37	5.09	3.54	2.30
Taiwan	5.75	5.75	6.25	2.80	3.83	4.60	2.95	1.92	1.65
Thailand	8.30	10.67	9.27	2.22	7.82	7.29	6.08	2.84	1.97
Vietnam	5.40	10.25	11.33	2.21	5.29	7.08	3.19	4.96	4.25

† Global and Latin America numbers exclude Argentina and Venezuela.

**Net of general inflation.

Figure 2. Global medical trends, by market

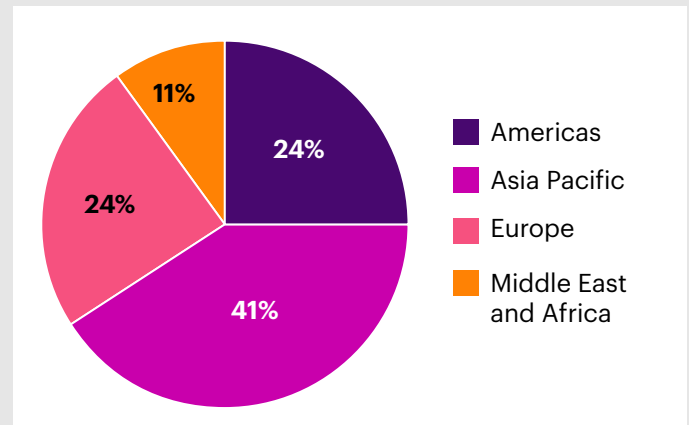
	Gross			Net**			Inflation rates (From IMF World Economic Outlook)		
	2022	2023	2024	2022	2023	2024	2022	2023	2024
Europe									
Belgium	4.21	5.98	4.50	-6.12	1.30	2.37	10.33	4.68	2.14
Cyprus	0.00	8.00	2.00	-8.08	4.10	-0.47	8.08	3.90	2.47
Denmark	1.50	10.50	7.50	-7.03	5.70	4.70	8.53	4.80	2.80
Finland	3.00	7.00	5.50	-4.17	1.71	3.04	7.17	5.30	2.46
France	3.38	5.48	7.46	-2.52	0.44	5.00	5.90	5.05	2.46
Germany	4.30	5.65	5.95	-4.37	-0.54	2.87	8.67	6.19	3.08
Greece	5.75	8.77	9.40	-3.55	4.78	6.52	9.30	3.99	2.88
Hungary	18.50	22.33	15.00	3.97	4.68	9.62	14.53	17.65	5.38
Ireland	7.00	8.50	6.00	-1.07	3.50	2.80	8.07	5.00	3.20
Italy	6.00	8.00	6.75	-2.74	3.55	4.18	8.74	4.45	2.57
Luxembourg	2.50	4.28	2.00	-5.65	1.64	-1.13	8.15	2.64	3.13
Netherlands	4.10	8.65	7.40	-7.53	4.79	3.23	11.63	3.86	4.17
Norway	7.00	11.00	9.50	1.24	6.10	6.70	5.76	4.90	2.80
Poland	13.03	12.40	16.00	-1.33	0.50	9.94	14.36	11.90	6.06
Portugal	8.88	14.50	12.60	0.77	8.78	9.55	8.10	5.72	3.05
Romania	19.86	17.71	20.29	6.06	7.24	14.49	13.80	10.48	5.80
Serbia	11.67	14.50	14.50	-0.32	2.31	9.17	11.98	12.20	5.33
Spain	5.93	7.60	7.63	-2.40	3.30	4.47	8.32	4.30	3.15
Sweden	8.50	19.00	16.00	0.44	12.18	13.66	8.06	6.82	2.34
Switzerland	3.60	8.20	8.23	0.77	5.76	6.64	2.84	2.45	1.60
Turkey	86.00	102.25	89.50	13.69	51.67	54.33	72.31	50.58	35.17
United Kingdom	9.33	13.00	11.20	0.27	6.16	8.22	9.07	6.84	2.98
Middle East/ Africa									
Cameroon	23.50	15.00	15.00	18.20	9.10	10.30	5.30	5.90	4.70
Congo (Republic of)	1.75	8.25	12.50	-1.75	4.95	9.30	3.50	3.30	3.20
Cote d'Ivoire	7.80	16.00	20.20	2.59	12.27	18.40	5.21	3.73	1.80
Egypt	18.50	24.00	23.50	10.00	2.37	5.47	8.50	21.63	18.03
Ghana	9.00	17.00	22.00	-22.89	-28.44	-0.22	31.89	45.44	22.22
Jordan	7.90	6.50	5.00	3.68	2.70	2.11	4.22	3.80	2.89
Kenya	7.50	9.00	11.25	-0.15	1.21	5.67	7.65	7.79	5.58
Kuwait	6.25	6.50	6.75	2.33	3.25	4.11	3.92	3.25	2.65
Mozambique	10.00	12.00	15.00	0.23	4.58	8.48	9.77	7.42	6.52
Nigeria	21.00	19.25	30.00	2.15	-0.88	14.21	18.85	20.13	15.80
Saudi Arabia	12.50	14.00	12.50	10.03	11.20	10.19	2.47	2.80	2.31
South Africa	11.00	7.20	9.25	4.13	1.45	4.45	6.87	5.75	4.80
Tunisia	10.00	15.00	15.00	1.69	4.08	5.48	8.31	10.92	9.52
United Arab Emirates	10.00	11.50	12.50	5.17	8.08	10.50	4.83	3.42	2.00
Zimbabwe	9.50	8.00	8.00	-183.90	-164.17	-126.59	193.40	172.17	134.59

**Net of general inflation.

About the survey

A total of 266 leading health insurers representing 66 countries participated in our 2024 Global Medical Trends Survey, which was conducted in July 2023. To lessen the effect of market size and currency issues, we have weighted regional and global trend rates using GDP per capita.

Regional profile of respondents



For more information on global medical trends and the impact on employee health benefits, please contact:



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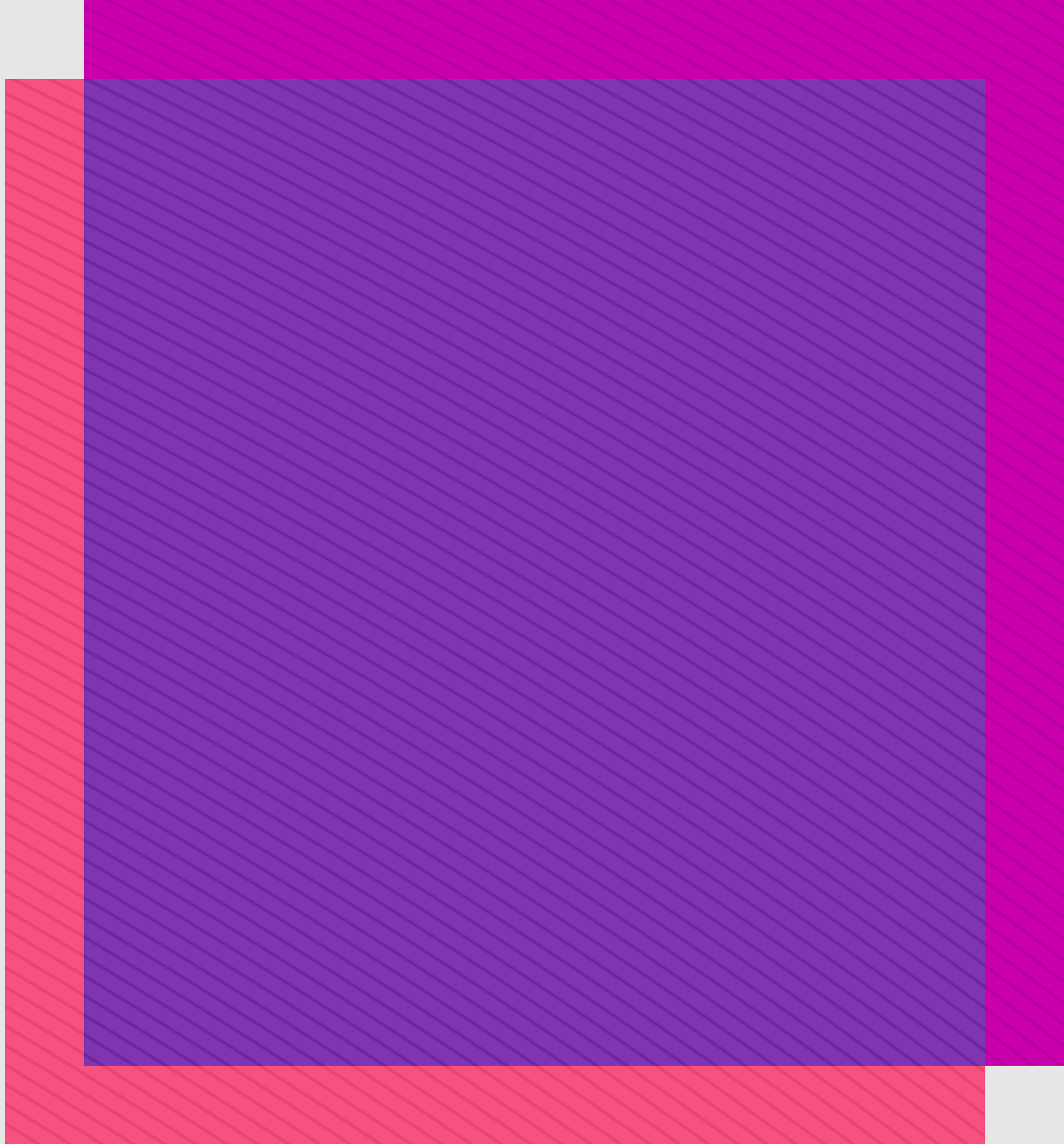
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