

**Media Contact:** Cary Conway  
**Email:** [cconway@nationalalliancehealth.org](mailto:cconway@nationalalliancehealth.org)  
**Telephone:** 972.649.4707

## **Lack of Confidence in Service Providers and Healthcare Affordability Among Top Employer Concerns per National Alliance of Healthcare Purchaser Coalitions Survey**

*Pulse of the Purchaser study also finds obesity, women's health, and health equity are growing areas of benefits focus for employers in 2024 and beyond*

**WASHINGTON – DECEMBER 13, 2023** – At a time when fiduciary responsibility for employers has never been greater, less than half of employers are confident in the integrity of services and fees charged by hospitals, pharmacy benefit managers, third-party administrators, and even brokers and consultants. These are among the findings of the latest survey of more than 170 employers conducted by the [National Alliance of Healthcare Purchaser Coalitions](#) (National Alliance) and its members.

The [Pulse of the Purchaser study](#) gauged concerns and approaches of employers to address the workforce environment; whole person health, equity, women's health, mental health and obesity management; fiduciary perspectives; pharmaceutical drugs; high-cost claims; and potential health reforms.

"Employers are frustrated that the healthcare system is designed to enrich the middlemen and is not delivering improvements in affordability, access or quality for purchasers or employees and their families," said Michael Thompson, National Alliance president and CEO. "Increasingly the fox is guarding the henhouse, and both are exploiting a dysfunctional system at the expense of making it better. Employers are starting to take actions, both on the market and policy fronts, to realign the system to reduce conflicts and improve value."

Additional findings include:

- Consistent with surveys over the last three years, over eight out of 10 employers consider drug prices, high-cost claims and hospital prices to be the **biggest threats to affordability**, with nine out of 10 plan sponsors believing that hospital prices are unreasonable and indefensible.
- Employers are increasingly supportive of **policy reforms** that can improve affordability and over 80% of employers support both hospital reforms and PBM reforms. Interest in policy reform surged from 2022 to 2023 with hospital rate regulation (up 20%), hospital price transparency (up 11%) and surprise billing regulation (up 7%) having the greatest gains.
- **Attracting and retaining talent** is a top priority (81% strongly agree) but rising healthcare costs prove to be a significant challenge impacting an organization's competitiveness (91% agree).
- The most common **obesity** benefits today include lifestyle programs (79%), bariatric surgery (69%), and obesity medications with conditions (54%). Over the next 1-3 years employers are considering a phased approach to medication-assisted support (45%), obesity care through the collaborative care model (37%), and coverage of obesity medications (35%).
- When asked about **women's health**, the most common benefits today include mental health support (90%), parental leave (76%), and maternity support services (69%). Highest upcoming considerations over the next 1-3 years include menopause support (43%), caregiving assistance (33%), and reproductive health (22%).
- Employer **health equity strategies** are gaining momentum and key growth areas from 2022 to 2023 include improving accountability in service provider contracts (up 38%), evaluating

program participation by relevant sub-populations (up 15%), and analyzing access to and quality of services (up 13%).

- Over 70% provide **mental health** support resources, mitigate stigma, and discuss affordable access and quality issues with vendors. Highest areas being considered in next 1-3 years include promoting cultural competency (37%), establishing vendor accountability (29%), and integrating behavioral health into primary care (27%).

The online poll of 172 employers that are members of coalitions affiliated with the National Alliance was conducted in November and December. Organizations represented included manufacturing, educational services, public administration, finance and insurance, and healthcare and social assistance institutions. Purchasers ranged in size with 38% having over 5,000 employees, 36% 1,000-4,999, and 26% less than 1,000. The full Pulse of the Purchaser results can be found [here](#).

#### **About National Alliance of Healthcare Purchaser Coalitions**

The National Alliance of Healthcare Purchaser Coalitions (National Alliance) is the only nonprofit, purchaser-aligned organization with a national and regional structure dedicated to driving health and healthcare value across the country. Its members represent private and public sector, nonprofit, and union and Taft-Hartley organizations, and more than 45 million Americans, spending over \$400 billion annually on healthcare. To learn more, visit [nationalalliancehealth.org](http://nationalalliancehealth.org) and connect on [LinkedIn](#) and [X \(formerly Twitter\)](#).

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