Wellnecity®

Streamlined Data | Actionable Insights | Fiduciary Control

Beating the Trend: How Employers Can Control Rising Healthcare Costs Without Cutting Benefits

Presented by: Aditya Kishore, Wellnecity Customer Success

Rising Costs, New Pressures

Employer healthcare costs are poised to rise sharply. Mercer's National Survey of more than 1,700 U.S. employers projects a **6.5% year-over-year increase in total health benefit cost per employee** (PEPY) **for 2026** – driven largely by high-cost therapies such as GLP-1 drugs and advanced cancer treatments.

The Limits of Traditional Cost Control

Increasing employee cost-sharing and plan tweaks may ease short-term pressure, but they **don't address the underlying drivers**. The cost curve keeps climbing.

A Smarter Path Forward

Employers beating trend apply **operating discipline** and **vendor accountability** to flatten costs while protecting benefits. That means:

- Continuous claims monitoring with timely alerts to identify risks early and prevent avoidable costs
- Holding TPAs, PBMs, and networks accountable to contract terms and performance guarantees.
- Demanding transparency and measurable results from vendor partners

Case Study: Fortune 100 Healthcare Organization, 65,000+ Employees

Our client substantially reconfigured their vendor ecosystem in 2023. Continuous monitoring and proactive improvements were essential to maximizing plan performance - cost of care, quality of care, and member satisfaction. By holding vendors accountable, improving care, and continuously improving the plan, the client has been able to:

- **Beat industry projected per-employee-per-year (PEPY) costs every year** by 10% on average, since 2023
- Project 2026 PEPY at a 3% increase from prior year, **below Mercer's projected 6.5% increase**
- **Improve EE cost share by limiting premium growth** to 2% – less than half of the market increase.
- **Achieve $320 million (projected) in accumulated savings** through the end of 2025

Bottom line: Moving from reactive cost-shifting to **proactive oversight** lets employers **beat trend** and **protect employees**.

Have questions? Reach out to us at insights@wellnecity.com
Want more insights? Explore our newsletter archive: Wellnecity Newsletters

Wellnecity · 500 W 5th St Ste 502 · Winston Salem, NC 27101-3131 · USA