



# The healthcare budget breakdown: The good. The bad. The uh-oh.

As anyone who manages company overhead knows, the annual meeting to forecast your organization's healthcare budget is rarely a happy occasion. Chances are, the news is bad. Health insurance costs are going up. Stress levels, too. The good news: There's light at the end of the tunnel. But first, let's look at the most recent stats.

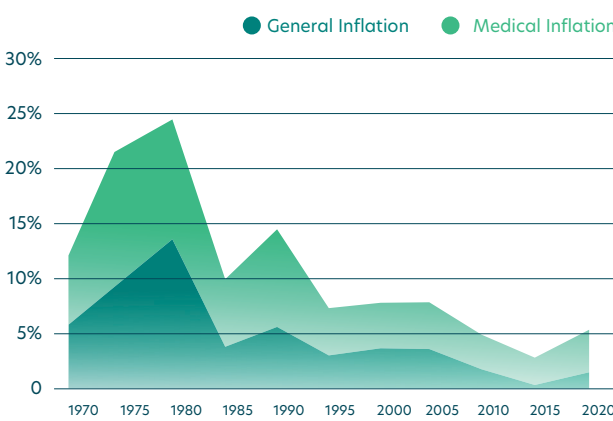
## Sorry to sound like a broken record, but...

Healthcare costs are on the rise, again. A recent report shows that employer healthcare costs are expected to increase by another 7.4% in 2023. That's after a similar increase in 2022. As the chart below illustrates, healthcare costs have been a rollercoaster ride over the last decade – with costs increasing by an average of 6.5% each year.



2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
+6.5%	+6.8%	+6.5%	+7.1%	+5.7%	+6.3%	-2.1%	+14.0%	+7.3%	+7.4%

Sources: SHRM report and the Peterson-KFF Healthcare Tracker



## Inflation is bad. But healthcare inflation is even worse.

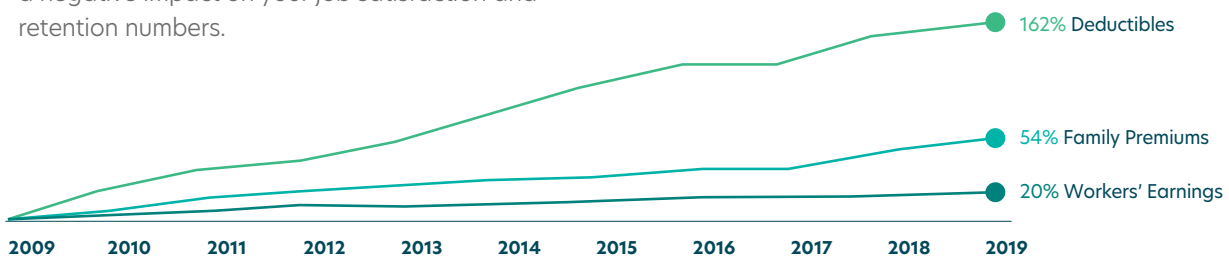
Historically, healthcare inflation has always outpaced other sectors, as this chart explains. Based on a recent report from Statista, U.S. healthcare inflation increased by 5.4% in 2022, representing one of the biggest spikes in the last decade.

5.4% increase in healthcare inflation in 2022

Source: U.S. Bureau of Labor Statistics Historical CPI Data Source: Statista Healthcare Inflation Report, 2022

## Healthcare quickly gobbles up any pay raises.

In order to run your organization, you need employees – hard-working people who deserve a wage increase to absorb the rising cost of living. Sadly, your employees' last pay raise was eaten up by deductibles and premiums. The end result: That salary bump went to healthcare instead of workers, which can have a negative impact on your job satisfaction and retention numbers.



Source: 2019 Health Benefits Survey, Kaiser Family Foundation

## You can't control business expenses without first tackling healthcare costs.

For most American organizations, the costs of healthcare benefits are the second-highest overhead expense after employee salaries. But unlike most other business expenses – wages, rent, IT, supplies – you can't control healthcare costs. Until now.

### Finally, some positive news.

30%  
Imagine360 clients save an average of 20-30%

Most companies save 20-30% when they switch to Imagine360, the health plan with the savings of reference-based pricing built in.

98%  
member satisfaction ranking

Members love our 360-degree support that surrounds them throughout their healthcare journey. It all results in a happier, healthier, more productive workforce.

0%  
this CFO switched and has zero regret

"It's the best form of true healthcare reform I've come across," says the CFO of Huffines Auto. They switched 12+ years ago and have saved more than \$31 million.

Ready to switch and save? Let's conduct a free cost analysis.

Give us a few details about your employee population, including demographics and geographic reach. Our team will run the numbers and provide an estimate of your potential savings. It's a fast, easy and free way to see the impact that Imagine360 can have on your healthcare spending.

Let's connect and see how much you can save.