

TOP TOPICS 2025 HEALTH

The logo for BVK, consisting of the letters 'B', 'V', and 'K' in a bold, sans-serif font. The 'V' is stylized with a downward-pointing triangle in the center.

CONSUMER & CATEGORY INSIGHTS SHAPING THE YEAR(S) AHEAD

OVERVIEW

As a \$4 trillion industry representing almost one-fifth of the U.S. GDP, healthcare is a critical sector influencing the physical, mental and financial well-being of our nation. Changes are top of mind with a new administration and more health offerings beyond the hospital, while challenges of youth health and health professional shortages are met with AI disruption and increasingly popular GLP-1 drugs. Organizations that keep a pulse on these influential topics will be best positioned for healthy performance and vital impact.



TOP TOPICS HEALTH

1. Top-Down Industry Shake-Up
2. Patching Healthcare Gaps
3. Care Beyond Clinics
4. Youth ≠ Health
5. Spotlight on GLP-1s

TOP-DOWN INDUSTRY SHAKE-UP

With healthcare representing almost a third of federal spending, ongoing cost concerns contribute to declining trust in the industry, while a presidential administration change is likely to accelerate industry shake-ups. Medicare and Medicare Advantage are being reevaluated and the ACA (the Affordable Care Act) will likely see changes as well. Meanwhile, public health entities like the CDC and NHI face scrutiny in favor of the private sector and non-traditional leadership, ushering in an era of deregulation with notable impacts for payers, providers, and patients.

“Nonconventional backgrounds, experiences and priorities that the appointees bring with them to the executive branch may signal the potential degree of disruption or uncertainty.”

- PWC

42%

Post-election, **42%** of U.S. respondents cited “healthcare costs or debt” as a top concern.

- RESONATE

73%

73% of adults believe the healthcare system is not meeting their needs.

- ADVISORY BOARD

61%

Administrative burdens have caused **61%** of surveyed health systems to plan to or commit to stopping acceptance of one or more Medicare Advantage (MA) plans in the next 24 months.

- ADVISORY BOARD

The Congressional Budget Office (CBO) projects that the share of all Medicare beneficiaries enrolled in Medicare Advantage plans will rise to 64% by 2034.

- KFF

The Trump administration plans to uphold four key health sector themes:

1. Promote access to healthcare via market competition and transparency.
2. Enhance flexibility and choice in healthcare for states and individuals.
3. Focus on deregulation by reversing or modifying Biden-era policies.
4. Enhance national security with “America first” principles.

- PWC

PATCHING HEALTHCARE GAPS

Globally, the number of people aged 65 and older is growing faster than the population under 65, with this trend continuing to be a major factor influencing both health care and payment. This demographic shift results in more expensive and extensive care in an industry already exasperated due to healthcare professional shortages. Simultaneously, AI and emerging technologies aim to fill gaps in clinical care, enhance drug discovery, and create operational efficiencies. Organizations would be wise to take an intentional approach to safely leverage technology to combat some of the industry's most pressing challenges.

11,200

More Americans are turning 65 now than in any other time in history (4.1 million in 2024, or **11,200 a day**).

- BECKER'S HOSPITAL REVIEW

The United States is projected to face a shortage of up to 86,000 physicians by 2036.

- ASSOCIATION OF AMERICAN MEDICAL COLLEGES

42%

42% of Chief Nursing Officers rank "reducing nurse workload" as a top challenge in their retention strategy.

- ADVISORY BOARD

40%

Cleveland Clinic has seen a **40 percent** improvement in sepsis treatment, one of the most common causes of emergency patient deaths, using AI-powered algorithms.

- NEWSWEEK

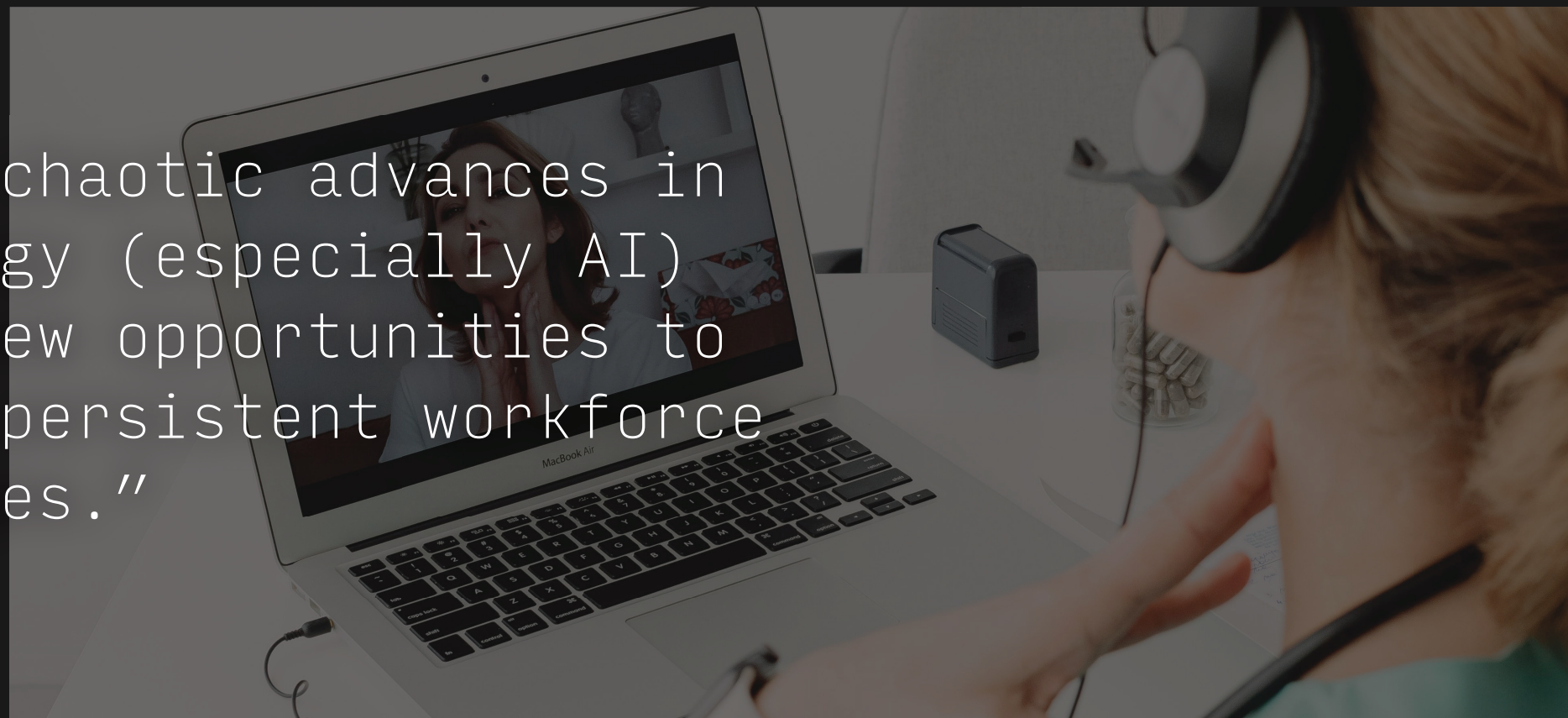
90%

Hospital Sírio-Libanês in Brazil has been able to resolve **90 percent** of cases via telemedicine in the first consultation with patients due in part to assistance from AI.

- NEWSWEEK

"Rapid, chaotic advances in technology (especially AI) create new opportunities to address persistent workforce challenges."

- ADVISORY BOARD



CARE BEYOND CLINICS

From private equity companies buying up physician practices to local partnerships and publicly traded companies like CVS, Walmart, and Amazon rethinking their healthcare strategies, big corporations are regrouping to find the most viable and profitable ways to capture a slice of the industry. More M&A activity, new online healthcare options, and partnership announcements are likely to make healthcare look very different – and more consumer-driven – than ever before.

\$15M

Roon, a video Q&A platform for healthcare, has raised \$15 million to become a next-gen WebMD through its vetted, short-form videos created by real doctors.

- AXIOS

More nonphysicians are treating patients for primary care, eating disorders, mental health conditions, childbirth, and cancer care compared to 2019.

- FAIR HEALTH

Accelerated by dire hospital finances and care delivery M&A, delivery infrastructure will shift from the legacy model of hospital-centric service delivery to ecosystem-directed care management.

- ADVISORY BOARD

Mayo Clinic's 2023 launch of "Cancer Care Beyond Walls," offers intravenous chemotherapy in the home rather than requiring a hospital visit.

- NEWSWEEK

180M

CVS owns health insurer Aetna and plans to open 50-60 more Oak Street Health clinics in 2025 while Amazon is cross-promoting its One Medical membership-based primary care practice to its 180 million U.S. Prime audience base.

- KAUFMAN HALL

"[Traditional healthcare providers] can't ignore the consumer demands that disruptors are trying to meet: easier, more convenient access at more transparent, if not also lower, prices. This should be a goal shared by all in healthcare delivery."

- KAUFMAN HALL

YOUTH ≠ HEALTH

Historically thought of as nearly invincible, young generations are experiencing increased health challenges, particularly cancer. Deceiving “quick fix” social media messages can delay real care, while the increase in obesity, and environmental toxins pose potential explanations for incidents of declining health in youth. Regardless of the cause, this concerning trend will continue to challenge the healthcare industry and families across the U.S.

“These days there are so many false promises on social media for shortcuts on how to ‘get healthy’ or ‘live longer’ that it feels like doing the tedious work of eating healthy, sleeping the correct number of hours and exercising is no longer necessary.”

– Doctor Mike Varshavski

– FORBES

82% & 84%

82% of Gen Z and **84%** of millennials admit putting off a health checkup beyond the recommended time frame at least occasionally - more than Gen X (77%) and baby boomers (60%).

– AFLAC

6 IN 10

63% of Gen Z and **61%** of millennial social media users have followed or engaged with health influencers on social.

– EMARKETER

400,000

Every year, an estimated 400,000 children worldwide develop a form of cancer.

– NPR

↑12%

Cancer treatment rates increased among young adult patients aged 18-49 between 2020 and 2023, with 18-29-year-olds having the greatest increase at around **12%**.

– FAIR HEALTH

Certain cancers, such as breast cancer, tend to be more aggressive in younger adults.

– YALE MEDICINE

SPOTLIGHT ON GLP-1S

Perhaps one of the most significant breakthroughs in medicine in the last decade or more, GLP-1 drugs have the potential to radically reshape the healthcare industry and broader culture. As these seemingly miraculous drugs are widely sought for weight loss and diabetes treatment, questions around the cost, payor coverage, and long-term side effects remain unanswered. However, the drug's ability to reduce routine elective surgeries and treat diabetes, heart disease and other conditions shows a promising sign that healthcare organizations can tap into.

142M

There are **142 million** U.S. patients eligible to use semaglutide for weight loss according to FDA criteria.

- ADVISORY BOARD

6X

Sales of GLP-1 treatments have increased by almost **6x** since the start of 2018.

- SHERWOOD

↑22%

The average net price of Wegovy has increased **22%** since 2021, while the average net price of Ozempic and Rybelsus have decreased 33% and 15% respectively.

- BENEFITSPRO IN AHIP SMARTBRIEF

46%

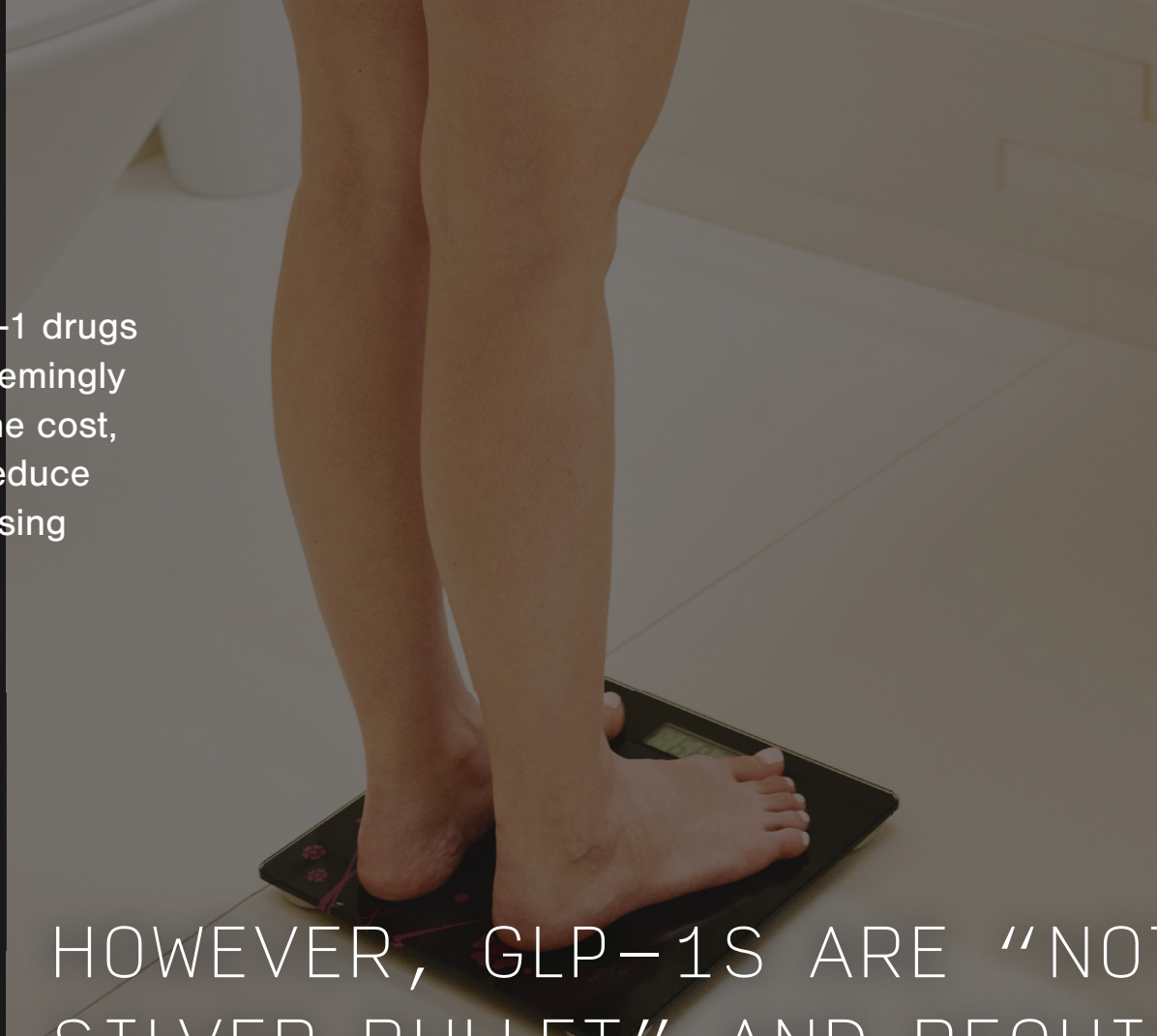
Among the organizations with 1000+ employees that cover GLP-1s, **46%** say that covering these medications for weight loss will have a "significant impact" on prescription drug spending.

- KFF

44%

44% of surveyed people with obesity would change jobs to gain coverage for obesity treatment.

- ADVISORY BOARD



HOWEVER, GLP-1S ARE "NOT A SILVER BULLET" AND REQUIRE "NUANCED DECISIONS FOR EACH PATIENT."

- UCHICAGO MEDICINE

A study testing the effectiveness of various GLP-1RAs found that all 15 drugs analyzed were successful in lowering blood glucose, achieving weight loss, and lowering cholesterol.

- UCHICAGO MEDICINE



8909 n. port washington road | milwaukee, wi 53217 | 414.228.1990 | bvk.com