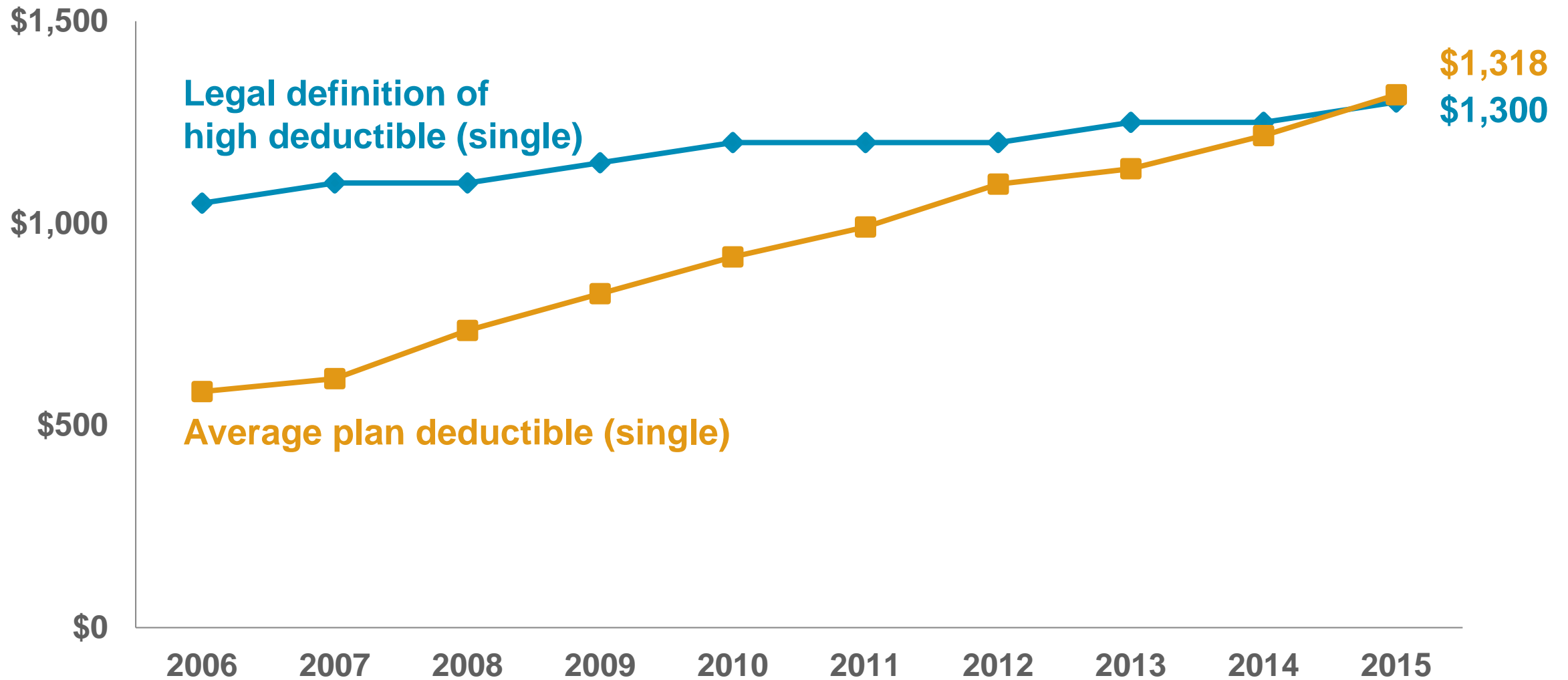


COMPLEXITY AND OPPORTUNITY: HEALTH CONSUMER WORRIES AND WANTS

APRIL 5, 2018

Lucy X. Liu
Principal, Health & Life Sciences
Director, Practicing Wisely™ Physician Advisory Council
lucy.x.liu@oliverwyman.com

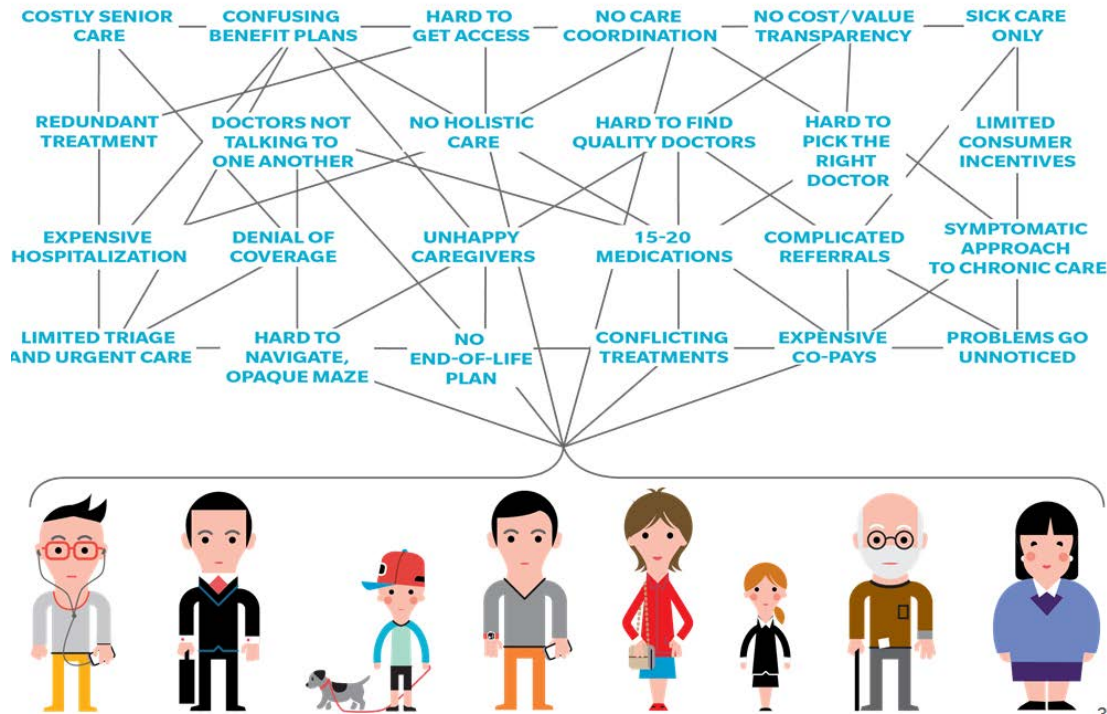
This is the consumer imperative



Source: Mercer National Survey of Employer-Sponsored Health Plans

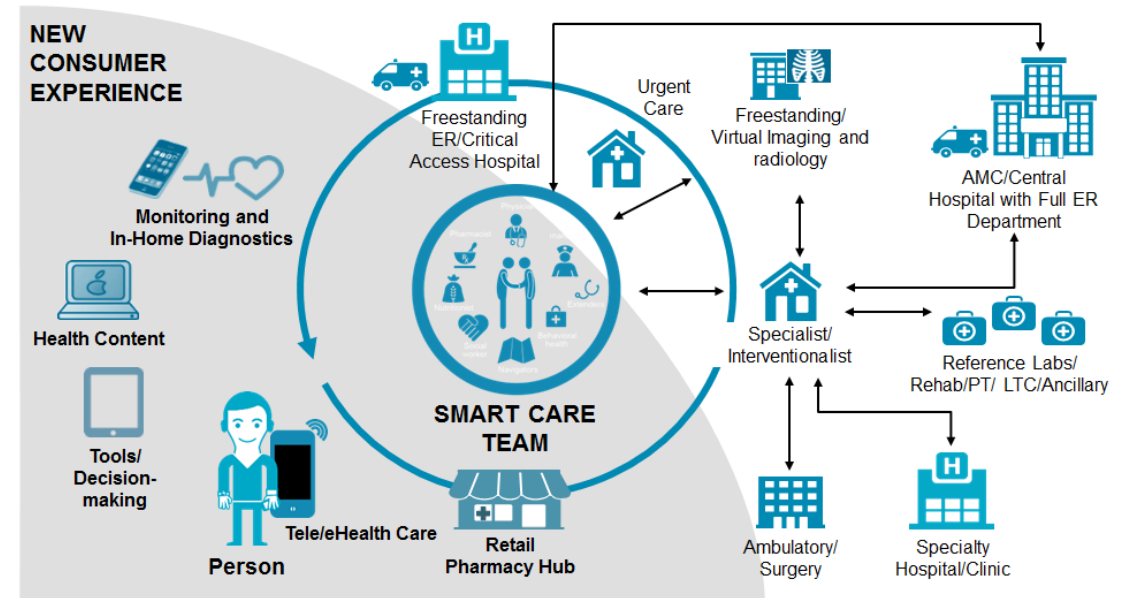
What do consumers want?

Healthcare is shifting from a pedestal...



A web of hassles...

...to a place in the normal consumer ecosystem



...or a consumer-centric, seamless model

FORTUNE research: Background

Collaboration between Oliver Wyman and FORTUNE Knowledge Group. 2,016 respondents, all with insurance coverage, ranging from government programs such as Medicare and Medicaid to those who are self-insured or insured through an employer or union.

Cross-section of key dimensions:

Age: 25% Millennials, 26% Gen-X, 40% Baby Boomers, 10% born in 1945 or earlier

Income: A third of the respondents live in households with annual income of \$75,000 and above. Twenty-three percent have household income of \$50,000 to \$75,000

Health status: 37% have a chronic health condition that requires regular treatment

Caregiver status: 54% are caregivers for family members

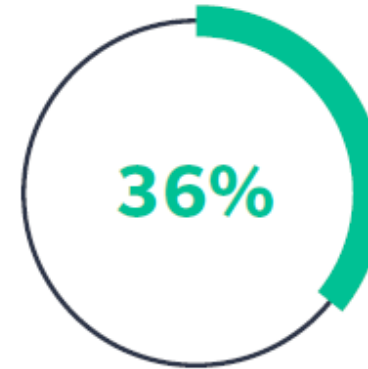
Experience with the healthcare system: 75% say they had visited a primary care practitioner, 64% had taken a prescription drug, and 47% had seen a medical specialist in the past year

What consumers are willing to pay for

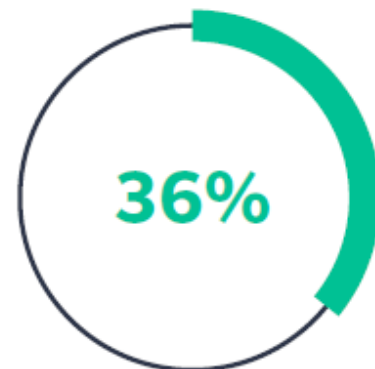
Same-day appointments
with family doctor



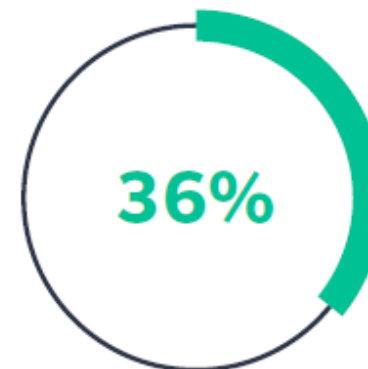
Guaranteed appointments with
specialist within one week



Home visits by a doctor



Retail clinics



Not all consumers are alike

Generation



Younger



Older

Health Status



Healthy



Chronic

Family Status



Single



Responsible for Other's Care

Millennials are most interested in new service offerings



MILLENNIALS

47%



GENERATION X

30%



BABY BOOMERS (AND OLDER)

11%

Advice and guidance

- Financial navigation & planning services: **4X boomer interest**
- Consultation w/ patient advocates: **3X boomer interest**

Social

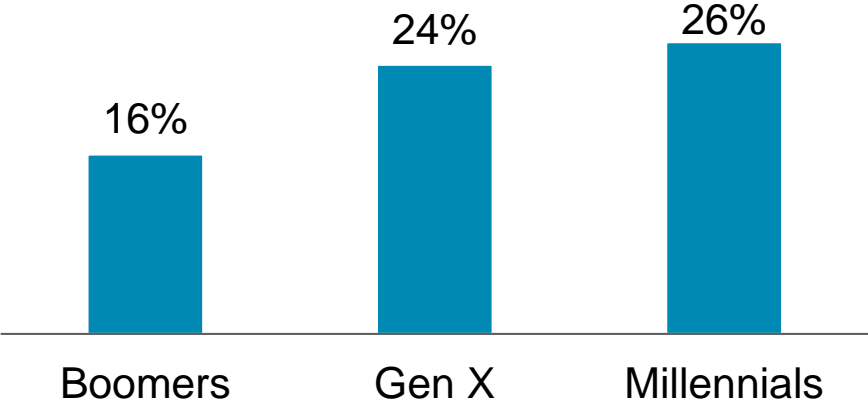
- Access to reports from similar patients: **>4X boomer interest**

And, okay, tech too

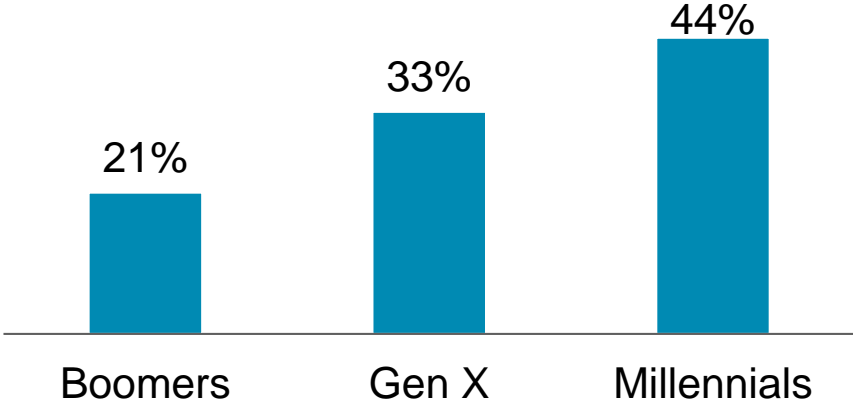
- Website / mobile app for specialists: **4X boomer interest**
- Remote monitoring devices: **3X boomer interest**
- Online access to fill med records: **3X boomer interest**

Boomers profess satisfaction but are most worried

They are the least likely to find fault with the healthcare system today



They are the least likely to think their care will improve in the future



They are financially more secure

82% Say a hospital stay will be covered mostly or completely by insurance, compared to **55%** of Millennials

And they are concerned that their own health is deteriorating

28% Say that “Lessening strength and mobility” are primary health concerns compared to **13%** of Millennials and **12%** of Gen X-ers

Suffering from a chronic disease influences behavior



Millennials with chronic conditions **60%**

Millennials without chronic conditions **43%**



Generation Xers with chronic conditions **37%**

Generation Xers without chronic conditions **27%**

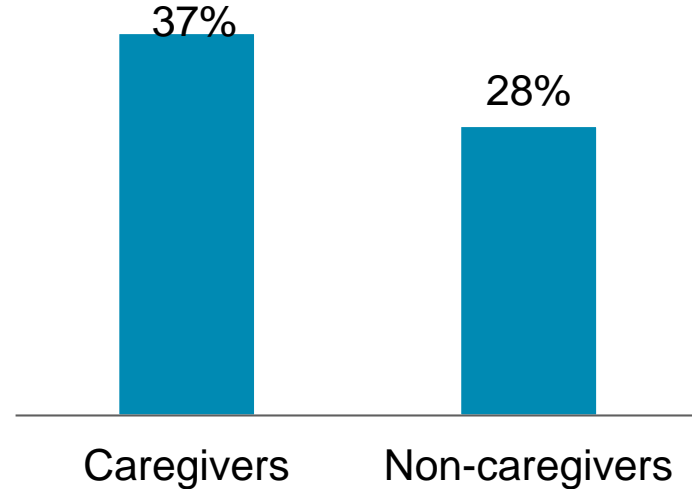


Baby Boomers (and older) with chronic conditions **11%**

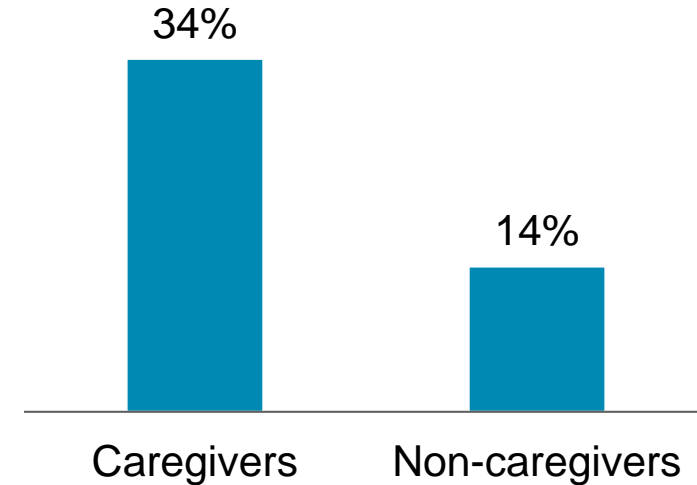
Baby Boomers (and older) without chronic conditions **11%**

Caregivers may be most interested in new services

Caregivers are more likely to have concerns related to the healthcare quality or access



Caregivers are also more interested in new healthcare offerings



What opportunities exist to tailor care for these consumers?

**The Invincible
Millennial**

**The Millennial
Healthcare
Consumer**

**The
Overwhelmed
Gen-Xer**

**The Aging
Boomer**

QUALIFICATIONS, ASSUMPTIONS AND LIMITING CONDITIONS

This report is for the exclusive use of the Oliver Wyman client named herein. This report is not intended for general circulation or publication, nor is it to be reproduced, quoted or distributed for any purpose without the prior written permission of Oliver Wyman. There are no third party beneficiaries with respect to this report, and Oliver Wyman does not accept any liability to any third party.

Information furnished by others, upon which all or portions of this report are based, is believed to be reliable but has not been independently verified, unless otherwise expressly indicated. Public information and industry and statistical data are from sources we deem to be reliable; however, we make no representation as to the accuracy or completeness of such information. The findings contained in this report may contain predictions based on current data and historical trends. Any such predictions are subject to inherent risks and uncertainties. Oliver Wyman accepts no responsibility for actual results or future events.

The opinions expressed in this report are valid only for the purpose stated herein and as of the date of this report. No obligation is assumed to revise this report to reflect changes, events or conditions, which occur subsequent to the date hereof.

All decisions in connection with the implementation or use of advice or recommendations contained in this report are the sole responsibility of the client. This report does not represent investment advice nor does it provide an opinion regarding the fairness of any transaction to any and all parties.

