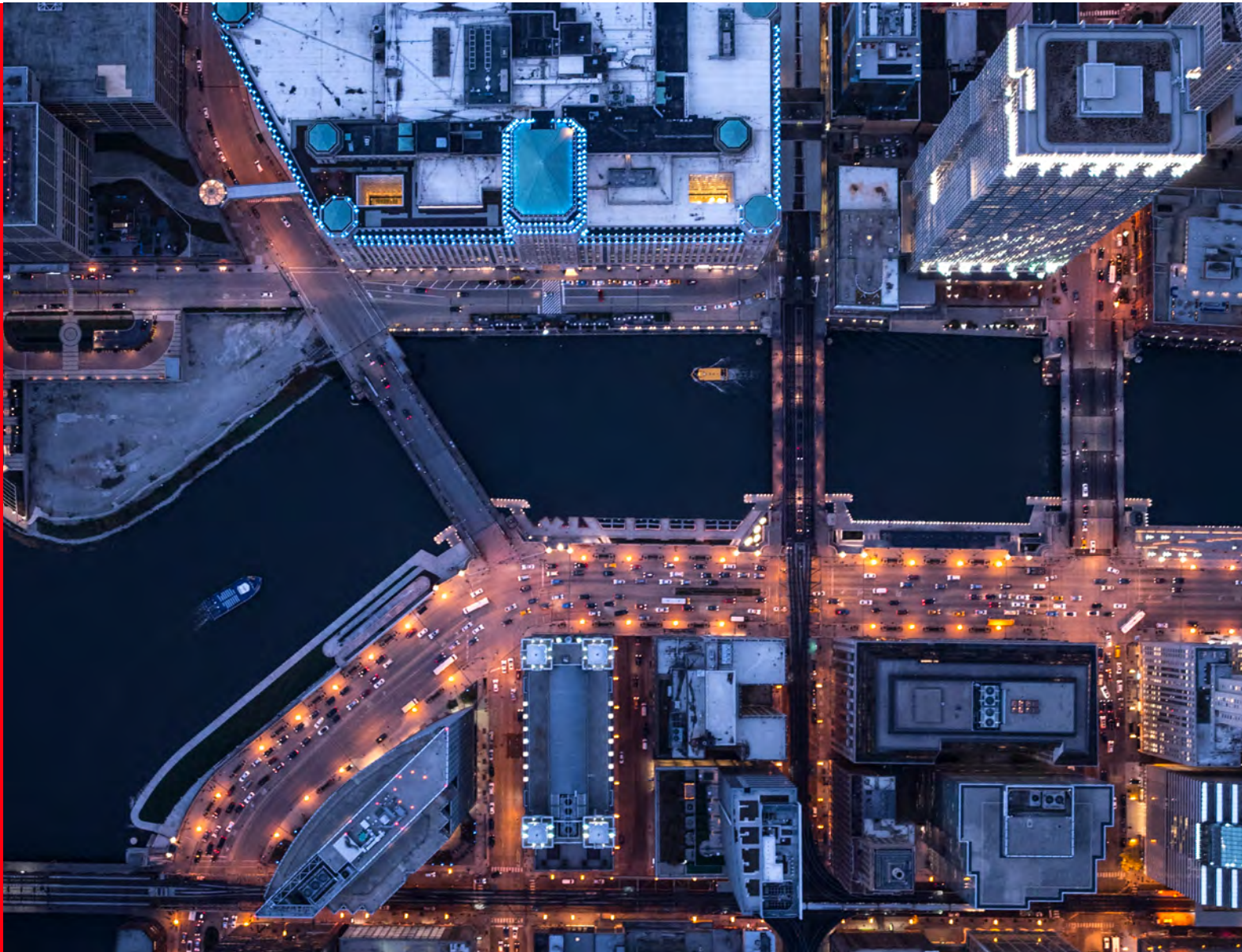


2024 Global Medical Trend Rates Report

Global Overview and Data Tables



About the Report

The Aon 2024 Global Medical Trend Rates survey was conducted across 113 Aon offices that broker, administer or otherwise advise on employer-sponsored medical plans in each of the countries covered in this report. Each office represents one specific location. The survey responses reflect the medical trend expectations of Aon professionals based on their interactions with clients and carriers represented in the portfolio of the firm's medical plan business in each location.

The trend rate figures shown in this report represent the percentage increases in medical plan unit costs - insured and self-insured - that are anticipated to be required to address projected price inflation, technology advances in the medical field, plan utilization patterns and cost shifting away from underfunded social programs in each covered location.

We have also included the projected general inflation rates for 2024 as published by the International Monetary Fund (IMF) in April 2023. These rates have been adopted as a proxy for the expected domestic retail inflation level in each country.

Given the volatility in global price inflation, care should be taken in interpreting the information presented here, as well as seeking your own independent, location-specific, expert advice. The medical trend rates provided are not meant to represent an overview of each location's healthcare costs as a whole.



Executive Summary

The 2024 Global Medical Trend Rates Report publishes after a period of remarkable inflationary conditions and economic volatility. The series of shocks affecting economies around the world after the pandemic continue to create an unstable economic environment, despite continued signs of improvement, and it is likely that volatile conditions will persist. For example, many developing countries in Africa face the pressure of currency depreciation amid global interest rate hikes that may drive investors away from the region, thereby exacerbating the region's dependence on increasingly expensive imports.

Macroeconomic instability has had a significant impact on the medical trend in many locations around the world; however, it is not the only factor. While macroeconomic instability is a big part of the story behind the medical trend rates, it is also important to highlight the regional differences, the conditions driving the trend rate, and the ways in which companies are mitigating the increases.

Despite uncertainty on how long global inflationary pressures will persist, it is clear from the locations surveyed that the expectation for employer-sponsored medical plans is that the medical trend rate will see a sharp rise in 2024.

The global average medical trend rate for 2024 is expected to be 10.1 percent, up from 9.2 percent in 2023 and the highest it has been since 2015.

The upsurge in medical trend is driven by a generalized increase expected in all regions, with every global region showing an increase in trend over 2023.

- The two regions with the highest projected increases are Latin America and the Caribbean (LAC), at 11.7 percent (up from 11.6 percent in 2023) and Middle East and Africa (MEA), at 15.1 percent (up from 14.5 percent a year ago).

- Europe's projected trend for 2024 is 10.4 percent, which is up from 9.1 percent in 2023 and nearly double its 5.6 percent rise in 2022. Europe's rise, making it the third highest region globally, is expected to result in unprecedented increases on employer-sponsored medical plans, as it surpasses the double-digit barrier.
- Asia-Pacific (APAC) represents the second lowest increase of the five regions. APAC, at 9.7 percent, is a half a point higher than 2023 (9.2 percent).
- North America is something of a paradox. While the 7.6 percent increase is the region's highest since 8.5 percent in 2014 - and is higher than 2023's 6.6 percent - it is the smallest increase of any of the global regions. The region, comprised of Canada and the United States, benefitted from comparatively lower general inflation rates.

Conditions behind the trend rate. The top medical conditions that are expected to drive medical plan costs in 2024 are the same ones that had the greatest impact on trend in 2023, including:

- **Cancer/Tumor Growth.** The most common cancers are breast, lung, colorectal and prostate. Cancer is a top condition in all regions other than MEA. Countries such as Portugal, Turkey, Switzerland and Israel all consistently report cancer as the top condition, while LAC and Europe have also seen increased prevalence of this condition.
- **Cardiovascular.** Cardiovascular diseases include disorders of the heart and blood vessels. Collectively, they have been a top condition negatively impacting claims in APAC, Europe and LAC regions, with Argentina, Belgium, Costa Rica, Japan and South Korea being the countries consistently reporting this as their leading condition.
- **High Blood Pressure/Hypertension.** High blood pressure and hypertension are leading risk factors for many other conditions and are continuously reported as top conditions driving adverse claims experience in MEA. South Africa, Philippines, Dominican Republic and Bulgaria are just some of the countries that consistently report this as their leading condition.

Additional noteworthy conditions

Diabetes. Diabetes has been gradually gaining global relevance as a top condition driving medical claims around the world. It is expected to be the top reported condition for 2024 in Canada and Saudi Arabia.

Musculoskeletal/Back Pain. Musculoskeletal pain and back pain are conditions that are consistently reported for North America, particularly in the United States, where trauma, back pain, and arthritis are the three most common conditions, with nearly one in two adults affected¹. In Europe, these conditions have been consistently reported as a top-three driver for claims, with Denmark, Norway and Sweden in the forefront.

ENT/Lung Disorder/Respiratory. Ear, nose and throat conditions, alongside lung and respiratory diseases, have historically played a significant role in driving adverse claims in APAC and MEA, and now most recently in Canada. In MEA, these conditions are expected to be the second most impactful claims driver in 2024, behind only hypertension.

Mental Health. Mental health is a major contributor to morbidity, disability, injury, and premature mortality, and also increases the risk of other health conditions². Since the beginning of the COVID-19 pandemic, mental health has been reported in Europe as a leading condition driving claims. This is especially true in the Netherlands, Germany and the Scandinavian countries. Canada has also seen an increase in the prevalence of this condition, which in 2024 is listed second, after diabetes.

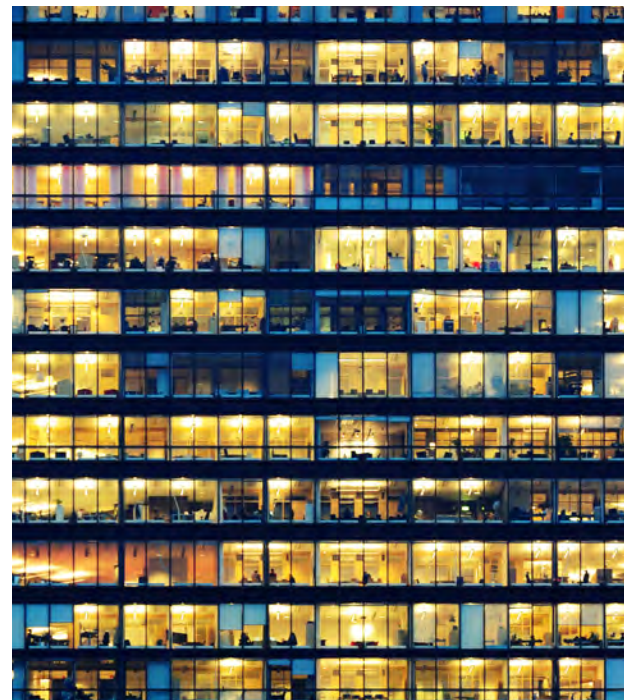
¹ Source: <https://www.boneandjointburden.org/>

² Source: <https://www.paho.org/salud-en-las-americanas-2017/ro-mental.html>

Although the leading conditions driving the trend rate – cancer and cardiovascular – are associated with risk factors like poor nutrition, air pollution, and excessive drug and alcohol use, **it is physical inactivity and poor stress management that continue to lead the list of risk factors.** As mentioned above, hypertension is both a leading condition in and of itself, and a leading risk factor for other conditions.

Obesity is also an important risk factor expected to drive future claims, particularly in the United States and LAC where it continues to be reported as the second most relevant risk factor. In the US, obesity is immediately followed by excessive alcohol or drug use as key risk factors, and in LAC it is followed by bad nutrition, which is mostly a consequence of poor eating habits.

Lack of screening - which has historically been reported as a risk factor in MEA and more recently in Europe - is also being reported for the second year in a row as the most important risk factor in Canada driving future adverse claims.



What are leading employers doing to mitigate rising costs?

Health and wellbeing costs have become an important concern for companies as year-over-year medical plan costs continue to rise. These rising rates often bring unexpected or unbudgeted cost increases and make affordability for employers and employees more difficult.

At the country level, companies looking to mitigate these increased costs are using a familiar set of strategies. **Wellbeing initiatives are again the leading mitigation strategy.** These initiatives help to control costs in a couple of ways: by encouraging utilization of preventative care, they can avoid more expensive care down the road; and by keeping employees engaged in their wellbeing, they can reduce the stress that can exacerbate other health conditions.

Cost containment measures - initiatives aimed at reducing or controlling overuse, such as raising deductibles and copays and the use of referrals - are expected to play an important role during 2024. More significant plan design changes, such as the use of flexible benefit plans to cap overall benefit costs, and access and delivery restrictions, are all measures designed to incentivize plan members to seek care in a cost-effective manner and are also expected to play a role in 2024.

Flexible benefit plans are worth mentioning as an increasingly used mitigation initiative at a global level, with around 60 percent of countries identifying this as a top initiative to consider in 2024. Countries like Spain, South Africa, and the United States already have this as one of their most important initiatives. Apart from allowing employers a greater deal of cost control, flexible benefit plans often serve as an enabler of change in employees' behavior. They also work as an HR tool to deliver differentiated benefit packages that can attract and retain talent, while also offering adaptive benefits to meet individual needs and address company policies around Diversity, Equity, Inclusion and Belonging (DEIB).



Wellbeing and integration with other corporate initiatives

There is no doubt that companies are taking wellbeing seriously. According to the [2022-2023 Aon Global Wellbeing Report](#), 83 percent of employers globally have a wellbeing strategy in place and have responded that wellbeing is a top priority for the next five years.

Furthermore, an increasing number of countries are reporting wellbeing as their single most important cost mitigation initiative, with a quarter of the 113 countries citing wellbeing's importance and countries like Brazil, Colombia, India, Singapore and Hong Kong at the forefront.

Implementing a long-term health and wellbeing strategy becomes increasingly crucial to cost containment. It is important that this strategy align with other strategic corporate initiatives like DEIB and Environmental, Social and Governance (ESG) policies. Every company is different, but almost all leading employers look at the following as they devise a health and wellbeing strategy:

- **Long-term healthcare financing** – A long-term perspective on healthcare financing allows employers to gain insight and influence over their healthcare spend by leveraging broker and vendor consolidation and identifying alternatives to traditional financing. One such alternative is to use a captive insurance vehicle. Captives provide far greater control over pricing and facilitate the linkage between wellbeing, DEIB initiatives and healthcare spend.
- **Healthcare analytics** – For any strategy to work, it must be built on robust data and an understanding of the underlying health cost drivers. Many leading employers are looking towards using a “Global Health Dashboard” to access regular reports on claims and diagnostic data for their major healthcare plans, which can then be used to set and measure tailored initiatives, budget costs appropriately, and react to unexpected claims.
- **Broad wellbeing strategy** – Leading employers build resilient workforces by combining healthcare data with other key wellness data sources (time off, wellbeing app data, EAP statistics, etc.) to identify a broad set of wellbeing focus areas and then implement programs and strategies to tackle these key challenges.



As employer-sponsored medical plans become a larger part of total rewards spend, and pressure mounts to accurately forecast and manage costs, we hope you find the information on this report valuable as you plan your global budgets and benefits strategies for 2024 and beyond. For more information on how Aon can help an organization make better decisions, [please reach out to your Global Benefits team](#).

Aon is in the business of better decisions.

Rui Silva
Vice President, Medical Trend Leader, Global Benefits

Average Medical Trend Rates

Global/Region (Average percentage):

	2023			2024		
	Annual General Inflation Rate	Annual Medical Trend Rates		Annual General Inflation Rate	Annual Medical Trend Rates	
		Gross	Net		Gross	Net
Global	3.6	9.2	5.6	3.6	10.1	6.5
North America	2.8	6.6	3.8	2.3	7.6	5.3
Asia-Pacific	3.0	9.2	6.2	3.6	9.7	6.1
Europe	3.8	9.1	5.3	3.7	10.4	6.7
Latin America & Caribbean	4.3	11.6	7.3	4.1	11.7	7.6
Middle East & Africa	6.4	14.5	8.1	7.4	15.1	7.7

Source: Aon

· “General Inflation Rate” is the 2024 projected domestic general inflation published by the International Monetary Fund (IMF) World Economic Outlook Database April 2023.

· All information within this document is reported as of September 2023, with the 2023 individual country figures as reported in the 2023 Global Medical Trend Rates report, and the 2023 General Inflation figures being the IMF outlook released in April 2022. Download previous versions of [this report](#) on our website.

· The IMF outlooks are considered the best available proxy for domestic inflation and were used across all countries except for Bermuda, where the best available proxy was the most recent domestic retail inflation data as reported by the Bermuda central bank.

· “Net” indicates medical trend rates net of domestic general inflation rates. This report was developed in Q3 2023, and all commentary is based on the figures and predictions available at this time.

· The 2024 medical trend rate for the United States was obtained from Aon’s Health Value Initiative database, as applicable to PPO plans, adjusted to reflect expected increases prior to any plan, program or carrier changes for cost containment.

· For Lebanon, Pakistan, Sierra Leone, Venezuela and Zimbabwe, we are not reporting 2024 medical trend rates due to a prevailing hyperinflation environment. We have also excluded those countries, alongside Argentina and Ukraine, from regional and global averages.

· Algeria, Morocco, and Russia were included in the tables below, but with no medical trend rate being reported.

· An “n/a” represents rates that were not made available, or were not reported, by the respective sources.



Regional/Country (Average percentage):

	2023			2024		
	Annual General Inflation Rate	Annual Medical Trend Rates		Annual General Inflation Rate	Annual Medical Trend Rates	
		Gross	Net		Gross	Net
North America	2.8	6.6	3.8	2.3	7.6	5.3
Canada	2.4	7.5	5.1	2.4	5.0	2.6
United States	2.9	6.5	3.6	2.3	8.0	5.7

Source: Aon

	2023			2024		
	Annual General Inflation Rate	Annual Medical Trend Rates		Annual General Inflation Rate	Annual Medical Trend Rates	
		Gross	Net		Gross	Net
Asia-Pacific	3.0	9.2	6.2	3.6	9.7	6.1
Australia	2.7	3.7	1.0	3.2	4.2	1.0
Bangladesh	6.2	6.2	0.0	6.5	10.0	3.5
China	1.8	7.5	5.7	2.2	7.9	5.7
Hong Kong	2.1	7.0	4.9	2.4	7.5	5.1
India	4.8	12.0	7.2	4.4	12.0	7.6
Indonesia	3.3	12.7	9.4	3.0	13.1	10.1
Japan	0.8	0.4	(0.4)	2.2	0.4	(1.8)
Kazakhstan	7.1	15.0	7.9	8.5	30.0	21.5
Malaysia	2.4	15.0	12.6	3.1	15.0	11.9
Mongolia	14.5	16.4	1.9	8.8	15.0	6.2
New Zealand	3.5	8.0	4.5	2.6	10.0	7.4
Pakistan	10.5	24.0	13.5	21.9	n/a	n/a
Papua New Guinea	5.4	9.0	3.6	4.9	4.9	0.0
Philippines	3.7	9.0	5.3	3.2	14.0	10.8
Singapore	2.0	12.0	10.0	3.5	13.0	9.5
South Korea	2.4	7.5	5.1	2.3	10.0	7.7
Taiwan	2.2	10.0	7.8	1.7	10.0	8.3
Thailand	2.8	12.3	9.5	2.0	9.1	7.1
Vietnam	3.2	6.5	3.3	4.3	6.7	2.4

Source: Aon

	2023			2024		
	Annual General Inflation Rate	Annual Medical Trend Rates		Annual General Inflation Rate	Annual Medical Trend Rates	
		Gross	Net		Gross	Net
Europe	3.8	9.1	5.3	3.7	10.4	6.7
Austria	2.2	5.0	2.8	3.0	5.0	2.0
Belgium	1.3	13.0	11.7	2.1	7.5	5.4
Bulgaria	3.3	13.5	10.2	2.2	22.0	19.8
Croatia	2.7	5.8	3.1	3.6	10.0	6.4
Cyprus	2.3	8.0	5.7	2.5	8.0	5.5
Czech Republic	2.3	5.0	2.7	5.8	5.8	0.0
Denmark	2.1	3.0	0.9	2.8	6.0	3.2
Estonia	4.6	20.0	15.4	4.1	20.0	15.9
Finland	2.7	5.0	2.3	2.5	6.0	3.5
France	1.8	5.0	3.2	2.5	5.0	2.5
Germany	2.9	8.0	5.1	3.1	10.5	7.4
Greece	1.3	8.0	6.7	2.9	8.0	5.1
Hungary	6.4	20.0	13.6	5.4	18.0	12.6
Ireland	2.7	3.0	0.3	3.2	12.0	8.8
Italy	2.5	8.0	5.5	2.6	6.0	3.4
Latvia	3.9	n/a	n/a	3.5	30.0	26.5
Lithuania	4.3	15.0	10.7	5.8	15.0	9.2
Luxembourg	2.0	2.0	0.0	3.1	2.5	(0.6)
Norway	1.8	8.0	6.2	2.8	8.0	5.2
Poland	10.3	10.5	0.2	6.1	10.0	3.9
Portugal	1.5	7.0	5.5	3.1	10.0	6.9
Romania	4.0	18.0	14.0	5.8	20.0	14.2
Russia	14.3	n/a	n/a	4.6	10.5	5.9
Serbia	4.7	12.0	7.3	5.3	20.0	14.7
Slovakia	4.1	6.0	1.9	4.3	11.0	6.7
Slovenia	5.1	3.2	(1.9)	4.5	13.3	8.8
Spain	1.3	7.5	6.2	3.2	6.0	2.8
Sweden	2.2	5.0	2.8	2.3	5.0	2.7
Switzerland	1.6	10.0	8.4	1.6	8.0	6.4
The Netherlands	2.3	4.0	1.7	4.2	5.1	0.9
Turkey	37.2	80.0	42.8	35.2	90.0	54.8
Ukraine	n/a	n/a	n/a	n/a	19.3	n/a
United Kingdom	5.3	8.5	3.2	3.0	15.0	12.0

Source: Aon

	2023			2024		
	Annual General Inflation Rate	Annual Medical Trend Rates		Annual General Inflation Rate	Annual Medical Trend Rates	
		Gross	Net		Gross	Net
Latin America & Caribbean	4.3	11.6	7.3	4.1	11.7	7.6
Argentina	43.5	55.0	11.5	60.1	98.0	37.9
Bahamas	4.5	12.0	7.5	3.4	10.0	6.6
Barbados	4.5	10.0	5.5	4.7	10.0	5.3
Bermuda	3.7	6.9	3.2	3.8	9.2	5.4
Bolivia	3.6	6.0	2.4	3.7	3.7	0.0
Brazil	5.1	14.4	9.3	4.8	14.1	9.3
Chile	4.5	4.9	0.4	4.0	5.0	1.0
Colombia	4.2	7.2	3.0	5.4	12.4	7.0
Costa Rica	3.7	10.0	6.3	3.6	12.0	8.4
Dominican Republic	5.0	8.0	3.0	4.3	8.0	3.7
Ecuador	2.4	15.4	13.0	1.5	15.0	13.5
El Salvador	2.2	22.0	19.8	2.1	25.0	22.9
Grenada	3.5	0.0	(3.5)	3.0	0.0	(3.0)
Guatemala	4.3	10.5	6.2	5.5	11.5	6.0
Honduras	5.0	11.0	6.0	5.3	10.0	4.7
Jamaica	5.9	10.0	4.1	5.0	7.0	2.0
Mexico	3.9	15.0	11.1	3.9	14.0	10.1
Nicaragua	6.2	20.0	13.8	5.0	25.0	20.0
Panama	3.4	12.0	8.6	2.2	10.0	7.8
Paraguay	4.5	8.0	3.5	4.1	9.0	4.9
Peru	3.6	8.5	4.9	2.4	8.9	6.5
Puerto Rico	3.3	6.3	3.0	2.2	7.3	5.1
Trinidad and Tobago	3.8	10.0	6.2	3.4	10.0	6.6
Uruguay	5.6	10.5	4.9	6.1	9.8	3.7
Venezuela	500.0	n/a	n/a	200.0	n/a	n/a

Source: Aon

	2023			2024		
	Annual General Inflation Rate	Annual Medical Trend Rates		Annual General Inflation Rate	Annual Medical Trend Rates	
		Gross	Net		Gross	Net
Middle East & Africa	6.4	14.5	8.1	7.4	15.1	7.7
Algeria	8.2	n/a	n/a	7.7	n/a	n/a
Angola	13.2	16.0	2.8	10.8	20.0	9.2
Bahrain	2.9	5.0	2.1	2.2	8.0	5.8
Botswana	4.5	11.0	6.5	5.2	12.0	6.8
Democratic Republic of the Congo	6.1	10.0	3.9	7.2	10.0	2.8
Egypt	11.0	27.0	16.0	18.0	29.0	11.0
Ethiopia	30.5	32.0	1.5	23.5	34.4	10.9
Ghana	13.0	21.0	8.0	22.2	35.0	12.8
Israel	2.0	9.5	7.5	3.1	10.0	6.9
Ivory Coast	2.3	16.5	14.2	1.8	15.0	13.2
Jordan	2.5	5.0	2.5	2.9	5.0	2.1
Kenya	7.1	9.8	2.7	5.6	12.5	6.9
Kuwait	2.3	9.5	7.2	2.6	9.5	6.9
Lebanon	n/a	n/a	n/a	n/a	n/a	n/a
Lesotho	5.6	7.5	1.9	5.5	9.0	3.5
Malawi	7.1	16.0	8.9	18.3	27.5	9.2
Mauritius	5.7	15.0	9.3	6.9	15.0	8.1
Morocco	2.3	n/a	n/a	2.8	n/a	n/a
Mozambique	7.7	9.5	1.8	6.5	10.0	3.5
Namibia	4.6	8.7	4.1	4.6	9.5	4.9
Nigeria	13.1	18.1	5.0	15.8	22.0	6.2
Qatar	3.2	8.5	5.3	2.7	8.5	5.8
Saudi Arabia	2.0	17.5	15.5	2.3	14.0	11.7
Senegal	2.2	7.0	4.8	2.0	10.0	8.0
Sierra Leone	14.5	18.1	3.6	25.9	n/a	n/a
South Africa	4.6	8.7	4.1	4.8	9.5	4.7
Sultanate of Oman	2.2	3.0	0.8	2.4	9.0	6.6
Swaziland	4.2	7.2	3.0	4.8	9.0	4.2
Tanzania	5.4	13.0	7.6	4.3	10.0	5.7
Tunisia	n/a	n/a	n/a	9.5	10.2	0.7
Uganda	4.1	10.0	5.9	6.4	10.5	4.1
United Arab Emirates	2.8	11.0	8.2	2.0	10.0	8.0
Zambia	9.2	15.0	5.8	7.7	17.0	9.3
Zimbabwe	46.5	n/a	n/a	134.6	n/a	n/a

Source: Aon



About Aon

[Aon plc](#) (NYSE: AON) exists to shape decisions for the better — to protect and enrich the lives of people around the world. Our colleagues provide our clients in over 120 countries and sovereignties with advice and solutions that give them the clarity and confidence to make better decisions to protect and grow their business.

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