

Heart Disease Is Now Second Costliest Ailment for U.S. Employers

A new [report](#) by independent stop-loss provider Sun Life revealed that cardiovascular disease rose to second place on the list of highest stop-loss claim reimbursements during 2020-23. This rise is significant, as the condition surpassed blood cancers for the first time in 12 years since the report began.

Sun Life's annual report analyzed 60,000 stop-loss claims from a member database of 6 million people. Nearly three-quarters (72%) of all stop-loss claims came from the top 10 conditions, and 37% of claim reimbursements came from the top three conditions. Here are the top 10 conditions for the four-year view:

1. Malignant neoplasms (solid tumors)
2. Cardiovascular
3. Leukemia, lymphoma and multiple myeloma (blood cancers)
4. Newborn and infant care
5. Orthopedics and musculoskeletal
6. Respiratory
7. Sepsis
8. Gastrointestinal and abdominal
9. Neurological
10. Urinary and renal

Notably, COVID-19 dropped significantly to spot 29 on the 2024 list, compared to number 11 in 2022. Consider the following additional key findings from the recent Sun Life report:

- Five new drugs are on the 20 high-cost injectable drugs list in 2023, which can treat cancer, immunodeficiency disorders, gout and blood disorders.
- The top 10 injectable drugs had over \$10 million in total spending, and Keytruda is still leading in spending with \$69.7 million.
- Million-dollar claims rose 8% on a claims-per-million-covered-employees basis over the past year and are up 50% over the past four years.

“Over the 2019-22 benefit years, 87% of employers were likely to experience a stop-loss claim in any given year.”

- Sun Life 2024 High-cost Claims and Injectable Drug Trends Analysis

Employer Takeaways

Sun Life's annual report is conducted to help self-funded employers better understand the trends and potential impacts of high-cost medical and injectable drug claims. When self-funding a health plan, one of the initial and critical considerations is whether to purchase stop-loss coverage. With this coverage, a self-funded employer can realize the benefits of self-funding, such as plan design flexibility, without the risk of unlimited liability from high-cost claims. Many factors impact a group's ideal amount of protection, including cash flow, risk tolerance and company size, so self-funded employers should make the best risk management decisions for both their employees and businesses.

Contact us for more employee benefits resources.