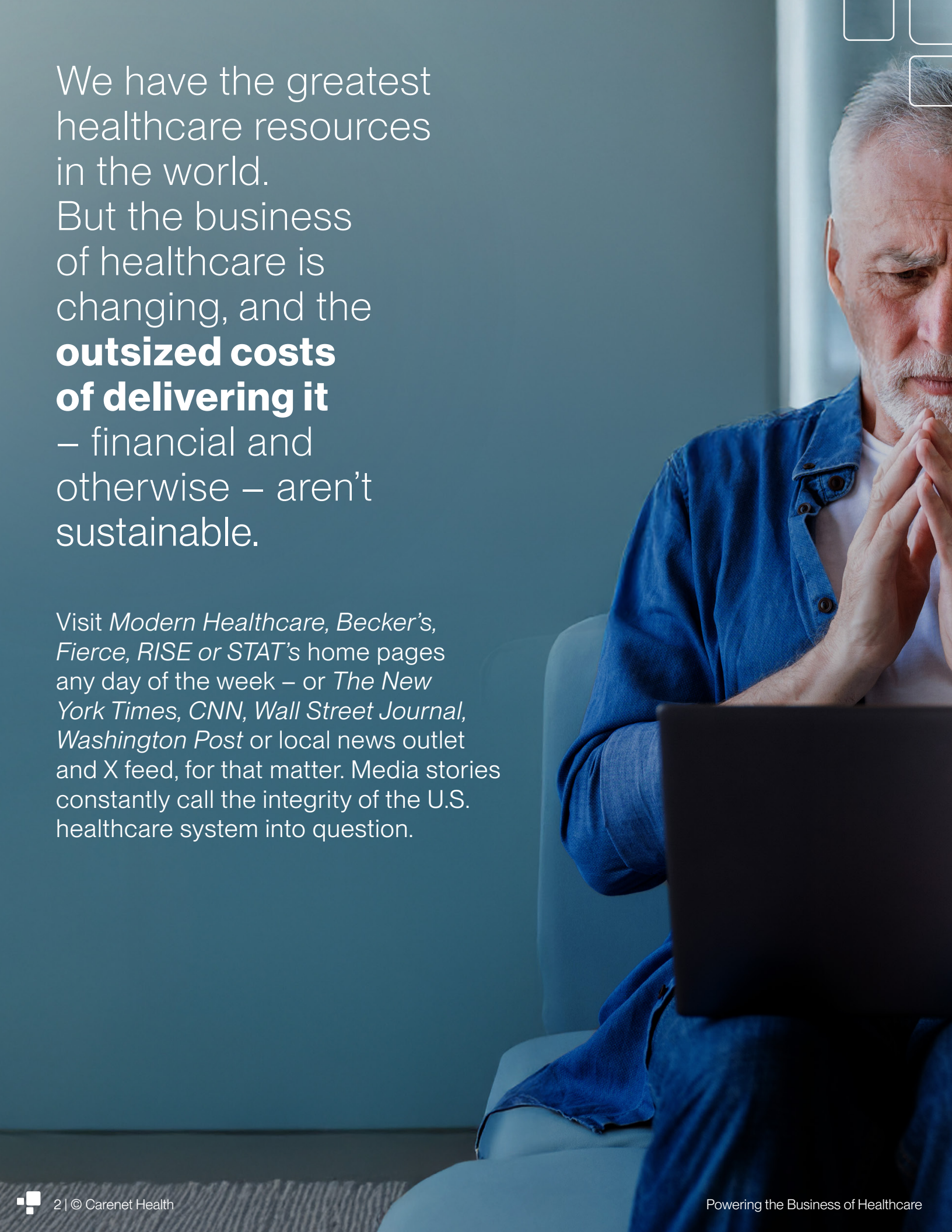


Declaration

The U.S. has the **best healthcare** in the world, but the costs are too great to ignore





We have the greatest
healthcare resources
in the world.

But the business
of healthcare is
changing, and the
**outsized costs
of delivering it**
– financial and
otherwise – aren't
sustainable.

Visit *Modern Healthcare*, *Becker's*,
Fierce, *RISE* or *STAT's* home pages
any day of the week – or *The New*
York Times, *CNN*, *Wall Street Journal*,
Washington Post or local news outlet
and X feed, for that matter. Media stories
constantly call the integrity of the U.S.
healthcare system into question.

Current state of affairs

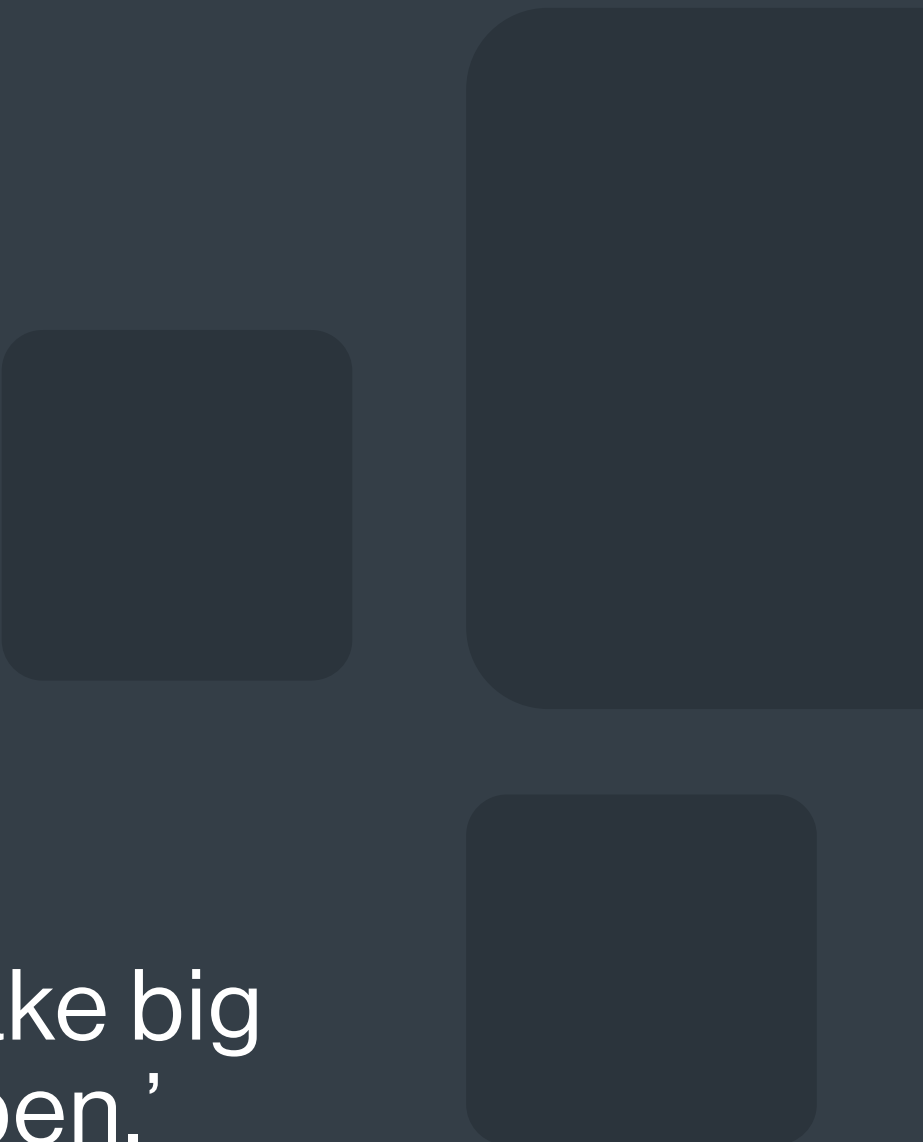

Medicare Advantage Star Ratings announced in November sent health plans quaking into the year ahead. There's a new administration in the White House with a bold healthcare agenda, including cuts to a number of Centers for Medicare and Medicaid Services (CMS) value-based care (VBC) programs and Health and Human Services (HHS) staff. More Americans than ever before have enrolled in government health plans, through the exchange or employer-sponsored ICHRA, yet their distrust in the system and care quality is at an all-time high. The U.S. has dropped to the lowest position ever on the World Happiness Report. The list goes on.

Although the headlines vary in moments of volatility and change, the news isn't "new;" it highlights a problem decades in the making. From health systems and provider networks, to insurance companies and pharmacy benefit managers (PBMs), to government policymakers and tax-paying employers, to budding self-service health companies and point-solution technology providers, we have collectively built a confusing system for ourselves and nearly 350 million fellow U.S. healthcare consumers.

America has the most enviable healthcare resources in the world and, yet, with only 3% of the world's population, healthcare spending accounts for 18% of gross domestic product (GDP) – nearly twice as much per capita as any other high-income country. Healthcare is our country's largest and fastest growing expense, and still we behave as if confusion is inevitable and poor performance is acceptable. It doesn't compute.

The closing line in *TIME*'s Dec. 2024 article, "Our Healthcare System is Broken. Can Technology Help Heal It?" struck a poignant chord, with which we couldn't agree more:

"The healthcare system is front and center in both our national and personal conversations. Healthcare leaders need to use this opportunity not just to talk about the need for big changes—but to make big changes happen."



It's time to 'make big changes happen.'

We share a vision, working in partnership with hardworking payer, provider, and healthcare technology and service companies, to keep investing in 'the best healthcare in the world.' The costs of not doing so are too great to ignore.

Range of costs

When we say, 'U.S. healthcare costs too much,' we don't just mean monetarily – though that's a big part of it. There is a **range of commercial and human costs**:

- **Business expenses** – the costs for hospitals, private practices, insurance companies, pharmacies to operate and employ highly skilled labor
- Lack of **access** to care – getting to the right care at the right time; be it proximity to providers in various settings, affordability of medications, or comprehension of health information



- Uncaptured **revenue** – from preventive care and treatment patients should be getting
- **Individual expenses** – including costs of coverage, care, prescriptions, plus basic human needs like clothing, transportation, nutritious foods, etc.
- Wasted **time** – by employees of healthcare organizations duplicating efforts and getting bogged down in administrative tasks, as well as U.S. consumers trying to navigate the system
- Cumbersome or non-existent patient **engagement** with payers, providers and health services
- Healthcare worker stress, **burnout**, and related qualified workforce deficits and rehiring expenses
- Avoided doctor's visits and treatment plan **adherence**
- Unprioritized wellness and **preventive care** visits – leading to inappropriate **site of care** and **chronic conditions** and disease being caught and managed too late, if at all
- Lower **life expectancy** than any other developed country, costing people good years of their lives

Snapshot of U.S. Healthcare Cost by the Numbers

[Click here](#) for a full picture, updated frequently.

Only **1/3**
of doctors'
time is clinical
work; the rest is
administrative^v

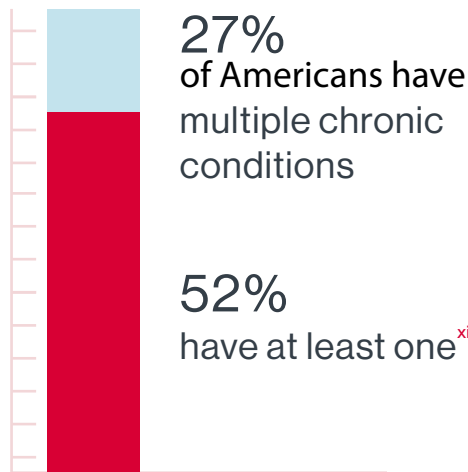


30.7%
average nurse
burnout rate — linked
to safety issues,
errors, adverse
events, and lower
quality of care^{xviii}

1/4



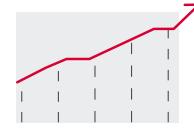
Americans say
“access” is their
greatest public
health priority^{xiii}



27%
of Americans have
multiple chronic
conditions

52%
have at least one^{xiv}

U.S. healthcare
spending is projected
to double, reaching

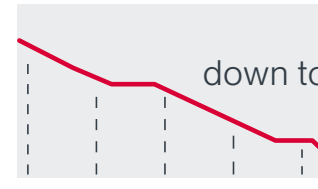


\$9T
by 2030ⁱⁱⁱ



\$200B

is spent annually
on ‘unnecessary’ or
‘inappropriate’ care^{ix}



31.4%

erosion in Americans'
trust of the
healthcare system
from 2020 to 2024^{iv}

Meanwhile, consumers' expectations are set by interactions with the likes of Amazon, Uber, and Google. Each of us want what we want, how we want it, when we want it, before we want it, with absolute personalization... but also with security, privacy, and genuine human decency. As businesses and individuals, we want to embrace artificial intelligence (AI) and yet we fear the unknown.

All this makes for a high bar. But Carenet is rising to the challenge with our payer, provider, and health tech and services partners. We must.



Raising the bar

Revelations like this are exactly why we invested in Christus Santa Rosa Health System's pioneering patient advocacy and navigation program 20+ years ago, with a vision to bring focus on consumerism and the experience economy to healthcare.

We saw a way for all Americans to affordably access care and confidently engage in and manage care, while allowing health systems to focus on clinical delivery. We saw a way to connect the many nodes in the healthcare system – payers, providers, pharmacies, drug manufacturers, PBMs, wellness technologies, DME, RPM devices, health coaches, government agencies, healthcare coalitions, EMRs – facilitating, innovating, and advocating better healthcare engagement and management for all.

It's the same reason we have grown our portfolio with the acquisition of outstanding digital health, clinical navigation, and value-based care companies over the years.

We still see enormous potential and are committed to empowering America's great healthcare companies of every size to deliver better care experiences at a lower cost.

Our business that was comprised of largely U.S.-centric talent is now globally operated, data insight-led, and technology-enabled. Our clinical expertise is a mainstay, and a robust, easy-to-integrate-with platform and AI-driven predictive analytics are now guiding our health advisors in supporting our clients' patients, members, and customers. Nearly 25 years working with 500+ premier healthcare companies has yielded vast learnings we put to work for them. New digital technologies and care management capabilities are elevating what they're able to deliver in any modality, at any point in the health journey.

Though many companies talk about digital transformation, engagement and value-based care, few have the opportunity to interact with 100,000+ American healthcare consumers every day about every aspect of their experience like Carenet does. Each program we co-create with our clients drives unprecedented business and health outcomes. And our enduring, healthcare-focused vision informs every investment we make and every partnership we build.

We are connecting with patients 24/7/365 and connecting them to the businesses that make sure they can get the best care. To channel Mahatma Gandhi, we are manifesting "the change we wish to see in the world." We are energized by our clients' goals to 'make big changes happen.'



Powering Change


The business of healthcare is ever-changing. We are continuously raising the bar even higher — for ourselves and our partners.

Carenet is in a prime position to mitigate the confusion and reinforce Americans' trust in the healthcare system. We believe it's our job to help reengineer quality, access, and utilization to better serve patients at a lower cost. We will continue to help companies proactively tackle waste, root out the most expensive administrative burdens, reduce consumer friction, cut down on unnecessary care, and invest in systemic improvements that drive meaningful outcomes.

Our system is broken. But imagine if we can take even just a fraction of the administrative and clinical waste out and shift it to invest in better care experiences for all.

Partner with us. Invest in us. Work with us. Be part of Carenet.
Together, we'll power the business of 'the best healthcare in the world.'

 [Carenethealth.com](https://www.carenethealth.com)

 800.809.7000



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