



# Cigna Healthcare Global Individual Health Pricing Strategy Explained

September 2025





# Cigna Healthcare Rate Reviews

With roots going back more than 230 years, Cigna Healthcare has constantly evolved through time to meet people's changing health care needs and adapting to the medical trends we experience in the sector.

Cigna Healthcare is an advocate for better health through every stage of life. We remain committed to empowering our customers to make the best choices for improving their health and vitality.

For almost 15 years, our dedicated global individual health business unit has provided specialised individual health insurance in almost 200 countries and jurisdictions worldwide.

Cigna Healthcare Global Individual Health regularly review the insight we have within the Cigna group and review our proposition in alignment with medical inflation and market forces.

All reviews are not done in isolation. As part of the process, we validate our internal analysis with trusted third parties to ensure rate review outcomes provide sustainable pricing for our customers.







At Cigna Healthcare, we understand that many of your clients may raise concerns when they see an increase to their annual premium. To help you discuss these increases, we've created a guide that features information on price increases and why we must make changes during certain periods of the year.

Our strategy is reflective of current market trends, observed data, and other strategic lenses or considerations. There are many factors that drive an increase in cost – not only for Cigna Healthcare, but for much of the health care industry.

## Contents

1. The impact of medical inflation
2. Other drivers of medical cost increases
3. Frequency of price updates
4. Product updates

# Deeper dive: The impact of medical inflation

Medical inflation trends are separate from global price inflation trends and can usually be much higher due to factors specific to the health care industry, such as advances in medical technology and overburdened health care providers. Medical inflation trends continue to be projected at double-digit increases once again during 2025. The average projected annual medical trend across the globe is more than 10%, though this does vary by country.

## Global trends

We've found that utilization pressures vary across regions, with respiratory claims rising by more than 20% worldwide. Pregnancy and genitourinary procedures are increasing between 10–20% internationally and over 20% in the U.S. While claims for musculoskeletal, cancer, and digestive procedures remain low in the U.S., cancer and digestive treatments are now trending upward at rates above 20%.

Looking forward, gene therapy is expected to drive significant cost increases, with treatments ranging from \$500,000 to over \$2,000,000 per patient and projected to grow annually in the double digits.

Several major factors are driving continued high medical costs and trends, with variations across different territories.

### United Kingdom

In the UK, strain on the NHS has led to greater reliance on private health care, where costs are rising due to workforce shortages, higher wages, and agency staffing. At the same time, demand for specialized treatments such as CAR-T cell therapy is increasing, alongside rising pharmaceutical costs. Cancer incidence has climbed post-COVID, driving higher claims, while expanded use of telehealth has improved access but led to more secondary referrals and treatment.

### Europe

Across Europe, rising costs are being driven by new medical technologies and growing demand for health care services. Mental health claims are increasing rapidly, with costs expected to rise by over 15% per person in the next three years, partly due to greater use of virtual consultations. At the same time, pressure on public health systems is shifting more patients to private care, while musculoskeletal conditions continue to grow in both frequency and cost, influenced by aging populations and sedentary lifestyles.

### United States

In the US, rising health care costs are being driven by demand for new high-cost medications like GLP-1s, which now contribute to nearly a quarter of total health care expenses. At the same time, inflation, labor shortages, and pressure on public health systems are leading providers to raise their rates. Cancer remains the top cost driver, with screenable cancers like breast and colon cancer growing in double digits, alongside increased costs for cardiovascular and musculoskeletal conditions.

### Asia

Throughout Asia, the rising cost of care is being driven by new cancer therapies, high-cost claimants, and plan designs with limited cost-sharing. Declining public health systems are pushing more patients toward private care, while chronic conditions like cancer and cardiovascular disease remain top cost drivers. At the same time, investment in medical technology continues to advance how care is accessed and managed across the region.

# Other drivers of medical cost increases

## Cutting-edge medical technology

- Medical technology can account for up to 50% of medical inflation increases. Every year health care technology changes – usually for the better for Cigna Healthcare customers, as it gives them access to new treatments. The downside to this though, is that it's always at a higher cost. Pioneering technology is constantly evolving which is now curing more diseases and illnesses than ever.
- We continue to see new and specialised medications in the pharmaceutical market which are being used to treat more complex conditions. These high-cost drugs are also becoming available for other diseases with broader patient populations, leading to increased utilization and cost of care.

## Location

- Location is a factor that impacts our pricing. Most customers would prefer to travel back to their home country to receive care, particularly for major health issues. However, this may not always be the case. If a customer's home country lacks certain medical facilities, they may decide to receive treatment elsewhere.

## Aging population

- An aging global population means that prices for health insurance have increased slightly during recent reviews. Increases may vary depending on the customer's current age, for example, toddlers and adults will see different age-related increases.

## General inflation

- This year, we have seen general inflation increasing in many countries around the world. From historic levels of around 1-2%, many countries are now experiencing inflation at 10% and above.
- As well as introducing additional affordability features to our products, such as cost-sharing and deductibles, we are working pro-actively with health care providers to continue to offer affordable, comprehensive products to your customers. As a result, we have decided not to introduce a specific rate action linked to general inflation as part of our September 2025 rate update.



# Frequency of price updates

## Why price updates occur more than once a year:

Price changes usually occur at the point of renewal for existing customers and at a specified date for all new customers. Sometimes, health insurers update their pricing more than once a year, based on the following impacts:

- Product changes that result in changes to the price.
- Developing claim patterns that vary by region resulting in larger/smaller increases in certain parts of the world.

## Understanding Cigna Healthcare's rate review process:

Cigna Healthcare implements two rate reviews each year, but this does not mean that existing customers will experience a price update twice a year. Customers will only see a pricing update upon renewal of their policy. The premium agreed upon during the sales process is locked for the full 12-month period, as long as no changes are made to the policy.

The pricing update upon renewal of the policy is a combination of the two rate reviews that will have taken place during the 12-month period of cover. As a result, each rate review performed by the Cigna Healthcare team is not considered in isolation, but instead considers the previous rate review to minimize the impact for each renewing customer.







## Introducing Omada: A New Prevention Program to Go Alongside Your Rate Update

As part of Cigna Healthcare Global Individual Health's ongoing commitment to improving health care outcomes for your customers, we're excited to introduce Omada, a cardio-diabetes prevention programme launching soon for eligible CGHO customers in the U.S.

Omada is an innovative, virtual, drug-free weight-loss programme focused on preventing Type 2 diabetes and other weight-associated health conditions in at-risk customers. It works as a long-term weight management solution by building healthy habits and promoting sustainable weight loss.

### Eligibility criteria for customers:

- Reside in the U.S.
- Age 18 or older
- BMI over 25 (or over 23 for Asian populations)
- One or more pre-diabetes-related diagnoses\*

### Omada is completely free for eligible customers and includes:

- Access to an in-app, 1 to 1 health coach
- Weekly lessons on nutrition, physical activity, stress, and sleep
- Food, weight, and activity tracking
- A virtual community to share recipes and support others on their weight-loss journey

With the rise of GLP-1 drugs as "quick fix" solutions, Omada offers a crucial alternative focused on long-term, sustainable health benefits.

We plan to launch Omada by Q3 2025 and are confident this enhancement will add value to your customers' experience by supporting them on their journey to better health.

\*Pre-diabetes-related diagnoses include pre-diabetes, high triglycerides, low HDL, hypertension, elevated blood glucose, anxiety, depression, or smoking.





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