2026 Employer Market Trends Report

A part of the Employer Market Intelligence (EMI) Syndicated Research

Research Preview | Summer 2026

Gallagher

Insurance | Risk Management | Consulting

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EMI 2026 | Employer Market Trends Report Executive Summary

Introduction

For more than two decades, Gallagher Employer Research & Insights has tracked the evolution of employer-sponsored healthcare. Through the Employer Market Intelligence (EMI) service, we capture annual data on employers' healthcare priorities and concerns, and translate these findings into implications for biopharmaceutical, digital health and diagnostic manufacturers ("manufacturers").

This *2026 Employer Market Trends Report* expands on past themes of transparency, flexibility, and control to illustrate how **employers are becoming more decisive about benefit design and their measure of healthcare value**. For manufacturers, the implications have intensified—understanding the employer landscape is more important than ever to maintain medication access, demonstrate product value, and ensure future growth.

The takeaways in this Executive Summary are grounded in our primary research (surveys and interviews) with benefits decision makers at jumbo employers (5,000+ U.S. employees) and employer health coalitions.

Contact Cristin Levine with comments or questions about this report.

Primary Research

Online Survey with:

- **100** Jumbo Employers
- **27** Employer Health Coalitions

Research Interview with:

- **5** Employer Benefit Executives
- **2** Health Coalition Leaders

Beyond Transparency: Decisive Healthcare Choices in Pursuit of Value

Employers have always been a unique purchaser of healthcare as their definition of value expands beyond total spend and health outcomes to include variables like higher work output, lower absence/disability, improved employee satisfaction and increased workplace safety. To that end, employers have been seeking greater transparency into costs, and especially in recent years, clarity around vendor incentives and contract structures that shape the healthcare that they sponsor.

Their efforts continue even as not all of employers' transparency challenges have been solved (not even close). However, the findings in this year's research suggest an important transition: **the continuation of seeking clarity is not finding all the answers, it's deciding what to do next with the answers that you have.**

Armed with data, stronger oversight mechanisms and growing confidence in their ability to influence change, employers are becoming more intentional about how therapies are covered, how vendors are evaluated, and where care is delivered.

While transparency remains incomplete, observation is giving way to an era of implementation.

This shift can be seen throughout the healthcare ecosystem. While employers continue to seek greater PBM accountability, they're also becoming more willing to customize formularies, exclude drugs, pursue alternative purchasing models, implement specialty management programs, evaluate new care pathways, and leverage data to influence their decisions. In many cases, employers still do not have complete visibility into pricing, rebates, incentives, or long-term outcomes. However, mounting healthcare costs, growing specialty drug expenditures, and increased fiduciary expectations are pressuring employers to make decisions with the information available today.

The following themes capture the most important employer developments shaping 2026:

1. **Vendor Accountability is Replacing Assumptions**
2. **Movement from Coverage to Deeper Management Decisions**
3. **Redefining Value in Pharmacy Economics**
4. **Managing Intersections of Health Rather Than Individual Diseases**

Additional data supporting these takeaways is available in the full report. The table below lists notable growing, stable and declining trends.

2026 Key Employer Market Shifts

Stable

- Willingness to make a formulary change to cover or not cover a specific Rx
- GLP-1s as a top medication-related focus area

Growing

↑ Exerting control over PBM's Standard PDL

↑ Biosimilars as a top medication-related focus area

↑ Use of claims-level data to assess formulary decisions

Declining

↓ Use of a Big-3 PBM

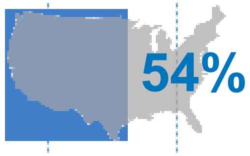
↓ Coverage of branded weight loss medications

↓ Using health plan designated COEs

Why Employers?

Gallagher Employer Research & Insights' studies self-insured jumbo employer health management. ***Why?***

Employers pay for and are at financial risk for millions of covered lives. Thus, they are motivated to keep employees healthy, at work and fully productive.



54% **EMPLOYERS INSURE OVER HALF OF ALL U.S. COVERED LIVES**

BREAKDOWN OF COVERED LIVES BY EMPLOYER SIZE

73 Million Active Employees
\+ *81 Million Spouses & Dependents*

154 Million Active Lives Covered By Employers*

SMALL EMPLOYERS
10-199 Employees

- **6.3 Million Employers**
- 22 Million Covered Employees
- 37 Million Lives

MEDIUM EMPLOYERS
200-999 Employees

- **43,553 Employers**
- 10 Million Covered Employees
- 23 Million Lives

LARGE EMPLOYERS
1,000-4,999 Employees

- **8,379 Employers**
- 11 Million Covered Employees
- 24 Million Lives

JUMBO EMPLOYERS
5,000+ Employees

- **2,262 Employers**
- 30 Million Covered Employees
- 70 Million Lives

*Total Employers = 6.4 Million**.*
*Adding in 13.5 million retiree lives to the covered lives, employers insure 167.5 million (54%) of the 310 million total insured lives*** in the U.S.*

Note: According to BLS, 14.7 million workers belonged to a union in 2025.
Gallagher Research & Insights special analysis from the following sources:
*Kaiser Survey of Employer Health Benefits, 2025.
**Source for Number of Employers: U.S. Census Bureau, 2022 Annual Data Tables by Establishment Industry, Released April 2025.
***U.S. Census Bureau, Current Population Survey, 2025 Annual Social and Economic Supplement.

Employers are Positioned to Engage in Change, but Need Evidence to Spur Action

TIME HORIZON FOR BENEFITS PLANNING

29% manage annually

62% have a 2–3-year strategy

9% have a multi-year strategy

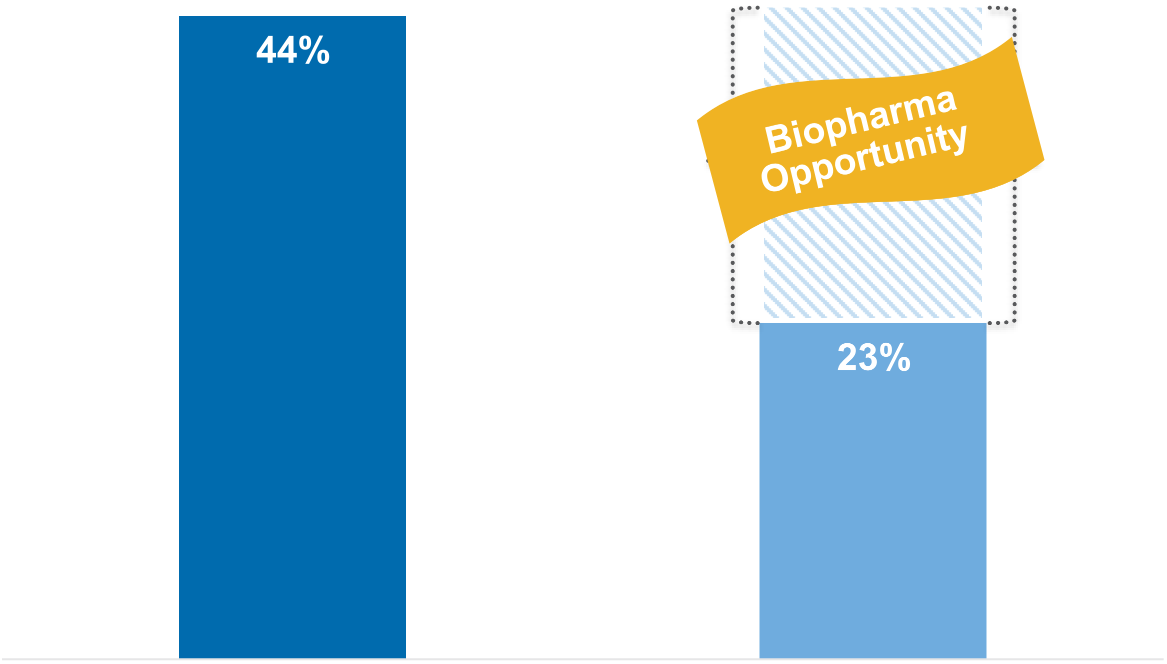
APPROACH TO VENDOR RECOMMENDATIONS
(PBMs, EBCs, Health Plans)

More than nine in ten employers require data to justify vendor recommendations…

The most sophisticated do their own independent analysis and evaluation of key advice (26%)

n=100 Employers

EMPLOYER PERSPECTIVES ON FORMULARY DECISIONS



If presented with compelling evidence, we would be willing to **make a formulary change** with our PBM to cover or not cover a specific Rx

We have been **presented with compelling evidence** to support making individual Rx decisions and evaluations

Employer Respondents

100 Surveys | **5** Interviews | **6.1M** U.S. Covered Lives

RESPONDENT ORGANIZATIONAL POSITION

- **42%** Director of Benefits
- **20%** VP of Benefits
- **18%** Benefits Manager
- **14%** Benefits Analyst
- **6%** Corporate Med. Dir

PARTICIPANTS BY NUMBER OF U.S. EMPLOYEES

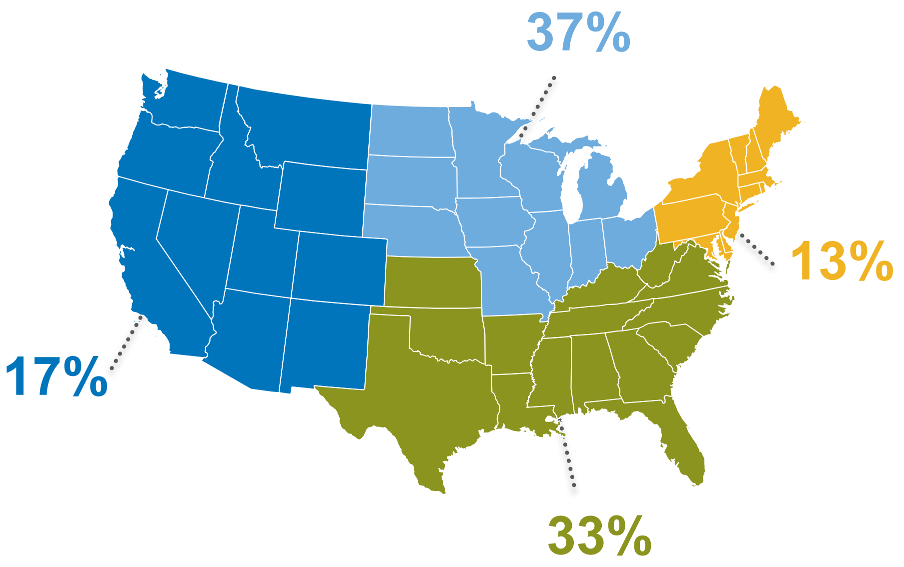
- 9% | 100,000+
- 13% | 50,000-99,999
- 19% | 20,000-49,999
- 9% | 15,000-19,999
- 19% | 10,000-14,999
- 31% | 4,500-9,999

INDUSTRY BREAKDOWN

Manufacturing	24%
Healthcare	18%
Business Services	10%
Transportation/Distribution	9%
Retail	7%
Financial Services	6%
Education	6%
Technology	6%

Others include: Hospitality/Entertainment 5%; Communications 2%; Public Entity 2%; Energy 1%; Engineering 1%; Religious Institutions 1%; Union 1%; Construction 1%

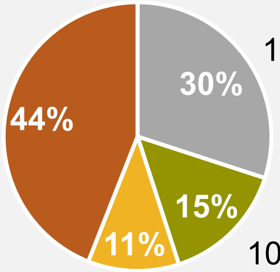
GEOGRAPHICAL BREAKDOWN OF EMPLOYER HEADQUARTERS



Coalition Respondents

27 Surveys | **2** Interviews | **39M** Member Lives

MEMBER LIVES REPRESENTED BY COALITION PARTICIPANTS



RESPONDENT ORGANIZATIONAL POSITION

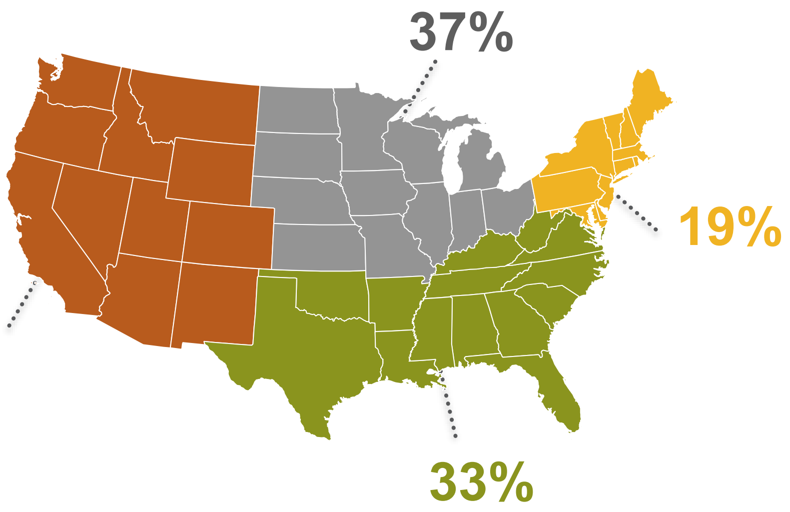
- **37%** Executive Director
- **33%** President & CEO
- **15%** Vice President
- **15%** Director

COALITION GROUP BENEFIT PURCHASING

48% Provide Group Rx Benefit Purchasing

19% Provide Group Medical Benefit Purchasing

GEOGRAPHICAL BREAKDOWN OF COALITION LOCATIONS



SCOPE OF COALITION MEMBERSHIP & ACTIVITY

- 26% National
- 19% Regional
- 56% Local

Employer Pharmacy Benefit Management

SECTION FOCUS:

- » Medication-Related Focus Areas
- » Employer Perceptions & Review of PBM Services
- » Employer Control Over PBM Formularies
- » Formulary Perspectives & Rebate Arrangements
- » Insight into Medical Benefit Rebates
- » Direct Pharmacy Models
- » Alternative Pharmacy Contract Models

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The Growing Financial Impact of Specialty Meds & Emerging Treatments is Driving Employers to Focus on Balancing Affordability, Access, & Long-term Value

Among the many medication-related decisions that employers make, specialty drugs (86%), biosimilars (79%), GLP-1s for weight loss (77%), and high-cost therapies (74%) rank as their top areas of focus. A significant number of employers have shifted their attention to biosimilars (up 13 points from 2025) emphasizing their desire for opportunities to curb specialty spend. A growing focus on rare disease treatments (+11 points) and high-cost therapies (+6 points) also reflects heightened concern about the financial implications of expensive therapies entering the market.

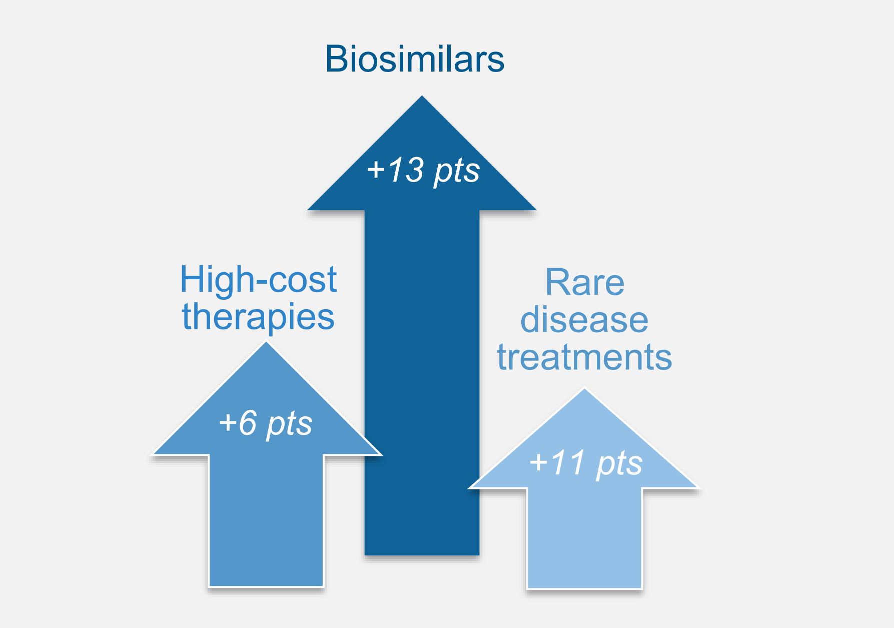
A pullback in the emphasis on generic and branded medications (-13 and -10 points, respectively) and digital medication management solutions (-8 points) underscores the shift in attention toward enduring and emerging cost drivers. Just 15% of employers rank emerging channels like Direct-to-Employer and/or Direct-to-Patient programs as a top focus.

Looking through a lens of value and affordability are key to understanding employers' medication-related focus areas. Employers will increasingly look to prioritize therapies that demonstrate meaningful clinical differentiation and economic value relative to existing treatment options. The rise in attention towards biosimilars, high-cost therapies, and rare disease treatments suggests that biopharmaceutical manufacturers should anticipate greater scrutiny of pricing, comparative effectiveness, and total cost-of-care impact.

"An aggressive biosimilar strategy for autoimmune and other pricey conditions will help our spend. Next year we'll also look at who our PBM is partnering with on specialty. We're focused on the quick early adoption of biosimilars and then looking into additional distribution channels within the specialty market."

— Sr. Director, Benefits, Employer

2026 Areas of Growing Employer Focus



Employee Health & Healthcare Management

SECTION FOCUS:

- Disease States of Focus
- Coverage of GLP-1s for Obesity
- GLP-1s for Obesity: Management Tactics
- Data Integration
- Technology-Driven Healthcare
- Worksite Clinics
- Centers of Excellence (COEs)

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Employers' Disease State Priorities Remain Concentrated Around High-prevalence, High-cost Conditions, Interconnected with Chronic Disease

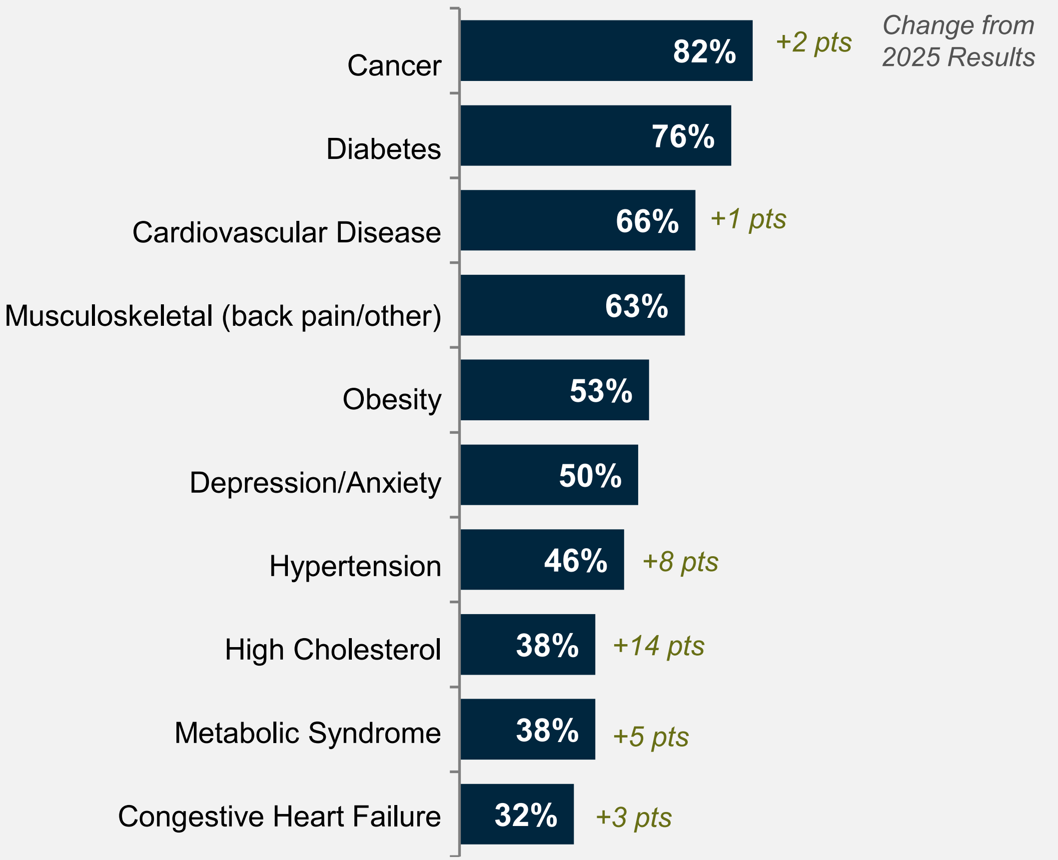
Cancer remains the highest-priority condition for jumbo employers, with more than eight in ten reporting it as highly important to manage (82%). Further, the importance of providing employees with resources related to preventive cancer screenings has been rising since 2024. Currently three-quarters of employers rank preventive cancer screening info as highly important (75%).

"Oncology is ranked high for a couple of reasons. One is high-cost medications like Keytruda. Second is prevalence at a young age. We focus on prevention and screening rates, especially to get younger employees to their screenings."

—VP of Total Rewards, Employer

A notable theme this year is the growth and continued prominence of cardiometabolic health. Diabetes (76%), cardiovascular disease (66%), obesity (53%), hypertension (46%), high cholesterol (38%), metabolic syndrome (38%), and congestive heart failure (32%) all rank among employers' top ten areas of importance. Employers recognize the interconnected relationship between these conditions. There is opportunity to help them address common risk factors through more holistic health management strategies.

Employers Top 10 Disease States of High Importance



n=100 Employers

Employer Health Coalitions

SECTION FOCUS:

- » Coalition Overview & Functions
- » Coalition Targeting & Manufacturer Support of Interest
- » Disease State Focus, Local Activity & Rx Group Purchasing

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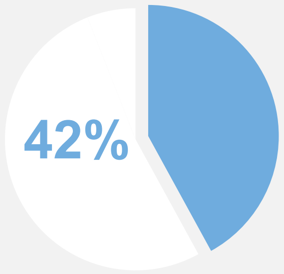
Coalitions Serve as Conveners Within the Healthcare Ecosystem, Helping Employers Compare Approaches, Evaluate New Ideas & Learn from Peers

Employer health coalitions cultivate collaborative forums where employers of all sizes come together to benchmark strategies, evaluate emerging healthcare trends, and address shared challenges related to healthcare quality and affordability.

While many jumbo employers engage vendors and healthcare partners directly, coalitions remain an important resource for peer learning and market education—particularly for members seeking to compare approaches and gain broader perspective on complex healthcare issues.

Employers Participating as Members of National or Regional Health Coalitions

n=100 Employers



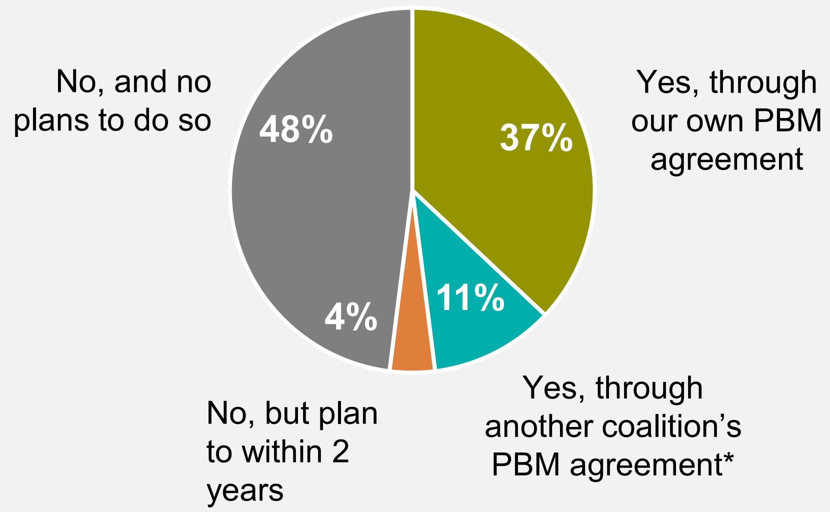
Coalitions' core services center on helping employers make more informed decisions. Most provide educational conferences, networking opportunities, access to research, benchmarking, healthcare quality initiatives, preventive care education, and forums that bring together stakeholders to discuss challenges and opportunities within their local markets.

Pharmacy Group Purchasing Coalitions: While the percentage of coalitions offering pharmacy group purchasing has hovered below 50% for the last few years, these organizations continue to represent a source of influence. Collectively they represent approximately 4 million covered lives across participating purchasing arrangements. Manufacturers should keep the following considerations in mind:

- **Their impact extends beyond purchasing**. Group purchasing coalitions help evaluate PBM recommendations, emerging therapies, and benefit strategies. More than 60% require additional data before accepting vendor recommendations, while nearly 40% conduct their own analysis of key PBM recommendations. Seven in ten report modifying or recommending changes to PBM formulary structures, including drug inclusion, tier placement, and utilization management approaches.
- **Evidence and transparency matters.** Sixty percent indicate they would be willing to recommend coverage of excluded medications if presented with compelling evidence, highlighting opportunities for manufacturers to engage with robust clinical and economic data. Although most report high levels of PBM contract transparency, only half strongly agree they clearly understand how their PBM generates revenue, reinforcing ongoing interest in value assessment and formulary economics.

Pharmacy Group Purchasing

Figure 63: Coalitions Acting as a Group Purchaser of Pharmacy Benefits

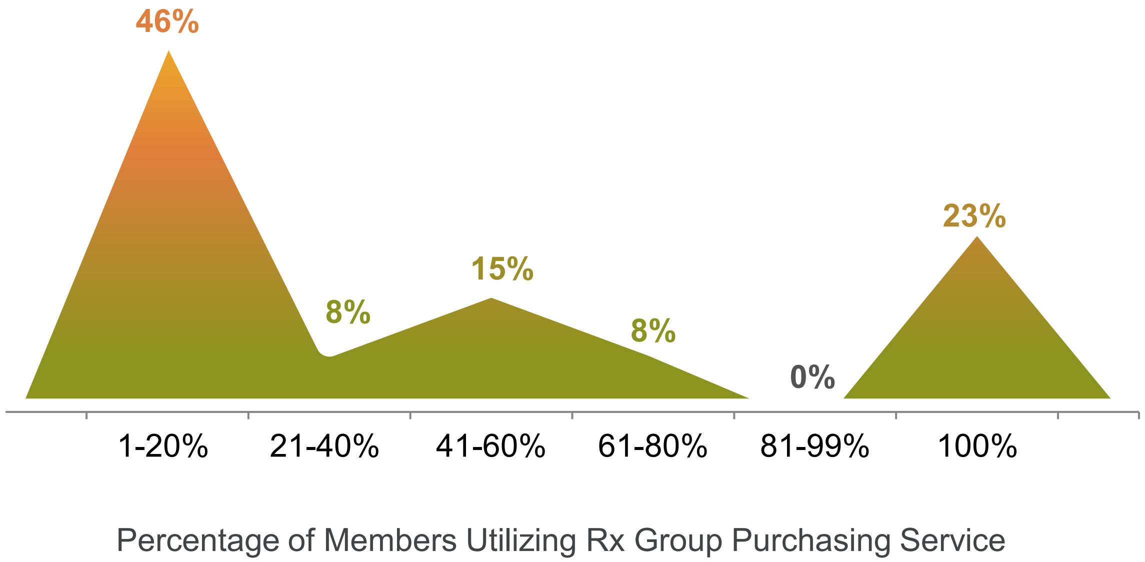


Group Rx Purchasing Coalition results represent **4 million covered lives.**

*Through Another Coalitions Agreement: ProCare; EHPCO; Nevada Business Group on Health

n=27 Coalitions

Figure 64: Utilization of Group Purchasing for Pharmacy Benefits *(among those offering group Rx purchasing)*



n=13 Group Rx Purchasing Coalitions

Contact Us with Question or Comments

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