DEFINITIVE HEALTHCARE
Discover opportunity

7 healthcare trends to watch in 2026

Introduction

Change is the standard in healthcare, but the scope and pace of that change seem to be building as 2026 draws near. Disruptive new technologies, emerging market pressures, and an evolving policy landscape are presenting organizations across the industry—as well as the patients and professionals at the heart of healthcare—with new challenges and opportunities.

In this year's edition of our annual forecast, we're exploring the 2026 healthcare trends that we believe will meaningfully impact the market:

In each section, we'll share insights and analysis from our extensive research—along with a number of takeaways from our own healthcare data and analytics—and uncover what these developments mean for patients, providers, and other industry players.

Keep reading to learn about the 2026 healthcare trends you should be prepared for in the year ahead.

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AI changes online search behavior and healthcare marketing strategies

1

AI is reshaping healthcare online search, marketing, and patient engagement. Here's how healthcare marketers should adapt their content and SEO strategies to changing consumer behaviors in 2026.

For more than 20 years, internet users relied on a relatively static process for acquiring information: Type a string of keywords into a search engine (such as "best Cleveland cardiologists"), then click through the sites listed in the top results until you find what you're looking for.

Today, users can ask increasingly complex questions of Google, Bing, and other search engines in plain language and receive conversational responses—of varying quality—synthesized from multiple digital sources using generative **artificial intelligence (AI)**.

Google's AI Overviews, Microsoft's Copilot, and conversational search engines like Perplexity and You.com are changing how consumers search for everything, from recipes to healthcare information. As consumer behavior changes in light of this evolving landscape, healthcare marketing teams will need to change as well to effectively reach and engage their target audiences.

In 2026, we expect successful healthcare marketing teams to employ new content, digital, and SEO strategies to meet the shifting demands of an increasingly online, AI-friendly consumer base. Before we explore those strategies, let's take a look at the online search landscape today, and where it's headed next.

DESPITE ACCURACY CONCERNS, CONSUMER AI IS BOOMING

In May 2024, U.S. Google users began to see something new at the top of their search results: an AI-generated, plain-language summary of information related to their query, complete with links to the sources it drew from.

Initially presented as the Search Generative Experience at the Google I/O conference a year prior, Google's new AI Overviews (AIO) feature was among the first generative AI tools to be incorporated into a major search engine.

First impressions were mixed. The conversational, chatbot-generated responses could be apparently accurate and comprehensive, delivering faster answers to common questions than a traditional search process. But AI Overviews and similar tools—like Gemini, Copilot, and ChatGPT-4—were also clearly prone to meme-worthy hallucinations and outright dangerous misinformation.

> Around 58% of consumers are using gen AI for product/service recommendations in 2025, up from 25% in 2023.

In the ensuing year-and-change, AI Overviews and its peers should have grown more accurate with training, but it's unclear to what degree. At the very least, these services have been known to speculate and fabricate citations when posed with a question they can't answer, including those about their own accuracy.

For its part, Google's AI seems to actually overstate its shortcomings. While a Mashable writer found that the service hallucinates roughly 1 in 5 searches, AI Overviews once estimated its own failure rate to be 60%.

Despite the varying accuracy rates demonstrated by leading language models, AI search services are popular among consumers across demographics. A report from Menlo Ventures found that 61% of American adults used AI in the first half of 2025, with nearly one in five using it daily.

Millennials are AI's current power users, with 24% saying they use it daily. Gen Z and Gen X fall just behind at 21% and 19% respectively, while just over 1 in 10 baby boomers report daily use.

The Menlo Ventures report also found that employed adults (75%) and students (85%) are more likely to use these services than unemployed adults (52%).

AI tools are becoming the norm among consumers searching for products and services, too. Around 58% of consumers are using gen AI for product/service recommendations in 2025, up from 25% in 2023, according to a consumer trends report from Capgemini Research Institute. And more than 70% say they want AI integrated into their purchasing experience.

A report from the Pew Research Center found that Google users click fewer links when shown an AI Overview at the top of their search results. As more consumers turn to AI to guide their decision-making, it's imperative that healthcare marketers take heed and accommodate this emerging digital trend.

HOW TO OPTIMIZE YOUR HEALTHCARE SEO STRATEGY IN THE AGE OF AI

Digital marketers are used to taking a reactive approach to strategy. Shifting algorithms, search behaviors, and browser capabilities have kept marketing teams on their toes, making regular adjustments to strategies to cater to the fickle whims of Google (and, to a lesser degree, Bing).

In that way, the rise of gen AI search results presents a new—but not entirely unfamiliar—challenge to healthcare marketers: Tailoring content to boost its prioritization by the LLMs upon which gen AI tools are trained.

This doesn't mean neglecting traditional SEO practices targeting search engine crawlers, but rather augmenting those practices to reach both human and AI audiences as well. Consider these tips:

1 Optimize content for AI-driven search

Most consumer-facing AI systems are trained on publicly available, high-authority content. They rely on logically structured, semantically clear, and conversationally presented information to generate responses.

To gain priority with these systems, healthcare marketers should create accessible, indexable online content that's easy for AI to read, complete with schema markup, clear headings and metadata, and consistent formatting. As often as possible, it should be ungated and rendered with limited JavaScript.

Consumers engage with AI systems in a conversational manner, so your content should be written with this in mind. Incorporate plain-language questions and answers into your resources (such as with FAQs or query-oriented headings), and include plenty of links to emphasize expertise, authoritativeness, and trustworthiness.

Topical authority matters to human readers and AI trainers, so include author profiles with listed credentials, links to published content, and featured citations.

You should regularly test AI tools with questions related to your business, services, or products, and assess their responses to further inform the formatting and subject matter of your content.

2 Feed the models that feed the chatbots

The LLMs that feed AI systems often scrape publicly available information from major healthcare publishers and data providers. In some cases, they may license that information in partnership with the healthcare organization.

Partnering with organizations that are already training LLMs can get your information where it needs to be for chatbots and AI search tools to reference it. Consider how your organization could provide informative content and other resources—like blogs, data analyses, or thought leadership content—to current LLM partners to improve your brand visibility.

Sharing unique data and insights in places frequented by consumers and LLMs alike can help to establish your brand as an authority and ensure your content feeds the right models:

- Wikipedia
- Newswires
- Peer-reviewed journals
- LinkedIn
- Reddit
- Substack

3 Write for an AI-informed audience

Even if your content isn't being cited by AI, assume visitors to your site have at least skimmed the AI-generated summary for their query and are coming to you for deeper insights.

As you build landing pages and consumer-facing materials geared toward specific keywords and queries, include more in-depth questions and answers (in a simple, direct, and conversational tone) to provide value beyond the top-level summary offered by AI.

The rise of AI-generated content could ultimately make validation from real humans even more important. Create content that positions your providers, MSLs, and other experts as trusted voices that offer a level of empathy and lived experience that AI can't match.

Be sure to highlight case studies, customer/partner logos, research citations, and brand mentions to build positive sentiment around your brand. In an AI-driven digital environment, it's increasingly important to highlight the human element in your work, and the impact it has on real people.

4 **If you can't beat 'em, join 'em**

If your organization has the resources and expertise to do so, **developing your own branded AI assistant** can help consumers transition from a third-party AI tool or traditional search engine to take the next step in their journey with your business, whether that's scheduling an appointment, accessing reference materials, or comparing products and services.

Of course, your in-house AI should be HIPAA-compliant, well-trained, and clear about the difference between educational information and medical advice.

What's next for AI in healthcare?

Despite shortcomings in accuracy, AI-assisted search and LLMs are likely to dominate digital spaces for years to come. In 2026 and beyond, it's safe to assume that a considerable portion—if not the majority—of your target audience will use AI to engage with your corner of the healthcare industry, from choosing their physician, to learning about new medications and treatment options, to **exploring the activities of key opinion leaders**.

Patients and providers in the home-based care industry are finding novel uses for AI and other digital technologies, too. In the next section, you'll learn how aging in place is changing the technological landscape for this rapidly growing field. ■

Aging in place is driving innovation in home-based care and technology

2

With America's senior population surging and traditional care options dwindling, the push to age in place is transforming healthcare. From AI-driven insights to smart home tech and new care models, innovation is redefining what it means for older adults to live independently, safely, and on their own terms.

For many older adults, the idea of "aging in place"—the ability to live safely, independently, and comfortably in one's own home and community for as long as possible—has become a significant preference among seniors in the U.S. In fact, studies show that a majority older adults, around 75%, express a strong desire to do just that, indicating how deeply they value the ability to stay connected to familiar surroundings.

This preference is more than just a lifestyle choice, however. It's reshaping how healthcare is delivered and is fundamentally driving innovation in both home-based care services and the technology designed to support an aging population.

Why aging in place matters now

As healthcare professionals know, the population of older adults is expanding at a pace never seen before.

In 2020, about 56 million Americans (one in six) were age 65 and older. By 2030, projections from the U.S. Census and other organizations estimate that group will swell to about 72 million, or over 20% of the country's population. By 2050, nearly a quarter of all Americans might be aged 65 and older.

TRACKING THE GROWTH RATE OF ADULTS 65 AND OLDER

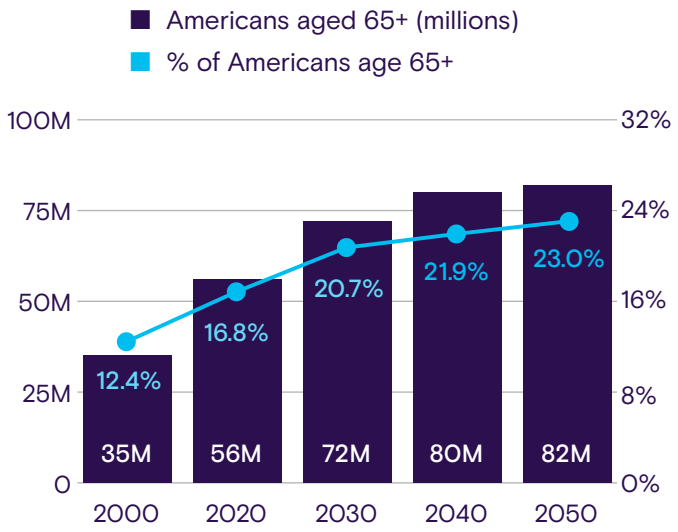

Fig 1 Population growth of adults aged 65 and older in the U.S. from 2000-2050. Population data was collected from multiple sources, including the U.S. Census Bureau, the Urban Institute, S&P Global, and Pew Research Center.

Alongside sheer numbers, the health needs of older adults are becoming more complex. Chronic conditions such as diabetes, heart disease, and dementia are rising sharply. According to the National Council on Aging, about 93% of adults age 65 and older live with at least one chronic condition, and nearly 79% live with two or more. These conditions often require care from multiple specialists and ongoing management, which has traditionally meant frequent doctor visits, hospital stays, or long-term institutional care.

At the same time, the capacity of institutional care is shrinking. Nursing homes and long-term care facilities are grappling with ongoing nationwide labor shortages, inflation, and rising operational costs, while pressures from the government and reimbursements make it challenging to keep pace.

YEAR-OVER-YEAR DECLINE IN SNF OPENINGS

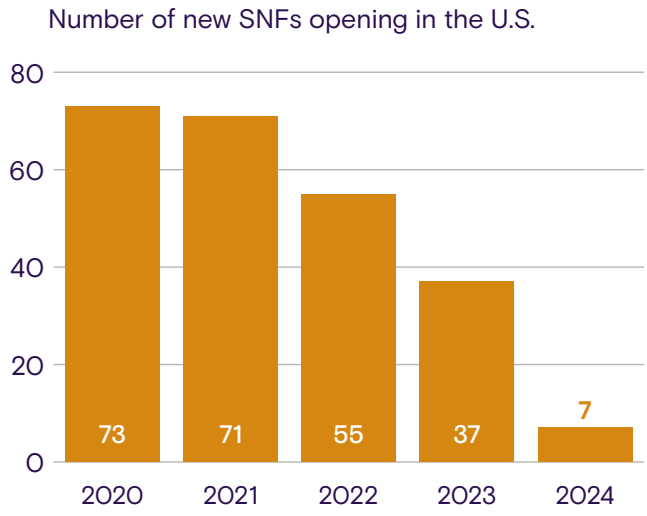

Fig 2 Decline in new skilled nursing facilities opening in the U.S. from 2020-2024. Source: 2024 Access to Care report from the American Health Care Association (AHCA).

As a result, many facilities have been forced to limit admissions, reduce services, or shut down entirely. According to AHCA's 2024 Access to Care report, 20% of nursing homes have downsized due to labor shortages, and there are nearly 63,000 fewer nursing home beds available today since 2020. In addition, nursing homes are closing much faster than they are opening, displacing thousands of residents and creating "nursing home deserts" in regions where care has become increasingly scarce.

With the population of older adults growing rapidly, chronic conditions requiring specialized care becoming the norm, and institutional care capacity shrinking, the pressure on the healthcare system is significant. Given this environment, innovations in home health care and technology can be game-

changers and bridge the growing gap between the increasing demand for specialized elder care and the limitations of the traditional healthcare infrastructure.

How tech companies are making aging in place a reality

The aging in place movement has given rise to the booming AgeTech market, a sector dedicated to developing tools and technologies that help older adults live independently, safely, and comfortably at home. According to some estimates, AgeTech is one of the fastest-growing areas in healthcare innovation, representing billions of dollars and attracting major investments from startups and established players alike.

Collectively, the innovations below signal a shift in the healthcare landscape: Technology is no longer just an accessory to care, it's forming the backbone of how aging in place is made possible.

REMOTE PATIENT MONITORING (RPM)

A central driver of this market is remote patient monitoring. Wearables, smart watches, and connected devices can track vital signs such as heart rate, blood pressure, and blood glucose levels in real-time. This data can be shared instantly with healthcare providers, allowing them to catch early warning signs and adjust care plans without requiring hospital visits.

As a result, older adults who actively use RPM devices report experiencing better health outcomes while reducing the likelihood of being readmitted to a hospital.

TELEHEALTH

Telehealth and virtual care platforms have become indispensable since the pandemic, and they continue to expand access to specialists and primary care providers for homebound patients. For seniors managing multiple chronic conditions, video consultations and digital care coordination help minimize clinic visits, reducing both risk and strain.

ARTIFICIAL INTELLIGENCE

Meanwhile, AI and predictive analytics are helping anticipate problems before they become emergencies. By analyzing patterns from sensors, wearables, and electronic health records, AI can flag subtle changes that may indicate cognitive decline, depression, or early signs of disease progression. This proactive approach shifts care from reactive to preventive.

SMART HOME TECHNOLOGY

Smart home tools and sensors are also transforming day-to-day living. Motion detectors, fall-detection devices, and voice-activated assistants are creating safer home environments. Some systems even learn an individual's normal routines and send alerts when something seems off, such as a missed meal or unusual nighttime activity.

ROBOTICS

On the frontier of aging in place innovation, robotics and automation are beginning to offer practical assistance and companionship to older adults in need. From automated pill dispensers and cleaning robots to companions like ElliQ that provide social interaction, these machines extend independence and help alleviate some of the burdens caregivers contend with.

How the healthcare industry can better cater to older adults

While technology companies are driving innovation on the product side, home-based care providers are the ones putting these tools into practice and making aging in place a sustainable reality. Across the country, agencies are rethinking their models of care to better meet the needs of a rapidly aging population. Meeting this demand is just about expanding services, however, it may require new business models and coordinated support from organizations across the healthcare landscape to make aging in place more accessible in 2026 and beyond.

PROVIDERS

Providers should invest in more comprehensive services and operations that put customers first. That means offering specialized clinical programs tailored to customer needs, including preventive care, symptom monitoring, and social and mental health support, while also embracing digital tools. To remain competitive, providers could consider using a plethora of devices, from sensors and monitors to on-demand scheduling platforms and more.

PAYORS

Meanwhile, payors play a critical role in building sustainability. Traditional fee-for-service payment models often don't align with the proactive, holistic care that aging in place requires. Instead, insurers are experimenting with value-based arrangements that reward outcomes like reduced hospitalizations, improved chronic disease management, and higher patient satisfaction. Expanding coverage for home modifications, remote monitoring devices, and non-medical services such as transportation or meal support will be essential.

POLICYMAKERS

Finally, policymakers can influence the success of aging in place by shaping regulation and funding priorities. Primarily, they can build new frameworks that enable providers and payors to work together more seamlessly, including how information is shared, setting standards, and maintaining quality control. Policies that expand reimbursement for telehealth, support caregiver workforce development, and encourage technology adoption can also remove major barriers.

Is healthcare ready for demographic and regulatory change?

The U.S. and many other countries are facing rapid growth in the 65+ population, alongside rising rates of chronic conditions that require continuous management. Additionally, institutional care systems are stretched thin due to economic and governmental pressures, making it more challenging for older adults to access the care they need to live independently and comfortably where they choose. All this to say that innovations in home health care and technology will be essential not only for the future of the aging in place movement, but also for the broader healthcare ecosystem.

Some of the demographic changes driving aging in place and home-based care could also put pressure on lawmakers to further regulate the pharmacy benefits management industry. Keep reading to learn how state PBM reform is taking shape and impacting market access. ■

New PBM rules will put market access strategies to the test

3

With 2026 bringing state-driven PBM reforms, drugmakers and insurers must rethink pricing, contracting, and access strategy.

The pharmacy benefit management (PBM) industry is at a crossroads. With nearly 80% of the U.S. market controlled by just three players—Express Scripts (The Cigna Group), OptumRx (UnitedHealth Group), and CVS Caremark (CVS Health)—concerns over drug affordability and patient access are mounting. This market dominance has made **PBMs** a primary target for lawmakers, employers, patient advocates, and independent pharmacies, all pushing for greater transparency and lower pricing.

A patchwork of state PBM reforms is taking shape

So far in 2025, **more than half a dozen states** have introduced or enacted legislation targeting PBMs, with measures ranging from rebate transparency and tighter licensing requirements to spread pricing bans. According to the FTC, the three largest PBMs brought in **$1.4 billion** from spread pricing between 2017 and 2021, underscoring the stakes of these legislative moves.

While specific laws vary from state to state, they share a common goal: Rebalance power within the pharmaceutical supply chain. Among the more aggressive reforms:

- Arkansas passed a law that bans PBMs from owning pharmacies, aiming to break up the vertically integrated business model that critics argue creates conflicts of interest.
- Alabama is requiring PBMs to reimburse community pharmacies at Medicaid rates, banning spread pricing, and prohibiting patient steering.
- Iowa is limiting patient steering and under-reimbursement, curbing specialty drug labeling, and setting a standard dispensing fee.

Expect these reforms to shift how drugs are priced, dispensed, and reimbursed at the state level, creating a more complex environment that could force companies to rethink market access strategies. Some of these laws may even serve as blueprints, fueling broader reform efforts in 2026, with far-reaching implications for **providers**, **insurers**, and **investors** alike.

LEGAL CHALLENGES MAY DELAY BUT NOT DETER STATE EFFORTS TO REIN IN PBMS

While state-level reforms gain momentum, PBMs are challenging them in court, threatening to stall or dilute these efforts. For example, CVS Health and Cigna, which owns Express Scripts, have filed lawsuits to block Arkansas from enforcing its new law that bans PBMs from owning pharmacies. Similarly, Iowa's efforts to prohibit patient steering and enforce higher pharmacy reimbursements are partially blocked by court injunctions citing federal preemption and constitutional issues.

Legal outcomes remain uncertain, but even temporary injunctions can delay implementation and blur the regulatory landscape for stakeholders trying to plan ahead. Still, the volume and momentum of state-level action suggest that while enforcement may stall, the push for reform is unlikely to fade, especially as bipartisan interest in PBM oversight grows in Congress.

MARKET DISRUPTORS GAIN TRACTION AMID INDUSTRY SCRUTINY

Adding to the regulatory pressure, market forces are shaking up the traditional PBM business model, with disruptors reimagining the value proposition.

- Mark Cuban's Cost Plus Drug Company and Amazon Pharmacy are pioneering transparent, cost-plus pricing models that eliminate hidden fees and promise predictable drug costs.
- Coalitions of smaller PBMs, organized around transparency initiatives, are also gaining bipartisan support by advocating for simpler, fairer pricing structures.
- Direct-to-consumer, cash-pay options are gaining popularity among patients, some of whom are choosing to bypass insurance altogether in favor of lower out-of-pocket prices and simpler purchasing experiences.

These models appeal not only to patients, but directly to employers and other payors frustrated with the complexity and opacity of established PBMs.

PBMS ROLL OUT COST-PLUS MODELS TO COUNTER DISRUPTORS

To counter the growing disruption from more transparent, consumer-friendly alternatives, industry giants have begun rolling out new pricing models:

- Express Scripts launched ClearCareRx, offering a 100% pass-through model where plan sponsors pay actual pharmacy costs plus a fixed fee, with rebates returned in full.
- OptumRx followed with Cost Made Clear initiatives, including Cost Clarity and Cost Advantage, and rolled out the Trend Guarantee model, combining fixed per-member costs with value-based guarantees.
- CVS Caremark launched CostVantage and TrueCost models, adopting similar cost-plus pricing structures.

These programs aim to preserve relationships with large employers and plan sponsors, but questions remain around their implementation. Critics point to administrative fees and non-passed-through rebates that may still obscure the full cost picture, limiting the true transparency these programs promise. Whether they deliver sustainable cost savings for payors and patients is still an open question.

RETHINKING MARKET ACCESS IN A CHANGING LANDSCAPE

The combined pressure from state-level reforms and emerging disruptors is prompting a broad reassessment of **market access strategies** across the pharmaceutical supply chain.

Drug manufacturers will need to adapt to a landscape where traditional pathways, such as rebate-driven formulary placement, are challenged or constrained. As transparency requirements grow, the leverage of high-rebate contracts may diminish, pushing manufacturers to better align list prices with net costs and rethink contracting approaches.

- Health plans and employers will continue to reevaluate their relationships with traditional PBMs, exploring alternatives like transparent disruptors or in-house pharmacy benefit solutions to gain more control over cost and transparency.
- PBMs themselves are strengthening direct partnerships with manufacturers to secure greater formulary control, while simultaneously introducing new pricing models and transparency messaging to preserve market share.
- Patients are increasingly turning to cash-pay options, adding another layer of complexity. Manufacturers and payors will need to adjust how they support patient access as more consumers step outside traditional benefit pathways.

In this environment, formulary strategies and contracting approaches, as well as patient access programs, will need to become more agile and in line with the changing expectations of regulators, payors, and patients alike. Ultimately, the balance between managing costs and ensuring patient access will be tested as the market evolves.

WHAT TO WATCH IN THE YEAR AHEAD

With new regulations coming into force through 2026, decisions made now will have lasting implications for how therapies reach patients and how stakeholders compete in an evolving market. Here's what to watch in 2026:

- Legal flashpoints: Keep an eye on federal court rulings around PBM state laws. A decision affirming states' rights to regulate PBMs could upend vertical integration.
- Federal momentum: Will Congress act on bipartisan PBM reform bills stalled in 2025? Even partial movement could signal seismic change.
- Emerging winners: Transparent PBMs, provider-aligned models, and disruptors that solve real-world access or pricing issues will likely continue to gain share.
- Formulary shakeups: As net pricing power erodes, formulary access could shift from rebate depth to real-world value, outcomes, or patient experience.

Transparency isn't just a point of focus in the PBM industry. All across healthcare, providers and other organizations are contending with data breaches, privacy concerns, and growing calls for transparency. Learn more about the state of cybersecurity in healthcare in the next section. ■

Cybersecurity breaches emphasize the importance of secure tech in healthcare

4

As data breaches and cybersecurity attacks become more sophisticated, frequent, and severe, healthcare leaders are reframing the narrative. No longer simply a technology issue, cybersecurity is being pitched as a matter of patient safety, paving the way for new innovations.

Imagine this: You're in the emergency room. You're in pain, but the hospital's systems are offline. Your doctor can't access your lab results, your medication history, or even your name.

Behind the scenes, a ransomware attack has locked the clinicians out of the tools they need to make decisions. The digital systems that power modern healthcare, from **electronic health records** to diagnostic equipment, have gone dark. At best? The consequences are just inconvenient. At worst, they're dangerous.

This isn't hypothetical. Hacks, cyberattacks, and data breaches are happening more often, and at a larger scale. In 2024 alone, the protected health information of more than **276 million people** was exposed or stolen—more than double the volume from the year before, according to the U.S. Department of Health and Human Services' (HHS) breach portal.

Data breaches and cybersecurity attacks aren't just a technical issue, but a risk to every facet and function of a healthcare organization—and patients have the most to lose. A breach can expose the private information of patients, cause

delays and disruptions to care, and may even result in declining loyalty and satisfaction in a provider.

In response, healthcare leaders are shifting their mindset. Cybersecurity is no longer just about protecting data. It's about protecting patients. In 2026, we'll continue to see this trend gain momentum, with leaders expanding IT budgets, investing more into secure technologies, and training their employees to spot and report potential vulnerabilities.

The healthcare industry is facing a data security crisis

According to insights from the HHS breach portal, cybersecurity threats in healthcare aren't just increasing, they're accelerating. Attacks are becoming more frequent, more sophisticated, and more costly with every passing year. And the data shows it's not just a temporary spike.

Data from the HHS reveals a steady rise in reported data breaches over the past six years. In 2019, the healthcare industry experienced 511 breaches. By 2024, that number climbed to 737, an increase of about 44%, or roughly two breaches every day. As of this article's publication, about 485 data breaches have been reported in 2025, with 418 under investigation and 67 cases archived.

DATA BREACH FINANCIAL AND OPERATIONAL IMPACTS ESCALATE

And it's not just the number of breaches that's growing—the financial and operational impacts are escalating, too. According to IBM's Cost of a Data Breach Report, the healthcare industry suffers the highest average breach cost of any industry at $10.9 million.

Operational disruptions also amplify monetary damage. Ransomware can paralyze hospital systems, delay treatments, and compromise patient safety. The cost

NUMBER OF HEALTHCARE DATA BREACHES 2019-2025

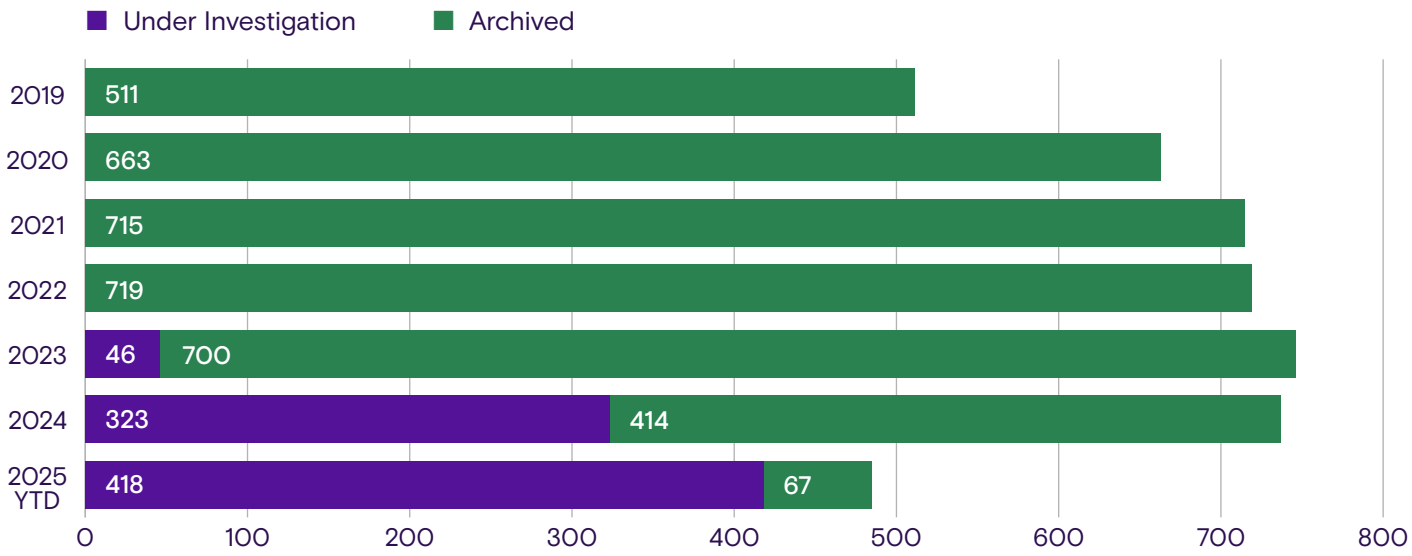

Fig 1 Volume of data breaches reported by the HHS from 2019 – 2025 YTD. Breaches were reported by healthcare providers, health plans, healthcare clearing houses, and business associates of those entities. The data includes breaches currently under investigation as well as archived cases.

of downtime alone can be staggering, with some reports estimating losses of up to $9,000 per minute for healthcare organizations. Coupled with potential legal settlements stemming from delayed care or harm caused by system outages, these disruptions can significantly inflate the total cost of a breach.

The financial fallout, however, is only part of the story. What often gets lost in headlines about breach costs and ransomware demands is the most serious consequence of all: Disruption to patient care.

Cyberattacks don't just take systems offline—they fracture the clinical workflows those systems support. When medical records are inaccessible, diagnostic tools are disabled, or communication channels break down, providers are forced to work with incomplete information, delayed timelines, and manual processes.

These breaches introduce risk at every point in the care journey, resulting in a multitude of problems that make it harder for providers to deliver safe, timely, and effective patient care.

How digital disruption hurts patients

In healthcare, access to accurate, timely information can mean the difference between effective treatment and a critical error. When a cyberattack disrupts that access, the effects ripple across every level of care.

Data breaches often lead to the partial or complete shutdown of hospital systems, forcing providers to work without the tools they rely on for diagnostics, medication management, care coordination, and communication. As a result, cyberattacks can translate into potential patient harm in the following ways:

DELAYED CARE AND INTERRUPTED TREATMENTS

When systems go offline, everything slows down. Clinicians are forced to revert to manual processes like paper records, handwritten orders, and phone-based coordination, which takes more time and introduces more room for error. Test results are delayed, surgeries may be rescheduled, and patients can be left waiting for critical care.

And it's more widespread than you might think. According to a survey by cybersecurity company Proofpoint, 70% of healthcare organizations that experienced at least one cyberattack in the last year reported that the attacks disrupted patient care. Many also reported poorer patient outcomes and increased complications as a result of care delays.

REDUNDANT TESTING

If providers can't access previous lab results, imaging, or consult notes, they may be forced to reorder tests, which wastes time, increases costs, and delays decision-making. In urgent situations, these delays can lead to missed windows for treatment.

INCREASED RISK OF MEDICAL ERRORS

Access to electronic health records is essential for avoiding errors. Without it, clinicians may lack key information such as medication history, allergies, or prior diagnoses. This increases the risk of unnecessarily repeating procedures or tests, administering the wrong medication or dose, or overlooking contraindications.

COMPROMISED PATIENT PRIVACY

Beyond operational disruption, cyberattacks also expose sensitive health information—undermining patient trust and triggering long-term consequences.

As seen in Figure 2 on the following page, the total number of healthcare records impacted by cyberattacks has increased significantly. The breakdown illustrates that more than 280 million patient records were exposed in 2024 alone. These records often include names, lab results, diagnoses, clinical notes, insurance details, and even Social Security numbers.

And when millions of records are compromised, the fallout can lead to serious downstream effects for patients. Stolen health information can be used for

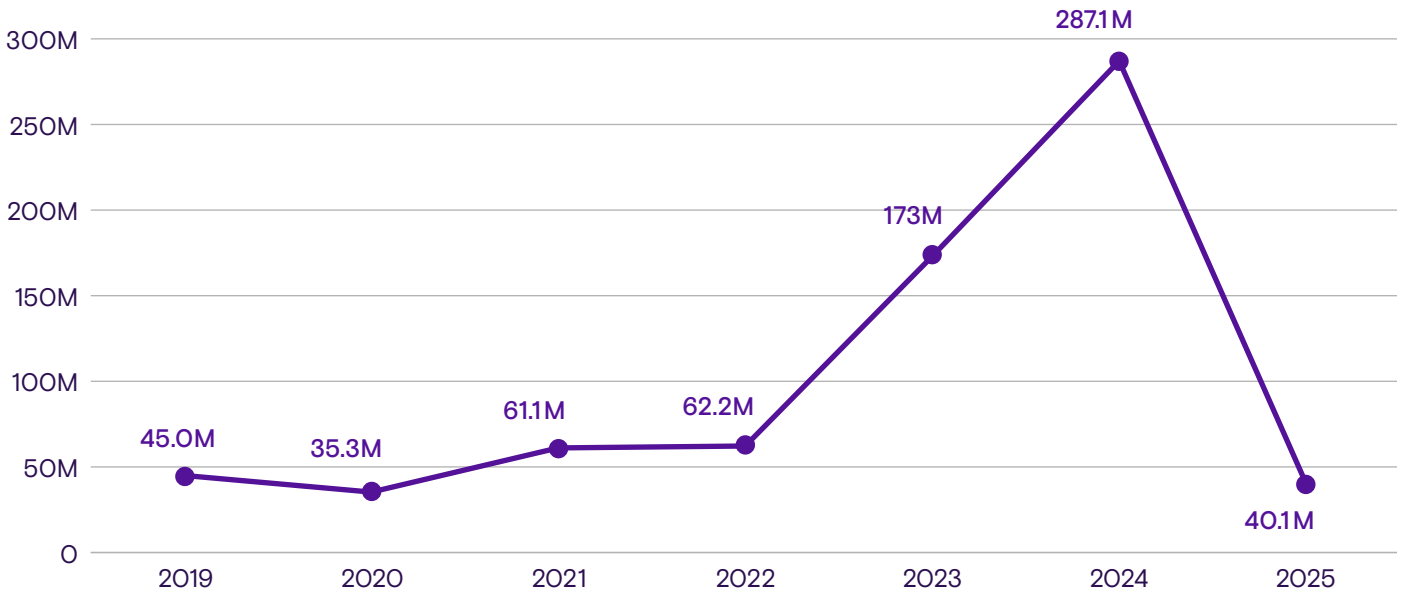

Fig 2 Volume of healthcare records affected by data breaches each year. Only data breaches that were reported to the HHS were counted.

identity theft, fraudulent insurance claims, or to illegally obtain prescription drugs. But beyond the financial risks, breaches also violate patient privacy in deeply personal ways. For individuals managing mental health conditions, reproductive health services, HIV treatment, or substance use disorders, the unauthorized release of medical information can lead to stigma, discrimination, and emotional distress. Even patients with relatively routine records may lose confidence in the safety of the healthcare system, making them more likely to delay care, withhold sensitive information from providers, or avoid treatment altogether.

The damage isn't limited to patients. Healthcare organizations face significant repercussions as well, including HIPAA investigations, regulatory penalties, lawsuits, reputational harm, and loss of patient trust. In many cases, the breach itself may be resolved in weeks, but the effects on provider-patient relationships can linger for years.

Shifting the cybersecurity story to patient safety

As data breaches continue to compromise clinical workflows, expose protected health information (PHI), and put patients at risk, healthcare leaders are rethinking their approach to cybersecurity.

Rather than continue labeling cybersecurity as an IT issue, leaders are treating it as a patient safety issue, and a core component to delivering great patient care.

The shift is already taking shape, and we'll see it continue to gain momentum throughout 2026.

CYBERSECURITY LEADERSHIP IS GROWING

At the governance level, healthcare organizations are building more robust cybersecurity leadership. A recent industry analysis found that **42% of health system CISOs** were appointed in just the past three years, with most recruited externally. This reflects a growing recognition that protecting patient care in

a digital world requires specialized expertise and executive-level oversight.

SECURE TECHNOLOGIES ARE PAVING THE WAY FORWARD

To defend against increasingly complex threats, healthcare systems are adopting advanced cybersecurity technologies like zero trust architecture, multi-factor authentication (MFA), endpoint detection and response (EDR), and cloud-based security platforms. These tools are designed not just to prevent breaches, but to ensure continuity of care even when threats emerge.

AI USED FOR EARLY THREAT DETECTION

Artificial intelligence and predictive analytics are also being employed to fight against cyber threats. These tools use historical data and real-time inputs to forecast potential vulnerabilities and cyberattack trends. This capability allows healthcare organizations to stay ahead of evolving threats rather than reacting to them after a breach occurs.

AI is also being used for its ability to automate and execute aspects of incident response. When AI tools identify a security incident, such as a ransomware infection or unauthorized access, they can automatically execute predefined actions. This may include isolating compromised devices, disabling accounts, or alerting IT teams to the threat. By addressing incidents swiftly, healthcare organizations can support continuity of care, protect sensitive data, and minimize financial and reputational damage.

EMPLOYEES ARE BEING TRAINED AS A FIRST LINE OF DEFENSE

Recognizing that phishing attacks and human error remain top causes of data breaches, organizations are also investing in workforce training and awareness programs.

According to Dialog Health, 75% of employees across the healthcare ecosystem report receiving cybersecurity awareness training, but gaps remain. Only 41% of organizations reported that they conduct phishing simulations to educate staff about cybersecurity risks, and 34% of employees said they were unsure if their workplace even had a cybersecurity policy in place.

To close these gaps, security leaders should review vendors and software to ensure they meet all requirements (such as HIPAA regulations) to effectively evaluate and educate staff and reduce overall risk. While many resources are available across the internet, HHS offers a number of awareness and phishing training modules that can serve as a foundation.

Regular audits are also an important part of a comprehensive cybersecurity system. As technology and cyber threats evolve, healthcare leaders can conduct regular audits to identify any potential weaknesses and keep security measures up to date and compliant.

Learn more

Cyberattacks are no longer just technical disruptions—they're clinical ones. When systems go down, care slows, communication breaks, and patient safety is put at risk. That's why healthcare leaders are reframing cybersecurity as a core component of safe, effective care.

At the same time, the evolving healthcare landscape presents real opportunities. Whether you're a software provider offering secure data solutions or a growing healthcare organization looking to build out a cybersecurity team, there's never been a more important time to act.

As healthcare costs continue to rise, care organizations will be looking for cost-effective ways to improve operations overall. In the next section, we'll explore the factors contributing to these costs—and how organizations can prepare. ■

Rising expenses drive demand for cost-containment strategies

5

High healthcare costs driven by inflation, public health issues, high-cost drugs, and mental health spending are pushing payors, employers, and providers to adopt targeted cost-containment strategies.

The final entry in last year's series on the **top healthcare trends of 2025** explored the escalating financial crisis within the U.S. healthcare landscape, and its intersection with a variety of advancements in care delivery, technology, and operational strategy.

Looking toward 2026, we must unfortunately report that many of the same economic headwinds remain in play or have intensified—and some new challenges, such as **sweeping tariffs on global imports**, have also emerged.

Last year's U.S. national healthcare expenditure (NHE) data showed a difficult road ahead for the healthcare market. PricewaterhouseCoopers (PwC) projected correctly that **individual medical costs** would reach their highest level in 13 years in 2025, and with year-over-year medical cost trends for groups and individuals remaining at 8.5% and 7.5% respectively (the same growth rates held since 2024), we'll likely see a new high in 2026.

Likewise, the Centers for Medicare & Medicaid Services (CMS) project that NHE will surge to an astounding $8.59 trillion by 2033, putting per capita expenditures at $24,200 and establishing NHE as more than one-fifth of gross domestic product (GDP)—an all-time high.

Interestingly, this projection is nearly $2 trillion less than what CMS estimated in 2010, a discrepancy that could be due in part to massive cuts to federal public health funding.

With expenses continuing to soar, providers, payors, and employers are seeking opportunities to contain costs while maximizing patients' access to high-quality care. Let's take a look at the underlying factors driving this financial crisis, as well as some potential ways to stay ahead of the cost curve.

Inflation continues to impact healthcare

The cost of medical services tends to grow at a faster rate year-over-year than other economic sectors. According to the U.S. Bureau of Labor Statistics, medical care prices rose by 4.3% in July 2025.

Comparatively, the headline inflation rate (the inflation rate of all consumer spending, including food and energy) from July 2024 to July 2025 was 2.7%, slightly lower than the 2024 year-end rate of 2.9%. This dip indicates that prices continue to rise, but at a slightly slower rate than last year.

These and other factors represent a significant burden on the budgets of governments, providers, employers, and payors, who typically pass the cost onto patients and consumers through higher premiums, deductibles, and copays. This not only limits access to care, but also hinders revenue and drives other costs as some patients elect not to receive care or are forced to rely on emergency care.

Several elements continue to contribute to healthcare inflation, including:

- U.S.' aging population
- prevalence of chronic diseases
- inefficiencies in healthcare delivery and the supply chain
- mergers, acquisitions, and consolidation in the industry
- high administrative costs associated with complex billing (estimated to account for 15% to 25% of total NHE)
- increased reliance on advanced cybersecurity measures
- rising drug, supply, and real estate costs

In response to rising healthcare inflation, care organizations and leaders will need to build cost-containment strategies that limit expenses while maximizing savings. For certain players in healthcare consulting, finance, and software/IT, the increased reliance on these strategies could present opportunities to provide supportive solutions.

Here are a few strategies **providers** should consider to mitigate the impact of healthcare inflation:

OPTIMIZE WORKFORCE COSTS

Amid the ongoing healthcare labor shortage, providers need to make the most of their staff without undercutting care. That starts with supporting current staff to help them remain productive and **avoid burnout**.

Reducing turnover is almost always more cost effective than aggressive hiring practices. Provider organizations can implement retention incentives, professional development opportunities, and flexible

scheduling to keep their teams happy and limit reliance on expensive contract labor.

For teams struggling to attract or retain physicians, advanced practice providers like nurse practitioners and physician assistants can extend a practice's capacity at a lower cost than MDs.

Technology can also play a role here. Automating administrative work using AI and other software tools can lower staffing costs and keep workers focused on the highest-value (and more fulfilling) tasks.

FOCUS ON REVENUE CAPTURE AND REIMBURSEMENT

Well-polished revenue cycle management (RCM) processes won't bring in new patients or attract top talent, but it can prevent delays and denials in claims processing and help to avoid compliance-related penalties, revenue loss, and patient frustration that leads to leakage.

Again, certain technologies offer cost-effective ways to improve RCM. AI-assisted billing and claims processing, for example, can boost accuracy while expediting the collections process.

It's also a good time to consider the fine-print of payor contracts. Seek agreements with payors that index reimbursement to inflation or prioritize value-based outcomes instead of fee-for-service volume. If possible, plan growth initiatives for services lines that attract commercial payors, which tend to reimburse at a higher rate than governmental programs like Medicare and Medicaid.

REDUCE SUPPLY CHAIN AND DRUG SPENDING

Tariffs and inflation are making it harder for providers to reliably access the supplies and medications they need to operate. Joining group purchasing organizations (GPOs) or entering long-term contracts with suppliers can reduce volatility, prevent waste, and lead to better pricing arrangements.

Partnering with pharmacy benefit management (PBM) organizations or launching in-house pharmacies can help guide prescribers toward cost-saving generics and biosimilars (when appropriate), but make sure to stay up to date on evolving PBM reforms in your market.

Drug costs could hit record highs thanks to GLP-1, specialty meds

The rising cost of prescription drugs is likely to remain one of the defining cost pressures for the U.S. healthcare system in 2026.

One recently popular product category has had an outsized impact on drug spending: GLP-1 receptor agonists. Fetching over $1,000 per month before rebates, GLP-1 drugs designed for weight loss are pushing pharmacy spend up.

In 2023, Americans spent around $71.7 billion on GLP-1 drugs like Ozempic and Wegovy, a 500% increase in spending since 2018. Payors are anticipating considerable growth ahead: Blue Cross Blue Shield of Massachusetts, for example, forecasts spending $1 billion on GLP-1 drugs in 2026—more than triple what they spent in 2023.

Accordingly, employers are preparing to foot the bill and projecting a 10% increase in healthcare costs next year, up from the 8% growth projected for 2025. With a number of new GLP-1 drugs in the pipeline set for release in 2026, many estimates are likely to be surpassed, even as providers and PBMs seek stricter oversight of these drugs in order to control costs.

Specialty drugs continue to be considerable cost drivers, too. While GLP-1 spending growth outpaced specialty drugs for the first time in 2023, Mercer projects that the specialty drug spending growth will rise from last year's 5.5-9.5% rate to 6.5-10.5% in 2026, ultimately accounting for 50% of total drug spend. Categories like oncology, HIV, pulmonary, and inflammatory conditions are expected to be the primary drivers of this growth.

Will the government tighten its hold on the drug industry?

On average, U.S. patients and payors spend two to three times as much on medications as those in other high-income countries.

In 2026, we may see health insurers, government agencies, and others that pay for prescription drugs employ strategies to slow the growth of medication costs. This could range from expanding the powers granted to Medicare under the Inflation Reduction Act to eliminating marketing tactics that discourage the use of generic drugs or even allowing the purchase of prescription drugs from outside the U.S.

The Inflation Reduction Act—initially enacted in 2022 and effectively extended through 2025—empowers Medicare to negotiate with drug companies to get lower prices for certain drugs, caps out-of-pocket spending for beneficiaries, and penalizes pharmaceutical manufacturers if they raise prices faster than inflation.

In its first two rounds of negotiations, Medicare identified 25 widely used drugs for price reduction. The first 10 of these will see lower prices take effect early in 2026, with another 15 set for later in the year.

There could also be measures in place to streamline the FDA approval process, which is notorious for being lengthy, expensive, and risky. Expediting the approval process could reduce research and administrative costs and introduce new drugs into the market sooner, which could prevent the use of more expensive treatments.

The U.S. government seems open to leveraging stricter controls on drug manufacturers as a means to curb drug prices. President Trump issued an executive order in May 2025 seeking to establish a most-favored-nation pricing policy for American patients and to facilitate direct-to-consumer purchasing programs. Still, for providers, payors, and patients, the reality in 2026 is that drug costs are unlikely to plateau. Even with regulatory action, specialty drugs and breakthrough therapies are expected to grow in cost. The challenge will be balancing innovation and access with affordability—a tension that will define the healthcare cost debate for the remainder of the decade.

An aging population remains a challenge for providers and payors

The rapid aging of the U.S. population will continue to shape healthcare demand and expenditures in 2026. As of 2024, 61.2 million Americans were age 65 and older, up by 3.1% from 2023, and now representing 18.0% of the population—a marked increase from 12.4% in 2004. Forecasts indicate that this demographic will grow even further: by 2030, 1 in 5 Americans (20.7%) will be aged 65+.

This shift places enormous pressure on healthcare systems. Older adults are significantly more likely to suffer from chronic illnesses such as diabetes, arthritis, heart disease, and dementia—conditions that require long-term medical attention, frequent drug therapies, and hospitalizations. Long-term care demands are also surging: nursing homes, assisted living, and in-home services face rising labor costs amid worker shortages.

In response, 2026 will see increasing adoption of aging-in-place strategies, blending remote monitoring, home health technologies, and expanded caregiver networks to deliver cost-effective care that aligns with patient preferences. Still, unless investments in the elder care workforce and infrastructure accelerate, the aging trend will continue to drive up Medicare and long-term care costs throughout the rest of the decade.

Chronic disease, mental illness complicate healthcare

Chronic disease is another leading source of upward pressure in U.S. healthcare spending, and will continue to be in 2026. The CDC estimates that 90% of the nation's $4.9 trillion in annual healthcare expenditures are tied to people with chronic illnesses.

Chronic conditions like heart disease, cancer, diabetes, and obesity are widespread in the U.S. The CDC estimates that **60% of Americans have at least one chronic condition** and 40% have two or more. These patients tend to require more frequent visits to providers, ongoing monitoring, and more expensive diagnostic and treatment methods.

While the government has allocated **$33 million for chronic disease interventions** in its FY 2026 budget—including improved nutrition labeling and school-based food programs—the ongoing reorganization of the Department of Health and Human Services would dissolve parts of the CDC specifically tied to chronic disease mitigation, namely the National Center for Chronic Disease Prevention and Health Promotion (NCCDPHP).

It's true that **chronic conditions** are more likely to affect older people, as described above, but younger patients are increasingly being treated for conditions once exclusively seen in elderly populations. For example, one study reported that stroke rates in patients ages 20-44 **increased by 65%** between 1993 and 2015.

As we noted in last year's trends report, the impact of the COVID-19 pandemic on chronic disease management is still being felt. Millions of patients skipped appointments, tests, and screenings necessary to manage their conditions, leading to increased utilization of higher-cost interventions.

COVID-era conditions like increased isolation, stress, and reduced access to support programs—as well as growing public awareness—may have also contributed to growing rates of mental illness in the U.S. and around the world. An estimated **1 in 5 American adults lives with a mental illness,** costing the U.S. economy around $282 billion annually in direct care costs and lost productivity, or about the same amount as a year-long recession.

Many patients with mental illness face inequities associated with lower income status, racial and ethnic disparities, and/or homelessness, a combination of factors that makes them less likely to receive proper care management and more likely to utilize emergency services. Today, **emergency department utilization associated with mental illness** costs around $5.3 billion annually and could rise to $17.5 billion by 2040, according to Deloitte.

Without meaningful change, the U.S. could find itself spending $1.26 trillion annually on mental health care by 2040.

The main takeaway: this is a pivotal moment for the healthcare system

As we head into 2026, the forces driving healthcare costs higher show no sign of slowing. Inflation is putting pressure on everything from hospital operations to patient out-of-pocket costs, while prescription drug spending continues to climb as new specialty therapies enter the market and traditional therapies—like GLP-1 agonists—see higher and higher demand. An aging population will increase the need for long-term and specialized care, even as younger generations face rising rates of chronic disease. Meanwhile, the growing prevalence of mental illness is compounding the financial and societal strain, with billions lost annually in both direct medical spending and productivity.

Taken together, these trends highlight a pivotal moment for the healthcare system. Providers, payors, life sciences companies, and policymakers will need to find innovative ways to deliver care more efficiently, address preventable conditions, and expand access to behavioral health support. Without action, the cost burden will continue to grow, but in spite of this headwind, with targeted strategies and smart investments, 2026 could mark the beginning of a shift toward more sustainable, equitable care—and new opportunities for healthcare organizations.

Among these opportunities are exciting advancements in cancer care, including new diagnostic techniques and treatments. Keep reading to learn how liquid biopsies, AI, and mRNA technologies are improving oncology. ■

Emerging therapies and diagnostics are on track to transform cancer care

6

From mRNA vaccines to radiopharmaceuticals, a new generation of technologies is set to redefine how cancer is detected, treated, and managed—creating fresh opportunities for healthcare organizations across the care continuum.

More than 20 million people will be diagnosed with cancer this year, and almost 10 million globally will lose their lives to the disease—a daunting reality. But as the numbers rise, so too does a new kind of hope. Advances like the HPV vaccine, CAR-T therapy, and new stem cell techniques have cracked open possibilities unthinkable a decade ago, lowering cancer risk and shifting survival curves.

As these advances improve patient outcomes, the next leap forward in cancer treatment is already taking shape. Among the innovations to watch in the year ahead are mRNA vaccines, whose success against COVID-19 has opened the door to a potential universal cancer vaccine; radiopharmaceuticals, which promise to deliver radiation with surgical accuracy; and liquid biopsies, offering faster, less invasive detection and real-time disease monitoring.

The task ahead isn't only to prove these diagnostics and therapies work, but to ensure they can be manufactured, distributed, and ultimately, made accessible to all who need them.

Liquid biopsies will change how cancer is found

Early detection is the linchpin of effective cancer care, identifying disease at a stage where treatment can be more precise and potentially curative. Traditional biopsies, however, have long been a bottleneck—painful, invasive, and often slow.

Liquid biopsy changes that equation. With a simple blood draw, clinicians can detect circulating tumor DNA, monitor disease progression, and even spot recurrence before it shows up on a scan. For patients, it means earlier answers. For clinicians, it means a faster path to treatment decisions.

MSK-ACCESS, developed by Memorial Sloan Kettering Cancer Center, exemplifies this approach. The test analyzes 146 key cancer-associated genes from cell-free DNA in blood or other body fluids, allowing clinicians to profile tumors noninvasively and monitor disease progression over time. Since its clinical approval in 2019, more than 10,000 patients have undergone testing.

As liquid biopsy technologies evolve, new entrants can differentiate themselves by providing greater sensitivity, richer molecular information, or accelerating turnaround times. This opens opportunities for startups and mid-sized players to carve out niches in specialized indications or patient populations.

Forecasting cancer risk and response with AI

Layer artificial intelligence on top, and the possibilities around cancer diagnostics multiply. Algorithms trained on imaging archives, genomic datasets, and clinical outcomes are beginning to **predict which patients are most at risk** or which therapies are likely to work.

For instance, GE HealthCare and Vanderbilt University Medical Center **validated AI models** that use routinely collected clinical data from cancer patients—electronic medical records, **diagnosis codes**, and medication histories—to predict immunotherapy response with roughly 70–80% accuracy across a range of different cancers. And **Stanford Medicine** researchers developed a multimodal model called MUSK that combines imaging and clinical notes to more accurately forecast prognosis, therapy response, and likely recurrence in melanoma.

The implications of these new diagnostic methods are profound: cancer care could shift from reactive to anticipatory. Instead of waiting for a tumor to declare itself, these tools can look for patterns that signal disease before or as soon as symptoms appear.

For diagnosticians, these innovations could lead to earlier interventions and better patient outcomes. The ability to identify high-risk patients sooner, tailor treatments more effectively, and monitor response in real time could also reshape everything from investment priorities and partnerships to care delivery models across the oncology landscape.

mRNA therapies move toward a universal cancer vaccine

Most exciting of all are emerging developments in treating cancer. **mRNA vaccines** have been on oncology's radar for over two decades, but COVID-19 catapulted the platform into the global spotlight. Moderna and BioNTech–Pfizer proved mRNA vaccines could be manufactured at scale and save millions of lives, while also generating billions in commercial value. Its global success has spurred investment, attracted top talent, and renewed confidence in mRNA's potential beyond infectious disease, opening the door to a new era of cancer treatments.

That momentum is already translating into a robust clinical pipeline of tumor-specific vaccines. Companies like Moderna, Merck, and BioNTech have advanced personalized mRNA cancer vaccines, such as **mRNA-4157/V940** and **BNT122**, into mid- and late-stage human trials for melanoma, colorectal cancer, and lung

TIMELINE OF KEY MRNA MILESTONES

1961	Discovery of mRNA
1969	In vitro translation of isolated mRNA
1978	Liposome-entrapped mRNA delivery
1983	Cap analogue commercialized
1989	Naked mRNA is translated in vivo by direct injection
1995	Using mRNAs for cancer immunotherapy
1999	Antitumor T cell response induced by mRNA
2002	First clinical trial with mRNA using ex vivo transfected DCs
2009	mRNA-based immunotherapy for human cancer
2010	Preclinical study with intranodally injected mRNA
2012	Protective mRNAs vaccination in influenza and RSV
2013	CRISPR-Cas9 mRNA for gene editing
2017	Personalized mRNA cancer vaccine for clinical trials
2019	Clinical trials of mRNA vaccines for cancer and infectious disease
2020	mRNA-1273 and BNT162b emergency use for SARS-CoV-2 pandemic
2022	mRNA-based therapeutics
2023	43 COVID-19 mRNA vaccines were in clinical trials

cancer. These therapies, already showing early promise in studies, target a patient's unique tumor mutations. Now, researchers are pushing the boundaries even further, exploring a new frontier: a universal, "off-the-shelf" cancer vaccine.

In a **pre-clinical study** from the University of Florida, an experimental mRNA vaccine, when paired with immune checkpoint inhibitors, triggered a strong anti-tumor response in laboratory mice, spurring the immune system to respond as if fighting a virus. These findings suggest the potential for a "generalized" mRNA vaccine that can engage a patient's own immune system to target a broader spectrum of cancers. It's now in early human trials.

If successful, these mRNA vaccines could move **oncology treatment** away from long, multi-step regimens involving surgery, radiation, and chemotherapy. In the near-term, progress will come from more targeted, tumor-specific products currently in mid-stage trials. Looking ahead, the ultimate goal is a universal cancer vaccine—a breakthrough that could redefine both treatment protocols and transform the economics of oncology.

Radiopharmaceuticals gain traction as precision oncology tools

Radiopharmaceuticals are also a promising frontier in oncology, offering a precision-driven approach to treatment. The concept is deceptively simple: attach a radioactive isotope to a targeting molecule that seeks out cancer cells with high specificity. By delivering radiation directly to tumors, these therapies minimize collateral damage to healthy tissues. Their dual capacity for imaging and therapy also allows clinicians to track treatment in real time, adjusting dosing for optimal impact.

Though radiopharmaceuticals have been studied for decades, recent technological advances and the blockbuster success of therapies like Novartis' Pluvicto

APPROVED RADIOPHARMACEUTICALS IN USE

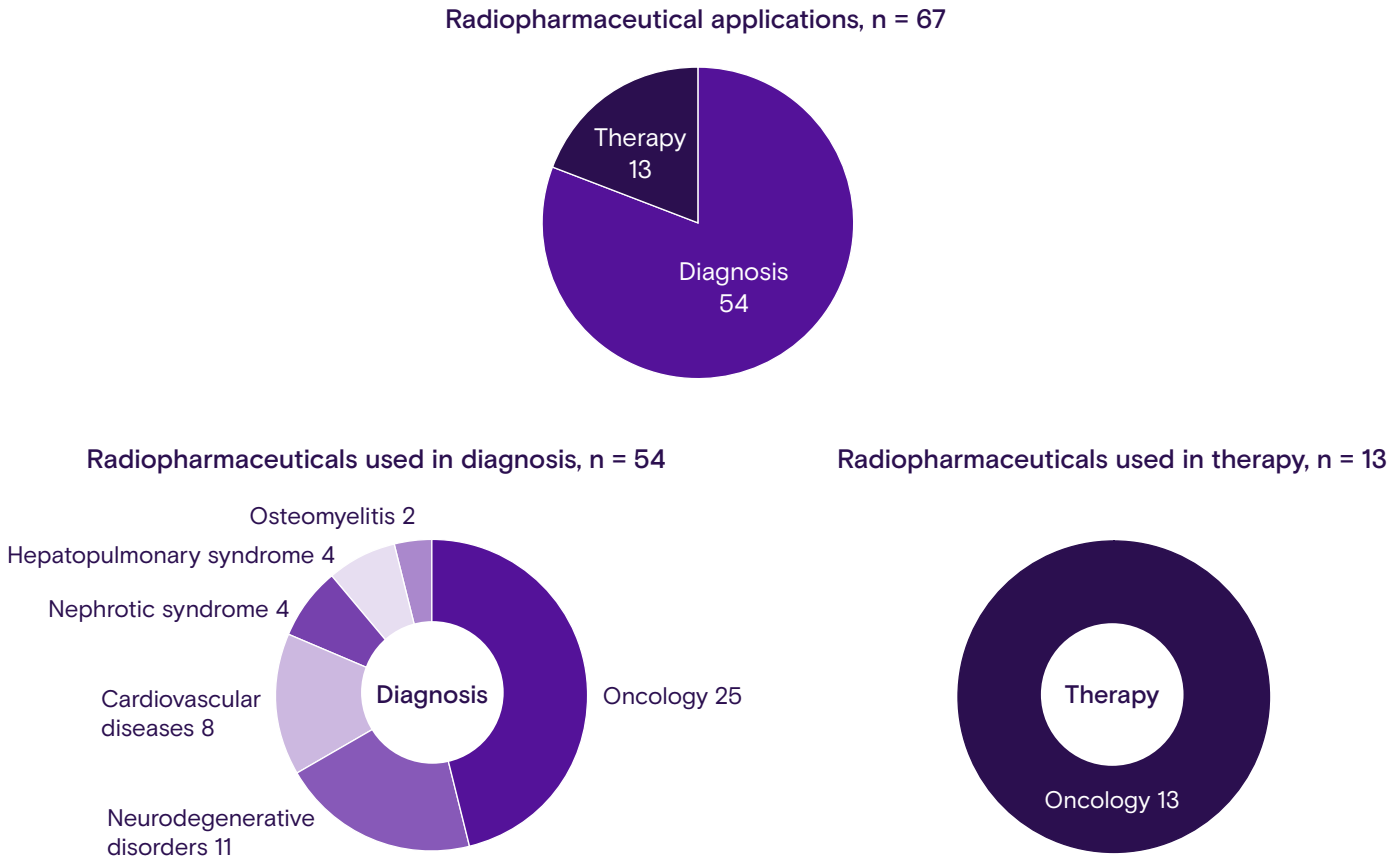

Fig 1 Approved radiopharmaceuticals used in diagnosis and therapy for different diseases. Several agents are used in multiple diseases, and they are preferentially categorized into their primary indications. All therapeutic radiopharmaceuticals are applied for oncology. Source: Zhang et al., 2025.

and Lutathera have sparked renewed industry interest. According to Nature, 67 radiopharmaceuticals are currently approved worldwide, of which 54 are used for disease diagnosis and 13 for therapy.

Advances in isotope production, radiochemistry, and delivery methods are making these therapies less difficult to manufacture, more scalable, and increasingly accessible to specialized treatment centers. Pharma incumbents and startups alike are racing to stake positions in this emerging market, which is projected to reach USD 13.67 billion by 2033, growing at a CAGR of 8.2%. More than a dozen biotech startups, several publicly traded companies, and multiple large drugmakers are developing radiopharmaceuticals, signaling a rare convergence of clinical impact and commercial opportunity.

For clinicians, radiopharmaceuticals deliver surgical accuracy in targeting disease; for patients, potent therapies with fewer side effects; and for investors, a rapidly expanding segment with substantial growth potential.

New headwinds in U.S. cancer innovation

While these emerging therapies hold tremendous promise, realizing their full potential requires more than good science; it also depends on a supportive ecosystem. The U.S. cancer research system is substantial, but its reliance on federal funding means it's particularly sensitive to shifts in policy.

So far this year, the Department of Health and Human Services (HHS) has **deprioritized mRNA vaccine development**, **cut millions in cancer research grants**, **laid off hundreds of staff** who led the nation's cancer research system, and proposed **trimming the National Cancer Institute's (NCI) budget by over 37%**. Rising vaccine skepticism among HHS leadership is also influencing public perception of vaccines, which could have downstream effects on the market.

Even so, international momentum is strong. For example, while federal support for mRNA research may be waning in the U.S., the **number of RNA trials** globally is rising, with mRNA the preferred modality.

This global support is reinforced as several leading U.S. scientists relocate their research abroad, including some **returning to China**, ensuring that progress in cancer research continues globally even as domestic priorities evolve. **Others are being recruited** from governments in Canada, France, and Spain.

While there's still every reason to continue advocating for science in the U.S., these moves could help ensure the cancer field advances internationally, keeping the promise of new cancer therapies alive and creating opportunities for companies and treatment centers positioned to bring them to patients. ■

Healthcare policy shifts will change the business of care in 2026

7

Policy change is rewriting the rules of healthcare. In this section, we dive into the major reforms of 2025 and how they might impact how providers, payors, manufacturers, and innovators navigate uncertainty in 2026 and beyond.

The U.S. healthcare system is no stranger to disruption and change, but 2025 may prove to be one of its most impactful years in recent memory. Sweeping federal and state legislation, a flurry of executive orders, and major agency restructuring are reshaping the way care is financed, delivered, and regulated. No corner of the industry is untouched—from hospitals and insurers to pharmaceutical manufacturers, digital health companies, and the patients they serve.

While it's clear these policy changes will present significant challenges, there will also be new opportunities for organizations to serve their communities, innovate, and generate revenue. In 2026, organizations that adapt quickly, armed with the right data and strategies, will be best positioned to not only weather the political and economic turbulence but also unlock new avenues for growth.

A year of healthcare policy changes

2025 was a year defined by disruption. Nearly every month brought a new policy announcement, regulatory shift, or executive action that rippled across the healthcare ecosystem.

Here's a chronological look at some of the most significant developments:

EARLY 2025 HEALTHCARE POLICY CHANGES

At the outset of 2025, sweeping executive orders fundamentally reshaped the U.S. health policy landscape—especially in areas of reproductive rights, gender identity, and civil rights protections:

- On January 20, President Trump signed **Executive Order 14168**, which rescinded federal recognition of transgender identities and ceased funding for programs involving what it termed "gender ideology."
- On January 24, **Executive Order 14182** went into effect, reaffirming and strengthening restrictions on the use of federal funding for elective abortions.
- On January 28, **Executive Order 14187** was signed to limit gender—affirming care for minors under age 19. As a result, hospitals and clinicians in many states **paused or altered service offerings**.

By March, a reorganization plan consolidated agencies into a new "Administration for a Healthy America" and eliminated nearly **20,000 federal positions**. Cuts were especially steep at the CDC, FDA, NIH, and CMS—all agencies that play a central role in drug approvals, outbreak response, and care reimbursement. For healthcare companies, the move signaled longer review timelines, fewer federal resources for public health programs, and heightened uncertainty about regulatory processes.

MID 2025 HEALTHCARE POLICY CHANGES

As 2025 reaches its halfway mark, the federal government rolled out several high-stakes reforms that influenced drug pricing and how insurance markets and health coverage enforcement operates:

- In May, the administration issued **Executive Order 14297,** which directed HHS, CMS, and other agencies to develop mechanisms to align U.S. drug prices with the lowest prices paid in comparable developed countries.
- Soon after, in June, CMS finalized the **Marketplace Integrity and Affordability Final Rule**, which changed longstanding protections concerning unpaid or past-due premiums in the ACA exchanges. Under the new rules, insurers are permitted to require consumers to pay any past-due premiums before providing coverage. This reverses earlier rules barring coverage denials for past-due premiums and opens the door for more rigorous financial verification and enforcement in the marketplace.

In July, Congress passed the **2025 Budget Reconciliation Act**, nicknamed the "One Big Beautiful Bill." The new law will have **significant impacts** across Medicaid, the Affordable Care Act, food nutrition programs, and more, and cuts more than $1 trillion in healthcare spending over the next decade. Industry analysts and the Congressional Budget Office estimated that millions of people could lose health coverage by 2034. Hospitals, especially rural facilities, are bracing for higher levels of uncompensated care and, in some cases, possible closure.

LATE 2025 HEALTHCARE POLICY CHANGES

As the year begins to wind down, vaccine policy has become a flashpoint. This fall, the Trump administration removed **CDC Director Susan Monarez, PhD**, from her post, after a month on the job. Multiple resignations followed, including several top CDC staff, which raised concerns from the AMA about the nation's ability to coordinate against potential public health threats.

The move quickly triggered state-level action: California, Oregon, Washington, and Hawaii announced the formation of the West Coast Health Alliance, a coalition dedicated to maintaining science-based vaccine guidelines. This divergence between federal and state approaches highlights the growing fragmentation of public health policy, forcing providers, payors, and manufacturers to navigate multiple, and sometimes conflicting, frameworks.

Meanwhile, policymakers and insurers braced for the expiration of enhanced ACA premium tax credits at year-end 2025, with analysts warning of sharp premium increases and coverage losses absent congressional action.

2026 will also bring numerous and significant state-driven reforms to the pharmacy benefit management industry. Read our trends blog on the laws and regulations impacting drugmakers and insurers to learn more.

Navigating the new healthcare landscape in 2026

The policy changes of 2025 rewrote the rules of engagement for the healthcare industry. Looking toward 2026 and beyond, healthcare providers and organizations must confront a new reality: One where funding and reimbursements are tighter, regulations are more fragmented, and patient coverage is less certain.

But within this disruption lies an opportunity for healthcare leaders to reimagine how they deliver care, engage patients, and position their businesses for growth.

THE CHALLENGES AHEAD

Here are some of the broad challenges organizations will need to navigate:

Growing coverage gaps and financial strain
With Medicaid work requirements and income verification measures set to take effect, and ACA subsidies at risk of expiring, millions of Americans could lose coverage in the following years. Providers, especially rural and safety-net hospitals, are bracing for a rise in uncompensated care, shrinking margins, and difficult decisions about service-line reductions or closures.

Intensified pressure on drugs and devices
The most-favored-nation drug pricing model and a downsized FDA could likely mean slower product approvals, tighter price controls, and higher stakes for market access. Pharma and medtech firms might face a future where every launch must be backed by stronger evidence, sharper pricing strategies, and more careful global coordination.

Rising administrative and compliance burden
Administrative demands are climbing due to stricter healthcare coverage eligibility and verification checks. Providers and payors will need to scale up data infrastructure and automation or risk potentially higher denial rates, increased patient dissatisfaction, and regulatory exposure.

Equity and access challenges
Coverage losses and service cutbacks will hit vulnerable populations the hardest. Organizations will face growing pressure from policymakers, advocacy groups, and the public to find ways to close these gaps and ensure care reaches the patients who need it most.

Workforce stress and shifting talent
Policy changes, particularly those around reproductive and gender care, are influencing where clinicians choose to practice. In some regions, talent flight could worsen staffing shortages, forcing health systems to compete more aggressively for clinicians while trying to prevent burnout among those who stay.

PLAYBOOK FOR FINDING SUCCESS IN 2026

2026 will favor organizations that act quickly and strategically. Here's how you can weather the turbulence of the upcoming healthcare policies and find opportunities to differentiate, innovate, and better serve patients and the community.

Build financial and operational resilience
Shrinking margins and rising uncompensated care mean healthcare leaders must shore up their foundations:

- Pharma and medtech companies should consider reevaluating their portfolios, prioritizing high-impact products, and adopt new pricing models to align with value-based care trends.
- Providers may want to leverage market and population intelligence to identify high-value service lines or expand ambulatory and outpatient services to better meet shifting care demand.
- To retain members and combat coverage churn, payors should consider designing more affordable and accessible plan options.

Strengthen trust and relationships
Some of the new policies are eroding patient trust in the healthcare industry, making relationship-building and spreading awareness more important than ever:

- Software and technology firms can support clients where they are needed most, such as by developing tools that streamline eligibility verification and claims management, alleviate administrative burden and regulatory compliance, and keep organizations' network infrastructure secure and protected.
- Providers, of course, should continue to invest in outreach and engagement programs that cultivate a talented workforce and ensure consistent, high-quality care.
- Payors can build trust and relationships by deploying programs that engage members specifically at risk of losing coverage. Leveraging digital tools and AI ethically and appropriately can also streamline certain processes, which in turn can lower costs and ease provider friction.

Turn data into a competitive advantage
If 2025 proved anything, it's that healthcare organizations can't afford to fly blind. In the years ahead, data will be the difference between leading in the market and lagging behind. It will guide resource allocation, de-risk decision-making, and help organizations find opportunities for growth their competitors miss.

Market intelligence will also be key. These insights help pinpoint the highest-value providers, health systems, or patient populations to focus on, whether you're a medtech company launching a new device, a payor expanding Medicare Advantage, or a software firm selling revenue cycle solutions.

Artificial intelligence and predictive analytics, already taking the healthcare industry by storm, will continue to be valuable tools. When supported by a high-quality database, this technology allows providers and payors to spot trouble before it hits their balance sheets. And knowing which service lines, facilities, or regions are most vulnerable means leaders can take proactive action instead of scrambling to respond.

In 2026, turn policy disruption into opportunity

If 2025 was a year of upheaval, 2026 can be a year of reinvention. The organizations that succeed won't be the ones that wait for stability — they'll be the ones that embrace change, lean into data-driven decision-making, and use intelligence to find the whitespace others miss. ■

CONCLUSION

Move through 2026 with data-driven clarity

With a new year upon us, one thing is clear: organizations in the healthcare space cannot afford to go through 2026 without their finger on the pulse of how fast the market is evolving. Whether it's adjusting to the disruptive impact of AI on patient engagement, building trust through reimagined security practices, or navigating an ever-changing policy and regulatory environment, tomorrow's industry leaders will be those who anticipate change and act with clear-eyed intention in support of the real people at the core of healthcare's mission.

Finding clarity in an industry shaped by innovation and evolution requires robust, reliable data—and the analytical tools and prowess to use it. Definitive Healthcare delivers data, analytics, and expertise to help you win opportunities, connect with the people and organizations that matter, and achieve unparalleled growth.

HOW WE CAN HELP YOU SUCCEED IN 2026 AND BEYOND?

Sign up for a demo today or contact your Definitive Healthcare sales executive to learn more.

About Definitive Healthcare

At Definitive Healthcare, our mission is to transform data, analytics, and expertise into powerful healthcare commercial intelligence. We help clients uncover the right markets, opportunities, and people, so they can shape tomorrow's healthcare industry. Our SaaS products and solutions create the path to commercial success in the healthcare market, so companies can identify where to go next.

For more information, visit definitivehc.com.

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