KEY POINTS

President Trump's Great Healthcare Plan: Global Implications for Health Insurance Systems

President Trump's Great Healthcare Plan sets out a high level framework for reforming the US healthcare system, centred on affordability, transparency and accountability. While public debate has largely focused on drug pricing and transparency, a number of the plan's more consequential implications relate to the financial sustainability of risk based health insurance markets. Although primarily domestic in intent, the plan signals policy directions that could influence health insurance systems globally, particularly through drug pricing linkages, transparency expectations and insurer accountability.

Drug Pricing Spillovers Beyond the United States

The plan's support for Most Favoured Nation influenced drug pricing would more tightly link US prices to those paid in other developed markets. Given the size and influence of the US market, this approach has potential spillover effects well beyond national borders.

Manufacturers may respond by reassessing launch sequencing, delaying entry into lower priced markets, or increasing reliance on confidential rebates. These strategies can reduce price transparency and make net costs harder to benchmark for insurers and public purchasers internationally.

For health insurers operating across multiple markets, concerns include increased volatility in pharmaceutical spending, more complicated forecasting and larger gaps between list prices and net prices. In lower priced markets, governments and insurers may face pressure to defend existing pricing arrangements or accept slower access to new therapies.

Transparency as an Emerging Global Norm

The plan mandates extensive public reporting by insurers and providers, including claims versus overhead, denial rates, waiting times and clearer consumer facing comparisons. While implementation details remain unclear, this emphasis aligns with a broader international trend towards transparency and accountability in health insurance. A clear precedent exists in the Netherlands, where private health insurers operate within a regulated competitive system that mandates standardised benefits and public reporting of premiums and administrative performance.

Transparency is used as a tool to moderate insurer behaviour and maintain market stability. A similar accountability model applies in Germany, where statutory sickness funds are subject to public oversight of expenditure and contribution rates to support competition and financial sustainability.

If reinforced by US policy, this trend could accelerate convergence towards common disclosure expectations across markets. For insurers, increased transparency can intensify price competition and scrutiny of claims management practices.

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While this may reward efficient operators, it can also compress margins and raise compliance and litigation risks. Smaller insurers or those operating in less standardised markets may face disproportionate cost burdens. Public reporting of performance metrics may also influence regulatory behaviour in other jurisdictions, encouraging more active oversight and stronger purchaser leverage.

Pressure on Intermediaries and Supply Chains

The plan's focus on reducing opaque financial flows and scrutinising intermediaries further reflects growing political concern about complexity in healthcare supply chains. Internationally, the structure of intermediaries varies, but similar debates exist around accountability, conflicts of interest and value extraction. The US policy direction may strengthen momentum in other markets for regulating intermediaries, increasing audit requirements and limiting non transparent remuneration.

For insurers, this could lead to changes in contracting models, greater pass through expectations and increased operational complexity, particularly where global benefit managers or multinational employers seek alignment across regions.

Financial Sustainability Implications Outside the US

The most direct insurer specific reforms in the plan relate to US subsidy design and market structure. However, indirect financial implications for insurers elsewhere are possible. For example, changes in global drug pricing dynamics could increase cost uncertainty, particularly for specialty medicines. Greater volatility makes benefit pricing, reserving and capital planning more challenging.

Rising transparency and accountability expectations can increase administrative costs and expose insurers to reputational and regulatory risk. In competitive private markets, this can accelerate consolidation or market exit. In predominantly public systems, supplementary and private insurers may still be impacted by spillover regulation and purchaser expectations.

Strategic Considerations for Global Insurers

For insurers operating internationally, the plan's direction of travel suggest several strategic priorities:

- Strengthening modelling of international drug pricing risk and manufacturer behaviour.
- Improving transparency readiness through consistent definitions, governance and auditable reporting.
- Maintaining capital and risk management flexibility to absorb greater cost volatility and regulatory scrutiny.

For regulators and public purchasers, the plan underscores the growing interdependence of national health systems. Domestic pricing and access decisions may increasingly be influenced by US policy choices, particularly if international benchmarking becomes more aggressive.

Conclusion

President Trump's Great Healthcare Plan is unlikely, in its current form, to reshape global health insurance systems directly. However, it reinforces policy trends with international relevance.

The clearest global impact lies in drug pricing. Stronger US linkage to international prices can influence manufacturer strategy, affecting access, transparency and cost predictability worldwide. At the same time, the plan's emphasis on transparency and accountability may contribute to rising expectations of insurer performance and disclosure across markets.

For global insurers, the key implication is not immediate structural change, but increased uncertainty and convergence pressure in areas that directly affect financial sustainability.

Key Resources:

Read more on US health reforms impacting insurers: ***Containing Costs or Constraining Access? Navigating the Most Favoured Nation Challenge***

Join our network to interact and share best practice with other members: ***Medical Effectiveness and High-cost Drugs Member Network***

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