

# 2020 | EMPLOYEE WELLNESS INDUSTRY TRENDS REPORT



**Wellable**

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## ABOUT WELLABLE



# **EXECUTIVE SUMMARY**

# OVERVIEW

## Executive Summary

Despite uncertainty in financial markets and global trade changes, the economy continues to show strength with unemployment reaching its lowest point in 50 years. As a result, finding and retaining quality employees is becoming more difficult as the labor market tightens. To address this challenge, employers are expanding benefits, including wellness programs, to help employees thrive and enjoy work. Since these programs are more common than ever before, companies are also practicing greater discernment when it comes to the value of their offerings. The goal of this report is to quantify and better understand the wellness strategy companies are implementing in 2020. Employers and brokers can use this information to make better benefits decisions to ensure they are creating competitive wellness plans to address the needs of current and prospective employees.

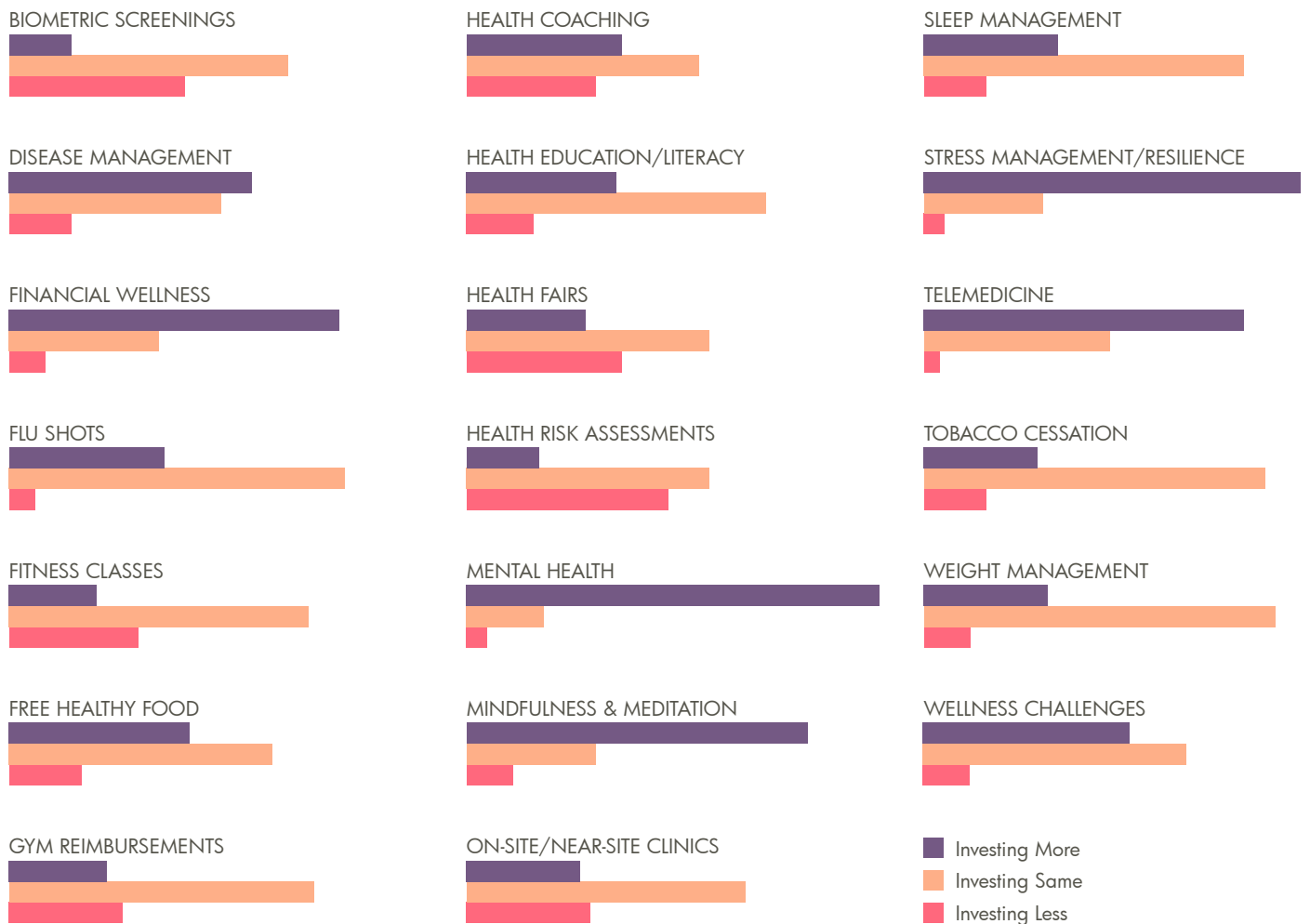
To provide a broader perspective, survey respondents included consultants and wellness directors at health insurance brokers across the country. These professionals have insights on the thoughts and strategies of the numerous employers they advise. As part of the research, the survey explored three key areas: (i) investment trends, (ii) decision influencers, and (iii) vendor evaluation. For more detail and commentary on survey responses, please see the detailed sections later in the report.



# INVESTMENT TRENDS

## Executive Summary

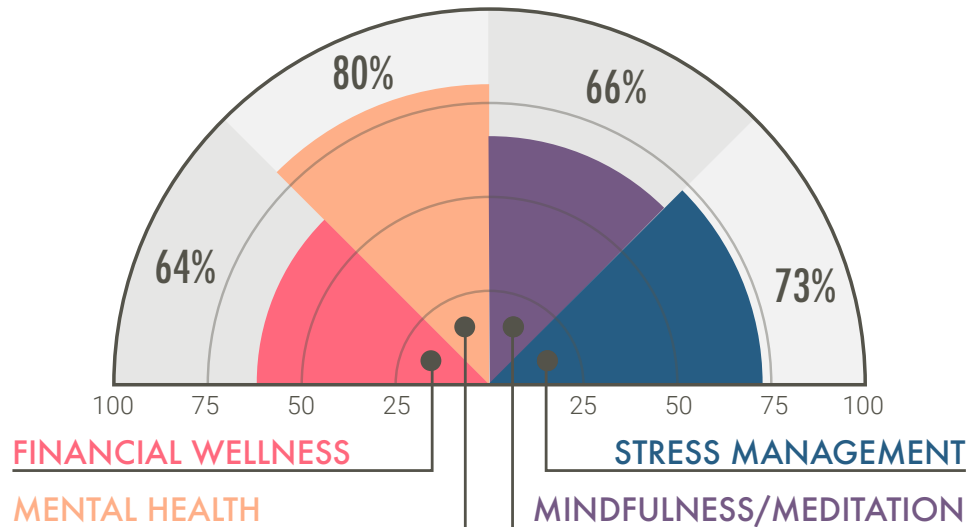
The survey identified 20 specific wellness programs and strategies, such as stress management, gym reimbursement, and telemedicine, that employers may be considering investing in during the coming year. Respondents were asked whether they expect their employer clients to invest less, the same, or more in the associated programs. Overall, employers are increasing their investment into health and well-being programs with more than double planning to invest more (35%) compared to those who plan to invest less (14%). As wellness programs become more popular and the labor market pushes employers of all sizes to offer competitive benefits, these programs will continue to see more investment—especially for benefits that are highly valued or cost effective.



# INVESTMENT TRENDS

## Executive Summary

Percentage of respondents who answered “Investing More”



### RISING STARS

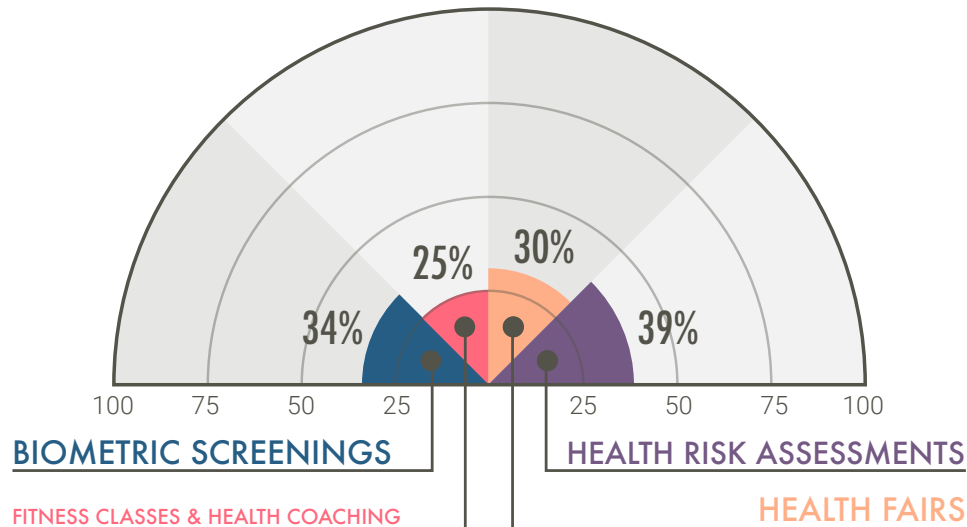
Mental health (80%), stress management (73%), mindfulness and meditation (66%), and financial wellness (64%) programs ranked the highest in terms of the percentage of employers expecting to invest more. Considering that stress levels and mindfulness both play into overall mental health, these top three programs overwhelmingly show employers' focus and dedication to mental wellness. This comes as no surprise, as mental health programs have been popular for years.

In addition to mental health, financial well-being continues to be an area of focus for employers. As noted in the 2019 Employee Wellness Industry Trends Report, educational resources, such as seminars and webinars, are the most popular type of financial wellness program. The downfall of these types of programs is that they do not address the specific and unique challenges each employee may be facing. Since some employees need assistance with paying down student loan debt while others may need help planning for retirement, employers will need to adopt more tailored solutions to truly impact the financial health of employees.

# INVESTMENT TRENDS

## Executive Summary

Percentage of respondents who answered “Investing Less”



### FALLING GIANTS

Health risk assessments (39%), biometric screenings (34%), health fairs (30%), fitness classes (25%), and health coaching (25%) ranked the highest in terms of the percentage of employers expecting to invest less. The common theme amongst these programs (and others that ranked high for less investment) are that they are services, which means they are harder to scale, cost more per engaged employee, and are often unavailable to remote employees.

Additionally, since the Equal Employment Opportunity Commission (EEOC) vacated wellness rules at the beginning of 2019, employers requiring screenings or mandatory assessments run the risk of being sued. As such, the number of companies planning to invest less in biometric screenings rose by five percentage points for biometric screenings and 12 for health risk assessments. It is important to note that after the data collection for this report was completed, the EEOC announced that it plans to provide guidance on wellness program regulations in January 2020. Any changes in response to the new guidelines is not capture in the report's results.

Both health fairs and fitness classes can be replaced with more affordable and engaging options, like newsletters or gym reimbursement. Their decline may also reflect a growing disinterest in general or impersonal resources, as workers seek more individualized solutions. Classes and fairs, by design, target broader audiences.

# NEW WELLNESS OFFERINGS

Executive Summary

## CAREGIVER SUPPORT

Caregivers often experience hectic and out-of-control schedules—working parents need to secure proper supervision for children, and those with aging or ill relatives must manage regular medical attention or, sometimes, emergency care. Employers overwhelmingly favor resources that allow them time away from work, with flexible schedules, remote work options, and paid time off out-ranking other offerings by more than double or triple the percentage points. It's crucial to note that time alone doesn't make these programs so important, but also the fact that they tend to not decrease income or benefits. Offerings such as unpaid leave (12%), reduced or part-time work (8%), and job sharing (1%) ranked low because they sacrificed benefits and income needed to cover caregiving needs.

Counseling services were the next popular (25%), followed closely by caregiver-provider referral services (24%). Both alleviate the stress of coordinating care, while counseling services in particular reflect the rapidly growing focus on employee mental health. Offerings that dealt with subsidies, on-site/near-site care, seminars, and support networks were all valued by 8% or less of employers.

84%

Flexible Work Schedules

67%

Remote Work/  
Telecommuting

53%

Paid Time Off (PTO)

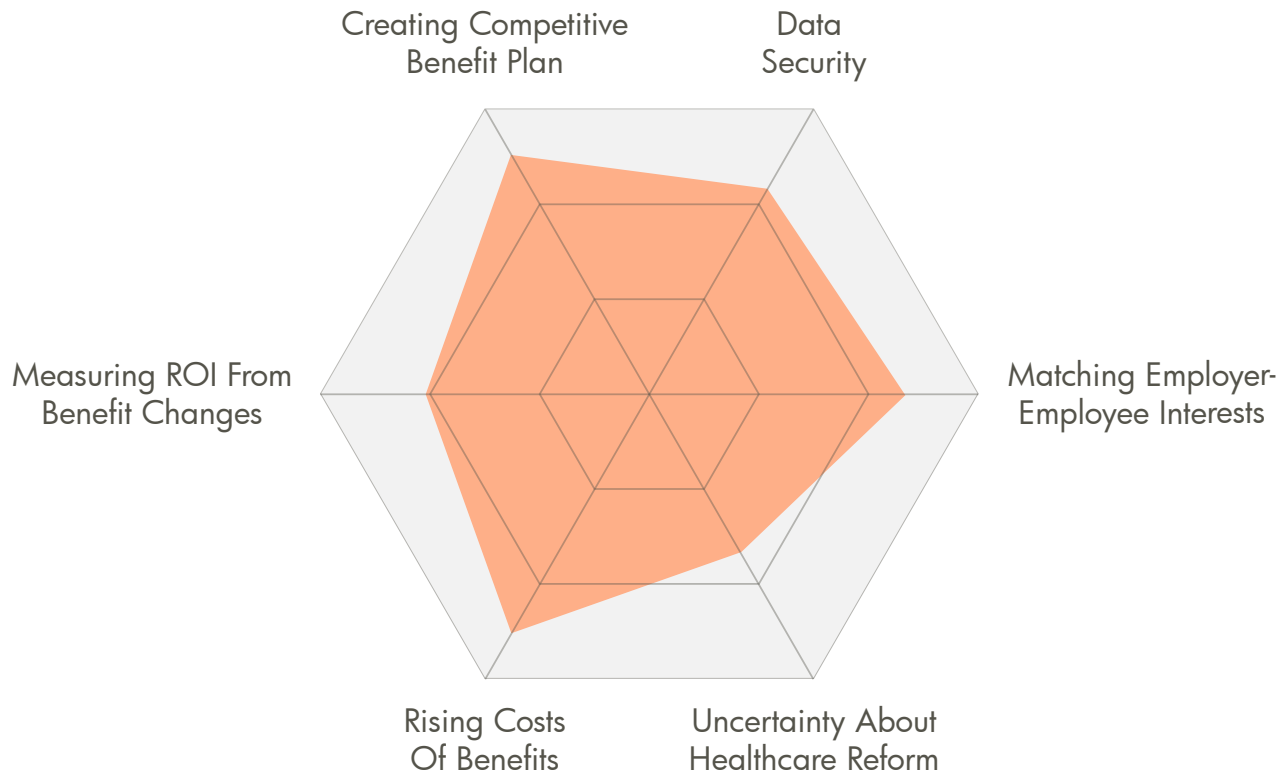
25%

Counseling Services



# DECISION INFLUENCERS

## Executive Summary



The survey identified six factors companies consider when making benefit decisions and to what degree these factors influence their choices. As expected, companies weigh numerous considerations when making benefit decision, which is why “significantly influenced” was the top choice across five of the six factors. However, the extent to which “significantly influenced” was the most popular choice varied across the options.

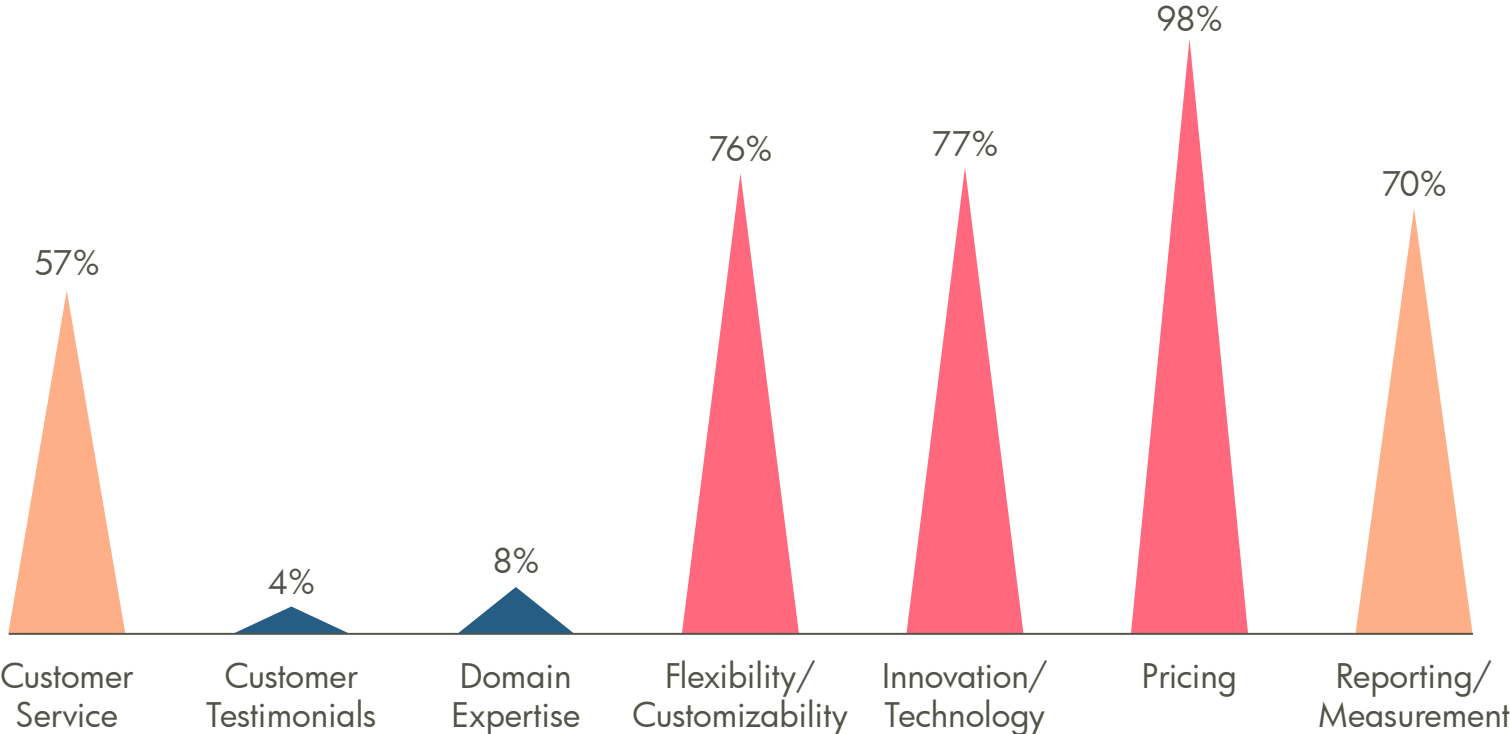
Rising cost of benefits and creating competitive benefit plans were the most influential factors with 84% and 79% of respondents saying they significantly influence employer benefit decisions, respectively. Only 1% of respondents are reportedly minimally influenced by those factors. The tightening labor market is allowing employees to be more selective about where they choose to work, creating an employer arms race to expand benefits while balancing costs. Since last year, data security also rose slightly in influence, as technology becomes more ubiquitous and government organizations further scrutinize cybersecurity practices. Despite the political turmoil in Washington, only 23% of employers are expected to be significantly influenced by uncertainty about health care reform while 34% (the highest of any of the factors) expect employers to be minimally influenced.

# VENDOR CRITERIA

## Executive Summary

Many employers will need to solicit the help of external vendors to implement a successful wellness program, and they evaluate these vendors based on a number of categories. Based on the survey results, two things are clear: (i) pricing is and remains the top criteria and (ii) customer testimonials and domain expertise don't really matter that much. Ninety-eight percent of brokers felt pricing was a top three criteria when evaluating vendors, but very few felt customer testimonials and domain expertise were a top three consideration. Innovation and technology (77%) as well as flexibility and customizability (76%) were essentially tied for second highest criteria, followed by reporting and customer service.

Technology and innovation experienced a significant surge since last year, as apps and tools become more numerous and easier to implement. Although pricing still ranked high, flexibility and customizability ranked the highest for large employers. Otherwise, vendor criteria trends were relatively similar across companies of all sizes.



PART 1

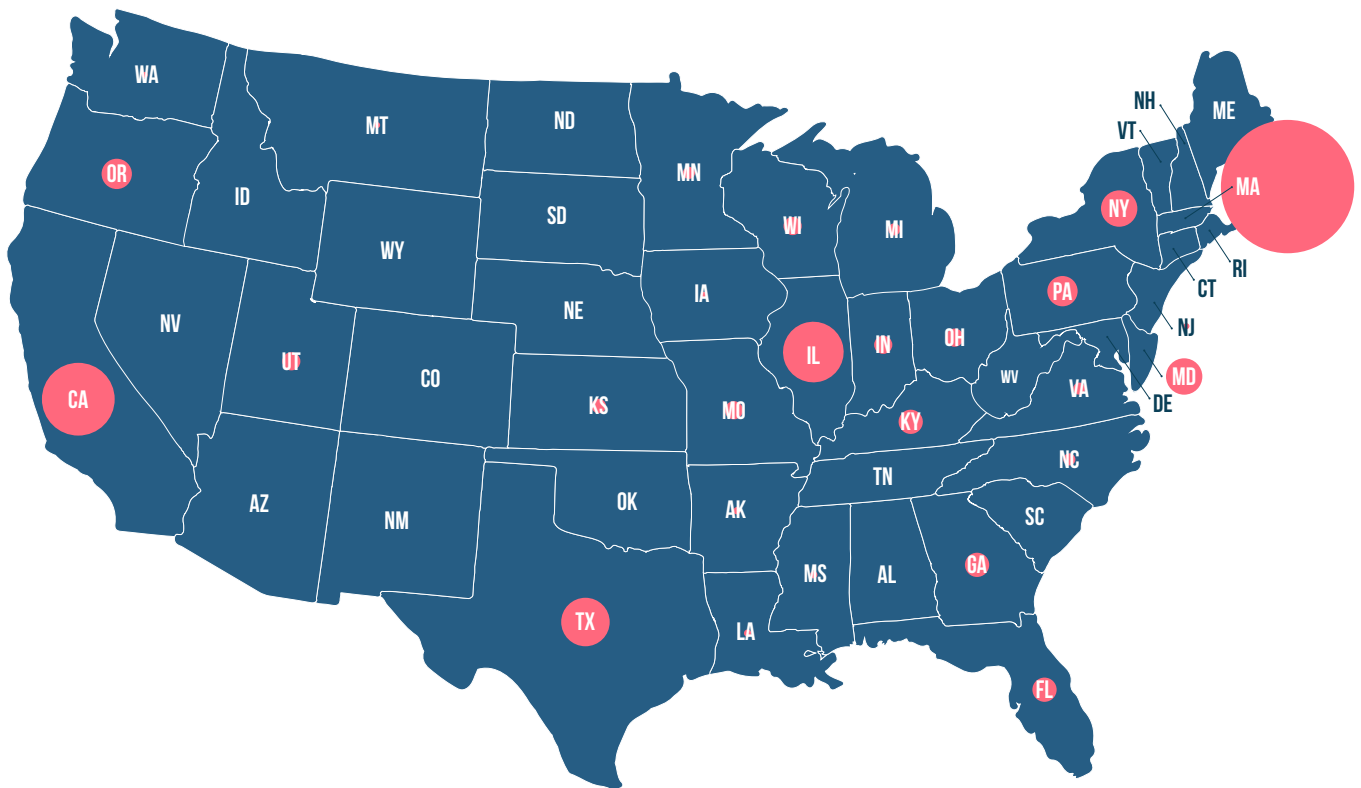
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# **PARTICIPANT PROFILE**

# OVERVIEW

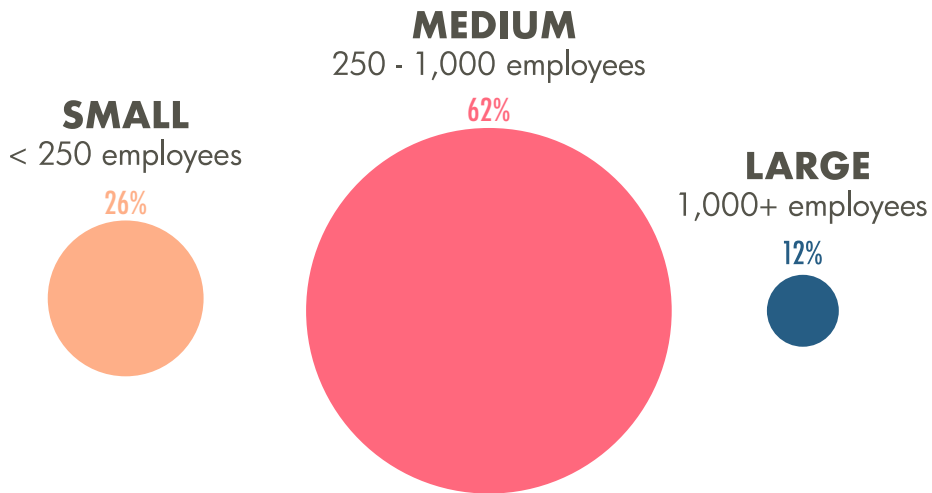
## Participant Profile

To better understand the perspectives of a vast and diverse set of employers, the 2020 Employee Wellness Industry Trends report surveyed the trusted advisors of companies across the country—health insurance brokers. Health insurance brokers and their wellness directors work closely with organizations to develop short- and long-term strategies for employee wellness success as well as assist in the identification and evaluation of vendors. Through responses from 117 of these professionals, the 2020 Employee Wellness Industry Trends report reflects the current positions of thousands of companies and millions of employees. The survey also captured the geography, years of experience, and average client size of the respondents to identify trends that may exist in specific demographics.

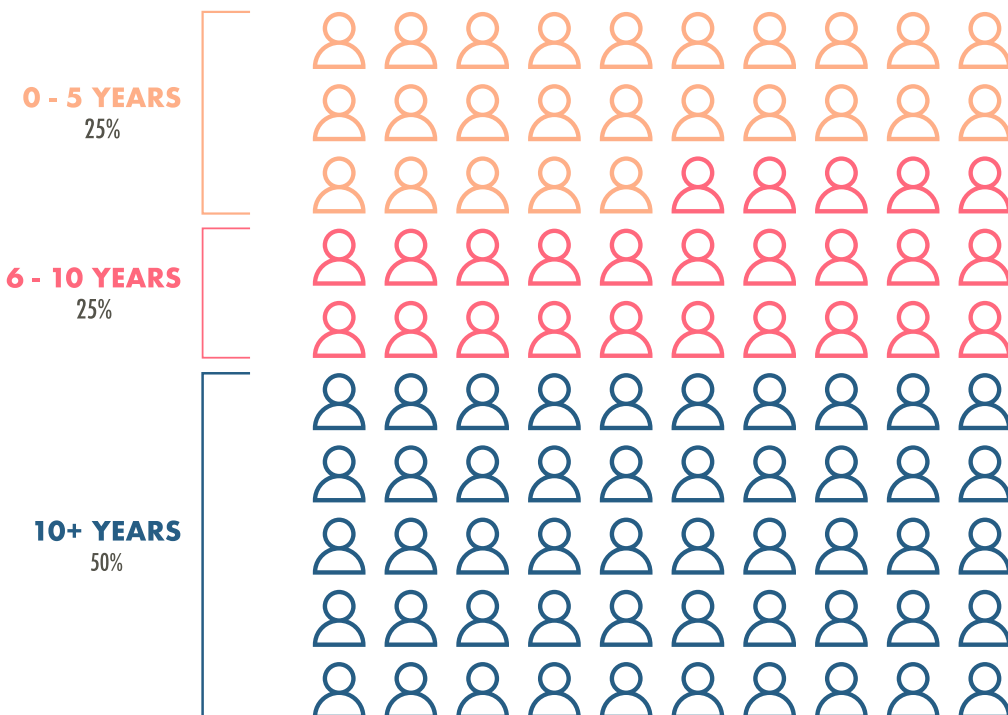


# OVERVIEW

## Participant Profile



AVERAGE  
CLIENT SIZE



BROKER YEARS  
OF EXPERIENCE

PART 2

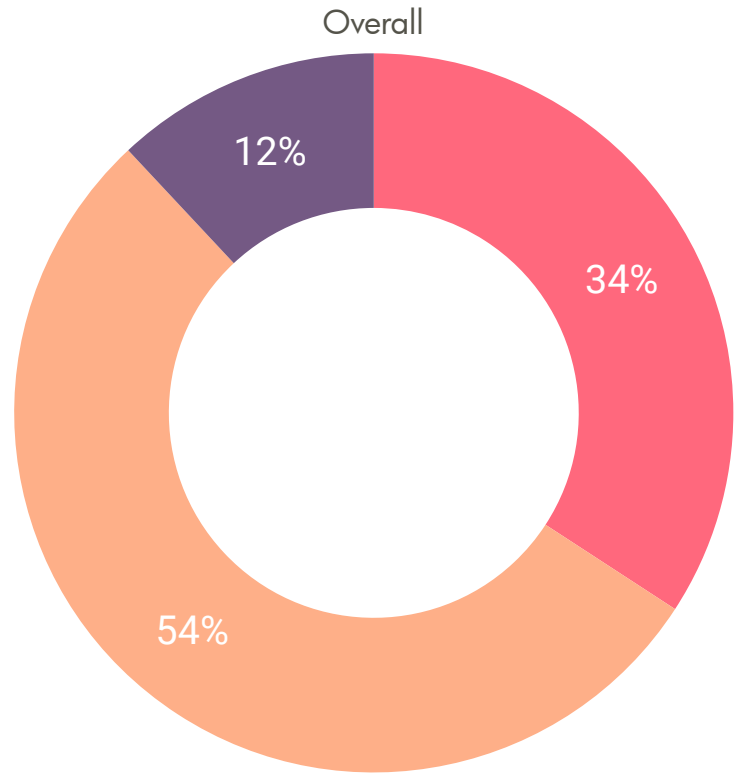
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# INVESTMENT TRENDS

# BIOMETRIC SCREENINGS

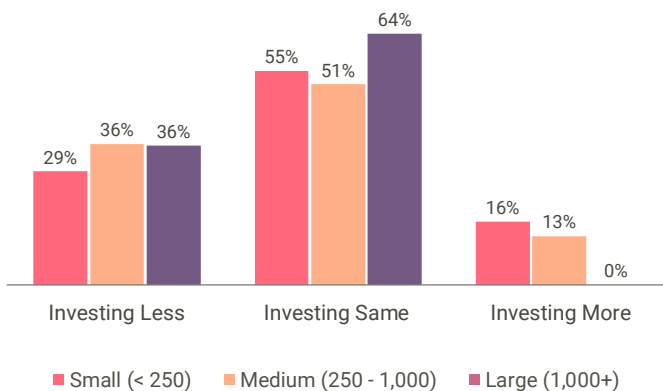
## Investment Trends

The overwhelming research suggests that biometric screenings do not deliver the results that employers previously believed, and companies are taking note. Only 12% plan to invest more in these programs, a decrease of 14 percentage points from just last year. While over half of companies do not plan to make any changes, over a third plan to invest less, up from 29% in 2019. This is likely a result of the judicial system vacating the EEOC wellness rules, which took effect on January 1, 2019. Employers requiring screenings run the risk of being sued. In December 2019, the EEOC did announce that it plans to provide guidance on wellness program regulations in January 2020, but this may be too late for employers making decisions for the coming year.

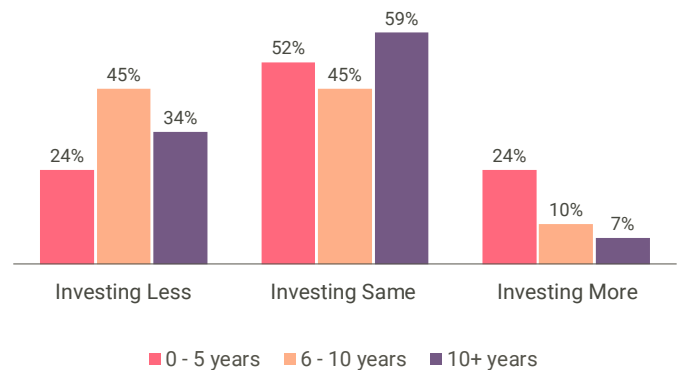


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



By Years Of Experience

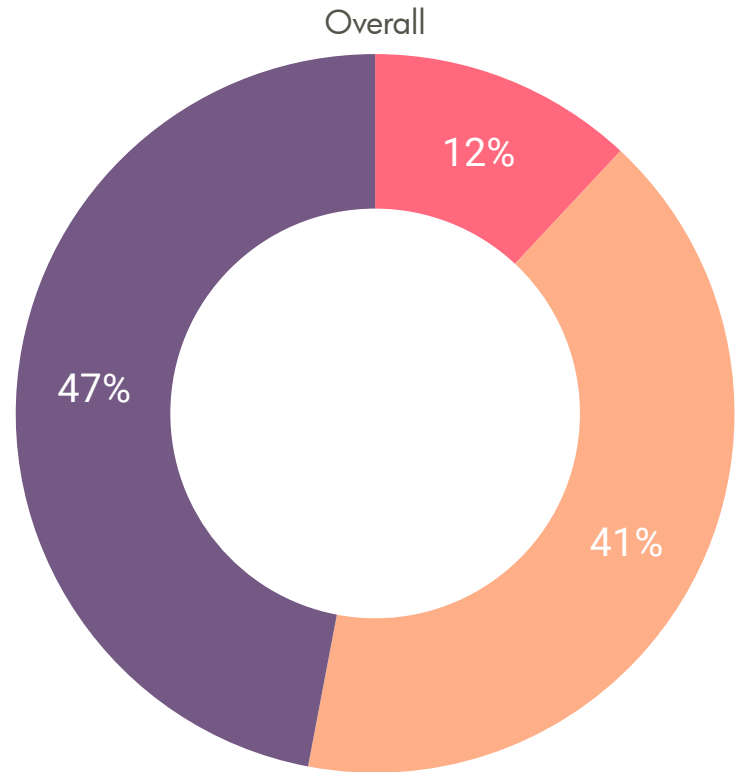


# DISEASE MANAGEMENT

## Investment Trends

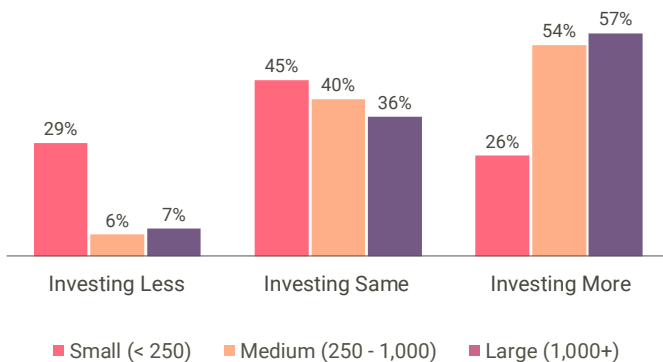
Eighty-eight percent of employers will be investing the same or more into disease management, which suggests these programs are here to stay. Additionally, companies investing more rose by 11 percentage points from last year. Disease management programs are targeted, often focusing on specific chronic conditions that may be particularly prevalent within an employee population.

Traditionally, disease management programs have been limited to larger employers that have enough employees suffering from a specific condition to justify the resources, but per the survey, more medium-sized employers are continuing to adopt them. Over half of medium-sized employers plan to invest more into these types of programs in the coming years.

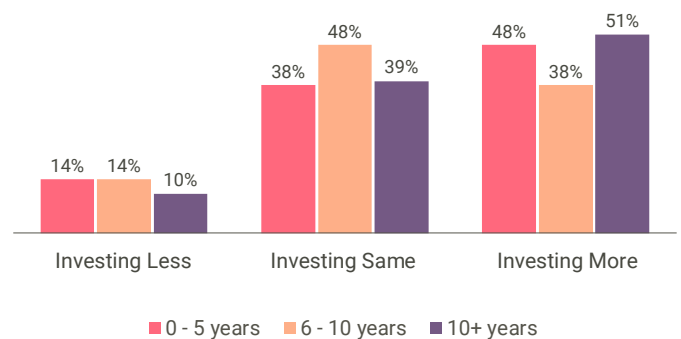


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



By Years Of Experience



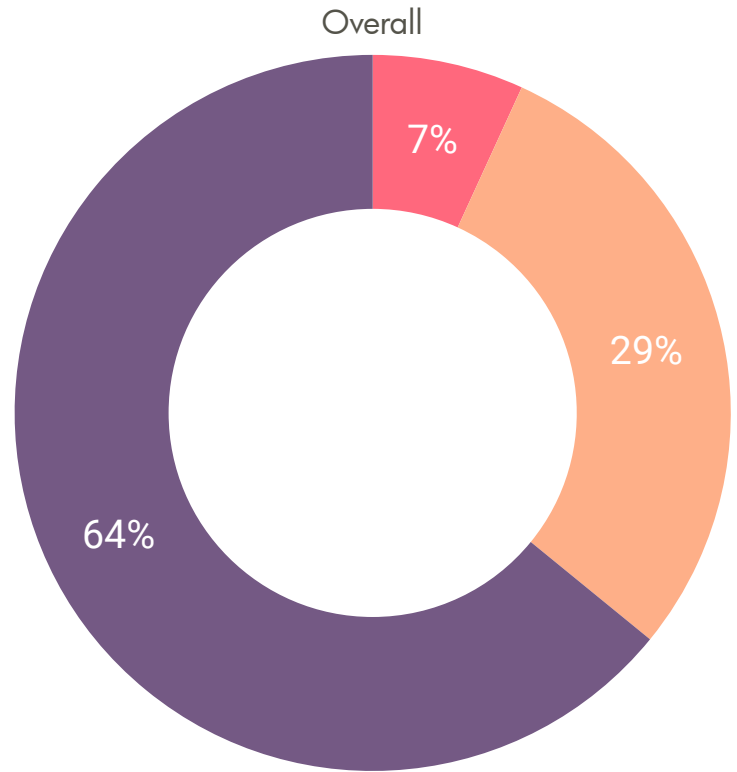


# FINANCIAL WELLNESS

## Investment Trends

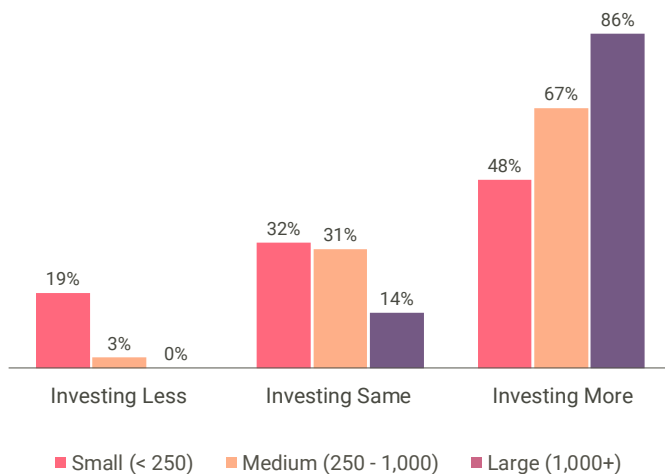
Financial wellness may be one of the “hottest” areas of employee well-being. More than 64% of employers will be investing more into improving the financial health of their employees. Only 7% plan to invest less in the coming year.

Larger employers tend to lead the way with emerging wellness solutions, and financial wellness seems to be no different with 86% of large employers planning to invest more into these programs next year. No large employers plan to invest less.

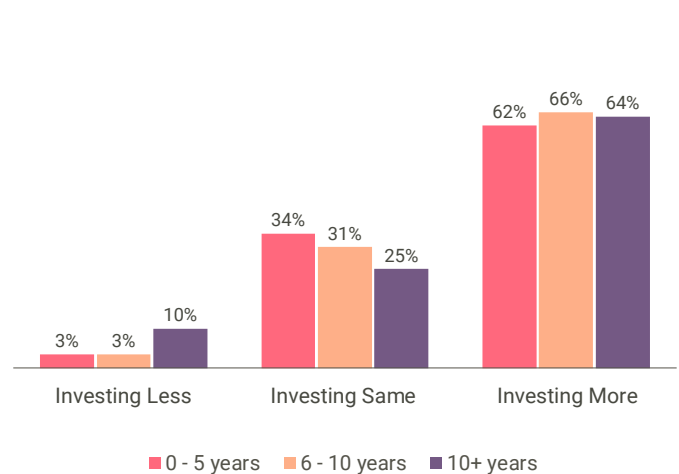


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



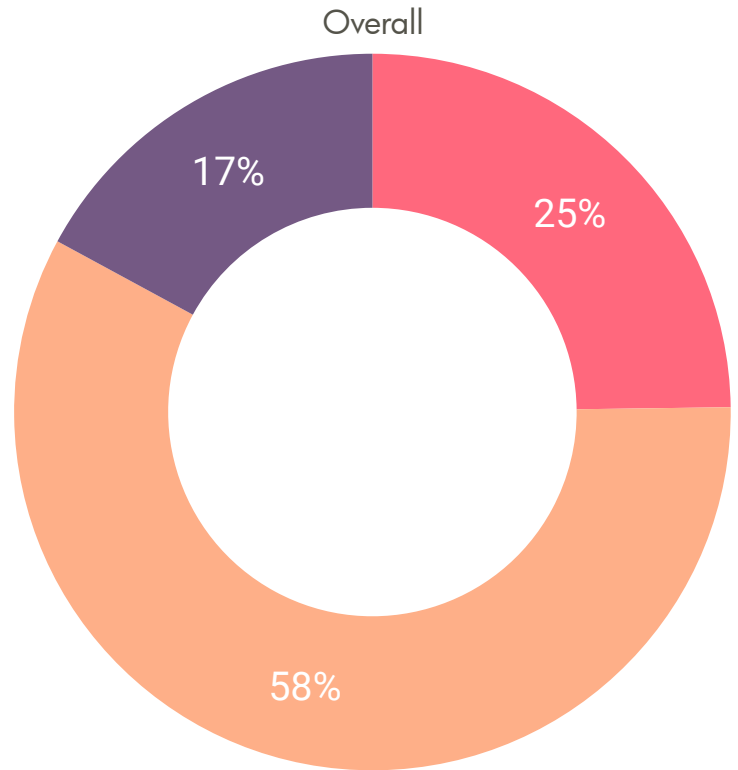
By Years Of Experience



# FITNESS CLASSES

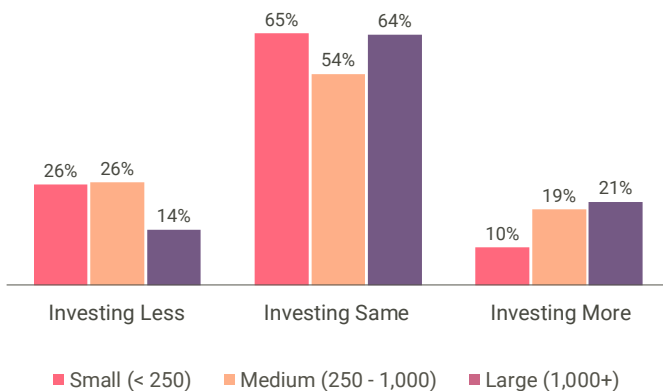
## Investment Trends

A quarter of employers next year will be investing less into on-site fitness classes. This is a slight decrease of five percentage points from last year, accounted for by an equal increase in the number of companies investing the same. Well over half of employers are keeping their investment the same. This may be the result of limited scalability (i.e., space limitations, no showering facilities on-site, not delivered digitally, etc.). A lack of resources and infrastructure can make it more challenging for companies to invest in this specific resource; many companies prefer to stick to gym reimbursements as a simpler, but similar, option.

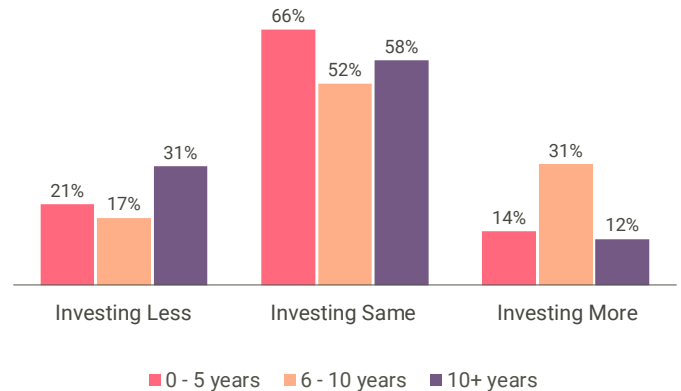


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



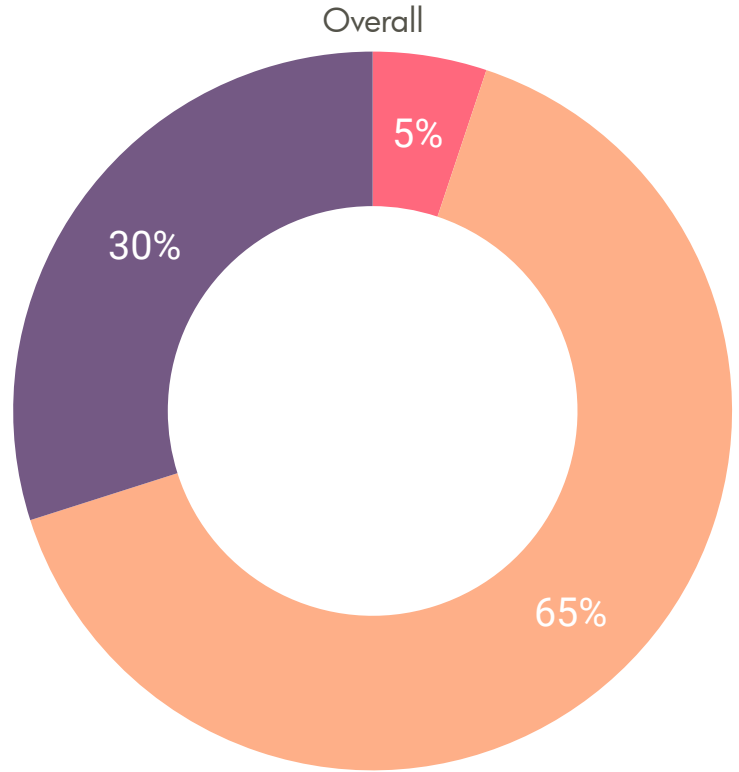
By Years Of Experience



# FLU SHOTS

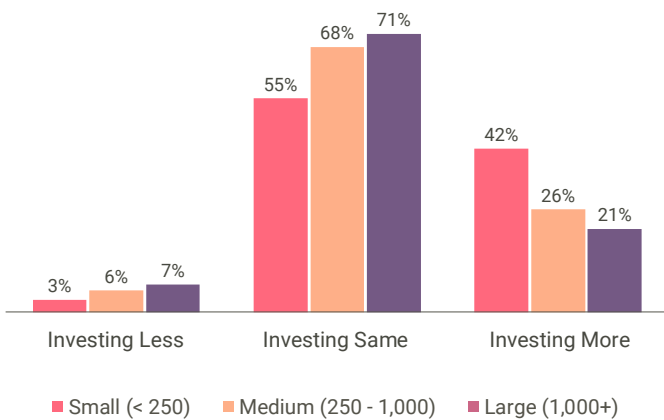
## Investment Trends

This survey was initiated in the middle of a flu season, which may impact the responses. With 65% of employers investing the same amount as last year, most are sticking with their original plans. Additionally, the number of employers that plan to invest more decreased by five percentage points from the previous year. This may be driven by last year's flu shot not being effective against one virus that appeared later in the season, thereby decreasing its overall effectiveness to just 29%. It may have lowered more people's confidence in the vaccine's ability to prevent illness.

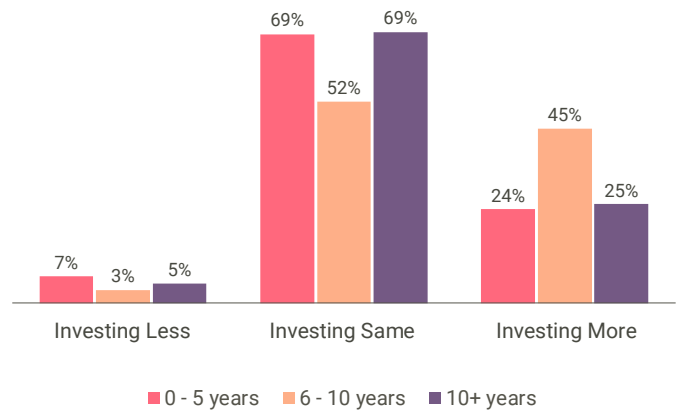


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



By Years Of Experience

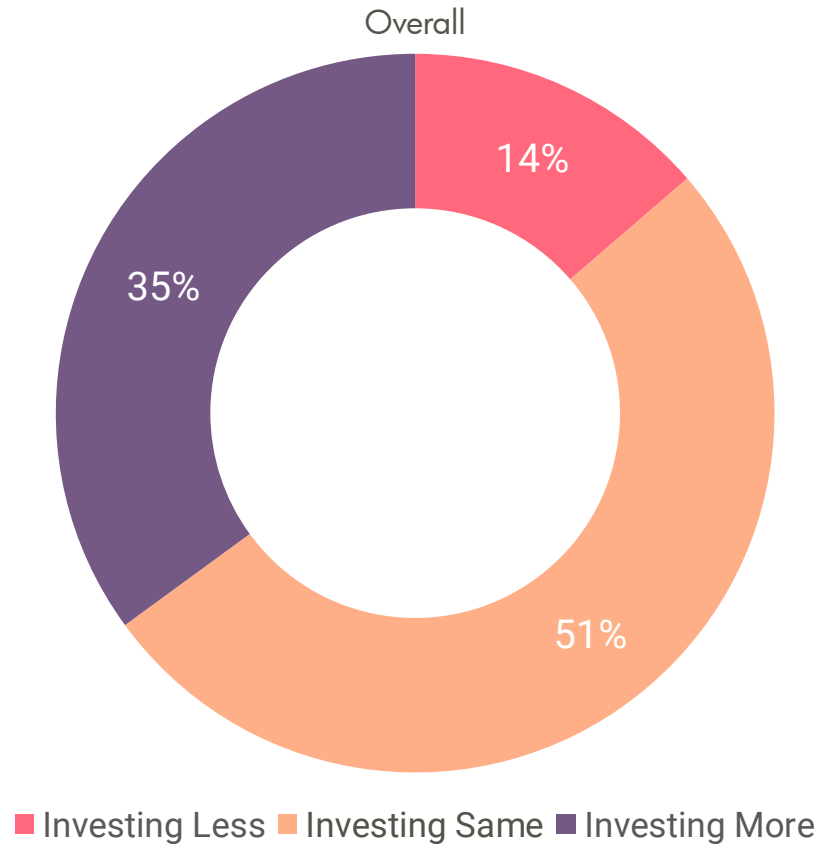


# FREE HEALTHY FOOD

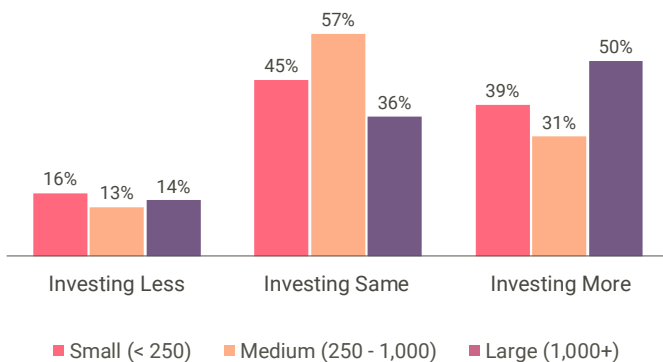
## Investment Trends

Since millennials value on-site benefits in their employment decisions, it is likely that free healthy food as an employee benefit may partially be driven by non-wellness motives.

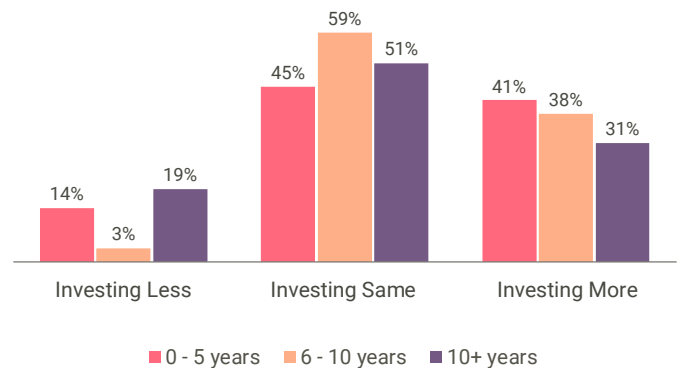
While roughly the same number of employers as last year expect to invest more in healthy food, the number of companies that expect to invest less went down by eight percentage points. It is not surprising that large companies, most of all, plan to invest more in this coveted benefit. However, the number of small companies that expect to do the same went up by an impressive 17%. The sustained demand for this benefit highlights a tightening labor market where employers are increasing perks to recruit and retain talent.



By Avg. Client Size



By Years Of Experience

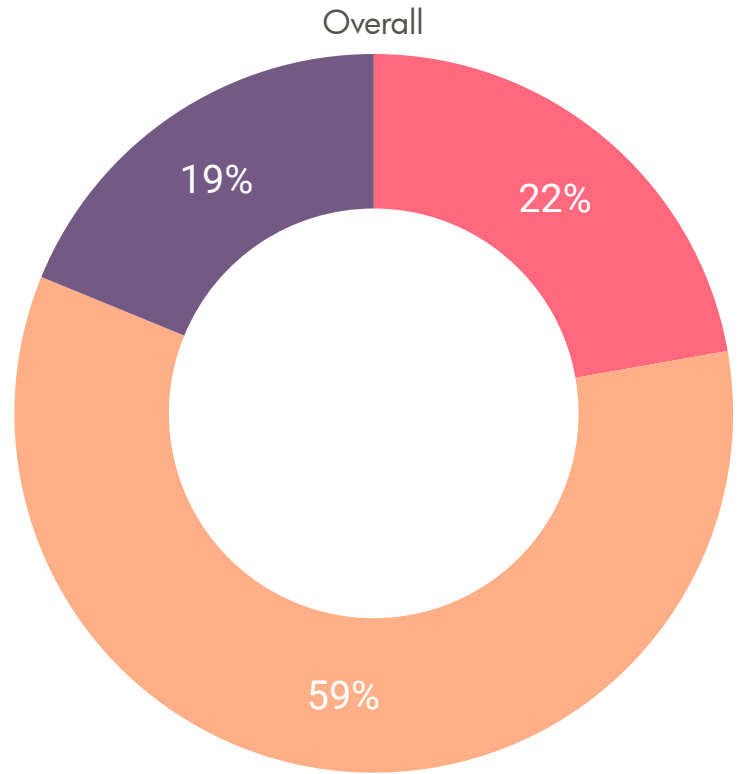


# GYM REIMBURSEMENT

## Investment Trends

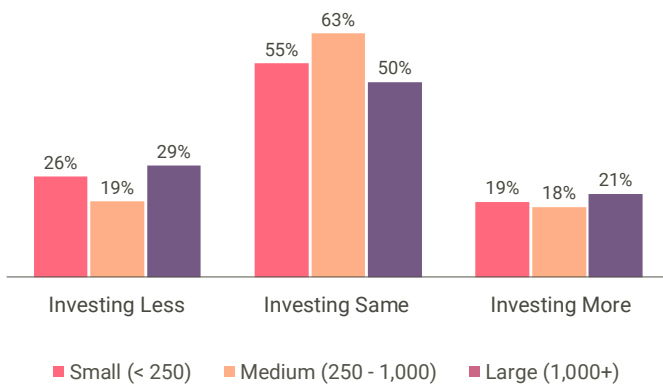
Seventy-eight percent of employers will be investing more or the same in gym reimbursement programs, the same amount as last year. However, 11% of those companies shifted from planning to invest more to maintaining their current offerings. The shift was largely driven by medium and small employers, as large employers are choosing to invest more.

The trend of maintaining these programs reflects how attractive they are in a highly competitive job market, with millennials in particular placing a higher value on total rewards programs and benefits.

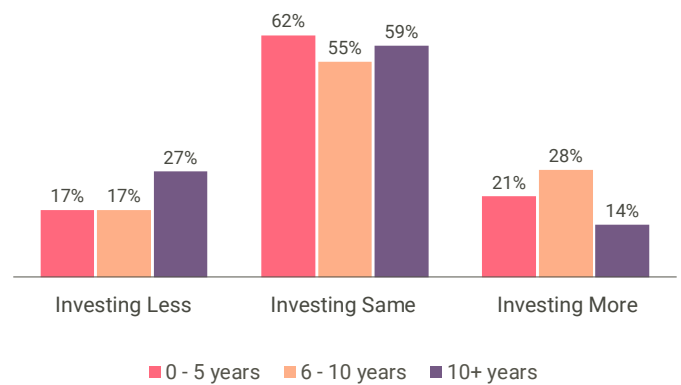


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



By Years Of Experience

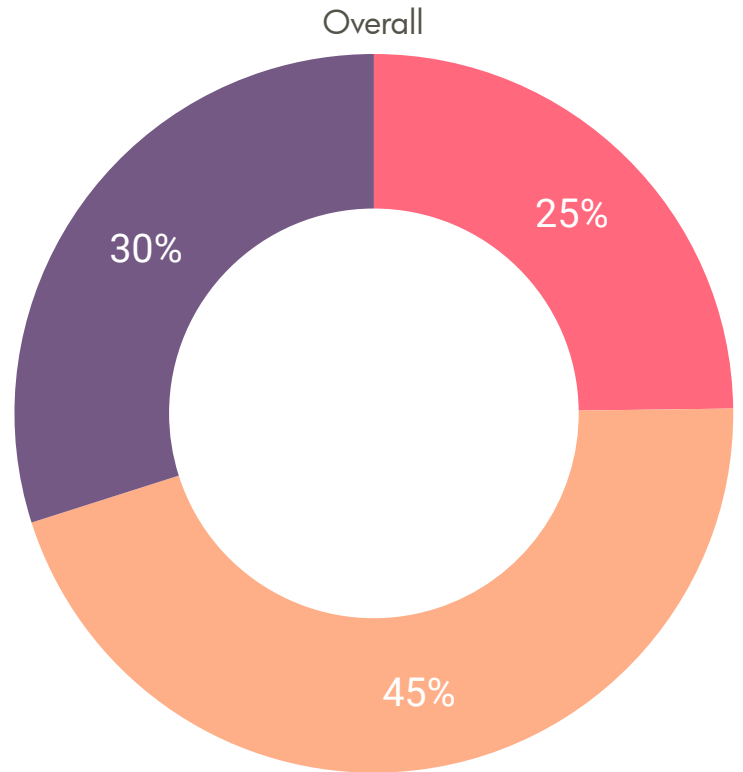


# HEALTH COACHING

## Investment Trends

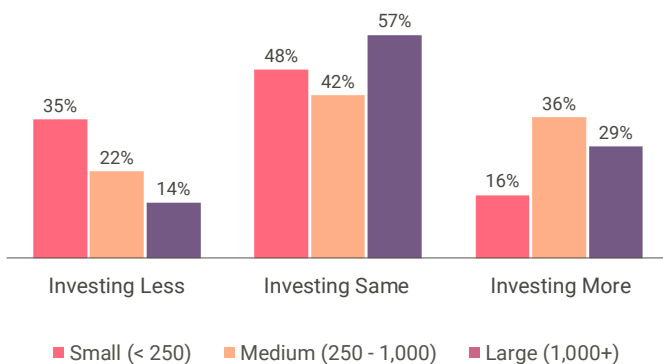
Health coaching trends stayed roughly the same as last year, with only a slight increase in companies planning to invest more. Interestingly, small employers are the most likely to increase their investment, up by 12 percentage points from the previous year. Companies with the least-experienced brokers are also investing more than last year.

Health coaches have been shown to drive employee engagement in wellness programs. Even though small or medium companies may have less resources to implement benefits, they can get the most value out of their investments by encouraging participation. Additionally, younger generations tend to prefer a more personalized approach to wellness that a coach can offer.

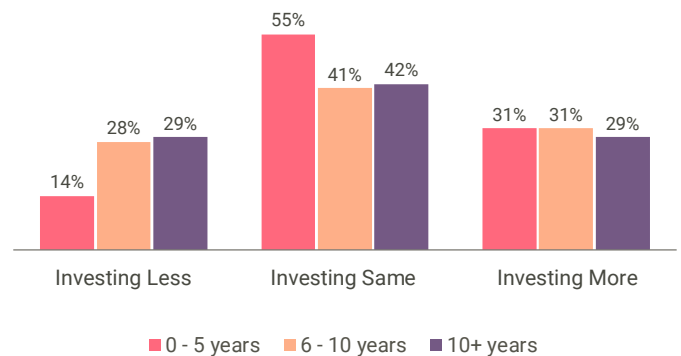


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



By Years Of Experience

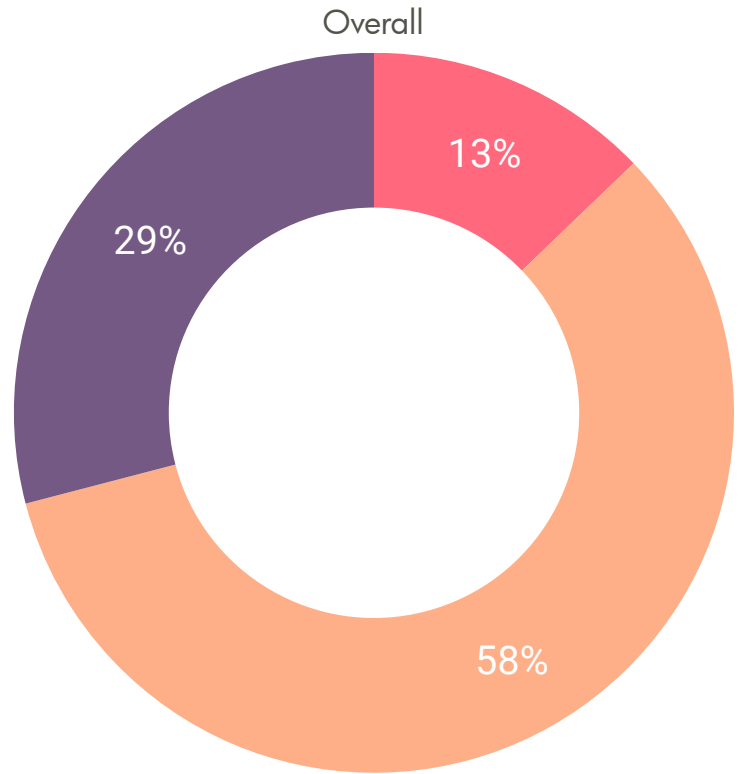


# HEALTH EDUCATION/ LITERACY

## Investment Trends

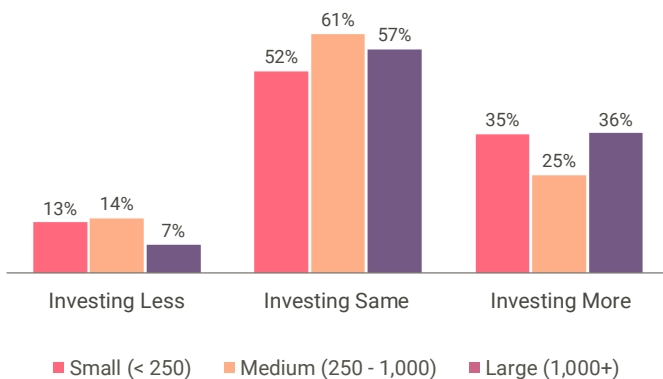
Having access to and engaging with quality, relevant, and timely health content is critical to well-being. With the growing amount of misinformation available to consumers via the internet, the role of employers in facilitating health literacy has never been more important.

However, while 87% of companies either plan to invest to same or more in health education and literacy, this is a decrease in nine percentage points from last year. While it is a valuable benefit, many employees may not immediately recognize it as important or view it as an attractive perk.

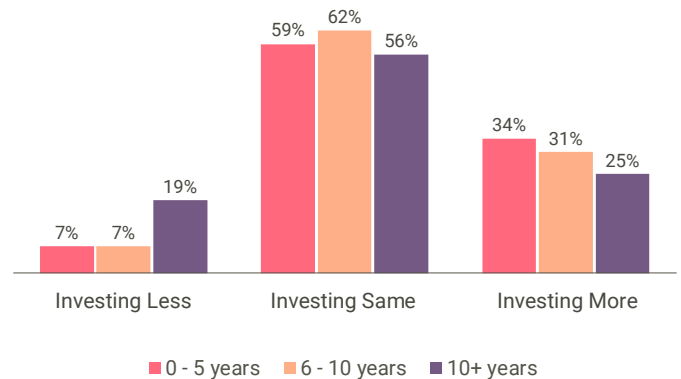


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



By Years Of Experience

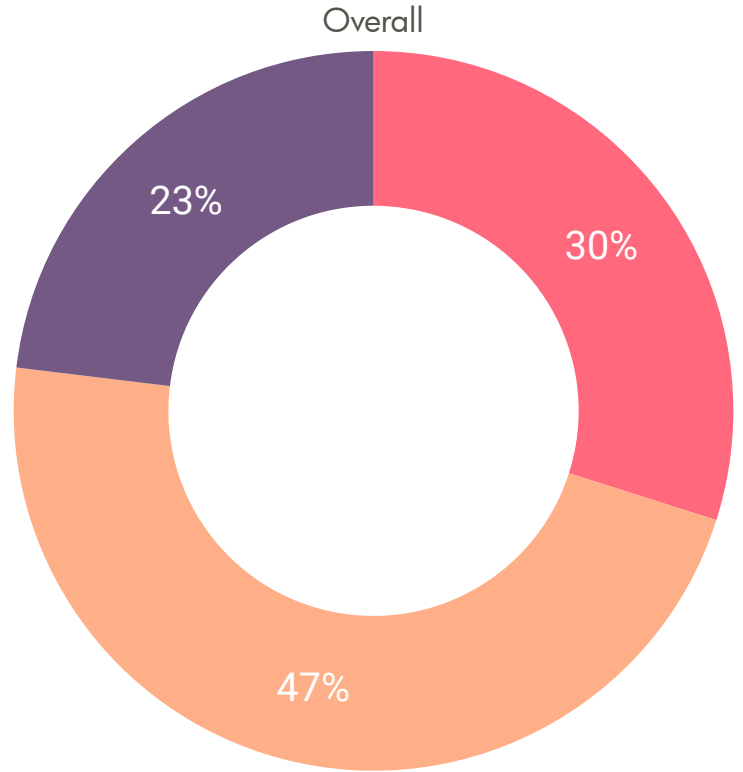


# HEALTH FAIRS

## Investment Trends

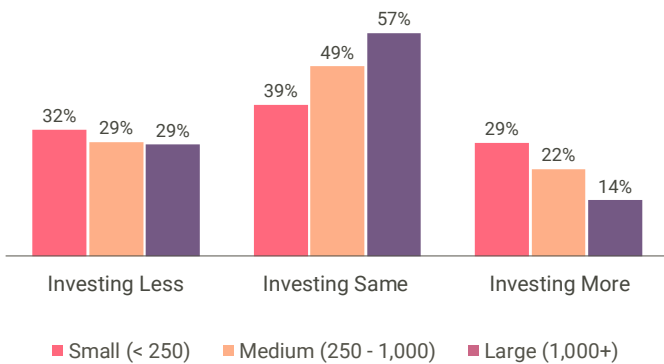
Health fairs are very similar to health coaching programs. However, as health coaching saw a slight increase in interest this year, health fairs had an opposite trend with a decrease in interest. Three out of ten companies expect to invest less, up from 21% the previous year.

This may be due to a shift in employee interest towards more personalized solutions. Health fairs lack a tailor-made feel and tend to present more generalized information because they target a large group of people at once. Also, as remote work continues to increase, there are additional challenges to delivering a successful health fair.

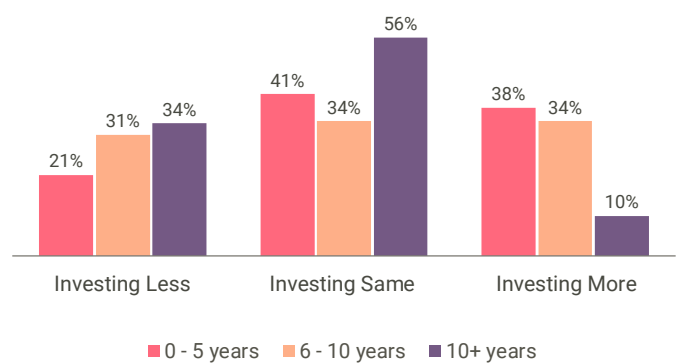


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



By Years Of Experience



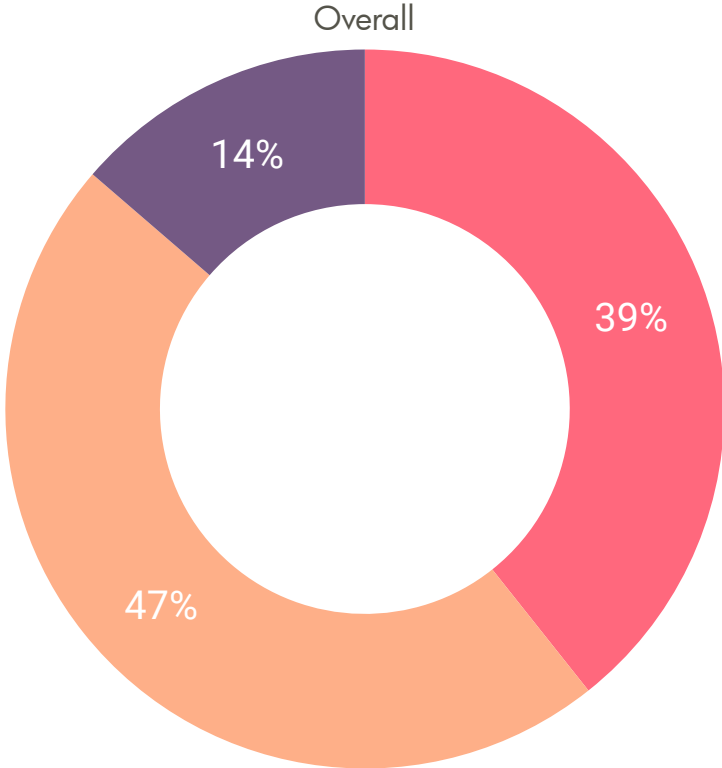


# HEALTH RISK ASSESSMENTS

## Investment Trends

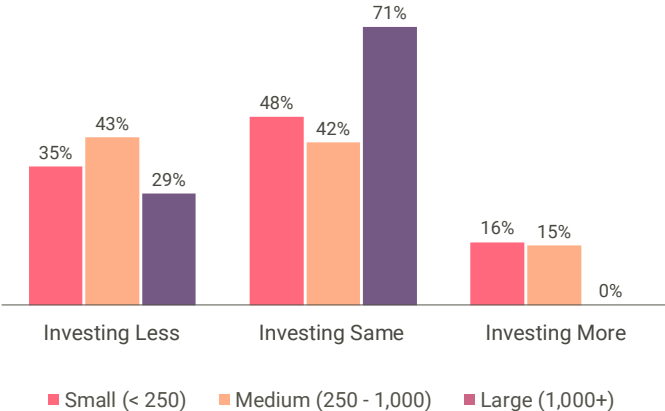
Similar to biometric screenings, the utilization of health risk assessments (HRAs) were at risk due to the EEOC wellness rules that were vacated on January 1, 2019. In December 2019, the EEOC did announce that it plans to provide guidance on wellness program regulations in January 2020, but this may be too late for employers making decisions for the coming year.

The potential risk for being sued has resulted in a decrease in HRAs' popularity with companies across the board. Nearly four out of ten employers now plan to invest less, a 12% increase from last year. Only 14% plan to invest more, with no large companies interested in doing so.

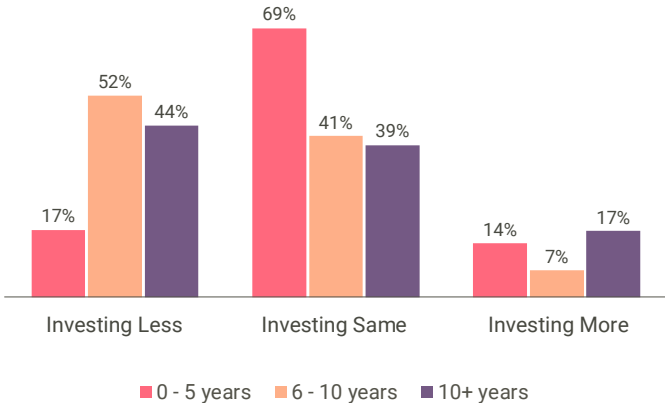


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



By Years Of Experience

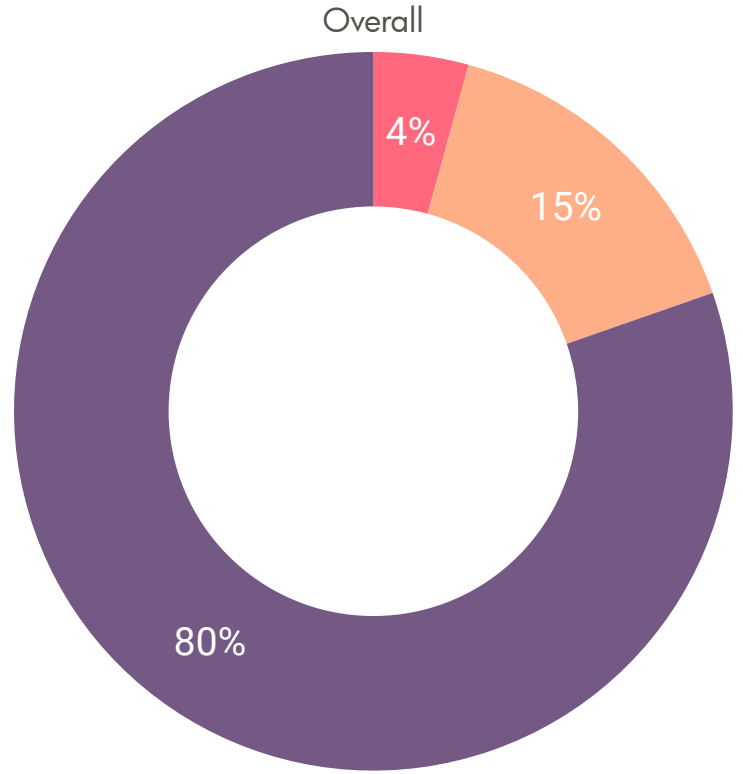


# MENTAL HEALTH

## Investment Trends

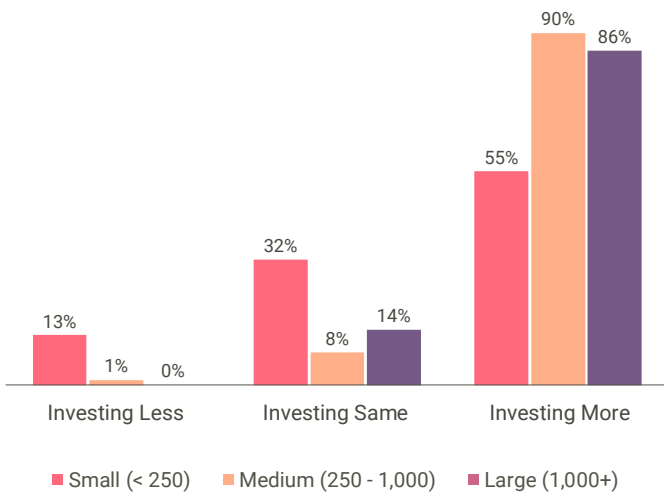
Of all wellness benefits, mental health programs experienced the most astounding increase in popularity. They are rapidly gaining traction with 80% of employers planning on investing more into these types of programs. Only 4% are planning to invest less. While medium and large companies are more likely to offer these programs, small companies are catching up. Since last year, the number of small companies investing more in mental health almost doubled.

According to the survey, no large employers plan to invest less into mental health. Brokers of all experience levels understand the value of this popular benefit and are pushing clients to invest this area.

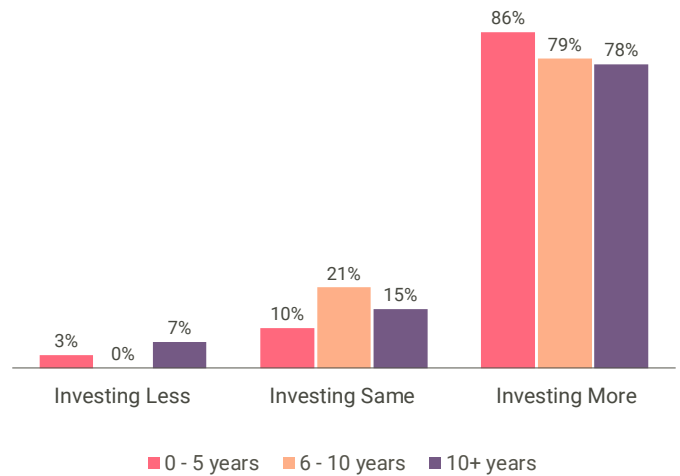


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



By Years Of Experience

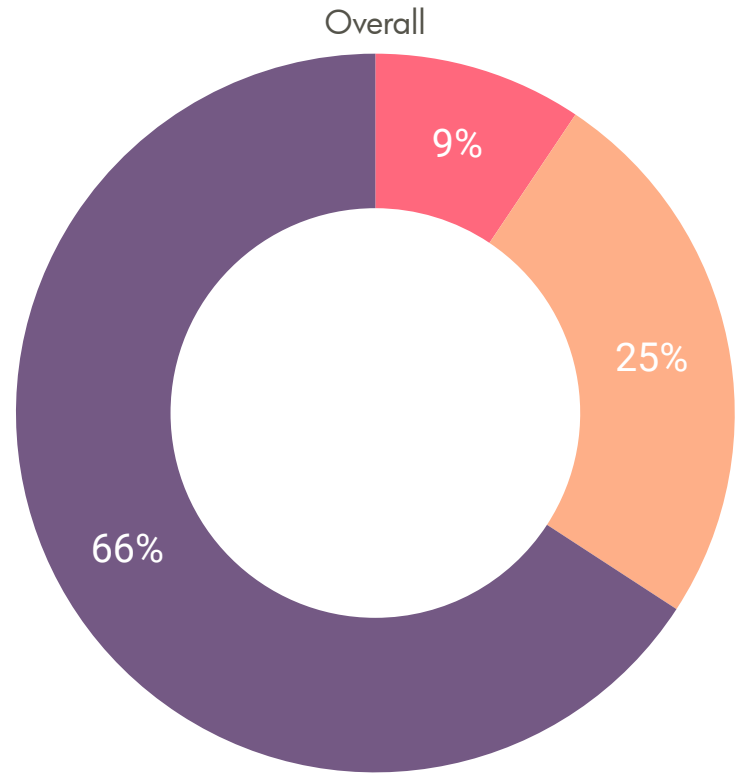


# MINDFULNESS/ MEDITATION

## Investment Trends

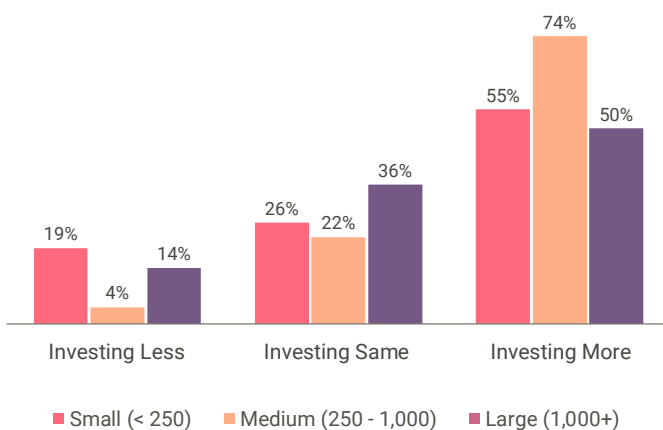
Mindfulness and meditation programs are directed towards alleviating stress, a major cause of mental health concerns for employees. As interest in mental health greatly increases, it stands to reason that mindfulness would also grow in popularity. Coupled with strong consumer market demand, more companies continue to prioritize these programs.

Two-thirds of companies expect to invest more in mindfulness, with small and medium companies leading the way. Small companies experienced the most change, with a 29 percentage point increase from last year for those planning to expand their mindfulness offerings. Traditionally, these services required larger budgets to scale, but with the advent of digital mindfulness and meditation tools, organizations with limited resources are able to offer these programs.

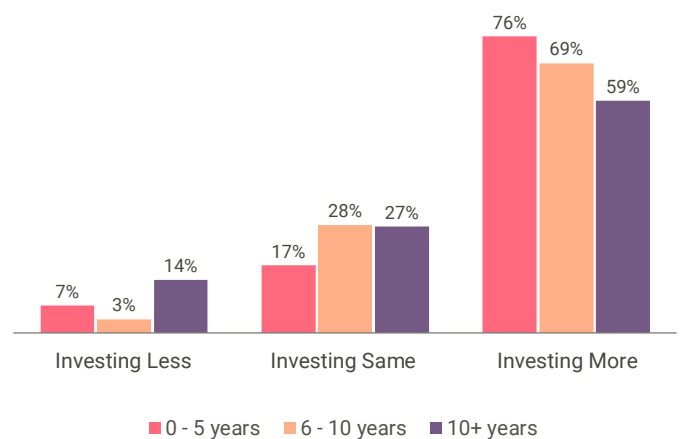


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



By Years Of Experience

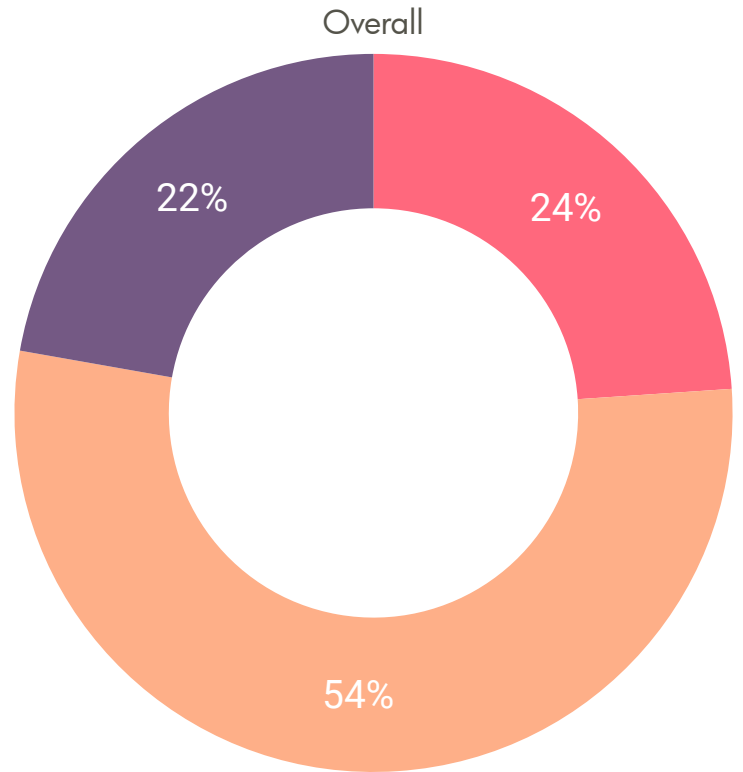


# ON-SITE/NEAR-SITE CLINICS

## Investment Trends

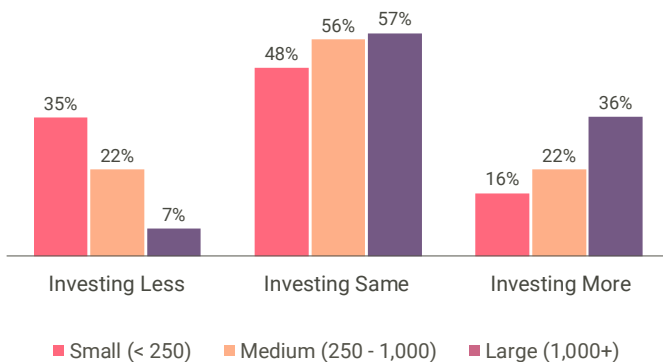
On-site and near-site clinics are costly benefits that have significant space and upfront capital requirements. Also, to be cost effective, they require a large enough employee population and high enough utilization to justify the costs. This explains why larger companies, which have more resources, are most likely to invest more in this type of benefit.

Just one year ago, no large companies expected to invest more. Now, 36% plan to expand on-site or near-site clinics. As wellness programs in general increase in popularity with companies of all sizes, large companies may see on-site and near-site clinics as an opportunity to make their programs really stand out.

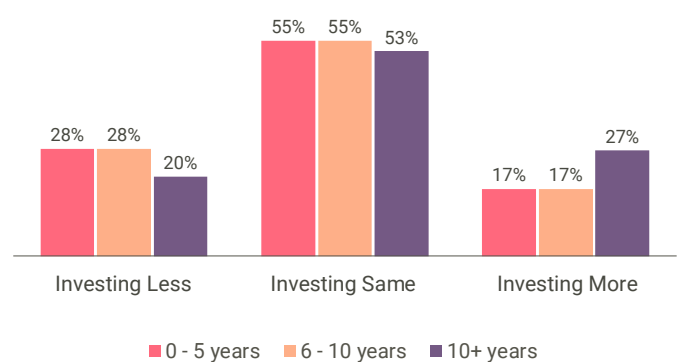


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



By Years Of Experience

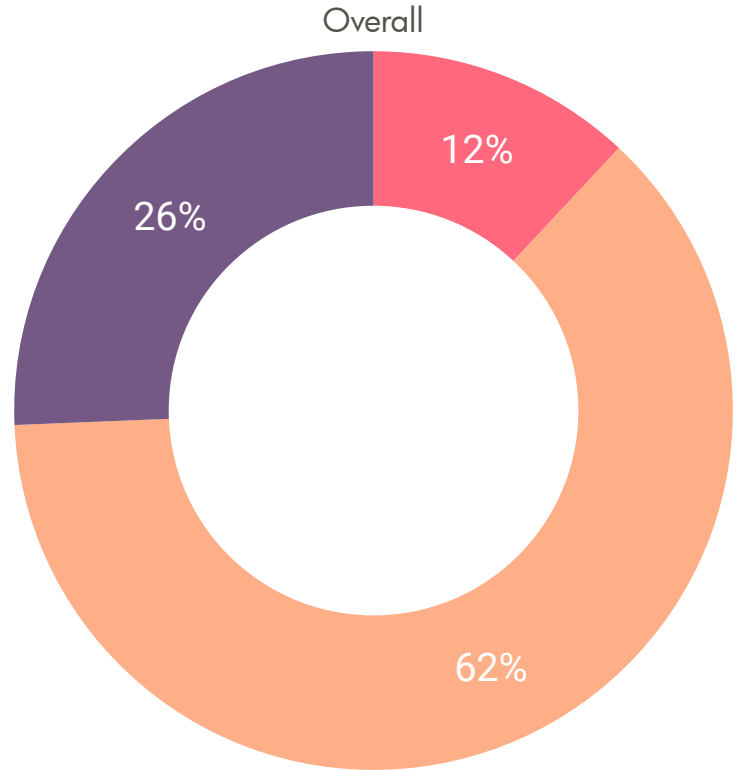


# SLEEP MANAGEMENT

## Investment Trends

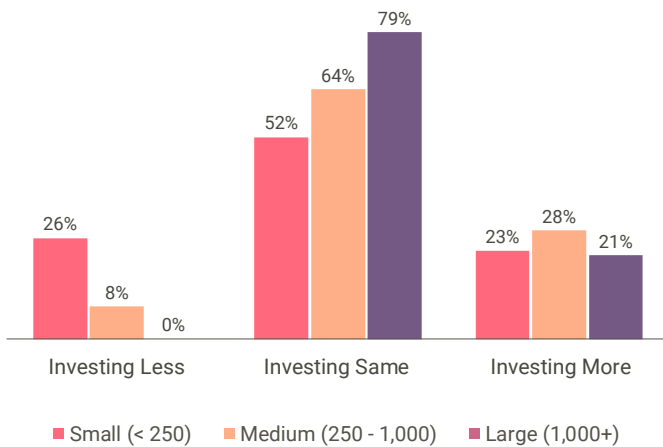
Sleep is a critical element of overall well-being, but until recently, it was often neglected by employee wellness programs. Companies today are starting to acknowledge sleep's importance, with 26% (10% more than last year) planning to invest more.

Small and medium employers are marginally leading the way, likely due to its lower associated costs that made this dimension of wellness — previously off limits to groups with limited budgets — available to address. Still, sleep management is relatively new to many wellness programs, and the majority of companies do not plan to increase investment.

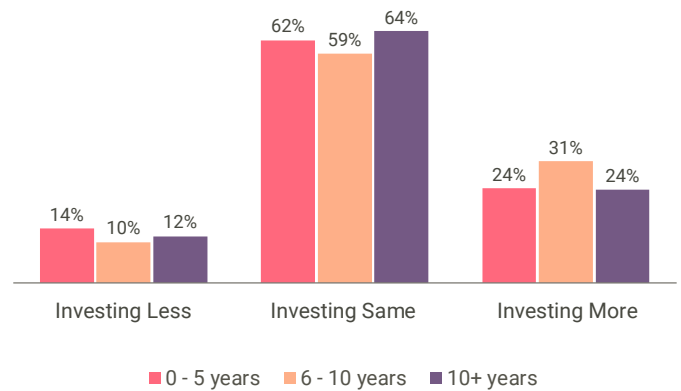


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



By Years Of Experience

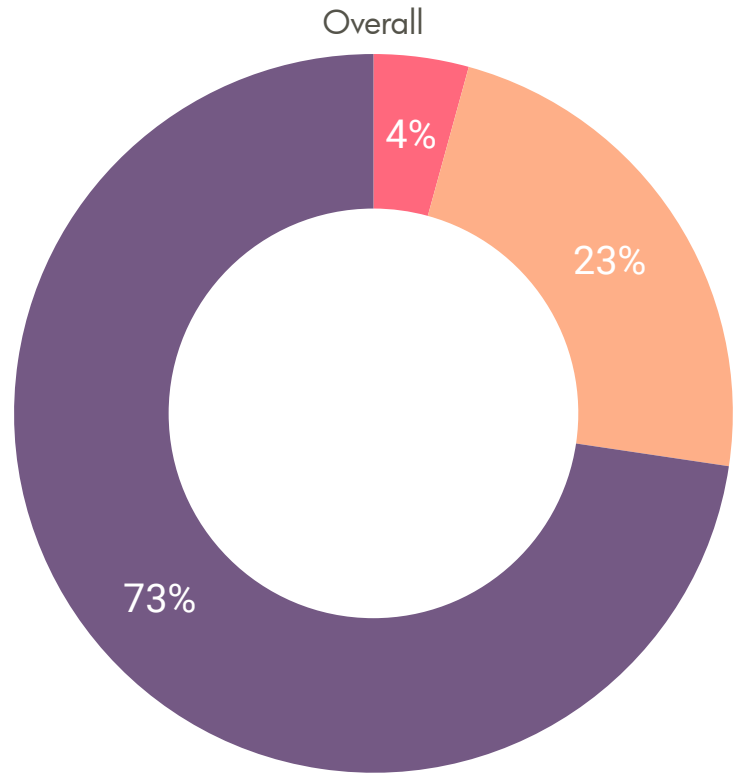


# STRESS MANAGEMENT/ RESILIENCE

## Investment Trends

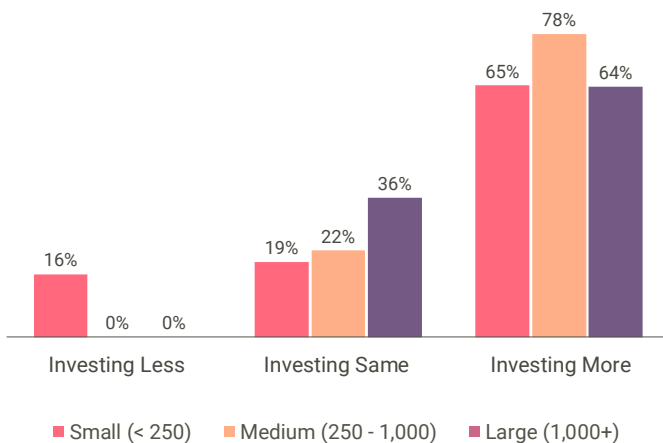
Under the umbrella of mental health, stress management and resilience had similarly impressive growth in popularity. Seventy-three percent of employers will be investing more in stress management programs, up from 58% the year before. Only 4% are expected to invest less.

Unlike last year, which saw mostly large and medium companies leading the way, companies of all sizes now plan to invest more in stress management. Small companies investing more increased by 39 percentage points, up to 65%, in just one year. Additionally, many more less-experienced (under ten years) brokers are encouraging their clients to invest more. This may be due to younger generations' growing interest in self-care and mental health support.

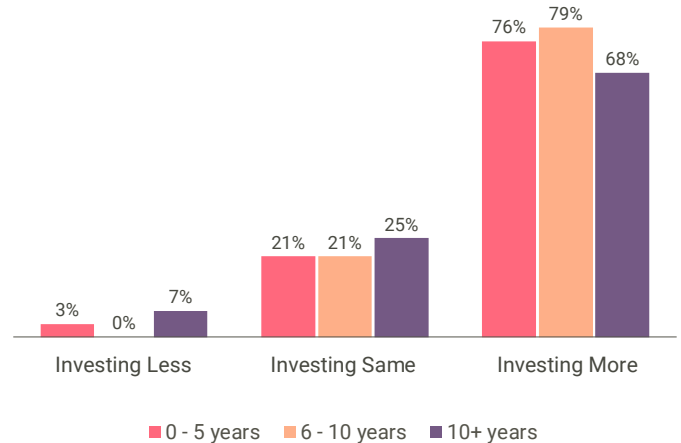


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



By Years Of Experience

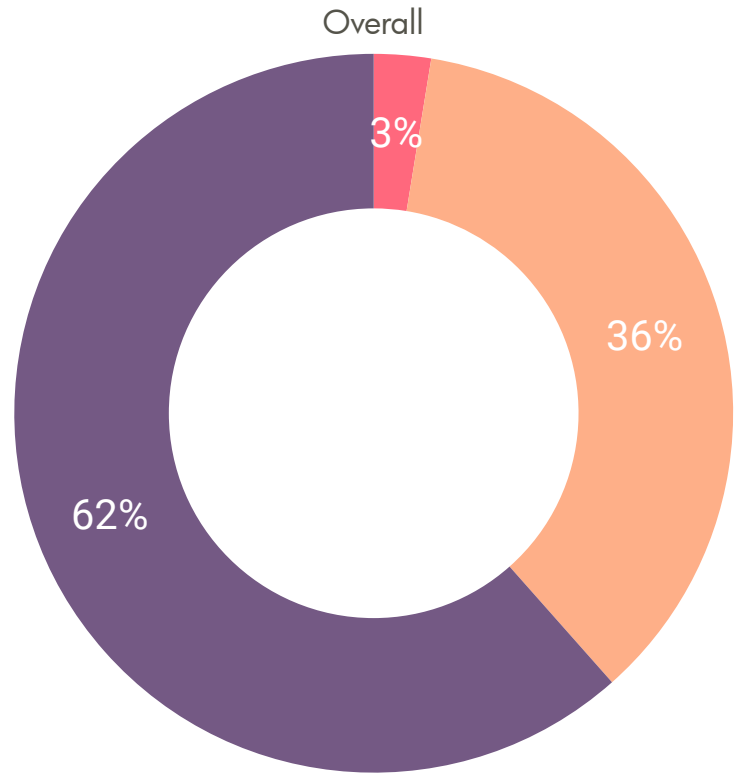


# TELEMEDICINE

## Investment Trends

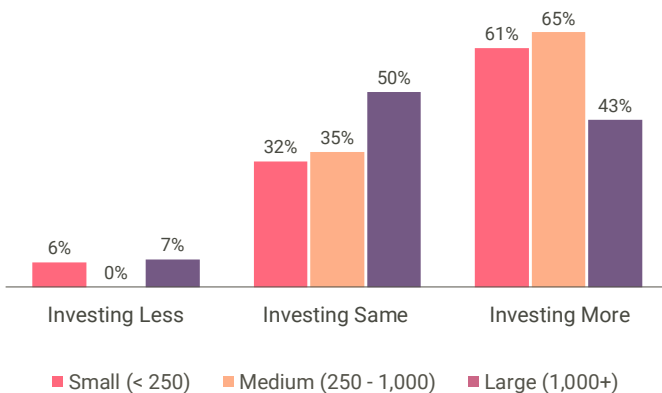
With the promise of controlling costs with more affordable visits, telemedicine has surged over the last decade. Driven initially by large companies, small and medium employers are now the most likely to invest more in telemedicine. More than six out of ten companies plan to invest more, whereas only 3% of companies are investing less. These numbers barely changed from the previous year, reflecting this benefit's sustained popularity.

Encouraging utilization of telemedicine, however, can be difficult for employers. Seven percent of large companies (up from none last year) are planning to invest less this year, up from none just a year ago. Despite this, telemedicine still has one of the highest percentages of employers expecting to invest more.

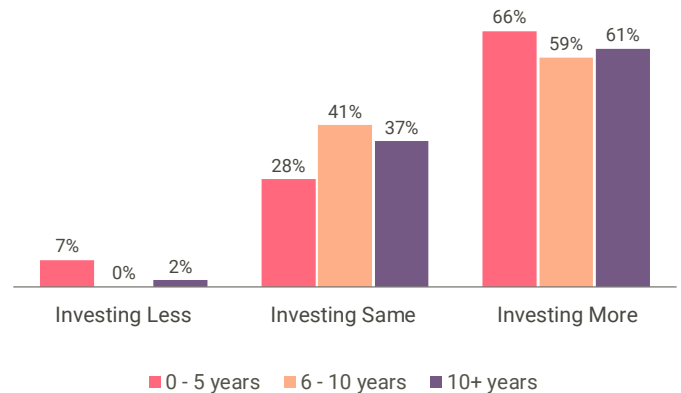


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



By Years Of Experience

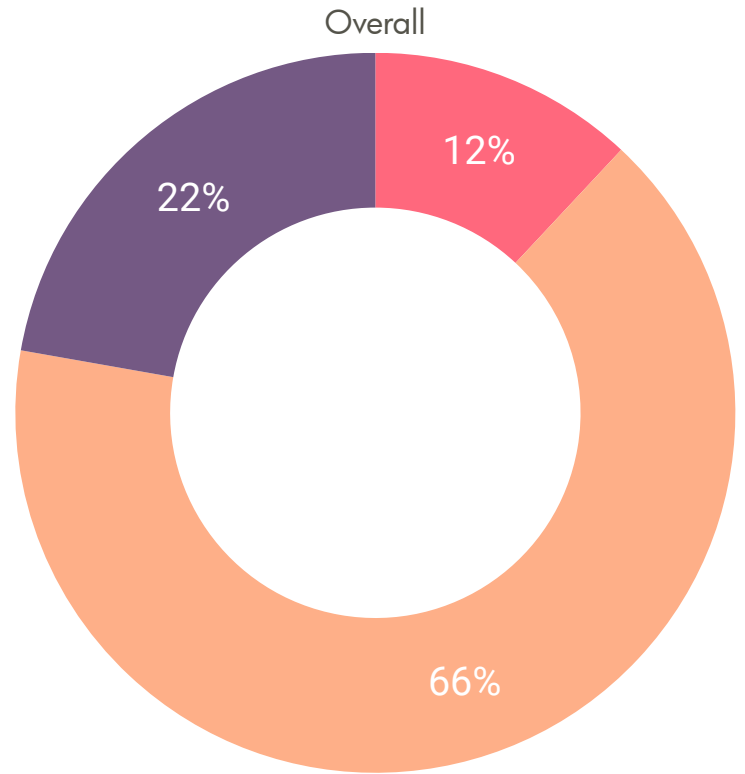


# TOBACCO CESSATION

## Investment Trends

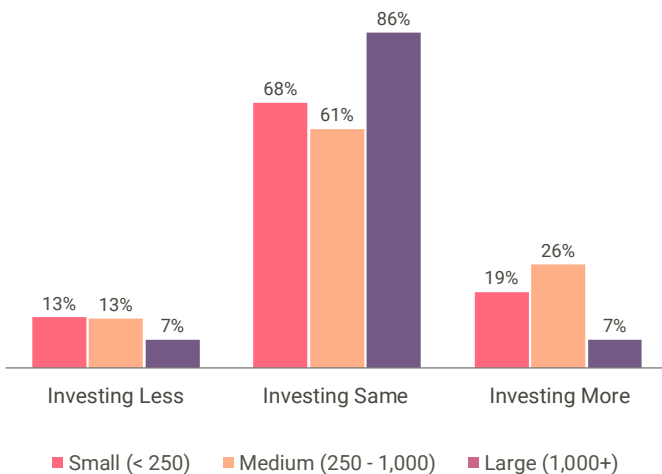
Tobacco use amongst adults in the United States has steadily declined since the mid-1960s, but seems to be bottoming out around 15%. Although usage has dropped significantly, the adverse impact of tobacco use is so strong that employers continue to see financial and non-financial reasons to pursue cessation programs. Many employers already offer smoking cessation benefits; however, some companies may not recognize tobacco usage as an obvious problem to address because e-cigarettes and other products have made tobacco use more discrete.

Two-thirds of companies expect to invest the same this year, a slight increase from 57% last year. This appears to be the result of a change within small companies. Last year, they were significantly more likely to invest more in cessation programs; the majority (68%) plan to maintain their current spending this year.

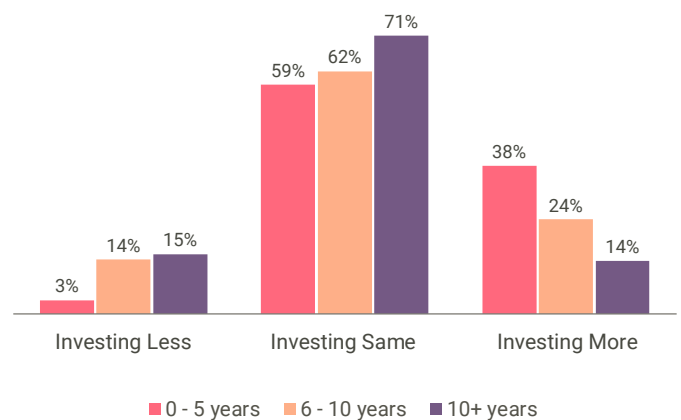


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



By Years Of Experience



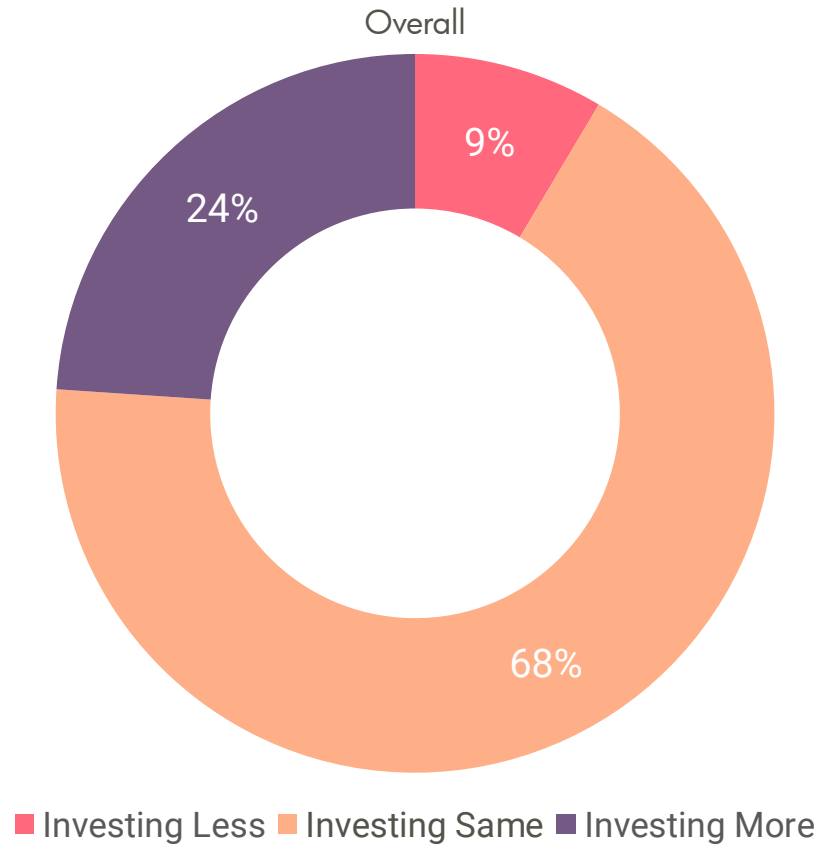


# WEIGHT MANAGEMENT

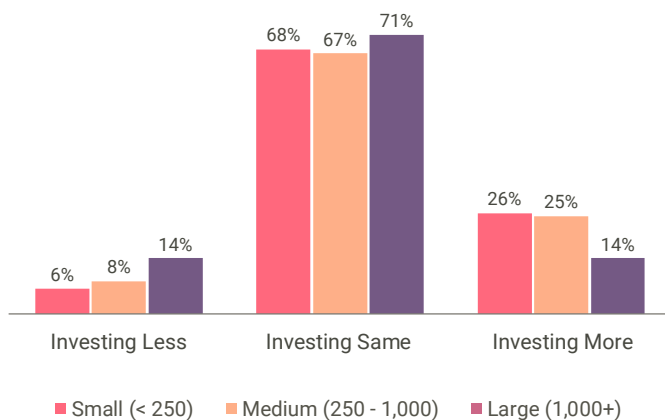
## Investment Trends

While few employers (9%) will be investing less in weight management programs, this is a four percentage point increase from the following year. This change is mostly a result of more large companies deciding to spend less, up to 14% from none last year. Large companies spending more also dropped over thirty points, from 45% to 14%.

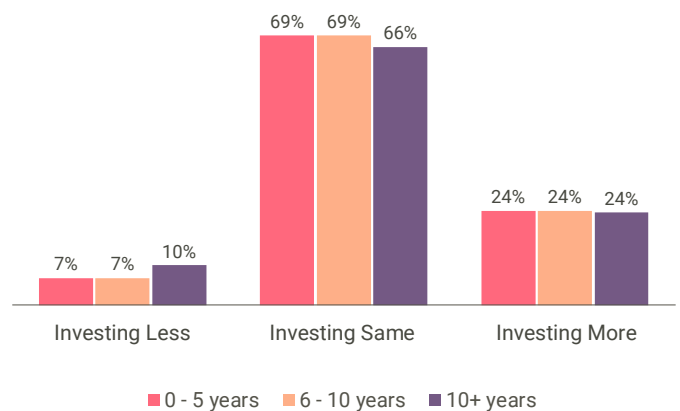
Still, similar to last year, two-thirds of employers plan to invest the same into weight management programs. These programs have largely remained steady despite little evidence suggesting they are effective or good for employees. However, as larger companies often lead the way in trends, this may be a sign that these programs will decrease in popularity in the future.



By Avg. Client Size



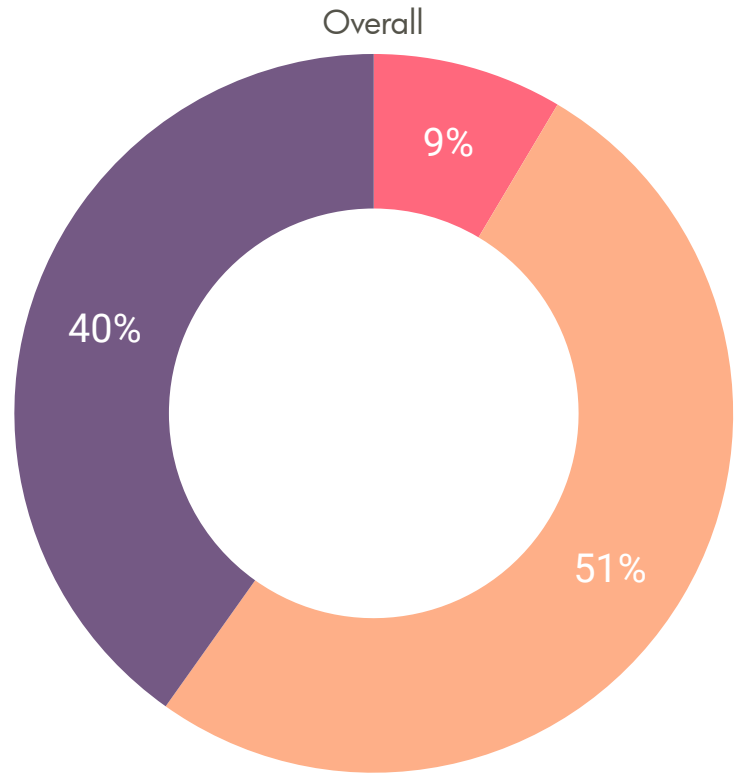
By Years Of Experience



# WELLNESS CHALLENGES

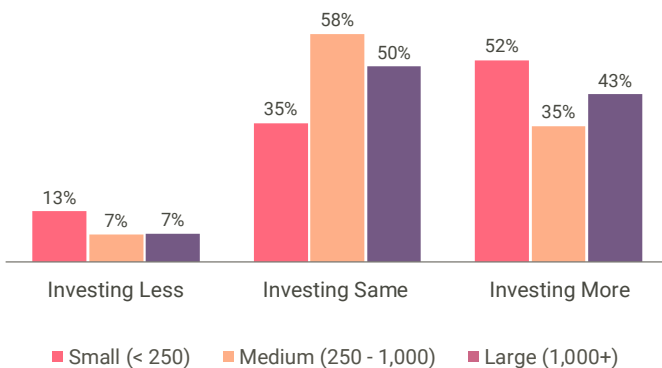
## Investment Trends

Wellness challenges generally embrace technology, making the delivery of a quality and consistent experience to multiple offices and remote employees easy. As employers embrace flexible work environments, the value of digital solutions increases, which may partially explain the number of employers investing more in wellness challenges. Ninety-one percent of employers expect to invest the same or more in wellness challenges. The demand for these solutions is strong across all employer sizes. Similar to last year, clients of brokers with zero to five years of experience were the most interested in investing more, which may be the product of having younger, more technology-oriented advisors.

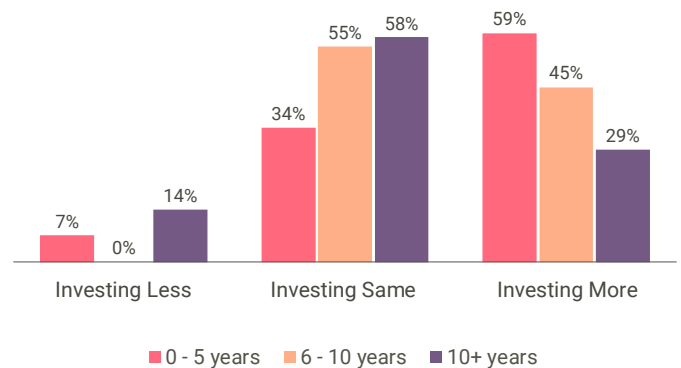


■ Investing Less ■ Investing Same ■ Investing More

By Avg. Client Size



By Years Of Experience



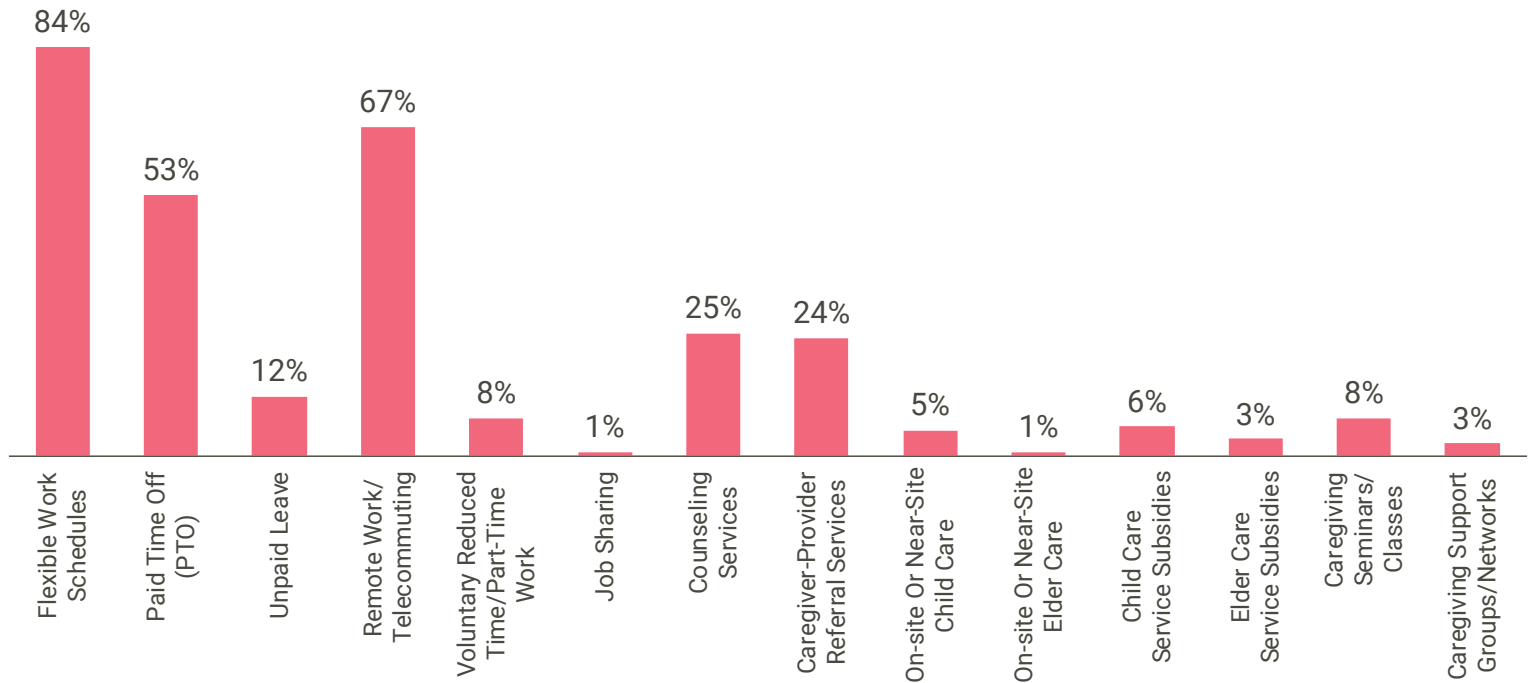
DEEP DIVE

# CAREGIVER SUPPORT



# CAREGIVER SUPPORT

## Investment Trends



As the baby boomers age, millions of American workers are taking on the role of caregiver. Additionally, many households today feature two working parents. Caregiving alongside a full-time job can strain resources and add substantial stress to workers' daily lives. The need for companies to support caregivers is compounded by the fact that younger workers increasingly value mental wellness and a healthy work-life balance.

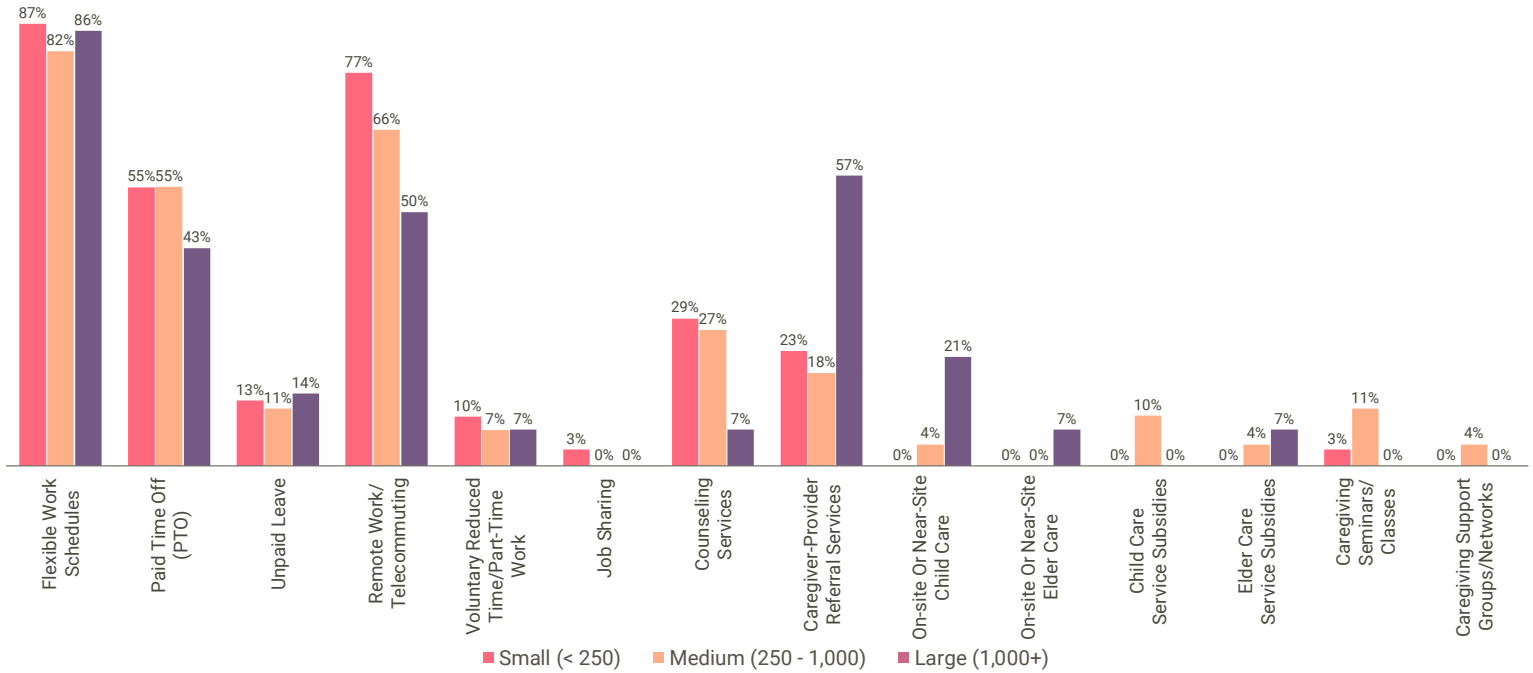
Considering how relevant caregiver support has become, this year's survey explored what specific programs employers are implementing to address this element of well-being. It asked each respondent to identify the top three offerings employers are using to support caregivers. Overwhelmingly, flexible work schedules (84%), remote options (67%), and paid time off (53%) were the most-coveted programs. Being able to monitor family members, attend appointments, or handle emergencies can make normal work schedules unachievable. These programs are also affordable and easy for companies to implement. Importantly, while unpaid leave (12%), part-time work (8%), and job sharing (1%) also free up time, employees are unwilling to lose benefits and income they require to cover caregiving needs. The next important programs were counseling services (25%) and caregiver-provider referral services (24%). Both alleviate the mental stress associated with coordinating care.

Programs that included subsidies and on-site/near-site care also received very few votes (between 1% and 6% each), likely due to costs. Care centers in particular require substantial resources and are not easily scalable. Seminars (8%) and support networks (3%) were also unpopular, possibly due to a lower demand from workers.

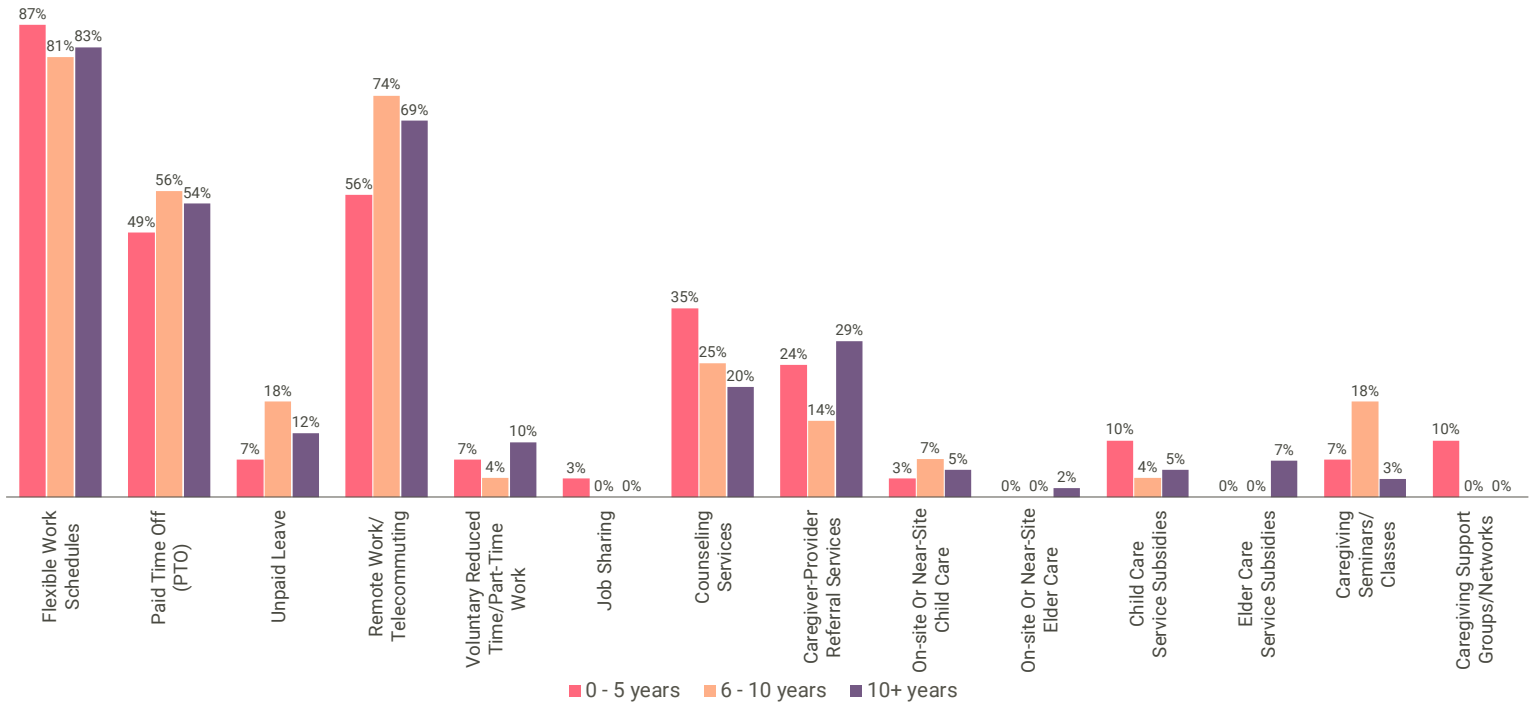
# CAREGIVER SUPPORT

## Investment Trends

By Avg. Client Size



By Years Of Experience



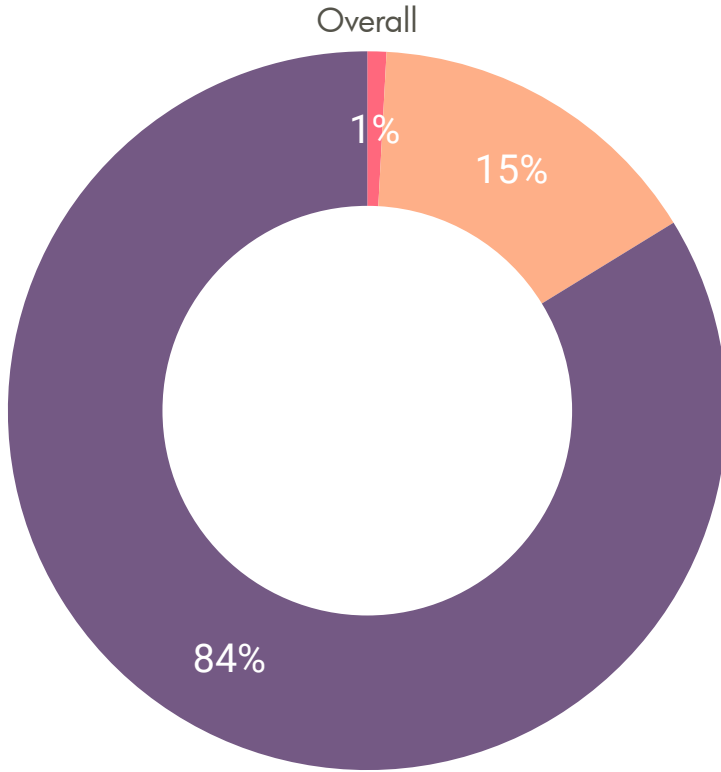
PART 3

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# **DECISION INFLUENCERS**

# CREATING COMPETITIVE BENEFIT PLANS

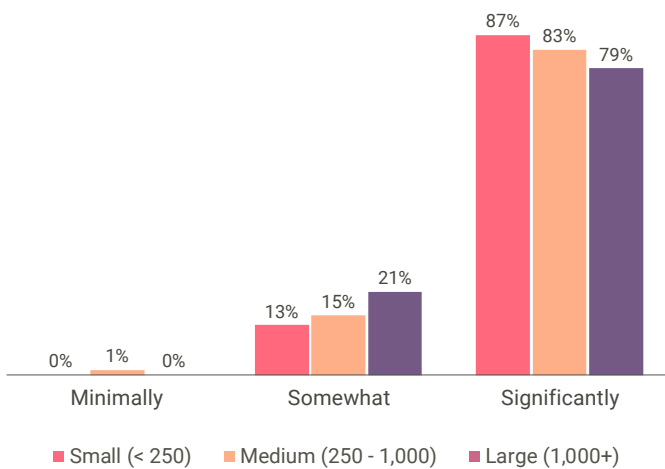
## Decision Influencers



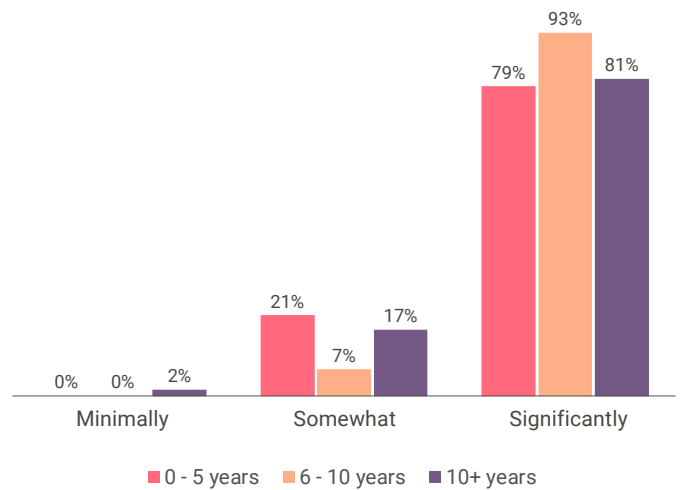
As the economy continues to grow and with unemployment at its lowest point in decades, finding and retaining quality employees is becoming increasingly challenging. In response to the tightening labor market, employers are expanding benefits to secure talent, which is why the survey results presented here should come as no surprise. Eighty-four percent of employers are significantly influenced by their desire to create competitive benefit plans for their employees! Growing benefit plans are touching all segments of employee life, including employee health and well-being.

■ Minimally Influenced ■ Somewhat Influenced ■ Significantly Influenced

By Avg. Client Size



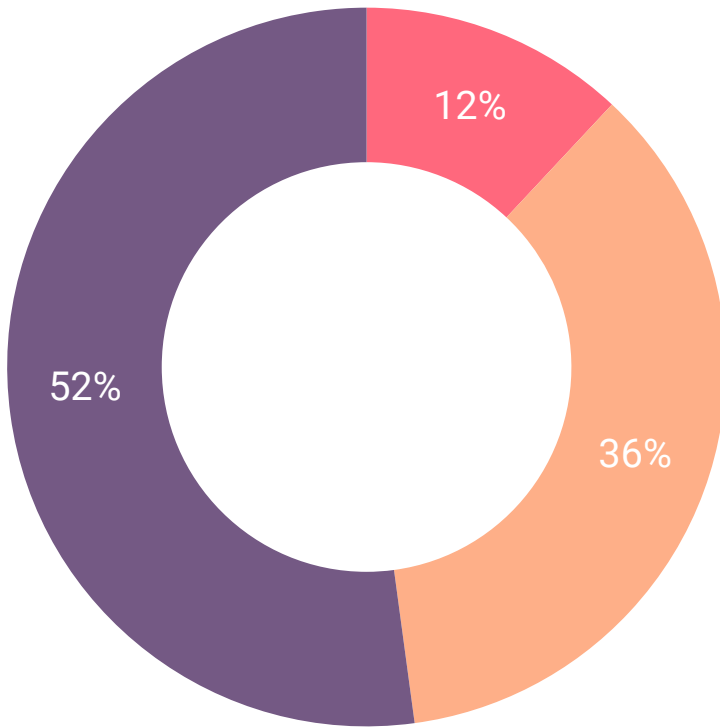
By Years Of Experience



# DATA SECURITY

## Decision Influencers

Overall

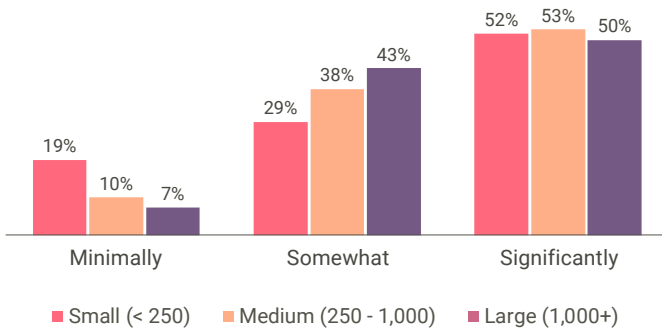


■ Minimally Influenced ■ Somewhat Influenced ■ Significantly Influenced

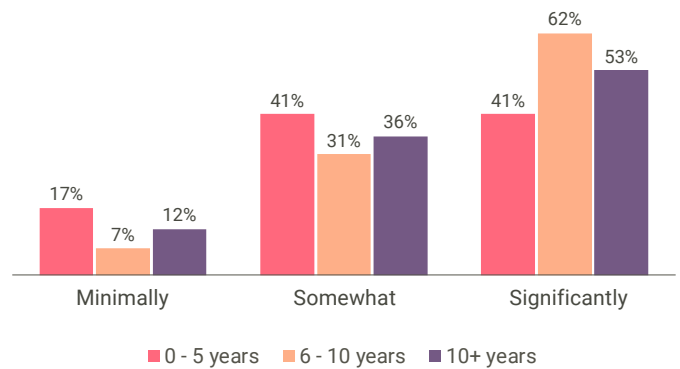
In the wake of major data breaches, heightened government scrutiny, and ethical concerns, employers remain sensitive to being good stewards of their employees' data. This influencer has nearly doubled in importance in the past year, with over half of employers being significantly influenced by this factor.

This is likely because employers are becoming more concerned about legal and ethical issues as both technology and regulations expand. Previously, larger employers, many of which have dedicated teams focused on data security, were most influenced by this factor. This year, companies of all sizes are taking note.

By Avg. Client Size



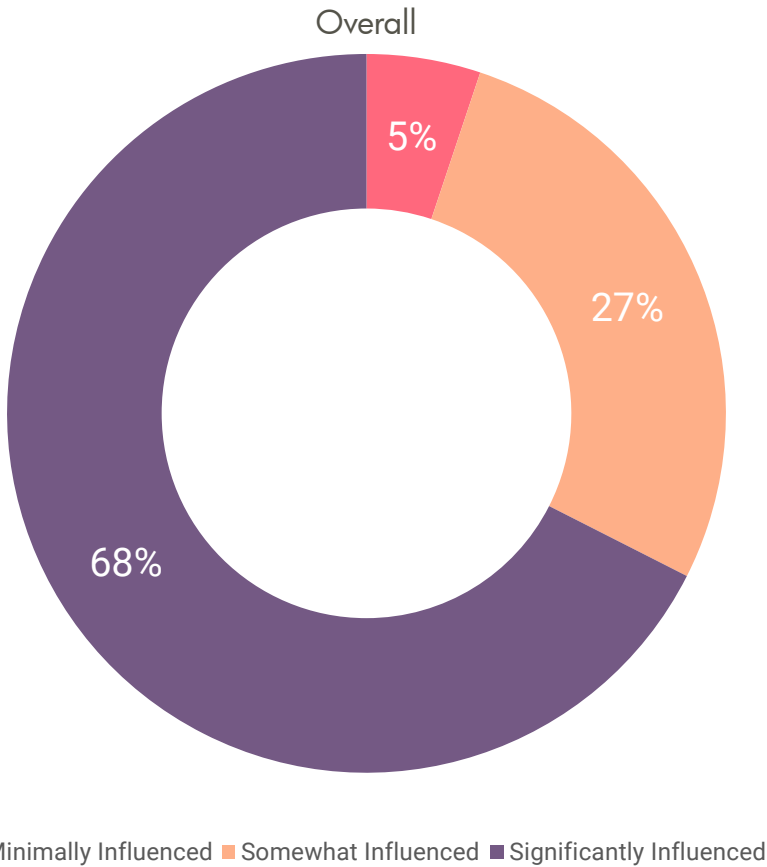
By Years Of Experience





# MATCHING EMPLOYER-EMPLOYEE INTERESTS

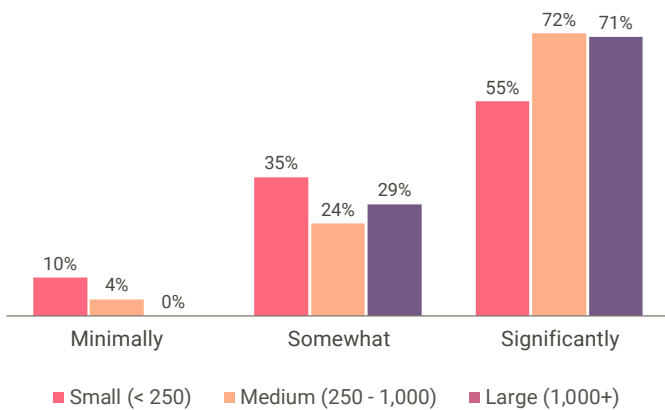
## Decision Influencers



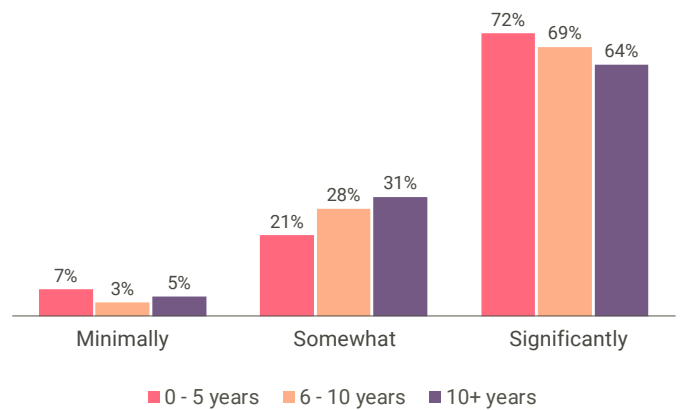
Alongside creating competitive benefit plans and rising cost of benefits, matching employer-employee interests significantly influences the decisions companies make. Only 5% of employers are minimally influenced by this factor. Often, the struggle between these two interests can be difficult to manage, which is regularly the case with health insurance. Many employers want to offer attractive health insurance options, but the growing costs associated with doing so tempers their ability to deliver affordable and attractive plans.

Smaller employers are slightly less influenced by matching interests. Perhaps this is due to it being easier to understand the interests of smaller groups. Larger and medium employers are most influenced by this factor.

By Avg. Client Size

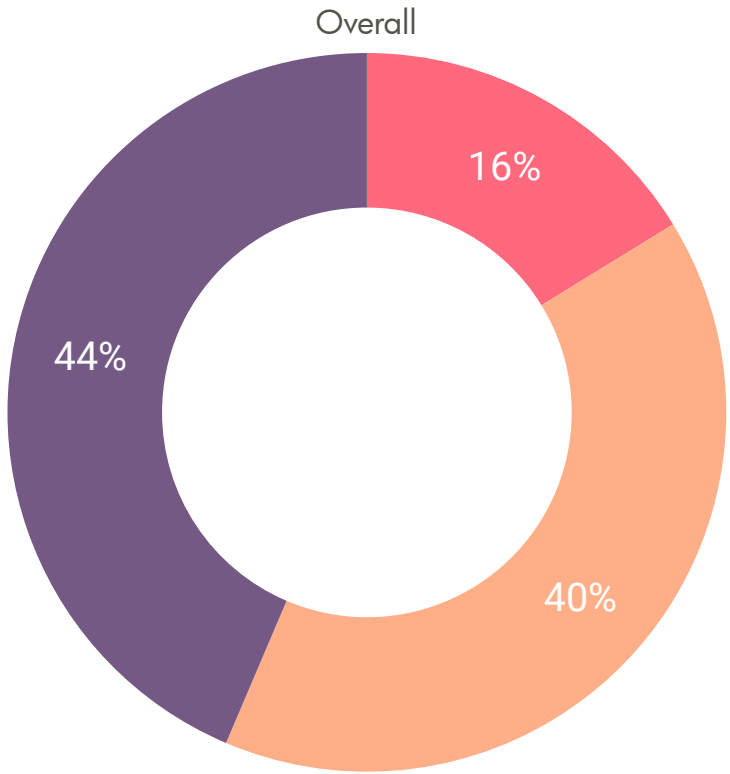


By Years Of Experience



# MEASURING ROI FROM BENEFIT CHANGES

## Decision Influencers

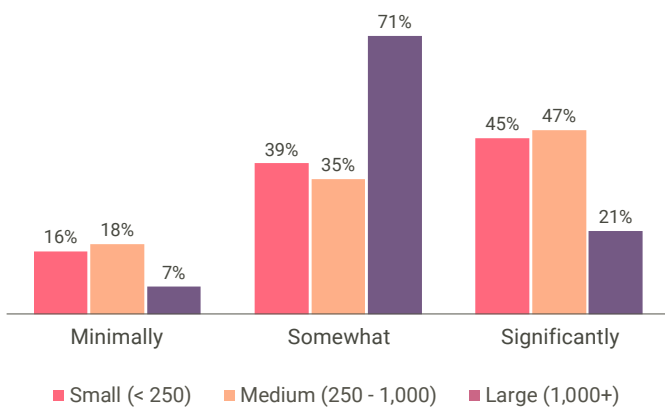


■ Minimally Influenced ■ Somewhat Influenced ■ Significantly Influenced

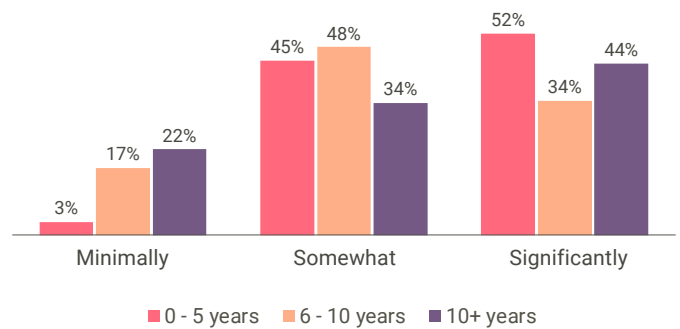
The results from this survey response clearly suggests that most employers are still thinking about deriving a measurable return on investment (ROI) from benefit plan changes, with 84% being significantly or somewhat influenced by this factor.

Small and medium companies are more likely to be significantly influenced by this factor, possibly because they want to scrutinize how well they utilize their more limited resources. However, measuring ROI continues to be difficult, which may be why clients of experienced brokers (10+ years), who have come to realize that measuring ROI is not always attainable or worth the expense of tracking, are more likely to be minimally influenced by this factor than others.

By Avg. Client Size

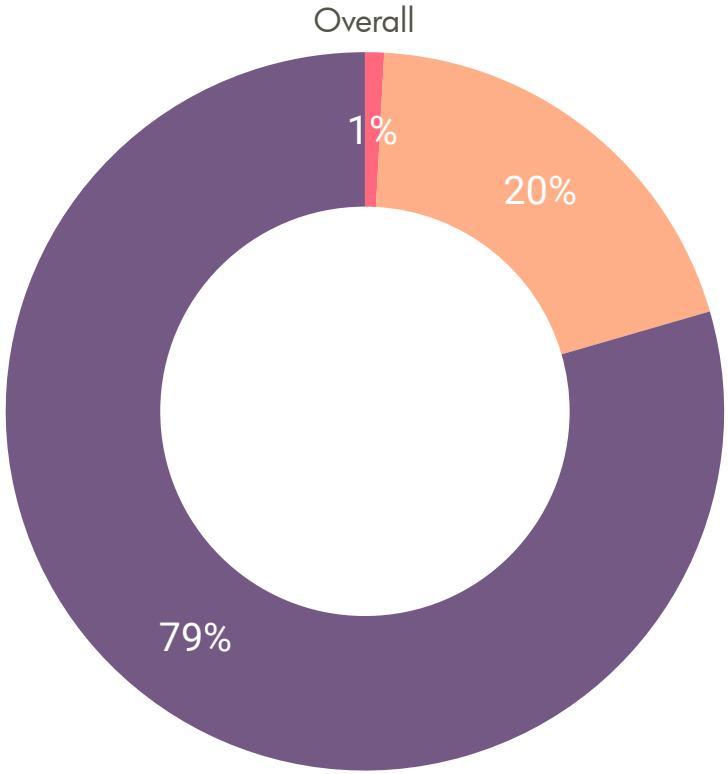


By Years Of Experience



# RISING COST OF BENEFITS

## Decision Influencers

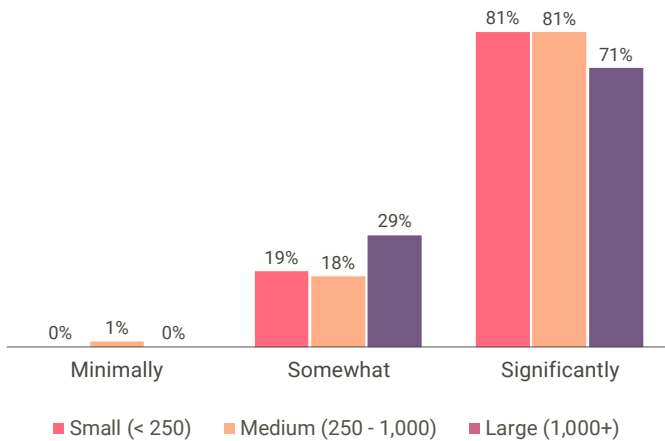


The need to offer attractive benefits to recruit and retain talent in the current labor market is increasing the amount of financial investment required by employers. This goes beyond just the rising cost of health insurance, as the expansion of benefits to remain competitive is also increasing costs significantly.

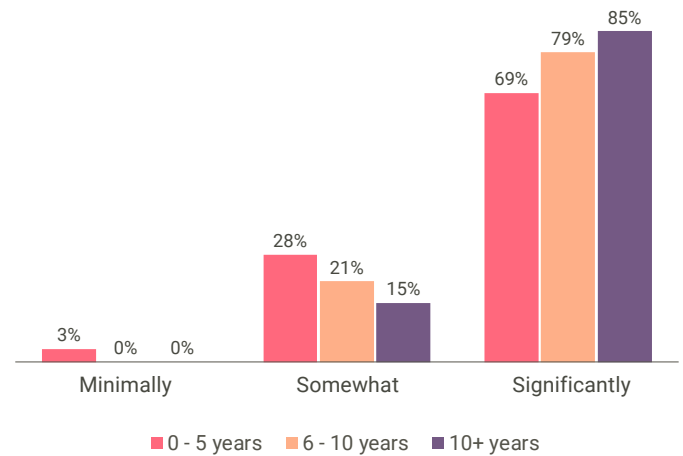
This influences every type of employer with nearly all of them being significantly or somewhat influenced by rising costs. Brokers with the most experience also are also the most influenced by the rising costs of benefits.

■ Minimally Influenced ■ Somewhat Influenced ■ Significantly Influenced

By Avg. Client Size

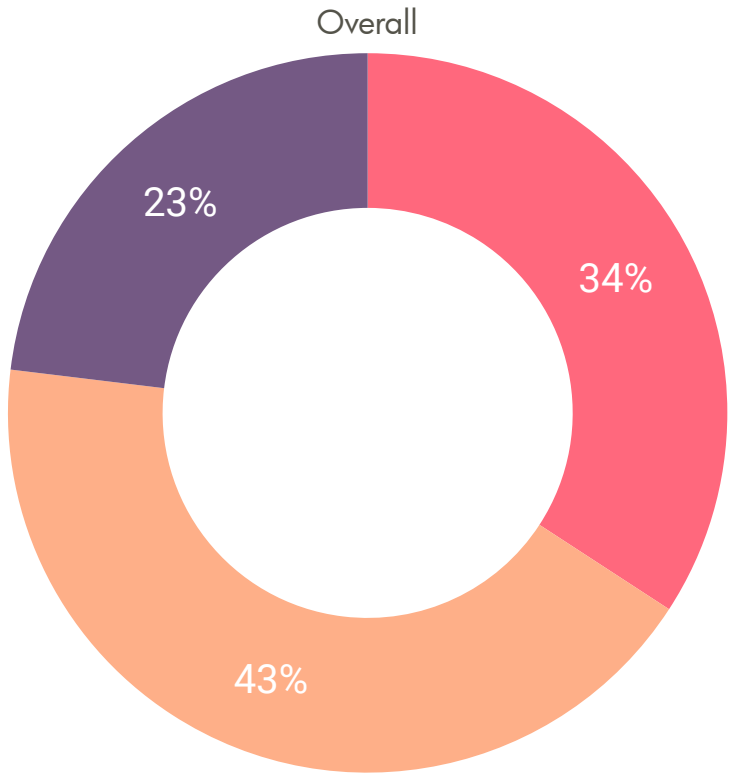


By Years Of Experience



# UNCERTAINTY ABOUT HEALTHCARE REFORM

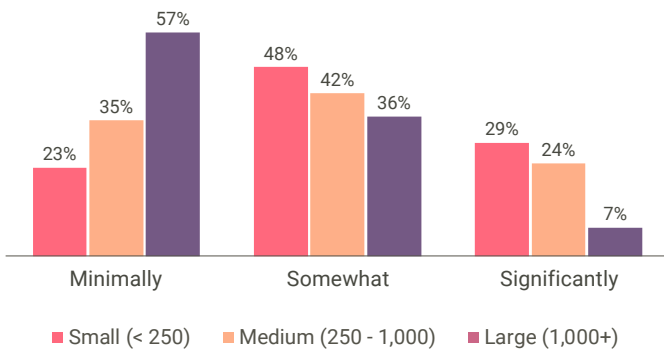
## Decision Influencers



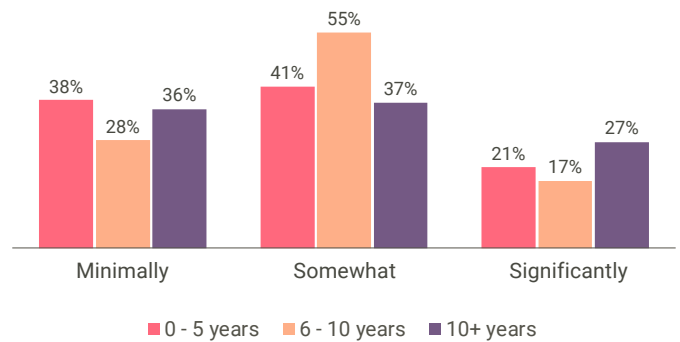
■ Minimally Influenced ■ Somewhat Influenced ■ Significantly Influenced

The regulatory environment is constantly changing so sentiment on this factor will evolve accordingly. Specifically, this survey was initiated before the EEOC announced, in December 2019, that it plans to provide guidance on wellness program regulations in January 2020. Unfortunately, this may be too late for employers making decisions for the coming year. Unfortunately, the vast majority of employers cannot do much to change the consequences health care reform will have on their businesses, regardless of how large the financial or non-financial impact may be. So, for many, it is just a waiting game. Nevertheless, this does not change how influenced they are by reform, which is why two-thirds of employers are somewhat or significantly influenced by this factor.

By Avg. Client Size



By Years Of Experience



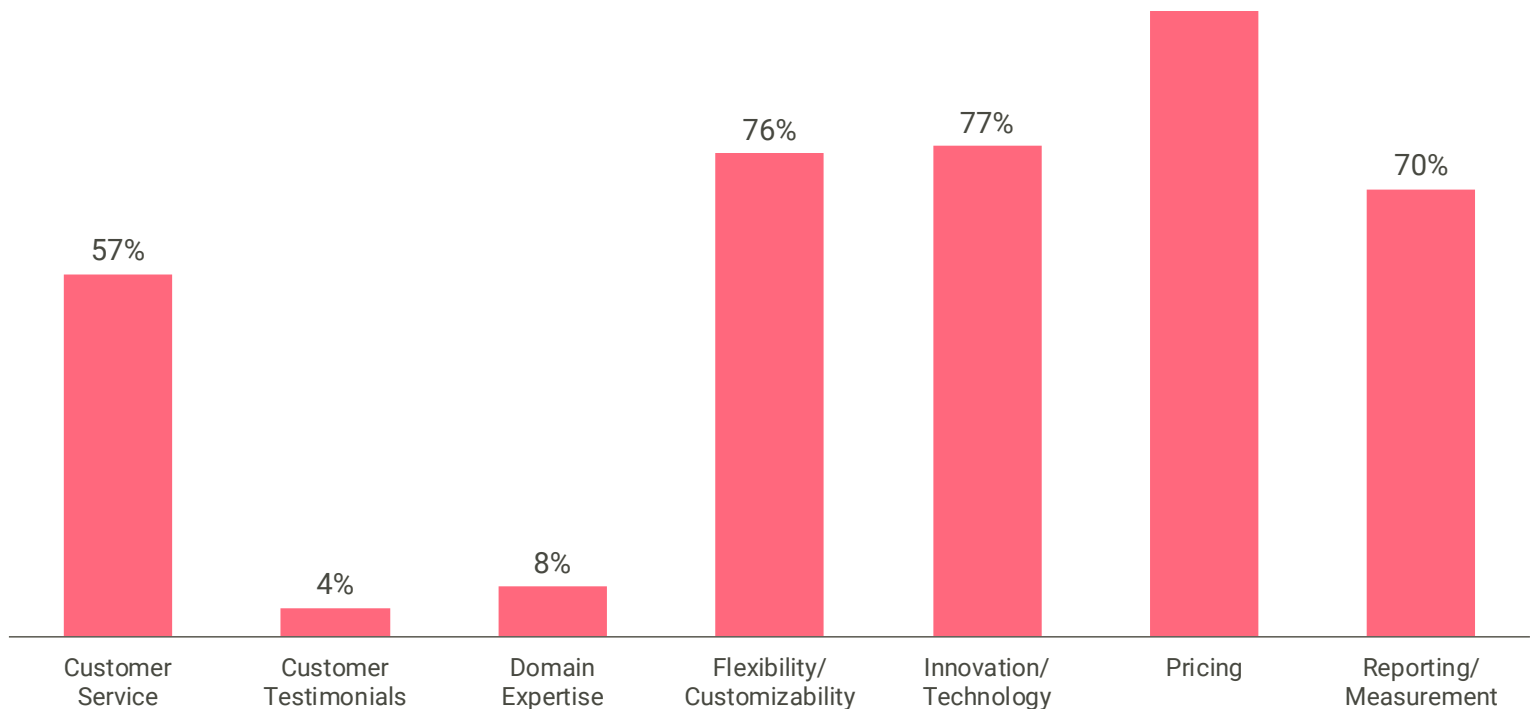
PART 4

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# **VENDOR EVALUATION**

# TOP CRITERIA WHEN EVALUATING VENDORS

Vendor Evaluation

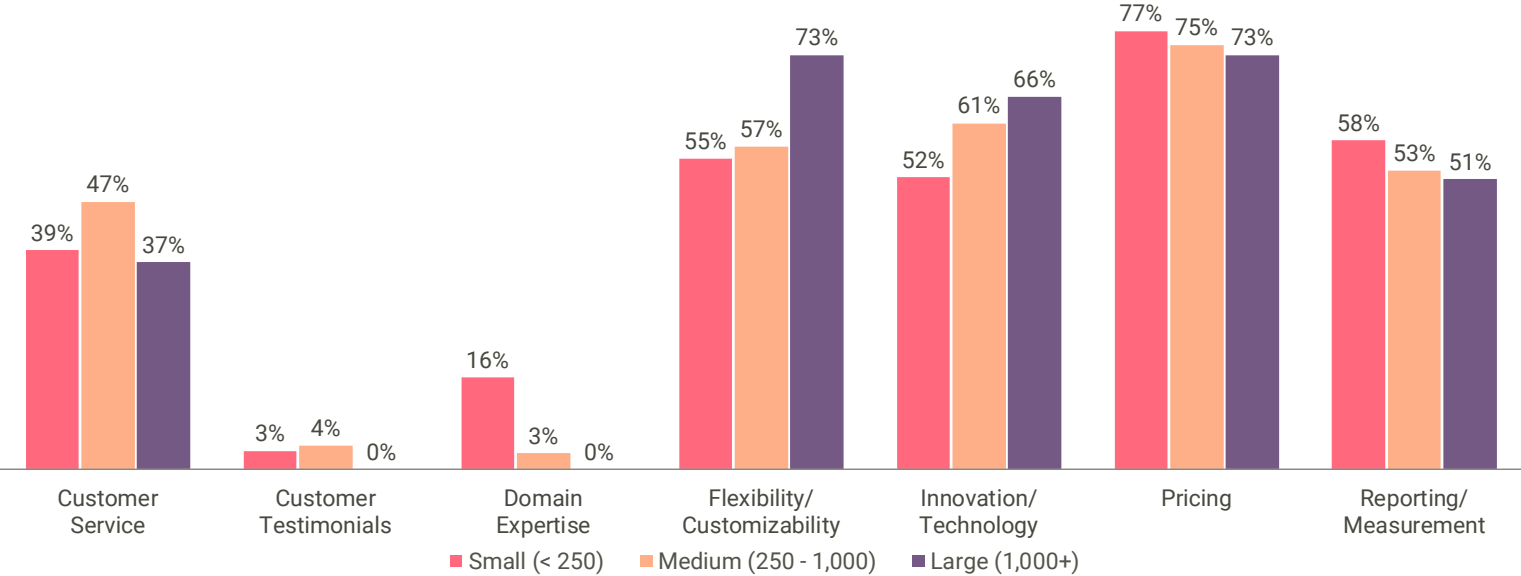


Based on the survey results, two things are clear: (i) pricing is and remains the top criteria and (ii) customer testimonials and domain expertise don't really matter that much. Ninety-eight percent of brokers felt pricing was a top three criteria when evaluating vendors, but very few felt customer testimonials (4%) and domain expertise (8%) were a top three consideration. Innovation and technology (77%) as well as flexibility and customizability (76%) were essentially tied for second. These were followed by reporting/measurement (70%) and customer service (57%).

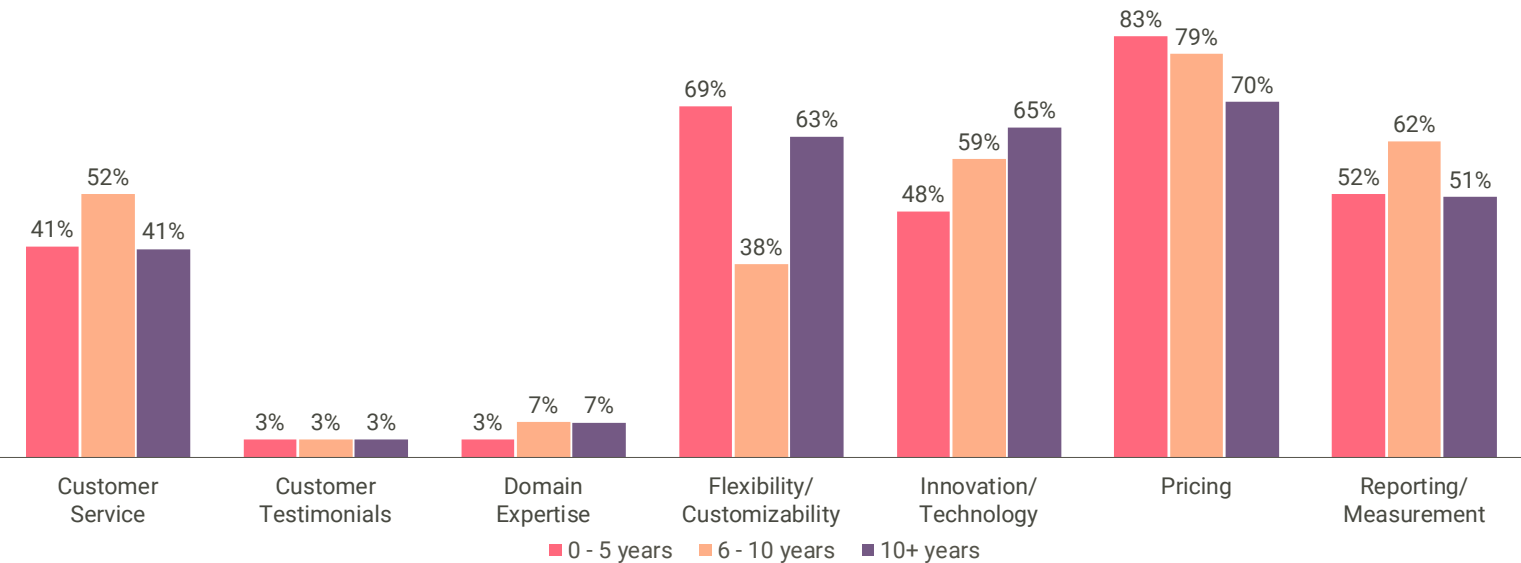
Technology and innovation experienced a significant surge since last year, as apps and tools become more available and easier to implement. Reporting also grew more with medium and large companies, possibly out of an interest to monitor costs and identify the most valuable programs. Interestingly, the importance of each vendor criteria remained relatively similar across companies of all sizes. One exception was flexibility and customizability ranking the highest for large employers, which are more likely to have the most substantial budgets.

# TOP CRITERIA WHEN EVALUATING VENDORS

By Avg. Client Size



By Years Of Experience





# **APPENDIX**



# SURVEY QUESTIONS

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## Appendix

1. Where are you based?
2. How many years of experience do you have working in employee benefits or wellness?  
0-5 years      6-10 years      10+ years
3. What's your average client size?  
Small (< 250)      Medium (250 - 1,000)      Large (+ 1,000)
4. How much are your clients investing in the benefits listed below compared to the previous year?  
Scale of 1 (Investing Significantly Less) to 5 (Investing Significantly More)
5. How much are your clients' decisions influenced by the factors listed below?  
Scale of 1 (Minimally Influenced) to 5 (Significantly Influenced)
6. What are your top criteria when evaluating wellness vendors (choose top 3)?
7. What offerings are your clients using to support caregivers in the workplace (choose top 3)?

# ABOUT WELLABLE

**Wellable** is a wellness technology platform that enables organizations to create programs that help employees thrive by engaging them in holistic well-being educational modules and activities. Wellable supplements its digital experience with onsite services and rewards administration to maximize engagement, resulting in a healthier, happier, and more productive workforce and greater business success. Wellable works with employers and health plans of all sizes across the world, with active users in more than 23 different countries.

Visit us online at [www.wellable.co](http://www.wellable.co) and follow us on social media!

