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RESEARCH²⁰²³

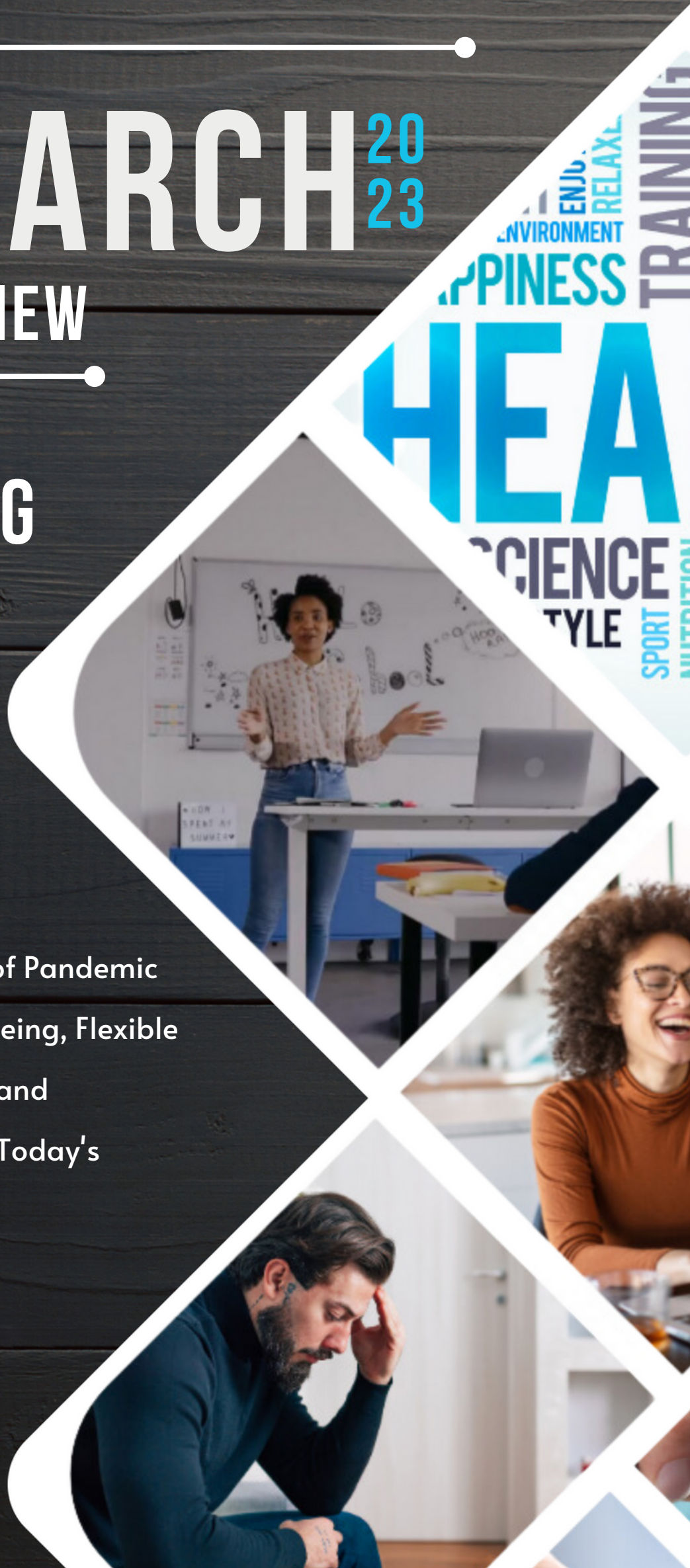
YEAR IN REVIEW

NAVIGATING *Change*

Unveiling the Dynamics of Pandemic
Impact, Employee well-being, Flexible
Work, Healthcare Costs, and
Measurement & Data in Today's
Workplace

Prepared By:

Carole Bonner



CONTENTS

03

THE RESEARCH TEAM

04

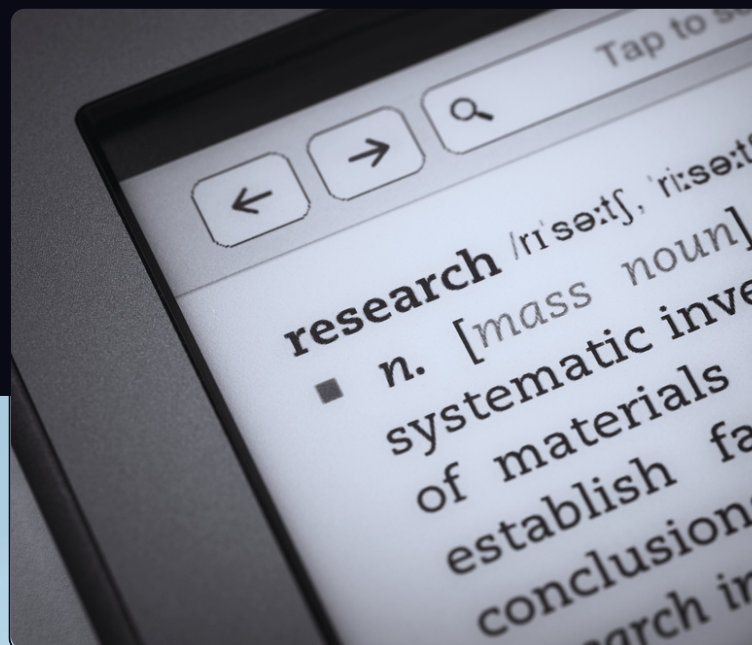
COMMON THREADS

06

PANDEMIC IMPACT

08

INCLUSION & DIVERSITY



10

MENTAL HEALTH &
WELL-BEING

12

FLEXIBILITY WORKS

14

HEALTHCARE COSTS

16

DATA & MEASUREMENT

18

ABOUT IBI



DETAILS



RESEARCH TEAM

Our research links health and well-being aspects such as medical/pharmacy plan design, care, absence, productivity, and business performance to avoid cost shifting within organizations.



Candace earned her Doctorate in Social and Behavioral Sciences in Public Health, and a Master's degree in Anthropology.

Candace led projects

- Supporting Mental Health in the Workplace
- Effects of Delayed Care on the Workforce

CANDACE NELSON, SCD, MA | DIRECTOR OF RESEARCH



Carole is pursuing a Ph.D. in Public Health, holds a Master of Science in Applied Statistics, and a Master of Engineering in Technology

Carole led projects

- Lost Hours and Costs Attributed to the Pandemic
- Making Flexible and Hybrid Arrangements Work
- Long COVID and Chronic Conditions: Prevalence, Productivity Loss, and Disability Claims

CAROLE BONNER, MSAS, MET | RESEARCHER



Sera-Leigh earned a Ph.D. in Administration and Leadership, with a focus on non-profit organizations, and a Master of Science in Mental Health Psychology

Sera-Leigh led projects

- Employee Attraction and Retention in the Post-Covid Era
- The Cost of Employee Health and well-being: Measuring the Value of Products and Programs

SERA-LEIGH GHOURALAL, PHD, MSC | RESEARCHER

COMMON THREADS

IBI's research underscores the interconnectedness of various factors affecting the modern workforce and the necessity for comprehensive strategies that support health, well-being, and productivity in the post-pandemic era. Some common themes are represented below.

PANDEMIC IMPACT

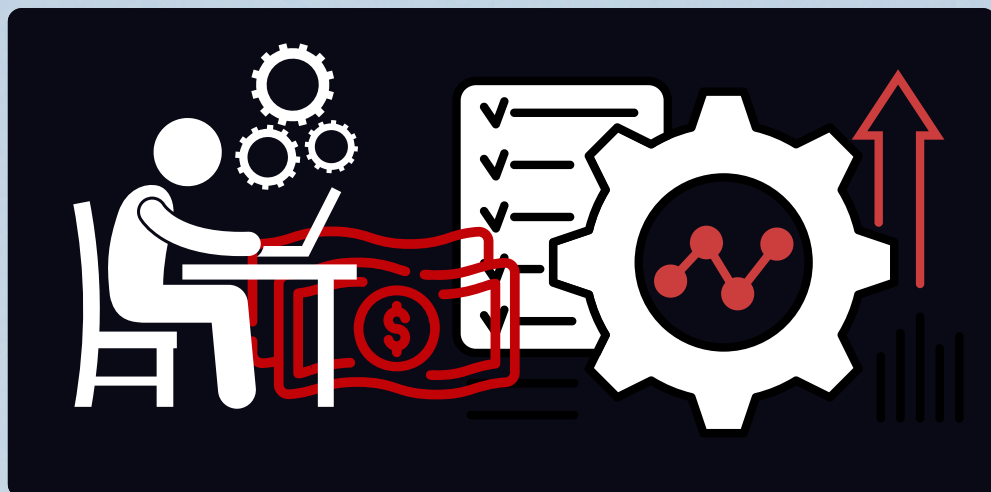
IBI's research highlight the profound impact of the COVID-19 pandemic on various aspects of work, from health and well-being to work arrangements and productivity.

INCLUSION & DEIVERSITY

Diversity, equity, inclusion, and belonging emerged as a critical imperative for both employee well-being and the overall success of employers across IBI's research.

MENTAL HEALTH & WELL-BEING

Prioritizing mental health, work-life balance, and overall employee well-being emerges as a consistent theme.



HEALTHCARE COSTS

The rising costs of healthcare and the need for strategic investment in employee health are recurring concerns for employers.

DATA AND MEASUREMENT

There is a significant need for employers to set quantifiable objectives, measure and demonstrate the effectiveness of benefits programs, providing a data-driven foundation for decision-making.

FLEXIBILITY WORKS

In response to changing work dynamics, there has been a shift towards flexible and hybrid work arrangements.

DETAILS >>>



PANDEMIC IMPACT

The pandemic's profound impact on the workforce is a pervasive narrative that echoes through multiple studies.

ATTRACTION AND RETENTION POST COVID-19

Pub Date: NOV 23

A focus on employee well-being, flexibility, innovative recruitment and onboarding processes were essential in retaining and attracting talent. The pandemic reshaped the conversation around workplace flexibility, challenging organizations to strike a balance that caters to diverse employee needs. Investing in workplace wellness initiatives is crucial for addressing productivity, absenteeism, and overall organizational success in the aftermath of the pandemic.

“

“As the world gradually recovers and adapts to the new normal, companies must recognize the evolving needs of their workforce and develop effective strategies to attract and retain talented individuals, while simultaneously dealing with inflation, workforce shortages and increased focus on internal business goals.”

The cost to employers for turnover is on average up to **2X** employee's salary

61%
employers having difficulty retaining employees

73%
employers having difficulty attracting employees

THE COST OF EMPLOYEE HEALTH AND WELLBEING

Pub Date: DEC 23

The COVID-19 pandemic highlighted the significance of employee health and well-being, emphasizing the need for a strategic re-evaluation of workplace wellness initiatives. Investing in such programs yields benefits in productivity, absenteeism, retention, and more. However, designing and implementing such initiatives comes with challenges, including balancing quality with cost management, accounting for diverse workforce needs, and leveraging data analytics. IBI conducted a study analyzing survey data from HR professionals in the US, identifying priorities and challenges in workplace wellness initiatives.

LONG COVID AND CHRONIC CONDITIONS: PREVALENCE, PRODUCTIVITY LOSS, AND DISABILITY CLAIMS

Pub Date: NOV 23

The combination of long COVID with chronic illness results in an average **2X** increase in missed workdays

COVID-related and chronic conditions like cardiovascular disease, diabetes, cancer, and musculoskeletal issues witness significant productivity losses. Long COVID has a significant impact on work attendance, particularly when comorbid with other chronic illnesses. The study also highlights the link between COVID-related illness, chronic conditions, and work disability.

The disability claims section profiles 1,040,441 STD claims with an average payout of \$6,056, emphasizing the economic burden of COVID-related and chronic illness. The study concludes with a focus on industry and geographic differences, underlining the need for targeted interventions and support systems to address the diverse health challenges in the workforce.

EFFECTS OF DELAYED CARE ON THE WORKFORCE

Pub Date: MAY 23

42%
delayed or avoided care because there wasn't an appointment available

35%
delayed or avoided care for fear of getting or spreading COVID-19

58%
delayed or avoided care due to cost or insurance barriers

At the height of the pandemic, individuals were asked to delay preventive care and elective procedures during periods of high community transmission. Many employers are now understandably concerned about the potential costs of delayed care, and the impact this has had on those with chronic conditions that may have gone untreated over the past three years. To understand who is delaying care and why they have delayed care, the Integrated Benefits Institute surveyed more than 5,000 employed individuals in the US.

GUIDANCE FOR EMPLOYERS

- Align benefit strategies with long-term goals and simplify benefits.
- Structure hybrid work policies intentionally and evaluate regularly.
 - Use onboarding to boost engagement.
 - Tailor solutions to specific needs, address healthcare barriers, and support mental health.
- Revolutionize workplace culture, emphasizing mental health, well-being, and connectedness.
- Prioritize effective communication, transparent leadership, and a strong organizational culture.

INCLUSION & DIVERSITY



The theme of employee well-being emerges prominently across the studies, reflecting a heightened focus on the holistic health of the workforce.

ATTRACTION AND RETENTION IN A POST-COVID ERA

Pub Date: JUL 23

“Attraction and Retention in a Post-COVID Era” explores the significance of inclusion in driving employee engagement. Also emphasized in the study is the critical role of diverse and inclusive workplaces in attracting and retaining talent. The study warns against a uniform approach to flexibility that may inadvertently create disparities among employees.

THE COST OF EMPLOYEE HEALTH AND WELL-BEING

Pub Date: DEC 23

To ensure a healthy and productive workplace, it is essential for employers to take into account the impact of healthcare costs on health disparities and overall well-being, particularly for a diverse workforce. Simply implementing quality programs may not be enough to cater to the needs of all employees. Therefore, it is necessary to adopt strategies that go beyond these programs. This may involve offering flexible working arrangements for caregivers, providing accommodations for employees with disabilities, and creating an inclusive environment that welcomes individuals from all backgrounds and identities.

MAKING POST-PANDEMIC FLEXIBLE AND HYBRID ARRANGEMENTS WORK

Pub Date: AUG 23

This study acknowledges the inadequacy of a one-size-fits-all approach for a diverse workforce, stressing the importance of culturally competent and inclusive well-being initiatives.

The mixed methods study included case studies of several US based “Best Company to Work For” by Great Place to Work and Fortune which includes a criteria of commitment to holistic employee well-being and relentlessly pursuit of equitable opportunity for every employee.

“—

Mckinsey & Company reports,
“Companies with over 30%
women executives have a higher
chance of **outperforming** those
with fewer women, with the
chance of outperformance
increasing up to **48%**.”

Top-performing companies
value diversity, with top-
quartile companies showing a
36% increase in **profitability**
compared to those in the fourth
quartile. Ethnic diversity is
also found to be important.”

—”

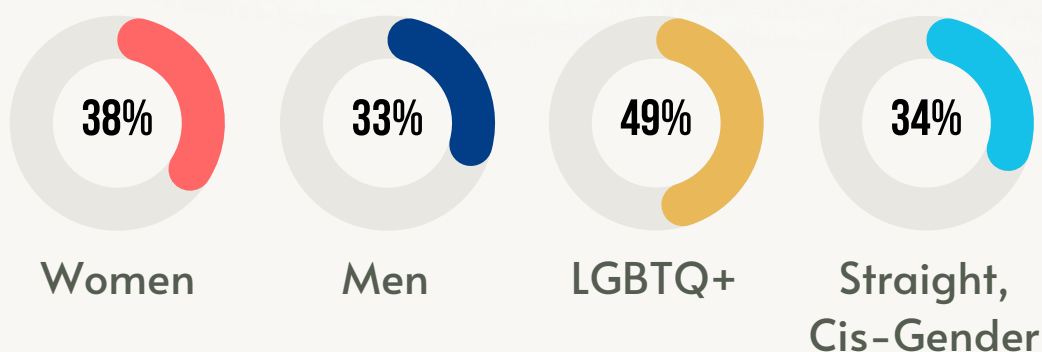
SUPPORTING MENTAL HEALTH IN THE WORKPLACE

Pub Date: FEB 23

Diversity in mental health support, emphasizing the need for inclusive initiatives that consider different cultural norms and values. During the study period (July 2021 - August 2022), the average rate of anxiety or depression symptoms was 35%.

However, the study showed that there were significant differences based on individual characteristics.

RATE OF ANXIETY AND DEPRESSION BY GROUP



GUIDANCE FOR EMPLOYERS

- Build stronger relationships between employees and providers who respect their backgrounds.
- Create a welcoming virtual workplace that promotes employee collaboration.
- Foster and continuously reinforce a culture of diversity, inclusion, and cultural understanding.
- Assure employees that equity commitment is long-term.
- Promote workplace equity, diversity, and inclusion to improve employee well-being.
- Acknowledge long COVID and mental illness as potential disabilities.
- Support employee well-being with flexible work.

MENTAL HEALTH & WELL-BEING



Employee mental and holistic well-being emerges prominently across the studies, reflecting a heightened focus on supporting mental and holistic health of the workforce.

SUPPORTING MENTAL HEALTH IN THE WORKPLACE

Pub Date: FEB 23

Employers have seen the increasing significance of mental health, accelerated by the pandemic's effects. The report underscores the transformative efforts made by employers to support mental health, with a spotlight on initiatives such as peer-support programs and training mental health ambassadors to serve as compassionate listeners and navigate available resources, underlining the adaptability and responsiveness of organizations in fostering a supportive work environment.

In 2021, **28 MILLION** US employees were taking prescription medication for mental health.

is **EMPLOYMENT** GOOD for mental health?

25% more respondents who were NOT WORKING experience symptoms of anxiety or depression than those who were working.

EFFECTS OF DELAYED CARE ON THE WORKFORCE

Pub Date: MAY 23

Though the rates of mental health conditions have decreased slightly since the pandemic ended, persistent social stressors may contribute to persistently high rates. Mental health conditions frequently coexist with other chronic conditions, such as obesity, diabetes, and asthma, which can impair a patient's ability to follow physical health treatment recommendations. Furthermore, these physical health issues can exacerbate the symptoms of depression and anxiety by interfering with daily activities.

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Mental health status contributes substantially to the overall burden of disability, illness, and mortality and has important impacts on individual productivity and economic well-being.”

SUPPORTING MENTAL HEALTH IN THE WORKPLACE

Pub Date: FEB 23



LONG COVID AND CHRONIC CONDITIONS: PREVALENCE, PRODUCTIVITY LOSS, AND DISABILITY CLAIMS

Pub Date: NOV 23

According to this study, mental health struggles are plaguing nearly a quarter of the US's employees. Anxiety and depression afflict an alarming 24.9% of the working population, impacting the daily lives and productivity of individuals across various industries.

Individuals living with anxiety or depression are four times more likely to experience a work disability, underscoring the grave consequences of mental health challenges on one's ability to perform optimally in a professional setting.

As the prevalence of mental health issues rises, so too does the financial burden of claims related to anxiety and depression. On average, short-term disability (STD) claims receive an average of \$7.1k per closed claim, while long-term disability (LTD) claims are much steeper at \$25.2k per closed claim. These statistics highlight the substantial financial cost of mental health struggles.



One in four employees suffer from anxiety or depression and are

more likely to have a work disability.

4X

GUIDANCE FOR EMPLOYERS

- Comorbid chronic physical illnesses is common and often complicates treatment.
- Costly healthcare delays treatment.
- People need relatable, culturally appropriate mental health care.
- Promote self-care for employee health.
- Mental health education and stigma reduction are essential.
- Consider training mental health allies to boost employee resources and quality of life.



FLEXIBILITY WORKS

Flexibility allows organizations to create a work environment that empowers employees and aligns with the changing needs of the modern workforce.

MAKING POST-PANDEMIC FLEXIBLE AND HYBRID ARRANGEMENTS WORK

Pub Date: AUG 23



Flexible work arrangements, including remote work, compressed schedules, and flexible schedules, are commonly used to provide employees with more flexibility. The evolving nature of work makes it imperative for organizations to adapt to foster a resilient and productive workforce in the new normal.

The study highlights that flexibility has become a non-negotiable for the majority as shown below.

RETENTION

IF THE EMPLOYER MANDATED 5 DAYS ONSITE...

4.7 OUT OF 10

employees say they'd QUIT either immediately or begin seeking a job that allows

FLEXIBILITY

This mixed methods study offers a nuanced understanding of the benefits and challenges associated with flexible work models. This and other studies suggest that more flexible schedules lead to higher levels of well-being, engagement, and productivity among employees.

The study highlighted the need for careful consideration in scheduling to maximize the benefits of flexible arrangements for maximum health and productivity.

ATTRACTION AND RETENTION POST COVID-

19

Pub Date: NOV 23



The pandemic has led to changes in attraction and retention strategies for organizations, including the adoption of remote work options and a focus on employee well-being. Effective changes incorporate flexibility, positive culture and diversity, communication, and employee development.

Companies are adjusting their recruitment strategies to emphasize their commitment to employee safety, flexible work arrangements, and support programs. Remote work flexibility, work-life balance, and employee well-being have become crucial factors in attracting and retaining talent.

ATTRACTION

IF YOU WERE GUARANTEED TO WORK FROM HOME...

5.5 OUT OF 10

say they would
pursue the position to

WORK
FROM
HOME

MAKING POST-PANDEMIC FLEXIBLE AND HYBRID ARRANGEMENTS WORK

Pub Date: AUG 23



GUIDANCE FOR EMPLOYERS

- Regularly communicate expectations and revisit arrangements.
- Engage with the workforce and emphasize post-pandemic flexibility.
 - Highlight commitment, focusing on connection and growth.
 - Stabilize well-being, reevaluate methods for remote work.
 - Be aware of rifts, prioritize experimentation and data.
- Reimagine attitudes, measure outcomes for productivity.
- Recultivate culture, prioritize diversity and inclusion.

HEALTHCARE COSTS



The economic implications of the pandemic and the subsequent challenges in managing employee health have led to rising health and well-being costs.

THE COST OF EMPLOYEE HEALTH AND WELL-BEING

Pub Date: DEC 23

This study explored the rising costs of healthcare and the imperative to prioritize employee health and well-being. The study emphasized the need for impactful workplace wellness initiatives to yield benefits in productivity, absenteeism, recruitment, retention, and company culture. The findings underscored the challenges in balancing quality programming with cost management and leveraging data analytics to gauge value.

“
The highest priority was mental health and emotional well-being support, followed by financial well-being and support programs, health and wellness education, flexibility and work-life balance, and caregiving benefits.

Common to all age groups was interest in FINANCIAL WELLNESS ASSISTANCE



LOST HOURS AND COSTS ATTRIBUTED TO THE COVID-19 PANDEMIC

Pub Date: JAN 23

The COVID-19 pandemic has had a significant impact on employee productivity and cost. According to this study, the pandemic has resulted in a considerable impact on employee productivity and economic costs. The analysis estimates that the loss of work hours has resulted in a cost of \$213.1 billion, with \$167.4 billion in the first year and \$45.7 billion in the second year.

EFFECTS OF DELAYED CARE ON THE WORKFORCE

Pub Date: MAY 23

As inflation continues to rise, the cost of healthcare has become increasingly unaffordable for many people. This is particularly true for hourly earners, who are the hardest hit by inflation, according to this study.

To ensure that everyone has access to the care they need, equitable plan designs are crucial. The study states,

“High-deductible health plans are usually set up so that preventive care is provided at no cost, but everything else, including care needed by those with chronic conditions, is paid for by the insurance only after the deductible is met by the individual.”

RURAL EMPLOYEES ARE DELAYING CARE MORE THAN URBAN EMPLOYEES

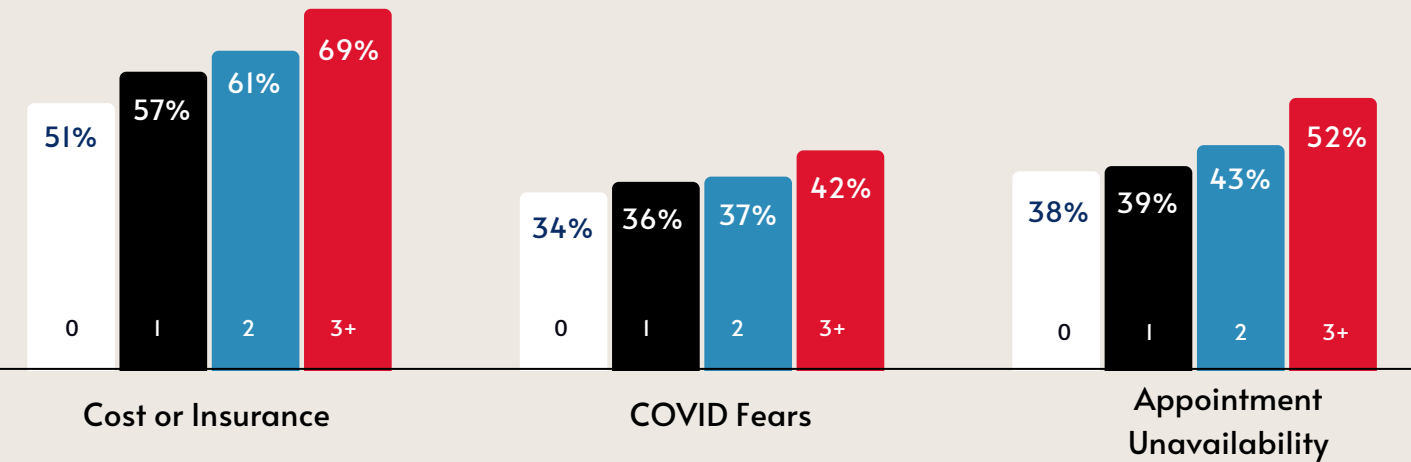
Up-to-date Preventive Screenings



69% of those with 3 or more underlying chronic health conditions delayed or avoided medical care due to cost or insurance barriers

Pub Date: MAY 23

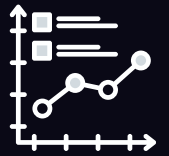
% DELAYED CARE BY NUMBER OF CHRONIC CONDITIONS



GUIDANCE FOR EMPLOYERS

- Track delayed care among employees.
- Acknowledge the impact of mental health on chronic conditions.
- Recognize cost as a significant barrier to care.
- Improve access to care.
- Create a culture that encourages seeking care.

DATA & MEASUREMENT



Measurement and data-driven decision-making emerge as a crucial theme across the studies, emphasizing the need for a strategic and informed approach to workforce management.

LONG COVID AND CHRONIC CONDITIONS: PREVALENCE, PRODUCTIVITY LOSS, AND DISABILITY CLAIMS

Pub Date: NOV 23

IBI's benchmarking, analytics and research serves as a source to help guide organizations towards evidence-based strategies that can enhance workforce well-being. This analysis exemplifies how to leverage data to identify patterns and trends in on short and long-term disability claims for COVID-related and chronic conditions, informing targeted interventions. The associated costs and productivity losses provide tangible metrics for the impact of these conditions. The adoption of a data-driven approach is necessary in the quest for effective workplace health programs.

GUIDANCE FOR EMPLOYERS

- Focus on measuring health and business outcomes rather than engagement.
- Link benefits programs directly to measurable productivity goals.
- Leverage data and technology to show the return/value on investment.

“
| *You don't have to see the whole staircase, just take the first step.*
- Martin Luther King Jr.



ATTRACTION AND RETENTION POST COVID-19

Pub Date: NOV 23



In the current landscape, attracting and retaining talent has become a challenging task for most organizations. However, the importance of metrics in designing effective attraction and retention strategies cannot be overlooked. Companies that regularly measure outcomes such as employee engagement, retention rates, and productivity have a better chance of succeeding in adapting to the changing demands of the workforce. These metrics provide invaluable insights into what works and what does not, enabling organizations to make informed decisions and adjustments accordingly.

SUPPORTING MENTAL HEALTH IN THE WORKPLACE

Pub Date: FEB 23



It is essential for organizations to use metrics when assessing the effectiveness of mental health initiatives. While participation rates are a good starting point, employers should focus on measuring outcomes that shed light on the impact of mental health support on employee engagement, retention rates, and overall productivity. By doing so, they can gain insight into how initiatives such as peer-support programs and virtual care options are contributing to the well-being of their workforce.



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ABOUT INTEGRATED BENEFITS INSTITUTE

The Integrated Benefit Institute's independent research, industry-leading tools, and data resources help companies link health-related programs to the outcomes that maximize the contributions of people to productivity and business performance. Founded in 1995, IBI is a national nonprofit research organization and business association serving more than 1,600 employer and supplier members and their 22+ million employees.

When it comes to quantifying health and well-being choices, employers need to know what good looks like, and providers need to show what value looks like. IBI provides unbiased research and insights so employers and providers can make health decisions that positively impact people, productivity and performance (3Ps). For additional information, please visit www.ibiweb.org and follow us on [Twitter](#) and [LinkedIn](#).