



Benefitfocus[®]

2025 State of Employee Benefits[™] Report



An in-depth look at employee benefits trends intended to help employers craft impactful benefits strategies, enhance employee experiences and prepare for what's next.



Introduction

Year after year, we tap into powerful insights centered on employee benefits enrollment, utilization behavior, and industry pain points. Using anonymized data from more than 1.8 million employees, we compiled a snapshot of current employee benefits trends intended to help benefits leaders make strategic decisions about which benefits to offer, how to manage benefits administration and how to help employees learn about and use their benefits.

For the 2025 State of Employee Benefits, we've identified a central theme: **engagement**. Employers need to focus on adjusting their benefit plans and tools to help employees better engage with their benefits, for better health outcomes and more cost savings. The crux of the issue is that **most employees don't fully understand the benefits** available to help them with their health and financial wellness—but they want to. In fact, in 2024, only 69% of employees felt like they understood their medical benefits very or extremely well and the numbers are even lower for voluntary benefits like critical illness insurance at 39%, according to LIMRA research.¹ Employers have an opportunity to enhance their employee experience and help employees understand their benefits so they can make informed decisions during open enrollment and throughout their lives.

In the pages ahead, we'll share more data-backed insights on key workplace themes, including employee engagement, benefit utilization, expanding benefits coverage, economic concerns, and more. Chronic conditions not only impact health, but also engagement, productivity, and financial stability. **KFF** reports that one in 12 Americans are in medical debt and those with chronic conditions, like cancer, have higher than average levels of debt. Health care and financial concerns are intertwined, and employers now have unique opportunities to provide more support.

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As of November 2024, **Gallup** reported employee engagement (with their jobs) is at a 10-year low. Employers need a multi-pronged approach to re-engaging employees—and a great benefits experience is a powerful part of that plan. The 2025 State of Employee Benefits report explores what’s changing—and how employers can better support their workforce.

Whether you use this report as a tool for making comparisons and benchmarking or for inspiration and advice, let’s dive into the 2025 State of Employee Benefits!

Benefitfocus is a Voya Financial (“Voya”) business.





Executive Summary & Key Insights

Low benefits engagement contributes to higher costs, reduced productivity and missed chances to support employee well-being.

Our 2025 data reveals a persistent problem: many employees don't fully understand or use the benefits available to them. As a result, they could be less likely to get preventive care, manage chronic conditions effectively or make informed decisions about their health and finances. Underutilization increases costs and contributes to burnout and disengagement.

Based on anonymized data from 1.8 million employees, the 2025 State of Employee Benefits Report reveals urgent insights for employers aiming to close the engagement gap and maximize their benefits investment.



Industry Insight:

Benefits underutilization is widespread. The Benefitfocus health care data analytics solution, **Health Insights**, reveals that many employees are underutilizing the benefits available to them. In addition, a KFF study found one in four U.S. adults say that in the past 12 months they have **skipped or postponed getting health care** they needed because of the **cost**.²

Our research uncovered the following key opportunities for today's employers:



Benefits usage behaviors reveal gender gaps. Men are more likely than women to delay care or skip preventive screenings.

15%

of women had a gap in care vs. 23% of men.

79%

of women had at least one screening, compared with just 74% of men.



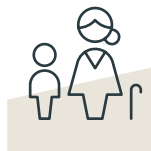
Chronic conditions are on the rise.

From 2022 to 2024, the average number of chronic condition claims per person, overall rose

17%

and mental health claims alone jumped

31%



Stress and financial strain are driving disengagement.

Burnout is becoming a costly epidemic, with financial stress playing a key role—especially among millennials. A Voya Financial Consumer Insights & Research survey revealed that

79%³

of millennials (the largest generational segment in the workforce) say financial stress often or sometimes impacts their mental health and well-being³. With so many employees experiencing financial stress on a regular basis, we can surmise that this trend may impact their health care spending choices.



Prescription drug costs are shifting.

While generic drug use is helping some employers contain costs, the rising popularity of GLP-1 drugs is driving an increase in overall prescription spending.

From 2022 to 2024, yearly Rx costs increased by

38%

In the 2025 update, we'll review trends that have changed meaningfully since we published the **2024 State of Employee Benefits Report**, look at others that have remained constant and offer guidance to help your organization navigate employee benefits and support employees to achieve better outcomes.



Actions to Consider:

To combat disengagement, employers must support benefits engagement beyond open enrollment—using tools that drive optimal choices and year-round utilization.

This may include:

- ✓ Personalized, unbiased decision support tools tailored to employee health and financial needs.
- ✓ Targeted communications that demystify complex benefits topics.
- ✓ Digital health care point solutions intended to help employees manage or avoid chronic conditions.
- ✓ Care navigation tools that can help employees take action at the right time.

By investing in personalized support and making benefits easier to access and understand, employers have the chance to improve health outcomes, reduce unnecessary costs and build a more engaged, resilient workforce. In this report, you'll learn how Benefitplace™, our benefits administration and employee engagement platform, can help employers design and execute a benefits engagement strategy that can effectively serve your stakeholders.



Methodology

*The 2025 State of Employee Benefits Report provides data points and insights based on Benefitfocus customer enrollment transactions from plan years 2023, 2024 and 2025 for plan year effective dates of January 1 and medical and prescription claims information from our Health Insights data for years 2022, 2023 and 2024. Supplemental primary research from Voya Financial Consumer Insights & Research as well as carefully curated third-party industry research helped round out our analysis. By uncovering and exploring trends across core and voluntary benefit offerings, participation rates, plan costs, generational behaviors, claims and more, our aim is to help you assess your strategies and identify opportunities to better meet the benefits needs of your workforce.**

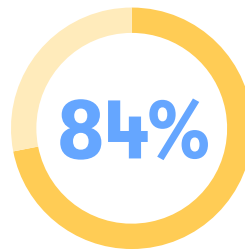


1: Continuing Trends

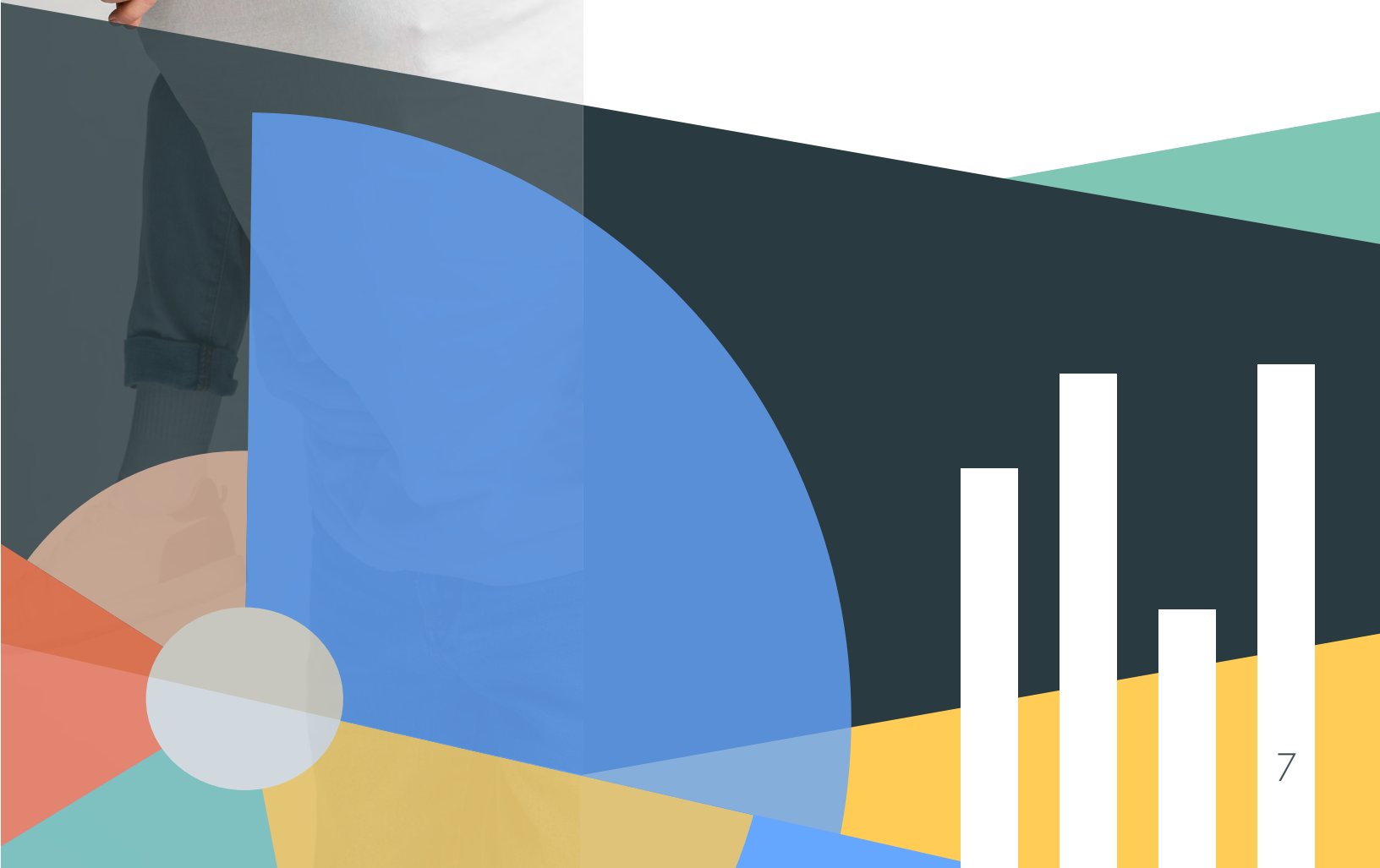
Over time, we've watched many employee benefits trends change dramatically from one year to the next, while others are slower to move because of macro factors that take more time, such as generational shifts in the workforce.

Flexibility continues to grow

Employers continue expanding flexibility with more benefit choices to empower employees to elect coverage that meets their current needs and aligns with their health goals.



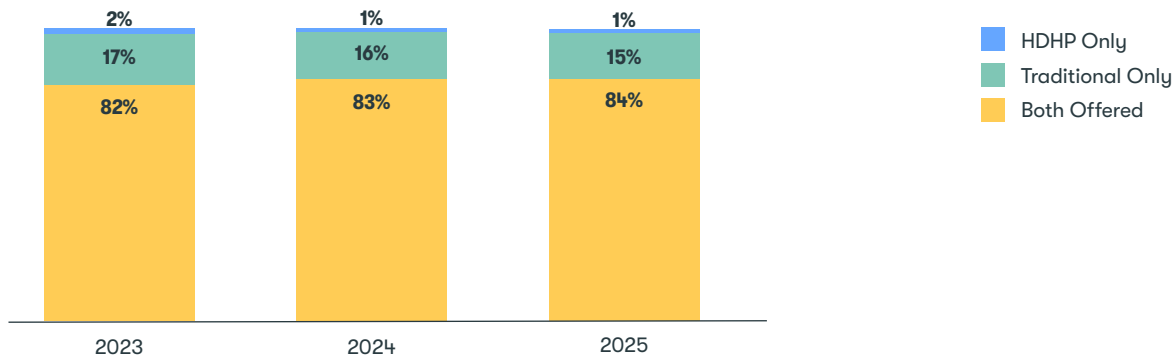
Of Employers Currently Offer
**Traditional
+ HDHP Plans**



Quick Stats

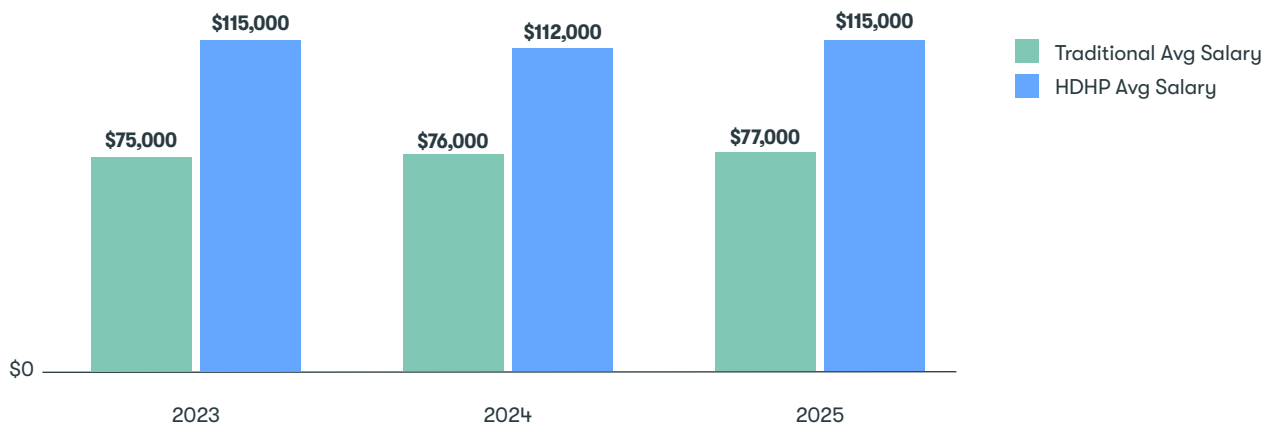
More employers are offering both traditional and high deductible health plan (HDHP) options.

Figure 1.1: Percentage of Plans Offering Traditional, HDHP, or Both Plans



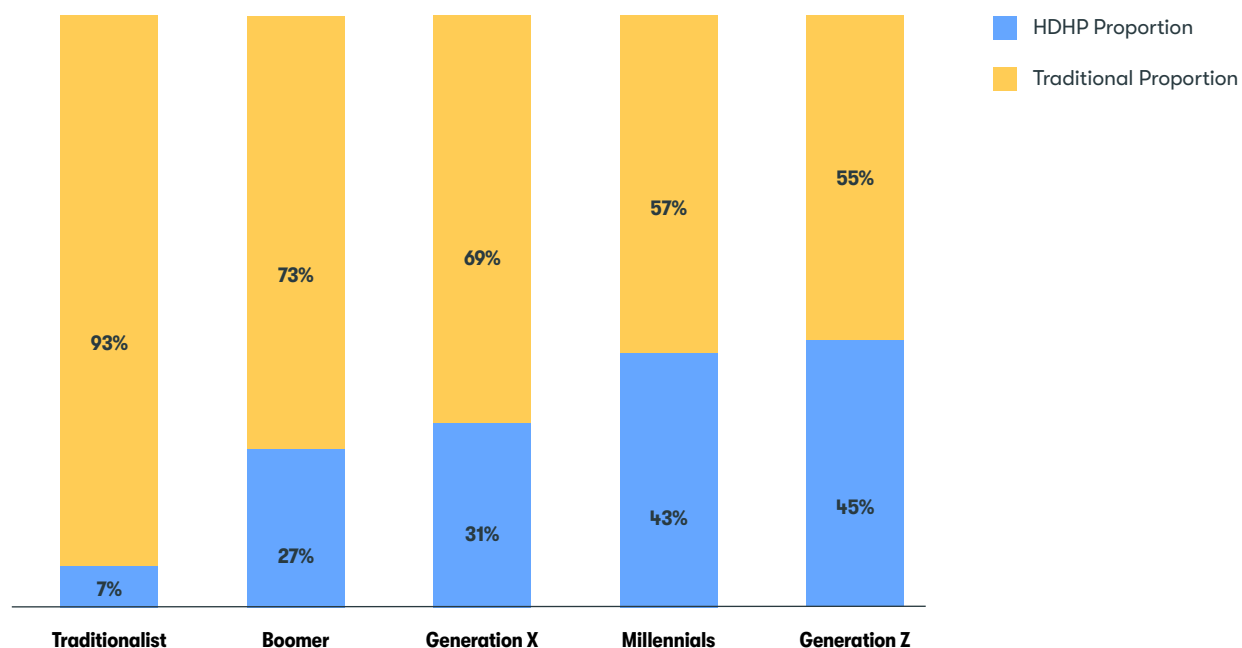
Higher salaried employees are increasingly choosing HDHP when offered alongside a traditional plan option. Across 2023-2025 plan years, the average salary of employees electing HDHP is 50% higher than those choosing a traditional plan.

Figure 1.2: Year-Over-Year Change in Salary by Plan Type



Gen Z has the highest HDHP participation, followed by Millennials and Gen X, reinforcing the idea that age and income both influence plan selection.

Figure 1.3: 2025 Generational Participation When Both HDHP and Traditional Plans Are Offered



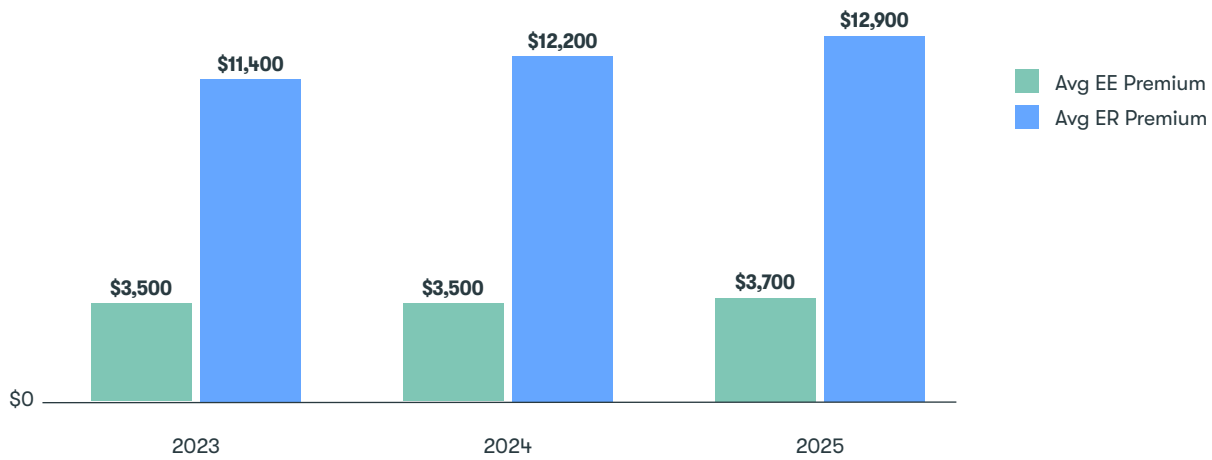
Costs Continue to Rise:

Premiums and prescription costs are continuing to rise due to a host of global economic factors, increased demand/need, aging population, and the boom of GLP-1 drugs.

Quick stats:

- ✓ Annualized **medical inflation rate of 12.6%** from 2022 to 2024.⁴
- ✓ Annualized **prescription inflation rate of 15%** from 2022 to 2024.⁴
- ✓ Employers are feeling the financial burdens along with employees. Across all plan types, the average **employer share of premiums rose 13.2%** since 2023, while the **employee share rose 7.0%**.

Figure 1.4: Year-Over-Year Average Employer and Employee Premiums



- **Lowest monthly costs and access to a HSA** are most important for benefits-eligible employees who elected an HDHP.⁵
- **Employees who were enrolled in a PPO, HMO, POS or EPO** were slightly more likely to cite medical coverage as an important reason for their plan selection.⁶
- These trends present **opportunities for employers to fine-tune plan design and cost management strategies**, especially as they aim to support diverse needs across a multigenerational workforce.

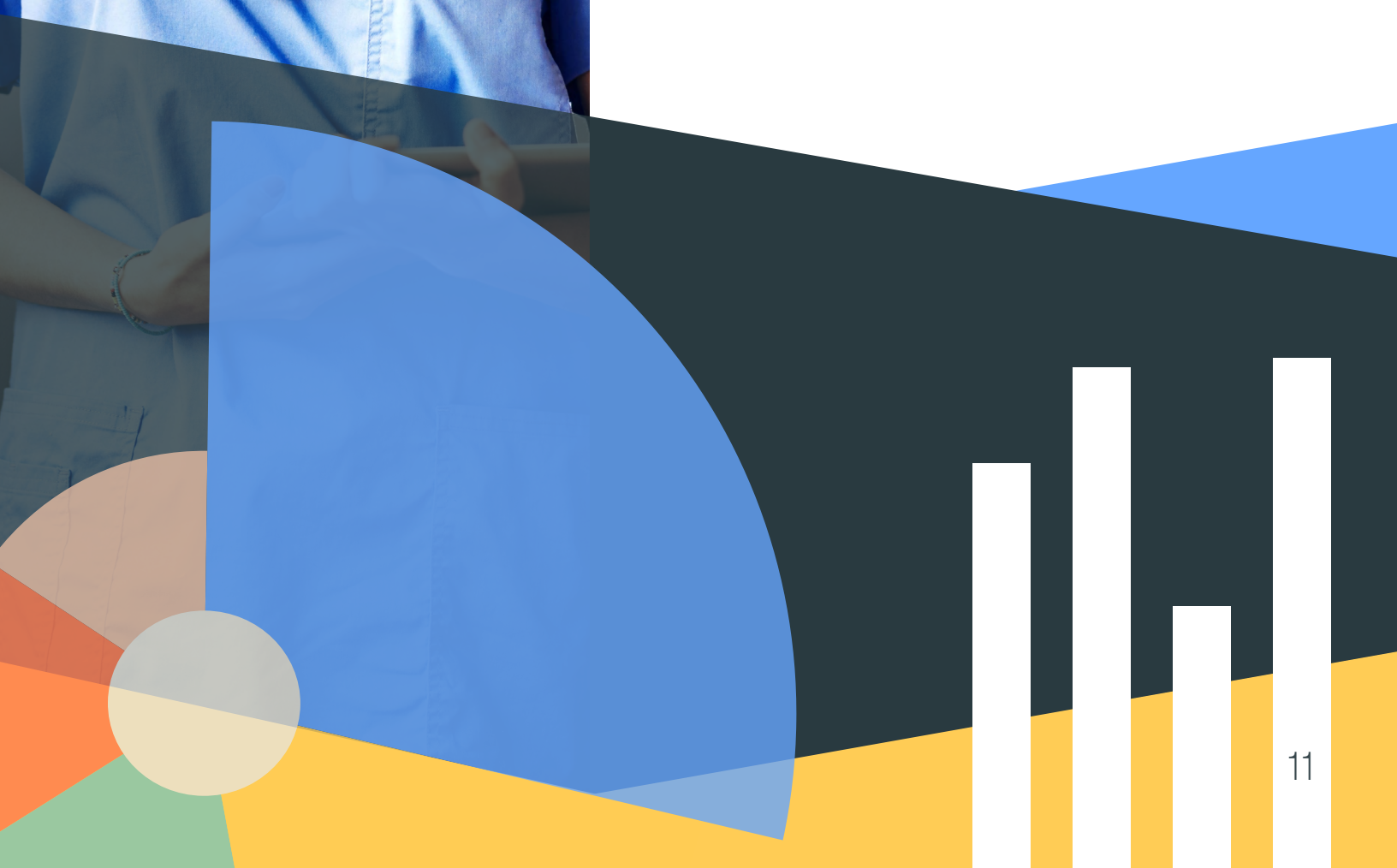


2: Trends in Health Plan Offerings & Enrollment

Our data underscores a clear message: flexibility, personalization, and support tools are essential to improving benefits engagement.

Most of these factors can be distilled into one of two categories:

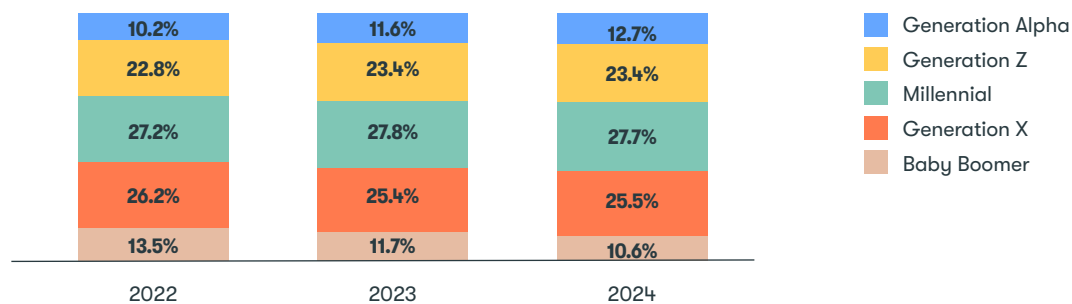
- ✓ Generational differences and Health Savings
- ✓ Health Savings Accounts/Flexible Spending Accounts (HSAs/FSAs)



Generational Differences

1. The generational makeup of covered populations is shifting as Baby Boomers retire. **The proportion of Boomers is (slowly) shrinking, while Gen Z representation grows.** Gen X and Millennials remain constant and are expected to hold steady until the oldest Gen Xers reach full retirement age in 2032.

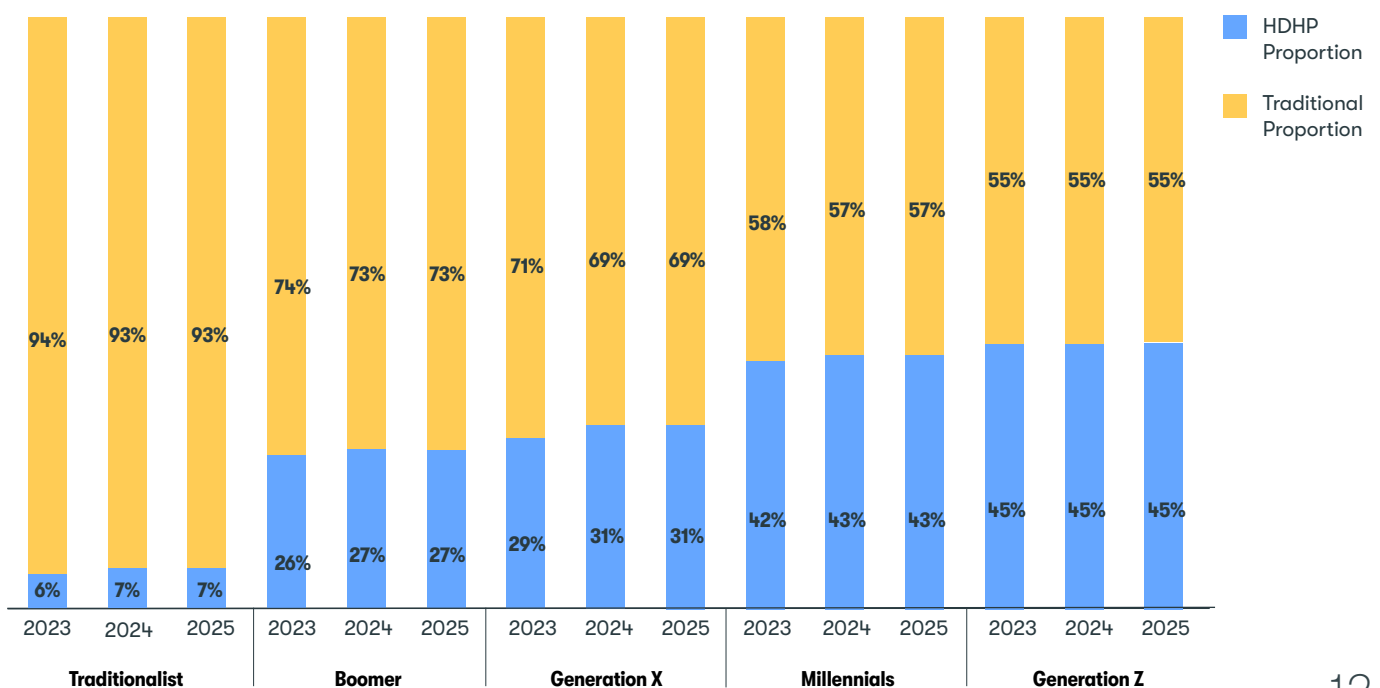
Figure 2.1: Demographic Makeup



2. **Generation can be an indicator of health plan preference and behavior.** Notably, we see that Gen Z generally uses less health care (based on claims costs and number of claims). This could be in part because they do not understand their benefits. Younger generations are most likely to find it extremely important or important to “receive more information from my employer outside of open enrollment to help me better understand my employee benefit options” (Gen Z 81%, Millennial 76%, Gen X 69%, Baby Boomers 45%).⁷

At the same time, Gen Xers are encountering more health care needs that come with age and tend to choose traditional plans over other options. Employers can help employees across all generations make optimal health care choices, take advantage of such things as HSAs or FSAs when eligible and get the care they need with strategic education and communication tools for benefits support.

Figure 2.2: Generational Participation When Both HDHP and Traditional Plans Are Offered



3. Generation correlates to cost. Gen X and Baby Boomers are more likely than younger generations to seek care from an out-of-network provider. 16.6% of Baby Boomers and 15% of Gen X went out of network at least once. Largely due to increasing health care needs that come with age, Baby Boomers have the highest number of annual claims, highest average yearly medical costs, highest annual prescription costs, and highest number of prescriptions each year.

Figure 2.3: 2024 Medical and Rx Costs and Claims by Generation

	Baby Boomer	Generation X	Millennial	Generation Z	Generation Alpha
Yearly Medical Amounts	\$10,316	\$6,606	\$5,339	\$3,310	\$4,010
Yearly Medical Claims	17	12	9	7	8
Yearly Rx Amounts	\$3,661	\$3,161	\$1,335	\$1,266	\$455
Yearly Rx Counts	22	14	7	5	2
Percent Using a Branded Rx	61%	51%	41%	39%	20%
GLP-1 Utilization Breakdown	24%	51%	22%	3%	0%
Went Out of Network (At least once)	17%	15%	14%	12%	9%
Medical Gaps (Insured, No Claims)	11%	16%	22%	25%	15%
Had a Screening (At least one)	80%	78%	74%	74%	80%



HSA/FSA Offerings and Participation

4. **When both traditional and HDHP plans are offered, we see some fluctuations in participation rates across generations in recent years.** HDHP participation has remained relatively stable across generations for the past two years (Figure 2.4). Meanwhile, participation for Baby Boomers is holding steady. Despite increases in HDHP participation in the younger generations (when offered alongside traditional plans), overall HSA participation rate declined in 2025 for every generation except Gen Z (Figure 2.5). This could suggest a gap in understanding and further the need for decision support and personalized communications.

Figure 2.4: Participation Rate by Generation, When Both Traditional and HDHP Plans Are Offered

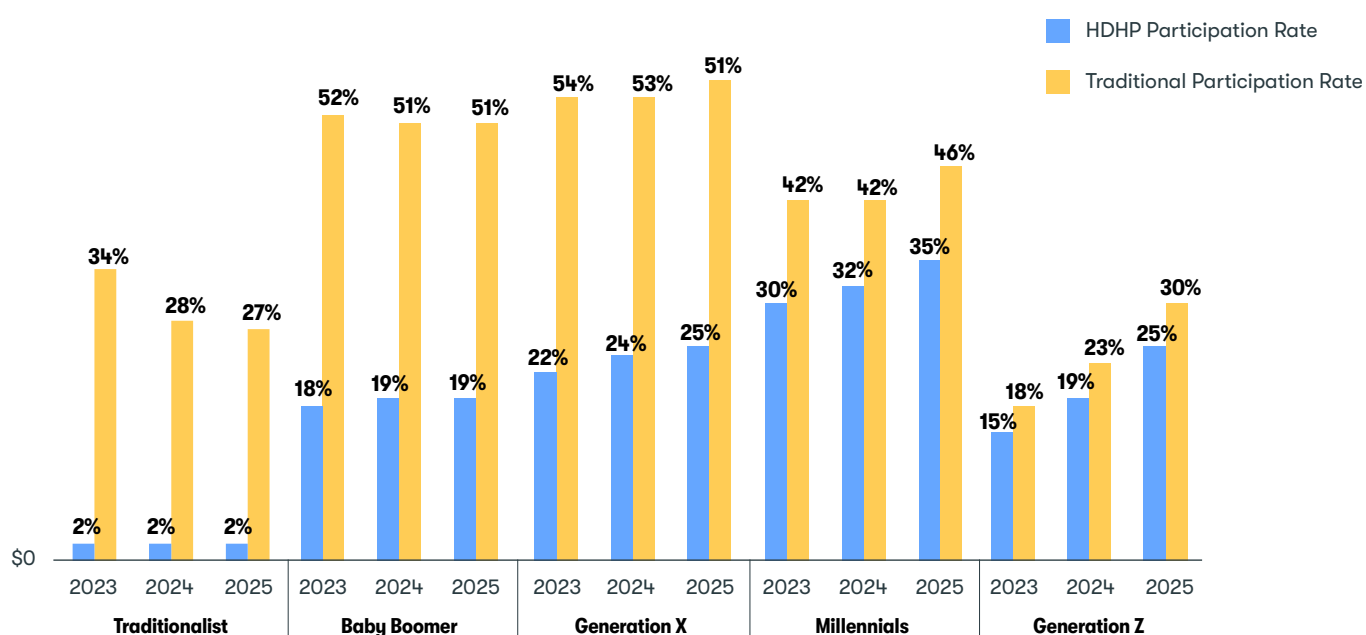
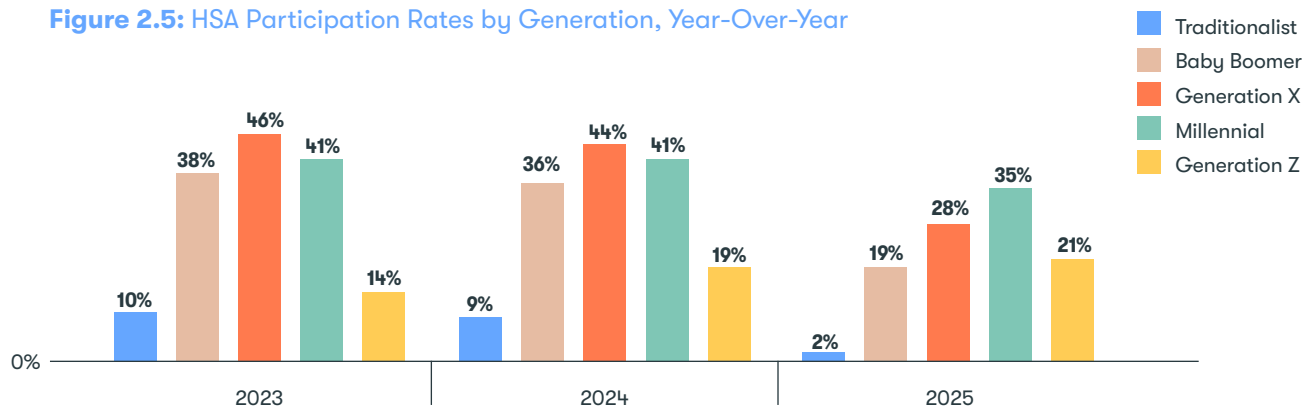


Figure 2.5: HSA Participation Rates by Generation, Year-Over-Year



For employers and health plan leaders, the directive is clear. Employees need—and deserve—personalized guidance and support when choosing their benefit coverage. **Deploying the optimal tools and resources can drive higher benefits engagement**, which creates a foundation to help employees address health goals and concerns as well as cost savings.



Key Takeaways

- ✓ Generational shifts are reshaping health care needs and benefit preferences, with Baby Boomers driving higher costs and Gen Z using less care but increasing participation in HDHPs.
- ✓ Despite this, overall HSA participation is declining, pointing to a gap in understanding. Voya research found only 3% of benefits-eligible workers understand the full benefits of an HSA and knowledge is only slightly elevated among current HSA owners (4%).⁸
- ✓ Employers must respond with more flexible plan options, personalized support and targeted communication tools to help employees make informed, cost-effective benefits decisions.



Solutions Spotlight

Decision Support

Personalized guidance during enrollment drives stronger engagement and smarter decisions, and that's what Benefitfocus Decision Support offers. LIMRA research revealed that 86% of employees who say their employers communicate about benefits very or extremely well are confident in their decisions, compared with only 32% whose employers do not communicate well.⁹ In fact, Voya research shows 75% of working Americans say they are interested in receiving support maximizing their benefits dollars.¹⁰ This level of enrollment guidance functionality is part of Benefitplace™.

Results for employers who used Benefitfocus Decision Support the fall of 2024 for 1/1/25 benefit effective dates:¹¹

28% higher

Voluntary benefits adoption rate compared with employees who didn't use Decision Support. By enrolling in voluntary offerings, these employees may be better prepared to help manage health-related or other covered events.

20% higher

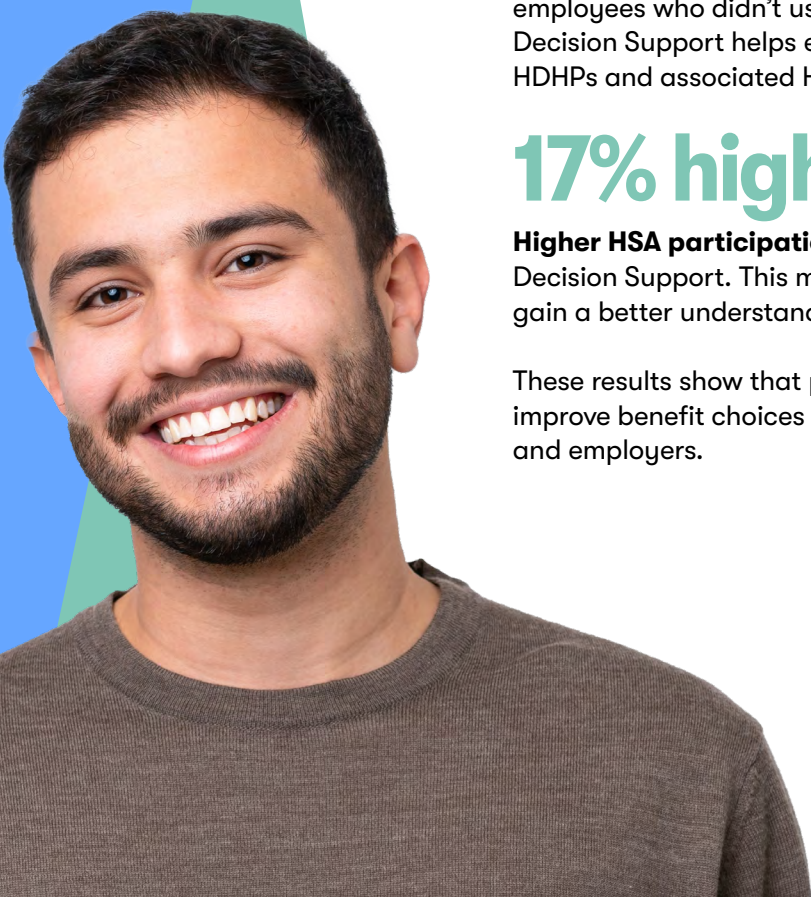
Enrollment rate in a High Deductible Health Plan compared with employees who didn't use Decision Support. This suggests that using Decision Support helps employees see the potential value afforded by HDHPs and associated HSAs.

17% higher

Higher HSA participation rate compared with those who didn't use Decision Support. This may suggest that those who use Decision Support gain a better understanding of the advantages of participating in an HSA.

These results show that personalized, accessible tools can directly improve benefit choices and long-term outcomes—for both employees and employers.

Learn more about the [Benefitfocus personalized Decision Support solution.](#)





3: Trends in Health Plan Costs

Health care costs continue to rise, driven largely by inflation and higher utilization due to chronic conditions, prescription drug trends, and shifting workforce demographics.

One of the most common questions our clients ask is an obvious one: How should employers respond to these economic pressures? The answer is just as simple, at least at first: Inflation and financial uncertainty increase the need for comprehensive employee benefits.



Inflation and Financial Pressure

- **True medical inflation rose 12.6%, higher than the 7.5-8.0% hike that PwC reported for 2022 to 2024.**¹² This is likely because our number is based on normalizing the observed medical costs by controlling for demographics.
- The overall cost of living in the U.S. increased 2.4% over the past year.¹³
- Nearly three-quarters (73%) of working Americans strongly agree/somewhat agree inflation causes them to worry their workplace benefits will cost more.¹⁴
- **Some good news:** Despite rising expenses, employers have largely shielded employees from increasing premiums by continuing to pay for the bulk of premium costs as shown in Figure 1.4 on page 10.

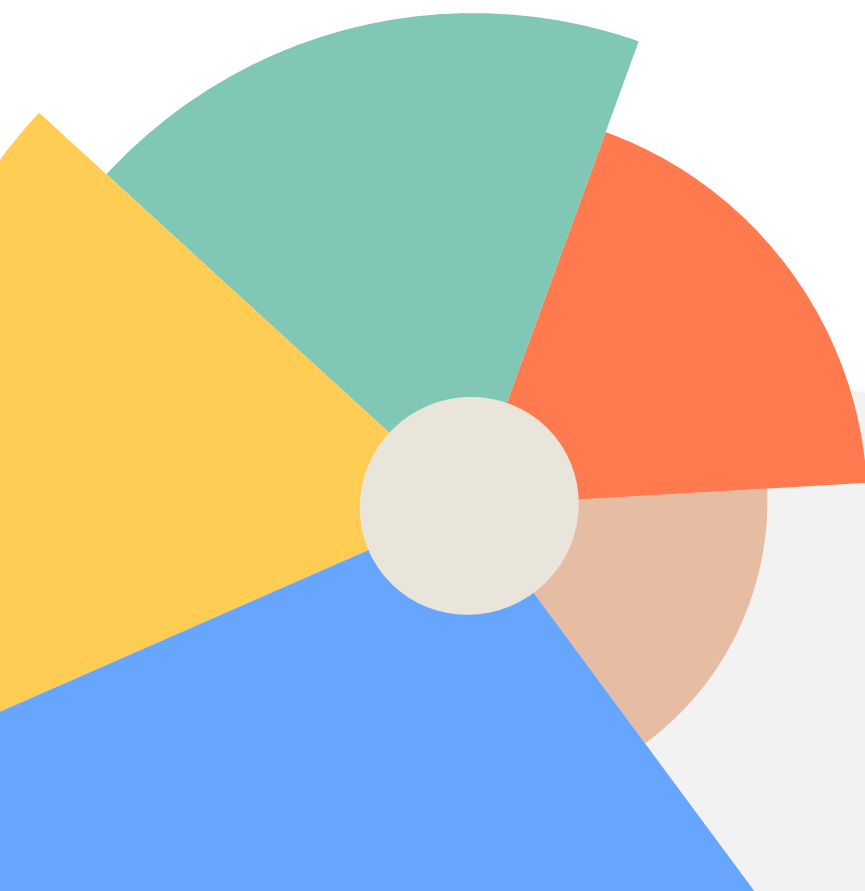
Key Cost Drivers

Of course, health plan premiums only represent a portion of the cost of employee benefits. Other trends influence cost as well—and many of these insights can help employers fine tune their benefits strategies and offerings to help mitigate costs.

Our research identified several strong trends that could be driving costs up, including:

- ✓ Chronic health conditions
- ✓ Rising prescription costs (including GLP-1 drugs)
- ✓ Employees increasingly working past retirement age
- ✓ Other factors such as location, in vs out-of-network care, and preventive care

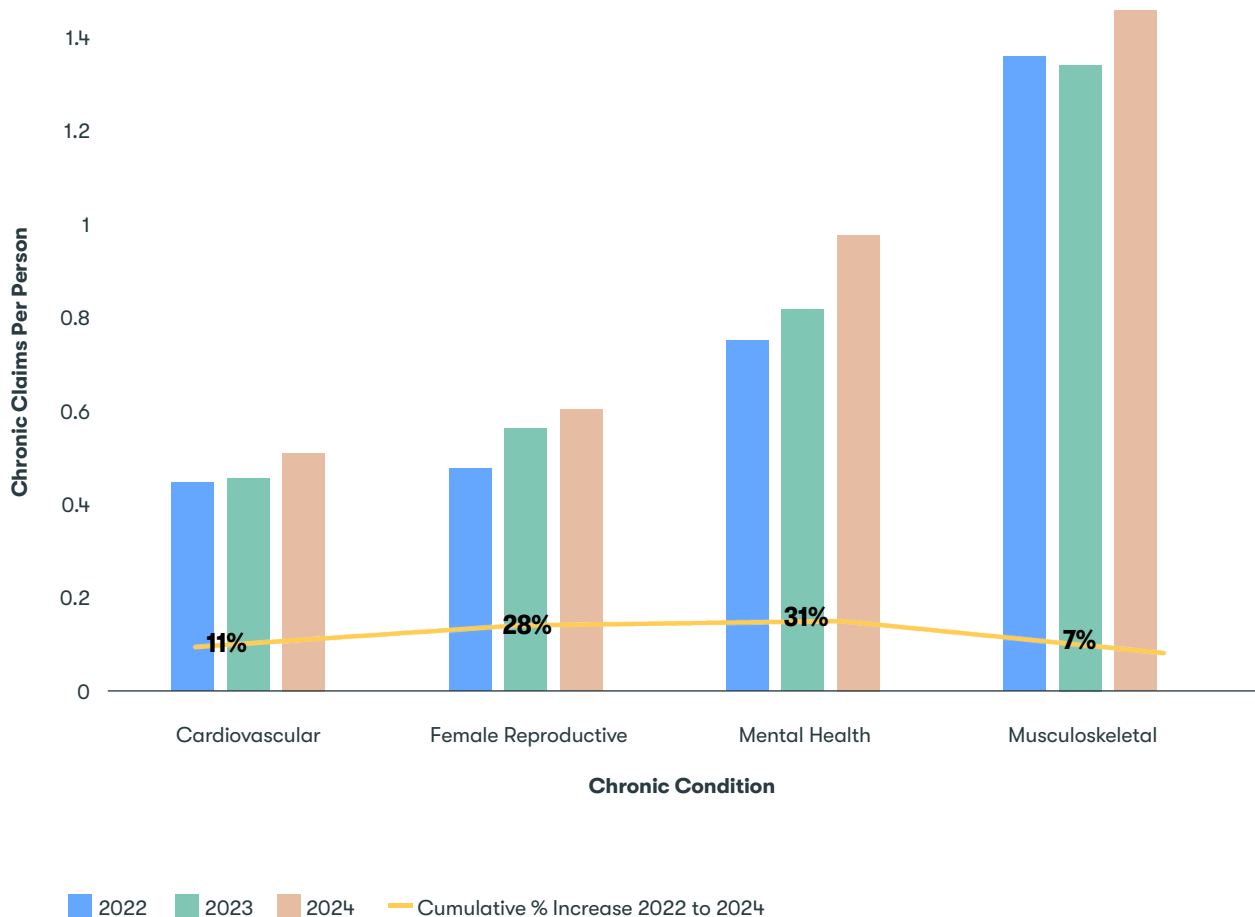
The biggest driver of health care costs and outcomes is which doctor a patient sees.¹⁵ Without support, employees may struggle to make cost-effective care decisions—leading to delays, higher costs and poor health outcomes.



Chronic Conditions on the Rise

More people are managing chronic health conditions, which contributes to higher costs. For this report, we looked at claims associated with chronic conditions in the following categories: **cardiovascular, female reproductive, mental health and musculoskeletal**. In every category, the average number of claims per person increased from 2022 to 2024, and overall chronic condition claims are up 17%.

Figure 3.1: Year-Over-Year Chronic Condition Claims per Person



Prescription Costs are Climbing

The decrease in Baby Boomers in the workforce—who typically have the highest medical expenses—helps ease overall medical costs, even as the prices of medical procedures and prescription drugs continue to rise. Baby Boomers (61%) and Gen X (51%) are more likely to use brand-name drugs than younger employees (41% or lower). To help mitigate rising costs, employers can focus on educating employees about the value of generic alternatives.

GLP-1 Impact

Use of GLP-1 agonist medications for diabetes and weight loss is accelerating.

As of May 2024:

- ✓ 12% of U.S. adults have taken a GLP-1 drug at some point.¹⁶
- ✓ 6% were taking a GLP-1 drug in May of 2024.¹⁷

Among the working-age population and their families, GLP-1 use is rising quickly:

- ✓ 5.0% in 2024, doubling in two years from 2.5% in 2022.¹⁸

Because these medications are expensive, many employers are actively seeking strategies to manage the growing financial impact.

Figure 3.2: 2024 Average Medical Cost and Chronic Episodes Per Member: GLP-1 Impact

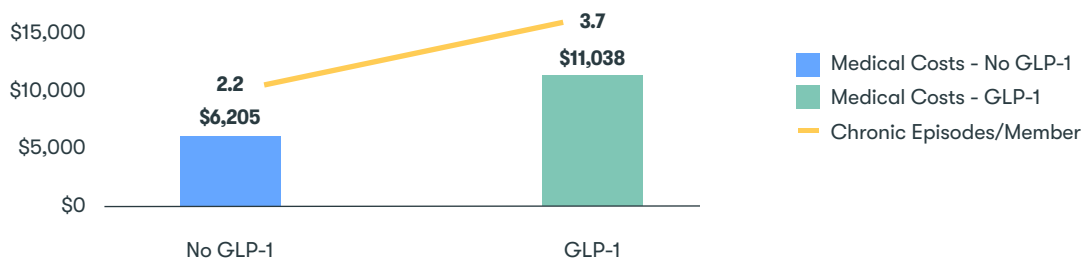
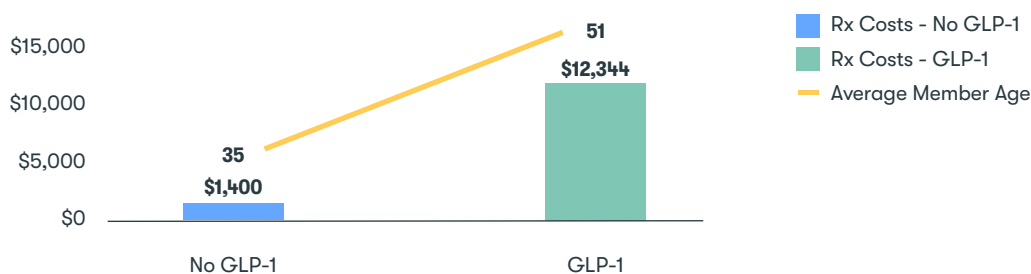


Figure 3.3: 2024 Average Rx Cost and Member Age: GLP-1 Impact



Working Past Retirement Age

More employees are staying in the workforce past retirement, whether by choice or necessity. Between 2015 and 2024, the number of employed Americans aged 65 and older rose by 33%, according to **CNBC's** analysis of Bureau of Labor Statistics data. Although Baby Boomers make up a smaller share of the workforce today, their absolute numbers remain historically high—a major shift from past trends that may preview the future. Had the proportion of Boomers stayed constant from fiscal year 2023 to 2024 (rather than declining due to retirements), employers would face an average of:

- ✔ **\$744 higher medical costs per employee** across generations.
- ✔ **\$320 higher prescription costs per employee** across generations.

In-network vs. Out-of-network Care

Generational differences in out-of-network care are notable, but broader trends also stand out. The proportion of people who visited an out-of-network provider at least once dropped each year from 2022 to 2024 starting at 16.5% and ending at 10.5%. This suggests more people are using in-network providers—a generally cost-effective move. Women are also slightly more likely to seek out-of-network care than men (15.2% vs. 11.8%).

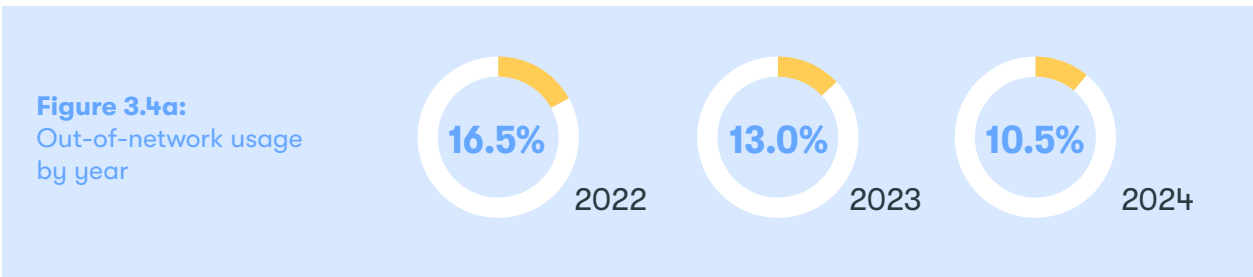
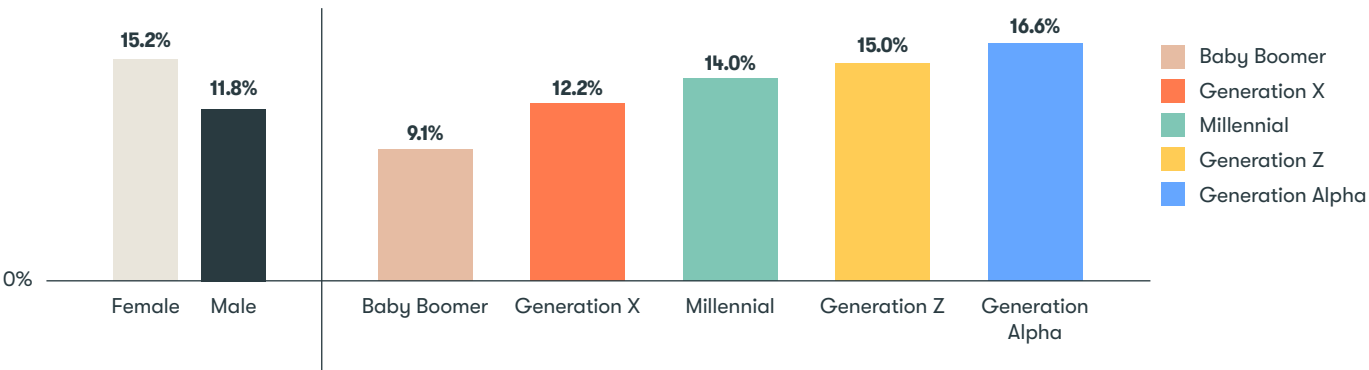


Figure 3.4b: 2024 Out-of-network usage by sex and generation



Received Preventive Care Screenings

Preventive care—including cancer screenings, vaccines, and dental cleanings—can lower overall healthcare costs. However, a gender gap exists: 79% of women receive at least one preventive screening annually, compared with 74% of men. As a result, men face higher costs per claim (\$602 vs. \$527 for women), suggesting they are more likely to delay or defer care.

Figure 3.5a:
Received at Least
One Preventive Care
Screening by Year

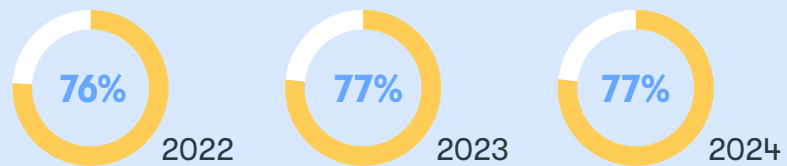
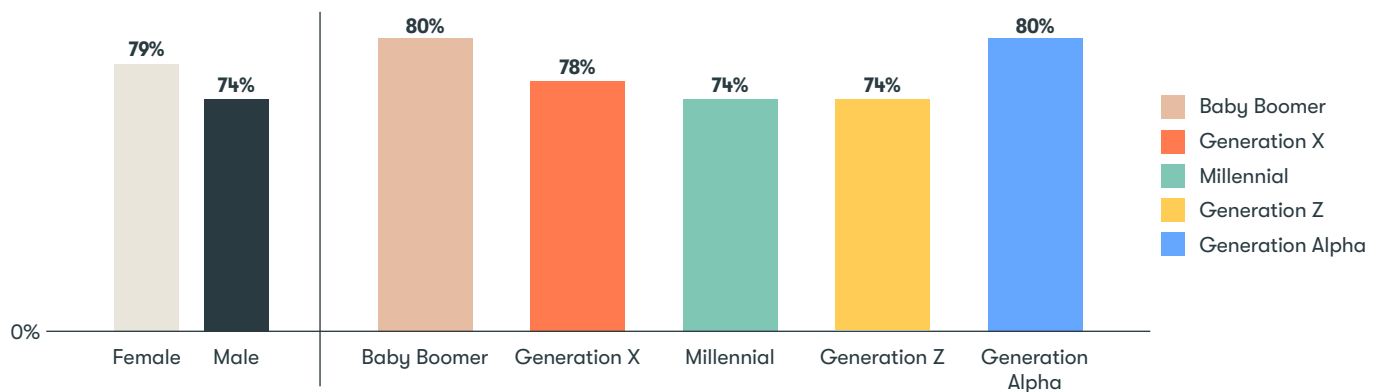


Figure 3.5b: Received a preventive screening in 2024 by sex and generation



Providing relevant offerings to your employees and their families is the key to helping support access to care while mitigating the economic factors. This may be achieved by balancing your benefit offerings according to the specific needs of your employees, which may vary depending on their age and stage of life. The goal throughout is to minimize wasted spending, maximize utilization, and improve health outcomes.

With powerful tools that help you understand your population, benefits costs, and driving factors, benefits leaders are better equipped to optimize plan design, forge impactful partner relationships, and to help ease some of the financial stress employees and their families face.



Key Takeaways

- ✓ Rising health care costs, driven largely by inflation and chronic conditions, are placing more pressure on both employers and employees.
- ✓ While employers continue to absorb most premium increases, other cost drivers—like GLP-1 medications, rising prescription use, and older employees staying in the workforce longer—require more proactive management.
- ✓ To offset these pressures, employers can tailor benefits offerings based on workforce needs, promote cost-effective behaviors like preventive care and in-network usage and use data-driven tools to optimize plan design and help reduce unnecessary spending.

Solutions Spotlight

Health Insights

Gaining access to health care claims data analytics is a game changer for employee benefits. Benefitfocus Health Insights allows benefits leaders to drill down and learn about how employees and their families choose and utilize their benefits coverage. This can reveal opportunities to improve relevance and personalization as well as mitigate risks and control costs.

Here are two powerful examples of the cost savings potential of Health Insights when integrated into Benefitplace™.¹⁹

\$1.5M

saved in one year: A state government reduced costs by analyzing prescription claims and reducing wasteful spending.

\$10K+

saved each year: A service company used Health Insights to discover inefficiencies in their maternity program. The company had incorrectly paid \$10K each year over the last 10 years for its maternity program as well as \$1000 per pregnant member. They chose to discontinue this program and redirect funds.

These are presented as examples only and are based on actual client experiences. Past performance is not a guarantee of future results. Actual results may vary.

As trends and behaviors shift over time, Health Insights is helping benefits leaders plan for the future. Here are some additional use opportunities to consider:

- ✓ Insights on GLP-1 usage can inform decisions around coverage levels and prerequisites.
- ✓ Claims data on preventive care screenings can steer employee education and communication.
- ✓ Analyzing data around care location can signal a need for education, telehealth options, and other care navigation support.

Learn more about the Benefitfocus Health Insights Solution.





4: Trends in Supplemental & Voluntary Benefits

Supplemental and voluntary benefits offerings continue to grow as employees seek more ways to manage financial risk and personalize their coverage.

Recent Voya research revealed that the vast majority (90%) of benefits-eligible employees strongly agree/agree “voluntary benefit insurance offers a way to customize coverage(s) to better meet the needs of me/my family” and 83% strongly agree/agree that they are more confident in their financial security due to the voluntary benefits they enrolled in.²⁰



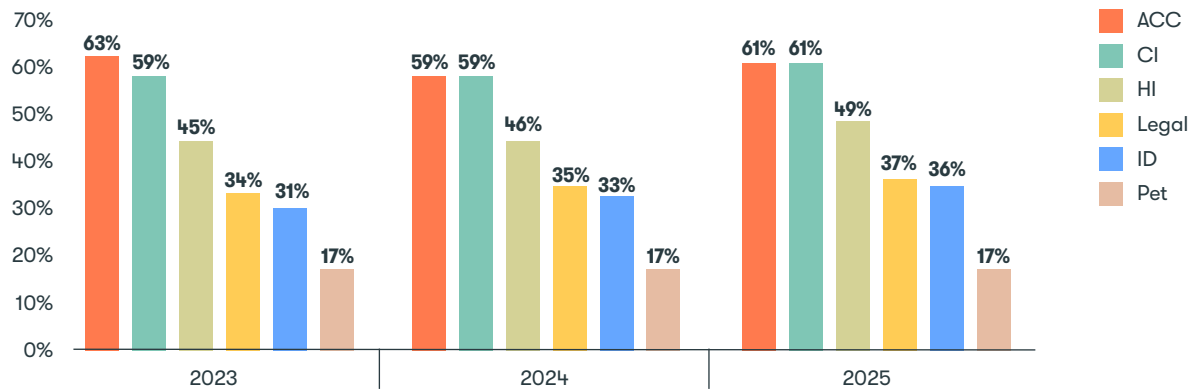
For this report, we looked at the following supplemental and voluntary benefits:

- Accident Insurance (ACC)
- Critical illness/Specified Disease Insurance (CI)
- Hospital indemnity Insurance (HI)
- Identity theft protection (ID)
- Legal coverage
- Pet insurance

Continued growth in offerings and participation:

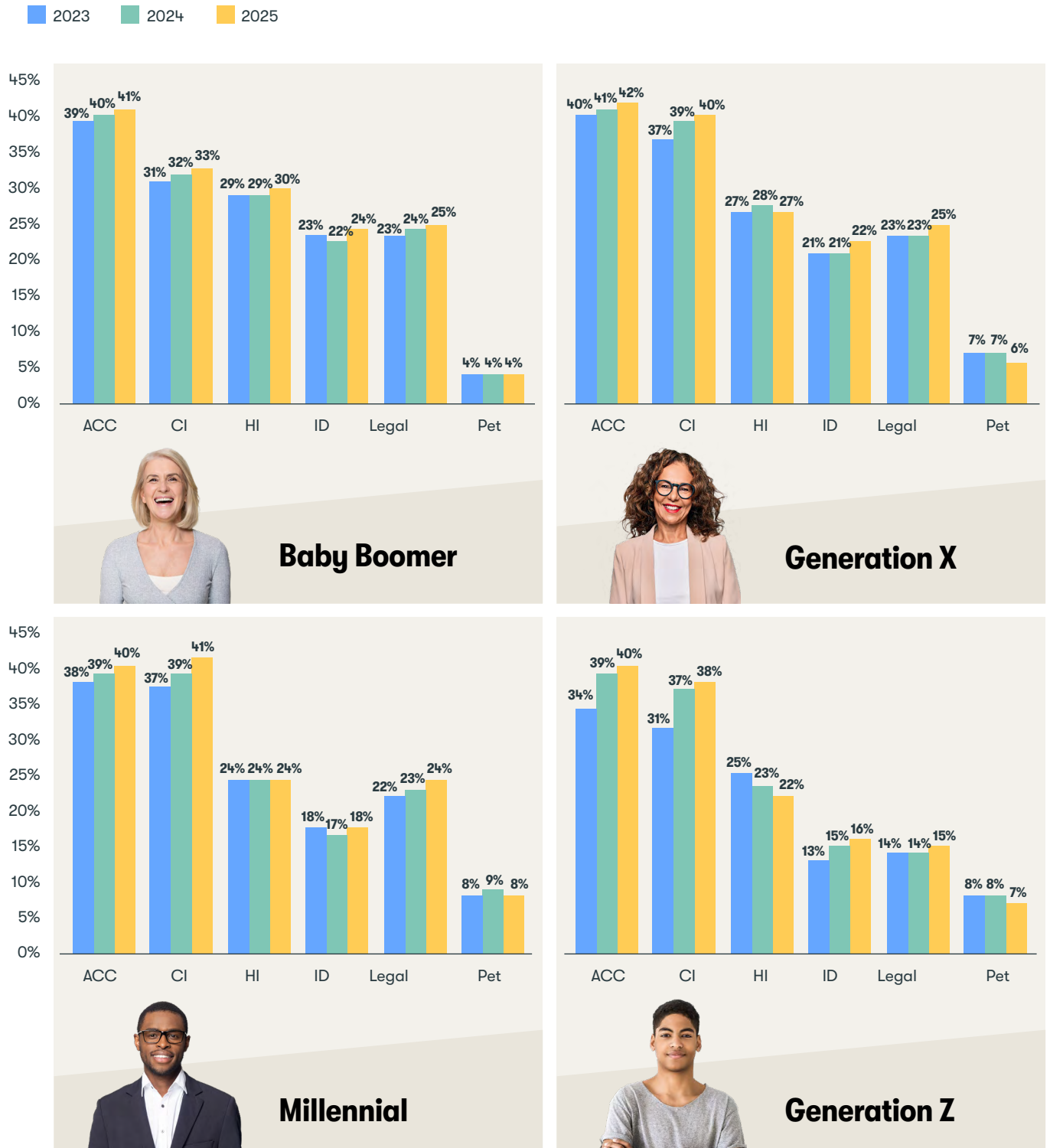
- In 2025, 44% of employers offered supplemental benefits—up from 41% in 2023.
- Participation is highest in ACC, CI, and HI insurance plans. These options have also seen the largest increases in uptake, suggesting greater employee concern over financial risk from unexpected medical events.

Figure 4.1: Year Over Year Percent of Employers Offering Key Voluntary Benefits



Voluntary benefits can also support talent attraction, as 83% of benefits-eligible employees strongly agree/agree they are more likely to work for an employer that offers CI, HI, disability, or ACC insurance.²¹

Figure 4.2: Participation by Generation and Voluntary Benefit Type, Plan Years 2023-2025²²





What do we think is next for supplemental and voluntary benefits?

Offerings and participation to continue rising

We expect to see the rates of supplemental benefit offerings and participation increase further in the coming years, as employees seek increasing flexibility and personalization.

Support for medical travel

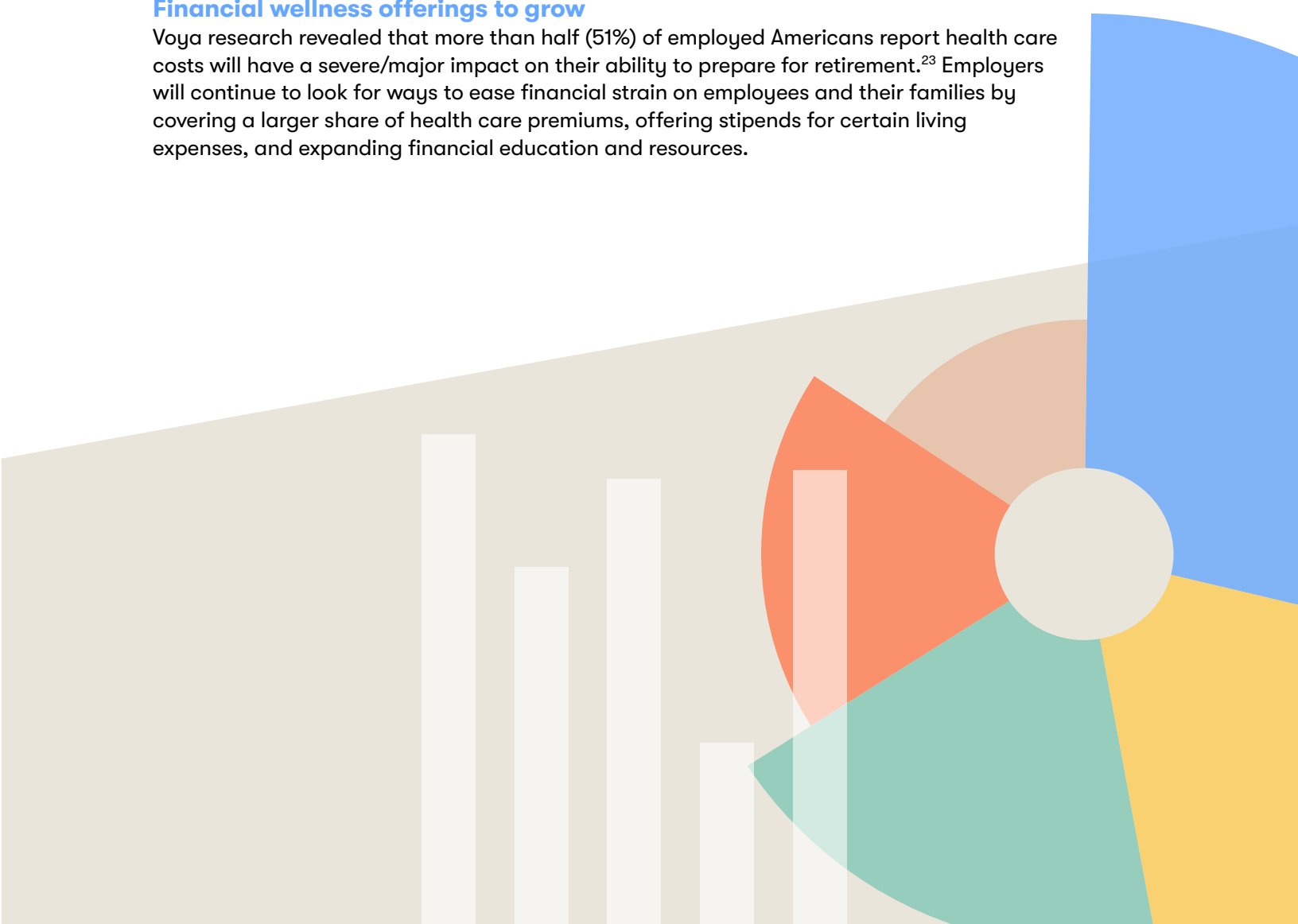
Around 5% of large employers added or expanded medical travel benefits for employees who have to go to a different state for care, according to KFF.²² Based on this trend, we can speculate that medical travel assistance offerings may expand.

Expanded reproductive health coverage

Over the past few years, we've seen a slow but steady rise in fertility benefits—a direct response to rising employee demands. We may continue to see the number of employers offering fertility benefits increase, as coverage expands to improve accessibility and cost for other reproductive health procedures, such as vasectomies, tubal ligation, and partial/full hysterectomies.

Financial wellness offerings to grow

Voya research revealed that more than half (51%) of employed Americans report health care costs will have a severe/major impact on their ability to prepare for retirement.²³ Employers will continue to look for ways to ease financial strain on employees and their families by covering a larger share of health care premiums, offering stipends for certain living expenses, and expanding financial education and resources.



Solutions Spotlight

Integrated Care Navigation and Care Partner Panel

Choosing high-quality, in-network care is one of the most effective ways to control claim costs. Each year, low-quality care adds over \$3,000 to annual per-employee benefits costs.²⁴ **Benefitfocus Care Navigation, integrated into Benefitplace™, can help employees:**

- ✓ Identify top-performing, in-network providers
- ✓ Connect with care partners for chronic conditions
- ✓ Improve satisfaction and outcomes while lowering costs

Here are a few results we've seen from Care Navigation:²⁵

- ✓ 27% average savings per episode of care
- ✓ 5-20% lower overall plan costs
- ✓ 98% employee satisfaction rate

Learn more about [Benefitfocus Care Navigation](#) and our [Care Partner Panel](#).

Our built-in care navigation experience is powered by Garner DataPro, which analyzes more than 300 million patient records and uses over 500 clinically validated metrics—one of the largest, most accurate dataset on doctor performance available.



Key Takeaways

- ✓ Supplemental and voluntary benefits are on the rise as employees seek more personalized, flexible coverage to manage health care costs and financial risks.
- ✓ Participation in ACC, CI and HI insurance plans is growing, signaling increased concern about unexpected medical expenses.
- ✓ Looking ahead, employers are expected to expand offerings further—including medical travel support, reproductive health benefits, and financial wellness resources—to better support employees across life stages and help ease economic stress.





Conclusion and Actions to Consider

This year's data confirms a persistent challenge: **employees aren't fully using their benefits, leading to rising health care costs, chronic condition claims, and increased financial impact.** Without intervention, these trends will continue to erode employee well-being and organizational performance.

Employers have a unique opportunity to **reshape the benefits cost curve and help improve employee well-being by adopting a more strategic, data-driven approach to benefits planning and communication.** By refining benefits education, expanding coverage, and leveraging data analytics to personalize offerings, employers can help employees make more informed decisions. Targeted efforts such as enhancing financial wellness programs, improving access to preventive and mental health care, and simplifying communication—especially for at-risk populations—can drive healthier outcomes and a more engaged workforce.

As benefits leaders, the challenge ahead is clear: **reimagine benefits strategies to better align with workforce needs, tackle engagement barriers head-on, and implement solutions that enhance both employee well-being and business performance.** By doing so, organizations can create a more sustainable, cost-effective benefits model—one that truly supports employees and the bottom line alike.





As one of the leading benefits administration companies in the industry, Benefitfocus — a Voya Financial company — is committed to helping organizations and the individuals they serve get the most value out of their health care and benefit programs. Engaging directly with more than 12 million* employees in the U.S., Benefitfocus’ mission is to improve lives with benefits. Through exceptional service and innovative benefits administration technology, Benefitfocus helps simplify the complexity of benefits and deliver an experience that engages people for better health and improved outcomes.

Benefitfocus has provided this as an educational resource. This is for informational purposes only and not intended to provide advice or address the situation of any individual or entity. The topics addressed may have legal, financial, and health implications, and we recommend you speak with a legal, financial, or health advisor before acting on any of the information presented.

Benefitfocus is not an actuarial firm, and Benefitfocus is not acting as an actuary or determining any actuarial basis for employer benefit offerings. Benefitfocus does not underwrite insurance and does not give legal advice regarding the adequacy of coverage limits or types. The State of Employee Benefits Report is not a substitute for the advice of an attorney, tax, actuarial or other professional advisors.



Ready to dive deeper?

Learn more about how our employer benefits solutions can help drive benefits engagement and cost savings.

Methodology

***Enrollment Data**

The State of Employee Benefits 2025 was compiled from enrollment transactions aggregated across 316 large employers (1,000+ full time employees) within the Benefitfocus customer base, representing more than 1.8 million employees in total. The data was evaluated on an anonymous basis. Enrollment records include both active and passive enrollments made by a variety of industry roles (employee, carrier representative, broker, benefits administrator, etc) from the fall of 2022 through fall of 2024 for plan year effective dates of January 1. These measurements are not meant to be a nationally representative sample, but to represent the aggregate activity for large employers on the Benefitfocus platform.

***Medical and RX Claims Data**

For data related to medical and prescription drug claims, Benefitfocus drew from 87 employers in our Health Insights Platform with a total population of approximately 800,000 employees and their dependents. Effects were estimated using a random sample of approximately 10,000 of the aforementioned individuals and where that sample size was insufficient, certain aggregate results were drawn from the population itself. The underlying claims demographics and claims were sanitized per HIPAA Safe Harbor guidelines and were filtered to exclude generations older than Baby Boomers to comply with the age 90 cutoff mentioned in section (3) of “Guidance on De-identification of Protected Information. November 26, 2012” which cites the Code of Federal Regulations Title 45 §164.514(b)(2)(C). Claims data was analyzed 9/1/2022 - 9/30/2024.

GLP-1 analysis was performed on approximately 600,000 lives across 76 employer groups with a complete 3-year history of prescription data and benefit coverage of GLP-1 medications. Data was analyzed based on claim service dates from 1/1/2022 – 12/31/2024.

- ¹ 2024 BEAT Study, Benefit and Employee Attitude Tracker, LIMRA, January, 2024.
- ² Americans' Challenges with Health Care Costs, KFF, Lunna Lopes et. Al, March 1, 2024.
- ³ Generational Differences: How Stressors Impact Employee Mental Health, April 2025, Voya.
- ⁴ Based on normalizing the observed medical costs by controlling for demographics.
- ⁵ Voya Financial Consumer Insights & Research survey conducted September 27th - October 7th, 2024 among 345 adults aged 18+ Americans, working either Full-time or Part-time, who have primary or shared household responsibility for making financial and health/medical plan decisions, are benefit eligible for employer-sponsored retirement and health plans and currently enrolled.
- ⁶ Voya Financial Consumer Insights & Research survey conducted September 27th - October 7th, 2024 among 345 adults aged 18+ Americans, working either Full-time or Part-time, who have primary or shared household responsibility for making financial and health/medical plan decisions, are benefit eligible for employer-sponsored retirement and health plans and currently enrolled.
- ⁷ Voya Financial Consumer Insights & Research survey conducted April 28-29, 2025, among 1,002 adults aged 18+ in the U.S., featuring 365 benefits-eligible Americans working full-time or part-time.
- ⁸ Voya Financial Consumer Insights & Research survey conducted September 27th - October 7th, 2024 among 345 adults aged 18+ Americans, working either Full-time or Part-time, who have primary or shared household responsibility for making financial and health/medical plan decisions, are benefit eligible for employer-sponsored retirement and health plans and currently enrolled.
- ⁹ 2024 BEAT Study, Benefit and Employee Attitude Tracker, LIMRA, January, 2024.
- ¹⁰ Voya Financial Consumer Insights & Research survey conducted August 8-9, 2024, among 1,005 adults aged 18+ in the U.S., featuring 440 Americans working full-time or part-time.
- ¹¹ Among select client groups using personalized enrollment guidance functionality in Benefitplace™ fall 2024 annual enrollment period for 1/1/25 benefit effective dates.
- ¹² Medical Cost Trend, Behind the Numbers, PwC, 2025.
- ¹³ Consumer Price Index-April 2025, Bureau of Labor Statistics-U.S. Department of Labor, April 2025.
- ¹⁴ Voya Financial Consumer Insights & Research survey conducted August 8-9, 2024, among 1,005 adults aged 18+ in the U.S., featuring 440 Americans working full-time or part-time.
- ¹⁵ The Importance of Doctor Performance, September 30, 2022, Garner Health (based on analysis of medical claims nationally 2015-2021). Garner DataPro™ is a provider search platform that serves referrals based on one of the most detailed and accurate provider performance and directory data in the industry.
- ¹⁶ KFF Health Tracking Poll May 2024: The Public's Use and Views of GLP-1 Drugs, Alex Montero et al. May 10, 2024.
- ¹⁷ KFF Health Tracking Poll May 2024: The Public's Use and Views of GLP-1 Drugs, Alex Montero et al. May 10, 2024.
- ¹⁸ GLP-1 analysis was performed on approximately 600,000 lives across 76 employer groups with a complete 3-year history of prescription data and benefit coverage of GLP-1 medications. Data was analyzed based on claim service dates from 1/1/2022 – 12/31/2024.
- ¹⁹ Based on results with specific clients using Benefitfocus Health Insights.
- ²⁰ Voya Consumer Insights & Research conducted September 27th - October 7th, 2024 among 345 adults aged 18+ in the United States, working either Full-time or Part-time, who have primary or shared household responsibility for making financial and health/medical plan decision, are benefit eligible for employer-sponsored retirement and health plans and currently enrolled.
- ²¹ Voya Consumer Insights & Research conducted September 27th - October 7th, 2024 among 345 adults aged 18+ in the United States, working either Full-time or Part-time, who have primary or shared household responsibility for making financial and health/medical plan decision, are benefit eligible for employer-sponsored retirement and health plans and currently enrolled.
- ²² Employer Health Benefits 2024 Annual Survey, KFF, 2024.
- ²³ Voya Financial Consumer Insights & Research survey conducted August 8-9, 2024, among 1,005 adults aged 18+ in the U.S., featuring 440 Americans working full-time or part-time.
- ²⁴ Statistics come from a combination of data from the Kaiser Family Foundation, CMS and Garner Health analysis of medical claims nationally during 2015-2021 plan years.
- ²⁵ Savings projection is an average based on typical results dependent upon the aggressiveness of incentive program. Performance guarantees vary accordingly. Please contact your Benefitfocus representative to learn more.

*1Q 2025 Voya Financial Fact Sheet. Through its insurance companies, Voya is a leading provider of supplemental health insurance in the U.S. and offers a comprehensive and highly flexible portfolio of stop loss, life, disability, and voluntary insurance products to businesses covering approximately 7.2 million individuals through the workplace. Voya also offers health savings and spending accounts through our health accounts solutions business. Benefitfocus, a Voya company and a leading benefits administration provider, extends the reach of Voya's workplace benefits and savings offerings by engaging directly with approximately 11.9 million employees in the U.S.

Health Account Solutions, including Health Savings Accounts, Flexible Spending Accounts, Commuter Benefits, Health Reimbursement Arrangements, and COBRA Administration offered by Voya Benefits Company, LLC (in New York, doing business as Voya BC, LLC). HSA custodial services provided by Voya Institutional Trust Company. Insurance products are underwritten by ReliaStar Life Insurance Company (Minneapolis, MN) and ReliaStar Life Insurance Company of New York (Woodbury, NY). Within the State of New York, only ReliaStar Life Insurance Company of New York is admitted, and its products issued. Both are members of the Voya® family of companies. Voya Employee Benefits is a division of both companies. Product availability and specific provisions may vary by state.

Benefitfocus.com, Inc. and its affiliated companies (collectively, "Benefitfocus") is making available to you the Personalized Decision

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