

Benefitfocus[®]

Employee Benefits
Strategy Playbook:

Mental Health



Mental health remains a major workplace issue. But a fragmented approach can leave companies and their employees worse for wear. Here, we cover the scope of the challenge and how companies can address it with a formal, comprehensive and data-based strategy.



The big picture



61%

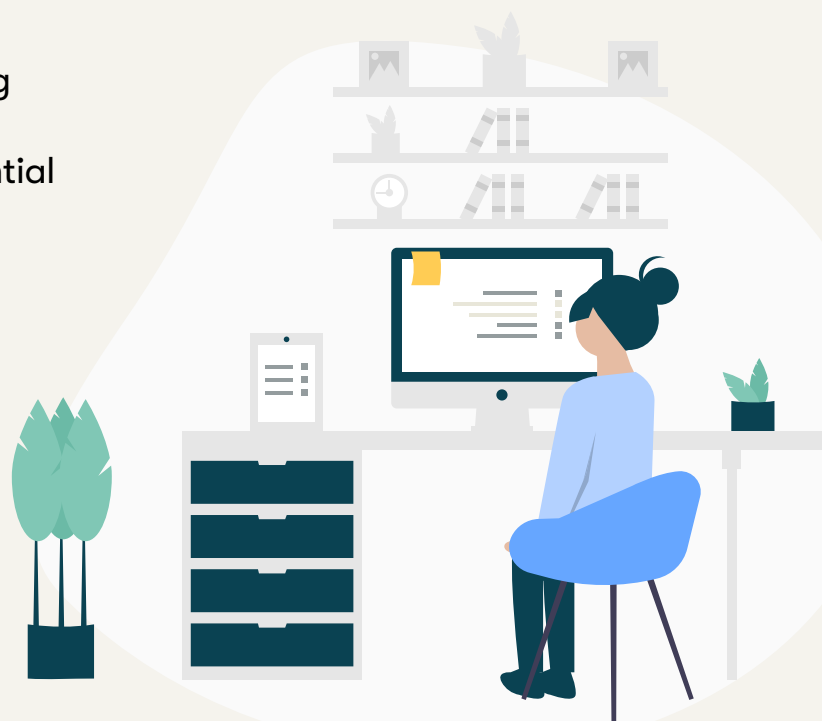
of U.S. workers reported at least one symptom of a mental health condition in 2023.



1 in 4

organizations (25%) report having a formal strategy for workforce mental health.

Let's start by understanding employees' **mental health challenges** and their potential to impact the workplace.



What employees struggle with...



Work-Related Stress/Burnout:

44% of employees worldwide report experiencing a lot of stress at work.

52% have felt burned out because of their job in the past year.

Managers feel it worse. They were more likely to...

Be disengaged, burnt out and job hunting.

Feel like their organization doesn't care about their wellbeing.

Say that they're struggling with work-life balance.



Loneliness & Lack of Connection:

Only **34%** of employees feel strongly connected to their colleagues.

One-third of people in industrialized countries are lonely, according to estimates.

Loneliness, isolation and lack of connection was declared a **public health crisis** in 2023.



Finances:

60% say financial challenges are fueling anxiety and worries about money.

15% report having a tough time concentrating on work due to money-related stress.



Complex Mental Health Diagnoses:

34% of HR leaders cite substance use disorders as an issue affecting their workforce.

56% of employees report symptoms of mild or more severe depression.

When employees suffer, businesses suffer too...

The reality is that employees' mental health makes a tremendous, quantifiable impact on their employer's business, both directly and indirectly.



Estimated direct costs:

12 billion working days are lost every year globally to depression and anxiety.

\$154 billion annual cost to employers due to stress-related absenteeism attributed to loneliness.

Mental illness results in more than **\$200 billion** annually in health care utilization and lost work productivity.



Indirect financial impacts include:

Increased employee turnover

33% of workers said they intend to look for a new job at a different company or organization in the next year – and among those workers who said they are unsatisfied with the mental health and well-being support offered by their employer, that number rose to 57%.

Greater risk of needing disability leave

65% of companies received an increase in requests for disability accommodations and leaves of absence related to mental health conditions/issues.

Everyone agrees, mental health is a priority...

Both employers and employees are on the same page that it's in everyone's best interest to address mental health thoughtfully and thoroughly.

94%

of employee benefits leaders believe that offering mental health benefits is very important to prospective employees.

84%

of employee benefits leaders say creating a mentally healthy work culture has risen in priority for their company over the past year.

92%

of employees say employer-sponsored mental healthcare coverage is important for creating a positive workplace culture.

67%

of employees want their employer to help them take care of their stress and anxiety.



And that it leads to...

- ✓ **Increased productivity:** Workplaces that promote good mental health and support individuals with mental illnesses are **more likely to** increase worker productivity.
- ✓ **Higher retention:** High wellbeing in the workplace is a retention booster and a talent magnet with employees **32%** less likely to be watching for or actively seeking another job.
- ✓ **Healthier employees and business:** Researchers at Johns Hopkins University found that **investing in a culture of health** in the workplace positively influences both employee health and the company's business performance.

Yet only 1 in 4 organizations (25%) report having a formal strategy for workforce mental health. One could say the #1 way a company can move the needle on mental health in the workplace is to create a formal, comprehensive strategy based on data.

To help you on your way, here's an overview of the fundamental elements of a modern mental health program. We also break down these elements into actions you can take so you can feel confident your program is thoughtfully designed to meet your workforce's needs.



A comprehensive strategy includes elements aimed at:



Culture



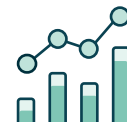
Services



Work Conditions



Connection



Data Insights



Culture

Culture is the foundation for a strong mental health and well-being program in the workplace. Ideas to foster it:

- ✔ Give workers a voice through surveys.
- ✔ Help cultivate employee resource groups (ERGs) focused on mental health and wellbeing.
 - | **37%** partnered with ERGs to address mental health issues in 2023 and **21%** plan to in 2024/2025.
- ✔ Destigmatize talking about mental health in the workplace.
 - | **74%** of employees say it is appropriate to discuss mental health concerns at work, yet only **58%** say they would personally feel comfortable doing so.
- ✔ Create a safe and inclusive environment.
 - | Implement or extend benefits programs such as ERGs to support employee sub-populations, such as LGBTQIA+, caregivers and neurodivergent workers.
- ✔ Hold everyone accountable to your mental health initiatives and establish a framework for measuring outcomes.
 - | **Only 23%** share results of their workforce mental health programs with board and governance members.



Services

Make sure employees have easy, transparent access to mental health resources within your benefits program:

- ✔ Evaluate your mental health network and diversify providers.
 - | **About 1 in 5** say it is hard to find mental health care through their employer that is affordable, in network or available in a timely manner.
- ✔ Address prescription medication coverage for mental health diagnoses.
- ✔ Increase mental health services like therapy and medication management.
- ✔ Offer access to outpatient treatment for alcohol/substance use disorders.



Work Conditions

Work overload, low job control and poor managerial support are all risk factors for mental health conditions. Ideas to address risk:

- ✓ Focus on job autonomy and control.
 - | **McKinsey explains** greater job control doesn't just positively impact performance, but physical and mental health as well.
- ✓ Offer flexible work arrangements.
 - | **34%** of employees say flexible hours would help their mental health.
- ✓ Provide mental health days.
 - | **18%** of employers provided mental health days 2023 and another 17% plan to or are considering in 2024/2025.
- ✓ Consider other ideas such as no-meeting Fridays or allotted wellness time.
- ✓ Offer mindfulness training.
- ✓ Ensure a safe working environment.
 - | **Poor working environments** – including discrimination and inequality, excessive workloads, low job control and job insecurity – pose a risk to mental health.
 - | **Perceptions of workplace safety** reached alarmingly low levels during the Covid-19 pandemic.
- ✓ Provide transparent, fair compensation and benefits.
 - | Only **32% of employees** think they're paid fairly.
- ✓ Train managers to observe and take action to support people in need of specialized care.
- ✓ Manage expectations and workload.



Connection

Remote-friendly workplaces are attractive to employees but can create feelings of isolation or disconnect. Tactics like these can help to combat that:

- ✓ Create opportunities for on-site meetings or in-person gatherings.
- ✓ Encourage employees to have virtual lunches with coworkers.
- ✓ Allot 10 minutes in video-based team meetings for general chatter.



Data Insights

When you have access to medical and Rx claims data for analytics, you'll be able to uncover insights into cost-drivers, risks and opportunities and understand mental health program ROI. Implement integrated health care data analytics into your benefits administration solution that provides:

- ✓ Employee population insights that help you gauge trends, understand benefits utilization, identify potential barriers to accessing mental health care, assess the effectiveness of current mental health benefits and modify program design.
- ✓ Personalized claim history that provides benefits enrollment guidance for employees to select the right health care benefits.
- ✓ Consultative health care data experts help you shape, manage and measure and optimize your mental health benefits strategy.



Resources for employers

Resources to help employers create workplaces that prioritize mental health.

[U.S. Department of Labor: Mental Health at Work](#)

[American Psychiatric Association Foundation: Center for Workplace Mental Health](#)

[American Psychological Association: Mental Health](#)

[U.S. Surgeon General: Workplace Well-being](#)

[National Alliance on Mental Illness: The 2024 NAMI Workplace Mental Health Poll](#)

Beyond creating a comprehensive mental health strategy that formally addresses your workforce's needs, there's one pressing need: helping your employees understand and access your mental health program's full offerings.

To find out how Benefitfocus can help you provide a personalized, connected experience, **[contact us today](#)**.

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