

Enterprise



A Benchmarking Toolkit for Employee Mental Health Benefits



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Introduction

We believe that mental health is an organizational effort that requires alignment at every level of leadership. This includes understanding the value of employee mental health benefits from a quantitative and qualitative perspective, and implementing benefits which move beyond the “one size fits all” model that is often offered to employees through requirements set by the Affordable Care Act¹. Employees need diverse, culturally-centered, care offerings that meet them where they are.

There are no shortcuts to serving a global population’s mental health needs—a truth acknowledged by a growing number of employers as remote work takes more companies across cultural and political borders.

With employees more likely to stay at a job that offers benefits that meet their needs, it’s imperative for benefits and workplace leaders to understand how benefits are being used throughout the organization². Benchmarking helps you analyze how employees engage with their benefits, but it’s not often applied to mental health benefits specifically. In fact, mental health benefits are often the last benefit considered in a benchmarking report.




970 Million
people in the world
have a mental health
condition.⁸



There's a disconnect in that mentality, as employees seek mental health support and wellbeing resources from their workplace as a top priority—68% of employees surveyed feel it's their company's responsibility to provide access to mental health services³. If that need isn't met, organizations may face the high costs of inaction—low productivity, high turnover, and increased medical spend for unsupported employees⁴.


Offering mental health benefits that employees want and will help reduce claim costs requires several layers of evaluation that can be supported with benefits benchmarking. To help you start, we've put together this toolkit which includes:



Manager Checklists
for understanding
utilization and
engagement
benchmarking



**Director & Executive
Leader Checklists**
for improving
utilization regardless
of company size



Case Studies & Guides
for understanding well-
being metrics and the
ROI of mental health in
the workplace

Knowing how to improve business efficiency and performance is a key factor in any company's strategy for growth. If you have additional questions or if you want to learn how Modern Health can support your employees, reach out to one of our experts by clicking the button below. Our team is ready to speak with you.

Empower Your Employees With Mental Health Support

Reach out to one of our mental health experts to learn how we can support the diverse needs of your employee

[TALK WITH US](#)





Benefits Benchmarking Checklists For Total Rewards Analysts & Managers

As a total rewards analyst or manager within your organization, you're uniquely suited to impact the well-being of your team. You are the direct connection between employees and executive decision makers. If that sounds like a lot of pressure, don't worry—we're here to help.

Included in the checklist below are actionable strategies for defending, improving, and understanding current mental health benefits usage via benchmarking strategies. You'll find steps for destigmatizing benefits within your immediate team, presenting current usage findings to senior leadership, and email templates for requesting employee feedback on current packages.

Finally, we've included links to additional resources to help you better understand well-being metrics and their impact on benefit benchmarking.

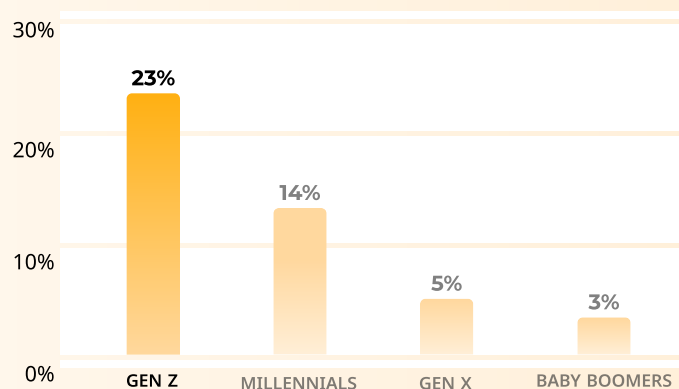
Determining Your Benchmarking Goals

- I need to improve benefits engagement or utilization
- I need to defend current benefits engagement or utilization
- I need to both defend current engagement levels while finding ways to improve

In a 2022 Paychex survey,

23 % of Gen Z

participants cited mental health benefits as the top benefit that would influence them stay at a company long-term compared to 14% of Millennials, 5% of Gen X, and 3% of Baby Boomers.²



Steps to Improve Mental Health Benefits Engagement & Utilization

90%

of global employees state psychological safety helps them in improving productivity, preventing mistakes, and being more creative at work.⁶



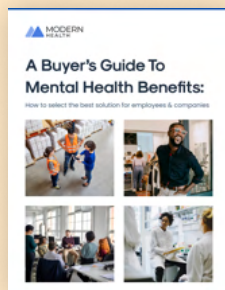
- Ensure your team knows what mental health resources and benefits are available to them
- Assess whether employees have access to multiple types of mental health support such as:
 - One-to-one therapy
 - Group sessions
 - Self-guided resources
 - Coaching support
 - Resources to address overall well-being and/or resources to support the whole family
- Implement guidelines and practices that show employees how to enroll, navigate, and engage with their mental health benefits on an ongoing basis
- Evaluate whether your organization de-stigmatizes mental health. If no policies exist, consider implementing practices like mental health days off and encourage employees to care for their needs
- Do you have guidelines that help workplace leaders have conversations with their teams about mental health? Doing so can help normalize mental health for employees
- How often do you monitor benefits utilization and engagement? What other metrics can you monitor? How do you track trends in employee behavior? Consider creating a plan to formalize your approach
- Conduct anonymous employee surveys to understand how they feel about their current mental health benefits and whether there is an area where you are lacking support
- Does your organization empower employees with employee resource groups (ERGs) where they can discuss mental health and well-being with others? If the answer is no consider implementing them.
- If you run other internal benchmarks on performance etc, ensure you're integrating findings into a single holistic view to understand the correlation between your benefits and overall company health
- Are benefits utilization and engagement only top of mind during open enrollment? Consider having regular conversations with leaders to ensure you can identify critical gaps and address them with alternative solutions, even if it's during off-cycle enrollment.



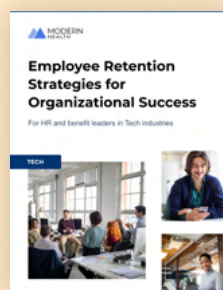
Steps to Effectively Discuss Benefits Metrics with Senior and Executive Leaders

- Gather qualitative and quantitative insights that can portray a complete overview your employee mental health benefits including:
 - Monthly or quarterly insights from benefits dashboards
 - Results from anonymous employee surveys
 - Insights from other people ops or workplace performance dashboards
 - Industry standard reports like those from SHRM or Harvard Business
- Present a concise, thorough report to senior management and executive decision makers within your organization that can convey how employees are using their mental health benefits, and how it impacts business outcomes.
- Weigh the impact of external environmental factors such as:
 - Global, national, and local unrest
 - Social and cultural influences
 - Macro-economic conditions
 - The broader industry and market landscape
- If findings are below ideal benchmarks work with senior management to build a business case for alternative solutions such as new mental health benefits and get executive support.

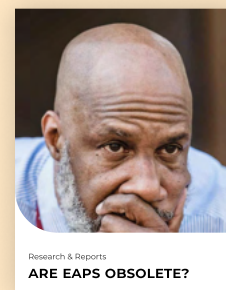
Additional Resources for Benchmarking Employee Mental Health Benefits



Guide: Benefits Assessment



Playbook: HR Retention Strategies



Educational Article: Are EAPs obsolete?





Benefits Benchmarking Checklists for Directors & Executive Leaders

Included in the checklist below are step-by-step actions you can take to evaluate the efficacy of your employee mental health benefits.

You'll find steps to integrate qualitative and quantitative insights into a single overview to ensure that you're accurately assessing the ROI of your benefits, and understanding the impact on year-over-year business growth.

According to the World Health Organization,



every \$1

invested into treatment for common mental disorders can result in a



\$4 return

through increased health and productivity.⁵

We've also included additional case studies, guides and playbooks to help you build on the findings from your benefits benchmarking as well as strategic recommendations and suggested next steps.

Determining Your Organizational Goals

- Improve benefits engagement and utilization
- Reduce the cost of current mental health benefits programs
- Reduce and improve benefits engagement and utilization
- Evaluate effectiveness of current mental health benefits to assess a new mental health solution





Steps to Evaluate Employee Mental Health Benefits

- Collaborate with your HR and/or total rewards team to determine which metrics are critical for success
- Provide direction on what your team should benchmark: utilization, engagement, etc

Ensure that analysis reports provided by your HR and/or total rewards team also evaluate how employee mental health benefits influence other important factors such as employee productivity, absenteeism, presenteeism, and turnover

Assess whether your mental health benefits offer multiple modalities of care to identify potential gaps which could result in increased claim spend, voluntary turnover, and decreased productivity

Evaluate the cost trend which measures the impact of specific benefits investments such as mental health programs on your overall health spending

Measure the time-savings of your mental health benefits to identify if your HR/total rewards team are saving time with your current mental health benefits programs

Assess the overall cost-effectiveness of employee mental health benefits along with healthcare cost savings, healthcare cost avoidance, cost redirection, and net savings from effective triaging

If you have global employee populations ensure you understand the nuances in each population engages with their mental health benefits in different way due to variances in local customs and beliefs. This is why culturally-centered care is so vital for diverse teams

Organizations investing in mental health support for employees can see as much as



\$550k

estimated return on their investment⁷

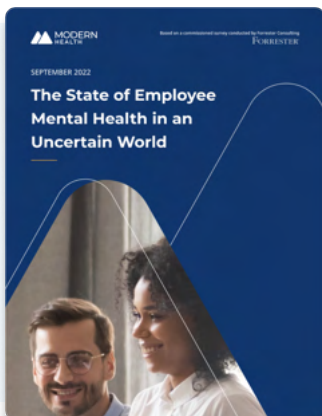


LET'S CONNECT



Steps to Benchmark Mental Health Benefits

- Provide direction to your HR and/or total rewards team to demonstrate how your current mental health benefits have performed year-over-year
- Compare your findings to industry benchmarks. Do you have adequate resources to help your team?
- Compare employee's benefits satisfaction. Is there a decline?
- How have your cost containment strategies performed year-over year?
- Assess how health care costs have changed in the last fiscal year and compare them to broader business forecasts
- To create robust comparison benchmarks consider using additional third party resources such as benchmarking tools, reports, and surveys provided by benefits brokers and organizations like SHRM
- Keep in mind that a deviation between your figure for any benchmarking measure and the comparative figure is not necessarily favorable or unfavorable; it is merely an indication that additional analyses may be needed
- Support your HR and/or total rewards team in developing an action plan to address key findings



Curious about the state of employee mental health?


Our new report with *Forrester Consulting* analyzes mental health in the workplace, and explores whether the current standard of mental health benefits is actually meeting the needs of employees.

[GET ACCESS](#)



Steps to Improve Benefits Engagement

- Promote a greater awareness and understanding of mental health by authorizing improvements in workplace policies that encourage employees to prioritize their mental well-being
- Review, approve, and fund initiatives that aim to reduce stigma associated with seeking mental health support
 - Include culturally-centered support that incorporates
 - different employee perspectives, languages, and cultural backgrounds.
- Offer care that matches employee goals. If you identify a gap in your current benefit offerings, benchmark this as an area to improve during open enrollment season. We recommend finding a mental health solution that can compliment or replace your benefits with personalized employee support.
- Support the creation of employee resource groups (ERGs) and be an executive sponsor to help employees create safe spaces where they can connect and learn from one another.
- Optimize the employee experience by ensuring employees have adequate resources to navigate their benefits and understand them in their preferred language, format, etc
 - Ensure policies follow regulations for international offices
- Encourage your HR/total rewards team to host workshops or lunch-and-learns to help leadership, single contributors, and managers to contribute to a holistic stigma-free work environment
 - Get inspired: [On-Demand Webinar on Stigma](#)


67%

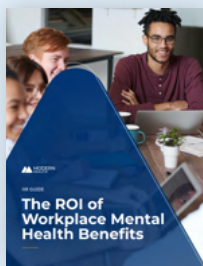
of employees feel it's their company's responsibility to provide access to mental health services.



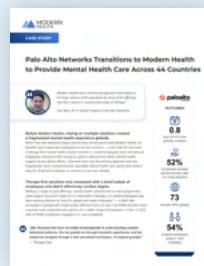
Steps to Improve Benefits Utilization

- Use the utilization trends uncovered in your benchmarking process to understand how employees prefer to receive care. Increase benefits utilization by offering multiple modalities such as one-on-one sessions with certified coaches or therapists, self-paced digital programs, and group sessions
- Ensure your current mental health benefits addresses the full spectrum of care from low to high acuity needs. Offering benefits such as coaching or digital tools can ensure you're providing the right support for each employee and help prevent overspending on high-cost benefits that may not be utilized.
 - Read more about nuances in utilization trends in our [Mental Health Global Insights Guide](#)
- If your organization operates in multiple global regions, ensure you implement mental health benefits programs that can quickly adapt to political and social fluctuations, and can rapidly mobilize to provide employees with consistent and safe support
- Craft an annual or multi-year strategy that prioritizes mental health benefits utilization:
 - Implement workplace policies and ongoing campaigns aimed at increasing mental health literacy in your workplace. Design a plan that will phase initiatives into achievable company milestones
 - Equip your HR/total rewards team with additional resources. Do they need additional training? Are there third party tools that can help surface benefits insights more effectively? Have they presented a business case that advocates for mental health benefits that are not currently offered to employees? Prioritize decisions that balance cost savings strategies with employee needs

Additional Case Studies and Guides



**Modern Health
ROI Guide**



**Palo Alto
Case Study**



**Carrot Fertility
Case Study**



**Benefits
Assessment &
Buyer's Guide**



**Modern Health
Global Insights
Guide**





Recommendations & Next Steps

The U.S. Surgeon General released a [Framework for Workplace Mental Health and Well-Being](#) which reinforces the importance of mental health in the workplace. This framework offers five essential components to support workplaces as engines of well-being and demonstrates how crucial and timely the topic of mental health equity in the workplace is right now.

While it is impossible to address all societal issues that contribute to mental health inequities, organizations have a unique opportunity to make a positive impact and promote better mental health outcomes for all employees. Your organization can help ensure that patterns of exclusion and marginalization are not reinforced and replicated. For example, the Surgeon General's report highlights one of the social determinants of health — working life conditions — as an area where employers have the opportunity to have significant global influence.

SOURCES



1. Does the Affordable Care Act cover individuals with mental health problems?

<https://www.hhs.gov/answers/health-insurance-reform/does-the-aca-cover-individuals-with-mental-health-problems/index.html>

2. Employees Weigh In On What's Important to Them and Why They Stay At Their Companies

<https://www.paychex.com/articles/human-resources/employee-retention-what-makes-employees-stay-leave>

3. Shifting Tides: Changing Attitudes About Mental Health Care and the Workplace

https://join.modernhealth.com/future-of-mental-health-2021-report-forrester.html?utm_source=guide&utm_medium=download&utm_campaign=benefits-buyer-guide

4. How do individuals with behavioral health conditions contribute to physical and total healthcare spending?

<https://www.milliman.com/-/media/milliman/pdfs/articles/milliman-high-cost-patient-study-2020.ashx>

5. Mental Health and Substance Use

<https://www.who.int/teams/mental-health-and-substance-use/promotion-prevention/mental-health-in-the-workplace>

6. Learn Why Belonging Is the Missing Piece in Your DEI and Mental Health Strategies

https://join.modernhealth.com/modern-belonging-playbook.html?utm_source=guide&utm_medium=download&utm_campaign=benefits-buyer-guide

7. Return on Investment: Value of Investment

https://join.modernhealth.com/rs/783-NRS-103/images/ROI_Mental_Health_Benefits.pdf

8. Mental Disorders

<https://www.who.int/news-room/fact-sheets/detail/mental-disorders>



