

low health benefit cost growth in 2020

allows employers to shift priorities

In Mercer's just-released National Survey of Employer-Sponsored Health Plans, large employers reported the lowest annual health cost increase in over two decades. They also demonstrated concern about workforce behavioral health as the pandemic continues to disrupt lives and business.

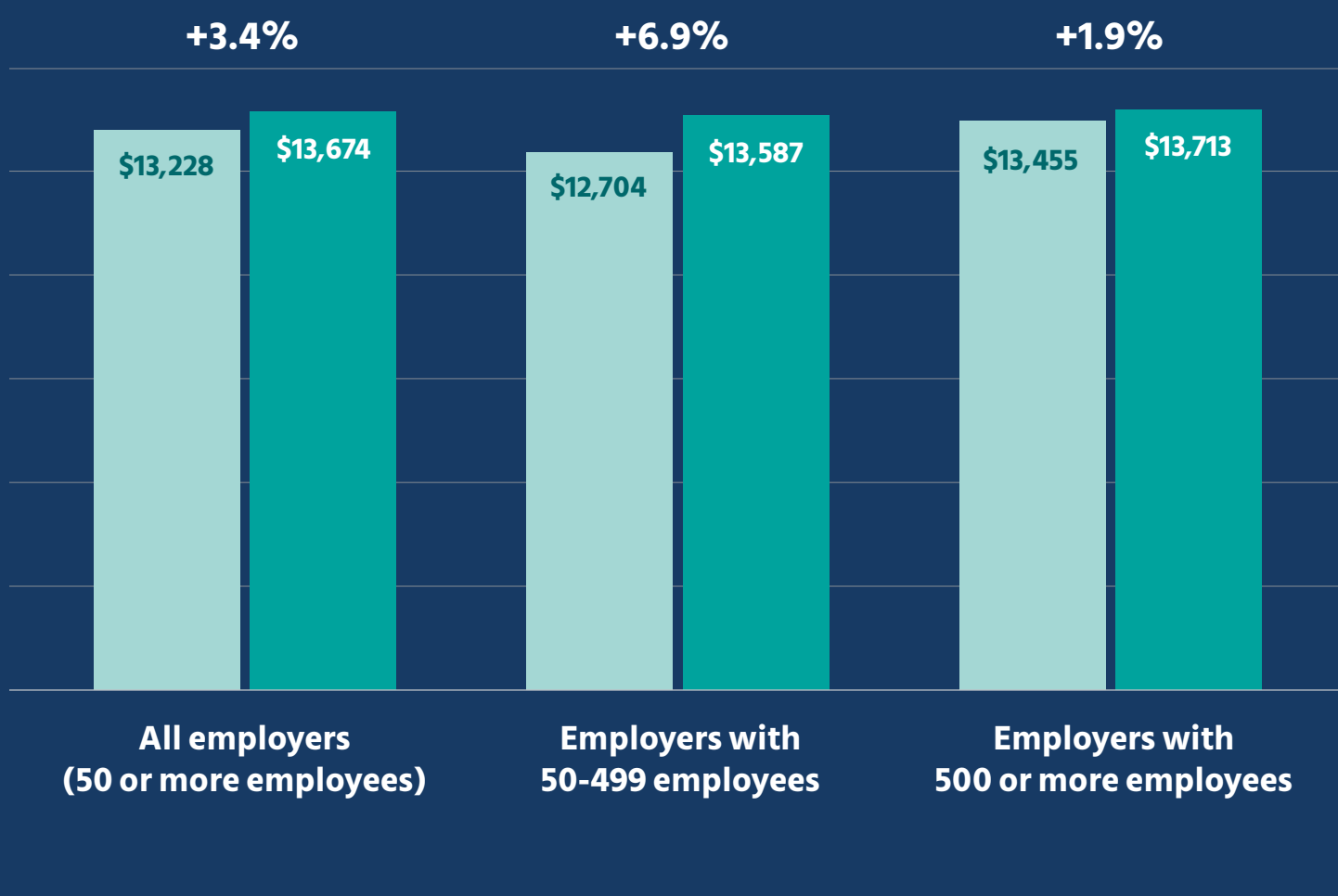
See below for highlights from Mercer's flagship survey of 1,812 US employers, conducted July-September 2020.

Visit [survey results](#) for more information.

Health care avoidance slowed cost growth in large employer health plans in 2020

Plan members stayed away from health care facilities for much of 2020, slowing health benefit cost growth to the lowest level in more than two decades for employers with 500 or more employees. These large employers typically self-fund their plans, which means they may see costs fall as utilization falls, unlike fully insured employers that pay a fixed premium.

Average total health benefit cost per employee



Employers address concerns about low utilization of behavioral health care

Amid concerns that workers are not getting the support they need, employers are making behavioral health a top priority in 2021, providing manager training and adding new resources. Childcare issues remain a tough problem.

Employers' top 5 well-being priorities for 2021



For working parents, many employers offer flexible schedules, but few offer childcare support.

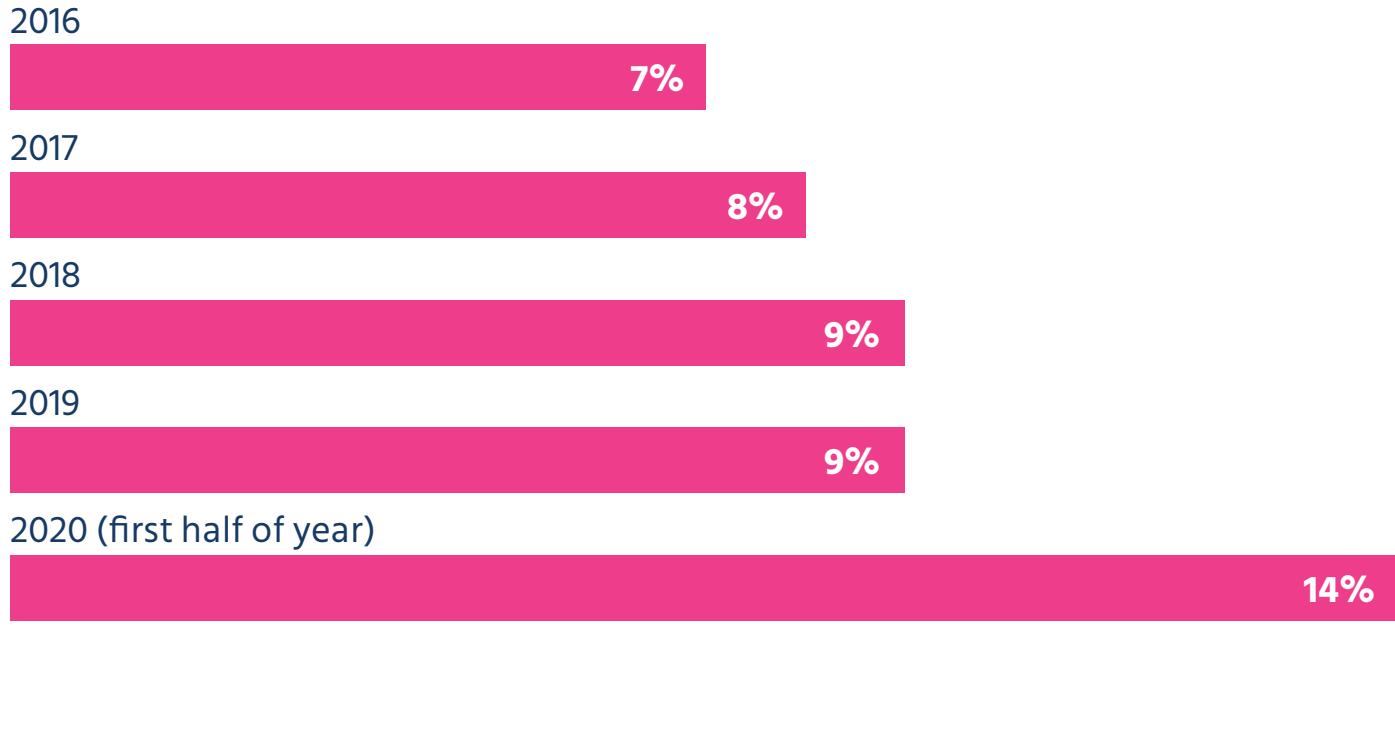
Provide or subsidize or considering:	Currently offer	Considering
Flexible working hours to allow for parents to care for children during daytime working hours	40%	23%
Dedicated back-up care centers	6%	7%
In-home childcare	6%	5%
Virtual tutoring/education services	5%	8%

Based on employers with 500 or more employees

Jump in telemedicine use has employers planning a bigger role for virtual care

Telemedicine utilization rates are climbing, and employers are generally pleased with how their programs are performing. Many have waived copayments to encourage use, and most foresee a larger role for all forms of virtual care going forward.

Average percentage of eligible members (including family members) using the service at least once during the plan year.



Most employers were satisfied with the performance of their telemedicine vendor during the pandemic



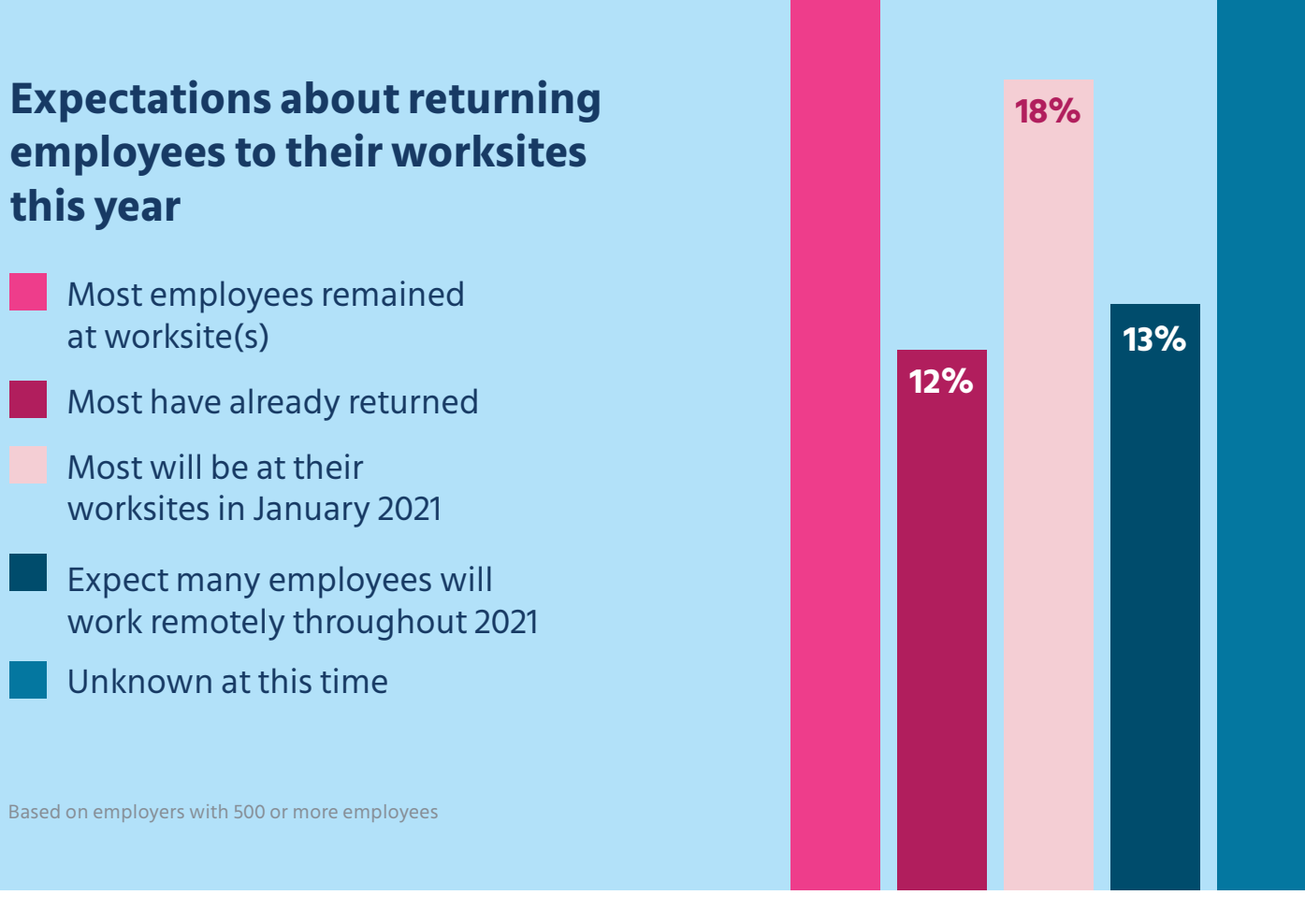
Satisfaction with member service and response time

80% of employers anticipate a larger role for virtual care in general in their health programs in the future

Based on employers with 500 or more employees

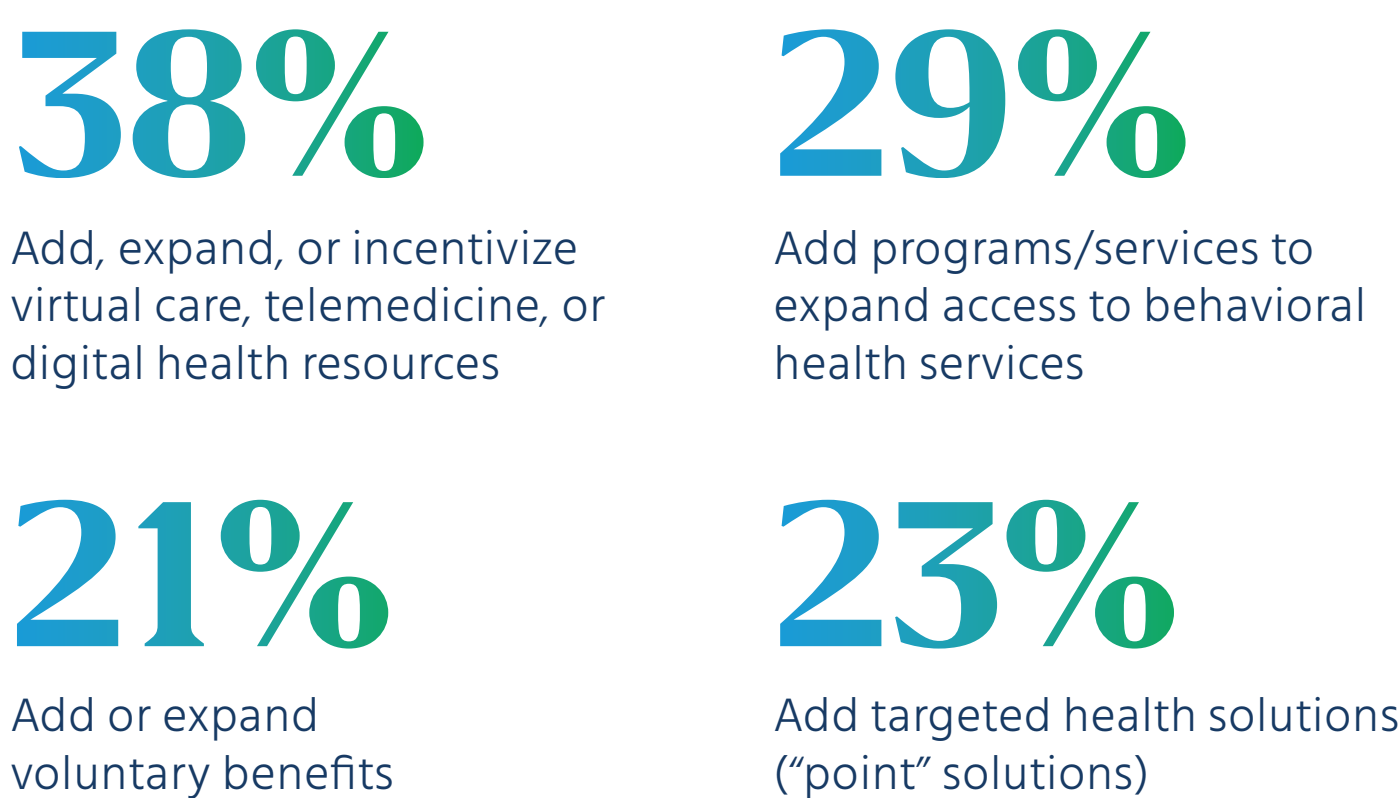
With workers dispersed, employers seek new ways to engage employees

Employers are seeking ways to maintain a healthy workplace culture and keep employees engaged. They are offering resources that can be accessed anywhere, like health navigators and targeted digital health solutions, and expanding voluntary benefit offerings that allow employees to address a range of financial risks.



Based on employers with 500 or more employees

Employers will add benefits and resources to support employees in 2021, especially in very large organizations



Based on employers with 5,000 or more employees