

HUB

Risk & Insurance | Employee Benefits | Retirement & Private Wealth

2022 Health & Performance

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Three Decades of Experience in the Benefits Industry

Worked with NJ Dealerships since 2005

Held Senior Positions at Leading Health Insurance Carrier

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28 Years In The Health Insurance & Wellness Industry

15 Years As A NASM Certified Personal Trainer & Group Fitness Instructor

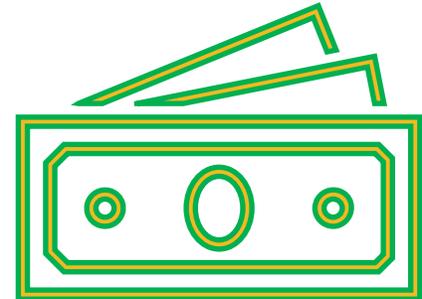
Agenda

1. Financial Impact of Employee Benefits
2. The New Reality
3. What is Health and Performance
4. Who is your Wellbeing Champion
5. Pre Covid-Trends & Post Covid Trends
6. Solutions for the Mental Health Crisis
7. Components Of An Effective Wellness Program
8. Executive Summary
9. Questions

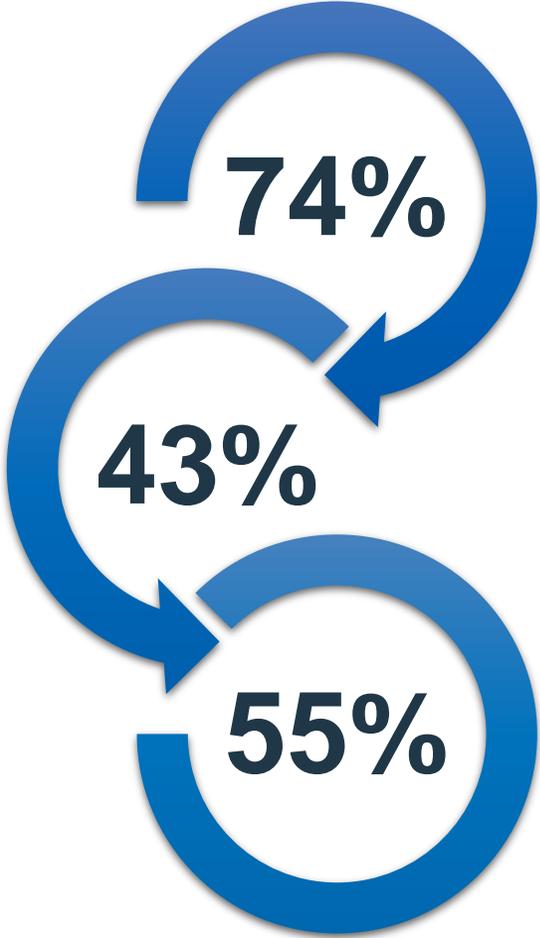
The Financial Impact of Employee Benefit Programs

Issue: Health Care Cost Escalation

- Employee Benefit Cost increases are among the highest percentage growth of all expenses.
- Health Care Insurance Premium Costs have risen between 36 and 67 percent over the past 4 years.
- Health Care Insurance Premium Costs have increase as a percent of expenses in a dealership over the same period of time.
- Health Care Insurance coverage goes a long way to attract and retain employees in a dealership.



The Great Resignation & Beyond...

A graphic consisting of three blue circular arrows arranged in a vertical loop. The top arrow contains the text "74%", the middle arrow contains "43%", and the bottom arrow contains "55%".

74%

of job seekers say that they believe employers need to reevaluate the benefits they offer post pandemic

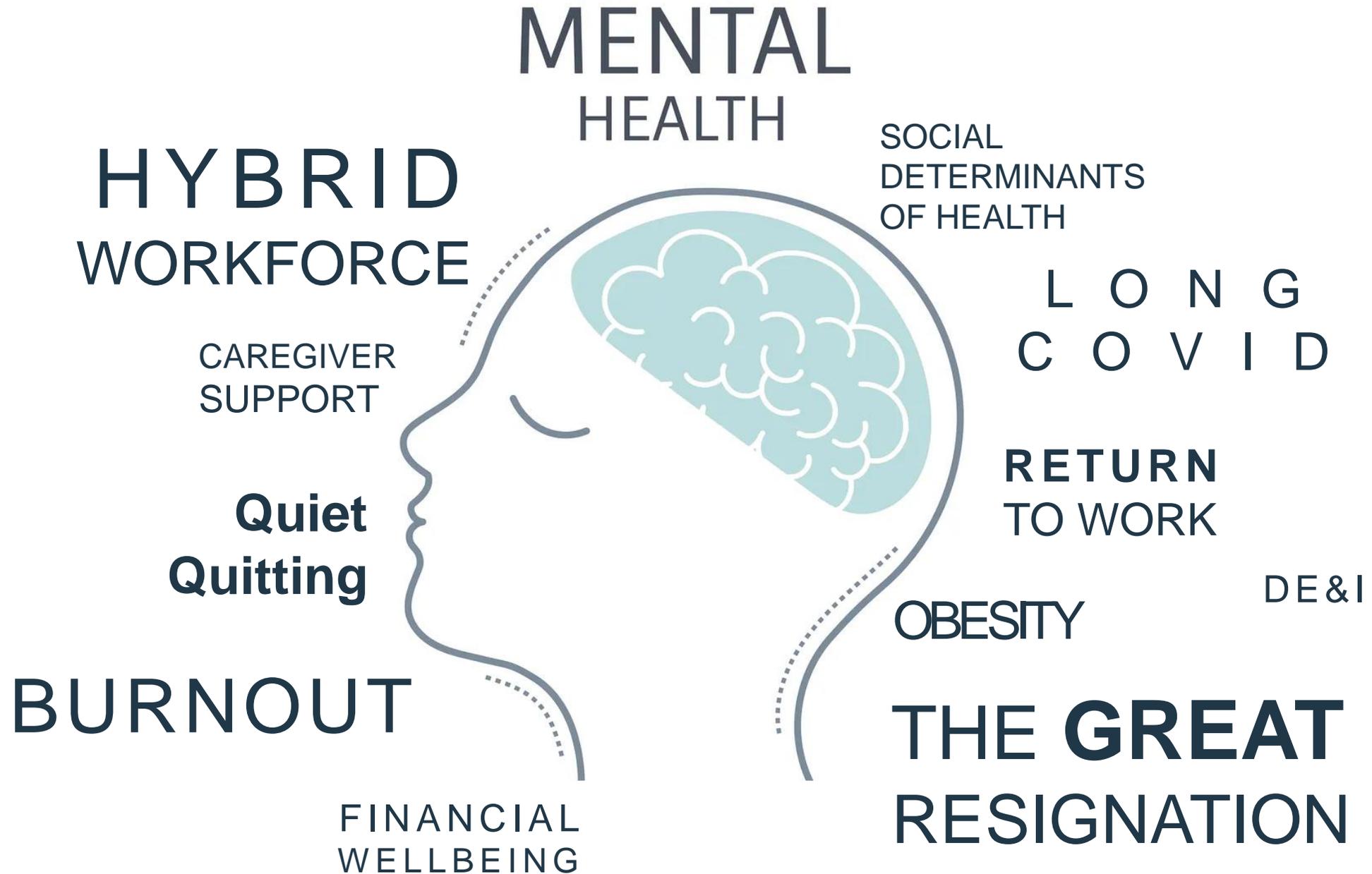
43%

of job seekers say that benefits are more important than financial compensation when considering a new job

55%

say they would consider taking a lower paying job if it offered better benefits

The New Reality



Gartner 2022 survey of 520 HR executives found that...

- **94%** of companies made significant investments in their wellbeing programs
- **85%** increased support for mental health benefits
- **50%** increased support for physical wellbeing
- **38%** increased support for financial wellbeing

Quiet Quitting- what is it? How can we help?

- Quiet Quitting is the New catch phrase for workers doing the bare minimum at work
 - HR Executive hosted a survey of 1,000 employees
 - 21% have a Quiet Quitting mindset
 - Another 5% admitted to doing less than what's required of them
 - 1/3 of all surveyed said they have cut their working hours in half
 - 8 out of 10 of these claimed the main reason is burnout
 - 90% said they could be incentivized to work harder
 - More flexible work hours & increase in wellness offerings
 - Employees want to be heard

What is Health
and
Performance?

What is Health & Performance?

To create a **fit & healthy** workforce that ultimately impacts your company's **bottom line**

- Total Population Health Management
- Review all sources of Wellbeing Programs
- Claims Review, if applicable
- Chronic Conditions Support
- Wellness Funds
- Solid Communication Strategy
- Employee portal to bring it all together



Prevalence of Chronic Disease



6 in 10

Adults in the US have a **chronic disease**

4 in 10

Adults in the US have **two or more**

The Leading Causes of Death & Disability

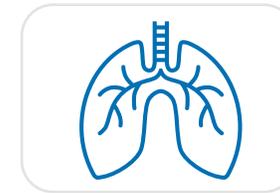
And leading drivers of the nation's **\$3.5 trillion** in annual health care costs



Heart Disease



Cancer



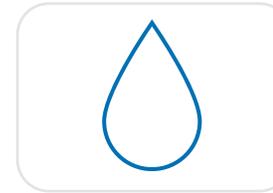
Chronic Lung Disease



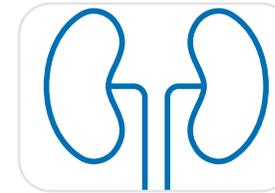
Stroke



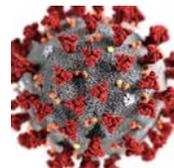
Alzheimer's Disease



Diabetes



Chronic Kidney Disease

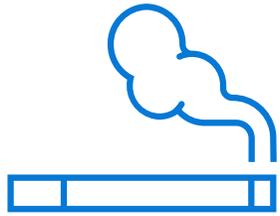


People with a chronic illness are at greater risk from death and complications when infected with the Covid-19 virus

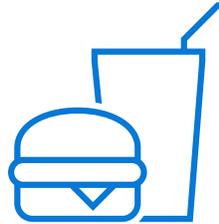
“Your lifestyle can be your best medicine”



The Key Lifestyle Risks for Chronic Disease*



Tobacco User



Poor Nutrition



Lack of Physical Activity



Excessive Alcohol Use

These risks may be significantly increased by social factors.

The CDC estimates that
75%
of healthcare costs go toward chronic disease, largely the result of
LIFESTYLE

The Stats by Generation



2021 Clinical Cost Drivers By Generation

Spend Rank	Generation Alpha	Generation Z	Millennial	Generation X	Baby Boomer
1	Perinatal Period	Mental Disorders	Pregnancy	Cancer	Cancer
2	Other Conditions	Injury (driven by ortho and head injuries)	Other conditions	Musculoskeletal	Circulatory System
3	Congenital anomalies	Other Conditions	Digestive System	Other conditions	Musculoskeletal
4	Mental Disorders	Infectious Disease	Cancer	Circulatory System	Other Conditions
5	Respiratory System	Digestive System	Infectious Disease	Infectious Disease	Infectious Disease
6	Infectious Disease	Musculoskeletal	Mental Disorders	Digestive System	Injury (driven by ortho, surgical)
7	Nervous System	Nervous System	Genitourinary System	Genitourinary System	Digestive System

WHO IS YOUR
WELLBEING
CHAMPION?

Whose Job Is It To Be The Wellness Champion?

- Look to your health plan. Do they have a wellness team?
- Look to your broker/consultant. Do they have a wellness team or expert?
- HR? Is there a team member who feels strongly about corporate wellbeing?
- Are there employees who are passionate about health & wellbeing? Can you get a committee together?
- Outside vendor to handle?

PRE COVID
TRENDS/POST
COVID TRENDS

Pre Covid trends

- A corporate wellbeing program was a luxury not a necessity
 - Onsite Biometric Screenings
 - Onsite Health Fairs
 - Live engaging Fitness Classes & Seminars
 - Work Happy Hours, Holiday Parties, & Social Gatherings off work hours
 - Work/Homelife Balance
 - Commuting struggles

“

2022 will be the year that wellbeing goes mainstream once and for all, ... it's been treated as a 'benefit' for too long and should now be considered a key part of business strategy.

Josh Bersin
Industry Analyst

”

The Great Resignation

33 MILLION employees have quit their jobs

- Majority Are Caregivers & Predominately Female
- Burnout: Work-from-home Makes It Hard To Logoff
- Hybrid Workforce: Social Strain On Employees
- Chronic Conditions Worsen From Lack Of Appropriate Care During Pandemic
- Covid Weight Gain Increase In Diabetes & Heart Conditions
- Financial Strain: Job Loss
- Muscular Skeletal (MSK) Pain Increase Due To Lack Of Movement, Ergonomically Incorrect Workspace At Home, Weight Gain
- Substance Abuse Increase
- Domestic Violence Increase (Emotional & Physical)
- Loneliness Through Quarantine



What Clients Are Sharing In 2022

- Biggest ask is for help promoting mental/behavioral/emotional wellbeing resources
- Caregiver support
- Largest medical & Rx claims are almost always related to
 - Mental Health (burnout, anxiety, depression, stress)
 - MSK (work from home, less active, weight gain through covid)
 - Cardiac (stress, weight gain, inactivity, not knowing red flags in advance due to lack of well exams)
 - Diabetes (weight gain through covid, inactivity, stress)

SOLUTIONS
FOR THE MENTAL
HEALTH CRISIS

COVID-19 and Mental Health



PRIOR TO COVID-19:

- **1 in 5** Americans suffered from a mental health issue every year
- **66%** of employees did not believe they received support from their supervisors
- **\$53 billion:** annual cost of mental health-related absenteeism in the US

SINCE COVID-19:

- In June 2020, **40% (2 in 5)** of US adults reported struggling with mental health or substance abuse (CDC)
- **78%** of employees reported that recent events have negatively impacted their mental health
- **\$200 billion:** incremental annual US health system cost

Substance Abuse and Mental Health Services Administration
The CDC, WHO and Mental Health Foundation

McKinsey Report "Understanding the hidden costs of COVID-19's potential impact on US healthcare"

How Can You Help with The Mental Health Crisis in the workforce?



- Promote programs, educate and support your employees & their families.....
 - Have webinars, onsite discussions, marketing pieces readily available
 - Break the stigma...It's okay to not be okay
 - C-suite discussions with employees
 - Use personal examples...let them know everyone is affected by this
 - Make sure employees know these resources are 100% confidential
 - Create “Mindful Mondays” or “Mid-day Mindfulness” and allow a confidential room to take teletherapy calls during business hours

SITTING IS THE NEW SMOKING

The shift to working remotely has impacted employees in various ways. Some responded by increasing physical activity and losing weight (35%); however, more became increasingly sedentary (40%) and gained weight, likely due to the lost physical movement associated with commuting and walking around the workplace. As a result, some segments of the workforce will face increased health risks.

(Gartner 2022 Article)



Covid Weight Gain Is Real

We asked our social media followers about their health habits during **COVID-19**.

HERE ARE THE RESULTS:



68%

say they are
**snacking
more**



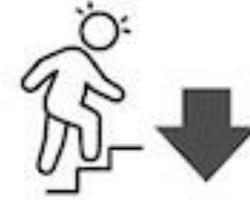
74%

are
**cooking at
home more**



61%

are
**ordering
out less**



54%

are
**exercising
less**



54%

say they have
**gained
weight**

COMPONENTS
OF AN EFFECTIVE
WELLNESS PROGRAM

Key Elements of an Effective Wellbeing Program



Leadership
Support

Excellent
Communication

Targeted
Programming

Incentives

Program
Evaluation

Strategic
Planning

Supportive Environment

Communications Designed for Today's Reality



>50%
World population that is under 30 years old.



53%
Millennials who would rather lose their sense of smell than their technology.



7 seconds
The average human's attention span (...and a goldfish's? Well—8 seconds.)



8th grade
Average U.S. literacy level.



75%
Employees more likely to watch a video than read text.



More people
own a mobile device than a toothbrush.

Effectively Engage the Five Generations of Workers



Millennials are estimated to make up 50% of the national workforce in 2022



Silent Generation
76+
(1927 - 1945)



Baby Boomers
57 - 75
(1946-1964)



Gen X
41 - 56
(1965-1980)



Millennials
25 - 40
(1981- 1996)



Gen Z
< 24
(1997- Current)

% of Total Workforce	1%: 2 EEs	11%: 20 EEs	25%: 45 EEs	49%: 88 EEs	14%: 26 EEs
Communication Strategy	Meet with Me	Meet/Mail me	Call Me	Email me	Text me
Concerns & Well-being	Remain healthy and productive at work until ready to retire	Providing for family and retirement	Buying a home, supporting families, financial future	Concerned with finances and their future	Beginning their career
Medical Benefits **	Likes choice (PPO) but can afford (HDHP); likes HSA retirement savings option	Likes choice (PPO) but can afford (HDHP); likes HSA retirement savings option	Likes choice (PPO)	HDHP or low cost option (HMO)	Likely still on parent's plan
Voluntary / Disability **	ID theft, permanent life, CI and LTD	Term life, CI, ID theft and LTC; Disability - Values coverage	CI, accident, 529 plan, home/auto; Needs Disability but must be educated on it's value	Home/auto, financial wellness, student loan repayment, accident, ID theft	
Gaps to Consider	Permanent Life Insurance, Retirement	Sabbatical, ER Paid LTD, IDI, Retirement	Paid Maternity/Paternity, Pet insurance, Child Care Support, ER paid LTD, IDI, Student Loan Repayment, 529 Savings Plan	Paid Maternity/Paternity, Pet insurance, Child Care Support, ER paid LTD, IDI, Student Loan Repayment, 529 Savings Plan	

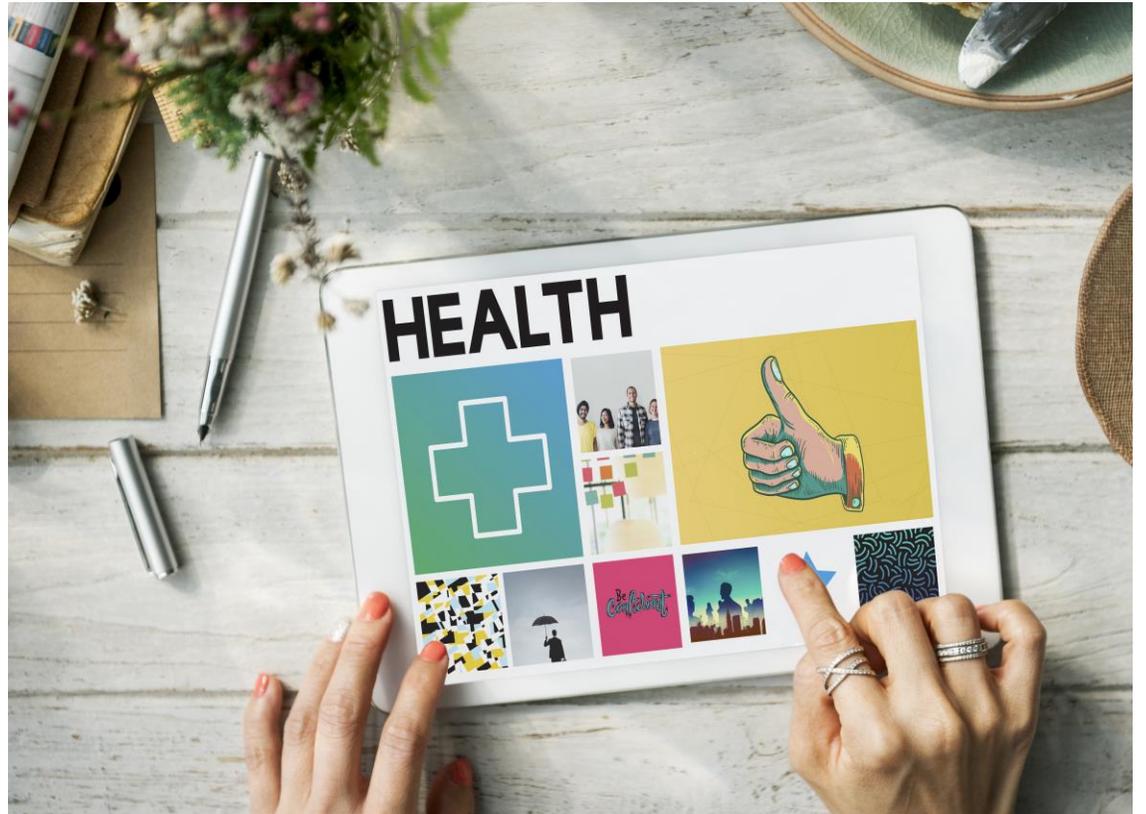
How Do I Navigate The World of Digital Wellbeing Solutions?



Keys to vetting vendors

- How long have they been in this space?
- What size companies do they offer to?
- Can you afford the cost?
- Is it voluntary/all employees?
- Does your Health plan allow this to be submitted as a claim?

Finding funding for these programs



What's hot- Lifestyle Savings Accounts- LSA

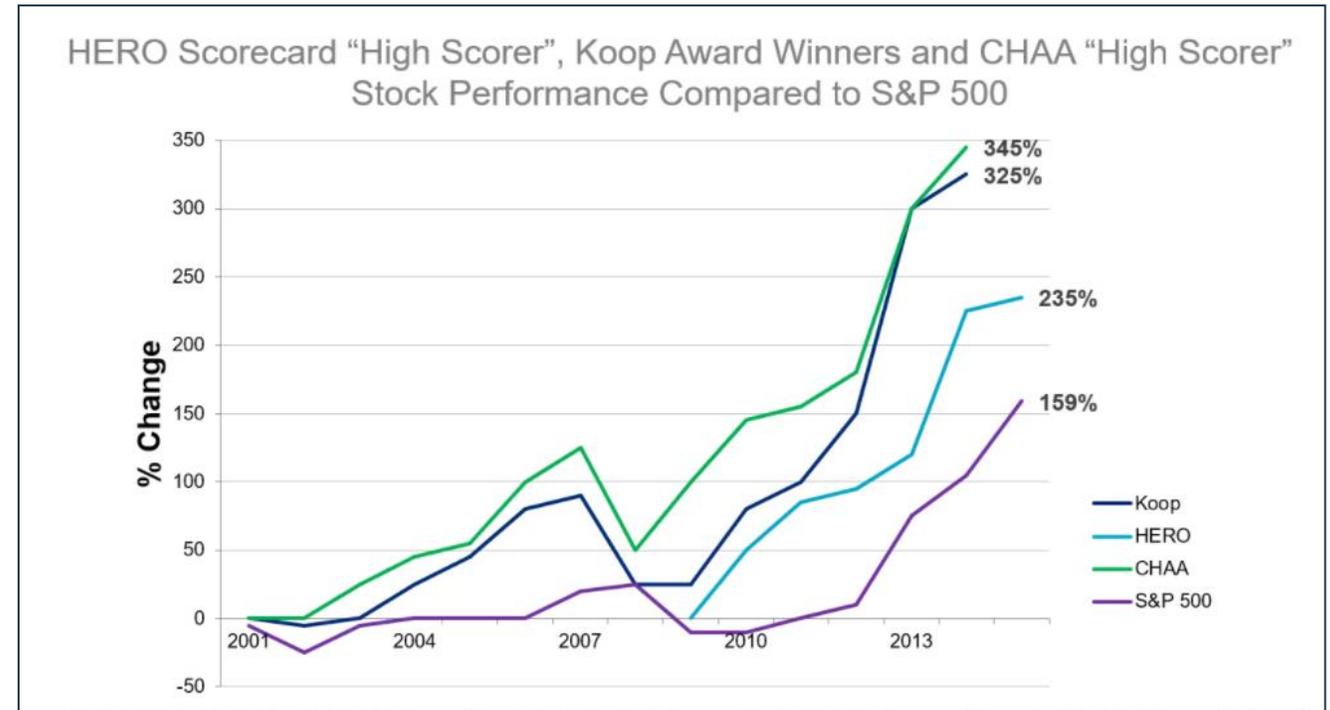
- Create funding solution for smaller employer groups or companies who do not want to purchase vendor solutions for all employees
- Any size client can purchase- small PEPM admin fee
- Post Tax Account
- No IRS Regulations- you determine what's covered
- Roe v. Wade reversal- Travel expenses
- Can set up funding weekly, monthly, annual with annual & lifetime maximums
- Can add & change coverages throughout the year
- Unused funds stay with the employer

Executive Summary

Best Practices Drive Financial Returns



- **Companies with exceptional wellness programs** had stock valuations that **outperformed the S&P 500 index fund by 325%**, as compared with the market average of 105% over a 14-year period
- Successful wellness programs featured:
 - Strong organizational and leadership support
 - Excellent communications and valued incentives
 - An emphasis on a data-driven strategy and program evaluation



• journals.lww.com/joem/Fulltext/2016/01000/The_Stock_Performance_of_C_Everett_Koop_Award.3.aspx. Grossmeier, Goetzel et al.

• CHAA = American College of Occupational and Environmental Medicine’s Corporate Health Achievement Award. Fabius et al.

Moving Into The Future With Health & Performance



Times are changing. This “new normal” is here, we must adjust to meet the new needs of our unique population

- Find a **Wellbeing Champion** or team for your company
- Support Mental Wellbeing
- **Pre-Diabetes & Diabetes** are the new pandemic
- Find creative and impactful solutions to help recruit & retain
- Listen to the wants & needs of your employees
- **Communication** is the Key to Success

QUESTIONS?

Thank you.

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