

Turning health risk into value:

Are your health and well-being
approaches inclusive?



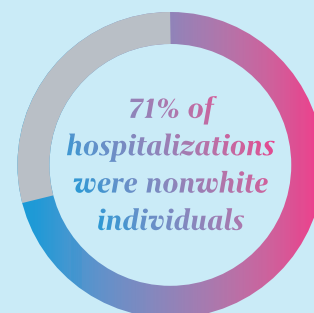
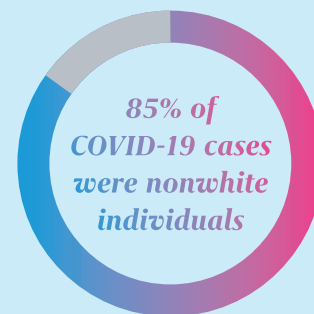
Are your health and well-being approaches inclusive?

Although diversity, equity and inclusion (DEI) has largely become non-negotiable, inclusive benefits that address the needs of a diverse workforce are really in their infancy. How can people thrive on and off the job if their work environment is not inclusive? With benefits a key component of the employee experience, the way health, risk protection and well-being benefits are designed and delivered can play a key part in enabling the desired workplace culture and employer brand. We urge employers to incorporate inclusive benefits as part of their DEI strategy.

The COVID-19 pandemic has highlighted the need for more equity. A study published in The Lancet found that across the United Kingdom and United States, Black individuals were twice as likely to become infected with COVID-19 compared their white counterparts, while Asian and Hispanic individuals were one and a half times more likely to become infected compared to white people.¹ In Toronto, while 52% of the population identifies as nonwhite, as of September 2020, 82% of COVID-19 cases and 71% of hospitalizations were among nonwhite individuals.²



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¹ Sze S., Pan D., Nevill C., Gray L., Martin C., Nazareth J, et al. Ethnicity and Clinical Outcomes in Covid-19. Available at: [https://www.thelancet.com/journals/eclinm/article/PIIS2589-5370\(20\)30374-6/fulltext#seccesectitle0014](https://www.thelancet.com/journals/eclinm/article/PIIS2589-5370(20)30374-6/fulltext#seccesectitle0014)

² Library of Parliament Research Publications. Inequities in Covid-19 Outcomes. Available at: <https://hillnotes.ca/2020/12/08/inequities-in-covid-19-health-outcomes-the-need-for-race-and-ethnicity-based-data/>

Many traditional benefit plans assume a linear life pattern, where an “average” employee gets married, buys a home, raises a family, and retires. Health and well-being benefits often fail to take account of racial, ethnic, sexual orientation, gender identity, income, or country of origin, among other dimensions (see Figure 1). Health, risk protection and well-being benefits offered to employees

— including provisions for areas like mental health, paid time off, and caregiving — are far behind the reality of a diverse workforce. Firms should adapt their benefit plans and introduce benefits that are designed to support all employees, including people of color, women, LGBTQ+ individuals, veterans, immigrants (including refugees and migrant workers), and people with disabilities.

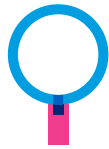
Figure 1. A multidimensional workforce.



Although 81% of employers are focused on improving diversity, equity and inclusion, only 38% of businesses actually have a multi-year strategy in place to achieve this³. For employers wanting to lead the way on inclusive benefits, Mercer Marsh Benefits suggests starting with a four-step process:



1. Assess gaps in current benefits.



Employers can start by assessing gaps in current benefits and identifying priority segments, themes and geographies. It is important to start understanding the baseline situation in each country, as well as the regulatory framework and socio-cultural constraints. The combination of market practice employer-sponsored benefit plans and government healthcare provisions may not meet employee needs (see women, LGBTQ+ and other examples). As part of this assessment, employers should check that the existing coverage in their medical, leave and retirement plans is still fit for purpose, and also investigate government programs in the relevant locations. This exercise can ensure accessibility and quality, while optimally allocating costs and resources where they are needed most.

2. Define and uphold minimum standards.



Often the process of acknowledging program shortfalls from different lenses results in debate and dialogue about how best to modernize benefit philosophy. This compels the business to define critical areas of focus, which are typically aligned to broader people objectives, workforce strategy and emerging best practices. Employers should set a clear internal bar across the company aligned to the DEI strategy that considers employee needs, legal risk tolerance, cost and operational resources. This must also consider clinical best practices and creative benefit-delivery models. The desired end goal can be articulated as a set of guiding principles and minimum standards that can be consistently applied and adapted to different geographies, business units and employee groups.

3. Design a universal strategy.



Employers can then develop a plan for deploying their minimum standards consistently across their organization. This would involve creating a roadmap over a period of three to five years, with strong buy-in from senior leadership and engagement of other stakeholders including works councils, unions, providers and various internal functions.

4. Challenge the status quo.



To avoid waiting too long to close prioritized gaps, employers will need to encourage internal decision-makers as well as external advisors, vendors and insurers to be creative in filling gaps as traditional insurance approaches are insufficient. For example, this may mean self-insuring different expenses through an administrative service or captive financing arrangement.

³ Mercer. "2021 Global Talent Trends Study," available at <https://www.mercer.com/our-thinking/career/global-talent-hr-trends.html>

Employer impact on people's health and prosperity

The four-step process outlined may reveal that a company's benefits do not currently meet the needs of one or many groups of employees in the workforce. Historically, health benefits provided by employers have systematically excluded the needs of minorities and underrepresented groups, or have provided only partial support. Some examples include:

• Race and ethnic inequities:

In June 2020, the United States Centers for Disease Control and Prevention (CDC) data showed that the age-adjusted death rate caused by COVID-19 for Black people is 3.6 times that of white people, and the death rate for Hispanic/Latino people is 2.5 times that of white people.⁴ There are similar examples of inequity in other regions of the world.

Employers should consider reviewing their health-provider networks to ensure the diversity of healthcare professionals in network reflects that of the workforce, since there is evidence that there can be improvements in health outcomes when this is the case.⁵

• LGBTQ+ families:

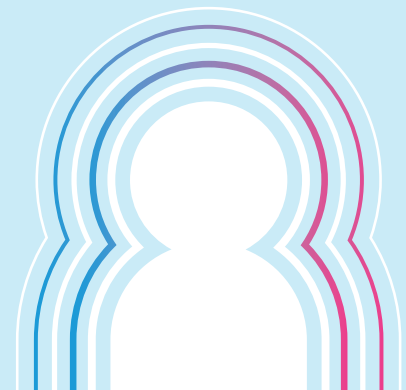
Although same-sex marriage is legal in at least 30 countries, benefits tend to be built for the heterosexual family structure, where there is an opposite-gender couple of two parents, and the mother shoulders the majority of the childcare burden. Employers must widen the lens and recognize that single-parent households, LGBTQ+ parents and blended families are increasingly prevalent and benefits must be adapted accordingly. In addition, family planning — such as surrogacy and in vitro fertilization (IVF) — should be considered and accessible for all types of families.

Progress around access to gender dysphoria care has been accelerated since the American Psychiatric Association reviewed its approach in 2013 to provide unbiased support and care for transgender individuals.⁶

In addition to ensuring benefit plans are inclusive, employers can consider other actions they can take to shape people's lives. There is much [research](#) on the critical importance that factors like job insecurity, working conditions, discrimination, food insecurity, education and housing can have on health outcomes.

An inclusive benefits strategy alone will not address health disparities. We encourage employers to consider how they can become a vital contributor to people's health, and hence prosperity, through locally relevant enhancements in areas such as:

- Safe working conditions.
- Making sure basic needs are met, including comprehensive healthcare program eligibility (especially for low-wage employees) and preventative care, as well as supports in areas such as caregiving and navigation of available resources.
- Ensuring affordable and accessible medical care for all covered populations, including language, ethnic and cultural representation of the healthcare staff.
- Broader diversity, equity and inclusion strategies and perspectives that consider the cumulative impact of chronic stress, micro-aggressions, disparities and trauma.



⁴ Centers for Disease Control and Prevention. (June 2020). Weekly updates by select demographic and geographic characteristics: Provisional death counts for coronavirus disease 2019 (COVID-19). National Health Center for Statistics. https://www.cdc.gov/nchs/nvss/vsrr/covid_weekly/index.htm#Race_Hispanic

⁵ American Psychiatric Association, gender dysphoria changes communication 2013

⁶ American Psychiatric Association, gender dysphoria changes communication 2013

• **Women's health:**

Women are twice as likely to be diagnosed with mental health issues, driven by external factors such as discrimination, harassment, caregiving and exclusion. Despite this, just 68% of global insurers offer mental health programs.⁷

Women's physical health needs to be considered too: in some emerging markets, menopause is viewed as a physiological bodily response, not a health condition, and as a result, the associated treatments are not covered by medical plans.

Although maternal mortality rates are still improving, the World Health Organization (WHO) still estimates that annually for every 100,000 live births, 211 women die, with 86% of all maternal deaths occurring in sub-Saharan Africa and South Asia.⁸ Employers can support comprehensive maternity care in emerging and established markets alike.

• **Multigenerational employees:**

An aging population in many parts of the world means that people are working longer and therefore mixing with younger generations with completely different skills, needs and events. Consequently, employers must examine their benefit plans to ensure that they are suitable for employees at all stages of life. This can include introducing benefits focused on physical activity, behavioral health, and preventative healthcare and at the same time ensuring coverage and support for needed treatments.

Equally, retirement is no longer the cliff edge it once was. Employers may need to revisit outdated age limitations and minimum hours of work requirements.

An ageing workforce

Our population across the industrialized world is aging to the extent never experienced in history before, just as we are entering a period of uncertain global economic growth. These converging factors have implications for every part of our society: How we think about and live our lives, how we finance them and how we will work in future. It is vital to support people to live healthier lives and stay in the workforce for longer (as so many desire or/need to do), reducing dependency and the burdens on health, pensions and social systems.

The [Next Stage](#) point of view and AARP's [Disrupt Aging](#) work uncover ways to optimally engage and leverage the experienced worker — a critical component of the workforce of today and tomorrow.



⁷ Mercer Marsh Benefits, MMB Health Trends: 2020 Insurer perspective, 2020. Available at: <https://www.mercer.com/ourthinking/health/mmb-health-trends-2020-insurer-perspective.html>

⁸ World Health Statistics 2020. <https://www.who.int/data/gho/publications/world-health-statistics>



• **Employees with disabilities:**

One billion people worldwide experience some kind of disability.⁹ A good place to start to support employees with disabilities is to review plans and ensure health benefits meet the needs of people with disabilities. Businesses must go another step further though, and examine how organizational decisions can affect the needs of the workforce. For example, firms considering “hot desking” (where employees do not have an assigned desk and take whichever workspace is available that day) need to consider the significant impact the set-up can have on people with autism or those who are disabled. In addition, employers should consider how they communicate regarding benefits and other policies and procedures, so that the information is accessible to employees with vision and/or hearing loss.

Employers must take care when designing plans and understand that a one-size-fits-all solution will not meet the varied needs of today’s diverse workforce. Figure 2 (next page) outlines possible themes that could be addressed to provide more inclusive benefits. These would help maintain employee health and promote equity, dignity and prosperity. Although the gains from such benefits can accrue to specific underrepresented groups, they can also benefit employees more broadly. For example, inclusive family-planning benefits such as fertility care may be introduced to meet the needs of certain underrepresented groups, but can be relevant to many others within the workforce.¹⁰

⁹ World Health Organization. Disability and Health. December 2020 Available at: <https://www.who.int/news-room/fact-sheets/detail/disability-and-health>

¹⁰ BRINK. “As Workplaces Diversify, Inclusive Health Care Benefits Can Lend a Competitive Advantage”, June 2019. Available at: <https://www.brinknews.com/as-workplaces-diversify-inclusive-health-care-benefits-can-lend-a-competitive-advantage/>

Below are examples of inclusive benefit provisions employers can strategically review and implement. This is not an exhaustive list.

Race & ethnicity	Women / all gender care	LGBTQ+	Disabilities	Multigenerational / aging	Veterans & refugees
<ul style="list-style-type: none"> • Mental health support • Cardiovascular care • Outpatient medicines for diabetes and hypertension • Life insurance — congenital conditions • Multilingual and multicultural healthcare, navigators and vendors access • Nutritional education • Healthcare provider listings or directories that have information about race and ethnicity 	<ul style="list-style-type: none"> • Inclusive family planning / fertility care; adoption and surrogacy • Menopause, and climacteric care • Maternity / parental leave / childcare • Genetic screening • Ovarian / breast cancer support • HIV, PrEP coverage • HPV vaccines • Mental health support • Women's cancer exclusions and limitations • Prophylactic mastectomy coverage 	<ul style="list-style-type: none"> • HIV, PrEP coverage • Comprehensive gender affirmation treatment and workplace supports for transgender employees • Voice therapy & feminization/masculinization benefits • Mental health support from LGBTQ+ inclusive providers • HPV vaccines • Inclusive family planning / fertility care, adoption and surrogacy • Parental leave • LGBTQ+ specialized clinics and healthcare access 	<ul style="list-style-type: none"> • Mental health support • Body support devices, prosthesis, eyewear, and hearing devices • Life insurance • Short- and long-term disability • Return to work program, including job accommodations • Home accommodation • Cultural adaptation • Autism ABA and access to care coverage • Special language education • Caregivers' benefits • Communication channels that are accessible for employees with vision and/or hearing loss 	<ul style="list-style-type: none"> • Cardiovascular care: devices, manometers supply, glucometer device, CPAP • Comprehensive care for chronic conditions: neurological, cancer, diabetes & hypertension • Nutritional education • Body support and hearing devices • Life insurance • Caregivers benefits • Flexible time and shifts rotation • Life transition preparation • Well-being programs • Mental health support 	<ul style="list-style-type: none"> • Prevention and treatment of infectious diseases • Mental health support • Life insurance: criminal record exclusions, mental health exclusions, suicide • Short- and long-term disability • Return to work • Multilingual and multicultural health care, navigators and vendors access • Mental health support, especially for post-traumatic stress disorder

Figure 2. Inclusive benefit possibilities.

An inclusive benefits strategy supports a multitude of business objectives. Businesses that fail to acknowledge the increasing diversity of the workforce risk perpetuating the inequality of outcomes for their employees and their families. By ignoring the issues and opportunities that exist, not only will firms miss the benefits of a diverse and inclusive workforce, but they also face increased risks in

areas such as talent management, reputation and benefit cost escalation stemming from downstream impacts of unmet needs. It is important to ensure that all employees have access to benefits that truly benefit. Contact your MMB consultant to learn more about appropriate inclusive benefits and solutions for your organization.



For further information, please contact your local Mercer Marsh Benefits office.

Mercer Marsh Benefits provides a range of solutions to help you manage people risk, including:

- Brokerage of core employee benefits as well as expatriate and special risks like business travel accident.
- Advice and support for health and well-being, plan member communications, and benefit plan financing.
- Digital solutions to engage plan members in their health and benefits.

ABOUT MERCER MARSH BENEFITS™

Mercer Marsh Benefits™ provides clients with a single source for managing the costs, people risks, and complexities of employee benefits. The network is a combination of Mercer and Marsh local offices around the world, plus country correspondents who have been selected based on specific criteria. Our benefits professionals located in 135 countries and servicing clients in more than 150 countries, are deeply knowledgeable about their local markets. Through our locally established businesses, we have a unique common platform which allows us to serve clients with global consistency and locally unique solutions.

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