

turning health risk into value:

are your health and well-being
approaches inclusive?



welcome to brighter

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 to their white counterparts, while Asian and Hispanic individuals were one and a half times more likely to become infected compared to white people.¹ New federal data reveals that African Americans and Latinos in the US have been three times more likely to contract COVID-19 than white residents and nearly twice as likely to die from it.² Some counties with a majority of African American residents have almost six times the death rate compared to counties that are predominantly white.³



New federal data reveals that African Americans and Latinos in the US are:

3X

3 times more likely to contract COVID-19 than white residents

2X

nearly twice as likely to die from it than white residents

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 <https://www.nytimes.com/interactive/2020/07/05/us/coronavirus-latino-african-americans-cdc-data.html?auth=login-email&login=email>

³ https://www.washingtonpost.com/nation/2020/04/07/coronavirus-is-inflicting-killing-black-americans-an-alarmingly-high-rate-post-analysis-shows/?arc404=true&itid=ik_inline_manual_18

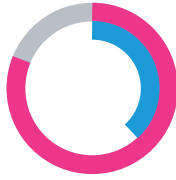
Many traditional benefit plans assume a linear life pattern, where an “average” employee gets married, buys a home, raises a family, and retires. Health and well-being benefits often fail to take account of racial, ethnic, sexual orientation, gender identity, income, or country of origin, among other 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 suggests starting with a four-step process:

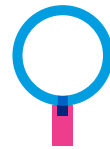


1. Establish measures of success.



Organizations can align their benefit strategies with the overall DEI organizational strategies. This includes identifying key stakeholders, discovering health disparities, setting targets for achieving health equity, and getting the voice of employees from each of the under-served population, such as input from the business and employee resource groups. Consider designing DEI dashboards that measure progress and promote organizational and individual accountability. Employers should employ the power of data, employee listening and analytics to understand the current landscape at their organization, identify areas of priority and root their DEI strategies in evidence.

2. Assess gaps in current benefits.



Employers can evaluate the benefit coverages as well as the member experience with the benefit vendors. Employers can conduct formal DEI benefit vendor assessments of their current benefit partners reviewing a range of capabilities and competencies, such as organizational commitments, identifying and addressing social determinants of health, health equity initiatives and metrics, and specialized resources and navigation for under-served populations. This can also be obtained through meetings with business and employee resource groups. Through these processes, improvement opportunities can be identified and prioritized.

3. Implementing enhancements.



A diverse, equitable and inclusive environment can improve business performance and increase profits by bringing an organization together. One way organizations can foster this type of environment is to ensure its benefit offerings are inclusive, meaning employers should address the gaps and disparities in benefit plan offerings to optimize the health, productivity, well-being and financial protection for underrepresented groups. Employers can implement improvements with current benefits partners based on the previously identified prioritized gaps. This effort could also involve implementing new benefit partners with the current partners who are unable to address the gaps.

4. Transparent reporting.



To provide transparency, employers should report on health disparities and health equity initiatives. Set clear, measurable goals for DEI efforts and communicate them to all key stakeholders, including leaders, managers and HR. This will help promote accountability across all levels. Communicate clearly to enhance the transparency of these DEI efforts so employees know where an employers priorities lie and what actions they are taking to create systemic change. One way to do this is through a DEI and benefits dashboard based on the previously identified success measures at the beginning of the process. Employers can demonstrate that they have taken actions on DEI and not just statements.

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:

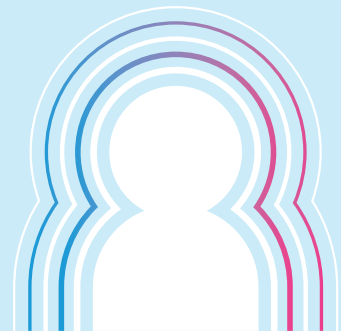
Although same-sex marriage is legal in at least 30 countries, benefits tend to be built for the heterosexual family structure, where there is an opposite-gender couple of two parents, and the mother shoulders the majority of the childcare burden. Employers must widen the lens and recognize that single-parent 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 especially to meet the needs from social determinants of health.
- Ensuring culturally competent and accessible medical care for all covered populations, including language, ethnic and cultural representation of the healthcare staff.
- Broader DEI 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 maternal death ratio for Black women (371 per 100,000 pregnancies) is 2.5 times the ratio for white women (14.7) and three times the ratio for Hispanic women (11.8).⁸ Employers can support comprehensive maternity care.

• **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 aging 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 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 the future. It is vital to support people to live healthier lives and stay in the workforce for longer (as so many desire and/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 <https://www.commonwealthfund.org/publications/issue-brief-report/2020/dec/maternal-mortality-united-states-primer>



• **Employees with disabilities:**

61 million people in the US live with a 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 <https://www.cdc.gov/ncbddd/disabilityandhealth/infographic-disability-impacts-all.html#:~:text=61%20million%20adults%20in%20the,have%20some%20type%20of%20disability>

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 is a framework of questions and associated approaches and solutions regarding inclusive benefits. This is not an exhaustive list.

Area of DEI in Benefits	Approaches & Mercer Solutions
What is covered?	<ul style="list-style-type: none"> • DEI in benefits best practices • Transgender benefit coverage review • Inclusive family benefit coverage review
How are benefits communicated?	<ul style="list-style-type: none"> • Communication of benefits with members with vision loss • Communication of benefits with members with hearing loss • Communication of benefits with members with limited English proficiency • Communication of benefits displaying diversity of membership, e.g. People of Color, same sex couples, wheelchair users, etc.
Who is covered?	<ul style="list-style-type: none"> • Domestic partners, including opposite sex couples and same sex couples • Defining family to include a broader description beyond the traditional nuclear family
What is the member experience with benefits?	<ul style="list-style-type: none"> • DEI benefit vendor assessment • DEI benefit workshop • DEI persona analysis • Listening sessions with members of BRGs/ERGs • Implementation of benefit enhancements with benefit vendors
How to optimize and amplify inclusive benefits?	<ul style="list-style-type: none"> • Health equity strategy development and implementation, including member advisory groups and health equity screening tools • Focused training sessions for under-served populations, such as open enrollment sessions specifically for the LGBTQ members

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 Mercer consultant to learn more about appropriate inclusive benefits and solutions for your organization.



**Contact your Mercer
consultant today to learn more.**