



Workplace benefits trends

**HEALTH, WELLNESS +
THE POWER OF BENEFITS**

2021-2022



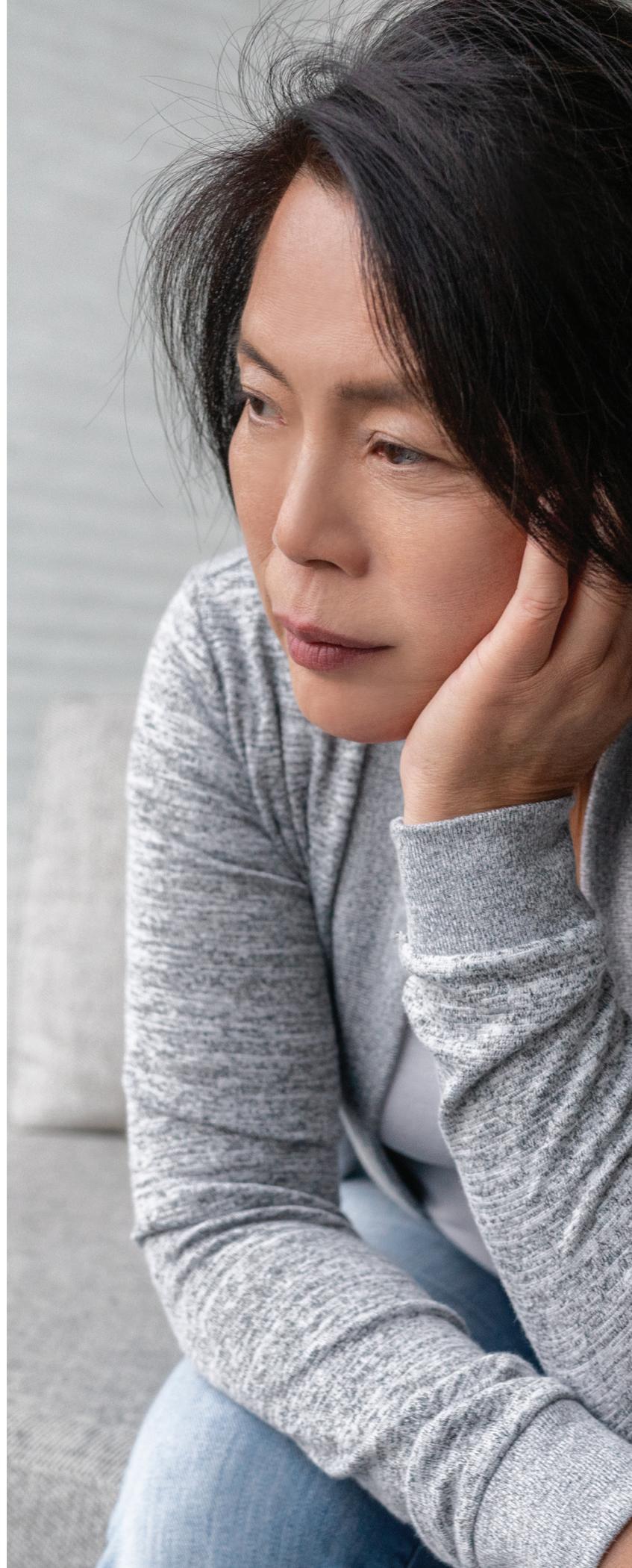
Personal mental health negatively affected the job performance of a third of the U.S. workforce over the past year.

About half of all American workers are currently experiencing at least moderate levels of burnout, including depleted energy, exhaustion, negativity, cynicism and reduced productivity. Burnout is, unsurprisingly, experienced at different levels based on key demographic characteristics. Specifically, younger workers, essential workers and those who have been personally affected by a COVID-19 diagnosis currently are more likely to be experiencing burnout. Also, women are more likely than men to ever have experienced burnout. These groups likely need more support from both their employers and their benefits providers.

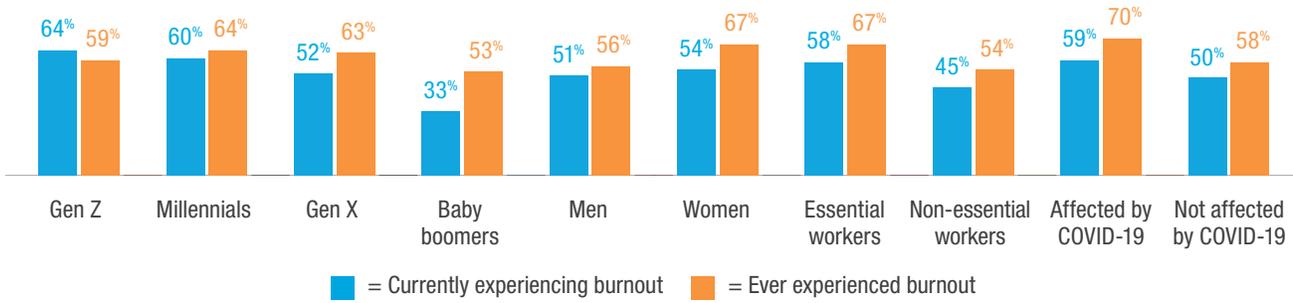
Key areas in which employers can provide additional support for their employees are in providing flexible scheduling and additional paid time off. Especially of note, those employees who had additional paid time off available to them in the event of a COVID-19 diagnosis are more likely to believe that their employers care a great deal about their mental and physical health. There is also an opportunity to better educate employees about existing resources and employee assistance programs that organizations may offer.



Pro tip: Mental health challenges can have a negative impact on productivity and lead to burnout. Employers can encourage behaviors to support well-being and mental health by offering wearable tech products, promoting or providing telehealth options and supporting virtual exercise programs through paid memberships, stipends or other incentives.

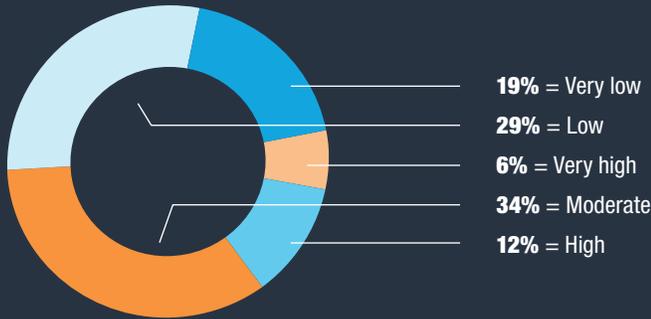


Employees experiencing burnout vary considerably based on key demographic characteristics:



About half of all American workers are currently experiencing at least some level of burnout.

Question: How would you rate your current level of burnout?

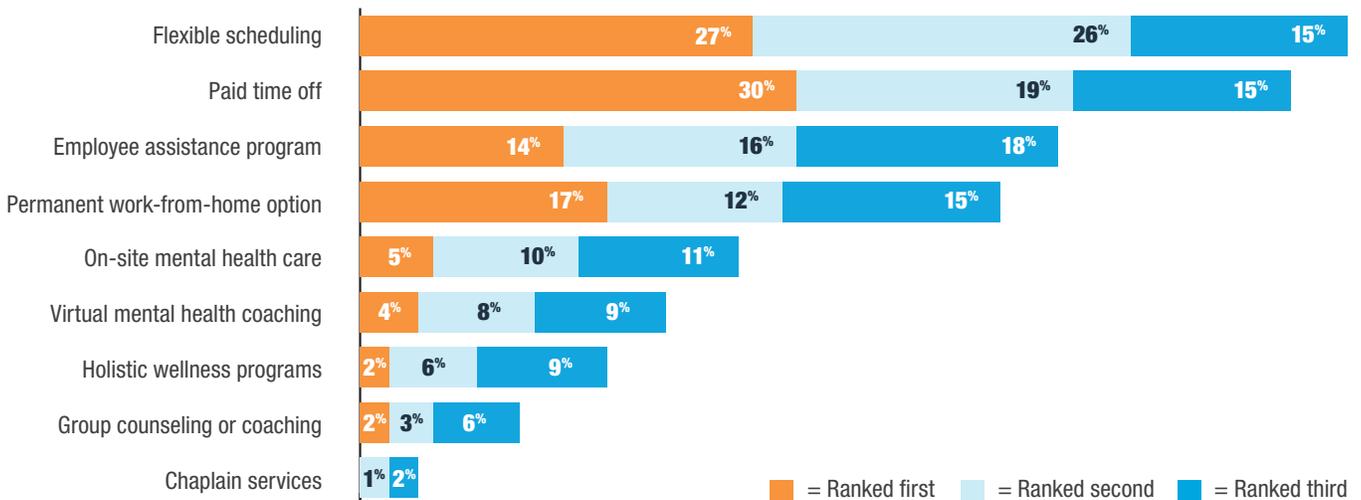


1 in 3 American workers state their personal mental health negatively impacted their productivity in the past year.



Whether it comes from flexibility or paid time off, employees facing burnout are looking for more time.

Question: How helpful would each of these be in helping you deal with burnout? Please rank from most to least helpful.



Positive perceptions of paid leave are linked to employees' beliefs that their employer cares for them.

With school closures for children and the elderly being a more vulnerable population, families and caregivers are some of the most hard-hit working groups. So it comes as no surprise that employees facing burnout are looking for more time – including a flexible schedule and paid time off. Both employers and employees generally agree that businesses provided adequate time and flexibility over the past year for workers to manage their home and personal responsibilities. There is a disconnect, however, with what employers think they are providing and what employees are actually experiencing.

- Most employees report having access to Family Medical Leave, with **42% saying** it is a paid benefit.
- **89% of employers** believe they provided adequate time and flexibility to employees, while **72% of employees** believe they receive the support that they need.
- Employees that had additional PTO available to them in the event of a COVID-19 diagnosis are **more likely to believe their employer cares about their mental and physical health.**
- **Half of employees** say taking PTO is viewed as positive at their company while just 39% say taking a leave of absence is viewed in a positive light.
- Employee perception of how PTO and leave of absences are viewed at their company are also strongly correlated to the **belief that their employer cares about their health.**



Pro tip: Employees are far more likely to say they don't know if their company offers additional PTO if they or a close family member receives a COVID-19 diagnosis. This presents an important education opportunity for employers to outline their PTO and leave of absence policies and to go the extra mile with communicating about policies related to COVID-19.

Personal time off is perceived as more positive at work than taking a leave of absence.

Employees who had additional PTO available to them in the event of a COVID-19 diagnosis are more likely to believe that their employers care a great deal about their mental and physical health.

Belief that employer cares about mental and physical health by availability of additional PTO due to COVID-19 diagnosis.

40%	27%	A great deal
31%	26%	A moderate amount
19%	29%	Somewhat
7%	13%	Not very much
3%	6%	Not at all

■ = Employer offered additional PTO
 ■ = Employer did not offer additional PTO

Belief that their employer cares about their health is highly correlated with the perception of taking time off at work.

2%	4%	22%	Not at all
4%	12%	29%	Not very much
18%	35%	31%	Somewhat
14%	28%	33%	A moderate amount
43%	21%	4%	A great deal

■ = PTO viewed positively
 ■ = PTO viewed neutrally
 ■ = PTO viewed negatively



Most employers believe their workforce is financially able to meet their health care obligations, while many employees would struggle.

Yet again, we see a gap in employers' perceptions of their workforces' financial resilience and employees' actual financial stability. While the overwhelming majority of employers, 81%, believe that their employees can financially meet their health care obligations, almost half of all employees, 46%, indicate that they would not be able to pay more than \$1,000 in out-of-pocket medical costs. Yet, this does represent an improvement over past trends – in 2017, 57% of employees stated that they would not be able to afford \$1,000 in out-of-pocket expenses. It is clear that the overall decrease in consumer spending and saving trends observed during COVID-19 have helped employees better prepare for future medical emergencies.

The overwhelming majority of employers believe an employee's financial stability is a critical component of job performance. This leads to employers knowing it is critical to understand their workforces' financial fragility and financial anxieties to support their mental health, well-being, productivity and job performance.



Pro tip: These factors combined represent a significant opportunity to provide supplemental insurance coverage. This coverage would help workers with their out-of-pocket costs and mitigate some of their anxieties, while also giving employers the confidence that their employees are financially stable and able to handle unexpected medical expenses.

Most employers believe their workforce is able to financially meet their health care obligations.



And yet, **almost half (46%) of all employees** indicate that they **would not be able to pay more than \$1,000 in out-of-pocket costs** for an unexpected illness or injury.



Only 1 in 4 employees report having more than one job.



Among those who do, there are five leading reasons to hold multiple jobs:

- **63%** - Help make ends meet.
- **32%** - Pay for health care benefits and related expenses.
- **30%** - Have a flexible schedule
- **28%** - Have a sense of fulfillment
- **25%** - Have access to employer health care benefits.

80% of employers believe that the impact of an employee's financial health is very or extremely influential on the employee's job performance.

Half of all American workers have high anxiety about health care costs beyond what their insurance covers.

Unsurprisingly, this anxiety is highest among the younger generations, who report higher levels of financial fragility.

Among those employers who have noticed increased health care costs, most have had to make operating changes to manage these expenses. The primary change has been to increase their employees' share of the premium – which could contribute to employees' reported financial anxieties as they relate to health care and medical costs.

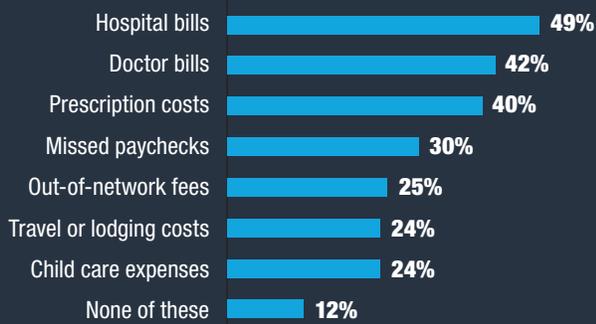
Only 3 in 5 American workers are confident they will be covered in the event of a serious illness – even more shocking, only 1 in 5 believe they will be covered extremely well.

Employee confidence in their health insurance coverage is stronger among those in the private sector versus the public sector, as well as among those working at large companies.



About a quarter of employees have faced a major medical event in the past year (either themselves or a family member)

Question: What unexpected costs have employees faced during a major medical event in the past 12 months?



A shocking 88% have faced unexpected costs – most commonly medical-related costs such as hospital, doctor or prescription bills.

24% of employees have been impacted (personally or family) by a major medical event in the past 12 months.

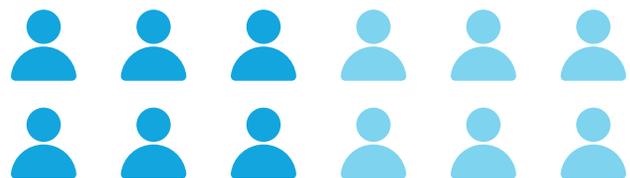
54% of employees said they have missed a paycheck this year.

62% of employees say they took a leave of absence this year.



Pro tip: Health insurance isn't designed to cover all of the expected and unexpected expenses related to overall health care. This presents a unique opportunity to provide education and consultation about the actual costs that health insurance plans do cover and, therefore, the costs that the individual or family can expect to bear. Taking some of the guesswork out of health care costs may help alleviate stress and help to empower employees to be in the driver seat with their finances.

Half of all American workers have high anxiety about health care costs beyond what their insurance covers.



The younger generations are particularly hard hit by these anxieties; **65% of Gen Z and 58% of millennials.**

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Bank Name
The sum of: TWO THOUSANDS TWO HUNDRED AND FORTY SEVEN AND 10/100 U.S. DOLLARS
For: Bank Branch Name
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City Name: CA 90000
Payable to: Bank Name
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The sum of: TWO THOUSANDS TWO HUNDRED AND FORTY SEVEN AND 10/100 U.S. DOLLARS
For: Bank Branch Name
Authorized Signature



About the study

The 2021-2022 Aflac WorkForces Report is the 11th annual Aflac employee study examining benefits trends and attitudes. The survey was conducted by Kantar on behalf of Aflac. The employer survey took place online between June 28-July 14, 2021, and the employee survey took place online between June 28-July 16, 2021. The survey captured responses from 1,200 employers and 2,000 employees across the United States in various industries.

For more information visit aflac.com/awr.

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