

Benefits Strategy Briefing: Next-Gen EAP



How a Next-Gen EAP can impact engagement, resilience and performance across today's workforce.



Next-Gen EAP for Today's Workforce

Introduction

The Employee Assistance Program (EAP) industry grew out of a central idea: When an employee at any level of the organization comes to work compromised or impaired (e.g., addiction, anxiety, depression), personal and organizational performance suffers. One of the most essential functions of an EAP is to provide confidential support services – on demand, when and where employees need them – as well as tools to help keep employees be present-minded, focused, prepared, and resilient.

Today, the business landscape is shifting, with blurred lines between work and personal life, global competition, rapid market and technology changes, rise of the gig economy, and increased workforce mobility. Just as news comes in ever-shorter cycles, employers and employees alike operate in a state of constant flux. These broad environmental dynamics are occurring alongside a parallel set of personal challenges and major life events all with their associated daily demands.

While the challenges have never been greater, the reality is that a widespread but little-recognized problem exists in the EAP industry: The emphasis on driving fees lower and lower has led many of the nation's EAPs to **purposefully** limit meaningful interaction with the same "at risk" employees (those with life and mental health concerns) that they are contracted to help.

This briefing offers a "rethink" of EAP, examines the structural limitations of many of today's EAPs, and illustrates the positive impact a Next-Gen EAP can have on employee engagement, well-being and performance across the organization. Ultimately, all roads lead to one overarching idea: an EAP is only as good as its results.

The Structural Problems

While healthcare costs continue to rise, market rates for full-service EAPs have dramatically fallen more than 40% since 1990¹ forcing many vendors to cut corners and deliver less. Many purchasers have grown content to pay as little for the service as possible in order to have it and many EAP vendors have been willing to acquiesce. In order to make their business models work, these EAP vendors have managed to convince purchasers that nebulously defined "utilization" ought to be the overriding metric of success.

The emphasis on utilization rather than on outcomes is easy to "game." Since there is no industry-standard definition, EAP vendors are free to define utilization to their advantage – where a website visit, administrative telephone inquiry or downloaded help-sheet counts

toward "utilization." Many EAP vendors define utilization using this inflated approach that is silent on the most important metric, certainly from a clinical and financial standpoint: outcomes.

Indeed, isolated from view and lacking true valid comparative measures of effectiveness, most EAPs operate without measuring – let alone improving – their outcomes. Instead of results, many EAP vendors have focused on low price and low-cost features, leading to an environment where marginal vendors are able to "compete" with optimal ones. While companies continue to engage these low cost, low impact EAPs, they ultimately do so at great expense, as "at risk" and underperforming employees are not adequately engaged, assessed or treated.

As a result, employers get less for their shrinking benefit dollar, often in areas where their needs and the potential returns are the highest. ***Benefit consultants are missing strategic opportunities to improve workforce wellbeing and contain medical plan claims.*** Everyone loses over what are essentially pennies of the benefit dollar. A bare-bones EAP that discourages and limits interaction with credentialed counselors results in employers spending money on services that do not adequately address the needs of employees and their families who are grappling with major issues (e.g., depression, loneliness, anxiety, substance abuse) and life circumstances (e.g., marital conflict, financial woes, stress).

A Changing Landscape

The scope and severity of personal problems that employees bring to the workplace are the manifestation of several alarming societal trends, in particular the increasing prevalence of suicidal behavior and widespread cross-generational loneliness and isolation. According to a 2017 report by the Centers for Disease Control and Prevention (CDC), the number of Americans who died by suicide is up 33% from 1999. Researchers have found that the majority of suicides are related to problems with relationships, substance abuse, health, jobs, or finances.

We have also seen a rise in drug overdoses. The CDC reported that the number of annual drug overdose deaths is higher than ever in U.S. history. What are termed "deaths of despair" – suicides, and drug overdoses (including from prescribed opioid painkillers) – are an ever-escalating problem contributing to the declining trend in life-expectancy in the U.S. over the past several years.

Alienation – feeling despondent, lonely, and without purpose – is so widespread that social isolation may be as great a public health hazard as obesity or tobacco use. According to a 2010 AARP loneliness study, approximately 42.6 million U.S. adults ages 45 and older were suffering from loneliness. A 2018 Cigna survey suggests that Generation Z, adults

between ages 18 and 22, may be the loneliest segment of the population, which doesn't bode well as this generation enters the workforce *en masse*.

According to Carla Perissinotto, a geriatrician at the University of California-San Francisco, social isolation hasn't received sufficient attention. "Policy in this country doesn't address this kind of concern, because many health care workers believe that social factors have nothing to do with medicine."

No age group is exempt from feelings of isolation and loneliness. These trends are not expected to be reversed or arrested, in part due to social, cultural, and even business drivers (such as increased mobility and flux, which make it harder to form and maintain relationships). It's also driven by the ubiquity of social media, which blur the lines between appearing, and actually feeling, connected.

"Human survival," says Dolores Malaspina, professor of psychiatry, neuroscience and genetics at the Icahn School of Medicine at Mount Sinai in New York, "depends on connectedness, with feelings of loneliness serving as a biological signal to socialize."

Toward a Next-Gen EAP

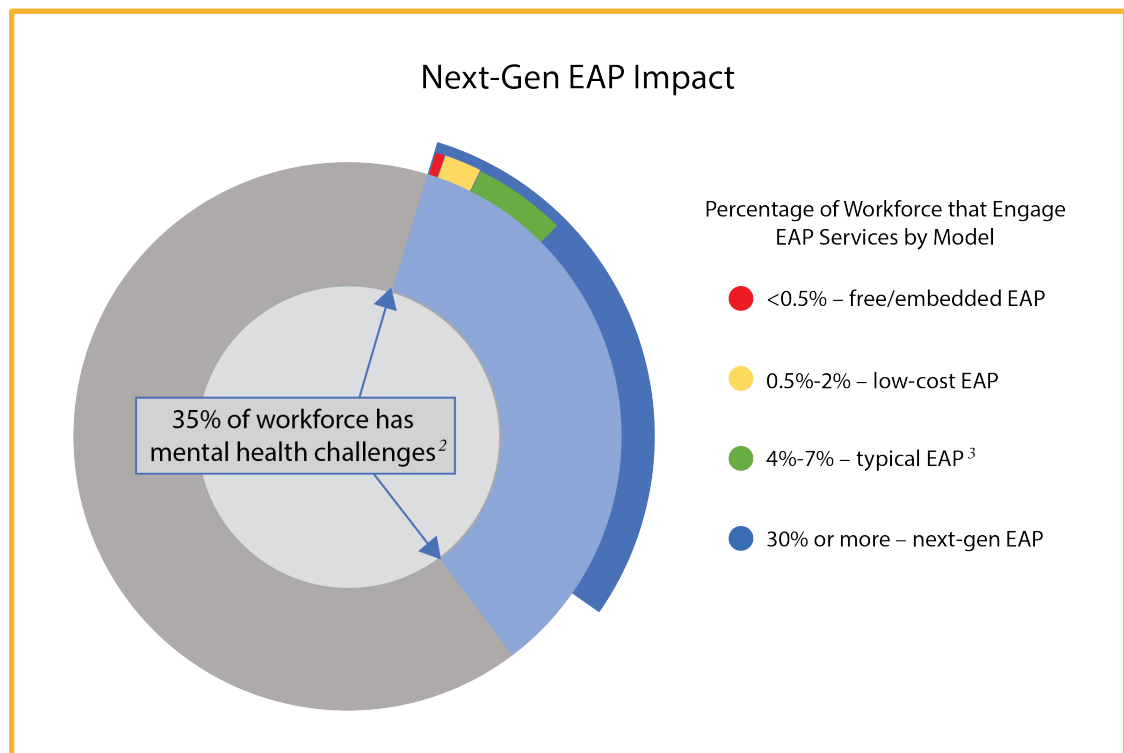
EAPs that emerged several decades ago to address such issues as alcoholism and drug dependency, face far greater challenges today. We have the tools and body of evidence to do a much better job of identifying and treating current-day problems. However, the prevailing choice of so many employers is often the least expensive or even 'free' EAP platform (embedded in the premiums of another product). Services are restricted to brief telephonic support *if needed*, from a non-licensed customer service representative, plus web-based self-help articles. These types of EAP platforms only perpetuate the alienation, loneliness, and isolation that contribute to the emotional and social distress of today's workforce.

Next-Gen returns EAP to its roots of caring for people soul-to-soul. It focuses on proactive and continuous engagement and leverages technology to extend ease of access to connect directly with trained professionals to resolve personal challenges.

Core Principles

- **Success measured by outcomes** shifts the focus to value, quality, and prevention that help keep employees from needing more costly medical plan services down the line.

- **A greater range of access options lowers barriers to effective utilization** – from digitally delivered screening, education and progress tracking to on-demand access to a licensed counselor via voice, text or chat.
- **Participant-centered care models are transformational and contribute to higher quality service delivery and better outcomes.** EAP participants who play an active role in the management of their mental and physical health are more likely to follow their clinician’s treatment recommendations. They also have higher expectations of their provider in terms of advocacy, clinical customer service, and customized care.
- **The implicit function of an EAP is an organizational tool to retain talent and manage performance.** EAP addresses not only well-being issues that compromise employee productivity and performance but also impact other KPIs such as retention, engagement and healthcare costs.
- **AI and machine-learning drives pathways to personalized, human-delivered, compassionate care.** Next-Gen EAP leverages technology to expedite human-to-human connection with the right experts to successfully resolve personal challenges and address the conditions of loneliness and alienation.
- **EAP as a change management platform:** Job hopping, gig workers, and the fluid nature of modern work and life have heightened employee anxiety and sense of dislocation. Next-Gen EAP is about managing all manner of change at the individual *and* organizational level.



Typical vs. Next-Gen

| Typical EAP | Next-Gen EAP |
|--|--|
| <p>Reactive. Utilized only when issues significantly surface (at the “point of personal need”) often after the problems have been long-festering. Performance management, drug-free workplace referrals and on-site support services may be excluded.</p> | <p>Proactive. Focuses on prevention/early intervention that improves job performance, physical health and personal wellbeing. EAP is well-utilized, provides expertise on the human side of business strategy from crisis management to organizational resilience.</p> |
| <p>Vendor-Centered Access. Automated or customer service representative direction to website resources or list of network counselors to contact for self-scheduling.</p> | <p>Participant-Centered Access. Multiple means of access to licensed counselors and coaches (voice, text, chat, tele-video), Personally arranged and confirmed in-person care achieves twice the rate of participant follow-through compared to participant self-serve options.</p> |
| <p>Uses Technology for website-based information and provider self-search, CBT and symptom-tracking apps are for self-use, not integrated with EAP.</p> | <p>Leverages Technology to reduce employee hesitancy to connect; supplements personal care with science-based, user-driven tools; global analytics help employers monitor workforce emotional health, personal dashboards help participants monitor and achieve their personal goals. EAP Apps are integrated with synchronous and asynchronous access to counselors.</p> |
| <p>EAP utilization metrics based on touchpoints (calls or emails to request services, web page visits, training participants, downloaded articles) and contacts with a licensed professional. Counseling is session-focused.</p> | <p>Outcomes metrics based on level of engagement, cases of service with licensed professionals, symptom improvement, quality of life improvement, increased job productivity, averted claims to medical plan. Counseling is solution-focused.</p> |
| <p>Initial roll-out campaign with annual EAP reminders, passive approach to communication and promotion of EAP. Low levels of meaningful engagement and utilization.</p> | <p>Continuous internal and external integration within human capital initiatives. High levels of engagement, life event-focused benefit communication, integration with other benefits and services offered by employer.</p> |

About PAS

Personal Assistance Services (PAS) is a Next-Gen Employee Assistance Program (EAP) that has been a leader in the field for more than three decades. Serving across the country and around the globe, we offer services for the entire spectrum of demographics, all at no cost to employees and their dependents. We also offer performance improvement tools for managers, on-site support following disruptive events at the workplace, and forensic and organizational consultation for management and human resources. All of these services help employees and managers solve problems, navigate challenges and strengthen their work and home life. For more information, visit www.paseap.com.

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¹ Sharar, D.A. Journal of Employee Assistance Q2 2019 Vol.49

² Goetzel, R.Z. et.al. Journal of Occupational and Environmental Medicine April 2018

³ Granberry et al, National Behavioral Consortium Industry Profile of External EAP Vendors, 2013