EBRI EMPLOYEE BENEFIT RESEARCH INSTITUTE

91ST PUBLIC POLICY FORUM
MAY 10, 2022


Wi-Fi Network: DCCTR
Password: meeting2015DC
#EBRIPolicyForum

EBRI'S MISSION

EBRI produces and communicates independent, objective, nonpartisan data, research, and other information about employee benefits. The organization serves the public, employers, service providers, workers and their families, and policymakers.

MEMBER WORDS THAT DESCRIBE EBRI

AGENDA

11:30 a.m. — **Welcome**

11:45 a.m. — **What is Driving the Great Resignation/Retirement—and What Does the Future Hold for the Labor Force?**

12:45 p.m. — **Networking Lunch and Keynote Speaker**

1:45 p.m. — **Debt and Financial Security: Challenges and Possible Solutions**

2:45 p.m. — **Break**

3:15 p.m. — **The State of Mental Health in the Workplace**

4:15 p.m. — **Wrap-Up**

THANK YOU, POLICY FORUM DEVELOPMENT TASK FORCE!

Vice Chair, PPAC: Liz Varley, Ameriprise Financial

Task Force:

Nevin Adams, American Retirement Association
Reagan Anderson, Capital Group
Rhonda Berg, Mercer
Nicky Brown, HealthEquity, Inc.
Chris Byrd, WEX Health
Rob Capone, Legal & General Investment Management America
Kathryn Carleson, HealthEquity, Inc.
Drew Carrington, Franklin Templeton
Kelsey Chin, Millennium Trust Company
Josh Cohen, PGIM
David Cruz, New York Life
Liz Davidson, Financial Finesse, Inc.
Mark Dennis, Financial Finesse, Inc.
Jody Dietel, HealthEquity, Inc.
Bob Doyle, Prudential Retirement
Jennifer Flodin, Mercer
Josh Freely, TIAA
Kris Haltmeyer, Blue Cross Blue Shield Association
Katie Hockenmaier, Mercer
Bob Holcomb, Empower Retirement
Sarah Holden, Investment Company Institute
Kirsten Hunter, Fidelity Investments
Melissa Kahn, State Street Corporation
Marla Kreindler, Morgan, Lewis & Bockius LLP
Mike Lanza, Ameriprise Financial
Lisa Margeson, Bank of America
Martin McGuiness, Unum
Ed Murphy, Empower Retirement
Meenu Natarajan, Mercer
Chantel Sheaks, U.S. Chamber of Commerce
Kevin Smart, Custodia
Christopher T. Stephen, National Rural Electric Cooperative Association
Aron Szapiro, Morningstar
Renee Wilder Guerin, Retirement Clearinghouse LLC

slido

What region of the country do you hail from?

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What do you think the biggest workplace challenge for employers will be over the next 12 months?

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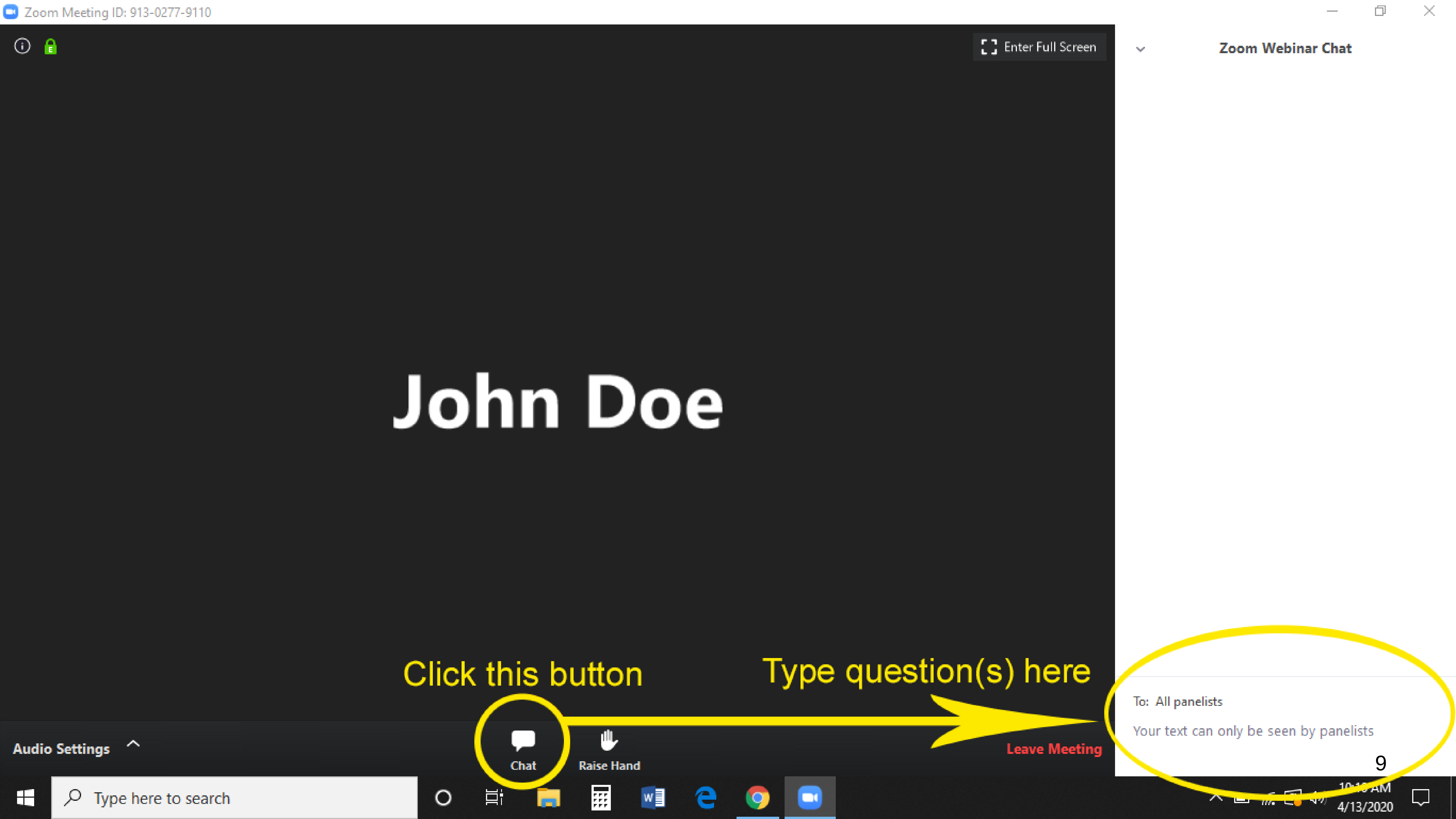
WHAT IS DRIVING THE GREAT RESIGNATION/RETIREMENT — AND WHAT DOES THE FUTURE HOLD FOR THE LABOR FORCE?

Craig Copeland, Director of Wealth Research, EBRI

Fiona Greig, Co-President, JPMorgan Chase Institute

Ragan Decker, Senior Researcher, Strategic Researcher Initiatives, SHRM

Moderated by: Chantel Sheaks, Vice President, Retirement Policy, U.S. Chamber of Commerce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4/13/2020

Great Resignation? Great Reshuffle?

EBRI Spring Policy Forum

May 10, 2022

Separations/Hires and Labor Force Participation

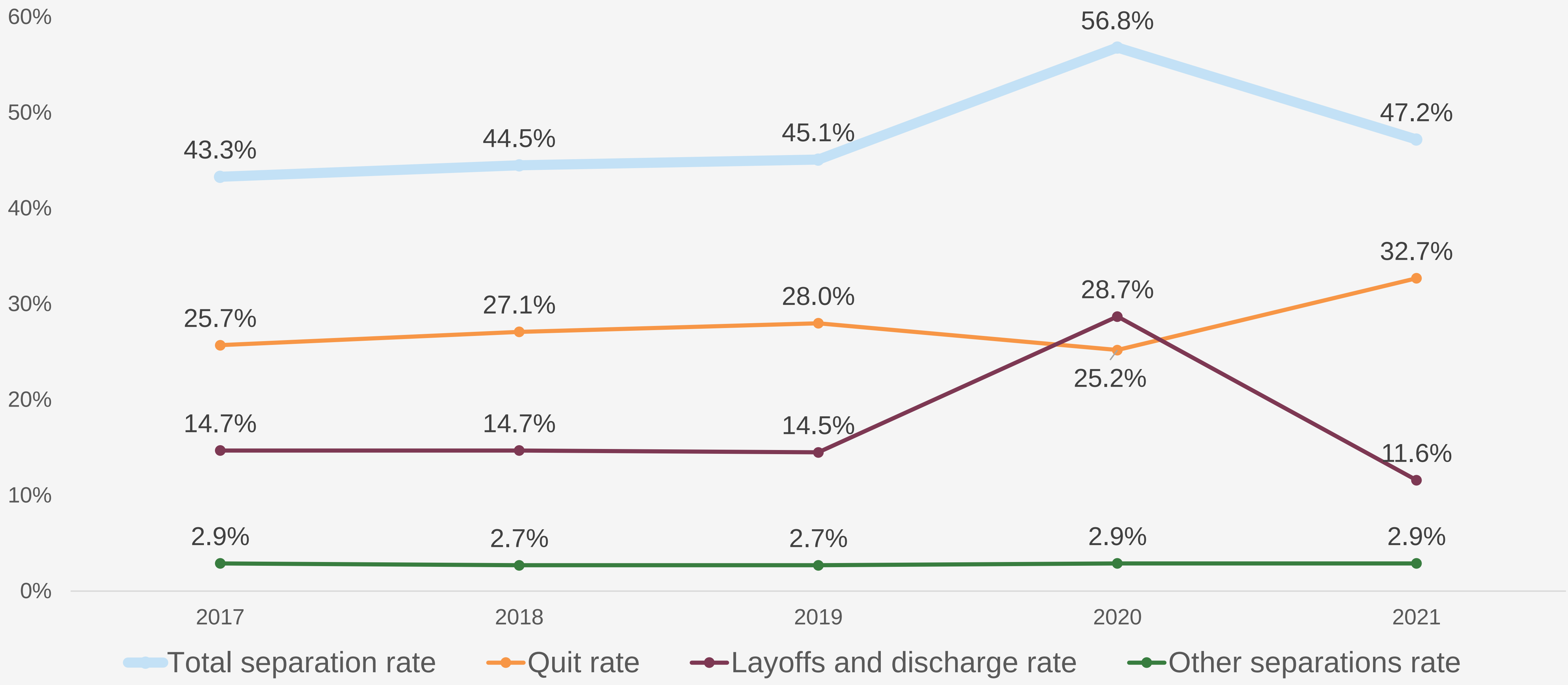
- Actions of those within the labor force?
  - Quitting
  - Being laid off/discharged
  - Retiring
  - Finding new jobs
- Are Americans returning to the labor force at 2019 levels?

SEPARATIONS AND HIRES

Separations/Hires

- Total separations includes quits, layoffs and discharges, and other separations.
- Quits are generally voluntary separations initiated by the employee. Therefore, the quit rate can serve as a measure of workers' willingness or ability to leave jobs.
- Layoffs and discharges are involuntary separations initiated by the employer.
- Other separations includes separations due to retirement, death, disability, and transfers to other locations of the same firm.
- The annual total separations rate is the number of total separations during the entire year as a percent of annual average employment.
- The hire rate is the number of hires during the entire month as a percent of total employment.

Separation Rates, by Separation Type, 2017-2021



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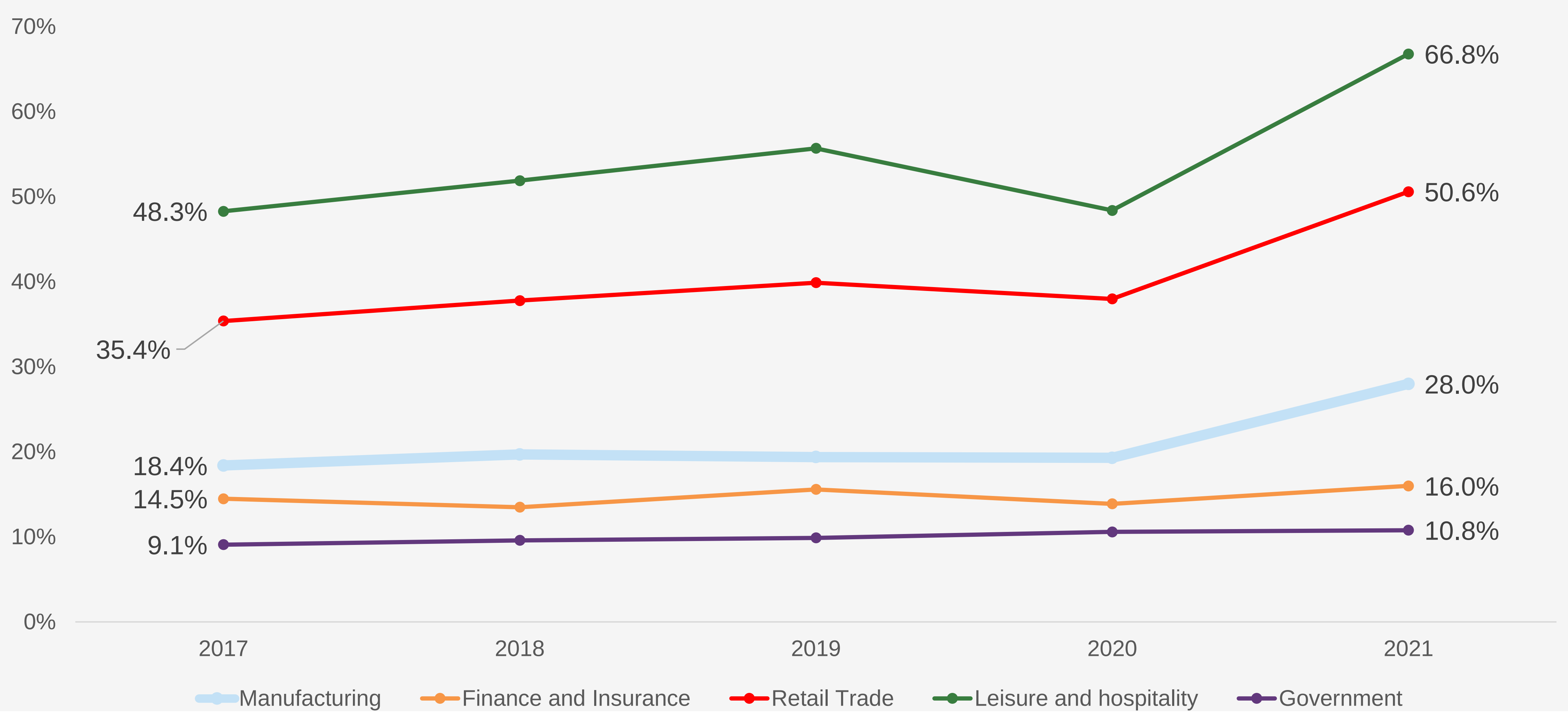
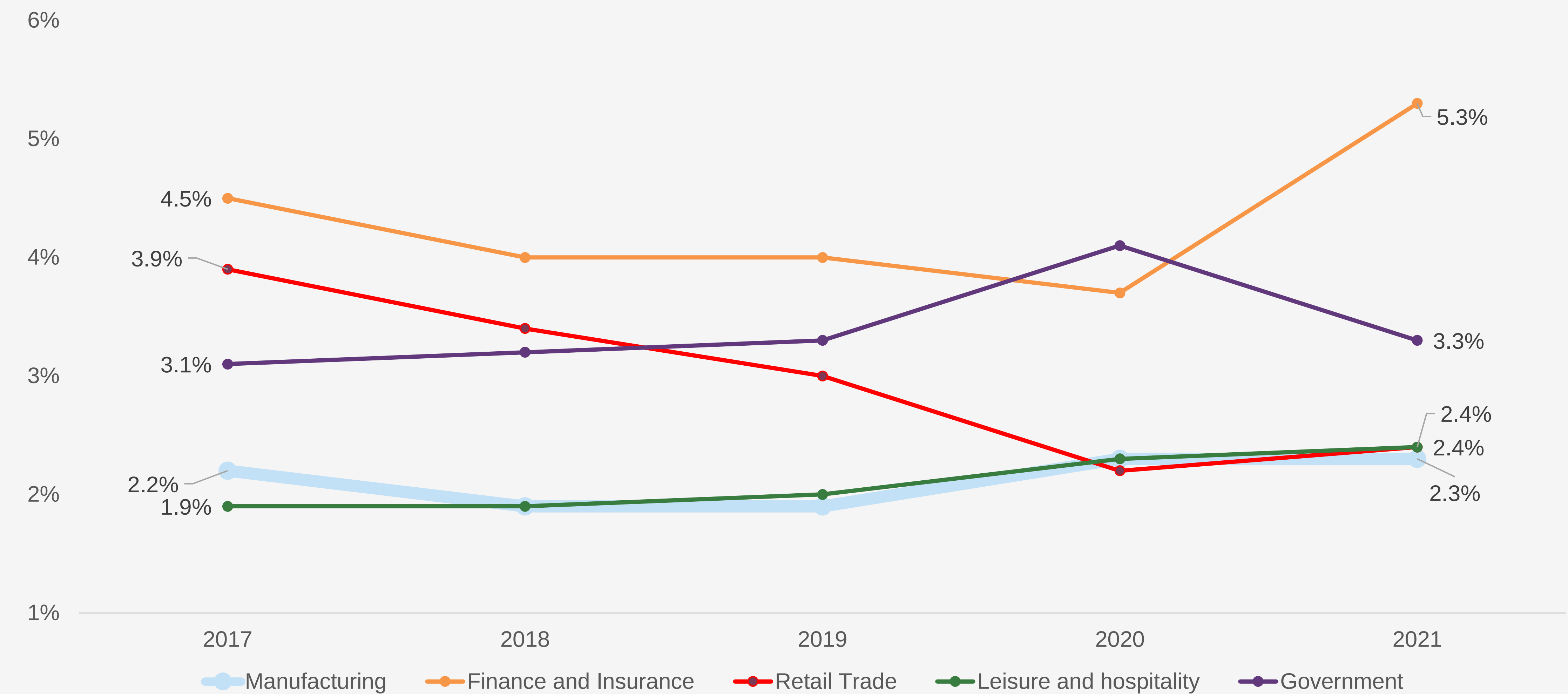
Source: Job Openings and Labor Turnover Survey News Release - 2022 M01 Results (bls.gov)

Quit Rates, by Industry, 2017-2021



Source: Job Openings and Labor Turnover Survey News Release - 2022 M01 Results (bls.gov)

Other Separation Rates, by Industry, 2017-2021



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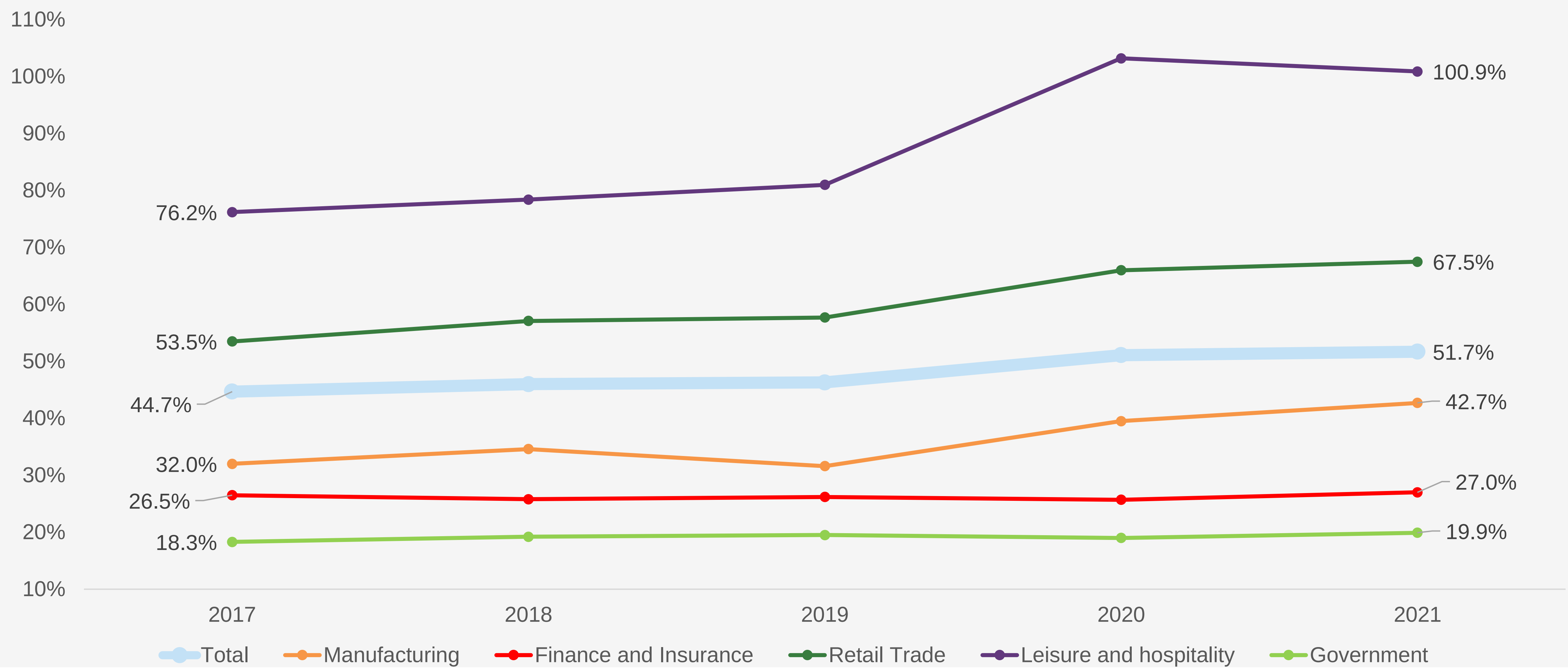
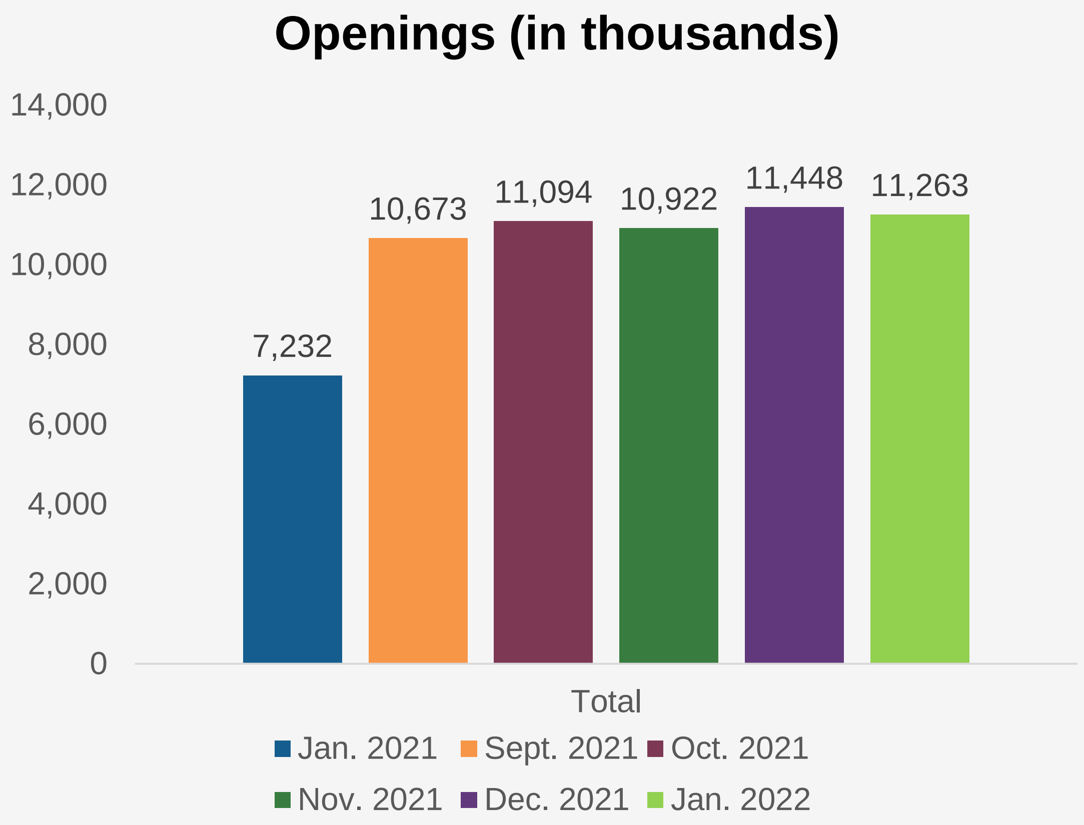
Source: Job Openings and Labor Turnover Survey News Release - 2022 M01 Results (bls.gov)

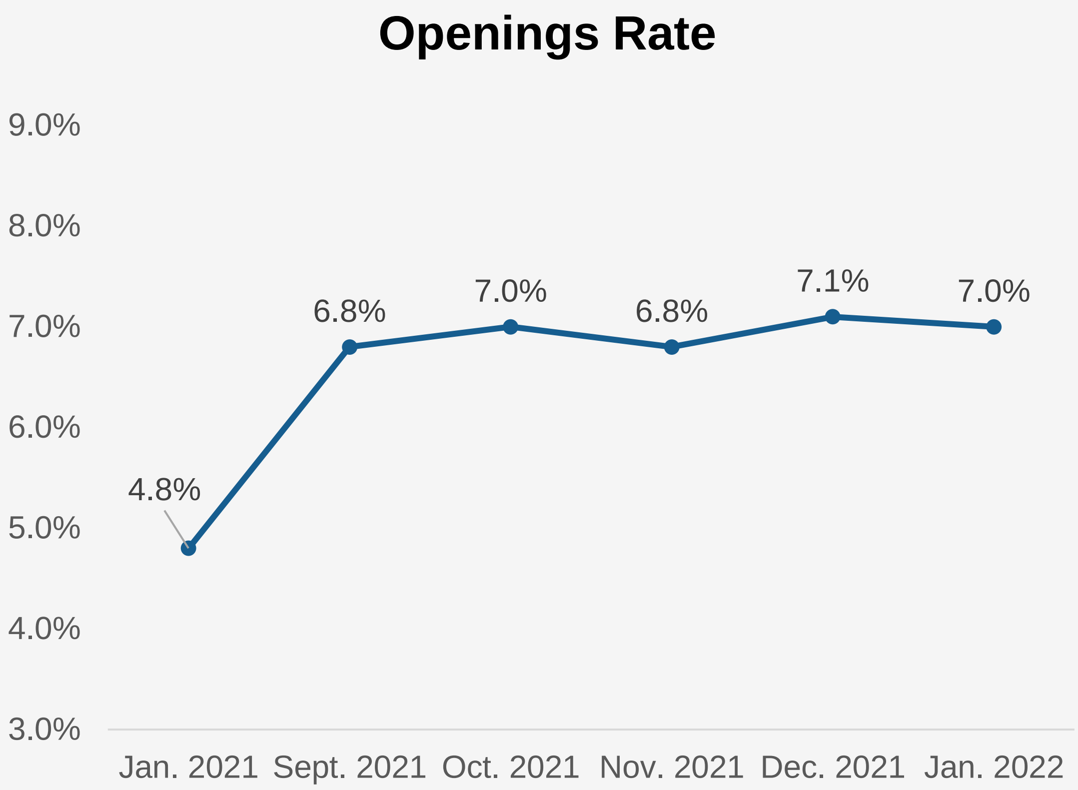
Hire Rates, by Industry, 2017-2021



Source: Job Openings and Labor Turnover Survey News Release - 2022 M01 Results (bls.gov)

Job Openings, January 2021–January 2022





The job openings rate is the number of job openings on the last business day of the month as a percent of total employment plus job openings.

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Source: Job Openings and Labor Turnover Survey News Release - 2022 M01 Results (bls.gov)

EMPLOYMENT AND LABOR FORCE PARTICIPATION

Overview- Labor Force and Employment

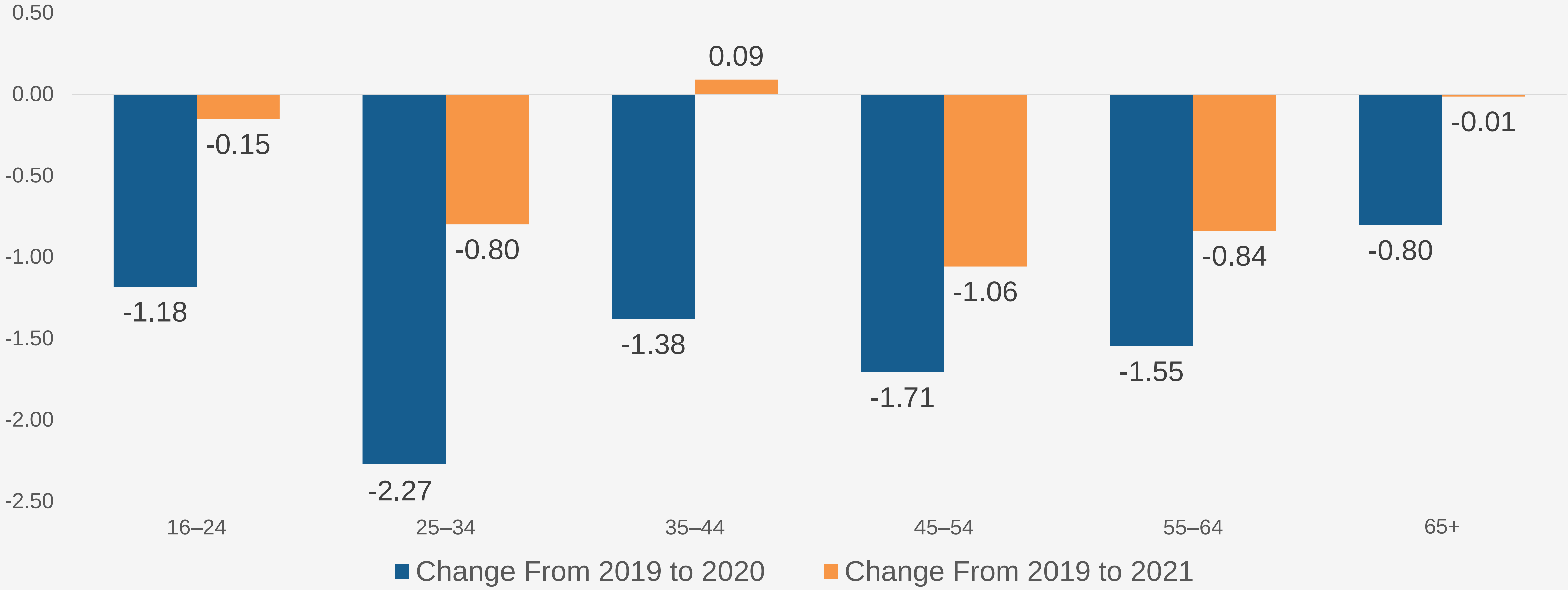
Data Source: Labor Force Statistics from the Current Population Survey, Bureau of Labor Statistics

All statistics are December to December (end of the year), not seasonally adjusted

Age comparisons from 2019

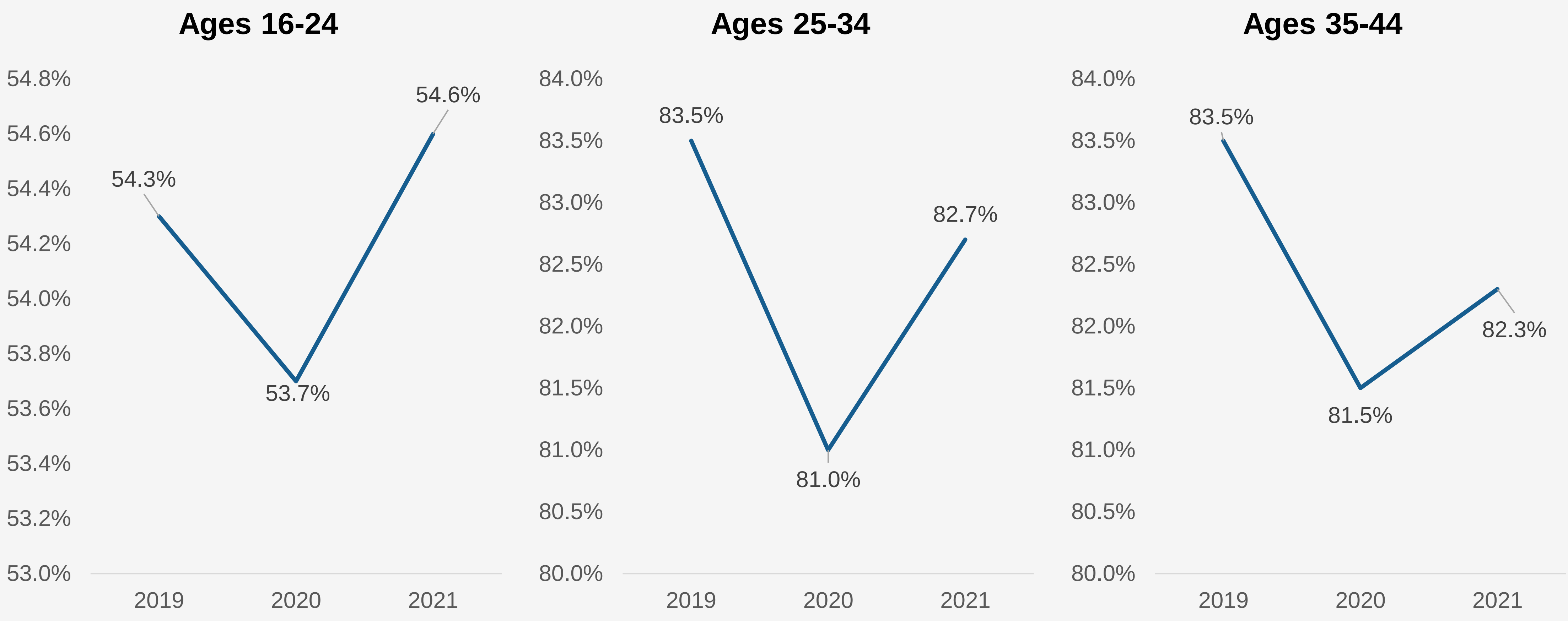
- Change in number of Americans employed
- Change in the labor force participation rate (percentage of Americans working or actively seeking employment)
- Changes in the number of Americans in the labor force

Change in the Number of Americans Employed from 2019, by Age
(in millions)



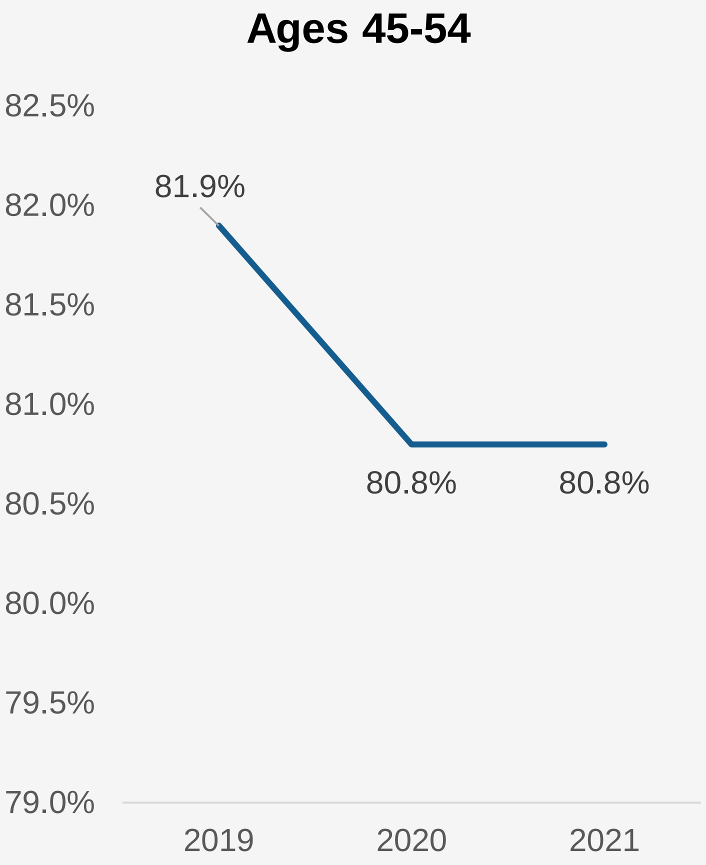
Note: The numbers are from December of each year and not seasonally adjusted.
Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data/

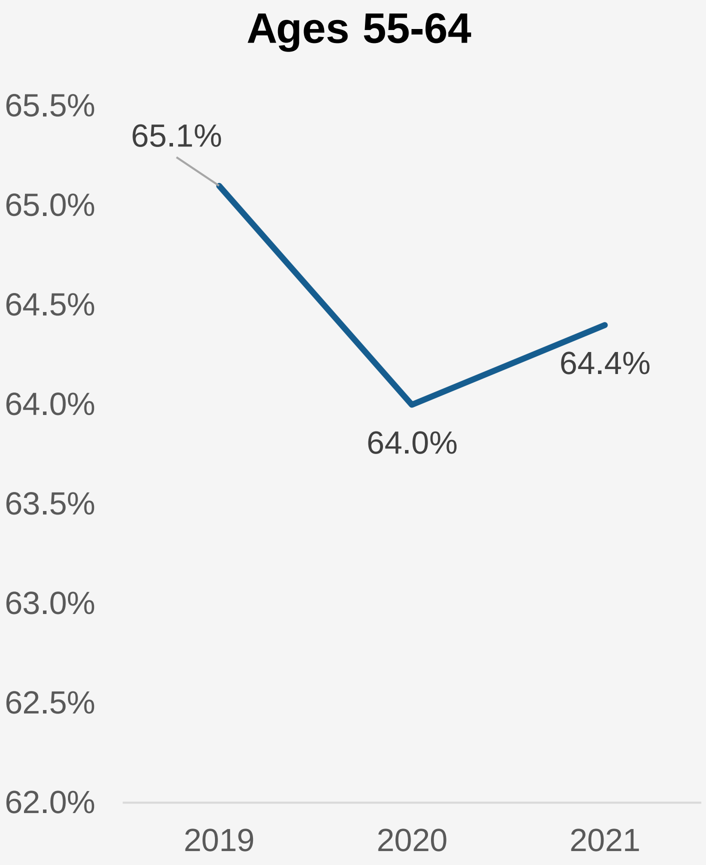
Labor Force Participation Rates, by Age (Civilians Ages 16-44)

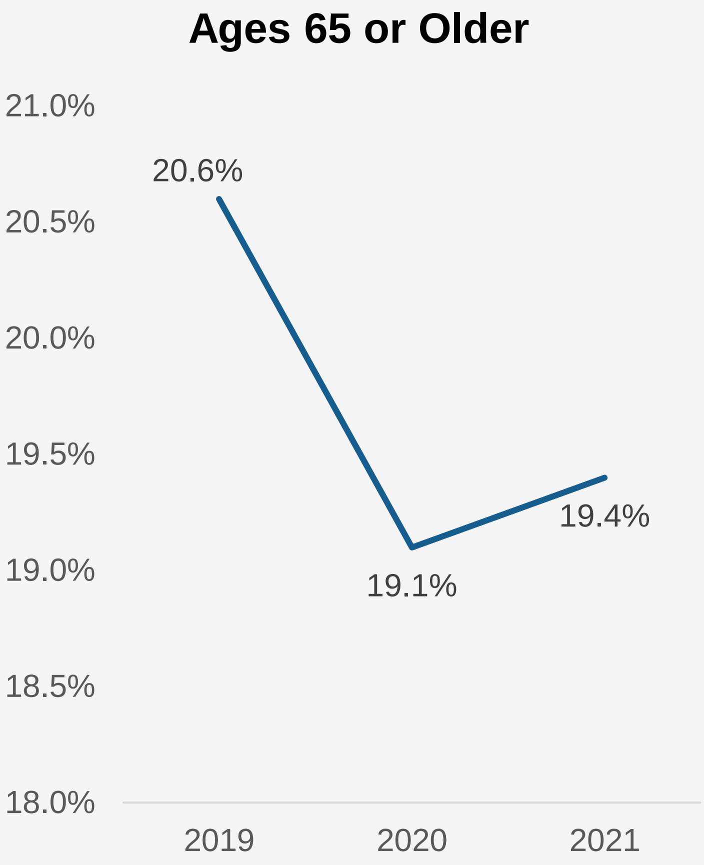


Note: The numbers are from December of each year and not seasonally adjusted.
Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data/

Labor Force Participation Rates, by Age (Civilians Ages 45 or Older)

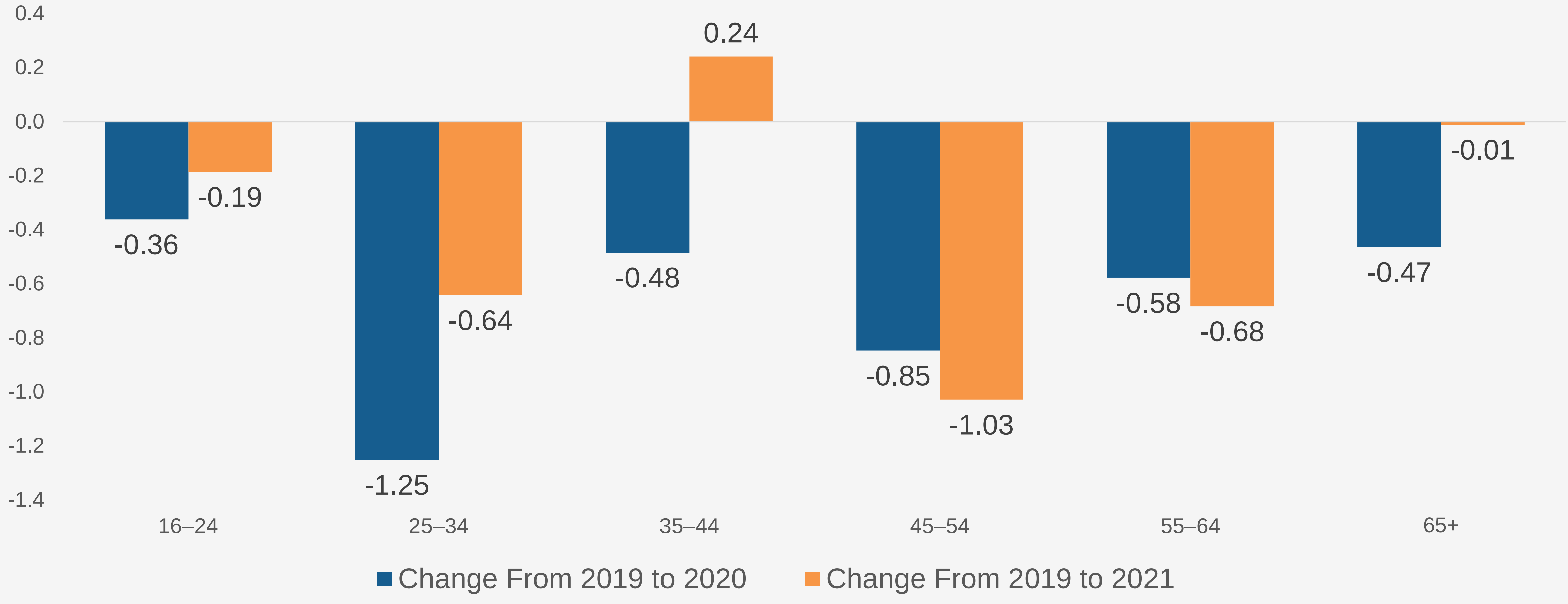






Note: The numbers are from December of each year and not seasonally adjusted.
Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data/

Change in the Number of Americans in the Labor Force from 2019, by Age
(in millions)



Note: The numbers are from December of each year and not seasonally adjusted.
Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data/

Labor market dynamics during the pandemic: Insights from administrative data

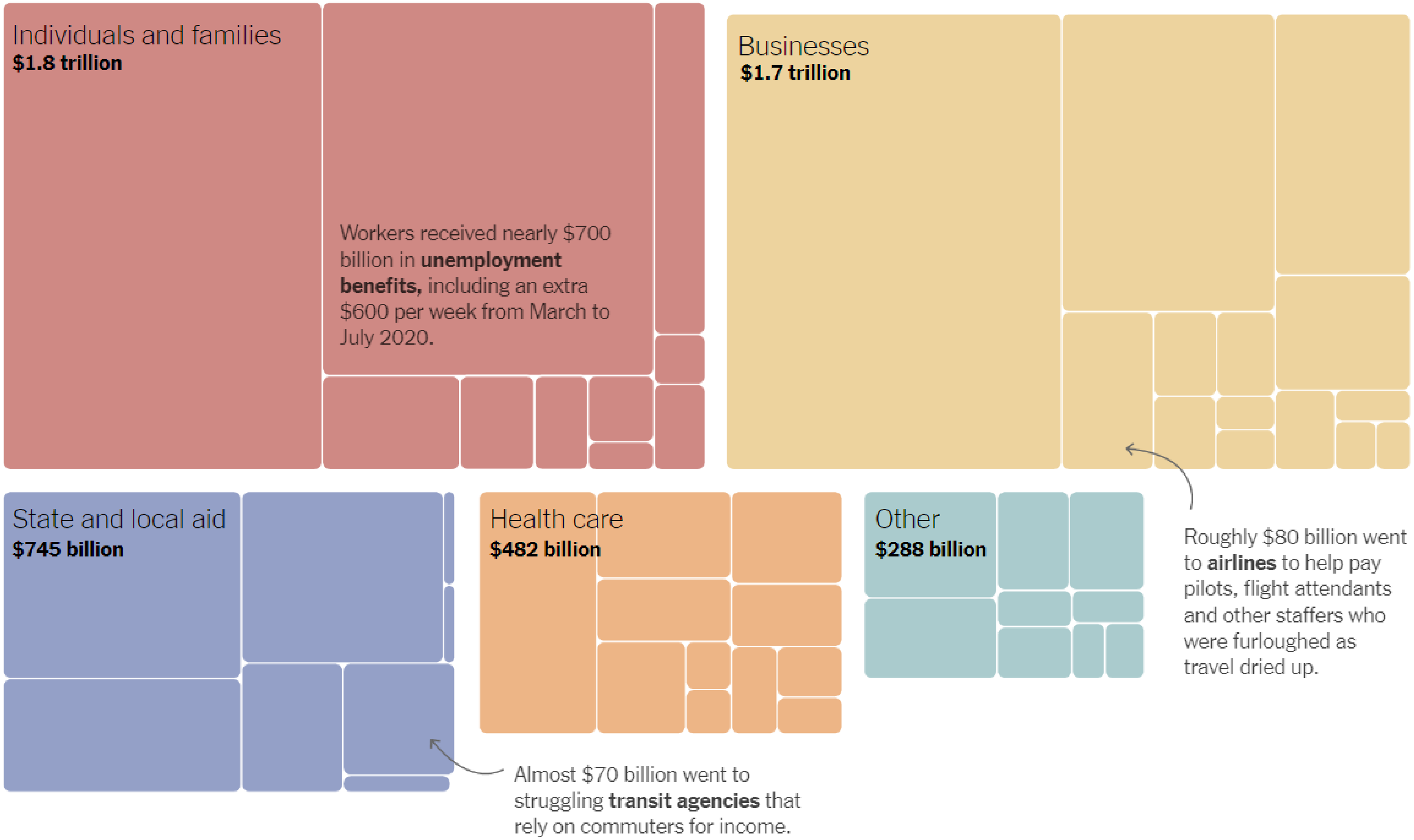
May 2022

Fiona Greig, Co-President, JPMorgan Chase Institute
@FionaGreigDC

Unemployment spiked when the pandemic first hit, with potentially catastrophic impacts on the economy

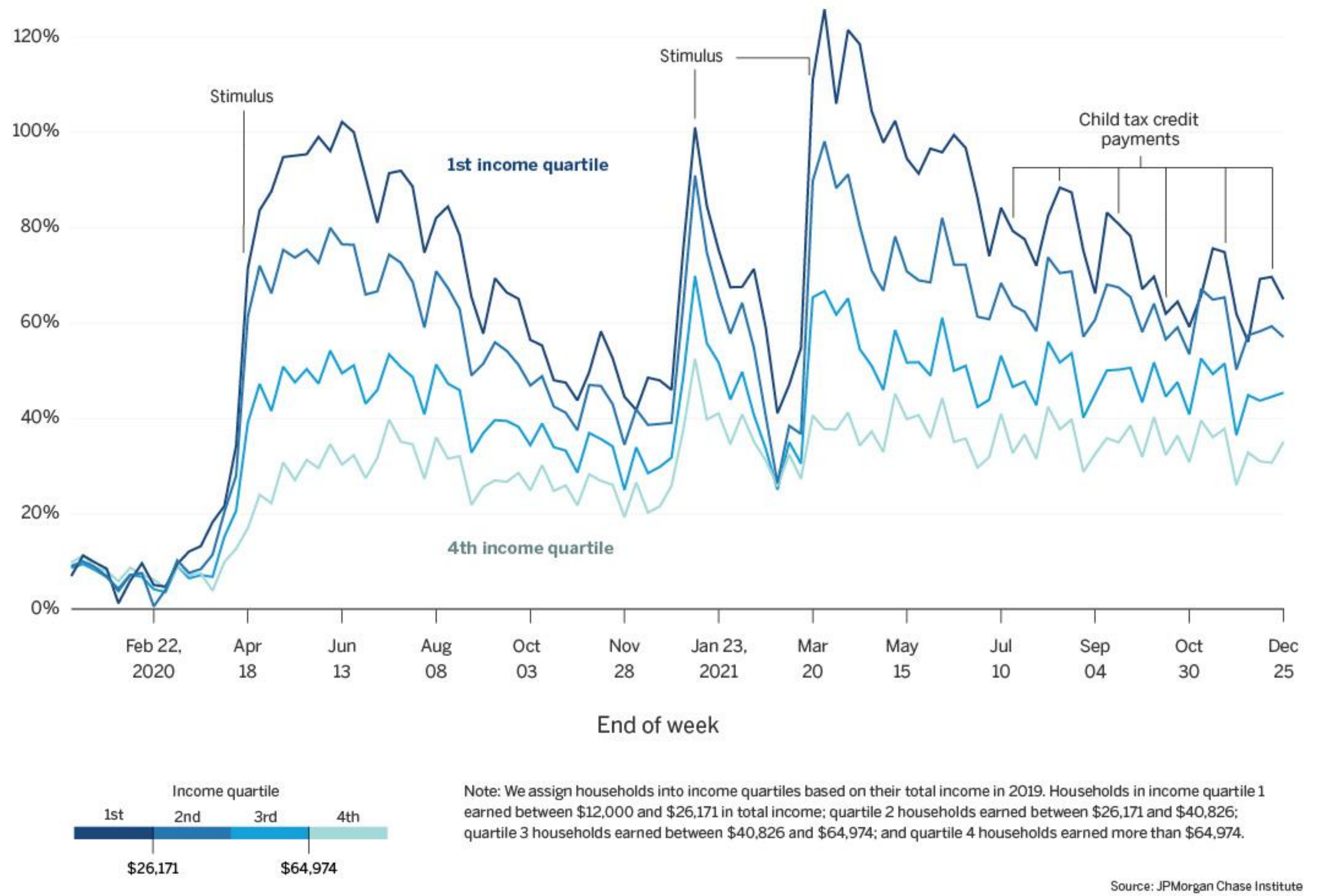
Where $5 Trillion in Pandemic Stimulus Money Went

By Alicia Parlapiano, Deborah B. Solomon, Madeleine Ngo and Stacy Cowley March 11, 2022



Median **cash balances** through the end of 2021 remain elevated, especially for lower-income families.

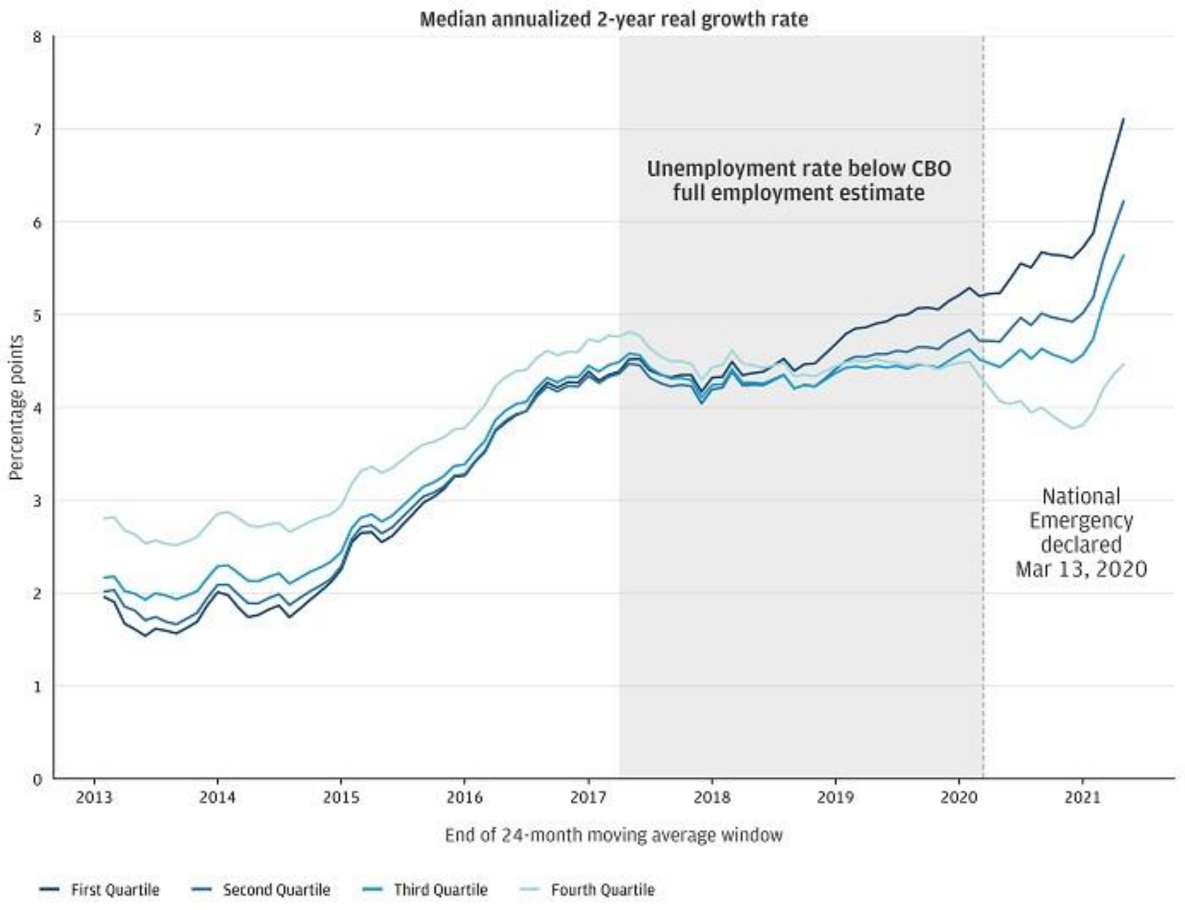
Percent change (relative to 2019) in median weekly checking account balances, by income quartile



Note: We assign households into income quartiles based on their total income in 2019. Households in income quartile 1 earned between $12,000 and $26,171 in total income; quartile 2 households earned between $26,171 and $40,826; quartile 3 households earned between $40,826 and $64,974; and quartile 4 households earned more than $64,974.

Source: JPMorgan Chase Institute

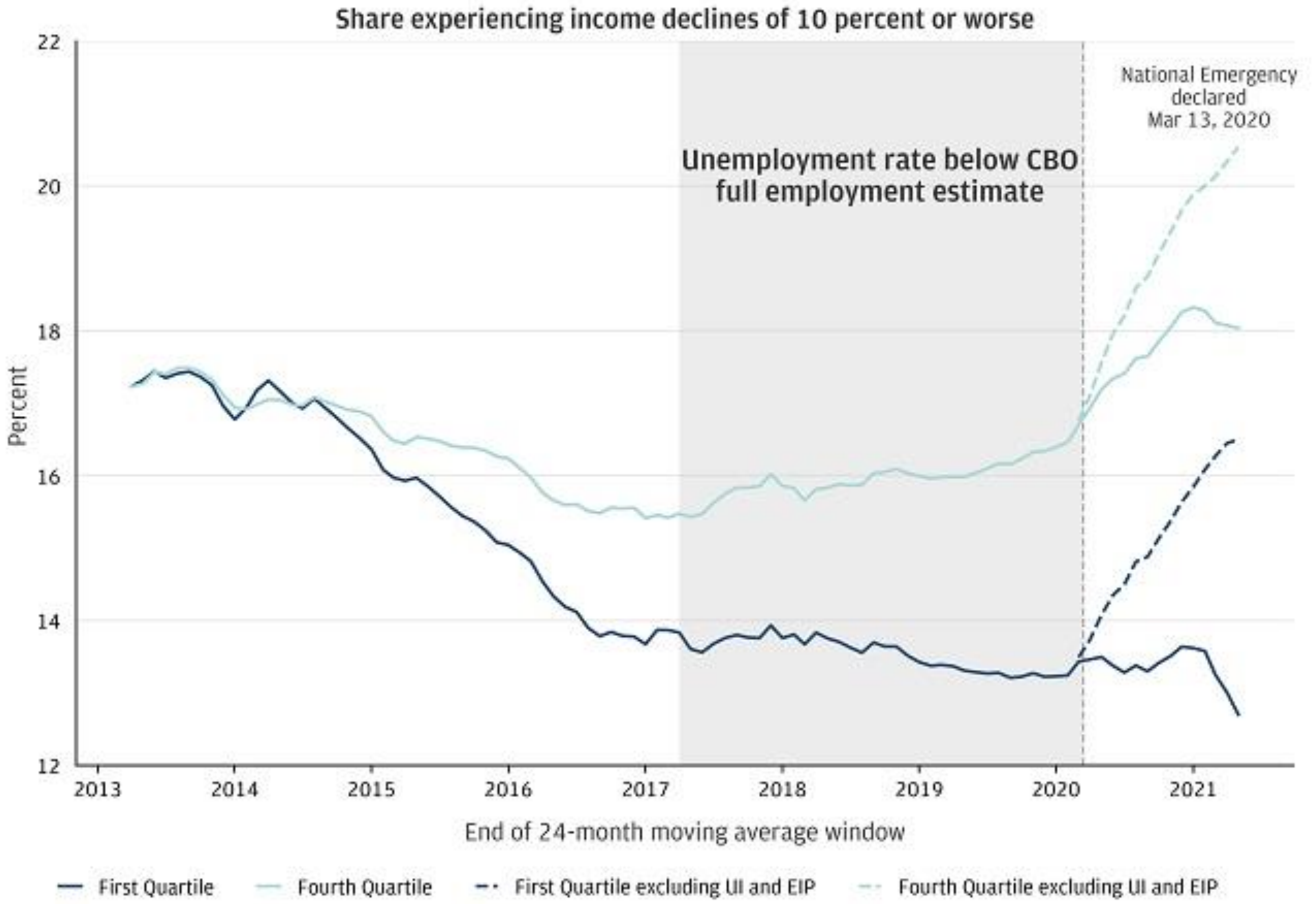
Lower-income households saw the largest boost in **income growth** as the labor market tightened prior to COVID. Policies undertaken during COVID-19 accelerated the trend.



Note: First quartile is the lowest income group. Figure shows income growth over 2-year windows, based on checking account inflows after excluding transfers from other accounts (see Footnote 3 for more details). The plot uses a 3-month trailing average to smooth over month-to-month variation in inflows.

Source: JPMorgan Chase Institute

The number of households experiencing substantial **downward income changes** fell most for low-income households during the expansion. COVID relief sustained that drop.



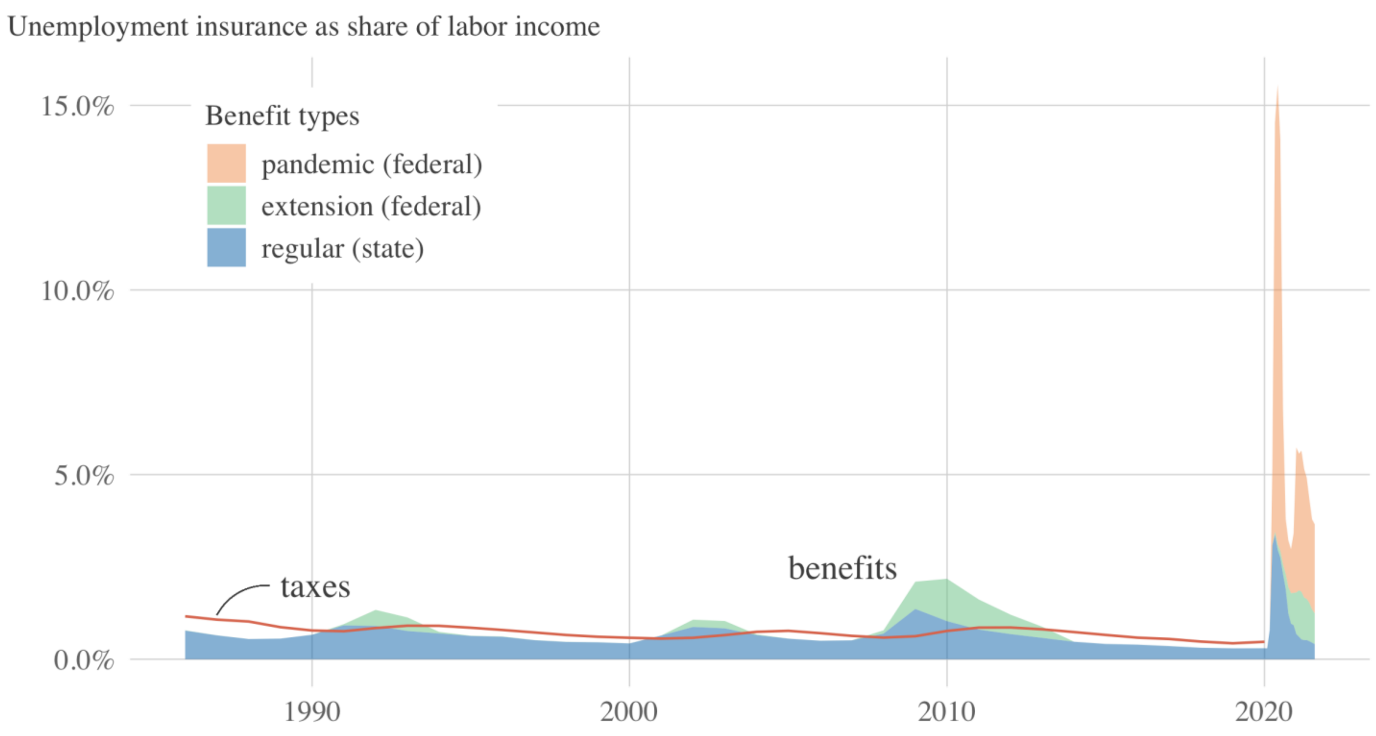
Note: First quartile is lowest income group. Shading denotes full employment period from April 2017 to February 2020. The income growth measure is a 2-year real annualized growth rate, as in Figures 1 and 2.

Source: JPMorgan Chase Institute

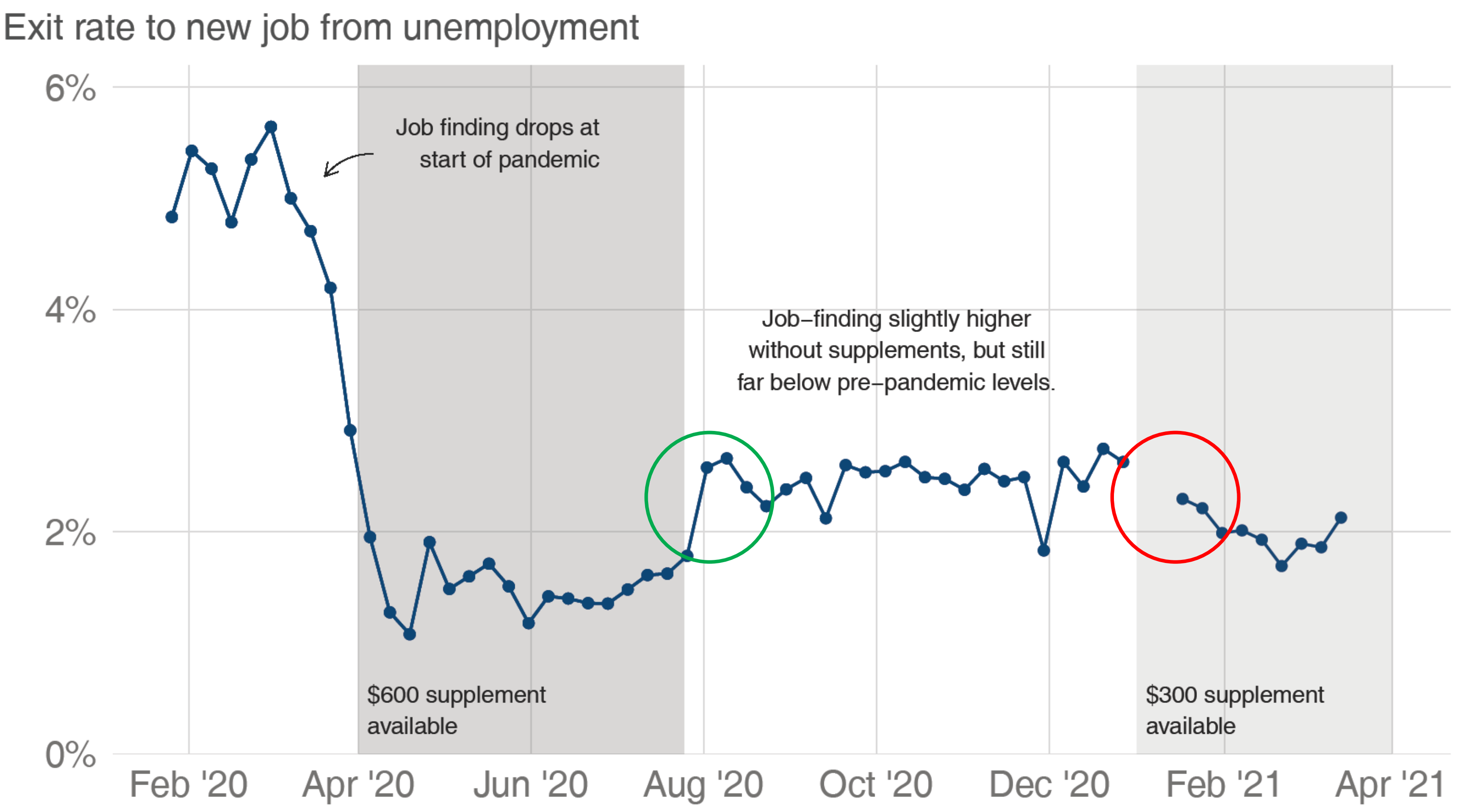
In response to the COVID-19 pandemic, the U.S. implemented the largest **UI expansion** in history

Unemployment benefit expansions during COVID (ended September 5, 2021)

- **Benefit supplements:** $600 and then $300 per week (Federal Pandemic Unemployment Compensation)
- **Benefit extensions:** 53 weeks (Pandemic Emergency Unemployment Compensation)
- **Expanded eligibility:** self-employed, care-takers (Pandemic Unemployment Assistance)



The share of jobless workers exiting UI to new jobs changes modestly when UI supplements change



Expiration of $600 supplement Change: +0.8 p.p.

Onset of $300 supplement Change: −0.6 p.p.

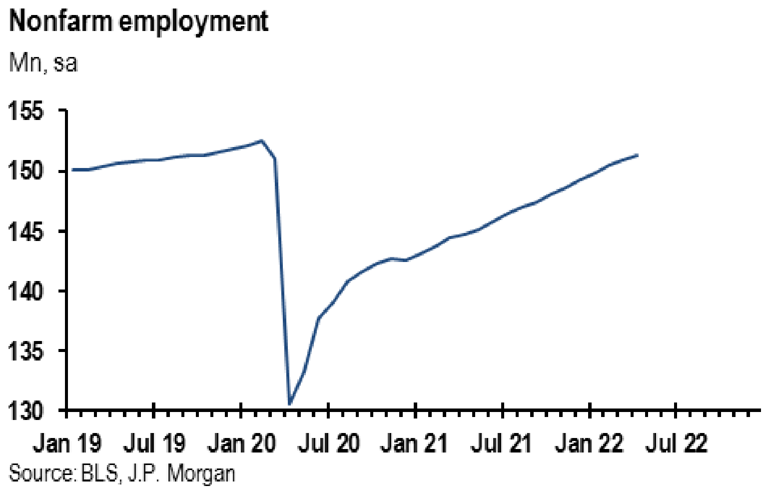
Work disincentive effect sizes during the pandemic are small.

- **Duration elasticity:** A 10% increase in benefit level is associated with a ~1% increase in duration unemployed

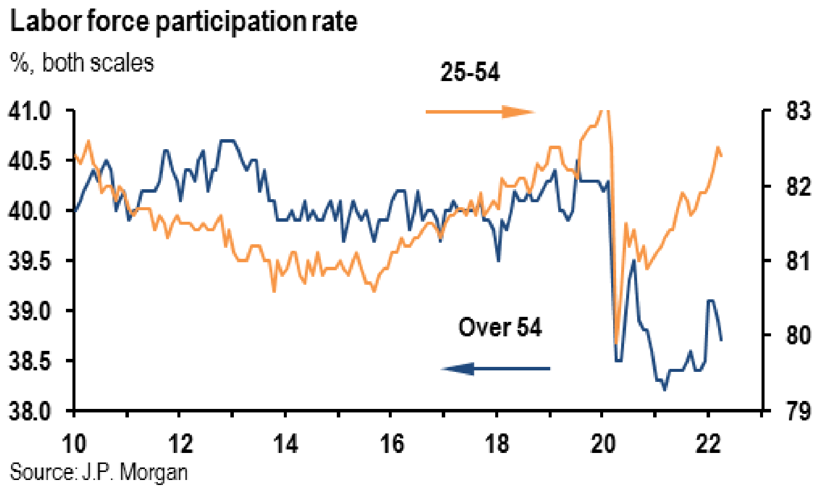
- **Calibration: work dis-incentive effects were low relative to 3 benchmarks**
  - Literature: 18 other historical studies that found duration elasticities in the 0.2 – 1.0 range.
  - Size of the pool of missing workers at the time: Without the $300 supplements in August 2021 the employment shortfall would have been 4.5 million instead of 5.0 million workers.
  - Spending boost they generated for jobless workers: When 26 states turned off expanded benefits in the summer of 2021. Cumulatively over 8 weeks, jobless workers lost ~$1400 in UI. Their earnings increased by just $93, but their spending fell by $678.

- **Open question: Why was work disincentive effect during pandemic so low?**
  - Possibly hypotheses: (initially) low labor demand, high household liquidity, high recalls, childcare constraints, healthcare concerns, historical publication bias?

Nonfarm employment is back up in levels terms, but still below pre-pandemic trend.



Labor force participation rates dropped slightly and still below pre-pandemic levels, especially for older workers.



The Great Resignation:

Why Workers Quit and How Organizations Should Respond

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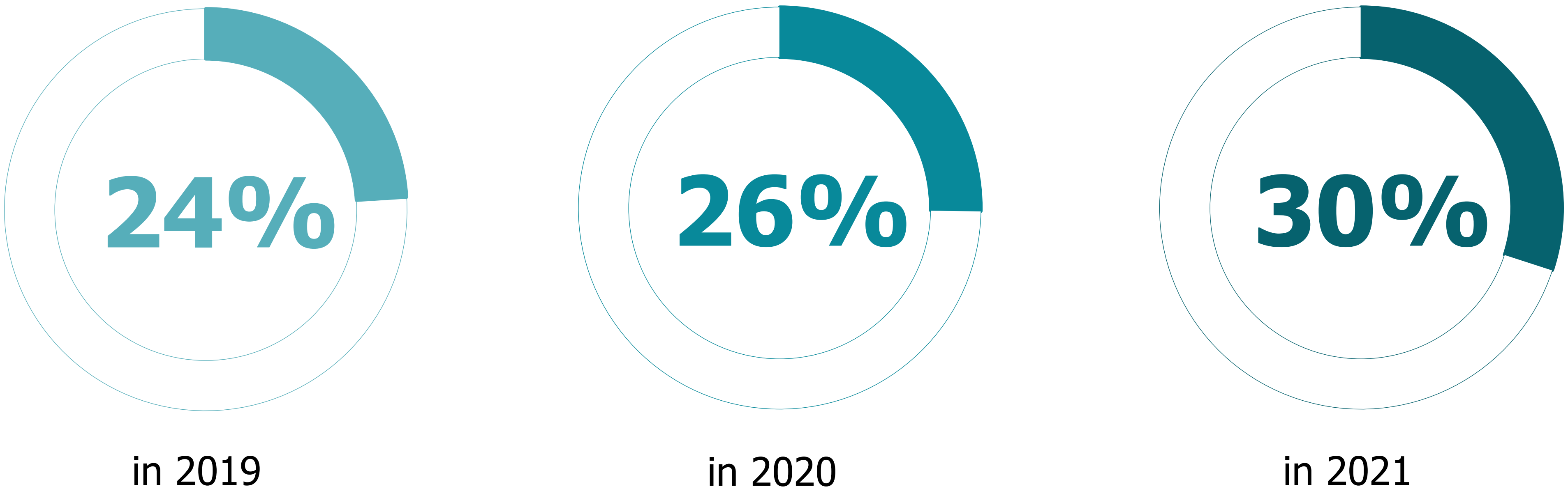
BETTER WORLD™

No back up plan? No problem.

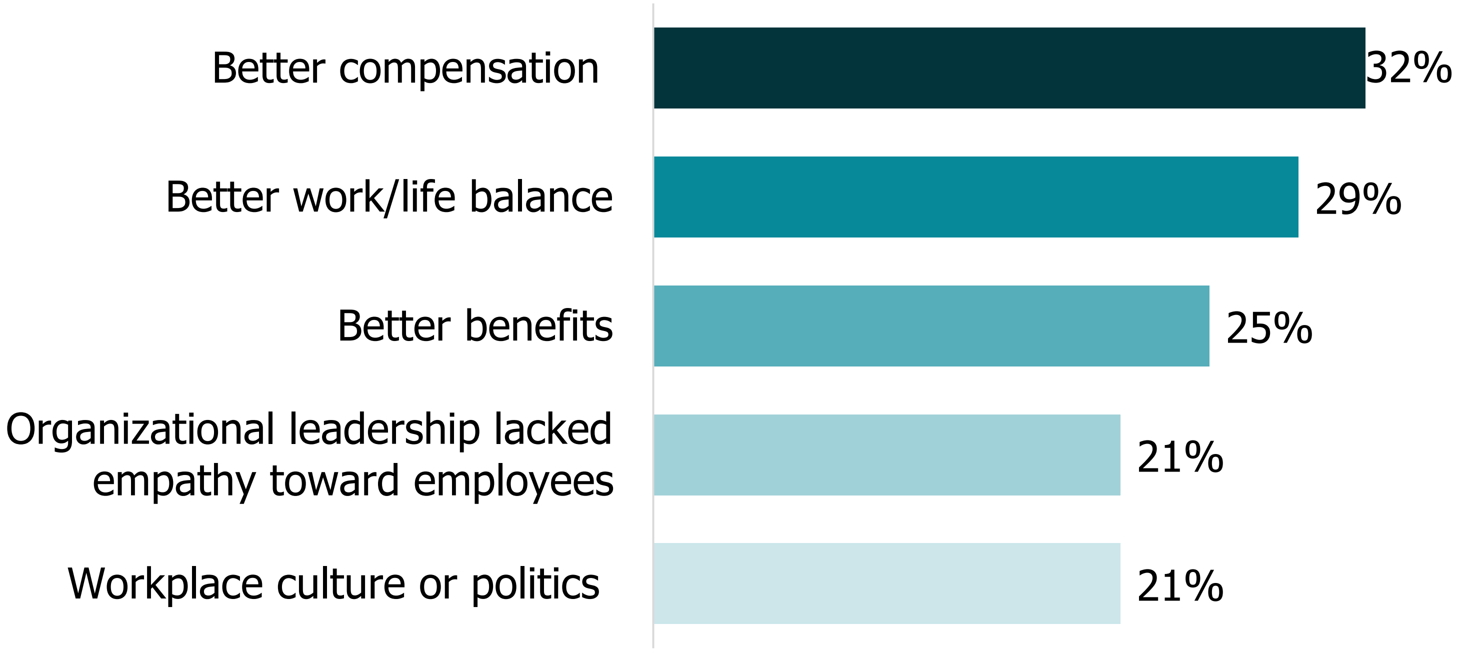
Some workers are quitting even without a new job lined up.

% of U.S. workers who had not accepted a new job when they quit:



Why are more U.S. workers quitting their jobs than ever before?

Top 5 reasons for quitting:



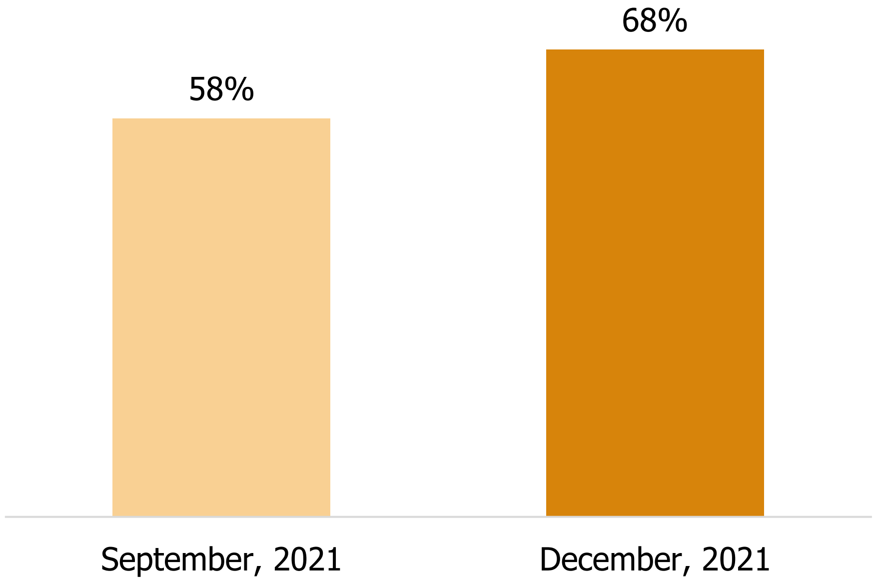
How are organizations currently responding to the Great Resignation?

Organizations are Offering Higher Starting Salaries to Recruit New Employees

Many organizations are reporting higher starting salaries/wages beyond normal yearly increases, as compared to 2020.

Within a span of 3 months, there was a **10-percentage point increase** in the number of organizations reporting higher starting salaries/wages.

% of organizations reporting higher starting salaries/wages as compared to 2020.



Organizations are Offering New Benefits to Retain Current Employees

In the past 6 months, organizations have offered new or additional benefits to reduce turnover:

45% *Remote work or flexibility options*

35% *Merit increases*

31% *Employee referral bonus*

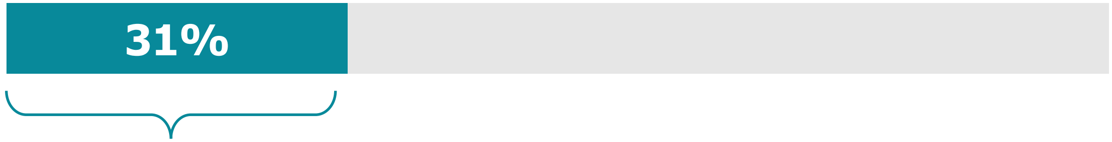
25% *Training/Career Development Opportunities*

25% *Spot bonuses (beyond holiday/annual bonuses)*

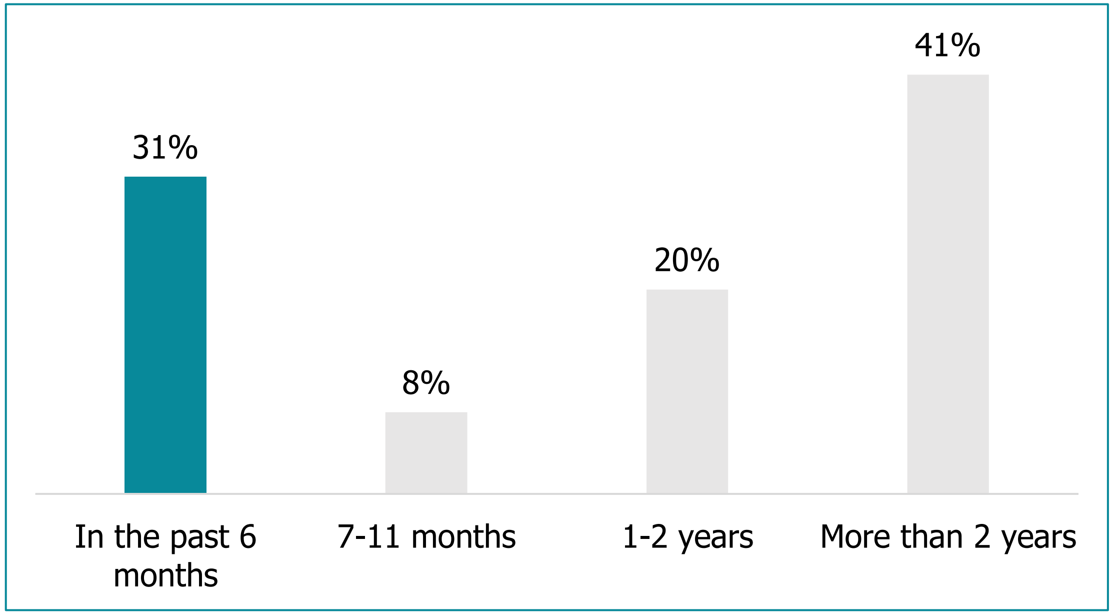
22% *Team building activities*

Organizations are Conducting Stay Interviews to Retain Current Employees

Nearly a third of organizations conduct stay interviews:



Of these organizations, nearly a third began conducting stay interviews in the past 6 months:



What else can organizations do?

Additional strategies we recommend for recruiting and retaining employees amid the Great Resignation

Recruitment

1 Hire boomerang employees

86% of organizations say they are willing to re-hire employees who previously quit.

23% of U.S. workers who quit their last job have considered going back to their last job.

38% of unemployed Americans who recently quit their last job have considered going back to their last job.

Recruitment

2 Leverage untapped talent pools

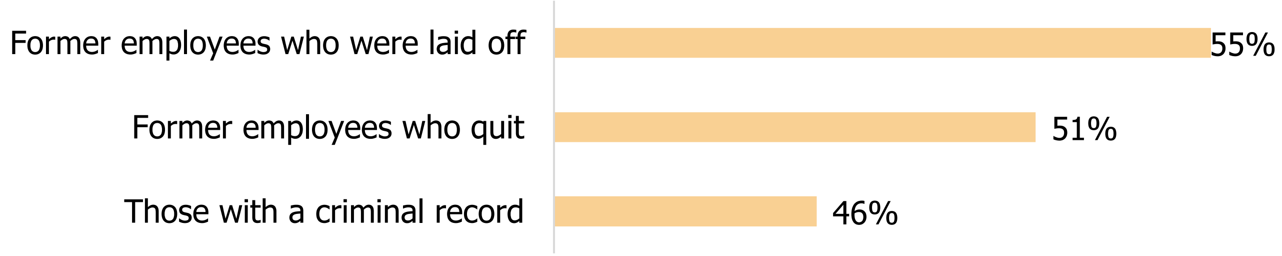
In the past 6 months, the top three untapped talent pools organizations report recruiting from include:

Newly graduated college students (53%)

Former employees who quit (42%)

Veterans (38%)

The top three talent pools organizations are recruiting from more now than last year:

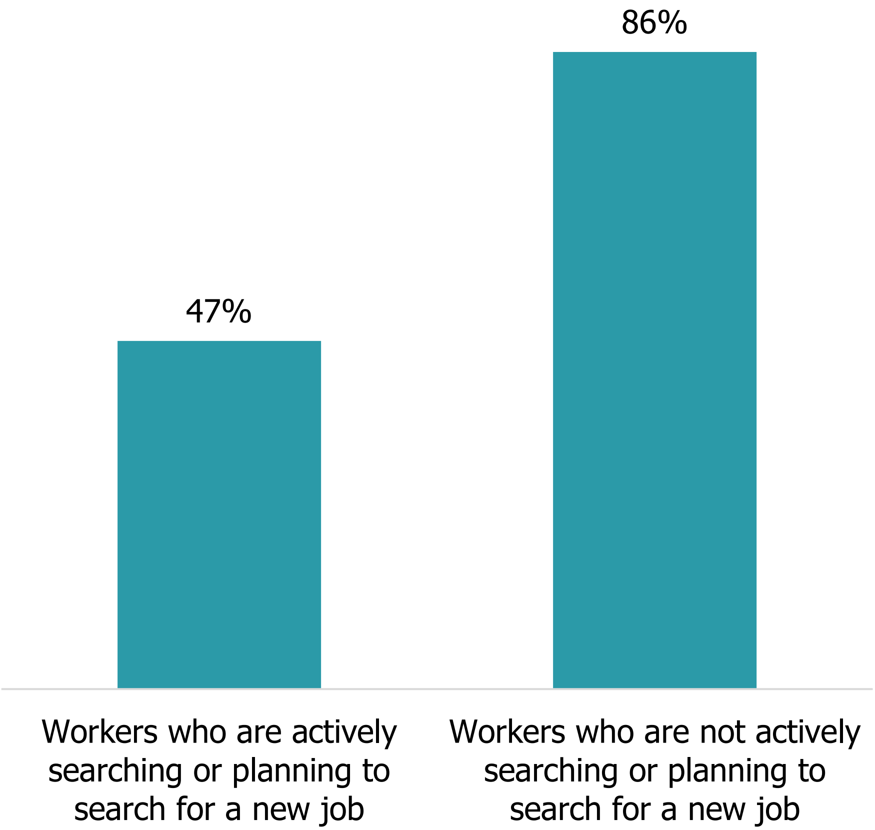


Retention

1 Foster a sense of belonging

When workers feel a strong sense of belonging to their organization, they may be less likely to leave.

% of U.S. workers that feel a strong sense of belonging to their current organization:



Retention

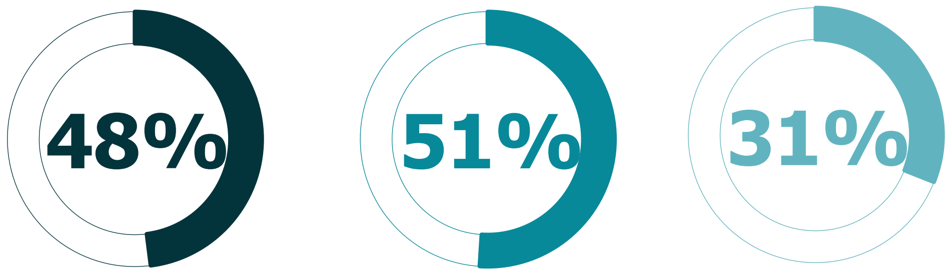
2 Train people managers

Over 2 in 5

U.S. workers (41%) who quit their previous job say their supervisor micromanaging them influenced their decision to quit.

In the last 2 years, micromanagement has had more of an influence on voluntary turnover.

% of U.S. workers who quit due to supervisor micromanagement:



In the last 9 months | *10 months to 2 years ago* | *More than 2 years ago*

Additional Resources

- Surviving the Great Resignation SHRM Research Report
- SHRM Resignation Recovery Playbook

https://www.shrm.org/pages/cause-the-effect.aspx

Methodology

- A sample of 2,000 U.S. workers were surveyed using a third-party online panel. The survey was administered Friday, December 17, 2021 to Friday, December 28, 2021.
- A sample of 200 unemployed Americans who quit their job in last 9 months were surveyed using a third-party online panel. The survey was administered Friday, December 17, 2021 to Sunday, December 26, 2021.
- A sample of 892 HR professionals were through SHRM membership. The survey was administered Friday, December 17, 2021 to Tuesday, January 11, 2022. Only HR professionals who were currently working for an organization (either remotely, in person, or through a hybrid model) were eligible to participate in this survey

Thank you

Please reach out if you have any additional questions.

Ragan Decker, Ph.D., is a Senior Researcher, Strategic Research Initiatives, at SHRM. She is responsible for conducting workplace research, and has lead research on financial wellness, people analytics, and the "Great Resignation." Dr. Decker received her doctorate in Industrial-Organizational Psychology from the University of Connecticut in 2021.

Ragan Decker, PhD
Senior Researcher, SHRM
ragan.decker@shrm.org

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NETWORKING LUNCH

PLEASE BE BACK BY 1:15 PM

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What do you think the long-term (e.g., 10 year) future of the workplace will look like?

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LUNCHEON KEYNOTE

Amber Rivers, Director, Office of Health Plan Standards and Compliance Assistance, U.S. Department of Labor

Moderated by: Jody Dietel, Special Advisor, Government Affairs, HealthEquity, Moderator

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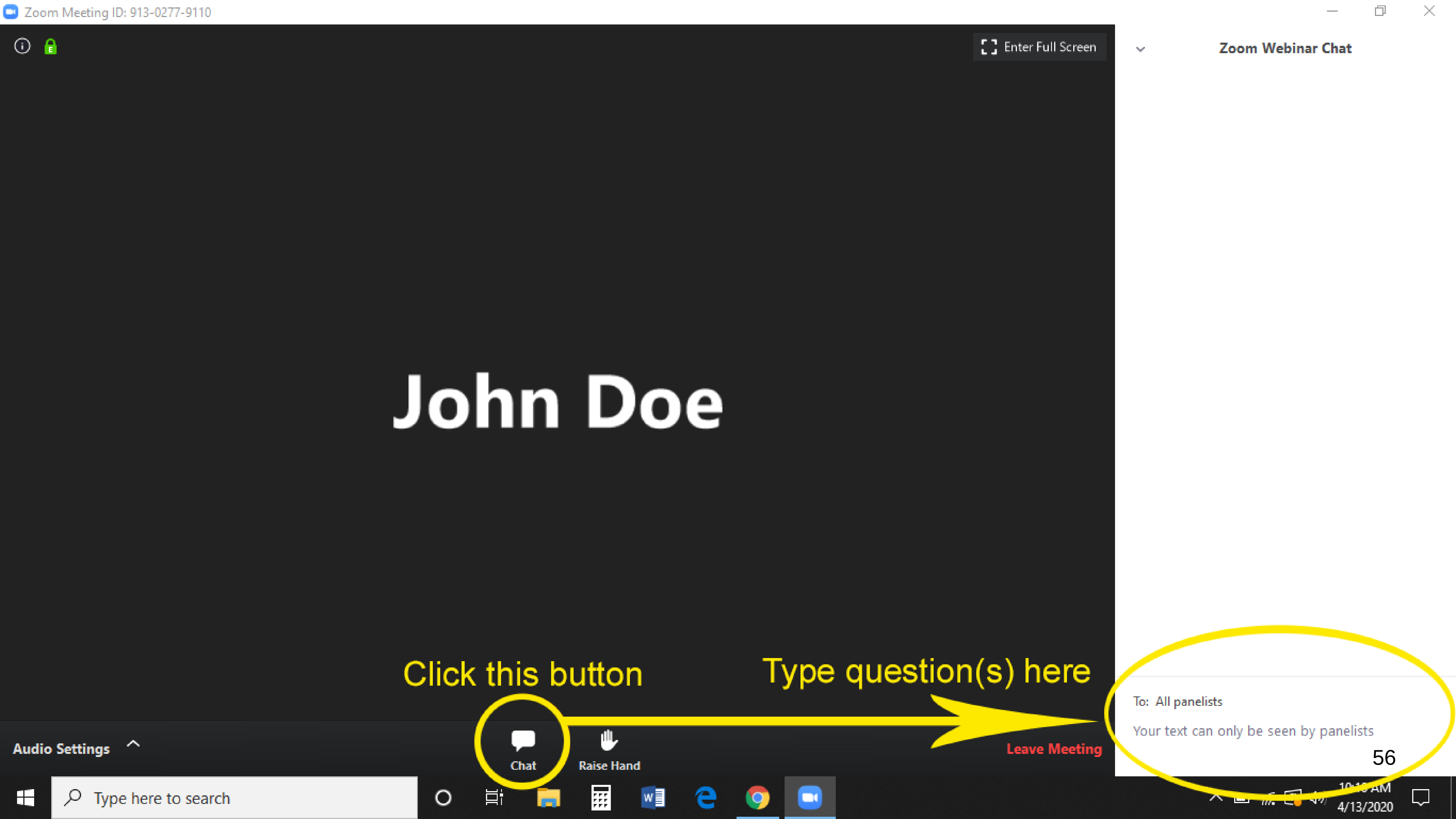
DEBT AND FINANCIAL SECURITY: CHALLENGES AND POSSIBLE SOLUTIONS

Craig Copeland, Director of Wealth Research, EBRI

Alex Smith, Chief HR Officer, City of Memphis

Jay Washington, Associate Vice President, Diverse Markets, Voya

Moderated by: Liz Varley, Vice President, Federal Government Affairs, Ameriprise, Moderator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4/13/2020

Debt: How It Is Changing and Its Impact

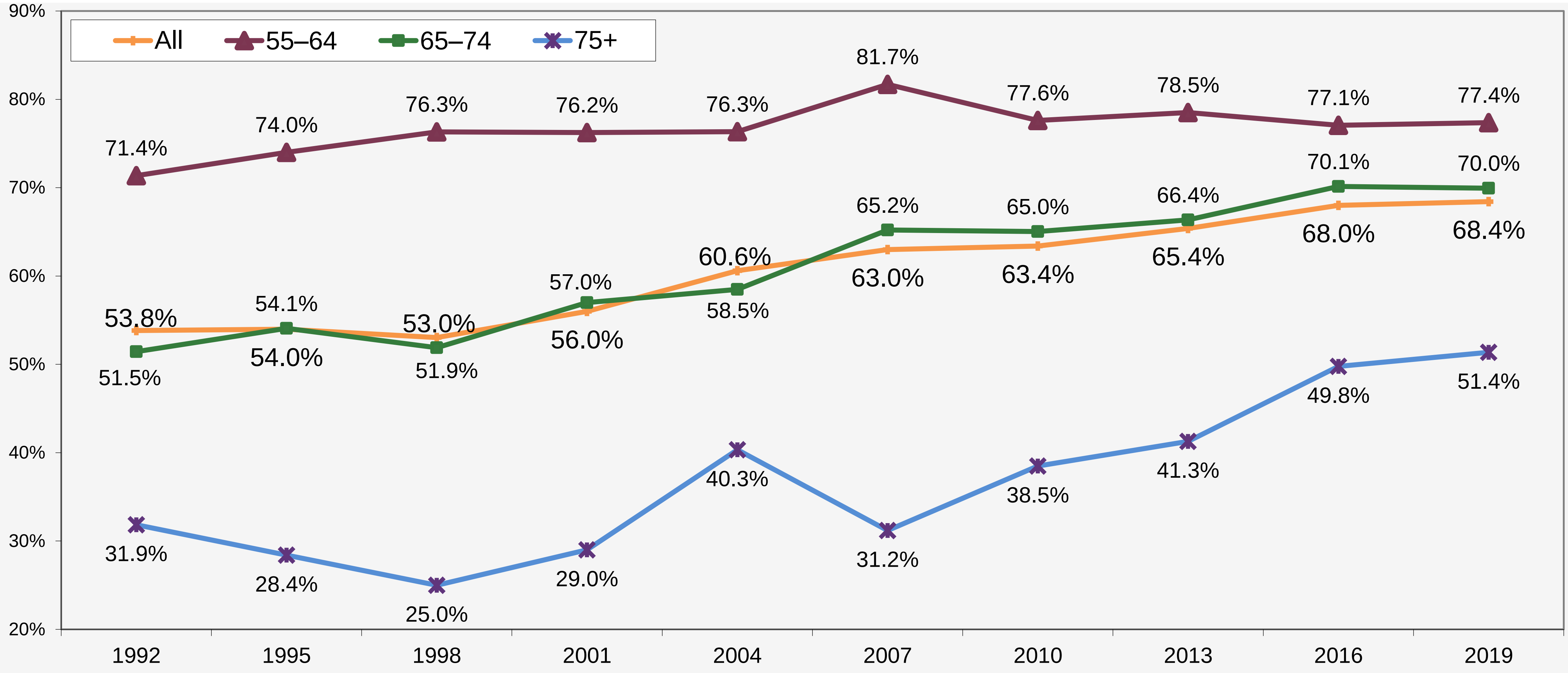
EBRI Spring Policy Forum

May 10, 2022

Overview

- Debt statistics-Survey of Consumer Finances from the Federal Reserve, comprehensive data on families' wealth
  - Families with heads ages 55 or older
    - Changes in debt type incidence
  - Families with heads ages 55 or older
  - Debt comparisons 2010 and 2019
  - Distribution of debt sources (Millennials vs. Generation X)
- Attitudes and experiences with debt (Retirement Confidence Survey)

Percentage of Families With Heads Ages 55 or Older With Debt, by Age of Family Head, 1992–2019



Source: Employee Benefit Research Institute estimates from the 1992, 1995, 1998, 2001, 2004, 2007, 2010, 2013, 2016, and 2019 Survey of Consumer Finances.

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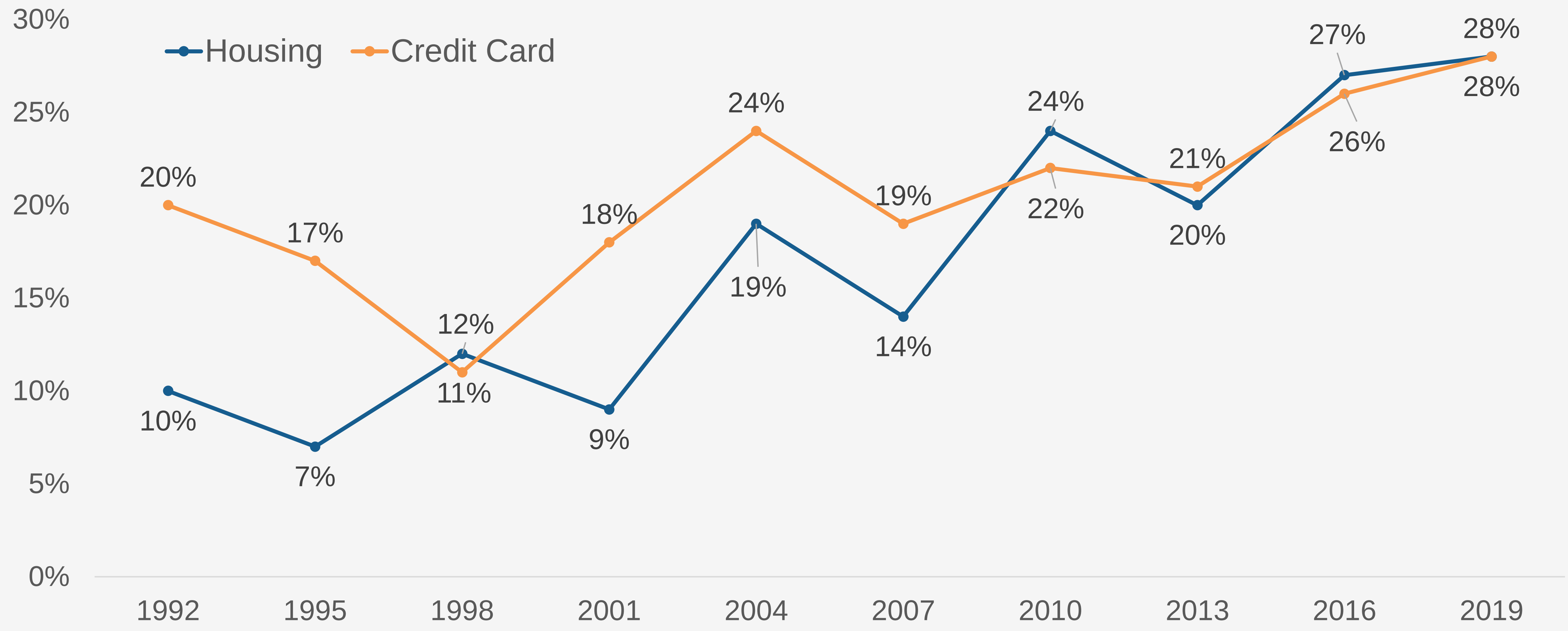
Percentage of Families With Heads Ages 75 or Older With Housing or Credit Card Debt, 1992–2019



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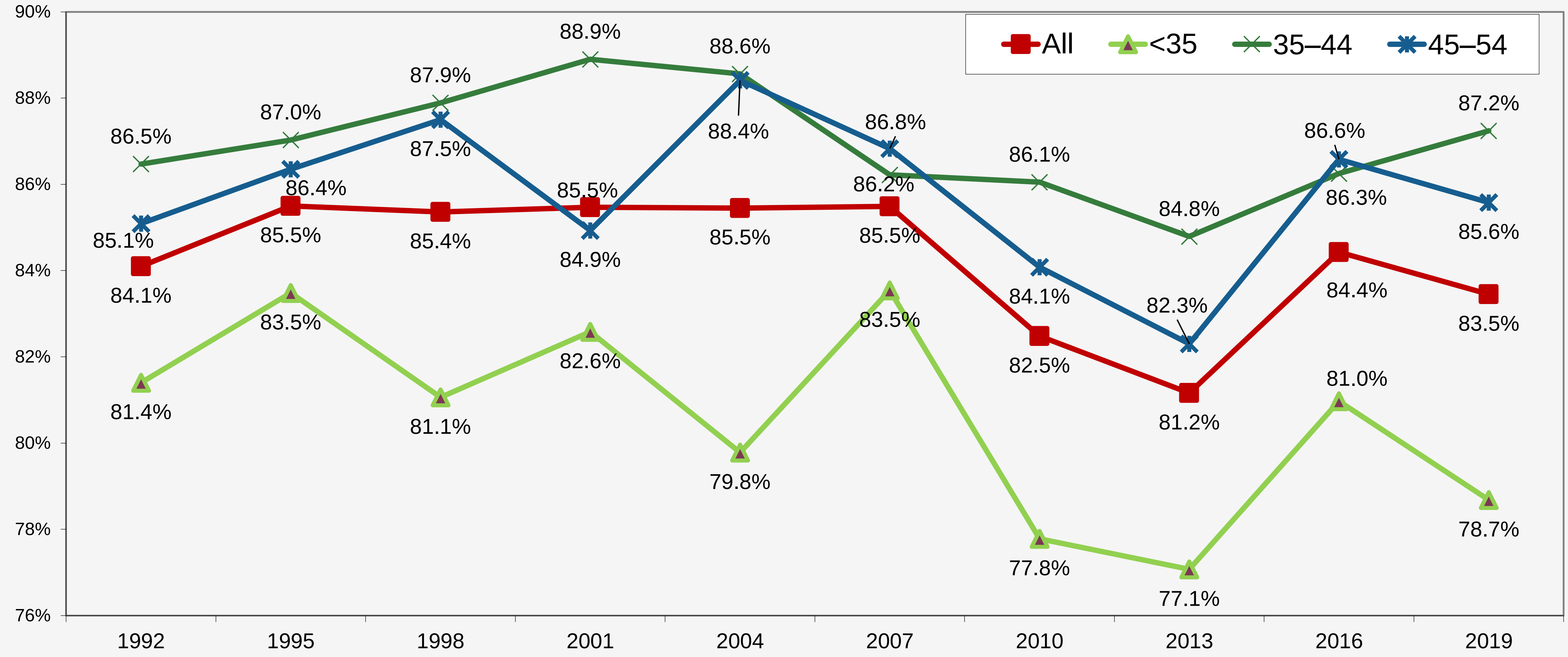
Percentage of Families With Heads Ages 54 or Younger With Debt, by Age of Family Head, 1992–2019



Source: Employee Benefit Research Institute estimates from the 1992, 1995, 1998, 2001, 2004, 2007, 2010, 2013, 2016, and 2019 Survey of Consumer Finances.

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Comparison of Various Debt Statistics Between Families With Heads Ages Ages 55 or Older and of Those With Heads Ages Younger Than 55, 2010 and 2019

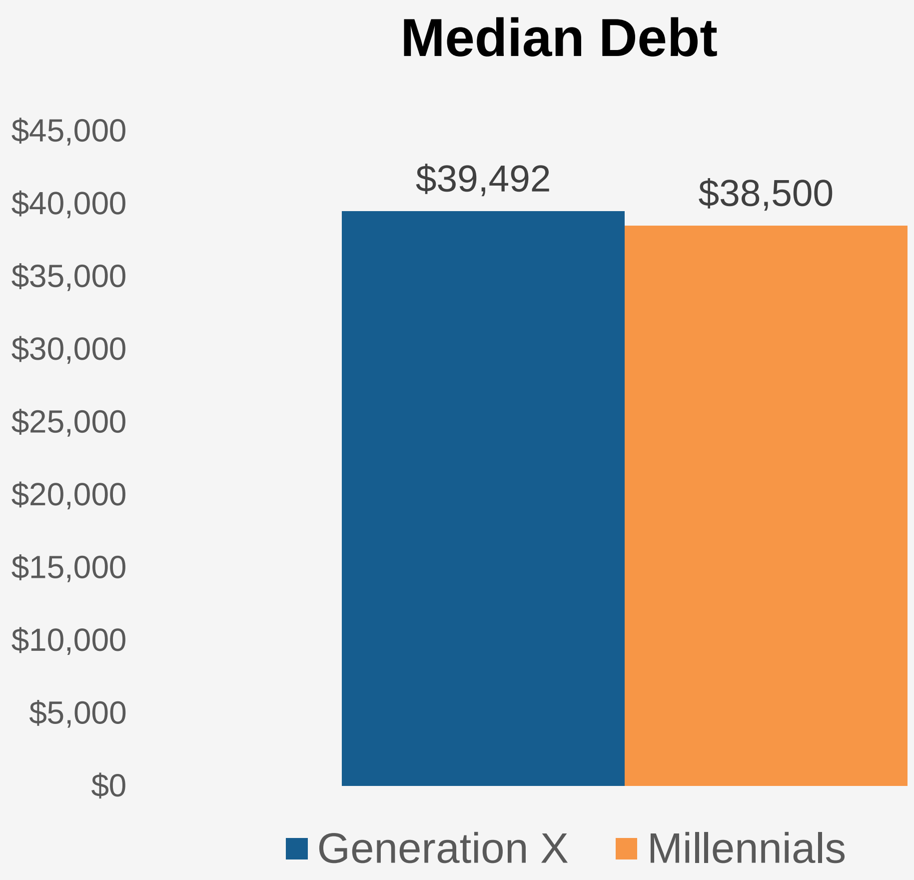
	Heads Ages Younger Than 55		Heads Ages 55 or Older	
Category	2010	2019	2010	2019
Percentage With Debt	82.5%	83.5%	63.4%	68.4%
Average Debt	$131,562	$128,085	$88,245	$82,481
Median Debt of Those Having Debt	$96,377	$87,550	$65,272	$44,350
Total Debt Payments as a Percentage of Income	17.3%	14.0%	11.4%	9.2%
Percentage With Debt Payments Greater Than 40% of Income	12.4%	8.1%	8.5%	6.5%
Debt as a Percentage of Assets	27.9%	23.1%	8.4%	6.8%
Median Debt-to-asset Ratio of Those Having Debt	55.2%	47.8%	19.6%	16.5%
Percentage With Housing Debt	50.4%	44.9%	42.0%	39.0%
Percentage With Credit Card Debt	43.5%	49.8%	33.0%	40.0%
Median Housing Debt of Those Having It	$142,562	$154,000	$96,375	$97,000
Median Credit Card Debt of Those Having It	$3,299	$2,500	$2,856	$3,000

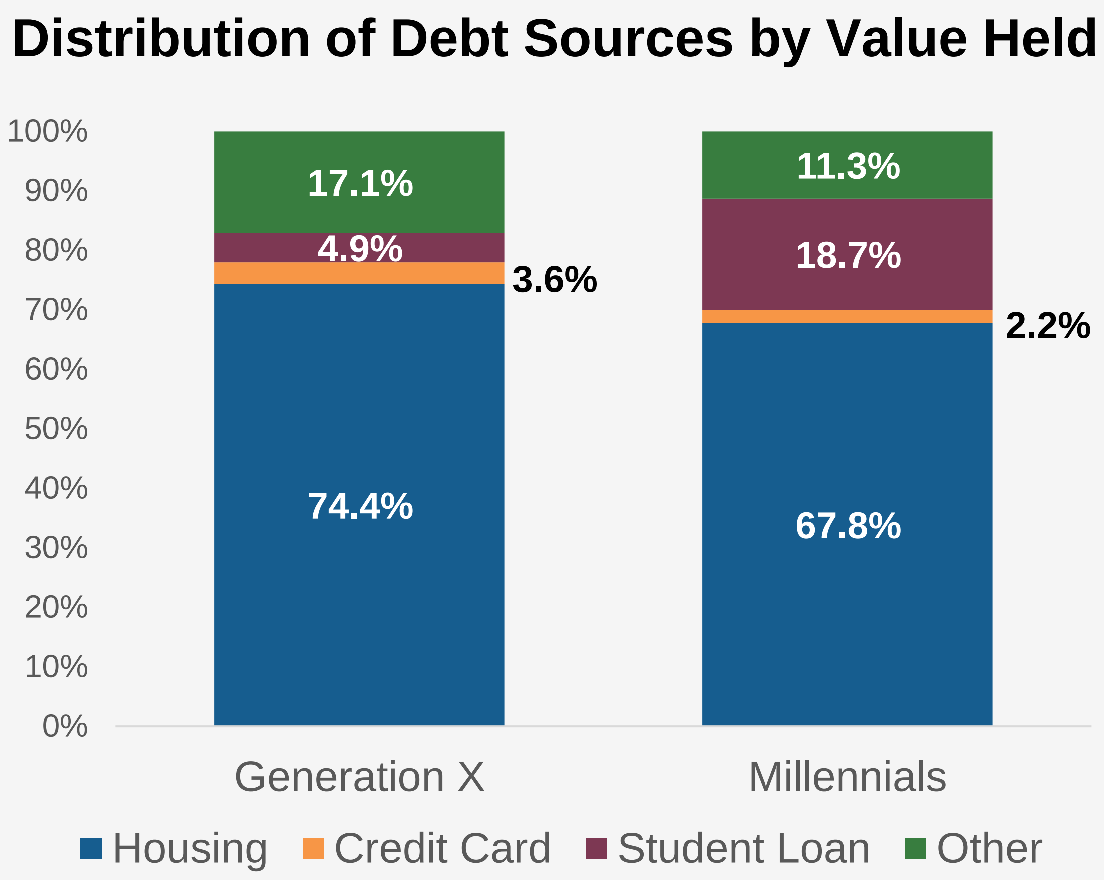
Source: Employee Benefit Research Institute estimates from the 2010 and 2019 Survey of Consumer Finances.

Note: All dollar amounts are in 2019 dollars.

EBRI EMPLOYEE BENEFIT RESEARCH INSTITUTE

Comparison of Generation X and Millennial Families' Median Debt and Distribution of Debt Sources When The Family Heads Were Ages 25-36





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Source: Employee Benefit Research Institute estimates from the 2001 and 2019 Survey of Consumer Finances.

Note: All dollar amounts are in 2019 dollars.

Experience With Debt

- Retirement Confidence Survey (RCS)
  - Retirement planning and stress
  - Debt impact
  - Reasons for loans and withdrawals from workplace savings plans
- Financial Wellbeing Employer Survey (FWES)
  - Financial wellbeing initiatives seeing the largest increases in engagement since the pandemic

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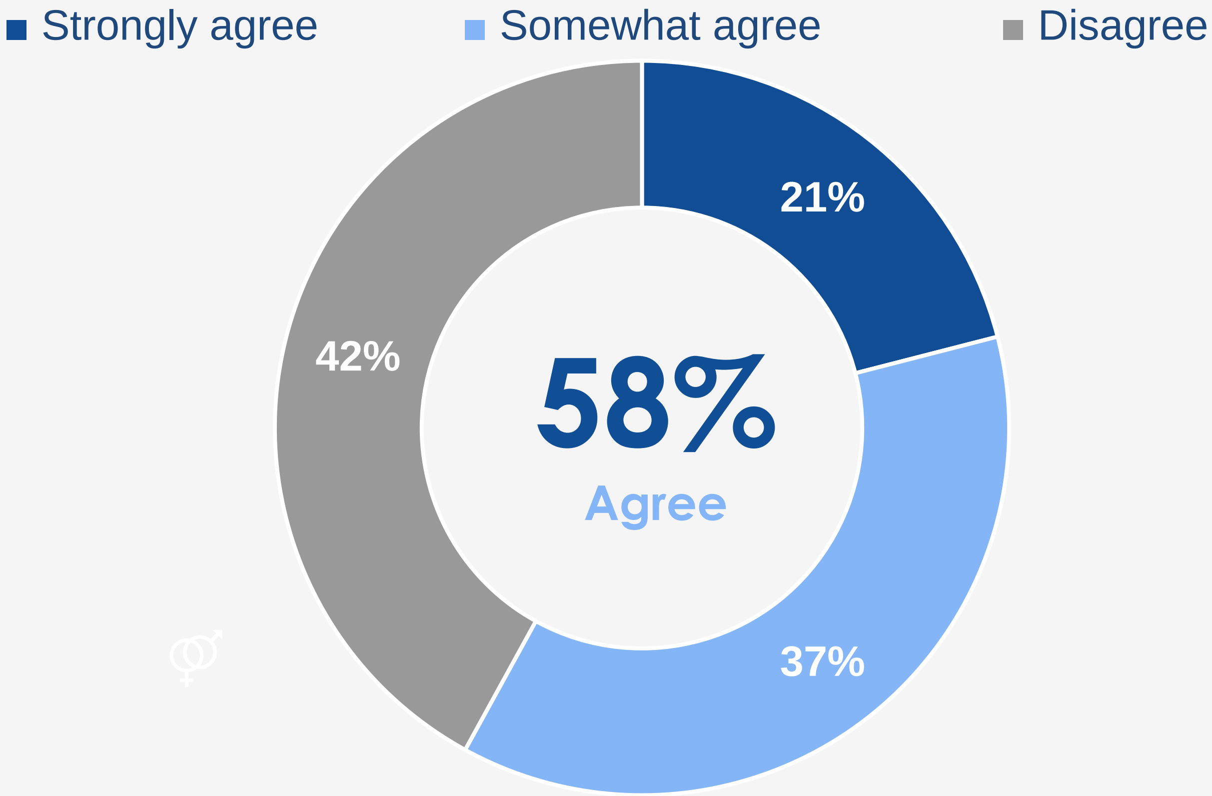
Percentage of Workers Who Agree That Preparing for Retirement Makes Them Feel Stressed

To what extent do you agree or disagree with the following statement? Preparing for retirement makes you feel stressed

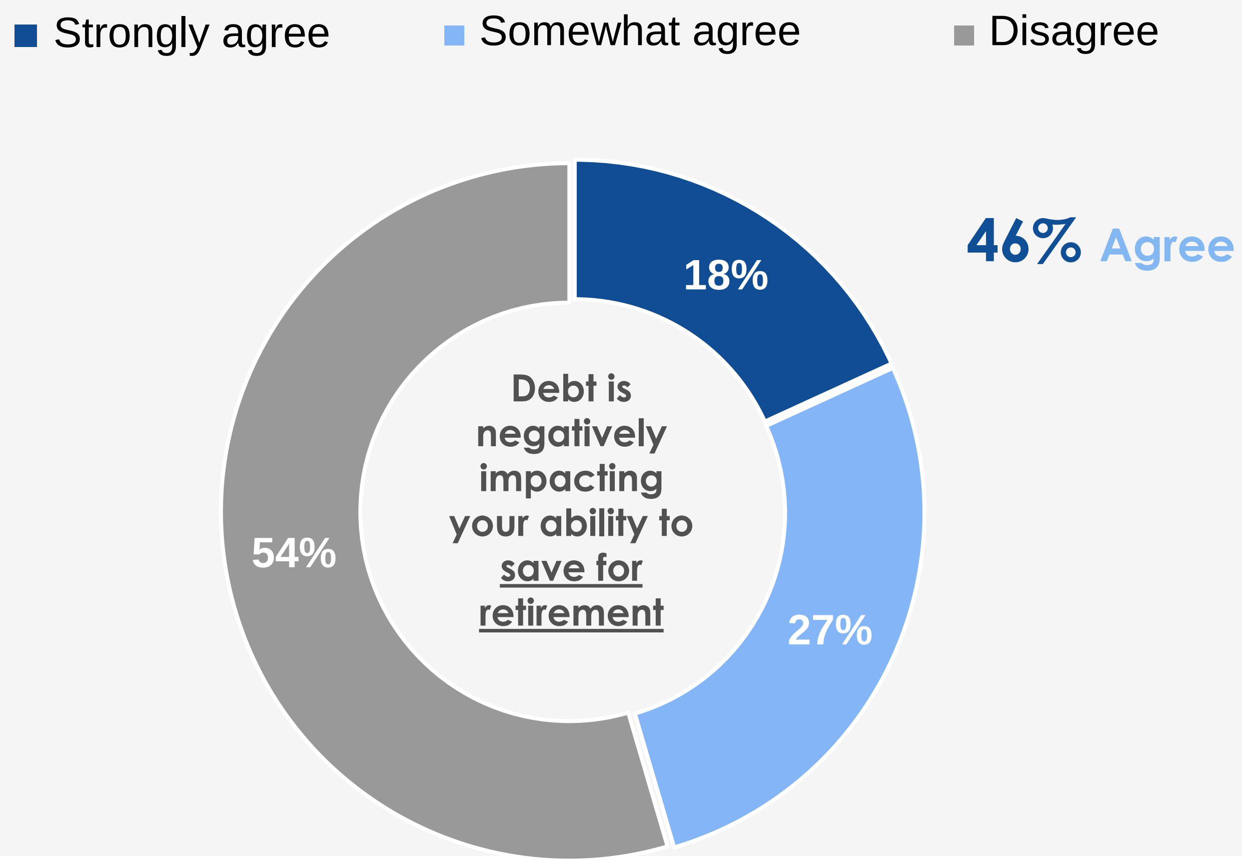
(Workers n=1,545)



Source: EBRI and Greenwald Research 2022 Retirement Confidence Survey.

Percentage of Workers and Retirees Who Say Debt is Negatively Impacting Their Ability to Save for Retirement

To what extent do you agree or disagree with the following statements?
Workers n=1,545



Source: EBRI and Greenwald Research 2022 Retirement Confidence Survey.

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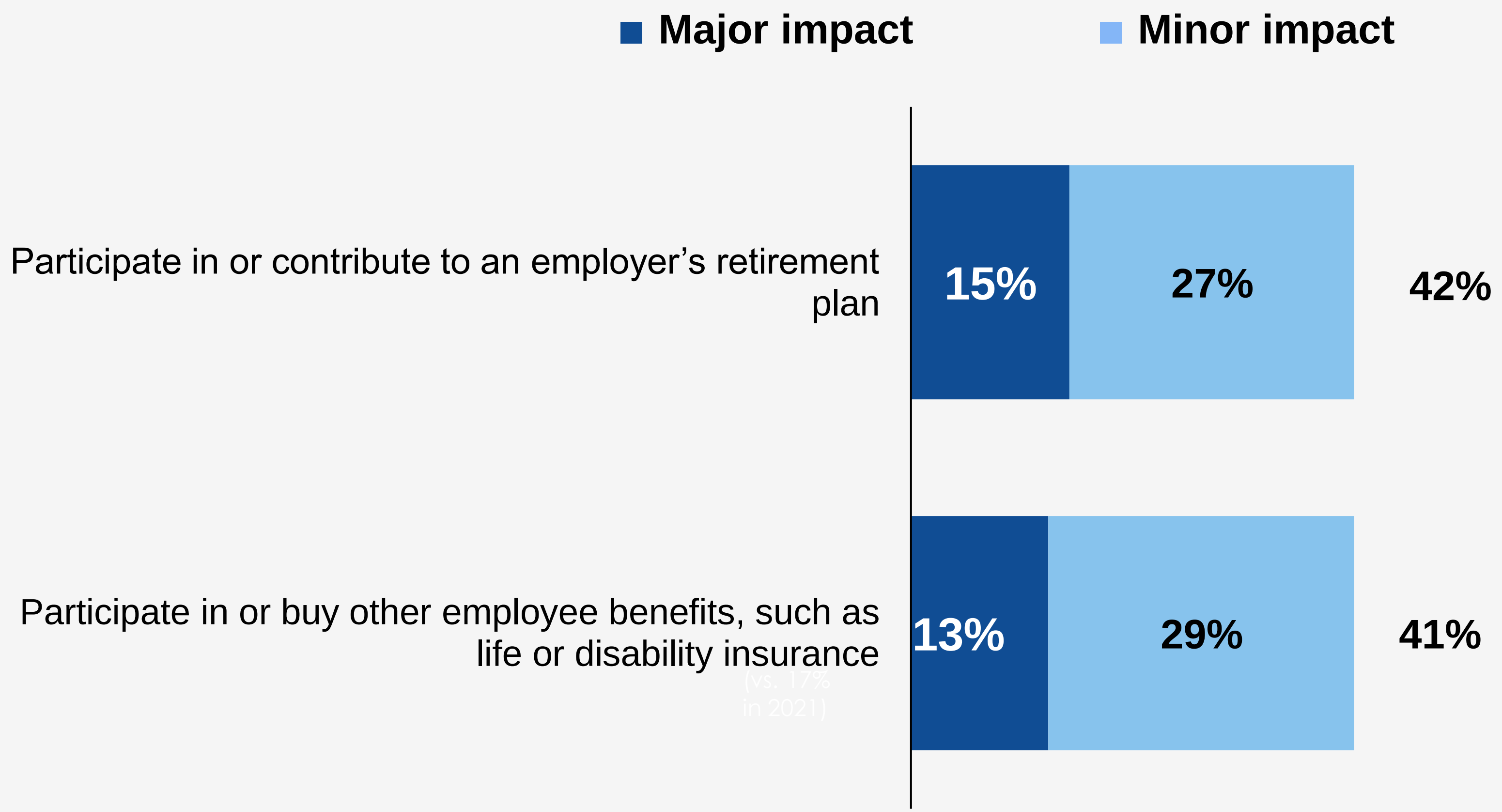
Percentage of Workers Who Say Debt is Impacting Their Ability to Participate in Employee Benefits

To what extent is your non-mortgage debt having a negative impact on your ability to do the following?
Workers n=1,545

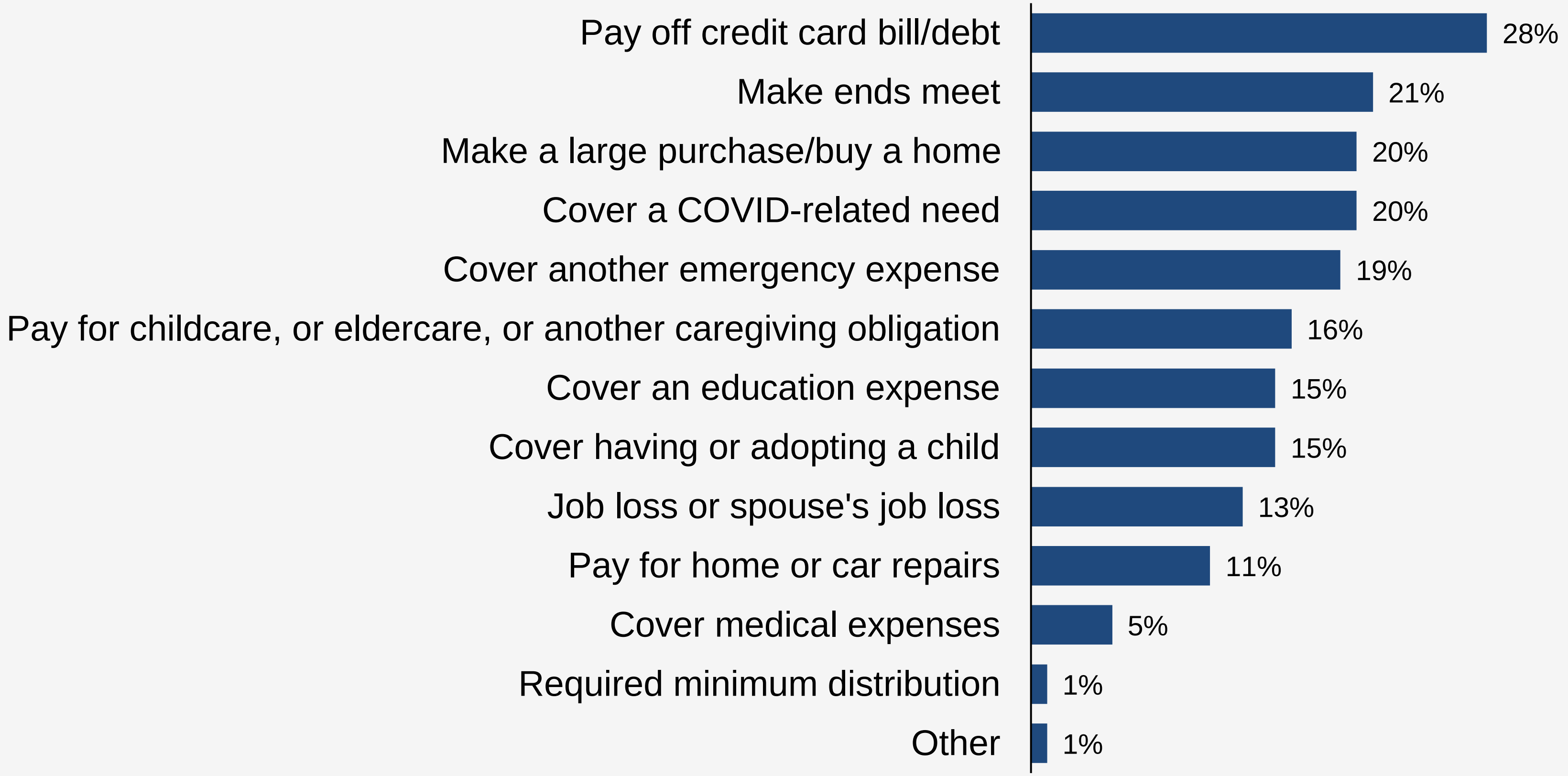


Source: EBRI and Greenwald Research 2022 Retirement Confidence Survey.

Reasons For Taking a Loan or Withdrawal From a Retirement Savings Plan

Which of the following, if any, are reasons you took a loan or withdrawal from your retirement savings plan?

Workers Who Have Ever Taken Money from Plan (n=204)

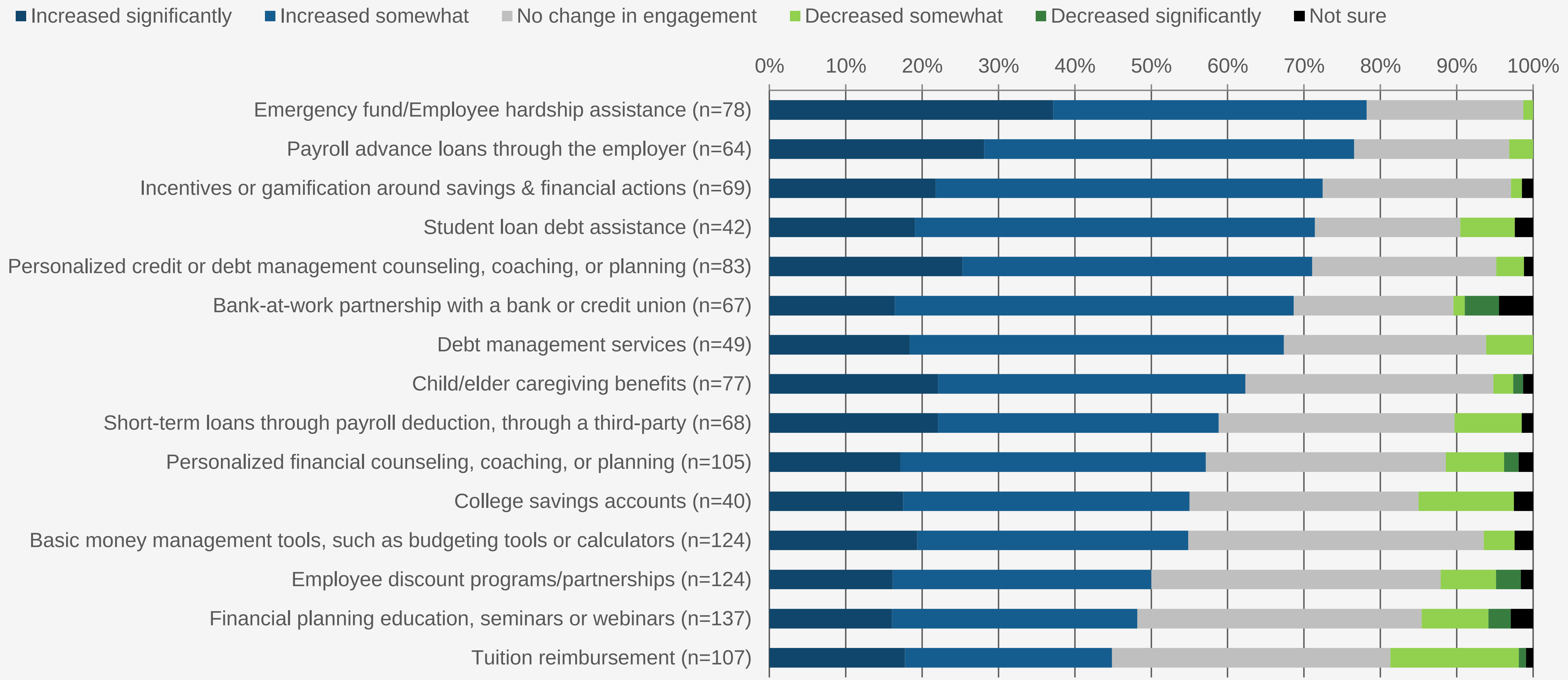


EBRI EMPLOYEE BENEFIT RESEARCH INSTITUTE

Source: EBRI and Greenwald Research 2022 Retirement Confidence Survey.

Employee Engagement with Benefits Since COVID-19

Among those offering each benefit



Q42. How has employee engagement with the following benefits changes since the COVID-19 crisis began?
Source: 2021 EBRI Financial Wellbeing Employer Survey.

Improving wellness in the workplace

Our multi-channel **financial wellness experience** is integrated with myOrangeMoney, and helps employees address, balance and prioritize competing financial interests.

Financial wellness pillars

Quick assessment

+ easy scoring:

9 out of 10 users have taken action or plan to take action to improve their financial situation after completing the assessment[1]

88% completed the assessment and viewed the results[2]

Resource center

1 Voya Internal Data as of 6/30/20
2 Voya Internal Data as of 6/30/20- reflects percent completion of users that began assessment

Guiding principles of our financial wellness experience

Six pillars of financial wellness:

- Protection
- Spending & Saving
- Emergency Fund
- Retirement
- Debt
- Other Goals

To improve outcomes, we must effectively:

ENGAGE
Reaching employees where they are, with the right message at the right time.

GUIDE
Delivering personalized experiences that lead employees to their next best action based on their current financial situation and goals for the future.

DRIVE ACTION
Help employees take action to improve their financial outcomes.

Student loan debt solutions can help employees and employers

Student loan debt is the 2nd highest consumer debt category – behind only mortgage debt – and higher than both credit cards and auto loans[1]

44.7 million
Americans owe student loans worth more than **$1.56 trillion**[2]

$32,731
is the average student loan debt per person[2]

$393
is the average monthly student loan payment for graduates[3]

96% of employees
with student loan debt say they're **likely save more for retirement if they had their debt under control**[4]

63% more likely
to choose an employer that offers student loan debt solution[5]

86% employees
age 22-33 would commit to a company for five years if the employer helped pay back their student loans[6]

[1]Credit.com, "U.S. Average Student Loan Debt Statistics," June 2019.
[2]Forbes, "Student Loan Debt Statistics In 2020: A Record $1.6 Trillion," February 2020.
[3]Credit.com, "U.S. Average Student Loan Debt Statistics," June 2019.
[4]Voya Consumer Insights and Research, June 2020.
[5]Voya Online Consumer Community research, October 2019.
[6]American Student Assistance, "Young Workers and Student Debt Survey Report," February 2017.

Saving for unexpected expenses can improve retirement outcomes

American workers are vulnerable to financial emergencies

78% U.S. workers live paycheck to paycheck[1]

40% Americans would have to use credit cards or borrow money to cover a $400 expense[2]

2 in 10 individuals have less than 3 months' emergency savings and **3 in 10** have no emergency savings at all[3]

Lack of emergency savings puts retirement at risk[3]

Employees without adequate emergency savings are…

30% more likely to decrease contribution rates

13x more likely to take a hardship withdrawal

3x more likely to take a loan from their retirement plan

Employees are looking to their employers for help[4]

71% likely to participate in a payroll-deduction rainy day savings program if their employer offered one

87% more likely to participate in a savings program with an employer match to the emergency savings fund

[1]Careerbuilder Survey, 2017.
[2]Federal Reserve, Report on the Economic Well-Being of U.S. Households in 2018, May 2019.
[3]Voya internal data, October 2020.
[4]AARP Public Policy Institute, Saving at Work for a Rainy Day Results from a National Survey of Employees, September 2018.

Unplanned expenses are surprisingly common

60% of households experienced a financial shock in the previous 12 months[1]

One third of them had to contend with two or more emergencies in the same timeframe[1]

Car expenses
Most common unplanned expense[1]
New transmission – $2,324 [2]

Household repairs
Second most common unplanned expense[1]
Flooded basement repair – $10,000+ [2]

Medical emergencies
Insurance may not cover all medical expenses
Emergency room visit – $150-$3,000+ [2]

Funeral costs
In addition to the funeral itself, there are often bereavement travel expenses
Full-service funeral – $15,000+ [2]

Vet bills
Pets are family members and owners will go to extraordinary lengths to keep their pets healthy
Canine radiation therapy – $2,000-$6,000 per treatment [2]

Job instability or loss
Bridging the income gap for at least three months is critical to remaining financially and emotionally healthy

[1]The Pew Charitable Trusts, American's Financial Security: Perception and Reality, March 2015.
[2]Costhelper, 2020.

City of MEMPHIS

Employee Debt Management Strategies

Alex Smith

Chief HR Officer

City of Memphis

WHY ARE WE HERE?

Build an engaged workforce to improve the quality of life for all Memphians, every day.

City of MEMPHIS

City of MEMPHIS Employer Profile Rewards

Why do people want to work for City of Memphis?

TOTAL REWARDS

COMPELLING WORK

MAKING A DIFFERENCE

Innovation SUPPORTING EMPLOYEES

STRATEGY

- Attract and Retain Talent
- Partnerships

KNOWLEDGE & INFORMATION

- Total Rewards Website
- Manager Toolkit
- Virtual Training

INNOVATIVE PROGRAMS

Free Onsite Financial Counseling	Student Loan Contribution	Tuition Reibursement	Memphis Employee Credit Union	Retirement Support

FREE **Financial Counseling**

- One-on-one counseling with a financial advisor
- In-person and virtual workshops on establishing and increasing credit scores, creating a budget, money management, and homeownership.

- **2021 Program Overview**
  - **74%** of employees saw an improvement in their credit scores
  - **33%** of employees achieved a score of 660 or above
  - **+15** points FICO score change

> "My counselor was extremely thorough and provided a clear understanding of the steps that I could take to achieve my goals. I can proudly say that I have been able to pay off some of my substantial debt. I am also better at prioritizing my spending and getting bills paid on time. I am glad to see positive results. My credit score has gone from the 600s to the mid 700's. I am greatly appreciative."
>
> *- COM Employee Comment*

City of MEMPHIS

Student **Loan Contribution**

The City of Memphis offers student loan contributions in the amount of fifty dollars ($50) a month.

To qualify employees must have:

- Full-time employment status
- Twelve consecutive months of employment
- 2021 Program Enrollment
- 522 employees are enrolled
- Over $313K in savings ($600 in savings annually per employee)

Tuition **Reimbursement Program**

- Eligible employees can receive assistance with tuition and fees up to
  - $3,000 for undergraduate/graduate degree programs
  - $2,000 for certificate programs
  - Per fiscal year

2020-2021 Program Overview

- 175 employees enrolled
- Over $422K in reimbursements during the 2020-2021 program period

City of MEMPHIS

Memphis Employee **Credit Union**

- Free savings account with free membership to new City of Memphis employees

- $100 offer to new checking account members

- Convenient Direct Deposit and Payroll deduction opportunities

- Several account options to include IRAs, money market, CDs and more

- Low interest rates on auto, mortgage, and debt consolidation loans

City of MEMPHIS

Retirement **Support**

- One-on-one counseling for assistance with plan enrollment, investing, account reviews and more
- Assistance with debt reduction before going into retirement
- Full Service financial wellness website with topics on retirement transitioning, smart spending, savings, investing, and estate planning
- Retirement calculator to determine how much you will need to cover your desired retirement lifestyle

Alex Smith's

Top 4 Suggestions for Transformation

- Dont Be Afraid To Challenge Status Quo
- Needs Assessment
- Effective Partnership, Cooperation, and Collaboration
- Purposeful Communication
- Be Adaptable & Flexible

thank you!

@CHROAlexSmith

https://www.Linkedin.com/in/ConsultAlexSmith

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NETWORKING BREAK

PLEASE RETURN BY 3:15 P.M.

EBRI


Wi-Fi Network: DCCTR
Password: meeting2015DC
#EBRIPolicyForum
Speaker bios can be found
http://bit.ly/EBRIPolicyForumBios

slido

On a scale of 1 to 10, with 10 being the highest, how much responsibility should employers take when it comes to employees' mental health?

ⓘ Start presenting to display the poll results on this slide.

THE STATE OF MENTAL HEALTH IN THE WORKPLACE

Katy Riddick,
Senior Director,
One Mind at Work

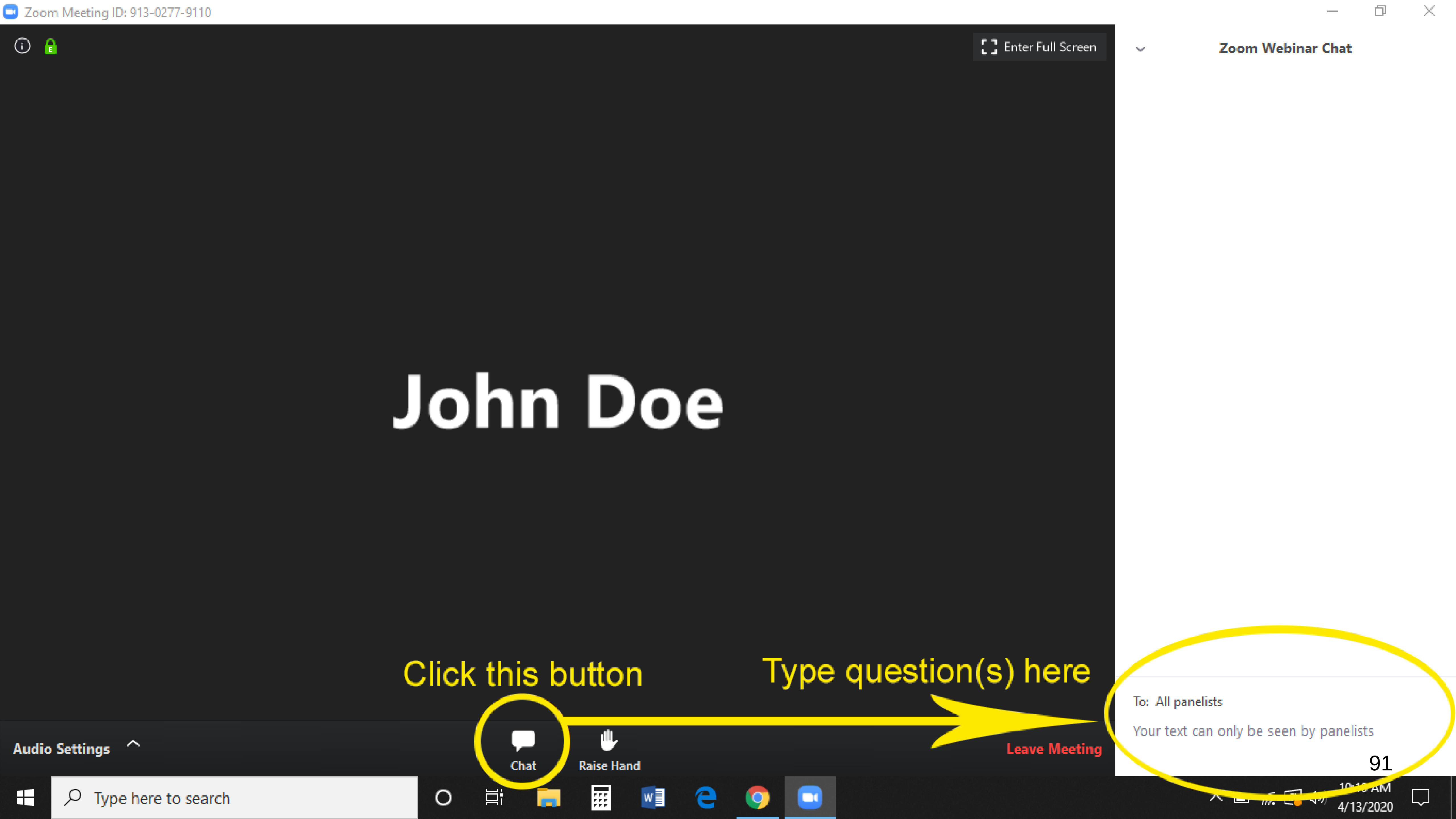
Paul Fronstin,
Director of Health
Research, EBRI

Adam Beck, Vice President, Employer Health Policy & Initiatives, Commercial Exchange Policy & Operations, AHIP

Jennifer Posa,
Global Head for Employee Mental Wellbeing & Workplace Effectiveness, Johnson & Johnson

Moderated by:
Sandra Diaz-Castillo, Head of Research and Insights, U.S. Commercial Global Market Research and Insights, Cigna

EBRI


Zoom Meeting ID: 913-0277-9110
Enter Full Screen
Zoom Webinar Chat
John Doe
Click this button
Type question(s) here
To: All panelists
Your text can only be seen by panelists
Audio Settings
Chat
Raise Hand
Leave Meeting
Type here to search
4/13/2020

Perspectives on Mental Health in the Workplace

EBRI Conference

May 2022

What are employees struggling with?

What are employees struggling with?*

There was a lack of mental health support prior to the pandemic.

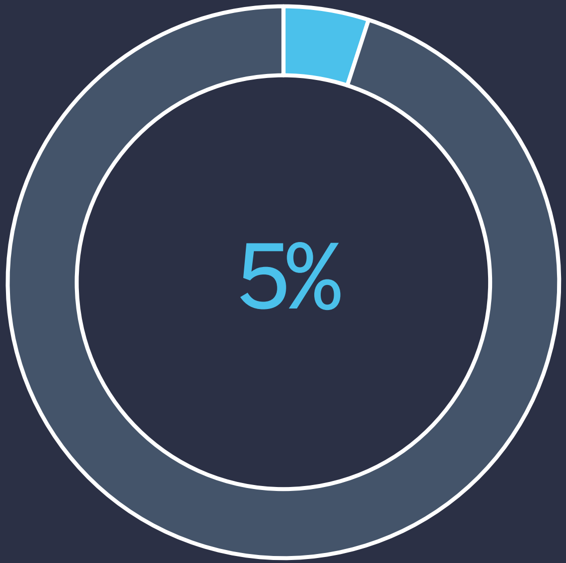
The pandemic introduced new pressures or exacerbated existing issues.

Many, many people have experienced trauma, grief and profound loss.

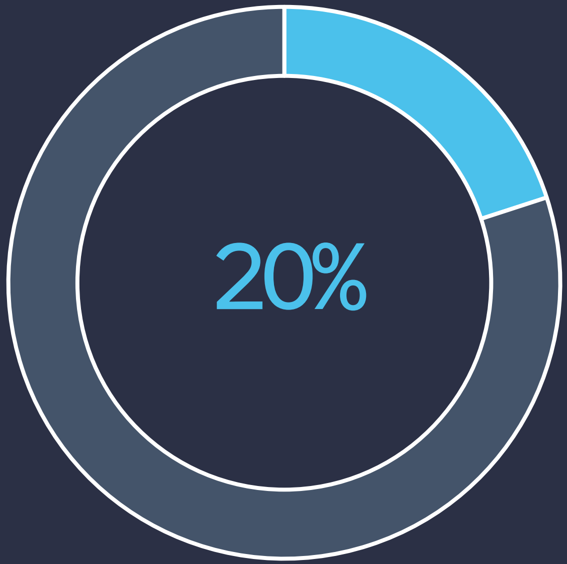
Despite potentially having access to new support mechanisms, stigma and other barriers still exist.

*Not a complete list.

What are employees struggling with?



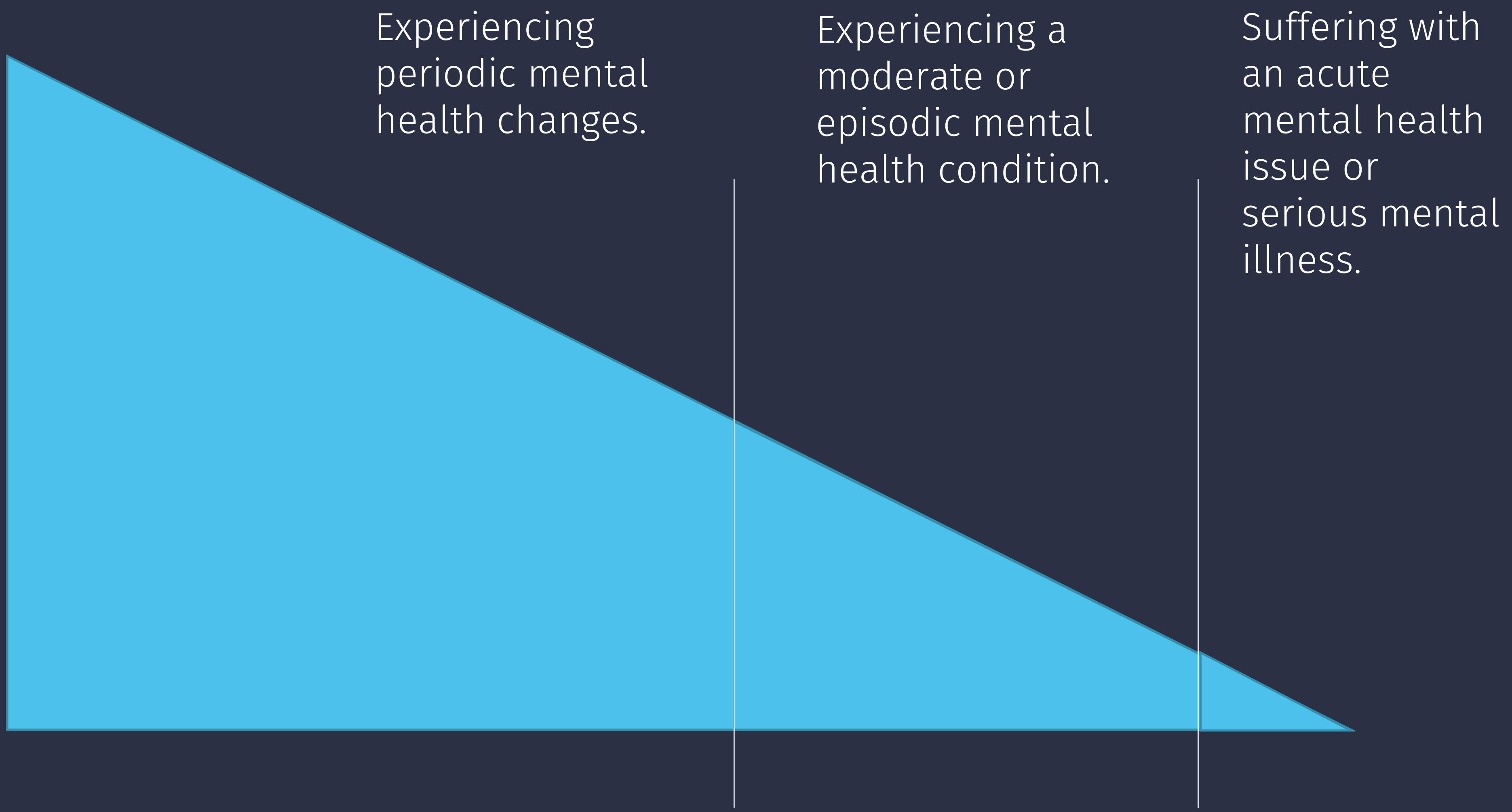
People who report living with depression



People experiencing symptoms of depression

How are employers responding?

How are employers responding?



How are employers responding?

1

BE AWARE

Consider a multi-pronged approach to mental health by addressing cultural and workflow expectations alongside benefits.

2

BE INFORMED

Strategize mental health support around emerging expectations regarding the role of the employer and measure the impact of programs.

3

BE AN EXAMPLE

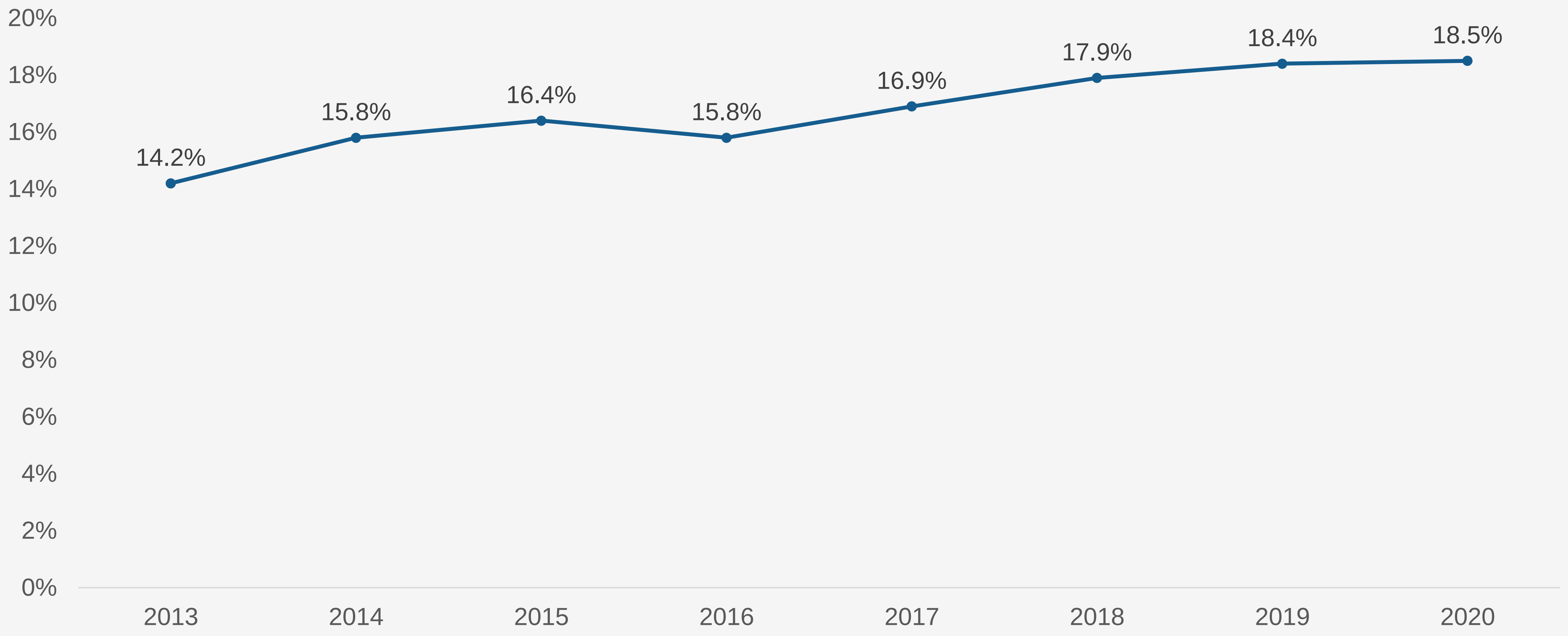
Lead by example by modeling self-care behaviors and creating a supportive environment.

The State of Mental Health in the Workplace

Paul Fronstin, Ph.D.

Employee Benefit Research Institute

Percent of Population Under Age 65 Diagnosed With Various Mental Health Disorders, 2013-2020*



* Source: EBRI estimates based on administrative enrollment and claims data. Includes substance abuse.

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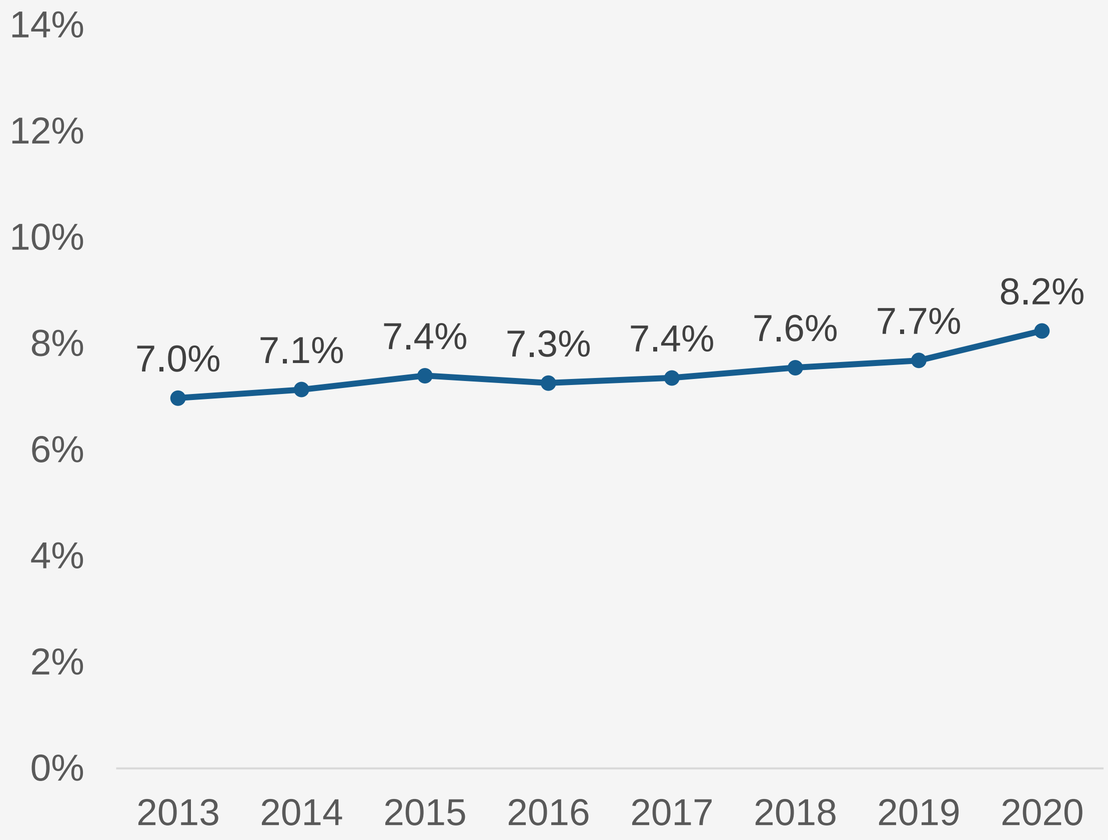
Spending on Mental Health Disorders as a Share of Total Spending, 2013-2020



- Spending on mental health as a share of total spend increased 18% between 2013-2020.
- Increase in mental health spending as a share of total accelerated in 2020 because of reduction in use of other care due to COVID-19 pandemic.
- Overall trend hides interesting underlying findings.

* Source: EBRI estimates based on administrative enrollment and claims data. Includes substance abuse.

Spending on Mental Health Disorders by Type of Health Care Service, 2013-2019

Per Member Per Year Spending	2013	2019	Aggregate Percentage Increase	Average Annual Percentage Increase
Total Spending	$4,634	$5,847	26%	4%
Total Spent on MHSA	$323	$449	39%	6%
Inpatient	$38	$57	48%	7%
Outpatient	$169	$293	73%	10%
Rx	$116	$100	-14%	-3%

- Spending on mental health increases faster than overall spending.
- Spending on inpatient and outpatient mental health services increased.
- Spending on prescription drugs for mental health fell.

* Source: EBRI estimates based on administrative enrollment and claims data. Includes substance abuse.

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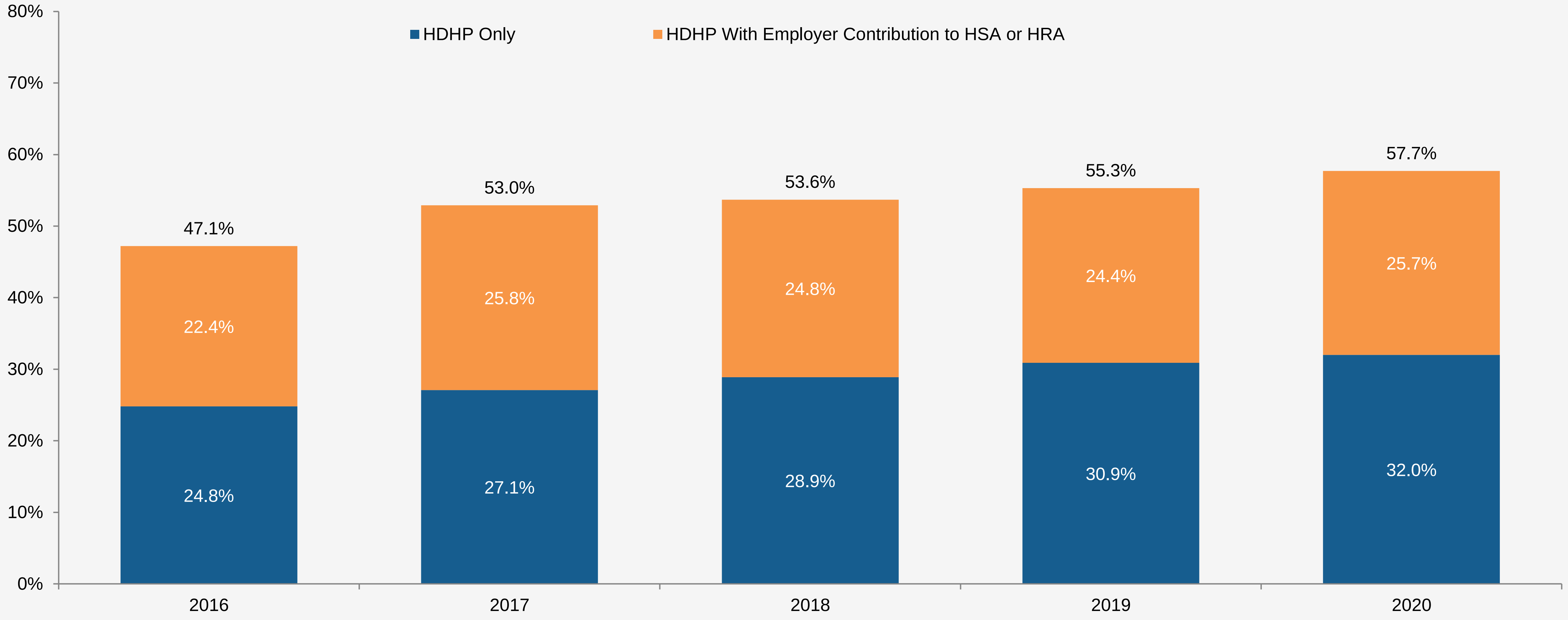
Movement to High-Deductibles May Have Tempered Growth in Mental Health Spending

Percentage of Persons Enrolled in a High-Deductible Health Plan (HDHP), by Employer Contribution to HSA or HRA,* Among Those With Private-Sector Health Coverage and Employee-Only Coverage, 2016–2020



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* HSA = health savings account, HRA = health reimbursement arrangement.
Source: Medical Expenditure Panel Survey - Insurance Component (MEPS-IC).

EBRI Issue Brief
March 10, 2022 • No. 555

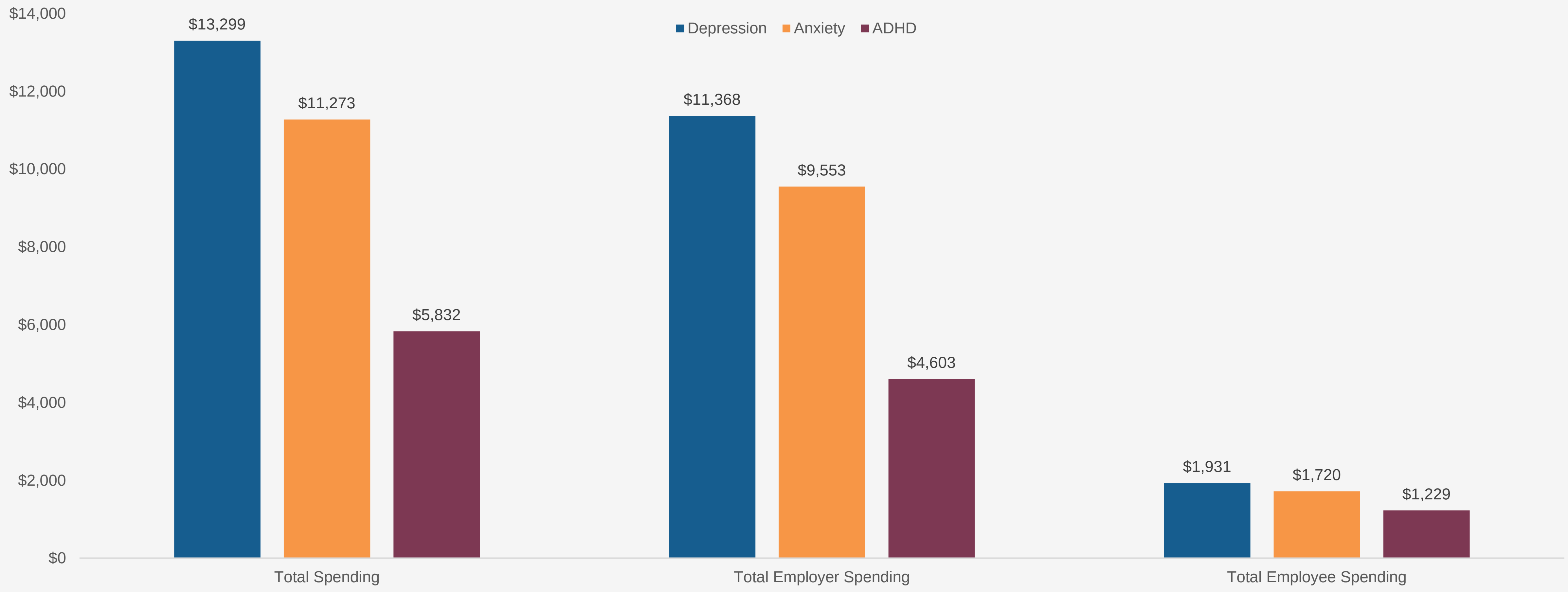
How Do High-Deductible Health Plans Affect Use of Health Care Services and Spending Among Enrollees With Mental Health Disorders?

By Paul Fronstin, Ph.D., Employee Benefit Research Institute, and M. Christopher Roebuck, Ph.D., RxEconomics, LLC

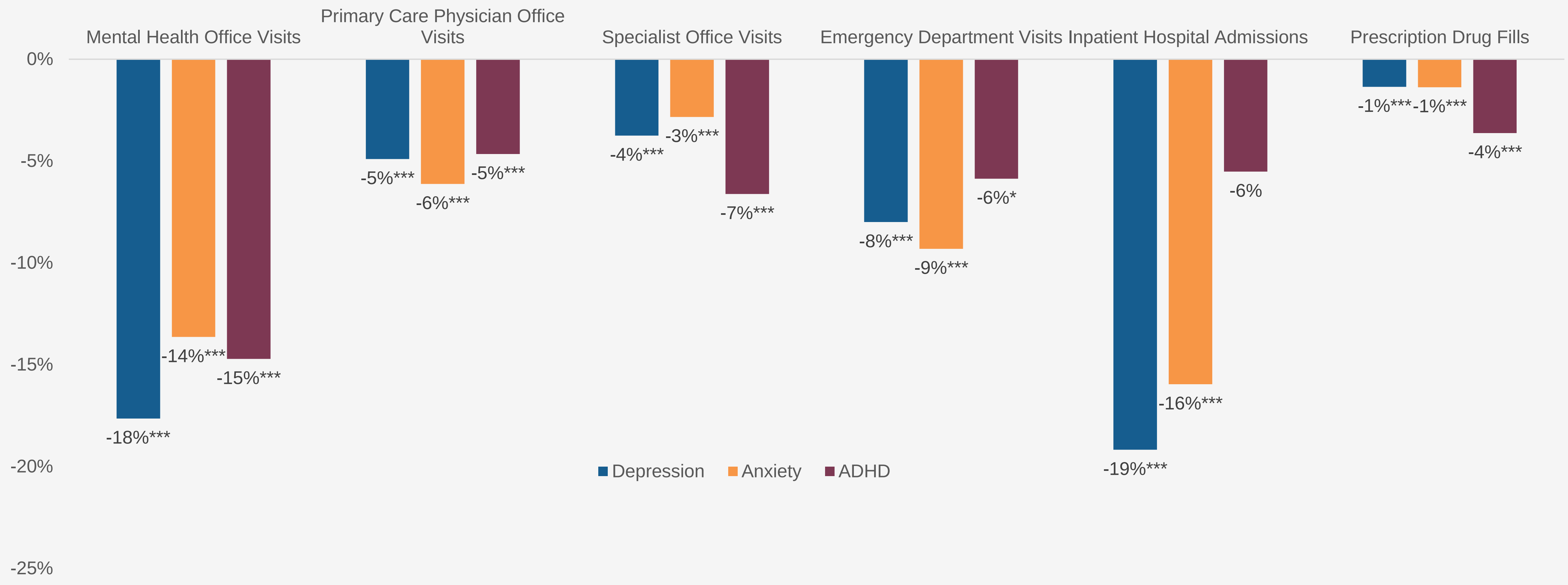
AT A GLANCE

In this paper, we explore the impact of moving from a preferred provider organization (PPO) to a high-deductible health plan (HDHP) among people with mental health disorders. We focus on individuals with major depressive disorder (MDD), anxiety, and attention deficit hyperactivity disorder (ADHD) since these represent the majority of mental health patients. Furthermore, the prevalence of these conditions in the population with employment-based health insurance is especially high relative to other mental health conditions, and it has been increasing. In our analysis, we observe:

Annual Spending on Health Care Services Among Individuals Ages 18-64 With Depression or Anxiety and Individuals Ages 5-24 With ADHD



Impact of HDHP on Probability of Receiving Various Types of Health Care Services Among Individuals Ages 18-64 With Depression or Anxiety and Individuals Ages 5-24 With ADHD



***p<0.01, **p< 0.05, *p<0.10.

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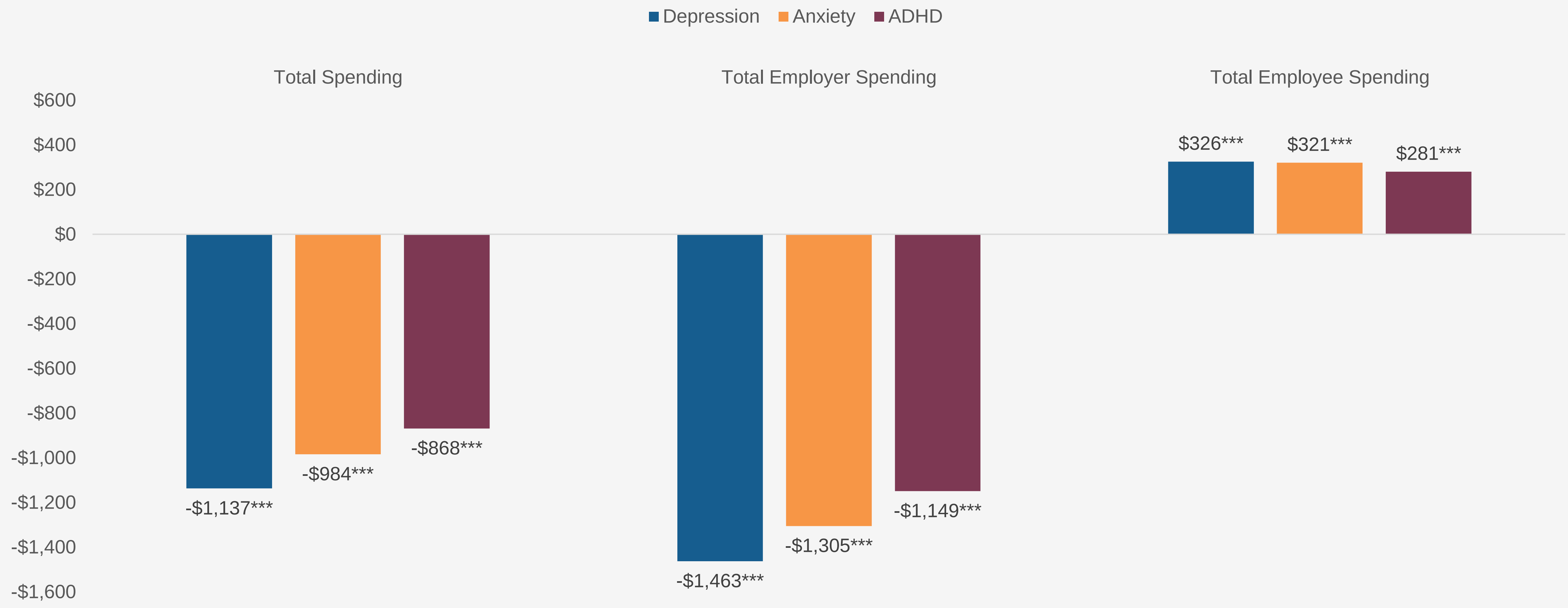

***p<0.01, **p< 0.05, *p<0.10.

Jennifer Posa, Global Head for Employee Mental Wellbeing & Workplace Effectiveness, Johnson & Johnson

Employer-Provided Coverage *and* Mental Health Care

May 10, 2022

Key Findings of IBM MarketScan® Claims Analysis

- **41 million Americans – 1 in 4 enrolled in** employer-provided coverage (EPC) - **received mental health support** in 2020.
- **6 million children received mental health services and treatment** through a parent or guardian's employer-provided coverage in 2020.
- There was a **100-fold increase in telehealth appointments** for mental health in 2020.
- Patients spend **less than $15 in out-of-pocket costs** for most drugs prescribed to treat mental health conditions.

Mental Health Treatment Among EPC Enrollees *By the Numbers*

- **41 million Americans**, including **6 million children**, received treatment for mental health and substance use disorders, accounting for almost one in four EPC enrollees.

- The treatments included **individual and group psychotherapy**, received by **13 million enrollees**; **behavioral health related office visits with primary care physicians (PCP)**, including pediatricians, received by **22 million enrollees**; and prescription drugs, received by **31 million enrollees**.

- Patients, on average, had **3 mental health related visits per year with PCPs**.

- In addition to primary care visits and prescription drugs, **13 million enrollees received psychotherapy in 2020**, with patients, on average, receiving 10 psychotherapy sessions during the year.

Table 1. Share of EPC Enrollees Receiving Mental Health Support in 2020

Age Group	Any Therapy	Psychotherapy	PCP Visit	Rx Therapy
0-17	13%	7%	8%	6%
18-34	24%	9%	15%	18%
35-44	27%	8%	14%	22%
45-54	27%	6%	13%	23%
55-64	27%	5%	11%	24%
All Ages	23%	7%	12%	18%

Growth in Telehealth Services for Mental Health Care

Table 2. Growth in Telehealth Appointments in Mental Health.

Year	Psychotherapy	PCP Visit
2016	0.05%	0.10%
2017	0.11%	0.15%
2018	0.19%	0.27%
2019	0.39%	0.50%
2020	39.41%	30.13%

Prescription Drug Coverage for Mental Health Care

Mental Health Disorders	Brand Only	Brand generic available	Generic
ADHD (stimulants, hypotensive drugs)	2%	19%	80%
Anxiety (benzodiazepines, anxiolytic drugs)	0%	0%	100%
Bipolar Disorder (anticonvulsants, lithium)	1%	5%	95%
Depression (SSRI, SNRI, esketamine)	2%	0%	97%
Schizophrenia (antipsychotics)	15%	1%	84%
Substance Abuse (opiate antagonists, alcohol deterrents)	13%	4%	83%

Out of Pocket Expenses for Prescriptions by Condition and Generic Status

Mental Health Disorders	Brand Only	Brand generic available	Generic
ADHD (stimulants, hypotensive drugs)	$99	$26	$13
Anxiety (benzodiazepines, anxiolytic drugs)	$102	$56	$4
Bipolar Disorder (anticonvulsants, lithium)	$118	$120	$8
Depression (SSRI, SNRI, esketamine)	$86	$156	$8
Schizophrenia (antipsychotics)	$109	$110	$9
Substance Abuse (opiate antagonists, alcohol deterrents)	$59	$63	$14

Mental Health Parity

- MHPAEA requires health insurance providers that offer mental health and substance use disorder benefits to cover them on par with medical and surgical benefits. Numerous states have enacted parity laws as well, some of which include additional protections to the federal law.
- **Health insurance providers are committed to ensuring access to quality, affordable mental health care and treatment for substance use disorders in the context of whole-person care.**
- **Dramatic Growth in Behavioral Health Care Shows MHPAEA Is Working**
  - Significantly more people are getting mental health and substance use disorder treatment in the decade since MHPAEA was enacted.
  - For example, according to a FAIR Health study, there has been dramatic growth in use of mental health and substance use treatment services, as demonstrated by an increase in behavioral health claims. —
    - The number of private insurance claims for behavioral health diagnoses increased **320 percent from 2007-2017**.
- **System-Wide Efforts Are Needed to Further Improve Quality**
  - Persistent and significant differences between the behavioral health and medical and surgical treatment infrastructures must be addressed to continue to improve patient access to evidence-based, affordable behavioral health care.
  - For example, there is a well-documented shortage of behavioral health providers in the U.S.
  - The quality and strength of available evidence and standards for assessing mental health and substance use disorder treatment trail behind available data for medical and surgical treatment.
  - Current federal regulations (42 CFR Part 2) limit confidential sharing of critical patient substance use disorder information which can impede the integration of patient services and support and coordination of behavioral and medical care.

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Expanding Mental Health Care Access and Affordability
The Road Ahead for Employer-Provided Coverage

- Grow the number of licensed, quality mental health professionals nationwide.
- Increase participation of mental health providers in health insurance networks.
- Expand the use of telehealth services to meet needs in rural and underserved areas.
- Enhance quality measures to ensure fair evaluation of the efficacy of mental health providers and facilities.
- Address social determinants of health and reduce barriers to care and maintenance of mental health.
- Better integrate mental health into primary care visits and evaluation.

EBRI EMPLOYEE BENEFIT RESEARCH INSTITUTE

WRAP-UP

THANK YOU, POLICY FORUM DEVELOPMENT TASK FORCE!

Vice Chair, PPAC: Liz Varley, Ameriprise Financial

Task Force:

Nevin Adams, American Retirement Association
Reagan Anderson, Capital Group
Rhonda Berg, Mercer
Nicky Brown, HealthEquity, Inc.
Chris Byrd, WEX Health
Rob Capone, Legal & General Investment Management America
Kathryn Carleson, HealthEquity, Inc.
Drew Carrington, Franklin Templeton
Kelsey Chin, Millennium Trust Company
Josh Cohen, PGIM
David Cruz, New York Life
Liz Davidson, Financial Finesse, Inc.
Mark Dennis, Financial Finesse, Inc.
Jody Dietel, HealthEquity, Inc.
Bob Doyle, Prudential Retirement
Jennifer Flodin, Mercer
Josh Freely, TIAA
Kris Haltmeyer, Blue Cross Blue Shield Association
Katie Hockenmaier, Mercer
Bob Holcomb, Empower Retirement
Sarah Holden, Investment Company Institute
Kirsten Hunter, Fidelity Investments
Tom Johnson, Retirement Clearinghouse
Melissa Kahn, State Street Corporation
Marla Kreindler, Morgan, Lewis & Bockius LLP
Mike Lanza, Ameriprise Financial
Lisa Margeson, Bank of America
Martin McGuiness, Unum
Ed Murphy, Empower Retirement
Meenu Natarajan, Mercer
Chantel Sheaks, U.S. Chamber of Commerce
Mike Skinner, T. Rowe Price
Kevin Smart, Custodia
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UPCOMING EVENTS

May 11 — EBRI Research Committee Meeting and EBRI Board of Trustees Meeting (By Invite Only)

May 17 — Results From the 2022 Retirement Confidence Survey

June 14 — Retirement Confidence Survey — Focus on LGBTQ Individuals

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