Whole Person Disability Management: The Missing Link in Controlling Healthcare Costs



Speakers

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The Post-Pandemic Risk Shift

A Structural Shift in the Risk Environment

The health risk landscape has been permanently redrawn. What began as a pandemic-era disruption has evolved into a sustained, structural realignment of mortality, morbidity, and healthcare economics, with direct consequences for workforce health and insurance outcomes.

Excess Mortality
Mortality rates remain measurably above **pre-2020** baselines. The residual burden of COVID-19, deferred cardiovascular care, and behavioral health deterioration continues to drive elevated death claims across all age cohorts.

Rising Morbidity
Chronic disease prevalence, behavioral health diagnoses, and musculoskeletal conditions have accelerated. These are no longer emerging risks, they are the primary drivers of short and long-term disability incidence.

Rising Morbidity
Employees continue to defer treatment due to cost and access challenges, creating higher-acuity claims when they do engage. With healthcare inflation running **8–10% annually**, affordability pressure is compounding utilization problems.

Then vs. Now: The Risk Environment

Pre-2020
- Stable Mortality Trends
- Manageable morbidity growth
- Predictable care utilization
- 3–5% medical inflation

2026 Reality
- Elevated excess mortality
- Chronic disease surge
- High-acuity deferred claims
- 8–10+% healthcare inflation

This is not a temporary disruption — it is a structural shift.

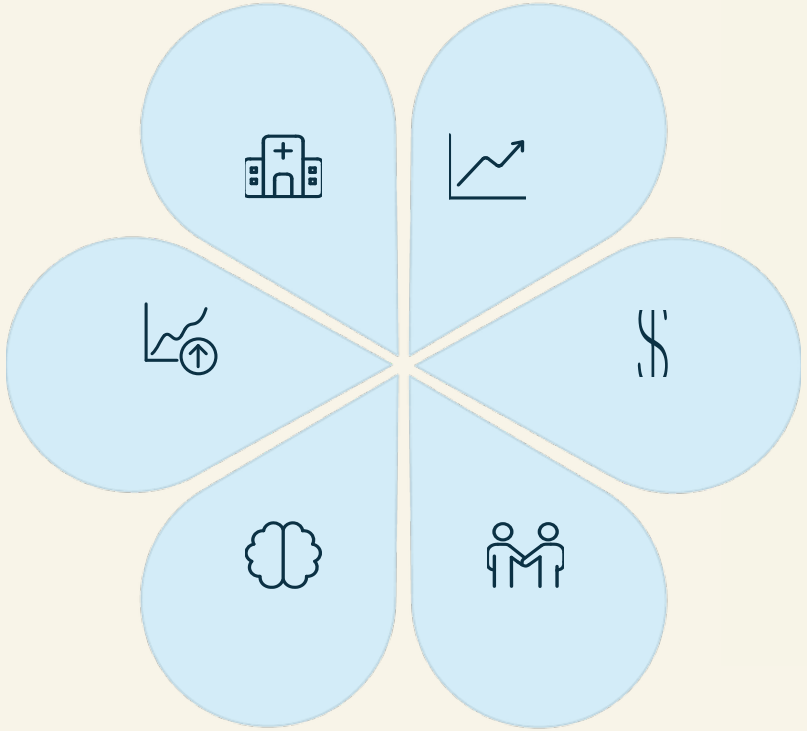


Healthcare Pressure and Cost Drivers

Healthcare Crisis
The epicenter driving systemic pressure across every line of insurance

Profitability Risk
Combined ratio pressure, reinsurance cost increases, and employer lapse risk are converging to create a sustained profitability challenge for group benefit carriers

Behavioral Health
Mental health and substance use disorders are now among the fastest-growing claim categories, contributing to both disability and chronic disease cost escalation.



Claims Volatility
Disability incidence is rising. Claim durations are lengthening. Life claim frequency is exceeding actuarial projections, particularly in working-age populations.

Pricing Pressure
Carriers face compounding cost escalation with limited runway to reprice quickly. Reserve strain is intensifying across group life and LTD portfolios.

Employer Trust
Employers expect strategic partners, not passive payers. Dissatisfaction is rising when carriers fail to demonstrate value beyond claim administration.

Strategic Imperatives for Employers & Insurers

Winning organizations will move decisively from reactive models to **proactive workforce health models**. The following five imperatives define the transformation agenda for carriers, reinsurers, and group benefit leaders navigating this risk environment.



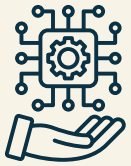
Return-to-Work & Stay-at-Work

Embed RTW and SAW strategies at the core of disability management. Early intervention and structured rehabilitation pathways reduce claim duration and improve employee outcomes.



Preventive Care & Early Intervention

Shift investment upstream. Preventive engagement, health risk screening, and early clinical outreach reduce high-acuity claim frequency and improve long-term portfolio performance.



Integrated Point Solutions

Deploy targeted interventions for MSK, behavioral health, and chronic disease. Integrated navigation tools connect employees to the right care at the right time — reducing unnecessary utilization.



Employer Partnership Depth

Strengthen employer relationships through data-sharing, workforce health reporting, and consultative account management. Employers want strategic partners — not just benefit vendors.



Predictive Data & Risk Intelligence

Use predictive analytics to identify at-risk populations, stabilize pricing assumptions, and inform underwriting decisions. Employers should demand data-driven carriers to outperform on both outcomes and economics.



Transitional Stay at Work and Return to Work

What is the minimum output needed from the employee to consider them productive?

Struggling at Work

Healthy and at work



Unable to Work

Incremental return to regular position full time, full duty over a well-defined period of time

Activity 1

Transitional Return to Work

1. Pick one high volume job title in your company
2. Which tasks are vital/essential?
3. Which tasks can be re-distributed?
4. Which tasks can be put on hold?
5. How would you make the argument to get this agreed upon in your organization?



The 2026 Multi-generational Workforce

Baby Boomers	Generation X	Millennials	Generation Z [3]
1946-1964[2,4]	1965-1980[2,4]	1981-1996[2,4]	1997-2012[2,3]
• 15% of the workforce • Influenced by: Vietnam, the civil rights movement, Watergate • Work centric • Goal-oriented • Little regard for work/life balance • Independent • Competitive	• 31% of the workforce • Influenced by: The cold war, the fall of the Berlin Wall, HIV/AIDS epidemic, the loss of pensions, more dual income families • Attempted work/life balance • Autonomy • Flexibility • Work is an important part of identity	• 35% of the workforce (up to 75% of the global workforce)1 • Influenced by: 9/11, Columbine school shooting, the great recession, growth of technology • Workplace and personal values must align • Flexibility • Professional growth and development • Frequent communication • Diversity and Inclusion • Work and life overlap	• 18% of the workforce (27% of the global workforce)[1] • Influenced by: COVID, social media, school shootings, climate change • Values community at work • Mental Health is a norm • DEI is an action not a program • Concerned about financial security • Values flexibility but also in-person connection • Require Growth opportunity • Work to live – for experiences

1.Millennials in the Workplace Statistics 2024: Latest Trends | TeamStage
2. Age Groups - Demographics - Research Guides at University of Southern California
3. Tugman, K, (2025) Generation Z: What employers should know
4. The Changing Generational Values – Imagine | Johns Hopkins University

The Ongoing Aging of the Workforce

- **41.6 and 42.4** - the average age of the American worker in 2023 and 2033 (1)
- **8-15%** - Disability costs as a percentage of payroll (3)
- **60%** - Current Percent of total Americans with at least 1 chronic condition (4)
- **40** - The Age after which we recover slower (3)
- **14%** - the Percent of Gen X (age 45-60) who think they are prepared to retire (2)



1. Median age of the labor force, by sex, race, and ethnicity : U.S. Bureau of Labor Statistics
2. Generations X and Z: More Than Y Separates Them on Retirement Prep
3. Professional Case Management (2013). Aging workforce update.
4. Chronic Disease Prevalence in the US: Sociodemographic and Geographic Variations by Zip Code Tabulation Area

Productive Aging

Based on the premise that employees self-modify their tasks in order to remain as productive as they once were

- A production facility who ensures that a product is cut in half before working it through the assembly line – reducing lifting by 50%
- A warehouse that requires the use of a cart for any lifting over 40lbs
- A production line that reduces the need to twist and turn with improved ergonomics
- A financial services organization who provides memory tools for workers
- A manufacturing facility coaching employees to slow down and think before moving across the floor with product



Productive Aging: Case Study

Challenge: high musculoskeletal disability claims among older workers on an assembly line

Action: 1. performed qualitative interviews with workers over the age of 50 and ask them how they perform their work differently today than 10-20 year ago. **2.** Took a tour of the plant and the observe how the work is completed.

Solution: Implemented a productive aging strategy that required employees to change the way work tasks completed including but not limited to: cutting product in half before placing on conveyor, changing the staging on the line to be less strenuous. These techniques were reviewed in safety meetings.

Outcome: 20% reduction in short term disability incidence and increased employee engagement scores.

Of note: All employees were required to make changes thus preserving the productivity of all workers not just older workers.



Activity 2

Q1. What have you done or do you think you should do to understand the make-up and unique needs of the different generations in your workforce?

Q2. What are some things you would do to modify your work as you age?



LiveBalanced™: Supporting the Whole Employee

What Generation Z told us aligns directly with the four pillars that drive engagement, retention, and performance.

Physical Wellness

Strength from inside out

Supporting employee health, flexibility, prevention, recovery, and sustainable performance.

Gen Z values work-life integration, flexibility, and employers who invest in overall wellbeing.

Mental Wellness

Resilience that drives results

Integrating mental health support into benefit strategies and culture to reduce burnout and build emotional resilience.

For Gen Z, mental health is not a workplace taboo — it is an expectation.

Social Wellness

The core of holistic living

Building belonging, purpose, and connection through community engagement, sustainability, and workplace culture.

Community was the strongest theme identified across Gen Z interviews.

Mental Wellness

Stability that builds legacy

Delivering equity-centered financial education, life-insurance literacy, and community-based savings programs that build lasting confidence.

Financial security and future planning remain significant concerns for Gen Z.

Atlanta Life + Mellie + Express Wages + Goodpath



Mental Health Crisis at Work

29%

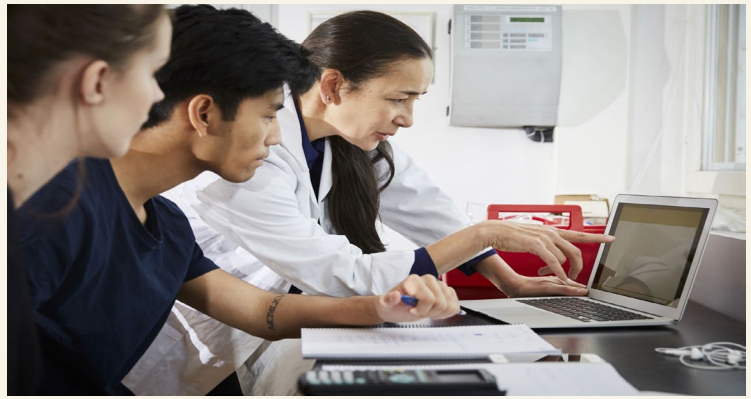
Of people are diagnosed with depression in their lifetime (2)

33%

Of people experience anxiety in their lifetime (4)

Mental Capital

The increase in knowledge driven work makes our economy more susceptible to the lost time due to mental health conditions (7)



The economic burden in the US is estimated to be $282 billion annually. This is equal to the cost of an economic recession (1)

1 in 4

Adults in the US experience a Mental condition in a given year (3)

46 million

American adults experienced a Substance use disorder in 2022 (5)

Depression

Impairs a person's ability to complete physical job tasks about 20% of the time and reduces cognitive performance about 35% of the time (7)

[1] Novel study quantifies immense economic costs of mental illness in the U.S. | Yale News

[2] U.S. Depression Rates Reach New Highs, Gallup 2023

[3] John Hopkins Medicine, Mental Health Disorder Statistics, https://www.hopkinsmedicine.org/health/wellness-and-prevention/mental-health-disorder-statistics

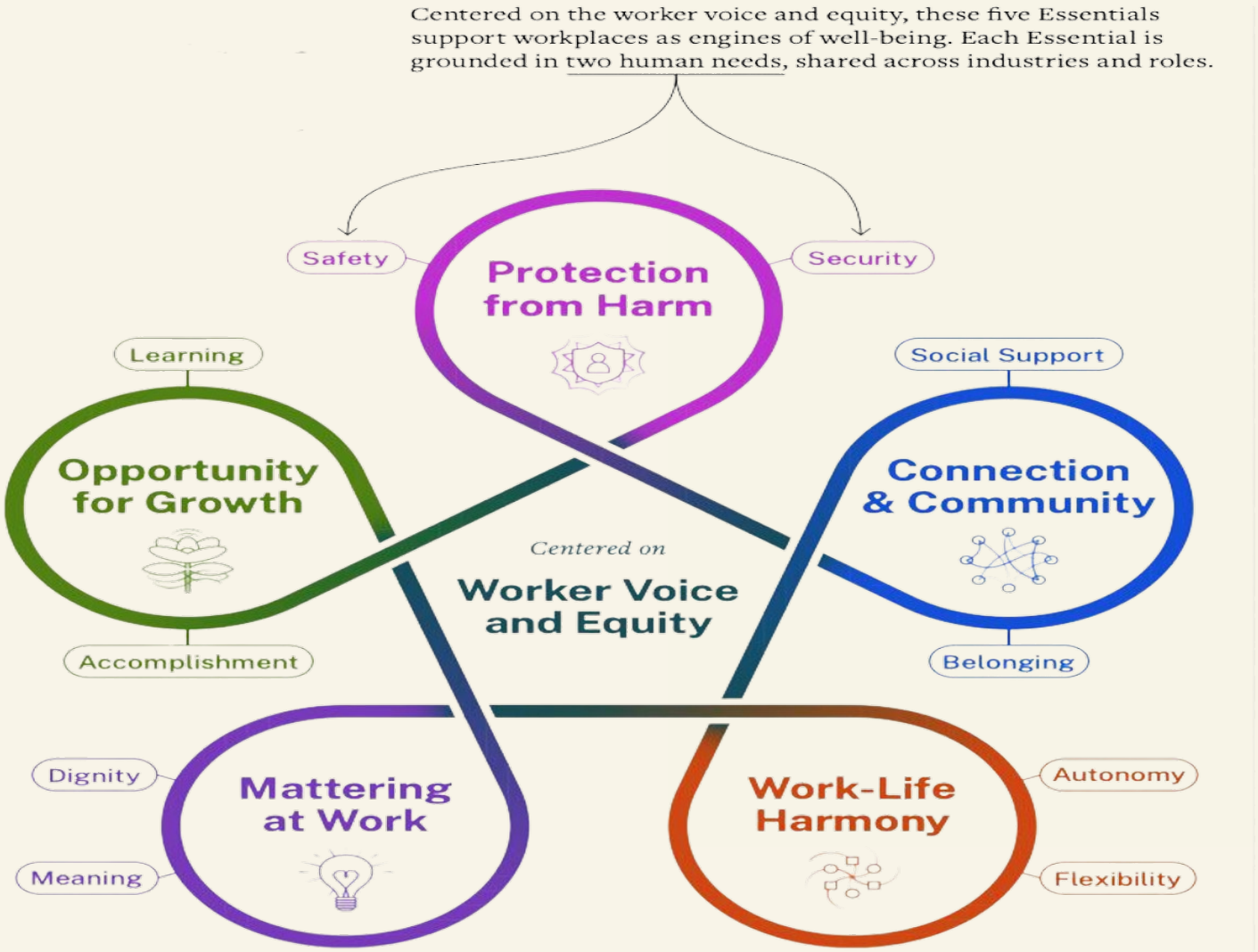
[4] Anxiety Disorders - National Institute of Mental Health (NIMH)

[5] U.S. Substance Abuse and Mental Health Services Administration, 2019 Results from the National Survey on Drug Use and Health

[6] Cuijipers, P. Beekman, A.T.F., & Reynolds, C.F. (2012). Preventing Depression: A global priority. Journal of the American Medical Association, 307(10), 1033-1034. Compensation

[7] CDC Mental Health in the Workplace. https://www.cdc.gov/workplacehealthpromotion/tools-resources/workplace-health/mental-health/index.html (April 2019) Retrieved 1/6/22.

Five Essentials For Workplace Mental Health & Well-Being



Recognizing the Symptoms

What depression feels like

- Slowed thoughts and difficulty thinking
- Lack of concentration
- Forgetfulness and difficulty remembering
- Trouble making decisions
- Lack of interest in activities, low motivation
- Feelings of sadness
- Self-medication
- Sleep disturbance, can't get going in the a.m.

What depression looks like

- Poor quality of work
- Procrastination, accidents on the job
- Indecisiveness, slowed productivity
- Withdrawing, not participating
- Presenteeism–"just showing up"
- Missed deadlines, absenteeism
- Poor relationships with co-workers, boss, clients
- Low morale/negative in the workplace
- Late to work



How can we talk about mental health?

Questions To Ask

- How are you doing at the moment?
- You seem to be a bit down/upset/frustrated/angry. Is everything okay?
- I've noticed you've been arriving late recently, and I wondered if you're okay.
- I've noticed the reports are late when they usually are not. Is everything okay?
- Is there anything I can do to help?
- What would you like to happen? How?
- What support do you think might help?

Questions to Avoid

- You're clearly struggling. What's up?
- Why can't you just get your act together?
- What do you expect me to do about it?
- Your performance is really unacceptable right now–what's going on?
- Everyone else is in the same boat and they're okay. Why aren't you?
- Who do you expect to pick up all the work that you can't manage?



Burnout

Burnout may be the result of unrelenting stress

Stress though involves "too much"

- Stressed people imagine that they will feel better if they can get things under control

Burnout is about "not enough"

- People experiencing burnout often don't see any hope of positive change

While you're usually aware of being under a lot of stress, people often don't notice burnout when it happens

Burnout doesn't happen overnight, but it can creep up on you if you aren't paying attention



New Burnout Risk: Crisis Fatigue

What depression feels like

- Surge capacity depletion
- Ambiguous grief
- Languishing
- Burn-out



Stress vs. Burnout

Stress

- Characterized by over-engagement
- Emotions are overreactive
- Produces urgency and hyperactivity
- Loss of energy

Burnout

- Characterized by disengagement
- Emotions are blunted
- Produces helplessness and hopelessness
- Loss of motivation, ideals, and hope



Setting Boundaries

Reflect, Plan, and Unplug

- Boundaries are our responsibility
- Keep regular hours
- Stick to a routine
- Communicate your boundaries
- Block out “do not disturb” time
- Take breaks
- Know your limits; ask for help when you need it
- Build self-care habits into your day
- Manage your energy throughout the day
- Plan when to end your day
- Create a shutdown ritual
- Take your days off seriously



Activity 3

Q1. How can you create a microcosm of psychological safety on your team? If you manage a team? Within your peer group?

Q2. What are 2 ways you will set and model boundary behavior when you go back to the office?



Questions?



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Thank you.



Additional References 1

U.S. Employee Engagement Sinks to 10-Year Low

Trends in health care spending | Healthcare costs in the US | AMA

Americans' Rising Healthcare Costs, in 6 Charts – WSJ

What Factors Contribute to U.S. Health Care Spending? - Health Care Costs and Affordability | KFF

How to Achieve Workplace Equity at Your Organization

Absent-at-Work Employees Cost You

The Link Between Employee Engagement and Business Performance - PeopleThriver



Additional References 2

Employee Disengagement: Why Your Organization Needs to Act Now?

Employee retention: The real cost of losing an employee

Absenteeism vs. Presenteeism – Uprise Health

Mental Health Disorder Statistics | Johns Hopkins Medicine

Poor Mental Health Costs Employers More Than They Think

