



Marsh McLennan
Agency

2026 National Benefits Strategy Survey

April 2026

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About our survey

This survey collects insights from organizations on their human resources (HR) initiatives, employee benefits, and approaches to workforce and economic challenges. Clients were invited to participate via a unique emailed survey link and responded to 58 multiple-choice questions, with single-select and multi-select options. Year-over-year comparisons are included throughout the report where they provide meaningful context and highlight important trends. The results are organized into sections that highlight key benefits and strategic priorities. This year's focus remains on critical strategies employers use to address rising healthcare costs, ensure access to quality care, and manage the impact of high-cost pharmaceuticals.

We heard from 616 employers across all major industries and geographies. Sixteen percent of respondents have 500 or more employees, and 31% are self-funded. Key findings from this year's survey show that organizations are prioritizing employee retention and engagement, proactively managing costs, adopting AI and technology, supporting wellness programs, and emphasizing regulatory compliance.

Key findings

1

Employee retention and engagement:

Organizations are prioritizing employee retention (50%) and engagement (46%) to maintain a satisfied and motivated workforce. Additionally, leadership development (43%) remains a key focus, emphasizing the importance of cultivating future leaders.

2

Cost management strategies:

Facing rising medical costs, organizations are proactively managing expenses by switching medical carriers (39%) and adopting targeted cost control programs (35%) to support financial sustainability.

3

Pharmacy costs driven by GLP-1 medications:

Nearly half of organizations (48%) do not currently cover GLP-1 medications for weight loss and have no plans to add this coverage soon. Conversely, only 4% of employers offer unrestricted coverage for both diabetes and weight loss, while 30% provide diabetes coverage but restrict weight-loss coverage to specific criteria. This reflects a cautious stance among employers toward including GLP-1 medications in their benefits, despite growing acknowledgment of their effectiveness in managing metabolic conditions.

4

Wellness programs:

Wellness programs place a strong focus on employee health, with biometric screenings (33%) and health coaching (46%) among the top priorities. This year's survey reveals that physical health (94%) and mental health (83%) are the most addressed areas within organization wellness programs. Despite this emphasis, cost and resource limitations continue to restrict broader implementation.

5

Artificial intelligence (AI):

Twenty-five percent of employers are actively using or planning to use AI for benefits and HR-related tasks, with 48% of those focused on benefits communication or virtual assistants. Employers are leveraging AI and technology to enhance communication, personalize support, automate routine processes, improve decision-making, and bolster health navigation and advocacy services—all aimed at driving stronger employee engagement.

6

Regulatory compliance:

Compliance with current regulations remains top priority, with 72% of respondents rating it as "very important" and another 25% as "important" over the next 12 months. This focus underscores its essential role in protecting organizations from legal and financial risks, ensuring adherence to industry standards, safeguarding employee rights, and maintaining operational integrity. Emphasizing compliance also promotes accountability and transparency, which are crucial for long-term organizational success and sustainability.

Top HR concerns and initiatives

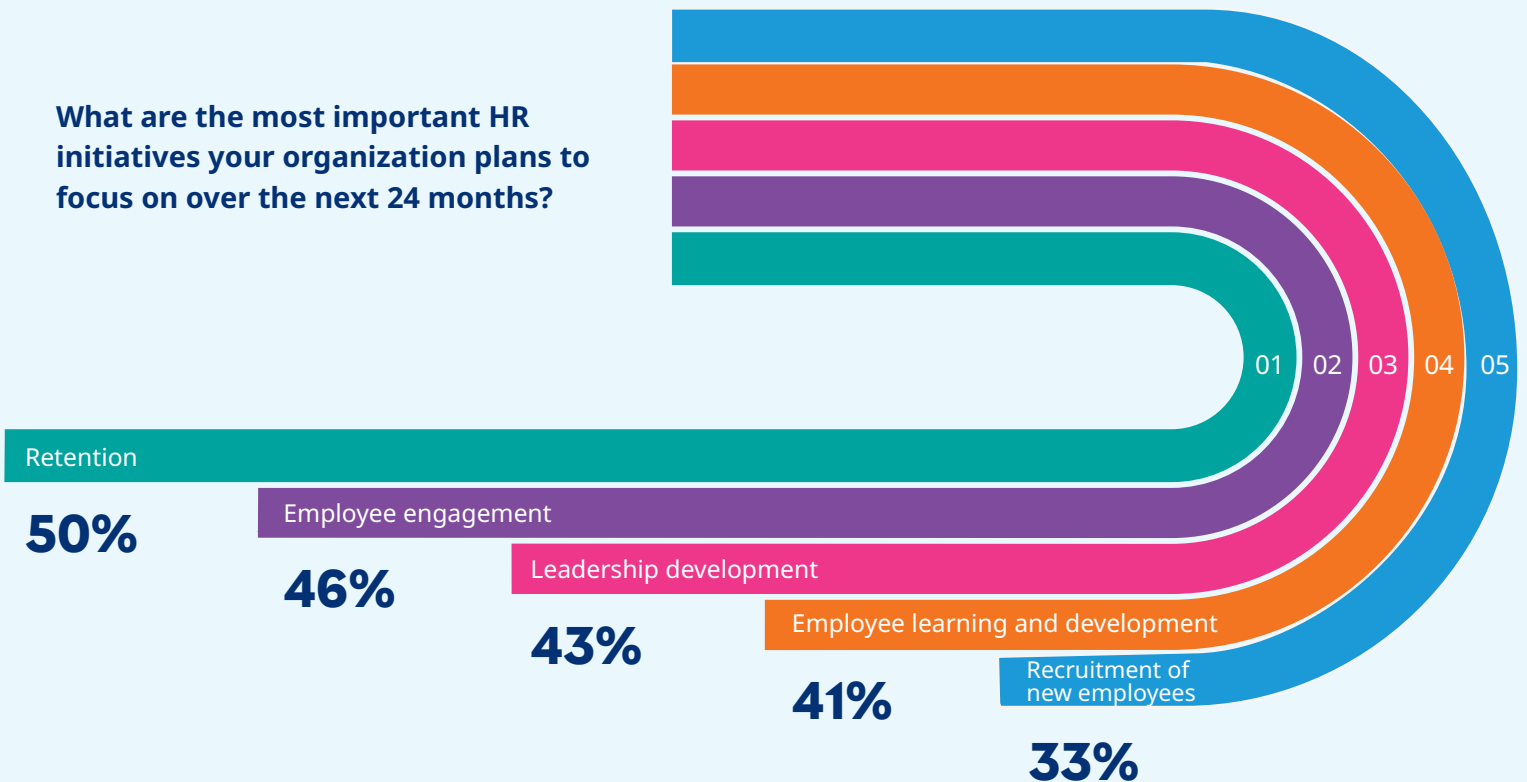
In recent years, our survey has consistently shown that employers place strong emphasis on employee retention and engagement. However, unlike in prior years, recruitment of new employees has now become less of a focus. In this year's survey, retention remained the primary focus (50%). Notably, employee engagement rose from third to second place (46%), consequently moving leadership development to third place (43%). Recruitment (33%) experienced a slight decline from 2025 (37%).

This ongoing trend to prioritize retention and engagement is particularly significant in today's labor market, characterized by intense competition for talent and evolving employee expectations. Employers are increasingly recognizing the importance of initiatives to maintain employee satisfaction. The financial implications of turnover are considerable, with estimates indicating that replacing an employee can cost 50% to 200% of their annual salary, depending on the position.* Consequently, organizations are prioritizing strategies to retain their existing workforce.

*SHRM Executive Network. The Myth of Replace-ability: Preparing for the Loss of Key Employees. 2025. [LINK](#)

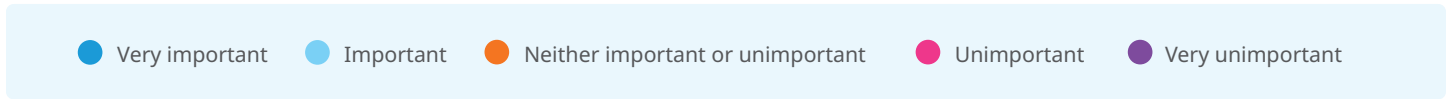


What are the most important HR initiatives your organization plans to focus on over the next 24 months?



How important are the following items to your organization in the next 12 months?

Compliance with current regulations, controlling medical costs, and retaining employees remain the top priorities for employers.



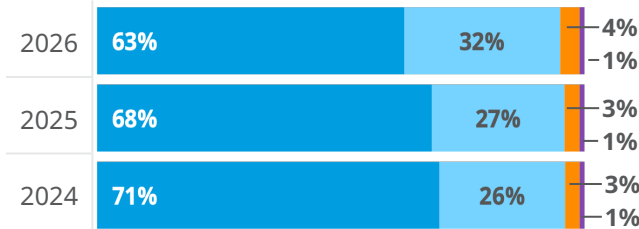
Compliance with current regulations



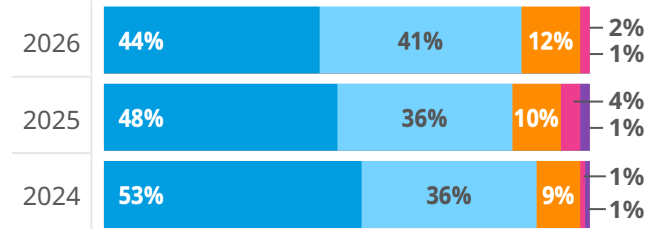
Controlling medical costs



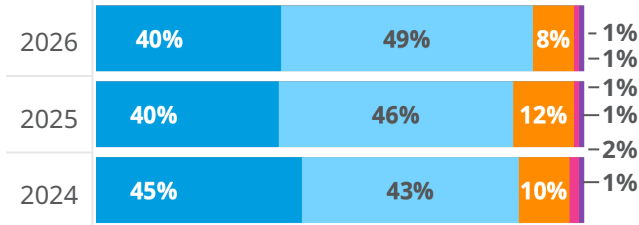
Retaining employees



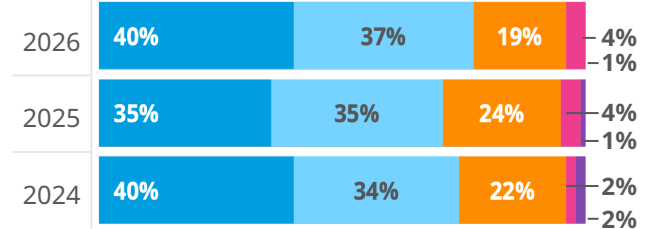
Recruiting employees



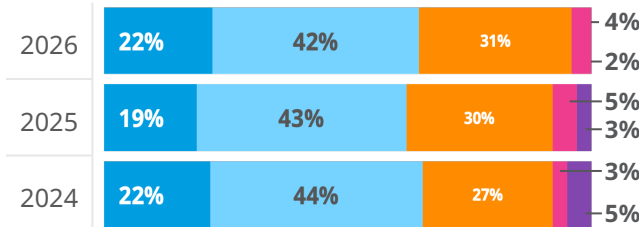
Effective communication and education of benefits



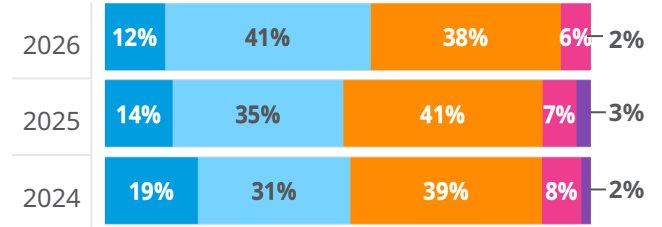
Managing pharmacy costs



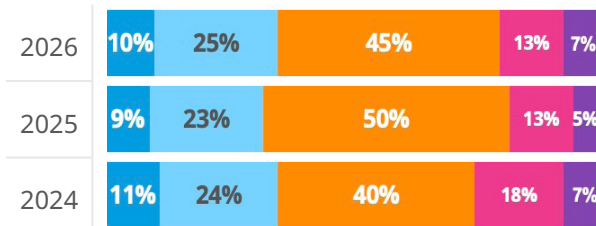
Cost effectiveness of retirement benefits



Technology systems related to benefits



Low participation in benefits





Recruitment and retention strategies

Recruitment

Although fewer than in prior years, a substantial majority of employers (59%) are prioritizing increased compensation to attract talent, including not only base salary adjustments but also bonuses (25%) and other financial incentives to enhance competitiveness. Additionally, approximately 49% of organizations are improving their onboarding processes to offer a more welcoming and efficient experience for new hires. Employers are also expanding additional perks and benefits (33%) beyond traditional health insurance to include family planning and fertility benefits, wellness programs, and mental health support—helping them stand out in a competitive labor market.

Together, these initiatives demonstrate a holistic recruitment strategy centered on competitive pay, supportive work environments, and a strong emphasis on employee development and well-being.

What strategies have you used in the past 12 months to help recruit employees?



Increased compensation

2026: 59% | 2025: 64% | 2024: 65%



Additional PTO or vacation

2026: 23% | 2025: 25% | 2024: 28%



Improved the employee onboarding process

2026: 49% | 2025: 43% | 2024: 45%



Additional workplace flexibility

(policy on hybrid/remote work)

2026: 23% | 2025: 23% | 2024: 29%



Additional perks or benefits

2026: 33% | 2025: 32% | 2024: 34%



Adjustment to the traditional 40-hour workweek

2026: 10% | 2025: 13% | 2024: 12%



Sign-on bonuses

2026: 25% | 2025: 23% | 2024: 26%



Enhanced retirement benefits

2026: 9% | 2025: 10% | 2024: 8%

Retention

Retaining employees remains a top priority for employers, with 63% indicating it is very important to their organization over the next 12 months. High turnover can lead to increased recruitment and training expenses, loss of valuable institutional knowledge, and disruptions in team dynamics. To address this, organizations are adopting a wide range of retention strategies, such as offering competitive compensation, providing career development opportunities, and promoting work-life balance initiatives. Engaged employees tend to be more productive, motivated, and dedicated to their roles. Studies show that organizations with high levels of employee engagement also experience better performance, lower absenteeism, and higher customer satisfaction.

Although retention strategies have remained relatively consistent over the past three years, there is now a stronger emphasis on professional development, career advancement, and flexible work arrangements, especially in response to the rise of remote and hybrid work.



What strategies have you used in the past 12 months to help retain employees?

Strategies	2026	2025	2024
Increased focus on professional development opportunities and career paths	47%	41%	40%
Commitment to ongoing flexible work arrangements and policies	38%	40%	37%
Additional perks or benefits	35%	36%	40%
Investments in employee professional development resources	31%	28%	28%
Off-cycle salary increases	30%	26%	31%
Additional PTO or vacation	20%	22%	27%
Retention bonuses	14%	15%	17%
Adjustment to the traditional 40-hour work week	11%	14%	13%
Enhanced retirement benefits	12%	12%	10%

Employee engagement

Numerous organizations use employee engagement surveys to assess workforce engagement, enabling them to pinpoint improvement opportunities and develop strategies that enhance the overall employee experience. Forty-nine percent of employers say they currently administer an employee engagement survey, with another 13% planning to do so within the next 12 months. Recognizing the importance of strong leadership, 43% of organizations are prioritizing leadership development to cultivate a positive work environment and boost employee engagement. Skilled leaders inspire and motivate their teams, which contributes to improved retention rates.



In a competitive labor market, organizations must invest in strategies that boost employee satisfaction and commitment to achieve long-term success. Focusing on retention and engagement helps build a motivated workforce, reduce turnover costs, and improve business results.

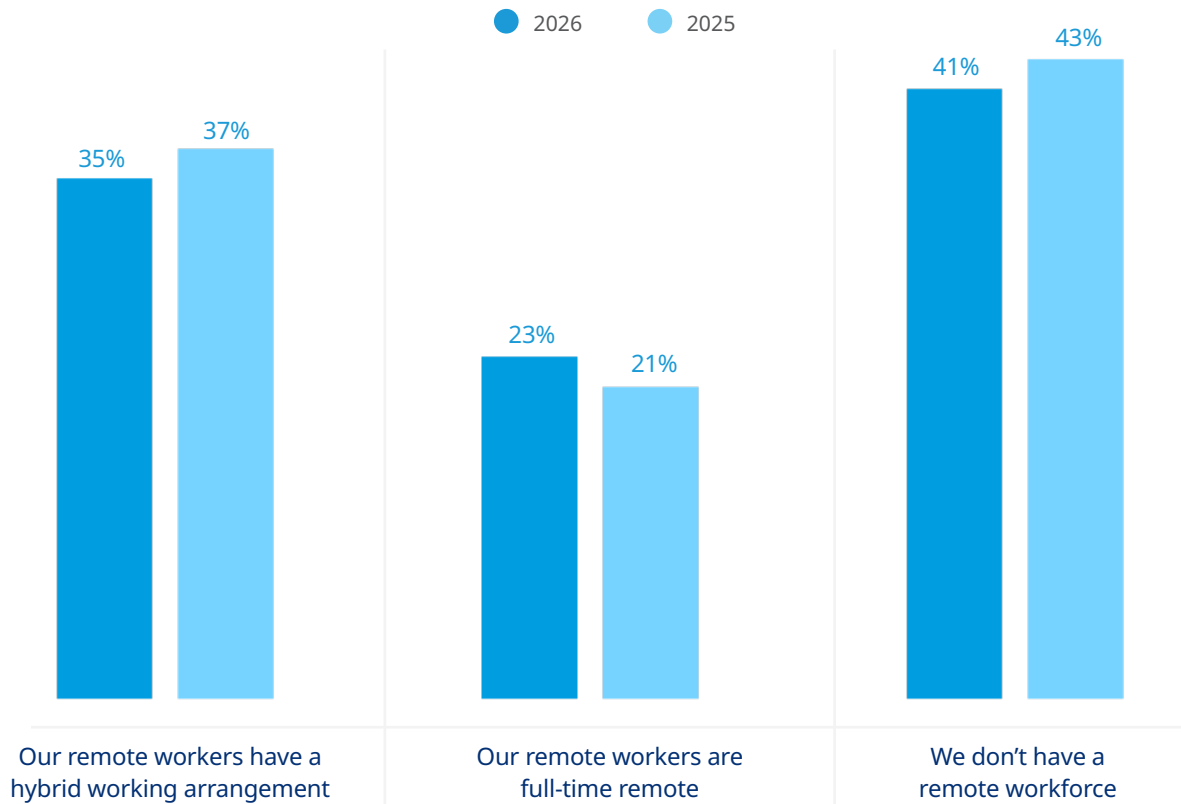


Work-life balance

Building on the importance of retention and engagement, organizations are increasingly recognizing that promoting work-life balance through remote/hybrid work, flexible schedules, and dedicated time off is key to sustaining employee satisfaction and commitment. Organizations that embrace these practices are better positioned to retain talent and maintain a committed, productive workforce.

As in prior years, this year's survey confirms that hybrid work (35%) and full-time remote work (23%) are now the norm in many industries.

Would you consider your remote workforce strategy to be hybrid or full-time remote work?



86%

Among employers with a hybrid work arrangement, 86% expect workers to be in the office more than one day per week, with the most common expectation being three days per week (47%).

Employers continue to offer **flexible working arrangements** that accommodate all stages of life. This flexibility empowers employees to balance personal responsibilities with professional demands, thereby reducing stress and burnout. Notably, 10% of employers report having already increased or planning to increase their flexibility.

Additionally, 20% of employers say they have given additional **vacation or PTO** to help retain employees, and 6% plan to increase vacation or PTO over the next 12 months.

2026 benefit strategies

Economic impact on medical benefits

Survey results indicate that organizations are increasingly prioritizing cost-management strategies in response to rising medical and benefits expenses, driven by higher healthcare demand, advances in medical technology, and an aging population. Employers face pressure to control these costs while maintaining comprehensive benefits. To address this, organizations are leveraging data analytics and claims analysis to monitor healthcare spending, identify cost trends, and implement targeted interventions. Regular reviews of benefits and expenses enable them to proactively manage costs and adjust strategies as needed.

Have you implemented or are you considering any of the following strategies to combat expected future cost increases and/or in anticipation of medical inflation in the next 12 months?

39%

Changing medical carriers

35%

New targeted programs to control costs

29%

Shift more costs to employees via increased medical plan contributions

26%

Shift more costs to employees via plan design changes

12%

Requiring higher out-of-pocket costs for certain low-value services or sites of care

29%

Twenty-nine percent of employers report considering shifting more costs to employees through increased medical plan contributions, up slightly from 28% in 2025. Similar to last year's results, around one in four employers either already offer or are considering a lower-cost medical plan for lower-wage workers.



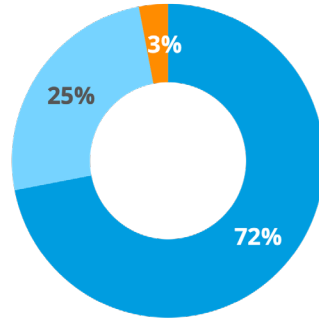
Does your organization provide lower-cost medical plan employee contributions for lower-wage workers?



Yes
 No
 No, but we're considering it in the next 12 months

Many employers remain concerned about the rising costs associated with providing spousal coverage, particularly when spouses have access to their own employer-sponsored health plans. This concern has led some organizations to consider implementing spousal surcharges or limiting coverage options for spouses who have access to other health insurance.

Does your plan have any provisions regarding coverage of spouses?

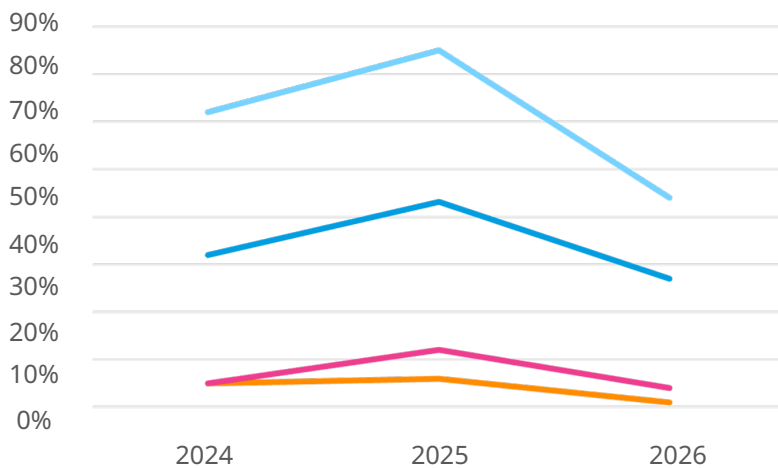


- No, our plan does not have any provisions for spousal coverage
- Yes, there is a surcharge to cover spouses eligible for coverage elsewhere
- Yes, spouses are excluded from being covered on our medical plan



Increasing plan deductibles and maximum out-of-pocket limits remains the most popular strategy for employers looking to lower costs, with 54% reporting this as a consideration this year. Additionally, 37% of employers considering shifting more costs to employees are also considering increasing copays.

What plan design changes are you considering?



- Increasing copays
- Increasing deductible, coinsurance or maximum out-of-pocket
- Implementing or promoting a high performance (narrow) network plan
- Implementing or promoting a consumer driven health plan (CDHP)

Cost management strategies are essential for organizations navigating the challenges of rising healthcare expenses while maintaining competitive employee benefits. By exploring options such as changing medical carriers, implementing targeted cost control programs, and making plan design adjustments, employers can effectively manage costs.

Additionally, focusing on employee education and leveraging data analytics will further enhance their ability to control expenses while promoting a healthy, engaged workforce.

Ultimately, a balanced approach to cost management can lead to sustainable benefits programs that support both the organization and its employees.

Alternative Funding

Captives

Self-funded employers may use captive insurance arrangements to tailor strategies to their specific risk profiles, potentially achieving cost savings and greater flexibility. However, survey data reveal limited familiarity with captives: only 23% currently participate, 3% have previously participated but no longer do, 5% are considering joining within a year, and 9% are not considering it at all. Notably, 40% of employers are unfamiliar with captives, underscoring the need for greater education on this healthcare cost management approach.

Reference-based pricing (RBP)

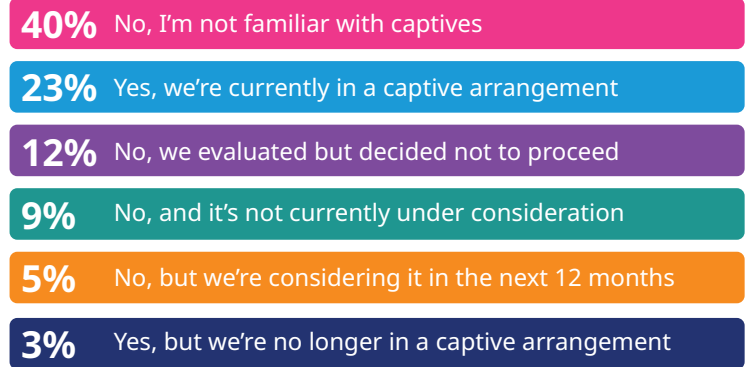
Reference-based pricing (RBP) is a cost-containment strategy that sets reimbursement rates for medical services—particularly “shoppable” procedures—based on benchmarks such as Medicare. This approach moves away from fixed provider-network contracts, offering greater flexibility in pricing negotiations and potential cost savings for both employers and employees. However, challenges such as administrative complexity, risk of provider disruption, and the potential for balance billing may discourage some organizations from adopting RBP.

Survey results remain consistent with last year: only 3% of organizations are currently using an RBP network, 1% have used it previously but discontinued, and 68% are not considering it. Meanwhile, 10% are contemplating implementation within the next year, and 18% have evaluated it but decided against proceeding. These findings suggest that although RBP adoption is limited, employer interest in this potential cost-saving approach is growing.

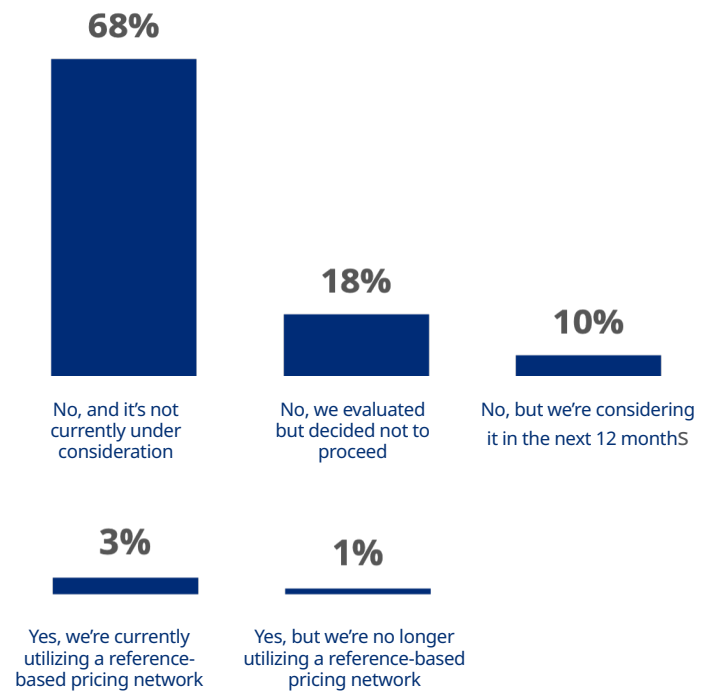
Individual Coverage HRA (ICHRA)

Individual Coverage Health Reimbursement Arrangement (ICHRA), has been available for the past few years as an alternative funding arrangement option. In this year’s survey, we inquired whether employers have explored this strategy as a way to make their benefit costs more predictable. While not widely adopted, 16% indicate either current utilization or consideration within the next 12 months.

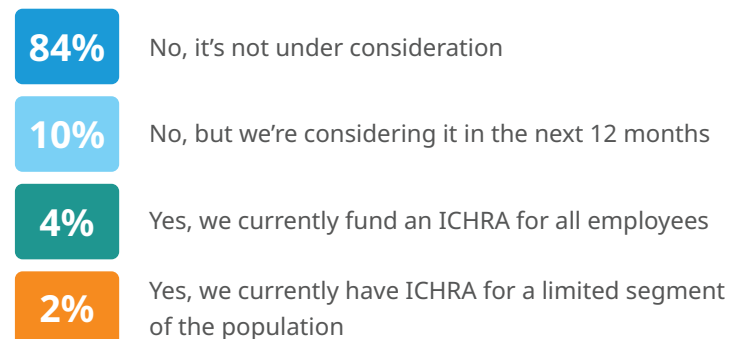
Have you ever participated in a captive for your organization’s medical plan or stop loss policy?



Have you ever participated in a reference-based pricing network arrangement?



Do you currently have, or are you considering an Individual Coverage HRA (ICHRA) for your medical plan funding strategy?

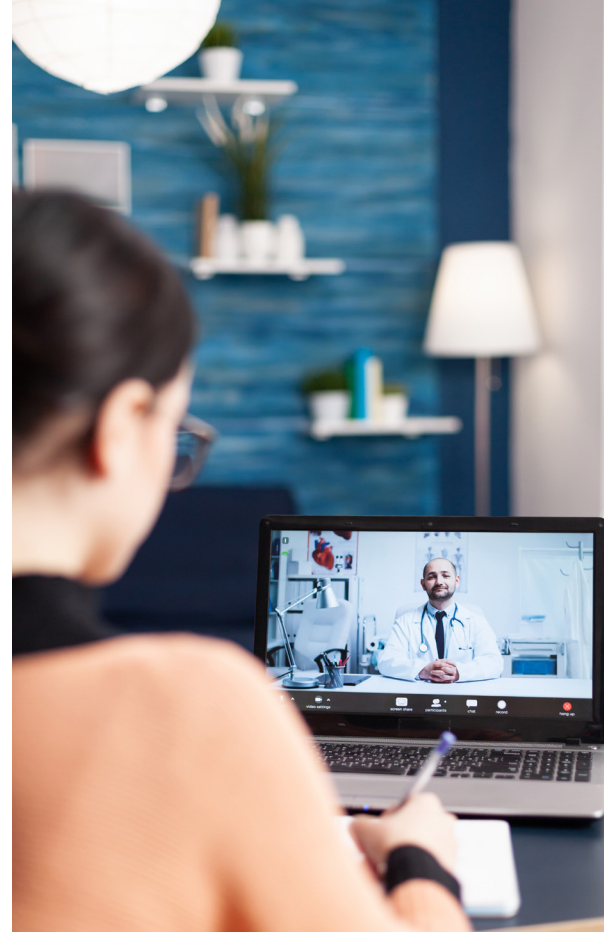


Trends in consumerism for healthcare

With healthcare consumerism shaping benefits strategies, employers are prioritizing tools that empower employees to make confident, informed choices. Forty-one percent of organizations now offer or intend to offer decision-support tools to help employees fully understand their benefits and select the optimal combination to meet their unique life circumstances. These tools play a vital role in guiding employees toward benefits decisions that truly fit their needs.

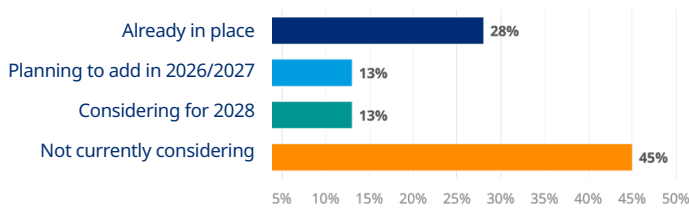
Thirty-one percent provide access to cost-transparency tools, highlighting growing recognition of the importance of informed consumer choices. However, a significant portion of employers—41%—are not currently considering these strategies, suggesting room for growth. Additionally, only 23% use programs that directly steer employees to access lower-cost or high-value care sites, indicating that many organizations have yet to fully embrace network changes to influence site-of-care decisions.

As the healthcare environment evolves, fostering consumerism can lead to better health outcomes and cost savings for both employees and employers.

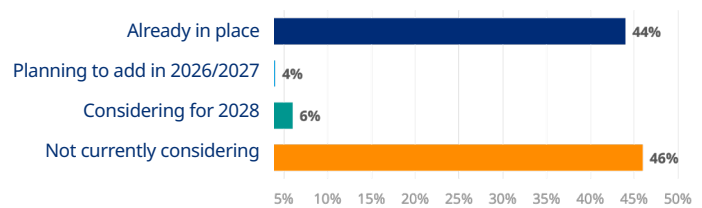


Have you implemented any of the following strategies to encourage greater employee consumerism?

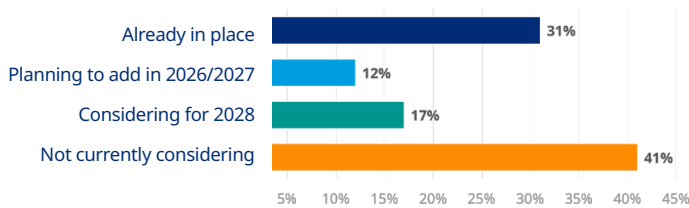
Enhancing decision support tools available for employees



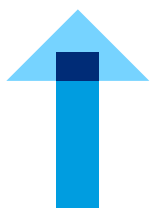
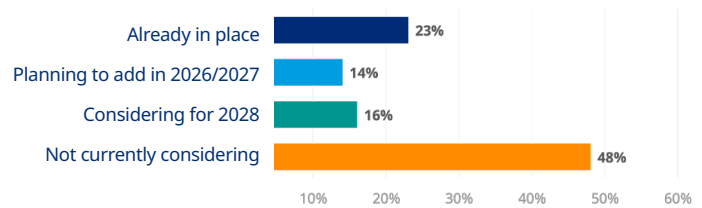
Providing employer contributions to an HSA



Providing employees access to cost-transparency tools



Using programs to encourage employees to access lower costs



Additionally, 44% of employers (up 1% from last year) provide an employer contribution to a Health Savings Account (HSA). The average employer HSA contribution is \$816 for employee-only coverage and \$1,206 for family coverage.

Pharmacy trends

Organizations are exploring ways to control pharmacy costs amid complex benefit frameworks. Adopting purposeful pharmacy benefit strategies can significantly enhance employee well-being and financial health. Current trends include higher cost-sharing, targeted management of specialty pharmaceuticals, and thorough assessment of new treatments such as gene therapy.

76%

of employers say that managing pharmacy cost is either important or very important in the next 12 months.



To achieve these goals, organizations that self-fund their health plans (46%) are carving out pharmacy benefits from their medical Third-Party Administrator (TPA) and using a different Pharmacy Benefit Manager (PBM). This approach may allow them to negotiate better pricing and terms with PBMs and to more effectively manage specialty drugs and formulary design, leading to lower overall costs.

The rising trend in pharmacy costs is largely driven by **high-cost specialty drugs**, which account for a small share of all prescriptions but nearly half of total expenditures. This significant financial burden has prompted employers to seek effective strategies to reduce costs.

A significant 38% of organizations use prior authorization for specialty medications billed under the pharmacy benefit, and 18% for those billed under the medical benefit. This approach helps ensure that medications are used appropriately and that costs are justified before treatment begins. Approximately 34% of organizations have implemented carved-out specialty pharmacy programs. This strategy allows companies to partner with specialized PBMs that can negotiate better pricing and provide tailored management of specialty drugs.

There is also a growing emphasis on biosimilars: 21% of organizations offer lower-cost tiers for these alternatives, and 16% exclude brand-name biologics when a biosimilar is available, which can significantly reduce specialty medication expenses.

Which of the following methods is your organization using to manage specialty pharmaceuticals?

Methods	2026
Prior authorization for specialty medications billed under the pharmacy benefit	38%
Carved out specialty pharmacy program	34%
Case management or medication coaching programs	28%
Lower cost tier for biosimilars	21%
Prior authorization for specialty medications billed under the medical benefit	18%
Excluding brand name biologics from the formulary when biosimilar is available	16%
Approval for only a limited supply	14%
Excluding specialty drugs from our formulary	10%
International procurement strategies	8%
Site of care management	3%
Direct contracting with manufacturers	2%
Delaying inclusion of new treatments from formulary for a certain amount of time	0%
Using an independent clinical organization, separate from the PBM, to manage prior authorization and utilization management	0%

14%

Fourteen percent of self-funded employers report purchasing additional stop-loss coverage—an increase from 3% in 2025—specifically for gene therapies; 58% do not, and 24% are unsure.

Gene therapies represent a revolutionary advancement in treating genetic disorders, offering potential solutions for inherited conditions, certain cancers, and neurodegenerative diseases. However, the high costs associated with these therapies—often exceeding \$1 million—pose a significant challenge for employers. To help manage these costs, 14% of employers report purchasing additional stop-loss coverage specifically for gene therapies, up from 3% last year.



Does your organization purchase additional stop-loss coverage specifically for gene therapies?

2026:



● Yes

● No

2025:



● Yes

● No



In recent years, the increasing use of GLP-1 drugs to manage metabolic conditions has intensified pressure on healthcare costs. Their high prices significantly drive up pharmacy expenses, challenging employers to balance access to these innovative treatments with financial sustainability for both themselves and their employees.

Over the past four years, costs and utilization of leading weight loss drugs have surged sharply, with employer costs rising. Although these medications have proven effective and may yield long-term medical savings, such savings are unlikely to fully offset their high costs. Consequently, employers are actively developing strategies to manage coverage and expenses.

What is your organization's current stance on GLP-1 medications? (E.g. Ozempic, Wegovy, Mounjaro, etc.)






Strategies	2026	2025
Don't currently cover for weight-loss and not considering	48%	60%
Covered for diabetes and for weight-loss if certain criteria are met	30%	33%
Don't currently cover for weight-loss, but considering	18%	0%
Covered for both diabetes and weight-loss with no restrictions	4%	7%

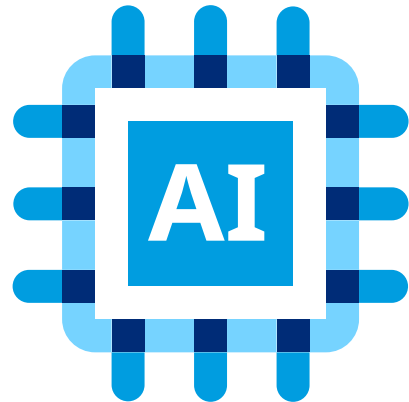
Technology and communication

Employers' growing focus on employee engagement is driving the need for more effective communication, technology, and personalized support. To meet these demands, many are leveraging modern tools and artificial intelligence (AI) to deliver clear benefits information, enhance decision-making, and automate routine tasks. While the use of AI in benefits remains emerging, 17% of employers are actively using AI for benefits or HR-related tasks, 8% plan to do so within the next 12 months, and 32% are evaluating future use.

Of those currently using, planning, or evaluating AI, almost half (48%) are using or considering AI for benefits, employee communication, or virtual assistants (e.g., chatbots, personalized messages, automated reminders).

In which areas are you currently using or considering the use of AI?

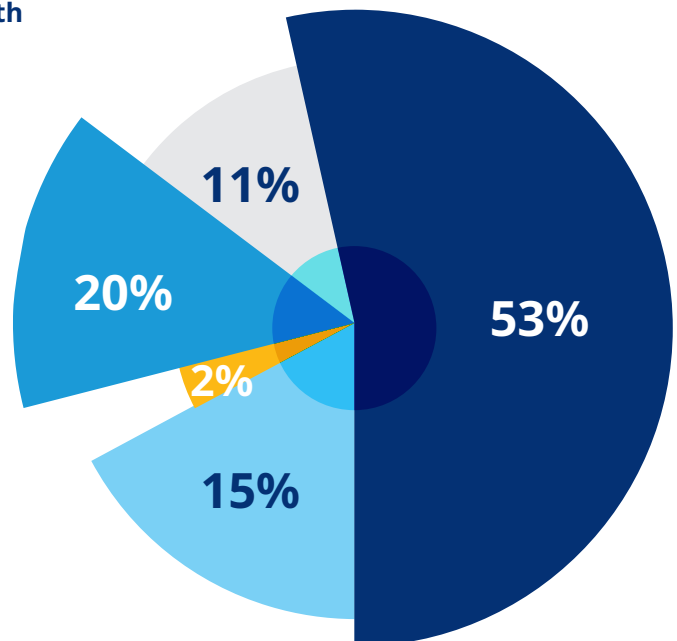
	Benefits/Employee communication or virtual assistance	48%
	Benefits enrollment decision support	29%
	Payroll or HRIS	26%
	Benefits administration	24%
	Strategic benefits planning	0%



AI's ability to deliver personalized, timely interactions and streamline complex benefits processes makes it a powerful tool for improving employee engagement and helping individuals make more informed benefits choices. Employers recognize that effective employee engagement extends beyond traditional benefits offerings, with health navigation and advocacy services playing a key role.

Does your organization offer a health navigation or advocacy service for your employees beyond the health plan's standard offerings?

- Yes, digital service
- Yes, telephonic service
- Yes, both telephonic and digital service
- No, but we are considering it
- No, and we are not currently considering it





In parallel, technology-driven enrollment strategies are transforming how employees interact with their benefits.

80%

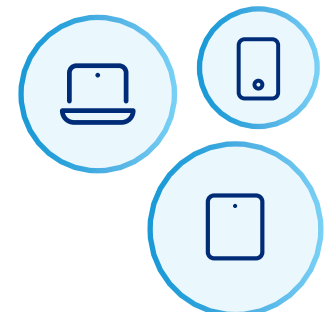
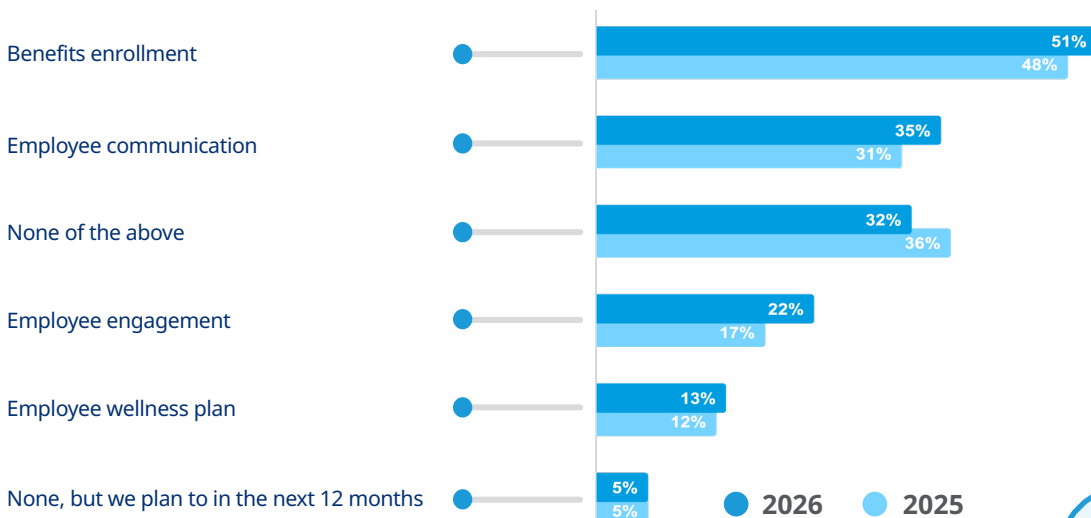
Eighty percent of organizations use online benefits administration software with self-enrollment capabilities, a slight increase from last year's 74%.

Additionally, 33% of employers offer decision-support tools to help employees make informed decisions, up from 27% last year.



Mobile applications remain popular, with 51% of employers now using apps for benefits enrollment, compared to 59% of all employers offering an app for at least one function last year. Furthermore, 34% of organizations offer a benefits communication mobile app with push notifications, enhancing engagement and accessibility.

Does your organization use a mobile application for any of the following benefits related functions?



Employers offering accessible online platforms make the enrollment process more convenient, providing employees with easy-to-understand resources. This approach fosters greater empowerment and engagement by providing comprehensive information and support to address healthcare illiteracy. As a result, organizations can greatly enhance the employee experience, ensuring that employees feel informed and confident in their benefits decisions.

Primary care solutions

Accessible primary care enables employees to address health concerns early, thereby improving overall health and reducing the risk of chronic conditions. This proactive approach supports healthier employees and lowers dependence on costly medical interventions over time. By focusing on employee well-being and minimizing long-term health plan costs, primary care solutions offer a valuable option for employers.

Survey data show that while 54% of organizations have already implemented virtual primary care, other advanced options are less common: 9% have on-site or near-site clinics, 6% use a primary care narrow network, and only 4% contract directly with specific primary care providers.

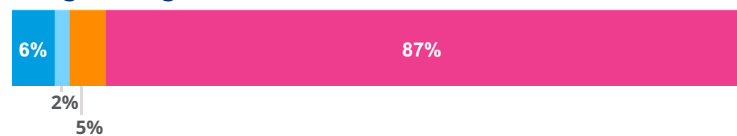
Most organizations—87% and 91%, respectively—are not considering a narrow network or direct contracting. These findings highlight a significant opportunity for employers to adopt advanced primary care models that enhance health management, boost employee satisfaction, and reduce costs. As healthcare evolves, embracing these innovations can help organizations meet their workforce’s changing needs.



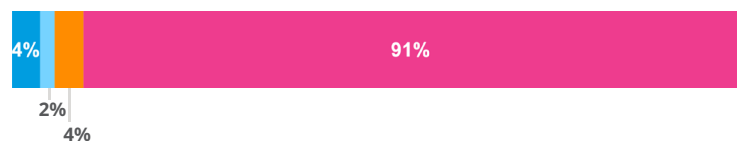
Does your organization use any of the following primary care solutions, or do you plan to in the next 24 months?

- Already in place
- Planning to add 2026/2027
- Considering for 2028
- Not currently considering

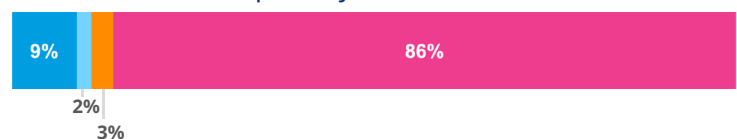
Adding a primary care narrow network via medical plan design changes



Contracting directly with certain primary care providers in select markets



On-site or near-site primary care health clinics



Virtual primary care services



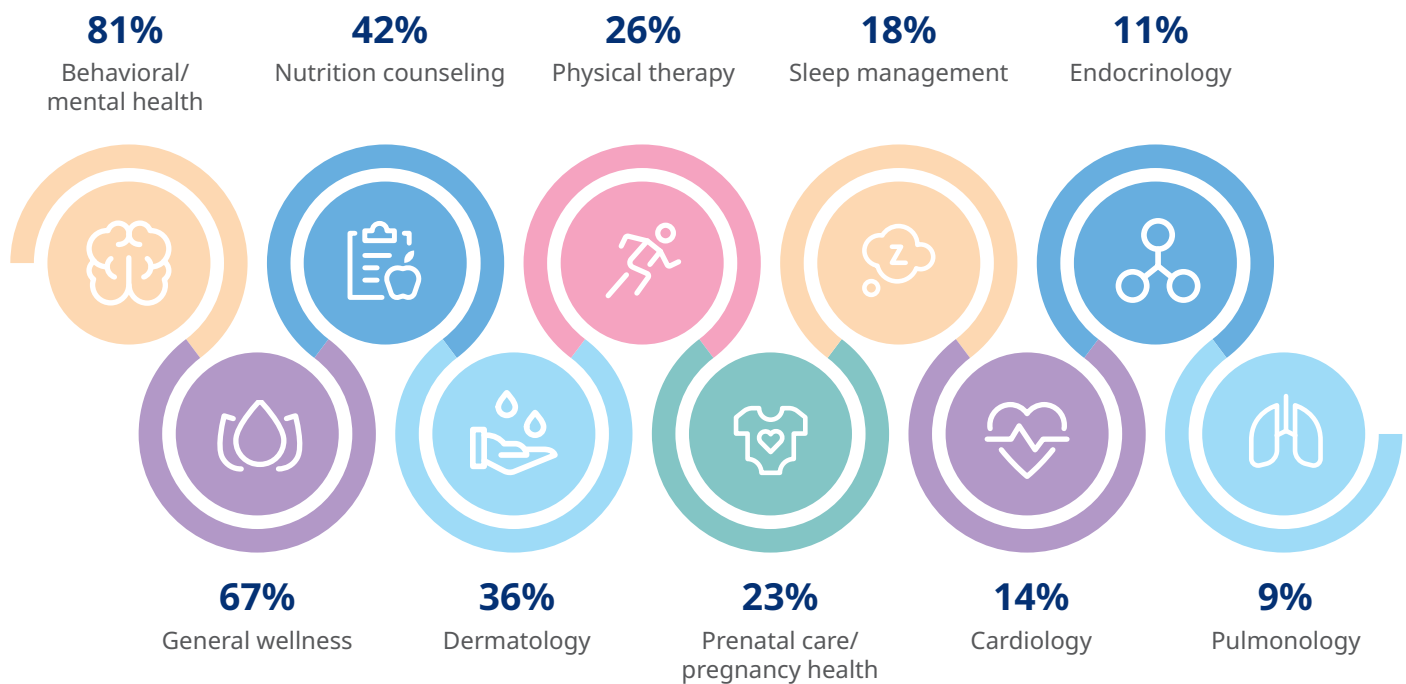
Virtual health and telemedicine

While the COVID-19 pandemic served as a catalyst accelerating the adoption of virtual health and telemedicine, these services have since matured into well-established, integrated components of today's healthcare landscape. This year's survey shows that 86% of employers offer virtual health or telemedicine services, a slight increase from 82% last year. Furthermore, 18% of employers have either enhanced their virtual health benefits in the past year or plan to do so soon, indicating a proactive approach to meeting employee needs.

Benefits	Already increased benefits	Plan on increasing	No increase or decrease planned	Plan to reduce	Have already reduced
Virtual health/ telemedicine benefits	10%	8%	82%	0%	0%

Survey results reveal that a majority of organizations that offer virtual health or telemedicine (69%) limit their offerings to primary care and minor acute services. However, there is growing recognition of the value of expanding these services. For now, 17% of these employers include specialty services such as cardiology, physical therapy, and endocrinology in their virtual health programs. This presents a significant opportunity for organizations to broaden their telemedicine offerings to include a wider range of specialty services.

Are any of the following specialty services offered through your organization's virtual health/ telemedicine offering?



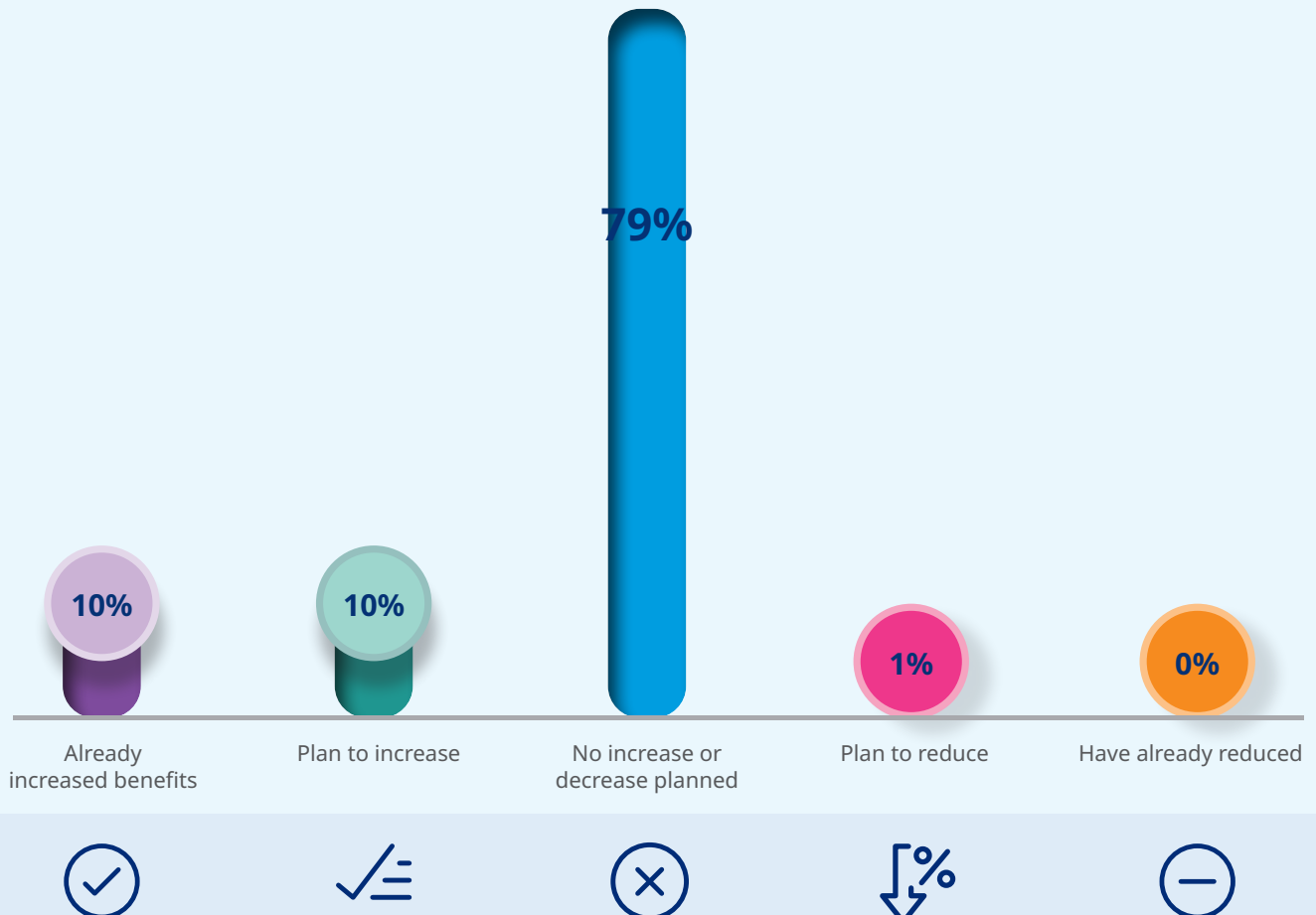
Among the specialty services currently offered, behavioral and mental health stands out, with 81% of those organizations providing access through virtual platforms. Other notable services include general wellness (67%), dermatology (36%), and nutrition counseling (42%). However, there is still room for growth in areas like endocrinology (11%) and pulmonology (9%), highlighting the need for employers to broaden their telemedicine offerings to better meet employee needs.

Voluntary benefits

Voluntary benefits enhance employee well-being by complementing traditional health insurance and retirement plans, creating a more comprehensive benefits package that addresses diverse needs. By enabling employees to customize coverage— from pet insurance and critical illness protection to legal assistance and identity theft safeguards—employers cultivate a supportive environment that respects individual priorities.

This personalized approach empowers employees, boosts job satisfaction, and improves retention. In today's competitive market, a strong voluntary benefits offering is a vital tool for attracting and retaining top talent.

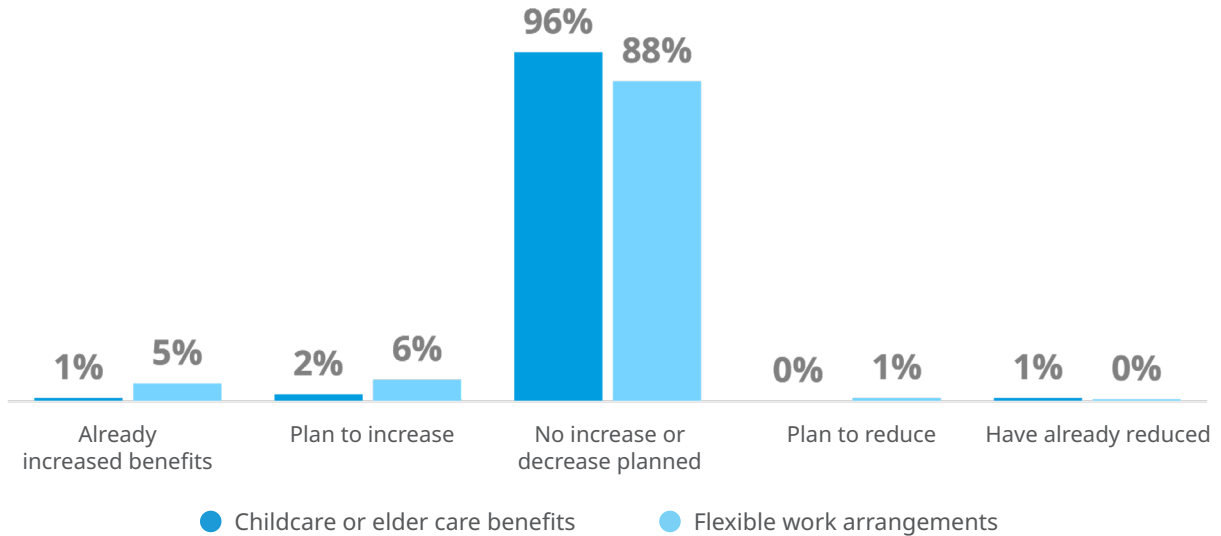
This commitment reflects an awareness of evolving workforce needs and the positive impact comprehensive benefits have on morale and productivity. As employee expectations shift, investing in voluntary benefits will remain a key strategy for building a healthy, engaged workforce.



Family benefits

Building on efforts to enhance retention, engagement, and work-life balance, employers are offering family-focused benefits such as childcare, eldercare, adoption assistance, and fertility/family-building support alongside flexible work arrangements. This combination helps employees reduce stress and better balance care-giving responsibilities with their professional commitments.

Is your organization planning to make changes to the benefit offerings in the following areas in the next 12 months?

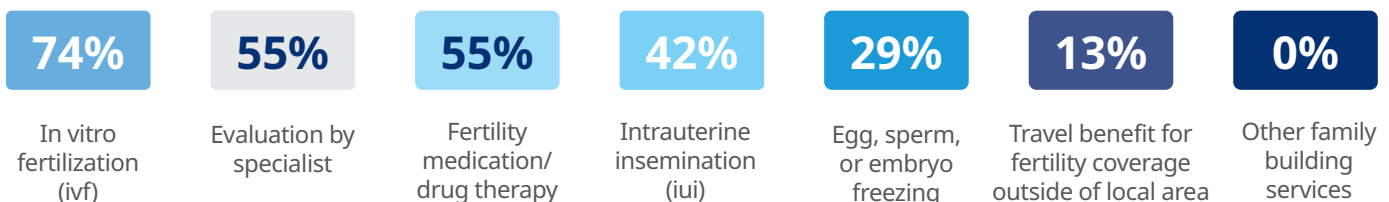


Over the past three years, employers have consistently said that providing flexible work hours is the best way to meet the evolving needs of workers with childcare responsibilities. However, this year, sponsoring a dependent care FSA was the most popular benefit in this area, with 46% of employers reporting they offer one.

What benefits do you have to help employees with childcare?

Category	2026	2025
Sponsoring a dependent Care FSA	46%	37%
Flexible work hours or schedule	36%	40%
Additional sick time (family sick leave)	7%	8%
Access to back-up childcare benefits	2%	2%
Direct financial support for childcare	2%	1%
Offering tutoring support/benefits for school-age children	1%	1%
Offering a caregiver pay benefit	1%	0%
Other	11%	10%

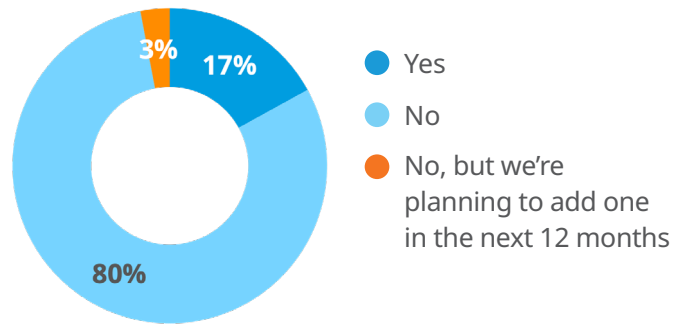
While only 6% of all employers support family planning as part of their benefits packages, 13% of larger employers (those with over 500 employees) do so. Among those employers covering fertility and family planning benefits, the most popular components are IVF and fertility medication coverage, as well as specialist evaluations.



Inclusion

Inclusion initiatives aim to cultivate a workplace that honors and respects individuals from diverse backgrounds. With only 17% of companies currently reporting formal inclusion programs, there is a clear opportunity to strengthen employee engagement efforts. Successful strategies focus on providing equitable advancement opportunities and nurturing an inclusive culture where all employees feel valued and supported. To achieve these goals, companies may implement comprehensive training programs and establish inclusive policies.

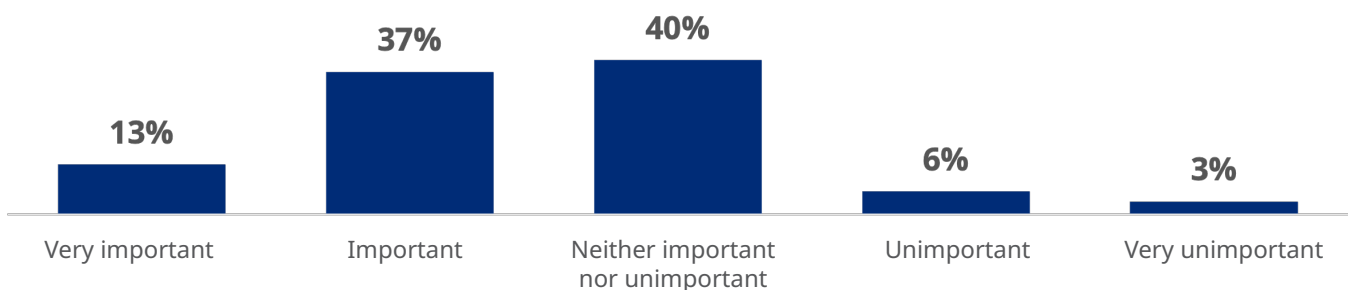
Does your organization have a formal DEI policy or initiative?



While formalized DEI programs are not currently being prioritized for the majority of the survey respondents, health equity remains important; 51% of employers consider it a key factor in shaping their benefits strategy over the next year. This focus on health equity not only supports individual health outcomes but also contributes to a more equitable workplace overall.



How important is it for organizations to take steps to address health equity?



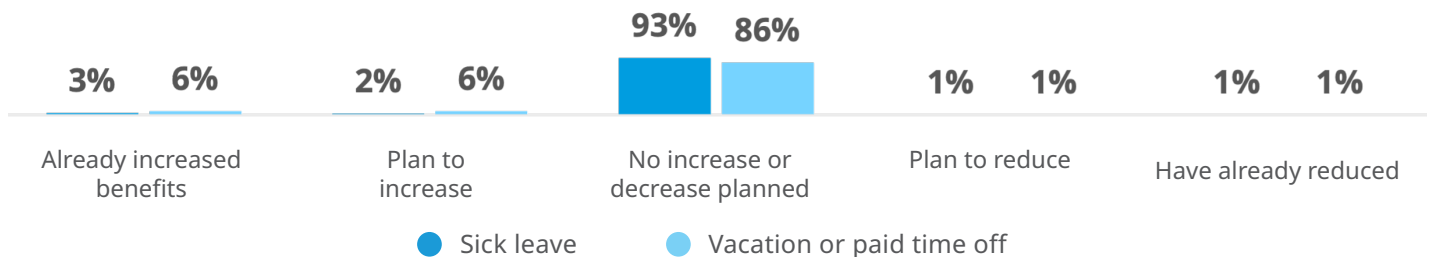
Wellness/ well-being strategies



Sick leave, paid vacation, and time off

Sick leave, paid vacation, and time off are fundamental employee benefits that play a key role in promoting overall wellness. These benefits allow employees to take necessary breaks, helping them manage stress and address health issues without worrying about losing income or job security. Research indicates¹ that when employees have sufficient paid time off, they are more likely to recover from illness, attend medical appointments, and recharge, resulting in better health outcomes. Furthermore, regular vacations are associated with increased job satisfaction and reduced stress, which can help prevent burnout—a growing challenge in today’s fast-paced work environment. While the majority of survey responders have no plans to change their current vacation and sick leave offerings, 6% did indicate that they intend to increase these benefit offerings in the next 12 months.

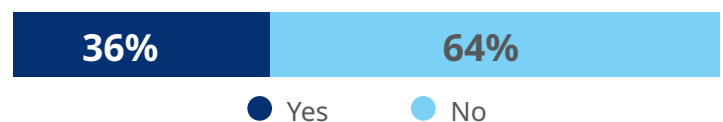
¹. Callison, K., Pesko, M. F., Phillips, S., & Sosa, J. A. (2025). Health care utilization following the adoption of U.S. paid sick leave mandates: A cohort study using health insurance claims data. *The Lancet Regional Health – Americas*, 49, 101174. (PubMed)



Well-being plans

Among the 36% of respondents who offer a formal wellness program, 80% identify fostering a culture of health and encouraging healthier employees as their primary motivation. Additionally, 62% of organizations implement these programs to reduce healthcare costs, underscoring the financial advantages of investing in employee well-being.

Does your organization sponsor a wellness/well-being plan for your employees?



Well-being plans contribute to healthier workforces, which can reduce absenteeism, boost productivity, and ultimately lower healthcare expenses. Moreover, 29% of employers view wellness initiatives as a means to enhance employee satisfaction and retention, while 17% believe they help prevent increases in medical premiums. Although attracting talent is a lower priority, it underscores the competitive edge a strong wellness program can offer.

What are your organizations top two reasons for having a wellness/well-being plan?

Responses	
Foster a culture of health/having healthier employees	80%
Reduce healthcare expenses	62%
Increase employee satisfaction and retention	29%
Prevent medical premium increases	17%
Attract talent	1%
Other	0%



The organizations that do not offer a wellness plan often cite several factors. The primary reasons include the cost of implementation and administration (24%), a lack of time and human resources (33%), and a limited perception of the program's value (22%). These concerns may reflect an underestimation of the long-term benefits wellness initiatives offer, including cost savings and improved employee morale.

What is your organization's primary reason for not offering a wellness/well-being plan?

Responses	
Lack of time and human resources	33%
Cost of implementation and administration	24%
Limited perception of program value	22%
Other	14%

By overcoming these challenges and acknowledging the potential value on investment, employers can better recognize how wellness programs contribute to a healthier workforce and stronger organizational performance.

Does your organization incentivize employees and/or spouses to have an annual wellness visit?

32%

Thirty-two percent of all employers say they provide an incentive to employees—and sometimes spouses—for completing their annual wellness visit.

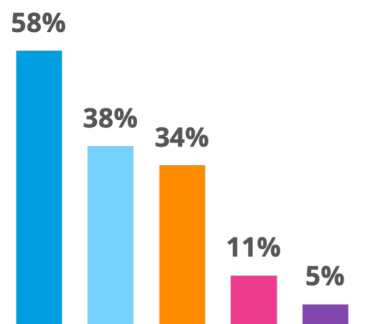
Which of the following areas are addressed in your organization's wellness/well-being program?

Responses	
Physical health	94%
Mental health	83%
Financial health	53%
Social health	43%

What are the key components of your organization's wellness plan?



How is your organization's wellness program designed and administered?

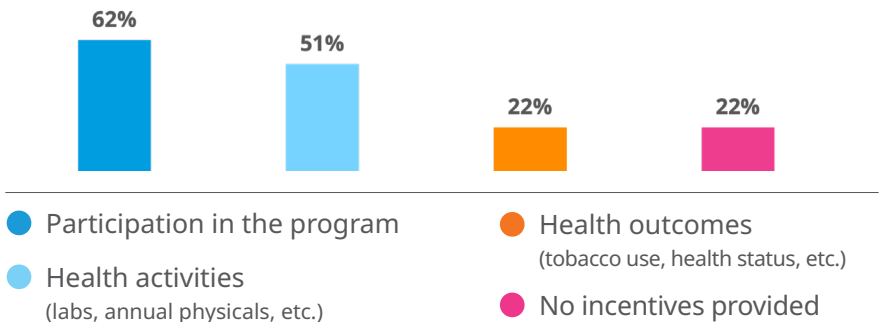


- In-house
- By the carrier
- By third-party vendors
- By our benefits consulting partner
- By local companies

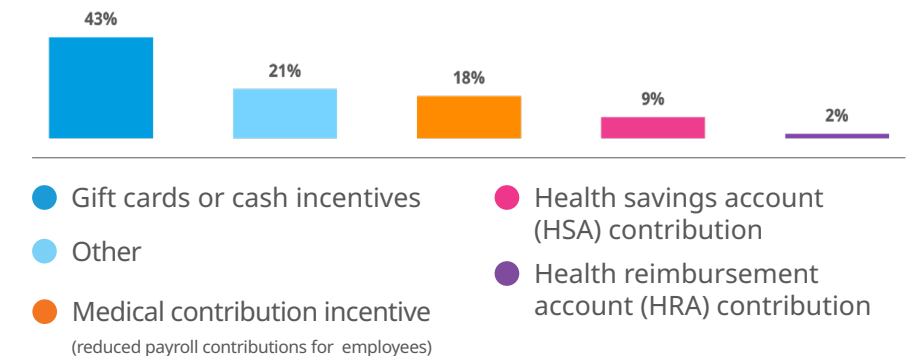
78%

Seventy-eight percent offer some sort of incentive to participate in their wellness offering.

What health behaviors does your wellness/well-being program incentivize?



How are employees incentivized to participate in your organization's wellness/well-being plan?



29%

Twenty-nine percent of employers with a wellness program have increased their organization's wellness budget in the last 24 months.

Mental health support

Prioritizing mental health can promote a positive workplace, reduce stress, improve morale, and increase engagement and productivity.¹ Eighty-three percent of organizations currently offer an Employee Assistance Program (EAP), and 28% have increased or plan to increase their emotional health or well-being programs.

¹. American Psychological Association. Why mental health needs to be a top priority in the workplace. APA, 2023



81%

Eighty-one percent of employers that offer virtual health or telemedicine include behavioral/mental health services in their offerings.



Telemedicine for behavioral health improves access and convenience by removing geographic and time barriers, enabling employees to connect with mental health professionals anytime, anywhere. This early intervention reduces stigma, supports under-served populations, and provides crisis and after-hours care, fostering equity and inclusion. By enhancing mental well-being, telemedicine drives higher productivity, engagement, and retention.

Which of the following benefit programs does your organization offer?

Responses	2026	2025	2024
401(K) retirement plan	93%	89%	91%
Accident policy	75%	72%	73%
Business travel accident	15%	12%	18%
Cancer policy	39%	37%	39%
Cash balance or other hybrid pension plan	1%	2%	3%
Critical illness policy	69%	62%	61%
Defined benefit pension plan	11%	10%	14%
Employer paid dental	27%	33%	30%
Employer paid life insurance with ad&d	81%	81%	84%
Employer paid vision	21%	26%	28%
Hospital indemnity policy	51%	40%	34%
Individual disability insurance	37%	38%	39%
Employer paid long-term disability	57%	58%	-
Employer paid short-term disability	49%	48%	-
Long-term disability*	-	-	85%
Short-term disability*	-	-	89%
Voluntary dental	80%	75%	77%
Voluntary life insurance	87%	85%	89%
Voluntary long-term disability	41%	36%	-
Voluntary short-term disability	49%	44%	-
Voluntary vision	83%	77%	78%
Voluntary whole life insurance	29%	29%	31%

*Beginning in 2025, our survey now differentiates employer paid and voluntary disability offerings.

Does your organization offer any of the following benefits?

Responses	2026	2025	2024
Adoption assistance	4%	3%	7%
Employee Assistance Plan (EAP)	83%	-	-
Fertility and family planning benefits	6%	6%	9%
Gender affirmation surgery	1%	3%	4%
Identity theft protection	25%	17%	18%
Lifestyle savings accounts (LSA)	1%	2%	1%
Management or leadership training program	23%	22%	26%
Pet insurance	24%	18%	17%
Prepaid legal services	18%	14%	19%
Student loan repayment program	4%	4%	4%
Subsidized childcare	2%	1%	3%
Tuition assistance/reimbursement	38%	38%	43%
Vacation purchase	5%	4%	5%
Workplace financial wellness program	19%	17%	22%



We extend our sincere thanks to the employers who participated in the 2026 National Benefits Strategy Survey and shared their valuable perspectives. It's our aim that the insights in this report help organizations make informed benefits decisions and plan confidently for the future. The findings highlight a clear trend of employers reassessing their benefits strategies, with strong engagement from larger organizations and self-funded employers signaling more sophisticated, long-term approaches.

These trends point to the need to refine plan design and funding strategies, strengthen employee communications, invest in wellbeing and flexibility, leverage data and analytics, and collaborate with trusted vendor and advisory partners.

Marsh McLennan Agency remains committed to supporting employers in turning these insights into action and building benefits programs that are sustainable, responsive, and aligned with workforce and business needs.

[Get in touch](#) with a benefits consultant today to discuss your plan design options.

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