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**AS THE SCOPE OF CORPORATE WELL-BEING PROGRAMS CONTINUES TO EXPAND,
LARGE EMPLOYERS EXPECTED TO SPEND AN AVERAGE OF \$3.6 MILLION IN 2019**

- *40% of Budget Earmarked for Employee Incentives;
Average Per-Employee Incentive Has More than Tripled Since 2009*
- *33% of Employers Plan to Increase Financial Incentives Over the Next 3-5 Years*
 - *56% of Employers Offer a Well-being Program to their Global Workforce*

BOSTON, April 18, 2019 -- Companies across the country are expected to spend an average of \$3.6 million on well-being programs in 2019 to help create healthier and more productive workforces, according to the 10th annual Health and Well-Being Survey from Fidelity Investments® and the National Business Group on Health®. The survey provides insight into how companies are managing well-being programs, including program budgets, measurement, strategic direction and corporate objectives.

While there are various components to corporate well-being programs, the study revealed that more than one-third (40%) of these budgets will be applied to financial incentives that encourage employees, and their spouses/ domestic partners, to participate in these programs. The average per-employee incentive decreased slightly to \$762 for 2019, down from \$784 in 2018, but is still nearly three times the average employee incentive of \$260 reported in 2009. In addition, the percentage of employers offering incentives to spouses and domestic partners increased to 58% in 2019, up from 54% in 2018, while the average incentive for spouses/ domestic partners increased to \$601, up from \$596 in 2018.

While many employers (57%) provide financial incentives to employees by reducing their health care plan premiums, more than a third (34%) of employers provides incentives by funding an employee's health care account, such as a health savings account (HSA).

Overall, employers are expected to continue to focus on financial incentives as a key benefit within well-being platforms in the future, as 33% of employers indicated they plan to continue to increase the amount of financial incentives for employees over the next 3-5 years.

Employers Recognize Interconnectedness in Well-being Programs Beyond Physical Health

While programs focused on physical health remain the most popular offering on well-being platforms, employers continue to recognize the interrelationship between physical, financial, work and life well-being.

For example, recent research¹ from Fidelity indicates that employees who need help with their financial well-being are significantly less likely to be physically healthy and more likely to report feeling frequently stressed or anxious -- which can impact job performance and productivity. In addition, employees with low job satisfaction also tend to feel burned out at work and miss an average of nine days each year. However, employees who engage in some kind of regular community involvement, such as volunteering on a weekly basis, are more likely to have lower stress and greater life satisfaction, which can enhance workplace productivity.

As a result, employers continue to focus on providing programs focused on well-being beyond physical health, including emotional/mental health (92%), financial health (88%), community involvement (69%), social connectedness (54%) and job satisfaction (43%).

“More employers view their investments in health and well-being as integral to deploying the most engaged, productive and competitive workforce possible,” said Brian Marcotte, President and CEO, National Business Group on Health. “Their focus is holistic, with physical health being a component rather than the only priority. Employers recognize that their employees have different needs and want to engage in different ways. Financial and emotional stress, for example, are major detractors from work performance and employers are doubling down on these areas.”

Well-Being Programs Continue to Expand Globally, but Tailored to Local Workforce

Employers with a multinational workforce are increasingly interested in developing a consistent benefits platform for their employees across different geographies, and many companies have taken steps to offer well-being programs to their global workforce. More than half (56%) of employers surveyed offer well-being programs to their global employees, an increase from 44% in 2018, and another 14% are considering extending their well-being program to workers in multiple geographies by next year. However, only 34% of employers have a global strategy in place, while half (50%) let local markets focus on well-being as needed.

In addition, the overall objectives of well-being programs still vary by region. According to the survey, two of the top objectives of well-being programs in the U.S. are to manage health care costs (82%) and improve employee productivity/reduce absenteeism (59%), while the top objectives globally are to improve employee engagement/performance (82%) and align employees with the corporate culture (72%).

“As more employers recognize the relationship between employee well-being and productivity, well-being programs have taken on an increasingly meaningful role in employers’ business strategies. However, as the benefits landscape continues to evolve, employers need to ensure they are designing their programs to meet the changing needs of their workforce,” said Robert Kennedy, senior vice president, Fidelity Workplace Consulting. “Implementing programs that take a total well-being approach, designing programs for a global workforce and aligning well-being programs with the company’s health care strategy are just a few of the steps employers can take to ensure their well-being program continues to deliver maximum benefit to their organization.”

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About the Survey

The 10th annual survey on corporate Health & Well-being from Fidelity Investments® and the National Business Group on Health® includes responses from 164 jumbo, large and mid-sized organizations. The online survey was fielded during October 2018 and January 2019 among National Business Group on Health members and clients of Fidelity Investments.

About the National Business Group on Health

The National Business Group on Health is the nation’s only non-profit organization devoted exclusively to representing large employers’ perspective on national health policy issues and helping companies optimize business performance through health improvement, innovation and health care management. The Business Group leads initiatives to address the most relevant health care issues facing employers today and enables human resource and benefit leaders to learn, share and leverage best practices from the most progressive companies. Business Group members, which include 75 Fortune 100 companies, provide health coverage for more than 50 million U.S. workers, retirees and their families. For more information, visit www.businessgrouphealth.org.

About Fidelity Investments

Fidelity’s mission is to inspire better futures and deliver better outcomes for the customers and businesses we serve. With assets under administration of \$7.4 trillion, including managed assets of \$2.6 trillion as of March 31, 2019, we focus on meeting the unique needs of a diverse set of customers: helping more than 30 million people invest their own life savings, 22,000 businesses manage employee benefit programs, as well as providing more than 13,500 financial advisory firms with investment and technology solutions to invest their own clients’ money. Privately held for more than 70 years, Fidelity employs more than 40,000 associates who are focused on the long-term success of our customers. For more information about Fidelity Investments, visit <https://www.fidelity.com/about>.

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¹ Fidelity Investments Total Well-Being Research online survey of 9,315 active Fidelity 401(k) and 403(b) participants from across the United States. The survey was conducted by Greenwald and Associates, an independent third-party research firm, on behalf of Fidelity in September 2017.