



WHITE PAPER

How Employee Assistance Programs (EAPs) Drive Employers and Employees Cost Savings



Mental Health Care Is a Must-Have Benefit

Mental health and well-being are major considerations for the U.S. population today. As we've watched mental health diagnoses increase, suicide rates climb and everyday stressors compound, multiple prominent health leaders have called attention to mental health concerns, with U.S. Surgeon General Dr. Vivek Murthy even calling it "the defining public health crisis of our time."^{1,2,3,4}

Over one in five U.S. adults have a mental illness and over half of them do not receive treatment.⁵ That's **more than 27 million U.S. adults**.⁶ In addition, almost one in five adults in the U.S. experienced suicidal thoughts in the past year.⁷

Employers can play a positive role in the mental well-being of their employees by ensuring that well-being is incorporated into a company's total rewards program, including providing access to quality mental health resources.

An employer's role in employee well-being is especially critical when considering the barriers that many people face to obtaining quality, affordable and culturally competent mental health care. Almost 40% of U.S. adults surveyed by *Verywell Mind* said they needed financial help to attend therapy.¹² Financial stressors are associated with psychological distress, making care often even more difficult to access for those who need it.¹³ This has implications on the world of work as well, with nearly one million Americans missing work due to stress each day.¹⁴

77%

of large employers saw an increase in workforce's mental health needs.⁸

87%

agree that it's important for employers to offer mental health resources.⁹

67%

of Americans agree that businesses play an important role in improving mental health.¹⁰

81%

of workers say that employer support for mental health would affect future job searches.¹¹

In recent years, insurers and employers have worked to improve access to mental health care through expanded behavioral health benefits within the traditional health care benefits package, as well as alternative resources like **Employee Assistance Programs** (EAPs). Continued change and evolution was needed to meet the growing needs of employee populations.

CVS Health's **Resources for Living** (RFL) program served as a catalyst for this change. RFL, a workplace well-being product, includes an EAP offering for employers. RFL offerings complement employers' existing services through medical plans to ensure that employees have all the support they need – and they also help provide cost savings.



Key RFL Offerings*



Well-being coaching: One-on-one sessions with an individual coach to focus on personal and professional growth.



Care Partner model: By using a single point of contact, a Care Partner serves members in their journey across the entire mental health continuum, including a full breadth of mental health offerings, regardless of health plan.



Here4U®: Here4U is a series of online peer support groups focused on social connectedness.



Support for social determinants like financial and legal concerns.



In-the-moment counseling: In-person or virtual guidance provided.

*Not all offerings are available to Meritain Health® clients.



RFL Study Results

RFL is financially beneficial for employers because it focuses on preventive mental health care for an employee population. A workplace well-being product, RFL, addresses the root causes of mental well-being to fulfill the everyday needs of employees. Every employee has a different need and RFL takes a human-first approach to tailor solutions to employees. This cost-effective solution has led to increased productivity, quality of life and employee savings.

RFL's employer offering also extends to dependents and members of an employee's household, such as a spouse and children. This preventive care prioritizes mental well-being as part of everyday health, supports employees across the mental health continuum and connects employees to resources beyond an EAP when more support is needed.

In order to address the need for greater mental well-being support from employers, RFL provides comprehensive care no matter the therapeutic need, using a holistic approach, including EAP capabilities, population-based outreach, diversity programs to drive inclusion and support social determinants, local in-person and telemedicine options, digital resources and more – which is revolutionizing the industry.

RFL conducted an in-depth retrospective study comparing the health outcomes and savings of members who utilized the face-to-face counseling offering (including in-person and virtual options) for their first therapy session in 2021, versus members who used their behavioral health benefits for their first therapy session in 2021.*



Behavioral health benefits are covered in a medical plan, whereas programs like EAPs are employer-sponsored health services. Like RFL, these programs complement employers' existing medical plan offerings to enhance employees' overall and personalized experiences.

The results of RFL's analysis demonstrate the various cost savings of its program to employers and employees.

Results Show Cost Effectiveness

RFL is more cost effective than paying for medical cost claims.



First-time therapy users who accessed therapy through their RFL benefit had 2.3 fewer face-to-face counseling/behavioral health therapy sessions in the six months after their first visit, when compared to first-time therapy users who accessed therapy through their behavioral health benefit.

The decrease in the number of counseling sessions after engaging in RFL instead of the behavioral health benefit demonstrates that RFL's intervention helped reduce additional mental health services needed after the initial therapy session. This saves employers from shouldering the costs associated with a higher quantity of services.



Results Show a Reduction in Employer Costs

RFL also reduces employer costs by leading to higher rates of in-network care and lower medical spending.

RFL's program group from the study had 11% more visits with in-network behavioral health providers and lower spending on services like hospital treatment (\$396 less) and prescriptions (\$17 less per member, per month) in the six months following initial therapy, compared to those who utilized their behavioral health benefits first.



Results Show the Importance of Early Intervention

RFL offers a clear cost value of early intervention.



For example, an employee experiencing early signs of depression decides to use their employer-sponsored face-to-face counseling offering to discuss their experience with a mental health care professional. Because this service is part of their existing employer-sponsored program, the employee utilized face-to-face counseling almost immediately after they noticed symptoms affecting their daily life. By addressing this problem early on, the employee is referred to an in-network counselor (meaning more affordable care), which helps them avoid a potential hospitalization or emergency room visit that might have occurred down the road if the problem was left untreated or mismanaged.

In addition to direct cost savings on medical care, **RFL also can help generate cost savings by improving work results and performance for employees with mental health concerns.** RFL utilization is associated with results like fewer hospital and emergency room visits, which can prevent absenteeism and drops in productivity related to receiving more medical care – from having to leave work for multiple appointments, to struggling to work while contending with mental health issues.



Through RFL's Here4U®* online peer support groups, members can focus on combatting stressors early on, to prevent them from becoming larger issues. Participants have reported feeling on average about 30% improvement in connection, 22% decrease in isolation and 7% decrease in loneliness after attending.

*Here4U is **not available** through Meritain Health.



The work environment can add to mental health concerns. Forty-nine percent of respondents from a CVS Health-Harris Poll National Health Project survey found that a person's job negatively impacts their mental health.¹⁵ Mental health can also lead to direct and indirect effects on physical health, which can require additional appointments and care needs.¹⁶



By lowering utilization of hospital and emergency room care, RFL not only reduces medical costs – but also helps enable increased productivity because employees are visiting the hospital less, as well as using other services less and can manage their mental health needs sooner.

RFL is available at no cost to employees, which helps improve their health outcomes and decrease their overall health care costs. The average delay between onset of mental illness symptoms and treatment is 11 years.¹⁷ There are often many barriers to mental health treatment – but employer-sponsored services remove many of these barriers. People seek treatment earlier with RFL because there is no out-of-pocket cost, in comparison to behavioral health benefits. RFL care can be part of employees' existing employer-sponsored health benefits.

RFL serves as a key means of preventive mental health care. Earlier engagement and mental health treatment can help lower medical costs by identifying and managing health conditions before they expand or worsen.

To address the growing need for reducing social isolation, RFL designed an outreach program to engage Medicare members. Results have shown:

13%

less medical spending within six months

81%

less utilization of long-term care services within six months

27%

increase in spending for in-home care services

1 extra

visit to a primary care provider within six months

\$50

decrease in depression-related costs within six months

RFL's analysis reaffirms the cost-saving value of its program. Compared to those who used the behavioral health benefit, RFL users had:

\$1,022

lower medical costs** = \$170 saved per member, per month (PMPM)

2.3

less face-to-face counseling or behavioral health therapy sessions

11%

more behavioral health visits with in-network behavioral health providers

\$396

decrease in hospital spending

0.03

less hospital days***

\$17

decrease PMPM in behavioral health prescription cost

24%

decrease in behavioral health prescriptions

Supporting Mental Well-Being and Prioritizing the Utilization of RFL

Raising awareness around mental well-being at work is vital for both employers and employees. Despite the clear benefits, RFL's analysis found that only 10% of employees start with their employer offering before using their behavioral health benefits, despite these services having no out-of-pocket costs. A 2023 survey from CVS Health and The Harris Poll revealed that employees feel that it's important for employers to offer, and support access to, mental health resources. By tailoring partnerships with employers, RFL meets workplaces and employee populations wherever they are along the mental health continuum and fills in the gaps that traditional EAPs and mental health care provider groups do not offer just on their own.

RFL is payor-agnostic, predictive and personalized, using behavior patterns and artificial intelligence to prompt members with no-cost resources and preventive measures for their well-being and emerging health needs, wherever and whenever they need it.

In addition to face-to-face counseling with licensed providers (the most popular offering within RFL's workplace service; virtual or in-person), RFL also offers telephonic counseling (audio only), virtual counseling through external vendors, drop-in in-person counseling contracted with plan sponsors and referrals to local resources and services for members' longer-term care needs.

Offerings also include daily life assistance, such as:



Food and meal services



Legal resources



Financial resources



Identity theft support



**Recreational activities
(particularly for seniors or those
experiencing social isolation)**



Caregiver support groups



Crisis response services



RFL covers all employees*, even those not eligible for insurance or those who are uninsured, as well as members of their household, which helps expand care options to more people. For example, an adult who is not covered by insurance or who is covered under another family member's insurance can access RFL. A dependent child can use RFL through their parent's employer. There are many ways that a person can access RFL, and the offerings can be used for a variety of situations and health needs.

*Meritain Health clients can choose to only offer coverage to employees on the medical plan.

The Value of RFL



RFL has proven to deliver on member needs and engagement in RFL can drive medical cost savings for employers and employees by enabling early intervention. These cost savings include total medical costs, prescription costs, hospital services and in-network care utilization.

Results have shown over 12% improvement in well-being for employees who use RFL. This translates into cost savings for not just employees, but also employers.

Visit the [RFL website page](#) for contact information or to view more details on offerings.

Study Design

Among U.S. adult members (age 18+) who were eligible for Commercial EAP face-to-face counseling (including in-person and virtual options), RFL conducted a retrospective analysis with members who had a therapy session in 2021 through either an employer-sponsored plan or through their medical benefits but who had not used employer-sponsored plan or therapy session in the six months prior to the study timeframe. All members included in the analysis could use either RFL services or behavioral health benefits; the study only included members who had six months of continuous behavioral health and medical coverage both before and after their first counseling session and were eligible for employer-sponsored face-to-face counseling for six months after their first counseling session.



Among this group of members, comparisons in health outcomes, utilization and costs were made between those who had a first-time, face-to-face counseling visit in 2021 through their employer-sponsored plan versus those who had a first-time therapy visit in 2021 through their behavioral health benefits. These groups were chosen because behavioral health therapy users operated as a good control group for employer-sponsored face-to-face counseling users, given that they have similar usage patterns to behavioral health therapy.

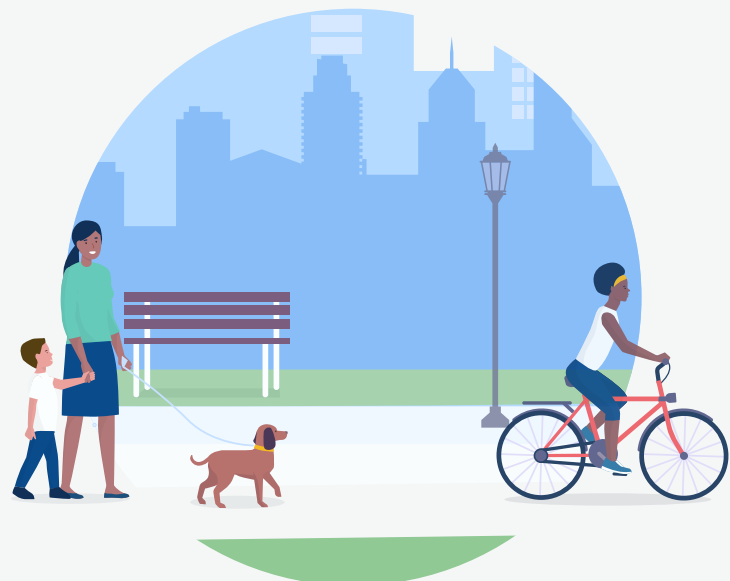
Furthermore, focusing on first-time therapy users (rather than those who have consistently been using therapy) allows the groups to be similar in terms of condition severity. The study analyzed outcomes of these members for the six months following their first therapy or counseling session. The outcomes focused on metrics of utilization of health care services (primary care visits, specialty visits, in-network utilization, hospital admissions and days of hospital care, ER visits, combined face-to-face counseling and therapy sessions) as well as medical costs (total costs minus therapy, behavioral health costs minus therapy, hospital costs, proportion mental and in/out of network).

The analysis was conducted by Aidan Berry and Sylvie Lardeux, PhD, DVM.

Limitations Faced in the Study

As a retrospective analysis, the evaluation was a non-randomized study. To adjust for this, the analysts used Targeted Maximum Likelihood Estimation (TMLE) for confounding variables of age, sex, weighted cost index, retrospective risk, SDOH risk score, plan sponsor size, plan sponsor industry and prior behavioral health condition flags. Thus, the results of the study can be interpreted as causal, meaning the EAP utilization led to the improved outcomes outlined in the piece above.

Members with a therapy or counseling session in behavioral health/medical or RFL claims six months prior to their first 2021 session were excluded from the study.



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- 1 <https://covid19.nih.gov/covid-19-topics/mental-health#:~:text=In%20a%202021%20study%2C%20nearly,the%20beginning%20of%20the%20pandemic>
 - 2 <https://www.kff.org/mental-health/issue-brief/a-look-at-the-latest-suicide-data-and-change-over-the-last-decade/#:~:text=When%20adjusted%20for%20population%20growth,rate%20of%2010.57%20per%20100%2C000>
 - 3 <https://www.apa.org/news/press/releases/stress/2022/concerned-future-inflation>
 - 4 <https://www.uclahealth.org/news/column-us-surgeon-general-loneliness-heart-growing-mental#:~:text=Mental%20health%20is%20the%20defining,experiencing%20measurable%20levels%20of%20loneliness>
 - 5 [https://www.nimh.nih.gov/health/statistics/mental-illness#:~:text=Mental%20illnesses%20are%20common%20in,\(57.8%20million%20in%202021\)](https://www.nimh.nih.gov/health/statistics/mental-illness#:~:text=Mental%20illnesses%20are%20common%20in,(57.8%20million%20in%202021))
 - 6 <https://mhanational.org/sites/default/files/2022%20State%20of%20Mental%20Health%20in%20America.pdf>
 - 7 <https://www.cvshealth.com/news/mental-health/cvs-health-study-shows-continuing-suicide-crisis-in-the-us.html>
 - 8 <https://www.businessgrouphealth.org/en/newsroom/news%20and%20press%20releases/%20press%20releases/2024%20lehcss#:~:text=An%20increase%20in%20mental%20health,anticipating%20one%20in%20the%20future>
 - 9 <https://www.cvshealth.com/news/mental-health/cvs-health-study-spotlights-rising-mental-health-concerns.html>
 - 10 <https://www.cvshealth.com/news/mental-health/cvs-health-study-spotlights-rising-mental-health-concerns.html>
 - 11 <https://www.apa.org/pubs/reports/work-well-being/2022-mental-health-support>
 - 12 <https://www.verywellmind.com/cost-of-therapy-survey-5271327>
 - 13 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8806009/>
 - 14 <https://www.stress.org/workplace-stress#:~:text=83%25%20of%20US%20workers%20suffer,stress%20affects%20their%20personal%20relationships>
 - 15 <https://www.cvshealth.com/news/research-reports/national-health-project.html>
 - 16 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2768339/>
 - 17 <https://www.nami.org/mhstats>

* See “Methodology” for additional information about the subject groups.

** After removing therapy costs.

*** Among EAP users with no prior behavioral health diagnoses.

Resources *for Living*[®]

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