

2025 LIMRA Annual Conference

ELEVATING *tomorrow*

Harnessing Growth in Workforce Benefits: The Next Horizon 2025 Refresh



Navigate With Confidence





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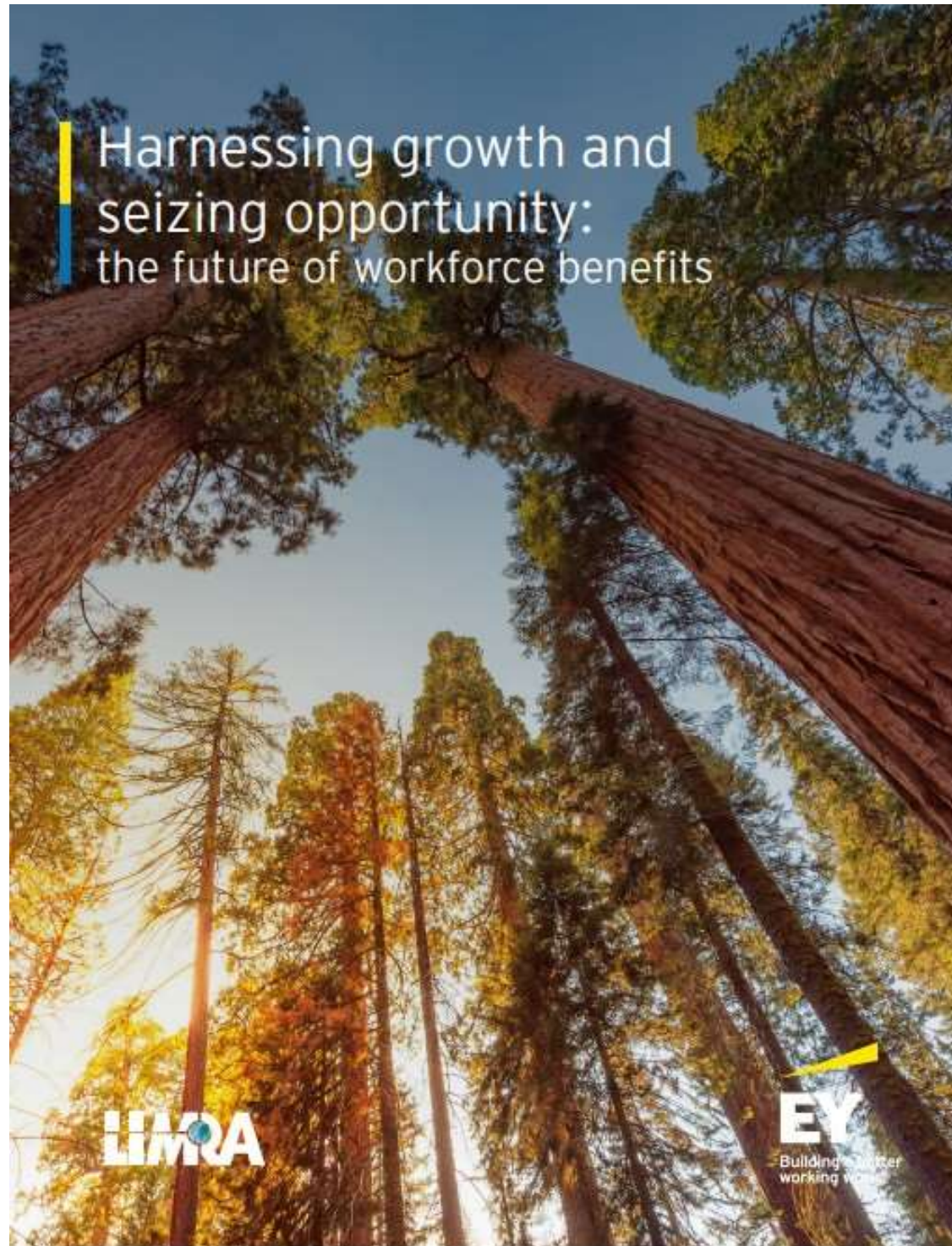
Americas Life & Group Benefits Leader
Ernst & Young LLP



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Our 2025 Research Refresh Approach



2025 Focus

Our refresh approach leveraged a combination of **quantitative and qualitative** research to understand commonalities and differences across **key personas** in the workforce benefits ecosystem.

**Broker
Interviews**

**Employer
Surveys**

**Employee
Surveys**

Our 2025 Harnessing Growth Research Findings

**Benefits
continue to grow in
importance**

**The demand for
freelance labor is
growing and
underserved**

**The Wheel is
STILL real!**

**Brokers remain
essential but the
landscape is evolving**

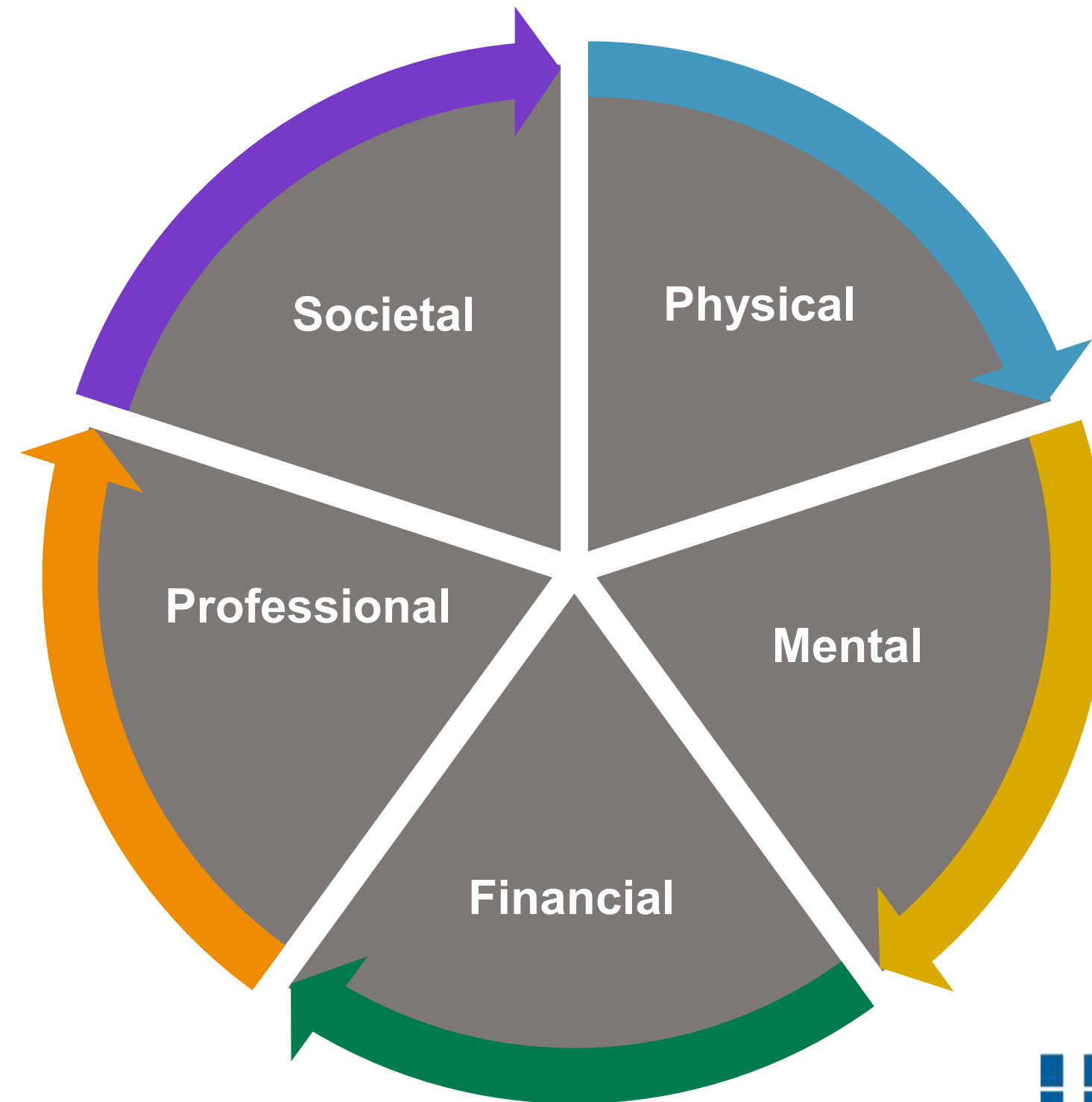
**The “next horizon”
of Absence/Leave
Management
services is emerging**

**Digitize or be
disrupted...and AI may
be the catalyst**

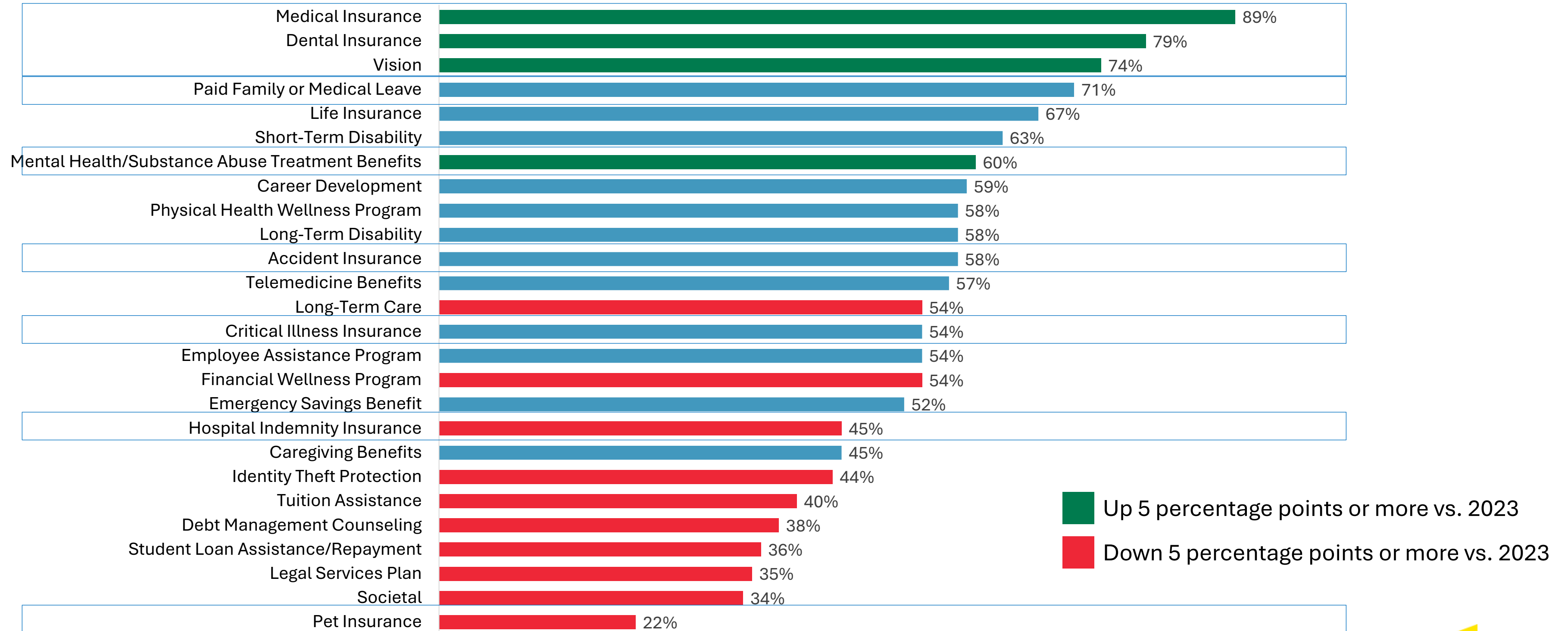
The Wheel Is STILL Real!

Benefit Needs Continue to Expand: Five Dimensions of Well-Being

“The Wheel of Wellness”



Employers Continue to See Need for “Total Well-Being”



Percent of employers who believe their company’s employees will be “very” or “extremely” interested in the benefit in the future.

Source: *Harnessing Growth in Workforce Benefits: The Next Horizon*, LIMRA and EY, 2025.

The Generational Shift Continues, and Needs Differ Dramatically

	Gen Z	Millennial	Gen X	Boomers
Medical insurance				
Dental insurance				
Vision insurance				
Paid family or medical leave	54%	57%	54%	43%
Life insurance				
Career development	40%	46%	37%	25%
Physical health wellness programs				
Short-term disability insurance				
Long-term disability insurance				
Long-term care insurance				
Accident insurance				
Critical illness insurance				
Emergency savings benefit	41%	34%	30%	18%
Identity theft protection				
Mental health or substance abuse treatment benefits	45%	33%	24%	19%
Employee assistance programs				
Financial wellness programs				
Telemedicine benefit				
Tuition assistance				
Student loan assistance/repayment	41%	32%	19%	7%
Hospital indemnity insurance				
Caregiving benefits				
Legal services plan				
Debt management counseling				
Pet insurance				
Societal benefits				

Percent of employees who are “very” or “extremely” interested in having their employer offer the benefit in the future

Source: *Harnessing Growth in Workforce Benefits: The Next Horizon*, LIMRA and EY, 2025.



Brokers Remain Essential but the Landscape Is Evolving

Brokers Were Clear: The Distribution Landscape Is Rapidly Evolving

Unintended consequences of consolidation

Clients are demanding more, and hyper-focused on economic value

Concerns exist in ushering in the next generation of strategic brokers

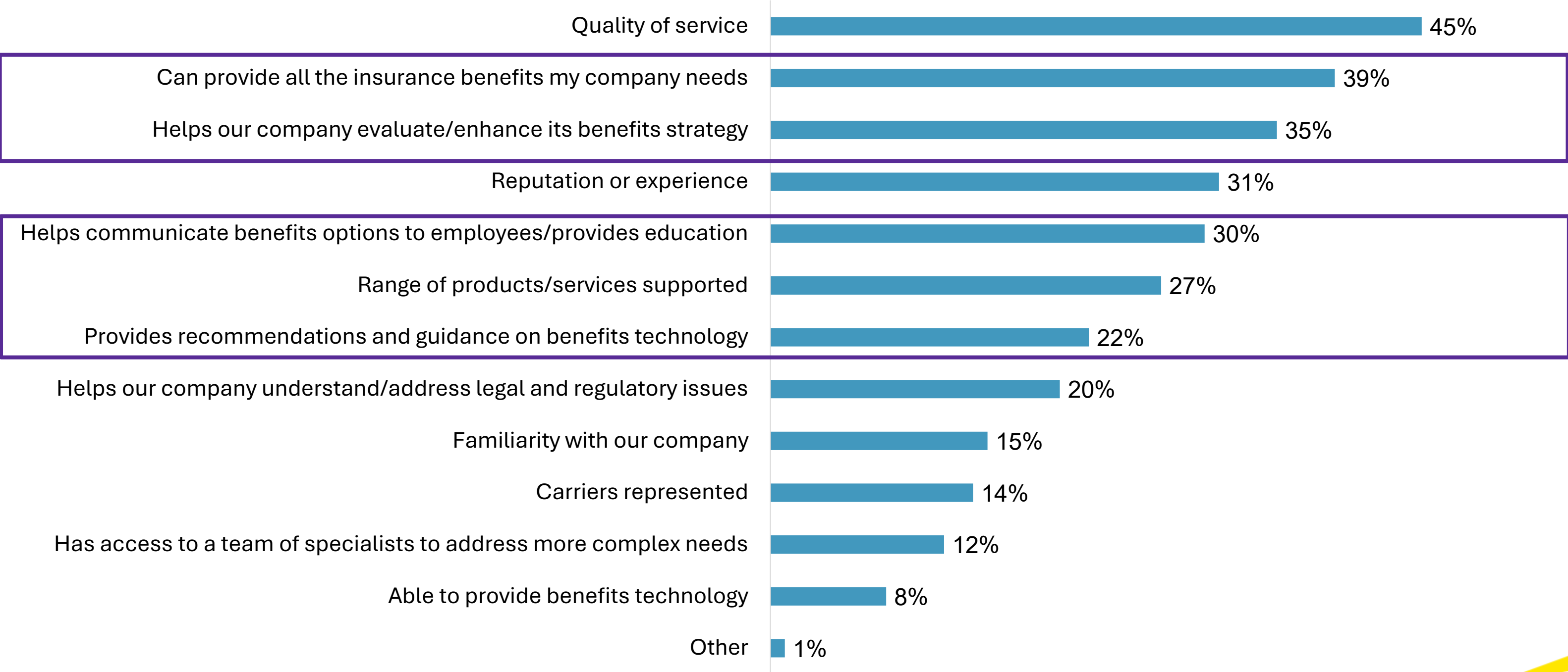
Stifling innovation and creativity

More transparency will be mandated to retain broker trust

Majority believe AI will be where disruption comes from

Leaving smaller size segments underserved

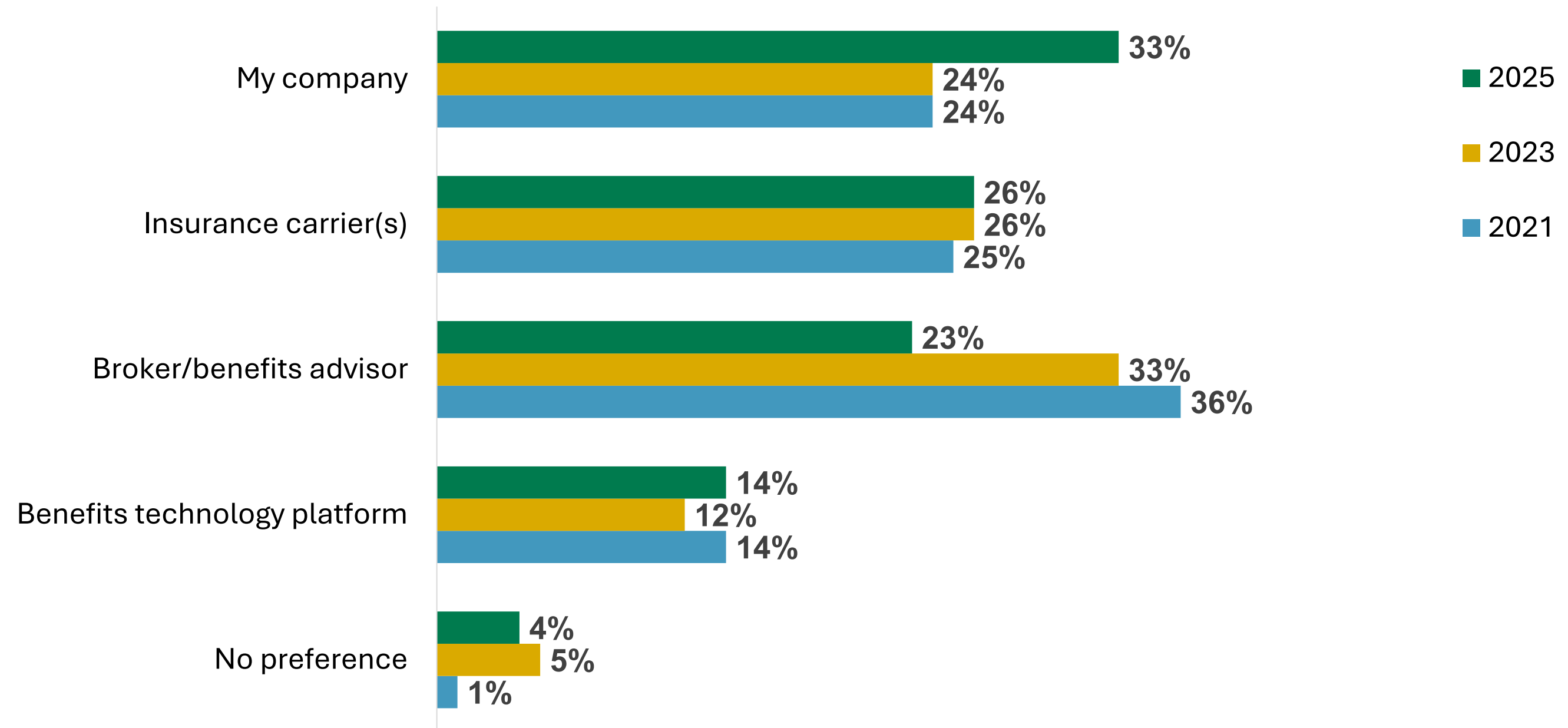
Beyond Quality, Employers Are Seeking Holistic Strategy and Benefits Access From Brokers



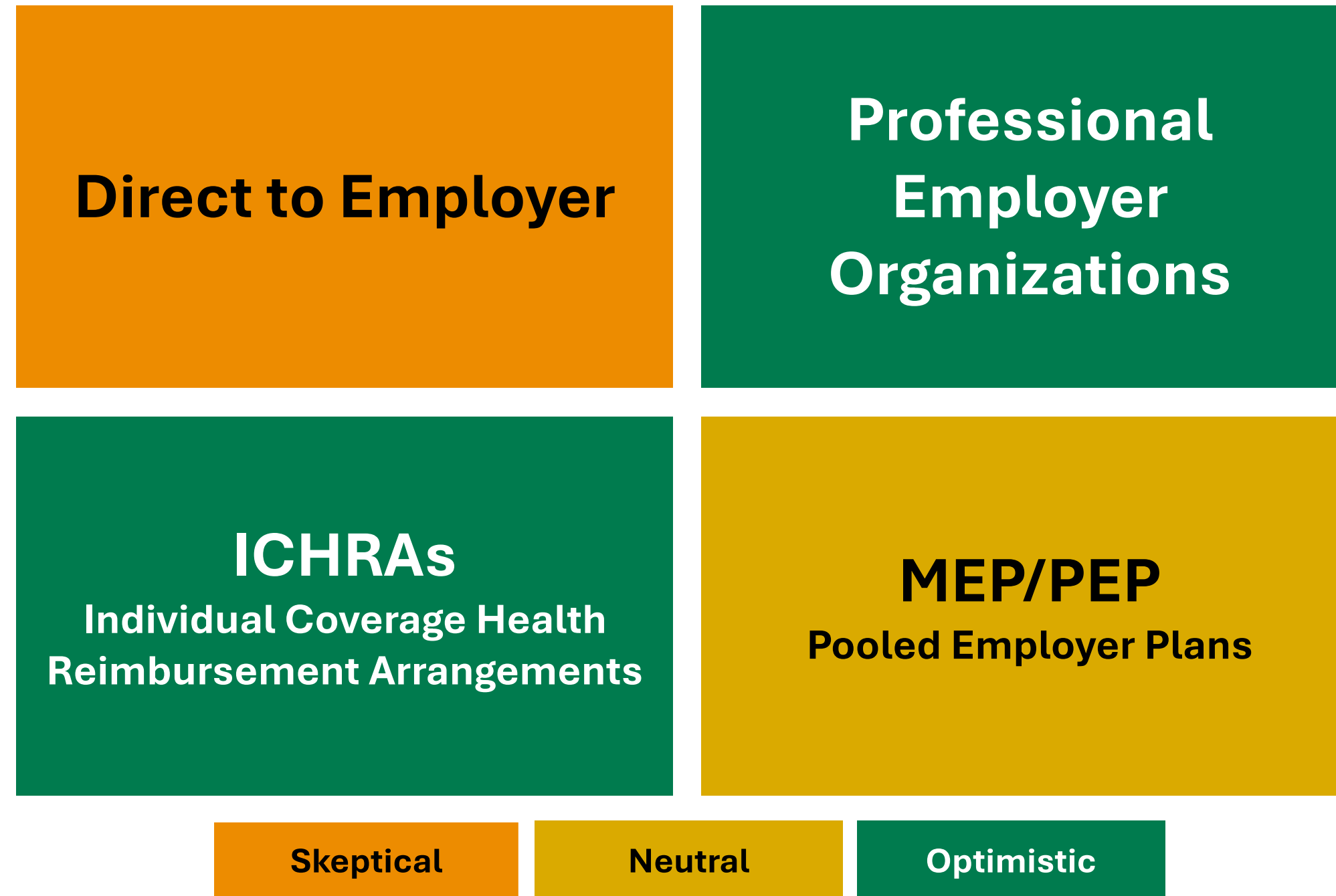
Source: *Harnessing Growth in Workforce Benefits: The Next Horizon*, LIMRA and EY, 2025.

It Is a Jump Ball, so Employers Seem to Be Grabbing It... but Employees Need the Help

Who do you think should be primarily accountable for providing the education and awareness needed for employees to make confident enrollment decisions?

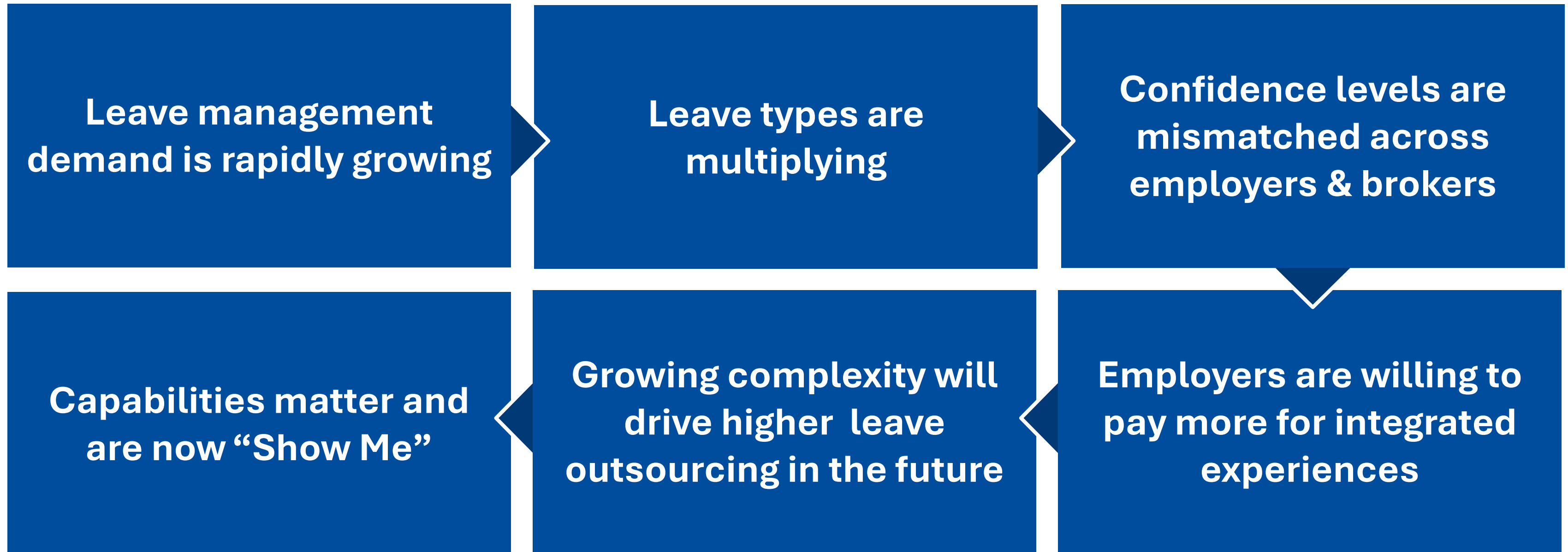


Brokers Are Very Clear Which Alternate Distribution Options or Methods Will Succeed



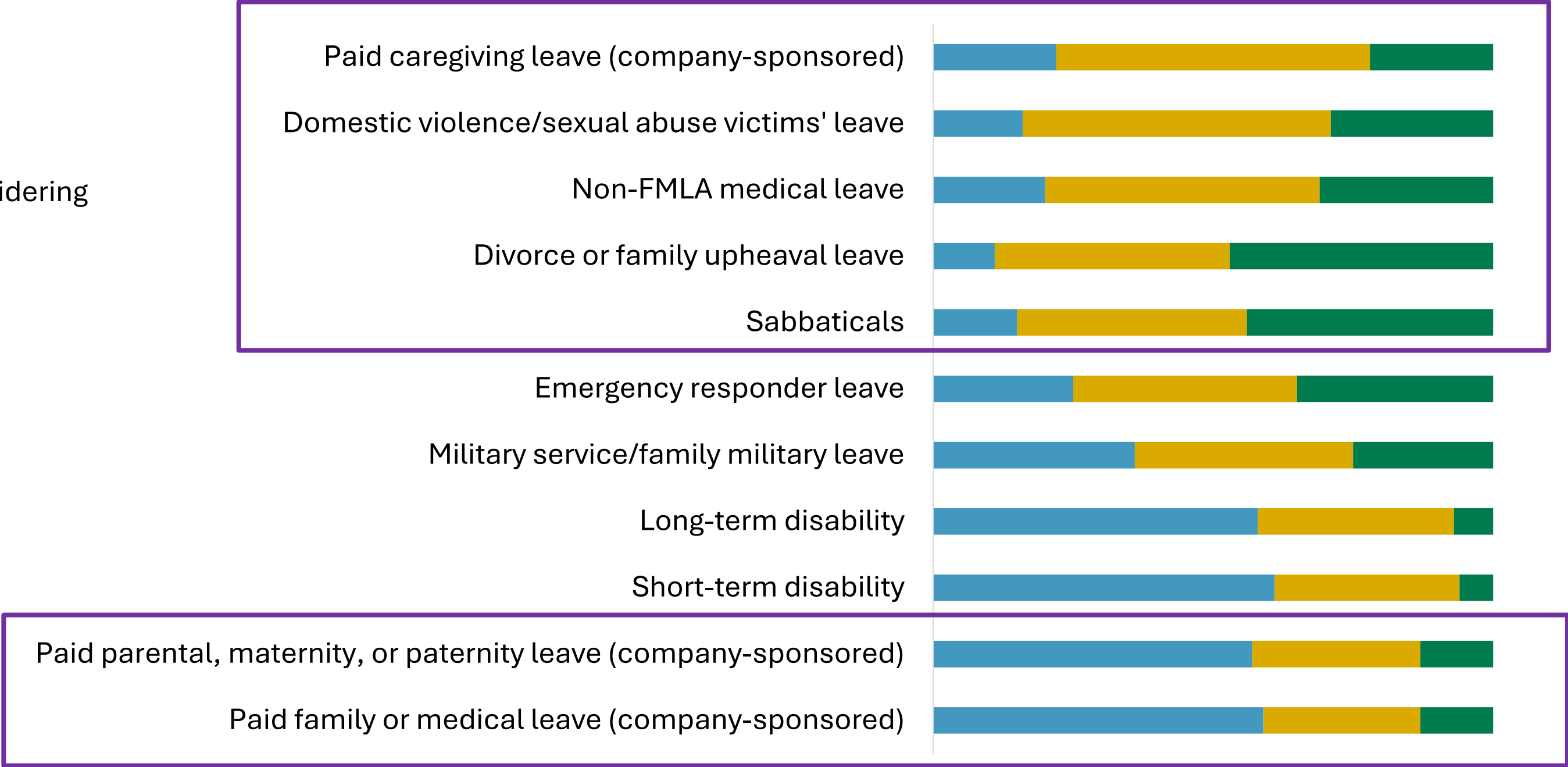
The “Next Horizon” of Absence/Leave Management Services Is Emerging

The “Next Horizon” Is Emerging... But Are Our Experiences Truly Ready?



Leave Offerings Are Expanding Into Next Horizon of Leave Types

- Currently offer
- Plan to add/considering
- No plans to offer



Source: *Harnessing Growth in Workforce Benefits: The Next Horizon*, LIMRA and EY, 2025.

Employers May Underestimate the Impending Challenges As We Consider 3-5 Years Out

Voice of Employers

79%

of employers expect that administering their company's overall leave management program will *not* be very or extremely challenging three to five years from now.

Voice of Brokers



*"Employers are going to struggle. If I am a decentralized employer across many states, I am **scratching my head on how I can comply and limit my exposure** with the rate of change."*

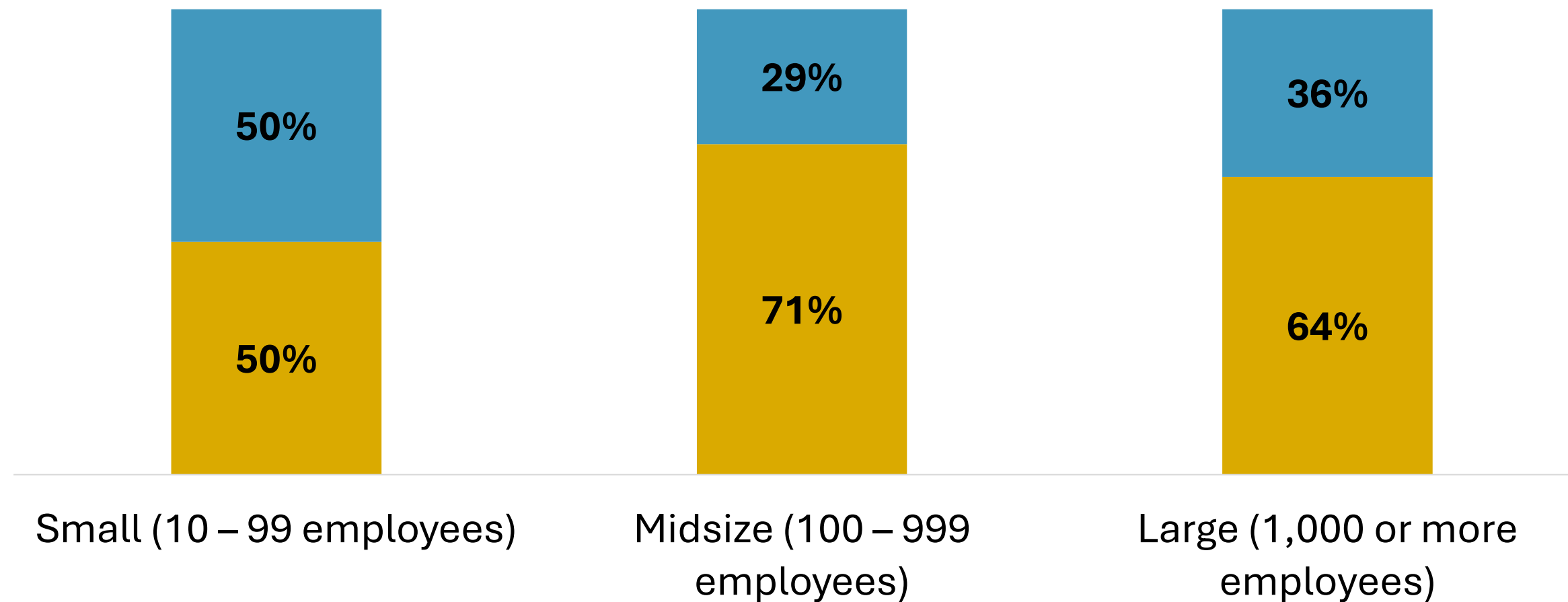
*"**How can I possibly be spending 50-60 hours a week focusing on healthcare** and now have to focus on absence and leave?"*

*"**Carriers do not have the discipline** to be all things to all people. [Carriers] better have specialization in supporting absence."*

Mid to Large Employers Are Willing to Pay More for an Integrated Experience

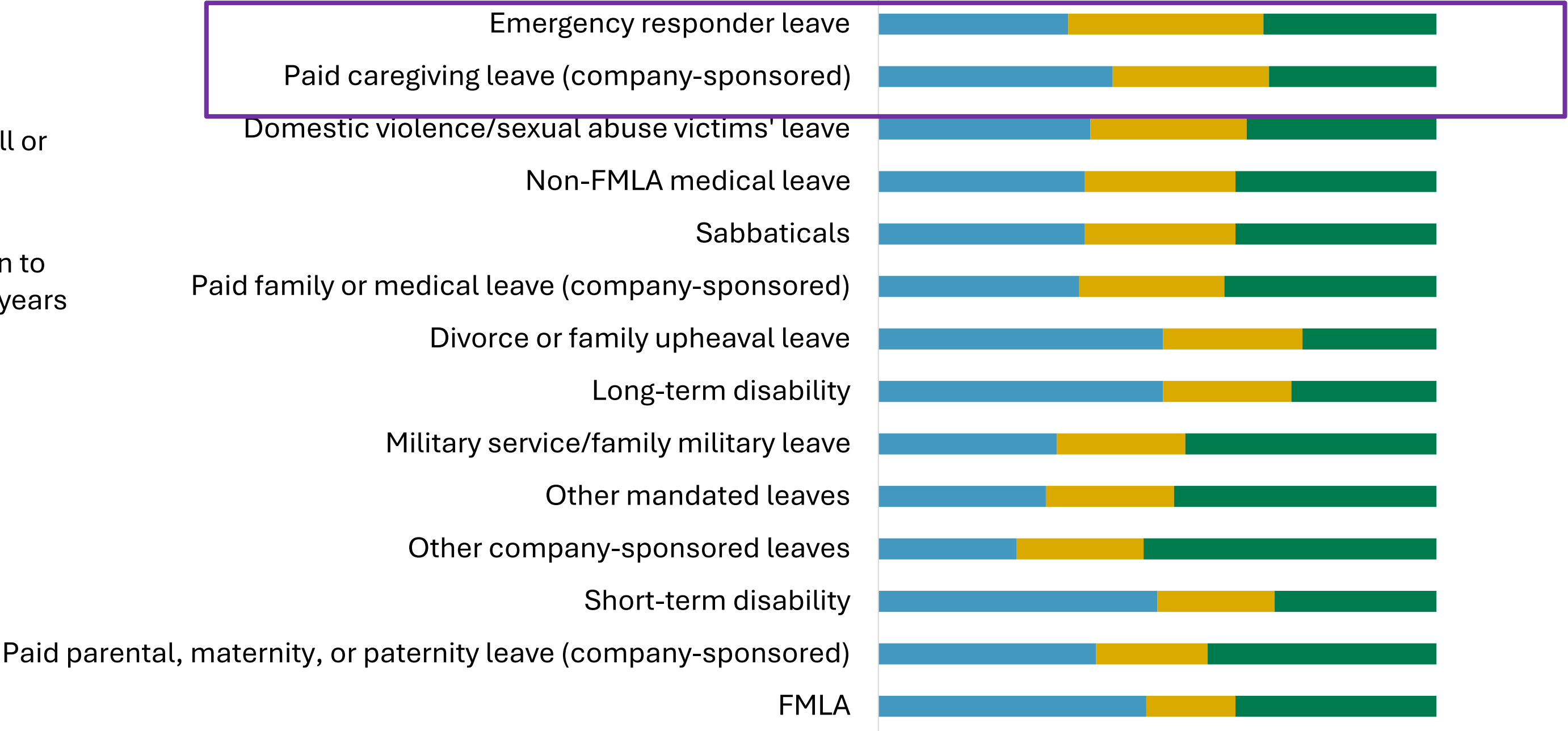
**Imagine your company was selecting a carrier for a new disability insurance benefit.
Which of the following would you choose?**

-  A carrier that provides **an integrated** absence management program along with its disability product — **for a higher price**
-  A carrier with the best-value disability product even **without an integrated**, real-time absence management system



Growing Complexity Will Drive Higher Leave Outsourcing in the Future

- Currently outsource (in full or part)
- Do not outsource, but plan to outsource in the next 3–5 years
- No plans to outsource



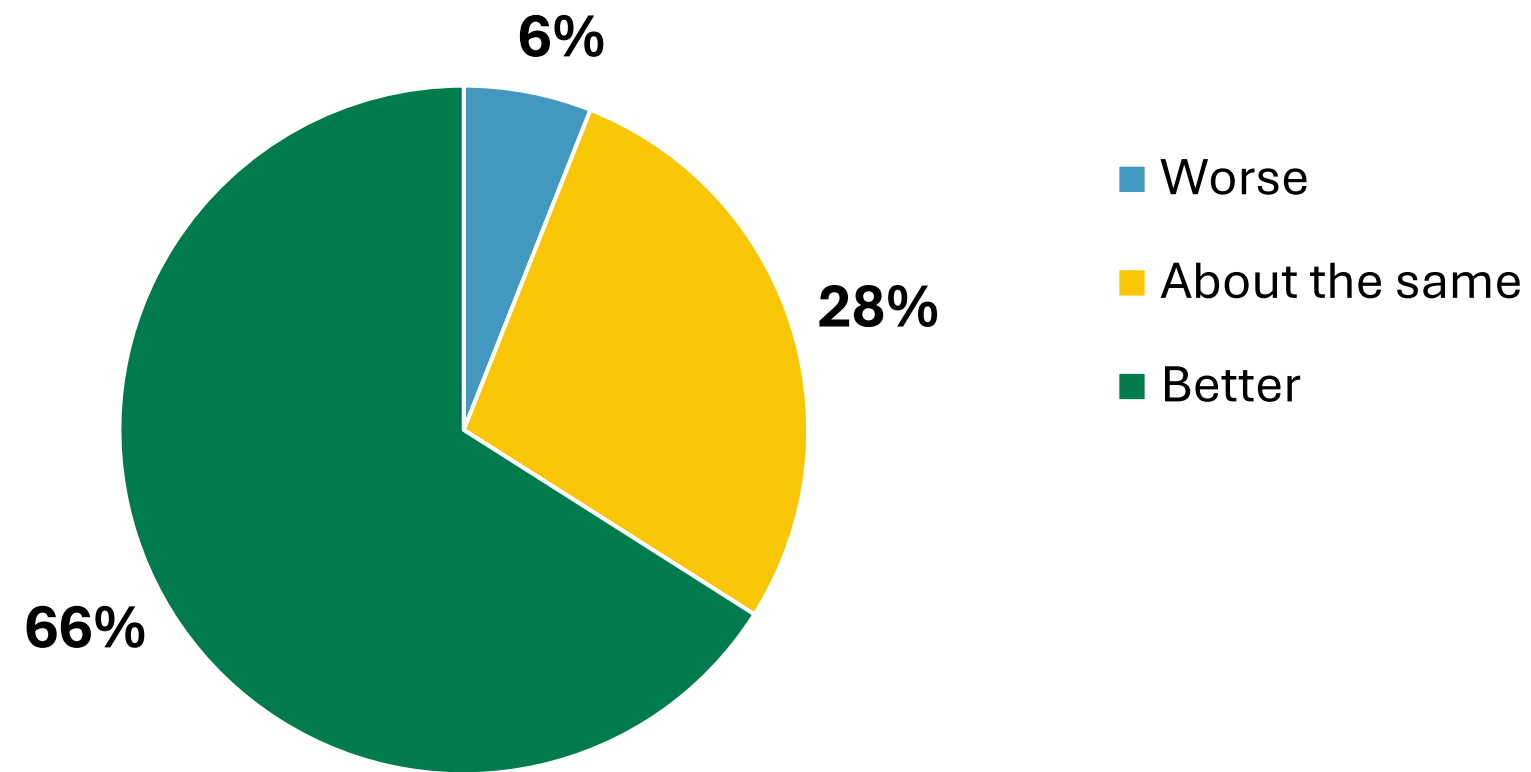
Base: Employers offering each respective leave.

Source: *Harnessing Growth in Workforce Benefits: The Next Horizon*, LIMRA and EY, 2025.

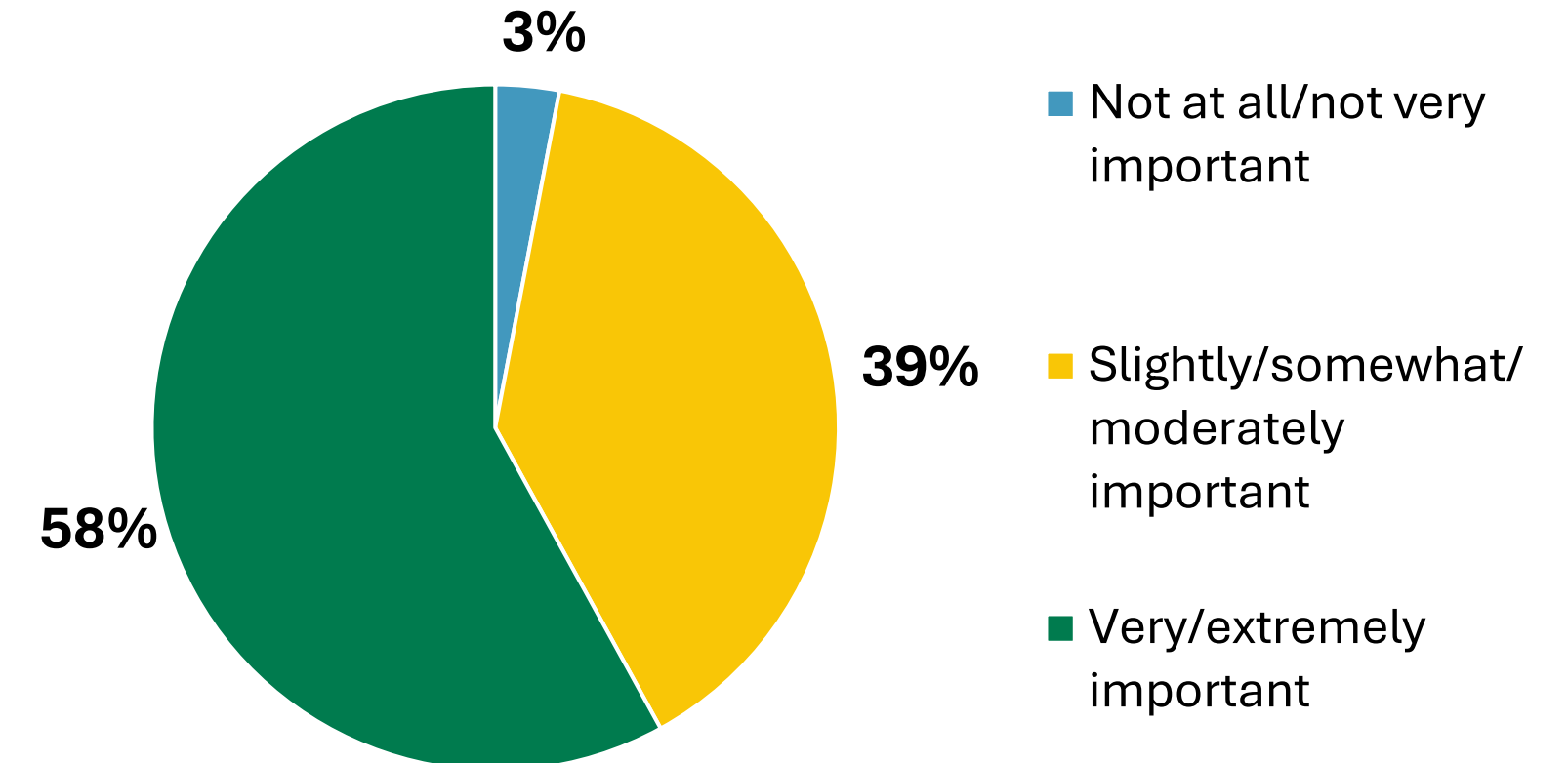
Digitize or Be Disrupted — and AI May Be the Catalyst

Employers Are Favorable on Current Experience; Expect it to Remain Competitive

How does the digital experience with administering your company's insurance benefits compare to your experience with other companies?

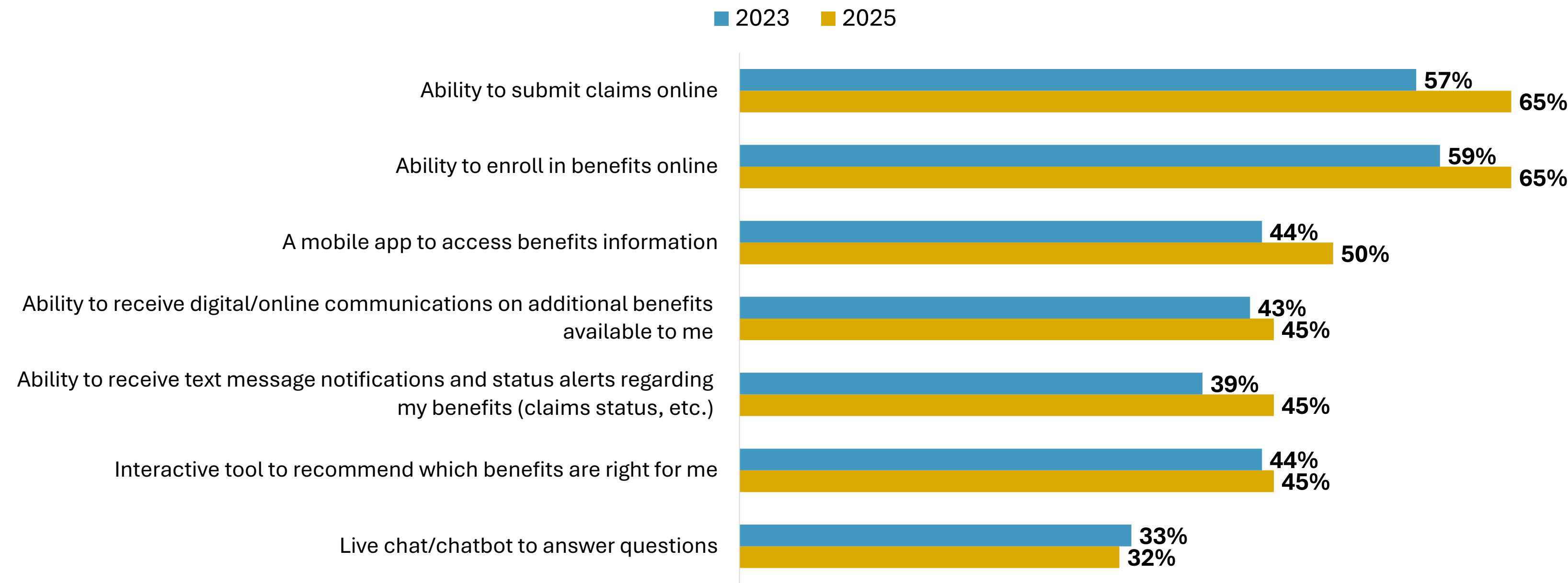


How important is it for the digital experience you have with administering your company's insurance benefits to match your experience with other companies?



Employee Interest and Expectation in Digital Capabilities Continues to Increase

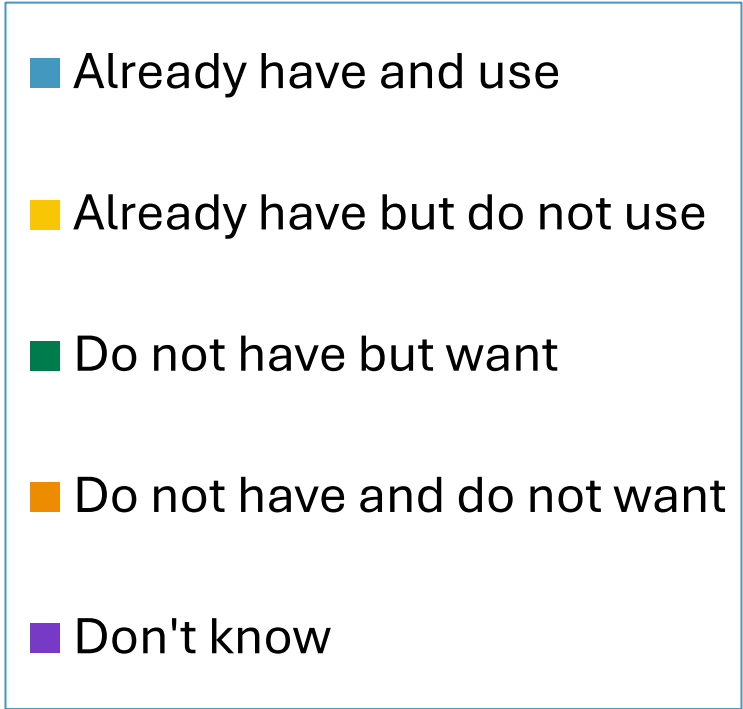
How important is it to have the following digital/online capabilities available to you?



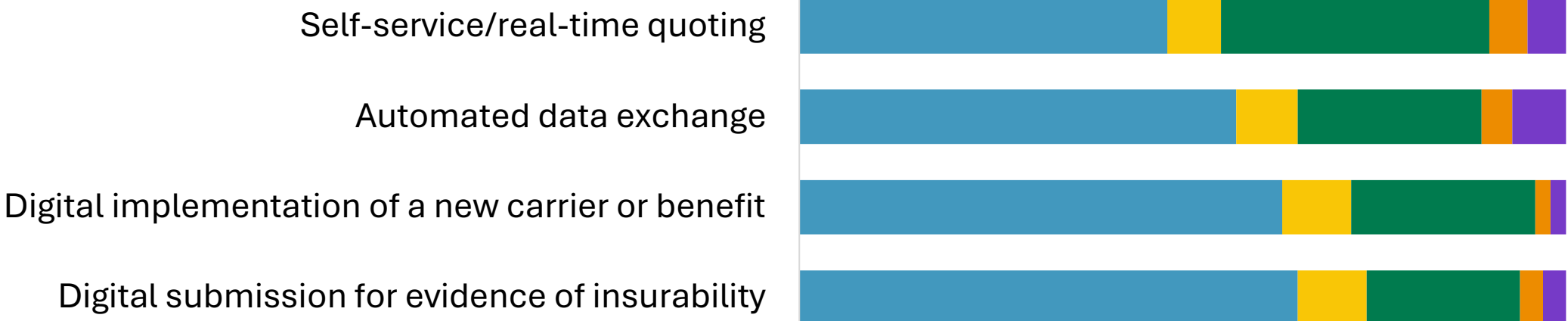
Data represents the percentage of respondents reporting importance as "very much"

Source: *Harnessing Growth in Workforce Benefits: The Next Horizon*, LIMRA and EY, 2025.

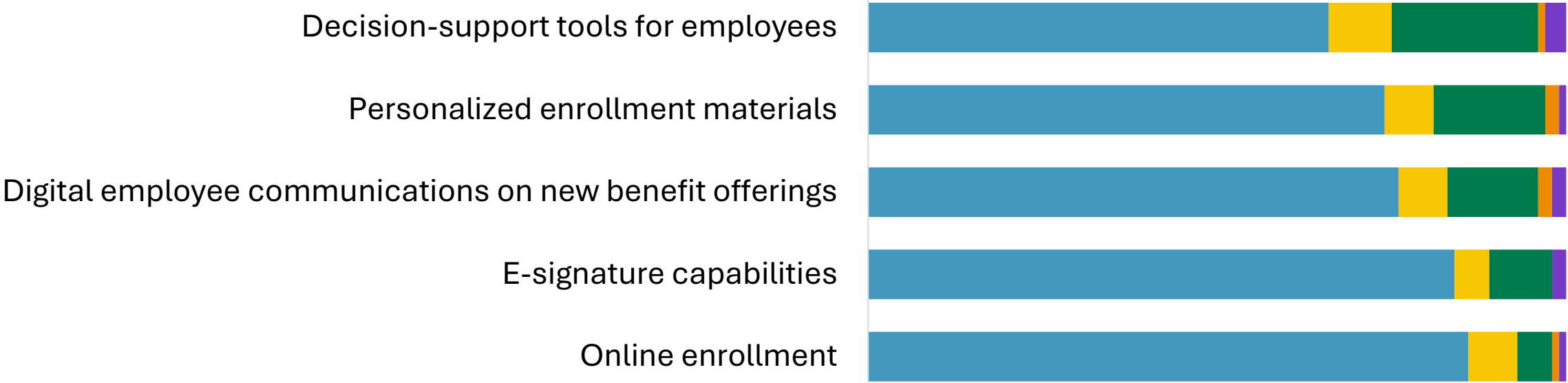
Digital Misalignment More Prevalent in Quote and Implementation



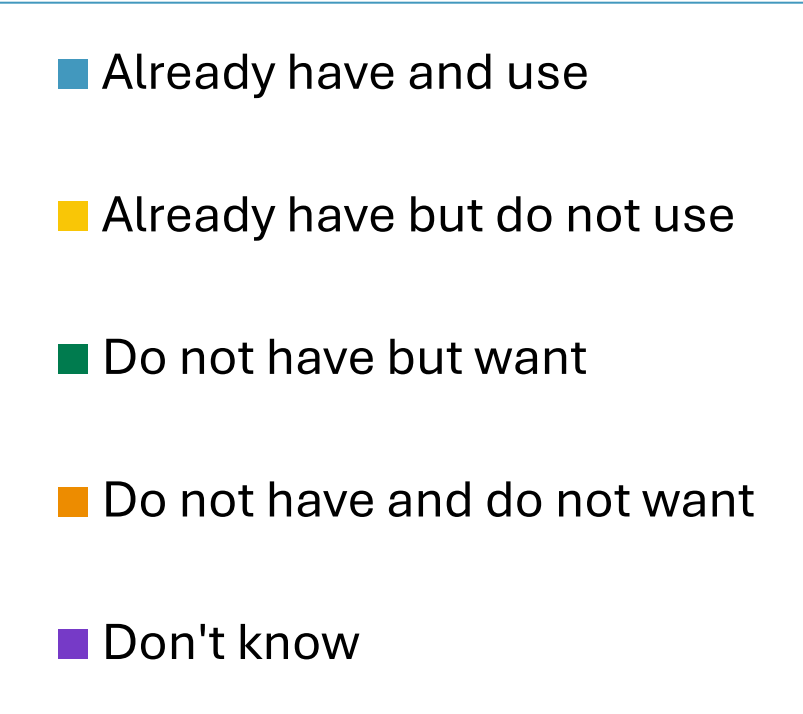
Quote and Implementation



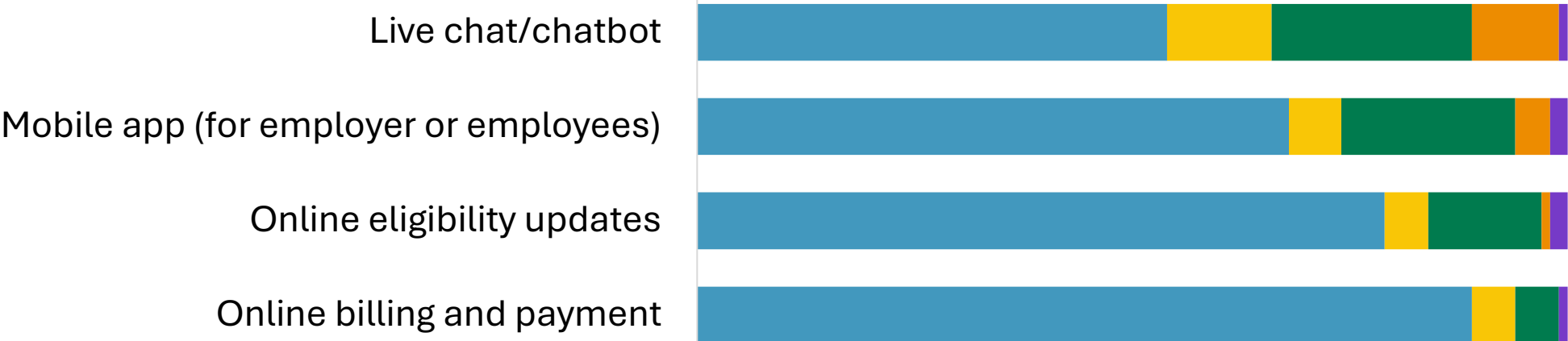
Enrollment



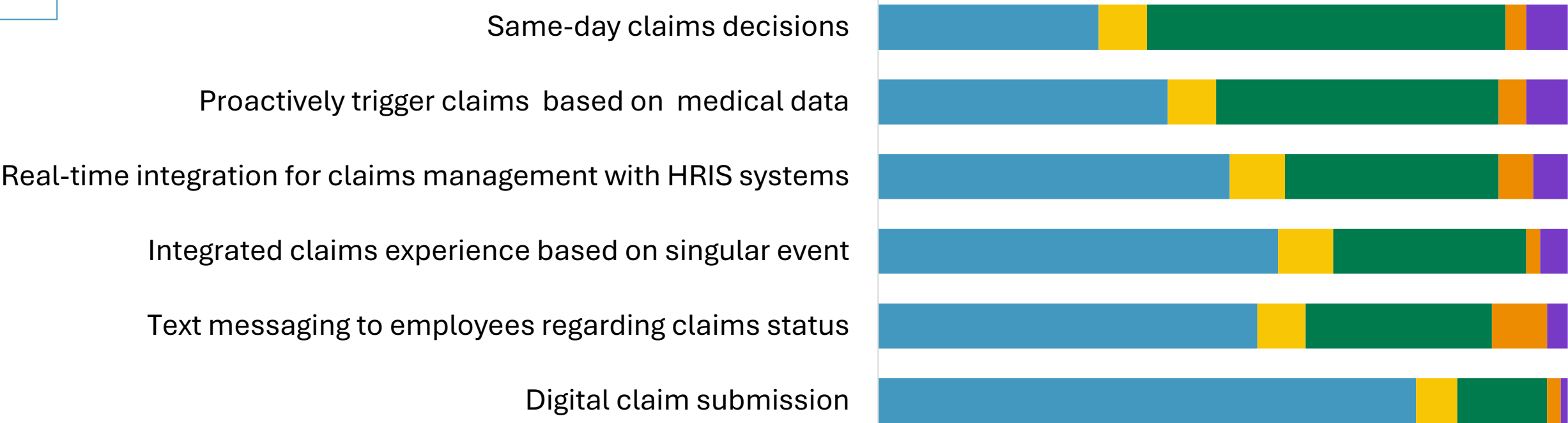
Four of the Five Biggest Capability Gaps Exist in the Claims Function



Ongoing Service



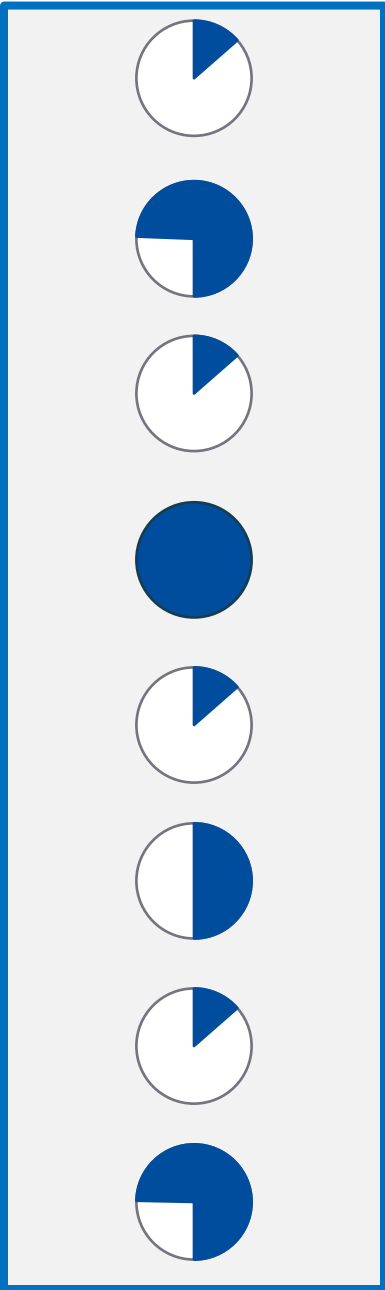
Claims



Majority of Brokers Believe AI Will Drive Disruption, but in Targeted Areas

What functions do you believe will have the greatest impact from Artificial Intelligence?

- Sales & Distribution
- Underwriting
- Implementation
- Enrollment
- Eligibility
- Service
- Billing & Payments
- Claims



- “Predicting the outcomes will be more precise for the carriers.”

- “Ability to understand the targeted consumer or employee will be a lot easier and quicker.”
- “Education is going to be helpful in future with AI, but we need to be careful how rolled out.”

- “Chat makes sense, but still important to have option to talk to real person”

- “Segmenting and accuracy will increase. You have cancer gene. It is going to be dramatic”

EY / LIMRA Perception
from Interviews



Actions & Implications for the “Next Horizon”

**Benefits are at the heart
of the employee value
proposition**

**Freelance labor grows,
so do the growth and
innovation opportunities**

**Wellness benefits are
becoming a “Must Have”**

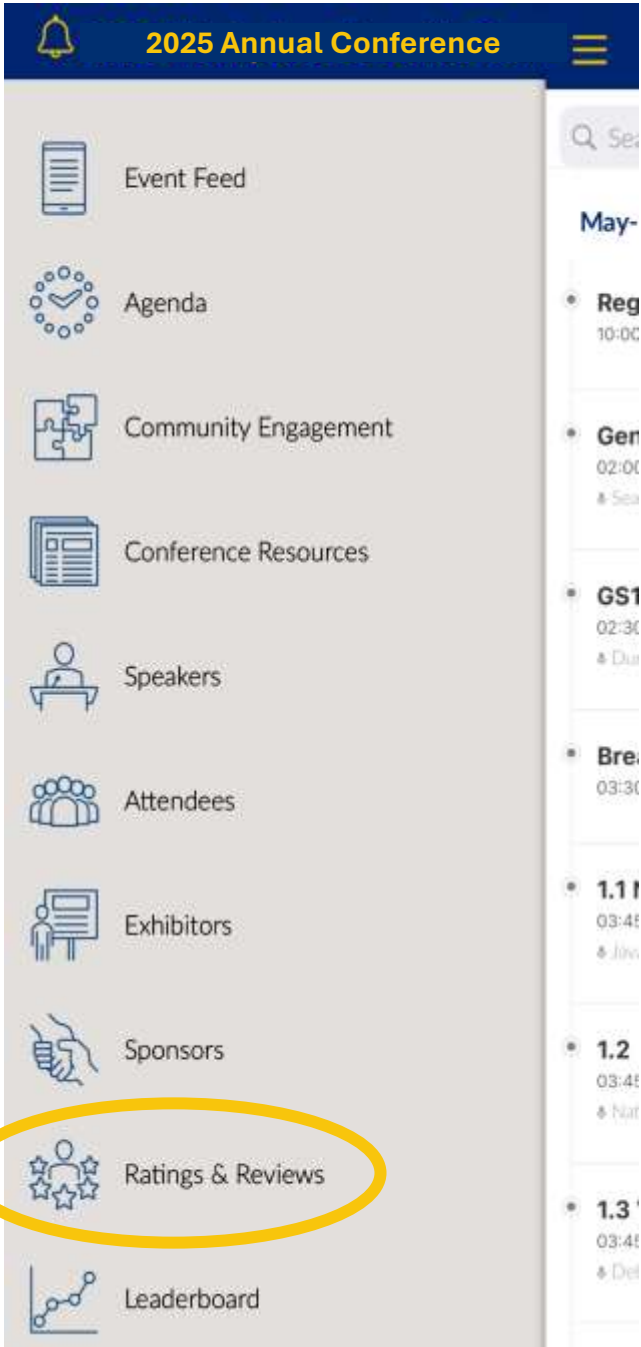
**The continued transition
to Strategic Advisors**

**Absence / Leave
management is a
burning platform**

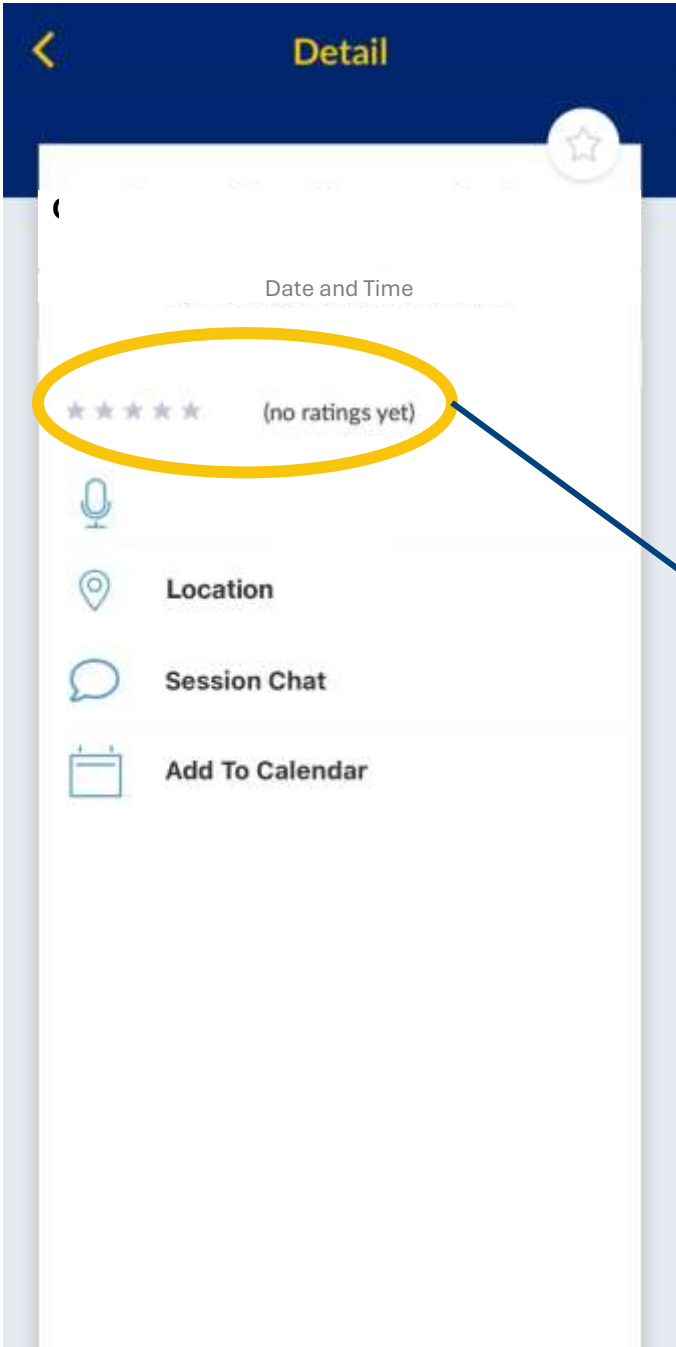
**Stakeholders must digitize
or be disrupted.**

Share Your Feedback on the Conference App

Module Option



Agenda Option



Thank You



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