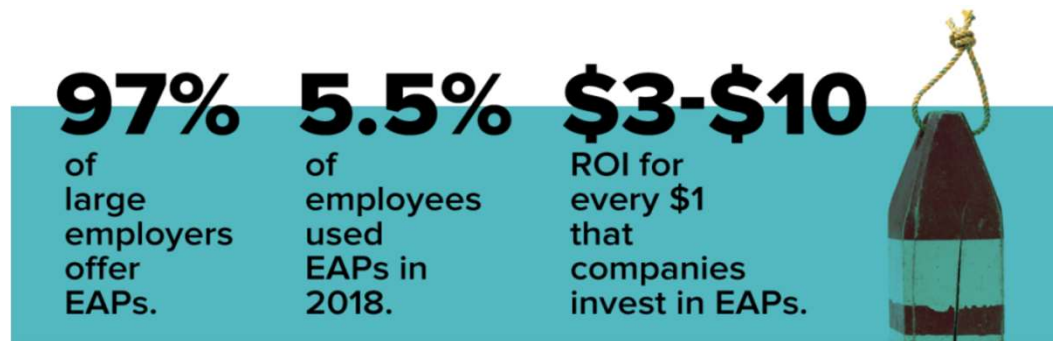


# The Value and Challenges of Employee Assistance Programs

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# Employee Assistance Programs



Sources: National Business Group on Health; The Employee Assistance Trade Association.

An employee assistance program is an employee benefit program that assists employees with personal problems and/or work-related problems that may impact their job performance, health, mental and emotional well-being. EAPs generally offer free and confidential assessments, short-term counseling, referrals, and follow-up services for employees and their household members. EAP counselors also work in a consultative role with managers and supervisors to address employee and organizational challenges.

# Core Program Service Features

## Employees

- ▶ Short Term Counseling
- ▶ Legal Consultation
- ▶ Financial Coaching
- ▶ Work Life Services
- ▶ Miscellaneous

## Employers

- ▶ CISD
- ▶ Administrative Referrals
- ▶ Policy Consultation
- ▶ DFWP/SAP
- ▶ FFD



# Evolution of EAPS Over the Past 30 Years

- ▶ Began in 1930's as internal support programs for alcoholic employees
- ▶ In the 80's transition to "Broad Brush"
- ▶ Shift from Staff based to Network based
- ▶ Shift from Internal to External
- ▶ Price Degradation

Model	1990's	2018
1-3 sessions	\$1.58 PEPM	\$0.95
1-6 sessions	\$2.08 PEPM	\$1.43

- ▶ Added Technology Features
- ▶ Bundling of Products

# Top Ten Changes in the EAP Industry

- ▶ Greater range of different services from EAP (94%)
- ▶ More technology based services from EAP (85%)
- ▶ Competition from “Free EAP” products bundled into insurance (75%)
- ▶ Shift to external vendor model of EAP delivery (74%)
- ▶ Mature market consolidation of EAP vendors (74%)
- ▶ Saturated market as most large size employers have EAP (74%)
- ▶ More integration of EAP into the host organization (65%)
- ▶ Stagnation of price for EAP (63%)
- ▶ Less Stigma about mental health and addiction issues in general (59%)
- ▶ Greater role for EAP to prevent and manage behavioral health risks (44%)

# Why Employers Decide to Purchase one EAP over Other EAP's

Low Price and Broker Opinion.....	79%
Scale and Scope of Services.....	61%
Client Outcomes, ROI and User Satisfaction.....	62%
Account Management Expertise and Program Utilization.....	61%
Fit with Organizational Context and Needs.....	39%
High Quality of EAP Program and Staff.....	29%

Attridge (2018) EAP Evolution Study Summary Report

# Types of EAP Providers: Advantages and Disadvantages

## Free Standing EAP Providers

- Higher Utilization
- Unbiased Referrals
- High Level of Account Management
- Customization and Flexibility
- Higher PEPMs

## Insurance Companies

- Vender Consolidation
- Access to Network
- Lower PEPM
- Moderate Account Management
- EAP is behind Medical
- Less Customization

## Embedded Programs

- Lowest PEPM
- Low Utilization
- Care Deflection
- No Customization
- No Account Management
- No Reporting

# Let's Talk About Reporting

## UTILIZATION OVERVIEW (Sample)

Number of Employees: 956

Service Component (Actual Number of Cases)

<u>Web Logins</u>	<u>EAP Cases</u>	<u>Work-Life Cases</u>	<u>Total</u>
10	21	10	41
1.05%	2.20%	1.05%	4.29%

Projected Annualized Usage (%)



# Program Evaluation: Recommendations

## Recommendations

- In The Moment Support
- Pro-Active Account Management
- Larger Customers- Own your Vanity Line
- Right for independent audit
- Make test calls
- Keep program visible

## Ask Questions

- How is utilization calculated?
- How many cases are resolved in the EAP vs referred to Insurance?
- What is your average provider reimbursement rate?
- How are your providers credentialed?
- What is the average number of sessions provided per case?

Questions and Discussion

Thank you!

