

# Innovate to Elevate:

Key Insights to Navigate the Next  
Generation of Employee Benefits

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A business of Marsh McLennan



# State of the State

## Connecticut Labor Market 2024



## Key Growth Industries

-  Healthcare
-  Manufacturing
-  Construction
-  Information Technology
-  Renewable Energy
-  Hospitality & Food Service

<sup>1</sup> CT Department of Labor – <https://www1.ctdol.state.ct.us/> January 27, 2025

# State of the State

## Connecticut Economic Factors 2024

**+2.9%**<sup>2</sup>

CT GDP  
2022 – 2023

**+2.8%**<sup>2</sup>

CT GDP  
2023 - 2024

**+4.3%**<sup>1</sup>

YOY pay

**#9**

**in US**<sup>4</sup>

Cost of  
living

**#47**

**in US**<sup>3</sup>

2024 State  
Business & Tax  
Climate

CT faces challenges from **high living costs** and **high wages** in a **tight labor market**.

<sup>1</sup> Opportunity Connecticut publication developed by Economic Leadership LLC for CBIA

<sup>2</sup> US Bureau of Economic Statistics - CT Insider

<sup>3</sup> 2024 Tax Foundation

<sup>4</sup> 2024 Forbes Advisor Analysis

# Attract & retain

Strategies to help you

#1 Pay

#2 Healthcare benefits

#3 Type of work

Retirement #4

PTO #5

Job security #6

Flexibility #7

**58%**

workers who are considering leaving because their pay is insufficient

**75%**

hourly workers (cross industry) earning less than \$15/hr. are considering leaving because of insufficient pay

Mercer's Inside Employees Minds survey 2024

# Market Headwinds

Health plan average cost increases

**5%**  
national average annual cost growth

**7%**  
average cost increase for small employers in CT

Rise of the Million Dollar Claim

- Gene and cell therapy drugs
- Rise of specialty drug costs
- Technological advancements
- High inflationary factors

The trend continues ...

**78%**  
increase in \$3M+ claimants in 2023<sup>1</sup>

**70%**  
of plans, 1+ stop loss claim resulting from an injectable drug<sup>1</sup>

Rx Trends

**+10%**  
increase in specialty Rx costs YOY

**3.3%**  
of the US population may be using GLP<sup>1</sup>s by 2027



Rapidly Evolving Political Landscape

# How Employers Are Responding...

Strategies to help you

**When planning for 2025**, employers addressed rising health care costs while staying focused on inclusivity and healthcare affordability



**Offering benefits  
that matter**



**Finding network strategies  
that work**



**Balancing economics  
and empathy**

# Bending the curve

Innovation, legislation and member experience driving new market dynamics



Data Drives  
Decisions

Alternative Network  
Strategies

Access  
Expansion

Pharmacy Benefit  
Management

Alternative Payment  
Structures

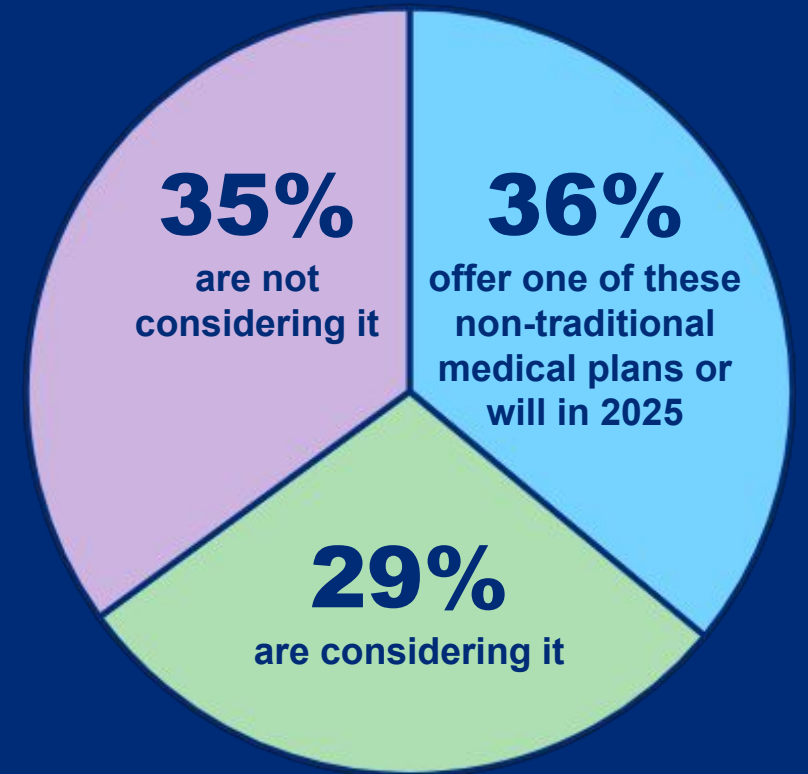
Funding  
Mechanisms

Population Health  
Management

Plan  
Hygiene

# High-performance networks, alternative health plans and other network optimization offerings are gaining traction

	Currently in place/planned for 2025	Considering for 2025 or 2026
<b>1</b> National carrier high-performance network	<b>17%</b>	<b>25%</b>
<b>2</b> Independent vendor high-performance network	<b>2%</b>	<b>11%</b>
<b>3</b> Other high-performance network plan	<b>20%</b>	<b>15%</b>
<b>4</b> Variable copay plan	<b>7%</b>	<b>18%</b>





# Attract & retain

What do EE's want outside of pay

- 
- #1 More time off
  - #2 Reduced workload
  - #3 More resources to accomplish work
  - #4 More flexibility
  - #5-7 Enhanced Mental Health Support

Mercer's Inside Employees Minds survey 2024

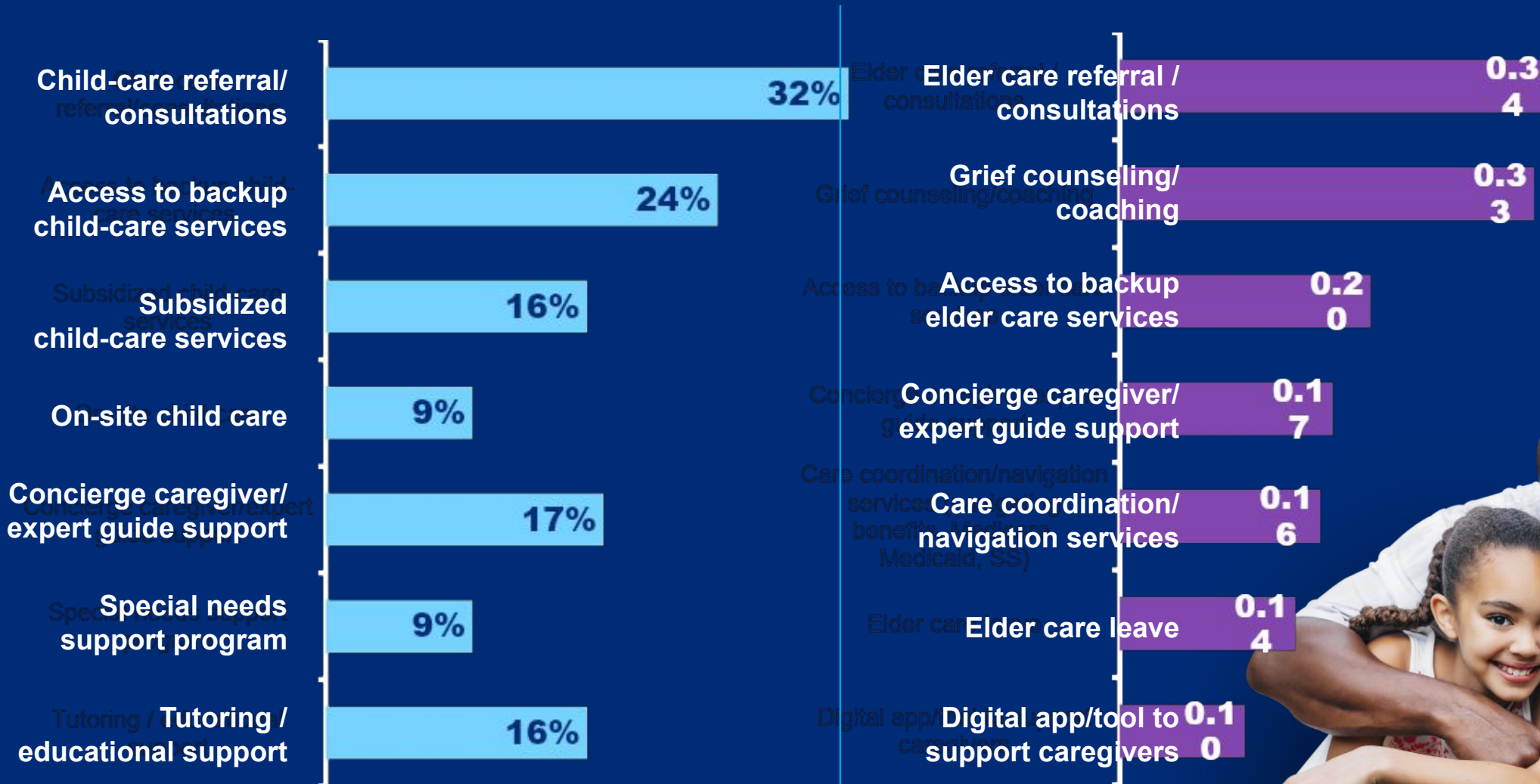
# EAP provides enhanced services to employees

Currently offer or will in 2025



# Supporting caregivers with childcare and eldercare benefits and resources

Offer or will offer in 2025



Mercer's Survey of Employer Sponsored Health Plans 2024

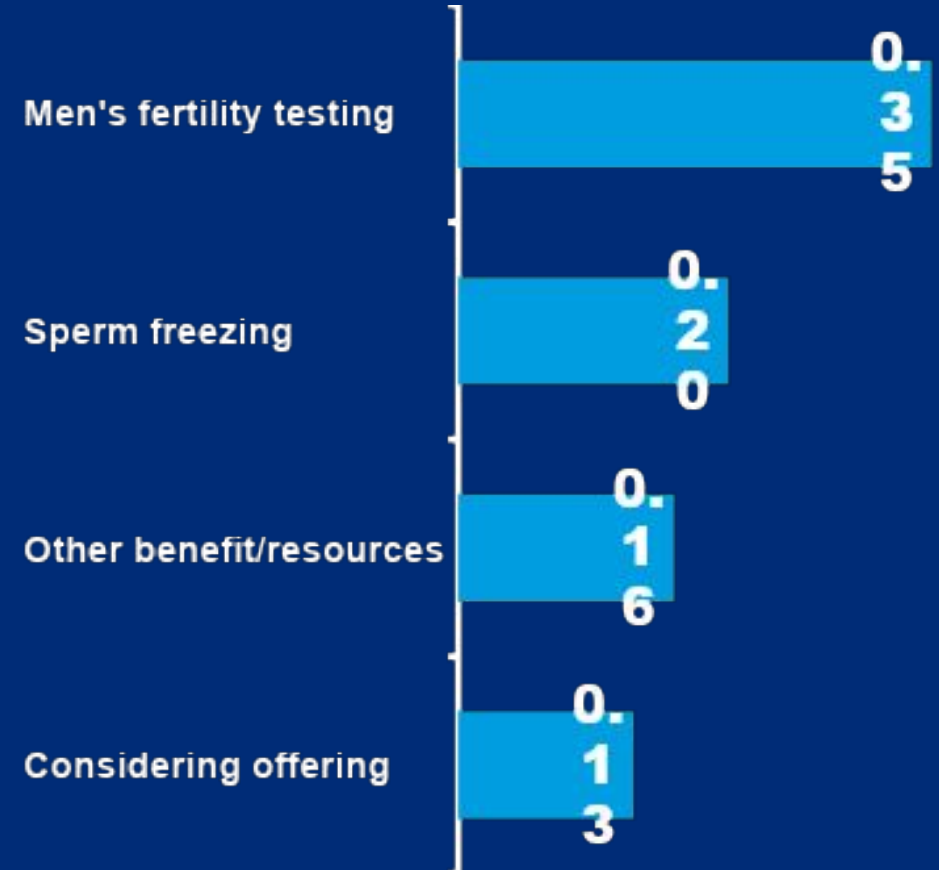


# Employers are moving quickly to add benefits or resources to support women's and men's health

## Women's











	Currently offer/plan to offer in 2025	Offered in 2023 or planned to offer in 2024
Pre-conception planning	<b>35%</b>	<b>32%</b>
Pregnancy loss	<b>25%</b>	<b>20%</b>
Lactation support	<b>38%</b>	<b>30%</b>
Menopause support	<b>18%</b>	<b>15%</b>

## Men's



# Financial support for work – and living – expenses

Offer or will offer in 2025

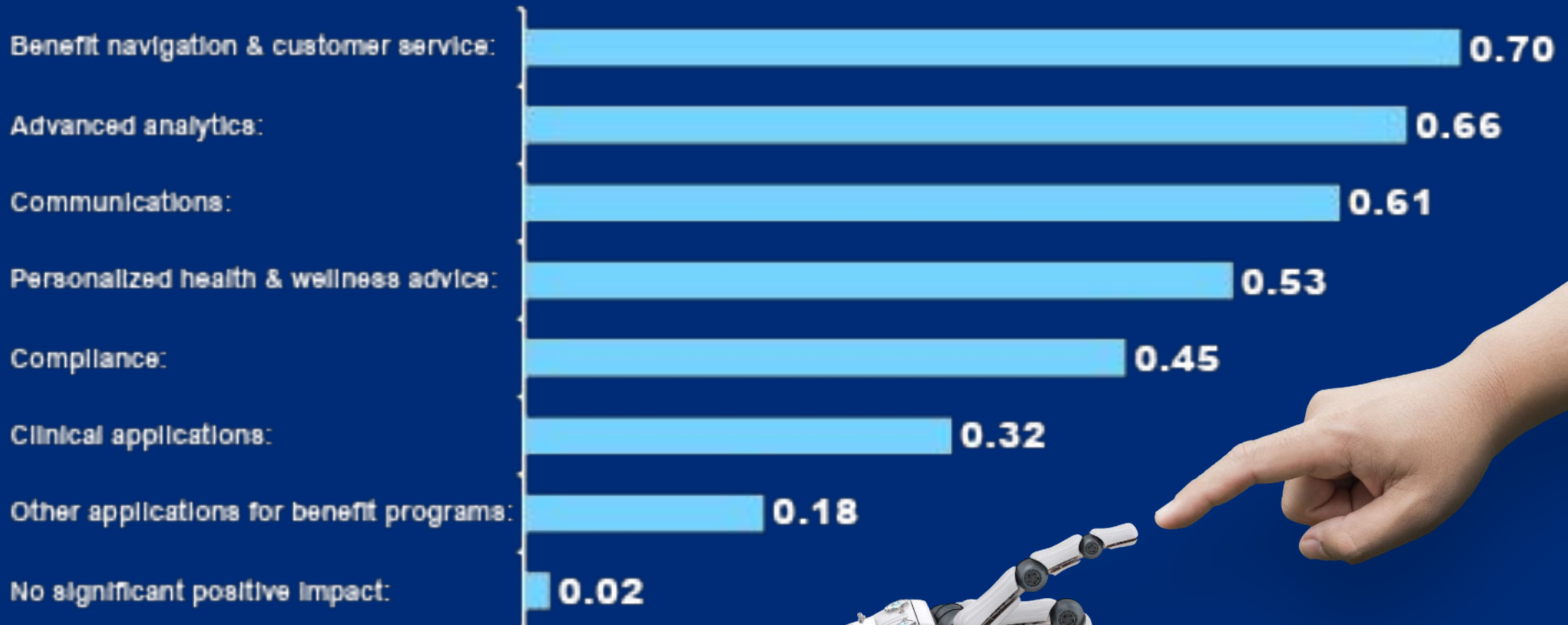
 Financial wellness program	<b>68%</b>	 Lifestyle account	<b>15%</b>
 Subsidized phone/internet	<b>21%</b>	 Student loans	<b>13%</b>
 Employer-provided or subsidized transportation	<b>18%</b>	 Identity protection/ password programs	<b>13%</b>
 Free/subsidized meals at work	<b>17%</b>	 Employer-paid legal services	<b>12%</b>
 Stipend for home office set-up/supplies	<b>16%</b>	 Student loans	<b>10%</b>

Mercer's Survey of Employer Sponsored Health Plans 2024



# Employer opinion

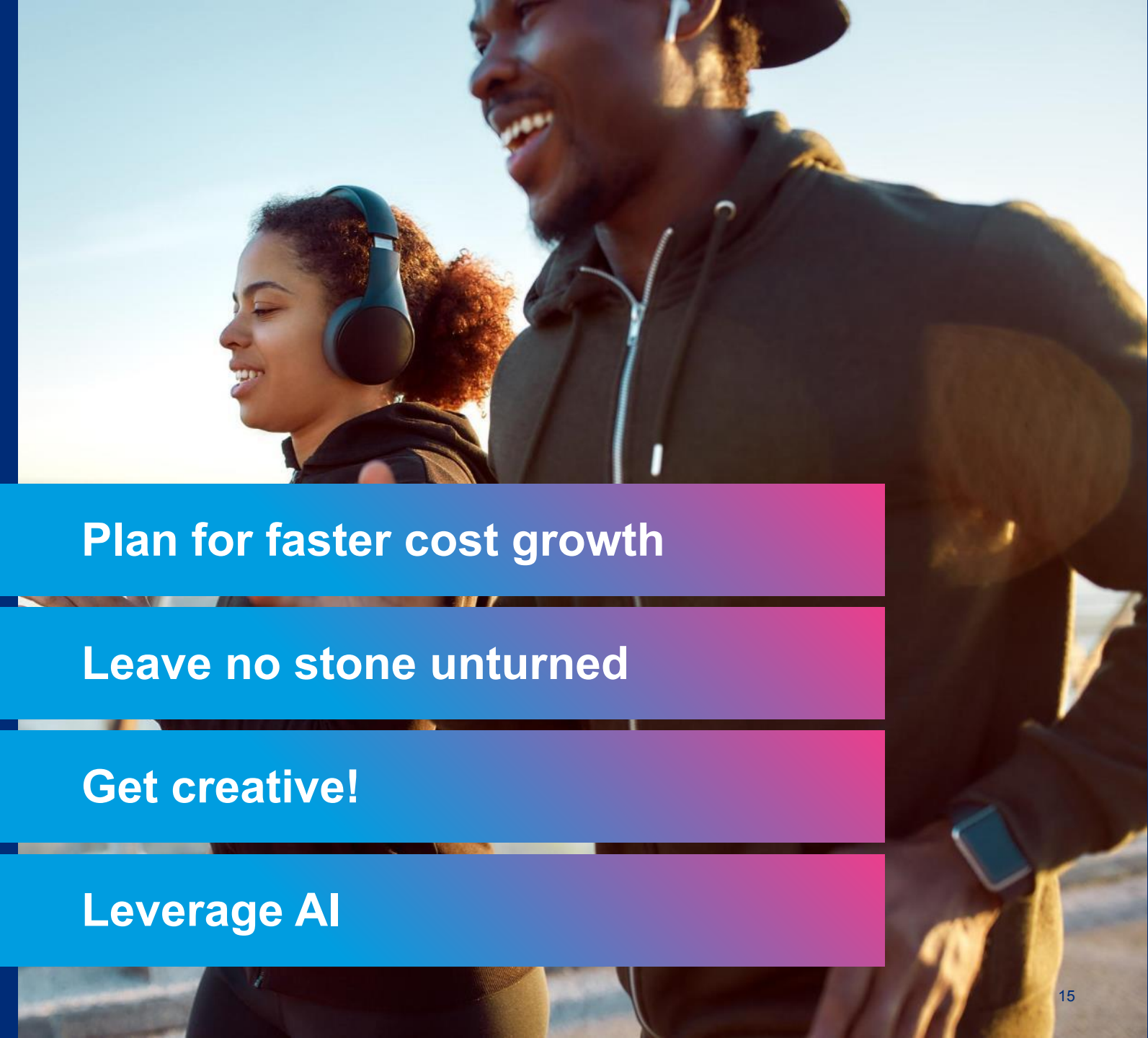
Benefit areas in which AI will have a significant positive impact over the next five years



Mercer's Survey of Employer Sponsored Health Plans 2024

**In planning for 2026, employers are focused on the challenges posed by higher cost increases.**

At the same time, they remain committed to healthcare affordability and attractive, inclusive benefit offerings.



**Plan for faster cost growth**

**Leave no stone unturned**

**Get creative!**

**Leverage AI**

# Mercer is a proud sponsor of the CBIA Healthcare Summit

Be one of the first in line to get a copy of the National  
Survey of Employer-Sponsored Health Plans.



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