



## COVID-19 and Employee Benefits: Key Industry Takeaways

### Clarity COVID-19 Updates

The COVID-19 pandemic has upended the way the majority of the world works, not to mention the total havoc it wreaked on other aspects of life. It's no surprise then that employee benefits, a meeting point of work life and personal life, have experienced their own set of changes and challenges.

From shifts in priorities, to remote work environments, to a whole new understanding of what it means to be a caregiver, we've experienced major changes as people -- which translates to major changes in employee benefits.

Here are the major industry takeaways we've learned in the past few months in the wake of COVID-19:

Many employees are faced with the challenge of returning to work without the certainty of safe, accessible care for their dependents.

### Caregiver benefits are no longer viewed as ancillary

The pandemic has highlighted how vital caregivers are. With schools and other care facilities facing an unsure future, families will need more support than ever to care for family members. Many employees are faced with the challenge of returning to work without the certainty of safe, accessible care for their dependents. Many families have also been affected by pay cuts and furloughs and are struggling to fund this care.

While caregiver benefits were already on the rise (a 2019 survey by NEBGH and AARP revealed that 23% of large companies offer caregiver benefits, up from 11% two years prior), it may no longer be enough. It's time for employers to consider upping their game when it comes to caregiver benefits.

In response, it won't be surprising if Dependent Care FSAs skyrocket in popularity. Employers are encouraged to assist their employees in funding their accounts (if possible) to ensure they are getting the largest benefit.

## Telehealth is rising in popularity

Telehealth is no longer a tool for people in rural areas or with difficult travel challenges. During this pandemic, the majority of healthcare providers adopted telehealth out of necessity to limit in-person appointments to those who need it most. It is also being used as a quick way to screen COVID-19 patients who need to come in for tests from those experiencing other illnesses that could stay home. A survey showed that the percentage of people who participated in virtual visits was up from 12% to 17% from March to May 2020.

While in-person care is definitely important in a lot of cases, doctors and patients are both seeing the benefits of telehealth visits for routine or non-severe issues. Doctors can see more patients in a shorter amount of time and require less support staff and a smaller office. For patients, telehealth appointments are far less time consuming and cause less of a disruption to their day. While it can't replace all doctor's office visits, it is gaining popularity as more people have positive experiences during this pandemic.

## Employees may be claiming more dependents

Unfortunately, loss of work due to COVID-19 has affected millions of families. Between lay-offs, furloughs and cuts in hours, a significant portion of the American workforce has lost their coverage.

Therefore, individuals who have kept their jobs will likely be taking on more dependents. Employers can facilitate this transition by proactively educating employees about qualifying events, what benefits dependents are eligible, and how to pick the proper healthcare plan depending on their dependents' needs.

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## Remote work is “the new normal”

For months, businesses of all kinds have been forced to operate mostly, if not fully, remotely. While some organizations experienced a learning curve, for the most part, they have fallen into a rhythm where working from home is proving successful.

While the circumstances surrounding the work from home situation were distressing in the beginning, a lot of employees have gotten to experience remote work for the first time -- and many have thrived. People have grown accustomed to the time they save by not having a commute, the ability to spend more time at home but also more time focused on their work, and having flexibility within their day to manage work, but also take care of their family needs.

As offices open back up, it is likely remote work is here to stay. There will likely be part-time work from home policies enacted in most organizations not only to act as an employee benefit, but to keep employees safe, encourage social distancing and adhere to limited capacity restrictions.

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## The demand for mental health support is likely to skyrocket

Before the pandemic began, 1 in 5 Americans had experienced a mental illness. The pandemic has added an entirely new set of mental health challenges: fear of getting infected, anxiety of family members getting infected, the possibility of losing a job or facing financial hardship, and the isolation of being away from friends and family.

Unfortunately, while the “safer at home” mandates have caused isolation they have also limited the access to mental health resources, magnifying the effects of mental health situations. If left untreated, it can lead to serious episodes of depression and anxiety, as well as physical health conditions.

The mental health implications of this pandemic aren’t going to disappear quickly. Employers should be prepared for employees to utilize mental health benefits more than ever and should tailor their benefits package for that need.

While the long-term impacts of COVID-19 are yet to be known, we are already seeing major shifts in the employee benefits space. With these key takeaways in mind, employers can ensure they provide the best options, education, and communication to meet their employees’ new needs.

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For more information, updates, and tips as they pertain to the COVID-19 pandemic, please visit our [site](#) dedicated to providing you the latest information.

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