






Wellable



Employee Wellness Industry Trends Report

Table of contents

Executive summary	3
Employee benefit investment trends	6
Rising stars: Leading changes in employee benefits for 2025	7
 Mental health & well-being	9
 Preventive health & resources	13
 Wellness engagement programs	17
 Lifestyle support	21
 Physical health & fitness	25
Broader trends shaping 2025 benefit strategies	29
Prioritize rewards and technology to elevate wellness programs	30
Align benefits decisions with cost management and workforce needs	32
Balance cost management with strategic health investments	34
Optimize vendor selection to balance cost and customization	35
Make cost-conscious decisions without sacrificing impact	36
Conclusion	37
About Wellable	38
Methodology and respondents	39

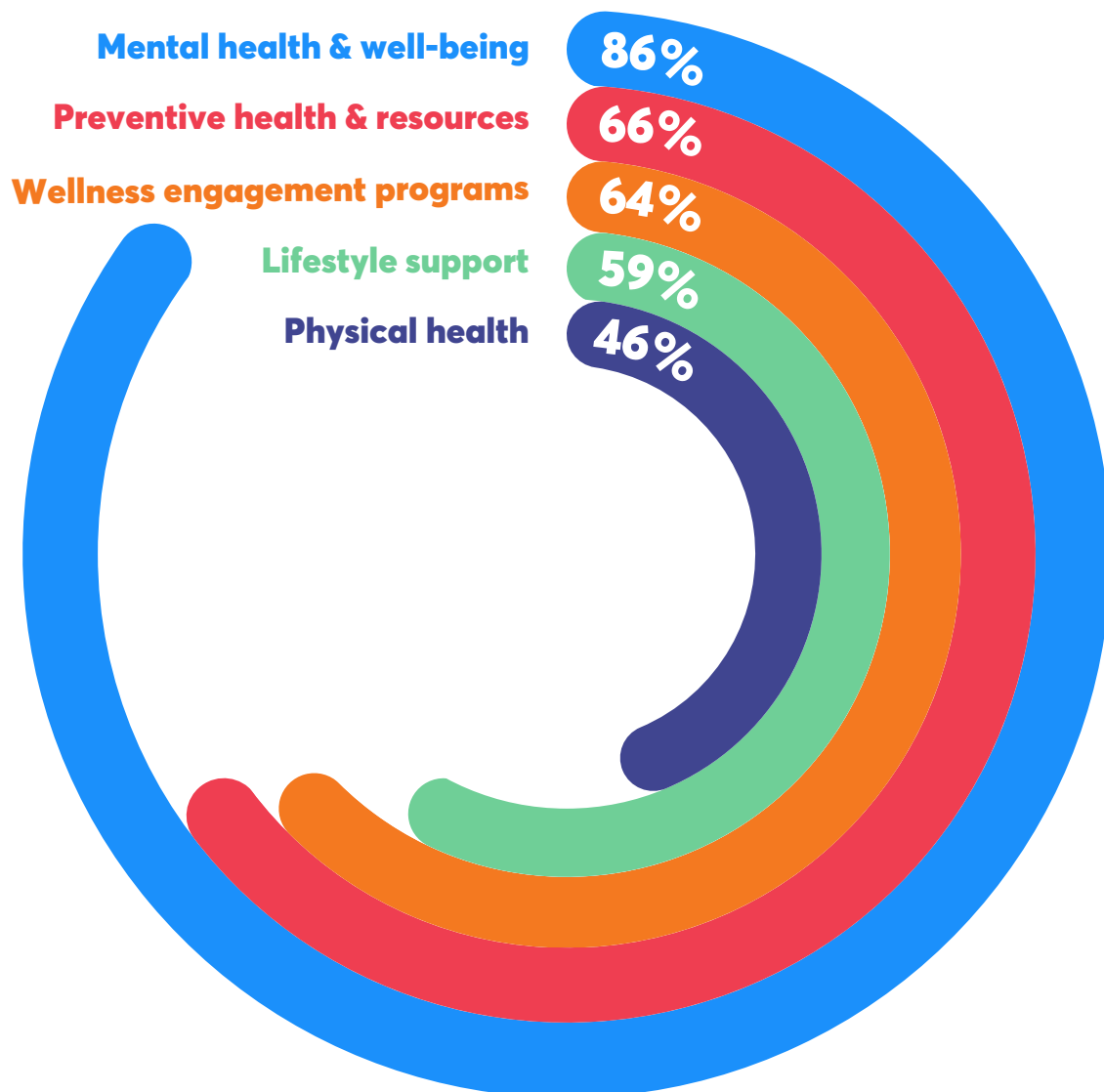
Executive summary



Executive summary

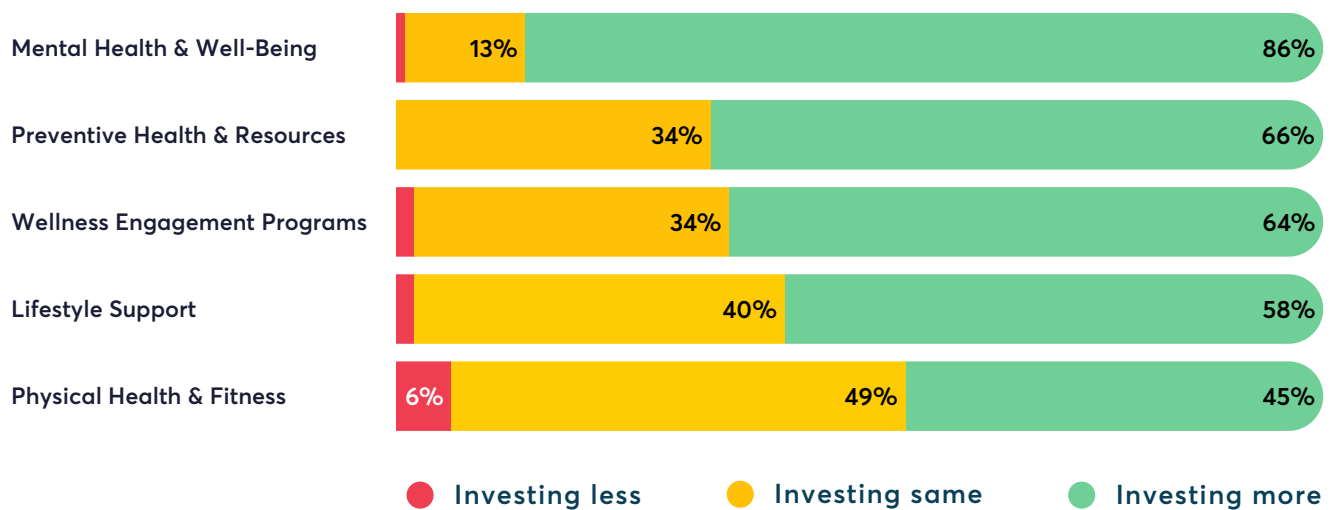
Amid economic uncertainty, rising healthcare costs, and evolving expectations of a multigenerational workforce, employers are rapidly adapting their wellness strategies to fulfill employee needs while controlling costs. This report, informed by insights from 129 wellness-focused brokers, identifies key investment areas driving changes in employee well-being for 2025.

Percentage of brokers reporting increased investment across benefit categories



Employers are increasingly shifting from reactive approaches to proactive, personalized solutions that deliver measurable improvements in employee health and engagement. [Mental health](#) remains the top priority in workplace wellness, driven by its critical role in managing stress and responding to workers' expectations for more supportive, employee-centric environments. Additionally, the growing adoption of [GLP-1 medications](#) in the US has further highlighted the urgency of addressing [obesity](#) and related health risks, prompting a focus on lifestyle interventions and weight management as part of broader wellness initiatives.

Percentage of brokers reporting investment change across benefits categories



As these developments unfold alongside escalating healthcare costs, the pressure to offer competitive benefits while maintaining financial stability has intensified. As a result, organizations are embracing holistic, preventive strategies to curb future expenses while achieving immediate goals, such as enhancing participation, maximizing program effectiveness, and ensuring upfront cost control. When paired with adaptability and flexibility, benefits programs remain relevant across diverse workforces and deliver tangible value for employers and employees alike.

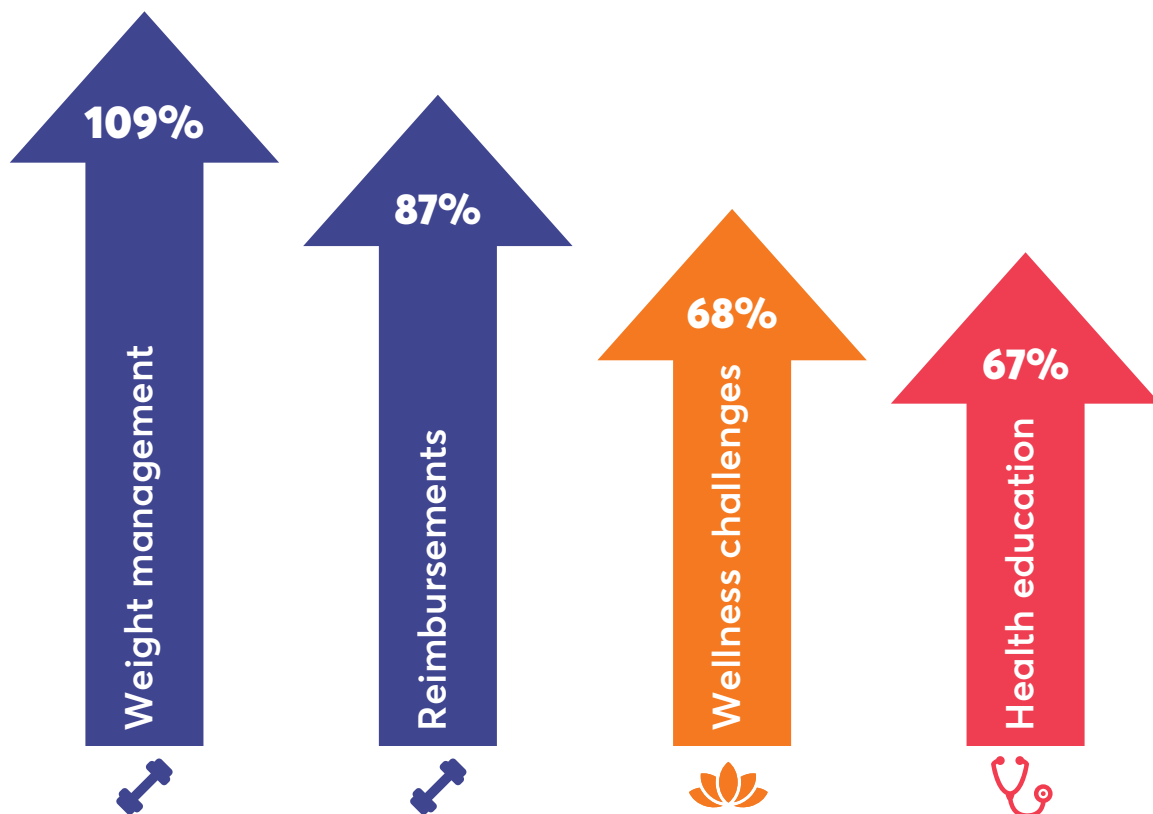
Investment trends in employee benefits



Rising stars: Leading changes in employee benefits for 2025

Weight management, [wellness challenges](#), and reimbursement programs are the fastest-growing employee benefits categories this year. Leading the charge is weight management, with the number of brokers indicating increased client investments in this area rising by 109% from 2024. By 2025, 75% of employers plan to increase investment in these programs, up from 40% in 2024—a trend fueled by the ongoing demand for [GLP-1 medications](#) (e.g., Ozempic, Wegovy) in the US. With the widespread adoption of GLP-1s, employers recognize the need to prioritize supportive weight management solutions that address [obesity](#) and its associated health risks.

Percentage growth of brokers indicating increased investment in benefits since 2024



Wellness challenges and gym reimbursement programs have also seen substantial growth, with 68% and 87% increases in investment, respectively. These trends reflect a focus on employee-centric wellness strategies that: (i) motivate sustainable lifestyle changes through gamified, cost-effective initiatives and (ii) enhance benefits utilization by offering flexible options tailored to individual preferences. Together, these investment patterns demonstrate employers' commitment to holistic approaches that prioritize sustainable lifestyle changes and deliver measurable, long-term health improvements.



Mental health & well-being





Make mental health a core pillar of employee well-being strategies

Percentage of brokers reporting investment change in mental health & well-being

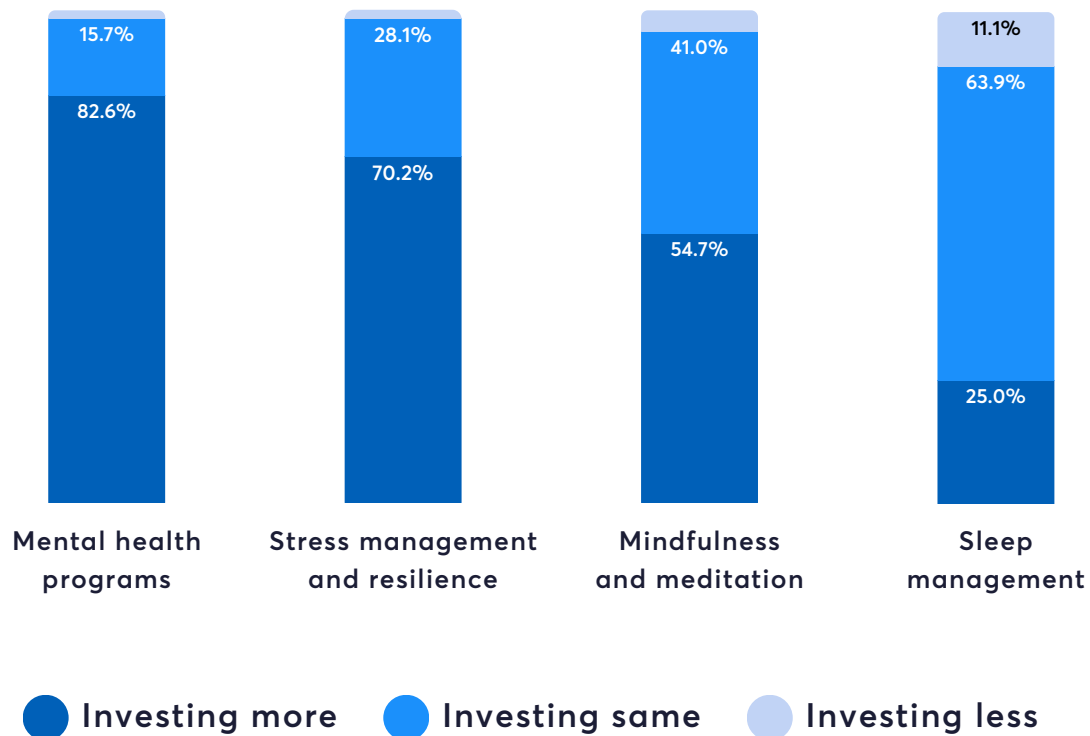


● Investing more ● Investing same ● Investing less

For the sixth consecutive year, [mental health](#) dominates employers' wellness priorities, with 86% of brokers citing increased investments in mental health benefits and 26% noting significant increases. According to the World Health Organization, depression and anxiety account for the loss of [12 billion working days annually](#), costing the global economy approximately \$1 trillion in lost productivity each year. This enduring focus reflects the universal recognition of mental health's central role in organizational performance and employee well-being.

[Burnout](#), stress, and anxiety are increasingly cited as drivers of absenteeism and disengagement, with these issues further amplified by global, political, and financial uncertainties throughout 2024. In response, employers are embracing solutions that are accessible, scalable, and tailored to employee needs, including [mindfulness and meditation](#) offerings, [stress reduction](#) initiatives, and [sleep management](#) support. Employers that invest in such programs report higher [engagement](#), reduced turnover, and improved employee satisfaction—key factors for staying competitive in today's talent market.

Percentage of brokers reporting investment change in mental well-being benefits



Broker perspectives on mental health

"Our clients are investing in mental health and well-being benefits now more than they ever have. They're realizing how important it is for employees to feel supported, so many are offering more robust mental health benefits."

"We've seen a huge wave of clients moving toward more robust stand-alone mental health programs and moving away from EAPs tied to life insurance and disability."

"There's a big push to make talking about mental health more normal, which helps break down any stigma. Clients are driving their carrier resources with mental health resource guides & one pagers."

"Clients know employees are worried about burnout and anxiety, with many moving to offer more benefits like counseling services and stress relief programs in 2025."

"More clients are investing in more meaningful mental health programs than ever before. There's still a LOT of ground to cover with addressing genuine psychological safety."

"Most clients now have an EAP to address these issues, but some clients are switching from traditional EAP's to more robust offerings with more free therapy sessions. Plus, using apps and online resources is making it easier for everyone to get the help they need."



Preventive health & resources





Build a preventive health ecosystem to address rising healthcare costs

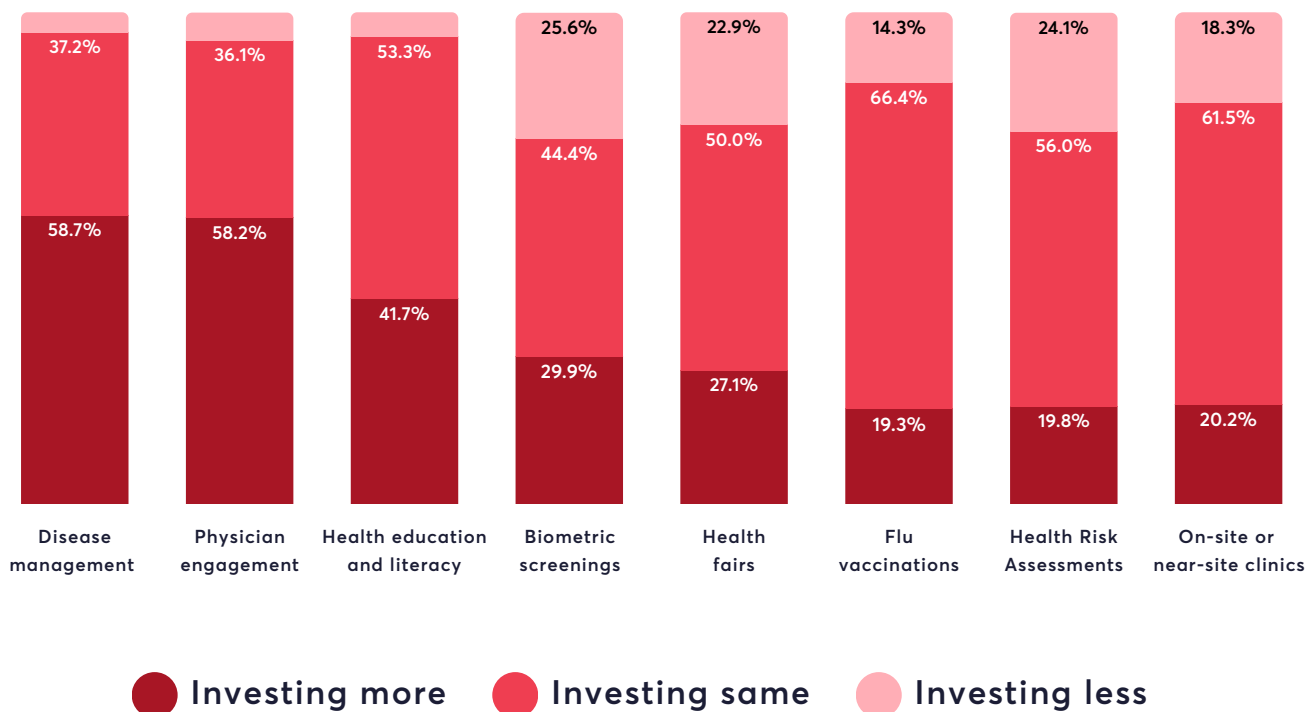
Percentage of brokers reporting investment change in preventive health



Preventive health programs are gaining momentum, with 66% of brokers reporting increased employer investments and 16% citing significant growth in this area. The economic burden of chronic diseases is immense, accounting for 90% of the \$4.5 trillion in annual US healthcare expenditures. Consequently, more than half (58%) of organizations plan to boost spending for disease management programs—targeting chronic conditions like diabetes and hypertension—in 2025.

To maximize impact, employers are shifting from one-time interventions (e.g., [biometric screenings](#)) to sustained preventive measures, such as [health education campaigns](#) and incentivized annual physicals. These initiatives aim to curb escalating healthcare costs, which are projected to [climb by 8% in 2025](#), by addressing health issues before the onset of chronic conditions. Employers can achieve long-term cost containment by reducing the need for expensive treatments and hospitalizations while creating healthier, more productive workplaces.

Percentage of brokers reporting investment change in preventive health benefits





Broker perspectives on preventive health

"A lot of our clients are really getting into preventive health and resources benefits. Many are rolling out preventive care incentives to encourage employees to take charge of their health before issues arise. This includes things like offering discounts for regular check-ups, screenings, and wellness programs."

"Clients are still putting in efforts to come out of the decline in preventive care from the pandemic. Annual physicals and cancer screenings are priority over biometric screenings."

"Remote and hybrid work arrangements continue to dictate fewer on-site events and solutions. It will be interesting to see if 2025 will be different, with mandatory return-to-office policies on the rise."

"Clients seem to be steering away from on-site events such as biometric screenings and pushing more PCP involvement for preventive care to manage potential high-cost claimants, as well as providing disease management opportunities and health education. I only had one client add biometric screenings to their wellness program this year."



Wellness engagement programs





Leverage wellness engagement programs to drive employee retention

Percentage of brokers reporting investment change in wellness engagement programs



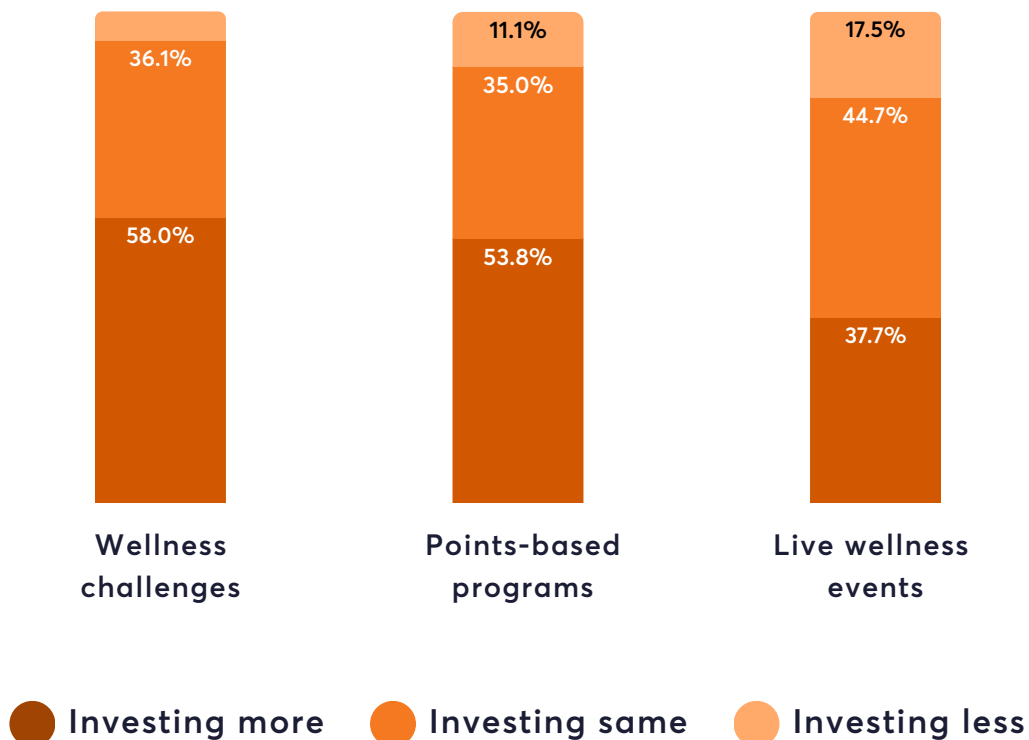
Wellness engagement programs have become a cornerstone of employee retention strategies, with 65% of brokers reporting increased employer investments for 2025. Research shows that 89% of employees working for companies with wellness programs report feeling engaged and satisfied with their jobs, illustrating the powerful link between comprehensive well-being initiatives and employee happiness.

Personalized wellness challenges and points-based incentive structures are particularly effective in driving participation, allowing employees to set tailored goals and redeem rewards that align with their individual motivations. Meanwhile, live wellness events complement virtual solutions in hybrid work settings, providing opportunities for team bonding and social connection. These programs build a culture of health supported by comprehensive, tech-enabled solutions that cater to modern employee needs.



The [benefits of wellness programs](#) extend well beyond participation rates: for every dollar spent on these initiatives, companies save an average of [\\$5.82 in reduced absenteeism costs](#). By embracing holistic wellness solutions, employers reinforce their commitment to employee well-being as a core organizational value, boosting workforce satisfaction, engagement, and [retention](#).

Percentage of brokers reporting investment change in wellness engagement programs





Broker perspectives on engagement programs

"I think our clients are really stepping up their investments and taking more proactive approaches when it comes to employee wellness benefits these days. A lot of our clients are finding that offering solid wellness programs helps keep employees engaged and happy, making it easier to attract and keep top talent."

"Clients who haven't had a wellness program in the past are now investing in starting one and building a foundation to improve employee health and reduce healthcare costs."

"Many of my clients are focusing on both physical and mental wellness, with more resources for mental well-being. Plus, using tech like wellness apps makes it easier for everyone for all the employees."

"Some of my clients are moving away from programs with "unearned" rewards/stipends (as in an LSA) and moving back to points-based programs with wellness incentives/earned rewards to reduce costs and increase engagement."





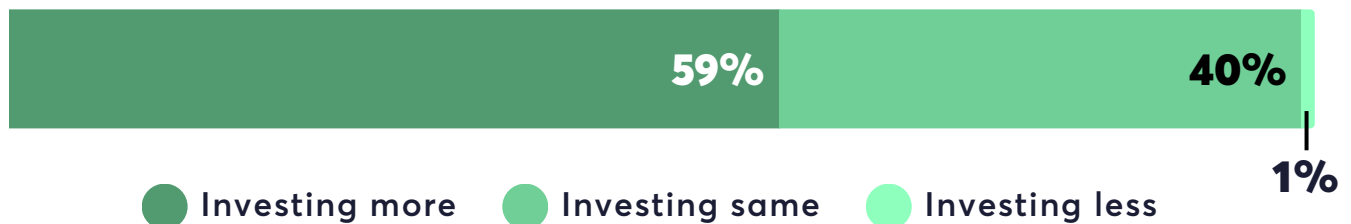
Lifestyle support





Use lifestyle benefits to differentiate in competitive labor markets

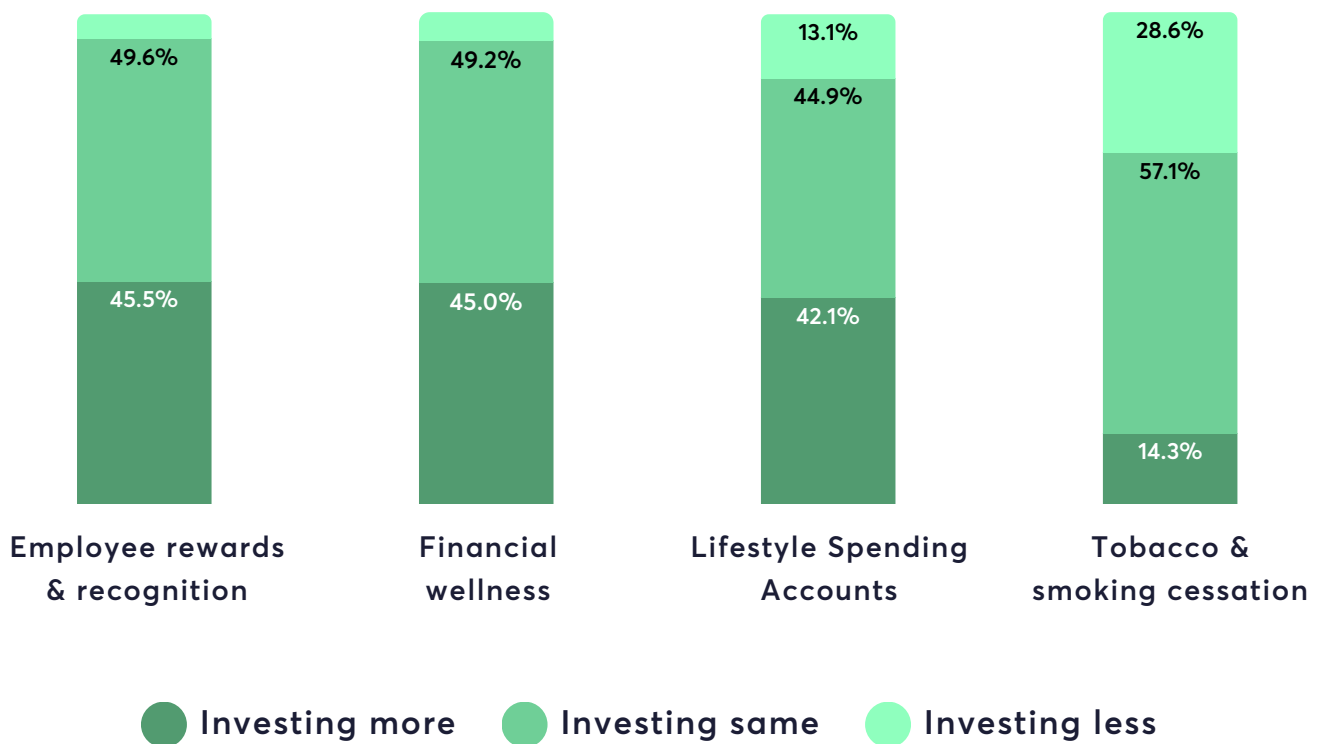
Percentage of brokers reporting investment change in lifestyle support



Lifestyle benefits, particularly [rewards](#) and [recognition](#) programs, are increasingly regarded as powerful tools for attracting and retaining talent. Fifty-nine percent of brokers report heightened investments in lifestyle benefits, with recognition initiatives emerging as a key driver of employee morale and loyalty. Employees with access to recognition platforms are [twice as likely to feel productive and committed to their current employer](#) compared to those without. These programs foster a culture of appreciation, resonate with employees across diverse demographics, and strengthen team cohesion.

While recognition programs are widely valued, [lifestyle spending accounts](#) (LSAs) spark mixed opinions. LSAs are praised for their flexibility and ability to cater to individual preferences, but some employers remain cautious about the potential cost implications (e.g., unpredictable utilization rates, administrative expenses of managing spending categories). Nevertheless, there's a collective understanding that one-size-fits-all solutions fall short of meeting diverse workforce needs. Customizable offerings are more effective in supporting individual health goals and lifestyle choices, leading to better benefits utilization and higher employee satisfaction.

Percentage of brokers reporting investment change in lifestyle support benefits





Broker perspectives on lifestyle support

"Clients continue to look for ways to stand out as employers of choice for employees in the war for talent. Lifestyle support benefits are emerging as an option to help them accomplish that."

"Clients are split on LSA benefits. There is more interest ever since the COVID lockdown, and in 2024 I had more RFPs for LSAs than in previous years, but few have moved forward."

"Rewards and recognition have been very popular in helping support employee belonging and retention. I anticipate a lot of my clients adopting or expanding these offerings in 2025."

"Most of our clients have been removing paid tobacco cessation offerings from their wellness programs in favor of broader health initiatives. However, we are pushing the Tobacco Quit Line as much as possible to give employees a free resource if they still want it."



Physical health & fitness





Expand fitness and physical health benefits with flexible solutions

Percentage of brokers reporting investment change in physical health & fitness

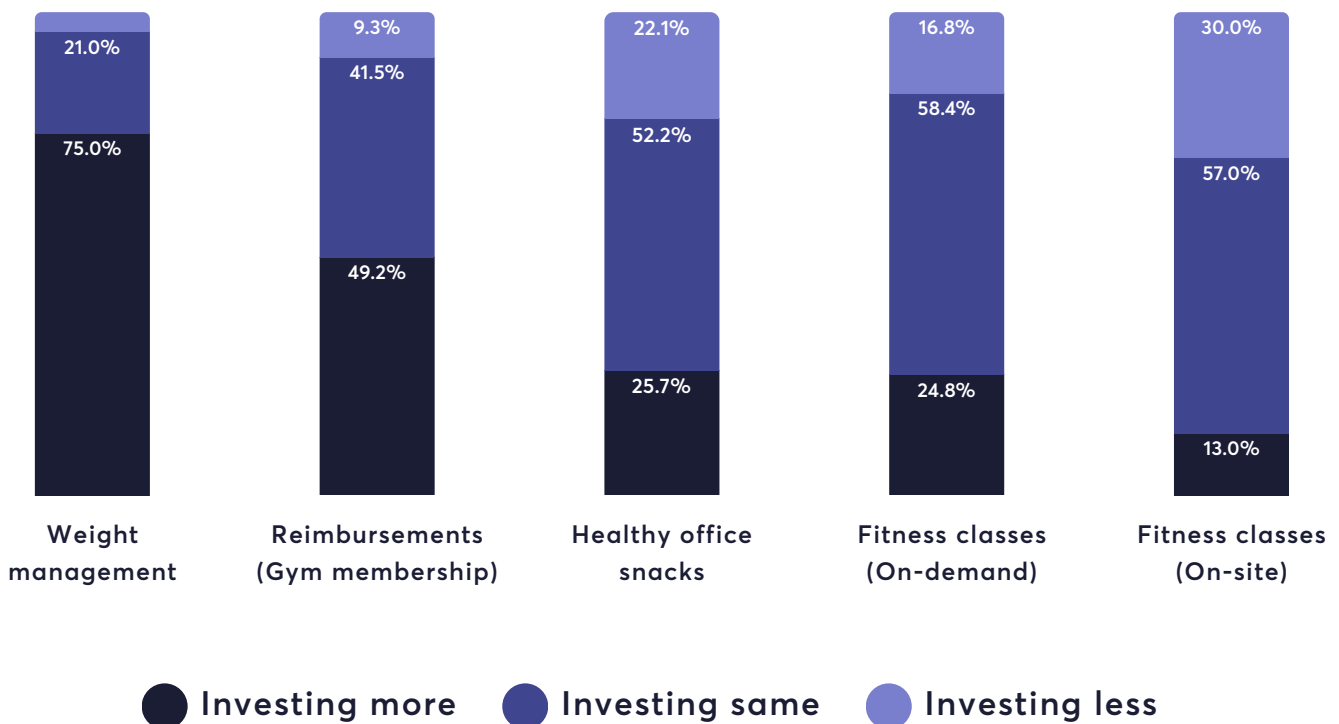


As employers aim to combat obesity and improve overall physical health, many are turning to personalized fitness benefits to support these goals while providing employees with flexible options for participation. Traditional on-site [fitness classes](#) have declined in popularity, with 24% of employers scaling back these offerings. Conversely, brokers report increased investments in weight management programs (75%) and gym reimbursements (47%), reflecting a shift toward holistic and accessible health initiatives.

A major driver of the focus on fitness is the [rise of GLP-1 medications](#) like Wegovy and Zepbound for obesity treatment. [Forty-four percent of US employers](#) with 500 or more employees covered GLP-1s in 2024, up from 41% in 2023. The [Biden administration's proposal](#) to include such medications under Medicare and Medicaid could influence private employers to adopt similar coverage.

While GLP-1 medications can improve health outcomes, they also contribute to rising premiums, potentially increasing employer health costs by 1% in 2025. To mitigate these expenses, employers are expanding lifestyle interventions for weight management in the workplace. Investing in flexible fitness benefits encourages employees to take an active role in optimizing their health and promotes sustainable behavior change.

Percentage of brokers reporting investment change in physical health & fitness benefits





Broker perspectives on physical health

"In-person fitness classes are generating less interest than in years past, but a lot of our clients are noticing that when employees have access to more flexible offerings like gym memberships, on-demand fitness classes, and wellness challenges, it really boosts energy levels and team spirit."

"For some of my clients, they are investing more in things like healthy office snacks, as they try to bring employees back to the workplace. Others stopped during the pandemic and never picked it back up."

"One area that has gotten a lot of attention is weight management, given the increased spend and utilization of GLP-1s. With GLP-1 drugs dominating this year, more clients are focused on weight management coaching and resources."

Broader trends shaping 2025 benefits strategies

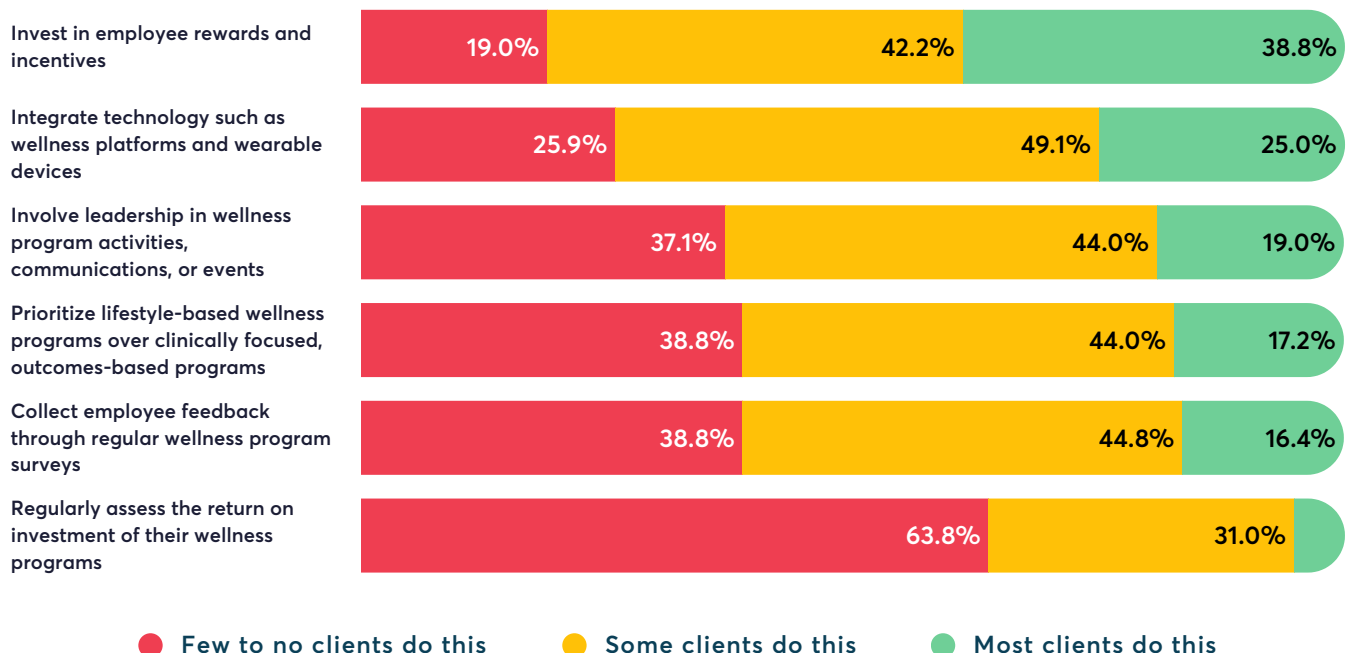




Prioritize rewards and technology to elevate wellness programs

Employers are leveraging rewards and technology as modern strategies to enhance [wellness programs](#) and drive [employee engagement](#). Forty-seven percent of brokers report that most of their clients invest in rewards and incentives, such as recognition programs and earned [rewards](#). These initiatives help employees feel valued and appreciated for their contributions, strengthening their connection to the company's mission, boosting motivation, and increasing loyalty.

How many of your clients engage in the following activities?



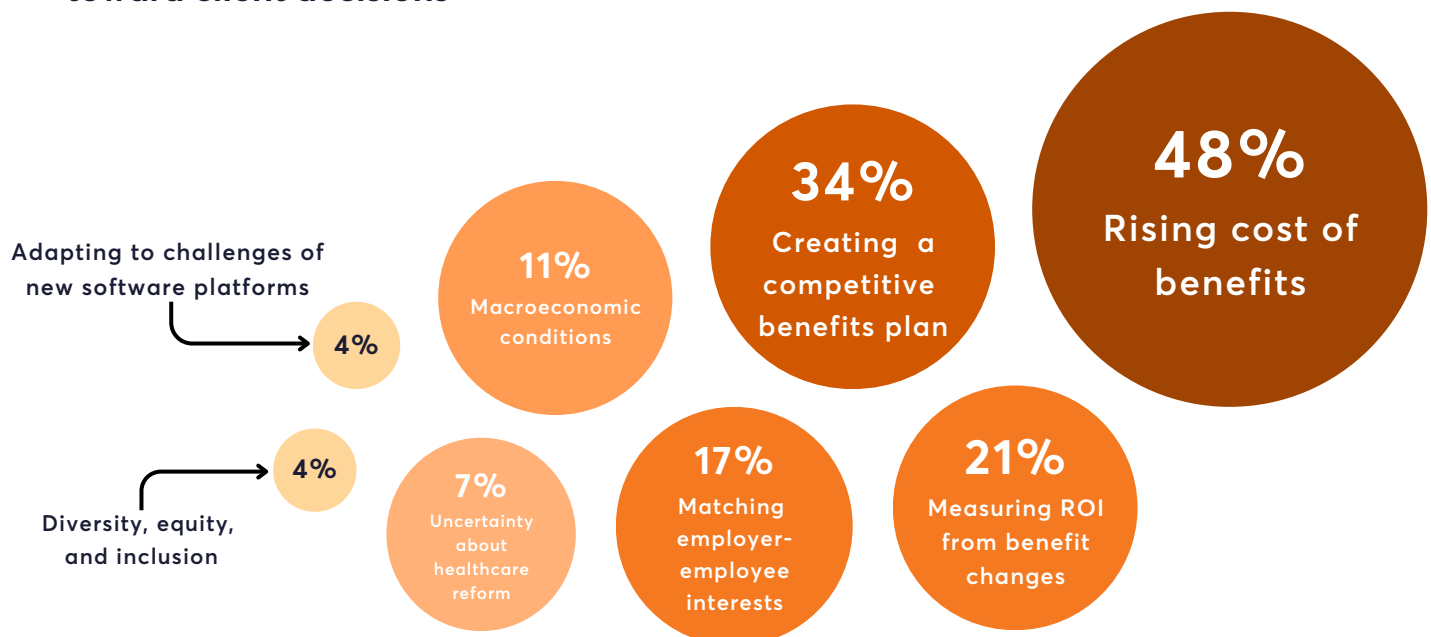
Technology is transforming the delivery, personalization, and scalability of wellness programs. Forty-one percent of brokers report that most clients incorporate digital wellness platforms and wearable devices into their programs. These tools enable real-time engagement and provide data-driven insights to boost participation and deliver measurable results. They also provide personalized solutions and make wellness programs more accessible, particularly within hybrid and remote teams. By combining rewards systems and technology-driven solutions, employers can create dynamic, engaging programs that keep employees consistently participating and investing in their wellness journeys.

Align benefits decisions with cost management & workforce needs

Employers face the dual challenge of managing rising benefits costs while offering competitive packages to attract and retain talent. Eighty-two percent of brokers identify benefits costs as a key decision-making factor for employers. According to the US Bureau of Labor Statistics, benefits accounted for \$14.41 of the \$46.21 average hourly cost of employee compensation as of June 2024, highlighting the financial stakes involved in benefits planning.

Simultaneously, 72% of brokers report that creating competitive benefits plans is highly influential in shaping employer strategies. A robust benefits package is critical for employee retention—60% of workers cite benefits as a primary factor in their decision to stay with their employer, and the same percentage of employers acknowledge the importance of aligning their offerings with employee needs.

Percentage of brokers reporting that factors are significantly influential toward client decisions





This alignment can be achieved by providing personalized benefits that cater to a wide range of interests and preferences. Adaptable, flexible offerings appeal to a diverse workforce, ensuring every dollar spent is well received by employees and delivers a strong [return on investment](#). The key to a successful benefits strategy lies in balancing cost management with workforce satisfaction, making these priorities complement rather than conflict with each other.

Balance cost management with strategic health investments



Optimize vendor selection to balance cost and customization

Brokers identify pricing and flexibility as the top factors in selecting benefits vendors. Forty-eight percent rank pricing as the most important consideration, as employers seek cost-effective solutions to manage rising benefits costs (without compromising quality). As highlighted in the previous section, the ability to control costs while meeting employee needs is a priority for organizations, making competitive pricing a key focus for brokers.

Flexibility is the top priority for only 12% of brokers but is the most commonly chosen secondary priority. The ability to customize wellness programs allows employers to align benefits with their organizational goals and address diverse workforce needs. Therefore, vendors that offer flexible, tailored solutions at competitive price points are best positioned to meet employers' dual objectives of affordability and effectiveness.

Percentage of brokers selecting criteria as top priority for vendor selection

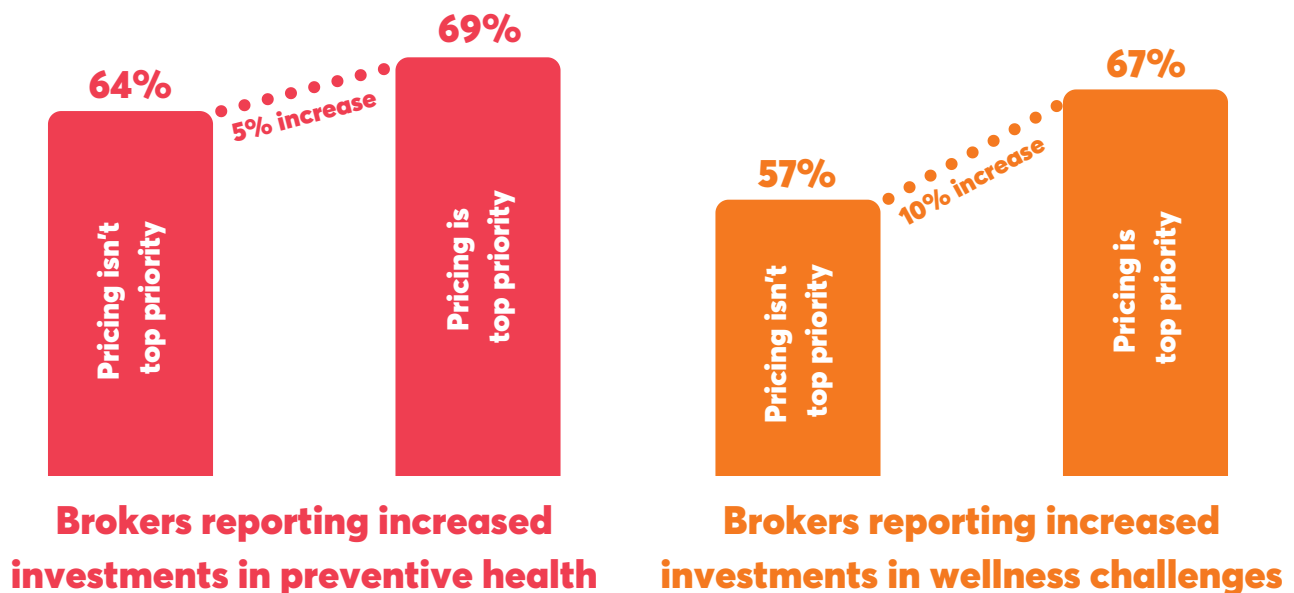


Make cost-conscious decisions without sacrificing impact

Among the 48% of brokers who consider pricing the most important factor in vendor selection, 69% report increased spending on preventive health (five percentage points higher than those prioritizing other factors). This reflects a strategy centered on long-term health outcomes to achieve cost savings over time. Additionally, 67% note higher investments in wellness challenges (ten percentage points higher than those who did not prioritize cost management), demonstrating their effectiveness in enhancing employee engagement and motivation.

Employers are heavily focused on controlling costs while providing benefits that support sustainable health improvements and encourage ongoing participation. Brokers can support this by recommending affordable solutions like [wellness challenges](#) and preventive health programs (e.g., disease prevention, weight management), which align with employee needs and organizational objectives for cost containment and workforce well-being.

Percentage of brokers reporting increased investments in benefits, based on priorities when selecting benefits vendors



Conclusion

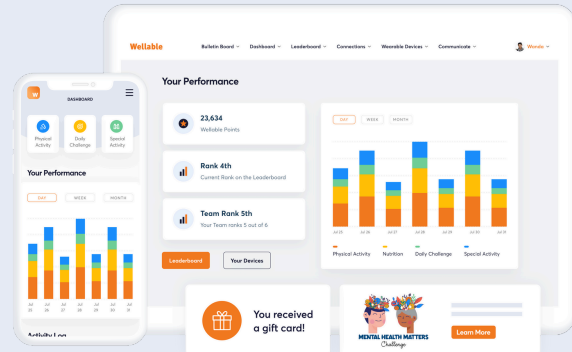
The 2025 employee benefits landscape is undergoing a fundamental shift as employers navigate the dual challenges of rising costs and evolving workforce expectations. To stay competitive, organizations are embracing data-driven, holistic strategies that blend preventive care, mental health support, and personalized wellness options. This approach is not just a reaction to immediate needs but a proactive step toward building long-term workforce resilience.

Employers who align their benefits with the unique expectations of their employees will gain a competitive edge in 2025 and beyond. By investing in flexible, technology-enabled solutions, companies can enhance engagement, boost productivity, and foster a culture of well-being. Ultimately, those who successfully balance cost-effectiveness with meaningful, customized benefits will be best positioned to attract, retain, and inspire the talent that drives sustained success.



About Wellable

Wellable is an employee wellness and engagement company with offices in Boston and San Diego dedicated to unlocking individual potential and redefining the future of work by fostering a culture of recognition and well-being.



Through an innovative blend of wellness technology, live events, and personalized rewards experiences, Wellable enables organizations to cultivate healthier, happier, and more engaged teams. The platform integrates with leading consumer wellness technologies, such as Fitbit, Apple Health, and Samsung Health, and supports custom programming, allowing each organization to build a wellness experience that best suits their unique culture and goals.

Enjoyed our insights?

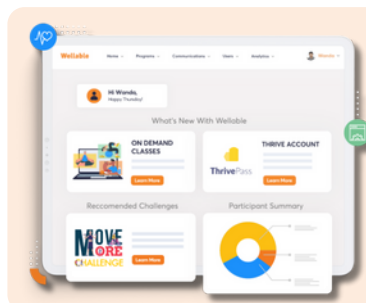
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Want to learn more
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Methodology and respondents



Overview

The insights presented in the 2025 Wellness Industry Trends Report are derived from a comprehensive survey conducted in October and November 2024. This survey gathered responses from 129 wellness-focused insurance brokers across 29 states, providing a comprehensive snapshot of current trends in employee wellness and benefits.

Experience

The majority (73%) of respondents have over eight years of experience in the employee benefits field, with 43% holding more than 15 years of industry knowledge. This wealth of experience ensures that the data reflects well-informed perspectives on the evolving wellness landscape.

0-3 years

10%



4-7 years

17%



8-14 years

30%



15+ years

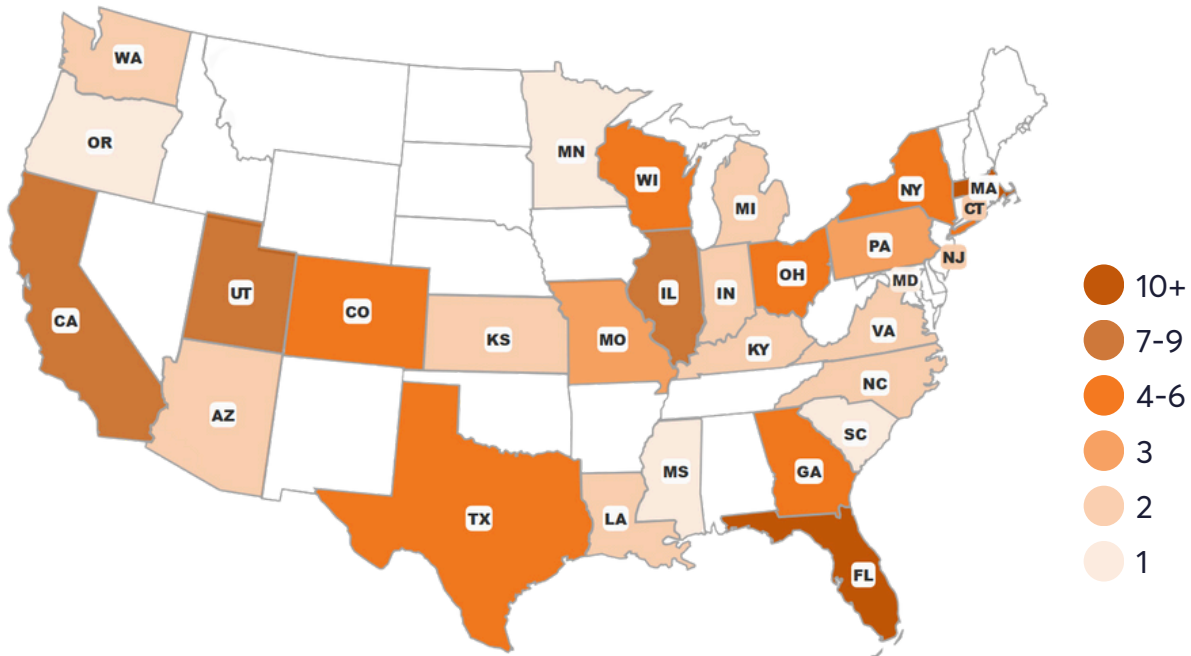
43%



Geographic representation

Brokers from a diverse range of states participated, including Massachusetts, Florida, Texas, and California, providing insights into regional variations and wellness priorities across the US. The survey also captured perspectives from organizations of all sizes, with respondents working with clients ranging from small businesses (under 250 employees) to large corporations (1,000+ employees). This broad spectrum ensures the relevance of the findings for companies of varying sizes and industries.

Number of respondents by state



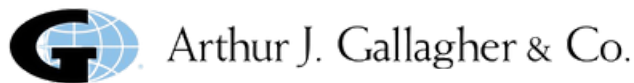
Average client size

Responses were collected from 41 different brokerage firms, including many recognized leaders in the industry. This diverse pool of strengthens the report's credibility and provides a nuanced understanding of the trends shaping employee wellness in 2025.



Brokerages represented

Responses were gathered from 41 distinct brokerage firms, including many industry leaders.





Wellable