

# The Mental Health Crisis:

A Whitepaper on the Importance of Investing in a Quality EAP



TotalCare EAP  
Public Safety EAP  
Educators' EAP  
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Union AP

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## The Mental Health Imperative

Employers seek competitive benefits to attract and retain employees, but budgets don't go as far as they used to. Inflation is posing a challenge: benefit costs increased by an average of 6% in 2023, averaging \$12.77 per hour, or 29.6% of total employee compensation, according to the U.S. Bureau of Labor Statistics.

Despite budget constraints, employees seek new and better benefits, which are critical to both retention and recruitment.

Topping the benefits' wish list is the imperative for more robust mental health assistance to address issues such as stress, anxiety, and burnout. The mental health of workers has taken a significant hit since the beginning of the pandemic. Repeated surveys paint a disturbing picture of the overall wellbeing of the workforce:

### › According to the 2024 Voice of the Workplace Report from Calm:

- **7 in 10** employees say their mental health has stayed the same or worsened.
- **61%** have felt down, depressed, or hopeless.
- **8 in 10** say they have recently struggled with nervousness, anxiousness, and stress.
- **Nearly 70%** have had trouble falling asleep.

### › According to the Josh Bersin Company:

- The number of employees at tremendous risk of burnout increased from **63% in 2019** to **81% in 2023**.

### › Gallup's most recent State of the Global Workplace reported:

- **41%** of employees surveyed report experiencing "a lot of stress."
- **Half of all employees** are watching for or actively seeking a new job.
- **1 in 4 employees** experience burnout either "very often" or "always."

### › A Mercer survey of organizations with 500+ employees found:

- **67%** of employers indicated that depression and anxiety are a concern at work, with 21% citing it as a serious concern.
- **68%** said job-related stress is a concern and **59%** cited financial-related stress.

### › Research on the mental health of workers by SHRM revealed:

- **30%** reported feeling overwhelmed at work.
- **29%** said their jobs made them feel anxious at least once a week.
- **39%** said they experienced stress.

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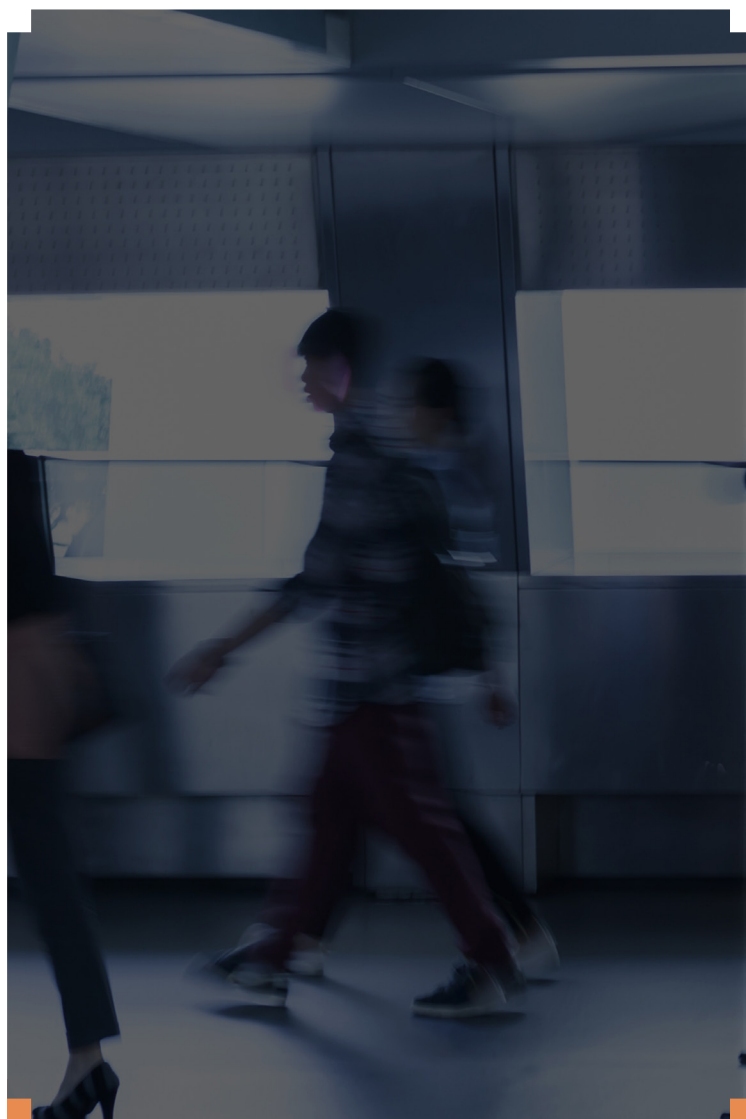
## The Solution: Employee Assistance Programs or EAPs

To address these employee concerns, employers are exploring mental health services and options to meet the needs of their workforce. One of the most common options is offering an Employee Assistance Program, or EAP, for short. More than 80% of mid-size to large employers offer an EAP, and the use is growing rapidly among smaller employers. Given the budgetary pressures of the day, there is also a renewed interest by employers in the so-called “free EAP.”

First, what do we mean when we talk about a so-called “free” EAP? Essentially, it is an Employee Assistance Program which is bundled or packaged in some other benefits or services, such as a health insurance policy, a disability insurance policy, or a payroll/benefits administration service.

In a sense, the free EAP is a loss leader, offered as a benefit enhancement at little or no additional cost. On the surface, it can have appeal. The employer gets more for less. And given the mind-body nexus, isn't it more efficient and effective to package employee mental and physical health services together, a one-stop shop?

We'd make the case that tempting as it may sound, there really is no such thing as a free EAP. When part of a larger offering or service, the bundled EAP is often overshadowed by the primary product. The employer may save a few dollars on the front end, while later paying out in productivity losses, burnout, and poor retention if employees are not getting sufficient help. It comes down to this: Mental health services are simply not the primary focus of the so-called free EAP, nor are they broad enough in scope to address such important problems.



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## Critical Components of an Effective, Dedicated EAP

### 1. Provide robust therapy options

A good EAP will provide a broad range of easy to access counseling options designed to meet the lifestyle, needs, and preferences of the employee. Initial contact should include both telephonic and email access, and counseling options include digital therapies via text, chat, and video, telephonic counseling, in-the-moment counseling, in-person sessions, and one-to-one coaching.

At ESI EAP, our superior counseling model places a heavy emphasis on the human factor and personal connections. We hire counselors with Master and PhD-level degrees and years of clinical experience. All incoming calls from employees and their family members are answered directly by these counselors. This is not the industry standard. In other EAPs, phones are generally handled by operators who do not have a clinical degree rather than by counseling professionals. That saves money, but the results are just not the same. When an employee calls for help, the need is immediate. Waiting two or three days for a response is unacceptable, particularly in a crisis.

At ESI, qualified counselors answer every employee call, conduct a thorough triage to identify the caller's needs, provide in-the-moment counseling, and make referrals for ongoing therapy when appropriate.

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### 2. Address employee productivity

Addressing productivity losses is mission critical. Employee problems, both large and small, result in an average of 3+ weeks of productivity loss each year. This translates to approximately \$3,500 per employee per year, based on the current average wage of \$1,165 per week in late 2024, according to the Bureau of Labor Statistics.

While depression, anxiety, stress, and other mental health issues may represent one segment of mental health issues that affect productivity, there are many, many more issues: caregiving, child care, elder care, financial stress, divorce, and other everyday problems. A good EAP should not only address mental health matters, it should also offer an extensive range of resources designed to help resolve common work/life problems that hold the potential to disrupt an employee's day.

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### 3. Offer personal and professional development options

Training is a cornerstone to onboarding new employees and a critical lynchpin in retention. If employees don't see opportunities for growth and personal development, they will leave. Plus, with AI and the changing nature of the workplace, training is imperative to help employees upskill, reskill, and engage in ongoing professional development. Training is also a key component in ensuring compliance with regulations related to issues such as harassment and discrimination, as well as minimizing the risks of costly litigation.

Training is costly, averaging \$934 per employee per year, according to the 2023 Training Industry Report, but employers who do not promote learning and employee development miss an opportunity to improve performance and maximize retention.

*At ESI EAP, we are both an employee assistance program and a training organization.*

Our EAP includes thousands of 24/7 on-demand training courses at no extra cost, ranging from compliance training to core skills your organization needs to remain competitive. Employees also have access to personal and work-life trainings to reach their potential at home and on-the-job. Courses are available in a variety of user-friendly formats from videos and webinars to proprietary Learning Centers and Training Bites. They range from short microlearning bursts to multi-part comprehensive courses. Plus, new training courses are added monthly!

### 4. Address employee engagement

In early 2024, Gallup tracking revealed that engagement continued trending down among both full - and part-time employees, dropping to the lowest level in more than a decade. Engagement is key to many performance indicators, such as productivity, retention, customer service, safety, quality of work, and profitability.

While training is one way to increase engagement, coaching is another, and many full-service EAPs offer some level of coaching.

At ESI EAP, we offer Peak Performance Coaching to help employees improve their personal and professional lives. It includes 18 coaching programs and thousands of online resources. Coaching programs include opportunities to improve supervisory and business skills, personal finance, credit score, debt resolution and assist with home purchases. In addition, wellness coaches help employees improve their overall health status.

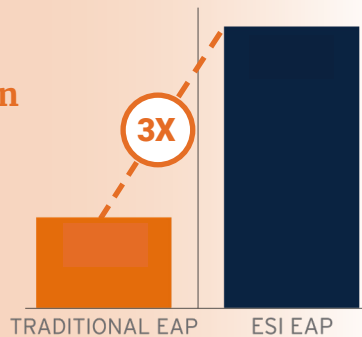
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## 5. Maximize EAP utilization

An EAP is only effective if it is used. The average EAP utilization is between 6%-8% of your employees. That falls significantly short of the need given that each year, roughly 20% of the average employee population experiences a life problem that disrupts their productivity.

At ESI EAP, we earn a utilization rate of 23%, or about 3 times the average. This is achievable because unlike many EAPs, we seek and work towards maximizing EAP use. We do this by offering targeted, ongoing reminders through our proprietary automated digital communications. We also send EAP reminders when external issues or events might spark stress, seasonal reminders of help availability, and reminders for personal and professional development for employees and managers alike.

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## 6. Partner with HR managers

For an EAP to succeed in its mission, it needs to be a partnership with your organization's HR and supervisors, offering consultative services for sticky HR issues, unacceptable employee performance, and various compliance matters. Plus, training must encompass leadership, team building, disciplinary matters, and other managerial skills.

At ESI EAP, we offer access to a team of Certified Senior Professionals in Human Resources (SPHR) and senior clinical counselors to assist your managers with individual personnel issues. In addition, we offer management-specific trainings and an online Supervisor Resource Center. We also train and work with supervisors to make administrative referrals to the EAP when spotting performance issues.

## 7. Provide Trauma Response

Both internal and external unplanned events can wreak havoc with your employees and your ongoing business operations. These might range from weather-related disasters to workplace violence such as a shooting or a robbery. A good EAP will make a trained response team available should your organization experience a serious traumatic event.

*ESI EAP counselors include grief and trauma specialists as well as team members trained in basic and advanced critical incident stress management.*

Trauma response may include on-scene deployment, telephonic counseling, educational materials, and private counseling as well as group debriefings.

## 8. Offer comprehensive coverage

Many free EAPs only cover those who are enrolled in the insurance plan or primary service offering, potentially excluding employees who are not in the health plan, household members, and dependents up to age 26. To be effective, an EAP cannot be selective. At ESI EAP, we cover all employees, their household members regardless of relationship, and dependents up to age 26.

## 9. Provide value and affordability

A robust, stand-alone EAP should be a real workhorse in your benefit package, addressing many work-life issues and problems that drain productivity. While mental health counseling should be at the core, services should extend well beyond simply providing counseling.

*At a cost of less than 1 cent per employee per hour, ESI EAP can be your hardest working benefit, delivering counseling, coaching, training, manager support, reduced compliance risk, and a wide range of employee and family problem-solving and life-enhancing benefits.*

## Your employees deserve the best.

The mental health and wellbeing of your employees is too important to shortchange it.

## ESI EAP services get results:

- **3x** the utilization vs. traditional EAPs
- **98%** employee member satisfaction rate
- **96%** client/employer renewal rate
- **5-star ratings by our Clients** in the SHRM Vendor Directory

