businessolver®

2026 Benefits Insights Report

ANTICIPATORY INTELLIGENCE MARKS A TURNING POINT IN BENEFITS

AI powers HR around the clock

91% Instant resolution

Right-fit benefits are even more important

93,000

surveys show a link between benefits literacy and financial stress

Workforce needs are shifting by generation

8 macro trends for brokers, advisors, and HR leaders

A note from our chief strategy officer

Over the last decade, personalization reshaped how employees connect with their benefits, helping organizations tailor communications, surface relevant information faster, and reduce some of the intimidation that comes with navigating benefits in the first place.

But personalization has its limits.

Even the most personalized user experience can only react to inputs—often built on what we already know such as demographics, behaviors, and claims that come in months later. Useful, but not a complete picture.

You can deliver the right message to the right person and still miss the right moment. By the time someone is calling or escalating, frustration and stress have taken hold. By the time a claim confirms a pattern, the opportunity to steer toward a better path has passed. In other words, personalization can make the experience more relevant, but not necessarily more resilient. Personalization remains foundational technology. But it's not the future of benefits. That belongs to anticipation.

Anticipation is grounded in both an empathetic experience and an optimistic discipline.

The promise that benefits can meet employees earlier, with less friction, and more confidence.

For HR, anticipatory insights mean moving from reporting what happened to influencing what happens next. This goes well beyond AI–driven outcomes. It sets the foundation for a wholly different HR operating model—shifting the work from hindsight to proactive risk management.

Anticipatory insights hold the promise of helping employees feel more confident and cared for in critical life moments—and it's what's next for our industry.

Best,

Rae Shanahan
Chief Strategy Officer at Businessolver

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This year's insights are derived from:

- 19 million members and their dependents across 850+ clients
- 5.7 million unique AI interactions across chat, phone, and platform
- Over 2 million employee enrollment survey responses
- Nearly 187,000 employee benefits preferences survey responses
- 93,000 Benefits Literacy Survey responses
- 1,500 executive and HR leadership survey responses

Ushering in a new era of anticipatory insights

Change isn't just hard. It's expensive.

We're witnessing a monumental time of change and disruption driven by AI. Fundamentally, the way work gets done is changing for everyone. This isn't just an inflection time for HR, it's a moment when organizations everywhere must figure out how to grow and innovate during deeply volatile, costly, and constant change.

C-suite leaders are aggressively pushing HR on their AI initiatives to demonstrate the effectiveness of AI, recoup investment, upskill their workforce, and drive measurable outcomes. Meanwhile, employees are hungry for more holistic and expansive benefits offerings, such as costly GLP-1s, and they expect their employers to shoulder much of the cost as part of their total compensation.

In fact, more than one-third (36%) of all employers ranked "offering robust benefits while staying within budget" as their top benefits-related challenge, according to Aflac's 2025-2026 Workplace Benefits Trends report.

Despite their best efforts, HR is at a constant crossroads of cost containment and care—requiring the expertise of specialized partners to assist in both strategy and execution of increasingly complex plan designs and people strategies.

HR isn't alone in this challenging environment. Employees are also struggling to balance the cost of care with their wellbeing needs, and their stress is evident:

- **45% of employees would feel panicked** about a $6,000 ER bill, and only 15% of employees say they feel fully prepared to cover a large, unexpected medical expense.
- **34%** say they would **go into debt** to pay for such an unexpected expense or don't know how they'd cover it.

> Health Insurance is WAY TOO EXPENSIVE. My premiums are 27% of my paycheck!!!! Ridiculous!!!
>
> - 2026 Benefitsolver employee enrollment survey response
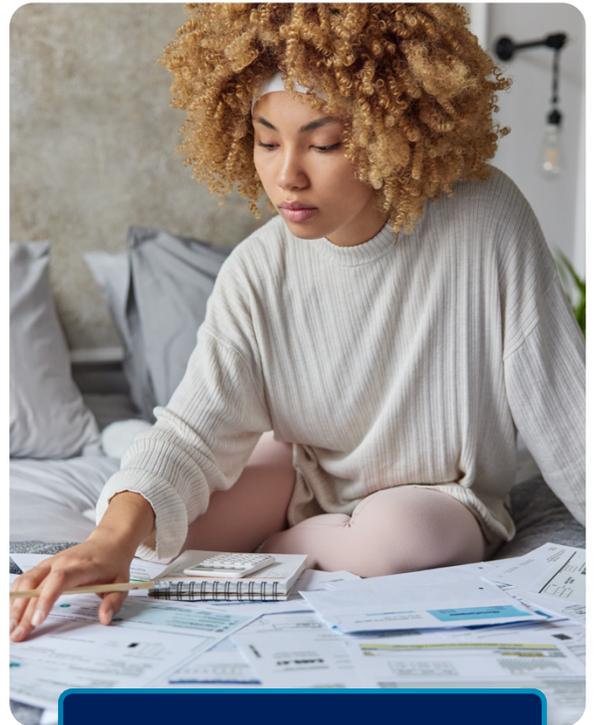
Only **15% of employees** say they feel fully prepared to cover a $6,000 ER bill

Anticipation is HR's new operating model

This year, **more than 2 million employees** shared their voices in Businessolver's 2026 post-annual enrollment survey, and while benefits literacy is still a challenge for 85%, it's not a barrier to decision making:

79% of employees are confident or very confident in their benefits decisions, and 85% rate their enrollment experience as great or excellent.

Over the last decade, benefits technology has transcended benefits confusion to boost engagement across every channel where employees engage—from mobile app to interactions with AI intelligence like Sofia℠—which doesn't just answer questions, but anticipates what questions and actions to ask or take next.

Technology is likewise changing what's possible for HR. Real-time insights and dynamic data are putting HR leaders in the driver's seat—reducing manual analysis, improving service outcomes, and enabling strategic agility.

As with most evolutions, a new story has emerged: Personalization—tailoring content and guidance based on profiles, preferences, and past choices—has reached its limits. **Anticipation is what's next.**

2025 AI-driven outcomes for Businessolver's 850+ clients

Employers who have adopted Sofia, Businessolver's anticipatory AI intelligence, are achieving measurable outcomes while delivering an easier and empathetic benefits experience for employees.

91%
instant chat resolution

Plus, 85% of all chats remain resolved after seven days, reinforced by a 97 (out of 100) quality-assurance score—proof of time saved and complete resolution that improves satisfaction and removes both employee friction and HR burden.

2.6 million
unique employee interactions across phone and chat

Employee sentiment is positive or very positive on 91% of calls, with Businessolver's live service advocates earning an empathy score of 85 across over 1.1 million interactions. Additionally, employees' satisfaction with Sofia's support and resolutions increased 5% YOY.

263 million
total minutes saved

Self-service tools, anticipatory insights, and AI-supported process automation help HR step out of manual work and into a strategic and cost-effective position, saving clients an average of 380,000 minutes in 2025.

Anticipatory insights empower a resilient business and a thriving workforce.
## Because you can't have one without the other.

Anticipation enables a more proactive HR model, replacing hindsight data with real-time awareness. When engagement, service, decision support, and utilization data are connected, teams gain early visibility into confusion and risk—allowing earlier intervention for employees like Jesse.

Anticipation in action: Meet Jesse

When Jesse reaches out to Sofia for help adding her newborn as a dependent, Sofia guides her through a new baby checklist. But the real power comes in behind the scenes: By spotting early signals that Jesse is overwhelmed and might miss important deadlines, Sofia brings forward extra guidance to prevent a costly mistake, turning potential frustration into empathetic care.

Sofia's anticipatory engine:

- **Detects early risk signals**, picking up on Jesse's overwhelm, low benefits literacy, and her newborn enrollment request to anticipate that Jesse needs extra support to avoid missing her year-end dependent care FSA (DCFSA) claims deadline.

- **Flags high-risk members**, by seeing that Jesse has an unused DCFSA balance and serving up proactive reminders on eligible expenses or upcoming care needs before her funds expire or the DCFSA claims deadline passes.

- **Triggers multi-channel nudges**, guiding Jesse through how to use and manage her DCFSA account, sending SMS reminders about claims, and even ensuring dependent verification deadlines aren't getting missed.
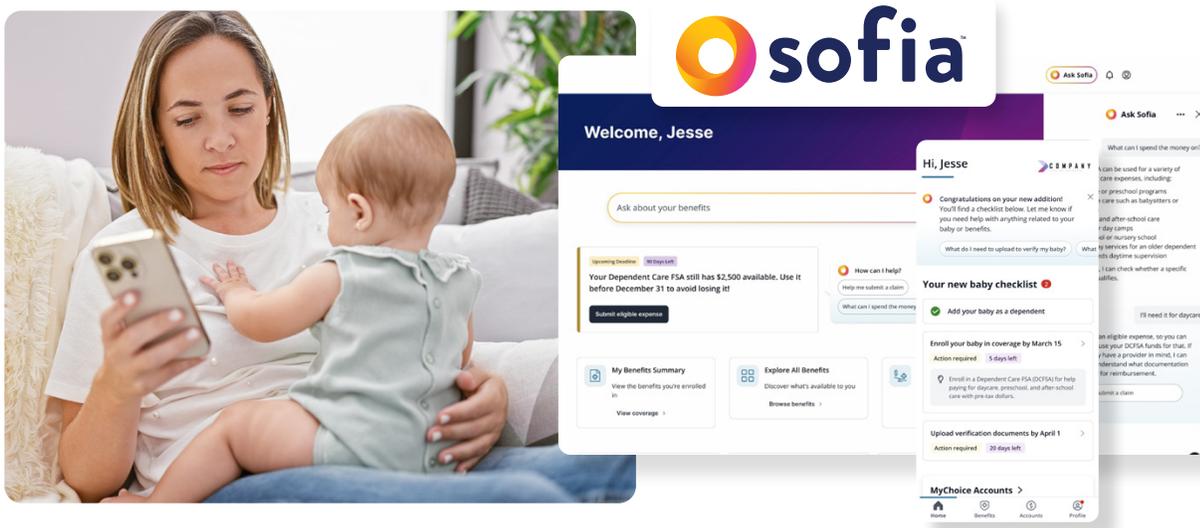
8 benefits industry macro trends and insights

1 Cost containment requires thinking differently

> Benefits complexity is rising. Cost pressures are rising. Expectations are through the roof. So, we're not just in the benefits business, we are in the foresight business. What does success look like, not today, but three years from now? Where do you want to be with AI three to five years from now? Our job at Businessolver is to start every client conversation there.
>
> - Jon Shanahan, President and CEO at Businessolver

Healthcare costs have reached a point where many employers must think outside the box and start experimenting with creative ways to bend the cost curve.

Businessolver introduced a reference-based pricing (RBP) model as a cost-management strategy in 2025, helping address a 15%+ spike in costs. In the 2025 plan year, the business saw significant cost management outcomes, including:

- Helping an employee find high-quality, cost-effective care, reducing a surgical procedure cost from $95K to $10K

- Average 13% improvement in discounted costs with estimated savings of $280K in the first 8 months of the new plan, compared to the incumbent national insurer

- Improved employee satisfaction across access to care, cost, and claims support

2 GOVERNANCE, SECURITY, AND COMPLIANCE COMPETENCY ARE COMPETITIVE DIFFERENTIATORS

Organizations are increasing audit demands and risk scrutiny, especially around AI. Strong cybersecurity, data governance, and ethical frameworks aren't just technical details, but strategic differentiators that build C-suite trust and accelerate buying decisions.

+25%
security assessments

+90%
AI assessments

In 2025, Businessolver experienced a **25% increase** in security assessments, and a **90% increase** in AI assessments with its security team nearly doubling to support these requests.

3 MULTI-YEAR PLANNING IS A MUST

The industry is shifting from "What plan changes should we make next year?" to "Where should our benefits strategy be in five to seven years—and what path gets us there?" Only 41% of employers engage in workforce planning beyond 3 years, showing a significant number are still in a reactionary planning posture, according to Aon's 2026 NFP U.S. Annual Benefits Trend Report.

34%

Only **34% of executives** say they plan to evaluate their benefits technology in the next three years and 36% say they "don't know" when they plan to evaluate.

- Businessolver's 2025 survey of 1,500+ HR professionals and executives

4 AI is a C-Suite Priority

As AI investments surge, the pressure to demonstrate measurable ROI has intensified for HR. Enterprise organizations are allocating an average of **$1.6 million annually to HR-AI initiatives** for 2026 budgets—a tenfold increase over exploratory budgets seen in 2023, according to research from ISG.

Technology partners, brokers, and advisors play pivotal roles in helping HR develop and execute an AI-driven benefits strategy and demonstrate real ROI.

> We're seeing leaders use technology to link efficiency, workforce agility, employee experience and analytics directly to business results. In 2026, investments are shifting to AI, so the mandate is to extract value from current HR investments and to operationalize AI on these modern platforms.
>
> - State of HR Technology and Service Delivery Report, ISG, Nov. 2025

AI is not a product you can buy—it's a capability you apply.

The value comes from where you apply it and how responsibly you govern it.

5 AGENT-TO-AGENT IS THE FUTURE

Gone are the portals and the "front door" conversations. We're quickly moving toward an agent-to-agent future. Employers need responsible, governed, and enterprise-ready AI that can work seamlessly within their ecosystem—not standalone chatbots or technologies that create more logins, portals, and complexity.

And the ROI of integration is evident: ISG finds that **organizations achieve 2X more ROI when working with integrated partner ecosystems**, underscoring how critical partners are in helping HR design AI strategies and deliver measurable impact.

Intelligent agent-to-agent capabilities—like those powered by Sofia—deliver a single, connected entry point for both employers and their employees. Instead of bouncing between agents or systems, users get real-time, consistent support from one intelligent agent.

76%

76% of HR leaders say they want a single access point (full integration) for all their benefits programs.

- Businessolver's 2025 survey of 1,500+ HR professionals and executives
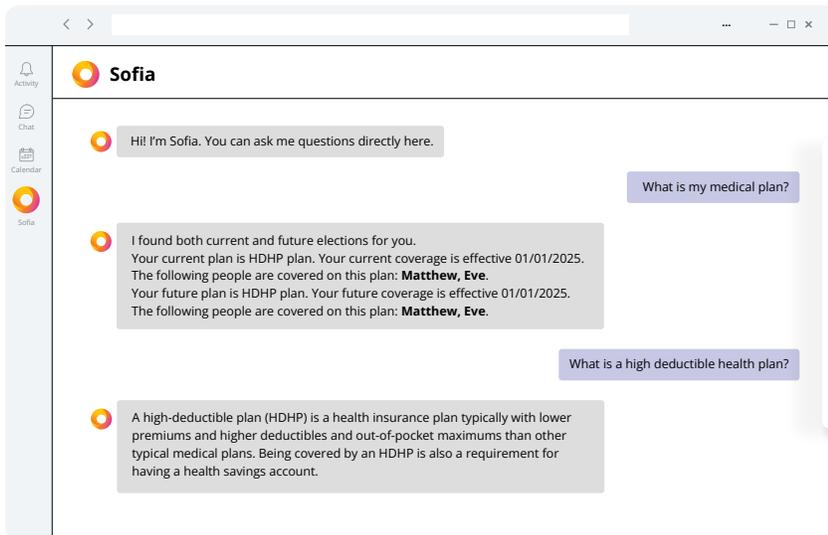
> For me, it's just about connecting things and getting in front of our employees in ways that make sense. AI is another way we can do that, and if you're not on board with AI yet, I'd say: get on board and just start small. Start having those conversations—with your leadership, with your IT team—because that's exactly where we started.
>
> - Candy Wimmer, Director of Benefits, TK Elevator

6 Data fluency is a competitive advantage for HR

HR teams are swimming in data but often lack the ability to quickly and effectively interpret the implications of that data to their business and workforce—and shift accordingly. With AI intelligence, anticipatory insights, and consultative support from technology vendors and brokers, HR has an opportunity to strengthen their use of data to drive decision-making.

In a recent global survey conducted by Benifex, CEOs were asked to identify which parts of their organizations are strongest at using data to drive decisions.

Finance
50%

Marketing
43%

Operations
25%

HR
16%

Rewards and benefits
6%

These findings aren't a critique—they're an invitation for HR and benefits teams.

Service Center Performance and Trends

Calls	Resolution Rate	Repeat Caller Rate	Kindness Estimated Score	NPS (Net Promoter Score)	CES (Customer Effort Score)
400,000	91%	5%	88%	72	4.5

Overall Sentiment Information

Color Definitions

Blue: Very Positive Sentiment
Green: Positive Sentiment
Yellow: Concern Noted
Red: Negative Sentiment

Call Overall Sentiment
400,000

Sentiment Improved

7 The "quiet" service experience

At Businessolver, one of our new markers of client delight is a "quiet" annual enrollment for HR. Success isn't marked by how many chats or calls a system handles. The real marker of success for HR is *quiet*—anticipatory insights that get ahead of issues, confusion, and frustration before they arise.
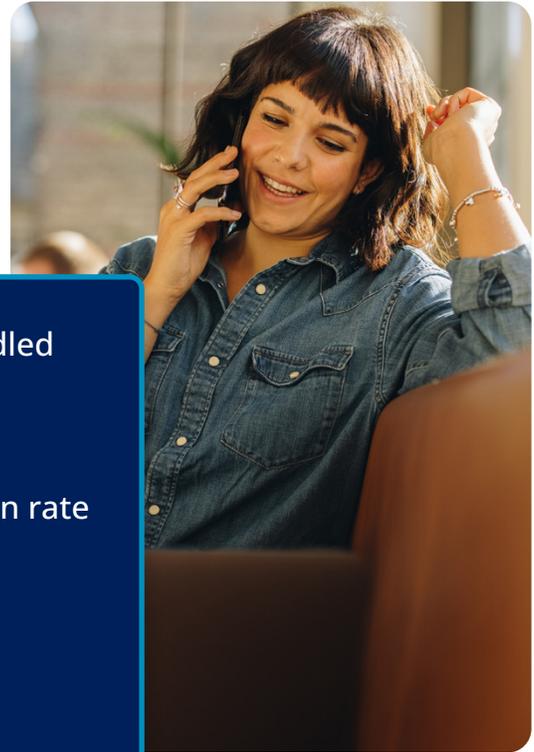
33% of Sofia's member interactions are handled and resolved after hours

43% of Sofia's chats happen during annual enrollment with a 92% instant resolution rate

76% of employees said that they felt very or extremely confident in their enrollment decisions

77% of employees said that the enrollment experience helped them understand their benefits very or extremely well

Insurance is just confusing, but this process and the virtual assistant helped simplify some of the chaos.

- 2026 Benefitsolver employee enrollment survey response

8 CLIENT REQUESTS FOR CUSTOM COMMUNICATIONS ARE INCREASING

Younger employees expect consumer-grade, digital benefits experiences—more than the leaders who often make buying decisions. This is not new. What's changing now, however, is that these decision makers are recognizing the gap and asking for support.

+43%

In 2025, Businessolver saw a **43% increase** in client requests for custom benefits communications, signaling that employers understand the need to equip HR with more targeted, digital marketing support to reach their workforce and optimize their benefits programs.

Survey says: HR leaders want better service across the entire experience

Service quality, administrative support, costly customizations, and enrollment tools are the top areas of dissatisfaction for the nearly 1,400 HR leaders and 100+ executives we surveyed across Businessolver's competitor solutions. These leaders are more frustrated by **human experience and administrative burden** than by platform stability or compliance gaps.

In what areas would you most want your current benefits administrator to improve?

	HR Leaders	Executives
Employee service	34%	39%
Admin support	32%	32%
Costly customizations	24%	25%
Enrollment tools and decision support	34%	25%
Data integrity and security	13%	19%
Real-time transparency (files, cases, transactions)	16%	17%

Findings based on Businessolver's 2025 survey of +1,500 HR professionals and executives

2026 benefits and wellbeing trends

Bringing your best self to work starts with being your best self outside of work.

There's no denying that benefits play a large role in an employee's total wellbeing and quality of life, but especially so during times of economic and geopolitical uncertainty. Right now, our data shows employees are struggling: Only 15% of employees say they feel fully prepared for a $6,000 unplanned medical expense.

Looking at lifestyle findings, **Gen X stands out as a cohort to watch closely**. They report the lowest levels of self-rated health, with **only 50% describing themselves as healthy**—a sharp contrast to their younger and older counterparts. Their medication usage deepens the story: Gen X are the least likely to have zero prescriptions (27%) and the most likely to manage 3–4 (22%) or 5+ medications (11%), indicating potentially growing health needs for this population. Additionally, 7% of Gen X say they're planning a surgery this year—the highest of any generation.

For employers and HR leaders focused on creating a benefits experience that feels supportive before stress sets in, Gen X is a critical population for anticipatory outreach—where well-timed nudges and proactive navigation can meaningfully reduce friction and help both employees and organizations avoid costly claims. Employers should likewise look to benefits such as pharmacy savings, preventive care, and self-service tools.

How would you cover an unexpected medical bill?

61% of employees would use savings

34% would go into debt or are unsure how they would pay

5% would draw from retirement funds
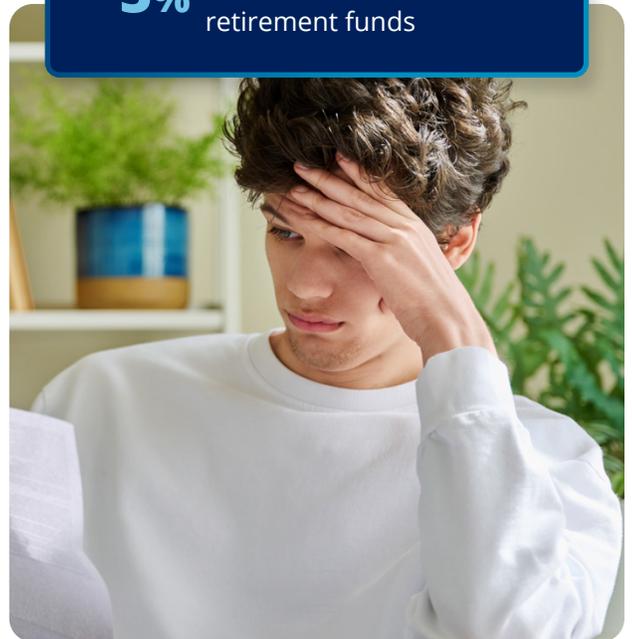
Gen X wellbeing warning signs

50% Self-describe as "healthy" (lowest of any generation)

11% 5+ prescriptions (highest of any generation)

7% Planning surgery in 2026 (most of any generation)

30% Say they "always" save (4 points lower than Gen Z)

Medical cost anxiety: 50% of Gen X employees report high anxiety about health care costs not covered by insurance, according to Aflac.

Financial preparedness by generation

Even though **64% of Gen Z say they would pay for an unexpected medical expense from cash savings** (second only to Boomers), they also report the highest panic and the lowest rate of feeling fully prepared, suggesting their savings might not keep pace with real-world costs. Gen X lands in the middle: They appear stable on the surface, but higher debt reliance (on par with Millennials) and lower saving frequency signal a growing financial squeeze—one employers should proactively monitor as they design anticipatory strategies that reduce stress before it starts.

How would you feel about facing a $6,000 emergency room bill?

- 🟡 Gen Z
- 🔵 Millennials
- 🟢 Gen X
- 🔴 Boomers

I'd feel panicked

53%		-9 points YOY
46%		
43%		
42%		+6 points YOY

I could do it, but prefer not to

- 38%
- 39%
- 41%
- 43%

No worries, I'm fully prepared

9%		+4 points YOY
14%		
16%		
16%		

Women are more likely (+13 points) to feel panicked about facing a large, unexpected expense than men, and less likely to be able to cover that expense with cash savings: **57% of women say they'd use cash savings versus 66% of men**.

- 🟢 I'd feel panicked
- 🟠 I could do it, but prefer not to
- 🔵 No worries, I'm fully prepared
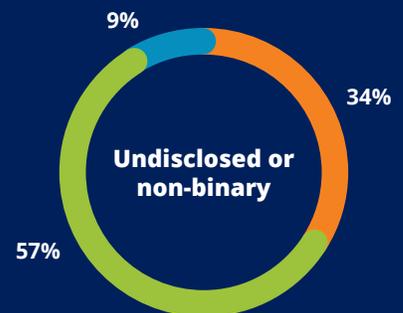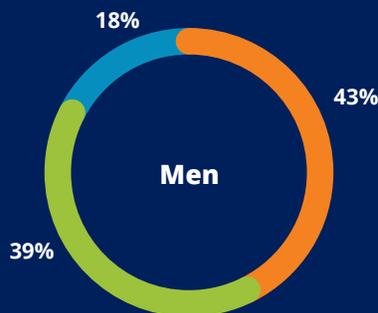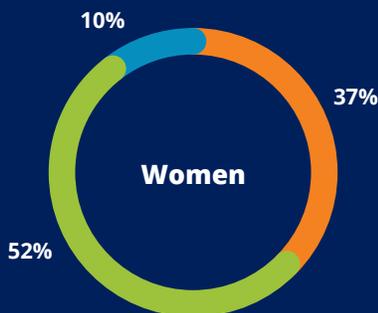
Women
- 10%
- 37%
- 52%

Men
- 18%
- 43%
- 39%

Undisclosed or non-binary
- 9%
- 34%
- 57%

How would you cover an unexpected medical bill?

Legend:
- 🟡 Gen Z
- 🔵 Millennials
- 🟢 Gen X
- 🔴 Boomers

Cash savings
- Gen Z: 64%
- Millennials: 58%
- Gen X: 60%
- Boomers: 65%

Go into debt
- Gen Z: 15%
- Millennials: 18%
- Gen X: 17%
- Boomers: 15%

I don't know
- Gen Z: 19%
- Millennials: 19%
- Gen X: 18%
- Boomers: 15%

Retirement fund
- Gen Z: 2%
- Millennials: 5%
- Gen X: 5%
- Boomers: 5%

According to Aflac's 2025-2026 Workplace Benefits Trends report, more than 2 in 5 (44%) employees say they couldn't pay $1,000 in out-of-pocket costs, though most employers (78%) believe their employees can meet their financial health care obligations.

How often do you save?

Always
- Gen Z: 32%
- Millennials: 29%
- Gen X: 30%
- Boomers: 34%

Sometimes
- Gen Z: 56%
- Millennials: 54%
- Gen X: 54%
- Boomers: 53%

Never
- Gen Z: 12%
- Millennials: 17%
- Gen X: 16%
- Boomers: 13%

Gen X and Millennials: The hidden high-risk middle

Gen X's rising medical burden—higher prescription use, lower self-rated health, and the highest planned surgery rates—paired with mutual debt reliance and weak savings behaviors among both generations, exposes shared vulnerabilities for these employees who are in the prime of their careers.

Both generations are:
- Least likely to use cash savings for a major medical bill
- Most likely to go into debt to cover an unexpected expense
- Most likely to say they "never save" compared to other generations

Self-described health and prescription utilization

Despite being older, more Boomers rate themselves as "healthy" and 38% say they're not on any medications compared with 27% of Gen X, underscoring that Gen X is the cohort where health risks may be emerging fastest.

How would you describe your health?

🟡 Gen Z
🔵 Millennials
🟢 Gen X
🔴 Boomers

Healthy
71%
61%
50%
59%

Below average health
3%
5%
7%
6%

Average health
26%
34%
43%
36%

What does your medicine cabinet look like?

Empty (0 medications)
60%
42%
27%
38%

There's some room (1-2 medications)
31%
39%
40%
37%

It's full (3-4 medications)
7%
14%
22%
18%

I need two cabinets (5+ medications)
2%
5%
11%
8%
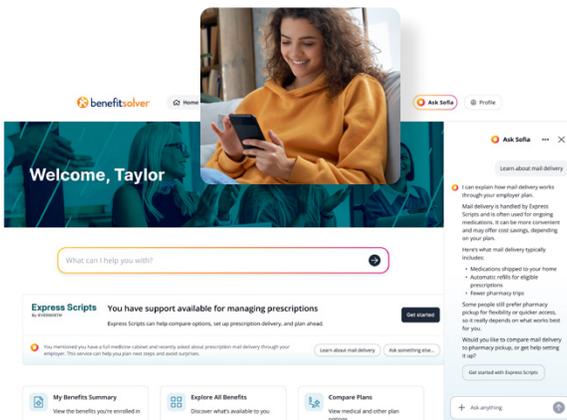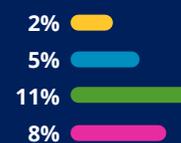
ANTICIPATION IN ACTION: MEET TAYLOR

Taylor's medication-related questions signal complexity and rising risk. Sofia steps in with proactive care ahead of a missed refill or costly complication:

Sofia's anticipatory engine…

- Identifies multi-medication complexity and below-average health signals.
- Initiates proactive care-management outreach.
- Delivers empathetic nudges to keep Taylor on track.

Benefits trends and preferences by generation: Nearly 187,000 employees have spoken

Nearly 187,000 employees shared their voices in our 2025 Benefits Preferences survey, which asks employees to rank various benefits programs across 5 different categories, providing employers with data-driven insights to prioritize investments, enhance engagement, and refine benefits offerings to better meet workforce needs. Insights like these—which are available to all Businessolver clients—enable HR teams to sharpen their strategy and optimize benefits spend for their unique employee population.

Across generations, notable benefits preferences trends include:

Family and caregiving support is rising in importance for younger generations, with family planning, parent and caregiver support, and day care support all showing up as performance-level benefits for Gen Z and Millennials—clear signals that caregiving support and care navigation benefits strongly influence satisfaction and plan selection.

For Gen X and Boomers, prescription assistance and preventive care tools are strong performance benefits.

Employee assistance program (EAP), parent and caregiver, and women's health all show as performance-drivers for Millennials and Gen X, signaling their need for employers to help support them in juggling it all—family, caregiving, careers—alongside their own mental and physical wellbeing.

Delighters with broad appeal include fitness, employee discount, and financial assistance—repeatedly rank as top delighters across generations—useful information for year-round engagement campaigns.
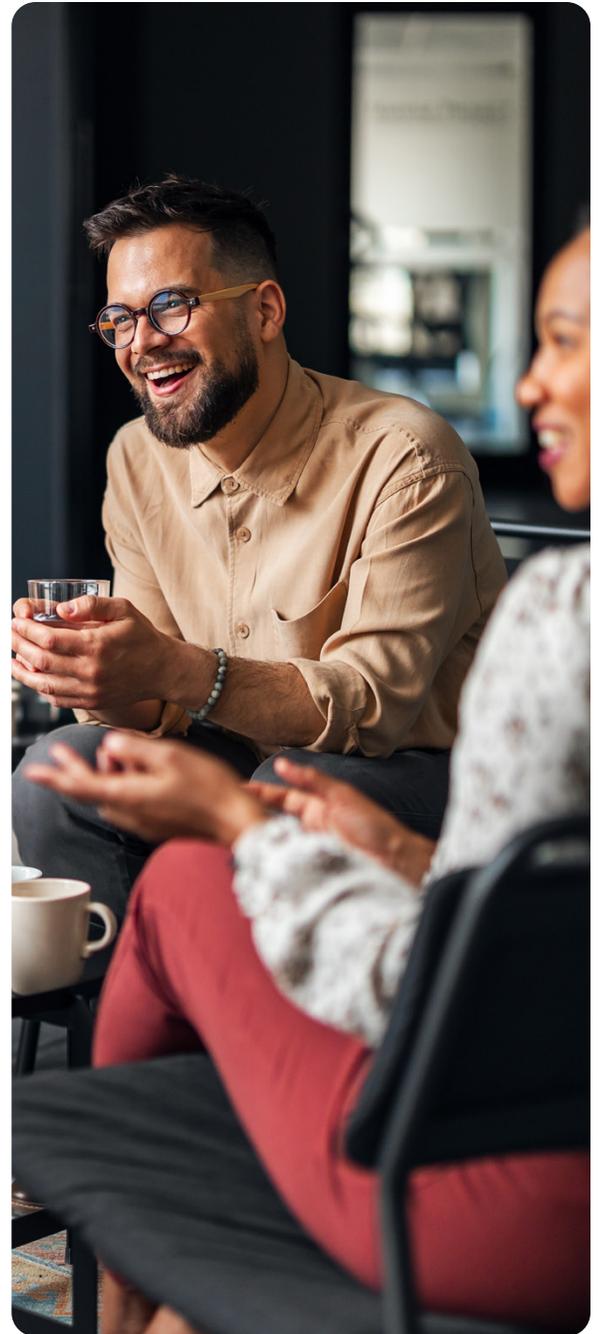
16% response rate

In 2025, Businessolver surveyed over 187,000 (+335% YOY) employees resulting in a 16% response rate, showing that employees are invested in their benefits and want their preferences to be heard.

Employees also rank programs with benefits like these among their top most empathetic benefits. Check out our **State of Workplace Empathy Report** for more insights.

Gen Z benefits preferences

⭐ **Performance benefits:** Directly increase employee satisfaction	😊 **Delighter benefits:** Unexpected, but provide delight when present
♡ **401(k) program**	♡ **Financial assistance program**
♡ **Time off policy**	• Employee discount program
• Preventive care services	• Prescription assistance program
♡ **Day care support**	• Wellness program or incentives
♡ **Parent and caregiver support**	♡ **Family planning**
♡ **Family planning**	• Women's health program
	• Fitness program
	• Surgery planning
	• Centers of excellence
	• Telemedicine
	• Nurse line services
	• Second opinion services
	• Find a provider tool
	• Healthcare claims support

Millennial benefits preferences

⭐ **Performance benefits:** Directly increase employee satisfaction	😊 **Delighter benefits:** Unexpected, but provide delight when present
♡ **401(k) program**	• Fitness program
• Preventive care service	• Employee discount program
♡ **Time off policy**	♡ **Financial assistance program**
♡ **Employee assistance program (EAP)**	• Weight management program
♡ **Parent and caregiver support**	♡ **Wellness program or incentives**
• Prescription assistance program	• Healthcare claims support
♡ **Day care support**	• Find a provider tool
• Cancer support	
• Women's health program	

Gen X benefits preferences

Performance benefits:
Directly increase employee satisfaction

- **401(k) program**
- Preventive care services
- **Time off policy**
- Prescription assistance program
- **Employee assistance program (EAP)**
- **Parent caregiver support**
- Healthcare claims support
- Women's health program

Delighter benefits:
Unexpected, but provide delight when present

- Employee discount program
- Fitness program
- **Financial assistance program**
- Weight management
- **Wellness program or incentives**
- Cancer support

Boomers benefits preferences

Performance benefits:
Directly increase employee satisfaction

- **401(k) program**
- Preventive care services
- **Time off policy**
- Prescription assistance program
- Cancer support

Delighter benefits:
Unexpected, but provide delight when present

- Employee discount program
- Fitness program
- Surgery planning
- Healthcare claims support
- **Wellness program or incentives**

A closer look at how Gen Z is influencing benefits

About two-thirds of employees say they now expect more from their benefits (65%) and more wellbeing support (64%), with expectations rising fastest among Gen Z: **72% want more than they did a year ago according to Benifex's The Big Benefits Report 2025/26**.

This year's Benefits Insights data confirms shifting expectations among Gen Z. In 2024, Gen Z survey respondents listed a total of three performance benefits (401(k), time off, womens health), but in 2025, benefits considered performance doubled. **Day care support, parent and caregiver, family planning, and preventive care are now priority benefits for Gen Z, demonstrating their shift to family-driven lifestyles and responsibilities**.

What are Gen Z and Millennials planning for this year?

When asked what life events they're planning this year, 7% of Gen Z listed "marriage" and another 7% "baby," trailing Millennials only slightly in the baby category.

🟠 Baby   🟢 Marriage   🟡 Surgery   🔵 Nothing

Gen Z planned life events

- 7%
- 7%
- 3%
- 84%

Millennial planned life events

- 9%
- 3%
- 5%
- 83%

2025 Benefits Literacy Survey findings

Businessolver's Benefits Literacy Survey assesses employees' understanding of key ancillary benefits while simultaneously educating them and enabling more targeted communications based on their knowledge level.

"Sandwich" generation caregivers are squeezed

Millennial and Gen X caregivers dominate both the "sandwich" generation and the U.S. workforce, yet they're 1.5X more likely to switch employers than non-caregivers according to Businessolver's 2025 State of Workplace Empathy report. View Millennial and Gen X benefits preferences on page 19 and 20.

Percentage of correct responses to Benefits Literacy Survey questions by category (total respondents shown)

38% Accident insurance

52% Critical illness insurance

47% FSA

38% HSA

45% Hospital indemnity insurance

In 2025, 93,212 employees completed the survey (15.7% response rate) with an average accuracy of 44%, showing strongest understanding of critical illness insurance and FSAs, while HSAs and accident insurance were the most missed questions.

Literacy by generation: critical illness is most understood; HSA and accident insurance need targeted education

Not surprisingly, benefits literacy scores tend to rise with age. Gen Z has the lowest overall score (30%) and Boomers and Gen X the highest (46–47%), with critical illness and FSA generally best understood across generations, while HSAs and accident insurance remain the most commonly misunderstood.

- Gen Z
- Millennials
- Gen X
- Boomers

Overall

- 30%
- 41%
- 47%
- 46%

17-point gap between Gen Z and Gen X literacy scores

Most likely to understand

Critical illness insurance
45%

Critical illness insurance
52%

Critical illness insurance
55%

FSA
55%

Least likely to understand

HSA
25%

Accident insurance
36%

Accident insurance and FSA
41%

Accident insurance
38%

The fault line has shifted: industry, not age, determines benefits risk

For years, the industry has assumed age is the strongest predictor of benefits understanding, but the real fault line is industry—where lower-earning workers face the highest financial risk with the least ability to navigate the system.

This is a warning signal for employers: When employees don't understand their benefits options, it may result in mis-selections, delayed care, or avoidable out-of-pocket costs—fueling financial stress and missed productivity.

- A 27-point literacy gap separates the highest-earning industries (software = 59% correct literacy score) and the lowest-earning (retail = 32%)—showing that income tier and job sector are strong predictors of benefits comprehension.

- Feelings of "panic" about a large, unexpected medical expense are highest in education (66%) vs. finance (29%)—a 37-point gap. Additionally, finance employees are nearly 4X more likely to feel fully prepared for an unexpected medical cost vs. education employees.

- Retail is a dual-risk outlier: lowest literacy (32%), plus among highest financial panic (56%).

- Healthcare shows low literacy scores (38%) and high financial panic (63%), despite industry expertise.
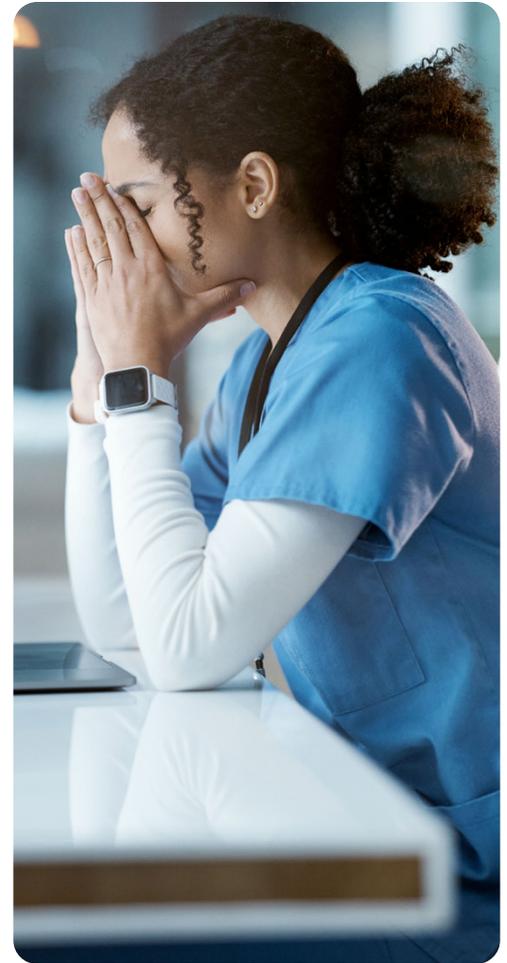
Employees aren't benefits experts—and they shouldn't have to be. **85% of employees say they're confused** about their benefits, yet **79% say they're confident** in their benefits elections, showing how technology is transcending confusion and optimizing right-fit plan steerage.

Industry-driven income → benefits literacy → financial readiness

High-earning industries show the strongest benefits knowledge and financial readiness (finance 22%, software 20%), versus single-digits in lower-earning industries (education 6%, healthcare services 7%, retail 9%).

Industry	Average salary within Benefitsolver	Literacy score (% correct answers)	I'd feel panicked about a $6,000 ER bill (%)	No worries, I'm fully prepared (%)
Software	$104,758	59%	33%	20%
Finance	$91,850	52%	29%	22%
Construction	$87,573	45%	40%	14%
Manufacturing	$81,342	46%	40%	17%
Media & Internet	$81,287	42%	36%	15%
Holding Companies and Conglomerates *	$64,707	32%	50%	17%
Healthcare Services	$62,827	38%	63%	7%
Retail	$59,646	32%	56%	9%
Education	$58,353	46%	66%	6%
Government	$54,737	41%	47%	7%
Consumer Services	$53,399	44%	53%	11%

* The fault line: literacy drops off alongside salary and financial stress surges—opening the door to risk.

Lower-income employees prioritize 2X as many affordability-driven benefits as higher earners

Low-earning employees prioritize 10+ affordability-driven benefits (Rx savings, EAP, preventive care, discounts, telemedicine) vs. higher earners with half as many affordability benefits.

☆ Performance benefits:

1. Time off policy
2. 401(K) program
3. Prescription assistance program
4. Employee assistance program
5. Preventive care services
6. Employee discount program
7. Parent and caregiver support
8. Cancer support program

☺ Delighter benefits:

1. Fitness program
2. Financial assistance program
3. Weight management program
4. Nurse line services
5. Telemedicine services
6. Wellness program or incentives
7. Women's health program

Data shows up to 27-point benefits literacy gaps between industries

Literacy ranges widely across industries—from 59% in software to just 32% in retail—leaving frontline workers most at risk for costly benefits mistakes. Diverse strategies, targeted education, mobile-first tools, and anticipatory nudges can help close these gaps.

Average correct benefits literacy score across over 93,000 surveys = 44%

Industry	Literacy score and level	What it suggests	Actions that could move the needle
Software	**59% High**	These employees are more likely to understand nuanced plan features and right-fit point solutions. Their familiarity opens up opportunities to drive more value-focused education.	Consistently promote cost navigation (such as quality-care guidance) and voluntary benefits; measure lift in engagement and utilization.
Insurance	**55% High**		Shift from basics to experience levers: in-platform nudges, personalization, and year-round campaigns to sustain engagement.
Manufacturing	**46% Medium**	Literacy is mixed for these employees across job types. Clinical and navigation expertise is an especially crucial education opportunity for these employees.	Deploy simple, mobile-first explainers for HSA/Accident; pair with onsite/QR activation and decision support.
Hospitals and Clinics	**44% Medium**		Time-based reminders, "micro-learning" copy, and higher visibility of key programs (like EAP or care navigation) with next-step prompts make it easier for these employees to engage consistently.
Healthcare Services	**38% Low**	Even employees who work in healthcare have a difficult time understanding benefits. Distributed and non-desk-based workforces need the most proactive and accessible support.	Prioritize HSA and accident insurance 101 education, plain language tools, and guided enrollment; track reductions in repeat inquiries.
Transportation	**37% Low**		Text-first nudges, after-hours virtual support, and telemedicine education to curb ER-driven costs.
Retail	**32% Very low**	Low knowledge = high risk of misselections, under-utilization, and high out-of-pocket shocks—a prime environment for targeted education and in-platform activation.	Starter pathways (such as 101 explainers for benefits), anticipatory nudges during key life events; measure lift in right-fit elections.

Creating a truly connected benefits experience

Optimizing the benefits experience hinges on supporting a multi-generational workforce in increasingly anticipatory, digital, and multi-channel ways, so employees can engage with their benefits when, where, and how they want.

Employees' appetite for a digital benefits experience transcends generations. While Gen Z typically leads in digital prowess, even Boomers are growing in their digital preferences. **In 2025, Boomers (24%) were most likely to log into Businessolver's mobile app 10+ times, followed by Gen X (21%).**

Mobile app usage by generation (10+ logins in 2025)

13%	20%	21%	24%
Gen Z	**Millennials**	**Gen X**	**Boomers**

But, while personalized, multi-channel benefits experiences are must-haves, they're not nearly enough.

Employees and HR increasingly require a single-entry point—one unified environment—for engaging with their benefits and total rewards.

A large healthcare system client shared with Businessolver that their organization was managing a "very disjointed experience" across multiple benefits and administration sites. "To be able to have everything within one website, within one place that we're guiding employees to was really, really important for us," said the client.The ability to bring the benefits portal, COBRA, and spending accounts into "one system in one place" was a deciding factor in choosing Businessolver.

> We knew that this [shift to Benefitsolver] was going to really streamline the experience and mitigate a lot of the feedback that we were receiving on what was the previous sort of state of operations. It makes it so much easier for us as a team to communicate with employees. When we tell them where to go, we're just guiding them to one place.
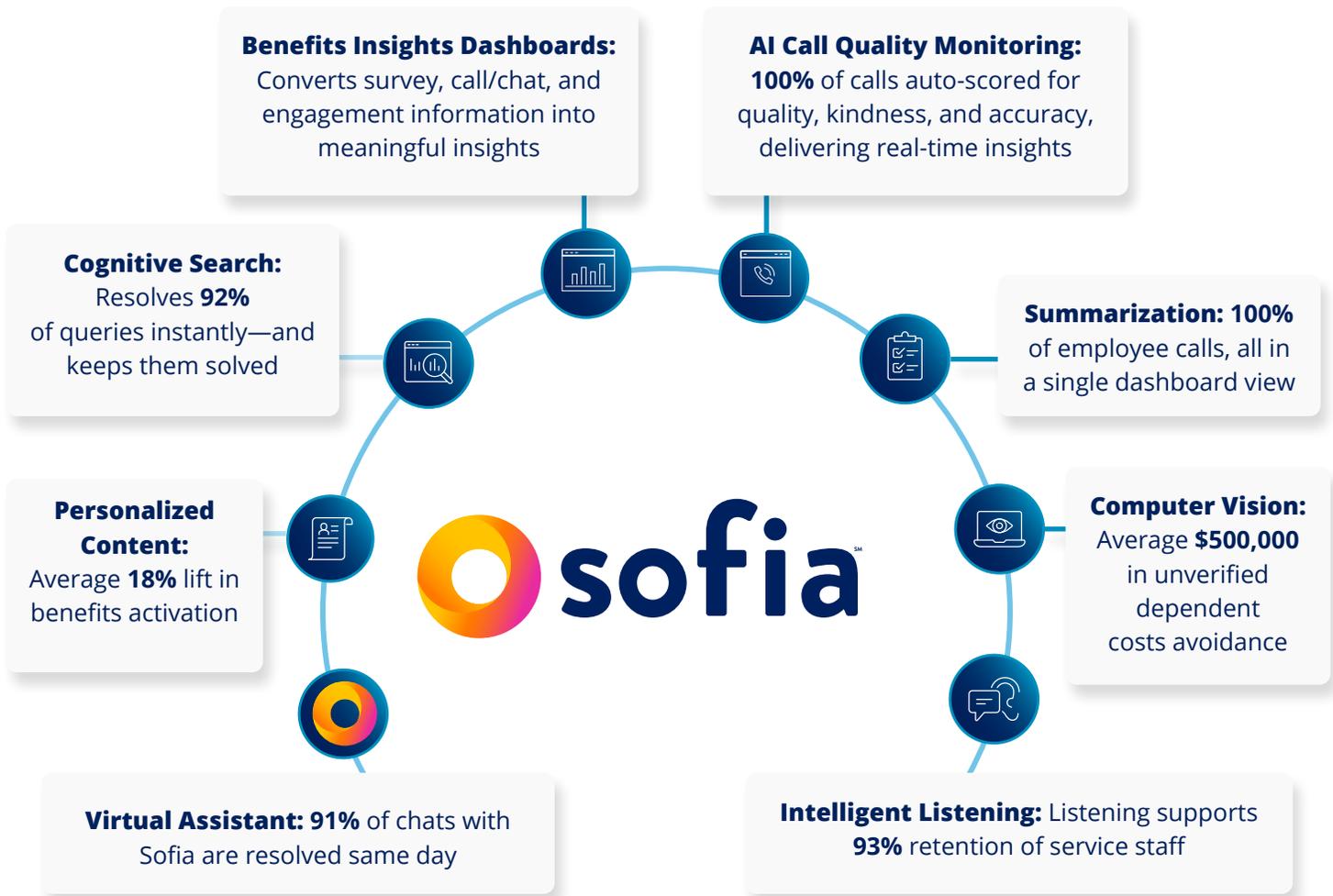>
> - A healthcare system client

Employees shouldn't have to navigate a maze of links, agents, and disparate systems to get help—and HR shouldn't either. Digital transformation has moved the needle for HR in important ways, but it has also added complexity and overwhelm. Each new payroll, talent, learning, or engagement system solves a specific need, but collectively, they've created a fragmented, complex web of solutions—and a mess of AI assistants—for HR to manage.

To truly simplify the benefits experience, HR and employees increasingly require one connected experience fueled by collaboration between AI systems. Agents, like Sofia, not only integrate with HR's ecosystem of agents, but orchestrate a single source and quality-controlled answer.

Survey says: multi-channel + full integration are HR must-haves

74% of HR leaders say they want "simple, easy, and understandable information delivered across multiple channels" when their employees engage with or enroll in their benefits. Equally so, 76% say they want a **single access point (full integration)** for all their benefits programs.

- Businessolver's 2025 survey of 1,500+ HR professionals and executives

Benefits Insights Dashboards: Converts survey, call/chat, and engagement information into meaningful insights

AI Call Quality Monitoring: **100%** of calls auto-scored for quality, kindness, and accuracy, delivering real-time insights

Cognitive Search: Resolves **92%** of queries instantly—and keeps them solved

Summarization: 100% of employee calls, all in a single dashboard view

Personalized Content: Average **18%** lift in benefits activation

Computer Vision: Average **$500,000** in unverified dependent costs avoidance

Virtual Assistant: 91% of chats with Sofia are resolved same day

Intelligent Listening: Listening supports **93%** retention of service staff

sofia

Benefits technology engagement and adoption trends

Benefits technology engagement and adoption trends

- 🟡 Gen Z
- 🔵 Millennials
- 🟢 Gen X
- 🔴 Boomers

Mobile app registrations by generation

- 12%
- 22%
- 19%
- 9%

Text-message reminder opt-in by generation

- 16%
- 27%
- 29%
- 21%

Benefits are 5x more visible when anticipatory tech and service are in play

37.7 million
total emails sent

43%
total email open rate

When emails are tailored with anticipatory insights and tied to a broader communications strategy, they see higher engagement:

☑ **56%** open-rate for point-solution based emails

☑ Top emails include care navigation (46% open rate), preventive care visit (43%), surgery planning (43%), wellness (43%), and nurseline (41%)

Growth in benefits technology adoption across Businessolver's 19+ million employee member population and 850+ clients

	2022	2025	3-year adoption rate
Use decision support at enrollment (when offered by employer)	33%	43%	**+30%**
Chat with Sofia	1,310,645 chats taken	2,113,945 chats taken	**+61%**
Text reminders	34% opt-in rate	50% opt-in rate	**+47%**
Mobile app registrations	205,508	403,137	**+91%**

Empowering the HR strategist with "always on" service and insights

The future of HR has shifted into anticipatory strategy—a forward-looking approach that identifies risk and friction before they surface while uncovering opportunities for cost containment and improved benefits optimization.

This future is defined by anticipatory insights which require a new operating model. Not based on finite prescriptive insights, but something more agile, real-time and human.

Advancements in conversational AI capabilities, like Sofia's, improve the accuracy and completeness of employee issue resolution. The ability to connect with employees in a more conversational way translates into empathetic-driven outcomes—complete resolution that isn't just fast, it's getting to the problem behind the problem to anticipate what the employee is calling or chatting about, and what they'll need next.

This is important because it results in full issue resolution—in *quiet*. Empowering HR with the agency to move from looking backward to leading forward with timely, connected insights to guide decisions in the moment, instead of months later. That requires turning benefits data into something actionable, so leaders can spot emerging friction, understand what's driving employee behavior, and course-correct before small problems become expensive ones.

> Most employees aren't able to interact with us in the 8:30 to 5:00 timeframe. They're busy on the floor working, seeing patients, and maybe they're thinking about their benefits at 6:30 at night. Through Businessolver, we've been able to have extended support hours with our member services team. I just love seeing the volume that's coming through Sofia — for the last quarter it was **36% of employees coming in after hours or on weekends**. That tells me people are getting support, they're getting their questions answered, they're getting resources at a time that's convenient for them.
>
> - A healthcare system client

> This enrollment process was the smoothest and most efficient from any other enrollment I've ever gone through with other organizations. Thank you!
>
> - 2026 Benefitsolver employee enrollment survey response

Anticipatory insights in action

Data should be immediately usable—connecting engagement, benefits utilization, and cost to the larger story of how benefits shape employees' choices, usage, wellbeing, and HR's long-term strategy.

By illuminating data in real-time, HR leaders can anticipate what's next. **What issues are employees chatting about? Were their questions fully resolved? What action did they take next? What plan migration patterns are emerging? And how will this impact our costs?**

The Service Center Performance and Trends dashboard, one of seven within Businessolver's Benefits Insights Dashboards tool, uses AI-driven analytics to elevate HR beyond anecdotal insights by pinpointing exactly where they can optimize the experience to address employee confusion, friction, and opportunities for more empathetic intervention.
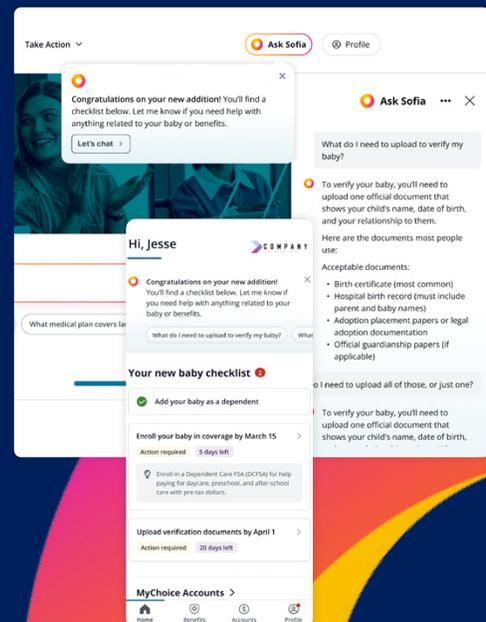

How HR can measure "quiet"

At Businessolver, one of our new measurements of client delight is quiet. This quiet is powered by Sofia's AI intelligence—and it's not just about handling calls and chats. It's about removing employee friction so HR can focus on the bigger picture.

Driving quiet and client delight in 2025 through:

- ☑ Sofia after hours - Over 700,000 (33%) unique member interactions handled and resolved after hours

- ☑ Sofia resolution rate - 91% of inbound chats, with 85% remaining resolved after seven days

- ☑ 97 AI quality-assurance score, demonstrating Sofia's accuracy and reliability

- ☑ Instant access to every call – 100% transparency for clients with real-time access to member call and chat transcripts

- ☑ 91% overall sentiment score (meaning employees' emotions/feelings were positive/very positive for 91% of calls)

- ☑ 85 cumulative rating of empathy demonstrated during service center representatives' handling of the call

Anticipatory insights at HR's fingertips

Enrollment survey dashboard

Surveys Offered	Average Rating Client vs National Overall Experience (1-5)	Response Rate
1,496	**4.55**	**44.6%**
	National Avg. 4.37 ▲ 0.18	

Track enrollment issues, satisfaction, and feedback in real-time.

Plan movement dashboard

Benefit Type ⌄ — Current Plan Name
Medical
Health Savings Account — Plan Movement Category
Dental — All
...

See movement to plans and projected costs for real-time forecasting.

Mobile analytics dashboard

Percent Active	Percent Registered	Percent Returning
Active 500 / Registered 995	Registered 995 / Employees 1,196	Returning 346 / Active 500
50%	**83%**	**69%**

See real-time engagement stats to understand how often and where employees are accessing their benefits after enrollment.

Campaign analytics dashboard

Campaign(s)	Individuals Unique Employees	Open Rate	30% ▲
2025 Annual Enrollment	**17,828**	CTR Click-through rate	6% ▲
2026 Annual Enrollment		CToR Click-to-open rate	14% ▲
Claims-Based Activation Paths			

Assess benefits communications performance, such as open rates, click-throughs, and impressions.

Benefits literacy dashboard

View by Demographic — Literacy Rate
Client vs National — Literacy Rate by State
◉ Employment Status
○ Generation — 👍 **85%**
○ Tenure — Client Rating

National Avg. 44% ▲ 41%

Monitor how well employees understand the value of different benefits available to them and assess where you can get ahead of confusion with benefits communications and engagement strategies.

Benefits preferences

Must-have Benefits — Performance Benefits
Delighter Benefits

Get a snapshot of how your employees view their benefits, from high-value to table stakes, to build and maintain a competitive total rewards programs.

Learn more about Businessolver's Benefits Insights Dashboards

> Most benefits platforms still react after a claim is filed, after a call is made, after a mistake occurs. That model is no longer enough. Anticipation means acting earlier, reducing friction before it shows up, supporting people before they even ask. This isn't a trend. It's the natural evolution of our technology and user experience.
>
> - Rae Shanahan, Chief Strategy Officer at Businessolver

The era of anticipation and empowered benefits leadership

Anticipation is the next natural evolution of benefits. It's not just foresight—it's in-the-moment intelligence that helps organizations get ahead of risk and spot opportunity as conditions, preferences, expectations, and economics shift.

Anticipation becomes a new way of working:

- Clarity in the moment, not months later.
- Earlier engagement that removes pain points for employees and reduces workload for HR.
- Connected intelligence that turns conversations, engagement, and utilization patterns into meaningful direction.

For HR teams and brokers looking to incorporate anticipation into their strategies, here are some key considerations.

HR teams: Empowering anticipatory strategies for improved resilience and wellbeing

☑ **Elevate the RFP conversation.** Ask potential partners: How does your technology anticipate employee needs before they ask? What anticipatory data do you provide? How does your AI reduce friction for HR and employees? Is your AI owned or outsourced? Look for connected intelligence—a single unified environment for employees and HR to engage with benefits.

☑ **Redefine what success looks like.** Start measuring the impact of anticipation, such as fewer escalations, complete resolution, earlier nudges delivered, kindness and sentiment scoring, cost avoidance, and movement to cost-effective plans. These are the markers of a benefits ecosystem working ahead of problems.

☑ **Support members where financial stress runs high.** Build proactive moments—savings nudges, plan reminders, healthcare literacy, and care navigation—to get in front of friction. Design benefits to step in earlier—such as financial coaching, debt management, and employer-sponsored programs like 401(k) matching, student loan assistance, and even subsidized commuting expenses.

☑ **Turn signals into early intervention**. Look for increased plan searches, repeated chats, and service trends. These signals often precede claims and represent opportunities for timely guidance and targeted communications.

☑ **Move from annual cycles to always-on support.** Use anticipatory tools and tailored communications to guide employees through milestones all year—refilling prescriptions, navigating life events, staying on top of preventive care, etc. Consistent, intentional nudges bridge awareness and understanding gaps.

☑ **Strengthen your AI strategy by demanding partners provide proof of governance.** With AI and data scrutiny accelerating, HR leaders need partners who can demonstrate robust governance, security rigor, and ethical AI—not just compelling capabilities. Vendors with proven oversight safeguard employee data, meet growing audit expectations, and enable organizations to adopt anticipatory intelligence with confidence.

Brokers: Building resilience through anticipatory, connected ecosystems

☑ **Bring anticipatory intelligence into every RFP review.** Help employers ask smarter questions: How does this partner identify risk early? Can their AI intelligence integrate seamlessly with other systems? Can their AI reduce friction for employees and HR?

☑ **Show clients where financial vulnerability sits.** Use readiness indicators—panic rates, debt reliance, savings behaviors—to spotlight where a workforce is most exposed and where benefits can offer meaningful protection.

☑ **Recommend solutions designed for stability.** For high-risk generational segments, prioritize offerings that build resilience: emergency savings, supplemental coverage, cost-navigation tools, and nudges that demystify care choices.

☑ **Guide employers to track real impact.** Shift the focus toward outcomes that matter—such as reduction in avoidable calls, fewer repeat questions, improved resolution rates, and earlier insight into cost drivers.

☑ **Make AI governance non-negotiable.** Provide differentiation by guiding employers toward partners that can prove transparent, well-governed AI—backed by strong cybersecurity, compliant data practices, and rigorous oversight. As AI becomes central to benefits strategy, steering clients toward trusted, audit-ready vendors isn't just due diligence—it's a strategic advantage.

☑ **Prepare clients for a more connected AI ecosystem.** Coach employers to move away from fragmented tools and toward agent-to-agent experiences where technologies collaborate to deliver one clear, consistent answer for both HR and employees.

About the data

Businessolver's eighth annual Benefits Insights Report captures data from across the Benefitsolver platform to provide a comprehensive view of employee benefits behavior and engagement.

We analyzed decision support usage, enrollment patterns, communications engagement, AI interactions, and in-platform survey feedback to understand and bring forward emerging trends, challenges, and opportunities.

By examining behaviors across Businessolver's entire book of business, encompassing over 19 million participants and their dependents across a wide variety of clients and industries, we can better understand how employees are engaging with their benefits across the entire benefits lifecycle—from awareness, understanding, selection, and ultimately activation—and how organizations can use this intelligence to strengthen and modernize their benefits strategies.

About Businessolver

Since 1998, Businessolver has delivered market-changing benefits technology that empowers empathetic service supported by an intrinsic responsiveness to client needs. The company creates client programs that maximize benefits program investment, minimize risk exposure, and engage employees with easy-to-use solutions and communication tools to assist them in making wise and cost-efficient benefits selections. Founded by HR professionals, Businessolver's unwavering service-oriented culture and secure SaaS platform provide measurable success in its mission to provide complete client delight.

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