



Rising prices increase the need for preventive healthcare

Healthcare initiatives can provide companies with better negotiating positions with their pension companies – and that is greatly needed in a market where employee insurance prices have risen.

By Kristine Seest

Many companies have felt the consequences of the increasing prices on company pension schemes when they have renewed their schemes in 2022 and 2023. They have also experienced that pension companies have become more aware of how and how much their health and accident insurance (often abbreviated to SUL) is being used. In this context, they also look at what the company is actively doing in terms of healthcare to reduce the risk of employees becoming ill or injured.

When WTW negotiates a pension scheme for a client, it is largely based on three parameters – price, terms and conditions, and prevention. It is WTW's job to negotiate the price and conditions, while it is the client's job – with support from WTW – to prevent illness and injury. A company can do this by creating the framework for a good working environment that supports the employees' physical and mental well-being. It's a complicated and often expensive endeavour, but fortunately, financial support is in many cases available.

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Søren Egens Petersen | Practice Lead
WTW Corporate Health & Wellbeing

»There may be a lot of interest in creating the best possible working environment and strengthening employee health and well-being, but in some companies, it can be difficult to see where the money for the initiatives should come from. Therefore, it is our recommendation that you investigate what opportunities you have for

financial support for the initiatives – and whether you have access to a healthcare fund that can provide financial support for the company's preventive initiatives,« says Practice Lead Søren Egens Petersen from WTW Corporate Health & Wellbeing, who advises WTW clients on health, well-being and prevention.

It is typically larger companies with more than 200 employees that have a healthcare fund included in their pension agreement and can activate the funds in connection with their well-being initiatives.

Stress management, collaboration and nudging

The advisors in Corporate Health & Wellbeing assist WTW's clients in preventing illness and dissatisfaction.

»We can see that companies that use healthcare funds for preventive measures benefit greatly from them. The funds can be used for courses on stress management, nudging initiatives to minimise workplace injuries, and tools for better collaboration and communication among colleagues. The offers vary greatly and can be customised to the individual company's needs, but what they all have in common is that they are a supplement to the companies' existing well-being initiatives,« says Søren Egens Petersen.

There is generally a lot of focus on health and on how health can help strengthen employee well-being in the workplace, but the healthcare funds are often overlooked as a valuable resource.

»In our experience, healthcare funds are not utilised to the extent that we would like to see among our clients, and that is completely understandable. Companies and their HR departments have to deal with a multitude of issues on an ongoing basis, and prevention is not always at the top of the agenda. But that is where we would like to help, so that preventive efforts are initiated, because they are key to increasing well-being in the long term,« says Søren Egens Petersen.

The culture around a good working life

Senior specialist Maria Ebbesen from Corporate Health & Wellbeing also believes that companies should pay more attention to prevention, and that companies that address the issue – including through their healthcare funds – experience lasting improvements in the working environment.

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Maria Ebbesen | Senior Specialist
WTW Corporate Health & Wellbeing

»Our experience shows that once the door has been opened for a dialogue about preventive initiatives that can promote employee health and well-being, support for the initiatives often emerges. This does not happen automatically, but the companies that follow up on the ongoing initiatives, share good experiences and continuously monitor developments are much more likely to succeed in creating a culture where a physically and mentally healthy working life is a top priority,« says Maria Ebbesen.

In many cases, the pension companies' focus on price and prevention makes it financially viable for the companies to provide data on the initiatives that they have implemented to reduce the risk of

employees becoming ill or injured. WTW's specialists in Corporate Health & Wellbeing can help map the company's existing challenges and suggest initiatives that can contribute to better health and well-being among employees.

The price increases in the market have occurred as a result of the Danish Financial Supervisory Authority tightening the requirements for Danish pension companies, which for several years have produced large deficits on their health and accident insurance policies.