



Multigenerational workforces demand different health care experiences

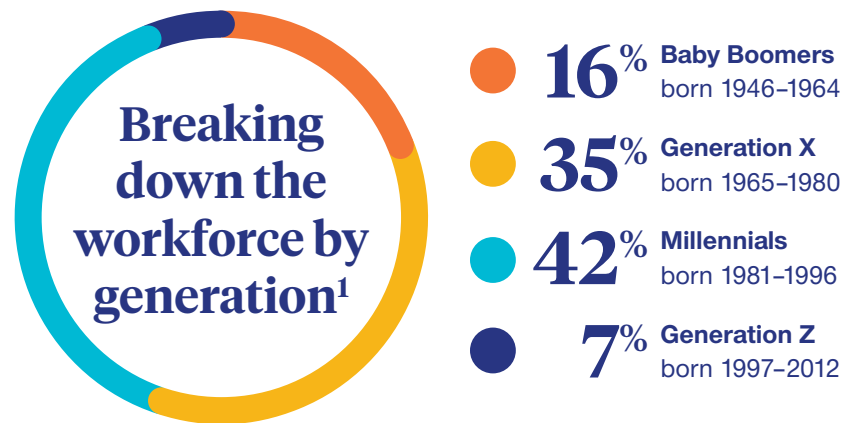
As the workforce continues to evolve, employers will need to find ways to ensure their health plan delivers an experience in line with their employees' needs and expectations.

From new college hires to seasoned executives, it's not uncommon for an employee population to span multiple generations. In fact, there are 4 commonly defined generations currently active in the workplace today: Baby Boomers, Generation X (Gen X), Millennials and Generation Z (Gen Z).

With these multigenerational employee populations come varying health care needs, expectations and preferences. For instance, Baby Boomers may have different health care concerns and priorities than their younger counterparts, based on several factors, including age, life experience and socioeconomic influences.

This may make it a challenge for employers to determine which health care experiences are the right fit for their unique employee population—and finding the right fit matters.

Why? Talent retention is a big reason: a recent survey found that pay/benefits is the single most common reason that employees left their jobs in 2023.² Robust benefits may also lead to higher overall employee satisfaction and improve employee experience, and that's why it's important for employers to understand their employee population's needs and keep generational preferences in mind when designing their health benefit strategies.



“When employers understand generational trends around utilization, condition prevalence and preference, they may find they’re able to design benefits that better support the health care their workforce needs.”

Craig Kurtzweil

Chief Data & Analytics Officer
UnitedHealthcare Employer & Individual

Understanding health care preferences by generation? It's complicated.

While providing quality health benefits may help attract and retain a talented workforce in a competitive labor market, it may be difficult defining exactly what that means in a generationally diverse workforce.





The first step is to get an understanding of the 4 generations currently comprising the workforce. Baby Boomers, Gen X, Millennials and Gen Z all have commonalities within their age groups, but it's also important to understand that within those groups there are sub-segments and outliers that need to be considered.

Baby Boomers 60–78 years old by end of 2024

Whether from increased longevity or financial pressure, employees have been working longer than they used to.³ Today's average age of retirement is 61, up from 57 just a couple decades ago.³ Still, as the oldest population in the workforce, Baby Boomers typically have more complex medical needs than other generations.

For instance, UnitedHealthcare data shows that most Baby Boomer provider visits are with specialists.⁴ Per member per month (PMPM) costs show that Baby Boomers are more likely than other generations to have claims associated with **conditions that can be expensive** for both employers and employees.⁴

Baby Boomers are more likely to be diagnosed with the 3 costliest health conditions compared to other generations.⁴

	Neoplasms	Musculoskeletal	Circulatory
 Baby Boomers	\$176 PMPM	\$119 PMPM	\$123 PMPM
 Gen X	\$89 PMPM	\$61 PMPM	\$55 PMPM
 Millennials	\$27 PMPM	\$22 PMPM	\$16 PMPM
 Gen Z	\$10 PMPM	\$14 PMPM	\$6 PMPM

Baby Boomers also tend to approach health care more traditionally than other generations, preferring in-person visits when scheduling appointments compared to Millennials and Gen Z members who leverage virtual visits 2.5x more often than Baby Boomers and Gen Xers.⁴

Generation X 44–59 years old by end of 2024

Nearly 60% of Gen Xers surveyed said they are concerned that they won't be able to achieve a financially secure retirement, so they may be working longer than previous generations to shore up their finances.⁵ Along with Millennials, members of the Gen X population may be part of that "Sandwich Generation," tasked with caring for both their children and older adult parents or family members.

Behind Baby Boomers, Gen Xers have the second highest-cost claims for neoplasm, musculoskeletal and circulatory conditions, as well as pharmacy—and their risk for developing a metabolic condition rises sharply, too.⁴

Those physical health challenges add to significant career and family responsibilities, which may contribute to poor mental health.⁶ Still, utilization patterns show that Gen Xers are not taking full advantage of the behavioral health benefits that are offered to them.

And like Baby Boomers, Gen Xers tend to approach their health care more traditionally, with a decent proportion still accessing care through their primary care provider (PCP).⁴ But they're also open to online scheduling and virtual care.



Millennials 28–43 years old by end of 2024

Currently the largest segment of today’s workforce, Millennials may stay in the workforce for longer than previous generations as well since they have higher levels of retirement insecurity.⁵

As Millennials head into their 40s, physical health challenges may rise. For instance, the percentage of adults with a metabolic condition (think: obesity, diabetes) increased 51% from age 40 to 45.⁴ This can be associated with a 4x higher average cost per claimant than those without metabolic conditions.⁷

Utilization patterns change, too. While Millennials have the highest emergency room (ER) utilization of any other generation, they also have the lowest PCP utilization of any generation.⁴ This is concerning since members who visited a PCP more than once in a 2-year period were 20% more likely to follow care recommendations and tended to have 8% lower costs for risk-adjusted claims.⁷ Maternity-related claims are also a big driver of costs among this generation.⁴

Behavioral health concerns are rising among this generation too, with 4 in 10 Millennials surveyed saying they feel stressed or anxious at work all or most of the time.⁸ Why? Younger Millennials are busy with big life changes, such as caring for children and aging parents. Also part of the “Sandwich Generation,” they’re open to professional support and self-care resources that fit their busy schedules and tight budgets.⁶

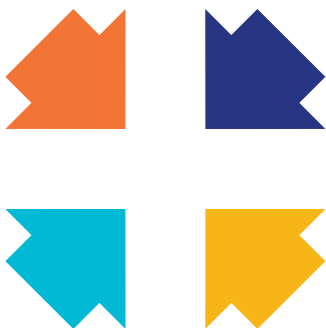
Because of their busy lives, they want care that is convenient and effective—both for themselves and those in their care.

Generation Z 12–27 years old by end of 2024

As the first digitally native generation, Gen Z is just starting to enter the workforce and wants health care to be at their fingertips. Yet, according to research, 7% of Gen Z had no medical claims over the course of the year,⁴ which means it’s even more important to find ways to help Gen Z employees and their families more effectively navigate and utilize the health care system to help drive better outcomes, lower costs and simpler experiences.

On the other hand, according to UnitedHealthcare data, Millennials and Gen Z members use virtual visits 2.5x more often compared to Baby Boomers and Gen X members.⁴ Virtual visits are an example of how carriers are meeting the demands of Gen Z, who are rising through the ranks to become the leaders of tomorrow’s workforce. It’s also important for employers to help manage burnout among this generation.

When it comes to behavioral health, Millennials and Gen Z members have a 61% higher rate of utilization compared to their Baby Boomer and Gen X counterparts.⁴ Nearly half of Gen Zers say they feel stressed or anxious at work all or most of the time.⁸ And Gen Z women tend to seek care for behavioral health issues more than men, having 2x the claims for anxiety and depression.⁴



“Now that Millennials make up the majority of the workforce, employers need to change how they structure health care. Millennials are used to experiences that are instantaneous and accessible from multiple platforms.”

Craig Kurtzweil

Chief Data & Analytics Officer
UnitedHealthcare Employer & Individual

Designing a health care experience for a multigenerational workforce

With Millennials dominating today's workforce, employers might be tempted to cater to that generation's preferences. But that approach has the potential to alienate other generations, who are just as important to their employee population.

Employers should instead look to design their health plan and benefits based on their specific employee population. Developing a robust plan with the aim of meeting the needs of a multigenerational workforce by helping employees find quality care, providing a digital-first experience and delivering on a whole-person approach to healthier may also be an effective strategy.



Helping employees find quality care

A strong **digital experience** and **advocacy** program may play important roles in helping employees understand their health plans, so they may take full advantage of their benefits. Advocates also help members navigate the health system, such as recommending more cost-efficient sites of care based on their situation.

For example, older generations may be more likely to turn to a PCP when needing care, whereas a Gen Z member might head directly to an ER or urgent care facility—which are more expensive **sites of care** and may not always provide the best experience. Virtual care options may offer younger generations a more streamlined experience without the expense of an ER visit.



Providing a digital-first experience

Although Gen Z is considered a digital-first generation, nearly all generations use digital tools today. This indicates to employers that they should look to ensure their health plan delivers a strong digital experience that meets a wide range of employee expectations, such as offering self-service portals like the **UnitedHealthcare® app** and **myuhc.com®** to find care, pay claims and access personal health data.



Delivering a whole-person approach to health

Focusing on just the medical side of an employee's health doesn't offer a complete picture. Taking a **whole-person approach** means addressing one's physical, mental, financial and overall health and well-being needs. In fact, 95% of surveyed employers said they believe that offering benefits that support whole-person health may improve the health care experience for employees and be viewed by employees as a better and more attractive benefits package.⁹

Investing in wellness programs and encouraging preventive care are approaches that may benefit all generations. Programs that incent employees for engaging in healthy behaviors or lifestyle changes, such as reaching daily physical activity goals and completing preventive screenings, may help give employees more control over their health.

Building a well-managed plan that takes these generational similarities and differences into consideration may increase health care utilization among an employer's workforce and provide employees with tools and resources that speak to different generations' needs. In addition to supporting employees with a simpler health care experience, this approach may help lead to lower costs and a healthier workforce for employers.

Learn more

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¹ Based on 2023 UnitedHealthcare Book of Business Employees by Generation and Industry.

² Employee Retention & Attraction. Gallup, 2023. Available: <https://www.gallup.com/467702/indicator-employee-retention-attraction.aspx>.

³ Jones, J. More in U.S. Retiring, or Planning to Retire, Later. Gallup, July 22, 2022. Available: <https://news.gallup.com/poll/394943/retiring-planning-retire-later.aspx>.

⁴ UnitedHealthcare claims incurred between Jan. 1, 2022 – Dec. 31, 2023, and paid through Jan. 31, 2024. Members continuously enrolled Jan. 1, 2022–Dec. 31, 2023.

⁵ Retirement Insecurity 2024: Americans' Views of Retirement. National Institute on Retirement Security, Feb. 24, 2024. Available: <https://www.nirsonline.org/reports/retirementinsecurity2024/>.

⁶ Behavioral Health Services – Consumer Engagement Research. Knock behavioral health research commissioned by UnitedHealthcare, April 2024.

⁷ UnitedHealthcare Employer & Individual book-of-business internal analysis of claims incurred between Jan. 2022–Dec. 2022 and paid through Feb. 2023.

⁸ 2023 Gen Z and Millennial Survey. Waves of change: acknowledging progress, confronting setbacks. Deloitte, 2023. Available: <https://www2.deloitte.com/content/dam/Deloitte/sj/Documents/deloitte-2023-genz-millennial-survey.pdf>.

⁹ 2024 Employee Health & Benefits Trends: The Evolving Workforce. Marsh McLennan Agency, 2024. Available: https://mma.marshmma.com/l/644133/2024-02-08/2jqv4p/644133/1707407360NIOU9BRU/EHB_Trends_Report_2024.pdf?

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