



Peace of Mind...

*In **your** piece of the world.*



Does Your EAP Provide Value?

Decatur Area SHRM Conference – June 11, 2013

Todd Donalson MA LCPC

Director of Training & Consultation



Peace of Mind...

*In **your** piece of the world.*

Agenda

- How Do You Evaluate The Value of Your EAP?
- EAP Industry Trends
- The Future of EAP
- Selecting a EAP Vendor



Peace of Mind...

*In **your** piece of the world.*

Does Your EAP Provide Value?

“Unfortunately, there is simply an insufficient amount of ongoing, credible research to prove the valuable contribution of EAP’s and related services to workplace productivity.”

Employee Assistance Research Foundation 2013





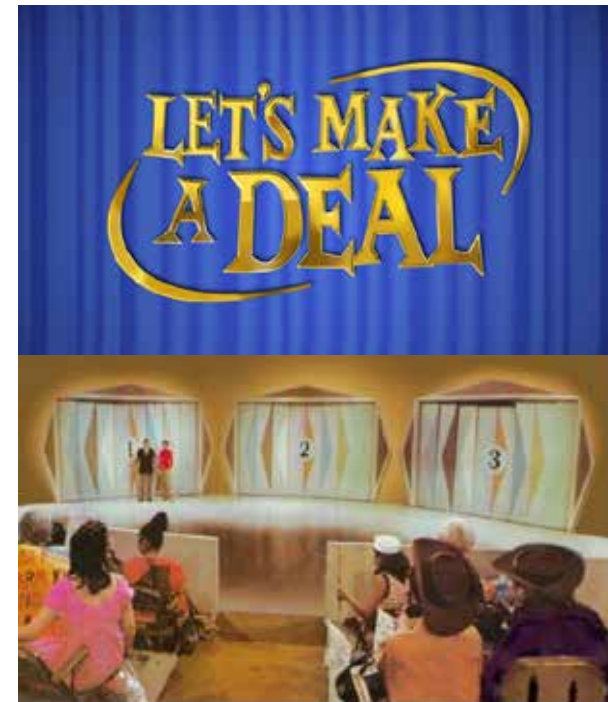
Peace of Mind...

*In **your** piece of the world.*

What's Behind Curtain #3?

The Difficulties With Measuring EAP Quality

1. Lack of transparency in metrics
2. Outdated or proprietary research
3. Quality cannot be inferred from utilization
4. Difficulties correlating price with quality
5. Beware of Phantom & Low Quality Networks





Peace of Mind...

*In **your** piece of the world.*

Current EAP Industry Trends



Peace of Mind...

*In **your** piece of the world.*

2012 EAP Industry Survey



- Conducted by National Behavioral Consortium
- 1st publicly available benchmarking study based upon large and diverse sampling of EAP vendors
- Data collected from 82 large and midsized EAP providers covering 62 million lives
- Findings to be published late 2013

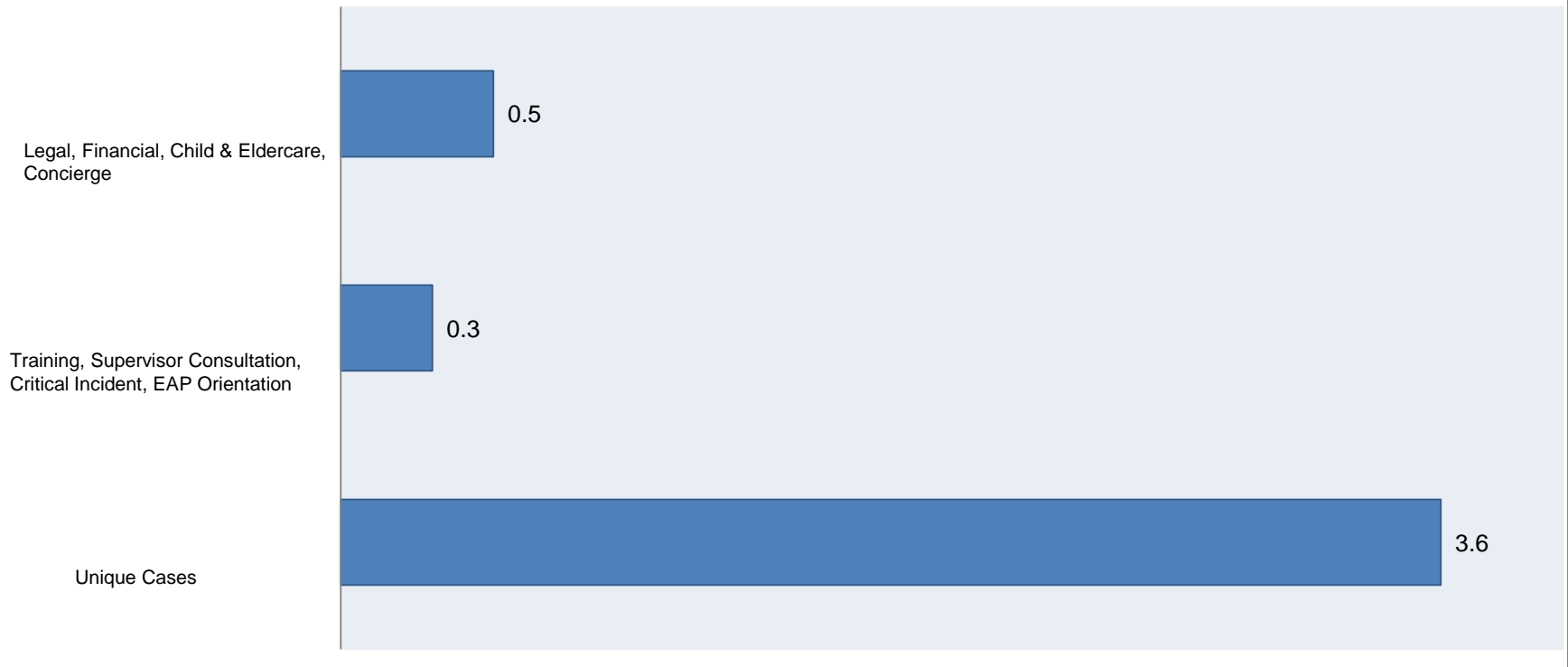


Peace of Mind...

*In **your** piece of the world.*

NBC Survey – EAP Utilization

Median Utilization Rate Per 100 Employees





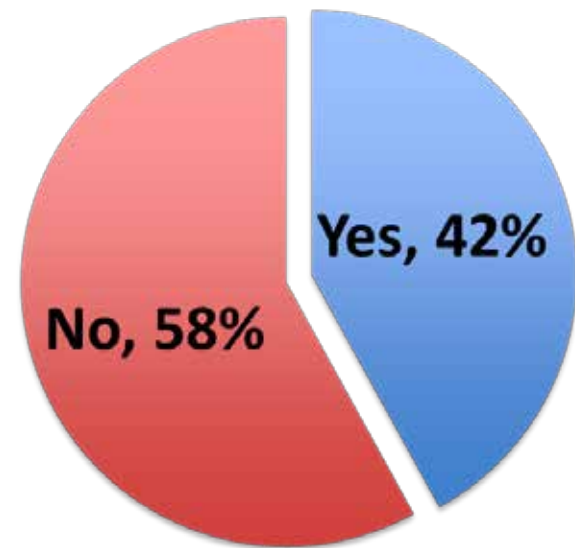
Peace of Mind...

*In **your** piece of the world.*

NBC Survey - Measurement of EAP Outcomes

Less than half of all EAP's use a validated (scientific) survey tool to measure EAP outcomes

Those that do, however, are demonstrating reduced absenteeism, improved job performance, and high customer satisfaction

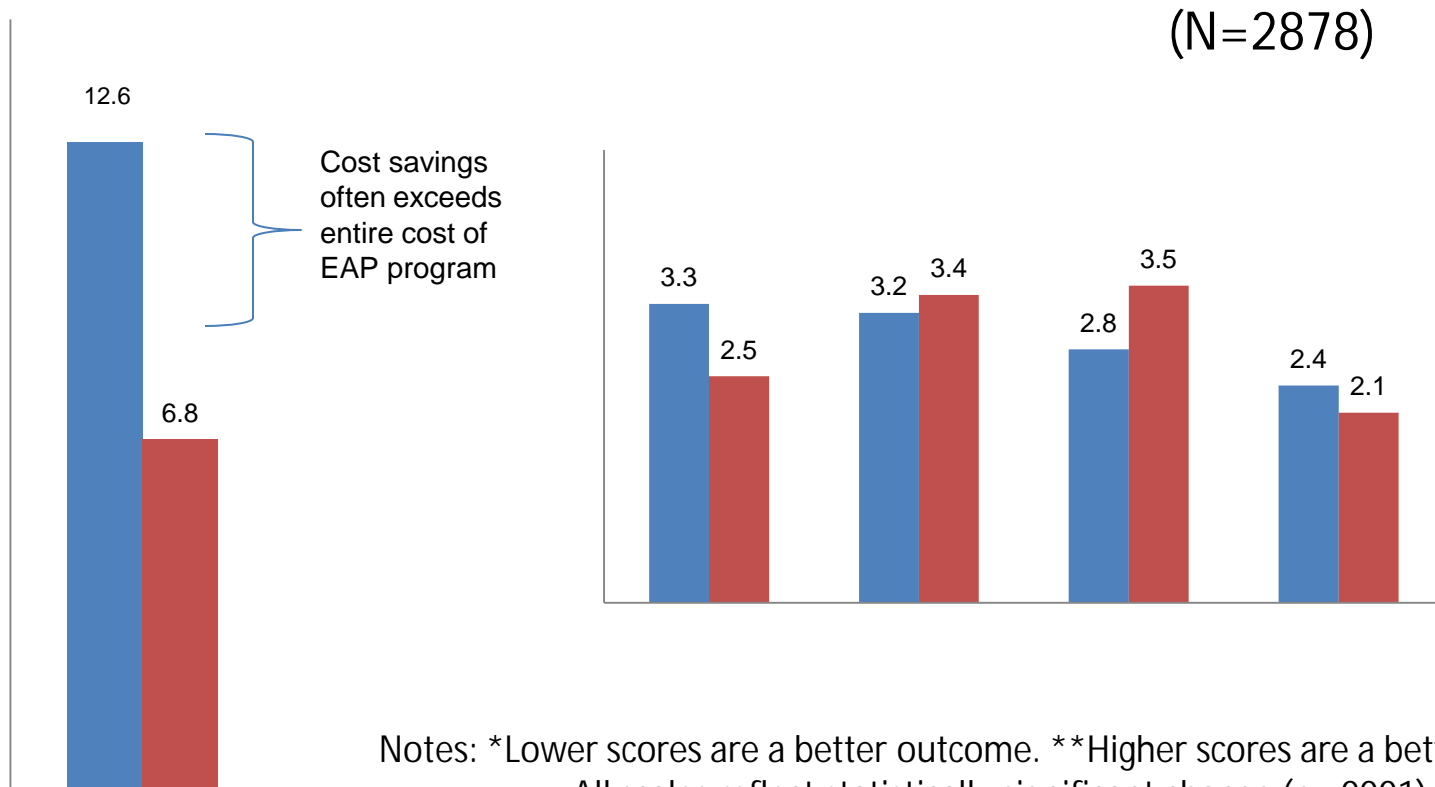




Peace of Mind...

*In **your** piece of the world.*

Case Study – CGP Workplace Outcome Suite



Notes: *Lower scores are a better outcome. **Higher scores are a better outcome.
All scales reflect statistically significant change (p<.0001).



Peace of Mind...

*In **your** piece of the world.*

Absenteeism – Case Example of Monetizing Outcomes

- Average **28.3** hours decreased absenteeism (actual hours missed due to problem) post EAP intervention
- Average wage \$67.31/hour x 28.3 hours x 731 cases
- \$1.4 Million annual production savings (or) 20% > productivity reported 90 days post EAP




ConocoPhillips



Peace of Mind...

*In **your** piece of the world.*

Large vs. Small & Regional EAP's

EAP Data Warehouse/2013 NBC Survey

1. Large EAP Vendors

- Have majority of the market share
- Offer highly competitive pricing
- Managing the quality of large provider network is their biggest challenge
- Less likely to deliver organizational services - building relationships is difficult

2. Small & Regional EAP's

- Fewer marketing and sales resources
- On average have a 2% higher utilization rate
- Have higher ratio of staff to covered employee lives
- More likely to use internal EAP staff vs. network to provide services
- Have better workplace outcomes (reduced absenteeism etc)*

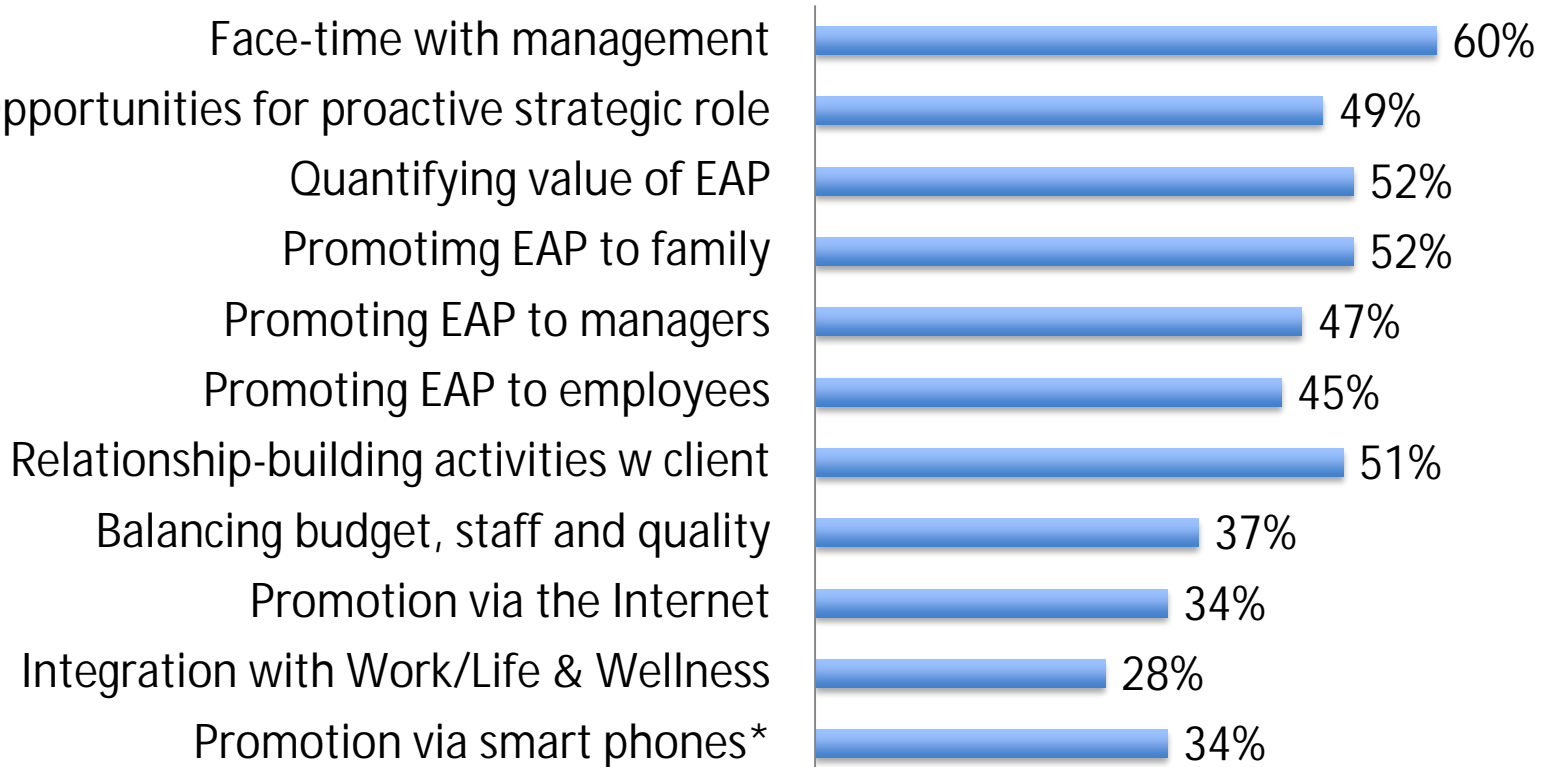


Peace of Mind...

*In **your** piece of the world.*

What Activities Do EAP's Find Difficult (Time & Expense) To Achieve?

■ % of Sample

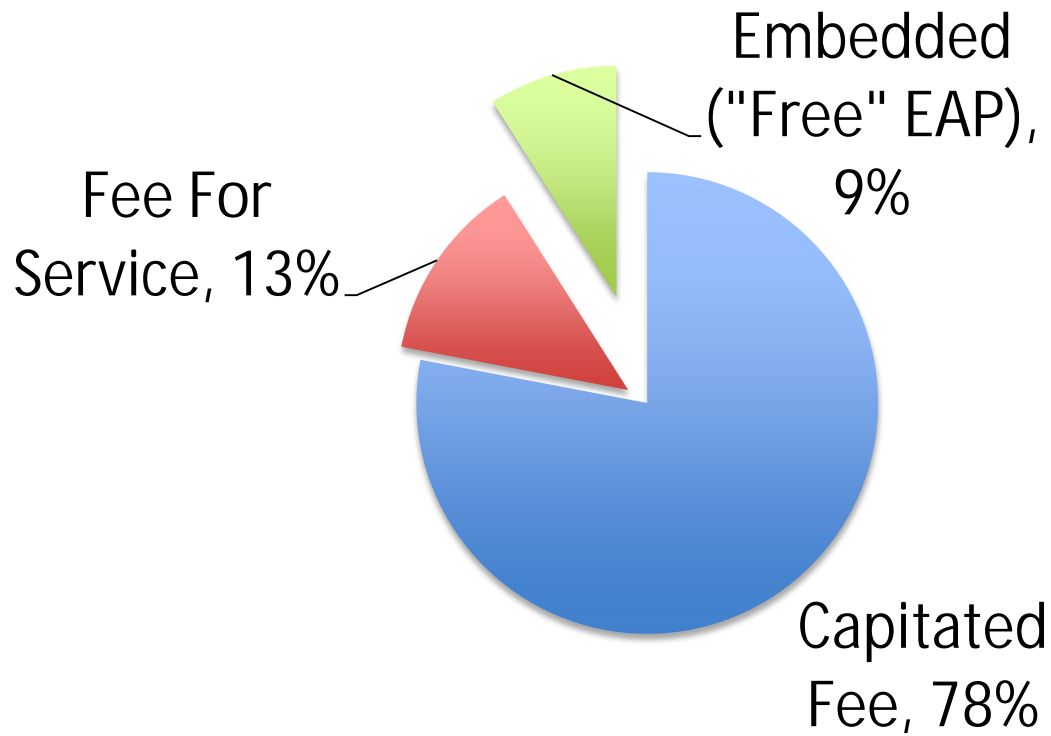




Peace of Mind...

*In **your** piece of the world.*

EAP Pricing Models





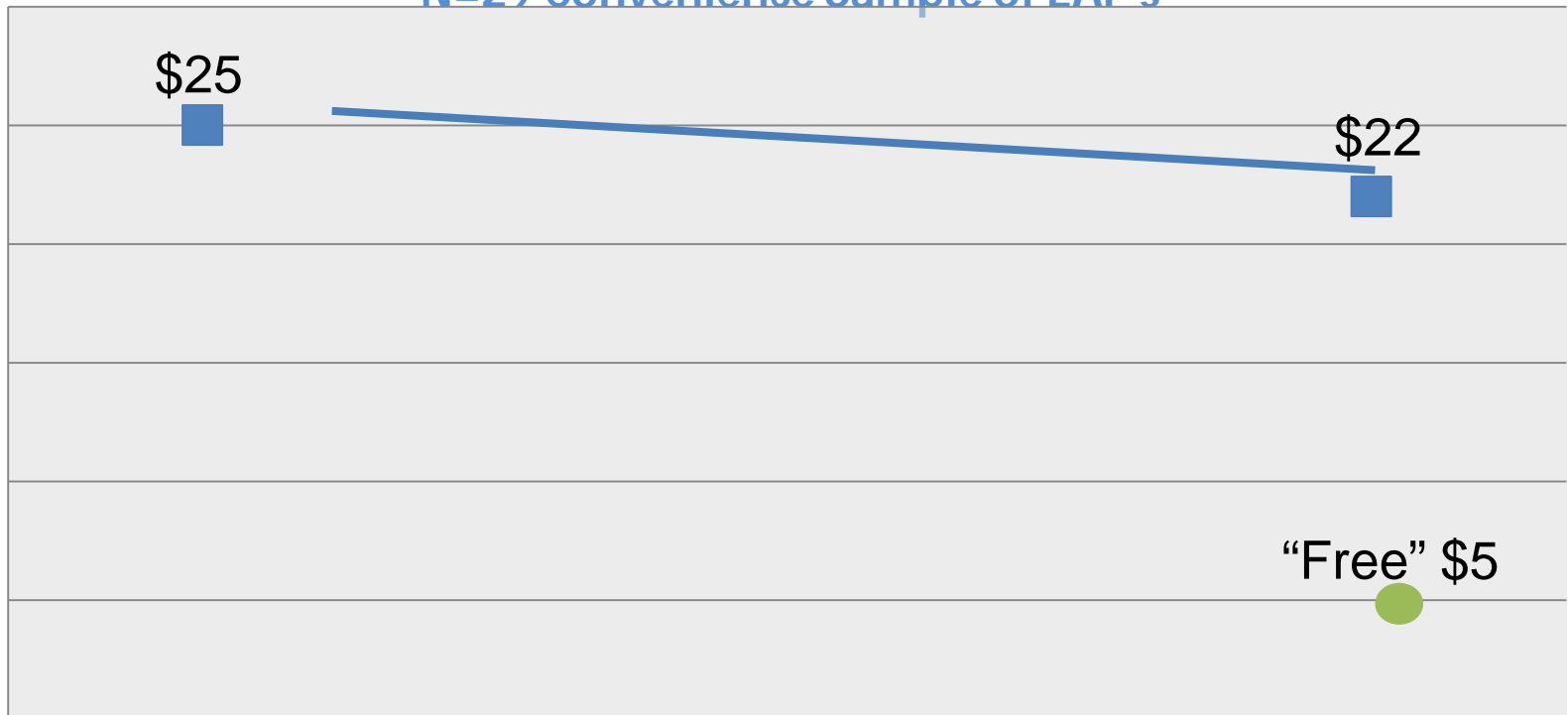
Peace of Mind...

*In **your** piece of the world.*

Per Employee Per Year Pricing Past 20 Years

N=29 Convenience Sample of EAP's

PEPY RATE



■ Fee-based (not embedded) full-service, 5 visit EAP and WorkLife **AVERAGE** book-of-business PEPY.

● Free (embedded) "sleeping" EAPs

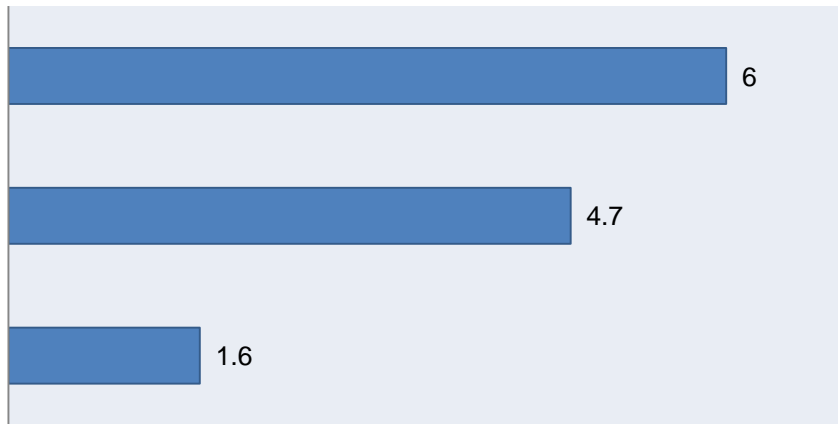


Peace of Mind...

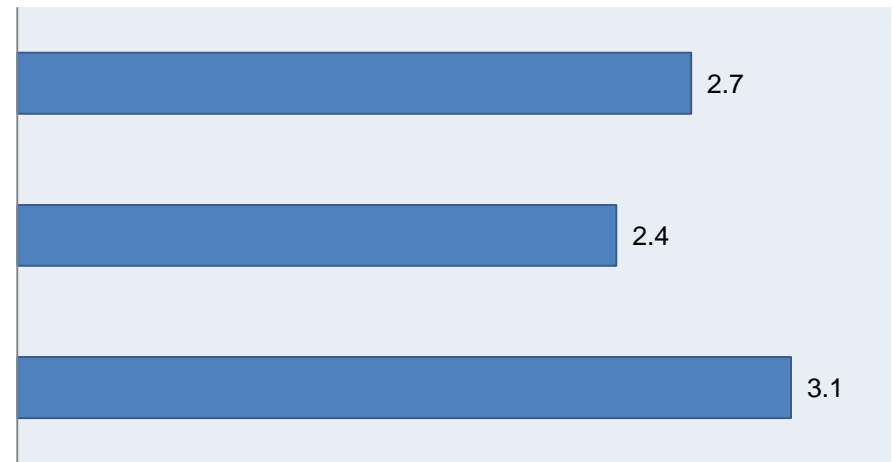
*In **your** piece of the world.*

Differences in Utilization By Pricing Model

Average Utilization (Unique Cases) Per 100 Employees



Average Counseling Sessions Per case





Peace of Mind...

*In **your** piece of the world.*

Future Trends in EAP's

- Fewer vendors (particularly small and regional) due to merger & acquisition
- Increased use of science to measure workplace outcomes
- Return to fundamentals (alcohol education, leader training, care coordination)
- Integration with wellness programs, diverse product offerings
- Increased use of technology (smart phone, video counseling, online self help)



Peace of Mind...

*In **your** piece of the world.*

Tips For Selecting A EAP Vendor



Peace of Mind...

*In **your** piece of the world.*

1. Don't Rely Solely On Consultants To Make Your Decision

Most brokers are unfamiliar with EAP

A spread sheet analysis (size of EAP network, discounts on provider fees, website features) does little to uncover true quality metrics

Broker commissions on EAP services are low to non-existent. As such, brokers are financially incented to work with vendors who provide other services that offer a commission and which can be sold to the customer

A screenshot of a Microsoft Excel spreadsheet titled "EAP Services Analysis". The spreadsheet displays financial data for various EAP services across four fiscal years (FY 06, FY 07, FY 08, FY 09) and a Grand Total. The data is organized into columns for Sales Amount, Subtotal Labels, and Grand Total. A summary table at the bottom provides a breakdown of Product Gross Profit Margin for each year and the Grand Total. The summary table shows the following values:

Year Labels	Product Gross Profit Margin	Product Gross Profit Margin Total	Product Gross Profit Margin Total	Product Gross Profit Margin Total	Product Gross Profit Margin Total
FY 06	11.80%	0.4	0.0	0.0	0.0
FY 07	11.63%	0.12	0.0	0.0	0.0
FY 08	17.42%	0.2	0.0	0.0	0.0
FY 09	8.70%	0.2	0.0	0.0	0.0
Grand Total	11.40%	0.44	0.0	0.0	0.0



Peace of Mind...

*In **your** piece of the world.*

2. Don't Judge A Bid Solely On Price

Scope of EAP services included in proposals varies widely

Your organization's purpose for offering an EAP will guide your decision

- A "free" perk for employees?
- Compliance with regulations (union required)?
- Early intervention and employee education?
- Risk and Performance Management Tool?



dreamstime.com



Peace of Mind...

*In **your** piece of the world.*

3. Don't Compare Apples To Oranges

- Ask These Questions Before Selecting Your EAP Vendor
 - Average utilization rate
 - Average # sessions provided per 1000 employees
 - No show rate after contacting the EAP call center
 - % of cases that are telephonic, face to face, and website hits
 - Impact of EAP intervention on workplace outcomes
 - Average # supervisor consultations
 - % of cases by presenting problem
 - Provider network credentials

