Understanding the Corporate Wellness Industry

What Works, What Doesn't, and Why It Matters: an evidence-based review of employer wellness programs, healthcare costs, and workforce outcomes

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Employers spend billions annually on wellness programs, digital health tools, and employee benefits intended to improve health, productivity, and healthcare costs. Yet despite this investment, rigorous evidence on what works remains surprisingly limited — and often contradicts widely cited claims.

This whitepaper synthesizes market data and the strongest available research on corporate wellness programs, including randomized controlled trials, to clarify which approaches deliver measurable impact, where they fall short, and why. We highlight persistent challenges such as low participation, selection bias, and weak targeting, and identify areas — particularly chronic disease management and mental health — where evidence of effectiveness is more promising.

The evidence reviewed in this paper suggests that improving employee health outcomes requires more than expanding wellness offerings. Progress depends on understanding participation behavior, targeting interventions to populations most likely to benefit, and evaluating outcomes using rigorous, transparent methods.

These findings underscore the need for field-based, data-driven experimentation in real workplaces — the core focus of the MIT Sloan Health Systems Initiative's Employee Population Health Lab.

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Table of contents (clickable)

Executive summary

Due to rising healthcare costs and and higher prevalence of chronic conditions, employers are increasingly turning to wellness programs to promote health and reduce healthcare expenses. Despite this growing popularity, evidence on the effectiveness of such programs to improve employee health and deliver a positive return on investment for employers remains inconclusive. This whitepaper examines the current state of the corporate wellness market and reviews the current research on the effectiveness of such programs. Our analysis suggests that corporate wellness holds significant potential as an industry due to its well defined value proposition to employers which aligns closely with the missions of many companies. Thus, the market has developed into a a big and fast-growing industry with new companies entering the market, particularly in the past two decades. However, significant gaps remain in the current research landscape with a need to demonstrate effectiveness for health and productivity improvements through such programs through validated randomized controlled trials (RCT) and strong potentials exist in the market for improving the effectiveness of such programs by promoting employee engagement.

I. Introduction / Opportunity

The value of health has never been more apparent, particularly in light of recent global events, such as the COVID-19 pandemic, which underscored the vulnerabilities in our healthcare systems. In the United States, healthcare expenditure makes up ca. 20% of the total GDP, a figure that has continuously risen since the past decade (Peter G Peterson Foundation, 2024). While often necessary, this strong growth in healthcare spending places significant strain on both public and private sector budgets, which encroaches on wages and diverts resources from other critical investments. These increased healthcare expenditures have led to a significant uptick in health insurance premiums for individuals and corporations in the US. Family premiums have increased by 22% over the last five years, which has put additional pressure both on the 57% of U.S. employers who provide health insurance to their employees and on the employees themselves (KFF, 2023).

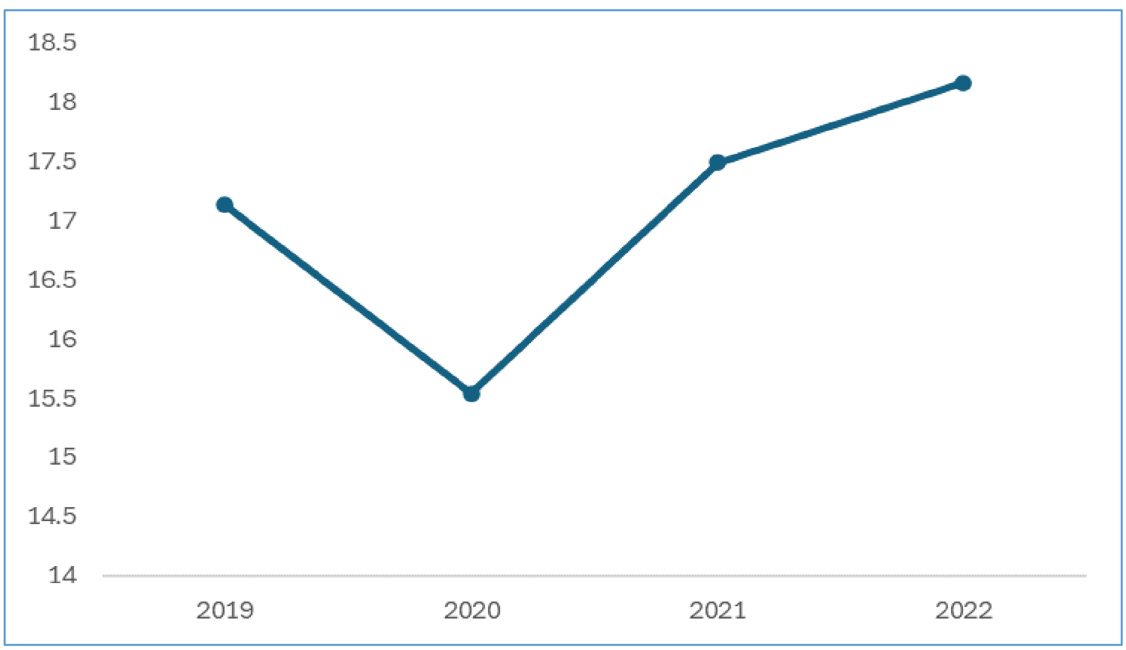
Amid these financial pressures, the prevalence of chronic conditions such as diabetes, heart disease, and mental health disorders is rising. These conditions are not only costly to manage but also lead to significant productivity losses in the workplace. Due to these financial and productivity challenges, more employers - particularly self-insured ones - are turning to workplace wellness programs as a proactive strategy to mitigate these costs while improving employee well-being. These programs promise to support employees in improving their fitness and well-being - both physical and mental, identifying risk factors, and managing their chronic conditions. However, while the implementation of these programs is becoming more widespread, only inconclusive and highly variable results on their effectiveness in terms of clinical and financial returns exist as of today. This paper analyzes the current state of the corporate and employee wellness program market and highlights current developments. Additionally, it investigates the current research on employee participation rates, and clinical and economic benefits, as well as the existing challenges for a successful implementation of corporate wellness programs for employees and employers alike.

II. Overview of Current Corporate Wellness Programs

II.1. Market Overview

The corporate wellness market has grown significantly in recent years, which reflects a broader recognition of the importance of employee health and well-being. In 2022, the global market for corporate wellness programs was valued at approximately $50 B[1] after recovering from a drop in spending during the COVID pandemic, up from $40 B in 2016, corresponding to a compound annual growth rate (CAGR) of 3.8% (Global Wellness Institute, 2023). Depending on projections, the market is projected to double by 2033, reaching around $100 billion, and growing at a CAGR of about 6%, underscoring the increasing investment by employers in health and wellness initiatives (Fortune Business Insights, 2024). Geographically, the United States represents the largest market for corporate wellness programs, accounting for over $18 billion in revenue in 2022, up from $17 B in 2019 (Global Wellness Economy Monitor, 2023). This is followed by significant markets in Germany, with over $4 billion, Japan with over $3 billion, and the United Kingdom and France, each exceeding $2 billion. Since the U.S. market comprises about 36% of the total global market, this paper primarily focuses on the providers, trends, and research within the United States.

Figure 1. U.S. corporate wellness industry revenues $b (2019 - 2022).



Notes: This figure presents the market size based on revenue of the workplace wellness industry in billion US dollars in the United States from 2019 to 2022, sourced from the Global Wellness Institute (2023).

[1] Estimates of global market valuation in most market reports vary from $40 B - 70 B.

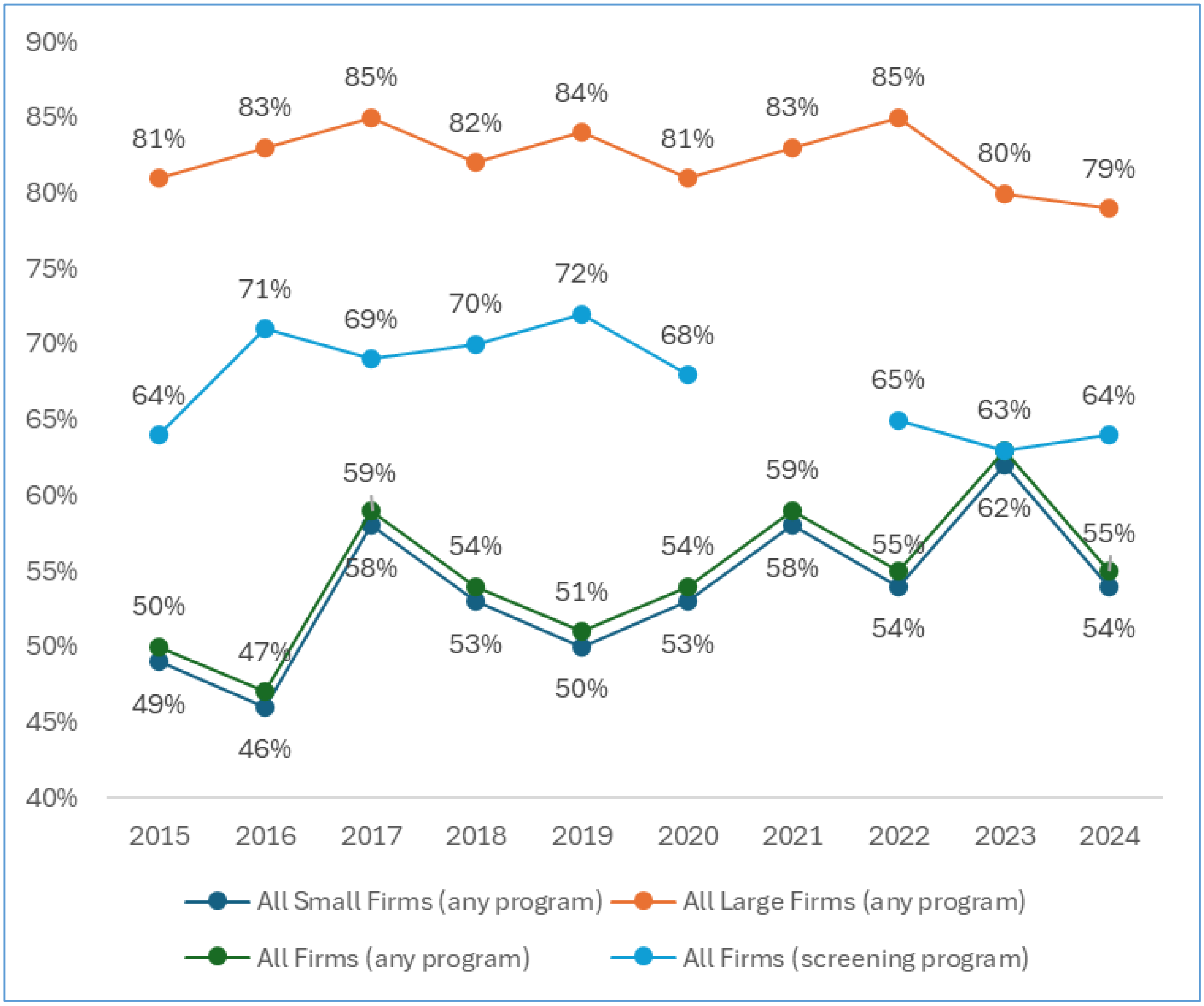
The U.S. market for corporate wellness is highly fragmented, with 700 active companies (Statista Wellness Industry Report, 2024). While this number has steadily increased over the past few years, the sector has also experienced significant activity in mergers and acquisitions, as shown by the mergers of Castlight and Vera Health, HealthComp and Virgin Pulse, or Livongo and Teladoc Health. Despite this, many of these companies are relatively new entrants to the market, often in the form of startups driven by the increasing demand for innovative wellness solutions and only a few publicly listed providers exist.

Corporate Wellness companies typically fall into two categories: platform vendors that offer a wide range of services and specialized vendors that specialize in specific aspects of corporate wellness, such as mental health, fitness, or disease management. Despite the growing interest in employee wellness programs, only about 50% of employers offered any form of wellness program in 2021, with the number of employees covered by corporate wellness initiatives reaching over 63 million in the US in 2020 (KFF, 2020)[2]. Interestingly, while the revenues generated by the corporate wellness industry significantly sank during the Covid pandemic, the percentage of employers offering any type of health and wellness program did not fluctuate significantly (KFF, 2024). Furthermore, only approximately 17%[3] of employers provide comprehensive programs that cover a full spectrum of health and wellness services across risk screening, physical and mental well-being, and chronic disease management. This indicates a significant opportunity for growth and expansion in the adoption of more holistic and integrated wellness solutions across the corporate sector.

[2] At an estimated employee participation rate of 30-40% according to most literature, this equates to ca. 19-25 M employees partaking in corporate wellness programs in the US

[3] Statistics on employer offerings are sourced from Statista, using data from SHRM.

Figure 2. Percentage of firms offering wellness programs



Notes: This figure displays the percentage of firms offering any wellness program or a health screening program to their employees among firms offering health benefits, by firm size, from 2015 to 2024. Sourced from KFF, 2024

II.2. Market Segments

II.2.A. Corporate Wellness Platform Providers

Corporate wellness platform providers consolidate a variety of offerings in a single platform to deliver comprehensive wellness services to employees, covering most or all segments of the corporate wellness markets. These platforms vary along a spectrum from highly customized solutions to pre-packaged content, catering to different employer needs. Customized platforms offer extensive flexibility, allowing integration with third-party services and providing tailored wellness solutions. Notable providers in this category include Apree Health and MediKeeper.

In contrast, hybrid platforms pre-package a fraction of their content but still allow for significant customization, offering a balanced approach to wellness program delivery. Leading providers in this space include Personify Health, WebMD Health, Welltok, Accolade, Vitality, and Limeade.

Pre-packaged platform providers offer employers more straightforward, but less customizable, solutions to set up ready-to-use wellness programs. The largest among these is ComPsych, which is strongly focused on mental health and employee assistance programs and holds approximately 4% of the U.S. market, making it one of the largest corporate wellness providers in the country and the world (IBIS World Industry Report, 2024). Other significant players include Sharecare, Circle Wellness, Everyday Health, and Novu Health.

Due to their comprehensive nature, platform providers tend to make up a significant proportion of the largest corporate wellness companies in comparison to specialized providers. Detailed information on the largest key players can be found in section 3 below and the appendix.

II.2.B. Healthy Participants: Workplace Screening and Lifestyle Programs

Workplace screening and lifestyle programs are designed to help healthy employees maintain their fitness and overall well-being. These programs are a large and diverse segment of corporate wellness, focusing on areas such as fitness, nutrition, general health screening, and tobacco cessation. Together, they account for approximately $9.3 billion in revenue in the US[4], representing about 51% of the overall corporate wellness market.

In general, larger firms are more likely to offer wellness programs to employees. In 2024, conditional on firms offering health benefits, 79% of firms with at least 200 employees offer some sort of wellness program, compared to 54% of firms with fewer than 200 employees (KFF, 2024).

Fitness programs are the most widely offered, with about 50%[5] of employers providing options such as ClassPass, Wellhub (which is also expanding into other segments of corporate wellness), Peerfit, Aaptiv, MyFitnessPal, Cure.fit, and Healthify.me. These services allow employees to stay active and engage in regular exercise, often through access to fitness establishments, a variety of fitness classes, and personalized workout plans. Since the Covid pandemic, however, demand for such on-site fitness programs has been declining as employees expect more flexible and location-independent solutions with 59% of employers indicating that they expect to invest less in such programs in 2024 (Wellable, 2024)

Food and nutrition programs, offered by around 25% of employers, focus on helping employees make healthier dietary choices. Leading providers in this category include Noom, Vione, Day

[4] Reference and calculations located in the appendix.
[5] Statistics on employer offerings are sourced from Statista, using data from SHRM.

Two, Zipongo, and Lifesum. These programs offer personalized nutrition advice and meal planning to support healthy eating habits.

Health screening services, which are offered by approximately 34% of employers, have seen a decline in demand since the COVID-19 pandemic, dropping from 72% of large employers with at least 200 employees offering the service in 2019 to 64% in 2024. Significant providers in this segment are Higi and Life Line Screening which offer programs for regular general health screenings to enable employees to monitor their health more effectively.

Tobacco cessation programs are offered by 40% of employers with less than 200 employees and about 70% of employers with at least 200 employees (KFF, 2024), with 2Morrow is the most notable provider. These programs support employees in quitting smoking, thereby reducing health risks associated with tobacco use.

II.2.C. Chronic Disease Patients: Disease Risk Assessment/Management Programs

Disease risk assessment and management programs are designed to support employees with chronic diseases, helping them manage their conditions and, hence, overall health more effectively. These programs primarily focus on managing metabolic diseases such as diabetes and obesity, as well as cardiovascular conditions. However, they also offer specialized options for cancer, musculoskeletal disorders, and kidney disease. The U.S. market for these programs is valued at approximately $4.8 billion, accounting for 26% of the corporate wellness market[6]. About 22% of employers offer disease management programs, but they have been receiving increasing interest with 48% of employers with such programs reporting the intent to invest more in disease management (Wellable, 2024)

Key players in this segment include Livongo, which specializes in diabetes, hypertension, pre-diabetes, and weight loss management, and Omada, which focuses on heart disease and diabetes. Virta Health and Vida Health are also significant providers, focused on the management of diabetes and obesity. Additionally, Glooko and Cricket Health offer specialized services for diabetes and kidney disease, respectively, while Aspire Health provides solutions for cancer management. Kaia Health is a leading provider of musculoskeletal disease management.

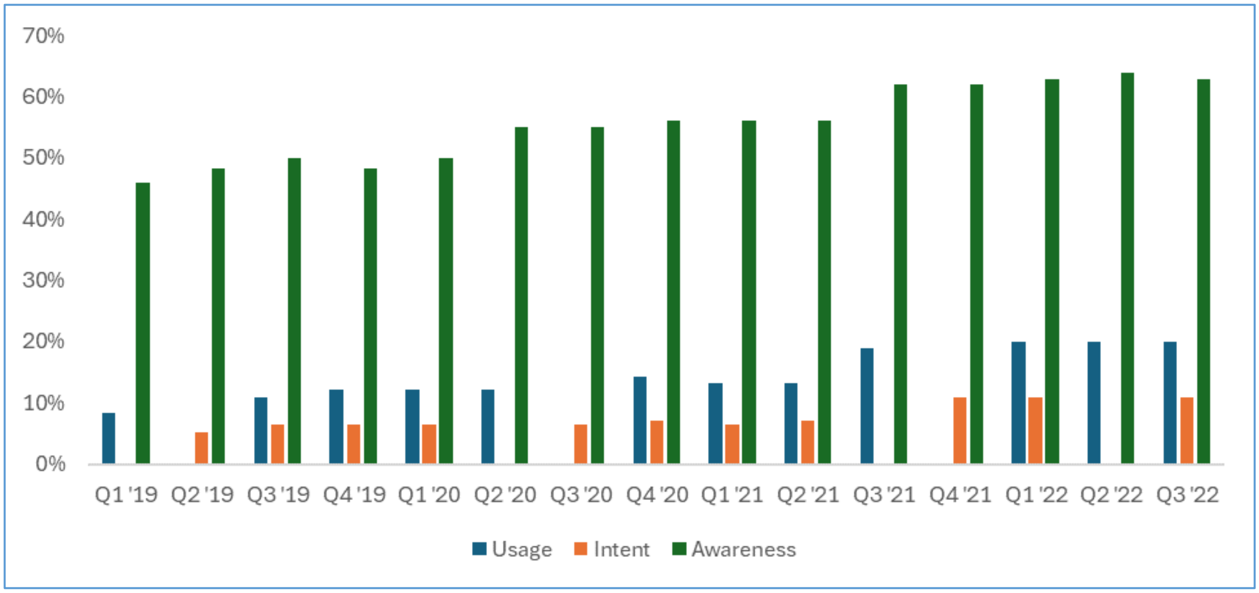
II.2.D. Mental Health: Employee Assistance Programs, Mindfulness, Teletherapy

Mental health has become an increasingly important focus within corporate wellness, particularly in the wake of the COVID-19 pandemic. Such programs exist in the form of Employee Assistance Programs (EAPs), teletherapy services, and technological solutions and cover a range of mental health needs, including stress management, coaching, meditation, mindfulness, and online therapy. This segment of the corporate wellness market is valued at approximately $4.5 billion, representing 22% of the overall market[7], with about 25% of employers offering these services.

[6] Reference and calculations located in the appendix.
[7] Reference and calculations located in the appendix.

The demand for mental health services has risen in recent years, driven by the increased stress and anxiety experienced during the pandemic. As a result of this, the usage rate of meditation and mindfulness apps has doubled over four years (Statista Wellness Industry Report, 2024), and 91% of employers aim to invest more into mental health solutions in 2024 (Wellable, 2024). Key providers in this space include Calm and Headspace which are focused on mindfulness, meditation, and online counseling, Thrive Global, which is focused on behavioral health, Happify, which provides Cognitive Behavioural Therapy, and Talkspace and Big Health, which focus on (tele-)therapy and mental health treatment.

Figure 3. Mental health app prevalence (2019 - 2022)



Notes: This figure displays the growing prevalence of mindfulness and meditation applications in terms of the percentage of survey respondents using, intending to use, or being aware of such applications in the United States. Sourced from Statista, with data from CivicScience.

3. Key Companies

While the corporate wellness market is not highly concentrated in comparison to other industries, many notable companies with revenues over $200 M per year and over $500 M of funding raised exist. In particular, since the 2000s, significant enthusiasm in the corporate wellness industry has led to the establishment of multiple corporate wellness providers that cover all segments of the corporate wellness market and have grown significantly in revenue and valuation since inception. However, as these companies remain fairly young with constantly shifting business conditions and as some doubts arose regarding the business models of many wellness providers, their valuations have significantly shifted over the past few years. For example, while Teladoc acquired Livongo for $18.5 B in 2020, it lowered the value of the acquisition to $4.8 B in 2023. Similarly, the market capitalization of Sharecare fell by 86% from almost $4 B in 2022 to $500 M in September 2024 due to its earnings failing to meet investor expectations. This shows that it is likely that after the post-COVID hype, investors are looking for corporate wellness providers with proven and sustainable business models and that these companies will likely continue to grow in the future as the gap between successful and unsuccessful companies in the market increases. Due to these headwinds, to get adoption to increase further and thrive in the increasingly challenging market landscape, providers will need to collect further evidence to understand if their programs are clinically and economically effective beyond the self-stated returns of HR leaders.

Figure 4. Table highlighting key providers in the corporate wellness industries and their financial and product information

Name	Segment	Established	Revenue	Valuation	Key differentiator/product
Wellhub	Fitness/ Platform	2013	$750 M	$2.4 B	Subscription-based service for wellness facilities, expanding into mental health and nutrition
ComPsych	Platform	1984	$700 M	n/a ($700 M funds raised)	Largest EAP provider with personalized wellness coaching and customizable wellness platforms
Sharecare	Platform	2009	$445 M	$0.5 B (public)	RealAge Test and personalized health guidance through digital solutions
Teladoc Health (Livongo)	Disease Management	2008	$300 M (Livongo only)	$4.8 B (e)	AI-driven platform focusing on diabetes and chronic condition management acquired by telehealth player
Apree Health	Platform	2008	$210 M	> $0.4 B	Highly personalized health navigation through an open platform approach
Personify Health	Platform	1994	> $200 M	$3.0 B	Omnichannel platform established through merger driving engagement through socialization incentives
Well	Platform	2019	n/a	$0.4 B	AI-driven personalized wellness interventions integrated with healthcare systems
AmWell (Silver-cloud)	Mental Health	2006	$15 M (Silvercloud only)	$0.3 B	Evidence-based, on-demand mental health support with digital interventions

Notes: This table displays the largest providers of corporate wellness services in terms of funds raised by the beginning of 2021 in the United States by active segments. The companies are sorted by estimated revenue in 2023. Additional providers of interest were added to the table. Sourced from Pitchbook, with data from company websites and statements. Additional information on the individual companies in the table can be found in the appendix.

II.4. Current Developments

The corporate wellness market is affected by several global trends and developments of global and US importance alike that reflect the shifting expectations and demands of today's workforce.

II.4.A. Global Trends Driving the Evolution of Corporate Wellness

Increasingly empowered employees:
In recent years, employees have been becoming more conscious of their health and wellness, and especially of their mental health, driving increased spending on self-directed healthcare solutions. Due to this increased desire for employees to take a proactive role in their health management and increased competition for labor by employers, companies are increasingly turning to corporate wellness programs as employment benefits to set themselves apart from other employers.

Holistic view on health:
Health management is increasingly viewed as no longer limited to traditional medical treatments and medications. Instead, there is a growing emphasis on broader and more holistic well-being, which encompasses lifestyle, mental health, and preventive care. Additionally, employees are increasingly prioritizing experiences, such as wellness retreats and fitness programs, over material goods. These trends are driving increased spending for health, lifestyle, and fitness programs.

Demand for personalization:
The demand for personalized health experiences is rising as individuals expect care to be tailored to their specific needs and customized treatment plans. Furthermore, advances in technology, such as healthcare IoT devices, allow for real-time data collection and personalized health interventions. This trend toward customization helps employees feel more engaged in their wellness journeys, as their specific health needs and preferences are addressed but is also leading to increased costs for providers.

Demand for anywhere accessibility:
The rise of telemedicine and advanced communication tools is enhancing access to healthcare services from anytime, and anywhere. Virtual care platforms, beyond traditional video consultations, enable employees to access healthcare information, providers, and treatments remotely, providing greater flexibility and convenience. This increased accessibility is supporting improving employee engagement in wellness programs and ensuring they receive the care they need when they need it.

Fragmentation of care:
Traditional points of care are being disrupted, with specialized healthcare options emerging. The rise of social media influencers in healthcare, lifestyle, and wellness, coupled with the increasing shift from prescription (RX) to over-the-counter (OTC) solutions, adds complexity to healthcare choices. This fragmentation provides more options for consumers and enables new business models for wellness providers but also necessitates better navigation and decision-making tools within wellness programs. (Elufioye et al., 2024)

Incentivization and regulatory intervention:
Successful implementation of corporate wellness programs depends heavily on employee participation. To improve participation, many employers offer incentives, such as an average of $203 for smoking cessation programs and $188 for weight management. These incentives,

which can reach up to 30% of the cost of coverage under the Patient Protection and Affordable Care Act, and up to 50% for programs reducing tobacco use, have driven revenue growth in the industry (Mattke et al. 2013). Additionally, businesses can raise premiums by 50% for employees who smoke, further increasing demand for smoking cessation programs.

II.4.B. U.S. Market Drivers

Demographic changes:
The aging population in the U.S. requires more medical attention, while chronic diseases continue to rise in prevalence. These demographic shifts are significant drivers of corporate wellness initiatives, as employers seek to support the health needs and increase the productivity of an increasingly older workforce.

High labor force participation:
Despite challenges during the COVID pandemic, the US labor force has expanded over the past few post-pandemic years, causing businesses that had the funds to invest more in corporate wellness services. This provided an essential revenue stream for the industry amid decreasing demand during COVID-19.

Changes in lifestyle:
The increasingly fast-paced, stressful lifestyles typical of the digital age have created significant demand for wellness programs that address mental health, stress management, and work-life balance. Employees are turning to wellness programs for support in managing their anxiety and stress and additionally even in diagnosing their mental health conditions.

Employee and employer awareness:
Awareness of the benefits of wellness programs is growing among both employers and employees. Especially in the US, also caused by an increasing body of research and news coverage on the industry, employers recognize the value of these programs in improving productivity and reducing healthcare costs, while employees increasingly expect their workplaces to offer comprehensive wellness programs as an employment benefit (Statista Wellness Industry Report, 2024). The 2025 Wellhub Report finds that 86% of employees will only consider companies that place a clear emphasis on employee wellbeing when looking for their next job (Wellhub State of Work Life Wellness Report, 2024).

Health optimization:
There is a growing focus on optimizing health parameters, driven by the demand for tools and services that promote proactive health management and a stronger focus on a mindful way of living. This focus on health optimization is contributing to increased healthcare spending, as individuals and employers alike invest in solutions that track and improve overall well-being (Mattke et al. 2013).

More competitive landscape:
The corporate wellness market is becoming more competitive, with employers increasingly expecting improved offerings at similar cost-effective price ranges which impacts profitability

and increases the need for providers to differentiate themselves in a crowded market. For example, In 2023, Sharecare's net loss has been steadily increasing over the past few years from $118.7 million in 2022 to $128.5 million in 2023 and from $34.7 million in the first quarter of 2023 to $35.1 million in Q1 2024 (Sharecare Earnings Report, 2023). Additionally, other options to lower healthcare spending and increase productivity at work are increasingly being investigated by employers and government agencies. For example, the UK government just announced a multimillion-dollar pharmaceutical partnership with Eli Lilly, including a trial that will study the impact of a weight-loss drug on work and productivity (Specia, 2024).

Limited demand for high-value services:
Despite the overall growth of the corporate wellness industry, there is limited demand for high-value services, such as specialized chronic disease management. This presents a challenge for companies trying to justify premium pricing for specialized wellness services, as employers and employees alike may be more focused on basic, affordable wellness options.

III. Existing Research On Effectiveness

While much research has been done regarding the impact of corporate wellness programs, there are 3 main studies that use robust and comprehensive research methods and are considered key sources on the effectiveness of such programs.

The BJ's Wholesale Club study, conducted by Song and Baicker (2019), tested the effectiveness of the Wellness Workdays program in BJ's worksites across the United States. 20 worksites were randomly selected to implement the wellness program over 18 months, 20 worksites were randomly selected as the primary control group, and 120 worksites were randomly selected as secondary controls. There were 4037 individuals in the treatment group, and around 29,000 individuals across the control groups. The study performed analyses on a wide array of behavioral, clinical, and productivity measures (Song & Baicker, 2019).

The Illinois Workplace Wellness study is another large-scale randomized control trial (RCT). Jones, Molitor, and Reif (2019) developed a comprehensive wellness program called iThrive and implemented the program at the University of Illinois at Urbana-Champaign (UIUC). With 4834 UIUC employees, 3300 were randomly assigned to the treatment group for 2 years, and 1534 were randomly selected as controls. Much like the BJ's study, Jones, Molitor, and Rief investigate the effectiveness of the program via a large variety of measures (Jones, Molitor, & Reif, 2019).

The RAND survey conducted by Mattke et al. (2013) remains one of the largest and most comprehensive sources of data on corporate wellness programs. Conducted across nearly 600,000 employees from seven major employers, the survey aimed to assess the impact of workplace wellness initiatives on employee health and organizational outcomes. The survey examined a broad range of wellness activities, including health risk assessments (HRAs), fitness programs, smoking cessation, and chronic disease management, and aimed to investigate the implementation and outcomes of wellness programs across different employers (Mattke et al., 2013).

III.1. Employee Take-up/ Participation Rates

III.1.A. General Participation Rates and Related Issues:

The RAND survey from 2013 collected a large amount of data on corporate wellness program participation rates, but there has been limited new information regarding enrollment rates since the COVID-19 pandemic. The RAND survey found that HRAs and clinical screenings, which include biomarkers and clinical tests, had participation rates of around 46%. Other programs, such as fitness initiatives, had 21% participation, while smoking cessation and weight management programs saw lower participation at 7% and 10%, respectively. Chronic disease management programs had an enrollment rate of about 16% (Mattke et al., 2013).

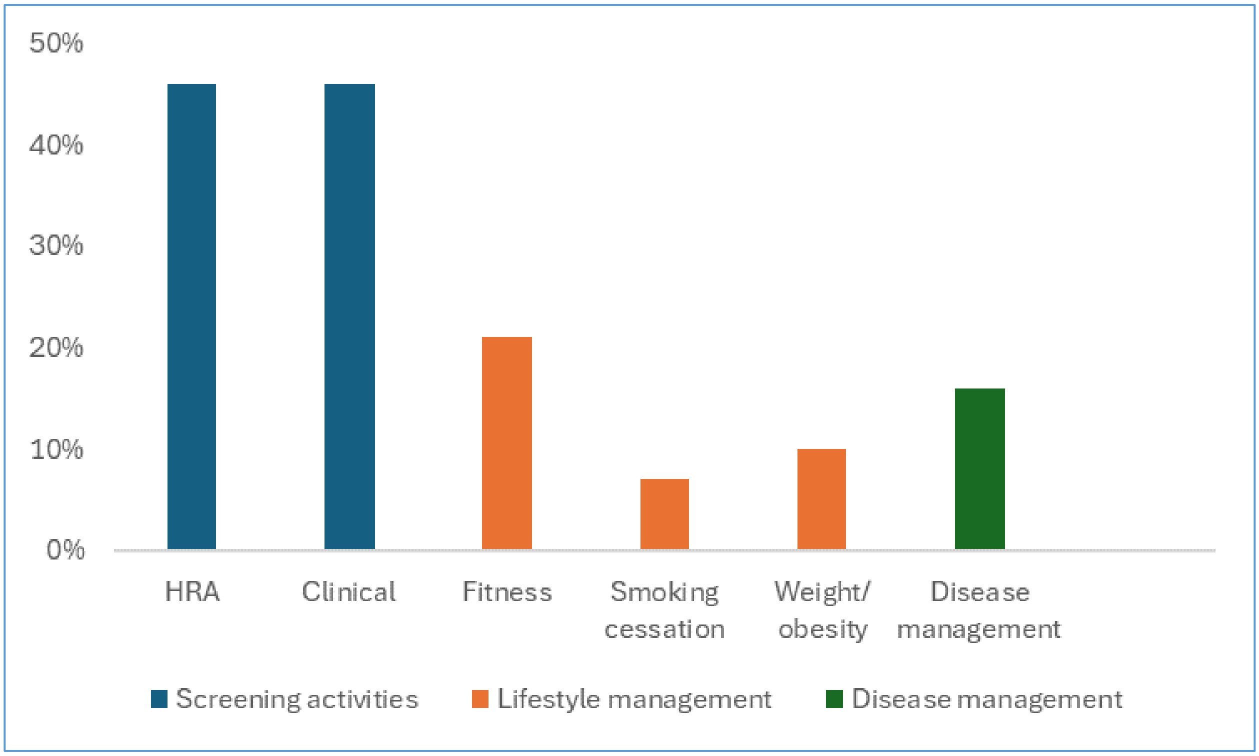
Since then, other studies have provided similar conclusions. For example, interventional wellness programs like the BJ's study (Song & Baicker, 2019) and studies focused on musculoskeletal pain (Jørgensen et al., 2011) also showed varying enrollment rates based on the type of program. Wellness screenings and fitness programs have shown participation rates of 35-50%, while more specific programs, such as those for disease management, see lower rates of 15%. Mental health programs report even lower engagement, with participation rates ranging between 5-10%. These differences in participation can be attributed to the broad applicability of screening programs compared to the more targeted nature of interventional programs.

It has also been observed that organizational support plays a key role in encouraging employee participation in wellness programs. A strong culture of health and active encouragement from leadership was identified to positively influence participation rates. Other factors, such as the financial cost to employees, company size, and corporate culture, were also found to be influential but require further investigation. An observational study from Germany demonstrated that organizational support had a positive correlation with enrollment rates, while higher employee co-payments negatively affected participation (Lier, Breuer, & Dallmeyer, 2019).

Additionally, in mental health programs, engagement remains low, with a 2022 study showing that only 7.19% of eligible participants enrolled in a mental health benefit program. This highlights the need for more targeted strategies to improve participation in mental health and other specialized wellness programs (Bondar et al., 2022).

As shown by existing research, participation rates vary significantly across program types and companies. This indicates that more research is needed to fully understand the factors that influence these rates.

Figure 5. RAND survey: program participation rates.



Notes: This figure presents the average participation rates of employees identified for inclusion in select wellness program components, sourced from Mattke et al. (2013).

III.1.B. Selection Bias between Participants and Non-participants

One of the critical challenges faced by workplace wellness programs is selection bias, where healthier employees are more likely to participate in these programs. This bias creates issues when evaluating the overall effectiveness of wellness initiatives, as the results may overrepresent those already inclined to be more health-conscious. Consequently, this limits the ability to both measure and generate genuine health improvements and hampers employers' efforts to enhance program participation across a wider spectrum of employees.

Several studies have highlighted this issue. For instance, the Illinois Workplace Wellness study provides evidence of selection bias in its RCT (Jones, Molitor, & Reif, 2019). The study found that employees deciding to participate had lower medical expenditures and demonstrated healthier behaviors than nonparticipants before the wellness program even began. The data also revealed that participants were more likely to come from the middle range of the income distribution, with fewer participants in the lower and upper-income quartiles.

Similarly, the BJ's study (2019) illustrated participation growth in wellness program modules, with rates increasing from 12.2% in the first module to an average of 30.6% in later modules. Besides the increase in engagement, the study found evidence of selection effects—participants were more likely to be female, nonwhite, full-time salaried workers in sales positions. This suggests that certain demographic groups were more inclined to engage with the wellness programs than others, again pointing to selection bias. The study also, however, indicated that pre-intervention healthcare spending was not significantly different between participants and nonparticipants, suggesting that selection into the program was not entirely based on health-related costs (Song & Baicker, 2019). The study continues to emphasize that many workplace wellness programs tend to attract employees who are already healthier and less likely to incur high healthcare costs. Hence, corporate wellness programs may not effectively drive behavior change among the broader employee population, particularly those with higher health risks. As a result, studies that do not use RCTs but rather observational designs are likely to suffer from this selection bias, further complicating the evaluation of wellness programs.

Selection bias remains a significant barrier to the broader success of corporate wellness programs. This bias skews program engagement towards already healthier employees, making it difficult for employers to measure true improvements across their workforce. More comprehensive studies are needed to understand what factors influence these differences in engagement and strategies must be developed to ensure that wellness programs can engage a more diverse employee base and provide meaningful, long-term health benefits.

Figure 6. Comparison tables between participants and non-participants in the BJ's study.

Variable	Non-participants (n=2,616)	Participants (n=1,421)	P value
Age (yrs)	38.91	40.1	0.23
Female (%)	31.37	57.43	**<0.001**
Race (%)			
White	60.21	53.39	**<0.001**
Black	19.69	19.89	
Hispanic	13.22	21.32	
Other race	6.88	5.41	
Employment (%)			
Full-time salary	10.19	14.08	**<0.001**
Full-time hourly	50.13	45.22	
Part-time hourly	39.68	40.71	
Worker Type (%)			
Sales worker	29.92	42.62	**<0.001**
Nonsales worker	59.51	47.1	
Other worker	10.57	10.28	

Healthcare Spending in 2014	Non-participants (n=334)	Participants (n=470)	P value
Medical Spending ($)	3356.97	4961.90	0.33
Any Spending > $0 (%)	72.82	72.52	0.96
Drug Spending ($)	897.01	1054.42	0.51
Any Spending > $0 (%)	67.14	68.61	0.79

Notes: These tables compare non-participants and participants in corporate wellness program modules by average age, gender, race, employment, and worker type makeup and average healthcare spending, sourced from Song & Baicker (2019).

III.1.C. Prevalence and Effectiveness of Financial Incentives

According to the RAND (2013) survey, the use of financial incentives in workplace wellness programs is highly prevalent, with approximately two-thirds of employers offering some form of incentive to promote participation. However, only about 30% of specific programs, often lifestyle programs such as smoking cessation or weight management, include targeted incentives, indicating that many employers selectively offer financial rewards depending on the program type. These often come in the form of employee bonuses or reimbursements. Employers are permitted to provide wellness incentives that account for up to 30% of the total cost of medical coverage, which includes both employer and employee contributions, under the Affordable Care Act, which was implemented in 2010. This limit is raised to 50% for wellness incentives that are specifically designed to prevent or reduce tobacco use (Mattke et al. 2013).

The effectiveness of financial incentives is mixed. Larger incentives are seen as more effective at increasing initial participation, but they can be expensive and may not guarantee long-term engagement or lasting behavior change. On the other hand, smaller incentives may encourage employees to enroll but were found to have limited impact on sustaining participation or altering health behaviors over time.

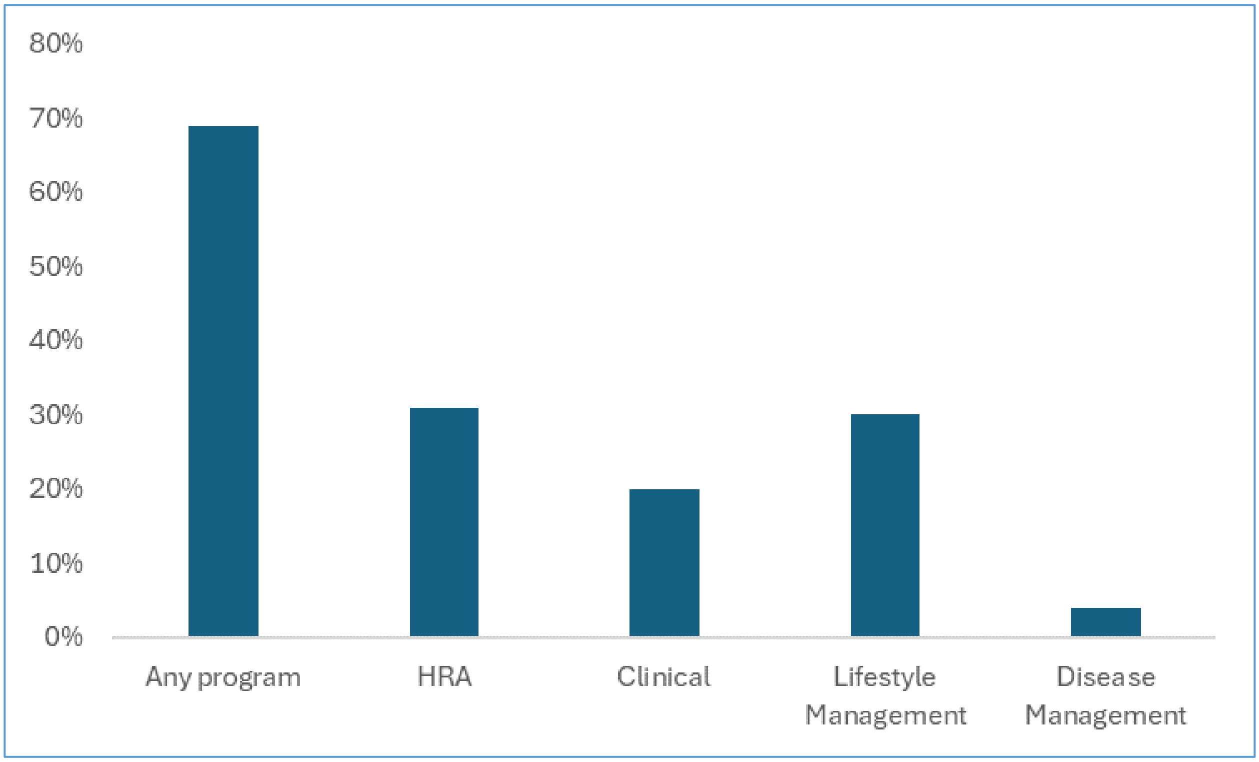
The KFF/HRET survey from 2012 also confirmed the rising use of such incentives, noting that 41% of employers with more than 200 employees employed financial incentives (Claxton et al., 2012). Additionally, meta-analyses like the Harvard study by Katherine Baicker revealed that about 30% of intervention programs use financial incentives, ranging from bonuses to reimbursements for participation (Baicker, Cutler, & Song, 2010). Interestingly, some employers use strategies like withholding a portion of employee compensation until they participate in wellness programs.

More specific research has demonstrated mixed results on the effectiveness of incentives depending on the nature of the program. A weight loss study showed that participants in an incentive-based lottery program lost significantly more weight than those in the control group. The group receiving a deposit contract incentive lost an average of 14.0 lbs, compared to 3.9 lbs in the control group (Volpp et al., 2008). However, for smoking cessation, the evidence seems less conclusive. One randomized control trial found that a $400 cash reward led to higher abstinence rates after 12 months, but long-term behavioral change remained limited (Volpp, 2009).

Moreover, the Illinois Workplace Wellness study examined the diminishing returns of financial incentives. While increasing the reward from $0 to $100 boosted health screening participation by 12 percentage points, raising the incentive to $200 only increased participation by 4 percentage points, leading to a high marginal cost (Jones, Molitor, & Reif, 2019). This suggests that there may also be a diminishing return on financial incentives.

In conclusion, financial incentives can be effective in encouraging short-term participation, but the costs and long-term impact on behavior remain areas of concern. Employers should consider the type and size of incentives carefully, as well as explore other strategies that might drive sustained employee engagement in wellness programs.

Figure 7. RAND Survey: prevalence of monetary incentives.



Notes: This figure presents the percentage of employers that use monetary incentives for participation among employers that offer wellness programs, sourced from Mattke et al. (2013).

III.2. Evidence of Clinical Effectiveness

III.2.A. Medical Expenditures vs Self-reported Effects

There have been many reports on the direct clinical effectiveness of workplace wellness programs. To analyze clinical effectiveness, most prior research measures the participants' medical expenditures, clinical measures, or self-reported health effects. Evidence suggests that these general wellness programs affect some self-reported health measures, but insignificant to no effects on clinical measures or medical spending.

The BJ's study (2019) finds improvement in two self-reported health outcomes: Worksites with the Wellness Workdays program had an 8.3 percentage point higher rate of employees who reported engaging in regular exercise and had a 13.6 percentage point higher rate of employees who reported actively managing their weight, compared to worksites without the program. However, no significant effects of the program were found on 27 other self-reported outcomes (including self-reported health, sleep quality, and food choices), 10 clinical markers of health (including cholesterol, blood pressure, and body mass index), 38 medical and pharmaceutical spending and utilization measures, and 3 employment outcomes (absenteeism, job tenure, and job performance). These findings suggest that the Wellness Workdays program does not have significant clinical effectiveness, at least in the short-to-medium term (Song & Baicker, 2019).

The Workplace Wellness study found that participants in the iThrive intervention group were more likely to report having a health screening and were more likely to report that management prioritizes worker health and safety. However, all other measures regarding clinical effectiveness were found to be insignificant, and meaningfully precise. For medical spending, their 95% confidence interval rules out 84% of the effects reported in 112 prior studies (Jones, Molitor, & Reif, 2019). These two studies suggest that workplace wellness programs do not have a direct or immediate effect on clinical outcomes.

III.2.B. General vs Specific Targeting (Disease vs Lifestyle Management)

Some studies do find that workplace wellness programs lead to significant medical improvement. Steinberg et al. found that a program ("Aetna Personalized Metabolic Syndrome Risk Reduction Program") piloted by Aetna over 1 year finds improvements in 3 of 5 metabolic factors for employees with Metabolic Syndrome (MetS) risk. They implemented an RCT with a study population of 2835 Aetna employees and found a significant reduction in waist circumference, improved triglyceride levels, and improved HDL levels for participants in treatment compared to participants in the control group. (Steinberg et al., 2015) There are a few explanations for why this study differs from the prior two. Firstly, this study employs selection criteria before randomization: employees selected for either control or treatment must have at least two risk factors for MetS, one of which must be waist circumference. Thus, it could be that the specific targeting of wellness programs is driving clinical effectiveness results. Alternatively, participants could be self-selecting due to participation being voluntary.

Figure 8. Treatment and control group outcome comparisons in the Aetna program study.

Clinical Measure	Control (N=945)	Invited (N=1890)	P value
Waist (inches)	-0.48	-0.77	0.06
Triglycerides (mg/dL)	-2.56	-8.12	**0.05**
HDL (mg/dL)	1.44	1.63	0.60
Participation Rate	0.00	0.14	—

Notes: This table outlines the 1-year change from baseline for both control and intervention groups for the Met S factors, sourced from Steinberg et al. (2015). Systolic and Diastolic blood pressure is not displayed here, where clinical outcomes are indifferent across the treatment and control group.

Until this point, there have not been many other large-scale studies (n > 200) that evaluate wellness programs with specific inclusion criteria, so further research needs to be done to see if targeted programs can demonstrate clinical effectiveness.

On the topic of targeting wellness programs, the RAND survey (2013) highlights lower costs due to disease management programs rather than lifestyle management programs. They also state that disease management programs realize benefits in the shorter term, while lifestyle management programs realize benefits in the longer term. This could also help explain why many studies don't provide much in terms of clinical effectiveness, as there have not been any analyses on the longer-term effects of these programs.

III.2.C. Mental Health Studies

Mental health wellness programs have shown more promising results in terms of effectiveness, compared to their lifestyle management counterparts. There have been many studies, especially in recent years, investigating these programs and their impact on well-being. For example, Weber, Lorenz, and Hemmings (2019) conducted a large-scale RCT with 6 European companies (n=532) over 4 weeks and showed that a mental health and wellness app ("Kelaa Mental Resilience") led to significant improvements in reported stress, wellbeing, and sleeping troubles (Weber, Lorenz, & Hemmings, 2019). Shreekumar and Vautrey (2022) conducted an RCT with 2,384 US adults recruited via social media ads. They found that a four-week intervention (N=2384) with a popular mindfulness meditation app ("Headspace") caused a 0.44 standard deviation reduction in symptoms of stress, anxiety, and depression for users. After app access reduces the fractions of participants with at least mild, moderate, and severe anxiety (as defined by the PHQ-9) by 32 percent, 50 percent, and 64 percent, and the fractions with at least mild, moderate, and severe depression (as defined by the GAD-7) by 24 percent, 47 percent, and 65 percent. Effects at all levels are highly statistically significant (Shreekumar & Vautrey, 2022). A meta-analysis of 56 RCTs showed that mindfulness-based programs effectively reduce perceived stress and health complaints while improving well-being and work-related outcomes (work engagement, productivity, job satisfaction) with effect sizes ranging from 0.32 to 0.68 standardized mean differences. Note that however, potential publication bias was observed for the effects on mindfulness and perceived stress, so the observed effect sizes for those two variables might be overestimated. (Vonderlin et al., 2020)

III.3. Evidence of Business Effectiveness and Return on Investment

III.3.A. Reduction in Healthcare Spending

There is a substantial body of literature on the impact of corporate wellness programs on healthcare spending, including randomized control trials (RCTs), observational studies, and surveys. However, the findings of these studies are mixed. RCTs generally show limited to no positive effects on reducing healthcare spending, whereas observational and correlational studies suggest that wellness programs may lead to some cost savings in healthcare spending. However, only a limited number of reliable RCTs exist, notably the BJ's study which investigated the effect of employee participation rate on healthcare spending.

A relatively consistent finding across many studies is that chronic disease management programs tend to show higher rates of return due to their direct impact on reducing healthcare costs, while wellness and lifestyle management programs do not. For example, the BJ's study found that while wellness programs increased employee participation in exercise and weight management, there was no significant reduction in healthcare spending, clinical health markers, or job performance after 18 months (Song & Baicker, 2019). Similarly, the RAND survey showed that while wellness and lifestyle management programs had little effect on overall healthcare costs, disease management programs significantly reduced healthcare expenditures by $136 per member per month, largely through a reduction in hospital admissions. In contrast, lifestyle management programs contributed far less to these savings, yielding only $0.50 in returns for every dollar invested (Mattke et al., 2013).

An observational study on PepsiCo employees echoed these findings, reporting that disease management programs reduced healthcare costs by 29% through decreased hospital admissions. However, lifestyle management programs, which target healthier employees, showed no significant reduction in healthcare expenditures (Caloyeras et al., 2014). Similarly, observational evidence from the University of Minnesota found that disease management programs generated returns only after three years of operation, while lifestyle management programs showed limited effectiveness in reducing either healthcare costs or absenteeism (Nyman et al., 2012).

In contrast, a meta-analysis conducted by Baicker et al. (2010) found that medical costs decrease by about $3.27 for every dollar spent on wellness programs. However, this study did not fully account for selection bias, which may have inflated the ROI figures. Adjusting for such biases could potentially lower the estimated ROI (Baicker, Cutler, & Song, 2010).

Overall, while chronic disease management programs appear to have a higher return on investment (ROI) due to decreased healthcare spending, general wellness programs focused on healthy participants often yield lower or negligible returns. The low number of RCTs with reliable designs and large divergence in study results demonstrates the need for additional research on the effect of corporate wellness programs on healthcare spending.

III.3.B. Reduction in Absenteeism and Increase in Productivity

Absenteeism refers to the habitual absence of an employee from work, while presenteeism occurs when employees are physically present but not fully productive due to illness or other issues; both lead to increased costs for employers through lost productivity and the need for temporary staffing. Similarly to healthcare spending, the evidence on the impact of wellness programs on absenteeism and productivity and resulting ROIs is also mixed. Many studies, including RCTs and observational research, show limited ROI in these areas. For instance, the BJ's study found no significant differences in absenteeism, job tenure, or productivity between participants and nonparticipants, even though the wellness program did increase exercise and weight management efforts (Song & Baicker, 2019).

Furthermore, the University of Minnesota study found no significant effects on absenteeism for either disease management or lifestyle management programs (Nyman et al., 2012). This suggests that wellness programs may not directly reduce employee absenteeism or enhance productivity, at least in the short term.

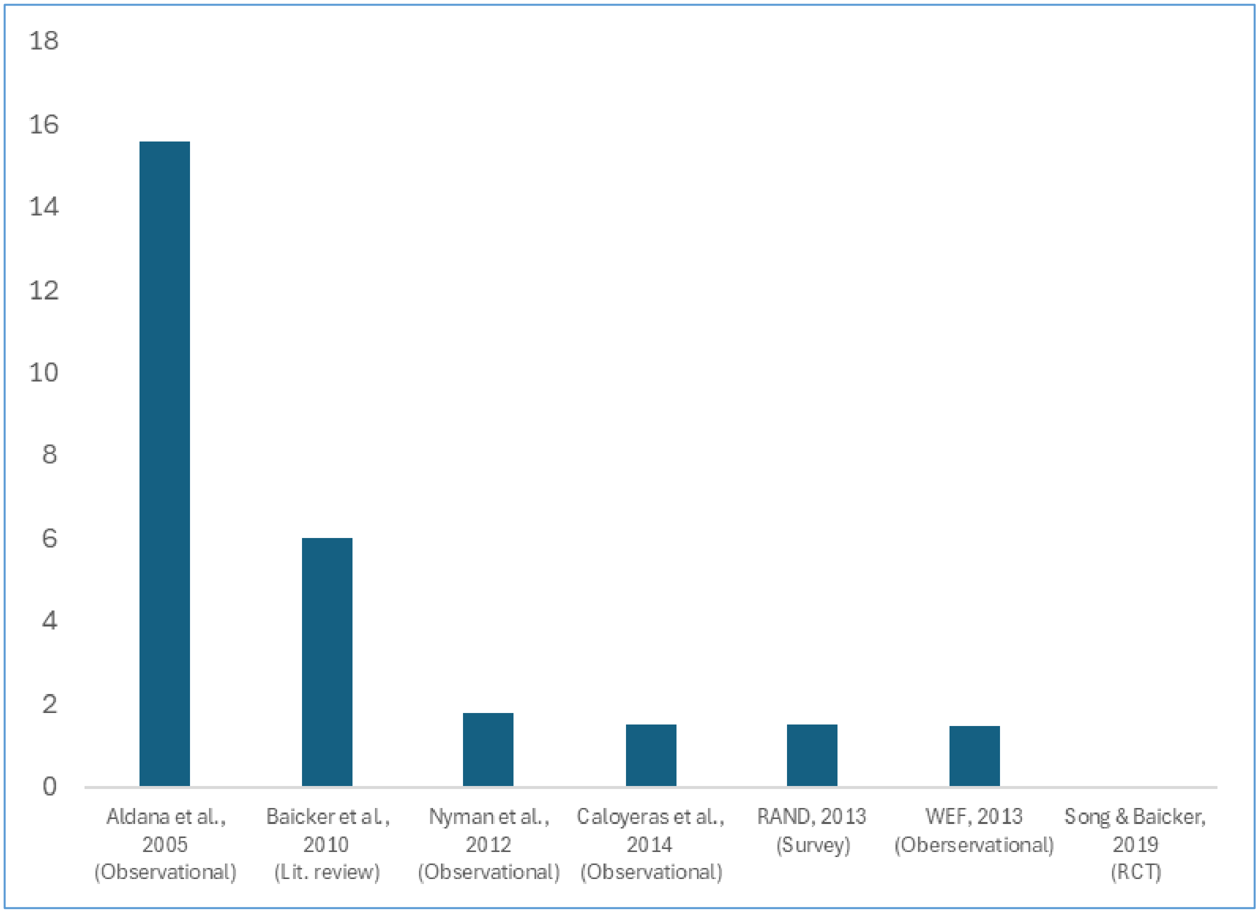
Some reports offer more optimistic results, though they may require additional independent verification. For example, the Wellhub report (2024) found that 99% of companies with wellness programs saw productivity improvements, and 56% reported at least a twofold ROI from their wellness program investments (Return on Wellbeing, 2024). As the study was conducted on HR leaders and allowed to calculate their ROI independently this meant that many respondents also included a lot of softer factors such as lower turnover rates and improved employee satisfaction in their ROI calculations, meaning that the study could benefit from additional investigations to identify more directly measurable, systematically-calculated, and verifiable ROIs. However, such more indirectly influenced factors were also investigated in other research with inconclusive results. For example, James Gerard Caillier notes that many studies discovered that wellness programs were actually found to increase turnover intentions while some studies claim increased employee satisfaction (Caillier, 2017). This highlights that the correlation between corporate wellness program offerings and employee turnover must continue to be investigated using verifiable randomized controlled trials.

The 2010 analysis of Baicker et al. also noted a positive effect on absenteeism, with costs falling by $2.73 for every dollar spent on wellness programs. However, the studies analyzed in the research were partly observational and did not fully account for selection bias, meaning the true ROI might be lower than reported (Baicker, Cutler, & Song, 2010). Similarly, in a study conducted by the World Economic Forum (WEF) on the implementation of the Vitality platform by the company Alcon, the corporate wellness program yielded an ROI of $1.48 with two-thirds of that return coming from reduced absenteeism and one-third from reduced healthcare spending (World Economic Forum, 2013)

In a 2005 study by Aldana et al., the reported results indicated a savings of $180 per participant per year, with a 0.1% reduction in the risk of illness days and $1,350 saved per employee in short-term disability costs. The study also found an impressive ROI of $15.60 for every dollar spent, solely due to reduced absenteeism (Aldana et al., 2005). However, an analysis of that study by Astrella notes that this study is more of an outlier compared to other trials that Astrella analyzed, with five other studies reviewed in the research estimated ROI figures ranging from $1.65 to $6 per dollar invested (Astrella, 2017). Hence, it is important to note that these results were based on a wide variety of data, reflecting the variability across different studies and program implementations, and highlighting the need for collecting additional rigorous evidence.

In summary, the impact of wellness programs on absenteeism and productivity requires further rigorous research. Although some studies suggest potential benefits, the evidence is inconsistent, and the returns on investment may vary depending on the type of program and the population it targets.

Figure 9. ROI[8] Identified by Named Studies.



Note: This figure outlines the ROI per $1 spent on PepsiCo's Healthy Living programs based on savings in healthcare spending and savings due to decreased absenteeism for corporate wellness programs, sourced from Baicker, Cutler, & Song (2010), Caloyeras et al. (2014), Mattke et al. (2013), World Economic Forum (2013), Aldana et al. (2005), Song & Baicker (2019)[9].

III.3.C. Mental Health

There is limited data on the effectiveness of corporate mental health programs, particularly in the U.S., in terms of return on investment (ROI) through reduced absenteeism and healthcare spending. However, existing studies generally suggest that these programs can provide positive financial returns. Reported ROI ranges from $2.50 to $11 for every dollar spent, though the higher estimates tend to focus on specific employee groups, such as nurses, who may be disproportionately affected by mentally challenging work environments. This wide range and

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[8] ROI was calculated using the following formula: (savings in healthcare spending + savings due to decreased absenteeism) / spending on corporate wellness programs

[9] While Song & Baicker did not state a numerical return on investment in their research, they noted that their study did not yield in lower healthcare spending or absenteeism. Hence, an ROI of $0 was chosen

limited data indicate that further investigation is necessary to more accurately assess the overall impact of mental health programs.

One of the most positive ROIs for mental health programs was identified by a study by Cindy Noben and Silvia Evers (2015) which focused on nurses in Europe. The study found that corporate mental health interventions led to net savings of 244 euros per nurse when considering only absenteeism, and 651 euros when presenteeism was also included. This corresponded to an ROI of 5 to 11 euros for every euro invested, demonstrating the significant potential for savings through improved mental health in professions with high mental stress (Noben et al., 2015).

In the U.S., an observational study conducted on 66 employers found that after six months, workplace salary savings due to reduced absenteeism ranged from $2,730 to $4,151, depending on wage groups. The study highlighted a positive ROI across all wage levels, further reinforcing the potential financial benefits of addressing mental health in the workplace (Bondar et al., 2022).

Similarly, a prospective, quasi-experimental study matching 156 employees receiving employee assistance programs (EAP) to 188 non-EAP employees identified that EAPs were effective in reducing absenteeism, although the exact extents were not quantified (Richmond et al., 2017).

A Deloitte study conducted in Canada is one of the most comprehensive analyses focused on mental health program spending and returns. The study examined 10 companies and found that workplace mental health initiatives yielded a median ROI of CA$1.62 for every Canadian dollar spent. For companies with programs in place for over three years, the ROI increased to CA$2.18. The study emphasized that mental health programs typically generate greater returns as they mature, taking three or more years to deliver substantial financial benefits (Kangasniemi, Maxwell, & Sereneo, 2019).

While the data on the ROI of corporate mental health programs is promising, more research is needed, particularly in the U.S. and in the form of non-observational randomized control trials, to better quantify their long-term financial impact.

IV. Conclusion

The corporate wellness industry is a large and rapidly expanding market, projected to grow from $50 billion in 2022 to approximately $100 billion by 2033. This significant growth reflects the increasing awareness among employers and employees about the benefits of wellness programs. As businesses recognize the value of supporting employee health, the market has diversified into various segments, including corporate wellness platforms, fitness and nutrition programs, disease management, and mental health services - in particular since the Covid pandemic. Each of these segments plays a crucial role in promoting employee well-being and mitigating healthcare costs, and hence, the industry has received signficant investment attention from employers.

Despite this promising expansion, many areas within the corporate wellness sector require further research. Participation rates in wellness programs, particularly for mental health and disease management, remain relatively low. Understanding the factors that drive or hinder employee participation, such as organizational culture, leadership support, and financial incentives, is critical to improving engagement. Moreover, there is a need to explore the long-term impact of wellness programs on both clinical and economic outcomes through verifiable RCTs, as current research presents mixed results. While programs targeting chronic diseases often show strong returns on investment, lifestyle and fitness programs for healthy employees tend to yield lower returns. Additionally, selection bias—where healthier employees are more likely to participate—remains a challenge for future research. This bias limits the ability to accurately assess the broader impact of wellness programs on the entire workforce. Therefore, studies with more robust methodologies are needed to examine the direct effectiveness of corporate wellness programs on the whole.

Finally, while mental health services have become a key focus area, particularly after the COVID-19 pandemic, further research is required to quantify the full ROI of corporate mental health programs. Although initial studies show positive returns, there is limited data, especially in the U.S., on how these programs affect absenteeism, productivity, and healthcare spending over the long term.

The corporate wellness industry holds great potential for improving employee health and reducing costs. However, realizing this potential will require continued investment in research, particularly in areas such as participation drivers, long-term effectiveness, return on investments of individual program components, and mental health program outcomes. By addressing these gaps, employers can design more comprehensive and impactful wellness programs that benefit both employees and organizations.

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Appendices

Detailed Information on Key Companies

ComPsych

Revenue: $700 M (2023)

Funds raised: $700 M[10]

ComPsych is one of the oldest and largest providers of Employee Assistance Programs (EAPs) worldwide. Over the years, ComPsych has established a vast network of employers, giving it a robust platform to cross-sell its health and wellness offerings. These offerings encompass a wide range of services, including mental health support, fitness and well-being programs, health assessments, and coaching and referral services for various conditions, including chronic disease management.

ComPsych allows employers to build a customized wellness platform, enabling them to "pick and choose" from its broad range of services to create a holistic wellness experience for employees. Despite the industry's shift toward technology-driven wellness programs centered on wellness apps and fitness trackers, ComPsych has maintained a focus on its personalized wellness coaching program. However, it does offer integration of its wellness coaching services with a wellness app developed by Cerner Corporation, combining the benefits of personalized coaching with modern digital tools.

Currently, ComPsych supports over 53,000 organizations and serves more than 118 million members across the U.S. and 170 other countries. In 2023, the company was estimated to generate approximately $700 million in revenue, with over $700 million raised to date. ComPsych has achieved consistent double-digit year-over-year growth since its inception, with all growth being entirely organic. This sustained growth reflects ComPsych's commitment to offering comprehensive, personalized wellness solutions tailored to the needs of its extensive client base.

Wellhub

Revenue: $750 M (2023)

Valuation: $2.4 B (2023)

Wellhub is a comprehensive wellness platform that connects employees to a vast range of fitness facilities, online classes, and wellness services. The company offers a subscription-based service, allowing employers to choose from a variety of plans that give their employees access to thousands of gyms, fitness studios, and wellness apps. This flexibility enables organizations to provide tailored wellness solutions that fit the diverse needs of their workforce.

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[10] Revenues, valuations, and/or funds raised are derived from Pitchbook, LeadIQ, and company reports. Detailed sources can be found in the appendix.

In recent years, Wellhub has expanded its offerings beyond just physical fitness through strategic partnerships and acquisitions. These additions have enhanced the platform's services to include mental well-being and nutrition programs, making it a more holistic wellness solution for employees. This expansion reflects a growing trend in corporate wellness to address not just physical fitness but also mental health and nutritional support.

As of 2023, Wellhub has a valuation of $2.4 billion and is estimated to generate $650 million in annual revenue, positioning it as a key player in the corporate wellness industry.

Sharecare

Revenue: $445 M (2023)

Valuation: $520 M (2024)

Sharecare is a comprehensive health platform that offers a full end-to-end experience for consumers, enabling them to measure, track, and treat their health needs. The company caters to a broad market, selling its services to employers, payers, providers, and advertisers. Sharecare stands out for its ability to provide personalized health guidance through innovative tools and partnerships.

At the core of Sharecare's personalized health services is the RealAge Test, a proprietary risk assessment tool that generates health guidance based on comparing users' biological age to their calendar age. The test incorporates both actively provided answers and passively collected biometric data (where available), offering a medically validated insight into users' health. The RealAge Test has been taken by over 45 million people and remains a cornerstone of Sharecare's engagement strategy.

Sharecare also drives strong consumer engagement through AskMD, an interactive Q&A platform offering clinical decision support. In addition to this, the platform creates a personalized feed of content for users, drawing from reputable health organizations such as AARP and the American Red Cross.

Sharecare differentiates itself through the acquisition of unique tools and strategic partnerships, including RealAge, voice-analysis software, and visualization tools. These innovations enhance the platform's ability to offer personalized and effective health guidance.

With access to data on over 25% of the U.S. population, Sharecare has leveraged this to expand into the population health sector, adding an additional revenue stream. In 2023, Sharecare generated $445 million in revenue and had a market capitalization of $520 million as of September 2024 - which however is an over 50% fall from 2023 due to recent earnings reports missing expectations.

Livongo/Teladoc Health

Revenue: $300 M (2020, Livongo only)

Valuation: $4.8 B (2022, estimated)

Livongo is a leading digital health company, primarily focused on chronic condition management, with an emphasis on diabetes care. The company is recognized for developing a unique approach to managing chronic diseases by combining advanced data analytics with personalized coaching and digital tools, enabling more proactive and personalized healthcare management.

While Livongo offers services directly to consumers, it remains primarily focused on B2B relationships, partnering with employers and health plans to deliver its solutions. At the core of Livongo's offering is an AI-driven platform that personalizes care for each user by integrating real-time data collection from connected devices—such as blood glucose meters—with AI-powered insights and human coaching. This integration enables users to better manage their conditions, reducing the likelihood of costly medical interventions.

In 2020, Livongo merged with Teladoc Health, creating one of the largest digital health platforms in the world. Before the merger, Livongo reported over $300 million in revenue and was acquired in a deal valued at $18.5 billion. However, following goodwill impairments in 2022, the company's enterprise value was adjusted to $4.8 billion, reflecting changes in market conditions and the integration with Teladoc.

Livongo's innovative approach to chronic disease management has made it a key player in the growing digital health industry, as it continues to influence how chronic conditions like diabetes, hypertension, and obesity are managed through digital platforms.

Apree Health

Revenue: $210 M (2023)

Valuation: >$370 M (2022)

Apree Health is a leader in health navigation, providing a platform that engages employees to make better healthcare decisions through personalized guidance. The company's platform offers a highly customized health navigation experience, enabling employees to effectively manage their health and well-being. One of Apree Health's key strengths lies in its open platform approach, which has allowed it to significantly expand its ecosystem of digital health solutions through strategic partnerships with companies such as Fitbit and Livongo.

In 2017, Apree Health enhanced its offerings by merging with Jiff, resulting in one of the most comprehensive health benefits platforms in the industry. This merger expanded its capabilities, providing robust data assets across the health and wellness spectrum. The company continued its growth trajectory, merging with Vera Health in 2022 for $370 million, further solidifying its position in the health benefits space. Through its expertise and data-driven insights, Apree Health has demonstrated its deep understanding of healthcare benefits and has consistently led company-funded research to improve its services.

In 2023, Apree Health generated $212 million in revenue, demonstrating its strong market presence and continuous growth in the health benefits and wellness sector. The company's ability to integrate personalized navigation with a wide range of digital health solutions positions it as a key player in the evolving corporate wellness landscape.

Personify Health (Virgin Pulse)

Revenue: >$200 M (2023)

Valuation: $3 B (2023)

Personify Health, previously known as Virgin Pulse, is a leading platform in employee health and well-being and claims to be the #1 personalized health platform in the industry. The company primarily focuses on providing health and wellness solutions to large employers, positioning itself as an essential partner for organizations seeking to improve employee productivity and health outcomes.

In 2023, Virgin Pulse merged with HealthComp and rebranded as Personify Health. This strategic move further strengthened the company's ability to offer an integrated platform that fosters a culture of wellness through an omnichannel experience. The platform's innovative approach includes robust socialization incentives and a reward system designed to drive employee behavior toward healthier choices.

Personify Health distinguishes itself by its ability to create comprehensive, personalized health journeys for employees while maintaining flexibility through its integration of various health and wellness tools. This open platform allows organizations to integrate third-party services and solutions, delivering a tailored experience for users. As of 2023, the company supports over 4,000 clients, including 84 of the Global Fortune 500 companies, serving a total of 18 million members worldwide.

Well

Revenue: not published

Valuation: $350 M (2021)

Well is a digital wellness platform that offers a highly individualized approach to health and wellness by leveraging data and AI to personalize recommendations and interventions based on each user's specific health needs. The platform integrates with existing healthcare systems, allowing organizations to engage employees in their health journey through personalized content, health coaching, and preventive care management.

The platform's focus on data-driven personalization ensures that users receive targeted interventions that align with their unique health profiles. Through its integration with healthcare systems, Well provides a robust solution for companies looking to enhance employee well-being and optimize preventative care.

As of 2021, Well had a market capitalization of $350 million, reflecting its growing presence in the digital health and wellness space. The company's emphasis on AI-driven personalization continues to set it apart in an increasingly competitive industry.

AmWell/SilverCloud Health

Revenue: $15 M (2021, estimated, SilverCloud Health only)

Valuation: $250 M (2021)

SilverCloud is a leading digital mental health platform that offers evidence-based, on-demand support for mental health and well-being. The platform is designed to help users manage a range of mental health conditions, including anxiety, depression, and stress, with a focus on delivering scalable and accessible solutions. SilverCloud aims to improve mental health outcomes by providing tailored interventions that are easily accessible to users through a digital platform.

SilverCloud primarily serves large employers, healthcare providers, and health plans, offering these organizations a digital platform that enhances mental health services for employees and patients. The platform enables the delivery of scalable mental health support, allowing users to access timely interventions without the need for in-person therapy sessions. This makes mental health care more convenient and accessible for users while helping organizations meet the growing demand for mental health services.

Currently, SilverCloud serves over 750 organizations worldwide, delivering mental health care to millions of users. In 2020, Amwell acquired SilverCloud for $250 million, expanding its digital health offerings and strengthening its position in the telehealth market. Amwell, a telehealth company that connects patients with healthcare providers via video, phone, or secure messaging, integrated SilverCloud into its broader platform to enhance its mental health services. This acquisition positioned Amwell as a leader in both digital health and mental health services.

Market Size Calculations

	Segment	North America market size	% of total market size	Estimated US market size based on $18.16B market
Fitness and Weight Management	Workplace screening and lifestyle	$5.64 B	19%	$3.44 B
Health Risk Assessment and Management	Disease Risk Assessment and Management	$7.85 B	26%	$4.79 B
Health Screening	Workplace screening and lifestyle	$5.72 B	19%	$3.49 B
Smoking Cessation	Workplace screening and lifestyle	$3.94 B	13%	$2.40 B
Stress and Mental Health Management	Mental Health	$6.63 B	22%	$4.04 B
Sum		$29.78 B	100%	$18.16 B

Source: BCC Publishing Staff. (2021). Corporate Wellness: Global Markets.

Market Data Sources

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