



Beyond Paid Leave

Unlocking the Full Potential of Voluntary Benefits

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Beyond Paid Leave: Unlocking the Full Potential of Voluntary Benefits

In a rapidly evolving workplace landscape, Paid Family and Medical Leave (PFML) has emerged as a critical safety net for millions of American workers. Whether it's for the birth of a child, recovering from a serious illness, or caring for a loved one, PFML gives employees time to focus on what matters most without the fear of losing their jobs and their income.

In 2023 alone, approximately 20 million people tapped into federal FMLA protections, with usage expected to grow as state programs expand and support among employers increases¹. Additionally, a 2024 survey found that nearly 80% of small businesses now support a national PFML program, recognizing both its necessity and its impact on workplace wellbeing².

Yet despite this shift, many companies still treat PFML programs as a compliance-mandated requirement rather than as a strategic benefit. For employees, PFML is a vital part of navigating life's biggest transitions. For employers, it's an opportunity, a gateway to a broader, more holistic benefits strategy.

"Because of competing business priorities, employers are often focused on the minimum, compliance administration of PFML" says Stephanie Shields, Head of Employee Benefits at Equitable Financial. "But in reality, it's the beginning of a much larger conversation around employee needs and long-term wellbeing."

Shields argues this is an opportunity for brokers and employers to differentiate. "PFML is often the gateway to a broader ecosystem of support. When someone takes leave, there are usually other benefits they could qualify for, but they either don't know those benefits exist or they're not being offered in the first place. The real question is: how do we deliver holistic benefit solutions that meet a broad and comprehensive set of needs for life's unexpected moments?" she says.

Thinking about PFML as an entry point to a more complete benefits ecosystem helps employers better align with the significant moments that shape employees' lives. By supporting major life events through thoughtful leave policies and beyond, businesses can dive into longer term wellbeing and loyalty.

Voluntary benefits, once seen as optional, have become even more essential to providing more comprehensive coverage and rounding out support for employees. To truly engage employees, easily understandable communication and education delivered by smart technology are no longer nice-to-haves – they are strategic must-haves.

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– **Stephanie Shields**
Head of Employee Benefits at Equitable Financial

¹ <https://behappyfamily.com/how-many-people-take-unpaid-leave-for-their-families.html>

² <https://smallbusinessmajority.org/press-release/new-poll-finds-strong-small-business-support-paid-family-and-medical-leave-policies>

The Missed Opportunity: What Happens After Leave Starts?

When an employee goes on leave, whether for a joyful or stressful reason, it often triggers a cascade of financial, emotional and logistical needs. That's where the power of voluntary benefits comes in. These insurance benefits help employees prepare for the unexpected, protect their families, and manage costs that traditional health insurance doesn't always cover. Offering these benefits doesn't strain an employer's benefits budget because the products are typically paid 100% by the employee.

Voluntary benefits go beyond standard medical plans. They're designed to fill the gaps in coverage and address real-world needs like:



Helping to offset a loss of earnings when dealing with medical issues that helps cover bills or groceries



Providing benefits for a loved one to travel to stay nearby when you're in the hospital



Mental health and counseling services



Delivering a lump sum to allow a focus on recovery when receiving a significant medical diagnosis



Support for caregiving, transportation, or home modifications

The biggest opportunity lies in designing the benefits experience so that it feels intuitive, not overwhelming. These types of benefits along with PFML should work together, supporting an employee's full well-being, not just their medical needs. Additionally, they should be easy for employees to understand. The future of benefits is no longer about offering more, it's about offering smarter, more connected, easy to understand solutions that support employees across every stage of life.

"PFML protects your paycheck and your job, but there are so many additional stressors people have to navigate during these moments like medical bills, travel costs, childcare gaps, mental health challenges, and more," says Shields. "That's where voluntary benefits provide real value."

And in today's world, those gaps are growing wider. Financial fragility is real and increasing. The average American has about \$1,200 in their savings account³. That's often not enough to cover a deductible, let alone unexpected costs tied to a major life event. Consider this: A new parent might face unpaid leave after their state benefit runs out. An employee injured in a car accident may need time off beyond FMLA limits and still have co-pays, medical transport, and rehabilitation costs. In these moments, even a few hundred dollars can mean the difference between stability and crisis.

³ <https://www.fool.com/money/research/average-checking-account-balance/>

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Here's an example of how one event commonly triggers multiple uses of different benefits:

1. Emily gave birth to her first child via c-section and used her state's paid medical leave benefit, as well as her Short-Term Disability and Hospital Indemnity plans, to supplement her income and cover medical expenses.
2. Her newborn had a brief NICU stay, and Emily's Hospital Indemnity coverage provided a daily benefit for the baby's stay.
3. During recovery, Emily was diagnosed with postpartum depression, which was covered under her Critical Illness policy, and she also received outpatient therapy benefits from Hospital Indemnity.
4. Emily transitioned to her state's paid family leave to spend time with her newborn and submitted an FMLA request to secure job protection and maintain health benefits during her absence.
5. Additionally, Emily accessed her Employee Assistance Program through her disability policy for counseling and assistance with childcare research when preparing to return to work.



Benefits that work together:



Paid Medical Leave



Short Term Disability Insurance



Hospital Indemnity Insurance



Critical Illness Insurance

Emily's experience shows how a single life event, having a child, can trigger the need for a coordinated set of benefits. When benefits are thoughtfully designed to work together, they don't just fill gaps, they support the whole person, helping employees stay financially secure and emotionally healthy.

"One employee shared, 'Right after I had my baby, the last thing I had time to think about was my paycheck. But without missing a beat, the money owed from my benefits was in my account when I needed it most.' Shields shares. "That kind of impact is real, and it sticks with people."

Yet one of the biggest barriers to getting employees to sign up for voluntary benefits is understanding. Many employees don't know what's available to them. The good news is nearly all U.S. organizations (90%) offer at least one voluntary benefit⁴. Research has shown that larger organizations (those with 500 or more employees) are more likely to offer voluntary benefits than smaller organizations⁴. By expanding access to voluntary benefits for small and midsize employers and making benefits easier to understand and use, these employers can close the gap, better support their employees and compete more effectively in today's talent- driven market.

⁴ <https://www.ifebp.org/docs/default-source/pdf/resources---news/articles/ee-bene-surv-22.pdf>

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This is where brokers can play a critical role. As benefit options increase and become more complex and more personalized, brokers are being asked to step into a consultative role, guiding employers through choices that match their workforce needs, budget and company culture. The brokers who win long-term will be those who act like an extension of the HR team – they're not just selling plans, but they're also helping employers create real, human-centered support systems.

To do this well, brokers need education, support and powerfully simple tools. “At Equitable, we’re investing in our broker partnerships like never before,” says Alyssa Arellano, Head of Product & Technology Solutions at Equitable. “We’re making sure they’re confident in our products & technology and how they work because today’s employers and employees expect clarity, ease, and transparency.”

This is where benefits partners, like Equitable, come in. Equitable works closely with brokers to help them understand the products, keep up with regulatory changes, and ensure they’re effectively educating both employers and employees.



In fact, 97% of brokers said doing business with Equitable was easy, underscoring the company’s commitment to user-friendly experiences⁵.

Shifting Expectations: Employees Are Paying Attention

Today’s employees want to be informed and make the best decisions possible for the health and wellbeing of themselves and their families. They expect support that matches their values and their lives. These expectations have led employees to look for more than just a paycheck. They want to work for companies that show they care – companies that provide real, useful benefits when it matters most.

And the data backs this up. The modern workforce, especially younger generations, demands a holistic approach to wellbeing, beyond just standard health plans. Voluntary benefits enhance engagement and retention: nearly 63% of workers said they would change jobs for better benefits, and employers prioritize wellbeing, mental health, and satisfaction⁶.

And increasingly, employers are responding. For many, voluntary benefits are a reflection of company culture and a competitive differentiator. Data shows that 75% of organizations believe voluntary benefits are effective in retaining employees across different generations⁷. People aren’t necessarily leaving jobs for a small raise – they’re staying in places where they feel protected and valued. Benefits that support mental health, caregiving or financial resilience say a lot about the core principles of a company.

Technology is an Important Piece of the Puzzle

Of course, offering the right benefits is only part of the equation. Employees also need easy access, smooth claims experiences, and user-friendly platforms. According to research by LIMRA, 4 in 10 employers would change carriers if their current insurance carrier was unable to connect their products to its benefit technology platform⁸. For employers to achieve these results and more, they need to offer their employees intuitive digital solutions with streamlined systems that help them use their benefits with minimal hassle.

⁵ Equitable Voice of the Customer survey, “Broker & Employer Implementation Experience Survey Results” (1/1/25 peak season results, October 2024 – February 2025)

⁶ <https://www.benefitspro.com/2024/11/22/using-data-to-tailor-benefits-for-a-millennial-workforce>

⁷ <https://www.skgbarnum.com/blog/the-value-of-voluntary-benefits#:~:text=Data%20from%20the%20Willis%20Tower,wellness%20programs%2C%20and%20financial%20incentives>

⁸ <https://www.limra.com/en/newsroom/industry-trends/2025/limra-research-the-role-of-workplace-benefits-brokers-is-changing>

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“Technology should remove friction, not create it,” says Arellano. “To truly support employees, we need to deliver simple, intuitive experiences so they can access benefits, file claims and get the support they need without jumping through hoops.”

Not only should technology remove friction for employees, but it should also be powerfully simple for employers and brokers. For brokers, digital tools that use enrollment analytics can help simplify plan recommendations so they can better guide their clients with less administrative burden. For employers, it’s about making sure they have access to information on what is being offered to their workforce and what participation looks like.

So even though these outcomes are powered by technology, the tools used are making the entire process feel more human, which is what employers and employees need.

What Does Success Look Like?

There is no single formula for making voluntary benefits successful; what works for one employer may be different for another. However, successful programs often share a common foundation, built on key elements such as:

- For employers: Improved retention and lower turnover, improved employee satisfaction, higher benefit engagement and utilization rates as well as higher perceived value in compensation packages.
- For employees: Relief, stability, easy to access benefits and positive word-of-mouth experiences. When employees feel seen and supported, they show up more engaged, productive and loyal.
- For brokers: Stronger client relationships, new business through referrals, and long-term trust demonstrating their value as a strategic partner.
- For carriers: High engagement, increased enrollment, and better outcomes. Balancing business outcomes (growth, persistency etc.) with customer outcomes (employer engagement, employee satisfaction etc.)

And over time, benefit adoption builds momentum. “If an employee has a positive experience, others take notice,” says Shields. “Word-of-mouth feedback drives awareness and interest in the benefits, which bubbles up to the employer and the broker. It’s a full-circle moment.”

Voluntary Benefits as Core Benefits

As PFMLA becomes more standard and as life continues to throw curveballs, voluntary benefits will no longer be seen as extra; they’ll be essential. For employers, today’s most effective strategies are those that are easy to understand, use technology effectively and address the everyday and real challenges people face. At the end of the day, it’s about truly protecting people at every stage of life.

About Equitable

As a U.S. company with roots going back to 1859, Equitable offers the strength and wisdom that comes with generations of experience as an insurance pioneer. To that heritage, we add the innovation and expertise of an employee benefits business that's been purpose-built to meet the evolving needs of the modern workforce. Together, we strive to learn and improve while always keeping sight of what matters most to the brokers, employers, employees and providers we serve.

The 1859-year history reference applies exclusively to Equitable Financial Life Insurance Company.

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