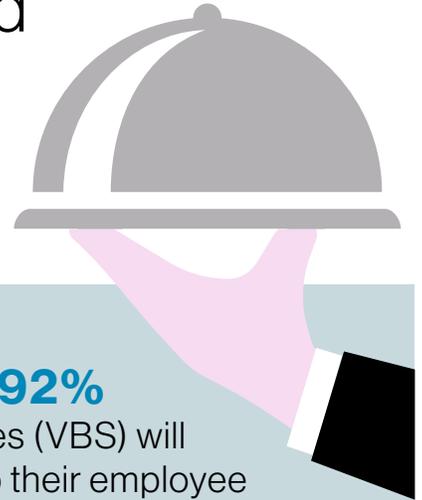


Employer-provided voluntary benefits grow in importance with expanded offerings

Key insights from the 2016 Voluntary Benefits and Services Survey



As employers reconsider the role benefits play in their total rewards strategy and respond to a shift in workforce needs, **92%** of those surveyed expect that voluntary benefits and services (VBS) will be at the forefront of their strategic thinking and important to their employee value proposition over the next three to five years, up from 59% in 2013. The growth of VBS spans virtually all employer groups and categories.

Fastest-growing voluntary benefits respond to changing employee needs

<p>Identity theft (35% in 2015, could double to nearly 70% by 2018)</p> 	<p>Critical illness (44%, could grow to 73% by 2018)</p> 
<p>Student loan repayment programs (4% offer today, could grow to 26% by 2018)</p> 	<p>Pet insurance (36%, could grow to 60% by 2018)</p> 

Generational shift drives emerging and fast-growing benefits

Employers are using VBS to appeal to a more diverse workforce. While many recognize that Millennials are saddled with increasing amounts of student debt, they are also providing options to Baby Boomers, who face later retirement and rising health care costs amid stagnant wage growth.

37 million Americans (nearly **70%** of every graduating class) have outstanding **student loans***

Demand for **long-term care insurance** is evident, with **30% offering it now** and an additional **22%** considering or planning by 2018

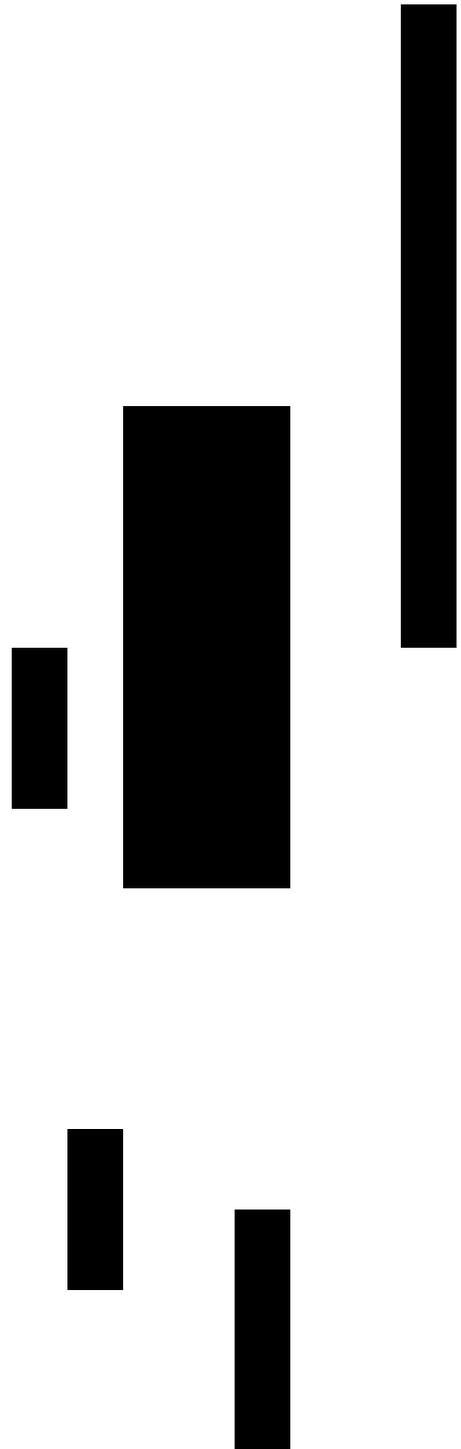
59% of employers currently offer **legal plans**, which can help support life-cycle events such as will preparation and home purchase

Actions for employers

- Include VBS programs in your benefit portfolio to allow employees expanded choice and the ability to personalize benefits.
- Consider supplemental medical plans such as critical illness, accident and hospital indemnity to offset your employees' out-of-pocket medical costs (regardless of plan design).
- Use emerging VBS to support employee financial well-being efforts, e.g., identity theft and student loan repayment.
- Focus on maximizing your VBS program value by increasing employee education and participation.



Organizations that recognize their workforce's changing needs will be able to structure their benefits in a way that will help attract, retain and engage the talent they need for the future.



About the survey

The 2016 Willis Towers Watson Voluntary Benefits and Services Survey was completed by 317 employers, representing 9.2 million employees, in November 2015.

*The Institute for College Access & Success

About Willis Towers Watson

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