Benefits Insights

5 Mental Health Benefits That Employees Use

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Mental health resources are highly desired among employees, but workers aren't always satisfied with the benefits their employers offer or may not know how to use them effectively. A 2025 workplace mental health poll by the National Alliance on Mental Illness (NAMI) found that while 77% of respondents are satisfied with their overall health care insurance benefits, only 68% are satisfied with mental health care benefits. Additionally, only half of the workforce knows how to access mental health care through their employer-sponsored health insurance. As stress, anxiety and burnout continue to have a prevalent impact on the workforce, employers are facing growing pressure to respond by expanding and strengthening their mental health benefit offerings.

Many organizations have answered that call by prioritizing mental health benefits as part of their employee benefits strategy. However, many employers don't offer the most in-demand mental health-related benefits or find it difficult to improve utilization rates. Whether due to lack of awareness, stigma, confusing access or perceived ineffectiveness, low utilization means employees who could benefit most are often not receiving support. For employers, this gap can have real consequences, including lower morale and productivity, increased absenteeism and higher turnover.

1. Mental Health Support Through Employer-sponsored Health Coverage

Many employees access mental health care through their employer-sponsored health insurance plans, making health coverage the foundation of most workplace mental health strategies. The Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA) requires parity between a group health plan's medical and surgical (M/S) benefits and its mental health or substance use disorder (MH/SUD) benefits. In general, if a health plan provides MH/SUD benefits, the MHPAEA requires the plan to:

- Offer the same access to care and patient cost-sharing for MH/SUD benefits as for M/S benefits;
- Apply benefit limits, prior authorization and utilization review practices equally; and
- Maintain a single combined deductible for MH/SUD and M/S coverage.

The MHPAEA applies to group health plans sponsored by employers with more than 50 employees, and the Affordable Care Act (ACA) reforms extend parity requirements to insured plans in the small group market.

These plans commonly cover therapy with licensed clinicians, psychiatric evaluations and prescription medications for conditions such as anxiety, depression and mood disorders. Coverage increasingly includes both in-person and virtual care, reflecting employees' preference for convenience and accessibility.

Despite these protections, utilization can be uneven. Employees often report difficulty finding in-network providers, concerns about cost-sharing and confusion about covered services. Employers that actively communicate mental health benefits, simplify plan navigation and promote virtual or employee-preferred provider options tend to see higher and more sustained utilization. When accessible and affordable, insurance-based mental health support enables long-term, clinically appropriate care and can help prevent concerns from escalating into more severe or costly conditions.

2. Wellness Programs

Workplace wellness programs take a holistic approach to employee well-being, increasingly recognizing that mental health is inseparable from physical, emotional and financial health. Popular mental health offerings include stress management workshops, mindfulness or meditation sessions, resilience training, wellness challenges and access to digital mental health platforms or apps.

Employees tend to engage with wellness programs because they are preventive, low-pressure and easy to access. Unlike clinical care, these programs do not require a diagnosis, making them appealing to individuals who want support but may not identify as having a mental health condition.

That said, participation often depends on how well programs are tailored to workforce needs. Generic offerings or one-time initiatives may fail to sustain interest. Employers that see stronger utilization often embed mental health initiatives into ongoing wellness strategies, offer varied formats (e.g., live, on-demand or digital) and reinforce participation through incentives or by integrating it into broader organizational goals. By embedding mental health into everyday wellness conversations, employers help normalize care and encourage early support.

3. Mental Health Days

Mental health days, whether offered as a distinct benefit or incorporated into existing paid time off (PTO), have grown in popularity as employees seek explicit permission to prioritize emotional well-being. These days allow employees to rest, recover and reset without needing to justify their absence or label it as a physical illness.

Employees are more likely to use mental health days when organizational culture openly supports them. In workplaces where leadership models healthy behavior and communicates that mental health is valued, employees report lower stigma and greater willingness to take time off when needed.

Conversely, mental health days can be underutilized when employees fear negative career implications or workload consequences. Employers can address this by setting clear expectations, training managers to respond supportively and reinforcing that time off for mental health is as legitimate as time off for physical recovery. When used effectively, mental health days can reduce burnout, improve productivity and support long-term retention.

4. Flexible Work Options

Flexible work arrangements have become one of the most utilized and valued mental health supports because they give employees greater control over how work fits into their lives. Common options include:

- **Remote work** can reduce commuting stress and allow for better focus and recovery time.
- **Hybrid models** can balance collaboration with autonomy by combining in person and remote work, allowing employees to spend part of the week on-site and part working from home.
- **Flexible schedules** enable employees to adjust hours around caregiving responsibilities, mental health appointments or peak productivity times.

Flexible work options won't be feasible for every industry or role, but employers that do offer these options usually find employees take advantage of these highly sought-after perks.

Employees often view flexibility as a form of trust and respect, which contributes to higher satisfaction and engagement. Utilization tends to be strongest when flexibility policies are clearly defined, applied consistently and supported by managers. Employers that invest in manager training, clear guidelines and outcome-based performance expectations are more likely to see flexibility as a meaningful mental health support rather than a selective perk.

5. Employee Assistance Programs

Employee assistance programs (EAPs) provide confidential, short-term mental health support at no cost to employees and are designed to offer immediate assistance and early intervention. Services often include a limited number of counseling sessions, crisis support, referrals to longer-term care and resources for challenges such as stress, grief, substance use, family issues or financial concerns.

While EAPs are popular in concept, they are frequently underutilized in practice. Many employees are unaware that an EAP is available to them, do not fully understand what the program offers or mistakenly believe it is only for severe or workplace-related issues. Concerns about confidentiality are another common barrier. Employees may worry that using an EAP could be disclosed to their employer or negatively impact their job, despite strong privacy protections typically built into these programs.

Employers can increase EAP utilization by proactively educating employees about how EAPs work, what issues they can address and, critically, how confidentiality is protected. Regular communication, leadership endorsement and clear explanations of how EAP services connect to health benefits for ongoing care can help position EAPs as a trusted, accessible first step for mental health support rather than an overlooked resource.

Learn More

By investing in both the design and delivery of mental health benefits, employers can help close the gap between offering support and ensuring it makes a real difference.

Contact us today for additional guidance on employee health plans.

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