



# INSIGHTS

FOR 2017

## SHINING LIGHT ON KEY INDUSTRY TRENDS FOR THE COMING YEAR

Every day, our colleagues take care of people facing uncertain situations. Whether they have a workplace injury, need time away for the birth of a child, experience a medical situation that will lead to time off, are in an auto accident, or suffer product or property damage, we are here to let them know that it's going to be ok. *Caring counts.*<sup>SM</sup>

Part of our job in caring for these people is to simplify and clarify the process, and to explain what consumers can expect. An evolving system, shifting regulations, rapidly advancing technology and economic uncertainties add to the complexities they face. Sedgwick is committed to making the process easier and we work behind the scenes to improve results – for clients, as well as their employees and customers. To ensure we provide the best possible service, our team stays plugged in to important industry trends impacting businesses. With our expert resources and capabilities, we help support our clients' goals related to productivity and sustainability.

Bringing to light important issues and topics to help our clients stay informed is a critical part of the services we provide. Key areas in the spotlight for the coming year include good health empowerments, regulation transformations, consumer-centric progressions, risk circumventions and tech modernisms. We will continue to offer our insights as we monitor the following business advancements and challenges throughout 2017:



### GOOD HEALTH EMPOWERMENTS

**ACCESSING CARE VIA TECHNOLOGY** Technology advancements will continue to influence healthcare delivery. Connecting a specific injury or condition with a quality provider in a virtual setting for more immediate treatment will make these advancements more readily acceptable and increase demand.

**BALANCING THE SCALE OF PAIN MANAGEMENT** Increasing opioid addiction and the legalization of medical marijuana will ensure pain management remains at the forefront of industry discussions. Increased education about the dangers of opioid abuse, the availability of marijuana as a medical alternative, and the introduction of alternative pain management techniques will continue to dominate the conversation.

**SUPPORTING MENTAL HEALTH INITIATIVES** The pressures to reduce stigma and strengthen initiatives aimed at psychosocial issues and behavioral health will continue to mount. The linkage between absence at the workplace and mental health will continue to be highlighted.



### REGULATION TRANSFORMATIONS

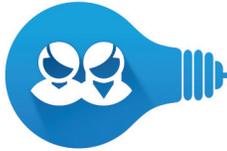
**COMPLIANCE ENFORCEMENT** Employers will continue to manage compliance-related issues as they respond to ongoing changes in the ADA/ADAAA, FMLA, and other federal and state laws impacting our industry. Political reorganization and shifting administrative priorities may also create regulatory shifts for OSHA and the EEOC.



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**NAVIGATING REGULATORY CHANGES** Assessing the impact of provisions introduced by newly-elected officials from the federal and state level in the areas of healthcare, workers' compensation and parental leave will be on the forefront. It will be necessary to monitor newly-introduced legislation in key states such as California, New York and Florida to determine how best to respond and comply with new regulations.

**WORKERS' COMPENSATION STRATEGIES** Primary steps among industry leaders include finding common ground and developing strategies focused on benefiting all key stakeholders. Those who favor a federal workers' compensation option point to inconsistent benefits, rules and regulations among the states. Others believe the state systems have proven to be effective and simply need to be updated. By understanding what should be changed or replicated, legislators can work to revitalize workers' compensation and help ensure that it continues to fulfill its original purpose.



## CONSUMER-CENTRIC PROGRESSIONS

### ENHANCING THE CLAIMS EXPERIENCE

The current claims paradigm will continue to shift and be characterized by an increasing focus on the consumer. The needs of injured or ill employees and other consumers will assume center stage. Claims expectations will be established early on; information and resources to support the consumers' needs will become more readily available; and care and concern will drive and transform the claims experience.

**BRIDGING BENEFIT MODELS** Integrated benefit plans have long been discussed, but not widely implemented. Pushing the boundary between various benefit providers, administrators, payers and employers through advanced online platforms could be at the forefront of many discussions. In addition to technology advancements, there is a renewed health, wellness and compliance mindset that is fostering increased interest in integration.

**ON-DEMAND CONSUMERISM** Consumer and customer expectations are on the rise and providing an immediate response has become expected in many industries. Increased connectivity and immediate communication are now the standard. In the past, it was enough to provide claim and case details through push technology, seamless payment processing and direct bank deposits. Now, the gold standard is to provide a consumer-focused experience where access to resources and data are a click away. With enhanced consumer engagement comes faster resolution, reduced litigation and reallocation of resources to focus on more complex matters.



## RISK CIRCUMVENTIONS

### CRISIS PLANS

Building resiliency through new predictive models in pre-catastrophic events and utilizing new technologies in post-disaster recoveries is on the minds of many employers. Whether the emergency is natural or man-made, cyber- or product-related, or a supply chain interruption, having the right pre-catastrophe plan in place continues to be a discussion among employers, brokers, carriers and payers.

**GEO RISKS** More organizations are likely to consider an enterprise-wide response to growing political, economic and global risks as customer markets expand. There is also an increasing need to address travel risks for employees servicing global customers on a short-term or interim basis, and ensure preparedness plans are in place.

**TALENT STRATEGIES** There continues to be a need to attract, train and retain new talent as baby boomers enter retirement years. Employers must learn how to accommodate multiple generations with varied preferences – from telecommuting to technology – and ensure successful integration with the existing workforce. Creating strategies and utilizing new tools for knowledge sharing will help enhance communication and understanding.



## TECH MODERNISMS

### ARTIFICIAL AND EMOTIONAL INTELLIGENCE

The rapid advancement of technology has led to conversations and interest in artificial and emotional intelligence. Developments in these areas and others such as new connected health technologies, internet of things, drones, driverless cars and services utilizing virtual technology are contributing to privacy law and ethical guideline debates.

**EXPLOSION IN ACTIONABLE DATA** With today's technology advancements and increasing number of connected devices come an explosion in actionable data, creating a need for more data miners. There is a growing demand for data scientists and engineers who can interpret actionable information. The use and expectation of having more refined predictive analytics to drive decisions will continue to increase and underscore the need for this specialized talent. Deciphering actionable insights as more data pours in from various connected devices will continue to be an important topic of discussion.

**SELF-SERVICE INNOVATIONS** Having been introduced in the banking and airlines industries early on, consumer self-service options are becoming increasingly popular in the risk and benefits industry. Consumers of claims services are seeking the same user experiences that they have become accustomed to in the b2c world, including instant information access, connectivity to tech support, and two-way communication when and how they want it.



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