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Voluntary Benefits Voice

MAGAZINE

2025: A Turning Point for Benefits Administration and HR Technology

2025's Top 3 Trends in the Voluntary/ Worksite Market

Pet Insurance in Today's Benefits Landscape

VOLUNTARY ADVANTAGE

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2025's Top 3 Trends in the Voluntary/ Worksite Market

PES BENEFITS

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From The Editor...

Well, it's December.

Like many, as we prepare to celebrate the holidays, I find myself wondering how the year passed so quickly. As I reflect on the past twelve months, I am drawn not to the challenges, but to the good that has come from the work we do.

Throughout the year, we have heard from many individuals who shared how Voluntary Advantage has made a meaningful impact. Some told us that our platform helped them to better understand the voluntary benefits industry. Others shared that it gave them renewed hope for the future, encouraged them to stay in the industry, or even shifted the focus of their practice. For many, seeing themselves or a colleague highlighted served as an important reminder of the good our industry delivers every day.

December feels like an especially appropriate time to reflect on that "good." Voluntary benefits play a critical role when individuals and families need support most, serving as a beacon of hope after a life-altering diagnosis whether it is - helping them pay for their rent or groceries during a period of disability, easing the burden of deductibles and copays after an injury, or subsidizing travel and second opinions at a center of excellence following a cancer diagnosis. They even provide peace of mind for new parents navigating out-of-pocket costs after the birth of a child.

"Insurance" can mean many things, depending on one's circumstances. When we keep the policyholder at the center of our work, we reinforce our responsibility to be a positive force in this industry - continually seeking new ways to add value and protect individuals and families when they need it most.

Ultimately, this is my personal measure of success: knowing that we as an industry truly care about helping every day people during what can be some of the most stressful times in their lifetime.

Happy Holidays Everyone!

2025's Top 3 Trends in the Voluntary/Worksite Market

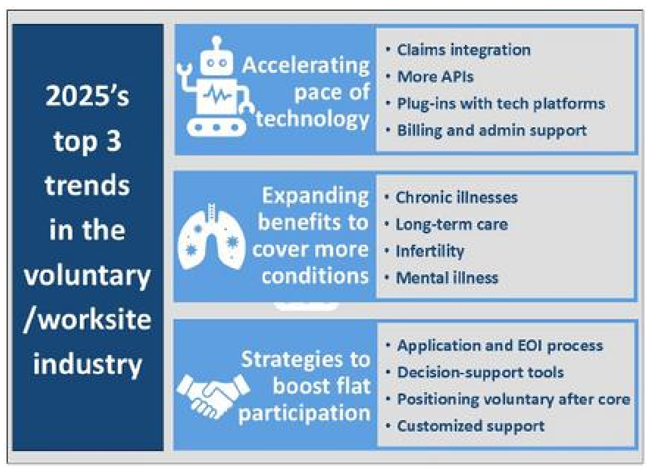
By Eastbridge Consulting Group, Inc.

The voluntary/worksite industry is a balancing act for carriers trying to meet the needs of brokers, employers and employees with enhanced products and services while maintaining profitability. That has never been more obvious than in 2025, as carriers face demands for expanded benefits, more advanced technology and strategies to boost lagging employee participation. Here's our take on three big trends that have been driving the marketplace this year:

#1: Accelerating Pace of Technology

Our research shows carriers are concerned about keeping up with the fast pace of technological change in the market and increasing expectations for carriers to provide more services or automation with the data they collect. The most recent "Enrollment and Technology Funding Practices of Voluntary Carriers" Spotlight™ Report shows at least half of carriers are expanding their investments in enrollment technology, creating better connectivity and stronger partnerships with technology platforms to expand their services and capabilities. These include adding more APIs to expand claims, evidence of insurability, product, enrollment and plan set-up capabilities; developing plug-ins with existing technology platforms for better decision-support tools; partnering with third parties to offer additional services for better billing and ben admin/HR capabilities; and updating internal systems to provide better overall administrative capabilities.

Brokers and employers expect carriers to deliver these technology-driven enhancements. According to the 2025 "The Voluntary/Worksite Market: An Executive Perspective" Spotlight™ Report, brokers are looking for better data connectivity and integration from carriers, while employers have higher expectations for better admin solutions and more transparency regarding claims and loss ratios. And while keeping up with technology is a continuing concern for voluntary executives, they also say technological innovations and claims integration capabilities will be the top two drivers of competitive advantage over the next five years.



#2: Expanding Conditions Covered by Voluntary Products

Life and disability coverage remain at the core of voluntary benefits, with a surge in the popularity of supplemental health insurance such as critical illness, accident and hospital indemnity in recent years.

Sales of permanent life (whole and universal life) and critical illness plans in particular have been growing, but these products are moving away from basic vanilla to offer a variety of flavors with benefits focused on employees' specific emerging needs.

The majority of voluntary permanent life plans now include coverage for chronic illnesses and close to half offer long-term care benefits, according to our "Voluntary Whole and Universal Life Products" Spotlight™ Report. Most plans offer these benefits on an optional basis selected by employers.

Critical illness sales continue to rise, at least in part due to the variety of new benefits many plans offer. These include coverage for increasingly common conditions such as infertility and obesity, according to our new "Voluntary Critical Illness Products" Spotlight™ Report. And like permanent life insurance, many critical illness plans have expanded beyond acute illnesses, such as strokes and heart attacks, to cover chronic conditions such as muscular dystrophy, arthritis and diabetes. However, the report shows fewer than half of critical illness plans cover mental illness conditions.

#3: Focus On Strategies to Boost Flat Participation

Despite technology changes designed to simplify enrollment, decision-making and claims payment, alongside ever-richer benefit options — not to mention growing sales — employee participation in voluntary benefits has remained fairly flat for the past eight years. This trend is consistent across product lines and group sizes.

Carriers are working with employers to attack this issue from several angles. Most strategies to drive increased enrollment participation include efforts to make the process easier and more efficient, and to create better enrollment conditions featuring in-person education and enrollment opportunities, according to our "Enrollment and Technology Funding Practices of Voluntary Carriers" Spotlight™ Report. These include streamlining the application and evidence of insurability processes; providing interactive, easy-to-use decision-support tools, calculators, videos and product materials; positioning voluntary products directly after core benefit offerings in the enrollment process; offering various types of enrollment methods to meet employer and employee needs; and providing customized support during the enrollment process.

Looking Ahead

It's a safe bet that carriers will continue to face pressure to balance profitability with investments in new technology, improved products and stronger enrollment support into the new year. Those who focus their resources on these evolving trends are likely to find greater success in 2026 and beyond.

Danielle Lehman
Senior Consultant

Eastbridge is the source for research, experience, and advice for companies competing in the voluntary space and for those wishing to enter. For over 25 years, they have built the industry's leading data warehouse and industry-specific consulting practice. Today, 20 of the 25 largest voluntary/worksite carriers are both consulting and research clients of Eastbridge.

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Mental Health Support: A Growing Priority, Yet Still Underfunded

By PES Benefits

In 2024, employers and employees both acknowledged the rising importance of mental wellbeing—but investment hasn't caught up. According to the 2024 NFP U.S. Benefits Trend Report, 58% of employees are requesting increased access to mental fitness programs and training to manage today's complex workplace challenges. Yet despite this demand, 30% of employers invest less than $201 per employee on well-being initiatives, and another 27% plan to reduce that investment in 2024 NFP.

Why It Matters and What's at Stake

These numbers point to a growing gap: employee interest in mental health support is clear, growing, and urgent—but employer spending is not keeping pace. Left unaddressed, this shortfall can erode trust, engagement, and productivity.

From a business standpoint, the risks are real:

- Mental health challenges contribute to disengagement and burnout, increasing absenteeism and reducing output.
- Employees craving help may still be quietly struggling—especially if programs are underfunded or unknown.
- Notification of benefit gaps can damage employer brand and retention, as workers reassess whether their needs are truly valued.

How Brokers Can Close the Gap

This mismatch presents a powerful moment for brokers to lead with solution-oriented strategies:

- Assess well-being investment levels across client organizations. If a significant portion of staff believes stronger mental health support is needed, work with HR to recommend reallocating spending toward impactful programming like virtual counseling, mental fitness training, or resilience coaching.
- Shape more inclusive communication strategies. Help employers build awareness campaigns—both launching new programs or spotlighting existing ones—focused on normalization, privacy, and ease of access.

- Bundle mental health into broader well-being offerings. Combining mental health with financial planning, wellness coaching, or flexible scheduling makes it easier for employees to engage meaningfully across dimensions of well-being.
- Track progress and impact. Help employers monitor utilization, satisfaction, and retention metrics tied to mental health initiatives—turning emotional investments into strategic metrics.

As awareness grows, the need for mental health support becomes impossible to ignore but employer commitment must follow. Brokers who help clients close this investment gap earn credibility and trust.
Guiding companies toward thoughtful mental health strategies ultimately strengthens wellbeing, retention, and performance, benefiting employees and employers alike.

Source: 2024 US Benefits Trend Report | NFP

PES Benefits is dedicated to revolutionizing the employee benefits landscape with cutting-edge technology, administration, education, and virtual care solutions. Since its inception, PES Benefits has focused on simplifying the benefits experience, making it more accessible and meaningful for all involved.

2025: A Turning Point for Benefits Administration and HR Technology

By Ben Yomtoob

2025 stands to be a pivotal milestone in the evolution of Benefits Administration, marking a transformation that reshapes how employers, employees, and vendors interact with workplace benefits. This year, we've witnessed a decisive shift away from legacy business models, towards a new era defined by advanced digital experiences, integrated platforms, and smarter tools that prioritize user-centricity.

At the heart of this evolution, are two intersecting trends that have fundamentally altered the benefits landscape. First is the emergence and adoption of Benefits Navigation systems as an evolution from traditional Benefits Administration systems. These systems seek to unify disparate benefit offerings into a single, seamless experience for workers. They allow workers to access and manage their health, financial, and well-being benefits in one centralized location, removing some of the friction and complexity that have historically plagued employee benefits. Second, the integration of artificial intelligence (AI) is bringing increased personalization, automation, and guidance to the benefits experience. AI-powered tools now deliver decision support, automate administrative tasks and provide tailored recommendations, fundamentally changing how employees engage with their benefits.

Together, these developments are setting the foundation for a future where Benefits Navigation systems not only streamline administration for employers but also truly deliver on their promise to make the benefits experience easy, intuitive, and supportive for workers at every stage of their journey.

The industry's focus is shifting from merely simplifying enrollment to ensuring ongoing, holistic support—reflecting heightened employee expectations for comprehensive digital experiences and personalized, proactive guidance.

Employee Expectations and Market Pressures

This evolution is being driven by a new generation of employees who expect consumer-grade digital experiences. Employees now demand more than just easy enrollment: they expect streamlined access, real-time support, transparency, and personalized communication throughout the entire benefits lifecycle. They want answers to complex questions about coverage, costs, and care, as well as actionable advice that fits their unique circumstances.

In response, standalone Benefits Administration vendors and Human Capital Management (HCM) platforms are being compelled to innovate at an accelerated pace. HCM systems have substantially improved their enrollment capabilities, raising the competitive bar and forcing traditional Benefits Administration providers to expand their offerings to include smarter, more connected solutions that address a fuller spectrum of employee needs. Standalone Benefit Administration vendors can no longer rely solely on enrolling workers in benefits and transmitting information to carriers as their path to success. They need to deliver much more than that.

Vendor Responses and Industry Shifts

Alight's acquisition of Compass Professional Health Services in 2018 signaled a broader industry move toward integrated navigation. Since then, major industry players have responded with significant innovation, introducing new features and platforms that meet the rising demands of Benefits Navigation and digital transformation:

- **Empyrean launched Precision Benefits**, an AI-powered platform that offers personalized decision support, care navigation, and expense management based on individual health data. This platform leverages predictive analytics to help employees make more informed choices and manage their benefits more effectively. Empyrean also acquired Enspire, a platform for delivering a fully branded employee app that puts workforce tools and resources all in one place.

- **bswift acquired Evive**, gaining embedded consumer-centric navigation tools that deliver real-time, personalized recommendations. These tools guide employees to relevant benefits and resources, improving engagement and satisfaction.

- **Benefitfocus rolled out care navigation capabilities**, designed to guide employees to appropriate providers and cost-efficient care options. This initiative helps employees optimize their healthcare spending while ensuring access to high-quality care.

- **Businessolver created "Activation Paths,"** a feature that integrates third-party solutions and streamlines access within their mobile and web platforms. By centralizing resources, Activation Paths reduce administrative burden and enhance user experience.

- **Aptia's new AptiaOne platform is pioneering AI-driven decision support** throughout the entire enrollment process, providing context-driven advice that may significantly boost engagement and understanding. The platform's intelligent algorithms interpret employee data and preferences to deliver timely, relevant guidance.

The Expanding Role of Artificial Intelligence

Artificial Intelligence (AI) is now deeply embedded in benefits technology, especially in areas such as decision support and service center operations. Today's AI-powered chatbots and virtual assistants have evolved far beyond basic keyword-triggered responses. They now operate in a highly conversational and effective manner. Comparable to advanced models like ChatGPT and Claude, these systems can understand employee intent and answer complex queries.

AI also enhances the efficiency and accuracy of employee service centers. For instance, AI tools now provide live assistance to service representatives, automatically update CRM notes, and evaluate service quality in real time. Large Language Models (LLMs) are increasingly utilized to analyze employee preferences, claims data, and historical interactions, enabling powerful recommendation engines for benefits selection. Tools from traditional benefits administrators as well as standalone platforms—such as Nayya, SAVVI, and Hyke—are leveraging these capabilities to deliver more intelligent, actionable decision support.

Beyond decision support, AI is automating a range of manual administrative processes: from analyzing dependent verification documentation and ingesting complex plan documents to simplifying employer configuration and implementation. This automation not only reduces operational costs and the risk of human error but also accelerates time-to-value for employers and employees alike.

Emergence of AI Agents and Conversational Interfaces

The next wave of transformation in benefits administration will be led by AI agents—advanced, autonomous tools that can perform logic and make decisions on behalf of users.

These agents are redefining how employees interact with benefits technology. Rather than navigating traditional web interfaces, employees will be interacting with benefits platforms through AI-driven agents capable of understanding context, executing tasks, and providing proactive support.

A prime example is IBM's "Ask HR" tool which, since its launch in 2018, has evolved to where it manages a significant portion of HR system access. Half of IBM employees don't directly interact with their HR systems anymore, but use the Ask HR chatbot agent instead. This tool has largely replaced traditional web and phone access methods, enabling employees to get answers and complete tasks through a natural, conversational interface. Similarly, Nayya's new agentic advisor is poised to become a primary entry point for employees, integrating with familiar tools like Slack, Microsoft Teams, and iMessage -- and even potentially taking actions on behalf of users, such as enrolling them in benefits or scheduling appointments.

This trend toward agentic, embedded experiences reflects a broader movement in enterprise technology toward "invisible" interfaces—where the underlying complexity is hidden from the user, and interactions are driven by context and intent rather than navigation and clicks. As AI agents become more sophisticated, we can expect them to handle increasingly complex tasks, such as managing claims and proactively alerting employees to benefit utilization opportunities.

Service Challenges and Market Movements

Despite these remarkable advances, benefits systems often still struggle to fully meet user needs. According to research from Sapient Insights, only 21% of employers (up from 18% in previous years) reported that their benefits systems always met business requirements.

While 61% said their systems met their needs most of the time, these numbers highlight an ongoing gap between technological capabilities and end-user satisfaction.

Persistent service challenges include issues with data integration, fragmented user experiences, and inconsistent support across platforms. Additionally, some employees continue to experience confusion or frustration during critical moments, such as life events or annual enrollment - occasions when timely and accurate guidance is most needed. To address these challenges, vendors continue to invest heavily in inter-operability, user experience design and ongoing employee education.

Conclusion and Future Outlook

The shift from traditional Benefits Administration models to comprehensive Benefits Navigation platforms marks a transformative era for the industry. Integrated, personalized digital experiences powered by AI and advanced platforms have become the new standard, raising expectations for both employers and employees.

The convergence of navigation, automation, and agentic experiences is poised to deliver even greater simplicity, accessibility and support in the years ahead.

Looking forward, we can expect rapid innovation as technology providers refine their offerings to address persistent challenges and continue to capitalize on emerging opportunities. The next frontier will deliver even deeper personalization, predictive analytics, and fully integrated digital ecosystems that empower employees to make the best choices for their health, wealth, and well-being—wherever and whenever they need support. As technology matures and adoption accelerates, the promise of truly seamless, supportive, and accessible benefits experiences is closer than ever to being realized.

Ben Yomtoob, Founder & Lead Consultant - BuckleyRoberts: has more than 25 years of experience in corporate technology with over 15 years in Employee Benefits and HR Technology Consulting. Prior to founding BuckleyRoberts, Ben served as the CEO of Workterra, a Benefit Administration Software and Service company serving mid-market employers. Before Workterra, Ben led the HR Technology Consulting practice for carriers, technology providers and investors at Gallagher Benefit Services.

Pet Insurance in Today's Benefits Landscape

By Heather & Trevor Garbers

As pet ownership continues to rise and veterinary costs climb, pet insurance and pet healthcare benefits are quickly moving from niche perks to mainstream voluntary benefits. For Employee Benefits Brokers, understanding the nuances of today's offerings, and how employers are deploying them, is essential.

Today's offerings generally fall into three core categories: pet insurance, wellness benefits, and discount plans, which can be offered independently or bundled together to meet diverse workforce needs.

Pet Insurance: Accident-Only and Accident & Illness

Pet insurance remains the foundation of financial protection for pet owners, particularly for high-cost, unplanned veterinary events.

- Accident-only plans are the most budget-friendly option. They cover eligible injuries such as cuts, bites, and broken bones and are well suited for younger, healthier pets or employees seeking an affordable entry point. The primary limitation is that illnesses and routine care are excluded, which can reduce long-term value as pets age.
- Accident and illness plans provide broader, more comprehensive coverage. In addition to accidents, they cover common and chronic conditions such as arthritis, allergies, cancer, and hereditary conditions. These plans typically reimburse 70%–90% of eligible expenses and significantly reduce out-of-pocket costs for major care. Premiums are higher than accident-only plans, and pre-existing conditions are typically excluded, but this option remains the most popular choice among pet parents due to its breadth of protection.

Some modern insurance models have introduced innovations such as lower deductibles, higher annual limits, and PPO-style veterinary networks that combine reimbursements with upfront discounts, helping address traditional pain points like cost and cash flow.

There are also a few group-based models in the marketplace that represent a meaningful evolution in this category. A true-group pet insurance offering includes a flat group rate regardless of pet age, breed, or location, along with payroll deduction, BenAdmin platform integration, and optional employer contributions.

Pet Wellness Plans:

Wellness plans are not insurance, but they play a critical role in everyday pet healthcare. These plans reimburse routine and preventive services such as annual exams, vaccinations, dental cleanings, flea and tick prevention, and grooming.

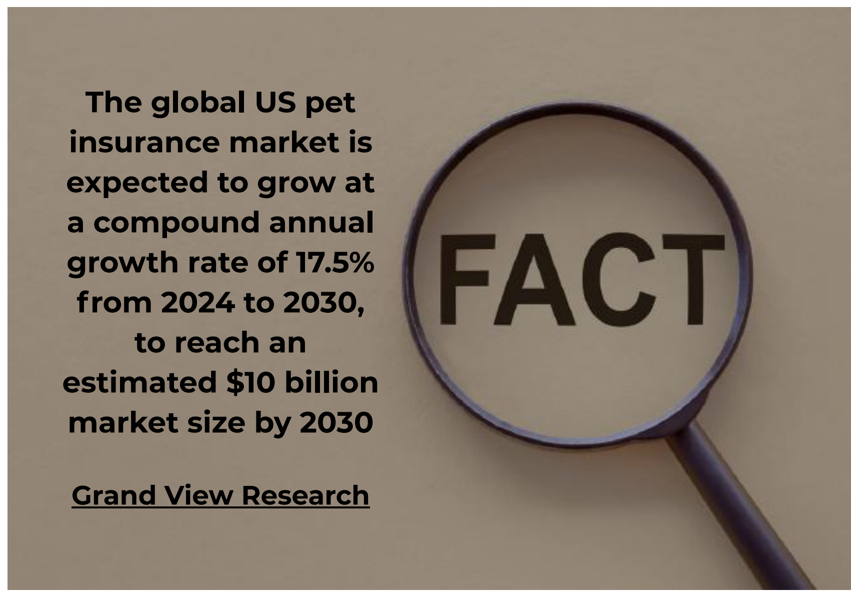
Because employees are highly likely to use these services each year, wellness benefits tend to deliver immediate, tangible value and consistently high utilization. They encourage proactive care, early detection, and better long-term health outcomes for pets. The tradeoff is that wellness-only plans do not cover emergencies or major illnesses, which is why they are often offered as add-ons to insurance or as part of a bundled solution.

Many carriers now offer optional preventive care add-ons to accident-only or accident and illness policies, reflecting growing demand from pet owners who want to manage both routine and unexpected expenses.

Discount Plans:

Discount plans provide upfront savings for services received at participating veterinarians, pharmacies, and pet retailers. They are typically the most affordable option and are inclusive of pets of any age, breed, or health status, with no exclusions or waiting periods.

While discount plans do not offer the same level of financial protection as insurance for catastrophic events, they deliver immediate savings on services and products pet parents already use. More comprehensive versions extend discounts to prescriptions, food, toys, and include value-added services such as 24/7 telehealth.



To get a fresh perspective of the need for pet benefits in the employee benefits marketplace today, we spoke with leaders from across the pet benefits ecosystem to break down emerging trends, utilization patterns, and what brokers should expect heading into future enrollment cycles. Here is what **Michelle Lockhart** – VP Strategic Partnerships & Business Development at PetPartners, **Bryce Liggins** – VP Marketing at Pet Benefit Solutions, **Devyn Kettner** – Director of Sales at Spot Pet Insurance, and **Christie Horvath** – CEO of Wagmo had to say…

Q. What is trending in the pet insurance and pet benefits market today?

Devyn: We see carriers are expanding beyond traditional coverage by adding value-driven benefits such as 24/7 telehealth and perks programs. Partnering with leading pet brands to offer pet owners additional savings can enhance the value of pet insurance offerings by providing members with significant savings on everyday costs.

Bryce: Pet benefits are no longer fringe offerings. A recent Pet Benefit Solutions survey found that 66% of U.S. households own pets, making pet benefits now among the most requested voluntary benefits. Yet only 36% of employees currently have access, despite 85% expressing interest. This gap matters. In a tight labor market, pet benefits offer a cost-effective way to improve retention and differentiate total rewards offerings.

Christie: We're seeing a major shift from protection-only products to everyday pet healthcare benefits that are accessible to more of the workforce and help prevent major incidents down the line. Enrollment in solutions that offer multiple entry points through different pet healthcare products is 6X higher than traditional standalone pet insurance.

Michelle: The pet insurance market is expanding rapidly, driven by rising veterinary costs, increased demand for care, and growing financial strain among pet owners. With nearly 42% of pet owners reporting that a bill under $1,000 could cause financial hardship, insurance is increasingly viewed as a necessary safeguard leading it to become one of the most highly requested voluntary benefits.

Key trends we are seeing include a surge in claims related to tick-borne diseases and allergies, heightened interest in preventive care innovations such as genetic testing, and the emergence of AI-powered, data-driven solutions. We are also seeing many people opt into wellness benefits, traditionally available as an add-on to accident and illness or our accident-only plans - pet owners are being more mindful than ever by participating in preventative care, just as they would for themselves with their healthcare and wellness benefits.

As a result, group pet insurance models are gaining traction. These solutions improve affordability, simplify administration, and support employee wellness by reducing financial stress while recognizing pets' role in mental health and work-life balance.

Q: Is there anything truly new or innovative happening in pet insurance?

Christie: Yes, adoption of pet benefits through the workplace is accelerating rapidly. Employers and brokers now treat pet benefits as part of mainstream total rewards. This is driving major brokerages, bentech platforms and PEOs to create partnerships with pet benefit vendors to make implementation as seamless as dental or vision.

Employees also expect breadth today: standalone wellness, insurance, televet, and lifestyle perks in one modern solution.

Key trends we are seeing include a surge in claims related to tick-borne diseases and allergies, heightened interest in preventive care innovations such as genetic testing, and the emergence of AI-powered, data-driven solutions.
Michelle Lockhart

Michelle: Group pet insurance is gaining momentum as employers seek benefits that support emotional and financial wellbeing. Group pet insurance options treat pet insurance like a core workplace benefit, by removing friction and offering payroll deduction, group rates, and BenAdmin integration. In addition, as workplace benefits evolve, thought leaders in HR and wellness are recognizing pet insurance as a meaningful way to support employees' emotional and financial health —especially as pets continue to play a central role in people's lives.

Devyn: Perks programs are expanding, with more carriers partnering with pet vendors to deliver discounts and added value beyond claims reimbursement.

Bryce: The industry is moving toward more versatile options, greater inclusivity, and meaningful innovation for pet families. The most groundbreaking innovation is the emergence of PPO-style pet plans. With veterinary costs rising more than 20% in the past three years, this kind of innovation redefines what pet insurance can be and gives employees a smarter, more affordable way to care for their pets.

Q: Which pet benefits see the highest utilization?

Bryce: Discount plans consistently see high utilization due to affordability and immediate savings. However, utilization is highest when insurance, wellness, and discount plans are offered together, allowing employees to mix and match based on needs and budgets. Employees have different needs based on their pets and their budgets, and it's powerful to give them the choice to mix and match what works best.

Michelle: Accident and illness plans continue to see strong utilization due to unpredictable veterinary costs - these plans can help pet parents manage the financial impact of everything from injuries to chronic conditions. At the same time, wellness add-ons are growing rapidly as pet owners adopt a more preventive mindset

Employees have different needs based on their pets and their budgets, and it's powerful to give them the choice to mix and match what works best.

Bryce Liggins

Devyn: Preventive care is the most utilized benefit among our policyholders, with nearly half adding it to their plan. After preventative services, the most common claims include digestive issues, ear infections, allergies, and microchipping.

Christie: Wellness benefits drive the highest engagement. Employees are 6x more likely to enroll when wellness is offered, with the most common wellness reimbursements being for annual exams, vaccines, flea and tick prevention, bloodwork, and grooming. Insurance claims are less frequent but higher impact, making the combination particularly effective.

Q: What does your average plan design look like today?

Michelle: Flexibility is key. We work directly with employers to design plans that align with their workforce's needs—whether that means adjusting deductibles, adding wellness coverage, or offering accident-only options. Through OnePack Plan's "One Group, One Policy, One Rate" model, every employee receives the same flat rate regardless of their pet's age, breed, or location. That's a major shift from direct-to-consumer pet insurance, where pricing can vary widely from pet to pet. By removing complexity and offering predictable, equitable pricing, OnePack Plan™ helps employers deliver a modern, cost-effective benefit that's easy to implement and meaningful to employees.

Bryce: Across our block of business, we see three main plan types that represent the full spectrum of pet care needs: insurance, wellness, and discount.

- Wishbone Advantage (Insurance): $250 deductible, up to $10,000 annual max, PPO-style savings
- Wishbone Wellness: $14–$23 per month, dogs, cats, and exotics
- Total Pet Plan: Discount-based, low monthly cost, broad inclusivity

Devyn: The average Spot plan includes accident and illness coverage, a $5,000 annual limit, 80% reimbursement, and a $500 deductible, with about half of policyholders also adding preventive care as a covered benefit.

Most Common Medical Conditions Cats & Dogs (2024) – North America

Dogs	Cats
GI / Diarrhea / Vomiting	GI / Diarrhea / Vomiting
Otitis / Ear Infection	Urinary Tract Infection / Kidney / Bladder
Allergies	Other
Skin Conditions (Infections, Allergies, Mass, Dermatitis)	Otitis / Ear Infection
Other	Respiratory
Growth / Mass	Dental Disease
Urinary Tract Infection / Kidney / Bladder	Diabetes
Anxiety / Behavioral Condition / Neuro Issues	Endocrinology (Hyperthyroidism)
Arthritis / Osteoarthritis	Skin Conditions (Infections, Allergies, Mass, Dermatitis)
Musculoskeletal	Anxiety / Behavioral Condition / Neuro Issues
Eye and Vision Disorders	Eye and Vision Disorders
Dental Disease	Arthritis / Osteoarthritis

Source: NAPHIA's Annual State of the Industry Report

Christie: The most common Wagmo plan designs include $250–$500 deductibles, $5,000–$10,000 annual maximums, and wellness reimbursements between $350–$650 annually. Wellness plans are group-rated, guaranteed issue, and cost employers nothing to offer—making them easy to implement and highly engaging.

Final Takeaway

Pet benefits are no longer optional or experimental. They are a high-demand, high-impact voluntary benefit that drives engagement, retention, and emotional loyalty. Those who understand the evolving mix of insurance, wellness, discount, and virtual care solutions are best positioned to help employers meet employee expectations, and stand out in a competitive labor market.

Christie Horvath, CEO and Founder - Wagmo: Wagmo is a modern pet healthcare company redefining pet benefits in the workplace. Christie began her career in the Financial Institutions Group at BlackRock before launching Wagmo in 2017. In 2025, Christie was named to the Inc. Female Founders 500 list, and Wagmo was recognized on the Inc. 5000 list of America's Fastest-Growing Private Companies.

Devyn Kettner, Director of Sales, Employee Benefits - Spot Pet Insurance: Devyn has been with Spot for over 3 years and has helped develop the Employee Benefit sales team. Additionally, she is a rescue-dog mom and passionate about helping pets live healthier, happier lives.

Bryce Liggins, Vice President of Marketing - Pet Benefit Solutions: Bryce leads innovative strategies to make pet care more accessible. He previously held senior marketing roles at Newfound, Houwzer, and Brolik, and holds a B.S. in Marketing from Bloomsburg University.

Michelle Lockhart, VP of Strategic Partnerships & Business Development - OnePack Plan by PetPartners: Michelle is a dynamic leader in commercial partnerships with 20 years of experience in the voluntary benefits industry, bringing deep expertise across healthcare, tech, employee benefits platforms, and the fast-paced voluntary benefits space.

OnePack Plan™
by petpartners

Group Pet Insurance, Made Simple

OnePack Plan™ Benefits

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- **Coverage options for pre-existing conditions** after 12 months*
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91% of our groups have not seen a rate increase in the past 5 years.[1]

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[1] 91% of our groups have not seen a rate increase in the past 5 years. Based on PetPartners rates from 2020-2025.

*Pre-existing conditions may be eligible after 365 days of continuous coverage. Waiting periods, annual deductible, co-insurance, benefit limits and exclusions may apply. For all terms and conditions visit https://www.petpartners.com/sample-policies. Products, schedules, and rates may vary and are subject to change. Discounts may vary and are subject to change. Premiums are based on and may increase or decrease due to the age of your pet, the species or breed of your pet, and your home address. Insurance products are underwritten by Independence American Insurance Company (NAIC #26581) or Independence Pet Insurance Company (NAIC #17543), both are domociled in Delaware with corporate offices in Scottsdale, AZ. Policies are produced by PetPartners, Inc. (NPN #7612549, Scottsdale, AZ. California producer license #0F27261, PPI Pet Insurance Agency, Inc.).

The Tri-Agency Final Rule: A 2025 Postmortem

By Taylor McKinnon, JD, Beth Casey, JD, Ali LaRocco

Over the last two years, the Tri-Agency (comprised of the Departments of the Treasury, Labor, and Health and Human Services) considered a number of insurance-related regulatory changes that affect supplemental benefit plans. The public process yielded extensive attention and even legal action, but ultimately the topic of hottest discussion among supplemental benefit carriers seemed to fizzle out.

What began in July of 2023, when the U.S. Department of the Treasury, Department of Labor, and Department of Health and Human Services (i.e., the Tri-Agency and hereinafter "Departments") released the proposed[i] changes related to short-term limited duration insurance (STLDI), hospital or other fixed indemnity coverage, and taxation of fixed indemnity benefits, has seemingly reached a conclusion. On June 10, 2025, a court order was issued, dismissing the appeal and effectively ending litigation regarding the 2024 final rule (hereinafter "Final Rule").

This article will review actions leading up to the Final Rule, discuss reactions and legal challenges to the Final Rule, and attempt to look ahead to what might be next for these issues.

The Past (2023 to Mid-2024)

On March 28, 2024, the Departments published the Final Rule[i] changes related to STLDI, hospital or other fixed indemnity coverage, taxation of fixed indemnity benefits, and certain other topics. The Final Rule was promulgated after significant feedback and commentary on the proposed rule put forth by the Departments on July 12, 2023. The stated purpose of the proposed rule was to protect consumers who may unintentionally buy an insurance product that is less than the comprehensive major medical insurance they were expecting. The Departments' immediate solution was to further limit the scope of STLDI and impose additional notice requirements on fixed indemnity products.

The Departments stated multiple times in the Final Rule that they would re-visit proposals from the proposed rule not addressed in the Final Rule, including taxation and other aspects of these products the Departments still considered detrimental to the consumer. We discuss the impact of the proposed, and ultimately final, rule changes on different types of supplemental insurance below.

Short-term, limited-duration insurance (STLDI) is a type of health insurance that provides coverage to policyholders for a period of as little as a month to as long as three years. The plans offer limited coverage and benefits. Short-term plans may offer coverage for some of the same types of health care services as traditional comprehensive health insurance, but they have very different plan designs and are not regulated with the same consumer protections as comprehensive health coverage.

Short-Term Limited Duration Insurance (STLDI)

STLDI was identified by the Departments as the product most likely to mislead or confuse insureds looking for comprehensive health insurance in the market. The Final Rule closely followed the proposed rule and is intended to "...more clearly distinguish them [STLDI plans] from comprehensive coverage and increase consumer awareness of coverage options that include the full range of Federal consumer protections and requirements." The Final Rule and proposed rules both included extensive examples, data, and commentary related to the potential financial impact a STLDI product could have on an individual who expects to have purchased a comprehensive individual health insurance product. Specifically, the Departments amended the federal definitions of STLDI as follows:

- **Short-Term:** The term of coverage for a STLDI product shall be no longer than 3 months from the original effective date and such expiration date should be specified in the contract.
- **Limited-Duration:** The maximum permitted duration of STLDI shall be no longer than 4 months in total, including any renewals or extensions. Moreover, the Final Rule requires that when calculating the 4-month limited duration, the term of any new STLDI policy issued by the same issuer to the same policyholder within the preceding 12 months is included. Additionally, if the issuer is a member of a controlled group, a renewal or extension also includes the term of a new STLDI policy issued by any other issuer that is a member of such a controlled group. The term "controlled group" is defined to mean any group treated as a single employer under sections 52(a), 52(b), 414(m), or 414(o) of the code as amended. The additional 1-month extension beyond the 3-month initial period is intended only to avoid potential gaps in coverage (e.g., an employment-based orientation period).

Notice: The Departments consulted with plain-language experts to update the required notice for purchasers of STLDI coverage. The notice must be displayed prominently on the first page (in either paper or electronic form, including on a website) of the policy, certificate, or contract, as well as in marketing, application, and enrollment (or re-enrollment) materials.

The applicability of the new rules and notice provisions applied to new or renewed policies sold, issued, renewed, or extended on or after September 1, 2024; prior to September 1st, the 2018 rules were still applicable, except the notice provisions applied to policies with coverage periods beginning on or after September 1, 2024.

Hospital or Other Fixed Indemnity

One of the Departments' stated purposes of the proposed rules was to "address reports of troubling marketing and sales tactics and the creation of new benefit designs that mislead consumers to believe that hospital or other fixed insurance constitutes comprehensive coverage[i]. In the Final Rule, the Departments continued to express concern regarding the "packaging" of excepted benefit products to mimic comprehensive coverage and stated future rulemaking would address this issue.

In the proposed rules, the Departments stated that the insurance industry's interpretation and use of "per period", "fixed indemnity", and "non coordination of benefits" does not align with the Departments' intent and caused harm in the insurance marketplace that the Departments believed must be corrected.

While the Departments did not adopt any new rules or language related to these topics, the Departments reiterated their position from the proposed rule, and included examples:

"The Departments emphasize that, to be considered fixed indemnity excepted benefits coverage under the current Federal **group** market regulations, the benefits must be paid only on a **per-period basis.** Under this standard, the Departments expect that fixed indemnity excepted benefits coverage would not be designed with fee schedules that, in effect, provide benefits for specific items and services, such as wellness screening exams or prescription drugs, rather than wage or income replacement. The Departments are aware that some issuers merely affix a "per day" term to benefits for specific items and services, such as $50 per blood test per day… when analyzing whether a policy, certificate, or contract of insurance is subject to the Federal consumer protections and requirements for comprehensive coverage, the **Departments will look past the label used** to examine whether the policy, certificate, or contract of insurance qualifies as an excepted benefit or whether it is comprehensive coverage that is subject to the Federal consumer protections and requirements applicable to such coverage." *(emphasis added)*

The Departments concluded by saying "The Departments encourage State regulators to take a similar approach and intend to work with States to ensure that issuers comply with the relevant requirements." The Departments ultimately retained the "per service" optionality to qualify as an excepted benefit in the individual market. Given the Departments' focus on this language, it will be important to monitor any future regulatory changes or clarifications to further restrict or prohibit use of such terms. Some states have followed the encouragement of the Departments and are now using this approach when reviewing products.

The most immediate impact from the Final Rule for hospital indemnity products was the imposition of new notice requirements for group and individual products applicable to "plan years beginning on or after January 1, 2025." The stated intent of the notice requirement was to provide notice at or before the time participants are given the opportunity to enroll or reenroll in coverage. The Departments stated that issuers should work with states to determine which pages need to be submitted to the state for review and approval, the manner of submission, and how to verify that the notice is the first page of the material.

What followed was a period of confusion regarding which states would require a filing and what type of filing would be required. States took a variety of approaches to the updated notice requirements; however, they fell broadly into the following three categories:

1. No guidance from the states whether an additional filing was required.
2. Guidance from the state and informational filing or only filing of the updated first page was required.
3. Guidance from the state and a full product refiling was required.

As the Final Rule was not published until March 2024 and it was several more months before states released guidance on filing procedures, such timing left many insurers scrambling to comply with the notice requirements for coverage they would begin selling in the fall of 2024.

The Departments also finalized a technical amendment to the individual market excepted benefits rule to remove the minimum essential coverage attestation that had been previously invalidated by the court decision in Central United Life Ins. Co. v. Burwell and renumbered 45 CFR 148.220 accordingly.

<u>Taxation of Fixed Indemnity Benefits</u>

The proposed rules addressed the taxability of fixed indemnity benefits, noting that coverage purchased with pre-tax dollars would result in a benefit that is taxable and there would be no offset for unreimbursed medical expenses. However, the Final Rule did not adopt "the 2023 amendments to 26 CFR 1.105-2 [which] would provide that the exclusion from gross income under section 105(b) of the Code does not apply to amounts that are paid without regard to the amount of incurred medical expenses as defined in section 213(d) of the Code." The Departments declined to act in the Final Rule while stating "The Treasury Department and the IRS are not finalizing the proposed amendments at this time . . . [they] intend to address these issues in more detail in future guidance."

<u>Other Topics Addressed by the Departments</u>

The Departments also sought comments regarding specified disease and level-funded plans. For specified disease coverage, the Departments requested commentary regarding whether the proposed changes to hospital and other fixed indemnity would have unintended consequences on the specified disease market. Regarding level-funded plans, the Departments sought comments to better understand the prevalence of level-funded plans, how such plans are designed, and if additional guidance or rulemaking is needed. In the Final Rule, the Departments stated they "appreciate the comments received on these topics and will take them into consideration as they [the Departments] determine whether additional guidance or rulemaking is warranted in the future."

The Departments did not take any action on either of these products, but their inclusion could indicate a desire or perceived need for additional regulation.

The Present (Late 2024 into 2025)

After the release of the Final Rule in March 2024, many companies quickly attempted to comply with notice requirements before the September 1 deadline. On a parallel route, Manhattan Life Insurance Company also filed a lawsuit to stop the enforcement of the Final Rule.

On December 4, 2024, a judge in the United States District Court for the Eastern District of Texas set aside the compelled notice requirement in the Tri-Agency Final Rule. The court found that the rule exceeded the statutory authority granted to the Departments and that the language of the notice was not a logical outgrowth of the compelled notice identified in the notice of proposed rulemaking. The court set aside and vacated the provisions related to the notice requirement.

On February 3, 2025, The U.S. Department of Justice filed a Notice of Appeal to the above Order, with no further action on the part of the Department of Justice for several weeks. During that time, it was unclear if the new Trump administration would choose to prioritize legal action or if the movement was merely procedural in an effort to preserve the option to pursue an appeal. On June 10, 2025, the question of whether the new administration would pursue further action was put to rest when the court granted the Department of Justice's Unopposed Motion to Voluntarily Dismiss Appeal. With the dismissal of the appeal, no further legal action will be taken and there is no federal notice requirement to be considered an excepted benefit.

However, even though no notice is required by federal regulation, some states have enacted their own version of the requirement (for example, Nevada) so a notice is still required in those states. Additionally, some states are still strongly encouraging insurers to keep the notices on their forms, indicating that if the notice requirement were to be reinstated, the company would be out of compliance. As one example, Pennsylvania issued filing instructions dated February 5, 2025, which state the notice must be included on short-term limited duration insurance products and should be included as a "best practice" on hospital indemnity products. Most states have not commented or issued any guidance on the Final Rule or related litigation.

The Future (2025 and Beyond)

On a national level, it remains to be seen if any additional action will be taken by the new administration regarding supplemental health insurance generally or even rescinding of the Final Rule as it relates to STLDI.

In President Trump's first term, he expanded the time frame for Short-Term Limited Duration Health Insurance and adopted a laissez-faire approach to supplemental insurance generally. Since taking office, there have been changes at the Departments, including new Treasury, Labor, and Health and Human Services secretaries – all who have indicated they will follow the President's directives to reduce regulation and "red tape".

On June 10, 2025, the question of whether the new administration would pursue further action was put to rest when the court granted the Department of Justice's Unopposed Motion to Voluntarily Dismiss Appeal. With the dismissal of the appeal, no further legal action will be taken and there is no federal notice requirement to be considered an excepted benefit.

Regarding potential new regulation, there are important personnel-related factors to consider, particularly for those with extensive experience with the federal government through administration changes. Turnover and new leadership within the Departments may influence the outcome of future rulemaking processes, if any. Absent any additional regulatory action from the federal government, states may remain silent on the issue, or seek out their own regulatory frameworks which could mirror – or further, exactly duplicate – the sentiments of the Departments' efforts regarding supplemental and excepted benefits regulation. As with many other evolving policy priorities, insurers should consider and strategize how best to track, interpret, and ultimately satisfy any new state and federal requirements.

Analysis of regulatory rulemaking that plays out within public processes, particularly at the federal level, allows other interested stakeholders to better understand the priorities, direction, and goals of the federal government more broadly. We can even use such analysis to gain insight into the future of state insurance markets, as well. However, just as we reflect on the close of one period of rulemaking, we surely can anticipate the beginning of even more, and potentially different, proceedings in its place.

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[1] CMS-9904-P Short-Term, Limited Duration Insurance; Independent, Noncoordinated Excepted Benefits Coverage; Level-Funded Plan Arrangements; and Tax Treatment of Certain Accident and Health Insurance Proposed Rules. July 12, 2023. US Department of Treasury, Department of Labor and Department of Health and Human Services.

[1] CMS-9904-F Short-Term, Limited Duration Insurance and Independent, Noncoordinated Excepted Benefits Coverage; March 28, 2024. US Department of Treasury, Department of Labor and Department of Health and Human Services.

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Asking The Doctor For a Second Opinion

By Steve Clabaugh, CLU, ChFC

Relational leaders demonstrate that they care for their team members as much as the organization. As a result, they create, build and lead high-performance teams that consistently achieve excellence.

Over the past two months, my articles (Trouble! and Trouble! (Part 2)) have addressed the crises facing our current culture and their effects on the workplace and society. I have aimed to explain my analysis and place it within the historical context of crises that nearly every generation has encountered. After outlining the key elements needed to build and develop culture, I expressed my belief that the leadership necessary to survive and overcome these challenges is best found among workplace leaders. In other words, you.

If a set of beliefs is valid and worthwhile, it should withstand scrutiny from others in the same field who have the knowledge, experience, and credentials to verify or challenge them. It has been my privilege to share both articles with a highly regarded and internationally known expert in leadership, especially during times of crisis. He has been gracious enough to review them and offer his feedback.

Meet Dr. Robert C. (Bob) Chandler!

Dr. Chandler is the founder and principal of Emperiria, a consultancy specializing in leadership, organizational resilience, and crisis communication. With over 40 years of academic and professional experience, he has advised executives, mentored graduate students, and trained practitioners in high-stakes decision-making, teamwork, and human performance under pressure.

A globally recognized expert, he is a frequent keynote speaker and workshop leader whose engaging, practical style consistently receives high praise. Dr. Chandler has authored 11 books and numerous articles bridging research and practice, including 'Sustaining Organizational Compliance, Ethics, and Trust.' His newest book, 'The Marks of a Leader' (more about it later), examines leadership excellence in crisis situations. His work highlights how leaders can foster organizational resilience and navigate complex crises when traditional institutions fail to offer guidance.

Here, in a Question-and-Answer format, are Dr. Chandler's responses to the articles.

In the first article (Trouble!), we discuss current cultural issues and their implications within the context of past crises faced by almost every generation. Do you think this is a valid way to frame the topic?

Historical framing remains one of the strongest parts of this piece. It offers context for our current challenges without causing despair, which is exactly what practitioners need right now. Here are some points that resonate deeply with me:

- *The generational comparison structure*: Walking readers through the 1950s, 60s, and 70s accomplishes two important goals: (1) it demonstrates that each generation faces challenges that feel like existential threats, and (2) it indicates that leadership has always been vital in whether societies overcome or succumb to those challenges.
- *The two-part argument about uniqueness:* The claim that today's challenges differ from those of previous generations because (1) they impact workplaces across all regions, and (2) traditional institutions aren't offering the necessary leadership, is a strong analysis. It goes beyond simply stating "things are bad" by showing that "things are bad in structurally different ways," which justifies the need for a new leadership approach.
- *Tone of balanced concern:* The credibility of this analysis is maintained by avoiding both alarmism and dismissiveness. This conveys the voice of someone who has faced challenges firsthand, not someone theorizing from afar.

How do you address the specific workplace challenges we identify as the root of our current crises?

This is an important "eye-opening" realization for many who haven't thought about these aspects before. Here are some points that really resonate with me:

- *The opening catalog list*—deteriorating social skills, 24-hour news psychological effects, personalized cultural conflicts, and the opioid crisis—are concrete and relatable. Leaders reading this will immediately recognize these issues in their own organizations because they describe what many feel but struggle to articulate, which is powerful.
- *The inclusion of the Brookings Institution statistic (43% of the decline in male labor force participation due to opioid misuse)* is striking and significant. This issue is one of the most overlooked workplace impacts. It means that leaders are not only managing the direct effects of addiction within their workforce but also dealing with indirect effects, such as labor shortages, increased strain on remaining employees, and the challenge of rebuilding organizational capacity in affected communities.

In the second article, Trouble! (Part 2), We outline what we believe are the key ingredients for creating, building, and growing culture, whether it is negative or positive. Any thoughts or additional ideas?

This is a practical sensemaking schema to help put these issues into perspective. Here are some aspects that resonate strongly with me:

- *The four-ingredient framework (Connection, Purpose, Environment, Time*) is impactful and valuable. What truly stands out is your emphasis on how these elements influence culture, whether positively or negatively, showing that culture develops naturally and questioning whether leaders will actively shape it. The "Environment" component is where leadership can make the quickest and most meaningful difference. This environment encompasses more than just policies and benefits; it also includes daily experiences that embody the organization's core values. When leaders demonstrate relational intelligence - showing genuine care along with accountability - they foster an environment where Connection deepens, Purpose becomes clearer, and Time works in their favor instead of against them.
- I would add another essential element to the framework that connects all your ingredients: narrative. Narrative is the foundation of culture. Every strong culture is built on the stories it tells and repeats about itself - stories that interpret challenges, celebrate victories, and define "who we are when things get tough." These narratives are not just peripheral; they are central to how people make sense of their surroundings. Leaders influence culture most powerfully not just through policies or procedures, but by amplifying, reframing, or suppressing these stories. A culture that shares stories of resilience and solidarity will behave differently from one that focuses on scarcity and fear.
- Narrative shapes outcomes. During the 2008 recession, I saw organizations facing similar financial pressures but telling very different stories about the situation. Some described it as "survival mode, where everyone is expendable," while others said, "we're in this together, and nobody gets left behind." These stories didn't just influence how people viewed the situation; they shaped the culture, affected relationships, and set expectations.
- They determined who stayed, who stepped up, and whether the organization that emerged was strong or left drained emotionally, relationally, and culturally. Similar patterns appear in disaster response, where agencies that frame their work as "protecting communities together" promote cooperation, while those that see it as "every agency for itself" struggle with coordination and trust.

A culture that shares stories of resilience and solidarity will behave differently from one that focuses on scarcity and fear.

- Narrative acts as the glue and guide of culture. In practice, narrative supports decision-making, shapes identity, and provides meaning during uncertain times. It is the lens through which employees interpret leadership actions and organizational choices. When leaders intentionally cultivate narrative, they don't just "manage crises": they build resilience, belonging, and shared purpose that last long after the immediate challenge has passed. For example, companies that tell stories of innovation and adaptability often empower employees to experiment and learn, while those that highlight caution and risk avoidance may unintentionally suppress initiative. Narrative is therefore not a soft or secondary element; it is the cultural glue that connects values to behavior and ensures continuity across generations.

Moving forward, what areas should we examine more closely to equip our readers with the tools to create a positive culture in their organizations?

Creating a positive organizational culture requires attention to both structural tools and relational practices that make values tangible in daily work.

Your framework provides a clear and compelling overview of the essential tools and principles for cultivating a positive organizational culture, thoughtfully balancing both structural and relational dimensions. It offers leaders and practitioners a valuable advantage, helping them see the pathway toward desired outcomes with greater confidence and clarity. Just as importantly, it sparks meaningful dialogue around the support systems that sustain culture in practice, such as mentorship, learning circles, organizational rituals, and traditions. These elements not only reinforce values, but also create the lived experiences through which culture becomes tangible.

Today's leaders need to offer ethical grounding and long-term perspectives

You have identified several critical focal areas, which include:

- *The Leadership Void:* Traditional institutions like community groups, religious organizations, political bodies, media, and social media are not providing the leadership needed today and may even be making the problems worse. This is an important point to explore further, with specific examples. For instance, when media platforms prioritize engagement over truth, they increase anxiety rather than promote understanding. In my newest book, "The Marks of a Leader," I discuss how today's leaders need to offer ethical grounding and long-term perspectives that failing institutions can no longer reliably provide.
- *The Workplace as One of the Last Functional Communities:* There is a strong core idea here that deserves more attention. When family networks break down, civic organizations weaken, and religious participation drops, work becomes a place where people can find stability, shared purpose, and possibly relational support.
- This makes the quality of workplace leadership important not only for organizations, but also for society, because workplace leaders oversee one of the few remaining spaces where Americans from different backgrounds, beliefs, and generations, must work together every day.
- *Historical Examples Related to Leadership Responses:* It would be helpful for your readers to examine how leadership has successfully responded to crises in past periods, such as the civil rights movement, which produced leaders like Martin Luther King Jr., who challenged society to higher ideals, or how, in response to the Watergate scandal, institutional reforms and a generation of investigative journalists held those in power accountable. This approach can demonstrate the pattern you've established of crisis – leadership – response – navigation. It makes the question of "where will we find the right kind of leaders?", a natural follow-up to historical precedent, rather than wishful thinking.
- *Each generation must discover its own answers.* While that truth is fundamental, the core principles of effective leadership that last across generations are: integrity, relational intelligence, clear communication, and adaptive judgment. These constants form the basis for developing and applying new solutions. For leaders who sometimes feel overwhelmed or doubt whether they are "the right kind of leader," this consistency can be both reassuring and motivating. The good news is that relational leadership is not innate or limited to a particular personality type; it can be learned, practiced, and refined over time.
- This same belief guides my models of leadership development: leadership excellence comes from commitments, mindsets, and practices that can be cultivated. It also highlights relationships —how leaders connect, communicate, and build trust during challenging times.

When leaders see it this way, they understand that practical leadership qualities are not fixed traits but flexible patterns of KSAs that can be grown and embodied across any generation.

- Ultimately, we should aim to align with other core tools like: *Shared Values Charter,* onboarding playbooks, recognition systems, and feedback loops - which bring clarity, consistency, and accountability. Simultaneously, storytelling sessions, leadership modeling, and cross-functional dialogues ensure that culture is truly reflected in relationships and decision-making. Supporting practices such as mentorship programs, learning circles, and organizational rituals or traditions that help deepen resilience, trust, and belonging across teams. Together, these elements create a balanced approach, connecting principles to practice and assisting organizations to build cultures that are not only well-designed but also deeply felt.

Author's Note: Thank you, Dr. Chandler. These are great ideas and subjects we will develop in future articles.

We've mentioned your newest book, "The Marks of a Leader," several times now. Please share more about it. Are there any links to the ideas of relational leadership?

Here is a short description of the book and ways that I see linking to the ideas of relational leadership:

- *The Marks of a Leader* shows that authentic leadership is judged not by authority or position but by the skills, mindsets, and character traits leaders display. Based on 40 years of research and real-world experience—from Fortune 500 boardrooms to multi-agency disaster response efforts—it highlights 15 clear "marks" that reliably identify effective crisis leaders. These include Critical Thinking, Relational Intelligence, Communication Skills, Psychological Safety, Coordination, Adaptive Judgment, Resilience Under Pressure, and a dedication to continuous learning. These marks are not just abstract ideas, but lasting patterns of human performance proven across various crises and continuity scenarios.

- The link to relational leadership is clear and direct: my research shows that relational factors are essential because everything else depends on them. You can't think strategically without understanding human dynamics. You can't communicate effectively without relational awareness. Ethical principles are meaningless if they don't consider how you treat others, even when under pressure.
- What I specifically appreciate about your work on the Relational Leadership Experience is that it emphasizes what my research clearly shows: leadership is fundamentally relational and very human. Technical skills matter, but during a crisis *(as Steve describes, we are in an ongoing long-term cultural crisis),* people tend to follow leaders they trust and who show genuine care while aiming for organizational excellence. This isn't “just” a "soft skill"—it's the vital skill that enables all other leadership abilities to work effectively.
- The Marks of a Leader will be available in early 2026 through major online retailers and select bookstores.

For more information, contact me at **bob@emperiria.com** or visit www.emperiria.com

I want to thank Dr. Chandler for the time and thought he has devoted to this subject, and I recommend that you consider reading “The Marks of a Leader.” I hope you will also check out our Relational Leadership Experience promotion in this issue of the Voluntary Benefits Voice about the live online RLE Program classes starting in January 2026. This is an excellent opportunity to start the New Year off right by strengthening your leadership skills in a way you can apply immediately. Voluntary Advantage members receive a significant discount.

As always, please feel free to reach out if you have questions or leadership ideas you'd like to discuss. Best wishes for a wonderful Christmas holiday and a successful start to 2026.

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