

Industry insights

AI in benefits administration

A cautious optimism

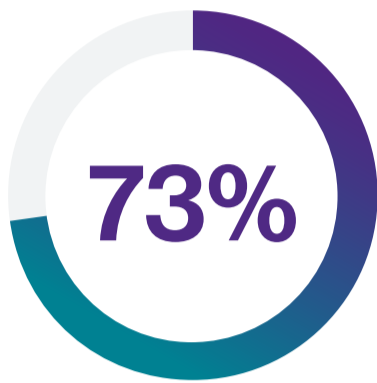
The integration of artificial intelligence (AI) into modern life has started to reach employee benefits. A recent HealthEquity survey of more than 800 benefits leaders finds that while those in the industry have more learning to do when it comes to AI, most are optimistic about the improvements it could bring to their lives and the lives of the people they serve.

AI is just beginning to reach benefits administration.

While more than two-thirds of benefits leaders are approached by benefit vendors offering AI products at least once a month, **only 31% say they're even somewhat knowledgeable** about current solutions for benefits administration.



Most benefits leaders feel optimistic about AI's potential.



Though solutions are still emerging, nearly three-quarters of benefits leaders at least somewhat agree that **AI will have a positive impact on benefits.**

Effectiveness and efficiency are the top reasons to consider AI.



Almost half of benefit leaders are still neutral on whether they'd choose a benefits partner that incorporates AI, but they are **most interested in improving benefits' effectiveness and saving time.**

38% Improving benefits' effectiveness

29% Saving time

And benefits leaders see many opportunities for AI to improve benefits administration.¹



1. Recommend health plans to employees



2. Improve member access to care



3. Model optimal plan design



4. Automate eligibility checks



5. Streamline claims



6. Analyze member outcomes

Privacy and reliability are common concerns.

Benefits leaders have some reservations regarding AI. When asked to identify their concerns, many cited security and accuracy as their primary worries.



34%
Data security and privacy



22%
Accuracy and reliability



16%
Employee experience

Benefits leaders who understand AI are more likely to adopt it and expect positive impact.

While AI is still new to many benefits leaders, most are optimistic about the opportunities AI presents. A strong correlation exists between benefits leaders' knowledge of AI and their intent to use it.

Of those who **strongly disagree** they are knowledgeable about AI

57% believe AI will have a positive impact

21% likely to choose a benefits partner that uses AI

Of those who **strongly agree** they are knowledgeable about AI

92% believe AI will have a positive impact

85% likely to choose a benefits partner that uses AI



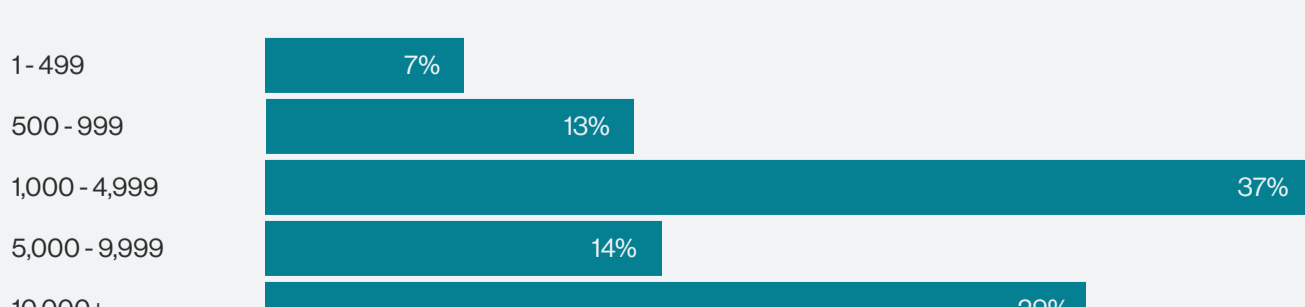
"Using AI, innovators can help influence better overall benefit plan design for employers and also equip employees with recommendations to improve the experience."

- Shuki Licht, HealthEquity VP of Innovation

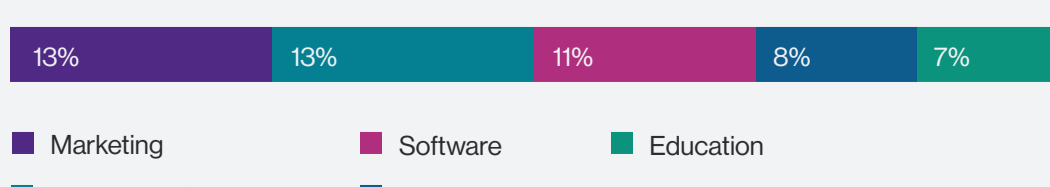
About the survey respondents

HealthEquity surveyed 848 benefits administration leaders, primarily Directors and VPs of Total Rewards, in February 2024.

Company Size



Top Industries



¹This list represents a weighted ranking of survey results from participants who were asked to rank these opportunities from 1 to 6, with 1 representing the greatest opportunity for AI in benefits administration. © 2024 HealthEquity, Inc. All rights reserved.