

2025's top 3 trends in the voluntary/worksites market

The voluntary/worksites 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/Worksites 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 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 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.

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2025's top 3 trends in the voluntary /worksite industry	 Accelerating pace of technology	<ul style="list-style-type: none">• Claims integration• More APIs• Plug-ins with tech platforms• Billing and admin support
	 Expanding benefits to cover more conditions	<ul style="list-style-type: none">• Chronic illnesses• Long-term care• Infertility• Mental illness
	 Strategies to boost flat participation	<ul style="list-style-type: none">• Application and EOI process• Decision-support tools• Positioning voluntary after core• Customized support