

The Value of Investing in Mental Health & Mindfulness



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What does it mean to build a healthy, happy, and productive workforce?

It means that employers can provide their employees with proven and effective resources to support their mental health, allowing them to approach their work with positivity and a sense of purpose. With a healthy mindset, they are able to fully utilize their talents and skills in order to accomplish their goals and contribute to the success of the company, as well as to their own success.

Prioritizing employee mental health has never been more important. The modern workplace has shifted significantly, creating new challenges for teams as they work remotely, in a hybrid policy, or full-time in the office. Burnout has become more prevalent as employees face increased workloads, a lack of staff, and a diminished work-life balance. In addition, research published in *The Lancet* journal showed how the COVID-19 pandemic and its secondary impacts, including gaps in care, only heighten mental health conditions for people worldwide, causing anxiety and depression disorders to increase by more than 25% in the first year.¹

Investing in mental health is beneficial and necessary for employees, as well as employers. The World Health Organization estimates that anxiety and depression disorders cost the global economy \$1 trillion in lost productivity each year.² According to the National Safety Council and NORC at the University of Chicago, employers also spend an average of more than \$15,000 annually on each employee experiencing mental health issues. This cost stems from days of work missed, employee turnover and replacement costs, and greater healthcare use by workers and family members.³

At a time when employers are facing a tight labor market and budget cuts, implementing a mental health and mindfulness program can be a game-changer. When employees have the tools to improve their well-being, employers have the potential to benefit from increased engagement and productivity, less absenteeism, a higher level of job satisfaction, and improved employee retention.

Headspace provides an innovative, evidence-based solution to support the mental health of employees while delivering cost savings for employers. This paper underlines the value of investing in a holistic mental health and mindfulness program for your employees by providing an in-depth look at the Headspace model and demonstrating how the model can improve outcomes for individuals, teams, and your business as a whole.

¹ *The Lancet*, 2021. "[Global prevalence and burden of depressive and anxiety disorders in 204 countries and territories in 2020 due to the COVID-19](#),"

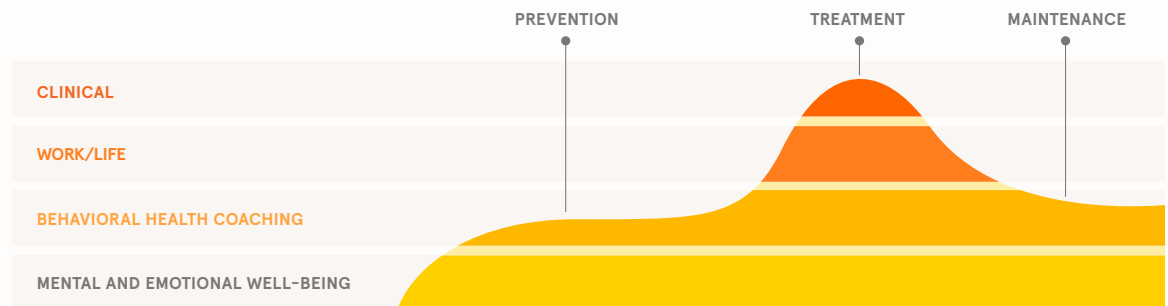
² World Health Organization, 2021. "[Mental Health and Substance Use](#),"

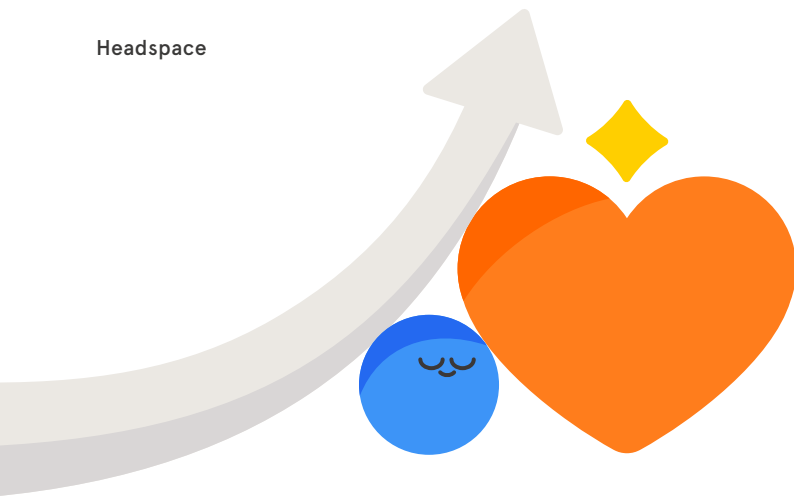
³ National Safety Council, 2021. "[New Mental Health Cost Calculator Shows Why Investing in Mental Health is Good for Business](#)."

The Headspace Model

Headspace is the world’s most comprehensive and accessible mental healthcare platform, offering mindfulness and meditation tools rooted in science, combined with behavioral health coaching, therapy, and psychiatry. We deliver inclusive, culturally competent care that reaches over 100 million people around the world.

Through our digital care model, we provide companies with comprehensive mental health support for their employees, ensuring they have the resources to improve their everyday wellbeing and access personalized, one-on-one care when needed. We help individuals and teams unlock their full potential by giving them the tools to feel less stressed and be more present, engaged, and productive throughout the workday.





Mindfulness Tools for Everyday Well-being

Globally, Headspace provides a wide range of mindfulness tools that empower employees to be more resilient, focused, and grounded in the present moment. We offer members unlimited access to hundreds of meditations and mindfulness exercises for stress, focus, sleep, and movement through the Headspace app. Members can also participate in live meditations and tailored Headspace experiences for their teams, and access podcasts and other self-care resources.

Headspace offers mindfulness tools that include:

Meditation and mindfulness exercises to help members learn to reframe their relationship to stress and anxiety, develop healthy sleep habits, and work through challenging feelings like anger, sadness, and loneliness.

Focus music to help members achieve a “flow state” where they are fully immersed in what they’re doing, whether it’s an important task at work, a physical activity, or a creative pursuit.

Mindful movement to encourage members to engage in quick, mood-boosting workouts and guided activities, including nature walks, yoga, and one-minute dance breaks.

Sleepcasts, sleep music, and soundscapes to provide an immersive experience that helps members create the right conditions for healthy, restful sleep.

Guided self-care with full access to a library of articles, e-Books, webinars, podcasts, and curated music playlists that support mindfulness practices.

With the meditation and mindfulness series “Mindfulness at Work,” members can learn the skills to:

- Find focus and motivation at work
- Achieve balance by prioritizing tasks and creating healthy boundaries
- Cultivate better relationships with their coworkers
- Manage overwhelming feelings caused by a work crisis

Additionally, our basic meditation series has been found to improve employee well-being and productivity by helping to reduce mind-wandering, reduce absenteeism and employee turnover, and increase authentic leadership.

The Proven Value of Mindfulness

Mindfulness practices can have a significant impact on the workplace by helping employees build the ability to be present and fully engaged in whatever they're doing moment-to-moment. Meditation is a key mindfulness practice because it helps individuals train their minds to sit with their thoughts and cultivate awareness and compassion. While meditation is one way to practice mindfulness, other practices could include music, breathwork, guided programs, and mindful exercise, as exemplified by Headspace's offerings.

Research shows that mindfulness meditation may change the brain to be more resilient to stress and lower the physical indicators of stress in the body, potentially leading to an improvement in overall health.⁴

According to a study by Nature, there is emerging evidence that mindfulness may cause neuroplastic changes in the structure and function of brain regions involved in the regulation of attention, emotion, and self-awareness.⁵

Another study showed that various meditation practices, when analyzed together, reduced cortisol, systolic blood pressure, and heart rate.⁶

With a dedicated, in-house science and research team, Headspace has published 40+ papers and participated in 80+ research collaborations on mindfulness which demonstrate its positive effect on mental wellness. In our studies, we've found that it doesn't take long for employees to see improvements to their mental well-being while using our app:

14% increase in focus after 1 session in the Headspace app

29% decrease in depressive symptoms within 8 weeks

32% less stress within 30 days

19% decrease in anxiety symptoms within 8 weeks

⁴ Cambridge University Press, 2015. "[Mindfulness at Work: A New Approach to Improving Individual and Organizational Performance.](#)"

⁵ Nature Reviews Neuroscience, 2015. "[The neuroscience of mindfulness meditation.](#)"

⁶ Journal of Psychiatric Research, 2017. "[Mindfulness mediates the physiological markers of stress: Systematic review and meta-analysis.](#)"

In Aetna's first year of implementing a mindfulness program, healthcare costs fell 7%, saving the company over

\$6M

10 days

of self-guided mindfulness exercises by participants resulted in a decrease of reported levels of emotional exhaustion

Case studies across leading industries demonstrate the clear value of introducing mindfulness programs

In Aetna's first year of implementing a mindfulness program, healthcare costs fell 7%, saving the company over \$6 million. Aetna's study also found that mindfulness increased job effectiveness, with employees gaining an average of 62 minutes of productivity per week. Aetna estimated that the additional hour of productivity was worth \$3,000 per employee per year.⁷

A European study involving a diverse sample of workers (including industrial clerks, bankers, hospitality service employees, retail salespersons, nurses, teachers, social workers, and psychologists) showed that after 10 days of self-guided mindfulness exercises, participants reported decreased levels of emotional exhaustion.⁸ When employees have the tools to manage emotional exhaustion and stress, they are more likely to be engaged at work, which, in turn, leads to increased job satisfaction and productivity.

Headspace has been linked to improved well-being in many studies

including one where employees from two large U.K. companies were asked to complete one 10 to 20-minute guided audio meditation on the Headspace app or be in a wait-list control group.⁹ The participants who completed one meditation a day during the 8-week intervention period reported significant improvement in well-being, distress, job strain, and perceptions of workplace social support, compared to the control group. At the 16-week follow-up assessment, sustained positive effects for the intervention group were found for well-being and job strain.

In a study supported by the College of Policing in the U.K., a team of researchers from the University of East Anglia carried out a randomized controlled trial of two online mindfulness resources (Headspace and Mindfit Cop) and looked at their impact across five police forces in England and Wales.¹⁰ **Results showed that both Headspace and Mindfit Cop improved well-being, life satisfaction, resilience, and job performance** in comparison to the control group. The improvement was shown to be consistently greater for the Headspace group than the Mindfit Cop group after 10 and 24 weeks, though Mindfit Cop's results improved and moved closer to Headspace's results at 24 weeks. The study also showed that Headspace and Mindfit Cop reduced presenteeism, or showing up to work while ill. This was a major finding because, in a previous survey by the Police Federation of England and Wales, 70% of respondents suggested that they had attended work when experiencing issues related to their mental health, while 64.4% of respondents indicated that they had found it difficult to carry out certain duties and tasks at work because they have been too fatigued.¹¹

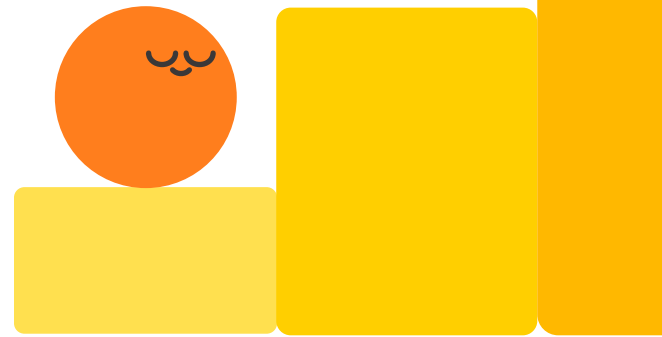
⁷ Gelles, D., Houghton Mifflin Harcourt, 2016. "[Mindful Work: How Meditation is Changing Business from the Inside Out.](#)"

⁸ *The Journal of Applied Psychology*, 2013. "[Benefits of mindfulness at work: the role of mindfulness in emotion regulation, emotional exhaustion, and job satisfaction.](#)"

⁹ *Journal of Occupational Health Psychology*, 2019. "[Mindfulness on-the-go: Effects of a mindfulness meditation app on work stress and well-being.](#)" ¹⁰ College of Policing, 2019. "[Mindfulness in policing: A randomised controlled trial of two online mindfulness resources across five forces in England and Wales.](#)"

¹¹ Police Federation of England and Wales, 2018. "[PFEW Demand, Capacity and Welfare Survey 2018.](#)"

Personalized, On-demand Mental Health Support



For those who need deeper support, Headspace offers high-quality, on-demand mental healthcare that centers on 1:1 help, including text-based coaching, and video-based therapy and psychiatry. Our collaborative approach connects employees to the care that's right for them, whether that's behavioral coaching, clinical care, or a combination of both.

As mental healthcare providers, our coaches and clinicians regularly participate in ongoing training to ensure that a strict standard of care and quality are met. We also regularly review coaching transcripts and clinical notes based on an extensive set of metrics that reflect best practices, ethical and clinical guidelines, and the latest research in the field.

For employees seeking one-on-one support, Headspace offers:

24/7, on-demand behavioral health coaching to help members set attainable goals and stay on track, and recommend exercises that encourage consistent self-care.

Psychiatry for members who need a higher level of support from a board-certified psychiatrist, who can provide guidance on understanding, monitoring, and adjusting medication.

Therapy to help members receive treatment and support for a variety of challenges and a broad range of mental health issues, including depression, anxiety, grief, sleep, substance use disorders, and personality disorders.

Guided self-care with a wide range of clinically validated resources for mental health, including videos, podcasts, and activities, as well as personalized recommendations for content.

The Headspace model of care operates from the framework that clinical care is most effective when paired with coaching and self-care content like mindfulness meditations. Our coaches are also trained to identify when members are in need of higher-level care, like therapy or psychiatry, and they work collaboratively with therapists and psychiatrists to determine what type of care is most appropriate. With our proprietary electronic medical record, known as our Care Hub, coaching and clinical teams are able to easily view and share appropriate information such as member outcomes, assessment results, and collaboration notes. This confidential information is used to ensure that members are fully supported throughout their Headspace experience, helping them stay engaged in self-care and therapy, which leads to improved outcomes.

The Proven Value of Behavioral Coaching + Clinical Care

Through the Headspace experience, we ensure members and their care team complete validated clinical assessments to track symptom improvement over time and measure the clinical quality of our care. For both our mindfulness and mental healthcare offerings, we focus on producing peer-reviewed studies that demonstrate an improvement in outcomes for members and underline the cost impact on the employer's bottom line.

Headspace ensures that the one-on-one support we provide is science-backed and proven by research to improve mental health. Through our research, we've found that when employers implemented our on-demand mental healthcare offering, they saw significant outcome improvements for their employees, including:

59% of members showing improvement in anxiety symptoms at follow-up¹² with Headspace coaching and/or clinical care

70% of members showing improvement in depression symptoms at followup¹³ with Headspace coaching and/or clinical care

An average increase of 3 healthy mental health days per employee per month after one month of our mental healthcare offering

In the first study,¹⁴ 55% of members who completed GAD (Generalized Anxiety Disorder) surveys at intake screened positive for anxiety. At follow-up, 59% of members who completed surveys either screened negative for anxiety or experienced a meaningful reduction in their GAD scores. Our findings showed that any care modality (coaching, clinical, or combined) in our on-demand mental healthcare offering was associated with decreases in anxiety symptoms, while engagement with both coaching and clinical care was associated with the greatest likelihood of decreasing anxiety symptoms. Still, those engaged in coaching reported similar decreases in anxiety symptoms as those engaged in clinical services, suggesting many members might be able to improve their anxiety through coaching alone.

¹² Follow-up in this study was between 6-16 weeks.

¹³ Follow-up in this study was between 6-16 weeks.

¹⁴ *JMIR Formative Research*, 2021. "[Association Between Care Utilization and Anxiety Outcomes in an On-Demand Mental Health System: Retrospective Observational Study.](#)"

In the second study,¹⁵ 37% of members screened positive for depression at baseline. 70% of these members who initially screened positive for depression at intake and completed follow-up had meaningful improvement (either screened negative for depression at follow-up or experienced a meaningful reduction in their depression). Our findings indicated that any care modality in our on-demand mental healthcare offering was associated with decreases in depression symptoms, while engagement with both coaching and clinical care was associated with the greatest likelihood of decreasing depression symptoms.

As part of our efforts to better understand member needs and the impact of our services (particularly on those with subclinical needs), we utilized the health-related quality of life tool from the Center for Disease Control and Prevention’s “Healthy Days” measure.

The “Healthy Days” measure estimates the number of recent days when a person’s physical and mental health was “good” based on their survey answers at baseline and one month following their use of Headspace’s on-demand mental healthcare offering.

- Members, on average, reported “frequent distress” at baseline with more unhealthy mental health days (mean = 16) than healthy mental health days (mean = 14).
- After one month of usage, members experienced statistically significant improvements in the average number of healthy mental health days, with an average increase of 3 healthy mental health days.
- Our findings showed that any care modality in our on-demand mental healthcare offering was associated with an improvement in general well-being.
- The “Healthy Days” measure is significant because even one unhealthy day can impact quality of life and potentially increase medical costs.¹⁶

¹⁵ JMIR Formative Research, 2020. [“Evaluation of an On-Demand Mental Health System for Depression Symptoms: Retrospective Observational Study.”](#)




¹⁶ The American Journal of Managed Care, 2017. [“A Health Plan’s Investigation of Healthy Days and Chronic Conditions.”](#)

Cost Impact Case Study

Headspace is actively working on a range of studies to demonstrate the value of a comprehensive mindfulness and mental health system. Recently, our team developed a real-world cost impact model evaluating our on-demand mental healthcare offering, together with Accorded, a value-based contracting platform powered by actuarial science.

The cost impact model relied on our peer-reviewed outcomes coupled with claims data for 25M+ members from the IBM MarketScan Commercial Claims Database. By applying our validated clinical outcomes to real patient claims, the cost impact model was able to reliably infer how much an employer could expect to save by implementing our on-demand mental healthcare offering for their employee population compared to the traditional model.

To calculate the cost savings of this specific offering, we applied the cost impact model to three common members (Members A, B, and C) of a population who have varying physical and mental health needs. For each member, we compared annual medical costs under three scenarios: No Care, Traditional Care, and Our Model of Care.

	No Care <i>No therapy sessions</i>	Traditional Care <i>6-10 therapy sessions</i>	Headspace <i>Coaching + clinical services</i>
 Member A Feeling anxious and having trouble keeping up with her work	\$12k	\$10k	\$9k
 Member B Facing symptoms of depression for years	\$18k	\$16k	\$15k
 Member C Managing a chronic condition and depression	\$35k	\$32k	\$30k

After establishing cost savings for individuals in a given population, we looked at how these savings can be applied to an engaged population of members. Applying a recent McKinsey analysis¹⁷ to a sample engaged population, we see the following distribution of members:

75 in 100

employees look like Member A and only require support that fosters mental wellness.

24 in 100

employees look like Member B and require mental wellness support and have moderate needs such as therapy.

1 in 100

employees look like Member C and require mental wellness support and have more acute needs that may require more intense services or treatment.

An employer with this distribution of engaged employees is estimated to save between \$101,000 – \$302,000 by implementing our on-demand mental healthcare model in comparison to the amount they would spend implementing a traditional care model. Through our approach, more members receive the right level of care at a fraction of the cost.

¹⁷ McKinsey & Company, 2021. ["Using digital tech to support employees' mental health and resilience."](#)

A Happier, Healthier, and More Resilient Workforce

The Headspace model offers employers high-quality, on-demand mental healthcare that is accessible to all employees and customized to each of their needs.

To drive value for organizations, we share key data with employers to help them understand the overall health of their organization and make informed decisions on their mental health benefits strategy. Through quarterly business reviews, we provide ongoing reporting analytics on enrollment and engagement. Headspace also offers detailed, outcome-based metrics to demonstrate clinically meaningful reductions in anxiety and depression among a given organization's population.

Our experience shows us that when employees get the mindfulness and mental health support they need, both the employees and employer benefit. With less stress and anxiety, more restful sleep, higher levels of energy, and increased focus, employees are happier and healthier – mentally and physically. They are more likely to show up fully to the workplace and be engaged, collaborative, and creative. Furthermore, if every member of a team had the tools to improve and manage their mental health, they would be able to build better relationships and achieve more, together. For employers, this means focused, productive, happy, and healthy employees, likely improving an organization's bottom line.

By providing seamless, end-to-end mental health support that's proven to add value, Headspace is transforming the delivery of mental healthcare to companies and their employees. We are committed to helping members build healthy routines and behaviors, practice mindfulness, and get the one-on-one care they need when they need it, contributing to a healthier, more resilient workforce.

The Value of Investing in the Headspace Model

Headspace

End-to-end mental health support for employees

Guided Mindfulness Practices

Daily meditation and mindfulness practices to learn how to be fully present and engaged in the moment

Behavioral Health Coaching

On-demand support to encourage self-care, improve daily well-being, and boost mental health

Therapy + Psychiatry

1:1 support to treat mental health challenges and disorders and improve daily well-being

Impact for employers

An evidence-based and cost-effective solution to help:

- Reduce stress and burnout
- Increase focus and productivity
- Increase collaboration among coworkers
- Increase job satisfaction
- Reduce absenteeism, presenteeism, and turnover

 headspace

