

EBOOK

Prevention over Cure: Reducing PMI Premiums through Proactive Health

Can Wellbeing Help Reduce PMI Premiums? Here’s Where to Start

wellhub



Private medical insurance is becoming one of the fastest-growing cost pressures for employers.

Many organisations are now seeing renewal increases of 20–30% as standard, with some experiencing spikes of 70% or more. That kind of volatility is hard to absorb, especially when budgets are already under strain. These costs can **stem from increased claims, delayed treatment, chronic conditions** and growing demand for support.

And yet, cutting back isn't a simple option. Employees value healthcare benefits. For many, PMI represents security, faster access to treatment and peace of mind. Reducing cover might ease costs in the short term, but it can also damage trust and weaken your overall benefits offering.

So employers are stuck in a familiar loop: renegotiate, adjust excesses, switch providers… and repeat next year. The problem? These actions treat the symptom, not the cause.

A more sustainable approach starts much, much earlier.

Instead of only paying when employees are already unwell, o**rganisations can invest in prevention, early support and everyday health.** Many of the issues driving claims, including stress, inactivity, poor sleep, musculoskeletal problems and unmanaged conditions, develop over time.

This guide explores how shifting from reactive healthcare spend to proactive health management can help employers reduce long-term risk, improve employee wellbeing and create a more sustainable approach to PMI costs.

The PMI inflation problem: why renewals are not enough

PMI inflation has become a strategic concern for many organisations and a board-level issue.

The latest figures from ABI suggest that in the UK alone, **insurers processed a record £4 billion in PMI claims in 2024,** with workplace schemes accounting for £2.6 billion.
The pattern is clear, costs are rising, and there is no sign of that trend slowing. For HR and Reward teams, this creates a difficult balancing act. **Employees expect strong healthcare benefits, while Finance teams need predictability and control.**



Reducing cover may lower spend, but it can also affect engagement, retention and employer brand. Renegotiation can help manage short-term increases, but it doesn't address a more fundamental question: How can organisations reduce avoidable health risks before they become expensive claims?

This is where wellbeing becomes part of the cost conversation! PMI connects to absence, burnout, productivity, engagement and overall workforce health. When employees are struggling, those pressures often appear in claims data over time.

The scale of the challenge is clear. 90% of employees report experiencing burnout symptoms, and more than 80% believe their employer has a responsibility to support their wellbeing.

There is an **opportunity to invest in prevention that supports both employee health and cost control.**

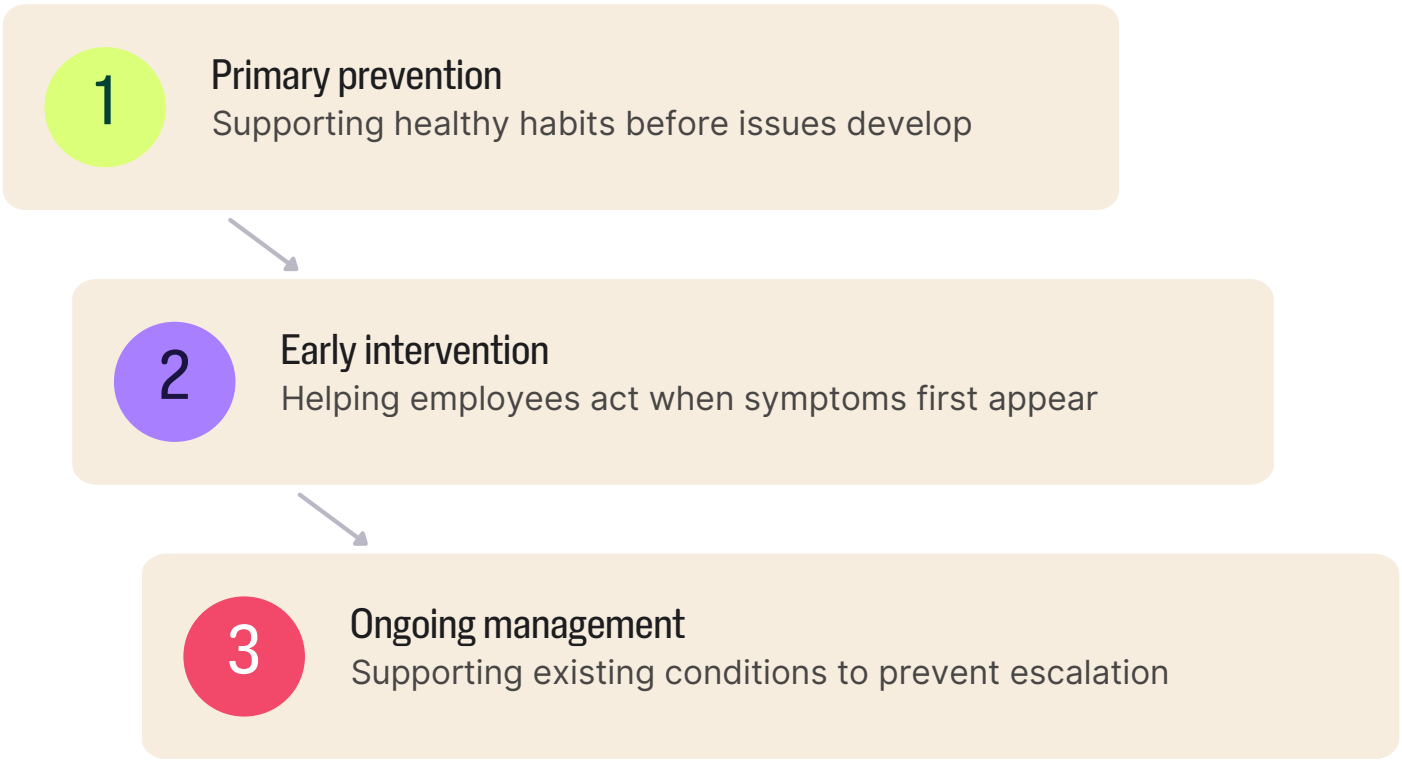
From treatment spend to risk reduction: reframing prevention

PMI is an obvious work benefit, but it's something employees only use when a condition reaches a tipping point, and medical care is needed. Whether that be an employee falling ill, getting injured, or needing specialist care.

A proactive approach focuses on what happens earlier. Employers can ask:

- How can employees be supported to stay well?
- What can help them spot problems earlier?
- How can access to support be made easier?

This approach can be broken into three layers:



For employers, this creates a **more complete health strategy.** While PMI remains an important part of the overall approach. It sits alongside other forms of support rather than acting as the single, definitive route into care.

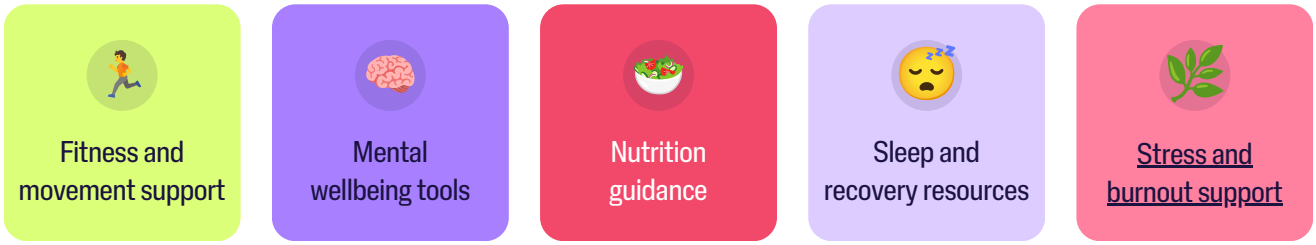
The aim is to reduce avoidable risk and create more opportunities for **early support, as earlier action often leads to simpler, more manageable outcomes.** Through avenues like wellbeing, the likelihood that everyday health issues go unnoticed until they become more serious is lowered.

Primary prevention: reducing risk through everyday health

Many long-term health risks are influenced by daily habits. **Movement, sleep, nutrition and stress all affect how employees feel and perform,** and while employers cannot control behaviour, they can make healthier choices easier to access. Particularly when work can contribute to levels of strain in and outside the office.

This is where many wellbeing strategies struggle; firing off generic messaging rarely changes behaviour. But practical access does.

Employees need options that fit into real life:



Choice is very important to people! Some employees prefer gym access. Others may use digital workouts, mindfulness apps or lower-pressure ways to get started. Some may need support with stress or sleep. **A single approach will not suit everyone.**

Flexible platforms like Wellhub provide access to a range of options across fitness, mental wellbeing and lifestyle support. This allows employees to engage in ways that suit their needs and routines.

Prevention also depends on consistent use, which is why Wellhub is built to encourage consistency rather than a once-a-year initiative. **Only with consistency do we see the needle move on health outcomes,** productivity, absences, and reduced health claims.

Early intervention: catching problems before they escalate

Prevention is not only about helping healthy employees stay healthy. It's also about how quickly employees act.

The reality is, **even with strong prevention, health issues will still arise, but many people delay seeking support** due to time pressures, uncertainty or difficulty accessing care. These delays often lead to more complex and costly treatment later.

Early intervention reduces that delay.
This can include:

- Digital GP access
- Health screenings
- Mental health triage
- Physiotherapy support
- Health coaching
- Preventative assessments
- Signposting to relevant benefits
- Clear escalation routes into PMI when needed



Clarity is essential, and it gives people the permission to address concerns. **Digital GPs and screening services can be especially useful because they reduce friction.** Employees can ask questions earlier, get guidance faster and understand whether they need further treatment without having to commute to an appointment.

This can also **help reduce inappropriate or delayed use of more expensive services.** The key is integration: Early intervention should not feel like another disconnected benefit hidden in a portal. Employees need to understand what is available, when to use it and how it connects to their wider healthcare options.

Wellbeing, digital health, occupational health, and PMI should work together as a single, clearer health journey. **Employees should know where to start and what to do next.** If someone develops back pain, they should not need to navigate multiple disconnected services.

When support is easy to access and clearly connected, employees are more likely to act sooner. Earlier action leads to better outcomes for both employees and employers.



Making proactive health easy to use

A proactive health strategy only works if employees actually engage with it. Many employers already offer wellbeing benefits, but **usage can be low because access is unclear or communication is weak.**

The benefit exists, but employees do not know how to find it, what it is for or why it matters. That means the benefit is limited by its own design or communication.

Low utilisation does not always mean employees do not care about wellbeing. It may mean the journey is too complicated.

Common barriers include:

- Employees do not know what support is available
- Access is hidden in a portal
- Eligibility is unclear
- The language feels too policy-heavy
- There are too many systems
- The benefit is not mobile-friendly
- Employees are not reminded at useful moments
- Managers do not know how to signpost support
- There is no clear connection between wellbeing, digital health and PMI



Employers should aim to reduce friction at every stage. That's where a simple friction audit can help. Ask:

1. Do employees know what support is available?
2. Can they access it easily on mobile?
3. Is eligibility clear?
4. Is the language simple?
5. Are employees reminded at relevant moments?
6. Do managers know how to signpost support?
7. Is there a clear connection between wellbeing, digital health and PMI?

The most effective health strategies make support visible, relevant and easy to act on. Communication plays a big role here. For example, **a generic message is easy to ignore:**

> 🔔 Benefits Portal
> Use your wellbeing benefit through the benefits portal!

Easy to ignore ↑

A more useful message connects support to a real need:

> 🔔 Benefits Portal
> Feeling run down or struggling to switch off? You can access fitness, mental health, nutrition and recovery support through Wellhub. Explore what works for your routine!

↑ Feels relevant and personal

One version gives an instruction. The other explains why someone might care.

This is important because proactive health depends on small moments of action. Employees need to **recognise that support is available before they reach a crisis point** and understand that seeking it early is encouraged.

This is where Wellhub can help employers **turn wellbeing from a static benefit into an everyday part of the employee experience.**





Communication and culture: why prevention needs leadership support

Proactive health initiatives often fall into the trap of being siloed within a single department. That's a major problem.

If wellbeing is treated as a side initiative, it is unlikely to shift behaviour at scale. Employees need to see that health is supported by the organisation's culture, managers and leadership.







It is not enough to have wellbeing activities available; employers need to ask:

- Are employees encouraged to use them?
- Are leaders visibly supporting them?
- Are managers confident in signposting them?
- Are local teams communicating them in a way that feels relevant?
- Are outcomes being measured?

Culture has the ability to turn wellbeing from an optional extra into a normal part of how people work.

Without leadership support, HR can end up pushing programmes that employees do not feel they have permission to use. This is especially true in high-pressure environments where employees may worry that taking time for wellbeing will be seen as a lack of commitment.

That weakens prevention. If employees feel they should only use support if they are really struggling, employers miss the opportunity to intervene earlier. **Leadership support changes that signal!**

It shows that wellbeing is part of sustainable performance, not separate from it. It helps managers talk about support more naturally. It helps employees feel that using wellbeing benefits is acceptable. It also helps connect wellbeing to performance, retention, risk and cost control.

This matters because **prevention needs consistency.** A one-off awareness campaign may create a short spike in interest. A culture that normalises support is more likely to drive ongoing engagement.

For prevention to work, **wellbeing needs to be communicated, reinforced and measured over time.** We're talking years, not weeks.

The savings ladder: linking wellbeing maturity to PMI outcomes

PMI savings are not going to happen immediately. **That's the reality of health and wellbeing, there are never quick ¨fixes¨ or overnight glow-ups.**

The good news is that employers can build a stronger case for premium control by showing progress over time. This can be thought of as a savings ladder:

Bottom

Reactive and fragmented. Support only when problems are visible.

Middle

Improving access, communication and participation.

Top

Measurable, embedded and linked to workforce health outcomes.

DHL actually has the perfect example of this.

How DHL is tackling rising private medical insurances

At a Wellhub panel, Mattias Helmbold, Vice President of Global Risk, Benefits, Health and Wellbeing at DHL, **explained how DHL linked wellbeing maturity to insurance pricing.**

As a large, decentralised organisation, with around 600,000 employees across many markets. Rather than imposing a single global programme from headquarters, the company invited local businesses to share the health and wellbeing activities they were running.



Matthias Helmbold
VP Global Risk Benefits, Health and Wellbeing at DHL

Those activities were then taken into account when pricing health insurance.

DHL created status levels similar to a frequent-flyer programme. Local entities could be bronze, silver or gold depending on the maturity of their health and wellbeing approach. **Depending on their status, they could receive up to a 20% discount on their health insurance premium.**
That created a clear financial incentive. For local business teams, the discount was a **meaningful reason to invest in health and wellbeing.** For Finance, it created visibility. If a country dropped in status and premiums increased, the cost impact was clear.

This helped wellbeing become more than an HR initiative. **It became part of a wider risk, finance and business performance conversation.**

The approach also became more refined over time. DHL moved from simply asking local entities what they were doing to looking more closely at communication, motivation, KPIs, measurement and organisational culture. **The focus shifted towards whether wellbeing activity was actually being embedded, used and supported by leadership.**

The lesson for employers is not that every company needs a captive insurance model. Most will not have that structure. Instead, it's that **wellbeing becomes more powerful when it is connected to measurable risk, financial incentives and leadership accountability**. A simple evolution over time could look like this:

Level	What it looks like
Level 1	Basic wellbeing benefits exist, but communication and measurement are limited
Level 2	Employees understand what is available and how to access it
Level 3	Participation, activation and repeat usage are tracked
Level 4	Wellbeing is connected to absence, engagement, claims and workforce health trends
Level 5	Prevention becomes part of the insurance, reward and risk strategy

This ladder provides employers with a practical way to develop maturity.
The aim is not to jump straight to perfect measurement. It is to **move steadily from scattered activity to a more connected approach** that supports employees and gives the business better insight into health risks.

What engagement can look like in practice

Prevention only works when employees use the support available to them. That is why engagement matters so much.

A wellbeing platform may look strong on paper, but if employees do not use it, it cannot support prevention, early intervention or long-term health outcomes.

Two Wellhub customer examples show what can happen when employers move away from rigid, one-dimensional benefits and offer wellbeing support that fits different lifestyles, locations and needs.

FOSPHA: flexible wellbeing for a fast-growing scale-up

Fospha is a high-growth marketing measurement scale-up with team members across London, Austin and Mumbai. **The company offered a flexible annual allowance that employees could use towards health goals,** but individual fitness memberships still felt limiting. It tied employees to one gym chain, which did **not suit hybrid schedules, commuting patterns or different wellbeing preferences.**

Fospha wanted a wellbeing **benefit that could work for a broad range of employees**. It needed to be flexible, cost-effective and relevant to people with different routines.
After launching Wellhub, Fospha achieved a 54% membership rate, higher than any other benefit the company provided. **Employees also recorded 185 check-ins across 22 gyms and studios** in London, with engagement across both in-person and digital options.

That matters for a prevention strategy because it **shows the value of choice**. Some employees engaged through physical venues. Others used digital options. The benefit worked because it gave people more than one route into wellbeing support.
Fospha also embedded Wellhub into recruitment collateral, internal benefits pages and offer booklets, **making wellbeing part of the wider employee value proposition.**

"To be successful at work, people need to be taken care of outside of work. It's harder to build extensive benefit systems in a scale-up compared to tech giants, but the small things we do to put our team in the right state of mind will always return immense value to the business"

Ashkan Valadan
Chief Financial Officer, Fospha

For employers thinking about PMI pressure, the lesson is clear: prevention needs adoption. A wellbeing benefit is more likely to **support workforce health when it is flexible enough for employees to use in real life.**

mosaic INSURANCE : Redefining Corporate Wellness Engagement

Mosaic Insurance is a global insurance platform with a highly digital model and a people-first culture. Before partnering with Wellhub, **Mosaic offered a traditional £40 monthly cash fitness contribution.**

The problem was that the **contribution had limited practical value**. It did not go far in high-cost locations, and it mainly supported employees who already wanted a traditional gym experience.

Mosaic wanted something broader and more inclusive. The company partnered with Wellhub to provide a w**ider wellbeing ecosystem, including fitness venues, boutique studios, mental wellbeing apps,** nutrition support and digital wellness services.

The results were strong. Mosaic achieved an 82.7% organisation-wide subscription rate. Over the first six months, **employees completed 2,698 total wellness check-ins, including 1,588 in-person gym and studio check-ins and 1,107 digital app check-ins.** Usage took place across 17 cities, showing that the platform could support a distributed, hybrid workforce.

That is useful evidence for HR, Reward and Finance teams because it shows how a **wellbeing investment can move beyond a perk and into measurable engagement.**

It also shows why flexibility matters. Employees used Wellhub for in-person activity, digital support and wellbeing routines across different locations. **That kind of engagement is important if employers want wellbeing to become part of everyday prevention**, rather than a benefit that sits unused in the background.

"Lots of people from work will go together. I have a group of people that will be, like, 'Let's try out this class together.' We'll go at lunchtime or we'll go in the evening together. I think that's a really nice social thing to do, and it is a good way to decompress after a busy day. It makes a big difference."

Maddie Dry
HR Administrator, Mosaic Insurance

Not that every company will see the same engagement numbers, but the important takeaway is that **when wellbeing support maps to how people actually live and work**, employees are more likely to use it. And usage is the first step towards impact.

Measuring what matters: from wellbeing usage to health cost insight

While the topic of strong engagement has been covered, it is important to note that **participation alone does not prove the impact of wellbeing programmes.**

Someone may register for a benefit and never use it. Someone else may use it once and stop because it does not fit their routine. Another employee may value the support but struggle to find the right entry point.

To understand whether wellbeing is working, **employers need to look across the full journey from awareness to outcomes.** Measurement should look at both activity and impact.

Activity metrics

Activity metrics **show what employees are doing.** They can include:

- Awareness
- Enrolment
- Activation
- Repeat usage
- Popular wellbeing categories
- Employee satisfaction
- Drop-off points



Impact metrics

Impact metrics help employers understand what may be changing over time. They can include:

- Absence trends
- Employee engagement
- Burnout indicators
- Health risk assessment trends
- PMI claims patterns
- Digital GP usage
- Screening participation
- Return-to-work data
- Retention trends



↓

These metrics help employers understand whether employees know about the benefit, whether they are using it and where friction exists.

Both types of data matter, but they should not be treated as the same thing. **Activity metrics show behaviour. Impact metrics help connect that behaviour to wider workforce outcomes.**



The aim is not to claim that one wellbeing programme directly causes every reduction in cost. That would be too simplistic. A better approach is to **look for patterns that can guide better decisions.** Useful questions include:

- Are employees using support earlier?
- Are preventable issues being identified sooner?
- Are absence trends improving?
- Are claims concentrated in specific areas?
- Are some employee groups missing out?
- Which wellbeing categories are used repeatedly?
- Where are employees dropping off?
- What barriers stop people from taking action?

This gives HR, Reward, Finance and insurers a more useful conversation.

The shift

From asking

"How much did premiums go up?"

→

To asking

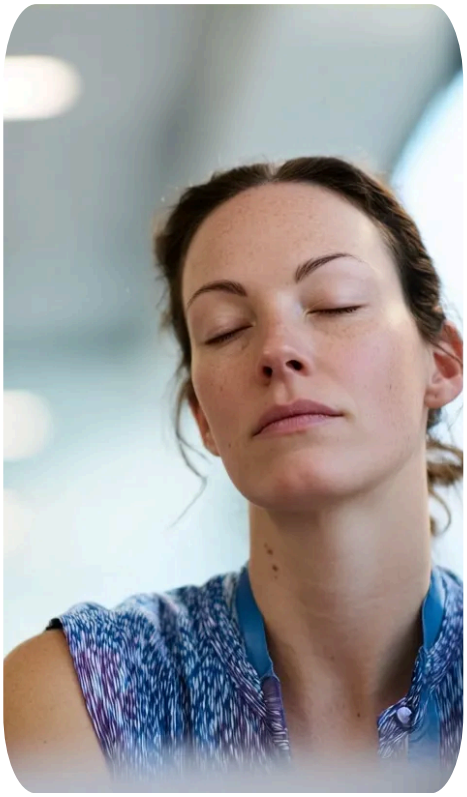
"Which health risks are driving cost, and what can we do earlier?"

This moves the conversation from annual renewal pressure to long-term workforce health planning.

Building a joined-up health cost strategy

Reducing **PMI pressure requires cross-functional ownership.** HR cannot solve this alone! Reward, Finance, brokers, insurers, Occupational Health, Internal Comms, managers and leadership all play a role in the success of integrating wellness. Different teams need to contribute in different ways:

Team	Role
HR	Connect wellbeing to employee experience and culture
Reward	Align wellbeing, PMI and benefits strategy
Finance	Understand prevention as a long-term cost-control lever
Managers	Signpost support and make wellbeing feel acceptable to use
Internal Comms	Keep health support visible throughout the year
Brokers and insurers	Help identify claims trends and risk patterns
Leadership	Sponsor prevention as part of sustainable performance



When these teams work together, PMI becomes part of a wider health ecosystem. This **helps employers move away from reactive cost management and towards proactive workforce health** planning.

It also supports a better employee experience. Employees should not need to understand the internal structure of HR, Reward, Occupational Health and insurance to get help. They need a clear route into support.

The Work-Life Wellness Report found that 81% of employees agree their employer has a responsibility to help them tend to their wellbeing.

That expectation is not one to be ignored. **Employees increasingly expect employers to support wellbeing** before they reach a crisis point. At the same time, employers need to manage costs more carefully. A joined-up health strategy can support both goals.

The key is not always to add more benefits. Many employers already have useful support in place. The bigger opportunity is often to make existing health and wellbeing investments easier to access, easier to measure and better connected to the risks driving cost. A few practical questions you can use to audit internally include:

- Do employees know what support exists before they struggle?
- Are managers equipped to signpost support?
- Are brokers sharing useful claims insight?
- Are wellbeing metrics reviewed alongside workforce risk data?
- Is wellbeing connected to PMI, absence and OH strategy?
- Are benefits communicated throughout the year?
- Is Finance involved in prevention conversations?

This is how prevention becomes part of a joined-up health cost strategy.

From reactive healthcare spend to proactive health strategy

As PMI premiums continue to rise, **employers cannot rely on renewals alone to solve the problem.** Reducing cover may lower costs in the short term, but it can weaken the employee experience and fail to address the underlying health risks behind claims.

A more sustainable approach starts earlier by investing in prevention, early intervention, communication and measurement; employers can support healthier employees while reducing long-term pressure on healthcare costs.

That is where the opportunity sits: **connecting everyday wellbeing with lower health risk, cost control and a better employee experience.**

Wellhub can help employers provide flexible, accessible wellbeing support that employees can use in ways that fit their lives. With options across fitness, mental wellbeing, nutrition, sleep and everyday health, **Wellhub helps make preventative health easier to access and easier to communicate.**

For HR and Reward teams, that means stronger benefits engagement. For Finance-conscious leaders, it means making wellbeing investment work harder.

For employees, it means **support that feels practical, relevant and easier to use before problems escalate.**
Prevention will not solve PMI inflation right away, but it can help employers **move from reactive cost management to a healthier, more sustainable approach.**

Build a more proactive wellbeing strategy with Wellhub today. Start with a free quote.





