



Industry Snapshot

Public Sector

Public sector organizations operate in a benefits environment often shaped by union influence, an older workforce¹ and higher rates of chronic and metabolic conditions.² Plans for these groups often include richer benefits – such as wellness incentives, on-site resources and strong advocacy support – which help sustain high enrollment and engagement.²

With experience providing health coverage to public sector groups nationwide – including municipalities, states, K-12 and higher education – UnitedHealthcare has the insights, expertise and benefits strategies built to help preserve funds while improving workforce health and productivity.



Demographics

52.9% male¹

64% are ages 25–54;
25% of the workforce is 55+ due to long tenure/career stability¹

\$70–\$85K
average annual salary³



Key health insights

Compared to the entire UnitedHealthcare ASO book of business,² employees in this sector had:

- ▲ Higher participation in preventive screenings for breast cancer, colorectal cancer and wellness visits
- ▲ Higher likelihood of members making optimal care decisions
- ▲ A 3% higher adoption of integrated pharmacy benefits, helping drive more coordinated care and better manage specialty medication costs



Top health challenges²

-  **Inability to implement/adjust benefits solutions based on immediate needs**
Due to strict control over budget and bid opportunities
-  **Chronic and metabolic conditions**
Including musculoskeletal (MSK), neoplasms (cancer), circulatory and digestive
-  **High behavioral health care utilization**
Due to workload, burnout and poor work-life balance

Strategies for public sector employers

Addressing this sector's top health challenges requires a more integrated, equitable approach to benefits—one that combines mental health support, chronic condition management and accessible, personalized care experiences to improve outcomes and sustain a resilient workforce.



Maintain rich plan designs with cost-management guardrails – Public sector plans already offer richer benefits, which help drive long-term enrollment, but employers could strengthen this advantage by pairing these benefits with strong care navigation, cost-optimization tools, high-value care guidance and incentives for preventive and early-intervention services.



Engage members for even better decision-making – Consider expanding **advocacy** and **navigation** programs, strengthening wellness incentives tied to measurable outcomes and offering decision-support tools that simplify care selection, cost transparency and pharmacy choices. A workforce already inclined to engage will typically respond well to targeted tools and incentives.



Prioritize behavioral health – Strengthen the approach to behavioral health – particularly substance-use treatment – by **expanding access to behavioral health** and substance-use networks, integrating virtual health options, equipping managers with training and offering access to a modernized Employee Assistance Program (EAP) designed to give employees more convenient support and flexible therapy options. Ensuring parity compliance and reducing wait times are also essential, as behavioral health has a significant impact on cost and productivity in this sector.²



Invest in targeted solutions for chronic conditions – Focus investments on the industry's most predictable **cost drivers**: MSK issues, cancer, circulatory or cardiovascular conditions and digestive health disorders. Implementing targeted solutions – including physical therapy-first MSK programs and/or virtual support, oncology navigation, cardiometabolic management and digestive health initiatives – may help limit unnecessary procedures and drive better outcomes. Aligning investments to each group's actual claims profile helps ensure a more data-driven strategy and stronger ROI.



Maximize the value of integrated pharmacy benefits – Public sector employers can further strengthen their benefits strategy by maximizing **integrated pharmacy capabilities**, a notable advantage given the sector's higher-than-average adoption rate.² Combined medical-pharmacy data may help better identify care gaps, improve adherence and manage specialty spend. By applying pharmacy benefit manager (PBM) forecasting tools and disease-specific coaching, organizations may better anticipate trends and support better health for their teams.



Build a benefits strategy around the diverse needs of your team – Today's workforce spans different generations, income levels, geographies and life stages. Because uneven outcomes may worsen disparities and increase total cost of care, UnitedHealthcare helps employers build a benefits strategy that meets people where they are, balancing easy-to-use digital tools with personalized support to help ensure more equitable access to care and resources.

Talk to your UnitedHealthcare representative, broker or consultant for more information



¹ Annual Survey of Public Employment & Payroll. U.S. Census Bureau, 2025. Available: <https://www.census.gov/programs-surveys/apes.html>. Accessed: March 10, 2026.

² UnitedHealthcare ASO book of business, 2025.

³ Government Salaries Database. Available: <https://opengovpay.com/>. Accessed: March 10, 2026.

Advocate services should not be used for emergency or urgent care needs. In an emergency, call 911 or go to the nearest emergency room. The information provided through Advocate services is for informational purposes only and provided as part of your health plan. Wellness nurses, coaches and other representatives cannot diagnose problems or recommend treatment and are not a substitute for your doctor's care. Your health information is kept confidential in accordance with the law. Advocate services are not an insurance program and may be discontinued at any time.

Disease Management programs and services may vary on a location-by-location basis and are subject to change with written notice. UnitedHealthcare does not guarantee availability of programs in all service areas and provider participation may vary. Certain items may be excluded from coverage and other requirements or restrictions may apply. If you select a new provider or are assigned to a

provider who does not participate in the Disease Management program, your participation in the program will be terminated. Self-Funded or Self-Insured Plans (ASO) covered persons may have an additional premium cost. Please check with your employer.

The material provided through the Employee Assistance Program (EAP) is for informational purposes only. EAP staff cannot diagnose problems or suggest treatment. EAP is not a substitute for your doctor's care. Employees are encouraged to discuss with their doctor how the information provided may be right for them. Your health information is kept confidential in accordance with the law. EAP is not an insurance program and may be discontinued at any time. Due to the potential for a conflict of interest, legal consultation will not be provided on issues that may involve legal action against UnitedHealthcare or its affiliates, or any entity through which the caller is receiving these services directly or indirectly (e.g., employer or health plan). This program and its components may not be available in all states or for all group sizes and is subject to change. Coverage exclusions and limitations may apply.

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