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<u>*New Research from EBRI:*</u>
How "Big Data" is Changing the Benefits Sector

WASHINGTON—Since "big data" is changing so many aspects of the business world, how is it affecting the way health and retirement benefits are provided to private-sector workers?

At a recent policy forum sponsored by the nonprofit Employee Benefit Research Institute (EBRI), several national experts described how employers and researchers are making a major commitment to capturing and analyzing the vast amount of health and retirement data in their benefits plans.

While the health sector is considerably farther down the road than the retirement sector in using data analytics in benefits plan design and management, both fields are in the very early stages of using big data. For both health and retirement benefits, the goal is to use of massive amounts of data and computer-driven data analytics to determine how people behave when it comes to health and retirement plans, which programs work or do not, and how to get better results at lower cost.

As several of the speakers at the EBRI forum described, many workers are already seeing the results of this trend, such as the rapidly growing use of electronic medical records and their ability to access their own health records online. And they predicted that the science of applied mathematics seems destined to dominate the art of employee benefits.

"With data being used more heavily in the evaluation of both the health and retirement side of employers' benefit programs, what is that doing to help control costs, increase quality, and facilitating—or not—retirement and health security?" asked EBRI President and CEO Dallas Salisbury. "Ultimately, employers believe these investments can improve their bottom line as well the bottom lines of individuals and their clients, or the quality of health and retirement outcomes at a lower cost."

EBRI's 75th biannual policy forum last December delved into both the status and promise of this trend before an audience of about a hundred benefits professionals and policymakers. Two panels of experts—one focusing on health and the other on retirement—provided an overview of what employers, researchers, and data analysts are currently doing, what they hope to be doing, and what seems to be working so far. Speakers included employers, research and analytic experts, heath and retirement plan executives, and consultants.

The full report, "Measured Matters: The Use of 'Big Data' in Employee Benefits," is published in the April 2015 *EBRI Notes*, online at www.ebri.org

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