

Groxxker



# Can AI Solve Point Solution Fatigue?

How to achieve the benefits of AI point solutions by addressing key barriers







As more healthcare point solutions enter the market, employers face more of the same challenges. **From low utilization to high costs, organizations actively struggle to improve their benefits offerings.**

And while the healthcare industry is experiencing a rapid proliferation of point solutions, most employees aren't benefiting. More than half<sup>1</sup> of US employees remain unaware of their companies' health and wellness programs, and 80%<sup>2</sup> of employees never open or read their benefits information.

Despite these issues, data shows budgets for point solutions are rising. A recent survey of 150 HR and benefits leaders conducted by Grokker and HR Dive's studioID found that more than four in five HR leaders (82%) expect their budget for point solutions to increase in the next 12 months. This projection creates an opportunity—and a challenge—for employers.

Point solutions have the potential to enhance employee well-being and improve engagement, but without strategies to improve utilization and ROI, employers risk that their increased investment will deliver little value. However, our survey reveals one advancement might offer a better way forward: artificial intelligence (AI).

AI has the potential to revolutionize benefits and help employers rectify challenges associated with traditional point solutions. This report explores where the point solution marketplace stands today, AI's significant role in its future, and actionable recommendations to enable employers to implement these technologies effectively.

#### ABOUT THIS SURVEY

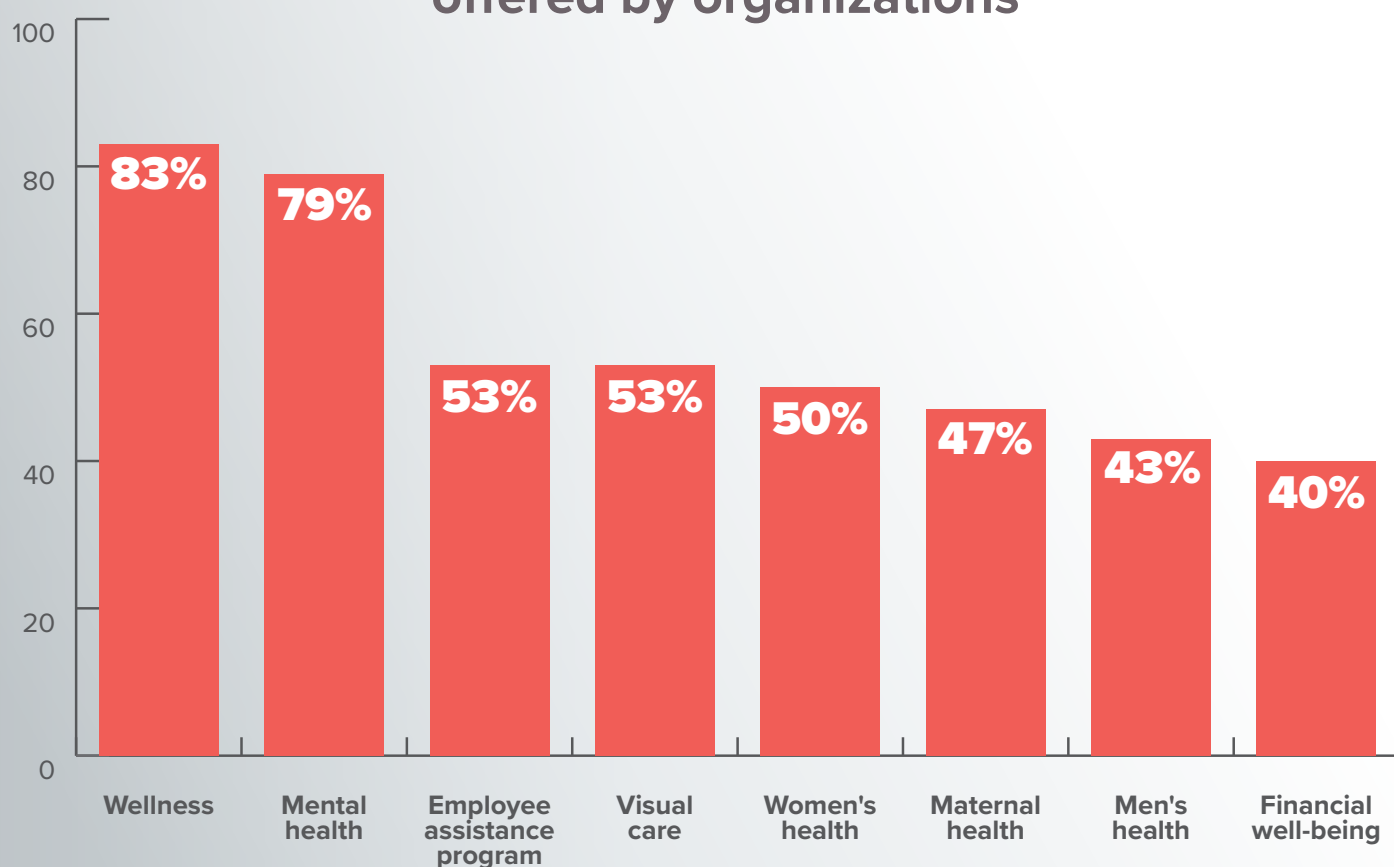
The survey report was conducted in partnership between HR Dive's studioID and Grokker, a corporate well-being platform. The findings are based on an online survey conducted in June 2024. A total of 150 HR and benefits leaders participated in the study. Fifty-seven percent (57%) were directors or above, while 41% were managers. All participants work for self-funded companies, with most (58%) working for organizations with 1,000 to 5,000 employees across numerous industries.

In addition to relying on the research conducted by HR Dive's studioID, AI was used to research some portions of this white paper. Human editors reviewed all information.

# The state of the healthcare point solution marketplace

Point solutions remain a vital tool to help employers—especially those with self-funded health plans—improve employee well-being. Employers are increasingly investing in point solutions that meet specific needs such as mental health and maternal health.

CHART 1  
Most common point solutions  
offered by organizations



Demand has led the healthcare point solution market to experience rapid growth and fragmentation. Driven by technological advancements, funding opportunities, and the entry of major players like Big Tech and Big Retail, the number of digital health ventures has skyrocketed, exceeding 14,000 worldwide.

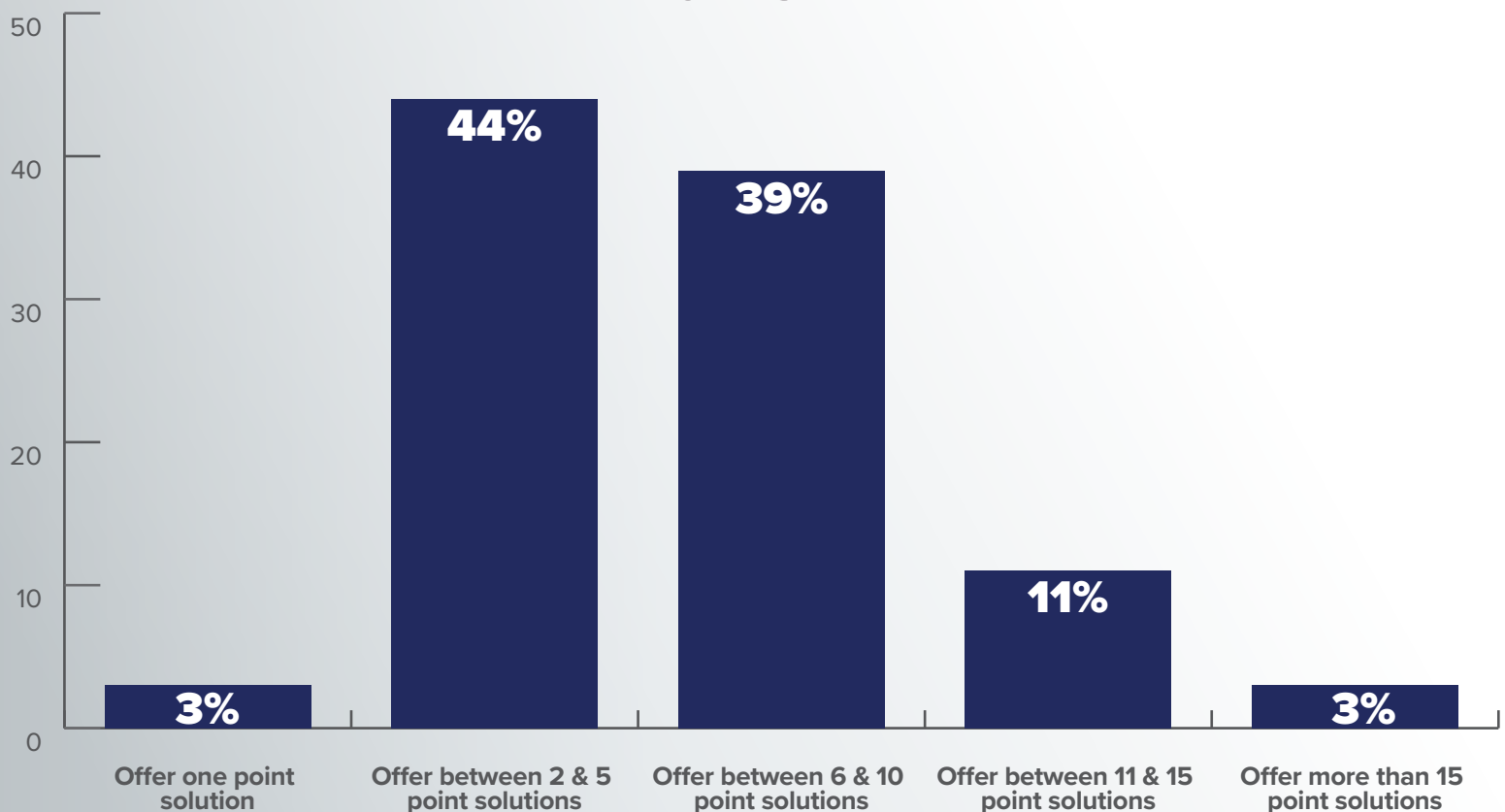
This crowded landscape presents a double-edged sword. Employers gain access to a wealth of options addressing specific employee health needs but they face the challenge of managing the abundance of choices and ensuring they all are utilized.



As a result, many HR and benefits leaders experience point solution fatigue. The same goes for employees using point solutions. This fatigue is compounded by barriers to implementation, such as unrealized ROI and a lack of compatibility between solutions, leading to a disjointed employee experience and administrative burden.

Artificial intelligence (AI) stands ready to help organizations make the most of their point solutions by making them more engaging, efficient, and cost-effective.

CHART 2  
**Number of point solutions  
offered by organizations**







# The potential of AI in healthcare point solutions

AI is reshaping the healthcare point solution market, and three out of four HR and benefits leaders (75%) agree it's important that point solutions use AI. Part of AI's promise is delivering practical solutions to areas where traditional point solutions fall short.

## Navigation

Many point solution platforms are complicated, leaving employees struggling to navigate them or avoiding them completely. One-third of HR and benefits leaders (33%) report that the availability of user-friendly interfaces would strongly influence their organizations' decision to add new point solutions. AI can power chatbots and virtual assistants that provide 24/7 support, guiding employees to the right resources and streamlining access to benefits.

## Personalization

Preventive health care can help employees reduce their risk of serious diseases and medical problems, improve quality of life, and reduce healthcare costs. Yet, according to Gallup<sup>4</sup> data, working Americans are skipping doctor's visits in record numbers. AI features and algorithms can encourage participation in preventive programs, boost treatment adherence, and support the development of healthy habits, helping lower employees' risk of chronic diseases and improve their overall well-being.

## Simplification

HR professionals are losing valuable time manually managing benefits data when they could be focusing on more strategic needs. One recent report<sup>5</sup> shows that more than half (55%) of HR teams report spending **11 hours or more** manually transferring data to and from providers and HR systems each month. AI can save HR teams time by automating the process.

# Types of AI found in point solutions

Point solutions can leverage various types of AI to enhance functionality, usability, and personalization. Key AI technologies include:

- **Machine learning (ML):**

ML helps analyze large datasets to identify trends and predict employee needs, enabling solutions to evolve and improve over time.

- **Natural language processing (NLP):**

NLP powers chatbots and virtual assistants that understand and respond to employee queries in the user's language, streamlining communication.

- **Predictive analytics:**

This technology can forecast potential health risks, enabling employers to address issues and recommend preventative care proactively.

- **Generative AI:**

Generative AI uses advanced algorithms to create new content, such as personalized messaging or educational resources, based on user input.

- **Agentic AI:**

Agentic AI acts proactively and independently on behalf of users. It can surface information from platforms that employers have included in an ecosystem to connect employees with relevant benefits, remind them of available benefits and other resources when they are most needed, and streamline access.

## Agentic AI, in particular, has the potential to transform point solutions.

For instance, employers can use agentic AI to analyze employee benefits plans and recommend personalized options, ensuring better utilization and reducing administrative burden.



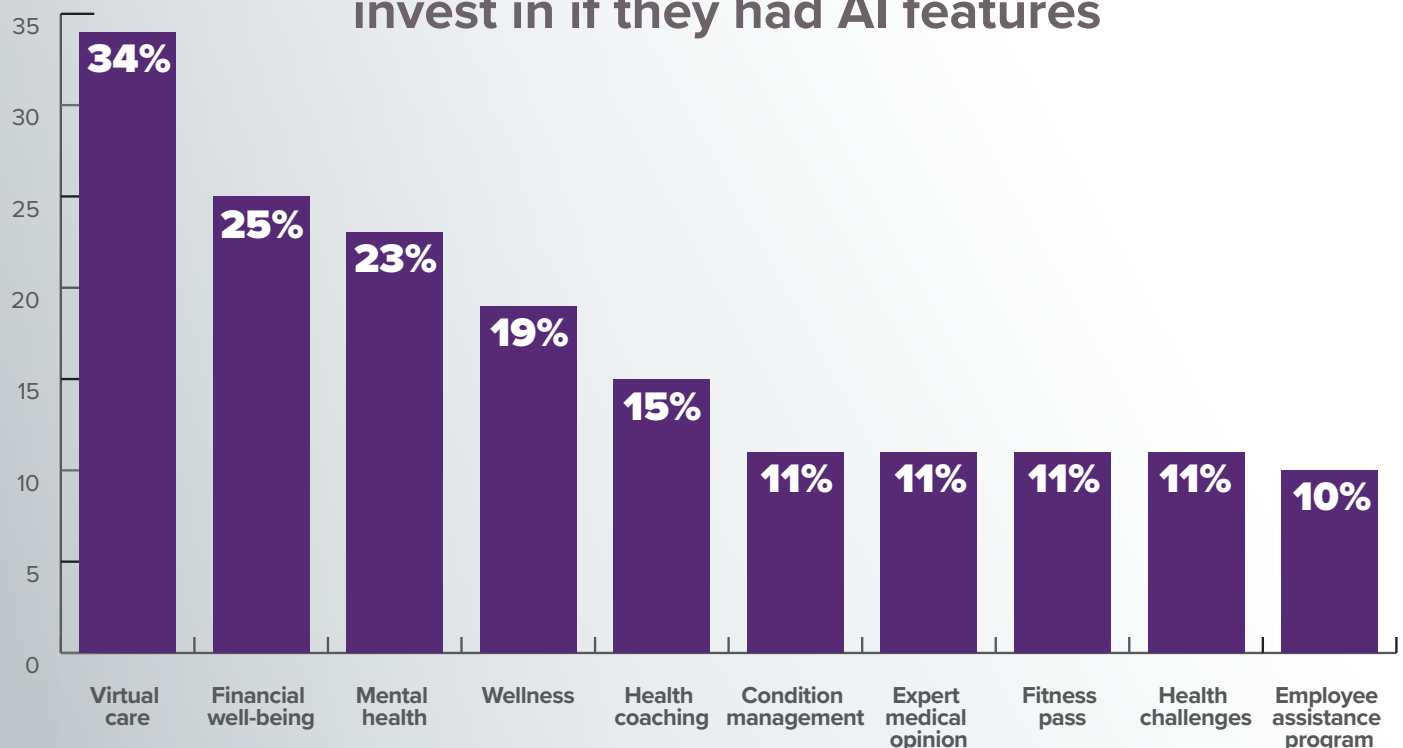
# 3 key areas where AI elevates point solutions

Our research found that HR and benefits leaders were particularly keen on three benefit areas as AI unlocks new possibilities across point solutions.

- **Virtual care:** Certain FDA-cleared AI solutions can enhance virtual consultations by analyzing patient data, assisting with diagnoses, and providing personalized treatment recommendations. This can improve the quality of care, reduce costs, and enhance the overall virtual care experience.
- **Financial well-being:** AI-powered tools can provide personalized financial advice, budgeting assistance, debt management support, and retirement planning, making financial wellness solutions more engaging and meaningful.
- **Mental health:** AI chatbots and virtual assistants can provide readily accessible support, screen for mental health conditions, and offer personalized coping mechanisms, increasing access to care and confidentiality for employees seeking mental health support.

CHART 3

## Point solutions HR executives would invest in if they had AI features



As AI continues to shape the future of healthcare point solutions, self-funded employers will need a strategic approach to unlock the benefits of AI-driven solutions. That includes overcoming common issues that hinder adoption.



# Addressing barriers to AI point solution adoption



While AI offers transformative potential, its structural, ethical and cost concerns often impede its adoption. Employers must address these perceived barriers to fully harness AI's benefits.

## Privacy and Safety Concerns

AI relies heavily on employee data, raising concerns about the security and privacy of sensitive employee health information. Additionally, poorly trained or immature AI algorithms can perpetuate existing biases, leading to unfair or discriminatory outcomes. Consider the following steps to ensure the responsible adoption of AI point solutions and foster better employee experiences and engagement.

- **Implement robust security measures:** Ensure compliance with privacy regulations such as HIPAA, GDPR, and CCPA. Use encryption, access controls, and routine audits to protect employee data. Consider implementing an IDS (intrusion detection system), an IPS (intrusion protection system), routine employee training, and a disaster recovery plan.
- **Foster transparency:** Be transparent with employees about how their data is being used and give them control, allowing them to delete or opt out of data sharing. Offering them a choice in how their data is used will help to build trust.
- **Mitigate algorithmic bias:** Draw from datasets that reflect diversity and define fairness and equity within your benefits programs. Periodically assess AI outputs for any disparities and establish feedback channels for employees to report potential biases.

### WHAT TO LOOK FOR IN A VENDOR:

Select vendors that conduct regular audits and are transparent about their AI development process and how they minimize bias, including in their training data sources. Look also for solutions that offer insights into how the AI reaches decisions.



## Integration Challenges

Integrating AI point solutions with existing systems can be complex, leading to data silos, fragmented workflows, and low adoption. Consider the following actions to streamline integration and create a unified user experience.

- **Engage stakeholders:** Collaborate with cross-departmental stakeholders to ensure compliance, security, and effective onboarding. For example:
  - **Legal:** Should ensure compliance with data privacy regulations, which are increasingly stringent about AI.
  - **IT:** Must address cybersecurity concerns, data privacy, and interoperability challenges.
  - **HR:** Can develop robust onboarding and communications processes to ensure employees understand and use AI-powered point solutions.
- **Leverage agentic AI:** Solve for integration challenges by using agentic AI to harmonize, clean, and unify data in real-time, cutting data silos along the way.

### WHAT TO LOOK FOR IN A VENDOR:

Choose AI-driven solutions that offer seamless integration and open APIs to ensure smooth data flow. Consider also whether solutions can scale to handle growing data volumes and user demand.

## Cost and ROI Considerations

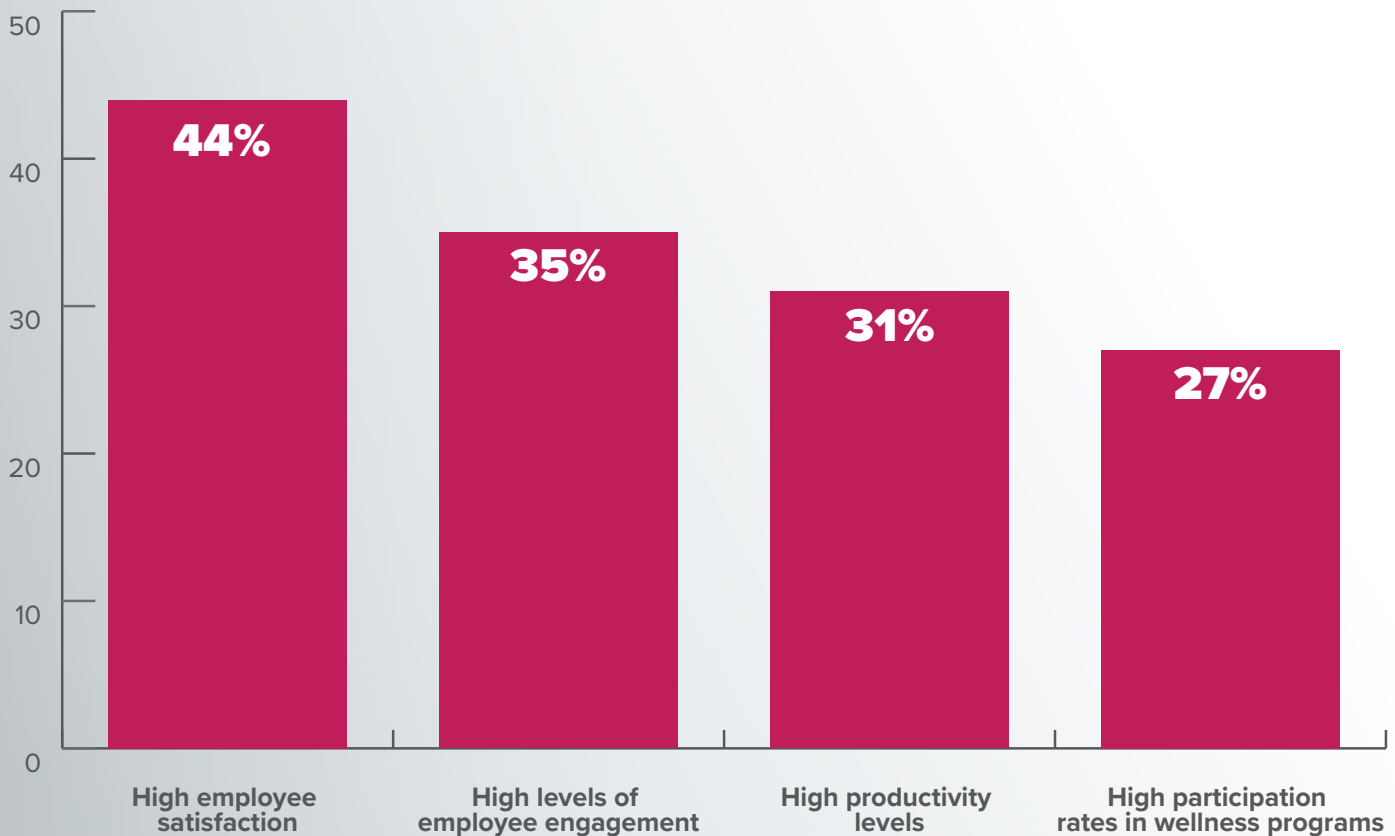
AI point solutions can require a significant financial investment. Yet, many companies miss an opportunity to impress CFOs by not evaluating point solutions' ROI robustly. Our data reveals that **less than one in five HR and benefits leaders (18%)** report that their organizations use reduction in healthcare costs as a measure of point solutions' effectiveness, and **less than a third (27%)** say the same for employee health outcomes.

Meanwhile, a 2020 survey<sup>6</sup> reveals that only half of surveyed HR teams monitor benefits usage levels. This is a missed opportunity. Consider the following steps to maximize ROI and help justify financial decisions to stakeholders:

- **Define clear objectives:** Identify business problems you want your AI solutions to address (e.g., improving mental health or reducing absenteeism). Consider some of the top CFO concerns to guide your thinking:
  - **Top CFO concerns for HR leaders:** Should ensure compliance with data privacy regulations, which are increasingly stringent about AI.
    - **Employee impact:** Do our point solutions lead to better employee outcomes, such as improved health and lower healthcare costs?
    - **Organizational impact:** Are these point solutions driving retention, enhancing recruitment, and boosting productivity?
    - **Engagement levels:** Are enough employees meaningfully engaging with the point solutions provided?
- **Set measurable KPIs:** Pick what metrics you'll track (e.g., employee engagement, productivity gains, cost avoidance, or employee retention) and evaluate past data to determine practical and achievable growth goals to reach with AI.

CHART 4

## What are the best indicators that point solutions positively impact employees?



- **Use diverse data sources:** Use multiple data sets such as health insurance and pharmacy claims data, employee surveys, productivity metrics, and absenteeism records. Evaluate data for quality, quantity, and accessibility.
- **Involve qualitative measures:** Weigh qualitative data gathered through employee feedback from surveys, focus groups, and interviews to understand the solution's impact on their well-being, morale, and company perception.

### WHAT TO LOOK FOR IN A VENDOR:

Evaluate the performance of your shortlisted point solutions by running proof-of-concept trials using your own data to assess permanence in a real-world setting.



## Intentional Adoption

**AI should not be implemented for its own sake. Point solutions must align with business goals, company culture, and employee needs to be effective.** Ensure AI point solutions are meaningful by assessing the needs of your workforce using the following methods:

- **Evaluate absenteeism:** Analyze employee absence patterns to reveal potential health-related issues affecting attendance.
- **Gather feedback:** Use employee surveys to assess employee satisfaction with wellness offerings, identify desired features, and understand workplace wellness perceptions. Conduct focus groups to reveal unique health and wellness needs.
- **Evaluate your workplace:** Deploy a tool like a worksite health scorecard to evaluate workplace health culture, including environment, leadership support, and availability of wellness resources, if appropriate.
- **Assess risks:** Where appropriate, use a health risk assessment to surface specific risks (e.g., overweight or stress) among your employees.
- **Uplevel your onboarding:** Develop a clear communication plan and onboarding process to ensure employees know about their benefits—and how to use them. According to MetLife,<sup>7</sup> half of employees say having a better understanding of their benefits would make them more loyal to their employer. Some point solutions can help by incorporating regular reminders and personalized communication.

### WHAT TO LOOK FOR IN A VENDOR:

Due to the novelty of AI, it's important to avoid point solutions that tout AI features that underperform or don't meet the needs of your workforce. Conduct thorough due diligence by researching different AI point solutions and evaluating vendors based on their expertise, track record, customer support, and reporting ability.





## Actionable Recommendations for Self-Funded Employers

- ✓ **Assess workforce needs:**  
Use surveys, focus groups, absence patterns, and health risk assessments to identify gaps and priorities.
- ✓ **Prioritize integration:**  
Choose AI point solutions that integrate seamlessly with existing systems and have user-friendly interfaces.
- ✓ **Vet vendors thoroughly:**  
Evaluate AI point solutions based on performance, scalability, and transparency. Consider conducting proof-of-concept trials.
- ✓ **Mind the data:**  
Use diverse data sets in AI point solutions to better reflect your workforce and provide better insights.
- ✓ **Communicate effectively:**  
Develop a clear onboarding process and personalized communications plan to drive employee adoption.
- ✓ **Track ROI:**  
Regularly measure impact through qualitative and quantitative analysis.

## Future-Proof Your Healthcare Benefits with AI

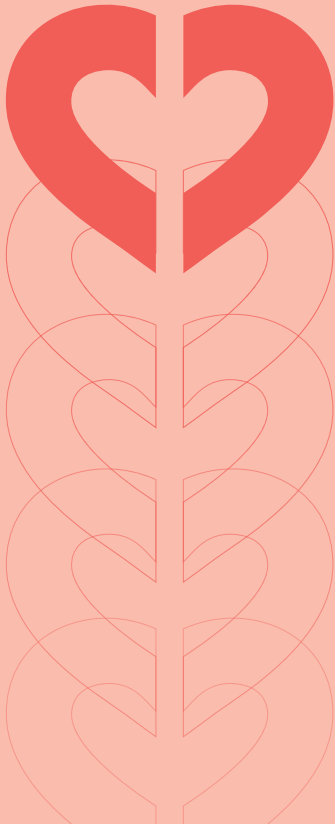
AI has the potential to streamline today's fragmented and overcrowded point solution landscape. Once fully adopted, AI point solutions can help HR leaders optimize their benefits strategy to foster a healthier and more engaged workforce. The sooner employers act and address barriers to implementation, the sooner they can access AI's range of benefits.

Leave behind point solution fatigue and step into AI-powered efficiency.

## About Grokker Innovation Labs

Grokker's innovation and research arm works with world class researchers and thought leaders to uncover nuanced insights to advance employee health, wellness, attraction, retention and contentment. Learn more about the issues we're curious about at <https://www.grokker.com/blog/topic/grokker-innovation-labs>.

## About Grokker



Grokker transforms employee physical, mental, and financial well-being globally through life-changing content. Its inclusive community of experts and personalized guidance is proven to strengthen retention by 68%, triple engagement, and lessen the burden on HR teams.

With Grokker, each member's well-being experience is personalized to help guide them to the lowest acuity, highest impact intervention. Grokker's solution seamlessly integrates with HR teams and provides them with ongoing actionable insights.

Global organizations like Delta Air Lines, Pfizer, Target, and Domino's trust Grokker to support the diverse well-being needs of their teams in more than 179 countries. Grokker is dedicated to making holistic health and well-being equitable, engaging, and accessible for all.

**[Learn more at grokker.com](https://www.grokker.com)**

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