

7 Reasons Preventative Health Belongs in Every Business Strategy



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Preventative health isn't just about wellness programs or gym subsidies. It's the strategic approach to protecting your people, profit, and long-term sustainability. As healthcare costs rise, prevention is quickly becoming one of the few levers employers can pull to stay ahead. Here are seven reasons preventative health deserves a central place in your business strategy.

1. It Reduces Costs Early

According to Mercer's annual survey, the total health benefit cost per employee is expected to rise 6.5% in 2026—the highest single-year jump since 2010. That follows a 5.8% increase in 2025, even after cost-control measures. For context, healthcare costs rose only about 3% per year over the past decade. That's more than double the long-term trend, and it's hitting employers and employees alike. Preventative health helps identify and address small problems before they become expensive claims. Screenings, early intervention, and proactive wellness measures are the most effective ways to curb the relentless growth in benefit costs.

2. It Boosts Productivity

When employees are healthy, they show up—mentally and physically. Preventative health initiatives like ergonomic assessments, mental health support, and fitness incentives reduce absenteeism and boost focus. Aon reports that the average total plan cost per employee, including both employer and employee contributions, has hit \$15,860. Of that, employees are now paying more than \$5,000 through premiums, deductibles, and copays. That financial pressure directly impacts morale and engagement. By promoting prevention, employers can help break the costly cycle of stress, illness, and reduced productivity.

3. It Strengthens Recruitment

As healthcare costs climb, benefits have become a deciding factor for candidates. For many small and midsize businesses, the cost of a family's employer-sponsored coverage could top \$35,000 a year. Preventative programs—like health screenings, flu shots, and mental wellbeing support—signal a company that cares about long-term employee health. That kind of investment builds loyalty and helps attract talent in competitive markets.

4. It Supports Sustainability

Businesses that take a proactive approach to health see compounding benefits: lower turnover, sustained institutional knowledge, and stable workforce performance. According to Mercer, more than 53% of employers are already planning cost-cutting measures in 2025, targeting pharmacy benefits, plan design, and provider networks. While these are necessary steps, they're reactive. True sustainability comes from tackling the root cause—preventing illness before it requires expensive care.

“ Preventative health isn't a luxury—it's an imperative. Businesses that embrace it now are better positioned to weather economic pressures, talent shortages, and rising healthcare costs in the years ahead.

5. It Reduces Premiums

Healthcare costs are rising faster than inflation due to a “double-whammy” of price increases and higher utilization. Hospitals and providers are passing on labor and inflation costs, while more employees are seeking care for chronic conditions. Employers that invest in preventative care lower risk profiles and reduce claims. Over time, this translates into better negotiation power, lower premiums, and measurable savings. Prevention turns the insurance cycle from reactive cost management into proactive cost control.

6. It Creates a Culture of Care

Preventative health fosters a culture built on trust and wellbeing. When employees see their employer investing in them—offering access to preventative care, checkups, and education—they respond with higher loyalty and engagement. This culture shift matters most in high-stress or long-hour industries where burnout is common. Prevention is more than a health initiative; it's an organizational value that drives retention and reputation.

7. It Aligns With ESG Goals

Preventative health sits squarely within the “S” of ESG—social impact. Companies that proactively protect their employees' health contribute to stronger communities and a more sustainable economy. Meanwhile, 66% of employers are concerned that reductions in Medicare and Medicaid funding will shift even more costs to the commercial market (KFF Health News). By taking ownership of preventative health now, businesses protect both their workforce and their wider ecosystem, positioning themselves as responsible, future-ready employers.

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