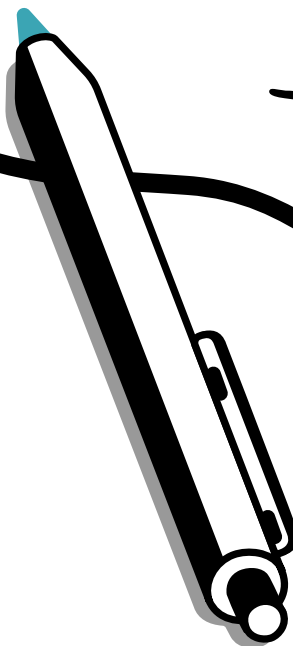




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State of Workforce Mental Health REPORT



lyra

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Life is full of defining moments—becoming a parent, facing an unexpected diagnosis, navigating a personal loss, or making a decision that changes everything. Too often, people lack the support they need to navigate them confidently, leaving employers struggling to provide the right resources at the right time.

At the same time, today’s workforce faces a perfect storm of challenges. Rising health care costs, inflation, job insecurity, and political turmoil are straining mental well-being like never before. These pressures, coupled with shifting societal attitudes and workforce expectations, have made mental health benefits a workplace imperative.

Many organizations are stepping up, expanding mental health support for employees and their families. Yet, significant barriers to care remain—some deeply embedded in the traditional health care system, others emerging from the rapid changes of recent years. The question isn’t just whether support exists, but whether it reaches employees when they need it most—during these pivotal life moments.

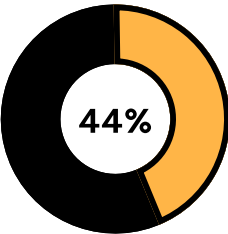
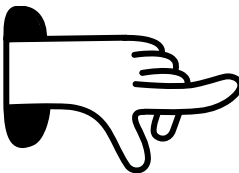


To uncover today’s most pressing workforce mental health challenges and opportunities, we surveyed over 500 HR and benefits leaders and 7,500 employees across six countries: the United States, Brazil, Canada, France, Germany, and the United Kingdom.

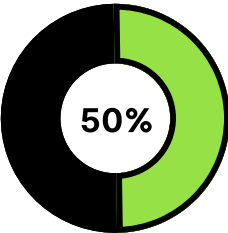
This report highlights key findings and shares perspectives from business leaders, clinicians, and consultants. From breaking down systemic barriers to scaling innovative care solutions, we explore actionable strategies to ensure employees are never alone in their most critical moments—and that employers have the right tools to support them.

1 Stressed to the max, workers worldwide need better solutions

Workers’ stress levels are on the rise, leaving employers struggling to find effective solutions. In our survey, 44% of employees across six countries identified stress as their top mental health challenge over the past year. HR and benefits leaders saw the same trend, with 50% citing stress as a top challenge for employees—an increase of 32% from 2023. Unchecked stress can be overwhelming, making it hard to focus at work, especially when bigger life challenges, like caring for a parent or managing a health condition, take priority.

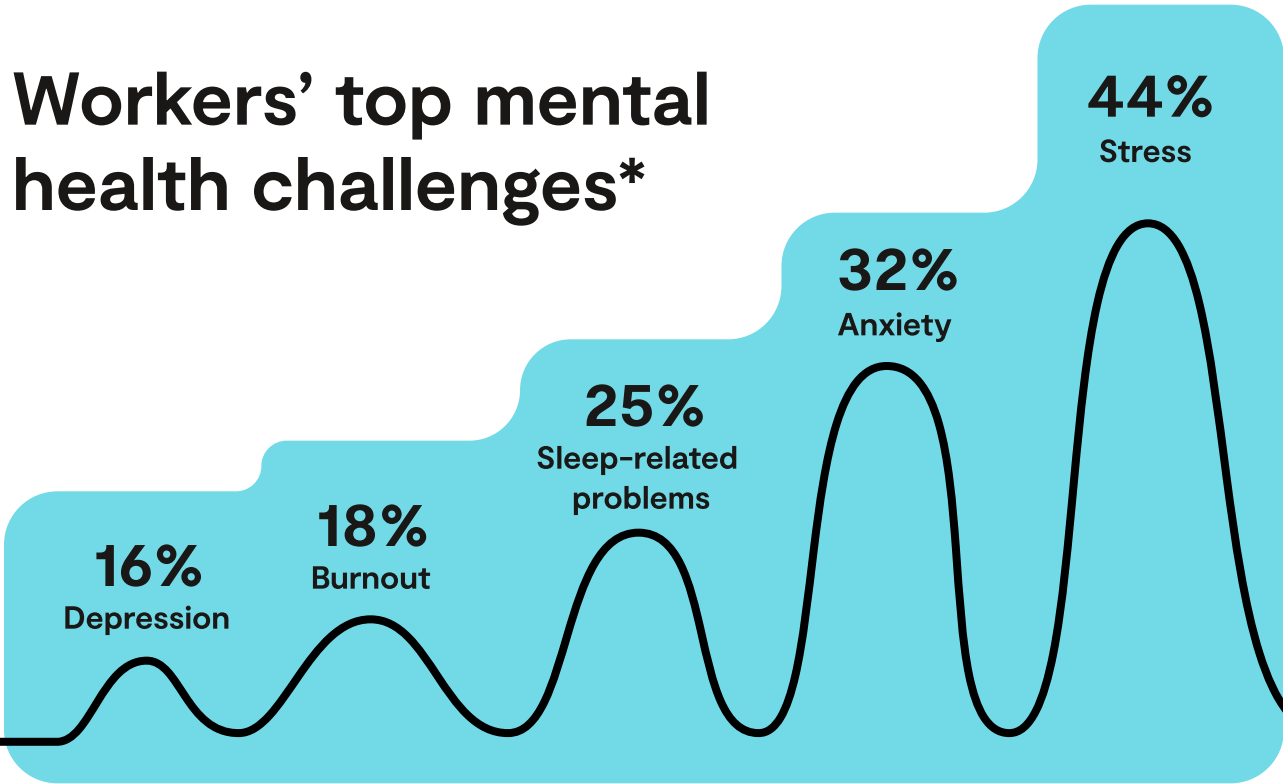


of employees across six countries identified stress as their top mental health challenge over the past year



of benefits leaders cited stress as a top challenge for employees

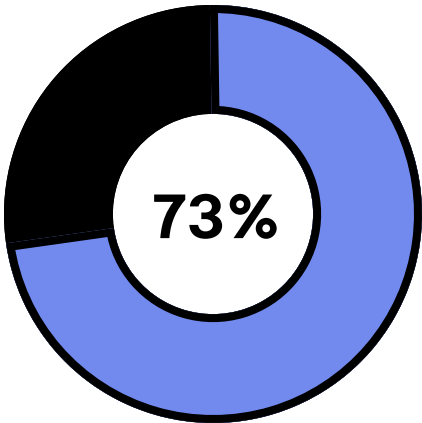
Workers’ top mental health challenges*



*Averages across six countries in employee survey

Work itself is a major source of stress: 28% of U.S. workers ranked “work-related stress and burnout” among the top three factors negatively affecting their mental health last year. The biggest contributors were excessive workloads (44%), inadequate staffing (41%), and lack of recognition (33%). HR and benefits leaders echoed these concerns, with 34% citing burnout as a top issue—a 42% increase from last year.

The consequences are serious. Chronic work stress is linked to increased risks of heart disease, cognitive impairment, and even premature death. It also takes a toll on business performance—73% of employees said work-related mental health struggles hurt their performance, a 24% jump from last year.



of employees said work-related mental health struggles hurt their performance

“Stress is unavoidable across the course of our lives, and there will be times, both individually and societally, that we’ll see it wax and wane. How we respond to stress is important, and it can have a significant long-term impact on both individuals and on the health of an organization.”

—Alethea Varra, PhD, senior vice president of clinical care at Lyra Health

Work isn’t the only source of stress—financial and economic pressures are also prevalent. Workers in the U.S., Canada, and Brazil were the most likely to rank financial stress among their top three mental health challenges. In the U.S., financial stress surged by 27% compared to the previous year. Employers are noticing the strain too—39% of HR and benefits leaders identified financial stress as a major factor affecting employee mental health, doubling from the prior year.

Economic and political uncertainty are also weighing on workers. Across all six countries surveyed, most employees said the current economic climate (63% on average) and political environment (56%) are negatively impacting their mental health.

What’s stressing workers out most?



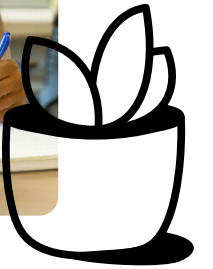
Finances



Work-related stress and burnout



Family and relationships



“Employers that want to cut health care costs, retain top talent, improve productivity, and curb disability leave should focus on improving life at work. Prevention of excess work stress is in the employer’s control. It’s more cost-effective than treatment, it yields improved business outcomes, and it spares needless suffering. Use workforce data about what’s driving work stress to make common-sense improvements to the design of work and the work environment.”

—Joe Grasso, PhD, vice president of Workforce Transformation at Lyra Health

Key actions for employers

1.

Uncover the root causes of work-related stress and take action

Conduct a workforce-wide assessment to identify psychosocial hazards—social, environmental, and work design factors that harm mental health. Use the data to pinpoint risks for specific employee groups and consult with affected employees to understand their experiences. Take action by changing what people work on, who they work with, and how and where they work.

2.

Reward managers of high-performing, high well-being teams

Managers play a critical role in employee mental health and job performance. Factor work-related well-being data into performance reviews and reward managers whose teams are both high-performing and experience lower psychosocial risk. Reinforce that leading with well-being in mind is a valued leadership quality.

3.

Build a workplace that prioritizes employee input and learning

Foster an environment where employees can openly voice concerns without fearing reprisal. Encourage them to propose improvements to both work processes and outcomes, even if those ideas challenge the status quo. This approach drives better performance, innovation, and team learning.

2

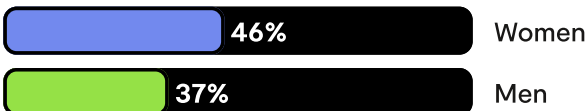
For women, the struggle is real—and they’re ready to talk about it

Women are bearing a disproportionate burden of mental health struggles, driven by factors like financial stress and caregiving responsibilities. In our survey, women were more likely than men to report being “in crisis” or “struggling,” while men were more likely to describe themselves as “thriving” or “excelling.”

Chronic depression or anxiety



Financial stress



Parental or caregiver stress



Women vs. men: the mental health divide

How men and women experienced mental health struggles in the past year:

Declining mental health



Struggling or in crisis



Anxiety



This disparity is backed by [research from the World Economic Forum](#), which highlights the enduring gender pay gap and the disproportionate caregiving responsibilities placed on women. With the rising cost of living, many women are unable to take on additional work hours, adding to their mental health strain—while also navigating health challenges like fertility issues, postpartum depression, and menopause that further impact their well-being. These intersecting pressures may help explain why more women than men in our survey reported a decline in their mental health.

“There’s strong data from past economic challenges that women see a disproportionate impact. When there’s more unemployment, women are often the ones at home taking care of the kids. The socio-political climate disproportionately impacts women too. So, there are reasons women might be experiencing these shifts in a slightly different way than men.”

—Alethea Varra, PhD, senior vice president of clinical care at Lyra Health



However, an important question remains: Are women experiencing more distress than men, or are they simply more open about it? “Women tend to face slightly less stigma around talking about these issues and may have more support in talking about their emotions,” said Varra. “This is a good thing for women, and it may also mean we are underrepresenting some of men’s struggles.”

Our research shows a complex picture: While men were more likely than women to report improvements in their mental health over the past year, they were also more likely to experience depression, misuse alcohol or other substances, and engage in self-harm.



Key actions for employers

1.

Design policies that truly support women

Women have historically been overlooked in policies—from clinical trials to workplace protocols. Assess your mental health policies through a gender-inclusive lens. Are work schedules flexible enough for caregivers? Do policies support women through key transitions, such as returning from medical leave, navigating career shifts, or managing life changes? Ensure your policies align with the real needs of women in your workforce.

2.

Align the messaging with policy intent

Company policies may support women, but messaging matters just as much. Avoid framing family leave or flexible work as productivity losses, as this undermines their purpose. Clear, supportive communication ensures policies have their intended impact.

3.

Expand support networks and career growth

Create multiple avenues for women to access support, mentorship, and professional development. Employee resource groups (ERGs) for women are important spaces for peer support, networking opportunities, and a sense of community. And mentorship and career development programs have been linked to higher retention rates and greater professional growth for women.

Global perspectives on workforce mental health



UK

- Greatest employer mental health support among surveyed countries
- Most workers access mental health care through EAPs
- Employees reported higher anxiety levels than in other countries



Brazil

- Most significant mental health improvements over the past year
- Anxiety, stress, and eating-related challenges exceed global averages
- Better staffing levels but autonomy at work is below average



Canada

- Greatest mental health decline over the past year
- Inadequate staffing is a top workforce challenge impacting mental health
- Employees are less comfortable discussing mental health at work



Germany

- Lower anxiety rates but more sleep-related issues than other countries
- Below-average treatment from colleagues but above-average staffing
- Greatest need for higher-quality, diverse mental health providers
- Cancer support ranked as a top well-being priority



France

- Below-average mental health support for employees and families
- Mental health care seen as a lower priority compared to global peers
- High demand for employer support in non-medical well-being areas



3 High-value mental health care gives companies a competitive edge

Our survey data overwhelmingly shows that, while hiring the right talent is critical for business success, helping employees thrive is just as essential. High-value mental health benefits don't just provide life-changing care; they deliver measurable business advantages, including significant health plan savings, improved productivity, and better retention.

HR and benefits leaders at organizations with robust mental health benefits reported higher health care ROI, employee productivity, and engagement. Employees with access to these benefits are also more likely to rate themselves as productive, engaged, and satisfied in their roles.

"More comprehensive mental health benefits increase access to the right kind of care for a broader range of people. You have a wider spectrum of people benefiting, and more specialized forms of care that ensure people get better faster, and that those positive effects endure well beyond the end of treatment."

—Joe Grasso, PhD, vice president of Workforce Transformation at Lyra Health

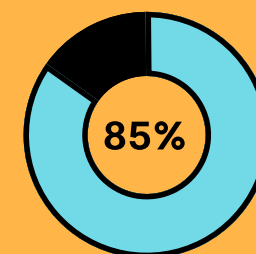


"When employers are gauging a mental health benefit's ROI, they look at hard dollars, but they also consider 'soft numbers' like turnover, presenteeism, and absenteeism," said Erin Terkoski Young, director in health, equity, and well-being at leading global advisory, broking, and solutions company, WTW.

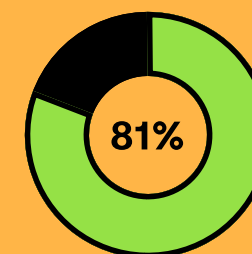
Companies are increasingly tracking productivity and engagement to assess the impact of mental health benefits. Our research shows that organizations offering comprehensive benefits see stronger outcomes across all of these areas compared to those with limited offerings.



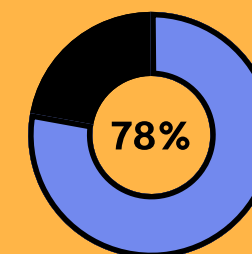
High-quality mental health benefits are a competitive differentiator for attracting and retaining talent



of employees said mental health benefits are a key factor when evaluating job opportunities.



of HR and benefits leaders said mental health benefits have improved their company's reputation and made hiring easier—a 23% increase from last year.



of HR and benefits leaders at companies with comprehensive mental health benefits reported higher retention rates.

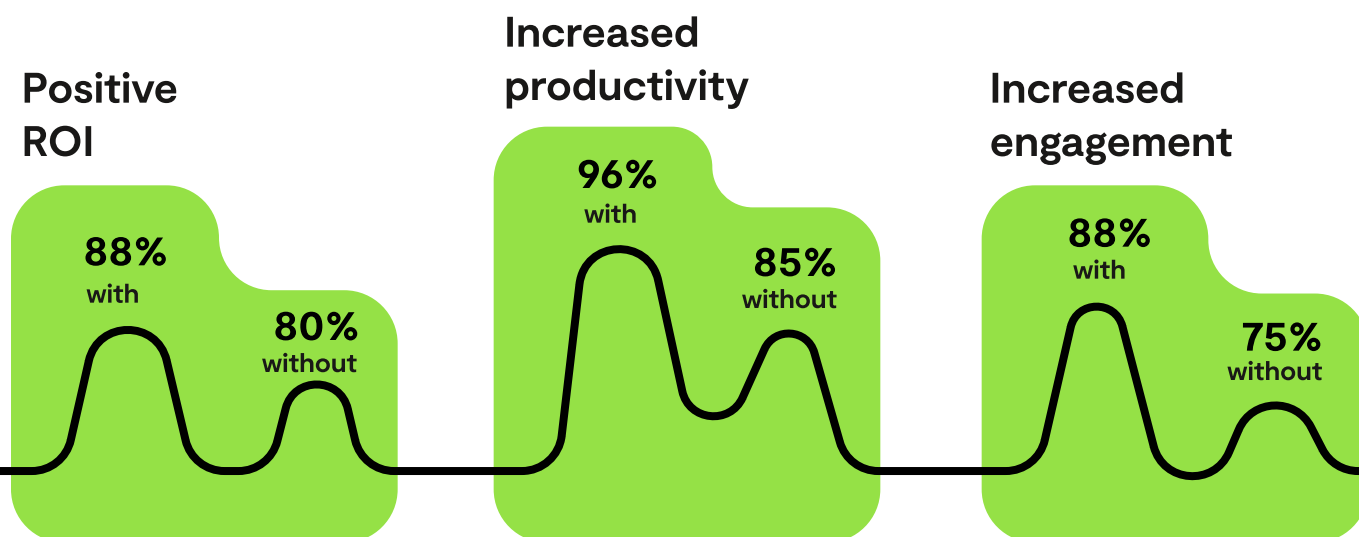
The data is clear

Companies that prioritize mental health see stronger business performance. Investing in accessible, high-quality mental health benefits results in increased productivity, stronger engagement, and a solid return on investment.

“We have proven to ourselves that this works,” said Starbucks VP of Global Benefits Ron Crawford of offering comprehensive mental health benefits. “If you make an investment in your people, they will invest in your customers and will return better business results. We know this to our core.”



Companies with comprehensive benefits see greater ROI



Key actions for employers

1.

Measure care effectiveness and efficiency

Assess how your organization benefits from delivering efficient mental health care. Look for measurable savings in areas like inpatient and outpatient care, emergency services, and prescription costs. Partner with a benefits provider that tracks clinical outcomes and uses data to optimize care—ensuring employees receive high-quality, measurement-based care that delivers real results.

2.

Expand ROI metrics

Go beyond cost savings to measure the broader impact of mental health benefits. Focus on metrics like employee retention, reduced absenteeism, and increased productivity. Work with benefits providers who can help establish and track these key indicators to demonstrate the value of your investment.

3.

Improve access and engagement

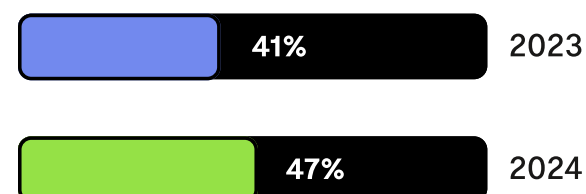
Monitor utilization rates to confirm employees can access care quickly and equitably. Address common barriers, such as lack of awareness or confusion about how to use the benefit, so every employee receives support when they need it most.

4 Mental health care is more accessible—but not for everyone

Workers today have more mental health care options than ever before. With growing societal acceptance, stigma is less of a barrier to treatment, and more employees received mental health care over the past year—45% of U.S. workers, compared to 41% the year before. At the same time, more employers are offering dedicated mental health benefits (48% compared to 42% the prior year), expanding access to vital care for their employees.

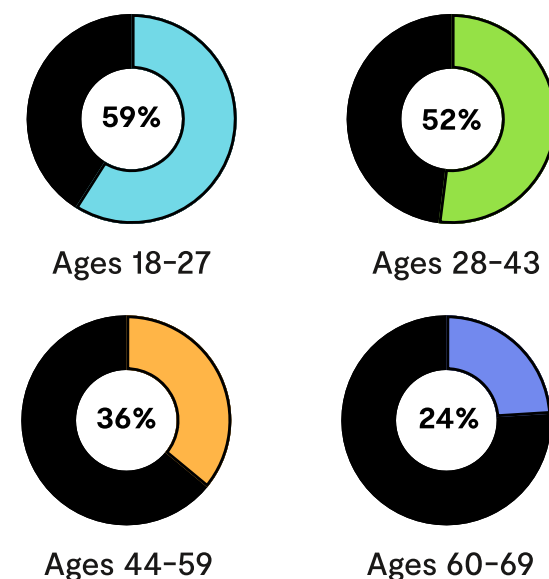
More employees are prioritizing their mental health

More employees are receiving mental health care

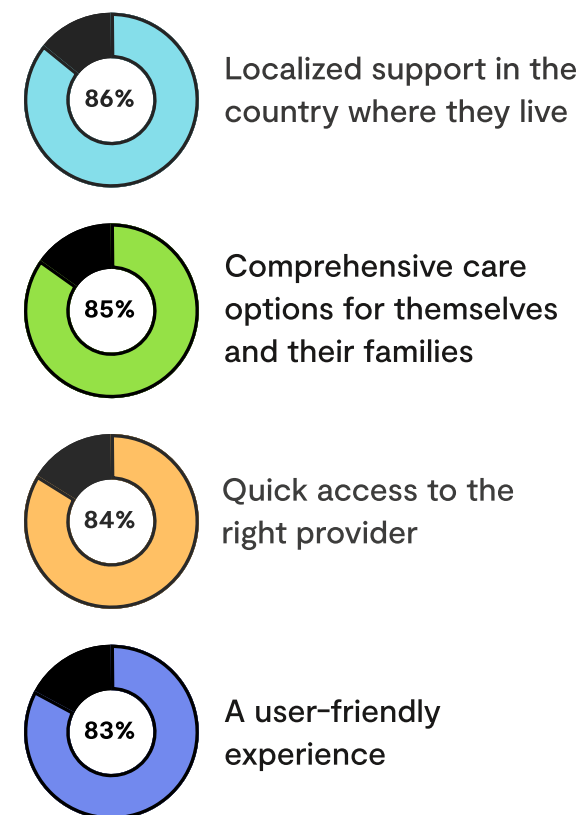


“From listening to our associates, we heard loud and clear three main barriers to getting mental health care: stigma, time, and availability. So we set out on a journey to figure out how we could do this better, to look at what was available in the market,” said Megan Bourque, senior vice president and head of benefits at Fidelity Investments, which now partners with Lyra to provide comprehensive mental health benefits.

Younger generations lead in getting care



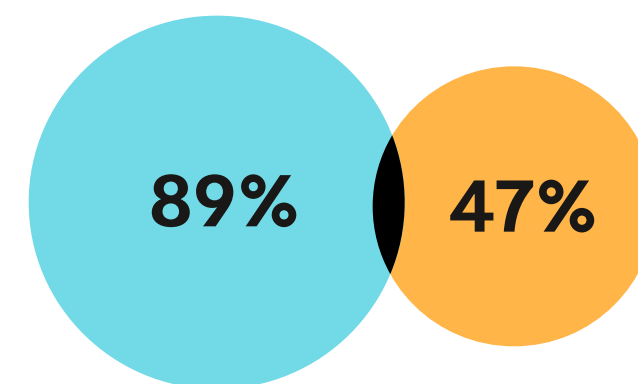
What employees value most in a mental health benefit, according to HR leaders



However, significant gaps remain. Despite 89% of employees across the six countries surveyed reporting at least one mental health challenge in the past year, only 47% received care. Even among those who sought help, 42% switched providers at least once or twice during treatment, suggesting that finding the right fit remains a challenge for many.

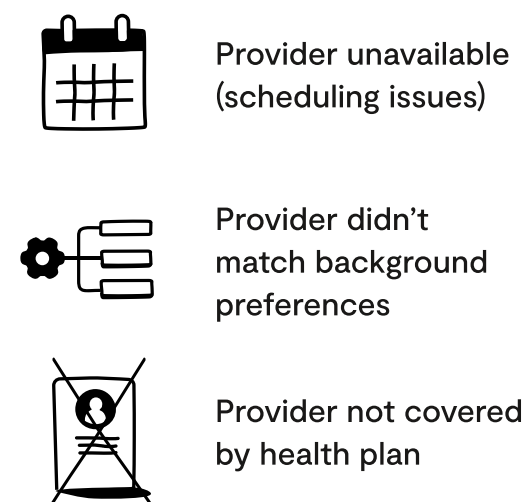
The most common reason for switching providers was scheduling issues or lack of availability (24%), likely tied to ghost networks—insurance directories filled with providers who aren’t accepting patients. Other top reasons included providers not being a good fit or not aligning with cultural background preferences (23%) and not being covered by an employee’s health plan (20%).

Finding the right provider matters. Research shows that strong provider-client relationships—especially those built on shared identities or lived experiences—lead to better treatment outcomes and care experiences.



89% of employees across the six countries surveyed reported at least one mental health challenge in the past year, yet only 47% received care

Top reasons employees switch providers



“If somebody has a strong therapeutic relationship and shared identities or lived experiences with a provider, they’re more likely to stay in care. Therapy is not dissimilar to a course of antibiotics, where you should finish it out to get all the benefits.”

—Alethea Varra, PhD, senior vice president of clinical care at Lyra Health

Barriers to care go beyond finding the right provider. In our survey, 36% of U.S. employees lacked access to comprehensive mental health benefits, making them more likely to face steep out-of-pocket costs. Others struggle with limited provider availability, scheduling difficulties, or long commutes—obstacles that often prevent them from seeking care, leading to worsening symptoms and declining productivity.

These challenges are even greater for certain groups, including people with complex mental health needs like substance use disorders, self-harm, or suicidality, and parents struggling to find the right care for their children.



Mental health challenges vary by race and identity

- **Biracial/multiracial employees:** Reported the highest rates of burnout, depression, and suicidality
- **Black employees:** Experienced the most mental health improvements, but struggle with grief, loneliness, and identity-related stress
- **Hispanic or Latinx employees:** Reported high levels of anxiety



Key actions for employers

1.

Weed out weak vendors

Employees often struggle with ghost networks or provider shortages, leading many to abandon their search for care. Vet vendors thoroughly to ensure their networks are robust, are verified for accuracy and quality, and offer evidence-based care both in-person and virtually.

2.

Ensure personalized, culturally responsive care

When it comes to mental health, identity matters. Employees are more likely to stick with care when matched with providers who understand their unique backgrounds and experiences. Choose benefits solutions that offer culturally responsive care and use AI-enabled platforms to quickly match employees with the best-fit providers.

3.

Surround workers with support

Care shouldn't stop when the session ends. Employees benefit from ongoing engagement, whether through videos, text check-ins, or skill-building resources. Look for programs that keep employees connected to their care between sessions, improving outcomes and long-term well-being.

5

Mental health support is non-negotiable for retaining younger talent

Younger generations are bringing mental health to the forefront of workplace conversations. Millennials and Gen Z reported higher levels of stress, anxiety, and burnout compared to older workers—and they expect their employers to provide meaningful support.

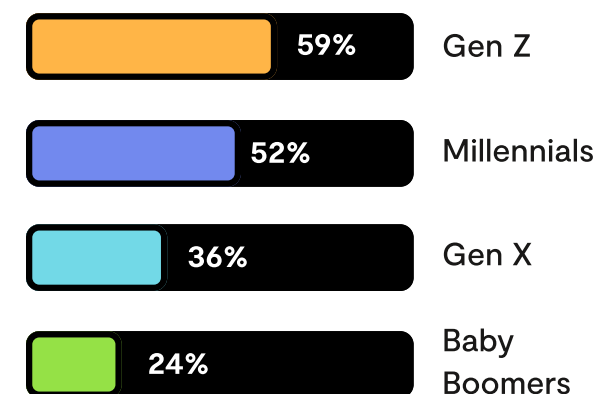
“Employers have been ramping up investment in mental health benefits since the pandemic, and we are now reaching a point where easy access to comprehensive mental health services is becoming more of the rule rather than the exception in a benefits package,” said Grasso.

“More employees are thinking about their mental health needs, are willing to talk about those needs, and are expecting for those needs to be met through their employer benefits.”

—Joe Grasso, PhD, vice president of Workforce Transformation at Lyra Health

In our survey, workers aged 18 to 43 were the most likely to describe their mental health over the past year as “struggling” (17% of both Gen Z and Millennials) or “in crisis” (9% of Gen Z and 6% of Millennials).

Younger employees were the most likely to seek mental health care

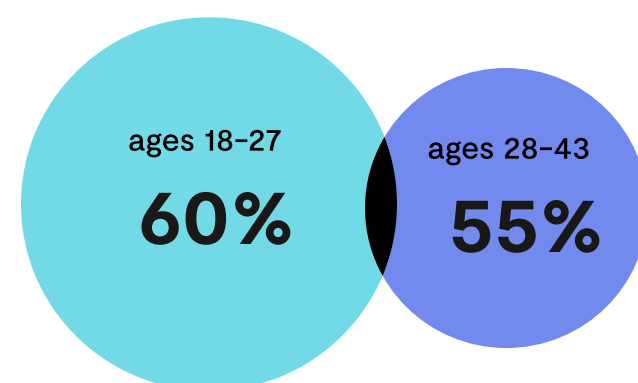


This trend reflects the unique pressures younger employees face. Many are struggling to reach traditional life milestones such as getting married, having children, or buying a home—while navigating economic and social challenges that previous generations didn't experience to the same extent.

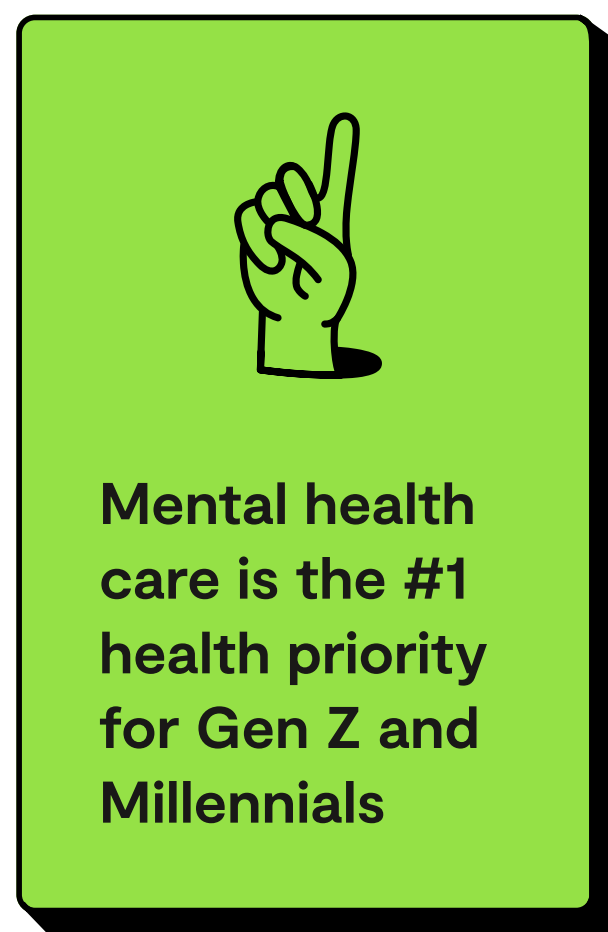
At the same time, younger workers have grown up in an era of increasing mental health awareness. “Stigma has been declining as mental health becomes a common topic of conversation, especially in the post-pandemic era,” said Grasso. “For younger generations, mental health has been normalized as a priority throughout their lives—in school, in popular media, and now in the workplace.”

Younger workers are clear about their expectations and willing to switch jobs if they aren't met.

More younger workers plan to switch jobs within the next year



Millennials and Gen Z are also more likely than other generations to describe their mental health as “surviving,” “struggling,” or “in crisis.” Financial instability and societal stressors disproportionately affect them, but they're also more informed about mental health and more open about their struggles. Mental health care ranks as their top priority out of 12 health and well-being factors, and Millennials access employer-provided care more than any other group.



Key actions for employers

1.

Normalize mental health conversations

Fostering a supportive culture is critical to retaining top talent. When mental health is openly discussed, employees are more likely to seek help without fear of stigma or professional consequences. Train managers to lead these conversations effectively and encourage regular, organization-wide dialogue on mental well-being.

2.

Prioritize psychological health and safety

Address the root causes of workplace stress by implementing systems and policies that promote psychological safety. Focus on reducing common stressors like excessive workloads, unclear roles, low job control, and poor change management. Design work environments that proactively prevent and mitigate distress, especially for younger employees.

3.

Ensure benefits meet evolving needs

With Gen Z entering the workforce in greater numbers, demand for mental health support will continue to grow. Regularly evaluate your mental health benefits to ensure they're accessible, inclusive, and aligned with employees' needs. Then adjust policies and programs to improve both recruitment and retention.

6 The employer-employee divide on mental health is narrowing, but gaps remain

The disconnect between how employers and employees view mental health support is shrinking. HR and benefits leaders are increasingly recognizing the same top concerns as employees: stress, anxiety, sleep issues, depression, and burnout.

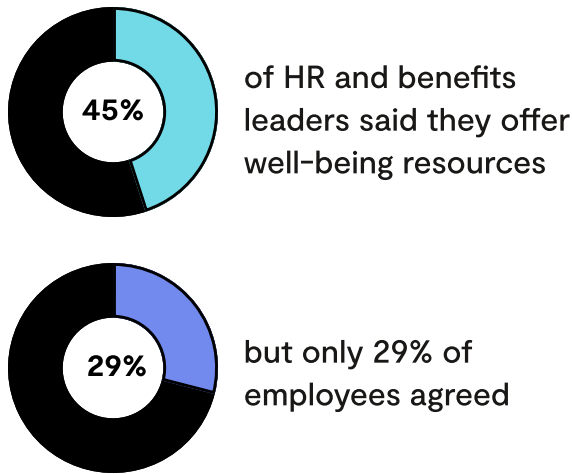
Employees are also more likely to believe their employer cares about their mental well-being and provides meaningful mental health resources, signaling growing trust in the workplace. This trust strengthens workplace culture and boosts employee loyalty.

This year vs. last year: More employees...

	This year		Last year
Believe mental health support has become a higher priority for their company	62%	vs.	46%
Say their company understands how to create a mentally healthy workplace	59%	vs.	43%
Feel encouraged to take vacation time	71%	vs.	56%
Feel supported by their manager in times of internal crisis (e.g., workplace incident, layoffs, restructuring, co-worker death)	65%	vs.	52%
Feel confident seeking mental health support provided by their company	68%	vs.	52%
Report their company formally measures employee mental well-being in some way	73%	vs.	69%

“Hopefully this data reflect that employers are investing more in workforce mental health and consulting with employees to ensure they’re providing support that is tailored to workforce needs,” said Grasso. “The data may also coincide with greater attention to the employee experience as part of broader efforts to reduce turnover and disengagement.”

Despite these positive trends, gaps remain. While 45% of HR and benefits leaders said they offer well-being resources, only 29% of employees agreed. Additionally, fewer workers feel comfortable discussing their mental health at work—43% this year, down from 48% last year.



Still, this disconnect continues to narrow year over year. More organizations are offering resources, and employees are increasingly aware of and willing to use them—an encouraging trend for workplace mental health.

“We are trying to make a statement: ‘Hey, this is an important benefit,’” said Julie Fernandez, benefits manager at SurveyMonkey, on offering the Lyra benefit to its employees. “We want everyone to feel encouraged and empowered to use it.”

Does anyone hear me?

The loneliness epidemic is taking a toll on workers, leaving many feeling isolated from friends, family, and colleagues.



50%

of U.S. workers reported feeling increasingly lonely and disconnected over the past year.



24%

of HR and benefits leaders identified loneliness as an issue affecting their workforce’s mental health—up from 14% in 2023.

Key actions for employers

1.

Prioritize mental health literacy

Company-wide training helps teams notice and respond appropriately to signs of psychological distress, reduce stigma, and connect with available resources. Training should reinforce that mental health challenges are common, effective treatment is available, and seeking help is a sign of strength.

2.

Promote awareness of mental health benefits

Even the best benefits are ineffective if employees don't know about them. Ensure mental health resources are easy to find and clearly communicated across multiple channels, including email, posters, mailers, and in-person outreach. Tailor messaging to reach employees where they are, whether on a factory floor, traveling, or in an office.

3.

Simplify access to care

Remove barriers to mental health support by providing clear, step-by-step guidance on how to access benefits. Ensure your benefits offer personalized support, such as dedicated care navigators or digital tools, to help employees quickly find the right resources.

Future-ready workplaces start with mental health

“Employers have a unique opportunity—and responsibility—to lead the way in destigmatizing mental health issues, providing accessible care options, and creating work environments that prioritize employee well-being. By doing so, they can improve the lives of their workers and contribute to a more resilient and productive global workforce.”

—Andrew Davies, president of Lyra International

Over the past five years, mental health has become a business imperative. Employees expect mental health support as a fundamental part of their health benefits. Companies that lead in mental health investment will attract and retain top talent, boost productivity, and gain a competitive advantage, while also driving meaningful savings in health care costs.

Yet, employees' challenges extend beyond work. Career transitions, caregiving, personal loss, and serious health conditions all impact mental well-being, intertwining with work, relationships, and physical health in complex ways. Without the right support at the right time, workers struggle alone, leading to preventable crises.

At the same time, employers are under immense pressure—navigating financial constraints, shifting workforce expectations, and rising isolation. Meeting employees' mental health needs requires more than one-size-fits-all solutions. By embracing proactive strategies, HR and benefits leaders can create a workplace where employees and their families feel supported at every stage of life.

The future of work depends on mental health. Organizations that take action today won't just support their employees—they'll build stronger, more engaged, and more resilient businesses for years to come.



Discover how Lyra can empower your employees to perform their best and position your organization for lasting success.

Get a free consultation



About Lyra Health

Lyra Health helps leading companies improve access to effective, high-quality mental health care for their employees and their families. With Lyra's innovative digital care platform and global provider network, members receive the best care and get better faster.

partners@lyrahealth.com | www.lyrahealth.com