Benefits Insights

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2027 Open Enrollment Trends to Monitor

Open enrollment season is arriving with a different feel this year. Costs are climbing faster than they have in over a decade, employees are asking for benefits that reflect the realities of their lives rather than a one-size-fits-all package, and new technology is changing how people choose their coverage. For employers, that means open enrollment continues to evolve and can no longer be treated as a routine administrative task that repeats the same plan design each year. This article explores five trends shaping open enrollment in 2027.

1. Financial Pressure Reshapes Renewal Processes

According to PwC's Health Research Institute, commercial healthcare costs are expected to reach their highest level in 17 years, with group medical cost trend projected at 9% in 2027. Aon has projected a 9.5% rise in employer healthcare costs for 2026, marking the third consecutive year of near-double-digit increases in the absence of cost-mitigation action. That kind of increase changes the tenor of renewal negotiations. Employers can no longer expect a modest, predictable bump; instead, HR and finance teams are being asked to defend bigger numbers to leadership while still protecting the employee experience.

This is pushing more employers to get proactive earlier in the year rather than waiting until renewal is on the table. Plan design changes, network optimization, and closer scrutiny of high-cost claims and prescription drug spending are all becoming standard parts of the conversation, not last-resort options. Employers who start these discussions early and lean on their broker or benefits partner for benchmarking data are in a much stronger position to manage cost growth without simply shifting it onto employees.

2. Women's Health Grows as a Benefits Category

Family-building benefits continue to expand well beyond traditional maternity coverage. More employers are adding support for fertility treatment, egg freezing, adoption and surrogacy, recognizing that family looks different for a growing share of the workforce than it did in the past.

At the same time, menopause and broader women's health support are emerging as a distinct benefits line item, no longer just a footnote inside a general wellness program. Some employers are introducing cooling products, more flexible scheduling and coverage for hormone therapy. This shift is being driven in large part by retention. Midlife employees, often in senior or highly experienced roles, are asking employers to acknowledge a life stage that affects their day-to-day work, and employers are increasingly factoring women's health into plan design decisions.

3. GLP-1 Coverage Requires an Active Decision

Glucagon-like peptide-1 (GLP-1) medications have moved from a niche cost concern to a line item every employer has to consciously decide on. Employers can no longer afford to stay silent or let the carrier decide by default. GLP-1 coverage is too in-demand, and its impact on total plan spend is too significant, to leave unaddressed. While GLP-1s can offer immense benefits, such as improved employee satisfaction with benefits offerings, better health outcomes and lowered spend in other healthcare categories, they come with a high price tag. Many employers are unclear whether the benefits of covering GLP-1s outweigh the costs, or have difficulty measuring the impact in tangible terms.

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Employers are being asked by their workforce to offer a defined position on GLP-1 coverage. That starts with deciding whether to cover these drugs for diabetes only or extend coverage to weight management as well. From there, employers must determine whether to add utilization management, such as prior authorization or step therapy, and whether to pair coverage with a formalized wellness program. Regardless of coverage decisions, it needs to be an intentional, data-backed choice, not something left to chance at renewal.

4. AI Changes How Employees Choose Benefits

Technology is playing a bigger role in the enrollment experience itself. Artificial intelligence (AI) tools now offer tailored benefits recommendations, predictive analytics on plan fit and mobile-first access that meets employees where they already are rather than requiring them to sit down with a paper packet.

On one hand, these tools personalize the enrollment experience and can genuinely help employees find coverage that fits their situation. On the other hand, decision-support features are specifically designed to break the habit of picking the same plan year after year, nudging employees to actually reevaluate their options. Employers investing in these platforms are betting that better-informed choices lead to both higher satisfaction and better cost outcomes over time.

5. Nontraditional Benefits Move Into Core Packages

The definition of a competitive benefits package continues to expand. Employers are adding more offerings every year to stay attractive. Subsidized or fully covered gym memberships have become one of the most common additions, as they give employees an easy, everyday way to support their physical and mental health.

Employers are also pairing gym benefits with other perks, including voluntary benefits such as pet insurance, travel discounts, legal support, tuition reimbursement and financial wellness coaching. Together, these offerings round out a more complete package. This lineup is relatively low-cost to introduce compared to core medical benefits, and many of these offerings are partially or fully employee-paid. Even so, their impact is outsized. Nontraditional benefits are becoming a real factor in how candidates and employees size up an employer's overall package.

Key Takeaways

None of these trends exist in isolation. Rising costs are forcing harder decisions, and those decisions are playing out against a backdrop of employees expecting more personalized and relevant benefits. Employers who treat this open enrollment season as a chance to reassess their whole strategy rather than just rolling over last year's plan design will be better positioned to control costs while still meeting employees where they are. The employers coming out ahead in this cycle will be those who understand what's driving employee expectations and where the market is heading. Those who wait and react will likely find themselves playing catch-up on several fronts at once.

Contact us today for more open enrollment resources.