

Headspace, Solera Health scale mental health tools for payers and employers

Article

Mental health app **Headspace** is [partnering](#) with **Solera Health** to bring its mental health tools to more payer and employer customers. For context, Headspace is a pioneer in the mental

health apps space, offering meditation and mindfulness offerings, and Solera is a health benefits network that connects patients, payers, and providers with digital health and social determinants of health (SDOH) offerings.

Mental health apps are gaining major traction—and Headspace holds the lion's share of that market:

- There are over **10,000** mental health apps on the market—and Headspace's early market entry, global footprint, and tie-ups with large companies like **Nike, Spotify, and Amazon** means it's strongly shielded from competitive vulnerabilities.
- **Headspace is the 6th top grossing health app for iPhones and 5th for Android smartphones**, and it boasts over **70 million** users in 190 countries. Further, it offers its mental health products to over 2,000 companies, including big names like **Starbucks, Unilever, and Adobe**, and along with mental health app **Calm**, it accounts for **90%** of active mental health app users, per a 2020 Journal of Consulting and Clinical Psychology study.

The Solera tie-up now gives Headspace even more distribution channels for its mental health products. For example, since mental health is often concurrently affected by chronic conditions, Headspace could be used as a supplement to many of Solera's existing offerings like chronic condition management, SDOH services, and behavioral health programs. For its part, since Solera's payment model is based on user engagement and health outcomes, diversifying its platform with a highly coveted mental health offering can help it increase revenue.

Beyond making Headspace an even bigger threat in the telemental health space, this tie-up underscores why digital health cos are vying for a spot in health benefits packages:

- **Telemental health companies want access to employers' and payers' member networks—which can be an easier path to gaining swaths of new users than going the D2C route: 68%** of the US population is privately insured and around **34%** is covered by public insurance, per the most recent US Census Health Insurance Coverage report—and **50%** of US adults get their health insurance from their employer,

These f tie-ups also helpt insurance providers reduce medical costs while meeting enrollees' health needs. Employee burnout jumped **10%** in the US this year, compared with 2020—and **89% of employees** think their company should offer mental health benefits, while **53%** think it's essential post-pandemic, according to Headspace's June 2021Mental Health

Trends report. At the same time, **93% of employers** say mental and behavioral health will be a priority for their company over the next three years, according to a January 2021 Willis Towers Watson survey.

Mental Health Technologies Employees Worldwide Would Like to See at Their Company, Aug 2020

% of respondents

Self-service access to health resources	36%
Access to wellness or meditation apps	35%
On-demand counseling services	35%
Proactive health monitoring tools	35%
A chatbot to answer health-related questions	28%

Source: Oracle and Workplace Intelligence, "AI@Work Study 2020," Feb 3, 2021

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