



## THOUGHT LEADERSHIP

Financial Services

# Equality vs. Equity: How to help employees thrive

If there's one thing we learned in 2020, it's that racial inequality can prove deadly. [Statistics released by the Centers for Disease Control \(CDC\)](#) in November of 2020 showed that Black and Latino Americans, and American Indians were more likely to contract Covid-19 than the average American, more likely to be hospitalized with the disease, and nearly 3 times more likely to die as a result of their infection.

At the same time, people of color disproportionately bore the economic consequences of the pandemic. [Unemployment rates for Black and Latino workers](#) skyrocketed past those for white Americans. And when job loss often means losing access to health insurance, the cost of losing a job is especially high.

In response to the Black Lives Matter protests in the summer of 2020, many employers are asking themselves what they can do to ensure equality for their employees, and employers have considerable power to affect change. But it's important to remember that equality is only the first step. To really level the playing field for people of color, equity is required.

What's the difference, and how can you ensure both?

### Equality vs. equity

Equality means treating people equally regardless of need, so everyone is given the same opportunities and resources regardless race, gender identity, sexuality or socioeconomic background. Achieving equality requires that both individuals and institutions examine their biases to ensure they're not discriminating against any group of people based on preconceived notions they may hold about that group.

Equity, on the other hand, means treating people according to their needs. Equity goes a step further to compensate for the additional challenges some people face by offering them more resources and opportunities than their peers who have less need for support.

Picture three individuals trying to look over a fence, one a grown adult, one a ten-year-old child, and one a small toddler. If each of them has a wood crate to stand on, the adult can easily see

over the fence, the 10-year-old can just see over the fence, and the toddler can't see over the fence at all. But give two crates to the toddler, one to the ten-year-old, and none to the adult, and now all three can see over the fence. The resources—the wooden crates—are allocated to those who need them—the children—while the adult easily goes without, allowing all three to see over the fence.

To achieve equity, more resources and opportunities should be given to individuals who need them most, to produce the same outcome for everyone.

### **Equality vs. Equity in healthcare**

In healthcare, systemic inequality and inequity can be a matter of life and death. Where a person lives can seriously affect their access to medical care. Many people of color live in communities with fewer medical offices or hospitals and the medical care they do receive may be lower quality either because of lack of resources or because of bias on the part of healthcare providers.

Building more medical facilities and training healthcare providers to overcome their unconscious biases can help achieve equality. But health equity often requires more proactive measures, like screening for the nonmedical factors that could influence a patient's health and making sure people of all backgrounds are well represented in clinical trials.

Since employers are often selecting health insurance and supplementary insurance coverage for their employees, workplace benefits plans can contribute to health equity, too.

### **Equity in workplace benefits**

Since group benefits offer the same coverage for all group members for the same premium, employers can offer equal access to vital protections like health insurance, disability insurance and other voluntary benefits that some employees might not be able to access outside of a group plan.

But employers can go even further to provide equity for their employees. An employee wellness program, for instance, can offer additional health support for at-risk groups, including mental health resources and telehealth access. And providing support during the open enrollment process can help employees with less experience with financial tools make better decisions about their benefits.

An employee from a lower socioeconomic background may be less well versed in the financial protections voluntary benefits can offer. But with access to a financial professional through an employee program, however, such an employee could get the guidance they need to choose the right supplementary benefits for them. If they were to become seriously ill, they could then rely on the benefits they receive from disability or critical illness insurance to help cover medical costs they may be less able than their peers to afford.

Since many Americans, even some with health insurance, avoid seeking medical care because they can't afford their out-of-pocket costs, offering a benefits package that can help protect against unexpected medical costs could do much to support an employee's wellness.

Employers have many opportunities to advance the cause of racial equity, and an inclusive benefits package is just one way to help ensure physical and financial wellness for all workers.