

Talkspace offers online therapy as an employee benefit

Online therapy startup Talkspace—which recently launched an advertising campaign featuring Olympic champion Michael Phelps—is offering a new option for managing employees' health, well-being and productivity.

Depression and anxiety cost the global economy an estimated \$1 trillion each year in lost productivity, according to the World Health Organization. That's because significant challenges persist when it comes to mental health treatment, including perceived stigma as well as limited access to affordable, convenient and quality options.

Talkspace, founded in New York City in 2012, has raised about \$60 million to date. The company connects customers to licensed therapists through mobile apps and the web. It seeks to address barriers to mental health treatment including cost, finding a provider, scheduling an appointment and having the tolerance to wait to be seen, said Lynn Hamilton, its chief commercial officer.

"The digital revolution in health care has helped to foster the growth of Talkspace," Hamilton said.

In the past few years, Talkspace started working with the leadership of large institutions including universities, health plans and veterans' groups.

"Since employers provide most of the health care benefits in the U.S., it's a natural extension for us to work with them to reach those in need," said Oren Frank, co-founder and CEO of Talkspace. "The same qualities that enabled us to penetrate the direct-to-consumer market—affordability, convenience, reduced stigma and the best network of vetted, professional licensed therapists in the world—allow us to offer employers and their employees a powerful and effective tool to manage their mental health and wellness."

Talkspace has been particularly popular with employers in Silicon Valley, where workplace stress levels are high, as is the competition over employees, Hamilton said. But the company also has gained traction closer to home.

Little Bird HR, a Manhattan business that provides human resources and benefits services to schools, began offering Talkspace in place of an employee assistance program that provided counseling, said Antonia Christian, co-founder and president of Little Bird.

The team at Little Bird was seeing an increase in psychiatric drugs being provided and there was little utilization of the EAP, Christian said.

"Teachers working from 7:30 to 4:30 just don't have the time or energy to pursue going in and sitting with a mental health professional," she added.

Employers have funded "almost 100%" of Talkspace services for employees, Hamilton said.

"By now," Frank said, "most employers recognize the importance of mental health care, and the incredible challenges of poor access and quality of care. By providing Talkspace to their employees, these companies drive toward a better workplace environment and stronger workplace relationships, and they improve their company culture."

Talkspace is looking to expand in psychiatric, adolescent and Medicare and Medicaid services, said Hamilton, its chief commercial officer.

The company recently began navigating parental consent, which varies from state to state.