

Educational Presentation: Employee Wellness

City of Boston – PEC Meeting
March 11, 2014

Discussion Topics

1. What is wellness?
2. How is wellness addressed through the health plans?
3. Wellness outside of the health plan
4. What tools are available to promote wellness efforts?
5. Wellness in the workplace
6. How to run an effective wellness program
7. Sample success stories
8. How do we measure success?
9. How will the RFP address wellness?

WHAT IS WELLNESS?

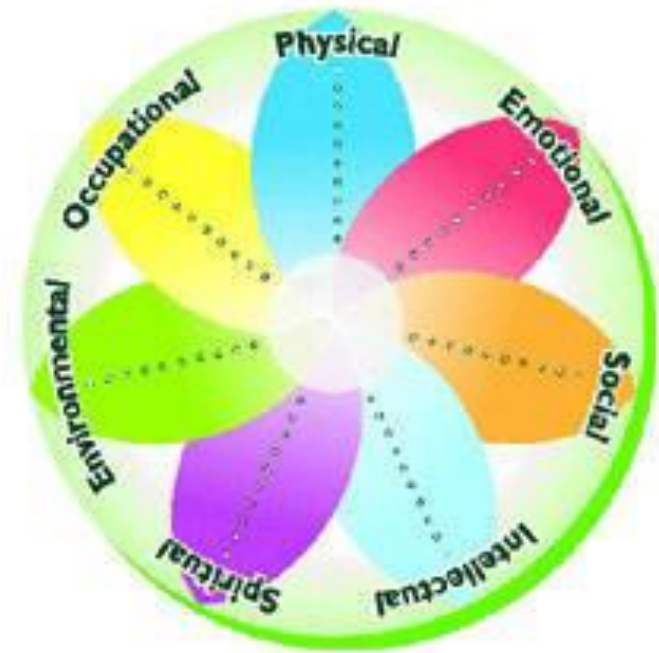
What is Wellness?

Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.

Wellness is the optimal state of health of individuals and groups.

—*World Health Organization*

DIMENSIONS OF WELLNESS



What is a Wellness Program?

A Wellness Program is an organized program intended to assist employees and their family members in making voluntary behavior changes which reduce their health risks and enhance their individual productivity.

- Wellness Council of America, 1990

In other words...

Wellness programs are usually designed to do two things:

- **Keep healthy people healthy; and**
- **Help unhealthy people change their behavior to reduce or eliminate their risk factors**

Wellness = Health Promotion = Disease Prevention

The Benefits of Employer Sponsored Wellness Programs

- Control Increasing Health Care Costs
- Improve Productivity
- Reduce Absenteeism
- Improve Presenteeism
- Reduce Injuries
- Improve Employee Morale and Retention
- Establish a Healthy Culture

HOW IS WELLNESS ADDRESSED THROUGH THE HEALTH PLANS?

Preventive Care

Available through all health plans

- Routine exams
- Routine lab work for cholesterol, glucose, etc.
- Flu shots, immunizations
- Preventive Cancer Screenings
 - Mammogram
 - Colonoscopy
 - Cervical Cancer Screening
 - Skin Cancer Screening

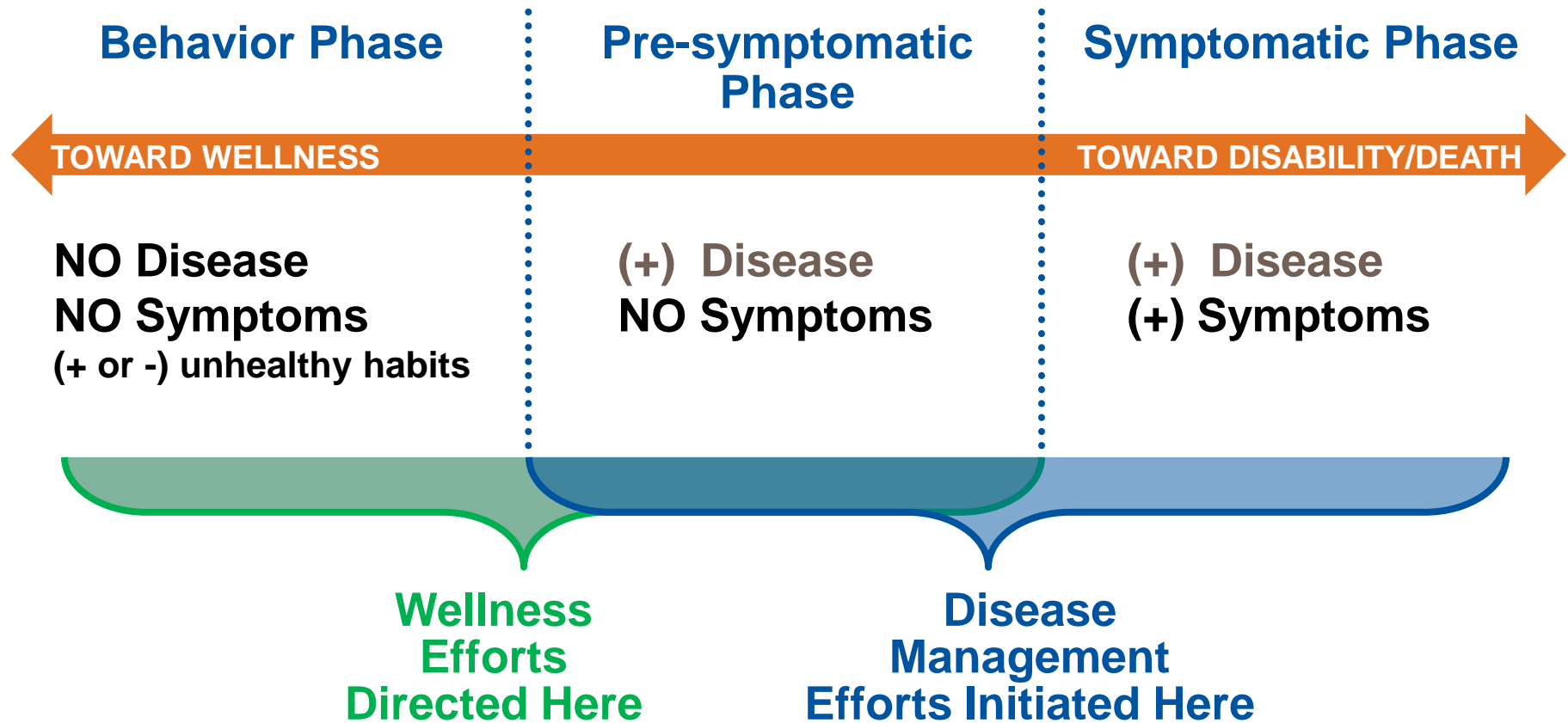
Health & Wellness Coaching

- Available to members who want to stay healthy, get healthy and prevent more serious issues...
- Types of Coaching
 - Online (e.g., videos, webinars)
 - Telephonic
 - 24/7 Nurse Line
 - Face-to-Face
 - Individual
 - Group
- Health Coaching is typically offered to a member upon complete of the online health risk assessment.
 - It is intended for members who would like help controlling blood pressure, managing weight, increasing physical activity, lowering cholesterol, eating better, smoking cessation and reducing stress.

Disease Management

- Available to help members with chronic illness better control their disease.
 - Teaches the member to take better care of themselves.
 - Teaches them ways to reduce the complications associated with their disease.
 - Encourages compliance with medication
- Chronic disease with the end result of uncontrolled health risk factors. Chronic disease is incurable but is controllable.
- Enrollment in disease management programs is typically initiated by outreach from the carrier to the member. Outreach is triggered by medical claims and prescription drug claims.
 - Intended for members with chronic conditions such as asthma, cardiac disease, COPD, diabetes and high blood pressure.

Health/Disease Continuum



Other Tools

- Online Health Risk Assessment
- Fitness Reimbursements
 - Discounted gym memberships
- Weight Loss Reimbursements
 - Discounts at weight loss programs (e.g., Weight Watchers, Jenny Craig, etc.)
- Tobacco Cessation Support
 - ACA mandates coverage for screening and a cessation intervention
- Educational Materials
 - Addressing topics such as: relieving stress, sleeping better, managing depression, eating healthy and increasing physical activity

WELLNESS OUTSIDE OF THE HEALTH PLAN

Tools Outside the Health Plans

- Biometric Screenings – cholesterol, blood pressure, glucose and body mass index
- Online Calculators – tools to assist in managing process
- Activity trackers – tools to assist in monitoring progress
- Educational Programs
- Onsite Smoking Cessation Programs
- Health Fairs / Awareness Campaigns
- Employee Assistance Program
- Fitness Challenges
- Life Cycle Accounts – employer reimbursement for healthy lifestyle, life events, legal services and financial planning

**WHAT TOOLS ARE AVAILABLE
TO PROMOTE WELLNESS
EFFORTS?**

Tools to Promote Wellness Efforts

- Incentives
 - Activity-Centered: rewards people for participating
 - Results-Oriented: rewards people for achieving/maintaining positive results
- Types of Incentives
 - Cash, Gift Cards
 - T-shirts, water bottles
 - FSA, HRA, HSA contribution
 - Reduced health insurance premium

CAUTION: Gift cards, cash are taxable.
Premium reduction, FSA, HRA or HSA contribution are Non-taxable.

Creating Incentives

“84% of Employers who offer wellness programs use rewards rather than penalties.”*

Rewards can be linked to health achievements:

- Completion of a health risk appraisal
- Participation in a tobacco cessation program
- Attendance at a weight management/nutrition counseling class
- Actually losing weight and keeping it off
- Frequency of talking to a health coach
- Reducing cholesterol to a normal range

* RAND HEALTH: “Work Place Wellness Programs Study” 2013

WELLNESS IN THE WORKPLACE

Foster a Healthy Culture



Creating a Healthy Culture – City and PEC Jointly

Five Dimensions

Shared Values	Priorities
Cultural Norms	Expectations
Touch Points	Policies & procedures that influence norms
Peer Support	Employees helping each other
Climate	Morale & teamwork

When it comes to workplace wellness programs, unsupportive cultures are the biggest impediment to individual and organization success.

—Judd Allen PhD

Understanding Readiness for Change

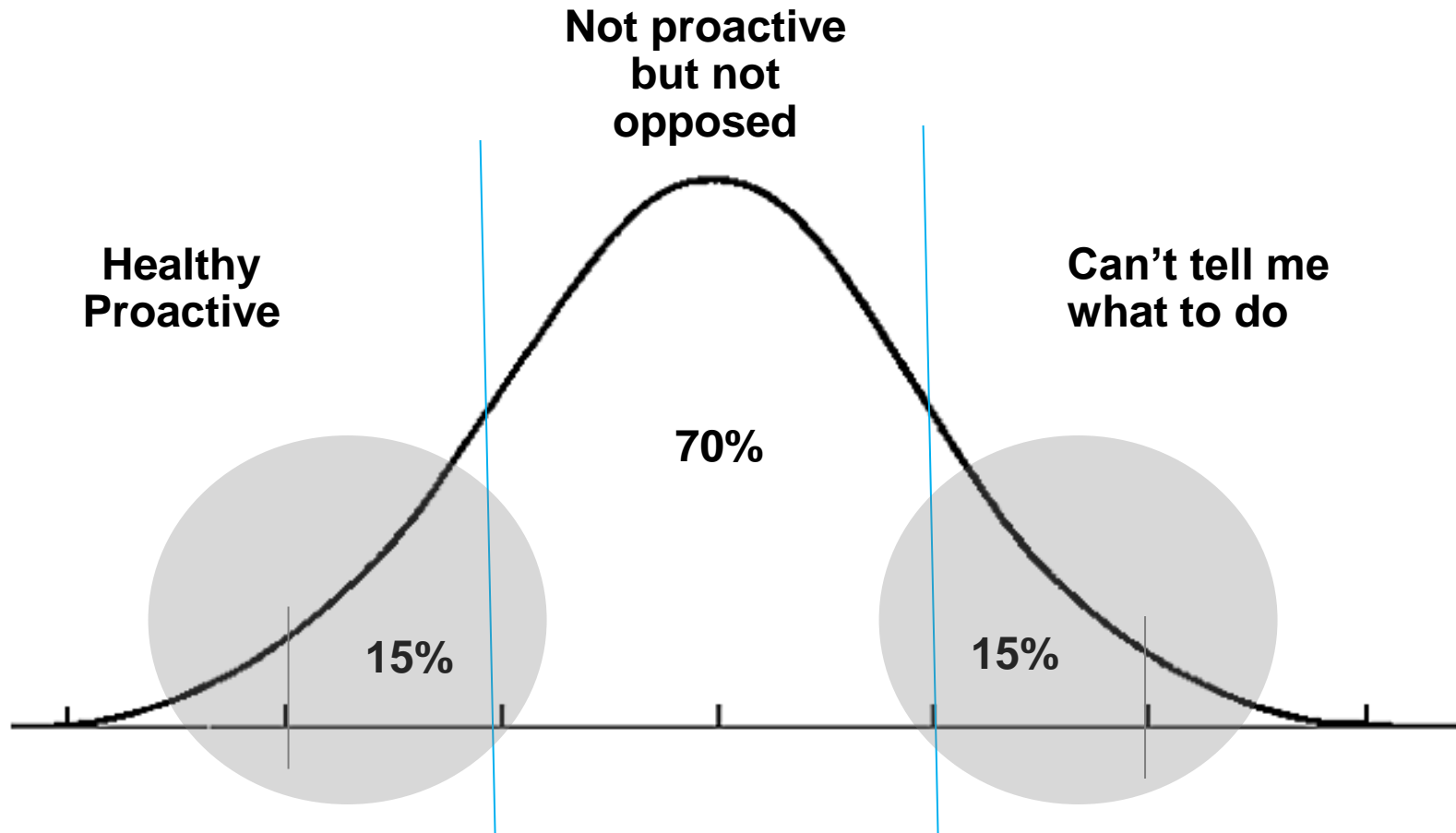
- Some participants are ready for change; others have not contemplated change:
- For those on the right path toward change, support easy intuitive decisions
- For those not on the correct path, steer toward rational thinking

Readiness for Behavioral Change	Disengaged	Extrinsically Motivated	Intrinsically Motivated
Pre-contemplation	Intervene to capture attention	Advertise to get attention	Inspire with messaging and imagery
Contemplation	Frame the choice architecture with consequences	Provide rationale and incentives	Provide high-quality resources and support
Preparation	Reinforce gains and lost opportunities	Provide easy-to-use resources	Allow the patient and practitioner relationship to flourish
Action	Monitor compliance and enforce accountability	Eliminate barriers during change process	Satisfy basic security and psychological needs
Maintenance	Advance to new goals	Create new workplace social norms	Invite them to help others

What the cell colors above signify:

Encourage intuitive thinking

Encourage rational thinking



Where are you?

Framework for Successful Wellness Programs

1. Obtain leadership support

- Publicize that leadership support (website, brochures, email announcements)

2. Identify a Wellness Leader and Champions

- Devoted to the success of the wellness program and creating a healthy culture

3. Target known health risk factors in the population

- Here's the value of Health Risk Appraisal/Biometric Screening results and Data Analytics

4. Know what's available to employees for wellness support

- The value of a Wellness and Disease Management Assessment Scorecard and then Communicate to employees what's available to help prevent or reduce risk factors

Framework for Successful Wellness Programs

5. Remove barriers that impede success of the worksite wellness program

- Time off from work (4 hours) for pre-cancer screenings, access to healthy alternatives, supportive environment, etc.

6. Use incentives/rewards along with behavioral economics to maximize participation as well as motivate behavior change.

- Consider building into the program design, contribution structure and workplace choices

7. Keep the program fresh...Change it up. Spice it up. *Be creative.* This is NOT just a one year adventure....it's *year after year after year* of worksite support.

Employers must be committed to create and maintain a healthy work environment to help employees follow-through with lifestyle changes to prevent/reduce risk factors.

Communications Plan

Consider a **Wellness Communications Strategic Plan** that will provide essential information, **educate** employees and their families about wellness and the programs being offered to ensure that they appreciate and understand the benefits, stress confidentiality, address any language barrier issues, etc.

- Communications tools can help individuals set, reach and maintain their goals
- Even the Wellness Program name, logo, and color scheme are important to facilitate a positive “eye-catching” recognizable message to your employees
- Communications tools may include:
 - Brochure listing all the wellness services uncovered by the Wellness Inventory.
 - “Announcing the program” with launch-type communications,
 - “12-month Communications plan of action”
 - Short, descriptive brochures, e-mail messages, newsletters
 - Testimonials about the wellness program
 - Posters/postcards/brochures/Z-cards/table tent cards highlighting what's available
 - Messages from top management in support of wellness efforts
 - Satisfaction surveys, focus groups
 - Enhancements to the benefits website with wellness information, etc.

Develop a brand...

- Look and feel for all benefits/wellness/Disease Management communications
 - Tagline that is credible, coherent and relevant
 - Will your vendors let you use your brand with their materials?
-

“Brand” Your Programs:



**CONNECT
TO HEALTH**
For Your Well-Being



**PARTNERS
FOR HEALTH**SM

HOW TO RUN AN EFFECTIVE WELLNESS PROGRAM

The “Splatter Technique”

Typical Wellness Program: NO written plan, just throw out some wellness services and see if anyone is interested in them.

Currently, the City of Boston offers some form of wellness to their employees including:

Onsite flu shots

Employee Assistance Program

Tuition Reimbursement

Fitness Reimbursement

Annual Health Fair

Paid time off for cancer screenings

However, these programs would be much more effective with branding related to a larger, more robust, Wellness Program.

Establishing a Healthy Culture

Collaboratively establish a shared “vision” of a healthy workplace with a strategy to achieve the vision and aligns with the business strategy.



Create a clear roadmap to achieving your vision for a healthy workplace and a metrics scorecard for evaluating success.

A successful initiative needs to think in terms of collective success at the initiative level, leadership level, as well as the individual level.

Develop a Multi-Year Plan

	2014				2015				2016				2017				2018			
Core Investments	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Program Development																				
Rewards and Incentives Strategy	Low	Low	Moderate	Moderate	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance
Evaluation of HRA and Biometric Delivery Process	Low	Low	Moderate	Moderate	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance
Wellness Coaching	Low	Low	Moderate	Moderate	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance
Financial Wellness	Low	Low	Moderate	Moderate	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance
Time Off Strategy and Administration			Substantial	Substantial	Substantial	Substantial	Substantial	Substantial	Substantial	Substantial	Substantial	Substantial	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance
Fitness Initiative									Substantial	Substantial	Moderate	Moderate	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance
Nutrition Initiative									Moderate	Moderate	Moderate	Moderate	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance
Weight Management									Low	Low	Moderate	Moderate	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance
Stress Management									Low	Low	Low	Low	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance
Behavioral Health									Low	Low	Moderate	Moderate	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance
Professional Development					Substantial	Substantial	Substantial	Substantial	Moderate	Moderate	Moderate	Moderate	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance
Career Development											Low	Low	Substantial	Substantial	Moderate	Moderate	Maintenance	Maintenance	Maintenance	Maintenance
Culture Development															Low	Low	Substantial	Substantial	Moderate	Moderate
Work Environment																	Low	Low	Substantial	Substantial

Level of Effort:	planning/exploring	substantial	moderate	low	maintenance
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SAMPLE SUCCESS STORIES

Engaging Employees and Leadership

Situation

- A large institution with a health system, which had already made extensive investments in various health initiatives, requested assistance to measure the maturity and impact of its efforts

Approach

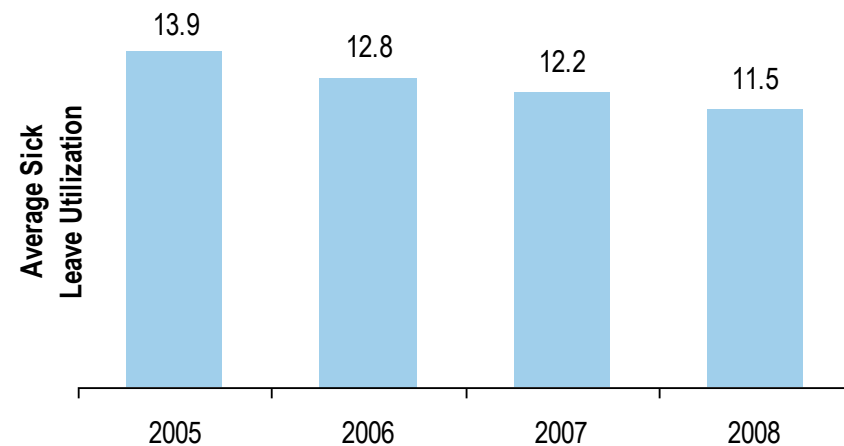
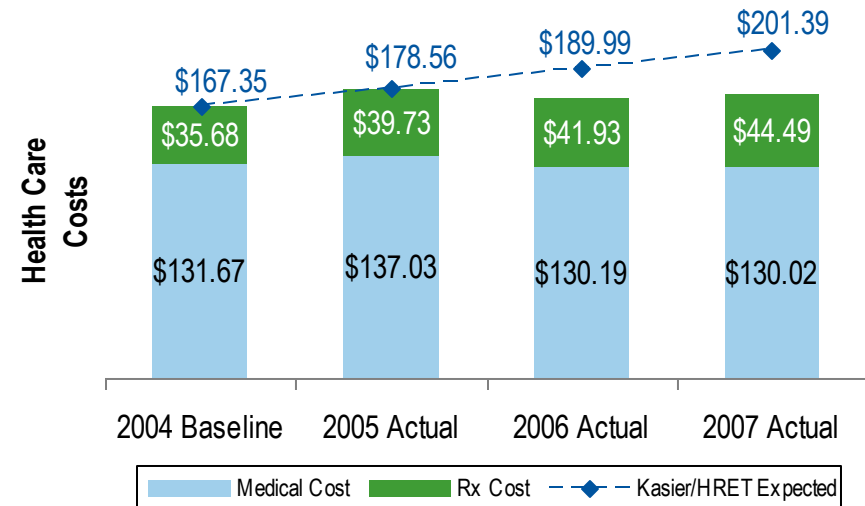
- Researched best practices and went through a “visioning process” which included the input of the clinical and administrative leaders
- Metrics were developed to measure the current state along with the institution’s progress along its stages of maturity toward its desired state

Result

- Among the various outcomes:
 - Over 60% became risk free for cholesterol and hypertension
 - Absence was reduced by 17% over a four year period
 - \$36 million of health care savings over 3 years

Lessons Learned

- Healthy people cost less and are less likely to be absent



Impact of Integrated Wellness

Situation

- A large institution wanted to develop a customized wellness initiative to support changes in behavior

Approach

- Developed a customized wellness/coaching RFP to coordinate with extensive work/life programs and internal resources

Result

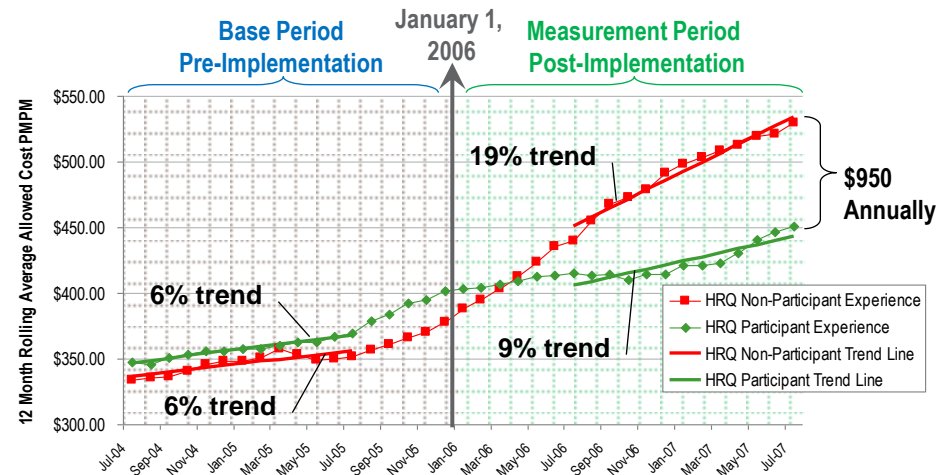
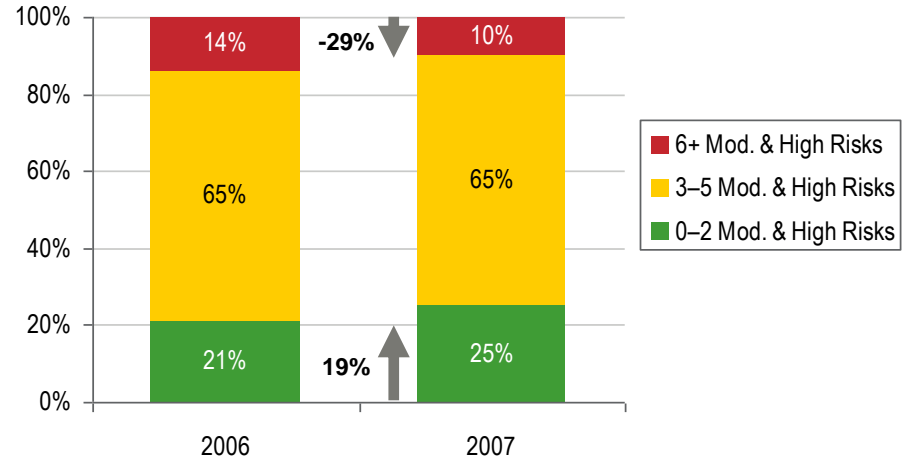
- 30% to 40% of coaching participants reduced risk for 80% of risk factors
- Rate of long-term disability dropped by more than 50% over two years for wellness participants
- Rates of hospitalizations and ER visits dropped for wellness participants
- Relative average health care costs reduced by \$1,150 for wellness participants

Lessons Learned

- Healthy people are less likely to become disabled

Source: Segal Consulting

HRQ AND NON-HRQ PARTICIPANTS



Focusing on health improves health, reduces cost and reduces incidence of disability.

HOW DO WE MEASURE SUCCESS?

Measuring Program and Communications Effectiveness

Costs	Desired Behaviors	Employee Perceptions and Satisfaction
<ul style="list-style-type: none">• Plan costs• Utilization• Productivity measures• Return on investment (ROI)	<ul style="list-style-type: none">• Preventive• Engagement in wellness incentives/benefits• Workforce health measures• Optimal plan decisions• Optimal care decisions	<ul style="list-style-type: none">• Turnover• Focus groups• Surveys• Ongoing feedback

Effective benefit design and behavioral communications drive program performance against target measures.

Academic Studies on Wellness ROI

- **Harvard University Study:** For every dollar invested in creating and maintaining a healthy workplace there is the potential for a \$6 return in direct and indirect savings or benefits¹
 - Medical costs fall \$3.27 for every dollar spent
 - Absence costs fall \$2.73 for every dollar spent
- A meta-study of 56 peer-reviewed journal articles²
 - Recent studies document ROI in the range of 6:1
 - Older studies document ROI at 3:1
 - The study reports it takes three to five years for wellness programs to realize their full impact

ROI can only be achieved over time with a properly designed wellness program and supportive culture, but there are still no guarantees.

¹ *Workplace Wellness Programs Can Generate Savings*, Katherine Baicker, David Cutler, and Zirui Song. Health Affairs, 2010

² *Meta-Evaluation of Worksite Health Promotion Economic Return Studies: 2012 Update*, by Larry S. Chapman, M.P.H., *American Journal of Health Promotion* (March/April 2012)

A Healthy Workplace Achieves Better Outcomes

Segal's Healthy Enterprise study demonstrates substantial differences in outcomes for organizations with a comprehensive strategy, multi-year operating plan and shared vision.

COMPARISON OF AVERAGE ADJUSTED OUTCOME METRICS FOR THE TOP QUARTILE

	Top Quartile	All Others	Percentage Difference
Healthy Enterprise Index	78	50	56%
Annual Health Cost (PMPY)	\$3,431	\$3,769	-9%
Annual Health Cost Increase	\$235	\$302	-22%
Turnover	8.1%	12.1%	-33%
Extended Absence	3.9%	6.1%	-36%
Workers Compensation Cost	0.74%	0.89%	-17%

Organizations in the top quartile achieved 9% to 36% better outcomes.

**HOW WILL THE RFP
ADDRESS WELLNESS?**

The RFP Process Will

- Determine where the carriers fall within the continuum of maturity
 - Ascertain what carriers are doing
 - Determine what carriers are able to do – now vs. future
 - Identify partnerships within the health plan
 - Ability to coordinate with wellness vendors outside of the health plan
- Provide information that can be part of the City's long-term wellness initiative.

Potential Evaluation Criteria

The RFP will help to identify the tools and resources available within the health plans to support a more proactive approach to optimizing the health and well-being of the City's workforce.

Category	Continuum of Maturity		
	Focus on Treatment	Focus on Prevention/ Management	Focus on Optimal Behavior
Health Plans	<ul style="list-style-type: none"> • Discounts/disruption • Ability to coordinate • Centers of excellence 	<ul style="list-style-type: none"> • Incentive programs • Health assessment • Health coaching 	<ul style="list-style-type: none"> • Fitness programs • Nutrition counseling • Activity trackers
Workplace Support	<ul style="list-style-type: none"> • Provide/coordinate • Occupational health • Health records 	<ul style="list-style-type: none"> • Screening/support • Health fair support • Coaching/counseling 	<ul style="list-style-type: none"> • Group challenges • Social support tools • Fitness assessment
Behavioral Health	<ul style="list-style-type: none"> • Available specialties • Coordination • Management approach 	<ul style="list-style-type: none"> • Screening tools • Counseling • Support programs 	<ul style="list-style-type: none"> • Work/life support • Resilience coaching • Complementary services
Communications	<ul style="list-style-type: none"> • Treatment alternatives • Transparency tools • Quality tools 	<ul style="list-style-type: none"> • Engagement materials • Health risk education • Preventive care materials 	<ul style="list-style-type: none"> • Recognition • Promotion • Supportive outreach

**Where does the City want to focus its efforts?
What services and outcomes should be expected of the service provider?**

Wellness Program Options Outside of the Medical RFP

- Some employers that want a more comprehensive wellness program and consistency across all health plan offerings may want to:
 - **Rent:** Subcontract/partner with an independent vendor(s) to manage the wellness program; or
 - **Build:** Create a wellness program using the City's own internal staff, community resources, incentives in the plan design, etc.
- Either option would require more internal staffing/resources.**
- Further considerations must be made for employees who are not insured through the City or who are not benefit eligible. As well as variances between what is offered by each health plan.

Questions

