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## A Healthier Bottom Line: Distilling Best Practices in Corporate Wellness

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# A Healthier Bottom Line: Distilling Best Practices in Corporate Wellness

Prepared by the UMass Boston Center for Collaborative Leadership  
in conjunction with the Massachusetts Business Roundtable



## Thanks and Acknowledgements

The Emerging Leaders Team (the team) would like to extend special thanks to all the companies and executives who took time to meet with our team to discuss the topic of wellness.

We would also like to thank: the Emerging Leaders Program (ELP) sponsored by the Center for Collaborative Leadership, for providing us the opportunity to work on this project and the Massachusetts Business Roundtable for sponsoring the project.

## About the Emerging Leaders Program

Through the Emerging Leaders Program (ELP), mid-level professionals in Greater Boston enhance their individual leadership skills and ability to work effectively with others toward significant civic goals. The program stresses collaboration and fosters leadership that is visionary, goal-oriented, and inclusive. Each summer, a new group of “Fellows” is chosen. Diverse in profession, race, ethnicity, and gender, these Fellows have already demonstrated leadership potential through work in corporations, non-profits, and governmental organizations. Each has been identified by his or her sponsoring organization as an “emerging leader”—talent worth watching and developing.

## About The Massachusetts Business Roundtable

The Massachusetts Business Roundtable is a member-driven public policy organization comprised of Chief Executive Officers and senior executives from the state’s largest companies, which employ more than 225,000 people throughout the Commonwealth. The mission is to strengthen the state’s long-term economic vitality with the goal of making Massachusetts a highly desirable place to do business. To do so, MBR engages with both public and private leaders to provide the strategic thinking of its members to develop and influence public policy that will strengthen the long-term health of the Massachusetts economy.

## Special Appreciation

On behalf of the members of the Massachusetts Business Roundtable, we express our sincere thanks and appreciation to Jane Walsh, President of Northmark Bank, for her long-standing leadership of the Roundtable’s Health Care Task Force. The energy and expertise Jane provided over the years enabled the Roundtable and its members to have a significant voice in the landmark 2006 health care reform law, as well as the 2012 health care cost containment law, and led to the creation of this report. Jane’s leadership of the Task Force helped to catalyze the Roundtable’s advocacy for including the best practices in corporate wellness as an important cost reduction strategy in the health care system. We also express thanks to Diana Scott, Senior Vice President, John Hancock Insurance Group and incoming Chair of the Health Care Task Force. Diana and her team contributed significant insights, data and results from the company’s wellness programs to impact the formation of public policies that will help keep people healthier and reduce health care costs.

### The Emerging Leaders Team

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## Executive Summary

### Introduction and Purpose

One strategy being implemented by employers to control health care costs is through “wellness programs,” employer-sponsored efforts to improve the health of employees. Members of the Massachusetts Business Roundtable (MBR) and other large employers have had success in reducing their health care costs through the implementation of corporate wellness initiatives. The purpose of this paper is to define what is working in private sector wellness programs to determine whether there is a broader application that would help the state meet its cost containment goals.

### Return on Investment

- According to a Mercer LLC executive, “over the past two years... companies with extensive wellness programs reported annual health cost increases that were about 2 percentage points lower than those for companies with small or no wellness programs.” (Davis, Boston Globe, 2011).
- A Harvard University meta-analysis published in Health Affairs found that “medical costs fall by about \$3.27 for every dollar spent on wellness programs and that absenteeism costs fall by about \$2.73 for every dollar spent” (Baicker et al, Health Affairs, 2010).
- Recent surveys suggest that employer interest in wellness programs has increased. For example, according to the Kaiser/HRET Employer Health Benefits Survey, the proportion of employers reporting at least one wellness program increased to 74% in 2010, compared with 58% in 2009 and 54% in 2008 (Davis, Boston Globe, 2011).

### Key Findings/Cornerstones of Successful Wellness Program

As part of the research for this project, a diverse set of Massachusetts-based companies were interviewed by the Emerging Leaders Program Team (team) from the University of Massachusetts Boston about their approach to wellness. In addition, the team also reviewed national and local research on the topic of wellness in order to leverage the vast amount of material that exists on this key health care topic. The following are key findings that should be the cornerstones of a successful workplace wellness program:

1. **Planning:** A structured, thoughtful approach is key to long-term success
2. **Leadership:** Senior Leadership must demonstrate a sustained commitment to wellness over time
3. **Program Components:** Clearly identify the target audience and tailor program offerings to their needs and interests
4. **Culture:** Take culture into consideration when designing and marketing wellness programs
5. **Success Measures:** Focus on the efficacy of the program over the number of initiatives available (i.e., quality over quantity)

## Conclusion

Employers have a unique opportunity to design programs that can influence employee behavior in manners that are conducive to good health. By keeping employees healthy, employers can not only reduce unnecessary health care utilization and spending, they can enhance productivity, attendance and retention. By adopting the best practices identified in this paper and available through other resources, employers can build on the “lessons learned” by their counterparts and increase the likelihood of their programs’ success. And, these best practices can be applied more broadly to help the state meet its cost containment goals.

## Introduction

Rising healthcare costs, both in the state and the nation, continue to be on the forefront of political debates and policy agendas. Issues such as access, quality and economic competitiveness are being debated all over the country, and Massachusetts has continued to show leadership in each of these areas. One of the state's great competitive advantages is its health care system, both the quality of it and the access to it. Some of the nation's top-ranked providers and insurers are in Massachusetts, and because of a comprehensive reform law in 2006, an estimated 98 percent of residents, including 99.8 percent of children, have health insurance (Blue Cross Blue Shield of Massachusetts Foundation, 2011). And, according to the American Health Rankings, the Massachusetts population is among the healthiest in the nation. This is good for business.

However, one of the state's competitive disadvantages is the cost of doing business, with the cost of health care being a concern for both individuals and employers. Health care spending is growing faster than the state GDP and consuming an increasing percentage of the state's overall budget (Massachusetts Division of Health Care Finance and Policy report, 2011). In FY2009, health care spending accounted for 49% of the state's budget; in FY2012, it accounted for 54% of the state budget (Song and Landon, *New England Journal of Medicine*, 2012)

Over the past few years, the state has enacted a number of reforms aimed at controlling health care costs, and has commissioned several studies aimed at evaluating the drivers of the state's high costs as well as potential containment strategies. Much of the focus has been on reforming how health care services are paid for and the prices of such services. The Division of Healthcare Finance and Policy projected that total health spending will double from 2009 to 2020 without cost containment interventions. This will in turn significantly increase health insurance premiums and place a substantial burden on consumers, employees and employers. To address this, the state adopted comprehensive health care cost containment legislation in July 2012.

MBR therefore believes that health and health care is both a competitive advantage to preserve, and a competitive disadvantage that must be addressed. One strategy being implemented by the members of the Massachusetts Business Roundtable (MBR)—which include some of the state's largest companies and employ more than 225,000 people in the Commonwealth—to control health care costs has been to encourage greater focus on the primary and secondary prevention of illness and disability. A popular framework for achieving this goal is through “wellness programs,” employer-sponsored efforts to improve the health of employees.

Workplace wellness programs are defined as “any workplace health promotion activity or organizational policy designed to support healthy behavior in the workplace and to improve health outcomes.” Barron's notes that “wellness programs have been very effective in improving employee productivity while reducing absenteeism and health care costs.” For employers, successful wellness programs make employees healthier and lower health care costs. More broadly, these programs can improve population health and reduce total medical expense.

Through multiple interviews it has been determined that several MBR members and other large employers have had success in reducing their health care costs through the implementation of corporate wellness initiatives. The purpose of this paper is to define what is working in private sector wellness programs to determine whether there is a broader application that would help the state meet its cost containment goals.

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## Wellness Programs Produce Quantifiable Return-On-Investment

Employers nationally provide health insurance to more than 60% of individuals (Blumenthal D, N Engl J Med, 2006). This proportion is even higher in Massachusetts, as 78% of residents receive coverage through an employer (Blue Cross Blue Shield of Massachusetts Foundation, 2011). Employers therefore have a natural interest in minimizing health care spending growth. Coupled with employer interest in optimizing employee productivity and morale and minimizing absenteeism, as well as the fact that employees spend so much of their time at work, workplaces are “natural venue[s] for investments in health” (Baicker et al, Health Affairs, 2010). According to one estimate, the US sees 39 million workdays lost each year due to obesity-related illness alone (Thorpe, Health Affairs, 2004.)

Recent surveys suggest that employer interest in wellness programs has increased. For example, according to the Kaiser/HRET Employer Health Benefits Survey, the proportion of employers reporting at least one wellness program increased to 74% in 2010, compared with 58% in 2009 and 54% in 2008 (Davis, Boston Globe, 2011).

Driving this interest in wellness programming are studies and anecdotes suggesting that employers can generate a positive return on investment.

For example:

- According to a 2011 Boston Globe article, John Hancock “in 2009 saved \$111 in medical and pharmacy costs for each employee who participated in its primary wellness program— over and above what [it] spent on the program. The savings jumped to \$261 per worker in 2010” (Lazar, Boston Globe, 2011).
- A Harvard University meta-analysis published in Health Affairs found that “medical costs fall by about \$3.27 for every dollar spent on wellness programs and that absenteeism costs fall by about \$2.73 for every dollar spent” (Baicker et al, Health Affairs, 2010).
- According to a Mercer LLC executive, “over the past two years... companies with extensive wellness programs reported annual health cost increases that were about 2 percentage points lower than those for companies with small or no wellness programs” (Davis, Boston Globe, 2011).
- An article published in the Harvard Business Review cited the following findings:
  - At Johnson & Johnson, since 1995 “the percentage of... employees who smoke has dropped by more than two-thirds. The number who have high blood pressure or who are physically inactive also has declined—by more than half.” From a financial perspective “J&J’s leaders estimate that wellness programs have cumulatively saved the company \$250 million on health care costs over the past decade; from 2002 to 2008, the return was \$2.71 for every dollar spent.”
  - In one study, researchers found that a single employer generated \$6 in health care savings per \$1 invested.
  - “A study by Towers Watson and the National Business Group on Health shows that organizations with highly effective wellness programs report significantly lower voluntary attrition than do those whose programs have low effectiveness (9% vs. 15%).”

President Obama, in his June 2009 address to the American Medical Association, noted his support of workplace-based wellness programs when he cited the example of Safeway’s “Health Measures” program. According to President Obama’s address, this program, which allows employees to reduce their premiums when they score well on screenings for such health indicators as blood pressure and cholesterol, has allowed Safeway to reduce its health spending by 13% and employees to reduce premium costs by 20% (Text of Obama’s address, New York Times).

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**In one study, researchers found that a single employer generated \$6 in health care savings per \$1 invested.**

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## Key Findings and Best Practices

As part of the research for this project, a diverse set of Massachusetts-based companies were interviewed by the Emerging Leaders Program Team (team) about their approach to wellness. The team selected a cross-section of Bay State companies from various industries and geographic locations to gather information for this report. The questionnaire used as a framework for the discussions is included in Appendix B.

During the interview process it became clear that while there were many similarities across the various wellness programs there were also noticeable differences in each company's approach to and emphasis on wellness. Many factors seem to play a role in these disparities including company size, employee demographics, organizational structure, work environment and health benefit plans.

Representatives of the following firms and associations, who were all generous with their time and candid with their feedback, were interviewed on the topic of corporate wellness initiatives:

Small/Medium Sized Employers	Large Sized Employers
Blue Cross and Blue Shield of MA	EMC Corporation
Consigli Construction	Raytheon Company
Northmark Bank	State Street Corporation
Retailers Association of Massachusetts	Steward Health Care System

In addition, the team also reviewed national and local research on the topic of wellness in order to leverage the vast amount of material that exists on this key health care topic.

**The following are the key findings and best practices from the research and interviews conducted:**

### Planning:

#### *A structured, thoughtful approach is key to long-term success*

A structured, thoughtful approach greatly improves the long-term effectiveness of a wellness program. This approach should include having a written document that lays out the vision of the program. According to the Wellness Council of America (WELCOA), the document should contain the following: 1) a mission statement about what the health and wellness program will achieve; 2) a set of goals and timelines; 3) clear roles and responsibilities for implementation; 4) budgetary components; 5) a marketing and communication strategy to reach employees; and 6) evaluation metrics.

At large companies, it might make sense to pilot a program before rolling it out to all employees. At State Street, for example, a pilot approach that focused on one particular geographic region was successfully used to evaluate various components of their program and to identify potential pitfalls that would need to be managed during the larger implementation.

Another example of a well thought out program is the "Healthy Blue" program developed at Blue Cross Blue Shield. Each component is categorized around four pillars of healthy behavior: physical activity, nutrition, stress management and tobacco cessation. Among other reasons, these pillars were chosen because they are seen as involving behaviors that the employee is able to directly manage. A similar approach has been used by State Street Bank where the program was built around the key pillars of emotional wellness, physical wellness and financial wellness.

Some employers might choose to outsource their wellness program to a company that specializes in this area. Companies can outsource all of their programming or components of it to other organizations that already possess the expertise and infrastructure required to support these efforts. For companies that choose to do so, one "best practice" approach that



was discussed during our interviews is to separate the provision of the wellness programming from the assessment of the efficacy of the programming. This will help avoid conflicts of interest. Employers can have a third party provide the assessment of the program or it can undertake the assessment itself.

## Leadership:

### *Senior Leadership must demonstrate a sustained commitment to wellness over time*

A consistent and sustained commitment to wellness with support from the top levels of an organization was frequently mentioned as being a “best practice” approach. Research backs this as well, with studies indicating that return on investment in the area of wellness increases significantly over time measured in years rather than months. Companies that were successful were able to balance the need to change course when a program component was not producing desired results with having the patience to allow for sufficient time before going in a different direction.

In almost all of our interviews the importance of obtaining tangible support from the top of the organization was mentioned. A CEO and other members of senior management being seen practicing what is preached by the organization—versus being used as a passive spokesperson for wellness initiatives—has shown to be a much better approach for getting employees to buy into the concept of a wellness program.

WELCOA lists the following responsibilities for senior leadership: 1) link the wellness program to the company’s mission and communicate the wellness message frequently to employees; 2) dedicate appropriate resources to the program; 3) delegate responsibility for the program to the right people and select representatives from all levels of the company to be on the wellness team to manage the program; 4) serve as a role model, embrace health as a personal priority; and 5) be the champion of the initiative.

Blue Cross Blue Shield of Massachusetts CEO, Andrew Dreyfus, is a role model for the company’s health and wellness program. He participates in the company’s Virgin Health Miles walking program and wears his pedometer to work every day.

He frequently holds walking challenges with members of his senior leadership team, actively encourages employees to participate in the walking program and to hold challenges in their areas using various communications channels (e.g. face to face meetings, memos, company intranet, flip cam videos).

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## Program Components:

### *Clearly identify the target audience and tailor program offerings to their needs and interests*

Some companies have expressed concerns that some of the components of the wellness program may target the already health conscious members of its workforce. For example, a running club or a stretching class might not motivate a sedentary individual to exercise. This is not necessarily an unwanted outcome but it must align with the goals of the wellness program. Wellness program offerings must be targeted to a clearly identified audience within the company. Some common interventions include: smoking cessation; weight management; physical activity; work life balance; and stress management. Other wellness programs include a wide variety of programs using evidence-based programming and ecological models.

For specific components and program models, please see Appendix A.

One piece of constructive criticism we were provided on this topic was that not having adequate scalability is a potential pitfall. One company interviewed had offered to its employees on a first-come, first-serve basis access to a personal coach and nutritionist given the high level of interest in the benefit, the company was not able to meet its promise upfront, as it had to put employees on a wait list for these services.

## Culture:

### *Take culture into consideration when designing and marketing wellness programs*

Several of our interviewees emphasized the importance of taking into consideration the organization's culture when designing and marketing a wellness program. Knowing whether your employees are motivated by such things as a competitively-structured initiative that measures their success against others or with a prize-based structure are some basic examples of how culture could be considered in designing a program. At Northmark Bank, a core foundation of its wellness program is making sure it is supportive rather than dictatorial.

Another aspect important in designing and marketing a program is to motivate through incentives that resonate with employees. Financial incentives—or disincentives—are popular methods for increasing employee participation in wellness programming. For example, some employers give employees a gift card for participating in a walking program, while others focus on creating disincentives, such as charging smokers higher insurance premiums. At Consigli Construction, employees receive a financial incentive towards their health insurance premiums if they complete a health assessment, blood pressure check and blood draw analysis to produce a Health Index Score. Employees are also encouraged to participate in a six-month follow up blood draw to monitor progress. After one year, if the participant's Health Index Score is within their goal range, they will continue to receive the financial incentive.

Companies implementing wellness programs must create a culture that is supportive and aligned with the program's goals. There are several ways a company can create a supportive environment including: providing opportunities to increase physical activity; enabling the reduction of tobacco use; promoting healthier food choices; ensuring workstations are ergonomic; reducing on the job stress; and ensuring benefits support employees' health .

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**Typically with a wellness program, success is initially measured by employee engagement and utilization of programs, then later by metrics such as improved biometric measures or reduced absenteeism. Over time, success equates to lower health costs for the company.**

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## Success Measures:

### *Focus on the efficacy of the program over the number of initiatives available*

We heard this “best practice” expressed in various ways such as “walk before you run” or “keep it simple or “quality over quantity.” The message was clear that having a limited number of well-developed programs with a clearly identified target audience is more likely to yield success than trying to have broader programs that offer something for everyone.

For example, Northmark Bank's Step Up program has the simple goal of getting people away from their desks for at least 5 minutes a day. The program has been in place for 2 years and has achieved a 50% participation rate. In addition to the physical and mental health benefits of the program, Northmark Bank has found that there is also a social benefit to the organization, as people who normally would not interact on a daily basis are able to build relationships in a relaxed atmosphere.

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WELCOA suggests that several types of data should be collected including: organizational, environmental, and employee health, protection, and productivity. Organizational data should include 1) demographic 2) medical claims 3) culture and 4) employee productivity. Environmental data should include 1) workstations 2) facilities 3) benefits and 4) physical area. Employee health data should include 1) health risk assessment (HRA) 2) biometric health screening 3) interests sur-

vey and 4) and health knowledge. And employee protection and productivity data should include 1) absenteeism records 2) long and short term disability claims 3) workplace accidents and injuries and 4) worker's compensation claims.

Our interviews suggest, and WELCOA confirms, that typical outcome evaluation measures can include: participation; satisfaction; biometric measurements; productivity; and ROI.

## Other Considerations—Challenges and Realities

### Variation in what constitutes “wellness programming”

While surveys suggest that an increasing proportion of employers are adopting wellness programming, the nature and depth of that programming appears to vary considerably. Some employers limit their programming to the provision of health information such as nutritional tips, while others allow employees to undergo health screenings and assessments as well as interventions to help address identified risks.

The aforementioned 2010 Kaiser/HRET survey found that while a higher proportion of employer respondents reported offering a wellness program, “much of the jump” between 2009 and 2010 was “attributable to employers adding Web-based resources.” Of the 74 percent of employers who reported offering wellness programs, just 31 percent offer disease management in their largest health plan and just 11 percent perform health risk assessments (Davis, Boston Globe, 2011).

Several of the individuals interviewed for this project discussed the challenges they encountered in evaluating and justifying their organization's investment in wellness.

- “We are hoping to have a positive ROI by next year... we won't publicize our analysis, as we don't want to risk losing funding for our work. It is a really hard thing to measure.”
- “We created an integrated database that brings together a lot of the information we need to evaluate our employees' health and health care utilization... still, it is hard to identify the impact of the wellness programs on health.”

Despite these obstacles, most interviewees expressed confidence that their investment in wellness was generating benefits, or would generate benefits over time, that would justify this use of resources.

### Employee Participation

One of the biggest challenges wellness program supporters encounter is a lack of employee participation, particularly among employees who might most benefit from participating. Employees who already engage in healthy behaviors may have more interest in participating in wellness programs. Even among employees who may have interest, there may be fear or distrust around sharing health information with their employers for fear of being discriminated against (Mello, New England Journal of Medicine, 2008).

### Heterogeneous targets

For employers whose employee population is heterogeneous in terms of health risks, it can be difficult to design interventions that are broadly appealing and effective. Also, as many employers provide coverage that extends to employees' families, they may be missing a significant portion of covered lives with wellness programming that is limited to the employee only.

- “We've done a good job keeping the low-risk employees low-risk. We've had a harder time moving higher-risk people to a lower level of risk.” (Corporate wellness program manager)

## Smaller employers may approach wellness programming in a different manner

The MA Retailers Association has been very involved with health care solutions for small employers. Our discussions with this organization underscore the fact that small employers face different hurdles in designing and implementing an effective wellness program. Among the challenges these companies face are high employee turnover rates, lack of scalability and scarce resources (relative to larger employers). Other hurdles to implementing some of the more traditional wellness initiatives include logistical constraints such as not having a cafeteria, lacking control over vending machines and a lack of structured staff meetings (as a means of educating employees on the topic of wellness). Company size may also be a meaningful factor when deciding whether to develop a wellness program in-house or to outsource this function to an outside provider.

There are ways to address these issues, however. Section 34 of Chapter 288 of the Acts of 2010 establishes small business group purchasing cooperatives. Based on that provision, the Retailers Association of Massachusetts began offering health benefit plans from two carriers, Fallon Community Health Plan and Blue Cross Blue Shield of Massachusetts. In order to maintain certification from the state's Division of Insurance, each group purchasing cooperative must achieve a participation rate of at least 33% in a wellness program. One condition for being part of the Retailers' cooperative is that all members must complete a health risk assessment as they enroll in the wellness program. The Association also has rolled out an internet-based resource for wellness topics where interested members can easily access information on topics such as exercise, weight management and smoking cessation.

One useful resource for small and medium sized companies that we discovered in our research is the Partnership for Prevention's Leading by Example (LBE) initiative (available at [prevent.org](http://prevent.org)). The LBE taps into themes relevant to a smaller work force such as controlling productivity-related costs through a healthier workforce versus where a larger company may be more focused on a goal of reduced insurance premiums.

## Integrating Dental Health

The link between oral and overall health has been clearly established. Studies suggest that periodontal disease is associated with many chronic conditions. It may cause complications in individuals with cardiovascular disease and diabetes. And women with periodontal disease have an increased chance of delivering a pre-term low-birth weight baby. By maintaining good oral health, one can minimize the potential for serious diseases later in life, and this in turn can contribute to lower health care costs.

Maintaining one's oral health means resolving to practice good oral hygiene. Brushing at least twice a day, replacing a toothbrush every three to four months, flossing, limiting between-meal snacks and scheduling regular dental visits all support good oral health. Programs emphasizing the connection between oral and overall health represent another good way to support a healthy lifestyle.

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## Utilize existing resources and tools to build and enhance programs— Don't reinvent the wheel

Throughout its research, the team came across several resources and toolkits focused on helping companies develop or enhance their wellness programming.

- Centers for Disease Control and Prevention [www.cdc.gov/workplacehealthpromotion](http://www.cdc.gov/workplacehealthpromotion)  
Workplace Health Promotion (toolkit)
- Partnership for Prevention [www.prevent.org](http://www.prevent.org)  
This is a nonpartisan organization of business, nonprofit and government leaders working to make evidence-based disease prevention and health promotion a national priority.
- Wellness Council of America (WELCOA) [www.welcoa.org](http://www.welcoa.org)  
This membership-based organization offers many resources focused on building worksite wellness programs.

## Health and Wellness Technologies

There are a variety of technologies that can be incorporated into any health and wellness program to engage employees. Social Media can be used to promote the company's values, create a sense of community and gain insight into the company's culture. Mobile Communications can be used to push text reminders and encouragement and provide applications promoting health and wellness to employees. And portals can be used to provide a variety of information including to employees.

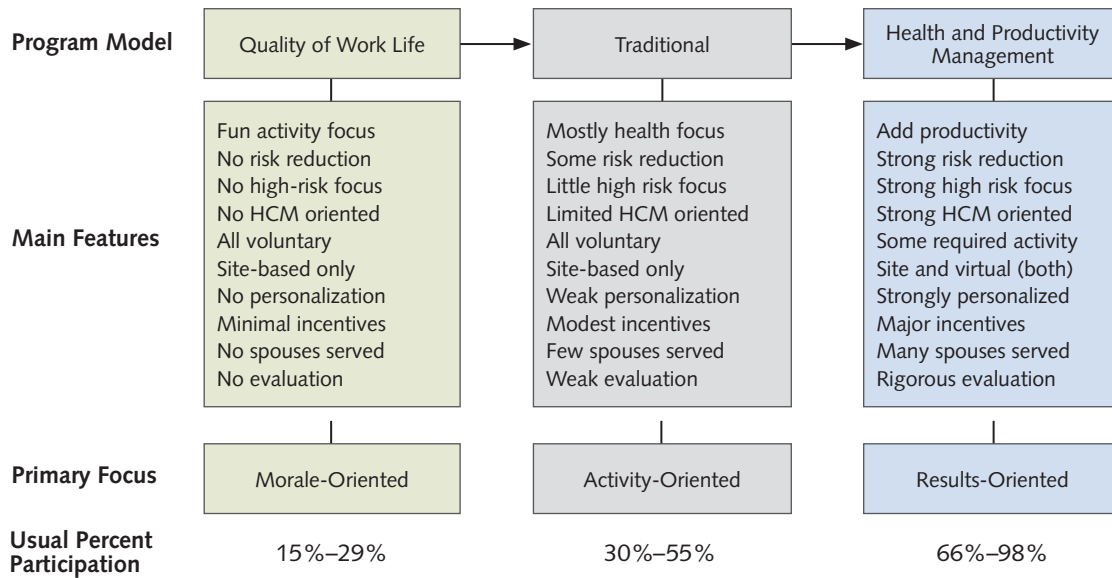
## Conclusion

In this age of health reform, a diverse and broad range of influential stakeholders—including politicians, policymakers, public health advocates and employers—are keenly focused on identifying opportunities to contain health care spending. One approach that is gaining traction in many circles, but particularly among employers, is wellness programming. Employers have a unique opportunity to design programs that can influence employee behavior in manners that are conducive to good health. By keeping employees healthy, employers can not only reduce unnecessary health care utilization and spending, they can enhance productivity, attendance and retention.

Research suggests that an increasing proportion of employers are adopting some form of wellness programming, and that there is significant variation in that programming. By adopting the best practices identified in this paper and available through other resources, employers can build on the “lessons learned” by their counterparts and increase the likelihood of their programs' success. And, these best practices can be applied more broadly to help the state meet its cost containment goals.

# Appendix A

WELCOA has outlined a series of components that comprise successful workplace wellness programs. They have identified three program models, each with a different set of components tailored to different goals:



**The Quality of Work life program** is intended to improve the morale of employees and provide a sense of solidarity between the employees and the company. The program is usually voluntary and could include:

- Health Fairs—Provides information on programs offered by the company (e.g. fitness club discounts, Employee Assistance Programs (ESPs)) and specific health problems and includes biometric screenings (e.g. cholesterol, blood pressure, BMI). Usually some type of lottery or fun prize is offered to encourage employees to participate.
- Lunch & Learn Sessions - Provides employees with information about specific health issues (e.g. weight management, stress reduction) during their hour lunch.
- Community Sponsorships—Provides support for a community sponsored event (e.g. breast cancer fundraiser).
- Chair Massages—Provides onsite chair massages, potentially partially or fully subsidized by the company, to employees.

The cost for this type of program does not exceed \$45 per employee per year and the program usually does not provide any economic return.

**The Traditional program** provides more expansive offerings than the Quality of Work life program. The goal of this program is to provide focused health and wellness activities that all employees will participate in. The incentives for the program are minimal and the budget is usually small. Traditional program components could include:

- Health Risk Assessment (HRA)—Asks employees a variety of questions about their health, medical condition, symptoms, change readiness, etc. and provides a report describing the employee’s current health and how they can improve their future health.
- Fitness Club Memberships/Facilities—Provides a fitness facility at work or offers subsidies for the use of outside fitness facilities.
- Weight Management Program—Provides access to an onsite weight loss program.
- Web-based Health Information—Offers health-related information through the Intranet, Internet, or a health management vendor.



- Healthy Cafeteria/Vending Options—Provides employees with a healthy selection of food options.
- Preventative Medical Coverage—Provides coverage for preventative care (e.g. yearly physicals) as part of the benefits plan.
- Wellness Newsletter—Provides information on a wide range of health related topics.

The cost for this type of program is usually \$46-\$150 per employee per year. The cost/benefit ratio is approximately 1:3 (producing \$3 of savings for every \$1 in cost) and can usually be achieved in one to two years.

**The Health and Productivity Management program** offers a more comprehensive, structured set of offerings than the Traditional or Quality of Work life programs. The offerings are personalized, proactive, and strategic in nature. The program involves on site activities and employs a variety of virtual communication vehicles (e.g. mail, computer, telephone).

The program contains some mandatory components. For example employees may be required to participate in certain workshops or wellness updates. The program also contains an emphasis on the employees' health risks (e.g. cholesterol, hypertension), has a formal evaluation practices (including R.O.I. calculations), and requires significantly more staffing than the other two models.

Components of this type of program could include:

- HRA—The difference between using the HRA in this program and a Traditional Program is the incentives and how it's used. In this program the HRA is heavily incented and used to develop personalized action plans.
- Risk Stratification and Interventions—Employees are stratified based on the HRA results and claims data. Customized interventions are provided for each strata.
- Telephonic Coaching—The amount of coaching varies by strata. High risk stratas may speak with a coach once per week; low risks stratas may speak with a coach once per year.
- Spouses Included in Program—They may be given the same discounts and incentives as the employees to participate in health clubs, take the HRA etc.
- Benefit Linked Incentives—A variety of incentives can be provided (e.g. discounted premiums, vacation days). The size of the incentive needs to be \$300-\$1000 to motivate the employee.

The cost for this type of program is usually \$151-\$450 per employee per year; the cost/benefit ratio ranges from 1:3.6 to 1:7, depending on the components employed.



# Appendix B

## Private Sector Wellness Questionnaire

### Workplace Assessment and Program Development

1. How was the program developed (e.g. staffing approach, organizational infrastructure, and outsourcing)?
2. How much preparation was involved in both time and resources to get the program off the ground?
3. What are the goals for the program?
4. Was a health improvement plan written that included components such as a mission statement, measurable goals, priorities and a communication plan?
5. When was the program launched?
6. Was a pilot approach used?
7. How was the program branded and communicated to employees?
8. What are the main approaches for marketing the program (e.g. email, intranet, posters, and newsletters)?

### Program Components

1. What are the main components of your program?
2. Why were these components chosen?
3. What components were evaluated but not chosen? Why?
4. Are components the same across the company or do they vary by location and/or geographic region?
5. Were there workplace environmental changes made as part of the program such as menu changes in the cafeteria, employee accessibility to stairs and/or walking trails?

### Program Evaluation

1. Which components of the program have been the most successful?
2. What is the employee utilization for the program?
3. Has utilization increased over time?
4. How do you measure success of the program?
5. What has been the employee response to the program? Is the program considered a key component to employee retention?
6. Is there any evidence of improved morale that can be connected to the program?
7. Are improved metrics such as ROI, absenteeism, presenteeism and biometric data considered important to the overall success of the program?
8. What are the next major milestones for the program?
9. What would you do differently if you were starting over? What are some of the key lessons learned from the endeavor?

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