

CONNER  
STRONG &  
BUCKLEW



INVESTING IN  
YOUR EMPLOYEES'  
HEALTH MAKES  
**cents**

*7th Annual Population Health Forum*

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# State of the State

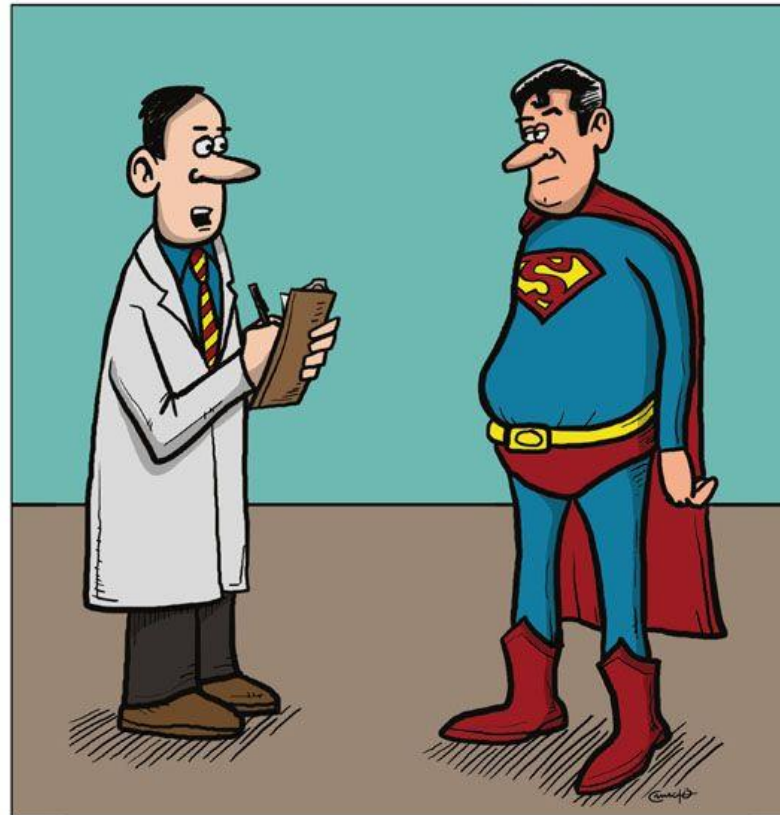


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# Wellness to Population Health

The Best Medicine



“You need to stop flying and start jogging.”

# Investing In Your Employees' Health Makes *Cents*

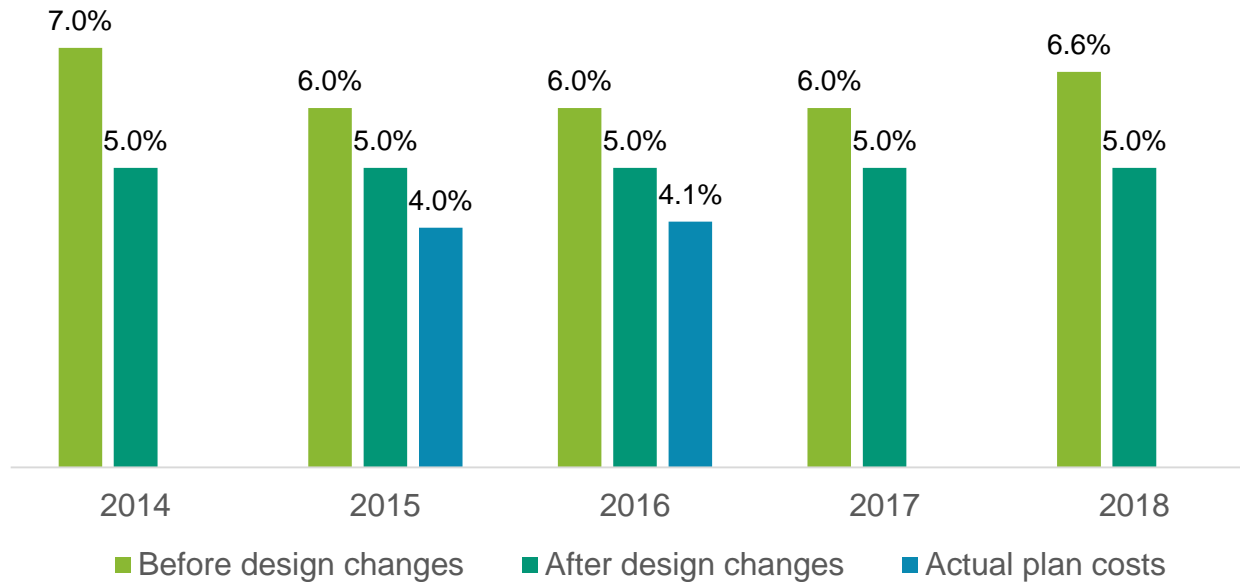
As healthcare costs continue to rise, organizations are finding that employee health is a real business concern. They are facing a tough choice:

1. Take an ever larger hit to the bottom line, or
2. Pass the costs onto employees

# Cost Trends

The majority of employers expect costs will continue to increase by an average of 5.0% in 2018

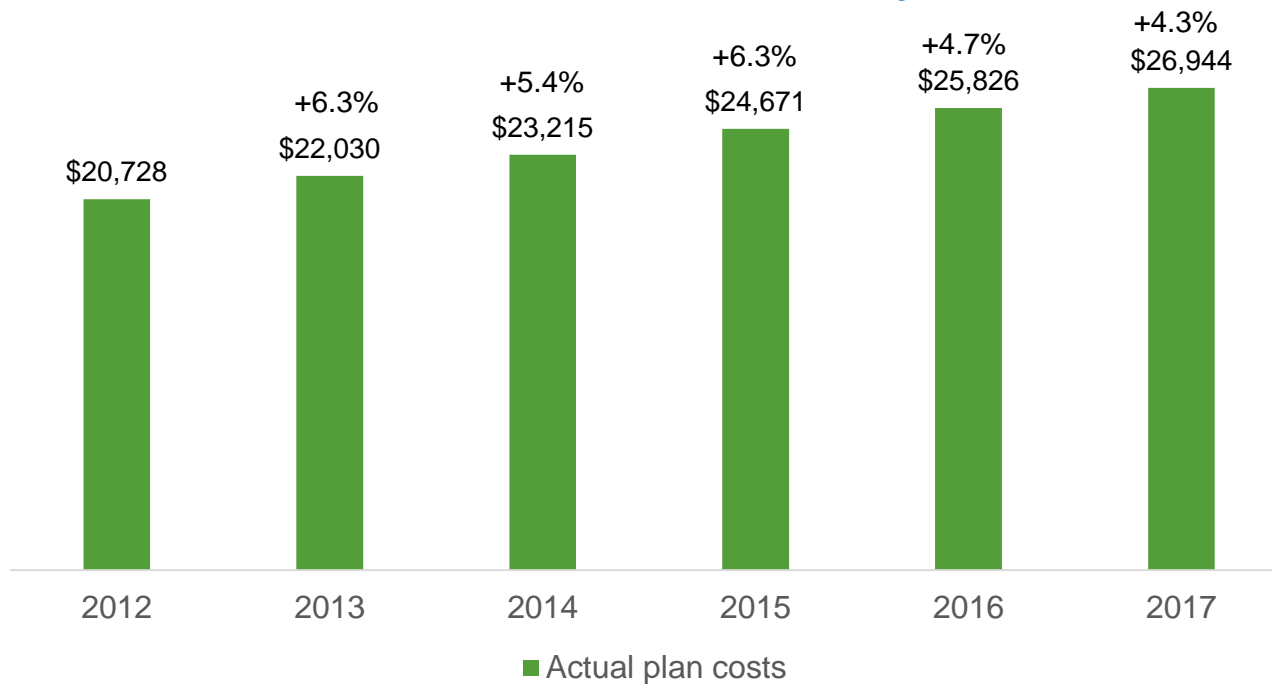
## Health care cost increases



Source: 2018 NBGH Annual Employer Survey

# Cost Trends

## Annual medical cost for family of four



Source: Milliman Medical Index

# Cost Sharing

Health care costs components in 2017	\$ PEPPY	% of total
Premium		
Employer portion of "premium"	\$8,527	63%
Employee portion of "premium"	\$2,752	20%
<b>Total premium</b>	<b>\$11,279</b>	<b>83%</b>
Out of pocket (OOP) costs		
Employee costs (point of service)	\$1,433	11%
Employer health account funding	\$770	6%
<b>Total OOP costs</b>	<b>\$2,203</b>	<b>17%</b>
<b>Combined "premium" and OOP costs</b>	<b>\$13,482</b>	<b>100%</b>

Source: 2018 NBGH Annual Employer Survey

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# It Is Worth the Investment



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# Employee Wellness Is Worth the Investment

As more companies offer workplace health programs, the debate remains around the effectiveness. Research shows that promoting healthy habits to employees, through incentive programs or structural/cultural support, is an effective way to benefit both employer and employees.



# Investing In Your Employees' Health Makes *Cents*

Top four reasons to invest in your employees' health and well-being:

1. Healthy, active employees incur ***lower health costs***
2. Employees are ***more productive***
3. Physically active employees tend to be ***healthier employees***
4. Inspire ***behavior changes***



# The Big Stuff

The average Medical/Rx plan will provide coverage for about 83% of all healthcare expenses resulting in average out-of-pocket costs of \$2,203 per employee per year



# The Big Stuff

Employees and their dependents pay 24% of plan costs through payroll deductions



# The Big Stuff

Larger employers continue to manage their risks under self-insured arrangement; smaller employers increasingly explore and adopt self-insurance due to enhanced ability to spread the risks (captive)



# The Big Stuff

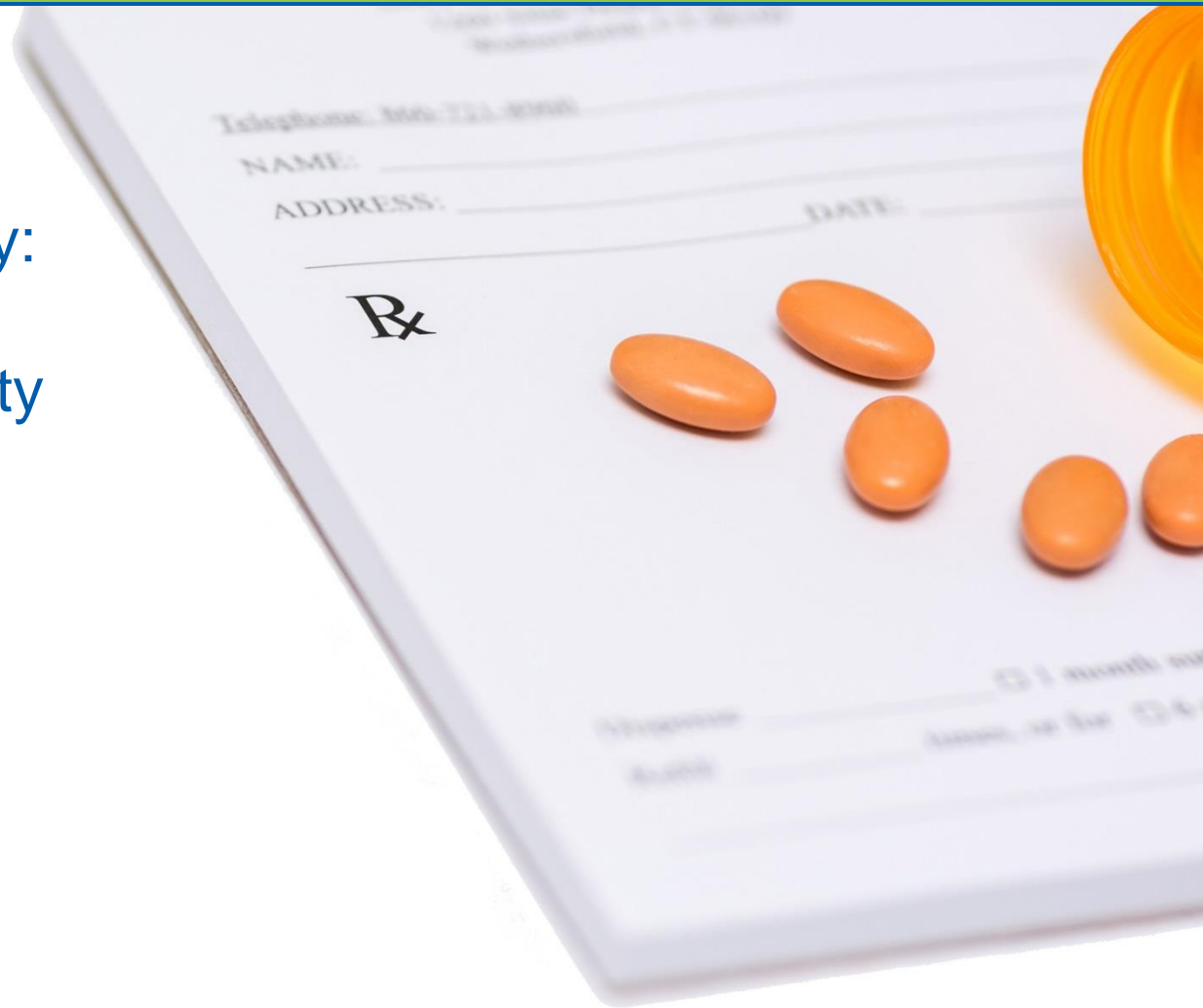
In 2018, costs are expected to rise 6.6% over 2017; however, increases to plan costs on average will be limited to 5.0% due to plan design changes



# The Big Stuff

Controlling costs by:

- Managing specialty Rx and other pharmacy
- CDHPs
- Navigators



# The Big Stuff

Top driver of costs continues to be specialty and high cost claimants

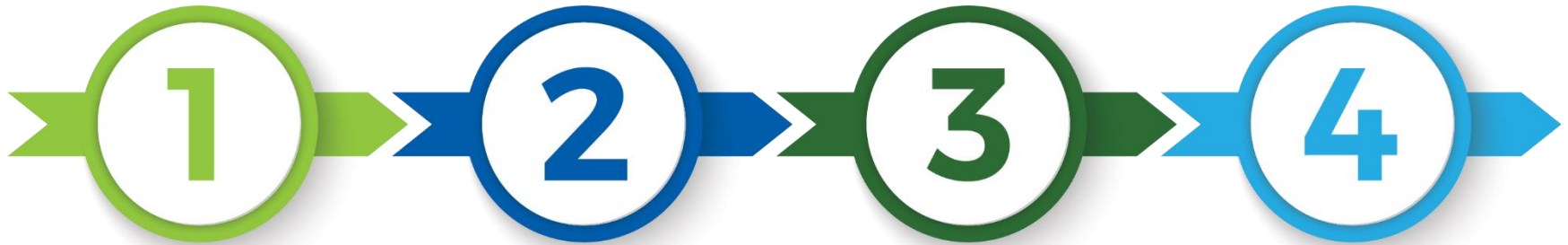




# Disruption!



# Its About Disruptors



## THE BIG

- JP Morgan Chase, Amazon and Berkshire Hathaway
- CVS Caremark and Aetna
- Cigna and Express Scripts

## THE COMPLEX

- Provider mergers and consolidations
- Payment transform
- Provider driven population health
- Transparency
- Pharmacy (enough said)

## THE GOVERNMENT

- Dealing with the ACA
- Exchanges
- Medicaid / Medicare

## THE NOW

- Intense scrutiny of Rx
- Tiered networks
- Reference Based Pricing
- Centers of Excellence
- Tele-Medicine
- **Targeted population health and wellness**



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# Who We Are



Paul Markowich



Shaun O'Connor

# Me and My Dad



# Financial Literacy

- 42% of adults gave themselves grades of C, D, F with regard to personal finance knowledge
- 27% have not saved anything for retirement
- 32% have no savings
- 60% have no budget
- 22% do not pay bills on time

Source: National Financial Credit Counseling 2017 Consumer Financial Literacy Survey

# Center for Financial Literacy

## 2017 State Report

If Adults are not prepared with basic financial education then it should be no surprise that we are seeing negative scores for our children/young adults:

- 69% of parents have reluctance about discussing financial matters with their kids
- Only 23% of kids surveyed indicated that they talk to their parents about money.

# Is Your State Making the Grade?





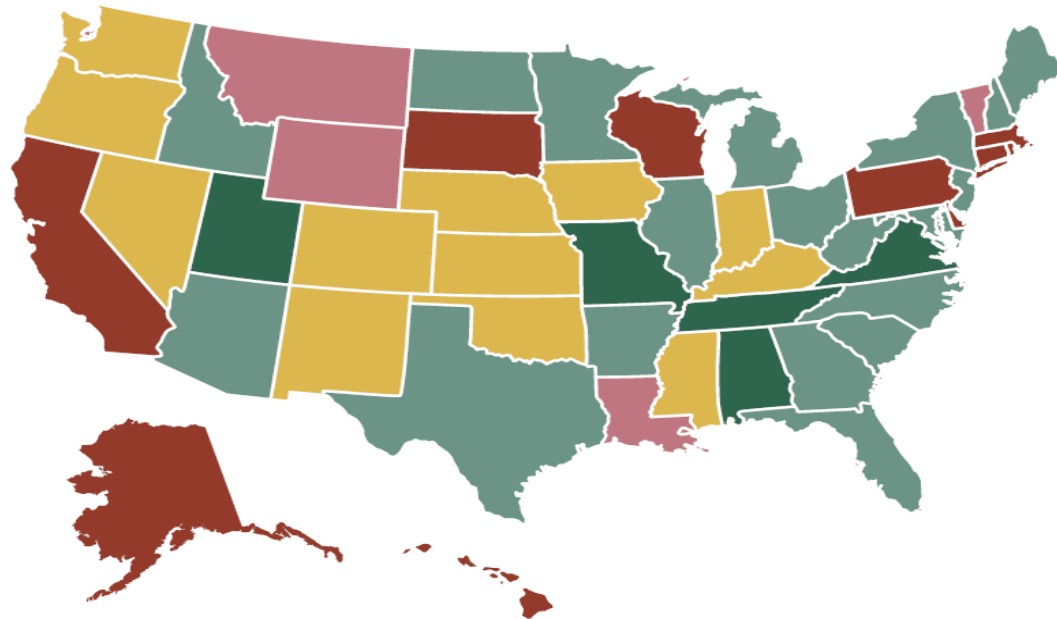
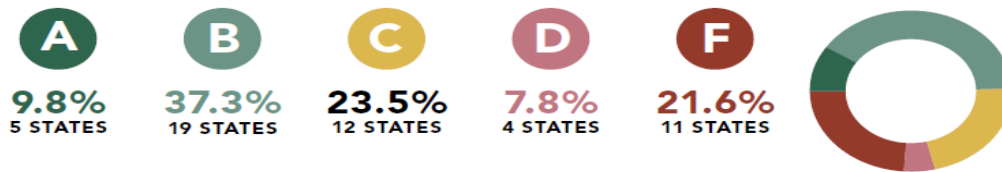
# Grading System

- A= State requires personal finance instruction as a graduation requirement equal to one semester
- B= State mandates personal finance as part of a required course.
- C= The state has substantive personal finance topics in its academic standards, local districts have flexibility to incorporate personal finance at their discretion. State has no material oversight.
- D= Same as C except the state has minimal personal finance topics available in its academic standards.
- F= Same as C except the state has virtually no personal finance education in standards

# The Final Grade

## Final Grade

State-by-state grades are as follows, with expanded explanations for each state's grade in the "State Summaries" section at the back of this report.



# New Jersey vs. Pennsylvania

- Grade B
  - NJ requires students to take a half year course in financial, economic and entrepreneurial literacy
  - Estimated that students spends 15 hours on personal finance education
- Grade F
  - PA does not require specific courses for graduation
  - Local Districts may require personal finance as a requirement for their district
  - 15% of districts require a course before graduation

# The Good News

- Mandated Financial Literacy Education improved credit scores and reduced default rates of young adults
- Credentialed educators and a well-designed curriculum work

Source: (Brown, Collins, Schmeiser and Urban 2014 report), (Asarta, Hill and Meszaros, 2014)

# Why Does This Matter?

- 35% of HS students will enter the workforce directly after HS. Many will have minimal or no personal finance education.
- Basic financial education must be incorporated in any financial wellness solution.
- The trend of employees being responsible for their benefit decisions vs. employer provided benefits has never been greater.
- Solutions have never been more complex

# Importance of Financial Wellness



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# Historical Trends in Benefits

- DB-DC
- High Deductible Health Plan (HDHP)
- Health Saving Account (HSA)
- Flexible Spending Account (FSA)
- Auto enrollment
- Pre-tax/Roth
- Voluntary benefits
- EE paid insurance
- Product complexity

# People are Living Longer

Gertrude Weaver





# The Opportunity

- Employers that embrace a meaningful and effective financial wellness program receive:
  - A higher rate of productivity from employees
  - Lower absenteeism
  - Loyalty

# What is Financial Wellness?

- A life free from financial worries, a career where you make a real contribution to society, a few luxuries along the way, the ability to help others financially throughout your life, and a comfortable retirement at a time of your choosing.
- The ability to accomplish your financial goals in a realistic time frame and the understanding of knowing how to do it.

# What Does Financial Wellness Mean to You?

- Retirement readiness
- College education planning
- Loan repayment
- Accumulation planning
- Income planning
- Tax management
- Caring for a loved one with special needs
- Caring for aging parents
- All the above

# Is There a Risk to Offer or Not to Offer?

- Morals
- Fiduciary
- Who wants another responsibility on their plate

# Impact of Financial Stress

- 64% of those surveyed cited money as a significant source of stress and that Americans are paying for this stress with their health
- Employees today say money stress is the leading cause of stress over work, relationships and health



Source: (2014 Study from American Psychological Association), (USA today 2/21/2018)

# Where to Start

- What are you doing now (Red, Yellow, Green)
- Ask a small sampling of employees if they understand your benefit communication material?
- Conduct a survey with various topics for different age groups and different levels of education
- Ask your current vendors for help
- Interview outside financial advisors to provide a face to face solution for employees needing advice
- Try something with the expectation that this will evolve over time

# Technology Solutions

- Sum180
- Edukate
- Workplace Options
- Health Advocate
- Pete the Planner
- Navigate
- Brightdime
- DHS group
- Wellable
- Smartdollar
- Health as we age
- Four Seasons FE
- Enrich
- Financial Finesse
- My Secure Advantage
- Financial Fitness Group
- Retiremap
- Moneysteps
- Best Money Moves
- Hellowallet

# What are Companies Doing Today?

- A trucking company in Ohio, offered \$56 to employees who contribute \$19 a week for 6 months to an emergency savings account without making withdrawals. Employees who maintained this received an additional \$56 at the end.
- A medical carrier matches \$2,000 per year of student loan repayments for full time employees graduated after 12/1/2013. (capped at \$10,000 per eligible employee)
- A financial institution gives employees \$1,000 if they complete a financial education course. The eligible employee can use the \$1k to reduce debt, fund emergency, 401(k) or HSA.



# Solutions

- Incentives to drive engagement
- Financial Education (live or mobile)
  - Technology self service
- Human Advisors
  - Personal engagement capability

# Return On Investment

- Increase in FSA/HSA
- Decrease in health care costs
- Reducing costs of delayed retirement
- Recruit, retain and engage top talent

*A study of a fortune 100 company in 2013 found a 4.5% decrease in medical costs after using a financial wellness program as compared to others companies who did not offer the same program*



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# Thank you

**Paul Markowich, CFP®, AIF**  
**Executive Vice President, Partner**



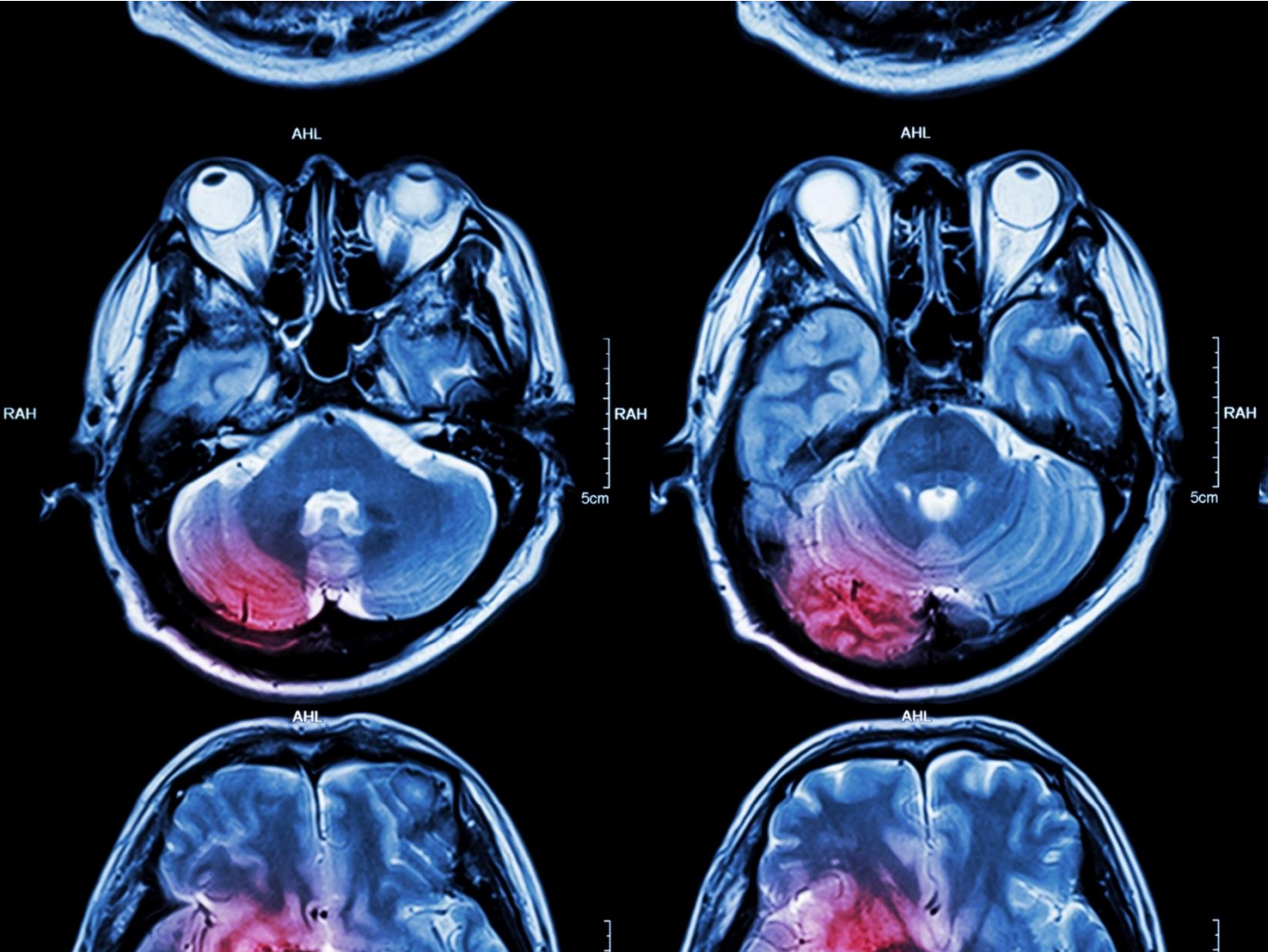
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THEY WERE TOLD HEALTHCARE IS SIMPLE. WE ARE HERE TO PROVE THAT ISN'T A JOKE.





**IT ISN'T  
BRAIN  
SURGERY.**

*it's harder.*



PRICE X USE =



COST

~~MARKET VALUE~~

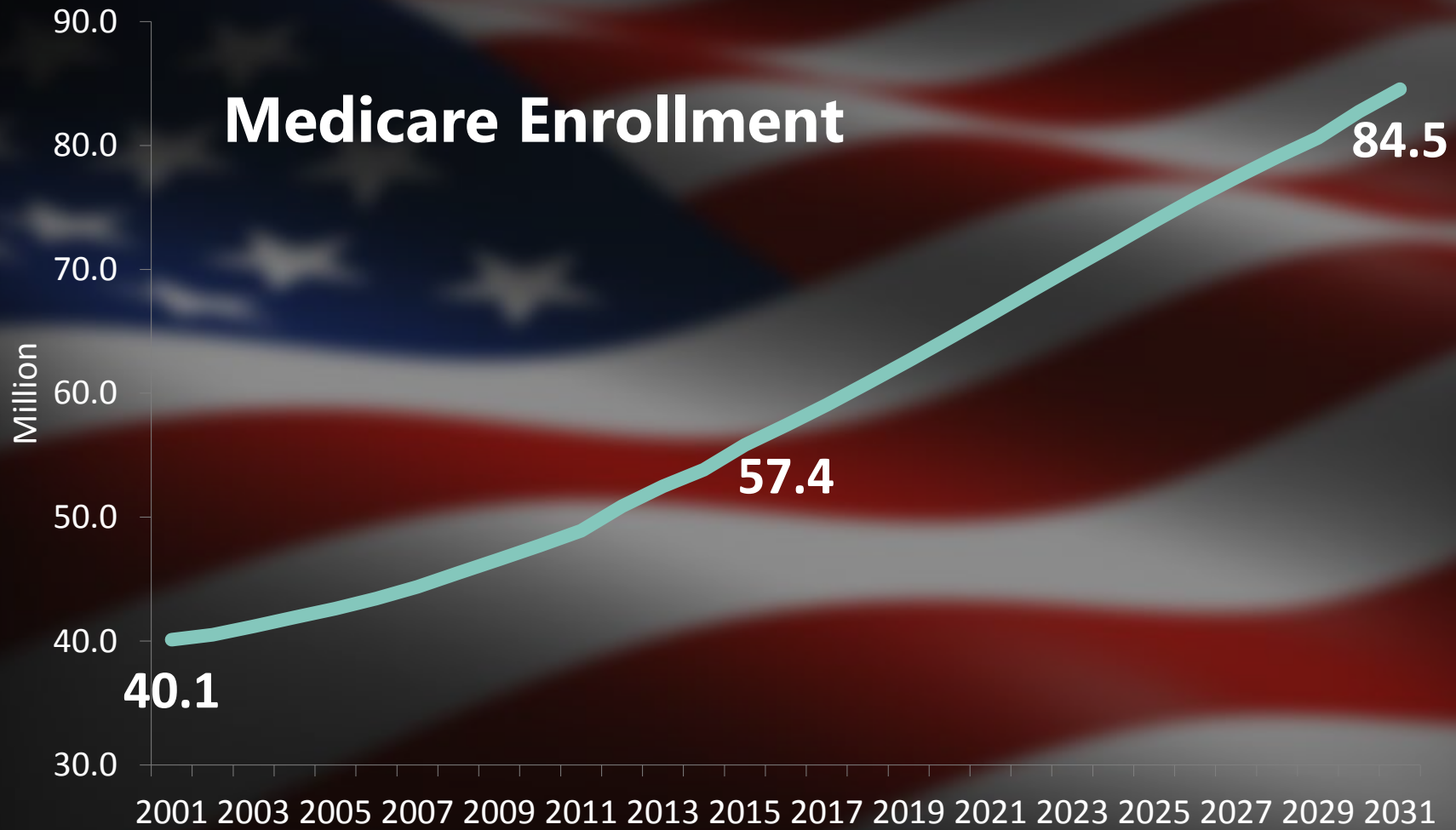




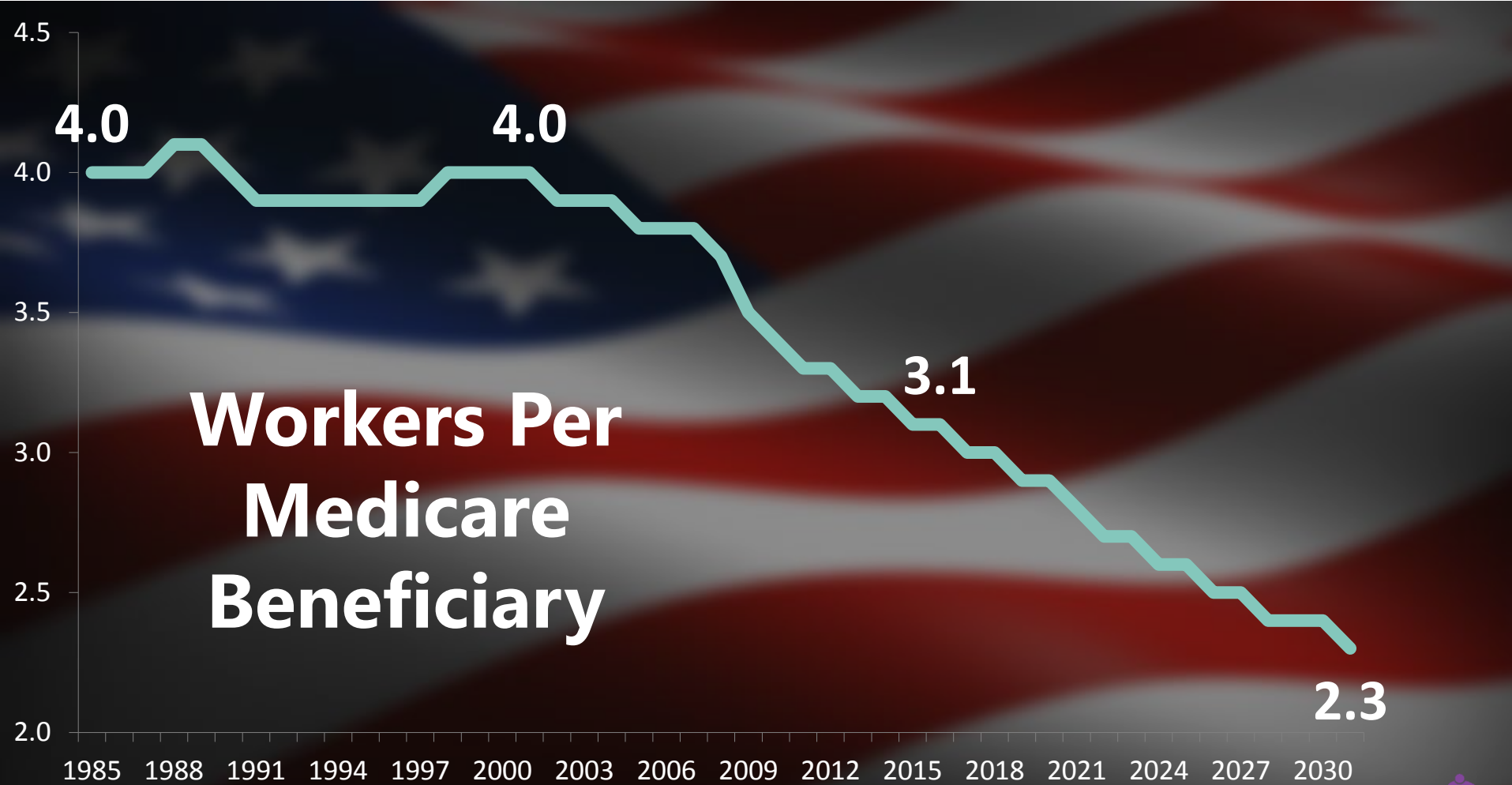
Percentage of the median U.S. household income  
in 2016 required to pay the healthcare cost for the  
average family of four



# Medicare Enrollment







The 2015 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds Supplementary Tables



# Per Beneficiary Medicare Hospital Insurance Cost





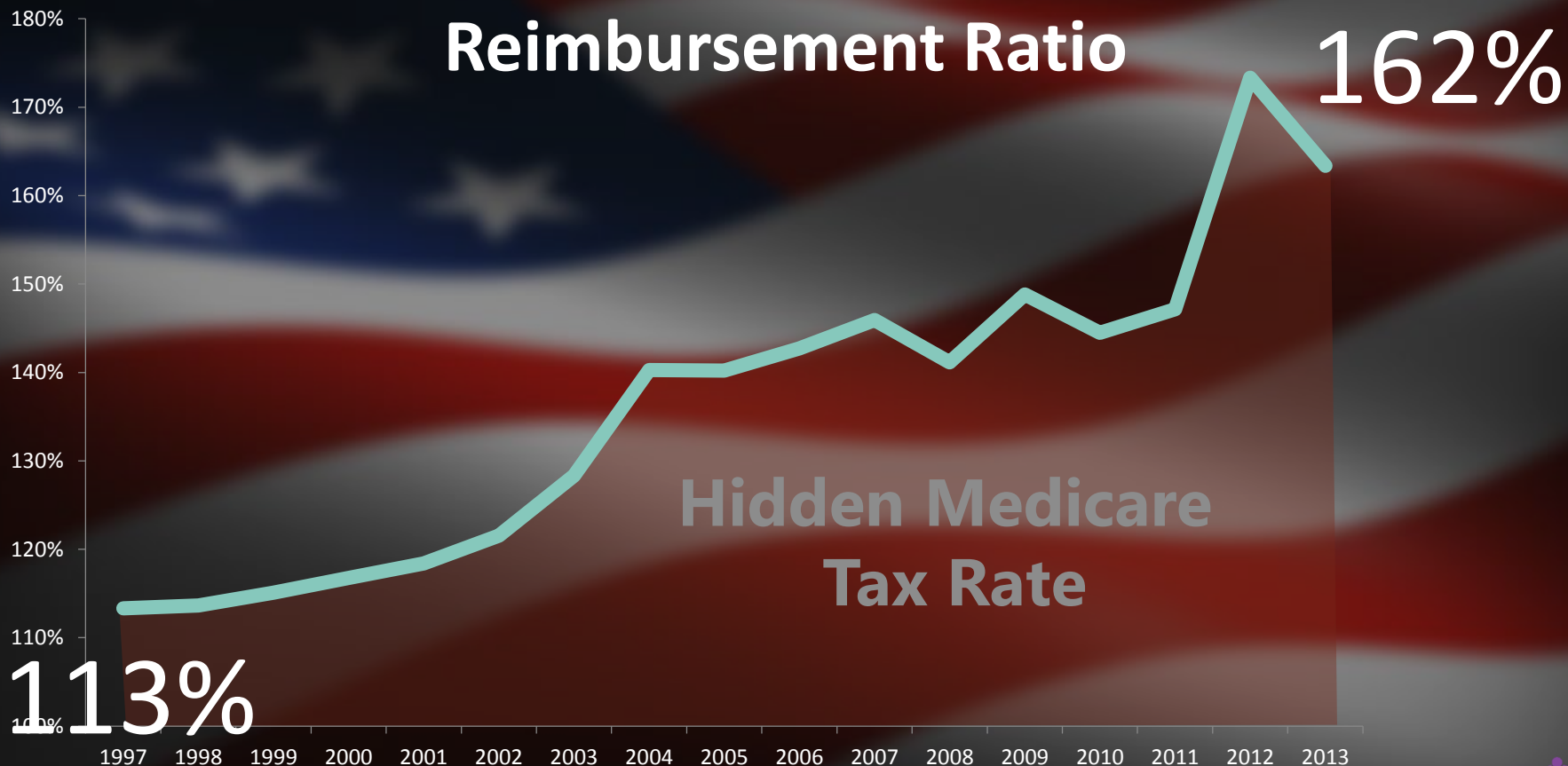
**Medicare  
Reimbursements**



**Record  
Profits**



# Private Payer to Medicare Reimbursement Ratio





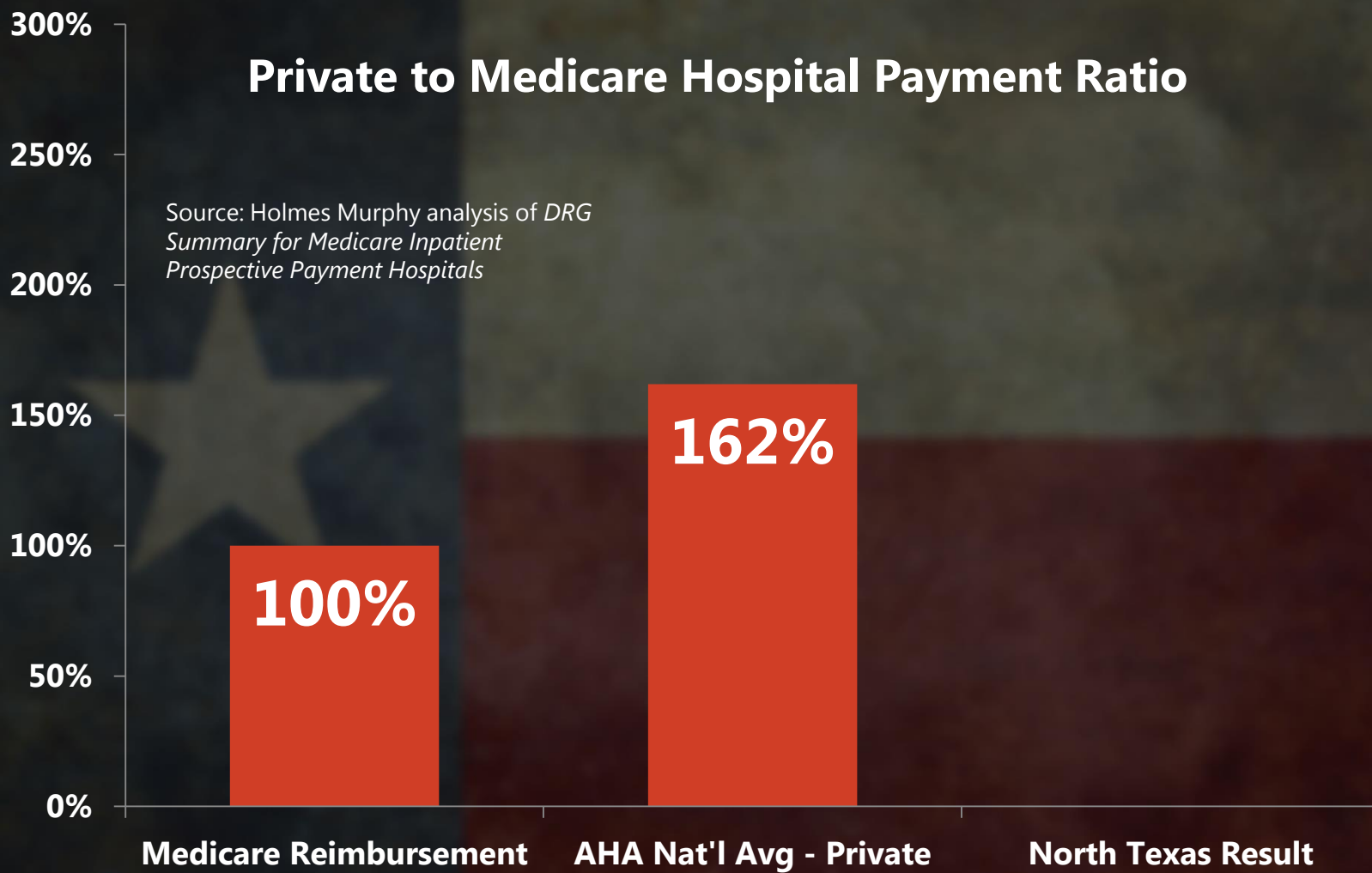
Bringing it

home



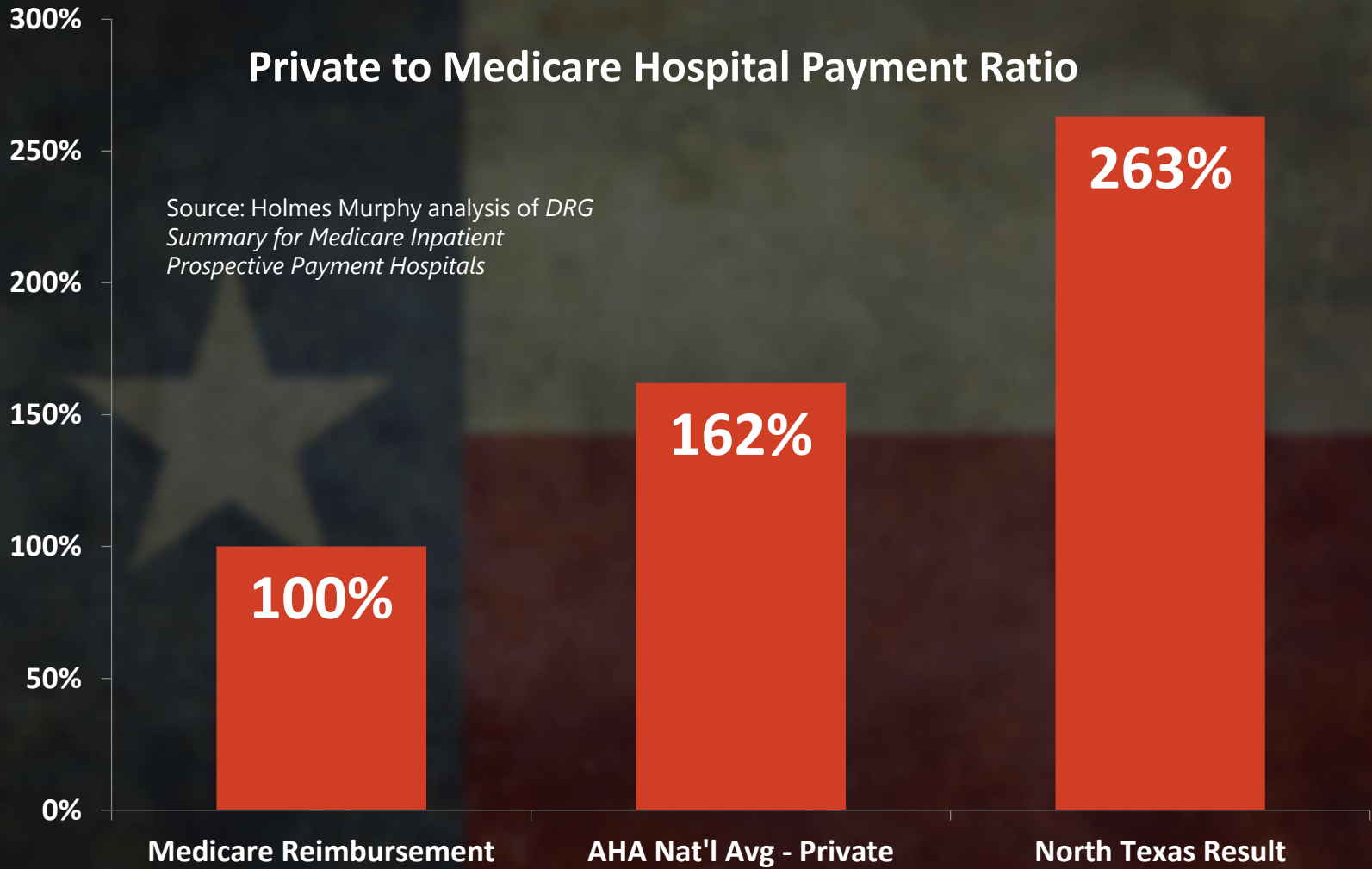
## Private to Medicare Hospital Payment Ratio

Source: Holmes Murphy analysis of DRG  
Summary for Medicare Inpatient  
Prospective Payment Hospitals

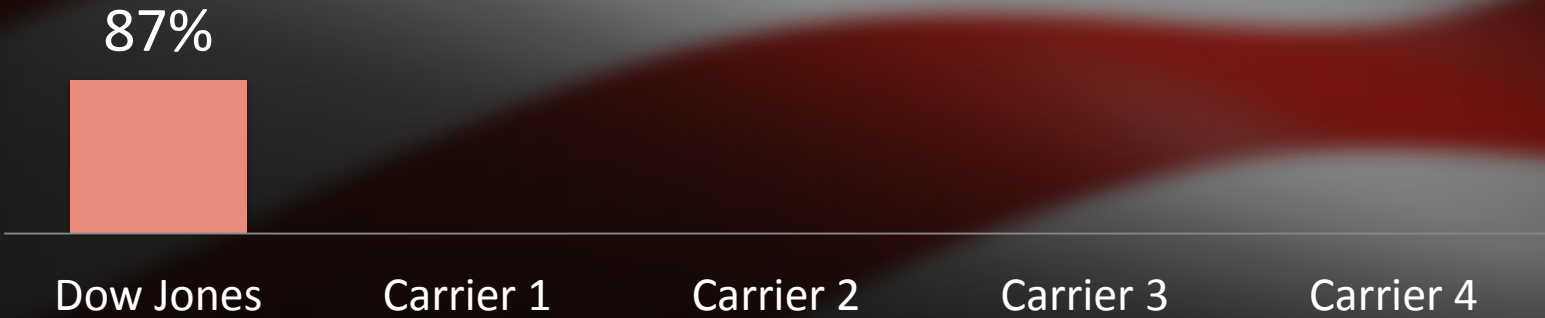


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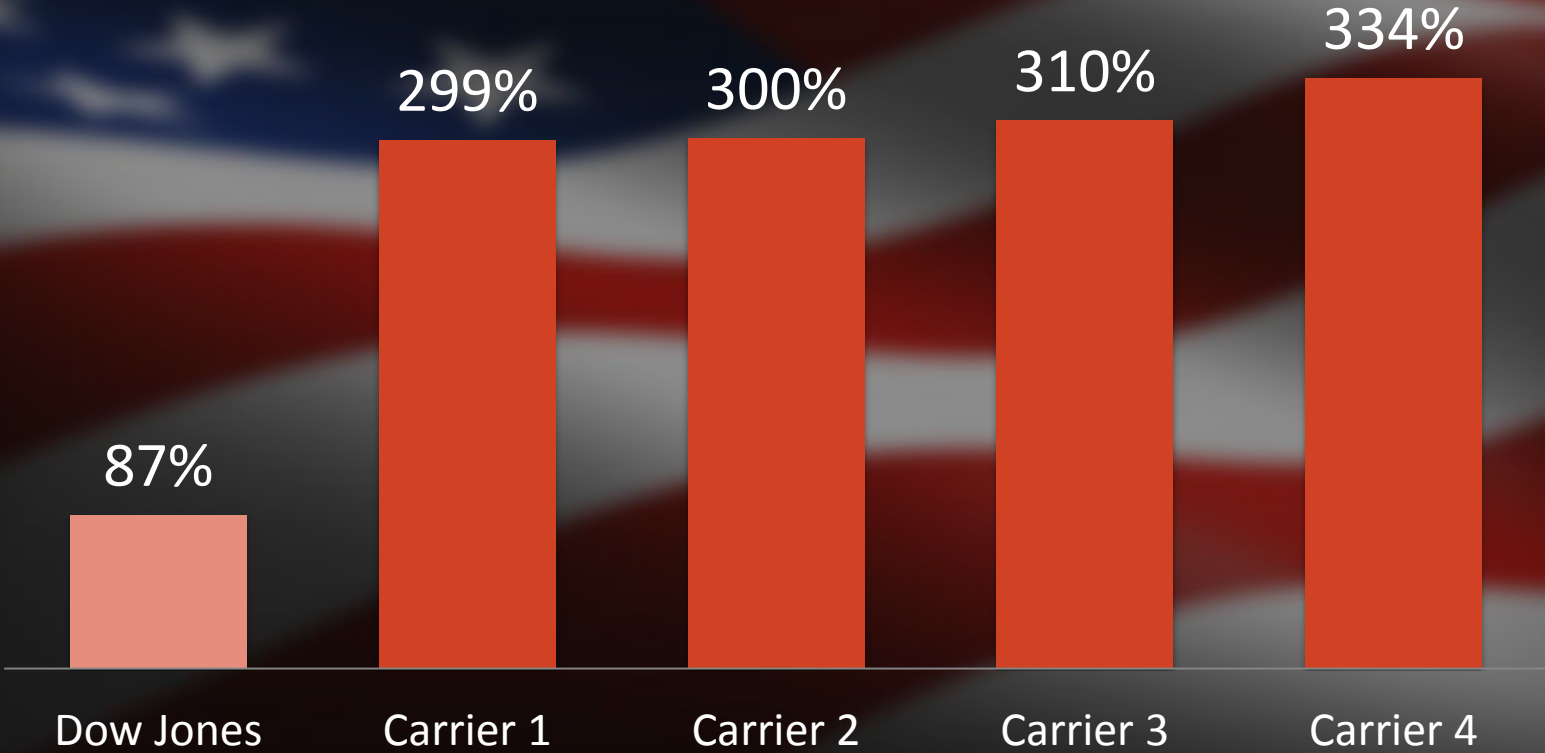


# Cost Containment Vendors (Carriers) 5-Year Stock Appreciation



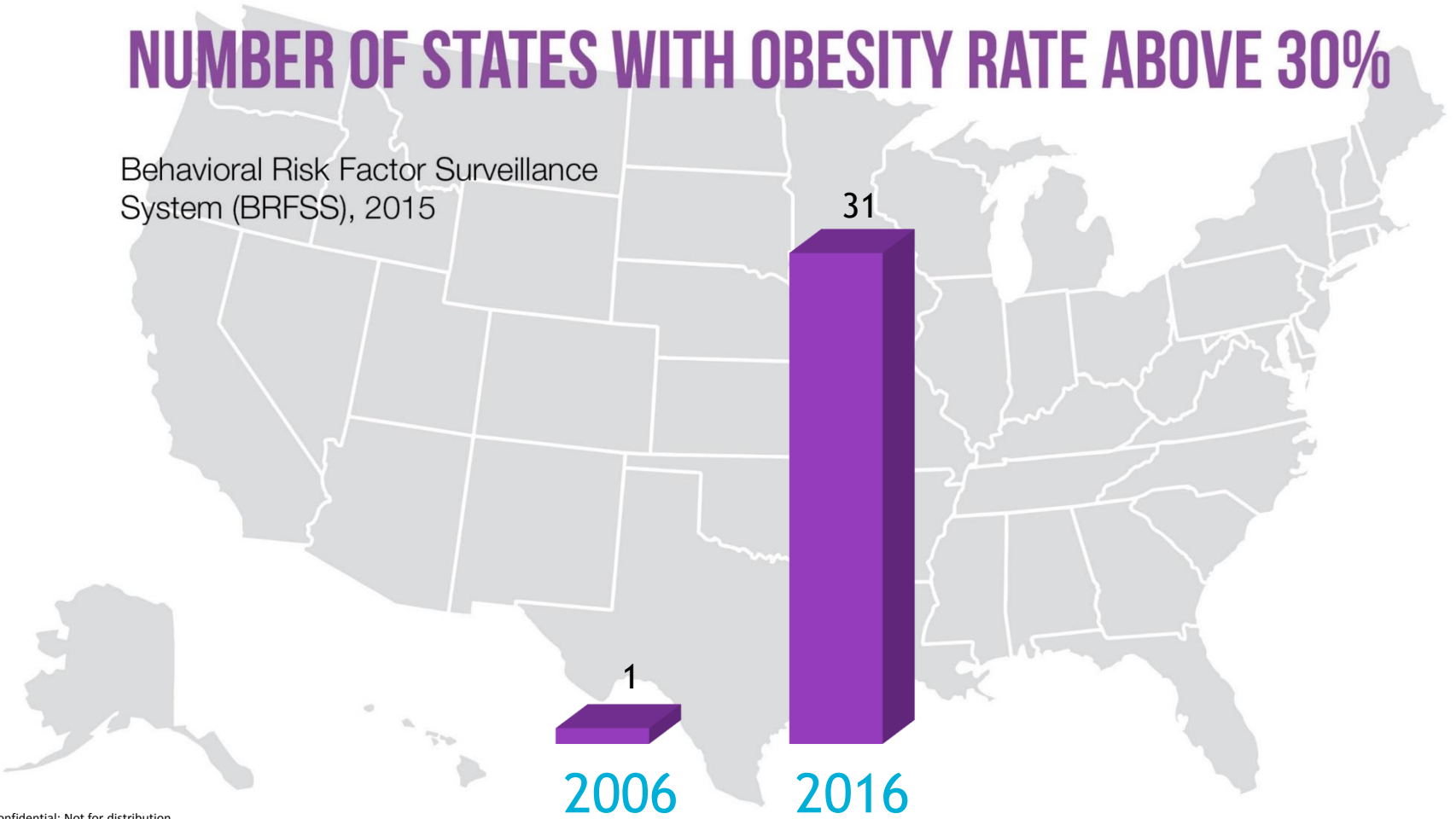


# Cost Containment Vendors (Carriers) 5-Year Stock Appreciation

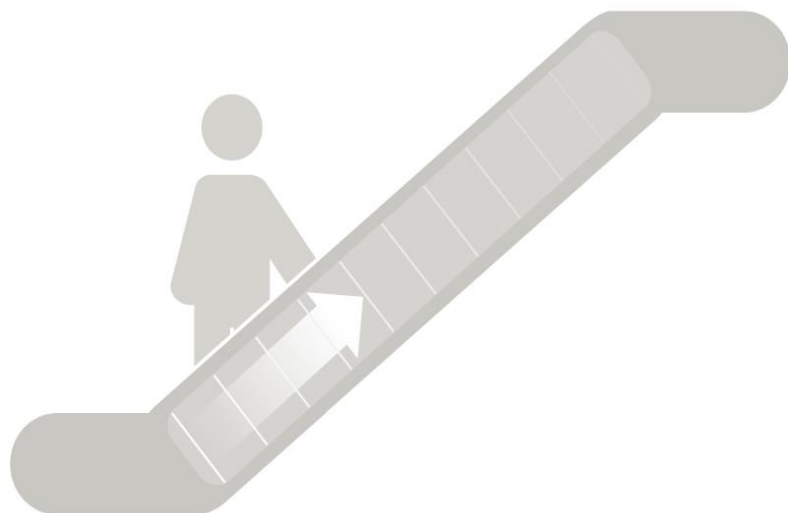


# NUMBER OF STATES WITH OBESITY RATE ABOVE 30%

Behavioral Risk Factor Surveillance System (BRFSS), 2015



# AMERICA'S DIABETES ESCALATOR™



<sup>1</sup> Centers for Disease Control and Prevention

<sup>2</sup> National Institute of Health



## 50%

American's living with  
pre-diabetes or diabetes<sup>1</sup>



## 70%

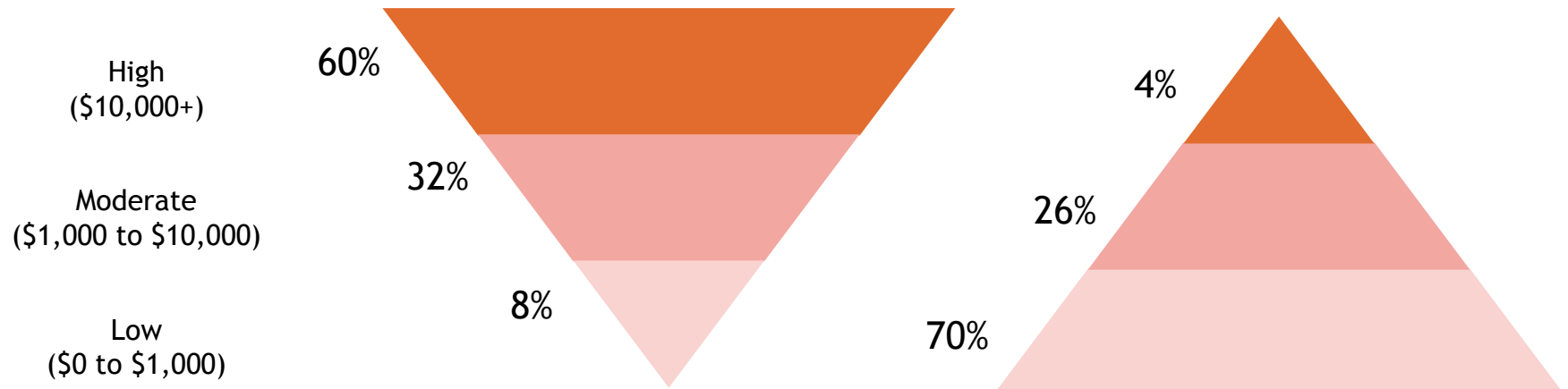
American adults  
overweight or obese<sup>2</sup>

# WHERE DO HIGH-COST CLAIMS REALLY COME FROM?

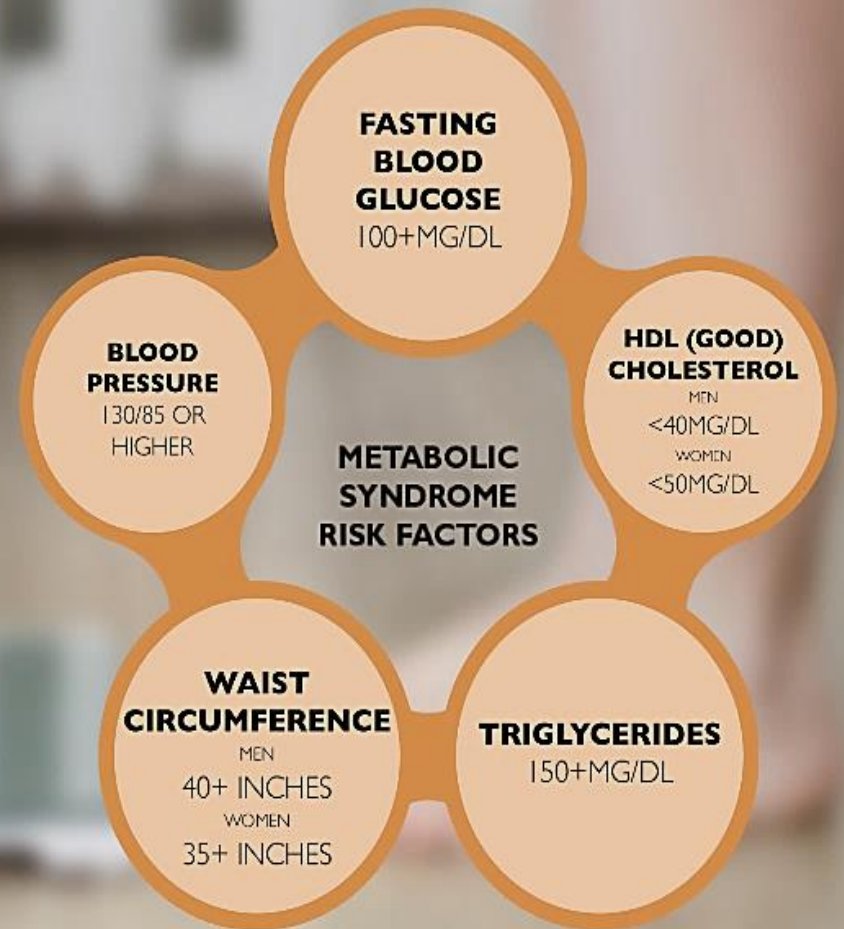
Financial Risk

Percentage of Cost

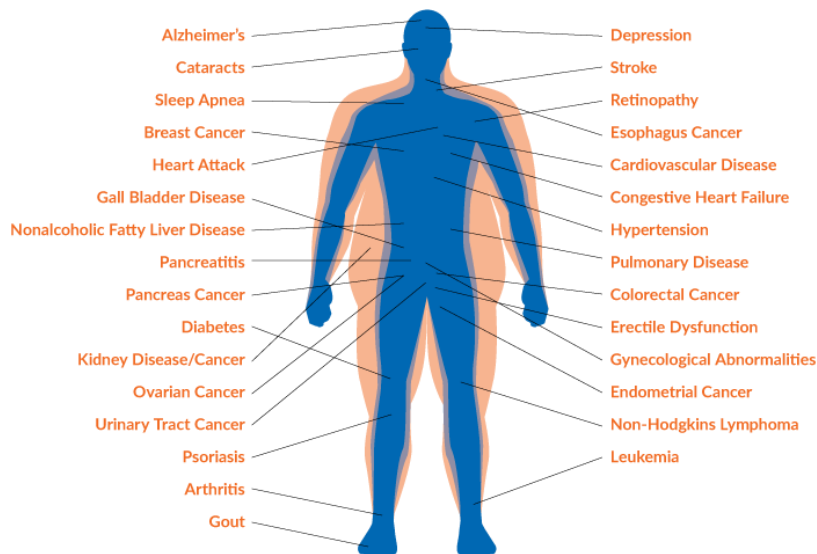
Percentage of Population



Metabolic syndrome  
 (MetS) is a combination of  
**3 OR MORE**  
**RISK FACTORS**  
 that increase the likelihood  
 of heart disease &  
 diabetes.



# DISEASE RISK ASSOCIATED WITH METABOLIC SYNDROME



**Type II Diabetes**



**Cardiovascular**



**Musculoskeletal**



**Cancer**



**BlueCross BlueShield**



**Cigna**<sup>®</sup>

# QUADROPOLY

 **UnitedHealthcare**

**aetna**<sup>®</sup>





BlueCross BlueShield



# RX & INSURANCE MARRIAGE







**TOO MANY HANDS IN THE COOKIE JAR**



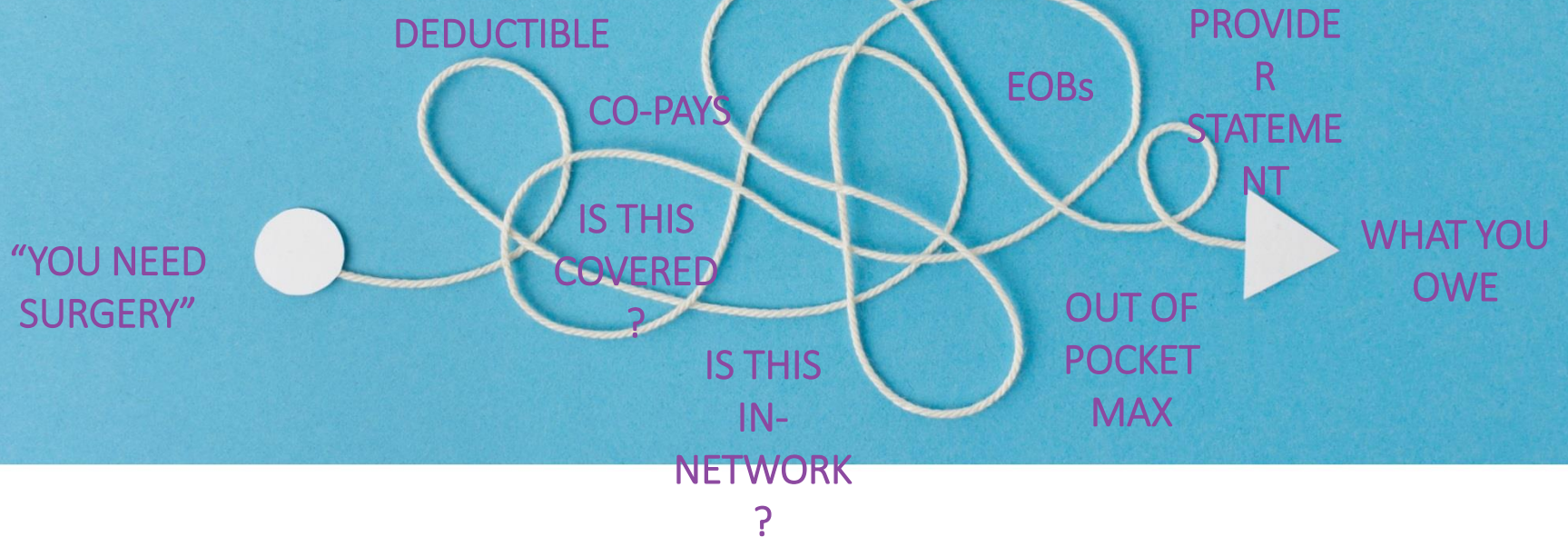
## 2017 Global Brand Simplicity Index

# United States

### Industry Rankings

- 1 Internet search
- 2 Restaurants
- 3 Retail/Grocery
- 4 Internet retail
- 5 Appliances
- 6 Electronics
- 7 Shipping/Mail
- 8 Retail/Health & beauty
- 9 Retail/General
- 10 Banks/Retail
- 11 Retail/Fashion
- 12 Utilities
- 13 Travel/Hotels
- 14 Automotive
- 15 Travel/Booking
- 16 Media
- 17 Fitness
- 18 Telecom/Cell phone
- 19 Travel/Air
- 20 Travel/Train
- 21 Travel/Car rental
- 22 Social media
- 23 Telecom/Cable
- 24
- 25 Health insurance

# CURRENT HEALTHCARE PROCESS





# SIMPLEPAY HEALTHCARE PROCESS

“YOU NEED  
SURGERY”



KNOW  
WHAT  
YOU  
OWE

GO TO  
DOCTOR



PAY BILL



# MEET DR. SMITH

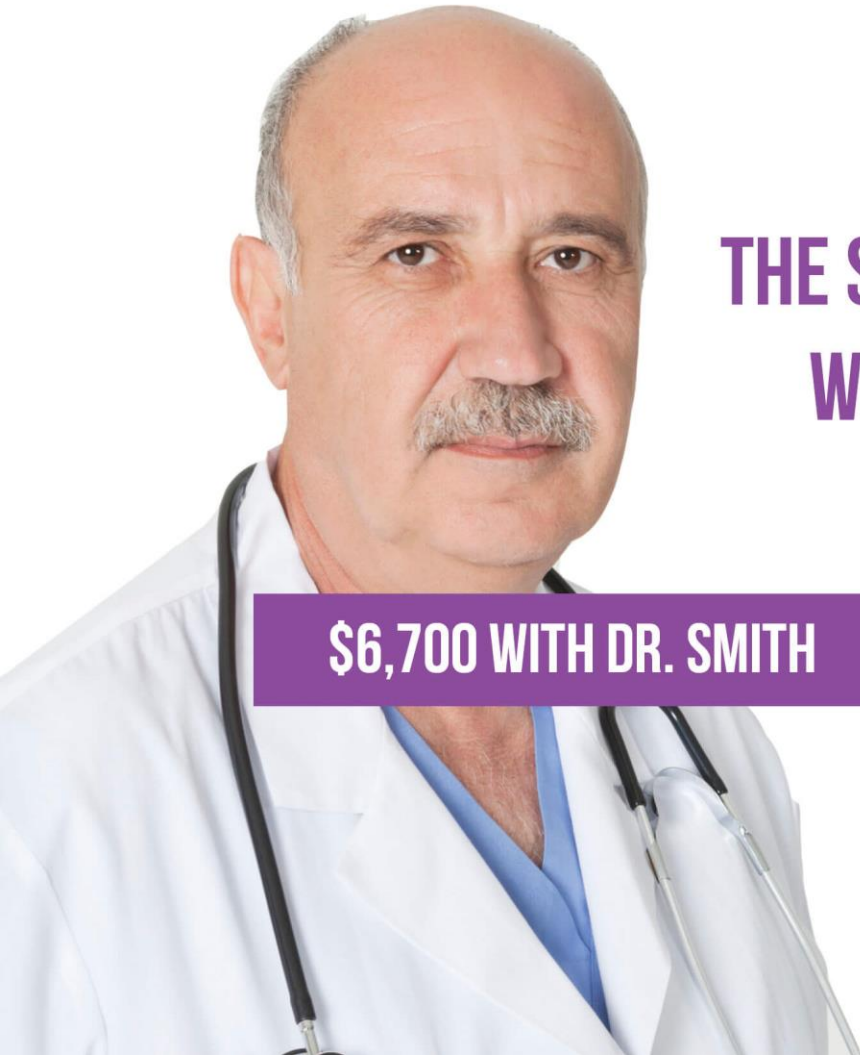
HE PRESCRIBES NAME BRAND PRESCRIPTIONS  
& PROMPTLY REFERS PATIENTS TO SPECIALISTS



# MEET DR. ANDERSON

HE PRESCRIBES GENERIC PRESCRIPTIONS  
& RECOMMENDS CONSERVATIVE TREATMENTS  
BEFORE SEEING A SPECIALIST





**\$6,700 WITH DR. SMITH**

**THE SAME PATIENT  
WILL SPEND:**



**\$1,800 WITH DR. ANDERSON**



1

## YOU NEED KNEE SURGERY

*we'll make this easy*



2

## FIND YOUR PHYSICIAN & DESIRED PRICE

*or call your HealthPro*



3

**AFTER SURGERY,  
SHOW YOUR SIMPLEPAY CARD**

*you pay nothing*



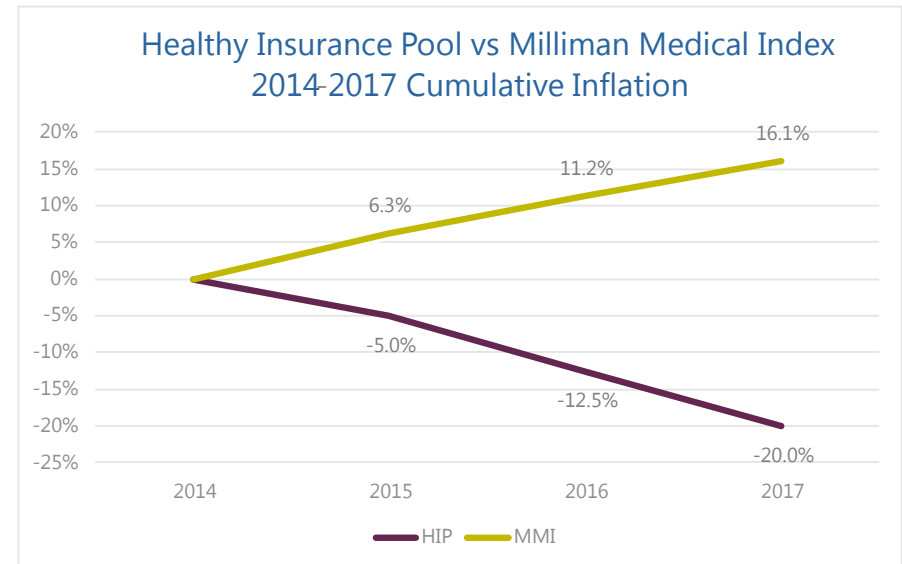
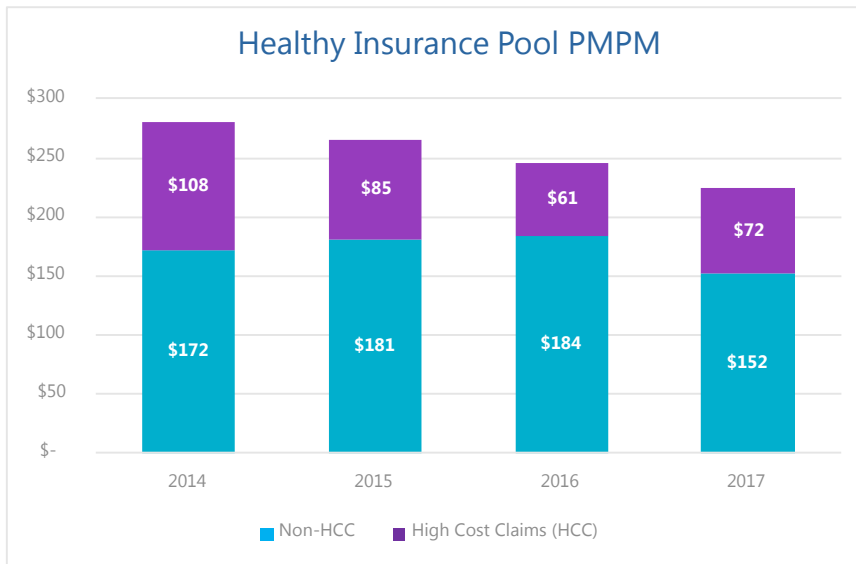
4

## RECEIVE YOUR SIMPLEPAY STATEMENT

*no surprise costs*



# WE'VE DONE THIS BEFORE





THE FACE YOU MAKE WHEN YOU REALIZE HEALTHCARE IS NOW SIMPLE.



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# Introduction

T&M Associates believes health and wellness are crucial aspects to the long-term success of their employees and organization as a whole. Like most, we expect an increase in our year-over-year employee benefit costs but with our **Wellness Works** efforts, we are striving to reduce the cost impact and improve the health of our employees and their families.





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# T&M's Wellness Journey



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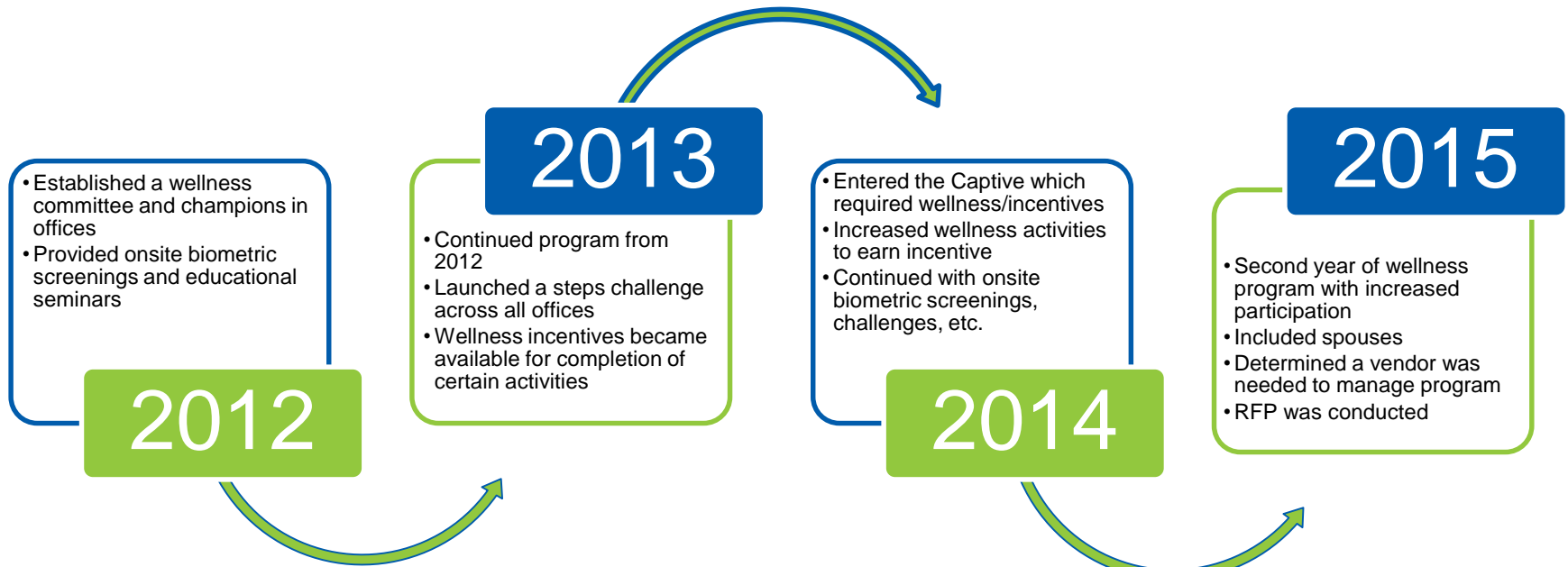
# T&M's

## *-Population Health Goals-*



# T&M's

## -Population Health Journey-



# T&M's Wellness Journey

## -2012-

- The **Wellness Committee** was created in April to promote a healthy and productive workforce through education, awareness and support
- Developed marketing/brand - WellnessWorks
- Educated committee members on T&M's medical program and overall health of employees via meeting with CS&B team
- In the Fall, onsite **Biometric Screenings** were offered at 3 office locations
  - Participation of 75 employees, approximately 25% of staff

# T&M's Wellness Journey

## -2013-

- A **Wellness Survey** was launched in early January and 40% of employees responded
- Began weekly Wellness Tips
- 130 employees participated in the ***Steps Into Fitness*** challenge in the Spring
  - Employees “walked” a total of 32,506 miles
- **Wellness Incentives** became available to employees and covered spouses who received an annual preventive routine exam, and or a biometric screening

# T&M's Wellness Journey

## -2014-

- In order for employees to earn the discounted payroll contribution, effective August 2014, employees needed to complete:
  - Health Risk Assessment (HRA)
  - Annual routine physical exam
  - Biometric screening
  - Sign off on a non-tobacco user affidavit, or enroll in a tobacco cessation program
- Discount for completing wellness actions was \$10 per bi-weekly contribution
- *No incentive management tracking system was in place and this was all handled manually*

# T&M's Wellness Journey

## -2015-

- Effective August 2015, spouses enrolled in one of the medical plans and completed all wellness activities, were eligible to receive the \$10 per payroll incentive in addition the employee incentive of \$10 per pay.
- Introduced Heart Health Month
- Continuation of various wellness offerings (biometrics, fitness challenges, seminars, wellness tips)



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# The Next Chapter of Our Wellness Journey



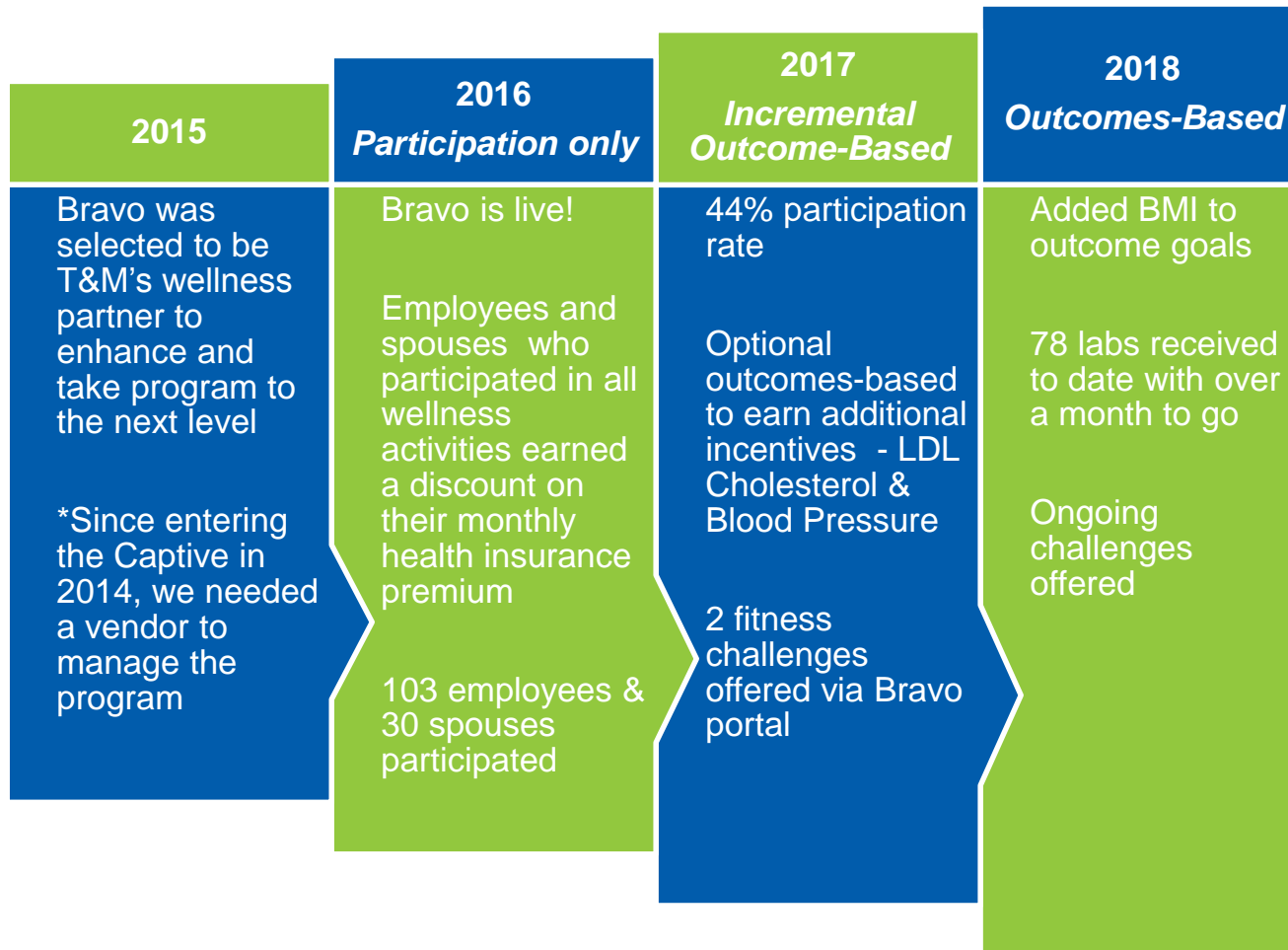
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# T&M's Wellness Journey

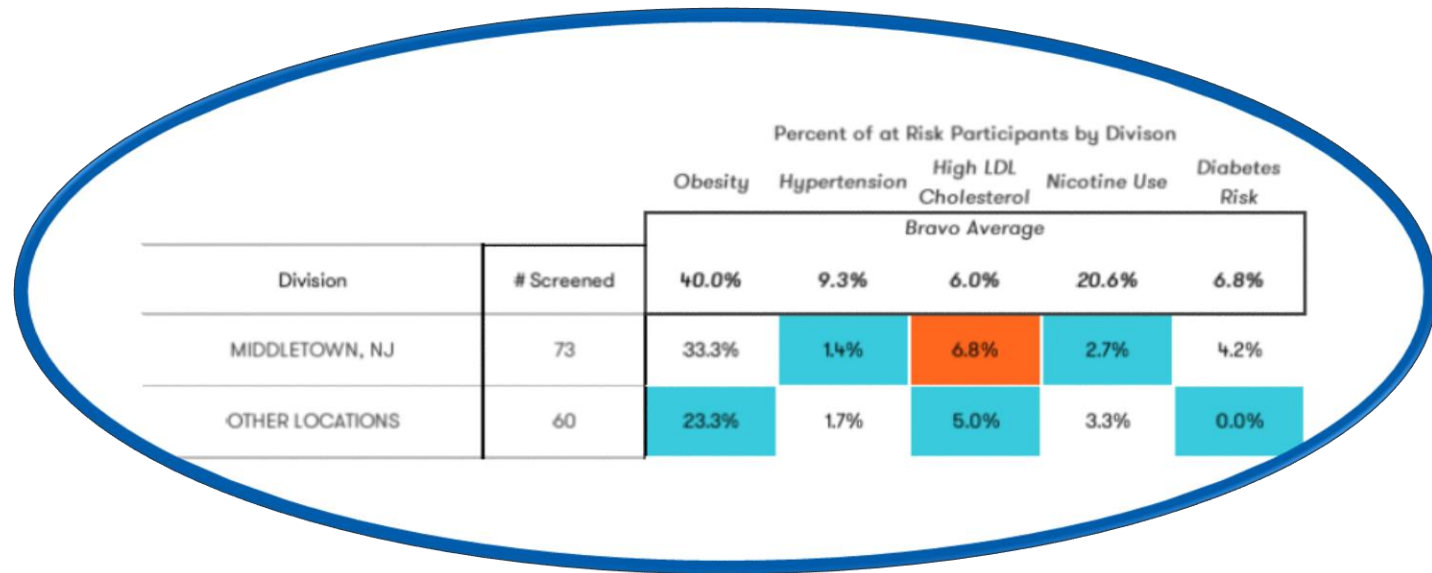
*-Bravo-*



# T&M's Wellness Journey

## -Bravo: 2015-

- 133 participated (103 employees and 30 spouses)
- T&M's biometric risk percentages compared to Bravo's book of business weighed fare with the exception of high LDL cholesterol



# T&M's Wellness Journey

## -*Bravo: 2016-2017*

- Grew from year one (2016) to year two (2017) by about 17% (133 to 154)
- Participation in the wellness program **improved with 44% overall participation** in 2017
- T&M participants **fare significantly better** when compared against the Bravo average (average value among a sample of Bravo's screening data with similar age and gender distribution as T&M)

Risk	Bravo Average	T&M Associates
Obesity	39.7%	24.0%
Hypertension	9.2%	6.5%
High LDL Cholesterol	5.9%	5.3%
Nicotine Use	20.4%	1.3%
Diabetes Risk	6.8%	1.3%

# T&M's Wellness Journey

## *-Bravo Highlights-*

### 2017 Program Highlights

- LDL cholesterol/blood pressure
  - These were identified as areas for improvement based on the 2016 baseline screening
- Blood pressure numbers showed a slight increase year 1 to year 2
- LDL cholesterol showed noticeable improvement from baseline
- 6 participants with high LDL levels year one, 4 have moved out of high risk
- 21 participants have improved their LDL by at least one category year over year
- A total cumulative weight loss of 236 pounds

### 2017 Aggregate Highlights

- High risks (obesity, hypertension, high LDL, diabetic risk)
  - Zero participants have more than 2 high risks
  - 90% of those with high risks held steady
  - 67% with 2 high risks in year 1 (2016) improved to zero or one high risk
- Diabetes risk has decreased 3.1%
- The addition of BMI for 2018 should hopefully start to help move the needle in the right direction

# T&M's Wellness Journey

## -Bravo: 2018-

- Employees can continue to earn a bi-weekly health insurance payroll discount by completing standard wellness requirements (\$10 for employee + \$10 for spouse)
- Employees can earn an additional bi-weekly payroll discount for meeting set goals and completing wellness requirements (\$15 for employee or \$25 if both employee & spouse)
  - LDL Cholesterol
  - Blood Pressure
  - BMI *New!*
- Various online group challenges are being offered throughout the year on Bravo's portal

# What's Next for T&M?



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# The Future of Wellness

In the future we hope to continue adding new initiatives into T&M's wellness program. Some programs that may be added:

- More focus around financial wellness
- Find ways to close gaps in care
  - Utilize Springbuk data
  - Outreach from ESI with non-compliant members
  - Consider diabetes management program
- Telemedicine
- Increase overall wellness incentive

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# Thank You

Lynn Spence

Senior Vice President

Director of Human Resources



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WELCOA

INSPIRING HEALTHY  
ORGANIZATIONAL  
CULTURES



# RYAN PICARELLA

President & CEO, WELCOA



TODAY'S  
**Agenda**

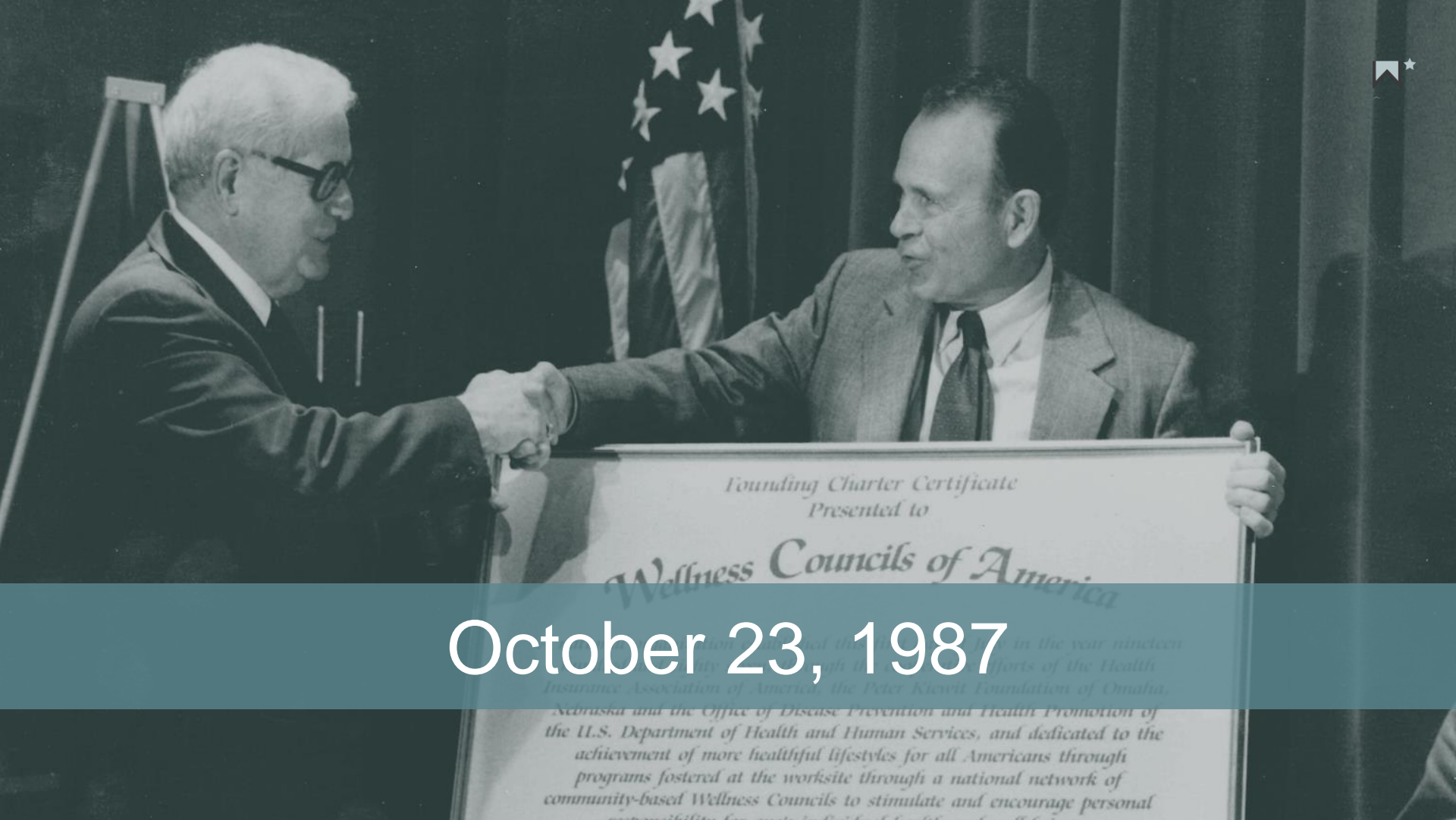
- OBJECTIVE 1  
WELCOA History
- OBJECTIVE 2  
Wellness State of the Union
- OBJECTIVE 3  
Transforming the Paradigm
- OBJECTIVE 4  
The Well Workplace Process





OBJECTIVE 1

# WELCOA's Beginnings



October 23, 1987

...tion ... in the year nineteen  
... efforts of the Health  
Insurance Association of America, the Peter Kiewit Foundation of Omaha,  
Nebraska and the Office of Disease Prevention and Health Promotion of  
the U.S. Department of Health and Human Services, and dedicated to the  
achievement of more healthful lifestyles for all Americans through  
programs fostered at the worksite through a national network of  
community-based Wellness Councils to stimulate and encourage personal



## VISION

---

Be a transformative force that improves the health and well being of all working people.

## MISSION

---

WELCOA will recognize, educate, and provide tools and resources to improve behaviors, cultures, and the organizations we serve.

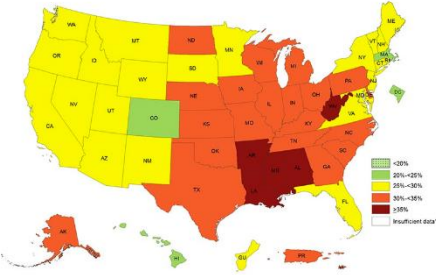


OBJECTIVE 2

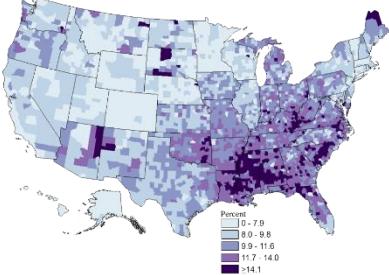
# Wellness State of the Union



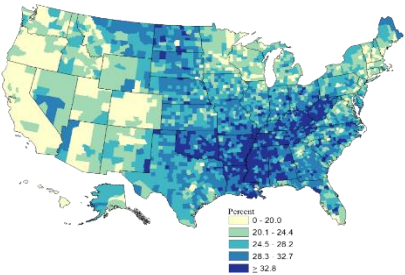
# The Trends



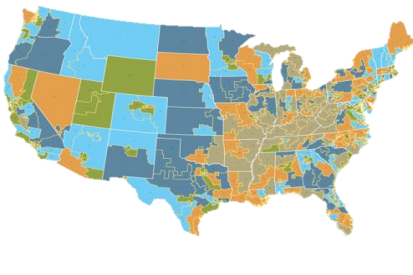
OBESITY



DIABETES



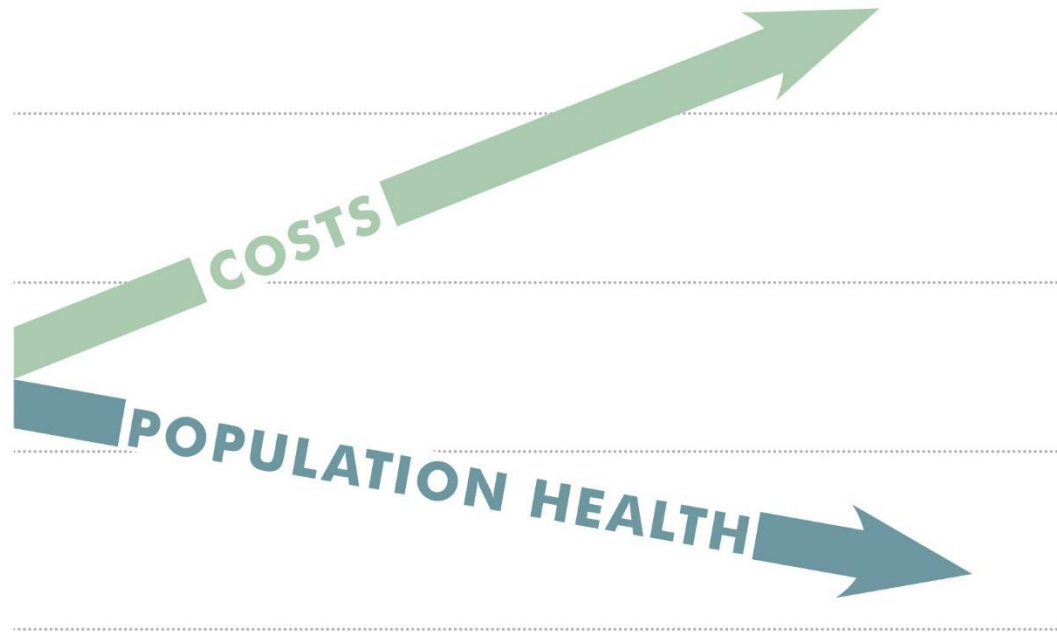
PHYSICAL INACTIVITY



OVERALL WELL-BEING



# THE ULTIMATE TRUTH





Chronic diseases now account for 80% of all healthcare costs and all can be attributed to

**POOR  
LIFESTYLE.**

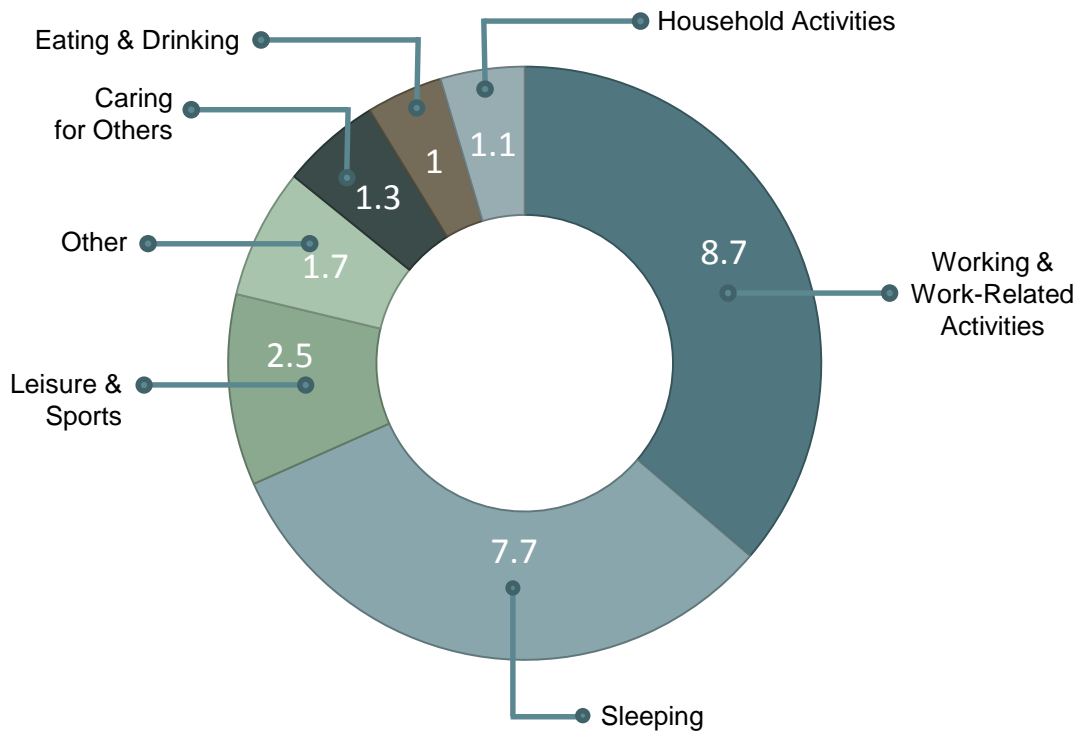


People value their health  
when  
**they lose it.**



Is worksite  
wellness the  
answer?

AVERAGE  
**Workday**



The average person spends  
**90,000**  
**hours**  
at work over their lifetime.

Source: *Happiness at Work*, *Psychology Today*



# The Value of a Healthy Workforce

## FAST TRACK ARTICLE

### Do Workplace Health Promotion (Wellness) Programs Work?

Ron Z. Goetzel, PhD, Rachel Mosher Henke, PhD, Maryam Tabrizi, PhD, MS, Kenneth R. Pelletier, PhD, MD (hc), Ron Looppole, MD, MPH, David W. Ballard, PsyD, MBA, Jessica Grossman, PhD, MPH, David R. Anderson, PhD, LP, Derek Buck, MChB, MPH, Rebecca K. Kelly, PhD, RD, CDE, Tré McCallister, MA, EdD, Seth Strasser, PhD, Christobel Seelsky, MA, Leba G. Shulenberg, D-PhD, James F. Price, MD, Catherine Bause, MD, Fikry Isaac, MD, MPH, K. Andrew Crighorn, MD, Peter Wald, MD, MPH, Ellen Exum, BS, Dexter Sturney, MD, MHA, MPH, and R. Douglas Metz, DC

**Objective:** To respond to the question, "Do workplace health promotion programs work?" **Methods:** A compilation of the evidence on workplace programs' effectiveness combined with recommendations for critical review of outcome studies. Also, reviewed are recent studies questioning the value of workplace programs. **Results:** Evidence accumulated over the past three decades shows that well-designed and well-evaluated programs that are founded on evidence-based principles can achieve positive health and behavioral outcomes. **Conclusions:** Employers seeking a program that "works" are urged to consider their goals and whether they have an organizational culture that can facilitate success. Employers who choose to adopt a health promotion program should use best and promising practices to maximize the likelihood of achieving positive results.

There is a brewing controversy about whether workplace health promotion programs in the United States "work" or "do not work."<sup>1</sup> We have been studying and evaluating workplace health promotion programs (also referred to as wellness programs) for nearly 30 years.<sup>2</sup> During our decades of research, we have learned that some programs are well designed and properly evaluated.<sup>3</sup> These practices, effectively executed and properly evaluated.<sup>4</sup> These programs that are poorly designed, executed in a haphazard fashion, do not follow evidence-based best practices, are not evidence-based,

are inadequately evaluated, are not culturally supported, and are therefore not effective.<sup>5</sup> These programs do not "work."<sup>6</sup> This paper addresses the controversy surrounding whether workplace health promotion programs "work," or not. Our intent is not to provide an exhaustive review of the evidence on health promotion programs. Rather, this paper addresses questions raised by employers, health care providers, academicians, and practitioners in response to this controversy and to help employers assess whether health promotion programs are worthy of implementation.<sup>7</sup> Specifically, we first discuss what we mean when we say a health promotion program "works," what are the outcomes expected from a wellness program "work," what are the outcomes expected from these programs and should these outcomes be recommended "second," we introduce the various techniques for measuring workplace programs and how these may affect perceptions about what "works." Third, we review best and promising practices for health promotion and the importance of instilling a "culture of health" as a necessary foundation for effective programs. Fourth, we provide summary findings of effective programs followed by an analysis of studies used as evidence that these programs are ineffective. We then reference literature reviews that suggest that health promotion programs can "work" if they contain the necessary ingredients linked to success. Finally, we conclude with recommendations for employers considering health promotion program adoption. We begin with a discussion of outcomes.

#### OUTCOMES EXPECTED FROM HEALTH PROMOTION PROGRAMS

First, it is important to define terms. Workplace health promotion programs are employer initiatives directed at improving the health and well-being of workers, and, in some cases, dependents. They include initiatives designed to avert the occurrence of disease or the progression of disease from its early unrecognized stage to a more severe one.<sup>8</sup> What do workplace programs aim to accomplish? If we were to gather key executives at a company who are interested about health care and ask them what they expect a workplace health promotion program to achieve, you would likely hear a range of responses, similar to those voiced in previous studies.<sup>9</sup> For example, they might say the following:

It is necessary that many unsuccessful programs are not reported because of publication bias, meaning that program managers are selective in publicly reporting findings. It should be noted that this paper is focused on US-based workplace health promotion initiatives. Health promotion programs in Europe, and for that matter other parts of the world, differ significantly from those found in the United States. For example, Northern European health promotion often place greater emphasis on creating a positive work environment and the importance of reducing workers' especially women, who are typically company health and safety policy. Northern BCN largely because governments fund health care services, so employees' health (disease) and safety incident in particular because these directly influence the organization's performance and operational competitiveness.

From Johns Hopkins Bloomberg School of Public Health—Institute for Health and Productivity Studies (Dr Goetzel) and From Health Analytics (Dr Henke), Center for Health Analytics, Johns Hopkins University; From Health Analytics (Dr Pelletier), US Preventive Medicine, University of California, San Francisco School of Medicine (Dr Pelletier), American Psychological Association (Dr Looppole), Lakewood, Fla.; American Psychological Association (Dr Ballard), Washington, DC; NewWell (Dr Grossman) and Johnson & Johnson (Dr Kelly), Jacksonville, Fla.; Kaiser Permanente Health Alliance (Dr Seelsky), Alhambra, Calif.; Kaiser Permanente Health Alliance (Dr Shulenberg), Houston, Tex.; Stanford University School of Medicine (Dr Isaac), Palo Alto, Calif.; The Dow Chemical Company (Dr Bause), Midland, Mich.; Johnson & Johnson (Dr Wald), New Brunswick, N.J.; IBM Corporation (Dr Exum), Somers, N.Y.; Curative, Inc. (Dr Strasser), Columbus, Ind.; and American Specialty Health (Dr Metz), San Diego, Calif.

Funding for this study was provided by American Specialty Health. The authors declare no conflict of interest. Address correspondence to: Ron Z. Goetzel, PhD, Institute for Health and Productivity Studies, Johns Hopkins Bloomberg School of Public Health, MD 20014. Address correspondence to: Ron Z. Goetzel, PhD, Institute for Health and Productivity Studies, 7700 Old Dominion Road, Suite 650, Bethesda, MD 20814 (ron.goetzel@jhsph.edu).

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# Do Workplace Wellness Programs Save Employers Money?

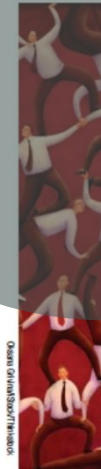
The recently published RAND Wellness Programs Study, which included almost 600,000 employees at seven employers, showed that wellness programs are having little if any immediate effects on the amount employers spend on health care. This has been further confirmed by our new analysis of 10 years of data from a Fortune 100 employer.

It is commonly the case, this employer's program has two components: a management program and

Workplace wellness is a \$6 billion dollar industry in the United States. Employers offer the programs to improve the health and well-being of their employees, increase their productivity, reduce their risk of costly chronic diseases, and improve control of chronic conditions. In 2012, half of all employers with at least 50 employees offered programs, and nearly half of employers without a program said they intend to introduce one.

The press and trade publications strongly endorse workplace wellness programs as a good investment for employers, and even the normally skeptical academic world has joined the bandwagon. For example, a 2010 review by a Harvard economist stated that wellness programs returned three dollars in health care savings and three dollars in reduced absenteeism cost for every dollar invested.

**But our research tells a different story.**



Oscar Orlandi/istockphoto

## The Rand Study

# The Press



## Workplace Wellness Programs Are a Sham

They're a waste of time and money, they don't improve health outcomes, and they're a front for shifting costs onto employees.

By L.V. Anderson



## The Dark Side Of Corporate Wellness Programs

A new book argues that all those step-counter competitions and weight loss classes may be doing more harm than good.



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LEADERSHIP  
**3 Signs You're A High Performer At Work, Even When Your Boss Doesn't ...**

LEADERSHIP  
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## Why Your Workplace Wellness Program Isn't Working

by Ed O'Boyle and [Jim Harter](#)

Merely having a wellness initiative in place offers no guarantee of improving employees' well-being. For companies that provide these programs, it's time for a checkup.

Gallup's research shows a clear link between employee engagement and well-being, with managers serving as a conduit between the two.

These days, doctors aren't the only ones interested in well-being. Banks, pharmacies, grocers, and other businesses are introducing programs designed to enhance their customers' wellness. But of all the places you go each day, your workplace may have the greatest influence on your well-being. And the person who can best help you achieve results is

## TheUpshot

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GET THE UPSHOT IN YOUR INBOX

## Do Workplace Wellness Programs Work? Usually Not

The New Health Care  
By [AUSTIN FRAKT](#) and [AARON E. CARROLL](#) SEPT. 11, 2014



Roman Muradov

### The New Health Care

Editorial by [Roman Muradov](#), [Austin Frakt](#) and [Aaron Carroll](#) explores and explain the changing landscape of health care.

- When Children Lose Siblings, They Face an Increased Risk of Death JUL 31
- Which Metrics on Hospital Quality Should Patients Pay Attention To? JUL 24
- Can Psychedelics Be Therapy? Allow Research to Find Out JUL 17
- Don't Assume That Private Insurance Is Better Than Medicaid JUL 12
- Health Plans That Nudge Patients to Do the Right Thing JUL 10

[See More »](#)

Most news coverage of the new Kaiser Family Foundation annual survey on





I didn't think the workplace would be the fifth leading cause of death in the United States. And, by the way, when I talk to HR people, they say the numbers we have are certainly wrong: They are too low.



## Time for a checkup?

At companies with 1,000 or more employees, engaged employees are 28% more likely than average employees to participate in a wellness program offered by their organization.

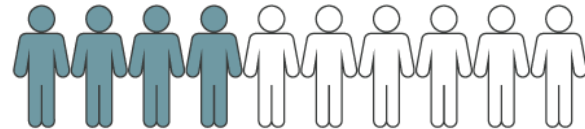
**85%** of U.S. employers with more than 1,000 employees offer a wellness program\*

*but only*

**60%** of employees in these companies are aware that their company offers a wellness program\*\*

*and only*

**40%** of employees who are aware of the program actually participate in it\*\*



**THE BOTTOM LINE:** Only **24% of employees** at companies that offer a wellness program participate in it.



# Unintended Costs

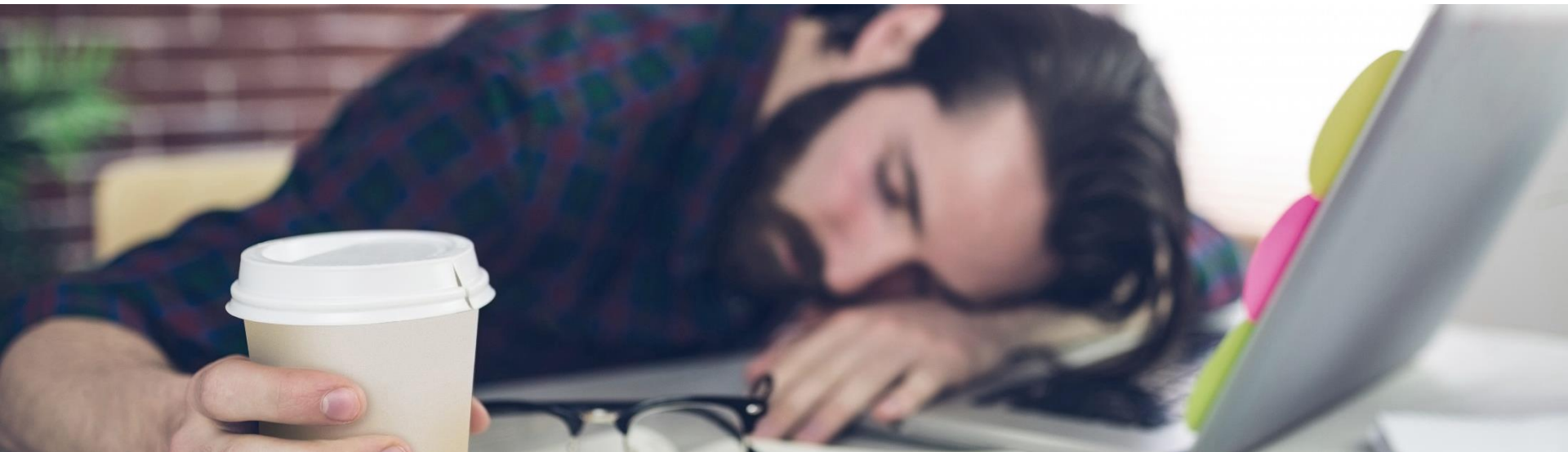


U N I N T E N D E D   C O S T S



“Lack of **Sleep** Costs U.S. About \$411 Billion in Lost **Productivity**, Study Finds. ... **Sleep** deprivation not only influences an individual's health and wellbeing but has a significant **impact** on a nation's economy, with lower **productivity** levels and a higher mortality risk among workers.”

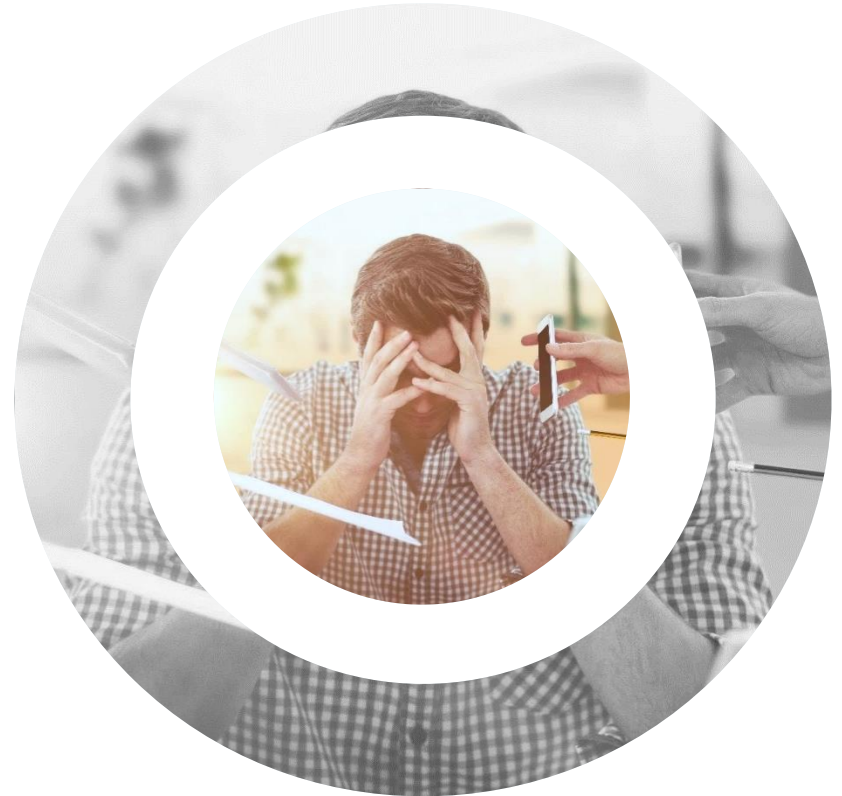
*<http://fortune.com/2016/11/30/sleep-productivity-rand-corp-411-billion/>*





# STRESS IS THE #1

workforce risk issue, ranking  
above physical inactivity and  
obesity.



## Have a Friend at Work?

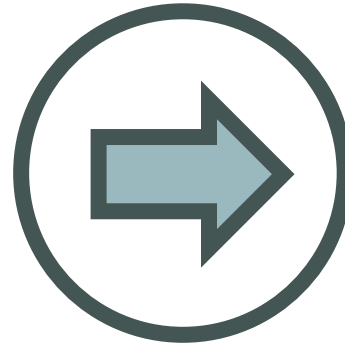


- » 43% more likely to report having received praise or recognition for their work in the last seven days.
- » 37% more likely to report that someone at work encourages their development.
- » 35% more likely to report coworker commitment to quality.
- » 28% more likely to report that in the last six months, someone at work has talked to them about their progress.
- » 27% more likely to report that the mission of their company makes them feel their job is important.
- » 27% more likely to report that their opinions seem to count at work.
- » 21% more likely to report that at work, they have the opportunity to do what they do best every day.



## Leadership Influence on Stress and Health

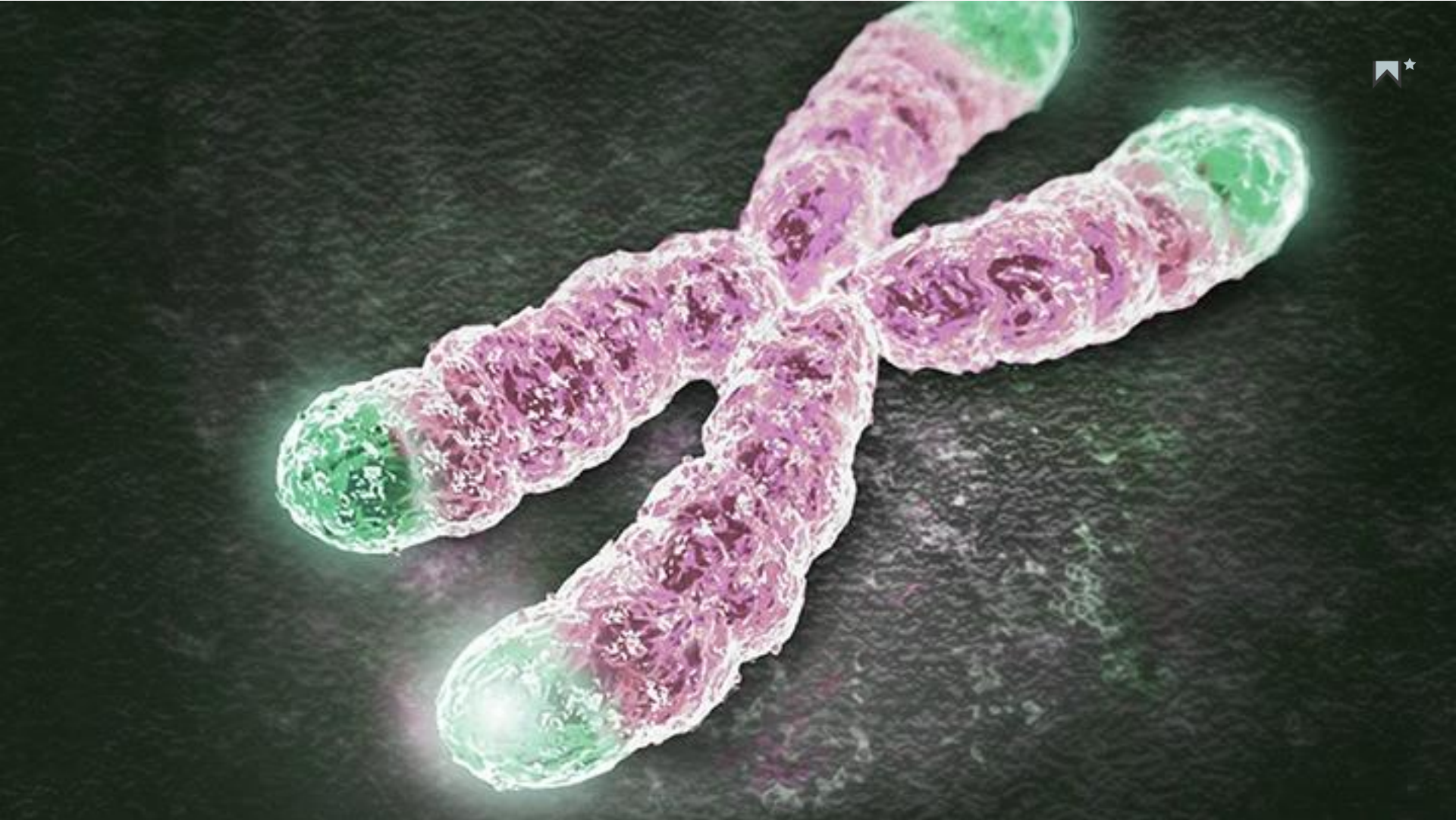
- » Productivity
- » Job Satisfaction
- » Engagement
- » Retention
- » Creativity/Innovation
- » Stress



Health



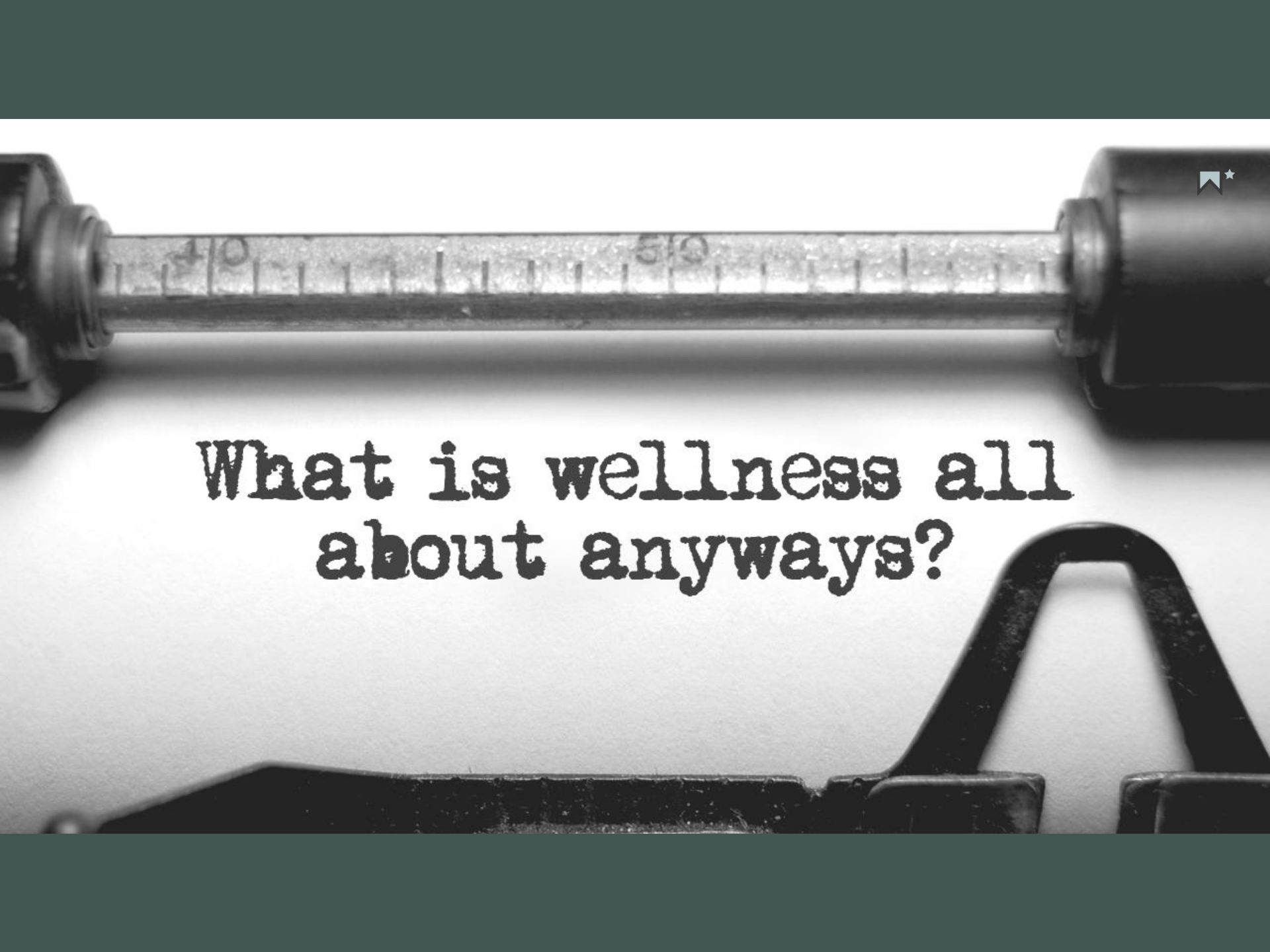






Where do we  
go from here?

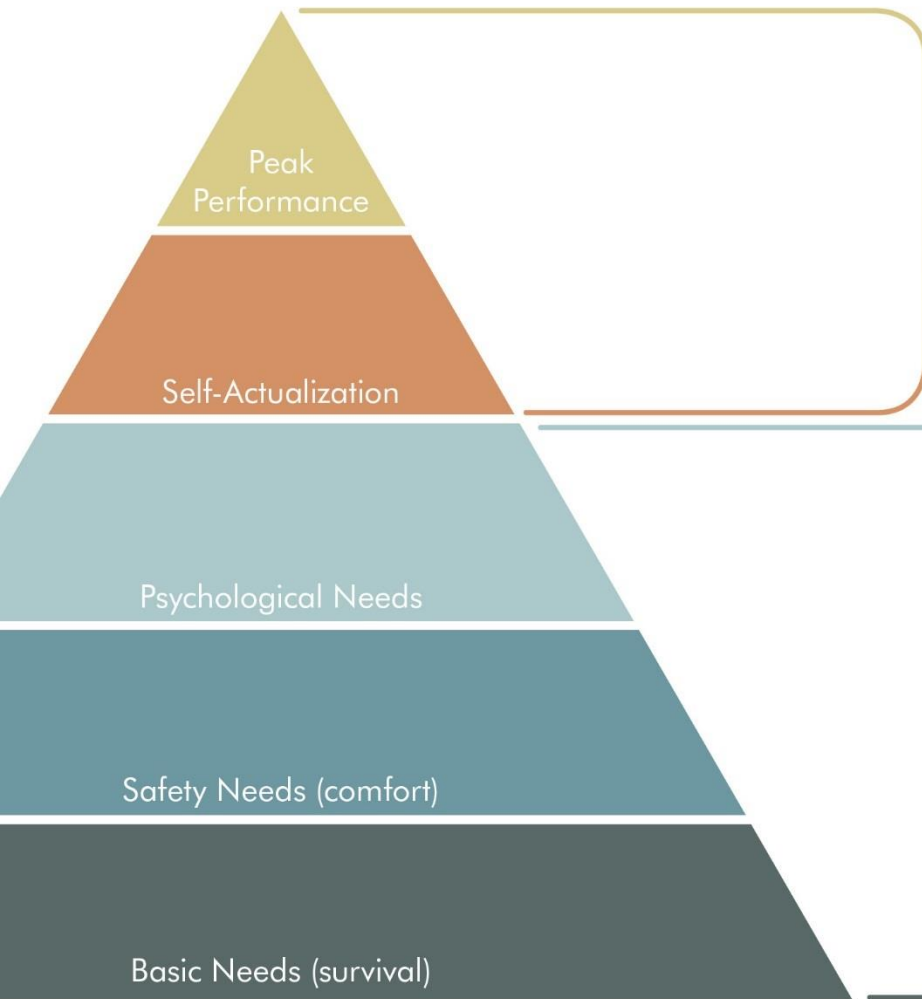




**What is wellness all  
about anyways?**







Low-fat, high fiber diet  
7+ hours of sleep a night  
Blood pressure under 140/90  
Low cholesterol  
Up-to-date preventative screenings  
Regular check-ups  
Exercise 30 minutes a day

Sex, drugs and a crappy boss...  
and money, and caregiving,  
and sleeplessness,  
and a troubled marriage



IT'S NOT JUST ABOUT THE NUMBERS



**BMI** **ROI**  
WEIGHT  
BLOOD SUGAR  
**CHOLESTEROL**

**SUCCESS**  
FUN FAMILY  
THE GOOD LIFE  
**HAPPINESS**





OBJECTIVE 3

# A New Paradigm for Building Thriving Organizations







# People



## ADVERSE CHILDHOOD EXPERIENCES



### ABUSE

- » Physical
- » Emotional
- » Sexual



### HOUSEHOLD DYSFUNCTION

- » Incarcerated  
relative
- » Domestic Violence
- » Mental Illness
- » Parental Divorce
- » Substance Abuse

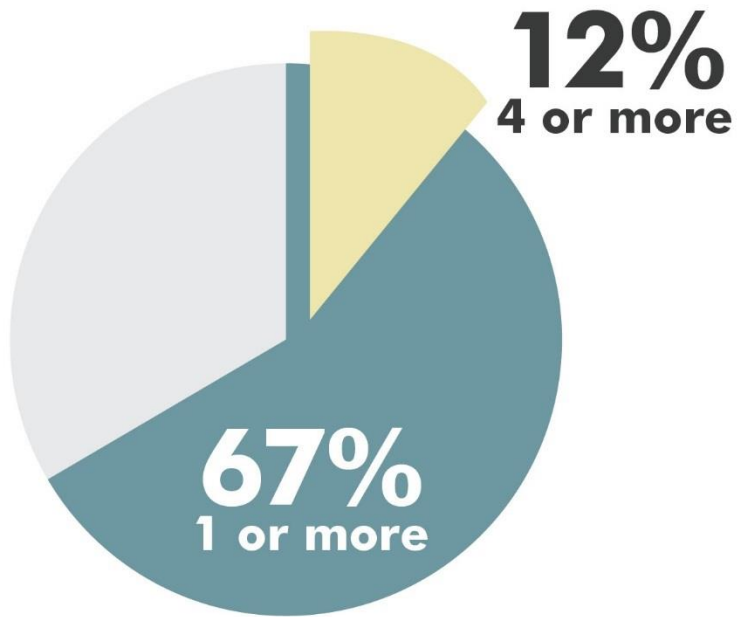


### NEGLECT

- » Physical
- » Emotional



## ADVERSE CHILDHOOD EXPERIENCES



### 4 or more ACEs

2.5x risk of COPD



4.5x risk of depression



---

### 7 or more ACEs

3.5x risk of ischemic heart disease



INSPIRED ORGANIZATIONAL CULTURES



# The Traditional Approach to Wellness Programs



Become an employee



Receive open enrollment packet that tells me we have an awesome wellness program



Receives email to sign up for wellness program

Get wellness newsletter in the mail



Outreached by health coach

Asked to take health risk assessment



Offer incentive to participate



Take satisfaction survey

Program begins again





# FROM PROGRAMS...





... TO CARING CULTURES.



Become an employee



Welcome interaction that asks me things that matter to me.



Shares that I'm dealing with caregiving, financial stress and poor sleep; offered resources for each



Transferred to a financial counselor that's part of my EAP...



Claim for diabetes



Delay enrolling in online sleep program for now...

Visit online caregiving community for social support and tips; find nearby senior center for mom



Invited to join care management program in ways that speak to life context



Take satisfaction survey

Asked to switch to a generic and home delivery, referencing life context



INSPIRED ORGANIZATIONAL CULTURES



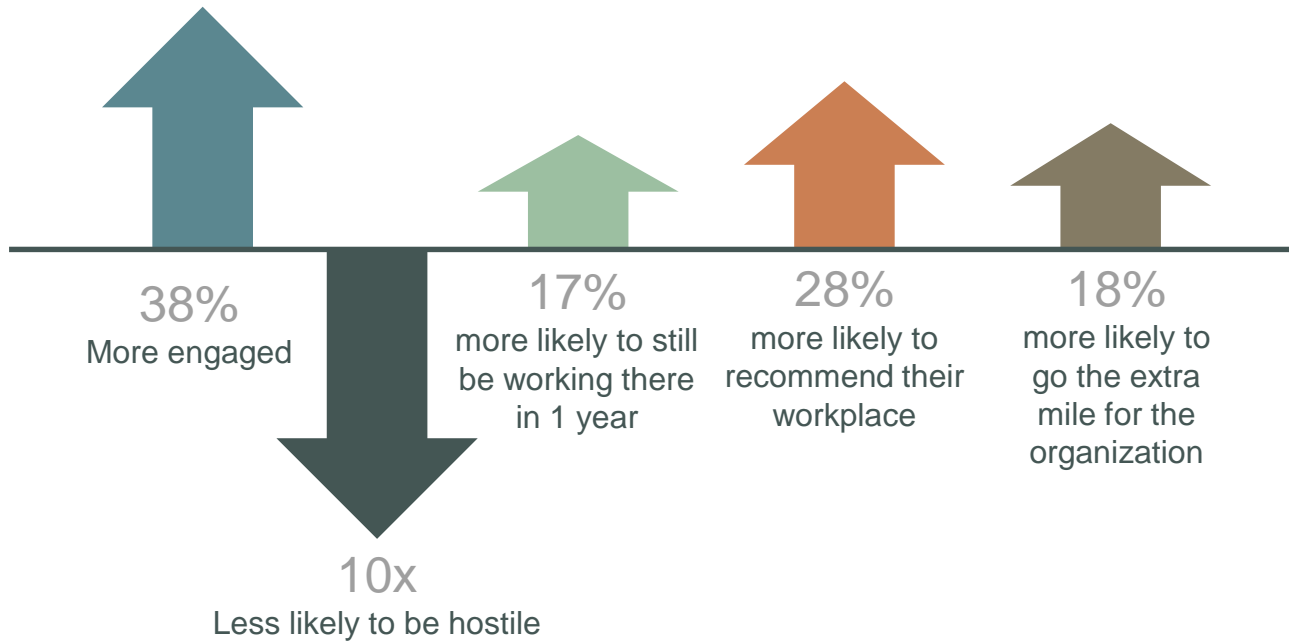
It turned out that a strong culture of compassion and love predicted benefits all around: less burnout, fewer unplanned absences, more teamwork, and higher work satisfaction for employees; fewer emergency room trips and higher mood, satisfaction, and quality of life for patients; and more satisfaction with the facility and willingness to recommend it for families.

[https://greatergood.berkeley.edu/article/item/why\\_you\\_should\\_love\\_thy\\_coworker#When:16:09:00Z](https://greatergood.berkeley.edu/article/item/why_you_should_love_thy_coworker#When:16:09:00Z)





# When employees believe their employer cares about their health and well-being, they are...



# Organization's approach to supporting health and well-being is:



STRATEGIC



SYSTEMATIC



COMPASSIONATE  
& EMPATHETIC



BUILDING INTRINSIC MOTIVATION

COMPETENCE.  
RELATEDNESS.  
AUTONOMY.



# Place





INSPIRED ORGANIZATIONAL CULTURES



# Zip Codes or Genetics?

[www.hsph.harvard.edu/news/feature/zip-code-better-predictor-of-health-than-genetic-code/](http://www.hsph.harvard.edu/news/feature/zip-code-better-predictor-of-health-than-genetic-code/)





# THE IMPACT OF THE BUILT ENVIRONMENT ON HEALTH: AN EMERGING FIELD





Employees who work in office spaces that incorporate natural elements such as natural light and greenery report:

15% HIGHER LEVELS OF WELL BEING

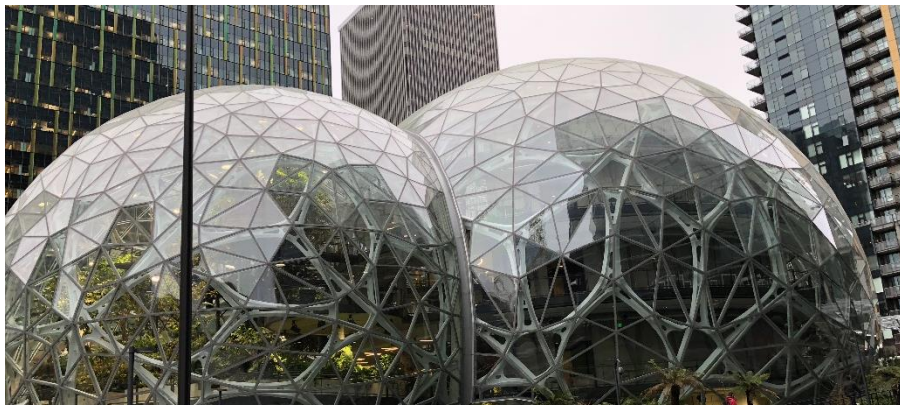


## Cultivate Supportive Health Promoting Environments, Policies, and Practices

### ENVIRONMENTAL ENGINEERING

- » **Casinos** are brilliantly designed from an environmental perspective... Few settings can manipulate the human mind as successfully as these places.
- » Every day in the U.S., slot machines alone take in more than **\$1 billion** in wagers.





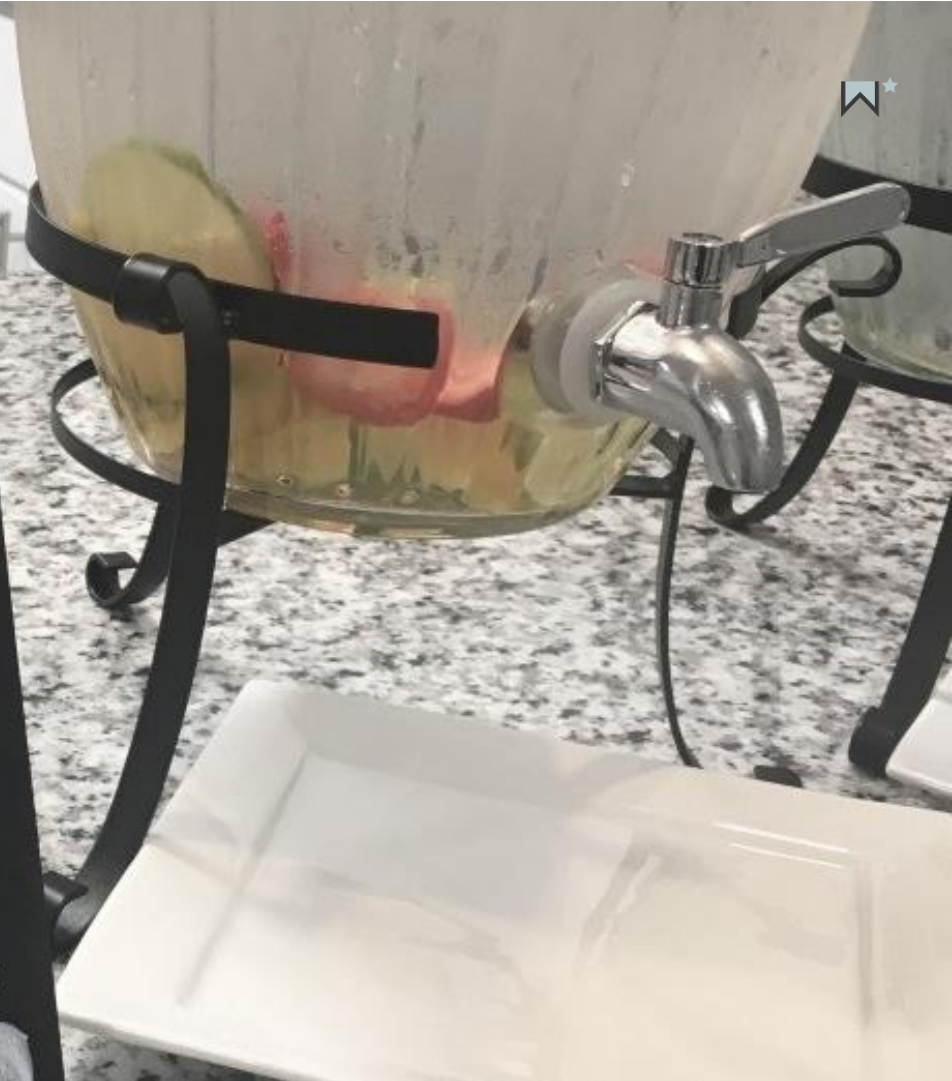
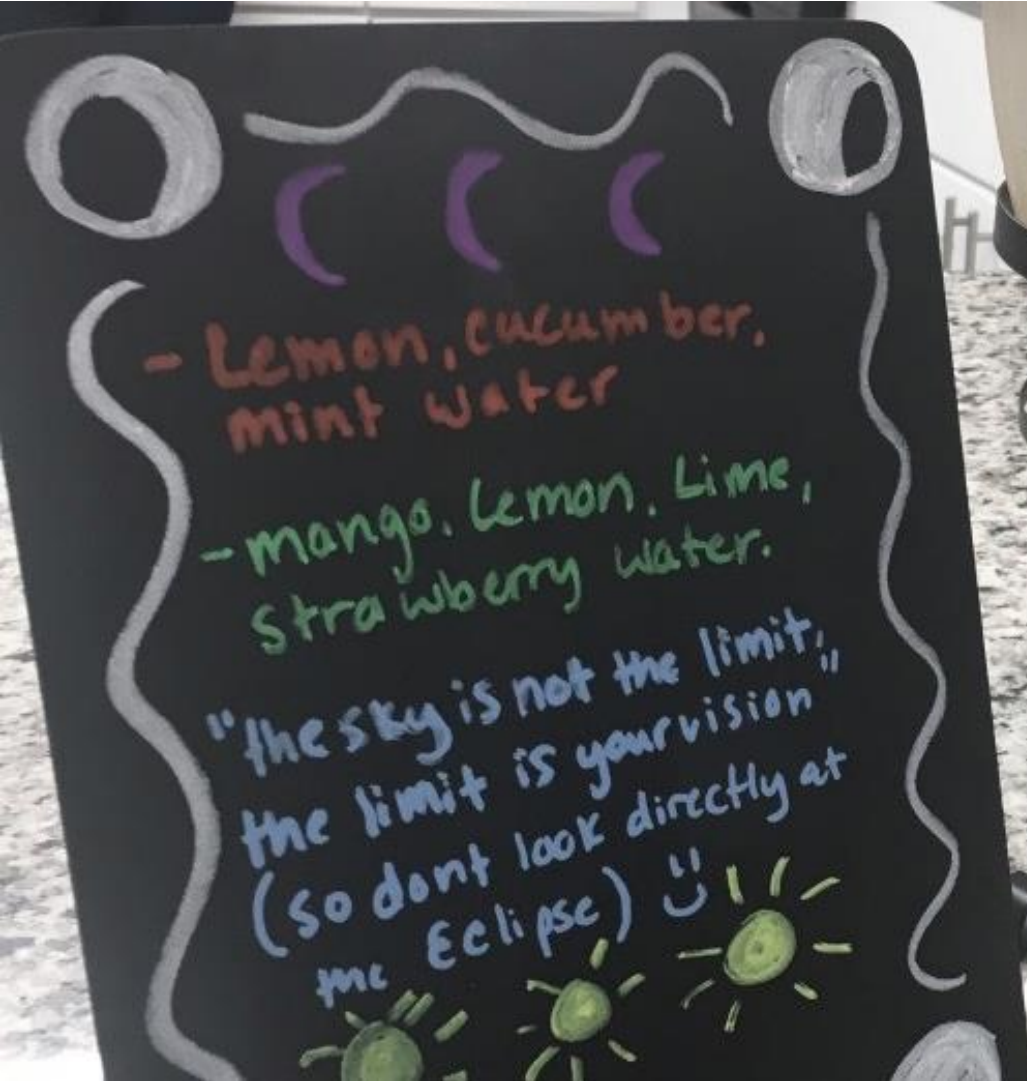
*“One thing that’s missing in today’s workplace is a link to nature, and that’s what we’re doing here.”*

---

JOHN SCHOETTLER

Vice President,  
Amazon Global Real Estate and Facilities









# Resources

A PUBLICATION OF THE WELLNESS COUNCIL OF AMERICA

## THE EXCITING WORLD OF WELL BUILDING



AN EXPERT INTERVIEW WITH PAUL SCIALLA


**WELCOA**<sup>★</sup>  
WELLNESS WORKS HERE

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A PUBLICATION OF THE WELLNESS COUNCIL OF AMERICA

## HUMAN HEALTH & WELLNESS IN THE BUILT ENVIRONMENT

What You Need to Know about the Well Living Lab



AN EXPERT INTERVIEW WITH DR. BRENT BAUER

**WELCOA**<sup>★</sup>  
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# Purpose





“The unexamined life is not worth living.”

- SOCRATES



“The need for purpose is one the defining characteristics of human beings. Human beings crave purpose, and suffer serious psychological difficulties when we don’t have it. Purpose is a fundamental component of a fulfilling life.”

- STEVEN TYLER, *The Power Of Purpose:Why Purpose Is So Important For Our Well-being*





The data suggest that older people with a strong sense of meaning in life are **less likely to die** over the study follow-up period than those who do not have a strong sense of meaning.





“Sense of purpose predicts greater income and net worth.”





General purpose in life is associated with a reduced risk of AD and MCI in community-dwelling older persons.







INSPIRED ORGANIZATIONAL CULTURES



# Connecting People to Purpose





50%  
reduction  
in accidents





INSPIRED ORGANIZATIONAL CULTURES





OBJECTIVE 4

# The Well Workplace Process



# The Well Workplace Process



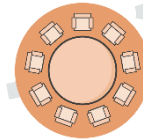


# Well Workplace Process

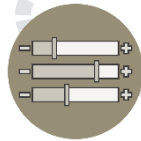
THE NEW 7 BENCHMARKS SPEAK TO THE FUTURE OF THE WORKPLACE



**BENCHMARK 1**  
Committed & Aligned Leadership



**BENCHMARK 2**  
Collaboration & Teamwork in Support of Wellness



**BENCHMARK 7**  
Evaluate, Communicate, Celebrate, and Iterate



**BENCHMARK 6**  
Foster a Supportive Health Promoting Environment, Policies, and Practices



**BENCHMARK 3**  
Collecting Data to Evolve a Healthy & Thriving Work Environment & Culture



**BENCHMARK 5**  
Support the Whole Employee with a Broad Approach to Wellness



**BENCHMARK 4**  
Operations Planning to Guide Approach and Achieve Impact

## Performance Against WELCOA's Worksite Health Promotion Benchmarks Across Years Among Selected US Organizations

GracieLee M. Weaver, MPH<sup>1</sup>, Brandon N. Mendenhall, MPH<sup>1</sup>,  
David Hunnicutt, PhD<sup>2</sup>, Ryan Picarella, MS<sup>2</sup>, Brittanie Leffelman, MS<sup>2</sup>,  
Michael Perko, PhD<sup>1</sup>, and Daniel L. Bibeau, PhD<sup>1</sup>

American Journal of Health Promotion  
13(1)  
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DOI: 10.1177/0898010113504970  
ajhp.sagepub.com  
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### Abstract

**Purpose:** The purpose of this study was to quantify the performance of organizations' worksite health promotion (WHP) activities against the benchmarking criteria included in the Well Workplace Checklist (WWC).

**Design:** The Wellness Council of America (WELCOA) developed a tool to assess WHP with its 100-item WWC, which represents WELCOA's 7 performance benchmarks.

**Setting:** Workplaces.

**Participants:** This study includes a convenience sample of organizations who completed the checklist from 2008 to 2015. The sample size was 4643 entries from US organizations.

**Measures:** The WWC includes demographic questions, general questions about WHP programs, and scales to measure the performance against the WELCOA 7 benchmarks.

**Analysis:** Descriptive analyses of WWC items were completed separately for each year of the study period.

**Results:** The majority of the organizations represented each year were multisite, multishift, medium- to large-sized companies mostly in the services industry. Despite yearly changes in participating organizations, results across the WELCOA 7 benchmark scores were consistent year to year. Across all years, benchmarks that organizations performed the lowest were senior-level support, data collection, and programming, wellness teams and supportive environments were the highest scoring benchmarks.

**Conclusion:** In an era marked with economic swings and health-care reform, it appears that organizations are staying consistent in their performance across these benchmarks. The WWC could be useful for organizations, practitioners, and researchers in assessing the quality of WHP programs.

### Keywords

population health, workplace, supportive environments, awareness, interventions

### Introduction

As the 20th century began, improvements in public health and medicine resulted in a decided decrease in death and infirmity from infectious diseases in the United States.<sup>1</sup> Consequently, the American population saw increasing rates and earlier onset of chronic health conditions.<sup>2,3</sup> One result of this was growing employer recognition of working-age adults at risk of long-term health issues that negatively impacted absenteeism, presenteeism, productivity, and health-care costs for organizations.<sup>4</sup> As the costs of health care have continued to climb faster than the rate of general inflation in the United States, employers have sought to gain greater control over employee-based insurance costs by seeking strategies that may reduce employee risk.

Although employer worksites have been viewed as a setting in which public health efforts have significant opportunities to improve the health of populations, worksite health promotion (WHP) or "worksite wellness" has gained momentum and is now considered a key initiative nationally. In 2011, the US

<sup>1</sup> Department of Public Health Education, The University of North Carolina at Greensboro, Greensboro, NC, USA  
<sup>2</sup> The Wellness Council of America, Omaha, NE, USA

### Corresponding Author:

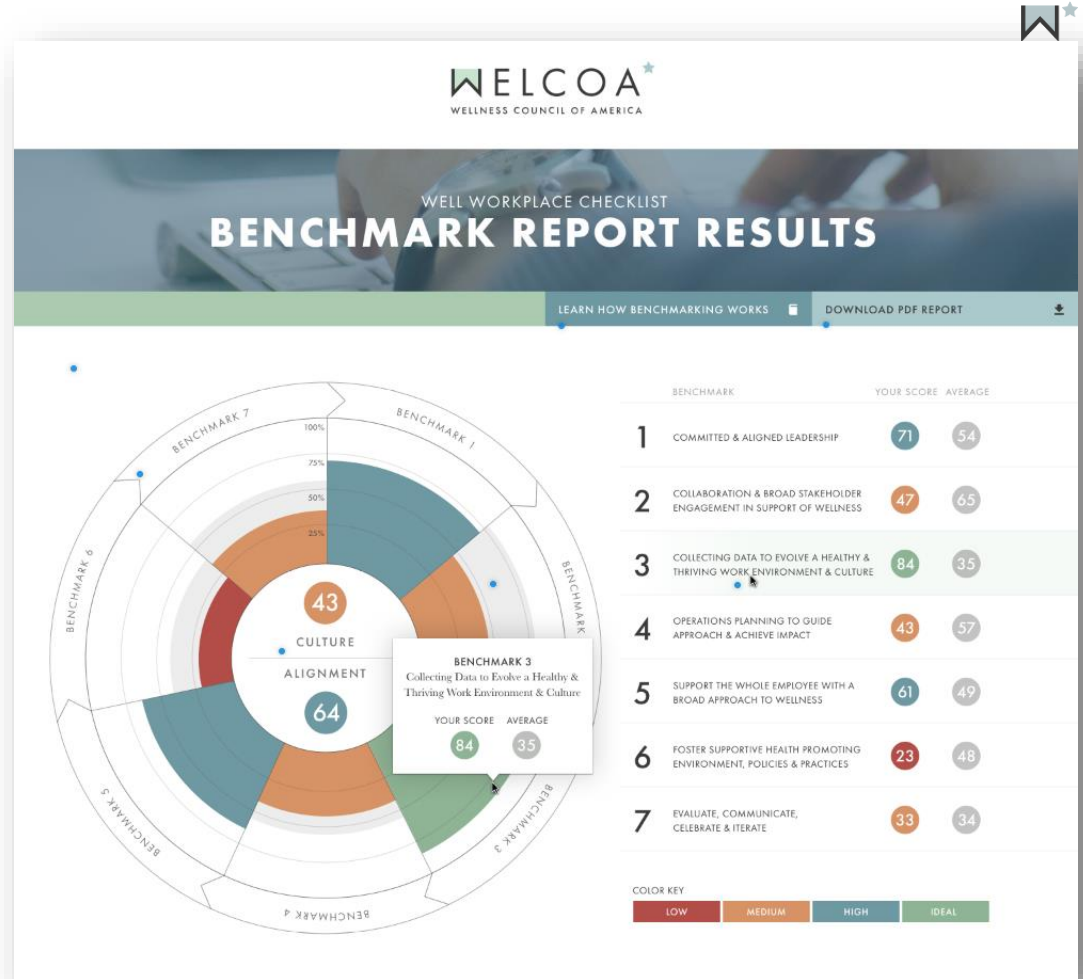
GracieLee M. Weaver, Department of Public Health Education, The University of North Carolina at Greensboro, PO Box 26170, Greensboro, NC 27402, USA  
Email: gmweaver@uncg.edu





# Checklist

- » 150-item Organization-facing assessment
- » Measures extent to which an organization is following WELCOA's 7 Benchmarks
- » Customized reporting with recommendations/links to WELCOA Resources

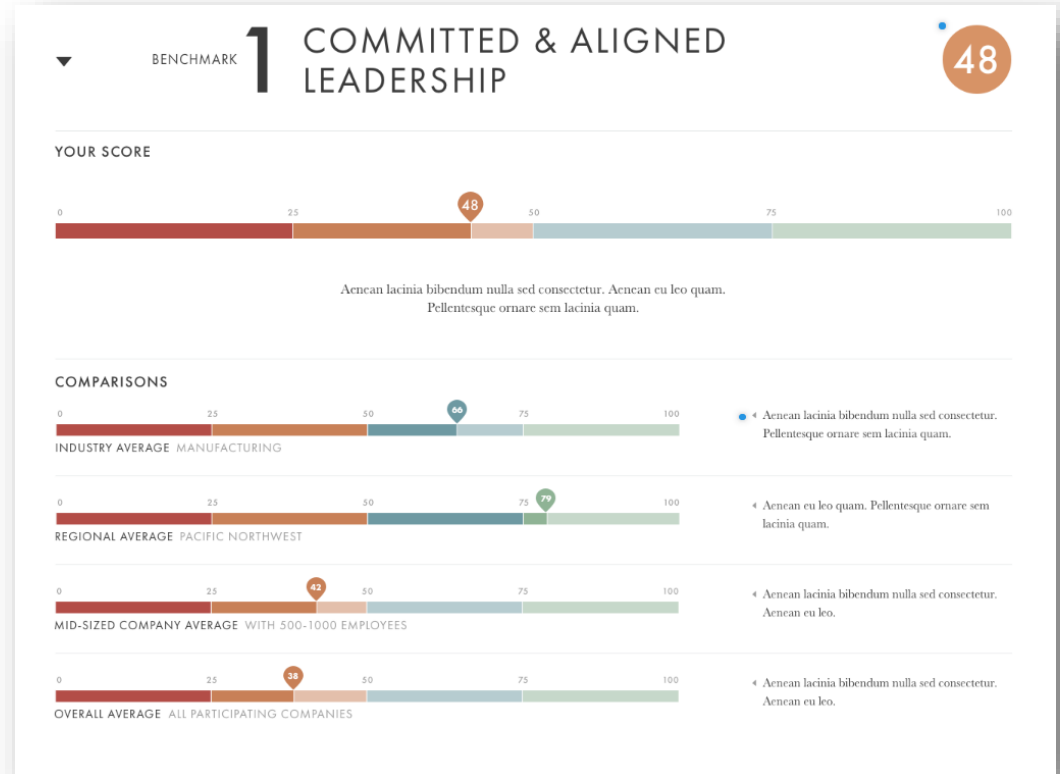




# Checklist

## Benchmark Reporting by:

- » Region
- » Industry type
- » Company size
- » Book of business (coming soon)





# Well Workplace Awards





WELCOA

THANK YOU!