



North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES



Engaging Members in Worksite Wellness

Board of Trustees Meeting

March 28, 2014

A Division of the Department of State Treasurer

Providing Context

- As part of the strategic planning process, and in researching opportunities to improve member health, the following questions were raised:
 - What are examples of *model worksite wellness* programs?
 - What are other large employers doing to *increase member health engagement*?
 - What is SHP's *strategy for member communication and engagement*?
 - How can *SHP partner* with other State agencies to *promote healthy lifestyles*?
- The presentation covers information gathered through a brief environmental scan and is intended to help address these questions.

Presentation Overview

- Worksite wellness: what & why
- Dimensions of successful worksite wellness initiatives
- Successful models of worksite wellness initiatives
- State Health Plan experience
- Emerging conclusions and recommendations

Worksite wellness contributes to addressing the 'Triple Aim'

Triple Aim*:

1. Improving the health of populations
2. Reducing the per capita cost of health care
3. Improving the patient experience of care

Worksite wellness can be integrated across the core components of the SHP business model

1. Benefit offerings and programs
2. Program administration and contracting
3. Provider network

4. Provider payment methods

- *Source: Institute for Healthcare Improvement*

What are Worksite Wellness Programs?

- Any **employment based activity or employer sponsored benefit** aimed at promoting healthy behaviors (primary or secondary prevention)
- Typically include a wide spectrum of services ranging from health information, free or discounted gym memberships to, comprehensive counseling and active lifestyle management to policy and environmental changes

Information,
awareness & education

Discounted
memberships/services

HRA, lifestyle & disease
management

Policy & environmental
changes (culture of health)



Why Offer Worksite Based Wellness Initiatives?

Challenge

- Burden of chronic disease is growing
 - 1 in 2 adults in US have a diagnosed chronic condition (CDC, 2010)
- Rising rates of obesity and physical inactivity
 - 25.7% obesity, 51% meeting recommended physical activity (CDC, 2010)
- Burden is shifting to younger ages.
 - 28.7% under 18 yrs. meeting physical activity recommendation; 13% obesity among youth (CDC, 2010)
- Resulting in high medical care costs and loss of productivity
 - Chronic diseases account for \$3 of every \$4 spent on health care. That's nearly \$7,900 for every American with a chronic disease. (CDC 2007)

Response

- Employers have adopted health promotion, wellness, disease management strategies to counter these trends
 - Access to audience at a younger age
 - Focus on primary prevention
 - Influencing health behaviors and impacting the trajectory

Worksite Wellness Programs

- 85% of large employers (>500 members) and 81% of small employers have a wellness program in place.

Employee/Member Benefits

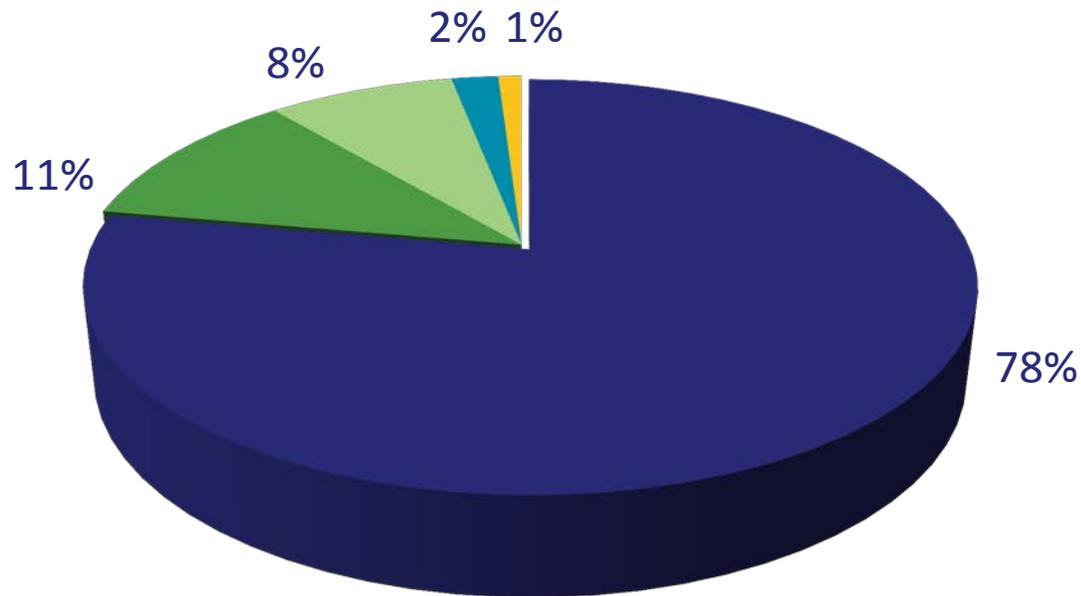
- 62% believe wellness activities are successful in improving health and reducing health risks
- 51% say they work harder and perform better
- 59% say they have more energy and are more productive
- 45% say health related programs encourage them to stay in their current position
- 43% say they miss fewer days of work as a result of wellness programs

Employer Benefits

- Healthier workforce
- \$5.81 return on every dollar invested
- Sick leave absenteeism reduced by 26.8%
- Health care costs reduced by 26%
- Workers compensation and disability management reduced by 32%

Source: Principal Financial Well-being Index for American Workers, 2012; Wellness Council of America, 2012

Why Large Employers Invest in Wellness Programs



- Reduce and manage health costs
- It's the right thing to do
- Improve attendance and productivity
- Attract and retain talent
- Everyone else is doing it

Source: 2013 Wellness and Benefits Administration benchmarking study

The Reality: Employee Resistance

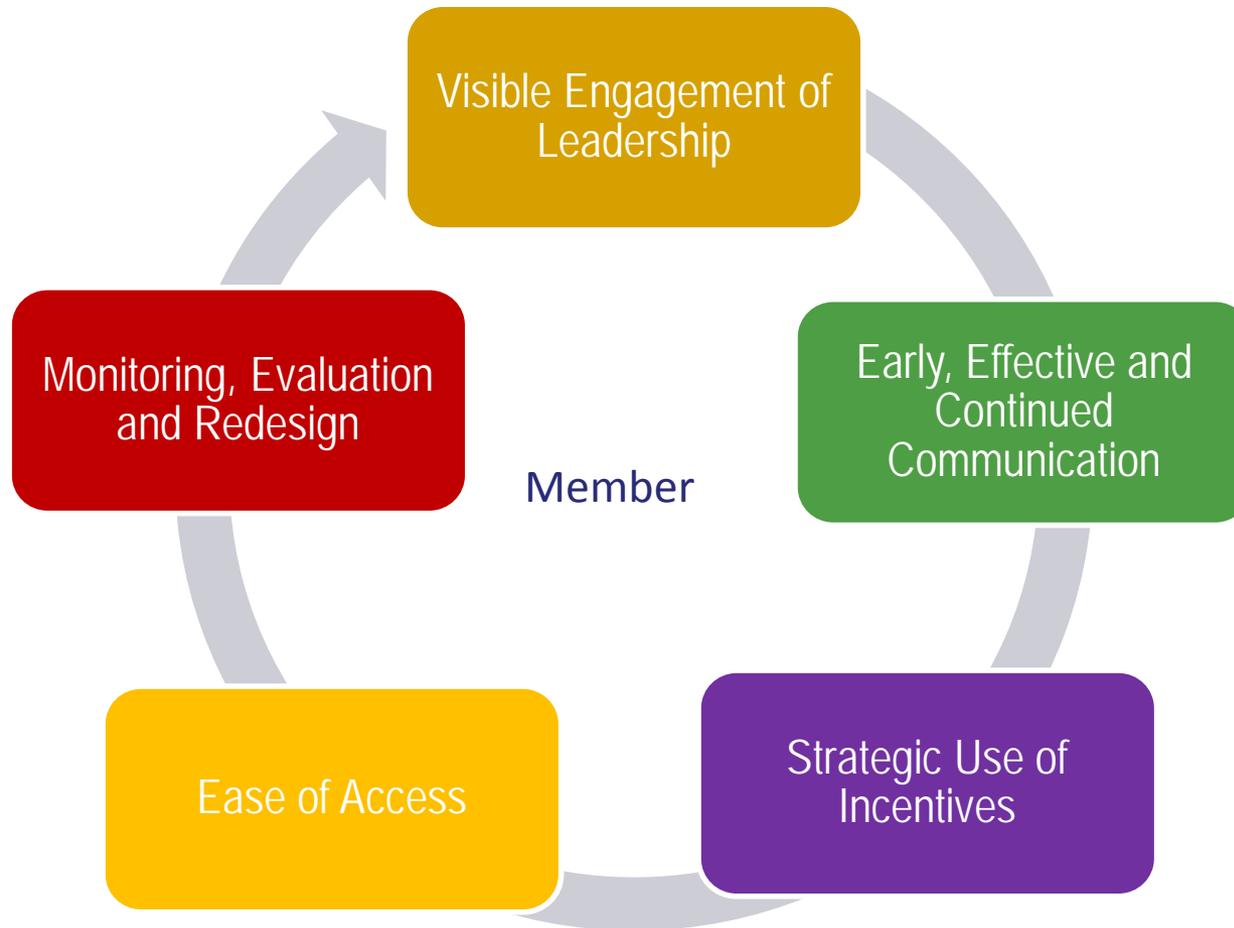
- While prevalence of such initiatives is common and people who participate value them, there remains resistance.
- There is no nationally representative data but typically fewer than **20%** of eligible employees participate in any wellness initiative
- **34%** consistently refuse to participate in employee sponsored wellness programs

Source: Rand Corporation, A review of the US workplace Wellness Market, US Dept. of Labor and US Dept. of Health and Human Services, 2012

Why Employees do not Participate in Wellness Initiatives

- **Trust:** Lack of trust in the employer's motivation, employers trying to save money
- **Personal information:** Do not believe Health Assessments are reported in the aggregate
- **Lack of interest:** Not interested in changing select health behaviors (know that smoking is unhealthy but not ready to make a change)
- **Inconsistent messages:** Company sends mixed messages (encourages participation in wellness but does not change high fat junk options in cafeteria or vending machines; does not allow employees time during work day to exercise)
- **Lack of leadership:** Company leaders don't participate, so employees don't think it's important
- **Benefit:** Employees believe the employer saves money and do not see that profit being translated to them

Dimensions of a Comprehensive Program



Effective Marketing & Communication

- **Early, multimodal, broad outreach and clear messaging**
 - Letter or email from leadership
 - Brochures with clear details, email blasts, fliers
 - Mail to home address
 - Have a large and entertaining kick off
 - Help people see perceived value, e.g.: a ticket given to each person showing time and value, “Value \$75”
 - Create expectation that everyone will participate

Visible Engagement with Leadership

- **Strong commitment at all levels of the organization**
- **Leadership engagement vs. incentives**
 - 50% participation with a \$40 incentive and strong commitment; while with lower levels of management commitment incentive has to be up to \$120 to gain similar participation*.
- **Senior Management Support**
 - Senior leaders serving as role models
 - Visible participation
- **Empowerment of middle managers**
 - Advisory teams, wellness committees, resources
 - Standard training on wellness to ensure conformity
 - Company wide policies and procedures for wellness participation

*Source: *Taitel, V.H and Heck, D. Incentives and other factors associated with employee participation in health risk assessments. Journal of Occupational and Environmental Medicine, 2008.50(8)pp-863-872*

Ease of Access-*Removing Roadblocks*

- **Ability to access the program (s) with ease**

- Flexibility of when to access services (first thing in the morning, extended lunch times)
- Build in small attainable goals to obtain interest and generate continued participation

- **Policy changes**

- Allow members time during work day to participate
- Access to terminals if program requires use of a computer

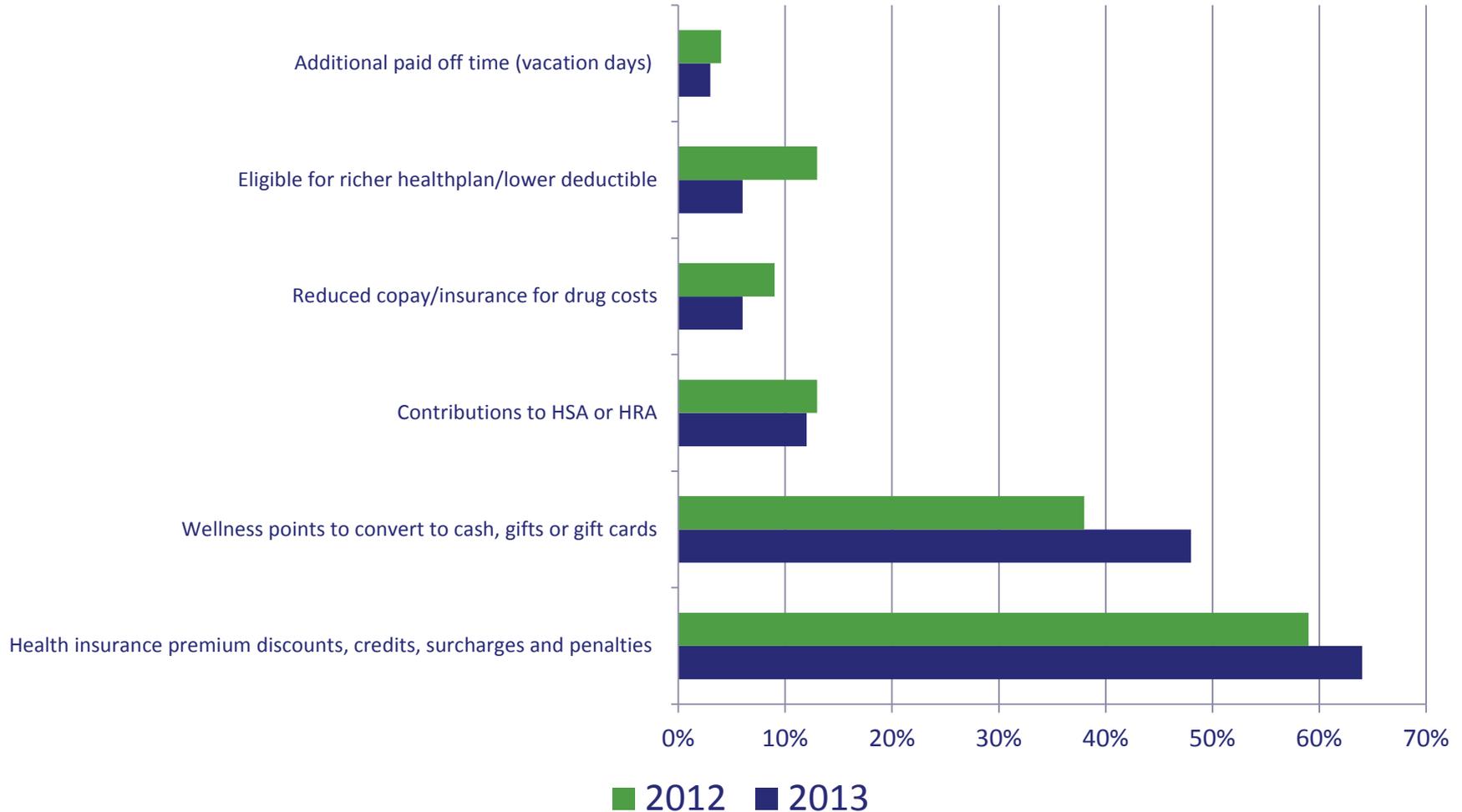
- **Data confidentiality**

- Set policy on confidentiality and communicate the policy to participants prior to initiation and continue to make policy available to members.

Use of Incentives

- **Rewarding or penalizing members** has become a popular approach to obtain participation
 - Building body of evidence that targeted incentives can influence health behaviors that are normally difficult to alter
- **Types of incentives**
 - A variety: cash, gift cards, merchandise, time off, recognition, raffles, lotteries, reduced premiums, contributions to HSA/HRA
- **Incentive triggers**
 - Incentive triggered by various levels of engagement (signing up vs. attending a class)
 - Tying an incentive to an outcome (giving contact information, becoming tobacco free, achieving BP control or lowering HBA1c)

Types of Wellness Incentives Used in the U.S. Marketplace



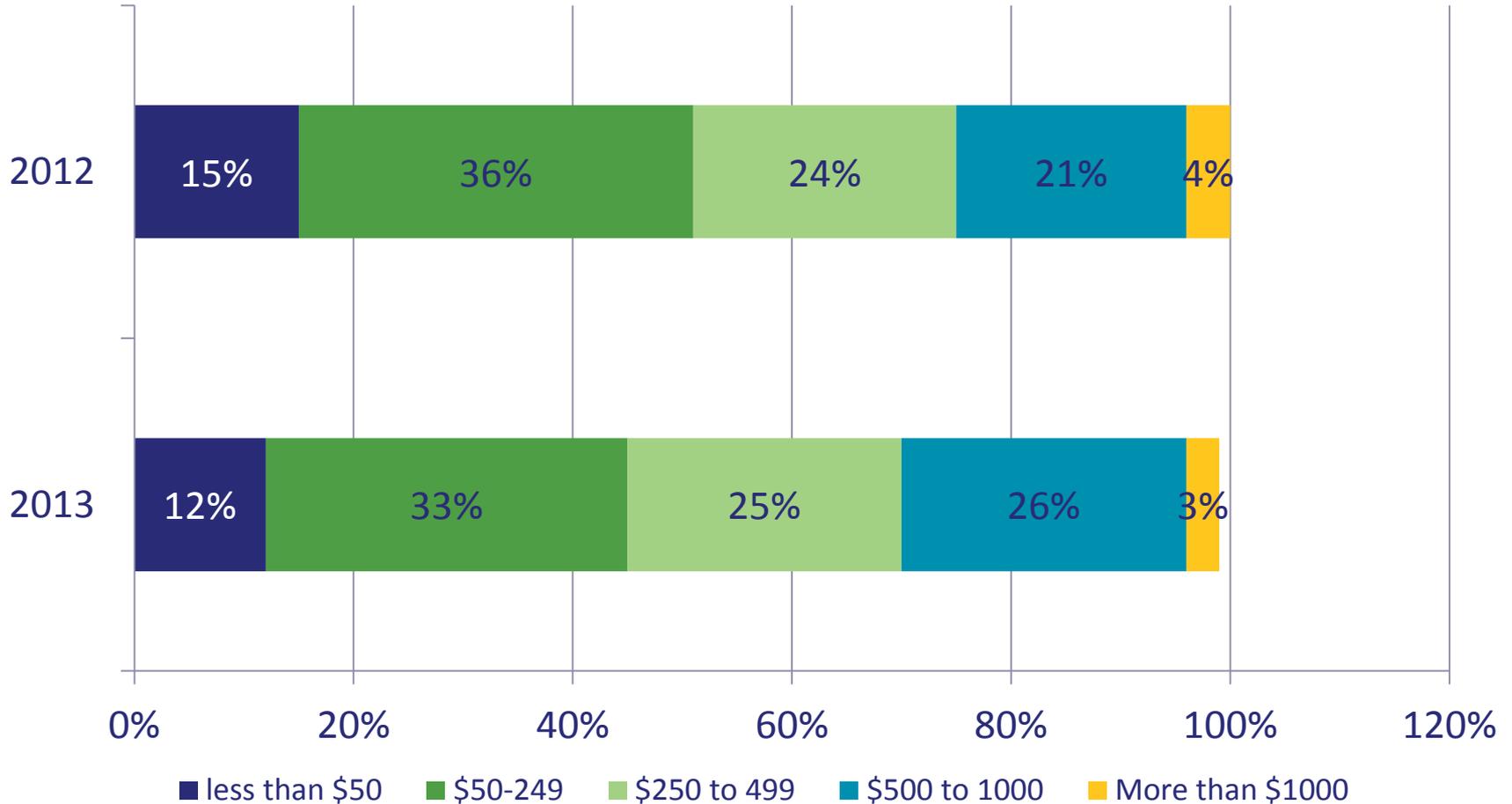
Incenting Participation

- More than three-fourths (78%) of large companies (>500) offered incentives in 2013, holding steady from 2012 (76%)
- Small employers (50-500 employees) offering incentives grew from 52% to 69%

What is the norm for the **annual dollar amount per employee** for wellness incentives?

- In 2013, 54% of large employers offered annual incentives above \$250, up from 49% in 2012
- 12% offered less than \$50 in 2013, compared to 15% in 2012

Average Annual Spend per Employee for Incentives



Monitoring, Evaluation and Redesign

- **Needs assessment and environment scans**
 - Assessing worker interests and preferences as well as organizational policies and resources
- **Data based design**
 - Utilizing the information gathered as well as profile reports in tailoring programs to an organization
- **Performance measurement**
 - Measures of participation, retention. Not just depending on health outcomes, costs and utilization
- **Information sharing with participants**
 - Periodic sharing of information and inviting qualitative feedback
- **Implementing changes to program based on evaluation**
 - Making midway course corrections

State of Nebraska

- **Components of program**
 - Champion network
 - Senior leadership support including involvement of the Governor
 - Health Risk Assessment
 - Health Coaching
 - Biometrics
 - Web resources
 - Disease management for CAD, HF, DM, Back Pain, Asthma, COPD, Depression and Healthy Pregnancy
 - Recognition program
- **Incentive**
 - Low-premium PPO plan
- **Measurement of success**
 - \$4.2 million in savings (\$934 claims savings for program participants)
 - ROI of 2.70:1
 - 8% reduction in medical cost vs. overall State
- **Participation rate**
 - 30% of eligible members enrolled in low-premium wellness PPO plan (employee and enrolled spouse)
 - 42% of members on wellness PPO plan participated (roughly 5,800 members)

Dell Inc.

- **Components of program**

- Annual onsite health screenings
- Health Risk Assessment & Health Coaching
- Onsite support with additional resources for remote employees
- Resources available on BP, Weight, Nutrition, and Physical Activity
- 24 hour nurse line that coordinates with other resources
- Condition management program
- Wellness teams
- Extensive communication
- Wellness incorporated in goals and culture of business

- **Incentive**

- “Pay for performance” model contributed to salary
- Premium reduction ranges from \$845-\$1690

- **Measurement of success**

- ROI 1.8 in 2009, 2.11 in 2011
- Low-risk group increased by 7%
- 50% reduction in smokers
- Program has been active for 8 years

- **Participation rate**

- HA completion rates 50-73% for employees, 34-48% of spouses/partners

North Carolina Landscape: SAS

- **Components of program**

- Onsite Health Care Center for employees and dependents
- Culture of wellness
- Onsite recreation and fitness center
- Subsidized onsite child care

- **Incentive**

- Health education and physical activity campaigns/programs with awards or prizes
- Resources are available to members and spouses for no cost

- **Measurement of success**

- \$7M saved by health insurance costs and employee time saved
- 4% turnover rate (industry norm 22%)

- **Participation rate**

- Approximately 70% of employees use the onsite Health Care Center as their medical home
- 90-95% of employees use the onsite recreation center in one way or another

State Health Plan Strategy: NC Health*Smart*

NC Health*Smart* is the Plan's population health initiative that aims to:

- Empower healthy members to stay healthy;
- Help those with chronic disease or disease risk factors to better manage their health;
- Offer integrated, cutting-edge resources and programs to members at work, at home, and through their health care provider



NC Health*Smart* Components

- Currently offers a spectrum of wellness initiatives through NC Health*Smart* suite of resources/services:
 - Health Promotion & Education (toolkits)
 - Health Coaching (Telephonic)
 - Tobacco Cessation (Quitline NC)
 - Weight Loss Programs (ESMMWL)
 - Health Assessment/Health Record/Web Tools
 - Disease Management
 - Physician Support/Clinical Gap Identification
 - Intensive Case Management
 - High Risk Maternity/NICU
 - ESKD/CKD Care Management



NCSHP Experience: Wellness Pilots

- Consistent with national experience SHP participation has been generally low, even when high interest was generated in the first year.

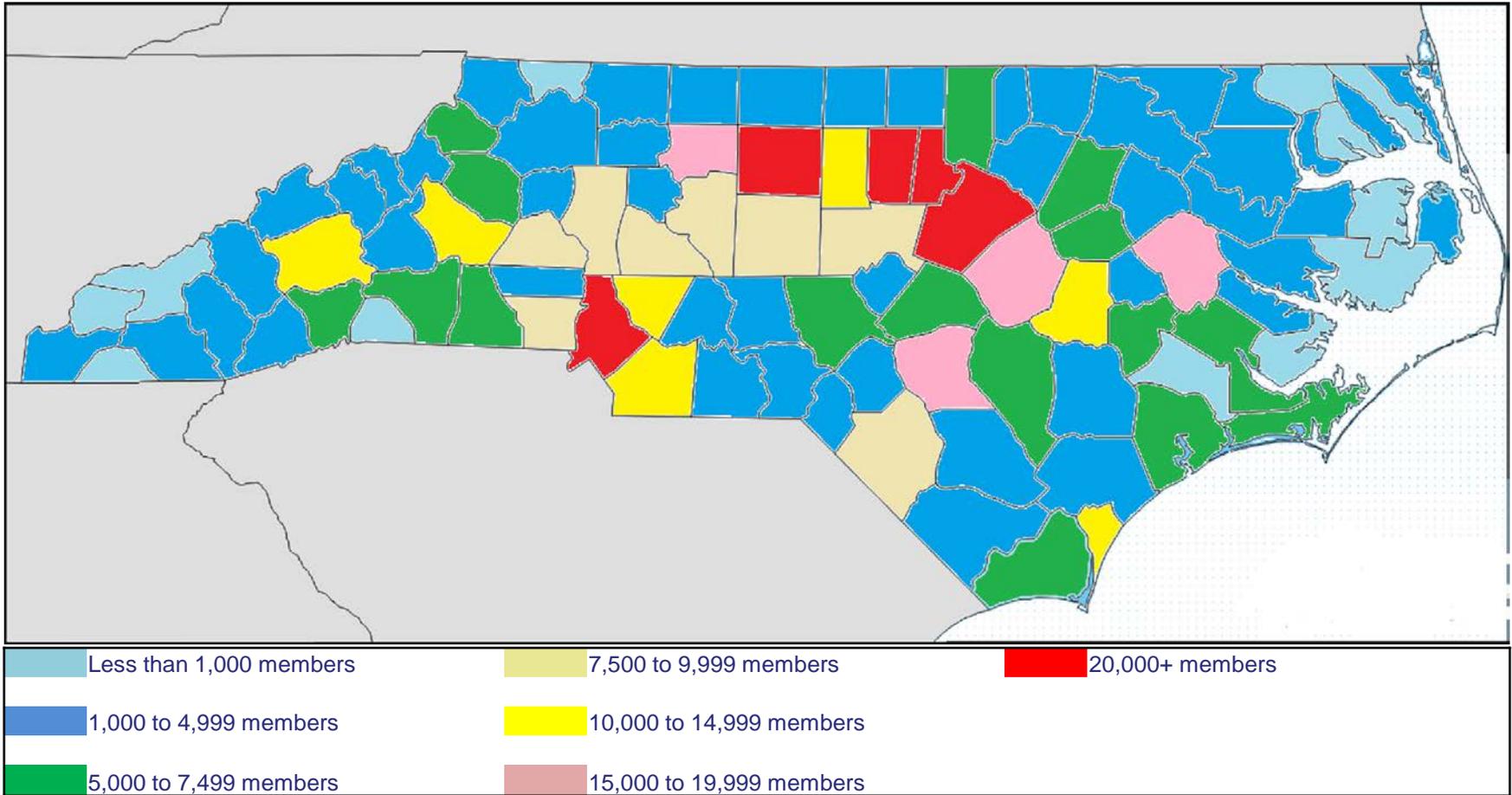
Sample Pilot Initiatives	Year 1 Participation	Year 2 Participation
Murdoch Developmental Center	49% (1,036/2130 eligible members)	7% (134/1,938 eligible members)
DHHS Expansion	32% (803/2,532 eligible members)	13% (333/2,603 eligible members)
Charlotte Mecklenburg Schools	9% (1,847/21,421 eligible members)	7% (1,590/21,968 eligible members)

Biometric testing, incentive based pilot project (\$15 reduced copay for PCP visits)

Why SHP Members do not Participate

- **CWI:** The past Comprehensive Wellness Initiative (CWI) has made members wary of how their *Health Assessment* data will be used (will they lose the plan benefits if they say they have diabetes?)
- **Health Information:** Concerned about the security of their health data moving between different vendors
- **No Access:** Some members do not have access to a computer at work and/or at home
- **Nature of their job:** keeps them from being able to do wellness activities at work (such as the guards working for DOC or nurses working at 24-hour facilities like Central Regional Hospital)
- **Leadership:** Even if top leaders are engaged, lower-level management may not be engaged and that may keep members from participating
- **Policy and environmental issues:** Lack of any consistent policy across agencies; lack of ability to change policy or environment
- **Being Healthy:** Members feel they don't need these programs if they are without chronic conditions

State Health Plan Members are in All 100 Counties



Plan members live throughout the State with pockets of high concentration

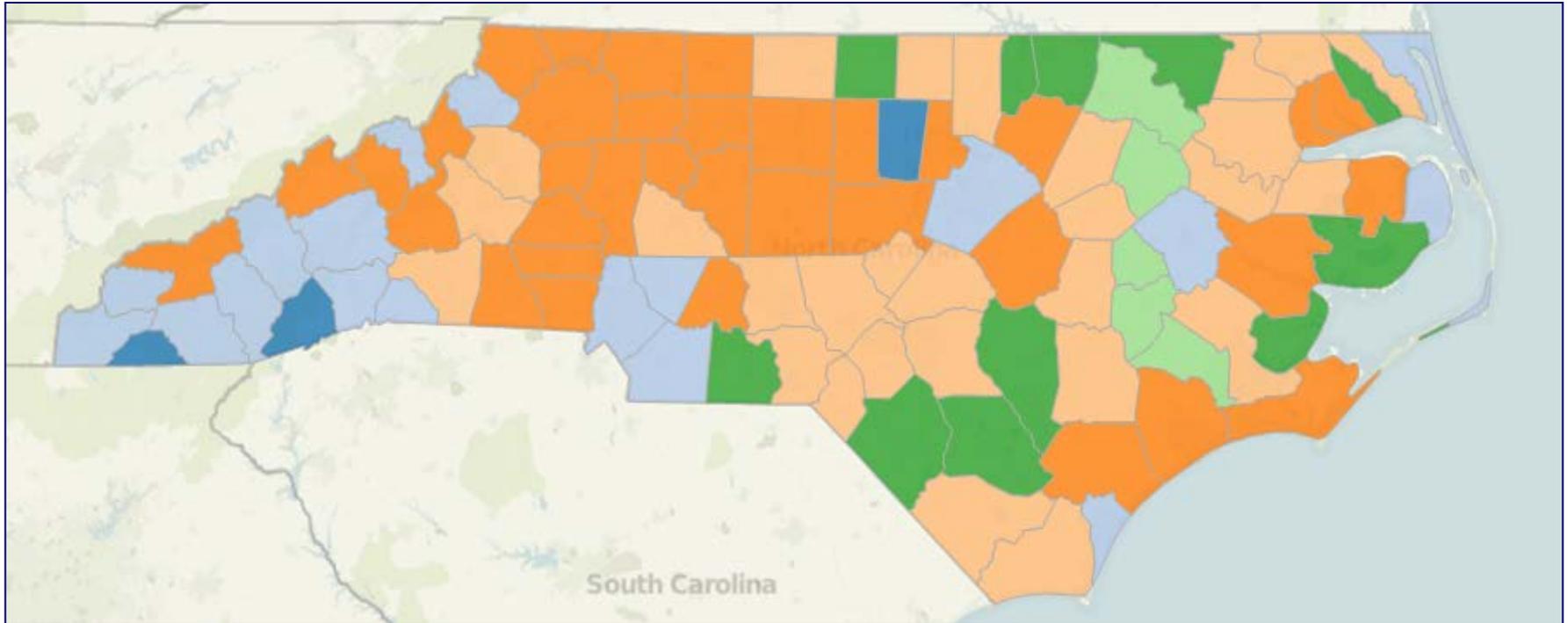
Member Density and Profiles Vary by Agency

Agency/Worksite	Members	PMPY	Relative Cost	Risk Factor
Community College System	23,325	\$5025	0.990	0.987
Department of Corrections (DOC)	26,346	\$5235	1.031	1.039
Health and Human Services (DHHS)	24,224	\$5233	1.031	1.054
Department of Transportation (DOT)	17,722	\$4515	0.889	0.954
North Carolina Public Schools	258,201	\$4441	0.875	0.875
University of North Carolina (Health care & NC system)	80,830	\$4469	0.880	0.862
All Other Groups	46,290	\$4908	0.967	0.953
Total (Actives only)	476,937	\$4607	0.907	0.907

Reviewing department specific risk factors and profiles will identify specific opportunities to tailor wellness programs and boost participation.

Major Chronic Conditions

Asthma, CAD, CVD, CHF, COPD, Diabetes



Big 6 condition Prevalence

- 9.5%
- 11.9%
- 14.2%
- 16.6%
- 19.0%
- 21.3%

Planning for Worksite Wellness

- The average state employee stays in their job for 11 years (longevity is high, turnover is low) – it is a long term engagement (attrition 9.5%, typical 6%)
- As seen from map, members are dispersed over all 100 counties
- Agencies are diverse in nature, with different risk profiles, with different categories of employees with disparate resource availability
- Geographic variation in prevalence of chronic conditions
- Meeting the needs and influencing impact is challenging

Emerging Recommendations

Visible Engagement of Leadership

Use agency and state leaders to promote initiatives, show leadership by participation. Empower middle management to be supportive of the initiative. There has to be agency partnership, sponsorship and sharing of resources

Effective Communication

Broad communication and multi-layered marketing strategy; leverage local resources to maximize awareness and engagement

Strategic Use of Incentives

Incentives need not be cash; incentives should be tied to action and should have significant value; strategically build incentives to sustain interest

Ease of Access

Partner with agencies that can influence policy change. Policy changes should remove road blocks: flexibility of time; access to computer terminals; environmental changes that make the healthy choice the easier choice

Monitoring Evaluation and Redesign

Data and information should form the foundation for any programmatic design, ongoing monitoring of program and redesign as needed is critical

Overall Conclusions

- SHP should continue to pursue and expand worksite wellness initiatives, these programs support the mission of the Plan and help achieve the triple aim
- Delivering a comprehensive yet tailored program suited to the different strata of the membership is challenging
- Though engagement is low, there are strategic steps that can be taken to increase engagement and showcase value to members
- Partnership with agencies that can influence environmental and policy changes is critical
- Continued and consistent support of worksite wellness initiatives that are valued by members can and will lead to culture change

Appendix

- **Components of program**

- Health, safety, and wellness committees
- Onsite fitness rooms are various locations open to employees and spouses/partners
 - Health education and fitness classes
 - Remote employees are eligible for a subsidy for gym membership
- Health Risk Assessment
- Telephonic coaching based on health risk level (1 call for low risk, 4 calls for moderate, and unlimited for high risk)
- Target health risks such as obesity, physical activity, heart health, diabetes, and mental health programming.
 - Allowed to participate on work time
- Monthly wellness themes with photo submissions from employees

- **Incentive**

- Up to \$2,900 annual reduction in premiums
- Overall culture of well being

- **Measurement of success**

- Smoking rates decreased to 5.6%
- Medical claims significantly lower than average for state
- From 2007-2010 a net savings of more than \$2 M for medical claims, and \$3 M net considering absenteeism and presenteeism

- **Participation rate**

- 85% of eligible members completed HRA
- Nearly 100% participation with health coaching

University of Michigan

- **Components of program**

- Targeted physical activity, nutrition, flu vaccines, etc.
- Disease management with targeted interventions
- Free annual/biannual wellness screening and health risk assessment with follow-up coaching
- Wellness champion network of roughly 346 employees
 - Champions can earn badges for completing program steps such as blogging, and sharing ideas
- Health workplace culture survey administered regularly
- Health and wellness campaigns either to entire population or targeted group or department
 - Campaigns were open to spouses and students at a cost
- Quizzes on various health subjects
- Smoke free campus

- **Incentive**

- Screenings and assessments earned employees \$100 contribution to paycheck (before taxes) and an entry into a grand prize drawing up to \$750
- For campaigns: T-shirts, \$50 Amazon gift card, cash contribution, additional prizes not specified

- **Measurement of success**

- Increase in low risk employees from 35.06% in 2009 to 40.7% in 2012; reduction in medium risk from 54.86% to 52.02%; decrease in high risk from 10.08% to 7.28%
- Decrease in number of members with cholesterol over 204 mg/dL (9.4% in 2009 vs 4.7% 2012) and BP over 140/90 (12.5% in 2009 vs. 4.2% in 2012)

- **Participation rate**

- 17,640 members completed both screening and health assessment; 581 engaged in health coaching; 248 engaged in tobacco cessation services