

EmployeeBenefit

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Feature Story

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**Stretch the impact of
wellness programs with
integration**



Beef up wellness offerings

It's 11 a.m. on a Monday, and Ann Clarke and her employees are headed into a conference room. But one glance at the staffers' bare feet tells you that this won't be any ordinary meeting. Clarke, CEO of San Diego, Calif.-based ACI Specialty Benefits, and her employees have committed to making wellness both their business and part of their everyday routine.

She converted an old conference room into a yoga studio for her employees. She says that you have to consider the personality characteristics of your office when making wellness-related choices.

For her company, it meant making wellness part of the workday. "People are buying programs willy nilly," Clarke, a former college professor, says. "Employers want [wellness], but they're not ready for it."

According to Hewitt's 2007 Emerging Health Trends survey, between 77% and 89% of midsize and large employers offer some sort of wellness initiative. But, Clarke says, many employers have implemented a "check-the-box" program that acts as a Band-Aid rather than a real solution to rising health care costs.

In this month's conclusion to our "Open Enrollment Boot Camp" series, we're going to discuss how to make sure your business is in the right shape to start a wellness program or tighten up your current endeavor, throughout the year or in preparation for benefits enrollment.

Program integration

While the nation's health care costs reach \$74 billion per year, wellness programs are in place at nearly every midsize and large business across the nation.

A true wellness solution involves creating a program that's integrated into benefit design and company culture, streamlining HR and third-party vendors to work effectively together, branding and promoting the program with consumer marketing techniques to both individuals and families and tracking metrics to make sure that desired returns on investment are seen.

Laure Wells, manager of health and welfare benefits for Avaya, a telecommunications firm based in Basking Ridge, N.J., says that, in order to create an effective program, HR and benefit managers need to break down the silos between health and wellness. It's only after getting your existing or planned programs to work together in an integrated fashion that any initiative can be truly effective for employees, she says.

"It's really a total health management and not just a wellness program," she says. "When it comes to wellness today, we're sending employees to a lot of different rooms ... and the result is confusion or apathy."

"You don't send your employee to five managers to get performance feedback," she adds. "So why should they do that for wellness?"

"We have to make the wellness delivery model more streamlined," says Tim Stentiford, lead strategist in Hewitt's communication consulting practice. "The best employers suffer the unintended consequence of complicated navigation and access."

This may mean getting your third-party vendors, health plans and senior management together in a room to meet face to face to determine how processes can work together. For smaller companies that may not have the HR staff or monetary clout to get every-

one in the same room, it's as simple as providing telephone numbers of other points of contact to vendors.

For example, an employee assistance program should know the phone numbers of the smoking cessation program, the wellness vendor and the onsite health coach, and vice versa.

Employers that get programs to talk with one another have, on average, a 12% greater return on investment than those that operate individual programs in isolation, according to Chris Ryan, chief strategy and marketing officer for SHPS, a Louisville, Ky.-based third-party administrator.

Employers also should reach out to employees' family members and include them in wellness initiatives, Stentiford says. According to Hewitt, 60% to 70% of an employer's health care costs come from dependents, not employees. Furthermore, 70% of family health care decisions are made by women.

"It's a double-edged sword," Stentiford says. "We motivate employees, but actually motivating the person might require marketing instead to the dependent at home."

Furthermore, HR and benefit managers need to fully understand employee issues and cost-drivers before implementing any sort of program. "Know the dashboard factors and the top drivers of cost before putting programs into place. Know risk factors in specific [terms], not just cost trend on the aggregate," Stentiford advises.

Integrate the wellness program within the corporate culture to motivate, not stimulate fear.

Experts agree that one cannot begin to contemplate adding additional employee programs without first having a thorough understanding of corporate culture, employee issues and health-cost factors.

Kyle Roling, CEO of RedBrick Health, a Minneapolis-based firm that runs wellness and disease management programs for employers, suggests that it's a matter of switching from the current consumer-driven health model to a "consumer-owned" health model.

"We need personalized programs where 100% of the population can engage ... with independent advocacy programs ... outside of the health plan. Our sole focus should be to help people understand what their current health status is and how they can improve," he comments.

"HR needs to adopt the MapQuest 'turn-by-turn' model," says Stentiford, adding that HR directors and benefit managers should make access as easy as possible for employees.

The 2008 UBA Employer Opinion survey found that 72.5% of employers have or want to have a wellness program that utilizes a health risk assessment.

It's important to market programs using positive terminology. The term "health risk assessment" can scare people, Stentiford says. People fear pain, time and the word risk. Just call it a health assessment; it's the same thing, but less scary-sounding.

Also consider addressing issues about privacy concerns, costs and carrots/sticks up front, rather than waiting until questions arise.

The 2007 IncentOne "Use of Incentives" survey estimates that nearly 90% of employer-sponsored programs use some sort of incentive for participation.

"True behavior changes happen when there's money on the line, and employees truly want to change," says Robert Stevens, CEO of New Jersey-based Ridgeview Medical Center.

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Employers should consider using consumer marketing techniques to brand their wellness programs. Avaya and Utah-based hospitality group Premier Resorts both advocate creating a wellness logo and placing it on every piece of communication and Web site that mentions wellness.

The brand should be so thoroughly integrated into strategy and communications that understanding its existence is practically a subconscious thought.

Like almost all effective programs, wellness programs need senior-level buy-in. New Jersey-based American Standard significantly increased employee involvement in its wellness program by starting a “Shed with Fred” program, lead by the CEO.

Stentiford says that to create an effective program, you need “momentum and grass-roots buzz. It’s important not to add just another program, but to shed unnecessary ones.”

Open enrollment tie-in

There’s no rule saying employers must launch a new wellness program at open enrollment time.

In fact, some experts say wellness is a piece of the health care puzzle that should be conducted separately from benefits enrollment, so that employees can focus on one thing at a time.

If not communicated properly, a good wellness program might get lost among all the messages about enrollment and other HR issues.

“HR asks people to do too many health things at one time,” Stentiford says. “We encourage HR to make a map of all the health things they ask employers to do and then clear the decks of all but the necessary,” he adds.

“Enrollment is no longer about just selecting your benefits,”

says Ryan. “It’s about developing your plan and how you’re going to get your employees to stay healthy.”

It may be helpful to communicate the wellness program in a way that prepares employees well for open enrollment season and gets them to think about how the wellness program relates to other benefits that the employer provides, such as the health plan, disease management program and EAP.

ROI

Standard thinking assumes that wellness programs will eventually show a profit in increased employee productivity, decreased health care costs and happier employees in the aggregate.

But don’t think that such results can be achieved overnight; they can’t. Still, it’s important to continue tracking metrics on a detailed basis. After all, Wells says, “if the CFO can’t measure [the program’s results], whatever you’re doing won’t really matter.”

Rolfing says that employers should think in terms of upstream and downstream costs when considering program implementation.

Typically, he explains, employers focus on downstream costs, such as medical claims and absentee costs, which occur at or after the point of care.

Employers should adjust their focus to also seek out upstream solutions, which include those that take place before point of care, such as general wellness programs and smoking cessation programs.

“If you’re looking to save money, wellness programs are not where you start,” Stentiford says.

Stevens cautions patience when waiting for ROI to show through.

“No matter what you do, know that behaviors aren’t going to change overnight,” he says. —**M.R.**