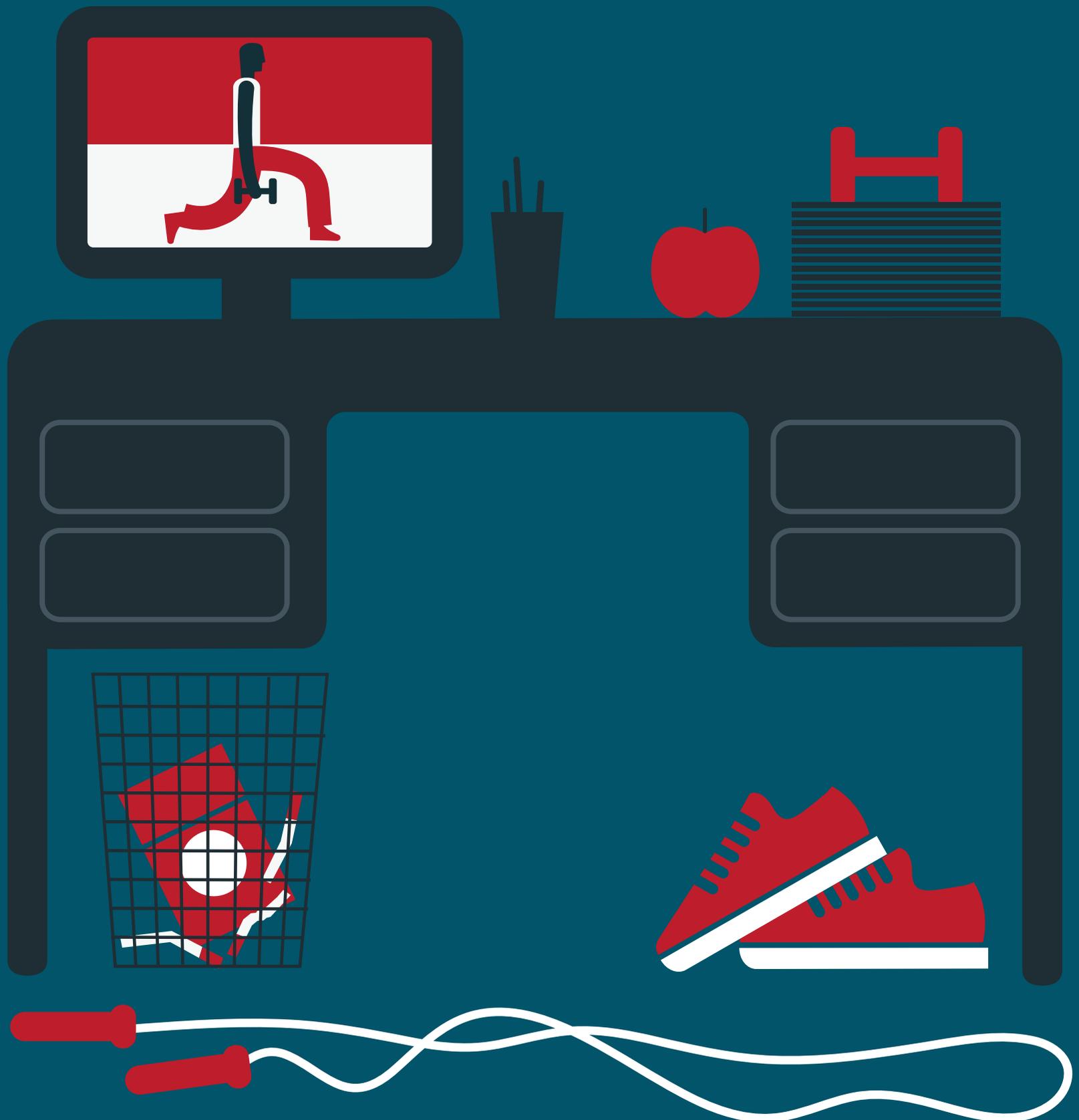


EBN 2011

Covering all bases: Preparing for open enrollment, part 3




By Lynn Gresham
Illustration by Carlos Aponte

Open enrollment can be a great time to showcase your wellness program and link it to your overall health management strategy. However, experts agree that to keep a wellness program “buff,” you need to create continuous buzz around it. In this supplement, part of our 2011 series on preparing for open enrollment, EBN readers share their strategies for increasing wellness program participation during OE and throughout the year.

GIVE WELLNESS THE SPOTLIGHT IT DESERVES

» **DAN POTTERTON**, chief operating officer,
FEI Behavioral Health



Implementing an employee wellness program is a significant investment for many companies, and it's important for leaders to achieve a strong program launch. Ideally, a wellness initiative should kickoff separately from the company's open enrollment to keep it from being lost in a vast array of other benefits options. For companies that do choose to unveil a wellness plan during open enrollment, there are several tips for engaging employees and maximizing impact.

Know your focus

Outline key program aspects and goals prior to the launch. A poorly planned program won't get off the ground. Three-to-six months prior to the targeted launch date, secure the support of C-suite executives and encourage them to lead by example. This also is a good time to organize a wellness committee and identify department "champions" who will foster ongoing engagement among their fellow employees.



Start small and build up

Instead of presenting a sweeping, broad-scope wellness initiative during open enrollment, keep the initial presentation manageable. There is so much information vying for people's attention during this period that employees may feel overwhelmed. Choose a handful of wellness attributes to promote for the first year and build from there. Provide employees with long-term incentives for participating.

Make wellness fun

Stay in front of employees beyond the program's initial kickoff by hosting other wellness-related events. Friendly competition and activities like a workplace "Biggest Loser" contest keep employees motivated and eager to participate, even after open enrollment communications are past. Here are a few other ideas:

- Organize an onsite health fair.
- Offer blood pressure screenings, chiropractor visits and consults.
- Arrange visits from outside vendors offering healthy foods or beverages.

Consistent communication

Since wellness is likely one of many benefit changes announced during open enrollment, it's important

to share key messages consistently and often. Communication also shouldn't end with an introduction to program elements — in the months that follow a wellness launch, consider:

- Publishing employee wellness successes in corporate newsletters.
- Measuring and reporting progress.
- Establishing a social media presence: Facebook, Twitter, wellness blogs, e-newsletters.

By keeping these tips in mind, companies can successfully capture employees' attention for a wellness initiative, even amid the business of open enrollment.

IT'S NOT WHEN, BUT HOW YOU ENGAGE EMPLOYEES

» **ANDREW FOOTE**, director of product development,
OptumHealth



Corporate benefit managers differ widely on when to roll out a wellness program: during open enrollment or at another time, when there are fewer distractions? But the more pressing question is: Why do some wellness programs fail to engage employees and deliver expected cost savings?

The traditional approach — outbound cold-calling — yields low engagement rates because it assumes that employees are ready to change upon being contacted and want to engage with a health professional by phone.

A better approach is to drive inbound engagement by continuously promoting wellness programs throughout the year, thereby enabling employees to initiate dialogue about the programs on their terms. Healthy cooking demonstrations, "ask an expert" sessions and onsite fitness classes are examples of innovative approaches that help maximize employee engagement.

Some employers also use an onsite health specialist — a health professional — who serves as a day-to-day resource for employees' health-related questions, drive increased screening and health risk assessment completion, and help connect them to the company's clinical, wellness and online health management resources. When employees are ready, they engage the specialist. Employee engagement increased four-fold at one large firm when using an onsite health specialist, compared with using traditional outbound calling by a nurse.

Onsite health promotion can revolutionize traditional wellness and disease management programs by delivering offerings in the environment in which employees spend most of their waking hours.



USE OE TO ESTABLISH HEALTH AWARENESS AND BASELINES

» **DENA ENGSTROM**, associate vice president and manager,
employee benefits, Davidson Companies,
Great Falls, Mont.



Davidson Companies is one of the leading regional financial services holding companies in the U.S. Headquartered in Montana, the company has a reach that stretches across 16 states — and we continue to grow. The firm is focused more than ever on the link between company success and the physical and emotional well-being of our associates.

To assist our associates in reaching their health and wellness goals, we have several initiatives in place:

- The company has a wellness program with health coaches provided through HealthCheck 360, a health and wellness consultant.
- Management has appointed Wellness Champions at various company locations to help foster a local culture of health.
- We offer an annual health risk assessment and biometric screenings.
- All associates may take part in our "Bring Your Own Lunch Box" education series, which focuses on our population's risk factors, accompanied by weekly challenges.
- Employees and their household dependents have 24/7 access to an employee assistance program.

While most of these benefits are publicized all year long, the health risk assessment and biometric screening are tied to open enrollment. Each fall, all associates who want to participate in the Davidson Companies health plan must complete the HRA. At the same time, we make a biometric screening available to all associates and spouses and encourage them to participate. The screening is paid for by the company whether or not the individual is on the company-sponsored health plan.

We also tell our associates prior to open enrollment what, if any, incentive will be offered for the next year to help them determine their personal health goals.

DIVERSIFY WELLNESS MESSAGES AND METHODS

» **DR. HAMIDAH SHARIF-HARRIS**, president,
Sharif HR Consulting, LLC



Employee groups are inherently diverse with regard to age, ethnicity and culture, language, education and health literacy. The old "one size fits all" strategy of generic marketing materials and delivery methods has not been successful for many employers. The results include limited understanding, low participation and poor engagement in wellness programs.

When aiming to reach more of your targeted employees during open enrollment, your communications should focus on two main diversity goals: message diversity and method diversity.

Message diversity

Because of the multifaceted nature of open enrollment, it can be challenging to include wellness in the communications strategy. However, with the right set of messages at the right time, delivered with the right mix of methods, your employees will feel more empowered.

Striking the right balance requires gathering information on your employees before attempting to communicate with them. The information you should compile includes ethnic composition, languages spoken, occupations and education levels. According to the National Business Group on Health, employers may be unaware of social inequities that exist in the society that can negatively impact employee's health status and result in health disparities between workers.

Awareness of these inequities and of the diverse communication needs of the workforce is essential to employers. It is important that the messages are vetted by a small group of diverse employees to ensure the wording, pictures and tone is appropriate and culturally sensitive.

Occupational differences should also be accounted for in wellness communications. The language and tone that can be used for first responders is different than for administrative professionals.

It can be useful to include pictures of actual first responders on wellness materials. This strategy often communicates pride and respect, which are more likely to result in engagement. When messages are targeted to the audience, employees are more likely to see themselves in the programming and feel connected to the wellness program overall.

Method diversity

There was a time when printed letters and postcards were enough to engage employees. However, in the digital age when employees are bombarded with so many messages from so many sources, employers have to use more creativity. Incorporate social media such as Twitter into your strategy by providing "welltweets," which should include small bits of information such as new workshop topics for the year and additional locations for activities.

Employers also should use a wellness text-alert system to send brief messages about programs and include links to the program's mobile sites. Other successful strategies include combining print materials with digital communications by using QR-coded postcards, flyers, paycheck cards, etc. QR codes are printed on the collateral, and when the employee scans the barcode with the camera on their smartphone, they

are immediately linked with the website, the telephone number is instantly dialed or a text message is sent.

There are many exciting ways to engage employees during open enrollment. Remember to assess your population first, use smart and efficient technology, and you will see significant engagement in your wellness program.

GO GREEN TO EASE ADMINISTRATION AND BOOST ENGAGEMENT

» **ANN CAMPANELLA**, MA, PHR, organizational development, Lake County Government, Waukegan, Ill.



We have an extensive wellness program with a menu of events employees can choose to participate in. A sample of events includes biometric health risk assessment, a 5K, a weight-loss challenge, a fitness boot camp and wellness education. Employees can earn up to \$300 in cash incentives which accumulate throughout the year and is paid out at year-end. We require verification of event completion to receive the cash incentive.

In the past, we printed fact sheets that explained the details of each event and registration forms for over 20 different wellness offerings. Consequently, enrollment and verification paperwork was a manual, time-consuming process. We requested the help of our IT department and created a wellness database that now houses all of the details of our wellness program. In addition to being green and eliminating most paperwork, our objectives were to:

- Create an electronic, interactive wellness environment.
- House program and event information.
- Create an electronic employee self-service registration site.
- Provide electronic payroll deduction authorization (for events that require a small fee).
- Verify that participants complete the event.
- Allow employees to check the status of their wellness information at any time.

The front page of the database contains all the offerings that employees and their dependents can participate in. Information and registration is only a click away. The name of each offering is a link that opens a PDF document explaining the event. Checking a box next to an event opens a registration link in which employees can register themselves and their dependents.

This new paperless system has been embraced by employees. It has decentralized our process and empowered employees to take charge of their wellness participation. We are only in the first quarter of implementation; however phone calls and emails containing questions about the wellness program have decreased

dramatically, while participation has increased.

ASSEMBLE A WINNING TEAM

» **DOROTHY MIRAGLIA**, principal, Strategic Benefit Solutions, AlphaStaff, Inc.



Wellness can best be described as an individual's commitment to good health, whether that goal is simply staying healthy or managing conditions (physical, mental, emotional and financial) that impact daily living. Wellness programs at work help change the workplace culture by encouraging employees to become engaged, giving them a path to wellness and then rewarding that behavior. One of the best ways to ensure engagement is to appoint respected employee advocates or "wellness champions" to keep the program on track and help motivate others on their journey.

There are usually one or two individuals at work who are "influencers." They are not necessarily supervisors or managers, but are generally upbeat about themselves and the environment they work in. Recognizing who they are and appointing them as wellness champions is the first step in getting the ball rolling.

Once identified, wellness champions should be trained accordingly. The role of a wellness champion is to communicate, participate, motivate and support the wellness program.

Their input is invaluable, and they should be involved in creating the communication and content so they can grasp what will be shared with employees and be fully committed to their new role.

Wellness champions should also be the ones to help determine how information will be communicated companywide, roll out specific wellness initiatives and tap other advocates to assist them in implementing and reinforcing the plan. They will also provide feedback regarding their perspectives and best practices.

When employers are considering a health wellness campaign, wellness champions should keep in mind that the program should offer something for everyone. Whether employees want to stay healthy or need help with a serious medical concern, wellness champions should be able to assist them with finding a resource to meet their needs.

With the right wellness champions on board, wellness programs can be an effective way to improve employee health, happiness and productivity.

VACATION IS THE WELLNESS PROGRAM GAME CHANGER

» **KAREN QUIGLEY**, principal, Wellness Vacations



Vacation time was originally designed to attract and retain employees, but it has never been realized for the

wellness benefits it provides to employees and employers. Consider these facts:

- Vacation is a benefit that is part of the core employee package and is already in the budget.
- The design is simple — employees receive a specific amount of paid time off in hopes they will come back less stressed and more productive.
- Some employers actually encourage worker burn-out by paying the employees not to use their vacation benefit. This is like paying a CEO of bankrupt company a huge bonus for bad behavior — it sends the wrong message.

• Employees who don't use vacation time cost the company more money from stress related health conditions and end up in wellness programs for obesity, high blood pressure, diabetes, depression, etc. So now the employer has actually paid for this forgotten benefit, additional health claims, and wellness programs!

Employers should recognize the true impact of the vacation benefit to the employee's health and the company's bottom line. We promote smoking cessation, weight control, diabetes, high blood pressure, etc. to a targeted group of employees because not everyone deals with these issues. Promoting vacation as a wellness program will have a positive impact on 100% of the employee population. Employers spend thousands of dollars promoting every other wellness program except vacation, which can generate the most positive wellness results. The message to employees and their families on the positive health benefits from vacation will encourage them to actually use their vacation time to go away and build stronger relationships with family and friends. We all realize that an employee who is happy at home is healthier and more productive at work.

So what is the solution for promoting the vacation benefit and sending a positive message to the workforce throughout the year? Provide a plan that allows employees to take a vacation at a reduced cost - just as they do when we provide network for health, dental, vision, etc. During these economic times employees are looking for ways to save money on everything, and in these stressful times, vacations are needed now more than ever. Can you imagine a workplace where the health benefits from vacations are promoted with the same focus as other health and wellness benefits? Now that is a game changer!

FIVE RULES FOR A SUCCESSFUL WELLNESS PROGRAM

» **LARRY LUTER, M.D.**, F.A.A.F.P., chief medical officer, Prodigy Health Group, parent company of Meritain Health



Wellness programs are an employer's best defense

against rising healthcare costs. Incorporate these tried-and-true techniques to ensure the success of your strategy and the integrity of your bottom line.

1. Address specific employee needs. Employee participation dictates the effectiveness of a wellness strategy. By gauging the needs of your employee population through tools such as health risk assessments and biometrics screenings, you can choose best-fit wellness program components. Some health plans staff special consultants as part of their wellness product who assist employers in identifying employee health needs in order to design programs with the greatest population impact.

2. Practice good communication. To alert employees to available wellness program activities and help them understand how their program works, it helps to provide plenty of communication. Printed materials, such as welcome booklets, informational flyers, paycheck stuffers and posters, can provide notification of upcoming wellness events. Electronic materials and notices can be sent out through company e-mail, posted on the corporate intranet or mentioned in the corporate newsletter. Conducting an open enrollment meeting where employees can receive materials and learn more about their available wellness benefits can foster wellness program participation. Consider delivering the message of wellness events in person to departments that are least likely to read materials like flyers or posters. Creating a company wellness team to plan and circulate information about wellness program events can also be useful. This on-site committee of employees works best with an assortment of members ranging from mailroom staff to senior management. This helps prevent an "us versus them" image.

3. Involve senior management. Effective wellness programs feature participation by senior management, from financial backing to visible involvement. When "higher-ups" eat their own healthy cooking, the gravity of a wellness program is enforced to employees. Senior management can circulate letters or e-mails, with the best route being attendance at corporate health events.

4. Harness the power of incentives. When it comes to displaying the organization's commitment to the wellness program, nothing speaks louder to program participants than the opportunity for rewards. Incentives have been shown to dramatically increase employee participation, especially when they involve cash, such as gift certificates or a direct cash payout. Non-cash incentives might include merchandise, reduced premiums or discounted generic drugs.

5. Strengthen your long-term strategy. To guarantee the success of your wellness strategy, communication efforts need to continue year-to-year. Incorporating new wellness events to motivate employees, such as corporate walking challenges or healthy food cook-offs, can keep your message fresh and ensure continued employee engagement.

WELLNESS SOARS WITH SENIOR COMMITMENT

» **STEVEN P. NOELDNER, PH.D.**, partner and senior consultant, Total Health Management, Mercer



Is there a single best practice when it comes to employee participation and enrollment in health and wellness programs? Perhaps not just one, but new research points to senior management commitment as a key success factor. In fact, there is clear correlation between senior management support and higher levels of employee participation in programs ranging from blood pressure screenings to ongoing diabetes management.

That's a key finding of an analysis of data from nearly 450 employers that completed the HERO Employee Health Management Best Practice Scorecard, a survey that rates an organization's employee health management (EHM) program based on the extent to which it incorporates best practices. Mercer and the nonprofit Health Enhancement Research Organization (HERO) collaborated on the study and on an ongoing Best Practice Scorecard survey.

The HERO Scorecard asks a number of questions to determine the level of leadership and cultural support for employee health and wellness programs and the results suggest a best-practice blueprint for organizations seeking to enhance wellness participation and outcomes. For example, does senior leadership make a point of participating in programs themselves? Does the corporate mission statement mention supporting workforce health as a goal?

Among the organizations that scored highest in this area, average employee EHM participation rates are significantly higher. Their employees are more likely to complete a health risk assessment (59% of employees, on average) than employees in organizations reporting little or no leadership and cultural support (41%), and are also more likely to take advantage of biometric screenings offered through the program (53% versus 38%).

The simple fact is that higher participation leads to better program outcomes, so it's not surprising that strong leadership and cultural support was also associated with a positive impact on health risks and health care spending. About two-thirds (66%) of organizations with strong leadership and cultural support reported improvements in health risks, compared to only 26% of those with little or no support.

Most strikingly, organizations with strong leadership and cultural support were 10 times as likely as those with little or no support to report that the EHM program has had substantial positive impact on their medical plan cost trend — in other words, that as employee health has improved, the company has saved more in medical claims than it spends on the EHM program. Leadership support is certainly a key element contributing to such success. Indeed, the survey results further show that

while many employers now provide employees with a cash incentive to complete a health risk assessment, the same incentive will be more effective in an organization where management is involved and a sound EHM strategy is in place.

The HERO Scorecard is now an online tool available to organizations on a complimentary basis and may be accessed through www.the-hero.org or www.mercer.com. The survey must be completed online, but a PDF version is available that can be used as a teaching tool. After an organization's information and data have been submitted to the online HERO Scorecard, a free report will be provided that compares the score of their program with the aggregate score of all the responses. For more information, visit www.the-hero.org and click on the Scorecard link.

ROLL OUT NEW WELLNESS PROGRAMS SEPARATELY

» **FOY CURLEY, JR.**, senior associate, communications, Employee Benefits Solutions, Houston, Texas



Many employers tend not to communicate often enough throughout the year, then wind up bombarding employees with too much information during large campaigns, specifically around annual enrollment. Avoid communicating a brand-new wellness campaign during annual enrollment. Employees already spend too little time reviewing enrollment materials; mixing the communications messages across two important initiatives will likely alarm some employees into ignoring everything and cause others to focus on one campaign or the other, not both.

READY, SET, GO! THREE STEPS TO WELLNESS-INTEGRATED BENEFIT DESIGN

» **NANCY POKORNY**, managing consultant, Findley Davies, Inc., Cleveland, Ohio



Many organizations are implementing or considering wellness-integrated benefit plans. This type of plan links health improvement outcomes to employee contribution levels, deductibles and other incentives. But before implementing a wellness-integrated plan, you'll want to consider the infrastructure, programs, and data capturing necessary for program success.

Designing and implementing a wellness-integrated benefit plan is like running a race. There's the preparation beforehand, or the "Ready" phase. There's the point where all systems are tested and in place — the "Set" phase. And there's the launch or the "Go" phase. Let's take a closer look.

Ready! Outcomes-based benefit plans should be implemented under the umbrella of a broader cultural

initiative. The new plans should be in sync with the organization's overall strategy. One of the goals with wellness-integrated benefits is to increase employee accountability for health. This is more likely to happen if the organization is taking accountability for creating a healthier work environment.

In launching a wellness-integrated plan, you'll need to establish a baseline for the outcomes, generally 12 to 24 months in advance of the launch. Traditionally, baselines are captured through biometric screenings, but other avenues, such as routine physicals, can serve a role. The employee's results are then recorded in a secure system and retained for future comparison. To ensure accuracy, it is best if the data is captured directly and not self reported by the employee.

Another consideration is the grandfathered status of your benefit plans. Grandfathered plans limit the types of incentives you can build into the design. If your plans are grandfathered currently, you may want to consider relinquishing that status in the future to take advantage of higher incentives.

Finally, you want a high level of employee participation in establishing the baseline biometrics. Although ongoing strategic communications are critical, you also may want to include a one-time incentive to jump start participation.

Set! Let's assume it's 12 months later, you have established your baselines and were successful in achieving a high level of participation. Now what? You'll want to measure and record again, and perhaps begin tracking certain employee activities to improve or maintain health. Examples of such activities include active participation in chronic condition management programs, successful completion of tobacco cessation or stress management programs.

Go! Employees have now had 24 months to know their numbers and make lifestyle changes to improve them. The organization has created a work environment that supports healthier decisions. And all baselines and data tracking systems are in place and fully tested.

Now the full implementation of the program can begin. Outcomes are linked to employee contribution levels, lower deductibles or other incentives built into the plan. You're on your way to creating higher employee accountability for health.

Is it possible to implement wellness-integrated plans in less than 24 months? Absolutely. The culture of your company and the availability of resources will influence that timeline. However, remember that sufficient lead time is needed in order to establish a baseline.

APPLY THESE BEST PRACTICES TO WELLNESS PROGRAMS

» **LEE DUKES, PRESIDENT**, Principal Wellness Company, a subsidiary of the Principal Financial Group



Employee wellness is one of the fastest growing areas

of interest in benefits, likely because rising health care costs are top of mind for employers. A workplace wellness program can address unhealthy behaviors head on. In fact, according to the Principal Financial Well-Being Index, better overall health is the top reason American workers report they participate or would participate in a wellness benefit program.

As annual benefit election time approaches, consider these best practices for implementing and maintaining a comprehensive wellness program for your employees.

- Communicate throughout the year. Use many existing channels of communication to promote both the launch of your wellness program and activities throughout the year. Use the same channels of communication to get the word out about your program. Newsletter articles, emails, posters and even social media can be effective ways to communicate with employees.

- Identify a wellness champion. Find an individual excited about the program to serve as a wellness champion, someone responsible for promoting the program to other employees. This individual should be someone well-organized and well-respected by his or her co-workers. Not only will this help promote the program, it will give employees a way to provide feedback to improve the program.

- Give them incentives. Focus on long-term, meaningful incentives for participation, such as year-end rewards. Rewarding employees with a significant year-end reward can often have a greater impact than a series of small rewards for participation in individual activities. Participants stay focused on the larger goals and can choose activities that best meet their needs and schedules.

- Make it a family affair. Consider allowing spouses to participate in on-site wellness screenings and events. By having the support of a spouse, many will be encouraged to make healthier lifestyle choices together.

- Money matters. Offer employees a discount on premiums if they choose to participate in wellness screenings or assessments.

Wellness and wellness incentive programs are subject to federal and state regulation. Consult your legal advisor regarding the design of any wellness or wellness incentive program.

KICK PROGRAMS INTO HIGH GEAR WITH CHALLENGES

» **BRENT WATKINS**, president, Pancoast Benefits, Nashville, Tenn.



For almost a decade, fostering a climate of wellness has been a top priority at Pancoast Benefits. Our approach to clients has always been that the health of their employees has a direct correlation to the health of their company. Good health, we believe, leads to greater

productivity and lower costs. Borrowing from a cliché, we adopted the policy that if we were going to talk the talk, we had to walk the walk.

We began simply enough by offering health club membership, encouraging associates to make healthy food choices, and circulating printed materials that contained advice on a healthy lifestyle. We devoted space in our Nashville offices to an employee gym with cardio machines and weights. Since our founder, Fred Pancoast, is a former college football coach, motivation and competition became the keys to achieving our wellness goals.

Three years ago, our associates kicked our wellness program into high gear by assuming ownership of the issue and designing creative challenges to involve all 15 associates in both the planning and the execution. The end result is that wellness is now a way of life at Pancoast Benefits. While our

challenges vary, and are usually seasonal, our most successful initiative has been our summer mileage challenge. Southeastern

College football and walking became the cornerstones of the challenge. Each associate pledged to walk the distance from Nashville to the home stadium of the SEC team of their choice. For instance, one associate pledged to walk the 195 miles from Nashville to Ole Miss in Oxford, Miss. Another chose to walk the 164 miles from Nashville to Knoxville, home of the University of Tennessee. The challenge was staged from June through August, and we achieved 100% participation. A chart was developed on which an avatar, representing each associate, would be moved daily as the associate logged in their miles. Progress was also charted through a daily “huddle up” meeting attended by associates. Those who successfully complete the challenge not only receive \$1.50 for every mile walked, but they also receive two tickets to the SEC football game of their choice. Non-football fans could choose to walk the distance to an amusement park 165 miles from Nashville,

During other months of the year, smaller challenges keep the enthusiasm level high. Friday head-to-head challenges have become a popular new addition to the Pancoast wellness program. We have recently embarked on a six-week TCB challenge with a weight-loss goal. The winners will take a trip to Graceland in Memphis for the day. We encourage associates to participate in local 5k walks and reimburse their entry fees, and we have other weight loss challenges throughout the year. Points are awarded for maintaining current weight as well as for losing and for using the company gym. As a result of these challenges, our associates have developed a tremendous team spirit and a heightened sense of camaraderie,

Our winning formula is that associates, acting in

teams and on a voluntary basis, initiate and design the challenges themselves. They own it, and it shows.

MAKE YOUR INCENTIVES MORE EFFECTIVE

» BARRY HALL, FSA, principal, Buck Consultants



Recent research indicates that financial incentive rewards are wildly popular and growing rapidly among U.S. employers as a way to encourage participation and engagement in wellness and health management initiatives. However, the same research reveals that most employers rate their incentives as no better than moderately effective at driving behavioral changes.

How can you make your incentives more effective, especially without spending more money? Follow these three steps:

1. Drive the right behaviors. The most common incentive reward is for completing a health risk questionnaire. While this activity may provide insight into health risks across your population, for individual employees, it is too often a mindless, hurried activity to achieve the incentive. Some skeptics even doubt the honesty of participants' HRA responses, if not accompanied by biometric screenings. The bottom line is that, on their own, such questionnaires do little to create lasting behavior changes and achieve employer goals. Still, risk appraisals can be a valuable building block for a wellness program if you structure incentives to reward actual health improvement behaviors (such as engaging with a health coach or exercising regularly) or, better yet, maintaining a healthy blood pressure or reducing cholesterol levels. These activities and outcomes will help drive results.

2. Use behavioral science design principles. Once you've targeted the right behaviors, structure the reward for maximum impact. Inventive employers are pioneering the use of concepts from cognitive psychology and behavioral economics to enhance the effectiveness of their wellness incentives. Principles such as loss aversion, statistical optimism and hyperbolic discounting may sound obscure, but they're used every day by advertisers to influence our decisions as consumers — and often to the detriment of our health. Turn the tables by learning about and leveraging these concepts and our inherently human “predictable irrationality” to more effectively engage employees and make healthier behaviors easy, social and fun.

3. The greatest incentives won't change behaviors if no one knows about them, and if participants haven't internalized the rationale for new behaviors. Many employers have traced disappointing participation rates back to employees — poor awareness of an incentive, hesitation to participate due to privacy concerns, or other issues. Frequent, targeted and comprehensive communications can reduce misperceptions, boost employee trust and confidence in company motives, and

foster engagement. A supportive culture also includes leaders who lead by example, championing and role modeling well-being.

If you offer a wellness incentive, or are planning to design one, don't just follow the crowd. With a little extra thought, you can “supercharge” your incentives and achieve greater success.

GUIDING PRINCIPALS FOR WELLNESS ROI

» GINA PAYNE, national director of wellness, CBIZ Employee Services



It is a fundamental fact that organizations need healthy and productive workers to maximize their business objectives and drive sustainable growth. A healthy employee costs less than an unhealthy one. If a company can reduce their employees' health risk and maintain healthy workers, they can decrease the excess cost generated by excess risk. By following five guiding principles, an organization will be able to implement an effective wellness and health risk management system where they will also demonstrate a measurable and substantial ROI.

1. Fully understand your specific population's root cause of risk and cost. This means a deep analysis of claims and other retrospective data, as well as prospective data from health risk assessments, biometrics and more. Even if a small employer does not have access to detailed claims from their carrier, it is still possible to obtain relevant data to identify root causes.

2. Commit to a sustainable operating environment. A company should see wellness and the culture of health as a serious economic business strategy. Wellness should be a natural extension of the organization's identity and should permeate the daily operational activities and the facility itself.

3. Deliver the benefit plan and programs as an integrated value-based total health management system. The program must overcome individuals' barriers to engagement and must be easily accessible for employees to reach and use in meaningful and productive ways. Programs should not just target those with high risk, but cover the entire population. It is important to have personalized or interactive intervention programming that addresses the prioritized risks specific to the individual, rather than programming aimed at treating all employees with a common risk factor the same.

4. Create a recognition system for employees — both extrinsic and intrinsic. The organization should have a three-year strategic wellness plan that first rewards participation and then follows to reward improvement and achievement. Many organizations get stuck in the limited participation and awareness. Incentives need to be meaningful (\$300+), and a plethora of low-cost recognition tools should be utilized, such as gift cards, storytelling or other prizes. Use tailored communica-

tions and media diversity.

5. Have a wellness and health risk scorecard to determine ROI. While measuring participation and participant satisfaction with the program is helpful, ROI metrics go beyond those to results. Too often, organizations implement intervention programs only and then are frustrated when they do not see any ROI. Design the system with the end goal in mind and spend the time and effort in designing ROI evaluation of the program and the methodologies by which data is collected and analyzed. It will then accurately drive objectives and programming and the intensity of engagement needed. By capturing the right metrics, a wellness scorecard can connect investments in a program with short-term and long-term results.

BEST PRACTICES FOR CREATING A CULTURE OF HEALTH

» **MISSY POPP LLOYD**, director, Participation Strategy, Wellness & Prevention, Inc.



Building a culture of health in a business environment is not as simple as passing around a memo or hanging up a sign by the water cooler to encourage employees to eat less sugar and exercise more frequently. Instead, it is a guiding set of principles that drive a mission to connect health and well-being into everything people do at the personal and professional level.

Despite the wealth of information available regarding ways employers can engage employees into health and wellness programs, there are no defined industry guidelines for participation and no silver bullet for increasing employee engagement in these programs.

HealthMedia, a Johnson & Johnson company and part of the Wellness & Prevention business, has worked with both employers and health plans, and recommends these six best practices that help drive participation in a wellness program.

1. Secure management endorsement. Programs must be viewed as more than a line item and executives and middle management must be involved and committed.

2. Provide meaningful incentives. Incentives come in many forms, but they don't need to be monetary and should be sustainable over time.

3. Cultivate program champions. This allows for localization of the program. Program champions should be volunteers who are committed and passionate about the cause, not appointed.

4. Establish a communications plan. Communication is an ongoing, well-planned initiative which increases in complexity as more programs are offered.

5. Provide simple access. Online access instructions



must be simple and easy to understand; the user experience must be intuitive.

6. Advocate seamless integration. Program integration is generally overlooked — create program maps, hold quarterly vendor meetings and standardize annual training sessions.

In order for companies to achieve a culture of health that directly impacts the bottom line, they must work on the six best practices as well as have a solid foundation of strong goals and objectives, a well-planned strategy and high-quality data.

FINDING THE SILVER BULLET

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The first question employers need to ask themselves before pulling the trigger on a wellness program should be: “How do I want this to impact our employees, our corporate culture and our bottom line?” The answer to that question will ultimately determine what steps they take next.

Depending on your industry, company size, demographics, budget or corporate goals, no two answers will be exactly the same. The good news is that no matter how you choose to design, introduce, promote or incent your wellness program, the strategy used to drive change in your organization fundamentally remains the same.

What successful wellness programs all have in common is that they have a cohesive plan — a road map to success with clearly defined objectives and milestones. The challenge employers need to address isn't whether they should offer a walking program or a running program, but rather:

- What do we want to change about how our employees utilize their benefits?
- What preventable conditions exist in our organization?
- What lifestyle changes do we want our employees to make?
- What motivates our employees (e.g., time off, money, recognition, etc.)?
- What's the best way to communicate with our employees (e.g., meetings, e-mail, Twitter, etc.)?
- What changes can we make in our benefit plan design to remove barriers for our employees?

Once you determine how your company defines a successful wellness program, it's time to create a campaign that allots enough time to properly educate and engage your employees. For example, if your goal is to have employees complete their preventive care screenings before the beginning of your open enrollment period, don't start communicating this two weeks beforehand; start six months before your screening dates.

You need time to:

- Explain why you're doing this.
- Articulate what's coming.
- Identify what's in it for them.
- Communicate incentives.

Employees need to feel engaged; they need to understand how their actions directly impact their company's bottom line and their own out-of-pocket expenses. Do your employees:

- Know how much you spend on healthcare expenses each year?
- Realize that health care represents the second- or third-largest line item in your company's budget?
- Understand that misusing their benefits (e.g., using the Emergency Room as their primary care physician) costs their company hundreds of thousands of dollars — and those costs translate into higher health care premiums for everyone?

Employees need to understand that they can help reduce their health care costs. Make your employees part of the solution; challenge them to become “active consumers,” not “passive users” of their benefits.

Truthfully, there's no silver bullet when it comes to wellness programs. However, by properly identifying your strategic goals, building a comprehensive plan, engaging your employees, and partnering with health care professionals (e.g., brokers, carriers, or service providers), you've taken proactive steps to ensure that your employees will recognize your commitment to their health, you'll see a return on your investment over time, and you'll help protect your company's bottom line. **-L.G.**

FYI

This is the final installment of *EBN's* three-part series on open enrollment. Part one looked at effective open enrollment communication, while part two tackled the topic of how to better engage employees in their voluntary benefits. Both are available at ebn.benefitnews.com/openenrollment. Also, you may order print copies of all three parts through *EBN's* reprints department. For detailed information and pricing, please contact Reprints Director Godfrey Livermore at godfrey.livermore@sourcemediacom.
