# Employee Wellness Programs: Myths & Realities

## Presentation Goals

- Why Many Traditional Employee Wellness Programs Don't Work

- Clearly Identifying Both the **Goal** of the Wellness Program and **Specific Criteria** for Measuring the Program Informs the Who, What, and How

- The Key Ingredients That Lead to Successful Wellness Program Outcomes

# What is Your Definition of a Wellness Program?

# "Wellness" – A Very Broad Term

- Diabetes Management/Prevention Programs
- Weight Loss Programs
- Exercise Initiatives, Gym Memberships
- Preventative Health Screenings
- Quit Smoking
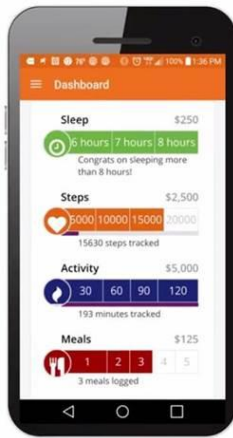- Employee Assistance Programs (EAP)
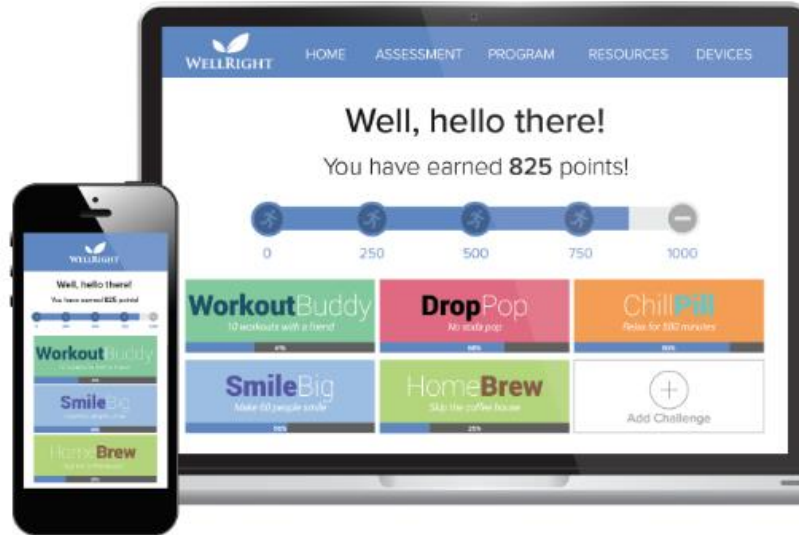
- Financial Wellness

# Programs of All Shapes & Sizes

# What is the Objective of a Wellness Program?

- Company Culture
- Improve Health
- Healthcare Cost Containment
- Education
- Employee Engagement
- Other

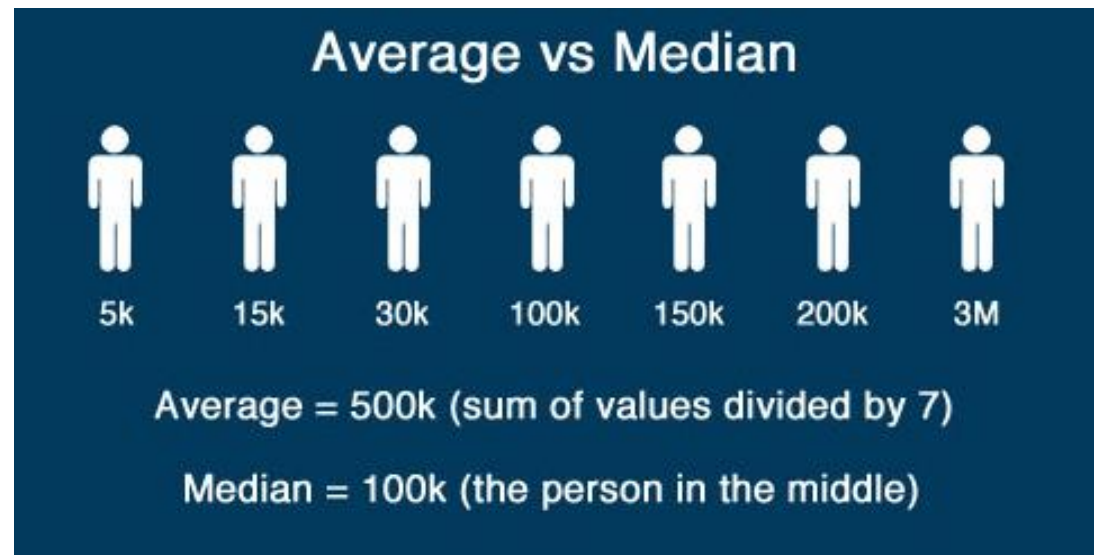# Why Aren't Traditional Wellness Programs Achieving Their Desired Outcomes?

# MYTH

## The Data Gained From Wellness Programs Tells The Whole Story

# Misrepresentation of Information

- Participants vs Non-participants
- Only Counting Decreases, Not Increases
- Showing Huge Savings Based on Trivial Risk Reduction
- Comparison to Hypothetical "Trend"
- Saying "Costs Fell" but Not Measuring Wellness-Sensitive Medical Events
- Referencing the Mean and Median

Source: DMPC | Disease Management *Purchasing Consortium Advisory Council*



Average vs Median

5k    15k    30k    100k    150k    200k    3M

Average = 500k (sum of values divided by 7)

Median = 100k (the person in the middle)

# Reasons Why Wellness Programs Fail

## Employee Viewpoint

- One Size Fits All

- Insufficient Senior Leadership Buy-In

- Employees Don't Engage

- Too Activities-Based

- Too Much Stick, Not Enough Carrot

- Privacy Concerns

- Limited Accessibility

# Reasons Why Wellness Programs Fail

## Employer Viewpoint

- Keeping the Healthy….Healthy

- Ignoring the High Risk Individuals

- Employee Accessibility

- Wellness vs. Weight Loss

- Investing Wellness Dollars in the Wrong Place

- Administratively Time Consuming

# 15 Years of Looking at Wellness Programs

Additional Insights:

- Clearly Defining the Objective of the Wellness Program

- Criteria Not Specific Enough to Produce Measurable Results

- Wellness Program vs Targeted Intervention

- Secret Sauce to a Successful Wellness Program

# Clearly Defined Objective

**Defining the WHY Informs the WHO, WHAT, and HOW**

- Company Culture

- Improving Employee Health

- Healthcare Cost Containment

- Education

- Employee Engagement

- Other

**WHY?** ARE WE DOING THIS

# Clearly Defined Criteria

Make the Objective SMART

Specfic ✓
Measurable ✓
Achievable ✓
Relevant ✓
Time-bound ✓

# Science is a Key Ingredient In The Secret Sauce

Science is…

- Observable
- Testable/Disprovable
- Measurable
- Repeatable
- Modifiable
- Verifiable
- Built Upon Testable Predictions
- Based on Experimentation

# REALITY

# Most Wellness Program Criteria is Not Specific Enough

# Program Objective & Defining Criteria Example

- Too Broad: Reduce the Risk of Prediabetes
- Too Vague: Promote Healthier Choices
- Goes-Without-Saying: Encourage Weight Loss

- Crystal Clear
    - Reduce the Percentage of Employees with Prediabetes to Normal
    - Reduce Percentage of Fatty Tissue



**PREDIABETES** means your blood sugar is higher than normal. You don't have diabetes yet, but you are at risk for getting it.

**35%** OF ADULTS IN IDAHO ARE ESTIMATED TO HAVE PREDIABETES

# A Better Approach

# Wellness Programs vs. Targeted Interventions

**Targeted Interventions are a deliberate effort to have a positive impact on a Subset of Employees.**

Examples:
- Weight Loss
- Tobacco Cessation
- Drug Abuse

# Are You Targeting The Right Weight?

Weight
200 lbs.

Body Fat
100 lbs.

**50%**
"Percent fat"

*Amount of fat did NOT change*

*Percent fat actually increased!*
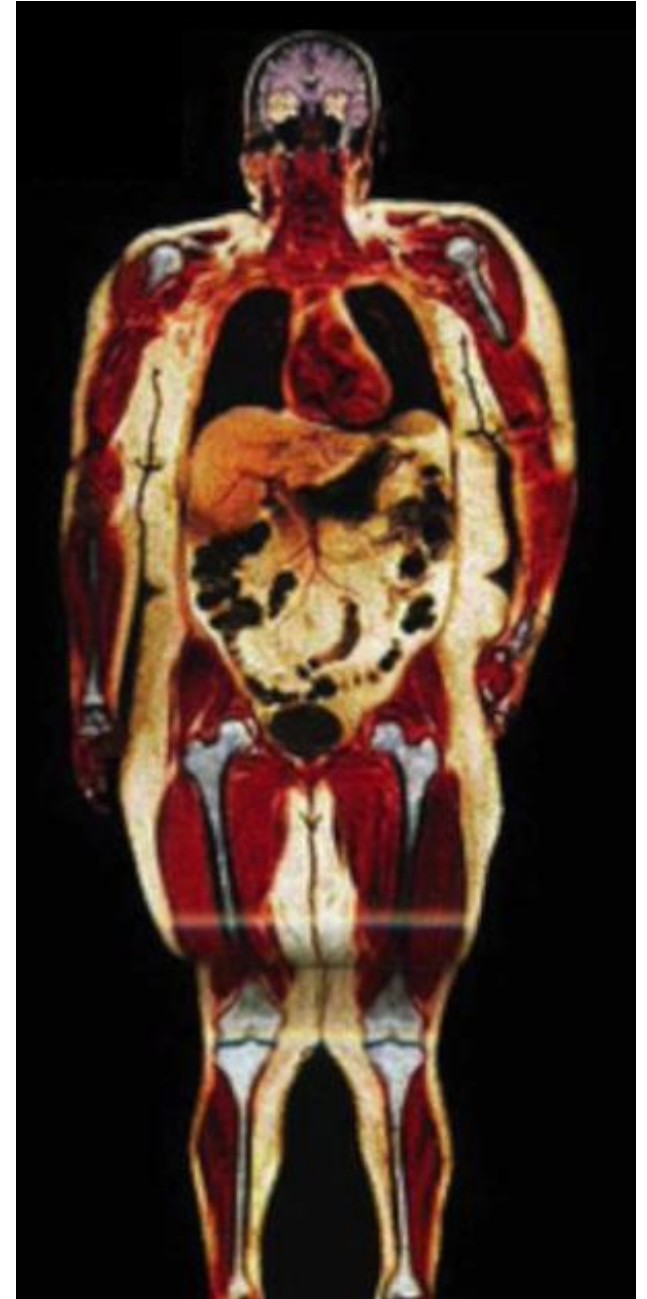
Weight
190 lbs.

Body Fat
100 lbs.

**53%**
"Percent fat"

# Specific Criteria Examples

- 100% of weight loss from fatty tissue

- Identify the correct amount of calories needed per day specific to the individual program participant (not the male/female average calories per day)

- Teach individual to correctly measure meal calories and make calculated food choices

# The Secret Sauce

**Science**

**Behavioral Psychology**

**Behavior Change**

**Technology**

# Technology



LeanPix
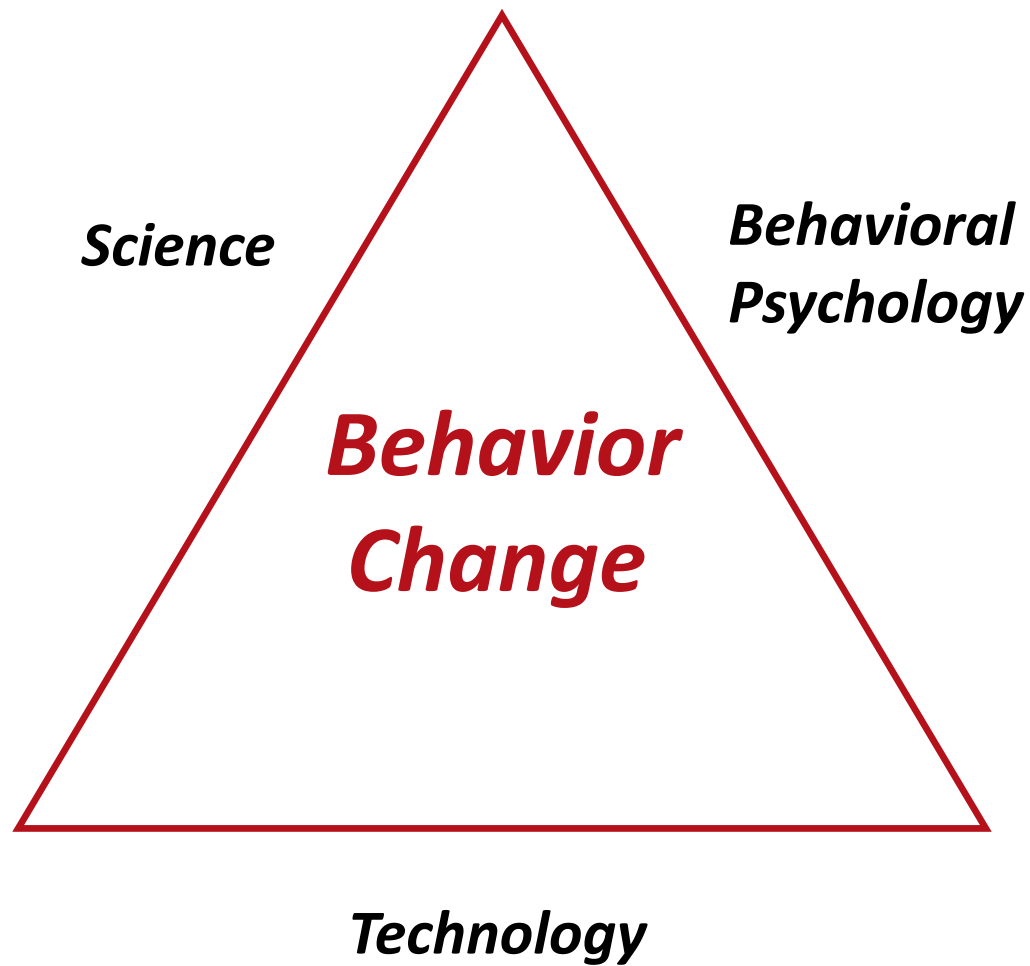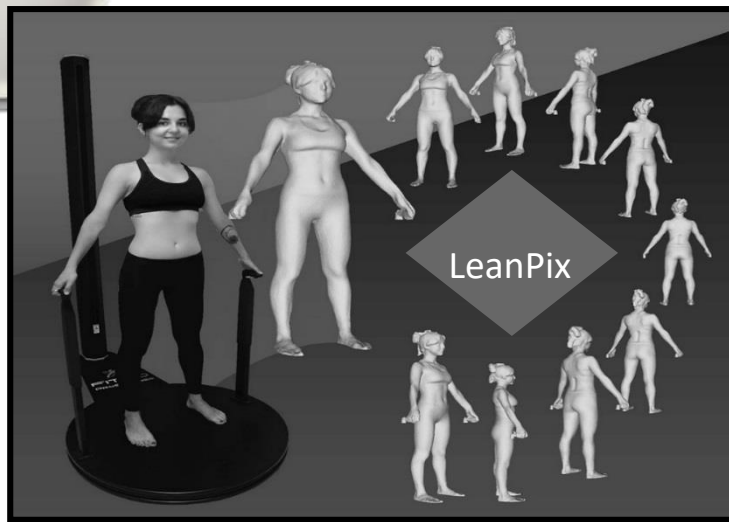
# Behavioral Psychology, Neuroscience, and Theories of Change

# MYTH

# Behavior Change is Unattainable

# Proven Keys to Behavior Change

Fully 95 percent of our behaviors are habitual. The more behaviors are ritualized and routinized — in the form of a deliberate practice — the less energy they require to launch, and the more they occur automatically.

- **Be Highly Precise and Specific**
- **Take on one new challenge at a time**
- **Not too much, not too little**
- **What we resist persists**
- **Competing Commitments**
- **Keep the faith**

**Harvard Business Review**

CHANGE MANAGEMENT

**Six Keys to Changing Almost Anything**

Sources:  https://hbr.org/2011/01/six-keys-to-changing-almost-an.html
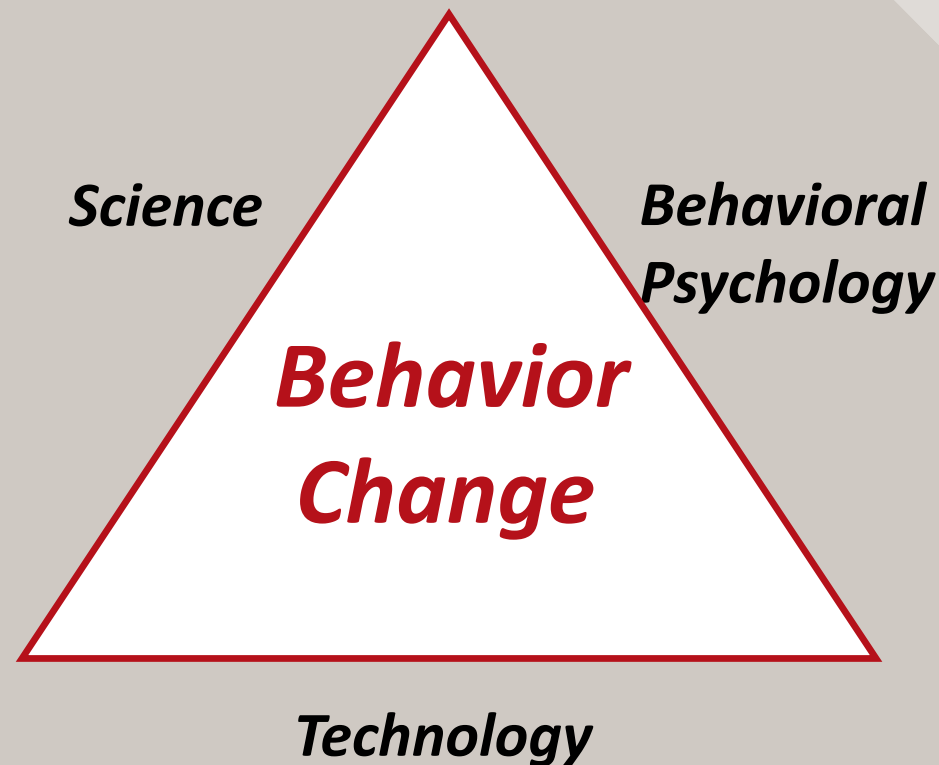
# A Successful Wellness Program Will Include

- **Clearly Defined Methodology and Goals**

- **Phased Steps**

- **Education**

- **Moderation**

- **Individualized Coaching**

- **Adequate Program Duration**

- **Accessible**

# What Does a Successful Wellness Program Look Like?

Science

Behavioral Psychology

**Behavior Change**

Technology

# Factors Affecting Health



Sleep



Stress



Exercise

# Objective: Provide Financial Wellness via Education

**Successful Program:**

edu(k)ate

**Who:** All Employees

**What:** Personalized interactive website

**Why:** Reducing or removing financial stress from employees directly impacts productivity

**How:** Incentivize via Gamification

## Employees cite these areas as causing the most stress:

**14%** HEALTH CONCERNS

**17%** MY JOB

**46%** FINANCIAL OR MONEY MATTER CHALLENGES

**15%** RELATIONSHIPS

**8%** OTHER

Source: PWC Financial Stress Report 2017

# Objective: Improve Employee Engagement, Culture, and Communication
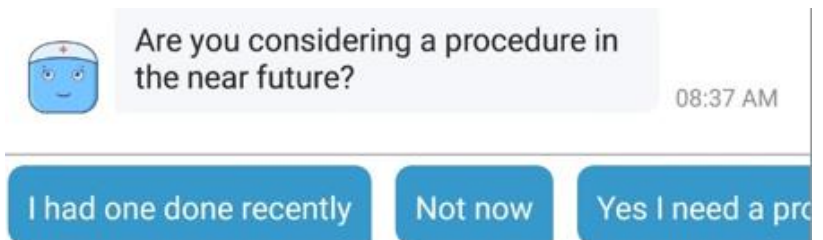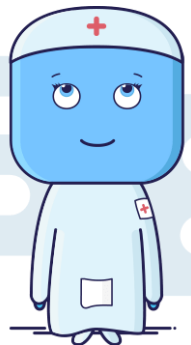
**Successful Program:**

**Employee Engagement Mobile Apps**

**Who:  All Employees**

**What:  Mobile App Providing Employee Benefits Concierge, Decision Support and Telehealth**

**Why:  Improving Communication and Simplifying Benefits Facilitates Employee Engagement with Their Benefits**

**How:  Opt In and Early Adopter Influencing**

Are you considering a procedure in the near future?

08:37 AM

I had one done recently    Not now    Yes I need a pro

# Objective: Disease Prevention & Cost Containment

**What:  Targeted Intervention**
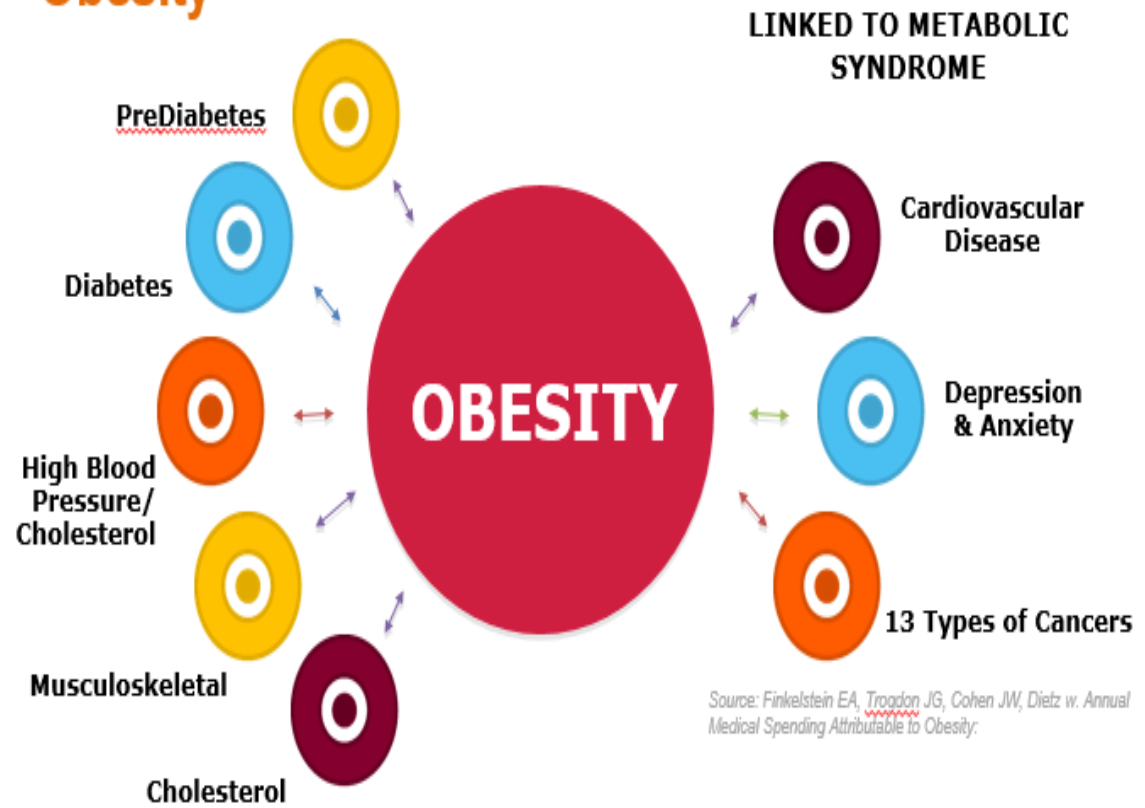
**Successful Program:**

On Target Health™

**Who:  Subset of Employee Population**

**What:  Combatting Obesity in the Workplace**

**Why: Six of the highest cost conditions stem from Obesity**

**How:  Application process**

## 6 of the Highest Cost conditions stem from Obesity

LINKED TO METABOLIC SYNDROME

PreDiabetes

Diabetes

High Blood Pressure/ Cholesterol

Musculoskeletal

Cholesterol

**OBESITY**

Cardiovascular Disease

Depression & Anxiety

13 Types of Cancers

Source: Finkelstein EA, Trogdon JG, Cohen JW, Dietz w. Annual Medical Spending Attributable to Obesity:

# Objective: Healthcare Cost Containment

**Successful Program:**

**On Site or Near Site Clinics**

**Who:  All Employees**

**What:  Access Affordable Care via On Site or Near Site Medical Clinics**

**Why:  Provide higher quality, easily accessible healthcare at lower costs to maximize efficiency.**

**How:  Brings primary care to employees and their dependents, and occupational health care to employees injured onsite. Clinics also provide substance abuse testing lab testing, prescription services, and more.**

# Objective: Improve Employee Health
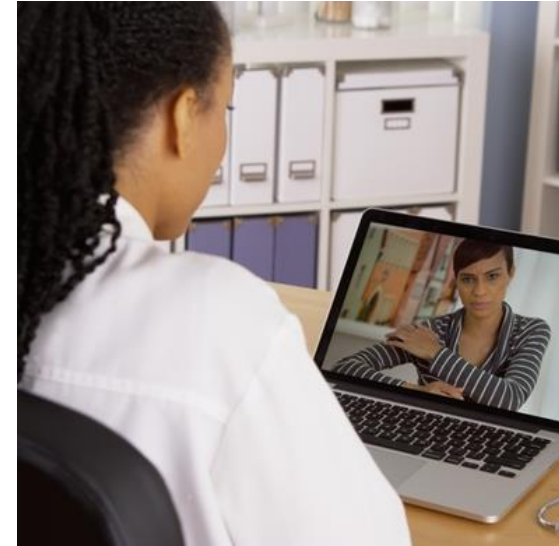
**Successful Program:**

**Telehealth for Urgent Care, Behavioral Health**

**Who:  All Employees**

**What: Video Conference On Demand with a Board-Certified, State Licensed Physician**

**Why:  Accessible, 24/7 urgent care and behavioral health at little to no cost to the Employee**

**How:  Employer-Sponsored Benefit**



## VS

# Targeted Spending

When the objective is Cost Containment, focusing on the employees who need wellness the most yields the highest **Return on Investment (ROI)**, both on the front end (wellness program) and the back end (health care cost containment.)

# Return on Investment (ROI)

ROI through different lenses:
- Hard Dollar
- Soft Dollar
- Cultural
- Intangible (Goodwill)

# REALITY

# Wellness Programs are Lawful When Designed and Implemented Properly

# Federal Regulations General Guidelines Around Wellness Programs

**All these examples we have reviewed meet**

# Common Issues with Wellness Programs

- Incentives - What and How

- Who Can Approach Employee about What Issues (HIPAA)

# Key Takeaways

Employee Wellness Programs Achieve Successful Desired Outcomes When

- Programs Have **SMART** Criteria for Both Results AND ROI

- Science, Technology & Behavioral Psychology Work Together to Create Lasting Behavior Change

# THANK YOU!