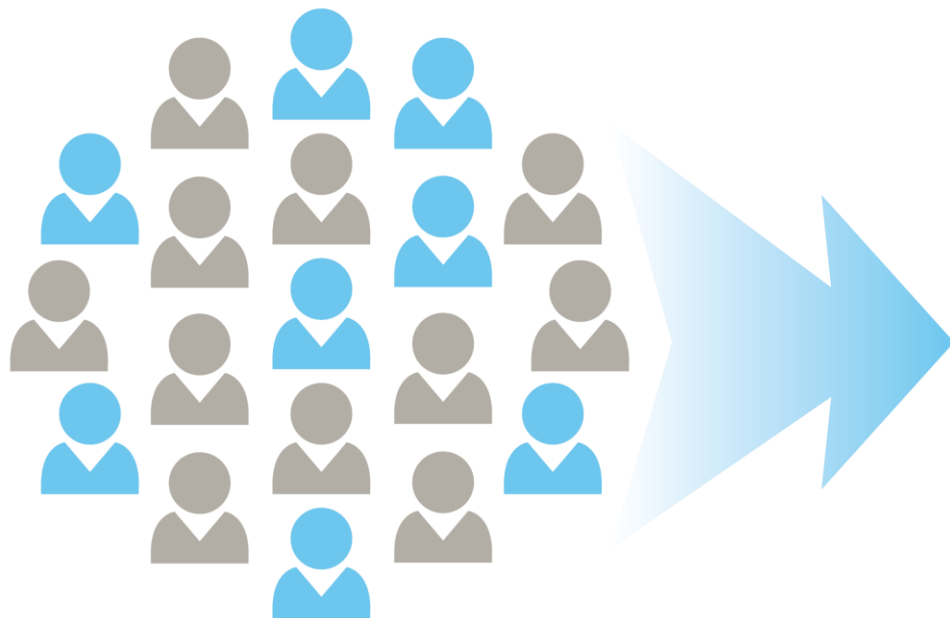


Incentives: Increase Participation and Improve Health

How Healthy is Your Organization?



On Average, For Every 100 Employees



64 are obese or overweight

60 are sedentary

50 have high cholesterol

50 are stressed or depressed

27 have heart disease

25 smoke

24 have high blood pressure

10 have diabetes



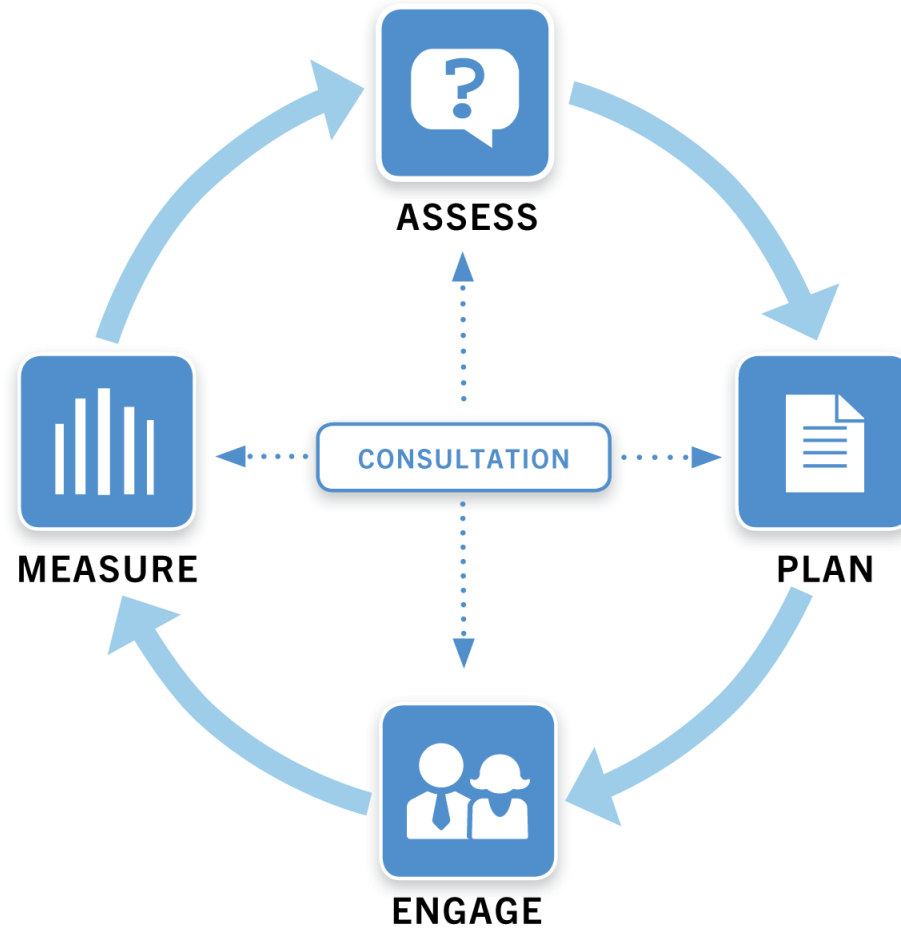
- Part of a broader culture that connects to organizational goals
- Seeks ways to help workforce manage excessive workloads
- Integrates data across programs and measures performance of engagement
- Regularly analyzes data to identify opportunities
- Integrate delivery and consolidate program vendors to improve utilization
- Offer a variety of incentives to promote company strategy and active participation
- Engage support of senior leaders
- Involve employees
- Ensures that employee's know their compensation and benefits are competitive

Why Incentives?



- **Reduce barriers to wellness**
- **Increase excitement**
- **Participation in desired activities/programs**
- **Drive behavior change**
- **Outcomes**

Wellness Consulting Process to Strategy Development



■ Assess

- What actions or behaviors do you want to increase (or decrease)
- Research what rewards would have the greatest effect (internalized impact on behavior)
- Consider employee response to incentive – Will they participate? How will they bend rules?

■ Plan

- Design incentive rules (simple, clear, test it, what is cycle)
- Budget (estimate likely effect)
- Develop communication plan for the incentive program

■ Engage

- Communicate and Implement the incentive program

■ Measure

- What metrics will be assessed to demonstrate incentive program effectiveness?
- How employee wellness status be tracked? Who will be responsible for tracking?



▪ Turn Key Programs

- Randomized awards for desired behavior (ex. More visits = lowers points per visit; fewer visits = higher points per visit)

▪ Comprehensive Custom Design

▪ Value Based Benefit Design

- Insurance Premium Reduction
- Shift from Participation to Outcomes
- Disincentives (higher premiums, smoking surcharges, health plan choices)



Incentive	Anticipated level of participation
No Incentive	2-10%
Passive Incentive	15-20%
Small Item Incentive	20-35%
Cash Incentive	20-40%
Benefit Plan Improvement	30-60%
Benefit Plan Improvement plus cost reduction	50-70%
Combination of benefits and cash	75-100%

Source: Zero Trends, Dee Edington, 2009.



Position wellness programs as something your organization does for and with employees not something you do to them for greatest long-term success!

We Care About You

Great Opportunity

Your Health Is Important

Voluntary

Reward for participation

Take care of your future

Keep communications engaging, simple, easy, and fun!



- **HIPAA**
- **The Americans with Disabilities Act**
- **The Age Discrimination in Employment Act**
- **COBRA**
- **ERISA**

Great resource:

<http://www.welcoa.org/freeresources/pdf/recommendshipaaandgina0110.pdf>

Note: Legal issues can arise from incentives, you are encouraged to consult with your legal counsel for guidance.



POLLING

- **Do you offer incentives, disincentives?**
 - A. Incentives
 - B. Disincentives
 - C. Neither



POLLING

- **What is the per employee per year incentive spend for your wellness program?**
 - A. \$0
 - B. \$1-\$50
 - C. \$51-\$200
 - D. \$201-\$499
 - E. \$500+



POLLING

- **What type of incentive do you provide?**
 - A. None
 - B. Cash
 - C. Gift Card
 - D. Small Incentive Item (trinket)
 - E. Premium
 - F. Benefit Plan Improvement
 - G. Combination of Above

What Iowan's Say About Incentives

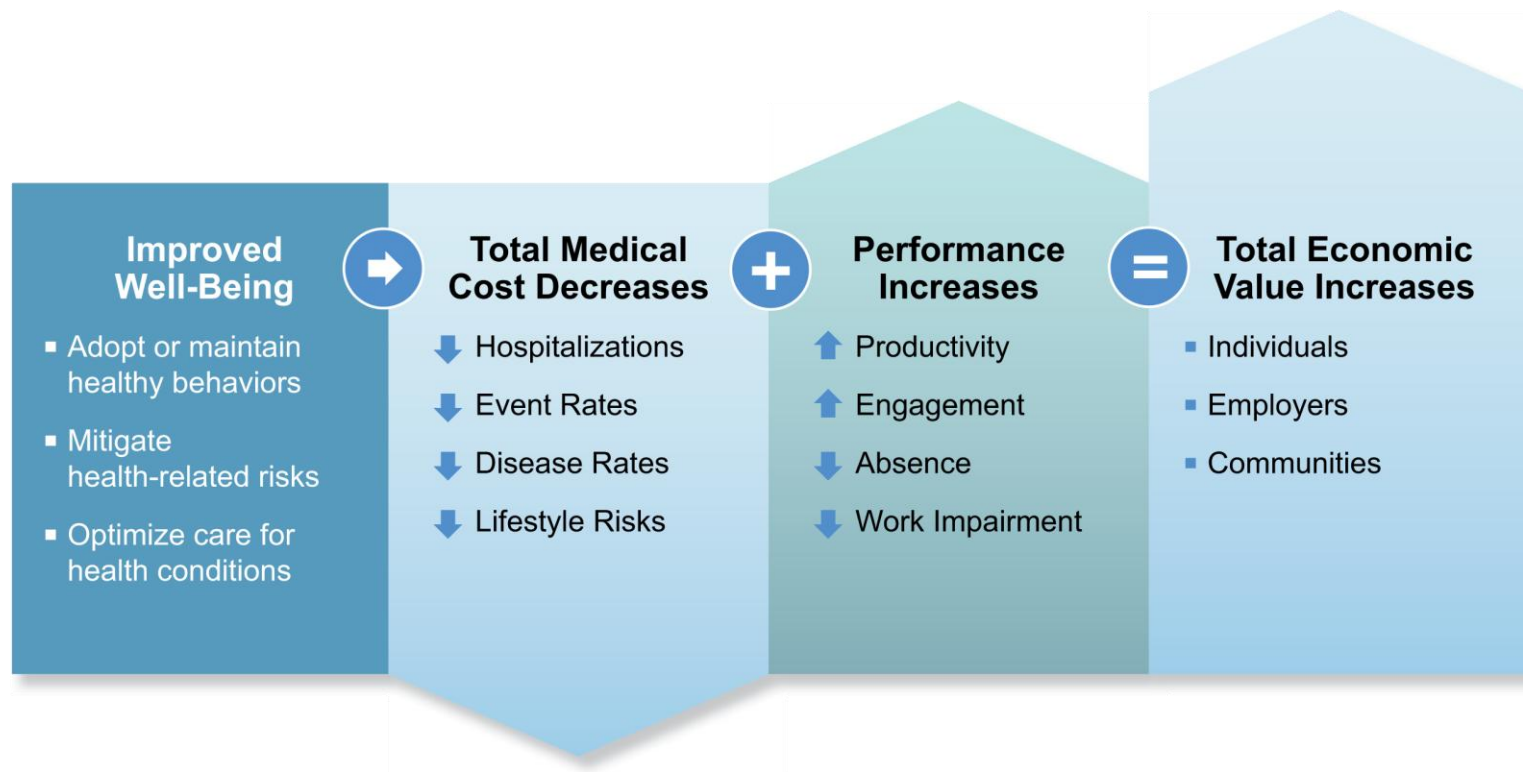


TABLE 20. Which of the following incentives would motivate you to participate in a workplace wellness program?

	1	2-9	10-19	20-49	50-249	250-999	1000+	Overall
Paid your hourly rate	0.0%	92.8%	86.4%	60.7%	77.5%	51.7%	83.8%	73.5%
A one-time cash bonus of \$100	100.0	50.4	84.3	61.9	56.9	49.4	80.2	64.1
A one-time \$100 reduction in your insurance premium	100.0	22.8	84.3	74.6	39.8	52.0	74.8	58.2
A free fitness center membership	0.0	54.3	86.4	64.2	45.9	52.2	63.0	56.5
No incentive needed	0.0	44.1	84.3	41.8	25.8	64.4	38.6	42.8
A team program with co-workers	0.0	44.9	68.6	51.5	22.0	28.9	38.5	35.6

Source: 2010 Real Iowans Health Research Initiative: Iowan's Speak Out on Their Health.
University of Iowa Health Workforce Center of Excellence

Healthy People Cost Less and Perform Better



Source: Healthways, 2010



An Independent Licensee of the Blue Cross and Blue Shield Association