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## USAA Wellness

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Investing in Our Populations and Building a  
Wellness Culture

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November, 2010

# Menu-Wellness Journey and Strategy

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- **Who is USAA**
- **Investing in Employees**
- **Why we do it**
- **How we do it**
- **Measures and Successes**
- **Failures**
- **Wellness 2.0**
- **Recommendations**
- **Summary**



# USAA

## 2006 C. Everett Koop National Health Award-sole winner

Comprehensive, multi-discipline, and integrated health & productivity management program (<http://www.sph.emory.edu/healthproject>).

22,000 employees, 14,000 in Texas, founded in 1922

## Diversified financial services company

The leading provider of competitively priced financial planning, insurance, investments, and banking products to members of the U.S. military and their families.



7.2 million members rely on the convenience and accessibility of USAA financial products backed by industry-leading service.

Business Week #1 Customer Service 2007 and 2008.

Business Week #2 Customer Service 2009 and 2010.



# What-Wellness and our Benefits Strategy

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- We are “investing” in our employees and building a wellness “culture” for the long term.

- We are actively creating and supporting behavior change.

- Our people are our most important resource....really.

Our focus is employee productivity.

**Keeping employees healthy through primary prevention (Wellness).**

- Management commitment is the single most important factor for success.

- We want to maximize health and quality of life for employees and their families so we can better serve our members.

- We monitor program efficacy.

We want to keep doing what works and stop doing what doesn't work.

***Executive management briefed before implementation that there is a 3-5 year delay for financial returns.***

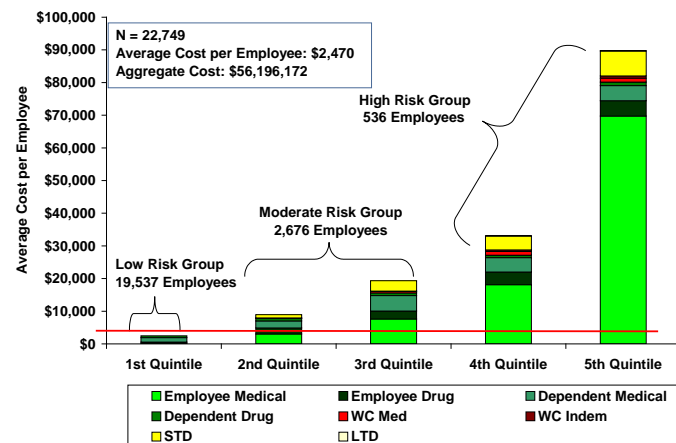
# Why did we do it?- USAA population health summary

## •Healthy employees use less resources.

- 85% of employees use 20% of resources
- 12.5% of employees use 40% of resources
- 2.5% of employees use 40% of resources

## -50-80\*% of total costs are related to behaviors associated with preventable diseases.

- Smoking
- Physical Inactivity
- Poor nutrition/obesity
- Inattention to preventive practices



### Indicators for high risk conditions.

Glucose > 110	7.7%
Cholesterol > 240	13.2%
Cholesterol > 200	43.6%
Blood pressure > 120/80	23.4%
BMI > 25	68.1%
BMI > 30	34.4%

\*Modifiable Behavioral Factors as Causes of Death [JAMA](#). 2004

# Where Can you Change Behavior?

## • Home

- Surprisingly low level of health competence in many households.
- Most Americans know the prevention schedule for their cars better than for their bodies.



## • School

- Tobacco cessation programs in schools as a very successful model to change adult behavior.
- Huge resource constraints around increasing physical activity and nutrition education.



## • Work

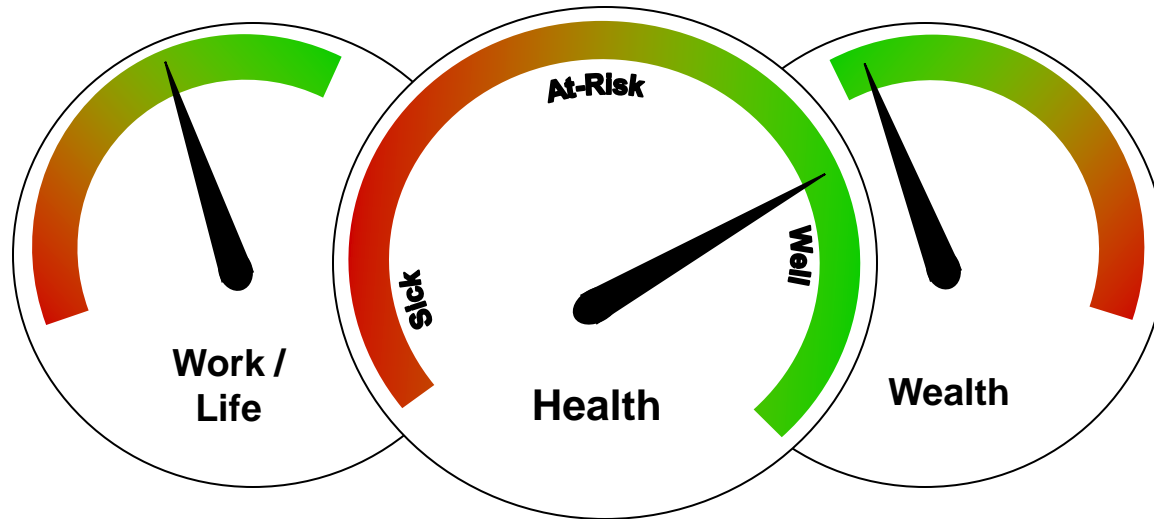
- Most employees come to work with bad behaviors already set.
- Our employee's children are our future employees.
- The cost of delivering medical care is crushing American businesses and competitiveness



***Employers have a compelling interest to improve health behaviors!***

# How-Targeting employee risk groups

Three domains: Health, Work/Life, Wealth



Population	Well	At Risk	Sick / Unwell
Goal	Keep well people well	Increase awareness and response level	Improve condition of sick people



# Prevention is our Primary Strategy

	1 <sup>o</sup>	2 <sup>o</sup>	3 <sup>o</sup>
<b>-Health: Physical Health</b>	<ul style="list-style-type: none"> <li>•HRA</li> <li>•Wellness Programs</li> </ul>	<ul style="list-style-type: none"> <li>• Pharmacy and Medical prevention tiers</li> <li>•Centers of Excellence</li> </ul>	<ul style="list-style-type: none"> <li>•Individual Health Management</li> </ul>
<b>-Health: Emotional Health</b>	<ul style="list-style-type: none"> <li>•(Resiliency Improvement)</li> <li>•(Interpersonal Skills)</li> </ul>	<ul style="list-style-type: none"> <li>•Employee Assistance Program</li> </ul>	<ul style="list-style-type: none"> <li>•Mental Health and Substance Abuse Benefits</li> </ul>
<b>-Wealth</b>	<ul style="list-style-type: none"> <li>•Financial HRA</li> <li>•Auto-enrollment in Target funds</li> </ul>	<ul style="list-style-type: none"> <li>•Financial planning</li> <li>•Targeted messaging</li> </ul>	<ul style="list-style-type: none"> <li>•Targeted remedial classes</li> </ul>
<b>-Balance</b>	<ul style="list-style-type: none"> <li>•Personal Balance tool</li> <li>•My Helper</li> <li>•Flexible Work</li> </ul>	<ul style="list-style-type: none"> <li>•Work-Life Balance Programs</li> </ul>	<ul style="list-style-type: none"> <li>•Work-Life Referral</li> </ul>

# Wellness Messages

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**Don't Smoke.**

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**Be Active.**

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**Eat Right.**

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**Prevention.**

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***Wellness doesn't stop at work.***

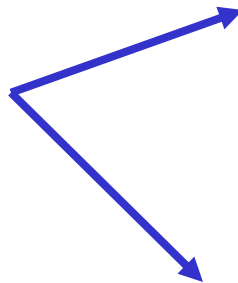
# Current Wellness Organization

## Wellness

- Clinical services
- Integrated disability management
- Wellness programs.
  - Wellness Council.
- Data warehouse.

## Wellness Council

- Safety.
- Fitness and Recreation.
- Food services.
- Communications.
- Company store.
- Corporate Real Estate.



## Multiple Outsourced Vendors

- USAA is the integrator.
- Assembled “Best of Breed” program
- Individually selected by RFP process.
- Completely internal selection process

# Key Program Elements

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Identity/Brand



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Health Risk Assessments

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Health Promotion Tools

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Financial Incentives

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On-site Fitness and Recreation

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Healthy Food Services

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Population Data Analysis



***Building the “Wellness Culture.”***

# State of Wellness - 2010

- **Take Care Identity.**
- **Wellness Culture.**
- **Integrated components.**
  - Wellness (Health and Financial).
  - Disability Management
  - Health Services
  - Fitness and Recreation.
  - Walking and non-traditional fitness.
  - Food Services/Vending.
  - Policies.
  - Incentives.
  - Programs.
  - Communications.
  - Contests
  - Cross marketing.
- **Targeted education and resources.**
  - Wellness on Connect
  - **HRA** and Wellness Tools
- **Consistent wellness messages.**
  - **Don't Smoke.**
  - **Be Active.**
  - **Eat Right.**
  - **Prevention.**
  - Doesn't stop at work.
  - For you and your family
- **Management support.**
- **Operational and long term metrics and goals.**



# Specific Examples

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## Population

**Preventive benefits (\$300/y).**

**Wellness benefits (\$350/y).**

Smoking Cessation

Weight Management

**HRAs and biometrics.**

**On-site fitness rebate (25/50/75%).**

**Wellness breaks.**

**Recreation and nontraditional fitness.**

**Calorie balance tool.**

**Workplace safety (Be Safe).**

**Healthy food services (The 4 P's).**

**Smoke-free campus.**

## Targeted

**Lifestyle coaching.**

**Individual Health Management**

**BMI Reduction**

**Integrated disability mgmt.**

Transitional duty.

# Measures- Sustaining Management Commitment to Wellness

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**Satisfaction.**

**Participation.**

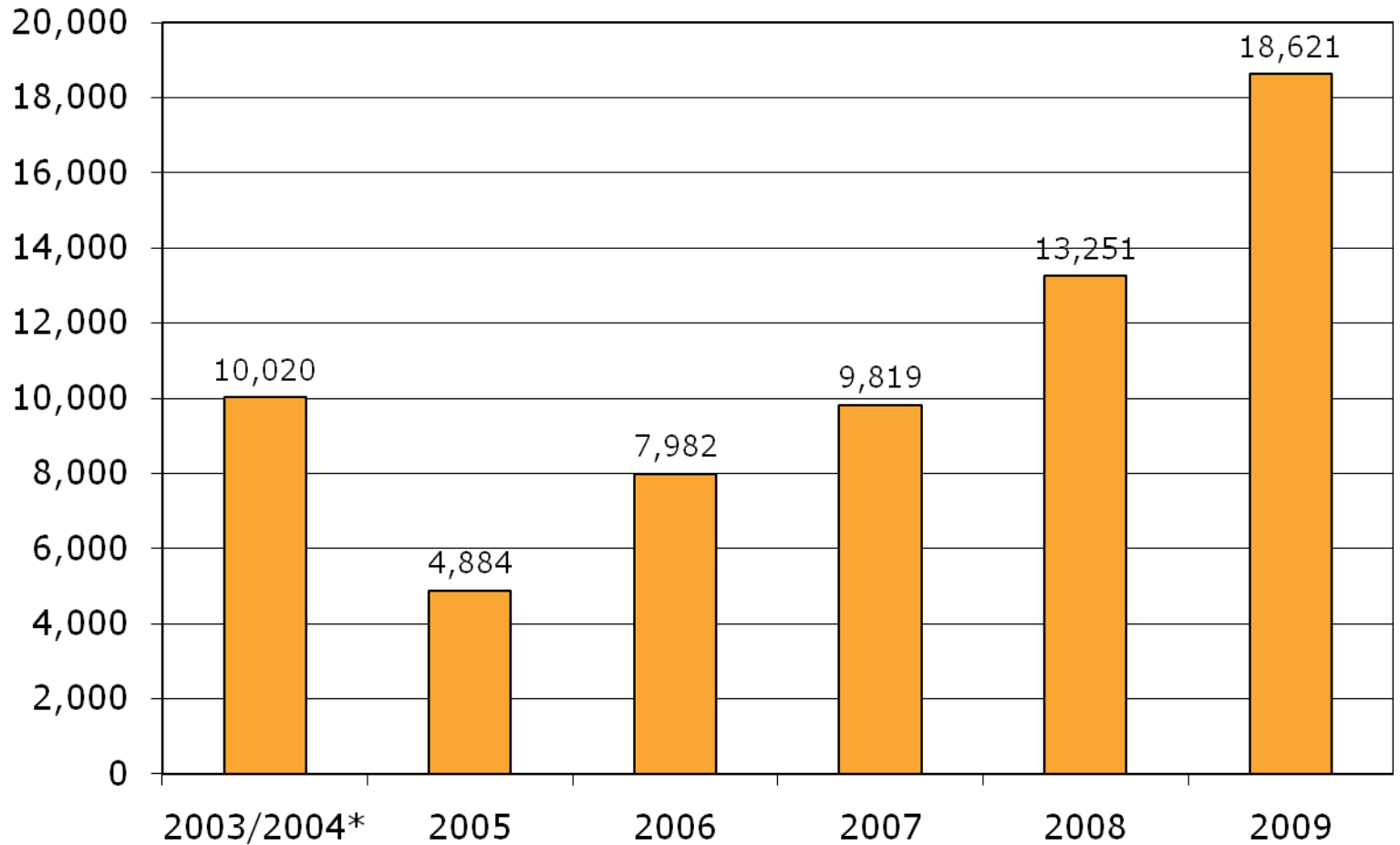
**Risk factor reduction.**

**Economic impact.**



*Short-term gains in productivity and disability sustain management commitment to longer-term gains that result from healthier employees.*

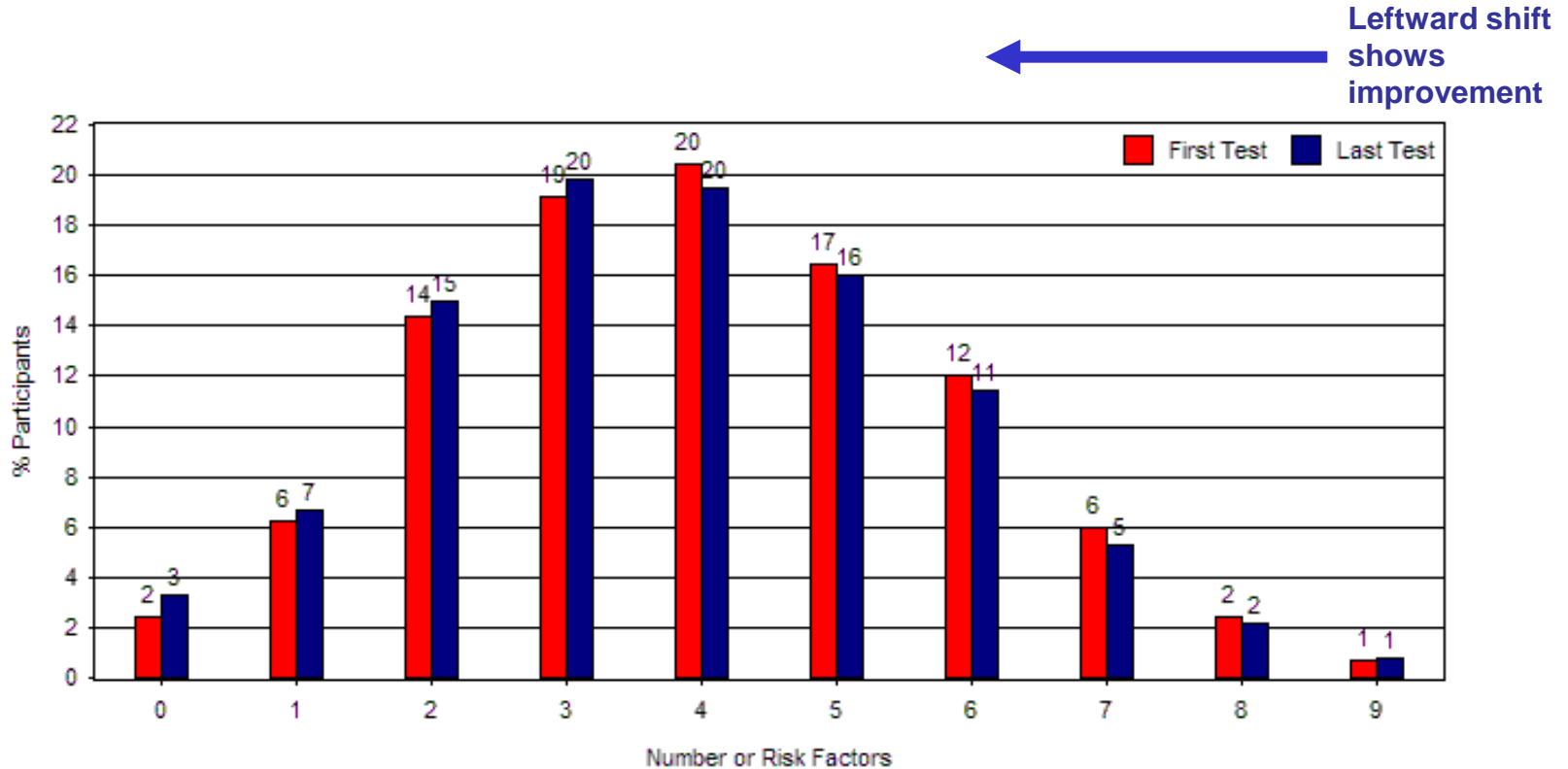
# HRA Participation- Gateway to Wellness



\*represents two campaigns

***Participation increases employee awareness and ability to respond to risks.***

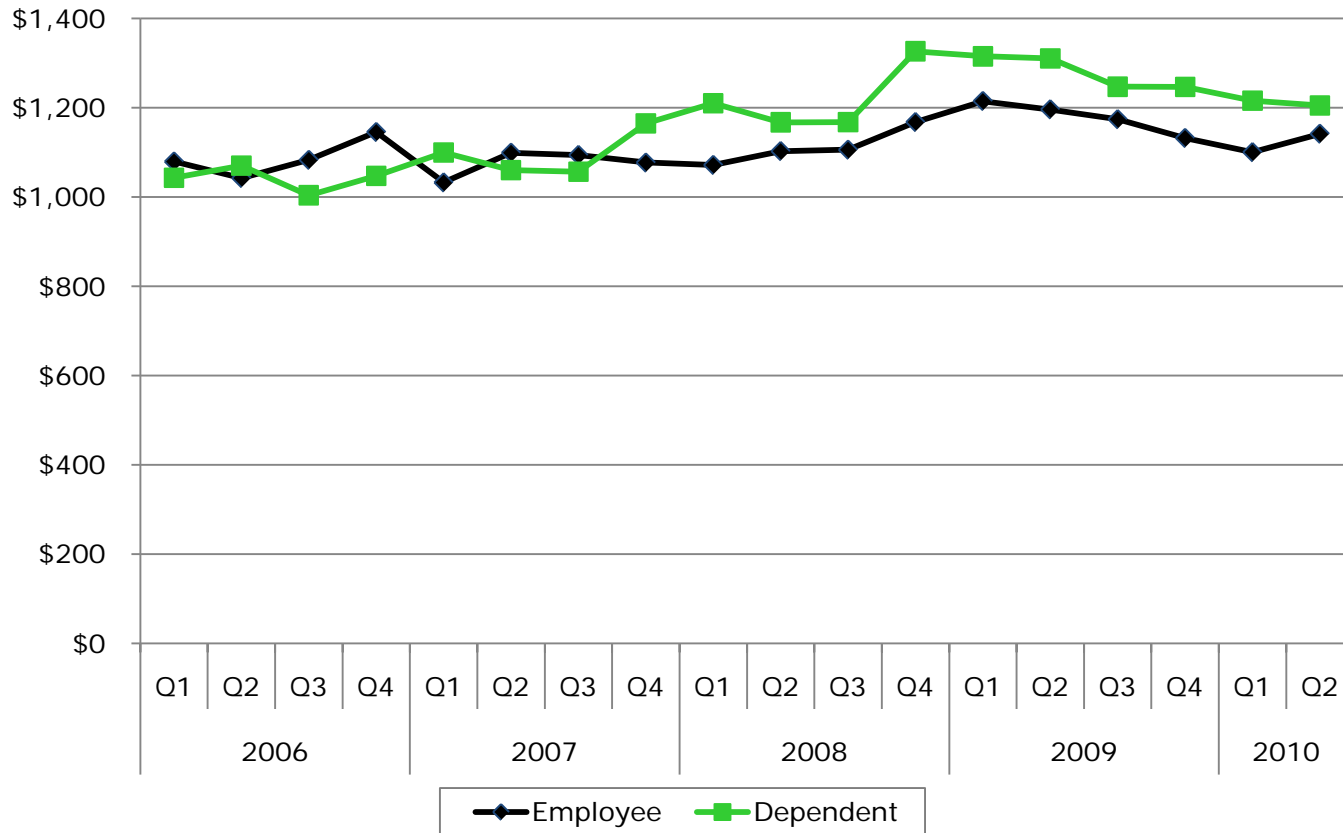
# Two HRAs Risk Comparison



N = 4593

*USAA risk profile is improving.*

# Bending the curve...



*Dependent*  
5.3% annual increase

*Employee*  
2.0% annual increase

**Background**

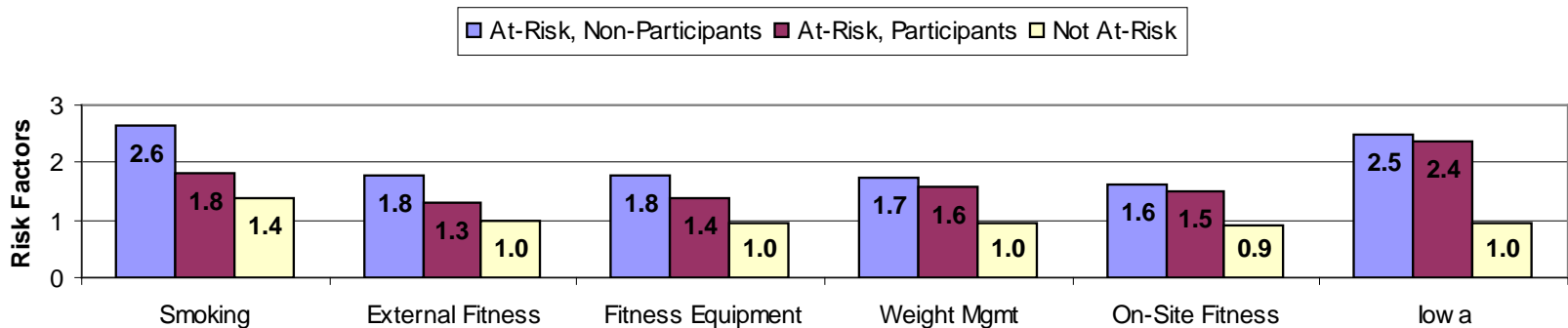
- Same health plan for both groups
- No Wellness services delivered to dependents vs. full suite of services to employees

Adjusted for Inflation

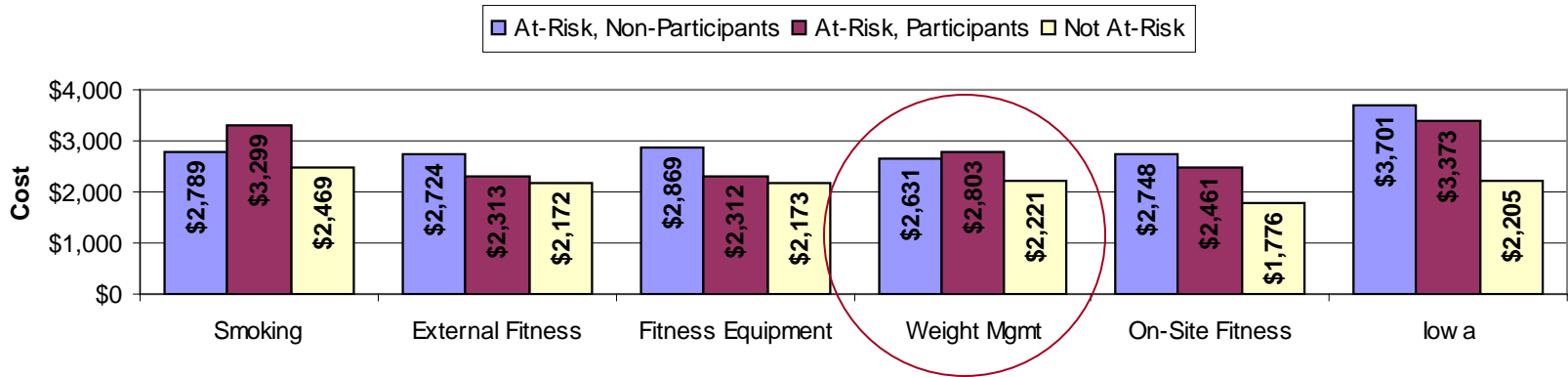
*Comprehensive wellness services flatten cost curve for this large employee population*

# Wellness participation impact to risk and cost- BMI Failure

Risk Comparison



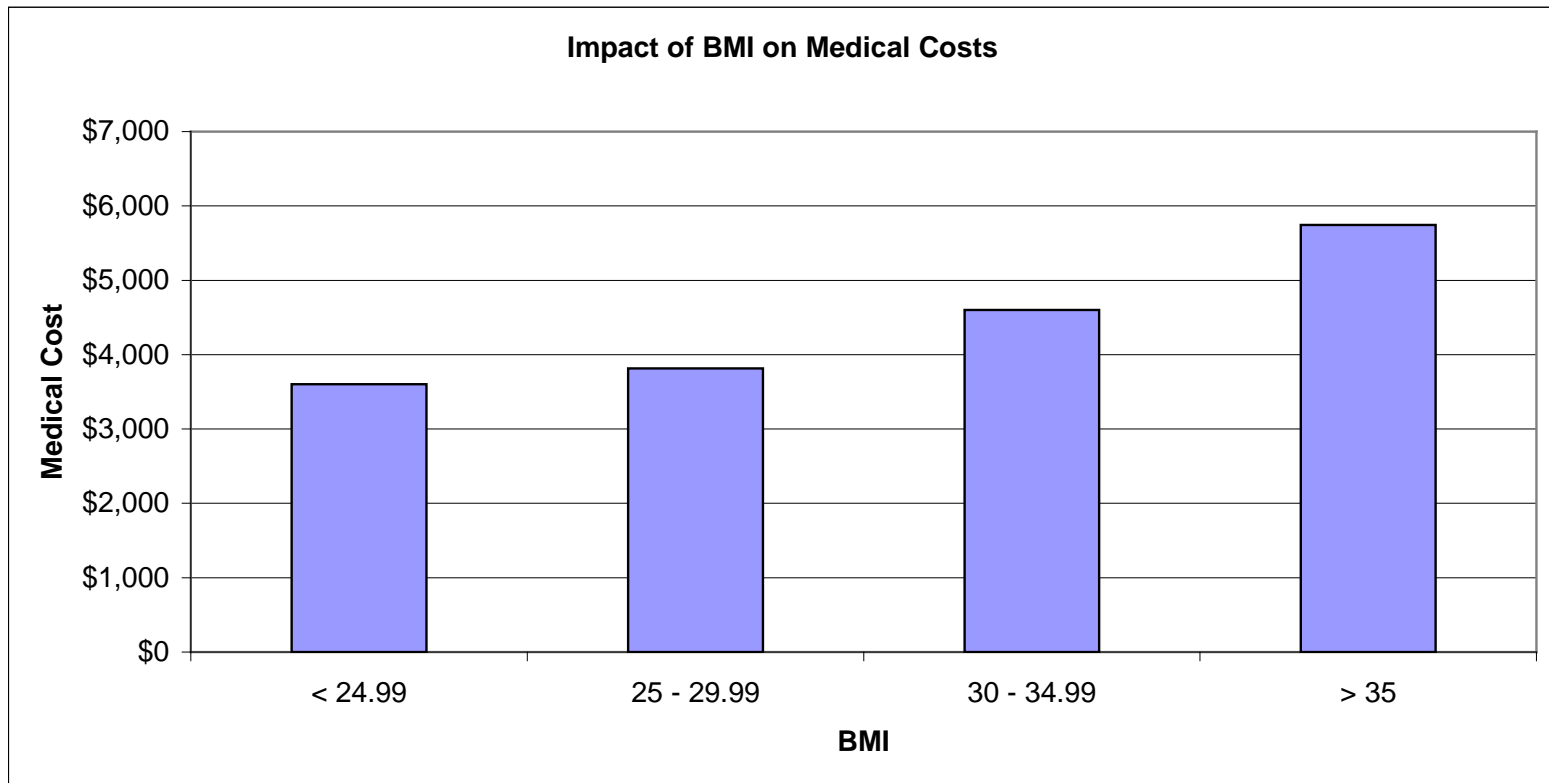
Cost Comparison



**Participation in wellness programs decreases risks and generally lowers costs.**

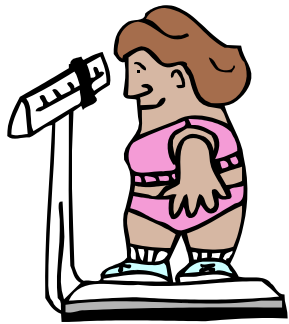
# BMI is highly correlated with risk and cost

BMI	< 24.99	25 - 29.99	30 - 34.99	> 35
N	4,156	4,787	2,761	2,266
HRA Risks	1.14	1.30	2.59	2.83
Average Cost	\$3,601	\$3,813	\$4,601	\$5,744



***BMI has significant impact and needs to be a primary focus area.***

# Failures-We Need to Move Employees and Their Families to Healthy BMI.



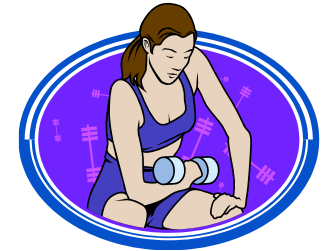
Employee begins  
BMI: 35



End of 1<sup>st</sup> year  
BMI: 31.5



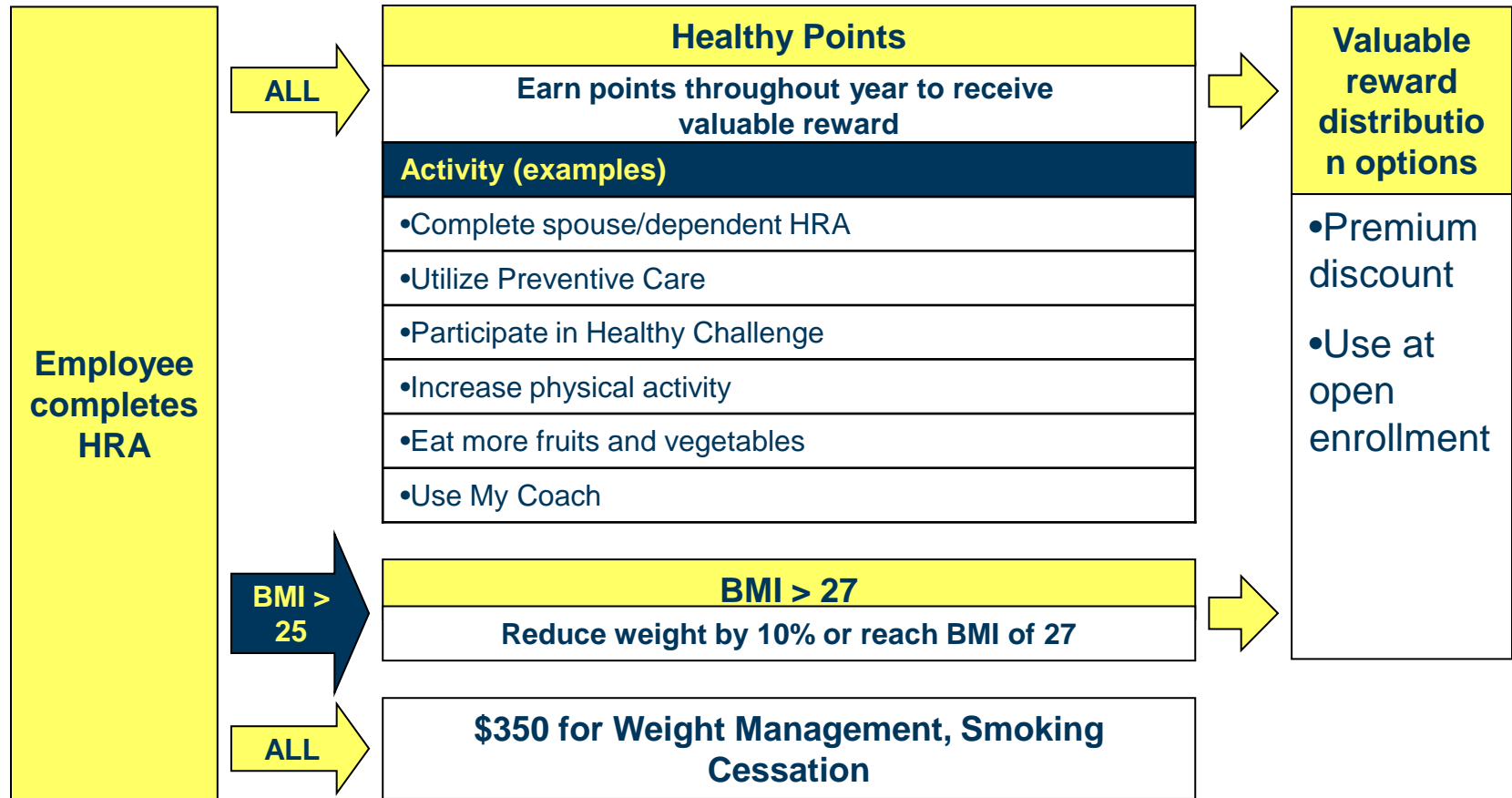
End of 2<sup>nd</sup> year  
BMI: 28.4



End of 3<sup>rd</sup> year  
BMI: 25.5!!

***Reducing weight by 10% annually dramatically improves BMI***

# Wellness 2.0-Encouraging healthy behaviors



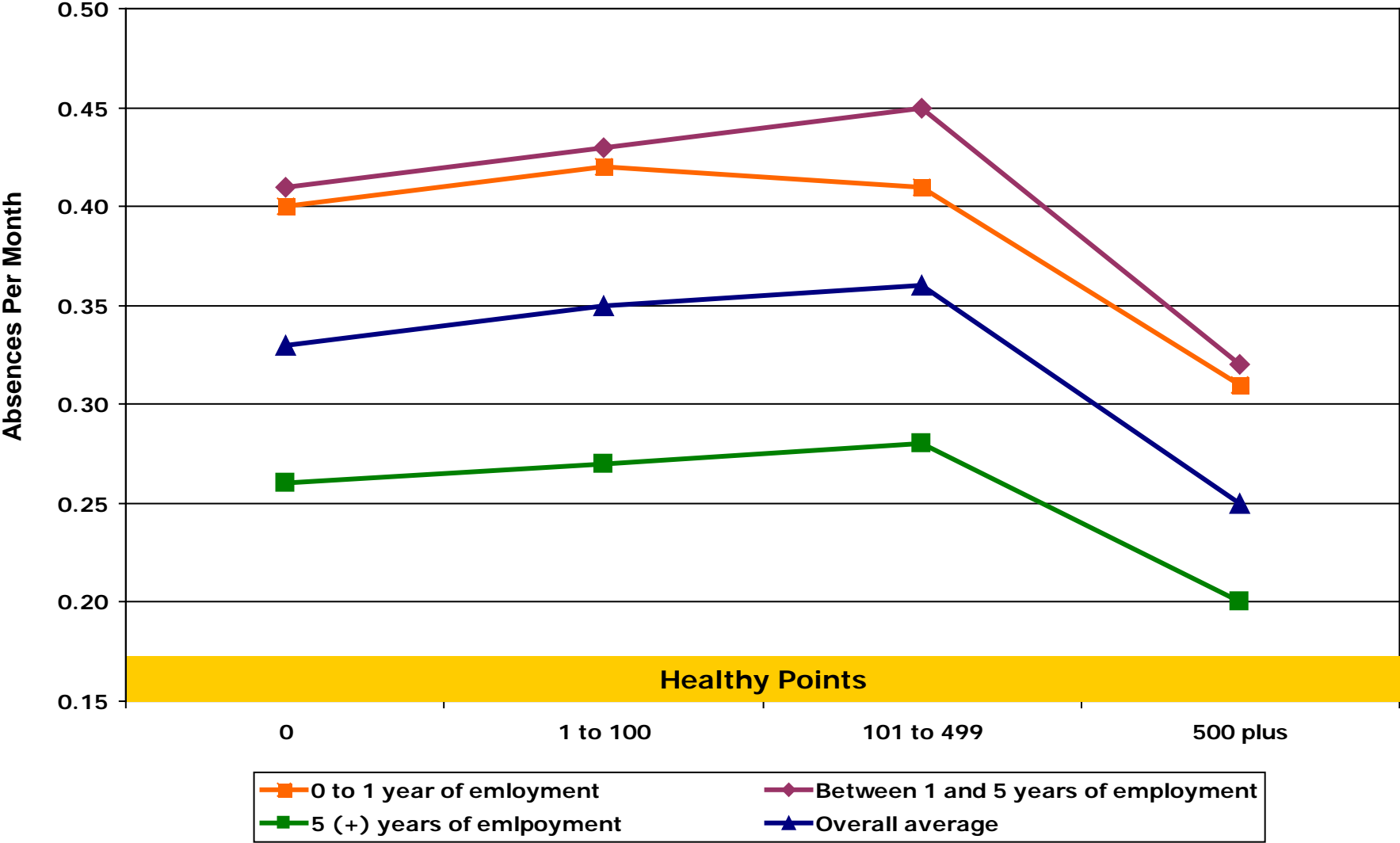
***Incentives effective for behavior change but not for long term maintenance.***

# Wellness 2.0- Healthy Points 2010

	Activity	Points
Results	Health Screening	
	Completed	50
	BMI less than 27	50
	blood pressure less than 120/80	50
	Fasting blood sugar less than 100	50
	Total cholesterol less than 200	50
	Dependent health Risk Assessment (HRA)	50
	Fitness assessment	
	Completed	25
	Improvement	50
	Ultimate Slim Down	
	Completed	25
	Tier 1 improvement (3% to 4.9% weightloss)	25
	Tier 2 improvement (5% to 7.9% weightloss)	50
Tier 3 improvement (greater than 8% weight loss)	75	
Participation	Online health risk assessment (HRA)	50
	Emotional wellness / balance (Personal Balance Tool)	25
	Cardio Log	250
	Community walk / run	50
	Healthy eating challenge 1	50
<b>Total Points</b>		<b>850</b>
Optional	Eat right rewards	75
	Healthy eating challenge 2	50
<b>Total Points</b>		<b>975</b>

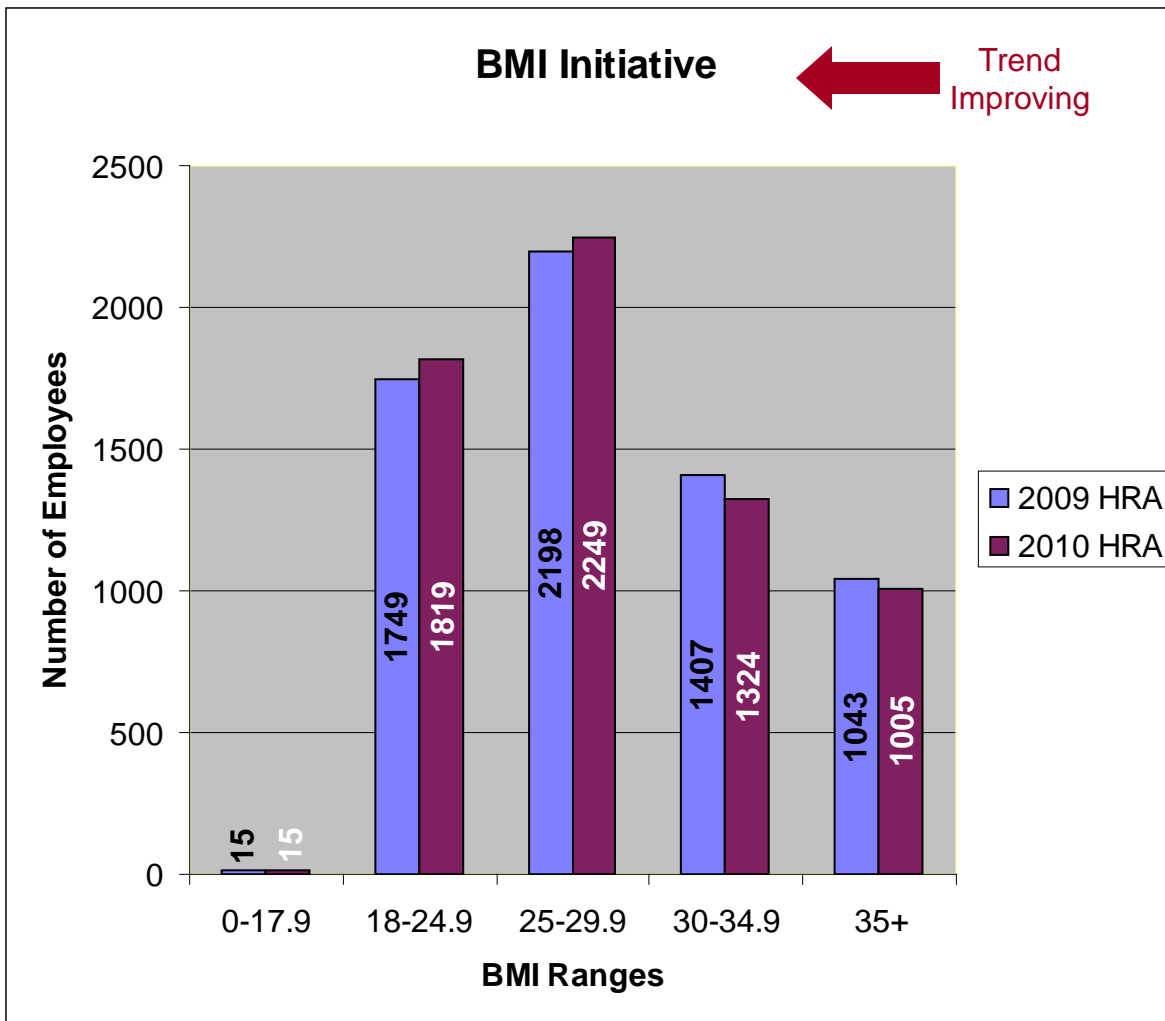
***Moving from participation to results.***

# Healthy Activities and Absences



Source: HCMS analysis, 14 month time period

# 2009-10 BMI Reward Results



35+	-4%
30-35	-6%
25-30	+2%
20-25	+4%
Average BMI decreases from 29.2 to 28.5	

**Reversal of our 5 year trend of population weight gain**

# Culture and Incentives Matter: 2009 vs. 2010 Ultimate Slim-down\*

	2009	2010
Total Participants:	4,083	6598
Total completed all 3 weigh ins:	1919	5940
% that completed all 3 weigh-ins	47.00%	91.44%
Tier 1: (-3 - 4.9%)		738
Tier 2: (-5 - 7.9%)		417
Tier 3: (-8%+)		144
Total Wt. Lost	10,486	34,209



\* 10 weeks each year after the HRA

***More participation and better outcomes***

# Wellness 3.0- Corporate Healthy Points 2011

	<b>Population Level Metrics</b>	<b>Weight</b>	<b>Goal</b>
Awareness	HRA participation	25	Increase 5%
	% healthy - Blood pressure	15	Increase 5%
	% healthy - BMI	25	Increase 5%
	% healthy - Cholesterol	15	Increase 5%
	% healthy - Fasting blood sugar	15	Increase 5%
	Dependent HRA participation	5	Increase 10%
	<b>Total</b>	<b>30%</b>	
Eat Right	% healthy items consumed at USAA	<b>25%</b>	Increase 10%
Be Active	% utilization	25	Increase 5%
	Participation in Walk/Run	25	Increase 5%
	Tracking via CardioLog/Walk USAA	50	Increase # of days by x%
	<b>Total</b>	<b>25%</b>	
Medical Responsibility	Control Medical Spend	10	Below current trendline
	Successful Healthy Points participants	10	Increase 5%
	<b>Total</b>	<b>20%</b>	

***Shared destiny and shared responsibility.***

# Wellness 3.0 Onsite Clinics to be transformed 2011

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**Concern: Efficiency of current health delivery system**

**Fragmented, specialty based health care delivery**

No medical home

**Cannot ensure that care delivery is driven by evidenced based medical practice**

**Non-Optimized Health Care**

Cannot ensure that employees have the opportunity to achieve highest potential health status

**Solution: Internal clinics to deliver primary care**

**Workplace based medical home**

Continuity in Care; Convenient; Productivity increases

Advanced Practice (Nurse Practitioner or Physician Assistant based) services

Cost effective primary care delivery

Face to face 2° disease prevention counseling

Essential in empowering and motivating patients to change behaviors through health education

# Recommendations

- Pay for evidence based prevention (USPHTF) with first dollar coverage
- Universal HRA and biometric screening (BMI, BP, fasting BS and lipids)
- Require all plans/plan sponsors to deliver Wellness and behavioral risk reduction programs
- Measure screening participation and risk reduction results
- Re-integrate all preventive and medical care (with reminders) to medical home with electronic medical record.



# Lessons Learned: Investing in our Populations

- **Keeping people and their families healthy is critical for everyone.**
- **All employers and institutions can benefit from the competitive advantage of a healthy workforce.**
- **Executive management support is critical for success, and program metrics are critical to allow senior management to stay engaged.**

