Taking Action to Improve Employee Health:
Sixth Annual Employer-Sponsored Health & Well-being Survey

March 25, 2015
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1. Click on the Q&A tab
2. Type your question
3. Click “Send to All Panelists”
Survey Methodology

Online survey was fielded from December 2014 through January 2015 among National Business Group on Health members and clients of Fidelity Investments

121 companies responded to the survey

Survey focused on:
- Types of health improvement programs offered
- Levels of incentives to engage employees and spouses/domestic partners
- Use of outcomes based incentives to reward for goals/outcomes
- Consumer Directed Health Plan (CDHP) offerings
- Measurement tactics and program participation results
- Future of health improvement investment amidst healthcare reform
Survey Demographics

Respondents by Industry

- Manufacturing: 28%
- Energy/Chemicals: 16%
- Technology/Telecommunications: 13%
- Banking/Financial Services: 12%
- Health Care: 6%
- Retail: 5%
- Professional Services: 5%
- Transportation/Shipping: 4%
- Government and Education: 4%
- Insurance: 3%
- Entertainment and Hospitality: 3%
- Other: 3%

Respondents by Size

- Mid-Market (<5,000 EEs): 44%
- Large (5,000 – 20,000 EEs): 31%
- Jumbo (20,000+ EEs): 25%

Respondents by CDHP Offering

- CDHP Full Replacement: 23%
- CDHP Option: 17%
- CDHP Not Offered: 60%

Others Include: publishing, heavy construction, aerospace, semiconductor and public utilities
## Summary of Findings

**Investment in employee health improvement continues to grow**

- **79%** of employers will offer incentives in 2015 compared with 63% in 2010
- Average maximum incentive dollar increased to **$693** in 2015 from **$594** in 2014
- Very large employers and employers only offering CDHPs commit to more investment in this space

<table>
<thead>
<tr>
<th>Members are not taking full advantage of incentive offerings</th>
<th>Employers plan to maintain incentive offerings in the future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Only <strong>47%</strong> of employees earn the full incentive amount and 26% earn a portion</td>
<td>95% of employers plan to expand and/or maintain investment in health improvement programs</td>
</tr>
</tbody>
</table>
Summary of Findings

Employers continue to expand program to spouses/domestic partners (SP/DP)

- 83% will offer wellness programming to spouses/domestic partners with focus on HRA completion
- 54% offer incentives to spouses/domestic partners in 2015 with average amount of $628

Program participation remains primary gauge for program success

- 85% of employers track biometric participation and 84% for HRA participation
- Few employers are measuring participation of high-risk, high-cost populations
- Average employee participation at 56% for both HRA and biometric screenings
Incentives in 2015
Incentive Offerings Continue to Grow

On average 79% of employers will offer incentives in 2015, while larger employers and those offering CDHPs are more likely to offer incentives.
Employers Prefer Incentives Over Disincentives

17% of employers use disincentives for smoking cessation programs

Prevalence of Incentives vs. Disincentives by Program

Employers provide incentives through:

- Contributions to a healthcare account: 27%
- Cash/gift card: 43%
- Premium differential: 57%

decision support tools for health care enrollment:

- Health Advocacy/Second Opinion
- Health Care Navigators
- Preventive Care Services/Screenings
- Stress Management Program
- Weight Management Programs
- Disease/Care Management Program Participation
- Smoking Cessation Program
- Physical Activity Program
- Health Risk Assessment
- Biometric Screening

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- Cash/gift card: 43%
- Premium differential: 57%

Incentives
Disincentives
Average Maximum Incentive Dollars Continue to Grow

Employers are offering an average of $693 worth of incentives for programs.
Incentive Amounts Vary by Program

Employers focus more on smoking cessation and biometric screenings

Average Employee Amount by Program

- Smoking Cessation Program
  - N = 47
  - $323

- Biometric Screening
  - N = 55
  - $237

- Stress Management Program
  - N = 17
  - $201

- Health Risk Assessment
  - N = 57
  - $179

- Disease/Care Management Program Participation
  - N = 22
  - $175

- Preventive Care Services/Screenings
  - N = 22
  - $161

- Weight Management Programs
  - N = 25
  - $141

- Activity Based Physical Activity Program
  - N = 31
  - $127
Employees Are Not Taking Advantage of Incentive Program

Less than half of employees earn the full amount

Average Percentage of Employees Earning Incentives

- Earned Full Incentive Amount: 47% (N = 62)
- Earned Partial Incentive Amount: 26% (N = 44)
Incentives for Spouses/Domestic Partners (SP/DP)
Wellness Programs for Spouses/Domestic Partners on the Rise

83% of employers offer programming to spouses and/or domestic partners

Spouse/Domestic Partner Program Prevalence

- Any program: 83% (2015), 66% (2014)
- Health risk assessment: 69% (2015), 56% (2014)
- Health coaching: 64% (2015), 44% (2014)
- Biometric screening: 46% (2015), 35% (2014)
- Other wellness programs: 46% (2015), 52% (2014)

N = 121 (2015)

Others Include: disease management, annual physical, educational tools, fitness reimbursements, and smoking cessation.
SP/DP Incentive Amounts Continue to Grow

54% of employers offer incentives to spouses and/or domestic partners

SP/DP Incentive Amount

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>$420</td>
<td>$390</td>
<td>$465</td>
<td>$530</td>
<td>$500</td>
</tr>
<tr>
<td>Median</td>
<td>$420</td>
<td>$390</td>
<td>$465</td>
<td>$530</td>
<td>$500</td>
</tr>
</tbody>
</table>

SP/DP Incentive by Size

- Mid-Market: $299
- Large: $571
- Jumbo: $733

SP/DP Incentive by CDHP Offering

- CDHP Full Replacement: $573
- CDHP Option: $531
- CDHP Not Offered: $698
Incentive Amounts Vary by Program

Incentive dollar focuses align with offerings for employees

Average SP/DP Amount by Program

- Smoking Cessation Program: N = 30, $270
- Biometric Screening: N = 33, $249
- Disease/Care Management Program Participation: N = 17, $199
- Health Risk Assessment: N = 30, $187
- Weight Management Programs: N = 15, $153
- Preventive Care Services/Screenings: N = 19, $131
- Activity Based Physical Activity Program: N = 12, $110
SP/DP Earn Fewer Incentives than Employees

67% of SP/DP partners are not earning the full incentive amount.
Outcomes Based Incentives
Prevalence of Outcomes Based Incentives Remains Constant

Large employers are two times more likely to offer outcomes based incentives

Prevalence of Outcomes Based Incentives

Outcomes Based Incentives by Size

Outcomes Based Incentives by CDHP Offering
Reward for Progressing towards or Achieving a Goal

Achieving outcome based goals are preferred

Outcome Based Incentive Reward Method

- Healthy Glucose Levels
  - N = 31
  - 42% Progressing toward a goal/outcome
  - 48% Goal must be achieved and/or maintained
  - 10% Progressing & Achieving a goal/outcome

- Tobacco Free
  - N = 35
  - 40% Progressing toward a goal/outcome
  - 49% Goal must be achieved and/or maintained
  - 11% Progressing & Achieving a goal/outcome

- Healthy Cholesterol
  - N = 38
  - 39% Progressing toward a goal/outcome
  - 50% Goal must be achieved and/or maintained
  - 11% Progressing & Achieving a goal/outcome

- Healthy Weight/Waist Circumference
  - N = 33
  - 39% Progressing toward a goal/outcome
  - 36% Goal must be achieved and/or maintained
  - 24% Progressing & Achieving a goal/outcome

- Healthy Blood Pressure
  - N = 38
  - 37% Progressing toward a goal/outcome
  - 50% Goal must be achieved and/or maintained
  - 13% Progressing & Achieving a goal/outcome
Incentive Amounts Vary by Outcome

Employers focus incentives on healthy weight/waist circumference outcomes

**Average Outcome Based Incentives**

- **Healthy Weight/Waist Circumference**
  - N = 27
  - Incentive Amount: $193

- **Healthy Glucose Levels**
  - N = 19
  - Incentive Amount: $128

- **Tobacco Free**
  - N = 23
  - Incentive Amount: $122

- **Healthy Cholesterol Levels**
  - N = 24
  - Incentive Amount: $106

- **Healthy Blood Pressure**
  - N = 24
  - Incentive Amount: $95
Few Employers Limit Access Based on Participation

19% of employers use the HRA as a “gatekeeper” to additional incentives

### Percentage of Employers Tying Activity Completion to Additional Offerings

<table>
<thead>
<tr>
<th>Activity</th>
<th>Deny access to all health plans</th>
<th>Limit access to eligibility for certain health plans</th>
<th>Limit access to additional incentives</th>
<th>Do not tie to activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Risk Assessment</td>
<td>1%</td>
<td>19%</td>
<td>66%</td>
<td></td>
</tr>
<tr>
<td>Biometric Screening</td>
<td>1%</td>
<td>16%</td>
<td>72%</td>
<td></td>
</tr>
<tr>
<td>Tobacco Use</td>
<td>1%</td>
<td>10%</td>
<td>81%</td>
<td></td>
</tr>
<tr>
<td>Lifestyle Coaching</td>
<td>2%</td>
<td>4%</td>
<td>90%</td>
<td></td>
</tr>
</tbody>
</table>

N = 107, 102, 103, 103
Program Measurement
Metrics Important to Measure Program Success

Participation levels is primary source of program success

Program Metric Prevalence

- Participation levels (e.g., 30% employee enrollment): 76%
- Paid claims/trend: 64%
- Engagement levels (e.g., completed program): 61%
- Biometric results (e.g., cholesterol levels): 55%
- Utilization of preventive services: 54%
- Clinical measures/outcomes (e.g., reduced asthma): 45%
- Employee satisfaction with program: 42%
- Per capita claims cost relative to benchmark(s): 41%
- Employee engagement surveys: 33%
- Absence (e.g., sick days, disability, FMLA leaves): 20%
- Utilization of high-performing providers/networks: 20%
- Evidence-based medicine compliance: 20%
- Safety incidents: 17%
- We do not measure program success: 8%

N = 121
Employers Measure Employee Participation Levels

Little focus on measuring high-risk, high-cost populations

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Percent of Employers Tracking Participation

- Biometric Screening
  - N = 89
  - All Population: 85%
  - High-Risk Population: 84%
- Health Risk Assessment
  - N = 93
  - All Population: 53%
- Activity Based Physical Activity Program
  - N = 86
  - All Population: 53%
- Preventive Care Services/Screenings
  - N = 100
  - All Population: 51%
- Smoking Cessation Program
  - N = 93
  - All Population: 40%
- Weight Management Programs
  - N = 84
  - All Population: 40%
- Disease/Care Management Program Participation
  - N = 101
  - All Population: 25%
- Decision Support Tools for Health Care Enrollment
  - N = 77
  - All Population: 24%
- Stress Management Program
  - N = 78
  - All Population: 23%
- Health Advocacy/Second Opinion
  - N = 65
  - All Population: 19%
- Decision Support Tools for Medical Decisions
  - N = 74
  - All Population: 17%
- Health Care Navigators
  - N = 58
  - All Population: 17%

All Population ▶ High-Risk Population
# Employee Participation Rates by Program

More than 50% participation for biometric screening, HRA and preventive services

<table>
<thead>
<tr>
<th>Program</th>
<th>Average Participation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biometric Screening</td>
<td>56%</td>
</tr>
<tr>
<td>Health Risk Assessment</td>
<td>56%</td>
</tr>
<tr>
<td>Preventive Care Services/Screenings</td>
<td>55%</td>
</tr>
<tr>
<td>Activity Based Physical Activity Program</td>
<td>34%</td>
</tr>
<tr>
<td>Disease/Care Management Program</td>
<td>14%</td>
</tr>
<tr>
<td>Stress Management Program</td>
<td>13%</td>
</tr>
<tr>
<td>Smoking Cessation Program</td>
<td>9%</td>
</tr>
<tr>
<td>Weight Management Programs</td>
<td>6%</td>
</tr>
</tbody>
</table>

N = 63

N = 67

N = 35

N = 31

N = 28

N = 11

N = 35

N = 23
Majority of Employers Track SP/DP Participation Rates

Spouse and domestic partner participation rates are lower than employees

SP/DP Participation Tracking

- Health Risk Assessment: 61% (N = 67)
- Biometric Screening: 71% (N = 45)

SP/DP Average Participation Rates

- Health Risk Assessment: 34% (N = 31)
- Biometric Screening: 39% (N = 27)
Program Impact on Employee Health and Costs

Employers report that condition and/or disease management programs have the greatest impact on health and costs.

N = 83 to 93

Programs ranked on a scale of 1 = most impactful to 5 = least impactful. Percentage represents employer rankings of 1 or 2 for each program (highest impact).

1Programs ranked on a scale of 1 = most impactful to 5 = least impactful. Percentage represents employer rankings of 1 or 2 for each program (highest impact).
Future Investment in Health Improvement
Employers Maintain Focus on Incentive Programs

Only 1% are considering removing incentive programs

Long-Term Incentive Strategy (3 to 5 Years)

- Plans to further expand incentive programs: 54% (2015), 57% (2014)
- Maintain the same incentive programs: 41% (2015), 36% (2014)
- Reduce incentive programs: 5% (2015), 3% (2014)
- Remove incentive programs: 1% (2015), 5% (2014)

N = 106 (2015)
Employers Consider Expanding or Maintaining Incentives

Even if they no longer provide health benefits

Role of Health Improvement

- Expand at a greater level than we do currently
- Continue at the same level we do currently
- Continue at a reduced level
- No longer invest in this tactic
- Don't know

N = 101
Health Improvement Case Study
Health Improvement Case Study

Supporting employees every step of the way on their health and wellness journey

Priorities

1. Encourage physical activity
2. Improve diet and nutrition
3. Strengthen stress management skills

Incentive Infrastructure
- Quarterly incentives for employees and spouses/domestic partners
  - Outcomes based incentives rewarding for progressing toward and maintaining a health goal
- Physical activity challenges
- Web-based and telephonic coaching

Programming
- HRA
- Biometric Screenings
- Web-based and telephonic lifestyle coaching
- Physical activity challenges
- Tobacco-free campus with smoking cessation program
- Fitness device syncing with physical activity program
- Mindfulness meditation programs

On-Site Resources
- Healthy Dining Cafeterias with discounts for healthy meals
- On-site fitness center and group classes
- Campus amenities (e.g., walking trails, basketball courts)
- On-site health and wellness center with health coaches
- On-site screenings, flu shots and health fairs
- Healthy work stations (sit/stand desks, treadmills)

Clinical Support
- Healthy advocacy
- Expert second opinion
- Disease management programs
## Health Improvement Case Study

Participation results to guide program successes

<table>
<thead>
<tr>
<th>Participant Activity</th>
<th>% of Eligibles</th>
<th>Healthy Lifestyles</th>
<th>% of Eligibles</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HRA &amp; Biometrics</strong></td>
<td></td>
<td><strong>Outcomes</strong></td>
<td></td>
</tr>
<tr>
<td>Completed Health Risk Assessment (EE)</td>
<td>64%</td>
<td>Low risk</td>
<td>72%</td>
</tr>
<tr>
<td>Completed Health Risk Assessment (SP/DP)</td>
<td>39%</td>
<td>Blood pressure screening</td>
<td>93%</td>
</tr>
<tr>
<td>Completed Onsite Biometric Screening</td>
<td>77%</td>
<td>Cholesterol screening</td>
<td>74%</td>
</tr>
<tr>
<td><strong>Healthy Lifestyle Programs</strong></td>
<td></td>
<td><strong>Healthy Behaviors</strong></td>
<td></td>
</tr>
<tr>
<td>Physical activity program</td>
<td>63%</td>
<td>Physically active</td>
<td>88%</td>
</tr>
<tr>
<td>Weight management program</td>
<td>35%</td>
<td>Eating nutritiously</td>
<td>80%</td>
</tr>
<tr>
<td>Stress management program</td>
<td>34%</td>
<td>Low or moderate risk for high stress</td>
<td>56%</td>
</tr>
<tr>
<td><strong>Achievements</strong></td>
<td></td>
<td><strong>Employee Satisfaction</strong></td>
<td></td>
</tr>
<tr>
<td>Earning full incentive amount by quarter</td>
<td>44%</td>
<td>Highly satisfied with wellness programs</td>
<td>79%</td>
</tr>
</tbody>
</table>
Select Survey Participants

Advance Auto Parts
Alcoa
Alyeska Pipeline Service Company
American University
AmeriGas
Analog Devices, Inc.
Apex Tool Group
Applied Materials
BASF Corporation
Best Buy
Brown Brothers Harriman
Capella Education Company
CBS Corporation
CDW
Charter Communications, Inc.
CIANBRO
Cook Group
Crowley
Curtiss-Wright
CVS Health
DaVita
Dell
Dematic Corp.
Devon Energy Corp.
Dr Pepper Snapple Group
Duke Energy
Edward Jones
Erie Insurance
FANUC America Corporation
FedEx
Fidelity Investments
FM Global
FMC Technologies
GATX Corporation
General Cable
GlaxoSmithKline
Goldman Sachs
Harris Corporation
JBT Corporation
KeyBank
Keysight Technologies, Inc.
Lbrands
Lennox International Inc.
Marriott International
Moody’s Corporation
Mutual of Omaha Insurance Company
Nestle’ USA
Newell Rubbermaid
Owens Corning
PNC Financial Services Group
Principal Financial Group
PVH Corp
Schwan’s Shared Services, LLC
Seagate Technology
Spansion Inc.
Sprint
Starcon
State of Tennessee
Stepan Company
Synopsys, Inc.
Texas Instruments
The Coca-Cola Company
Topa Equities, Ltd.
TRC Companies, Inc.
Trustmark Companies
Tupperware Brands Corporation
Tyson Foods, Inc.
U.S. Bancorp
UGI Utilities, Inc.
Unisys
Universal Health Services, Inc.
Volvo Group North America
Walgreens
We Energies
Wells Fargo & Company
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