

Benefits and Incentives Design: Aligning Stakeholders for Behavior Change

Until recently, there has been very little information for employers about appropriate benefit design for obesity. Medical professionals lacked a standard for identifying and treating obesity, and health plans often excluded obesity as an accepted diagnosis. However, new initiatives are laying the groundwork for change. Strategically designed benefits based upon these new initiatives will align stakeholders and enhance the likelihood for behavior change:

- ❖ Physicians will have incentives to identify and treat obesity early;
- ❖ Health plans will be held accountable for physicians' adherence to practice guidelines; and
- ❖ Families will participate in comprehensive activities to promote healthy living.

The following section details three ways in which employers can engage each stakeholder through benefits design or the use of incentives.

1. Support New Clinical Practice Guidelines to Improve Physician Care

In 2007, an expert panel convened by the American Medical Association (AMA), the Department of Health and Human Services' Health Resources and Services Administration (DHHS HRSA) and the Centers for Disease Control and Prevention (CDC) released new clinical practice guidelines to inform and standardize health care providers' role in preventing, identifying and treating childhood obesity. The new guidelines recommend that physicians assess a child's height, weight and BMI annually, as well as any medical and behavioral risk factors for obesity. Physicians also are encouraged to counsel patients on healthy behaviors necessary to maintain an ideal weight.¹

When a child is identified as overweight or obese, four interventions of increasing intensity are recommended based upon an individual's weight status and response to earlier interventions:¹

- ❖ **Prevention Plus** is the initial intervention recommended for overweight children (*BMI from 85th to 94th percentile*). Physicians should provide patient counseling to encourage a healthy diet and physical activity. Follow-up visits with the provider can be utilized based upon need.

Programs offering more intensive weight management are increasing and can be available in a medical or community-based setting. When looking for a [weight management program](#), employees should seek a program with documented evidence of effectiveness. If no program is available locally, employees can be referred to their local children's hospitals for additional programs.

- ❖ **Structured Weight Management** is recommended for obese children (*BMI from 95th to 98th percentile*) or those for whom earlier intervention efforts (Prevention Plus) have not been effective. This approach combines more frequent physician follow-up — several times/month to weekly monitoring visits — with written diet and exercise plans to achieve gradual weight loss (1 pound/month) if clinically indicated.
- ❖ **Comprehensive Multidisciplinary Intervention** is utilized for obese children or for those who participated in 3 to 6 months of structured weight management and failed to achieve targets. This level of intervention combines more frequent visits (weekly) with a physician and a dietitian and could also include visits to exercise physiologists and behavioral specialists to achieve gradual weight loss of 1 to 4 pounds/month.
- ❖ **Tertiary Care Intervention** is the most intensive strategy recommended for morbidly obese adolescents (*BMI 99th percentile or greater*) with associated comorbidities or for individuals for whom earlier efforts were not effective. This approach consists of all that is contained in the previously described interventions, and may include more aggressive therapies, including meal replacements, pharmacotherapy and, in rare cases, bariatric surgery.

Employers can support and encourage physicians' adherence to the new guidelines by discussing the coverage of obesity and obesity-related services with their health plans. The key aspects of care recommended in the treatment guidelines are presented in Table 1.

NOTE: While few insurers currently reimburse claims with obesity as the sole diagnosis, changing policies over the last several years may pave the way for employers. Two examples of progressive health plan designs are from Blue Cross Blue Shield of North Carolina (BCBSNC) and Pennsylvania's Highmark health plan:

- ❖ In 2005, BCBSNC added obesity-related services as a standard benefit for beneficiaries. BCBSNC provides four physician office visits per year for weight assessment and treatment services, as well as visits to allied health professionals and nutritionists. For all services, physicians can code obesity as the diagnosis and reason for services.

Table 1: A Summary of Recommended Treatment Guidelines for Childhood Obesity

Health Service	BMI & Risk Factor Assessment	Counseling on Healthy Diet	Physician Follow-up Visits	Counseling Provided by Dietitians, Exercise or Behavioral Specialists	Meal Replacements, Medications or Bariatric Surgery
Prevention	X	X			
Prevention Plus		X	(as needed)		
Structured Weight Management [†]		X	X (monthly to weekly)		
Comprehensive Multidisciplinary Intervention ^{*†}		X	X	X	
Tertiary Care Intervention ^{*†}		X	X	X	X

*May require the employer to buy-up from standard plan designs.

†Employers may implement cost-sharing with member for these services.

- ❖ In 2006, Highmark began offering obesity-related services in their health plans to combat the high level of childhood obesity. Highmark offers overweight beneficiaries (BMI between 85th and 95th percentile) the following:²
 - two additional preventive service visits specifically for obesity and blood pressure management; and
 - two annual nutrition counseling visits.

For obese beneficiaries (BMI greater than 95th percentile), Highmark offers the same services as well as one set of laboratory tests.² Like BCBSNC, physicians can code obesity as a sole diagnosis when offering these services. According to Highmark, service utilization increased 23% within one year of implementing the change.³



In January 2008, **Costco Wholesale** removed the obesity exclusion from its self-insured health plan and began reimbursing for claims with this diagnosis. The new plan design provides reimbursement to physicians, dietitians or nutritionists and hospitals for the treatment of obesity, including the initial exam, diagnostic tests and ongoing visits for the purpose of monitoring and evaluating progress. Costco Wholesale believes this change will allow beneficiaries of all ages to seek and start treatment before they begin to experience comorbid conditions. Early numbers indicate that the new benefit is of use to beneficiaries. In its first year, nearly 250 child claimants received care for obesity, with equal numbers projected for 2009.

Employers can also support the inclusion of obesity-related services recommended by the Alliance Healthcare Initiative (see below).

The Alliance Healthcare Initiative

In 2009, the Alliance for a Healthier Generation, a joint collaboration between the American Heart Association and the William J. Clinton Foundation, announced its newest initiative, the [Alliance Healthcare Initiative](#). The initiative brings together medical associations, employers and insurers in an effort to improve coverage for obesity prevention, assessment and treatment services.

Insurers and employer members of the Alliance agree to offer four visits with a primary care physician as well as four visits with a registered dietitian as part of their normal benefits available to beneficiaries. Physicians would be reimbursed for assessment and needed follow-up visits

for counseling; dietitians also would be reimbursed for their services. The Alliance hopes that the provision of benefits will offer health care providers further incentive to take an active role in the fight against childhood obesity.

Insurers such as Aetna, Blue Cross of North Carolina, Blue Cross of Massachusetts and Wellpoint have joined the Alliance. Large employers such as PepsiCo, Owens Corning and PayChex also have joined the Alliance to offer improved benefits to their employees.

Employers interested in learning more about the Alliance Healthcare Initiative can visit the [Alliance for a Healthier Generation website](#).

2. Incorporate New Performance Standards to Hold Health Plans Accountable

The National Committee for Quality Assurance has published a new measure within the Healthcare Effectiveness Data and Information Set (HEDIS) to improve the quality of care as it relates to childhood overweight and obesity. The new measure, *Weight Assessment and Counseling for Nutrition and Physical Activity for Children/Adolescents*, will assess patient medical records for evidence of the following:

BMI percentile documentation, which must include the following:

- ❖ date of the BMI;
- ❖ BMI percentile; and
- ❖ BMI percentile plotted on age-growth chart.

Documentation of nutrition counseling, which must include a note indicating the date and evidence of at least one of the following:

- ❖ a discussion of current nutrition behaviors;
- ❖ counseling or referral for nutrition education;
- ❖ educational materials on nutrition being provided; or
- ❖ anticipatory guidance for nutrition.

Documentation of physical activity counseling, which must include a note indicating the date and evidence of at least one of the following:

- ❖ a discussion of current physical activity behaviors;
- ❖ counseling or referral for physical activity education;
- ❖ educational materials on physical activity being provided; or
- ❖ anticipatory guidance for physical activity.

Health plans began collecting data on the new measure in 2009. The availability of this measure and corresponding data give employers the opportunity to evaluate health plans and incorporate new standards into plan requirements. Examples of key plan changes employers might implement are:

1. Require health plans to demonstrate high level of periodic BMI measurement and evaluation (calculating and plotting BMI) for all pediatric patients during office visits, as recommended by expert groups and published in the new HEDIS measures.

2. Evaluate health provider actions and efforts to deliver to parents and families regular guidance on nutrition and physical activity patterns, weight management and obesity prevention.
3. Require health plans to demonstrate improvement in these areas, if needed.
4. Consider discontinuing contracts with underperforming plans.

3. Engage Families with Incentives

More than half of large employers use financial incentives to encourage employees to participate in one or more types of health improvement activities.⁴ Where possible, employers might consider extending incentives to family-based activities that can encourage healthy lifestyles and reduce childhood obesity. One such example is IBM's Children's Health Rebate.

IBM Children's Health Rebate



Rebate program to help parents assist their children in maintaining a healthy weight. The 12-week web-based program includes a \$150 cash rebate that rewards participation.

IBM created this unique, action-oriented program to promote simple activities for the entire family and to equip parents with tools and information that can be used easily in the home environment to address overweight and obesity.

The program focuses on the following four areas:

- Adequate physical activity;
- Consistent healthy eating;

Approximately 45% of IBM employees have children covered by IBM-sponsored health plans. In 2008, the company launched its Children's Health

- Appropriate screen time; and
- Positive parental role modeling.

Employees can elect to participate during the annual fall benefits enrollment. To earn the cash rebate, they also must fulfill the following online requirements:

1. Complete a brief family inventory to identify current eating and physical activity patterns within the family.
2. Set family action goals, such as preparing healthy meals together or engaging in outdoor physical activities.
3. Complete the family inventory again after 12 weeks.

Early data indicate employee interest as well as success. In its first year, more than 22,000 IBM employees elected to participate in the Children's Health Rebate program. Of those, 14,000 employees completed the first two requirements for the rebate: the online family inventory and their 12-week action goals. More than 11,000 employees com-

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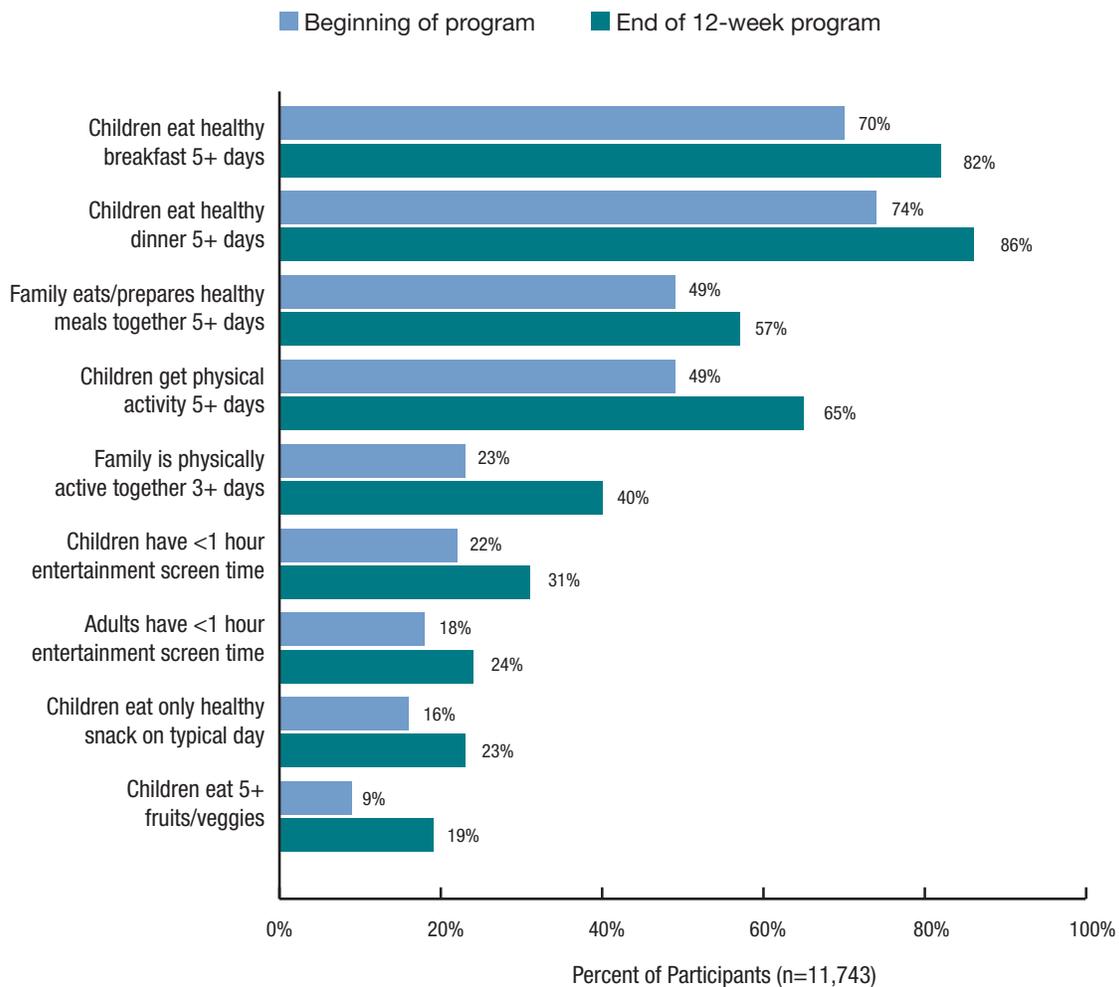
IBM Children's Health Rebate *continued*

pleted the follow-up inventory at 12 weeks and earned their \$150 rebate.

Program evaluation revealed the following successes:

- Two thirds of employees who participated in the program reported that their children were exercising more or maintaining appropriate physical activity levels.
- Fifty-nine percent of children and 64% of adults improved body weight or maintained a healthy weight.
- Both parents and children showed improvement in healthy eating and physical activity behaviors, as well as a reduction in screen time (see Fig. 1).

Figure 1: Changes in Behavior as a Result of the IBM Children's Health Rebate Program



References

- ¹ Barlow SE, and the Expert C. Expert Committee Recommendations Regarding the Prevention, Assessment, and Treatment of Child and Adolescent Overweight and Obesity: Summary Report. *Pediatrics*. 2007;120(Supplement_4):S164-192.
- ² Goessler M, Raffa J. *Highmark's Obesity Benefits and Provider Outreach: A comprehensive approach to a national epidemic*. Presentation available at: <http://www.ehcca.com/presentations/ObesityAudio20090115/goessler.ppt#256,1>, Highmark's Obesity Benefits and Provider Outreach. Accessed on June 26, 2009.
- ³ Heubeck E. Reimbursement Offers Hope for More Obesity Counseling. *DOC News*. 2007;4(9):8-8.
- ⁴ National Business Group on Health, Watson Wyatt. *The One Percent Strategy: Lessons Learned from Best Performers*. Available at: <http://www.businessgrouphealth.org/members/secureDocument.cfm?docID=1231>. Accessed July 6, 2009.

Weight Management Programs with Supporting Evidence

Many employees may be struggling with a child who is already overweight or obese. When overweight or obesity is accompanied by one or more serious weight-related medical conditions such as diabetes, high blood pressure or sleep apnea, a doctor may recommend a more structured weight management program for the child.

The table below provides examples of weight management programs that have had some degree of success. Employers might utilize this list to provide guidance to employees seeking assistance.

Table 1: Suggested Weight Management Programs

Program Name	Grade/Age	Contact Information
KidShape®	Ages 3 to 5 years old Ages 6 to 14 years-old Grades Pre-K through 8th	Website: Kidshape.com KidShape® 8733 Beverly Blvd Suite 400 Los Angeles CA 90048 Phone: 1-888-600-6444 Email: info@kidshape.com
SHAPEDOWN	Four program levels: Level 1 (6 to 8 years old) Level 2 (9 to 10 years old) Level 3 (11 to 12 years old) Level 4 (13 to 18 years old)	Website: www.Shapedown.com SHAPEDOWN 1323 San Anselmo Avenue San Anselmo, CA 94960 Phone: 415-453-8886 Email: www.shapedown@aol.com
Univ. of Buffalo Childhood Weight Control Program	Grades K-5 Ages 6 to 12 years old	Colleen Kilanowski Program Coordinator SUNY Buffalo G-56 Farber Hall South Campus Buffalo, NY 14260 Phone: 716-829-3400 Email: ckk@buffalo.edu

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Table 1: Suggested Weight Management Programs *continued*

Program Name	Grade/Age	Contact Information
HealthWorks!™	Ages 5 to 10 years old Ages 11 to 19 years old	Website: www.cincinnatichildrens.org/svc/prog/healthworks/default.htm HealthWorks! 3333 Burnet Avenue Cincinnati, OH 45229-3139 Phone: 513-636-4305 Fax: 513-636-2459
Operation Zero	An Obesity Management Program for Adolescents	Luke Beno, MD Director, Operation Zero Kaiser Permanente Atlanta, GA Phone: 770-603-3604 Fax: 770-603-3674
L.E.S.T.E.R.® (Let's Eat Smart, Then Exercise Right)	Ages 6 to 11 years old	The Children's Hospital of Alabama 1600 7th Avenue South Department of Clinical Nutrition ACC Suite 416 Attention: Sue Teske, MS, RD, CNSD Birmingham, AL 35233 E-mail: Susan.Teske@chsys.org
FIT KIDS	Children ages 6 to 12 years old, their parents and caregivers	Beth Passehl FIT KIDS Community Health Development and Advocacy Children's Health Care of Atlanta Atlanta, GA Phone: 404-929-8793 E-mail: beth.passehl@choa.org
A Weigh of Life	Children and adolescents	Website: www.texaschildrenshospital.org Texas Children's Hospital Nutrition and Gastroenterology Dept. Texas Children's Hospital 6621 Fannin St. MC 3391 Houston, TX 77030-2399

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Table 1: Suggested Weight Management Programs *continued*

Program Name	Grade/Age	Contact Information
Healthy Habits (HH)	Adolescents	B.E. Saelens Department of Pediatrics Division of Psychology Children’s Hospital Medical Center Cincinnati, OH 45229 E-mail: brian.saelens@chmcc.org
Healthy You	Ages 8 to 11 years old Teens	Website: www.chkd.org/healthy_you Babs Benson, RN, BSN Children’s Hospital of the King’s Daughters 601 Children’s Lane Norfolk, VA 23507 CHKD Healthy You Program Coordinator Phone: 757-668-7035 E-mail: bensonbr@chkd.org
On Target	Families of overweight teens	Marc Jacobson, MD Director, On Target Program Schneider Children’s Hospital Division of Adolescent Medicine 410 Lakeville Road, Suite 108 New Hyde Park, NY 11040 Phone: 516/718-465-3270

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