TRENDS IN WELLNESS

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#3 On employers’ list of priorities: CREATING A CULTURE OF HEALTH

LARGE EMPLOYERS rate key strategies for the next five years

1. Monitoring/Managing high-cost claimants
   - Very important: 48%
   - Important: 29%

2. Focused action to manage cost for specialty pharmacy
   - Very important: 43%
   - Important: 29%

3. Focused strategy for creating a culture of health
   - Very important: 35%
   - Important: 35%

4. Offering employees more plan/benefit options with decision-support tools
   - Very important: 18%
   - Important: 31%

5. Point solutions-high-tech/high-touch support for physical/mental/financial health
   - Very important: 14%
   - Important: 26%

6. ACO and other high-performance network strategies
   - Very important: 14%
   - Important: 19%
Steps taken to build A “Culture Of Health”

- Healthy food choices in cafeteria, meetings: 59% (68% for Fortune's Best Companies to work for)
- No smoking anywhere on work campus: 54% (60%)
- Offer onsite fitness facility: 43% (60%)
- Have policies to promote healthy work/life balance: 42% (56%)
- Company vision/mission statement supports a healthy workplace culture: 23% (60%)
- Modified work environment to promote physical activity: 23% (28%)

Employers with 500+ employees

Fortune's Best Companies to work for
Offer incentives for non-tobacco users

- 3% lower premium contribution
- 3% other incentives

- 21% for 50-499 employees
- 8% for 500-4,999 employees
Available Wellbeing Benefits Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mental health</td>
<td>72%</td>
<td>51%</td>
</tr>
<tr>
<td>Physical activity</td>
<td>68%</td>
<td>53%</td>
</tr>
<tr>
<td>Health risk assessments</td>
<td>68%</td>
<td>47%</td>
</tr>
<tr>
<td>Smoking cessation</td>
<td>64%</td>
<td>49%</td>
</tr>
<tr>
<td>Financial management</td>
<td>58%</td>
<td>43%</td>
</tr>
<tr>
<td>Health club membership</td>
<td>58%</td>
<td>47%</td>
</tr>
<tr>
<td>Stress management</td>
<td>57%</td>
<td>45%</td>
</tr>
<tr>
<td>Weight management</td>
<td>54%</td>
<td>51%</td>
</tr>
<tr>
<td>Nutrition</td>
<td>51%</td>
<td>43%</td>
</tr>
<tr>
<td>Onsite gyms</td>
<td>44%</td>
<td>42%</td>
</tr>
</tbody>
</table>
Trend - Inclusion of Spouses and Dependents
Employers with 500-4,999 employees offering health and well-being programs

- Spouses and children are eligible: 23%
- Spouses are eligible, but not children: 34%
- Neither spouses nor children are eligible: 43%

67% of employers say health plan non-participants are eligible for at least some elements of the program.
Trends
### Negative Trends

<table>
<thead>
<tr>
<th>Activity</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smoking cessation program</td>
<td>↓ 41% to 37%</td>
</tr>
<tr>
<td>Health fairs</td>
<td>↓ 37% to 35%</td>
</tr>
</tbody>
</table>
Trend: Emotional Health Support
Mindfulness, Resiliency, Mental Health, Stress Management
Why employers need to pay attention to mental health parity rules

- Opioid Crisis
- Gun Violence
- Increase in Autism Diagnosis
- Transgender Issues

- Current Events

- Active campaign to make individuals aware of MHPAEAA rights
- Tri-agency FAQs and other guidance on various MHPAEAA issues
- Increased audit activity -- (specific request for financial testing results)

- Regulatory Audits and Activities

- Advocacy groups
- Litigation increasing in areas relating to ABA therapy, transgender coverage, etc.

- Litigation Activity On The Rise

- Employee’s untreated depression = 4.1 hours of less productive worktime a week
- Behavioral Health = $135B annual health care spend (nearly equal to heart disease and cancer combined)
- Patients 2X more likely to be denied coverage for MH services

- Employee Productivity & Cost
# Opioid Epidemic must be addressed

## Impact to EMPLOYERs

<table>
<thead>
<tr>
<th>70% of Americans utilizing illicit drugs, including misused Rx opioids, are employed(^1)</th>
<th>25% of all Worker’s Comp Cases involve prescription opioids and receiving more than a one-week supply of opioids doubles a worker’s risk of disability(^2)</th>
<th>Opioid misuse has been linked to a decline in workforce participation(^3)</th>
</tr>
</thead>
</table>

In certain geographies, **up to one third of job applicants** are failing pre-employment drug screenings\(^4\) | Employees who misuse opioids **miss roughly 3x more days** from work per year than the general workforce\(^5\) | Opioid users 18 and over cost **5.5 times** as much in total allowed medical and pharmacy costs compared to non-users\(^6\) |

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New recognition of the importance of mental health

LARGE EMPLOYERS

OF EMPLOYERS WITH 20,000 OR MORE EMPLOYEES HAVE CONDUCTED AN ASSESSMENT OF MENTAL HEALTH AND SUBSTANCE ABUSE ISSUES IN THE WORKPLACE

OFFER SUPPORT FOR MENTAL HEALTH AND SUBSTANCE ABUSE ISSUES

75% Stress management 42% Tele-therapy 40% Mindfulness 39% Resiliency
• Quiet/Nap Rooms

• Meditation programs – onsite or offsite (subsidy)
Trend - Total Worker Health

www.cdc.gov/NIOSH/twh/
Total Worker Health

Sample Program Plan

- Priority: Reduce back injuries

- Measurable objective: Reduce the number of back injuries at work by 10% in the Orthopedics Department in 1 year.

- Measure: Baseline measure will be the number of back injuries from the Occupational Hazard and Injuries Report Form in the Orthopedics Department at the start of the program.
• Institute safe patient handling (SPH) policy and procedures
• Install SPH equipment
• Institute other ergonomic programs and policies
• Instill supervisor support of staff break-time
• Instill supervisor support of physical activity
• Provide benefits through HR for gym memberships
• Make walking trails and stairwells attractive
• Provide areas for stretching
• Consider cross-departmental sharing of costs
Trend - Well Worksite

- Treadmill desks
- Exercise ball chairs
- Sit-stand work stations
- Anti-fatigue mats
- Ergonomically designed work station
Incorporating Wellbeing into Work Day

<table>
<thead>
<tr>
<th>Feature</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sit-to-stand workstations</td>
<td>51%</td>
</tr>
<tr>
<td>Stretch breaks</td>
<td>31%</td>
</tr>
<tr>
<td>Flexible work arrangements</td>
<td>55%</td>
</tr>
</tbody>
</table>
Trend - Personalization

- Digital platforms
- Apps
- Wearables
- Live and virtual coaching
- Concierge
Using technology-based resources to engage employees

- **Mobile applications**: 62% (All large employers), 40% (20,000 or more employees)
- **Wearables/apps to monitor activity**: 38% (All large employers), 29% (20,000 or more employees)
- **Devices to transmit health measures**: 15% (All large employers), 5% (20,000 or more employees)
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<th>Feature</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program incorporates use of tracking tools such as a pedometer, glucometer or automated scale.</td>
<td>46%</td>
</tr>
<tr>
<td>Program is mobile supported.</td>
<td>39%</td>
</tr>
<tr>
<td>Program incorporates social connection.</td>
<td>44%</td>
</tr>
</tbody>
</table>
Trend – Vending Machines

- More healthy options
- Non-food products
- More payment options
Trend - Community Based Rewards

- Volunteering
- Donating to charitable organizations
- Participating in blood drives
- Participating in charitable fitness walk/run/bike
Trend - Financial Health
OFFER FINANCIAL TOOLS, ADVICE OR GUIDANCE (OTHER THAN FOR RETIREMENT)

41% Offer financial resources through a specialty vendor

11% Offer through the health plan
Trend - On-site Health Centers
Trend – Telemedicine Utilization
TELEMEDICINE gives employees a choice that can save real money

TELEMED HAS BIG POTENTIAL, BUT UTILIZATION NEEDS TO GROW

Among employers with a telemedicine program in use in 2016, utilization averaged 7% of eligible employees.

- 2013: 11% (All large employers), 18% (Employers with 20,000+ employees)
- 2014: 18% (All large employers), 18% (Employers with 20,000+ employees)
- 2015: 30% (All large employers), 44% (Employers with 20,000+ employees)
- 2016: 59% (All large employers), 70% (Employers with 20,000+ employees)
- 2017: 71% (All large employers), 85% (Employers with 20,000+ employees)

57% Of large employers offer telemed through the health plan
15% Offer through a specialty vendor
67% Require a copay
$25 Median copay
Trends – Missing the Mark?

• Rethink program
No growth in use of incentives in 2017– and use of outcomes-based incentives declined

AMONG LARGE EMPLOYERS OFFERING WELL-BEING PROGRAMS

<table>
<thead>
<tr>
<th>Incentives provided for:</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participating in programs</td>
<td>65%</td>
<td>66%</td>
</tr>
<tr>
<td>Achieving, maintaining or showing progress toward specific health status targets (outcomes-based)</td>
<td>23%</td>
<td>29%</td>
</tr>
</tbody>
</table>

**Maximum annual value of incentive earned, when provided**

<table>
<thead>
<tr>
<th>Incentive type</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation incentive (median)</td>
<td>$350</td>
<td>$300</td>
</tr>
<tr>
<td>Outcomes-based incentive (median)</td>
<td>$520</td>
<td>$350</td>
</tr>
</tbody>
</table>
Growing focus on building intrinsic motivation for engagement in well-being

Large employers offering well-being programs

Examples of intrinsic motivation include a sense of accomplishment, recognition, social involvement, or a connection to a cause.

- Intrinsic motivation and financial rewards are both important: 53%
- Intrinsic motivation becoming more important relative to financial rewards: 34%
- Intrinsic rewards not a focus of engagement strategy: 13%

Intrinsic motivation and financial rewards are both important.
Trend – VOI

• Value of Investment
Because of the health and wellness programs offered by my employer I feel

88% Positive about my work culture

- Agree
- Disagree
- Neutral

9%
3%
STRATEGY IMPACT ANALYSIS:
WELL-BEING PROGRAM

RESPONDENTS’ TURNOVER RATES WERE ANALYZED BASED ON THEIR USE OF 9 WELL-BEING STRATEGIES

**BASICS**
- Offer CDHP
- HSA sponsor makes a contribution to employees’ accounts
- Offer voluntary supplemental health insurance
- Use/planning to use bundled solution for health benefits (including private benefits exchange)
- Transparency tool provided by specialty vendor
- Mandatory generics or other Rx strategies
- Steer members to specialty pharmacy for specialty drugs
- Collective purchasing of Rx benefits

**WELL-BEING**
- Offer optional (paid) well-being programs through plan or vendor
- Company vision/mission statement supports a healthy workplace culture
- Offer technology-based well-being resources (apps, devices, web-based)
- Use incentives for well-being programs
- Well-being strategy includes focus on intrinsic motivation to improve health
- Spouses and/or children may participate in programs
- Smoker surcharge
- Have conducted analysis of employee behavioral health issues
- Provide stress management, resiliency, or mindfulness programs

**QUALITY AND VALUE**
- Offer health advocacy program
- Offer a Surgical Center of Excellence
- Offer a COE other than for surgical (oncology, orthopedics, cardiology, women’s health)
- Primary care on-site clinic
- Telemedicine utilization of 5% or higher
- Employees have incentives to use:
  - Medical homes
  - Accountable care organizations
  - Other narrow network
- Reference-based pricing
EMPLOYERS that do the most to promote WELL-BEING HAVE LOWER TURNOVER RATES

AVERAGE TURNOVER RATE IN 2016, among large employers

- 0–2 well-being best practices: 29%
- 3–4 well-being best practices: 22%
- 5 or more well-being best practices: 18%

Based on unweighted data.
Health Strategies

- Social Health: 51%
- Emotional Health: 53%
- Financial Health: 65%
- Physical Health: 67%
Still Evolving from Wellness to Well-Being

- Physical
- Social
- Emotional
- Occupational
- Intellectual
- Environmental
- Spiritual
Social Health
Environmental Health
Spiritual Health
Intellectual Health
Occupational Health
Q&A

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