

From the Periphery To the Core: Wellness at Work

by Amy Larsen and Jeff Pomeranz

It was a sunny day in the city of Smithville. Jane walked inside city hall from the employee parking lot ready to begin the next phase of her life. Twenty minutes later, her blood pressure decreased and pulse rate dropped. Eight hours later, the oxygen level in her blood became normal again.

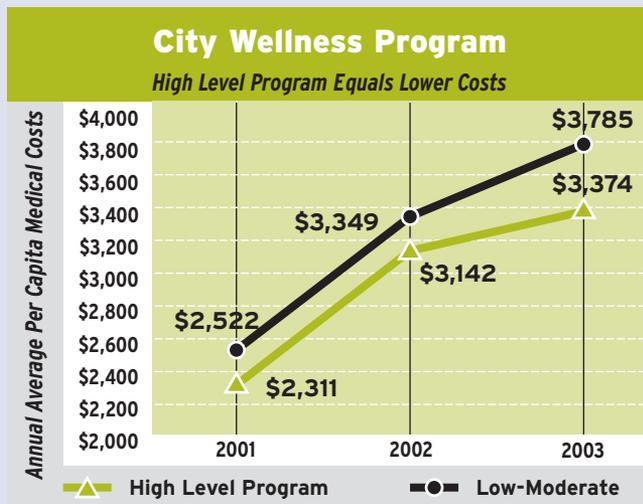
Just one day later, she was at less risk of a heart attack. Two days later, she noticed her ability to smell and taste had improved. Five years after that crucial day, Jane called up a friend in the public works department and happily declared, “Do you know what day it is? Our stroke risk is now back to normal. Congratulations!”

Jane didn’t do anything heroic that day in the parking lot, but she did accomplish something commendable for herself—and beneficial for her employer. She smoked her last cigarette.

Jane and her friend were fortunate to work in Smithville. Jane had stopped trying to give up smoking until she read in a wellness flyer at the employee picnic about a new city smoking cessation program that took place during work hours.

Bolstered by the idea of moral support, Jane convinced her friend in the public works department to participate with her. After three months of meetings and prescription assistance, Jane was ready to give up completely—and she succeeded.

In the face of rising health care costs, employers often look to shift costs to employees or redesign their benefits system. Simply shifting the cost of treating illness and disease, however, may not be the most effective vehicle for cost reduction. Recent thought—both intuitive and evidence based—has swung in favor of preventive wellness measures that identify medical conditions, promote health lifestyles, and improve overall employee health.



Source: *Creating a Culture of Health, A Manager's Guide to Improving Employee Health and Reducing Health Care Costs*, published by ICMA and its Strategic Partner, CIGNA, 2008.

THE (INDEFINITE) PREVALENCE OF EMPLOYEE WELLNESS PROGRAMS

A majority of U.S. employers report having wellness plans and programs—57 percent of small businesses, 79 percent of medium-sized businesses, and 90 percent of large employers lay claim to such initiatives. Yet in a survey of more than 400 full- and part-time workers conducted by Guardian Life Insurance Company of America, just 35 percent of employees stated they had access to wellness programs at work.

Some employers offer one or two wellness components but not a complete program; others may not adequately promote the options available to their employees. Many employers implement only part of their complete wellness strategy owing to restrictive budgets, inadequate staffing, or difficulty measuring—and therefore justifying—the investment.

While longevity is a key component to any successful program, measuring results does not have to be time-consuming or expensive. When provided as part of a strategic plan, wellness incentives are an intuitively effective benefit to employees that, given time, usually have a positive impact on health and health expenditures.

Phil Haberstro, director of the Wellness Institute of Greater Buffalo and Western New York, reports that “Health programs have become a strategic instrument in the management of many levels of government.” Numerous programs are available to cities, counties, and organizations interested in developing or enhancing their wellness initiatives. Whether communities adopt an existing program, create their own, or contract with an agency to provide wellness services is unimportant—what matters is that they communicate and create enough incentives to ensure employee buy-in and involvement.

All the programs described below involve leaders who championed a revamped commitment to employee wellness in the spirit of promoting physical fitness, improving employee productivity, or responding to an elected body concerned with rising health costs. They reflect a multitude of programs across the country, some observing decades of best practices and lessons learned, and some designed with the recent threat of skyrocketing health care costs in mind.

CEDAR CITY, UTAH

By tradition, Cedar City (population 27, 823) has paid the full cost of employees’ health insurance, which

experienced an average annual increase of 11 percent for the past 11 years. Following the adoption of the 2007–2008 budget, the city council insisted that the city could not continue to absorb the increases. When talk turned to shifting the cost of insurance to employees, City Manager Ron Chandler looked to the City’s insurance agent for an alternative. Shifting the cost did not solve the problem; it delayed it. At the current rate of increase, the city would be in the same financial position within three years.

The insurance agent introduced Chandler to representatives from Health Behavior Innovations (HBI) of Salt Lake City and their wellness program, called the Apple Program, which the Cedar City mayor and city council adopted in June 2008.

As part of the new program, employees who meet a predetermined health standard during the city’s wellness screening must complete one health promotion activity each quarter. Employees who do not meet the standard must complete a health plan

Components of Wellness Programs

The Alliance for Wellness ROI, a consortium of several large corporations dedicated to demonstrating the value and return on investment that wellness programs provide, offers a more specific list of common wellness program components:

- Disease management programs.
- Employee assistance programs.
- Fitness programs.
- Health risk assessments.
- On-site medical programs.
- Personal wellness profiles.
- Screenings and preventive care.
- Smoking-cessation programs.
- Telephonic wellness services.
- Weight management programs.
- Wellness education and communication.
- Work-life balance programs.

with an Apple head coach, meet a portion of their established goals, and remain in contact with their Apple health coach throughout the year.

If the employee (and spouse, if applicable) participates and meets requirements, Cedar City will continue to pay 100 percent of the employee health insurance. If the employee chooses not to participate or stops at any time, that employee will pay 20 percent of the cost of health insurance.

Ninety-seven percent of employees and their spouses (243 participants) enrolled in the program. After completing the personal wellness profile, 44 percent of participants needed a coach.

Cedar City expects to spend \$47,000 annually to continue with the Apple program. Although city officials hoped that all employees and spouses would participate in the program to improve their lifestyle, 3 percent opted out. That group will generate some savings to Cedar City, paying out \$21,000 in premium costs annually.

WEST DES MOINES, IOWA

The city of West Des Moines (population 54,726) has taken a largely in-house approach to employee wellness with assistance from its insurance provider. In December 2006, the city's wellness committee decided to tackle health issues that were driving up the city's insurance costs. The committee drew on the expertise of the city's insurance carrier, Principal Wellness, by contracting to provide wellness-related services. The city pays a monthly fee for the basic program and adds extra items à la carte as needed or interest arises. The committee is operating with a \$12,450 budget for FY 2008–2009.

The employee committee formed a mission statement and four focus teams: Preventive Exams, Tobacco Use, Nutrition Education, and Physical Activity.

Physical activity. In an effort to facilitate physical fitness for employees, the committee initially considered creating a fitness area for employee use in a recently built city facility.



A fitness fair, which included representatives from local exercise programs, was held at city hall in West Des Moines, Iowa, to introduce employees to area fitness centers before their fitness facility reimbursement program began in fall 2007.

However, an employee survey found a desire for choice—many wanted to exercise close to home or at a facility with multiple locations. With this in mind, the committee recommended the city offer a fitness facility reimbursement starting in the fall of 2007.

Approved by the city council, the Fitness Facility Reimbursement Program (FFRP) was packaged as an effort to reduce the city's health and medical care costs, reduce absenteeism, improve employee morale and energy, and produce a more physically fit workforce.

City employees join the facility of their choice, and the city provides a quarterly reimbursement for membership fees. Currently, that amount is set at \$120 per quarter for single membership and \$180 per quarter for family membership. The program has over 90 participants.

Participating individuals are required to show proof of attendance at a qualified fitness facility at least 12 times per month and complete the annual health

risk assessment offered by the city. The city will receive aggregate results from Principal Wellness and compare results of the participants with nonparticipants as a group, focusing on items like body mass index, blood pressure, cholesterol, and glucose levels. The city will wait two to three years before trying to detect changes in one group compared with the other.

Tobacco use. The state of Iowa recently passed no-smoking legislation for public places in 2008. The legislation provided renewed emphasis on curbing tobacco use, thought to be one of the most cost-effective ways to reduce insurance costs.

Toward that goal, West Des Moines offered a smoking cessation program led by a certified employee. Prescription assistance was provided to employee participants. Three employees successfully “graduated” from the first session and quit smoking.

In a speech at the employer health and human capital congress earlier this year, Chairman Eduardo

Wellness Information on the Web

Here are Web sites can supply additional information about wellness.

Leadership for Healthy Communities
www.leadershipforhealthycommunities.org/

Making the Business Case for Smoking Cessation
(on the Web site of America's Health Insurance Plans)
www.businesscaseroi.org

National Employee Health and Fitness (on the Web site of the National Association for Health and Fitness)
www.physicalfitness.org/nehf.html

Wellness Programs (on the Web site of the Society for Human Resource Management)
www.shrm.org/rewards/healthcare/wellness.asp

Workplace Guide (on the Web site of Partnership for Prevention)
www.prevent.org/content/view/133/

The following Web sites were mentioned in the article.

America on the Move
www.americaonthemove.org/

Be Active New York State
www.nysphysicalactivity.org

Live Healthy Iowa
www.lightenupiowa.org/

Move For Life
www.nysphysicalactivity.org/move/

President's Challenge (on the Web site of the President's Council on Physical Fitness and Sports)
www.fitness.gov/challenge/

The Apple Program (on the Web site of Health Behavior Innovations)
www.appleprogram.com/

Sanchez of the National Commission on Prevention Priorities noted that smokers incur \$1,600 a year more in health care costs than nonsmokers do. Research by the Center for Health Research, Kaiser Permanente Northwest, argued that by the fifth year of an employer-funded tobacco cessation

program, benefit savings are almost twice the program cost.

Nutrition education. Three years ago, the wellness committee launched an effort to encourage employees to focus on nutrition and physical fitness over a six-month period. The

city eased into the program in its first year, creating teams to participate in the statewide program, Live Healthy Iowa.

With that experience, the committee successfully launched Get Fit with WDM, a program modeled after Get Fit Iowa but tailored to the city's needs. Employees are encouraged to form 10-person teams and track points based on healthy lifestyles.

Preventive exams. The city offers a myriad of preventive exams. In 2008, the city offered \$25 gift cards redeemable at a local grocery store to all regular full-time employees and their spouses on the city's health plan who completed the health risk assessment.

BUFFALO, NEW YORK

Wellness became a hot topic in New York State well before it became a trend all over the country. According to Phil Haberstro, director of the Wellness Institute of Greater Buffalo and Western New York, the wellness dialogue in that region really took off in the mid-1980s. The city of Buffalo (population 272,632) was a pioneer in city wellness programs.

The Wellness Institute was founded 1987 as a public benefit organization aimed at creating a regional culture that fosters healthy lifestyles and civic practices. The "healthy community model" embraced by this region emphasizes ongoing dialogue between citizens, organizations and leadership from all sectors of the community. A comprehensive approach, it extends beyond employee wellness to schools, residents of neighboring communities, nonprofits, and businesses.

The Wellness Institute focuses on connecting people to the resources they need to live healthy lives using the region's social, environmental, economic, and human capital. The Buffalo Niagara region has taken this philosophical approach to wellness into the community and created a number of initiatives like Be Active NYS and Move For Life.

Haberstro emphasizes four important considerations for any employee wellness program:

1. Work to secure and sustain commitment from policymakers to create a culture of wellness and to budget for necessary program expenditures.
2. Take advantage of your organization's capacity to change, including wellness representatives from every department who champion the changes taking place. A program coordinator or wellness committee should be charged with designing, overseeing, promoting, and carrying out the objectives of the program.
3. Make an effort to incorporate environmental changes that will complement the individual changes taking place, including tobacco use, fitness facilities, rehabilitation facilities, healthy eating options for employees, and safe work environments.
4. Make the switch from reactive to proactive as fully as possible. Many health insurers have great prevention and wellness benefits that are underused by their organizational clients.

WHERE ARE WE NOW...AND WHERE DO WE WANT TO BE?

To have a good wellness program, a good baseline is essential. Measure the current health of the organization through an aggregate of employees and document it. Then establish a mission statement, vision, and stated goals. Whether your city wants to be the "healthiest workforce in the region," reduce the percentage of employees who smoke, or identify and provide counseling to 100 percent of staff at high risk for heart disease, identifying a goal or several goals is essential.

Other "must haves" when starting an employee wellness program:

- An established budget that helps the committee plan programming, promotional methods, and measurement tools for the next few years.
- An employee survey that helps create a program that actually addresses employee needs, interests, and issues. This step assists with employee buy-in later as the program rolls out, especially if it involves a change to insurance costs.

More Local Exercise Activities

Mesa, Arizona, offered a chance to get a good workout in before the 2008 holidays with the city's November Fit City Challenge.

The Fit City Challenge was held Saturday, November 22, and it offered classes in Yopalates, a combination of yoga and Pilates; Stroller Strides, a workout designed for parents for when they are walking their children in a stroller; and Kids BootCamp for ages five to 10.

The Challenge was free for people who had already registered for Fit City, which was a December 13 event that cost \$5 for individuals and \$20 for families and included a Jingle Bell Walk held at the Mesa Riverview park. For both events, a can of food was requested in order to support the Fox 10 Holiday Food Drive.

Mesa's Fit City Challenge is a program developed by Mesa's Parks, Recreation, and Commercial Facilities Department to encourage residents to increase their level of physical activity and discover new ways to become more physically fit and healthy. Events were held each month throughout 2008 at various locations in Mesa.

For more information, visit www.mesafitcity.com or contact Cindy Hunt at cindy.hunt@mesaaz.org; phone, 480/644-2353.

Claremore, Oklahoma, used a race to help bring its community together, promote wellness, and market its new brand.

The idea began when rising health insurance costs sent Claremore officials looking for creative ways to promote wellness among their employees. They saw the third annual Route 66 Marathon, held in Tulsa, Oklahoma, on November 16, 2008, as a great opportunity to inspire their employees. There were several levels of participation including quarter, half, and full marathons, and a 5K run/walk.

"The Route 66 Marathon really jumped out to us because Claremore employees are familiar with the historic Route 66 as the highway runs right through our small city. We hoped that affiliation would encourage more people to participate," said Cassie Sowers, Claremore's marketing and public relations coordinator.

The city paid the registration fee of all full-time city employees who wanted to participate in one of the events. Having just launched a new brand earlier last year, the city also saw this as a marketing opportunity and an opportunity to enhance a sense of community among residents.

Claremore encouraged not just employees but other members of the community to participate by purchasing technical running shirts with the new logo on the front for all participants. The shirts were free to participants who were willing to wear them during the race.

"We thought it would be a great opportunity for us to get the Claremore name and our new brand out there in the Tulsa community, as well as an opportunity to show that Claremore is a community that values wellness," said Sowers.

In all, 55 people joined Team Claremore for the Route 66 Marathon and supporting events. An area church and young-professionals organization sponsored a pasta dinner the evening before the race. Participants were proud to participate and enjoyed being a part of a team.

Claremore officials hope to organize an even bigger team for next year's event through word of mouth and increased advertising.

For more information, contact Cassie Sowers, marketing and public relations coordinator, Claremore, California (csowers@claremorecity.com).

Wellness Strategies Are Popular

Workplace wellness strategies are rapidly growing in popularity outside of North America—almost doubling in the past year—to a point where 40 percent of employers surveyed in Europe, Asia, and Africa now offer these programs, a recent global survey indicates.

“WORKING WELL: A Global Survey of Health Promotion and Workplace Wellness Strategies,” conducted by Buck Consultants, a human resource and benefits consulting firm, finds that although there is strong global growth for wellness programs, they are still most prevalent in North America, with 82 percent of responding employers offering them.

The second annual survey analyzed responses from more than 600 organizations in 25 countries representing more than 10 million employees. The research was conducted in association with vielife, a CIGNA company, as well as Wolf Kirsten International Health Consulting, and WorldatWork.

The fastest-growing components of global wellness initiatives around the world include such technology-driven tools as Web portals, online programs, and personal health records. Other rapidly growing program elements are health fairs, healthy vending machine food choices, and workplace health competitions. Use of these program components will grow dramatically over the next three years—in some cases, by more than 100 percent outside of North America.

Business objectives for wellness programs also vary by international location. In the U.S., health care cost reduction continues to be the top goal. Canadian employers cite improving productivity as the primary objective, while in Europe the top goal is improving workforce morale. Respondents in both Asia and Africa cite reducing employee absence as their main objective for wellness programs.

The survey assessed how effectively today’s wellness initiatives meet employers’ business objectives. Among U.S. respondents, only 16 percent report a reduction in health care cost trend rate attributable to their wellness initiatives, with an average reduction of two to five trend percentage points per year.

Incentive rewards have increased 45 percent since a survey in 2007. U.S. respondents spend an average of \$145 per employee per year on wellness incentive rewards, up from an average of \$100 last year. Twelve percent of U.S. respondents spend more than \$500 per employee per year. Such incentives, designed to improve employee participation and engagement in wellness program activities, are more prevalent in the U.S. but are offered by employers in all parts of the world.

Only 19 percent of respondents rated their incentive rewards “extremely effective” or “significantly effective” at changing employees’ behaviors, although this is up from 16 percent last year. Employers’ continued expansion of incentive rewards, however, indicates a strong belief in their effectiveness at changing behaviors.

The survey report, *WORKING WELL: A Global Survey of Health Promotion and Workplace Wellness Strategies*, is available for a fee from Buck’s Global Survey Resources, 500 Plaza Drive, Secaucus, New Jersey, 07096-1533, 1-800-887-0509; online at www.bucksurveys.com.

—Ed Gadowski

Buck Consultants, LLC

edward.gadowski@buckconsultants.com

<http://www.buckconsultants.com/buckconsultants>

- A mechanism to evaluate the program that incorporates participation levels, health changes, cost savings, and employee satisfaction.
- Confidentiality in all measurements and data used to make a case for wellness. Haberstro suggests getting a neutral provider to provide aggregate summary information for benchmarking measurements to gain the trust of union leaders and management.
- Self-help resources for employees ensure that even those who aren’t joiners have access to reliable information about health and wellness. Many insurers have this information readily available via Web sites. The West Des Moines program hosts a wellness library with books and videos available to employees for checkout.

QUESTIONS YOU WILL ASK ... ANSWERS YOU MAY GET

Did the program improve the health, welfare, or disposition of the participants?

Did the program reduce claims and provide a benefit to the employer?

Did the program positively affect absenteeism or productivity?

Did the program inspire greater employee satisfaction with health benefits offered?

Some questions are harder to answer. The nature of health insurance costs will make it difficult, even after a program has been in place for years, to draw a clear cause-and-effect line between a wellness program and lower costs. Less tangible change, like higher employee productivity and lower turnover related to wellness, is likely to occur but also difficult to measure.

What is measurable? Employee satisfaction with the benefit and aggregate risk factors that track changes over time or improvements in participants versus nonparticipants.

WELLNESS WORKS EVERYWHERE

Every community, large and small, can make wellness a priority. Taking an inclusive approach that involves

unions, management, insurers, local and regional health agencies, and any other stakeholders allows an employer to harness the energy and insights of the providers and the recipients of wellness services.

Tap into resources like the heart association, hospitals, or diabetes organizations—these “usual suspects” have a strategic interest in helping to start or improve an employee program.

TAKING IT TO THE NEXT LEVEL

The public sector is in a unique position to create programs that can affect the entire community. Haberstro’s work in Buffalo demonstrates that when city programs combine with a community focus on healthy youth and assistance for older adults, a continuum of support that spans the entire lifetime can be established.

ICMA has dedicated resources to promote local government involvement in the health of communities.

In 2007, ICMA began working with the National Association of Counties and the American Association of School Administrators to promote collaboration between local governments and schools in their efforts to combat youth obesity. They launched the Healthy Communities Network and assisted communities in developing a strategic action plan to deal with youth health issues.

For more information on that initiative and on creating a similar action plan for your community, visit the Leadership for Healthy Communities Web site listed in the “Wellness Information on the Web” box on page 32. **PM**

Amy Larsen is management assistant/communications specialist, West Des Moines, Iowa (Amy.larsen@wdm-ia.com), and Jeff Pomeranz is city manager, West Des Moines, Iowa (Jeff.pomeranz@wdm-ia.com).

This article was written with assistance from Phil Haberstro, founder and director, Wellness Institute of Greater Buffalo and

New York State (phaberstro@ch.ci.buffalo.ny.us); Ron Chandler, city manager, Cedar City, Utah (ronc@cedarcity.org); and Larry Baker, public relations/special projects, Cedar City, Utah (blarry@cedarcity.org).

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