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## Healthiest Maryland Business Evaluation Final Report

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## I. Summary

Based on the data collected to evaluate wellness programs in Maryland and using the information provided from employers, we can conclude:

- *Wellness programs have become more important and visible within companies over time.*
- *Companies have started to implement programs that respond to their employee's needs.*
- *Gift cards, gym memberships and small rewards are the most common type of incentives.*
- *E-mail is the most popular way that companies use to communicate with employees about wellness programs.*
- *Lack of funding and time to implement and develop worksite wellness strategies are the major barriers to implementing wellness programs.*
- *Not all companies have implemented evaluation strategies for their wellness programs.*
- *Three themes have emerged for implementing successful wellness programs:*
  - *Having a structured program aligned with the goals/outcomes established by the company;*
  - *If the company is not able to provide the support needed to achieve the goals, usually the company hires a vendor or creates partnerships with the health insurance provider;*
  - *The company has to structure programs to provide the necessary tools and information to have healthy employees.*
- *All companies participating in the phone interview, and 24% of companies participating in the web survey, recognized Healthiest Maryland.*
- *The major contribution that Healthiest Maryland can provide for the companies involved in the program is to document what programs were working and how different worksite wellness programs were implemented. Likewise, companies would like Healthiest Maryland to help companies to connect with local experts, provide programs, and periodic newsletters.*

Based on the information collected from employees, we conclude:

- *There are difficulties that restrict employees from engaging and participating in wellness initiatives. These include:*

- Lack of knowledge of services
- Insufficient space for wellness initiatives
- Limited time
- Program consistency
- Cost of formalized prevention
- Confidentiality concerns
- Lack of interest
- *Publicizing employee wellness only through the intranet was not perceived as an effective way to disseminate information.*
- *Long term commitment is pivotal to engage employees in wellness initiatives.*
- *Employees need significant incentives, besides gift cards and health insurance modifications, in order to help them focus on behavioral change.*

## II. Introduction and Background

There has been a growing interest in worksite health promotion and prevention interventions. Rising health care costs, increasing awareness of presenteeism losses, and aging populations are some of the causes of the increase of demand for health promotion, particularly for working populations (Chapman, 2005).

The increasing attention to worksite wellness programs has also stimulated the evaluation of the effectiveness of such programs. Generally speaking, a comprehensive, strategically designed investment in employees' social, mental, and physical health pays off. For instance, Johnson & Johnson's leaders estimate that wellness programs have cumulatively saved the company \$250 million in health care costs over the past decade; from 2002 to 2008, the return was \$2.71 for every dollar spent (Berry et al., 2010).

Similarly, evaluations undertaking the cost-benefit analysis of worksite wellness programs consistently report that companies experience reductions in sick leave, health plan costs, and workers' compensation and disability costs (Chapman, 2005). The implications of such findings may eventually lead to the institutionalization of appropriately designed and executed worksite health promotion programming for all working populations (Chapman, 2005; Berry et al., 2010).

Different studies have shown that worksite wellness programs are particularly effective in four areas: (i) stress reduction, (ii) physical activity and nutrition, (iii) smoking cessation, and (iv) injury prevention of ergonomics and back pain (Richardson and Rothstein, 2008; Lamontagne et al., 2007; Goldgruber and Ahrens, 2010; Tveito et al., 2004; Gatty et al., 2003; Perera 2009; Matson-Koffman et al., 2005; Berry et al., 2010).

In the evaluation of the effectiveness of worksite wellness programs, the literature consistently shows that the greatest effects can be achieved when organizations create an on-going initiative that combine interventions (e.g., educational programs, exercises, treatment, technical support) rather than implementing only one program at a time. Although relatively simple measures (e.g., employee education) are appropriate to improve health outcomes, organizations achieve the greatest results with comprehensive programs that are aimed at changing behaviors and take into account employees' needs and life style (Goldgruber and Ahrens, 2010).

Given the growing body of research that consistently shows the benefits of wellness interventions in terms of the reduction in health care costs, the State of Maryland created the Healthiest Maryland Business initiative. Healthiest Maryland Business (HMB) is a

movement to create a culture of wellness -where the healthiest choice is the easiest choice- by recruiting businesses and referring them to evidence-based resources to better implement their wellness programs and recognizing them for their commitment and success.

The Healthiest Maryland movement aims to engage leaders in committing to maximizing Marylanders' well-being by implementing a comprehensive, coordinated strategy to promote health where Marylanders work, live, and learn. Healthiest Maryland offers tools and programs to help organizations create and implement strategic wellness plans as well as promote policy and environmental changes that create a healthier workplace environment.

In 2010, Healthiest Maryland started with a goal of engaging 75 businesses that employ 50,000 Marylanders. By 2012, Healthiest Maryland has created partnerships with over 175 businesses state wide.

In 2010, the State of Maryland contracted with the UMBC Maryland Institute for Policy Analysis and Research (MIPAR) to conduct an evaluation of worksite wellness programs. The principal objective of the project was to evaluate worksite wellness programs in Maryland, and document the implementation process of these programs. A secondary objective of the evaluation was to assess how Maryland businesses are using the resources provided by Healthiest Maryland. The evaluation was conducted using qualitative and quantitative methods in order to provide a comprehensive overview of the implementation of wellness interventions in different companies across the state. The purpose of this report is to present the results of Healthiest Maryland evaluation.

This evaluation has been conceptualized in two levels. The first level reports information that was collected from the companies, using human resources personnel as informants. The second level reports information that was collected from employees of the companies implementing wellness programs.

The qualitative portion of this evaluation included two components: phone surveys and focus groups. The phone surveys targeted key constituents who were willing to share their experiences about the implementation of wellness programs in their companies. The interview subjects were human resources personnel. The second qualitative component included two focus groups of employee participants from a company that had implemented wellness programs.

The quantitative component was comprised of two web surveys. One survey was sent to human resources managers or wellness program directors to collect information about

program implementation, goals, barriers and outcomes. The second web survey was sent to employees, and inquired about employees' perception and use of wellness programs.

This report presents the results of the qualitative and quantitative data collected from management and employees. The first part of this report presents the information collected from company management. In this section, we present the results from two rounds of phone surveys of key constituents involved in the implementation of wellness programs. Second, we discuss the results of a web survey of human resources managers to examine firms' worksite wellness initiatives and their interaction and use of HMB resources.

The second part of the report presents the information collected from employees. We present summaries of two focus groups of employee participants and non-participants in wellness and prevention programs in a health related company. Likewise, we present the results of two rounds of data collected from a web survey of employees working in a large education related business in Maryland.

### **III. Results**

#### **A. Part One - The Company Perspective**

In this section we present the analysis of the information collected from the companies participating in the Healthiest Maryland Businesses initiative. We first present the results of the phone interviews, and then the results of the web survey. In both the phone interview and the web survey, we inquired about the implementation process of wellness programs, goals, management support, employee response and barriers to implementing worksite wellness. The information presented here is grouped and does not identify any company participating in the evaluation.

##### **(a) Phone Survey of Wellness Program Managers - First round**

We conducted phone interviews of workplace wellness program directors from different companies that participate in the HMB initiative that are geographically located in Maryland. This investigation collected information in two rounds; the first round was collected at the end of 2010 and the second round, a year later, in 2011.

During the first round, we selected key constituents from a pool of over 70 companies that participated in an HMB initiative at that time. We contacted several Human Resources managers, and 12 agreed on participating in the phone interview. We e-mailed human resources departments to obtain contact information for worksite wellness program directors. We then set up phone call interviews to discuss different aspects of the company's wellness program. In the second round, we interviewed 11 wellness workplace program directors from a pool of over 145 companies, including two companies that participated in the first round<sup>1</sup>.

The phone interview had 18 open-ended questions and lasted about 20 minutes. The interview questions were grouped into four components: (i) reasons to implement worksite wellness programs, (ii) length of the program and key members, (iii) implementation process, incentives and barriers, and (iv) knowledge of HMB. We organized and analyzed the content of the interviews using Atlas Ti.

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<sup>1</sup> We did not find important differences on worksite wellness implementation within the companies that were analyzed in the first and second round.

This analysis presents a summary of the four components presented above by each round of data collection; similarly, we attempt to document the different stages and paths that the subject companies have taken in the implementation of worksite wellness programs. Lastly, we discuss general patterns that emerge from the first and second round of this analysis.

### ***Reasons to implement the program***

Among the company managers interviewed, a reduction in health care costs was the primary reason for implementing wellness initiatives. According to several interviewees, the wellness program was aimed at improving the health of the employees, and therefore, reducing health-related costs to the company. Other companies addressed other important reasons, such as *“it was the right thing to do for our employees”* or *“they are a way of building camaraderie, teamwork.”*

A recurring theme among those interviewed is that wellness programs are not only “nice extras” that are appreciated by employees, but they are also an effective way to keep employees healthier. As one of the participants said when asked why the company had a wellness program in place:

*“We just felt that it was important to give the employees an opportunity to better themselves health-wise and just that a healthy employee is a more productive employee. In the end it should help the bottom line of our company, but at the same time, we are interested in providing the employees an opportunity to improve their health.”*

### ***Length of the program and key members***

There is an important variation regarding how long the wellness programs have been in place. In 4 companies, the wellness program had been implemented for a few weeks. For instance, one company implemented a “moving challenge” for over a month in which employees were given pedometers and different incentives (i.e., bottles of water and t-shirts) in order to make employees aware of the benefits of exercise. After the challenge was finished, the company did not continue with the program. Similar experiences were found in three other companies where the program was part of a “wellness fair,” or a seminar that was not continued. Nevertheless, 8 companies have comprehensive and permanent initiatives in place. Among these companies, there is also variation regarding implementation time, ranging from 1 year to 4 years. In these companies, the wellness program has been tied to health insurance plans, permanent financial incentives (e.g., gym membership), and in some cases, yearly monitoring of biometrics and vaccination.

Among the companies that had implemented wellness programs for short periods of time, the human resources department led the initiative and, in most of the cases, only one person was leading and implementing the initiative. On the other hand, companies with comprehensive initiatives have established committees, regular meetings, and most importantly, full support (including budget) from top management.

In several cases, the interviewee stated that the program implementation required more time than they had initially planned. Wellness initiatives require time, preparation and continuous monitoring. In that sense, the support from top management is key, otherwise, the time and resources invested in running the program could be seen as a negative by the company rather than a positive element.

One of the interviewees said:

*“One of the things you read over and over about wellness and structuring a program is how important it is to get management buy-in and I agree that that’s very true. Upper management buying into these means an awful lot, but what I have learned is that almost even more important than that is line management buy-in, because those are the people who can really make you or break you.”*

### ***Implementation process, incentives and barriers***

There is also an important variation in how companies started their wellness program. It was possible to find three common themes in this regard. The most common pattern is that the program was implemented as an extension of wellness programs that were in place in other offices, branches or similar companies. Another common approach is through the creation of wellness committees that progressively introduce small initiatives, and from there the program evolves into a more structured program.

Only one company has a more systematic and comprehensive approach. The program started with a survey to collect data about employees’ interests and health status. Alongside the survey, the company also collected biometrics and conducted different types of screenings to create a baseline health status for the employees. With this information, the company was able to cross information collected through the screening and compare it with health insurance costs to focus on programs that improved employees’ health and reduced health insurance costs.

Among companies implementing comprehensive and permanent initiatives, it is usual to find the use of financial incentives as a component of the program. The incentives are related to the outcomes/goals that the company is pursuing. In most of the cases, companies establish programs aimed at weight reduction and smoking cessation, and the

financial incentives are connected with the program's goals. For instance, gym memberships were the most common incentive, alongside bonuses such as gift cards or cash rewards when employees showed commitment to the program (going to meetings, losing weight, not smoking during the day).

Two companies have implemented more extreme measures to ensure participation. For instance, in one company, employees could be dismissed if they didn't participate in vaccination campaigns. In the other case, the company offered a \$600 credit per year, which was tied to biometrics measures, weight and other indicators. If the employees remained healthy during the year, they were eligible for the full amount of the credit. The following statement supports this claim.

*"We probably have upwards of 92% of the people who qualify for the wellness credit. As a company we remain very healthy. Our overall expenditures are only in about the 25<sup>th</sup> percentile of similar companies that offer similar policies. We...our cost increases have been traditionally lower than the external market, because we maintain...we have been healthy, and that will be up to 2% or sometimes 3% lower than what other people have seen in the market. This year we saw a slight uptake in midsize claims and those are ones that we are developing wellness programs to support. [...] So yeah, I would say in general we have been very successful since the introduction of the program of keeping our cost rates lower."*

There are three consistent themes among companies that have implemented permanent and comprehensive programs: (i) to have a structured program aligned with the goals/outcomes established by the company; (ii) if the company is not able to provide the support needed to achieve the goals, usually the company hires a vendor or creates partnerships with the health insurance provider; and (iii) the company has to structure programs to provide the necessary tools<sup>2</sup> to have healthy employees.

*"You know, people know that they need to eat better; they know that they need to exercise more, but sometimes it is just hard for people to do, but when you give them a structured way to implement it, it kind of helps them to do it."*

Companies have developed several mechanisms to provide employees with tools for a healthy life style, as well as to publicize the wellness programs. The most common are communication tools: frequent e-mails with health related information, newsletters, information attached to payrolls, fliers and the like. Nevertheless, by far, e-mail communication is the most common mechanism among the companies that participated in the analysis.

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<sup>2</sup> Some of them refer to education, information and incentives to change employee's behavior

The continuous evaluation of the wellness program was highlighted in the interviews as a key element. Nevertheless, only a few companies consistently perform evaluations and follow up on the health outcomes of their employees. A couple of companies that implement short initiatives stated that they conduct satisfaction surveys after seminars or focused programs, also known as process evaluation metrics. Among the companies that implement more comprehensive programs, only three companies review health insurance claims and adjust their programs based on their employees' needs.

In terms of the barriers that companies face when implementing wellness initiatives, two issues arise. The first one is related to the size of the company: the smaller the company, the easier the implementation process. In companies that have different locations, it is harder to implement comprehensive programs. The second barrier is related to employees' participation (attending meetings, seminars, etc) and willingness to share sensitive information with human resources personnel.

*"I think our biggest challenge is just involvement and I am just fearful that the employees are not necessarily really paying attention."*

*"Well, unfortunately most employees don't I think feel...they don't like the additional questions and additional requirements yet - the intrusiveness of the program."*

### ***Healthiest Maryland***

All the companies that participated in the analysis recognized Healthiest Maryland, and stated that being participants in a State initiative to promote health and wellness was a way to promote their programs within the company. Nevertheless, only a few knew that Healthiest Maryland had resources available to help implement their wellness initiatives. Those who knew about Healthiest Maryland's website and additional resources were the companies that have implemented more comprehensive programs and have had access to more resources and have more knowledge about wellness initiatives.

*"Yeah, I'm aware of the websites and I have looked at them, but I think actually we were starting with our program quite some time before Maryland did, so I think we have similar resources available to us. So I would have to say in that sense, that they haven't really helped us, but then I think that's just we were ahead of the crowd. However, I can see where they would help people who particularly were just starting or needed some support or maybe weren't quite as big as we were."*

The resources that companies would like to have from Healthiest Maryland are periodical newsletters and seminars. However, 3 companies emphasized that the major contribution

that Healthiest Maryland can make to the companies involved in this analysis was to document what programs were working and how those programs were implemented.

*“Maybe some ongoing conversation about challenges, hurdles, how people overcome those stumbling blocks, and what people are trying to tackle specific issues, like we just struggled pretty hard with how to develop any kind of useful smoking cessation program and I’ve done a ton of reading, but it would be helpful to have more give and take, more feedback.”*

## **(b) Phone Survey of Wellness Program Managers - Second round**

### ***Reasons to implement the program***

The primary reason for implementing wellness initiatives among the companies interviewed in 2011 was related to health care cost reductions. In several cases, companies were self-insured and the main objective was to reduce medical claims through the implementation of the program. As was mentioned in one interview:

*“We just wanted to provide some resources to our employees, we have an aging population, probably not the healthiest group so we are just trying to provide resources for them and also we are a self-funded health plan so, you know, their health is certainly, important [...] and to control costs of the medical plan as well.”*

Other companies implemented their wellness program as a way to improve their overall worksite environment; for instance, it was mentioned in different interviews:

*“We thought that better or healthier employees made happier employees [...] we saw that morale was down so we tried to incorporate, exercise and eating, good eating habits and, you know, things like that with some fun, um, to, um, more or less have a two-part to hope to boost morale and have healthier employees.”*

*“Our program is called Connectivity: Mind, Body, and Soul. Our program is to help people with their, their physical, their financial, and their spiritual well-being. Um, so the goals of the program are to not only assist the company in maintaining their, you know, the health care costs but also, assisting employees and their families with their physical, their mental or their spiritual, and their financial well-being because, um, with today’s times even though financial is part of wellness.”*

### ***Length of the program and key members***

There is an important variation in the length of program implementation. The shortest programs have been implemented for one year (4 companies), others for about 2 to 3 years, one for 8 years and one for about 25 years.

In general, all companies interviewed had a wellness program that was a permanent initiative within the company, with one person in charge (usually human resources personnel), and in most cases, with a wellness committee that met periodically. In one company (the one with the longest implementation time) there was a full-time employee in charge of the program and her main and only responsibility was to operate the wellness program within the company:

*“I have a full-time health and wellness manager position and I’m, it’s my full-time job to run the program and coordinate events and, work on incentive strategies, you know, developing a comprehensive program so I do everything from health coaching and counseling myself to, I also do blood pressure and body composition and also screenings monthly to planning healthy lifestyle programs like, uh, you know, an amazing race that encourages physical activity, to health fairs and coordinating exercise programs, um, therapeutic services like discounted massages, so kind of a whole, you know, lunch and learn and all those, I coordinate all those things and then also, um, work with our benefits department to align participation and health assessment with reduced rates on health insurance premiums.”*

In the majority of cases, the wellness program was a structured and comprehensive program that offered alternatives/courses/seminars all year round. As one person interviewed mentioned:

*“Based on that theme I’ll have, I do a lot of, I call it cooking with Lisa so I’ll bring in ingredients and show them how to prepare something, some healthy meal [...] I’ll bring it in already in a crockpot or a skillet or whatever it is and then I’ll print out recipe cards so let’s say it’s healthy heart month for February so what we’ll bring in, I’ll bring in healthy heart foods, maybe, we’ll cook a lot with, fruits and vegetables or whatever it is. And then I’ll also do a lunch and learn where the employees can come in during their lunch break, we brown bag it and, um, I’ll talk about women and heart health [...] because it’s women’s heart health in February so we’ll talk about that. Um, and then I’ll, every month we do a blood pressure and breakfast where I bring in fresh fruit or maybe bagels or whole wheat bread or yogurt or something and everybody comes in and gets their blood pressure checked and they’ll get a*

*carrot<sup>3</sup> [...]. So basically it's monthly, it'll be, March'll be colon cancer and then April is whatever it is, you know, every month we do a different thing. Uh, those are the planned things and then we have other things such as dress in blue day for colon cancer, everybody dresses in blue and everybody that does will get a carrot. And then they get, they'll donate \$1 to, colon cancer research. In February, we dress in red day for, uh, women's heart health and if they wear red they'll, they get a carrot. They're going to have a lot of opportunities to get carrots."*

In most of the cases, we found that the wellness program had a name such as *Health Improvement Program, Connectivity: Mind, Body, and Soul* or *Well Care*. In some companies, the program also had other factors to enhance program visibility such as logos or established rewards programs.

### ***Implementation process, incentives and barriers***

In general, wellness programs started through data collection and assessment of employees' health conditions. In most of the cases, companies tied employees' health conditions with the offering of wellness programs. Weight control and tobacco cessation are the most frequent objectives among the companies participating in the second round. The following quote reflects the implementation process of several companies interviewed:

*"Our employees fill out a health risk assessment and then they're given a, well, they do the health risk assessment and then they do lab work and, um, body fat composition, blood pressure, we measure, you know, some biometric data and then they're given a score of 0 to 5 and then, um, from that, from that score the goal is to improve on that score the next year so at each of our locations we have a health educator who works with that employee to create a personalized health plan and then improve on that. So let's say that they lost a point for tobacco use and for, body fat percentage. Then the health educator will then work with them to either quit smoking if they're interested or, um, to improve on their nutrition and physical activity so that they can reduce body weight"*

Almost all companies (with the exception of one company that had a budget of \$3 per employee) had a rewards/incentive program alongside the wellness initiative. The incentives have a broad spectrum among companies and are related to the outcomes/goals that the company is pursuing. In most of the cases, companies establish programs aimed at weight reduction and smoking cessation, and the financial incentives are connected with

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<sup>3</sup> In this company one of the incentives was to collect "carrots" (stickers given by the wellness program director) when employees participate in different events. At the end of the year, employees got rewards subject to the number of carrots collected.

the program's goals. Gym memberships and gift cards were the most common incentives. Other companies also tied insurance costs to end-of-year bonuses.

In most cases, companies used vendors to provide different services, such as biometric screening and BMI, vaccination campaigns and in some cases, fitness classes like yoga or Zumba. All companies interviewed had some type of evaluation system in place. In the majority of cases, the wellness program was evaluated through a survey that employees filled after the implementation of a program/activity, or the vendor conducted their own evaluation. These evaluations also helped to create of additional programs (fitness classes, cooking lessons, etc.) or to identify future programs.

*"Every time after an activity, Well Advantage does that for us, they survey the participants. We've also just recently did a survey to all employees and we did it on our own and to the supervisors just asking to see if they even understood, you know, what a biometric screening was or what a health risk assessment was and you've got a good teaching opportunity as well, so if they said no, the screen would pop up and explain what it was. Um, it would survey what, you know, they would like to see happen, um, if they don't participate why don't they participate, that type of thing."*

All of the companies interviewed use different mechanisms to communicate with their employees. In general, companies use e-mails with health-related information, newsletters, information attached to payrolls, fliers and the like. Nevertheless, by far, e-mail communication is the most common mechanism. Companies that have implemented a wellness program for long periods of time use structured communication strategies. For instance:

*"We have a communications team here at the city so I developed our communication strategies with them. We have a graphics department and a cable, with Relax cable channel 11 so they do a weekly blog, so it's like a video blog that you can watch, like a little video you can watch so I often do weekly videos promoting whatever the event is or, you know, whatever is happening. We do e-mail, we have our portal that sends our e-newsletters and I print posters, fliers, and potty fliers, put things in the bathroom, um, and those are our main, main methods right now."*

In terms of the barriers that companies face when implementing wellness initiatives, two issues arise. The first one is related to funding; several companies stated that during these difficult financial times, wellness programs have been underfunded:

*"Finances. Money. I, you know, have to fight for the funding a lot."*

The second most common difficulty in implementing the program is related to time constraints on the wellness program director. According to several companies, program implementation demands an important portion of their time, and the coordination of wellness initiatives is only a small portion of their job description.

### ***Healthiest Maryland***

All the companies that participated in the analysis recognized Healthiest Maryland. In general, participating in Healthiest Maryland was a way to provide more visibility to the program and provide more validity to wellness efforts within the company:

*“I’ve used some of the resources on there or links to, for some on-line smoking cessation resources and a few other things. Um, and just the signing of the commitment letter and being a part of it helped to have buy-in and support from our mayor and council just the whole idea that it’s a state-wide initiative was helpful for me to validate the program and say that this is something that the state sees value in so it helped leverage the program in that way.”*

Even though all companies knew Healthiest Maryland and recognized it as a state-wide initiative to promote wellness, not all companies were aware of Healthiest Maryland resources like the website, or possibilities to contact personnel.

The resources that companies would like to have from Healthiest Maryland are periodical newsletters and seminars. However, many companies emphasized that the major contribution that Healthiest Maryland can make to the companies involved in this analysis was to document what programs were working and how those programs were implemented:

*“If we were sharing like what other companies are doing in the State of Maryland and kind of shared like best practices to give each other ideas on, you know, this is what we’re doing and it might be nice to have those kind of meetings every once in a while [...] I belong to a council, a wellness council and that’s kind of what we do, we get together, four times a year and we share our best practices and, it’s great to kind of because some of us have big wellness budgets and some of us have little teeny wellness budgets and we figure out ways, you know, depending on, you know, where you fall in that category. And you have to figure out ways to, uh, make things happen with what you have so, now as a group we kind of talk and are able to, bounce ideas off of each other and, and share best practices and it helps the other people in*

*the group who maybe don't have the budget that the other ones of us have to come up with ideas on how to utilize the insurance company or resources in the area to still have a wellness program that doesn't cost a lot of money."*

### **(c) Comparison of two rounds of data collection**

The first and most notable difference between rounds of data collection is the recognition and establishment of wellness programs within the companies participating. During the first round of data collection, several companies implemented programs that lasted only a couple of weeks. Similarly, on several occasions, the company was not able to constitute a wellness committee that met periodically. During the second round, all companies interviewed had a permanent (running through the entire year) and comprehensive program that collected biometric data or at least provided an assessment of employees' health. In general, it was clear that wellness programs had gained recognition and validity during the time elapsed between data collections.

During the second round it was more common for companies to use biometric screening and employees' health assessment with different programs offered within the company. For instance, if the company found a large proportion of smokers, they implemented smoke cessation programs. In the first data collection, several companies offered classes or programs like yoga, massages or Zumba that were not necessarily tied to health conditions that were identified previously for their working population.

In terms of incentives, gym memberships, gift cards and small rewards were the constant in both data rounds. However, a couple of companies during the second round were found to have structured comprehensive rewards programs like sticker collection for participating in different events, or end-of-the-year bonuses based on their medical claims.

In general, we found that during the first and second data round, all companies had different strategies for communication of wellness programs. By far, e-mail communication was the most popular strategy in both rounds. However, during the second round, companies were starting to mix different strategies such as videos and newsletters.

In the first round, the major difficulty for implementing the program was low participation. In the second round, the major difficulties were lack of funding, and time to implement and

develop different programs. Employee participation was actually one of the positive aspects of program implementation in the second round:

*“The employees’ response has been fantastic, I mean if you are, out of 20,000 employees we have 84% that are participating so even if we didn’t get a chance to ask each of those employees how they feel about the program, their actions speak loudly in that they are participating. Each year they’re getting healthier so they’re actually listening to what the HIP specialists are suggesting and they are, you know, taking action for their health.”*

Regarding Healthiest Maryland recognition and what resources companies would expect, there were no important changes between rounds. In general, all participating companies recognized Healthiest Maryland. They used participation in the program to provide more visibility to their internal worksite wellness program, and provide more validity to wellness efforts within the company. However, not all companies were aware of Healthiest Maryland resources like the website. Many companies emphasized that the major contribution from Healthiest Maryland to the companies involved in this analysis was to document what programs were working and how different worksite wellness programs were implemented.

#### **(d) Web Survey of employers**

In fall 2011, MIPAR, in partnership with RCM&D –a private insurance advisory firm-, conducted a web survey of employers in the MidAtlantic Region (Maryland, Pennsylvania, Virginia and Washington DC) to assess their progress with healthy workforce programs. Employers surveyed include members of the MidAtlantic Business Group on Health, Lancaster County Business Group on Health, Lehigh Valley Business Coalition on Health Care, Maryland Healthcare Human Resources Association, Healthiest Maryland Businesses initiative, and employers unaffiliated with these listed organizations.

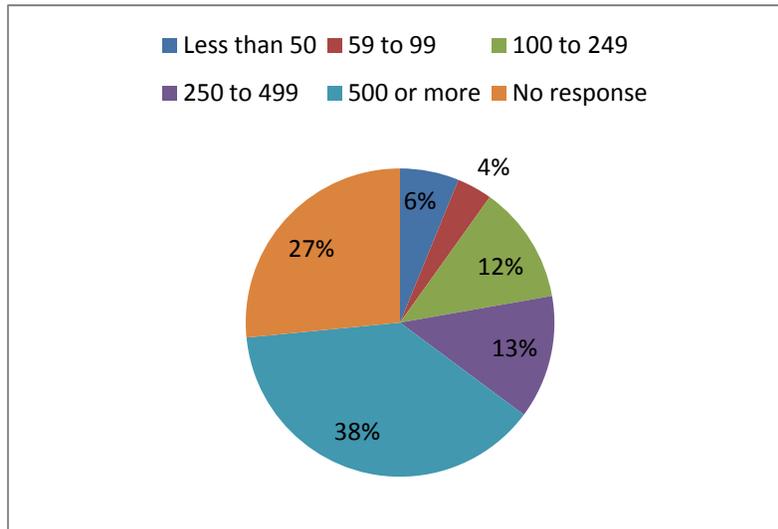
The survey had 10 sections: (i) demographics and company information, (ii) support from senior leadership, (iii) data collection, (iv) benefit plan design, (v) incentives, (vi) supportive environment/culture of health, (vii) programming, (viii) communication and technology, (ix) evaluation, and (x) Healthiest Maryland Businesses participation and resources. Responses were received from 162 employers: 120 were located in Maryland; and 29 businesses located in Maryland participated in HMB.

We present the results of this survey by each section described above; provide general trends among all companies, and show differences by size and HMB participation.

#### ***Demographics and company information (all companies)***

Most of the employers responding had 500 or more employees (38%), with 13% employing 250-499 and 12% employing 100 to 249. The largest industry sector represented was healthcare (27%), followed by education (10%) and professional services (7%). Other types of industry were manufacturing, construction, transportation, etc., but their percentage was below 5%.

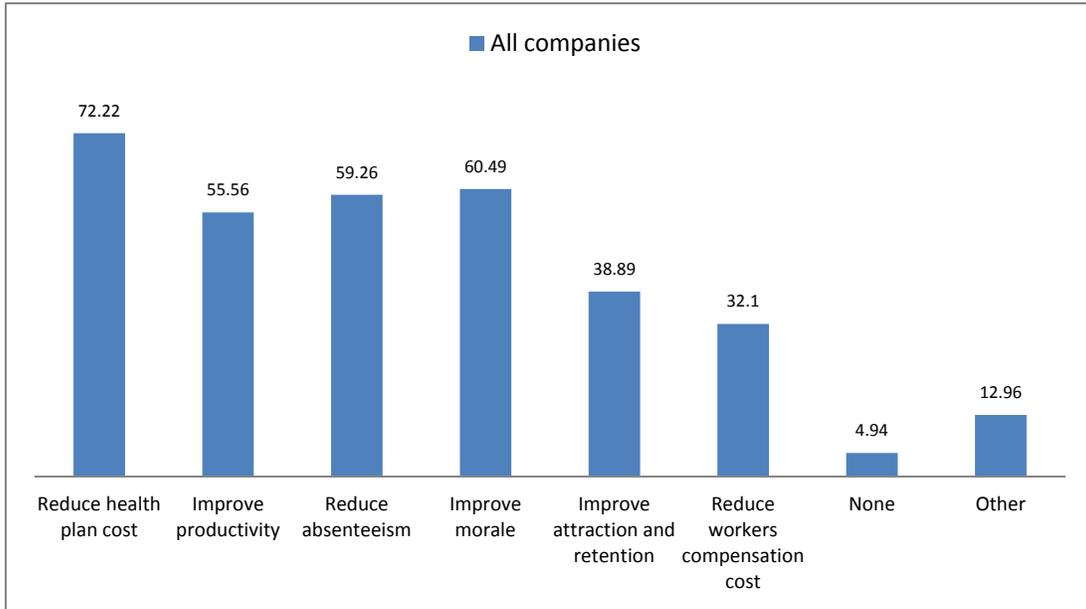
**Graph 1. How many employees (full and part-time) in your organization?  
All companies**



***Support from senior leadership***

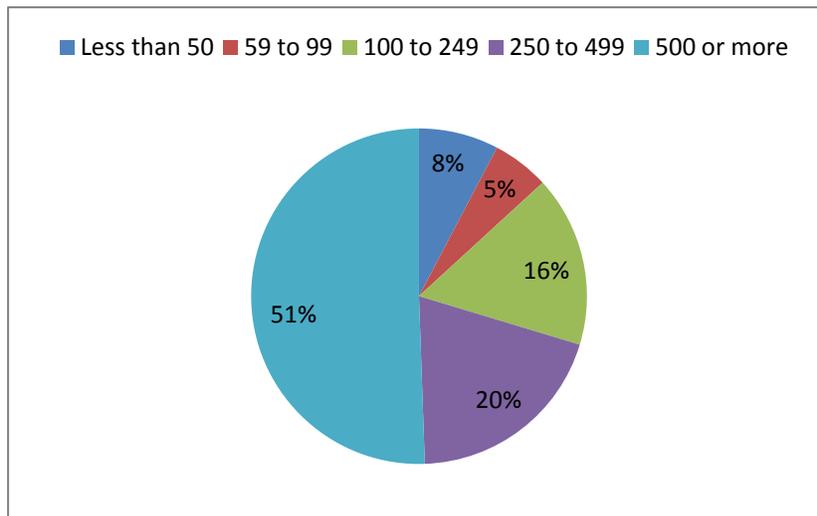
This survey inquired about two factors of wellness programs: (i) objectives of work-site wellness programs, and (ii) commitment from senior leadership. Regarding the objectives to implement wellness programs, 72% of companies participating affirm that the reduction of health care costs was the major motivation, followed by improved morale among employees (60%) and reduction in absenteeism (59%). HMB participants follow a similar trend.

**Graph 2. What are the objectives of your wellness program?  
All companies**



Of companies participating in the survey, 67% affirm that senior leaders within the company demonstrate commitment with worksite wellness programs. Larger companies have a higher percentage of senior leaders committed to wellness programs (55% in companies with 500+ employees, versus 6% in companies with less than 50 employees). Among all companies, 53% of senior leaders participate in wellness programs. Within companies participating in HMB, the participation of senior leaders is higher than the average (89% of participation), however, the differences are not statistically significant.

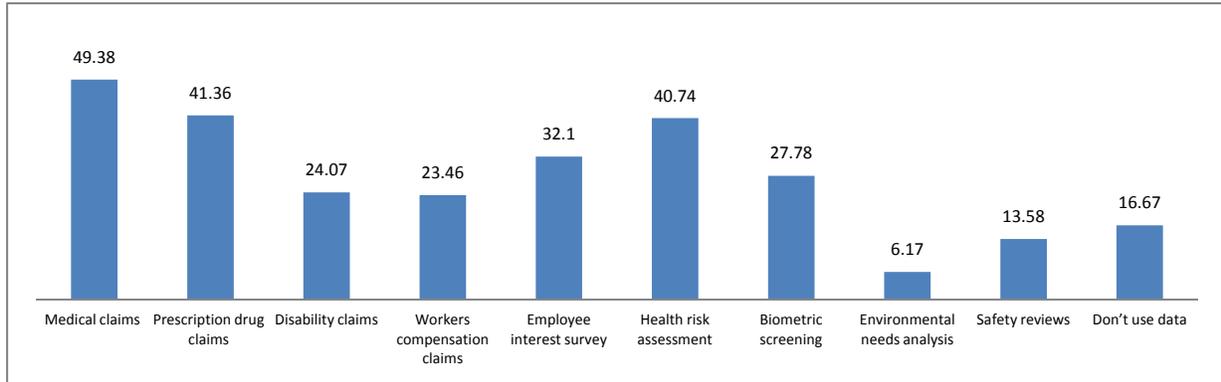
**Graph 3. Senior leadership demonstrate commitment to wellness by company size**  
**All companies**



***Data collection***

Data collection is a key step in the process of building an effective, value-based wellness program; data shows the employer which areas should be the focus of wellness programming by looking at employee needs, interest and gaps. The survey looked at different types of data that employers collect while developing their wellness programs. In general, companies collected data with the most frequency on medical claims (49%), prescription drug plan claims (41%) and health risk assessment (40%). Larger companies and HMB participants follow a similar pattern.

**Graph 4. Data collected to determine risks  
All companies**



Within these categories companies participating in the survey used this information for the following purposes:

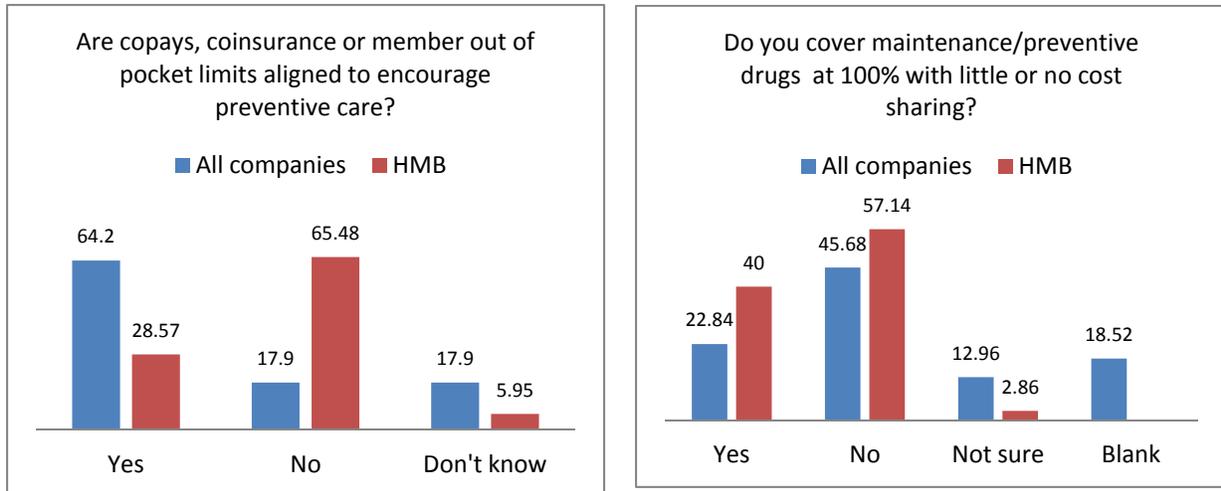
- To identify health risks for focus of wellness programs
- Develop incentives to drive participation
- Link benefit plan design to wellness objectives
- Evaluate the impact of wellness programs

### ***Benefit plan design***

The survey questions regarding benefit plan design focused on value-based plan provisions. Value-based benefit plan design grew out of the belief that various health care services have different values, and that plan design should encourage the use of high value, high quality health care services.<sup>4</sup> These survey questions explored whether employee out-of-pocket costs are designed to encourage preventive care and compliance in the use of preventive or maintenance medications. We found that a majority of the employers (64%) reported that they align their employee benefit plan out-of-pocket costs (copays, coinsurance, and limits) to encourage preventive care, yet only 22% cover maintenance or preventive care drugs with little or no cost sharing. Among companies participating in HMB, we found that they cover maintenance or preventive care drugs in higher proportion than the average (40%), but only 28% of HMB participants align their employee benefit plan out-of-pocket costs.

<sup>4</sup> Fendrick, A.M., & Chernew, M. (2006). Value-Based Insurance Design: A “Clinically Sensitive” Approach to Preserve Quality of Care and Contain Costs. *The American Journal*

**Graph 5. Coverage of preventive drugs and preventive care  
All companies and HMB participants**



***Incentives and supportive environment/culture of health***

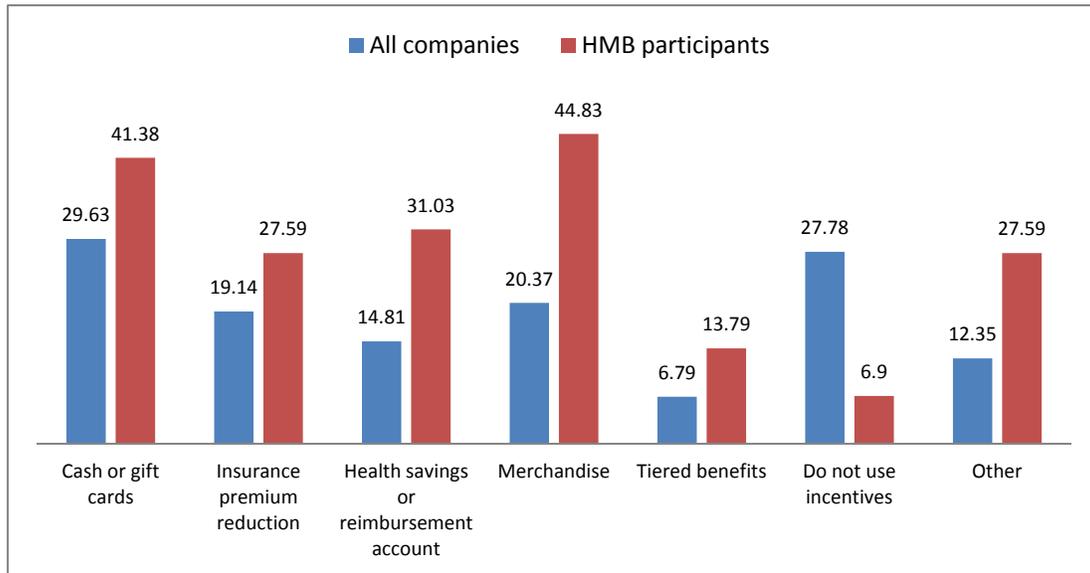
Incentives used to promote participation were broken out into two broad categories in the survey:

- Gifts of cash, gift cards or other merchandise
- Value-based benefit plan-related incentives

Cash, gift cards, and merchandise are commonly used to drive participation in wellness activities and events. For example, an employer will use a drawing for gift cards or merchandise to promote attendance at wellness events like a health fair. Entry into a drawing can create a sense of urgency to complete a Health Risk Assessment (HRA). Typically an HRA campaign will last for several weeks and participants completing the assessment will be entered into a weekly drawing for a gift card or some specific wellness-related merchandise.

Our survey found that most employers provide incentives for participation in wellness programs, with 73% of firms offering some type of incentive. For those that offer incentives, most offer gift certificates (29%) or merchandise (20%). Companies participating in HMB offer a higher proportion of incentives (94%) than the average, and offer value-based benefit plan related incentives more frequently than non-HMB participants.

**Graph 6. Incentives used to promote participation in wellness programs  
All companies and HMB participants**



Questions about a supportive environment/culture of health inquired about policies implemented in the office to promote a healthier environment of the companies participating in the survey, 78% have a tobacco free campus, 65% offer healthy choices in vending machines and 43% use results from employee interest surveys to build worksite wellness programs. This general pattern is also found in larger companies and HMB participants.

***Programming***

The survey questions regarding wellness programming were focused on different aspects of program implementation, including creation of wellness committees, type of wellness programs implemented, annual budget and HRA utilization.

In general, 36% of all companies participating in the survey have a wellness committee in place. From these companies, 20% meet monthly. The percentage of wellness committees is higher among larger companies (63%). HMB participants have wellness committees in a similar proportion to all companies (39%).

Human resources personnel are in charge of wellness initiatives in over half of the companies interviewed (58%). When asked about annual budget, 33% of companies don't have budget allocation, and over 20% have a budget per year/employee of less than \$150. In general, HMB participants have a higher budget allocation than the average; nevertheless the difference is not statistically significant.

**Graph 7. Annual budget allocation per employee  
All companies and HMB participants**



In terms of the type of programs implemented, weight management and tobacco cessation are the most frequently implemented programs (46% and 45% respectively), and this trend is consistent among all companies (by size) and HMB participants as well. Of companies responding to the survey, 45% conduct a health risk assessment; 35% conduct it every year, 18% include spouses, and 16% offer financial incentives to employees to take the assessment.

### ***Communication and technology***

Questions in communication and technology were focused on the type of media that companies use to communicate with employees about wellness programs. By far, e-mail communication is the most frequent (61%), followed by brochures and fliers, electronic newsletters (38%) and posters (37%). HMB participants and larger companies (500 employees or more) follow a similar pattern, however one of the most popular communication strategies within large companies is wellness fairs (70%). In general, only 3% of companies use social networking sites to promote wellness programs and 5% use media video sharing.

### ***Evaluation***

In the survey, we looked at whether employers evaluate the results of their wellness initiatives and if so, what evaluation methods are used. Evaluation methods were aligned into two broad categories:

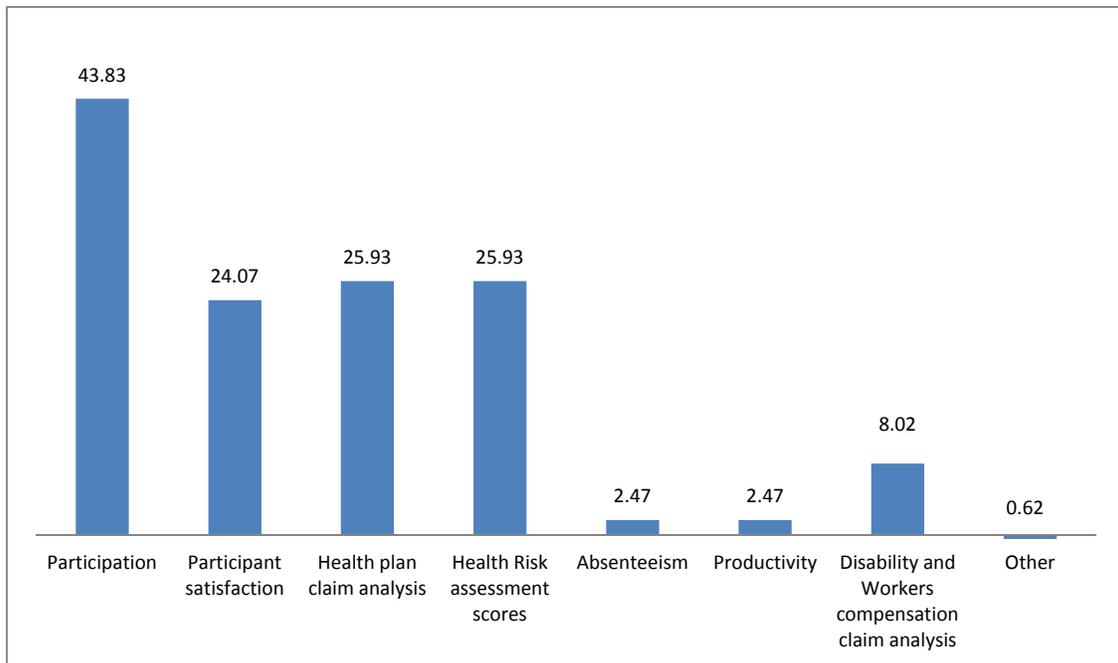
- Participation and participant satisfaction
- Outcomes

Outcomes were defined as claims savings (health, disability and workers' compensation plan claims), health risk assessment scores, absenteeism, and productivity.

Almost half of employers (48%) do evaluate their worksite wellness programs, but most (43% of the 48%) simply evaluate their program by participation. However, many also examine health claims (25%), but very few use more advanced measures such as absenteeism (less than 2%), disability, or workers' compensation claims (8%).

The use of the evaluation results is also mixed with only 36% of employers having senior leadership reviewing the evaluation of the wellness plan and even fewer (27%) sharing wellness evaluations with their employees. Among HMB participants, only 23% evaluate wellness programs, and share the results with senior managers (22%) and employees (17%).

**Graph 8. Which evaluation methods are used to evaluate your wellness program?  
All companies**



To further examine the differences among employers who evaluate their wellness programs, benefit designs were examined, looking at whether the employer evaluates the wellness program or not. We found that employers who evaluate their worksite wellness programs appear to provide benefits that align with worksite wellness goals. A majority of

those evaluating their wellness programs align their benefit plan design so that participant out-of-pocket costs encourage preventive services (68% vs. 32% who do not evaluate their plans), drive consumers to high performing provider networks (72% vs. 29%), and offer consumer-directed health plans (67% vs. 33%). Evaluators are also more likely to cover maintenance and preventive drugs such as blood pressure or cholesterol medication at 100% (71%) compared with non-evaluators (29%). A large percentage (86%) of employers who evaluate their programs offer some sort of incentive, while only 38% of non-evaluating employers use incentives in their wellness programs.

The most frequently used incentive to supplement evaluation efforts is cash or gift cards, followed by insurance premium reductions and merchandise. Very few evaluator employers are using tiered benefits (19%) or contributions to flexible spending accounts (19%).

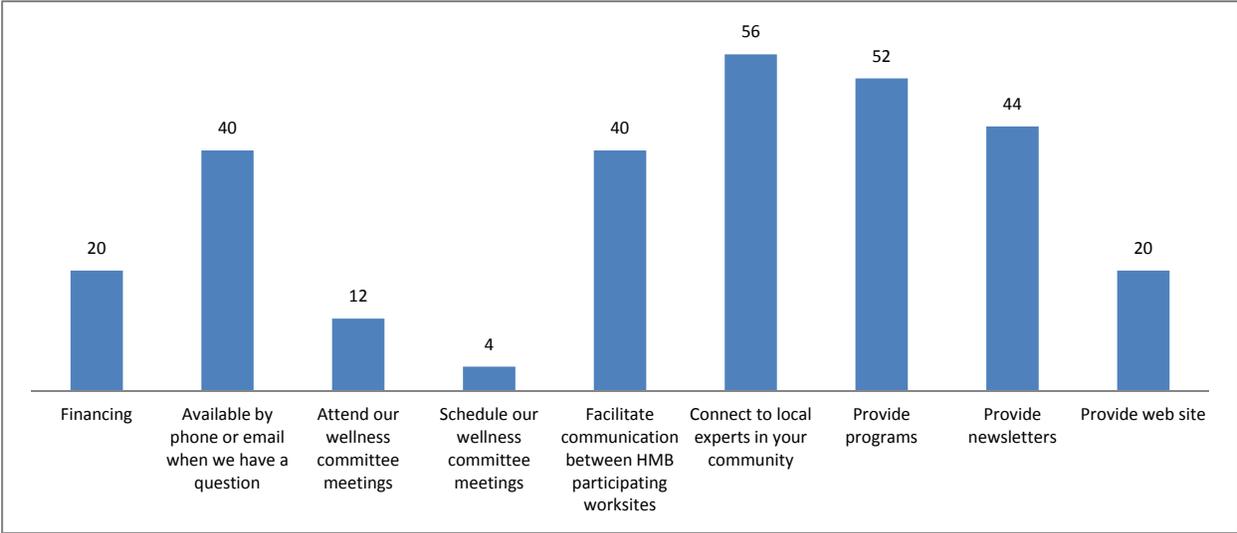
### ***Healthiest Maryland Businesses participation and resources***

In the survey, we ask HMB participants about how much they expect Healthiest Maryland to be involved in implementing wellness programs; what kind of resources they would like to have from Healthiest Maryland; and barriers implementing wellness programs.

The majority (81%) of HMB participants affirm that they would like to have Healthiest Maryland more involved in helping them to implement their wellness programs. Many HMB participants (56%) would like Healthiest Maryland to help companies to connect with local experts, provide programs (54%), and provide newsletters (44%).

The most common barriers that HMB participants have had in implementing wellness programs are lack of funding (50%), and low employee participation (49%).

**Graph 9. In what ways should Healthiest Maryland be involved in your wellness program? – HMB participants**



### **(e) Part One Conclusions**

The first part of this evaluation has been focused on collecting information about wellness programs, using human resources personnel or worksite wellness directors as informants. For this section, we used phone interviews and a web survey to collect information from employers about wellness program implementation, types of programs in place, programming, evaluation, barriers and HMB participation.

We are able to conclude that:

- *Wellness programs have become more important and visible within companies over time.* In 2010, during the first round of phone interviews, several companies said they implemented programs that lasted only a couple of weeks and not all companies had a wellness committee established. During the second round (2011), all companies interviewed had permanent and comprehensive programs that collected biometric data, or at least provided an assessment of employees' health. In general, it was clear that wellness programs had gained recognition and validity during the time elapsed between data collections.
- *Companies have started to implement programs that respond to their employee's needs.* During the first round of phone interviews in 2010, several companies offered classes or programs like yoga, massage or Zumba that were not necessarily tied to health conditions previously identified in their working population. By 2011, more companies were using biometric screening and employee health assessments to determine what type of wellness programs to implement. This pattern was also found in the data collected from the web survey, since 45% of companies interviewed collect HRA data, and in some cases, those results were used for determining the type of program to be implemented.
- *Gift cards, gym memberships and small rewards are the most common type of incentives.* This pattern was constant in both phone interviews and the web survey. However, large companies that have implemented wellness programs for longer periods of time (more than 3 years), have structured different incentive systems that increase employee participation.
- *E-mail is the most popular way that companies use to communicate with employees about wellness programs.* However, according to the information collected in the 2011 phone interviews and the web survey, companies have started to use other communication strategies such as newsletters and posters.
- *Lack of funding and time to implement and develop worksite wellness strategies are the major barriers to implementing wellness programs.* This pattern was found in both phone interviews and the web survey.

- *Not all companies have implemented evaluation strategies of their wellness programs.* Almost half of employers (48%) do evaluate their worksite wellness programs and most (43%) simply evaluate their program by participation. Some also examine health claims (25%), with very few using more advanced measures such as absenteeism (less than 2%), disability, or workers' compensation claims (8%).
- *Three themes emerged from the phone interview for implementing successful wellness programs:*
  - Having a structured program aligned with the goals/outcomes established by the company
  - If the company is not able to provide the support needed to achieve the goals, usually the company hires a vendor or creates partnerships with the health insurance provider; and
  - The company has to structure programs to provide the necessary tools and information to have healthy employees
- *All companies participating in the phone interview, and 24% of companies participating in the web survey, recognized Healthiest Maryland.* Those companies used HMB participation to provide more visibility to their internal worksite wellness program and provide more validity to wellness efforts within the company
- *The major contribution that Healthiest Maryland can do for the companies involved in the program, is to document what programs were working and how different work-site wellness programs were implemented.* Likewise, companies would like Healthiest Maryland to help companies to connect with local experts, provide programs, and periodic newsletters.

## **B. Part Two: Employees' Perceptions and Opinions about Wellness Programs**

This section is focused on employees' perceptions and opinions of wellness programs. We collected information from employees who were participants and non-participants in wellness programs to learn about their reasons for participation, perceptions and what incentives there were for them to participate in worksite wellness initiatives. We present the results of two approaches: (i) focus groups, and (ii) web survey. The focus groups collected information from two groups of employees: participants and non-participants in wellness initiatives.

The web survey had two rounds of data collection, one in 2011 and the second in 2012. We won't disclose the names of the companies participating in this investigation, but we'll provide a general description of company size and sector.

### **(f) Focus groups**

Focus groups for this evaluation were held on December 6, 2011 in the offices of a large company that offers health services in Maryland. Each focus group (one for wellness programs participants and another for non-participants) lasted one hour and had 14-15 participants that volunteered for this activity. The coordinator of the employee wellness center convened the groups, with differentiation by participation in the employee wellness program. The first group consisted of participants and the second group consisted of non-participants. After obtaining informed consent from participants, the focus groups, led by a trained facilitator, were digitally audio recorded and the dialogue content analyzed with NVivo qualitative data analysis software.

The groups focused on the meaning of an employee wellness program, reasons for participation or nonparticipation, and perceptions of incentives for wellness. By considering these questions, focus group participants began to create a framework for their ideal wellness program. Participation or nonparticipation in wellness programs did not seem to affect their responses.

### ***Meaning of Employee Wellness***

When asked "what does an employee wellness program mean to you?" participants in both focus groups spoke of relating wellness to physical, spiritual, and emotional realms.

They defined it as a “concerted interest in employees” and if run well, ultimately “benefiting the organization.” Another participant suggested that wellness means:

*“A relationship with folks in the community by having a facility that is a one-stop center. It’s one less hump or inhibition from moving forward. We make it easier for people to make that step, take that initiative. We make spiritual, stress reduction available and we remove the things that inhibit us...”*

High level leadership is perceived as imperative for a successful wellness program. One participant posted the picture of the hospital CEO exercising in the company exercise center next to an employee to show the importance of wellness within the corporate culture of the organization. Participants thought that was a good start, although they longed for a sustained commitment to an employee wellness program that was flexible according to their needs.

Specific services that participants wanted as part of a wellness program included stress management and reduction, nutrition and physical activity, smoking cessation, and health milestone information that provides knowledge of when and where diagnostic tests should be done, as well as the meaning of diagnostic test results. Both groups spoke of a need for “more formalized stress management emphasis, needing something before the crisis hits,” whether that is a quiet room for meditation or someone available to discuss issues. Further, another participant said:

*“The health and wellness committee offered emotional brain training from a group in California and they did an introduction to that here. That is all stress reduction and I would like to see it here. It came through the health department in Hagerstown and she had a grant to do it and I would like to see us more proactive with stress and more programs for stress reduction.”*

Further, one suggested that: *“even if departments could have moments of peace or time to vent together. There is never 15 minutes and that is the problem. Demands and atmosphere in the company do not allow for 15 minutes.”*

Others spoke about how hard they are working for the company and remarked: *“Ask how many are bringing work home with you and people will cry.”*

Regarding physical activity, one participant remarked: *“at the old company, we had an extra dumpy room with bicycle, treadmill, and other stuff. People look at [the lack of this] as a take away because it wasn’t planned for this facility—taking something else away.”* Another said, *“one of the things that would be nice to facilitate is exercise—have a wellness center that is a fitness center or have a little walking track around the campus.”*

Participants were pleased with the nutrition options provided by the cafeteria such as the salad bar and the chef's special daily preparations. They noted, however, that there was often a queue for the more nutritious options and how it was easier to revert to the fast food fried options. One said, *"A lot of our employees go to the fried foods up front. Frank's specials are in the back and you only get a half hour and he makes each individually as you get there..."*

Participants spoke of the need to increase knowledge about the differences between the employee health services and employee wellness services. Some participants believed they are one in the same and found that having employee health services off-site posed problems for those without their own car. This off-site employee health service led to, ultimately, employees not reporting some needle sticks and other injuries because they didn't want to leave the unit, didn't have a car and needed to rely upon someone else to bring them to the health service. Specifically, one participant said: *"All the employees work 12 hour shifts right now. They don't report because they can't be gone from their unit for an hour and a half—they don't want to be a burden to their peers."*

Others spoke of the need to better understand health risk factors and noted that the "Better Me" wellness initiative had color-coded information that aided understanding. One said, *"It looked at your well being, stress, weight, activity...it looked at everything and gave you a printout review and where you are in the red, green, and where you need to make changes...If we were to have that every year, it would be great."* Another said, *"If we were to have some incentive on paper, it would help. We haven't had that every year as an incentive—it's been sporadic."*

Employer wellness participants noticed how leadership showed appreciation for the workforce by offering ice cream and donuts. One said:

*"The whole society—we all need to stop! I'm not saying never eat a pizza, fried chicken ever again, but we want to promote health—don't show appreciation with [donuts]. It doesn't even make sense."*

Although unhealthy, another participant remarked that *"employees got really angry when those went away,"* although this individual couldn't believe that was what a health business was offering.

Wellness in the work place is difficult to separate from the community and it is outlined by the *"indigenous culture around us. We need to be flexible and aggressive and give people the opportunity to be moving—the whole concept of getting in shape, moving away from smoking, managing diabetes, and getting educated."*

Another said, *“If we make it a priority for our organization—show us the benefit for our whole life to take part in it—besides the organization?”*

### ***Barriers to Engaging in Wellness Activities***

Difficulties in engaging in wellness programs were discussed by all focus group participants, no matter which group they were in. These included lack of knowledge of services, insufficient space for wellness initiatives, no space to shower after exercise, limited time, program consistency, cost of formalized prevention, confidentiality concerns, lack of interest, as well as distance and geography of campus wellness activities. By examining these barriers and ways to overcome them, focus group participants were able to envision a framework for employee wellness.

Focus group participants noted that they didn’t know about services, particularly those who were not on the company intranet, especially couriers, and employees in the environmental and nutrition services. For those who did have access to the intranet, they often were overwhelmed with messages and deleted many of them without reading them, especially if the heading didn’t seem to be related to their work. Publicizing employee wellness only through the intranet was not perceived as an effective way to disseminate information.

Participants noted that one way to publicize employee wellness events would be by putting links on the company home page, or a tab that can be easily navigated with the most up-to-date information about activities. Further, one said:

*“We will put snippets on intranet—I don’t know how many people really read it—but now we have a health focus and put a whole page of information there with a couple months worth of wellness activities in it.”*

Another added, *“I think the idea of a tab on the internet wouldn’t be a bad idea. Maybe the manager can discuss it when they do a staff meeting even if we can’t print out right away. I didn’t know that South Pointe [Fitness] gives you a discount. That way we can have all the community activities on the website.”*

Lack of space was noted for both exercise facilities and a room for health education activities. One participant noted, *“When we first moved in, I tried to set up a quiet room and soon that place goes away. There is not a place for employees to go when there is a bad moment.”* Having a place for exercise is also perceived as difficult and focus group participants would like to have a walking trail around the campus with a group coordinating “power walks” at particular times of the morning, afternoon, and evening. Further, having facilities to freshen up after exercise was important to focus group

attendees because one said that *“I wouldn’t want to exercise in the middle of the day for a half hour and then smell bad the rest of the day.”* *“Even a walk at lunch, I’ll get hot and sweaty and then I need to live with that, the rest of the day...”*

Another was concerned about limited time and they said: *“Having something onsite would help a lot. Lack of time is a specific issue at the company, whether that was for engaging in wellness activities or simply getting away from the worksite to have a meal.”* One focus group participant said: *“I need time during the work day, but I don’t think this company has the time...”* Another said, *“Get off the unit and take a break? Staff don’t leave their unit for a break...how do we get them to do that?”*

Balancing work and employee wellness activities was challenging as this participant noted: *“As soon as I came back to work, I was too busy...They had weight loss classes. The class started out full, and we were left with 10 people there...I know I need to get myself healthy...how do I get to that point to be where I need to be?”*

Stressed employees were a topic that focus group participants felt continually compelled to discuss; for example, one said: *“The corporate culture is so important—because a lot of us have been working for years and we’ve seen a lot of things with management. If you had managers who were to say: ‘You know, it’s 5:00 and your work day ends at 4:30. We’re going to help you get out of here...I don’t expect you to take this home...okay, I want this manager to have lunch on a regular basis, and so on...”*

Solutions to the lack of time are not easy to come by since participants said that *“End of your shift is taking time away from your family.”* Further, the employee shifts are structured so that, *“You have people working 12 hour shifts and even a half hour is a lot, especially with commuting—you’re not going to add anything to that day...”*

Others noted the need for consistency and “a long term commitment” and that this seems to be an on-and off-again practice at the company. Specifically, regarding the “Better Me” wellness initiative, one participant said *“We need something that’s going to stay and we have it to rely on.”* Further, this individual belabored that: *“It just didn’t reach the intensity that it could have—we thought about doing the employees the first year and then the next year employees and families. This is especially important given that family life affects everything.”* Another said, *“Some of the stuff, years ago, lasted awhile. It was still way, way less than what we needed...”* Further, *“There has to be a commitment from the top down.”*

One participant noted the cost for secondary prevention strategies such as cardiac rehabilitation for patients as well as employees and specifically noted that: *“There are some*

*with heart attacks who won't go to cardiac rehab because it's \$20 co pay per visit. That's 12 visits per month and \$240 on a low salary [is unaffordable]."*

Another was concerned about confidentiality and said, *"I don't mind sharing that I went to the gym. I mind sharing my cholesterol, what I weigh. That's my personal business. I worry that if my cholesterol goes up to 500 and I will get a penalty on my insurance. If I exercise or join a weight management program, I want to go where it's just me. I don't want all my co-workers to know everything."* Another reiterated, *"Working out is not a social activity. Having something onsite—Quite honestly, when I see someone from work at the gym, I don't want to see them—that's the only 40 minutes that I get without being a parent or a manager or anything else..."*

Others spoke of having no interest in employee wellness and provided evidence how incentives did not affect them. In particular, this was discussed with smoking cessation:

*"Some people just don't care. If they take their insurance, they pay a smoking surcharge. They will go down into that cul-de-sac area. Even with the surcharge on their insurance, it doesn't necessarily make them interested in smoking cessation."*

Another inquired: *"What does it look like for our patients when they are on the curb smoking cigarettes? These are the same people that patients have to go to in order to get care..."* Regarding interest in health topics, one focus group participant remarked that *"Sometimes, unfortunately, it's yourself or a family member who receives a wake-up call that you need to change something.."*

Distance and geography are perceived as barriers to engaging in campus-located employee wellness activities. One said, *"I don't know how realistic—for me, I live 45 miles south of here in another state. My family is never going to come here for wellness. For yoga, I would really like to do that, but I can't wait until 7:15, be done by 8...and then it's just too late...even if we had one here, I wouldn't use it..."*

Given that the company is a large campus with several locations, locating an employee wellness center in a centralized location may be difficult. One said, *"If I drive my own car to wellness, then I won't have enough gas to last the week..."* Others asked why they couldn't join or attend activities in their community: *"If there are discounts outside of the [company], I belong to a gym in Chambersburg. You need let it be community based. Outreach to communities where folks live..."* Another suggested that *"The discounts shouldn't be with the facility and instead with the employee."* Another suggested that the program focus on the activity and not where it is done. She said: *"They didn't tell you how to do it. They don't tell you a specific weight...You can do it any way you want. One of the things here is that I live in*

*Chambersburg, some people live in West Virginia, some in Frederick. You know I love yoga, but I'm not coming here to do it. It's too far. But in the incentive like the Healthy Weight...people lost there are a whole lot of ways because we had that incentive.....So, if we would give them, give people an incentive and let them do wherever they are in their neighborhood. I'll go to yoga in Chambersburg..."* Another lamented: *"I live in Greencastle and there is some Zumba, but it's here in a gym in Hagerstown....I might do it here if it was right after work..."*

A solution to distance and geography is bringing the services to the employees. One said, *"You have a large group of people who are off-site and not here at the main campus. Personally, bringing it to my staff is what works."* Others thought that *"the health fair is a good idea. Maybe with gyms coming and enroll via payroll deduction,"* and another noted that *"We do health fairs for everyone in the community except us..."* They remembered that *"we used to do them on the bridge. HR helped us."* Bringing services to the people may be an optimum strategy to deliver employee wellness.

Participants were asked about how to target employees for varied wellness incentives. One asked: *"I don't think there is one right way. How are you going to catch all the various populations? What if you get health care or payroll deductions for your gym membership? Open enrollment might be able to make changes...How are you going to catch all the various populations?"*

### ***Incentives***

Focus group participants were concerned about incentives associated with their employee health insurance plan because there is a substantial number who did not elect to take health insurance and instead get it through family coverage with their spouse. Incentives other than health insurance modifications will be necessary in order to be meaningful and help them to focus on behavioral change. Others asked about the health insurance benefits at the focus group and specifically wanted to know if there was care management for individuals with multiple co-morbidities, and some participants mentioned that it was available for people with diabetes. Another said, *"There's a lot of people that don't have hospital insurance and premiums would not help them. We need some other wellness incentive. There's more people than you think..."*

Another admitted with laughter, *"I'm a Healthy Weight drop out— My thing is that I would really go up for that and then after the first week seeing people lose 25 or 30 pounds in one week because of things like MediFast."* Clearly, healthy weight loss is important if incentives are being used. Another suggested focusing on overall weight loss instead of pounds: *"If you lose 10% of your body mass, you get a refund on your premiums."*

Incentives need to be meaningful to folks and should include providing *“breaks for doing the wellness program.”* Another person suggested that for those who get their health insurance from the company, incentives could include *“if you actually got a dollar or two off towards what you had to pay for your health insurance, then it’s 20 or 30 dollars a year....”* Another suggested that *“there has to be some kind of incentive...they are not thinking of coming here...they come here and then they leave....”* Others suggested choices for incentives like windbreakers, pedometers, jackets, charts, goals, exercise programs. *“It’s hard to get an overall, overarching incentive, so have choices,”* said one participant in the wellness focus group. Another suggested that a *“Thank you card,”* would be meaningful from the senior company leadership. Others thought *“wellness bucks”* so you could collect them and purchase items that you might need such as a toaster. Another said, *“We had a program years ago where we had some incentives when you get a certain number of things...if your blood pressure was this, you get a cut on that...the problem was that some of the dialogue that came back is that we were incenting those folks who already did those kind of things and didn’t do anything for the people who did not....find some other use of those funds...something else that would incentivize others.”* Further, *“It’s clearly a complicated process to figure out what incentives, but then again, if we have an overall corporate culture and are finding ways to incentivize across the board. Make it easier on all levels, because the finances are going to be limited ...”*

Others thought that *“there doesn’t have to be a financial incentive there—the employee is still making the choice—yes, I’m going to participate or no, I’m not,”* and an incentive is not necessarily useful...” One wellness focus group participant thought that incentives that are based on behaviors like smoking or not smoking, *“creates animosity towards their coworker who has cholesterol of 450 and triglycerides of 350 and they aren’t charged a surcharge but the smoker charged \$30 on their premium...”* Others opined, *“I don’t agree with that because people in here know I’m a fanatic about exercise and diet and I don’t get paid for that. Why should our health care dollar be used for incentives? Motivation needs to come from within.”* Another stated, *“You can make all the offers in the world and doesn’t mean that people would take advantage of it.”* Further, *“A financial incentive is good to get you started—If you don’t have the internal motivation to keep doing it, it doesn’t matter—you won’t continue....it’s not enough to keep them doing it.”*

Further, regarding negative incentives, *“[Being a] smoker is a penalty or a punishment....I would look at the person who was overweight and they’re in here all the time; they weren’t penalized.”* Another retorted, *“I could use a perfect example right now. The flu shot—the majority of people who wanted it, got it, but those who don’t according to a memo didn’t get the flu shot need to wear a mask if they are in patient care, that incented a few people to go ahead and get a flu shot, but some say they will wear a mask. There were also people who said*

*you can't make me do it. If you want me to wear a mask, I'll do that. No matter what you pick I'm just using flu shot as an example... weight management, cholesterol management, smoking cessation, or you eat a better diet than I do....it's still...you're never going to get total buy in... you're going to always have people who push back on it...."*

Others suggested that incentives should be about participation and not about the ultimate outcome. For example, *"You provide incentives to them—not to reduce blood pressure, not to reduce cholesterol—you motivate based upon participation. You just say walk 5 miles, check off a block for walk 30 minutes today...participate...incentivize them to move and the rest will come."*

Regarding spillover effects, what happens for one individual in the family, may happen to the rest of the family. Focus group participants mentioned, *"We are one of the largest employer and it reflects the larger community. The fact that our employees have these issues—obesity, dieting, smoking—reflects the state of health issues."*

Overcoming issues that focus group participants perceived as barriers, and offering basic wellness services with flexibility and choice of incentives, will mark the start of a great wellness program. One participant said, *"We all face the same struggles—limitation on time, convenience of eating badly, inconvenience of eating well—our CEO has been moving our organization to an overarching mentality to think of wellness—how will we eat? How will we sleep? I'm encouraged and excited."* Further, *"It's an overarching philosophy that we need to educate and the philosophy is to maintain all the different facets of our lives. The education is the commitment by the corporate culture—we move forward and start educating and commit. It benefits everyone—themselves, families and the organization."*

### **(g) Employee survey**

In this section, we provide additional information about employee's perceptions of wellness programs through two rounds of data collection from a web survey. For this analysis, we use the responses of employees from a large company in Maryland (education sector) that has been implementing wellness initiatives since 2009. Wellness initiatives at this company are aimed at providing employees with tools and programs to sustain a healthy work environment and enhance physical, mental, and emotional well-being. In 2010, the worksite wellness program was rebranded in order to provide more services and include a larger population.

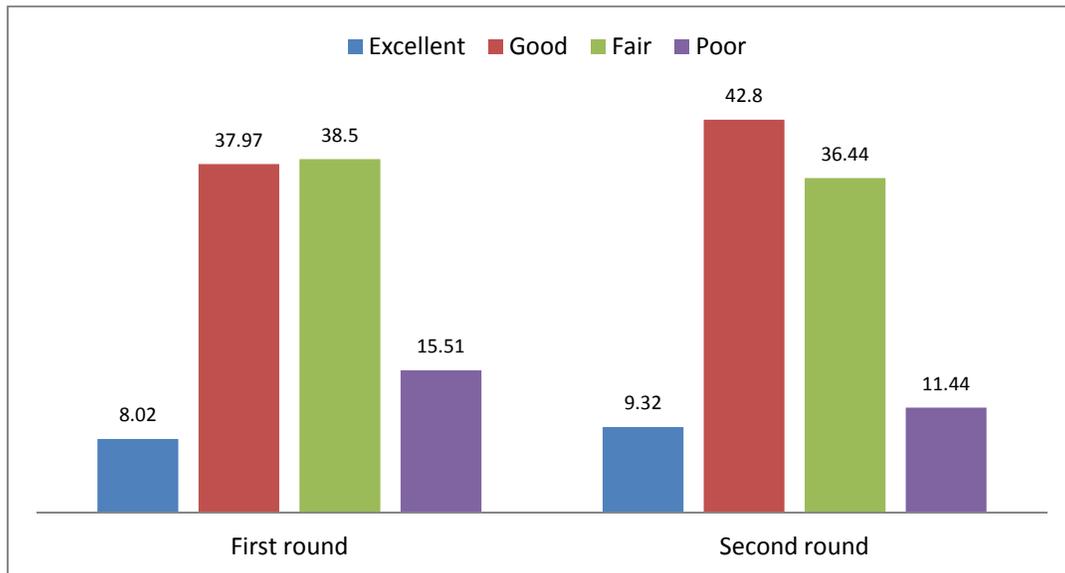
Results from the two rounds of data collection are presented here. The first round was collected in 2011 with 373 staff participants. The second round was collected in 2012 with 471 staff participants, totaling 844 participants. The survey was conducted online and inquired about employees' health status, physical activity, and use of wellness initiatives on campus. The survey has been implemented annually in order to evaluate systematically the wellness initiative.

We have organized the results into three components: (i) employee health status, (ii) knowledge and use of healthy alternatives on campus, and (iii) knowledge of wellness program on campus.

### **Employee health status**

Over 60% of participants reported that they are physically active, and they exercise at least three times a week, and over 50% of all participants report that they have a fitness routine at home (in both rounds). However, despite being physically active, 38% of employees surveyed consider that their physical fitness is fair and the proportion is similar in both rounds. Only 5% of participants rate themselves as smokers during the first round, and the proportion dropped to 4% in the second round. Proportions remain constant in 2011 and 2012, and males and females report a similar trend.

**Graph 10. How would you rate your current level of physical fitness?  
% of all participants by round**

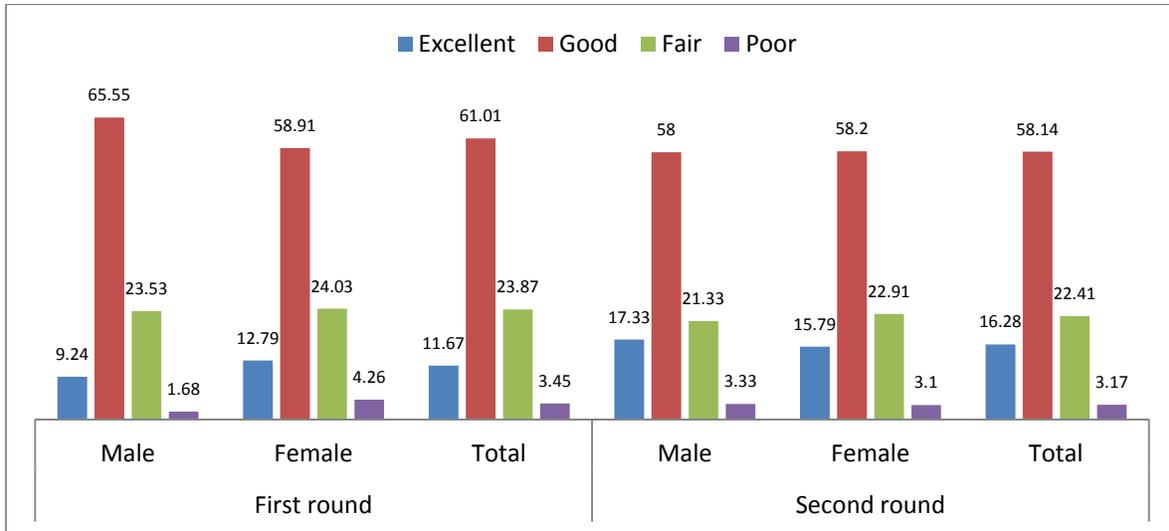


Only 11% of respondents rate their nutrition as excellent during the first round; by the second round this proportion increased about 5 percentage points. During the first round, a higher proportion of females rated their nutrition as excellent than males (12% and 9% respectively), however, this difference was not found during the second round; actually, males reported better their nutrition than females (17% and 15% respectively).

In general, males and females rate their nutrition in similar proportions during both rounds, nevertheless, females report choosing healthier food options more frequently than males. In 2011, 66% of females reported that they always choose healthy foods, whereas only 24% of males always choose healthy options. By 2012 the proportion of respondents

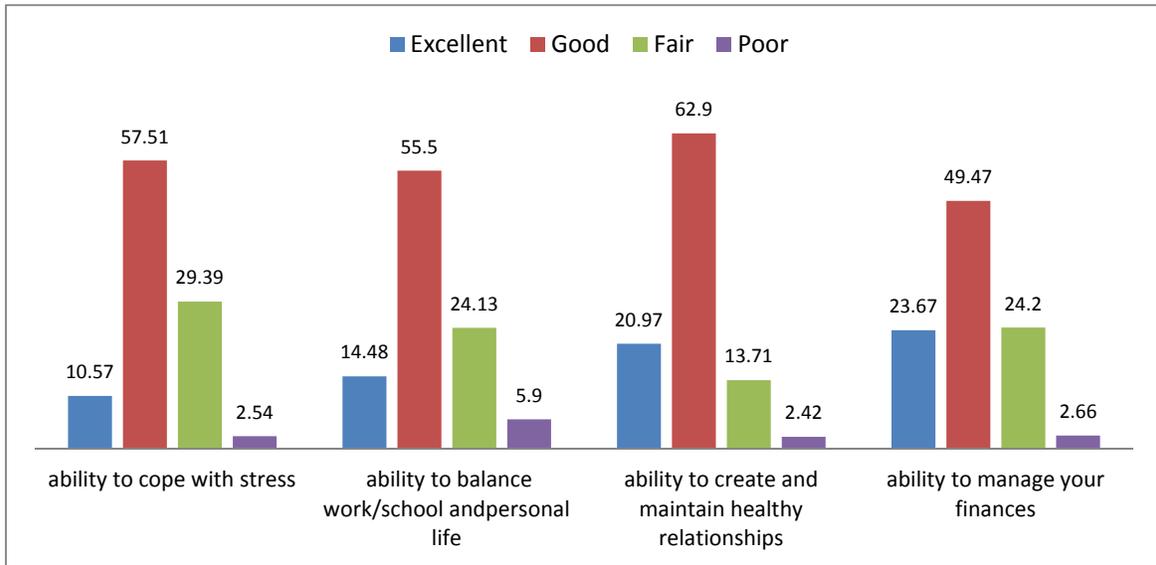
always choosing healthy options increased in both groups (74% for females and 32% for males) but in both rounds females by far were more conscious about their eating habits and the difference is statistically significant.

**Graph 11. How would you rate your current nutrition?  
% of all participants by gender and round**



When asked about the ability to cope with stress, balance personal and professional life, maintain healthy relationships and manage finances, over 50% of participants respond that they have a good ability to cope with such circumstances. In Graph 12 we only report the results of the second round (2012) because there are not important differences with responses collected during the first round. Males and females follow a similar pattern and there are not significant differences by gender.

**Graph 12. Ability to cope with professional and personal circumstances  
% of all participants, second round**

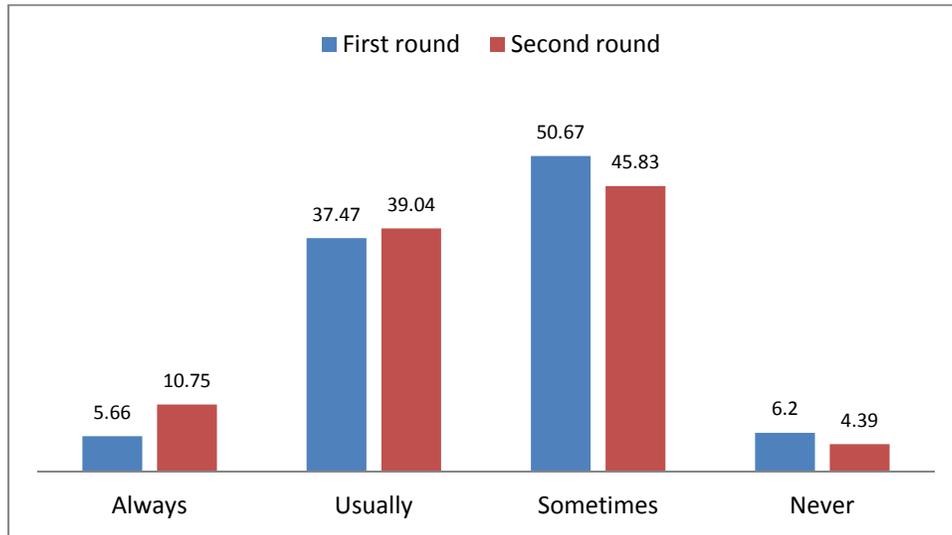


***Knowledge and use of healthy alternatives on campus***

Questions about knowledge and use of healthy alternatives on campus are focused on two topics: (i) food options on campus, and (ii) use of gym and exercise venues available on campus.

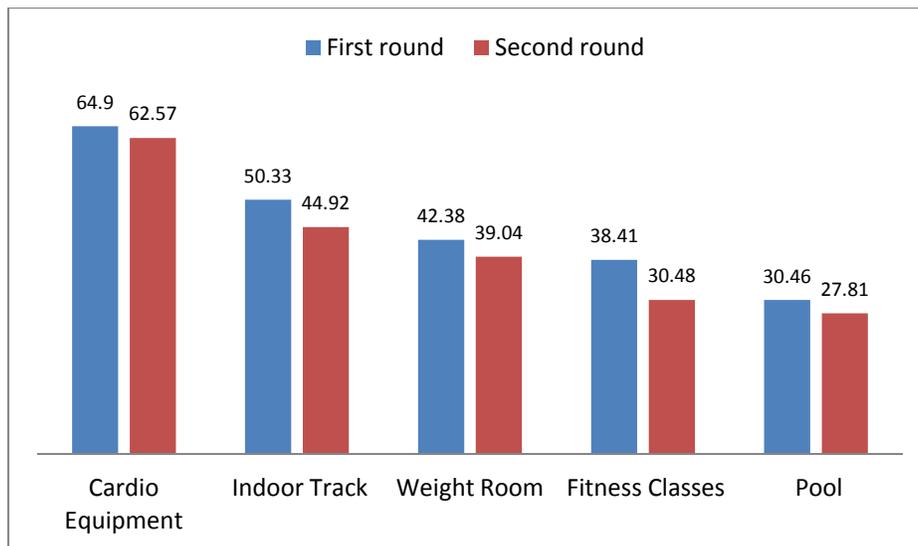
Regarding the availability of healthy food options on campus, only 5% of respondents consider that they always are able to find healthy alternatives, and this proportion increases to 10% by the second round. Likewise, 51% of employees consider that they are encouraged to offer healthy foods during meeting and events; nevertheless, this proportion is reduced significantly by the second round to 37%. This could suggest that, in general, the availability of healthy food is increasing on campus, but the prices may be high and could be discouraging their consumption on meeting and events.

**Graph 13. When on campus, are you able to find healthy food options?  
% of all participants by round**



In terms of use and knowledge of venues to exercise, 27% of employees' surveyed use the gym (same proportion in both rounds) without differences between males and females (about 26% in both rounds). When asked about the equipment used, over 50% have used cardio equipment, and with less frequency, fitness classes and the swimming pool. In general, the use of gym equipment dropped slightly from 2011 to 2012.

**Graph 14. Equipment, classes and/or facilities you have used  
% of all participants by round**



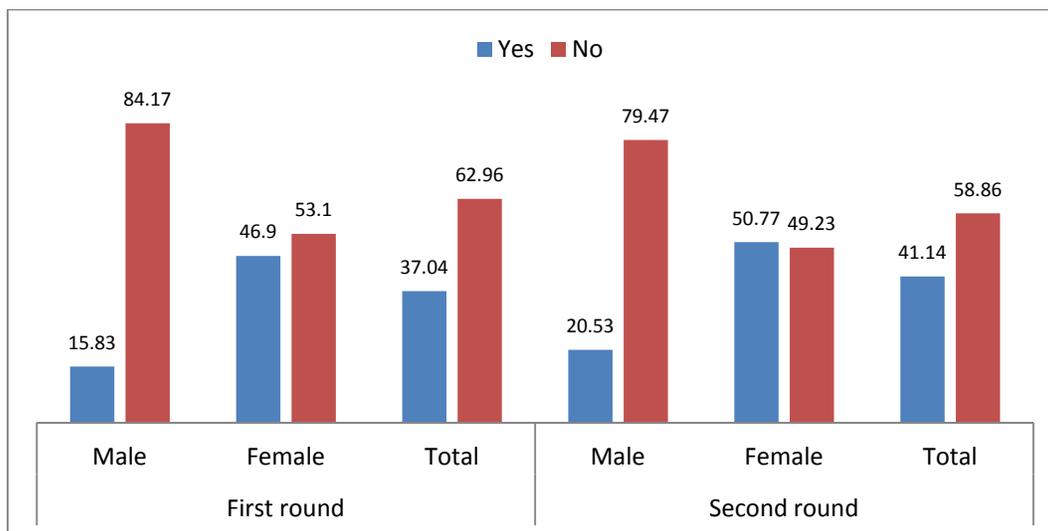
### ***Knowledge of wellness program on campus***

Questions about knowledge and use of wellness initiatives in the company are focused on knowing if employees use the web portal that was created to provide wellness information, which contents are used the most, and awareness of wellness programs.

On average, 37% of employees have used the wellness initiatives web portal in 2011, and by far females have used it in a higher proportion than males (46% vs. 15%). By 2012, on average the pattern remains, but the usage of the wellness web portal increased for both groups (50% and 20% for females and males, respectively).

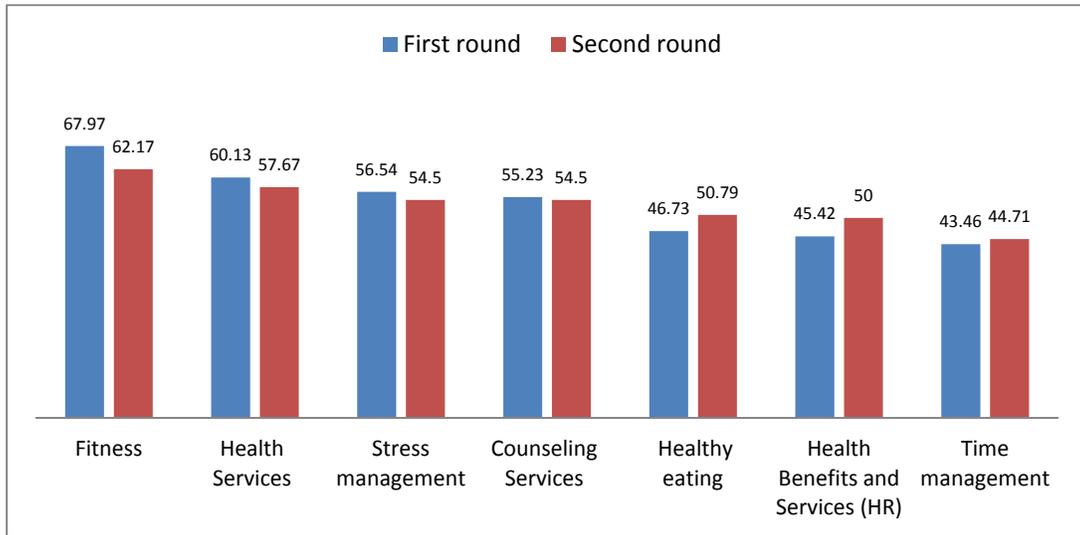
In terms of website content, employees use the list of wellness resources and programs on campus the most (74%), followed by wellness tips and articles (58%), and links related to ways to create a healthy work environment (32%). Proportions do not change significantly from 2011 to 2012.

**Graph 15. Have you used the Wellness Initiative website?  
% of all participants by round and gender**



On average, employees are aware of fitness programs (67%), health services (60%), stress management (56%) and counseling services (55%). The proportions are similar in both rounds although slightly reduced in the second round in most of the programs available. Females are more aware of fitness and healthy eating programs than males in both rounds.

**Graph 16. Awareness of wellness programs and services on campus  
% of all participants by round**



## **(h) Part Two Conclusions**

In this section we focused on understanding employees' perceptions about wellness programs. We have collected information in order to provide a picture from employee's side of wellness initiatives, particularly, what are their ideal wellness interventions, reasons for participation, programs and incentives for them to participate.

To provide this information, we have collected information from two focus groups of wellness participants and non-participants, and an online survey that was implemented in two rounds, one in 2011 and the second in 2012. Based in this information, we conclude:

- *Participants and non-participants in wellness initiatives have the same perception of the "ideal" wellness program. An ideal wellness intervention, in order to be successful should include:*
  - Programs for stress management and reduction
  - Nutrition and physical activity
  - Smoking cessation
  - Health milestone information including knowledge of when and where diagnostic tests should be done as well as the meaning of diagnostic test results.
  - High level leadership is perceived as paramount for successful implementation.
- *There are difficulties that restrict employees from engaging and participating in wellness initiatives. These include:*
  - Lack of knowledge of services
  - Insufficient space for wellness initiatives
  - No space to shower after exercise
  - Limited time
  - Program consistency
  - Cost of formalized prevention
  - Confidentiality concerns
  - Lack of interest
  - Distance and geography of campus wellness activities
- *Publicizing employee wellness only through the intranet was not perceived as an effective way to disseminate information. One way to publicize employee wellness events, participants noted, would be by putting links on the company home page or a tab, which can be easily navigated with the most up-to-date information about activities and programs.*

- *Long term commitment is pivotal to engage employees on wellness initiatives. Many employees highlighted that inconsistent and on-and-off programs keep them away from participation.*
- *Employees need significant incentives, besides gift cards and health insurance modifications, in order aid them to focus on behavioral change.*
- *The web survey showed important differences between males and females regarding their preferences and perceptions. Survey results suggest that females are more responsive than males regarding wellness participation, particularly if it includes programs aimed at weight control, eating habits and fitness. Factors that should be taken into account during the design wellness initiatives include:*
  - *Females by far are more conscious about their eating habits than males and the difference is statistically significant.*
  - *Females are more likely of to use wellness resources like wellness web-pages and are more interested in fitness and eating habits programs.*
- *Only 27% of employees surveyed use a gym that is free of charge without important differences by gender. This may suggest that use of gym is not necessarily related with the costs associated with gym memberships.*

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