



White Paper

Wellness in the Workplace: An OptumHealth Research Study

Brought to you by the Culture of Health Institute

OptumHealthSM
Care Solutions

Wellness in the Workplace: An OptumHealth Research Study

Background

Wellness programs are an important part of the benefits mix, but because organizations have varying needs and cultures, there is a tremendous amount of variation in how these programs are structured and administered. Although the wellness concept is not new, wellness as a solution mix is a challenge to many organizations as they seek to curb rising health care costs and increase productivity. As a result, many organizations are interested in how others are successfully driving change and where the wellness industry is headed. To better understand how wellness programs are used and to identify future trends, OptumHealth conducted a study surveying more than 400 organizations from July 27 to Aug. 6, 2009. The study had three goals:

1. Estimate the penetration of wellness programs among large and small employers
2. Identify which wellness program components were considered the most successful
3. Determine what trends employers foresee in the future of wellness programs

Study Methodology

Respondents to the web-based survey were members of an e-Rewards* panel, and were divided into categories based on company size and workforce age.

- **Company Size** – For the purpose of this study, “small organizations” are defined as those with 2-99 employees in the entire organization (25 percent of all organizations interviewed), and “large organizations” are defined as those with 3,000 or more employees in the entire organization (75 percent of all organizations interviewed).
- **Workforce Age** – “Older workforce” represents organizations where more than half of the workforce is age 40 or older (49 percent of all organizations interviewed).

*e-Rewards is generally credited with having the most robust online U.S. panel of opt-in panelists. Currently, the panel has more than 2 million profiled panelists.

For the purposes of this research, wellness programs encompass:

- Health risk appraisals (HRAs)
- Biometric screenings
- Online, telephonic, and mail-based coaching for smoking cessation, weight management, nutrition counseling, stress management, fitness training, back care or ergonomics
- Health fairs
- Lunch and learns/seminars
- Walking programs
- Contests/team challenges
- Incentives
- Educational and promotional communications

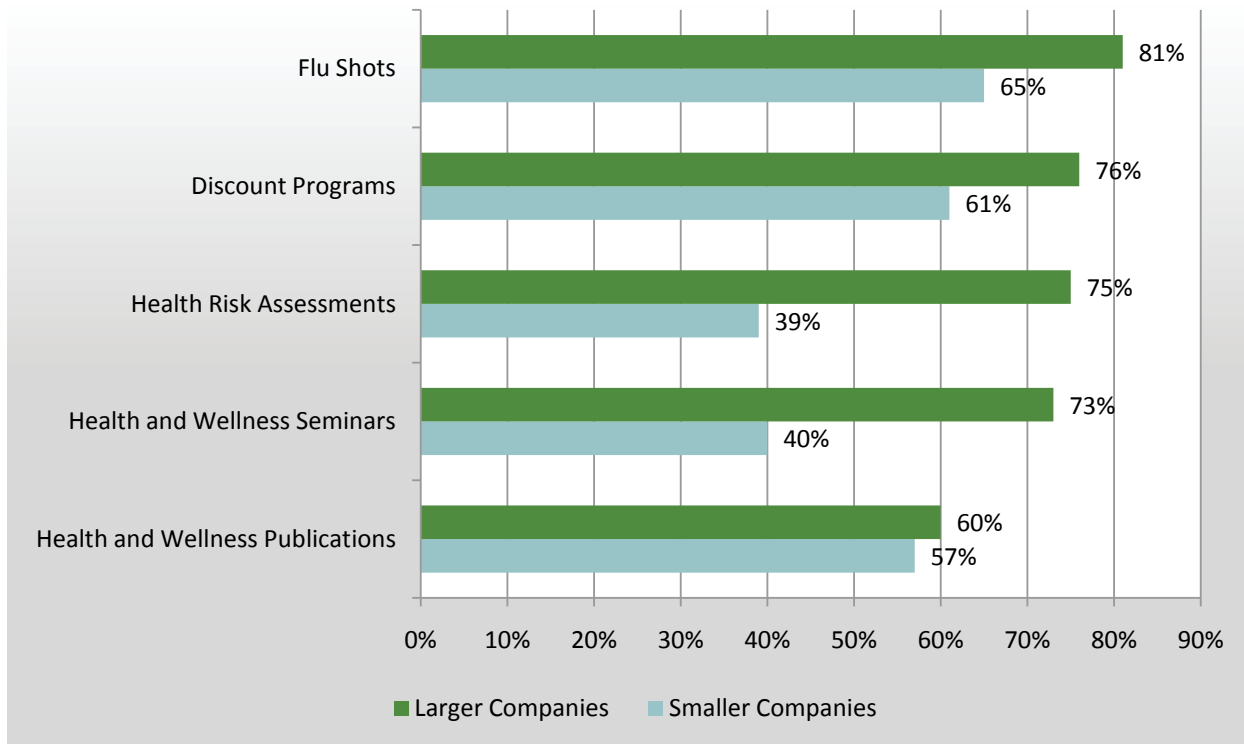
Study Results

Penetration of Wellness Programs

Penetration of wellness programs appear much higher among large organizations than among small organizations. More than one-third of organizations (36 percent) have been offering wellness programs for five years or more. Within this statistic, 42 percent are large organizations and 15 percent are small organizations. This may show that large organizations were the early adopters of wellness programs.

However, research shows that more small organizations are incorporating wellness into their organizations. Forty-four percent of small organizations have been offering wellness programs for less than two years, compared with only 20 percent of larger organizations. Among the 33 percent of organizations that have offered wellness programs for three to five years, the distribution is almost even, with 32 percent representing large organizations and 37 percent representing small organizations.

Figure 1: Current Wellness Programs Offered: Large vs. Small Employers



Although many organizations offer wellness programs, it appears that most offer basic programs such as flu shots, HRAs and discount programs (see Figure 1). Organizations currently offering wellness programs should evaluate their program mix to ensure they have the right set of interventions to meet designated objectives and are not under-serving program goals. As new wellness options become available, organizations should evaluate them to see if they are right for their organization.

Fifty-eight percent of organizations surveyed reported that they offer some form of wellness coaching, and 70 percent of organizations offer coaching in the form of exercise, nutrition, stress, weight, and heart health (see Figure 2 next page). The inclusion of back pain and tobacco cessation coaching was surprisingly low, and sleep management, pregnancy, and family weight programs appear less penetrated among organizations.

The prevalence of these issues should be evaluated by organizations to assess the impact on employee claims, productivity and emotional health. Many of these issues are common. For example, an estimated 46 million Americans, or 20.6 percent of all adults, smoke cigarettes.¹ In addition, more than one-quarter of the U.S. population reports that it occasionally does not get enough sleep, and more than 10 percent experience chronic insomnia, which is defined as difficulty falling asleep, staying asleep, or short sleep duration, despite having an adequate opportunity for sleep.^{2, 3} Among all employers, the distribution of wellness programs is similar:

¹ http://cdc.gov/tobacco/data_statistics/fact_sheets/adult_data/cig_smoking/index.htm.

² <http://www.cdc.gov/sleep>.

³ http://www.nhlbi.nih.gov/health/prof/sleep/res_plan/section5/section5b.htm.

Figure 2

Wellness Coaching Program	% Offered by Large Organizations	% Offered by Small Organizations
Exercise	83%	76%
Nutrition	81%*	64%
Stress	79%	73%
Weight	79%	70%
Heart Health	73%	67%
Diabetes Health	65%	61%
Pregnancy	40%	33%
Sleep Management	23%	15%
Smoking, Tobacco Cessation	8%	3%
Back Care/Pain	2%	0%
Something Else	9%	1%
Don't Know	6%	3%

*Indicates statistically significant difference between larger and smaller organizations.

Most organizations offer wellness programs through online or on-site methods, although more than half of organizations manage their programs through mail or phone methods. Organizations should consider offering a mix of program delivery methods that are relevant to their population. In addition, organizations should evaluate working with vendors that can offer a variety of methods using an integrated approach.

Wellness Program Penetration Trends

Insights	Recommendations
While penetration of wellness programs appears much higher among large organizations, small organizations appear to lag behind.	▶ Small organizations should consider how they can start to incorporate wellness into their organization.
While many organizations are offering wellness programs, it appears that most are offering basic types of programs such as health risk assessments (HRAs) and discount programs.	▶ Organizations that are currently offering wellness programs should evaluate their program mix to ensure they have the right set of interventions to meet designated objectives and are not under-serving program goals.
Wellness coaching was a popular offering across all organization types, but back pain and tobacco cessation coaching were surprisingly low.	▶ Organizations should consider incorporating tobacco cessation and back pain programs into the mix, as these are common conditions among populations.

The Use of Incentives

Giveaways, gift cards, discounts, cash and premium reductions are the top-five incentives used to encourage participation in wellness programs. More than half of the organizations that offer health biometric screenings, HRAs and fitness challenges provide incentives for employees to participate in these programs (see Figure 3).

It's important for organizations to ensure that the incentive they offer matches the amount of effort required by the employee. For example, offering a small, inexpensive giveaway for participation in a program that requires great effort is unlikely to be a powerful employee motivator. To find out which incentives most motivate employee participation, employers survey their employees.

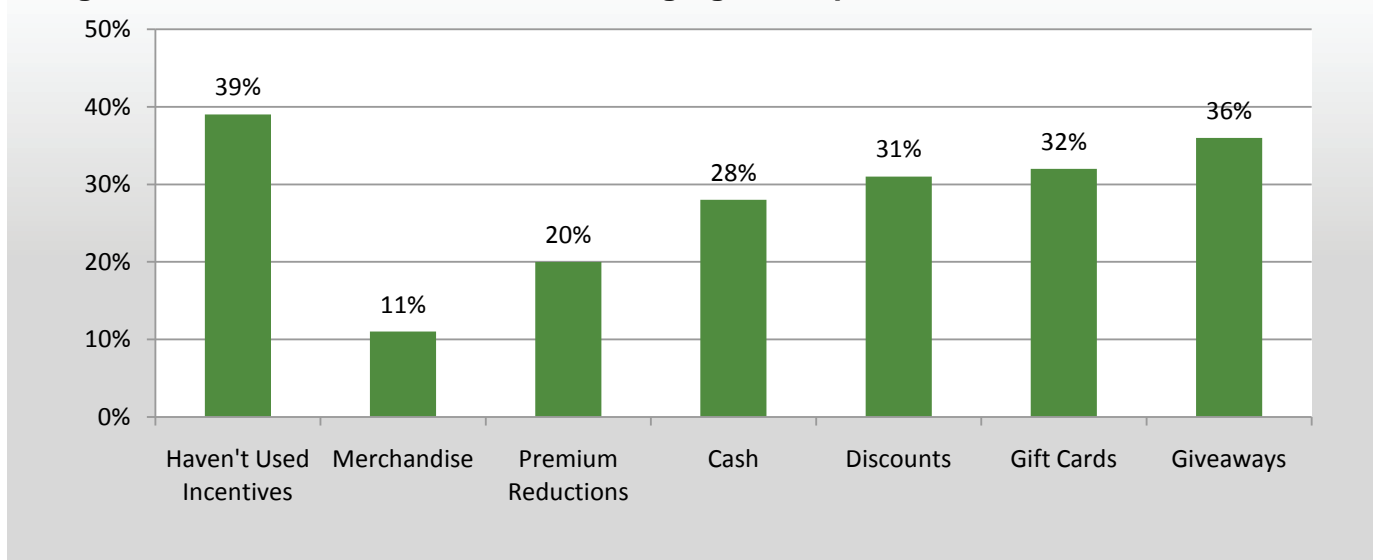
Although incentives are used extensively, 39 percent of organizations stated that they do not offer incentives to reward program participation (see Figure 4). Organizations not yet using incentives should consider taking a staged approach to introduce the incentives. Such an approach can start with easy-to-implement options based on participation or one-time events, and eventually move to more complex strategies as appropriate to meet organizational needs.

Once again, organizations should base their incentive strategies on employee feedback, as some organizations do not need sophisticated incentive strategies to motivate employee participation.

Figure 3

Wellness Program	% Offering Incentives
Health Biometric Screenings	67%
Health Risk Assessments	67%
Fitness Challenges	61%
Family-Targeted Weight Programs	42%
Discount Programs	38%
Health and Wellness Seminars	30%
Wellness Coaching	29%
Flu Shots	22%
Disease Management Programs	21%

Figure 4: Incentives Effective in Encouraging Participation



Surprisingly, 28 percent of organizations responded that they didn't know the participation rates of their eligible employees. It's recommended that all organizations measure results and set goals for participation to track which programs and incentives work best.

The survey shows that companies with mature wellness programs struggle to keep high participation rates. These organizations should consider changing their program strategy to keep interest high and leverage vendors that have wellness consultants to engagement specialists to maintain employee interest in the program.

Incentive Use

Insights		Recommendations
Employers are using incentives to encourage participation in a number of wellness programs, but fewer organizations are offering them for disease management and other types of programs.	▶	Organizations should consider testing incentive mixes for other programs, as incentives are not only relevant to wellness.
Giveaways are one of the most popular incentives used by organizations to encourage participation in programs.	▶	Employers should ensure that the incentive matches the amount of effort required by the employee. Offering a small, inexpensive giveaway for participation in a program that requires great effort may not be a powerful motivator to employees.
A large portion of employers have not yet used incentives to encourage participation in wellness.	▶	For organizations not using incentives yet, consider taking a staged approach by starting with easy-to-implement options based on participation or one-time events, and eventually move to more complex strategies.
There are still many organizations that do not know what percent of participation they are achieving in company wellness programs.	▶	Start measuring results for programs and set goals for participation. Goals should not only be for a one-time event or month, but also be measured over a period of time.

Communication and Employee Engagement

Effectively communicating wellness programs to employees and leveraging senior management support are two factors that substantially improve participation. Eighty-eight percent of employers state that they have communicated wellness offerings to their employees.

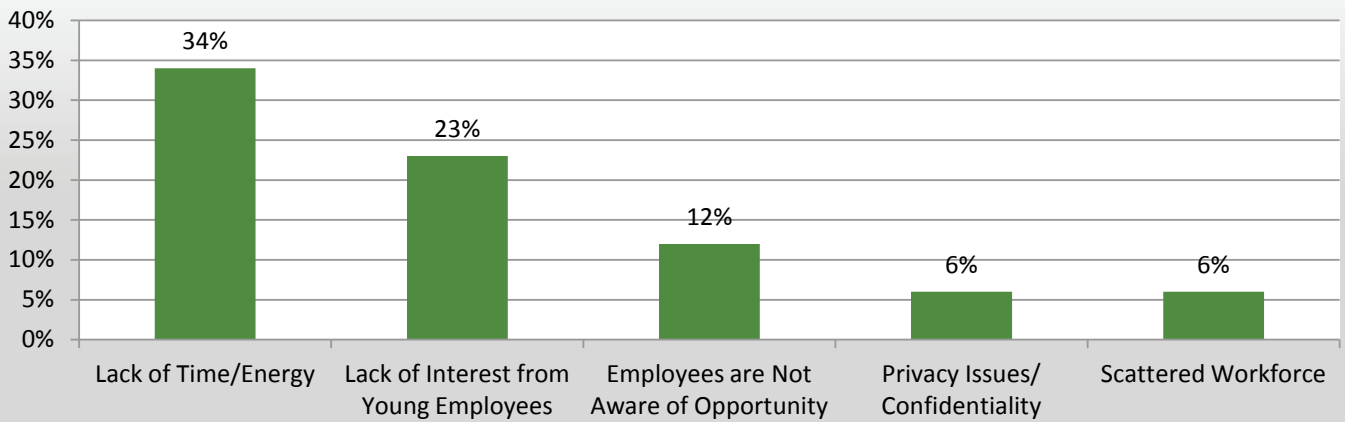
However, employers with more than 50 percent employee participation in their wellness programs – vs. those with 30 percent or less participation – are more likely to agree that they effectively communicate and have senior management program support. Also, these organizations are more likely to agree that their programs have set specific goals and that they are able to effectively track return on investment (ROI).

Many organizations see opportunities for communications and enrollment improvements in their wellness programs. To take advantage of these opportunities, organizations should ensure that a robust communications plan is in place that leverages senior management buy-in and communicates wellness offerings throughout the year. Also, organizations should consider using vendors that offer innovative identification and enrollment methods. When asked what area would be their first choice to improve, organizations responded as follows:

- Communication and enrollment strategies (28 percent)
- Integrated behavior change models (22 percent)
- Sources of identification of at-risk people (20 percent)
- Sources of identification of those who are ready to change (15 percent)
- Incentives (7 percent)
- Program integration (6 percent)
- Something else (2 percent)

Among the barriers to program participation, almost 35 percent of organizations cited “lack of time and energy” as the top barrier, and almost 25 percent said that “lack of interest from young employees” was the second top barrier (see Figure 5). Organizations looking to address these and other barriers cited by survey respondents need to find ways to make wellness convenient and exciting for employees using programs that encourage social networking and can be accessed either 24/7 or via the work site. “Lack of awareness” barriers can be addressed with strong communications plans.

Figure 5: Top Five Barriers to Participation



Communication and Engagement

Insights		Recommendations
Many organizations see opportunities for improvement in their wellness programs with communications and enrollment.	▶	Ensure that a robust communications plan is in place that leverages senior management buy-in and communicates wellness offerings throughout the year. Consider vendors that offer innovative identification and enrollment methods.
Many HR professionals would like to see more support from their vendors in driving engagement.	▶	Work with vendors to develop an engagement plan that integrates incentives and communications, and that it is relevant and targeted to key employee segments.
HR professionals believe that lack of time, energy, awareness, and interest from younger employees are the top barriers to participation.	▶	Organizations need to be aware of how the program is perceived throughout the organization to better understand the incentives and programs that will motivate higher levels of participation.

Measuring Wellness Program Success and Future Trends

Satisfaction with wellness programs appears high with many programs, such as flu shots, biometric screenings, HRAs, and fitness challenges (see Figure 6). On-site programs are great tools to kick-off a wellness initiative, and create excitement and positive peer pressure in the workplace.

Take on-site wellness programs to the next level by focusing on activating employees to make long-term behavior changes beyond the on-site events. Integrating successful behavior change programs, such as wellness coaching, with on-site programs can enhance their success.

Organizations place the most importance on participation rates and claims/health care cost reductions when determining the success of their wellness programs. Sixty-two percent of organizations said that both of these factors are “very important” when evaluating the success of their wellness programs. Employee feedback and testimonials were cited by 60 percent as very important.

It's recommended that organizations consider looking at a comprehensive set of metrics that include year-over-year growth, achievement of objectives set in wellness plans, employee satisfaction, and employee movement from high- to low-risk. Also, organizations should survey employees to gain their perception of program success.

Generally, the future administration of wellness programs is expected to trend toward online delivery as relevant and appropriate. Among HR professionals:

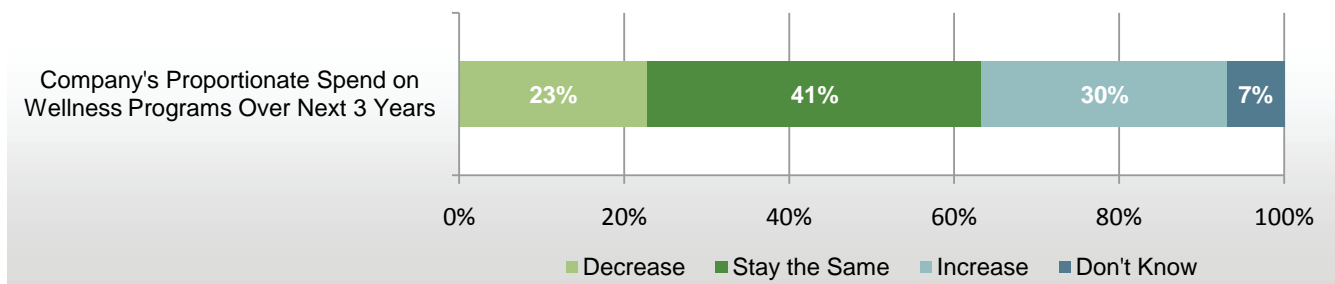
- 61 percent said that they expect for wellness programs to be delivered online
- 15 percent said that they expect the programs to be delivered on-site
- 2 percent said that they expect for wellness programs to be delivered via telephonic methods
- 34 percent expect future wellness programs to use a combination of these delivery methods

Organizations should identify opportunities to leverage online resources, such as health portals, online health assessments, cost estimators, social media, as well as other web-based programs that integrate into traditional delivery methods. Consider that a well-balanced mix is going to achieve the best reach and participation levels. For employers with employees without access to computers, consider placing health kiosks with access instructions for online wellness programs.

Figure 6

Wellness Program	% with Successful Program
On-Site Clinics	94%
Flu Shots	92%
Health Biometric Screenings	89%
Health Risk Assessments	86%
Fitness Challenges	84%
Health and Wellness Seminars	82%
Discount Programs	79%
Family-Targeted Weight Programs	76%
Pregnancy Programs	76%
Health and Wellness Publications	72%
Disease Management Programs	71%
Sleep Management Programs	68%
Wellness Coaching	68%

Figure 7: Change in Budget/Spending on Wellness Programs



Twenty-three percent of organizations offering wellness activities expect a budget decrease in the next three years (see Figure 7). In contrast, 71 percent of organizations expect their wellness program spending to stay the same or increase in the next three years.

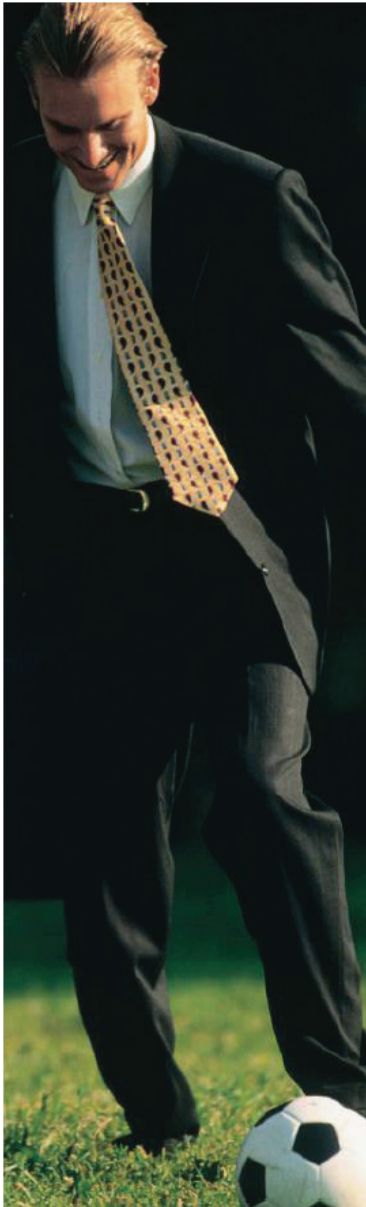
HR professionals should consider opportunities to maximize budgets by looking at high-cost drivers within the population. Be sure to use analytics to maximize the choice of programs and drive high engagement. Review what wellness options are available for free through local community programs, and network with other organizations to identify coverage gaps and learn what programs are working for them.

Measuring Success and Future Trends

Insights	Recommendations
Organizations place the most importance on participation rates and health care cost reduction for determining success.	<p>▶ Organizations should consider looking at a comprehensive set of metrics that include year-over-year growth, achievement of objectives set in wellness plans, employee satisfaction, and employee movement from high- to low-risk.</p>
Satisfaction with wellness programs appears high with many programs, such as flu shots, biometric screenings, HRAs, and fitness challenges.	<p>▶ Programs such as on-site wellness are easy to implement and are easiest for HR professionals to gauge participation and demonstrate success due to their high visibility.</p> <p>Take on-site wellness programs to the next level by focusing on activating employees to make long-term behavior changes beyond the on-site events.</p>
Many foresee wellness trending more towards online delivery in the future.	<p>▶ Identify opportunities to leverage online resources, such as health portals, online health assessments, cost estimators, social support and networking, as well as other web-based programs that integrate into traditional delivery methods.</p> <p>For employers with employees without access to computers, consider placing health kiosks with access instructions for online wellness programs.</p>
The majority of HR professionals expect their budgets to either stay the same or increase in the next three years.	<p>▶ Consider opportunities to maximize budgets by looking at high-cost drivers within the population.</p> <p>Be sure to use analytics to maximize the choice of programs and drive high engagement.</p>

Final Thoughts

Organizations looking to maximize the wide range of benefits that wellness programs offer should consider the following:



Incentives – Organizations that do not currently use incentives should evaluate whether or not they can help motivate their population through surveys, polling, testing, etc.

Start slowly with a staged approach that begins with simple goals, such as participation. Then, evaluate whether a more complex strategies will be appropriate as the program matures.

Organizations should base their incentive strategies on employee feedback, as some organizations do not need sophisticated incentive strategies to motivate employee participation.

To maximize effectiveness, ensure incentive levels and incentive types are matched with the amount of effort required by employees.

Targeted Communications – To maximize awareness and engagement, evaluate what types of communications methods would work best for your situation and program offering. Mass communications are appropriate when your entire population is the target audience. However, targeted methods are best used for specialized programs aimed at specific people within your population.

Be sure to provide communications with appropriate frequency, relevant content and use multiple methods to reach the target audience.

Find innovative ways to identify and enroll employees, and leverage consulting resources that are available through vendors to help drive engagement.

Track Results – Consistently monitor and measure results to determine program effectiveness. Set goals that map to the wellness plan and measure outcomes throughout the year as well as year-over-year to enhance the performance of the program.

Set baseline measures to gauge against future performance statistics.

Program Mix – Ensure that the right mix of programs exists to address employee needs and leverage claims data.

Incorporate a variety of delivery methods and provide an integrated experience to make programs convenient for employee participation.

About the Authors

Todd Spaulding, M.B.A. — As vice president of product management and general manager of the Health and Wellness business for OptumHealth Care Solutions, Mr. Spaulding is responsible for business leadership of the Staying and Getting Healthy solutions. He is a member of the Health Enhancement Research Organization (HERO) and serves on the National Business Group of Health's (NBGH) board for the Institute on the Costs and Health Effects of Obesity. Prior to joining OptumHealth in May 2003, he held various management positions. Spaulding earned his Bachelor of Science degree in accounting from St. Cloud State University and his Master of Business Administration from the University of St. Thomas.

Laura Karkula — As vice president of product management for OptumHealth, Laura Karkula is responsible for managing the Wellness product portfolio including Wellness Coaching, On-site Wellness, and Self-Care Publications. Prior to Wellness, Karkula developed, operated, and directed several products for OptumHealth including Nurseline, Treatment Decision Support, and Health Advocacy. Before joining OptumHealth in January 2002, Karkula held positions in product management and product development for Cargill, and worked as a process and technology consultant with Accenture. Throughout her career, Karkula has held management positions in product, market development, business architecture and information technology.

About OptumHealth

As one of the nation's largest health and wellness companies, OptumHealth makes health care more accessible, affordable and effective for employers, health plans, public sector entities and the 58 million individuals we serve. OptumHealth optimizes the health, well-being and financial security of individuals and organizations through personalized health management solutions. We help people live their lives to the fullest.

Contact Us

Phone: (866) 427-6845

E-mail: engage@optumhealth.com

On the Web: www.optumhealth.com/institute



For more information about wellness programs from OptumHealth, contact your OptumHealth sales executive or visit www.optumhealth.com.