Review of Workplace Wellness Programs in the United States

FOR THE BUFFALO COUNTY BE WELL COMMITTEE
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Introduction

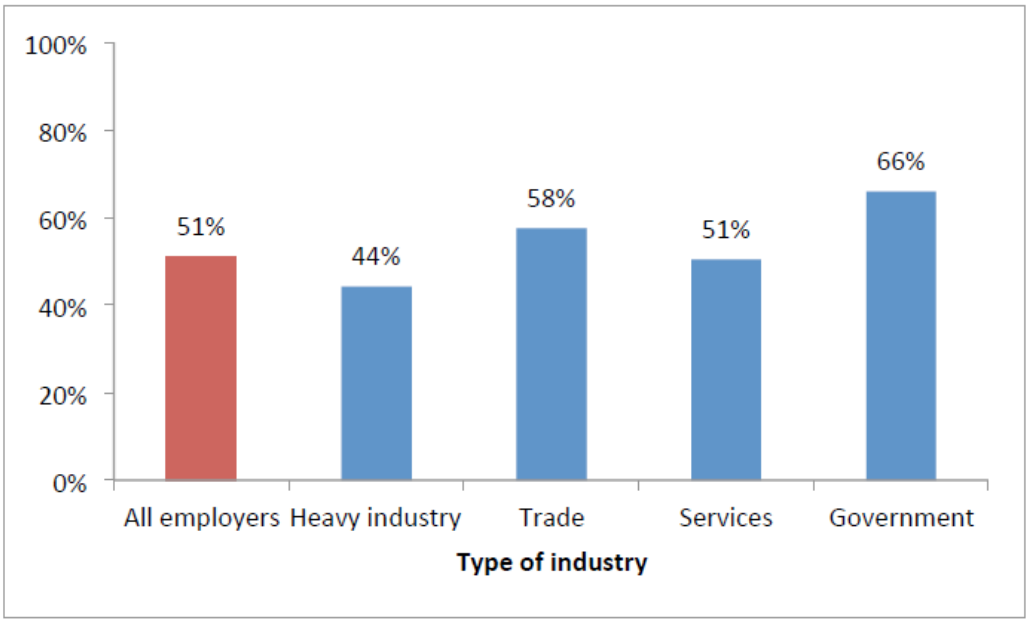
Prevalence rates, participation rates, characteristics of, and use of incentives for workplace wellness programs in the United States are based on results from the 2013 RAND Study.[1] The RAND Study was a federally funded study that focused on workplace wellness programs and that involved a literature review, site visits to companies, a national survey of employers with at least 50 employees in public and private sectors, and analyses of medical claims and wellness program data from a sample of large employers in the Care Continuum Alliance (CCA) database. This database consisted of more than half a million employees over several years which resulted in 1.8 million person-years of data.

Overall, the RAND Study is the most comprehensive analysis of worksite wellness programs to date. It also addresses Section 2705(m)(1) of the Public Health Service Act, which requires a survey of national worksite health policies and programs to assess employer-based health policies and programs, and a report to Congress that includes recommendations for the implementation of effective employer-based health policies and programs.

Prevalence of Workplace Wellness Programs

Nationally, 51% of employers with 50 or more employees offer a wellness program, and as shown in Figure 3.1, more employers in government (66%) offer a wellness program compared to employers in heavy industry; however, the difference is not statistically significant.

Figure 3.1: Percentage of Employers Offering a Wellness Program, by Industry

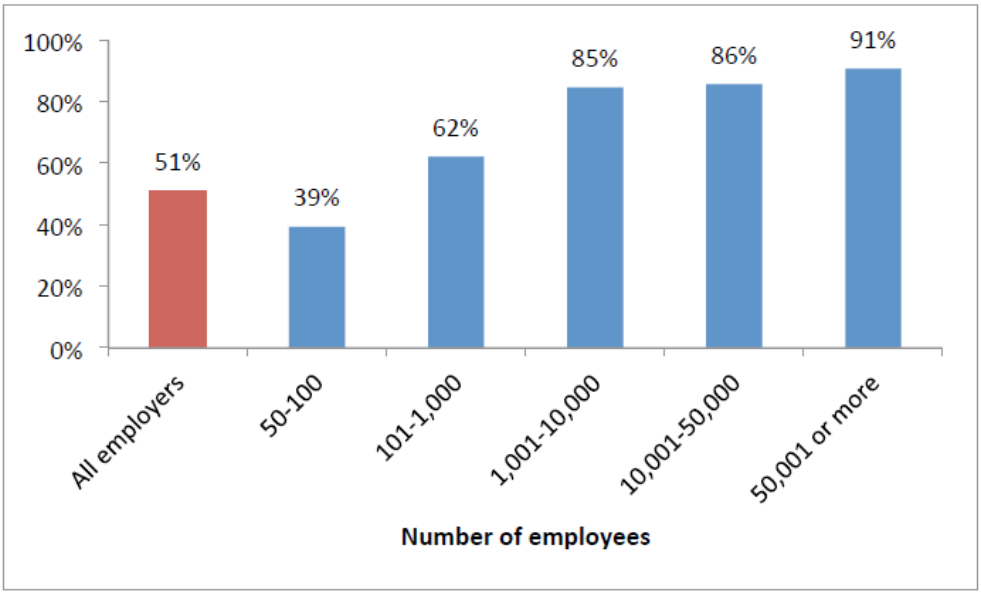


SOURCE: RAND Employer Survey, 2012.
NOTES: The graph represents information from employers with at least 50 employees. There is no significant difference in the distribution of wellness programs ($p > 0.05$).

[1] Mattke S, Liu H, Caloyeras JP, et al. Workplace Wellness Programs Study: Final Report. RAND Corporation; 2013. Available at: http://www.rand.org/content/dam/rand/pubs/research_reports/RR200/RR254/RAND_ RR254.pdf.

Figure 3.2 shows that larger employers are more likely to have wellness programs. Indeed, the percentage of large employers (>1,000 employees) with wellness programs is more than twice that of the smallest employers (50-100 employees).

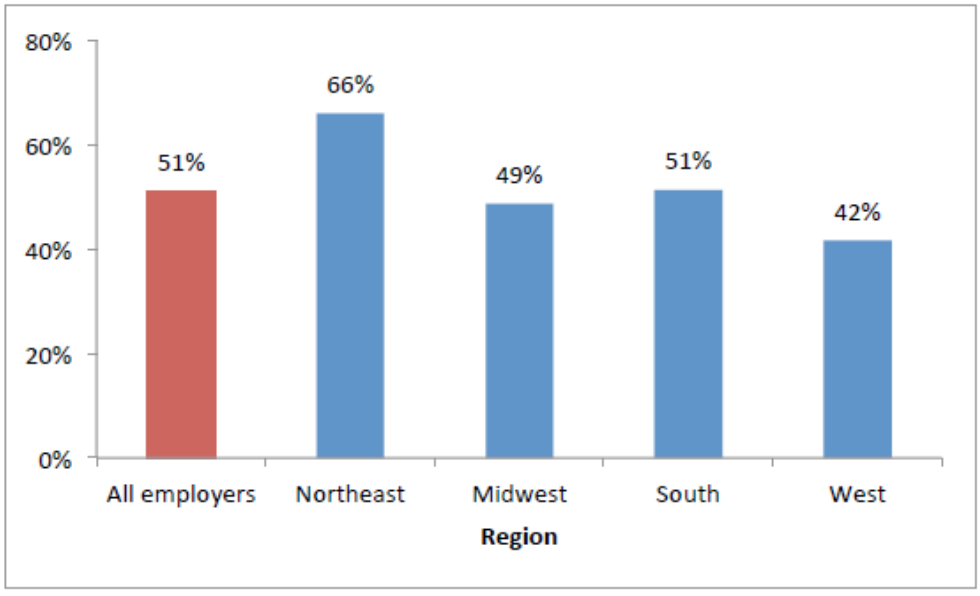
Figure 3.2: Percentage of Employers Offering a Wellness Program, by Employer Size



SOURCE: RAND Employer Survey, 2012.
NOTES: The graph represents information from employers with at least 50 employees. There is a significant difference in the distribution of wellness programs ($p < 0.01$).

Figure 3.4 shows that 66% of employers in the Northeast offer workplace wellness programs compared to only 42% of employers in the West; however, the difference between the regions is not statistically significant.

Figure 3.4: Percentage of Employers Offering a Wellness Program, by Geographic Region



SOURCE: RAND Employer Survey, 2012.
NOTES: The graph represents information from employers with at least 50 employees. There was no significant difference in the distribution of wellness programs ($p > 0.05$).

Of the 49% of employers who do not offer a wellness program, 91% had not offered a program in the past five years. Moreover, employers with no wellness program and those who had recently discontinued their program cited the following reasons for not offering/discontinuing a program:

- Absence of cost-effectiveness
- Lack of resources
- Low interest from both management and employees

Overall, 27% of employers without a wellness program are considering introducing one in the near future.

Characteristics of Workplace Wellness Programs

No formal or universally accepted definition of workplace wellness programs exist. And, the range of benefits offered under this umbrella term is broad but can be categorized into the following types of activities:

- ***Screening activities*** which aim to identify health risks (e.g., measurement of body weight)
- ***Preventive interventions*** which aim to address manifest health risks (e.g., weight-reduction counseling)
- ***Health promotion activities*** which aim to further healthy lifestyles (e.g., health food options in cafeterias)

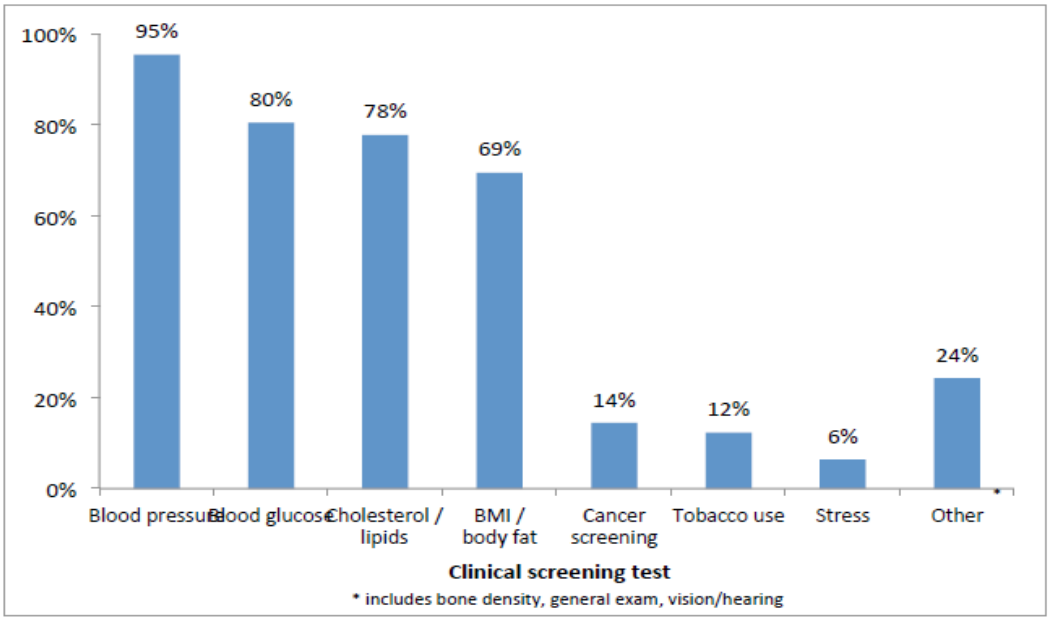
Screening Activities

The most common screening activities are:

- Health Risk Assessments (HRA), a self-administered questionnaire used to collect information about common modifiable risk factors about behaviors and characteristics, such as nutrition, physical activity, smoking, cholesterol levels, weight, and blood pressure.
- Clinical screening, collects biometric data on height, weight, resting heart rate, blood pressure, blood glucose levels, and blood lipid levels. Figure 3.9 shows that a wide range of tests are being conducted via clinical screening with blood pressure, glucose, lipids, and BMI being screened the most with these programs.

Overall, it is estimated that 65% of employers with a wellness program use HRAs and 49% of them conduct biometric screenings.

Figure 3.9: Percentage Distribution of Types of Clinical Screening Tests Offered by Employers That Have Clinical Screenings in Their Wellness Programs



SOURCE: RAND Employer Survey, 2012.
NOTES: The graph represents information from employers with at least 50 employees that offer any clinical screening as a component of a wellness program. 51 percent of employers offer a wellness program, and 49 percent of those include clinical screenings.
*Includes bone density, general exam, and vision/hearing tests.

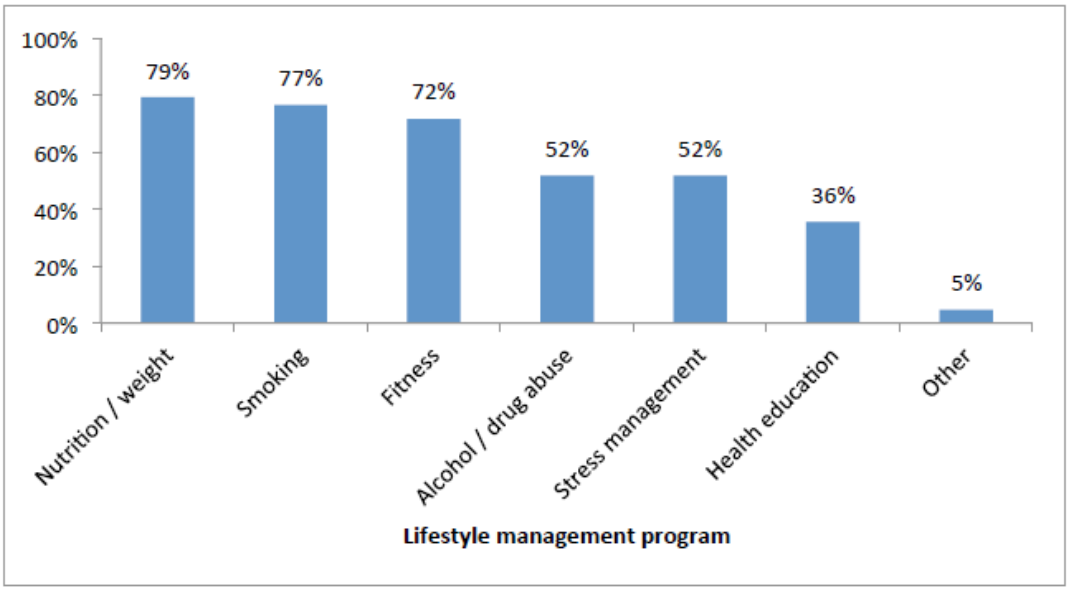
Prevention Interventions

Prevention interventions can aim at:

- Primary prevention by targeting employees with risk factors for chronic disease. This intervention is referred to as ***lifestyle management***. These interventions may be offered to all employees, such as through educational campaigns, or individually administered, such as by counseling.
- Secondary prevention by improving disease control in employees with manifest chronic conditions. This intervention is referred to as ***disease management***. These interventions can be offered through an employer's health plan or by a separate program vendor.

Seventy-seven percent of employers with a wellness program offer lifestyle management programs. Figure 3.10 shows that these programs target a broad range of risk factors.

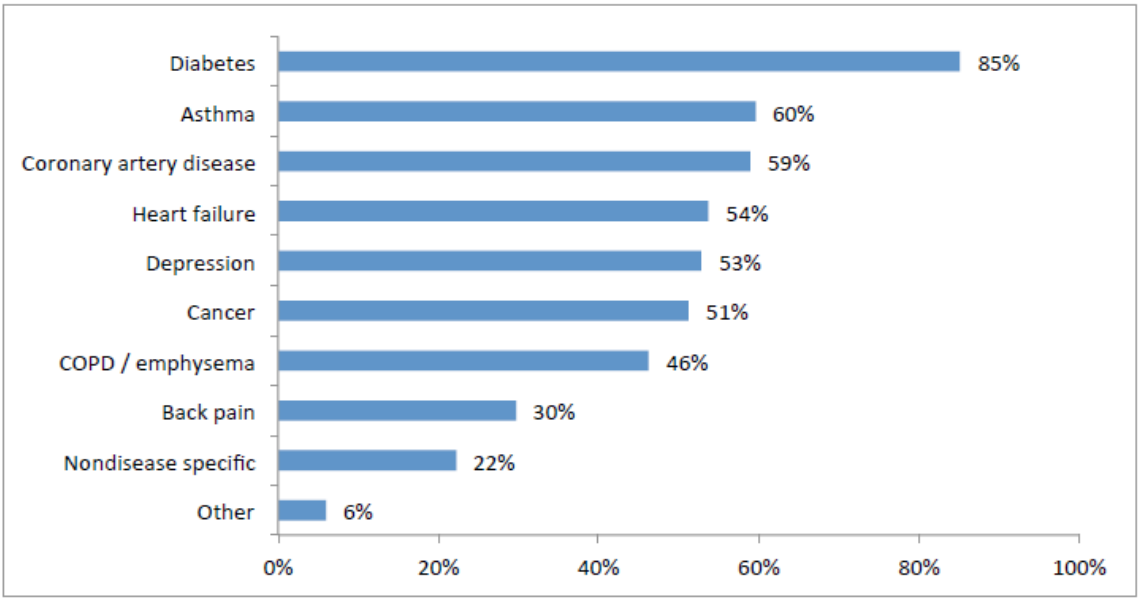
Figure 3.10: Percentage Distribution of Types of Lifestyle Management Programs Offered by Employers Providing Any Lifestyle Management Component in Their Wellness Program



SOURCE: RAND Employer Survey, 2012.
NOTES: The graph represents information from employers with at least 50 employees that offer any lifestyle management intervention as a component of a wellness program. 51 percent of employers offer a wellness program, and 77 percent of those have a lifestyle management intervention.

In terms of disease management programs, 55% of employers with a wellness program offer them. Figure 3.11 shows the wide variety of conditions that are addressed through disease management programs. The most commonly target conditions are diabetes (85%), asthma (60%), and coronary artery disease (59%).

Figure 3.11: Conditions Targeted by Employers with Any Disease Management Component in Their Wellness Program



SOURCE: RAND Employer Survey, 2012.
NOTES: The graph represents information from employers with at least 50 employees that offer any disease management intervention as a component of a wellness program. 51 percent of employers offer a wellness program, and 56 percent of those have a disease management intervention.

Health Promotion Activities

Eighty-six percent of employers with wellness programs offer health promotion activities. These activities are meant to encourage healthy lifestyles and are usually available to all employees, irrespective of whether they have health risks or manifest disease. Activities include:

- On-site vaccination services
- Fitness benefits
- Healthy food options
- Nurse advice line

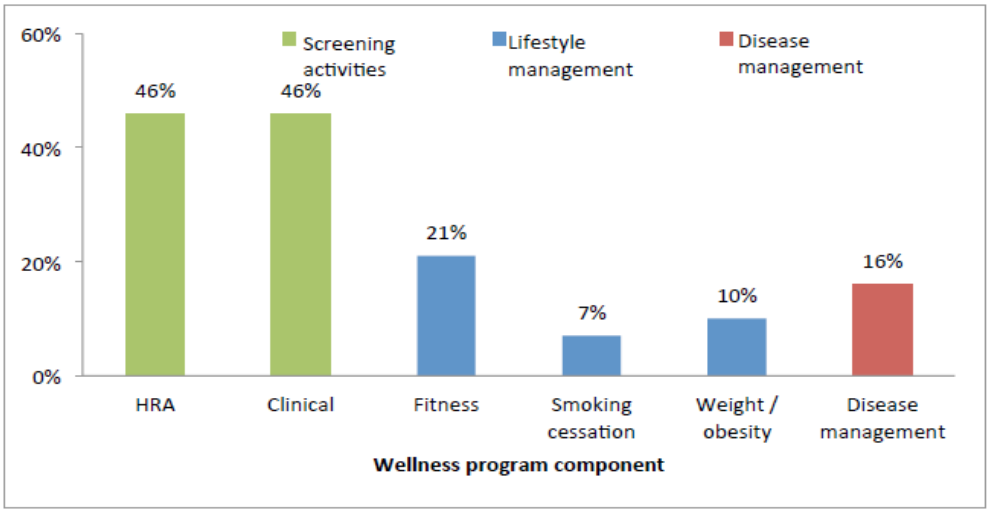
Overall, the prevalence rates and characteristics of workplace wellness programs are consistent with other survey results including those by:

- Kaiser Family Foundation and Health Research & Educational Trust
- National Study of Employers, a representative survey by the Families and Work Institute
- PricewaterhouseCoopers
- Integrated Benefits Institute

Workplace Wellness Program Participation

The RAND study findings indicate that participation in workplace wellness programs is limited: 46% of employees complete HRAs and 46% participate in clinical screenings, if offered. Furthermore, as shown in Figure S.3, of those identified for a lifestyle management and/or disease management programs, participation is even lower, ranging from 7% to 21%.

Figure S.3: Average Participation Rates of Employees Identified for Inclusion in Select Wellness Program Components



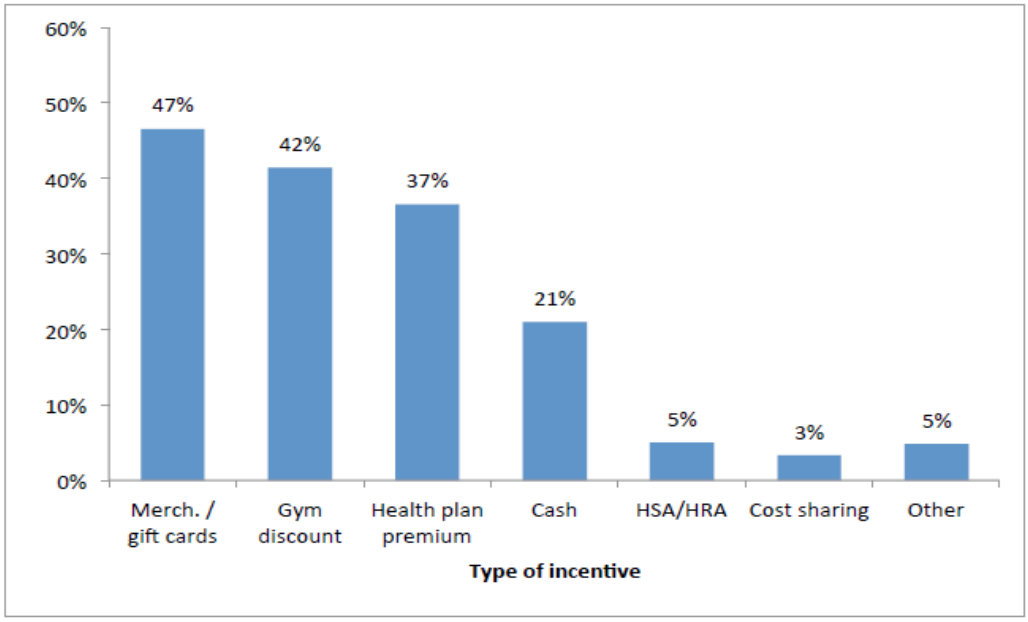
SOURCE: RAND Employer Survey, 2012.
NOTES: The graph represents information from employers with at least 50 employees that offer the specific component as part of a wellness program.
51 percent of employers offer a wellness program; of those, 65 percent conduct an HRA, 49 percent offer clinical screenings, 55 percent have a fitness program, 59 percent have smoking cessation programs, 49 percent have weight/obesity management, and 56 percent have disease management interventions. In most cases, all employees are invited to participate in screening activities, but eligibility to participate in lifestyle and disease management interventions are based on risk factors identified through screenings and health conditions identified through medical claims data, respectively. Rates reflect employees who were determined eligible for each program component.

Use of Incentives

Nationally, 69% of employers with at least 50 employees and workplace wellness programs use financial incentives to encourage program participation, and 10% use incentives that are tied to health-related standards.

The most common type of incentive triggers are HRA completion (30%) and participation in lifestyle management interventions (30%). Moreover, 84% of employers use rewards rather than penalties for the incentive. Incentives are offered in financial form (e.g., cash or health insurance premium surcharges) and novelty items (e.g., t-shirts or gift cards). Figure 5.2 shows several types of incentives and the percentage of employers using them.

Figure 5.2: Percentage of Employers That Use Incentives for Participation Among Employers That Have Incentives Under Their Wellness Program



SOURCE: RAND Employer Survey, 2012.
NOTE: The graph represents information from the subset of employers with at least 50 employees that offer a wellness program (51 percent).
HSA = Health Savings Account.

Program Impact on Health-Related Behavior and Health Status

Overall, the authors of the RAND Study conclude:

> The published literature, the results presented here, and our case studies corroborate the finding of positive effects of worksite wellness programs on health-related behavior and health risks among program participants. For example, a systematic review found that workplace interventions promoting smoking cessation, such as group and individual counseling and nicotine replacement therapy, increased smoking cessation rates compared to the control group. Other studies showed improvements in physical activity, higher fruit and vegetable consumption, and lower fat intake as well as a reduction in body weight, cholesterol levels, and blood pressure. One case study employer determined that roughly half of wellness program participants reported positive changes in their

> walking activities and eating habits, and a quarter of participants reported getting closer to a healthy weight.

Appendix A summarizes the more recent literature on the effects of workplace wellness programs on health outcomes. Overall, the results are mixed, but more importantly, there is a concern among researchers regarding the quality of the studies particularly in terms of methodologies.

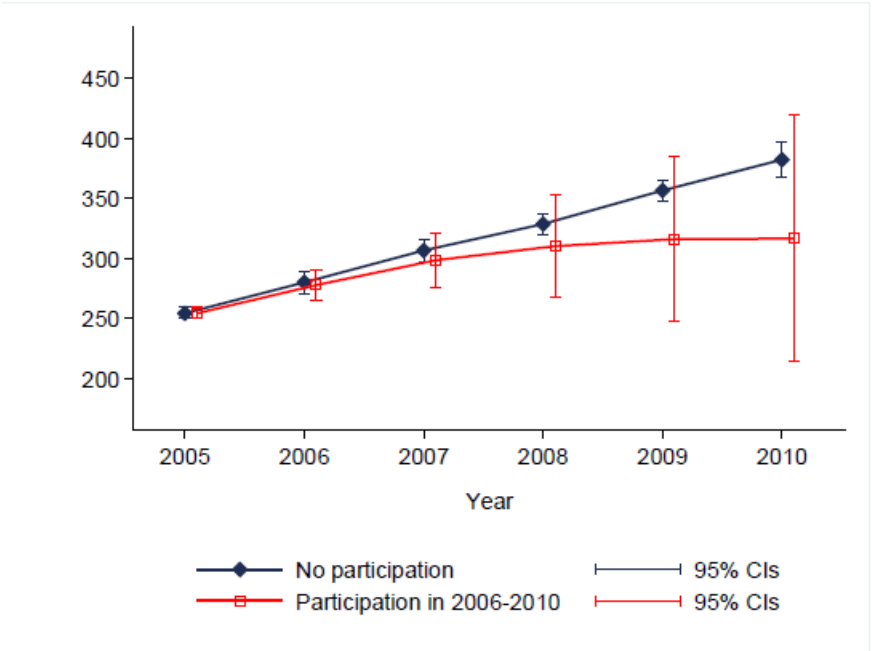
Program Impact on Health Care Cost

Overall, the authors of the RAND Study conclude:

> [E]mployers overwhelmingly expressed confidence that workplace wellness programs reduce medical cost, absenteeism, and health-related productivity losses. But at the same time, only about half stated that they have evaluated program impacts formally and only 2 percent reported actual savings estimates. Similarly, none of our five case study employers had conducted a formal evaluation of their programs on cost; only one employer had requested an assessment of cost trends from its health plan. Our statistical analyses suggest that participation in a wellness program over five years is associated with a trend toward lower health care costs and decreasing health care use. We estimate the average annual difference to be $157, but the change is not statistically significant.

Figure S.5 shows health care costs for participants and non-participants.

Figure S.5: Estimated Cumulative Effect of Wellness Program Participation on Total Monthly Medical Costs



SOURCE: RAND analysis of health plan claims and screening and wellness program data in the CCA database.
NOTES: Simulation results are based on continuous participation in 2006–2010 of a population with the average characteristics of the estimation sample; $p > 0.05$ for all years in 2006–2010. CL = confidence interval.

Appendix B summarizes the more recent literature on the effects of workplace wellness programs on financial outcomes. Again, the results are mixed, and the methodological quality and study design appear to influence the results.

Best Practices of Workplace Wellness Programs

The RAND Study summarized five factors to promote wellness program success that emerged from the research:

1. Effective communication strategies: strategies ranged from face-to-face interaction to mass dissemination. Employers cited the importance of broad outreach and clear messaging from organization leaders.
2. Opportunity for employees to engage: to raise the level of employee engagement, make wellness activities convenient and easily accessible for all employees. Some cited limited access to wellness benefits because of wait times and rigid work schedules.
3. Leadership engaged at all levels: for programs to be successful, senior managers need to consider wellness an organizational priority to shift the company culture. Buy-in from direct supervisors is crucial to generate excitement and connect employees to available resources.
4. Use of existing resources and relationships: leverage existing resources and build relationships, often with health plans, to expand offerings at little to no cost.
5. Continuous evaluation: approach wellness with a continuous quality improvement attitude.

In a more recent review to address the controversy surrounding whether workplace wellness programs "work" or not, Goetzel, et al. (2014)[2] state "[w]e know that programs that merely administer health risk assessment surveys and/or offer a health improvement Web site are generally ineffective. We also know that "off-the-shelf" programs offered by a vendor also fail if they lack leadership support and are not integrated into the culture of an organization."

In the section "Best and Promising Practices in Health Promotion," Goetzel, et al. (2014) outline the following practices.

Health People 2010

According to the *Healthy People 2010*,[3] a comprehensive workplace health promotion program includes the following five elements:

1. Health education, focused on skill development and lifestyle behavior change along with information dissemination and awareness building.
2. Supportive social and physical environments, reflecting the organization's expectations regarding healthy behaviors and implementing policies promoting healthy behaviors.
3. Integration of the worksite program into the organization's benefits, human resources infrastructure, and environmental health and safety initiatives.
4. Links between health promotion and related programs like employee assistance.
5. Screenings followed by counseling and education on how to best use medical services for necessary follow-up.

[2] Goetzel RZ, Henke RM, et al. 2014. Do workplace health promotion (wellness) programs work? J Occup Environ Med. 56(9):927-34.

[3] Healthy People 2010. With Understanding and Improving Health and Objectives for Improving Health. Washington, DC: US Department of Health and Human Services; 2000.Available at: http://www.healthypeople.gov/2010/Document/HTML/Volume1/07Ed.htm#_Toc490550857.

Behavior Change & Organizational Theory

On the basis of behavior change and organizational theory, we know that effective programs have strong senior and middle management support and grass roots champions, include employee input when developing program goals and objectives, have dedicated staff, offer meaningful incentives that encourage workers and families to participate, have a strong communication strategy consistent with the corporate culture, and are regularly evaluated using well-defined metrics of success. A series of literature reviews and site visit studies support this view:

A. Research by O'Donnell et al,[4] conducted in cooperation with the American Productivity and Quality Center, identified the following 10 characteristics of sustainable programs:
    1. linking of program to business objectives
    2. executive management support
    3. multi-year strategic planning
    4. employee input when developing goals and objectives
    5. wide variety of program offerings
    6. effective targeting of high-risk individuals
    7. incentives to motivate employees to participate in the program, leading to high participation rates
    8. program accessibility
    9. effective communications
    10. evaluation of effectiveness

B. A later study, also conducted with the American Productivity and Quality Center, listed the following common themes found in best performing programs:
    1. organizational commitment
    2. incentives for employees to participate
    3. effective screening and triage
    4. state-of-the-art theory and evidence-based interventions
    5. effective implementation
    6. ongoing program evaluation

C. A panel of experts assembled by the National Institute for Occupational Safety and Health (NIOSH) in 2008 created a list of *Essential Elements of Effective Workplace Programs and Policies for Improving Worker Health and Wellbeing*. These experts from public and private sectors identified 20 components of a comprehensive health protection and health promotion program. These 20 components[5] were divided into the following four broad areas:
    1. organizational culture and leadership
    2. program design
    3. program implementation and resources
    4. program evaluation

D. The Centers for Disease Control and Prevention (CDC) and the National Association of Chronic Disease Directors convened a panel of experts and asked them to identify best or promising practices in the workplace. That discussion produced the following four successful strategies

[4] O'Donnell M, Bishop C, Kaplan K. 1997. Benchmarking best practices in workplace health promotion. Art Health Promot News. 1:12.

[5] The complete list of the essential elements is available at http://www.cdc.gov/niosh/docs/2010-140/

1. employing features and incentives consistent with an organization's core mission, goals, operations, and administrative structures
2. targeting the most important health care issues among the population
3. achieving high rates of program engagement and participation in both the short and long term
4. evaluating programs on the basis of clear definitions of success, as reflected in scorecards and metrics agreed on by relevant stakeholders

> This project has led to the development of the CDC Worksite Health Scorecard, which is available to employers on the CDC Web site.[6]

Overall, Goetzel, et al. (2014) emphasized the importance of employers establishing a culture of health. They state:

> It is important to highlight one component of successful programs, which is frequently referenced in the best practices literature…—establishing a culture of health. A culture of health is defined as one in which individuals and their organizations are able to make healthy life choices within a larger social environment that values, provides, and promotes options that are capable of producing health and well-being for everyone regardless of background or environment. Comprehensive health promotion programs are built on a culture of health that supports individuals' efforts at changing lifelong health habits by putting in place policies, programs, benefits, management, and environmental practices that intentionally motivate and sustain health improvement.

Thus, the authors note that cost saving may not be the sole purpose of wellness programs and that other yardsticks may need to be used that align more accurately with program goals to determine success.

[6] Centers for Disease Control and Prevention. The CDCWorksite Health Score- Card: An Assessment Tool for Employers to Prevent Heart Disease, Stroke, and Related Health Conditions. Atlanta, GA: US Department of Health and Human Services; 2012. Available at: http://www.cdc.gov/dhdsp/pubs/worksite_scorecard.htm.