

# WORKPLACE WELLNESS

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## Results-oriented Wellness Programs.

When implemented successfully, workplace wellness programs can reduce health care costs, increase employee productivity and reduce absenteeism. While some wellness programs encourage participation, others are results-oriented, meaning employees are encouraged to meet certain health goals or metrics.

Here are different types of wellness programs and tips for designing successful programs:

### Types of Wellness Programs:

#### Awareness-oriented.

- Provides information and resources to help employees learn about healthy lifestyle choices
- Emphasizes education and awareness, rather than actual activity or behavior
- Tends to be the most appealing to already health-conscious employees

#### Activity-oriented.

- Combines awareness with participation in healthy activities
- Common examples include walking programs and discounted or free gym memberships
- Often offers some type of participation incentive
- Usually leads to some health care savings, but positive ROI is not always immediate

#### Results-oriented.

- Focuses on measurable health outcomes and behavior changes
- Includes components of awareness- and activity-based programs
- When paired with incentives, this type of program can lower health care costs, decrease absenteeism and reduce the number of workers' compensation claims

# Implementing a Results-oriented Program:

## Follow HIPAA Guidelines.

One reason employers may shy away from results-oriented wellness programs is due to concerns about HIPAA's nondiscrimination rules. HIPAA prohibits group health plans and group health insurance issuers from discriminating against individual participants and beneficiaries in eligibility, premiums or benefits based on a health factor.

However, HIPAA does allow benefits (including cost sharing), premiums or contributions to vary based on participation in a wellness program, if the program complies with certain nondiscrimination standards.

Under these rules, results-oriented wellness programs linked with group health plans are permitted if they abide by the following five conditions:

1. The program must give eligible individuals the opportunity to qualify for the reward at least once per year.
2. The total reward (incentive) for results-based programs is limited. Generally, it must not exceed 30 percent of the cost of coverage under the plan. For wellness programs that are designed to prevent or reduce tobacco use, the total reward cannot exceed 50 percent of the cost of employee-only coverage.
3. The program must be reasonably designed to promote health and prevent disease. To be considered reasonably designed to promote health or prevent disease, results-oriented wellness programs must provide a reasonable alternative standard to qualify for the reward for all individuals who do not meet the initial standard that is related to a health factor.
4. The full reward must be available to all similarly situated individuals. The program must allow a reasonable alternative standard (or waiver of initial standard) for obtaining the reward for to all individuals who do not meet the initial standard based on a measurement, test or screening, regardless of any medical condition or other health status.
5. The plan materials describing the terms of the program must disclose the availability of a reasonable alternative standard (or the possibility of a waiver of the initial standard).

In addition, the wellness program must comply with other applicable laws, including the Americans with Disabilities Act (ADA) and the Genetic Information Nondiscrimination Act (GINA). To avoid noncompliance, employers should have their legal counsel review their wellness programs before they are rolled out to employees.

## Components of a Successful Program.

Consider the following strategies when designing a workplace wellness program:

- **Education**—Provide employees with information about healthy eating, exercising, smoking cessation, weight loss and other health topics.
- **Health risk assessments**—This type of assessment can help you identify employees' health needs and what risk areas your program should focus on.
- **Health testing**—This type of testing measures weight, body mass index (BMI), blood pressure, blood lipids and more to provide employers with a benchmark for goals to improve health factors.
- **Incentives**—Offer employees monetary or other rewards for participating in wellness activities or for achieving specific health goals.
- **High participation rates**—Use incentives and marketing to increase participation rates and drive the most return on investment.
- **Frequent contact**—Distribute posters, emails, intranet posts and bulletin board reminders to keep employees engaged in your program.
- **Family participation**—Encourage employees' family members to participate, making it easier for the employees to strive toward a healthier lifestyle at home.
- **Exercise**—Offer on-site workout facilities or discounted gym memberships to encourage employees to be more active.
- **Smoking cessation**—Include a smoking cessation program within your wellness plan to combat one of the leading health risks among employees.
- **Flexibility**—Allow flexibility in setting your objectives and goals, so that employees can personalize the program to address their most pressing risk factors.

## Getting Started.

Follow the tactics below to get your wellness program off the ground:

- **Seek executive approval**—A wellness program will not succeed without buy-in from your company's executives. Gaining senior-level support is key to building an effective wellness program.
- **Put together a wellness team**—Placing a team in charge of wellness helps make sure that initiatives remain a priority and that enough resources are available to successfully design, administer and monitor a wellness program.
- **Develop a plan**—Design a wellness program based on your company's size, needs and financial situation. You'll need to decide what type of incentives to offer, which health initiatives to emphasize and more. Remember to keep your program in compliance with HIPAA guidelines and the other applicable laws mentioned above.
- **Follow up and evaluate**—Once you've implemented your program, monitor participation rates and progress to make sure it is on the right track. Only by continuing to evaluate your program will your company be able to achieve a maximum return on investment.

For help setting up a results-oriented wellness program, contact [insurance@sahouri.com](mailto:insurance@sahouri.com) today.