

Wellness Program Saves Employer Over \$600,000



By Sheryl Smolkin

A multi-year journey to wellness fuelled by cleverly designed incentives for employee participation has resulted in over \$615,000 in cost avoidance plus a major boost in employee engagement for property and casualty company The Economical Insurance Group (TEIG).

TEIG has about 25,000 employees in 18 offices across Canada. The average employee age is about 42 and the workforce is 65% female.

When the wellness program was first introduced in 2008, key objectives were to:

- Build employee awareness of individual health
- Enhance employee engagement
- Reward employees for a broader range of wellness behaviours
- Enhance organizational health.

A longer term goal was to see cost avoidance results in group benefits experience and absenteeism over three to five years.

Year 1: 2008

To get baseline data and build employee awareness, biometric screening clinics were held in all 18 TEIG locations. In the first year, 48% of employees participated in the voluntary clinics and by 2011, the participation increased to 54%.

Each employee who signed up for testing had a confidential 15 minute appointment with a registered nurse to look for six heart disease risk factors. Random glucose levels, cholesterol, blood pressure, body mass index and body fat were measured and benchmarked against ideal ranges.

"What we heard from our employees is that they had had physicals before but they had never been counselled on their particular measures," says Jennifer Allen, TEIG's VP HR and Communications. "So this was a prime educational session for our workforce."

In some cases these sessions were also life-changing. For example, people who were

formerly unaware they had high blood pressure were encouraged to see their own family doctor immediately.

In addition to providing individual data, aggregate employee test results were made available to the company. TEIG already knew that the majority of their employees were sedentary, but they discovered that they were also overweight.

The second important 2008 initiative was confidential, online wellness assessments through TEIG's benefits carrier Sun Life Insurance. Employees were asked to answer 32 questions about 10 health risks (i.e., health habits, readiness for change, culture, productivity). Employees got a personal report on problem areas plus improvement tips and again, TEIG received an aggregate report.

Sustaining wellness through incentives at TEIG

Campaign component	Design Objective	2008	2009	2010	2011
Biometric screening clinics	Enhance awareness	\$0	Points in team challenge	Points in team challenge	Points in team challenge
Wellness assessment	Enhance awareness	\$300	\$150	\$100	Did not do
Fall team wellness challenge	Create action	N/A	\$150	\$100	\$150
Spring walking challenge	Create action and sustain	N/A	N/A	\$100	\$150

SOURCE: THE ECONOMICAL INSURANCE GROUP

In 2008, 54% of the company's employees completed a wellness assessment questionnaire. Participation topped out at 66% in 2010, and the company decided to only run this program every two years going forward.

Because the goal in year 1 was to enhance employee awareness, employees who completed a questionnaire received \$300 in "wellness credits" deposited to a taxable wellness account that is part of the flexible benefits program and administered just like medical claims by the benefits carrier.

Wellness credits can be used to claim reimbursement for expenses such as fitness and sports equipment and activities plus recognized weight management programs.

Year 2: 2009

By year 2, the primary focus of TEIG's program moved from educating employees to encouraging and rewarding actions that addressed risk areas through the Team Wellness Challenge.

Teams were formed of about 10 employees and they got points for doing things like at least 20 minutes of physical activity a day, eating fruits and vegetables, getting at least 6.5 hours of sleep, drinking enough water and/or avoiding caffeine. An online tool was used to track individual results based on the honour system and points were awarded – e.g. one point/minute of exercise with a 20 minute minimum and a 60 minute maximum.

In order to refocus employees on 2009 program goals, incentives were modified. The \$300 in wellness credits offered in 2008 for completing a wellness assessment

questionnaire was reduced to \$150 and an additional \$150 was awarded to employees participating in the fall Team Wellness Challenge. In addition to wellness credits, small prizes were also awarded to challenge winners at the team and individual level.

"Over 70% of our employees have participated in the team wellness challenge each year," says Allen, proudly.

Year 3: 2010

The company objectives in year 3 shifted from education and action in the early years to ongoing sustainment of the program. Employee feedback from the Team Wellness Challenge revealed that they wanted to be involved in group challenges more frequently than once a year.

As a result, TEIG added a spring Team Walking Challenge to its already robust offerings. This four week program simply encouraged people to walk and track the km they covered on an online system developed in house.

"In 2011 1,724 participants travelled 107,886 km despite the coldest May weather ever," says Allen.

Again, incentives were linked to program goals with \$100 in wellness credits allocated for each of: completing a wellness assessment, participating in the fall Wellness Assessment and taking part in the spring Walking Challenge. As the Wellness Assessment was not conducted in 2010, \$150 incentives could be earned for participating in each of the fall and the spring team challenges.

Program communications have been consolidated and enhanced by branding the program as the CORE Centre for Wellness at TEIG. The "core crew" of wellness ambassadors also help sustain participation in wellness initiatives. These are interested people at all of the TEIG locations who volunteer to answer questions and champion local wellness activities because they are passionate about healthy living.

Measuring results

Allen says the program cost of about \$350/employee each year continues to be a great investment. Year over year employee attitude surveys reveal significantly improved employee engagement. Furthermore, employee testimonials confirm many people have made lifestyle changes and are beginning to reap the rewards.

Cost avoidance to TEIG

Biometric clinic measurement category	2009	2010	2011	
Smoking	\$54,366	\$3,396	\$91,692	\$149, 454
Total cholesterol	\$64,041	\$42,921	\$107,644	\$214,606
Random glucose	\$44,460	\$57,798	\$29,640	\$131,898
Blood pressure	\$15,066	\$27,371	\$17,829	\$60,266
Body mass index	\$15,125	\$16,684	\$20,463	\$54,272

Total improvements and cost avoidance	\$195,067	\$152,180	\$269,279	\$616,526
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SOURCE: THE ECONOMICAL INSURANCE GROUP based on Cost Avoidance Criteria and Study Information from Sun Life.

Cost avoidance to the company was calculated based on aggregate TEIG employee data tracking employees who move out of risk categories plus cost avoidance criteria and study information from Sun Life. So for example, over three years employees who stopped smoking saved the company health and other related-costs of almost \$150,000 with over \$615,000 in total improvements and cost avoidance.

What's next for wellness at TEIG?

Allen says the company wants to continue initiatives that improve the physical health of employees, but layer a focus on mental health on top. "We're seeing a lot of our longer-term medical absences related to mental health and we think there are some things we can do to give both our leaders and our employers the tools and resources to better deal with these issues."

10 Tips for Workplace Wellness

- **Understand the current state**
- **Build the case for change.**
- **Set objectives.**
- **Gain support from key stakeholders.**
- **Partner with great service providers.**
- **Use rewards to motivate behaviour change.**
- **Do what you can with what you've got.**
- **Leverage all the data.**
- **Link program design to objectives.**
- **Ensure the program fits the organizational culture.**

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