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Topic: Designing a Wellness Plan

If you find yourself complaining about the rising cost of your company health insurance plan, here are a few things to consider. Health insurance premiums are a direct reflection of the cost of providing health care. If your company is large enough to be “experience rated”, your premiums reflect the cost of delivering care to your company’s employees and covered dependents. 50%-70% of all health care costs are behavior driven. What does this mean? It means that there is a great opportunity to reduce health care through our individual choices. So...how do you impact employee behavior? A good step to take is to implement a wellness plan.

Create financial incentives. Any wellness plan must have a financial foundation that generates employee participation. I’m not talking about rewards so much as the financial obligations from your basic health plan structure. Another way to say it is, make sure employees have skin in the game. A major problem with health insurance today is *over insurance*. You often hear politicians fretting over the perceived problem of the under insured, but I propose that it is over insurance we should avoid. When employees have no financial obligations, behavior gets no consideration. Ensure your plan encourages individual responsibility by creating a financial responsibility for employees. You can then offer incentives and disincentives that allow behavior to impact that obligation.

Build your health database. Any wellness plan depends upon your ability to first establish a baseline. You have to understand the health status of your group in order to know how to become healthier. I think of it like building a database. In practical terms this is on site wellness exams, completion of health risk assessments, and integration of health and prescription claim data. This data will allow your wellness provider to identify individual needs and tailor action plans for each employee.

Provide support tools. Employees are unique and their health needs are often unique as well. It is important that your wellness plan support the individual needs of the participants. This means providing access to information to learn about illnesses or health conditions. Ensure your employees have not only access to written material, but also access to health professionals to discuss their specific circumstances. These health professionals should also assist in establishing action plans and provide coaching and encouragement in the process.

Focus on results. It is important that your wellness plan requires action to receive reward. Too many wellness plans are passive in nature. Remember that you are trying to change behavior, so make sure incentives require legitimate, measurable action by your employees. If you take your wellness program seriously as an employer, your employees will in turn take it seriously. The best part is that by doing so, everyone wins. Health care costs decrease for everyone while your employees enjoy the rewards of healthy living. There are a number of wellness providers on the market today. Work with your broker or benefit consultant to design a program that will work best for your company.