What’s Next?
Best Practices in Employee Wellness and Health Promotion

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Agenda

- What is a wellness program?
- Why wellness?
- What's new?
- Role of management
- Best practices
What is an employee health and wellness program?

Source: Making the Business Case for Investments in Workplace Health and Wellness, Conference Board of Canada, 2012
What is an employee health and wellness program?

Program of on-site or off-site services that
1. Promotes and sustains good employee health

1. Maintain

Employee Health

Healthy  At risk  Unhealthy

Source: Making the Business Case for Investments in Workplace Health and Wellness, Conference Board of Canada, 2012
What is an employee health and wellness program?

Program of on-site or off-site services that
2. Identifies health-related risks in the employee population

1. Maintain
2. Prevent

Healthy At risk Unhealthy

Source: Making the Business Case for Investments in Workplace Health and Wellness, Conference Board of Canada, 2012
What is an employee health and wellness program?

Program of on-site or off-site services that
3. Attempts to correct potential health-related problems

1. Maintain
2. Prevent
3. Manage

Employee Health

Healthy
At risk
Unhealthy

Source: Making the Business Case for Investments in Workplace Health and Wellness, Conference Board of Canada, 2012
What is an employee health and wellness program?

1. Maintain
2. Prevent
3. Manage

Employee Health

Healthy At risk Unhealthy

Source: Making the Business Case for Investments in Workplace Health and Wellness, Conference Board of Canada, 2012
Why Wellness?
Why Wellness?

Source: Making the Business Case for Investments in Workplace Health and Wellness, Conference Board of Canada, 2012
The Financial Case: Lifestyle Risk Factors

Employees with 4 lifestyle risk factors have higher absences and health costs

- Low Exercise
- Smoking
- Overweight
- Higher Alcohol Use

Absent more often: >50%
More health costs: 2x – 3x

Source: Investing in Comprehensive Workplace Health Promotion, Shain and Suurvali, 2001
The Financial Case: Physical Activity

Impact of improving physical activity:

Obese employees:
- have 77% more drug costs and
- use 35% more on health services

...than healthy weight employees

Moving Ahead. Workplace Interventions to Reduce Physical Inactivity and Sedentary Behaviour, Conference Board of Canada, 2015
The Financial Case: Chronic Conditions

Rise of chronic conditions:

- 59% of employees have at least one chronic condition
- 32% of employees have such a condition

Employers underestimate the prevalence of chronic conditions in their workforce.

Source: Sanofi Canada Healthcare Survey – 2016
Why are chronic conditions a concern for employers?

Employees with chronic conditions are absent more often...

- **25%** say their illness has caused them to miss work
- ...and struggle while they are at work
- **19%** say their illness has made it harder to do their job

Source: Sanofi Canada Healthcare Survey – 2016
The Financial Case: Chronic Conditions

Many chronic conditions are preventable

28% of all drug claims are for one of these 4 diseases.

>1/3 of claims costs are preventable through modified behaviour.

Source: Manulife claims data
The Power of Prevention - Chronic disease...the public health challenge of the 21st century – Center for Disease Control – 2009
The Financial Case: Mental Health

Mental health

29% of all long term disability claims

20% of all short term disability claims

Source: Manulife claims data
Healthy Brains: The Footprint of Mental Health Conditions, Conference Board of Canada
The Financial Case: ROI

Published Studies on Return in Investment

- **3:1**
  - BC Hydro

- **3:1**
  - TELUS BC

- **3.43:1**
  - Canada Life

- **3.35:1** per smoker
  - 8 Halifax organizations

- **$251** per person per year

Sun Life-Ivey Canadian Wellness Return on Investment Study
The Organizational Case

Healthy employees are satisfied employees

Employees in organizations with a wellness program are far more likely to be satisfied (80%) than those without such programs (66%).

Source: Sanofi. Canada Healthcare Survey - 2016
Meeting employee needs
Employees with chronic conditions need help:

- **57%** agree it's hard to make the recommended lifestyle changes
- **84%** would like to know more about their conditions and treatments
- **64%** would meet with a healthcare coach to get help with their condition, if this were part of the health benefit plan

Source: Making the Business Case for Investments in Workplace Health and Wellness, Conference Board of Canada, 2012
Sanofi Canada Healthcare Survey - 2016
Employees are asking for wellness programs:

- Flexible work arrangements: 41%
- Healthy foods and snacks: 36%
- Discount for gym membership/fitness classes outside of work: 36%
- Flu shots at work: 25%
- Fitness centre/gym at work: 27%
- Vaccinations at work (other than flu shots): 27%
- Health/fitness classes or clubs during work hours: 27%
- Access to healthcare professional coaching sessions: 25%
- Health-related challenges or goals of work: 19%
- Group programs at work (e.g., weight loss, smoking): 18%
- Access to healthcare professional to learn about personal...: 18%
- Health/fitness classes or clubs during work hours: 18%
- Vaccinations at work (other than flu shots): 17%
- Flu shots at work: 15%

Source: Sanofi Canada Healthcare Survey - 2016
Employers looking to invest more in wellness

66% of Canadian sponsors listed improving workplace health and engagement as their top priority in 2016

Source: Trends in Human Resources, Morneau Shepell, 2015
Financial Wellness

Financial wellness as element of overall well-being

- Retirement readiness
- Adequate emergency fund
- Budget effectively
- Manage debt
- Financial protection
- Investment knowledge
- Money-related stress

Source: Manulife's Financial Wellness Study - 2015
Financial Wellness: Impact on the Workplace

Financially unprepared Canadians are 2x more likely to say they are distracted at work.

45% of Canadians identified themselves as having a low level of financial wellness.

Source: Manulife's Financial Wellness Study - 2015
Financial Wellness: Part of the Wellness Program

What does it mean for a wellness program?

- View employee finances holistically, beyond just retirement readiness
- Adding financial wellness to health risk assessment
- Adding financial education to wellness resources
- Introduce financial tools to manage finances better and reduce the worries
- Investigate provider that incorporate financial education counselling or education

Data Collection and Data Sharing Culture

Mobile health apps

Health Wearables

Most Popular apps

Source: Health Apps and Wearables Survey Accenture, 2016
Data Collection and Data Sharing Culture

Employees willing to share results if there’s a benefit...

38% of people would wear a tracking device to get a more accurate price.

28% would be very or somewhat likely to buy a policy that could adjust a benefit’s cost or size based on monitoring.

Source: Opportunities in the Sharing Culture, Life Insurance Marketing and Research Association (LIMRA), 2015
Data Collection and Data Sharing Culture

…but we need to tread carefully

33% Being penalized for “bad behaviour”
45% Losing privacy
37% Inaccurate tracking
36% A company monitoring me

Source: Opportunities in the Sharing Culture, Life Insurance, Marketing and Research Association (LIMRA), 2015
Behavioural Economics and Nudge

Rational Decision Making

Emotional Decision Making
Behavioural Economics and Nudge

- Inertia and the default option
- Loss aversion
- Prefer present over future
- Rules of thumb

Save More Tomorrow™: Using Behavioral Economics to Increase Employee Savings, Thaler and Bernartzi
Incentives
Convergence of Trends

Incentives

- Data Sharing Culture
- Data Collection
- Behavioural Economics and Nudge
Incentive Programs: Objective

Extrinsic  ►  Intrinsic

Source: Do wellness incentives work?, Chris Bonnett, Benefits Canada, March 11, 2015
Incentive Programs: What to look for

What to look for in effective incentive programs:

- Simple one-time behaviours
- Easy to understand
- Stepping stones
- Positive
- Immediate and certain
- Verifiable
- Equitable
- Balanced

Source: Do wellness incentives work?, Chris Bonnett, Benefits Canada, March 11, 2015
Positive experience with US program

- **9%** risk reduction for lifestyle health risks
- **23%** increase in verified workouts
- **31%** registered for healthy food program
- **3.65%** increase in on the job performance

Source: Vitality McKesson Case Study, 2015
Role of Management
Management practices impact mental health claims

<table>
<thead>
<tr>
<th>Management practices</th>
<th>% more likely to reduce mental health claims</th>
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</thead>
<tbody>
<tr>
<td>Job design</td>
<td>85%</td>
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<tr>
<td>Work-life balance services</td>
<td>70%</td>
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<tr>
<td>Rewards</td>
<td>64%</td>
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<tr>
<td>Physical activities</td>
<td>55%</td>
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<tr>
<td>Demands</td>
<td>44%</td>
</tr>
</tbody>
</table>

Source: Salveo Study on Mental Health in the Workplace, Manulife, 2015
Wellness is good for business…

Last 15 years, average annual return:

S&P 500 index: 11%

Koop Award winners: 26%

Corporate Health Achievement Award: 24%

Health Enhancement Research Organization scorecard winners: 26%

Employers who are sufficiently capable and determined enough to
✓ develop excellent wellness programs,
✓ evaluate those programs,
✓ seriously reflect on the quality of their program, and/or
✓ apply for and win awards
also understand how to manage their core business in such a way that revenues and profits will grow . . . which in turn causes the stock value to outperform the market.

- Dr. Michael O’Donnell, Director of the Health Management Research Center at the University of Michigan

Source: The Stock Performance of C. Everett Koop Award Winners Compared With the Standard & Poor’s 500 Index, Journal of Occupational and Environmental Medicine, June 2016
... but it is not guaranteed

One identical wellness program

Two different companies

Company X: 16.2% increase on wellness score

Company Y: 1.5% reduction in wellness score

Source: Sun Life-Ivey Canadian Wellness ROI Study: Phase 1, 2015
Best Practices
Criteria for a successful wellness program

1. Leadership buy-in and sustained support

2. A thoughtfully designed comprehensive plan
   - Educational programs
   - Behavior change interventions

3. Meaningful and measurable goals

4. Investments to build capacity

5. Delivery is effective, assessed, and enhanced

Source: Integrating Corporate Wellness Initiatives within Human Capital Strategy, Conference Board of Canada, December 2015
1. Leadership buy-in and sustained support

a) Analysis and Program Development

- Define the wellness vision and the strategy to achieve it
- Determine program goals and objectives
- Identify employee needs and interests
- Understand workforce health issues
- Identify current resources
1. Leadership buy-in and sustained support

b) Implementation

“must believe, live, advocate, and demonstrate visible support”

- Include wellness in leaders goals
- Include a wellness as a standing item on team meeting agendas
- Attend kick-off events and activities
- Actively recruit and support wellness champions
- Complete in wellness challenges
- Join in company health walk or ride
- Participate in a wellness seminar, health screening, or fitness class

Source: Integrating Corporate Wellness Initiatives within Human Capital Strategy, Conference Board of Canada, December 2015
2. A thoughtfully designed comprehensive plan

a) Educational programs

- Health education resources
- Lunch ‘n’ learns
- Wellness fairs
- Wellness campaign
- Health risk assessment
- Health screening

Source: Integrating Corporate Wellness Initiatives within Human Capital Strategy, Conference Board of Canada, December 2015
2. A thoughtfully designed comprehensive plan

b) Behavior change interventions

- Employee and family assistance
- Wellness challenges
- Health coaching
- Incentive program
- Disease management

3. Meaningful and measurable goals

- Claims
- Absenteeism
- Workforce health
- Employee and family assistance program
- Employee feedback
- Engagement
4. Investments to build capacity

- Adequate budget, whether in-house or out-sourcing
- Necessary staffing
- Appropriate training
  - staff
  - leaders
  - program managers
  - champions
- Promotions and communications
- Multi-year commitment

Source: Integrating Corporate Wellness Initiatives within Human Capital Strategy, Conference Board of Canada, December 2015
5. Delivery is effective, assessed, and enhanced

- Communicate program goals, objectives and metrics
- Reach entire workforce on overall program
- Targeted outreach for at-risk individuals
- Share results and report success
- Show how it positively impacted the business
- Use testimonials
- Review progress
- Refine, adjust and repeat

Source: Integrating Corporate Wellness Initiatives within Human Capital Strategy, Conference Board of Canada, December 2015
Success!

**Strategy**
- Need analysis
- Organization objectives
- Current resources (existing programs, budget, partners/suppliers)

**Program design**
- Targeted health habits
- Healthy work environment
- Effective management practices

**Evaluation**
- Initiative and campaign effectiveness
- Participation rate analysis
- Objective achievement/alignment with strategy

**Implementation**
- Targeted initiatives and campaigns
- Employer and employee participation
- Marketing/communications

**COMPREHENSIVE AND INTEGRATED APPROACH**
Thank you