Moving to an Outcomes-Based Wellness Program: Best Practices and Case Study

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Established in 1976, Bell Partners Inc. (“Bell Partners” or the “Company”) is a privately held, vertically integrated apartment investment and management company focused on high-quality multifamily communities throughout the United States.

Bell Partners is a top-15 apartment operator, with over 60,000 homes across 13 states, and is one of the largest apartment renovators in the industry.
Best Practices

• **Culture Assessment**-know your employees
  • Benefit Survey/Culture Survey
  • Assess Management Support
  • Assess Internal Resources

• **Engage employees in participatory programs**
  • Strive for 80%+ participation before moving to outcomes

• **Data Review**
  • Review claims data to analyze top conditions
  • Analyze biometric data and disability claims for top conditions
  • Review EAP utilization
Best Practices

• Plan Ahead
  • Communicate 6-12 months ahead of changes
  • Highlight the benefit to the participants and why moving to outcomes
  • Decide on incentives and how they will be rewarded
• Create a timeline in writing
• Considerations to review in advance
  • Exceptions such as for pregnancy, nursing mothers
  • Employee on leave
  • New hires and Rehires- give them credit?
  • Will the deadlines be firm or will there be flexibility?
Are you ready for outcomes based?

- Is your wellness program well established?
- Are employees engaged in the current program?
- Do you have partners to help manage the process?
  - Vendors
  - Executive Support
  - Internal wellness champions
Compliance Concerns

EEOC issued final rules on May 17, 2016

- Health Insurance Portability and Accountability Act (HIPAA), as amended by the Affordable Care Act
- Title I of the Americans with Disabilities Act
  - ADA rules amends 29 CFR 1630.14(d)
- Title II of the Genetic Information Nondiscrimination Act 9
  - GINA rule amends 29 CFR 1635.8(b)(2)
ADA Final Rule

- Explains what an employee health program is;
- Defines what it means for an employee health program to be voluntary;
- May offer limited incentives as part of wellness programs that include disability-related inquiries and/or medical examination;
- Explains confidentiality requirements applicable to medical information obtained as part of voluntary employee health programs;
- Explains relationship of rules governing wellness programs to other EEO laws
When is a Wellness Program Covered by the ADA?

For a wellness program to be an employee health program covered by the ADA, it:

• Must be reasonably designed to promote health or prevent disease; and Must not be:
  ✓ Overly burdensome;
  ✓ A subterfuge for violating employment discrimination laws; or
  ✓ Highly suspect in the manner chosen to promote health or prevent disease

• Fact-specific determination
What incentives are allowed?

Can offer incentives as part of a wellness program that includes disability-related inquiries and medical examinations as long as the incentive does not exceed 30% of the total cost of employee-only coverage

• Incentives may be financial or in-kind, and may be rewards or penalties
• 30% cap applies to both participatory and health-contingent wellness programs
• The total cost of coverage includes both the employee’s and the employer’s share of the health plan premium
Reasonable Alternative Standard

- The program must give individuals eligible to participate the opportunity to qualify for the reward at least once per year.
- The 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 to any individual for whom it is unreasonably difficult due to a medical condition, or medically inadvisable, to satisfy the initial standard.
- The plan must disclose in all materials describing the terms of the program the availability of a reasonable alternative standard (or the possibility of a waiver of the initial standard).
History of our Wellness Program

- Our program started in 2013 with a participation based program
  - Biometric screening - Blood Test, Height, Weight, Blood Pressure
  - Online survey with the carrier
  - Challenges with integration between lab vendor and carrier and objections to questions on the survey

- The incentive was based on a medical premium differential
  - Wellness participants qualified for the “Well Bell” discounted premium if all covered members were tobacco/nicotine free and associate completed the screening. The differential was 25% to 30%
  - The online survey was a separate requirement with a $10 per pay surcharge for non completion
History of our Wellness Program

2013 Program

- Participation in the screenings was 96% of associates eligible for the discount, overall participation was 77%
- Survey participation was lower than screenings at 93%
- Results showed our top concerns were BMI since 70% of those tested were overweight or obese and 60% were out of range for Blood Pressure
History of our Wellness Program

- **2014 Program**
  - Added requirement to participate in case management/disease management for all family members and added Cotinine (nicotine) testing to blood screening
  - Same standards and the survey surcharge increased to $20
  - Screening participation decreased to 94% for discount eligible, 75% overall
  - Survey participation decreased to 87%
  - Results showed our top concerns were BMI with 72% of those tested at risk for BMI and 63% for Blood Pressure
History of our Wellness Program

2015 Program

- Planned to move to outcomes for 2015 however it was delayed
- Participation in the screenings was 94% of associates eligible for the discount
- Survey participation was the same at 93%
- Results showed our top concerns were BMI with an increase to 75% of those tested were overweight or obese and 59% were out of range for Blood Pressure
2016 Planning

• RFP conducted for stand alone wellness vendors
  • We included five vendors initially and narrowed to two for onsite presentations
  • It was difficult to find a good fit for a company our size
  • Integration challenges with carriers

• RFP conducted for medical carriers
  • Emphasis on wellness capabilities of carries
  • Explored integration possibilities with external wellness vendor
2016 Program

- Moved to new medical carrier, UHC
- Change to outcomes based with a phased approach
- Remove Cotinine (nicotine) from testing and created a separate tobacco/nicotine surcharge so tobacco/nicotine users could earn the Well Bell discount
- Made the survey part of the Well Bell incentive
- Participation in the screenings was 90% of associates eligible for the discount
- Rally survey participation was 89.5%
2016 Well Bell Premium Requirements

1. The associate must participate in a wellness blood test in the first quarter of 2016
2. The associate must complete the online Rally questionnaire with United Healthcare during the first quarter of 2016
3. If the associate or any covered family member is invited by United Healthcare to participate in a health management program at any time, they must participate
2017 Well Bell Premium Requirements

1. If the associate did not meet their health targets during the 2016 screening, they can qualify if they participate in three Missions on the Rally Health website or Health Coaching by October 31, 2016

2. The associate must participate in a wellness blood test in the first quarter of 2017

3. The associate must complete the online Rally questionnaire with UnitedHealthcare during the first quarter of 2017

4. If the associate or a covered spouse is invited by United Healthcare to participate in a health management program at any time, they must participate
Adding a new weight loss program Real Appeal through UHC

- Only employees can participate and must have a BMI of 30+ or a BMI of 25-29 with a comorbidity such as diabetes, hypertension or hyperlipidemia

Adding a financial wellness option through participation in the Smart Dollar program

These programs will be alternatives to the Rally missions or health coaching for meeting 2017 goals
Bell Benefits Survey Comments

- Well Bell less needy.
- Take into account levels of physical fitness into the BMI category. I lift a lot of weights and have gotten classified as overweight in my BMI ratio in the past or borderline average due to a higher muscle mass ratio.
- Stop putting such a focus on BMI. If you exercise and eat right you are still considered over weight because muscle weighs more than fat - high BMI does not equal unhealthy.
- My BMI says i should weigh 185lbs "ha" I’m 6' tall and 50 years old i haven't weighed 185lbs since 8th grade
- BMI is pseudoscience.
- This is the first company that i have worked at that embraces a "Wellness" program. I think it is fabulous.

Bell Partners

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Lessons Learned

• Many of our employees *CANNOT* do two things at once
  • Screening and Survey in same time frame

• Communication is key
  • Associates still panicked about getting discount
  • Change for tobacco/nicotine users difficult to communicate

• Need to think through the special cases
  • Issues with forms and data

• Allow opt-out form
  • Wellness “restraining order”
Keys to Success—Use Different Media

- Letters
- E-mail
- Postcards
- Videos
- Intranet Posts
- In person communications
- Bulletin Board notices
- Text Messages
Keys to Success—Brand Your Wellness Program

- Name your program
- Brand your program with a logo
- Create a template so communications have the same look
Keys to Success—Use Humor

• Try to address employee questions in the communication
Questions??