National Business Group on Health

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Creative Health Benefits Solutions for Today, Strong Policy for Tomorrow

January 25, 2013

Submitted electronically via: www.regulations.gov

Mr. Daniel J. Maguire, Director
Office of Health Plan Standards and Compliance Assistance
Employee Benefits Security Administration
Room N-5653
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 2210
Attention: Wellness Programs

Re: Notice of Proposed Rulemaking – Incentives for Nondiscriminatory Wellness Programs in Group Health Plans

Dear Mr. Maguire:

The National Business Group on Health is pleased to comment on the Department of Labor, Department of Health and Human Services, and Department of the Treasury's (collectively, the Departments') proposed rulemaking on Incentives for Nondiscriminatory Wellness Programs in Group Health Plans.

The National Business Group on Health represents approximately 360 primarily large employers, including 65 of the Fortune 100, who voluntarily provide health benefits and other health programs to over 55 million American employees, retirees, and their families. Our members employ and provide health benefits for employees under a wide variety of work arrangements, including full-time, part-time, seasonal, and temporary. In addition, our members often operate multiple lines of business and tailor employee work and benefit arrangements to the specific needs of each line of business.

We appreciate the President's and the Administration's commitment to fostering wellness as a central part of the Patient Protection and Affordable Care Act. As our members prepare to implement the wellness and other provisions of the Affordable Care Act, primary concerns will be enhancing the effectiveness of employer-sponsored wellness programs, flexibility in benefit design, affordability for employees and employers, and minimizing the administrative and cost burdens associated with these provisions. Allowing plan sponsors flexibility to adapt their compliance procedures to existing benefit, work, and payroll arrangements will reduce these burdens and allow plan

sponsors to devote more resources toward maintaining and improving health benefits for their employees.

Therefore, the National Business Group on Health supports the provisions of the proposed regulations that:

(1) Increase the maximum reward that can be provided under a health-contingent wellness program from 20% to 30% of the total cost of coverage, with an additional increase to 50% of the total cost of coverage for health-contingent wellness programs designed to prevent or reduce tobacco use;

(2) Provide examples illustrating how to calculate the applicable percentage for health-contingent wellness program rewards, as stated in the proposed 29 C.F.R. § 2590.702(f)(3)(ii)(B);

(3) Permit plans to establish reasonable alternative standards upon request; and

(4) Provide sample language and other examples of the notice of availability of a reasonable alternative standard or the possibility of waiver of an otherwise applicable standard, as stated in the proposed 29 C.F.R. § 2590.702(f)(3)(v) and 29 C.F.R. § 2590.702(f)(4);

However, our members are concerned that certain provisions of the proposed regulations will impede innovation and increase administrative and cost burdens for wellness programs, with little or no benefit to participants. We strongly believe that the current HIPAA rules for reasonable design and alternative standards work well both for employers and for employees. Therefore, the National Business Group on Health recommends:

(1) Allowing group health plans flexibility in apportioning rewards in health-contingent wellness programs;

(2) Allowing group health plans flexibility in designing wellness programs that prevent or reduce tobacco use;

(3) Providing additional examples illustrating the limitation on the size of wellness program rewards when the amount of a reward is variable or not determinable at the beginning of the plan year;

(4) Allowing group health plans flexibility to modify and tailor wellness programs to (a) meet the needs of specific plan populations and (b) control overall health care costs. To further these goals, we specifically recommend:

- **Retaining the current rule for reasonable alternative standards, as set forth in in 29 C.F.R. 2590.702(f)(2)(iv)(A);**

- **Retaining the current rule for physician verification related to reasonable alternative standards, as set forth in in 29 C.F.R. 2590.702(f)(2)(iv)(B); and**

- **Retaining the current standard for reasonable design, as set forth in in 29 C.F.R. 2590.702(f)(2)(ii).**

We believe that the above approach will allow group health plans to develop wellness programs that promote participants' health and productivity; promote efficient, uniform plan administration; reduce plan administrative and cost burdens; and reduce the overall costs of health care. We provide further discussion of these recommendations below.

I. Size and Structure of Wellness Rewards

As noted above, National Business Group on Health members employ and provide health benefits for employees in a wide variety of industries and work arrangements. Our members often operate multiple lines of business in multiple locations. To accommodate the health care needs of their large and varied employee populations, our members provide a wide variety of health plan options at different cost and coverage levels. Along with health plan options, many of our members offer and are expanding wellness programs with the goal of engaging their employee populations in health and productivity efforts. These wellness programs often involve a number of different components, including health risk assessments, biometric screenings, disease management, employee assistance programs, and on-site clinics. Wellness incentives also take many forms, including premium discounts and surcharges, copayment and deductible waivers, health savings account and health reimbursement arrangement contributions, and cash and non-cash rewards. Increasingly, employers are opening wellness programs up to spouses and other dependents and giving program participants the opportunity to select from a menu of goals to obtain wellness incentives.

In many cases, our members have devoted significant financial, administrative, and staff resources to ensure that their wellness programs are tailored to needs, culture, and specific health concerns of their plan populations. Many of our members also have implemented extensive communications efforts—such as web portals, print communications, and having employees serve as "wellness champions"—to educate participants about their wellness programs and increase participation. Because our members maintain a strong focus on evidence-based, cost-effective health coverage, many will want to adapt and modify their wellness programs as new research and technologies become available, with the goal of improving participant health and productivity and increasing overall cost savings.

For the reasons above, National Business Group on Health members strongly support allowing flexibility to design and later adapt wellness programs to reflect the needs of specific plan populations and lines of business. For example, most of our members have not reached the 20% of cost of coverage threshold for health-contingent wellness

incentives and do not plan to substantially increase their incentives in response to the new 30% threshold (50% in the case of tobacco use). We support the increased incentive threshold because it will allow our members flexibility to modify their wellness programs in the future, if they find it appropriate, to improve participant health and productivity or decrease overall health care costs for employers and employees. Likewise, we support and recommend the following:

A. Allowing group health plans flexibility in apportioning rewards in health-contingent wellness programs

We recommend allowing plan sponsors flexibility to tailor and apportion rewards to the specific needs of their plan populations, provided they comply with applicable reward limits (e.g., 30% of cost of coverage). Specific apportionment rules—such as a rule requiring a prorated reward if only one family member fails to qualify for a reward—may prohibit plans from adopting reward structures that maximize participation or beneficial health outcomes. Flexibility in program design also will allow plan sponsors to take into account plans' unique cost structures such as two-tier premium structures that provide only self and family levels of coverage or multiple-tier premium structures that set premiums based on the number of individuals covered.

B. Allowing group health plans flexibility in designing wellness programs that prevent or reduce tobacco use

As noted above, we support increasing the maximum reward that can be provided under a health-contingent wellness program to 50% of the total cost of coverage for programs designed to prevent or reduce tobacco use. In defining "tobacco use," we recommend a broad definition that will permit plan sponsors to tailor tobacco cessation incentives to the particular needs of their plan populations, given that tobacco use can take many forms.

C. Providing additional examples illustrating the limitation on the size of wellness program rewards when the amount of a reward is variable or not determinable at the beginning of the plan year

We believe that the proposed regulations' examples illustrating how to calculate the applicable percentage for health-contingent wellness program rewards will be helpful to plan sponsors in complying with the new reward limits. We recommend that in final regulations, the Departments provide additional examples applying the applicable percentage rules to rewards that may vary or may not be determinable at the beginning of a plan year. For example, some of our members provide or are considering health-contingent wellness program rewards in the form of copayment, coinsurance, or deductible waivers or access to certain tiers of health plan coverage. Because the size of such rewards may vary with participants' health plan utilization, job category, or compensation levels, we think a workable solution would be to permit plans to use a reasonable, good faith estimate of the value of such rewards for purposes of complying with the reward limits.

II. Reasonable Alternative Standards

We also recommend that the Departments, in final regulations, retain the current rule for reasonable alternative standards, as set forth in in 29 C.F.R. 2590.702(f)(2)(iv)(A). To date, our members have complied in good faith with this rule and offered participants reasonable alternative methods to obtain wellness program rewards when it was medically inadvisable or unreasonably difficult due to a medical condition to meet otherwise applicable standards. In fact, many of our members simply waive standards for health-contingent wellness program rewards in these circumstances. In addition, as mentioned above, employers that offer health-contingent wellness programs are increasingly giving employees a choice from a menu of health goals by which they can obtain incentives. These types of programs offer alternatives up front rather than upon request.

For our members, health-contingent wellness programs do not serve as subterfuges for underwriting or reducing benefits based on health status, and we do not support implementing health-contingent wellness programs "that provide little to no support to enrollees to improve individuals' health." Rather, our members view health-contingent wellness programs as valuable tools for improving participant health and productivity and reducing overall health care costs for employers and employees. Allowing flexibility in developing reasonable alternative standards—as the current regulations do—will permit plan sponsors to design reasonable alternatives that further wellness programs' specific health goals. Additional rules for reasonable alternative standards would only increase plan costs with little or no benefit to participants.

Likewise, we do not recommend implementing a more stringent standard for physician verification. We are not aware of any plan sponsors overusing physician verification requirements and note that a number of plans either do not have or are considering eliminating physician verification requirements. Furthermore, we believe the proposed regulations set forth an unclear standard for when a claim "is obviously valid based on the nature of the individual's medical condition that is known to the plan or issuer." We therefore recommend that this standard be eliminated in final regulations. If the final regulations do incorporate this standard, we recommend clarifying when a claim would be "obviously valid," in examples or otherwise.

III. Reasonable Design

For the reasons above, we also recommend that the Departments retain the current standard for reasonable design, as set forth in in 29 C.F.R. 2590.702(f)(2)(ii). Plan sponsors need flexibility (1) to design wellness programs to suit the specific needs of their plan populations and (2) modify those programs as new evidence-based incentive methods and technologies emerge. The current reasonable design standard has allowed our members to tailor their health-contingent wellness program incentives to the needs, culture, and specific health concerns of their plan populations. Additional restrictions or standards on wellness program design will likely limit their ability to modify wellness

programs to improve health outcomes, increase participation, and lower overall health care costs in the future. The Departments' proposal to require a different, reasonable means of qualifying for a reward if any individual does not meet a wellness program standard based on a measurement, test, or screening would also increase administrative and cost burdens for plans with little benefit to participants. Our members already design health-contingent wellness programs with the goal of maximizing participation, and this standard would present an unnecessary restriction and burden.

Furthermore, we strongly disagree with the assumptions underlying the proposed modifications to the reasonable design standard. As we discuss above, in designing wellness programs, our members maintain the goals of (1) improving participant health and productivity and (2) reducing overall health care costs for employers and employees. Wellness programs also serve non-health related purposes such as increasing workforce readiness, improving workplace safety, and improving employee morale. For our members, wellness programs:

- Do not serve to shift costs to higher risk individuals;
- Do not serve as a subterfuge for discrimination or underwriting based on health factors;
- Do not subject employees to unreasonable "one-size-fits-all" incentive designs that fail to take employees' circumstances into account; and
- Do not make it unreasonably difficult for participants to access different means of qualifying for wellness rewards.

Because the current reasonable design standard—combined with the current reasonable alternative standard—allows plan sponsors much-needed program design flexibility while accommodating individuals' health circumstances, there is no need for:

- Evidence- or practice-based standards to ensure that wellness programs are reasonably designed;
- Best practices guidance regarding evidence-and practice-based strategies to increase the likelihood of wellness program success; or
- Other consumer protections to ensure that wellness programs are reasonably designed to promote health or prevent disease.

Such additional standards and protections would only limit plan sponsors' ability to modify wellness programs to improve health outcomes, increase participation, and lower overall health care costs in the future.

Again, thank you for considering our comments and recommendations on the Departments' proposed rulemaking on Incentives for Nondiscriminatory Wellness

Programs in Group Health Plans. Please contact me or Steven Wojcik, the National Business Group on Health's Vice President of Public Policy, at (202) 558-3012 if you would like to discuss our comments in more detail.

Sincerely,

Helen Darling
President

Business Roundtable℠

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Office of Health Plan Standards and Compliance Assistance
Employee Benefits Security Administration
Room N–5653
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210,
Attention: Wellness Programs

Re: Notice of Proposed Rulemaking—Incentives for Nondiscriminatory Wellness Programs in Group Health Plans

Dear Sir or Madam:

The Business Roundtable (BRT) is an association of chief executive officers of leading U.S. Companies. Together, our members' companies employ more than 16 million individuals and provide health care coverage to nearly 40 million American workers, retirees, and their families. BRT is invested in addressing health care costs that hamper essential economic growth. For that reason, BRT has been critically engaged on the issue of health care reform and has an interest in seeing an implementation of the Affordable Care Act (ACA) that provides employers with the flexibility they need to continue providing critical benefits to employees and their families.

The Department of the Treasury ("Treasury"), the Department of Labor ("DOL"), and the Department of Health and Human Services ("HHS") (collectively, the Departments) have requested comment on the notice of proposed rulemaking dated November 26, 2012, regarding incentives for nondiscriminatory wellness programs in group health plans. The proposal would, consistent with the ACA, as amended:

- Increase the maximum permissible reward under a health-contingent wellness program offered in connection with a group health plan (and any related health insurance coverage) from 20 percent to 30 percent of the cost of coverage;
- Further increase the maximum permissible reward to 50 percent for wellness programs designed to prevent or reduce tobacco use;
- Refine the definition of tobacco use;

- Clarify the rules regarding the reasonable design of health-contingent wellness programs and the reasonable alternatives they must offer in order to avoid prohibited discrimination; and
- Permit greater flexibility for employers by removing the requirement of apportionment of rewards.

BRT appreciates the opportunity to submit comments in response to the Departments' proposed regulations (the "Guidance"). BRT strongly supports the direction of the proposals contained within the Guidance and applauds the Departments for their coordinated efforts and recognition of the crucial need for employer flexibility. BRT encourages the Departments to incorporate into any final rule or future guidance the recommendations presented below.

Clarification of Requirement that Wellness Program be Reasonably Designed

It appears to be the intent of the Departments to maintain the five requirements for health-contingent wellness programs, with the only significant modification relating to the size of the reward. These five requirements are:

- The frequency of the availability to qualify for the reward;
- The size of the reward;
- The uniform availability and reasonable alternative standards;
- The requirement that the program be reasonably designed; and
- Notice of other means of qualifying for the reward.

From the BRT's review of the Guidance, there appears to be a conflict between the rules regarding the requirement that plans offer a "reasonable alternative" and the requirement that "the program be reasonably designed." We recommend that this conflict be resolved in favor of the rules that apply under the "reasonable alternative" standard.

Under the "reasonable alternative" standard, a plan must offer a participant or beneficiary a "reasonable alternative" to the applicable standard for obtaining a reward in a health-contingent wellness program only in the event that satisfaction of the otherwise applicable standard is unreasonably difficult or medically inadvisable due to a medical condition. The Guidance states as follows:

> A "reasonable alternative standard" (or waiver of the otherwise applicable standard) for obtaining the reward must be provided for any individual for whom, for that period, it is either *unreasonably difficult due to a medical condition* to meet the otherwise applicable standard, or for whom it is *medically inadvisable* to attempt to satisfy the otherwise applicable standard. (Emphasis added.)

Under the Guidance, therefore, the obligation to offer a reasonable alternative is contingent on the presence of a medical condition that prevents the participant from satisfying the initial standard. In contrast, the requirement that the plan be reasonably designed does not appear to take into account a participant's medical condition in the event of failure to satisfy the otherwise applicable standard. Under the proposed regulations, the determination of whether a health-contingent wellness program is reasonably designed is based on all the relevant facts and circumstances. The Departments note the following:

> To the extent a plan's initial standard for obtaining a reward (including a portion of a reward) is based on the results of a measurement, test, or screening relating to a health factor (such as a biometric examination or a health risk assessment), the plan must make available *to any individual who does not meet the standard* based on the measurement, test, or screening a different, reasonable means of qualifying for the reward. (Emphasis added.)

According to the Guidance, a plan would not be "reasonably designed" unless it offered another means of qualifying for the reward to every individual who failed the initial standard, regardless of the reason for the individual's failure to meet the standard. This interpretation, if adopted, would essentially eliminate the reasonable alternative standard, which is only triggered in the event a medical condition prevents satisfaction of the initial standard.

BRT supports the Departments' goal of providing reasonable alternative standards that can accommodate an employees' medical condition if the condition prevents the employee from achieving the initial standard. In addressing the need for the advice of a physician in determining the need for an alternative, the BRT urges the Departments to consider the need for a precise definition of "physician."

BRT also suggests that, in order to protect employee dignity and privacy, the Departments consider placing the onus of establishing a medical condition on the employee rather than on the employer. For many employers with thousands of employees, many of whom rarely meet face-to-face, an employee's medical condition might not be obvious to a plan administrator. It is also important to avoid any situations where a plan administrator is forced under regulations to make judgments about an employee's medical condition based only on incomplete information and subjective observations. Moreover, the Departments should not issue any regulation that encourages employers or issuers to review employee medical records to obtain protected health information. Such a regulation would create an atmosphere of suspicion and distrust regarding the administration of wellness programs. On the other hand, empowering employees to reveal any disqualifying medical conditions to their employers gives employees control of the process and permits the employee to weigh the benefits of a reward with the disclosure of the employee's protected health information.

BRT suggests, therefore, that the "reasonably designed" standard be revised as follows:

> To the extent a plan's initial standard for obtaining a reward (including a portion of a reward) is either (1) based on the results of a measurement, test, or screening relating to a health factor (such as a biometric examination or a health risk assessment), or (2) is based on any incentive design that includes requirements for either receiving a medical exemption if appropriate based on a temporary or permanent medical condition or having reasonable alternatives when otherwise healthy, but not reaching a biometric target, then in either event the plan must make available to any individual who, *due to a medical condition*, does not meet the standard based on the measurement, test, or screening a different, reasonable means of qualifying for the reward. The employer shall have no obligation to provide an alternative based on the presence of such medical condition unless and until the employee establishes the existence of such medical condition.

Expansion of Conditions Entitled to the 50% Wellness Reward

The Departments are authorized under law to increase the maximum reward under a wellness program from 30% of the applicable cost of coverage to as much as 50% if the Departments determine that such

an increase is appropriate. The BRT applauds the Departments' decision to increase the maximum reward to 50% for health-contingent wellness programs designed to prevent or reduce tobacco use. BRT recommends that the 50% maximum reward also apply to programs that are designed to prevent or reduce obesity.

Obesity in adults and children has become a national concern. A recent survey in The Economist noted that two-thirds of Americans are overweight, defined as having a body mass index ("BMI") of 25 or more; 36% of adults and 17% of children are classified as obese with a BMI above 30, creating the risk that, if current trends continue, nearly half of American adults could be obese by 2030.[1] As noted in The Economist:

> [O]besity has costs. It lowers workers' productivity and in the longer term raises the risks of myriad ailments, including diabetes, heart disease, strokes, and some cancers; it also affects mental health. In America, obesity-related illness accounted for one-fifth of total health-care spending in 2005. A new global health study led by Christopher Murray of the University of Washington shows that since 1990 obesity has grown faster that any other cause of disease. For women, a high BMI is now the third highest driver of illness.[2]

We recognize that there continues to be debate and discussion around the obesity issue and that medical data and studies regularly provide additional insights on the issue. For example, according to a meta-study published in the January 2013 issue of the Journal of the American Medical Association, "overall obesity (combining all grades) and higher levels of obesity were both associated with a significantly higher all-cause risk of death, while overweight was associated with significantly lower all-cause mortality."[3] The meta-study also notes that overweight or somewhat obese people might have a lower mortality risk because these people are receiving medical treatment for other conditions associated with weight gain, such as high cholesterol or diabetes.[4]

It is also important to note that the analysis in the meta-study, while noteworthy, is limited to analysis of increased mortality risk from obesity, not to analysis of the higher risk of developing chronic conditions from obesity. Toward that end, a study by the World Health Organization found that obesity is a major factor in the development of chronic medical conditions, with obesity being a major cause of 44% of diabetes cases, 23% of cases of coronary heart disease, and over 40% of various cancers.[5]

BRT and its member companies recognize that the obstacles in combating obesity are much more challenging than the obstacles found in reducing the incidence of smoking. In contrast to tobacco cessation programs, the fight against obesity involves many changes in an individual's daily habits, such as adoption of a regimen of frequent exercise and consumption of a different and more varied diet, along with greater access to nutritional information. As a result, the fight against obesity should involve a variety of private and public policies designed to encourage healthier choices. The expansion of chronic conditions that would be subject to the increased wellness reward of 50% of the cost of medical coverage would be one such policy that employers could use in conjunction with others to reduce the incidence of obesity in their populations.

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[1] Charlotte Howard, "The Big Picture", The Economist, December 15th 2012, page 3.
[2] *Id.*, page 4.
[3] "Higher Levels of Obesity Associated With Increased Risk of Death; Being Overweight Associated With Lower Risk of Death", The JAMA Network, January 1, 2013, http://www.digitalnewsrelease.com/?q=jama_3867
[4] *Id.*
[5] Howard, p. 7.

BRT, therefore, recommends that the increased 50% wellness reward apply to programs that target prevention and reduction of obesity as well as obesity-related illnesses.

Refine the definition of tobacco use

The Guidance requests comments on the definition of tobacco use. BRT does not recommend a specific definition of tobacco use. Instead, BRT urges the Departments to permit employers the flexibility to design innovative programs that broadly define "tobacco use" and the period of time over which such use is measured as they design wellness programs meant to prevent or reduce tobacco use in their unique employee population.

Apportionment of Rewards

We believe it is not necessary to apply rules on apportionment of awards and that it will constrain employer flexibility in designing otherwise compliant wellness programs. For example, an apportionment rule will introduce unnecessary complexity into calculating a reward or penalty as well as communicating the terms of a wellness program to participants. We believe that the use of the coverage tier could be the attachment point for the maximum on rewards/penalties based on whether dependents are eligible for the wellness program.

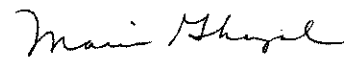
Additional Technical Issues

Additionally, BRT would request that HHS provide a technical clarification to proposed § 146.121(f), regarding nondiscriminatory wellness programs in general. Specifically, we would encourage the Departments to clarify that nothing in paragraph (f) prohibits a health insurance issuer from providing a reward to an employer or group health plan sponsor for its employees' participation in a workplace wellness program. Including such clarifying language will ensure that insurance issuers retain the ability to incentivize both employers' and plan sponsors' incorporation of workplace wellness programs into their offered plans and their continued support for employees' ongoing participation in these programs. BRT recommends that the wellness program regulations clarify that rewards paid to employers for achieving workforce participation goals in wellness programs and for completion of those programs be permissible under the regulations, both with respect to the program itself and the alternative reward, and not be counted toward the maximum permissible wellness reward.

Conclusion

BRT applauds the efforts of the Departments to create workable, flexible rules that encourage the design, establishment and operation of employer-provided wellness programs that help employers, employees, and their families identify and manage chronic medical conditions and reduce the cost and burden of these medical conditions on individuals, government, employers, and society. BRT believes that the above recommendations will facilitate these objectives and help achieve the goal of affordable health care for all Americans. I am available at your convenience to discuss any of these matters further.

Sincerely,



Maria Ghazal
Vice President and Counsel
Business Roundtable

AON Hewitt

Facts to Support Employer Sponsored Wellness

- The U.S. rates of overweight and obesity remain at epidemic levels and national health care costs are approximately $190 billion/year for the treatment of diseases associated with excess weight. The workplace setting has the potential to be a central element in reducing obesity because the majority of adults work and worksite offer naturally occurring social groups that could facilitate weight control. (*2013 American Journal of Clinical Nutrition; 97:667-76*)
- According to the Aon Hewitt 2013 Health Care Survey 83% employers believe workplace culture and 79% work environment can have the greatest influence in impacting worker health and changing behavior
- 40% of consumers strongly indicate the continued importance of living and/or working in a healthy environment. (*2013 Aon Hewitt, National Business Group on Health and The Futures Company The Consumer Health Mindset Survey*)

Consumer View Point on Improving Health and Wellness

When asked if consumers would participate in a wellness program, only 10% to 18% (depending on the program type) of consumers refused to participate regardless of any reward. That means getting 80%+ participation is an achievable target; but at what cost? Depending on the program type, one-third (37%) to one-half (54%) of consumers who would consider participating would do so just for the benefit of doing it. In other words, no incentive is necessary. Another 18% to 37% (depending on the program type) would do it for $50 or less. The key, however, is getting employees to overcome the obstacles (like lack of time or perceived inconvenience) that get in the way of participation.

- 50% of consumers say their employers should reward participants for achieving specific, controllable outcomes (e.g., improved BMI)
- 48% want employers to offer free tools to participants to raise awareness of personal health status and risks
- 47% want employers to provide programs to participants to help achieve/maintain a healthy lifestyle
- 65% of those consumers who took an HRQ and received information that they need to make changes actually made at least one lifestyle behavior change.

Employers Want To…	Consumers Say…
Improve Health and Workforce Performance	**Equip Me** Consumers say they know what they need to do to be healthy. However, more often than not, life gets in the way of actually doing it or sustaining it. Consumers continue to report they experience a fair amount of stress, especially from finances and work, and often deal with it in sedentary ways. As they deal with stress, they believe they are on their own since they do not believe they receive much support from their employers.
Engage Participants	**Guide Me** Consumers say they are not getting the guidance they need to make the best health-related decisions. As for the communication channel they prefer, they

	say email is the best medium to efficiently guide them to important information. Many consumers also report that a health risk questionnaire (HRQ) led them to make a change that improved their health.
Reduce Unnecessary Expenses	**Reward Me** Consumers say it does not take much to get them into wellness programs. However, they believe their employers should reward good health outcomes (instead of penalize bad health outcomes). As far as incentives, cash works best.

(Source: 2013 Aon Hewitt, National Business Group on Health and The Futures Company The Consumer Health Mindset Survey)

Employer View Point on Improving Health and Wellness

The work environment affects health, just as our health affects the way we do our work. By removing the barriers and increasing the opportunities to be healthy everyone wins. Worksite wellness contributes to breaking down barriers and incorporating health into daily job functions.

- Changing employee behavior is top of mind for employers (*2013 Aon Hewitt Health Care Survey*)
  - 76% reported a need to increase participation in health improvement/wellness/condition management programs
  - 75% indicated a need to increase participation in all health-related decision making
  - 65% want to lower health risks of the population
- All health/wellness programs and service offerings increased from 2012 to 2013 with the exception of the 24/7 nurse line which actually decreased by 2% (*2013 Aon Hewitt Health Care Survey*)

Worksite Wellness Programs

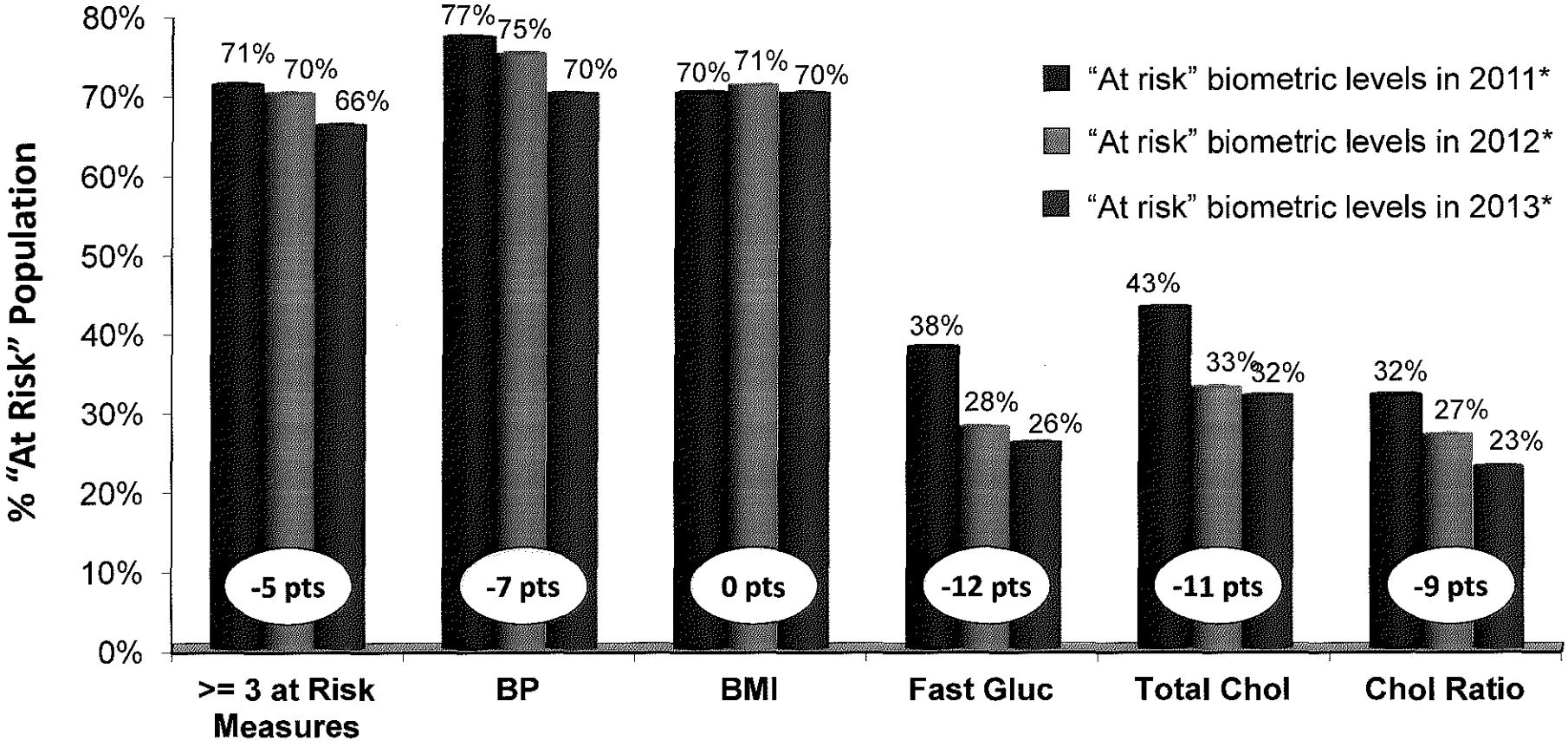
Wellness programs influence and contribute to reducing all health-related costs of organizations while improving individual and business performance and productivity.

- Worksite wellness programs can make meaningful contributions to improve the health and well-being of a workforce. Improved health potentially leads to increased employee engagement, morale, retention, productivity and lower health-related costs. (*Journal of Occupational and Environmental Medicine, 2013 55:1*)
- The workplace is an important setting for successful prevention and wellness programs because employees spend 8-12+ hours a day at work and employers can influence behaviors by providing a supportive work environment and culture as well as leveraging existing infrastructure to offer lower cost but effective interventions that improve health. (*Working Towards Wellness, World Economic Forum 2007*)
- HR professionals believe that reducing health-related productivity as a primary or secondary goal of their health promotion/wellness and return to work programs nearly as often as they cited reducing medical and pharmacy costs. (*IBI 2011 CFO Survey: Making Health the CRO's Business*)

Delivering Results: Healthier Employees

Consolidated Cohort Results Summary

Three year biometric results



** Chart data represents a YOY cohort group of members who participated in all three program years*