



Custom Tailored Employee Wellness Plans

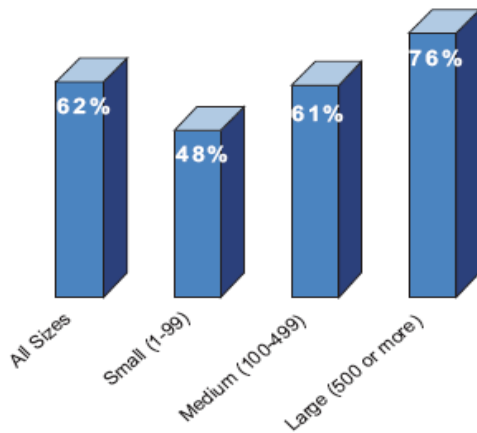
Employers Choose

Different populations have different needs in regards to wellness programs. Some employers do not wish to disrupt the working environment at all and others are willing to apply serious efforts to change behavior. With this unique approach the employer decides which techniques are appropriate for the workforce. Then the health plan builds the appropriate language into the Plan Document to support the program. Results are tracked by a behavioral health scientist and presented to the carrier upon renewal to tighten up rate credits.

Creative Ideas to Be Considered:

- Online health assessment and management, electronic medical record and claims tracking system
- Smoker/non smoker rates
- Lower out of pocket for medical services if participant agrees to take an online Health Risk Assessment
- On-site physician managed wellness and routine care
- Deductible reimbursement coupons for healthy behavior
- Walking or running team coordination
- Video conferencing health risk assessment programs
- Medical claim fraud identification awareness

Percentage of Employers Offering Wellness Programs



Cost of Absenteeism

To consider the benefits of such a program, consider the affect on the cost of absenteeism for a company of 150 employees. The average rate of absenteeism on any given day is approximately 2.5% i.e. approximately 4 employees absent out of 150 total employees. The cost of a sick day is calculated as (salary + 30% employer costs) divided by 240 working days. The average wage in our example is \$40,000 per year. The employer's average cost of a sick day is calculated as: $(\$40,000 + \$12,000) = \$217$ per day divided by 240. Let's also assume there are 4 absences a day:

$$\begin{aligned} & \$217 \times 4 = \$868 \text{ per day} \times 240 \text{ (working days)} = \\ & \text{approximately } \$208,000 \text{ per year or } \$1,387 \text{ per employee} \\ & \text{per year, based on 150 employees.} \end{aligned}$$

Something to Consider

Large insurance companies have a "buy-low from the docs" and "sell high to employers" mentality. As a result, medical providers have had **no financial incentive** to keep populations healthy. Additionally, because most insurance plans do not offer lower rates for wellness programming, employers have had little incentive to slow production and perform wellness programming.

This customizable "carrot and stick" concept can be employed to achieve the desired behavior from the population. The entire spectrum of proven risk management techniques is available allowing employers to act as aggressively as legally possible to achieve best interests of the plan as a whole. From totally removing participants from the retail environment by implementing a doctor on-site program to offering incentive rewards for achieving goals such as completion of marathons, the right blend of approaches for the target population will achieve results.