

## Wellness Programs Effectively Measuring the Impact

By Melissa Tobler

**E**mployers are investing dollars and human capital in wellness programs, hoping they'll see improved employee health and lower expenditures of health care dollars. Will they be successful?

Traditional wellness programs target lifestyle choices like tobacco use and inactivity with the goal of reducing the risk of developing acute and chronic conditions. In this scenario, it is difficult to measure the impact on a future event that may or may not occur. For example, eating enough daily servings of vegetables is clearly a sound nutritional goal; but is there a measurable return on investment (ROI) from this behavior? If vegetables promote lower rates of cancer, then it will take 10 to 30 years of follow-up monitoring to see if cancer rates really are lowered.

To address more immediate returns on health, many employers are moving toward developing comprehensive health promotion programs. Health promotion is a broader term and embraces health events across the full continuum of health programming – from wellness to prenatal programs to condition management. It also encompasses near term as well as future risks to the financial management of the health plan. This approach allows for the development of strategies that address health risks regardless of age or severity. This also allows for key metrics like inpatient admissions and emergency room visits to be used as plausibility markers for evaluating the validity of any claimed ROI.

When developing health promotion programs, here are some key points to consider for measuring impact.

### Setting the targets

Maximum impact comes from appropriately targeting risks. If you are measuring financial returns, you will want to see lower dollar outlays to measure change. This requires programs to target cost drivers in the population. Having a source of analytical support will help determine answers to the following common cost driver questions:

- What are the most prevalent conditions in the population? How do these compare to the costliest conditions?
- Who is driving costs? If spouses are driving costs and your programs and communication are targeting employees, then the programs are not appropriately targeting risk to the plan.
- Is there inappropriate utilization of inpatient or emergency room services?

If the goals of your program are to change behavior, independent of costs, having supportive analytics is still important.

- Do you have cohort reporting available to measure behavior change over time?
- Are the behaviors being measured related to the financial

cost drivers to ensure maximum impact? For example, seat belt use is already required by law; is it an appropriate focus for scarce dollars? Conversely, if diabetes is a cost driver, focusing on physical activity makes clinical and programming sense.

### Program design

If members do not participate in health programs, there is no impact. Consider these engagement factors:

- Health needs vary by demographics and by individual. Program design ideally will address this variance. For example, if a member is pregnant, participation in a prenatal program may be of more value to the health plan than participation in a walking program.
- Choose incentives based on the end behavior to be measured.
- Choose incentives that are meaningful to the workforce.
- Cash rewards, when associated with multiple required behaviors and complex reporting requirements, simply may not motivate enough individuals to meet participation goals.

### Supporting change

Ideally, the ultimate goal of any wellness or health promotion program is to create personal accountability for one's health. This shift in accountability assumes that behaviors will change as members realize that reliance on the health care system and employer health plans to treat lifestyle choices will come at a personal financial cost.

Interventions should not be solely about education. Programs need to prepare, assist and support individuals in making different choices. Most individuals who use tobacco, or are overweight or inactive already know their risks. What they need is guidance on how to make different choices given their established coping behaviors, financial situation, home environment, work requirements, mental health issues, etc.

When programs support behavior change and accountability increases, reduced demand on the health plan is realized from proactive involvement and monitoring of health conditions. This is when a ROI can be measured.

Employers who are realizing valid impact from health and wellness programs are using the above approaches to successfully lower absenteeism, emergency room utilization, worker's compensations claims and employee turnover. They are also seeing higher rates of employee satisfaction.

#### INFORMATION LINK

**Author:** Melissa Tobler is vice president and national practice leader of health strategies at Hays Companies. Learn more at (317) 610-3422 or [www.hayscompanies.com](http://www.hayscompanies.com)