

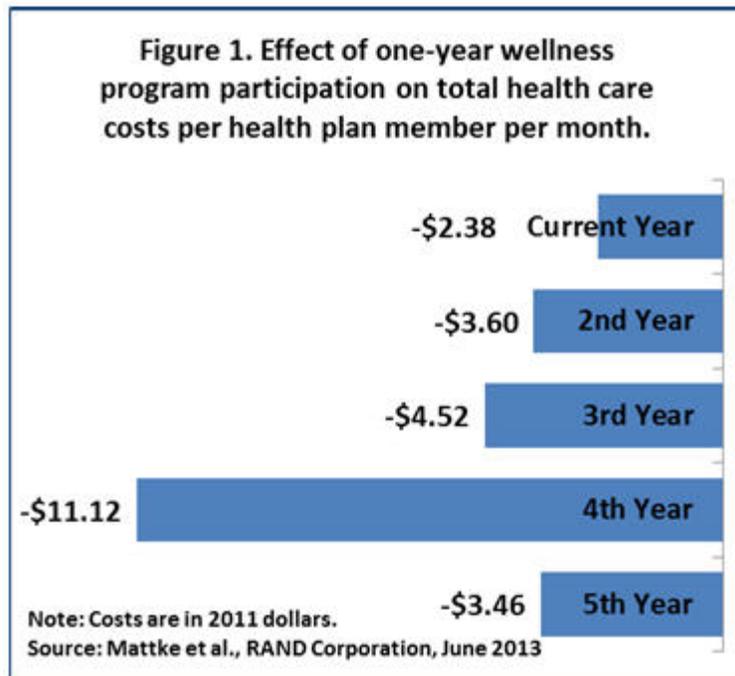


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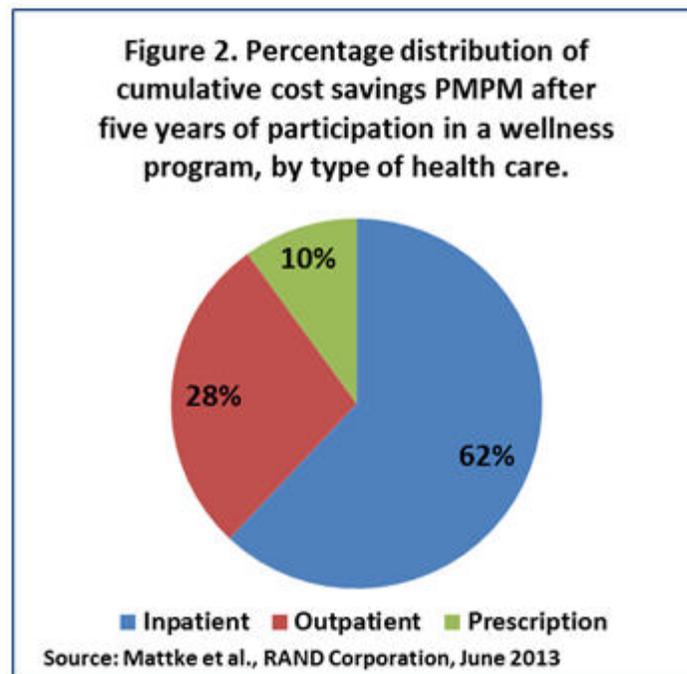
RAND Workplace Wellness Study Results

According to a report issued by the RAND Corporation on wellness, approximately half of U.S. employers offer wellness promotion initiatives, and larger employers are more likely to have more complex wellness programs. The 2013 report offers detailed insight into what most employers are doing in the ever growing health, wellness and productivity space. The results offer valuable data for benchmarking purposes and for measuring against what one's own current plan offers. A summary of key findings is below:

- Programs often include **wellness-screening activities** (80%) to identify health risks and interventions to reduce risks and promote healthy lifestyles. Most employers (72% of those offering a wellness program) characterize their wellness programs as a combination of screening activities and interventions.
- **Lifestyle management programs**, which are offered by 77% of employers with a wellness program, target a broad range of risk factors, though nearly 80% offer nutrition and weight activities, and 77% of employers offer smoking cessation programs. Diabetes, followed by heart disease, chronic lung disorders, depression, and cancer are the most commonly targeted disease management programs.
- In addition to those preventive interventions, employers offer **health promotion activities** (86%), such as onsite vaccinations, healthy food options, and other health and well-being related benefits (61%), such as employee assistance plans and onsite clinics.
- Fewer than half of employees (46%) undergo clinical screening and/or complete a health risk assessment, which are typically used to identify employees for interventions. Of those identified for an intervention based on screening results (for example, employees who report physical activity below their recommended level), a fifth or less chose to participate.
- Employers overwhelmingly expressed confidence that workplace wellness programs reduce medical cost, absenteeism, and health-related productivity losses. But at the same time, only about half stated that they have evaluated program impacts formally, and only 2% reported actual savings estimates. Program participation is associated with a reduction of \$2.38 in total health plan costs per member per month (PMPM) in the first year and the effect increases to up to \$11.12 PMPM in the fourth year. (Figure 1).



- Results suggest that the trends are primarily driven by the reduction in inpatient cost, accounting for nearly two-thirds of the total cost reduction. Reductions in outpatient costs and prescription drug cost account for 2% and 10% respectively (Figure 2). Corresponding to these cost reduction trends are declines in inpatient admissions and emergency department visits. During the same time period, inpatient admissions and emergency department visits reduce by 22 and 42 per 1,000 employee years, respectively. In contrast, inpatient admissions and emergency department visits among the comparison group either increase or slightly decrease.



The RAND study reviewed scientific and trade literature, performed a national survey of employers with at least 50 employees in the public and private sectors, performed statistical analyses of health plan claims and wellness program data from several employers, and case studies of five

employers with established wellness programs.

[The 174-page report is available online.](#)

Should you have questions about designing a custom wellness program for your organization, please contact your Conner Strong & Buckelew account representative.



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