

Go For The Gold: A Health Promotion Incentive Program

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Abstract

Companies implement health promotion programs to help their employees modify unhealthy behaviors and reduce lifestyle-related risk factors in an effort to control health care, absenteeism and related costs. Between 20-30 percent of employees can be expected to complete an annual health risk assessment (HRA) to find out about their individual health risks as well as services and programs available to help maintain or attain a healthy lifestyle. Implementation of an incentive program is one method to increase HRA completion rates as well as to provide a cost-effective means to manage escalating health care costs.

HEALTH Plus is Vanderbilt University's comprehensive faculty and staff wellness program. Health Risk Assessments (HRAs) have been a part of the HEALTH Plus program since 1991 when the faculty and staff health and productivity program was initiated. HRAs are administered by HEALTH Plus staff and are offered to full-time faculty and staff online or a paper version for new employees that go through New Employee Orientation. Faculty and staff completing an HRA receive a summary about their current lifestyle practices and health risks, as well as information about their specific risks and available resources to help them reduce their risks.

In 2003, Vanderbilt started the Go For The Gold Incentives Program in an effort to enhance the culture of wellness within the faculty and staff population and to contain escalating healthcare costs. The program was implemented in three phases (Bronze, Silver, and Gold Levels), over a 3-year span, with a 4th component (Spouse/Certified Domestic Partner participation) being added this year.

Introduction of the Organization

Commodore Cornelius Vanderbilt had a vision of a place that would “contribute to strengthening the ties that should exist between all sections of our common country” when he gave a million dollars to create a university in 1873. Today, that vision has been realized in Vanderbilt, an internationally recognized research university in Nashville, Tennessee, with strong partnerships among its 10 schools, neighboring institutions and the community. The University is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools.

Vanderbilt is a member of the Association of American Universities.

An independent, privately supported university, Vanderbilt is the largest private employer in Middle Tennessee and the second largest private employer based in the state, employing more than 3,000 full and part-time faculty, and staff of almost 17,600.

Vanderbilt University comprises 10 schools, a public policy institute, a distinguished Medical Center, and The Freedom Forum First Amendment Center. Vanderbilt offers undergraduate programs in the liberal arts and sciences, engineering, music, and education and human development, as well as a full range of graduate and professional degrees. More than 11,500 graduate and undergraduate students are enrolled in the University’s College of Arts and Sciences, Blair School of Music, Peabody College, School of Engineering, School of Nursing, School of Medicine, Law School, Divinity School, Graduate School, and Owen Graduate School of Management.

One of the nation's foremost academic medical centers, Vanderbilt University Medical Center (VUMC) is a comprehensive health care facility dedicated to patient care, research, and the education of health professionals. The VUMC includes Vanderbilt University Hospital; The Vanderbilt Clinic; Monroe Carell Jr. Children's Hospital at Vanderbilt; The Psychiatric Hospital at Vanderbilt; The Vanderbilt-Ingram Cancer Center; The Vanderbilt Stallworth Rehabilitation Hospital; The School of Medicine; The School of Nursing; and The Vanderbilt Medical Group, one of the largest physicians practices in the Southeast. VUMC programs unique to the region include Level I Trauma Center; Comprehensive Adult and Pediatric Burn Center; LifeFlight air emergency transport; Voice Center; 19 specialty services of Children's Hospital, including Level IV Neonatal Intensive Care Unit; Poison Control Center for Tennessee; and the state's only comprehensive Organ Transplant Program.

Vanderbilt is proud of its faculty, staff, students, and alumni who are committed to the advancement of learning, research, and patient care and are recognized for their accomplishments. These achievements could not have been reached without the dedication and skill of the persons who make up the Vanderbilt Community.

Statement of the Problem/Initiative

According to a Mercer Human Resources Consulting Survey (cited in Whitmer et al, JOEM, Sept. 2003), employer health care costs increased 14.7% in 2002 and were on target to double within five years. Most forecasts suggested annual increases in health care costs of 15-17% while employers reported being able to tolerate a maximum of an 8% annual increase. For fiscal year 2003, Vanderbilt's total health care costs were just over \$98 million, a 28% increase over health care costs for the previous fiscal year, and were predicted to continue to rise.

The employer's traditional approach to health and well-being includes disease diagnosis and treatment, paid vacation, sick leave, worker's compensation, and retirement planning. This approach has little impact on reducing health care costs. There tends to be a lack of health-oriented prevention and maintenance as the employer devotes resources to fixing what is broken and needs repair. In 2002, the average per person, employer contribution for medical care was about \$4300 while the amount contributed for workplace health promotion was about \$60 per employee per year. This means that even these more progressive employers pay about 80 times more for diagnosis and treatment of medical problems than they invest to help employees achieve optimal health, prevent diseases, control use, moderate costs, lower absenteeism, and increase work performance.

An emerging strategy used by some employers to limit the growth of health care costs is to reallocate some existing health care funds toward health enhancement programs that optimize employee health, which in turn can reduce health care use, moderate cost increases, reduce

illness absenteeism, and improve work performance and productivity. In this process, programs may take place at two levels: the general workforce and executive and upper management.

Design

Population Health Management consists of five categories of interventions: health enhancement, risk management, demand management, disease management, and disability management.

Combined health enhancement and risk management interventions strategies that focus on lifestyle behavior change have a \$3 to \$6 ROI for each dollar invested within 2-5 years. This ROI includes only the medical cost impact of these programs, so they substantially underestimate the total ROI by excluding cost outcomes like absenteeism, disability, and lost productivity.

Indirect factors such as these may account for 50-75% of the total ROI. Demand management interventions (i.e., self care, decision support) have a \$2 to \$3 ROI for each dollar expended in reduced medical costs within a one year period, with limited data suggesting a similar return in the second year. Disease management interventions have reported up to \$7 to \$10 ROI for each dollar invested on medical costs within one year and it is likely that disability management interventions have a ROI similar to this. The targeted population for the intervention is key; a lower ROI for a program targeting 100% of the population may have an overall ROI greater than that of a program with a higher ROI that targets only 10% of the population.

A Population Health Management Plan was developed during 2000-2002 by a *HEALTH Plus* Design Team in conjunction with Summex Corporation. The design team consisted of Vanderbilt faculty and staff members from various departments including Human Resources, *HEALTH Plus*, Health Promotion, Environmental Services, Plant Operations, Mail Services, Biostatistics, Graduate Medical Education, Disability Services, Campus Planning and Construction, News and Public Affairs, Occupational Health Clinic, Employee Assistance Program, and others. Additionally, during 2002-2003, a Business Plan for the Health Plan was

developed by the Health Care Cost Containment Committee in conjunction with AON. The plan consisted of 10 steps:

1. Build Awareness and a “Culture of Wellness”
2. Analyze Health Risks and Promote Early Detection of Disease
3. Provide Interventions for Maintaining and Reducing Health Risks
4. Market and Communicate Health Care Strategy, Goals, and Initiatives
5. Gather Information and Provide Analysis to Guide Decisions
6. Manage Chronic and Costly Diseases
7. Provide Incentive to Maintain Healthy Lifestyles
8. Provide Ongoing Education
9. Integrate Health Care Initiatives
10. Evaluate Initiatives

The Best Practice on which we would like to focus is the incentive program to maintain healthy lifestyles, called “Go For The Gold.” The purpose of this program is to create a cost-effective incentive program to promote and reward healthy lifestyle behaviors, encourage health risk identification, support activities to maintain or reduce health risks, promote early detection of disease, and enable Vanderbilt benefits-eligible full-time faculty and staff to become savvy health care consumers. This program was designed to be phased in over four years with greater incentives available each year as program components were added.



Bronze:

The Bronze Level consists of one step, the Health Risk Assessment. It will help you understand what your health risks are and what you can do to become as healthy as possible. Complete it yearly to help you re-evaluate your health status.

Steps involved: complete the Health Risk Assessment to receive a wellness credit of \$10.00 (taxable) on your paycheck each month of 2007.

Silver:

The Silver Level consists of two steps. First, complete the Health Risk Assessment to help you understand what your health risks are and what you can do to become as healthy as possible. Next, focus on healthy actions that will help you maintain or improve your health by completing the Wellness Actions Sheet.

Steps involved: complete the Health Risk Assessment AND the Wellness Actions Sheet to receive a wellness credit of \$15.00 (taxable) on your paycheck each month of 2007.

Gold:

The Gold Level consists of three steps. First, complete the Health Risk Assessment to help you understand what your health risks are and what you can do to become as healthy as possible. Next, focus on healthy actions that will help you maintain or improve your health by completing

the Wellness Actions Sheet. Last, watch the new Game Plan for Your Health, where you will learn ways to be an informed health care user.

Steps involved: complete the Health Risk Assessment, the Wellness Actions Sheet AND the Game Plan for Your Health to receive a wellness credit of \$20.00 (taxable) on your paycheck each month of 2007.

Spouse Wellness Credit:

Faculty/staff paying for spouse/certified domestic partner health insurance coverage and completing the Bronze, Silver **OR** Gold Level will be eligible to earn an additional \$5 per month for having their spouse/certified domestic partner complete a HRA. This wellness credit of \$5.00 (taxable) will be effective 1/07 and ending 12/07.

Implementation

The Go For The Gold Incentives Program is designed to give full-time, active, benefits eligible faculty and staff a wellness credit for participating in various wellness choices. The program began in 2003, with the intention of adding one component each year. Because Vanderbilt's school colors are black and gold, we decided that the highest faculty/staff participation level would be called the Gold Level, achievable during the third year of the program.

Timeline

Year One

| Level | Eligibility Criteria | Credit Amount | Effective Period for Credit |
|--------------|--|----------------------|------------------------------------|
| Bronze | Complete Health Risk Assessment between 12/1/02 and 11/30/03 | \$10 per month | 1/04 – 12/04 |

Year Two

| Level | Eligibility Criteria | Credit Amount | Effective Period for Credit |
|--------------|---|----------------------|------------------------------------|
| Bronze | Complete Health Risk Assessment between 12/1/03 and 11/30/04 | \$10 per month | 1/05 – 12/05 |
| OR | | | |
| Silver | Complete Health Risk Assessment between 12/1/03 and 11/30/04 <u>AND</u> Perform 5 or more actions from the 9 Wellness Categories between 12/1/03 and 11/30/04 | \$15 per month | 1/05 – 12/05 |

Year Three

| Level | Eligibility Criteria | Credit Amount | Effective Period for Credit |
|--------------|--|----------------------|------------------------------------|
| Bronze | Complete HRA between 12/1/04 and 11/30/05 | \$10 per month | 1/06 – 12/06 |
| OR | | | |
| Silver | Complete HRA <u>AND</u> Perform 5 or more actions from the 10 Wellness Categories between 12/1/04 and 11/30/05 | \$15 per month | 1/06 – 12/06 |
| OR | | | |
| Gold | Complete HRA <u>AND</u> Perform 5 or more actions from the 10 Wellness Categories <u>AND</u> Complete the Game Plan for your Health scenarios between 12/1/04 and 11/30/05 | \$20 per month | 1/1/06 – 12/31/06 |

Year Four

| Level | Eligibility Criteria | Credit Amount | Effective Period for Credit |
|--------------|--|----------------------|------------------------------------|
| Bronze | Complete HRA between 12/1/05 and 11/30/06 | \$10 per month | 1/07 – 12/07 |
| OR | | | |
| Silver | Complete HRA <u>AND</u> Perform 5 or more actions from the 10 Wellness Categories between 12/1/05 and 11/30/06 | \$15 per month | 1/07 – 12/07 |

| | | | |
|------------------------------|--|----------------|-------------------|
| OR | | | |
| Gold | Complete HRA between <u>AND</u> Perform 5 or more actions from the 10 Wellness Categories <u>AND</u> Complete the Game Plan for your Health scenarios between 12/1/04 and 11/30/05 | \$20 per month | 1/1/07 – 12/31/07 |
| | | | |
| Spouse Wellness Credit | Complete Bronze, Silver OR Gold Level <u>AND</u> Have spouse or certified domestic partner covered on their health plan complete a HRA | \$5 per month | 1/1/07 – 12/31/07 |

To implement the program to a large population base, we relied heavily on technology and marketing strategies. Health Risk Assessments are offered to full-time faculty and staff online or a paper version for new employees that go through New Employee Orientation; approximately ¾ of all HRAs are completed online. Wellness Actions Sheets and Game Plan for your Health are completed exclusively online. While online completion of program components has enabled a greater participation in the program, it has also presented some challenges. There is wide variation in computer skills across the Vanderbilt campus; while there are experts, there are also people who have never used a computer and do not have access to one. Additionally, although all employees are assigned a User ID to log in to Vanderbilt computer systems, such as e-mail, not everyone activates the ID and sets up a secure password. A by-product of the Go For The Gold program has been an increase in activation of these IDs and passwords. Help Sessions are

offered in computer training rooms, and 1:1 help is available at the HEALTH *Plus* facility and the Occupational Health Clinic.

Marketing strategies have evolved over the years of the program. Multiple messages, multiple times, in multiple formats has become the mantra. New employees receive information about Go For The Gold during orientation sessions. The HEALTH *Plus* Web site is maintained with the most current information, plus it provides the portal for logging in to complete various levels. Information is printed in campus publications and the HEALTH *Plus* newsletter that goes to employees' homes. Flyers and posters are placed at campus locations frequented by faculty and staff. HEALTH *Plus* mans booths at campus events such as Employee Celebration kick-off, Safety Fair, and Benefits Fair to provide information and assistance with Go For The Gold. Presentations are given within departments upon request. Targeted e-mails are sent based on components of the program completed and remaining to be completed.

Benefits

More than 10,000 people have participated in each of the three completed years (10,248 in 2003; 10,463 in 2004; and 12,444 in 2005) of the Go For The Gold program. The overall wellness score increased 4.3 points from 52.5 in 2003 to 56.8 in 2004. Since each point represents a savings of \$30 in future healthcare costs, this translates into a savings of \$1.3 million in healthcare costs alone. This score remained elevated in 2005, with a mean of 56.1. With 12,444 participants, this translated into an additional \$1.4 million in healthcare savings.

Go For The Gold has had a significant impact on motivating participants to exercise. In 2003, 72.7% exercised one or more times per week. In 2004, this increased to 79.1%. This increase in exercise is associated with a \$284,127 estimated savings in healthcare costs. In 2005, the rate increased again to 80.5%.

Although the proportion of Americans who are overweight continues to rise, there was a decrease in proportion overweight among the GFTG participants between 2003 and 2004. This rebounded slightly in 2005 but remained well below the national average. The Go For The Gold program also demonstrated decreases in sick time, smoking, stress, and depression as well as an increase in job satisfaction.

In addition to analyzing annual data, changes among the 5,719 people who have completed the HRA in all 3 years have been analyzed. There was a significant increase in the overall wellness score and in the percent of participants exercising. This is important to demonstrate that the

results of all participants are not simply a selection bias of healthier people participating in 2004 and 2005.

Worksite health promotion programs may produce ROI of 3.48:1 (Aldana, AJHP, 2001). Total incentives program cost is projected at \$4,096,326.00. Based on an ROI of 3.48:1, the potential ROI could be \$14,255,214.00.

Retrospect/Discussion

The most important lesson learned with the Go For The Gold program development and implementation has been that a “cookie-cutter” approach in a university and academic medical center setting will not afford success to a program. We have taken each phase step-by-step, building the program and tailoring it based on the needs of the population.

The purpose of the Go For The Gold program is to create a cost-effective incentive program to further encourage Vanderbilt benefits-eligible full-time faculty and staff to maintain or improve healthy lifestyle practices and to make health a priority in the home by providing a Spouse Wellness Credit to faculty and staff whose spouse/certified domestic partner is covered on their health plan. This plan meshes with overall goals for Vanderbilt University as well as the overall program enhancement plan developed by the HEALTH *Plus* design team in conjunction with the Summex Corporation and enhances a “culture of wellness” at Vanderbilt.

References

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