



# A Case Study from Northwestern Mutual

## *Our Mutual Health*

Well City Milwaukee in collaboration with:



March 2010

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## Our Mutual Health

For more than 150 years Northwestern Mutual, headquartered in Milwaukee, Wisconsin, has developed lasting relationships with clients by providing guidance for financial security. According to industry experts and an analysis in FORTUNE magazine's 2009 annual survey, Northwestern Mutual is one of the top 50 "World's Most Admired companies." Their timeless values of integrity, personal responsibility, teamwork, growth, honesty, and compassion permeate their culture and are evident in their commitment to their employees as well as their clients. In 2009, Northwestern Mutual was named the Best Place to Work in the insurance industry by Glassdoor.com, an online career and workplace community. This dedication to the employees is evident in company's benefits and wellness programming that enrich their employees' health and well-being.

"Our Mutual Health" is the wellness strategy that Northwestern Mutual follows in providing a high quality work environment for its 5,100 employees at two Wisconsin locations. The program is committed to promoting a culture of wellness by helping manage the growth of health care costs, increasing employee attention to health and wellness issues and improving overall productivity. As an active member of WELCOA since 1985, Northwestern Mutual received its first Well Workplace Gold Award in 1994. The commitment continues today, having achieved the second designation of the Gold Award in February of 2009.

Since their earliest days, the company has provided a high quality work environment and given employees opportunities to make healthy lifestyle choices. "Our Mutual Health" started in 2004 with a program encouraging employees to walk more and be aware of their fitness level. An onsite fitness center has been available for many years to facilitate employee fitness. Employees embraced the program with 80% participation. Health screening and health risk

assessments (HRA) were also added. The HRA is a health questionnaire that provides employees with an assessment of their health status and quality of life by determining an estimated level of health risk and then providing information and feedback to help employees reduce their risk. Soon to follow were in-house mammography screenings, an on-line weight loss program, and healthy food selections offered at no cost to employees in the company-owned cafeterias.

Employees today can also participate in any of the 17 employer-sponsored clubs focusing on a variety of sports, a 5K/10K walk/run at their annual meeting, and numerous other community walks, runs and rides. Wellness programs are also offered in the areas of personal financial management, safety/health protection and CPR training. Employees have the opportunity to be screened for cholesterol, diabetes, and prostate cancer plus flu vaccine clinics are offered. "It's not only the right thing to do, it increases the organization's competitive advantage," says Edward J. Zore, President and Chief Executive Officer.

True to their goals, Northwestern Mutual has not only set and implemented a comprehensive wellness program, but they also consistently evaluate their strategies and document outcomes. When it comes to measuring employee health status, Northwestern Mutual uses a variety of data collection methods including reports from the annual HRA, cultural audits, healthcare claims, and program evaluation surveys. This information not only drives health promotion programming efforts, but also provides insight on how well the wellness strategies are working.

### ***Overall Improvements in Health Risks***

Northwestern Mutual has administered an annual HRA since 2004. The financial incentive of \$120 for employees to complete the HRA has helped achieve participation rates averaging 80%. As a result, Northwestern Mutual has been able to track changes in employee health over time.



One of the most significant indicators of health, the average number of health risks per employee, has decreased since 2004. This measurement is based on data from the HRA relating to health status and health behaviors such as weight, stress, cholesterol, eating habits, blood pressure, smoking, and exercise. Comparing the number of health risks for employees with one or more previous HRAs between 2004 and 2006 to the HRA results for the same group of employees in 2007, the company saw a statistically significant decrease of 5% in the number of health risks per employee. Additionally, they saw an improvement in their overall health risk profile, with employees moving from higher to lower health risk categories (See Figure 1).

The change in Northwestern Mutual's risk profile not only shows improvements in employee health, but also represents cost savings. According to the University of Michigan Health Management Research Center, excess costs in the form of medical expenses, pharmacy-related expenses, and productivity, are associated with excess risks. The lowest costs are reported to be

associated with individuals with 0-2 risks and as risks increase, costs increase as well. Based on the reduced number of health risks, it is estimated that the company will realize an estimated annual savings of \$386,400.

**Northwestern Mutual improvements in overall health risk profile:**

**Percent of employees in low risk category (0 – 2 health risks), increased from 46% to 49%**

**Percent of employees in moderate risk category (3 – 5 health risks), decreased from 46% to 45%**

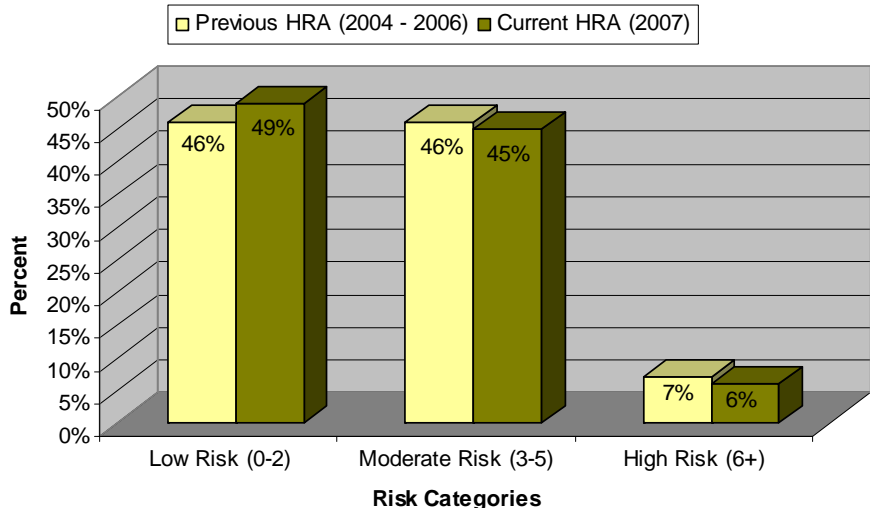
**Percent of employees in high risk category (6+ health risks), decreased from 7% to 6%**

**Body Mass Index Trends below State and National Averages**

Maintaining a healthy weight is one of the most challenging health behaviors to put into practice. Across the country, the percent of adults who are either overweight or obese continues to rise. According to the

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**Figure 1: Percent of Northwestern Mutual Employees by Health Risk Category 2004 - 2007 (N = 3,558)**





Centers for Disease Control and Prevention (CDC) overweight is a Body Mass Index (BMI) of 25.0 – 29.9 and obesity a BMI  $\geq$  30. Individuals who fall into these ranges of weight have been shown to be at increased risk for certain diseases and other health problems including: coronary heart disease, Type 2 diabetes, cancer, hypertension, stroke, and liver and gallbladder disease to name a few.

Northwestern Mutual, recognizing the challenges of managing weight in a society that promotes increased food intake, non-healthy foods, and physical inactivity, instituted a number of policy and environmental change initiatives that make healthy choices in nutrition and physical activity available, affordable, and easy. For example, they changed the food choices in the onsite cafeterias to include a variety of healthy options and more traditional sugar-filled desserts were replaced with fruit choices.

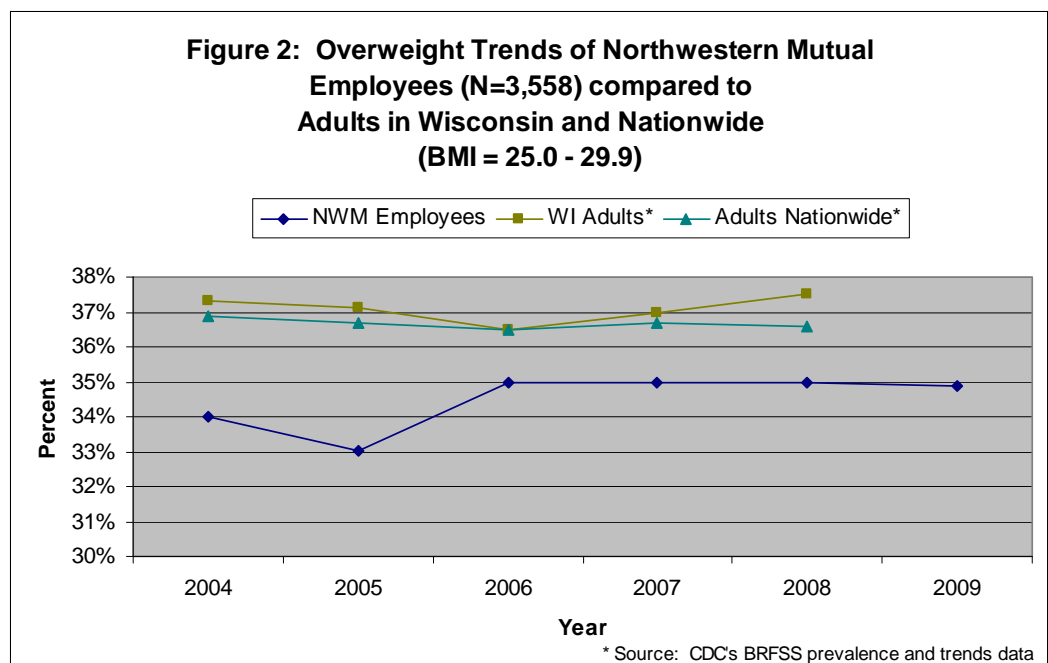
During a period when overweight and obesity trends in Wisconsin and the nation as a whole are increasing, Northwestern Mutual's supportive and health-promoting work environment has helped employees beat this upward trend by managing weight gain. In fact, the percent of overweight employees at Northwestern Mutual has remained stable at 35% since 2006 and consistently below both national and state averages since Northwestern Mutual started tracking this information in 2004 (See Figure 2).

### Targeted Programs Address Physical Activity, Healthy Eating, and Weight Management

In 2008, the company introduced a year-long online weight loss and fitness program to help employees achieve long-term weight control. The program was free to all employees and resulted in 1,436 enrollees. Participants entered their daily exercise minutes, nutritional choices, and weight, and online tracking of progress in the form of graphs and team standings were provided.

Progress was measured by comparing registration data to the 13 week evaluation. A total of 638 participants (44% of those enrolled) completed the evaluation. Many participants reported that they were more active. In addition, 22% of the participants indicated they had achieved a healthy weight (the average weight loss was 4 pounds) and 41% were confident of their ability to maintain the weight they lost.

Northwestern Mutual also launched a 12-week fitness center incentive program in 2008 to boost overall participation in onsite fitness classes. Although fitness classes are offered year-round, Northwestern Mutual wanted to exceed the average of 75% of the class



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timeslots filled. Each time employees attended any of the fitness classes, they were entered into a drawing for one of three \$100 cash prizes. There was a minimal charge to employees for each class, with the fee subsidized by the company. Classes included aerobics, yoga, Zumba, body conditioning, Tae Kwon Do, and Body Flow. Participation exceeded the goal, due in part to the very popular Zumba classes, with an average of 84% of time slots filled during the campaign.

A total of 189 employees participated in the 12-week fitness center incentive promotion and 101 completed a post-program survey. Results indicated that more than 80% of participants reported improvements in their general health as a result of attending the fitness classes on a regular basis.

- 74% reported experiencing more energy
- 74% reported reduced stress levels.
- 69% indicated they increased their knowledge about maintaining healthy habits and healthy lifestyles
- 68% reported an increase in their level of happiness

The survey also revealed that fitness classes, programs,

and facilities are highly valued by employees and help many maintain a regular exercise program when they otherwise would not. Among comments shared by employees...*“The convenience of our Fitness Center classes is essential to my exercise regimen. I would probably not exercise at all during the week if we did not have classes onsite – it would be unlikely that I would go offsite after work to exercise.” “The fitness classes at Northwestern Mutual are one of my most cherished benefits.”*

#### **Health Culture Audit Confirms Employee Engagement**

Northwestern Mutual conducted a Health Culture Audit to assess the company’s health norms, employees’ individual attitudes about health, and the personal perceptions that exist concerning health and well-being as it related to the organization. Overall results were positive, with more than 80% of employees indicating that they were familiar with the company’s wellness programs, activities, onsite fitness center, and classes. Most (74%) agreed that the company demonstrates its commitment to supporting healthy lifestyles through its use of resources and 67% agreed with the statement “My organization has a shared vision (similar beliefs as my own) when it comes to wellness in the workplace.”

*“Northwestern Mutual will continue to provide opportunities for employees to be healthy at work and in the home, helping to improve their overall quality of life. I am committed to supporting employees in choosing a healthy lifestyle and providing a workplace culture that encourages these choices today and into the future.”*

**Ed Zore, Northwestern Mutual CEO**



### ***Onsite Health Care Clinics Established in 2009***

Perhaps the culmination of Northwestern Mutual's history of commitment to the health and wellness of its employees is the recent opening of onsite health care clinics at their two Milwaukee campuses. The clinics share a physician and are each staffed by a nurse practitioner or physician assistant. Employees and family members over the age of 18 who are covered by the company's health insurance as well as retirees can use the clinics as their primary care provider or as a supplement to their current health care. The health centers offer routine physicals, treat minor illness and injuries, and provide screenings and vaccinations. Northwestern Mutual's strategy in establishing the clinics is to keep health care costs down by bringing preventive care to their workers; and to integrate wellness care into the primary care provided by the clinics. Northwestern Mutual plans to monitor the activities and outcomes of the clinics to assure that the long history of proactive wellness and prevention is continued. ■

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