



Well City Milwaukee Five Employer Case Studies Executive Summary

Well City Milwaukee in collaboration with:



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Overview

Employee health is fundamental to the success of business and the growth and quality of life in Milwaukee. Therefore, under the leadership of the Greater Milwaukee Committee, the City of Milwaukee, and the Metropolitan Milwaukee Association of Commerce, the Well City Milwaukee initiative undertook a three year process to become a Well City USA -- a designation awarded by the Wellness Council of America (WELCOA). The process started in 2006 and was formally launched in early 2007.

To achieve the Well City designation, 20 percent of Milwaukee’s workforce (about 50,000 people) must be employed by companies that have implemented comprehensive employee wellness programs and met Well Workplace Award criteria. Employers were required to complete the Well Workplace accreditation award application by the end of 2009. In March, 2010, the Well City Milwaukee Executive Committee received notification from WELCOA that Milwaukee had officially achieved the designation of Well City USA.

While workplace programs were successfully implemented across the community, the question of their impact and outcomes remained unanswered. The next logical step was to undertake a process of documenting the overall results of the programs within

the employer workforce, environment and to their bottom line.

Participating member employers each implemented different programs, had different evaluation strategies, and had different priorities in terms of what they measure and where they wanted to see impact and outcomes. Conducting a large scale research study involving all member employers was unrealistic. Thus, five participating employers, of various sizes and sectors, were recruited to serve as case study examples.

Well City Milwaukee contracted with an evaluation consultant, Core Health Group, to conduct employer interviews, gather and analyze data provided by the participating organizations, and prepare the case study reports.

The Case Study Project concluded that although program impact and outcomes varied from one company to another, workplace wellness had a significant impact on improving employee health, organizational culture and health cost savings.

The Case Study Process

With the objective of studying a variety of types of businesses, participating organizations were selected by Well City Milwaukee leadership based on their size, business sector and willingness to participate.

Organization	Number of Employees In Milwaukee	Business Sector	Year Formal Launch of Wellness Program	Well Workplace Award
Helwig Carbon Products	244	Manufacturing	2004	Gold 2008
Metropolitan Milwaukee Association of Commerce	35	Association	2004	Small Business 2008
Northwestern Mutual	5000	Financial	1993	Gold 2009
P&H Mining – a Joy Global Inc. Company	1200	Manufacturing	2004	Gold 2009
PyraMax Bank	123	Banking	2005	Gold 2008

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Interviews were conducted with wellness program managers, members of the wellness team, senior leadership, and individual employees.

Background information about each employer was drawn from the interviews, employer websites and recent press coverage. Participating employers were asked to provide the evaluation consultant with program evaluation reports and outcomes documentation relating to their wellness initiatives including:

- Completed Well Workplace Application
- Health Risk Assessment (HRA) aggregate reports
- Medical claims utilization and health cost data
- Worker's compensation data
- Sick leave or absenteeism statistics
- Employee satisfaction surveys
- Culture audits
- Employee testimonials
- Intervention/activity evaluations
- Cost benefit or return on investment analysis

Outside resources used for comparison and analysis to state and national health status, health risk and medical costs, and health care cost trends included 1) Towers Perrin's *Health Care Cost Survey* for 2005 - 2009, 2) Centers for Disease Control and Prevention's *BRFSS prevalence and trends data*, 3) Centers for Disease Control and Prevention's *The Health Effects of Overweight and Obesity*, and 4) University of Michigan Health Management Research Center's *Worksite Wellness: Cost Benefit Analysis and Report 1979 to 2005*.

Overall Employee Health Status and Economic Impact

Overall changes in employee health status and the economic impact varied, depending upon the organizations program design, priorities, evaluation process, and experience and history in workplace wellness. For most participants the long term business strategy included:

- Achieving lower health costs
- Improving individual employee health and productivity
- Improving aggregate group health outcomes

All participating companies had measured, analyzed, and reported year to year changes in health status. However for some, a system to track annual health costs and productivity outcomes had not yet been put in place.

- Helwig Carbon Products has methodically tracked health outcomes and health costs since the inception of their wellness program in 2004. They have realized impressive improvements in overall employee health and a cost savings below the national average in total per employee health costs. Based on projected health care savings, company executives estimate their return on investment to be 1.6 to 1.
- Helwig also experienced a positive shift in aggregate health risk status. Between the first year of the wellness program (baseline 2004) and the five year period following the launch (2005-2009) the percent of employees in the minimal risk category increased from 16% to 30%, and the percent in high risk category decreased from 30% to 23%. Productivity improved as well. Measured in terms of product shipped per employee per hour, productivity was 17% higher from 2005-2009 than the five year period before the wellness program.
- Northwestern Mutual experienced similar improvements in aggregate health risks. Their average number of health risks per employee has decreased since the launch of their wellness program in 2004. In 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.

- Northwestern Mutual credits their wellness program for beating the upward trend in overweight and obesity. During a period when the trends in Wisconsin and the nation as a whole are increasing, Northwestern Mutual has helped employees manage weight gain. The percent of overweight employees has remained stable at 35% since 2006 and has been consistently below both national and state averages since the company started tracking this information in 2004.
- Overall employee health status improved for the MMAC. The Overall Wellness Score (OWS) which is based on employee behaviors and modifiable lifestyle habits reported in their annual HRA improved gradually each year of the program. In 2006 the OWS was 34, a score that is in the “Needs Improving/Fair” category. By 2009, they achieved an OWS of 50 which is in the “Doing Well/Good” range.
- Since 2005, the P&H Mining stretching program along with ergonomic improvements, personalized exercise plans, and “on-demand” coaching and treatment have helped employees manage their existing conditions while preventing future injuries. In an environment of rising health care costs, their workers’ compensation costs have not increased and the number of strains and sprains is decreasing. Strains and sprains were reduced 36% and lost time reduced by 100% between the first quarter for fiscal year 2009 and fiscal year 2010.
- In addition to reduced medical expenses, PyraMax Bank measures the impact of their wellness program in terms of increased medical consumerism. From the inception of the program in 2005, company health costs were shared with employees and they were encouraged to be educated health consumers. PyraMax credits the

increased employee awareness of medical expenses and the heightened responsibility with self care to their positive financial outcomes. During a period when national employer health care costs have increased by an average of 7%, the costs at PyraMax have increased by an average of 2%. The savings has been shared with employees. Employee health insurance premiums at PyraMax have increased only twice during the past five years and each increase was less than 5%.

- Virtually, all organizations saw an increase in participation in their annual HRA or annual Health Screening process when they introduced financial incentives linked to health insurance premiums. When PyraMax introduced the premium based incentive, participation rates reached 100% of all employees and spouses enrolled in the health insurance plan. Helwig has reached more than 90% participation since introducing the premium linked financial incentive. At P&H some employees receive either a 3% health insurance premium reduction while others are eligible for a gas gift card. Although not directly linked to the health insurance premium, Northwestern Mutual uses a strong cash incentive of \$120 to encourage HRA participation, with resulting participation rates averaging 80%. The MMAC also offers a discount on health insurance premium for participation in the HRA.

Behavior Change Initiatives

To achieve WELCOA’s Well Workplace designation, organizations must describe which health and productivity interventions they implemented and the evaluation results from these programs. Since all case study employers have been awarded the Well Workplace designation, it’s not surprising that all shared information about the outcomes from these behavior change initiatives. Programs addressed tobacco cessation, physical activity, weight management, self-care, and stress management. A number of programs documented impressive results. A few are highlighted below:



- Northwestern Mutual’s 12-week fitness center incentive motivated employees to attend onsite fitness classes. Overall timeslots filled increased from 75% to 84%. In addition, 80% of participants reported improvements in their general health as a result of attending the fitness classes on a regular basis.

- When stress was high, the wellness programming staff at PyraMax responded with the “My One Thing” program to address employee concerns and stress levels. 96% of employees who participated in the 8-week stress reduction campaign reported reduced stress levels.
- The MMAC put a unique twist on their walking program. Participants compete not only by tracking their daily steps; they can also win prizes through a scavenger hunt component. The hunt involves searching the blocks surrounding their downtown office for answers to the week’s scavenger hunt question. About 50% of the staff gets involved. The walking program combined with the scavenger hunt promotes physical activity while encouraging teamwork and reduces employee stress.
- PyraMax’s “Biggest Loser” healthy eating and weight management competition engages nearly 60% of all employees each year. Recently 73 employees from 15 teams lost a total of 450 pounds during the 8-week campaign. At the end of the program, 87% reported an increase in knowledge regarding physical activity and nutrition. Nearly 60% were motivated to continue their weight loss efforts.
- The P&H walking program, a corporate initiative involving all locations across the U.S. and Canada, encourages employees to set a four-week walking goal measured in number of minutes or steps walked per week. Participation for the Milwaukee-based employees has outpaced overall results at Joy Global, up more than 70% in one year.

Employees have embraced the walking program with 74% achieving their goals of increasing physical activity.

Personal Stories and Testimonials

In addition to the quantitative outcomes, three employers shared stories about employees and their families who benefited from the employer-sponsored health promotion initiatives and found value in wellness. These stories provide a glimpse into the positive impact wellness programs have on employee quality of life.

- A P&H employee successfully quit smoking after participating in a smoking cessation program offered at work. In addition to enjoying the health benefits that come with quitting, she rewarded herself for her healthier lifestyle and took the money saved from buying cigarettes and bought herself a new car.
- A PyraMax employee sent a note to his wellness team proudly announcing that he lowered his cholesterol by more than 60 points without medication. He thanked them for the heart healthy seminars, education about reading labels, and the walking programs that helped him achieve his goal.
- A survey at Northwestern Mutual 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. *“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.”*

These personal testimonials and examples provide yet another means for demonstrating how wellness programs are helping employees make positive health behavior changes and achieve their wellness goals.



Observations and Conclusions

Statistically indisputable conclusions cannot be drawn from the small sample of very different companies studied, nor was this the intention of Well City

Milwaukee. Additionally, the evaluation, impact, and outcomes measurement process was dependent upon and limited to data and information provided to the evaluation consultants by the participating companies. Nevertheless, a number of observations and conclusions became apparent:

1. All of the studied organizations had strong senior leadership support. Company leaders felt that wellness was not only fiscally wise, it was equally important to show employees that they are valued; that their health and wellbeing and that of their families are important to the organization.
2. There is no absolute standard on what constitutes “acceptable” outcomes and impact measurement. Member employers have different priorities in where they want to see impact and outcomes. That being said, all participating companies verbalized, documented, and reported positive returns from their workplace wellness programs.
3. Although health cost savings was a primary reason for most organizations to begin wellness initiatives, systems or measures to track economic outcomes had not always been put in place.
4. Without exception, all participating companies measured and saw improvements in aggregate health status, as documented in improvements in overall wellness score, positive shifts in health risk profile, and reduction in the number and severity of work injury.
5. Overall, measurement of productivity was lacking. Most companies have not yet devoted attention to this measure.
6. Incentives linked to health insurance premiums and/or strong financial incentives significantly increased participation in Health Risk Assessments and health screenings.
7. Participation in intervention specific activities increased with program longevity, and as wellness was integrated into the company culture.
8. Interest surveys and culture audits indicate that most employees value wellness programs and activities. Results show that employees appreciate the support provided by their employer in making healthy lifestyle changes and see workplace wellness as a benefit. ■