

Options for Wellness Platforms and Programs

January 21, 2015

Session Objectives

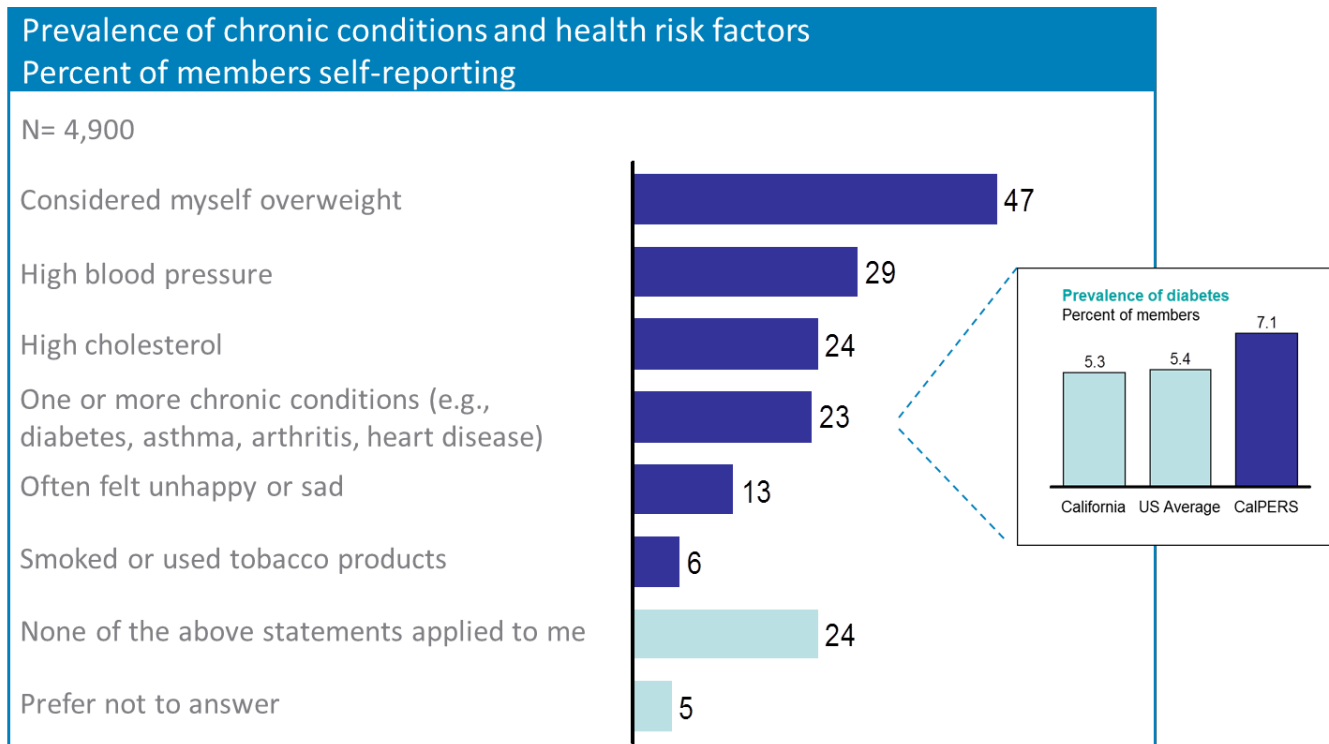
- CalPERS Wellness Platform Journey
- Worksite Wellness Pilot Experience
- Common Elements
- Private/Public Wellness Program Examples
- Implementation Challenges
- Next Steps – Approaches

CalPERS Wellness Platform Journey

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- CalPERS Wellness Platform Journey
 - 2011 Health Benefits Survey
 - 2012 Health Benefits Initiatives
 - 2013 Annual Health Plan Member Survey
 - 2014 Public Agency Health Benefits Design Needs Assessment (PAHBDNA)
 - 2014 Annual Health Plan Member Survey
 - CalPERS Current State of Wellness

2011 CalPERS Health Benefits Survey

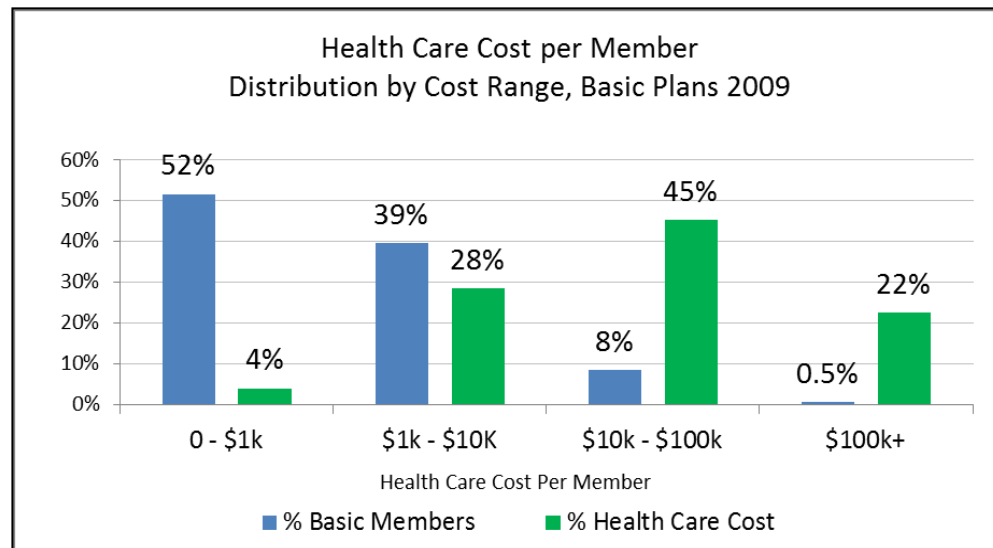
Deteriorating member health is concern: 70% of members report risk factor



Source: CalPERS Health Benefits Survey (July 2011), QF12

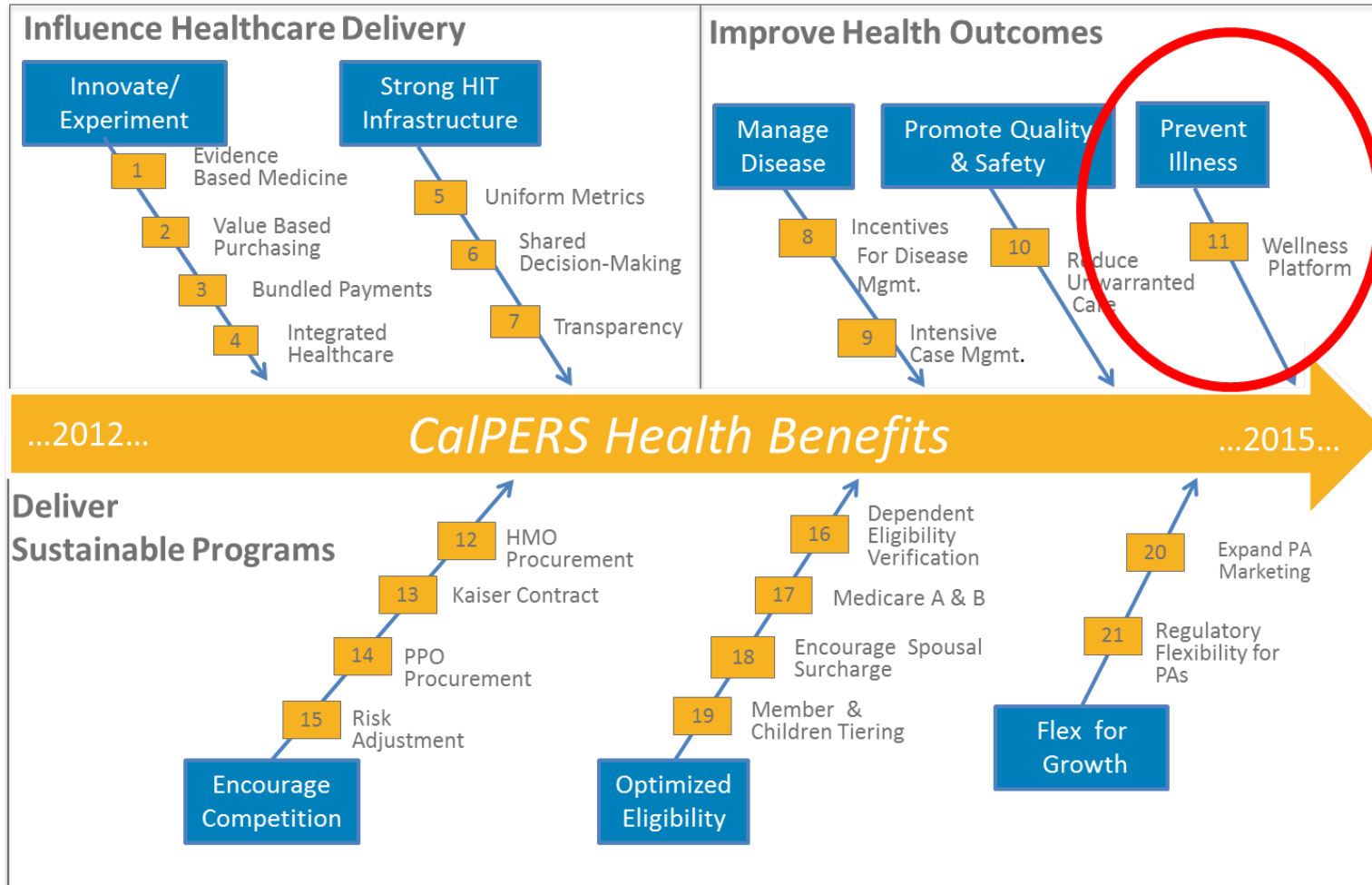
2011 CalPERS Health Benefits Survey

- Majority of costs are incurred by minority of members



- 67% of health care costs incurred by 8.5% of members in Basic Plans

2012 Health Benefits Initiatives



2013 CalPERS Health Plan Member Survey

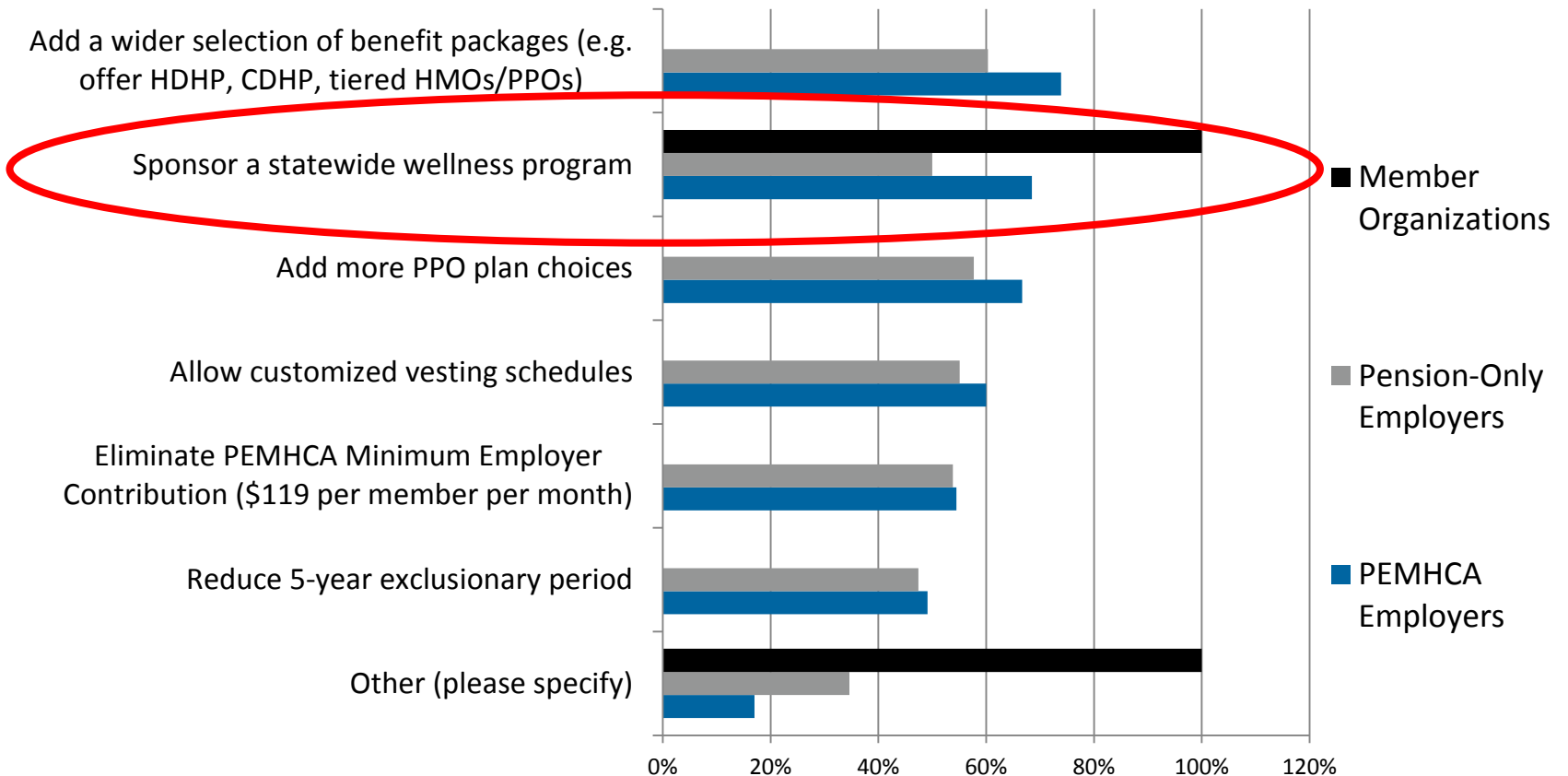
- Survey responses
 - 8,262 completed surveys
 - 47% response rate
- Asked if members participated in:
 - Health risk assessment
 - Wellness program via
 - worksite
 - health provider/plan
 - someone else
- Available services are under-utilized. On average:
 - 38% took a health risk assessment
 - 11% participated in a wellness program

2014 PAHBDNA Survey

- Public Agency Health Benefits Design Needs Assessment (PAHBDNA)
- Surveyed:
 - Member organizations
 - Pension-only employers
 - PEMHCA employers
- 23% response rate

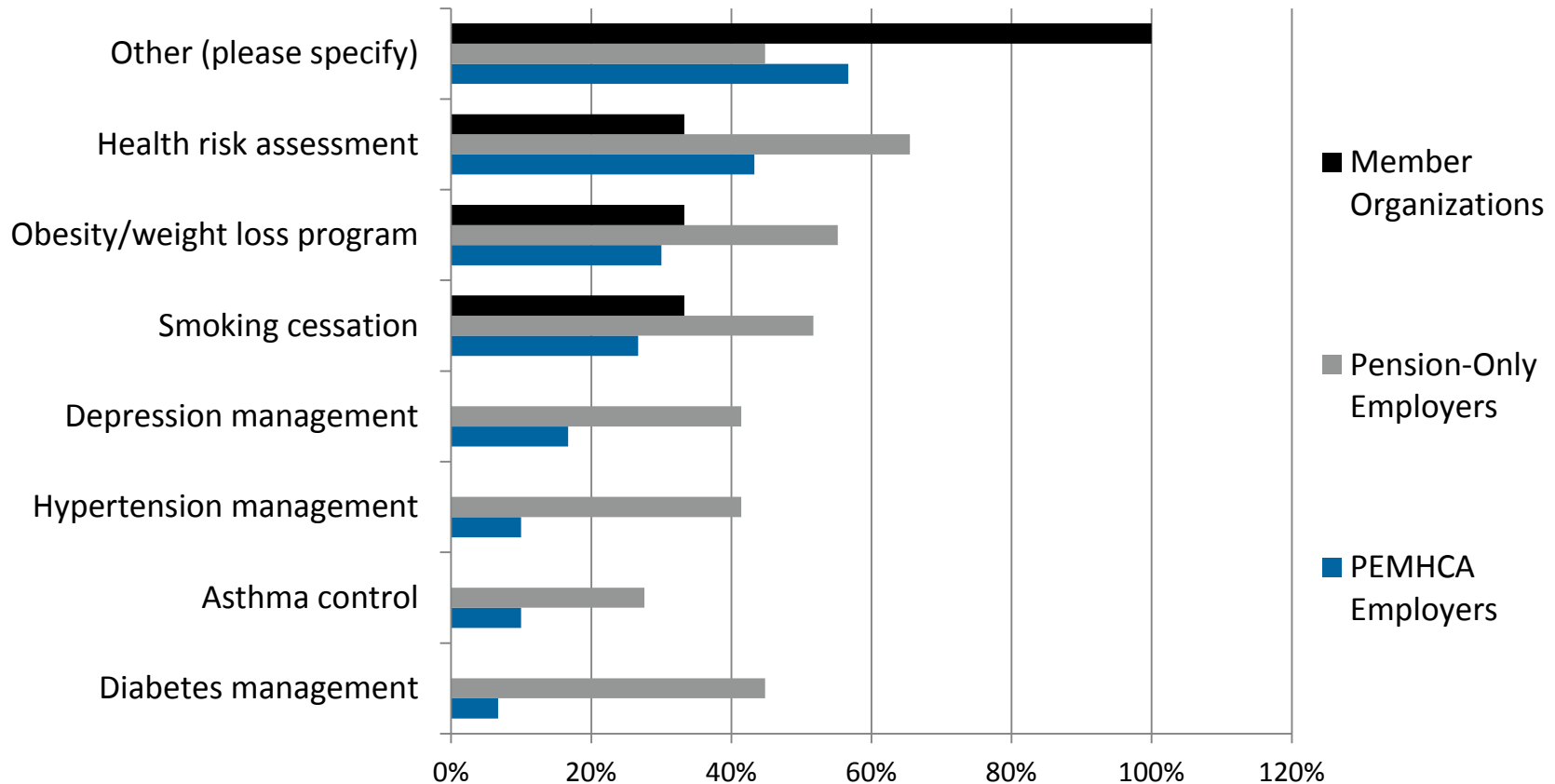
2014 PAHBDNA Survey

Ways CalPERS Can Best Serve Employers and Members



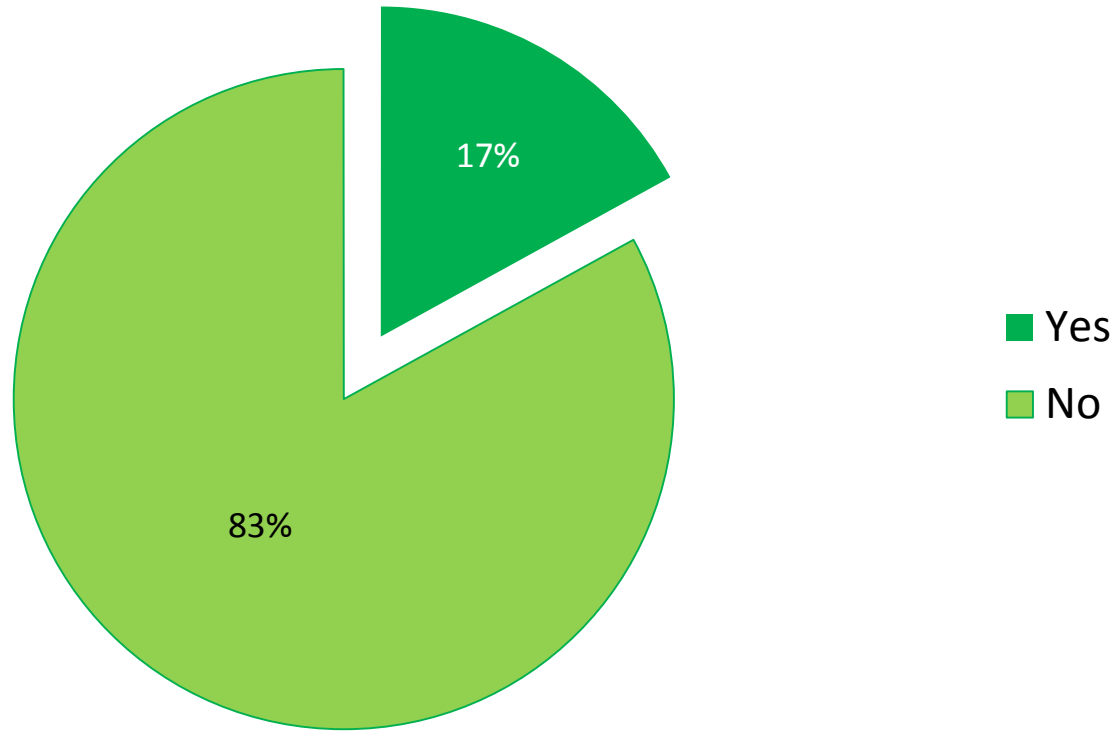
2014 PAHBDNA Survey

Types of Desired Wellness/Health Management Programs



2014 PAHBDNA Survey

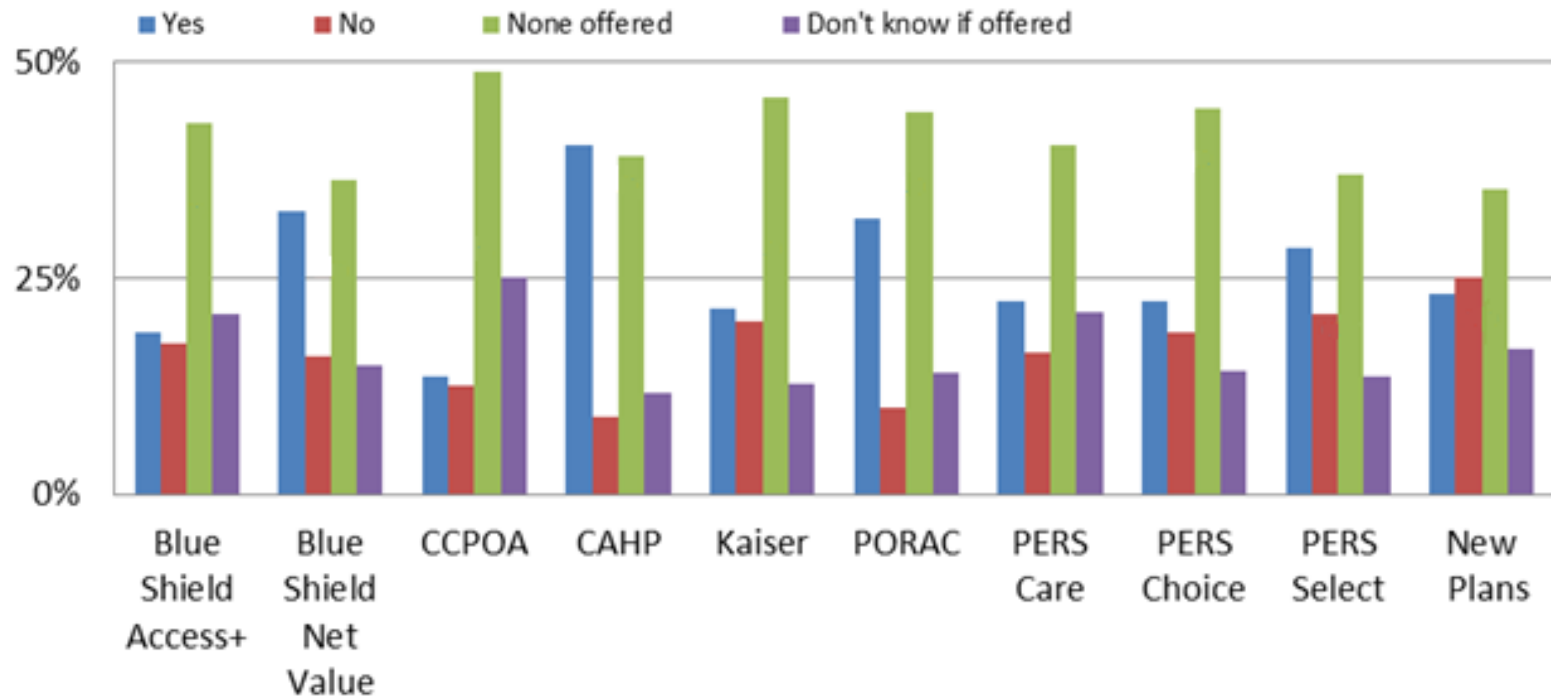
Does your organization sponsor a wellness/health management program?



2014 Annual Health Plan Member Survey

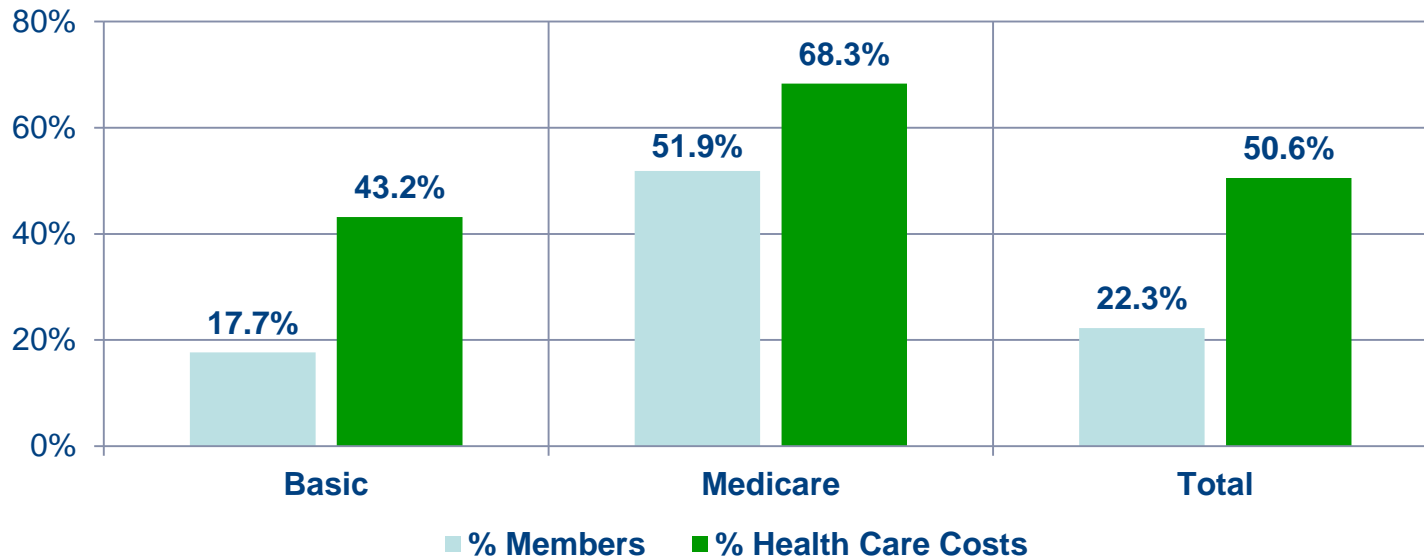
- Have you participated in any workplace wellness?

Workplace Wellness Participation - Basic



CalPERS Current State of Wellness

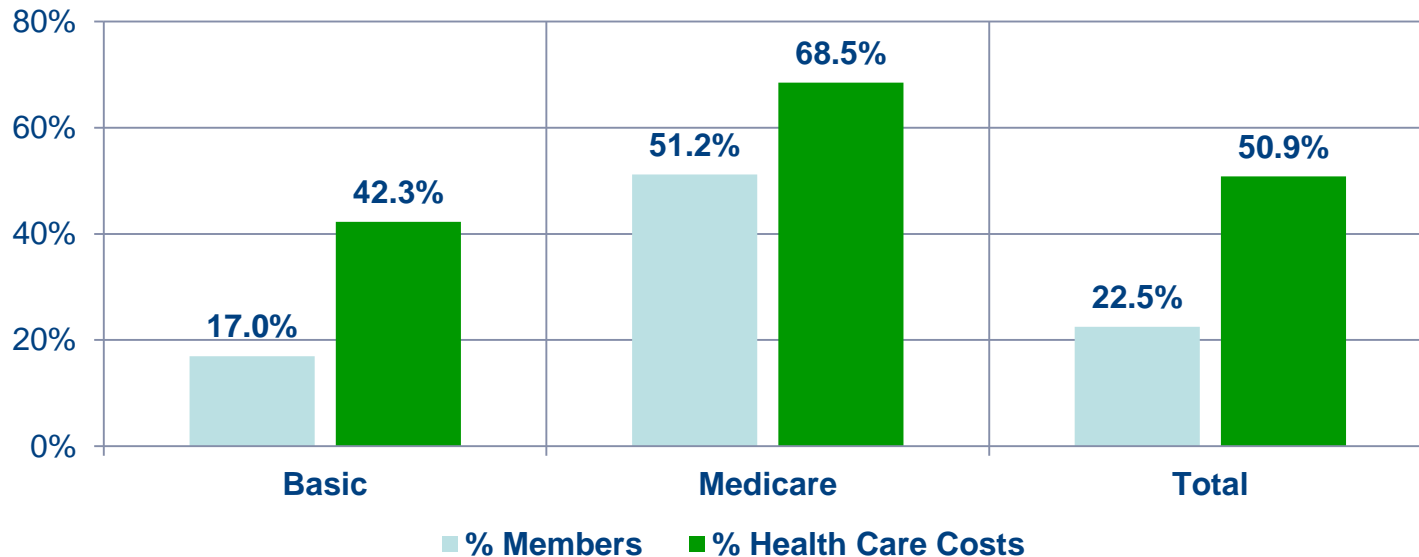
**Percentage of Members with Chronic Condition(s)* and Member Cost as a % of Total Health Care Costs
2009 Basic, Medicare, Combined**



*Chronic Conditions: Asthma, CAD, CHF, COPD, Depression, Diabetes, Hypertension, Rheumatoid Arthritis

CalPERS Current State of Wellness

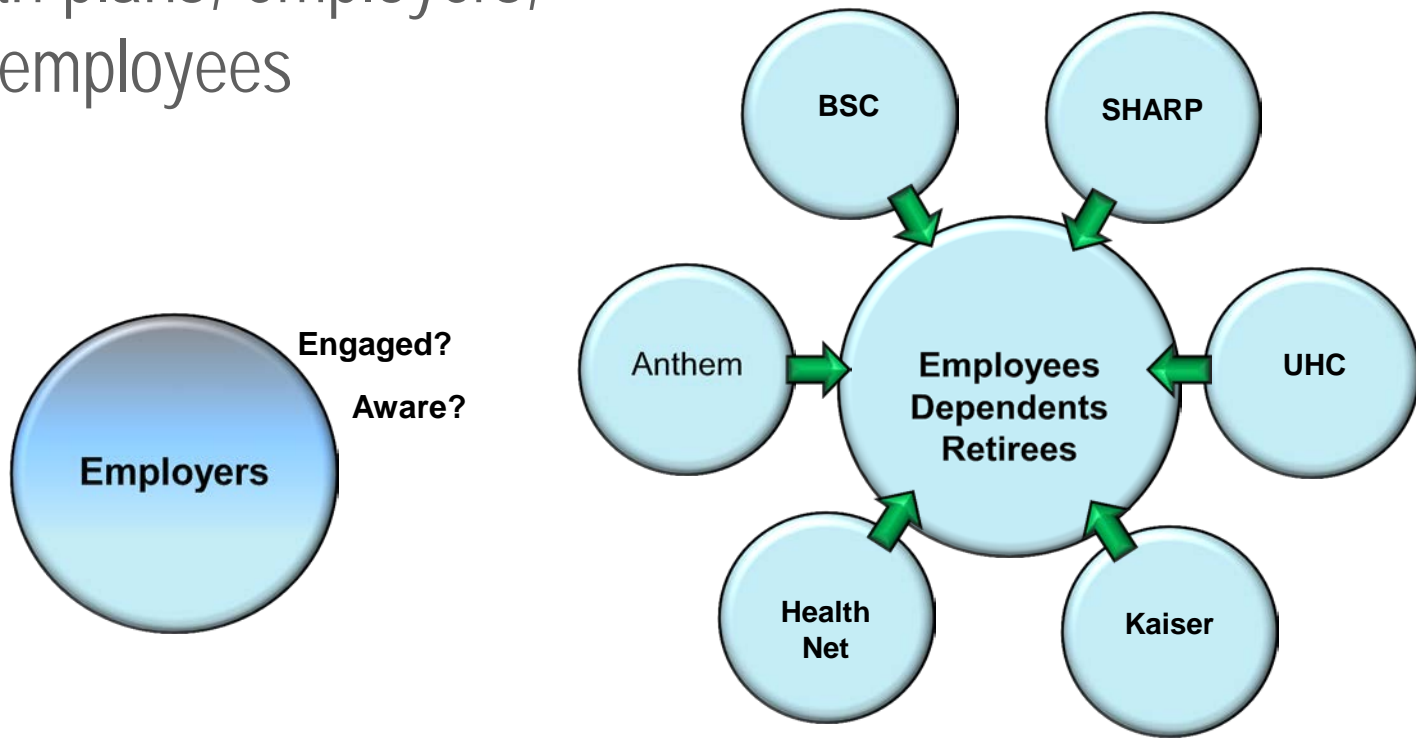
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CalPERS Current State of Wellness

- Lack of wellness coordination between health plans, employers, and employees



Worksite Wellness Pilot Experience

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- Worksite Wellness Pilot Experience
 - Cruzin' to Health
 - Healthier U
 - On Track to Wellness

2011 Pilot – Cruzin' to Health



- Santa Cruz County
- Partnership between:
 - Institute for Health and Productivity Management (IHPM)
 - California Association of Physician Groups (CAPG)
 - California Public Employees Retirement System (CalPERS)
- Cruzin' to Health: Changes that Last a Lifetime

2011 Pilot – Cruzin' to Health

- More than 500 employees participated
- 37 % completed the program; more than double the national average
- 950 lbs. lost by 152 participants
- 21 participants no longer qualify for metabolic syndrome; resulting in significant reduction in the predicted onset of chronic diseases like Type 2 Diabetes, Heart Disease, and Stroke
- Almost 90% of participants indicated that they will continue to follow their healthy new lifestyles

2012 Pilot – Healthier U

- Collaboration between:
 - State Treasurer’s Office
 - State Controller’s Office (SCO)
 - California Department of Human Resources (CalHR)
 - Service Employees International Union (SEIU) Local 1000
 - California Public Employees’ Retirement System (CalPERS)
 - Kaiser Permanente



2012 Pilot – Healthier U

- Actively engaged leadership
- Labor collaborated to promote programs
- Fostering teams to provide support and facilitate innovation
- 32% participation rate in first year
 - Participants active for five days or more increased from 46% to 70%.
 - 39% reported losing weight; 46% reported increased energy

2014 Pilot – BART

- Collaboration between labor and management:
 - Bay Area Rapid Transit (BART)
 - California Public Employees' Retirement System (CalPERS)
 - Kaiser Permanente (KP)



2014 Pilot – BART

- BART Efforts to Date
 - Joint letter
 - Employee survey
 - Communication of survey results
 - Logo and branding
 - Biometric screening

Common Elements

- Common Elements

- Employer/Labor Collaboration

- Example: Kaiser Total Health Incentive Plan

- Coordinating Entity

- Incentives

Common Element – Employer/Labor Collaboration

- Executive Sponsorship
 - Strategic value
 - Integrate wellness into daily work
- Labor Representation
 - Early buy-in
 - Communication
 - Wellness champions
- Culture of Health
 - Employee confidence working toward health goals
 - Collaboration to meet common goal

Common Element – Employer/Labor Collaboration

- Example: Kaiser Total Health Incentive Plan
 - Presented at January 2014 Board Offsite
 - Jointly launched by Kaiser Permanente and Coalition of 29 local Kaiser Permanente Unions
 - Coalition proposed, designed and will have vital role implementing the plan
 - Collective, not individual performance to change culture
 - Improvements rewarded on group basis
 - 133,000 Kaiser Permanente employees nationwide are eligible

Common Element – Coordinating Entity

- Many employers use third party
 - Wellness vendors
 - Health plans
- Administration
- Measurement and reporting

Common Element – Incentives

- Use of incentives to promote:
 - Baseline measurement
 - Participation
 - Sustainability

Wellness Program Examples

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- Wellness Program Examples
 - Nebraska
 - Oregon
 - Cleveland Clinic

Example – Nebraska



- 13,500 employees, retirees, and COBRA participants
- 7,000 spouses

Example – Nebraska

- wellNEssoptions health improvement program
- Focus on:
 - Increased preventive adherence
 - Culture of health

Example – Nebraska

- Wellness program features
 - Lower Wellness Plan premium
 - Mandatory biometric screening and health assessment
 - Reduced or no cost enhanced preventive coverage
 - Activity options
 - Wellness champions
 - Governor’s Wellness Awards
 - Spouses can participate

Example – Nebraska

- Results
 - 42 percent of employees enrolled in Wellness Plan
 - Improved risk scores of enrollees
 - 70 percent current with recommended screenings

Example – Oregon



- 130,000 employees and dependents in every Oregon county
- 85 percent are in Providence health plans, 15 percent in Kaiser

Example – Oregon

- Public Employees' Benefit Board (PEBB) Health Engagement Model (HEM)
- Focus on:
 - Participation and engagement
 - Health assessments

Example – Oregon

- Wellness program features
 - Mandatory health assessment
 - Enrollment in two no-cost healthy actions
 - ExerciseRewards
 - Healthy Team Healthy U
 - Tobacco Cessation Programs
 - Weight Watchers
 - Monthly cash incentives \$17.50 (\$35 per couple)
 - Increased deductible for non-participants
 - Spouses can participate

Example – Oregon

- Results
 - Thousands used Weight Watchers benefit in 2012
 - Hundreds used tobacco cessation program in 2012
 - Healthy Team Healthy U
 - More than 90 percent of educators better able to maintain a healthy weight.
 - Increased feeling of satisfaction and healthier work environment

Example – Cleveland Clinic

- 43,000 employees
 - 3,100 physicians
 - 11,000 nurses
 - 28,900 staff
- Dispersed geographically
 - Cleveland main campus
 - 8 regional hospitals
 - 15 family health and ambulatory surgery centers
 - Facilities in Florida, Nevada, Canada, and Abu Dhabi



Cleveland Clinic

Example – Cleveland Clinic

- Cleveland Clinic Employee Healthplan (EHP) Healthy Choice Wellness Program
- Focus on:
 - Employee engagement
 - Chronic condition management

Example – Cleveland Clinic

- Wellness program features
 - Mandatory empathy training
 - Smoking ban
 - Trans fats and soda ban
 - Free weight loss, exercise, and disease management programs
 - Personalized path to earn best premium (participation determines premium level)
 - Cash incentives
 - Spouses and domestic partners can participate

Example – Cleveland Clinic

- Results
 - 70 percent participation rate
 - 300,000 lbs lost
 - Decreased hospital admissions and ER visits
 - Increased membership in disease management programs
 - Estimated \$14 million annual savings

Implementation Challenges

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- Implementation challenges
 - Engaging Retirees and Dependents
 - Legal Issues
 - Developing a Platform

Challenge – Engaging Retirees and Dependents

- Biometrics
- Participation measurement

Challenge – Legal Issues

- Federal and state laws
 - Health Insurance Portability and Accountability Act (HIPAA)
 - Genetic Information Non-Discrimination Act (GINA)
 - Americans with Disabilities Act (ADA)
 - Age Discrimination in Employment Act (ADEA)
 - Affordable Care Act (ACA)
- Example: US Equal Employment Opportunity Commission vs Honeywell – November 2014

Challenge – Developing Platform

- Developing a CalPERS wellness platform
 - Staffing resources
 - Dispersion of membership

Next Steps – Approaches

Approaches

- Status Quo
- Wellness Carveout
 - Similar to Cruzin to Health
 - Vendor
- Implementation by CalPERS Health Plans
 - Scope development