

Creating an effective wellness strategy

Plan Sponsor Wellness Guide



Investing in health and wellness in the workplace can really pay off.



Healthy change starts with you



Save by targeting preventable health costs

Did you know that most health care costs are preventable?

About 70 to 90 percent of health care expenses are preventable.¹ Many of these costs are because people make unhealthy choices and take unnecessary risks with their health. Nationwide, chronic diseases cost more than \$1 trillion in lost productivity.²

This means that promoting healthier behaviors by investing in wellness programs and a disease management program can really pay off! In fact, many employers can expect a \$1 to \$3 return on investment for preventive services and health promotion.³

*Health benefits and health insurance plans are offered, underwritten or administered by Aetna Health Inc., Aetna Health of California Inc., Aetna Health of the Carolinas Inc., Aetna Health of Illinois Inc., Aetna Health Insurance Company of New York, Aetna Health Insurance Company and/or Aetna Life Insurance Company (Aetna). In Maryland, by Aetna Health Inc., 151 Farmington Ave., Hartford, CT 06156.

Employee health affects more than just medical costs. A healthy workforce is a more productive workforce. This gives you another reason to start or enhance your wellness strategy today.

Aetna⁺ has developed this guide to help you design and implement effective wellness and incentive strategies. Your Aetna representative can review it with you and work with you to use it most effectively.

These strategies can help you get your employees involved in their own care and show them how to get the most out of your wellness programs.

Employers can make a difference

Changing our behavior is ultimately up to each of us as individuals. However, as an employer, you have a tremendous opportunity to help your employees see the value of adopting healthier behaviors so they can live healthier lives.

Your workplace culture sets the tone for your employees. A supportive work environment, where managers reinforce your wellness strategy, can keep employees motivated and engaged. Even seemingly minor changes can make a difference, like adding more

healthy choices in your vending machines and cafeteria.

Wellness and incentive programs can also be used to drive and reinforce healthy behaviors, bringing benefits to you, to the employee, and to the community.

Wellness is a lifelong journey

Wellness is a lifelong journey, from staying healthy to managing conditions. It means treating the whole person, including their physical, mental, emotional and financial well-being.

The path to wellness is **different for each individual**, but it must start with **getting employees engaged** in their own well-being. So, you need a wellness strategy that addresses multiple factors, including:

- Ways to stay healthy
- How to manage chronic conditions
- The idea of treating the whole person, not just one disease or condition
- The relationship between physical health and emotional well-being
- Products, programs and services that will help engage your employees and improve their health

With our history of data analytics, ability to conduct research-based segmentation analysis and in-depth understanding of engagement levels and behavior change, we can help you choose and tailor wellness programs and incentives that support, engage, and inspire positive health behavior changes in your employees.

Complete your wellness strategy in five steps

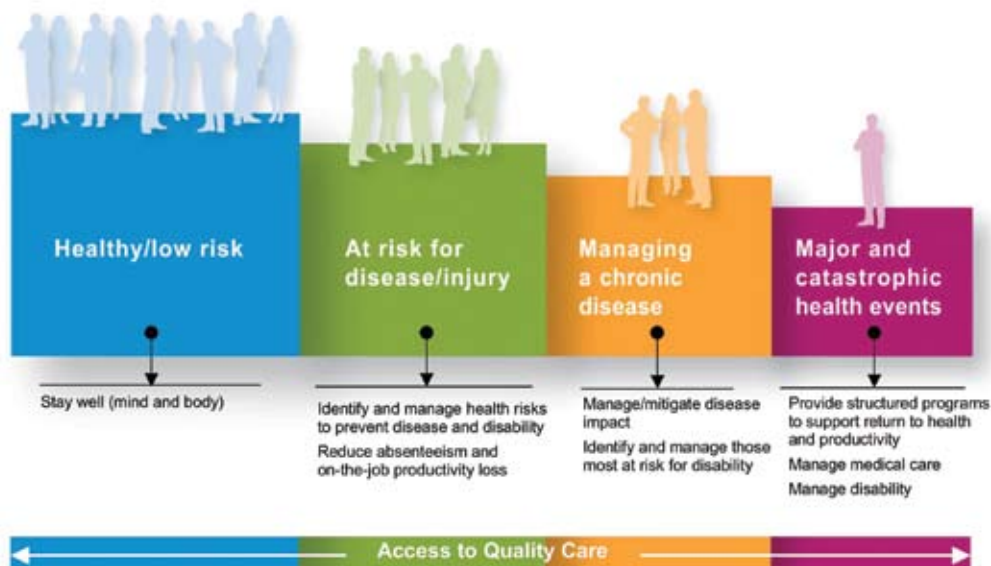
We've outlined five steps to use and have a worksheet available to help you create an effective wellness strategy.

¹Health Care Statistics, www.PreventDisease.com, 2006.

²DeVol R, Bedroussian A. An unhealthy America: The economic burden of chronic disease. The Milken Institute. Oct 2007.

³Healthcare Cost Trends for 2008, PricewaterhouseCoopers, 2008.

Supporting members with wellness solutions across the continuum of care



Step 1: Gather and analyze information

How do you help ensure that your wellness programs and incentives deliver results? Make sure you have enough information to determine what will work for you. You'll need to:

- Know what your business needs are
- Understand your employee population
- Assess your workplace environment and culture

Completing a thorough analysis of the information you collect will give you valuable insights to understand and prioritize the areas on which you want to focus.

You should review:

- Your company's business and benefit strategies
- Workplace environment and culture
- Medical, pharmacy and disability claims data
- Health assessment results
- Absenteeism/presenteeism* rates
- Current wellness program utilization and outcomes
- Employee demographics
- Retention and job satisfaction rates

Get to know your employees — their demographics, their personal preferences and their health and wellness needs. What risks are most prevalent? What strategies are most likely to be successful? This will give you a better understanding of the types of wellness programs and incentives you should offer.

*Presenteeism is different from absenteeism, but can have the same negative effects on productivity. Presenteeism is when employees come to work but are not fully functioning because of chronic or episodic medical conditions such as depression, back pain, arthritis or high blood pressure.



Did you know?

About one-third of employees believe their health is not their responsibility.⁴

Offering incentives to use wellness programs promotes participation and responsibility. Counter their negative thinking with positive rewards.

⁴Schutz C. Are your employees as healthy as they believe? Employee Benefit Plan Review. Aug 2005; 60(2): 12-15.

Step 2: Define your goals and objectives

What do you want your wellness programs to do? Once you have identified your business needs and know what will appeal to your employees, you can then determine your goals. Establish baseline numbers that you can compare against later. Setting specific wellness goals and objectives will help guide your planning efforts.

Consider the following questions:

- What risks and medical conditions are most prevalent in your population?
- What behaviors are linked to these conditions? Are these behaviors that are easy or difficult to change?
- In general, what behaviors do you want to change?
- How do you want wellness programs to contribute to your overall benefit strategy?
- How will you measure results and determine success?

This is where our worksheet can really help you.

If wellness is a new concept for your company and your employees, you may need to start by building awareness, perhaps by introducing a health assessment in your first year to help employees become aware of their own health status and risk factors. And you may want to offer a personal health record which can help organize the health histories of your employees and their families. Then add one or two wellness programs targeted for specific outcomes.

Things to consider

Based on the information you gathered in Steps 1 and 2, identify your primary concerns, the most important things you want to change. These may include:

- High medical and pharmacy spend or trend
- High prevalence of disease and chronic conditions

- Low or inconsistent preventive care utilization
- Low productivity, high absenteeism or issues with presenteeism
- Current participation in wellness programs
- Short- and long-term health outcomes

Behavior change takes time. When setting goals and objectives, you should define both short-term and long-term goals. This will help you develop a multi-year approach where programs are implemented in phases, with each year building upon the previous year's outcomes and experiences.





Step 3: Design your strategy

How will you get your wellness strategy to work? Now is the time to take information and goals and turn them into an action plan.

Choose wellness programs and incentives that best fit your business needs, workplace culture and employee interests.

Choose from a variety of wellness programs

We have a variety of wellness programs to meet your needs and those of your employees. Ask your Aetna representative to review all your options with you.

Keep in mind that wellness ranges from staying healthy to getting healthy and managing ongoing health conditions.

The first step is getting your employees more engaged in their own health.

Consider offering a consumer-directed plan. It can help your employees become more aware of the cost of health care and the impact of their behaviors.

This would also show the value of investing in wellness, which might motivate them to change some of their behaviors.

Maybe preventive care or disease management is what you want to focus on. It all depends on what you've determined in Steps 1 and 2. If a lot of your employees don't make time for exercise or are overweight, offer a fitness or weight management program.

Consider offering our Healthy Lifestyle Coaching program that provides individual attention through a primary coach and helps participants meet and sustain their health goals, related to:

- Quitting tobacco
- Stress management
- Physical fitness and nutrition
- Weight management

Depending on what will motivate your employees, you should also consider engaging them in group activities, competitions, worksite programs or incentives and rewards to get them started. For example, you may want to encourage walking by handing out free pedometers and introducing a "step competition" in which employee teams compete to achieve a certain number of steps or hours of physical activity each week.

Include incentives as motivation

Many of your employees want to improve their health, but need a little push to get started. Well-designed wellness programs can use incentives to help:

- Create awareness
- Encourage enrollment and participation
- Reward and reinforce efforts toward positive change

Depending on your objectives and the behaviors you want to change, you may want to reward employees for:

- Completing or updating a health assessment
- Receiving routine preventive care
- Enrolling in or completing a wellness program
- Completing or updating their personal health record

Short-term and long-term change

Incentives typically work best for short-term behavior change. Tackling deep-rooted health issues, like smoking and obesity, is more difficult.

The best approach may be to use incentives to motivate employees to take the critical first step of enrolling in a wellness program.



Or, use a health assessment to help determine their health status and risks. Personal health coaching and other methods can help them develop internal motivation and personal commitment to long-term change.

You can also offer different incentives over time, which can help boost chances for long-term success.

What kinds of incentives are most effective?

Employees are likely motivated by different things. We can help you analyze your population and recommend solutions that will have the most impact.

You can offer cash, merchandise, discounts or even intangible rewards, like celebrations or employee recognition.

Monetary incentives are influential in initiating behavior change. These can include benefit plan differentials, health account contributions, cash and other financial incentives. The higher the value of an incentive, the better your chances are for greater participation.

Depending on your workforce and eligibility requirements, time off, extra time added on to lunch and other similar time “bonuses” work well too.

Prizes and merchandise may not give you the same level of results, but they have value in certain situations. For example, you can offer pedometers to motivate your employees to exercise. They may be surprised at how many steps they take a day, so even on days when they can't exercise, they'll feel they're still on track.

Some companies are introducing surcharges and other financial penalties to motivate employees to change unhealthy behaviors, such as smoking. While these “disincentives” or penalties can be effective, they may also affect employee morale, so it's important to use them carefully and understand the potential effect they may have on your employees.



Senior management support boosts success

Support and commitment from senior management is critical to the success of your wellness strategy. An analysis of our Simple Steps To A Healthier Life® program showed that customers with the highest level of program participation have strong management support, consistent and ongoing communications, and incentives to participate in the program. In fact, Aetna customers with strong management support for the program, a consistent communications strategy throughout the year, and an incentive for health assessment completion average a 63 percent completion rate with a range of 44 to 93 percent.⁵

Senior management support also helps ensure you have the resources you need to follow through effectively. Have them play specific roles in announcing and reinforcing wellness throughout the year. Consider having senior managers kick off a wellness campaign or be the first to enroll in a quit smoking program or fitness challenge. Make sure they are visible throughout the year, reinforcing the importance of achieving and maintaining health and wellness.

Maintain your employees' privacy

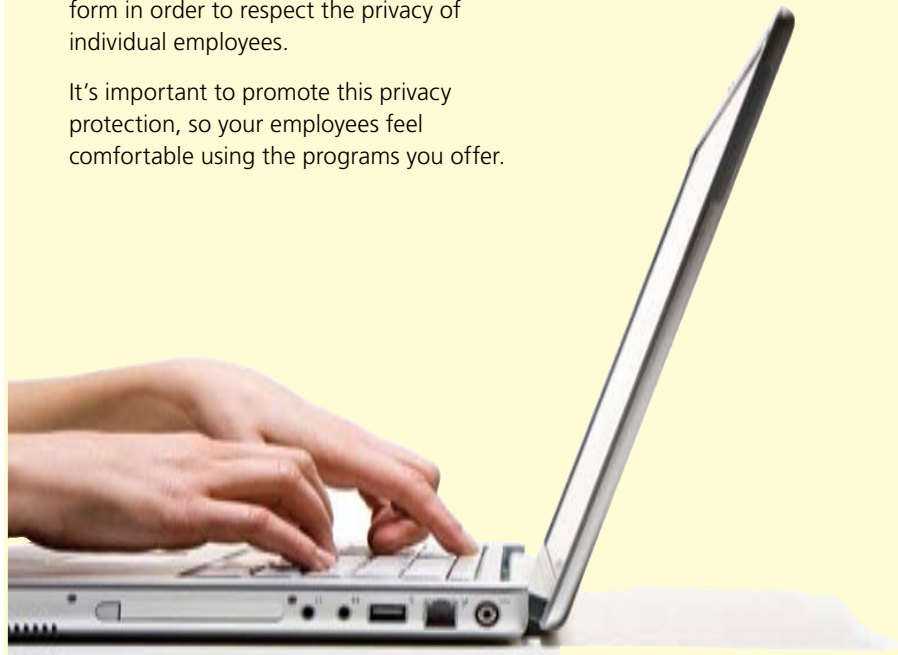
One obstacle to participation in workplace wellness programs is a concern about privacy. We maintain the confidentiality of personal health information for all our members. It's important that you do too.

All health claims and health assessment information you receive will be in aggregate form in order to respect the privacy of individual employees.

It's important to promote this privacy protection, so your employees feel comfortable using the programs you offer.

What is HIPAA?

HIPAA is the Health Insurance Portability and Accessibility Act. Among other requirements, it sets certain standards that must be followed to ensure the privacy and security of personal health information. Aetna adheres to all HIPAA requirements and regulations. Consult your attorney to make sure you adhere to these requirements too.



⁵Aetna Healthy ActionsSM Program, August 8, 2007.



Step 4: Develop an implementation plan

After designing your wellness strategy, create a detailed implementation plan to help make sure your strategy is successful. You should include:

- Wellness goals and objectives
- Chosen programs and incentives
- Timelines
- A communication plan
- An itemized budget
- Implementation procedures

Use our worksheet for further help or ask your Aetna representative for assistance. You will also want to consult with your attorney, who can review your wellness plan for compliance with all privacy and labor laws.

Communication is key

Consistent and engaging messages help develop strong employee engagement and participation. Leadership support during the communication campaign can help increase participation and outcomes significantly.

We make it easy to keep your employees informed.

Use our communications materials to help roll out your wellness programs and keep your employees motivated throughout the year. Your Aetna representative can help you understand what is available.

There are many ways to communicate with your employees, including:

- Company intranet site

- E-mail
- Videos and e-postcards
- Home mailings and payroll stuffers
- Employee bulletin boards

Make sure each communication is timely, consistent and tailored to your targeted population to encourage participation.

Periodic messages sent throughout the wellness campaign reinforce awareness and help boost program interest.

Consider tying the timing of your messages with the national observances calendar. For example, February is American Heart Month. You can promote programs that help improve heart health during that month, such as weight loss and fitness programs.



IGNITE CHANGE

Gather information to understand needs and develop strategies

DRIVE CHANGE

Solutions that drive meaningful change and make your vision a reality

SUPPORT CHANGE

Celebrate your successes and refine your strategies for the future

Step 5: Evaluate outcomes and refine your strategy

How do you know your wellness strategy is working? As with any strategy, it's important to get periodic feedback on your progress and outcomes. Regular evaluation helps you learn what's working and what's

not working. And, it can save you valuable time and money.

With this knowledge, you can make changes to your strategy throughout the year to help improve the effectiveness of your programs. Try using one or more of these methods to evaluate your success:

- Reports from Aetna on wellness

program participation

- Employee focus groups
- Results from your existing programs
- Informal employee discussions or surveys

Compare these measurements with your baseline figures and target goals to assess your progress. You can also use results from one year to develop targets for future years.



Team up with Aetna to develop a strategy that works

Consider us a willing, knowledgeable and experienced partner when it comes to creating your wellness strategy. This guide and our worksheet are just a small example of what we can do to help make your wellness strategy a success.

Choose from an array of wellness programs designed specifically to improve employee health and support your long-term wellness strategy. From simple self-directed programs to personal coaching, our wellness programs are sure to meet your needs.

You can also rely on us for reporting information, promotional materials and consultative support to help your wellness strategy succeed.



**An effective wellness strategy can help you keep your health care costs under control.
Talk to your Aetna representative today.**

Health benefits and health insurance plans contain exclusions and limitations. Not all services are covered. See plan documents for a complete description of benefits, exclusions, limitations and conditions of coverage. Plan features and availability may vary by location and group size and are subject to change. Health information programs provide general health information and are not a substitute for diagnosis or treatment by a physician or other health care professional. The Aetna Personal Health Record should not be used as the sole source of information about the member's medical history. Information is believed to be accurate as of the production date; however, it is subject to change. For more information about Aetna plans, refer to www.aetna.com.

Policy forms issued in Oklahoma include: HMO/OK COC-4 09/02; HMO/OK GA-3 11/01; HMO OK POS RIDER 08/07; GR 23 and/or GR 29/GR-29N.