

**Benefits Consulting**

Delivering Results



# Embracing a Broader Definition of Well-Being

## Eighth Annual Employer-Sponsored Health and Well-being Survey

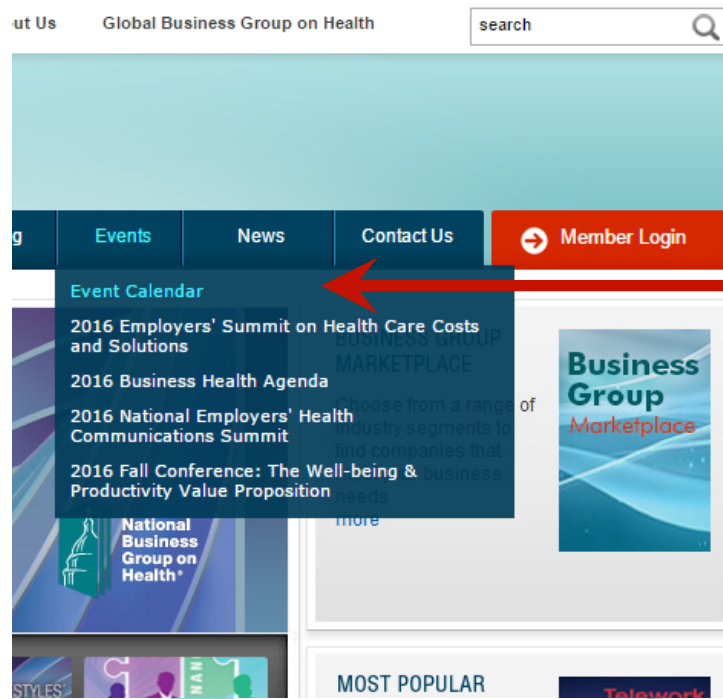
March 2017



Fidelity Confidential  
ERNA



# Downloading Slides



Slides available at:

<http://www.businessgrouphealth.org/events/index.cfm>

# Questions?



Ask questions any time during the presentation:

- (1) Click on the Q&A tab
- (2) Type your question
- (3) Click “Send to All Panelists”

If we don't get to your question by the end of the webinar, we will follow-up by email.



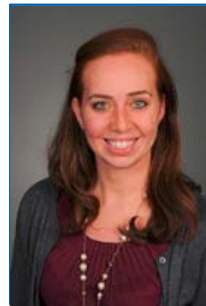
## Speakers on Today's Webinar



**Robert Kennedy**

Health & Welfare  
Practice Leader

Fidelity Investments  
Benefits Consulting



**Catherine Wysoczanski**

Consultant

Fidelity Investments  
Benefits Consulting



**Brenna Shebel**

Director, Health  
Care Cost and  
Delivery

National Business  
Group on Health



**Craig Lykens**

Assistant Manager,  
Benchmarking and  
Analysis

National Business  
Group on Health



**Dannielle Sherrets**

Director, Workforce  
Well-being and  
Health Innovations

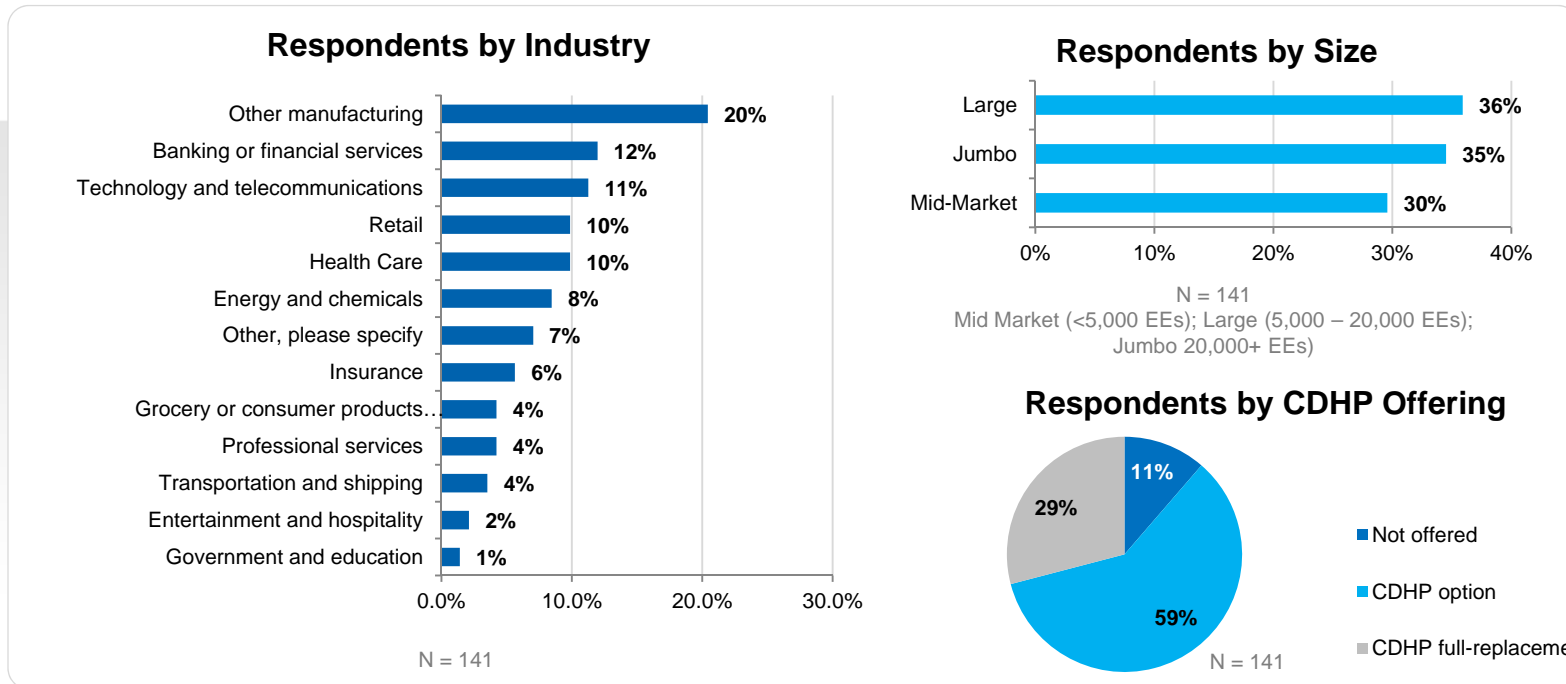
National Business  
Group on Health

## Survey Methodology

- ▶ Online survey was fielded from November 2016 through December 2016 among National Business Group on Health members and clients of Fidelity Investments
- ▶ 141 companies responded to the survey
- ▶ Survey focused on:
  - Defining well-being
  - Types of health and well-being programs offered
  - Levels of incentives to engage employees and spouses/domestic partners
  - Use of outcome-based incentives to reward for goals/outcomes
  - Use of non-financial-based incentives to reward for goals/outcomes
  - Measurement tactics and program participation results
  - Future of health improvement investment amidst healthcare reform

## Survey Demographics

141 companies responded to this year's survey



## Executive Summary

**86%** of companies include well-being as part of their overall business strategy and **30%** of companies connect well-being to their key business metrics



### Expanded Definition of Well-Being is the Norm

- 84% of companies include **financial security** in their well-being strategy (up from 76% last year)
- 73% of companies include **community involvement** in their well-being strategy (up from 65% last year)
- 58% of companies include **social connectedness** in their well-being strategy (up from 48% last year)



### Employers Increasing Investment in Incentives

- Employee incentive prevalence increased from 72% to 74%
- Average annual employee incentive amount increased from **\$651 to \$742**
- Average annual spouses incentive amount increased from **\$471 to \$694**



### Non-Financial Incentives Gaining Traction

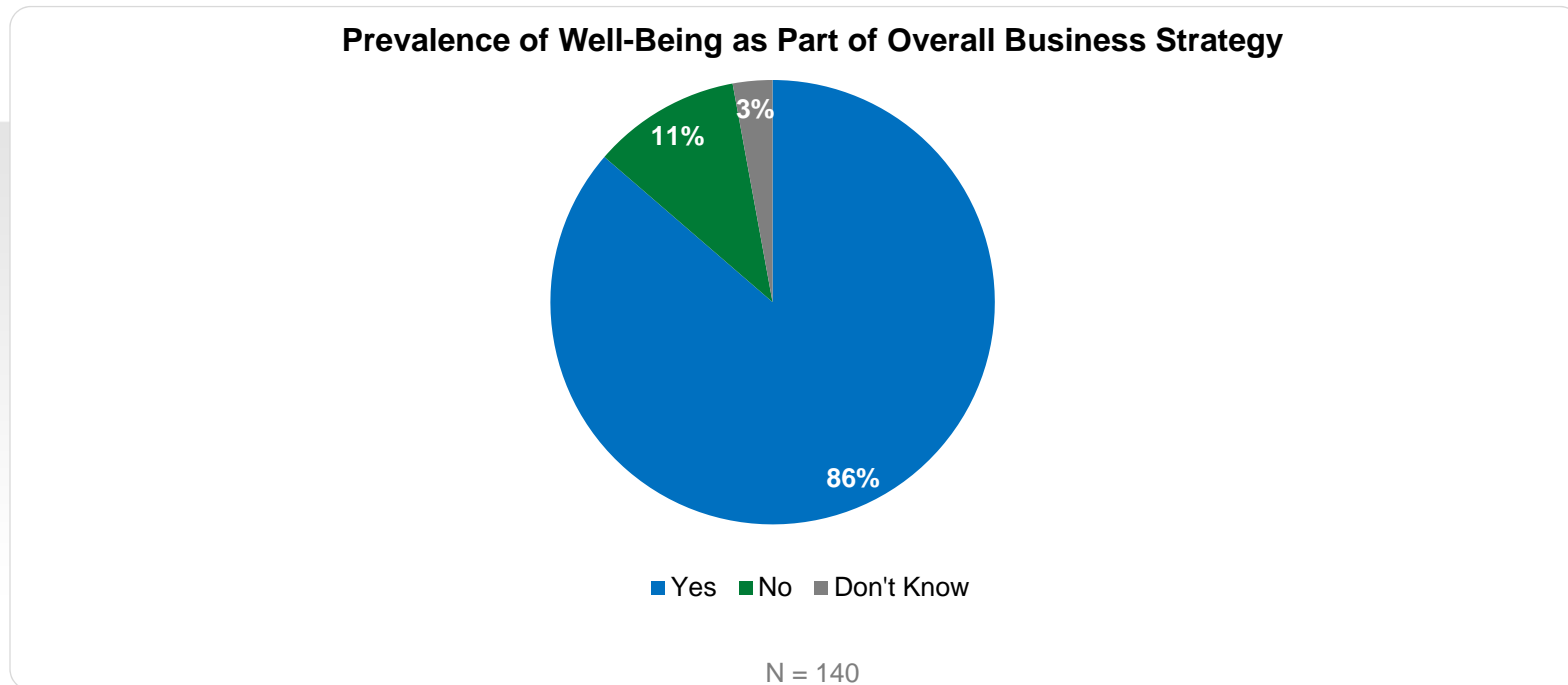
- **67% of companies** offer at least one non-financial incentive
- Employee/Group recognition and raffles are the two most popular non-financial incentives

## Defining Well-Being



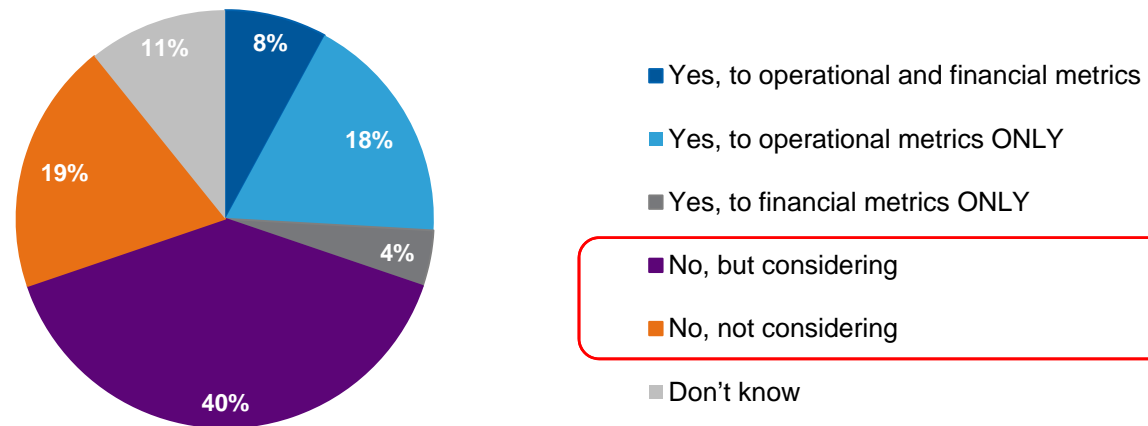


## Well-Being is Critical to Overall Business Strategy



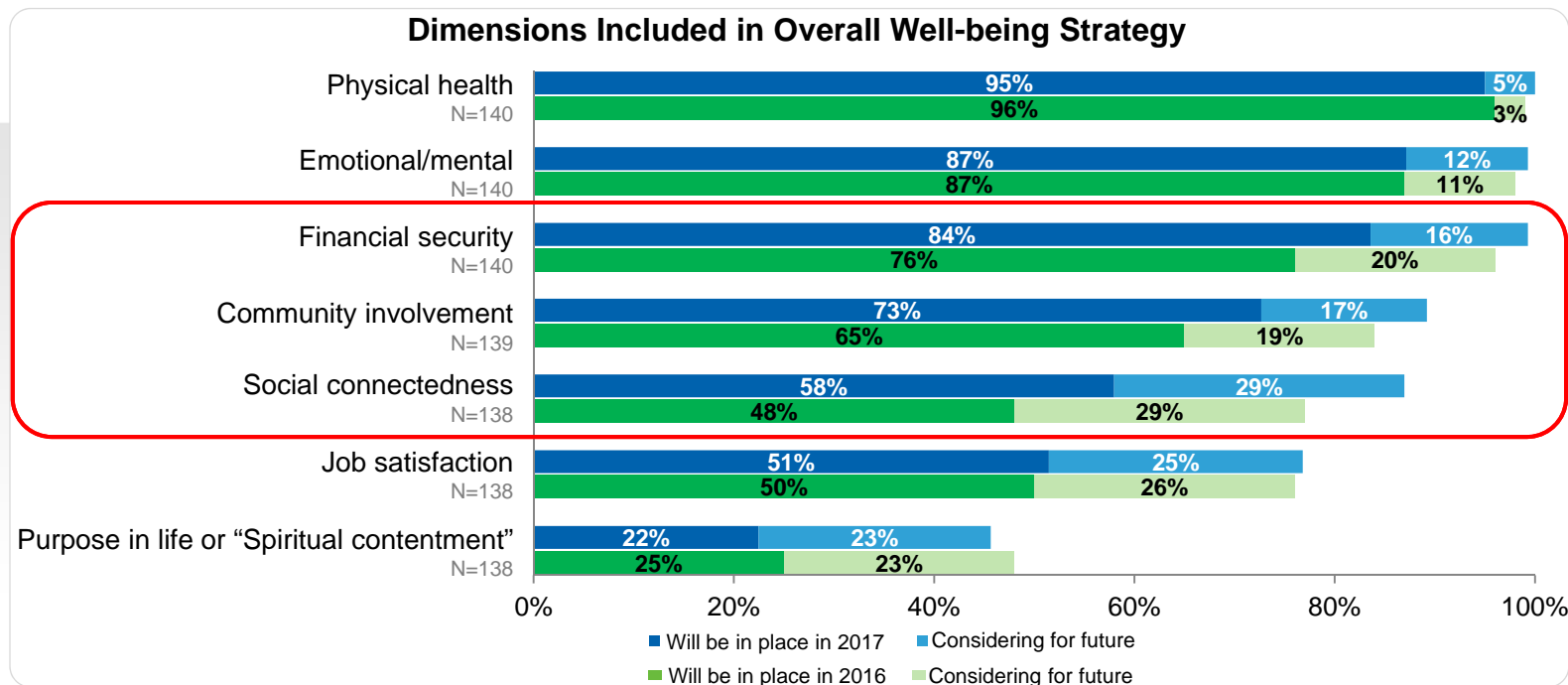
## But Not Yet Tied to Business Metrics

Has your organization connected employee well-being to any key business metrics – either financial metrics and/or operational metrics?



N = 139

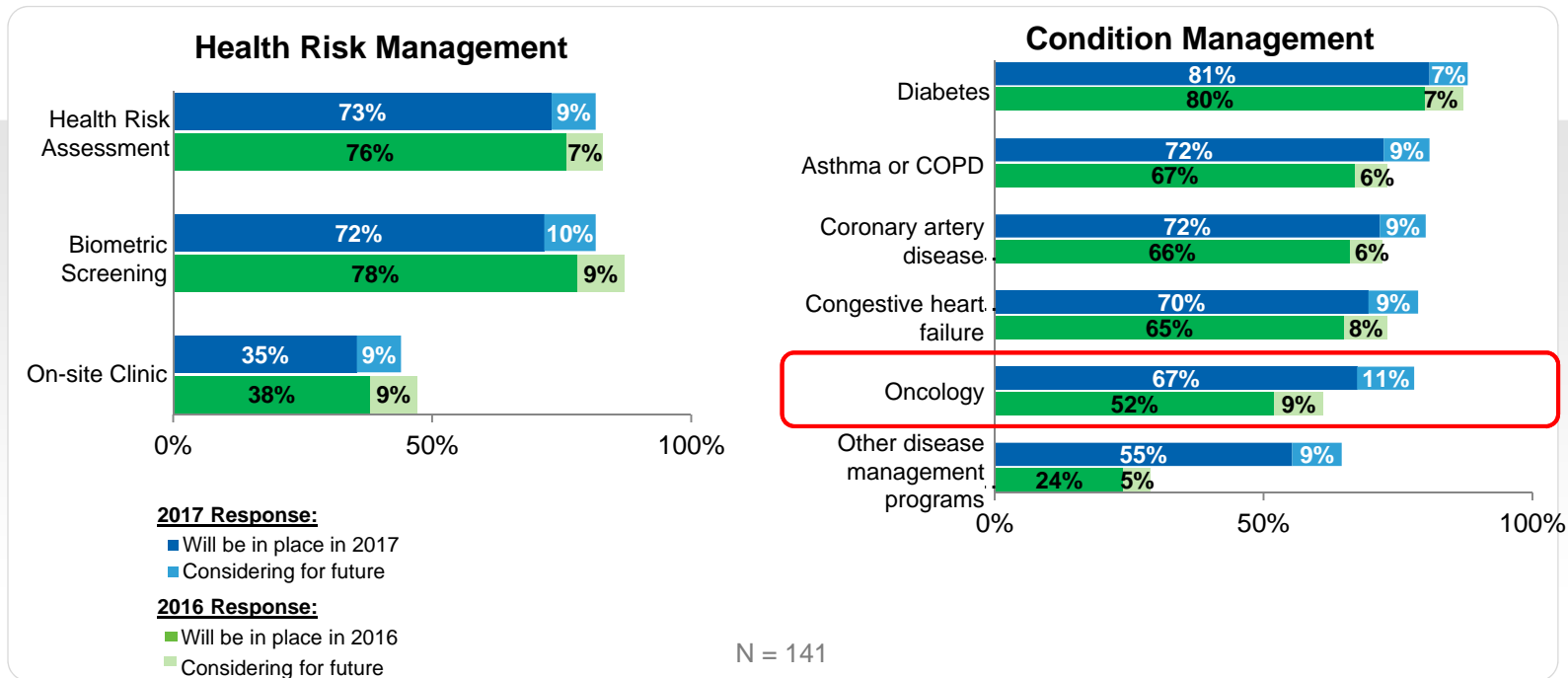
## Expanded Definition of Well-Being Is Now the Norm



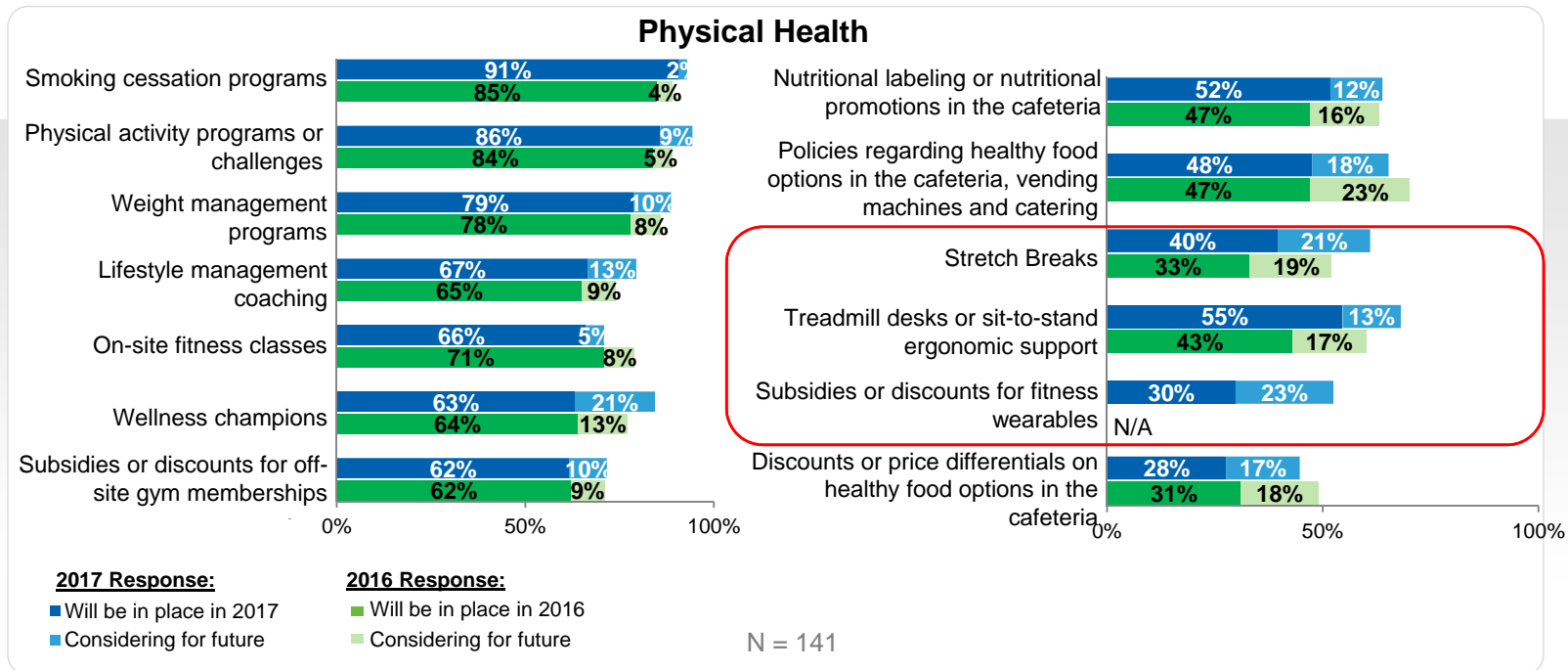
## Program Overview



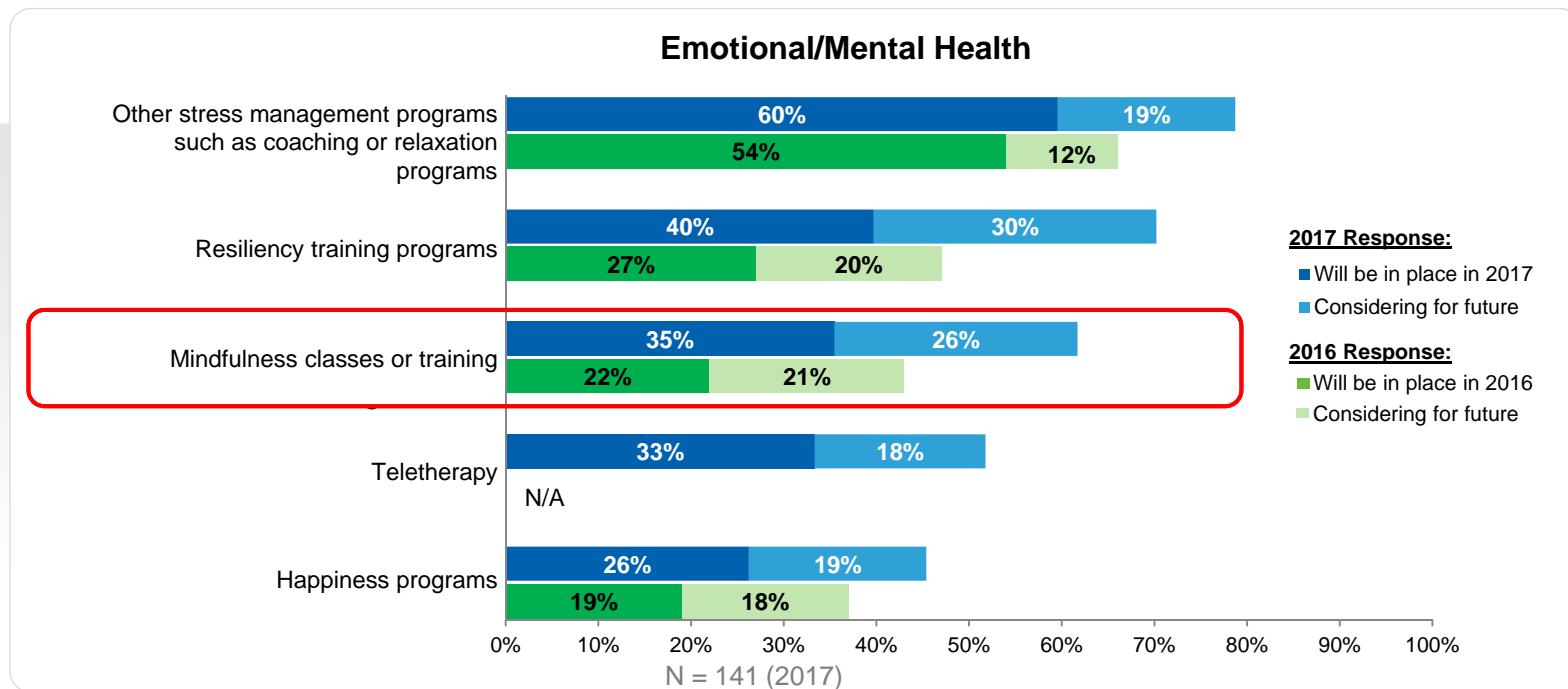
# Prevalence of Health Risk and Condition Management Programs Holding Steady



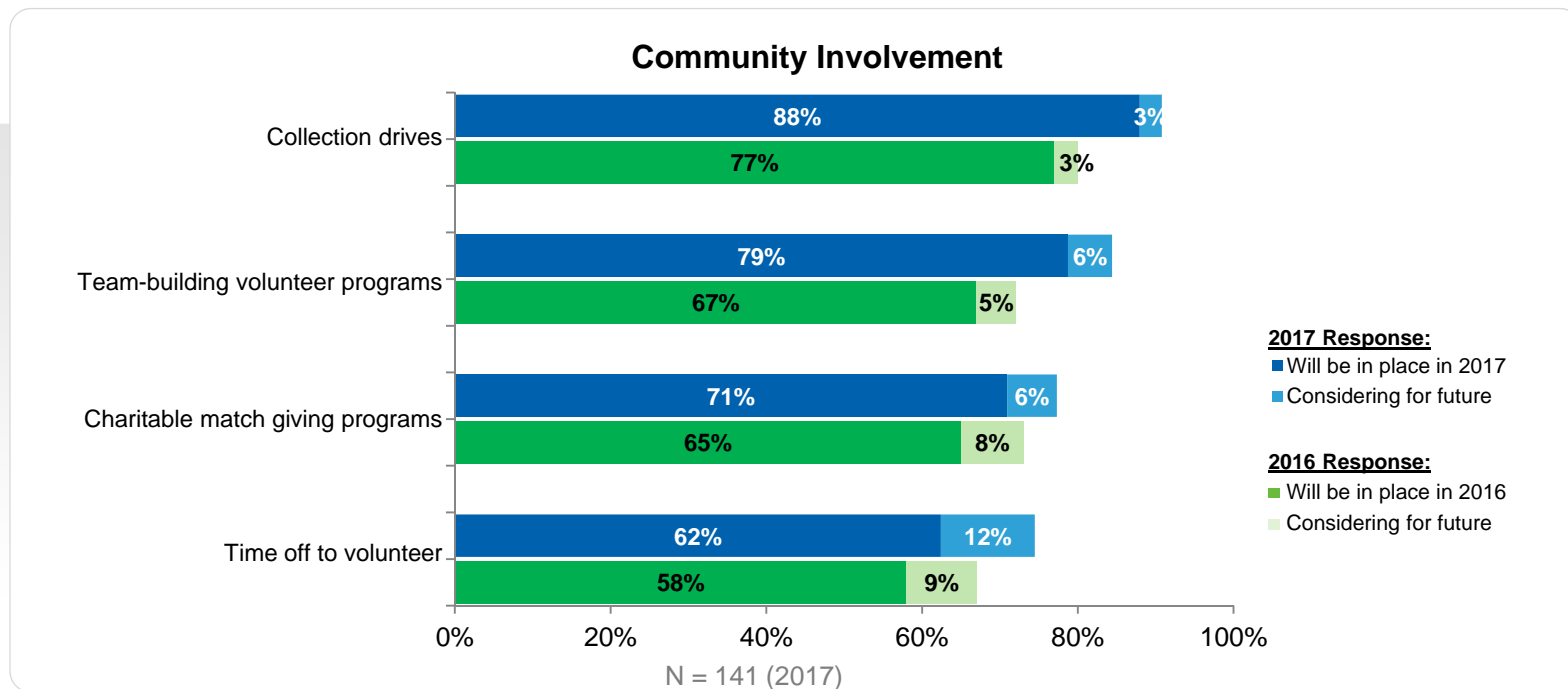
# Increased Prevalence of Treadmill Desks, Ergonomic Support, and Fitness Wearables



## Emotional/Mental Health Programs On The Rise

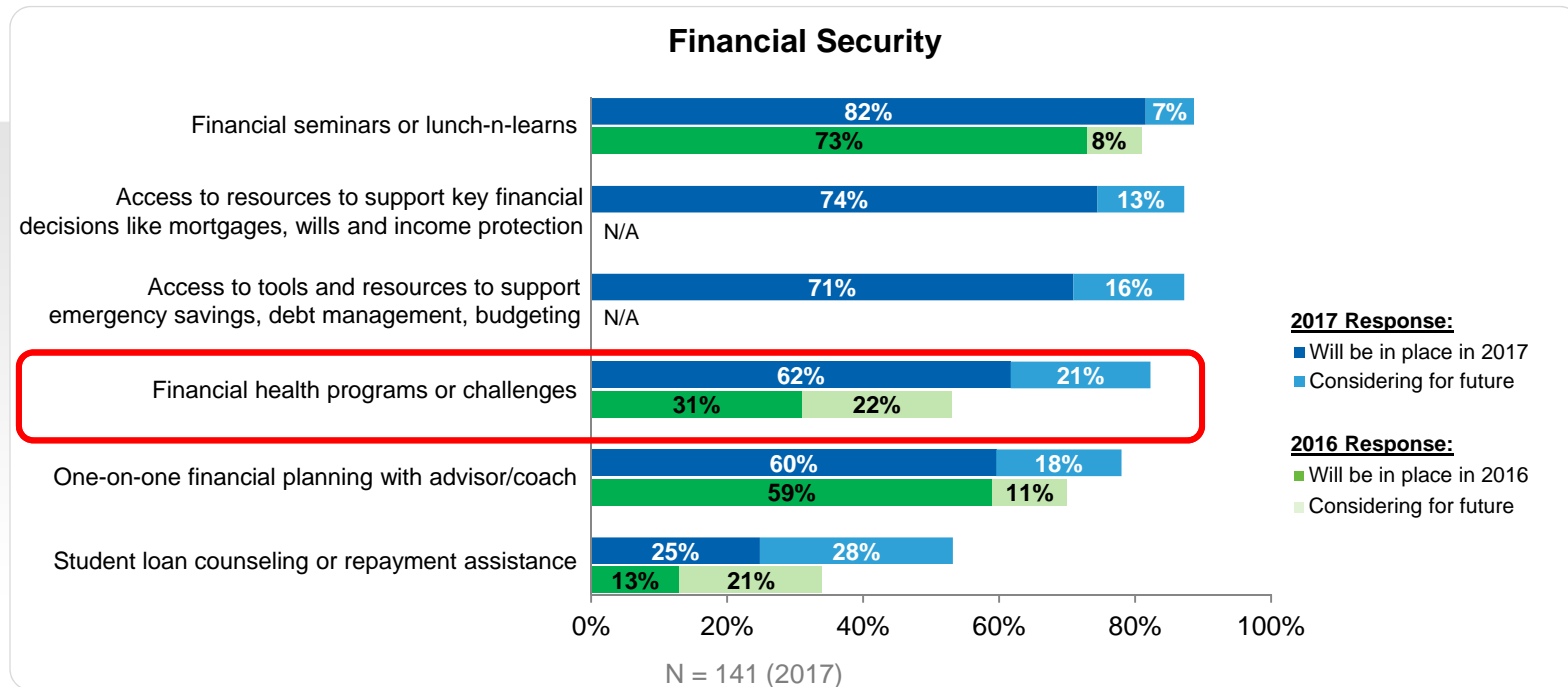


## Along With Community Involvement Programs

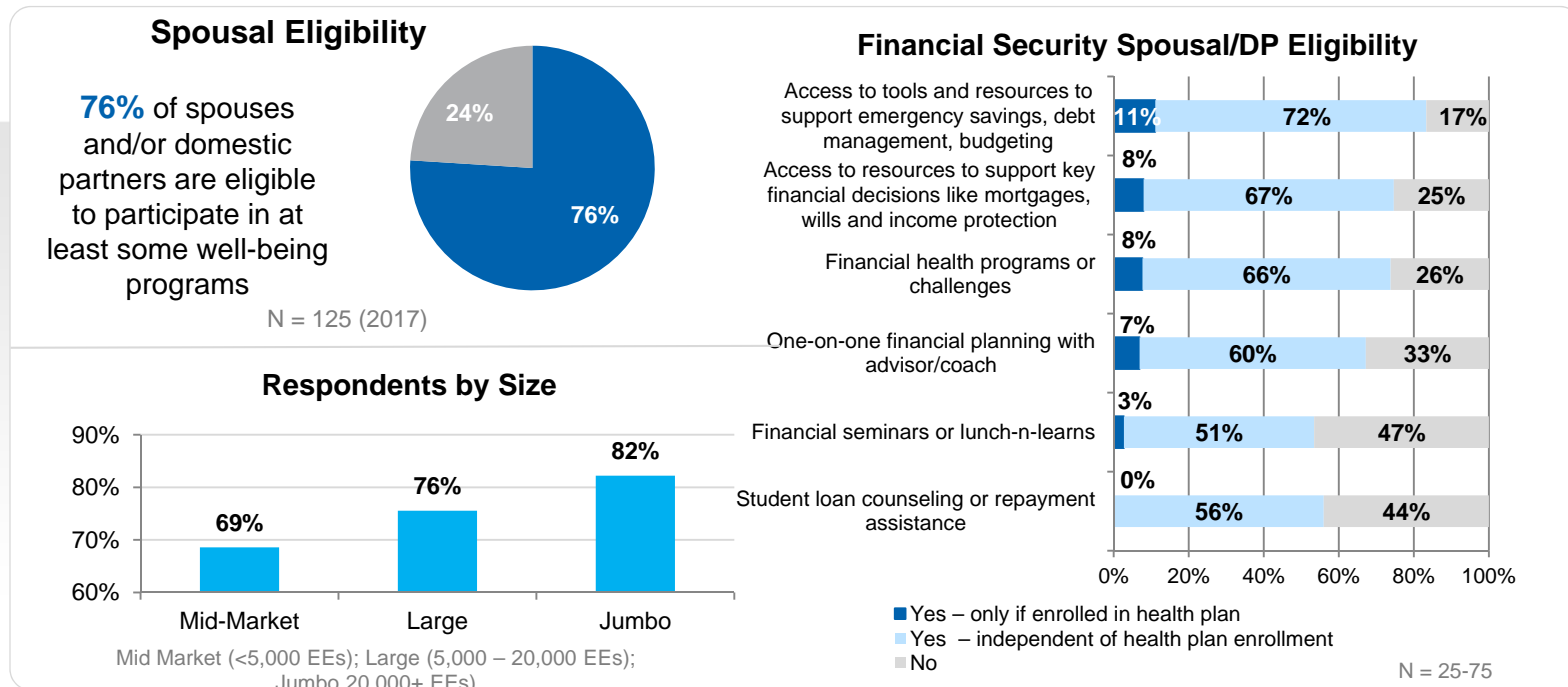




## And Financial Security Programs



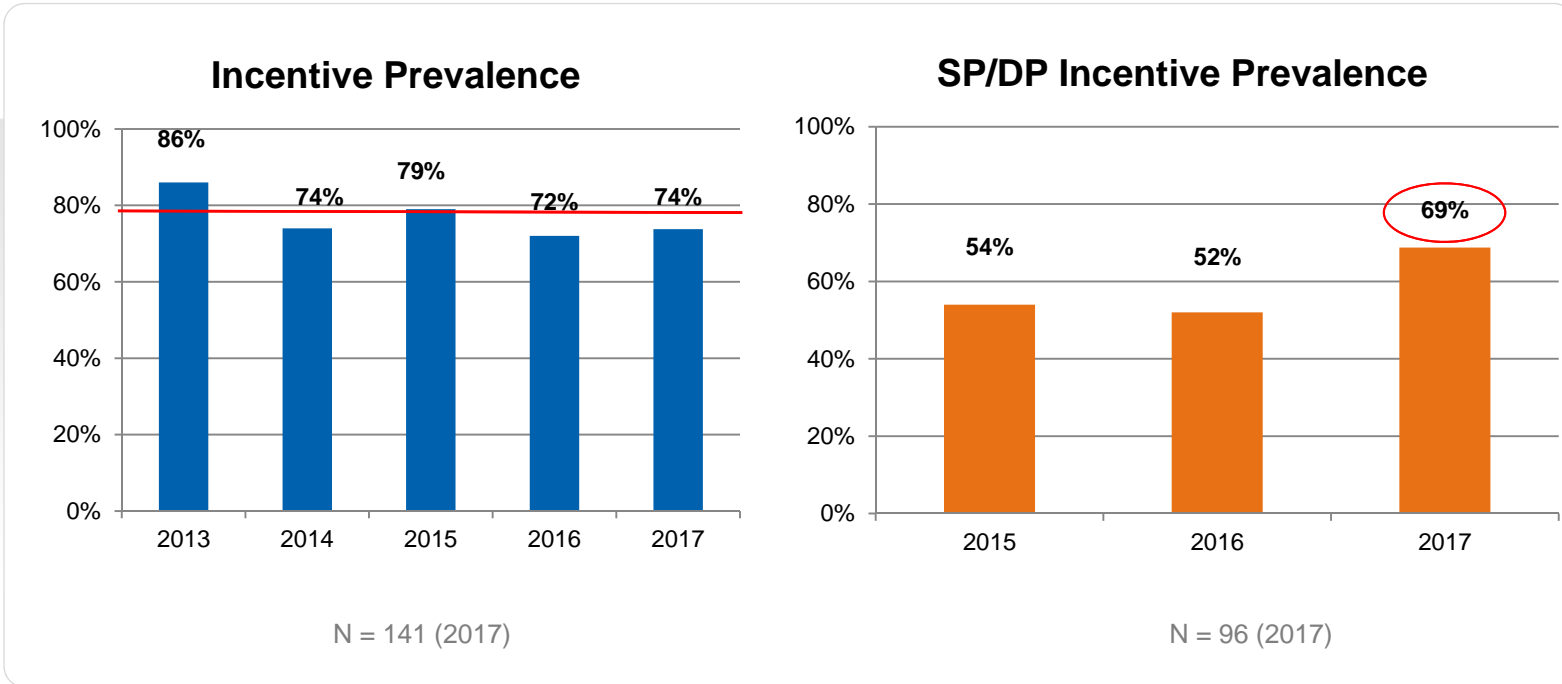
## Over Three Quarters of Organizations Also Focus on Spouses/DPs



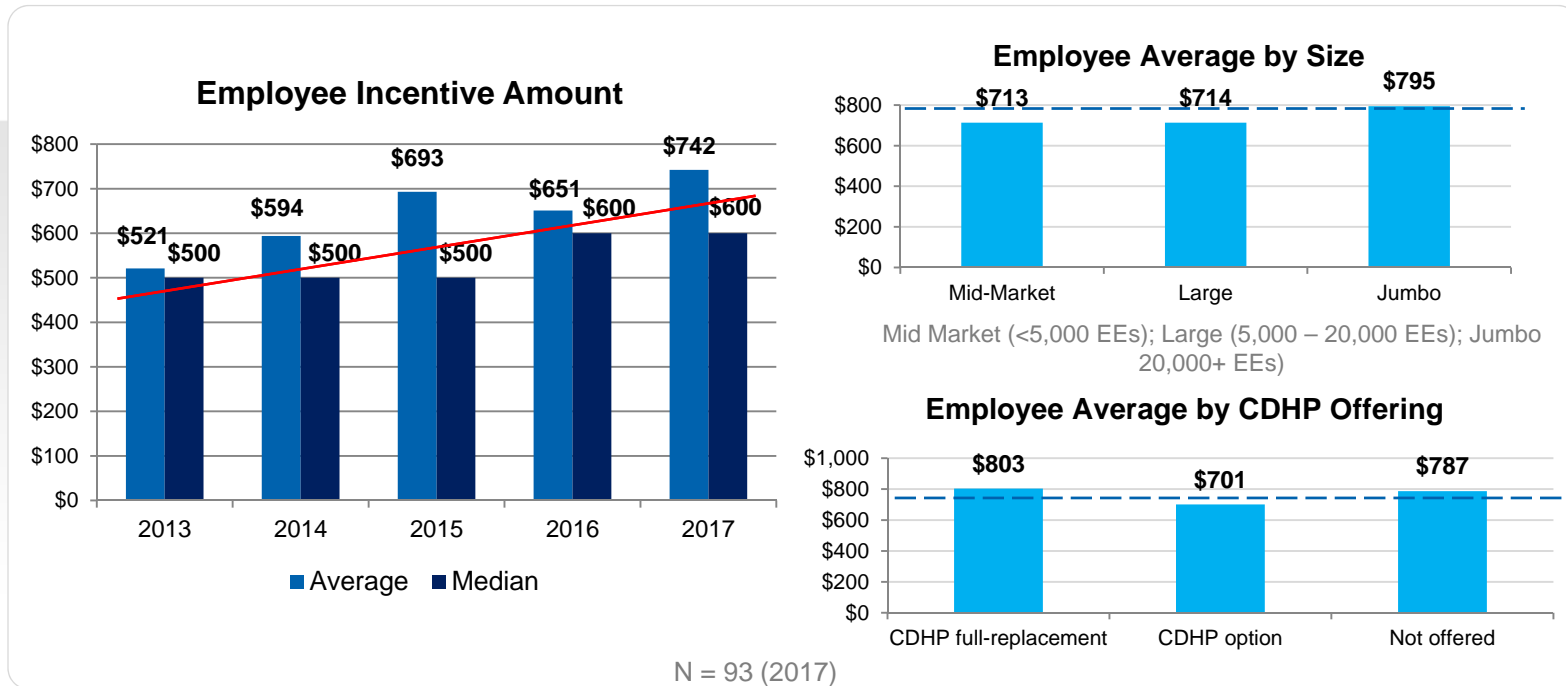
## Incentives in 2017



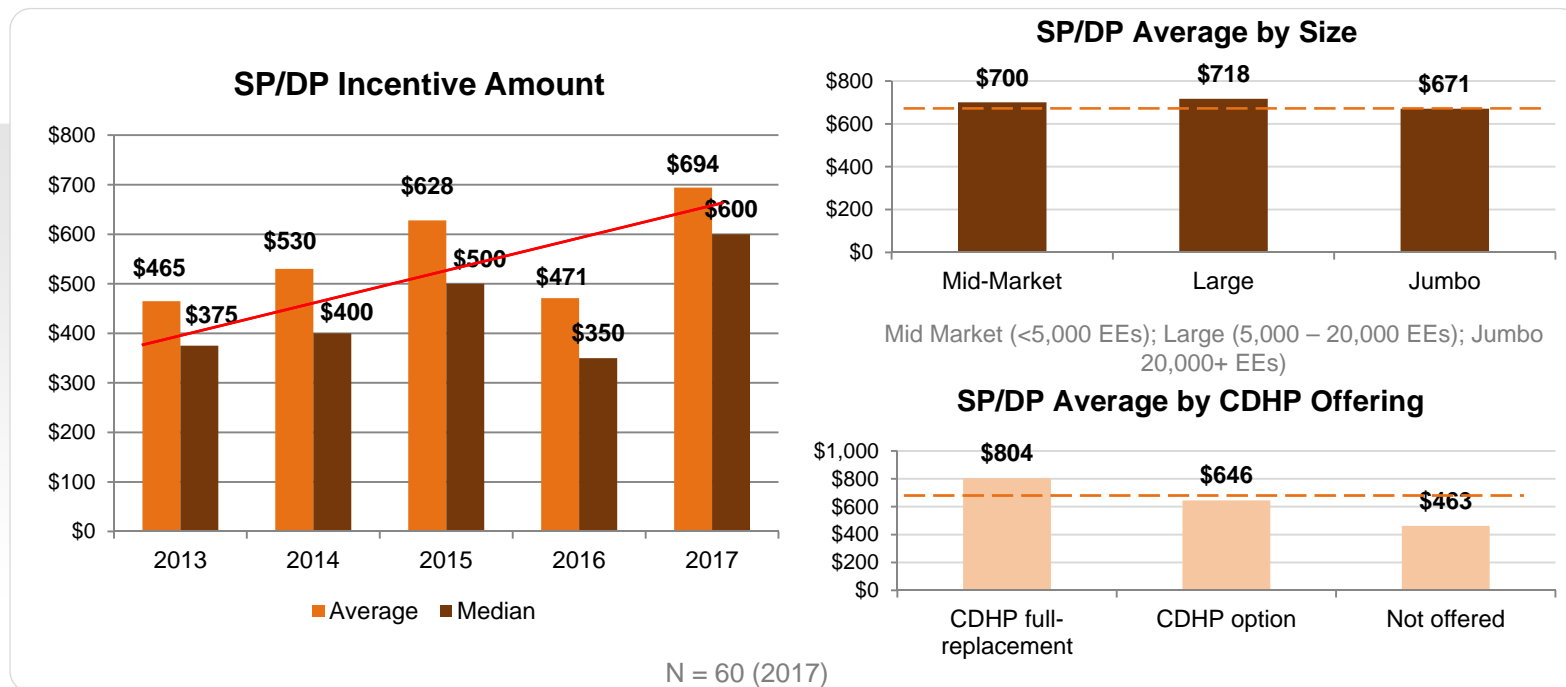
# Incentive Prevalence Holding Steady for Employees, But On the Rise for SPs/DPs



# Employee Incentive On The Rise

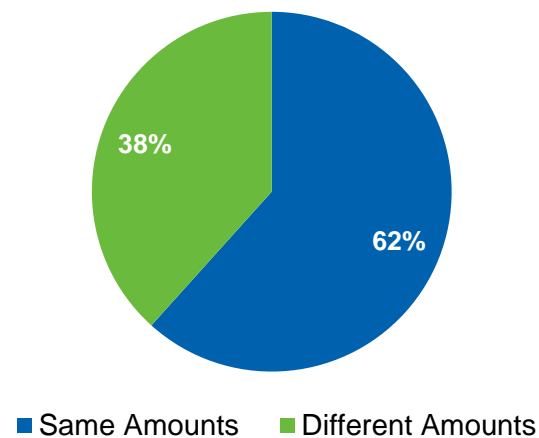


## Spouse/Domestic Partner Incentive Amounts Also Increasing



## Companies Utilizing SP/DP Incentive Match Employee Amounts

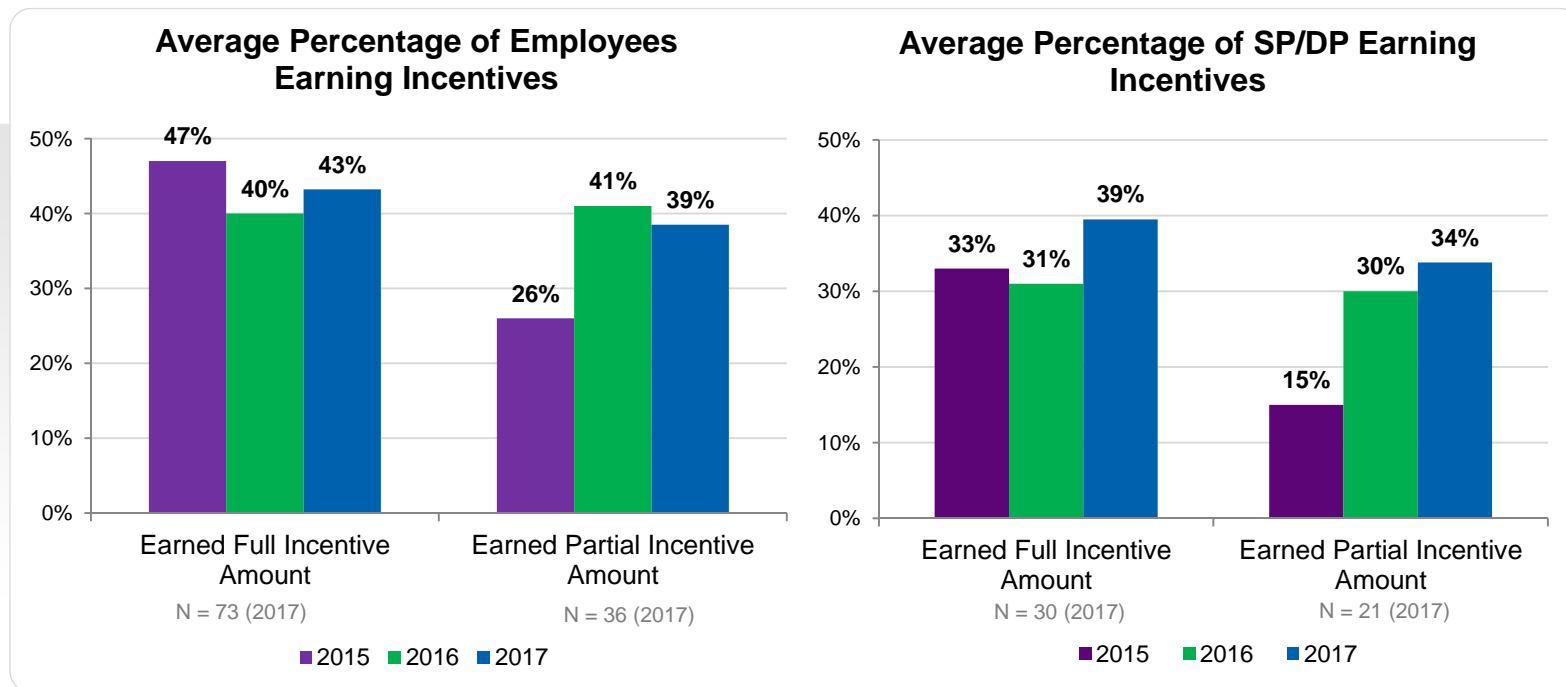
Of the Companies with Incentives for Spouses, Percentage with the Same Incentive Amount for Employees and Spouses



N = 60 (2017)

## Expanded Definition of Well-Being Continues to Drive Participation

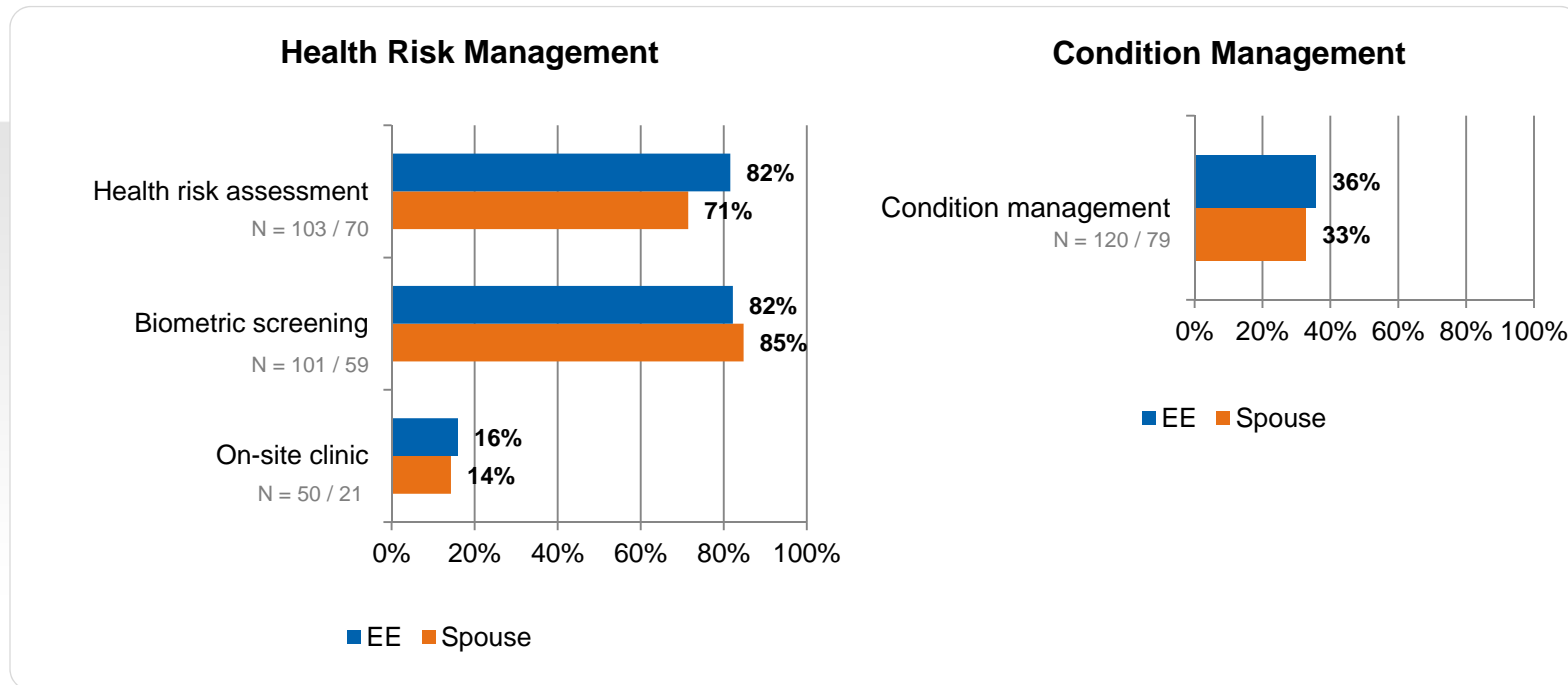
Although percentage of Spouses/Domestic Partners earning incentives is increasing slightly





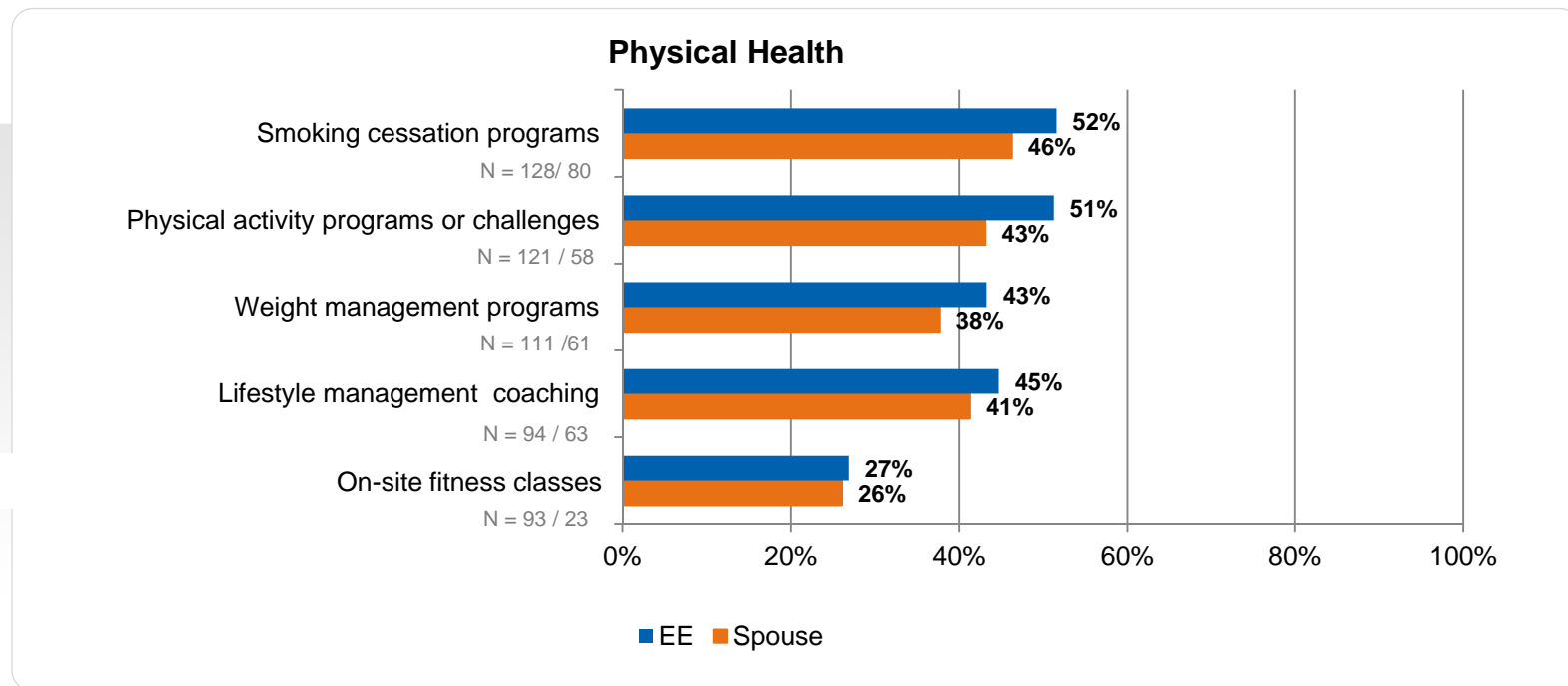
## A Look at Incentive Prevalence by Program...

(of those companies with program in place)



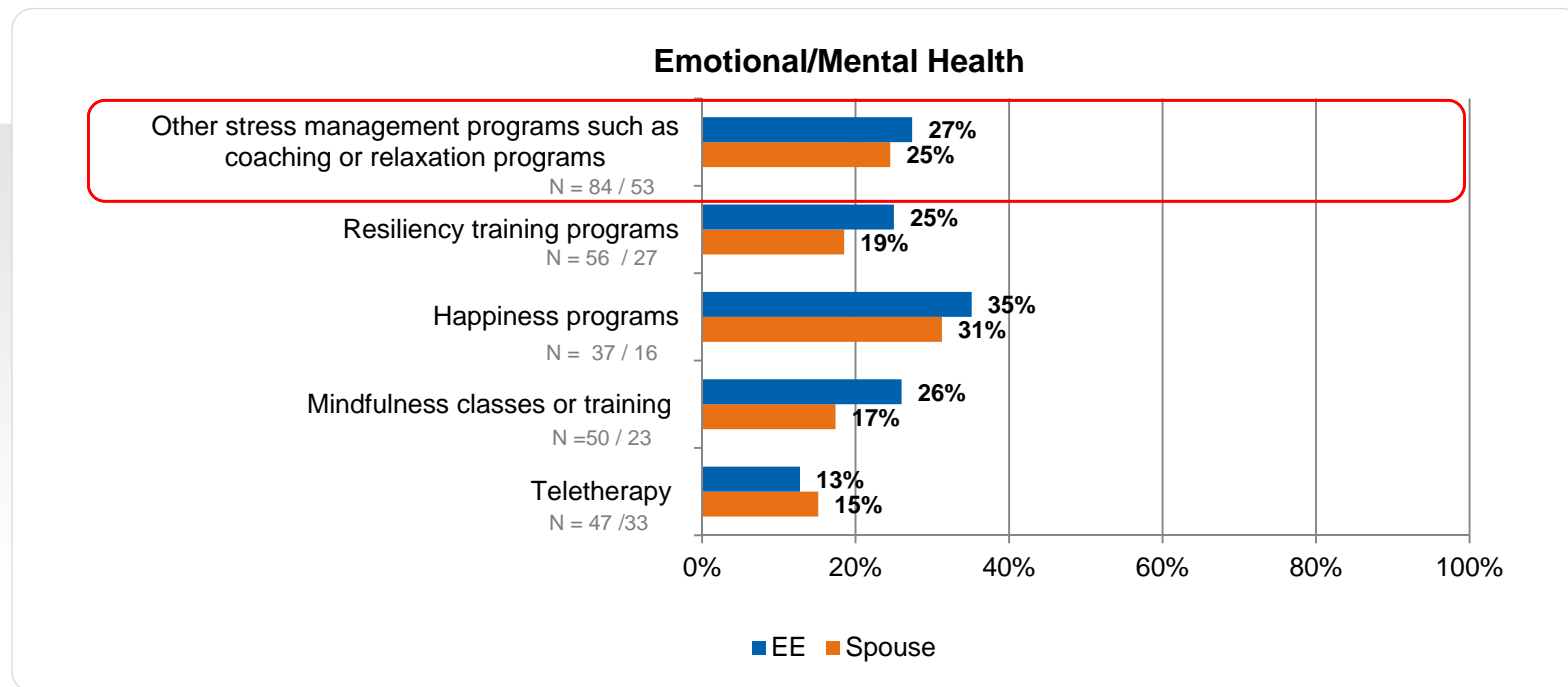
## A Look at Incentive Prevalence by Program...

(of those companies with program in place)



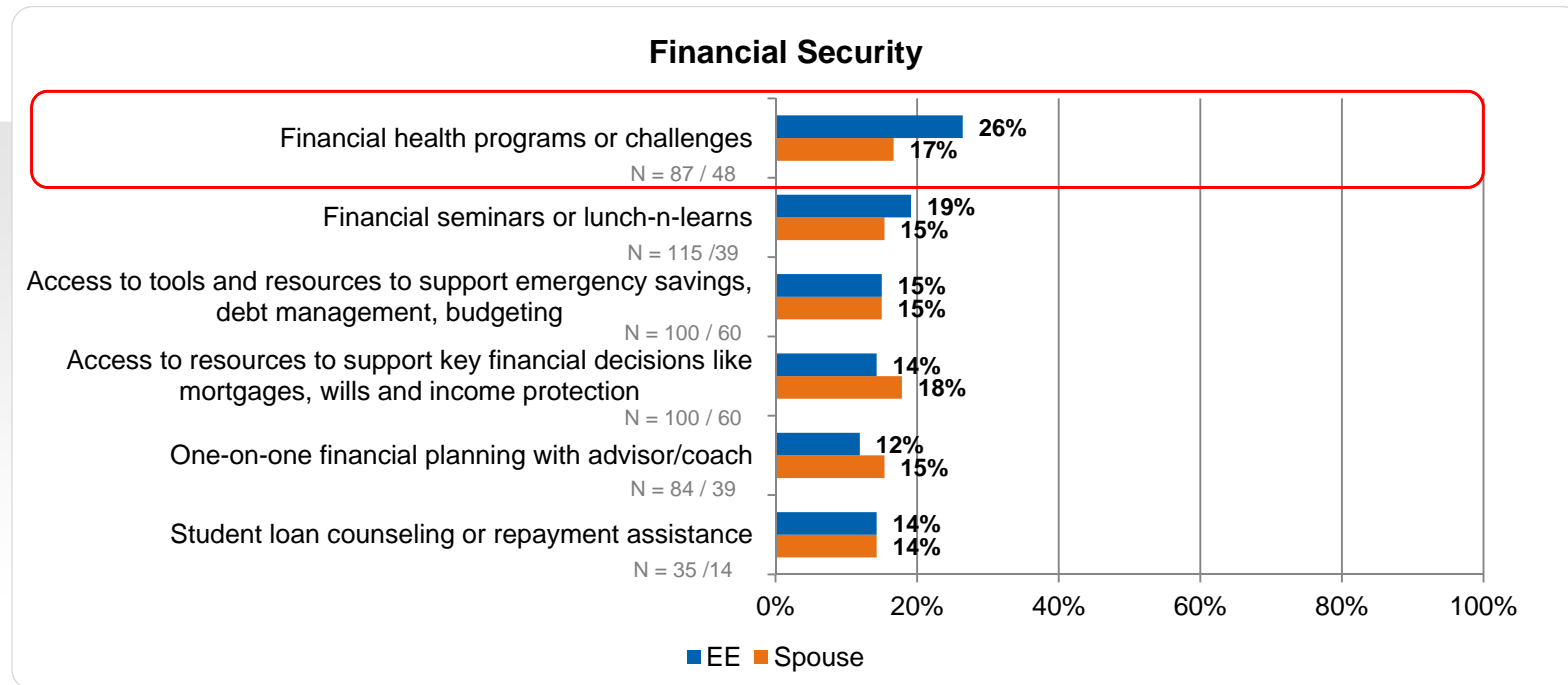
## A Look at Incentive Prevalence by Program...

(of those companies with program in place)

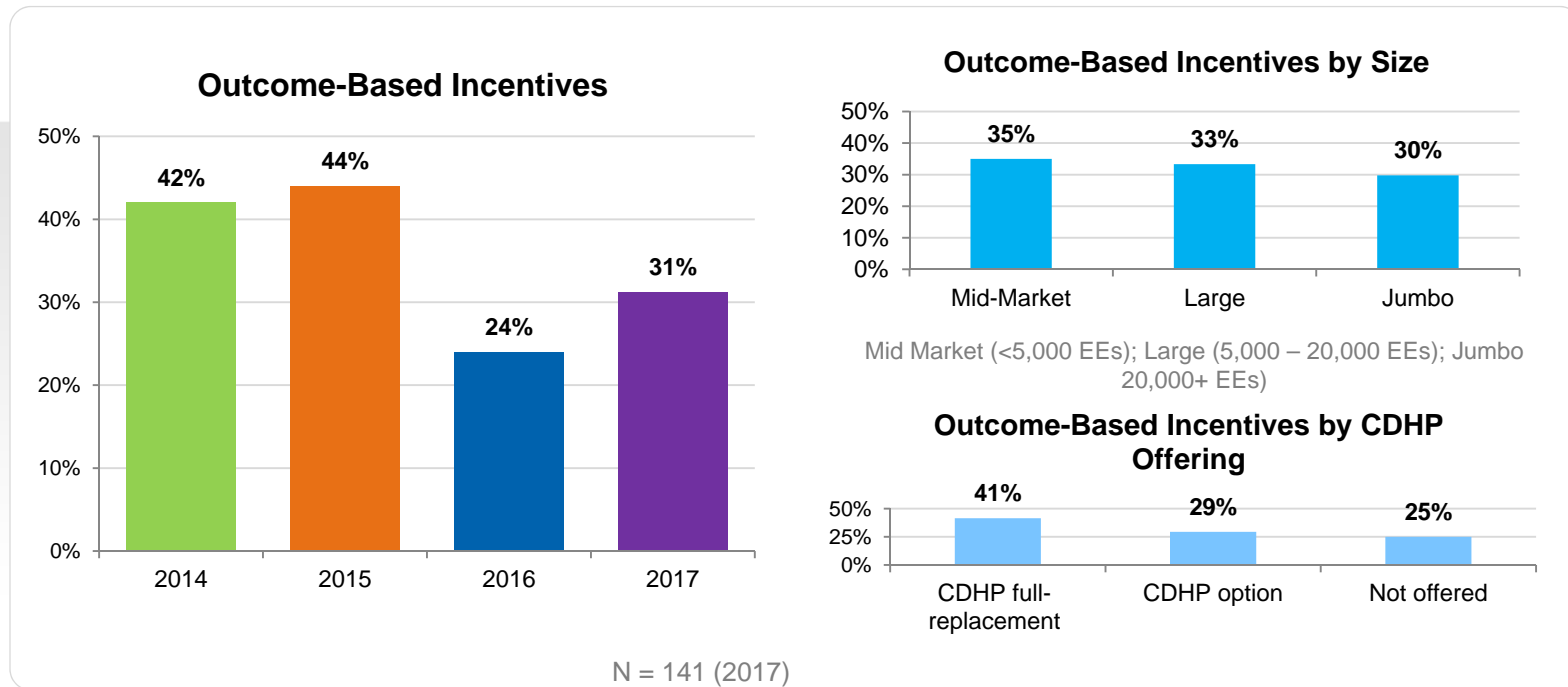


## A Look at Incentive Prevalence by Program...

(of those companies with program in place)



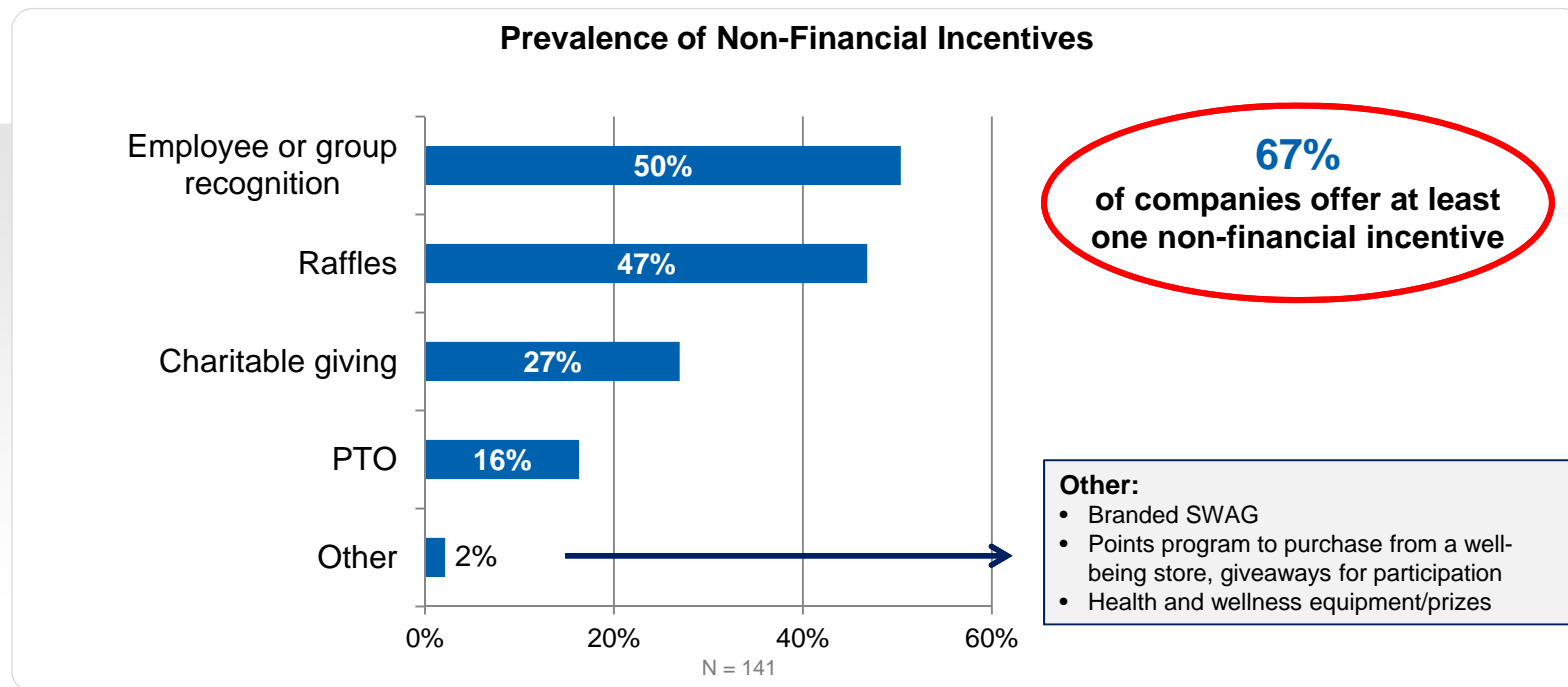
## Outcome-Based Incentives Remain Less Common



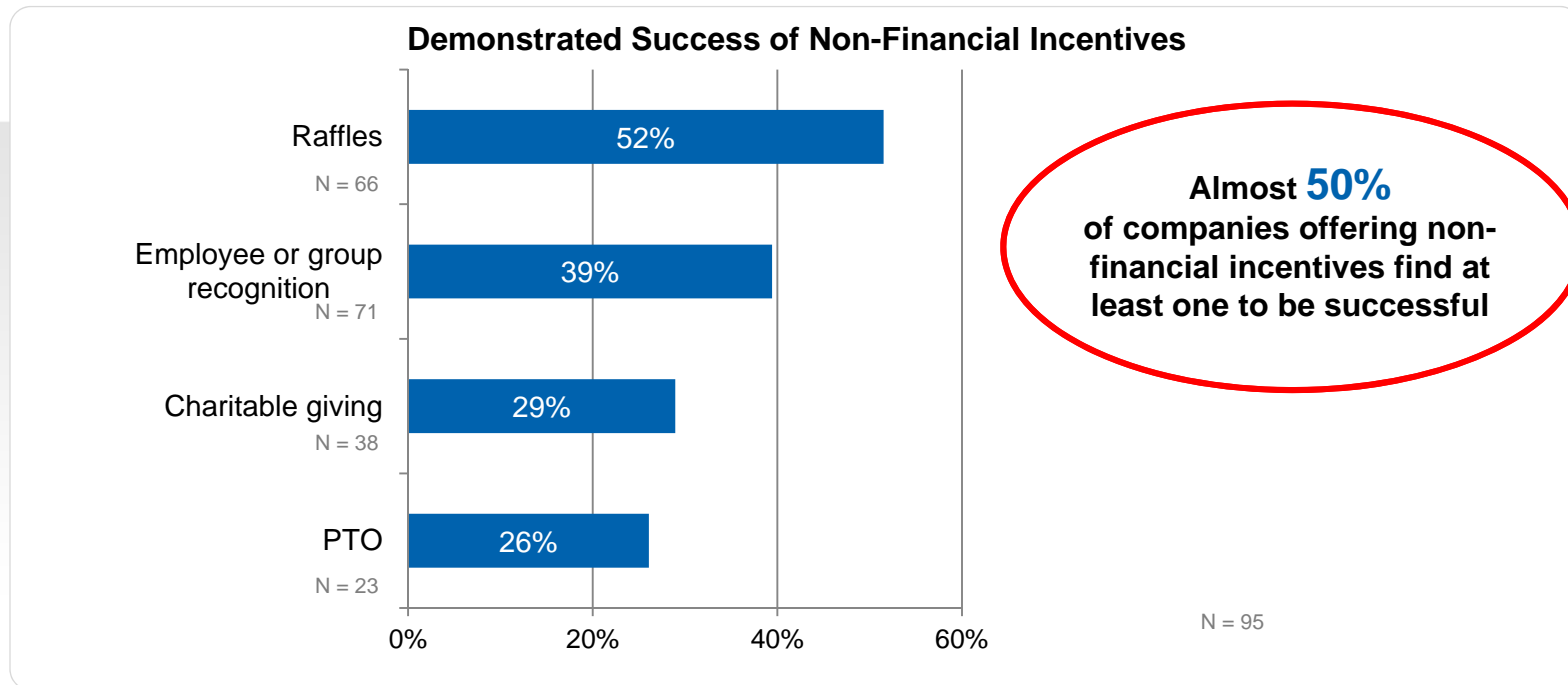
## Non-Financial Incentives



## Use of Non-Financial Incentives Has Become Prevalent



## Employers Still Evaluating The Success of Non-Financial Incentives

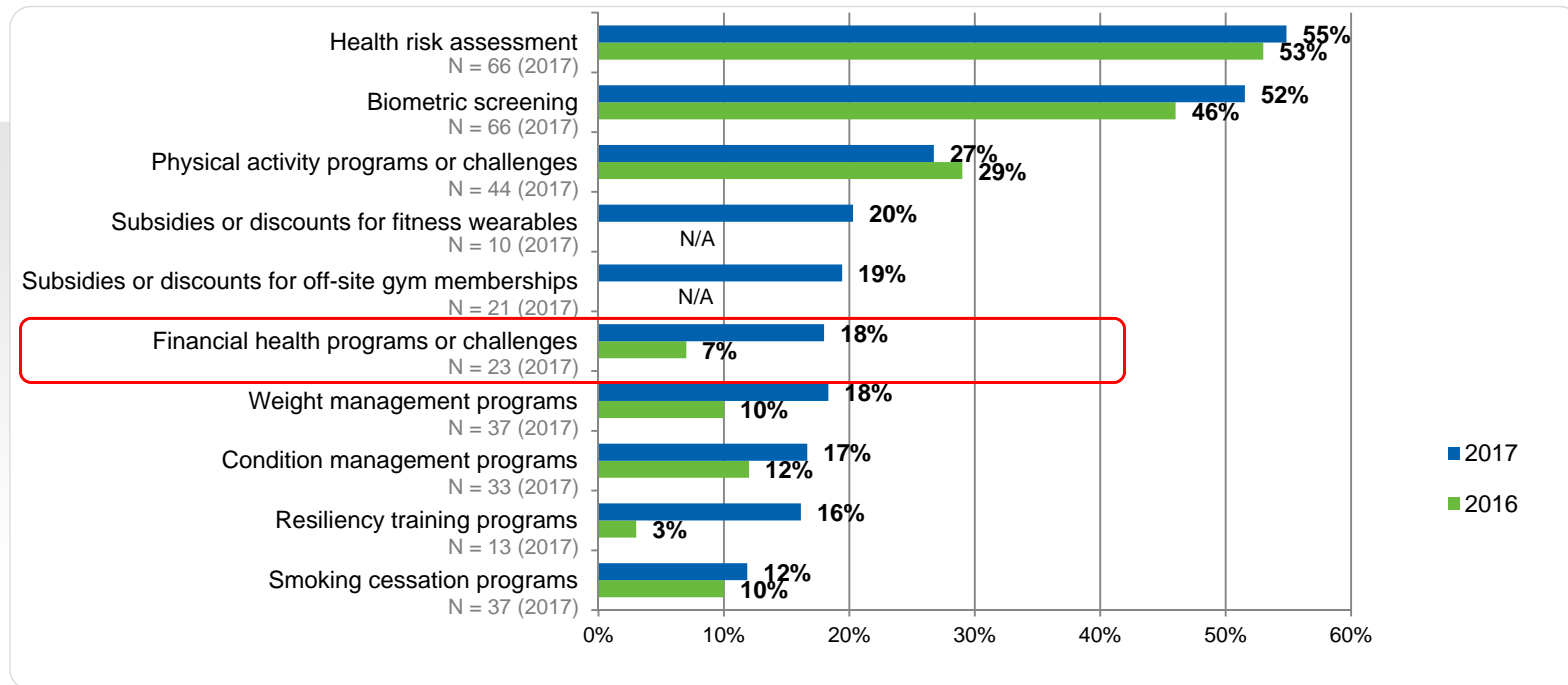




## Program Measurement



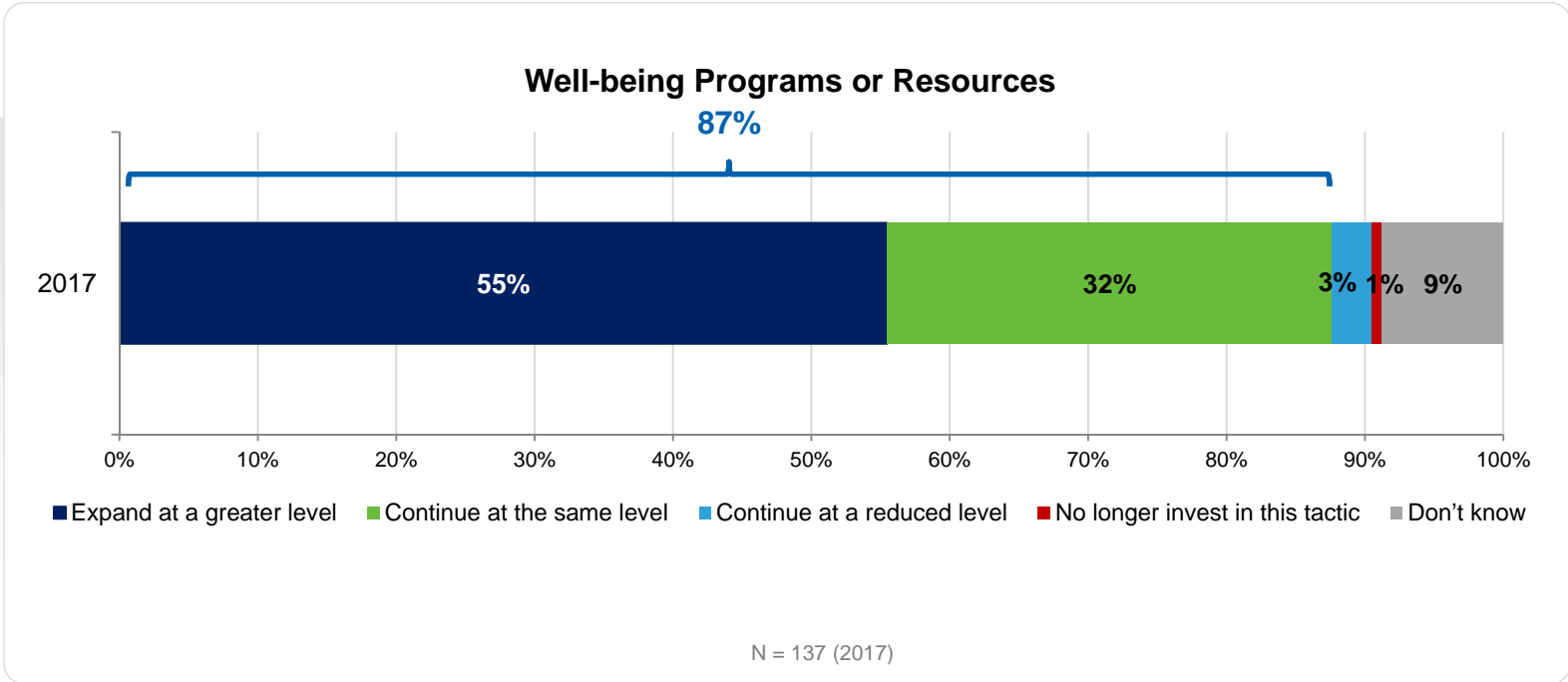
## Financial Health Participation Significantly Increased



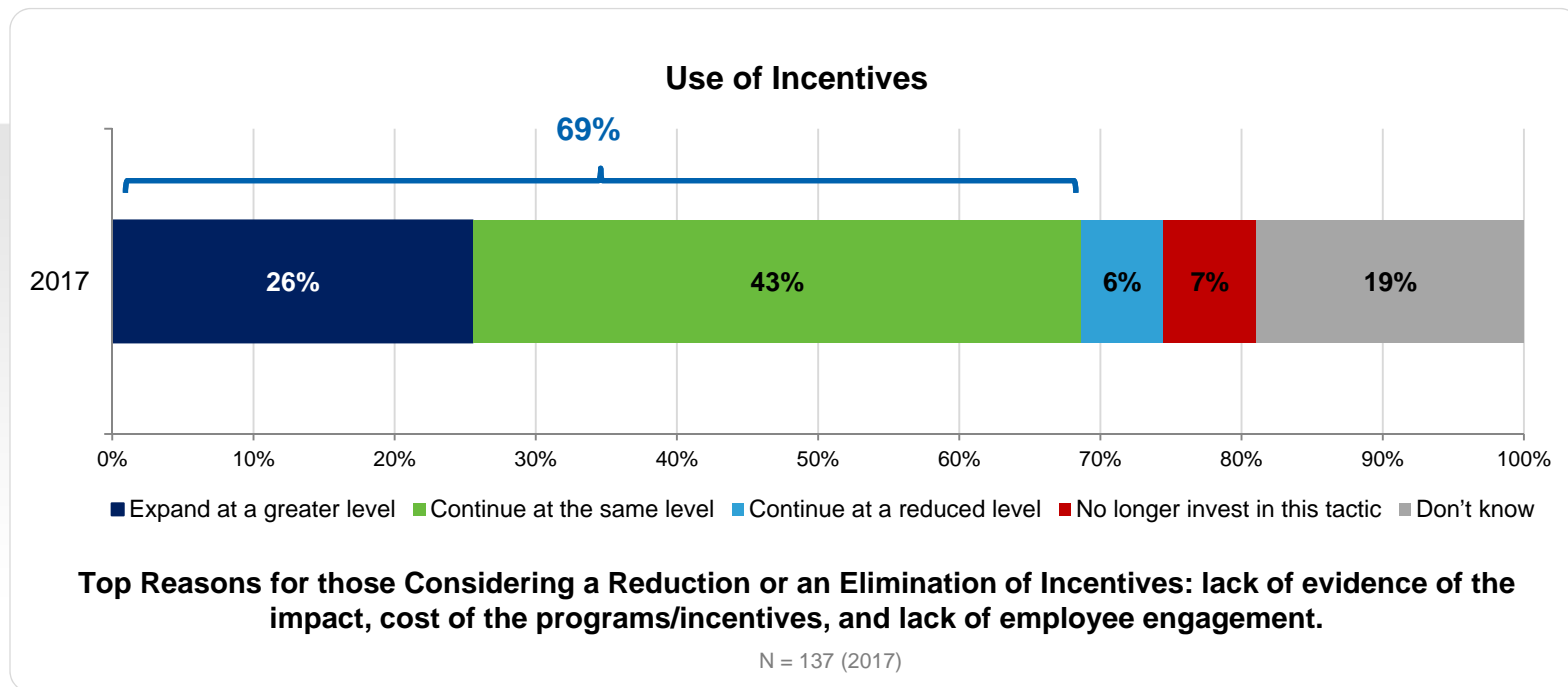
## Future Investment in Health Improvement



# Employers Planning to Continue or Expand Investments in Well-Being Programs in the Near Term



## And Employers Also Planning to Continue the Use of Incentives



# Well-Being Strategy Framework

## Program (Re)Design

- Revisit program goals & objectives
- Test programs and designs, including use of incentives
- Finalize new programs, designs, and incentives
- Identify key program performance metrics and appropriate targets
- Discuss current engagement strategy, highlighting challenges and opportunities

## Diagnostic Evaluation

- Review employer objectives and inventory current programs
- Benchmark existing programs, including use of incentives
- Analyze participation data and results
  - Vendor reports, ad hoc data, etc.
- Provide written assessment of the current state with challenges and opportunities



## Vendor Selection

- Manage RFP process, determine key selection criteria
- Summarize proposals and meet to select finalists
- Attend finalist meetings and conduct BAFO negotiations
- Document final proposal
- Attend initial implementation kick-off

## Program Launch

- Develop employee engagement strategy
- Test themes and overall messaging
- Identify desired behaviors and associated key performance metrics
- Determine media/channels for rollout
- Develop timeline and associated editorial calendar
- Develop communication tactics, potentially including websites, apps, personalized statements, dashboards, bootcamps, workshops, etc.

## Program Management

- Develop governance structure for employer well-being program, including integration with health care and retirement plans, as appropriate
- Meet with vendor(s) twice a year to review performance discuss program modifications, and review new products/services/features
- Conduct periodic employee sensing related to well-being program design, vendors and communication
- Ongoing and ad hoc analysis



## Selected Survey Participants

Ace Hardware Corporation	General Motors	Sprint
AT&T	GlaxoSmithKline	Standex International Corp.
Aetna, Inc.	Harris Corp	Staples
Alyeska Pipeline Service Company	HCSC	Synopsys, Inc.
American University	IBM	Target Corporation
Amgen Inc.	Intel	TD Bank
Analog Devices	International Automotive Components Group	Tennessee State and University
Apache Corporation	Itron, Inc.	Teradata Corporation
Apria Healthcare	JE Dunn Construction Company	Texas Health Resources
Assurant, Inc.	JLL	Texas Instruments
Avangrid	KapStone Paper and Packaging Corporation	The Hartford
Baker Hughes	KeyBank	The Home Depot
BBU, Inc.	Keysight Technologies, Inc.	The Toro Company
Cambia Health Solutions	Marathon Oil	The Wonderful Company
CBS Corporation	Masco Corporation	Time Warner Inc.
CDW	Medtronic	Trident Seafoods
CH2M	Mutual of Omaha	Tupperware Brands Corporation
Chevron	NextEra Energy, Inc.	Tyson Foods, Inc.
Citrix	Nokia	U.S. Bank
Crowley	Northern Trust	Universal Health Services, Inc.
CVS Health	Pfizer	UPMC
Dell	Pitney Bowes	US Foods
Dr Pepper Snapple Group	Praxair	Volvo Group - US
Eaton	Quanex	Walmart
Express Scripts	Quest Diagnostics Incorporated	Wells Fargo & Company
FCA US LLC	RR Donnelley	Wyndham Worldwide
Fidelity Investments	Schwan's Shared Services, LLC	ZF North America, Inc.
General Cable	Sodexo	ZF TRW
General Mills		

Select list of participants that agreed to show their names



*This presentation is by Fidelity Benefits Consulting, which is part of the Fidelity Personal and Workplace Investing division and which provides strategic consulting services to plan sponsors.*

*All content in this presentation is for discussion and informational purposes and is not intended to provide tax, legal, insurance, investment or other financial advice. No part of this presentation should be construed, explicitly or implicitly, as an offer to sell, a solicitation of an offer to buy, an endorsement, guarantee or recommendation for any financial product or service by Fidelity its affiliates or any third party.*

© FMR LLC.



# National Business Group on Health 2017 Conferences



**National Business Group on Health®**  
**BUSINESS HEALTH AGENDA 2017**

HEALTH CARE  
**2020**  
FOCUS  
ON THE  
FUTURE

*A National Business Group on Health® Conference*

**March 29-31, 2017 | Washington, DC**

**DAY ONE: EMPLOYER-ONLY**

The poster for the Business Health Agenda 2017 conference features a teal and orange gradient background. It includes the National Business Group on Health logo, the title "BUSINESS HEALTH AGENDA 2017", and the main theme "HEALTH CARE 2020 FOCUS ON THE FUTURE". The dates and location are listed as March 29-31, 2017 in Washington, DC. A banner at the bottom indicates "DAY ONE: EMPLOYER-ONLY".

**National Business Group on Health®**

**Workforce Strategy 2017**  
*A National Business Group on Health® Conference*

ENGAGING FOR CHANGE

September 26-28, 2017 | Austin, TX

**DAY ONE: EMPLOYER-ONLY**

The poster for the Workforce Strategy 2017 conference features a white brick wall background. It includes the National Business Group on Health logo, the title "Workforce Strategy 2017", and the main theme "ENGAGING FOR CHANGE". The dates and location are listed as September 26-28, 2017 in Austin, TX. A banner at the bottom indicates "DAY ONE: EMPLOYER-ONLY". The central image shows a woman in a grey blazer thinking, surrounded by various icons representing business and healthcare concepts like a bicycle, gears, a heart, a key, an apple, a stethoscope, a first aid kit, and a hand on a tablet.

# Questions?



Ask questions any time during the presentation:

- (1) Click on the Q&A tab
- (2) Type your question
- (3) Click “Send to All Panelists”

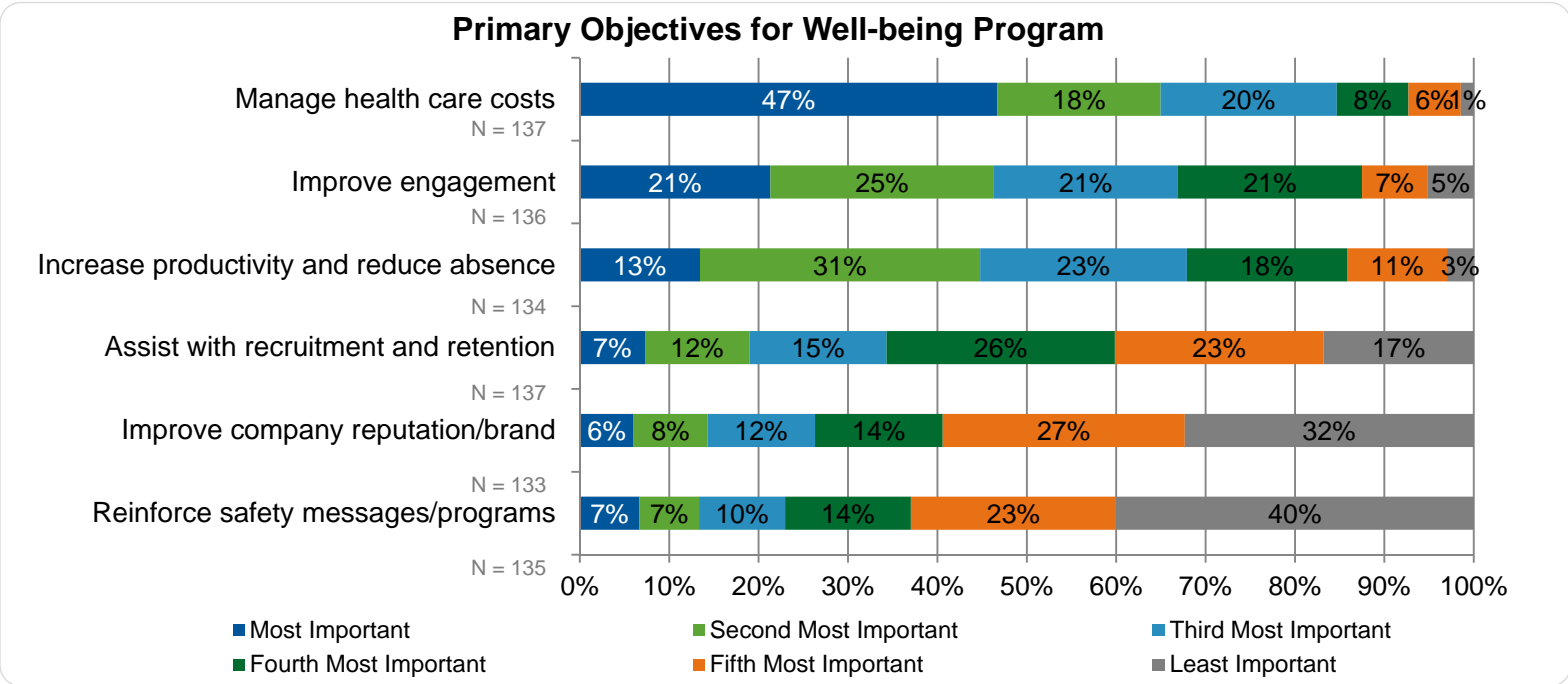
If we don't get to your question by the end of the webinar, we will follow-up by email.



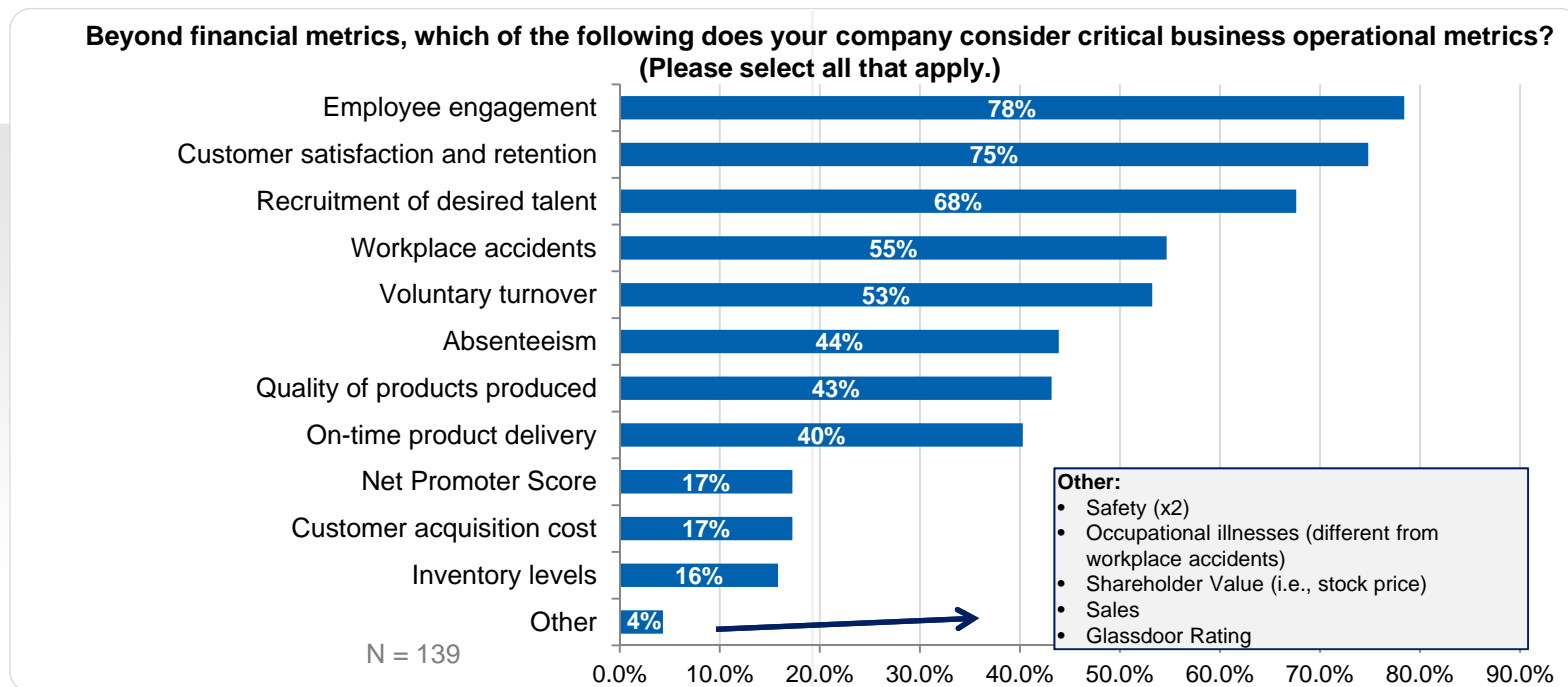
## Appendix



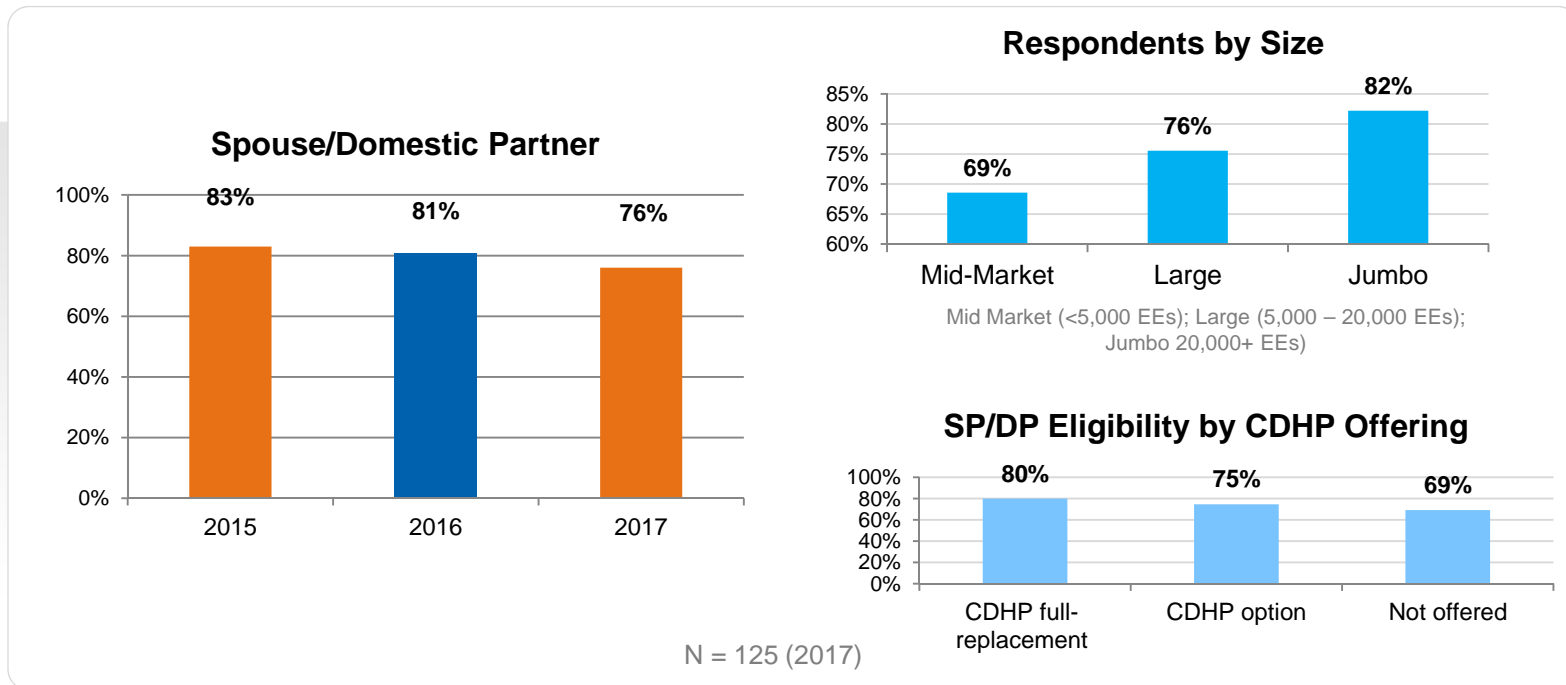
# In Addition to Managing Health Care Costs, Engagement and Productivity are Primary Objectives



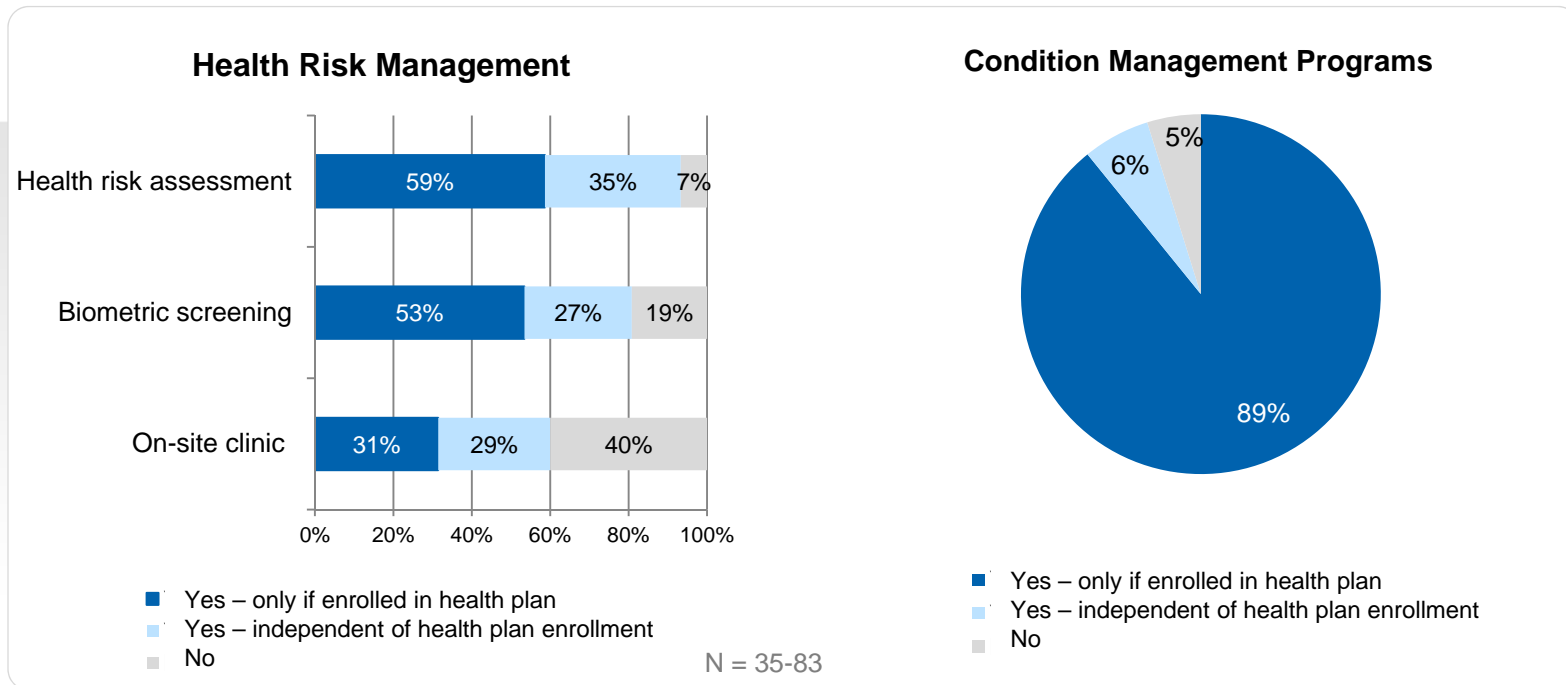
## Critical Business Operational Metrics



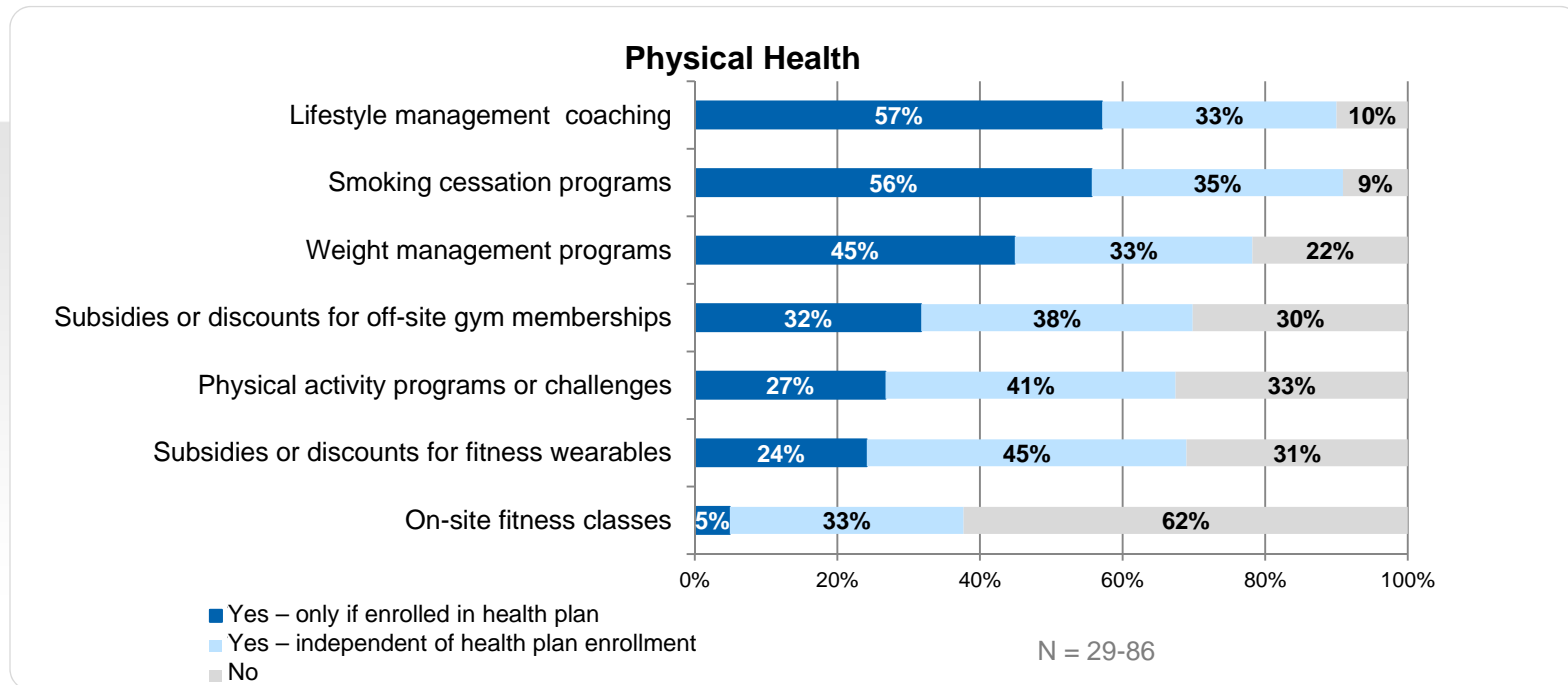
## Spouse and Domestic Partner Eligibility Decreased Slightly



## Spouse/Domestic Partners Are Eligible for Broad Spectrum of Programs

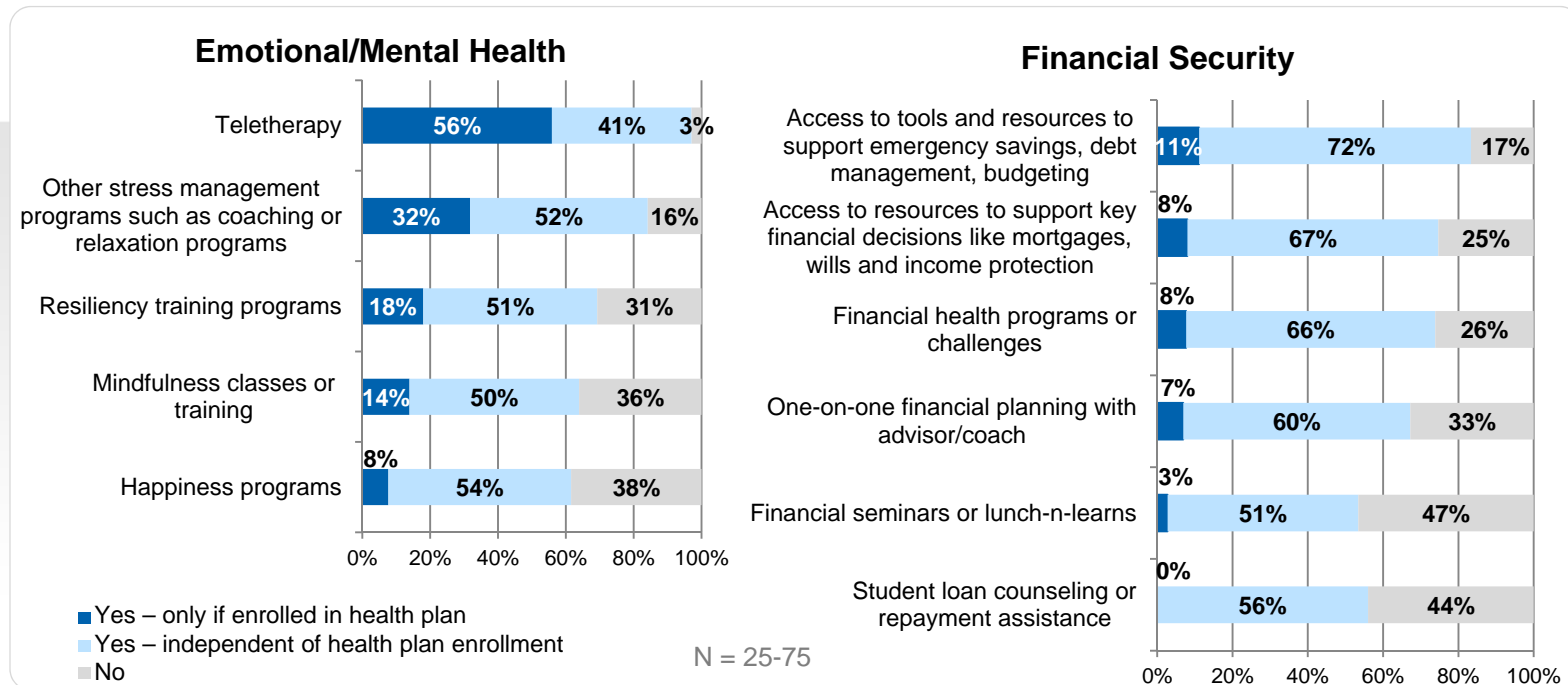


## Spouse/Domestic Partners Are Eligible for Broad Spectrum of Programs

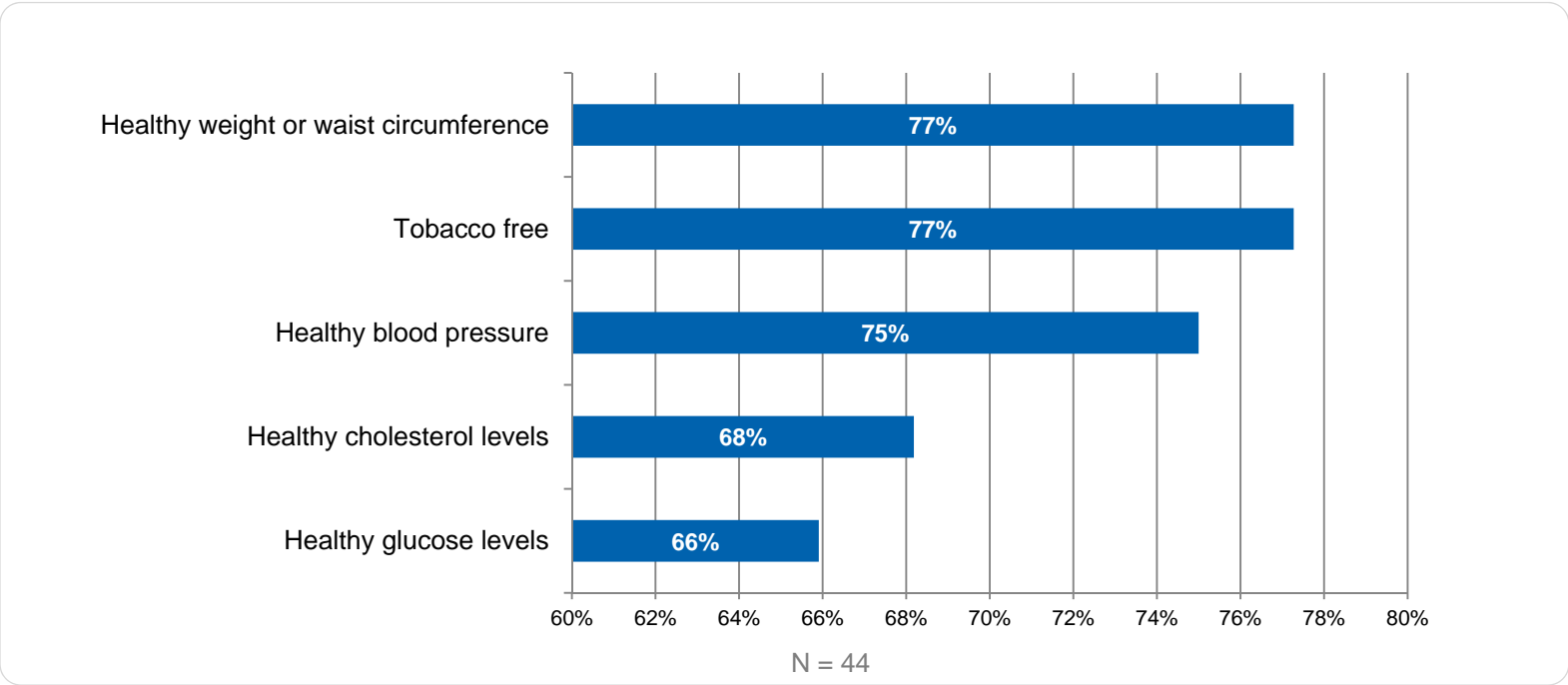




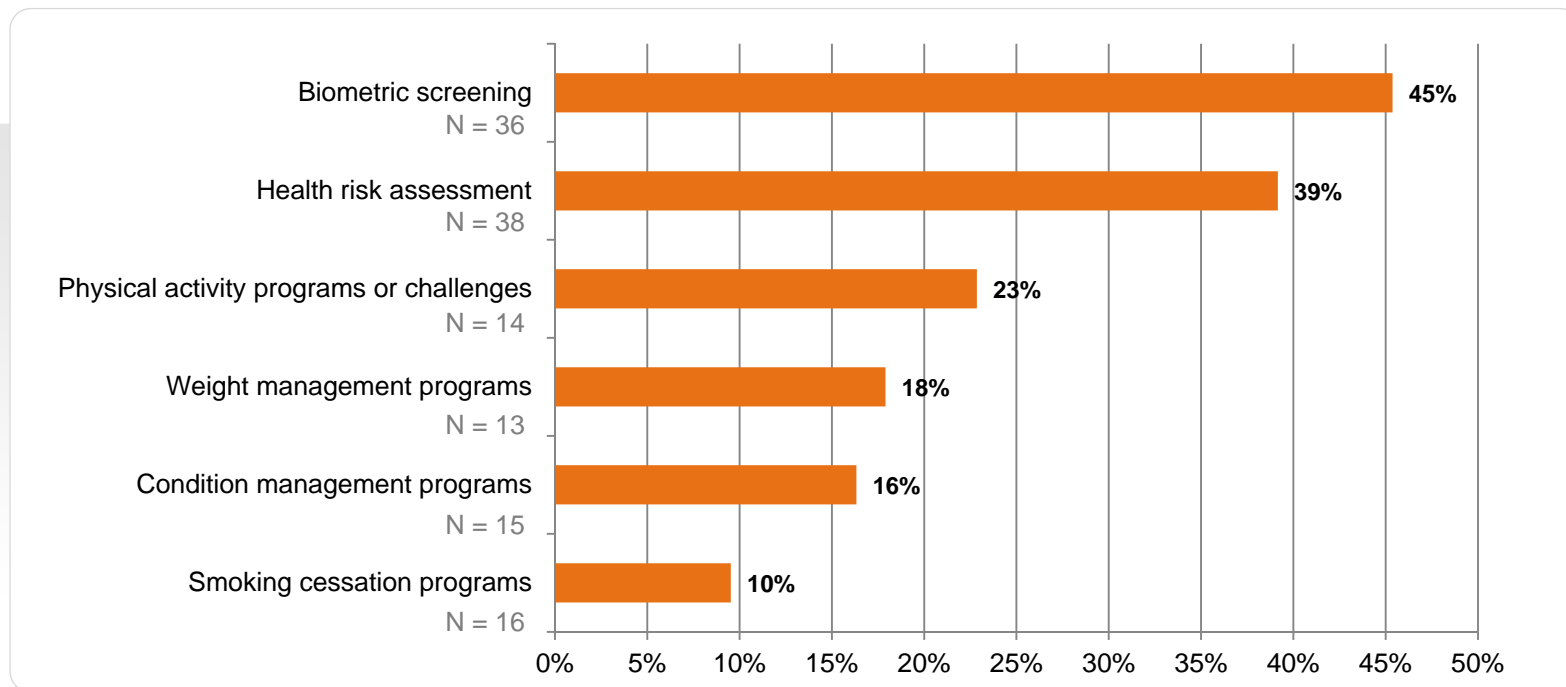
## Spouse/Domestic Partners Are Eligible for Broad Spectrum of Programs



# Outcome-Based Incentives Focused on Healthy Weight & Tobacco Cessation



## SP/DP Participation Also Concentrated in Physical Health Programs



## For Those Considering a Reduction or an Elimination of Incentives, Lack of Evidence of the Impact is the Driving Reason

