

## Employer Wellness Programs and Benefits

### Wellness Benefits Currently Being Offered by Firms

Employees of firms with 10-1000 employees are offered a variety of benefits through the workplace. Some employers have implemented wellness benefits as a method for boosting employee health and to help curb the ever-rising healthcare expenses. To identify what types of wellness benefits are available, employees were given a list of possible wellness benefits and asked to identify which ones they were offered. Table 1 below shows that the top three wellness benefits offered are educational tools or resources (16%), fitness center discounts (13%), and fitness facilities (11%). As would be expected, wellness benefits are more likely to be offered at larger firms (501-1000 employees).

**Table 1 – Wellness Benefits**

*“Which of the following wellness benefits does your employer currently offer?”*

Base: 1,179 employed U.S. adults in firms of 10-1,000 employees

Wellness Benefits	4 <sup>th</sup> Qtr 2008	4 <sup>th</sup> Qtr 2007	4 <sup>th</sup> Qtr 2006	4 <sup>th</sup> Qtr 2005	4 <sup>th</sup> Qtr 2004	2008 Employer Firm Size	
						10 to 500 Employees	501 to 1,000 Employees
Educational Tools or Resources	16%	14%	18%	16%	19%	14%^	30%
Fitness Center Discounts	13%	14%	15%	12%	14%	11%^	24%
Fitness Facilities	11%	11%	12%	11%	11%	9%^	21%
Educational Wellness Seminars	11%	9%	13%	11%	14%	10%^	17%
On-Site Health Screenings	11%	10%	11%	8%	9%	10%	15%
Smoking Cessation Programs	9%	11%	9%	10%	6%	8%^	14%
Blood Pressure Checks	9%	9%	11%	9%	12%	8%	14%
Weight Management Programs	8%	7%	9%	8%	5%	8%	10%
Access to Experts (Nutritionists, etc)	7%	7%	7%	7%	8%	6%^	15%
Cholesterol Screening	7%	6%	10%	7%	8%	6%^	12%
Weight Mgmt Program Discounts	6%	5%	6%	5%	4%	5%	10%
Blood Sugar Screening	5%	6%	6%	6%	6%	4%	8%
Intervention Programs	5%	5%	7%	5%	7%	4%^	9%
Online Health Screenings	5%	4%	4%	3%	2%	5%	8%
Maternity Management	4%	4%	4%	5%	6%	3%	6%
Consultant Review of Health Screen	4%	4%	6%	4%	4%	3%	6%
Personalized Action Plan for High Risk Conditions	4%	3%	4%	3%	4%	4%	6%
Fitness Equipment Discounts	2%	2%	2%	3%	2%	2%	2%
Other	3%	4%	4%	3%	3%	3%	2%
	N=1,179	N=1,154	N=1,197	N=1,213	N=1,736	N=984	N=195

^ = varies significantly (95% level) from the other employer firm size category

### Usage of Wellness Benefits by Employees

Although employers can offer a variety of wellness benefits, it is up to the employees to take advantage of these benefits. Based upon which wellness benefits are offered to them, employees were asked to identify how frequently they used each of them. Shown in Table 2 below is a breakdown of how frequently they are used.

**Table 2 – Usage of Wellness Benefits**

*“How often do you use each of the following wellness benefits offered by your employer?”*

Base: employed U.S. adults with at least 1 Wellness Program offered

Wellness Benefits	# of Employees with access to benefit	Have Used 2008	Have Used 2007	Have Used 2006	Have Used 2005	Have Used 2004	2008 Use Frequency		
							Weekly	Monthly	Yearly
Education Tools/Resources	219	<b>79%</b>	74%	86%	82%	84%	10%	53%	16%
Blood Sugar Screening	73	<b>77%</b>	59%	60%	70%	65%	2%	14%	61%
Cholesterol Screening	96	<b>77%SIG</b>	59%	70%	73%	70%	1%	7%	69%
Blood Pressure Checks	135	<b>74%</b>	64%	70%	81%	71%	10%	25%	39%
Consultant Review of Health Screen	46	<b>65%</b>	51%	80%	72%	70%	2%	6%	57%
On-Site Health Screenings	130	<b>61%SIG</b>	74%	79%	68%	79%	2%	6%	53%
Education Wellness Seminars	130	<b>59%</b>	68%	63%	68%	69%	4%	22%	33%
Online Health Screenings	64	<b>55%</b>	66%	86%	72%	66%	1%	14%	40%
Fitness Facilities	149	<b>52%</b>	52%	60%	38%	54%	31%	16%	5%
Personalized Action Plan for High Risk Conditions	46	<b>45%</b>	40%	65%	45%	49%	6%	3%	36%
Fitness Equipment Discounts	23	<b>37%</b>	47%	24%	40%	64%	0%	6%	31%
Access to Experts	93	<b>36%</b>	42%	48%	42%	60%	6%	17%	13%
Intervention Programs	61	<b>33%</b>	18%	25%	37%	40%	5%	12%	16%
Maternity Management	38	<b>31%</b>	38%	24%	15%	12%	0%	24%	7%
Weight Mgmt Program Discounts	82	<b>30%</b>	28%	22%	36%	17%	8%	11%	11%
Fitness Center Discounts	174	<b>30%</b>	23%	39%	32%	38%	6%	13%	11%
Weight Mgmt Programs	95	<b>27%</b>	36%	37%	33%	35%	10%	7%	10%
Smoking Cessation Programs	120	<b>20%</b>	18%	11%	16%	10%	6%	5%	9%

SIG = varies significantly (95% level) from 2007 employee comparison

## Wellness Benefits Desired and Not Currently Offered

To understand what wellness benefits employees desire, employees were given a list of benefits not currently offered by their firms and asked to pick the top 3 they would like to see offered. Table 3 shows those benefits listed in order of most frequently mentioned – fitness facilities received the highest percentage of mentions (28%), this percentage is significantly lower than in 4<sup>th</sup> quarter 2007 (34%). Other common responses included fitness center discounts (23%) and weight management programs (20%). Nearly one third (31%) responded they would prefer to see their employer offer “none of these”.

**Table 3 – Wellness Benefits Desired**

*“Below are the wellness benefits you indicated your employer does not offer. Which of the following are the top three benefits that you would like to see your employer offer?”*

Base: 1,179 employed U.S. adults in firms of 10-1,000 employees

Wellness Benefits	Top Desired 4 <sup>th</sup> Qtr 2008	Top Desired 4 <sup>th</sup> Qtr 2007	Top Benefits 4 <sup>th</sup> Qtr 2006	Top Benefits 4 <sup>th</sup> Qtr 2005	Top Benefits 4 <sup>th</sup> Qtr 2004
Fitness Facilities	<b>28%SIG</b>	34%	30%	27%	31%
Fitness Center Discounts	<b>23%</b>	24%	26%	23%	30%
Weight Management Programs	<b>20%</b>	18%	18%	17%	19%
Weight Management Program Discounts	<b>12%</b>	14%	12%	9%	13%
Access to Experts (Nutritionists, etc)	<b>12%</b>	13%	17%	12%	18%
Fitness Equipment Discounts	<b>12%</b>	11%	12%	10%	15%
On-Site Health Screenings	<b>11%</b>	13%	15%	15%	16%
Cholesterol Screening	<b>10%SIG</b>	13%	8%	13%	11%
Blood Pressure Checks	<b>7%SIG</b>	10%	8%	13%	7%
Educational Wellness Seminars	<b>7%</b>	8%	9%	9%	9%
Blood Sugar Screening	<b>5%</b>	6%	5%	6%	5%
Smoking Cessation Programs	<b>5%SIG</b>	8%	9%	7%	9%
Maternity Management	<b>5%</b>	3%	4%	5%	5%
Consultant Review of Health Screening	<b>4%SIG</b>	7%	6%	5%	7%
Personalized Action Plan for High Risk Conditions	<b>4%</b>	4%	6%	7%	7%
Educational Tools or Resources	<b>3%SIG</b>	6%	6%	5%	8%
Online Health Screenings	<b>3%</b>	3%	3%	4%	2%
Intervention Programs	<b>3%</b>	2%	3%	4%	6%
None of these	<b>31%SIG</b>	23%	24%	26%	19%
	N=1,179	N=1,151	N=1,196	N=1,213	N=1,736

SIG = varies significantly (95% level) from 2007 employee comparison

## Perceived Success of Wellness Programs at Reducing Health Care Costs

Employees were asked to evaluate how successful they feel wellness benefits are in reducing healthcare costs. Fifty-one percent believe wellness benefits are very/somewhat successful in reducing healthcare costs. Table 4 provides a breakdown of results.

**Table 4 – Wellness Program Success**

*“How successful do you believe wellness benefits offered by your employer can be in reducing healthcare costs?”*

Base: 1,179 employed U.S. adults in firms of 10-1,000 employees

	Very Successful	Somewhat Successful	Neither	Somewhat Unsuccessful	Very Unsuccessful
2008	13%	38%	27%	13%	9%
2007	12%	41%	25%	13%	10%
2006	19%	42%	23%	10%	6%
2005	15%	42%	27%	9%	7%
2004	14%	43%	24%	9%	11%

## Ranking of Who Benefits the Most from Reduced Health Care Costs

As noted above, 51% believe that wellness benefits are successful in reducing healthcare costs. As a follow-up question, they were asked to identify whom they feel benefits the most financially from reduced healthcare costs. Table 5 shows what percentage of employees ranked each of the items as number one – average rankings were also included in the table. “My family and me” was most commonly ranked number one as whom benefits the most from reduced health care costs, selected by 45% of employees – a significant decrease from 4<sup>th</sup> quarter 2007 (55%).

**Table 5 – Benefits from Wellness Benefits**

*“In your opinion, who benefits most financially from the reduced healthcare costs associated with wellness benefit programs? Please rank list in order with “1” receiving the highest financial benefit and “6” receiving the lowest financial benefit.”*

Base: 1,179 employed U.S. adults in firms of 10-1,000 employees

	%Ranked #1 2008	%Ranked #1 2007	% Ranked #1 2006	% Ranked #1 2005	% Ranked #1 2004
My Family and Me	45% <b>SIG</b>	55%	58%	55%	48%
My Insurance Provider	20%	20%	17%	14%	18%
My Employer	16%	16%	16%	18%	19%
Society	8% <b>SIG</b>	5%	5%	5%	9%
Government	6% <b>SIG</b>	3%	2%	4%	3%
Health Care Providers	5% <b>SIG</b>	2%	1%	4%	3%

SIG = varies significantly (95% level) from 2007 employee comparison

## Items That Would Encourage Employees to Participate in a Wellness Program

Employees were asked to identify three benefits that would encourage them to participate in a wellness program – Table 6 shows the full results. The greatest perceived benefit of a wellness program was better overall physical health, cited by 53% of the employees. Other top mentions included reduced personal healthcare costs (38%), receive an incentive or reward to participate (38%), greater chance of living a longer, healthier life (32%), and employer provides opportunity to participate (31%).

**Table 6 – Encourage to Participate**

*“Of the items listed below, which three would encourage you to participate in a wellness benefit program?”*

Base: 1,179 employed U.S. adults in firms of 10-1,000 employees

	4 Q 2008	4 Q 2007	4 Q 2006	4 Q 2005	4 Q 2004
Better overall physical health	<b>53%</b>	54%	56%	55%	57%
Reduced personal health care costs	<b>38%</b>	37%	38%	42%	46%
Receive an incentive or reward to participate	<b>38%</b>	35%	35%	33%	31%
Greater chance of living a longer, healthier life	<b>32%<sup>SIG</sup></b>	40%	41%	40%	40%
Employer provides opportunity to participate	<b>31%</b>	28%	30%	31%	30%
Recommendation by doctor or health care provider	<b>16%</b>	19%	17%	16%	20%
More positive mental outlook	<b>14%</b>	16%	18%	18%	18%
Reduce impact of current condition or illness	<b>14%</b>	14%	15%	16%	18%
Encouragement from friends or family	<b>10%</b>	10%	11%	8%	9%
Encouragement from employer	<b>7%<sup>SIG</sup></b>	5%	6%	5%	6%
Advertisements	<b>&lt;1%</b>	1%	<1%	<1%	4%
None of these	<b>8%</b>	9%	5%	7%	4%

SIG = varies significantly (95% level) from 2007 employee comparison

When respondents are reviewed by age group, there are some differences in what would encourage them to participate in a wellness program. Older respondents are more likely than younger respondents to be encouraged to participate if it provides reduced personal healthcare costs.

## Effect of Wellness Program on Employee Motivation and Retention

In determining how important employees perceive the wellness benefits overall, they were asked to identify how much they agreed with a few statements related to encouraging them to work harder/perform better, and encouraging them to stay in their current employment situation. Overall, 43% agree or somewhat agree that wellness benefits encourage them to work harder and perform better, and 44% said it would encourage them to stay in their current employment situation. Please refer to Table 7 and Table 8 for breakdowns of each question.

**Table 7 – Employee Motivation**

*“Please tell us how much you agree or disagree with the following statement. Having a wellness program offered by my employer would / does encourage me to work harder and perform better.”*

Base: 1,179 employed U.S. adults in firms of 10-1,000 employees

	<b>Strongly Agree</b>	<b>Somewhat Agree</b>	<b>Neither</b>	<b>Somewhat Disagree</b>	<b>Strongly Disagree</b>
<b>2008</b>	<b>9%SIG</b>	<b>34%</b>	<b>39%</b>	<b>10%</b>	<b>8%SIG</b>
2007	12%	35%	40%	8%	5%
2006	13%	39%	35%	8%	6%
2005	12%	35%	38%	9%	6%
2004	13%	37%	35%	8%	6%

SIG = varies significantly (95% level) from 2007 employee comparison

**Table 8 – Employee Retention**

*“Please tell us how much you agree or disagree with the following statement. Having a wellness program offered by my employer would/does encourage me to stay in my current employment situation.”*

Base: 1,179 employed U.S. adults in firms of 10-1,000 employees

	<b>Strongly Agree</b>	<b>Somewhat Agree</b>	<b>Neither</b>	<b>Somewhat Disagree</b>	<b>Strongly Disagree</b>
<b>2008</b>	<b>11%</b>	<b>33%</b>	<b>39%</b>	<b>9%</b>	<b>8%SIG</b>
2007	12%	36%	39%	8%	5%
2006	14%	40%	30%	8%	7%
2005	13%	35%	37%	9%	6%
2004	15%	39%	33%	7%	6%

SIG = varies significantly (95% level) from 2007 employee comparison

## Health Plan Options

Employees were asked to indicate how many health plan options they have available at their place of employment. Forty-two percent have more than one option available. Eleven percent of employees report that they have no health plan options available, the same percentage reported last year at this time.

The bigger the firm, the more likely there are multiple health plan options available. Firms with 10 to 500 employees are significantly more likely than firms with 501 to 1,000 employees to offer no health options or just one option. In contrast, firms with 501 to 1,000 employees are more likely than firms with 10 to 500 employees to offer 3 health plan options or 4 or more health plan options to their employees.

**Table 9 – Health Plan Options**

*“How many health plan options do you have available at your place of employment?”*

Base: 1,179 employed U.S. adults in firms of 10-1,000 employees

Health Plan Options	4 <sup>th</sup> Qtr 2008	4 <sup>th</sup> Qtr 2007	4 <sup>th</sup> Qtr 2006	4 <sup>th</sup> Qtr 2005	4 <sup>th</sup> Qtr 2008 Employer Firm Size	
					10 to 500 Employees	501 to 1,000 Employees
None	11%	11%	8%	10%	12%^	3%
1 option	35%	36%	38%	36%	37%^	26%
2 options	24%	27%	27%	22%	24%	27%
3 options	14% <b>SIG</b>	10%	13%	13%	13%^	22%
4 or more options	4%	5%	6%	7%	3%^	9%
Not sure	12%	11%	9%	12%	11%	15%
	N=1,179	N=1,154	N=1,197	N=1,213	N=984	N=195

SIG= varies significantly (95% level) from 2007 employee comparison

^ = varies significantly (95% level) from the other employer firm size category

## Ranking of What Motivates Your Decision on Which Plan to Choose

As noted above, 42% of employees in firms with 10-1000 have more than one health plan option to choose from. As a follow-up question, they were asked to identify what motivates them to choose a particular plan option. Table 10 shows what percentage of employees ranked each of the items as number one. Monthly paycheck deduction was ranked first by the largest percentage of employees (31%); this was a significant increase from 2007. Care network (doctors and facilities available within the plan) was also ranked first by one in five (19%) of the employees. Deductible(s) was chosen by significantly fewer employees this year (10% versus 18% in 2007).

**Table 10 – Motivations in Choosing Plan**

*“What motivates your decision on which plan to choose? Please rank your top 3 responses with “1” being the most motivational.”*

Base: Employed U.S. adults who have more than one plan option to choose from

	<b>% Ranked #1 2008</b>	<b>% Ranked #1 2007</b>	<b>% Ranked #1 2006</b>
Monthly paycheck deduction	<b>31%SIG</b>	25%	24%
Care network (doctors and facilities available within the plan)	<b>19%</b>	23%	31%
Physician office visit co-pay	<b>14%</b>	11%	11%
Deductible(s)	<b>10%SIG</b>	18%	10%
Benefit limitations and/or exclusions	<b>9%</b>	11%	9%
Estimated health care need for coming year	<b>7%</b>	6%	7%
Emergency visit co-pay	<b>&lt;1%</b>	1%	2%
What my colleagues are choosing	<b>&lt;1%</b>	1%	-
None of these-do not have insurance through my employer	<b>9%</b>	-	5%
None of these, I just “pick one”	<b>1%</b>	-	1%
	N=512	N=499	N=546

SIG = varies significantly (95% level) from 2007 employee comparison

“-“ indicates no responses

**Anticipated Medical Insurance Changes**

Employees who are offered health insurance through their employer were asked what they anticipate will happen with their insurance in 2009. Two thirds expect their premiums will increase, over four in ten (43%) expect their deductibles will increase, over a quarter (27%) expect a reduction in coverage and 23% expect their plan options will change. When compared to the last time this question was asked in fourth quarter of 2007, significantly more employees expect to see nearly all of these changes.

**Table 11 – Anticipated Changes**

*“Which of the following, if any, do you anticipate will happen to your employer-sponsored medical insurance in 2009? Please select all that apply.”*

Base: Qualified employees whose employer offers health insurance

	<b>4 Qtr 2008 EE</b>	<b>4 Qtr 2007 EE</b>	<b>4 Qtr 2003 EE</b>
Premiums will increase	<b>66%SIG</b>	60%	70%
Deductibles will increase	<b>43%SIG</b>	38%	45%
Reduction in coverage	<b>27%SIG</b>	21%	34%
Change in medical plan options	<b>23%</b>	21%	42%
Change in medical providers	<b>13%</b>	14%	23%
Employer will drop medical insurance coverage	<b>2%</b>	1%	2%
None of the above	<b>19%SIG</b>	25%	17%
Other	<b>1%</b>	1%	1%
	N=1,105	N=1,048	N=1,344

SIG = varies significantly (95% level) from 2007 employee comparison