

HRAs evolving to drive program participation, measure productivity

As disease management (DM) and wellness program vendors place more emphasis on health risk assessments as a method of moving further upstream to find at-risk individuals, they're also placing more attention on methods of persuading employees and health plan members to actually take them. That means offering substantial incentives rather than free baseball caps, say top executives at vendors that offer health risk assessments (HRAs).

At the same time, HRAs are becoming more sophisticated with carefully evolved questions to detect risky behavior, and also are being crafted to recruit program participants, rather than just identify them.

"We're seeing the role of the health risk assessment changing dramatically," says **Ted Dacko**, CEO and president of HealthMedia, Inc., which offers online behavioral change interventions, including DM and wellness programs.

"It's becoming an engagement and recruitment tool to drive appropriate behavior," Dacko says, adding, "it's no longer acceptable for the health risk assessment to simply point out the risks the individual has."

Instead, the HRA should act as a virtual health coach, keeping up with the employee or the health plan member and encouraging that

person to take charge of his or her own health, Dacko says.

"We're seeing a trend towards the 'intelligent' HRA, which moves them into the programming, follows up with them over time, and makes sure they go into the programs," he says. "What the new HRA says is, 'You seem to be at risk. Would you like for me to enroll you right now?' There is a lot of intelligence that can be built into these things."

Employers are really beginning to buy into the idea that HRAs can identify at-risk individuals, says **Earl Rousseau**, president of Matria Healthcare's health enhancement division.

"What we're seeing is significantly higher adoption of HRAs on the part of our employer clients and health plan clients," Rousseau says. "We're working with our clients. The focus is on, if we can get this data and use it to identify what risks are out there, then we can connect them to our global health solutions."

Rousseau adds, "The real movement on the HRA front is higher use and using the right social marketing."

Social marketing, he says, involves knowing what the appropriate incentives to encourage HRA completion would be for a particular population, and implementing those incentives. It

also means that managers at the employer need to actively back the HRA and global health solutions programs, he says.

Different groups, different incentives

Incentives vary dramatically in how they work with different employee populations, Rousseau says. "It depends on the locality, the socioeconomic strata of the workforce, and also the culture of the client you're talking about," he says. "It has to be the right level at the right dollar amount."

Cash, he says, is a powerful incentive. "Cash beats suitcases or CDs or paraphernalia." However, the vendor and the employer must determine the appropriate level of compensation carefully, he says.

Discounts on health insurance premiums are another powerful incentive, Rousseau says.

Some employers are playing "bad cop," he says, by increasing health plan premiums for employees who decline to participate in the HRA. "I've seen this be very effective, but some clients shy away."

Cash and premium incentives drive high participation rates, Rousseau says. "I've seen them at 20% levels, but with the right incentives, I've seen them at 90% plus and even in a few cases at

100%.” However, “You don’t see those high levels without management using the bully pulpit” to drive participation, he says.

Increasingly, clients are asking how to drive participation, Rousseau says. “A year and a half ago, that would probably have been the exception,” he says. “Now they’re asking us, ‘How can we increase these levels of participation?’ Now we’re seeing a real belief that this front-end wellness focus is a key component of population-based health solutions.”

Marketing, communications, and awareness campaigns from employers are critical to success, he says.

As HRAs become increasingly sophisticated, they’re

becoming more adept at determining which individuals are ready to change their behavior, Rousseau says, adding, “Those companies that can isolate on that better are obviously going to be better at effecting change.”

Rousseau says that more than 50% of Matria clients are using HRAs, and that the vendor’s tool continues to evolve. “We, like the competition, are looking at how we can improve our capabilities in this area.” He says revisions in the HRA come out in an “annual to biannual process.”

HealthMedia adds productivity measures

HealthMedia has taken its HRA one step further by inte-

grating questions about work productivity and activity impairment into its questionnaire.

“We do on the Web what Healthways and Lifemasters do telephonically,” says Dacko. “Our interventions have already shown we can reduce medical costs and change behavior. We wanted to see if we could get productivity gains.”

Therefore, HealthMedia put in place a strategy to measure factors in productivity and work impairment 18 months ago, and the results of the strategy have shown a substantial positive impact on productivity and effective cost savings for populations with obesity, smoking, stress, depression, and chronic illness -- in some cases, up to 10-times

Figure 1: Population Impairment

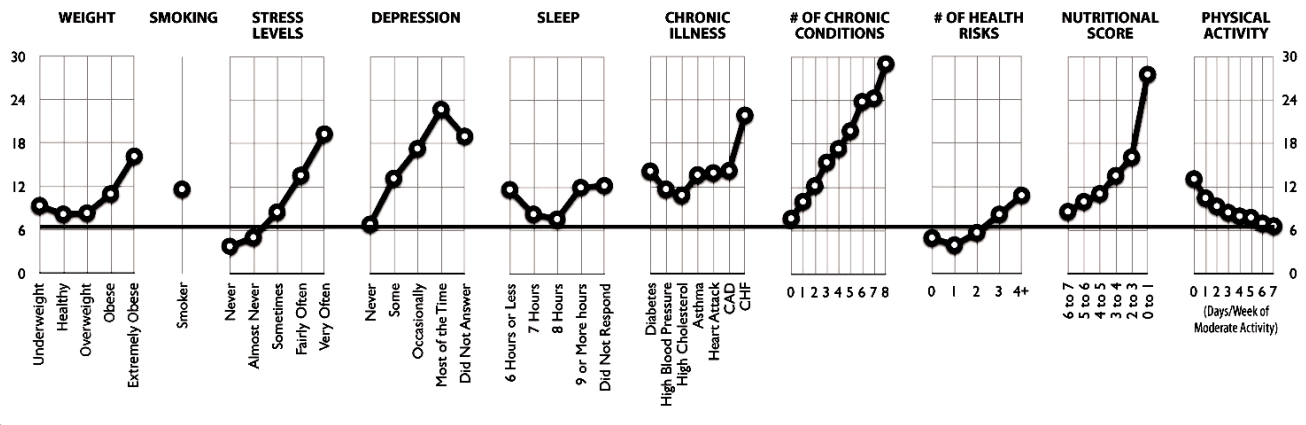
Sample Company

Employees: 10,000
Average Annual Salary: \$50,000
Healthy Productivity Impairment: 6.31

The WPAI Total Impairment index, which is the combination of absenteeism and presenteeism, shows the reduction in productivity for major health and disease related factors such as weight, smoking, stress, depression, sleep, chronic illness conditions, health risks, nutrition and physical activity. These Impairment factors are shown for the total population – but can also be detailed by gender, age, ethnicity to match your own population.

The analysis of a “healthy” group shows an average impairment of 6.31%. A sample company of 10,000 employees, with \$50,000 loaded salary can be used to equate the impairment to Lost Productivity dollars. **This data is based on the HealthMedia® Succeed™ Health Risk Assessment of 130,000 participants who answered the WPAI questionnaire.**

Total Impairment (%)



Prevalence Rate (%)

1.00 32.82 35.61 23.70 4.60 13.00 6.02 22.62 44.10 18.82 8.24 71.94 15.98 3.77 0.96 7.35 31.75 45.26 20.65 1.85 0.60 4.30 16.89 17.15 9.87 0.70 0.74 0.27 55.91 25.93 10.27 3.81 2.29 0.44 \$279,940 \$176,200 \$63,385 \$34,290 0.03 0.18 2.34 11.40 26.40 58.90 22.67 16.06 3.22 0.72 0.13 0.01 9.29 15.45 16.07 9.11 13.23 7.35

Lost Productivity (\$)

\$154,500 \$3,650,025 \$5,569,500 \$2,279,300 \$3,503,500 \$6,944,580 \$5,397,200 \$5,561,040 \$2,086,695 \$791,520 \$4,692,975 \$8,636,000 \$4,616,520 \$530,025 \$179,700 \$1,704,950 \$8926,365 \$3,944,500 \$3,656,835 \$269,150 \$296,000 \$211,275 \$4,913,735 \$3,070,730 \$1,258,315 \$279,940 \$176,200 \$63,385 \$34,290 \$11,196,535 \$13,370,300 \$2,697,730 \$3,011,250 \$779,240 \$264,240 \$64,415 \$10,670 \$3,206,405 \$2,433,675 \$2,433,675 \$1,799,840 \$9,654,445

Source: HealthMedia

return on investment, says Dacko.

The company's Work Productivity and Activity Impairment Questionnaire is a clinically validated tool developed to measure the impact of health conditions on workplace productivity for both full-time and part-time employees, according to HealthMedia. The tool assesses factors such as missed work hours and work productivity affected due to health issues. It then calculates a percentage reduction in productivity, which can be presented in financial terms.

The tool considers a variety of factors such as stress, depression, smoking, and body mass index to calculate impairment rates, says Dacko, who adds, "We developed this so we can show customers exactly where the potential is for cost savings in productivity."

Dacko notes that most vendors have focused on medical cost savings while mostly ignor-

ing productivity as an issue, although he says that vendors now are looking at productivity as well -- mainly due to pressure from employer groups.

"We decided to focus on productivity," he says. "Losses in productivity cost as much or more as increased medical" costs.

To date, HealthMedia's wellness and DM programs have calculated work productivity and activity impairment results on more than 175,000 participants in health plan, employer, and behavioral health populations. The tool has shown "exactly what you'd expect -- healthy people cost less" and are more productive, Dacko says. For example, "people who got eight hours of sleep did better than those who got seven and those who got six, and also did better than those who got nine or more."

A baseline, or average, worker would be a non-smoker, not depressed, but would be overweight, and would have a

6.1% rate of impairment, he says. Then, using that baseline, the tool calculates the average employee productivity loss and estimates productivity gains from various DM and wellness programs, he says.

According to the company, results from the program have been strong so far. One group using HealthMedia's DM programs showed a 4% improvement in productivity after six months and cost savings of \$760,000 per year for a population of 10,000 employees, an average salary of \$50,000, and "modest" program participation, the company says.

The tool is "not 100% yet, but we believe this is the first assessment tool that tries to take some of these things into account," Dacko says.

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