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| CORPORATE ACHIEVEMENT IN HEALTH CARE |

Healthtrax

Rewarding Employees For Healthy Living Reduces Insurance Costs

By Keith Griffin

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Helping employees invest in their health care has paid dividends for Healthtrax in Glastonbury, which runs fitness and community wellness centers in six states. While the company has grown, it also has continued its commitment to employee wellness. Through the development of its HealthASSIST program, Healthtrax has gone well beyond the routine employer benefits offering, which has earned it the Corporate Achievement Health Care Heroes Award.

Since 1992, benefit-eligible employees have been participating in the company's wellness program that encourages employees and their families to take personal responsibility for their health. The program is a bundled package of wellness components that employees complete to receive an incentive, said Priscilla Bengtson, operations manager for the company.

Healthtrax has about 185 people participating in the program. The three wellness components include an annual health screening or visit to their physician, a health risk assessment, and a telephone session with a health coach. Healthtrax offers participants a discount toward their contribution paid on health care insurance; individuals get \$200 off their premium and families receive \$400. Spouses must comply with the three components in order to receive the discount. Employees usually end up saving 10 percent on their premiums.

Healthtrax markets this program to other companies as well. It launched the program during the early 1990s, a time of spiraling health care costs. When those costs were contained in the mid-1990s through managed health care, the program was mostly put into mothballs. Then,

when health care inflation reached double-digit premium increases a few years ago, the program was brought back.

Looking for cost savings wasn't easy, said Bob Stauble, chief development officer for Healthtrax. It was no longer possible to reduce health care costs because they had been pruned in the earlier rounds of cost cutting, he explained.

"We had to work from the demand side," he said. "Fraud and abuse had been squeezed out. We had to work on prevention and wellness." The health care system was "broken" and there

STATS:

Program: HealthASSIST, a division of Healthtrax.

Quote: "You need to be able to help people make their own decisions. Even the best programs wear off without follow up." — Bob Stauble, chief development officer, Healthtrax.

was no room to squeeze the supply side anymore, he said, adding, "[Companies] are going to have to find an effective way to manage employees' health care."

Like others who pay for health insurance, Stauble said more has to be done. "We're altruistic," he said. "How can a country be competitive when health care costs are 14 percent of the Gross National Product ... when the next country is 9 percent?"

The Healthtrax program has worked, Bengtson said, because of the bundling of services and the financial incentives to participate. What

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PHOTO/KEITH GRIFFIN

From left, Laura Shipley, Bob Stauble and Priscilla Bengtson of Healthtrax in Glastonbury.

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Healthtrax offers in terms of health risk assessments goes beyond what is offered at the typical health fairs that companies arrange for their employees, he said.

Health fairs, Stauble said, are usually no more than window dressing and target the “worried well.” Those are people who are healthy, but worry about their health so they attend the fairs. “It might keep the CEO happy, but it isn’t having any effect on employee health care costs,” he said.

“A program that doesn’t have follow-up is doomed to fail,” Stauble continued. “You need to be able to help people make their own decisions. Even the best programs wear off without follow up.”

Employers can see economic benefits, but not necessarily right away. Stauble said a

program like this may actually increase health care costs the first year because it encourages employees to see their doctors, which could lead to the discovery of problems that need to be treated. Bengtson said programs like this typically pay off in three years. “You start to see risk factors go in the other direction,” she said.

Laura Shipley, a certified health coach who oversees the program, said where HealthASSIST is most effective is uncovering the “silent killers like diabetes and high blood pressure.” Stauble said the program can pay for itself if it uncovers a debilitating illness in a high-ranking executive whose services could be lost for months if the ailment went undetected and required hospitalization and rehabilitation.

There is some bite to the Healthtrax program. Employees who do not meet all three components are dropped. They then have to

pay the higher insurance costs and can’t re-enroll until the next open enrollment period.

Employees who don’t meet their goals aren’t booted from the program (but those who do meet their goals are rewarded). “If you’re trying, you’re staying in the program,” Stauble said.

Shipley, who oversees six coaches in 14 states, said that not all employees do it for the financial relief from their insurance premiums. Some do it for the health benefit.

Stauble said the coaches set HealthASSIST apart from similar programs. Each coach works with the employee to set goals over the phone.

“We work at their pace,” Shipley said.

HealthASSIST costs about \$300 annually per employee. “It’s about the cost of a dental plan,” Stauble said. “We think this is as nice to do as a dental plan. It’s a perk that starts to work at paying for itself in a year or two.” ■