Participant Engagement

The Killer Wellness App

Health Happens Here: In the Workplace
Los Angeles Area Chamber of Commerce Employer Wellness Conference 11.08.13

Presented by Lori Block
Principal—Engagement Strategist
Buck Overview

As a key member of Xerox’s HR Services business, Buck delivers comprehensive HR and Benefits solutions, tailored to fit each client’s unique needs.

<table>
<thead>
<tr>
<th>2,000+ Clients</th>
<th>Over 1,500 Employees</th>
<th>Resources in 80 Locations</th>
<th>200+ Award-Winning Professionals Dedicated to Engaging Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 Lines of Business</td>
<td>95 Years in Business</td>
<td>25%+ of Fortune 500 are Clients</td>
<td>130 Clients with Tenures over 50 Years</td>
</tr>
</tbody>
</table>

We’re part of a family of HR services supporting 11 million employees and retirees, with an industry-leading client retention rate… and we are leaders in innovation—with access to Xerox PARC and more.
We all know our health care system is ailing…

Rising health care costs – at least 18% of GDP

- Costs increases have “slowed” during the recession but are projected to reach 40% of GDP by 2050

Over and under-utilization of and access to health care services

- Many tests and procedures are unnecessary
  - Change will require re-educating the medical profession and the consumer
- Many consumers lack access to adequate primary care
  - Inverse care law: Areas with high levels of primary care providers, attract the most new primary care providers
- Many laws and regulations, as well as our litigious environment, further drive unnecessary usage

Economic factors continue to challenge employers, resulting in the need to cut costs, but…

- Cost-shifting to employees may be nearing its limits
And as employers, our challenges go beyond health health.

Health:
- Smoke (21%)
- Obese (33%)
- Overweight (66%)
- Diabetic (29%)

Career:
- Unemployment (7.9%)
- Disengaged (50%)
- Seeking dream job (82%)
- Desire challenge (41%)

Wealth:
- $71,500 (401(k) avg.)
- $6,500 (credit debt)
- 4.2% (savings rate)

Sources: Monster; BlessingWhite; Gallup; Towers Watson; Human Capital Institute; CDC; Bureau of Labor Statistics, Fidelity; *estimated
And engaging employees, and their families, is tough

- **Trust**: Fear for personal data privacy; distrustful of employer’s intentions
- **Time**: Too time-starved, recession-fatigued, or work-life stressed to engage
- **Tolerance**: Impatient with the hassle factor (steps involved) in employer or vendor programs
- **Traction**: Low sense of personal responsibility for health; denial (“I’m fine”)
Hypothesis #1

Traditional benefit communications programs have proven to be a failure
Employees spend little time evaluating their benefit options

- 47% of US workers spend less than one hour annually
- 81% spend no more than two hours

Dismal engagement rates in disease/care management programs

Location/Convenience trump quality in provider selection

Only a third rated benefits communication as highly effective

Minority of employees fully understand their plan

*And plan sponsors aren’t helping…*

Minority of employers consider supporting employees’ decision making and addressing the diverse needs of their population a key objective for their communication programs

Source: Prudential’s Fifth Annual Study of Employee Benefits: Today & Beyond; other
Hypothesis #2

GENERIC tools and resources are a waste of time and money
Do you disagree?

Growth in online benefit and health resources has, over the last decade, been exponential, but...
The Solution

An integrated approach to engagement
The Levers for Employee Engagement
## The Levers for Employee Engagement

<table>
<thead>
<tr>
<th>Components</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandates that enforce accountability for specific behaviors and actions</td>
<td>Tobacco-free policy, Required health screening, Mandatory training</td>
</tr>
<tr>
<td>Resources, services and tools that enable employees to take action</td>
<td>Coaching resources, Health portal, On-site support</td>
</tr>
<tr>
<td>Motivators that encourage greater responsibility for personal health and lifestyle choices</td>
<td>Prizes, points, incentives, Medical premium differentials, Social and behavioral techniques</td>
</tr>
<tr>
<td>Elements that educate and promote your wellness program, and build awareness of personal health status</td>
<td>Communication, Branding, Data on attitudes and behaviors</td>
</tr>
</tbody>
</table>
# Say goodbye to communications, hello to marketing

<table>
<thead>
<tr>
<th>Old model</th>
<th>New model</th>
<th>Why?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodate them</td>
<td>Engage them</td>
<td>Drive productivity</td>
</tr>
<tr>
<td>Focus on the activity</td>
<td>Focus on outcomes</td>
<td>Outcomes = savings</td>
</tr>
<tr>
<td>Hit them periodically through the year</td>
<td>Use <strong>predictive analytics</strong> to create an ongoing dialogue</td>
<td>Continually influence behaviors</td>
</tr>
<tr>
<td>Wait for them to do something</td>
<td>Motivate actions through <strong>persuasive technologies</strong></td>
<td>If we don’t encourage, they won’t act</td>
</tr>
<tr>
<td>The portal will cover what they need</td>
<td>Right media at the right time with <strong>contextual targeting</strong></td>
<td>People engage through different channels</td>
</tr>
<tr>
<td>Static online experience</td>
<td>Dynamic approach using <strong>gamification</strong></td>
<td>Experience needs to be edu-taining</td>
</tr>
<tr>
<td>One size fits all</td>
<td><strong>An audience of one</strong></td>
<td>People are unique</td>
</tr>
</tbody>
</table>
Objective:

Research the use and effectiveness of emerging technology tools…

• Games/Gamification
• Mobile technology
• Social media

…at engaging employees in health and well-being

Participants:

• 408 employers
• 51% multinational
• Diverse industry categories
Research Highlights

Gamification
- Most prevalent (62%)
- Seen as most effective (27%)

Mobile Technology
- Least implemented (36%)
- Top priority to adopt or expand (40%)

Social Media
- High and growing use (50%)
- Greatest confidentiality and privacy concerns (51%)
Seeing is Believing

Principles you can put into practice... today
Principle
Tie it to the company mission

Goal alignment

Workplace simulation

Leadership advocacy

Reinforcing company values
Principle
Make it personal and relevant

Know your numbers

Targeted personal messaging

Health Care Costs

<table>
<thead>
<tr>
<th></th>
<th>You</th>
<th>Heinz</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td>$4,239</td>
<td>$6,570</td>
</tr>
</tbody>
</table>

Learn more about your health:
Past | Present | Future

Improve Your Health

Schedule Your Annual Routine Physical Exam
Add to my calendar

View the Heinz Choice - the HDHP with HSA Webex.
Click here, enter your name and click view recording to begin.

Contact Your Lifestyle Health Coach
View Details | Add to my calendar

Cholesterol

<table>
<thead>
<tr>
<th>Year</th>
<th>Cholesterol</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>242</td>
</tr>
<tr>
<td>2011</td>
<td>180</td>
</tr>
<tr>
<td>2012</td>
<td>195</td>
</tr>
<tr>
<td>2013</td>
<td>186</td>
</tr>
</tbody>
</table>

Targeted personal messaging

2 Dependents
0 Beneficiaries

1 Child
Dependent

People Skills
Needs Improvement

Healthy | Alert

Weight | Reference Range XXX | 147 lbs

Waist | Reference Range XXX | 32 in

Height
Principle
Apply behavioral science

Loss aversion

Regret aversion

Statistical optimism
### Principle
Drive actions and outcomes

#### Contextual mobile messaging

#### Personalized recommendations

<table>
<thead>
<tr>
<th>Action Items</th>
<th>Deadline</th>
<th>Status</th>
<th>Reward Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Create your personal Avatar</td>
<td>Anytime</td>
<td>Not Yet Completed</td>
<td>25</td>
</tr>
<tr>
<td>Complete your Benefits Enrollment</td>
<td>November 30</td>
<td>Not Yet Completed Click here to complete your benefits enrollment.</td>
<td>100</td>
</tr>
<tr>
<td>Complete your Health Assessment</td>
<td>November 30</td>
<td>Not Yet Completed Complete the Health Assessment to receive discount on your healthcare contributions.</td>
<td>40</td>
</tr>
<tr>
<td>Complete your Health Screenings</td>
<td>January 1</td>
<td>Not Yet Completed Schedule an appointment</td>
<td>100</td>
</tr>
<tr>
<td>Take Wellness Survey</td>
<td>January 1</td>
<td>Not Yet Completed Provide your feedback about WellConnect and earn rewards points.</td>
<td>10</td>
</tr>
<tr>
<td>Schedule your annual check-up with your doctor</td>
<td>Anytime</td>
<td>Not Yet Completed Enter the date of your appointment and submit to earn your reward points.</td>
<td>50</td>
</tr>
<tr>
<td>Switch to mail order for your long-term prescriptions for annual renewals</td>
<td>Anytime</td>
<td>Not Yet Completed Visit the Medco site and switch your maintenance medications to mail order for your prescription.</td>
<td>50</td>
</tr>
</tbody>
</table>
Principle
Make it simple and interactive

One-click tools
401(k) QuickEnroll

Wealth optimizer
Cash Flow During Retirement

Interactive digital media
Principle
Make it about *them*

**Incentive and total rewards**

**Total Savings This Year:** $250.00

You could be saving $300.00

**I’m interested in...**
- General Health Information
- Women’s Health
- Men’s Health
- Kids’ Health
- Addiction
- Arthritis

**MY HEALTHY NEWS**
- Fitness/Exercise: U.S. Women Could Be More Obese Than Believed
  [more]
- Nutrition/Eating Smart: Power of Pomegranate
  [more]

**Personalized interests**
Principle
Use social influence

Overheard on Twitter

@exercisecentral Getting excited about fall fashion? Why not try a workout to match your new wardrobe? Thu, 03 Nov 2011 02:43:55 +0000

@viewer Did you know it takes 21 days to change a bad habit into a good one? It takes that long to train our brains to accept new data. http://bit.ly/USODY Thu, 03 Nov 2011 02:42:04 +0000

Social media
affinity groups

Employee testimonials

Leadership
Support

Success Signals
My Journey to Good Health
Chris Jenkins, Customer Relations Basking Ridge, NJ
Two years ago I made the decisions to no longer be a couch potato. I quit smoking and lost 30 pounds by... (read on)
mor stories
50% use social media to promote health engagement

- Social media elements: 31% - Employee testimonials
- Collaborative content management: 27% - Intranet knowledge base
- Social networks — internal: 19% - Yammer
- Social networks — external: 12% - Facebook

"Social media allows employees to see how others in the organization are improving their overall health and may help inspire like behaviors. Online testimonials, support boards and so on are important motivators for change."

- participating employer
“We want our employees to know that we know who they are, we know how they like to communicate and socialize, and we really care about their well-being.”

Results

• 66% of eligible mothers enrolled in AeroBabies
• C-section rates dropped from 44% to 33%
• First year savings estimated at $140,000
Principle
Make it sticky and fun!

Avatars

Lifestyle modeler

Interactive games
Principle
Make it sticky and fun!

Games and gamification…

Health challenges
Edu-tainment modules and games for health & wealth
Engaging display of incentive rewards
62% use games/gamification to promote health

- Contests: 60%
- Game-like features: 37%
- Online/mobile games: 12%

“Gamification is viewed by HR leadership as a fun, easy, competitive and creative way to engage our employees”

- participating employer
Principle
Make it sticky and fun!

Percent Understanding Well or Very Well

- Why employers are moving to CDHPs: Pre-campaign 38%, Post-campaign 55%
- How self-insurance works: Pre-campaign 30%, Post-campaign 47%
- HSA: Pre-campaign 35%, Post-campaign 62%
- How WellChoice differs from PPO: Pre-campaign 28%, Post-campaign 50%
- WellChoice overall: Pre-campaign 23%, Post-campaign 44%
- How value of CDHP compares over time: Pre-campaign 17%, Post-campaign 35%
Is there an app for that? Of course there is!

- Calorie counters (intake and burn rate) and food journals
- “What am I eating”
- Walking apps – more than just counting steps
- Nutrition and fitness community support
- Metabolism tracker
Treating our participants like customers
What Airline Would You Choose?

Blind Air

• Every time you check in, you have to provide your credit card, drivers license, address and ticket number

Concier-Air

• You get personalized service from a real person upon check-in
• Oh, but wait, they’ve gone bankrupt…

E-z Air

• Just scan your credit card and your checked in in…
• Better yet, check in online and go straight to security
  – Wave your smart phone with the ticket bar code and you’re on your way!
What drives revenue for sites like these?
Recommendation engines are powerful marketing tools

40% of Amazon’s sales

Source: Business Week
9/30/2009

“A good recommendation engine is worth a lot of money. According to a report by industry analyst Forrester, one-third of customers who notice recommendations on an e-commerce site wind up buying something based on them.”

Source: Time; 6/7/2010

60% of Netflix’s volume

An international conference on recommender systems just held its seventh annual meeting

Recommendation engines come into play “anywhere options proliferate”

Source: Information Week: 9/23/2013
Just Like Popular e-tailers…

We know our customers
We know what they “purchase”
We know their behaviors
And we can recommend options that might work best for them…
What Does That Look Like in Our World?

Meet Jack

42-years old...

Key performer... first in, last out every day

Sole breadwinner... married with two young children

Has the same benefits he signed up for 15 years ago...

✓ Low-cost medical plan
✓ No life or disability coverage
✓ Maxed out on 401(k) and NQDC contributions

He did remember to enroll his wife and children, though!

Health status not as good as it could be...

• BMI = 33
• BP = 160/98
• Total Chol. = 235
• Glucose = 115
• Smoker
We have an opportunity to show Jack that his life has changed since he joined our company 10 years ago.

We could inform Jack at OE that we are redesigning his benefits package...

- Switch Jack to the most expensive medical plan
- Max out Jack’s life and disability insurance elections
- Help pay for these increased benefits by ending his 401(k) and NQDC contributions
- Prompt Jack to update his beneficiary designations

Yes, I’m being extreme to make a point....
We could also present Jack with a different path

• Highlight for Jack the wellness programs available to him
• Put Jack in touch with a personal health coach
• Help Jack develop a personal action plan that he must follow in order to “qualify” for a different benefits package
• Engage Jack, and his family, in innovative ways
Thank you

Lori Block
Principal—Engagement Strategist
Buck Consultants

415.617.3891
lori.block@buckconsultants.com
www.linkedin.com/in/loriblock