



HERO EHM Best Practices Scorecard in Collaboration with Mercer **Findings and Functions**

Jerry Noyce, CEO, HERO

Steven Noeldner, Ph.D., Partner, Mercer

Beth Umland, Research Director, Mercer

Agenda

- Introduction and progress report – Jerry Noyce
- What the Scorecard data tells us – Beth Umland
 - Trends in the use of EHM best practices
 - Assessing the impact of program features on outcomes
- Using the Scorecard – Steven Noeldner
 - Program assessment and strategic planning
 - Case studies

HERO Scorecard

Progress report

- Online Scorecard v3 launched in February 2009
- Preferred Provider Program launched in 2010
 - 10 EHM vendors/consultants now provide a link to the Scorecard on their websites
 - Helps extend the reach of the Scorecard
- More than 1,000 respondents as of April 2013
- Benchmarking capabilities improving as database grows
- “Users’ Guide” makes it easier for employers to respond, improves consistency of data
- Scorecard validation study in progress
- 2013 Annual Report will be presented at HERO Forum
- Scorecard v4 is in progress and will launch this year!

Scorecard respondents as of April 1, 2013, by employer size

Number of respondents

All employers	1,029
Employers with fewer than 500 employees	260 (25%)
Employers with 500-4,999 employees	444 (44%)
Employers with 5,000 or more employees	308 (31%)

HERO SCORECARD DATA ANALYSIS

TRENDS IN USE OF EHM BEST PRACTICES

The underlying premise of the Scorecard: Employers that follow EHM best practices have better outcomes

Respondents divided into three roughly equal groups based on score

	Low scorers (75 or less)	Average scorers (76-114)	High scorers (115 or higher)
Best Practice Score (average for group)	49	95	139
EHM spending per eligible per month (median)	\$6	\$10	\$14
Reported a positive impact on medical cost trend due to EHM	12%	26%	57%
Haven't attempted to measure impact on cost	53%	38%	27%

Data analyzed 10/12

About the Scorecard trend analysis

- Database divided into two groups based on the year in which the Scorecard was submitted
- Analysis was restricted to employers with 500 or more employees to neutralize the impact of the bigger proportion of smaller employers in 2011/2012 dataset
- Number of respondents in each group:
 - 291 in 2009/2010
 - 321 in 2011/2012
- Not a cohort; the 2011/12 group is made of up different employers than the 2009/10 group

Leadership is increasingly recognizing the value of EHM

Senior leadership active in EHM programs



Mission statement supports culture of health



Managers receive periodic EHM training/information



Organized network of wellness champions in place

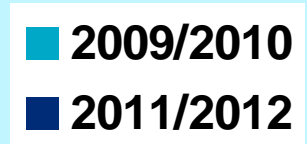


Believe senior leadership & culture is “very supportive” of EHM



Which EHM programs are still growing?

Health risk assessment



Population-based health education



Onsite or near-site health screenings



Onsite lifestyle group classes



Onsite one-on-one lifestyle coaching



Employers continue to add incentives to promote participation

Among respondents offering program

Health assessment



Lifestyle coaching



Disease management



Some improvement in participation rates seen

Participation rates:

2009/2010

2011/2012

Lifestyle coaching

Tobacco use

9%

11%

Weight management

21%

21%

Mental/emotional well-being

10%

19%

Physical activity

13%

24%

Disease management

Asthma

13%

27%

Diabetes

23%

25%

COPD

16%

27%

CAD

18%

26%

CHF

20%

28%

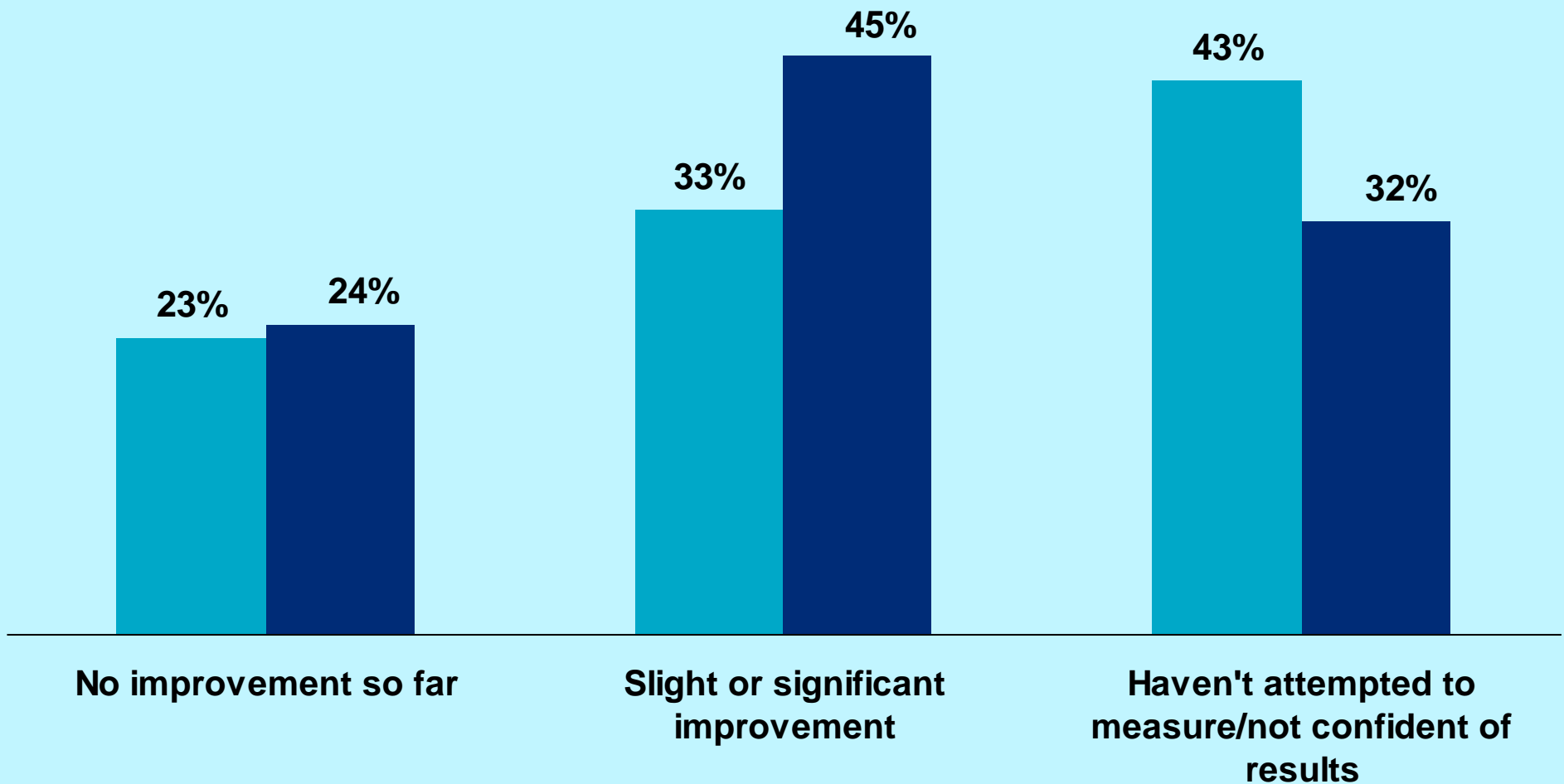
Biometric Screening

43%

44%

More respondents reporting improvement in medical plan cost due to EHM

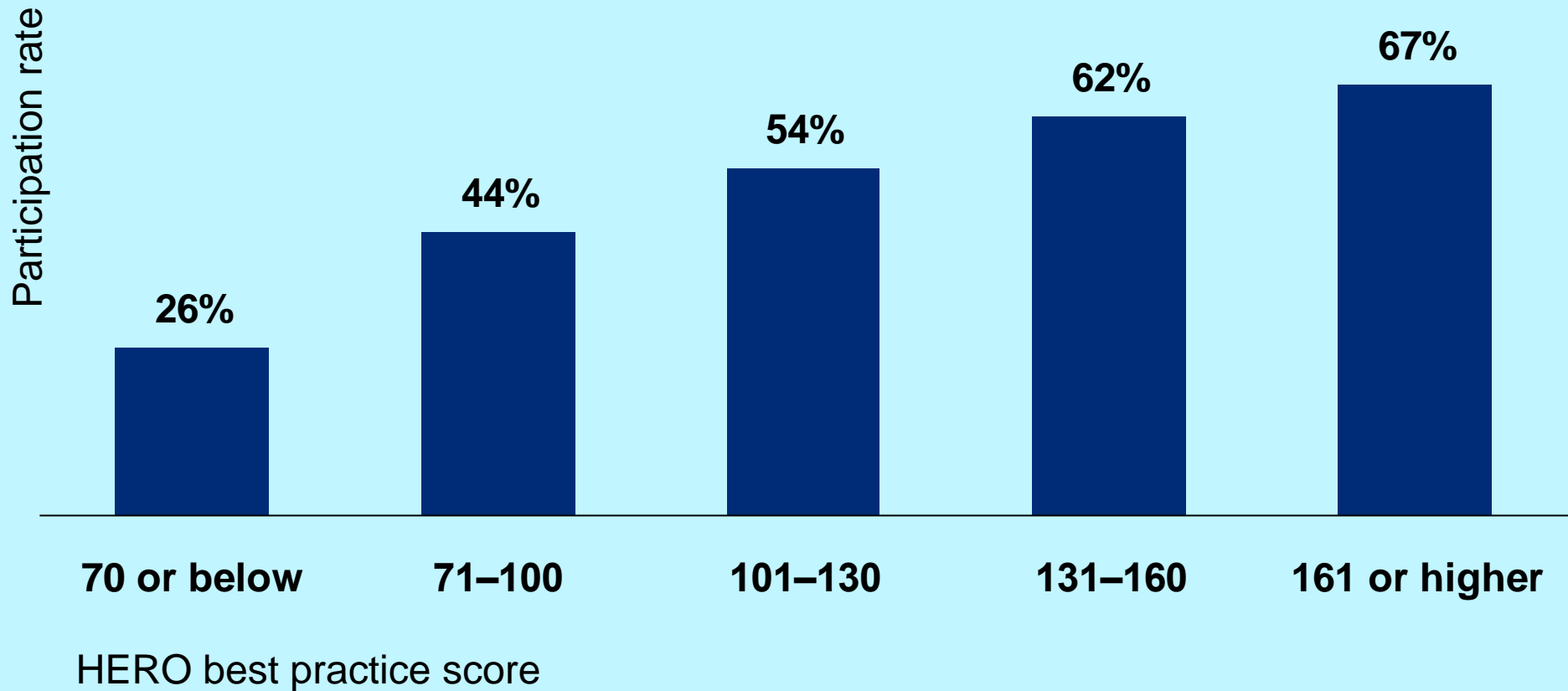
■ 2009/2010
■ 2011/2012



HERO SCORECARD DATA ANALYSIS

ASSESSING THE IMPACT OF PROGRAM FEATURES ON OUTCOMES

Health assessment participation rate rises with best practice score



Five key influences on the Health Assessment participation rate

Average participation rate

Offer incentives to participate



Have conducted employee health needs assessment



Senior leadership actively participates in EHM programs



Use branded communications

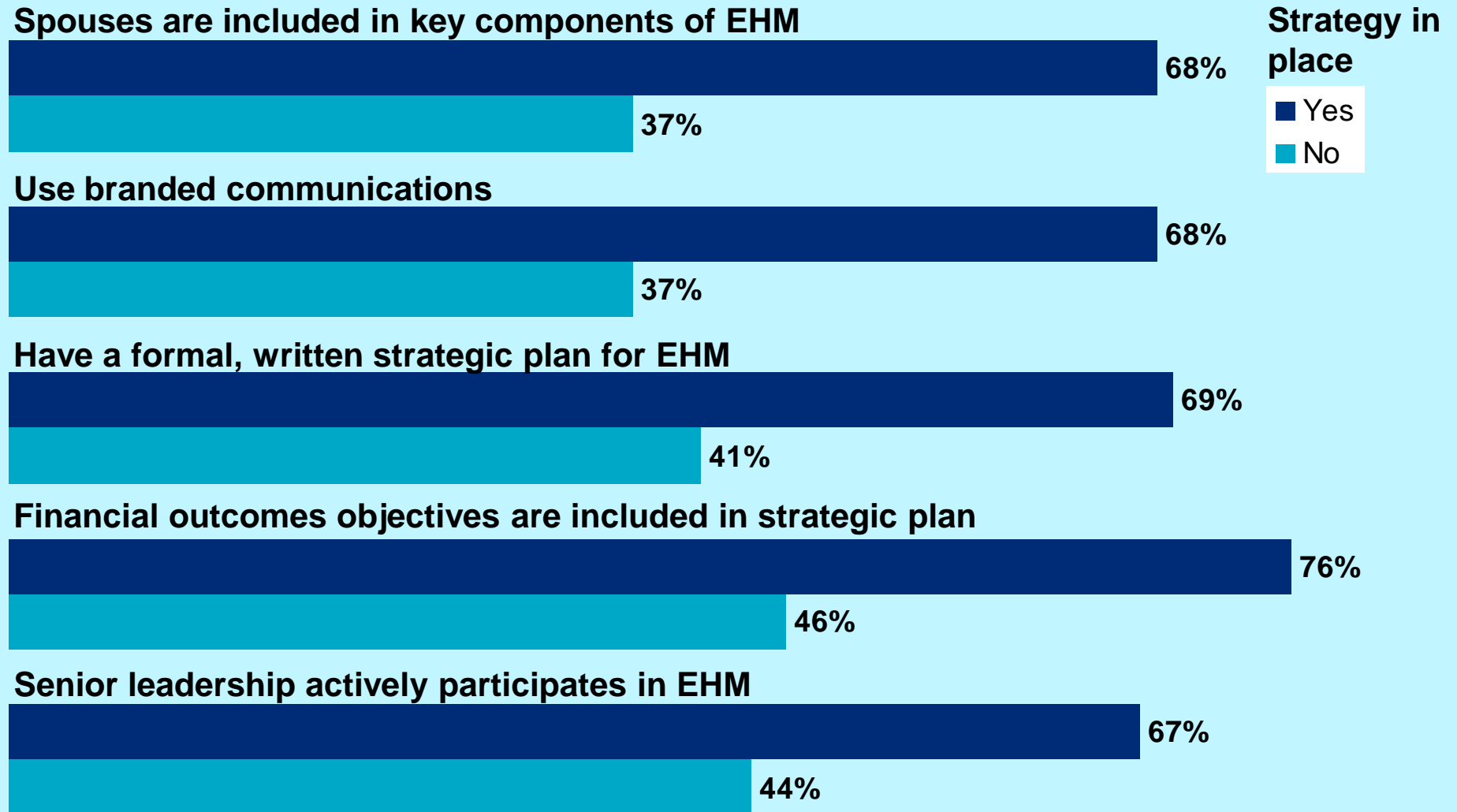


Health benefit design is very supportive of risk reduction through prevention



Five key influences on reported medical savings

Percentage of respondents reporting savings due to EHM

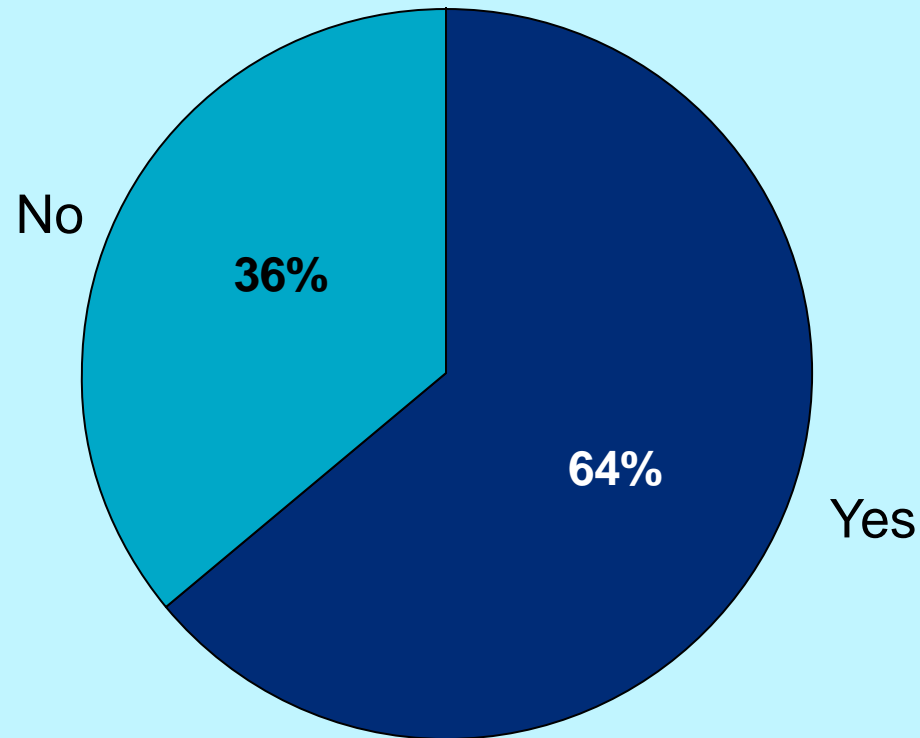


The case for including spouses

A analysis of HERO Scorecard data

- Objectives was to determine whether making EHM program available to spouses:
 - Increased employee engagement
 - Increased likelihood of program to impact health
 - Increased likelihood of programs to demonstrate savings
- Limited to employers offering, at a minimum, health assessments and lifestyle coaching programs
- HERO best practice score was 117 for employers that include spouses and 100 for those that don't include spouses

Benefit-eligible spouses have been given access to key components of EHM program



Employees are more likely to participate in coaching programs if their spouses can, too
Among respondents that have measured impact and/or outcome

	Spouses included in key components of EHM	Spouses not included
Participation rate in lifestyle coaching	28%	14%
Reported improvement in health risk (% of employers)	88%	81%
Reported positive impact on medical trend (% of employers)	70%	64%

HERO Scorecard

Summary

- Higher scores are associated with better reported outcomes
 - Participation, risk reduction, financial
- Leadership and cultural support reported by more organizations
- Higher participation rates for physical activity and disease management
- Key influencers for EHM success appear to be:
 - Senior leaders actively participate
 - Written strategic plan with program metrics and targets
 - Branded communication
 - Health plan design supports prevention and risk reduction
 - EHM results tied to manager performance metrics

HERO SCORECARD

USING THE SCORECARD FOR PROGRAM
ASSESSMENT AND STRATEGIC PLANNING

Scorecard Content

Section 1: Strategic Planning

- Needs assessments, Measurable goals, Total population health strategy, targeted eligible populations

Section 2: Leadership Engagement

- Senior leadership commitment, Manager support, Ambassadors, Physical work environment, Policies

Section 3: Program Level Management

- EHM program integration, Benefit plan design and inclusions

Section 4: Programs

- HRQ, Campaigns, Lifestyle & DM, TDS, Modalities, EAP, Onsite clinics

Section 5: Engagement Methods

- Communications, Incentives

Section 6: Measurement and Evaluation

- Performance data capture and use

Scorecard completion

Include multiple stakeholders in completion of Scorecard

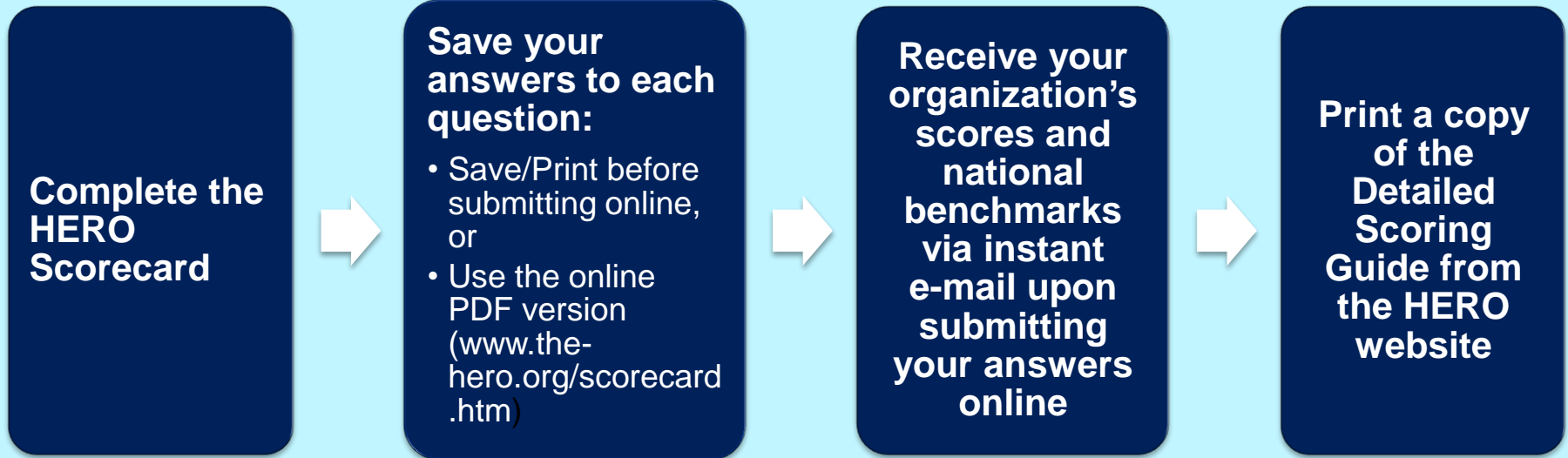
Consider including different organizational departments as well as consultant and vendor partners involved in EHM

Treat completion as an opportunity to engage stakeholders

Consider including members of completion team in results review discussions

Overall investment to complete is commensurate with complexity of EHM efforts, size of organization, & quality of results desired

Using Best Practice Scores For Strategic Planning: What You'll Need To Get Started



Scorecard report

From: Scorecard@the-hero.org

Subject: HERO Scorecard results

Thank you again for submitting the HERO Best Practice Scorecard. Here are your organization's scores.

Sections	Your Score	National Average	Maximum Points
Section 1: Strategic Planning	5	5	11
Section 2: Leadership Engagement	20	17	33
Section 3: Program Level Management	15	11	22
Section 4: Programs	25	28	56
Section 5: Engagement Methods	28	28	67
Section 6: Measurement and Evaluation	4	5	11
Total Score	97	94	200

Note: National average shown is based on 1,029 employers that have completed the HERO Scorecard as of March 31, 2013.

Case study: Using the Scorecard to move an EHM program forward

- Wood-mode Incorporated's wellness program had been in place for several years
- They measured participation rates and employee satisfaction, but wanted a more objective means of evaluating their program
- Their wellness vendor, a Scorecard Preferred Provider, suggested the Scorecard as an objective means of benchmarking their program against those of hundred of other employers
- While their results confirmed that Wood-mode was on the right track, they found areas of opportunity for improvement in each of the six foundational elements
- They used this information to develop a 3-year strategic plan, which included:
 - Onsite health coaching
 - Improving engagement by recognizing employees who met health goals

Case Study: Using the Scorecard to set annual EHM goals for diverse operating companies

- Dover Corporation is a diversified global manufacturer with 30+ operating companies
- Implemented corporate-wide benefits strategy in 2011 that maintained some local flexibility
- Chose the Scorecard as a tool to bring the OpCos on the same page to measure, understand and improve EHM
- OpCos all completed the Scorecard to establish baseline information
- Corporate compared Dover's overall score to national benchmark to set goals for improvement
- OpCos with below-average scores were tasked with improving scores over time, but given the flexibility to choose which best practices to implement
- OpCos complete the Scorecard each year to demonstrate progress

Analysis: Challenges and opportunities for small employers in EHM

- Small employers, with more limited resources, have lower overall scores than larger employers
- As would be expected, they offer fewer programs, fewer incentives, and invest less in measurement and evaluation
- However, there is little difference in their scores for strategic planning, and no difference in their scores for leadership engagement
- Small employers can use their size to their advantage:
 - Strategic plans for an employer with only one or two sites can be more targeted and precise
 - Leadership may be more visible to more employees -- and better able to directly communicate support and involvement
- While their scores are lower overall, when divided into three groups based on score, the highest-scoring small employers report similar positive outcomes to the highest-scoring large employers

Final thoughts.....

- If you haven't completed the HERO Scorecard, consider doing so
- Reviewing and revising your EHM strategic plan each year is a best practice – the HERO Scorecard is an excellent tool to use
- Gathering stakeholders to gain consensus on answers, and again after Scorecard results are received, can help increase organizational support
- Working with Mercer or any of the Preferred Providers will give you extra support to complete the Scorecard, interpret results, and create an action plan
- If you've completed the Scorecard in the past, consider repeating it and comparing results

List of Preferred Providers

- Alere
- American Specialty Health - Healthyroads
- Capital Blue Cross
- Cobalt Ventures – HealthyFit
- Kaiser Permanente
- Mayo Clinic
- Mercer
- Noridian Mutual Insurance
- Providence Health Care
- StayWell Health Management

QUESTIONS?



HERO Learning Series Free Webinar

Developing Highly Engaged Organizations that Improve the Quality of Human Life: Healthy, High-performing Teams & Leadership

August 8, 2013

1:00 PM – 2:00 PM CT

Jack Groppel, PhD, The Human Performance Institute

Julia Brandon, PhD, GlaxoSmithKline

Register now on the education tab of the HERO website
www.the-hero.org

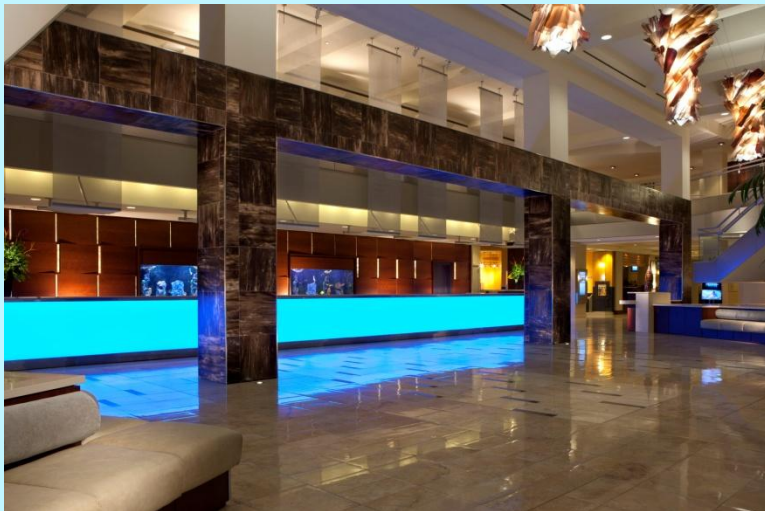
HERO Forum for Employee Health Management *Solutions*

2013 HERO Forum

Building the Business Case for Health Management

September 24 – 26, 2013

Hilton Walt Disney World
Orlando, FL



Register now on the HERO website at:

<http://the-hero.org>

On the Forum tab