

# 2017 STATE OF CORPORATE WELLNESS

Workplace Wellness  
Programs That Work





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## **In an effort to fight rising healthcare costs, companies across America are taking a closer look at their employee wellness offerings.**

In collaboration with Springbuk, a leading health analytics firm, Fitbit Health Solutions brings you this report on the state of corporate wellness in the U.S. We used data assembled from more than 8,000 companies which comprise the Healthiest Workplaces in America®, a leading independent recognition program for U.S. corporate population health, to see what America's healthiest employers are doing to keep their workforce engaged and healthy.

In this report, we'll review recent history and new trends in workplace wellness, as well as best practices for designing and managing effective wellness programs.

If employers can help employees live healthier lives, they won't just be saving money. They'll be contributing to the health and happiness of our employees, which can lead to a host of good things, from increased productivity to a more fulfilling work environment.

# TOP 10 WELLNESS PROGRAM TRENDS MOVING THE NEEDLE IN 2017

**What do America's Healthiest Employers have in common? We identified 10 things leading companies are doing to help motivate their employees toward healthier lifestyles and long-term behavior change.**

- 01 Using metrics** to measure program performance, with the most common being changes in health risk, financial impact, and positive clinical outcomes.<sup>1</sup>
- 02 Focusing on common health conditions** like diabetes, obesity, asthma, heart disease and depression,<sup>1</sup> which may be controlled or prevented with lifestyle changes.
- 03 Emphasizing physical activity**, aiming to get participants to exercise 75 minutes per week or more.<sup>2</sup>
- 04 Recruiting managers as role models**, which has been shown to increase employee participation in wellness activities.<sup>3</sup>
- 05 Hyper-personalizing** wellness program activities and requirements so employees better connect and engage with their wellness roadmap.<sup>4</sup>
- 06 Delivering strategic, consistent communication** to ensure that every employee knows about the wellness program, and is reminded often.
- 07 Encouraging teamwork** through team sports, activity clubs, intradepartmental challenges, and other programs to leverage social support.<sup>5</sup>
- 08 Using financial incentives** such as insurance premium reductions, which 55% of America's Healthiest Employers say have led to documented behavior change.<sup>6</sup>
- 09 Incorporating wearables technology**, which can serve as sign-up incentives to help participants monitor their progress and upon the participant's consent, provide aggregate data to measure program effectiveness. A full 35% of America's Healthiest 100 Employers used wearables in their workplace wellness programs.<sup>7</sup>
- 10 Aiming for small, measurable improvements** that can be incorporated into an employee's day and eventually become a long-term habit.

<sup>1</sup> Springbuk. Healthiest 100 Workplaces in America® Assessment. 2017

<sup>2</sup> From Evidence to Practice: Workplace Wellness that Works. Institute for Health and Productivity Studies Johns Hopkins Bloomberg School of Public Health In collaboration with Transamerica Center for Health Studies. September, 2015.

<sup>3</sup> Data collected from the Healthiest Employers and H100 award applications.

<sup>4</sup> <https://hbr.org/2016/10/why-people-do-and-dont-participate-in-wellness-programs>

<sup>5</sup> <https://www.transamericacenterforhealthstudies.org/docs/default-source/wellness-page/from-evidence-to-practice---workplace-wellness-that-works.pdf?sfvrsn=2>

<sup>6</sup> Springbuk. Healthiest 100 Workplaces in America® Assessment. 2017

<sup>7</sup> Springbuk. Employer Guide to Wearables 2.0. 2017

# WELLNESS BY THE NUMBERS IN 2017



## Most Americans need to improve their health

- 70% of adults are overweight or obese<sup>8</sup>
- 1 in 4 never exercise<sup>9</sup>



## Definitions of workplace wellness are expanding

- 87% of employers' well-being programs offer mental/emotional support<sup>12</sup>
- 76% offer financial security support



## Cost of chronic disease continues to rise

- 50% of all adults have one or more chronic health conditions<sup>10</sup>
- 86% of healthcare expenditures are for people with chronic conditions<sup>10</sup>
- \$1.3T in treatment costs and productivity losses attributed to chronic disease<sup>11</sup>



## Technology in America's Healthiest Employers' wellness programs is on the rise

- 35% of programs use fitness wearables, a 10% increase from 2015<sup>14</sup>
- 51% of employers are supporting health management programs with technology, including apps and dedicated web portals<sup>13</sup>



## America's Healthiest Employers are focused on measuring program outcomes

- 54.6% of workplace wellness programs are now described as "metrics-driven"<sup>13</sup>
- 7.6% of employers are planning on investing in health analytics software in the next year<sup>13</sup>
- 16% of programs make real-time analytics data available to leadership<sup>13</sup>

<sup>8</sup> <https://www.cdc.gov/nchs/fastats/obesity-overweight.htm>

<sup>9</sup> Centers for Disease Control and Prevention. *State Indicator Report on Physical Activity, 2014*. Atlanta, GA: U.S. Department of Health and Human Services, 2014.

<sup>10</sup> CDC Chronic Disease Overview: *The Leading Causes of Death and Disability in the United States*. <https://www.cdc.gov/chronicdisease/overview/index.htm>

<sup>11</sup> *Chronic Disease and Wellness in America. Measuring the Economic Burden in a Changing Nation*. Milken Institute. 2014

<sup>12</sup> Fidelity Benefits Consulting & Northeast Business Group on Health. *Moving from Wellness to Wellbeing: Seventh Annual Employer-Sponsored Health and Wellbeing Survey*. March, 2016

<sup>13</sup> Springbuk. *Healthiest 100 Workplaces in America® Assessment*. 2017

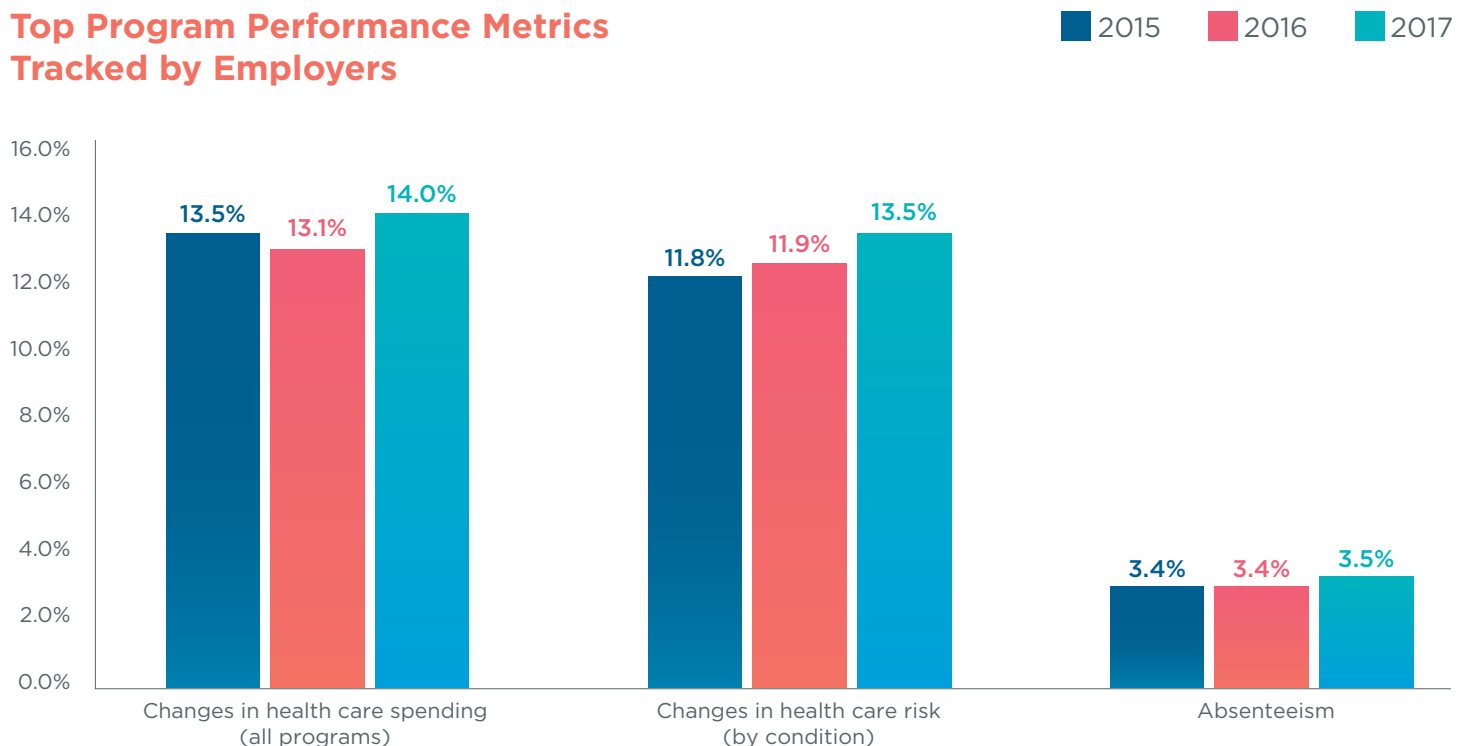
<sup>14</sup> Springbuk. *Employer Guide to Wearables 2.0*. 2017

# MODERN WELLNESS IN THE WORKPLACE: USING TECHNOLOGY TO DRIVE IMPROVED OUTCOMES

Modern workplace wellness programs are a relatively recent phenomenon. While a few forward-thinking companies started offering worksite fitness options as early as the 1970s, it took another 30+ years for the trend toward holistic wellness to really take off in corporate America.

Workplace wellness programs have moved from passive, information-driven efforts to active, metrics-driven campaigns. It used to be enough to provide employees with literature and hope they would take the hint. Today, employers use a variety of strategies to encourage and reward healthier behaviors. And as technology advances, it's becoming easier to track progress and tie it to outcomes.

## Top Program Performance Metrics Tracked by Employers



Source: Healthiest 100 Workplaces in America® Assessment 2017

In Springbuk's annual Healthiest 100 Workplaces in America® Assessment, more than half of employers said they relied on metrics to measure program performance, with the most common being changes in health risk (62%), financial impact (58%) and positive clinical outcomes (53%).<sup>15</sup>

Numbers matter, whether it's steps walked or dollars saved. And once again, technology has the promise to deliver. Incentive tracking, health analytics software, and data warehousing are among the high-tech investments employers are making.

Telehealth continues to be a growing trend among companies of all sizes, with 64% of America's Healthiest Employers offering telehealth options to employees.<sup>15</sup> Remote communications technologies let employees "see" a doctor or health professional at a moment's notice. These virtual visits are almost always less expensive than in-person care. And they also help with productivity, because the employee can often get the medical attention they need without leaving work.

Wearable devices, another big technology trend, can work in tandem with telehealth initiatives, because with the patient's consent, physicians can use them to remotely monitor their patients' health data.

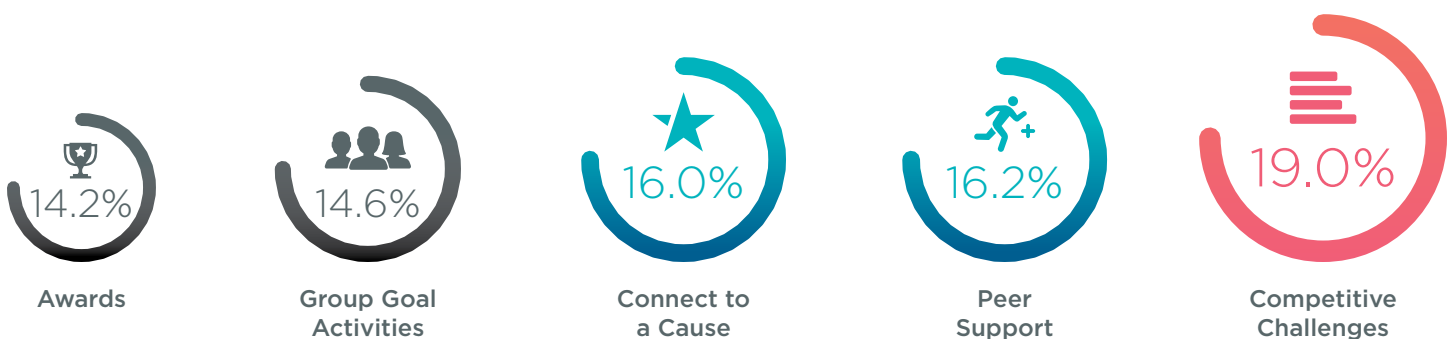
Year-on-year, America's Healthiest Employers are deploying wearables at an increased rate — spurred on by their popularity in the general market, and in workplace wellness. In 2016, 35% of the America's Healthiest Employers reported using wearables in their wellness programs, a 10% increase from 2015.<sup>16</sup>

But perhaps the biggest benefit to using wearables in wellness lies in their ability to help people motivate themselves — and each other.

Wearables allow employees to track their own progress across a variety of metrics and leverage the social component that's so powerful in corporate health. And the big data they generate can help employers keep track of everything from program adherence to changes in population wellness.

They can also help companies tap into the social aspect of behavior change, which is so important in corporate wellness. Employers can hold team competitions and challenges across locations and departments. And, employees can choose to share their data with each other, creating peer coaching opportunities that arise organically.

### Leading Social Strategies Used to Encourage Participation in 2017



Source: Healthiest 100 Workplaces in America® Assessment 2017

<sup>15</sup> Springbuk. Healthiest 100 Workplaces in America® Assessment. 2017

<sup>16</sup> Springbuk Employer Guide To Wearables



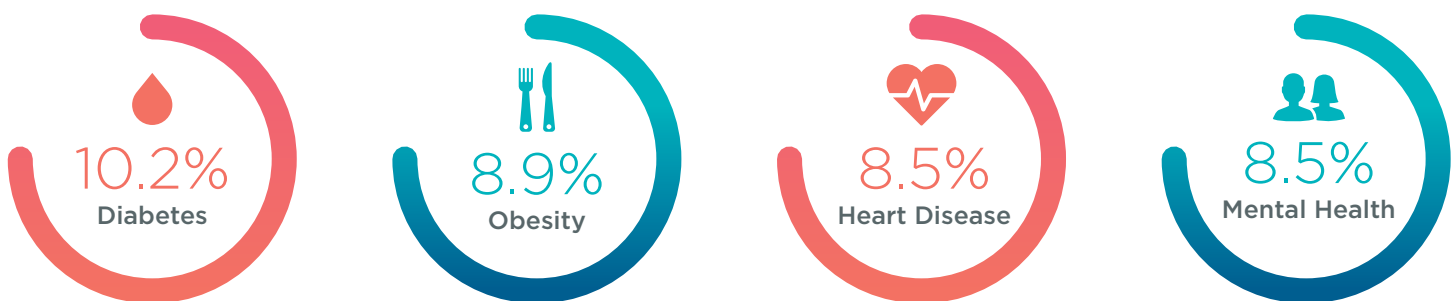
# AMERICA'S HEALTHIEST EMPLOYERS ARE FOCUSED ON ADDRESSING THE MOST COMMON PREVENTABLE HEALTH CONDITIONS

It's no secret that chronic disease is on the rise. An alarming 36% of American adults have obesity<sup>17</sup> and about 10% have diabetes.<sup>18</sup> And heart disease is the #1 leading cause of death for both men and women.<sup>19</sup>

America's Healthiest Employers are addressing these challenges by offering chronic disease management programs for some of the most common chronic conditions, including diabetes (10.2%), obesity (8.9%), asthma (8.5%), coronary artery disease (8.5%), depression (8.5%) and congestive heart failure (8.3%).

Small improvements in lifestyle and activity can help deliver big results. For people who are overweight, losing even 10-15 pounds may help reduce their risk of developing diabetes or heart problems,<sup>20</sup> as well as lower their blood pressure, cholesterol, and blood glucose. Physical activity can also ease symptoms of depression and anxiety and help people cope with stress in a healthy way.<sup>21</sup>

## Employer Disease Management Focus 2017



Source: Healthiest 100 Workplaces in America® Assessment 2017

<sup>17</sup> <https://www.cdc.gov/obesity/data/adult.html>

<sup>18</sup> <http://www.diabetes.org/diabetes-basics/statistics/>

<sup>19</sup> <https://www.cdc.gov/heartdisease/facts.htm>

<sup>20</sup> <http://www.diabetes.org/are-you-at-risk/lower-your-risk/overweight.html>

<sup>21</sup> <http://www.mayoclinic.org/diseases-conditions/depression/in-depth/depression-and-exercise/art-20046495>

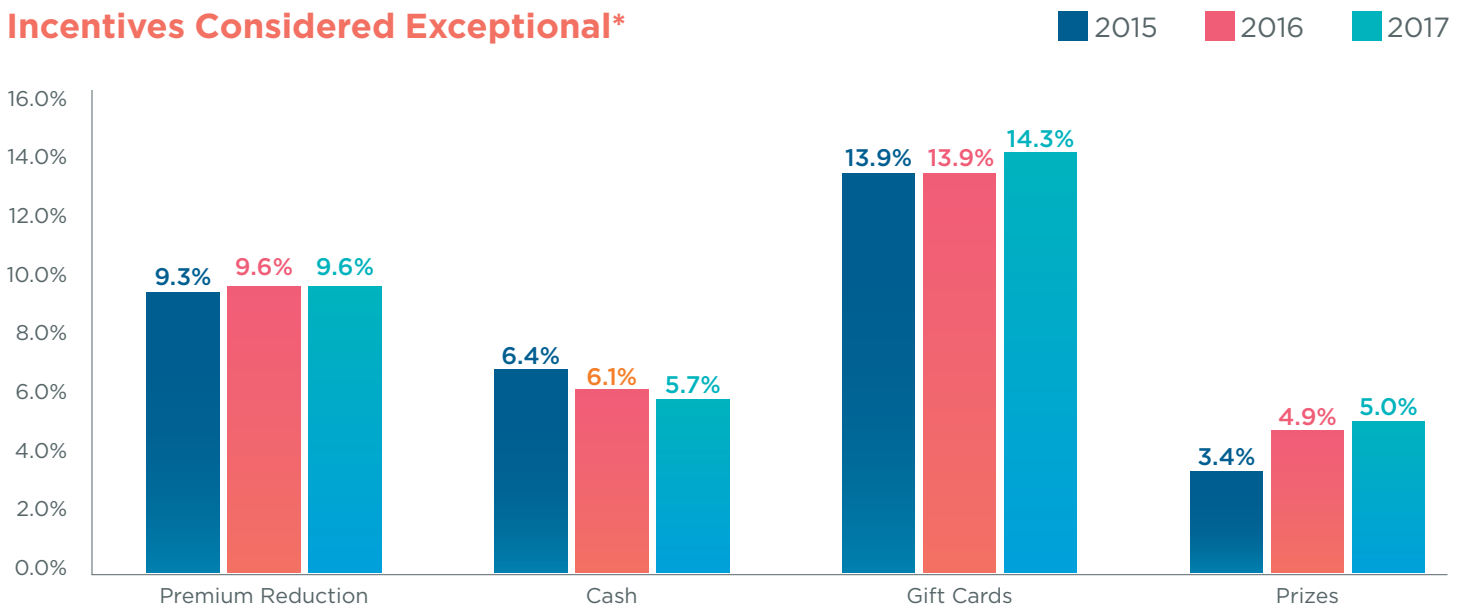
# FINDING THE RIGHT INCENTIVE

Overall, incentives seem to work. Over 55% of employers in the 2017 America's Healthiest Employers say wellness program incentives have led to documented behavior change.

America's Healthiest Employers reported using financial incentives as the most popular "carrot" for employees, with 23% offering wellness program participants a reduction in their health insurance premiums. About 17% provided cash or gift cards, and 14% offered perks such as t-shirts and water bottles.

In addition to "carrots," some employers use "sticks," also known as disincentives. "Sticks" penalize people who choose not to participate or don't meet minimum program requirements, such as higher insurance premiums and decreased contributions to health accounts. While they can work in reducing health costs, be aware that certain "sticks," such as smoking-related disincentives, may run afoul of lifestyle discrimination statutes and other laws<sup>22</sup> and don't necessarily drive improved behavior of employees.

## Incentives Considered Exceptional\*



\* Top box, incentives considered exceptional  
Source: Healthiest 100 Workplaces in America® Assessment 2017

<sup>22</sup> <http://www.hni.com/blog/bid/92292/employee-wellness-incentive-programs-the-perfect-mix-of-carrots-and-sticks>





Wearable devices combine a tangible incentive with a practical one. Wearables are desired consumer items, much cooler than an old-fashioned pedometer, so they work well as a “carrot” for your employees. But they also function as a measurement device, so they can benefit your program, too.

Among America’s Healthiest Employers, 35% of programs incorporate wearables, and an increasing number of companies are using this data to assess population health metrics. Wearables data can complement other metrics, such as information from biometric screenings and claims data, to measure how program participants are tracking against goals, and provide feedback on how well it’s working at any moment in time.

Wearable data can help you further personalize your program’s offerings and help each employee achieve measurable health improvements.



# THE EVOLUTION OF ROI: LOWER COSTS AND IMPROVED HEALTH OUTCOMES

When employers were asked what objectives they sought with their workplace wellness programs, top answers included “improve the health and well-being of employees” (12.5%), “create a healthy worksite culture” (11.9%), and “educate employees on the personal benefits of living healthy” (11.6%).

Since many employers’ budget wellness programs as a percentage of medical spend, it’s also fair to say that reducing spending for chronic, preventable health conditions is also a priority. Working with healthcare professionals and health data experts, employers can arrive on trackable metrics associated with disease risk, using various data points to measure progress around those metrics.

On a population level, improvements in these metrics can help lead to the desired outcomes, especially moving high-risk employees and at-risk employees to healthier ranges within their conditions.

This all seems fairly straightforward. However, many employers aren’t doing it. Even among America’s Healthiest Employers, 45% did not know whether their employee population had moved out of the high risk range for blood pressure or obesity in the last 24 months.

## Financial ROI Represents a Significant Challenge



are not measuring financial ROI from their health/wellness programs

Source: Healthiest 100 Workplaces in America® Assessment 2017

## The Evolution of ROI: Lower Costs and Improved Health Outcomes

A significant majority, 76%, are not measuring a financial ROI from their health/wellness management programs. But the ones that do have seen quite a payoff. A little less than 12% of employers saw a \$2-3 return on every dollar spent, and almost 3% saw an ROI of \$5-7.<sup>23</sup>

While it's easier for some to measure healthcare spend against medical claims, calculating the ROI of disease management and wellness measures is more difficult. It may require research and tinkering to create a program that will optimize your benefits spend.<sup>24</sup>

When it comes to measuring wellness, many companies rely on self-reported data, which can be unreliable, or biometric screenings, which can be a hassle to conduct and only provide a snapshot view of employee health. But wearables can provide data in a steady stream that reveals metrics about the user's physical health on a daily basis.

Wearables show the amount of physical activity a person gets in a day; however the more sophisticated devices track heart rate and sleep.

In the aggregate, wearable data can give you deep insight into how well participants are doing. On the individual level, the feedback generated by wearables can be highly motivating.

Users can see how small behavior changes really add up. As their fitness improves, their wearable will show how their behaviors are paying off in terms of lower resting heart rate, higher blood oxygen levels, or more REM sleep.

## The Rise in Wearable Tech in the Workplace\*



\* Percent of employers incorporating wearables in their wellness programs. Source: Healthiest 100 Workplaces in America® Assessment

<sup>23</sup> Springbuk. Healthiest 100 Workplaces in America® Assessment. 2017

<sup>24</sup> <https://www.springbuk.com/optimize-your-benefits-spend>

# WELLNESS PROGRAM BEST PRACTICES

We've combined leading research with our own experience in working with thousands of employers to deliver these best practices.

A 2015 meta-study prepared by the Institute for Health and Productivity Studies at Johns Hopkins Bloomberg School of Public Health showed that workplace wellness programs emphasizing physical activity reported “substantial positive impacts in most cases.”<sup>25</sup>

Employees who exercised more than 75 minutes per week missed 4.1 fewer days of work per year. Physically active adults also had lower healthcare expenditures. On the flip side, “inadequate physical activity” was associated with 11.1% of total healthcare expenditures.<sup>25</sup>

The list below rolls up actionable best practices for implementing an activity-oriented program in the workplace:

## STEP 01 Plan and Analyze

Assess existing employee physical activity levels, as well as opportunities for activity in the workplace. Then, develop specific benchmarks (e.g. at least 25% participation in a lunchtime walking club) to use in measuring your progress. Remember to remind employees how participation, and physical activity in general, can benefit them.

## STEP 02 Implement the Program

Employers should look for ways to encourage participation — perhaps by making it easier for employees to incorporate physical activity into their daily commute. They should also find ways to sneak in activity during the workday. Consider holding walking meetings or taking exercise breaks during the day.

<sup>25</sup> From Evidence to Practice: Workplace Wellness that Works. Institute for Health and Productivity Studies Johns Hopkins Bloomberg School of Public Health  
In collaboration with Transamerica Center for Health Studies. September, 2015.



## STEP 02 Implement the Program



### Leading by example is key.

Management should participate in the program, and they should encourage their people to join them. According to America's Healthiest Employers,<sup>26</sup> 29% of executives are either actively participating in their own wellness program or are considered role models for prioritizing health within the company.



### Leadership Involvement in Wellness Programs 2017

Leadership actively participating or role modeling for wellness\*

\* 80-100% of time leadership is actively involved or role model  
Source: Healthiest 100 Workplaces in America® Assessment



**Encouraging teamwork** has been shown to increase wellness program participation by as much as 44%.<sup>27</sup> Team sports, activity clubs and intradepartmental challenges can go a long way toward creating social support. Group members can also help individuals achieve their goals on their own time. After all, teamwork makes the dream work.



**Create incentives that make it fun to exercise.** If you can't spring for an onsite gym, perhaps you can subsidize the cost of off-site facilities or classes, or provide fitness equipment like wearable activity trackers to encourage employees to get moving.



**Provide educational opportunities** to help employees set personalized goals and monitor progress toward achieving them.

## STEP 03 Evaluate Success

It is important to collect the data and reconcile the program participation and health targets. The data can be used to assess future needs and satisfaction, and employers can then make adjustments to their programs accordingly.

<sup>26</sup> Data collected from the Healthiest Employers and H100 award applications.

<sup>27</sup> <https://www.transamericacenterforhealthstudies.org/docs/default-source/wellness-page/from-evidence-to-practice---workplace-wellness-that-works.pdf?sfvrsn=2>

# DON'T FORGET ABOUT ENGAGEMENT.

The best wellness program won't matter if your target population doesn't participate. Harvard Business Review conducted a 2016 survey<sup>28</sup> of companies that currently offer a wellness program and identified these key insights into why people do not participate:



## Lack of awareness

Though employees cited a number of reasons for not participating, the number one reason was simple. A full 69% said they didn't know a workplace wellness program even existed.<sup>29</sup>



## Lack of support

Company culture can play a big part in an employee's decision to join a wellness program. 53% said that participating might be inconvenient, or that the culture discouraged them from fully engaging in it.



## Lack of an emotional connection

If employees feel the program is only interested in reducing absenteeism and doctor's visits, they may be less likely to make the time investment.

<sup>28</sup> <https://hbr.org/2016/10/why-people-do-and-dont-participate-in-wellness-programs>

<sup>29</sup> Springbuk. Healthiest 100 Workplaces in America® Assessment. 2017

# BEST PRACTICES TO TO ENCOURAGE ENGAGEMENT

From program design to participant recruitment to ongoing health adjustments, here are some tips from experts to help you create and maintain an engaging workplace wellness program:



## Develop a culture of health.

“Building a culture of health means integrating health into the way an organization operates, thinks and acts,” say experts from Johns Hopkins Bloomberg School of Public Health.<sup>30</sup> They emphasize commitment from company leadership, a physically and socially supportive environment, and employees that take an active role in shaping health promotion efforts.



## Communicate strategically.

Make sure every employee learns about your program and receives regular reminders. Your communication strategy should employ multiple approaches and methods to reach your employees across all locations. In addition, keep the communications ongoing to ensure people don’t overlook signing up because they “missed the memo.”<sup>31</sup>



## Personalize your offerings.

A “one size fits all” program doesn’t cut it. Provide your employees with a variety of options for meeting workplace wellness requirements and let them design their own roadmap. Also consider bringing in support from credible experts or giving your employees a choice of incentives and activities.



## Make things convenient.

Participation should easily fit into a person’s day. Inconvenience is a big reason employees don’t engage as much as they could. Consider incorporating fitness wearables and mobile apps that passively monitor progress and allow participants to track metrics on the go.

<sup>30</sup> <http://www.ishn.com/articles/103338-best-practices-for-workplace-wellness-programs>

<sup>31</sup> <https://hbr.org/2016/10/why-people-do-and-dont-participate-in-wellness-programs>

“A clear and engaging wellness communication strategy is vital to our success. We deliver content in spaces where employees can interact with it, such as blogs, forums and in our wellness app newsfeed.

Employees respond to our messaging and share their own wellness experience — this is how we build community.”

— ALYSSA THYS, COMMUNICATIONS SPECIALIST, PIEDMONT HEALTHCARE



### Leverage intrinsic and extrinsic rewards.

Extrinsic incentives such as insurance premium discounts and gift cards can encourage even the most reluctant exerciser to give your program a try. But over time, intrinsic benefits such as weight loss and healthier numbers can become the primary motivators.<sup>32</sup> Good health can be a reward in itself. Some rewards can be both extrinsic and intrinsic. A Fitbit device, for example, might be initially viewed as a cool prize for signing up. But as they use it, the employee will get feedback on their activity, calories burned and other metrics — and that feedback can become the motivator (not the wearable).



### Anticipate attrition.

Though they may start strong, not everybody will remain motivated at all times. Participants may have to be re-engaged, so plan to schedule periodic competitions and prize challenges throughout the year, especially as seasons and schedules change. Extrinsic incentives can also encourage employees to try new things, possibly discovering a form of exercise they can stick with. Remember, the goal of your plan is to change behavior in the long term by helping your participants find their groove in a healthier lifestyle.

<sup>32</sup> <https://www.wellsteps.com/blog/2016/04/08/wellness-program-engagement-the-complete-guide/>





### Provide true encouragement.

It's not enough for your company to simply ask employees to participate. Managers need to explicitly tell their people that it's okay to take a fitness break. Experts also say employees are more likely to follow the lead of people "like them," so consider appointing "wellness champions" and integrate social strategies to support program efforts within different peer groups and locations.<sup>33</sup>



### Come from a position of caring.

The Harvard survey showed it's not sufficient to deliver on a physical level. Show your people you care, that you're tuned in with their needs and challenges, and you might get more program loyalty in return. The ability to connect with employees emotionally may make the difference between success and failure of your program.



### Run it through legal.

There are a variety of laws that can apply to workplace wellness programs. You don't want to discriminate against certain classes or violate privacy laws. Employee unions can also impose restrictions on wellness activities. So before you finalize your program, make sure it's structured to be legal, moral and efficacious.<sup>34</sup>

<sup>33</sup> <https://hbr.org/2016/10/why-people-do-and-dont-participate-in-wellness-programs>

<sup>34</sup> Mutaba BG, Cavico FJ. Corporate Wellness Programs: Implementation Challenges in the Modern American Workplace. *Int J Health Policy Manag.* September, 2013; 1(3):193-199

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# In Summary

Workplace wellness programs can be both popular and effective. Emerging trends include a focus on small measurable behavior changes, an emphasis on peer support, consistent communication and education and a corporate culture that values healthy lifestyles.

Incentives can impact participation, but the real endpoint is long-term behavior change that acts to prevent or mitigate lifestyle-related health issues.

Technologies exist to measure these metrics and America's Healthiest Employers are implementing wearable technology at a rate of 10% higher than just two years ago. These companies are also pursuing more deliberate, data-driven corporate wellness strategies for 2018.

"In 2025, the world's best chief wellness officers will be tech experts," Springbuk predicts.<sup>35</sup> Investments in technology and in optimizing each corporation's "health tech stack" will pave the way for a true metrics-driven workplace wellness paradigm — and a healthier American workforce.

<sup>35</sup> <https://www.springbuk.com/what-is-chief-wellness-officer-future>