



CaroMont Health – Gastonia, NC

The Process of Evaluating Health Care Costs and Employee Health Outcomes

Building a system for evaluating the impact of a worksite wellness program may take several years but is well worth the investment. The information you collect can show the results of your efforts and provide direction for program development. Follow the steps CaroMont Health implemented to measure and report the impact of their wellness programs over the past four years, and see how this organization used its data to drive its wellness goals.

Collecting

CaroMont Health's key data sources are employee-level health behaviors and outcomes, health care cost and claims data, and worker's compensation claims. Most data are provided through a third party vendor and are tied to the employer-provided health care plan, which covers approximately 3800 employees.

CaroMont Health began placing greater focus on employee wellness programs in 2010, when it also first offered a clinical health risk appraisal, which tracks employees' self-reported health behaviors and outcomes. Based on responses to this assessment, the third party vendor provides a report on nine health metrics. Employees can complete the health risk appraisal on paid work time. Completion of the health risk appraisal was required as part of the health insurance plan, and at this time approximately 94% of employees with insurance through CaroMont Health completed the assessment. However, this requirement is no longer permitted due to changes implemented by the Affordable Care Act, so participation fell to 30% of insured employees, or around 1116 individuals, in 2014. However, the health risk appraisal is now open to any employee, covered by CaroMont's plan or not, and an additional 114 employees participated with no incentive.

Health metrics provided by clinical health risk appraisal:

- General health
- BMI
- Blood pressure
- Cholesterol
- Blood sugar
- Nutrition
- Exercise
- Tobacco use

Compiling

Debbie Bellenger, director of CaroMont Health's Wellness Programs, gathers reports from several sources at the end of the fiscal year to analyze program progress. The third party vendor provides annual reports and quarterly updates on the nine key health metrics, and CaroMont Health also uses the third party vendor to track medical claims data. The vendor reports the top 25 claims, and CaroMont generally focuses on addressing the top three. The Human Resources department tracks workers' compensation claims, which are shared through a meeting with Wellness Programs staff. The organization also tracks the cost of health care per employee covered by its health insurance plan.

Debbie says one of her greatest challenges is working with the third party vendor to get the data she needs. The report format occasionally changes, and it is sometimes necessary for her to follow up with the vendor for additional custom reports. For example, when the third party vendor grouped metrics on exercise frequency into "0-1 days a week" and "2-3 days a week," Debbie needed to ask for further analysis to look at employee participation into two versus three days a week of exercise separately.



Communicating

Debbie shares a PowerPoint year-end summary presentation highlighting outcomes and year-to-year trends with two key groups: the senior leadership and management teams. “The health care cost per employee is usually the number with the greatest impact on senior leadership,” Debbie said. “And if you can contain costs, you don’t need to adjust premiums and pass on the costs to employees.” Although CaroMont Health tracks participation in its wellness initiatives, this is not a key data point to share with leadership because participation does not reflect the impact of programs on health outcomes.

As its employee wellness programs grew, CaroMont began incorporating wellness into its overall corporate goals. “This makes employee wellness top-of-mind for the entire workforce,” Debbie said. “Everybody knows what we are trying to accomplish in wellness.”

Because patient care is number one in the healthcare system, Debbie says that it is important to effectively communicate the value of the health promotion team alongside other health professionals like nurses and doctors. To validate the costs of CaroMont’s wellness programs, Debbie says that her goal is to break even. In other words, she wants to demonstrate that the costs for the work through the wellness division, fitness center, and other programs are matched by savings to the health care plan. In 2013, wellness division costs—four full-time health promotion staff, operational costs of the fitness center and an interactive learning center, and programmatic costs of employee wellness and occupational medicine initiatives—were balanced by \$3 million in savings to the health care plan, reaching Debbie’s goal of breaking even.

Now that CaroMont Health has slowed rising health care costs for employees and covered the costs of its wellness programs, its next goal is to increase the return by growing the volume of programs offered to the community. Debbie mentioned that CaroMont Health could also expand its evaluation of productivity by including breakdowns of sick days and absenteeism in the payroll system.

CaroMont Health will also continue to add wellness goals to its strategic plan based on its yearly reports. Debbie anticipates that next year will be focused on case management and comorbidities, or health conditions like diabetes and obesity that often affect the same individuals. “We keep doing everything else we’re doing, but we add another layer,” Debbie said. “We’re just taking one bite at a time.”

Tips for Your Organization

- Including wellness goals in your organization’s strategic plan will keep employee wellness top-of-mind
- Use your data as the foundation for smart strategic planning by targeting programs that have great potential to lower health care costs or affect a large group of employees
- If data reports do not meet your evaluation needs, follow up with your insurance carrier or third party vendor to request information in the format you want
- When communicating the value of your wellness programs with executive leadership, share “numbers” showing the impact on employee health outcomes, not just participation

Wellness Focus in Corporate Goals

Year 1:

General wellness: expanding services, increasing participation

Year 2:

Increase the percentage of employees participating in physical activity 3 times a week or more

Increase the percentage of employees at a healthy BMI

Year 3:

Diabetes and hypertension management