MAIN STAGE ANNOUNCEMENT: Arianna Huffington to Address Workplace Mental Health ✕ at SHRM22
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How to Establish and Design a Wellness Program

Designing and managing an employee wellness program is an important step in improving the health and productivity of employees and potentially improving the overall cost of employer-provided health care. Wellness programs can benefit employers by:

- Lowering health care costs.
- Reducing absenteeism.
- Achieving higher employee productivity.
- Reducing workers' compensation and disability-related costs.
- Reducing injuries.
- Improving employee morale and loyalty.

Because of the ever-increasing costs of health insurance and the importance of employee health, employers should consider implementing a well-thought-out wellness program that benefits both the employee's health and the employer's bottom line.

STEP 1: CONDUCT ASSESSMENTS

Obtaining information about the health of the workforce—and the organization's willingness to make improvements based on this information—is a critical step in developing a workforce wellness program. This information will enable the employer to design programs and services that are most beneficial to both the employer and the employee. Below are suggested steps and tools for obtaining this information:

- **Conduct employee surveys to evaluate the personal wellness interests and needs of employees.** Surveying employees directly helps assess the current climate as to how a program might be received and what information employees are willing to share. The Centers for Disease Control and Prevention (CDC) provides guidance on how to design an employee survey (https://www.cdc.gov/workplacehealthpromotion/model/employee-level-assessment/designing-surveys.html), including examples of survey topic areas.
- **Conduct a health risk assessment.** Assessing the health of the workforce will help determine which programs to implement. Several laws affect the use of health risk assessments, therefore, consulting with legal counsel is recommended. For general guidance, see the CDC information on health risk assessments (https://www.cdc.gov/workplacehealthpromotion/model/assessment/index.html) and the Equal Employment Opportunity Commission (EEOC) guidance on wellness programs (https://www.eeoc.gov/laws/regulations/qanda-gina-wellness-final-rule.cfm) in relation to the Americans with Disabilities Act (ADA) and the Genetic Information Nondiscrimination Act (GINA). The Health Insurance Portability and Accountability Act (HIPAA) (https://www.hhs.gov/hipaa/for-professionals/privacy/workplace-wellness/index.html) will apply when wellness programs are part of the group health plan (premium incentives, etc.).
- **Conduct an organizational assessment to determine which types of wellness programs to offer.** Not all programs will be well used or supported by any one organization. Transamerica Center for Health Studies offers a guide, Finding Fit: Implementing Wellness Programs Successfully (https://transamericainstitute.org/workplace-employers/uc-berkeley-collaboration), with sample assessments for each type of program.
- **Review group health plan utilization rates, both medical and pharmaceutical.** This information can be obtained in aggregate from the group health insurance carrier or third-party administrator.
- **Evaluate health culture and conduct environmental audits of the workplace in general.** See the CDC's environmental assessment (https://www.cdc.gov/workplacehealthpromotion/model/assessment/environmental.html). Performing an environmental audit will provide information on the workplace culture and its impact on driving employee wellness behavior.

STEP 2: OBTAIN MANAGEMENT SUPPORT

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Support from management is vital to a successful wellness program. As with any initiative, management buy-in is critical for funding purposes, for obtaining support throughout the organization, and for setting policies and processes related to the program. Management can provide additional assistance by helping link the health promotion objectives to business outcomes, thereby positioning wellness as a fundamental part of the organization.

The challenge in obtaining management support is communicating the potential value of a wellness program to the organization's bottom line. See Business Case for Employees (https://www.chcoc.gov/sites/default/files/Business-Case-for-Employees.pdf) for ideas on building a business case for wellness programs.

Addressing the three questions below may help in obtaining the required support from senior management:

- What are the organization's short- and long-term strategic priorities? Employers should show how wellness programs support these strategic objectives.
- What benefits can be expected from the wellness initiative, and what is the potential value of wellness promotion to the organization?
- What are the leadership styles, pressures, strengths and weaknesses of the organization's senior-level executives? These answers can help determine the method of presentation.

STEP 3: ESTABLISH A WELLNESS COMMITTEE

After conducting a needs assessment and obtaining management support, an employer can create an internal, employee-driven committee that helps build and sustain a wellness culture in the organization. This committee will help build organizational support and effectiveness for the wellness program. The responsibilities of the wellness committee might include the following:

- Evaluating the current programs, services and policies that are available in the workplace.
- Assessing employee needs and preferences.
- Developing a health promotion operating plan, including a vision statement, goals and objectives.
- Assisting in implementing, monitoring and evaluating wellness activities.

Employers should solicit committee members by invitation or ask for volunteers, ensuring there is cross-sectional representation, such as members from the top management, the HR department, information technology, communications/marketing, and the health and safety department; union representatives; and employees interested in health and wellness.

Employers may want to address these additional considerations for the wellness committee:

- Determine in advance how long wellness committee members will serve and how new members will be selected. Employers may want to alternate committee members annually to avoid burnout and to obtain new perspectives.
- Select committee members who can best represent their peers, motivate others and support the implementation of the wellness program. Employers may want to obtain the support of committee members' supervisors in providing each committee member time to devote to the committee activities.

STEP 4: DEVELOP GOALS AND OBJECTIVES

Using the information gathered from the workforce assessment, employers can establish goals and objectives for the program. For many organizations, a key goal is to improve workers' health and thereby reduce health care costs. Other goals may include reducing absenteeism, boosting worker productivity and increasing retention. Wellness program goals and objectives are statements of broad, long-term accomplishments expected from the program. Each goal has one or more objectives to ensure that the goal will be successfully accomplished. Objectives should be clear, time-limited and stated in such a way that it is easy to determine whether they have been achieved. Below are a few examples of goals and objectives:

- Reduce the number of employees who smoke by 5 percent in fiscal year 20XX.
- Increase the number of employees enrolled in smoking cessation classes by 15 percent by the second quarter of 20XX.
- Decrease the number of employees identified as obese by 5 percent in 20XX.
- Increase the level of medication adherence of the employee population by 10 percent.

STEP 5: ESTABLISH A BUDGET

Establishing a budget is a critical step in creating the wellness program. Without funding, the program will stall.

When creating a wellness budget, organizations should include the cost of incentives, marketing and program design in the budget. Typical items in a budget would include screening vendor/other provider fees; incentives for participation; promotional materials; meeting provisions; pedometers/fitness trackers; HR representative and committee member time; etc.

Additionally, employers may want to consider taking the following steps to look for hidden funding resources:

1. Conduct surveys to determine if employees would be willing to pay for an aspect of the wellness program such as yoga or exercise classes.
2. Partner with the health insurance carrier to determine wellness components offered by the insurance carrier. Often these program costs are already included in the health insurance premiums.
3. Research the option of participating in clinical studies from universities or hospitals studying the impact of workplace wellness programs.
4. Research free community resources or programs to supplement the wellness program.
5. Consider implementing low- or no-cost internal activities such as a lunch walking group.

STEP 6: DESIGN WELLNESS PROGRAM COMPONENTS

Employers have great latitude in designing the wellness program. There is not one standard program, as each will vary based on organizational needs and resources. The wellness program may range from a very simple program to an elaborate multi-prong program. It is important to include a variety of components that target risk behaviors and the needs and interests of the employees. Organizations can use the resources obtained in previous steps of organizational assessment, in wellness committee data gathering and in budgetary constraints, as well as in the goals and objectives, to determine the types of wellness programs to include in the design. See the sections on "Actions Employers Can Take" in the Transamerica Center for Health Studies report, From Evidence to Practice: Workplace Wellness that Works (https://www.transamericainstitute.org/docs/default-source/jhu/from-evidence-to-practice---workplace-wellness-that-works.pdf?sfvrsn=dcbd5e9b_2) for ideas and guidance on specific types of programs. The company's level of desired involvement, determined from the organizational assessment in step 1, will be a key consideration in determining the types of programs to include. Examples of common programs are as follows:

- Stress reduction programs.
- Weight loss programs.
- Smoking cessation programs.
- Health risk assessments.
- Health screenings.
- Exercise programs and activities.
- Nutrition education. (https://workforcenutrition.org/webapi/public/guidebook_nutrition_education.pdf)
- Vaccination clinics.

Although employers do have great latitude in designing wellness programs, like with the health risk assessments discussed earlier, employers still need to consider the legal issues and compliance requirements provided by the ADA, GINA, HIPAA and the Patient Protection and Affordable Care Act (PPACA), such as:

- The ADA (https://www.eeoc.gov/laws/regulations/qanda-ada-wellness-final-rule.cfm) prohibits employers from discriminating against individuals on the basis of disability, including an employee's access to wellness programs.
- GINA (https://www.eeoc.gov/laws/regulations/qanda-gina-wellness-final-rule.cfm) allows employers to "request, require, or purchase genetic information" in connection with employer-provided health or genetic services only if the services "are reasonably designed to promote health or prevent disease." The ADA has reasonable design requirements as well.
- When part of a group health plan, HIPAA (https://www.hhs.gov/hipaa/for-professionals/privacy/workplace-wellness/index.html) mandates that individually identifiable health information collected from or created by participants in wellness programs is considered PHI and is protected by HIPAA rules.

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designed to promote health or prevent disease. Programs must be reasonably designed to be available to all similarly situated individuals, and individuals must be given notice of the opportunity to qualify for the same rewards through other means.

See more information in SHRM's toolkit, Designing and Managing a Wellness Program (www.shrm.org/ResourcesAndTools/tools-and-samples/toolkits/Pages/designingandmanagingwellnessprograms.aspx).

STEP 7: SELECT WELLNESS PROGRAM INCENTIVES OR REWARDS

Incentives or rewards are an effective tool to change unhealthy behaviors, to adhere to healthy behaviors, to increase participation rates or to help individuals complete a program. The argument for rewarding employees for participating in a wellness program pulls from the basic principles of behavioral psychology: People are driven to act by the positive consequences they expect from their actions. Building a rewards system into a wellness program is a great motivator. Rewards can take many forms, including points that can be exchanged for goods, gifts celebrating accomplishments or monetary awards. Over time, the motivation for rewards shifts from an external incentive to intrinsic reinforcement.

Effective incentives will be commensurate with the effort required to practice the desired behavior. For example, incentives attached to smoking cessation or weight loss should be greater than incentives for participating in a lunch-and-learn seminar.

Federal and state regulations may limit incentives, so employers should keep up to date on applicable compliance obligations.

STEP 8: COMMUNICATE THE WELLNESS PLAN

The next step is to write and communicate the organization's wellness policy. This policy statement should include the organization's intent, level of involvement, and rewards and incentives system with respect to employee wellness. In communicating the reward system to employees, presenting a John Doe example may help them see the program in real-life terms.

Communication is important to marketing the program and ensuring participation. It is helpful to use communication to create a social culture where being healthy is valued. This can be done in many ways, using well-established techniques of marketing and changing behavior, such as the following:

- An attention-generating program rollout.
- A wellness program logo and slogans for various components of the program, such as "Every Body Walk Now," "Wellness Wednesday," "Recess" or "Time Out for Tai Chi."
- Visible endorsement and participation by upper management.
- Wellness education based on sound research.
- Persuasion of employees based on anecdotal situations.
- Sustaining the message and the program over several years.
- Multiple avenues of communication, such as e-mail, fliers and presentations.
- Repetition of the message.
- Keeping the message fresh with new information.

Ongoing communication and marketing are important for maintaining engagement in the wellness program.

STEP 9: EVALUATE THE SUCCESS OF THE PROGRAM

As with any investment or project, evaluating the effectiveness of the wellness program is important in sustaining management and employee support and in revising or implementing new programs. Employers should have established metrics and baselines at the rollout of any wellness initiative, which will vary depending on the programs implemented. For example, employers may measure participation rates, program completion rates, reduction in health care costs and percentage of employees who stopped smoking or lost weight. Employers may also want to measure the return on investment (ROI). Regardless of the tools or measurements used, evaluating the effectiveness of the wellness program is an important step in the ongoing management of the program.

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