

Members in Action: Managing Risk & New Payment Models

Genesis Health System – Davenport, IA *Wellness Program Improves Health, Saves Money*

The AHA's Members in Action series highlights how hospitals and health systems are implementing new value-based strategies to improve health care affordability. This includes work to redesign the delivery system, manage risk and new payment models, improve quality and outcomes, and implement operational solutions.

Overview

As a health care leader in the area and one of the largest regional employers, Genesis Health System was compelled to improve the community's health by starting with its own organization. The health system's employee wellness program is part of an overall medical risk reduction strategy that financially rewards employees and their spouses for meeting biometric targets.

A pilot study in 2008 with Genesis leadership revealed that one-third of the 125 employees screened tested positive for metabolic syndrome. The screening measures waist circumference, blood pressure, fasting glucose, triglycerides and cholesterol levels. Ten years later, the program is now offered to all Genesis employees and their spouses, approximately 8,000 covered lives.

Individuals who screen within healthy ranges and do not smoke receive a discount on their health insurance premiums of \$65 less per pay period for employees and \$130 less per pay period for families. For

Impact

Highlights of the wellness program's impact include:

- Participation has grown to 95%;
- Of those participating in the interventions, half improved their health;
- In 2009, 34% of the 1,200 spouses had metabolic syndrome, compared with 17% in 2016;
- The screenings uncovered employees who were unaware they were borderline diabetic or had high blood pressure;
- In the first year, 160 employees and spouses quit smoking;
- In 2017, the program saved Genesis \$9.7 million in health care costs against the national average;
- Cumulative savings from 2008 to 2017 are estimated at \$53 million. In addition to lower health care costs, Genesis officials have anecdotal evidence that the program results in fewer work-related injuries, less time lost from work, higher productivity, and less long-term disability;
- Average employee out-of-pocket costs are \$1,700 annually, compared with \$2,300 nationally;
- Of the 182 participants in a nutrition intervention from 2009 to 2017, 60% continued to report risk factors within the acceptable ranges; and
- Several participants have reduced their metabolic risk factors since 2009: those with five risk factors decreased by 59%; those with four decreased by 41%, and those with three decreased by 58%.

"The program is really a beautiful design," said Doug Cropper, chief executive officer. "In the end, we have a much healthier workforce. It's become a part of our culture."

families, the savings equate to more than \$2,000 per year. Those who have health risk factors are encouraged to participate in a variety of risk reduction or behavior modification classes and events related to exercise, nutrition, and smoking cessation. If their scores improve, they benefit from the wellness discount on their health insurance premiums the second half of the year.

To ensure employee privacy, Genesis contracts with ACAP Health to conduct the screenings. The health system receives aggregated data of the health screening results. The higher non-wellness premiums paid by those who do not participate or do not pass the screenings cover the administrative costs of the program.

Lessons Learned

Genesis officials offer the following lessons learned:

- Factor health improvement into the program design, not just participation;
- Identify meaningful financial incentives to drive engagement;
- Offer interventions, not just screenings;
- Engage executive leadership and support;
- Require spouses to participate, and repeatedly communicate with employees and spouses;
- Get feedback from participants to continually improve the program; and,
- Select good partners to conduct the screenings and interventions.

“It’s more than just, ‘Well, we’ve told you what your problem is, now go fix it,’” said Heidi Kahly-McMahon, vice president of human resources. “We provide interventions to help employees make improvements in their health.”

Future Goals

The biggest goal is targeting the remaining 5% of employees and spouses who do not participate. This group includes individuals who smoke and those with significantly higher health care costs.

“We’re always looking at how we can try to get those participation rates even higher than 95%,” said Cropper.

Genesis also is piloting programs that address digestive disease and better aligning screening timelines with the health benefits enrollment period.



Half the employees and spouses in the Genesis wellness program improve their health. Some 95% participate.



Genesis offers activities and classes to help foster healthy lifestyles.

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