



PUBLIC INFORMATION

ITEM NO. 3.

DATE OF MEETING: December 12, 2011

REQUESTED BY: Amber Parker, Human Resources Director

SHORT TITLE: Wellness Program Results for FY 11-12

BACKGROUND: Pender County held its first employee health screening event in August 2009. In 2009, the health screening was voluntary for all employees on the County's health insurance plan but the County did not provide a formal wellness program or a financial incentive for employee participation. In 2009, 25% of employees participated in the health screening.

The Pender County Board of County Commissioners officially created the County's wellness program in October of 2010 and this included providing a financial incentive in the form of a health insurance premium discount for employees to participate in the voluntary health screening. The formal wellness program and financial incentive increased wellness program participation to 98% in 2010 and 97% in 2011.

Doctors Direct Healthcare (DDHC) conducted a cost savings estimate based upon the clinical improvement shown among participating employees from 2009 through August 2011. According to DDHC, there are nationally accepted costs associated with clinical risk statistics, such as a smoker will cost the health plan an additional \$3,886 over five years. Based on the clinical improvement shown from participating Pender County employees who reduced their risk factors, the County's health plan can potentially save \$401,887 in future claims costs over the next five years. This cost savings estimate is based upon projected claims the County could incur should employees not improve their health risks and experience health care claims related to those risk factors.

EBenConcepts conducted a Return on Investment analysis of the 83 employees who participated in the health screening all three years by examining their actual claims data for FY 08-09, FY 09-10 and FY 10-11 and the net savings after subtracting the cost of the wellness screenings is \$74,576.

In addition to the health screenings, the wellness program has offered employees a wide array of activities this year including multiple workplace walking groups, kayaking, a Couch 25K training program, and numerous wellness seminars on healthy lifestyles. Overall, the health screening reports show the wellness program and health screenings are making a positive financial impact on the County's health plan.