



**HEALTHMILES**

## CASE STUDY: Ochsner Health System

### CHALLENGE:

#### **Creating a Measurable Wellness Program that Lowers Health Care Costs and Improves Employee Engagement**

Ochsner Health System, a non-profit multi-specialty health care system comprised of seven hospitals and 35 clinics located throughout Louisiana, had been monitoring its rising health care costs and employee wellness since 2003. The organization had quickly grown to 10,000 employees after several new acquisitions post-Hurricane Katrina. As the organization expanded, it became apparent that a more integrated and accessible wellness program was needed to replace the home-grown manual program. Most importantly, with so many entities under their umbrella, Ochsner sought to improve overall employee wellness and reduce health care costs company-wide. This was a major strategic initiative since 6,700 of Ochsner's employees are part of its ASO (self-insured) group.

To achieve these goals, Ochsner recognized there were a few important challenges to overcome. First, Ochsner required a more systematic approach to track and measure each employee's physical activity to substantiate employee participation and health improvements. Although Ochsner's previous wellness program enabled employees to earn rewards for staying active, the program relied on employees manually recording activities over the course of the year and submitting the tracking logs to Ochsner's wellness staff for approval. This process proved to be tedious for employees, and time-consuming to validate for the wellness program coordinator and her team.

The second challenge was identifying how to raise employee participation. Historically, Ochsner's wellness program participation rates hovered around 30-40%. Though higher than traditional industry average participation rates, Ochsner believed there was ample room for improvement. Employee engagement was critical given that the company's goal was to lower overall health care costs; Ochsner believed more participation would lead to greater reductions.

The last challenge was determining how to excite employees about wellness and then make the programs as far reaching as possible.

With an open benefits deadline looming for summer of 2009, time was of the essence.



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#### SOLUTION:

#### Enabling Employees to Earn Discounts on Healthcare Premiums Based on Wellness Program Participation

In December 2008, Ochsner engaged Virgin HealthMiles, a leading provider of employee health and activity programs that pay people to get active. Ochsner found that the Virgin HealthMiles program's easy-to-use activity tracking devices and online platform provided employees with a better way to capture their daily activity in a more accurate and verifiable way. The program also enabled employees to monitor their progress, in addition to providing a variety of fun and rewarding activities that encouraged ongoing program participation.

With this new program, Ochsner employees had the opportunity to earn 'HealthMiles' – or points – for their physical activity and participation in the program. The HealthMiles employees earned helped track their progress through the program's five Reward Levels and enabled them to earn up to \$300 annually in cash rewards.

In addition, Ochsner provided employees with an even greater incentive based on their participation in the program. Since the Virgin HealthMiles program's Reward Levels were designed to reinforce the Center for Disease Control and Prevention's (CDC) recommended activity levels, Ochsner offered participants the opportunity to earn significant discounts off their 2010 health insurance premiums once they reached Level 3 - a program milestone indicating that they've met the CDC's recommended activity levels.

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Providing a clear incentive to improve health and participation in the wellness program, Ochsner launched a campaign to get as many of its 6,700 employees as possible to participate in the Virgin HealthMiles program. With this premium incentive, in addition to the cash incentives for physical activity from Virgin HealthMiles, Ochsner's participation rate skyrocketed to 78% of all eligible employees within just three months of the program launch.

"We were blown away by the participation," said Dorothy Cain, R.N. and system coordinator for Ochsner's Employee Wellness Program. "In a few months, we have already doubled participation rates from all of last year. Deployment was easy, maintenance is easy and we have been able to work with our Virgin HealthMiles team to tailor it to our specific needs. And best of all, our employees are excited about the wellness initiative and their opportunity to earn discounts on health insurance premiums."



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#### Leveraging a Multi-Pronged Communications Approach to Spur Employee Engagement

To educate employees about the new program and accelerate participation, Ochsner employed a multi-pronged communications approach. In addition to visiting the different satellite clinics with an information table situated in high traffic areas such as foyers and cafeterias, Ochsner also created a section dedicated to Virgin HealthMiles on “Ochweb,” the organization’s internal web site. Here, Ochsner provided weekly tips on how to join the program and how to earn HealthMiles.

Since Ochsner no longer offered their previous wellness program, they also offered an additional cash incentive to encourage employee participation in the new wellness program. If employees enrolled in the Virgin HealthMiles program within a three-month period, they could earn a rebate of \$6 per month off their current insurance premium. To help motivate employees to reach Level 3, the company further encouraged employees to use the Virgin HealthMiles program’s online challenges to spark some friendly competition between groups and departments.

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“It’s extremely rewarding to see so many people improve their health with Virgin HealthMiles,” said Cain. “I receive emails every day about how the program has helped employees manage their weight or lower their blood pressure, and I see more and more walking groups during lunch breaks. Many employees have also made new friends in other departments or locations thanks to the online community features built into the Virgin HealthMiles program.”

#### Online Features Promote Participation, Streamline Processes

One of the greatest benefits Ochsner has realized from the Virgin HealthMiles program is its online delivery, which has enhanced company-wide engagement, a once difficult goal to achieve. The program has enabled employees to capture their daily activity with activity tracking devices that provide validated data. Employees also have access to their own online program portal where they view their progress, upload steps captured by their GoZone® pedometers, and log any other activities they have participated in, such as an aerobics class or cycling to work from home.



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Employees also use any of the 10 Virgin HealthMiles HealthZone® kiosks set up within Ochsner's satellite clinics and hospitals to take key health measurements on a monthly basis and earn rewards for doing so. With the HealthZone kiosks, Ochsner's HR and wellness team found that employees were able to monitor their health in a more validated and measurable way, as the kiosks captured key biometric measurements, including weight, blood pressure, and body fat percentage. The measurements employees took on the kiosks were instantly uploaded to their own online program portal within the Virgin HealthMiles program.

Reporting became easier and timelier for Ochsner. Virgin HealthMiles' reporting tools provided Ochsner's wellness director with more control over managing and understanding the impact of the wellness program. The tools also enabled Ochsner to create department efficiencies by greatly reducing the number of staff needed to manage Ochsner's overall wellness strategy.

Additionally, the flexibility of the Virgin HealthMiles system enabled Ochsner to reward employees for additional, positive achievements that supported wellness and Ochsner's philanthropic values. For example, employees could earn additional HealthMiles for an annual physical, for donating blood, or for each hour of community service.

#### Looking Forward:

##### Anticipated Cost Savings

With a new wellness program from Virgin HealthMiles and with clear opportunities to earn discounts on health insurance premiums, 79% of Ochsner's employees have enrolled. Moreover, 30% of these individuals have already reached Level 3 as of May 1, 2009 and have qualified for premium discounts in 2010. The Virgin HealthMiles program has become a significant launching pad in enabling the company to track its wellness efforts and more effectively contain health care costs year over year, helping the health care system achieve its long-term strategic goal.

*"Our Virgin HealthMiles program is finally the company-wide wellness program we always wanted, and we are thrilled with the results. We have been able to help our employees stay healthy and are looking forward to helping them keep more money in their pockets and lowering our overall health care costs. It's been a good marriage."*

"Our Virgin HealthMiles program is finally the system-wide wellness program we always wanted, and we are thrilled with the results," concluded Cain. "We have been able to help our employees stay healthy while putting more money in their pockets and lowering our overall health care costs."