

# Fewer Small Firms Offering Wellness Programs

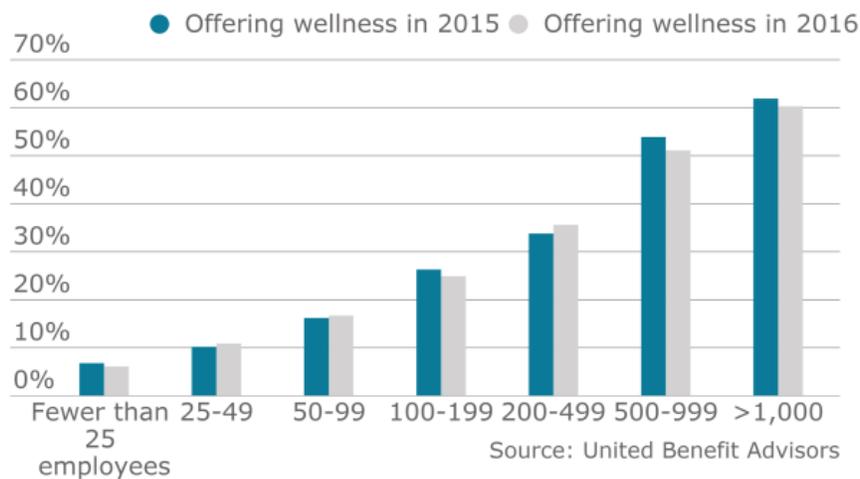
By Bruce Shutan

Size matters when it comes to employee wellness program sponsorship, suggests United Benefit Advisors' recent report, "2016 Trends: How Employers Use Wellness Programs."

Les McPhearson, CEO of UBA, laments a continuing decline of wellness programs offered by smaller employers, particularly those with fewer than 25 employees that lack the time or resources to develop or promote these initiatives.

## Waning wellness

There's been a slight decline in plan participation across a range of employer sizes.



He attributes this finding, along with an overall flat growth within the past year, to several other factors. They include complexity of the healthcare and insurance marketplace, as well as challenges associated with deploying, communicating and operating wellness programs. Another obstacle McPhearson cites is that return on investment "has still proven to be quite elusive."

Larger employers have the wherewithal to use workshops and seminars to reach dispersed employee populations much more extensively and efficiently, he says. These tools are followed closely by wellness coaching that's provided either over the telephone or in person. He also notes that smaller employers are "more likely to provide programs that include financial contributions, gift cards or discounted health club memberships, which tend to be easier to administer."

Regardless of employer size, producers have the power to help propel these programs across their book of business. "UBA brokers play a very strategic and consultative role with our clients," McPhearson reports. "We all know that it still has a significant financial implication and is a big part of operating costs for every employer. But solely looking at it from a cost standpoint misses that strategic nature of it."

### Value proposition

With benefits increasing in importance with employees, he describes wellness as part of that value proposition. Brokers can take this connection a step further by using these programs to help build a better employment brand and make companies a great place to work for top talent, McPhearson explains.

Wellness programs are most prevalent among white-collar employers, public utilities and educational settings, the UBA report found. These industries have shown a greater likelihood to connect their employees to technology, raise program awareness and reach a broader swath of their employee population.

This stands in stark contrast to construction, transportation, mining and agriculture whose workforces he says “tend to be more remotely distributed, with less regular access to technology and the connectivity” needed to communicate the value of these programs.

Key components to program effectiveness and popularity include health risk assessments, incentives for participation and biometric screenings, UBA noted. Employers that McPhearson says are seeking “a greater impact on their employment brand and culture” are offering premium reductions, cash contributions to health savings accounts or flexible spending accounts, gift cards or health club discounts. “People respond to economic incentives, and those appear to be having some of the biggest effect,” he adds.

The report also explained several differences between programs offered by insurance carriers and third-party wellness providers. For example, the former is more focused on identifying and detecting potential risk or medical conditions, as well as intervening as quickly as possible.

And while the latter also will adopt those approaches, the emphasis is on including program elements that have an impact on culture, as well as ways to make participation in these activities more fun and engaging. Team-based challenges, for instance, are seen as helping build camaraderie.

With the right pieces in place, there’s tremendous potential for success beyond outcomes and cost. “When designed correctly and communicated properly, wellness programs can obtain important objectives and lead to true culture change, not just education and fun,” according to Heather Mills, wellness program manager at VolkBell, a UBA partner firm.