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## ***CORRESPONDENCE MEMORANDUM***

**DATE:** April 26, 2013  
**TO:** Group Insurance Board (GIB) Strategic Planning Workgroup  
**FROM:** Bill Kox, Deputy Administrator, Division of Insurance Services  
Holly Klawitter, Manager, Disease Management and Wellness  
**SUBJECT:** Wellness Program Update

This memo updates the Workgroup on discussion to date concerning wellness programs.

### **Background**

The Department of Employee Trust Funds (ETF) continues to work with the Department of Administration (DOA) and Office of State Employee Relations (OSER) to discuss and evaluate wellness programs for state employees. Key considerations are uniform incentives and standardizing processes.

ETF is seeking input from health plans on preferences, ability, and potential cost for multiple options to administer an effective and robust wellness program. Currently, wellness programs vary by health plan within the framework of the wellness benefit found in Guidelines II.D.5. The Governor's budget proposal included funds to be used to support wellness programs.

Health plans were given latitude to develop their own incentives and programs with minimal requirements to allow them to see what works to drive participation. Under this plan, incentives for 2013 are required to remain under \$150 per member. Incentives include cash, gift cards, drawing entries for items such as gift baskets, and wellness promotional items such as a Fitbit activity tracker. One Plan was granted an exception allowing a continuation of the commercially offered incentive of \$225 total for meeting each of the requirements which includes a \$50 one-time reward for tobacco-free status after completing nicotine or continue testing.

In addition to varying incentives, plans are not currently contractually obligated to provide on-site biometric screenings. On-site biometric screenings help boost employee

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participation by bringing the services to the employee in a central location. DOA hired a Wellness Coordinator in December 2012 to facilitate coordination of on-site events for state agencies. The Board was notified of this change at the February 2013 Board meeting. A multi-agency wellness workgroup led by the Wellness Coordinator continues to meet bi-weekly at DOA to foster communication and develop wellness strategies.

### **Discussion**

ETF, DOA, and OSER agree that the adoption of a uniform incentive and process for participation are necessary to ease administrative burden, improve participation, and ensure equality. Another concern that has been expressed is ensuring that the Primary Care Physician is notified of wellness screening results to limit duplicate screening and so that providers are better positioned to assist patients with behavior changes. The plans have expressed variation in their ability to notify all physicians based on individual plan design.

ETF recommends incentives continue to be based on participation in programs and not contingent upon meeting a health standard. A contingent health incentive requires additional benefits under federal law.

ETF has asked the health plans about ability to provide a uniform cash incentive, on-site biometrics, health coaching, and notification of primary care physicians. ETF is also considering the possibility of carving out parts or all of these functions from the current Guidelines. If these functions are removed from the Guidelines, ETF would contract with a third party wellness vendor to provide wellness related services. This could be done in conjunction with a vendor contracted to collect the proposed tobacco use attestations.

Considerations are cost, timing, and coordination with DOA wellness initiatives.

Staff will be at the Workgroup meeting to answer any questions.