

# 2020 Wellness Program Changes

## Item 7C: Group Insurance Board

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# Action Needed

ETF Staff requests the Board:

- Approve expanding Ignite, a group-based weight management and diabetes prevention program

# Discuss Program Opportunities



Reduce member confusion regarding available programs

Minimize tax liabilities of wellness incentives

Increase participation in Well Wisconsin



# Expand Ignite

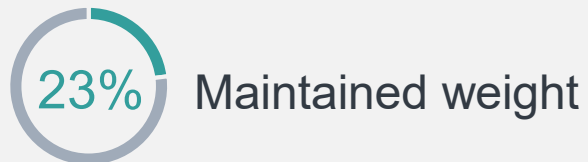
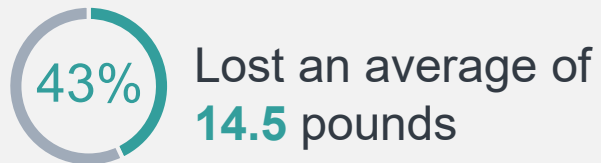
## Weight Management and Diabetes Prevention

# Ignite Overview

12-week group-based program, 2 pilots with 50 participants:

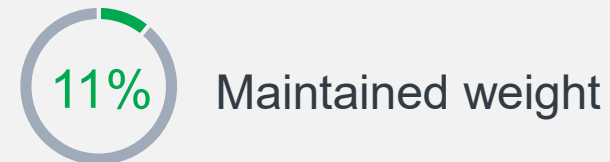
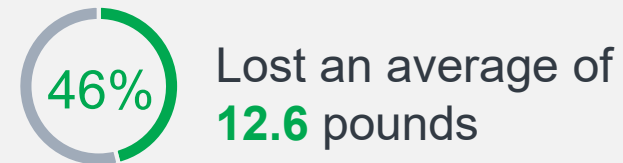
**2017**

University of Wisconsin institutions  
outside of Dane County

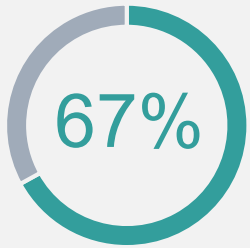


**2018**

Department of Corrections and  
ETF

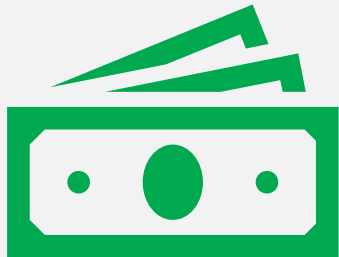


# Weight Risks and Cost



of members are overweight or obese

Weight continues to be the most prominent health risk



Allowed amount for participants with obesity vs normal weight:

**\$294 more**  
per month

**\$3,528 more**  
per year


See Appendix A

# Diabetes Risks and Cost

Highest-cost health condition



% of members with diabetes is increasing



1,481 newly diagnosed patients from Jan. – Oct. 2018 with \$2.9M in costs

# Request to Expand Ignite

Larger pilot in  
2020

Target local  
employees





# Reduce Member Confusion and Tax Liabilities

# Available Wellness Incentives

- GIB approved uniform wellness incentive program, Well Wisconsin, in 2014.
- Some health plans continue to offer additional monetary incentives.

Year	Health plans	Members	Payments	Average payment amount	Total amount paid
2017	7	7,492	9,576	\$101.75	\$974,319.99
2018	5	4,930	6,043	\$85.05	\$513,934.30

Table 1: Health Plan Issued Incentives

# 2019 Health Plans' Incentives

- Three health plans (combined 30,619 subscribers) are administering wellness incentives for costs associated with:
  - Fitness memberships
  - Community Supported Agriculture
  - Other wellness-related activities
- Medicare Advantage health plan, UnitedHealthcare<sup>®</sup> also offers wellness incentives for complying with specified preventive care

# Cash Incentives are Taxable Income

Active employees have taxes processed via payroll

Retirees have some taxes withheld from incentive; receive a W-2 from the Wisconsin Retirement System

# Incentives As Premium Credit

Premium credits are not taxable

GIB approved transitioning \$150 Well  
Wisconsin gift card to premium credit for state  
employees

2022 will be the first year a premium credit may  
be implemented

# Consideration for Discussion

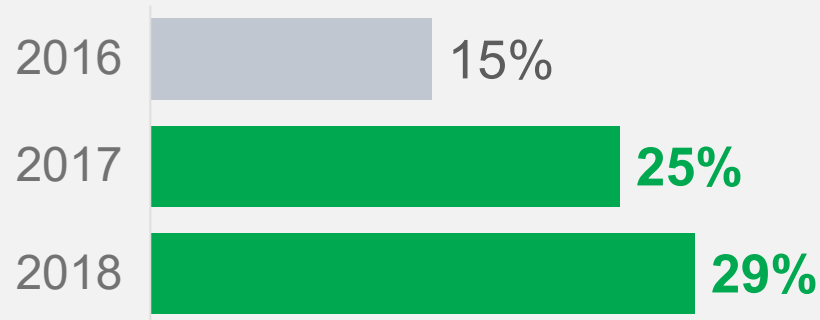
- Transition health plan wellness incentive programming to Well Wisconsin in 2020 or 2021, with exception of Medicare Advantage
  - All incentives earned can be issued via premium credit, further reducing tax liabilities for members and employers
  - Address variances in and member confusion regarding access to incentive programming
  - Allows for more comprehensive reporting to DAISI



# Increase Incentive Value to Drive Participation

# Trends in Participation

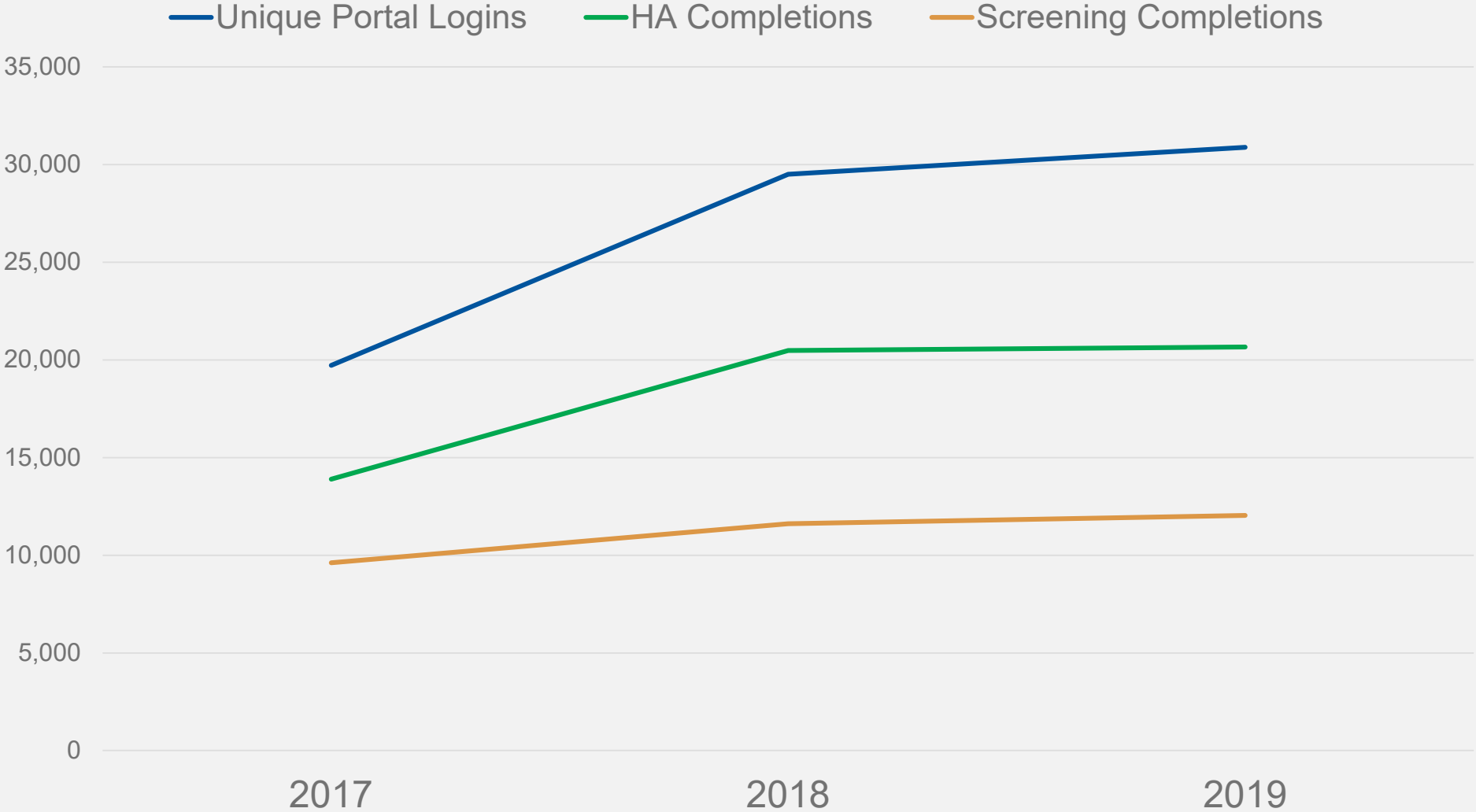
- Increased significantly in the first two years of StayWell’s administration



- 2022 goal of 40% is reported as minimum necessary “to have measurable impact on changing the health risk profile of the covered population” (Segal, 2015)



# Jan – Apr Trend Over Last 3 Years



# Consideration for Discussion

- Increase the Well Wisconsin incentive value
  - \$150 Well Wisconsin value has not changed since it was implemented in 2014
  - 85% of employers with more than 200 workers offer greater than \$150 in wellness incentives (2018 Employer Health Benefits Survey Report, Appendix C)
  - Address payroll center concerns regarding evenly distributing future wellness premium credits

# Summary

- ETF is seeing positive results with Well Wisconsin
- There are opportunities to continue increasing member engagement and improve health outcomes



# Action Needed

ETF staff is requesting approval to explore expanding Ignite to a larger pilot population in 2020.

If approved, ETF staff will bring more information regarding costs and the target population to the August 2019 meeting for final approval.

# Discussion

ETF staff would like to discuss:

- Transitioning health plan wellness incentive programming to Well Wisconsin, with the exception of Medicare Advantage to reduce confusion and tax liabilities
- Increasing the incentive value to drive participation and address payroll center concerns with evenly distributing premium credits

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# Thank you

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