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**Correspondence Memorandum**

**Date:** October 19, 2020

**To:** Group Insurance Board

**From:** Molly Heisterkamp, Disease Management & Wellness Program Manager  
 Office of Strategic Health Policy

**Subject:** StayWell Contract Extension


**The Department of Employee Trust Funds (ETF) recommends the Board approve Option 2 as outlined in this memo to extend the StayWell contract two additional years.**

**Program Background**

The wellness and disease management program, Well Wisconsin, is an essential component of ETF’s approach to addressing the Healthcare Triple Aim. It is also a necessary tool within the Total Health Management (THM) model as proposed by Segal, the Group Insurance Board’s (Board’s) actuary, to drive greater member engagement in their own health before and/or between encounters with the healthcare system. Program services include health screenings, health coaching, disease management, online education, fitness videos, meditation sessions, well-being challenges, health trackers, and more. Because living a healthy lifestyle is good for participants and for the Group Health Insurance Program (GHIP), participants are rewarded with a \$150 gift card for taking initiative to improve their health.

Since 2017, the Board has contracted with StayWell. The original contract term was for just over two years, August 16, 2016 through December 31, 2018, with the option to extend the contract for two additional two-year terms. In 2017, the Board approved a one-year contract extension through December 31, 2019. In 2018, the Board approved a two-year contract extension through December 31, 2021.

StayWell was acquired by WebMD Services (WebMD) in early 2020. Well Wisconsin will be utilizing the WebMD product line and resources, including a new wellness portal, beginning in 2021 to provide a more robust and customized set of services for the GHIP membership. Appendix A includes a few screenshots of the new member wellness portal. Included in the new WebMD transition, several new products and capabilities will be available in the current rate structure with no cost increases. Examples of new products and capabilities are highlighted in Appendix B.

Reviewed and approved by Eileen K Mallow, Director, Office of Strategic Health Policy  Electronically Signed 11/9/20
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Board	Mtg Date	Item #
GIB	11.18.20	7B

### **Program Participation**

Since StayWell began administering the program in 2017, participation rates in Well Wisconsin have increased by over 70% as of the end of 2019. The largest increase was seen in year one of their administration and has since leveled off.

StayWell is expecting Well Wisconsin's, along with other clients', program participation rates to be lower in 2020 due to the COVID-19 pandemic. In June ([Ref. GIB | 6.29.20 | 5](#)), the Board approved the addition of the home-test kit, dental cleaning, and one coaching call option in lieu of the in-person biometric screening to help mitigate the expected decline in participation. Due to high utilization of these options, they will continue into 2021.

### **Program Health Outcomes**

When looking at health outcomes for individuals that participate in the Well Wisconsin program, ETF relies on an index score developed utilizing the data in the DAISI data warehouse. This index score, known as the relative risk score, is a numeric value assigned to an individual based on several demographic categories, such as age, gender, and healthcare utilization. Because the relative risk score is heavily reliant on age, it is expected that over time these relative risk scores will increase. Therefore, the goal for the Well Wisconsin program is to slow the rate of increase of the relative risk scores over time.

ETF performed an analysis of the Well Wisconsin program by identifying two cohorts within the membership population:

- Cohort 1: Received the Well Wisconsin incentive payment each year from 2017 through 2019 and were continuously enrolled from 2016-2019. This group consists of 20,998 members.
- Cohort 2: Did not receive the Well Wisconsin incentive payment in any of the years from 2017 through 2019 and were continuously enrolled from 2016-2019. This group consists of 118,570 members.

Analysis of the two cohorts was also performed split by employment status, providing three possible categories: Active members, Retired members, and Aggregated (all together).

While all groups had an increase in relative risk score, those who participated in the Well Wisconsin program (cohort 1) were found to have a lower rate of increase in comparison to individuals who did not participate in the Well Wisconsin program (cohort 2). The following outlines the percent difference in the increased rate of relative risk score between the two cohorts in all three employment status groupings:

- Active Members: 9.4% lower rate of increase for cohort 1 compared to 2
- Retired Members: 29.8% lower rate of increase for cohort 1 compared to 2
- Aggregated: 19.0% lower rate of increase for cohort 1 compared to 2

The lower rate of increase for relative risk scores for cohort 1 (participating) members may be a result of inherent differences between the two cohorts. However, it's important to provide a long-term, consistent effort focused on expanding the reach of programs with the goal of converting members from non-participating, to actively engaged in their health and well-being. This may slow the rate of increased relative risk scores for the currently non-participating members.

Utilizing the same cohorts as described above, ETF also analyzed specific healthcare utilization metrics. The first cohort, the group that has completed all three program activities and earned the incentive, has significantly better healthcare utilization rates than the other cohort. In fact, the first cohort shows better utilization in comparison to national benchmarks for the metrics where that comparison can be made. Where there is significant room for improvement is with the second cohort, which presents an opportunity for focusing efforts. As more members become engaged in their healthcare, with participating in the Well Wisconsin program being an example of engagement, we could see a push towards better utilization among the population. This could possibly move utilization rates seen in the second cohort closer to the rates seen in the first cohort. Appendix C contains a series of graphs that express healthcare utilization patterns between the two cohorts as captured from DAISI.

Another method of analyzing program outcomes on health is focusing on results from the annual health assessment. In general, results from the health assessment have remained relatively flat for participants from 2017 through 2019 with one exception. Individuals who engaged in health coaching have seen an improvement in health assessment scores year over year. The analysis shows that those who participated in health coaching had a 10.2% improvement in health assessment scores between 2017 and 2018, and a 5.9% improvement between 2018 and 2019. Given these positive results, StayWell recommends adjusting the incentive design to a points-based program where health coaching is given more weight than other activities to help drive continued improvements in overall health risks. ETF staff will bring more information and a recommendation in 2021 for implementation in program year 2022.

### **Quality and Satisfaction**

Participants continue to be satisfied with most program services and resources. Survey results continue to show a higher than 90% satisfaction rate with customer service, disease management, onsite biometric screenings, and the health assessment and portal. There is a slight dip in overall satisfaction rates for the health assessment and portal for 2020 compared to prior years, but StayWell/WebMD believes the new WebMD ONE portal platform will address participants' feedback and concerns regarding challenges with navigation for example.

ETF is currently performing a series of member focus groups to identify opportunities for increasing Well Wisconsin participation. Results and analysis of these focus groups will be available at the February Board meeting.

## **Finances**

Cost for the program is embedded in health insurance premiums and funded by employers and members. The total cost per contract was \$13.50/month in 2020.

StayWell/WebMD is holding all existing 2020 costs flat for the 2021 renewal year and through the duration of the upcoming contract extension (the original contract best and final offer included a rate increase beginning in 2021). This will result in a minimum of \$813,000 savings over three years (2021 – 2023). WebMD has also offered a credit of up to \$50,000 to be used to cover unexpected third-party costs tied to file layout changes in the data warehouse required as part of the WebMD launch.

DAISI has the capability to estimate the annual allowed amount cost for both medical services and prescriptions based on a combination of factors including risk score and prior utilization of services. We are then able to compare this “expected” amount to actual costs retrospectively. Using the same cohort groups discussed in the Program Health Outcomes section of this memo, the difference of expected costs and actual costs (i.e. savings) can be assessed.

Focusing on the active population (non-retirees) and looking at both medical services and pharmaceutical costs, we found that members of the first cohort achieved savings of \$1,738 in comparison to the second cohort who achieved savings of \$1,454 (a 19.5% difference) in 2019. Of equal importance, the rate of savings in the first cohort grew substantially faster than the rate of savings in cohort two.

Similar findings were identified in the retiree population. However, rather than there being savings, there were losses (i.e., the actual costs were larger than the expected). Even though there were losses, our analysis identified losses of \$788 in the first cohort compared to the second cohort’s losses of \$3,434 (a 77.9% difference) in 2019. While this analysis is not a substitute for a return on investment analysis, it does emphasize the argument of the potential impact active participation in the Well Wisconsin can have on the overall population. Appendix D contains two graphs that illustrate the data provided above.

A return-on-investment (ROI) analysis is being planned for 2021 to understand the direct connection between the program and its impact on costs and healthcare utilization patterns. ETF staff have been working extensively on interpreting health care regulations related to data sharing and updating agreements with health plans and the Board’s other third-party program administrators to allow for this type of analysis to be completed. This project is paving the way for additional future data analysis that will help the Board with making data informed decisions.

## **StayWell/WebMD Contract Options**

**Option 1: Extend contract with StayWell/WebMD for one year, through 2022 and release RFP for wellness and disease management for program year 2023.**

This option is in line with the original end date for all contract renewals (December 31, 2022). The Board would be on good terms with StayWell/WebMD since all renewals would be utilized as originally intended. It would allow ETF and the Board to learn more about other service providers and their products and capabilities via the RFP which could be implemented in 2023.

Should a different vendor be awarded the contract, it would cause interruption in services for participants in January 2023, after going through one in 2020 when StayWell changed their portal platform and again in 2021 when transitioning to the WebMD ONE platform. It would also impact the data trending capabilities in DAISI after two years of programming under WebMD services. And the RFP would be released prior to the completion of the ROI analysis, making it more difficult to make program requirements changes that could be recommended as a result of the findings.

**Option 2: Extend contract with StayWell/WebMD for two years, through 2023.**

This option allows for three years of program services via the new WebMD partnership and related services/portal with less interruption to GHIP members/participants and more time to understand the health, quality, and cost impact of the program. It also allows for the completion of the ROI analysis prior to releasing a request for proposals, which would be especially important if there are major changes that would be recommended as a result of the analysis findings.

While this option does go beyond the original end date of all contract renewals (December 31, 2022), ETF's legal counsel has confirmed that the Board does have the authority to take this action.

ETF staff recommend this option.

**Option 3: Do not extend the contract with StayWell/WebMD and release RFP for wellness and disease management for program year 2022.**

This is an extremely tight turnaround time and would be very challenging to do well. It would require staff to stop other work and management of the current program year (2021) to meet the demands of this option. Seeing no major issues or concerns with StayWell's administration of the program and minimal benefit of this option, ETF staff do not recommend it.

**Conclusion**

StayWell/WebMD has been a good business partner and is committed to supporting increased member participation and improved health. Extending the contract will allow for continued participation trends, program recognition from participants, sustained program support and integration for employers, the ability to objectively measure outcomes, access to enhanced technologies, and expanded interventions all helping to drive population health. A sustained partnership with StayWell/WebMD will allow ETF staff to continue developing, implementing and evaluating the effectiveness of wellness and disease management strategies designed to engage members in managing their

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health and to help the Board and ETF fully understand the best path forward for the program.

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

## Appendix A: WebMD One Portal Screenshots

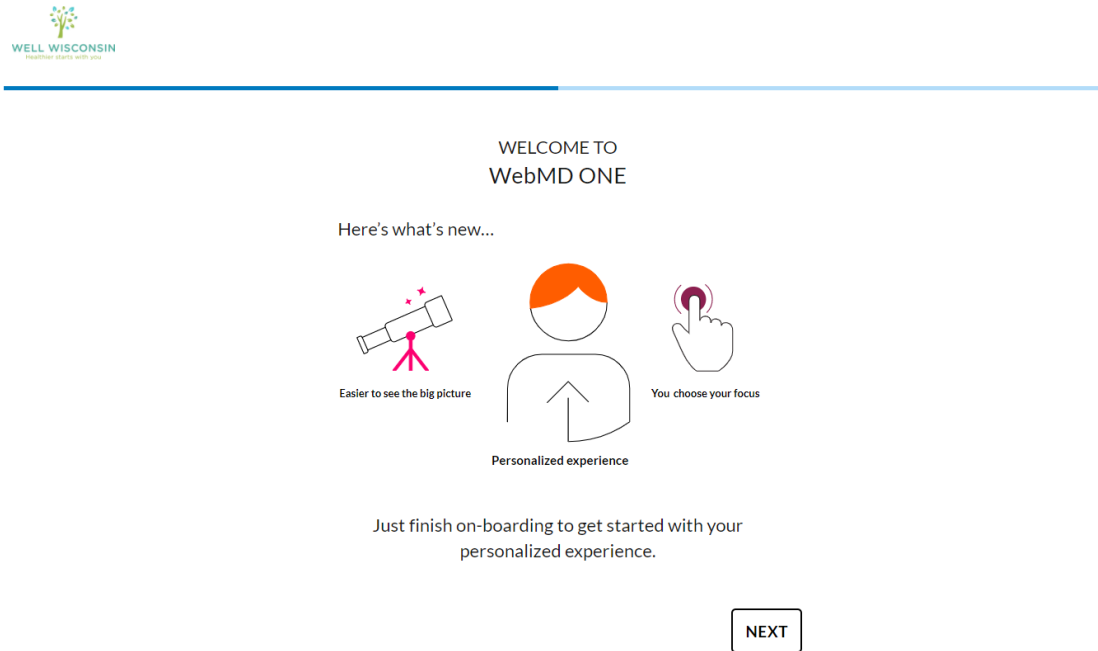


Figure 1 Onboarding Questions

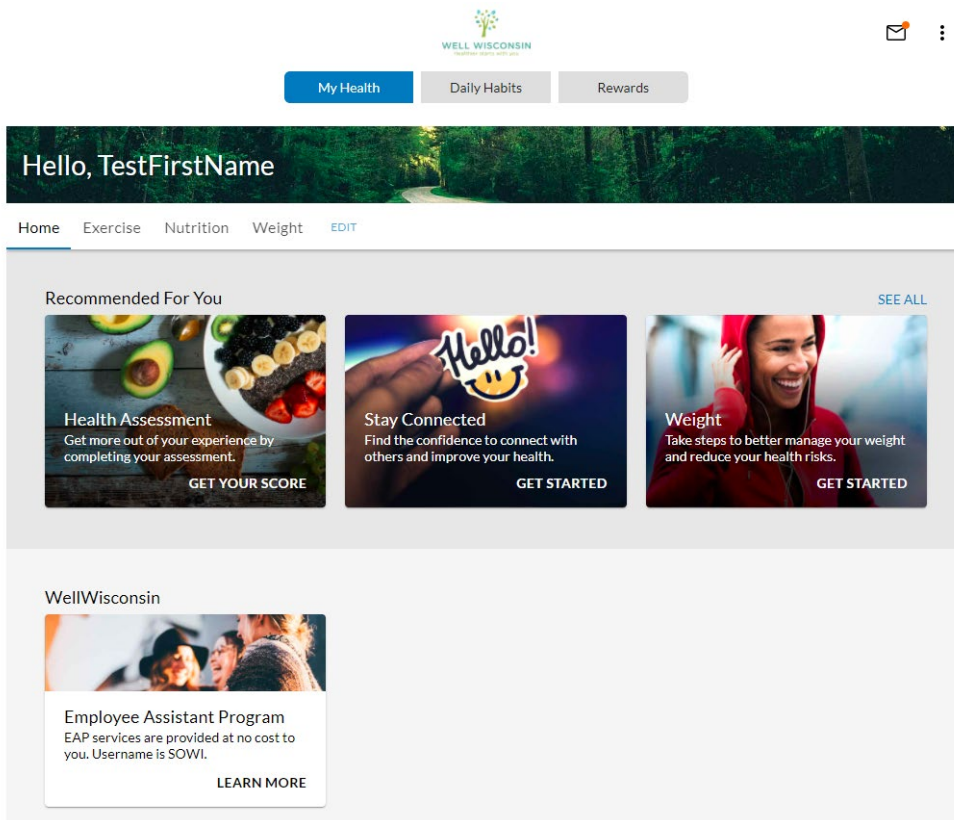


Figure 2 Home Page-Top

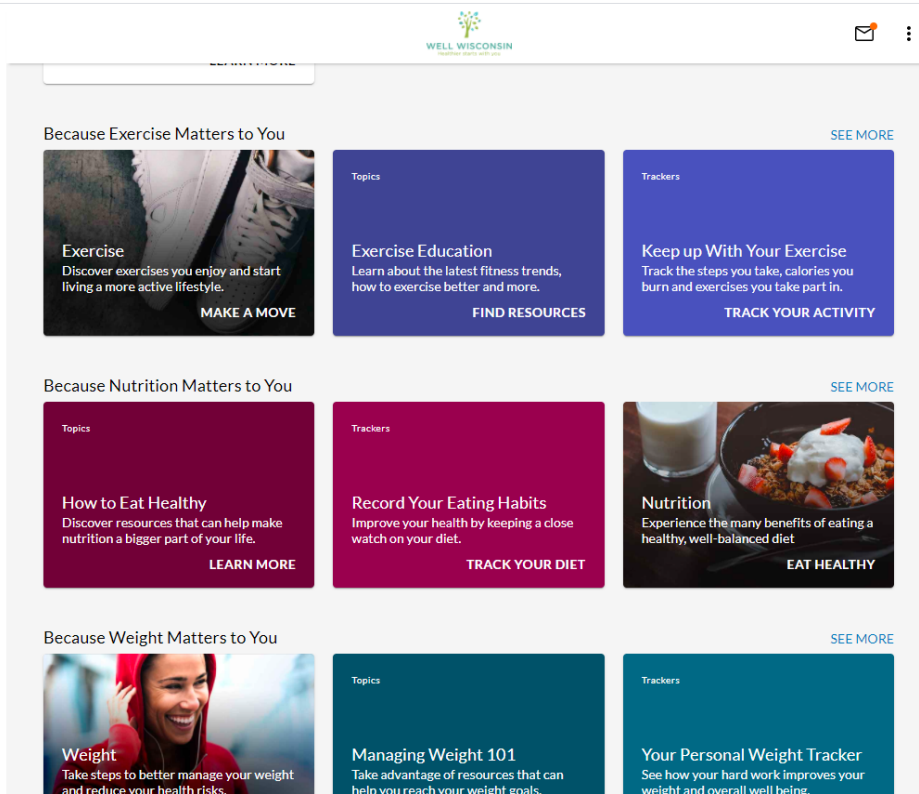


Figure 3 Home Page - Bottom

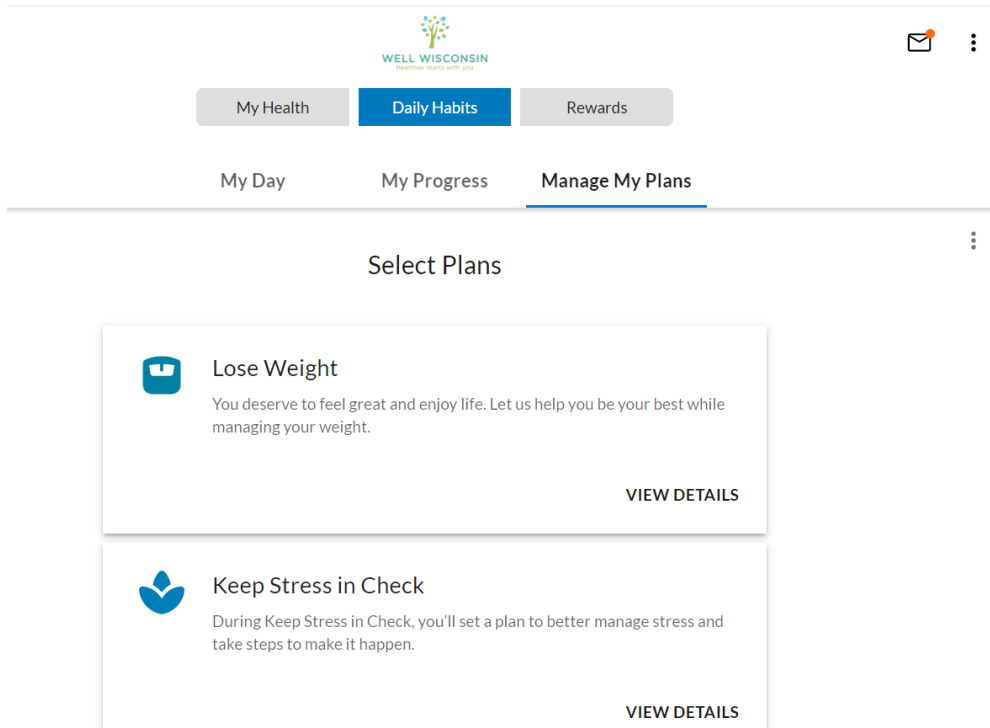


Figure 4 Daily Habit Plan Lobby





[My Reward](#) [FAQs](#) [History](#)

## 2021 Well Wisconsin Incentive Program

<b>\$150</b>		<b>\$150 Gift Card</b> Earn reward by 10/8/2021  Congratulations, you have completed all of the required activities to earn a \$150 Gift Card. Please allow up to 3 weeks to receive your gift card.	<b>Start earning</b>
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### Earn your Well Wisconsin Incentive

Employees and their spouses in the State of Wisconsin and Wisconsin Public Employers Group Health Insurance incentive program may be able to earn a **\$150 gift card** by completing the below activities by October 8th, 2021.

**Three Simple Activities:**

**Health Assessment:** When you take the 15 minute health assessment, you'll learn how everyday choices affect your well-being.

**Health Check:** Choose one of five options to get a status on your health.

**Well-being Activity:** Complete one of the well-being activities. You will have the option to choose the activity that most interests you.

**Take the Health Assessment**

Do this by 10/8/2021

**Health Check** [more](#)

**Multiple Activities**

**Well-being Activities** [more](#)

**Multiple Activities**

Figure 5 Rewards Program Lobby

## **Appendix B: New WebMD Product Offerings**

### **WebMD ONE Senior Package:**

- Senior Health Assessment
- Daily Habits "Balanced Living Plan" covering fall prevention, sleep quality, social connectedness, medication adherence, and cognition.
- Pulse Survey content covering Social determinants of health, medication adherence, primary care provider/annual wellness visits.

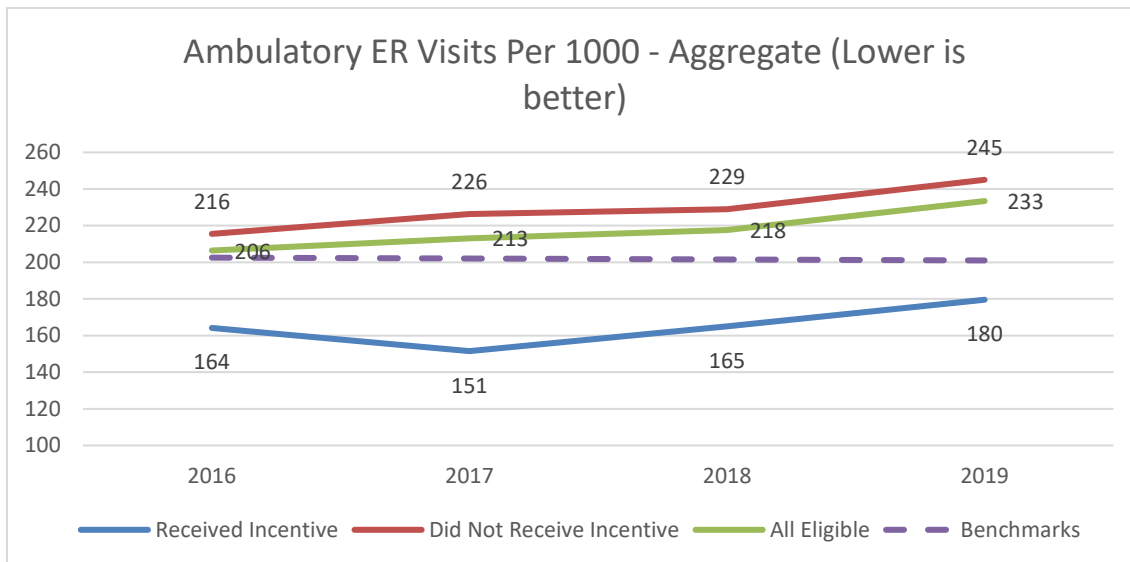
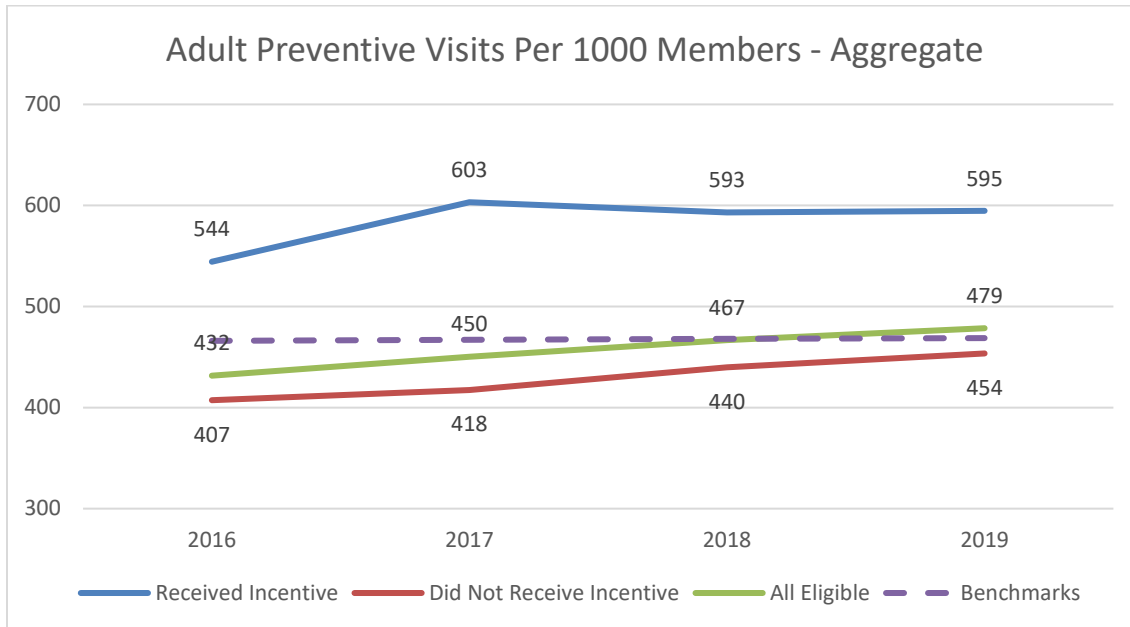
**Daily Habits:** Digital health coaching plans based on behavior change science. The plans cover Exercise, Diet, Stress, Weight, Asthma, Diabetes, CAD, COPD, Heart Failure, Hypertension, Quitting Tobacco, and Social Connectedness. Each plan is built to help users build small daily habits to make increment and lasting behavior change over time.

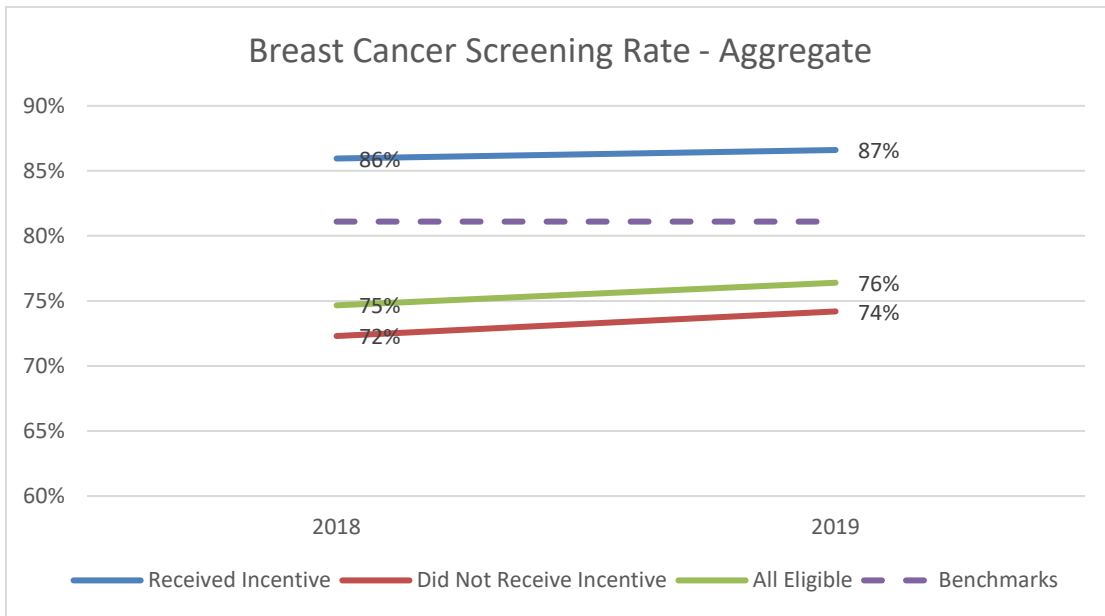
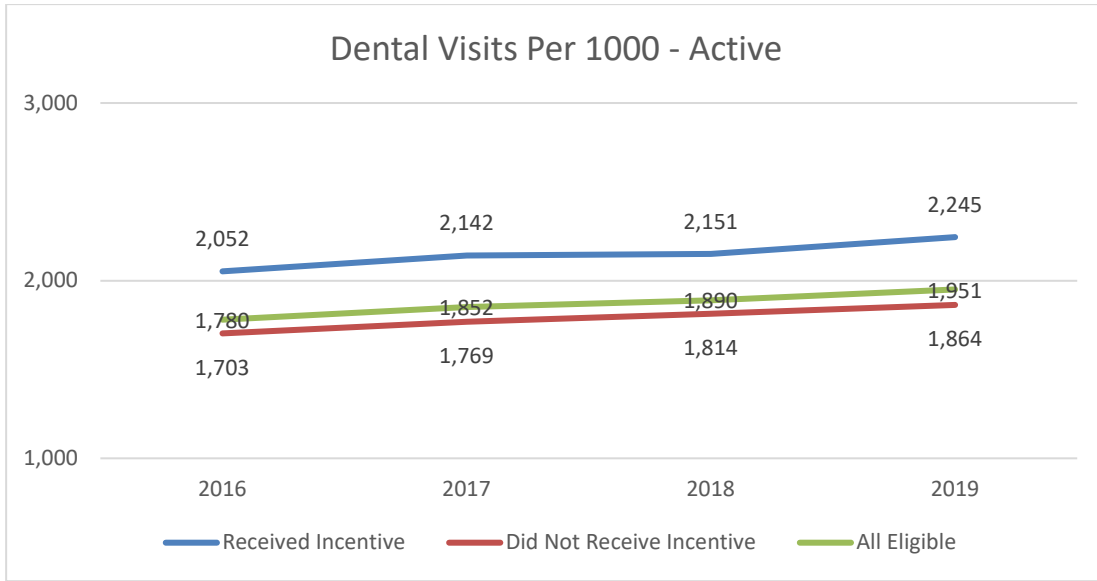
**WebMD ONE Platform:** WebMD ONE provides relevant program recommendations based on individuals' interests, clinical needs, and the State's priorities and goals. With highly flexible architecture the platform offers personalized user experiences including engaging and educational tools and services.

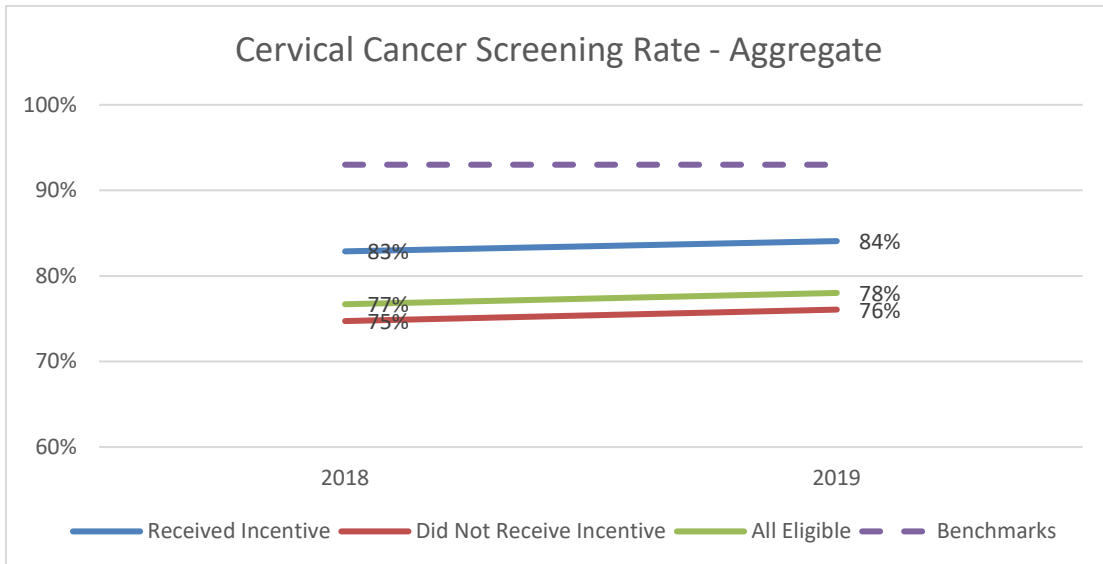
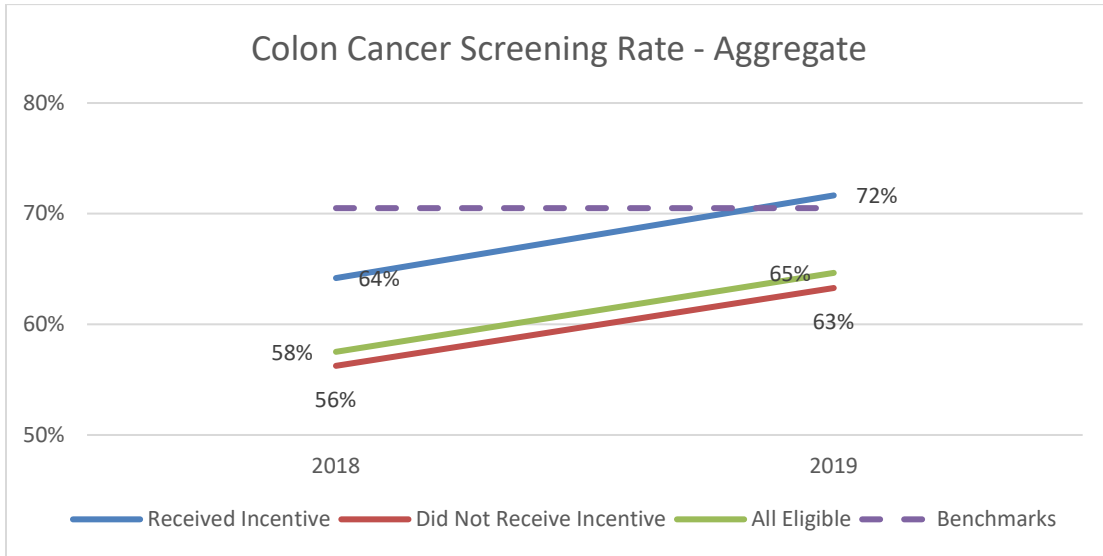
**WebMD Content:** One of the core values at WebMD Health Services is to continually provide updated, quality content to our end users. To accomplish this we include health related articles, a video library containing healthy recipes and exercises, and a library of mental health podcasts.

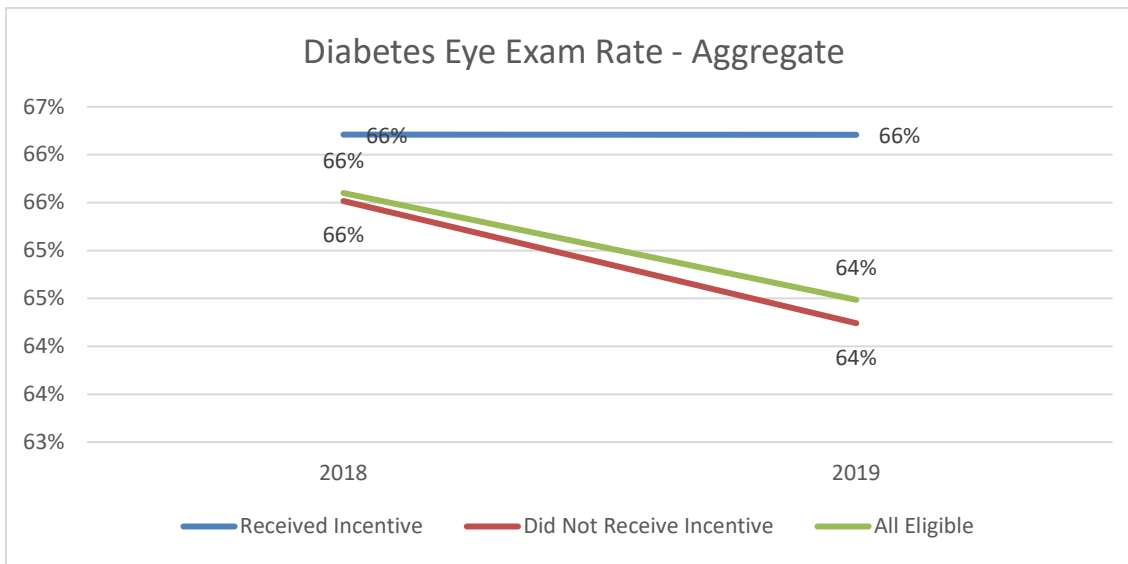
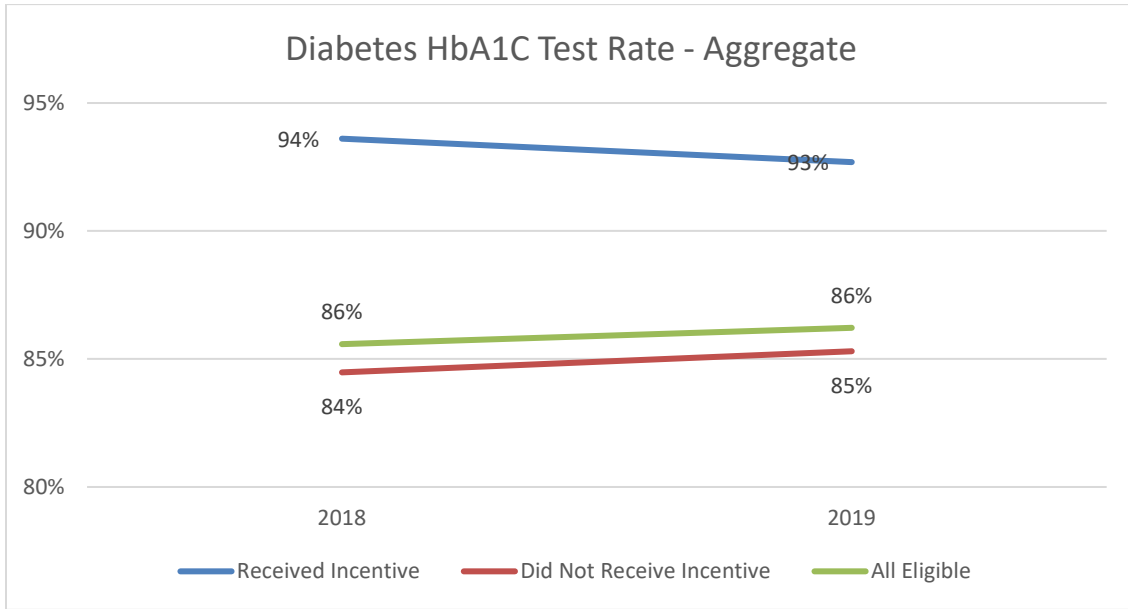
**Appendix C: Healthcare Utilization Patterns**

(Source: IBM Watson Advantage Suite, created October 14, 2020)









**Appendix D: Financial Comparisons**

(Source: IBM Watson Advantage Suite, created October 14, 2020)

