

JUNE 21, 2016

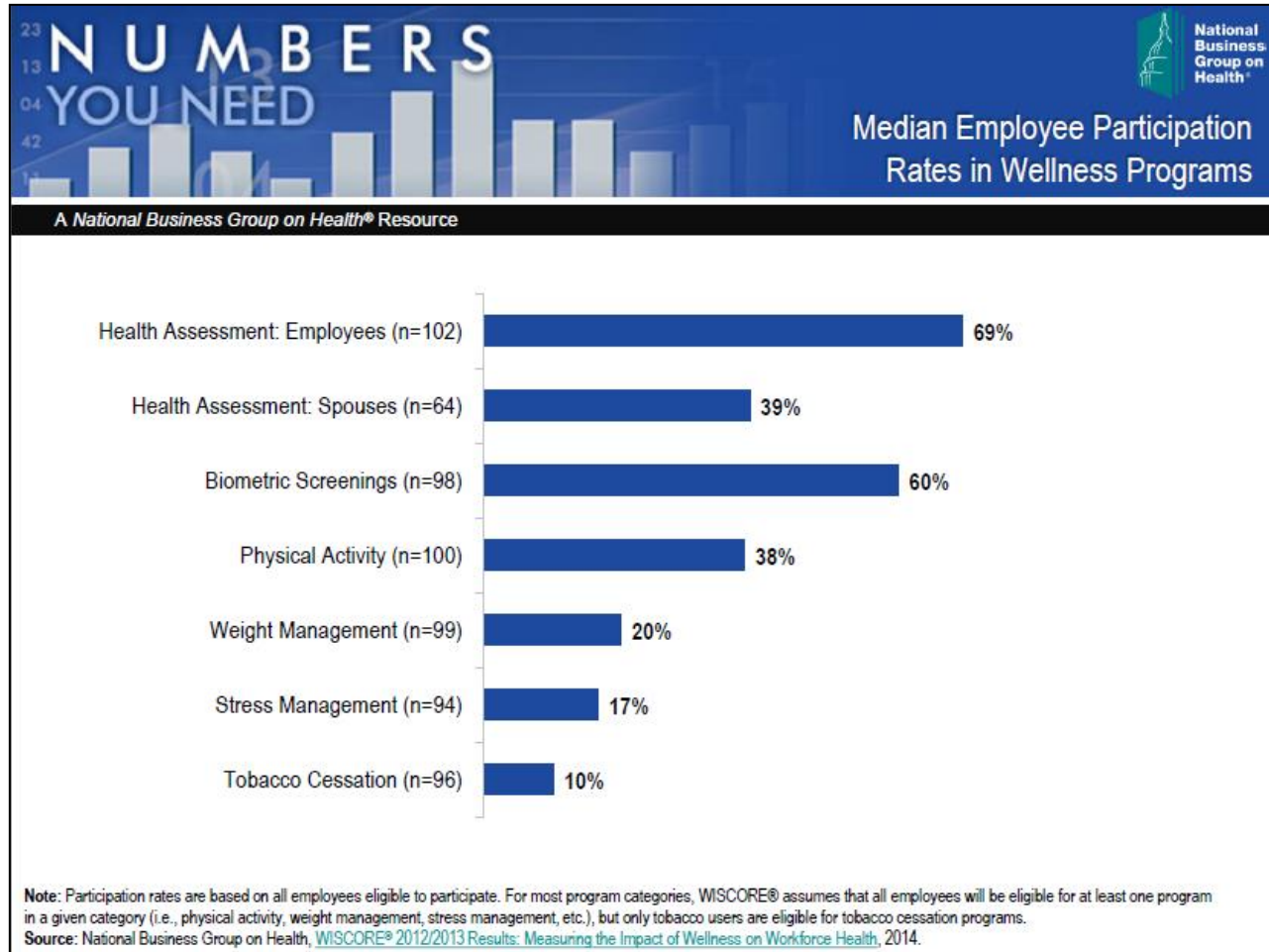
From Wellness to Wellbeing: Take a Healthy Look at Your Workplace



AGENDA:

- Changing the conversation from wellness to wellbeing
- Uncovering workforce wellbeing needs
- Financial wellbeing and resources
- Developing strategies to increase program adoption

CURRENT PROGRAMS FOCUS ON PHYSICAL



MEETING THE NEEDS OF THE WHOLE PERSON





WELLBEING ELEMENTS



Purpose: How you occupy your time and liking what you do each day



Social: Having strong relationships and love in your life



Financial: Effectively managing your economic life to reduce stress and increase security



Physical: Having good health and enough energy to get things done on a daily basis



Community: The sense of engagement and involvement you have with the area in which you live

WELLBEING RATING SCALE:



Thriving

Wellbeing that is
strong, consistent
and progressing



Struggling

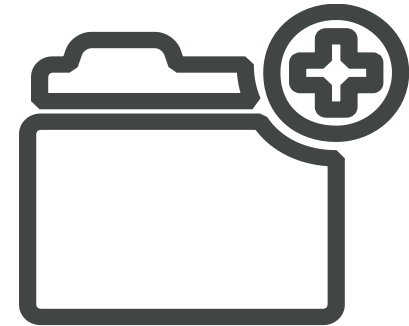
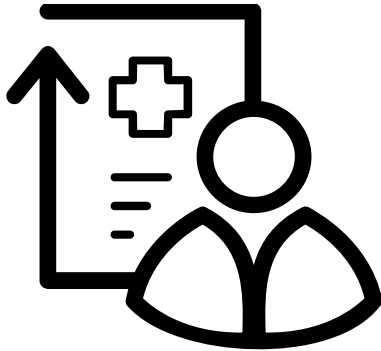
Wellbeing that is
moderate or
inconsistent



Suffering

Wellbeing that is
very low and at
high risk

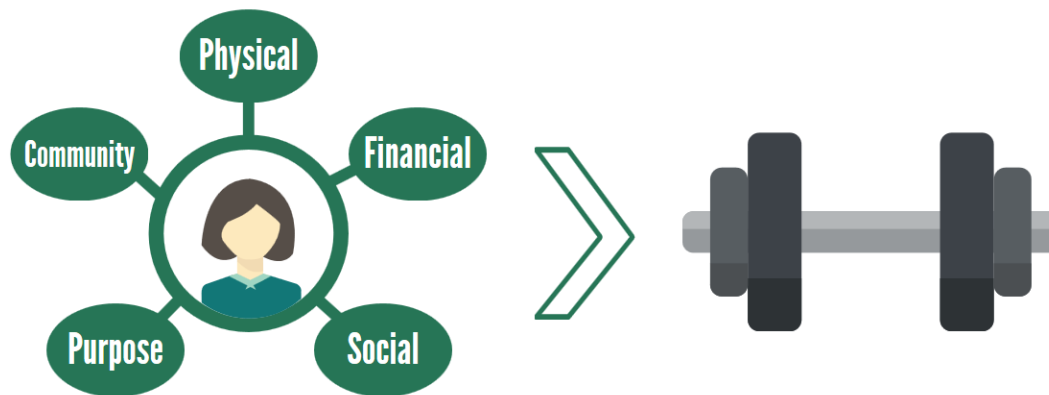
THRIVING IN FIVE:



...**MISSED 41% LESS WORK** DUE TO POOR HEALTH IN THE LAST YEAR

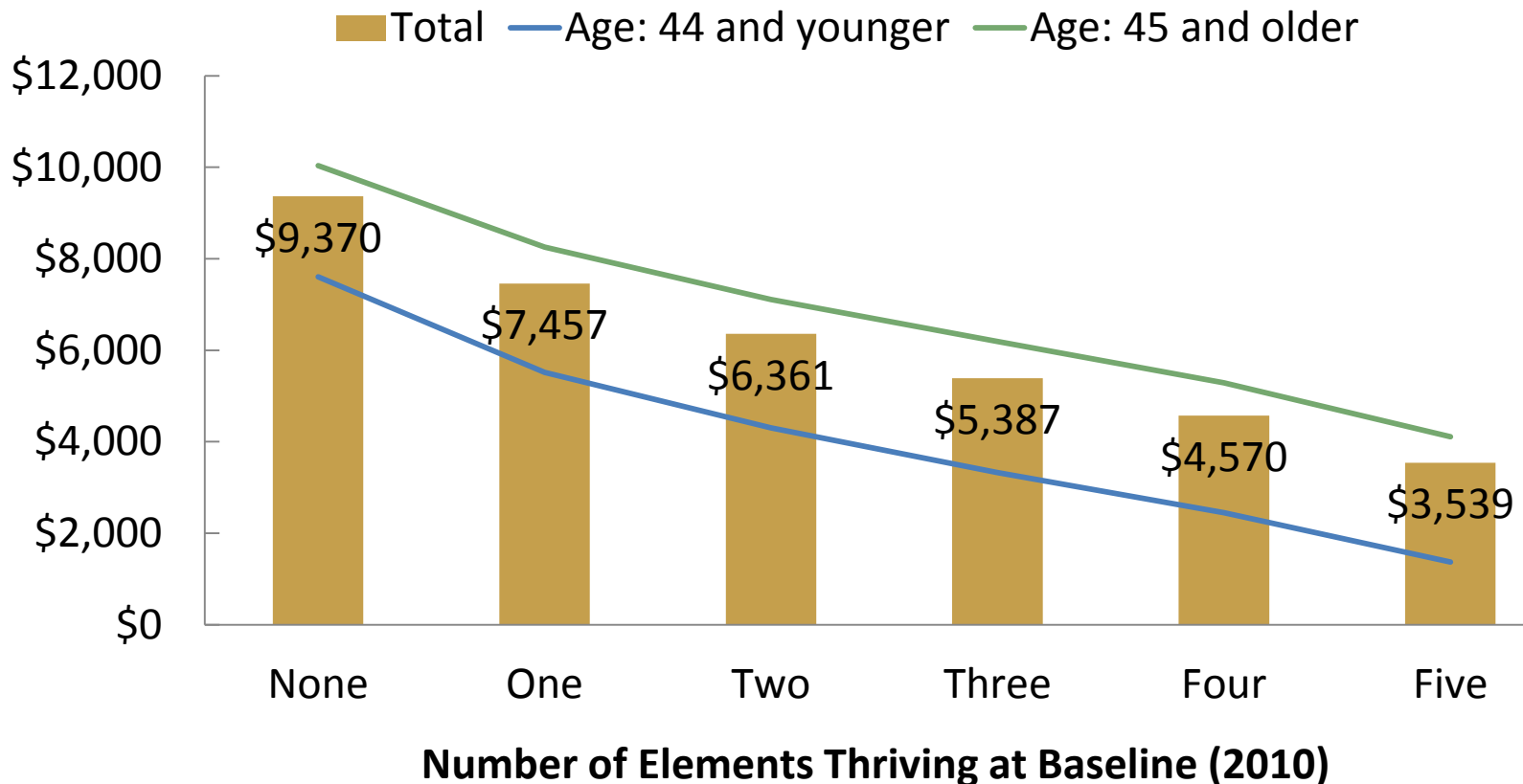
...**ARE 81% LESS LIKELY** TO SEEK OUT A NEW EMPLOYER IN THE NEXT 12 MONTHS

...**WERE ALMOST 65% LESS LIKELY** TO FILE FOR CLAIMS IN THE LAST YEAR



IMPACT OF WELLBEING ON COSTS:

Annual Health-Related Cost to Employer (Disease Burden and Unhealthy Days)



ENGAGED EMPLOYEE WITH HIGH WELLBEING (4 OF THE 5 ELEMENTS):

ENGAGED EMPLOYEES WITH STRONG WELLBEING



46% fewer unhealthy days
as a result of physical
or mental illness

43% less likely to be newly
diagnosed with anxiety
and depression

39% less likely to be
diagnosed with new
disease in the next year

32% more likely to stay
with the company

42% more likely to evaluate
their overall lives highly

27% more likely to report
“excellent” performance in
their own job at work

59% less likely to look for a
another job in the next 12
months

42% more likely to report
high levels of adaptability in
the presence of change

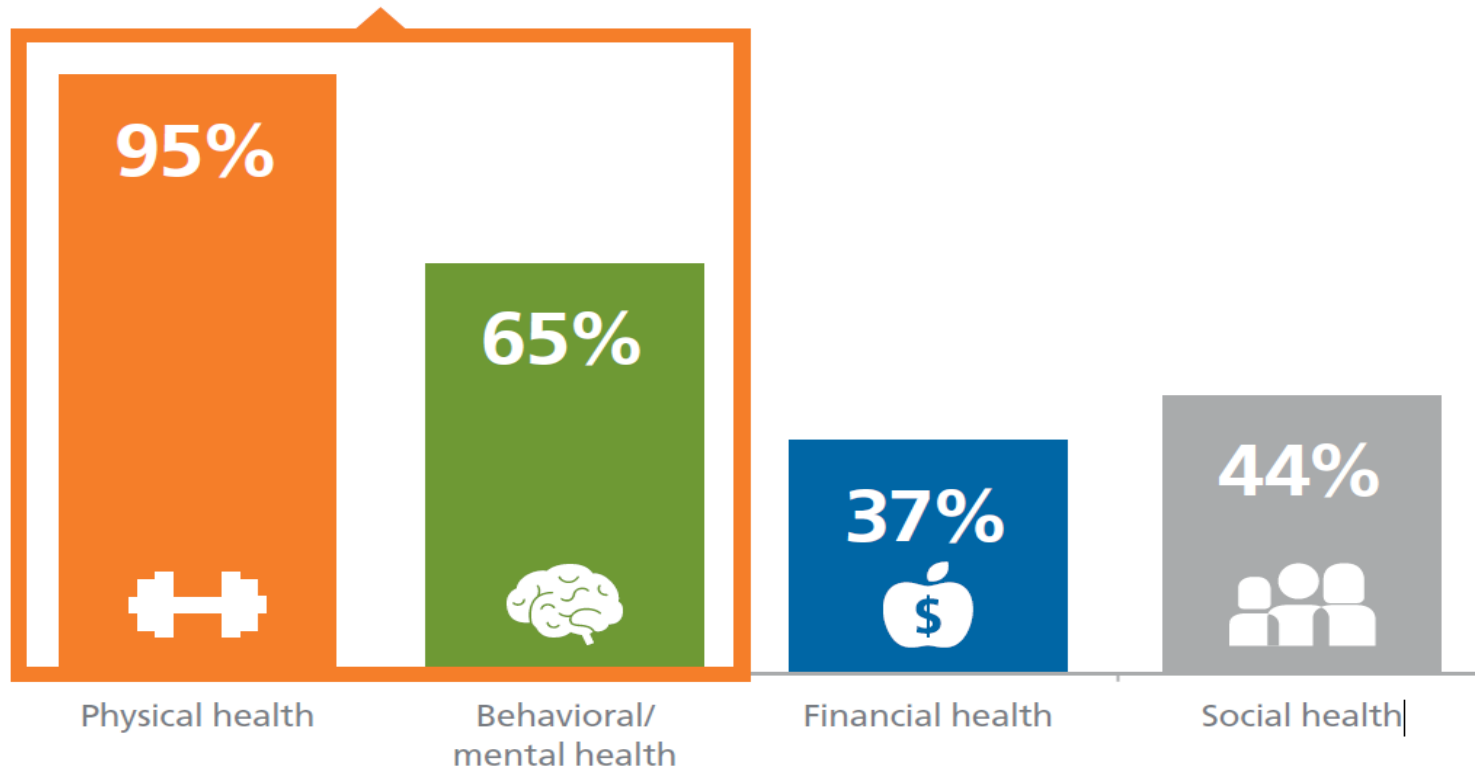
27% more likely to report
“excellent” performance by
their organization

17% more likely to volunteer
their time

CURRENT WELLBEING AREAS ADDRESSED

What aspects of employee well-being does your wellness strategy address?

Physical health wellness programs are nearly universal, followed by behavioral/mental health.

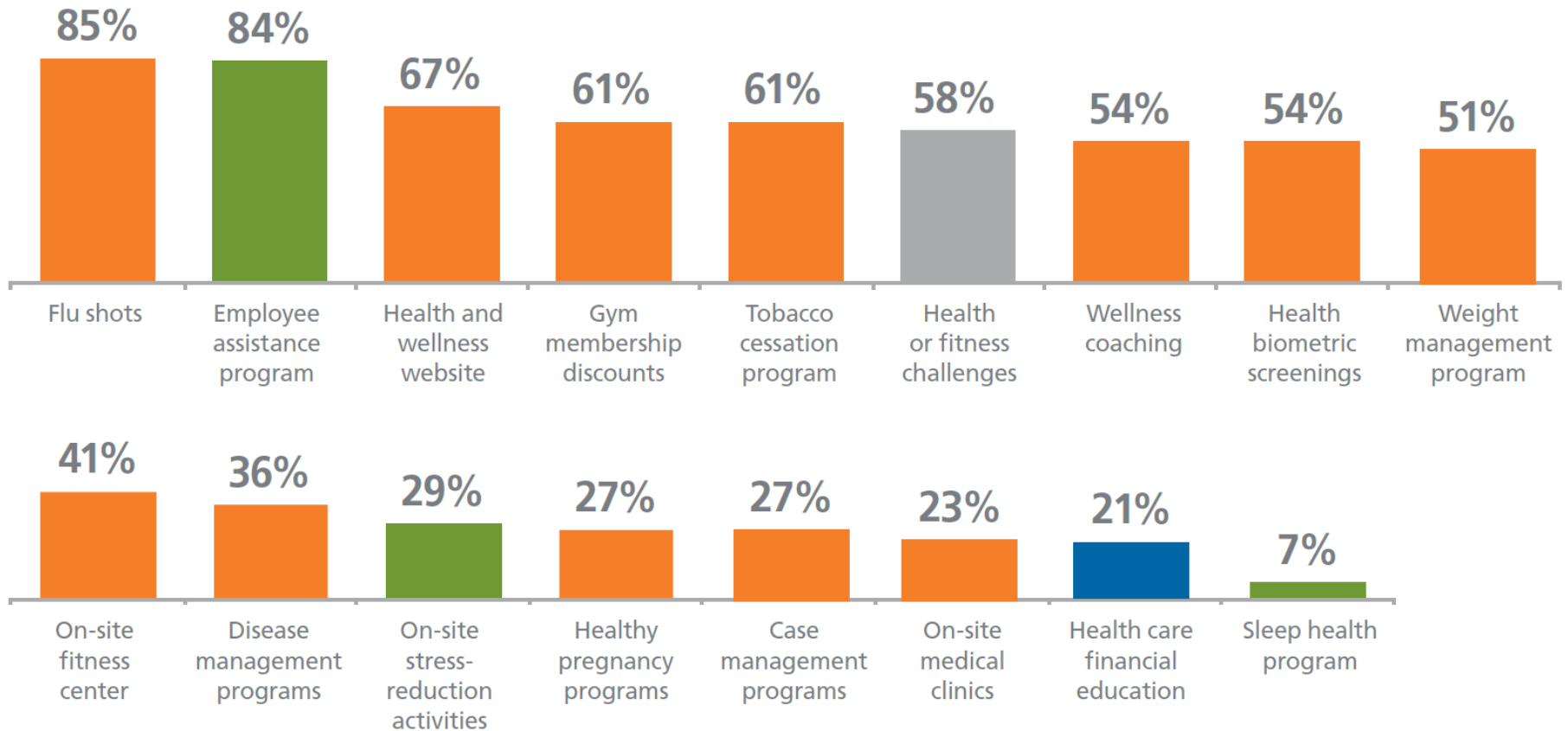


CURRENT PROGRAMS OFFERED



Current wellness programs offered

Physical health Behavioral health Social health Financial health



The Importance of Financial Wellness





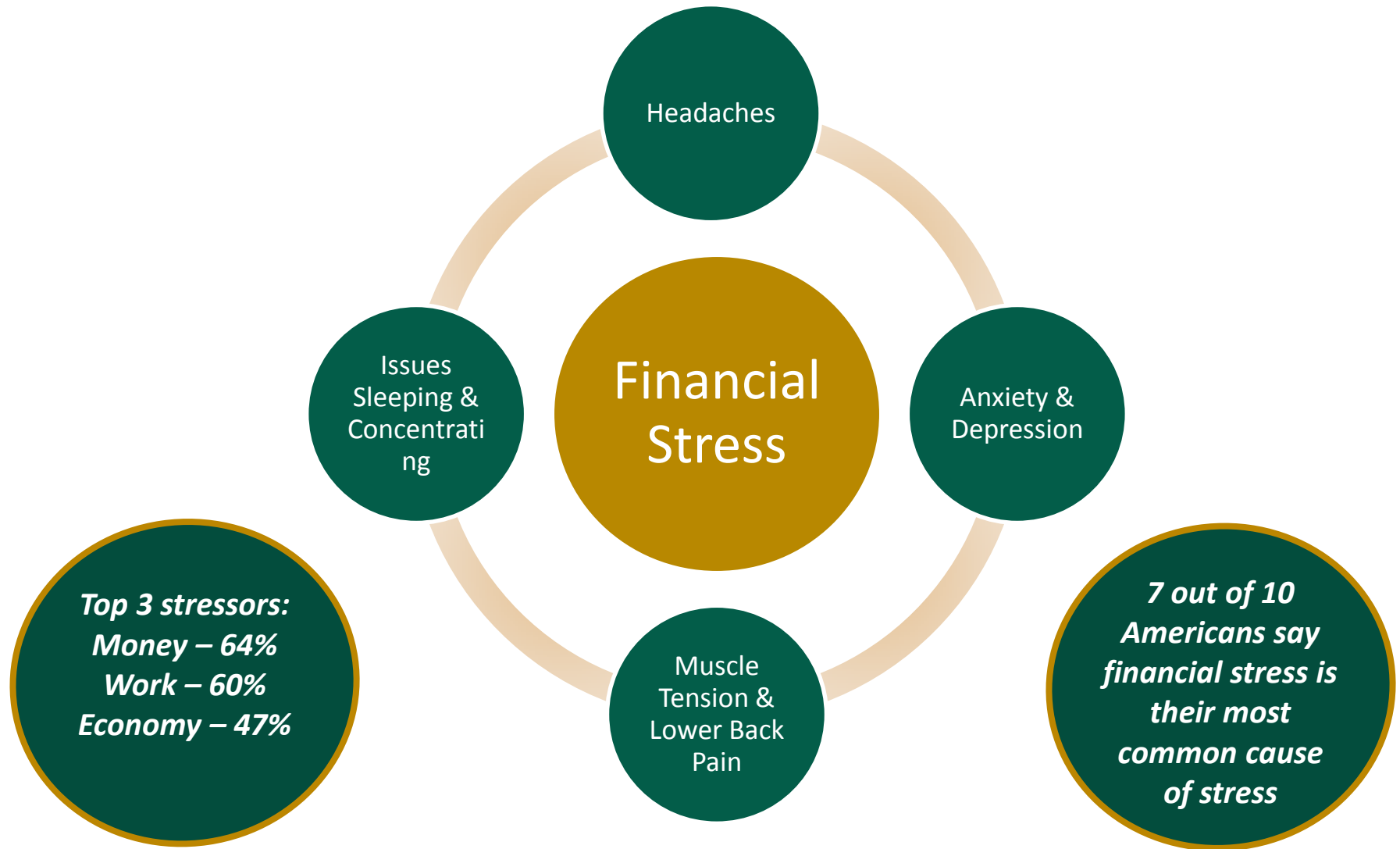
Financial Literacy and Fragility

- According to WalletHub's, *2015 Financial Literacy* survey, citizens of the State of Missouri scored last in financial savvy

<https://wallethub.com/edu/most-and-least-financially-savvy-states/20496/>

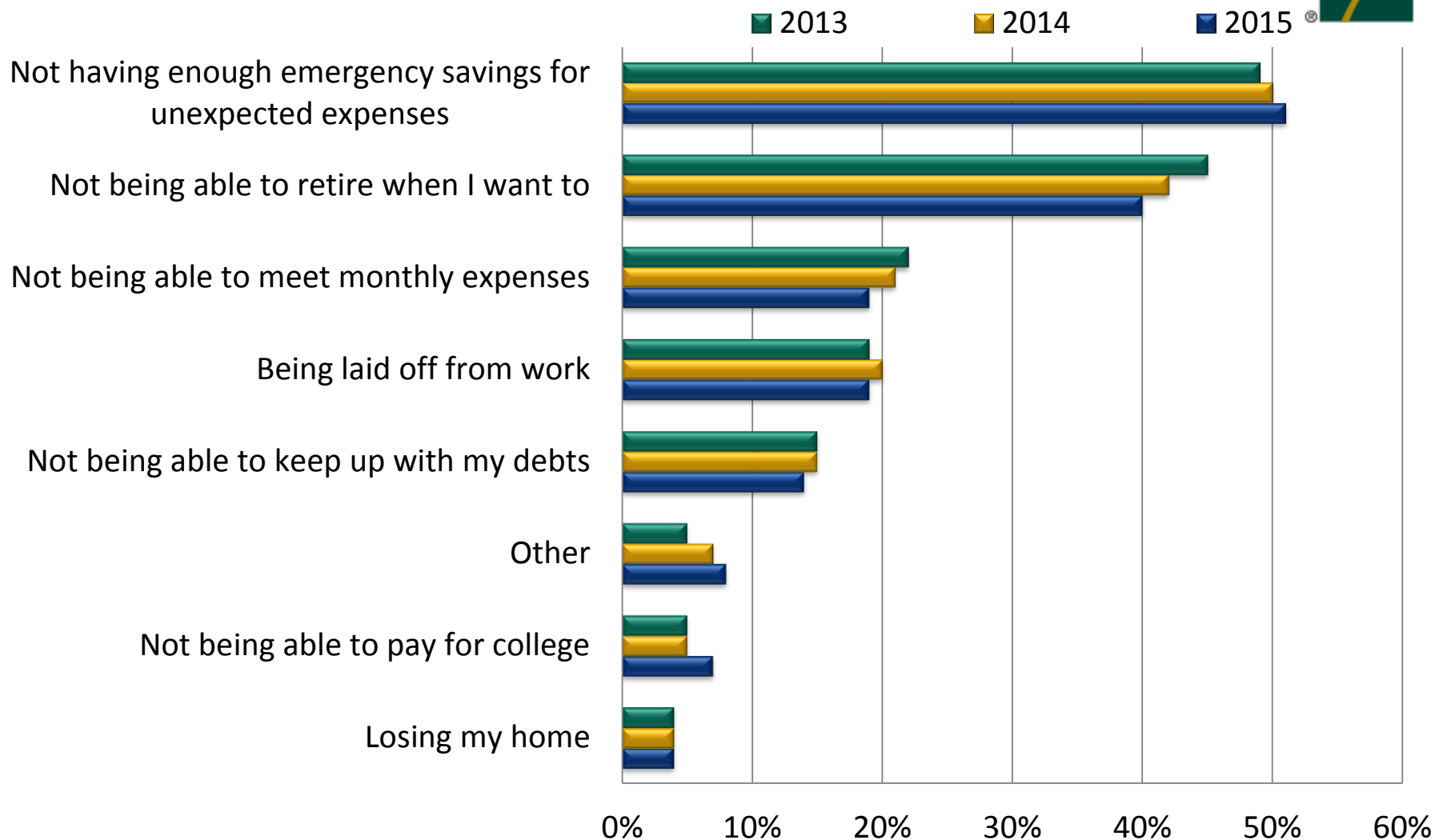
- 50% of the population is currently financial fragile and could not come up with \$2,000 in 30 days if required
- Average Millennial graduates with \$35,000 in student loan debt

Building the Case for financial wellbeing....





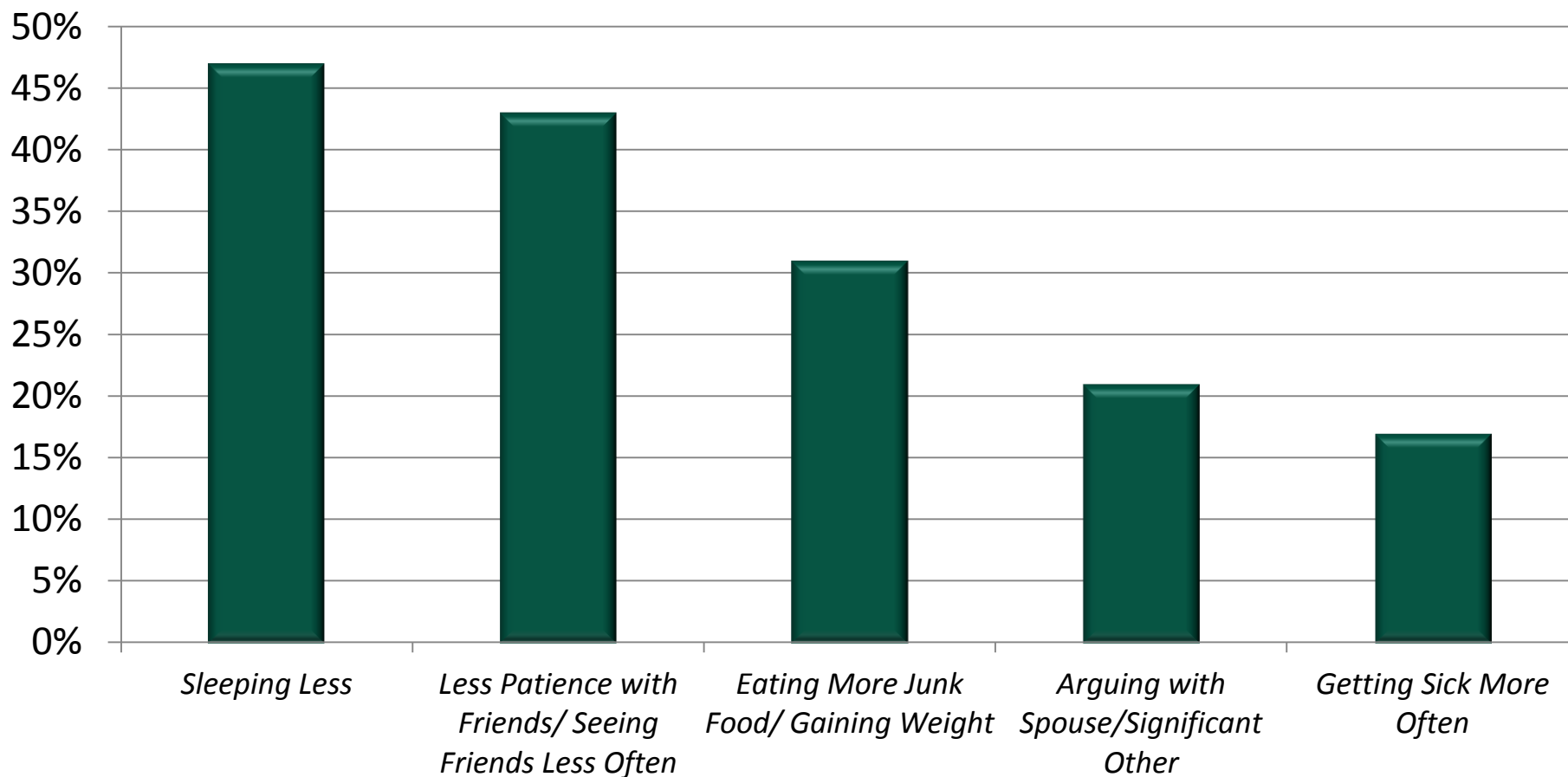
Top Financial Concerns



*Respondents could choose up to two answers to this question.
Source: PWC Employee Financial Wellness Survey 2015 Results

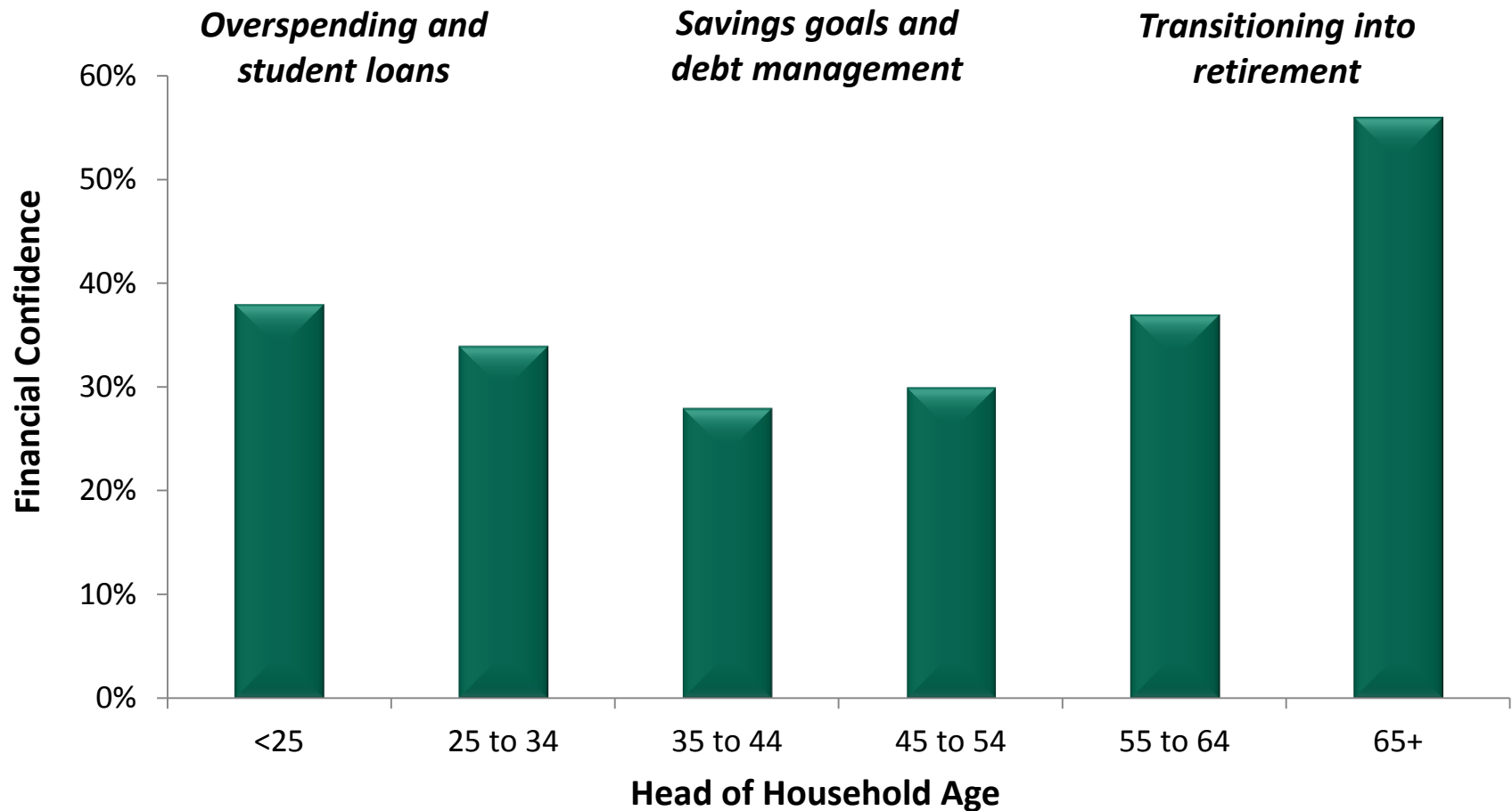
Telephone Survey Results

Survey Results of 1,011 U.S. adults who were asked to name ways that financial stress affects their lives



Financial Confidence Declines as Responsibilities Increase

86% of employees report having some financial stress and don't have resources to help them



Aspects of Work Performance that are Most Negatively Affected When Employees Face Financial Challenges



In 2012, 1 in 5 employees admitted they skipped work to deal with a financial problem

29% of Generation X workers (30s and 40s; peak earning years) say their personal finances distract them at work

53%, a majority of Generation X workers, find it stressful to deal with their personal finances



Work Performance Impacted by Financial Stress

- 39% of all employees spend at least 3 hours per week thinking about, or dealing with financial problems at work
- 61% of human resource professionals say financial stress impacts employee work performance
- 1:5 workers report being distracted by financial stress and missed work in the past year to deal with financial issues
- 6% of employees feel their employers provide adequate help to employees
- 57% of employees believe financial education boosts productivity

Financial Issues Negatively Impact Employers

Participants aren't ready for retirement.

More than **50%** of households are at risk of not having enough money for retirement

...so they are delaying retirement...

58% of workers 60 & older are delaying retirement

...which can lead to rising sponsor healthcare costs

Healthcare costs for workers who are between 50 & 65 are, on average almost **2X** what they are for employees in their 30s and 40s

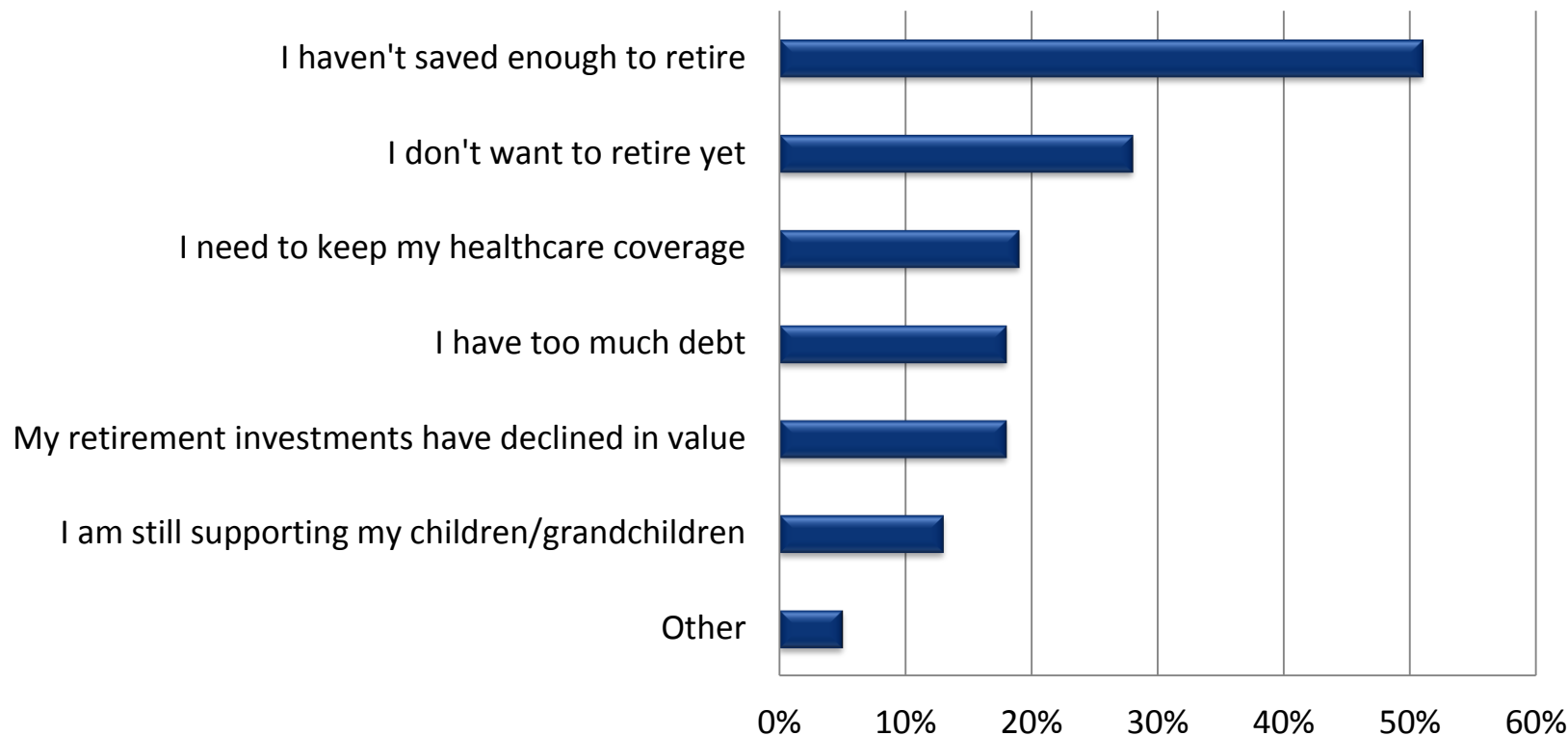


Delayed Retirements

36% of all employees plan to retire later than they previously planned.

Reasons for Delaying Retirement*

**Respondents could choose up to two answers to this question.*



Other Employer Costs Resulting From Financial Stress



- A recent report in Health Affairs analyzed the health risks and medical expenses of more than 92,000 employees over a three-year period. *Those reporting high stress were \$413 more costly per year on average than workers who were not at risk from stress.* By comparison, smoking – a common health risk targeted by corporate wellness programs – was found to raise health care costs by \$587 dollars on average.
- Financial Finesse, a provider of financial wellness programs, reports one large employer found *health care costs fell by 4.5% for participants in a financial wellness program compared to a 19.5% increase in costs for non-participants.*
- .



Challenges Facing Employers....

- Knowledge gaps as indicated by WalletHub survey
- Engaging Generation X, Y and Z workers
 - Pension
 - Salary Deferral
 - Financial Life Skills
- Communication across multiple business units, programs, departments, etc.
- Employees funding healthcare expense during retirement
- Increased health burden from employees remaining employed longer



Recommendations

- Incorporate a financial wellbeing overview into the new hire process including how to access resources
- Require financial literacy training every 3 years for all employees
- Provide basic budgeting services
- Incent financial wellbeing through an additional retirement plan contribution as an alternative to a healthcare premium differential
- Offer education and tailored advice to help employees maximize resources and develop a personalized financial wellness plan



Recommendations

- Review offerings and improve employees' understanding of insurance products that are designed to help mitigate risk such as life, disability, critical illness, and accident
- Educate employees about salary savings deferral programs
- Make programs as automated and easy as possible for employees to participate
 - For example auto enroll in savings plans, integrate all benefits with single sign-on, etc.
- Provide opportunities for charitable giving
- Incorporate loss aversion principles



Consider/ Leverage Vendor Partnerships

- EverFi
- Financial Finesse
- Hello Wallet
- Debt Diet
- Gamification
 - Refund Rush
 - Bite Club



EverFi

- Financial education for employees, families and students
- Interactive, game-based training modules
- Custom benefit integration
- Administrative tracking and real-time reporting
- Seamless wellness program integration
- Co-branding capabilities

EVERFI@WORK



Financial Finesse

- Online financial learning center
- Financial wellness assessment
- Workshops and webcasts
- One-on-one consultations
- Financial helpline
- Customized programs, marketing and benchmarking
- Integrated web platform to include employee specific information





Hello Wallet

- Step-by-step financial planning
- Multi-platform accessibility
- Benefits integration
- Focus on 5 elements to decrease financial stress:
manage spending, save for emergencies, plan for the future, maximize benefits and invest



ASSESS WELLBEING PRIORITIES

How satisfied are you currently with each area of wellbeing in your life?

	Very Dissatisfied	Somewhat dissatisfied	Somewhat Satisfied	Very Satisfied
Physical Wellbeing				
Financial Wellbeing				
Purpose/Career Wellbeing				
Social/Relationship Wellbeing				
Community Wellbeing				



- Research insights
- Claims experience
- Employee behavior

- Employee interests
- Engagement survey results

WELLBEING PROGRAM EXAMPLES:



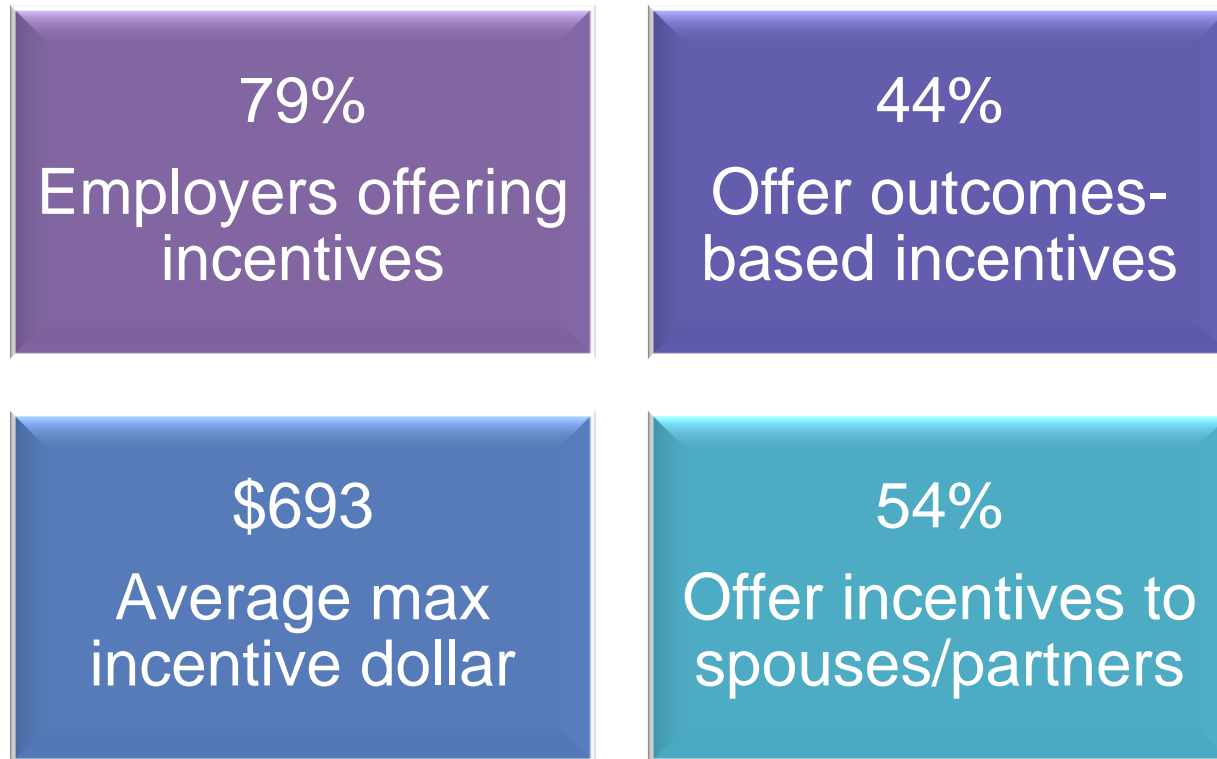
1. **Physical Wellbeing:** Identify and promote opportunities for employees to engage in healthy and safe behaviors (e.g., lunch-and-learn sessions, healthy snacks, cooking classes, fitness challenges, screenings, nicotine replacement therapy, onsite fitness classes, safety videos and self-defense, etc.) - INCLUDE STRESS/RESILIENCY AND SLEEP!
2. **Financial Wellbeing:** Identify and promote opportunities to assist employees in achieving financial stability (e.g., financial workshops, personal financial counseling, retirement planning, calculators, apps and other budgeting tools, educational loans, holiday savings club, etc.)
3. **Purpose/Career Wellbeing:** Identify and promote opportunities for professional development/education (e.g., seminars, expanding training offerings, assessment and team-building opportunities, mentoring, books, etc.)
4. **Social Wellbeing:** Identify and promote opportunities for employees to engage with each other outside of work (e.g., holiday and birthday celebrations, group outings, fantasy football leagues, book clubs, etc.)
5. **Community Wellbeing:** Identify and promote opportunities for employees to engage in the community (e.g., Day of Caring sponsorship/participation, mission-based 5K training and fundraising, paid time off (PTO) to volunteer, etc.)



Driving Wellbeing Program Engagement



INCENTIVE BENCHMARKS



COMMON INCENTIVES USED

- Raffles and random acts
- Trophies/certificates
- Company swag (water bottles, reusable lunch bags, T-shirts)
- Activity devices (Garmin, Fitbit)
- Cash/gift cards/mall
- Plan contributions/plan access/co-pay waivers
- Recognition/ success stories/videos/ healthie selfies
- Charitable donations or time off to volunteer
- Fitness or wellness subsidy
- Well day off/PTO
- Celebrations/meals
- Experiences/vacations



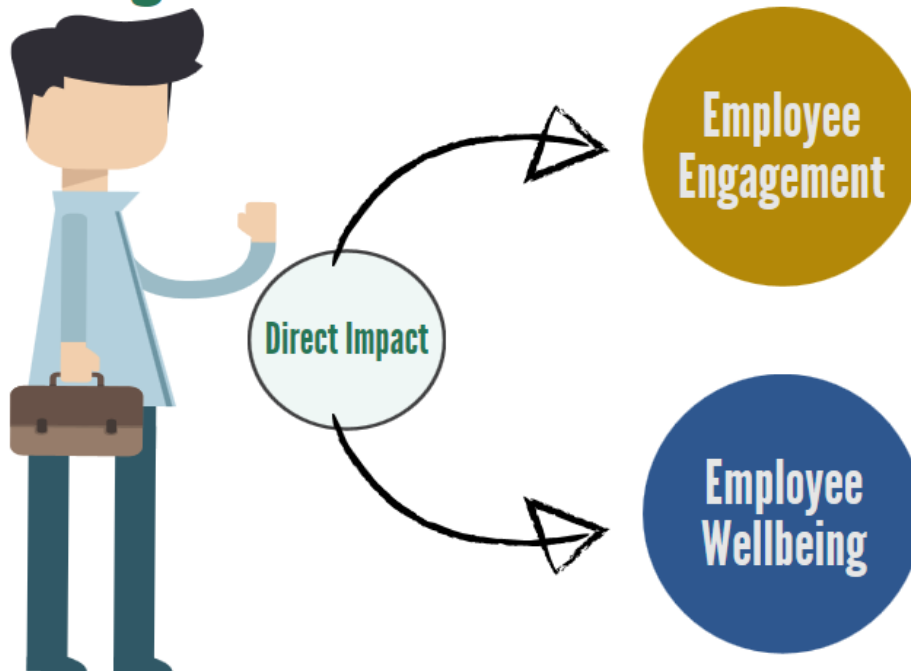


INCENTIVE CONSIDERATIONS

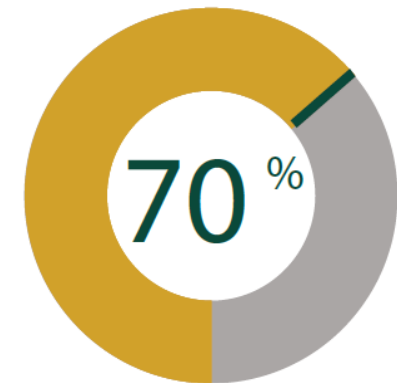
- Goals/outcomes
- Behavior change
- Relevance
- Ease of admin/reporting
- Taxability
- Discrimination testing
- Timing (enough time!)
- Budget
- Transparency
- Regulations/compliance

MANAGERS HAVE DIRECT IMPACT

Manager



MANAGERS ACCOUNT FOR AT LEAST 70% OF VARIANCE IN EMPLOYEE ENGAGEMENT SCORES



70% OF AMERICAN WORKERS ARE "NOT ENGAGED" OR "ACTIVELY DISENGAGED"



TRAIN AND EMPOWER MANAGERS

- Keep managers informed
 - Provide reports of wellbeing program regularly
 - Separate manager wellbeing communications
- Help managers understand their influence on employee engagement and wellbeing
 - Manager training
 - Incorporate feedback in wellbeing initiatives
- Educate on the importance of emphasizing strengths
 - Professional development trainings that involve strengths analysis
 - Provide resources that help managers identify and leverage strengths
- Set expectations and hold managers accountable
 - Challenge managers to participate by hosting competitions
 - Encourage managers to be held accountable through performance reviews

Questions?

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