



*Department of Administrative Services*  
Division of Employee Benefits

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INTER-OFFICE COMMUNICATION

**Date:** 10/22/12  
**TO:** Milwaukee County Board of Supervisors, Finance, Audit & Personnel Committee  
**FROM:** Matthew Hanchek, Employee Benefits Administrator – Department of Human Resources  
**SUBJECT:** **Informational report from the Employee Benefits Administrator, Department of Human Resources, regarding Wellness initiatives for 2012**

**Overview**

For 2012, the adopted budget provided an appropriation of \$625,000, and directed the Employee Benefits Division to work to define an improved wellness program incentivizing full participation.

To this end, the Benefits Division started with a model similar to the City of Milwaukee's program, which currently has between 85% - and 90% participation. The City's program, administered by Froedtert, is based on a bio-metric screening, a questionnaire, and one in-person visit with a health coach. We made informal requests for information to wellness vendors to estimate the cost of a similar program, including Froedtert.

To develop the same model, with identical requirements, we received a quote of \$1.4 million annually, before any incentives are applied. By comparison, our prior vendor, APS Healthcare cost approximately \$600,000 at 30% participation. At similar 85% - 90% participation rate, the additional lab fees would bring the former APS program close to \$1,000,000 per year before incentives.

The goal of full participation under a traditional wellness model did not appear feasible with a budget limitation of \$625,000. As such, we changed focus to strategies that would limit administrative expenses and lab fees, and target meaningful health improvements by optimizing services that are already available through existing vendors. We identified over 30 services currently available through our vendors at no additional expense, and number of "buy-up" services. As a result, we recommended an internally driven model focusing on education to support healthy behavior, thus encouraging all employees to work toward maintaining some general health standards.

To be successful, this approach will require a dedicated staff resource to maintain these efforts throughout the year. Due to the timing of this proposal, it was included in the 2013 budget for policy direction.

### **Interim Wellness Activity**

The Benefits Division has completed some free initiatives. The highest profile of these was our partnership with UnitedHealthCare for the “Not Me” diabetes prevention campaign. The Courthouse event was the highest attended of any of UHC’s Wisconsin clients. Other examples included promoting the health treatment cost estimator tool, increased targeted immunization and well-child communications from UHC, and raising awareness of EAP services.

Online health assessments and coaching, preventive care resources, nutrition management, team physical activity and weight loss challenges were identified topics that are pending staff capacity. Smoking cessation and individualized targeted health reminders are examples of services that are available at additional fees that were identified pending decisions on use of funding.

### **2012 Expenditures**

To date, Employee Benefits has not spent any portion of the 2012 appropriation. Our intention would be to utilize the current year funding to any extent that is appropriate to get a head start on 2013. Unused 2012 funding would carry to 2014 as a part of the overall County fund balance.