

GLOBAL FINANCIAL SERVICES

company found consumer-driven health plan design and employee incentives to be a rewarding experience

Executive summary:

This client, one of the oldest financial institutions in the United States, employs more than 240,000 employees and operates in more than 60 countries. This firm serves millions of consumers, small businesses and many of the world's most prominent corporate, institutional and government clients.

As a Cigna client for 10 years, this company watched the costs of its more traditional health plan design steadily escalate. In 2012, the organization made the decision to move its plan design to a full replacement consumer-driven health plan, including a Cigna health reimbursement account (HRA) with significant incentives for employees participating in health and wellness improvement activities.

Throughout 2012, this incentive-based health improvement strategy showed dramatic improvements in employee participation in health care programs and related behaviors.

Actions

As part of its new consumer-driven offering, they knew that employee participation would be critical to improving employee health risks and overall health spending. Senior leadership supported a robust incentive program to encourage and reward employees who took responsibility for maintaining and improving their health.



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Results

Better engagement

With the HRA in place, the company saw strong participation in wellness programs associated with incentives right from the start. In 2012, the organization saw 46% employee participation in its health improvement programs.

Other key employee statistics in 2012:

- **62%** completed a health assessment
- **54%** had a biometric screening
- **95.2%** completed the wellness quiz
- **92%** were registered on [myCigna.com](#)
- **Over 10,000** participated and earned the preventive care incentive
- **57%** of pregnant women participated in the maternity program

Because many employees are rewarded to engage (and are accountable to a health advocate), employees are not just setting health goals, but are meeting and progressing on these goals. The incentive program also brings the organization's engagement with advocates to a much higher level than Cigna's averages.

Shifting health risk

The client is also seeing more health risk identification than Cigna's normal book of business, as well as more engagement and improvement.

In 2012, the Wellness Assessment Risk Shift measured employees who completed a health assessment in two consecutive periods. Of the more than 8,400 employees who participated in the health assessment:

- The number of low-risk employees increased from **59.5% to 63.3%**; and
- The average number of health risks per employee decreased from **2.38 to 2.21**

Based on costs associated with these employees (once identified as high-to-medium health risks, now moving to a lower health risk group), the organization saw savings of \$3.1 million or approximately \$362 per employee.



ADDING YEARS TO YOUR LIFE

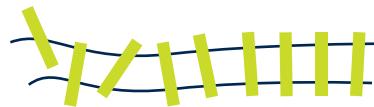
Cigna's approach to measuring results looks at not only how incentive and wellness programs impact the current quality of life, but also improve life's longevity. In other words, there is a potential link between employee longevity and employee engagement in healthy behaviors. This can be viewed at the plan level.

A simple example:

- Health assessment data showed that an organization's seat belt use is 92%
- The national seat belt use is 90% (a difference of 2%)
- Each 1% increase over the norm equals a .6 year increased in potential life expectancy
- The value to increased life expectancy is 1.2 years

The above example is only looking at one "healthy behavior." When looking at all the healthy behavior data for an entire population, and aggregating the results across the population, we can provide an estimate for increased (or reduced) longevity for that population.

In this study, Cigna's Medical Economics team assigned values to potential life extension through the improvement of or adherence to medical standards. This approach finally arrived at a total of 16,000–27,000 additional years added to the combined lives of the organization's employees. Based on the 11,000 currently engaged employees, this translates to approximately 1.5–2.5 years of additional life expectancy.



More appropriate utilization

In addition to the significant cost savings associated with improving employees' health risks:

- Utilization is tracking slightly higher; however, care is being accessed in the right places at the right time. For example,
 - Emergency room utilization has not increased since last year, while more cost-effective urgent care utilization is approximately 42% higher than Cigna's normal book of business
- Well visit completion for employees is at **46%** (compared to Cigna's book of business 45%)
- Approximately 6,000 employees worked with health advocates to improve their health, and related savings are estimated to be approximately **\$4.5 million**

Future plans

Encouraged by strong results, work is under way to continue to find ways to build an even more successful health and wellness program. Future work includes:

- Improved steerage to boost cost effectiveness
- Incentive strategy to focus on outcome-based results; and
- Communications that help employees make better, more informed decisions about their health

GETTING BACK ON TRACK.

Aleatha's position as a job coach is important – and stressful. Add to that a mother and brother in the hospital, and a husband and 12-year-old daughter needing attention, too. "Needless to say, I was pulled in a lot of directions," said Aleatha.

It's Aleatha's job to help employees find ways to achieve job-performance goals. So as soon as she learned how Cigna's Health Advocate program matches individuals with advocates to help them reach specific health goals, she knew the program was for her. Aleatha's advocate Shawna listened to what was going on and then put Aleatha in touch with the Employee Assistance Program for assistance with her ailing family members.

Next, Shawna helped Aleatha see how she had been using food to try to relieve stress. Now instead of stressing and reaching for a bag of chips, Aleatha can admit it's not hunger driving her. She chooses carrots or celery sticks – and has lost 43 pounds. "I know it's her job, but Shawna really puts herself into my situation and I feel genuine concern," says Aleatha. "I'm heading in the right direction today and Cigna is a big part of that."



*Client self-funded their employee benefit strategy.

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