

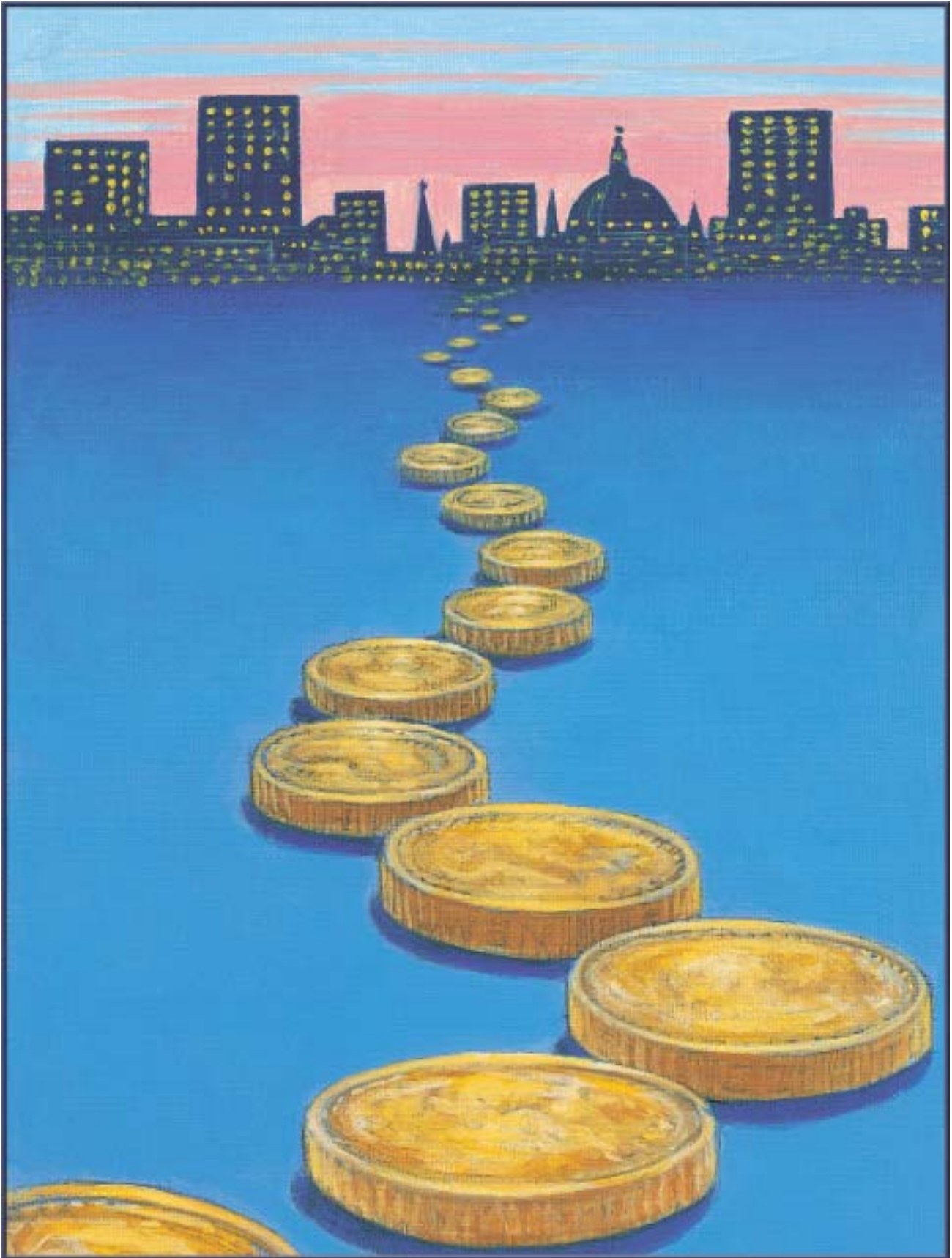
CIVIC SUCCESS

THE CITY OF HOLLAND, MICHIGAN
INTEGRATES WELLNESS INTO
THE WAY IT DOES BUSINESS...



AND SAVES MONEY IN THE PROCESS

BY GARY RAHN
DIRECTOR OF HUMAN RESOURCES
CITY OF HOLLAND, MICHIGAN



The City of Holland (Michigan), including Herrick District Library, employs about 434 full time staff and is represented by 5 unions. Recognizing that the City's employees will directly benefit from an integrated wellness program, the City of Holland began its employee wellness program in 1992. With the inception of the employee wellness program, management anticipated that meaningful lifestyle change for employees and the resulting benefits of healthful lifestyles would take time to materialize.

Over the past 11 years, the City of Holland's employee wellness program has grown in scope and in employee participation. As the program has grown in sophistication, employees now realize that their health and personal well-being can make a difference in the overall health care costs that the City provides. In addition, employees can save on health insurance plan contributions through active participation in the wellness program. The City of Holland's wellness program has been recognized for excellence by the State of Michigan through the Governor's Council Healthy Workplace award from 1998-2002.

City Of Holland Employee Wellness Program

Recognizing the advantages of a healthy workforce, the City of Holland created an employee wellness program in April of 1992. It is a joint venture between the Holland Board of Public Works, the Herrick District Library, and the general City. The Wellness Program began as a way to encourage healthy lifestyle habits. Eleven years later, it has evolved into so much more, including linkage to our health insurance plan.

Employee support for the wellness program has evolved over the years. Through the efforts of our dedicated Wellness Committee members, there is over 85% employee participation in the program. We've tied employee health insurance contributions into the annual cost increases of our health insurance program. By linking employee health insurance contributions to wellness program participation, we are now integrating our employee wellness efforts into our health care cost containment efforts. We believe our integrated wellness program has had a favorable impact on our health care costs and the overall health status of our employees.

The Beginning—Steps To Workplace Wellness

When the City of Holland wellness program started out in 1992 it wasn't hard to secure the support of top management. It was obvious to us that a properly structured wellness program would give the City its best opportunity to reduce demand for medical services, reduce absenteeism, lower on the job injuries, and keep in check rising workers compensation costs. After senior management support was secured, a Wellness Committee was formed to facilitate and recommend various wellness activities. Fifteen employees from various departments throughout the city (union and non-union) were chosen to be on the committee for a two-year time commitment. A mission statement guides the Wellness Committee, so that its efforts will be focused on serving the City's employees. With that in mind, our Mission Statement is as follows:

CITY OF HOLLAND WELLNESS PROGRAM MISSION STATEMENT

"To provide a comprehensive program for employee health and wellness which will serve to improve the overall health for the City of Holland employees.

This will be accomplished through an ongoing program involving health and fitness assessments, employee needs surveys, and customized educational programs and activities."

The Wellness Committee set its goals small in the beginning. The committee and senior management knew it was going to take time convincing employees that their voluntary participation in the wellness program would be in their best interest. To encourage participation and buy-in from employees, a variety of programs and activities were developed to offer something for everyone. Exercise programs were created that wove physical activity into the fabric of people's daily lives. Health Assessments, wellness classes, and an informational wellness newsletter were also added to provide an overall program exposing employees to all facets of a healthy lifestyle.

Providing A Positive Wellness-Oriented Environment

Monthly lunch time wellness classes are facilitated on subjects such as healthy weight loss, which encourage employees to analyze eating habits and make wise choices, along with exercising to ensure safe weight loss. Incentives are offered to employees who participate and complete selected wellness programs. Incentives such as coolers, folding camp chairs, golf umbrellas, beach towels, and exercise balls have been awarded. The Wellness Committee recognizes that employees are busy and that wellness programming needs to be offered at times convenient for employees. With that in mind, we also provide employees programs that can be implemented outside the worksite, including their home setting. This flexibility to the needs of our employees has strengthened our wellness program participation.

Early in 1992, the Wellness Committee introduced an Employee Health Assessment, which includes cholesterol testing, glucose scanning, percent body fat testing, flexibility, strength, and step testing. The assessment also included a lifestyle questionnaire completed by the employee, which included all aspects of physical activity, nutrition, social activity, sleep habits, and family health history. These health assessments have been offered every 3 years throughout the wellness program. The important individual screenings identify employees who have elevated risk factors that can contribute to costly, debilitating diseases. When individuals are deemed to be at elevated risk for a particular risk factor, they receive counseling and advice from a third party vendor on ways to reduce the identified risk factor. Follow up testing is performed to measure progress. These health screenings have served to help a number of employees identify and take corrective action on health risks that could result in a major illness if left undetected and untreated. "Mini" assess-

ments have been offered during the interim to help employees track cholesterol, blood pressure, and body fat percentages. We anticipate employee health screenings will improve individual employee health status and will also result in reduced absenteeism and lower health care claims costs in the future.

Building On Success As The Program Grows

Recognizing that we serve the Holland area community and that it is important for employees to give back to those we serve, the Wellness Committee conducts yearly employee blood drives that help the community. These have been well received by our employees and by our local hospital.

Because employees' lives are so busy after work, and exercise is sometimes hard to fit into the daily routine, the City of Holland has furnished fitness rooms located in four of the city's facilities. The fitness rooms house treadmills, stationary bikes, weight machines, step aerobics, yoga tapes, and exercise tapes. City employees are encouraged to use the rooms at times convenient for them—before work, on their lunch hours, and after work. If employees prefer to attend a non-city exercise facility for their workouts, the city offers partial reimbursements for membership at full facility gyms. To receive the reimbursement, participants must complete three wellness programs. These conveniences have promoted commitment, buy-in, and support of the wellness program and most of all develops healthier employees. Our Wellness Committee understands that the employee is the customer of the program and that the wellness program must meet the diverse needs of our busy and skilled workforce.

Linking The Wellness Program To Health Care Cost Increases

The City of Holland, like any organization, is not immune to the rising cost of health care. In 2001, with the wellness program in full swing, and employee participation and support high, the City decided to manage ever-rising health care costs by linking health insurance premiums to an employee's involvement in the City's Wellness Program. Prior to April 2001, the City paid 100% of the cost for employee health coverage. Starting in April 2001, employees were required to pay a portion of their health insurance premium, which is established annually by the City Council. However, if the employee meets the wellness participation criteria, he/she will receive credits to offset (or potentially eliminate) this additional premium.

The premium co-pay is calculated by splitting the annual health and dental insurance premium increases 50/50 between the City and city employees, up to a cap of twenty percent of the total premium paid. This "sharing of risk" between the City and our employees makes our employees acutely aware of rising health costs and the tangible benefits associated with a healthful lifestyle and the appropriate use of health care services.

To meet the criteria for obtaining wellness credits, an employee must maintain the following level of participation in the wellness program for the preceding twelve months of the plan year:

1. Health Assessments (when offered)—to include, cholesterol, glucose scanning, weight, percent body fat, flexibility, strength, and aerobic step testing
2. Three fitness programs—four to six week programs, minimum 15-minute exercise intervals

3. Two wellness classes—monthly 45-minute lunch hour presentations. Topics included in the past have been healing your body with food, nutrition and stress, fad diets, shopping smart, and sticking with your exercise programs.

All City and Library employees are eligible to participate in the wellness programs; however, the premium co-pay currently applies only to the non-union employees, which comprise approximately fifty percent of the workforce. Negotiations are underway with all City and Library employees represented by unions to include the premium co-pay provision for them as well.

The City of Holland is proud of the wellness program and its commitment in assisting employees in maximizing the benefits of a healthy lifestyle. By gaining the support and participation of over 85% of the City's employees in the wellness program, we are now able to link individual participation in the City's wellness program to offset the rising cost of health coverage. We believe our wellness program is well positioned to meet the health needs of our employees and our responsibility to our community to actively manage rising health care costs.

As a final note, we recently received our annual health insurance renewal. For the second consecutive year, our claims experience has been below our insurance carrier's projections for similar groups in our geographical location. We believe our wellness program initiatives have played a significant role in helping the City to control rising health care costs, while improving the overall health of our employees. This result represents a win-win outcome for our valued employees and the City of Holland. ★

ABOUT THE EXPERT: Gary Rahn, BS

Gary Rahn is the Director of Human Resources for the City of Holland, Michigan. As the City's Human Resources Director, he was responsible for the initial development and implementation of the City of Holland's wellness program and Employee Wellness Committee in 1992.

Since that time he has had the rewarding experience of overseeing the City's wellness program as it has grown and evolved into a comprehensive, positive, successful program. He attributes the success of the program to the voluntary involvement, enthusiastic support, and hard work of City of Holland employees from all levels of the organization, both non-union and union. This has been accomplished in partnership with the Holland Community Hospital's Center for Good Health and without the assistance of any full-time wellness staff.

Gary has over 25 years experience in Human Resources management, in both the private and public sectors, and holds a BS degree in Organizational Psychology and Business Administration from Central Michigan University. He is a member of the Society for Human Resources Management, the Lakeshore Human Resource Management Association, and the Michigan Public Employers Labor Relations Association.

