State Employee Wellness Initiatives

Executive Summary

Citing rising health care costs and alarming health statistics, several governors have implemented wellness and prevention programs in their states in the last few years. The programs generally promote healthy habits, understanding of risks associated with lifestyles, disease management practices, and regular physical activity.

Many governors have started their initiatives with state employees, as state government is the largest single employer and health coverage purchaser in many states. State employee wellness programs are often launched as pilots for broader health initiatives and as examples of best practices that it is hoped the private sector will follow.

This brief examines the major wellness and prevention initiatives implemented by governors for state employees in recent years. These programs generally fell into the following categories:

- Programs offering health assessments and monitoring
- Health insurance incentives, ranging from discounts for nonsmokers to financial rewards for enrollees who reach personal health and fitness goals
- Healthy work environment initiatives, such as banning smoking near state office buildings and recognizing healthy worksites with awards
- Fitness challenges and events, such as weight loss challenges, wellness expos, walking programs, and programs in which employees receive pedometers if they participate in a fitness challenge or health screening

Most states focused on one or two of these strategies, but a few have implemented comprehensive employee health initiatives that incorporated a number of them.
State Employee Health

Poor diet, physical inactivity, and tobacco use are the major preventable causes of death in the United States. These problems are linked to approximately 33 percent of all deaths—about 700,000 each year—making them nearly as lethal as HIV/AIDS, alcohol, drug abuse, motor vehicle accidents, murders, suicides, and fires combined. According to the Centers for Disease Control and Prevention, in 2001, 21 percent of adults in the United States were obese, a 5.6 percent increase since 2000 and a 74 percent increase since 1991. Obesity-attributable medical expenditures in the country were estimated at $75 billion in 2003, half paid by Medicare and Medicaid and the other half borne by employers and workers in the form of health care premiums, out-of-pocket fees, and co-pays. Twenty-six percent of adults were classified as physically inactive—they reported no leisure time activities that cause increases in heart rate or breathing. In addition, more than 22 percent of adults smoke every day or a few days a week.

States are facing repercussions from these trends. Governors have drawn attention to rising health care costs and alarming statistics on unhealthy lifestyles. For example, Arkansas Governor Mike Huckabee reports that 25 percent of his state’s population smokes and that obesity has increased 77 percent in the last decade. Michigan Governor Jennifer Granholm’s Council on Physical Fitness, Health, and Sports estimates that physical inactivity cost the state $8.9 million in 2002, in the form of Medicaid, workers’ compensation, and lost productivity. In North Carolina, from 1995 to 2002, diabetes increased by 75 percent. Governor Michael Easley reports that diabetes-related hospitalization costs in the state totaled $2.4 billion in 2002.

Because they tend to reflect the general population, state employees suffer these same maladies and costs. In Virginia, lifestyle-related conditions represent about 35 percent of all inpatient hospital costs for the state employee health benefits program. Thirty-five percent of state employees do not exercise regularly, and 20 percent smoke. The 2004 Kansas Health Screening Program found that 67 percent of state employees were overweight, 56 percent demonstrated need for physical activity, and 52 percent were at high coronary risk.

Because state and local governments combined are among the largest employers and health coverage purchasers in many states, they have an opportunity to change behaviors and affect significant numbers of lives through wellness initiatives. Because costs are high, and increasing, there can be significant payoffs for states that can reduce employees’ need for care. For example, an 18-month wellness pilot program in one North Carolina county resulted in 20 percent fewer new cases of diabetes, 10 percent fewer new cases of heart disease, and 12 percent fewer new cases of stroke than had been projected. The state expects to save $22.5 million annually by implementing wellness initiatives statewide.

Nationwide health care-related expenditures for state employees totaled $21.4 billion in fiscal 2000 and increased to $24 billion in fiscal 2001. State employee health care spending represented 2.5 percent of all state spending in fiscal 2001. After Medicaid, spending on state employees’ health is states’ next-largest health expenditure, and it grew by 12 percent in 2001. Thirty-seven state plans experienced double-digit premium growth, averaging 12.8 percent. State employee health benefit plans have attracted attention because of the impact of rapidly rising premiums on state budgets that are already under pressure, as well as the impact on employees of increases in co-payments and deductibles.
State governments employed about 4.2 million full-time equivalent employees in fiscal year 2003. According to a survey by the National Council of State Legislatures, states provided health insurance coverage for about 3.4 million state government employees and retirees in 2002. Nearly all full-time state workers were eligible for coverage, and take-up averaged about 91 percent.

Citing rising costs and alarming health statistics, several governors have implemented wellness and prevention programs for state employees in the last few years. Worksite wellness initiatives typically aim to get state workers to be more active, to educate them about health risks, and to reward healthy lifestyle choices. Programs are often pilots for broader health initiatives and are designed to be examples of best practices for the private sector. Initiatives have generally fallen into the following categories:

- Programs offering health assessments and monitoring
- Health insurance incentives, ranging from discounts for nonsmokers to financial rewards to workers who reach personal health and fitness goals
- Healthy work environment initiatives, such as banning smoking near state office buildings and recognizing healthy worksites with awards
- Physical fitness programs, such as fitness challenges and events, walking programs, and pedometer programs

Most states focus on one or two of these strategies, but a few have implemented comprehensive employee health initiatives that incorporate many of them. (Comprehensive initiatives are addressed at the end of the issue brief.)

Various studies of public and private employer health promotion programs have demonstrated that worksite wellness programs can improve employee health, nutrition, and behavior. Successful programs have generated noteworthy returns on employer investments by achieving

- Reduction in health care costs;
- Reductions in employees’ blood pressure, cholesterol, and weight;
- Decreased absenteeism due to illness, depression, and stress;
- Declines in on-the-job injuries; and
- Increased job satisfaction, morale, and productivity.

This brief is not intended to be a comprehensive review of all state employee wellness programs; it is a survey of programs governors have introduced in the last two years to address concerns about rising costs and behaviors that put workers’ health at risk.

Health Assessment and Wellness Programs
States provide a variety of health information, assessment, and monitoring programs to their employees. Most benefit plans include a health risk assessment (HRA) component, in which voluntary participants receive the results of their assessments and recommendations for improving their health. Some programs also offer educational seminars, discounts on fitness club memberships, and family events.

**Delaware** Governor Ruth Ann Minner launched the Health Rewards program in 2003 to encourage employees to take a proactive approach to health and reduce costs. State employees enrolled in group health insurance programs were offered health assessments, feedback, and fitness prescriptions. The wellness initiative is an approach to managing health and promoting early detection and treatment of disease. Available tests include blood pressure checks, blood work, “smokerlyzers,” and analysis of body composition, including Body Mass Index (BMI). Follow-up “fit stops” reassess or improve test results. Health Rewards won a 2004 Council of State Governments Innovations award.

**Kentucky** Governor Ernie Fletcher’s Wellness Program focuses on healthier lifestyles. The program offers HRAs, which provide employees with summaries of their health risks and lifestyle behaviors and suggestions on how to reduce risk. Health insurance carriers are required to offer HRAs to members of the Public Employee Health Insurance Plan in person or in an online format.

**North Carolina** Governor Easley issued a proclamation at the State Employee’s Wellness Fair encouraging counties to participate in Healthy North Carolina Month by sponsoring prevention, wellness, or fitness activities in September 2004. The governor challenged every North Carolinian to get involved by participating in wellness activities, using workplace wellness programs and benefits available through their health insurance programs, and participating in disease screening and detection events. For example, the governor promoted physical activity, blood screening through community centers, and nutrition education in schools. The Division of Public Health, in the North Carolina Department of Health and Human Services, coordinated the effort, working with community leaders in each county to help organize wellness activities during the month of September.

**Oklahoma** Governor Brad Henry planned “Oklahoma Wellness Week” in an effort to decrease heart disease and cancer deaths, address obesity and smoking, and reduce health insurance premiums. State employees are encouraged to exercise, eat healthy foods, walk more each day, and undergo health screenings. Agencies are encouraged to offer water and healthy snacks in vending machines, and health screenings are held at workplaces.

**What is the value of a health risk assessment?**

Health risk assessments (HRAs)—also referred to as health screenings—are used by insurance plans to educate people about health risk factors, to prevent disease, and to help the employer and health plan determine what programs might be useful to improve employees’ health. Participants receive individualized results and recommendations for improving identified risk factors. In some states, participants are offered regular feedback and reassessments to measure any changes in their health condition. A few states reward employees who participate in HRAs with financial or other incentives.
In **South Dakota**, Governor Michael Rounds and the State Employee Health Plan introduced a new wellness program that included a Web site, tool kits, and incentives for participating employees. **Healthy South Dakota** is a wellness program that encourages members to set goals and maintain their own personal diary to monitor their success in the program. Employees and retirees, along with their covered spouses, in the State Employee Health Plan can register and participate in the program. Healthy South Dakota is launching a Web site to provide information about health choices of food and activities and holding a statewide summit on nutrition and physical activity. As the state employee initiatives have been proven to contain costs, Governor Rounds is expanding the worksite and community wellness program to other employers. Healthy South Dakota will become a statewide program for all citizens.

### Financial Incentives

Another method of promoting health and wellness is to reward employees financially for healthy behaviors or behavior changes, typically in the form of a reduction in insurance premiums. Some states reimburse for co-payments, exercise equipment, and memberships in fitness clubs.

As part of **Healthy Arkansas**, Governor Huckabee is creating financial incentives for state employees to lead a healthy lifestyle through regular health screenings, reduced tobacco use, increased physical activity during work, and improved nutrition. Preventive services, such as tobacco cessation tools, are covered by state employee health insurance, and co-payments on many preventive services will be eliminated. State employees receive a $20 monthly reduction in insurance premiums if they take part in a voluntary health risk survey in 2005. During the first months of the state employee self-assessment, 18,000 employees and 4,000 employee spouses took the assessment. The state is gathering baseline data on citizen health to measure progress and challenges. Governor Huckabee would like to see deeper discounts for nonsmokers or those who enter a stop-smoking program, maintain normal body weight, and exercise regularly.

**Maryland**’s state employee insurance program has offered a benefit called **Club Maryland** for about ten years. The program offers health screening, family fitness events, health fairs, and education seminars. State agencies can receive worksite wellness grants for equipment and health and exercise classes. Funded by general revenue, corporate contributions, and the insurance program, Club Maryland also arranges discounts for state employees at health and fitness centers throughout the state.

Members of **Healthy South Dakota**, the state employee wellness plan, can be reimbursed for up to $300 of their out-of-pocket medical expenses, such as deductibles and co-payments, as well as exercise equipment and memberships in fitness and nutrition centers such as the YMCA, Curves for Women, or Weight Watchers. The Healthy South Dakota plan offers a $100 wellness incentive to employees who reach one personal goal in fiscal 2005 and a $50 incentive for participating in a health assessment. The amounts are credited to health risk and wellness accounts, after the participant has demonstrated progress on his or her goals. Employees maintain online diaries at [www.healthysdemployees.com](http://www.healthysdemployees.com) to track their progress. The electronic records help the state to determine whether the program is reducing the state insurance plan costs through individuals’ healthy choices.
Some states provide incentives for state employees on their health insurance costs. Four states charge lower premiums to nonsmoking employees and higher premiums to smokers. West Virginia passed such a measure several years ago, and in the last year the Alabama, Georgia, and Kentucky legislatures authorized adjustments and surcharges for smokers. Kentucky Governor Fletcher’s State Employee Health Insurance Plan for 2005 focuses on wellness by

- giving nonsmokers a discount on their contribution toward their insurance,
- providing free health risk assessments to all employees and retirees, and
- incorporating health education programs into the public employee health insurance program.

Healthy Work Environment Initiatives

Worksites provide an opportunity for influencing lifestyle behaviors because of the time employees spend at work, where they are a captive audience. To create healthier work environments, governors in recent years have banned smoking in or near state office buildings, created wellness councils, promoted the use of alternative transportation, provided time during the day to stretch or exercise, sponsored wellness fairs, and awarded recognition for worksite wellness programs.

Employers can also create walking clubs, promote the use of stairways and alternative modes of transportation, and provide extended lunch hours or flextime schedules to allow time for physical activity. The Centers for Disease Control and Prevention (CDC) piloted a worksite wellness initiative in one of its buildings called StairWELL to Better Health, in which employees were encouraged to use the stairs. Stairwells were painted, carpeted, decorated with artwork and motivational signs, and fitted with speakers to play music. Infrared beams track the use of stairwells.

A few governors have made state office buildings smoke free to protect employees from secondhand smoke. Arkansas Governor Huckabee ordered state agencies to ban smoking within 25 feet of the entrance to state buildings and to study a potential smoking ban on all state property. Wisconsin Governor Jim Doyle ordered state office buildings to be smoke free and suggested that the legislature enact a law requiring local governments to follow suit. Existing designated smoking areas in state office buildings were eliminated within 30 days. Governor Doyle’s order says that smoking and secondhand smoke kill 7,300 Wisconsin residents every year. The state estimates smoking-related health care costs at $1.6 billion annually and lost productivity at $1.4 billion.

In Arizona, the state department of health services created an employee wellness council to provide health education and implemented a wellness component in the state employee insurance program in 2004. The Arizona Nutrition and Physical Activity State Plan includes a worksite component, which outlines objectives for all worksites. These include creating assessment plans, Web-based health resources, media campaigns, and a worksite wellness program recognition program. In addition, Governor Janet Napolitano held an Employee Wellness Expo in 2004, which was attended by 350 department of health services staff and cosponsored by the American Cancer Society. The expo featured screenings and educational materials.
Former Indiana Governor Joe Kernan promoted health through a state employee health fair and the Governor’s Challenge for Better Health, which sponsored Ride Your Bike to Work Day. Bike racks were provided near government buildings and on buses. State agencies also have organized bicycle teams.

The Kansas state health plan is developing and implementing wellness initiatives in the workplace, including a wellness book club, in which participants read a series of books on nutrition, exercise, stress, and weight management and then are entered in prize drawings. The State Thanks and Recognition (STAR) program recognizes vendors who give employees discounts on health- and wellness-related goods and services, such as health club memberships and fitness equipment, that are not covered in the state health plan.

Former Governor Olene Walker created Utah’s Work Well Program to encourage public employees to be healthier. The program includes a wellness campaign, with educational resources for workplaces such as online posters on healthy eating, using stairwells, and practicing cubicle yoga. The Work Well program implements the existing exercise release policy allowing workers 30 minutes, three times a week, with supervisor approval. Other initiatives include these:

- Promoting the use of stairs—rather than the elevator or escalator—as a way to include more activity in an employee’s day (For example, several private companies, as well as government agencies, promote using the stairs by posting next to elevators the number of calories a person burns by taking the stairs.)
- Encouraging employees to walk, bike, or bus to work and, where circumstances permit, providing showers, lockers, bike racks, discounted bus passes, and flexible work schedules to accommodate active commuting
- Educating employees about trails and pathways that are safe and near worksites
- Posting healthy eating messages in cafeterias, break rooms, and vending areas
- Creating worksite wellness councils to improve employee morale and provide a systematic approach to worksite health promotion

Vermont Governor Jim Douglas, with the Governor’s Council on Physical Fitness and Sports, annually recognizes businesses and institutions that provide health resources for employees. Businesses receive worksite wellness awards for activities such as offering comprehensive heart health programs and achieving 25 percent participation in wellness programs. Governor Douglas promotes wellness programs to the state’s employers by stressing benefits such as lower health care costs, greater productivity, stronger employee retention, better hiring pools, and less absenteeism.

**Physical Fitness Programs**

Employers can promote physical fitness by sponsoring challenges, events, pedometer programs, and other walking initiatives. Many states have launched fitness campaigns, and most governors have personally participated in fitness challenges to serve as role models for weight loss and physical activity. For example, Arkansas Governor Huckabee has lost over 100 pounds while in office and continues to eat healthily, run regularly, and even run marathons with Iowa Governor Tom Vilsack.

**Fitness Challenges and Events**
Many governors have hosted fitness challenges and events to encourage employees to exercise and make healthy choices. Some encourage agencies or legislative groups to compete against each other.

**Arizona** Governor Napolitano’s cabinet matched up agencies of similar size to compete on physical activity, such as walking, and weight loss programs.

In 2003, **Georgia** Governor Sonny Perdue initiated The Governor's Capitol Challenge: Fitness on Our Minds. Department heads, state legislators, constitutional officers, and Capitol reporters, as well as the state’s 103,000 employees, were invited to take part. Those who accepted the challenge received a diet plan and weekly weigh-ins.

Former **Indiana** Governor Kernan invited state employees to participate in the Governor’s Challenge for Better Health. Kernan issued a challenge to state workers to join together to reach a goal of walking five billion steps in two months. To participate in the challenge, state employees registered on a Web site and reported the number of steps they walked. As they reported their steps, a bar on the homepage showed the collective progress of all employees toward the goal of five billion steps. The challenge provides health information on walking and conversion charts for other types of physical activity.

**Ohio** Governor Bob Taft launched the Healthy Ohioans campaign, which sponsors events such as Free Fitness Week for State Employees at YMCAs and other community centers, and National Employee Health and Fitness Day, which is the largest worksite and community health and fitness campaign in the United States. The campaign holds the Governor’s Healthy Ohioans Fitness Challenge on the statehouse lawn, where teams of state employees compete in a stationary bike race, a relay race, and a basketball shoot-out. The campaign also sponsors an annual fitness challenge, which engaged 91 local health departments in encouraging their employees to start or continue a 10,000-step walking program in 2004. In 35 of those departments, 70 percent or more of participants achieved their goals, or 50 percent or more were first-time walkers. Healthy Ohioans also promotes the President’s Fitness Challenge Web site, where participants can log steps and review information on nutrition and fitness. Governor Taft used an executive order to create the State Employee Health and Fitness Taskforce in 2001. Chaired by the directors of the departments of administrative services and health, the group has the job of creating wellness programs for state employees.

### Pedometer Programs

Some states have distributed pedometers to employees participating in walking challenges or programs. Others have used pedometers to facilitate competitions within workplaces. Since the devices must be purchased, states may consider using private sponsorship or donations to hold down the cost. States have created opportunities to partner with sports teams, companies, and private insurers such as Blue Cross Blue Shield. BCBS has sponsored an employee pedometer program at the federal level, and local BCBS agencies may pursue similar partnerships with states.
Arkansas Governor Huckabee’s office staff held a contest using their personal pedometers: whoever recorded the most steps walked in a month was rewarded with the best parking spot for two weeks.

Public Health Steps Up is the pedometer program in Michigan. Three challenges have taken place involving public health professionals, state legislators (Michigan Legislative Health Challenge), and faith leaders (Walk by Faith Pedometer Challenge). The Michigan Association of Health Plans donated pedometers for the Public Health Steps Up Challenge.

West Virginia Governor Joe Manchin demonstrated his commitment to promoting a healthy lifestyle by accepting a challenge from the state House and Senate to participate in West Virginia Leaders On the Move. During the legislative session, Governor Manchin and his staff wore pedometers to track their steps and compete for a trophy at the conclusion of the session.

Virginia Governor Mark Warner launched a Healthy Virginians Initiative (see below for more information) in which participants in health screenings receive free pedometers.

**Walking: States “On the Move”**

Walking has garnered national attention in recent years as an easy, inexpensive way to exercise regularly. In addition to fitness challenges and pedometer programs, a few governors have become involved in their state’s “America on the Move” challenge. America on the Move, a national initiative dedicated to helping individuals and communities make changes to improve their health, is a valuable partner for states interested in implementing pedometer programs. American on the Move Affiliates in 18 states build coalitions with organizations, businesses, and government.

Kentucky Governor Fletcher’s Wellness Walk is a component of the state employee health insurance program. Its goals are to increase awareness about the benefits of walking, to motivate employees to make positive health behavioral changes, and to collect data to support future program decisions. The walking program is offered in conjunction with the health insurance program to move the Public Employee Health Insurance Program from an illness model to a wellness model. (See more on this program in the section above on fitness incentives.)

With the support of Governor Bill Richardson, New Mexico On the Move issued a challenge to all employers and communities throughout the state to walk an additional 2,000 steps every day. The initiative was launched by the state department of health, and the kickoff of the challenge included state agency employees. Participants in the kickoff and the first 500 people to register were given pedometers to track their steps.

Ohio On the Move joined with Governor Taft’s Healthy Ohioans initiative (see above for more information) and the department of public health in a program called Small Steps, Big Strides that encourages people to change unhealthy habits to combat lifestyle-related chronic diseases. Healthy Ohioans and Ohio on the Move hold events for National Employee Health and Fitness Day and America On the Move Day.
Comprehensive Employee Health Initiatives

Several governors have launched comprehensive employee wellness strategies that combine some of the programs already described with other initiatives, such as

- offering smoking cessation aids
- holding regular prize drawings for wellness program participants
- offering healthy food choices in cafeterias and snack machines in state buildings
- providing incentives for employees to carry out prenatal care recommendations
- promoting best practices for the private sector

**Healthy Arkansas**, a major initiative of Governor Huckabee’s Administration, aims to improve health in the state by creating incentives for healthy behavior and offering information on healthy habits. Healthy Arkansas involves efforts in three stages: (1) awareness for the individual, family, community, and worksite, (2) support from worksites and insurance programs, and (3) engagement—friendly competition and fiscal incentives to be healthier. Arkansas has begun offering nutrition counseling and smoking cessation aids, including the nicotine patch, to Medicaid recipients and state employees. Governor Huckabee has targeted state employees as one of the largest single groups of employees in the state. For example, the department of health has a pilot wellness initiative that includes tool kits, BMI assessments, and incentives for exercise and healthy eating.

Governor Easley launched **North Carolina HealthSmart**, a statewide prevention and wellness program for state health plan members. Its components are health promotion and disease prevention, worksite wellness, and disease management. Various programs sponsored by state agencies are have been planned, including the following:

- Health education programs and tools, such as weekly sessions, fairs, and campaigns
- Health assessments and tracking tools to help identify and manage health risks
- Health coaching and medical case management through telephone and in-person support from counselors and nurses
- Interactive Web sites and online tools
- Access to wellness initiatives and programs to assist with lifestyle, health, fitness, and dietary improvements, such as smoking cessation programs, walking programs, exercise classes, and healthy food choices in cafeterias

The initiative includes at least nine pilot wellness programs, from which the state estimates savings of $22.5 million.

**Virginia** Governor Warner's **Healthy Virginians Initiative** has a state employee component that was launched as a best practices demonstration for the private sector. State employees are encouraged to participate in several ways:

- Undergo confidential, online health assessments.
- Participate in the **Virginia on the Move** walking program and record daily walk and exercise routines online. Employees are encouraged to walk 2,000 more steps per day and to eat or drink 100 fewer calories.
- Participate in various gubernatorial challenges and “CommonHealth Education Programs” that agencies offer, including nutrition and stretching classes.
• Use a daily 15-minute break for walking or other exercise. Participants receive free pedometers to help them monitor these daily walks and maps of paths in the Richmond area.

• Take advantage of financial incentives for healthy behaviors, such as participating in health assessments or carrying out prenatal care recommendations. Each week, the state holds a drawing for prizes, such as weekend getaways or treadmills, for those who have undergone an online assessment.

• Refer to informational tool kits on education programs, special contests and challenges, and other fun, health-related initiatives. In addition, the state will distribute Healthy Virginians Tool Kits that include tips on how to integrate health and physical activity into the work culture. These tool kits can be used as a model for private sector employers. Agencies can be awarded the title of “Governor’s Healthy Workplace” for participating in the campaign, competing in governor’s challenges, and successfully promoting employee exercise.

The Healthy Virginians Initiative is managed by Virginia’s CommonHealth state employee wellness plan, which has been offered through state agencies since 1986. The program offers courses, health assessments, exercise time during work, fitness center membership discounts, tobacco cessation tools, and health management assistance. In 2002, more than 65,000 state employees participated in the program.

Conclusion

As employers and insurance purchasers, state governments can reap significant payoff and improve employee health by reducing employees’ need for care through wellness initiatives. Several governors have implemented wellness and prevention programs in the last few years, citing rising health care costs and alarming health statistics. Programs generally address developing healthy habits, understanding risks associated with behaviors, practicing disease management, and encouraging participation in regular physical activity. By moving to a wellness and prevention model in health care, states as employers can cut costs, improve employee health, enhance productivity and morale, and serve as an example to the private sector.
Endnotes


