

HEALTH | HEALTH CARE | CAREER

## WEIGHT MANAGEMENT TRENDS AUSTIN BUSINESS GROUP ON HEALTH

A PANEL DISCUSSION:  
LCRA, AND WHOLE FOODS MARKET  
SPONSORED BY MERCER

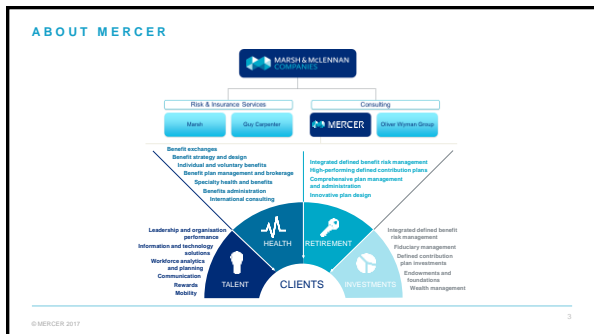
MARCH 3, 2017

MAKE TOMORROW. TODAY MERCER

### TODAY'S DISCUSSION

- Trends in Weight Management
- Panel Introductions
- LCRA
- Whole Foods Market
- Questions and Answers

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### THE MERCER ADVANTAGE: HEALTH

**CRITICAL ISSUES**

- Controlling healthcare costs while providing employee choice
- Improving workforce health and productivity
- Educating and motivating employees to take responsibility for their health
- Complying with regulatory requirements
- Providing competitive benefits as part of a strategy of attract and retaining top talent
- Establishing a seamless benefits process and administering plans effectively and efficiently

Benefit Strategy and Design	Benefit Plan Management and Brokerage	Specialty Health and Benefits	International Consulting	Individual and Voluntary Benefits	Benefits Administration
<ul style="list-style-type: none"> <li>• Strategy, actuarial, design</li> <li>• Flexible benefits</li> <li>• Collective</li> <li>• Exchange (ES)</li> <li>• Salary sacrifice (ES)</li> </ul>	<ul style="list-style-type: none"> <li>• Plan renewal</li> <li>• Market/vendor selection</li> <li>• Financial and claims analysis</li> <li>• Vendor performance, management, and audit</li> <li>• Regulatory compliance and governance</li> <li>• Employee communication</li> <li>• Collective bargaining</li> <li>• Administration</li> <li>• Lines of coverage (including accident, life and disability)</li> </ul>	<ul style="list-style-type: none"> <li>• Total health management (including wellness and behavioral health management, and absence management)</li> <li>• Pharmacy management</li> <li>• Analytic and measurement</li> <li>• Patient medical</li> <li>• Defined contribution voluntary (ES)</li> </ul>	<ul style="list-style-type: none"> <li>• Global and regional benefits management</li> <li>• Multinational pooling</li> <li>• Global health management</li> <li>• Expense benefits</li> <li>• Step by MMR (and other SMC) changes</li> <li>• Other international consulting</li> </ul>	<ul style="list-style-type: none"> <li>• Voluntary benefits</li> <li>• Executive benefits</li> <li>• Individual account planning and health management (ES)</li> <li>• Individual insurance coverage (ES)</li> <li>• Leave coverage (ES)</li> </ul>	<ul style="list-style-type: none"> <li>• Enrollment</li> <li>• Employee communication</li> <li>• Plan administration</li> <li>• Call centers</li> <li>• Claims adjudication (self-service)</li> </ul>

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### WHAT'S HAPPENING OUT THERE?

**Macro Trends**

- 66% of US adults are either overweight or obese.
- The cost of healthcare for obese person is between \$400-\$2,000: \$1,429 higher than those of normal weights
- 20-25% of Americans have Metabolic Syndrome, which predisposes you to develop type 2 diabetes
- 25
- 15-30% of people with pre-diabetes will develop type 2 diabetes within 5 years
- Obesity has been linked to arthritis, cancer, heart disease, stroke, diabetes and musculoskeletal issues
- More than 1/3 of children and adolescents are also overweight

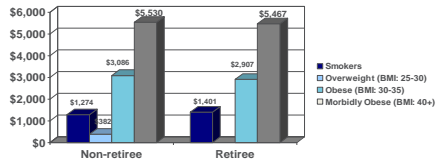
**Vendor Trends**

- Programs have transitioned from broad based weight loss to targeted solutions
- Increased affordability of wireless scales have allowed programs to quantify outcomes
- Digital platforms have enabled a one to many coaching model

Source: CDC, National Health and Medical Research Council, Pappa, Co-Design Role in Prevention of overweight and obesity in the United States, 1999-2003; WHO, Global Burden of Disease: 2010 (Lancet 2014); Centers for Disease Control and Prevention, Behavioral Risk Factor Surveillance System, 2012-2014; CDC, Diabetes and Pre-diabetes: A National Public Health Problem, 2014; Health Affairs, 2014; Diabetes, 2014

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**EXCESS WEIGHT DOES DRIVE COST  
INCREMENTAL INCREASES IN HEALTHCARE COSTS WITH BMI\***



\* If comorbidities are considered, cost increases are lower  
Reference: Morisky, J. P., Bracke, M. E., Olean, K. C., Shah, N. D., Borah, B. J., Waipi, A. E., Eggenroten, J. M. (2012). The effect of incremental costs of smoking and obesity on health care costs among adults: A 7-year longitudinal study. *Journal of Occupational & Environmental Medicine*, 54(3), 285-291.

**T CHALLENGES AND BEST PRACTICES WORKSITE WEIGHT  
MANAGEMENT PROGRAMS**

**Biggest Challenges:**

- Engagement
- Adherence

**Best Practices:**

- Weight loss programs should address nutrition, physical activity, mental, social and emotional aspects
- Offer different engagement styles/modalities to target a broad range of members; web-based, mobile, telephonic, outpatient and on-site
- Integrate weight management initiatives across suppliers to allow for seamless referrals to ensure "right participants get referred to right programs"
- Include incentive strategy for sustained engagement (shared-responsibility)
- Programs should build skills through guided learning, community support and progress tracking by providing tools for immediate weight loss and ongoing maintenance

**TARGETED WEIGHT MANAGEMENT SOLUTIONS  
EMERGING BEST PRACTICES**

- Every employer's needs are different and thus the "best" program will vary depending upon budget restrictions, targeted disease state and the population's characteristics
- These represented some of the best practices that we have seen adopted by the market:

**Utilization of technology** (apps, electronic scales or post program biometrics) to quantify outcomes

**Proven program results** (5-10% sustained weight loss); with a statistically significant population size

**"Connect the Dots"**  
Intake of biometric screening results or disease screener to identify possible program participants

**"Skin in the Game"**  
Putting significant fees at risk based upon either outcomes or sustained program engagement

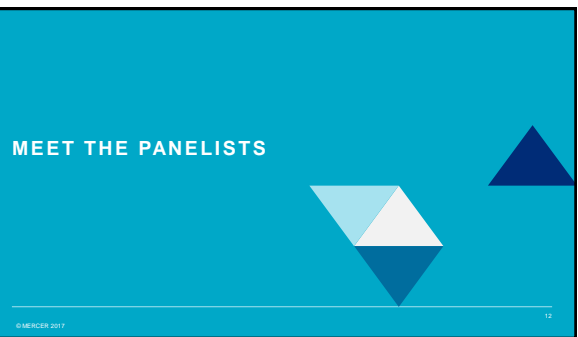
**SOLUTION BY TARGETED DISEASE STATE:**

Here is how the vendors have defined the eligibility for their programs moving from more restrictive on the left to less on the right

Diabetes Prevention Programs (DPP)	Metabolic Syndrome Risk Reduction	Targeted Weight Loss
<p>Individuals have higher than normal blood sugar levels but not high enough to be categorized as diabetic</p> <p><b>Program Design:</b> Individuals must be pre-diabetic to qualify for the program as defined by the CDC's screening process</p>	<p>Individuals have 3/5 biomarkers out of the normal range (BMI, BP, BG, Cholesterol, Triglycerides)</p> <p><b>Program Design:</b> Program is focused on those most at risk and require members to have between 2-5 out of range MeS markers</p>	<p>BMI over 30 or as defined by plan sponsor</p> <p><b>Program Design:</b> Targeted weight loss program offered to the most at risk population but does not require certain clinical risk factors to be met</p>

**ADDITIONAL QUESTIONS?**






- Contact [kate.brown@mercer.com](mailto:kate.brown@mercer.com) for any specific questions related to one of these vendors
- No cost resource for public health of families: <http://www.cnn.com/videos/living/2017/02/02/family-dinner.cnn>







### Who We Are

- World's leader in natural and organic foods
  - Headquartered in Austin, TX
  - Our first store opened in 1980
  - First certified organic national grocer
  - 87,000 Team Members
  - 460+ stores in 12 regions across US, UK and Canada
- Ranked among most socially responsible businesses
  - Fortune "100 Best Places to Work" list since it started in 1998!



### Our Team Members Have a Voice

- Team Member Vote
- Panel Interview
- Benefits Vote
- Open Door Policy
- Town Hall Meetings
- Team Member Awareness Group

### Our Population

- Size
  - 87,000 Team Members
  - 12 Regions (US, UK & CAN)
- Demographics
  - Average age: 32
  - 45% female
  - Voluntary turnover: 38%

### Our Culture

- Core Values
- Quality Standards
- Caring for Communities
- Declaration of Interdependence
- 4 Pillars of Healthy Eating
- Eat Real Food Campaign




### Benefits and Wellness Strategy


A horizontal timeline arrow pointing right, with years 2003, 2006, 2010, 2011, 2012, 2014, and 2016 marked. Below the arrow are boxes representing programs launched in each year:

- 2003:** CDHP w/HRA
- 2006:** Custom Nurse Team, Healthy Advantage Program, Green Trek Challenge
- 2010:** Healthy Discount Program, Immersion Program
- 2011:** Maternity Support Program
- 2012:** HSA Option, Integrated Disability
- 2014:** First Medical and Wellness Center (MWC), Diabetes Prevention
- 2016:** Second MWC, MWC Plan offered, Rally, UHC Total Population Clinical Model, Behavioral Health, Onsite Health Promotion Specialist



### Our Risks

A row of six icons representing health risks: Aging Population (Caduceus), Tobacco (Cigarette), Specialty Pharmacy (Pharmacy sign), High Cost Claims (Dollar sign with arrow), Pregnancy (Baby face), and Prediabetes (Glycemic index chart).



### Healthy Lifestyle Programs

 <p><b>Healthy Discount Program</b></p> <ul style="list-style-type: none"> <li>Screenings-based</li> <li>Increase store discount</li> <li>Rally integration</li> </ul>	 <p><b>Immersion Program</b></p> <ul style="list-style-type: none"> <li>4 programs/year</li> <li>Costs covered by WFM</li> <li>Plant-based &amp; healthy lifestyle</li> <li>Physician partners</li> <li>Medical Qualifiers</li> </ul>
 <p><b>Green Trek Challenge</b></p> <ul style="list-style-type: none"> <li>Physical activity</li> <li>Health eating</li> <li>Community service</li> <li>Alternative transportation</li> <li>Mindfulness</li> <li>Global, regional, store-level</li> </ul>	 <p><b>UHC Programs</b></p> <ul style="list-style-type: none"> <li>Total population clinical model</li> <li>Condition management</li> <li>Wellness coaching</li> <li>Rally</li> </ul>





### Healthy Discount

- Screenings-based
  - 11,000 at 290 locations
- Increased store discount
- Rally integration
- TMs are taking action
- Healthy competition





### Immersion Program

- 4 programs/year
- Costs covered by WFM
- Plant-based & healthy lifestyle
- Physician partners
- Medical qualifiers
- 3,385 total participants
- Success stories

### Green Trek Challenge

- Physical activity
- Health eating
- Community service
- Alternative transportation
- Mindfulness
- Global, regional, store-level
- 7,500 participants
- 300 challenges




### UHC Programs

- Clinical engagement
  - 42%
- Wellness coaching
  - 450 pounds lost
- Total population clinical model
  - Addresses whole person
- Rally
  - 5,500 users
  - 3,600 logged in 2+
  - 3,600 joined a Mission



### Communications



### Communications (continued)



### What's Next

- Diabetes strategy
- Champion network
- Pre/Post Immersion Program support



## WEIGHT MANAGEMENT IN OUR WORKPLACE

Austin Business Group on Health

March 3, 2017



### Who We Are




Over 80 years of public service as stewards of the lower Colorado River basin

Serving Texans with water, power and community services





### Our Workforce

- 1,800 employees
- Employee population 80% male
- Average employee age: 43.8 years
- Top chronic conditions:
  - Diabetes (16% of annual health care spend)
  - Cardiovascular disease (16% of spend)
  - Musculoskeletal Issues (13% of spend)



### Creating a Culture of Wellness

- Empower wellness
- Financial wellness
- Real Appeal weight management benefit
- Tobacco-free workplace
- Legal library
- Employee Assistance Program
- Medical, Rx, vision & dental benefits

### Promoting Wellness

- Empower branding reboot
- Frequent stream of wellness information: intranet, email, virtual bulletin board, home mailers, new hire orientation, posters
- Wellness Champions
- Strong employee recognition




### Wellness & Weight Management

EMPOWER WELLNESS PROGRAM + realappeal = RESULTS





### Key Results to Date

LCRA participants in Real Appeal <b>129</b>	<b>82%</b> Percent of enrollees at risk for CVD, diabetes or other related conditions	Total pounds lost to date in Real Appeal <b>721</b>
 <b>4.86</b> Real Appeal participant satisfaction (out of 5 stars)		



### Measure of Success


- Reduction in average monthly health care spend
- Reduction in number of employees identified as:
  - Pre-diabetic
  - Pre-hypertensive
- Increased participation in wellness activities
- Reduction in short term disability claims
- Increased preventative health care utilization



**Thank You**

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The slide features a light gray background with a network of white dots and lines. The text is in a dark blue font. The LCRA logo is located in the bottom right corner of the slide.



The slide is white with the Mercer logo centered. The logo consists of a blue icon of three interlocking cubes followed by the word "MERCER" in a blue, sans-serif font.