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Putting trust in onsite health coaching to address employee health

By Melissa Stankus and Tracy Lee

Cleveland-based Chart Industries tried just about everything it could think of to restrain its spiraling health care costs.

The global manufacturer of cryogenic products used in the natural gas industry offered free health screenings to its domestic employees and follow-up phone coaching for those with a high risk of serious health problems. Still, the company's spending on health coverage continued to climb.



Mark Ludwig and Amy Powers of Chart Industries, Inc.

The company knew it had to dig deeper and get closer to the real source of the increasing cost of group coverage. “What we’re really focusing on is the epidemic of obesity, because it is linked to so many other health conditions” says Mark Ludwig, Chart’s vice president of human resources.

He realized that telephone coaching wasn’t working. Too many people simply ignore all incoming calls. When they did pick up the phone, Ludwig recalls, “We had complaints about getting calls at home during dinner. Because we have people working different shifts, the counselors would sometimes call when people were sleeping.”

Perhaps most importantly, different coaches would call each time, which prevented them from forming a meaningful bond with the employee. Clearly, something else had to be done.

In late 2006, the company worked with the Chelko Consulting Group to identify underlying drivers of mounting costs. Ludwig could see that health care providers weren’t organized to deliver behavioral coaching.

“We’ve got to create a model to do that ourselves because the doctor is not going to spend any time coaching people on how to better take care of themselves, nor are the nurses,” Ludwig says. “There are no incentives for them to provide any sort of significant behavioral coaching or counseling.”

Specialized analytical tools and pinpointed questioning helped us discover the real drivers of Chart’s health care costs. We soon realized that we’d have to be innovative enough to build something that didn’t exist: integrated onsite health coaching. That meant finding flexible vendors.

We looked for vendors that would agree to stretch their normal service boundaries to support this ambitious plan. We eventually partnered with Chart’s health coaching vendor Health Designs, third-party administrator CIGNA and pharmacy benefit manager Caremark. We fashioned a comprehensive program with onsite, in-person coaching of high-risk employees and monthly cash incentives for those that hit certain weight-related targets.

The initial results are encouraging. One worker noted a loss of eight pounds, while another gave up soda. One employee reported exercising for 45 minutes three times a week, and another lost 10 pounds through portion control at meals and better hydration.

“The anecdotal evidence thus far is very positive,” says Ludwig. “People say, ‘I want to do this because it’s helpful, and the coaches are setting goals and holding me accountable.’” He knows the company will benefit as well. “If we become a thinner organization, everything positive will follow from that.”

The company’s goals are to attract and retain healthy and productive employees, implement cost-effective and cost-reducing health-improvement programs, and reduce employee and spouse health risk factors (initially focusing on obesity).

Chart Industries was already giving financial incentives to workers who agreed to complete health risk appraisals and obtain biometric screenings. Participation rates varied between 50% and 70% of employees.

The new program adds face-to-face behavioral coaching for at-risk employees, providing onsite coaching four times a year. At one location, management also provides incentives for any employee who uses workout facilities. Employees who meet the following criteria are eligible for \$17-per-month incentives:

- Participation in an annual body mass index and waist-circumference measurement
- Participation in the recommended lifestyle coaching sessions
- Maintenance of a BMI of less than 27.5 and waist circumference of 40 inches or less for men and 35 inches or less for women, or a reduction of one BMI point or one inch in waist circumference since the last measurement

The TPA and PBM will provide the on-site coaches claims and medical and drug adherence data on each high-risk employee, a practice never implemented before by these national vendors. The TPA's medical director will call upon sophisticated claims analytics and predictive modeling tools to help the lifestyle coaches better craft strategies designed to ensure each employee's success in changing behaviors. The result: "The coaches will be in a position to have all the relevant information about each person," says Ludwig. "We call it arming them with *impactful* information. So it's really a unique collection of services that's being brought to bear with this strategy."

Chart Industries isn't expecting immediate results. "This is an investment on our part," says Ludwig. "You don't do these things because you expect a one-year payback. If so, you wouldn't do it. We're stepping out on faith, believing that over time, this will reduce the health risk in the population," which will ultimately result in less demand for medical services, thus driving down the company's total bill for health coverage.

He adds, "The only solution to containing costs is to reduce the risk, and from my perspective, there aren't a lot of alternatives in reducing the risk, other than trying to get people to change their behavior."

Further refinements and additions to the program are on the drawing board for later this year. Spouses will be added to the incentive plan. Some worksites are adding additional onsite programming, such as yoga classes and lunch-and-learn sessions.

By pushing ourselves and Chart's vendors to innovate, we have the satisfaction of having built something that didn't exist before. That's a pretty good feeling.—E.B.N.

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