



King County's "Healthy Incentives" program relies on the power of preventive care

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Some King County employees spend their 30-minute lunch breaks fast-walking on trails. Others attend Weight Watchers meetings or talk to anti-smoking counselors. Many track the amount of fruits and vegetables they eat or the steps they take each day. And one — information-tech worker Laura McCollum Wallace — leads her co-workers in free belly-dancing classes. What has prompted this health-conscious workplace culture?

The answer is money — in the form of lower health-insurance deductibles. Under King County's "Healthy Incentives" program, the health-care costs a county employee is responsible for are tied directly to the commitment he or she makes to exercise more, eat better and be smarter about preventive care. The program's goal is to create a culture in which employees will take better care of themselves, heading off lifestyle-based chronic illnesses — from certain cancers to obesity-related diabetes — that lead to exorbitant costs, absenteeism and personal tragedies.

The program runs counter to a prevailing trend in employer-based care: While more cash-strapped employers are passing on more health-care costs to employees, the county lifts some of that burden — for workers willing to try to get healthier. The county, which is self-insured, is betting that preventive measures will significantly pare health claims in the long run.

All of that resonates with McCollum Wallace, who has lost about 80 pounds over the past four years. She cheerfully fills out the required activity and nutrition logs, and she fields calls from counselors. "Talking to the counselors helps keep me accountable," says McCollum Wallace, 49. "I know they are going to call, and I want to report good stuff. You can lie to yourself, but why lie to someone else?"

But not everyone is that enthusiastic. At least some workers consider the program an intrusion. Others see it as a nuisance. A survey designed to help tweak the program attracted anonymous animosity: "Get rid of those time-consuming calls; we all lie to the caller anyway ..." "Mind your own business; my health is between me, my family and my doctor ..." "This process is insulting."

Answer is prevention

When County Executive Ron Sims pushed for his sweeping Health Reform Initiative, implemented in full in 2007, he cited a powerful statistic: About 5 percent of the workers and spouses in the county's self-insured plan accounted for 58 percent of its total health costs — and most of those costs entailed chronic diseases that are often considered preventable. But instead of raising the employees' share of the costs, Sims said the answer is in prevention.

Because Healthy Incentives is just starting its third full year, it is too early to find conclusive trends. Still, about 200 entities — government agencies, businesses, health-care associations,

think tanks and congressional committee staffs — are watching it. The program separates employee benefits into three tiers — gold, silver and bronze — with the level of benefits based not on actual results but on one's agreement to *try* to become healthier.

Eighty-six percent of the county's 19,000 employees and eligible spouses participate fully and qualify for the best rate. They fill out an annual assessment and agree to take certain steps, from logging data to talking with counselors. About 9 percent of workers don't participate. The difference in annual deductibles between the top and bottom tiers is significant: \$400 for an individual and \$1,200 for family coverage. Those in the top plan also pay less in coinsurance, such as when they are also covered by a spouse's health plan.

Those in the middle tier need only fill out the yearly confidential health assessment and face annual deductibles of \$200 and \$600 more than those who agree to follow the more involved "action plans." Because the plan works on an honor system, it's possible for workers to delude themselves or even lie on their annual health assessments and to counselors. Sims, though, believes that with the right culture, employees will invest in their own health. The program has yielded a number of personal success stories, chronicled on a county Web site (www.kingcounty.gov/employees.aspx).

And early statistics are encouraging, portraying a work force that has improved in 12 of 14 risk factors, including alcohol and tobacco use, blood pressure and body mass index (BMI; ratio between weight and height). The areas lagging are blood glucose and physical activity. Dr. Ron Goetzel, director of the Institute for Health and Productivity Studies at Emory University, has helped King County evaluate the results. He says the improvements are significant because health-risk markers typically worsen with age and the county's work force is relatively old, with an average age of nearly 48 years.

Perhaps the most tangible improvement concerns smoking. In 2006, almost 11 percent of county workers and spouses said they smoked. Only 7 percent said they did last year. Corrie Ernsdorff, spouse of a King County employee, says she was able to quit smoking after 40 years in part because a counselor with Healthy Incentives held her accountable. The county contracts the work to an outside company to ensure worker privacy. It also spends about \$1 million a year to develop a healthier culture, evaluate data and direct employees to ways they can take better care of themselves.

The program addresses the "supply side" of health care by directing employees to online tools that help them find the best-quality care and prices. For instance, on the [Puget Sound Health Alliance Web site](http://www.pugetsoundhealthalliance.org/resources/managingyourhealth.html), www.pugetsoundhealthalliance.org/resources/managingyourhealth.html, they can view care guidelines and see which institutions are best following them.

Program needs time

Workplace-wellness experts say a program of this magnitude needs time, supportive middle managers — and, especially, a champion at the top. Sims not only championed Healthy Incentives, he rode his bicycle, hit the gym and lost about 40 pounds. But he is leaving to join the Obama administration, and at a time when the county budget is grim. Some County Council members want employees to share more of the costs, including premium sharing. Union representatives say that would probably scuttle participation in the prevention effort. Sims says the county can't afford to stop thinking long-range. "King County would be crazy not to continue the program," he said. "It's the only way to realize health-care cost savings in a way that is sustainable. And that's the key — sustainability."

How it works

About 80 percent of King County workers receive medical coverage through the county's KingCare program. How much they pay in deductibles and coinsurance depends on the extent of their participation in a three-tiered wellness program called "Healthy Incentives."

Gold: About 86 percent of the workers make it to the "gold" tier, qualifying for the biggest breaks — annual deductibles of \$100 per individual and \$300 for a family, and a 10 percent coinsurance rate — by completing an annual assessment and agreeing to keep activity and nutrition logs, or to coaching by a health counselor if needed.

Silver: About 5 percent of workers are in this midtier, qualifying for yearly deductibles of \$300 per individual and \$900 for a family, and a 20 percent coinsurance rate, by filling out a yearly assessment.

Bronze: Those who choose not to participate — about 9 percent of workers — are put in this tier, paying deductibles of \$500 and \$1,500 respectively, and a 20 percent coinsurance rate.

Note: The 20 percent of the county work force not covered by KingCare experience a similar tier system through Group Health Cooperative.