

A hiker with a backpack stands on a rocky mountain peak, looking out over a vast, hazy landscape. The hiker is positioned on the left side of the frame, facing away from the viewer.

INCENTIVES THAT INSPIRE

How a Wellness Plan Increased Sustained Engagement
by 50% with a Customized Incentive Program

A Case Study

The Power of Insightful Incentives

Incentives continue to be widely used as a means to encourage and promote employee engagement in workplace wellness programs. A recent survey found that 86 percent of employers offer financial incentives in their wellness program, an 11 percent increase since 2017.¹

So why do so many wellness programs offer incentives? The reason is simple: They work. One study by the Rand Corporation found that incentives were associated with higher participation rates of about 20 percent in wellness programs.² And once employees or members become engaged with the program, incentives can also provide ongoing extrinsic motivation that promotes that sustained participation which plays a key role in building lifelong healthy habits.

But not all incentive programs are created equal. All too often, a standardized “cookie-cutter” incentive program is implemented. While this type of turn-key program reduces the amount of configuration required, it does not have the ability to precisely meet the specific needs of the population being served and the goals of the organization.

Planning and careful thought are required if the program is to realize its full potential. The questions are many. What type of incentives should be offered? What behaviors and activities should the incentives reward? What point value should each behavior or activity receive? How can the incentives be structured

to encourage healthy actions throughout the year and not just during the beginning of each quarter or year? What’s the best way to verify the activity? And finally, how will the results be measured?

To answer these and other questions, the Maine Education Association Benefits Trust (MEABT) reached out to Onlife Health to customize and transform its incentive program. Over the course of three years, MEABT went through an incentive design transformation, guided by Onlife’s data-analytics and account-service teams. As we shall see, thanks to this restructuring, MEABT achieved higher participation rates for both initial and sustained engagement and positively affected seven key risk factors among members.





ABOUT MEABT

Established in 1993 and headquartered in Augusta, Maine, the Maine Education Association Benefits Trust (MEABT) is a not-for-profit, employee welfare benefit plan dedicated to the health of Maine public school employees and their families. A nine-member Board of Trustees – all current or retired public school employees – governs the health insurance plan, which provides medical, pharmacy, vision and wellness benefits to approximately 68,000 individuals in the state of Maine.

Defining Goals and Challenges

Prior to 2012, MEABT only offered incentives for Health Assessment completion and a few other activities. When Onlife Health became the wellness partner for MEABT, it made several recommendations to improve the program. Among those that were implemented were changing point values in order to increase completion of Health Assessments (HA) and adding biometric screenings and preventive exams.

In 2015, MEABT asked Onlife Health to restructure and implement a new incentive program to increase minimal participation among users to sustained engagement in multiple activities as well as meet the following goals:

- Incentivize members to complete activities throughout the entire year, leading to deeper engagement and positive outcomes.
- Engage new program users.
- Drive engagement from passive to active participation.
- Maintain a positive experience for members.
- Keep program costs predictable.
- Increase participation among existing users from Initial Engagement (such as completing an HA or Biometric Screening) to Sustained Engagement in multiple activities.

DEFINING SUSTAINED ENGAGEMENT

For the redesigned incentive program implemented by MEABT in consultation with Onlife Health, Sustained Engagement is defined as completing a Health Assessment or Biometric Screening, plus one of the following:

- Earn 50 Device Points
- Earn 10 Tracker Points
- Earn 10 Milestone Points
- Earn 10 Article Points
- Complete a Course
- Complete a Challenge
- Participate in Coaching



STAYING ON BUDGET WITH PREDICTIVE MODELING

The goal of keeping program costs predictable was of particular importance to MEABT. “One of the greatest challenges when building incentive programs is finding the correct incentive budget to motivate employee engagement and to provide an effective return on investment,” said Michael Booth, wellness director for MEABT. “Once the budget is set, you don’t want to become a victim of your own success and end the program well above budget; however, you also don’t want to leave budgeted dollars/engagement on the table. For MEABT, accurately modeling participation and incentive costs is critical to the long-term success of the program.”



Designing the Solution: Listen, Learn, Configure

Utilizing its more than 15 years of incentive administration experience, Onlife Health provided ongoing data-driven consultation, working closely with the MEABT leadership and staff to deliver a restructured incentive program customized to reach the aforementioned goals.

During the plan design process, one of the first steps involved identifying the most applicable configurations to customize the program and maximize outcomes. Onlife's highly configurable platform enables our clients to customize the wellness experience. For MEABT, Onlife provided the following configurable features:

- Incentivized activities
- Associated point value
- Activity names
- Activity descriptions
- Maximum frequency (how often someone can earn points)
- Maximum points rules (how many points can be earned by completing the same activity multiple times during the program year)
- Tiered rules (for example, complete 3 out of 5 activities)
- Date parameters
- Personalization rules (for example, spouse v. employee achievement requirements)
- Program introductory content



Working in partnership, Onlife Health and MEABT addressed many topics and issues, from making sure the incentive program supported MEABT's long-term organizational strategy to analyzing financial and non-financial incentives to optimize engagement. Other issues examined included accurately anticipating the costs of incentives and assigning the correct point values to the right behaviors and activities in order to ensure ongoing engagement throughout the year.

After this in-depth assessment, Onlife made several strategic recommendations, largely based around the implementation of device usage. These changes included adding 25 points for connecting a device and 3 points/week for using a device to track. Additional changes included reconfiguring the points matrix.

Onlife Health also began providing MEABT with a monthly report tracking redemptions and potential redemptions in order to predict and manage incentive costs and help ensure they remained in budget.

In addition, Onlife Health produced new program fliers, website portal design mailings, emails and newsletters, updating these materials each year.

Finally, Onlife supported MEABT's Wellness Ambassadors, who worked in school districts to market, promote and implement the new incentive program, which was also promoted during health fairs, wellness days and workshops.



2016 – 2017: A Highly Successful Launch

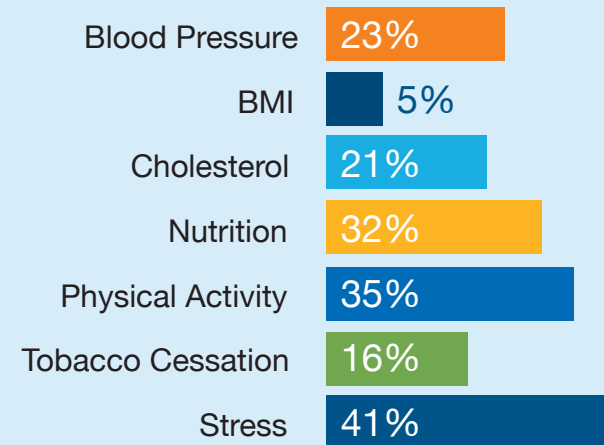
The changes made to the incentive program throughout 2015 – 2016 began to yield significant positive results the following year. By motivating members to engage in sustained activities beyond health assessments and preventive exams, the redesigned incentive structure increased participation and produced positive clinical and financial outcomes. Here are some of the highlights from the 2016 – 2017 program year:

24.7% increased engagement by members who had been eligible previously, but had not participated. The primary driver of this increase was the addition of new engagement opportunities in the form of challenges and device integration.

64% increase in sustained engagement.

Achieved by giving more weight to activities/tasks that require active participation (coaching, use of trackers, participation in challenges and device integration).

INCREASED PARTICIPATION DECREASES KEY RISK FACTORS



Percentage of members who initially had a high-risk factor that was no longer a concern after a follow-up measurement

These results were achieved without increasing the maximum incentive payout (a \$250 gift card), which has remained unchanged up to and including the 2018 – 2019 program year.

2017 – 2018: Implementing Further Improvement

For the 2017 – 2018 program year, the Onlife data-analytics and account-service teams identified areas of improvement, such as adding ways for members to engage (increased device integration, challenges), giving more weight to activities that resulted in active vs. passive participation (coaching, use of trackers, participation in challenges and device integration), and instituting time-based caps to encourage sustained participation.

For example, to increase sustained engagement, the team increased the points for coaching and device/app use while removing the points for device connection and completing self-directed courses. Although ROI results are pending, preliminary results revealed a continued increase of 16 percent in sustained engagement without a significant rise in incentive costs. Throughout the program year, Onlife continued to provide modeling to predict incentive costs.

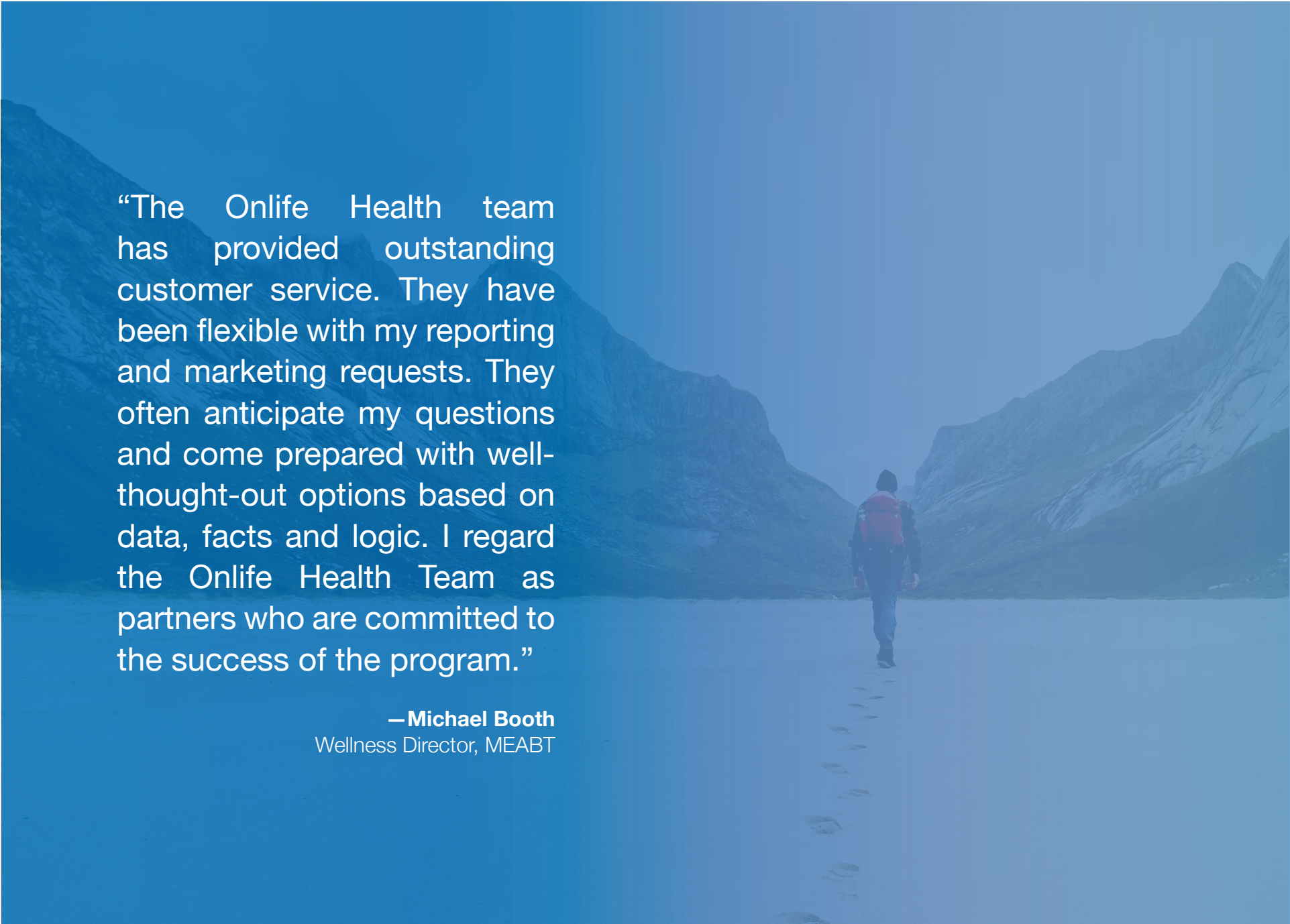
2018 – 2019: Fine Tuning for Future Success

Further refinements include balancing the points structure for valuable yet passive activities, such as preventive exams, with activities known to drive outcomes, such as device usage, participating in challenges and coaching. In addition, as a proactive measure, Onlife had already developed, during the previous year, three different incentive redesign scenarios for the 2018 – 2019 program, which included a projection of potential savings based on the engagement and redemption numbers from the previous two years.

“Participation in the program has increased year over year. Knowledge of the program by word of mouth and referrals continues to grow. What has been more impressive, at least for me, is the increase in participants who are truly engaged and earning the max payout each year. We have also noticed an increase in participation among districts with Wellness Ambassadors. And Onlife Health has been extremely helpful and successful when modeling the incentive financial projections.”

— **Michael Booth**

Wellness Director, MEABT

A person wearing a red backpack and dark clothing is hiking away from the viewer on a snowy mountain trail. The trail is marked with footprints. The background features steep, snow-covered mountain peaks under a clear sky. The entire image has a blue color overlay.

“The Onlife Health team has provided outstanding customer service. They have been flexible with my reporting and marketing requests. They often anticipate my questions and come prepared with well-thought-out options based on data, facts and logic. I regard the Onlife Health Team as partners who are committed to the success of the program.”

— **Michael Booth**
Wellness Director, MEABT

Customization Achieves the Ultimate Goal: Long-Term Behavioral Change

People are creatures of habit. As a result, changing a person's behavior is a difficult process. To overcome the inertia of unhealthy habits, workplace wellness programs have employed incentives. But incentives must not only be used to engage the person initially, they must also provide motivation over a sufficient amount of time so the person fully realizes the benefits of acquiring healthy habits, becomes self-motivated, and no longer requires external motivation.

By customizing and then fine tuning the incentive program for MEABT, Onlife Health increased initial engagement by almost 25 percent and boosted sustained engagement by 64 percent, creating a much stronger opportunity for people to internalize their newly acquired healthy behaviors and adopt a healthier lifestyle for the rest of their lives.



References

¹ Emerman, E. (2018). *Employers Continue to Expand Well-being Programs and Increase Financial Incentives for Employers*. [online] National Business Group on Health. Available at: <https://www.businessgrouphealth.org/news/nbgh-news/press-releases/press-release-details/?ID=343> [Accessed 27 Aug. 2018].

² Mattke, Soeren, Kandice A. Kapinos, John P. Caloyeras, Erin Audrey Taylor, Benjamin Saul Batorsky, Harry H. Liu, Kristin R. Van Busum, and Sydne Newberry, *Incentives for Workplace Wellness Programs*. Santa Monica, CA: RAND Corporation, 2015. https://www.rand.org/pubs/research_briefs/RB9842.html [Accessed 27 Aug. 2018].



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