



*Wellness Program Considerations
Fiscal Year 2014*



Overview



- 1. Why Wellness for the City of Sparks?**
- 2. Return on Our Investment**
- 3. Our Wellness Partners & their Role**
- 4. Funding Wellness**
- 5. Recognizing Success**



Why Wellness?

Employee Benefits

- **Improve**
 - ✦ Quality of life
 - ✦ Physical fitness & nutrition
 - ✦ Psychological wellbeing
- **Reduce**
 - ✦ Injuries & disability
 - ✦ Preventable diseases

Employer Benefits

- **Improve**
 - ✦ Employee engagement
 - ✦ Productivity
 - ✦ Attendance
- **Reduce**
 - ✦ Healthcare costs
 - ✦ Worker's Compensation Costs

Critical Importance for Police & Fire



Heart disease, lung disease,
hepatitis & certain cancers

- **\$83** Million Future Liability
- **\$8.3** Million Current Claims
- **\$3.4** Million Fund Balance

City of Sparks Excess Insurance Cost



\$250,000 (1995)



\$2,000,000 (2012)

For Each Claim

Cost of a Heart/Lung Claim



40 year life expectancy

\$2.69 Million



Heart Disease



- **#1 Killer in America**
- **Law Enforcement**
 - **31% higher rate of cardiovascular disease than general population**
- **Fire**
 - **50% of workplace deaths in fire from cardiac events**

Worker's Compensation



- Odds of injury are greater
- Recovery takes 5 times longer
- 5.4 to 6.6 times higher disability costs



Does Wellness Work???



Our Return on Investment

\$5.81 ROI
for Every
\$1.00 Spent



Return on Investment



26% Reduced Healthcare Costs

27% Reduced Absenteeism

32% Reduced Workers Compensation & Disability



City of Reno Return on Investment



- **Police Wellness**

- 20 Year Projected Cost for Wellness Study = \$505,560
- ROI \$21.00 per every \$1.00 =

**Projected Savings
\$10.8 Million**



Wellness Program Design



- **Our Wellness Partnerships**
 - L/P Insurance Services, Inc.
 - CDS Group Health
 - Specialty Health, Inc.



- **Our Healthcare Broker**

- Keeping us up to date on medical & wellness trends
- Compliance resource for local/state/federal healthcare and wellness laws & regulations



- **Our Healthcare Third Party Administrator**
 - Existing relationship with employees
 - Confidentiality solutions
 - Track employee participation and rewards
 - Online wellness portal through their website



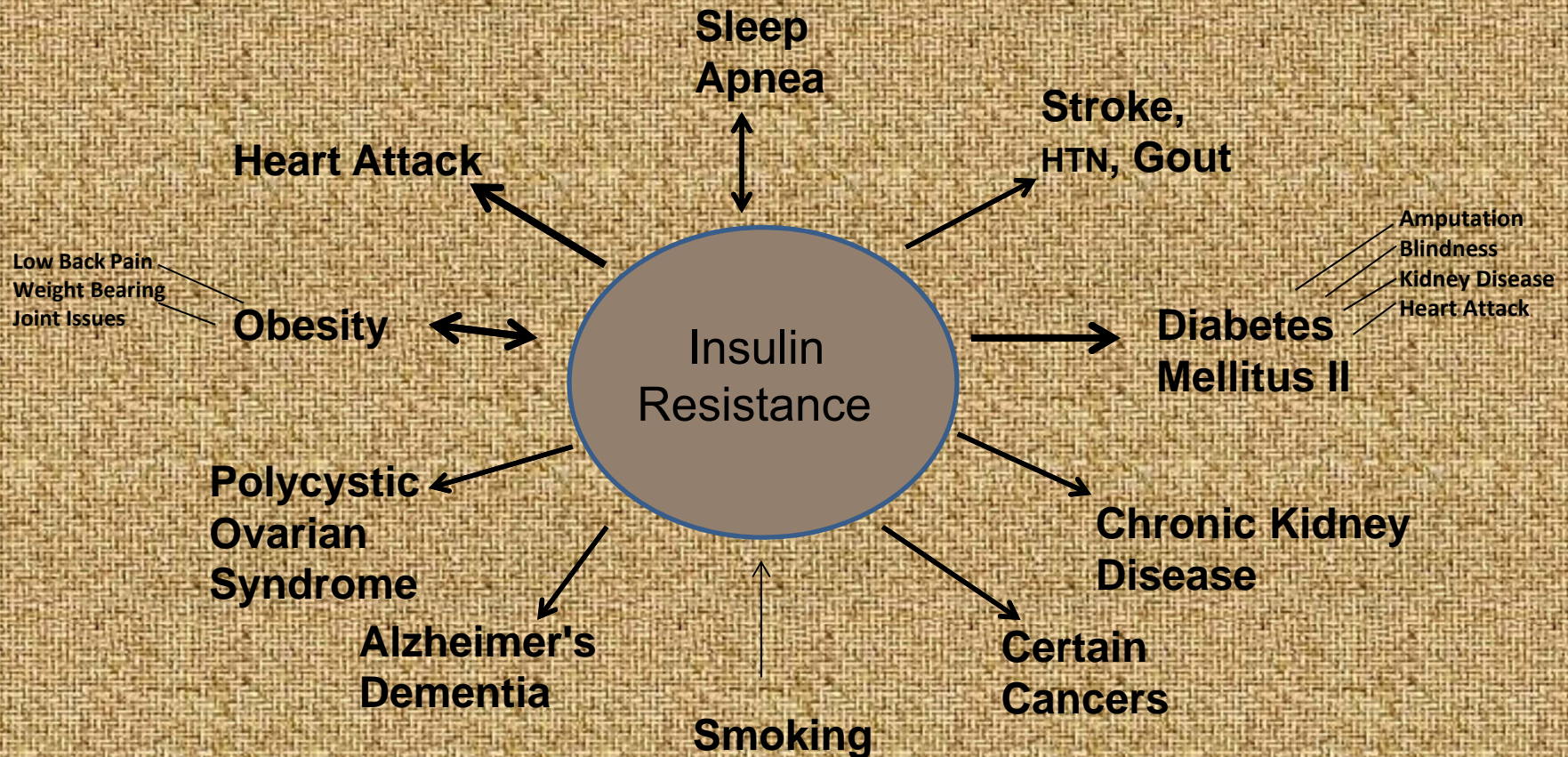
SpecialtyHealth

SPECIALISTS IN MANAGED HEALTHCARE & PREVENTION



- **Our Worker's Compensation Facility**
 - Innovative wellness approaches
 - Only program of its kind for Police/Fire in Northern Nevada
 - Relationships with nationally & internationally acclaimed prevention experts including a doctor on the short list for a Nobel Prize
 - Cornerstone of prevention in identifying insulin resistance 10-20 years before it causes disease

Insulin Resistance – Our Nation’s Biggest Public Health Problem



We Currently Offer:

- **Preventative Services**
 - One free annual physical
 - One free series of lab work
 - Various free cancer screenings
- **Immunization Fairs**
- **Back-on-Track Program**
- **Goals**
 - Continue to educate employees about broad spectrum of opportunities



Proposed Wellness Plan



- Wellness tracking
- Online health portal
- Rewards
- Know your “Big 5” numbers
- Guest speakers
- Educational seminars
- Pedometer challenge
- Onsite nutrition & fitness counselors

Annual Estimated Costs

\$200-275K Investment in our Future

- **Wellness tracking & online portal**
 - Package - \$22,000
- **Rewards**
 - \$50,000
- **Know your “Big 5”**
 - \$20,000
 - \$16-20,000 for onsite event
- **Prevention follow-up services**
 - \$75,000
- **Onsite nutrition & fitness counselor 4 hours week**
 - \$22,500
- **Guest speakers**
 - \$20,000
- **Hands on education and events**
 - \$20,000
- **Pedometer challenge**
 - \$29,500 first year only
 - \$8,500 annually thereafter

Are we going to be proactive or reactive?

The choice should be **CLEAR**

We can't afford not to invest in Wellness

Prevention

vs.

Disease

\$200-275K Annual Wellness Investment

\$2 Million per Heart Claim
Lost Productivity
Absenteeism
Disability
Healthcare Costs



Prevention Dollars is Preferred!



Recognizing Success

Improve Quality of Life

Enjoy Healthy Living

Become Role Models for Community

Have an Engaged, Productive Staff

Manage Risk

Reduce Liabilities

Sustain Costs



Time to take action!

Questions?

