

Best Practices

INNOVATIVE HEALTHCARE SOLUTIONS: BOLDT

BOLDT®



Location: Appleton, Wisconsin
Industry: Construction
Size: 375 salaried employees with 800 covered lives in 14 offices in the US.
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BACKGROUND

Since 1889 The Boldt Company has been firmly grounded by a strong set of values: honesty, fairness, hard work, performance and a love of what we do.

As a national provider of professional construction services, Boldt serves customers in a variety of industrial, institutional, healthcare, commercial and renewable energy markets nationwide. Boldt is one of Wisconsin's largest contractors and is among the top-ranked general contractors in the nation. Headquartered in Appleton, Wisconsin, the company has 14 offices throughout the United States.

The foundation of each of Boldt's services is built upon the company values to ensure successful delivery.

HEALTH PLAN DESIGN

The Boldt Company provides a self-funded group medical, dental and prescription drug benefits plan.

Up until 2006, Boldt offered only a traditional self-insured healthcare plan with a \$350/\$700/\$1,000 annual deductible. In the years leading up to 2006, Boldt was experiencing healthcare cost increases averaging 12-15 percent per year. Beginning in January 2006, Boldt added a high-deductible health plan (HDHP) with a health savings account (HSA) to the traditional low-deductible health plan as a second option for employees. Enrollment in the HDHP has remained steady, with nearly 50 percent of plan participants enrolled in that option.

The HDHP has an embedded deductible of \$2,300 for individuals and \$4,000 for families. Employees pay 10 percent of the premium cost. Employees in the traditional plan pay 30 percent of premium.

In 2006, Boldt also moved to a PPO delivery model offered by Health EOS and other regional networks throughout the country. This model accommodates the needs of their employees at all locations and provides discounts of 10-30 percent.

The medical plan covers salaried employees only. Hourly employees participate in a separate union-sponsored plan to which Boldt contributes.

The health plan includes a 3-tier drug program for generic, name-brand formulary, and non-formulary drugs. In 2008, an over-the-counter drug program for stomach-distress

and antihistamine drugs was offered at no cost to participants. In 2009 a Specialty Pharmacy Program was put in place for high-cost injectable drugs.

Boldt utilizes the services of Cypress Benefit Administrators¹, an Appleton-based TPA service provider. Since the inception of the HDHP plan and move to a PPO model, cost increases have been held to an average of 7 percent.

PREVENTIVE BENEFITS

Preventive benefits have been integrated into both health plan options, including routine physical exams for employees and spouses and well-child exams. Effective January 2009, these benefits became unlimited. Diagnostic and preventive claims on the dental plan are covered at 100 percent up to the annual maximum. Routine colonoscopy and/or sigmoidoscopy at age 40 and above are also covered at 100 percent.

HEALTH RISK ASSESSMENTS

Health Risk Assessments (HRAs) are an integral part of Boldt's effort to get employees involved and identify potential problems early. They are offered free of cost to employees and spouses. Incentives are provided for achievement of scores



meeting a minimum standard, and for improvement of 5 percent or more over the previous year's score. Beginning in 2010, employees who elect to participate in the company-sponsored health plan must participate annually in the HRA. Spouses are encouraged, but not required, to participate in the HRA at this time.

WELLNESS PROGRAMS

Boldt has implemented a number of wellness initiatives designed to improve the health status and productivity of their employees. Some of these initiatives include:

- Free flu shots
- Smoking cessation programs: The company provides a \$300 annual benefit for smoking cessation programs. Nicotine testing is included in the HRA. Boldt company campuses are smoke free, as are job site trailers.
- Healthy options in vending machines.
- A monthly *Top Health* newsletter and health articles in the company newsletter.
- At one company location, job site stretching is required to start the work day.
- Lunch and learn programs are offered at each Boldt office. Programs such as nutrition, physical fitness and pharmaceuticals have been conducted by local professionals.
- During the HRA process, employees are asked to suggest subjects for upcoming educational programs.

DISEASE MANAGEMENT

Disease management services were incorporated into the Boldt plans in 2006 providing access to a personal wellness website, a nurse care line, personal nurse health coach and a health information library. HRA results are confidentially fed to the disease management provider for follow-up coaching. The company is becoming much more proactive in disease management consultation activities.



EMPLOYEE INVOLVEMENT

Boldt provides employees with access to Health Grades², a service that provides quality and cost information for physicians and hospitals.

The HR department frequently provides one-on-one assistance to employees in choosing plan options and managing claims.

COMMUNITY ACTIVITIES

The Boldt Company has always been a generous contributor to many community activities around the state and nation. Included in these efforts are sponsorships for community walking events, for organizations such as The American Heart Association, the Juvenile Diabetes Research Foundation, among many others.

CONCLUSION

After experiencing double digit inflation of healthcare costs over a period of years, in 2006 The Boldt Company took the bold initiatives of installing an HDHP, switching to a PPO and conducting annual HRAs. This was followed by a series of proactive wellness initiatives and further “tweaks” to plan design. The results have been highly engaged employees and reduction of cost increases to about seven percent.

WHAT’S NEXT?

Boldt has a strong record of safety achievement, having won several Wisconsin Corporate Safety Awards. CEO Tom Boldt is an inductee into the Wisconsin Safety Hall of Fame. With this strong safety record, the company is interested in exploiting the natural link between safety training and wellness programs. Boldt sees internal management of wellness programs as a leadership opportunity for interested employees. Boldt also hopes to engage the health plans in which their union employees participate in wellness activities.

REFERENCES:

¹Cypress Benefit Administrators
Appleton, WI 54913
(920) 968-4613

²Health Grades, Inc.
500 Golden Ridge Road, Suite 100
Golden, CO 80401
(888) 214-4148

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*View other Wisconsin Business Best Practices Reports at
<http://www.wmc.org/healthcare/index.php>*

Best Practices

WMC's healthcare agenda includes initiatives to encourage employers to take innovative steps to improve the health status of their employees and control their healthcare costs. WMC has identified employers whose healthcare initiatives can serve as best practices for others to use as models for their own initiatives.

Healthcare Best Practices—Common Lessons Learned

WMC has interviewed a number of companies who have taken bold steps to control their healthcare costs and improve the health status of their employees. From those best practices, we have seen a series of common elements or lessons learned. A summary follows:

- *Employees must be engaged in programs to improve their health. Incentives are essential to engaging employees.*
- *Innovative practices come from companies with executives who push the boundaries and drive their employees to seek change.*
- *While cash or tangible incentives sweeten the pot, reduction (or increase!) of the employee's share of health insurance premiums is the most effective strategy.*
- *A broad array of wellness options engages more employees. Flexibility of access during and off of normal working hours increases participation.*
- *Successful programs emphasize improved productivity and cost savings, and often focus on mental, as well as physical, well-being.*
- *Most employers recognize that "doing the right thing" for their employees' health is incentive enough to invest in wellness programs. For those with this philosophy, positive returns on investment follow.*
- *Health Risk Assessments provide the basis for most programs because they immediately engage employees. It is equally important to engage spouses, and to the degree possible, dependents enrolled in family plans, in health assessments and wellness activities.*
- *Consumer-driven plan designs experience slow employee acceptance unless significant incentives or disincentives are provided. Employers must educate and aggressively market the benefits of these plans to employees in order to get participation.*
- *As programs evolve, employers realize the need to dedicate an individual to develop, market, and monitor wellness programs. As programs mature, they need to be integrated, such as the coordination of exercise programs, medication regimens and nutritional guidelines for high-risk employees.*
- *Goals and objectives with appropriate metrics must be clearly stated and communicated to employees. They have to understand why it is important to them and to the company.*
- *Management of chronic/high risk diseases provides the best opportunity for cost savings. The 80/20 rule applies; 80 percent of healthcare costs are spent on 20 percent of the healthcare encounters.*
- *Almost any size company can implement programs to improve wellness and cut costs. The range of options is scalable to company size. Help is out there from companies who have already implemented best practices.*
- *And finally, leading companies are more than willing to share their health care best practices with other companies in their communities.*