

Best Practices

INNOVATIVE HEALTHCARE SOLUTIONS: SENTRY EQUIPMENT CORP



Location: Oconomowoc, Wisconsin
Industry: Measuring, analyzing and controlling instruments
Size: 130 employees at the single location
Contacts: Sherri McDermott,
VP Human Services
Tina M. Timmel,
Safety & Benefits Coordinator

BACKGROUND

Sentry began in 1924 as The Henszey Company, a primary supplier to The Carnation Company for dairy power plant components and milk evaporators. In 1959, the company changed its name to Sentry Equipment Corp and refocused efforts toward the power generation industry for sampling products and specialty heat exchangers. This effort not only expanded to other industries, but also into the supply of complete systems for power plant steam and water monitoring.

Sentry is an innovative company responsible for many firsts, including compact helical coil sample coolers, adjustable ultra high pressure reducers, radiation-shielded sampling stations, and non-coring needle samplers.

Company ownership was transferred in 1986 to the employees through an Employee Stock Ownership Plan, "ESOP". Today, Sentry is 100 percent employee owned. The employee owners of Sentry participate in making improvements to products and processes at every level, as emphasized in the corporate vision statement: *Every Employee an Owner, Every Customer a Commitment.*

In August of 2007, the entire company moved into a new, custom building in the Commerce Centre of Pabst Farms in Oconomowoc. The new 62,000 square-foot building houses all of Sentry's manufacturing and offices. The building incorporates a number of innovative energy-conscious features including LED parking lot and internal lighting and extensive water conservation measures.

The health of the employee owners is critical to Sentry's success and investment in its future. For almost 15 years, Sentry has committed considerable resources to its wellness programs.

INSURANCE PLAN

In 1994, Sentry became one of the first small companies in Southeastern Wisconsin to offer a self-funded plan. Since 2004, Sentry has offered a High Deductible Health Plan (HDHP) with an employer-funded Health Reimbursement Arrangement (HRA). This is currently the only plan offered to employees. The combination of the HDHP and HRA has served to lower the employees' share of a family plan monthly premium to just \$120.

Preventive care services are covered by the employer and not drawn from the employee's deductible. Prescription drug costs do not go toward the employee's deductible. In addition to the deductible, the employee is responsible for a 20 percent co-insurance with a cap on in-network services.

As an employee-owned company, employees have embraced this plan because they realize the value of monitoring costs and comparison shopping for services, just as the company does for all services it procures. Controlling healthcare costs directly increases the company's profits and the employee's gain-share.

Sentry offers additional services to employees to utilize when navigating the health care system. These include: Q-Review¹ which is a disease and case management service that preauthorizes hospital stays and medical service. Employees may call Q-Review with any questions regarding medical conditions. An onsite physician provides guidance on medical issues, providers, treatment plans, and prevention. Working with their local insurance agent Beneco², Sentry also provides employees with information about the cost of various healthcare providers in their area.

ON-SITE PHYSICIAN SERVICES

The most unique component of Sentry's health and wellness program is the employment of an onsite healthcare professional. In 2003, they began hosting bi-weekly visits from a healthcare provider to offer an in-house resource for employees. Dr. William Gaertner, "Dr. Bill", has been their provider since March of 2005. He is a Board-certified family physician, having practiced family medicine in Milwaukee for over 25 years, whose emphasis moved from the treatment of disease to prevention. Dr. Bill has been very helpful to Sentry employees regarding all health-related concerns, such as counseling employees with stress, smoking cessation, weight and exercise programs; helping to investigate and provide information regarding diagnoses people have received; and treating minor ailments, at times saving employees the time and expense of an office visit.



COMMUNICATIONS/TRAINING

Quarterly presentations are held for all employees utilizing local providers such as ProHealth³ and Dr. Bill. Subjects include cancer risk, alcohol, stress and health screening. A monthly Top-Health newsletter is distributed to employees. In addition, health posters are displayed in bathrooms. Periodic webinars are held in the lunch room featuring health and wellness topics. Welcoa⁴, Beneco, and ProHealth all contribute materials and information to share with employees, much of which is posted on a wellness bulletin board.



WELLNESS

Sentry conducts an annual health fair for employees. The focal point of the fare is a Health Risk Assessment (HRA). This is voluntary, but employees are given an incentive to participate, and spouses are also encouraged to participate. Results are tracked year-to-year to determine improvement and progress. ProHealth and other local providers, including acupuncturists, chiropractors and nutritionists attend the health fair and provide information and counseling to employees. Sentry also hosts an annual flu vaccination clinic, and a smoking cessation program offered through ProHealth and Quitline⁵. Dr. Bill also provides smoking cessation counseling. Sentry reimburses employees for the cost of smoking cessation programs.

Exercise: When it built its new facility in 2007, Sentry added a walking trail that many people utilize daily, and has also established a walking route in the shop for use in inclement weather.

Weight loss: Sentry has sponsored weight loss programs for employees, but has found that engaged employees prefer to set up weight loss programs and competitions within departments. Healthy choices are offered in vending machines, and healthy food is provided at in-house meetings.

Behavioral Counseling: Sentry employs NEAS⁶, a leader in the provision of customized behavioral health solutions in the U.S. and throughout the world. NEAS identifies and addresses workforce and organizational needs in such diverse areas as employee assistance, coaching, disaster management, work/life balance, employee relations, leadership development, training and benefit support.

SAFETY

Sentry views safety as an integral component of employee wellness and well-being; it is no coincident that safety is the first focal point for team leaders. Sentry continues to investigate, determine root causes, and implement preventive measures to reduce or eliminate even the smallest accident, and the employees are very proud of their record of 4,190 consecutive days without a lost time accident. What makes this even a more celebrated milestone is that during the last two years Sentry has gone from 93 to 128 employees, and added over 100,000 hours of production time without a single lost time incident in an environment that welds, machines, assembles and moves equipment that can weigh several tons. Sentry is a past winner of the Wisconsin Safety Council's (WSC) annual Corporate Safety Award. WSC is an affiliate of the WMC Foundation and the National Safety Council.



SUMMARY

Sentry Equipment, an employee-owned company, has engaged its employee/owners in innovative programs to improve health status and control healthcare costs. The company's use of a high deductible health plan, health risk assessments and the unique services of an onsite physician have served to achieve these goals.

REFERENCES:

¹Q Review

²Beneco

<http://www.benefitsinc.com/beneco.html>

³ProHealth

<http://www.prohealthcare.org/>

⁴WELCOA

1442 North Farwell Ave. Suite 300

Milwaukee, WI 53202

Phone 414-291-9355

Fax 414-224-0243

www.wellnesscouncilwi.org

⁵Quitline

1930 Monroe, Suite 200

Madison, WI 53711

Phone: 608-262-8673

Fax: 608-265-3102

Suite 501 for Research, Suite 506 for Outreach

1218 W. Kilbourn Ave. Milwaukee, WI 53233

Phone: 414-219-5590

Fax: 414-219-4010

<http://www.ctri.wisc.edu/Home/Contact.Us.html>

⁶NEAS

NEAS, Inc.

N17 W24100 Riverwood Drive

Suite 300

Waukesha, WI 53188

Phone: 1-800-634-6433

info@neas.com

For more information contact Mike Shoys at WMC:

608-258-3400 or mshoys@wmc.org

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.*