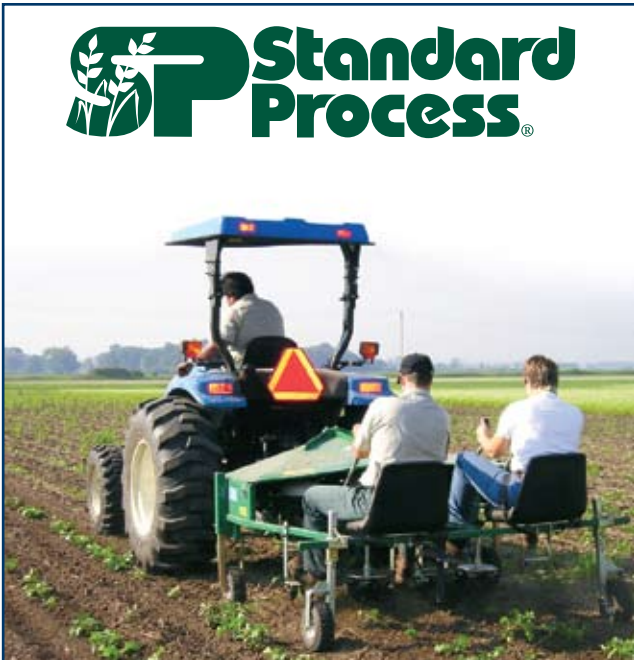


Best Practices

INNOVATIVE HEALTHCARE SOLUTIONS: STANDARD PROCESS



Location: Palmyra, Wisconsin
Industry: Food/Natural Supplements
Size: 250 employees
Contact: Kevin Setnes, Corporate Health & Wellness Manager

BACKGROUND

Standard Process is a leading manufacturer of nutritional whole food supplements located in Palmyra, Wisconsin. Standard Process was founded by Dr. Royal Lee in Milwaukee in 1929. Dr. Lee, a dentist, was also a noted inventor, but his greatest passion was improving the nation's health by providing high-quality, whole food supplements and educating others about nutrition. The company moved to Palmyra in 1988 where it established farms and production facilities to grow and process nutritional whole food supplements.

PROGRAM OBJECTIVES

In 1997, Standard Process started its wellness efforts with basic walking and physical fitness programs, and by supplying employees with literature regarding health improvement. In 1999, it built an on-site fitness center, which has since been expanded to meet increasing demand. In 2005 the company established three primary goals for its Health & Wellness Program:

1. Improve the overall health and wellness of employees
2. Control the rising trend of healthcare costs
3. Become a model program in the field of corporate wellness

The objectives of the program are:

- Maximize the level of health education
- Maximize the level of physical fitness
- Minimize the level of employee stress
- Provide comprehensive on-site chiropractic care
- Maximize the level of nutritional care
- Eliminate employee use of tobacco products
- Demonstrate the long-term effectiveness of its program

In terms of becoming a model program, the company established three objectives:

- Accomplish 100 percent company-wide acceptance of the program
- Achieve various wellness recognitions and awards
- Become an influential wellness partner in the community and schools.

Standard Process' program success is defined by a commitment from ownership and top management. The company believes employee education is the key element that ties all wellness efforts together.

HEALTH PLAN DESIGN AND COST CONTAINMENT

Standard Process offers an outstanding health insurance package, including a PPO with access to almost all of the major health care systems in Wisconsin, and out-of-network options with different co-pay, deductible and out-of-pocket maximum structures. In addition, premium differentials have been established for employees and dependent family members who use tobacco, in an effort to decrease the risk factors associated with tobacco use.

FITNESS

The Standard Process fitness program is preventive, proactive and employs incentives and challenges. The on-site fitness center is open to employees and spouses, and is utilized extensively. While the manufacturing component of the company creates unique challenges in terms of providing flexibility, the company employs flexible work hours where possible to increase utilization.

THE WELLNESS CHALLENGE

The Wellness Challenge is a unique program that challenges employees to complete a rigorous 3-phase program of physical fitness, education and on-site preventive assessments. About 30 percent of employees have successfully completed the challenge, with more enrolling every year. The company also has a 'Be Active' program, which is based on a point system that tracks physical fitness activities. A variety of physical activities such as biking, golfing, skiing, and yoga are eligible.

INCENTIVES

The Wellness Challenge provides three levels of incentives: \$250, \$500 and \$750, grossed-up to compensate for tax liability. A point system is used to measure achievement and eligibility for

the incentive levels. In addition to cash incentives, the company offers gift cards to reward ongoing participation in its wellness programs.

A CHIROPRACTIC CARE MODEL

Standard Process uses a chiropractic care model as the cornerstone for its wellness program. Chiropractic care treats the whole body as a dynamic, self-regulating, and self-healing entity. Central to this philosophy is the emphasis placed on nutritional education, counseling, and whole food supplementation. The company has developed a health and wellness Standard of Care to ensure that the highest quality of care is provided. Two on-site chiropractors and a nutritional counselor conduct annual health screenings with the assistance of a regional health care system. Approximately 90 percent of employees and many of their spouses participate in the free health screenings. The chiropractors and nutritional counselor offer chiropractic adjustments and nutritional recommendations, referring out to medical doctors where necessary. Going forward, the company's goal is to expand the chiropractic program to include all family members covered by insurance.

COST CONTAINMENT

Standard Process closely monitors all risk factors including body mass index, triglyceride levels, blood pressure and cholesterol levels for health screening participants and non-participants. The metrics indicate a marked difference in the cost of care between those who participate in wellness



programming at the highest levels and those who participate at lower levels or not at all.

NUTRITION

An onsite nutritional counselor works with employees to ensure they are meeting all their nutritional and dietary needs. The company has made a commitment to good nutritional habits exemplified by removing soda from machines and replacing it with organic juices and drinks. Vending machines are stocked with healthy sandwiches, sides and snacks.



EDUCATION

The company sponsors about 18 educational programs annually. Program content includes nutrition, fitness, stress reduction, whole food supplementation, disease prevention and health and wellness related topics.

OTHER PROGRAMS

Smoking Cessation. The company offers smoking cessation programs for employees and spouses.

On-Site Child Care. In 2003, Standard Process opened Vita Kids Learning Center to ensure that their employees had access to safe, nurturing, educational, and affordable child care in proximity to the workplace. The center is managed by a leading provider of corporate child care solutions.

Stress Reduction. Standard Process employs a number of stress reduction strategies including onsite massage therapy, yoga classes, a relaxation room and limited flexible scheduling options.

Employee Assistance Program (EAP). Legal, financial, work related and mental health resources are provided to all employees through a leading provider of EAP services.

OUTREACH TO OTHER EMPLOYERS

In pursuit of its goal to develop an industry standard that can be emulated by others, Standard Process welcomes opportunities to meet with other Wisconsin companies to share programming ideas, strategies, successes and challenges developed and experienced during the establishment of their program.

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 wellbeing.*
- *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.*