

# Best Practices

## INNOVATIVE HEALTHCARE SOLUTIONS: WEBCRAFTERS INCORPORATED



The image shows the Webcrafters Inc. logo, which features the company name in a cursive script and the letters 'I N C.' in a sans-serif font, accompanied by four colored circles (red, yellow, blue, black). Below the logo is a stack of books, including one with a yellow spiral binding and the words 'RAND McNALLY' and 'Teach' visible.

**Location:** Madison, Wisconsin  
**Industry:** Book Manufacturer  
**Size:** 650 employees in Madison  
**Contact:** Judy Peirick, Vice President of Human Resources

### BACKGROUND

Webcrafters is a nationally recognized leader in 4-color printing and book manufacturing. Their primary clients are publishers in the elementary-high school, trade, higher education, religious, and catalog markets. They specialize in perfect, saddle-stitched, spiral wire, plastic coil spiral, and hard cover binding formats.

### WEBCRAFTERS' JOURNEY

Webcrafters was an early adopter in getting employees involved in managing their healthcare costs. In 1994 they started a voluntary health risk assessment (HRA) program, which included a questionnaire and biometrics with one-on-one feedback. While the HRA paid for itself through

early detection of serious medical problems, and yearly trending of HRA results showed participant improvement, participation was only about 20 percent. In 2004, after overall costs went up 20 percent and a small number of employees experienced significant utilization, Webcrafters conducted a comprehensive review of claims and HRA data. The result was the establishment of integrated strategies to manage costs.

### PROGRAM GOALS

Webcrafters established three key goals to improve the health status of its employees and reduce costs:

- Increase awareness of health issues by increasing participation in the HRA
- Increase prevention strategies to improve employees' health
- Increase management of care

### INCENTIVES

Webcrafters recognized the value of health risk assessments from its previous experience, but knew that a much higher level of participation was necessary. In 2004 they added a \$50 cash incentive for HRA participants, along with a drawing for free insurance. This raised participation to 74 percent. In 2006 they added premium discounts of \$20/\$40 per month for employee and spouse participation. As a result, HRA participation increased to 97 percent in 2007. Webcrafters continues to add components to the HRA. For instance, they now include a PSA test for male participants over 50.

### PLAN DESIGN

Webcrafters' current health plan includes a \$1,000/2,000 out-of-pocket maximum.

There is an emergency room co-pay to counter the problem of excessive use of emergency care. Preventive care services are covered at 100 percent. They have also made significant changes to their prescription drug plan to encourage the use of generics. Free medications are provided to employees who participate in a condition management program. Webcrafters retains a pharmacy benefits manager (PBM) to monitor and manage its prescription drug plan. The company is in the process of assessing a Consumer Driven Health Plan (CDHP) with a Health Reimbursement Account (HRA) option. At this time they are gathering information to educate employees on the benefits of this plan, should they roll it out.

### ***COORDINATED CARE MANAGEMENT***

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A cornerstone of Webcrafters' strategy is the development of a coordinated care management program. The basis for the program is the health risk assessment. This information is fed to their consultant, Bowers & Associates, who also monitors medication utilization and claims data. Bowers & Associates provides one-on-one health coaching, condition/disease management or referral to the company sponsored EAP, as appropriate. Webcrafters encourages employees to share their results with their primary care physician.

### ***HEALTHY WORKFORCE 2010 PROGRAM<sup>1</sup>***

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Webcrafters has utilized the Healthy Workforce 2010 program from Partnership for Prevention, an initiative of the U.S. Department of Health and Human Services, as a guideline for its wellness initiatives. Key components of this program include:

1. Reduce tobacco use by adults
2. Reduce the cost of lost productivity in the workplace due to alcohol and drug use
3. Increase the proportion of adults who participate regularly in moderate physical activity
4. Increase the proportion of adults who are at a healthy weight
5. Reduce deaths from work related injuries

6. Reduce work related injuries resulting in medical treatment, lost time from work or restricted work activity
7. Increase the proportion of persons with health insurance
8. Increase the proportion of insured persons with coverage for clinical preventative services

Webcrafters has implemented a number of the Healthy Workforce programs, which are budgeted for and run by the company's wellness committee. These include:

#### ***Weight Loss***

"Lighten Up" is a program that combines competition, support and prizes. Weight loss teams were established with weigh-ins (the entire team at once) on the company's shipping scale. A total of 94 participants lost 644 pounds.



#### ***Improving diet***

Webcrafters has increased healthy options in its vending machines and at company-sponsored events. A wellness newsletter ("Lighten Up") is distributed to participants of the program and contains healthy recipes. In addition, a company-wide newsletter includes dietary information included under general wellness tips. Every employee receives a copy of this newsletter. Webcrafters promotes the purchase of vegetables and fruits purchased via community-based agriculture.

#### ***Increasing Exercise***

Webcrafters has initiated a number of programs to improve the fitness of its employees. The company has installed a fitness facility at its main plant

using donated equipment, and has offered lunch-time exercise classes. The company has set up a number of events and challenges including Spring Training, Governor's Summer Challenge, and onsite fitness assessments, with awards and incentives offered to participants.

### **Smoking Cessation**

Webcrafters offers onsite smoking cessation programs during work hours. Medications are provided at the low copay. Smokers must either become tobacco free or participate in a cessation program to qualify for premium discounts in 2009.

### **Safety program**

Webcrafters management believes safety is an integral part of the strategy to improve employees' health. The company's stellar safety record has been augmented with body mechanics training, ergonomics and a focus on musculoskeletal injury prevention.

Employee education is a key to making the program work. In addition to an employee "Lighten Up" newsletter, focusing on wellness and nutrition, workshops on subjects like "How to Talk to Your Healthcare Provider" are being developed. Employees are made aware of website resources such as Web MD. Substantial discounts are offered on self care books, as well as on pedometers. And importantly, employee meetings are held to raise awareness of the true cost of providing the healthcare benefit.

### **RESULTS**

Webcrafters has experienced impressive results from its healthcare and wellness strategies including:

- 97 percent participation in HRAs
- High participation and a number of "quitters" in the smoking cessation programs
- Excellent control of prescription drug costs
- The combination of medical and wellness costs (on a per member per month basis) has risen only a total of about 5 percent from 2004 to 2007

### **NEXT STEPS**

While Webcrafters' initiatives have reaped

positive results, the company continues to find new ways to reach its goals, including exploring the following:

- A tobacco free campus
- An High Deductible Health Plan (HDHP)
- Continued education on quality and cost of healthcare
- Continued wellness initiatives

### **LESSONS LEARNED/RESOURCES**

The Webcrafters' experience clearly points to employee education and incentives as keystones of success. In addition, the Webcrafters' experience shows that wellness and other programs can be accomplished on a very limited budget. For instance, most of its fitness equipment was donated by employees. Webcrafters points to the resources available through groups like the Employer Health Care Alliance Cooperative, a Madison-based healthcare purchaser's coalition, the Wellness Council of America (WELCOA-see their Healthy Workforce 2010 Sourcebook) and the Partnership for Prevention.

### **REFERENCES:**

#### **<sup>1</sup>Partnership for Prevention**

1233 20th Street, NW, Suite 200  
Washington, DC 20036-2362  
Phone: 202-833-0009  
[www.prevent.org](http://www.prevent.org)

#### **WELCOA (Wellness Council of America)**

1442 North Farwell Ave. Suite 300  
Milwaukee, WI 53202  
Phone: 414-291-9355  
Fax: 414-224-0243  
[www.wellnesscouncilwi.org](http://www.wellnesscouncilwi.org)

#### **(WELCOA) Healthy Workforce 2010 Sourcebook**

[http://www.welcoa.org/freeresources/pdf/Healthy\\_Workforce\\_2010.pdf](http://www.welcoa.org/freeresources/pdf/Healthy_Workforce_2010.pdf)

#### **Employer Health Care Alliance Cooperative**

37 Kessel Court, Suite 201, Madison, WI 53711  
Phone: 608-276-6620  
Fax: 608-276-6626

For more information contact Mike Shoys at WMC:  
608-258-3400 or [mshoys@wmc.org](mailto: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.*