

Best Practices

INNOVATIVE HEALTHCARE SOLUTIONS: CHURCH MUTUAL INSURANCE



Company: Church Mutual Insurance Company
Location: Merrill, Wisconsin
Industry: Insurance
Size: 639 home office employees and 228 field office employees in various locations around the U.S.
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BACKGROUND

Church Mutual is the leading insurer of worship centers and related institutions in the United States. They provide property, liability, workers' compensation and commercial automobile insurance to more than 100,000 houses of worship, denominational offices, schools, camps, and senior living facilities.

Church Mutual was founded on March 4, 1897, by two Lutheran pastors and eight laymen from two Merrill congregations. The company's first policy was written on June 3 of that year.

For 112 years, Church Mutual has specialized in insurance for religious organizations. Our market also includes religious related schools, camps, denominational offices, and senior living facilities. Our customers now number more than 100,000 religious institutions of all denominations and about 10,000 homeowners/tenants (mostly clergy).

Church Mutual markets most lines of commercial property and liability insurance, including multiple-peril, workers' compensation, and commercial auto insurance. We do not offer life or health insurance.

HEALTH PLAN DESIGN

Church Mutual provides a fully-insured HMO plan and indemnity plan for its home office employees and a fully-insured indemnity plan for its field employees through Security Health Plan. The indemnity options offer the choice of a high and a low deductible amount. Access to physicians for all plans is provided through Security Health Plan.

OBJECTIVES

Church Mutual's primary objective is to control its cost of healthcare by improving employee wellness. The company has experienced the ongoing cycle of healthcare costs being transferred between employer and employee by altering copays and deductibles, and is trying to break that cycle by getting to the source of the problem: employee utilization of services.

PHILOSOPHY/APPROACH

Church Mutual believes it will improve its business and community in a number of ways by improving the health status of employees. Certainly, controlling the cost of health insurance is one key objective. However, management also

sees many other benefits, some of which are more easily measured including:

- Reducing absenteeism/increasing attendance
- Setting an example for others and sharing successes with the community
- Being viewed as an employer of choice in north central Wisconsin
- Affecting employees' wellness and that of extended family

COMPONENTS OF THE PLAN

Improved Nutrition

The company cafeteria, operated by a contract caterer, offers a variety of nutritional and heart-healthy options along with periodic company subsidized promotions to encourage healthy eating habits. The caterer is required to use high quality ingredients in all preparation. Employees are encouraged to stay in the building for lunch where these nutritional meals are served. Church Mutual recently interviewed vending machine companies to identify the company that was best able to provide healthy options in its machines. The company's goal is to have at least one third of the vending machine products be healthy choices such as low-fat milk, fruit and vegetable juice, water, tea, yogurt and low-cal snacks.

Weight Loss Program

In 2008, Church Mutual launched a weight loss initiative. Employees can participate in an eight-week program as individuals or a team.



Objectives are based on a percent of weight lost, not an absolute number of pounds lost. Incentives such as free fruit and a company water bottle are provided to participants. Prizes are given to individuals and teams who achieve the highest percentage of loss.

Fitness Center

The company offers employees free access to a fully-equipped onsite fitness center. Employees may use this center seven days-a-week and may use the company's flexible work schedule to visit the fitness center during the workday. A personal trainer is available to work with employees to establish personal training objectives and regimens.

Health Fair

The company sponsors an annual onsite Health Fair. Employees are encouraged to participate in full-panel blood screening and registered nurses follow up with individual employees. Where appropriate, results are released to the employee's physician. The company has 75% employee participation in its health fairs.

Flu Clinic

An annual flu clinic is provided for employees and spouses featuring onsite flu shots covered under the employees insurance wellness benefit and tips for staying healthy during flu season.

Tobacco Cessation

A tobacco cessation program is offered to employees, which includes education, group support sessions and company-paid anti-smoking medications.

Women's Health

In 2007 Church Mutual rolled out a program to encourage employees, or their female spouse, over 40, to have regular mammograms. During a six-week period in the fall, company employees were given paid time off during regular working hours for mammograms. Eligible participants received a reduction in their healthcare premiums as an additional incentive. Nearly 75% of employees or their spouses have had mammograms in the past two years.

Education

Church Mutual invites outside experts to educate employees on various health-related subjects like nutrition and smoking, believing this extra step makes their program unique. Management provides the opportunity for employees to discuss issues facing them, and this dictates the experts and their topics. Employees receive help with any problems, with full consideration of employee confidentiality. Outside experts are provided by Security Insurance, Marshfield Clinic, Good Samaritan Hospital and other local providers.

Case Management

Through the Health Fair and other means, the company identifies higher risk employees, such as those with diabetes, asthma or heart disease, providing education to these employees. Medication usage is monitored by the insurer to make sure employees are maintaining their recommended program.

Occupational Nurse

One of the most difficult challenges facing employers is the integration of initiatives into a coordinated and mutually-supportive program. In 2008, Church Mutual has budgeted to hire a part-time occupational nurse to integrate services. For instance, the nurse identifies employees with diabetes and then works with the fitness center, the cafeteria and the medical case managers to ensure these employees have a coordinated program of support from the company. The nurse will also be involved in making sure the programs offered by the company are practical, sensitive to employee needs and engage all employees. The nurse also works on repetitive motion, return to work and other initiatives.

EAP

A free Employee Assistance Program (EAP), provided by NEAS, is offered to all employees. Employees can access EAP professional counselors on a completely confidential basis on a wide variety of life situations. NEAS Speakers also participate in all-employee events. Articles on a variety of issues are archived on the company intranet. Company management believes the EAP improves work attendance and employee engagement.

Return on Investment

The company believes its wellness initiatives will have a positive effect on healthcare costs over the next 3-5 years, however the benefits are hard to measure. Management looks closely at specific “cost segments” such as diabetes patients, where they believe they will be able to achieve cost reduction. Overall, management believes the initiatives are truly the “right things to do” and that employee participation itself is a measure of success. The company also expects measurable improvement in attendance and productivity as well as positively influencing Workers Compensation claim frequency.

Work in the Community

Church Mutual recognizes that it is fortunate to have the resources to provide these programs to employees, a benefit that not every employer can afford. To help other employers, the company participates in a monthly forum sponsored by Good Samaritan Hospital to share program ideas and best practices. In addition, the company participates in a Marshfield Clinic program that brings together some of the area’s large employers to develop a “Healthy Lifestyles Toolkit” for use by other companies. The toolkit is essentially a best practices manual that helps employers get started on weight loss, 10,000 steps and other programs.



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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.*