

Best Practices

INNOVATIVE HEALTHCARE SOLUTIONS: HIGHSMITH® INCORPORATED

Highsmith®
Reach Every Reader



Location: Fort Atkinson, Wisconsin
Industry: Distributor of library furniture, equipment and supplies
Size: 200 employees in Wisconsin, plus field sales staff throughout U.S.
Contact: Sharon Rateike

BACKGROUND

Founded in 1956, Highsmith is a catalog marketer of supplies, furniture and equipment to school libraries, schools, public, academic and special libraries throughout the U.S. and abroad. The company develops and distributes over 25,000 products through more than a dozen specialty catalogs and a direct sales force located strategically throughout the country.

In 1989, Highsmith was facing a 53% increase in health insurance costs. The company took decisive action to control these increases by implementing a creative and aggressive initiative of positive choices at home and at the work place. Today, the

centerpiece of this initiative is employee learning and development focusing on five key areas:

- Job/Career Development
- Work/Life Enrichment
- Personal Well-being
- Self-care
- Physical Well-being

VISION

Highsmith sought to create an environment of positive choices where employees can make actionable decisions about their growth in support of company goals. The Highsmith philosophy is to engage employees in their jobs, emphasize learning and development and provide tools to balance work/life responsibilities. These efforts, along with wellness planning, positively impact productivity, safety, health insurance claims and employee turnover rates.

HEALTH PLAN DESIGN

Highsmith offers a single-option plan administered by Unity Plan Insurance Corporation. (There is not currently an High Deductible Health Plan (HDHP) option.) The Unity plan offers a wide provider network and a three-tier drug plan with deep discounts given to prescriptions that treat chronic diseases such as hypertension, diabetes, depression, asthma, etc. Unity monitors claim activity, providing feedback to Highsmith so courses and education campaigns can be targeted to illnesses and conditions of high incidence and/or cost.

PROGRAM COMPONENTS

Highsmith offers a series of onsite courses to employees throughout the year. A course catalog is provided at the beginning of each

year, and employees have the opportunity to sign up for courses in the five areas listed above. Course instructors come from a wide variety of backgrounds. In addition to educational opportunities, Highsmith sponsors a number of wellness initiatives for its employees (and in many cases, spouses and family members), including:

- Monthly blood pressure checks
- Annual health screening
- Biannual health check for employees
- Flu shots
- Stroke screening, skin screening, etc.
- Walking programs (employees can use the on-site walking path during lunches and breaks)
- After-work exercise classes (open to spouses and dependents)



At the annual health screening, offered every May, employees go through several different biometric tests, including a submax treadmill test. After completion of biometric testing, employees meet one-on-one with Unity Health Educators, NEAS Life Coaches and the Highsmith Health Education Specialist to review their overall results and discuss goals for the future.

In 2007, Highsmith started an initiative that allowed Unity to follow up with their higher-risk employees — those that had three or more risk factors for cardiovascular disease. Unity Health Educators contact these individuals and provide customized plans to modify their risk factors.

Ergonomics are an important part of Highsmith culture. Every new office employee receives an evaluation at their workstation, including assessment of monitor height, customization of desk height, chair lumbar adjustment, etc. Customized stretching programs are created for office and warehouse teams. New employees meet with the Health Education Specialist to go over stretching techniques and guidelines.

In 2008, Highsmith will be introducing a dependent health screening program. This screening will include a cardiorespiratory fitness assessment specific to children, blood pressure check, BMI, waist circumference, weight, height and other biometric testing already included in their annual health screening.

Each year, the Highsmith Wellness Department offers two to three wellness challenges aimed at an employees' physical and mental well-being. These challenges are based on the six dimensions of wellness — physical, social, intellectual, spiritual, environmental and emotional wellness. Employees are challenged to improve their exercise habits by utilizing the onsite walking path, practice stress reduction techniques, change or improve their nutritional habits or read while on break. They are provided with a wealth of information that helps them to improve each area included in the dimensions of wellness.

INCENTIVES

Highsmith provides a substantial optional monetary incentive for employees on their health insurance premiums. In order for employees to qualify, they have to meet four criteria. First, they must carry Unity Insurance. Second, they must participate in the annual health screening. Third, they must be completely free of all tobacco products. Finally, they must complete an age-specific physical exam. Employees who meet these criteria share the cost of their health insurance premium as a 75/25 split between employer and employee. Those who do not meet the criteria share on a 60/40 basis.

COMMUNICATIONS

Highsmith employees have access to the company Intranet, which features a wide range of materials from benefits to information on important wellness topics to links on useful websites.

BENEFITS

Highsmith offers a benefit structure that supports the company's comprehensive initiative, including:

- Flex scheduling (for taking classes during the work day)
- Free time (this includes sick time, mental health days, vacation days)
- Lifetime learning opportunities with an annual monetary stipend for approved courses
- 24/7 access to Employee Assistance Program (EAP)
- Dependent and elder care resources
- Legal and financial services
- Flex spending accounts (Section 125 plan)

RESULTS

While Highsmith does not calculate an ROI, the company's healthcare cost increases have been held well below the average increases experienced by other Wisconsin companies. Results that Highsmith has seen from its Wellness Initiative is a 66% decrease in high-risk cholesterol levels, a 36% decrease in high blood pressure levels, a 72% decrease in high-risk VO2 levels and 83% of employees with normal blood glucose levels. The cost for the Highsmith Wellness Initiative is about \$180 per employee per year.



LESSONS LEARNED

The Highsmith Wellness Department has been going strong for 18 years. Over the course of this time, several important lessons have been learned:

- Employees need to understand the factors influencing health and well-being, and employers must create a culture that promotes and encourages healthy lifestyle choices while engaging employees.
- An employer can and should remove the stigma associated with mental health in the workplace.
- Monetary incentives tied to health insurance premiums are extremely effective in promoting healthy behaviors.
- The words *wellness* and *program* are limiting. Consider broadening the concept of wellness to a comprehensive approach, which encourages employee development, integrating that concept into the business strategy.
- Companies must continuously assess, improve, nurture, take risks and pay attention to details.
- Success requires a vision, a strategy to achieve it, and a marketing plan to implement the strategy. Employees must be interested, connected and engaged.
- An employer should consider the total cost of wellness efforts per employee as it relates to a ratio of sales, payroll and healthcare costs. Comprehensive initiatives *are* possible with the limited resources of a small company.
- An employer should implement a long-term strategy to develop a culture and leadership supporting the research that indicates a healthy employee is a happy employee.

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.*