The Consumer Health Mindset

Views, Behaviors, and Solutions
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Contents

1  About This Survey
2  Executive Summary
9  Survey Findings: What’s on Consumers’ Minds
50  Call to Action
51  Participant Profile
55  Appendix
About This Survey

Aon Hewitt partnered with the National Business Group on Health (The Business Group) and The Futures Company to conduct our annual consumer health care study. This study explores perspectives, attitudes, and behaviors that employees and dependents hold toward the current and changing health care landscape and can be correlated with employers’ efforts to promote health and productivity within their workforces.

The study also investigates consumers’ unique motivators and barriers to health engagement based on The Futures Company’s LIVING Well® segmentation approach. The segmentation analysis measures behavioral and attitudinal differences using six unique profile groups. This report highlights key differences among the segments.

The Futures Company conducted this survey online within the United States on behalf of Aon Hewitt and The Business Group during May 2011. This year, 3,021 consumers (combination of employees and dependents) ages 23 to 65, who participate in an employer-sponsored health plan with at least 1,000 employees, completed the survey. These consumers represent a broad spectrum of employer industries and sizes.

This report summarizes the views, behaviors, and experiences of employees and dependents as they interact with their employer-sponsored health plans.

Throughout this report, we refer to these consumers as respondents, employees and dependents, and plan participants.

Collectively, these consumers offer important and timely perspectives about health care consumerism. They provide employers with new insights into what consumers are doing and thinking when it comes to their health, eliminating some of the guesswork for employers when it comes to plan designs, incentive models, and communication messaging and marketing. This report provides employers with valuable insights that can help you plan and prioritize where and how to focus your resources to improve the health of your people—and your business.

Note: Not all charts add to 100% due to rounding and/or multiple responses selected.
Executive Summary

Something Has Got to Change

For the past year, many employers have been focused on the implications of health care reform and have taken a cautious “wait-and-see” approach to health improvement and cost management decisions. But a year into reform, and in the midst of a lagging economy, only one thing is clear: Employers can’t afford to wait any longer. You must take action to manage rising health care costs now, while developing sustainable, affordable strategies that will drive improved health and productivity into the future.1

And you can’t do it alone. To be successful, your employees and dependents (the “consumers”) must be actively engaged with you in improving their health behaviors and outcomes. The good news is they know this. The bad news is that even in strong economic times, health takes a back seat to other priorities in most consumers’ lives. So, in a climate filled with job insecurity and financial stress and strain, it’s even more challenging—and possibly even more important—for employers to engage and empower consumers to make positive changes and choices related to their health. Without activating change, consumers’ health and pocketbooks—and your organization’s productivity and bottom line—are sure to take a hit.

What do you do next? Behavior change ultimately starts and ends with the consumer, so why not start there yourself? Understanding who consumers are in your organization, from a demographic, behavioral, and attitudinal perspective, can help you focus and refine your health and wellness strategies to be more relevant, effective, and engaging.

This study will help you get there. The purpose of this survey is to give employers insight into the hearts, minds, and voices of real health care consumers across the U.S.: their unique health attitudes, motivators, and barriers, as well as their take on some of the most common and emerging employer health and wellness strategies. It won’t fill the need to have real data on your population, but it will help you see how important—and how possible—it is to use consumer data and insights to fine-tune and focus your own health and wellness strategies to drive greater engagement, and in turn, greater results.

“For all stakeholders involved in paying for health care and feeling the impact of Americans’ health, there is a mental shift from concern about the state of health—which has existed for a number of years—to a sense of urgency. Something has got to change. The system simply cannot support the status quo long term. Consumers know where they place the blame—on themselves. When asked what factors have driven up the cost of health care in the United States, 53% point to ‘individuals not taking care of themselves,’ while 52% cite a rise in obesity.”

The Futures Company, Health 3.0

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Building a Win-Win Strategy for Change

In or out? Left or right? Up or down? Whether your organization is planning to continue offering health benefits for the foreseeable future—or if you’re planning to exit the game as soon as possible—it’s important to have an articulated health and wellness strategy that addresses each of these four areas:

- Design with Intent;
- Reduce unnecessary expense;
- Engage employees and dependents in managing their health; and
- Improve health and workforce performance.

As our study reveals, consumers have a lot to say, and employers have a lot to learn, about how to positively affect change in all four of these strategic areas. We’ve summarized and sorted consumers’ responses to various topics within these four strategic areas, and come away with four loud and clear messages to employers:

**Design with Intent**

“Make It Easy”

**Reduce Unnecessary Expense**

“Make It Personal”

**Engage Participants**

“Make It Move Me”

**Improve Health & Workforce Performance**

“Make It Meaningful”

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Survey Findings at a Glance

Here’s a quick summary of what you’ll learn as you dig deeper into this report:

### “Make It Easy”

#### What Consumers Say
- “I enrolled in a CDHP for the savings I get now, not in the future.”
- “Being in a CDHP has changed my health behaviors—most for the better, a few for the worse.”
- “The account feature of a CDHP is confusing to me.”
- “I will probably stay in a CDHP-type plan.”

#### What Employers Can Do
- Simplify Your Plan Designs
- Get the Right People into the Right Plans (and Keep Them There!)
- Make the Plan’s Advantages and Actions Insultingly Clear

#### Design with Intent

Employers still offer an array of benefit plan designs, including HMOs, PPOs, EPOs, and ACOs. Many employers are also implementing Consumer Driven Health Plan (CDHP) designs to help control cost and engage consumers in taking more responsibility for their health and health care decisions. Yet, participation in CDHPs offered as a plan option is lower than expected. Consumers are willing to try these often complex and confusing plans if the price is right and they believe they know how to best use them. To realize the full potential of a CDHP, employers must make these plans much easier for consumers to understand and use appropriately.

### “Make It Personal”

#### What Consumers Say
- “Help me lower my costs while I’m trying to get and stay healthy.”
- “If you want me to get healthier, show me the money.”
- “I don’t know enough when it comes to buying healthcare, but I do watch what I spend on it.”
- “I want a personalized health plan that is tailored just for me.”

#### What Employers Can Do
- Personalize Health and Cost Information
- Make Succinct Information Available at the Point of Need
- Guide Consumers to Smart Choices in Both Quality and Cost-Effectiveness

#### Reduce Unnecessary Expense

Consumers are worried about health care affordability. They want to save money without sacrificing their own or their families’ health. Cost, treatment, and provider decisions are highly personal and emotional. To drive the “right” behaviors, employers must move beyond communication to a “marketing” model that highlights more than just the numbers.
“Make It Move Me”

**What Consumers Say**
“Sure, I could make some changes, but my health is pretty good.”
“I know what it takes to be healthier.”
“Time, money, and my unwillingness to change get in the way.”
“If anyone can move me, it’s my doctor.”

**What Employers Can Do**
Carefully Choose Your Messenger
Reposition Incentives to Motivate Behavior Change
Use Health and Attitudinal Data to More Precisely Target Key Populations

Consumers don’t see their health as being that big of a problem—but that’s only the first and maybe the easiest barrier to overcome. Consumers say lack of time, money, and an unwillingness to make sacrifices are getting in the way of real change. Employers will make progress by creating a targeted outreach communication plan that reaches key populations among their employees and dependents.

“Make It Meaningful”

**What Consumers Say**
“My work stresses me out more than any other part of my life.”
“I do my best to deal with stress, but can use more help from my employer.”
“My employer offers health programs, but I’m not sure they’re worth my time.”
“My employer is not very supportive when it comes to helping me stay healthy.”

**What Employers Can Do**
Start at the Top
Connect Better Health to Better Performance
Identify and Minimize Stress Sources

Consumers don’t really see their employers as being supportive of their health, and many are not aware of employer-sponsored health programs available to them. There appears to be a disconnect between what employers offer and what plan participants (both employees and dependents) perceive is offered, and whether those programs really help them. Workplace stress may be a factor causing the disconnection between the “talk” of a culture of health and the “walk” of the day-to-day work environment. Employers need to bridge the gap by proactively starting at the top and destigmatizing emotional and mental health.
Attitudinal Segmentation: A Deeper Dive into the Minds of Consumers

Behavior change is complex. And so are consumers. Understanding only one singular consumer mindset, and having only one set of one-size-fits-all behavior change solutions won’t take you any farther down the path to real, lasting behavior change than you are today. That’s where The Futures Company and their LIVING Well attitudinal segmentation model comes in.

In this year’s survey, we asked consumers to answer a series of questions, designed by The Futures Company, to probe deeper into their health and wellness attitudes and behaviors. Based on their answers, each respondent was assigned to one of six LIVING Well attitudinal segments. Each of these segments represents a distinct group of consumers within the U.S. population who share a unique set of motivations, behaviors, and attitudes toward health and wellness. Throughout the report, we highlight the similarities and differences between consumers in each segment and what it takes to engage them.

Although the distribution of consumers across the six LIVING Well segments will be unique to each employer, the insights in this study help underscore the need—and possibilities—for more precise targeting of health and wellness messages, programs, incentives, and communication strategies. By learning how your specific population breaks out by segment, you’ll be able to develop truly targeted health and wellness strategies that speak to the unique needs of your population.

To get more detail about the segmentation process and each of the six segments, see the Appendix, but here are brief descriptions to get you started:

**Leading the Way**

I am...
- Prioritizing health over most everything else
- More likely to feel in control of my health and taking steps to live a healthier life
- Open to many kinds of employer wellness programs and don’t always need an incentive to participate
- More likely to know which employer programs are offered, and use them
- More likely to be planning for my future health and finances

**In It For Fun**

I am...
- Interested in making smart health choices and highly motivated
- Interested in competitive elements of health and wellness initiatives
- Open to some employer wellness programs and don’t always need an incentive to participate
- Interested in wellness tools I can use on my own
- Less interested in stress management programs because I believe I can handle it on my own

**Value Independence**

I am...
- Less likely to feel in control of my health or see a reason to make it a priority
- Less likely to take advantage of employer health programs
- More likely to suffer from stress at work and feel unsupported by my employer
- Less likely to be planning for my future health and finances
I Need a Plan

I am...
- More likely to suffer from many chronic conditions and I can’t be as healthy as I’d like to be
- More likely to be held back by obesity
- More influenced by health information from a doctor, taking prescriptions and getting preventive care
- Particularly interested in health risk assessment and coaching initiatives

Not Right Now

I am...
- Interested in making smart health choices, but juggling other priorities
- Interested in wellness tools and stress management programs, especially to help alleviate stress at work
- Most motivated by cash incentives
- Driven by success and social activity

Get Through the Day

I am...
- Likely to be in poor health and open to health information from my employer
- Less empowered to make changes on my own
- Tend to struggle with affordability of smart health choices and general life expenses, spending thousands a year on health care
- Open to participating in employer wellness and stress management programs, including an employee assistance program
Survey Findings:

What’s on Consumers’ Minds:
“Make it Easy”

Faced with unsustainable health care cost trends and unavoidable health care reform changes, employers are introducing (or in some cases, resurrecting) plan, program and incentive designs that require their health plan members to take more responsibility for managing their health and related costs. CDHPs, including high-deductible plans, are experiencing growth among employers as a plan choice or as the only plan design in full replacement situations.

Consumers are willing to try these plans if the price is right. However, these plans are not always driving them to make optimal health and financial decisions. Consumers find CDHPs challenging to understand and use, and want employers to “make it easy” when it comes to plan and program design. The good news is that the majority of employees enrolled in these plan types are generally satisfied and likely to re-enroll in them. Here’s what they said:

**Consumer Mindset Around Designing with Intent: “Make It Easy”**

“I enrolled in a CDHP for the savings I get now, not in the future.”

“Being in a CDHP has changed my health behaviors—most for the better, a few for the worse.”

“The account feature of a CDHP is confusing to me.”

“I will probably stay in a CDHP-type plan.”
“I enrolled in a CDHP for the savings I get now, not in the future.”

Regardless of which health plan consumers are in, three-fourths are worried about being able to afford health care costs—now and in the future. Given the overarching concern about affordability, it’s understandable that consumers have a “here and now” mentality when it comes to choosing a CDHP. Consumers cite lower premiums as the number one reason for enrolling in a CDHP, followed by employer contributions to an associated account—either a health savings account (HSA) or a health reimbursement account (HRA).

However, over one-third believe that a CDHP is the best deal for them since they don’t need much health care coverage. This finding indicates that some consumers do assess the type and amount of health care coverage they and their families require, and select CDHP-type plans based on their coverage needs.

My main reasons for enrolling in a CDHP are...

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower premium cost (e.g., lower payroll deductions each month)</td>
<td>63%</td>
</tr>
<tr>
<td>Employer contributes money to my account</td>
<td>39%</td>
</tr>
<tr>
<td>Best deal for me since I don’t need much health care</td>
<td>37%</td>
</tr>
</tbody>
</table>

Answers reflect rank 1 or 2
**Employer View: Employer Motivational Tactics**

Employers are on the right track when it comes to the tactics they are using to promote CDHPs with nearly half subsidizing premiums of these plans at a higher level than other options and contributing to a HSA (40%) or HRA (28%).

<table>
<thead>
<tr>
<th>Tactics Used to Promote CDHP Enrollment</th>
<th>Currently in Place</th>
<th>Adding in 2011</th>
<th>May Add in 3–5 Years</th>
<th>Not Interested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidize premiums at a higher level than other plan options</td>
<td>49%</td>
<td>10%</td>
<td>28%</td>
<td>12%</td>
</tr>
<tr>
<td>Employer contribution to HSA</td>
<td>40%</td>
<td>9%</td>
<td>26%</td>
<td>25%</td>
</tr>
<tr>
<td>Employer contribution to HRA</td>
<td>28%</td>
<td>15%</td>
<td>53%</td>
<td></td>
</tr>
<tr>
<td>Make the CDHP the default plan option</td>
<td>19%</td>
<td>6%</td>
<td>48%</td>
<td>27%</td>
</tr>
<tr>
<td>Target communications to certain participant groups</td>
<td>18%</td>
<td>10%</td>
<td>37%</td>
<td>35%</td>
</tr>
<tr>
<td>Employer match to HSA</td>
<td>6%</td>
<td>35%</td>
<td>57%</td>
<td></td>
</tr>
</tbody>
</table>

“Being in a CDHP has changed my health behaviors—most for the better, a few or the worse.”

CDHPs are having a mixed effect on health behaviors. About one-quarter (27%) of participants reported not engaging in any particular activity more often since being enrolled in a CDHP versus before being in this type of plan (i.e., did not change their behavior). These changes are reflected in the chart below. That leaves about three-quarters who have changed their behavior. The good news is most of the activities are positive behaviors that can potentially result in lower costs for plan participants as well as lower cost trend for employers. Almost one-half of CDHP participants said they got more preventive care and looked for lower cost options after enrolling in a CDHP (42% and 40%, respectively).

The challenge is that as CDHP participants face financial concerns and, in turn, are carefully watching their expenses, a sizeable number of consumers are sacrificing (35%) or postponing (28%) care to avoid out-of-pocket costs.

Almost one-half of CDHP participants said they got more preventive care and looked for lower cost options after enrolling in a CDHP (42% and 40%, respectively).

Since enrolling in a CDHP, I more often...
“The account feature of a CDHP is confusing to me.”

Almost three-fifths (58%) of survey respondents who have CDHP coverage have been enrolled in it for two years or less, indicating most consumers have had relatively little experience with these plan types. In addition, 70% of respondents have an HSA and 22% have an HRA type of account associated with their CDHP and are confused by the rules.

Although CDHP consumers realize the potential benefits of a CDHP, they are unsure how much they should contribute to their HSA, and therefore may not be optimizing the CDHP’s tax-saving opportunity. CDHP participants, regardless of account type (HSA or HRA) also struggle with trying to understand what should be paid out of account before being able to use it.

The biggest obstacles to managing my health account are...

- Deciding how much money to contribute to the account: 36%
- Understanding what should be paid out of my account versus what I have to pay out-of-pocket: 20%
- Having to wait until money is deposited before being able to use it: 18%
- Understanding how the account works: 15%

Answers reflect rank 1 or 2
“I will probably stay in a CDHP-type plan.”

Despite not fully understanding how the accounts associated with these plans work, most CDHP participants (83%) are satisfied with their plan. In addition, about three-quarters would voluntarily re-enroll and would probably or definitely recommend a CDHP to others (79% and 75%, respectively).
Employer View: Employers Offering CDHPs

These findings should be particularly good news for employers who currently offer, or are thinking of offering, a CDHP. Four-fifths of employers will have a CDHP option available to their employees in the next three to five years. Almost one-half either have or are considering CDHP as a full replacement.

Offer consumer-driven/high-deductible health plan as...

<table>
<thead>
<tr>
<th></th>
<th>Currently in Place</th>
<th>Adding in 2011</th>
<th>May Add in 3-5 Years</th>
<th>Not Interested</th>
</tr>
</thead>
<tbody>
<tr>
<td>A plan choice</td>
<td></td>
<td>46%</td>
<td>5%</td>
<td>29%</td>
</tr>
<tr>
<td>Full replacement</td>
<td>10%</td>
<td>35%</td>
<td>53%</td>
<td></td>
</tr>
</tbody>
</table>

What the LIVING Well Segments Tell Us About “Making It Easy”

All consumers can find health plans and programs confusing at times. But consumers in the various segments have different perspectives and energy levels when it comes to meeting this challenge.

Leading the Way are:
- More likely to contribute more to their HSA than others
- May need help understanding what a health account pays for and what it doesn’t
- Very engaged in getting the right level of coverage and understanding how CDHPs work

In It for Fun are:
- Most likely to earn employer contributions to their HSA/HRA
- Most in need of help understanding what a health account pays for and what it doesn’t

Value Independence are:
- Most likely to sign up for a CDHP
- More likely to contribute less to their HSA than their employers

I Need a Plan are:
- More likely to stick with a plan long term
- Most likely to contribute more money to their HSA than others
- Looking for the best coverage for the best value

Not Right Now are:
- In need of help deciding how much money to contribute
- In need of receiving their HSA/HRA employer contribution as soon as possible
- Looking for convenience

Get Through the Day are:
- In need of help deciding how much money to contribute
- Looking for savings

To learn more about attitudinal segmentation and these six LIVING Well segments, go to page 55.

Employers who have these attitudinal insights on their population will be able to tailor their designs, incentives, and marketing communication to their predominant segments to get better results.
How Employers Can “Make It Easy”

For employers to fully realize the behavior change and cost-saving potential of CDHP designs, you’ve got to make them easier for consumers to understand, choose, and use effectively. This is particularly important for plans with HSAs or HRAs, which often have complex account features that can confuse all but the most financially savvy consumers. Here are a few specific examples of what employers can do to “make it easy:”

- **Simplify Your Plan Designs:** Keep your approach to your CDHP design as straightforward and clear as possible. Consider testing your plan’s design features, and your communication of those features, with both employees and dependents. Because some CDHP participants are sacrificing and postponing care, you should also try to remove barriers for those who need care when they need it. Value-based designs inside the consumer plan are one option to explore. Another option is to deposit all the HSA or HRA employer contribution in employees’ accounts at the beginning of the year, so consumers have the comfort of knowing the money is there if they need it. Regardless of when the account is funded, make sure when consumers need care, they can quickly and easily find out where they stand on their deductible and out-of-pocket limits, and exactly how much is in their account.

- **Get the Right People into the Right Plans (and Keep Them There!):** As budgets tighten and health care costs continue to rise, employers are more often setting goals around the percentage of employees and dependents they want to enroll in certain health plans, particularly CDHPs. But all too often, communications don’t reflect or support any specific or targeted migration goals. They’re simply used as information delivery vehicles. Having specific goals creates a perfect opportunity to apply a targeted marketing approach to your communication efforts. Start by studying your plan participant data—particularly the attitudinal segments of your workforce—and identifying the consumer segments most likely to value and take advantage of the unique features your plan offers. In your communications, frame the plan’s advantages in a way that is more likely to appeal to your target segments. Once consumers are enrolled in a particular plan, don’t stop thinking and communicating like a marketer. Ensure that the day-to-day experience of using the plan “re-sells” its value and engages consumers in the appropriate health and financial behaviors for their situation.

- **Make the Plan’s Advantages and Features Insultingly Clear:** When you know the details of your health plans so well, it’s challenging to step back and remember your employees and their families live busy lives and are looking for clear, simple, succinct, and repetitive sound bites. When communicating about a plan, always start by articulating what’s in it for your target consumers—specifically, why they’ll get value from the plan’s key features. And when explaining how to use those features, be insultingly clear about the actions the consumer needs to take. Then repeat. And repeat again. People at all levels of the organization will appreciate the brevity (and the reminders!). If you’re not sure what the plan’s advantages are and what actions consumers need help taking, ask them what’s important to them and what’s confusing in focus groups or a quick survey.
“Make It Personal”

Cost sharing will likely continue to be a key tactic for employers looking to control health costs. However, this solution is reaching the point of diminishing returns. In addition to cost sharing, employers are doing much more to offer and promote programs that keep people healthy and encourage faster recovery from illnesses—which, in turn, saves everyone money.

At the same time, consumers are worried about being able to afford health care—not surprising in today’s economic environment. They want to save money, but without sacrificing their own or their families’ health. And while they sound rational on the surface, decisions about health care costs, providers, and treatments are highly personal and emotional. Bottom line, consumers want employers to “make it personal” when it comes to reducing expenses and managing costs. Here’s what they said:

**Consumer Mindset Around Reducing Unnecessary Expense: “Make It Personal”**

“Help me lower my costs while I’m trying to get and stay healthy.”

“If you want me to get healthier, show me the money.”

“I don’t know enough when it comes to buying health care, but I do watch what I spend on it.”

“I want a personalized plan that is tailored just for me.”
“Help me lower my costs while I’m trying to get and stay healthy.”

Affordability is a key concern, and three-quarters of plan participants want employers to help them find ways to reduce costs while they’re initially trying to get and stay healthy.

### My concern about health care affordability is...

<table>
<thead>
<tr>
<th>Very or Somewhat Concerned</th>
<th>Not Very Concerned</th>
</tr>
</thead>
<tbody>
<tr>
<td>73%</td>
<td>27%</td>
</tr>
</tbody>
</table>

### Employer View: Consumers Should Be Concerned

Have costs really gone up? Consider one data point. In 1996, the average single premium was $170 and average single deductible was $264, and by 2010 they had risen to $403 and $519 respectively. In addition, in 2011 53% of employers said they were going to increase deductibles and co-pays as a way to reduce their expenses.

### Employee Cost for Single Premium and Deductible

<table>
<thead>
<tr>
<th>Year</th>
<th>Single Premium</th>
<th>Single Deductible</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>$170</td>
<td>$264</td>
</tr>
<tr>
<td>2010</td>
<td>$403</td>
<td>$519</td>
</tr>
</tbody>
</table>

Source: Aon Hewitt Health Value Initiative™ Database
“If you want me to get healthier, show me the money.”

According to consumers, rewards motivate them to participate in employer-sponsored health programs. Over one-half of the survey participants prefer incentives—either cash or non-cash—with cash being most preferred to help motivate them to participate in health programs such as health risk questionnaires (HRQs), and wellness and condition management programs. About one-quarter would participate in these types of programs for “No Reason”—no incentive or penalty—simply because the advantages of participating are enough of a reward. Interestingly, participation for its own reward is more prevalent for condition management programs than for HRQs and wellness programs.

<table>
<thead>
<tr>
<th></th>
<th>Cash Incentive</th>
<th>Noncash Incentive</th>
<th>Penalty</th>
<th>No Reason</th>
<th>Would Not Do</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health risk questionnaires</td>
<td>39%</td>
<td>19%</td>
<td>11%</td>
<td>19%</td>
<td>8%</td>
</tr>
<tr>
<td>Wellness programs</td>
<td>38%</td>
<td>22%</td>
<td>9%</td>
<td>22%</td>
<td>8%</td>
</tr>
<tr>
<td>Condition management programs</td>
<td>30%</td>
<td>20%</td>
<td>11%</td>
<td>30%</td>
<td>11%</td>
</tr>
</tbody>
</table>
“I don’t know enough when it comes to buying health care, but I do watch what I spend on it.”

Consumers see themselves as knowledgeable as others when it comes to getting the best value in health services, yet they do not see themselves or others as being well informed. Part of the problem is that consumers seldom have health cost information at their fingertips and are often unsure how their coverage applies to specific services or how much they will have to pay out of pocket for a given service.

<table>
<thead>
<tr>
<th>My level of knowledge about getting health services for the best value is...</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>One of the most knowledgeable</td>
<td>4%</td>
</tr>
<tr>
<td>More than most</td>
<td>28%</td>
</tr>
<tr>
<td>Probably about the same as others</td>
<td>49%</td>
</tr>
<tr>
<td>Probably not as much as most others</td>
<td>13%</td>
</tr>
<tr>
<td>Don’t know much</td>
<td>6%</td>
</tr>
</tbody>
</table>
Although plan participants don’t have as much knowledge as they would like to help them become better health care consumers, they are monitoring what they spend when it comes to health care. When asked about how much their family spent out of pocket on health care, nearly all consumers (94%) were able to estimate how much they spent in 2010. Fewer than 10% said they spent more than $5,000 last year and almost 70% said they spent less than $2,500 out of pocket on health care services. Although consumers may not include certain expenses in their estimates, these results generally indicate that they may be getting better at estimating their health care spending.

![This is what I spent out of pocket for health care in 2010...](chart)

- Zero: 3%
- Below $1,000: 41%
- $1,001–$2,500: 26%
- $2,501–$5,000: 17%
- $5,001–$10,000: 6%
- More than $10,000: 3%
- Don't know: 6%
“I want a personalized health plan that is tailored just for me.”

Over the past year, consumers showed an increased preference for personalized plans—meaning recommendations on health actions they should take based on their current personal health data (e.g., responses to a health risk questionnaire or results to biometric screening) and cost-saving tips (e.g., how to save money on prescription drugs, out-of-pocket medical expenses, or preventive doctor visits).
Employer View: Helping Employees Manage Their Health and Costs

Employers are aggressively looking for ways to help employees better manage their health and cost. Over three-quarters of employers offer tools to raise participants’ awareness of their health status and risks, and about two-thirds target communications based on an individual’s specific health conditions as part of their efforts to help participants improve their health status and reduce expenses. Over the next three to five years, about one-half of employers are also considering the use of social media as part of their efforts.

<table>
<thead>
<tr>
<th>Employer Activities Used to Help Participants Manage Health and Cost</th>
<th>Currently in Place</th>
<th>Adding in 2011</th>
<th>May Add in 3–5 Years</th>
<th>Not Interested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offer tools to raise participant’s awareness of their health status and risks</td>
<td>66%</td>
<td>12%</td>
<td>19%</td>
<td></td>
</tr>
<tr>
<td>Target certain communications based on individual’s specific health condition</td>
<td>58%</td>
<td>13%</td>
<td>24%</td>
<td>5%</td>
</tr>
<tr>
<td>Target communication based on demographic information</td>
<td>23%</td>
<td>10%</td>
<td>44%</td>
<td>23%</td>
</tr>
<tr>
<td>Provide on-site preventative, primary, and urgent care services</td>
<td>19%</td>
<td>22%</td>
<td>56%</td>
<td></td>
</tr>
<tr>
<td>Use social media to reinforce smart health behaviors and actions with plan participants</td>
<td>5%</td>
<td>52%</td>
<td>38%</td>
<td></td>
</tr>
</tbody>
</table>

What the LIVING Well Segments Tell Us About “Making It Personal”

Consumers would like employers to make their approach to managing health and its costs as personalized to the individual as possible. It’s clear why. Across the segments, we see different levels of concern about costs, different preferences for incentives, and even different ideas about personalization.

**Leading the Way are:**
- Not as concerned about rising health care costs
- Feel secure in their ability to pay out of their pockets
- Highly self-motivated; least likely to require incentives
- Interested in personalized wellness websites

**In It for Fun are:**
- In good health so not concerned with costs
- Highly self-motivated; less likely to require incentives
- Interested in personalized health record tools

**Value Independence are:**
- Not as concerned about rising health care costs
- Likely to sacrifice coverage and care if costs are prohibitive
- Most interested in something crafted just for them
- Influenced by friends and family

**I Need a Plan are:**
- Struggling with health and costs, but don’t know where to start
- Most influenced by personal advice from their doctors
- Very open to getting personalized help from a coaching program

**Not Right Now are:**
- Most likely to be motivated by cash incentives
- Open to quick and easy health cost-saving tips

**Get Through the Day are:**
- Most likely to be concerned about rising health care costs
- More likely to prefer cash over other incentive types
- Least likely to respond to any incentives or penalties
- Most interested in a personalized health record tool

To learn more about attitudinal segmentation and these six LIVING Well segments, go to page 55.
How Employers Can “Make It Personal”

If employers want consumers to make different and better decisions about their health and the related costs, you’ve got to speak to the individual, not to the numbers. Recognize that individual consumers’ perspectives on health and money are unique and emotional (and not always rational). It is important to guide consumers to make changes and choices in a way that feels right for their individual lives and personal values. Here’s what employers can do to “make it personal:”

■ Personalize Health and Cost Information: To help consumers reduce the amount they’re spending on health care while maintaining good health, they want you to give them a personalized health plan that includes information like their individual health conditions, health risks, specific actions they should consider, and how to take those actions efficiently. One-size action plans don’t fit all. Supplement that plan with personal, just-in-time cost-saving tips and resources from trusted health sources, and tools for tracking their health progress. If you want to encourage consumers to choose more cost-effective providers, facilities, or treatments, show them the numbers. But do it in a personal way. For example, send them a personalized statement that shows the cost of a service with their current provider and the cost of that same service with several other lower-cost providers. Or show them a visual map of various health centers in their city (e.g., urgent care center or doctor’s office), and what a strep test cost at each. Whenever possible, use a variety of testimonials and real-life examples to help consumers see and feel that change is possible and positive.

■ Make Succinct Information Available at the Point of Need: Consumers want help getting quality care, when they need it, and for the best possible price. But many aren’t sure where to go for help, and quickly get frustrated if it takes too long or is too complicated. Employers can help by offering consumers tools and resources that quickly guide them to make smart, just-in-time choices. Rather than pour all your energy into compliance communication (e.g., what the plan participant can and cannot do within the plan, deductible levels for certain procedures), guide consumers to health coaches, participant advocates, calculator or modeler tools, and other “on-the-go” mobile decision-support resources. Make sure consumers can quickly find out what they need to know, ask, and do to get the best value from their coverage...at the doctor’s office, in the emergency room, or in the pharmacy line.

■ Guide Consumers to Smart Choices in Both Quality and Cost-Effectiveness: In consumers’ minds, there is often a belief that higher cost equals higher quality. Of course, this isn’t always the case when it comes to health care. If employers want consumers to make the best choices when it comes to managing their health and costs, you’ll need to help them navigate both the rational and emotional aspects of their quality and cost decisions. Don’t rely too heavily on logical explanations and number-crunching comparisons. Make it easy for consumers to get expert, objective quality and cost information about network providers, conditions, medications, and treatment options—and make it easy for them to socialize their choices by networking, sharing, and learning from the experiences and subjective opinions of other consumers. Social networking tools and testimonials can help address the social and emotional needs of the consumer and help real and lasting behavior change take root.
“Make It Move Me”

Getting employees engaged in their health—initially and for the long term—is critical to health improvement, but making it happen is a tough challenge for employers. It starts with the fact that most consumers perceive that they’re in pretty good health, but national health data tells us consumers may be overstating how healthy they really are. They know what they need to do to get and stay healthy, but barriers get in the way, and they’re not always listening to the messages that organizations are putting in front of them. They want employers to “make it move me” when it comes to engaging them in managing their health. Here’s what they said:

**Consumer Mindset Around Engaging Participants: “Make It Move Me”**

“Sure, I could make some changes, but my health is pretty good.”

“I know what it takes to be healthier.”

“Time, money, and my unwillingness to change get in the way.”

“If anyone can move me, it’s my doctor.”
“Sure, I could make some changes, but my health is pretty good.”

According to the Centers for Disease Control and Prevention, about one-third of U.S. adults (34%) are obese and approximately 17% (or 12.5 million) of children and adolescents 2 to 19 years old are obese. We know from the rise in U.S. obesity rates that Americans are not as healthy as they should be, and that health status is declining. However, most employees and dependents rate their overall health status as good to very good, with very few reporting their health status at either extreme (excellent or poor/fair).

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1 Centers for Disease Control and Prevention, Data from the National Health and Examination Survey (NHANES), July 2011
Although self-reported health status is subjective and can lull consumers into thinking they don’t need to change, it does represent how people feel about their own health and well-being. That said, consumers acknowledge their health is not perfect. Almost 60% of respondents report having at least one health condition, and 56% report having someone in their family with at least one condition. Weight and high blood pressure are the most common conditions among respondents, followed by back pain and depression.

**My family and I suffer from the following health conditions...**

<table>
<thead>
<tr>
<th>Condition</th>
<th>Respondent</th>
<th>Respondent’s Family Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obesity/weight</td>
<td>24%</td>
<td>20%</td>
</tr>
<tr>
<td>High blood pressure</td>
<td>22%</td>
<td>20%</td>
</tr>
<tr>
<td>Back pain</td>
<td>19%</td>
<td>15%</td>
</tr>
<tr>
<td>Depression</td>
<td>11%</td>
<td>9%</td>
</tr>
<tr>
<td>Asthma</td>
<td>10%</td>
<td>13%</td>
</tr>
<tr>
<td>Diabetes</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>Musculo-skeletal</td>
<td>7%</td>
<td>6%</td>
</tr>
<tr>
<td>Cancer</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>Cardiovascular disease</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>Chronic obstructive pulmonary disease (COPD)</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Maternity</td>
<td>2%</td>
<td>2%</td>
</tr>
</tbody>
</table>
“I know what it takes to be healthier.”

Through many venues across the U.S.—including employer communications—we have done a good job educating people about what it takes to be healthier. Messages about accountability and responsibility for health are clearly getting through. Most consumers believe good health is influenced by personal lifestyle and preventive behaviors.

Specifically, for the past two years most consumers reported that good health is a result of making smart choices (e.g., eating right, exercising, not smoking) in their daily lives and getting regular preventive care (e.g., regular checkups and tests). Living and working in a healthy environment (e.g., free from pollution, toxins) moved up to the third most influential factor in 2011, advancing two positions in rank.

<table>
<thead>
<tr>
<th>Good health is mainly a result of...</th>
<th>Top 2011 Health Attributes</th>
<th>Top 2010 Health Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Making smart health choices in my daily life</td>
<td>85%</td>
<td>84%</td>
</tr>
<tr>
<td>Getting regular preventive care</td>
<td>68%</td>
<td>72%</td>
</tr>
<tr>
<td>Living and/or working in a healthy environment</td>
<td>40%</td>
<td>29%</td>
</tr>
<tr>
<td>Having good genes/genetics</td>
<td>34%</td>
<td>36%</td>
</tr>
<tr>
<td>Having good doctors</td>
<td>27%</td>
<td>35%</td>
</tr>
<tr>
<td>Having a positive attitude</td>
<td>23%</td>
<td>28%</td>
</tr>
<tr>
<td>Having enough money to pay for all the care I need to stay healthy</td>
<td>22%</td>
<td>16%</td>
</tr>
</tbody>
</table>

Answers reflect rank 1, 2, or 3
“Time, money, and my unwillingness to change get in the way.”

The top two-rated health attributes identified by consumers—making smart health choices in daily life and getting regular preventive care—are actions and behaviors under the individual’s control. While consumers have good intentions to do what is best for them, we know people are not consistently acting on these beliefs because they face a variety of obstacles.

Lack of time, affordability, and unwillingness to make sacrifices to become healthier (e.g., quitting smoking, eating healthier, exercising) are the top three obstacles identified by consumers that are preventing them from getting and staying healthy. Interestingly, about one-third of consumers believe they do not have any obstacles or barriers to making choices that help them get and stay healthy.

My biggest obstacles to getting and staying healthy are...

<table>
<thead>
<tr>
<th>Obstacle</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of time</td>
<td>42%</td>
</tr>
<tr>
<td>Affordability/cost</td>
<td>40%</td>
</tr>
<tr>
<td>Unwilling to sacrifice</td>
<td>35%</td>
</tr>
<tr>
<td>Confusing coverage</td>
<td>30%</td>
</tr>
<tr>
<td>Overwhelmed by health information</td>
<td>26%</td>
</tr>
<tr>
<td>Lack of cost information</td>
<td>25%</td>
</tr>
<tr>
<td>Preventive care</td>
<td>20%</td>
</tr>
<tr>
<td>Lack of health knowledge</td>
<td>19%</td>
</tr>
<tr>
<td>Access to doctor</td>
<td>13%</td>
</tr>
<tr>
<td>Providers for treatment</td>
<td>12%</td>
</tr>
<tr>
<td>No obstacles</td>
<td>32%</td>
</tr>
</tbody>
</table>

Answers reflect rank 1, 2, or 3
“If anyone can move me, it’s my doctor.”

Consumers are five times more likely to trust advice from a doctor, and three times more likely to trust friends, family members, and reputable health websites than other sources. Health information from employers, local government agencies (local, state, federal), hospitals, health companies, and community organizations were viewed by consumers as being least influential on their views on health and wellness.

When it comes to influencing my views toward health and wellness, I trust...

<table>
<thead>
<tr>
<th>Source</th>
<th>Influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advice from doctor(s)</td>
<td>72%</td>
</tr>
<tr>
<td>Friends or family</td>
<td>47%</td>
</tr>
<tr>
<td>General health websites</td>
<td>41%</td>
</tr>
<tr>
<td>Research studies conducted by doctors/scientists</td>
<td>31%</td>
</tr>
<tr>
<td>Health-related media programs</td>
<td>27%</td>
</tr>
<tr>
<td>Health information from insurance carrier</td>
<td>18%</td>
</tr>
<tr>
<td>Health information from employer</td>
<td>13%</td>
</tr>
<tr>
<td>Health information from government agencies</td>
<td>10%</td>
</tr>
<tr>
<td>Health information from local hospitals</td>
<td>10%</td>
</tr>
<tr>
<td>Research studies conducted by health companies</td>
<td>8%</td>
</tr>
<tr>
<td>Health information from church or community organizations</td>
<td>0%</td>
</tr>
</tbody>
</table>

Answers reflect rank 1, 2, or 3
Employer View: How Employers Are Helping Influence Healthy Behaviors

Employers realize that employees and their families have barriers to improving their health, and many are implementing incentives and/or penalties to help influence the right behaviors.

### Prevalence of Employer Incentives and Penalties

<table>
<thead>
<tr>
<th></th>
<th>Currently in Place</th>
<th>Adding in 2011</th>
<th>May Add in 3-5 Years</th>
<th>Not Interested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incentives, employees only</td>
<td>47%</td>
<td>10%</td>
<td>28%</td>
<td>14%</td>
</tr>
<tr>
<td>Penalties, employees only</td>
<td>13%</td>
<td>36%</td>
<td>47%</td>
<td></td>
</tr>
<tr>
<td>Incentives, employees and spouses/partners</td>
<td>22%</td>
<td>7%</td>
<td>49%</td>
<td>22%</td>
</tr>
<tr>
<td>Penalties, employees and spouses/partners</td>
<td>9%</td>
<td>40%</td>
<td>50%</td>
<td></td>
</tr>
<tr>
<td>Incentives, entire family</td>
<td>6%</td>
<td>57%</td>
<td>35%</td>
<td></td>
</tr>
<tr>
<td>Penalties, entire family</td>
<td>4%</td>
<td>39%</td>
<td>56%</td>
<td></td>
</tr>
</tbody>
</table>

What the LIVING Well Segments Tell Us About “Make It Move Me”

Starting and sustaining behavior change is challenging for most consumers. However, across the LIVING Well segments we see significant differences in consumers’ perceptions of their ability to control their health, and their drive to do so.

**Leading the Way are:**
- Staying on top of all aspects of their health
- Quick to check health websites when making health decisions
- More likely to see no obstacles to maintaining good health

**In It for Fun are:**
- Into physical activity and being at their personal best
- Quick to check health websites when making health decisions
- More likely to see no obstacles to maintaining good health

**Value Independence are:**
- Likely to see health as something over which they have little control
- Likely to turn to friends and family for health advice
- Likely to choose less health coverage to save money
- More unwilling to make personal sacrifices (e.g., eat healthier, quit smoking)

**I Need a Plan are:**
- Much more influenced by, and reliant upon, their doctors
- Unable to pay for all the health care they need on their own
- More unwilling to make personal sacrifices

**Not Right Now are:**
- Looking for stress relief and balance
- More likely to have health at the bottom of their to-do list
- Heavily influenced by their doctors, friends, and family

**Get Through the Day are:**
- Heavily influenced by their doctors
- Open to health advice from their employers
- Very concerned about rising health care costs
- Most likely to be influenced by information from their employers

To learn more about attitudinal segmentation and these six LIVING Well segments, go to page 55.
How Employers Can “Make It Move Me”

When it comes to improving their health, consumers in our study have confirmed that knowing and doing are two vastly different things. Consumers don’t need employers to explain and educate them on why and how to change. Instead, they need you to motivate and facilitate that change and help them get around the numerous internal and external barriers they face. Here’s what employers can do to “make it move me:”

- **Carefully Choose Your Messenger:** Most consumers see their doctor as the most credible and influential source of health information, followed by friends and family. So try to find ways to promote the doctor-patient connection and engage providers in engaging your consumers. For example, partner with local network doctors and hospitals to deliver tips to your employees and their families on lifestyle behaviors like physical activity, nutrition, and the importance of preventive care. And don’t forget how important it is to engage families in your health improvement efforts because dependents are a key cost driver for most employers and a key influencer for most consumers. Give spouses access to your health improvement programs and incentives, and offer family-oriented events to pull in children and even friends. These individuals will help support and motivate your employees with their own choices and through the “home” environments they help create.

- **Reposition Incentives to Motivate Behavior Change:** As we uncovered in the “Make It Personal” section, most consumers welcome incentives, and most prefer cash incentives over other types of rewards and penalties. But behavioral economics has shown us that motivators (and barriers) can come in all forms, not just financial. To be most successful, employers should use a variety of extrinsic motivators to make change appealing and possible, while ensuring the experience and results that are created tap into the intrinsic motivators necessary to sustain real and lasting behavior change. And be sure to change up the type and timing of your incentives so they’re not perceived as an entitlement and risk losing their effectiveness. When using financial incentives, apply them to the behaviors that are most critical to your goals and that consumers find most challenging to initiate. And remember, giving consumers a little money right now (instant gratification) may work better than delaying that gratification and parceling it out over time—even if it costs you more money.

- **Use Health and Attitudinal Data to More Precisely Target:** Marketers are the experts at motivating behavior change, and they’ve been relying on attitudinal segmentation insights to understand and motivate consumer behaviors for decades. Right now, you have access to a wealth of demographic and behavioral information about your employees and dependents that you can use to more effectively target your communication and behavior change efforts. But marketers have proof that attitudinal insights are more effective than demographic and behavioral insights alone in predicting and motivating behaviors. So when you can combine demographics (e.g., age, gender, race/ethnicity), medically informed behavioral data (e.g., claims, disease management, or wellness program metrics), self-reported behavioral data (from HRQs), and attitudinal data, you’re able to precisely identify who you need to engage and how to best engage them. Then you can adjust your plans, programs, incentives, and communications to be more relevant, appealing, and effective with your unique population.
“Make It Meaningful”

Employers are offering a wide range of programs to help consumers, both employees and dependents, improve their health and productivity—from biometric screenings to employee assistance programs (EAPs). However, our study shows a disconnect between what employers actually offer and what consumers perceive is being offered. This misperception may be due to the fact that consumers are experiencing significant stress in the workplace and don’t feel employers are truly supportive of their health and well-being, despite employers’ intentions. Consumers want employers to “make it meaningful” when it comes to improving workplace health and productivity. Here’s what they said:

Consumer Mindset Around Improving Health and Workforce Performance: “Make It Meaningful”

“My employer offers health programs, but I’m not sure they’re worth my time.”
“My employer is not very supportive when it comes to helping me stay healthy.”
“My work stresses me out more than any other part of my life.”
“I do my best to deal with stress, but could use more help from my employer.”
“My employer offers health programs, but I’m not sure they’re worth my time.”

Between 2010 and 2011, a higher percentage of consumers surveyed said they participated in employer-sponsored health programs. However, participation levels are still relatively low, indicating employees and their dependents may not be aware of available programs, and even if they are, may not see the value of participating. In 2011, more than one-third of consumers (36%) did not participate in any health program or service offered by their employer in the preceding 12 to 24 months. Among consumers who did participate in at least one program, blood testing (also called biometric screening) is the most popular, with 61% participating; followed by completing a health risk assessment, and using an on-site clinic/pharmacy.

The good news is that once consumers use the programs available to them, most are generally satisfied. In fact, 85% or more are highly or somewhat satisfied across all programs in which they participated.

![Chart showing participation and satisfaction levels for various health programs.]

**Note:** Programs offered are reported by employees and may not reflect actual programs offered by employers.
“My employer is not very supportive when it comes to helping me stay healthy.”

Even though employers spend thousands of dollars on each person covered by their health plans, only 40% of employees feel their employer is extremely or very supportive in getting and keeping them healthy. This finding may reflect the perception that employers focus more on insurance coverage than on enabling and supporting health and wellness in the workplace.

**Manager/Supervisor Relationship Influences the Employee’s View**

In an open-ended question, employees were asked how their employers could help them improve their health. The answers were varied, but the most common responses were that employers need to do a better job of listening to employee feedback, acknowledging employee contributions, caring for employees, and communicating with employees. Many of these issues are related to, and influenced by, employees’ relationships with their immediate managers and supervisors. In fact, the manager/supervisor relationship is the second most common source of stress for consumers. Clearly, these insights help explain why consumers don’t view employers as being supportive of their health, despite employers’ offering numerous health-related programs.
“My work stresses me out more than any other part of my life.”

Job and workplace stress tend to increase in times of economic crisis. A troubled economy can make employees everywhere feel like they’re on an emotional roller coaster. Layoffs and budget cuts have become workplace norms, and the result is increased fear, uncertainty, workloads—and stress. Consumers cite work as their leading cause of stress, followed closely by their financial situation and work and personal relationships.

The things that cause me stress are...

<table>
<thead>
<tr>
<th>Source of Stress</th>
<th>Significant to Moderate Source of Stress</th>
<th>Slight to Not a Source of Stress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work</td>
<td>46%</td>
<td>54%</td>
</tr>
<tr>
<td>Financial situation</td>
<td>44%</td>
<td>56%</td>
</tr>
<tr>
<td>Work relationships</td>
<td>31%</td>
<td>69%</td>
</tr>
<tr>
<td>Personal relationships</td>
<td>30%</td>
<td>71%</td>
</tr>
<tr>
<td>Family member(s) health condition</td>
<td>24%</td>
<td>77%</td>
</tr>
<tr>
<td>Personal health condition</td>
<td>19%</td>
<td>81%</td>
</tr>
<tr>
<td>Personal/family commitments</td>
<td>17%</td>
<td>82%</td>
</tr>
<tr>
<td>Travel/commuting</td>
<td>11%</td>
<td>89%</td>
</tr>
<tr>
<td>Family changes</td>
<td>8%</td>
<td>91%</td>
</tr>
<tr>
<td>School</td>
<td>7%</td>
<td>93%</td>
</tr>
<tr>
<td>School relationships</td>
<td>5%</td>
<td>95%</td>
</tr>
<tr>
<td>Community or religious commitments</td>
<td>4%</td>
<td>96%</td>
</tr>
</tbody>
</table>
“I do my best to deal with stress, but could use more help from my employer.”

While some stress is a normal part of the workplace, excessive stress can interfere with productivity and reduce physical and emotional health. Consumers shared that their most effective stress management techniques include talking to someone (e.g., friends, relatives, mental health professionals, and clergy), listening to music, exercising, reading, and sleeping more.

When employees were asked how employers could help them better manage stress, they overwhelmingly suggest their employers reduce their workload and provide time for them to participate in healthy activities (e.g., time to go to the doctor, exercise, and decompress).
While many consumers reported positive ways of dealing with stress, many others reported negative or destructive ways of coping with stress such as withdrawing from people, eating less healthfully, drinking alcohol, sleeping less, taking it out on others, and smoking more. These destructive behaviors can have a longer-term negative impact on employees and families, and potentially lead to increased health care costs because of delayed diagnosis or treatment, or the development of chronic conditions.

**This is how I cope and manage my stress...**

<table>
<thead>
<tr>
<th>Behavior</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Withdraw from others</td>
<td>27%</td>
</tr>
<tr>
<td>Eat less healthy/indulge</td>
<td>25%</td>
</tr>
<tr>
<td>Drink alcohol</td>
<td>17%</td>
</tr>
<tr>
<td>Sleep less</td>
<td>12%</td>
</tr>
<tr>
<td>Take it out on others</td>
<td>12%</td>
</tr>
<tr>
<td>Smoke more</td>
<td>7%</td>
</tr>
</tbody>
</table>

*Answers reflect rank 1, 2, 3, 4 or 5*

Human resources and management experts have long known about the detrimental effects stress can have on an employee's quality of work and productivity levels, and many employers are offering programs to help employees manage stress in a healthful way. However, almost one-half of employees surveyed believe their employer views stress as having either no impact or a positive impact on the quality of their work.

**My employer views stress in terms of impacting the amount and quality of my work as...**

<table>
<thead>
<tr>
<th>Impact</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negative</td>
<td>42%</td>
</tr>
<tr>
<td>No Impact</td>
<td>49%</td>
</tr>
<tr>
<td>Positive Impact</td>
<td>8%</td>
</tr>
</tbody>
</table>

*0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%*
Although employers have introduced a variety of programs to help employees and their families reduce the impact of work-related stress and improve their overall health, survey results show these programs are not highly utilized by employees. The most frequently utilized programs, as reported by employees, were reading material on stress and in-person stress management education/classes. However, they also said these types of programs were not often offered to them by employers.

**These are the programs my employer offers and the ones I’ve used in the last 12 to 24 months...**

<table>
<thead>
<tr>
<th>Types of Stress Programs Offered by Employers</th>
<th>Participated in Program Within the Last 12-24 Months</th>
<th>Did Not Participate in Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Assistance Program (EAP)</td>
<td>11%</td>
<td>42%</td>
</tr>
<tr>
<td>Reading material on stress indicators and related management</td>
<td>13%</td>
<td>33%</td>
</tr>
<tr>
<td>Stress management counseling (one-on-one in person or by phone)</td>
<td>10%</td>
<td>15%</td>
</tr>
<tr>
<td>Online stress management education/classes</td>
<td>8%</td>
<td>27%</td>
</tr>
<tr>
<td>In person stress management education/classes</td>
<td>7%</td>
<td>28%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>30%</td>
<td></td>
</tr>
</tbody>
</table>

Note: Programs offered are reported by employees and may not reflect actual programs offered by employers.
What the LIVING Well Segments Tell Us About “Make It Meaningful”

The perception that employers need to “walk the talk” more often when it comes to improving workplace health and productivity is shared across all LIVING Well segments. In fact, less than one-half of all segments feel supported by their employers in getting and staying healthy. But their levels of stress, and their awareness of and willingness to participate in employer health improvement programs, are unique.

**Leading the Way are:**
- Eager to get the most out of employer programs
- More likely to be aware of and take advantage of employer programs
- Less likely to see stress as a problem

**In It for Fun are:**
- More likely to be aware of employer programs
- Most likely to use programs that are competitive or achievement-oriented
- Less likely to see stress as a problem

**Value Independence are:**
- Least likely to feel supported by their employers
- Least likely to take advantage of employer programs
- Open to biometric screenings, HRQs, and on-site clinic and pharmacy services more than other programs
- More likely to struggle with stress

**I Need a Plan are:**
- Most likely to have health issues and financial concerns
- More likely to take advantage of employer benefits (vs. wellness programs)
- Most likely to struggle with stress

**Not Right Now are:**
- Less likely to have or know they have access to wellness programs
- Most likely to struggle with work/life balance and stress

**Get Through the Day are:**
- Least likely to feel supported by their employers (but most welcoming of that support)
- Least likely to have or know they have access to wellness programs
- Less likely to take advantage of employer programs
- Open to nutrition, coaching, and stress management programs more than other programs

To learn more about attitudinal segmentation and these six LIVING Well segments, go to page 55.

Employers who have these attitudinal insights on their population will be able to tailor their designs, incentives, and marketing communication to their predominant segments to get better results.
How Employers Can “Make It Meaningful”

Stressful working conditions can negatively affect consumers’ health and, ultimately, their productivity. Stress impedes healthy behaviors such as eating well and keeping active. And if it’s not controlled, stress can lead to heart disease and other chronic illnesses. But consumers don’t necessarily need more programs to help them manage stress. Instead, they want employers to recognize and minimize stressors and remove barriers to healthful behaviors in their day-to-day work environment. Here’s what employers can do to “make it meaningful:”

- **Start at the Top:** Leaders and managers are the “face” of the organization to employees. What they say and do (or don’t do) to manage their own health and stress, and that of their direct reports, can build or demolish the credibility of your health improvement efforts. Period. Train leaders and managers to support employees in making more healthful decisions in the workplace, including managing stress and mental health issues. But also do what you can to help them overcome their own personal barriers to health engagement. To affect real culture change, leaders and managers can’t just go through the motions; they must lead by example. If they “walk the talk” and model healthful choices and changes in their work and personal lives, employees will take notice and feel confident taking similar actions in their own lives.

- **Connect Better Health to Better Performance:** Don’t rely on snappy taglines to convince employees their health matters to you and your business. You’ve got to visibly link health and performance in every aspect of your business, just as many employers link safety and performance today. Start by conducting leadership and environmental assessments to identify areas where behaviors and practices are out of line with your philosophy and vision for a culture of health. Train and reward managers for identifying and redirecting employee behaviors that could be unhealthy (e.g., eating every meal at their desk, ergonomics issues, unhealthy snacks, or food rewards) toward being more healthy (e.g., walking meetings, taking time off when sick, getting preventive care, promoting EAP and other wellness programs). Find ways to help employees carve time out of their workdays to engage in healthful activities, which could mean offering a “preventive care vacation day” or bringing health and pharmacy services on-site to your workplace. In other words, in everything you do, make it clear that personal health and business performance go hand in hand.

- **Identify and Minimize Stress Sources:** As stressed out as consumers are feeling these days, there may be no better time and no better topic for employers to use to demonstrate your commitment to building a culture of health. Start by introducing or repromoting stress management classes, programs, and information on how to better manage and cope with stress at work and home. And then consider taking it a step further by using HRQs, surveys, focus groups, or other assessment tools to identify the primary drivers of stress in your organization. Then make a plan to work with leaders, managers, and employees to begin reducing or eliminating those stressors. Since we know that stress—and its causes and coping mechanisms—vary by gender, ethnicity, age, attitude, and many other personal and cultural factors, there won’t be a one-size-fits-all solution for employers. But by making stress management more than just a temporary initiative to address a currently hot topic, you can make meaningful progress toward building a healthier and more productive workforce.
Call to Action

The path to a healthy, productive, and high-performing workforce lies, in part, with an organization’s ability to engage people in healthy behaviors 365 days a year. Toward that end, organizations must invest in and market health plans and programs to everyone across the health continuum—from healthy consumers already doing the right things to stay healthy, to those who are not and need help, support, and encouragement. Of course, you need to wisely manage your limited resources, so starting with a focus on activities and actions that generate the greatest returns and sustain the desired behavior changes is important. Consider these five action steps:

1. Start with the health data you have on your employees and their dependents so you know as much about your population as possibly. Then you can hone in on the areas most likely to generate impact on the business and on your employees. Having this foundation will give you a sound basis for setting behavioral and outcome-related goals, targeting actions, and measuring success and progress.

2. Use attitudinal segmentation insights on your employees and dependents to understand and most effectively target your unique population for behavior change, and integrate these insights with the other data you gather in step 1 to provide a complete picture of your covered population.

3. Develop or refine your overall health and wellness strategy, program designs, and marketing plan based on the results from steps 1 and 2.

4. Test potential actions with key stakeholders in your population and implement those that show the most promise to produce results.

5. Measure, monitor, and change as required, to build on your past successes and target new behaviors.

In the process, you’ll have the opportunity to improve your organization’s return on its investment in health, and improve the health and lives of your people.
Participant Profile

Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>48%</td>
</tr>
<tr>
<td>Female</td>
<td>52%</td>
</tr>
</tbody>
</table>

Age

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>23-39</td>
<td>39%</td>
</tr>
<tr>
<td>40-49</td>
<td>26%</td>
</tr>
<tr>
<td>50-59</td>
<td>25%</td>
</tr>
<tr>
<td>60-65</td>
<td>10%</td>
</tr>
</tbody>
</table>
Region

- Northeast: 22%
- Midwest: 23%
- South: 34%
- West: 21%

Race

- White: 68%
- Hispanic: 12%
- African-American: 10%
- Other: 9%
Job Status of Covered Employees

- Full-time: 95%
- Part-time: 5%

Employee/Dependent Status

- Employee: 70%
- Dependent: 30%
Employer Size by Number of Employees

- 1,000-2,999: 24%
- 3,000-4,999: 23%
- 5,000-9,999: 27%
- 10,000 or more: 26%
Appendix: LIVING Well Attitudinal Segmentation

What motivates and inhibits people when it comes to taking action to improve their health? Through The Future Company’s extensive and continuous work in the area of health and wellness consumerism through the LIVING Well framework, we know people are motivated in different ways, depending on which of the six segments they are in. Here’s an overview of segmentation and how we do it.

The Added Power of Knowing How Your People Tick
To improve the health of consumers, employers need to actively engage their people in healthy behaviors every day. Success starts with really knowing who your employees and dependents are, and what is more or less likely to engage them. Our research and experience tell us the key to engaging people is to meet them where they are and engage them all year.

A growing number of organizations are using a technique called attitudinal or needs-based segmentation. With this approach, we can help you apply this proven consumer marketing technique and find the triggers that best drive the desired actions.

Why Segmentation
It’s a fact: everyone has different interests. Something that motivates one group of people may be meaningless to another. Organizations use targeted marketing to position their products and services in a way that makes them relevant to their most valuable consumers, thereby maximizing their communication investment. Segmentation is the foundation of that targeting. You already use demographic data to understand more about your employees—like their age, location, gender, and job class. And you have behavioral data—like who selected which plan or participated in certain health programs. Combining elements of demographic and behavioral data with attitudinal (psychographic) data can add significantly more insights into your population.

How We Do It
Leveraging Aon Hewitt’s exclusive relationship with The Futures Company, a leading global trends and consumer research firm, we can quickly and easily provide you with insights into the underlying health and wellness attitudes of your employees. By matching this data to The Futures Company’s existing consumer marketing database of 230 million Americans—which reflects publicly available consumer information such as postal records and category-level credit card spending, and The Futures Company’s consumer health data—we can quickly gather valuable insights about what matters to employees. Given the size of the database, we are confident that we can provide powerful insights into the attitudes of employees and their adult dependents. All we need is their names and addresses, already available in our Health Intelligence tool, and we won’t need to access any personal health data.

How You Can Apply It
Our segmentation analysis will help you better understand the key health and wellness attitudes, barriers, and motivators in your population. We will show you how this data can enhance your branding, marketing approach, messaging, and even plan design so they are more successful at moving more people to do more of the “right” things more often.

What You Get
Using data in The Futures Company’s database, each of your employees will be assigned to one of the six LIVING Well segments below. Each of these segments represents a group of individuals with similar attitudes, values, beliefs, behaviors, motivators, and barriers when it comes to health and wellness. We will help you understand the segments that are most prevalent in your population and their defining characteristics, and we will recommend how to enhance your communication so it more effectively engages participants in the right behaviors.
Segment Overviews

Here’s a window into the world of each segment.

Leading the Way

Leading the Way are optimistic about their health, and with good reason: They have a positive attitude and actively manage their diet and fitness. They are highly motivated to achieve good health, and very few cite any major barriers to their goal. They trust their doctors and are highly compliant with doctors’ orders—even during times of financial stress. Leading the Way actively seek health information from a variety of sources. This segment has a rich and varied lifestyle. They like to do things that enrich their personal lives as well as their social lives. They are financially comfortable and haven’t made many sacrifices because of the economic downturn in the past.

Five Things You Need to Know

- Positive attitude and internal motivation drive Leading the Way to a healthier lifestyle.
- Leading the Way are proactive planners with an eye always to the future—whether it be health or finances.
- They put a lot of faith in the medical establishment and are dedicated to following the advice of health care professionals.
- Information seekers, they regularly search for health news and guidelines on their own.
- They are loyal to brands/products but open to trying something new, and they influence others.

In It for Fun

In It for Fun are pleased with their physical, mental, and emotional health, though they are always trying to be even better. They believe it is their responsibility to keep their bodies healthy. About half of them are actively trying to lose weight. Although not quite as much as Leading the Way, In It for Fun feel it’s important to stay up to date with health information, and they actively seek knowledge from a variety of sources. Outside of health, they aspire to a high-class lifestyle, valuing cars, jewelry, clothes, and wealth—appearance is important to them. They are financially comfortable and not very worried about the effects of the recession. More so than others, In it for Fun are early adopters who like to try new products and services.

Five Things You Need to Know

- They engage in frequent exercise, weight management, and proper diet. They are strongly driven by the need to look and feel good.
- In It for Fun are ambitious, goal-oriented, and constantly striving to be at the top of their game. They like challenges and are driven by the desire to be successful and have everyone know it.
- They are risk-takers and early adopters when it comes to purchasing new products. They are attracted to innovation and name brands that show they are successful.
- They believe in emotional well-being and although currently happy with their physical health, they are constantly striving to improve diet habits and exercise habits.
- They look for value in their purchases and take time to research a product before they buy, as they want to get the best price on everything.
Value Independence

Value Independence are skeptical of the medical establishment, preferring a do-it-yourself approach. They like to manage their own health, including their treatments, and are the least interested in taking prescriptions or getting vaccinations. While they give themselves high health ratings, they face a number of health challenges, including weight management. The lack of discipline is the strongest barrier for Value Independence. Value Independence are more likely than any other segment to want to lose weight, but many are discouraged by roller-coaster weight gains and losses in the past. This discouragement is compounded by the fact that they are stretching themselves thin. They work longer hours and sleep shorter nights than any other segment. They have a very active online presence—reading online newspapers, going on social networks, getting travel information, and playing games. They are like the typical American in their interests—they like to go out to eat, read, cook, and go to the movies. Because of economic instability, many have had to give up some of these things.

Five Things You Need to Know

■ For Value Independence, health is just not their top priority—few go to the doctor, eat well, or exercise regularly. They are overweight and want to lose weight, but don’t feel the extra pounds make them unhealthy.
■ Value Independence like to manage their own health. They are confident in their ability to make good choices on their own, and don’t always trust doctors or other health professionals to give useful advice. They want to feel in control of what is going on with their bodies. However, they often do not make the best choices.
■ When it comes to medications, they prefer natural or herbal treatment options and hesitate to take over-the-counter and prescription medications. They are also more open to alternative therapies like acupuncture and massage.
■ They are price-sensitive and often select the cheapest option. They will not pay more for a brand name unless it provides a unique benefit.
■ This segment spends the most hours at work and the fewest hours sleeping.

I Need a Plan

I Need a Plan is the oldest and most health-challenged segment. They suffer from the most chronic health conditions, including weight problems, high blood pressure and cholesterol, pain, and depression. Lack of self-motivation and discipline are the main reasons this segment has trouble getting healthier. They want to lose weight, but they’d much rather eat their favorite foods than exercise. When it comes to dealing with illness, prescriptions are very important to this group. Health care professionals are their most trusted information source and they use them heavily. Few feel financially comfortable; many worry about paying rent and debt. This segment discovers brands they like and sticks to them, but price is usually a factor.

Five Things You Need to Know

■ I Need a Plan lacks discipline and follow-through; they look for external sources to hold them accountable.
■ Few take a long-term view of health and even fewer feel they are truly in control of their health.
■ This is the oldest segment and they are more likely to be retired. They’re worried about their financial situation and making sure their savings last.
■ This segment depends heavily on doctors and medication to address their health challenges.
■ They have a lot of obstacles preventing them from being healthy. They are in bad health, suffer from a variety of different conditions, and have a hard time changing their behaviors.
Not Right Now

Not Right Now are healthy, but not on purpose. They do not actively curate health—most just have youth on their side. Some top motivations for managing their weight are to feel healthier, look better in their clothes, and be generally more attractive. Few in this segment think very much about medications or supplements, and they have one of the lowest self-reported ratings for compliance with their doctors’ instructions of all segments. For health information, they are one of the least likely to go to doctors or other health care providers. Instead, they turn to the Internet, magazines, or friends and family. Many have a list of goals they are working toward, including having a good career. Success is about having money and spending it on vacations, experiences, and charity. Not Right Now like to shop. They look for “status” products, but don’t consider themselves spenders or early adopters.

Five Things You Need to Know

Not Right Now is the youngest and most stressed segment. They are struggling with managing their growing careers and growing families. Most blame lack of time, energy, and motivation as reasons they don’t exercise more.

- This segment is healthy and few suffer from chronic conditions, but this is mostly due to their age. Exercise and eating right are not top priorities. They are more motivated by a desire to become more attractive than to actually be healthy.
- Their income mostly covers their expenses and they have cut back because of the recession, but they still put money away for the future.
- This segment rarely goes to the doctor or seeks any help from health professionals.
- This segment is very active online. They are engaged in social media and many belong to social networking sites. The Internet is their first stop for getting any kind of information.

Get Through the Day

Get Through the Day are health-challenged and not overly optimistic that things will improve. With a number of health challenges, they often feel overwhelmed. Indeed, they don’t know where to start or what specific steps to take for improvement. Besides, they have tried it all, and even when they’ve seen success, it has been short-lived. In addition, it’s hard for them to articulate what motivates them. Weight management and exercise are particularly challenging for them because some of their chronic health issues keep them from doing the things they are “supposed” to do. While many take prescription medications to address their health conditions, they are less compliant than most other segments, in part because they just don’t like having to take so many medications. Get Through the Day also face financial challenges as they are more likely than the average American to live paycheck to paycheck. Many feel that debt is ruining their lives. Even so, they don’t want to totally deprive themselves, and many spend more than their budget might allow, often for the latest products.

Five Things You Need to Know

- They are struggling with a number of chronic conditions and are highly stressed with a lack of control over their health.
- Get Through the Day live in the moment, and are not very proactive or future-focused when it comes to their health. They often believe they are fighting a losing battle.
- They have the lowest income compared to any of the segments, living paycheck to paycheck—and just as with their health, they face significant financial challenges.
- Although they see the doctor often, it is not for preventive action such as health screens, vaccinations, or checkups. These visits are to address what’s wrong with them presently.
- This segment is not influenced to improve health behaviors by carrots or sticks from the private and public sector.
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About Aon Hewitt

Aon Hewitt is the global leader in human capital consulting and outsourcing solutions. The company partners with organizations to solve their most complex benefits, talent, and related financial challenges, and improve business performance. Aon Hewitt designs, implements, communicates, and administers a wide range of human capital, retirement, investment management, health care, compensation, and talent management strategies. With more than 29,000 professionals in 90 countries, Aon Hewitt makes the world a better place to work for clients and their employees.

For more information on Aon Hewitt, please visit www.aonhewitt.com.

About The National Business Group on Health

The National Business Group on Health is the nation’s only non-profit membership organization of large employers devoted exclusively to finding innovative and forward-thinking solutions to their most important health care and related benefits issues and to being the voice for large employers on national health care issues. The Business Group, whose 329 members include 66 of the Fortune 100, identifies, develops, and shares best practices in health benefits, disability, health and productivity, related paid time off, and work/life balance issues. Business Group members provide health coverage for more than 55 million U.S. workers, retirees, and their families.

For more information, visit businessgrouphealth.org.

About The Futures Company

The Futures Company is the leading global foresight and futures consultancy, formed in 2008 from the coming together of The Henley Centre, HeadlightVision, and Yankelovich. Through a combination of subscription foresight services and custom research and consultancy, The Futures Company creates commercial advantage for its clients by helping them to take control of their futures. By exploring the future needs, motivations, and behaviors of consumers, and the broader dynamics shaping the marketplace, The Futures Company unlocks the future of consumers, brands, categories, and companies. The Futures Company is a Kantar company within WPP with teams in the UK, U.S., Mexico, Brazil, Argentina, and India.

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