Incentives Increase Participation

Most wellness program administrators aim for a high level of employee participation – as high as 80% who complete the health risk assessment (HRA) and follow the recommendations. One proven way for employers to get more people to participate is for them to build incentives into their wellness program.

Approximately two-thirds of all U.S. employers offer some sort of incentive for wellness program participation. The types, amounts, and the uses of incentives vary. But because incentives are not all created equal, not all will have the same effect.

Prioritize Incentive Dollars

If your wellness program has budgetary constraints, as most do, consider asking yourself these important questions. Your answers could help you determine the best way to spend your limited wellness dollars:

- Is it better to invest in **health screening** incentives or **intervention** incentives?
- Should I focus on the sickest people, the healthiest people, or those who are somewhere in between?
- If I spend money in multiple areas, how do I decide how much to spend in each area?

There isn't a single right answer to these questions. However, there is one vital element to consider: the HRA. The HRA is the most important piece of any wellness program. But getting people to take the HRA can be difficult. Without an incentive, you can expect 10-15% of your employees to participate – and these will likely be the healthiest people on your staff. With the right incentive, you’re more likely to get a majority of the other 85-90% on board – those with health risks and health conditions or diseases who wouldn’t normally take the HRA. Once these people are identified through the HRA, you can begin intervention programs to reduce their risks, improve their health, and decrease your future healthcare costs.

Another advantage to getting more people to complete HRA is that you’ll gain more baseline information about those who enroll as well as more comparative data for future planning. The HRA is the measure of how your program is working. The evidence is the change in employees’ health status from year to year.

Choose Effective Incentives

When evaluating incentives, it is helpful to know:

- What are the most popular incentives used by other companies?
- Which incentives area most effective in motivating people?
- What types of incentives have the longest lasting effect?
- Which are easiest to administer?
- Which are most likely to achieve your wellness program goals?
- How much do you need to spend for an incentive to make a real impact?

Health Benefit Incentives

Benefits-linked incentives are the most effective for increasing participation. Here are a few examples of successful benefits strategies:

- Employees receive a discount of up to $20 per pay period on their health insurance premiums for participating in your wellness program.
- Participating employees are enrolled in a health plan that provides more coverage or expanded services.
- Employers make a contribution to an employee’s flexible spending account (FSA/section 125) account for participating in wellness program activities. For example, a participating employee might receive $50 for the assessment, $20 for a health screening, and $20 for enrolling in an intervention.

The most commonly used incentives – and the percentage of companies using them:

- Non-cash incentives, such as t-shirts, gym bags, and water bottles – 35%
- Gift cards or gift certificates – 25%
- Health benefit incentives, such as reimbursement for wellness program costs – 16%
- Cash incentives – 13%

Source: International Foundation. Wellness Programs. 2006
Game Cards

Programs that give rewards for a variety of activities are usually very successful. Wellness game cards are great incentives for just this reason. Simply distribute game cards to employees when they’ve met specific wellness goals, safety goals, and more. The Wellsource game card incentive program, sponsored by Wellness Jackpot, lets participants accumulate points over time for high-quality gifts of their choosing, and a cash-prize drawing. The game card incentive has other advantages. For example:

- Game cards are inexpensive. This allows employers to distribute them often and for a variety of wellness activities.
- Frequent distribution of game cards keeps employees enthused, excited, and motivated about the program for a long period of time.
- Game card programs are the easiest type of incentive programs to administer.
- The two-tiered game card system (point redemption and cash drawings) increases the program’s appeal to participants.

Monetary Incentives & Gift Cards

Monetary incentives and gift cards are very effective for increasing participation – but in truth it depends on the dollar amount. Although a $10 incentive will inspire some people, studies show that employers need to commit at least $100 to each employee who completes the HRA in order to reach high participation levels. This likely means that you’ll only be able to offer awards for a few activities within your wellness program. Using gift cards and cash as incentives can have other disadvantages. For example:

- Cash is often viewed as compensation rather than an incentive.
- Cash and gift cards are fluid and disappear rapidly.
- Most gift cards involve service fees in addition to the cash value of the card.
- Many gift cards are retailer specific, which limits redemption options.

Non-Monetary Incentives

Incentives, such as t-shirts, mugs, water bottles, and gym bags, can be fun and useful in certain scenarios. However, they are not the most effective way to motivate someone to take an HRA. Save them as mementos for activities such as fun runs, bicycle events, and other wellness-related programs.

Survey Your Participants

Before deciding what incentives to offer, survey your employees about what type of incentives would motivate them. Give your employees a list of possible incentives, then ask them to rank each one using a scale from 1 (least motivational) to 5 (most motivational). Be sure to leave a suggestion blank for them to fill in additional items not on the list. There is no greater resource than your own employees when you’re looking for effective incentives!

Summary

Your wellness program is only effective when people participate. You should determine what you hope to accomplish through incentives, and design an incentive structure that will help you to accomplish those goals. If you select wellness incentives that your employees see as meaningful, your organization will likely experience greater participation, and ultimately healthier employees, decreased absenteeism, and increased productivity.

The Last Word

Although incentives are key to participation, it’s also important that people know why they should participate in your wellness program. Instead of focusing on incentives alone, focus also on the benefits they’ll receive for being a part of the program:

- Free health screening
- Information about their health conditions, and how to improve them
- Assistance in making positive health changes (coaching)
- A medical self-care guide
- Any other motivating guide that you offer through your wellness program
- Free health newsletter

Incentives will guide people into your well-structured program, but should not be their sole purpose for participating in it. Help participants value the program – not just for the prizes they’ll get, but for what it is: an excellent way to get well, stay fit, and live a long and healthy life.