



WELLNESS INSIGHTS

# New research supports Return On Investment (ROI) for workplace wellness investments

*An Institute of Health Economics and Alberta Blue Cross® partnership*

## KEY LEARNINGS



### KEY LEARNING 1:

81.5 per cent of participants experiencing improvement across the 30 months following the programs being in place for a wide range of health indicators.



### KEY LEARNING 2:

14 per cent reduction in claims volume resulting from healthier employee populations with reduced plan utilization.



### KEY LEARNING 3:

The economic impact to employers is reinforced through healthier employee populations having less illness leading to higher levels of productivity.

*While employers know intuitively that investments in workplace wellness make for healthier and more productive team members, the challenge with workplace wellness investments continues to be quantifying the ROI for such initiatives. Facing increasing group benefit plan costs and tight Human Resources (HR) budgets, are workplace wellness initiatives worth the investment in 2021 and beyond?*

*A new study by the Institute of Health Economics has answered that question with a resounding yes.*

---

Through an evaluation specifically examining Alberta Blue Cross's digital wellness programs used by more than 360,000 plan members, the Institute set out to determine the value of such programs.

Digital wellness programs have gained prominence as a means of providing employees with convenient access to a full suite of supports to help them maintain their health and promote their well-being. Such programs may include online health risk assessments, symptom checkers, access to online learning and content, integration with wearable tracking devices, mental health support resources, health coaching and guides to manage chronic health conditions.

As the world has shifted online over the last 18 months through the pandemic with work-from-home becoming the norm, digital wellness programs have taken on increased relevance as a way for employers to support their team members to stay well while working remotely. In this context, establishing the impact of digital wellness programs is imperative.

As the study got underway, the Institute identified that not only is there a basic lack of research on digital corporate wellness programs, but that much of the existing research has limited applicability to the Canadian context. At the same time, the Institute found existing research tends to define wellness too narrowly or assumes short study periods that do not account for the complexity of one's wellness journey, nor the time it may take for behaviour changes to translate into health outcomes.

Using data from Alberta Blue Cross, the Institute of Health Economics conducted an analysis of the impact of the benefit provider's digital wellness programs on cost and volume of claims, as well as changes to health factors when engaging with the programs. The study examined de-identified, aggregate data spanning a seven-year period from September 2013 to September 2020, considering 48 months pre-program and 30 months with the programs in place. Considering the impact of the pandemic, the research included a sensitivity analysis to control for the impact of the pandemic during the overlapping study period.

#### **SO WHAT WERE THE FINDINGS?**

The Institute found that Alberta Blue Cross's digital wellness programs brought measurable improvements to those plan members who used the programs across four domains of wellness: respiratory, cardiac, mental and physical health. This included 81.5 per cent of participants experiencing improvement across the 30 months following the programs being in place for a wide range of health indicators including asthma, Chronic Obstructive Pulmonary Disease (COPD) and tobacco use as well as heart rates, High-Density Lipoprotein (HDL) cholesterol, triglycerides, diastolic and systolic blood pressures, stress levels, impacts of stress, intensity of mood, sleep patterns, gout attack length and pain levels, physical activity levels and the number of fruit and vegetable servings consumed.



Reflecting an overwhelming improvement in health factors, these findings validate the use of digital wellness programs as a positive tool to promote employee health and wellness.

Equally important, from an economic perspective the study findings also provide an indicator of cost savings to benefit plans—as the Institute extrapolated a corresponding 14 per cent reduction in claims volume resulting from healthier employee populations with reduced plan utilization. This is particularly impactful in the context of chronic disease conditions, where cost avoidance not only supports the sustainability of group benefit plans for cost drivers such as prescription drugs but helps to avoid employer cost liabilities associated with short- and long-term disability claims. At the same time, the economic impact to employers is reinforced through healthier employee populations having less illness leading to higher levels of productivity.

As the positive impact of digital wellness programs becomes more evident, Alberta Blue Cross will also be focusing research on which incentives drive participation to expand uptake of such programs—given that greater participation corresponds with greater health outcomes for plan members and greater potential ROI for employer plan sponsors.

