

**INNOVATION IN PATIENT CARE**

***The Value of  
Worksite Wellness in  
Workers' Compensation  
Insurance Management***

***Quantitative & Qualitative Results***

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**A.I.M. Works:**

***The Wellness Advantage***

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## CHAPTER ONE

# *Description of Staff Involvement*



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# INTRODUCTION

## *Bringing A Wellness Initiative to Injury Prevention*

- In 2013, senior management at A.I.M. Mutual Insurance introduced a wellness initiative designed specifically for workers' compensation insurance policyholders. It was a new concept for the industry and, therefore, largely untested. It involved the re-organization of our loss control function and a significant allocation of resources, supported by internal training and marketing to the employers we insure and our broker partners.
- Loss Control became Injury Prevention & Worksite Wellness, and we launched a broader, consultative approach that included wellness as a key component for managing employee injuries and containing claim costs.



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# INTRODUCTION

*(continued)*

- Several events led up to this change, which was significant for company like ours with more than 160 employees and nearly 20,000 policyholders in a tri-state region. In 2005 we had expanded our medical care program, partnering with Best Doctors Occupational Health Institute. As we worked together to expedite quality care to injured workers, we began to flag and track specific health risks associated with claimants experiencing lost time.
- It became increasingly clear that people who had minimal or no health risks at the time of injury were returning to work faster and more successfully than those who had multiple health risks. That said, we anticipated seeing those results reflected in claim experience.
- Over time, our claim analyses bore this out: we have now compiled historical data confirming higher claim costs associated with certain co-morbidities, that is, the presence of at least one other chronic disease or condition, at the time of injury. These co-morbidities may include tobacco use or obesity, for example.



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***A.I.M. Mutual policyholder organizes a successful lunchtime Walking Club for employees as part of its new wellness regime.***

***“ A.I.M. Works has been extremely helpful in developing a culture of wellness here at Dennecrepe. ”***

**--Carmen Lopez, Dennecrepe Corporation**

# *Description of Staff Involvement*

We became proactive. Our goal was to work with policyholders to create—and sustain—a culture of wellness to empower employees to embrace a healthy lifestyle. Staff involvement was initially limited but steadily grew, as we educated our own service teams and policyholders. Today, our staff involvement includes:

- Injury Prevention & Worksite Wellness Staff: 13 consultants, our “front line,” who, in addition to their safety disciplines, are trained to identify the benefits of wellness protocols in each workplace. Their health promotion efforts help elicit “buy-in” from employers and brokers. A Wellness Coordinator, under the direction of an Employee Benefits & Wellness Specialist, is exclusively devoted to wellness program development.
- Claim, corporate and regional: Staff of 50, trained in how to collect and interpret relevant health-related data.
- IT Programmers: Staff of 3-5, who perform data analyses and develop reporting tools.



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# *Description of Staff Involvement* (continued)

- These employees and other team members serve as advocates for the program, engaging in conversations with policyholders beyond our initial target groups. It is then our external partners start becoming engaged, in particular, brokers who know their clients best. They recommend our unique service to their clients, and it becomes a win-win for everyone.
- Our wellness program perpetuates mutuality in far-reaching ways. The at-risk injured worker is saved from a potentially longer recovery time with complications, the policyholder experiences less lost time interruption, the insurer benefits financially through reduced costs, and society in general may benefit because the injured worker is able to return to work and not rely on public resources. An added benefit is the likelihood that some of the employee's wellness knowledge gained at work is brought home and shared.

“ *[This program represents] the future of intelligent risk management in workers' compensation insurance.* ”

**--Dianne Batistoni, Partner, Eisner Amper LLP**  
*Best's Review Jan 2014*

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## CHAPTER TWO

# *Scope, Goals Problems to be Addressed*



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# SCOPE

- It's easy to get a consensus that workplace wellness is nice to have. It's another thing to convince an employer it's essential to have, particularly as part of a workers' compensation program. But in fact, some policyholders have reported greater success with us than with their health insurer, who may provide general wellness programs but with no onsite guidance. Sustaining a culture of wellness is a challenge often underestimated.
- While our society recognizes the need for healthy lifestyles in and outside of the workplace, a number of barriers remain that impede employer progress. Specifically, the smaller employer has become a disparate population, unable to access the same level of wellness resources and support as larger employers. This gap can lead to incomplete programming that yields unsatisfactory results over time.



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# GOALS, PROBLEMS to be ADDRESSED

- From the outset, we have believed that if obstacles preventing employees from living their best life are alleviated, then fewer workplace accidents would occur and recovery time would decrease among those who are injured. With the understanding that employee health impacts so much in the workplace—claim costs, retention and productivity—A.I.M. Mutual has developed a program for all employers, regardless of size or industry, that can be customized. Our program encourages healthy behavior change and life skill development, giving policyholders access to unique tools and resources through proven vendor partners. It allows for human behavior and interest level to shift over time, reinforcing the need to improve healthy behaviors almost daily. Creative items such as calendars, nutrition guides and cookbooks, help keep employees engaged.
- For more than three years, our injury prevention staff has been advocating worksite wellness services as part of our standard offerings. In addition, we have developed a companion program called A.I.M. Works: The Wellness Advantage<sup>SM</sup>, which asks employers to make a three-year commitment to developing a comprehensive wellness program. These are intentionally small groups of policyholders (cohorts) who opt to participate, and we help facilitate their wellness efforts.



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## CHAPTER THREE

# *Impact of Project*



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# IMPACT OF PROJECT

## *Qualitative & Quantitative*

- When we're asked if wellness success can be measured, our answer is a resounding yes. We have produced several case studies and have widespread anecdotal evidence from enthusiastic participants. Our analytics, based on available data to date, are promising.
- A key measurement tool is the Wellbeing Assessment. Administered by an independent vendor, the assessment was designed to compare our policyholders' health risks against state and federal metrics. We identify and invite policyholders with a significant number of health risks tied to claim activity to take advantage of our wellness services and consider our A.I.M. Works program.



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# IMPACT OF PROJECT

## *Qualitative & Quantitative (continued)*

Since 2015, A.I.M. Mutual has engaged 29 of these policyholders as cohorts in the A.I.M. Works program, representing 4,000 individual employees (“lives”). As of January 2017, results among our limited cohort sampling (those who had done at least one follow-up Assessment) are positive:

- 35.7% of individuals participating in the wellbeing assessment maintained a healthy lifestyle
- 20.7% of individuals improved their health by eliminating 1 health risk factor
- 7.4% of individuals improved their health by eliminating 2 health risk factors
- 2% eliminated 3 health risk factors
- *Note: Assessment participation varies year-to-year among policyholders*



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# IMPACT OF PROJECT

## *Qualitative & Quantitative (continued)*

- In addition, health risk patterns among these same policyholders showed significant improvement in 7 out of 9 categories when compared against the Massachusetts' benchmark. And in one of our most detailed case studies to date, one manufacturer has seen its claim frequency decrease by 50% and its loss ratio by 92% from 2014 to 2017. While the company credits claim management and its safety culture, they are quick to note their biggest change has been active participation in A.I.M. Works.
- Finally, in conjunction with our wellness services, we have successfully helped five eligible employers qualify for the Massachusetts Small Business Wellness Tax Credit. A.I.M. Mutual is the second leading writer of workers' compensation insurance in the Commonwealth, so the tax incentive is of interest to our customer base.



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***A.I.M. Mutual policyholder Mini Systems, Inc. introduced an onsite Farmer's Market to make fresh produce readily available to employees.***

“

***I believe this [wellness] concept could become a real factor to improve not only loss experience but also medical experience, absenteeism and employee morale.***

”

**--Bob Dowling, Dowling Insurance Agency**

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## CHAPTER FOUR

# *Tracking Our Results*



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# TRACKING OUR RESULTS

## *Overview*

- We are confident we will continue to see a positive impact on claim results once more of our cohorts complete the A.I.M. Works program and our program expands further. With the help of injury prevention, we expect employers to be able to see noticeable improvements in productivity, absenteeism and employee retention over time, attributable (we think) to a healthier, happier work force.



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# TRACKING OUR RESULTS

## *Chart A. Health Risk Factors: Massachusetts Benchmark vs. A.I.M. Works: The Wellness Advantage Results 2015-17*

Health Risk	Employers Not Meeting Massachusetts Benchmark	A.I.M. Works Cohorts (approx. 19 employers) Reporting Wellbeing Assessment Results After 1-2 Years
Overweight (>34%)	84%	68%
Obese (>24%)	42%	79%
Diabetes (>9%)	11%	5%
Physical Activity (>45%)	84%	79%
High Blood Pressure (>29%)	53%	47%
High Cholesterol (>37%)	58%	5%
Tobacco (>13%)	53%	47%
Binge Drinking (> 19%)	68%	42%
Sleep (> 35%)	100%	100%

Benchmark: Source Massachusetts 2013 BRFSS. Sleep – CDC BRFSS 2009



# TRACKING OUR RESULTS

*Chart B. Claim Results Upon Entering Third Year of A.I.M. Works: The Wellness Advantage Program – Manufacturer, based in western Massachusetts*

Workers' Compensation Claims 7/31/14 to 7/31/15	Workers' Compensation Claims* 7/31/15 – January 2017
24 total paid claims	9 total paid claims
Strains represented 54% of injuries reported	Strains represented 33% of injuries reported
Strains accounted for 73% of total claim costs (\$38,149.00)	Strains accounted for 34% of total claim cost (\$1,843.00)
7 lost time claims with 7 smokers	2 lost time claims with 1 smoker

## \*Workers' Compensation Insurance Claims

From 2014 to January, 2017, the frequency of paid claims has decreased by 50%. The loss ratio has decreased by 92%. The policyholder credits its ongoing claim management program and the fostering of a safety culture with an emphasis on injury prevention. The biggest change has been its active participation in the A.I.M. Works program.



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## CHAPTER FIVE

# *Conclusion*



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# CONCLUSION

Going forward, we continue to focus on four critical areas:

- Developing a profile to identify those policyholders at risk for certain co-morbidities;
- Creating a metric tracking system to measure progress and compare it to industry data;
- Educating policyholders and brokers on the benefits of designing and implementing a comprehensive wellness program with us; and
- Delivering a training program that meets the unique needs of each policyholder.

Additionally, the focus will broaden to include life skills, e.g., stress management, sleep deprivation, financial education, and their impact on changing health behaviors.

We further concluded that wellness resources and tools needed to be provided to all policyholders regardless of their current level of engagement in wellness. Not all policyholders were ready to commit to a 12-to-36 month comprehensive program. The Wellness Insider, an e-newsletter featuring topics such as tobacco cessation, nutrition, physical activity, and stress management, was introduced to reach all constituents.

**GET STARTED**

***Injury Prevention &  
Worksite Wellness--  
At Your Service.***

Case Studies are available on request. Find out  
how our program builds and sustains  
cultures of wellness.

**LEARN MORE**

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