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Developing a Wellness Program Operating Plan

One feature that all successful worksite wellness programs share is an outcome-oriented operating plan. An operating plan is important because it:

- Links wellness initiatives to company needs and strategic priorities;
- “Legitimizes” the program, which increases the likelihood of continued resources and support;
- Provides continuity for the program when personnel changes occur; and
- Serves as a means to evaluate the effectiveness of the programs.

Your operating plan should contain the following elements:

- **Vision Statement.** Your program must start here. All successful and long-lasting wellness programs, and organizations for that matter, have clear vision or mission statements. A vision statement is the envisioned future you are trying to achieve. It should include the values that drive the program along with the ultimate goals or accomplishments the program is trying to achieve, and support the company’s overall mission statement.
- **Goals.** Goals are the long-term accomplishments hoped to be achieved from the program. They are more likely to be accomplished when they are realistically set, reflect the needs of both management and employees, and flow naturally from the data collected. Goals should include clear time limits, so it is easy to determine whether or not the goal has been accomplished.
- **Objectives.** Objectives are the tactics you will implement in order to achieve the stated goals. They should be written like goals so that it is clear whether or not they have been accomplished and include specific action steps along with a timeline for completion. By x date, ABC Co. will institute a smoke-free work policy is an example of an objective.
- **Timeline.** Develop a realistic timeline to both implement and evaluate the program. The timeline will incorporate key dates contained in the objectives and goals. Health promotion programs are generally kicked off at the start of the new year when people are making resolutions and then remarketed at least two more times throughout the year. Wellness activities should be scheduled at times that are convenient for all potential participants, so it may be necessary to offer multiple sessions including evening sessions.
- **Budget.** It takes resources to carry out the objectives necessary to accomplish the program goals. Your program budget may include such items as salaries, program materials, administrative needs, outside vendors, evaluation and the costs associated with incentives used to drive participation. A comprehensive budget is essential during the evaluation process as program costs are compared to outcomes.
- **Communication Plan.** You must communicate and market your program to increase employee awareness of the program and drive participation. Your operating plan should address the types of marketing efforts that will be used to inform your employees about your wellness plan. Specific communication techniques will vary depending on the size of your company and your budget.
- **Implementation Plan.** This section of the operating plan will provide detailed information regarding when the various health promotion programs will be offered and will assign the individual responsibilities associated with the offerings.
- **Evaluation Plan.** The final section of the operating plan will address how you will measure the success of your program. Ideally, evaluation will include both measuring how well the program is working and whether or not it is achieving its expected results. Participation counts along with participant evaluations and surveys will help you to answer who is using the program, what activities are most popular, whether the program met participants’ needs and whether participants were satisfied with the program content.

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Workers Satisfied with Healthcare Benefits

Despite rising costs, the majority of U.S. workers say they are very satisfied with their employer-provided healthcare benefits. Furthermore, most workers consider health insurance to be their most important benefit and they have little interest in purchasing coverage on their own. These are among the major findings in a nationwide survey of U.S. workers released by the National Business Group on Health, a non-profit association of 266 large U.S. companies. Other key findings include:

- Sixty-seven percent consider their health plan to be good or excellent
- Seventy-five percent find health insurance to be the most important benefit their employer offers.
- Fourteen percent consider their retirement savings plan to be the most important.
- About three in four employees would prefer to get health benefits through their employer rather than getting additional salary to purchase their own.
- Most employees (83%) would rather see their salary or retirement benefit reduced if their employer needed to reduce total compensation

"Providing cost-effective, high quality health care benefits to workers and their families is one of the greatest challenges that Corporate America is facing," says Helen Darling, President of the National Business Group on Health. "As the labor market tightens, employers will need to place an increased emphasis on their health benefits if they want to be able to compete for talented workers." (Reprinted in part with permission from the National Business Group on Health)

Doctors and Pharmacists Do Not Always Mention Generic Alternatives to Their Patients

A recent study conducted by Medco, a leading pharmacy benefit manager, reveals few doctors or pharmacists prescribe or dispense lower-cost generics at every opportunity. The survey results suggest that 48 percent of healthcare consumers would use a lower-cost alternative if their doctor or pharmacist suggested it. Seventy-three percent of survey respondents discuss prescription expenses with their doctor, pharmacist, or insurer. The awareness of rising drug costs, however, does not inspire change in prescribing behavior.

- Sixteen percent of physicians and 19% of pharmacists always prescribe generics in place of similar brand drug
- Six percent of physicians and 17% of pharmacists advise patients to explore lower-cost alternatives.

Employers should remind employees to ask their doctor for samples, generics, cheaper alternatives, and over-the-counter substitutes as a way to help keep their prescription drug costs in check.

Two Common & Costly HR/EB Mistakes

Mistakes in human resources and employee benefits cost an employer "real money" - extra benefits, complaints, lawsuits, government-assessed fines and penalties, and attorney fees to name a few. Two common mistakes and their solutions are outlined below.

1. **Not timely depositing employee contributions into employee benefit plan.** Employers sometimes wait too long to deposit salary deferrals into a qualified retirement plan. Salary deferrals become plan assets as soon as the contributions can be reasonably segregated from the employer's general assets. According to The Department of Labor (DOL) such deposits should be made no later than the 15th business day of the following month. This is an outside guideline, and deposits should be made sooner. If deposits are not timely made, the DOL and IRS may levy fines, penalties, and retroactive earnings for late contributions. The deposit rule for elective deferrals applies to all types of participant contributions, including special deferrals (such as catch-up), after-tax contributions, and loan repayments.

Solution: Deposit employee contributions as soon as reasonably possible following issuance of the paycheck from which the contribution was withheld - generally at the same time as other contributions are made but not more than 7 to 10 days from the issuance of the paycheck.

2. **Not making matching and profit-sharing contributions on a timely basis.** Many employers make the mistake of not making these contributions on a timely basis. If your employee benefit plan provides for matching and profit-sharing contributions, the deadline for making these contributions and depositing them into the plan's trust is determined first by looking to the plan document which may contain deadlines. If the plan document requires contributions be made by the date required by law, then the deadline generally will be determined by IRC 404(a) which requires that matching and profit-sharing contributions be made before the due date of its tax return including extensions. Tax exempt employers must make and deposit contributions by the 15th day of the sixth month following the close of a plan year. Plan documents may require depositing contributions sooner which is likely the case with matching contributions that are calculated on a payroll-by-payroll basis and deposited sooner by plan design. The same penalties as above apply.

Solution: Read your plan documents and understand when matching contributions must be made.

Please contact your Hickok & Boardman Group Benefits representative for more information.