Meeting the Health Risk Assessment Challenge

July 9, 2010

Health risk assessments have become important tools to help employees understand and start managing their health. However, getting employees to fill out a risk assessment and, more importantly, to use the resulting insight to become proactive about their health is a challenge of its own.

According to a survey of more than 2,900 companies conducted by HR consultancy Mercer, the proportion of employers asking employees to fill out health risk assessments rose from 53 percent in 2006 to 65 percent in 2008 and to 73 percent in 2009. In 2009, nearly a quarter of these employers (23 percent) offered some type of incentive, with an average value of $150 for completing an assessment.

Among those employers offering incentives for risk assessment participation:

- 45 percent offer cash.
- 32 percent lower employees’ premium contributions.
- 14 percent make a contribution to the employee’s health savings account or flexible spending account.

Other incentives include token rewards, such as a T-shirt or a hat, and lower health care costs in the form of lower deductibles, co-pays and coinsurance. A few employers (4 percent) make risk assessment participation a requirement for health care coverage eligibility, a strategy that creates its own risks (see “EEOC Provides Informal Guidance on Health Risk Assessments”).

What’s in an Abbreviation?

Health risk assessments are often referred to as HRAs, which can be confusing since HRAs also commonly refer to health reimbursement arrangements, which are quite a different kettle of fish. This has prompted some to use the term "health risk questionnaire" instead, but "health risk assessment" remains the term of art.

Incentives as Motivator

Usually, financial incentives are the most effective way to encourage risk assessment participation. When Intel Corp. began its effort to have employees fill out risk assessments, the participation rate was less than 10 percent, said Corrie Zenzola, Intel’s global health and risk benefits design manager in Folsom, Calif. The reason? The company created no incentive for participation. However, once the company introduced gift card...
incentives in 2006, participation rose to a consistent 37 percent to 38 percent of the employee population.

The gift card incentive is focused on two of the three steps in the risk assessment process:

- When employees complete the first step, which is a biometric screening to provide the readings necessary to allow employees to fill out the health risk questionnaire, those employees receive a $25 gift card.

- Filling out the questionnaire itself is the second step and does not have an incentive attached to it.

- Employees who go on to the third step, which is health coaching based on what the risk assessment reveals, receive another $25 gift card.

In addition, employees earn points for various health-related activities, such as participating in a smoking cessation class or giving up sugary drinks for two weeks, and they are eligible for another $25 gift card once they complete enough activities to accumulate a certain amount of points. Although these incentives have increased participation in health risk assessment programs, Intel received another bump in participation following its announcement that employees who complete the risk assessment process will receive a $250 annual health insurance premium reduction. Participation increased to around 50 percent. Zenzola noted that participation increases slightly whenever the company communicates about the program to employees. (To learn about another premium reduction program, see "Kellogg’s Offers Breaks for Tobacco-Free Employees").

AstraZeneca, the London-based pharmaceutical company, asks its U.S. employees to complete an annual health assessment using the Mayo Clinic’s online questionnaire. Employees who complete the assessment receive a $50 reduction in their monthly health insurance premiums. Not surprisingly, the company achieved a 93 percent compliance rate.

To make sure that the data generated through the questionnaire is reliable, AstraZeneca uses third-party vendors to analyze responses and make sure that they are consistent with medical claims, said Joseph Henry, the company’s senior director of health and well-being. Having third parties handle this task helps to protect employee privacy and keeps the company in compliance with privacy regulations.

Using third parties to analyze responses and ensure consistency with medical claims helps keep employers in compliance with privacy regulations.

How high can employers get risk assessment involvement? Although participation of 90 percent or more is certainly an accomplishment, rates of at least 50 percent and, ideally, above 60 percent are necessary to generate statistically significant data, said Richard
Babcock, a principal with Mercer in Hartford, Conn. Once employers hit a participation rate of 80 percent to 90 percent, they have probably reached the saturation point. “There is always a population that is skeptical of these things, so it is hard to get beyond that participation level,” he said.

**Non-financial Rewards: Communication vs. Money**

Employers that do not have a budget for financial incentives can rely on a range of nonfinancial awards. These can include competitions among various departments based on the percentage filling out the questionnaire or points awarded per completed form. Such competitions introduce peer pressure and teamwork into the equation as employees focus on getting their peers involved.

With any incentive, financial or nonfinancial, it is important to design a program based on company culture and incentives that are appropriate for a particular population. A blue collar workforce will be motivated by different things than a law firm with many highly paid attorneys. The former might be motivated by cash or a team competition, while the latter might be motivated by a donation to a charity of their choice.

Although incentives can be a major driver of program participation, effective communication is also crucial. “Health risk assessments need to be framed so each individual can understand the value to themselves personally,” said Jennifer Benz, founder and chief strategist for Benz Communications in San Francisco. It is a good idea to provide detailed information about privacy protection for information provided and how the data will be used. For example, it is important for employees to understand that the risk assessment is part of a larger effort to help employees become healthier and that a healthier workforce lessens the amount of health care costs that otherwise would be shifted to employees through higher premiums, deductibles and co-insurance. (To learn more about promoting this message, see "Controlling Health Costs: Success Tips Shared").

Benz even suggests rethinking the term itself and simply calling the process a "health assessment" or "health questionnaire" without including the word "risk" in the name. "Health risk assessment" can be “a turnoff to employees who are healthy and to those who are not,” she said. “Health risk assessment makes it sound more ominous.”

Finally, employers need to make the risk assessment process easy to use. The questionnaire should be available on paper and online—and posted where employees are most likely to find it (for example, on intranet pages or locations in the workplace where employees congregate).

Once employees encounter the questionnaire, it needs to grab their attention, be easy to use and not take too much time to complete. “You don’t want them to compare the assessment to filling out paperwork in the doctor’s office,” said Benz. (Her suggestions might also help resolve the HRA abbreviation confusion referenced in the box above.)

**Prepare Employees to Take Action**
Once employees complete the questionnaire, the real challenge lies in getting them to act on the information, for example, by undertaking an exercise program or changing eating and smoking habits. “The risk assessment is a way to get people to understand their health and, ultimately, to take action,” said Mercer’s Babcock. “It is not the Holy Grail; it is just the beginning of a journey.”

Joanne Sammer is a New Jersey-based freelance writer. Her articles have appeared in numerous publications, including HR Magazine.

**Related Articles:**

**Controlling Health Costs: Success Tips Shared**, *SHRM Online* Benefits Discipline, July 2010

**EEOC Provides Informal Guidance on Health Risk Assessments**, *SHRM Online* Benefits Discipline, May 2009

**Kellogg’s Offers Breaks for Tobacco-Free Employees**, *SHRM Online* Legal Issues, May 2008

**To Promote Health, 'Carrots' vs. 'Sticks'**, *SHRM Online* Benefits Discipline, August 2007

**Quick Links:**

*SHRM Online* Benefits Discipline

*SHRM Online* Health Care Reform web page

- Sign up for SHRM’s free Compensation & Benefits e-newsletter

---

**Society for Human Resource Management**

1800 Duke Street
Alexandria, Virginia 22314 USA

Phone US Only: (800) 283-SHRM
Phone International: +1 (703) 548-3440

TTY/TDD (703) 548-6999
Fax (703) 535-6490

Questions? Contact SHRM Careers Careers @ SHRM

©2010 SHRM. All rights reserved.