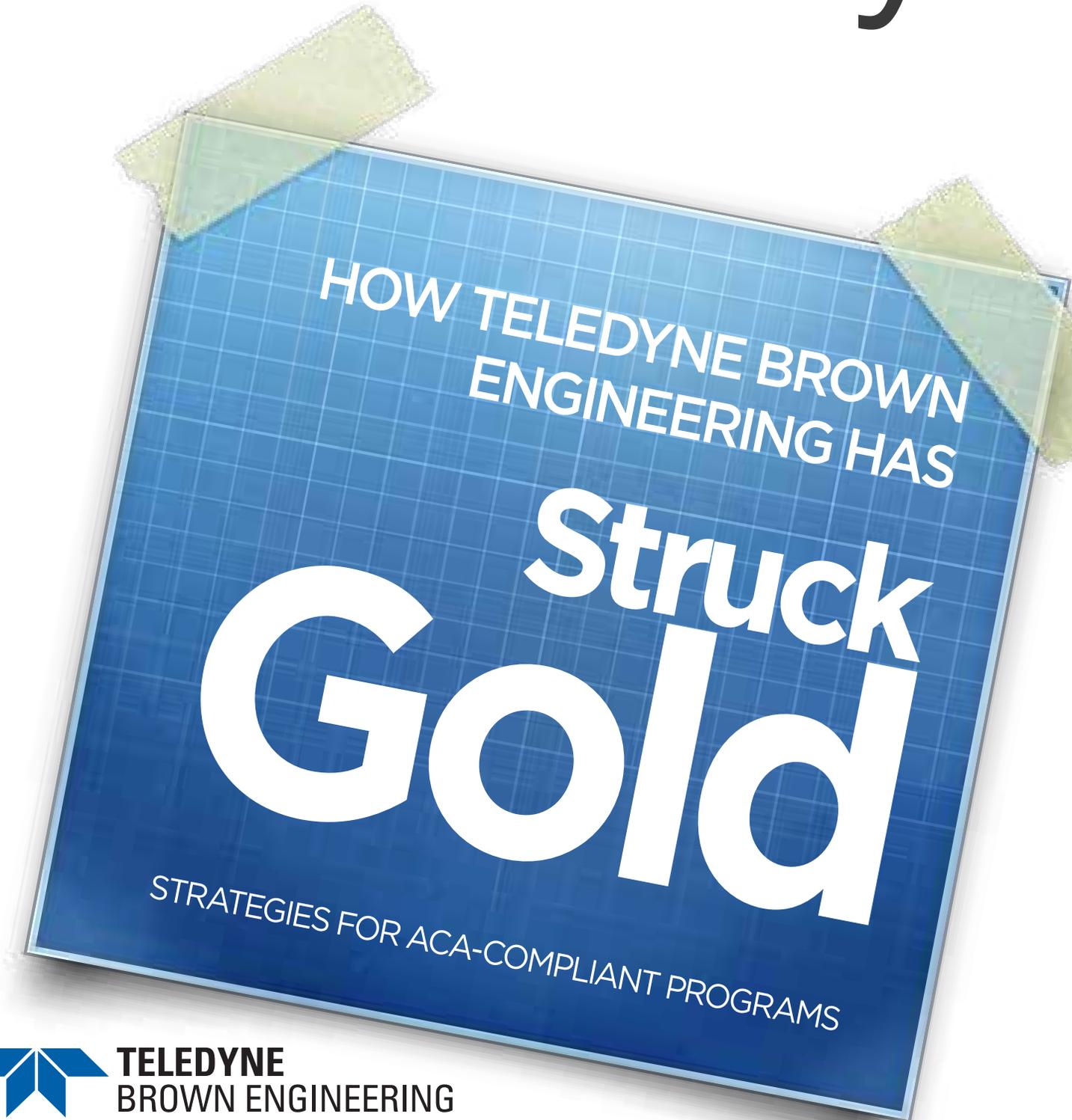


WELCOA[★]
Case Study



**TELEDYNE
BROWN ENGINEERING**
Everywhereyoulook™



ABOUT **JENNIFER A. GEIST, M.S.**

Wellness Manager, Teledyne Brown Engineering, Inc.
Teledyne Energy Systems, Inc.

Jennifer Geist has almost 20 years of experience in the health promotion and wellness industry. She currently serves as the Wellness Manager for Teledyne Brown Engineering in Huntsville Alabama, where she oversees all areas of employee health and wellness for the company's 1,000 employees throughout the U.S.

Geist recently assumed the responsibility for the wellness program management for Teledyne Energy Systems, in Hunt Valley, Maryland. She oversees all areas of health and wellness for the company's 130 employees.

Jennifer received her Bachelor of Arts degree in Psychology from the University of Wisconsin at Eau Claire. Her Master of Science degree in Behavior Analysis and Therapy was received from Southern Illinois University at Carbondale. Jennifer received her certification from the National Wellness Institute as both a Certified Wellness Program Coordinator and Certified Wellness Program Manager in July 2006.

ABOUT **RYAN PICARELLA, M.S., SPHR**

President, WELCOA

As WELCOA's President, Ryan brings immense knowledge and insight from his career that spans over a decade in the health and wellness industry. He is a national speaker, healthcare consultant, and has designed and executed award winning wellness programs. Known for his innovative and pragmatic approach to worksite wellness, Ryan looks forward to furthering the WELCOA mission and vision and continuing to position the organization for success for the future.

ABOUT **SARA MARTIN RAUCH, M.S.**

Director of Strategy & Planning, WELCOA

Sara has launched award-winning wellness programs and engineered work environments to create cultures of health across multiple industries. At WELCOA, her role is to ensure you continue to have access to the most innovative products and information so you can achieve your professional and personal wellness goals.

ABOUT **BRITTANY RUZICKA**

Creative Director, WELCOA

Brittany's passion for design and her background in nutrition and fitness makes her ideally suited to lead in every aspect of brand creation at WELCOA. She draws inspiration from the ability to connect and empower people through design.



Decoding the Affordable Care Act (ACA) and its implications for wellness program design is a major concern for wellness practitioners. Teledyne Brown Engineering's *Go for the Gold* program has been improving population health status, creating healthy cultures, and building employee trust—all within a strict interpretation of ACA guidelines. Keep reading to learn how.

From Apollo to Skylab, the Space Shuttle and the International Space Station, Teledyne Brown Engineering (TBE) has done it all. Located in Huntsville, Alabama, the birthplace of American Space Exploration, it has made a name for itself in the missile defense, energy and environment industries and entered new markets like marine, aviation, nuclear and laboratory services.

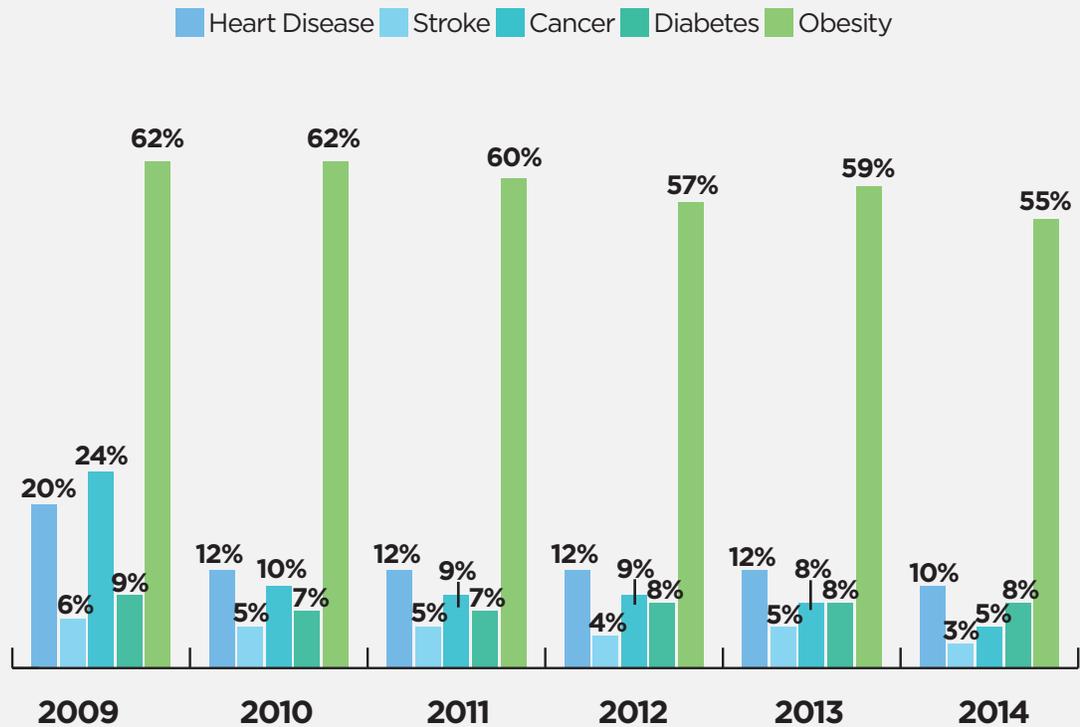
TBE's full-spectrum engineered systems and advanced manufacturing products won't be found on the shelves at Wal-Mart or Costco. Instead, they're being used by commercial companies and military services to protect and better serve our nation.

TBE is a blend of tradition and innovation in terms of its business focus. It continues to play a vital role in science operations for the International Space Station (ISS) program. It serves as the link between scientists, astronauts and experiments conducted on the ISS by providing 24/7 flight console operations, communicating with the crew, collecting experiment data and training and certifying console operators.

In addition to creating an Earth pointing platform called MUSES (Multi-User System for Earth Sensing), TBE has also entered the marine business, building wet combat submersibles for Special Operations Forces missions and underwater gliders that acquire critical ocean data to better position fleets during naval maneuvers. Other services and innovations include being the leading provider of integrated test systems for the missile defense industry and providing radiological environmental monitoring services to almost 50% of the nuclear power plants in the United States.

TBE is a wholly-owned subsidiary of Teledyne Technologies Incorporated in Thousand Oaks, California. Teledyne Technologies is a corporation with more than \$2B in revenue and 9,600 employees located throughout the United States, Canada, the United Kingdom and Western and Northern Europe.

FIGURE 1: HIGH-RISK CONDITION RATES



THE NEED FOR WELLNESS PROGRAMMING AT TELEDYNE BROWN ENGINEERING

Employees at TBE are typically pretty sedentary with the average TBE employee being a 50 year old male engineer who sits at a desk for most of the day. Aside from environmental barriers to health, wellness program needs for TBE arose from examining data from multiple sources including health risk appraisals,

health care and pharmaceutical claims and utilization and employee interest survey data. See Figure 1 for health-risk condition prevalence. From those data sources, they determined that heart disease was a major concern along with risky behaviors that are predictive of heart disease. Heart disease prevention and health status improvement are the main goals for programming as a result.



Teledyne Brown Engineering Headquarters

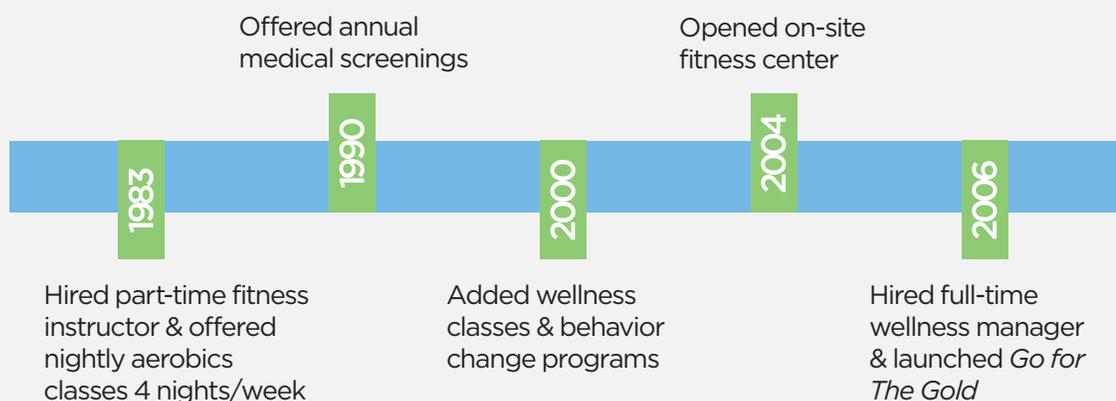
HISTORY OF WELLNESS AT TELEDYNE BROWN ENGINEERING

TBE's wellness program officially began in November 1983. A very progressive-thinking HR manager, John Gamble, wanted to offer aerobics classes to his employees. He hired a part-time nurse to teach aerobics 4 nights per week in addition to providing occupational health services. Throughout the decade, TBE also offered flu shots, weight loss counseling, smoking cessation programs, and occasional lunch time programs on stress management.

During the 1990's, TBE added an annual medical screening, which included a lipid panel, fasting glucose, height, weight, body mass index and blood pressure.

Beginning in the early 2000's, TBE began offering wellness classes and behavior change programs including walking challenges and a 5-a-Day Fruit and Vegetable campaign. They also implemented an incentive structure whereby employees earned WellBucks to participate in classes, programs and screenings. Wellbucks were redeemable for gift certificates.

FIGURE 2: THE EVOLUTION OF THE TBE WELLNESS PROGRAM



In 2004, TBE built a state-of-the-art on-site fitness center which includes showers, locker rooms and a stretching room. The fitness center is available at no cost to all employees.

In 2006, TBE created a full-time Wellness Manager position, added group exercise classes on-site and launched their signature wellness incentive program called *Go for the Gold*.

ABOUT THE GO FOR THE GOLD PROGRAM

In May 2006, TBE launched a comprehensive wellness program, called *Go for the Gold*. While TBE had been providing wellness activities for employees since the early '80's, by the early 2000's the HR director felt motivated to take the program

to the next level. TBE has an older workforce ($m=50$) and high tenure rates. When TBE considered the combination of an aging workforce with one that stays with the company for a long time, they realized they really needed to start being more strategic about keeping people healthy. The main goals for transitioning to the *Go for the Gold* Program were chronic disease prevention, improved employee health, cost containment, productivity enhancement and absenteeism reduction.

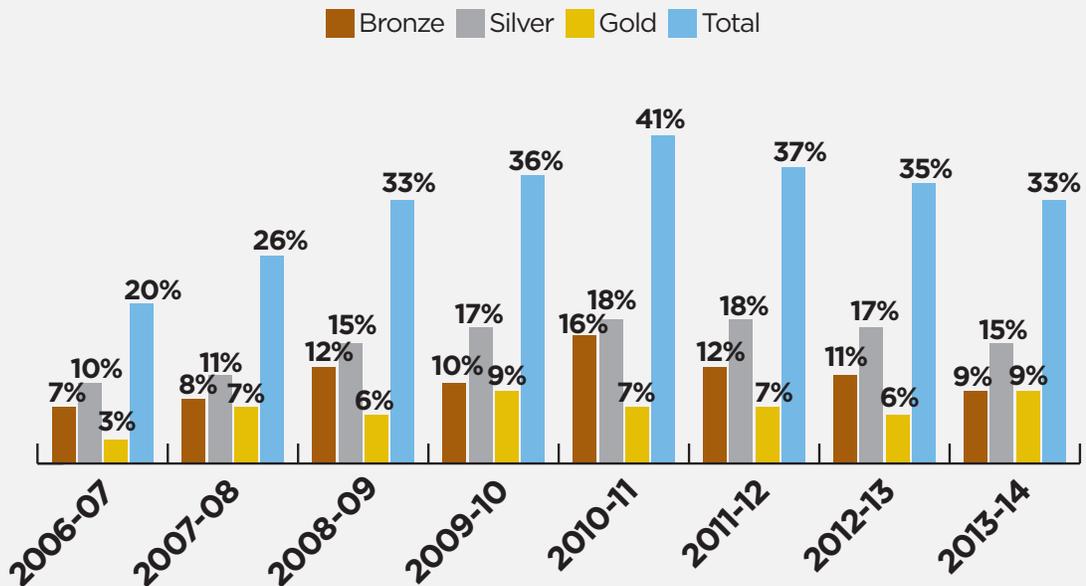
Go for the Gold is an innovative program that offers incentives for both participation and outcomes-based activities. For example, the Bronze Medal requirement is 100% participation-based while the Gold Medal requirement is to meet 6 out of 7 of outcomes-based goals. The 6 out of 7 requirement allows employees some flexibility in how they achieve the incentive. The program year begins on

GO FOR THE GOLD AWARDS AND RECOGNITION

- **2007** Winner of the Gold WELCOA Well Workplace Award
- **2007** Winner of the State of Alabama Psychologically Healthy Workplace Award from the Alabama Psychological Association.
- **2009** Winner of the National Psychologically Healthy Workplace Award from the American Psychological Association.
- **2009** Winner of the Companies of Excellence Award from the American Cancer Society, Mid-South Division.
- **2009** Winner of the Best Places to Work Award from the Huntsville/Madison County Chamber of Commerce.
- **2009, 2010, 2011, 2012 and 2013** Winner of the Fit Friendly Award from the American Heart Association.
- **2012** Recipient of the CEO Cancer Gold Standard Accreditation from the CEO Roundtable.
- **2013** Winner of the Corporate Impact Award for Excellence in Cancer Control from the American Cancer Society, Mid-South Division.



FIGURE 3: DISTRIBUTION OF MEDAL EARNERS



May 1 of every year and concludes on March 31. During the year, TBE provides classes and programs to support employees as they work to achieve each program goal.

STRUCTURE, GOALS & INCENTIVES

Go for the Gold Program rewards are available to all benefit-eligible employees. About 1,000 employees are eligible for *Go for the Gold*. TBE offers various resources to help employees achieve Bronze Medal, Silver Medal or Gold Medal incentives. Throughout the year, employees have opportunities to attend wellness classes, log at least 8 workouts per month and, for some, work toward becoming tobacco-free. Health screenings and health risk appraisals

are offered on-site annually as well. While all TBE employees are eligible to participate in wellness program activities, educational opportunities and screenings, employees must be benefit-eligible to receive incentive payouts for meeting *Go for the Gold* requirements. Figure 3 shows the breakdown of medal earners each year.

A major pillar of success for *Go for the Gold* is that TBE has a data management system in place to track activities and manage the incentive program. All participation and health outcomes data—down to participant-logged physical activity hours—are compiled into the system automatically. The system can then stratify employees into the appropriate incentive medal level.

GO FOR THE GOLD INCENTIVE REQUIREMENTS

BRONZE MEDAL - Annual Incentive \$40

Required Action:

- Online HRA
- Biometric Screening

SILVER MEDAL - Annual Incentive \$150

Required Action:

- Bronze Requirements
- Tobacco-free status for 6 months+
- Achieve 4 of 7 Health Goals:
 1. Systolic blood pressure < 135 AND Diastolic blood pressure < 85
 2. LDL Cholesterol < 100 AND HDL Cholesterol > 39

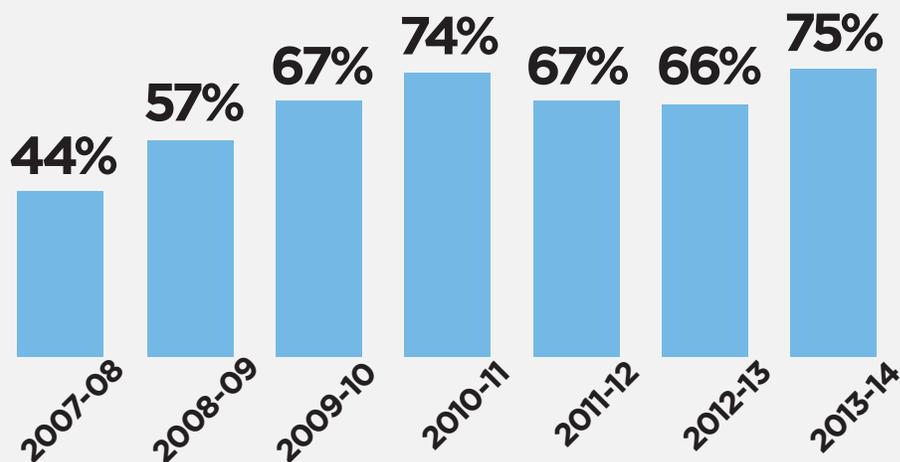
3. Triglycerides < 150
4. Fasting Blood Glucose < 100
5. Body Mass Index < 25 **OR** Body Fat Percentage
 - Women: < 26% if under age 50; < 28% if age 50 and over
 - Men: < 20% if under age 50; < 22% if age 50 and over
6. Exercise at least 8 times per month (for at least 10 of the 11 months of the program)
7. Attend at least 4 on-site wellness classes **OR** attend 3 on-site wellness classes and view 1 on-line wellness class

GOLD MEDAL - Annual Incentive \$250

Required Action:

- Bronze Requirements
- Tobacco-free status for 6 months+

FIGURE 4: WELLNESS PROGRAM PARTICIPATION



- Achieve 6 of 7 Health Goals:
 1. Systolic blood pressure < 135 AND Diastolic blood pressure <85
 2. LDL Cholesterol < 100 AND HDL Cholesterol > 39
 3. Triglycerides < 150
 4. Fasting Blood Glucose <100
 5. Body Mass Index < 25 OR Body Fat Percentage
 - Women: < 26% if under age 50; < 28% if age 50 and over
 - Men: < 20% if under age 50; < 22% if age 50 and over
 6. Exercise at least 8 times per month (for at least 10 of the 11 months of the program)
 7. Attend at least 4 on-site wellness classes OR attend 3 on-site wellness classes and view 1 on-line wellness class

BUILDING CULTURE AROUND THE PROGRAM

There are many reasons that Jennifer Geist, Wellness Program Manager for TBE cites for the success of their program. The buy-in they have received from employees has been overwhelming, and it is that buy-in that allows them to roll out a program with many requirements—some health contingent—and maintain a positive culture surrounding *Go for the Gold*.

Specifically, in the culture audit portion of WELCOA's *Wellstream* Health Risk Assessment, 89% of employees responded that they believed that TBE had their best interests in mind and cared about their health and wellbeing. 81% of employees reported that the TBE work environment supported them as they attempted to live a healthier lifestyle.



Teledyne Brown Blue Bat Run 5K



Jan Hess, President, TBE

At the core of our business are our people. They are the foundation of our company. By investing in our employees and their health, we invest in our future. That makes for a winning corporate culture.

To educate employees about how to get the most from such a multifaceted program, TBE has employed many communication techniques.

- › Program kick-off meetings every year that are open for anyone to attend.
- › Program kick-off meetings during VP-level staff meetings.
- › CEO communication including CEO blog, mass emails, and program participation.
- › Multiple channel communication plans including:
 - *Go for the Gold* website
 - Mass emails to all employees
 - Posting on company Intranet
 - Updates on internal wellness website
 - Posters
 - Wellness Champions

COMPLIANCE WITH HEALTH POLICY & THE AFFORDABLE CARE ACT

From the launch of *Go for the Gold* in 2006, TBE has rigorously designed and managed their program in compliance with regulations from the Department of the Treasury, Department of Labor and Department of Health and Human Services regarding offering employee incentives with health-contingent wellness programs. While the requirements were initially only for wellness incentives offered in connection with a health plan, TBE chose to follow the requirements completely. In May, 2013, when the final Affordable Care Act regulations were released, TBE was already in compliance with the regulations for nondiscriminatory wellness programs. The next section highlights the 5 requirements for health-contingent wellness programs and how the *Go for the Gold* program maintains compliance. TBE believes that the success of their program was

predicated on not just the health outcomes achieved, but on the rigorous and thorough structure of the program.

REQUIREMENT #1: The program must give eligible individuals an opportunity to qualify for the reward at least once per year.

The TBE wellness program calendar year runs from May 1 – March 31. Each May, TBE kicks off the *Go for the Gold* program and tells employees about program goals and incentives. Throughout the year, educational classes and behavior change programs are offered to help employees achieve their goals. In March, every employee has the opportunity to receive a medal in the program as long as they complete the on-line Health Risk Appraisal and the on-site health screening. Each March marks a new opportunity for all eligible employees to earn a reward.

REQUIREMENT #2: The reward must not exceed 30% of the total cost of employee-only coverage under the plan.

- TBE's greatest reward is \$250/year.
- TBE's total employee-only coverage cost is \$6,600/year.

REQUIREMENT #3: The reward must be available to all similarly situated individuals.

TBE accomplishes this requirement two ways. First, they offer reasonable alternative standards that an employee can meet in lieu of meeting the actual health-contingent requirement. Here are a few examples:

- For an employee with diagnosed diabetes, instead of meeting the health goal of a fasting glucose of less than 100, the employee can provide a copy of his/her most recent hgbA1C.



2013-2014

A CONFIDENTIAL WELLNESS PROGRAM THAT REWARDS EMPLOYEES* WHO ENGAGE IN HEALTHY LIFESTYLE CHOICES

The 2013-2014 Go for the Gold Wellness Program begins on May 1, 2013 and ends on March 31, 2014. Throughout the year, you'll have opportunities to attend wellness classes; log at least eight workouts per month; and, for some, work toward becoming tobacco-free. In March 2014, the health screenings and health risk appraisals will be conducted to determine your medal qualification.

Bronze Medal..... Reward \$40.00	Silver Medal..... Reward \$150.00	Gold Medal..... Reward \$250.00
<p>To earn a Bronze Medal, you must complete the following:</p> <ul style="list-style-type: none"> • On-line Health Risk Appraisal (HRA) • Lipid Profile Screening • Fasting Blood Glucose Screening • Blood Pressure Screening • Height, Weight, and Body Mass Index or Body Fat Composition <p>Reward \$40.00 paid to you in April 2014, when the program year ends.</p>	<p>To earn a Silver Medal, you must complete the following:</p> <ul style="list-style-type: none"> • On-line Health Risk Appraisal (HRA) • Lipid Profile Screening • Fasting Blood Glucose Screening • Blood Pressure Screening • Height, Weight, and Body Mass Index or Body Fat Composition <p>AND</p> <p>You must be tobacco-free for 6 months</p> <p>AND</p> <p>You must achieve 4 of the following 7 health goals:</p> <ol style="list-style-type: none"> 1. Systolic blood pressure less than 135 AND Diastolic blood pressure less than 85 2. LDL Cholesterol less than 150 AND HDL Cholesterol greater than 39 3. Triglycerides less than 150 4. Fasting Blood Glucose less than 100 5. Body Mass Index less than 30 OR Body Fat Percentage: <ul style="list-style-type: none"> • Less than 26% for women under age 50; • Less than 28% for women age 50 and over • Less than 22% for men under age 50; • Less than 24% for men age 50 and over 6. Exercise at least eight times per month for at least 50 of the 11 months of the program in the TBE Fitness Center** 7. Attend at least four on-site Wellness Classes OR attend three on-site Wellness Classes and view one on-line Wellness Class*** <p>Reward \$150.00 paid to you in April 2014, when the program year ends.</p>	<p>To earn a Gold Medal, you must complete the following:</p> <ul style="list-style-type: none"> • On-line Health Risk Appraisal (HRA) • Lipid Profile Screening • Fasting Blood Glucose Screening • Blood Pressure Screening • Height, Weight, and Body Mass Index or Body Fat Composition <p>AND</p> <p>You must be tobacco-free for 6 months</p> <p>AND</p> <p>You must achieve 6 of the following 7 health goals:</p> <ol style="list-style-type: none"> 1. Systolic blood pressure less than 135 AND Diastolic blood pressure less than 85 2. LDL Cholesterol less than 100 AND HDL Cholesterol greater than 39 3. Triglycerides less than 150 4. Fasting Blood Glucose less than 100 5. Body Mass Index less than 30 OR Body Fat Percentage: <ul style="list-style-type: none"> • Less than 26% for women under age 50; • Less than 28% for women age 50 and over • Less than 22% for men under age 50; • Less than 24% for men age 50 and over 6. Exercise at least eight times per month for at least 50 of the 11 months of the program in the TBE Fitness Center** 7. Attend at least four on-site Wellness Classes OR attend three on-site Wellness Classes and view one on-line Wellness Class*** <p>Reward \$250.00 paid to you in April 2014, when the program year ends.</p>



2013-2014 Wellness Class Calendar		
MAY 2013	JUNE 2013	JULY 2013
Go for the Gold Kickoff Meetings Kick Tobacco for Good	Boost Your Metabolism	Women and Weights
AUGUST 2013	SEPTEMBER 2013	OCTOBER 2013
	Stress and Our Perceptions Mindfulness and Meditation	Benefits of Stretching Stress-Free Diet
NOVEMBER 2013	DECEMBER 2013	JANUARY 2014
Change and Challenges: Developing Your Personal Resilience Weight Management during the Holidays		Healthy Habits for Lifetime

*This is a confidential wellness program. Only members of the TBE Wellness Team (Jennifer Geist, Wellness Manager, and Jamie Criss, RN) have access to your confidential data. HIPAA requirements for the storage and security of protected health information will be fully met. If it is unreasonably difficult for you to achieve the standards for the reward under this program due to a medical condition, or if it is medically inadvisable for you to attempt to achieve the standards for the reward, call Jennifer Geist to work with you confidentially to develop another way to qualify for the reward.

**You are encouraged to use the TBE Fitness Center, but are welcome to use any fitness center of your choice. However, you can receive credit for your workouts only if your fitness center does not have an electronic log-in system; please contact Jennifer Geist for the necessary forms. All workout documentation must be submitted to Jennifer Geist by APRIL 15, 2014.

“Note: This is a confidential wellness program. Only members of the TBE Wellness Team (Jennifer Geist, Wellness Manager, and Jamie Criss, RN) have access to your confidential data. HIPAA requirements for the storage and security of protected health information will be fully met.

If it is unreasonably difficult for you to achieve the standards for the reward under this program due to a medical condition, or if it is medically inadvisable for you to attempt to achieve the standards for the reward under this program, call Jennifer Geist to work with you confidentially to develop another way to qualify for the reward.”

See appendix for this resource.

If his/her physician has made a specific A1C recommendation, that becomes the alternative standard. If not, the alternate standard of 6.5% or less is used.

- ▶ For an employee who is pregnant at the time of TBE's qualifying health screenings, pre-pregnancy weight and cholesterol levels are used.

Another option for employees not meeting the alternate standard of 6.5% or less is a waiver process. TBE markets these options on all program communications.

REQUIREMENT #4: The program must be reasonably designed to promote health or prevent disease.

A reasonably designed wellness program is defined in the literature as having a “reasonable chance of improving the health of or preventing disease in participating individuals.” To help remain compliant with the ACA, it is also important to be able to provide documentation that a program is reasonably designed. For TBE, the foundation of the wellness program is built on creating a healthy



Teledyne Brown On-Site Yoga Class

culture and supportive work environment that is designed to increase employee engagement in healthy behaviors and health improvement. They employ a strategic operating plan that directly links health improvement needs with specific programmatic elements. This strategic operating plan uses annual claims data, health risk data, interest surveys, and culture audits to determine programming goals and offerings.

REQUIREMENT #5: In all plan materials describing the terms of the health contingent components of the wellness program, the program must disclose the availability of other means of qualifying for the reward or the possibility of waiver of the otherwise applicable standard.

See communications section for an overview of all communication channels used. All reasonable alternative standard options, waiver options, program deadlines and requirements are provided across all of TBE's many program communications. In addition, contact information for obtaining a reasonable alternative standard is provided.

FIGURE 5: TOTAL HEALTH RISKS AT TBE ENGINEERING

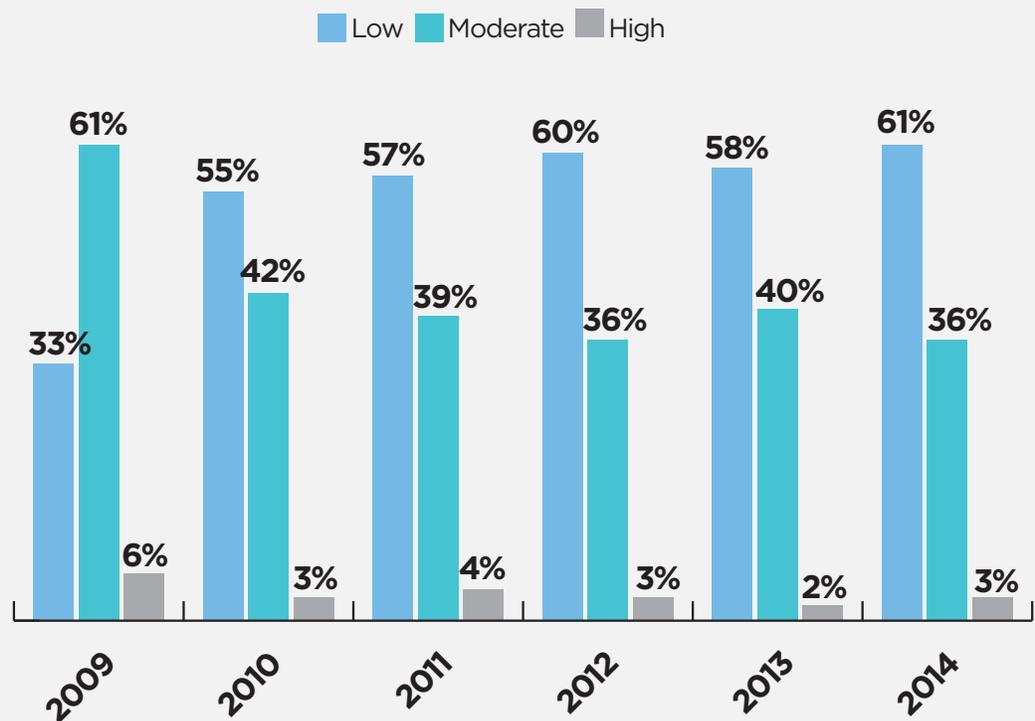
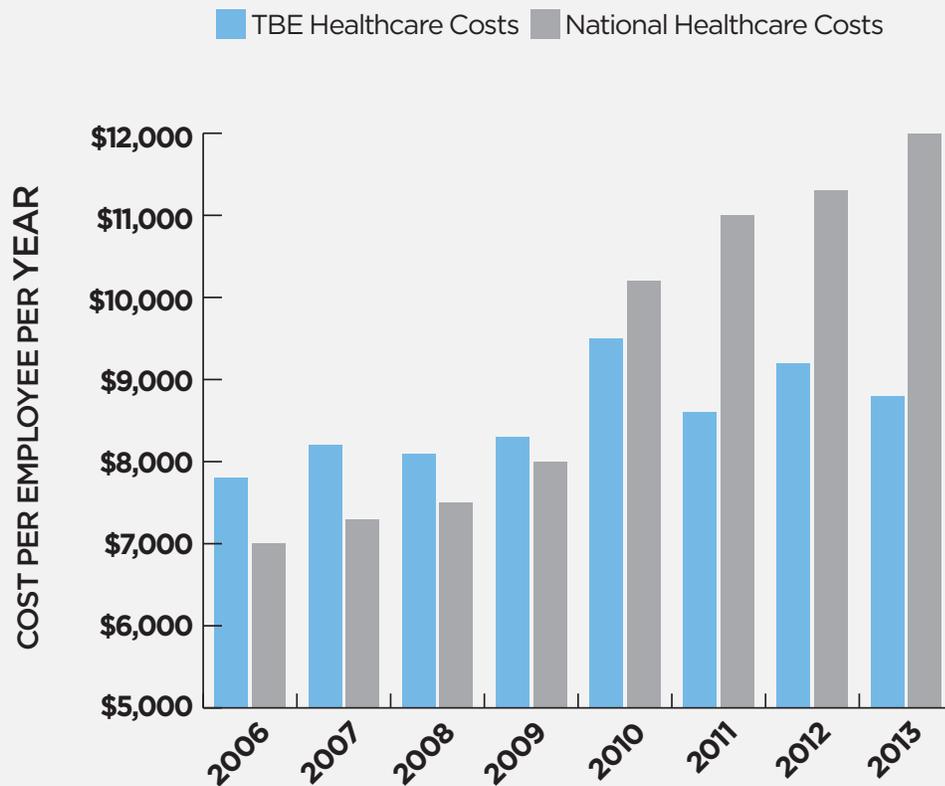


FIGURE 6: HEALTHCARE COSTS



OUTCOMES

TBE has experienced tremendous success with the *Go for the Gold* program since it first launched in 2006. As can be seen in Figure 6, per-employee per-year healthcare costs have remained fairly stable as the national averages have continued to increase year over year. Most remarkably, TBE employees have drastically improved their health status. The percentage of TBE's employees with low risk health status has doubled since 2006, and moderate and high risk health status percentages have been reduced by half. It is clear from the health risk status breakdown in Figure 5 that TBE's program is improving the health of its people. 🌟

WELCOA[★]
WELLNESS WORKS HERE

17002 MARCY STREET, SUITE 140 | OMAHA, NE 68118
402.827.3590 | WELCOA.ORG

