



# Rockwell Collins Wellness Program Review

*“Bringing health to life”*

Midwest Business Group on Health  
July 16, 2008

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# Agenda

- Rockwell Collins overview
- Integrated wellness program
  - Programs
  - Eligibility
  - Incentives and requirements
  - Wellness Support Programs
- Communication Strategy
- Wellness results
- Wellness next steps
- Key “take-aways”

## Executive summary

- Wellness programs
  - Offer a comprehensive wellness program
  - Consider “inclusive” eligibility
  - Align incentives to your medical premium
  - Create a wellness support plan
    - Demonstrates alignment and ongoing business commitment
- Communications
  - Invest in a “behavioral change” communications plan
  - Communications is as valuable as incentives
- Results
  - Drive for participation but .....
  - Plan to create a wellness ROI roadmap

# Who we are



Rockwell Collins is a pioneer in the design, production and support of innovative solutions for our customers in aerospace and defense.

Working together, our global team is committed to helping customers succeed every day.

# Who we are



- A global company operating from more than 60 locations in 27 countries
- 20,000 employees on our team
- A uniquely balanced business across markets we serve
  - Government – 51% of sales
  - Commercial – 49% of sales
- \$4.42 billion in sales (2007)



# Wellness Program

*“Bringing health to life”*

- Topics:
  - Programs
  - Eligibility
  - Incentives and requirements
  - Wellness support programs

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# Something for everyone

Healthy/  
Pre-condition

Acute episodes or  
early chronic  
condition

Chronic or  
catastrophic  
condition

Wellness support



**A comprehensive integrated  
wellness program offers support to  
assess, act and achieve health**

# A comprehensive wellness program

24/7 toll-free  
phone service

Wellness support  
programs

Health  
challenges

Wellness  
champions



Health portal

Healthy living  
programs

Health coach

Disease  
management

# Rockwell Collins wellness overview

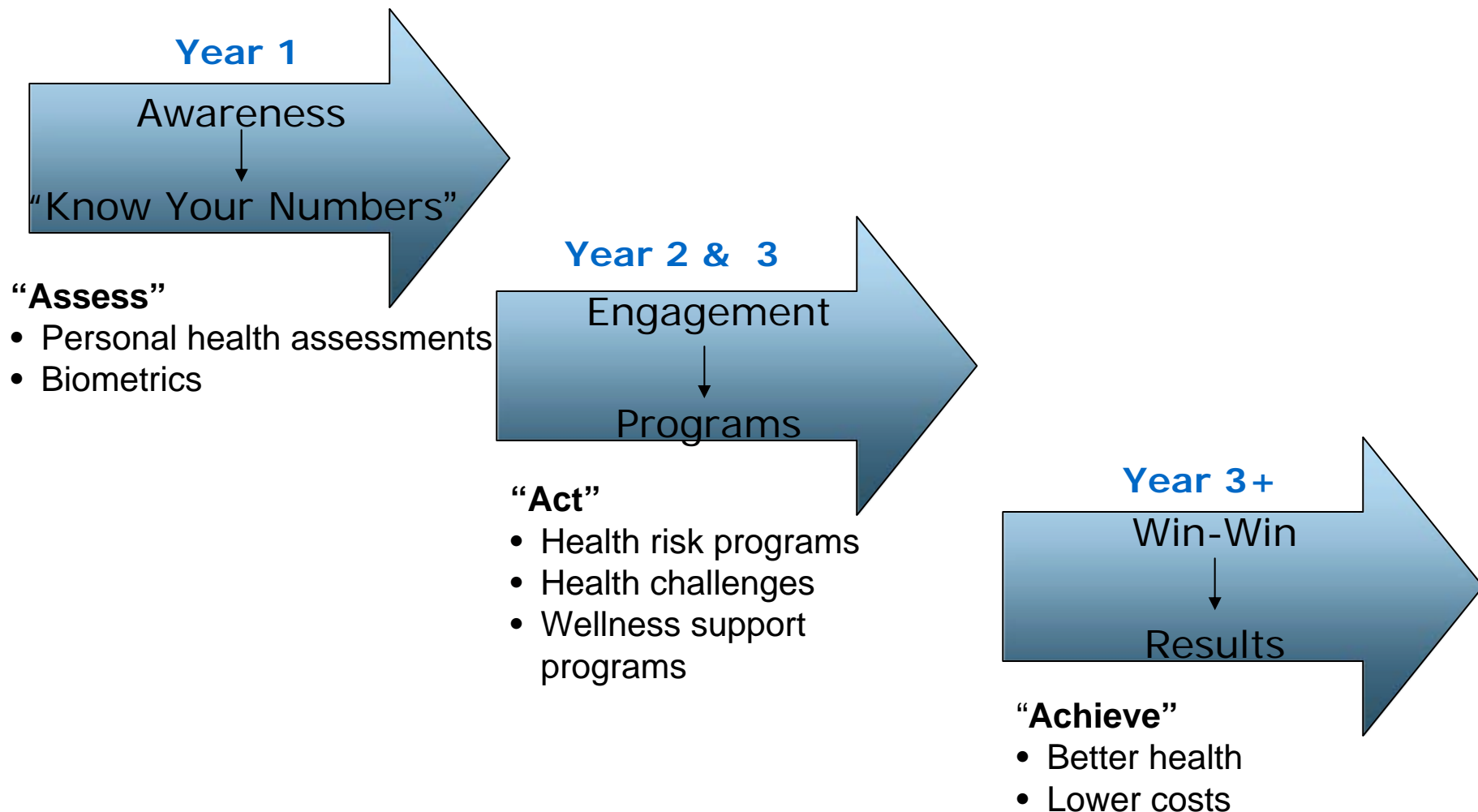
- Launched in March, 2007
- Adopted inclusive eligibility
  - US-based employees and spouses
    - 27,000 covered lives
  - Non-union and union
    - 23,500 non-union covered lives
    - 3,500 union covered lives
    - 65% professional/technical and 25% production
  - Demographics are 65% male and 64% over 40
    - Average age: 44
  - All health plans
    - EPO and HMO plans (45% of population)
    - HDHP plan (40% of population)
    - Opt-outs (15% of population)
- Used inclusive incentives\*
  - Employee: \$125 medical premium reduction
  - Spouses: \$125 medical premium reduction

# Medical premium

Medical Plan	With Participation <sup>1</sup>	Without Participation <sup>2,3</sup>
<b>My PPO Plus</b>		
Employee	\$0 premium	\$125 annual premium
Spouse	\$0 premium	\$125 annual premium
<b>EPO or HMO</b>		
Single	Premium <i>minus</i> \$125	Premium
Spouse	Premium <i>minus</i> \$125	Premium
<b>Opt-out</b>		
Full time employee	\$600 credit	\$475 credit
Part-time employee	\$300 credit	\$175 credit
<b>Bargaining Unit</b>		
Employee	\$0 penalty	\$125 penalty
Spouse	\$0 penalty	\$125 penalty

1. Eligibility: salaried non-union production/maintenance, and union employee and his/her spouse
2. Participation is defined as completion of PHA with biometrics plus two activities
3. Participation is defined as completion of PHA with biometrics

# Phased wellness adoption strategy



**Life-style behavioral change for better health**

## 2008 wellness design- assess & act activities

Assess	Act	
<i>Know More</i>	<i>Learn More</i>	<i>Do More</i>
<p><b>Complete a new personal health assessment with biometrics in 2008</b></p> <ul style="list-style-type: none"> <li>• Even if you completed an assessment in 2007</li> </ul>	<p><b>Complete one of these activities:</b></p> <ul style="list-style-type: none"> <li>• Preventive exams</li> <li>• Online seminar</li> <li>• Local wellness event</li> <li>• Nutritional or weight loss counseling</li> <li>• Wellness champion</li> <li>• Disease management program</li> </ul>	<p><b>Complete one of these activities:</b></p> <ul style="list-style-type: none"> <li>• Healthy living program</li> <li>• Health challenge</li> <li>• Health coach program</li> <li>• Physically active routine</li> </ul>

### Wellness program: 2008 wellness incentive model

To pay the lower medical plan premium in 2009, you need to do the following by September 30, 2008:

- Complete the personal health assessment with biometrics
- Complete one Learn More activity
- Complete one Do More activity

# Wellness support programs - 2008

- Medical and drug plan preventive care features
  - Nutritional counseling
    - Covered up to five visits per year without disease
  - 100% coverage for routine preventive physical exams
  - Preventive generic drugs at a reduced \$5 copay
  - Tobacco cessation programs with higher surcharges
    - Free & Clear coaching program
    - Increased from 25% to 33% of employee premium
- Discount programs
  - Discounted recreation club membership program
    - Discounts on enrollment costs at 6,500 clubs
  - Discounted weight loss program memberships
    - Discounts on enrollment costs with five vendors
- Cafeteria services
  - Consolidated 15+ vendors to one vendor for cafeteria, vending and catering to drive nutritional improvement
    - Healthy foods subsidized from vending/unhealthy foods

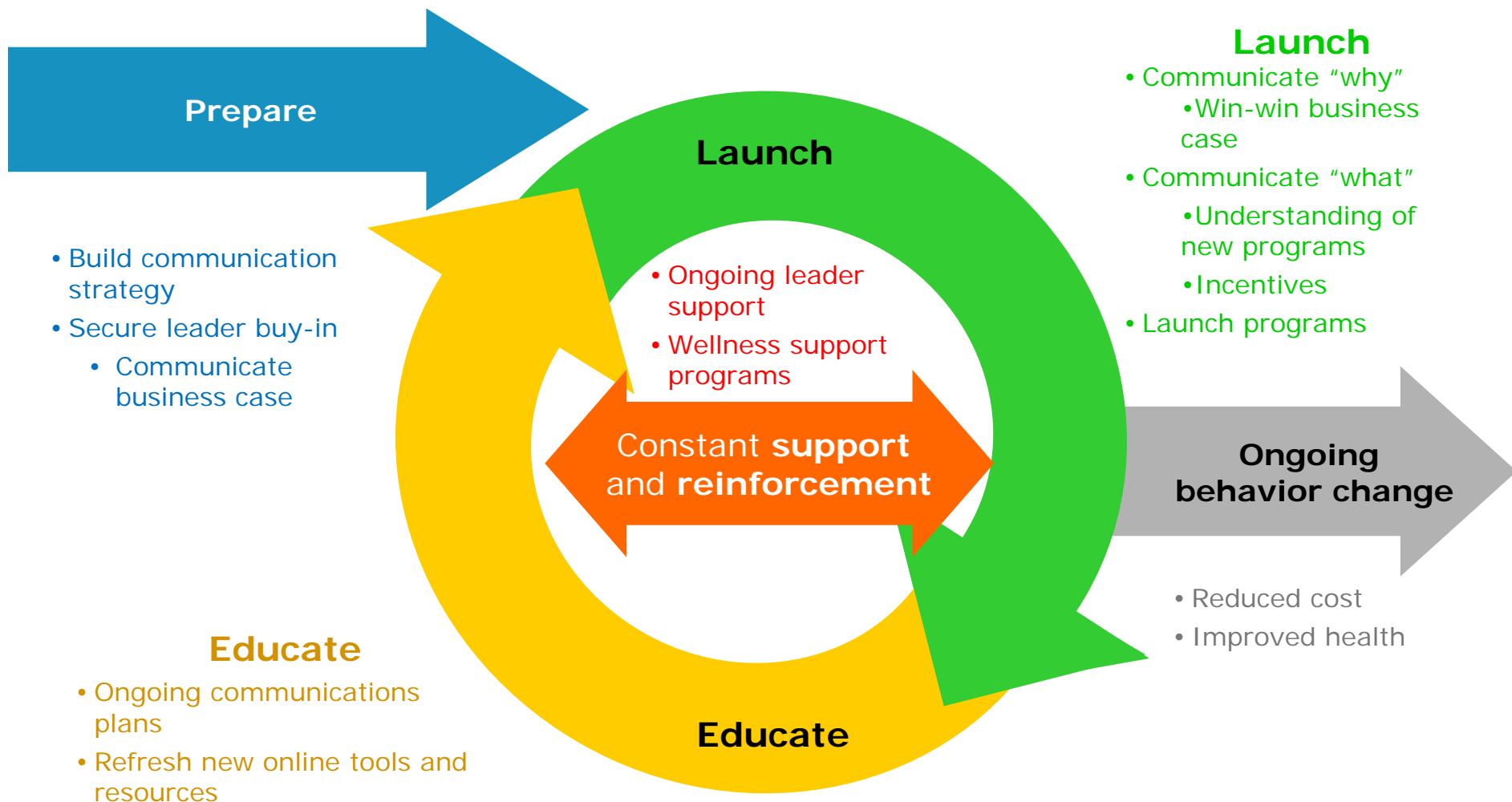
# Communication Plans

*"Bringing health to life"*

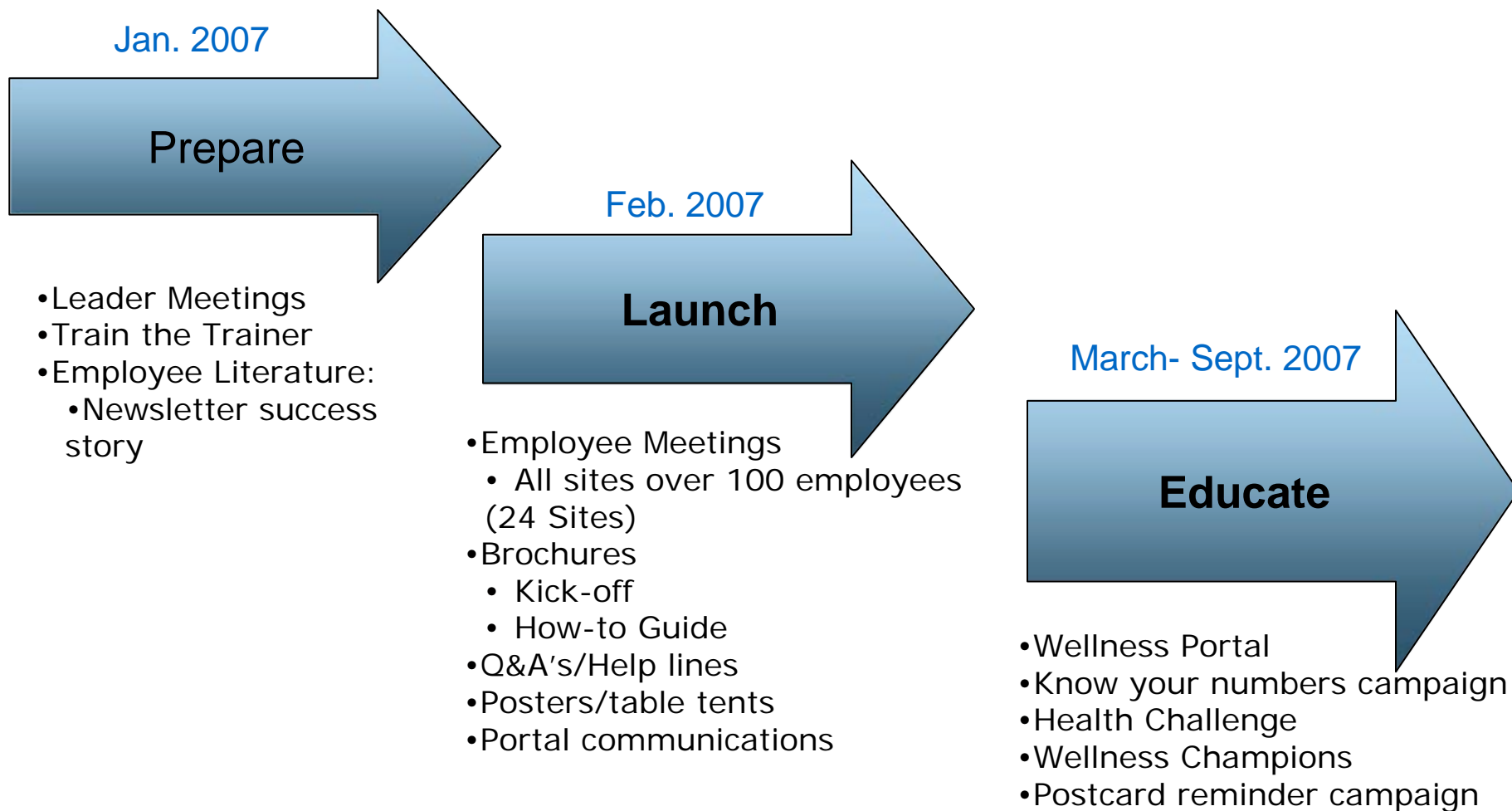
- Topics:
  - Lifestyle behavioral change communications

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# Communicating lifestyle behavioral change is an ongoing process



# Communication strategy – phase 1



Educate leaders and employees on personal and business value of wellness

## Communications strategy – leader and employee meetings

- Leader meeting- January, 2007
  - Business sponsors shared business case
  - Wellness expert explained programs
  - Q&A's
- Train-the-trainer sessions – January, 2007
  - Half-day sessions for local site business sponsors, HR site leaders, HR help desk, facilities and health & safety
- Employee meetings – February, 2007
  - Site business leader
    - Provides employee & business case
  - Wellness expert
    - Provides wellness program overview
  - Local HR:
    - Provides logistics of biometrics screening
  - Q&A

### Business leadership involvement

## Rockwell Collins health status

73.2%

23.6%

3.2%

**Healthy/  
Pre-condition**

Claims < \$1,000

**Acute episodes/  
early chronic  
condition**

Claims of \$1,000 to \$10,000

**Chronic/  
catastrophic  
condition**

Claims > \$10,000

**Over 50% of  
our costs**

# Wellness has advantages for all of us

## For you

- Enjoy a better quality of life at home and at work
- Increase healthy activity
- Maintain affordable health care costs

## For Rockwell Collins

- Build a healthier, more productive workforce
- Maintain affordable health care costs

**Healthy people  
Lower health care costs**

# Brochures and Q&A's

- Kick-off brochure ([See Example](#))
  - Explained business case for the company and employee
  - Overviewed what is expected and when
  - Highlighted programs, biometrics and incentives
    - Used employee profiles depicting program features
    - Provided checklist
- How-to brochure ([See Example](#))
  - Showed step-by-step sign-in process
  - Overviewed personal health assessment and sample report
- Q & A's ([See Example](#))
  - Addressed controversial topics
    - Philosophy & future direction
    - Confidentiality
    - Program requirements

# Brochures – sample message

## Bringing health to life

Have you ever made a New Year's resolution to live a healthier lifestyle, but didn't follow through? Have you ever tried to stop smoking? Have you ever started on an exercise program – only to slide back into your old habits? Our new wellness program is designed to offer help for an array of health-related goals, and provides several advantages:

### **Comprehensive, convenient and reliable health resources**

With a focus on preventive care, our wellness program offers a range of health information, resources and personal support. Health information will soon be available to you 24/7 through a dynamic, Web-based health portal and a toll-free telephone number.

### **Programs tailored to your health needs**

A personal health assessment is available so you can assess your health and identify which resources and support services are best for you. A personal action plan is tailored based on your health risks and readiness for change. It may include recommendations for healthy living programs, assistance from a health coach or care through a disease management program. There's something for everyone, including enterprise-wide health challenges.

### **A healthier you!**

Participating in the wellness program and living a healthier lifestyle can help maintain and improve your health. And, it provides an opportunity to benefit from lower health care costs.

# Wellness Results

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- Topics:
  - Communication survey results
  - Participation results

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## Wellness communications results- employee survey

- 94% understood the value of completing a personal health assessment with biometrics
- 93% understood why the company introduced a wellness program
- 86% found the onsite wellness meetings useful

## Wellness program results

<p>Health Portal Registrations</p> <p><b>2007</b></p>	<p>18,835 / 74 %</p>
<p>On-Site Biometrics</p> <p><b>2007</b></p>	<p>Screened: 11,664 / 46%</p> <p>Employees: 9,788 / 61%</p> <p>Spouse: 1,876 / 20%</p>
<p>Personal Health Assessments (PHA) Completed</p> <p><b>2007</b></p>	<p>Total Salaried Only: 16,423 / 74%</p> <p>Salaried Employees: 10,954 / 77% (Goal: 75%)</p> <p>Salaried Spouses: 5,469 / 68% (Goal: 25%)</p> <p>Total Union Only: 382 / 12%</p> <p>Union Employees: 313 / 15%</p> <p>Union Spouses: 69 / 6%</p>
<p>Health Challenge</p> <p><b>2008</b></p>	<p>Total Salaried Only: 3,992 / 17%</p> <p>Salaried Employees: 3,160 / 21% (Goal: 20%)</p> <p>Salaried Spouses: 832 / 10% (Goal: 5%)</p> <p>Total Union Only: 83 / 3%</p> <p>Union Employees: 69 / 3%</p> <p>Union Spouses: 14 / 1%</p>

## Wellness next steps

- Create a wellness ROI roadmap
  - Health risk reduction
  - Avoidable claims ROI
  - Disease management ROI
- Expand wellness support programs
  - New dental and vision preventative care features
    - Vision – Disease referral to PCP
    - Dental - Cancer screenings
  - Recreation club membership reimbursement
    - Activity-based subsidy
  - Discounts on vitamins, homeopathic medicines and massage
- Establish onsite urgent care/wellness clinics
  - Sites over 500 employees
  - Services include urgent care, preventive care, chronic condition management, health coaching, pharmacy and physical therapy

## Key “take-aways”

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