



# **Driving Innovation in the Health Care Marketplace**

## **A CEO Report**

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September 2014



Business Roundtable (BRT) is an association of chief executive officers of leading U.S. companies working to promote sound public policy and a thriving U.S. economy.

BRT-member companies produce \$7.4 trillion in annual revenues and employ more than 16 million people. Comprising more than a third of the total value of the U.S. stock market, these companies invest \$158 billion annually in research and development — equal to 62 percent of private U.S. R&D spending. In addition, they pay more than \$200 billion in dividends to shareholders and generate more than \$540 billion in sales for small and medium-sized businesses annually. BRT companies give more than \$9 billion a year in combined charitable contributions.

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# **Driving Innovation in the Health Care Marketplace**

## **A CEO Report**

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September 2014



## Dear Business Leaders and Stakeholders:

On behalf of the members of the Business Roundtable, we are pleased to share with you *Driving Innovation in the Health Care Marketplace: A CEO Report*.

As the providers of health care coverage to more than 40 million Americans, Business Roundtable member companies are deeply invested in the health and well-being of American workers and their families. We are also committed to the success and sustainability of the U.S. health care system. That is why we are calling for transformational changes in how we deliver and value care in the United States.

As a nation, we spend more per capita on health care than any other country in the world, but the care we receive is not always commensurate with the dollars invested. To close that gap, we must shift our focus from cost to value; we must spend our dollars in ways that promote better outcomes and emphasize prevention. We must also align incentives for those who provide care, those who consume it and those who sponsor it to make us all more accountable for improving value.

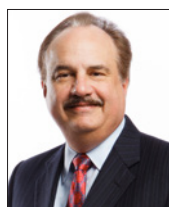
Through investment, innovation and collaboration, Business Roundtable members have found ways to drive greater value and better outcomes in the health care we cover for employees. These innovations in the private insurance marketplace offer proven models for public programs — but they are just the beginning. This report presents a vision and framework for what the public and private sectors can do over the next decade to spur innovation and replicate successful market-based solutions to make the U.S. health system a global leader in delivering high-quality, affordable health care.

Sincerely,



A handwritten signature in black ink, appearing to read "Gary W. Loveman".

**Gary W. Loveman**  
Chairman, Chief Executive Officer & President  
Caesars Entertainment Corporation



A handwritten signature in black ink, appearing to read "Larry J. Merlo".

**Larry J. Merlo**  
President & CEO  
CVS Caremark Corporation



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# Introduction

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As CEOs of leading companies, Business Roundtable (BRT) members believe that our nation needs to address the long-term fiscal challenges affecting both publicly funded health care programs and employer-sponsored health insurance coverage. Reforms of public and private programs need to be aligned to drive greater value and outcomes from the delivery of services. While the primary fiscal and economic challenges are associated with Medicare and Medicaid, the escalating cost of private insurance continues to be a significant challenge for U.S. employers. Private enterprise is at the forefront of addressing these cost challenges by innovating in ways that drive better value and improve health care outcomes. Public payers should adopt these innovations to maximize and expand upon their demonstrated success.

BRT companies provide health coverage to more than 40 million Americans. We help American workers and their families remain healthy, receive quality treatment when necessary and achieve better health outcomes. The private-sector innovations in the insurance marketplace that enable us to provide these services to our employees and their families serve as models for public programs — but additional reforms are necessary. This report highlights the innovations we have made and the public policy changes we believe would permit the private and public markets to better leverage their collective purchasing power to create a more consumer-centric health care system focused on driving value by promoting health and improving outcomes. The report also provides information on current efforts by leading BRT companies to make health care costs more transparent and improve data on quality of care, which together will lead to a more value-driven health care system. As a country, the United States must replicate these and other successful market-based solutions to make the health system a global leader in delivering high-quality, affordable health care.

Our report presents a vision for what the public and private sectors can do over the next decade to remove existing barriers to innovation and create a framework for public policy that supports innovations to get better care for less money.

## Rising Health Care Costs Are a Long-Term Problem

Health care costs that are rising in substantial excess of growth in gross domestic product (GDP) are hindering job creation outside of the health industry, damaging our ability to compete in global markets and straining the household budgets of American families.<sup>1</sup> Costs and cost growth rates remain too high. In 2013, average annual premiums for employer-sponsored coverage were \$5,884 for an individual and \$16,351 for a family — almost three times the averages in 2002.<sup>2</sup> A rate of health care cost growth that is substantially higher than the rate of GDP growth must be addressed by a long-term vision and a supportive public policy environment that will safely slow the rate of increase.

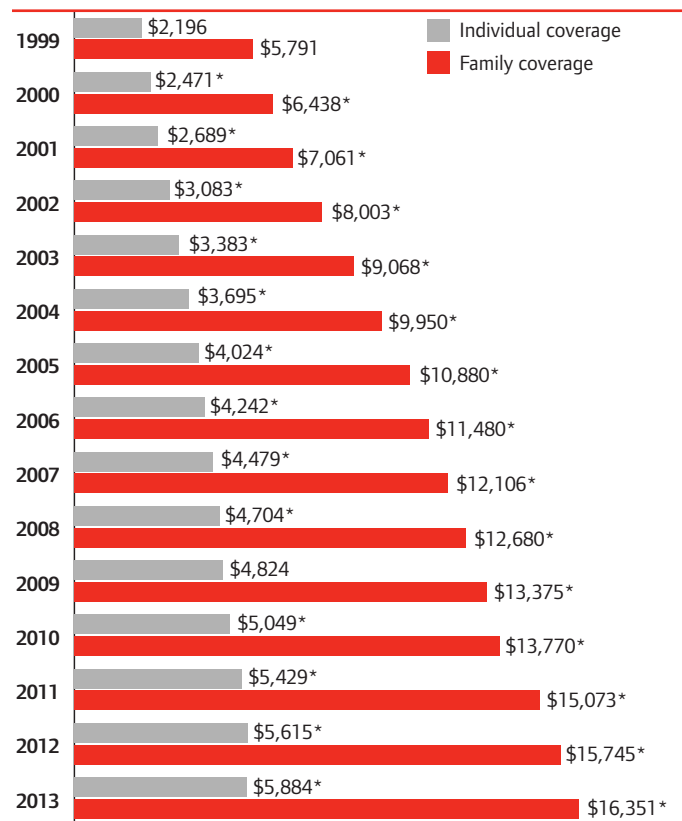
Employers are in a great position to influence health care. Working directly with the system by resetting expectations, creating better measurements and aligning payment results in a de-layered approach that gives us a better line of sight into overall system performance. More importantly, our employees and their families get the best care at the best time for the best price.

— INTEL CORPORATION

For all we spend as a nation on health care, we are not getting our money's worth. U.S. health spending is the highest in the world at roughly \$3 trillion and nearly 18 percent of GDP.<sup>3</sup> Yet we do not always receive the best quality care. World-class medical achievements and scientific technology coexist with subpar medical outcomes. There is a costly mixture of overuse, underuse and misuse of health care services and substantial inefficiency in the provision of useful services. At the same time, with aging baby boomers and newly insured individuals in the market, the demand for care is on the rise, which is threatening to make health care spending unsustainable for private and public payers alike.

Spending on health care is rising unnecessarily in large part because the U.S. health care system is fragmented and care across providers is often uncoordinated. Consumers are insulated from the cost implications of their health behaviors and health care provider selections. Their ability to compare the cost and quality of health care providers is hampered by a lack of information about performance. Doctors and patients must often pursue more aggressive treatments than they would have needed if effective preventive measures had been taken earlier. Furthermore, the cost-effective prevention and wellness programs that BRT companies have pioneered are not being replicated systemwide. We hope to change these drivers of rising health care costs. The innovative practices developed by many BRT companies can be applied more broadly by other employers and government purchasers. In addition, policies can be enacted to accelerate the discovery and testing of innovations in an ongoing process of continuous improvement.

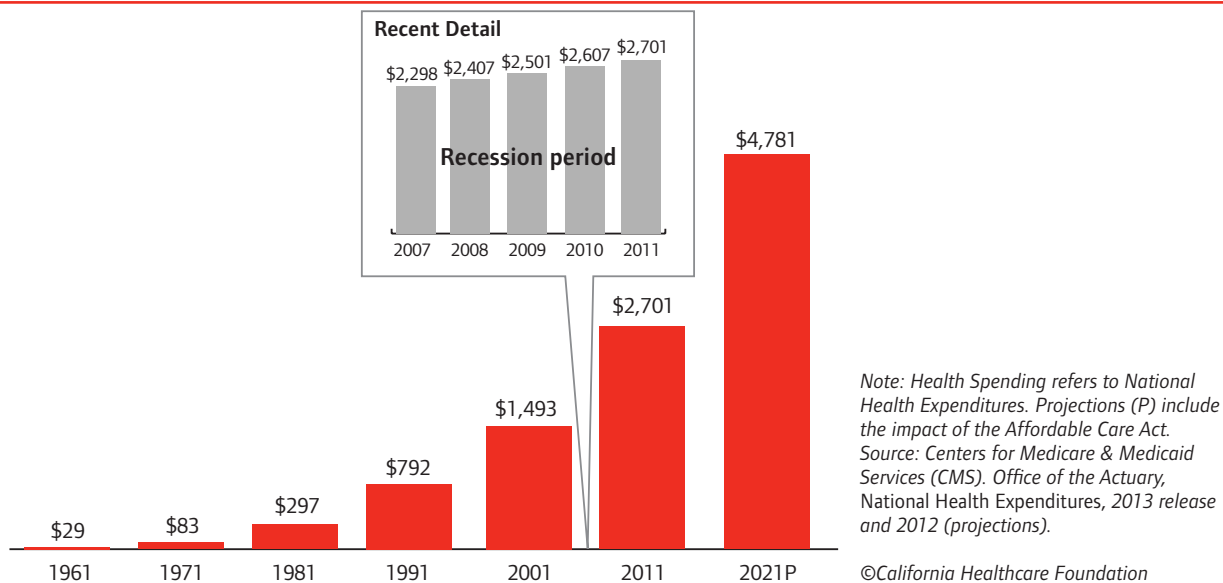
#### Average Annual Premiums for Individual and Family Coverage, 1999–2013



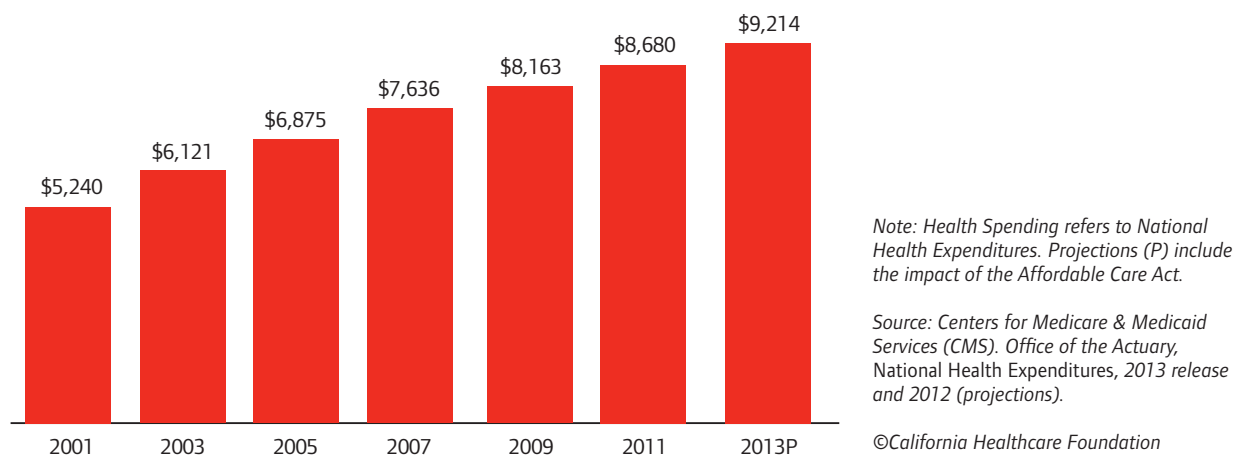
\*Estimate is statistically different from estimate for the previous year shown ( $p < .05$ ).  
Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999–2013.



## Health Spending: United States, 1961–2021 (in billions)



## Health Spending Per Capita: United States, 2001–13



Higher premium amounts are refunded to associates who reduce their BMI to healthy levels and successfully stop using tobacco. Western & Southern's disciplined approach to delivering health care coverage has resulted in annual per-associate health benefit costs that are 10 percent lower than that of other large employers.

— WESTERN & SOUTHERN FINANCIAL GROUP



# The Need for Market-Based Solutions

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To improve the U.S. health care delivery system, we must align incentives for those who provide it, those who consume it and those who sponsor it to make all more accountable for improving the value of health care spending. Alignment can be best achieved by using market mechanisms to drive better value and improve outcomes and by adopting supportive public policies.

In the U.S. health care system, the dynamics of supply and demand, and the foundational ingredient of performance transparency, are weak. Traditionally, the medical provider tells the patient what and how much care needs to be purchased, shapes the total cost for those services, and receives payment from a third party based on rules established through contracts or law. The patient and provider rarely discuss the provider's price, have no basis for assessing the comparative outcome and total cost of alternative treatment approaches, and often do not know the patient's eventual total share of the costs. As a consequence, competition based on comparative value rarely occurs.

The ultimate goal of a market-based approach is to ensure that when consumers, patients and medical providers make decisions about health care, they have access to and use evidence-based information to make decisions that will improve the health yield from health care spending. To help achieve this goal, recommendations are provided in three major areas:

- ▶ Routinizing health system performance transparency;
- ▶ Strengthening incentives for consumers and providers to improve value; and
- ▶ Aligning public and private-sector efforts.

Achieving this goal will also be facilitated by disseminating successful innovations and their results. This report includes illustrative examples from BRT companies that deserve wide and rapid dissemination throughout the health care marketplace.

Through an innovative program called “Your Health Matters,” AT&T provides the resources and education to help participants grow from health awareness to health improvement. We strive to reduce the risk of chronic illness by increasing engagement with and adherence to clinical protocols.

— AT&T, INC.



# Routinizing Health System Performance Transparency

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Transparency about the total cost and outcomes of health care choices is indispensable for a well-functioning market. Without ready access to comprehensive information that compares total costs and quality associated with available providers and treatment options, we cannot be discriminating health care consumers. Access to comparative information on the total cost of available health care choices is essential for consumers and other marketplace participants because it enables us to better understand the financial and health implications of consumption decisions.

Full transparency on comparative total cost of care and quality has enormous potential to improve the value of U.S. health care by ensuring that:<sup>4</sup>

- ▶ Consumers have the ability to make better decisions;
- ▶ Providers have access to the information they need to improve their own performance and select better performing sources of referral care;
- ▶ High-performing providers can be recognized and better rewarded for the exceptional value they add, in turn encouraging other providers to learn from them; and
- ▶ Purchasers and government health programs can be more confident in their use of insurance plan designs that guide patients toward the safest, highest quality and most cost-effective treatment choices.

## Transparency Initiatives Today

BRT companies have long advocated that the federal government use its power as a payer to significantly advance transparency by making its data on health reimbursement and quality of care publicly available — while carefully protecting patient privacy. As private payers and innovators, BRT members know firsthand that when such data are made available they can be used to compare the value offered by available health care providers and treatment options. The federal government's data on health reimbursement, quality of care and other issues related to health spending can be used to provide consumers with comparative quality and total cost-of-care information for hospitals and physicians reimbursed through Medicare. We are pleased with the recent progress in making privacy-protected Medicare claims information available to the public and support continued efforts to improve performance transparency even further.

To educate nearly 200,000 eligible employees, FedEx adopted a comprehensive strategy . . . . We held more than 2,100 meetings; sent announcements from company leaders; and provided toolkits, videos, mailers, posters and digital messages. Most importantly, we made the campaign personal, featuring examples of how costs can add up and provided inspirational wellness testimonials from employees. The results? Eighty-seven percent of employees surveyed said they understood why FedEx was making changes; visits to our enrollment site increased 22 percent and use of online cost-estimator/comparison tools rose 42 percent; over 70 percent of respondents said that they had more carefully evaluated their options for 2014; and over 17 percent changed plan options based on additional research.

— FEDEX CORPORATION



## Transparency Initiatives To Routinize

Despite progress, obstacles to systemwide transparency remain. BRT companies' experiences and innovations guide the following eight recommendations, which may be implemented as employer strategies, as policy initiatives, or broadly across public and private payers.

### Employer strategies:

- ▶ Educate employees, beneficiaries, their families and patients on the value of doing a regular “checkup” on the price, total cost of care and available quality information by medical condition and by treatment type for all their current and prospective medical providers as a matter of good consumer self-care.
- ▶ Encourage patients to use easily interpreted comparisons of the value of providers and treatment options at the actual point of seeking nonemergency care.
- ▶ Collaborate with clinical experts to identify and reduce the incidence of medically unwarranted variations in practice patterns that may endanger patient safety and/or contribute to excess costs.

### Policy initiatives:

- ▶ Expand publicly accessible databases that encompass medical claims data paid by all payers — public and private — to include all states.
- ▶ Enrich claims databases with de-identified clinical data from patients' electronic health records to better assess the quality of the care delivered.
- ▶ Secure patients' ability to immediately access, in a coherently organized format, and voluntarily share with their providers all current data from electronic health records.

### Broadly:

- ▶ Engage all stakeholders in selecting a standardized set of the best measures for quality, outcomes, price and total cost of care, recognizing that too many metrics inconsistently applied creates consumer confusion. Permit flexibility on the part of private purchasers to test innovative performance measures.
- ▶ Make quality, outcomes, price and total cost of care data available to providers and consumers through user-friendly websites and/or proactive alerts when consumers face realistic opportunities to improve value. The information should be easily available in a form that is meaningful and actionable by various audiences, while preserving patient privacy.

The steps described above, as well as the additional insights that will come from their implementation, will take the nation a long way toward the transparent health care marketplace to which BRT aspires.

Surgery Decision Support (SDS) was implemented in 2006 and provides employees a resource for weighing options when considering surgery for certain conditions. Results over a five-year period demonstrate that one in four participants would choose an option other than surgery and that 98 percent of participants were satisfied with the program.

— HONEYWELL



# Strengthening Incentives for Consumers and Providers To Improve Value for Money

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The future of the U.S. health care system depends on realigning the incentives for professionals who provide care, those who consume it and those who sponsor it. If each player is motivated and rewarded by the appropriate incentives, the U.S. health care system will more rapidly improve its value for all Americans.

The general pathway toward realigning incentives in the future should follow specific steps:

- ▶ Reform public and private payment systems so that purchasers more strongly reward health care providers and treatment innovations that deliver better health with less total health care spending.
- ▶ Reinforce consumer engagement by adopting employer contribution strategies, coverage policies, benefit-plan designs and other employee cost-sharing approaches that provide meaningful financial incentives for health insurance plan enrollees to select high-value plans; providers; and treatment options, including self-management of health.
- ▶ Make trusted advice easily available to support consumers — especially when they face complex choices about care.
- ▶ Encourage the development of new wellness program models, expand wellness programs that have been shown to work, and provide flexibility so that large employers can design personalized help and incentives for preventing illness or slowing its progression.
- ▶ Encourage the availability of decision support tools for clinicians that enable them to choose higher value referral and treatment options.

Since HealthAhead's inception, our U.S. health care cost increases have averaged less than 3 percent annually, and we have seen double digit reductions in health-related absences in the United States. ... Ultimately, we've learned that driving a healthy workforce and improving value requires multiple strategies, including working with providers to improve quality and cost and engaging employees.

— GENERAL ELECTRIC COMPANY



# Aligning Public and Private-Sector Efforts

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Accelerating the speed of improvement in the value provided by our health care system will require collaboration across the private and public sectors — both federal and state. Better aligning the purchasing, delivery and regulation of health care will advance a more value-driven health care marketplace. Areas in which public-private collaboration can yield rewards include:

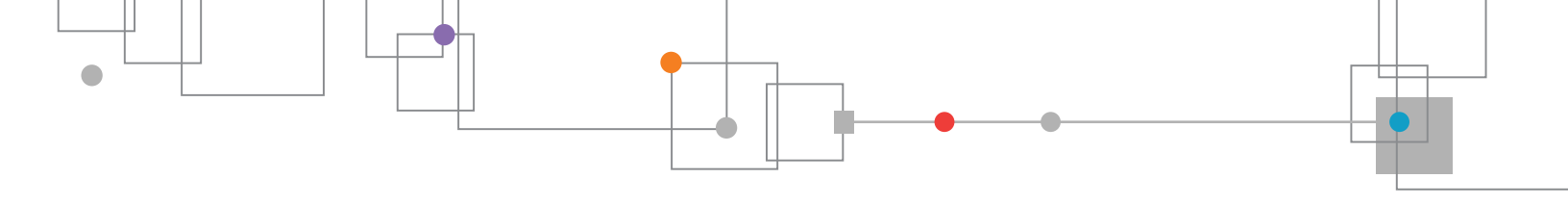
- ▶ Investing in routinizing immediate access to health data by universally establishing all-payer claims databases that protect patient privacy; improving measurement of quality, clinical outcomes and total cost of care; and enabling user-friendly access to performance comparisons of health plans, health care organizations, individual clinicians and treatment options, including consumer self-management methods.
- ▶ Encouraging public and private-sector policy collaboration to support coordinated value-purchasing practices across both sectors.
- ▶ Undertaking payment reforms that support a value-driven health care system while encouraging innovations in care delivery, such as:
  - Identifying and incenting innovative care-delivery methods for high-risk Medicare beneficiaries in a variety of settings, e.g., their homes, senior day centers, physician's offices, hospitals, post-acute care and nursing homes; and
  - Examining the impact of payment reform on the velocity of improvements in health care value, including its impact on all health care sponsors, health care providers and suppliers.<sup>5</sup>
- ▶ Encouraging federal and state governments — as both large purchasers and regulators — to recognize the value of financial incentives. As large, influential purchasers, states and the federal government should align with the private sector and transition toward financial incentives in public programs, such as lower patient cost-sharing for use of providers achieving higher value, including centers of excellence for complex, high-risk care. As regulators, states and the federal government should not restrict purchasers from using incentives, such as tiered premiums and point-of-care enrollee cost-sharing, to guide enrollees to providers that achieve higher value than their regional peers.
- ▶ Supporting patients' decisionmaking by making available, through public and private programs, health coaches and personalized counseling that can help patients reach evidence-based decisions about the best course of treatment, including self-management, for a given health condition.

Partnering with physicians to adopt models that reward higher-value care is core to making high-quality, affordable health care a reality in the United States. Cigna has been at the forefront of this movement and currently has collaborative models spanning 27 states, reaching more than 1.3 million customers. ... Our most seasoned groups with at least three years of experience average 3 percent better than market in total medical cost and quality measures.

— CIGNA CORPORATION

In central Texas, we're building a collaborative model to engage, inspire and empower our communities to increase their well-being. The program is driven by a suite of innovative new tools, including a community-centered approach in which we analyze the trends in population health for employers and the community at large and design services that specifically meet their shared needs.

— TENET HEALTHCARE CORPORATION

- 
- ▶ Better educating individuals about the value of creating advance directives and better educating medical providers about best practices and success in respecting those directives.
  - ▶ Launching multipronged efforts to:
    - Reinforce healthy lifestyles by engaging patients when they are well to help them become more aware of the opportunities they have to preserve their health and lower the cost of their care;
    - Educate patients on the health consequences if they fail to take advantage of those opportunities; and
    - Ensure fully informed consumer decisions when treatments for sickness are necessary.

Federal and state governments can further support the goals of greater performance transparency and realigned consumer and provider incentives by improving, simplifying and modernizing regulations that:

- ▶ Remove legal and other barriers to transparency by enacting supportive state laws that make quality, outcomes, price and total cost-of-care data available, while preserving patient privacy.
- ▶ Allow innovations in wellness programs by permitting employers to design incentive-based worksite programs tailored to the needs of their unique workforces.
- ▶ Promote collaboration among the federal government and other public and private purchasers to reduce health care waste, fraud and abuse.
- ▶ Accelerate the expanded use of health information technology through stronger incentives for adoption by all providers and a modernized regulatory framework that supports its rapid deployment and evolution to keep pace with evolving consumer preferences and technological capabilities.
- ▶ Reduce incentives for defensive medicine through medical liability reforms such as “safe harbors” — either through an affirmative defense or a rebuttable presumption of no fault — for physicians who adhere to evidence-based clinical guidelines. The Congressional Budget Office has estimated that limiting malpractice torts could reduce the federal deficit by \$66 billion over 10 years.<sup>6</sup> The impact of tort reform on the overall health care system could be as high as \$198 billion if these savings are extrapolated to include both public and private-sector spending.
- ▶ Revisit consumer-driven health plan regulations to identify changes in health savings account (HSA) rules that would enhance HSAs, such as:
  - Counting the full employer contribution to an HSA toward the calculation of minimum value required under the Affordable Care Act (ACA); and
  - Expanding the regulatory definition of preventive services that are eligible for first-dollar HSA reimbursement to include evidence-based services aimed at preventing the progression of chronic disease.<sup>7</sup>
- ▶ Tap the full potential of skilled nonphysician providers to help alleviate some of the pressure on the health care workforce by permitting them to treat patients in more ways.
- ▶ Support interstate agreements that facilitate greater pooling of risk, sharing the development and administrative costs of pursuing innovative plan design, and giving consumers the ability to shop for health plans across state lines while protecting the states’ authority to regulate health insurance products. States should also review their laws to eliminate statutes or regulations that limit competition in the health care marketplace.
- ▶ Undo unnecessary cost-increasing provisions in the ACA by continuously reassessing the implementation of the law and considering certain modifications that eliminate added costs, including the taxes on medical devices, health insurers and pharmaceutical manufacturers.
- ▶ Offer alternatives to the 40 percent excise tax on high-cost plans that would align employers and employees to drive the marketplace toward effective solutions that safely reduce total costs and premiums.



# Conclusion

BRT companies are driving private health care system changes that can lead the way for all stakeholders to follow. From designing better health plans to building a corporate culture that encourages healthy living and cost-consciousness, BRT companies are investing significant resources in improving the health of our people.

But our efforts are challenged by the ongoing escalation of costs and the forecasts of heightened future demand for health care services that together threaten to make health care spending unsustainable for private and public payers alike.

Reforms can strengthen the U.S. health care marketplace while retaining its existing employer-based system, which is the foundation upon which most Americans receive their health care benefits. Safely slowing national health care cost growth over the next decade requires a quick start toward a long-term, collaborative endeavor among stakeholders. Better value as well as better health outcomes are achievable without asking consumers, providers, employers or government to shoulder significant additional costs. To accomplish this goal, BRT commits to working with federal, state and local governments; public and private purchasers; consumer groups; and medical providers to promote and implement policies supporting a longer-term vision of a health care marketplace that promotes better value for better health outcomes. We also commit to taking the lessons learned within our companies and sharing them to encourage the dissemination of results and rapid adoption of innovations, including the examples that follow.

Innovations developed at many BRT companies need to be applied broadly across all sectors, including those of other employers and government purchasers.

## Endnotes

- 1 Neeraj Sood, Arkadipta Ghosh and José Escarce, "Employer-Sponsored Insurance, Health Care Cost Growth, and the Economic Performance of U.S. Industries," *Health Services Research* 44, October 2009, pp. 1449–64, [www.ncbi.nlm.nih.gov/pmc/articles/PMC2754542/](http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2754542/).
- 2 Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2013, <http://kff.org/private-insurance/report/2013-employer-health-benefits/>.
- 3 Centers for Medicare & Medicaid Services, *National Health Expenditure Accounts (NHEA)*, 2012, [www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsHistorical.html](http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsHistorical.html).
- 4 For example, a recent study estimated \$100 billion could be saved over the next 10 years if three select interventions were undertaken. See Chapin White et al., *Healthcare Price Transparency: Policy Approaches and Estimated Impacts on Spending*, West Health Policy Center, May 2014, [www.westhealth.org/sites/default/files/West\\_Policy\\_Analysis\\_5-2-14.pdf](http://www.westhealth.org/sites/default/files/West_Policy_Analysis_5-2-14.pdf).
- 5 Karen Davis et al., "For High-Risk Medicare Beneficiaries: Targeting CMMI Demonstrations on Promising Delivery Models," *Health Affairs* blog, April 22, 2014, <http://healthaffairs.org/blog/2014/04/22/for-high-risk-medicare-beneficiaries-targeting-cmmi-demonstrations-on-promising-delivery-models/>.
- 6 Congressional Budget Office, Options for Reducing the Deficit: 2014 to 2023, November 13, 2013, <http://cbo.gov/budget-options/2013/44892>. Earlier, peer-reviewed research co-authored by former Centers for Medicare & Medicaid Services Administrator Mark McClellan with Professor Dan Kessler at Stanford University found that capping noneconomic damages and revising joint and several liability rules could reduce the practice of defensive medicine so that overall hospital expenditures would drop by between 5 and 9 percent. See "Statement of Mark McClellan, M.D., Ph.D., Administrator, Centers for Medicare and Medicaid Services," Medical Liability Reform, Hearing Before the Joint Economic Committee, United States Congress, April 28, 2005, [www.gpo.gov/fdsys/pkg/CHRG-109shrg21772/html/CHRG-109shrg21772.htm](http://www.gpo.gov/fdsys/pkg/CHRG-109shrg21772/html/CHRG-109shrg21772.htm).
- 7 A. Mark Fendrick et al., *Health Savings Account-Eligible High Deductible Health Plans: Updating the Definition of Prevention*, Center for Value-Based Insurance Design, University of Michigan, May 2014, [www.sph.umich.edu/vbidcenter/publications/pdfs/HDHP%20white%20paper%20final.pdf](http://www.sph.umich.edu/vbidcenter/publications/pdfs/HDHP%20white%20paper%20final.pdf).





# Innovation and Dissemination of Results

The following are examples of results and innovations in health care management adopted by BRT companies that deserve wide and rapid dissemination throughout the health care marketplace. Our list is illustrative rather than exhaustive, but it demonstrates the potential benefits that may be realized through systemwide adoption. BRT provides these examples in response to a survey conducted for the purpose of preparing this report.

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**World-class health care must be driven by innovation to improve quality, lower costs and expand access.**

3M is pioneering health advancements through an array of technologies and products in hospitals, emergency rooms and dentist offices around the world. We're also committed to the well-being of our 89,000-strong global workforce.

We provide our team a wide range of high-quality and innovative health services. In the United States, we pay 80 percent of health care costs. Our transparent medical plans help workers understand the true cost of services and true value of their health care dollars. Some plans, for example, include a health savings account; for those who participate, 3M makes an annual contribution. We also offer international workers plans that are competitive with local markets.

Our global wellness program — known as 3M Healthy Living — recognizes that an active lifestyle is key to improving health and lowering costs. It supports all areas of life: physical, mental, emotional and social. The program offers incentives to encourage healthy living. Workers are eligible for a free annual health assessment along with a personalized improvement plan. Those who take part receive a discount on their medical premiums.

This initiative has been a success: through aggregate results, we know that individuals who participated in the assessments have lowered their health care costs by an average of \$1,000.

Our St. Paul headquarters also provides a number of onsite services. These include a fitness center, medical clinic, pharmacy, vision care and a dietitian — some at no or minimum cost. Many of our international locations offer a sampling of these benefits.

Finally, we make employee health a community affair. This year, 3M Gives donated one dollar to the American Red Cross for every health assessment completed up to \$25,000. We surpassed our goal, with more than 80 percent of our U.S. workers participating.

As you can see, improving the health of our 3M team is a true partnership. And it is driven by the principle of shared responsibility and shared benefit. While supporting healthy living is good for the individual, it also helps the company increase productivity and attract and retain the very best workforce.

For more than 100 years, 3M has been improving people's lives. Our health care innovations — within both the marketplace and our own business — are continuing that legacy.

3M is pioneering health advancements through an array of technologies and products in hospitals, emergency rooms and dentist offices around the world. We're also committed to the well-being of our 89,000-strong global workforce.



**Inge G. Thulin**

Chairman of the Board, President and Chief Executive Officer



**A. O. Smith Corporation views employee health as a shared responsibility.** To reduce health care costs, we must improve the health of our employees and their families. Consequently, we commit to providing cost-effective, market-driven health

and wellness programs for our 4,000 U.S.-based employees while they commit to share appropriately in the cost of health care and adopt healthier behaviors.

In order to maximize the effectiveness of our health care programs, we continuously study our covered population, which helps us focus our efforts accordingly. Our health initiatives and communications are tailored to the specific needs of the population.

Through regular employee communication, we educate employees to help them make better decisions about their health care.

Our efforts are multipronged. On the health care front, we aggressively negotiate favorable rates, competitive networks and premium care provider programs. We've driven 98 percent in-network use on a consistent basis. We have adopted cutting edge pharmaceutical, diabetes and other disease-management programs. We introduced consumer-driven health care and health savings accounts. Education and availability of mobile apps and online tools enable participants to understand and manage their conditions, provider choices and comparative costs.

On the wellness side, through a program called "Healthy by Choice," we initiated rewards-based weight loss and exercise programs. Our larger plants provide onsite clinics and workout facilities, walking/jogging trails, and gym-membership subsidies. Some facilities offer after-hours onsite trainers. We sponsor tobacco cessation programs, annual "Know Your Numbers"

biometric screenings, wellness coaching and online health risk assessments. Through our health care providers, we provide targeted communications based upon treatment and diagnosis experience. Reduced employee premiums are an inducement to quit using tobacco and participate in the annual onsite screenings.

Our per-member per-month claims costs have trended at about 1.5 percent — or roughly one-third the national norm — since 2010. That represents almost \$7 million in accumulated savings. We're spending more money now to control certain diseases at earlier stages, which over the long haul, should reduce costs associated with treating the complications arising from these conditions.

Are we satisfied? No. We dive deeper into the reasons for our health care spending each year and target strategies to address the root causes as we better understand them. Through regular employee communication, we educate employees to help them make better decisions about their health care.



**Ajita Rajendra**

Chairman, President and Chief Executive Officer



Over the past four years, Accenture has seen our population move from a stage of health awareness to adopting healthy actions that have created positive habits. Our health and wellness programs are anchored with the guiding

principles of quality education, ease of use, flexibility and relevancy. With a workforce that is extremely diverse in lifestyle, work location and needs, we have placed emphasis on offering the right programs, at the right time, to the right people to have the greatest impact.

Accenture's U.S. Live Well program — led by our National Wellness Lead — provides tools, resources and incentives to make it easier for employees to achieve physical health and overall work/life balance and wellness goals. Each employee and their spouse/domestic partner have access to:

- ▶ A customized site that provides a personal health assessment, health map, wellness incentives tied to healthy activities, customized coaching programs, health-tracking programs (such as a biometrics screening program) and newsletters;
- ▶ An online fitness center (14,000 exercises and 750 workout videos);
- ▶ The Journeys program, an online coach that uses smart technology to customize goals, challenges and actions according to each person's specific interests; and
- ▶ Wellness groups that arrange wellness events and activities at local offices.

### Program Results, 2012–13

- ▶ Maintained an 88 percent participation rate in our health assessment program
- ▶ Doubled participation in our health-coaching program, with more than 15,000 people participating
- ▶ Sustained an average of 500 employees a month attending health webinars
- ▶ Grew biometric screening participation from 23 to 40 percent; after the screenings, 26 percent of participants signed up to talk with a health advisor
- ▶ In 2013, rewarded employees almost \$3 million in wellness incentives
- ▶ Out of the almost 1,000 who participated in our Get Active coaching program, 90 percent increased their physical activity throughout the year

Accenture is focused on continuing to enhance our programs. We are exploring additional ways to use technology to bring health and wellness programs to meet the needs of our people. We also plan to focus on topics relevant to specific populations — such as men, women, parents, caregivers, dependents and travelers. We believe our employees are our greatest asset and therefore want to provide the best tools and programs to help them to be healthy and happy — at work and at home.



**Stephen J. Rohleder**

Group Chief Executive – North America

Accenture's success is dependent on our people. Wellness translates into people who are more engaged, productive and ready to deliver high performance to our clients. We are proud of our commitment to health and wellness, which supports our people as they make a difference in their markets and their communities every day.



iTriage® users go to the emergency department for care 40 percent less and have become active partners in their own health care by searching for symptoms, medications, conditions and procedures using interactive tools.

Serving more than 45 million members nationwide, Aetna is empowering individuals and employers to adopt healthier lifestyles through awareness, activity and technology. Aetna innovations are leading the way in combatting metabolic syndrome, reducing stress and empowering consumers to engage in their own care.

### Combating Metabolic Syndrome

Recognizing that metabolic syndrome is increasingly becoming a common health problem, Aetna developed a mindfulness-based wellness program to help combat risk factors such as large waist size, high triglycerides, low high-density lipoprotein (“good”) cholesterol and high blood sugar.

- ▶ Metabolic Health in Small Bytes gives employees real-time access to an instructor to help reduce or reverse metabolic syndrome risk factors.

Participants in the program showed statistically significant improvements in the five risk factors associated with metabolic syndrome, a 67 percent decrease in lost productivity, an increase in physical activity and overall stress reduction.

### Reducing Stress

Understanding that stress leads to complex, high-cost health conditions (i.e., depression, obesity and cancer) and decreased workplace productivity, Aetna launched two programs helping employees reduce stress in the workplace.

- ▶ Mindfulness At Work™ helps employees manage their workplace stress by teaching coping techniques through an online virtual classroom.
- ▶ Viniyoga Stress Reduction targets stress through both physical and mental exercises at home and in the office.
- ▶ Employees are experiencing a 33–36 percent reduction in perceived stress levels and 62 additional minutes of productivity each week.

### Empowering Consumers

Understanding that electronic consumer tools can effectively improve employee engagement in their health and reduce health care costs, Aetna launched a series of interactive tools to engage employees.

- ▶ iTriage® enables users to check their symptoms, learn about possible causes, research medications, locate and compare nearby care options, choose a doctor, and make an appointment. This free app has been downloaded more than 10 million times.
- ▶ The Member Payment Estimator improves transparency for members by giving them a more complete, personalized picture of the costs involved with their health care. It provides real-time, out-of-pocket cost estimates based on a member’s personal benefits plan.

iTriage® users go to the emergency department for care 40 percent less and have become active partners in their own health care by searching for symptoms, medications, conditions and procedures using interactive tools. Our research has also shown that after members use Member Payment Estimator to obtain cost estimates on one of more than 30 commonly selected health care services, they chose the provider whose out-of-pocket cost estimate was on average \$170 lower than the average of the estimates they received.

Together, employers and health plans can introduce complements to conventional medicine that improve employee health and increase workplace productivity. While employees must ultimately commit to their own health, innovative tools and effective communication can help add transparency to health care decisionmaking and engage employees in healthier lifestyles.



**Mark T. Bertolini**  
Chairman, Chief Executive Officer and President





**At AK Steel, we strive to provide quality, affordable health care benefits to our employees and retirees as well as their family members.** In fact, we spent about \$145 million on health care benefits for our employees and retirees in 2013 alone. With

health care costs increasing by about seven percent each year, we realize that we are all in the fight to control health care costs together.

To stay in the fight, we work with insurance companies to maximize discounts with health care providers and prescription drug manufacturers. We also identified Medicare Advantage plans for retirees that have proven to be more efficient than traditional Medicare supplemental plans. In addition, by funding voluntary employee beneficiary association (VEBA) trusts for certain groups of retirees, we were able to produce a win-win health care solution. The VEBA agreements continue to help meet the health care needs of those retirees while lowering the company's long-term health care costs.

We also launched our Healthy Choices program in 2008, which is designed to help employees better manage their health, their family members' health and the company's health care dollars over the long-term. From health-related education and activities to individual health assessments, our Healthy Choices program promotes good health and wellness among employees. It is a proactive approach to preventing health care problems in the future, and that is good for our people, their families and our company.

To encourage and reward participation, AK Steel provides a generous discount on health insurance premiums to those who complete the program's comprehensive health assessment. These annual assessments are conducted by health care professionals at each AK Steel location. A great success story, more than 95 percent of our salaried workforce participates in our Healthy Choices program.

Looking forward, we believe that waste and inefficiency in health care delivery can be eliminated only when the health care system is rewarded for delivering value rather than volume. AK Steel is closely monitoring marketplace initiatives designed to meet this goal. For example, the patient-centered-medical home, a new concept in health care management, offers the twofold promise of transforming the health care payment system from transaction-based to one based on health outcomes, while also improving the quality of care received by our employees, retirees and their family members. We are actively exploring other opportunities to improve the efficiency of delivering appropriate care to our employees, such as retail clinics, telemedicine and eHealth. Our approach will continue to be based on the concept of shared accountability, a method that has produced outstanding results for our company and our great people.

We believe that waste and inefficiency in health care delivery can be eliminated only when the health care system is rewarded for delivering value rather than volume. AK Steel is closely monitoring marketplace initiatives designed to meet this goal.



A handwritten signature in black ink, appearing to read 'Jim Wainscott'.

**James L. Wainscott**

Chairman, President and Chief Executive Officer



**Altec Inc. understands that a strong team of dedicated, healthy associates is necessary for us to continue to be recognized by customers as the preferred supplier of products, services and solutions in our markets.** Every associate is an

integral part of Team Altec, and we have a holistic approach to the overall well-being of each individual and his/her family. To address the health care component of this approach, Altec has increased associate engagement in the health care decision-making process. Altec's primary program components include choices for health insurance coverage, encouragement of healthy activity through company-sponsored programs, and easily accessible health care services provided via onsite health clinics for associates and their families.

Because we believe in the responsibility to make further advancement toward consumerism in health care decision-making, Altec continues to identify innovative associate and dependent health care engagement opportunities.

- ▶ Altec provides multiple health insurance plan choices with varying benefit levels in an effort to enhance associate access to quality health care at affordable costs.
- ▶ Altec encourages regular physical activity by providing incentives for associates via sponsored activity programs. Increased associate physical activity earns financial rewards such as health plan premium credits and gift cards. Success is evidenced by an enrollment rate of 61 percent in the program's third year.
- ▶ In January 2013, Altec opened an onsite health clinic at our largest production facility to provide basic primary and acute care services with an emphasis on health coaching, risk reduction and disease management to associates and their dependents. In the first year, 73 percent of the associate population identified with high risk factors and/or chronic disease participated, and a total of 25 percent of the high-risk patients engaged in health coaching. Thirty-seven percent of at-risk patients made measurable improvements on biometric risk factors. Key objectives for 2014 include increasing the breadth and depth of biometric screenings and engaging more of the high-risk population in health coaching services.

Because we believe in the responsibility to make further advancement toward consumerism in health care decision-making, Altec continues to identify innovative associate and dependent health care engagement opportunities. In 2014, Altec is focused on integrating the various program components with a revitalized wellness campaign combined with aggregated metrics positioned to identify specific, measurable successes while also identifying options for ongoing enhancement of the population's health care experience.



A handwritten signature in black ink that reads 'Lee Styslinger III'.

**Lee J. Styslinger, III**  
Chairman and Chief Executive Officer



**At Ameriprise Financial, our talented employees are our greatest asset.** That's why we're dedicated to helping our employees live healthier lives. We help them take control of their health through our competitive benefit program that emphasizes a shared responsibility between employees and the company.

Our strategy is based on the following five core principles: we will be competitive (with our peers), comprehensive (in terms of types of offerings), cost effective (for the company and employees), flexible and focused on shared responsibility.

To support these principles, our program includes:

- ▶ High-quality medical plan options which incorporate consumer-driven design elements;
- ▶ An onsite clinic that provides convenient access to top-quality health services, including preventive care, lab services, immunizations, personal-health coaching and help managing chronic conditions such as diabetes and heart disease;
- ▶ Wellness programs and incentives to help employees understand their health status as well as tools and resources to support behavior change;
- ▶ Consistent communications to help employees understand our programs and how to access them; and
- ▶ Decision support tools so employees can confidently get quality care for the appropriate value.

We have positioned our wellness program, Health Matters, as an easy way to get on a path toward a healthier lifestyle or maintain current healthy habits. The program helps employees understand their health status through biometric screenings, a health assessment and access to certified health coaches. With this information, they can work with a health coach to develop a personalized plan to address any needs or goals. All employees are encouraged to participate in the program, and they receive a modest monetary incentive after completing core components of the program.

Our onsite clinic has evolved to be the hub for connecting employees to our other programs and delivering personalized, face-to-face care. It offers easy access to our medical services and allows employees to establish ongoing relationships with our clinicians. Employees who use the clinic have better outcomes and lower costs.

We continue to evolve our strategy with a focus on delivering the right care in the right manner. Ameriprise plans to include additional focus on onsite services, including telemedicine. We will also continue to provide financial education to our employees, recognizing that financial health is an important part of a person's overall well-being.

At Ameriprise Financial, our talented employees are our greatest asset. That's why we're dedicated to helping our employees live healthier lives.



**James Cracchiolo**  
Chairman and Chief Executive Officer



**Aon helps our clients navigate two of the most important issues in the global economy today — managing risk and realizing the full potential of their people.**

Whether it is helping our clients' employees choose and manage their health and retirement benefits, advising companies on the potential risk of natural catastrophes, or ensuring business continuity and employee safety after a disaster occurs, we empower results for our clients to help create a better tomorrow even in the most challenging circumstances.

Aon was among the first large employers to offer health care benefits to active colleagues via a private health care exchange. The exchange allows Aon to continue providing colleagues with high-quality health care benefits through an Employee Retirement Income Security Act-based group plan while enhancing consumerism and increasing plan choice.

Aon views employer-sponsored health care benefits as the nexus between managing risk and people. In 2012, our firm — like many others — was at a crossroads. Major health care trends around cost, wellness and choice were converging to create new realities and new opportunities. Armed with powerful data and analytics and a unique perspective on the mechanics of the marketplace, Aon embraced the change. We implemented an innovative platform to deliver increased benefits to our United States-based colleagues via a private health care exchange.

Aon was among the first large employers to offer health care benefits to active colleagues via a private health care exchange. The exchange allows Aon to continue providing colleagues with high-quality health care benefits through an Employee Retirement Income Security Act-based group plan while enhancing consumerism and increasing plan choice.

For our colleagues, the model offers real choices suited to their needs. Health benefits are deeply personal, and one size does not fit all. We were able to harness the power of market competition to increase choice of plans for colleagues and reduce cost volatility for the firm by moving to a fully insured model. This model consolidated plan design and claims management to streamline plan administration responsibilities.

The results have exceeded our expectations. The most impressive shift we have seen so far is in granting colleagues greater control over their benefits. We knew that the multicarrier exchange would put colleagues in a more active decisionmaking role regarding their health care benefits, and colleagues are embracing this change. They are encouraged to comparison-shop and take into account what coverage they need and how they use health care and to truly understand the products they are buying. The structure of the private health exchange platform makes this information

accessible. Colleagues are asking smart questions about plan value, provider networks and rates. And their behavior is changing, too. For example, Aon colleagues are making good use of health savings accounts with increased contributions year over year.

The Aon colleague experience is the key driver for this significant change. As we have tracked and watched how colleagues have engaged in the exchange over the last cycle, it has proven to be an incredibly powerful tool. For Aon, this is not just a shift in health care plans, it is a shift in mindset that is empowering greater results for our team.



**Gregory C. Case**  
President and Chief Executive Officer



**As part of a comprehensive total rewards package, AT&T offers health care to over a million active employees, retirees and their dependents.** In an era when many companies are curtailing benefits, we continue to invest approximately \$5

billion annually to provide them. AT&T's health care objectives include:

- ▶ Maintaining a healthy and engaged workforce supported by high-quality, cost-effective coverage;
- ▶ Establishing employee contributions to health cost in a manner that is competitive with the market; and
- ▶ Encouraging greater employee involvement in making everyday health care decisions that impact their cost and quality of outcomes.

AT&T believes that employers and employees have a shared responsibility for maintaining a healthy workforce, adopting behaviors that promote better health and keeping costs in check. To engage participants in their health care decisions, we introduced a consumer-directed health plan to managers and many retirees in 2006 and have since expanded this approach across other populations.

AT&T recognizes, however, that plan design is only one element of a multidimensional consumer-driven strategy. We offer a comprehensive menu of health benefits, assessments, programs and tools. We also prioritize wellness, position health as a critical part of our culture and strive to reduce the risk of chronic illness by increasing engagement with and adherence to clinical protocols.

Through an innovative program called "Your Health Matters," AT&T provides the resources and education to help participants grow from health awareness to health improvement:

- ▶ Consistent with AT&T's focus on technology, we built an interactive Your Health Matters portal that provides employees with one centralized, intuitive and integrated place to find all things related to health and wellness. We also developed a You Matter mobile app for employees to access these resources on the go.
- ▶ In 2012, we kicked off the Chairman's Challenge. This six-month challenge effectively engaged our employees and gave us a meaningful way to recognize and celebrate their accomplishments.
- ▶ We recently launched the Your Health Matters Champions Program, a network of employees and leaders who demonstrate their passion for wellness and lead activities across the company.

At AT&T, we recognize our responsibility within the health care ecosystem. We believe we must leverage our position to promote quality, control costs, enhance services and drive innovative solutions in the broader health care industry. AT&T remains focused on:

- ▶ Unlocking price and quality information to empower participants to make informed health decisions;
- ▶ Cultivating an environment that consistently engages and incents participants to prioritize preventive care, manage conditions, and improve decision-making and lifestyle choices; and
- ▶ Building the mobilization of health care to allow people to have valuable information at their fingertips at the point of purchase, improving the speed and accuracy of health care delivery.



**Randall L. Stephenson**  
Chairman and Chief Executive Officer

Our employees transform the world every day through their innovation and dedication. We believe they also have the ability to transform their own lives, including their health, and we are committed to giving them the tools and resources to do so.



**At ADP, we believe that if we approach our health with the same passion and focus that we bring to our clients, we can all lead a healthier lifestyle and, at the same time, contribute to the overall well-being of the company.** A key aspect

of sustaining this culture of health includes providing associates with options so that they can be engaged in making active decisions about maintaining and improving their health.

We offer our 35,000 associates nationwide access to broad-based health and wellness resources that provide options for how to maintain and improve their health. We provide a choice of two industry leading networks of health care providers and drive members to seek high-performing providers in their region through the promotion of cost transparency tools and centers of excellence. Also

included within our health care benefits are access to care management and maternity, bariatric resource programs, and personalized nurse support for chronic and serious conditions, which enable members to optimize the efficiency and quality of their health care services.

In 2012, we introduced a Consumer Driven Health Plan (CDHP), which includes an annual company contribution into a health savings account. Over a three-year period, enrollment in the CDHP has grown from 39 to 50 percent, enabling half of our associates to become better health care consumers by providing greater control for how their health care dollars are invested and spent. This shared accountability has helped us keep our costs well below our industry peers.

Also in 2012, we introduced an incentive-based Wellness Program with a focus on rewarding associates for participation in health awareness-activities, including completion of a personal health assessment and biometric screening. I am happy to say that, after two years, we have seen improvements in stress, activity and diet reported by associates as well as blood pressure measurements. Tobacco use has also declined, supported by the Tobacco Free Workplace policy implemented at all ADP U.S. locations in July 2012. We extended eligibility for this program to include spouses and domestic partners in 2014. With the health-awareness framework in place, we aim to evolve to an outcomes-based program, providing rewards for maintaining healthy milestones or showing measurable health improvements.

Valuing the well-being of our associates is at the core of ADP. Since 1992, we have managed onsite medical clinics, with health and wellness centers now found at nine ADP locations throughout the United States. These clinics are staffed by medical professionals and provide associates with access to emergency and primary care, laboratory services, immunizations, physical exams, ergonomic evaluations, and various health screenings, including the biometric screenings available through the Wellness Program. Managing these clinics has produced a positive return on investment when valuing the cost of comparable services plus productivity lost outside of ADP.

At ADP, onsite clinics, consumerism and associate engagement will remain essential to managing health care costs. We intend to build upon the robust platform that we have established to further simplify the health care decisionmaking process for our associates and will continue our multichannel communication campaign to raise awareness of innovative tools and services available through our health and wellness programs.



**Carlos A. Rodriguez**  
President and Chief Executive Officer

**Avis Budget Group (ABG) cares about the health of each employee and understands the connection between Living Life Well and more productive employees.**

ABG recognizes that our diversity is our greatest strength. To that end, we offer a range of medical plans with different cost-sharing provisions so employees may choose the options that work best for them and their families. Within the HMO plans, participants are incented to use high-quality providers through increased benefit plan levels. In 2013, more than 44 percent of eligible services were performed by the high-performance network of providers.

To assist employees in selecting the appropriate plans for their needs, benefit communications and telephonic assistance is available in multiple languages. We publish our open enrollment materials in nine languages.

Access to health care is one of the basic tenets of a healthy population. ABG's medical plan contributions are based on income. There are nine earnings tiers, with the lowest tier at 5 percent of premium and the highest tier at 23 percent of premium, ensuring both affordability and access to coverage for all employees. As a result, more than 74 percent of hourly employees enroll in the medical plans.

Further, ABG recognizes that raising awareness and providing education about an employee's health are key to that employee making healthy choices and living a healthy lifestyle. Healthworks is a multifaceted wellness initiative that begins with a health risk assessment (HRA), which employees have been incented to complete for more than 10 years. From 2010 through 2013, more than 90 percent of all participants enrolled in a medical plan completed the HRA. The summary data has been used to increase our outreach to employees with high risk, to focus wellness activities at the local and national levels, and to assist our employees in creating their personalized healthy living program on our web platform.

Recognizing that employees are not always aware of their health metrics, ABG offered our first Know Your Numbers campaign in 2013 without any financial incentive. Front-line managers and local business leaders helped support and publicize 79 onsite events in which more than 6,200 employees — slightly more than 50 percent of the benefit-eligible population — learned about their cholesterol, blood pressure, body mass index and glucose levels.

For 2014, the KYN campaign has been expanded to include all employees. To encourage greater participation, an \$850 annual incentive is being offered. Our data warehouse will track year-over-year incremental improvement in biometric measures and allow us to identify populations and locations that are losing ground.

First year KYN results indicated that more could be done to assist employees in managing their health. The ABG Healthworks web platform has been enhanced to include more opportunities for employees to learn about healthy living, compete against each other in national and local competitions (e.g., weight loss and activity challenges), and establish trackers for lifestyle changes. Each employee can earn up to \$100 per year towards a gift card or a catalog purchase.

All of these efforts have resulted in increases of 5 percent or less for years 2013 and 2014 and a projected increase in the same range for 2015.

All of these efforts have resulted in increases of 5 percent or less for years 2013 and 2014 and a projected increase in the same range for 2015.



*Ronald L. Nelson*

**Ronald L. Nelson**  
Chairman and Chief Executive Officer





**At Ball Corporation, our investment in our people has always been and continues to be a critical part of our business.** One of our most important investments is in the health and well-being of our employees and their families, with programs focused on

helping them become healthier versions of themselves.

To help offset the rising costs of health care and to encourage healthier behaviors, Ball implemented a formalized wellness program for North American employees in 2008, starting with biometric screenings at annual health fairs at Ball's U.S. worksites to encourage employees to "know their numbers." Additionally, we've sponsored an activity campaign, health risk appraisals, at-worksite health improvement programs and health coaching.

We are committed to pursuing innovative solutions that drive more informed consumer behaviors in health care, help employees become healthier versions of themselves and ultimately ensure Ball's ability to continue offering competitive, sustainable benefits.

In 2013, we offered new Ball Consumer Choice Medical Plans (BCCPs) that encourage employees to focus on receiving high-quality medical care at affordable prices using educated consumer behaviors. To help employees and their families manage their health and be "smart shoppers" when spending health care dollars, we began a robust, targeted communications campaign that describes the tools, resources and support provided within our new BCCPs.

Our new plans and accompanying communications were designed to put employees and their family members in the driver's seat — encouraging them to take more control over their health and health care spending by:

- ▶ Understanding medical treatment options using telephonic decisionmaking support
- ▶ Encouraging employees to use in-network providers since, in general, both the employees' and Ball's costs will be lower
- ▶ Reminding employees to shop around even if they go to in-network providers, facilities or pharmacies, as the quality and costs of patient care received could vary significantly for the same services at different places
  - Comparing physician/hospital quality and cost to ensure affordable, excellent care
  - Reviewing medication options and finding low-cost pharmacies for those medications
- ▶ Understanding their individual health risks through biometric screenings, preventive screenings and other health risk assessments
  - Finding ways to improve those risks by getting individualized support from health experts branded as "health advocates"
- ▶ Using all that information to make quality- and cost-effective health care spending decisions by getting the right services at the right place at the right time

We are committed to pursuing innovative solutions that drive more informed consumer behaviors in health care, help employees become healthier versions of themselves and ultimately ensure Ball's ability to continue offering competitive, sustainable benefits.



**John A. Hayes**

Chairman, President and Chief Executive Officer





**At Bank of America, we support our more than 200,000 U.S. employees during the moments that matter most to them and their families by providing a wide range of benefits and programs such as health insurance, health coaching, fitness challenges, confidential counseling and mental health/resiliency resources.**

Our approach to health and wellness is built on things we can do together with our employees to manage costs: focusing on wellness and education, providing access to efficient and accountable health care providers, and helping employees be prepared to make informed health care choices. Employees can elect comprehensive medical, prescription medications, dental and vision coverage for themselves and their families.

Our annual health plan premiums are based on how much an employee earns. Those who earn more pay a higher percentage of the cost of health plan coverage. For the last three years, premiums have not increased for employees earning less than \$50,000 a year.

In employee communications, we highlight that annual preventative physical exams are free to them. In addition, we designed our wellness offerings to help employees and their spouses/partners better understand their health profiles and available resources — like health coaches — that can help them manage health issues and find specialists/facilities. Employees also can maintain up to a \$1,000 credit toward their annual health premium if they and their spouse/partner both complete a health screening (blood pressure, body mass index and cholesterol) and health assessment.

Our health strategy is resonating with the vast majority of employees completing the voluntary wellness activities: 162,000 in 2013 and 152,000 in 2014. In addition, 69,000 spouses/partners completed activities in 2014 — when we expanded our program to them.

As a result, we identified health and lifestyle concerns shared by our employees. Many were concerned about not getting enough physical activity, making poor diet choices and coping with stress.

In direct response, in October 2013 we introduced Get Active!, which uses voluntary, team-based activity challenges to help employees improve their overall health. In the first eight-week challenge, participants earned a reward by meeting certain activity goals. A remarkable 96,000 employees enrolled, forming more than 11,000 teams — surpassing all expectations and positioning the program as a valuable ongoing component of our wellness strategy.

Our health strategy is resonating with the vast majority of employees completing voluntary wellness activities: 162,000 employees in 2013 and 152,000 employees and 69,000 spouses/partners in 2014.



**Brian T. Moynihan**  
Chief Executive Officer and President



At Bayer, our mission of “Science for a Better Life” guides us as we seek to improve the lives of patients, employees and our customers. Through B Well, our integrated employee wellness program, we encourage our employees and their families to take an active role in maintaining their health.

B Well fosters employee health and safety by identifying high-risk health behaviors, implementing site-specific safety and health programs for employees, and offering personal health strategies.

At Bayer, our mission “Science for a Better Life” guides us as we seek to improve the lives of patients, employees and our customers. Through B Well, our integrated employee wellness program, we encourage our employees and their families to take an active role in maintaining their health. ... B Well is Bayer’s mission “Science for a Better Life” in action.

B Well strives to create measurable improvement in the health of Bayer employees by establishing a culture and atmosphere that supports and enables healthy and safe behavior. Through good health management, our employees can strive toward an improved quality of life and can be more productive at work and home. In turn, Bayer is beginning to see greater gains in overall productivity, reduced absenteeism and health care cost savings. Through our experience, healthy and safe worksites generate positive returns for the business and help Bayer attract, retain and engage the best talent. Ultimately, employees and their families will recognize Bayer as an employer that cares about their health and well-being.

From the start, Bayer has taken an integrated approach to wellness. A cross-functional team that includes representatives of almost all functional areas worked collaboratively to guide B Well strategy, program design metrics and communication. In 2013, Bayer took action to more strongly align B Well with Safety by moving the employee health promotion function out of Human Resources and into Health, Environment and Safety. For Bayer, this organization includes Environmental, Safety, Sustainability, Compliance, Medical and, now, Wellness. This move enables us to leverage natural synergies between these functions. For example, occupational safety initiatives have been integrated with wellness to address musculoskeletal disorders, work-related stress and fitness for duty.

Bayer’s employee health promotion strategy integrates locally sponsored programs, which can vary by site, with benefits offered to all Bayer employees regardless of location. Site-specific programming can include lunch-and-learns, healthy cafeteria options and preshift stretching routines. Programs available to all employees include health screenings, health coaching to

develop personalized improvement plans, and company-wide campaigns to address specific employee health risks such as stress, physical activity and weight management. Bayer has reduced population health risks since first capturing this data in 2011, with significant reductions in key areas targeted by B Well activities, including nutrition and physical activity.

B Well is Bayer’s “Science for a Better Life” mission in action.



**Marijn Dekkers**  
Chief Executive Officer



# Blackstone

**Blackstone founded Equity Healthcare (EH) in 2008 to improve employee health care across our portfolio of companies.** EH works to reduce costs and deliver better quality health care through leveraging the scale of its combined

portfolio companies. EH is not only focused on cost reduction, but also provides a full suite of services to help employees and families navigate the complex health care system to improve their health, make smart health care decisions and become better health care consumers. Today, EH manages the health care costs for 43 self-insured employers. It is the only health care management strategy of its kind within the private equity space.

EH believes that the best way to control costs and improve quality is to ensure that employees are informed health care consumers. EH has developed a Center of Excellence and toolkit to help employees make the best health care decisions.

EH approaches health care management in three ways: discounts, customized care centers and innovation. First, EH leverages its nearly 270,000 members to negotiate significant discounts on administrative fees. Next, EH has collaborated with two national health plans to develop dedicated, customized care centers that provide more intense care management than typical call centers. Staffing consists of multidisciplinary teams of nurses, social workers and customer service representatives to enhance member service and address a broader range of clinical needs. Management is further optimized through employer-specific work plans derived from EH's proprietary database. Finally, EH pushes its carrier partners to develop innovative products and roll them out to members ahead of market. One prominent example includes a program that educates employees in the early stages of deciding whether to pursue invasive or more conservative treatment.

EH has been so successful that we've offered it to other private equity companies, and today, 40 percent of its customers are outside of the Blackstone network. Our results have been impressive. Since 2010, EH has beaten the national average for medical spend by 3–4 percent. In 2013, on average, market costs grew 4.5 percent, whereas EH's grew only 1 percent. EH continues to outperform other care centers at our carrier partners with respect to cost management and employee engagement. Audits by two independent firms have confirmed EH's superior results.

As companies across sectors look to improve their processes, EH is working to ensure that its custom care model continues to set the industry standard for innovation and efficiency.



**Stephen A. Schwarzman**

Chairman, Chief Executive Officer and Co-Founder

Equity Healthcare has been so successful that we've offered it to other private equity companies, and today, 40 percent of its customers are outside of the Blackstone network.



**Boeing provides market-leading health care coverage to more than 480,000 employees, retirees and dependents in 48 states; in doing so, the company spends more than \$2.5 billion annually on health and insurance-related benefits.**

As a company that fundamentally competes on the innovation of our products and services, we understand that we must approach our commitment to improving the health of our team in innovative ways, too.

As a company that fundamentally competes on the innovation of our products and services, we understand that we must approach our commitment to improving the health of our team in innovative ways, too.

Through our Well Being program, for example, we incentivize employees to complete a health assessment and biometric screening. Based on the results, members are coached on lifestyle topics such as weight management, nutrition, exercise, strength training, biometrics, stress, preventive screenings and tobacco cessation. The program has helped more than 17,000 members through a combination of telephone and face-to-face engagements. Of those coached, 34 percent successfully moved out of the high-risk category.

Transparency of cost and quality data is important to creating an efficient health care marketplace and ensuring that patients get the right care at the right place. Boeing believes in incentivizing employees to seek care with clear evidence of significantly better outcomes. For example, in 2012, we entered into a “Centers of Excellence” arrangement through which employees can receive care for certain cardiac conditions at the Cleveland Clinic. Boeing covers the full cost of the procedures plus travel. Employees also have access to Best Doctors as a second-opinion service. Of those who engaged these programs, 33 percent had a change in diagnosis, and 70 percent experienced a change in treatment.

Boeing also works closely with health care professionals in the supply chain to test appropriate ways to re-engineer care. In 2007, Boeing rolled out a medical home pilot called the Intensive Outpatient Care Program, structured to identify medically complex, high-risk patients who would benefit from high-touch, well-coordinated care. Pilot results demonstrated a 20 percent decrease in medical spend per member on an annual basis — thanks primarily to reduced emergency-room visits and hospital admissions.

This model is evolving into a broader Accountable Care Organization initiative, which involves direct contracting with large, integrated health systems. The primary focuses will be improving quality, enhancing the member experience, and driving cost savings and productivity. We are looking for long-term partnerships and will establish appropriate incentives for employees to seek care within these delivery systems.

Boeing will continue to support ongoing efforts that improve the health status of our people and innovative solutions that positively influence the U.S. health care system.



**Jim McNerney**  
Chairman and Chief Executive Officer



**Caesars Entertainment (Caesars) believes that a healthy workforce is critical to delivering world-class service.** Caesars emphasizes the health of our 65,000 employees as part of our broader approach to employee engagement and customer

loyalty. The company is a leader in changing the paradigm with respect to how employers approach health and wellness by migrating from a passive benefits program to an active partnership between the company and our employees.

Caesars offers our employees innovative health care programs that improve access to care while promoting member responsibility. In select markets, the company is leveraging improved care networks that drive members to the top-performing and best-integrated providers in those markets. We partner with key providers to test patient-centered medical home concepts. In addition, we are expanding our onsite clinical offerings by adding three new onsite wellness centers in 2014. By the end of the year, Caesars will offer onsite facilities in 11 markets. We also provide telemedicine services through MDLIVE to our employees to help them access after-hours care in all markets as part of their benefit plans.

Since opening our first wellness centers in 2008, Caesars has found that a successful health and wellness program for employees:

- ▶ Requires collaboration from many players;
- ▶ Is a multiyear journey to change behaviors toward wellness; and
- ▶ Has measurable, significant benefits that include healthier and happier employees.

When participants were measured during a three-year period (2010–12) and identified as having at least one risk factor, and those measurements were then compared to the 2013 measurements for the same participants, we saw results. Across eight identified risk factors, 77.9 percent of the participants shifted at least one of their risks to a lower risk, and 69 percent eliminated at least one of their risks completely. Additionally, 7 percent of the participants eliminated *all* of their risks, resulting in \$24 million in plan savings from biometric risk.

Caesars believes that we have a responsibility to provide our employees with access to high-quality, affordable health care. In return, employees have a responsibility to manage their own health thoughtfully. Through our win-win active partnership approach, Caesars aims to innovate with insurance providers, establish a true partnership with shared accountability, achieve better outcomes and lower costs, and create a new model for partnership and collaboration: Handshake for Health.

Handshake for Health is a seven-step model that includes a consumer-driven plan design, onsite clinics and resources, wellness programs and incentives, a focus on quality and outcomes, robust employee communications, partnership with local human resources teams, and metrics and measurements.

As part of expanding the health care partnership between Caesars and our members, we have introduced a cost transparency tool to help promote choice, quality and fiscal accountability. In 2014, we are focusing on education and measuring the meaningful savings to participants to build the case for true consumerism within the program. In the coming years, Caesars will continue to innovate and partner with members to keep costs low while still offering high-quality, affordable coverage for our members.

Caesars is changing the paradigm with respect to how employers approach health and wellness, migrating from a passive benefits program to an active partnership between the company and our employees. As a result, 77.9 percent of our program participants reduced one health risk factor, 69 percent eliminated at least one risk completely, and 7 percent eliminated *all* of their risks.



**Gary W. Loveman**

Chairman, Chief Executive Officer and President



**The health care landscape is undergoing significant changes, and Cardinal Health plays an essential role in helping employees navigate those changes.**

We know that demographic, economic and industry forces require a health care system that places a high priority on efficiency and cost effectiveness while ensuring high-quality outcomes. In order to accomplish this, it is clear that care will need to be more coordinated with an emphasis on delivering the right care, in the right setting, by the right caregiver. Furthermore, given the aging population, it is evident that more care will be delivered in the home, and people are starting to act more like traditional consumers who will be more deeply involved in their own care and, very importantly, in their own wellness.

Cardinal Health is committed to leading the way in providing employee health care and wellness benefits, and engaging our employees in becoming more informed and efficient health care purchasers.

Through consumer-driven health plans, well-being programs, national health action campaigns and work/life initiatives, Cardinal Health is laying the foundation for our employees to be educated health care consumers.

Through consumer-driven health plans, well-being programs, national health action campaigns and work/life initiatives, Cardinal Health is laying the foundation for our employees to be educated health care consumers. By increasing transparency and creating incentives for participation, we can help our employees adopt good health care behaviors and become responsible consumers.

Through a generous list of preventive care services covered at 100 percent and by offering exclusively consumer-driven health plans in 2015, Cardinal Health is encouraging employees to make proactive and educated health care decisions.

To reinforce our company's shift toward consumerism, site leaders at large locations are being recruited to advocate for this change. Through a series of "Ready, Set, KNOW!" monthly communications, site leaders will be well equipped to help educate their colleagues and support the transition.

Site champions are also being identified to promote the company's "Healthy Lifestyles" program, which promotes physical, financial, social and emotional well-being through individual health resources, supportive work environments, a cultural emphasis on health and healthy practices within the community. This champion network expansion became a priority when our organization experienced a 4.7 percent decrease in the average number of health risks for employees who work at champion facilities.

The unified approach between top-down advocacy from site leaders and bottom-up support from Healthy Lifestyles champions is meant to reinforce a comprehensive consumerism message. The goal is to encourage employees to take a more active role in their health care, both in the form of coverage decisions and in focusing on wellness and prevention throughout the year.



A handwritten signature in black ink, appearing to read "G. Barrett".

**George Barrett**  
Chairman/Chief Executive Officer



**As a professional services and investment firm, our most important asset is our people.** By proactively investing in the health and wellness of our employees, we can recruit and retain the top talent in our industry, while improving productivity in

the workplace to better serve our clients. We strive to create an atmosphere that fuels collaboration and innovation and empowers our employees to perform at the highest levels while enjoying healthy, balanced lives.

Among our most important and well-received initiatives is our corporate wellness program, “myHealth — Invest in You.” This program takes a holistic approach to employee well-being by proactively addressing all aspects of health and wellness — physical, social, emotional, environmental and financial. Launched in 2012, the program’s “Invest in You” tagline resonates with the more than 7,000 annual employee participants and sends a strong message that the company prioritizes investment in our people.

To encourage proactive health management, in 2013 and 2014, the “myHealth — Invest in You” program offered employees the opportunity to earn up to a \$600 annual medical premium reduction based on the results of biometric screenings and well-being assessments. If identified as high risk, employees were offered health coaching sessions which, when completed, would allow them to earn the full premium reduction. Sixty percent of these high-risk employees took advantage of health coaching.

World-renowned doctor and best-selling author Dr. Deepak Chopra has said that “our environment is an extension of our body.” As the global leader in commercial real estate, we have taken this philosophy to heart by creating and implementing an innovative workplace strategy initiative called Workplace360, which incorporates health and wellness as a key component. Using Delos® research, insight and improvement methodology, we incorporated more than 50 wellness features into our new corporate headquarters office — including circadian lighting, hydration stations, plant life, treadmill desks, ergonomic sit/stand desks and specialized air filtration. In doing so, we became the first WELL™-certified office in the world. In 2014, many of these features will be incorporated into more than two dozen Workplace360 offices opening around the globe.

CBRE is committed to continuing to adapt our programs and initiatives to meet the health and wellness needs of our employees now and in the future.

We strive to create an atmosphere that fuels collaboration and innovation and empowers our employees to perform at the highest levels while enjoying healthy, balanced lives.



**Bob Sulentic**

President and Chief Executive Officer



**Cigna's mission is to improve the health, well-being and sense of security of those we serve.**

Key to this mission is our belief that individuals deserve access to affordable health care. A sustainable system starts with individual accountability for lifestyle and behavior decisions that maximize personal health and productivity. When care is needed, high-value alternatives should be pursued. When care is delivered, caregivers should be paid based on the value, rather than the volume, of services provided.

Partnering with physicians to adopt models that reward higher-value care is core to making high-quality, affordable health care a reality in the United States. Cigna has been at the forefront of this movement and currently has collaborative models spanning 27 states, reaching more than 1.3 million customers.

For Cigna, this mission begins at home with our own employees. Cigna offers a full suite of programs that put our employees in charge of their health, with incentives and support to make it easier to stay or get healthy. A review of our population's health and cost drivers focused our program innovation on **chronic condition management, stress management** and promoting **access to quality, value-based care delivery**.

In 2013, Cigna embarked on an initiative to establish five onsite clinics as a central part of our health care delivery system. Our goal was to transform our onsite centers from a focus on acute care to prevention and wellness targeting employees with chronic conditions. The results are promising: a comparison of 2012 and 2013 claim data shows an 81 percent increase in preventative visits, over 2,000 referrals into clinic programs and an estimated \$240,000 saved as a result of closing gaps in care. Our experience produced valuable insights on factors to consider when designing effective onsite programs, such as local culture and dietary norms, geographical factors (prevalence of pollen, air quality) and the nature of work functions (production versus professional).

In a recent employee survey, we learned that 66 percent of employees feel stressed. We wanted to understand how stress impacted benefit costs and productivity, and we needed information to focus our improvement efforts. We developed a Total Stress Score measuring the impact of stress on total incidence (Integrated Personal Health Team [health risk assessment/self report] incidence, Cigna behavior health incidence and short-term disability [STD] incidence), total financial spend (total medical cost and total stress-related STD payout) and total productivity loss (total STD and family medical leave durations). Cigna used this score to differentiate stress levels among 12 of

our largest worksites with a comprehensive view on prevalence and financial and productivity impacts. Actions are underway to study the top and bottom three sites to guide improvement initiatives.

**Partnering with physicians to adopt models that reward higher-value care** is core to making high-quality, affordable health care a reality in the United States. Cigna has been at the forefront of this movement and currently has collaborative models spanning 27 states, reaching more than 1.3 million customers. Results are encouraging. Our most seasoned groups with at least three years of experience average 3 percent better than market in total medical cost and quality measures.



**David Cordani**  
President and Chief Executive Officer





**Comcast strives to deliver health programs that support the company's more than 130,000 employees, who are working at the intersection of media and technology to create the best products, content and experiences for**

**consumers.** Comcast provides its employees with access, tools and resources to make informed health care decisions. Receiving the best, most appropriate care will improve employee health and decrease unnecessary costs.

Navigating the health care system can be confusing. Comcast partners with Accolade as the central point of contact for all health-related needs. Accolade Health Assistants help with claims resolution, provider selection, appointment preparation and other health-related services. Accolade also works closely with Comcast to promote its internal wellness programs and onsite clinics. This integrated and personalized approach drives meaningful engagement. Comcast employees trust this relationship and value the support they receive.

By the end of 2014, Comcast will introduce a web-based transparency tool to its employees and the Accolade Health Assistants. This expanded resource will allow the comparison of medical providers' practice histories, outcomes and costs before treatment or diagnostic decisions are made. Accolade and individuals will be empowered with enhanced provider quality and cost information not easily found in today's health care environment.

Comcast believes primary care is at the core of quality health care, which can suffer in the current model. Lack of access to quality primary care can lead to overuse of specialists, increased diagnostic testing and unnecessary emergency room visits. To enhance the primary care provider-patient relationship and drive quality care decisions, Comcast is piloting a direct primary care model with Qliance in Seattle. For a monthly fee devoid of insurance billing or copays, the practice focuses on patient care with a decreased panel size and fewer patients per day. Phone appointments and e-visits offer alternative forms of communication. This practice model allows the patient greater provider access, and in turn, the provider has a more holistic understanding of the patient. Patients are active participants in their health care decisionmaking. Qliance interacts with Accolade to further the holistic approach by ensuring that employees use the full spectrum of health- and wellness-related services offered by Comcast.

Comcast continues to seek innovative health care solutions. In 2014, Comcast also plans to offer telehealth and a second-opinion program. These solutions, alongside increased transparency, will help Comcast improve health care efficiency and quality for its employees.

Comcast provides its employees with access, tools and resources to make informed health care decisions. ... These solutions, alongside increased transparency, will help Comcast improve health care efficiency and quality for its employees.



**Brian L. Roberts**  
Chairman and Chief Executive Officer



**COVIDIEN™**

**Covidien is a global medical device company committed to improving the lives of people around the world.** That commitment extends to employees and their families.

In 2013, the company launched a multiyear strategy in the United States aimed at raising personal health awareness, improving health risk factors and lowering cost trends. The strategy includes plan design, wellness initiatives, incentives, education and engagement components. Its goal is to enable employees and their families to make more effective health care decisions and motivate them to live healthier lifestyles.

In partnership with UnitedHealthcare, Covidien created the Minimally Invasive Surgery (MIS) Education Incentive Program for eligible members who are contemplating surgery. Its goal is to educate them about minimally invasive (laparoscopic) surgical options so they can make the best treatment decision for their circumstances.

This year, Covidien added an innovative new treatment decision support program to engage health plan members in a unique way. In partnership with UnitedHealthcare, Covidien created the Minimally Invasive Surgery (MIS) Education Incentive Program for eligible members who are contemplating surgery. Its goal is to educate them about minimally invasive (laparoscopic) surgical options so they can make the best treatment decision for their circumstances.

As a business, Covidien has deep clinical expertise in laparoscopic procedures and understands that patient education is key to effective decisionmaking. While the company knows that MIS is not right for everyone, the advantages can be substantial for those who can elect this option: faster recovery, quicker return to work, fewer complications, less pain and lower costs.

An interactive patient-education tool is the heart of the program. Members log on to the UnitedHealthcare website to access e-learning modules for nine common surgical procedures including hysterectomy, colectomy and appendectomy. They watch a video comparing MIS options to more invasive options and complete a brief quiz. They receive a \$200 gift card for successfully completing the program — regardless of which surgical option they choose.

Each module includes a feedback survey. To date, 89 percent of participants agree that the modules increased awareness of MIS, 86 percent changed their thinking about their surgery and 89 percent see value in offering patient decision support tools.

The MIS program is supported by a comprehensive communication campaign, which includes corresponding brochures on each procedure. Companion provider education modules are underway.

To date, all members who have engaged in the program and had surgery, elected MIS. By year end, Covidien will be able to quantify the impact of the program based on outcomes, proving that combining patient education with incentives is a highly effective engagement strategy. Covidien will continue to explore innovative ways to improve members' health and lower costs for everyone.



**José E. Almeida**

President and Chief Executive Officer



**As the nation's largest pharmacy health care provider, CVS Caremark is committed to reinventing pharmacy to help people on their path to better health.** This includes our 200,000 employees nationwide. To do this, we have

implemented what we call a "Plan for Health." The program's goal is to help our employees be as healthy as they can be.

Our "Plan for Health" offers incentives, including a \$600 reduction in paycheck contributions, for colleagues who undergo a free health screening and complete an online health assessment, each year. The program has already been successful, helping colleagues learn, some for the first time, that they have a chronic health condition that needs to be addressed or they have the risk of developing a chronic health condition.

We also incentivize our colleagues to strive for better health with our WellRewards employee wellness program. The program, which is facilitated through WebMD, offers colleagues access to an online, confidential Wellness Review (health risk assessment), personalized health programs, and health challenges and trackers. The program is linked to our employee recognition program, Values in Action, and provides colleagues with the opportunity to earn points, which can be redeemed for rewards to spend on merchandise or gift cards on the Values in Action website by completing a variety of wellness activities or challenges.

In 2013, we introduced a high deductible health plan into our benefits offerings. We help offset the costs of these plans by contributing to an HSA for each employee enrolled. The company contributes different amounts to HSAs depending on the base salary of each employee. We contribute a greater amount to lower-earning colleagues to help make health care costs more affordable. We also encourage colleagues to contribute their own money to their HSA, which offers several tax advantages and allows 100 percent of funds to be rolled over year after year. In 2014, we moved the majority of our colleagues into high deductible health plans.

Additionally, CVS Caremark also provides free wellness services, such as screenings, flu shots and smoking cessation counseling, at our MinuteClinic locations. These services are available to all of our colleagues, regardless of whether they enroll in company-sponsored health plans. We also developed a program called the "Path to Healthy Nutrition," which revised the menus and prices in our cafeterias with a focus on healthy selections and portions. As part of the implementation of that program, we hired a dietician who travels throughout the country making sure that all of our cafes are following the menu guidelines.

CVS Caremark made headlines in early 2014 with our announcement to discontinue tobacco sales in all of our retail locations in the United States. Prior to this, we had been helping our employees quit smoking for some time. By the end of 2013, more than 848 of our colleagues had enrolled in a smoking cessation program, and more than 764 confirmed they quit smoking.

At CVS Caremark, our perspective is that wellness should not be optional, and we have put more resources in place to encourage colleagues to embrace their path to better health.



A handwritten signature in black ink that reads "Larry J. Merlo".

**Larry J. Merlo**  
President & CEO



**Darden owns and operates some of America's favorite restaurants, including Olive Garden, LongHorn Steakhouse, Bahama Breeze, Seasons 52, The Capital Grille, Eddie V's and Yard House.** We employ 150,000 individuals who prepare and

serve more than 320 million meals a year in 1,500 locations. At Darden, we care about our employees and their families, and our people-focused culture strives to create a nurturing and sustaining environment for everyone.

We've built a strong culture by listening to our employees. That's why, in 2013, we implemented the Health Insurance Marketplace after our employees told us they wanted more choice and control over their health care dollars and a better understanding of their benefits.

We've built a strong culture by listening to our employees. That's why, in 2013, we implemented the Health Insurance Marketplace after our employees told us they wanted more choice and control over their health care dollars and a better understanding of their benefits.

Prior to 2013, Darden offered a single provider for medical, dental and vision coverage. Today, our new Marketplace allows employees to choose the medical, dental and vision plans that best fit their needs. Employees may choose among five medical plans from up to five insurance companies, four dental plans from three insurance companies and three vision plans from three insurance companies. Three of the new medical plans offer lower weekly costs compared to the previous options, and all plans cover preventive care at 100 percent. All dental and vision plans also offer lower-cost options.

To help our employees make the best decisions for themselves and their family members, the Marketplace includes decision-support tools that allow them to choose a provider that best fits their needs. Employees can also estimate their annual medical costs to ensure that they make the optimal choice.

But we didn't stop there. We've worked to enhance our benefit offerings in a number of ways, including several new programs for 2014. One is a new add-on program called 1<sup>st</sup> Day Choice that provides immediate, first-day coverage. We also offer Benefit Bundle — a bundle of discount programs, including TeleDoc, which allows employees to speak with a medical professional over the phone, rather than requiring an office visit, as well as offering discounts at retail and urgent care centers and for prescriptions.

Darden is focused on continuous innovation that connects our entire workforce to health solutions. As the health care landscape continues to change, we play a critical role in helping our employees understand the options available to meet their needs. To this end, we created a unique website — [www.statemedical411.com](http://www.statemedical411.com). Here, Darden employees can learn about medical options available in their state and get help applying for coverage. This service is free to our employees and their friends and families.



A handwritten signature in black ink, appearing to read "Clarence Otis Jr." with a stylized flourish at the end.

**Clarence Otis Jr.**  
Chief Executive Officer



**DaVita HealthCare Partners is a community first and a company second.** One example of this is our wellness program, Village Vitality, through which we incent and reward teammates for taking action. We continually search for new ways to support our teammates in realizing and reaching their wellness goals.

**DaVita Vitality Points.** Since 2009, “Vitality Points” have been the primary incentive component of Village Vitality. Teammates and spouses/domestic partners who complete healthy actions such as biometric screenings and tobacco cessation programs can earn up to \$1,600 toward health insurance premiums. In 2014, we expanded our program to include spouses/domestic partners and are proud to say that 55 percent of them participated.

Vitality Points are transparency at work! By completing a standard biometric screening, participants learn their key health measurements. This information frequently leads people to realize that their health is at risk and spurs them to take immediate action. The results of our efforts are positive — since 2010, the percentage of our population outside healthy ranges has decreased for glucose (from 23 to 19 percent), cholesterol (from 17 to 14 percent) and blood pressure (from 68 to 59 percent).

**Match the Mayor.** DaVita supports healthful living through an annual campaign that challenges teammates and their families to “Match the Mayor” in specific healthy behaviors. In previous years, we have tracked exercise minutes and the number of various fruits and produce in each meal, creating awareness about teammates’ activity levels and diet. Program participation has increased almost tenfold, from 580 participants in 2008 to more than 5,300 in 2013! The 2014 challenge will include two senior leaders as well, demonstrating our Village-wide commitment to fun while encouraging healthy actions by our teammates.

**We Are Well.** DaVita rewards teammates who have taken the initiative to make significant changes in their health by providing the opportunity to earn free health insurance. The We Are Well award is presented to teammates who have made an outstanding commitment to achieving their health goals. Selection criteria include committing to achieving better health, fulfilling personal goals, overcoming challenging obstacles and inspiring others.

From new fitness campaigns to fresh incentive programs, we strive to improve the awareness, total well-being and satisfaction of teammates and their families year after year.



A handwritten signature in black ink, appearing to read 'K J Thiry'.

**Kent J. Thiry**  
Co-Chairman and Chief Executive Officer

DaVita HealthCare Partners is a community first and a company second. One example of this is our wellness program, Village Vitality, through which we incent and reward teammates for taking action. We continually search for new ways to support our teammates in realizing and reaching their wellness goals.



As a company striving to provide resources to protect our employees and their families, we are continuously driving the highest levels of performance with our health care offerings and wellness programs, bolstered by our relentless commitment to safety — our most important core value.

**Day & Zimmermann is committed to the health and well-being of our employees and wants to make a difference in bettering their lives.** As a company striving

to protect our employees and their families, we are continuously driving the highest levels of performance with our health care offerings and wellness programs, bolstered by our relentless commitment to safety — our most important core value.

Day & Zimmermann has been working over the past several years to raise employees' awareness of the benefits of caring for themselves by taking preventive measures to stay healthy and safe, as opposed to waiting until they've become ill to seek treatment. To provide incentives, we have created a Wellness Council that focuses on issues ranging from mental health and stress management, to exercise and nutrition, to tobacco cessation. To get our employees exercising, we host an annual activity challenge — most recently, the "Mississippi River Challenge." Employees walked the distance of the Mississippi River from Minnesota to New Orleans in just under two months using a pedometer to record steps. Day & Zimmermann also has a Safety Council, and has embedded safety so rigorously into the culture that any meeting an employee hosts must start off with a brief safety topic, ensuring that safety is top of mind.

Looking ahead, Day & Zimmermann's recent transition to self-funded medical plans is now producing claims-use data that is used to inform future focus areas for the Wellness Council. Based on their personal situations, employees can choose between PPOs and high-deductible plans. They also have the option of using public exchanges, and our plans have been aligned to the metallic levels of the exchanges so accurate comparisons can be made. We have also provided employees with a website — Your Coverage Resources™ — to help them identify applicable plans

on the exchanges and estimate any subsidy for which they may be qualified.

Ultimately, Day & Zimmermann's goal is to continue to partner with health care providers to give our employees the valuable education, tools and programs that will make a difference in their health, wellness and safety and maintain measurable outcomes into the future.



**Harold L. Yoh III**  
Chairman and Chief Executive Officer



All of us at The Dow Chemical Company recognize that our performance, our success and the true potential of our Human Element can only be unleashed when our people are as healthy as possible. Therefore, we view health spending as

an investment to be optimized, rather than a cost to be minimized.

To achieve this optimization, much work remains. Today's health care costs are undermining the competitiveness of corporations like Dow, particularly in the United States, while reducing the disposable income of consumers as costs are passed along to them. The increasing percentage of GDP consumed by health care dominates federal and state budget deficits and causes serious social capital erosion, draining funds away from other priorities such as education without improving health outcomes. This unsustainable approach poses a serious problem for individuals and companies alike. A better future will require new government policies as well as collaborative action at the intersection of government, business and civil society.

Dow has been active at this intersection for quite some time, and in 2004, we elevated our long-standing health efforts to a corporate-level health strategy with designated executive sponsors. Our goals were improved patient outcomes, enhanced quality and effectiveness of care, reduced waste, and better value for every dollar spent. Based on these drivers, we developed a multifaceted approach to:

1. **Enable individuals to take responsibility for their health:** Dow has a comprehensive health promotion system with a wide range of initiatives from onsite fitness centers to healthy food choices in company cafeterias.
2. **Provide resources to help employees make informed health care decisions:** Online tools help our employees identify the highest quality hospitals and specialists, the cost for virtually any medical service prior to receiving care, and the best value for purchasing medications.
3. **Focus on health outcomes versus strictly cost control:** Dow was a founding member of the Catalyst for Payment Reform, a national group whose only goal is to reform the way health care is reimbursed — from a unit-based methodology to paying for quality care.
4. **Promote a healthy culture and environment:** Our Healthy Workplace Index assigns individual scores for key culture and environmental elements and a cumulative score (bronze, silver, gold or platinum) for each worksite. By year end 2013, approximately 55 percent of global employees were located at sites that had reached the silver, gold or platinum level.

Years later, we are seeing the benefits of a strategy built on the fundamental principle that health is a shared responsibility between individuals, worksites and Dow. Dow's medical spend trend is well below peer company averages. The percent of employees at high risk across key health risk measures has significantly decreased from the baseline, and the percent of employees at low risk has significantly increased.

By focusing on our health opportunity, Dow has simultaneously improved outcomes and affordability. An integrated health strategy, comprehensive health programs, and two decades of sustained commitment and culture change have set in motion a positive trend that continues today.



**Andrew Liveris**  
Chairman and Chief Executive Officer

By focusing on our health opportunity, Dow has simultaneously improved outcomes and affordability. An integrated health strategy, comprehensive health programs, and two decades of sustained commitment and culture change have set in motion a positive trend that continues today.





**E.I. du Pont de Nemours and Company (DuPont) has a two-century-old tradition of caring for the safety and health of our employees.**

Due to the nature of our early business — manufacturing explosives in the 1800s — company leadership instilled strong core values of employee safety and health. Today, as we create new scientific advancements in the areas of the agriculture and nutrition food value chain, differentiated advanced materials, and transformational bio-based businesses, we continue to emphasize not only on-the-job safety of employees but also their overall health and well-being. DuPont provides onsite occupational-related employee health services and comprehensive health care benefits for 35,000 U.S. employees, 56,000 of their dependents and 80,000 U.S. retirees.

In spite of the recent evolutionary changes occurring in the health care service-delivery models resulting from the Patient Protection and Affordable Care Act, DuPont remains committed to ensuring that employees and their families have access to high-quality health care at an affordable price. We do, however, want our employees to be aware of their health risks and be informed consumers of health care services when they need them. This is why we emphasize the value of consumerism in our plan designs and provide financial motivation for employees to “know their numbers.”

We do, however, want our employees to be aware of their health risks and be informed consumers of health care services when they need them.

In 2013, we introduced a medical premium incentive of \$240 per year if an employee:

- ▶ Completed an online health risk assessment;
- ▶ Completed a biometric screening (key blood tests, blood pressure, body mass index); and
- ▶ Registered an account with our health care transparency partner, Castlight Health.

We believe these three steps make employees more aware of their health conditions (and, hopefully, more likely to take appropriate action) and help them understand how to be better consumers by using the Castlight Health online tool.

To further support employee engagement, DuPont encouraged participation in a high-deductible plan through a strategy of plan simplification, multifaceted communications and favorable premium pricing. In 2013, we merged numerous different plan designs into only two different plans where all features are identical except for the deductible and the health savings account company contribution. This resulted in 65 percent of our employees selecting the high-deductible consumer-oriented plan — up from 15 percent in the prior year.

Going forward, we will build upon our “simple is effective” approach to plan design, collaborate with our partners to ensure access to high quality care, help employees improve their current and future health conditions, and provide tools and information to enable them to be informed and empowered consumers when they must enter the health care delivery system.



**Ellen J. Kullman**

Chairman and Chief Executive Officer





**At Eastman, we are committed to delivering consistent, superior value for all our stakeholders through sustainable solutions that satisfy the needs of a changing world.** Faced with rising health care costs and undesirable health risks for

a growing employee base, Eastman sought a sustainable solution to drive better health and lower costs.

Eastman's approach to health care reinforces behaviors that promote healthy choices and informed health care decisions. The company's winning formula is simple: wellness plus prevention plus consumerism equals a healthier Eastman. Eastman uses plan designs, consumer tools, services, programs and communications to motivate and enable employees and their families to proactively manage their health and use of health care services.

Wellness promotes living better, longer — through active living, healthy eating and chronic-condition management. The award-winning wellness program features free onsite fitness centers and healthy food options at some locations and financial incentives for health improvements. The voluntary health risk assessment enables employees and spouses to learn their health statuses and ways to reduce and manage health risks. Aggregated data representing eight continuous years of assessments for more than 5,000 employees helps Eastman target risks while providing opportunities across the health continuum.

Prevention promotes keeping health concerns from becoming more serious via recommended screenings and treatment adherence. Eastman encourages employee and spouse involvement through value-based plan designs, partnerships with key providers who promote prevention, and access to onsite and telephonic health coaches. Mobile screening opportunities are available at larger sites.

Consumerism promotes making informed health care decisions through plan design and consumer tools. Eastman introduced the consumer driven health care plan in 2009, and in 2015, all employees will be able to choose from two such plans. Under this kind of plan, employees have more insight into health care costs, which motivates them to make better-informed decisions about health care purchases. The plan also includes a tax-advantaged health savings account: company and pretax employee contributions help cover future health care expenses. A transparency tool empowers employees to discover health care quality and cost. The tool also sends notifications about savings opportunities, such as lower priced medicines or medical services. Eastman continues to explore more ways to enable and empower employees to make well-informed health care choices.

Eastman's focus on wellness, prevention and consumerism is paying off. Health is improving and costs are being controlled. The company and employees benefit from this sustainable solution and a healthier Eastman.



A handwritten signature in black ink that reads "Mark J. Costa".

**Mark J. Costa**  
Chairman and Chief Executive Officer

Eastman uses plan designs, consumer tools, services, programs and communications to motivate and enable employees and their families to proactively manage their health and use of health care services.



**Eaton is a power management company with 2013 sales of \$22 billion.** The company provides energy-efficient solutions that help customers manage electrical, hydraulic and mechanical power more efficiently, safely and sustainably. Eaton has

approximately 101,000 employees and is battling employee health risks such as obesity, smoking and poor nutrition that require additional spending and move employees down the illness pathway to chronic disease.

Eaton's "Powering You to Live Well" program, with a focus on wellness and consumerism, has resulted in a 50 percent cost reduction across health care trends without shifting costs to employees and has improved the health and productivity of our employees.

To address these challenges, in 2010 Eaton launched "Powering You to Live Well," a global wellness initiative aimed at removing traditional barriers to wellness, providing employees and their families with the resources they need for good health/wellness, and striving to create a culture of health and wellness. Eaton is employing two main drivers to achieve this change: wellness and consumerism.

On the wellness front, Eaton has identified five pillars of wellness that require the business operations to implement including: a global fence-to-fence tobacco ban; offering 80 percent healthy foods and less than 20 percent unhealthy foods that are clearly labeled and identified by nutritional experts; providing opportunities for increased physical activities and stress-management interventions with such mechanisms as a global employee assistant program; and offering biometric screenings and health assessments globally so employees and family members can know their health risks. Eaton provides our employees and family members best-in-class health management programs to remove any barriers around cost and drive changes in health to prevent chronic disease. Eaton has also used innovative high-touch approaches such as onsite health coaching that enable employees to interact face-to-face with employees across our U.S. locations and in some global locations.

On consumerism, Eaton has moved to consumer (high-deductible) based approaches with health savings accounts to foster employee involvement in health care decisionmaking and encourage savings for the future. Eaton has also provided cost and transparency tools that promote true shopping behavior.

In another effort to improve access and remove barriers, Eaton is working with our medical administration to offer telehealth options. At Eaton Center, onsite health centers provide employees with patient center medical home models.

All these efforts have resulted in a 50 percent cost reduction across health care trends without shifting costs to employees and have improved the health and productivity of our employees.



**Alexander M. Cutler**  
Chairman and Chief Executive Officer



**At Edison International, and through our subsidiary Southern California Edison (SCE), we believe that proactive investment in the health, safety and wellness of our 13,000+ employees is essential to the long-term success of our**

**business.** We support an enterprise-wide culture of health and wellness for our employees and deliver a wide range of innovative and effective health options. We have a strong integrated safety and wellness brand, “Choose Wellness... Your Way,” with programs and services that empower employees to be healthy, safe, productive and well. Some of these offerings include:

- ▶ Corporate wellness center — offers wellness evaluation, biometric screening, mental health assessment, hearing assessment/conservation, lung capacity and wellness coaching;
- ▶ Corporate fitness center — features a professional staff, group exercise, personal training, functional movement screening and delivery of Work Readiness Certification (WRC) training;
- ▶ Preventive health account — offers reimbursement for wellness activities, up to a dollar limit, after completion of a health risk assessment;
- ▶ Relaxation rooms (some locations) — create a quiet/soothing environment to support employees’ need for managing/reducing stress while at work;
- ▶ Wellness ambassador program — acts as a volunteer employee network who generate and implement wellness initiatives;
- ▶ Mindful nutrition — delivers healthy meal choices through partnerships with our food vendors; and
- ▶ Employee assistance program — offers confidential counseling, stress management, resiliency and work/life resource and referral services.

As a result of SCE’s commitment to employee health, in 2014 the company received two awards from the American Heart Association, the Gold Fit-Friendly Worksite Award and the Worksite Innovation Award.

The latter award recognized SCE’s innovative WRC Program, a multivariable, dynamic warm-up injury prevention program. Based on scientific research and internally developed to address SCE’s largest injury and incident category — sprains and strains — WRC supports improvement of employees’ overall health and muscle conditioning to reduce injuries by targeting muscle groups used by both industrial and office employees. To date, we’ve trained more than 2,000 certified leaders/employees at 73 locations in all 13 operating units, and we have more than 4,000 participants. The WRC program has contributed to the company’s reduction in strains and sprains, resulting in a positive impact to our overall safety record.

Moving forward, SCE will continue to review our investment in the health, safety and wellness of our employees as part of our culture and a significant factor in our long-term success.



A handwritten signature in black ink, appearing to read "Theodore F. Craver, Jr.".

**Theodore F. Craver, Jr.**  
Chairman of the Board, President and Chief Executive Officer

We support an enterprise-wide culture of health and wellness for our employees and deliver a wide range of innovative and effective health options. We have a strong integrated safety and wellness brand, “Choose Wellness... Your Way,” with programs and services that empower employees to be healthy, safe, productive and well.



### Consumer-Driven Health Plans (CDHPs)

Lilly was an early leader in our industry for the introduction of CDHPs. Lilly introduced CDHPs for employees in 2008 and fully replaced our employee health plan options with CDHPs in 2010. Lilly's current employee health plan options include a choice between a CDHP paired with a health savings account or a CDHP paired with a health reimbursement account.

By taking an active role in our own health — whether it's as a smart consumer of medical services or enrolling in our Fit for Life benefit to stay in shape — we can help lower our collective costs.

### Promoting Cost-Comparison Tools

Through our role on the Anthem Customer Advisory Group, Lilly has joined with other large companies to influence the continued development and refinement of Anthem's cost-comparison tool. The tool allows individuals to compare an increasing number of procedures based on cost while also viewing quality information. The tool has continued to improve and a mobile version was recently launched.

### Promoting Consumer Engagement

In our 2014 annual enrollment materials, Lilly included two full pages on the importance of health care consumerism. In this material, Lilly highlighted the cost comparison tool as well as the cost differentials of different urgent care options such as immediate care centers versus emergency rooms. Lilly's employees were directed to tools that would allow them to identify a lower cost, conveniently located immediate care center. In a letter to my Lilly colleagues during the annual enrollment process, I shared, "By taking an active role in our own health — whether it's as a smart consumer of medical services or enrolling in our Fit for Life benefit to stay in shape — we can help lower our collective costs."

In 2014, Lilly implemented a radiology management program. This program includes not only clinical management — ensuring that the right level of care is being recommended based upon clinical circumstances, but also a consumerism component. When high cost differentials (based on radiology setting) exist for the cost of the chosen service, the program reaches out via phone to members to offer them the choice to reschedule at a nearby quality alternative at a much lower price.



**John C. Lechleiter, Ph.D.**

Chairman of the Board, President and Chief Executive Officer



**Exelis is a new company with a long legacy dating back to 1920.** In the fall of 2011, Exelis “spun off” from ITT Corporation to become a stand-alone defense and technology company employing nearly 19,000 employees worldwide. Exelis took

the opportunity of our spinoff to re-examine our benefit strategy, and in 2012, we embarked on a benefit transformation focused on fostering a culture of health where employees and their families are empowered with the resources and knowledge they need to be engaged in a healthy lifestyle and to use their health benefits wisely.

Our transformation has touched every aspect of our benefits, from the development of a human resources brand to evaluating our supplier partners to overhauling benefit designs and adding new programs to support consumerism and health improvement.

In late 2012, we launched a wellness/incentive program, which provides employees and their families with a variety of opportunities to learn about their current health statuses and take action to maintain or improve their health. In 2013, we introduced new benefit plan designs aimed at increasing awareness of the cost of care, added price/quality transparency tools focused on putting our members in the driver’s seat of their health care choices and invested in educating our membership on how our health care plans work.

While our transformation continues to evolve and build momentum, we’ve already seen results that signal that we’re heading in the right direction and making a positive difference in the health of our Exelis community. Some of the results achieved include:

- ▶ We increased enrollment in the high-deductible plan by more than 10 times.
- ▶ In year one, 43 percent of incentive-eligible members completed all activities to earn their full incentives.
- ▶ In three short months, we increased the percentage of participants engaging in the recommended level of physical activity (150 minutes per week) from 58 to 68 percent.
- ▶ In select markets, nearly 40 percent of our claims spend has been with designated, higher-performing providers.
- ▶ While our biometric results are still immature, we’ve already seen modest improvements with some clinical indicators, including a nearly 5 percent increase in the number of individuals whose cholesterol and glucose levels are in the healthy range.

Looking forward, we are evaluating the installment of onsite health clinics, the feasibility of using telemedicine and how we can push the envelope to continue to increase member engagement.



A handwritten signature in black ink that reads "David F. Melcher".

**David F. Melcher**  
Chief Executive Officer and President

In year one, 43 percent of incentive-eligible members completed all activities to earn their full incentives. In three short months, we increased the percentage of participants engaging in the recommended level of physical activity (150 minutes per week) from 58 to 68 percent.



**EXPRESS SCRIPTS®**

**For many American workers, health benefits are a major driver of job satisfaction and workplace loyalty.**

Only through making better health care decisions can we control costs, improve patient care and ensure access to medications on the scale and with the impact this country truly needs.

The pharmacy benefit is the most used — 11 times per year on average — so it's easy to see why the pharmacy benefit is rich with opportunities to improve lives and make health care more affordable.

Express Scripts helps businesses, health plans, unions and public programs maintain a robust pharmacy benefit for working families, seniors and the disabled by providing access to prescription drugs in the most cost-effective way possible. Our competitive, market-based model has expanded choices, reduced costs and improved outcomes.

When you boil down the complex nature of health care and benefits, it comes down to decisions. Only through improvements in decisionmaking can we make the kind of positive impact our country needs.

Our innovation in three specific areas — behavioral science, clinical specialization and actionable data — has driven out pharmacy waste, controlled costs for clients, and helped people live better.

We bring these together in a unique approach called Health Decision Science.

- ▶ Bridging the gap between what patients want to do and actually do is best achieved by creating an environment where the optimal choice is the easiest. Applying behavioral science to health care has increased adherence, controlled client costs, and made delivery of medication safer and more convenient.
- ▶ Our Therapeutic Resource Centers focus on specific diseases, and our pharmacists have a level of understanding that rivals or surpasses many physicians. An oncologist may see a few hundred patients each year, while our oncology pharmacists engage with thousands. That expertise can mean life or death for some patients with particularly rare diseases.
- ▶ “Big data” is everywhere, but actionable data is what truly matters. We process more than 1 billion prescriptions yearly, generating extraordinary amounts of data. We take what we learn, add unique insight and create models that predict patient behavior. We then determine the most appropriate intervention to help ensure that patients make good health decisions.

Innovative solutions from pharmacy benefit managers like Express Scripts are expected to reduce the cost of health care by more than \$1 trillion over the next decade. It's a huge number, but it's necessarily ambitious. When we make the use of prescription drugs safer and more affordable, we sustain an important benefit, help businesses control costs and improve the lives of patients.



**George Paz**

Chairman and Chief Executive Officer



**FedEx has a history of providing affordable health care to our employees and, like most companies, faces big challenges in continuing to do so.** Projections show that FedEx health care costs will exceed \$1.5 billion this year, and that

number will rise. We must also adjust to the changing national health care landscape, including the costs and requirements of the Patient Protection and Affordable Care Act.

We realized that we needed an innovative approach to meet these challenges, so in 2014, we changed our medical plan to better manage costs and launched a multiyear communications strategy to provide employees with information and tools to make more educated health care choices. We implemented a high-deductible plan with two options to meet the different needs of our employees and their families and also provided a new health reimbursement account with a company contribution to help employees pay for qualified medical expenses. We exempted primary care and prescription drugs costs from the deductible, so participants only pay coinsurance without the worry of meeting a deductible. We expanded our definition of “primary care” to include family practice, internal medicine, pediatrics, OB/GYN, mental health/substance abuse, and convenience or urgent care clinics, broadening the opportunities to get care without having to meet the deductible.

The new plan represented a significant cultural shift — asking employees to be more accountable for their health choices to help manage costs. To educate nearly 200,000 eligible employees, FedEx adopted a comprehensive strategy that leveraged our internal “Choose Well” health and wellness campaign. We held more than 2,100 meetings; sent announcements from company leaders; and provided toolkits, videos, mailers, posters and digital messages. Most importantly, we made the campaign personal, featuring examples of how costs can add up and provided inspirational wellness testimonials from employees.

The results?

- ▶ Eighty-seven percent of employees surveyed said they understood why FedEx was making changes;
- ▶ Visits to our enrollment site increased 22 percent and use of online cost-estimator/ comparison tools rose 42 percent;
- ▶ Over 70 percent of respondents said that they had more carefully evaluated their options for 2014; and
- ▶ Over 17 percent changed plan options based on additional research.

In 2015, we will roll out wellness programs with access to well-being coaches, tracking capabilities and cost-of-service/quality tools to reduce health risks and associated medical costs. Communications efforts are underway for these programs as well as continued education around consumerism.

Ultimately, our goal is to enable our team members to make the best choices for their health and well-being while better managing coverage, care and costs.



**Frederick W. Smith**

Chairman, President and Chief Executive Officer

Our goal is to enable our team members to make the best choices for their health and well-being while better managing coverage, care and costs.



Fluor Corporation is one of the world's largest publicly traded engineering, procurement, construction, maintenance and project management companies.

Clients depend on the expertise of our more than 40,000 employees operating globally to deliver capital projects safely, on schedule, within budget and with the quality they expect. This requires a significant investment in and reliance upon the health and well-being of our employees.

As a very early adopter of high-deductible health plans and, more recently, of a health savings account plan option, we have maintained costs below the national average for several years.

### A Shared Responsibility

With a benefits philosophy based on “a **shared responsibility** by the company and the employee to invest in programs that are flexible to support both the needs of today and build a solid foundation for the future,” Fluor continues to design cost-effective and industry-competitive benefits with an **innovative focus** on health care delivery. We **partner with industry leaders** to develop programs and financial arrangements that focus on the quality of service delivery. With the recent implementation of Teladoc, our employees have an affordable and convenient **telemedicine** option that reduces time spent away from work and family. Fluor also partners with UnitedHealthcare to bring innovative health programs and plans to our employees. As a very early adopter of high-deductible health plans and, more recently, of a health savings account plan option, we have maintained costs below the national average for several years.

### Smart Health Consumers Equal Smarter Employee Choices

Looking ahead to the proposed health care reform regulations, Fluor chartered a **multidisciplinary taskforce** in 2012 to review the legislative impact on our employees, business and clients. The result was a **transparent and comprehensive communication** campaign of videos, infographics, articles and online tools. Employee and town hall meetings in 2013 focused on educating our employees, emphasizing a shared accountability and illustrating the impact on our business. The resulting action encouraged Fluor employees to engage in the new **Fluor Health For You** wellness program designed to build “an environment where Fluor and our employees partner together to deliver their personal best through safe and healthy lives.” Offered health **premium reductions** as an incentive to participate in, engage with and complete programs that support physical, mental and financial health, Fluor employees are taking action across the globe to be their best at work and at home.

Moving forward, Fluor's established leadership and commitment to our employees will drive continued innovation and excellence in health care delivery.



A handwritten signature in black ink, appearing to read "David T. Seaton".

**David T. Seaton**  
Chairman and Chief Executive Officer





**Freeport-McMoRan is committed to offering a comprehensive benefits program that provides choice, flexibility and the foundation for employees to manage their health, wellness and quality of life.**

Freeport-McMoRan promotes the best health care available to employees and their families with:

- ▶ A full-time medical director, who continually monitors the quality of benefits, actively engages in significant medical cases when requested and serves as an advocate for employees;
- ▶ A successful and highly regarded annual employee wellness medical program;
- ▶ Preventive services covered 100 percent under all medical plans;
- ▶ Wellness facilities at larger sites, including fitness classes for employees;
- ▶ Health fairs at corporate and larger operating sites, including flu shots, biometric screenings and health plan information;
- ▶ Onsite medical facilities funded by Freeport-McMoRan at certain remote mining locations;
- ▶ Trained medical response personnel at all operating sites; and
- ▶ International medical service provider for employees assigned or traveling to non-U.S. sites.

Freeport-McMoRan is committed to offering a comprehensive benefits program that provides choice, flexibility and the foundation for employees to manage their health, wellness and quality of life.

Health and wellness benefits include multiple medical plan options designed for local markets and the needs of employees, including a high-deductible health plan with a health savings account to facilitate employees' understanding and awareness of their health care results and costs. Other health and wellness benefits include dental and vision plans and flexible savings accounts. Quality of life programs, such as adoption and employee assistance programs, provide support for employees' emotional well-being.

Freeport-McMoRan uses multiple communication sources to ensure employees understand and effectively use their benefits. Following best practices, benefits program information is available online, on flyers posted at our sites and through mailings to employee homes. In an effort to reach the broader workforce, employees may also use readers on their smart phones to access the information. For 2014, the company is focusing on tools to help employees select and use the benefits best suited to their personal and family needs, including a medical plan selection instrument and an annual outreach program to remind employees to use the wellness benefits.

To address the specific health needs of our population, Freeport-McMoRan recently introduced a diabetes prevention pilot program offered through our insurer, which has been well received and used. As part of the program, employees take an online test to determine their risk for diabetes and diabetes-related health issues. Based on the results, employees are given options to address those risk factors.

Freeport-McMoRan continues to look for opportunities to support and engage employees in their health and wellness.



A handwritten signature in black ink, appearing to read 'R. Adkerson'.

**Richard C. Adkerson**  
President and Chief Executive Officer



**Frontier Communications provides employees with information, opportunities and incentives to be healthy and fit.** Employees are ultimately responsible for their health, but we are with them every step of the way. We forge collaborative partnerships

that support a healthy lifestyle through integrated wellness programs, resources that promote a great quality of life and environments that foster a culture of health and wellness.

Employees are ultimately responsible for their health, but we are with them every step of the way. Frontier forges collaborative partnerships that support a healthy lifestyle through integrated wellness programs, resources that promote a great quality of life and environments that foster a culture of health and wellness.

### Information

Early diagnosis of a medical condition is critical. A monthly wellness newsletter titled "News You Can Use" educates employees about the importance of "knowing your numbers" (blood sugar, blood pressure and cholesterol) and offers healthy recipes, exercises for those in offices/field operations and more. We make sure that company cafeterias offer healthy and affordable meal options and that vending machines are stocked with healthy and satisfying snacks. Frontier Benefits personnel host meetings and webinars with active and retired employees to share news about health and welfare trends.

### Incentives

Frontier partnered with Anthem Blue Cross/Blue Shield to determine the percentage of employees and dependents who were getting annual physicals. The results were eye opening: Only 27 percent were getting physicals. Changes were needed, so Frontier implemented a reimbursement incentive for employees and their spouses/partners who receive an annual physical with minimum biometrics, offered "Fit for Life" challenges to encourage healthy weight and exercise, installed in-house exercise rooms at larger facilities and offered discounts at local gyms. The results have been rewarding.

Smoking remains the leading preventable cause of death in the United States, and Frontier is committed to helping employees and their spouses quit their dependence on all forms of tobacco. We offer free tobacco-cessation programs while charging higher medical premiums for tobacco users.

Managing stress is critical to a balanced lifestyle, and Frontier offers free, confidential counseling through an employee assistance program staffed by professionals who help guide employees and their families through challenging times. When tragedy strikes an employee or an immediate family member, a family support plan is immediately activated.

### Inclusion

Frontier Communications maintains a joint health care committee with leaders of our unions, such as a national health care committee with the International Brotherhood of Electrical Workers. We partner to place collective bargaining employees in a union-sponsored health plan, giving them more control. All employees can access health coverage tailored to their needs at affordable cost tiers.

Good health is a precious gift. We help Frontier employees and their families enjoy it to the fullest.



A handwritten signature in black ink that reads "Maggie Wilderotter".

**Maggie Wilderotter**  
Chairman and Chief Executive Officer



**At GE, a healthy workforce is essential to the vitality of our company.** Improving the quality and value of health care through company-wide programs and market-based initiatives has helped us drive a healthy workforce and provide health care

benefits for 500,000 individuals in the United States at an annual cost of \$2 billion.

Over the past decade, we have been developing a comprehensive approach to health benefits and wellness. Our strategy aligns an ongoing communication campaign, benefit design, consumer tools and support, delivery system initiatives (e.g., centers of excellence, accountable care organizations, onsite clinics), and programs that address high-risk conditions and chronic disease.

At the core of our strategy is a clear message: Lead a healthy lifestyle and understand the quality and cost of care. A consumer-directed health benefits design across our U.S. population supports that message.

But more is needed to ensure long-term success. Engaging employees starts at work with a healthy work environment. This is central to GE's global culture of health, which we call HealthAhead. In 2009, GE's large worksites around the globe began meeting robust healthy workplace requirements. To date, 90 percent of our largest sites have earned this recognition, impacting approximately 220,000 employees. Since HealthAhead's inception, our U.S. health care cost increases have averaged less than 3 percent annually, and we have seen double-digit reductions in health-related absences in the United States.

At the core of our strategy is a clear message: Lead a healthy lifestyle and understand the quality and cost of care.

When making health care decisions, employees value easy access to meaningful information. Typically, they want the basics — how much a service costs and whether there are differences in quality. Launched in 2011, the GE Treatment Cost Calculator, an online tool and mobile app, helps employees research the cost of care for specific procedures, get personalized estimates and find quality doctors. About a quarter of GE families are using the tool, finding savings opportunities across the country.

When faced with a challenging diagnosis, our employees also want access to a personal expert to guide them. So, in 2006, we created Health Coach from GE — a confidential, voluntary resource staffed by nurses who help employees and their families find quality providers, discuss treatment options, access second opinions and understand their benefits. Coaches receive more than 20,000 calls annually, and researchers from the Institute for Health Policy at Massachusetts General Hospital published results in *The Journal of General Internal Medicine* demonstrating that patients took the coaches' advice more than 80 percent of the time.

Ultimately, we've learned that driving a healthy workforce and improving value requires multiple strategies, including working with providers to improve quality and cost and engaging employees. Constant cultivation of these efforts can have a positive impact, which continues to benefit us at GE.



**Jeffrey R. Immelt**  
Chairman and Chief Executive Officer



At Grant Thornton we pride ourselves on cultivating a culture that inspires people to bring their whole selves to work each day. We look to each employee and partner to support our growth. To help facilitate that, we make a significant investment in them through a competitive and comprehensive benefits program.

**At Grant Thornton LLP we pride ourselves on cultivating a culture that inspires people to bring their whole selves to work each day.** We look to each employee and partner to support our growth. To help facilitate that, we make a significant investment in them through a competitive and comprehensive benefits program.

Grant Thornton offers employees a vast array of benefits ranging from traditional medical and pharmaceutical plans to new and exciting work-life benefits. And we are regularly improving those offerings to ease future medical costs.

More than 85 percent of our medical plan participants complete a health risk assessment that helps both Grant Thornton and employees identify areas of health improvement. To further assist our employees, we began exploring work-life programs aimed at mitigating health risks. For example, stress levels are on the rise and can contribute to high blood pressure and an increase in body mass index. To address this concern, Grant Thornton launched a pilot program with meQuilibrium to help employees and partners build the skills needed to manage stressful situations in their lives.

The pilot with meQuilibrium had a very high voluntary participation rate. Eighty percent of the participants completed an assessment and more than 60 percent supported a firmwide rollout of the program — all with no incentives to participate. Following the successful pilot, the program was introduced to the entire firm in early 2014.

Grant Thornton also wants our employees to play an active role in their health and well-being. We are continuously brainstorming new ways to engage our diverse workforce in managing their health, such as a concierge service benefit designed to help younger employees navigate the world of health insurance, or the use of mobile apps that track diet and exercise. Making engagement in health as easy as possible for our employees and partners is one of our top priorities.

Grant Thornton strives to provide our employees and partners with benefits that support their unique needs, so they in turn can meet the needs of the dynamic businesses we serve.



*Stephen M. Chipman*

**Stephen M. Chipman**  
Chief Executive Officer



**At HARMAN, we believe that people are our greatest competitive advantage.**

To be a compelling place to work in a highly competitive marketplace, we are constantly evaluating how we can improve our human resource programs and

practices, including investing in stronger communications and more self-directed programs to drive greater transparency, quality and employee engagement.

### **Communications**

Through HARMAN's free online wellness portal, employees and their spouses have access to information and resources on a variety of health topics. In addition, we issue a monthly health e-newsletter and mail a quarterly newsletter to employees' homes. We also provide resources to help employees manage their health care.

### **Choice in Health Care Plans**

HARMAN offers both PPO and high-deductible plans, accompanied by health reimbursement or health savings accounts, respectively. We also offer "Ask Alex," an interactive decision tool that provides side-by-side comparisons of the different plans through the lens of an individual's unique position — salary, health status and claims history, for example.

### **Financial Incentives**

Employees reduce their deductibles and insurance costs when they complete wellness actions:

- ▶ Complete a health risk assessment or biometric screening, attest to not being a tobacco user, achieve defined body mass index criteria, or enroll in a gym or fitness class.
- ▶ Complete at least three interactive care management calls.
- ▶ Complete at least four wellness coaching program calls.
- ▶ Participate in at least two wellness challenges.
- ▶ Participate in the Maternity Management Program.

### **Access to Health and Wellness Professionals**

HARMAN's coaching program helps employees and spouses make positive lifestyle changes such as managing stress, quitting tobacco and improving nutrition. HARMAN also offers low-cost telephone or online video access to board-certified doctors for nonemergency situations. Those with more serious conditions may engage a single-point Care Management Unit to better coordinate ongoing treatment.

### **Engagement**

We have appointed local Wellness Site Champions to reinforce program messaging and organize employee activities. HARMAN works hard to foster a culture of employee empowerment, teamwork and creativity. Our efforts to encourage greater health and wellness strengthen our organization and ultimately benefit the families, friends and communities that surround us. With the same enthusiasm and innovation we bring to our technologies, we will continue our commitment to a healthy, energized and motivated HARMAN workforce.



**Dinesh C. Paliwal**

Chairman, President and Chief Executive Officer

We are constantly evaluating how we can improve our human resource programs and practices, including investing in stronger communications and more self-directed programs to drive greater transparency, quality and employee engagement.



**To improve the health care delivery system, Honeywell believes it is important to realign the incentives for people who provide care, those who consume it and those who pay for it.**

To improve the health care delivery system, Honeywell believes it is important to realign the incentives for people who provide care, those who consume it and those who pay for it.

The company uses a demand-side approach and aims to drive employee engagement in two ways — lifestyle management and health care management — by making tools and resources available through its HealthResource platform. The goal of lifestyle management is to improve the health status of employees and their families, while the goal of health care management is to help them make informed decisions when accessing the health care system.

Honeywell has found the biggest challenge to its goals to be lack of employee engagement, and has adjusted its strategy to increase engagement through a full-replacement consumer-driven health plan, health assessments and biometric screenings, the Castlight health care shopping tool, significant engagement incentives, and consumer-centric communications.

Today, Honeywell has shifted from just offering health care as a benefit to engaging and equipping employees to lead healthier and productive lives and has found that incentives coupled with targeted communications can be effective in engaging employees.

- ▶ In 2011, the company launched the “Know Your Numbers” campaign to encourage employees to take a health assessment with biometric screening. For participating, the company provided employees with a health savings account contribution depending on their pay and coverage level. More than 80 percent of eligible employees and spouses participated.
- ▶ In 2013, the company launched the “Know Before You Go” campaign in an effort to improve employee engagement and found that, with a small incentive, 70 percent of households registered for the Castlight health care shopping tool, with a 75 percent repeat user rate.
- ▶ Surgery Decision Support (SDS) was implemented in 2006 and provides employees a resource for weighing options when considering surgery for certain conditions. Results over a five-year period demonstrate that one in four participants would choose an option other than surgery and that 98 percent of participants were satisfied with the program. Honeywell was able to increase participation in SDS from 22 to 95 percent in 2013 through the Know Before You Go campaign, just-in-time outreach from third parties reminding employees about SDS, and a \$1,000 penalty for those who pursue surgery but do not go through the program. Satisfaction remains at the 98 percent level.



A handwritten signature in black ink that reads "David Cote".

**David M. Cote**  
Chairman and Chief Executive Officer



**Inspire health — it's one of our values at Humana and captures the company's commitment to the people we've cared for since our founding 53 years ago.**

It's also our number one priority when it comes to engaging Humana's 52,000

associates. As all of us at Humana work to improve the health of the communities we serve, we are simultaneously making measureable progress toward helping our associates live healthier lives.

How are we doing this? By rewarding our associates for adopting healthier behaviors and by rewarding health care providers who put quality ahead of quantity.

In 2001, Humana and our associates began a process of cocreating the health plans they enroll in and that we ultimately take to market. Over the next 12 years, Humana's average annual health-cost increase was 5.5 percent, compared with 9.1 percent for all employers. Engaged associates, associates who are living healthier and carefully managing their health care spending, deserve the credit for this.

We're also incentivizing our associates to be healthier via their participation in the science and rewards-based HumanaVitality program. Associates earn rewards for a wide range of healthy behaviors, from stopping smoking or losing weight to donating blood and taking 10,000 steps a day.

In 2012 and 2013, associates who actively participated in HumanaVitality experienced lower average health costs and improved workplace productivity.

- ▶ Engaged associates spent an average of \$53 less per month on health costs than unengaged associates.
- ▶ The largest impact on health costs was for associates with lifestyle-related chronic conditions like high blood pressure or diabetes. Engaged associates with these conditions had 60 percent lower health claims costs than unengaged members with the same conditions.
- ▶ Unscheduled absences from work were 56 percent lower among engaged associates.

We're also now in our third year of tracking associates' health and well-being via a 150-data-point "Well-being Report," and we're seeing significant improvements in healthy lifestyle behaviors and health outcomes. For example:

- ▶ In 2012, 87 percent of associates completed a health-risk assessment. In 2013, that number increased to 89.7 percent.
- ▶ In 2012, 40 percent of associates set health-related goals. In 2013, 46 percent set goals.
- ▶ In 2012, 28 percent of associates reached "silver" status in HumanaVitality, the level at which we consider associates to be engaged with the program. In 2013, 41 percent reached silver status.

Humana is passionate about transforming health care in the United States from reactively providing "sick care" to proactively helping people maintain and enhance their health. Every day, Humana's health care analytics engine reviews millions of clinical data points to provide our associates, members and health care providers real-time clinical insights and gaps-in-care data that are helping us improve health outcomes.

Humana has a dream — to help people achieve lifelong well-being. To make the dream a reality, we must make it easy for people to achieve their best health. That starts at home, with our own associates.



**Bruce D. Broussard**  
President and Chief Executive Officer

Humana is passionate about transforming health care in the United States from reactively providing "sick care" to proactively helping people maintain and enhance their health. As we work to make it easy for people to achieve their best health, that work starts at home with our associates.



**At Ingersoll Rand, we believe engaged and empowered employees inspire progress and create a winning culture: an environment where people collaborate, develop, excel and take pride in our company.**

Health Progress is designed to improve the health status of our employees, strengthening our competitiveness through increased productivity and decreased health care risks. Launched in 2009, Health Progress provides a personalized, holistic approach to health and wellness through a range of solutions.

Our employees' health and well-being is fundamental to that winning culture. Healthier employees are more productive, absent less from work and experience fewer workplace accidents. Moreover, employee wellness contributes to more sustainable engagement and higher levels of performance.

As a foundation, Ingersoll Rand partners with national and local carriers to provide a comprehensive medical offering to employees and their families. The predominant choice is a consumer-driven health plan, which combines medical coverage with a health savings account and our cornerstone wellness program, Health Progress.

Health Progress is designed to improve the health status of our employees, strengthening our competitiveness through increased productivity and decreased health care risks. Launched in 2009, Health Progress provides a personalized, holistic approach to health and wellness through a range of solutions: an annual biometric health screening, an online health questionnaire, customized well-being plans, telephonic wellness coaching, condition management programs, and fitness and nutrition support.

The company offers meaningful financial incentives tied to Health Progress participation, encouraging individuals to take ownership of developing healthy habits. For example, as employees track fitness milestones online, they earn points, redeemable for financial rewards or company contributions to employees' health savings plans.

Participation in the Health Progress programs continues to increase. In 2013, 90 percent of employees enrolled in the consumer-driven health plan completed the biometric health screening and the online well-being assessment. Another indicator of the program's success is the level of grassroots involvement. Health Progress takes many localized forms, such as health and wellness speakers, stress management classes and walking clubs. The spirit of the program is ingrained in the organization's culture.

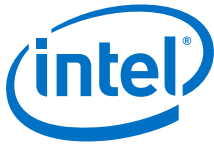
In the 2012–13 Gallup-Healthways Well-Being Index, the largest assessment of its kind, Ingersoll Rand scored 72.5, which surpasses both the national average and the manufacturing industry average. Employee data across six domains, including physical health, emotional health and work environment, provides an external benchmark for our health programs and additional insight to improve our future offerings.

In 2014, we will introduce a cost-transparency tool to help participants make informed choices. With the right tools and personalized support, employees and their families are motivated to take steps to improve health and well-being. These programs demonstrate our steadfast commitment to employee health, employee engagement and a winning culture at Ingersoll Rand.



**Michael W. Lamach**  
Chairman and Chief Executive Officer





**Intel's vision is to have the healthiest workforce on the planet and make health care a strategic business and talent-acquisition advantage for the company.**

After a decade of applying the usual levers to improve our employees' health and

contain rising health care costs, Intel believes that it is time for employers to work more directly to transform the payment and delivery systems for health care.

In an innovative program in partnership with Presbyterian Healthcare Services (PHS), Intel has engaged directly and deeply in benefit design, plan design and delivery optimization for employees and dependents at our Rio Rancho, NM, facility. Intel and PHS have established a custom integrated delivery system model of shared risks and rewards — essentially an employer-sponsored accountable care organization based on a patient-centered medical home (PCMH) model — that aims to give Intel employees more personalized, evidence-based and coordinated care. This program, called “Connected Care,” moves beyond fee-for-service models to more effectively incent desired behaviors and results. Connected Care is a demonstration of sustainable, system-wide changes that can improve access to high-quality, efficient and affordable care.

Connected Care went live as an operational health plan and delivery system for Intel employees in New Mexico on January 1, 2013. Intel is now establishing PCMH pilots with local providers in other regions to more fully engage employees in managing their health and transforming system delivery.

The experiences of Intel and PHS show that employers and providers can be effective partners in advancing a transformation in health care. Providers can gain enthusiastic partners who share their commitment to efficient, high-quality health care delivery and will align payment incentives to achieve it.

Putting health care costs on a more sustainable footing can strengthen U.S. competitiveness in a global economy. Improvements in the health and health care experiences of employees can increase job satisfaction, loyalty and quality of life. Forward-looking health plans can support collaboration by focusing on innovation and added value. Health care solutions providers and platform providers can help by committing to interoperable data standards and rapid innovation.

Intel and PHS encourage employers and delivery services to engage in hands-on collaboration focused on a more sustainable, high-quality health care system. We have much to teach each other — and American workers have much to gain.

**Brian Krzanich**

Chief Executive Officer

Employers are in a great position to influence health care. Working directly with the system by resetting expectations, creating better measurements and aligning payment results in a de-layered approach that gives us a better line of sight into overall system performance. More importantly, our employees and their families get the best care at the best time for the best price.



A founder of one of Interpublic's advertising agencies famously said that the assets of his company rode up and down the elevators every day. Today, Interpublic has more than 46,000 assets. The importance of a comprehensive benefits offering when competing for top talent, and keeping that talent healthy, is more pronounced than ever before.

A founder of one of Interpublic's advertising agencies famously said that the assets of his company rode up and down the elevators every day. Today, Interpublic has more than 46,000 assets. The importance of a comprehensive benefits offering when competing for top talent, and keeping that talent healthy, is more pronounced than ever before.

IPG has remained focused on providing competitive and comprehensive yet affordable health care coverage to our employees. We actively look for ways to enhance quality, access and choice while minimizing cost. We have worked to do so through a focus on program performance, employee health and wellness, and consistent plan monitoring rather than through shifting significant cost to employees. Actions include:

- ▶ **Active Plan Management:** IPG's plans have performed above peer levels over the last few years. This is a testament to our annual review processes, informed negotiations with vendors and sound decisionmaking by senior management. Management remains dedicated to staying ahead of the curve to further enhance program performance. Frequent subtle changes to employee costs have helped avoid drastic and disruptive plan changes.
- ▶ **Employee Incentives:** We incentivize employees to take responsibility for their health. IPG first undertook a review to identify specific conditions driving program cost. We next implemented programs targeted to these conditions, which educated participants about best practices in treatment. Cash incentives guided them towards in-network centers of excellence and top facilities with high success/low recurrence rates. Programs relating to musculoskeletal decision support and maternity/neonatal service were implemented as a result of IPG claims data, which indicated that, through enhanced care management, cost savings could be realized alongside enriched care levels.
- ▶ **Targeted Communications:** IPG believes that highly informed, educated benefit plan participants make better health-related decisions, positively impacting their overall well-being. Accordingly, we launched a series of branded monthly emails using eye-catching graphics and statistics to engage employees on important health care topics. Recent topics included healthy pregnancy, musculoskeletal programs and diabetes care, all of which were high-cost conditions for the plan. These communications have proven valuable; a recent communication regarding our pharmacy program was directly linked to a spike in employee participation.

IPG will remain active in seeking the best health care solutions for our most important asset, our employees, balancing the need for strong and innovative offerings with ever-increasing costs.



A handwritten signature in black ink, appearing to read 'Michael I. Roth'.

**Michael I. Roth**  
Chairman and Chief Executive Officer



**ITC Holdings believes that offering a competitive, sustainable health plan will help us attract and retain a talented group of professionals who can focus on delivering the most efficient, reliable and modernized national power grid.**

We encourage our employees and their families to lead healthy lifestyles and to be thoughtful consumers of health care services. We keep our approach simple and understandable to minimize distractions.

ITC provides full coverage for preventive services and wellness screenings. ITC offers follow-up support programs such as telephonic wellness coaching and smoking cessation programs. We also analyze aggregate data about our employees' use of health screenings from our plan vendors to monitor participation levels and identify problem areas that can be addressed. Employees who do not participate in screenings or who decline to try to stop smoking are required to pay a higher cost to participate in our health plan. These efforts were launched in 2010, and today, more than 94 percent of ITC employees participate in our health screenings.

Our health plan offers financial incentives for using providers that offer discounts and alternative fee structures, and we are working with our vendors as they launch innovative provider payment approaches. Our plan makes it financially attractive to use lower-cost primary care services and generic drugs and maintains a precertification, step therapy and disease management program to support thoughtful purchasing of health care services.

ITC shares a fixed percentage of health plan cost with employees, and we communicate this information to be sure that they understand that controlling cost requires partnership. Health plan management includes an annual review of plan vendors and contracts to ensure we purchase financially competitive arrangements with superior service levels.

ITC's health plan costs rose less than 2.5 percent last year with no changes to benefit levels. ITC will continue to investigate value-based plan designs and provider cost transparency tools. ITC is considering plan changes that continue to build a culture of wellness, including adding at least one account-based health plan. We will investigate new ideas thoroughly to avoid approaches that unduly burden our employees.

Our health plan makes it financially attractive to use lower-cost primary care services and generic drugs and maintains precertification, step therapy and disease management programs to support thoughtful purchasing of health care services. ITC will continue to investigate innovations like population-based health management, value-based plan designs and provider cost transparency tools.



A handwritten signature in black ink that reads "Joseph L. Welch".

**Joseph L. Welch**  
Chairman, President and Chief Executive Officer



Caring for employees at Johnson & Johnson through our comprehensive “culture of health” has created a more engaged global workforce and competitive advantage for our company.

**Good health means good business.** Caring for employees at Johnson & Johnson through our comprehensive “culture of health” has created a more engaged global workforce and competitive advantage for our company. With strong support from our

business leaders and in line with Our Credo values that unite the 128,000 members of the Johnson & Johnson Family of Companies, we have been making substantial, systematic and effective investments in the area of prevention.

In 1978, we launched our first prevention program, now known as Live for Life™. We have learned many lessons, the most important of which is targeting major health risks. Once such risks are identified, we ensure that prevention efforts span a full continuum of services. Our holistic and integrated health program combines promotion of well-being, performance and energy management with occupational health and mental health services.

In the United States, employee participants receive an incentive to complete a health risk assessment. Those identified with specific risks can take advantage of wellness resources offered centrally or at various company locations. These include coaching, fitness and dietary programs, tobacco cessation programs, and health offerings. The Johnson & Johnson official 7-Minute App is a mobile application that enables fit lifestyles anywhere, at any time. Our comprehensive approach has generated strong employee engagement and reduced risk factors such as physical inactivity, smoking, and high blood pressure and cholesterol.

The Johnson & Johnson Health Care Benefits program is grounded in four key elements: financial protection, health improvement, quality care and choices. We empower employees, retirees and their covered dependents by giving them the tools and resources to make informed health care decisions. Johnson & Johnson invests millions of dollars each year in a program regarded as among the best offered by any employer in our industry. For every dollar invested in the health of our employees, we have seen a decline in rate of growth of health care costs, which has led to lower corporate health care spending, greater productivity, and a positive return on investment.

Outcomes from our employee-focused approach to wellness strengthen our conviction in promoting health and well-being for our customers, as well. As an example, Johnson & Johnson is committed to a Center for Medicare and Medicaid Services (CMS) sponsored program called Partnership for Patients. This public-private initiative focuses on improving the quality, safety and affordability of health care for all Americans.

We continue to advance our culture of health, which is grounded in the values of Our Credo and driven by our aspiration to help our employees and customers live longer, happier and healthier lives.



**Alex Gorsky**  
Chairman and Chief Executive Officer



JPMORGAN CHASE & CO.

**At JPMorgan Chase, we consider our employees our most critical asset and their well-being one of our top priorities.** We are committed to creating an environment that engages employees in their health care and provides them with

the resources and support to lead healthier lives. In 2012 and 2013, our commitment was recognized with a Best Employer for Healthy Lifestyles platinum award from the National Business Group on Health.

JPMorgan Chase offers a range of health benefits and wellness programs to our nearly 250,000 employees worldwide. These include access to free health screenings, assessments and other health services. The number of U.S. employees participating in a health screening/assessment increased approximately 300 percent over the last four years. In 2013, 17 percent of U.S. employees who completed a wellness screening learned of a new health risk.

In the United States, we have 28 onsite health and wellness centers that address primary health care needs free of cost. Most sites are staffed with doctors and nurses, and we are adding specialists for employees with special needs.

In 2012, JPMorgan Chase introduced a consumer-driven health plan for U.S. employees, which requires employees to play a more active role in their health and health care purchases. At the same time, we launched online tools that allow employees to compare the quality and costs of doctors, hospitals and medical services. A key component of the plan is a company-funded Medical Reimbursement Account (MRA). Through the MRA, employees receive money to cover out-of-pocket medical and prescription drug expenses by taking part in wellness activities. In addition, we varied the out-of-pocket maximum to protect lower-paid employees from high medical costs and eliminated the deductible for primary care and generic preventive medications.

We recently launched a global wellness initiative that includes a team-based physical activity challenge. The challenge ties employee activity levels to company contributions to charitable organizations that feed the hungry – the more active employees are, the more the company will donate, up to a maximum of \$5 million.

We continuously strive to educate employees on important health and wellness topics through diverse and innovative communications. These include live and virtual events, print and web content, and mobile apps. A recent employee opinion survey showed that awareness of our wellness programs has increased 20 percentage points over the last two years.

Looking forward, we will continue to explore new ways to improve employee health and manage costs.

At JPMorgan Chase, we consider our employees our most critical asset and their well-being one of our top priorities.



**James Dimon**  
Chairman and CEO



# Kiewit

Kiewit established a robust health wellness program in 2009. Instead of just addressing rising costs, Kiewit choose to create a culture of well-being and employee health ownership. Kiewit's motto is "Health is your number one asset." It was coined by Peter Kiewit 60 years ago and has since been used to promote personal health, financial and quality of life initiatives.

**Kiewit established a robust health wellness program in 2009.** Instead of just addressing rising costs, Kiewit choose to create a culture of well-being and employee health ownership. Kiewit's motto is "Health is your number one asset." It was coined

by Peter Kiewit 60 years ago and has since been used to promote personal health, financial and quality of life initiatives. Kiewit extends wellness programs to include our entire nonunion craft workforce and spouses/domestic partners. These initiatives have shown positive results with 89 percent participation, 50 percent reduction of high-risk status population and overall decrease in health care costs.

## Programs Implemented

- ▶ Live Healthy — a nutrition and exercise challenge designed to encourage all participants to make positive and healthier choices.
- ▶ Trestle Tree Smoking Cessation Program — a combination of counseling services with nicotine replacement therapy, which yields proven cessation above national averages.
- ▶ 10K-a-Day Walking Challenge — an extremely popular program since 2010. Walking is simple, fun and fits into almost any schedule, so the program is designed for everyone, no matter their beginning physical condition. It includes online tracking with trails located throughout the world and the ability to sync to Fitbit trackers.
- ▶ Disease management — a program that, for those with chronic illness, removes all barriers to working with a nurse on managing and complying with medication.
- ▶ NurseLine — a 24/7 service for nonemergency health needs and guidance on health clinics verses hospital emergency rooms.
- ▶ Employee Assistance Program — a service that addresses mental health wellness and/or substance abuse issues.
- ▶ High-deductible health plan with a health savings account — a program that 28 percent of the workforce are using to save health care dollars and to use better judgment when accessing health care.
- ▶ Health Care Calculator — a service that estimates health care costs and compares services within a geographic area.
- ▶ Flexible spending accounts — another tool to use pretax dollars for health care expenses.
- ▶ Onsite bio-screening and health appraisals — services that provide immediate snapshots of health conditions to help employees identify health risks and take steps toward treatment.
- ▶ 100 percent paid preventative screening — services, including mammograms and colonoscopies, that encourage employees to stay up to date with their health conditions.
- ▶ Free/discounted flu shots.
- ▶ Reimbursement for gym memberships — a program that encourages exercise and promotes competition. Employees may take on difficult fitness challenges such as marathons or 10K runs.
- ▶ Significant 20 percent premium discounts for participation — an incentive that drives 89 percent participation.
- ▶ Free employee health advocate service — a service that provides coordination of services for all family members, including elder parents.



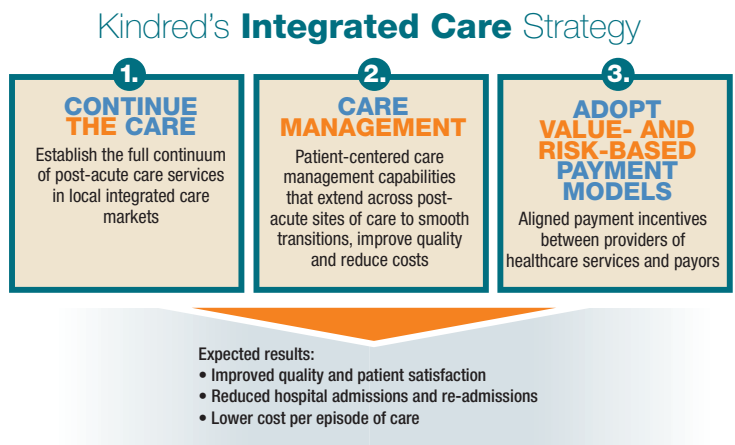
**Bruce E. Grewcock**  
President and Chief Executive Officer



Kindred Healthcare is the largest provider of diversified post-acute care (PAC) in the United States, including 101 transitional care hospitals, 109 hospital-based and freestanding inpatient rehabilitation facilities, 100 skilled nursing and rehabilitation facilities, 1,789 rehabilitation sites providing inpatient and outpatient rehabilitative care, and 159 home health and hospice agencies.

PAC serves a critical role in our healthcare delivery system, enabling recovery from an illness or injury to the more than 9 million patients a year who are discharged from acute care hospitals. PAC providers offer high-quality care at a lower price point than more expensive inpatient settings by reducing length of stay over an episode of care and restoring functional ability so that patients can transition home sooner. Yet significant improvements are needed for post-acute care to realize its potential. The silo-based fee-for-service payment system is not patient-centered, rewards volume and not value, and does very little to promote integrated care. There is also a lack of clarity around which patients are appropriate for each PAC setting and, equally important, how long patients should stay in each setting before it is clinically appropriate to transition to different sites of care. Finally, there is tremendous variation in spending on PAC care in different markets.

Kindred is investing in the capabilities to meet the needs of patients throughout an entire episode of post-acute care and to implement innovations in integrated care and population health that address the shortcomings of the current system. We are building out these capabilities to deliver integrated post-acute care in local integrated care markets throughout the country pursuant to a three-step approach:



Kindred is investing in the capabilities to meet the needs of patients throughout an entire episode of post-acute care and to implement innovations in integrated care and population health that address the shortcomings of the current silo-based fee-for-service system.

Providing effective patient-centered care management is a key ingredient to providing high-quality integrated care and also to reducing the total cost of care over an episode. Though the current reimbursement system does not pay for care management, Kindred is implementing the key aspects of care management in our integrated care markets.



**Paul J. Diaz**  
Chief Executive Officer



**Macy's, Inc. knows from experience that engaged and happy associates bring magical moments to our customers every day.** The company's Live Healthy initiative is creating a culture of healthful awareness across the organization by actively engaging associates in improving their and their families' well-being.

Macy's, Inc. recognizes the value of engaged associates and continues to work toward a health care partnership with our associates. Together, we will manage health care cost, with Macy's, Inc. providing comprehensive health care coverage and our associates owning the responsibility for their health.

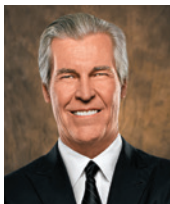
Live Healthy was launched in 2011 as a framework to accelerate the discussion around leading healthy lifestyles through diet, exercise and behavior modification. Recognizing that health is a matter of personal responsibility, the company offers attractive incentives to encourage associates to complete an annual biometric screening and a health assessment — provided at company expense and onsite where possible. Macy's, Inc. has invested in robust clinical programs with our vendor partners to assist high-risk individuals in managing chronic conditions. Incentives are also provided for completing agreed-upon goals as they manage their conditions.

Education and communication on improved health is delivered continuously through a multimedia approach including our website, email, video, poster messages and Macy's, Inc.'s national *Coast to Coast* employee magazine. Our senior leaders — including me personally — take an active role in supporting and communicating Live Healthy through example. Each summer, I lead Macy's, Inc.'s own 5K walk-run event in New York City, and I offer my personal fitness tips in company publications. The company offers gym discounts nationally and is piloting various other programs to reach an ever-broader array of associates who are dedicating themselves to health improvements.

Live Healthy has gained traction at the local level in places where our associate population is concentrated. Employee resource groups are focusing on health and wellness by conducting educational sessions on nutrition and exercise, organizing walking clubs, and holding various competitions — to name just a few strategies.

In addition, from an external perspective and with the guidance of the American Heart Association, KKR Co-Chairman and Co-Chief Executive Officer Henry Kravis and I lead a coalition of CEOs as best practices are shared in order to create a roadmap to healthier lifestyles, more effective prevention and better health outcomes.

Macy's, Inc. recognizes the value of engaged associates and continues to work toward a health care partnership with our associates. Together, we will manage health care cost, with Macy's, Inc. providing comprehensive health care coverage and our associates owning the responsibility for their health. In 2014, Macy's, Inc.'s focus is to continue the education process with associates, specifically emphasizing how to be a good health care consumer. At Macy's, Inc., Live Healthy is a way of doing business that benefits everyone involved.



**Terry J. Lundgren**  
Chairman and Chief Executive Officer





We'll help you get there.®

**At MassMutual, we are committed to helping people secure their future and protect the ones they love, and this extends to the health and wellness of our employees.** We strive to provide our employees with the clear knowledge and range

of resources to lead healthy lifestyles so they can have the peace of mind and productivity that come from good health.

As part of these efforts, we have implemented progressive strategies for fostering wellness and managing health care costs that have empowered employees to become active participants in their own care while helping MassMutual curb health care cost increases that affect employers nationwide.

Innovative features in our integrated health and wellness plan — such as graduated premiums based on salary and incentives that enable employees to earn up to \$1,000 — have helped keep health care affordable. In 2011, MassMutual transitioned all employees from HMO and PPO options to two high-deductible health plan options.

The changes were announced nearly a year in advance to give employees time to attend comprehensive training sessions and compare the impacts of various health care scenarios on the cost of care. Health savings accounts (HSAs) were seeded with up to \$1,000 in transition dollars the first two years.

Much as they do when managing their overall finances, employees want to know what they're paying for. The shift to this new plan also encouraged a change in behavior — prompting our employees to take a more active role in managing their care by understanding the services they receive and shopping for options that provide the same level of service at a lower cost.

Our success with this return has been demonstrated by our metrics. In 2011, approximately 80 percent of employees spent less under the new plan, and MassMutual realized a claims savings of 6 percent per employee. We shared half of this savings with employees as a one-time health care dividend into their HSAs.

MassMutual employees have also exceeded national benchmarks for use of preventive services — 71 percent (versus 48 percent nationally) — and have far lower emergency room visits and inpatient admissions. We continue to expand our focus on health and wellness through half-priced healthy foods in the cafeterias, subsidized weight-reduction support programs and the opportunity for employees to earn up to \$1,000 per year in their HSAs for healthy behaviors.

At MassMutual, we believe good health is good business. Healthy employees are happier, better engaged and more productive, and that helps our company — and our people — grow stronger together.



**Roger W. Crandall**

Chairman, President and Chief Executive Officer

We have implemented progressive strategies for fostering wellness and managing health care costs that have empowered employees to become active participants in their own care.



**At McGraw Hill Financial, we believe that an organization's approach to health care delivery must be aligned with the values and beliefs of its business.** Our company is built on three core values of fairness, integrity and transparency. These same values drive our health care strategies and strengthen the employee-employer partnership.

A consumer-directed health plan alone, for example, will not make our employees healthier or enable them to become better health care consumers. However, when combined with cost transparency tools, an integrated wellness program, condition management programs and centers of excellence, we are better positioned to achieve our health and productivity goals.

An organization's approach to health care delivery must be aligned with the values and beliefs of its business. Our company is built on the core values of fairness, integrity and transparency, which drive our health care strategies and strengthen the employee-employer partnership.

Earlier this year, we launched Working Toward Wellness 1.0, a health initiative focused on awareness, prevention and healthy-lifestyle maintenance. Through a customized portal, Working Toward Wellness 1.0 provides employees with easy access to health-management tools, resources and information. Through onsite and online events, employees can also earn incentives for participating in activities such as an online personal-health assessment, onsite biometric screenings, lifestyle management coaching and stress relief events.

We continue to promote a culture of health. We've added healthier snacks in our vending machines and offer preventive screenings coordinated with national health-related observances. Wellness workshops, focused on making better health choices, are also offered in many of primary locations.

In support of the employee-employer partnership, prior to launching Working Toward Wellness 1.0, eligible employees had the opportunity to participate in an online survey aimed at better understanding their health care interests, needs and preferences. The results yielded powerful insights. Ninety percent of survey respondents prefer online communications that are fun and engaging.

Our next phase, Working Toward Wellness 2.0, will shift our efforts from awareness to engagement and behavior change. We will further integrate our lifestyle coaching with our existing condition-management and complex-care programs, both of which have participation levels higher than industry norms.

At McGraw Hill Financial, we are committed to health and well-being and will continue to deploy health care strategies that provide employees with the tools they need to make informed decisions.



A handwritten signature of Douglas L. Peterson in black ink.

**Douglas L. Peterson**  
President and Chief Executive Officer



**McKesson focuses on helping healthcare organizations improve their business health so they can deliver better care to patients.** As a leader in healthcare, we

connect people and organizations to support the quest for higher-quality care and

improved clinical outcomes. At McKesson, our employees are part of a team of passionate people working together to improve lives and advance healthcare. Our guiding principles include focusing on a healthy and productive workforce while improving our healthcare trends. By investing in the health and wellness of our employees, we lead by example and create a culture that genuinely supports our employees and their families as well as our customers and partners.

In 2010, McKesson implemented a comprehensive wellness program through our partner vendor, Vitality. This program includes requirements for employees and spouses to complete a health assessment, biometric screening and certain other wellness activities in order to earn an incentive that reduces employees' contributions toward healthcare coverage. Knowing that our employees are not always at a computer and that they are not all marathon runners, we engage them through a variety of outreach mechanisms, including articles, flyers, health fairs, videos and challenges.

In 2014, we implemented an innovative carrier marketplace model providing employees with choice in medical carriers. This model incents medical carriers to provide the best service, to compete for members, and to differentiate based on the efficiency and effectiveness. We also offer a Centers of Excellence program for joint replacement, prescription generic step therapy and drug discounts for engagement in chronic condition management. Encouraging employees to manage their own health through wellness programs, care management programs and value-based benefit design incentives has helped them reduce lifestyle risks and make better care decisions that result in reduced inpatient stays, emergency room visits and use of specialists.

Some facts bearing this out:

- ▶ From 2010 to 2012, McKesson's risk score dropped from 98 to 93 (using a measure of illness burden in our population).
- ▶ In 2011, 83 percent of McKesson's eligible population had a "vitality age" (the measure of the lifestyle and biometric risks of a population) that was greater than their chronological age. In 2013, results improved to 77 percent.
- ▶ Inpatient use dropped from 65 per 1,000 lives in 2010 to 63 per 1,000 in 2012. During this time, severity of inpatient stays dropped from an expected \$14,164 per case to \$13,720.
- ▶ Dollars per service decreased since 2010, the first year we moved to consumer-driven health plan replacement.

**While cost per service is going down, employees are engaging more in wellness programs. Those who engage at a higher level have lower annual healthcare spending trends than those who are less engaged. Employees are engaging more in care management programs over time to help them manage their conditions and comply with practice guidelines.**



**John H. Hammergren**

Chairman, President and Chief Executive Officer

At McKesson, our employees are part of a team of passionate people working together to improve lives and advance healthcare. Our guiding principles include focusing on a healthy and productive workforce while improving our healthcare trends. By investing in the health and wellness of our employees, we lead by example and create a culture that genuinely supports our employees and their families as well as our customers and partners.



**Medtronic has long had a focus on the total wellness of our employees and their families.** The fact is that it costs less for everyone when employees stay healthy. As a company, our goals are to provide employees with an affordable benefits program that offers choice and flexibility and to be a partner in their wellness.

Health care reform and the rising cost of health care have made it critical for us to work with employees on managing costs. In addressing this challenge, we didn't want to simply shift costs to employees. Instead, we made strategic changes to our plans, including eliminating high-cost and under-used plans. We also strengthened our high-deductible health plan to include lower premiums, a \$20 copay for office visits and enhanced pharmacy benefits. These changes nearly doubled plan participation.

As a global health care solutions provider, Medtronic knows that health care will continue to evolve. But what will stay constant is our commitment to working with our employees to manage costs, providing incentives for responsible health behaviors and being a partner in their wellness.

With new choices, employees often need help to determine what plan is right for them and how to navigate the health care system, which is why they have access to a virtual, interactive benefits guide and dedicated customer support. These two innovative strategies support better decisionmaking and reduce wasteful spending that research indicates may comprise up to 30 percent of total health care cost.

Incentives are another layer in driving responsible health care decisionmaking. Employees who complete our annual health risk questionnaire pay \$600 less for medical premiums. When they complete health-related tasks, they can also earn incentive points, which can be redeemed for merchandise.

Global wellness challenges are engaging employees across the company. Our most recent example was a virtual expedition across Europe, where teams competed based on their numbers of steps. This wellness activity was also a team-building opportunity; more than 250 teams around the globe competed.

When one of our customers, a Florida hospital, learned about this, their executive leadership challenged our leadership to a virtual race from Minneapolis to Orlando. Medtronic accepted and we will be tallying our steps this summer using Fitbits. We're calling this friendly challenge "Walk the Talk" to set a positive example as wellness leaders within our organization.

As a global health care solutions provider, Medtronic knows that health care will continue to evolve. But what will stay constant is our commitment to working with our employees to manage costs, providing incentives for responsible health behaviors and being a partner in their wellness.



A handwritten signature in black ink, appearing to read "Omar Ishrak".

**Omar Ishrak**  
Chairman and Chief Executive Officer



**Millions of American workers receive health care coverage for themselves and their families through employer-based health care plans.** Therefore, we as business leaders have a responsibility to engage in the current national debate over

health care policy and to offer real-world experience, leadership and ingenuity in helping solve the health care challenges this nation faces. And through it all, we have a responsibility to help keep our employees healthy while reducing health care costs.

At NextEra Energy, Inc., we have created financial incentives for our employees to adopt healthy lifestyles. Through this program, our nearly 14,000 employees, as well as their spouses and same-gender partners, earn incentives to assess their key health metrics and to adopt healthy lifestyles. In 2013, 64 percent of eligible employees and 44 percent of eligible spouses and partners participated in this program.

In addition, our NextEra Health and Well-Being Program delivers a wide range of services that reflect the latest developments in medicine, nutrition and fitness:

- ▶ Our employees and family members made more than 18,000 visits to onsite health centers in 2013.
- ▶ Onsite fitness centers can be found at 60 company locations.
- ▶ Our staff made 207 onsite health or nutrition presentations to more than 6,400 employees in 2013 and provided health screenings for 5,694 employees, spouses or dependents.

I firmly believe that our talented team is our competitive advantage, and that's why we continue to invest in our employees' safety, health, fitness and well-being.

It's also extremely rewarding to hear stories of employees who have made healthier choices and are seeing results. As one of the customer service representatives at our Florida Power & Light Company subsidiary put it, "When it comes to health improvement programs, no one size fits all. Just recognize that you need to do something, and do it."

Like millions of our employees, American business leaders know that we need to do something more about health care than just talk about it. And I'm proud to say that ours is one of many companies taking action and doing something about it. Together, our companies are demonstrating that some of the most effective ideas for health care reform are already being implemented by America's private sector.

We as business leaders have a responsibility to engage in the current national debate over health care policy and to offer real-world experience, leadership and ingenuity in helping solve the health care challenges this nation faces.



A handwritten signature in black ink.

**Jim Robo**

Chairman and Chief Executive Officer



**Northrop Grumman Corporation, a leader in the aerospace and defense industry, is dedicated to achieving sustainable top performance for our shareholders, customers and employees.**

A critical element of this commitment is ensuring that our culture provides an environment that motivates and engages all of our employees. We continually assess employee engagement levels and develop action plans to address opportunities most important to employees.

Northrop Grumman Corporation fosters an environment dedicated to motivating and engaging every employee. The company provides consumer-driven health plans and wellness programs that empower employees to make informed health care choices. This positively impacts cost control for both the company and individuals and supports employee flexibility and accountability for their health care decisions.

Employee wellness is another important aspect of performance and we provide wellness programs and services that empower employees to make informed health care choices and engage in healthy lifestyles. These programs include HealthWaves, a comprehensive company-wide health promotion program that helps employees recognize potential health issues and achieve specific health goals. HealthWaves provides education, fitness programs, one-on-one health coaching, flu vaccinations and other services at most company worksites.

Other Northrop Grumman wellness programs include:

- ▶ **Quit 4 Life**, a telephone-based tobacco-cessation treatment program that includes sessions with a professional “quit coach.” Since the program’s inception in 2009, more than 3,500 participants have registered. The program has generated a 95 percent satisfaction rate. Employees receive a monthly medical premium credit of \$25 for not using tobacco.
- ▶ **Virgin Pulse**, an innovative and fun way to encourage, measure and reward physical activity and healthy lifestyle choices. Twenty-four percent of employees participate.
- ▶ **Weight Watchers**, for which employees receive special discounted fees with extra reimbursement incentives. Since this program’s inception, more than 3,000 employees have achieved and sustained weight loss.
- ▶ **Best Doctors**, a proprietary medical diagnosis service that provides patients facing major medical decisions with a second opinion and access to the best medical minds in the world. Best Doctors ensures that patients make the right medical choices while minimizing risk and cost for patients and the company.

Northrop Grumman introduced a consumer-driven health plan (CDHP) with a health reimbursement account in 2004. The CDHP provides employees with better transparency regarding the total cost of health care services than traditional preferred-provider coverage, thus helping employees make more informed decisions.

For 2014, Northrop Grumman has reshaped our health care options, offering only consumer-driven plans (and HMOs in markets with limited in-network access). These new plans will increase employee participation in CDHP plans from approximately 30 to approximately 85 percent and will positively impact cost control for both the company and individuals while supporting employees flexibility and individual accountability for their health care decisions.



**Wesley G. Bush**

Chairman, Chief Executive Officer and President



**Peabody Energy takes great pride in our mission of being a leading global supplier of reliable energy solutions that enable prosperity and a better quality of life.** Our more than 8,000 employees live this mission, and Peabody invests in their safety, health and wellness.

One of the compelling examples of this commitment is the Coalition Family Health Center, a primary care clinic and pharmacy built and funded by Peabody in partnership with two other employers. The center was created in response to a chronic physician shortage in the Powder River Basin in northeast Wyoming, where Peabody operates several mines. Employees and their family members often visited emergency rooms for routine needs after being unable to find adequate primary medical care. Since opening the center in late 2008, the company has recorded double-digit increases in employee primary care and wellness visits, and hospital and emergency room use has sharply declined. Peabody also pioneered another unconventional method to improve health outcomes and costs for our Wyoming-based workforce. Working with our third-party administrator, the company encourages employees to visit nationally ranked hospital programs in a variety of specialties, providing reimbursement for travel and lodging. Although treatment at world-class facilities can be expensive, the company ultimately saves by reducing misdiagnoses, complications and repeat procedures.

We believe that health care should not begin with medical treatment; preventative care is core to a holistic approach to health. Peabody supplements employee health care coverage with subsidies for fitness club memberships, structured health awareness activities and \$150 reimbursements for routine physical examinations. The company built a fitness center in 2011 at our St. Louis, MO, headquarters, which logged 17,000 visits in 2013 alone and offers a tobacco-cessation program that has been achieving a high 44 percent quit rate since 2010.

In 2015, Peabody expects to launch a new health care benefits framework — the Healthy Rewards Plan — to sustain health care offerings that provide good value at an affordable cost. With Healthy Rewards, Peabody's employees will be able to take greater accountability for their personal health, addressing unhealthy behaviors that drive cost and enabling the company to continue to offer high-quality, competitive coverage.

Few companies have the privilege of playing a critical role in the lives of millions of people each day. Peabody is proud to provide a product that is essential to our modern world and foster a culture of safety, health and wellness for thousands of people.

Peabody is proud to provide a product that is essential to our modern world and foster a culture of safety, health and wellness for thousands of people.



A handwritten signature in black ink that reads "Greg Boyce".

**Gregory H. Boyce**  
Chairman and Chief Executive Officer



**At PepsiCo, our greatest source of strength is our people, and providing them with access to high-quality, affordable care has always been a critical priority for our company.** As the health care environment has evolved, we have transformed the

portfolio of tools and resources we provide to our associates — enabling us to continue offering programs that help our people make the right health decisions for themselves and their families.

At a time when people are increasingly taking charge of their health, we have shifted to a more consumer-oriented approach in recent years — one that aims to educate, reduce complexity, and promote cost effectiveness in decision-making.

At PepsiCo, our greatest source of strength is our people, and providing them with access to high-quality, affordable care has always been a critical priority for our company. As the health care environment has evolved, we have transformed the portfolio of tools and resources we provide to our associates — enabling us to continue offering programs that help our people make the right health decisions for themselves and their families.

Our consumer-driven health plan incorporates new resources that enable more informed decision-making. In partnership with our medical plan carriers, we built an enhanced health advocacy program, Health ACE (“assist, connect and educate”), which provides a more personalized customer-service experience to help people manage their health. To date, the feedback from our associates about Health ACE has been extremely positive.

This year, we also introduced an online cost transparency tool to enable associates and their families to get the best value for their health care dollars. They can compare estimated fees for common procedures and treatments and review provider-quality information.

We also believe that an important part of healthy living is having easy access to care for routine medical matters, which is why we have more than 40 on-site clinics at our locations across the country, each providing free care to PepsiCo associates.

In addition to treatment, we recognize that a significant part of smart health care is prevention. PepsiCo addresses this vital area through a comprehensive wellness program that includes lifestyle, condition, and maternity management plans.

We believe that effective health care management requires partnership between our company and our people. Through the tools and programs we provide, PepsiCo is enabling our most important resource — our associates — to live better every day.



**Indra K. Nooyi**  
Chairman and Chief Executive Officer





**Good health is vital to all, and finding sustainable solutions to the most pressing health care challenges of our world cannot**

**wait.** That's why we at Pfizer are committed to applying science and our global resources to improve health and well-being at every stage of life.

As an innovative leader in health care, Pfizer believes it is essential to provide our colleagues and their families with the resources to get healthy and stay healthy as they prepare to Get Old.

To that end, Pfizer introduced Healthy Pfizer, a comprehensive health-improvement program, which includes onsite medical clinics, physical therapy clinics and fitness centers. The program objectives are to improve colleague health, increase the level of presenteeism at work, reduce absenteeism and manage health care costs.

The foundation of the Healthy Pfizer program is based on the principles of prevention and risk reduction. Engagement is the driver behind a successful program. Our program includes a robust communication plan, senior management support and the appropriate colleague incentives. Through these initiatives, Pfizer achieved 83% program participation. We saw a decrease in identified risk factors, resulting in a ROI of \$2.61 savings for each dollar spent.

To build upon these services, the Pfizer Benefits team launched an innovative program called e-Visit that provides colleagues and their dependents with online access to a certified physician 24 hours a day, 365 days a year. The member can receive diagnosis and treatment for a variety of nonemergency conditions via phone or web-based video.

When a colleague is absent due to illness, injury or pregnancy they may be eligible to receive benefits under Pfizer's Short Term Disability program. Through active case management, colleagues receive appropriate care and the necessary time to recover from their disability. Through benchmarking in 2013, it was determined that Pfizer's length of time out on disability was 1.4 weeks less than industry standard.

Pfizer is also concerned about preventative health services that we can make available to our colleagues and family members. Colleagues diagnosed with pneumonia can result in healthcare expenses and sick day absences of greater than \$20,000 per person. Pfizer recognizes the importance of workplace vaccinations. In 2013, we administered Prevnar 13 to over 1,700 colleagues. Additionally, we also administered over 7,800 influenza vaccines.

Pfizer believes that as we celebrate the 10 year anniversary of the Healthy Pfizer Program, we will expand our healthcare partnership with colleagues. One of our core imperatives is creating an OWNIT culture throughout the organization. As part of the culture, we challenge colleagues every day to take a proactive approach to owning their own health.



**Ian C. Read**

Chairman and Chief Executive Officer

The foundation of the Healthy Pfizer program is based on the principles of prevention and risk reduction. Engagement is the driver behind a successful program. Our program includes a robust communication plan, senior management support and the appropriate colleague incentives.



Pitney Bowes takes great pride in continuing our commitment to the health of our employees and their families.

**For over two decades, Pitney Bowes has been a leader in creating and promoting a culture of health and wellness.** We offer a variety of programs to help our employees and families meet their physical, emotional and financial needs.

Pitney Bowes represents a diverse workforce of over 10,000 employees throughout the United States. No matter their role in our company, our culture of health recognizes each of our employees as individuals with unique motivators, challenges and skill sets. Beyond providing employees easy access to benefit information, Pitney Bowes recognizes the importance of involving family in health lifestyle decisions. To foster engagement, we moved our benefits information to an external website accessible to employees, their dependents, and potential new hires. The site offers links to vendors, exercise and nutrition videos, and an exercise tracker available individually or as part of our wellness programs.

To engage our employees, we continually promote our programs by leveraging social media channels such as Yammer — our internal social network — and Facebook. We regularly promote wellness challenges, remind employees of upcoming events or highlight personal success stories. Pitney Bowes also manages five onsite medical clinics that have earned a 99 percent satisfaction rating and provide medical care at no cost to the employees, as well as:

- |                     |                          |                                 |
|---------------------|--------------------------|---------------------------------|
| ▶ biometric testing | ▶ onsite skin cancer     | ▶ chiropractic care and sponsor |
| ▶ smoking cessation | ▶ nutritional counseling | ▶ vision and mobile mammography |
| ▶ physical therapy  | ▶ chair massage          | screenings                      |

Ninety-nine percent of our medical clinic users said they were encouraged to make healthy choices, and almost 70 percent said they would have left the office to see a doctor if not for the clinic. To broaden the impact of our clinics, the staff regularly visit other sites to conduct biometric testing and provide health and nutritional counseling. We are also piloting a telehealth program with American Well, inviting employees to consult with our clinic staff and nutritionists during specific hours at no cost.

Finally, we work hard to understand and address the needs of our employees. In response to increasing back issues, we created our “We’ve Got your Back” program to help employees reduce back pain and understand the risks and costs of surgical procedures. The program resulted in behavior changes across more than 80 percent of surveyed participants. Our Change One Weight Management program has also inspired employees and family members to achieve a healthier weight, reduce associated health risks, better manage conditions, and reduce health care costs for the company and themselves. “I love the program,” raved one employee. “It is refreshing to work for a company that cares about your health.”

As part of our continued commitment to fostering a culture of health and wellness, we are partnering with Johns Hopkins Cancer Center of Excellence to pilot a Nurse Navigator program. This program is designed to help employees who are diagnosed or caring for someone with cancer as they navigate the disease from diagnosis to treatment options. The program will provide much needed support for our employees and will serve as a model for other employers.

We know that a focus on employee well-being is a major factor in sustainable engagement and that our wellness efforts, along with plan design, help maintain total cost below benchmark and increase our employees’ sustained engagement.



*Marc B. Lautenbach*

**Marc B. Lautenbach**  
President and Chief Executive Officer



**The success of PwC's global network is built by each of our more than 184,000 partners and staff.**

Recognizing that our people are our most valuable asset, PwC has created a culture where health and well-being is an integral part of the daily experience. Key to PwC's benefits strategy is maintaining flexibility and choice while providing transparent, cost-effective and innovative options. PwC believes that our people should take personal responsibility for managing their wellness by leveraging the programs and tools the firm provides to help them on their journey of health and well-being.

PwC offers three medical plan options, including a traditional copayment plan and two medical plans with tax-advantaged health savings accounts (HSA). Participation in these HSA-eligible plans has grown to more than 50 percent of our population with many of our partners and staff accumulating thousands of dollars in their HSAs for future health care expenses. Annual cost increases in the HSA plans have been below the national average and, in some cases, costs have remained constant from year to year or decreased.

The cornerstone of our strategy is preventive care. The option of using Executive Health Exams International (EHE) — a premier, executive preventive care provider — gives our people access to preventive care exams typically more comprehensive than those performed outside of the EHE network. In many instances, the age-based testing can be completed in one day at a single location. Referrals, sick visits and immunizations are also available. Comprehensive reports with personalized recommendations are provided as well as access to EHE personal health coaches for assistance in areas such as quitting smoking, reversing physical inactivity, type 2 diabetes education, stress management and nutritional counseling.

The challenge surrounding wellness is driving and sustaining appropriate behaviors. Our Well-Being Rewards Program allows staff to earn points for doing things that are good for them. Each year, staff can earn up to 450 points (each point equals \$1) that can be redeemed for gift cards or donated to charity. Points can be earned for many activities, including exercise, physicals, health coaching, volunteering, recycling and more. Last year, more than 70 percent of staff participated and earned more than 4,375,000 points.

As PwC moves our health and wellness strategy forward, we will explore innovative solutions for our mobile population, including telemedicine, social networking tools and more transparent medical pricing tools. PwC will continue to cultivate an environment where our people devote attention, focus and time to their health and well-being.



**Dennis M. Nally**  
Chairman and Senior Partner

PwC believes that our people should take personal responsibility for managing their wellness by leveraging the programs and tools the firm provides to help them on their journey of health and well-being.



Our 14,000+ employees are our greatest asset, so their personal well-being is critical. We use extensive data to identify targeted interventions, encourage informed use of health care services and make wellness part of our culture.

Wide-scale health initiatives underscore the importance of making health a priority, and our annual road race challenge is a great example. I challenge all employees to train for and participate in a road race, and I lead training runs and blog about the experience. Thousands participate!

Meaningful incentives drive participation:

- ▶ **Annual health screening program:** Employees and spouses/domestic partners complete a wellness assessment and biometric screening to earn a medical plan contribution savings of \$520 per person. Ninety percent of employees enrolled in our medical plan complete the screenings, gaining valuable information to help them monitor/improve their health.
- ▶ **Healthy pregnancy program:** Pregnancy and childbirth drive a significant portion of our health care cost. We encourage participation in our healthy pregnancy program with a \$600 contribution to participants' health savings accounts or payroll deposits.
- ▶ **Centers of excellence:** We provide travel and lodging expenses for employees who work with centers of excellence for transplants and bariatric services. This encourages use of providers that have demonstrated good outcomes and lower costs.

Transparency is key:

- ▶ **Plan design:** We offer employees the choice of a traditional PPO plan or an account-based health plan (ABHP)/health savings account. In recent years, as we've focused more on consumerism in healthcare, our enrollment in the ABHP has grown from 16 to 30 percent.
- ▶ **Onsite pharmacy:** Offered at our corporate campus, pharmacy staff educates employees on lower-cost alternatives and the importance of drug therapy compliance.
- ▶ **Tools:** We provide robust tools to help employees make smart health care decisions.

Our corporate culture encourages healthy living:

- ▶ **Road race challenge:** Wide-scale health initiatives underscore the importance of making health a priority, and our annual road race challenge is a great example. I challenge all employees to train for and participate in a road race, and I lead training runs and blog about the experience. Thousands participate!
- ▶ **Onsite wellness:** Dedicated staff in our wellness centers provides constant support for employees working toward optimal well-being.
- ▶ **Communications:** Creative communications keep wellness top-of-mind. These include employee blogs, testimonials, workshops, videos and fairs.
- ▶ **Environment:** The current full-scale remodel of our corporate campus incorporates well-being into our environment with features like open staircases, more access to natural light, sit/stand desks, and more.

## Outcomes

As a result of these programs, our health care plans have outperformed national and industry metrics. Currently, 80 percent of our employee population is considered low risk (just 0–2 risk factors), a best-in-class result. We've diverted an estimated \$10.1 million in health-related expenses since 2010.



**Larry Zimbleman**

Chairman, President and Chief Executive Officer



**Since our first onsite clinic launched in 1911, Prudential has offered employees and their families state-of-the-art health and wellness support.** Today,

Prudential continues this tradition of excellence by delivering wellness programs

through a strategy that recognizes that health has physical, emotional, social, spiritual and financial dimensions. Prioritizing the impact of organizational climate, Prudential educates leaders at all levels on the critical role they play in creating healthy workplaces. A growing body of research confirms the correlation between workplaces that support health and those that achieve superior performance.

Prudential's programs and services include an array of options and interactive tools that help employees choose the best benefit plans and care providers. We also integrate our internal and vendor services through regular vendor summits and cross-training that ensures program professionals can effectively cross-refer.

WebMD health risk assessment data helps target areas of concern and measure program effectiveness. Such data have shown emotional health to be an important issue, with financial and other stresses contributing. These findings prompted recent initiatives, including:

- ▶ Training on topics such as "Optimizing Human Capacity" and "Leadership Essentials," which promote leadership behavior essential to workplaces where employees can ask for help, feel empowered to use supportive resources and commit their energy toward top performance.
- ▶ Joint conferences with Rutgers University and other companies to help:
  - Community-based care providers refer more effectively to company-based programs;
  - Community- and workplace-based care providers facilitate combat veterans returning to work and family; and
  - Employers better support domestic violence survivors.
- ▶ A conference on "Ending the Myth and Stigma: What Everyone Should Know about Depression, Addiction and PTSD," which featured business leaders who shared their own experiences with these health concerns. An external conference to continue the discussion is slated for later this year.
- ▶ Building on the success of Prudential's life and health coaching, we launched personal budget coaching and monthly "Budget Boosters" interactive webinars to help employees manage personal spending, saving and debt.

From 2008 to 2013 these initiatives have contributed to the following reductions in health risks:

- ▶ 46 percent fewer employees with emotional health risk;
- ▶ 22 percent fewer with overall stress risk;
- ▶ 18 percent fewer with job stress risk;
- ▶ 24 percent fewer with stress affecting their health/well-being; and
- ▶ 40 percent fewer with risk for financial problems.

We will continue to provide innovative programs and services to meet the needs of our employees, their families and our communities, building upon these encouraging results.



**John R. Strangfeld**

Chairman and Chief Executive Officer

Prioritizing the impact of organizational climate, Prudential educates leaders at all levels on the critical role they play in creating healthy workplaces. A growing body of research confirms the correlation between workplaces that support health and those that achieve superior performance.



Qualcomm believes that *mobile changes everything*. We see a future of total connectivity where high-speed wireless networks connect everything from phones, tablets, sensors, and wellness and medical devices to individuals, their social networks

and their health care teams of choice. We are evolving our employee health care programs to embrace mobile connectivity, drive patient and caregiver engagement, enhance the patient experience, improve clinical outcomes, and reduce cost.

Our vision of “a thriving global community of Qualcomm employees engaged in engineering their health and health care for all” is rooted in the idea that better health outcomes are achieved when we partner with our employees to find solutions to pressing personal and industry-wide health concerns.

With a 2012 launch, Qualcomm was an early adopter of telemedicine (for acute care needs) as an employee benefit. Ninety percent of our users report having a good experience with this mobile point of care alternative, available 24 hours a day, seven days a week, 365 days a year. Almost two-thirds of users indicated that they would have otherwise sought care in the emergency room or at an urgent care center; the program has resulted in a 0.4 percent reduction to our health plan claim costs in the United States.

The Qualcomm Health Center (QHC) is driving many of our health care delivery innovation efforts. While electronic health records and e-prescribing have been used since 2007, we upgraded our platform in 2013 to include eCare video and phone visits, online scheduling, secure clinical communications, and medical-record access for employees. The upgrade also enabled select community providers and the QHC to share medical records to better coordinate care, improve patient safety and reduce costs associated with duplicate testing.

In 2011, the QHC became the first clinical center to launch Qualcomm’s 2Net technology to enable wireless sharing of glucose readings between patients and clinicians. Ninety-one percent of participating diabetic employees found that the data positively impacted their health, and 100 percent said it informed discussions with their physician. With diabetics in our health plan costing twice as much as nondiabetics and with diabetes prevalence increasing in our aging population, the ability to improve engagement and management of our diabetic members is a priority for Qualcomm.

Of equal priority is the prevention of diabetes and other lifestyle-related conditions. Our vision of “a thriving global community of Qualcomm employees engaged in engineering their health and health care for all” is rooted in the idea that better health outcomes are achieved when we partner with our employees to find solutions to pressing personal and industry-wide health concerns. Qualcomm sponsors up to five annual employee research proposals that address questions of interest in the areas of mobile technology and sustained health behavior change, most recently completing a study with a Qualcomm team who investigated the impact of a step and sleep tracker on productivity.

Qualcomm’s ultimate goal is to support a healthy, thriving workforce. By integrating the best of technologic advances with emerging sources of big data and personalized data, we intend to enable our employees to be better informed health care consumers through access to health quality and cost information, to drive provider value through innovative performance-based contracts, and to demonstrate improved health outcomes through proven best-in-class health services.



**Steven M. Mollenkopf**  
Chief Executive Officer



**Realogy Holdings Corp. believes that a healthy workforce can be a competitive advantage.** With more than 11,000 employees in more than 1,000 locations, communications regarding health and wellness can be both a challenge and an

opportunity. We look for opportunities to educate our employees both on what drives medical costs and how they can lead healthier lives.

Beginning in 2010, we started educating our employees on the top 10 drivers of our health care costs as a self-insured company. This includes sharing comparisons to the prior year as well as highlighting those medical indications that can be detected in an annual physical and those that are weight related. Several years prior to the federal mandate to provide preventative care, Realogy began covering 100 percent of all preventative care in an effort to go beyond just biometric screening. We enhanced this effort by providing paid time off as an incentive for employees to get their annual physical. The participation rate for annual physicals among our employees has more than doubled in the past two years.

For the past four years, Realogy has used our iThrive wellness initiative to help improve our employees' overall health and well-being. The campaign includes monthly newsletters and videos with health, wellness, dietary and financial advice directed to our employees and, in certain circumstances, their covered dependents. Weight loss and walking contests keep people active. Fitness centers in our larger locations provide easy access both to exercise equipment and exercise classes. Finally, our smoking cessation programs have helped hundreds of employees quit the habit while bringing the percentage of smokers well below national averages and resulting in a reduction in smoking-related illnesses among our employees.

The outcomes of Realogy's wellness programs over the past four years are encouraging and include:

- ▶ Actual medical cost increases significantly below national averages for four years running (including one year with a reduction in total costs); and
- ▶ Stable costs to our employees resulting in no increases for the majority of our employees in two of the last three years and average increases measured in single-dollar increments.

As we look to the future, we will continue this high level of engagement to ensure that our employees and their families know that Realogy is behind them in support of healthier lifestyles.



A handwritten signature in black ink, appearing to read "R. Smith".

**Richard A. Smith**

Chairman, Chief Executive Officer and President

Beginning in 2010, we started educating our employees on the top 10 drivers of our health care costs as a self-insured company. ... The participation rate for annual physicals among our employees has more than doubled in the past two years.



# Rockwell Automation

**Rockwell Automation, the world's largest company dedicated to industrial automation, is committed to improving the standard of living for everyone by making the world more productive and sustainable.** This starts with our

employees and their families: we provide tools and resources to enable employees to actively manage their health. We focus on driving accountability — for both providers and consumers — to create value-based outcomes.

In 2003, we began offering account-based medical plans and covering preventive care at 100 percent, long before this was required. That year, we founded the Business Health Care Group (BHCG) along with 14 other CEOs to collectively drive our cost from 39 percent above to at or below the Midwest average within five years. Most recent data confirms that BHCG member companies are collectively 11 percent below that average. We achieved this by employing consistent messaging, driving transparency and disrupting the market on how we buy health care.

We believe that *rewarding* outcomes is the best way to achieve outcomes. That's why we've moved beyond just awareness of individual health risks to now focus on taking action on our personal health goals and achieving outcomes that matter. In 2010, we increased our focus on promoting healthy lifestyles by introducing "Live Healthy" programs designed to reward not just health improvement, but health achievement. Today, 77 percent of employees meet three or more healthy targets, resulting in a cumulative risk reduction of 9.5 percent over the past four years.

That's why we've moved beyond just awareness of individual health risks to now focus on taking action on our personal health goals and achieving outcomes that matter.

We also:

- ▶ Require vendor collaboration to ensure that our partners deliver an integrated member experience;
- ▶ Maintain a scorecard to measure the impact of our efforts in five key areas: health engagement, lifestyle/behavior, clinical outcomes, financial and benefit design;
- ▶ Provide onsite clinics, fitness centers and local wellness teams to engage populations and embed wellness into local cultures;
- ▶ Continue workplace evaluations and implement changes to include healthy food initiatives and healthier options in our cafeterias and vending machines;
- ▶ Offer the Best Doctors program to guide employees to the right care for the right diagnosis; and
- ▶ Provide a comprehensive approach to health improvement for all populations, including tracking and recognition for those already active, customized wellness coaching program for those just getting started, and more rigorous clinical interventions for those with care needs.

We've made huge strides in driving positive outcomes. Our continued commitment to finding innovative solutions to balance costs and improve the health of our employees makes us a healthier company overall.



*Keith Nosbusch*

**Keith D. Nosbusch**  
Chairman and Chief Executive Officer





**Sanofi US is part of a leading global health care company that discovers, develops, produces and markets innovative therapies to help protect health and enhance people's lives.** We have a strong commitment to improving the health

and well-being of our employees and their families and have instituted a comprehensive wellness initiative called "Health in Action."

We have implemented targeted programs to cover the entire health care continuum, from those who are well or may be at risk, to those with an acute or chronic condition, to those who may be facing a highly complex or catastrophic diagnosis. These include:

- ▶ Health management resources like biometric screenings, health assessments, and health advisors who help our people understand their risks and develop personalized action plans;
- ▶ Lifestyle management coaching that provides support for making lifestyle changes such as quitting tobacco, losing weight, becoming more physically active and managing stress;
- ▶ Weight Watchers program and discounted gym memberships; and
- ▶ Condition management coaching that provides support for managing conditions such as diabetes, heart disease, asthma, cancer and so on.

In addition, we also have a number of onsite resources, such as:

- ▶ Healthy cafeterias that offer large selections of healthy foods, discounts for healthy options and posting of complete nutritional information;
- ▶ Fitness centers and/or physical activity classes;
- ▶ Primary care and occupational health clinics, which also provide onsite vaccinations such as flu shots; and
- ▶ Tobacco-free campuses at all of our locations.

In order to bring all of these resources together, we have incorporated a framework that includes a strategy for communication and promotion, outcomes measurement, linkages with health benefit design, education and engagement, and an incentive structure that rewards participants for demonstrating healthy behaviors. We seek to provide an initiative that is individual-centric, empowering and uplifting, intuitive and innovative, and aligned with our organization.

While our initiative is still in the early stages, we have seen encouraging and positive results:

- ▶ Participation in the programs has steadily risen.
- ▶ Participant self-reported risk factors have been declining.
- ▶ There has been a large increase in our population's use of preventive services and screenings, including breast cancer, cervical cancer and colorectal cancer screenings.
- ▶ Our company's total health care trend (medical and drug combined) is lower than both national and peer-group benchmarks.

We are excited to continue on this wellness journey and to better the lives of our most valuable resource — our people.



A handwritten signature in black ink, reading 'Christopher A. Viehbacher'.

**Christopher A. Viehbacher**  
Chief Executive Officer

We seek to provide an initiative that is individual-centric, empowering and uplifting, intuitive and innovative, and aligned with our organization.



**The health of any organization depends on the health of its people.** That is why SAP takes a holistic approach to wellness, both for our employees and our customers.

We were a forerunner in understanding the links among well-being, motivation and employees' ability to innovate. By understanding these links, we not only create healthy work environments, but we also foster innovative thinking that ultimately serves the health care industry. SAP's solutions enable providers to deliver data-driven, value-based personalized care.

The relationship between stress management and peak performance is so critical to driving innovation that it is one of the key social indicators covered in our *Annual Integrated Report*.

As the working world becomes more fast paced, complex and global, we believe that an effective work-life balance must be a component of preventative care. In our experience, well-balanced people perform at peak effectiveness. In support of this, we offer our employees nontraditional options like flexible working conditions, sabbaticals and virtual training on stress resilience and work-life balance. SAP also offers employees a full complement of more traditional, competitive health care benefits and programs to manage individual health and wellness, including access to employee assistance programs and sponsored medical checkups as well as onsite gym facilities, sports courses and medical offices.

The relationship between stress management and peak performance is so critical to driving innovation that it is one of the key social indicators covered in our *Annual Integrated Report*. Every year, we use an index of questions to measure the cultural conditions that support employees' health and work-life balance. In 2013, we surpassed our goal on this index.

Our employees' ability to innovate has resulted in software solutions for the health care industry — solutions that help the world run better and patients live healthier lives. SAP's solutions allow providers to zero in on individual patient needs, collaborate and achieve better outcomes. They can achieve this all while optimizing their operations in real time. In recognition of these accomplishments, last year, the White House honored SAP, alongside Stanford Medical School and the German National Center for Tumor Diseases, for genomics advances enabled by SAP HANA — the fastest data analytics platform in the world.

SAP also is helping the health care industry reduce costs, increase efficiency and provide better patient outcomes with a completely integrated health care platform — from embedded analytics, to smart mobile apps, to availability in the cloud — all powered by SAP HANA.

Innovations like SAP HANA are only possible when our people are able to perform at their best. By starting with the philosophy that work-life balance drives innovation, SAP enables employees to create solutions that help the health care industry run better. When we provide employees with the means to create better workplace outcomes, they provide better outcomes to our health care customers.



**Bill McDermott**  
Chief Executive Officer



**SAS is not only the pioneer in analytics, but also a pioneer in innovative health care and wellness initiatives.** Our mission promotes optimal health and demonstrates a model of quality health care through programs and services like our

onsite Health Care Center (HCC). Opening in 1984, the HCC was a unique model that would become an integral part of our health care initiatives in an ever-evolving U.S. health care system.

Recognized as an industry leader, the HCC provides primary care across the employee lifespan, meeting the changing needs of a growing and aging workforce. Onsite and free, the HCC model is risk assessment and mitigation when possible and early and evidence-based treatment when disease is found. One example is a multidisciplinary diabetes self-management program to catch type 2 diabetes early and improve management and outcomes — sometimes reversing the diagnosis. The program has expanded its focus to prediabetes and insulin resistance, seeking to stop type 2 diabetes in its tracks.

Our belief that good health is good business created the following savings in 2013:

- ▶ Health plan savings (avoided medical claims) of \$3,754,392;
- ▶ Value of employee time (time saved by staying on campus) equivalent to \$4,637,777; and
- ▶ A return on investment of \$2.51 for every \$1 spent on HCC operations.

In 2012, the HCC expanded its services to include a full-service pharmacy that offers convenient and comprehensive services, saving SAS on average \$23 per prescription. SAS partners with a prescription benefit manager with a unique fiduciary business model allowing true pass-through pricing and total disclosure and reducing SAS' prescription costs by approximately \$1.5 million.

Staying true to our innovative nature, programs under development include:

- ▶ Wellness coaching pilot, which will provide core competencies necessary to make sustainable lifestyle changes and improve long-term health;
- ▶ Research with Duke University that addresses health care use with varying HCC usage, avoidable emergency room and inpatient medical claims and impact of HCC primary care on health status; and
- ▶ Jointly sponsored project by SAS Benefits and HCC, which introduces a new patient care platform to measure and monitor health care services built on SAS Visual Analytics using our cloud computing environment and data science team. This will provide a comparison of patient care managed by the HCC and external health care providers, ensuring that employees and families receive high-quality, cost-effective, evidence-based care. The platform will identify treatment trends, compare service options, and report anonymous data to drive policy decisions.

SAS continues to be recognized as an innovator in health care and employer-sponsored wellness programs.

SAS is not only the pioneer in analytics, but also in innovative health care and wellness. In 1984, SAS opened an onsite Health Care Center — a unique model that would become an integral part of our health care initiatives in an ever-evolving U.S. health care system.



**James Goodnight**

Chairman, President and Chief Executive Officer



**More than 4.4 million customers know they can rely on Southern Company to provide clean, safe, reliable and affordable energy.** Because our employees are our greatest asset, we are focused on creating a workplace environment where they can be their best. That includes making a commitment to competitive, quality health care benefits.

In 2013, Southern Company embarked on a multiyear effort to adapt our programs to the realities of health care reform while continuing to provide options that meet employees' needs. A key focus is on educating employees about the changing landscape and providing tools that help them become better consumers of health care.

Because our employees are our greatest asset, we are focused on creating a workplace environment where they can be their best. That includes making a commitment to competitive, quality health care benefits.

One of our first steps was to simplify benefit choices, making it easier for employees to pick the plans that are best for them and their family members and also helping the company get the most out of every dollar spent. As part of 2014 annual enrollment, employees were provided with a new plan-selection tool that has enabled them to analyze their health care costs and determine the best coverage for their individual needs. About 46 percent of our 26,000 employees used the tool in 2014, exceeding our projections, and those using the tool were 10 percent more likely to choose the optimal plan than those who did not. We were encouraged by the first-year results and expect that using the tool to make data-driven decisions will result in more employees selecting optimal plans over time.

This year, we are rolling out a quality and price transparency tool in partnership with Healthcare Blue Book. Our goal is to empower employees to more easily compare the quality of care along with the cost of common procedures that are typically scheduled in advance. This enables employees and family members to facilitate discussions with their doctors about alternative treatments, quality and price and engages them directly in making important health care decisions. This new tool will work hand-in-hand with Best Doctors®, our existing second-opinion and provider-referral service.

As we continue to value and develop our people, we will look for more ways to engage and partner with employees through communications, tools, incentives and plan design for affordable, quality health care options.



*Thomas A. Fanning*

**Thomas A. Fanning**  
Chairman, President and Chief Executive Officer



**At Stryker, making health care better — and, ultimately, making people better — is at the core of our business, and that is why we focus on and promote the wellness of our employees.**

In 2007, we launched a company-wide “Live Well with Stryker” program. This program has many components that center around one truth: We want our employees to live healthy, happy lives.

The program includes:

- ▶ Free biometric screening;
- ▶ Free flu shots;
- ▶ Personalized health coaching;
- ▶ Healthy living programs;
- ▶ Activity challenges;
- ▶ Tobacco cessation; and
- ▶ Online resources.

At Stryker, making health care better — and, ultimately, making people better — is at the core of our business, and that is why we focus on and promote the wellness of our employees.

We incentivize involvement in the well-being programs via extensive communication campaigns and material incentives. In 2013, we had more than 65 percent of our covered participants complete the wellness assessment and learned that:

- ▶ 24 percent of our population moved from medium or high risk to low risk between 2008 and 2013.
- ▶ From 2008 to 2013, we experienced a decrease in three out of five of the medical risk factors — blood pressure, cholesterol and weight/body mass index.
- ▶ From 2008 to 2013, we improved in all seven lifestyle risk factors: alcohol use, dietary fat, fruits/vegetables, activity, seat belt use, stress/coping and tobacco use.

Stryker pushes for innovation from all well-being vendors to increase employee engagement in the programs. For instance, UnitedHealthcare’s Health4Me™ app provides instant access to a family’s critical health information. The drug pricing tool searches for the lowest-cost prescriptions — helping our participants make informed decisions about their medication options. We are currently investigating telemedicine as an option for those employees who do not have primary care physicians and overuse emergency room services.

Our wellness actions are recognized by our employees and externally. For example, in April 2013, Stryker was recognized as a gold-level recipient of the American Heart Association’s Fit-Friendly Worksites recognition program because we offer an innovative wellness culture.

At Stryker, we value our people and make health and well-being a priority. We help our employees engage in informed consumerism when making health care choices by educating them on price, quality and efficiency of all medical services. We continue to strive for ways to make high-quality, cutting-edge and affordable health care accessible to our employees and their families.



A handwritten signature in black ink, appearing to read 'Kevin Lobo'.

**Kevin Lobo**  
President and Chief Executive Officer



We are providing greater value and a wider range of services; our health plans are providing affordable coverage options for families and employers; and Conifer Health Solutions is helping hospitals, employers and health plans improve the efficiency of their operations and the health of the populations they serve.

**At Tenet Healthcare, we strive to be a leader in creating the health care delivery system of tomorrow, one that will better serve the needs of patients, employers and communities everywhere.**

Our growing network of hospitals, outpatient centers and physicians is providing greater value, a wider range of services and a more fully integrated network. Our Conifer Health Solutions subsidiary is using data and technology-driven decision support tools to help providers and employers manage care more effectively and efficiently. And our health plans are offering affordable coverage options for families and employers.

In Philadelphia, we have created a clinically integrated accountable care organization (ACO) in partnership with Hahnemann University Hospital, Drexel University College of Medicine, physicians and Independence Blue Cross. The coordination of care that results from sharing clinical data and promoting evidence-based care through the ACO — from detailed tracking of physician referral patterns to deep analysis of chronic condition treatment — is improving clinical outcomes and reducing health care costs. In fact, the ACO has contributed to:

- ▶ **A 16.5 percent reduction in potentially preventable re-admissions;**
- ▶ **A 16 percent reduction in the rate of hospital-acquired infections; and**
- ▶ **Cost growth that is 60 percent lower than the national average** in the first year of the program and on track to be 85 percent lower in the second.

At Resolute Health in central Texas, we're building a collaborative model to engage, inspire and empower the community. The program is driven by a suite of innovative new tools, including:

- ▶ **A community-centered approach** in which we analyze the trends in population health for employers and the community at large and design services that specifically meet their shared needs;
- ▶ **New consumer-empowering programs** designed to be delivered across the community through businesses, churches, schools and neighborhoods, including:
  - A telemedicine program with the local school district that provides quick access to care, saves time and boosts academic performance;
  - Working with employers to provide onsite or near-site health clinics, as well as telemedicine options to minimize productive time lost from doctor visits; and
  - A membership program that makes care affordable for underinsured or uninsured consumers.
- ▶ **Cutting-edge technology** that allows consumers to carry a card that contains their electronic medical records, saving time and paperwork and ensuring that anyone caring for them knows their medical history.

Through such innovative approaches, along with our national scale, breadth of services and technology, and values-based culture, we will deliver on our mission: moving health forward.



**Trevor Fetter**  
President and Chief Executive Officer



**At Thermo Fisher Scientific, we have one mission: to enable our customers to make the world healthier, cleaner and safer.** We recognize that our ability to serve our customers as they strive to make the world a better place begins with our

employees. And our employees share a common set of values — integrity, intensity, innovation and involvement — that guide us in everything we do.

Innovation is key to Thermo Fisher's continued growth and success. It drives our development of new products and services for our customers, and it also helps define our benefits program for our employees. We are dedicated to providing comprehensive, cost-effective health coverage that offers choice and flexibility while empowering our employees and their families to live healthier lives.

We believe that wellness is a long-term partnership between the company and our employees. Our goal is to develop informed consumers — and not just users — of care. Health is inherently personal, so we have introduced a variety of customized tools to help employees understand how they can proactively manage their families' care and achieve their individual health goals. These include wellness initiatives, online resources, a video series demonstrating how our medical plan options work and an online cost estimator to promote transparency.

In 2013, more than 80 percent of U.S. benefits-enrolled employees completed our voluntary health risk assessment. This important step has helped educate our employees about their individual health needs so they can make the right choices and seek appropriate preventive care to avoid risks. We also have implemented several best-in-class health-management programs leveraging dedicated teams and centers of excellence to deliver customized support, referrals and services for those who need help the most.

Going forward, we are committed to helping employees stay motivated and take action to manage all aspects of their health — from making smart lifestyle choices and determining the appropriate coverage for their individual situation, to becoming good health care consumers by selecting the right doctors and facilities when they need care. We are partnering with carriers and vendors to evaluate innovative and cutting-edge solutions for engaging participants in their health on a one-to-one basis. In addition, we are planning targeted and local programs informed by the specific needs of employees and their families.

As health care continues to evolve, we remain committed to balancing cost considerations with choice. We also will continue to provide health care coverage that is both meaningful and affordable for our employees and sustainable for our company over the long term to support our growth.

Innovation is key to Thermo Fisher's continued growth and success. It drives our development of new products and services for our customers, and it also helps define our benefits program for our employees.



A handwritten signature in black ink that reads "Marc N. Casper".

**Marc Casper**  
President and Chief Executive Officer



TISHMAN SPEYER

**Tishman Speyer relies on the creativity, entrepreneurship and innovation of our people to achieve excellence every day.** We strive to incorporate these same values into our health care design and programs.

Tishman Speyer's goal is to balance quality, comprehensive coverage with a differentiated plan structure focusing on cost to coverage ratios as well as differentiated in/out-of-network services. The result has been a below-market trend line, which allows us to maintain the high-quality approach commensurate with our values.

Tishman Speyer's goal is to balance quality, comprehensive coverage and networks with a differentiated plan structure that encourages employees to understand the risks and costs of each plan and make educated decisions that fit their individual needs. The structure focuses on cost to coverage ratios as well as cost-differentiated in-network/out-of-network services. To help employees understand these options, we leverage a high-touch human resources group, communications that focus on plan education and design differences, and help desk and health advocate services. The results have been a below-market trend line for the past 10 years and a flat trend line the past two years, which allow us to maintain the high-quality approach commensurate with our values.

A key aspect of our education is our wellness program: Live Well, Be Well, Work Well. We started with improving the quality and nutritional value of the food options we provide in our offices by offering whole grain foods, fruit, yogurt and vegetable juice while eliminating fully-sugared sodas. We then expanded on the concept of prevention by offering free biometric screening — that tested key cost drivers like cholesterol and glucose levels, hypertension and body mass index — in conjunction with an online health risk assessment that provided additional assessment and coaching on risk factors. These programs were incentivized with employee contribution discounts based on participation and lowered tobacco use.

The program achieved a participation rate of more than 50 percent its first and second years, compared to an industry average of 35 percent. We increased the preventive use for wellness exams from 37 to 50 percent of the population. Breast cancer screenings went up by 7 percent (to 50 percent) and cervical cancer screenings went up by 8 percent, (to over 44 percent).

In 2014, we are expanding to include education events focused on nutrition, fitness, financial health and health care news and trends. Our nutrition counseling will encourage employees to focus on their food choices at work and at home and draws attention to the nutrition benefits already incorporated into our health care coverage.

Tishman Speyer's goal is to provide the highest quality health care to attract the most talented people, and we will continue promoting health care innovation through education to a workforce that is evolving as efficient consumers.



**Jerry I. Speyer**  
Chairman and Co-Chief Executive Officer





**Tyco continuously reviews benefits to ensure that our employees have options when using health benefits, along with resources to help them choose the plans that best meet their needs.** A robust wellness incentive program underscores

our commitment to promoting a culture of healthy lifestyles for Tyco employees and their families.

For 2014, we introduced significant changes, with three newly designed medical plans. All contain elements of consumerism to help control costs in anticipation of the 2018 excise tax under the Patient Protection and Affordable Care Act. With the redesign, actuarial estimates anticipate that we'll delay impact of the excise tax until 2026, giving us additional time to educate and affect behavior change among Tyco employees.

To reinforce the link between wellness and shared accountability, we encourage employees to complete a health risk assessment. If employees opt not to take it, they receive one medical plan option, rather than three. For 2014, this boosted the assessment completion rate to 93 percent from the previous year's 48 percent.

To ensure reach to Tyco's geographically dispersed population, as well as connectivity for our mobile workforce, we developed an enhanced communications campaign for annual enrollment. This included DVDs with leadership messaging and plan details along with access to a microsite describing health care reform and its impact. We also gave employees the options of receiving text message alerts and accessing benefits information through a mobile wallet card application.

Tyco provides employees with valuable tools and resources to assist with enrollment decisions and get the most out of benefits throughout the year. This includes an interactive modeling tool, the Benefits Advisor, which guides employees to the plan that best suits their individual situations; a cost lookup tool that allows employees to search and compare cost and quality of medical providers and treatment; telemedicine services providing on-demand access to board-certified physicians who can prescribe medication for minor health concerns; and online support communities that assist employees in managing various health concerns.

Tyco continues to enhance our wellness incentive program, Healthy Rewards, increasing the cash amounts and activities available to earn rewards in 2014. Activities include lifestyle coaching sessions, preventive care, fitness challenges and online education courses. For the employee, incentives help offset out-of-pocket medical plan expenses and encourage engagement in healthy lifestyles. For Tyco, they strengthen our employee partnership by encouraging actions that improve the health of our employees and help control future medical costs.

A robust wellness incentive program underscores our commitment to promoting a culture of healthy lifestyles. For the employee, incentives help offset out-of-pocket medical plan expenses and encourage engagement in wellness activities and behavior. For Tyco, they strengthen our partnership by helping control future medical costs.



**George R. Oliver**  
Chief Executive Officer



Last year, UPS handled a record 4.3 billion deliveries for our customers, and we'll handle even more this year and next. To do so requires a workforce that is motivated, productive — and healthy.

**At UPS, our 400,000 drivers, loaders and other employees come to work each day with a shared mission: to help our customers make the connections that enable them to go further.**

Last year, UPS handled a record 4.3 billion deliveries for our customers, and we'll handle even more this year and next. To do so requires a workforce that is motivated, productive — and healthy.

To help our employees reach their full potential each day, UPS provides our employees with the services and tools to improve their health: everything from 24-hour access to professional counselors to discounted access to Weight Watchers. At UPS, we also believe our people need to be educated consumers. We continue to educate our employees on the full cost of their health care and provide them with the tools to better understand and compare the costs for different providers before they schedule an appointment.

What's more, we've added incentive programs that support — and reward — our employees for making healthier lifestyle choices. For example, UPS offers a smoking cessation program to all employees and to retirees under age 65. The program gives UPS employees customized, one-on-one scheduled support, pharmacotherapy recommendations and more.

We're not stopping there. Today, UPS provides a range of specialized services that enable health care companies to move a wide range of temperature-sensitive drugs and other treatments quicker, cheaper and more efficiently than ever before.

We believe that, over time, we can play an even bigger role in the effort to improve the efficacy of health care. The digital revolution is giving rise to a new generation of Internet-enabled monitoring devices that can not only monitor everyone's vitals, but also anticipate brewing problems. The rise of digital health monitoring could provide many societal benefits, everything from reducing the need for traumatic care to enabling the nation's elderly to remain in their homes longer. As care shifts toward the home, UPS — with the help of our 55,000 U.S. drivers — could make the connections that results in health care that's better and more affordable.



A handwritten signature of David Abney in black ink.

**David Abney**  
Chief Executive Officer



**At United Technologies, innovation drives everything we do, including our approach to providing health insurance benefits to our**

**70,000 eligible U.S. employees and their 85,000 covered family members — whose well-being is essential to our success.**

We believe health insurance plans should give employees the ability to demand quality, affordable care and a clear understanding of actual health care costs. We believe that this “consumer-driven” approach to health care results in better outcomes and lower costs. UTC was an early adopter of this approach. We introduced a High Deductible Health Plan (HDHP) in 2007, accompanied by health savings accounts (HSAs) that allowed employees to set aside pretax dollars to pay for eligible medical expenses.

Almost two-thirds of our eligible nonunion U.S. employees now participate in the plan. Our ongoing analysis shows that participants:

- ▶ Use more preventive health services;
- ▶ Choose less-costly generic medications;
- ▶ See their doctors more regularly;
- ▶ Avoid the emergency room at a greater rate; and
- ▶ Engage more in UTC’s wellness programs.

The health care costs of employees who participate in the HDHP have grown at a slower rate than the broader medical trend. These employees have collectively saved more than \$50 million in their HSAs, with another \$70 million in contributions to be made in 2014, clearly demonstrating value of these accounts to our employees. We are focused on increasing participation in the future.

UTC also provides incentives and support for achieving better health outcomes, covers comprehensive treatment for autism and connects employees to world-class experts at facilities such as the Smilow Cancer Hospital at Yale University. Our company’s partnership with Yale expanded in 2013 when we established the UTC Professorship in Cancer Research to support visionary research that has shown great promise in the fight against cancer.

UTC will continue to work with health systems whose goals are aligned with ours. We look for innovative partners who provide high-quality, cost-effective care — as well as transparency and access to the information our employees and their families need to make informed decisions.

Our commitment to our employees’ well-being supports our high-performance culture and our ability to focus on delighting customers and creating shareholder value.



**Louis R. Chênevert**  
Chairman and Chief Executive Officer

We look for innovative partners who provide high-quality, cost-effective care — as well as transparency and access to the information our employees and their families need to make informed decisions.



**We believe that a healthy and productive workforce is at the heart of a healthy and successful business.** As part of our delivery of health care benefits to approximately 740,000 employees, retirees and their families, we make health and wellness a central part of our culture.

Our health care programs engage and empower those we cover to be informed and proactive in managing and improving their health. Our comprehensive approach combines access to quality health care benefits, health-literacy resources and tools, and preventive and early detection services, all accessible through an expanding set of devices and technology platforms.

Technology is creating an age of tremendous new possibilities. Verizon is working to use powerful platforms to spur innovation and drive transparency by connecting developers with practitioners and consumers.

Our “Be Well, Work Well” programs aim to drive behavioral change through education and engagement.

Our WellConnect portal provides personalized health information, interactive online tools, mobile apps, a video library and healthy living tips. Onsite, we offer 46 low-cost health and wellness centers as well as free health screenings, mammography screenings and flu shots at 150 locations. Offsite, we offer discounts at 10,000 fitness facilities and free screenings at 2,000 medical facilities. In addition, employees are incented to complete health screenings and stop smoking through premium reductions.

Participation levels are increasing, and we’re seeing positive results. In 2013, more than 7,000 employees received biometric screenings, more than 20,000 received flu shots, and more than 17,000 participated in our fitness centers. Seventy-eight percent of employees with high blood pressure in 2010 had lowered it by 2012, 45 percent with high glucose in 2010 no longer had it in 2012 and employees had shed 85,000 pounds in those two years.

To empower employees to be proactive and make informed decisions, we educate about costs in areas such as low-intensity emergency room visits and usage of imaging services and provide online tools to conduct cost and service quality research. We also provide a new telemedicine capability that is an Internet-based tool through which users connect with a doctor using two-way video service.

Technology is creating an age of tremendous new possibilities. Verizon is working to use powerful platforms to spur innovation and drive transparency by connecting developers with practitioners and consumers. By creating converged solutions that leverage all of our greatest assets: mobility, cloud, security and extensive consulting expertise., we believe that our society is on the cusp of an exciting new era of delivering affordable, quality health care services and solutions across our planet.



**Lowell C. McAdam**

Chairman, President and Chief Executive Officer



**“Ahead of the game” and “changing medicine.”** That’s how two experts described Walmart’s innovative Centers of Excellence (COE) program when it was announced.

When Walmart introduced COE in 2013, the goals were simple: improve the quality of medical care for associates, give them the right care at the right time at the right place, reduce their health care costs, and drive transparency by aligning interests among payers and providers to mitigate differences in the industry.

To address continually rising health care costs, Walmart’s COE program focused on high-cost procedures with high cost variability. The program marked the first time a retailer offered a comprehensive, nationwide program for heart, spine and transplant surgery at six of the leading hospital and health systems in the United States.

COE physicians are incentivized based on patient outcomes not volume of patients seen. Physicians make recommendations that are in the best interest of the patients, with established plans for performance improvement specific to the care they are assessing. All of the hospital systems offered established/accredited programs in spine and cardiac care, and Walmart worked with each one to provide unique, bundled pricing for these types of procedures.

Walmart associates and dependents enrolled in the company’s medical plans receive consultations and care covered at 100 percent plus travel, lodging and food for the patient and caregiver. Dozens of associates have saved thousands in medical expenses.

With the announcement of the new program, industry leaders applauded it:

- ▶ “I do think that this is our future, and they’re just ahead of the game,” said Helen Darling, president and CEO of National Business Group on Health, a nonprofit membership organization of 346 employers, including Walmart. “The upside is huge for both the company and the employee and their family. The quality and safety of these centers of excellence are proven and their outcomes are better.” — *Reuters* and *Huffington Post*, October 2012
- ▶ In a tweet, noted writer and surgeon Atul Gawande said, “This will change medicine.”

In 2014, Walmart, Lowe’s and other large employers joined the Pacific Business Group on Health Negotiating Alliance to launch a national Employers Centers of Excellence Network offering no-cost knee and hip-replacement surgeries for employees through four U.S. hospital systems.

Walmart would like to see other companies emphasize cost and quality transparency, and we want to continue participating in opportunities that align interests among payers and providers. If we work together, we can accelerate the process.



**C. Douglas McMillon**  
President and Chief Executive Officer

When Walmart introduced COE in 2013, the goals were simple: improve the quality of medical care for associates, give them the right care at the right time at the right place, reduce their health care costs, and drive transparency by aligning interests among payers and providers to mitigate differences in the industry.



We are making a real difference for our employees, their families and America's health by using the latest technology, innovative partnerships with health care providers and consumer incentives that encourage healthier behavior.

**At WellPoint, improving the health of our associates and their family members is an extension of the work we do every day to improve the health of the 67 million Americans we serve.** We are pleased to be recognized as one of the leading

employers for healthy lifestyles by the National Business Group on Health, as a Fit Friendly Worksite by the American Heart Association, and as a recipient of the CEOs Against Cancer Gold Standard designation by the American Cancer Society.

Here are a few of the innovative tools we are using to improve the health of our employees and members:

- ▶ **Consumer-directed health plans (CDHP) and health reimbursement/savings accounts (HRAs/HSAs).** Our employees who use CDHP and HRA/HSAs have better participation in screening, disease management and wellness activities than average, and they had lower health care costs in 2013 than in 2011.
- ▶ **Innovative telehealth solutions.** We offer a secure means of reaching board-certified, credentialed primary care doctors on demand — at home, in the office or on the go.
- ▶ **Personalized health care guidance.** We analyze medical and pharmacy information to identify gaps in care (e.g., flagging medication compliance issues).
- ▶ **Transparency tools.** We provide both Estimate Your Cost and Find a Doctor to empower our employees to make smarter decisions about their health care choices.
- ▶ **Wellness programs.** We offer a generous wellness credit program that enables employees and their spouses to earn up to \$600 in wellness credits based on health outcomes (e.g., being tobacco-free, having a body mass index [BMI] under 30). We are seeing significant behavior change and remarkable results including improvements in blood pressure (29 percent of participants in 2011–12 with high blood pressure lowered it to less than 140/90), BMI (14 percent of participants in 2011–12 with BMIs of 30 or higher lowered their BMIs or lost 5 percent of their weight), obesity and diabetes (the obesity rate of the cohort group dropped one percentage point each year from 2011 to 2013 and their risk of diabetes has dropped from 7 to 3 percent).
- ▶ **Sophisticated data analytics.** We were the first company in any industry to partner with IBM Watson technology. Using IBM Watson, we help physicians analyze millions of pages of data in seconds to help make better choices in care.

We are making a real difference for our employees, their families and America's health by using the latest technology, innovative partnerships with health care providers and consumer incentives to encourage healthier behavior.



**Joseph R. Swedish**  
Chief Executive Officer



**Western & Southern Financial Group's most important assets are our associates.**

Western & Southern invests in our associates in many ways, including providing a comprehensive health care plan at a very low cost. In fact, on average, associates only

pay 13 percent of the company's health care costs, which is half that of other employers in our peer group. The company uses several innovative strategies to promote associate engagement in wellness and to improve the quality of care.

Western & Southern self-administers our health care plan with a dedicated benefits department. This strategy requires additional investment in systems and personnel, but has advantages for both the company and associates:

- ▶ Managed-care nurses on staff provide support for associates and work with providers to minimize unnecessary tests and inpatient days;
- ▶ Integrated case management of lost time and health care results in less time missed due to illness; and
- ▶ Timely analysis of claim trends allows the company to anticipate emerging health trends and implement programs in response.

Western & Southern implemented a diabetes program several years ago in response to observed increase in diabetic and prediabetic cases. The company now contracts with a pharmacist to provide onsite visits for diabetic associates. The pharmacist checks blood sugar levels, assures compliance with prescribed medications and answers questions regarding the disease.

In addition, the company provides a disease-management program to help high-risk associates with significant diseases like multiple sclerosis and Crohn's disease improve their quality of life and reduce costs.

The company also incentivizes associates to engage in their own wellness. We charge higher, but fully refundable, premiums for associates who:

- ▶ Do not maintain healthy body mass index (BMI) levels. To help associates achieve lower BMI levels, the company provides an onsite Weight Watchers program; an onsite fitness center at no cost to associates; and a cafeteria with low-fat, low-cholesterol and vegetarian menu options.
- ▶ Use tobacco products. To help associates stop using tobacco products, Western & Southern provides a tobacco cessation program at no cost to associates.

The higher premium amounts are refunded to associates who reduce their BMI to healthy levels and successfully stop using tobacco.

Western & Southern's disciplined approach to delivering health care coverage has resulted in annual per-associate health benefit costs that are 10 percent lower than that of other large employers. Western & Southern's strategy allows the company to keep costs under control and provides excellent support to associates in their quest for maintaining good health.



**John F. Barrett**

Chairman, President and Chief Executive Officer

Western & Southern invests in our associates in many ways, including providing a comprehensive health care plan at a very low cost. The company uses several innovative strategies to promote associate engagement in wellness and to improve the quality of care.



**Williams is a leading energy infrastructure company that connects North America's growing supplies of natural gas and natural gas liquids to expanding markets to serve consumers, industry and cleaner power generation plants.** Our most valuable resources are the people we employ and on whose talent and commitment we rely.

We strive to be a great workplace by providing employees with a Total Rewards package in exchange for their important work. Our benefits program, including a comprehensive medical plan and wellness program, makes up a meaningful portion of our Total Rewards.

Ongoing enhancements to medical benefits focus on employee education, cost transparency and plan design changes that encourage participants to engage in managing their medical care. Since 2010, our annualized medical claims trend is under 1.5 percent, saving the plan more than \$14 million compared to industry trends.

Our efforts have significantly increased participation and improved plan use without increasing employees' share of plan costs, which has remained unchanged for more than a decade. We also didn't increase employee premiums for 2014.

Last year, we introduced a second consumer-driven health plan (CDHP) with lower deductibles and out-of-pocket maximums, doubling CDHP enrollment. Education about potential long-term value of health savings accounts and communication to employees with significant 401(k) contributions helped drive a 12 percent increase in new accounts and a 50 percent increase in elected 2014 employee contributions.

The use of preventive care services and preventive medications remains strong among CDHP participants. In 2009, Williams added 100 percent paid preventive care. Prescription drug plan design changes, including no-cost preventive medications and a coinsurance feature for brand name medications also provide incentives to those who work with physicians to use more cost-effective medications. An online tool provides plan members with cost information for each prescription, including company-paid amounts and alternative lower-cost medications. Since 2010, our generic use has improved significantly and our per-member pharmacy cost has declined, saving the plan more than \$10 million.

Employees are encouraged to participate in activities that lead to identification and treatment of medical risks or conditions early, improving outcomes, quality of life and individual performance. In the past year, we expanded company-paid wellness screenings from 23 to 59 locations and added a telemedicine benefit for routine services.

In the coming years, Williams plans to continue our focus on activities that offer high-quality, affordable coverage for our employees.



A handwritten signature in black ink, appearing to read "Alan S. Armstrong".

**Alan S. Armstrong**  
President and Chief Executive Officer

Ongoing enhancements to medical benefits focus on employee education, cost transparency and plan design changes that encourage participants to engage in managing their medical care. Since 2010, our annualized medical claims trend is under 1.5 percent, saving the plan more than \$14 million compared to industry trends.





Xerox believes that the health of our business is dependent on the health of our people. To that end, our health care philosophy — Healthy Together — focuses on supporting employees and family members in making informed health

care decisions and gives them the tools to manage their health and well-being. At the same time, we expect employees to use these resources to gain the most value from their benefits and to improve their health.

### RightOpt™ — A Holistic Approach to Managing Cost and Care

In 2014, we introduced RightOpt, a private health insurance exchange available through our independent subsidiary, Buck Consultants. RightOpt takes a holistic approach to managing costs while supporting our employees and their families as they work to achieve optimal health. Our strategy includes:

- ▶ **Cost savings through group purchasing.** We've negotiated contracts with best-in-class vendors on behalf of all RightOpt clients, achieving significant savings from group purchasing volume.
- ▶ **Deeper national provider network discounts.** We use a regionally aligned preferred-partner strategy to reduce claim expenses by optimizing discounts across the country.
- ▶ **Improved health.** Employees and family members are encouraged to achieve their optimal health through a comprehensive suite of integrated wellness programs such as telemedicine and centers of excellence, and health improvement support, including disease management, lifestyle coaching and wellness screenings.
- ▶ **Decision support.** Member-advocacy services and an employee-assistance program support more effective health care and personal decisionmaking.
- ▶ **Robust data analytics.** Data from providers is consolidated in a central data warehouse, enabling us to mine our data and focus support for our employees.

Xerox believes that the health of our business is dependent on the health of our people.

### Personalized, One-Stop Support

Using a single access point portal, our goal is to provide easy access to meaningful, timely and relevant information, simplifying the experience of choosing and using benefits and improving health. Our portal integrates content from all of our vendor partners and provides direct access to personalized action lists, individual biometric screening results, incentive tracking and opportunities for social interaction through wellness success stories. The portal also includes “gamification” features including a customizable avatar, apps, polls, healthy recipes and other elements to engage employees.

### Where We're Headed

Our Healthy Together strategy will continue to evolve as we move toward an outcomes-based wellness strategy that provides employees with incentives for working toward measurable health improvement. We depend on the energy, vitality, and well-being of our people and know that, when we take care of ourselves, both our employees and the company can be healthy together.



*Ursula M. Burns*

**Ursula M. Burns**  
Chairman and Chief Executive Officer







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