

Benefits brokers dive deeper into wellness

Employers look to prevention to lower health costs

By J.K. Wall
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Gibson Insurance Group is the latest benefits broker to get more serious about wellness.

The South Bend-based firm, which has an office in Indianapolis, has hired a dedicated wellness director to help its clients refine and assess their wellness programs for workers.

Nicole Fallowfield, the former vice president of sales for Principal Wellness Co. in Indianapolis, will work out of Gibson's downtown Indianapolis office but serve Gibson's clients throughout Indiana.

By hiring Fallowfield, Gibson joins a budding trend among brokers to have staff members dedicated to wellness programs.

"The marketplace in wellness is just exploding," said Tim Lemam, Gibson's employee-benefits practice leader. He added, "Improving the health of the employee population is so key to reducing costs."

Indeed, wellness programs seem like employers' last, best hope to rein in spiraling health care and insurance costs. Many employers say they have tried and failed to save costs by tweaking their plan designs or shopping for better deals. Now, many say, they must get their employees to use less health care.

Health insurance premiums spiked 78 percent between 2001 and 2007,

according to the California-based Kaiser Family Foundation. More recently, they have been growing at about 6 percent a year, as employers have shifted more costs and risk to their workers, according to a Sept. 4 report by New York-based Mercer, a national benefits consulting firm.

Those trends prompted Indianapolis-based benefits brokerage Benefit Associates Inc. to hire a dedicated wellness director in the spring of 2007.

Brittany Luebke came on after graduating from Ball State University with a master's degree in wellness management, said the firm's CEO, Bryan Brenner.

In the last year, Brenner has added even more wellness expertise by hiring two employees with health backgrounds—instead of insurance training—to be account executives for his clients.

"My thinking is that the account executive of the future has more of a wellness background than an insurance background," Brenner said. "It's easy to teach the insurance stuff because it's pretty well-defined. The wellness stuff is not as defined."

Fallowfield, 33, concurred. With a degree in exercise science, she got into wellness nearly 11 years ago by conducting health screenings. But now, she said, employers don't merely want people to

prick fingers and run blood tests. They want help crafting a strategy for wellness and evaluating data to determine whether it's working.

"The trend is going to continue, with brokers and consultants hiring people especially for wellness," Fallowfield said.

In some ways, it seems brokers are wading into a field already thick with wellness-focused sales pitches to employers.

For years, health insurance carriers such as locally based Anthem Blue Cross and Blue Shield and Louisville-based Humana Inc. have been offering wellness programs as part of their insurance offerings.

For example, Anthem, a subsidiary of locally based WellPoint Inc., began offering in March a program called 360° Health for no extra charge to its fully insured employer customers in Indiana. The 360°

program beefs up and better coordinates various wellness, disease-management and health-coaching efforts Anthem has been doing for years.

In addition, independent organizations such as Principal Wellness and Indianapolis-based Spectrum Health Systems have staffers to perform health screenings and health coaching for employees.

But brokers say there are so many programs now that choosing among them, coordinating their offerings, and evaluating whether they have worked is a full-time job. And brokers are happy to do it.

"It's the classic 'foxes watching the henhouse,'" said Lemam, from Gibson. "I haven't had any of those people [insurers and wellness vendors] tell me they're the third- or fourth-best wellness program out there. They all say they're the No. 1 program. So that's where we come in."

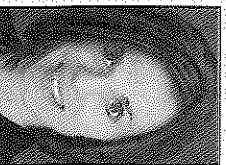
Mike Campbell, managing partner of employee benefits in Indiana for Louisville-based broker Neace Lukens, said benefits brokers can serve as consultants to employers to figure out the really hard part of wellness: how to get employees to change their lifestyles so they will become healthier.

"Wellness, in and of itself, is not rocket science. It's really basic," Campbell said. "Creating incentives, achieving motivation, changing the employer's culture, is the hard part."

Campbell has been serving as Neace Lukens' wellness director for the Indianapolis market, and he gets help from a corporate-level wellness director based out of Cincinnati.

But now he's looking to hire someone to work on wellness efforts full time. Just this month, he interviewed a candidate with a master's degree in kinesiology for the job.

"It's to the point where one person is really hard-pressed to handle it" and other non-wellness duties, Campbell said. "It's a burgeoning industry." •



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