Incentive Discussion
SEGBAC
May 29, 2012

Type of incentive	Participation levels
No incentive	10-15%
Passive incentive	10-31%
Small prize incentive	30%
Small cash incentive	30-67%
Coverage reduction	50-60%
Year-long, multiple milestone	77-96%

Source: Cigna and D. Edington, University of Michigan Health Management Research Center

Incentives in use by the State Plan

Type of incentive	Amount	Purpose	Participation
Discount for attending annual wellness exam and completing health risk assessment.	$5 PEPM plus another $5 for dependent over 18 years old	Identify health risks	8,563 members (50% increase from 2008 when no incentive)
Pharmacy co-payment waiver (Diabetes, Asthma, Tobacco Cessation, Prenatal, Weight management)	Varies based on prescription	Reward participation in programs	Under 500 members
"Free" consultation with a pharmacist (Asthma, High Blood Pressure)	None	Encourage learning to manage diseases	Under 100
Free blood pressure cuff	None	Encourage monitoring	Under 100
Reimburse weight management equipment	Varies	Reward completion and on-going activity	Under 10

Changes for the future

- Re-evaluate effectiveness of co-pay waiver programs.
- Add tobacco-free discount for 2013, $5 PEPM plus another $5 for dependent over 18 years old.
- In 2014 or 2015 implement a year-long multiple milestone program, based on:
  - Active and sustained participation in health improvement programs
  - Achievement of specific health outcomes
  - Reduction of health risks
  - Fully integrated with Cigna wellness and care management programs
  - Example attached

Example of a year-long multiple milestone program

Program	Milestone	Points
Health and Wellness screening	Complete	100
Heath risk assessment	Complete	100
Tobacco free	Non-user	100
Physical activity	Complete activity	50
Flu Shot	Annual flu shot	25
Lifestyle management programs (weight management, tobacco cessation, stress management)	Complete call with a coach Complete program requirements Reach goals	25 25 75
Chronic conditions support (heart disease, diabetes, COPD, Asthma, etc.)	Complete 3 calls with Cigna in a 6 month period of time	100
Biometric results (BMI, blood pressure, cholesterol, etc)	Within normal ranges	100

Maximum points per year 500.

If achieve 500 points = $50 per month reduction in rates or deposit in HSA

Allocate points and reductions proportionally if less than 500 (e.g. 400 points would be 400/500x$50= $40 per month reduction in rates or deposit in HSA)