

# What Do Workplace Wellness Programs Do?

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Workplace wellness programs are an \$8 billion industry, but little rigorous evidence exists to support claims of: improved employee well-being, reduced health care costs, or increased employee productivity. The Illinois Workplace Wellness Study is a **large-scale randomized field experiment that investigates the effects of workplace wellness programs on employee health care costs, health behaviors, productivity, and well-being**. The study is designed to examine the effect of financial incentives on workplace wellness participation, investigate who benefits from workplace wellness programs, and test for peer effects in wellness program participation.

## STUDY DESIGN

- » Randomized control trial at a large employer where treatment group members were offered the opportunity to participate in a comprehensive wellness program in return for financial rewards.
- » The study has two key strengths: employees from one large employer and one incentive program.
- » Results are after one year of implementation and may not reflect longer-term outcomes.

## KEY FINDINGS

- » **Diminishing Returns as Incentives Increase:** Increasing incentives from \$0 to \$100 increased participation by 12 percent, whereas increasing the incentive from \$100 to \$200 only increased participation by 4 percent.
- » **Immediate Financial Returns Unlikely:** After one year, workplace wellness programs did not change employer health care costs or employees' measured health behaviors.
- » **Increased Favorable Views of Employer:** Program increased favorable views of the employer and the fraction of employees who had ever received a health screening.
- » **Healthier Employees Start Program:** Employees that select into workplace wellness participation generally tend to be healthier and spend less on medical expenses.

## CONCLUSION

- » In the first year of implementing a wellness program employers are unlikely to see a financial return. But, there may be longer-term savings and employee health benefits. Healthier employees are more likely to join a program, though financial incentives may, to a point, encourage greater participation.

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