



## Request for City Council Committee Action from the Department of Human Resources

**Date:** October 6, 2009  
**To:** Ways & Means/Budget Committee  
**Referral to:** City Council  
**Subject:** Receive and File - 2009 Health Assessment Incentive

### Recommendation:

Receive and file a decision by the City's human resources department to offer taxable incentives, to be funded by the Blue Cross and Blue Shield of Minnesota Tobacco Settlement fund, to certain employees who complete health assessments from January 1, 2009 through November 30, 2009. Health assessment participants will be entered into a random drawing to win one of 150 taxable incentives of \$150.

**Previous Directives:** On January 27, 2006, the City Council approved Human Resource's request to receive \$107,034.27 from Blue Cross and Blue Shield of Minnesota for settlement of the Tow Distributing class action litigation (the "Tobacco Settlement"). These funds are to be spent within the requirements of the law (i.e. to benefit the health plan via wellness programs).

On August 3, 2007, the City Council approved a resolution establishing a comprehensive Citywide Health and Wellness Program that affirms the City's commitment to employees' overall health and well-being.

### Department Information

Prepared by: Amy Friedman

Approved by: \_\_\_\_\_  
Pamela French  
Director Human Resources

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Steven Bosacker  
City Coordinator

Presenters in Committee: Joyce Traver

### Financial Impact

- Action is within the Business Plan

### Supporting Information

In 2007 and 2008, the City promoted participation by eligible medical plan members in Medica's health assessment. Aggregate data generated as a result of the assessments provided valuable information about the health risks of our employees. The results have assisted the wellness committee to develop, implement, communicate and evaluate

initiatives for the City of Minneapolis, its employees and their families so they can lead healthier lives. We have been able to plan programming aimed at impacting our employees' greatest areas of risk, such as weight, nutrition and physical activity.

In order for us to continue to receive solid results from the health assessment in 2009, significant participation is critical. Medica was able to track cohort data for the 1,933 participants who completed in the assessment both in 2007 and 2008. We use this data as a measure of the effectiveness of our wellness programming. It is important that we are able to collect assessment results from as many of the cohort population as possible so we can continue to track progress and health improvement needs of our employees.

Our medical plan premium increases in 2008 and 2009 were reduced as a result of health assessment participation rates. We were able to use those savings to offer incentives of \$75 to \$100 to participants' HRA/VEBA accounts. Similar reductions for 2010 are not included in our contract with Medica. Therefore, we will be using Tobacco Settlement funds to offer incentives to employees who complete health assessments prior to November 30, 2009. Health assessment participants will be entered into a random drawing to win one of 150 taxable cash incentives of \$150.