

**The University Senate of Michigan Technological
University
Proposal 40-22**

**Improved Access to Health and Wellness Programs/Activities
(Voting Units: All)**

Submitted by: Senate Fringe Benefits Committee

I. Introduction

Ensuring the health and wellness of the Michigan Tech community involves many factors, including access to facilities that allow year-round physical activity. Regular physical activity improves both physical and mental health. While the Houghton area, and Michigan Tech specifically, offer several indoor and outdoor facilities for physical recreation, the use of most of these facilities involves fees that present significant financial barriers for many Michigan Tech employees. This proposal seeks to reduce these barriers to accessing the SDC, trail system, ski hill, and tennis center through a restructuring of the health and wellness benefit. Rather than requiring employees to participate in defined wellness activities before receiving money that can be used toward accessing facilities and programs the following year, we offer proposed solutions to reduce up-front costs and make access to facilities more equitable. The cost of such a program could easily be recovered through improved employee health and associated reduction in physical and mental health-related expenses.

II. Rationale

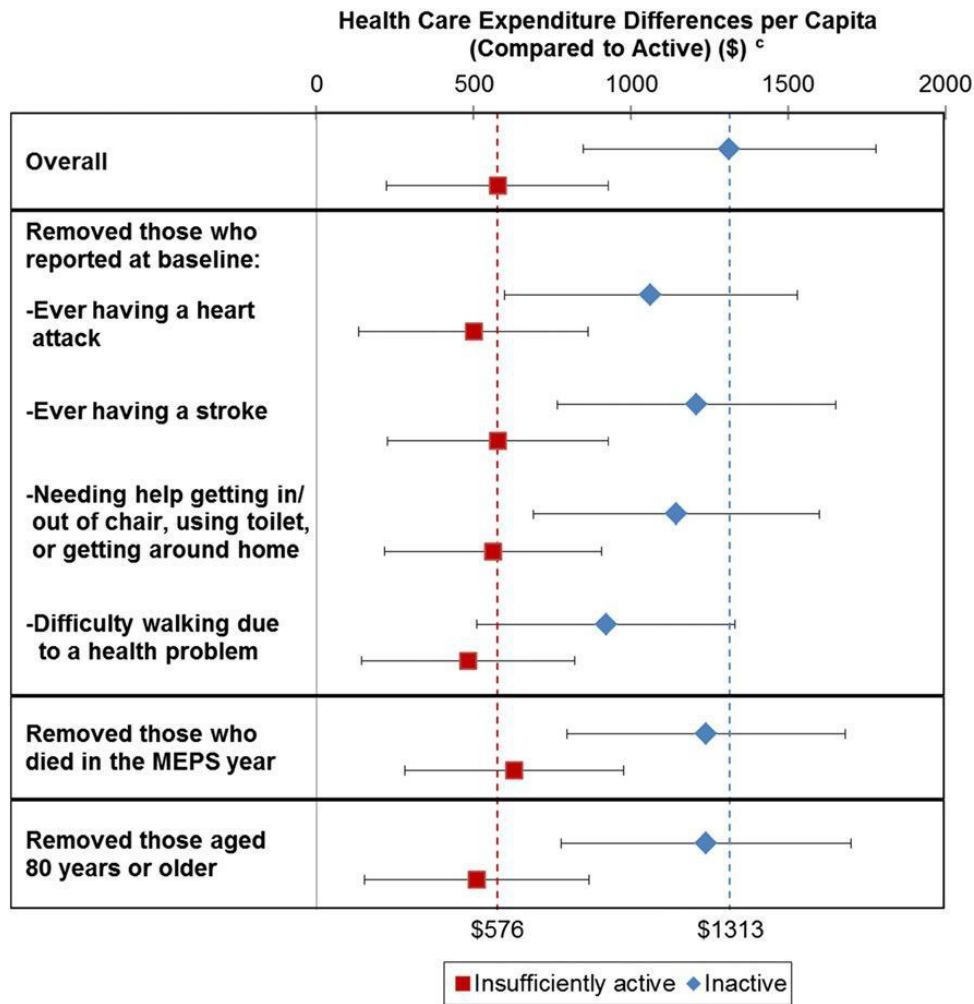
There are three primary reasons to change the structure of the current system. The first is financial: there is evidence that people who are physically active incur lower health-care costs. Second, a relatively small number of faculty and staff use the Michigan Tech campus recreational facilities; reduction of the cost and removal of requirements to complete specified activities in order to get free access to facilities should promote wider use and a healthier campus community. Finally, a relatively modest change to employee benefits may help to improve recruiting and retention of employees and improve morale on campus.

Cost-savings of active employees

Insufficient physical activity can lead to negative health outcomes that ultimately put a burden on the healthcare system and increase employee-sponsored health insurance costs [1,3,4]. Regular physical activity can reduce the incidence of cardiovascular disease, breast cancer, colon cancer, depression and many more health-related issues. Current guidelines recommend 150 minutes of weekly moderate aerobic activity and 75 minutes of vigorous-intense activity for substantial health benefits [2].

A recent study analyzed the correlation between health care cost and physical activity [1]. In this study physical activity is classified based on the level of weekly moderate exercise a participant reported as either 1) *active*, reporting at least 150 minutes per week of moderate-intensity physical activity; 2) *insufficiently active*, reporting more than 10, but less than 150 minutes per week of moderate-intensity physical activity; or 3) *inactive*, reporting no moderate-intensity physical activity that lasted at least 10 minutes [1].

The figure below which is from reference 1 shows the mean health care expenditure differences per capita of *inactive* and *insufficiently active* persons compared with *active* persons.



After adjusting for key covariates, the study found: “The mean annual expenditure difference per capita for *inactive* adults compared to *active* adults was \$1313 and for *insufficiently active* compared to *active* adults was \$576” [1].

The US Centers for Disease Control and Prevention (CDC) addresses this issue directly: “An investment in employee health may lower health care costs and insurance claims. In fact, employees with more risk factors, including being overweight, smoking, and having diabetes, cost more to insure and pay more for health care than people with fewer risk factors” [3,4,5]. Other insurance premiums such as life insurance are also lower when an individual has lower health risks.

We find that a relatively small number of employees make use of the Michigan Tech facilities and suggest that reducing the financial burden may increase that number. While statistics are limited, and may be somewhat atypical given effects of the COVID-19 pandemic, we can estimate the number of active employees from usage of and expenses associated with the MTU facilities, such as the SDC, trails, tennis courts, etc. Numbers for SDC, trails, and tennis center usage averaged over the last three years are given in the table below:

Table 1: Three-year average revenue and usage of subset of MTU facilities

	Three-year Average Revenue Generated	Three-year Average Users
SDC Membership/Action Passes	\$ 123,630	307
Adult Classes/Community Events	\$ 11,825	153
Trails Memberships	\$ 31,499	229
Gates Lessons/Rentals	\$ 478	10
Gates Membership	\$ 1,485	7

These numbers should be interpreted with the following considerations:

- 1) SDC memberships include 12, 9, 6, 3 and 1-month memberships as well as day passes.
- 2) Numbers include employees, partners, and dependents for some s.
- 3) A single person could be counted multiple times in several ways. For example, a single person could have two 3-month memberships, several daily passes that they give to their children to use, be enrolled in 4 adult classes, and have a trail pass. This one person would then be counted each time in each area; meaning the 3-year average is likely not as high if counted by unique individuals.

If we assume tennis center members, trail users, and SDC members can be considered *active*, we can estimate the costs to the university from the remaining *inactive* or *insufficiently active* employees.

Table 2: Estimates of employees engaged in regular physical activity

Number of faculty ¹	Number of staff ¹	SDC Membership + Trail Passes + Gates Membership	Remaining inactive or insufficiently active people
455	1073	543 ²	985 ³

¹ <https://www.mtu.edu/about/facts>

² Includes individuals who are counted more than once and includes some use by members the community who are not employees

³ Employees may be active without using any Michigan Tech facilities. At the same time, not all people who use these facilities would be considered active throughout the year

Table 3: Estimated health care costs related to inactivity

Average increase in insurance costs assuming half of those who do not use trails or the SDC are inactive faculty and staff	Average increase in insurance costs assuming half of those who do not use trails or the SDC are insufficiently active faculty and staff	Revenue from SDC Membership/Action Passes + Trail Passes
\$646,653	\$283,680	\$156,614

If reduced barriers to accessing these facilities motivate just 1/3 of the estimated *inactive* or *insufficiently active* faculty and staff to become *active*, we could expect a reduction of \$310,114 in excess insurance costs. This is roughly double the current average annual revenue from trail passes and memberships to the SDC and tennis center, and suggests a net cost savings for the university.

Clearly not every *active* employee is counted among these 543 SDC and trail users. There are many other ways that people can be active without using these facilities. However, not all of the facility's users are necessarily considered *active* year-round. And again, these numbers include some duplicates and some non-employees, such as dependents, resulting in a likely overestimation of employees who regularly use the facilities.

The cost savings and the intrinsic benefits of a healthier campus community suggest improving access to university recreational facilities would have a net benefit.

Counterproductive aspects of wellness program at Michigan Tech

The relatively small number of employees that take advantage of the Michigan Tech facilities suggests the current wellness benefit is suboptimal. Perhaps the chief concern is that the wellness benefit is conditional: one receives this benefit only if the employee fills out the Husky Health form and then they only receive the benefit for the following year. This adds one more thing to the “to do list” of the busy schedule of our employees. The result of not submitting this form essentially takes a benefit away from the employee. This could potentially cause some employees to lose access to regular exercise. Finally, there is no reasonable way to validate the information provided in the form by the employee, so it is difficult to measure how well the existing program motivates employees to improve their wellness.

It is recognized that the current Husky Health program is intended to motivate faculty to improve and maintain their health through annual physical exams, learning opportunities, and other activities. A wellness program could incorporate both free access to facilities and additional motivation to engage in healthy activities.

Retention of faculty and staff

Improving access to recreational activities may also improve recruiting and retention of university employees. Recruiting and retention are especially challenging as evidenced by the large number of unfilled positions on campus and low national unemployment rate of 3.8% [6]. A new benefit that would essentially be revenue neutral may help recruit and retain employees and help improve morale on campus.

III. Proposal

We propose three options to improve access to Michigan Tech's recreational facilities for employees:

- A. Access to university recreational facilities (SDC, trails, ski hill, tennis center) made free to all employees.

Dependents, many of whom take advantage of university-sponsored health insurance, have access at a 50% reduced rate.

- B. Employees pay a fee that allows access to all university recreational facilities (SDC, trails, ski hill, tennis center) similar to the student Tech Experience fee. Because many employees may not wish to use all the facilities, this cost should be less than the lowest-cost annual membership. For example, the current cost of an annual trail pass is \$100.

Employees can earn additional incentives through participation in an expanded set of Husky Health initiatives.

- C. Employees receive \$450 each year up front to spend on wellness-related activities. The funds could be used for MTU facilities, to purchase equipment for home use, or to participate in other wellness activities on campus or in the community.

IV. References

[1] Carlson SA, Fulton JE, Pratt M, Yang Z, Adams EK. Inadequate physical activity and health care expenditures in the United States. *Prog Cardiovasc Dis.* 2015 Jan-Feb;57(4):315-23. doi: 10.1016/j.pcad.2014.08.002. Epub 2014 Aug 9. PMID: 25559060; PMCID: PMC4604440.

[2] U.S. Department of Health and Human Services. 2008 physical activity guidelines for Americans. Washington, DC: U.S [2].

[3] Yen L, Schultz A, Schnueringer E, Edington DW. Financial costs due to excess health risks among active employees of a utility company. *J Occup Environ Med.* 2006;48(9): 896-

905.

[4] Goetzel, RZ, Anderson DR, Whitmer RW, Ozminkowski RJ, Dunn RL, and Wasserman J. The relationship between modifiable health risks and health care expenditures: an analysis of the multi-employer HERO health risk and cost database. *J Occup Environ Med.* 1998;40(10): 843-854

[5] <https://www.cdc.gov/workplacehealthpromotion/model/control-costs/index.html>

[6] <https://www.bls.gov/news.release/empsit.nr0.htm>

Appendix:

This appendix provides information about the wellness program at Michigan Tech. It does not include all possible wellness programs, but does describe aspects that are relevant to the proposal.

This information is provided to employees who wish to participate in the program:

Notice Regarding Wellness Programs

The Husky Health wellness program is a voluntary program available to benefits-eligible employees. The program is administered according to federal rules permitting employer-sponsored wellness programs that seek to improve employee health or prevent disease, including the Americans with Disabilities Act of 1990, the Genetic Information Nondiscrimination Act of 2008, and the Health Insurance Portability and Accountability Act, as applicable, among others. If you choose to participate in Husky Health wellness program Option 1, you will be asked to complete a voluntary health assessment or “HA” that asks a series of questions about your health-related activities and behaviors and whether you have or had certain medical conditions (e.g., cancer, diabetes, or heart disease). You will also be asked to complete an annual physical, which may include a blood test. You are not required to complete the HA or to participate in the annual physical or other medical examinations.

However, employees who choose to participate in the Husky Health wellness program may receive an incentive of to \$450 with payout options of Health Savings Account (HSA), Flexible Spending Account (FSA), Supplemental Retirement Account (SRA), or toward a membership at the SDC, Portage Lake Golf Course, or Mont Ripley Ski Area.

Although you are not required to complete the HA or participate in the annual physical, only employees who do so will receive a \$200 incentive mentioned above. Additional incentives of up to \$250 may be available for benefit eligible employees who participate in certain health-related activities. Additional incentives may be earned by participating in the Husky Health wellness program Option 2 and Option 3. If you are unable to participate in any of the health-related activities required to earn an incentive, you may be entitled to a reasonable accommodation or an alternative standard. You may request a reasonable accommodation or an alternative standard by contacting Benefit Services at 906-487-2517.

The information from your HA and the results of any biometric information provided will be used to provide you with information to help you understand your current health and potential risks. The information is confidential and will be used in aggregate with responses from other HA participants to establish wellness programming across campus. You are also encouraged to share your results or concerns with your own doctor.

Husky Health checklist from 2021 _____

OPTION 1

Both items must be completed to receive the \$200 incentive
Between **January 1, 2021 – December 31, 2021**, I completed the following:

- My Blue Cross Health & Wellness health assessment: Date: _____
- My annual physical exam: Date: _____

Option 1 Total: \$ _____

OPTION 2

Complete an approved health screening or program to earn up to \$150 (\$25 each/limit 6)
Between **January 1, 2021 – December 31, 2021**, I completed the following (check up to 6):

- Dental exam and cleaning (max 2): Date(s): _____ / _____
- Vision exam (max 1): Date: _____
- Flu shot (max 1): Date: _____
- Tobacco cessation program OR continued tobacco-free (max 1) Cessation Program Date: _____ OR check for continued tobacco free
- Sleep assessment (max 1): Date: _____
- Attended Benefits Fair (max 1): Date: _____
- TIAA or Fidelity one-on-one consultation (max 1): Date: _____
- University Training or Workshop (mtu.edu/diversity/trainings/) (max 1): Title & Date: _____
- Attended 2 Husky Health Lunch & Learn (must attend 2): Dates: _____ / _____
- Donate blood (max 2): Date(s): _____ / _____
- Complete Benefits Open Enrollment on MyMichiganTech: Date: _____
- Other pre-approved preventive screening, program or presentation*: Description & Date: _____

Option 2 Total: \$ _____

*Contact Benefit Services (benefits@mtu.edu) for pre-approval, screenings in addition to annual preventative exam

OPTION 3

Do an approved physical activity or nutrition challenge, event, or program to earn up to \$100 (\$25 each/limit 4)

Between **January 1, 2021 – December 31, 2021**, I completed the following (check up to 4):

- Michigan Tech Husky Health or other wellness challenge (max 3): Date(s) and Title(s):
_____ / _____ / _____
- Weight Watchers (12-week session/max 3) or Lifetime Membership*: Session Start Date(s) or Lifetime Member: _____ / _____
- Fitness class (8+ punch-pass/max 3)*: Purchase Date(s): _____ / _____
- Fitness membership (3 month pass/max 3)*: Purchase Date(s): _____ / _____
- Naturally Slim (max 1): 10-week core program or continuation of NS for Life: Core Program Start Date or NS for Life: _____
- Golf course Membership (season pass/max 2): List Season(s)**: _____
- Ski hill membership (season pass/max 2): List Season(s)**: _____
- Commute at least 50% of the time by foot or bicycle (per season***/max 3): List Season(s): _____ / _____ / _____
- Physical activity race or event, such as a 5K (1 per season***/max 3) List Season(s), Name and Date of Race/Event: _____ / _____
- Trails pass (season pass/max 3): List Season(s): _____ / _____
- Other pre-approved challenge, event, program or tracking website/app** (1 per season/max 3): List Season(s), Name and Date of pre-approved challenge/event/program or tracking website/app: _____ / _____

Option 3 Total: \$ _____

*Annual/Lifetime membership or fitness class pass counts as three (3) checks

** Contact Benefit Services (benefits@mtu.edu) for pre-approval