

WELLNESS CASE STUDY

Times Supermarket, Hawaii

Times Supermarket has twelve supermarkets and two liquor stores in Hawaii, with approximately 1,100 employees. The company introduced its wellness program in 1997 when it provided medical coverage through two of the state's largest insurers, Kaiser and HMSA. In 2004 the company became self-insured.

Times has a two-tiered cost share program, where employees who elect to participate in the wellness program pay a lower share of the health insurance premium. Tier 1 is for single employees whose cost-share is \$200/year; Tier 2 is for families whose share is \$500/year.

Employees enter the program by using a pre-printed lab form with a special code and a required space for their doctor's name. The doctor receives the lab results and a special card which is kept until the employee completes the doctor visit. The doctor signs off on the card, gives it to the employee who then takes it to his/her employer, and the employee is enrolled in the program.

There is no copayment due from the employee for either the lab tests (\$26) or doctor visit (varies); these costs are borne by the company as an investment. To remain enrolled, employees must see their doctor yearly (over 50 years old), every two years (40-50 years old), or every three years (anyone under 40). Employees are eligible for free medication as long as they participate in classes or other wellness activities.

Employees are given a 4-5 month window during which to follow up with their doctor. "Delinquency Notices" are sent two months later for those who haven't done so; then again two months after that. Finally, after another two months, a "Final Notice" is sent advising the employee that cost-sharing will begin and will be deducted from their paycheck. Times has enjoyed a 97% participation rate for each of the past 5 years.

Since 2004, Times Supermarket has seen lower-than-average ("low single digit") increases in its health insurance premiums each year. Clifford Hiyashi, Times' HR Director, states, "The reward is much more than the amount of money saved" by the program.