

Employees rewarded, penalized to improve health

May 1 2012, By Bob LaMendola, Sun Sentinel

Walk for an hour a day, get \$200 from your employer. Go for an annual checkup, get a \$10 gift card. Indulge in tobacco, pay an extra \$20 a month for health insurance.

Companies are increasingly using carrots and sticks to induce their workers to more closely monitor their health and to adopt healthier lifestyles, in hopes of lowering medical [insurance costs](#), according to some benefits experts.

Employees reap cash and prizes as a reward for good behavior, and those who don't cooperate may be penalized. And in more workplaces, employees are being asked to participate in blood tests, screenings and questionnaires that their insurers - and sometimes employers - can use to gauge their medical status.

But some unhappy employees call the practice an invasion of privacy. Bradley Seff, a former Broward County, Fla., court reporter, filed a federal lawsuit challenging a 2009 county policy of charging employees \$20 extra per pay period if they refused to get a finger-stick blood test for cholesterol and diabetes.

"Even if they had the best of intentions, it's none of their business. People's medical records are private and not the business of the employer," Seff said. "You can't tell me somewhere along the line some employer isn't going to use that information against you and hire another person instead of you."

Attorneys said Seff's suit will be a national test case of employers' right to demand workers get medical screenings. The case comes up for oral arguments in Miami this month.

For now, experts said they expect to see even more of this. Two national surveys found that by 2016, as many as 64 percent of larger companies plan to start using rewards and 46 percent plan to start penalties.

"With the population aging and a trend in the United States to be less and less healthy ... more and more employers are jumping on the bandwagon of [health management](#)," said Matthew Snook, a partner at the Florida office of Mercer, a health benefits consulting firm.

Mercer's survey of 2,900 companies found that 43 percent give discounts on [health insurance](#) premiums and 40 percent award cash or gifts to employees who participate in health screenings or healthy behaviors, such as exercise, weight-loss and quit-smoking programs. About 12 percent charge smokers more for health insurance, usually \$10 to \$20 a pay period, Snook said.

An Aon Hewitt survey of more than 1,000 employers tallied similar results, and also found 22 percent had programs to reward employees for achieving specific targets, such as lowering "bad cholesterol" below the 130 level or normalizing high blood pressure.

"How much of a role should big brother have in your health? Employers are often plan sponsors and laying out a lot of money for this coverage. It's reasonable for them to decrease that expense level if they can," Snook said. "The employee benefits by getting an improved quality of life. There's a lot of benefit across the board, for employer and employee."

American Express last year paid employees as much as \$200 in their

health spending accounts if they walked just over two miles a day.

The company's Plantation, Fla., office had the highest participation in the nation, with two-thirds of the 3,000 workers walking more than 44,000 miles, spokeswoman Anne Marie Taglienti said. This year, the company will give employees a one-year free membership to Weight Watchers, as well as other rewards.

The Broward County government is part of a Humana program that rewards employees who participate in walking, flu shots, doctor visits, blood tests and preventive screenings such as mammograms. They get gift cards at restaurants, gas stations, movies and stores.

Workers who amass a lot of points get entered in drawings for prizes such as Caribbean vacations and cameras, said Kevin Kelleher, county human resources director.

"Awareness, and change your bad behaviors for good behaviors, that's the whole idea," Kelleher said. Broward also charges smokers a \$20-per-paycheck surcharge.

Whether employers can continue such practices may be decided by Bradley Seff's case. His lawsuit alleges that Broward illegally coerced employees to take a blood test and health status survey by charging those who refused an extra \$20 per paycheck. He refused to pay on principle.

The lawsuit calls the surcharge a violation of the Americans with Disabilities Act, which prohibits employers from asking about or testing for disabilities. The county has denied the penalties were discriminatory. County attorneys declined to comment. The county dropped the surcharge in January 2011 soon after Seff sued, and instead offers discounts to employees who participate.

A judge ruled in favor of the county last year on a technicality, saying the practice was exempt from the ADA because it was part of a health insurance program. Seff, who has retired on disability due to neck and back pain and moved to North Carolina, appealed.

"This can't be allowed," Seff said. "What's going to happen next? They're going to go after people who are overweight or don't eat their vegetables?"

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