

# Ready To Launch: The State of Colorado Employee Wellness Program

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In January 2013, Nate Sassano began a new role as the Statewide Wellness Coordinator for the State of Colorado, and he immediately faced a challenge: his supervisors in the Colorado Department of Personnel and Administration (DPA) wanted him to create a new employee wellness program by July 1, 2013. Sassano had known that he would be responsible for crafting the initiative, but the rapid timetable surprised him. “My first thought,” Sassano later recalled, “was, ‘you didn’t tell me that in the interview, but we’ll get it done.’”<sup>1</sup> Thus, Sassano quickly faced pressing questions. How should he setup and structure a program that would require collaboration among a wide array of State agencies and private sector stakeholders? How would he and DPA rollout the program in just half a year, and what should they prioritize? Once the program was launched, how would they scale it?

## Background

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A Cabinet-level agency, DPA “provides centralized human resources, information, tools, resources and materials needed for the State of Colorado to function.” During the 2013-2014 fiscal year, the agency had a \$160 million budget, including a \$60.2 million allocation for the Division of Human Resources. This is the unit in which Sassano and the wellness program were based.<sup>2</sup>

### January 2013 – July 2013:

## Designing and Launching the Wellness Program

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Although the rapid timetable for creating the wellness program surprised Sassano, the State had been contemplating the possibility of establishing such an initiative since soon after Governor John Hickenlooper took office in January 2011. From the perspective of Hickenlooper and other State officials, offering a wellness program was important in part because, amid a challenging fiscal climate, State employees had not received a raise in several years. A wellness program—which would include up to a \$240 reward for participation, including completing a Health Risk Assessment (HRA)—represented a new benefit that the State could offer to hard-working staff. The State also anticipated some long-term fiscal advantages to the program if it improved employee health and therefore decreased disability claims and sick leaves. Finally, given that Colorado prides itself on its active lifestyle and that many other states were already offering an employee wellness program, there was a sense, Sassano recalled, that Colorado was “behind the eight ball” and therefore needed to launch the initiative.

*“It was a matter of shuffling the pieces on the chess board to make sure that we had the pieces and parts that we needed to successfully launch a program.”*

– Nate Sassano

Statewide Wellness Coordinator, State of Colorado

Nonetheless, the plan to launch the program by July 1 meant that Sassano had to work quickly.<sup>3</sup> He therefore began meeting with different State agencies’ HR directors with hopes of learning what wellness programs, if any, they were already offering. DPA also connected with representatives of Colorado Workers

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[1] Interview with Nate Sassano, Statewide Wellness Coordinator, Division of Human Resources, Department of Personnel & Administration, State of Colorado, by telephone, May 23, 2016. Hereafter cited as Sassano interview. Unless noted, subsequent quotations from and attributions to Sassano come from this interview and a separate telephone interview conducted on August 2, 2016.

[2] “Cabinet,” Colorado Governor John Hickenlooper, State of Colorado, 2016, available at <https://www.colorado.gov/governor/cabinet> (accessed on August 25, 2016); “About Us,” Department of Personnel & Administration, State of Colorado, 2016, available at <https://www.colorado.gov/pacific/dpa/aboutus> (accessed on August 25, 2016); and “Department of Personnel & Administration FY 2013-14 Strategic Plan,” State of Colorado, p. 5, available at <https://www.colorado.gov/pacific/sites/default/files/13%20House%20Bus%20DPA%20Strategic%20Plan%20FY%202013-14.pdf> (accessed on August 25, 2016).

[3] State officials targeted July 1 for the launch because that was when the new fiscal year began. Sassano interview.

for Innovative and New Solutions (WINS)—the main advocacy group for State employees—to learn what offerings they thought would be most helpful to workers seeking to improve their health.<sup>4</sup> This dialogue revealed that many State agencies did in fact have elements of wellness programs but that there was no coherent program or platform that bound those offerings together. One of DPA’s main tasks, Sassano realized, would therefore be discerning a way to create a common access point for all State employees while respecting the needs and approaches of the different agencies. “It was a matter of shuffling the pieces on the chess board,” Sassano explained, “to make sure that we had the pieces and parts that we needed to successfully launch a program.”

At the recommendation of then DPA Executive Director Kathy Nesbitt, Sassano next reached out to the State’s two health insurance providers, United Healthcare (UHC) and Kaiser Permanente (KP). Nesbitt suspected that the groups might be familiar with a provider or platform that could help to unify the State’s diverse offerings and increase engagement.<sup>5</sup> Her intuition proved correct. The insurance providers helped the State connect with Welltok, a highly regarded firm that had created CaféWell, a “health optimization platform” that allowed insurance companies and “population health managers to guide and incentivize consumers to optimize their health.”<sup>6</sup> The company also possessed significant experience working with the public sector.<sup>7,8</sup> Thus, Welltok had the platform, the skills, and the experience to help DPA launch the wellness program.

DPA next had to figure out a way to structure the partnership. Because of the tight timeline, the agency did not have an opportunity to issue a Request for Proposals (RFP) and establish a direct contract with Welltok. Instead, following a winter 2013 meeting, the parties reached an agreement whereby they would proceed with an innovative approach: UHC and KP—using funds that had already been allocated for their wellness programs for State employees—would work with Welltok to create a single wellness platform for the State.<sup>9</sup> According to Robyn Harmon, then a Health Strategies Consultant with UHC, the insurance companies were excited to contribute to this partnership because their “mission is to help people lead healthier lives,” and that sometimes requires “think[ing] outside of the box.”<sup>10</sup>

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[4] “About WINS,” Colorado WINS, available at <http://coloradowins.org/about/> (accessed on August 25, 2016).

[5] Prior to Sassano’s arrival, Nesbitt had already been in dialogue with the insurance providers about the possibility of crafting an employee wellness program. This included a high-level meeting involving Nesbitt and several senior UHC and KP leaders where the State communicated that they wanted to create a wellness initiative supported by a platform that any State employee could access, regardless of the insurance provider from which they received benefits.

[6] “Mission,” Welltok, 2016, available at <http://welltok.com/about/> (accessed on August 26, 2016).

[7] Interview with Michelle Snyder, Senior Vice President/Chief Marketing Officer, Welltok, and Drew Corbett, Director, Client Services, Welltok, by telephone, July 6, 2016. Subsequent quotations from and attributions to Corbett and Snyder come from this interview.

[8] Welltok recently ranked 235th on the Inc. list of the 5,000 fastest-growing technology companies. The firm also ranked 50th on Deloitte’s list of the 500 fastest-growing North American technology companies. Scott Rotermund, “Welltok Ranks High on Inc. 5000 List,” Welltok, August 2015, available at <http://blog.welltok.com/welltok-ranks-high-on-inc-5000-list> (accessed on August 25, 2016); and “Welltok Ranked #50 Fastest Growing Company in North America on Deloitte’s 2015 Technology Fast 500,” Welltok, November 2015, available at <http://blog.welltok.com/welltok-ranked-50-fastest-growing-company-in-north-america-on-deloittes-2015-technology-fast-500> (accessed on August 25, 2016).

[9] They reached this agreement, Sassano recalled, following a winter 2013 meeting at which Welltok delivered a powerful presentation and Kathy Nesbitt, the DPA Executive Director at the time, held a brief sidebar with representatives of the two insurance companies. To Sassano, this consultation and Nesbitt’s presence was emblematic of the critical role that the DPA Executive Director played in the process. Sassano reflected, “Kathy and I were speaking probably almost daily at that point when we were really trying to start to define those goals, which is pretty rare. She [was] executive director of a pretty large state agency and having that kind of access, I think is a little bit unheard of but really helpful in trying to launch a new program... I believe heavily, that without Kathy in place, I’m not sure we would have been where we were in July.”

[10] Interview with Robyn Harmon, Director of Client Development and Acquisition, Optum, by telephone, July 14, 2016. Subsequent quotations from and attributions to Harmon come from this interview.

Nonetheless, that multiple private sector partners—including two insurance companies that sometimes competed against one another—were willing to come together and employ a creative structure was refreshing and integral to the program’s success. Sassano reflected:

Without the partnership with UHC, Kaiser, Welltok, all those pieces and parts in place, I don’t think we would have had the success that we’ve had up front. We still would have had a wellness program. We would have had something that had a flyer, that had a list of options and those kinds of things. It would not have been the cohesive platform that we have today.

## Preparing To Launch

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While the agreement was a critical step, the State, the insurance companies, and Welltok still had to figure out a way to launch the platform by July 1. With that aim in mind, the stakeholders—which were meeting frequently and working to identify resources to put on the platform—quickly decided to focus on two priorities. The first was creating a web interface that all State employees could access online.<sup>11</sup> The second involved identifying the program’s metric for success in its first year: rather than initially targeting a wide array of health outcomes, they would focus prior to the launch and in their first year on maximizing employee participation. (They defined participation as having people join the platform and completing an HRA.) Looking back, Drew Corbett, the Director of Client Services for Welltok, felt that this focus was critical to guide the partners’ energy and allow them to navigate a tight timeline. “[It] allowed us to say,” Corbett recalled, “Everyone’s on board and we’ve got a really clear goal in front of us. Four months now feels like a lot of time rather than a very short amount of time.”

With these priorities in mind, the insurance providers and Welltok focused on fine-tuning the platform. Meanwhile, DPA planned a launch event on the steps of the State Capitol in early July. In advance of the event, which would include health vendors (e.g., massage therapists and bike rental companies) and a series of speakers, the team carried out a large email campaign and, at the recommendation of WINS officials, sent postcards to employees who relied less heavily on email. The event ultimately attracted approximately 1,000 State employees, generated substantial press coverage, and featured a memorable speech by Governor John Hickenlooper. What’s more, in a memorable moment during his address, the Governor removed his sports jacket and showed that he was wearing a wellness program t-shirt. “It was just a really cool way for him to put his weight behind the program and make it credible for employees,” said Sassano, who also ascribed broader significance to the Governor’s participation. He explained:

I really do believe that having the Governor involved in that initial marketing really helped employees take a step back and say, well if the Governor is willing to put his name to an email and to spend a few minutes speaking to this group of...1,000 employees out there that day on the Capitol. It gives, again, a little more weight. I think that helped a lot in getting folks to participate up front.

### August 2013 – June 2014:

## Engaging Employees and Structuring the Partnership

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With the program off of the ground, DPA and their partners shifted their focus to maximizing employee participation, which they defined as having employees sign-up for the program and complete an HRA.

In the past, both UHC and KP had offered State employees the opportunity to complete an HRA, but participation

[11] Interview with Christina Torizzo, Senior Workforce Health Consultant, Kaiser Permanente, by telephone, July 13, 2016. Subsequent quotations from and attributions to Torizzo come from this interview.

had been minimal. Thus, a critical question for DPA to address was how to engage more staff. Sensing that one of the concerns for State employees could be privacy issues, the team went to great lengths to assure State employees that the State would be analyzing aggregated health data and would not be looking at health data at the individual level. Sassano and his colleagues also realized that they had to increase awareness. They therefore created an extensive engagement campaign that involved email blasts and online marketing as well as a significant effort to connect with State employees in person. In particular, DPA and its partners held what Christina Torizzo, a Senior Workforce Health Consultant at Kaiser Permanente, described as “roadshows.” These were live demonstrations of CaféWell—often held at wellness fairs or an agency’s all-staff meeting—where DPA and its partners could answer questions about and illustrate the benefits of the health optimization platform.

*“It’s often like working with 20 different businesses, and each business has [its] own way of communicating information and culture....”*

– Nate Sassano

Statewide Wellness Coordinator, State of Colorado

Over time, DPA devised techniques to make deeper inroads in individual agencies. For example, the agency began identifying “Wellness Champions,” staff within each agency who could help to promote the program. The agency also adapted its messaging depending on the needs of different agencies. For example, it was typically possible to connect with personnel from the Department of Labor (many of whom had 9-5 jobs) through an email campaign or a lunchtime session. By contrast, DPA realized that it would be better to speak to staff from the Department of Corrections—many of whom had 12-hour shifts without an hour-long lunch break—at their shift changes. To Sassano, this was emblematic of the importance of becoming attuned to the needs of different agencies. “It’s often like working with 20 different businesses,” Sassano reflected, “and each business has [its] own way of communicating information and culture....”

This adaptive, multi-faceted engagement campaign paid dividends. Within weeks of launching the program, approximately 6,000 State employees had joined the platform and completed the HRA. Halfway through the initiative’s first year, approximately 35 percent of State employees were participating. Finally, at the one-year mark, participation had eclipsed 50 percent. DPA had significantly exceeded its goal of having 30 percent of State employees participate in the first year.

## **July 2014 – December 2015:** **Restructuring the Partnership**

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While the wellness program had generated significant progress with participation, DPA still saw the need to evolve. From the agency’s perspective, the most important change involved the structure of the partnership. In the first year, UHC and KP had held the contract with Welltok, in part because the State had faced an extremely tight timeline to get the program off of the ground. In the second year, however, the State chose to restructure the partnership so that it was contracting directly with the provider of the wellness platform. This was in part to make sure that DPA was full in compliance with all State purchasing rules. It also stemmed from a desire, as Sassano explained, to make sure that DPA was “driving the bus” and make “it a little bit easier for [the State] to pull on th[e] levers to move the program in the direction we wanted it to go.”

The State therefore issued a competitive RFP to have a company partner with DPA to form a more long-term partnership for the wellness initiative. The State was very careful to ensure that it did not favor Welltok in the process; nonetheless, Welltok emerged as DPA’s choice for the partnership because the firm’s bid came in at a low cost and made creative use of advanced technology. In particular, Welltok incorporated IBM Watson, technology through which a computer can analyze data quickly and respond to a customer’s question.<sup>12</sup>

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[12] For additional information on IBM’s Watson Technology, see “What is Watson?” IBM, available at <http://www.ibm.com/watson/what-is-watson.html> (accessed on August 25, 2016).

## 2016 and Beyond: Impact and the Path Ahead

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Buoyed by this deeper partnership, DPA and Welltok—which continue to work closely with UHC and KP—have made an enormous impact. Among other signs of progress, more than 60 percent of State employees have participated in the wellness program. In addition, in a survey of program participants, more than 88 percent of respondents reported that they found the program valuable, and 71 percent of respondents felt that their health had improved from participating. The survey also revealed another benefit: 60 percent of respondents said that their perception of the State as an employer had improved as a result of their participation in the wellness program.<sup>13</sup>

Sassano still sees room for improvement. Most notably, he would like to see the program shift toward an outcomes-based model where incentives are tied to health outcomes and improvements. Nonetheless, having made such a significant impact in such a short period of time, he and his partners are also positioned to offer insights about what it takes to make rapid change and progress in state government. According to Corbett, the Client Services Director for Welltok, one critical factor for pursuing a change involving multiple stakeholders is having the unified and firm backing of senior state officials. He explained, “There’s actually no better person in the driver seat than a state entity to say, ‘Let’s start making that happen. We are sort of going to force that chess game to start.’”

Other stakeholders pointed to the importance of balancing action and planning. As Harmon, the UHC official, said, “Sometimes you don’t necessarily know or have the time to build a strategy.” Looking back, Sassano offered a similar perspective, saying it might have been beneficial to have more of a runway to plan but that by getting the program started, they have positioned themselves to be more strategic. He explained:

It would have been great to have more time to start the program. We didn’t, and that’s okay. We got it off the ground. We are where we are. I’m happy with where we are. To be honest with you, at this point we’re taking a step back and saying, ‘Is this really the right direction? What other ways could we improve the program?’

Thus, DPA and its public and private sector partners took a risk and acted quickly and coherently. This has positioned them to help Coloradans become healthier and set an example for the rest of the country to emulate for years to come.

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– Drew Corbett  
Director of Client Services, Welltok

[13] “State of Colorado Takes Next Step to Become Healthiest in the Nation with Welltok,” Colorado Department of Personnel & Administration, State of Colorado, August 10, 2016, available at <https://www.colorado.gov/pacific/dpa/news/state-colorado-takes-next-step-become-healthiest-nation-welltok> (accessed on August 25, 2016).

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### Developed By:

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