

Wellness Rewards and Incentives

Wellness Programs offer dozens of rewards or incentives that all fall within three common categories: gift cards, cash, and actuarial incentives. BeniComp Advantage is an Actuarial Based reward, the most cost effective of incentive programs. Our clients see an IMMEDIATE ROI, and enjoy lower renewals, healthier employees, and an increase in productivity. For incentives to work, they must be great enough to induce the employee to change behavior. Actuarial incentives provide the most ROI for the least cost:

Gift Cards are the most expensive:

- They are funded by “present value” dollars meaning that the entire incentive is funded upfront
- The retailer may go out of business (ex: Circuit City)
- The employees lose and incur administrative expenses
- Each \$1 costs the employer approximately \$1.60 and may be taxable

Cash is an additional benefit

- Each dollar of incentive costs \$1, and may be taxable

Actuarial Incentives add a supplemental policy to reward health plan deductibles.

- Cost is \$.20 - \$.30 per \$1 because the incentives are actuarial insurance premiums
- Contributions are tax deductible
- The value is not “spent” until there is a claim
- There are additional discounts from the underlying insurance company

Outcome based Wellness coupled with actuarial incentives increases participation to almost 100%.

The incentives are great enough to drive lifestyle change and the cost to employers is lower than other incentive programs. Healthier employees are more productive and the robust reporting documenting the effect on claims that BeniComp Advantage provides drives flat renewal rates.

Outcome-based wellness may also qualify for discounts on workers comp premiums, and our Proactive Disease Management avoids the claim, which is better than mitigating expense.

For more information, contact a Benicomp representative at:

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