

Response to OMB comments

a) We appreciate the attempt to edit the language, however, our concerns remain. See our edits on pages 2 and 3 of Section A.2. It seems more accurate to say something like what we have edited below, but will such limitations satisfy HHS' obligations, at least in the interim? What, specifically, does Section 1201 say? If it will not satisfy, we should reassess whether there are ways to increase the utility of this project.

"The report will provide insights into the potential impact of workplace wellness programs on health-related behaviors (such as smoking and exercise) and health risk factors (such as obesity and high cholesterol) and employer perceived effectiveness to reduce cost of medical care and cost of health coverage, as a step toward meeting the requirements specified in Section 1201 of the Patient Protection and Affordable Care Act (Affordable Care Act). The report It will also summarize the state of available knowledge regarding the impact of incentives on program participation and health risk factors, based on the following four activities:"

Your edits clarify the scope of the research and we accepted all of them. In conjunction with other part of the project, in particular the analysis of existing data on program use and program impact on health-related behavior, health risks and costs, we believe that the requirements specified in Section 1201 (listed below) can be met.

Text of Section 1201 referring to the project

“(m) REPORT.—

“(1) IN GENERAL.—Not later than 3 years after the date of enactment of the Patient Protection and Affordable Care Act, the Secretary, in consultation with the Secretary of the Treasury and the Secretary of Labor, shall submit a report to the appropriate committees of Congress concerning—

“(A) the effectiveness of wellness programs (as defined in subsection (j)) in promoting health and preventing disease;

“(B) the impact of such wellness programs on the access to care and affordability of coverage for participants

and non-participants of such programs;

“(C) the impact of premium-based and cost-sharing incentives on participant behavior and the role of such programs in changing behavior; and

“(D) the effectiveness of different types of rewards.

“(2) DATA COLLECTION.—In preparing the report described in paragraph (1), the Secretaries shall gather relevant information from employers who provide employees with access to wellness programs, including State and Federal agencies.

b) Both questions H4-H7 of the employer survey and questions 8 and 9 of the informant discussion guide deal with certain aspects of the reduction in the cost of medical care and the cost of coverage.

2011 Employer Health and Wellness Survey: With respect to questions H4- H6, it seems to ensure comparable measurements HHS would want to walk the respondent through its preferred approach to determining annual costs. For instance, start with the categories in H6, and after each one provide a description of what figure you want them to give you, with the options of “no data available” or “do not wish to provide”. Under this model, one would delete question H4 and H6, and change H5 to something like the following: (note that OMB is not suggesting these specific formulas; they are simply to give you an example of what we mean.)

H5. We’d like you to try to quantify or estimate your annual savings from the wellness program, using the following method:

- Savings from the reduction of your company/organization’s medical costs [give them a formula – e.g., number of employees who use the program x premium reduction paid by employer]

- *Savings from the reductions in absenteeism [give them a formula --]*
- *Savings from the improvement in productivity [give them a formula – e.g., number of reduced absences per participant x average daily salary for skill category X + overhead + etc OR comparison on annual absences divided by total number of employees from year x and year y or whatever]*
- *Savings from the reductions in employee turnover [give a formula]*
- *Other, please specify: _____*

We agree with your comment that questions H4-H6 were not sufficiently clear and did not provide enough guidance for respondents to give us comparable data. Based on your guidance, we have consolidated the three questions into one and now ask specifically for the impact of the programs in the different categories expressed as relative change, which is how program vendors often report impact, and in monetary terms.

We have, however, not provided an explicit formula by which to calculate program impact. While a standardized calculation would be preferable from a scientific perspective, there are two obstacles to implement this approach without causing undue burden for the respondents. First, in many cases the programs are operated by vendors who report estimated savings back to an employer. Our typical respondent will be a human resources official, who receives those vendor reports, but won't necessarily have access to the calculations behind the reported numbers. So it would be difficult for our respondents to re-calculate the numbers based on a specified formula. Secondly, our respondents will not be in a position to validate those vendor-reported estimates. Vendors commonly use proprietary methods to calculate savings that are based on changes to a predicted cost trend or monetary conversion of gains in health. But there is a wide variety of methods both for calculating savings and for attributing them to the wellness program. Our respondents are not likely to be familiar with those methodological details.

Therefore, we ask only about the estimates as available to the respondents, realizing that they represent employer perceptions rather than validated calculations. Actual calculation of wellness program impact on health and cost will come from the analysis of existing program data.

For question H7 (copied verbatim below), it isn't clear what is meant by "effectiveness" – is it an increase in annual savings over that reported in H5 or an increase in one component of annual savings or is this a perception question? If the latter, please clarify how HHS will characterize the results in a way that provides guidance to Congress.

As you pointed out, the original question was indeed unclear. We have rephrased it to ask explicitly about employers' perceptions on factors that interfere with their program's ability to improve health-related behavior and health? (now H5)

Similarly, for the Key-Informant Discussion Guide, questions 8-9 (copied verbatim below) we suggest a more detailed protocol for walking them through how the agency wants them to calculate costs and benefits of the programs to ensure comparable data.

We have implemented that suggestion. We also now split the two questions into impact of health outcomes and impact on cost and affordability.